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# SENATE—*Wednesday, May 30, 1973*

The Senate met at 12 o'clock noon and was called to order by the President pro tempore (Mr. EASTLAND).

## PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Eternal Father, we thank Thee for the gift of another day with its opportunities for growth in character and service. Give us the courage to expel all that corrupts and defiles and to cultivate only that which enhances, enriches, and elevates the life of the Nation. Show us how to strengthen and undergird the spiritual and moral life of our times. We pray for that wisdom which comes from above, that in our daily work we may study "to be approved unto God, workmen that need not be ashamed, rightly dividing the word of truth." Cause us to hear Thy word and to follow where it leads. May the crowning glory of each life be an inward goodness and outgoing service in the spirit of the Man of Nazareth.

We pray in His name who went about doing good. Amen.

## MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States, submitting nominations, were communicated to the Senate by Mr. Marks, one of his secretaries.

## EXECUTIVE MESSAGES REFERRED

As in executive session, the President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of Senate proceedings.)

## MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had passed a bill (H.R. 6912) to amend the Par Value Modification Act, and for other purposes, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the following concurrent resolutions, in which it requested the concurrence of the Senate:

H. Con. Res. 110. Concurrent resolution providing for the printing, as a House document, of the eulogies and encomiums of the late President of the United States, Harry S Truman;

H. Con. Res. 132. Concurrent resolution providing for the printing, as a House document, of a revised edition of "The Capitol"; and

H. Con. Res. 200. Concurrent resolution providing for the printing of the compilation of the social security laws.

## HOUSE CONCURRENT RESOLUTIONS REFERRED

The following concurrent resolutions were severally referred to the Committee on Rules and Administration:

H. Con. Res. 110. Concurrent resolution providing for the printing, as a House document, of the eulogies and encomiums of the late President of the United States, Harry S Truman;

H. Con. Res. 132. Concurrent resolution providing for the printing, as a House document, of a revised edition of "The Capitol"; and

H. Con. Res. 200. Concurrent resolution providing for the printing of the compilation of the social security laws.

## THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, May 29, 1973, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

## COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

## INDEFINITE POSTPONEMENT OF SENATE RESOLUTION 106

Mr. MANSFIELD. Mr. President, I ask unanimous consent that Calendar No. 127, Senate Resolution 106, urging the Attorney General to appoint a special assistant in connection with the Presidential election of 1972, be taken from the calendar under the general orders and indefinitely postponed.

The PRESIDENT pro tempore. Without objection, it is so ordered.

## CONTINUING AUTHORIZATION OF APPROPRIATIONS FOR WATER RESOURCES PLANNING

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 163, S. 1501.

The PRESIDENT pro tempore. The bill will be stated by title.

The assistant legislative clerk read as follows:

S. 1501. To amend the Water Resources Planning Act to provide for continuing authorization for appropriations.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with amendments, on page 1, line 6, after "1973", strike out "and such annual amounts as may be authorized by subsequent Acts"; and, in line 8, after the word "the", strike out "word 'annually' " and insert "words 'in fiscal year 1974' "; so as to make the bill read:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 401 of the Water Resources Planning Act (Public Law 89–80; 79 Stat. 244; 42 U.S.C. 1962d) is amended to delete, immediately after the phrase "(c) not to exceed $3,500,000," the words "in fiscal year 1973" and to insert the words "in fiscal year 1974" in lieu thereof.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill to amend the Water Resources Planning Act to authorize appropriations for fiscal year 1974."

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 93–174), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

### PURPOSE OF THE MEASURE

The purpose of S. 1501, which was recommended by the Administration, is to remove the requirement for annual authorizations for a portion of the appropriations requested by the Water Resources Council to carry out certain functions assigned to it under the provisions of the Water Resources Planning Act of 1965 (79 Stat. 244, as amended).

### BACKGROUND

The Water Resources Planning Act of 1965 has the following general provisions:

Title I established the Water Resources Council. The Council is composed of the Secretaries of the Interior, Agriculture, the Army, HEW, Transportation, and the Chairman of the Federal Power Commission. It is supported by an executive director and staff which constitute a separate agency. The Council has important administrative duties to maintain an assessment of the Nation's water resources to review and establish standards and procedures for Federal water resources development, and to review comprehensive river basin plans.

Title II authorizes the establishment of joint Federal-State river basin commissions to perform comprehensive water resource development activities in the regions. Each such commission shall have a chairman appointed by the President as Federal representative, and a representative from each State and each Federal agency represented and from each interstate agency created by compact. (River basin commissions have been established in seven basins thus far. In the other basins ad hoc committees are performing the function.)

Title III provides for a program of grants to the States amounting to $5 million annually to finance not more than 50 percent of each State's comprehensive water resource planning program.

Title IV of the act includes miscellaneous provision including the authorization of appropriations. The existing limitations are—

$1,500,000 annually to carry out the Council's general administrative duties under titles I and II; and

$6,000,000 annually to carry out title II, further limited to not more than $750,000 for any single river basin commission.

$3,500,000 in Fiscal Year 1973 and such annual amounts as may be authorized by subsequent acts for comprehensive river basin planning and national assessments of water resources.

The last amount was added to the authorization by the Act of August 20, 1972 (85 Stat. 77.) That amendment increased the authorization of appropriations for the operation of the Water Resources Council to provide funds for two functions which the Water Resources Planning Act of 1965 directs the Council to perform but which were previously funded through the appropriations of the member agencies of the Council.

The 1972 amendment authorized additional appropriations to the Council totaling $3,500,000 in Fiscal Year 1973. Of this amount, not more than $2,500,000 is available to fund work on the assessment of national water resources supplies and demands required by section 101(c) of the Planning Act. The first of such assessments was completed in 1968. Work on this assessment was supported by the member agencies of the Council through contributions of personnel and services funded by their appropriations.

No subsequent assessments have since been made. The 1968 report remains the principal source document for water resources planning at all levels of government. A second assessment is badly needed to profit from the experience gained in performing the first, largely experimental, effort; to reflect the extensive public attitude and policy changes, particularly in environmental demands on water resources management, which have evolved since 1968; and to incorporate new data which has become available in the intervening years.

The remaining $1 million is provided to enable the Council or the existing River Basin Commissions to provide direction and coordination in regional comprehensive water resource planning. This role was previously taken by one of the member agencies which obtained funds through its own appropriations process. The assumption of direction and coordination in comprehensive planning by the Commissions and the Council is expected to improve the multiobjective approach to such planning and enhance the influence of the State participants.

The Congress in the 1972 amendment limited the new authority to Fiscal Year 1973 funds only. The report of the Senate Interior Committee, however, recognized that the funds would be required on a continuing basis. The report (Senate report No. 92–826, 92d Congress 2d Sess.) commented as follows:

"The committee has amended S. 3384 to limit the authority for the additional amounts to fiscal year 1973. The committee recognizes that these amounts also will be required in subsequent years. The committee has notified the chairman of the Council, however, that it intends to review the Council's recently proposed "Principles and Standards for Planning Water and Related Land Resources." This review will provide an opportunity for in depth legislative oversight consideration of the Council's full range of activities and their interrelationships."

### PROPOSED LEGISLATION

As proposed by the Administration, S. 1501 would have removed the requirement for an annual authorization act to provide these funds. It also would have provided continuing authority for appropriations of not more than $3,500,000 for these purposes in Fiscal Year 1974 and future fiscal years. The President's budget for Fiscal Year 1974, which is now before the Congress, includes a request for $3,170,000 in anticipation of this authority.

### COST

The funds provided under this authorization are necessary to carry out existing duties assigned to the Water Resources Council by law. Funding of the costs of these duties through appropriations to the Council will be balanced by reductions in the expenditures of the various member agencies which have formerly supported the work.

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## DEMOCRATIC KICKOFF DINNER, MAY 23, 1973

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the remarks I made at the Democratic kickoff dinner on May 23, 1973, be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

### REMARKS OF SENATOR MIKE MANSFIELD

It seems that to make a public statement at this time means to make a reference to Watergate. All the roads lead in that direction. The chickens of last November have all come home to roost on that perch.

But I am not going to dwell on an American tragedy—a Watergate tragedy—now in the hands of the courts and the Ervin Committee. It could not be in better hands. Judge Sirica knew what he was about. Senators Ervin, Talmadge, Inouye and Montoya know what they are about and so, too, may I say, do their three Republican colleagues, Senators Baker, Gurney, and Weicker.

There is only one point to underscore tonight. It is the make-up of the Ervin Committee. It is the numbers. It is the ratio. There are four Democrats and three Republicans on the Committee.

A single vote separates four from three but it tells of a world of difference.

That one vote is a measure of the margin of a modest Democratic majority which exists in the Senate in the 93rd Congress as it does in the House.

That one vote affirms the presence of the counterfoil of a Democratic Congress to the dangers of unilateral Executive power during the remaining three years of a Republican Administration.

That one vote attests to the struggle of the Democratic Congressional Majorities to hold back the ruthless demolition of the structure of human concern which this party has labored to construct.

That one vote on the Ervin Committee tells, finally, of the wisdom of the people of the nation who, last November, voted their continued trust in the Democratic Party in Congress in the face of a torrent of tainted dollars.

Last November people asked for a government of political checks and balances and a constructive opposition. They are getting it insofar as the Democratic Leadership in Congress is concerned; they are going to continue to get it.

That is what tonight is all about. It is about the election of the 94th Congress a year and a half hence. It is about the need to hold and to strengthen the Democratic Majorities in the Congress.

It is about your support in that effort. Your presence in such numbers here speaks eloquently and we who are trying to hold the line in the Congress are most grateful for your faith. We are grateful, too, for the close cooperation of the National Committee in this endeavor. Under the leadership of Bob Strauss, the pieces of the National Democratic Party have been picked up. Bob Strauss has joined with the House and Senate Leaders and with the Democratic Governors in putting together a new pattern of united democratic strength for the next Presidential election.

For this extraordinarily successful dinner, tonight, we owe much to Wayne Hayes of Ohio, Lloyd Bentsen of Texas, to Tip O'Neil of Massachusetts and to Fritz Hollings of South Carolina. All have given an extra measure of dedication to the party. The efforts of these men can be seen by those of us who work with them in the Congress. They know that they have our deepest appreciation.

But how do we thank those who are not in political life? How do you thank those who take time out of personal affairs to work for Democratic Majorities in Congress? How do we thank Lorne Green, Burl Ives, Freda Payne, Milton Berle and all the others for coming East for this night? How do we thank a Roz Wyman?—A Roz Wyman who has been tireless in her efforts? How, finally, do we thank all of you who come from near and far to join in this opening drive of the 1974 elections?

There is one way. The Democrats in Congress will do, as a party, whatever we can do to purify, to renew and to strengthen the political processes of the nation. The people's trust in decent government, in constructive government, must be restored. With your help, it will be.

I can tell you I have never been more happy than I am tonight to join with you and the millions throughout the nation in wearing the badge of the Democratic Party and never, have I been more sure of the vital role of the Congress in this government than I am tonight.

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## DISAPPOINTMENT IN THE ROLE OF CONGRESS—LETTER FROM A STUDENT

Mr. MANSFIELD. Mr. President, I am in receipt of a letter from a student at the University of Montana in which he expresses his disappointments in the role of Congress and the functions of government in general.

I do not intend to put his letter in the RECORD, but I ask unanimous consent that my reply to him be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEAR ED: This will acknowledge your letter of the tenth in which you expressed your concern about various matters. Before I endeavor to answer, in brief, the questions which you have raised, allow me to say that I, too, have been concerned about all the matters which you called to my attention and for a long period of time.

You state that you are totally disgusted and "disillusioned with the United States Congress." I can only say that the Congress is made up of diverse people with diverse backgrounds, elected by the citizens of their district and state, and answerable to those people at all times, as well as at stated intervals. In other words, what we do is subject to the final judgment by the majority of the people whom we have the privilege to represent. I, too, expected a lot more out of the Congress but I have always functioned on the basis that the majority rules and even though I think its decisions may be wrong on occasion or not to my liking, I have adhered to them because I believe this is a government of laws and not of men. With all our weaknesses, and every democracy has them, I believe that the checks and balance system, the representative form of our government, the Constitution of the United States, and the Declaration of Independence all are bastions to which we should fasten ourselves and if they get out of balance or are not adhered to, we should endeavor to restore that balance and bring about that adherence. Our democracy operates on a very delicate balance and is, at best, a fragile instrument on which to function but, at the same time, I know of no better system of government in the world.

You are correct when you say that what has happened is that the Executive Branch has assimilated more and more strength. In explanation, I think that I should state that the reason why this has come about is that since the days of Franklin D. Roosevelt, over four decades ago, the Congress, unfortunately, has allowed much of its Constitutional power and responsibility to veer in the direction of the Executive. What we are trying to do now is to restore the balance, based on the Constitutional equality between the two branches. We are now in the process of trying to bring about that correction, but I must say that it is easier to give away than it is to take back. However, we are endeavoring to bring about this rectification and will continue to do so.

I would disagree with your comment that Congress is nothing but "a group of babbling idiots and that they are pure politicians, far more concerned with their political futures and special interest groups than with morality, humanity, justice, or the people of the United States (except the businessmen, of course)." It is true that we all have in mind the "votes in the coming election" to which you refer but it is also true, in my opinion, that by and large the Congress is made up of honorable men and women who do the best they can according to their individual ideas and who are, I must repeat, answerable to the people for what they do and do not do. It is my belief that the Congress is reasserting itself both in the field of domestic and foreign affairs but, I must reiterate, it is a slow process.

I am in full accord with your views about the bombing of Cambodia which has no legal or Constitutional basis and I can find no excuse for what we are doing there. However, since you wrote your letter, you must be aware of the fact that we are attempting to do something to bring this undeclared war to an end both in the House and in the Senate. My position on Cambodia and the whole Indochinese situation has been one of opposition from the very beginning because our vital interests are not affected and, in my opinion, we have never had any business in that part of the world.

I hope, most sincerely, that you have not "had it with the government," because if we despair too much, then there is no hope. We must adhere to the Constitution. We must believe in our representative form of government. We must believe in democracy and no matter how down in the "dumps" we feel personally, we cannot afford to give up hope and faith in this government of ours. We are endeavoring, in further response to your letter, to take some of the war making powers out of the hands of the President, and to that end the Foreign Relations Committee on May 15 reported out by a vote of fifteen to nothing a bill seeking to work towards that end. The Constitution states that only the Congress has the power to make war.

I agree with you that Executive Privilege has been carried entirely too far and, there again, we are making efforts, strenuous efforts, to bring about a correction of that situation.

As far as the Watergate affair is concerned, I was responsible for the creation of the Select Senate Committee now conducting hearings, and I was responsible for Senator Ervin being Chairman and for the appointments of the three Democratic Senators on that committee.

As far as I am concerned, I want to assure you that I am not in accord with your statement wherein you say, "I know that Congress will fulfill its traditional role and do nothing." We intend to get to the bottom of this American tragedy. We intend to make every effort to restore Congress' authority, especially the Senate's, in the field of foreign policy. We intend to do what we can to rip out corruption and malfeasance in government end to bring the war in Cambodia and Laos to an end.

I find it difficult to write this letter because I share your deep concern I have had more than my share of disillusions. I worry about our Nation and its future, but I cannot, I must not, and I will not give up hope. I believe in this country. I believe in our Constitutional democracy. I believe in representative government, and, most important, I believe in the people of this Nation. After all, it is they who are the judge and jury as far as their elected representatives are concerned, and I would only hope that the people of this country would take those great responsibilities to heart, participate in the electoral process, and send the kind of people to their State Assemblies, the Congress, and the White House in whom they will have faith and confidence.

We, do, indeed, face perilous times at home and abroad. I only hope and pray that we will be able to live up to our responsibilities to the end that the words of the Declaration of Independence and the Constitution of the United States will be adhered to to the fullest possible extent and that what we do legislatively will be based on these documents.

I know that I have not answered your questions as fully and as comprehensively as I should but I hope that I have given you some idea of my philosophy, my feelings and my hope.

I want to thank you for taking me into your confidence, for your candor, and to assure you that I will continue to do the best I can as a Senator of the United States and as a Senator from the State of Montana to bring about a Constitutional balance between the Executive and Legislative Branches of our government.

With best personal wishes, I am,

Sincerely yours,

Mike Mansfield.

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## THE ECONOMY

Mr. MANSFIELD. Mr. President, everything seems to be centered on Watergate. But I think we ought to keep in mind that other factors could and should be considered as well. According to the polls, the high cost of living far and away leads the concerns of the American people as a whole; and well it might, because the inflation at the present time is somewhere in the vicinity of 8 percent, and going up. Profits for the first quarter of this year are 11 percent, and going up. Gold is at $113 but had reached a previous high of $128, and it seems to be going up. Interest rates are going up. Unemployment at 5 percent is supposed to be steady; but I think that if we consider the underemployed and those who have just got tired of looking for a job, the figure would be somewhat higher. The stock market is down. The balance of payments is down. The confidence in our Government and its handling of the economy is down.

It appears to me that the only stabilizing factor, as far as the Government is concerned at the present time, is the Congress of the United States. I would hope we would not lose sight of the effect which the economy is having on all our people, and would try to do something to rectify the situation which now exists.

Frankly, I have not one iota of confidence in phase III of the economic program. I have no faith in the "flexibility" under which it is suppose to operate. I certainly have no faith on the basis of a "club in the closet," because flexibility has not been used and, so far as I know, the club is still in the closet. The cost of living is going up. The cost of everything is going up. People's savings are being diminished. In my opinion, we face a most critical, a most serious, situation. I must say that the administration is doing nothing whatsoever to face up to its responsibilities in this field. This is a matter which affects all Americans, and is going to affect them more in the weeks and months ahead, unless something is done.

If the administration wants to do something, Congress stands ready to go not only half way, but more than half way, to make certain that this upward trend is reversed and that something in the way of stability is achieved.

This is a most serious question, and I would urge my colleagues to give it the most serious consideration. I would urge the administration to bring about a return to something at least on the order of phase II, which achieved a fair degree of success in holding prices and wages down, and to veer away from phase III, which is totally and wholly ineffective.

Some times in humor we can learn a great deal in substance. I ask unanimous consent that a commentary by Charles Osgood, of CBS News, which was broadcast on Saturday, May 19, 1973, relating to the economy of this country, be printed in the Record. While it is humorous, it is, economically speaking, not funny.

I also ask unanimous consent to have printed in the Record an article entitled "Inflation, Corruption, Top Issues," by George Gallup, and published in the Washington Post of May 20, 1973, be printed in the Record.

There being no objection, the items were ordered to be printed in the Record, as follows:

### Charles Osgood, CBS News, Reporting on the CBS Radio Network

The economy is heavy stuff, important to us
all,
But when it is discussed, why, then, asleep
we tend to fall.

When we hear about the price of gold or balances of trade,
Our eyelids droop, our vision blurs, and things begin to fade.

The GNP and discount rate are weighty subjects, which
Will cause most people's teeth to ache, their scalps begin to itch.

There seems to be a lot of economic news this season.
It is called the dismal science, and for very valid reason.

I'll be back in just a moment with analysis so deep
You'll find it far superior to merely counting sheep.

(Announcements.)

If you find economic news depressing, dull and bland,
Attend me now and I shall help you really understand
The fascinating interplay, exciting as can be,
Between the Cost of Living and the monthly GNP.

Such indices speak volumes and can certainly be trusted,
When they are rightly understood and seasonally adjusted.

These days one reads a lot about, and very much is made,
Of the regular unfavorable balances of trade.
We buy and sell, and sell and buy, there isn't any doubt.
But, sad to tell, less money's coming in than going out.

And if it all keeps on this way, the thing that makes me nervous is
We'll soon be out of money but have all the goods and services.

It is for reasons such as this, so hopelessly abysmal,
That economics came to be regarded as so dismal.
There are problems facing us. By "us" I mean the nation.
There is very troublesome distraction of inflation.

We know that prices rise and fall, but if I seem to frown
It's only that they're going just one way. I don't mean down!

It costs us big to buy a fig, a flower, fish or fowl
And to our grief the price of beef can make us want to howl.
It's obvious to anyone who tries to figure why
The folks who sell these things to us pay more for what they buy.
Regardless what the government's opinion or advice is,
The squeeze results in these suppliers jacking up their prices.

And labor asks for wage boosts, as they chase the cost of living,
And employers have to get more to give out what they are giving.

And plants cost more to build today—a great deal more, and how!
Tomorrow will be even worse; we'd better build one now.

And out they go to make their plans expand and borrow money.
And what that does to industry—well, it isn't even funny.

In every piece of news that comes the Stock Exchange is rocked,
For nobody is queasier than somebody with stock.
And yet he does not know what's right, does not know how to tell
If this is what he ought to buy or run right out and sell.

The government economists say things are good and strong.
And they may very well be right. Of course, they could be wrong.
But they are men of confidence and cold and steely nerve
And so are the fellows who direct the Federal Reserve.

With one eye looking overseas, where this week, we are told,
The dollar took it on the chin; the rush was on for gold.

As speculators like those Arab oil potentates
Traded in the currency of the United States
For something else they like a lot, for which they'd gladly settle:
A certain shiny, soft and heavy, yellow precious metal.

All kinds of reasons why—and explanations fill the air
As people try to tie it to the Watergate affair,
Suggesting that their confidence had thereby been eroded.
Trust, it seems, more easily than gold, can be corroded.

And while the simple folks may feel secure within their homes,
Who knows what these clever men in Zurich there, the gnomes,
Will do to further undermine the value of the dollar
So that all that you and I can do is take our licks and holler?

For Monies International, the monetary system,
Has many ways to make some loot, but somehow I have missed them.
If only interest rates could be more interesting sometime!
We cannot bring ourselves to care, not even when they're prime.

But wait a minute! Please don't doze! I have not mentioned yet
My theory about how to service this year's national debt.
I know you'll find it captivating, not the least bit boring.
But I'll save it for some other time; I see that you are snoring.

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[From the Washington Post, May 20, 1973]

### THE GALLUP POLL: INFLATION, CORRUPTION, TOP ISSUES

(By George Gallup)

PRINCETON, N.J.—Domestic concerns continue to top the list of most important problems facing the American public, according to the latest nationwide Gallup survey.

The high cost of living and inflation easily rates as the top problem with which the public feels the Nixon administration must deal. Six persons in 10 (62 per cent) name it as one of the nation's two top problems.

However, for the first time since the early '50s the issue of corruption in government, and more specifically the Watergate affair, is of concern to a substantial proportion of the public. Two other domestic issues, crime-and-lawlessness and drug problems, are of major importance. Along with governmental corruption, they are named by one in six persons in the survey, a frequency ranking them second on the list of the nation's most important problems.

Drug use and abuse, hardly mentioned in surveys of the nation's top problems during the 60s, has steadily gained prominence in the '70s as a public concern.

The question of corruption in government has not been of major significance since the early '50s, and not played an important role in a presidential election since 1952.

At the outset of the '50s, there were repeated charges of corruption and bribery in Washington. And in 1952, the anti-Truman forces coined the campaign phrase "Korea, Communism and Corruption."

In 1952, a survey of GOP county chairmen showed corruption in Washington to be regarded as the most potent issue the Republicans could use against the Democrats in that campaign. Additionally, a Gallup survey taken in January 1953, just before President Eisenhower took office, revealed 42 per cent of those who voted for Ike thought the issue of corruption had the most effect in their decision to vote for him.

Although Sen. George McGovern tried to make corruption in the Nixon administration a campaign issue in last fall's presidential race, only 3 per cent of the public named it one of the nation's top concerns in a Gallup survey taken in late September. And, as late as mid-February, only 1 per cent of the public named it one of the country's important problems.

The public's concern with the high cost of living and inflation is emphasized by recent Gallup surveys on various economic questions.

The median estimate of what a family of four needs per week to make ends meet has risen dramatically to a record high of $149 today. This represents nearly a 50 per cent increase since 1967, when the estimate was $101.

A Gallup nationwide survey in mid-February indicated two-thirds of those questioned (65 per cent) believed their taxes too high, and an early April survey showed 51 per cent of the public favoring stricter wage-price controls.

Since the signing of the peace agreement with North Vietnam in late January, public concern over the situation in Southeast Asia has abated. In the latest survey, only about one person in 14 names the war in Indochina as one of the two top problems facing the country.

As late as early January, in a survey conducted just prior to the signing of the peace agreement, 35 per cent of the public cited the war as America's No. 1 concern compared to 26 per cent who named inflation and the high cost of living.

The following questions were asked in the latest nationwide Gallup survey:

"What do you think is the most important problem facing the country today?"

"What do you think is the NEXT most important problem facing this country today?"

Following are the national results with the responses to both questions combined:

| | *Percent* |
|---|---|
| High cost of living | 62 |
| Crime and lawlessness | 17 |
| Drugs | 16 |
| Corruption in govt./Watergate | 16 |
| Pollution | 9 |
| Unemployment | 9 |
| Race relations | 8 |
| Other international problems | 8 |
| Southeast Asia situation | 7 |
| World peace | 6 |
| Welfare | 5 |
| Poverty | 5 |
| Energy crisis | 4 |
| "Big government" | 4 |
| General unrest in nation | 4 |
| Other problems | 25 |
| No opinion | 12 |

The findings reported today are based on personal interviews with a total of 1,531 adults, 18 and older, in more than 300 scientifically selected localities during the period May 4–6.

Mr. SCOTT of Pennsylvania. Mr. President, how short is memory. There are many stabilizing factors in the Government—the courts and the legislative and executive departments. They are all working. They are working hard and working effectively.

The country has the greatest gross national product in its history. It has more men and women working than ever before in its history. The average wage rate is higher than ever before in history. The unemployment rate level, at 5 percent, is less than the peacetime rate during the Presidency of President Kennedy, for example.

The inflation is still a very troublesome matter. Not everything is as we would wish it. I agree with the distinguished majority leader that the phase III, in my opinion, needs a very careful reevaluation.

I think we may have to consider the necessity for reinstating some controls. But Congress cannot escape, at least from the minority leader, scot free; because if Congress, which passed the legislation establishing the original control system, really wants to impose controls, it has not recently been paying much attention to what the President wants—certainly not in the bill presently before us.

Congress is free to exercise its functions. Let Congress pass a bill providing for the kind of controls it wants. Let Congress dare to fix price controls if it wishes, and wage controls if it wishes. Let Congress touch the areas which it has heretofore regarded as strictly taboo. Let Congress act.

If Congress will pass good legislation, I certainly will be glad to recommend it. But Congress is not free of blame in this situation. The stock market is down, but Wall Street knows that Congress also has not acted on this control situation.

I think it would be well if the President would carefully consider the desirability of tightening up phase III and possibly returning to some control. But I do think Congress has a role to play, and that role could be stabilized even further by affirmative action by Congress, rather than Congress constantly passing bills greater in amount than the President has requested, and thereby contributing to the escalation of inflation.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. SCOTT of Pennsylvania. I yield.

Mr. MANSFIELD. I think Congress has endeavored to face up to its responsibility. We did pass an act which gave the President the power to control wages and prices; but the President, for a long time, would not even use it, until events forced him to do so.

Frankly, I would like to see something done about wage and price control. I would like to see something done about the increase in interest rates. I do not know how you handle the stock market. I have no stock, so I am not conversant with what that situation means in the economy.

But we also look for guidance from downtown once in a while, just as we endeavor to give the President guidance on wage and price controls, which he refused to use; and when he did use them, he was forced to, and when he did so, he did it on a limited basis. As soon as the first of the year came around, he wiped out phase II, which was operating well, and put in a program, phase III, based on flexibility and a club in the closet; and it has been a total, colossal failure, because inflation is going up, up, up.

Mr. SCOTT of Pennsylvania. Mr. President, the President has sent up for his second term program a very large part of what he wants Congress to do, and Congress has done indeed a very small part of it. I think it is desirable that we cooperate a little better with the Executive in this respect.

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## ORDER OF BUSINESS

The PRESIDENT pro tempore. The time has expired.

Under the previous order, the Senator from Maryland (Mr. MATHIAS) is recognized for not to exceed 15 minutes.

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## THE NATIONAL SPACE PROGRAM

Mr. MATHIAS. Mr. President, during the next several weeks, the Senate will be required to make crucial decisions regarding the pace and direction of our national space program.

As the ranking minority member of the Appropriations Subcommittee which has jurisdiction over the NASA portion of the budget, I am keenly aware of the need for this Nation to support a balanced and forward-looking program in aeronautics and space. But I am also aware of the many high priority programs in other areas which are competing for limited Federal resources.

The issues, of course, do not center around whether there should be a national space program; rather they concern the level of support and the direction of the efforts which are undertaken. And again this year, a pivotal question is whether Congress should continue to support the Space Shuttle system, which was approved overwhelmingly last year.

Quite appropriately, the Subcommittee on HUD-Space-Science-Veterans held extensive hearings earlier this session on the NASA fiscal year 1974 budget request. The witnesses included not only NASA officials, but also nongovernment experts—scientists, engineers, educators, and economists. One can find in the record of these hearings a variety of views on whether the Nation should continue with the Space Shuttle. These range from strong support, to skepticism, to outright opposition. None of the witnesses seriously questioned whether the Space Shuttle itself is technically feasible or that, once developed, it will change drastically the way we conduct our operations in space. Instead, the questions were: first, whether the Space Shuttle could be developed within the cost estimates NASA projects; second, whether it will do all that NASA claims when it becomes operational; and finally, whether the resources necessary to develop the Shuttle could be more productively allocated to other programs, in aeronautics and space or in other areas. These are fair questions and they deserve to be addressed responsibly.

For my part, I see merit in the argument that the Space Shuttle represents the next logical step in space. Let me outline briefly some of the basic considerations which lead to this view.

First, the matter of NASA's estimates. Notwithstanding the diverse views on the Shuttle program which were expressed during the subcommittees' hearings, no one could disprove the NASA assertion that no other major technological program in this Nation's history has gone through the depth of design and detailed review that NASA imposed upon the Shuttle program before commitment to the basic cost, performance and schedule estimates. I fully recognize that the depth of an analysis is not a guarantee, but historically NASA has a good record in this area. For example, Apollo was brought in on schedule and well within the original budget estimates. Advanced research and development programs are inherently difficult to estimate with precision—I recognize that—but NASA's past performances provide reason for confidence that they can develop the Shuttle within the projected estimates. This confidence is reinforced by the fact that these estimates were made only after in-depth technical studies by NASA and its contractors, and only after a most thorough review last year by OMB and by the committees of Congress. Of course, only time will prove whether my confidence is well placed, but the record certainly provides a basis for prudent optimism.

The second matter which was discussed at length during the subcommittee hearings is whether the Shuttle will do all that its supporters claim—in a technical or operational sense, and economically.

To repeat a point I have already made, only the naive would expect a guarantee of success in any advanced technological undertaking. Our studies clearly show, however, that the Shuttle venture, in almost all aspects, is less of a technological risk than the Apollo project which was just completed. Therefore, it seems plausible to me that we do indeed possess the knowledge and skills to meet successfully the technical and scientific challenges posed by the Shuttle program.

Critics of the Shuttle argue that its price is too high—that NASA cannot afford to develop the Shuttle and at the same time carry out a productive program now in space science and applications. This year NASA was required, as were most other Federal agencies, to hold outlays for fiscal year 1973 and 1974 below the levels planned last year. And in turn, this has caused NASA to make difficult program reductions involving cancellations and deferrals. But in the long run, NASA is committed to a balanced program in science, applications, aeronautics, and research—the areas of current and continuing yield—and at the same time support the development of the Shuttle. NASA has submitted to the subcommittee data to show that such a program can be carried out at the $3.4 billion budget level which NASA projected last year. We should demand that the space program continue to produce returns in science and applications and in research, but we should also look to the future, and we would be well advised to take those steps which are necessary today to increase these returns in the future.

Critics of the Shuttle have also questioned NASA's assertions that the Shuttle will be cost-effective. A reasonably comprehensive study conducted for NASA by Mathematica, Inc., concluded that to support the space activities which could reasonably be expected in the initial years of Shuttle operations, the Shuttle would be a good investment from an economic viewpoint.

On the other hand, critics argue that the "mission models"—the projections of what missions could be flown with the Shuttle—used in the Mathematica analyses were overstated and that because of this the economic benefits of the Shuttle are exaggerated.

My own view is that because the arguments on each side of the issue are based on predictions of what the Nation will want to do in space 10, 20 or even 30 years from now, neither side can prove its case on economic grounds. It is quite likely, however, that the economic considerations themselves may well have been overemphasized. I am very much inclined to agree with Dr. Fletcher's views, as expressed in his first speech as administrator of NASA in May of 1971. In discussing the various arguments for and against the Shuttle, Dr. Fletcher noted that the Shuttle appeared at that time to be justified on economic grounds; but he cautioned against undue dependence on such arguments. In his words:

> I don't want us to become slaves of our own cost-effectiveness studies. They are important as yardsticks, as a sort of compass to assure us we are on a reasonable course. But we must keep in mind that we are not trying to justify the Shuttle as a money-making project, but as a new capability of great promise that the country needs by the end of this decade. I believe that in the long run the Shuttle will be a money-maker. When it flies it will demonstrate its usefulness and new economic uses of space just as the DC–3 put civil aviation on an economic basis, but this is a proposition we cannot prove in advance in the systems analysis game. History will prove this point for us; in the meantime we must make the case that the cost is reasonable and the potential benefits are great.

In my opinion this viewpoint, which was expressed before Shuttle development was approved and undertaken, is every bit as valid today.

Difficult as these large-scale and long-range questions are to focus on and answer, they should not completely overshadow or distract us from a realistic appraisal of the practical and operational advantages of a Space Shuttle system, for example, in repair and retrieval of space craft in orbit. That brings me to the occasion for these remarks at a time when we have unfolding before our eyes right now is a clear demonstration of precisely that potential for a Shuttle-type vehicle.

The unmanned sky lab workshop was placed into orbit on May 14. Problems during launch caused the laboratory to be endangered by high temperatures and lack of power. the manned vehicle was ready to launch the next day, but that launch was delayed until solutions to these problems were worked out on the ground. The astronauts were then launched on May 25, and they have been able to repair the damage to the extent that it now appears that the mission will be completed successfully.

We were fortunate, in this case, that men who were already prepared to go into orbit could, by delaying their lift-off prepare for and eventually implement the necessary repairs.

In the era of the Space Shuttle, all manned and unmanned payloads would be placed into orbit by the reusable Shuttle vehicle. These payloads could be thoroughly checked out before the men—and eventually women—in the Shuttle leave the payloads in orbit and return to earth. If, however, an unmanned payload in orbit should fail, as did the Skylab workshop, a Shuttle vehicle could be dispatched either to repair it on the spot or to return it to earth for repairs. Space hardware which was damaged or failed would no longer have to be abandoned. The successful and timely repair of a Skylab would thus become the normal operation of space flight by this Nation. This appears to me to be a very logical way to do business, and an example of just one of the many valuable roles which the Space Shuttle can play.

On the basis of all these considerations, Mr. President, I believe that Congress has a sound basis on which to extend funding for the Space Shuttle system for another year, and I urge my colleagues to do so when the question comes before us. At the very least, this would give NASA an opportunity to continue development and refine the technical aspects of the Shuttle system for an additional year, at the end of which time, we in Congress will be able to make an even more informed decision as to whether further investment in the Shuttle is still justified. For on the basis of information now at hand, an investment on the order of $475 million for the Shuttle in fiscal year 1974 would appear to be a sound one.

I know that some of my colleagues favor sharp reductions in the space program, and oppose further funding of the Shuttle, primarily on the basis of "national priorities." They observe, for example, that the program does not feed hungry children, nor provide much-needed housing for the poor and middle class, nor otherwise provide direct solutions to our most pressing domestic social problems. And in the narrowest sense, they are right. These needs must be met and to do so will be expensive. And because our resources are limited, we must set priorities—with a fair and rational balance between our immediate needs and our future goals as a Nation.

But to use this argument as the basis for opposition to the Space Shuttle, I fear misses an essential point. For it appears to be based on the false logic that implies that we can never pursue a second or third priority goal as long as our top priority is not completely achieved. And that is hardly a prescription for a balance of priorities.

A $475 million appropriation for the Shuttle is admittedly not an insubstantial sum, but in the context of the overall Federal budget, nor can it fairly be described as extravagant. Indeed, I am persuaded that it would be counterproductive to gut the Shuttle program altogether—and thus delay indefinitely all the potential scientific and technological "spin offs." For example, long-range fulfillment of energy demands may be achieved through progress made in space—progress that will make a difference to people in housing, nutrition, and other human needs.

The Space Shuttle program, of course, is just one of the Nation's high technology programs, but at this stage it appears to offer promise of being a most productive one, and one which embraces a vast spectrum of science and technology. The real benefits we get from our investments in space research and development—in science, in applications, in technological advances, and in indirect benefits and "spin-offs"—all of these can increase our viability as a Nation. There is no question but that we must face up to, and pay the price for, the very real human needs of today—I remain fully committed to that goal—but it would be critically short-sighted if we did not also continue to provide the capability our Nation will surely need to meet the challenges of the future.

## ORDER OF BUSINESS

Mr. STAFFORD. Mr. President, I ask unanimous consent that the time of the Senator from Michigan (Mr. GRIFFIN) may be allocated to me.

The PRESIDING OFFICER (Mr. HUDDLESTON). Without objection, it is so ordered.

Mr. STAFFORD. Mr. President, I yield 5 minutes of that time to the distinguished Senator from Virginia (Mr. SCOTT), in addition to his own time.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

(The remarks Senator SCOTT of Virginia made at this point on the introduction of S. 1899, to transfer the office of OMB to the legislative branch, are printed in the RECORD under Statements on Introduced Bills and Joint Resolutions.)

The PRESIDING OFFICER. The Senator from Vermont has 10 minutes remaining on the side of Mr. GRIFFIN.

Mr. ROBERT C. BYRD. Mr. President, does the Senator from Vermont wish to vacate his time? I will say that I intend to vacate mine.

Mr. STAFFORD. Mr. President, I will be glad to vacate my time, if that is also the intention of the Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, I yield back my time under the order.

Mr. STAFFORD. Mr. President, I yield back my remaining time.

## TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine business for not to exceed 15 minutes, with statements therein limited to 3 minutes.

## LEAVE OF ABSENCE

Mr. ALLEN. Mr. President, about 3 weeks ago, at the suggestion of the distinguished Senator from Connecticut (Mr. RIBICOFF), who was chairman of the Executive Reorganization Subcommittee of the Committee on Government Operations, I, as one of the members of the Subcommittee on Executive Reorganization, scheduled hearings in Alabama to be held on Thursday, May 31, and Friday, June 1, for the taking of testimony regarding the President's Reorganization Plan No. 2 to establish a Drug Enforcement Administration. For that reason, Mr. President, I ask unanimous consent that I be granted a leave of absence from the Senate for tomorrow and the following day, May 31 and June 1.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLEN. Mr. President, I ask unanimous consent that there be printed in the RECORD a witness list of the witnesses scheduled to appear at the hearings in Birmingham, Ala., on tomorrow and in Mobile, Ala., on June 1.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

### EXECUTIVE REORGANIZATION SUBCOMMITTEE OF THE SENATE GOVERNMENT OPERATIONS COMMITTEE

(Hearing on Reorganization Plan No. 2 of 1973 to establish a Drug Enforcement Administration, Birmingham, Ala., May 31, 1973)

### WITNESS LIST

8:00 a.m.—Senator James B. Allen—Opening Statement.

8:10 a.m.—Mr. James R. Bland, Regional Director (New Orleans), Bureau of Narcotics and Dangerous Drugs.

Mr. Donald Miller, General Counsel, Bureau of Narcotics and Dangerous Drugs, Washington, D.C.

8:40 a.m.—Sheriff Mel Bailey, Sheriff of Jefferson County, Alabama.

Chief James Parsons, Chief of Police, City of Birmingham, Alabama.

Mr. Ken Pillsbury, Director, United Narcotics Detail Organization.

9:40 a.m.—Dr. George Hardy, Jefferson County Health Center.

9:50 a.m.—Mr. Howard Melton, Coordinator, Jefferson County Drug Abuse Coordinating Committee.

Dr. Robert M. Willis, Co-Chairman, JEFCO Drug Abuse Coordinating Committee.

10:15 a.m.—Mr. William Huffman, Chairman, Prevention, Education and Research Subcommittee, JEFCO Drug Abuse Coordinating Committee.

Mrs. Marie Garner, Subcommittee Member.

Mr. Walter Floyd, Subcommittee Member.

10:40 a.m.—Mr. Jerry Schneier, Chairman, Treatment and Rehabilitation Subcommittee, JEFCO Drug Abuse Coordinating Committee.

Dr. Patrick Linton, Subcommittee Member.

11:05 a.m.—Mr. James Wicher, Chairman, Legal and Law Enforcement Subcommittee, JEFCO Drug Abuse Coordinating Committee, (Mr. Wicher also heads the Alabama Bar Association Subcommittee on Drug Abuse).

11:35 a.m.—Mrs. John F. Ahearn, Jr., Chairman, Jefferson County Drug Abuse Coordinating Committee.

11:50 a.m.—Mr. Vincent Townsend, Vice President, *The Birmingham News*, (Mr. Townsend is also a member of JEFCO, Drug Abuse Coordinating Committee).

12:30 p.m.—Lunch.

1:00 p.m.—Mr. Tommy Pirkle, Director, Muscle Shoals Community Mental Health Center, Florence, Alabama.

Sergeant Don Griffin, Florence (Alabama) City Police Department.

1:30 p.m.—Governor George C. Wallace or designated representative.

2:00 p.m.—Colonel E. C. Dothard, Director, Alabama Department of Public Safety.

Major E. J. Dixon, Alabama Department of Public Safety.

Captain R. C. Taylor, Alabama Department of Public Safety, (Diversion Investigative Unit).

2:40 p.m.—Mr. Lloyd Russell, Director, West Alabama Narcotics Squad, Tuscaloosa, Alabama.

Dr. Donald E. Schrag, University of Alabama (Tuscaloosa).

3:10 p.m.—Judge Ross Bell, Jefferson County Family Court.

Mr. A. C. Conyers, Jr., Jefferson County Family Court.

3:40 p.m.—Judge Peter Hall, Birmingham City Courts.

4:10 p.m.—Mr. C. Edwin Strickland, Staff Director, Alabama Legislative Commission to Preserve the Peace.

### EXECUTIVE REORGANIZATION SUBCOMMITTEE OF THE SENATE GOVERNMENT OPERATIONS COMMITTEE

(Hearing on Reorganization Plan No. 2 of 1973, to establish a drug enforcement administration)

### WITNESS LIST

8:00–8:10.—Jim Allen—U.S. Senator—Opening.

8:10–8:30.—Jack Edwards—Congressman—1st District.

8:30–8:50.—James Bland—Reg. Dir. Bureau of Narcotics & Dangerous Drugs—New Orleans.

Donald Miller—Gen. Counsel—Bur. of Narcotics & Dangerous Drugs—Washington, D.C.

8:50–9:30.—Dr. Harold Collins—Supt. of Education—Mobile.

Charles R. Butler, Jr.,—District Atty.—Mobile.

9:30–9:50.—Sage Lyons—Speaker—Ala. House of Representatives.

9:50–10:10.—William Baxley — Attorney General—Alabama.

10:10–10:50—Wilson Baker—Sheriff—Dallas County.

Jack F. Wood—Director—Central Ala. Youth Services Selma.

10:50–11:20.—Jere Beasley—Lt. Governor—State of Alabama.

Dean Samuel Coker—School of Pharmacy—Auburn Univ.

11:20–11:40.—Judge James Strickland—Juvenile Court—Mobile.

11:40–12:00.—John Friend—Mobile TIP—(Turn-in-Pusher).

12:00–1:00—Lunch.

1:00–1:20—A. J. Cooper—Mayor—Prichard.

1:20–2:20—Reverend Gerald Love—Dir. Youth Service Bureau.

Joe Pitts — Deputy Sheriff — Houston County.

Major Alan Benefield—Asst. Chief of Police—Ozark Police.

2:30–3:20—Taylor Wilkins—Sheriff—Baldwin County.

Ray Bridges—Sheriff—Mobile County.

Dan Davis—Chief of Police—Prichard.

3:20–4:00.—Col. E. C. Dothard—Dept. of Public Safety.

Maj. E. J. Dixon—Dept. of Public Safety.

Capt. R. C. Taylor—Dept. of Public Safety.

4:00–4:30.—Dr. Wm. H. Simpson—Director—Mobile Mental Health Center.

Don Brady—South Ala. Regional Planning Commission.

4:40–5:00.—Norman Rice—Alabama Department of Education.

5:00–5:20.—Bruce Hemstad—Rep. of Local 2038—New Orleans (AFGE).

## QUORUM CALL

Mr. ALLEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. SCOTT of Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## STATEMENT ON FUTURE POSITION ON BOMBING OF CAMBODIA

Mr. SCOTT of Virginia. Mr. President, I take this time to comment briefly with regard to my position on the provision in the second supplemental appropriation bill that would prohibit the expenditure of funds for operations in Southeast Asia.

As a Member of the House of Representatives, I always supported the positions of the administration, and I intend to do that once again today. However, Mr. President, I believe that this will be my last time as an individual Senator to support the continuing of the bombing without specific authorization of the Congress.

This is a matter that has been carried on for a long number of years. We now have our prisoners of war back home, and the continued bombing may result in more American prisoners of war being taken.

I believe that the people of our country are now tired of this continued war activities. I believe there is also a question of the right of the executive to do something without the authorization of Congress. In my opinion, if the President feels our continued involvement in Southeast Asia is in the national interest, he should come to the Congress, since the main operation in Southeast Asia has now been terminated, and request authority from Congress. I hope that he will not continue to act without the authorization of Congress. I hope that this operation will be terminated. Mr. President, since I have been supporting the administration over the years and have now come to the point where I feel that I will not be able to do so after the disposition of the pending bill, I feel that I should clarify my position and the reason for it.

Today I will vote against limiting the authority of the President primarily because of my understanding that we are negotiating with the people of North Vietnam at the present time and therefore there might be some embarrassment if Congress were not to support the President. But we have heard this matter of embarrassment raised many times over the years, and I believe it is time to stop the activities in which we have been engaged.

## ORDER OF BUSINESS

Mr. SCOTT of Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The period for the transaction of routine morning business has expired.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the period for the transaction of routine morning business be extended for an additional 10 minutes, with a limitation on statements therein of 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there further morning business?

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HUDDLESTON). Without objection, it is so ordered.

## ORDER FOR ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, when the Senate completes its business today, it stand in adjournment until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

(Later in the day this order was changed to provide for the Senate to meet at 11 a.m. tomorrow.)

## ORDER FOR RECOGNITION OF SENATORS GRIFFIN AND ROBERT C. BYRD; AND ORDER FOR TRANSACTION OF ROUTINE BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, tomorrow, after the two leaders or their designees have been recognized under the standing order, the distinguished Senator from Michigan (Mr. GRIFFIN) be recognized for not to exceed 15 minutes, and that he be followed by the junior Senator from West Virginia (Mr. ROBERT C. BYRD) for not to exceed 15 minutes; that there then be a period for the transaction of routine morning business for not to exceed 30 minutes, with statements therein limited to 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ORDER FOR RECOGNITION OF SENATORS BUCKLEY AND HATFIELD TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, following the recognition of the two leaders or their designees under the standing order, the distinguished Senator from New York (Mr. BUCKLEY) be recognized for not to exceed 15 minutes and that to be followed by the distinguished Senator from Oregon (Mr. HATFIELD) for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

## REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MAGNUSON, from the Committee on Commerce, without amendment:

S. Con. Res. 11. Concurrent resolution to express a national policy with respect to support of the U.S. fishing industry (Rept. No. 93–177).

By Mr. HRUSKA, from the Committee on the Judiciary, without amendment:

S. 396. A bill for the relief of Harold C. and Vera L. Adler, doing business as the Adler Construction Co. (Rept. No. 93–178).

By Mr. MOSS, from the Committee on Aeronautical and Space Sciences, with an amendment:

H.R. 7528. An act to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes (Rept. No. 93–179).

## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. SCOTT of Virginia (for himself and Mr. SCOTT of Pennsylvania):

S. 1899. A bill to transfer the Office of Management and Budget to the legislative branch of the Government and to establish a Joint Committee on the Budget. Referred to the Committee on Government Operations.

By Mr. JAVITS:

S. 1900. A bill to provide financial assistance to States to encourage States to assume greater financial responsibility for public elementary and secondary education, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. SPARKMAN (for himself, Mr. TOWER, Mr. HATHAWAY, and Mr. TAFT):

S. 1901. A bill to amend the act of August 20, 1963, as amended, relating to the construction of mint buildings. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. DOLE:

S. 1902. A bill to amend section 8(b) of the Soil Conservation and Domestic Allotment Act, as amended, to reinstitute certain permanent soil- and water-conserving practices under such act. Referred to the Committee on Agriculture and Forestry.

By Mr. HOLLINGS:

S. 1903. A bill to regulate commerce and conserve gasoline by improving motor vehicle fuel economy, and for other purposes. Referred to the Committee on Commerce.

S. 1904. A bill to amend the act of August 4, 1950 (64 Stat. 411), to provide salary increases for members of the police force of the Library of Congress. Referred to the Committee on Rules and Administration.

By Mr. HRUSKA (by request):

S. 1905. A bill to provide for the appointment of U.S. marshals by the Attorney General. Referred to the Committee on the Judiciary.

S. 1906. A bill to amend title XII of the Organized Crime Control Act of 1970, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. BURDICK:

S. 1907. A bill to establish an arbitration board to settle disputes between supervisory organizations and the U.S. Postal Service; and

S. 1908. A bill to increase the Government's contribution to the costs of health benefits insurance for Federal employees, and for other purposes. Referred to the Committee on Post Office and Civil Service.

By Mr. BELLMON (for himself and Mr. BARTLETT):

S. 1909. A bill to provide for the disposition of funds appropriated to pay judgments in favor of the Ponca Indians of Oklahoma and Nebraska in Indian Claims Commission dockets numbered 322 and 324, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. TOWER:

S. 1910. A bill for the relief of M. Sgt. Ronald J. Hodgkinson, U.S. Army (retired). Referred to the Committee on the Judiciary.

By Mr. HART (for himself and Mr. PERCY):

S. 1911. A bill to provide incentives for the employment of handicapped individuals; and

S. 1912. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for certain transportation expenses of handicapped individuals, and to amend title XVI of the Social Security Act to require that, in determining an individual's income thereunder, there be disregarded certain amounts attributable to certain transportation expenses incurred by handicapped individuals. Referred to the Committee on Finance.

S. 1913. A bill to amend the act entitled "an Act to insure that certain buildings financed with Federal funds are so designed and constructed as to be accessible to the physically handicapped" to apply the accessibility standards under such act to all Federal programs, and for other purposes. Referred to the Committee on Public Works.

By Mr. WILLIAMS (for himself, Mr. BIBLE, MR. CRANSTON, Mr. HARTKE, Mr. HOLLINGS, Mr. HUGHES, Mr. HUMPHREY, Mr. INOUYE, Mr. JAVITS, Mr. MONDALE, Mr. MOSS, Mr. MUSKIE, Mr. PASTORE, Mr. PELL, Mr. PERCY, Mr. RANDOLPH, Mr. STAFFORD, Mr. TUNNEY, and Mr. YOUNG):

S.J. Res. 118. A joint resolution to express the sense of Congress that a White House Conference on the Handicapped be called by the President of the United States. Referred to the Committee on Labor and Public Welfare.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SCOTT of Virginia (for himself and Mr. SCOTT of Pennsylvania):

S. 1899. A bill to transfer the Office of Management and Budget to the legislative branch of the Government and to establish a Joint Committee on the Budget. Referred to the Committee on Government Operations.

Mr. SCOTT of Virginia. Mr. President, Members of both bodies of the Congress have had an increasing concern over the inability of the Congress to control Government spending. Most recognize the constitutional duty of the Congress to control the purse strings of Government. Yet, such control as exists is primarily within the Executive Office of the President. If Congress is to exercise its constitutional responsibility, the question then is how to reclaim control over the budget; both the taxing and spending process. In my opinion, the only practical solution is a blanket transfer of this function from the executive to the legislative branch of Government.

The years have eroded many constitutional prerogatives but I believe control over the purse strings can still be reclaimed if the Congress is willing to assert its right in an affirmative manner.

There are many provisions in the Federal Constitution placing financial control in the hands of Congress. Congress was given the power to levy and collect taxes, duties, imports and excises, to pay debts and to provide for the common defense and general welfare of the United States. Congress was given the power to borrow money, and to coin money, and to regulate commerce. No money can be drawn from the Treasury except for appropriations by Congress according to the law.

Much of the eroding of the power of Congress over government finances can be traced back to the Budget and Accounting Act of 1921, which increased the role of the President in pulling together a Federal budget and weakened the power of Congress in this area of fiscal management.

We talk about Congress acting on the budget. However, the President through the Office of Management and Budget submits the Federal budget to the Congress. The executive branch sets the priorities and includes items it chooses in the budget and excludes other items. These proposals and programs are discussed in the Congress and often the discussion is limited to this framework. If we discuss an item that is "in the budget," it means the President and his advisors have put a particular item in the budget. If the Congress wants to take the initiative on some matter and add a program, it is referred to as "not being in the budget."

The budget submitted by the Executive has become the focal point of the discussion of expenditures by the Federal Government. The Federal budget has become the exclusive prerogative of the executive branch of Government; Congress sits merely in judgment to ratify, reject, or amend what the President has placed before it.

It is my opinion that merely restructuring congressional committees or setting up a new committee will not solve our problem and will not return the control of the spending power to Congress.

That is why I am today introducing a measure to transfer the Office of Management and Budget from the executive branch of Government to the legislative branch and to establish a permanent Joint Committee on the Budget. This bill is sent to the clerk at this time, Mr. President, and I ask unanimous consent that it be printed and inserted in the RECORD in full at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. SCOTT of Virginia. Mr. President, I am pleased that the distinguished minority leader, the Senator from Pennsylvania (Mr. SCOTT) is cosponsoring this bill with me and we certainly would invite others to join in this important matter.

This change would not only tighten up congressional control of the budget but would give the Congress a positive role in supervising the preparation of a federal budget. This legislative OMB would be under the direct control of Congress. The Joint Committee on the Budget would function to oversee the entire operation.

The Office of Management and Budget under the proposed legislation would be established as an agency within the legislative branch of Government. It would no longer function as an appendage of the executive branch. All powers, duties, functions, and all property, records, and files of the Office of Management and Budget would be placed in this new branch of the legislative department.

In order to supervise this operation and make it effective, the measure provides for establishing a Joint Committee on the Budget consisting of 12 members.

These 12 members would include the leading Members of Congress dealing with financial affairs. There would be two members from the Senate Committee on Appropriations, including one from the majority party and one from the minority party, as well as two members from the Senate Finance Committee, again one from the majority and one from the minority. In addition, there would be one additional member of the majority party and one additional member of the minority party appointed by the President pro tempore of the Senate.

Besides these six members, there would be two members from the Committee on Appropriations and two from the Committee on Ways and Means from the House side, plus two at large members of the House of Representatives appointed by the Speaker of the House. The same equal balance between majority party members would be maintained from the House.

Therefore, this committee of 12 would include the most experienced members in the field of finances from both houses of Congress.

In odd numbered years, the position of committee chairman would be occupied by a member of the Senate and the Vice Chairman would be a member of the House of Representatives. The pattern would alternate in the even numbered years.

This Joint Committee on the Budget would occupy a crucial role in the establishment of a sound budgetary process. The task of the committee is clearly defined in the bill: "It shall be the duty and function of the joint committee to oversee and supervise the operations and activities of the Office of Management and Budget—including the preparation and submission to the Congress of the Budget of the U.S. Government for each fiscal year."

This committee, or any of its subcommittees, would have the power to make expenditures, employ personnel, adopt rules respecting its organization and procedures, hold hearings, sit and act at any time or place and subpena witnesses and documents. Besides its own staff, this joint committee could, with the prior consent of a specific agency, use the services and personnel of that agency—on a reimbursable basis—and seek the temporary services of individual consultants or organizations—as long as the period did not extend beyond a year—to provide for training of the staff.

This proposed legislation would provide more than a new supervisory committee. It would establish an agency over which Congress would exercise exclusive power to draw up a budget with a joint congressional committee composed of key Congressmen and Senators knowledgeable in fiscal affairs to serve as an effective board of directors for the OMB. We would establish effective congressional control over the entire budgetary process.

The Director of the legislative OMB would play an important part in this new agency. We have seen that budget directors in the past, direct appointees of the President without senatorial confirmation, have had relatively short tenure. This short period of time in office, plus holding the position at the exclusive approval of the President, has limited the ability of the Director to plan long-range budgetary goals and to initiate the necessary reforms to control excessive spending.

This proposed legislation would remedy these past defects. The Director of OMB—as well as the Deputy Director—would be appointed by the President with the consent of the Senate for a term of 10 years. In order to assure accountability, they could be removed from office at any time by concurrent resolution of the Congress. The Director would possess all the necessary authority and power to carry out his functions.

Mr. President, I urge Senators to give this proposal serious consideration. If we adopt this legislation, it would, in my opinion, accomplish the following results: First, reassert effective congressional authority over the budgetary process; second, allow us to embark on putting our Nation on a sound financial footing with a balanced budget; limiting, if not eliminating, deficit financing; third, reduce the tendency for open-ended authorizations and "back door" financing; fourth, bring the Congress into a significant role in setting national priorities and spending goals; and fifth, make the OMB directly responsible to Congress by including it in the legislative branch; and sixth, provide for a Director of the OMB who can act as a secure professional in handling the budget on a long-range basis.

Mr. President, under this proposal each executive department and independent agency of the Government would appear before the Legislative Office of Management and Budget. The budget prepared by this Office would be the Federal budget and would be a substitute for the budget now prepared in the Executive Office of the President. Rather than having priorities established within the executive branch, they would be established and later authorized and funded within the legislative branch. In my opinion, this is the only way that the Congress will be able to control the purse strings of goverment, and I once again request the earnest consideration of this measure by my colleagues.

S. 1899

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*. That this Act may be cited as the "Office of Management and Budget Act of 1973".

### TITLE I—OFFICE OF MANAGEMENT AND BUDGET

SEC. 101. There is hereby established, as an agency within the legislative branch of the Government, an Office of Management and Budget (hereafter in this title referred to as the "Office").

SEC. 102. (a) (1) The Office shall be headed by a Director of Management and Budget (hereafter in this title referred to as the "Director") who shall be appointed by the President, by and with the advice and consent of the Senate.

(2) Section 5314 of title 5, United States Code (relating to level III of the Executive Schedule), is amended by inserting at the end thereof the following new item:

"(60) Director of Management and Budget, Office of Management and Budget."

(3) Item (11) of section 5313 of such title 5 is repealed.

(b)(1) There shall be in the Office a Deputy Director of Management and Budget (hereafter in this title referred to as the "Deputy Director") who shall be appointed by the President, by and with the advice and consent of the Senate. The Deputy Director shall perform the duties and functions of the Director in the absence of the Director and during a vacancy in that office.

(2) Section 5315 (37) of title 5, United States Code (relating to level IV of the Executive Schedule), is amended to read as follows:

"(37) Deputy Director of Management and Budget, Office of Management and Budget."

(3) Item (34) of section 5314 of such title 5 is repealed.

(3) The Director and Deputy Director shall each serve for a term of ten years, beginning on the date of his appointment. The Director and Deputy Director may be removed at any time by concurrent resolution of the Congress, and, except by impeachment, may not be removed in any other manner. Any Director or Deputy Director removed in the manner provided in this subsection shall be ineligible for appointment or reappointment to either office.

SEC. 103. (a) Subject to the supervision of the Joint Committee on the Budget (established by section 201) the Office and the Director and Deputy Director shall carry out the duties and functions imposed on them by this title.

(b) The Director is authorized to appoint such personnel as may be necessary to enable the Office to carry out its duties and functions. The Director is also authorized to obtain the services of experts and consultants in accordance with section 3109 of title 5, United States Code.

SEC. 104. (a) There are hereby transferred to the Office all powers, duties, and functions, and all property, records, and files of the Office of Management and Budget originally established by section 207 of the Budget and Accounting Act, 1921 (31 U.S.C. 16), and redesignated by section 2 of Reorganization Plan No. 2 of 1970.

(b) There are hereby transferred to the Director all powers, duties, and functions of the Director of the Office of Management and Budget referred to in subsection (a) and all powers, duties, and functions of the President insofar as such powers, duties, and functions are vested by or derived from the Budget and Accounting Act, 1921, the Budget and Accounting Procedures Act of 1950, or any law related or supplementary to such Acts.

(c) The Office of Management and Budget referred to in subsection (a) and all positions in such office are abolished.

(d) This section shall take effect on the 90th day after the day on which the first Director of Management and Budget is appointed under section 102.

### TITLE II—JOINT COMMITTEE ON THE BUDGET

SEC. 201. (a) There is established a joint committee of the Congress which shall be known as the Joint Committee on the Budget (hereafter in this title referred to as the "joint committee"). The joint committee shall be composed of twelve members as follows:

(1) two members who are members of the Committee on Appropriations of the Senate, one from the majority party and one from the minority party, to be chosen by such committee,

(2) two members who are members of the Committee on Finance of the Senate, one from the majority party and one from the minority party, to be chosen by such committee,

(3) two additional Members of the Senate, one from the majority party and one from the minority party to be appointed by the President pro tempore of the Senate,

(4) two members who are members of the Committee on Appropriations of the House of Representatives, one from the majority party and one from the minority party, to be chosen by such committee,

(5) two members who are members of the Committee on Ways and Means of the House of Representatives, one from the majority party and one from the minority party, to be chosen by such committee, and

(6) two additional Members of the House of Representatives, one from the majority party and one from the minority party, to be appointed by the Speaker of the House of Representatives.

(b) The joint committee shall select a chairman and vice chairman each Congress from among its members. In each even-numbered Congress the chairman shall be a Member of the House of Representatives and the vice chairman shall be a Member of the Senate. In each odd-numbered Congress the chairman shall be a Member of the Senate and the vice chairman shall be a Member of the House of Representatives.

(c) A quorum of the joint committee shall consist of seven members, except that the joint committee may fix a lesser number for the purpose of taking sworn testimony.

(d) Vacancies in the membership of the joint committee shall not affect the power of the remaining members to execute the functions of the joint committee and shall be filled in the same manner as in the case of the original selection.

(e) In the case of members described in paragraphs (1), (2), (4), and (5) of subsection (a), no person shall continue to serve as a member of the joint committee after he has ceased to be a member of the committee by which he was chosen, except that members chosen by the Committees on Appropriations and Ways and Means of the House of Representatives who have been reelected to the House may continue to serve as members of the joint committee notwithstanding the expiration of the Congress.

(f) For purposes of paragraph 6 of rule XXV of the Standing Rules of the Senate, service of a Senator as a member of the joint committee, or as chairman of the joint committee, shall not be taken into account.

SEC. 202. It shall be the duty and function of the joint committee to oversee and supervise the operations and activities of the Office of Management and Budget (established by section 101), including the preparation and submission to the Congress of the Budget of the United States Government for each fiscal year.

SEC. 203. (a) The joint committee, or any subcommittee thereof, is authorized, in its discretion (1) to make expenditures, (2) to employ personnel, (3) to adopt rules respecting its organization and procedures, (4) to hold hearings, (5) to sit and act at any time or place, (6) to subpena witnesses and documents, (7) with the prior consent of the agency concerned, to use on a reimbursable basis the services of personnel and facilities of any such agency, (8) to procure printing and binding, (9) to procure the temporary services (for periods not in excess of one year) or intermittent services of individual consultants, or organizations thereof, and to provide assistance for the training of its professional staff, in the same manner and under the same conditions as a standing committee of the Senate may procure such services and provide such assistance under subsections (i) and (j), respectively, of section 202 of the Legislative Reorganization Act of 1946, and (10) to take depositions and other testimony. No rule shall be adopted by the joint committee under clause (3) providing that a finding, statement, recommendation, or report may be made by other than a majority of the members of the joint committee then holding office.

(b) Subpenas may be issued over the signature of the chairman of the joint committee or by any member designated by him or the joint committee, and may be served by such person as may be designated by such chairman or member. The chairman of the joint committee or any member thereof may administer oaths to witnesses. The provisions of sections 102 through 104 of the Revised Statutes (2 U.S.C. 192–194) shall apply in the case of any failure of any witness to comply with a subpena or to testify when summoned under authority of this section.

(c) With the consent of any standing, select, or special committee of the House or Senate, or any joint committee of the Congress, the joint committee may utilize the services of any staff member of such House or Senate committee or joint committee of the Congress whenever the chairman of the joint committee determines that such services are necessary and appropriate.

(d) The head of each department and agency of the executive branch shall furnish to the joint committee such information and data as the joint committee may request.

(e) The expenses of the joint committee shall be paid from the contingent fund of the Senate from funds appropriated for the joint committee, upon vouchers approved by the chairman of the joint committee or by any member of the joint committee authorized by the chairman.

(f) Members of the joint committee, and its personnel, experts, and consultants, while traveling on official business for the joint committee within or outside the United States, may receive either the per diem allowance authorized to be paid to Members of the Congress or its employees, or their actual and necessary expenses if an itemized statement of such expenses is attached to the voucher.

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By Mr. JAVITS:

S. 1900. A bill to provide financial assistance to States to encourage States to assume greater financial responsibility for public elementary and secondary education, and for other purposes. Referred to the Committee on Labor and Public Welfare.

### STATE EDUCATION FINANCE ASSISTANCE ACT OF 1973

Mr. JAVITS. Mr. President, I introduce for appropriate reference the State Education Finance Assistance Act of 1973. This legislation is patterned after the recommendations of the President's Commission on School Finance as contained in its final report last year, "Schools, People, and Money—the Need for Educational Reform."

The legislation would provide Federal financial assistance to the States to assist and encourage them in assuming an increasing proportion of local expenditures for elementary and secondary education. According to the most recent statistics—1972–73—States contribute on the average of 41 percent of local education expenditures, the Federal Government contributes an average of 7.7 percent and the remainder comes from local sources. However, this is only an average—State contributions range from 6.1 percent in New Hampshire, to 89 percent in Alaska. The New York State contribution is 41.4 percent. I ask unanimous consent that there be included as part of my remarks a chart showing the percentage of State contributions to local education expenditures.

Under my bill, States would match Federal funds based on their contribution to local education expenditures. As the rate of their contribution increases, the percentage of Federal matching would also increase. I ask unanimous consent to have printed in the Record at the end of my remarks a chart indicating the bill's provisions in this regard.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. States would be required to distribute funds, in turn, to the local education agencies on the basis of the relative need of the local agencies and to achieve equality of educational opportunity between school districts within the State.

Money would be allotted to the States based on school attendance of children from 4 to 17 years of age, thus encouraging the enrollment of children in their early years as recommended by the President's Commission. A unique feature of the bill is the provision that a State's allotment would be modified by the State's "relative tax effort," the overall tax effort of the State and its communities relative to aggregate personal income within the State, as compared to other States. This recognizes that not only taxes collected for education but also taxes collected for health, welfare, housing, and other public services are key to determining a State's relative effort and ability to finance education.

The role of the States in financing education still has not been fully clarified by the March 21 5-to-4 Supreme Court decision in the Rodriguez case. That decision does, to be sure, relieve a great deal of uncertainty that had heretofore prevailed in that it reversed a lower court decision which would have placed upon the States the responsibility for equalizing expenditures between school districts. But, in many States there is a State constitutional right to education, thus opening the possibility of cases and decisions which could lead to major changes in the financing of public education and oblige the States to assume a major portion of local education expenditures. Recent State court decisions in New Jersey and Michigan emphasize this point.

This bill also follows recommendations of the Fleischmann Commission on the Quality, Cost and Financing of Elementary and Secondary Education—for "incentive grants to States for providing full State funding of education with concomitant equalization of inter-school district per-pupil expenditure disparities." In addition, a number of organizations, such as those representing the chief State school officers and the State boards of education, as well as researchers and scholars in the field of education, have recommended Federal assistance to help the States assume a primary role in the financing of local education and in the equalization of educational opportunities between school districts within each State. This bill seeks to accomplish that end. I believe that it will serve as an excellent point of departure for the study of legislation to be ultimately enacted by the Congress and as a focus for a practical resolution to a growing problem.

I ask unanimous consent that the full text of the State Education Finance Assistance Act of 1973 be printed in the Record as part of my remarks.

There being no objection, the bill was ordered to be printed in the Record, as follows:

### S. 1900

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "State Education Finance Assistance Act of 1973".

### STATEMENT OF PURPOSE

Sec. 2. It is the purpose of this Act to provide Federal financial assistance to States in order to assist the States to assume financial responsibility for the non-Federal expenditures for public elementary and secondary education over a reasonable period of time and thereby to assist the States to meet the educational needs of the children of that State.

### AUTHORIZATION

Sec. 3. (a) The Commissioner shall in accordance with the provisions of this Act make payments to State educational agencies for grants to local educational agencies.

(b) For the purpose of making such payments there is authorized to be appropriated $2,000,000,000 for the fiscal year ending June 30, 1975, and such sums as may be necessary for each of the three succeeding fiscal years.

### ALLOTMENTS

Sec. 4. (a) (1) From the sums appropriated pursuant to section 3 for any fiscal year the Commissioner shall allot not more than 2 percent among the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands, according to their respective needs for assistance under this Act.

(2) From the remainder of such sums the Commissioner shall allot to each State an amount (A) which bears the same ratio to such remainder as the number of children aged 4 to 17, inclusive, in average daily attendance in the public elementary and secondary schools in such State bears to the number of such children in all States, (B) multiplied by the tax effort index of that State.

(b) The portion of any State's allotment under subsection (a) for a fiscal year which the Commissioner determines will not be required, for the period such allotment is is available, for making payments shall be available for reallotment from time to time, on such dates during such period as the Commissioner may fix, to other States in proportion to the original allotments to such States under subsection (a) for such year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum which the Commissioner estimates such State needs and will be able to use for such period for carrying out such portion of its State plan approved under this Act, and the total of such reductions shall be similarly realloted among the States whose proportionate amounts are not so reduced. Any amount to a State under this subsection during a year shall be deemed part of its allotment under subsection (a) for such year.

(c) For the purpose of this section—

(1) the term "tax effort index" of a State for the calendar year ending in the fiscal year preceding the fiscal year for which the determination is made is the ratio which the relative tax effort of that State bears to the average relative tax efforts of all States for that year;

(2) the term "relative tax effort" of a State for the calendar year ending in the fiscal year preceding the fiscal year for which the determination is made is (A) the net amount collected from the State and local taxes of that State during that calendar year divided by (B) the aggregate adjusted personal income attributable to that State for the same year;

(3) the term "State and local taxes" means the compulsory contributions exacted by the State (or by any unit of local government or other political subdivision of the State) for public purposes (other than employee and employer assessments and contributions to finance retirement and social insurance systems, and other than special assessments for capital outlay), as such contributions are determined by the Bureau of the Census for general statistical purposes;

(4) the term "aggregate adjusted personal income" means total income of individuals for that State for the calendar year ending in the fiscal year preceding the fiscal year for which the determination is made which has been multiplied by the personal income factor for that State;

(5) the term "personal income factor" for the State is (A) the relative available revenue index divided by (B) the personal income factor;

(6) the term "personal income factor" is the (A) average total income of individuals for all States for a given base year divided by (B) the total income of individuals for that State in the same given base year;

(7) the term "relative available revenue index" is the (A) relative available revenue for all the States divided by (B) the relative available revenue for that State;

(8) the term "relative available revenue" means (A) the total tax revenue sources of that State multiplied by the average tax revenue rate for all the States plus (B) the total non-tax revenue sources multiplied by the average non-tax revenue rate for all the States;

(9) the term "revenue source" means (A) the aggregate amount of commodities which are subject for taxation by the State and local governments and (B) the total governmental expenditure for activities and institutions which yield revenue for State and local governments; and

(10) the term "revenue rate" means (A) the aggregate tax revenue collected for all the States divided by the aggregate tax revenue source for all the States and (B) the aggregate State and local governmental revenue from non-tax resources for all the States divided by the aggregate non-tax source for all the States.

(d) The number of children, aged 4 to 17, inclusive, in average daily attendance in the public elementary and secondary schools in a State, and in all States, shall be determined by the Commissioner on the basis of the most recent satisfactory data available to him.

(e) Whenever the Commission determines that there is insufficient data for the calendar year ending in the fiscal year preceding the final year for which the determination is made for any determination required under subsection (c), the Commissioner may use the most recent calendar year for which satisfactory data is available to him.

(f) For the purpose of subsection (a) (2) and (c), the term "State" does not include the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

### USES OF FEDERAL PAYMENTS AND DISTRIBUTION TO LOCAL EDUCATIONAL AGENCIES

Sec. 5. (a) A State educational agency shall use the payments received under this Act for grants to local educational agencies within that State on the basis of need criteria established by the State educational agency in accordance with subsection (B) of the section. Grants to local educational agencies pursuant to this Act may be used in accordance with applications and plans approved under this Act for educational programs and activities conducted by the local educational agencies.

(b) Each State educational agency shall prepare and submit at such time in each fiscal year as the Commissioner prescribes, a relative educational need index for the local educational agencies within the State to serve as the basis for the distribution of grants to the local education agencies within that State. Such distribution shall be designed to seek to achieve equality of educational opportunity for all children in attendance at the schools of the local educational agencies of that State. Each such relative educational need index shall be stated in such terms as the State educational agency selects, if that index—

(1) reflects adequately the relative degree of need of the local educational agencies within the State; and

(2) contains a consideration of the per pupil expenditure (when appropriate) for elementary, secondary, and, if desired, intermediate, grade levels in at least the following categories—

(A) basic educational programs;

(B) educational programs for the mentally and physically handicapped;

(C) educational programs for the socially maladjusted;

(D) remedial and compensatory educational programs;

(E) vocational education and career development programs; and

(F) early childhood educational programs, and kindergarten and prekindergarten programs,

for the local educational agencies within that State. The Commissioner shall approve any relative educational need index submitted under this subsection which meets the requirements of this subsection.

### STATE PLAN

SEC. 6. (a) A State desiring to receive its allotment of Federal funds under this Act shall submit a State plan through its State educational agency at such times, in such manner, and containing or accompanied by such information as the Commissioner may reasonably require. Each such plan shall—

(1) provide that payments under this Act will be used only for educational programs and activities which have been approved by the State educational agency pursuant to section 7 and that such agency will in all other respects comply with the provisions of this Act, including the enforcement of any obligations imposed upon a local educational agency under that section;

(2) provide assurances that such payments will be distributed in accordance with the relative educational need index of local educational agencies within that State established pursuant to section 5;

(3) provide assurances that procedures will be established for increasing the State contribution to the local education agency, except that for fiscal year ending after June 30, 1977, the local educational agency may finance not to exceed 10 per centum of expenditures for educational programs and activities of that agency from local sources;

(4) provide for the conduct of a program to furnish information and assistance to local educational agencies for the establishment and improvement of community schools;

(5) provide assurances that the State educational agency will encourage local educational agencies within the State to develop and conduct early childhood education programs for children who are at least four years of age;

(6) provide assurances that the State educational agency will encourage local educational agencies within the State when furnishing pupil benefit services to include, when possible, nonpublic elementary and secondary school children;

(7) provide for the establishment and improvement of methods of assessing the relative costs and benefits of educational programs and organizational alternatives;

(8) provide assurances that the State educational agency will plan for the restructuring of school district areas under the jurisdiction of local educational agencies within that State in order to maximize administrative efficiency, equitable distribution of revenue resources, and educational benefits and services;

(9) provide for the establishment of statewide standards for the evaluation of the effectiveness of—

(A) payments under this Act and the particular programs and activities assisted pursuant to this Act in carrying out the purpose of this Act,

(B) restructuring plans developed pursuant to paragraph (8) of this subsection, and

(C) all public educational programs and activities,

which will be made available in an appropriate form to the public;

(10) provide for the establishment and operation of a program of coordination in each area under the jurisdiction of a local educational agency within the State between the State employment services available in that State and the schools of such agency in order to enhance the employment and career opportunities of the students in such schools;

(11) provide policies and procedures which assure that Federal funds made available under this Act for any fiscal year (A) will not be commingled with State funds, and (B) will be so used as to supplement and, to the extent practical, increase the level of funds that would, in the absence of such Federal funds, be available for the purposes described in section 5, and in no case supplant such funds;

(12) provide assurances that the State educational agency will pay from non-Federal sources the remaining costs of carrying out the State plan;

(13) provide that such fiscal control and fund accounting procedures will be adopted as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the State (including such funds paid by the State to local educational agencies under this title; and

(14) provide that the State educational agency will make to the Commissioner such reports as may be reasonably necessary to enable the Commissioner to perform his duties under this Act (including such reports as he may require to determine the amounts which the local educational agencies of that State are eligible to receive for any fiscal year), and assurances that such agency will keep such records and afford such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports; and

(15) provide that the State educational agency will make applications, reports, and all documents pertaining thereto readily available to the public.

(b) The Commissioner shall approve any which meets the requirements of subsection (a). The Commissioner shall not finally disapprove a State plan, or modification thereof, except after reasonable notice and an opportunity for a hearing to the State educational agency.

### LOCAL EDUCATIONAL AGENCY APPLICATIONS

SEC. 7. (a) A local educational agency may receive a grant from the appropriate State educational agency under this Act for any fiscal year only upon an application approved by the appropriate State educational agency, upon its determination consistent with such criteria as the Commissioner may establish—

(1) that the programs and activities for which the assistance is sought will be administered by or under the supervision of the applicant;

(2) (A) that, to the extent consistent with the number of children in the school district of the local educational agency who are enrolled in private nonprofit elementary and secondary schools, such agency, after consultation with appropriate private school officials, will make provisions for the benefit of such children in such schools of secular, neutral, and nonideological educational services, materials, and equipment, including such facilities as are necessary, consistent with subparagraph (B) of this paragraph, or, if that is not feasible or necessary in one or more of such private schools as determined by the local educational agency after consultation with the appropriate private school officials, such other arrangements, as dual enrollments, which will assure adequate participation of such children; except that no provision shall be made for the benefit of children attending a private school operated on a racially segregated basis as an alternative to persons seeking to avoid attendance in desegregated public schools, or which otherwise practice discrimination on the basis of race, color, or national origin; and

(B) that the control of funds provided under this Act and title to property acquired therewith shall be in a public agency for the uses and purposes provided in this section, and that a public agency will administer such funds and property, and that the provision of services pursuant to subparagraph (A) shall be provided by employees of a public agency or through contract by such public agency with a person, an association, agency, or corporation who or which in the provision of such services, is independent of such private school and any religious organization, and such employment or contract shall be under the control and supervision of such public agency;

(3) that effective procedures consistent with the appropriate State plan will be adopted for evaluating at least annually the effectiveness of the local educational agency's programs and activities in meeting educational needs of its students;

(4) that the local educational agency will make an annual report and such other reports to the State educational agency, in such form and containing such information, as may be reasonably necessary to enable the State educational agency to perform its duties under this Act, which annual report shall include school-by-school information relating to educational achievement, and will keep such records and afford such access thereto as the State educational agency may find necessary to assure the correctness and verification of such reports;

(5) that applications, reports, and all documents pertaining thereto shall be made available to parents and other members of the general public, except that information relating to the performance of an individual student shall in no circumstances be made public; and

(6) that the local educational agency will cooperate with the appropriate State educational agency in carrying out the provisions of this Act.

(b) The State shall not finally disapprove in whole or in part any application for funds under this section without first affording the local educational agency submitting the application reasonable notice and opportunity for a hearing.

### PAYMENTS

SEC. 8. (a) (1) From the amounts allotted to each State under section 4, the Commissioner shall pay to that State an amount equal to the Federal share of the cost of carrying out its State plan. Such payments may be made in installments, and in advance or by way of reimbursement, with necessary adjustments in account of overpayments or underpayments.

(2) (A) From funds paid to it pursuant to paragraph (1), each State educational agency shall reserve an amount not to exceed 5 percent of that State's allotment under section 4, for the proper and efficient administration (including evaluation) of its duties under this Act.

(B) From the remainder of the funds paid to it under paragraph (1), each State educational agency shall distribute to each local educational agency within that State which has an application approved pursuant to section 7 the amount which each such agency is to receive pursuant to the educational need index approved under section 3.

(b) The Federal share of the costs of carrying a State plan shall be—

(1) for the fiscal year ending June 30, 1975—

(A) in the case of a State contributing at least 70 percent of the expenditures of each local educational agency within the State, 45 percent, plus a percentage which bears the same ratio to 5 percent as the percentage in excess of 70 percent contributed by the State to its local educational agencies bears to 30 percent;

(B) in the case of a State contributing at least 50 percent but less than 70 percent of such expenditures, 35 percent, plus a percentage which bears the same ratio to 10 percent as the percentage in excess of 50 percent contributed by the State to its local educational agencies bears to 20 percent;

(C) in the case of a State contributing at least 10 percent of such expenditures but less than 50 percent of such expenditures, 20 percent, plus a percentage which bears the same ratio to 15 percent as the percentage in excess of 10 percent contributed by the State to its local educational agencies bears to 40 percent; (2) for the fiscal year ending June 30, 1976—

(A) in the case of a State contributing at least 75 percent of the expenditures of each local educational agency within the State, 45 percent, plus a percentage which bears the same ratio to 15 percent as the percentage in excess of 75 percent contributed by the State to its local educational agencies bears to 25 percent;

(B) in the case of a State contributing at least 55 percent of such expenditures but less than 75 percent of such expenditures, 35 percent, plus a percentage which bears the same ratio to 10 percent as the percentage in excess of 55 percent contributed by the State to its local educational agencies bears to 20 percent;

(C) in the case of a State contributing at least 10 percent of such expenditures but less than 55 percent of such expenditures, 20 percent, plus a percentage which bears the same ratio to 15 percent as the percentage in excess of 10 percent contributed by the State to its local educational agencies bears to 45 percent;

(3) for the fiscal year ending June 30, 1977—

(A) in the case of a State contributing at least 80 percent of the expenditures of each local educational agency within the State, 45 percent, plus a percentage which bears the same ratio to 20 percent as the percentage in excess of 80 percent contributed by the State to local educational agencies bears to 20 percent;

(B) in the case of a State contributing at least 60 percent of such expenditures, but less than 80 percent of such expenditures, 35 percent, plus a percentage which bears the same ratio to 10 percent as the percentage in excess of 60 percent contributed by the State to its local educational agencies bears to 20 percent;

(C) in the case of a State contributing at least 25 percent of such expenditures, but less than 60 percent of such expenditures, 20 percent, plus a percentage which bears the same ratio to 15 percent as the percentage in excess of 25 percent contributed by the State to its local educational agencies bears to 35 percent;

(4) for the fiscal year ending June 30, 1978—

(A) in the case of a State contributing at least 80 percent of the expenditures of each local educational agency within the State, 45 percent, plus a percentage which bears the same ratio to 20 percent as the percentage in excess of 80 percent contributed by the State to its local educational agencies bears to 20 percent;

(B) in the case of a State contributing at least 60 percent of such expenditures, but less than 80 percent of such expenditures, 35 percent, plus a percentage which bears the same ratio to 10 percent as the percentage in excess of 60 percent contributed by the State to its local educational agencies bears to 20 percent;

(C) in the case of a State contributing at least 30 percent, but less than 60 percent of such expenditures, 20 percent, plus a percentage which bears the same ratio to 15 percent as the percentage in excess of 30 percent contributed by the State to its local educational agencies bears to 30 percent.

(c) Notwithstanding any other provision of this section, in any State which has a State plan approved under section 5 and in which State law does not provide for the furnishing of, or a local educational agency fails to provide, educational services and arrangements as set forth in clause (A) of section 7(a)(2) on an equitable basis to children enrolled in private nonprofit elementary or secondary schools located in the area under the jurisdiction of such agency, the Commissioner shall arrange for the provision, on an equitable basis of such services and arrangements and shall pay the costs thereof for any fiscal year from that State's allotment. The Commissioner may arrange for such programs through contracts with institutions of higher education or other competent nonprofit institutions or organizations.

### WITHHOLDING

SEC. 9. Whenever the Commissioner, after reasonable notice and opportunity for hearing to any State educational agency, finds that there has been a failure to comply substantially with any provision set forth in the State plan of that State approved under section 6, the Commissioner shall notify the agency that further payments will not be made to the State under this Act (or, in his discretion, that the State educational agency shall not make further payments under this act to specified local educational agencies whose actions caused or are involved in such failure) until he is satisfied that there is no longer any such failure to comply. Until he is so satisfied, no further payments shall be made to the State under this Act, or payments by the State educational agency under this Act shall be limited to local educational agencies whose actions did not cause or were not involved in the failure, as the case may be.

### JUDICIAL REVIEW

SEC. 10. (a) If any State is dissatisfied with the Commissioner's final action with respect to the approval of its application submitted under section 6 or with his final action under section 9, such State may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

(b) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(c) Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

### PROHIBITIONS

SEC. 11. (a) Section 422 of the General Education Provisions Act, relating to the prohibition against Federal control of education is amended by striking out the word "or" and by adding immediately before the word "shall" a semicolon and the following: "or the State Education Finance Assistance Act of 1973".

(b) Nothing contained in this Act shall be construed to authorize the making of any payment under this Act for religious worship or instruction.

### DEFINITIONS

SEC. 12. As used in this Act—

(1) The term "Commissioner" means the Commissioner of Education.

(2) The term "community school" means any public elementary or secondary school which is also used as a community center and is operated in cooperation with other groups in the community to provide educational, community, and social services for the community which that center serves.

(3) The term "expenditures" means expenditures for free public education, including expenditures for administration, instruction, attendance and health services, community services, pupil transportation services, operation and maintenance of plant, fixed charges, and net expenditures to cover deficits for food services and student body activities, but does not include expenditures for capital outlay, debt service, and payments received under the Elementary and Secondary Education Act of 1965, the Vocational Education Act of 1963, and any other provision of Federal law.

(4) The term "elementary school" means a day or residential school which provides elementary education, as determined under State law.

(5) The term "free public education" means education which is provided at public expense, under public supervision and direction, and without tuition charge, and which is provided as elementary or secondary school education in the applicable State.

(6) The term "local educational agency" means a public board of education or other public authority legally constituted within a State for either administrative control or direction of, or to perform a service function for, public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a State, or such combination of school districts or counties as are recognized in a State as an administrative agency for its public elementary or secondary schools. Such term also includes any other public institution or agency having administrative control and direction of a public elementary or secondary school.

(7) The term "secondary school" means a day or residential school which provides secondary education, as determined under State law.

(8) The term "State" includes, in addition to the several States of the Union, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(9) The term "State educational agency" means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools, or, if there is no such officer or agency, an officer or agency designated by the Governor or by State law.

### EXHIBIT 1

*Estimated percent of revenue for public elementary and secondary schools from State governments, 1972–73*

| | |
|---|---|
| 1. Hawaii | 89.0 |
| 2. Alaska | 72.4 |

| | |
|---|---|
| 3. Delaware | 68.8 |
| 4. North Carolina | 63.7 |
| 5. Alabama | 63.6 |
| 6. New Mexico | 63.0 |
| 7. West Virginia | 55.9 |
| 8. Louisiana | 55.6 |
| 9. Kentucky | 55.1 |
| 10. Minnesota | 55.0 |
| 11. South Carolina | 54.8 |
| 12. Florida | 53.9 |
| 13. Georgia | 53.3 |
| 14. Utah | 53.0 |
| 15. Mississippi | 48.9 |
| 16. Arkansas | 48.0 |
| 17. Maryland | 47.8 |
| 18. Michigan | 47.6 |
| 19. Pennsylvania | 47.5 |
| 20. Oklahoma | 47.4 |
| 21. Washington | 47.2 |
| 22. Texas | 46.3 |
| 23. Tennessee | 45.1 |
| 24. Nevada | 42.0 |
| 25. New York | 41.4 |
| 26. Virginia | 39.7 |
| 27. Idaho | 39.3 |
| 28. Illinois | 38.6 |
| 29. Arizona | 38.4 |
| 30. Rhode Island | 37.4 |
| 31. California | 36.7 |
| 32. Missouri | 34.9 |
| 33. Maine | 34.5 |
| 34. Ohio | 33.1 |
| 35. Vermont | 33.0 |
| 36. Iowa | 32.7 |
| 37. Wisconsin | 31.7 |
| 38. Indiana | 31.1 |
| 39. Wyoming | 30.7 |
| 40. North Dakota | 29.2 |
| 41. Colorado | 28.0 |
| 42. Kansas | 27.4 |
| 43. New Jersey | 26.6 |
| 44. Montana | 25.2 |
| 45. Massachusetts | 24.2 |
| 46. Connecticut | 23.1 |
| 47. Oregon | 19.9 |
| 48. Nebraska | 17.4 |
| 49. South Dakota | 15.1 |
| 50. New Hampshire | 6.1 |
| United States | 41.0 |

NEA, *Estimates of School Statistics, 1972–73, p. 33.*

STATE EDUCATION FINANCE ASSISTANCE ACT, SEC. 8

| Fiscal year 1975 | | Fiscal year 1976 | | Fiscal year 1977 | | Fiscal year 1978 | |
|---|---|---|---|---|---|---|---|
| Percent of State contribution to local education | Percent of Federal share | Percent of State contribution to local education | Percent of Federal share | Percent of State contribution to local education | Percent of Federal share | Percent of State contribution to local education | Percent of Federal share |
| 70–100 | 45–50 | 75–100 | 45–60 | 80–100 | 45–65 | 80–100 | 45–65 |
| 50–70 | 35–45 | 55–75 | 35–45 | 60–80 | 35–45 | 60–80 | 35–45 |
| 10–50 | 20–35 | 20–55 | 20–35 | 25–60 | 20–35 | 30–60 | 20–35 |

Note: If, for fiscal year 1975, a State should be contributing 70 percent of local education expenditures, the Federal-State matching would be 45 percent Federal share, 55 percent State share. If, for that year, a State contributes 60 percent of local education expenditures, Federal-State matching would be 40 percent Federal share and 60 percent State share.

Mr. JAVITS. Finally, Mr. President, what I have recommended does not necessarily mean the expenditure of more money. What it does mean is the reorganization of our Federal expenditures for education in the direction where they will do the most good and promote the most justice and equal opportunity for the children of the United States.

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By Mr. SPARKMAN (for himself, Mr. TOWER, Mr. HATHAWAY, and Mr. TAFT):

S. 1901. A bill to amend the act of August 20, 1963, as amended, relating to the construction of mint buildings. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. SPARKMAN. Mr. President, on behalf of myself and Senators TOWER, HATHAWAY and TAFT I introduce for appropriate reference a bill "to amend the Act of August 20, 1963, as amended, relating to the construction of mint buildings."

I ask unanimous consent to have printed in the RECORD a copy of the letter of transmittal together with a comparative print from the Honorable George P. Shultz, Secretary of the Treasury, which explains the purpose of the bill.

There being no objection, the letter and comparison were ordered to be printed in the RECORD, as follows:

THE SECRETARY OF THE TREASURY,
*Washington, D.C.*

Hon. SPIRO T. AGNEW,
*President of the Senate,*
*Washington, D.C.*

DEAR MR. PRESIDENT: There is transmitted herewith a draft bill, "To amend the Act of August 20, 1963, as amended, relating to the construction of mint buildings", together with a comparative type showing the changes that would be made in existing law by the draft bill.

The Act of August 20, 1963, as amended (31 U.S.C. 291–4) authorized the Secretary of the Treasury, acting through the Administrator of General Services, to acquire sites for, and to construct and equip, such buildings as may be necessary in connection with the operations of the Bureau of the Mint. The draft bill would amend section 4 of that Act to increase from $45 million to $95 million the amount authorized to be appropriated for the building of new mints and would extend the time during which monies could be appropriated from July 1, 1973 to July 1, 1983. This increase, together with the balance remaining from that previously authorized, will permit construction of a new mint in the city of Denver to replace the existing Denver mint.

Construction of the new mint at Denver has been approved by the Congress, which in 1971 appropriated $1.5 million for the acquisition of a construction site (Public Law 92–49). Preliminary funding requirements for the new Denver mint have been projected and appear to be in the amount of $54.51 million. The production capacity of the new mint is projected to be 8 billion coins per year.

I urge early consideration of the draft bill in order that construction of the mint may be begun, thereby enabling the Department to meet the increasing demand for coins.

It would be appreciated if you would lay the draft bill before the Senate. A similar draft bill has been submitted to the Speaker of the House of Representatives.

The Department has been advised by the Office of Management and Budget that there is no objection from the standpoint of the Administration's program to the submission of this proposed legislation to the Congress.

Sincerely yours,

GEORGE P. SHULTZ.

COMPARATIVE PRINT SHOWING CHANGES IN EXISTING LAW MADE BY DRAFT BILL

Changes in existing law proposed to be made by the draft bill are shown as follows (existing law proposed to be omitted is enclosed in brackets; new matter is printed in italic):

ACT OF AUGUST 20, 1963, AS AMENDED (31 U.S.C. 294)

SEC. 4. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, for each fiscal year which begins after June 30, 1963, and ends before July 1, [1973] *1983*, such sums as may be necessary to carry out this Act, except that the aggregate of sums appropriated under this section shall not exceed [$45,000,000] *$95,000,000*. Sums appropriated to the Department of the Treasury for the purposes of this Act may be available for transfer to the Administrator of General Services to remain available until expended.

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By Mr. DOLE:

S. 1902. A bill to amend section 8(b) of the Soil Conservation and Domestic Allotment Act, as amended, to reinstitute certain permanent soil and water conserving practices under such act. Referred to the Committee on Agriculture and Forestry.

Mr. DOLE. Mr. President, earlier this year both the House and the Senate took prompt action in passing legislation to reinstate the rural environmental assistance program—REAP. The action resulted in two different versions of the bill since the Senate added the provision to also reinstate the water bank program at the same time.

A joint conference committee worked out the differences and the House received a report on the conference action April 2. Since then no action has transpired and our farmers continue to write me asking when we will have action on this important legislation.

It is time that we face the realities and responsibilities of such legislation. The REAP program is important because it contains certain essential permanent type conservation practices that are necessary to preserve the soil and more effectively utilize moisture throughout the Nation.

Not to be denied is the contribution that water retention dams provide in providing point of origination control of runoff water that eventually contributes to urban damage in flooding, and is of considerable assistance in maintaining adequate water supplies in rural and urban areas.

Mr. President, I ask unanimous consent that a concurrent resolution passed by the Kansas House of Representatives be printed in the RECORD at this point. The document is explicit in explaining the need to reinstate the permanent conservation practices that are the most important features of the REAP program.

There being no objection, the Kansas Concurrent Resolution was ordered to be printed in the RECORD, as follows:

HOUSE CONCURRENT RESOLUTION NO. 1021

A Concurrent Resolution urging the President of the United States to reinstate the Rural Environmental Assistance Program.

Whereas, The President of the United States, the Honorable Richard M. Nixon, has, in effect, terminated the Rural Environmental Assistance Program by freezing the funds appropriated by the Congress for such Programs; and

Whereas, It takes four hundred years to rebuild one inch of topsoil, and there is no longer any virgin soil available to develop for use in crop production and therefore it is imperative that we conserve our soil which is a most vital natural resource; and

Whereas, The present-day farmers and ranchers are not solely responsible for the condition of the soil since this is a condition which has been developing since this country was founded; and

Whereas, All of the people of this generation, both rural and urban, have a huge stake in conserving the soil; and

Whereas, Protection of the environment will result in significant public benefits and thus part of the cost of programs designed to accomplish such environment protection should be borne by the public; and

Whereas, The REAP is not a typical subsidy program but is on a cost-sharing basis, approximately fifty-fifty for original construction of soil conservation projects, with the lifetime cost of maintenance of the structures, estimated to be at least equal to the original cost, being borne solely by the farmers and ranchers; and

Whereas, Cost-sharing encouragement is vital for many reasons such as several years of reduced production on land which has been reconstructed, a fifteen percent increase in the cost of farming terraced land as opposed to non-terraced land, the level of completion of conservation projects per year remains about the same as it was twenty years ago, a percentage of the acreage which is used for waterways does not give the normal return per acre, the need for conservation does not change with farm prices and while favorable prices exist today there is no guarantee that they will so remain for any definite period of time; and

Whereas, The farmers and ranchers are sympathetic to the administration's objective of preventing more inflation and would favor eliminating conservation practices which are of a temporary nature from the program and assuming the full cost of maintaining such temporary practices themselves; and

Whereas, the twenty-one federal reservoirs in Kansas which were built at a cost of millions of dollars to the tax-paying public are in jeopardy if soil erosion is not controlled since sediment is probably the largest single pollutant in the waters of the nation; and

Whereas, The state of Kansas has completed approximately forty percent of the needed conservation projects but there are more than fifty million acres which still need treatment; and

Whereas, The withholding of the federal REAP funds, amounting to four and one-half million dollars, when combined with the matching amount which would be contributed by farmers and ranchers on the cost-sharing basis, would amount to a total of nine million dollars being withheld, and would, by applying a four to one multiplier effect, have the tremendous impact on the Kansas economy of a loss of thirty-six million dollars: Now, therefore,

*Be it resolved by the House of Representatives of the State of Kansas, the Senate concurring therein:* That the legislature hereby respectfully urges the President of the United States to reinstate the Rural Environmental Assistance Program by releasing the funds appropriated therefor by the United States Congress.

*Be it further resolved:* That the Secretary of State be directed to send enrolled copies of this resolution to the President of the United States, the United States Secretary of Agriculture, the Governor of the State of Kansas, the Administrator of the Environmental Protection Agency and to each member of the Congressional Delegation from the State of Kansas.

Mr. DOLE. Mr. President, with the termination of this program and throughout the consideration of the legislation to reinstate the program, I, as most of my colleagues in this body, received literally thousands of letters urging my support of the reinstatement of the program. We responded in passage of legislation that is represented in the conference report on H.R. 2107, which has been pending further action in the House since April 2.

Kansas farmers are asking why we have not acted to approve the conference report. I must respond frankly that we are fearful of another veto of this important legislation, which we recognize as a very real possibility—and that we acknowledge that we doubtfully could override a veto any more than we have on two other occasions dealing with the so-called impoundment of funds.

Again, Mr. President, I refer to the resolution passed by the Kansas Legislature, wherein it stipulates:

> The farmers and ranchers are sympathetic to the Administration's objective of preventing more inflation and would favor eliminating conservation practices which are of a temporary nature from the program and assuming the full cost of maintaining such temporary practices themselves.

Mr. President, to pursue this request of the Kansas State Legislature and the thousands of Kansas farmers who have written me urging such action, today I introduce a bill that will reinstate such permanent conservation practices on a cost-sharing basis.

The bill provides for an equal cost-sharing basis for the construction of permanent dams, terraces, ponds, waterways, or other soil conserving facility of similar type, as long as it is permanent in nature.

Such conserving practices are necessary to preserve the raw material, land, and water with which our farmers produce the food and fiber the people of this Nation and the world need. They also contribute greatly to the overall supply of water and flood control to the benefit of our urban population.

Since the prior legislation has reached an impasse, I would urge my colleagues to act promptly on this bill which will restore just those worthwhile practices that are so important to rural and urban America.

Mr. President, I also ask unanimous consent that the bill be printed in the RECORD following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1902

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the second paragraph of section 8(b) of the Soil Conservation and Domestic Allotment Act, as amended, is amended to read as follows:

"Notwithstanding any other provision of law, payments made pursuant to the authority granted under this Act shall be made only for the construction of permanent dams, terraces, ponds, waterways, and other soil-conserving facilities and measures of a similar type that are permanent in nature (including measures to establish permanent erosion control cover), and which are approved by the Soil Conservation District and the appropriate county committee. No payment under this section shall exceed an amount equal to fifty per centum of the total cost of the facility, excluding the cost of the land. Payments under this section may be made in periodic installments as construction is completed."

By Mr. HOLLINGS:

S. 1903. A bill to regulate commerce and conserve gasoline by improving motor vehicle fuel economy, and for other purposes. Referred to the Committee on Commerce.

Mr. HOLLINGS. Mr. President, I introduce for appropriate reference, a bill which will contribute to the easing of the energy crisis by requiring the manufacture of more efficient motor vehicles. The bill directs the Secretary of Transportation to establish fuel economy standards for motor vehicles such that by 1978 and thereafter the fuel economy of new motor vehicles will be at least 25 percent greater than the fuel economy of 1973 models.

One of the most visible manifestations of the energy crisis is the shortage of gasoline, diesel, and fuel oil. Examples abound of the widespread nature of the emergency. Many independent distributors have already been closed down as some major oil companies are no longer supplying the independents. The Washington Metropolitan Area Transit Authority—METRO—along with bus companies in other cities recently had difficulty obtaining contractural commitments for bus fuel. Farmers cannot get enough diesel fuel to operate their tractors. Last winter, schools had to close because of the lack of fuel oil.

The problem will not go away; in fact it will intensify in the years to come. We must plan now to avert a genuine catastrophe. A short-term stopgap measure is a greater reliance on oil imports, but the foreign policy and economic implications of overdependence on imported oil are very disturbing and a long-range solution which decreases dependency on oil imports is needed.

The automobile accounts for approximately 40 percent of the oil consumed in this country, and it is well documented that the overall efficiency of the automobile as a user of energy is very low; estimates range between 5 and 15 percent. We cannot continue to allow the manufacture of these gas guzzlers. Every gallon of gasoline that is wasted by such overweight, overpowered, and overpriced monsters contributes to the depletion of a precious natural resource. The freedom of mobility of the American people must be protected; and that freedom to travel where and when we want to is much more valuable than the so-called freedom to drive a car that gets 8 miles to the gallon. As we shall soon find out when gas pumps run dry this summer, the freedom to drive a gas guzzler is meaningless if there is no gas to guzzle. And I am afraid that the time has come for us to decide between the right to be wasteful and the right to travel unhindered.

The efficiency of automobiles has been steadily declining. From 1960 to 1968, before air pollution standards came into being, the efficiency of operation of automobiles dropped 3 percent. Emission control devices are responsible for an additional 7-percent loss in fuel economy, but as estimated by the Environmental Protection Agency—EPA—other important factors in decreasing fuel efficiency are automatic transmission—6 percent—and air conditioning—9 percent. In fact according to a recent EPA study, automobile weight is the most important parameter affecting fuel economy. A 5,000 pound vehicle will have one-half the fuel economy of a 2,500 pound vehicle.

The American automobile industry cannot be counted on to voluntarily move toward the production of more efficient automobiles. The past performance of the industry indicates that while from time to time, economy models are introduced, these models tend to grow in size as the years pass—remember the Ford Falcon, Pontiac Tempest, et cetera? The industry's response to the emission standards was to take the most uneconomical path—from the point of view of fuel consumption and cost to the consumer—the addition of the catalytic converter. This was in spite of the availability of other alternatives, as evidenced by the examples of Honda, Mazda, and Mercedes and as documented by a February 1973 report of the National Academy of Sciences. It is now time for Congress to move forward in a vigorous manner to conserve energy and mobility. Voluntary efforts at this point will be too little, too late.

In a study conducted by DOT engineers and presented at a February 1973 conference on energy at MIT, 10 different scenarios aimed at conserving energy in the transportation sector of our economy were examined. The most effective measure of the ones examined turned out to be the one which postulated a 30-percent reduction in fuel consumption in 50 percent of the highway vehicles. This results in a 12-percent savings in transportation energy needs. The bill which I have introduced is designed to achieve such a goal.

Another way of assessing the effect of this bill is that if the average weight of automobiles in this country were reduced to 2,500 pounds, 17 billion gallons of gasoline would have been saved in 1972. This compares to a projected 92 billion gallons of crude oil to be imported from the Middle East in 1980. Since about 50 percent of crude oil is converted to gasoline, this single conservation measure will allow for a 37-percent reduction in dependence on Middle Eastern oil.

One means for encouraging the production of more efficient motor vehicles is by means of taxation or pricing policies. However, the effect of such economic measures is very difficult to predict and in view of the oligopolistic nature of the automobile industry, such measures might very well be totally ineffective. Only by the establishment of standards can we be assured that our goal for fuel savings will be met. The bill which I have introduced today uses a combination of setting minimum standards and imposing a sliding surcharge to encouarge that these minimum standards be exceeded.

Selecting fuel economy as the parameter rather than weight or horsepower gives the manufacturers more flexibility to introduce new technology. Also, economy can be measured by test procedures similar to those currently used to measure pollutant emissions. The establishment of fuel economy standards represents a logical step beyond the existing emission standards. In fact it could be argued that the major loophole of the Clean Air Act Amendments was the failure to establish fuel economy standards in addition to emission standards.

By establishing a goal of 25-percent increase in fuel economy by 1978 and permitting the Secretary of Transportation to devise the regulations and standards needed to achieve that goal, this bill avoids the difficulties encountered with the Clean Air Act Amendments which got involved in establishing the numerical standards.

The bill also includes up to a $1,000 tax deduction per vehicle to owners who retrofit their vehicle with efficient engines. This will accelerate the development of new engine technology and will shorten the time needed for the provisions for the bill to have a significant impact.

A labeling provision, which requires the manufacturer to provide fuel economy information in all advertisements will be a very effective consumer education measure; especially in these days of gasoline shortages and rising gas prices. It will also stimulate the manufacturers to increase fuel economy beyond the required standards.

Mr. President, I ask unanimous consent that the bill be printed in the Record at this point.

**There being no objection, the bill was ordered to be printed in the Record, as follows:**

### S. 1903

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Motor Vehicle Fuel Economy Act".

### FINDINGS AND PURPOSES

Sec. 2. (a) The Congress finds and declares that—

(1) A serious shortage of refined petroleum products is emerging in the United States.

(2) The need to import petroleum from foreign nations is causing the Nation substantial international trade deficits in fuels.

(3) This shortage and trade deficit necessitate reducing wasteful use of irreplaceable fossil fuels.

(4) Motor vehicles are a major example of the inefficient and wasteful consumption and use of petroleum products.

(5) The extreme inefficiency of motor vehicle propulsion equipment today is unnecessary since significant increases in fuel economy can be acheived without sacrificing environmental or safety standards and without restricting travel patterns.

(b) The Congress further declares that the purposes of this Act are to—

(1) encourage the development, manufacture, and purchase of motor vehicles and motor vehicle propulsion equipment which are more economical to operate in terms of the amount of fuel consumed;

(2) increase fuel economy to the extent that the annual consumption of fossil fuels per mile of operation of motor vehicles in the United States is significantly reduced;

(3) help make the Nation more self-sufficient in fuel sources for automotive transportation;

(4) promote and encourage new technologies which may aid in further realization of the foregoing objectives.

### DEFINITIONS

Sec. 3. As used in this Act—

(1) "Class" means a grouping of motor vehicles or propulsion equipment based upon intended function, as determined by the Secretary, which may include but is not limited to types of passenger automobiles, trucks, buses, motorcycles, and recreational vehicles.

(2) "Commerce" means commerce between any place in a State and any place in another State, or between places in the same State through another State.

(3) "Dealer" means any person engaged in the sale and distribution of new motor vehicles or motor vehicle propulsion equipment to purchasers who buy for purposes other than resale.

(4) "Fuel" means any substance capable of propelling a motor vehicle, including but not limited to regular and high-octane gasoline, diesel oil, kerosene, natural gas, and propane.

(5) "Fuel economy" refers to the average number of miles of transportation provided by a motor vehicle per unit of fuel consumed.

(6) "Manufacturer" means any person engaged in the manufacturing or assembling of motor vehicles or propulsion equipment, including any person importing motor vehicles or propulsion equipment for resale.

(7) "Model" means a motor vehicle of particular brand name, body dimensions and style, propulsion equipment, and year of production.

(8) "Motor vehicle" means any vehicle which is driven or propelled by mechanical power and which is manufactured primarily for use on the public streets, roads, and highways, except any vehicle operated exclusively on a rail or rails.

(9) "Propulsion equipment" means the engine, transmission system, drive train, and other equipment which converts fuel into mechanical power or transmits such power to drive or propel a motor vehicle; and which is marketed for the purpose of installation in used motor vehicles.

(10) "Secretary" means the Secretary of Transportation.

(11) "State" means any State, the District of Columbia, the Commonwealth of Puerto Rico, and any organized territory or possession of the United States.

### ESTABLISHMENT OF STANDARDS

Sec. 4. (a) (1) The Secretary shall by rule promulgate within six months after the date of enactment of this Act, in accordance with the provisions of this section, both interim and final standards of fuel economy applicable to all new models of motor vehicles sold or offered for sale in the United States. Such standards shall set minimum levels of fuel economy for each class of motor vehicles. Such standards shall be promulgated pursuant to the provisions of section 553 of title 5, United States Code, and shall apply to any new motor vehicle sold in any State after September 1 of the year in which the regulations are to become effective.

(2) The Secretary shall by rule promulgate within six months after the date of enactment of this Act, in accordance with the provisions of this section, standards of performance for those classes of propulsion equipment which, in the judgment of the Secretary, have potential for achieving significant improvement in the fuel economy of used motor vehicles in which such equipment may be installed. Such standards shall be promulgated pursuant to the provisions of section 553 of title 5, United States Code.

(b) (1) The Secretary's interim standards of fuel economy under subsection (a) of this section shall become effective September 1, 1976, and shall be designed to achieve a thirteen per centum increase in the fuel economy of the aggregate of all new motor vehicles sold during the period September 1, 1976, through August 31, 1977, over the fuel economy of new motor vehicles sold during the base period September 1, 1972, through August 31, 1973.

(2) The Secretary's final standards of fuel economy under subsection (a) of this section shall become effective September 1, 1978, and shall be designed to achieve a twenty-five per centum increase in the fuel economy, of the aggregate of all new motor vehicles sold during the period September 1, 1978, through August 31, 1979, over the fuel economy of new motor vehicles sold during the base period of September 1, 1972, through August 31, 1973.

(3) The Secretary's standards of performance for propulsion equipment under subsection (a) of this section shall become effective September 1, 1976.

(4) If the field tests conducted pursuant to section 5(b) of this Act, or any other sources of information available to the Secretary, provide data on fuel economy which is substantially different from the data used by the Secretary when promulgating the final standards of fuel economy under subsection (a) of this section, the Secretary may issue revised final standards of fuel economy. Such revised final standards shall be issued no later than January 1, 1976, and shall become effective no later than September 1, 1978.

(c) In setting standards under subsection (a) of this section, the Secretary shall consider all relevant factors, including but not limited to fuels, engines, emission characteristics, safety, state of the art in international automotive technology, initial and maintenance costs to consumers, the effects on fuel economy of accessory equipment such as air-conditioning and radial tires, the amount of energy required to produce each fuel, and in the case of motor vehicles powered by electricity the amount of fuel required to generate such electricity.

(d) The final standards of fuel economy established by the Secretary pursuant to subsection (a) of this section may, at the discretion of the Secretary, be revised at any time after January 1, 1978, to provide further increases in fuel economy. Such revised standards shall become effective on September 1, two years after their promulgation.

(e) No model of a new motor vehicle sold in the United States after September 1, 1976 may have a fuel economy which is less than that of the comparable model marketed during the base period of September 1, 1972 through August 31, 1973.

(f) The standards promulgated in accordance with subsection (a) of this section shall not apply to any motor vehicle which is intended solely for export (and is so labeled or tagged on the vehicle itself and on the outside of the container, if any) and which is exported.

### JUDICIAL REVIEW

SEC. 5. (a) Any person who may be adversely affected by any rule issued under section 4 of this Act may at any time prior to sixty days after such rule is issued file a petition with the United States Court of Appeals for the District of Columbia, or any circuit wherein such person resides or has his principal place of business, for judicial review of such rule. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary or his delegate. The Secretary thereupon shall file in the court the record of the proceedings on which the Secretary based his rule, as provided in section 2112 of title 28, United States Code.

(b) If the petitioner applies to the court for leave to adduce additional evidence, and shows to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the proceeding before the Secretary, the court may order such additional evidence (and evidence in rebuttal thereof) to be taken before the Secretary, and to be adduced in a hearing, in such manner and upon such terms and conditions as the court may deem proper. The Secretary may modify his findings as to the facts, or make new findings, by reason of the additional evidence so taken, and he shall file such modified or new findings, and his recommendation, if any, for the modification or setting aside of his rule, with the return of such additional evidence.

(c) Upon the filing of the petition referred to in subsection (a) of this section, the court shall have jurisdiction to review the rule in accordance with chapter 7 of title 5, United States Code, and to grant appropriate relief as provided in such chapter.

(d) The judgment of the court affirming or setting aside, in whole or in part, any such rule of the Secretary shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(e) The remedies provided for in this section shall be in addition to and not in lieu of any other remedies provided by law.

### POWERS OF THE SECRETARY

SEC. 6. (a) (1) For the purpose of carrying out the provisions of this Act, the Secretary, or on the authorization of the Secretary, any officer or employee of the Department of Transportation may hold such hearings, take such testimony, sit and act at such times and places, administer such oaths, and require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, papers, correspondence, memorandums, contracts, agreements, or other records as the Secretary, or such officer or employee, deems advisable.

(2) In order to carry out the provisions of this Act, the Secretary or his duly authorized agent shall at all reasonable times have access to, and for the purposes of examination, the right to copy any documentary evidence of any person having materials or information relevant to any function of the Secretary under this Act.

(3) The Secretary is authorized to require, by general or special orders any person to file, in such form as the Secretary may prescribe, reports or answers in writing to specific questions relating to any function of the Secretary under this Act. Such reports and answers shall be made under oath or otherwise, and shall be filed with the Secretary within such reasonable period as the Secretary may prescribe.

(4) Any of the district courts of the United States within the jurisdiction of which an inquiry is carried on may, in the case of contumacy or refusal to obey a subpoena or order of the Secretary or such officer or employee issued under paragraph (1) or (3) of this subsection, issue an order requiring compliance therewith. Any failure to obey such order of the court may be punished by such court as a contempt thereof.

(5) Witnesses summoned pursuant to this subsection shall be paid the same fees and mileage that are paid witnesses in the courts of the United States.

(b) All information reported to or otherwise obtained by the Secretary or his representative under this title which information contains or relates to a trade secret or other matter referred to in section 1905 of title 18, United States Code, shall be considered confidential for the purpose of that section, except that such information may be disclosed to other officers or employees concerned with carrying out this Act or when relevant in any proceeding under this Act. Nothing in this section shall authorize the withholding of information by the Secretary or any officer or employee under his control from the duly authorized committees of the Congress.

### TEST PROCEDURES

SEC. 7. (a) The Secretary shall study and investigate the fuel economy of any motor vehicle which is subject to the standards of fuel economy issued under section 4 of this Act. Such studies and investigations shall include tests—

(1) of each model of motor vehicle equipped with each, and combinations of each, type of optional accessory available which is determined by the Secretary to have a significant effect on fuel economy; and

(2) which shall be conducted—

(A) under driving conditions representative of an average composite of urban and nonurban driving speeds, circumstances, and conditions,

(B) with the fuel used being of the quality normally recommended for use in such motor vehicle, and

(C) with such motor vehicle carrying the average weight load for which it was designed.

Upon the basis of such studies and investigations, the Secretary shall, not later than June 1, 1976, and each year thereafter, prepare and publish a schedule of the fuel economy of each such motor vehicle model with and without accessories which have a significant effect on fuel economy. This schedule shall be made available for sale as a public document.

(b) Within one year after the date of enactment of this Act and from time to time thereafter, the Secretary shall issue regulations to establish test protocols for continuous testing of fuel economy in actual operation of new motor vehicles sold in the United States. A statistically meaningful sample of new motor vehicles shall be affixed with reliable equipment or devices capable of monitoring the number of miles of transportation provided by such motor vehicle for each unit of fuel consumed. The Secretary is authorized to reimburse for their time purchasers who cooperate in mailing the monitor findings promptly and regularly to the Secretary.

(c) The test procedures adopted by the Secretary pursuant to subsection (a) of this section shall to the extent possible be consistent with the test procedures established under the Clean Air Act (42 U.S.C. 1857f–5).

### LABELING AND ADVERTISING

SEC. 8. (a) Each manufacturer and dealer shall cause to be affixed and maintained on each new motor vehicle in a prominent place and easily legible and readable form a sticker indicating the fuel economy which a prospective purchaser can expect from such vehicle and the amount of the fuel conservation fee. The information on each sticker shall be based on the results of tests conducted in accordance with section 7(a) and the fee imposed in accordance with section 9(a) of this Act.

(b) The information regarding fuel economy which is included on the sticker described in subsection (a) of this section shall also be a prominent part of any advertisement for any new motor vehicle.

(c) Section 3 of the Automobile Information Disclosure Act (15 U.S.C. 1232) is amended by striking out in the first paragraph "disclosing the following information concerning" and inserting in lieu thereof "disclosing the information required by the Motor Vehicle Fuel Economy Act together with the following information concerning".

### INCENTIVE PROVISIONS

SEC. 9. (a) On each new motor vehicle which is subject to the standards of fuel economy issued under section 4 of this Act, the Secretary shall impose a fuel conservation fee. The amount of such fee shall be determined upon the basis of whichever of the following rates is applicable to the particular model of motor vehicle in accordance with the fuel economy standards established for such vehicle under section 4 of this Act and the results of the tests conducted under section 7(a) of this Act. The fee schedule is as follows:

| If the fuel economy exceeds the fuel economy standard by: | The fee, as a percentage of the manufacturer's retail price of the motor vehicle, is: |
|---|---|
| Over 35 per centum | 0. |
| Over 30 per centum but not over 35 per centum | 1 per centum. |
| Over 25 per centum but not over 30 per centum | 2 per centum. |
| Over 20 per centum but not over 25 per centum | 3 per centum. |
| Over 15 per centum but not over 20 per centum | 5 per centum. |
| Over 10 per centum but not over 15 per centum | 8 per centum. |
| Over 5 per centum but not over 10 per centum | 11 per centum. |
| Not over 5 per centum | 15 per centum. |

(b) The fee imposed under subsection (a) of this section shall be paid by the manufacturer at such time and in such manner as the Secretary shall prescribe. The Secretary may arrange with the heads of other Federal agencies for the performance of any of his functions under this subsection, with or without reimbursement, and the heads of such agencies are authorized and directed to assist the Secretary, upon request, to carry out his functions under this section. The moneys collected under this subsection shall be paid into the Treasury of the United States and remain until expended in accordance with law. The fee imposed by subsection (a) of this section and collected under this subsection shall become effective and payable September 1, 1976.

(c) The Internal Revenue Code of 1954 is amended by adding after section 218 (26 U.S.C. 218) the following new section:

"AUTOMOBILE PROPULSION EQUIPMENT CONVERSION EXPENSE

"SEC. 219. There shall be allowed as a deduction automobile propulsion equipment conversion expenses paid or incurred during the taxable year, not to exceed $1,000 per vehicle, by the taxpayer to obtain for his motor vehicle new propulsion equipment manufactured in compliance with regulations issued by the Secretary of Transportation under paragraph 2 of section 4(a) of the Motor Vehicle Fuel Economy Act."

### RESEARCH

SEC. 10. The Secretary, in cooperation with the Director of the National Bureau of Standards and the Administrator of the Environmental Protection Agency is authorized to conduct such research as is necessary to promote the purposes of this Act. To the extent possible, such research shall not duplicate the efforts of other Federal agencies or research by manufacturers. In order to carry out the provisions of this section, the Secretary is authorized to make contracts and grants for such research.

### INSPECTION

SEC. 11. (a) Every manufacturer of motor vehicles or of propulsion equipment shall establish and maintain such records, make such reports, conduct such tests and provide such items and information (including the supplying of vehicles or equipment for testing) as the Secretary may reasonably require to enable him to determine whether such manufacturer has acted or is acting in compliance with this Act and fuel economy standards prescribed pursuant to this Act and shall, upon request of an officer or employee duly designated by the Secretary, permit such officer or employee to inspect vehicles and appropriate books, papers, records, and documents relevant to determining whether such manufacturer has acted or is acting in compliance with this Act and fuel economy standards prescribed pursuant to this Act. Such manufacturer shall make available all such items and information in accordance with such reasonable rules as the Secretary may prescribe. Vehicles and equipment for testing shall be made available under this subsection at a negotiated price that does not exceed the manufacturer's cost.

(b) For purposes of enforcement of this Act, officers or employees duly designated by the Secretary, upon presenting appropriate credentials and a written notice to the owner, operator, or agent in charge, are authorized (1) to enter any factory, warehouse, or establishment in which motor vehicles or propulsion equipment is manufactured, or held for introduction in commerce or are held for sale after such introduction; and (2) to inspect such factory, warehouse, or establishment. Each such inspection shall be conducted at reasonable times and in a reasonable manner and shall be commenced and completed with reasonable promptness.

### GOVERNMENT ENFORCEMENT

SEC. 12. (a) It shall be unlawful and a violation of section 5(a)(1) of the Federal Trade Commission Act (15 U.S.C. 45(a)(1)) for any person (including any partnership, corporation, or association) subject to the provisions of section 8 of this Act to fail to comply with any requirement imposed on such person by or pursuant to this Act or to violate any prohibition contained in this Act.

(b) The district courts of the United States shall have jurisdiction to restrain violations of this Act in an action by the Attorney General or by the Secretary by any of his attorneys designated by him for such purpose. Upon a proper showing, and after notice to the defendant, a temporary restraining order or preliminary injunction shall be granted without bond: *Provided, however,* That if a complaint is not filed within such period as may be specified by the court after the issuance of the restraining order or preliminary injunction, the order or injunction may, upon motion, be dissolved. Whenever it appears to the court that the interests of justice require that other persons should be parties in the action, the court may cause them to be summoned whether or not they reside in the district in which the court is held, and to that end process may be served in any district.

### PROHIBITED CONDUCT

SEC. 13. The following conduct is prohibited—

(1) the failure to comply with any provisions of this Act or any regulation or order issued by the Secretary pursuant to this Act;

(2) the failure to provide information as required in accordance with this Act;

(3) the failure to permit entry and administrative inspection pursuant to this Act;

(4) the manufacture, processing, sale, distribution, or importation into the United States of any motor vehicle or propulsion equipment whenever such manufacture, assembly, sale, distribution, or importation is known to be or should have been known to be for use in violation of this Act or any regulation issued under this Act. Each such act constitutes a separate violation of this section.

### PENALTIES

SEC. 14. (a) The Secretary or, upon request, the Attorney General may bring an action in the appropriate district court of the United States for equitable relief to redress a violation by any person of any provision of section 13 of this Act. The district courts of the United States shall have jurisdiction to grant such relief as the equities of the case may require.

(b) (1) Any person who violates section 13 of this Act shall be liable to the United States for a civil penalty in an amount which is not greater than $25,000 for each day for each violation. The amount of such civil penalty shall be assessed by the Secretary after notice and an opportunity for an adjudicative hearing conducted in accordance with section 554 of title 5, United States Code, and after he has considered the nature, circumstances, and extent of such violation, the practicability of compliance with the provisions violated, and any good-faith efforts to comply with such provisions.

(2) Upon the failure of the offending party to pay such civil penalty, the Secretary may commence an action in the appropriate district court of the United States for such relief as may be appropriate or he may request the Attorney General to commence such an action. In such action under this subsection, the court shall sustain the Secretary's finding of violation and assessment of civil penalty if such action is supported by substantial evidence.

(c) Any motor vehicle or propulsion equipment which the Secretary finds is manufactured, or sold, or offered for sale, in violation of this Act or any regulation issued under this Act shall be liable to be proceeded against by the Secretary or the Attorney General on libel of information and condemned in any district court of the United States within the jurisdiction of which such vehicle or equipment is found. Such vehicle or equipment shall be liable to seizure by process pursuant to the libel. In cases under this section, the procedure shall conform, as nearly as may be, to the procedure in admiralty. Any motor vehicle or propulsion equipment condemned under this section shall, after entry of the decree, be disposed of by destruction: *Provided,* That after entry of the decree and upon the payment of the costs of such proceedings and the execution of a good and sufficient bond conditioned that such vehicle or equipment shall not be sold or disposed of contrary to the provisions of this Act, the court may by order direct that such vehicle or equipment be delivered to the owner thereof to be destroyed or brought into compliance with the provisions of this Act under the supervision of an officer or employee duly designated by the Secretary. The expenses of such supervision shall be paid by the person obtaining release of the vehicle or equipment under bond. When a decree of condemnation is entered against the vehicle or equipment, court costs and fees together with storage and other property expenses, shall be awarded against the person, if any, intervening as a claimant of the vehicle or equipment.

(d) Any persons who knowingly violates section 13 of this Act shall on conviction be fined not more than $25,000 for each day of violation or imprisoned for not more than one year, or both.

(e) (1) A passenger motor vehicle offered for importation in violation of paragraph (4) of section 13 shall be refused admission into the United States under joint regulations issued by the Secretary of the Treasury and the Secretary; except that the Secretary of the Treasury and the Secretary may, by such regulations, provide for authorizing the importation of such vehicle into the United States upon such terms and conditions (including the furnishing of a bond) as may appear to them appropriate to insure that any such vehicle will be brought into conformity with any applicable fuel economy standard prescribed under this Act, or will be exported or abandoned to the United States.

(2) The Secretary of the Treasury and the Secretary may, by joint regulations, permit the importation of any motor vehicle after the first purchase of it in good faith for purposes other than resale.

### REPORT

SEC. 15. (a) One year after the enactment of this Act and every year thereafter, the Secretary shall report simultaneously to the Congress and to the President on the progress made in carrying out the purposes of this Act.

(b) The Secretary shall supply all information regarding the implementation of this Act and appear in person when requested by any duly constituted committee of Congress.

### AUTHORIZATION OF APPROPRIATIONS

SEC. 16. There is hereby authorized to be appropriated for the purposes of carrying out the provisions of this Act the moneys collected by the Secretary pursuant to subsection (b) of section 9 of this Act together with such sums as may be necessary, not to exceed $5,000,000 for the fiscal year ending June 30, 1974, and not to exceed $3,000,000 for the fiscal years ending June 30, 1975 and June 30, 1976.

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By Mr. HOLLINGS:

S. 1904. A bill to amend the act of August 4, 1950 (64 Stat. 411), to provide salary increases for members of the police force of the Library of Congress. Referred to the Committee on Rules and Administration.

Mr. HOLLINGS. Mr. President, today, the members of the police force of the Library of Congress receive substantially less pay than do the members of the Capitol Police, the Supreme Court Police, and the District of Columbia Police. Understandably, this situation makes it difficult for the Library to recruit new officers, to retain their qualified officers, and is generally bad for morale. This disparity must be at least partially eliminated if the Library is expected to maintain competent protection of the staff, the public, and the irreplacable collections.

In order to make the Library of Congress Special Police salaries equitable and competitive I am introducing a bill to fix the basic pay as follows:

Private GS–7—step 1 through 10.

Sergeants GS–8—step 1 through 10.

Lieutenant GS–9—step 1 through 10.

Senior lieutenant GS–10—step 1 through 10.

Captain GS–11—step 1 through 10.

These ratings will not equal but will approximate the pay rates of the Capitol Police.

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By Mr. HRUSKA (by request):

S. 1905. A bill to provide for the appointment of U.S. marshals by the Attorney General. Referred to the Committee on the Judiciary.

Mr. HRUSKA. Mr. President, I am introducing today, at the request of the administration, a bill which would grant career status to U.S. marshals.

Deputy marshals, including supervisory and chief deputy marshals, currently have career status and are in the competitive civil service. U.S. marshals, however, are appointed by the President, by and with the advice and consent of the Senate.

The granting of career status to deputy marshals has resulted in improving the caliber of deputy marshals. I believe that enactment of this legislation could greatly enhance the professionalism of U.S. marshals, a desirable goal in the area of law enforcement.

A U.S. marshal must know the law both in the criminal enforcement area and in the area of management of Federal personnel. A person who has moved up through the ranks of the U.S. Marshals Service and who is able to meet the civil service standards for the position of U.S. marshal, would enhance that position and thereby raise the caliber of Federal law enforcement.

Mr. President, I hope that this bill will receive prompt attention by the committee and the Congress. I send the bill to the desk and ask that it be appropriately referred; and I ask unanimous consent that the bill and the letter of referral from the Deputy Attorney General be printed in the RECORD.

There being no objection, the bill and letter were ordered to be printed in the RECORD, as follows:

S. 1905

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) section 561(a) of title 28 of the United States Code is amended to read as follows:

"The Attorney General shall appoint a United States marshal for each judicial district."

(b) Section 561(b) of such title is hereby repealed, and subsection (c) of section 561 is redesignated as subsection (b).

(c) Section 565 of such title is hereby repealed.

(d) The sectional analysis at the beginning of chapters 37 of such title is amended by changing "565. Vacancies" to read "565. Repealed."

SEC. 2. (a) Section 24(b) of the Organic Act of Guam, as amended (64 Stat. 390; 48 U.S.C. 1424b(b)), is amended to read as follows:

"The President shall appoint, by and with the advice and consent of the Senate, a United States Attorney for Guam to whose office the provisions of chapter 35 of title 28 shall apply."

(b) Section 24 of such Act is further amended by redesignating the present subsection (c) as subsection (d) and inserting a new subsection (c) reading as follows:

"The Attorney General shall appoint a United States marshal for Guam to whose office the provisions of chapter 37 of title 28 shall apply."

SEC. 3. (a) Section 45(a) of title 3 of the Canal Zone Code is amended to read as follows:

"The Attorney General shall appoint a United States marshal for the District of the Canal Zone to whose office the provisions of chapter 37 of title 28, United States Code, shall apply, except as otherwise provided in this Code."

(b) Section 45(b) of such title is hereby repealed.

(c) Section 45(e) of such title is amended to read as follows:

"The appointment and tenure of deputies and clerical assistants of the United States marshal are subject to section 562 of title 28, United States Code."

(d) Subsections (c), (d), and (e) of section 45 of such title are redesignated as subsections (b), (c), and (d), respectively.

(e) The caption of section 45 of such title is amended to read "§ 45. Appointment, leave, and residence of United States marshal; deputies and assistants."

(f) The sectional analysis at the beginning of subchapter II of chapter 1 of such title is amended by changing item 45 to read "Appointment, leave, and residence of United States marshal; deputies and assistants."

SEC. 4. A United States marshal serving under a Presidential appointment on the date of enactment of this Act shall be covered into the competitive service under title 5, United States Code, upon passing such suitable noncompetitive examination as the Civil Service Commission may prescribe.

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OFFICE OF THE
DEPUTY ATTORNEY GENERAL,
*Washington, D.C.*

The VICE PRESIDENT,
*U.S. Senate,*
*Washington, D.C.*

DEAR MR. VICE PRESIDENT: Attached for your consideration and appropriate reference is a draft bill "To provide for the appointment of United States marshals by the Attorney General".

Under existing law United States marshals are appointed by the President, by and with the advice and consent of the Senate, except in the Virgin Islands where the marshal is appointed by the Attorney General. Marshals are appointed for a term of four years, except in the Canal Zone where the term is eight years and in the Virgin Islands where no term of office is prescribed. All marshals are under the general supervision of the Attorney General.

For many years deputy and supervisory deputy United States marshals have been career employees. In 1959 the chief deputy marshals were given career status. In 1966 the Civil Service Commission placed these employees under the competitive civil service. Before that time they had been in the excepted civil service and were required to meet appointment qualifications prescribed by the Commission.

As a result of the career status afforded them, the caliber of deputy marshals, supervisory deputies, and chief deputies has improved considerably through the years and the turnover rate among these employees is the lowest of any category in the Department of Justice. We believe that similar results can be achieved by making the office of United States marshal a career position. Essentially, the marshal must have a knowledge of Federal and local laws, court rules and procedures, departmental rules and regulations, Civil Service Commission regulations, General Accounting Office procedures and pertinent decisions of the Comptroller General in the administration of civil procedures, criminal procedures, accounting procedures, and personnel actions. Suffice it to say, the Government and the taxpayer have a tremendous investment in such a man; hence, it is in the national interest that the position of United States marshal be converted into a career-merit service.

Section 1 of the draft bill would provide for the appointment of marshals by the Attorney General. The marshals would then be appointed in accordance with qualification standards prescribed by the Civil Service Commision. Such a change should make the office more attractive to qualified persons and would afford a better opportunity for appointment as marshal to those who have experience as deputy marshals.

Sections 2 and 3 of the draft bill make the necessary changes to provide for career appointments of the marshals for Guam and the Canal Zone.

Section 4 would provide that marshals serving under a Presidential appointment on the date of enactment would be covered into the competitive service under title 5, United States Code, upon passing a suitable, noncompetitive examination prescribed by the Civil Service Commission.

The present method of appointment of United States marshals has no relevance to the needs of modern law enforcement or the requirements of efficient administration. While marshals may have been policy making officials to some extent in the early days of the service, they are not today. This measure would provide for the appointment of non-policy making employees strictly on the basis of proven merit. Also, it would provide an improved structure of responsibility within the Department of Justice, would permit continuity and improvement of service in the marshals' offices, and would provide for advancement within the service which should serve as an incentive to qualified employees who aspire to the position of United States marshal.

This recommendation was made as early as 1912 by President Taft's Commission on Economy and Efficiency, in 1937 by President Roosevelt's Commission on Administrative Management, and in 1949 and 1955 by the first and second Hoover Commissions.

The Office of Management and Budget has advised that enactment of this legislation would be consistent with the Program of the President.

Sincerely,

———— ————,

*Deputy Attorney General.*

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By Mr. HRUSKA (by request):

**S. 1906. A bill to amend title XII of the Organized Crime Control Act of 1970, and for other purposes. Referred to the Committee on the Judiciary.**

Mr. HRUSKA. Mr. President, today I am sending to the desk a bill submitted by the Department of Justice to expand the mission of the National Commission on Individual Rights.

Under title XII of the Organized Crime Control Act of 1970, the Commission was established to study and review Federal laws and practices which give law enforcement officials certain powers relative to criminal investigations to determine the need, effectiveness, and possible infringement upon individual rights as a result of use of the laws and practices. The subjects to be studied include special grand juries, wiretapping, bail reform and pretrial detention, no-knock search warrants, and the accumulation of data on individuals by Federal agencies.

The Department of Justice proposal would change the name of the Commission to the National Commission on Individual Rights and Personal Security, and would expand its mission to include a study of Federal laws, decisions, and practices which restrict the actions of law enforcement officials in conducting criminal investigations and trials.

The subjects which the proposal would add for study by the Commission include stop and frisk arrests, searches and seizures, appellate review by the Government, pretrial discovery, self-incrimination, lineups, trial delay, and finality of Federal and State criminal proceedings. The proposal would also give to the Commission the right to issue subpenas and to grant immunity in accordance with existing immunity law.

I urge prompt consideration and enactment of this legislation. I believe that the legislation recognizes that law enforcement is often a question of balancing the rights of an individual to be free of improper actions by law enforcement officers against the rights of society to be free from criminal activity. By placing in one Commission the study of both sides of this balance, I believe that we will be able to obtain a comprehensive picture of the interrelationship of the rights of society and of the individual with respect to enforcement of the criminal law.

I ask unanimous consent that the bill and the letter of referral from the Deputy Attorney General be printed in the RECORD at this point.

There being no objection, the bill and letter were ordered to be printed in the RECORD, as follows:

S. 1906

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That title XII of the Organized Crime Control Act of 1970 (84 Stat. 922, 960) is amended as follows:

(a) The heading of the title is amended to read:

"TITLE XII—NATIONAL COMMISSION ON INDIVIDUAL RIGHTS AND PERSONAL SECURITY"

(b) Section 1201 is amended by adding "and Personal Security" after the word "Rights".

(c) Section 1204 is amended to read as follows:

"SEC. 1204. It shall be the duty of the Commission to conduct a comprehensive study and review of Federal court decisions, laws, and practices relating (1) to special grand juries authorized under chapter 216 of title 18, United States Code, dangerous special offender sentencing under section 3575 of title 18, United States Code, bail reform and preventive detention, no-knock search warrants, the accumulation of data on individuals by Federal agencies as authorized by law or acquired by executive action, and (2) the conduct of stop and frisk arrests, searches and seizures, interrogations, appellate review by the prosecution, lack of mutual pretrial criminal discovery, self-incrimination and prosecutor comment on failure to testify, the conduct of lineups, disclosure of informants' identities, fingerprinting and photography, and trial delay, finality and collateral review of Federal and State criminal proceedings. The Commission may also consider other Federal court decisions, laws, and practices which in its opinion may infringe upon the individual rights of the people of the United States to liberty or to personal security. The Commission shall determine which legal rules, laws, and practices are needed, which are effective, and whether they infringe upon the individual rights of the people of the United States to liberty or to personal security."

"SEC. 1207. (a) The Commission or any duly authorized subcommittee or member thereof may, for the purpose of carrying out the provisions of this title, hold such hearings, sit and act at such times and places, administer such oaths, and require by subpoena or otherwise the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as the Commission or such subcommittee or member may deem advisable. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or before such subcommittee or member. Subpoenas may be issued under the signature of the Chairman or any duly designated member of the Commission, and may be served by any person designated by the Chairman or such member.

"(b) In the case of contumacy or refusal to obey a subpoena issued under subsection (a) by any person who resides, is found, or transacts business within the jurisdiction of any district court of the United States, the district court, at the request of the Chairman of the Commission, shall have jurisdiction to issue to such person an order requiring such person to appear before the Commission or a subcommittee or member thereof, there to produce evidence if so ordered, or there to give testimony touching the matter under inquiry. Any failure of any such person to obey any such order of the court may be punished by the court as a contempt thereof.

"(c) The Commission is an 'agency of the United States' under subsection (1) of section 6001 of title 18, United States Code, for the purpose of granting immunity to witnesses.

"(d) Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed to furnish to the Commission, upon request made by the Chairman, on a reimbursable basis or otherwise, such statistical data, reports, and other information as the Commission deems necessary to carry out its functions under this title. The Chairman is further authorized to call upon the departments, agencies, and other offices of the several States to furnish, on a reimbursable basis or otherwise, such statistical data, reports, and other information as the Commission deems necessary to carry out its functions under this title."

(e) Section 1208 is amended to read as follows:

"SEC. 1208. The Commission may make interim reports and recommendations as it deems advisable, and it shall make a final report of its findings and recommendations to the President of the United States and to the Congress at the end of three years following the date of enactment of this amendment to this section. Sixty days after the submission of the final report, the Commission shall cease to exist."

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OFFICE OF THE
DEPUTY ATTORNEY GENERAL,
*Washington, D.C.*

The VICE PRESIDENT,
*U.S. Senate,*
*Washington, D.C.*

DEAR MR. VICE PRESIDENT: There is attached for your consideration and appropriate reference a draft bill, "To amend title XII of the Organized Crime Control Act of 1970, and for other purposes."

Title XII of the Organized Crime Control Act of 1970 (P.L. 91–452) established a National Commission on Individual Rights to study Federal laws and practices relating to special grand juries, dangerous special offender sentencing, electronic surveillance, bail and pretrial detention, no-knock search warrants and collection of data on individuals. The Act provides that the Commission would report in six years on the necessity and efficacy of these laws and practices and on whether they infringe on individual rights.

The draft bill would change the name of the Commission to the National Commission on Individual Rights and Personal Security and broaden its mandate to expressly include a study of court decisions and of restrictions on police, prosecutors and evidence. In addition, the Commission would study trial delay and collateral review of Federal and State criminal proceedings. The Commission would be given subpoena power, and the granting of immunity to its witnesses under sections 6001 to 6005 of title 18, United States Code, would be authorized. The draft bill would remove the authority in existing law to study the law and practices relating to wiretapping and electronic surveillance since section 804 of the Omnibus Crime Control and Safe Streets Act of 1968, 82 Stat. 197, 223, provides for the establishment of a National Commission for the Review of Federal and State Laws Relating to Wiretapping and Electronic Surveillance which has the duty of conducting a study beginning in 1973 of the operation of the wiretap provisions of the Act. Finally, the draft bill would give the National Commission on Individual Rights and Personal Security three years rather than six years to submit its final report to the President and the Congress.

I urge the prompt introduction and early enactment of this legislation.

The Office of Management and Budget has advised that there is no objection to submission of this proposal to the Congress.

Sincerely,

———— ————,

*Deputy Attorney General.*

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By Mr. HART (for himself and Mr. PERCY):

**S. 1911. A bill to provide tax incentives for the employment of handicapped individuals; and**

**S. 1912. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for certain transportation expenses of handicapped individuals, and to amend title XVI of the Social Security**

Act to require that, in determining an individual's income thereunder, there be disregarded certain amounts attributable to certain transportation expenses incurred by handicapped individuals. Referred to the Committee on Finance.

S. 1913. A bill to amend the Act entitled "An Act to insure that certain buildings financed with Federal funds are so designed and constructed as to be accessible to the physically handicapped" to apply the accessibility standards under such Act to all Federal programs, and for other purposes. Referred to the Committee on Public Works.

Mr. HART. Mr. President, the handicapped are a determined and courageous segment of our population. They seek not handouts but opportunities to help themselves. Their great difficulty is society's failure to allow them to help themselves.

Senator Percy and I introduce three bills which offer two approaches to allowing the handicapped to achieve their goals. We seek to make jobs available and to eliminate transit and architectural barriers to mobility.

One bill provides incentives for employers to hire the handicapped by allowing an employer to take as a tax credit 50 percent of the salary of a handicapped person the first year of employment and 25 percent the second year.

By the end of that period the employer should have realized that the person is fully capable of handling the job.

Should the employment be terminated during the 24 month period except under certain defined circumstances, the employer will be liable to the Government for the amount previously taken as a tax credit for that discharged employee. This would prevent abuse of the statute such as an employer hiring and firing handicapped workers to be able to take advantage of the full 50 percent credit every year.

The fear of larger workmen's compensation payments, we have been told, is one of the main reasons that employers are hesitant to hire the handicapped. For example, if a person who had no previous handicap was injured, he might be rendered partially disabled, while the same injury to someone who already had a handicap might mean a total disability. This bill provides a tax credit in the amount that an employer would have to pay a worker above the applicable scheduled rate for the partial disability.

The bill applies only to those companies which are self-insured or do not participate in a State workmen's compensation program or in one sponsored by an insurance company.

As for these latter two types of programs, I have been told that employers believe that they would be subject to higher premiums should they hire the handicapped. I have also been told that present evidence does not support this fear.

Should a more thorough survey determine that higher premiums do result, I would be amenable to an amendment creating a tax credit for increased premiums.

Several proposals already introduced would give the handicapped tax deductions for the money spent in connection with employment. Deductions are already allowed for transportation costs, over a certain amount, to and from medical treatment.

As an extension of that concept, our second bill would permit deductions of extraordinary transportation costs to the job. The underlying logic is simply that it costs a handicapped person more to travel. A person in a wheelchair can't use the 40 cent bus ride for the trip downtown.

Therefore, we are proposing that the handicapped be able to deduct from his or her income any extraordinary costs of transportation. To determine the average cost the bill directs the Secretary of Transportation to provide the Internal Revenue Service with the applicable figure.

The final bill deals with architectural barriers to the handicapped.

In 1968 Congress passed Public Law 90–480, which states that any building or facility constructed or altered by or on behalf of the United States, or to be leased in whole or in part by the United States, or financed in whole or in part by a grant or loan from the United States shall be accessible to the handicapped.

We are asking that that legislation be extended to include buildings constructed or renovated under any special or general revenue sharing program.

In addition the bill would permit a handicapped person or the secretary of the appropriate agency to bring suit forcing compliance of the law on architectural accessibility.

Enactment of these bills would help correct society's failure to allow the handicapped to help themselves. I ask unanimous consent that the text of the bills and a section by section analysis be printed at this point in the Record.

There being no objection, the bills and analysis were ordered to be printed in the Record, as follows:

### S. 1911

A bill to provide tax incentives for the employment of handicapped individuals

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits allowable) is amended by renumbering section 42 as 44 and by inserting after section 41 the following new sections:

"Sec. 42. Wages Paid to Handicapped Individuals.

"(a) General Rule.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the following percentages of the qualified wages paid or incurred during the taxable year by an employer for services of handicapped employees:

| "Qualified wages paid or incurred for services rendered— | *Percentage* |
|---|---|
| "During the first 12 months of employment | 50 |
| During the second 12 months of employment | 25 |

"(b) Limitations.—

"(1) Proof of handicap.—Credit shall be allowed under subsection (a) with respect to the qualified wages paid or incurred for services of an individual only if the taxpayer furnishes such proof as the Secretary or his delegate prescribes by regulations that such individual is a handicapped employee.

"(2) Limitation based on tax benefit.—The credit allowed under subsection (a) with respect to the qualified wages paid or incurred for the services of any handicapped employee during the taxable year, when added to the amount by which the tax imposed on the taxpayer by this chapter for the taxable year is reduced by reason of the allowance of the wages paid or incurred for the services of such employee as a deduction under section 162, shall not exceed the amount of wages paid or incurred by the taxpayer for the services of such employee during such taxable year.

"(3) Limitation based on amount of tax.—The credit allowed by subsection (a) for any taxable year shall not exceed the tax imposed by this chapter for such year, reduced by the sum of the credits allowable under—

"(A) section 33 (relating to foreign tax credit),

"(B) section 35 (relating to partially tax exempt interest),

"(C) section 37 (relating to retirement income),

"(D) section 38 (relating to investment in certain depreciable property),

"(E) section 40 (relating to expenses of work incentive programs), and

"(F) section 41 (relating to contributions to candidates for public office).

For purposes of this paragraph, any tax imposed for the taxable year by section 56 (relating to minimum tax for tax preferences), section 531 (relating to accumulated earnings tax), section 541 (relating to personal holding company tax), or section 1378 (relating to tax on certain capital gains or subchapter S corporations), and any additional tax imposed for the taxable year by section 1351(d)(1) (relating to recoveries of foreign expropriation losses), shall not be considered tax imposed by this chapter for such year.

"(c) Definitions.—For purposes of this section—

"(1) Handicapped employee.—The term 'handicapped employee' means an individual who is an employee of the taxpayer and who is suffering from a permanent disability or illness which hinders or obstructs placement in employment, except that such term does not include any such individual who—

"(A) bears any of the relationships described in paragraphs (1) through (8) of section 152(a) to the taxpayer, or, if the taxpayer is a corporation, to an individual who owns, directly or indirectly, more than 50 percent in value of the outstanding stock of the corporation (determined with the application of section 267(c)),

"(B) if the taxpayer is an estate or trust, is a grantor, beneficiary, or fiduciary of the estate or trust, or is an individual who bears any of the relationships described in paragraphs (1) through (8) of section 152(a) to a grantor, beneficiary, or fiduciary of the estate or trust, or

"(C) is a dependent (described in section 152(a)(9)) of the taxpayer, or, if the taxpayer, or, if the taxpayer is a corporation, of an individual described in subparagraph (A), or, if the taxpayer is an estate or trust, of a grantor, beneficiary, or fiduciary of the estate or trust.

"(2) Qualified wages.—The term 'qualified wages' means, with respect to any handicapped employee, so much of the wages paid or incurred for the services of such employee.

"(d) Carryback and Carryover of Unused Credit.—

"(1) Allowance of credit.—If the amount of the credit determined under subsection (a) for any taxable year exceeds the limitation provided by subsection (b)(3) for such taxable year (hereinafter in this subsection referred to as 'unused credit year'), such excess shall be—

"(A) a handicapped employee credit carryback to each of the 3 taxable years preceding the unused credit year, and

"(B) a handicapped employee credit carryover to each of the 7 taxable years following the unused credit year

and shall be added to the amount allowable as a credit by subsection (a) for such years, except that such excess may be a carryback only to a taxable year ending after the date of the enactment of this section. The entire amount of the unused credit for an unused credit year shall be carried to the earliest of the 10 taxable years to which (by reason of subparagraphs (A) and (B)) such credit may be carried, and then to each of the other 9 taxable years to the extent that, because of the limitation contained in paragraph (2), such unused credit may not be added for a prior taxable year to which such unused credit may be carried.

"(2) Limitation.—The amount of the unused credit which may be added under paragraph (1) for any preceding or succeeding taxable year shall not exceed the amount by which the limitation provided by subsection (b)(3) for such taxable year exceeds the sum of—

"(A) the credit allowable under subsection (a) for such taxable year, and

"(B) the amounts which, by reason of this subsection, are added to the amount allowable for such taxable year and attributable to taxable years preceding the unused credit year.

"(e) Early Termination of Employment by Employer, Etc.—

"(1) General rule.—Under regulations prescribed by the Secretary or his delegate—

"(A) Work incentive program expenses.—If the employment of any handicapped employee with respect to whom qualified wages are taken into account under subsection (a) is terminated by the taxpayer at any time during the 24 month period beginning on the date on which such employment begins, the tax under this chapter for the taxable year in which such employment is terminated shall be increased by an amount (determined under such regulations) equal to the credits allowed under subsection (a) for such taxable year and all prior taxable years attributable to qualified wages paid or incurred with respect to such employee.

"(B) Carrybacks and carryovers adjusted.—In the case of any termination of employment to which subparagraph (A) applies, the carrybacks and carryovers under subsection (d) shall be properly adjusted.

"(2) Subsection not to apply in certain cases.—

"(A) In general.—Paragraph (1) shall not apply to—

"(i) a termination of employment of an employee who voluntarily leaves the employment of the taxpayer,

"(ii) a termination of employment of an individual who, before the close of the period referred to in paragraph (1)(A), becomes disabled to perform the services of such employment, unless such disability is removed before the close of such period and the taxpayer fails to offer reemployment to such individual, or

"(iii) a termination of employment of an individual, if it is determined under the applicable State unemployment compensation law that the termination was due to the misconduct of such individual.

"(B) Change in form of business, etc.—For purposes of paragraph (1), the employment relationship between the taxpayer and an employee shall not be treated as terminated—

"(i) by a transaction to which section 381 (a) applies, if the employee continues to be employed by the acquiring corporation, or

"(ii) by reason of a mere change in the form of conducting the trade or business of the taxpayer, if the employee continues to be employed in such trade or business and the taxpayer retains a substantial interest in such trade or business.

"(3) Special rule.—Any increase in tax under paragraph (1) shall not be treated as tax imposed by this chapter for purposes of determining the amount of any credit allowable under this subpart.

"(f) Subchapter S Corporations.—In case of an employer which is an electing small business corporation (as defined in section 1371)—

"(1) the credit allowed by subsection (a) for each taxable year shall be apportioned pro rata among the persons who are shareholders of such corporation on the last day of such taxable year, and

"(2) any person to whom any amount of such credit is apportioned under paragraph (1) shall be treated (for purposes of this section) as the employer with respect to such amount.

(g) Estates and Trusts.—In the case of an employer which is an estate or trust—

"(1) the credit allowed by subsection (a) for any taxable year shall be apportioned between the estate or trust and the beneficiaries on the basis of the income of the estate or trust allocable to each, and

"(2) any beneficiary to whom any amount of such credit is apportioned under paragraph (1) shall be treated (for purposes of this section) as the employer with respect to such amount.

"(h) Limitations With Respect to Certain Persons.—In the case of—

"(1) an organization to which section 593 applies,

"(2) a regulated investment company or a real estate investment trust subject to taxation under subchapter M (section 851 and following), and

"(3) a cooperative organization described in section 1381(a),

rules similar to the rules provided in section 46(d) shall apply under regulations prescribed by the Secretary or his delegate.

"(i) Regulations.—The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the purposes of this section.

"Sec. 43. Certain Workmen's Compensation Payments.

"(a) General Rule.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year, an amount equal to the qualified workmen's compensation payments paid or incurred by the taxpayer during the taxable year, in fulfillment of his obligations under a Federal or State workmen's compensation law, to or on behalf of an employee or former employee if—

"(1) such employee or former employee was a handicapped individual before the injury occurred by reason of which such payments are paid or incurred, and

"(2) the degree of disability of such employee or former employee after such injury is greater than it would have been if such employee or former employee had not been a handicapped individual prior to such injury.

"(b) Limitations.—

"(1) Proof of handicap.—Credit shall be allowed under subsection (a) with respect to the qualified workmen's compensation payments paid or incurred to or on behalf of any employee or former employee only if the taxpayer furnishes such proof as the Secretary or his delegate prescribes by regulations that such employee or former employee was a handicapped individual before the injury occurred by reason of which such payments are paid or incurred

"(2) Limitation based on tax benefit.—The credit allowed under subsection (a) with respect to the qualified workmen's compensation payments paid or incurred to or on behalf of any employee or former employee during the taxable year, when added to the amount by which the tax imposed on the taxpayer by this chapter for the taxable year is reduced by reason of the allowance of such payments as a deduction under section 162, shall not exceed the amount of such payments.

"(3) Limitation based on amount of tax.—The credit allowed by subsection (a) for any taxable year shall not exceed the tax imposed by this chapter for such year, reduced by the sum of the credits allowable under—

"(A) section 33 (relating to foreign tax credit).

"(B) section 35 (relating to partially tax exempt interest),

"(C) section 37 (relating to retirement income),

"(D) section 38 (relating to investment in certain depreciable property),

"(E) section 40 (relating to expenses of work incentive programs),

"(F) section 41 (relating to contributions to candidates for public office), and

"(G) section 42 (relating to wages paid to handicapped individuals).

For purposes of this paragraph, any tax imposed for the taxable year by section 56 (relating to minimum tax for tax preferences), section 531 (relating to accumulated earnings tax), section 541 (relating to personal holding company tax), or section 1378 (relating to tax on certain capital gains of subchapter S corporations), and any additional tax imposed for the taxable year by section 1351(d)(1) (relating to recoveries of foreign expropriation losses), shall not be considered tax imposed by this chapter for such year.

"(c) Definitions.—For purposes of this section—

"(1) Handicapped individual.—The term 'handicapped individual' means an individual who is suffering from a permanent disability or illness which hinder or obstructs placement in employment, except that such term does not include any such individual who—

"(A) bears any of the relationships described in paragraphs (1) through (8) of section 152(a) to the taxpayer, or, if the taxpayer is a corporation, to an individual who owns, directly or indirectly, more than 50 percent in value of the outstanding stock of the corporation (determined with the application of section 267(c)),

"(B) if the taxpayer is an estate or trust, is a grantor, beneficiary, or fiduciary of the estate or trust, or is an individual who bears any of the relationships described in paragraphs (1) through (8) of section 152(a) to a grantor, beneficiary, or fiduciary of the estate or trust, or

"(C) is a dependent (described in section 152(a)(9)) of the taxpayer, or, if the taxpayer is a corporation, of an individual described in subparagraph (A), or, if the taxpayer is an estate or trust, of a grantor, beneficiary, or fiduciary of the estate or trust.

"(2) Qualified workmen's compensation payments.—The term 'qualified workmen's compensation payments' means, with respect to any employee or former employee—

"(A) if the injury by reason of which such payment is made resulted in death, all amounts paid or incurred in fulfillment of the taxpayer's obligations under a Federal or State workmen's compensation law, or

"(B) if such injury did not result in death, (i) all amounts in excess of $1,000 paid or incurred for medical expenses with respect to such injury in fulfillment of the taxpayer's obligations under a Federal or State workmen's compensation law, and (ii) amounts paid or incurred as workmen's compensation payments with respect to such injury in fulfillment of such obligations after the 26th week for which such payments are made, but only to the extent that such amounts are greater than would be payable if such employee or former employee had not been a handicapped individual prior to such injury.

Such term does not include any amount paid or incurred as a premium for insurance or into any fund not maintained and controlled by the taxpayer.

"(d) Carryback and Carryover of Unused Credit.—

"(1) Allowance of credit.—If the amount of the credit determined under subsection

(a) for any taxable year exceeds the limitation provided by subsection (b)(3) for such taxable year (hereinafter in this subsection referred to as 'unused credit year'), such excess shall be—

"(A) a workmen's compensation payment credit carryback to each of the 3 taxable years preceding the unused credit year, and

"(B) a workmen's compensation payment credit carryover to each of the 7 taxable years following the unused credit year

and shall be added to the amount allowable as a credit by subsection (a) for such years, except that such excess may be a carryback only to a taxable year ending after the date of the enactment of this section. The entire amount of the unused credit for an unused credit year shall be carried to the earliest of the 10 taxable years to which (by reason of subparagraphs (A) and (B)) such credit may be carried, and then to each of the other 9 taxable years to the extent that, because of the limitation contained in paragraph (2), such unused credit may not be added for a prior taxable year to which such unused credit may be carried.

"(2) Limitation.—The amount of the unused credit which may be added under paragraph (1) for any preceding or succeeding taxable year shall not exceed the amount by which the limitation provided by subsection (b)(3) for such taxable year exceeds the sum of—

"(A) the credit allowable under subsection (a) for such taxable year, and

"(B) the amounts which, by reason of this subsection, are added to the amount allowable for such taxable year and attributable to taxable years preceding the unused credit year.

"(e) Subchapter S Corporations.—In case of an electing small business corporation (as defined in section 1371)—

"(1) the credit allowed by subsection (a) for each taxable year shall be apportioned pro rata among the persons who are shareholders of such corporation on the last day of such taxable year, and

"(2) any person to whom any amount of such credit is apportioned under paragraph (1) shall be treated (for purposes of this section) as the taxpayer with respect to such amount.

"(f) Estates and Trusts.—In the case of an estate or trust—

"(1) the credit allowed by subsection (a) for any taxable year shall be apportioned between the estate or trust and the beneficiaries on the basis of the income of the estate or trust allocable to each, and

"(2) any beneficiary to whom any amount of such credit is apportioned under paragraph (1) shall be treated (for purposes of this section) as the taxpayer with respect to such amount.

"(g) Limitations With Respect to Certain Persons.—In the case of—

"(1) an organization to which section 593 applies,

"(2) a regulated investment company or a real estate investment trust subject to taxation under subchapter M (section 851 and following), and

"(3) a cooperative organization described in section 1381 (a),

rules similar to the rules provided in section 46 (d) shall apply under regulations prescribed by the Secretary or his delegate.

"(h) Regulations.—The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the purposes of this section."

(b) The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by striking out the last item and inserting in lieu thereof the following:

"Sec. 42. Wages paid to handicapped employees.

"Sec. 43. Certain workmen's compensation payments.

"Sec. 44. Overpayments of tax."

(c) The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act, except that—

(1) section 42 of the Internal Revenue Code of 1954 (as added by subsection (a)) shall apply only with respect to wages paid or incurred after such date, and

(2) section 43 of such Code (as added by subsection (a)) shall apply only with respect to qualified workmen's compensation payments paid or incurred after such date.

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## S. 1912

A bill to amend the Internal Revenue Code of 1954 to allow a deduction for certain transportation expenses of handicapped individuals, and to amend title XVI of the Social Security Act to require that, in determining an individual's income thereunder, there be disregarded certain amounts attributable to certain transportation expenses incurred by handicapped individuals

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.* That (a) part VII of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to additional itemized deductions for individuals) is amended by renumbering section 219 as 220, and by inserting after section 218 the following new section:

"Sec. 219. Extraordinary Expenses of Handicapped Individuals

"(a) Allowance of Deduction.—In the case of a handicapped individual, there shall be allowed as a deduction the extraordinary transportation expenses paid by him during the taxable year.

"(b) Proof of Handicap.—Deduction shall be allowed under subsection (a) in the case of any taxpayer only if he furnishes such proof as the Secretary or his delegate prescribes by regulations that he is a handicapped individual.

"(c) Definitions.—For purposes of this section—

"(1) Handicapped individual.—The term 'handicapped individual' means an individual who as a result of blindness (within the meaning of section 151 (d) (3)) or as a result of the loss, or loss of use, or impaired function of one or more extremities due to an existing physical or neurological condition is unable to use regularly scheduled public transportation without undue hardship or danger.

"(2) Extraordinary transportation expenses.—The term 'extraordinary transportation expenses' means amounts paid for transportation (other than regularly scheduled public transportation), including amounts paid for personal assistance required in connection with transportation, to the extent that the amounts so paid during the taxable year exceed the applicable percentage, prescribed under subsection (d), of the taxpayer's adjusted gross income for the taxable year.

"(3) Regularly scheduled public transportation.—The term 'regularly scheduled public transportation' means any form of transportation provided for the public which operates on the basis of published schedules.

"(d) Determination of Applicable Percentage.—For purposes of subsection (c) (2), the applicable percentage for taxable years beginning in any calendar year is that percentage prescribed (before the beginning of such calendar year) by the Secretary or his delegate, based on the most recent data supplied by the Secretary of Transportation, equal to the percentage (rounded to the nearest whole percentage point) which the average per capita expenditures for transportation in the United States is of the average per capita income in the United States."

(b) The table of sections for part VII of subchapter B of chapter 1 of such Code is amended by striking out the last item and inserting in lieu thereof the following:

"Sec. 219. Extraordinary transportation expenses of handicapped individuals.

"Sec. 220. Cross references."

(c) The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

Sec. 2. (a) Section 1612(b) of the Social Security Act (as enacted by section 301 of the Social Security Amendments of 1972) is amended—

(1) by striking out "and" at the end of paragraph (9) thereof,

(2) by striking out the period at the end of paragraph (10) thereof and inserting in lieu of such period "; and", and

(3) by adding at the end thereof the following new paragraph:

"(11) in case such individual is a handicapped individual (as defined in section 1614 (g)), an amount equal to one-half of that portion of his income (whether earned or unearned) which is utilized by him to defray transportation expenses (as defined in such section) incurred for his transportation."

(b) Section 1614 of such Act (as so enacted) is amended by adding at the end thereof the following new subsection:

"Handicapped Individual; Transportation Expenses

"(g)(1)(A) For purpose of this title, the term 'handicapped individual' means an individual who as a result of blindness (within the meaning of section 151(d)(3) or as a result of the loss, or loss of use, or impaired function of use of one or more extremities due to an existing physical or neurological condition is unable to use regularly scheduled public transportation without undue hardship or danger.

"(B) No individual shall be regarded, for purposes of this title, to be a 'handicapped individual' unless he furnishes such proof as the Secretary or his delegate prescribes by regulations that he is a handicapped individual.

"(2) For purposes of this title, the term 'transportation expenses' means amounts paid for transportation (other than regularly scheduled public transportation), including amounts paid for personal assistance required in connection with transportation.

"(3) As used in this subsection, the term 'regularly scheduled public transportation' means any form of transportation provided for the public which operates on the basis of published schedules."

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## S. 1913

A bill to amend the Act entitled "An Act to insure that certain buildings financed with Federal funds are so designed and constructed as to be accessible to the physically handicapped" to apply the accessibility standards under such Act to all Federal programs, and for other purposes

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.* That the Act entitled "An Act to insure that certain buildings financed with Federal funds are so designed and constructed as to be accessible to the physically handicapped", as amended (42 U.S.C. 4151 et seq.), is amended as follows:

(1) In the first section—

(A) strike out "or" at the end of clause (3);

(B) strike out the period at the end of clause (4)

and insert in lieu thereof "; or "; and

(C) add the following at the end thereof:

"(5) to be financed or constructed after January 1, 1974, in whole or in part with assistance provided under the State and Local Assistance Act of 1972, under any general or special revenue sharing program hereafter enacted, or under any other Federal program, without regard to whether the law authorizing such program also authorizes the issuance of standards for design, construction, or alteration.

As used in this section, the term 'facility' includes but is not limited to mass transit equipment and facilities and sidewalks."

(2) In section 2, after "residential structures" insert "or mass transit equipment or facilities".

(3) In section 3, after "residential structures" insert "or for mass transit equipment or facilities".

(4) In section 6, strike out clause (1) and insert in lieu thereof the following:

"(1) to modify or waive any such standard on a case-by-case basis upon application made by the head of the department, agency, or instrumentality of the United States concerned or by the grantee, contractor, or other person concerned, if the Administrator or Secretary, as the case may be, determines that such modification or waiver is necessary to avoid extreme hardship and that the number of handicapped persons reasonably expected to utilize the facility involved is not substantial in relation to such hardship, except that no waiver of any standard may remain in effect for a period in excess of one year with respect to any one applicant, and".

(5) At the end of the Act, add the following:

"SEC. 7. Whenever it appears to any handicapped person that a standard under this Act has been or is about to be violated, such handicapped person may bring an action in the proper district court of the United States or the proper United States court of any territory or other place subject to the jurisdiction of the United States, seeking a mandatory injunction ordering compliance with such standard, and, upon a proper showing, a permanent or temporary injunction or restraining order shall be granted without bond."

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### SECTION-BY-SECTION ANALYSIS

The proposed bills provide for a tax credit for certain wages paid to the handicapped and for certain workmen's compensation payments, for an itemized deduction for extraordinary transportation expenses of the handicapped, and for Federal standards for removing architectural barriers to the handicapped in State and local facilities using Federal funds. The following is a section-by-section analysis of the bills.

### TAX INCENTIVES FOR EMPLOYMENT BILL

The first bill adds two sections to the Internal Revenue Code. Section 42 provides a tax credit for certain wages paid to handicapped individuals. Section 43 provides a tax credit for certain workmen's compensation payments to handicapped individuals.

*Section 42.* Wages paid to handicapped individuals

This section provides a tax credit to the employer for a portion of qualified wages paid or incurred for services of handicapped individuals. The credit allowable is 50% of qualified wages during the first 12 months of employment and 25 percent during the next 12 months.

The credit is only allowed for wages paid to individuals if such proof that the individual is handicapped as may be required of the Internal Revenue Service is provided by the employer. The credit may not exceed tax after the following credits: the foreign tax credit, credits for partially tax exempt interest, the retirement income credit, the investment tax credit, the credit for expenses of work incentive programs and the credit for political contributions. The credit cannot be taken against the minimum tax, a number of "penalty taxes" (including the accumulated earnings tax, the personal holding company tax and taxes on the excess capital gains of small business corporations) and taxes due on recoveries of prior year foreign expropriation losses.

A handicapped individual is defined as an individual employee who is suffering from a permanent disability or illness which is a hindrance or obstacle to employment. Payments to certain individuals are not allowed, including individuals related to the employer (taxpayer) or, in the case of a corporate employer, individuals who own a majority of the stock. If the employer is an estate or trust, an individual employee who is a grantor, beneficiary or fiduciary of the trust or a relative of such is excluded. Dependents who are members of the households of any of the individuals described above are also ineligible.

Qualified wages are wages not in excess of the minimum wage.

The credit, if it exceeds tax due, may be carried back to offset taxes in the previous three years and forward to offset taxes in the next seven years. (A transitional rule prevents any carryback to a year prior to the enactment but provides an extended carryforward of up to ten years for transitional situations.) Credits must first be carried back to the earliest year before being applied to any following years.

If the employment of the handicapped individual is terminated during the first two years, the employer must add to his current tax the credits for wages paid the employee for the current year and those previously taken. This provision does not apply when the handicapped individual voluntarily leaves or becomes disabled to perform his job (unless he recovers and the employer fails to reemploy him) or has employment terminated due to misconduct (determined under State law). The employment relationship shall not be considered to be terminated in the case of a corporate acquisition if the employee continues to be employed by the acquiring corporation, or by a change in the form of doing business if the original taxpayer retains a substantial interest. Credits for wages paid to other handicapped individuals under this provision may not be applied against additional tax due to prior year credits because of early termination of employment of a handicapped individual.

In the case where an employer is a Subchapter S corporation (a small business corporation electing to be treated as a partnership) the credit shall be apportioned pro rata among the shareholders. In the case where the employer is an estate or trust, the credit shall be portioned among the estate or trust and the beneficiaries on the basis of income allocable to each. If the employer is a mutual savings bank (without capital stock), a regulated investment company, a real estate investment trust or a cooperative, the credit shall be apportioned to each person in the same manner as the investment credit.

*Section 43. Certain workmen's compensation payments.*

This section allows a credit for qualified workmen's compensation payments paid or incurred under Federal or State workmen's compensation laws, if the employee was a handicapped employee and was further disabled by injury. (The employer must supply proof of this situation.) Qualified workmen's compensation payments include any death benefits paid under State law, and if death did not occur, all payments after 26 weeks and all medical payments in excess of $1,000. Other provisions providing definitions, limitations, eligibility, carrybacks and carryforwards and apportionment are identical to those in Section 42.

Both Section 42 and Section 43 apply to taxable years ending after the date of enactment but only with respect to wages and workmen's compensation paid after the date of enactment.

### TAX INCENTIVES FOR TRANSPORTATION BILL

*Section 219. Extraordinary transportation expenses of handicapped individuals*

This bill allows an itemized deduction for extraordinary transportation expenses paid by a handicapped taxpayer. The taxpayer must supply proof that he is handicapped. A handicapped individual, for purposes of this provision, is one who as a result of loss or loss of use of one or more extremities is unable to use public transportation without hardship or danger. Extraordinary transpotation expenses are transportation expenses other than regularly scheduled public transportation which exceed a certain percentage of the taxpayer's adjusted gross income. The percentage is the percentage that average transportation per capita is of average income per capita in the United States, as determined by the Secretary of Treasury based on data supplied by the Secretary of transportation.

This deduction can be used by taxpayers who itemize their deductions but not by taxpayers who use the standard deduction or the low income allowance.

### ARCHITECTURAL BARRIER BILL

This bill provides that the Secretary of Health, Education and Welfare shall prescribe standards for the use of Federal funds on public buildings, sidewalks and transportation facilities of State and local governments to assure the accessibility of such facilities to the handicapped. Federal funds include general revenue sharing, any proposed and subsequently enacted general or special revenue sharing and any other Federal program. This provision also applies to the District of Columbia, Puerto Rico and any territories and possessions of the United States. Local governments include any political subdivision of the State and any other instrumentality of the State.

The application of standards may be waived by the Secretary if the number of handicapped persons to use the facilities is not sufficient to require application of the standard. In case of violations, the Secretary or other person may bring action in the proper district court seeking a mandatory injunction to force compliance and, on proper showing a restraining order may be issued.

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By. Mr. WILLIAMS (for himself, Mr. BIBLE, Mr. CRANSTON, Mr. HARTKE, Mr. HOLLINGS, Mr. HUGHES, Mr. HUMPHREY, Mr. INOUYE, Mr. JAVITS, Mr. MONDALE, Mr. MOSS, Mr. MUSKIE, Mr. PASTORE, Mr. PELL, Mr. PERCY, Mr. RANDOLPH, Mr. STAFFORD, Mr. TUNNEY, and Mr. YOUNG):

S.J. Res. 118. A joint resolution to express the sense of Congress that a White House Conference on the Handicapped be called by the President of the United States. Referred to the Committee on Labor and Public Welfare.

### WHITE HOUSE CONFERENCE ON THE HANDICAPPED

Mr. WILLIAMS. Mr. President, in the year since I announced my priority program for the Senate Labor and Public Welfare Committee to more thoroughly examine the problems confronting handicapped individuals, I have become even more convinced that handicapped individuals are this Nation's most neglected minority. We need only examine the events of the last year to demonstrate to ourselves that this is so.

For example: last year, with two laws on the books prohibiting architectural barriers in projects receiving Federal funds, (Public Law 20–480 and Public

Law 91-215), one of which specifically dealt with Metro construction, the Congress was informed that more funds would be needed in order to begin making Metro accessible to handicapped individuals; again, last year, following a long-standing correspondence between the Congress and the Department of Health, Education, and Welfare regarding the inclusion of handicapped children in the Headstart program, the Congress found it necessary to include a specific provision of law in the OEO extension to insure that 10 percent of all enrollment opportunities in Headstart were available for handicapped children eligible for the program; again, last year, after almost two decades of criticism regarding standards in State institutions for the retarded, an in-depth program on WABC in New York shocked the sensibilities of this country regarding conditions in Willowbrook State Hospital; again, last year in hearings before the Subcommittee on the Handicapped on extension legislation for the Vocational Rehabilitation Act, witness after witness reiterated problems in providing comprehensive services for handicapped individuals in State rehabilitation programs, and the failure of the program to serve those individuals most in need, the severely handicapped.

Last year, however, also marked the beginning of change. Twenty-two cases in 16 States were filed or completed on the right to education for handicapped children. Seven cases have been filed in the States regarding right to treatment and placement of handicapped individuals in institutions. And here in the Congress we have begun to take action to assure that the rights of these individuals are protected. Senator JAVITS and I and other cosponsors have introduced the Bill of Rights of the Mentally Retarded, which would insure that standards are defined and adopted by State institutions to protect the rights of the handicapped individuals. Senator RANDOLPH, Senator MAGNUSON, and I have with other cosponsors introduced a landmark education bill for handicapped children which will insure that all children have the right to free and appropriate education within their State of residence.

The Congress, will, I believe, take action on these proposals during this term. Yet the question which we must pose is the broader one of full integration into community life for all handicapped individuals. While we can and will take action in areas where services do not exist, the final truth is that no institution of society serves the handicapped well. For the most part, these individuals find themselves excluded from the mainstream of American life, their needs dealt with only as an afterthought and a luxury in planning and delivery of services. Our transportation systems and housing are not designed to accommodate those with physical handicaps. Our educational and employment programs are at a loss to assure appropriate services. Even our data systems treat the handicapped as a hidden population, who appear through the accident of having applied for services which are supported by Government funds. And because of the complicated nature of many handicapping conditions, our health delivery systems act as an endlessly frustrating maze of offices and services, none of which are connected or can deal in a comprehensive way with those problems handicapped individuals find confronting them.

I think that it is clear that we cannot deal with these problems in a piecemeal way. Continual adjustments of systems through legislation will miss the mark unless we take the time to comprehensively confront the entire problem. It is for this reason, that today, together with 18 other Senators, I am reintroducing a resolution to call a White House Conference on the Handicapped. I believe we must explore publicly and with high visibility the rights and needs of handicapped individuals in order to begin planning to better serve their needs. It is most important that the public become aware of how handicapped individuals feel about their conditions and their treatment in society, and understand the problems they face.

I envision that this Conference will examine all areas of life, and produce innovative and practical recommendations for change in areas where the handicapped are overlooked. I do not expect this Conference to take the place of legislation and implementation of recommendations which have already been undertaken. But it is clear that we must have blueprints which identify problem areas, and suggests solutions where action is not now forthcoming. This Conference is a necessary step toward those solutions for it would bring together key professionals from the States, handicapped individuals, public officials and private citizens to examine problems and make comprehensive suggestions for change. It would provide to handicapped individuals themselves a forum from which to speak and to educate this Nation. And it would provide them the opportunity to be involved in the planning for the Conference and their own futures.

Handicapped individuals from all over the country have written to me to express their support for convening this Conference. For the first time, with this proposal and other legislation which has been introduced in the last Congress, they find recognition of their basic rights as citizens of the United States. I believe that we must follow through on our promises, and to do so we must begin planning for the future. The White House Conference will provide the forum to do this.

Mr. President, last year the resolution for the White House Conference was passed by the Senate, but the House failed to take final action before Congress adjourned. I today reintroduce this resolution, and ask that pertinent excerpts from last year's committee report on this measure together with the text of the resolution be printed in the RECORD immediately following my remarks.

There being no objection, the excerpts and joint resolution were ordered to be printed in the RECORD, as follows:

### WHITE HOUSE CONFERENCE ON THE HANDICAPPED

(Report No. 92-1080)

The Committee on Labor and Public Welfare, to which was referred the joint resolution (S.J. Res. 202) to express the sense of Congress that a White House Conference on the Handicapped be called by the President of the United States, having considered the same, reports favorably thereon with amendments and recommends that the joint resolution, as amended, do pass.

#### SUMMARY

The resolution declares that it is the sense of the Congress that the President call a White House Conference on the Handicapped within 2 years from the date of enactment of the resolution in order to make recommendations for further research and action in the field of the handicapped, and to further the policies set forth in the preamble of the resolution.

Specifically, the resolution—

Directs the Secretary of Health, Education, and Welfare, with the cooperation and assistance of other appropriate Federal departments and agencies, to plan and conduct the Conference.

Directs the Conference to bring together representatives of Federal, State, and local governments; professional and lay people working in the fields of the handicapped; and the general public, including handicapped persons and parents of handicapped persons.

Provides that a final report be submitted to the President not later than 120 days following the date on which the Conference is called; that the report shall be immediately available to the public; and that the Secretary shall transmit to the President and the Congress within 90 days after submission of the report, recommendations for administrative action and legislation necessary to implement the report.

Directs the Secretary to request the cooperation and assistance of other appropriate Federal departments and agencies, render assistance to the States to conduct conferences prior to the White House Conference, prepare and make available necessary materials to the White House Conference delegates, prepare and distribute interim reports, engage necessary handicapped persons and additional personnel, and employ handicapped persons in carrying out his functions under the resolution.

Directs the Secretary to establish an Advisory Committee to the White House Conference on the Handicapped, composed of 28 persons, of whom not less than 10 shall be handicapped persons or parents of handicapped persons.

Provides that the Advisory Committee shall cease to exist 90 days after the submission of the final report of the White House Conference on the Handicapped.

Authorizes $2 million to carry out the purposes of the resolution.

#### BACKGROUND

Estimates of Americans who are handicapped range from a low of 28 million individuals to a high of over 50 million. These figures include at least 22 million individuals who are physically handicapped, and 6 million who are mentally retarded. There is no more devastating comment on the nature of our public policy or the lives lived by these individuals than our inability to provide accurate and current figures on how many individuals are handicapped, what forms of disability they have, and what kind of services they receive.

Tragically, the problems faced by handicapped individuals do not end with these numbers. Across the board, service by service, program by program, and state by state, the handicapped person is truly a second-class citizen. He is too often excluded from schools and educational programs, barred from employment or is underemployed because of archaic attitudes toward the handicapped, denied access to transportation, buildings and housing because of architectural barriers and lack of planning, and is discriminated against by our public laws. Not the least of the problem is the fact that the American people are simply unfamiliar with and insensitive to difficulties confronted by handicapped individuals and lack adequate knowledge about their potential for contribution to society. Too often programing for, and thinking about, the handicapped fails because of lack of knowledge. Too often we find that we automatically make the assumption that nothing can be done. With that assumption made, the best programing and the most enlightened services cannot meet their goals. It is against the basic tenets of the scientific process to make assumptions of no hope and no help. No less should be true of our public policy. In the case of the handicapped, making this assumption all too often has resulted in the violation of their basic rights as human beings, and has condemned them to lives of uselessness. Foresight, and a strong commitment to the worth and dignity of the human life could have made them healthy and productive citizens.

For all of these reasons, it is of utmost necessity that a national forum be provided to focus attention on these problems and their solution. That forum must be comprehensive in scope. It must be visible. It must be heard.

The answers to many of the difficulties faced by individuals who are handicapped are available or within our reach. Modern technology, knowledge and planning could end many of their problems. What is missing is the commitment, the focus and the realization of what our public policy toward the handicapped does. The Committee expects that the White House Conference on the Handicapped will serve as an important means of focusing greater public attention on the problems and needs of handicapped persons and will vitalize the commitment which the United States must have in overcoming these problems.

### PLANNING AND ADMINISTRATION

In this resolution, the Committee directs the President of the United States to convene a White House Conference on the Handicapped to develop recommendations for further research and action in fields relating to the handicapped. This Conference must be well-planned and executed in order to yield the results which are needed in planning for the handicapped. Therefore, a two-year maximum period has been provided to ensure time for thorough planning, consultation and direction.

The Committee directs the Secretary of Health, Education, and Welfare, with the cooperation and assistance of other appropriate Federal departments and agencies, to plan and conduct the Conference. The Committee feels that placing this authority with the Secretary of Health, Education, and Welfare is most appropriate because the Department has over 50 programs which deal with the needs of individuals with handicaps and is the primary governmental agency charged with responsibility for the health, welfare and well-being of these citizens. There is no agency within the Department which has coordinating responsibility for programs for the handicapped at this time. For this reason, the Committee directs the Secretary to take full responsibility for the planning and execution of this resolution and to maintain full oversight responsibilities for the Conference.

In order to utilize the expertise and experience of all individuals involved in programming for the handicapped, the Conference is directed to bring together representatives of Federal, State and local governments, professional and lay individuals involved in fields relating to the handicapped, and the general public, including individuals with handicaps, and parents of individuals with handicaps. More so than any other provision of this resolution, the Committee finds this provision central to the purpose of the White House Conference, and believes strongly that this Conference at all levels must be a Conference for and about individuals with handicaps. The Committee fully expects that the process of selecting representatives, both for the White House Conference and the State and local conferences preceding the White House Conference, will be open and democratic, and will insure that individuals of all ages, disabilities and professions will be represented.

The Committee directs the Secretary in the planning and administration of this Conference to request the cooperation and assistance of other appropriate government agencies. In this respect, the Committee believes that the Veterans' Administration should be among those agencies which work closely with the planning of this Conference. It is the belief of this Committee that disabled veterans, especially veterans disabled in Vietnam, are confronted with problems which have not been addressed by a coherent or consistent Federal policy. Of special concern to the Committee is the problem of readjustment that must be made by these young men whose world has so completely changed as a result of injuries in service to their country. It is for this purpose that the Committee would direct the Veterans' Administration to work with the Conference at all stages, and furthermore directs the Conference to address itself to the specific problems of the disabled veteran.

The Secretary is directed to render assistance to the States to enable them to hold State conferences prior to the White House Conference. The Committee reiterates its desire that these conferences at the State level be representative, and the selection of delegates be open, and that this process not bar any individual who wishes to participate. The Committee further directs the Secretary to make full use of recommendations made by existing and past advisory committees and task force panels on the physically handicapped, the mentally disabled and on the education of handicapped children, as well as others, in preparing background information and materials for delegates to the State and the White House Conferences. The Committee believes that many of the recommendations made by prior Task Force panels will be invaluable information for delegates to local, State and the White House Conference.

Furthermore, position papers drawn up by the Staff of the White House Conference, by delegates and other interested parties can be used effectively to generate discussion in particular areas and could serve as valuable starting points for delegates. Thus, the Committee directs the Secretary to make full use of this medium and to provide materials of this type for use during the Conference. The Committee strongly believes that an open, democratic, and informed Conference with a focus for reaction will produce a blueprint for action which can be implemented. It therefore directs the Secretary to ensure that this Conference fosters creativity and provides an open forum for all viewpoints.

In carrying out all responsibilities under this resolution, the Committee has directed the Secretary to employ handicapped individuals. The Committee wishes the intent of this language to be very clear. The Committee feels very strongly that this is a Conference for and about individuals with handicaps, and should be guided, planned and participated in by individuals with handicaps and parents of individuals with handicaps. It is therefore expected that the Secretary will hire handicapped individuals specifically for this purpose, and will provide them with the authority necessary for carrying out the purposes of this resolution. The Committee fully expects that handicapped individuals, hired to plan and administer the White House Conference, will be retrained by the Department of Health, Education, and Welfare to implement the recommendations of the Conference.

The Committee expects the White House Conference to provide thorough documentation and explicit directions for public policy. It therefore directs the Conference to consider strategies by which attitudes toward the handicapped can be changed. The Committee further expects all of the recommendations to be fully considered by the Administration. The Committee has provided that a final report of such Conference be submitted to the President of the United States within one hundred and twenty days following the date the Conference is called, and has directed the Secretary of Health, Education, and Welfare to transmit to the Congress and the President his full recommendations for action within ninety days following the Conference report to the President. The Committee will at that time provide a full hearing for the recommendations of the Conference, and will take action for implementation.

### AREAS TO BE CONSIDERED

The Committee believes that there are a number of areas which must be considered in depth by the Conference.

First, the Committee believes that the level of information about handicapped individuals, the services they receive and the seriousness of their disability is totally inadequate. It is difficult to formulate public policy without an adequate information base, and it is impossible to know if current programs are working effectively. The Committee therefore directs the Conference to take steps to help develop the means for the establishment of a modern information system on the handicapped which will provide the federal, state and local governments with information on which to base planning and to provide services. This information system should also provide full consumer information for services and assistance.

Second, the Committee has been distressed to find that services to the severely and multiply handicapped are virtually nonexistent. It has discovered in hearings on Rehabilitation Amendments of 1972 that individuals who are most in need of services have the most severe handicaps and are the last to receive them. The Committee therefore directs the Conference to provide the Congress with recommendations for expanding the scope of services to the severely and multiply handicapped. In so doing, the Conference should examine existing programs for the handicapped, and make recommendations for change in health, education, rehabilitation and other programs that will ensure that individuals with severe and with multiple handicaps will have their needs met.

Third, the Committee believes that there are particular segments of the handicapped population whose needs must be considered apart from the rest of the population. They include the very young, the old, the disabled veteran, and the disadvantaged. These individuals have needs and problems which make handicapping conditions a more severe disability. The Committee therefore directs the Conference to examine the services available to these individuals, and the unique problems confronted by these individuals and to make recommendations for measures to meet their unique problems.

Fourth, the Committee strongly believes that all planning of buildings, public and private, transportation systems, communications systems and all public programs and services must make provision for the needs of handicapped individuals.

More than any other group, the handicapped are affected by decisions made at every level of policy making, and in every policy area. Until this Nation has the foresight to include in all of its planning the needs and the small requirements which would make all areas of society accessible to individuals with handicaps, they will continue to be excluded and will be denied their basic human rights. The Committee therefore directs the Conference to address itself directly to the problem posed by the denial of the basic rights of the handicapped. In examining this area, the Committee expects that the Conference will identify those areas where civil rights have been denied and will make explicit recommendations for change. Furthermore, the Committee directs the Conference to provide a series of recommendations which will insure that the needs and the requirements of handicapped individuals will be considered at all levels of policy making and future planning. In addition, the Committee is well aware that technology exists which would enable many who are handicapped to take advantage of existing transportation, communication and educational systems, and to better compensate for their disabilities. The Committee therefore further directs the Conference to provide an evaluation of this technology, and to make recommendations of how this technology might be better utilized and made available to the handicapped.

In addition, the Committee wishes to emphasize that the following areas should be given thorough examination:

*Research and Prevention.*—The Committee is convinced that far too little emphasis in public policy is put on research and preventive methods. It would therefore press the Conference to address itself to these important areas.

*Early Diagnosis Evaluation and Treatment.*—Diagnosis, treatment and evaluation early in a child's life could enable many with handicaps to blunt the effects of these disabilities The Committee would urge local, State and the White House conferences to review and explore new mechanisms to insure that these important early life measures are available to all children.

*Education.*—Only 40% of all handicapped children receive appropriate educational services. This figure is lower by individual state and by disability. A U.S. District Court in Pennsylvania has ordered that State to provide a free public education to all handicapped children by September 1972. It is likely that other States will soon find themselves under similar orders. The Committee therefore believes that it is appropriate that the Conference address itself to explore mechanisms to ensure that this goal can be met within every State. It is also important that the Conference address itself to the real needs of handicapped who are young adults, or adults, and have been excluded from school in the past, or desire continuing adult and higher education or retraining in a particular skill. The Committee is aware that at the present time most of these avenues are not open to the handicapped, and would like to see this situation changed.

*Employment.*—Presently of the 22 million physically handicapped Americans, only about 800,000 are employed. Of the 6 million mentally retarded individuals, 9 of 10 could work and live more independently if properly trained. Few receive this training. The Committee acknowledges that the problem of employment is not only unemployment, but underemployment. The Committee believes that the Conference should examine both of these problems, should review the factors which limit employment opportunities, such as insurance and health requirements, and make recommendations which will provide full employment opportunity.

*Residential Treatment.*—Following publicity of conditions at Willowbrook, the Committee urges the Conference to examine the problem of residential treatment, and to review and make recommendations for alternative programs of care.

Finally, the Committee does not wish the Conference to limit itself to these areas, but fully expects that many other problems will be given thorough examination, in addition to the areas mentioned above.

### COMMITTEE AMENDMENTS

1. On page 5, line 11, insert after the word "such" the following: "handicapped persons and".

*Explanation.*—It is the intent of this amendment to mandate that handicapped individuals be involved in the planning and conducting of the White House Conference on the Handicapped. Therefore, the amendment directs the Secretary to engage such handicapped persons.

2. On page 5, line 23, insert the following new sentence: "In carrying out his functions under this joint resolution, the Secretary shall employ handicapped persons."

*Explanation.*—Again, to insure that handicapped persons are involved at all stages of planning and conducting of the White House Conference, this amendment directs the Secretary to employ handicapped persons in carrying out his functions under the joint resolution.

### ESTIMATE OF COSTS

In accordance with section 252(a) of the Legislative Reorganization Act of 1970 (Public Law 91-510), the committee estimates that the maximum cost of carrying out this resolution, if all sums authorized were fully appropriated, would be as follows:

*Authorizations*

| | |
|---|---|
| White House Conference on the Handicapped | $2,000,000 |

### VOTE TABULATION

Pursuant to section 133(b) of the Legislative Reorganization Act of 1946, as amended, the following is a tabulation of votes in committee on a motion by Mr. Williams to report Senate Joint Resolution 202 with amendments:

The committee voted unanimously to report Senate Joint Resolution 202, with amendments.

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## SECTION-BY-SECTION ANALYSIS OF S.J. RES. 202, THE WHITE HOUSE CONFERENCE ON THE HANDICAPPED

### MATTER PRECEDING THE ENACTING CLAUSE

The matter preceding the enacting clause of this resolution contains seven findings of the Congress which are as follows:

1. This Nation has achieved great and satisfying success in making possible a better quality of life for a large and increasing percentage of our population.

2. The benefits and rights of our society are often denied those who are mentally and physically handicapped.

3. There are seven million handicapped children and countless numbers of handicapped adults.

4. Equality of opportunity, equal access to all aspects of society and equal rights of the handicapped are of critical importance to this Nation.

5. The primary responsibility for meeting the challenge and problems has been that of the States and local communities.

6. All levels of government must share responsibility for developing opportunities for the handicapped; and it is therefore the policy of the Congress that the Federal Government shall work jointly with the States and their citizens to develop recommendations and plans of action which will:

provide educational, health and diagnostic services for all children early in life;

assure that every handicapped person receives appropriately designed benefits of the educational system;

assure that the handicapped have all special services and assistance they need to live a full and productive life;

enable handicapped persons to have equal and adequate access to all forms of transportation and communication services, especially in times of emergency;

examine changes that technological innovation will make in the problems confronting the handicapped;

assure that handicapped persons have equal opportunity to engage in gainful employment;

enable handicapped persons to have incomes sufficient for health, and participation in family and community life;

increase research relating to all aspects of handicapping conditions;

assure close attention and evaluation to all aspects of diagnosis, evaluation and classification of handicapped individuals;

assure review and evaluation of all Federal programs in the area of the handicapped, and close examination of the Federal role;

promote other related matters for the handicapped;

7. It is essential that recommendations be made which will assure that all handicapped persons be able to live in a manner as independent and self-reliant as possible, and that complete integration of all handicapped individuals into normal community living, working and service patterns be held as the final objective.

### SECTION 1. ENACTING CLAUSE, REPRESENTATION AT CONFERENCE, REPORTING

Section 1 contains three subsections which authorize and request the President to call a White House Conference on the Handicapped, and directs the Secretary of Health, Education and Welfare to plan and conduct such conference; provide for representation at the White House Conference; and direct the Conference to submit a final report and the Secretary to transmit recommendations for administrative and legislative action in order to implement the recommendations of the final report.

The enacting clause resolves that the President of the United States is authorized and requested to call a White House Conference on the Handicapped within two years of the date of enactment of this joint resolution in order to develop recommendations for further research and action in the field of the handicapped. It further directs the Secretary of HEW to plan and conduct such conference, with the cooperation and assistance of other appropriate Federal departments and agencies.

Subsection (b) of this section directs the Conference to bring together representatives of Federal, State and local governments, professional and lay people working in areas related to the handicapped, and the general public, including handicapped persons and parents of handicapped persons for the purpose of arriving at facts and recommendations concerning the utilization skills, experience and energies of the handicapped, and the improvement of conditions of the handicapped.

Subsection (c) directs the Conference to submit a final report to the President of the United States no later than one hundred and twenty days following the date on which the conference is called. Such report shall be made available immediately to the public. This subsection also directs the Secretary of Health, Education and Welfare to transmit to the President and to the Congress his recommendations for administrative action and legislation necessary to implement the recommendations of the final report within ninety days following the submission of the final report.

### SECTION 2. RESPONSIBILITIES OF THE SECRETARY OF THE DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Section 2 sets forth the responsibilities of the Secretary of the Department of Health, Education, and Welfare and contains two sentences.

The first sentence contains five clauses. These clauses direct the Secretary to:

(*a*) request the cooperation and assistance of other appropriate Federal departments and agencies;

(*b*) render all reasonable assistance, including financial assistance to the States in enabling them to organize and conduct conferences on the handicapped prior to the White House Conference on the Handicapped;

(*c*) prepare and make available background materials for the use of delegates to the White House Conference on the Handicapped;

(*d*) prepare and distribute interim reports of the White House Conference on the Handicapped as may be exigent; and

(*e*) engage such handicapped persons and additional personnel as may be necessary without regard to the provisions of Title 5, governing appointments in the competitive civil service, and without regard to chapter 57 and subchapter 111 of such title relating to the classification and General Schedule pay rates.

The second sentence of Sentence of Section 2 expressly directs the Secretary to employ handicapped persons in carrying out his functions under the joint resolution.

### SECTION 3. DEFINITION OF STATE

Section 3 provides that for the purpose of this joint resolution the term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

### SECTION 4. RESPONSIBILITIES OF THE ADVISORY COMMITTEE

Section 4 establishes an Advisory Committee, provides for the compensation of members of the Advisory Committee, and terms of service for members.

Subsection (a) of Section 4 directs the Secretary of Health, Education, and Welfare to establish an Advisory Committee to the White House Conference on the Handicapped composed of twenty-eight members of whom not less than 10 shall be handicapped or parents of handicapped persons.

Subsection (b) provides for compensation of members of the Advisory Committee and contains two clauses.

Clause (1) Provides that members of the Advisory Committee who are otherwise employed by the Federal Government shall serve without compensation in addition to that received in regular employment, but shall be entitled to reimbursement to travel, subsistence and other necessary expenses incurred by him in performance of his duties as member of the Advisory Committee.

Clause (2) provides that members of the Advisory Committee other than those referred to in clause (1) shall receive compensation at rates not to exceed $75 per day, for each day they are engaged in performance of their duties as members of the Advisory Committee including traveltime. While engaged away from their homes or regular places of business, such members may also be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as the expenses authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently.

Subsection (c) of Section 4 stipulates that such Advisory Committee shall cease to exist ninety days after the submission of the final report as required by section 1(c).

### SECTION 5. AUTHORIZATION OF APPROPRIATIONS

Section 5 authorizes $2,000,000 to the Secretary of Health, Education, and Welfare for the purposes of carrying out the joint resolution without fiscal year limitation.

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### S.J. RES. 118

Joint resolution to express the sense of Congress that a White House Conference on the Handicapped be called by the President of the United States.

Whereas this Nation has achieved great and satisfying success in making possible a better quality of life for a large and increasing percentage of our population; and

Whereas the great benefits and fundamental rights of our society are often denied those who are mentally and physically handicapped; and

Whereas there are seven million handicapped children and countless numbers of handicapped adults; and

Whereas equality of opportunity, equal access to all aspects of society and equal rights of the handicapped is of critical importance to this Nation; and

Whereas the primary responsibility for meeting the challenge and problems of the handicapped has been that of the States and communities; and

Whereas all levels of government must necessarily share responsibility for developing opportunities for the handicapped; and it is therefore the policy of the Congress that the Federal Government shall work jointly with the States and their citizens, to develop recommendations and plans for action, consistent with the objectives of this resolution, which will serve the purposes of—

(1) providing education, health, and diagnostic services for all children in life so that handicapped conditions may be discovered and treated early;

(2) assuring that every handicapped person receives appropriately designed benefits of our educational system;

(3) assuring that the handicapped have available to them all special services and assistance they need to live a full and productive life;

(4) enabling handicapped persons to have equal and adequate access to all forms of communication and transportation services and devices, especially in time of emergency;

(5) examining changes that technological innovation will make in the problems facing the handicapped;

(6) assuring handicapped persons equal opportunity with others to engage in gainful employment;

(7) enabling handicapped persons to have income sufficient for health and for participation in family and community life as self-respecting citizens;

(8) increasing research relating to all aspects of handicapping conditions;

(9) assuring close attention and evaluation to all aspects of diagnosis, evaluation, and placement of handicapped persons;

(10) assuring review and evaluation of all Federal programs in the area of the handicapped, and a close examination of the Federal role in order to plan for the future;

(11) promoting other related matters for the handicapped; and

Whereas, it is essential that recommendations be made to assure that all handicapped persons are able to live their lives in a manner as independent and self-reliant as possible, and that the complete integration of all the handicapped into normal community living, working, and service patterns be held as the final objective: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) the President of the United States is authorized and requested to call a White House Conference on the Handicapped within two years of the date of enactment of this joint resolution in order to develop recommendations for further research and action in the field of the handicapped, and to further the policies set forth in the preamble of this joint resolution. Such conference shall be planned and conducted under the direction of the Secretary of Health, Education, and Welfare (hereinafter referred to as the "Secretary") with the cooperation and assistance of such other Federal departments and agencies, including the assignment of personnel, as may be appropriate.

(b) For the purpose of arriving at facts and recommendations concerning the utilization of skills, experience, and energies and the improvement of the conditions of the handicapped, the conference shall bring together representatives of Federal, State, and local governments, professional and lay people who are working in the fields of the handicapped, and the general public, including handicapped persons and parents of handicapped persons.

(c) A final report of the White House Conference on the Handicapped shall be submitted to the President not later than one hundred and twenty days following the date on which the conference is called and the findings and recommendations included therein shall be immediately made available to the public. The Secretary shall, within ninety days after the submission of such final report transmit to the President and the Congress his recommendations for the administrative action and the legislation necessary to implement the recommendations contained in such report.

SEC. 2. In administering this joint resolution, the Secretary shall—

(1) request the cooperation and assistance of such other Federal departments and agencies as may be appropriate;

(2) render all reasonable assistance, including financial assistance, to the States in enabling them to organize and conduct conferences on the handicapped prior to the White House Conference on the Handicapped;

(3) prepare and make available background materials for the use of delegates to the White House Conference on the Handicapped as he may deem necessary;

(4) prepare and distribute interim reports of the White House Conference on the Handicapped as may be exigent; and

(5) engage such handicapped persons and additional personnel as may be necessary without regard to the provisions of title 5, United States Code, governing appointments in the competitive civil service, and without regard to chapter 57 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

In carrying out his functions under this joint resolution, the Secretary shall employ handicapped persons.

SEC. 3. For the purpose of this joint resolution the term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

SEC. 4. (a) The Secretary is authorized and directed to establish an Advisory Committee to the White House Conference on the Handicapped composed of twenty-eight members of whom not less than fifteen shall be handicapped or parents of handicapped persons.

(b)(1) Any member of the Advisory Committee who is otherwise employed by the Federal Government shall serve without compensation in addition to that received in his regular employment, but shall be entitled to reimbursement for travel, subsistence, and oher necessary expenses incurred by him in the performance of his duties.

(2) Members of the Advisory Committee, other than those referred to in paragraph (1), shall receive compensation at rates not to exceed $75 per day, for each day they are engaged in the performance of their duties as members of the Advisory Committee including traveltime and, while so engaged away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence in the same manner as the expenses authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently.

(c) Such Advisory Committee shall cease to exist ninety days after the submission of the final report required by section 1 (c).

SEC. 5. There is authorized to be appropriated to carry out this joint resolution $2,000,000.

## SENATOR RANDOLPH SUPPORTS WHITE HOUSE ON THE HANDICAPPED

Mr. RANDOLPH. Mr. President, as chairman of the Senate Subcommittee on the Handicapped, I am pleased to join with the able chairman (Mr. WILLIAMS) of the full Committee on Labor and Public Welfare in sponsoring a joint resolution calling for a White House Conference on the Handicapped.

In general, we Americans are unaware of the 28 million handicapped persons in this Nation, and all too often this insulation has led to an insensitivity and lack of consideration of the needs and rights of the handicapped. Unless we happen to have a relative or friend who is mentally or physically disabled, unless we have a professional interest in a field such as special education or vocational rehabilitation, we do not think of such things as steps and curbs we cannot climb; telephones we cannot use; buses and subways we cannot enter; water fountains we cannot reach; signs we cannot read. In addition to these problems, the tremendous burdens of discrimination in education and employment make it difficult for many of us to comprehend the awful realities with which so many handicapped persons live.

The authorization of funds for a White House Conference on the Handicapped is a first step in awakening the American people to just what it means to be handicapped. We must become aware of the problems of educating handicapped children, of the disparities in services provided over the Nation, of the pitiful employment statistics of a population eager to do useful work. Finally, we must commit ourselves as a nation to solving these problems within a realistic amount of time so that handicapped persons will have equal rights and opportunities without delay.

Mr. President, the test of a nation is how it treats its less fortunate. I believe the White House Conference on the Handicapped is a worthy response to that test.

## ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

### S. 868

At the request of Mr. WILLIAMS, the Senator from Florida (Mr. GURNEY) was added as a cosponsor of S. 868, a bill to provide computation of social security benefits based on combined earnings of married couples.

### S. 904

At the request of Mr. WILLIAMS, the Senator from New Mexico (Mr. MONTOYA) was added as a cosponsor of S. 904, the Truth in Food Labeling Act.

### S. 919

At the request of Mr. GURNEY, the Senator from New Mexico (Mr. MONTOYA) was added as a cosponsor of S. 919, to permit early retirees and the spouses and widows of social security annuitants over the age of 60 to purchase medicare coverage at cost.

### S. 1115

At the request of Mr. COOK, the Senator from Indiana (Mr. BAYH) was added as a cosponsor of S. 1115, the Narcotic Addict Treatment Act of 1973.

### S. 1232

At the request of Mr. Moss, the Senator from Colorado (Mr. DOMINICK) was added as a cosponsor of S. 1232, to authorize the Secretary of the Interior to consider and act upon an application for modification of Bureau and Land Management coal lease numbered D–034365.

### S. 1323

At the request of Mr. WILLIAMS, the Senator from Michigan (Mr. HART) was added as a cosponsor of S. 1323, a bill to amend the Social Security Act, to provide automatic coverage under the supplementary medical insurance program, without payment of premium under the hospital insurance program.

### S. 1535

At the request of Mr. BELLMON, the Senator from South Dakota (Mr. ABOUREZK), the Senator from Nevada (Mr. CANNON), the Senator from Florida (Mr. GURNEY), and the Senator from South Dakota (Mr. MCGOVERN) were added as cosponsors of S. 1535, to amend the Internal Revenue Code of 1954 to provide for the recovery of reasonable attorneys' fees, as a part of court costs, in civil cases involving the internal revenue laws.

### S. 1599

At the request of Mr. SAXBE, the Senator from Vermont (Mr. STAFFORD) was added as a cosponsor of S. 1599, to provide for the continued sale of gasoline to independent gasoline retailers.

### S. 1708

At the request of Mr. CRANSTON, the Senator from Texas (Mr. TOWER) was added as a cosponsor of S. 1708, a bill to amend title X of the Public Health Service Act to extend appropriations authorizations for 3 fiscal years and to revise and improve authorities in such title for family planning services programs, planning, training, and public information activities, and population research.

Mr. TOWER. Mr. President, I have just become a sponsor of S. 1708, the Family Planning Services and Population Research Amendments of 1973. I would like to begin my remarks by repeating a portion of Senator CRANSTON's remarks on this subject. He stated that the original Family Pianning Services and Population Research Act was:

> The culmination of years of effort on the part of many groups and individuals to make family planning services available to all those who wanted but could not afford them, as well as to improve our knowledge in the field of human reproduction and population dynamics so that each individual family could determine its size by choice rather than by force of circumstance.

We have made tremendous strides since 1970 in helping set up voluntary family planning projects; in training personnel to work in these programs; and to promote research in this field. However, this very progress, and the United States declining birth rate, tends to make us somewhat complacent and to be less willing to fully fund and aggressively attack this problem. In fact, this program is at a critical stage where it needs adequate funding and support to carry out the Congress original intentions, that is, to accomplish the goals for which it was first established.

We have yet to find a completely safe and effective means of contraception; we have yet to fully develop educational and informational programs to reach the very people who need help; and we have yet to reach all of the 6.6 million women who want these services but cannot afford them. We have made progress but we have yet to reach our goals.

Research has shown that our growing population was never the result of poor families but it is the poor who suffer from the lack of information and services to control the size of their families. They are not given the choice to voluntarily control the size of their families as are more affluent citizens. This program has progressed toward its goals but we must not stop now in our support of it. I urge you to support this legislation which will extend and improve this act so that it may better meet the purposes for which it was established.

### S. 1714

At the request of Mr. MCGOVERN, the Senator from Minnesota (Mr. MONDALE), and the Senator from New Mexico (Mr. MONTOYA) were added as cosponsors of S. 1714, to establish a Vietnam-era Veterans Task Force within the Veterans' Administration.

### S. 1715

At the request of Mr. MCGOVERN, the Senator from Minnesota (Mr. MONDALE) was added as a cosponsor of S. 1715, to establish independent boards to review the discharges and dismissals of servicemen who served during the Vietnam era.

### S. 1716

At the request of Mr. MCGOVERN, the Senator from Minnesota (Mr. MONDALE) was added as a cosponsor of S. 1716, to prohibit the inclusion of certain information on discharge certificates.

### S. 1818

At the request of Mr. GURNEY, the Senator from New Mexico (Mr. DOMENICI), and the Senator from Massachusetts (Mr. KENNEDY) were added as cosponsors of S. 1818, to amend the Land and Water Conservation Fund Act of 1965, to authorize the Secretary of the Interior to issue a "Meritorious Service Passport" to our Nation's returning prisoners of war, so as to permit them free access and use to this Nation's National Park System and all of our National Recreation areas.

### S. 1837

At the request of Mr. WILLIAMS, the Senator from West Virginia (Mr. RANDOLPH) was added as a cosponsor of S. 1837, a bill to amend the Social Security Act by removing arbitrary statutory limits on payments for skilled nursing homes.

### S. 1854

At the request of Mr. BARTLETT, the Senator from Oklahoma (Mr. BELLMON) was added as a cosponsor of S. 1854, a bill to authorize funds to compensate the Cherokee Nation, a tribe of Indians of Oklahoma, for the loss of 545,175.14 acres of land.

### S. 1856

At the request of Mr. BARTLETT, the Senator from Oklahoma (Mr. BELLMON) was added as a cosponsor of S. 1856, a bill to determine the rights and interests of the Choctaw Nation, the Chickasaw Nation, and the Cherokee Nation in and to the bed of the Arkansas River below the Canadian fork and to the eastern boundary of Oklahoma.

## SENATE RESOLUTION 120—SUBMISSION OF A RESOLUTION TO REFER A BILL TO THE COURT OF CLAIMS

(Referred to the Committee on the Judiciary.)

Mr. TOWER submitted the following resolution:

S. RES. 120

*Resolved*, That the bill (S. 1910) entitled "A bill for the relief of Master Sergeant Ronald J. Hodgkinson, United States Army (retired)" now pending in the Senate, together with all the accompanying papers, is hereby referred to the Chief Commissioner of the United States Court of Claims; and the Chief Commissioner shall proceed with the same in accordance with the provisions of sections 1492 and 2509 of title 28, United States Code, and report thereon to the Senate, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand as a claim, legal or equitable, against the United States or a gratuity and the amount, if any, legally or equitably due from the United States to the claimant.

## INCREASE OF INSURANCE TO CERTAIN MEMBERS OF THE ARMED FORCES—AMENDMENTS

AMENDMENT NO. 150

(Ordered to be printed, and referred to the Committee on Veterans' Affairs.)

Mr. ALLEN submitted amendments, intended to be proposed by him, to the bill (S. 1835) to amend title 38, United States Code, to increase the maximum amount of Servicemen's Group Life Insurance to $20,000 to provide full-time coverage thereunder for certain members of the Reserves and National Guard, to authorize the conversion of such insurance to veterans' group life insurance, and for other purposes.

## EMERGENCY PETROLEUM ALLOCATION ACT OF 1973—AMENDMENTS

AMENDMENTS NOS. 151 AND 152

(Ordered to be printed, and to lie on the table.)

Mr. McINTYRE submitted two amendments, intended to be proposed by him, to the bill (S. 1570) to authorize the President of the United States to allocate energy and fuels when he determines and declares that extraordinary shortages or dislocations in the distribution of energy and fuels exist or are imminent and that the public health, safety, or welfare is thereby jeopardized; to provide for the delegation of authority to the Secretary of the Interior; and for other purposes.

## SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 1973—AMENDMENTS

AMENDMENT NO. 153

(Ordered to be printed, and to lie on the table.)

Mr. TAFT submitted an amendment, intended to be proposed by him, to the bill (H.R. 7447) making supplemental appropriations for the fiscal year ending June 30, 1973, and for other purposes.

AMENDMENT NO. 154

(Ordered to be printed, and to lie on the table.)

Mr. DOLE (for himself and Mr. HELMS) submitted an amendment, intended to be proposed by them, jointly, to House bill 7447, supra.

## ORDER FOR STAR PRINT OF AMENDMENT NO. 149

Mr. ALLEN. Mr. President, on yesterday I submitted an amendment, which is numbered 149, on behalf of myself, Mr. SCOTT of Pennsylvania, and Mr. DOLE. Through an error in printing, the amendment is listed as having been submitted by myself, for myself and Mr. SCOTT and Mr. SAXBE.

I ask unanimous consent that the name of the distinguished senior Senator from New York (Mr. JAVITS) be added as a cosponsor, and that a star print of the amendment be made for use of Senators and for calling up at the proper time.

The PRESIDING OFFICER. Without objection, it is so ordered.

## NOTICE OF HEARINGS ON THE REORGANIZATION OF FEDERAL DRUG LAW ENFORCEMENT

Mr. RIBICOFF. Mr. President, the Subcommittee on Reorganization, Research and International Organizations, Committee on Government Operations will hold hearings on the Reorganization of Federal Drug Law Enforcement on June 6, 1973. The hearing will be held in room 3302 of the Senate Office Building and will begin at 10 a.m.

## NOTICE OF HEARINGS ON ALTERNATIVES TO INSTITUTIONALIZATION

Mr. CRANSTON. Mr. President, I wish to announce that the Subcommittee on Aging and the Special Subcommittee on Human Resources of the Labor and Public Welfare Committee will conduct a joint hearing in San Francisco, on June 4, 1973, on alternatives to institutionalization of the elderly. Individuals representing health care and experts in the field of aging will testify. The hearing will be held in the Ceremonial Court Room of the Federal Building starting at 9 a.m.

## ADDITIONAL STATEMENTS

## JOBS AND THE ENVIRONMENT

Mr. CRANSTON. Mr. President, it is absolutely essential that the environmental movement purge itself of those attitudes and insensitivities that make it so vulnerable to the charge of elitism.

I think, in the past, this accusation has been all too accurate, and it has led to some bitter divisions between environmentalists and other groups in society, notably labor and minority groups. Workers and environmentalists are not at odds, but, in fact, share many common goals.

Realization of this new attitude is, as yet, largely confined to the vanguard of the labor and environmental movements, but it should be nurtured and expanded.

The commitment toward this goal which emerged from the California AFL–CIO Conference on "Jobs and the Environment" in San Francisco last December, was an extremely important first step.

In this view, I think it is quite legitimate to question whether "no growth" is a meaningful goal.

It says to workers and minorities that the primary benefits of a clean environment will go to the already affluent.

It says to the many men and women who depend totally on jobs in the defense, aerospace, construction, and highway industries that their jobs—and their very livelihoods—are less important than a clean environment, a city park, a few thousand acres of wilderness hundreds of miles away.

It says to the 500,000 unemployed in California that their chances of getting another job are slim at best.

It says to those who are just now enjoying the leisure and the resources so long enjoyed by the middle- and upper-income groups, that their Jeeps and their motorcycles and their campers are damaging rare desert flowers and their use, therefore, must be severely restricted.

My point is that many in their zeal to inhibit what appears to be a suicidal growth syndrome have been insensitive to the legitimate needs and desires of the workingman and the poor.

I do not, however, believe that environmental quality necessitates a cutback in jobs or recreational opportunities.

Rather, it points to the need for all of us to move away from single-purpose environmental planning toward more comprehensive planning which considers social, economic, and environmental factors.

We should seek ways to improve our environment by creating more jobs rather than jeopardizing jobs.

We can do that through mass transit, pollution control programs, and water purification projects, all of which can add to productive labor.

Let us say to construction workers and defense, military, and aerospace workers: We believe in your right to a job.

We will work to guarantee you alternative employment before any further cutbacks are made.

We will insist that environmental impact statements and military and defense planning take into account the effects unemployment and social dislocations have on the people involved.

Let us talk not only of environmental impact, but about social and economic impact as well.

In the final analysis, environmental reform will succeed only if it is part of an overall program of social and economic reform.

We need to encourage a coalition of organized labor, minorities, and environmentalists that is strong enough to insure that the benefits of a clean environment accrue to everyone and that the job rights of millions of workers are protected.

The concern for a better life and a better world is the concern of us all.

Because the environmental movement as well, and then on the economic, so- has in the past been too insensitive to the needs and desires of the workingman, it has been viewed by the workingman as an effort to lock up all the remaining open space for the sole benefit of backpackers.

It is up to the environmental movement to better communicate that the preservation of these lands is for the benefit of everyone, just as it is imperative that all outdoorsmen—including off-the-road-vehicle enthusiasts—be made more aware of the irreversible harm that may come from their use of certain fragile lands.

I see the primary role of the Federal Government as helping to shift the focus of planning away from the primarily local to the regional, State, and the National.

The Federal Government must take the lead in developing an alternative to our present military and defense dependent economic system.

It must encourage a peacetime economy that is consistent with environmental quality.

It must provide the funds to clean up the environment and at the same time to provide jobs and income security.

And, ultimately, it is the job of the Federal Government to make sure that the pieces fit together, that the decisions we make are based not only on today's needs and priorities, but on tomorrow's as well, and then on the economic, social, and environmental needs of tomorrow's citizens.

## ENERGY CRISES AND NEW YORK STATE

Mr. JAVITS. Mr. President, I have had an important exchange of correspondence with the Deputy Secretary of the Treasury, William E. Simon, on the energy situation facing our Nation, with particular reference to New York State. In making this correspondence public, I recognize that most of the States of our Nation have been facing problems similar to New York and that the energy problem we are facing is nationwide and must be approached on a nationwide basis.

In my letter of April 3 I indicated the importance of oil imports to my State and also urged that policies be promulgated which would give incentive to the construction of new refinery capacity in the United States. Deputy Simon's letter of April 27 responds most positively to these concerns as did the President's energy message of last month.

In my letter of April 18, I addressed the problem that independents and small business were facing as the gasoline—and diesel—shortage worsened. I suggested that the administration take ameliorative action. A group of Senators led by Senator HART has also sought such action in a letter to the President. I also suggested that the antitrust implications of the situation be explored.

Again the policies to date of the administration in establishing a voluntary allocation system "with teeth" and Deputy Secretary Simon's letter of May 22, 1973, represent a definite and positive response. The Justice Department has also written me on this situation.

The departments concerned have consented to publication of this correspondence and I ask unanimous consent that this exchange of correspondence be printed in the RECORD.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
*Washington, D.C., April 18, 1973.*

Hon. WILLIAM SIMON,
*Deputy Secretary of the Treasury, U.S. Department of the Treasury, Washington, D.C.*

DEAR BILL: My staff has talked with the staffs of many Senators on the upcoming gasoline shortage and there is one common refrain. The present gasoline allocation policies of the major oil companies are having the effect of squeezing out the independents and small businesses who depend on gasoline and/or distillates. This situation is likely to deteriorate further in the months ahead.

I feel strongly that this should not be allowed to happen particularly since the oil import policies of the past have directly contributed to the almost total dependence of these small businesses on supplies from the majors.

I note that in the bill Senator Jackson introduced last Friday that the President would, among other things, be authorized to take whatever action is necessary "to preserve the economic and competitive viability of the independent producer, refiner, and distributor sectors of the industry."

Perhaps also the anti-trust implications of this situation should be explored.

I do recommend that the Administration take some ameliorative action in this difficult area and be prepared!

With best wishes,
Sincerely,

JACOB K. JAVITS.

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THE DEPUTY SECRETARY
OF THE TREASURY,
*Washington, D.C., May 22, 1973.*

Hon. JACOB JAVITS,
*U.S. Senate,*
*Washington, D.C.*

DEAR SENATOR JAVITS: Thank you for your letter of April 18, concerning the position of independent marketers in the domestic petroleum market.

As you no doubt know, the Administration on May 10 established a voluntary allocation system for crude oil and products, described in the enclosed news release. Under the program, each producer, refiner, marketer, jobber, and distributor will agree to make available in each State to each of its customers (including those purchasers in the spot market) the same percentage of its total supply of crude oil and products that it provided during each quarter of the base period (last quarter of 1971 and first three quarters of 1972). Also, on the basis of demonstrated need, the Office of Oil and Gas may assign allocations, not exceeding 10 percent of any suppliers' total sales of crude oil and products during the base period, for customers engaged in priority activities (see Exhibit A of enclosure) who are still unable to secure adequate supplies. We hope that the new program will ease the situation faced by the independent segment of the oil industry.

The petroleum industry in the United States is undergoing extensive change at this time, and underlying this change is the fact that domestic production of crude oil has reached its peak and may actually be on the decline. As a result, most integrated oil companies have little in the way of surplus products to sell. In fact, they appear to be reviewing all of their marketing policies with an eye to improving profits and overall efficiency. The independent market represents one of the less attractive outlets for most integrated oil companies and so they can be expected to withdraw from this area first.

With the issuance of the Presidential Proclamation on April 18 lifting volumetric controls on oil imports and substituting a system of license-fees, every independent marketer is now free to import petroleum products to meet his needs. Also, new refineries are now able to get 75 percent of the crude oil needs for the first five years on a fee free basis. This should make it possible for the independent refiners to build on the East Coast and elsewhere, to meet the needs of the independent market.

However, problems exist which will interfere with the ability of independents to function effectively in the market place in the short run. Under existing price regulations, the independents are free to pass through the increased prices currently being charged by most foreign suppliers. Major oil companies, on the other hand, are subject to price controls which may prevent them from increasing their price on the same basis. Faced with this competition, the independents would not be able to raise their prices and thus may be prevented from importing.

In addition, the ability to build new refineries, which is necessary in order to produce the product supply for independents, has in recent years been severely curtailed because of environmental objections. Some progress in this area must be made if the Nation, not to mention the independent marketer, is to get the needed supplies. I noted a recent letter written by Congressman Silvio Conte to a number of his area colleagues telling them of a recent visit to a refinery in the Puget Sound area in Washington. He apparently was impressed by the ability of the refinery to operate in such a pollution-free manner.

Size alone is not the only indication of competition in the market place. The sheer size of the investment required in the modern search for oil dictates that only very large companies or groups of companies can participate. Actually, the concentration within petroleum industry is less today than it was 20 years ago. There are 23 major oil companies currently operating. Most industries in the U.S. have a much smaller number of vital increments.

In the crucible of the competitive market place, change is a constant factor. It would be far more disruptive for the Government to interfere in this process, except under the most extreme circumstances, than it would be to let the process follow its natural flow.

Sincerely yours,

WILLIAM E. SIMON.

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MAY 15, 1973.

U.S. SENATE,
*Washington, D.C.*

DEAR SENATOR JAVITS: This will acknowledge receipt of a copy of your letter to Deputy Secretary Simon expressing your views on the supply squeeze faced by independent gasoline and fuel oil marketers. We share your concern over this situation, which appears to be worsening. Our staff is closely examining the matter to determine whether the shortages themselves or the allocations of supplies within the industry are the result of antitrust violations. If they are, and if sufficient evidence of it can be obtained, we would not hesitate to seek remedial action in the courts.

Sincerely yours,

BRUCE B. WILSON,
*Acting Assistant Attorney General,*
*Antitrust Division.*

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U.S. SENATE,
*Washington, D.C., April 3, 1973.*

Mr. WILLIAM SIMON,
*Deputy Secretary of the Treasury,*
*U.S. Department of the Treasury,*
*Washington, D.C.*

DEAR BILL: As you know, I have been increasingly concerned over the past three years about the supply of fuel oil and the Federal Government policies which affect those supplies. No. 2 fuel oil—home heating oil—is a product vital to consumers and industries in New York; and the consumption in my state is nearly equal to that of the entire New England area.

In recent weeks I have been considering several critical oil import policy and energy issues and their affect on my state. I should like to outline briefly some of my primary domestic concerns as they relate to oil in the hope that the policies which the Administration is now developing will provide effective solutions.

With reference to fuel oil policies, I have two concerns:

First, there is a need for increased access to imports from abroad. It is clear that the independents who supply New York State—and they constitute more than 25% of the market—cannot secure sufficient supplies of No. 2 fuel oil from domestic sources. It is equally clear that the only way they can meet the needs of their customers and fully utilize the extensive deep-water terminals, docks, storage and distribution systems at their command is to have increased access to imports. I strongly favor, therefore, a substantial increase in the existing program for home heating oil imports into New York and the Northeast to a level which will make up the gap between domestic deliveries and projected demand for the winter of 1973–74. In making this recommendation, I point out that my state has been skirting the edges of severe supply shortages over the past three years.

Second, regulations concerning the imports or refined products must be framed so as not to threaten the very survival of independents as a competitive force in the market. I believe that, if you allow major refiners to have access to imports of finished products, such as heating oil and gasoline, the impact on independents must enter into the calculations so that independents are not run out of the business.

This latter point leads to two more general concerns:

First, I strongly favor policies that will provide incentives—not disincentives—for building additional refinery capacity in the United States. Clearly if refiners can import all the finished products they need, they will have little incentive to build additional domestic capacity. In this connection, Governor Rockefeller and I have worked hard to get additional refinery capacity into the upstate New York area. Since the parties in question would not invest without an assured access to Canadian crude (which the Canadians were and are willing to provide), the limitations of the present import policy mitigate against such a sizable investment being made.

Second, I understand that you are con- or refined products must be framed so as not regulate increased imports of finished products and crude oil. I would support such a program, but believe the tariff must be designed and adjusted so that there is little or no inflationary impact on petroleum price levels which remain under considerable upward pressure. In turn, an equitable tariff system must give consideration to the existing market position of independent importers.

Finally, our oil import policies should be framed to better equip our petrochemical industry to compete in the years ahead.

I hope these thoughts are useful to you in your effort to develop an equitable energy policy for our nation.

With warm regards,

Sincerely,

Jacob K. Javits.

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The Deputy Secretary
of the Treasury,
*Washington, D.C. April 27, 1973.*

Hon. Jacob K. Javits,
*U.S. Senate,*
*Washington, D.C.*

Dear Senator Javits: I want to thank you, belatedly, for your very good letter of April 3 on the subject of fuel oil for New York State. Your letter proved useful to me as an insight into the problems of the Northeast and your comments helped me in framing the new oil import program which, as you know, was just announced last week.

Let me tell you how these new import proposals will affect the fuel oil situation in New York State.

As you know, we have now lifted all import quotas on petroleum and petroleum products so that anyone can bring in any amount by paying a license fee. In addition, outstanding allocations held by refiners, petrochemical producers and deepwater terminal operators will be free of license but phased out over a period of seven years. Furthermore, the Oil Import Appeals Board will be able to grant independent marketers the right to import license-free, many additional amounts of gasoline.

It is our hope that independent oil companies in New York will now be able to import all the fuel oil they need to meet any supply gap which may exist for the winter of 1973–74.

I have been, and still am, concerned about the future of independent refiners and marketers. The reconstitution of the Oil Import Appeals Board as a mechanism to grant free import licenses to companies which demonstrate a substantial hardship should alleviate the difficulties of independent jobbers, and marketers by allowing them license-free importation.

As you know, we have suspended the existing duties on crude oil and refinery products and established a series of license fees on imported products which will rise over the next 2½ years to 21 cents a barrel on crude and 63 cents a barrel on products. Under the old system, even if you had the right to import, you had to pay a duty by suspending the current duties. We are allowing these persons to import entirely free of a duty. This should prove most beneficial to the independent segment of the industry. Further, the higher fees and the phase out of "free" allocations should provide sufficient long-term incentive to permit the construction of refineries. I was delighted to learn, incidentally, that the Shell Oil Company has just announced plans to build an East Coast refinery after learning of the announcement of our program. Since then we have heard that Pittston Ashland and Standard of California are planning to build refineries.

Finally, there is the problem of prices. I am sure you know Senator, that oil companies will conduct exploration and development or build refineries only if they are going to make a profit in doing it. Right now, there is more money in drilling or refining overseas. The only way that I know of to increase the profit for drillers or refiners in the United States is to increase the price of the product that they sell. So, these price increases must eventually result, if we are to get increased production.

However, I am confident that the increase will not occur in the immediate future. The license fees will apply to only a small fraction of total imports during 1973. I would expect, therefore, the license fee effect on 1973 prices to be minimal.

In conclusion, I agree with you about the need for petrochemical industries to maintain its competitive position. As you know, we are allowing license fee-exempt allocation equal to 75 percent of the inputs of newly-constructed petrochemical plants during the first five years of operation. We are also retaining the import-for-export provision concerning petrochemical feedstocks.

In summary, I hope that in the announced program we have done justice to the good ideas which you furnished to us during the formative process.

Sincerely yours,

William E. Simon.

## MAX I. SILBER IS HONORED BY THE BOY SCOUTS OF AMERICA

Mr. McINTYRE. Mr. President, a resident of New Hampshire has been chosen as one of only eight nationally to receive the Boy Scouts of America's highest honor for volunteer service.

As a longtime admirer of the men and women who have carried on the proud scouting tradition, I regret I could not have been on hand personally to congratulate the winners in the closing ceremonies of the BSA's 63d national annual meeting.

The New Hampshire recipient, Max I. Silber, president of N. Kamenske Co., Nashua, N.H., and a veteran of more than 40 years in Scouting, received Scouting's coveted Silver Buffalo Award from Robert W. Reneker, president of ESMARK, Inc., and national president-elect of the BSA. The award is presented annually to a small group of scouters and public figures for distinguished service to boyhood at the national level.

Silber was honored for his long service as a member of Daniel Webster Council for 21 years; as a Wood Badge trainer, member of the National Jewish Committee on Scouting, and as a leader at seven Scout jamborees. During his Scouting career, he has won the Silver Beaver, Silver Antelope, Order of the Arrow Vigil Honor, Distinguished Eagle Scout Award, the Shofar Award of the National Jewish Committee on Scouting, and the St. George Award from the local diocesan Catholic Scouting committee.

He has also served his community as chairman of the Nashua Combined Jewish Appeal, president of the Nashua Community Chest, and as an active member of civic and fraternal organizations. He has the Brotherhood Award from the National Conference of Christians and Jews.

Previous recipients of the Silver Buffalo include Astronauts Neil Armstrong and John Glenn; football great Vince Lombardi; Dr. Ralph Bunche; Gen. Douglas MacArthur; and newscaster-explorer Lowell Thomas. Others receiving the Silver Buffalo Award this year are: baseball star Ernie Banks, Chicago Cubs; Joseph A. Brunton, Jr., past Chief Scout Executive of the BSA, Matawan, N.J.; Victor T. Ehre, president, Utica Mutual Insurance Co., Utica, N.Y.; Donald Flanders, president, Flanders Metal Products, Inc., Fort Smith, Ark.; E. K. Jamison, president and chairman of the board, Jamison Co., Inc., Atlanta, Ga.; Osborne K. Taylor, retired deputy treasurer, Standard Oil of New Jersey, Montclair, N.J.; and J. Kimball Whitney, president Whitney Land Co., Wayzata, Minn.

Mr. President, I ask unanimous consent that the citation for Mr. Silber be printed in the Record.

There being no objection, the citation was ordered to be printed in the Record, as follows:

### Max I. Silber

(Nashua, N.H., company president, loyal scouter, benefactor of students)

For more than a generation the name of Max I. Silber has meant service to youth in New Hampshire and throughout New England. A proponent of the creed "do something about it," you have demonstrated your commitment to young people in your service as president of the Temple Beth Abraham School Board, as director of the YMCA and YWCA, and as trustee of Brandeis University and donor of student awards there and at the Colorado School of Mines.

Your Scouting career has enjoyed a high priority in your life. After earning the Eagle Award with palms as a boy, you have served as a Scoutmaster, Ranger Explorer, and Advisor. As a member of the Daniel Webster Council for 21 years, you have served the council as commissioner, executive board member, and president.

You were also a regional vice-chairman, Wood Badge trainer, member of the National Jewish Committee on Scouting, and a leader at seven jamborees. Your outstanding career in Scouting has been rewarded with the Silver Beaver, Silver Antelope, Order of the Arrow Vigil Honor, Distinguished Eagle Scout Award, the National Jewish Committee on Scouting's Shofar Award, and your diocesan Catholic committee's St. George Award.

Even this extensive involvement with Scouting and other youth-related activities has not exhausted your time, talent, and energy. You have been vice-chairman of the Disaster Committee on the American Red Cross, chairman of the Nashua Combined Jewish Appeal, and president of the Nashua Community Chest, as well as an active member of civic and fraternal organizations. The Conference of Christians and Jews presented to you its Brotherhood Award, the Exchange Club its Golden Book, and the Nashua Chamber of Commerce honored you as its Man of the Year for your dedicated service to youth. All this has been fitted into your busy schedule as president of N. Kamenske Company.

The Boy Scouts of America takes much pleasure and pride in presenting the Silver Buffalo to Max I. Silber—Scouter extraordinary, community servant, and benefactor of youth.

## A NEW ETHIC FOR MEDICINE AND SOCIETY

Mr. MATHIAS. Mr. President, many Marylanders have been in touch with me since the Supreme Court's decisions in the area of State abortion laws. In that regard, Mr. William F. McGraw, chairman of the Citizens United for Responsible Education, has brought to my attention a thought-provoking editorial entitled "A New Ethic for Medicine and Society" which appeared in California Medicine. In light of the timeliness of the questions discussed in the editorial, I commend it to the attention of my colleagues in the Senate, and I ask unanimous consent that the editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

### A New Ethic for Medicine and Society

The Traditional Western Ethic has always placed great emphasis on the intrinsic worth and equal value of every human life regardless of its stage or condition. This ethic has had the blessing of the Judeo-Christian heritage and has been the basis for most of our laws and much of our social policy. The reverence for each and every human life has also been a keystone of Western medicine and is the ethic which has caused physicians to try to preserve, protect, repair, prolong and enhance every human life which comes under their surveillance. This traditional ethic is still clearly dominant, but there is much to suggest that it is being eroded at its core and may eventually even be abandoned. This of course will produce profound changes in Western medicine and in Western society.

There are certain new facts and social realities which are becoming recognized, are widely discussed in Western society and seem certain to undermine and transform this traditional ethic. They have come into being and into focus as the social by-products of unprecedented technologic progress and achievement.

Of particular importance are, first, the demographic data of human population expansion which tends to proceed uncontrolled and at a geometric rate of progression; second, an ever growing ecological disparity between the numbers of people and the resources available to support these numbers in the manner to which they are or would like to become accustomed; and third, and perhaps most important a quite new social emphasis on something which is beginning to be called the quality of life, a something which becomes possible for the first time in human history because of scientific and technologic development. These are now being seen by a growing segment of the public as realities which are within the power of humans to control and there is quite evidently an increasing determination to do this.

What is not yet so clearly perceived is that in order to bring this about hard choices will have to be made with respect to what is to be preserved and strengthened and what is not, and that this will of necessity violate and ultimately destroy the traditional Western ethic with all that this portends. It will become necessary and acceptable to place relative rather than absolute values in such things as human lives, the use of scarce resources and the various elements which are to make up the quality of life or of living which is to be sought. This is quite distinctly at variance with the Judeo-Christian ethic and carries serious philosophical, social, economic and political implications for Western society and perhaps for world society.

The process of eroding the old ethic and substituting the new has already begun. It may be seen most clearly in changing attitudes toward human abortion. In defiance of the long held Western ethic of intrinsic and equal value for every human life regardless of its stage, condition or status, abortion is becoming accepted by society as moral, right and even necessary. It is worth noting that this shift in public attitude has affected the churches, the laws and public policy rather than the reverse. Since the old ethic has not yet been fully displaced it has been necessary to separate the idea of abortion from the idea of killing, which continues to be socially abhorrent. The result has been a curious avoidance of the scientific fact, which everyone really knows, that human life begins at conception and is continuous whether intra- or extra-uterine until death. The very considerable semantic gymnastics which are required to rationalize abortion as anything but taking a human life would be ludicrous if they were not often put forth under socially impeccable auspices. It is suggested that this schizophrenic sort of subterfuge is necessary because while a new ethic is being accepted the old one has not yet been rejected.

It seems safe to predict that the new demographic, ecological and social realities and aspirations are so powerful that the new ethic of relative rather than of absolute and equal values will ultimately prevail as man exercises ever more certain and effective control over his numbers, and uses his always comparatively scarce resources to provide the nutrition, housing, economic support, education and health care in such ways as to achieve his desired quality of life and living. The criteria upon which these relative values are to be based will depend considerably upon whatever concept of the quality of life or living is developed. This may be expected to reflect the extent that quality of life is considered to be a function of personal fulfillment; of individual responsibility for the common welfare, the preservation of the environment, the betterment of the species; and of whether or not, or to what extent, these responsibilities are to be exercised on a compulsory or voluntary basis.

The part which medicine will play as all this develops is not yet entirely clear. That it will be deeply involved is certain. Medicine's role with respect to changing attitudes toward abortion may well be a prototype of what is to occur. Another precedent may be found in the part physicians have played in evaluating who is and who is not to be given costly long-term renal dialysis. Certainly this has required placing relative values on human lives and the impact of the physician to this decision process has been considerable. One may anticipate further development of these roles as the problems of birth control and birth selection are extended inevitably to death selection and death control whether by the individual or by society, and further public and professional determinations of when and when not to use scarce resources.

Since the problems which the new demographic, ecologic and social realities pose are fundamentally biological and ecological in nature and pertain to the survival and well-being of human beings, the participation of physicians and of the medical profession will be essential in planning and decision-making at many levels. No other discipline has the knowledge of human nature, human behavior, health and disease, and of what is involved in physical and mental well-being which will be needed. It is not too early for our profession to examine this new ethic, recognize it for what it is and will mean for human society, and prepare to apply it in a rational development for the fulfillment and betterment of mankind in what is almost certain to be a biologically oriented world society.

## THE IMPORTANCE OF AN INDEPENDENT PRESS

Mr. CRANSTON. Mr. President, for the second successive year, the Pulitzer Prize—American journalism's highest award—went to a newspaper for publishing information that the Nixon administration tried to suppress and hide from the public.

Last year the New York Times received the Pulitzer Gold Medal for its publication of the Pentagon papers; this year, the top award for distinguished public service went to the Washington Post for breaking open the Watergate scandals.

These events dramatically demonstrate the importance of a robust, independent, unintimidated press in a free society; a press that vigorously probes and investigates and sheds the daylight of public exposure on every shaded or shady area of public life.

They demonstrate that the role of a free press as the public's watchdog against corruption and abuse of power in Government is particularly indispensable when the country is governed by an administration addicted to secrecy and coverup, suspicious of dissent and criticism, and often loose and lawless in its wielding of power.

These awards underscore the imperative need for Congress to confirm with the strongest possible legislation the newsman's historical privilege of protecting his sources. If inside sources had not been willing to talk with members of the press, the public would not have been told the truth about either the Pentagon papers or the Watergate scandals.

The country today is indebted to the enterprise and courage of the American press in general and in particular to reporters Carl Bernstein and Robert Woodward, and the editors and publisher of the Washington Post.

Many newspapers throughout the country have graciously and gratefully acknowledged the Post's outstanding journalistic accomplishment, including the influential McClatchey chain of Bee newspapers in my State of California.

Mr. President, I ask unanimous consent that a Bee editorial, "The Post's Public Service on Watergate" be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

### The Post's Public Service on Watergate

The Washington Post, whose persistent pursuit of truth brought the Watergate scandal into the open, deserved its 1973 Pulitzer Prize for public service.

So did Post reporters Carl Bernstein and Robert Woodward, who did the principal spadework in the stories.

It takes no luster away from their individual achievement to note much of the newspaper's staff was also involved and had the unflagging support of Ben Bradlee, executive editor, Managing Editor Howard Simons and others of the Post's editorial executives.

In the early days of the story the Post was all but alone in scenting the deeper implications of what at first appeared a simple botched burglary and political espionage.

Hardly anyone could have divined, then, the ultimate consequences of the story, involving as it did the White House in what has been aptly termed a "scandal of the century."

It was journalism at its best and the Pulitzer Award was almost predictable for the Post.

Intense pressure and scathing criticism were directed at the newspaper by Nixon administration officials during the early stages of the investigative reporting. The Watergate affair had awesome implications, touching upon the very integrity of the presidency and the highest personages in government.

It took courage to persist the way the Post and Bernstein and Woodward did until the story broke wide open, with repercussions still shuddering throughout Washington.

The award of the Pulitzer is, in a sense, a symbol of national gratitude for an exemplary public service.

## TAX COURT COSTS

Mr. BELLMON. Mr. President, on April 11, I introduced S. 1535, a bill which would enable a prevailing taxpayer to recover in the tax court most of his expenses, including a reasonable attorney's fee. Since introducing this measure, my office has received much mail indicating that this proposal has wide support from not only the average taxpayer but many tax specialists as well.

It is my conviction that enactment of this measure would represent a significant step in reforming our tax system and the workings of the Internal Revenue Service. It would rectify one of the principal complaints that concerned taxpayers have with the present administration of the income tax. At the present time, the IRS can use its tremendous power to oppress and harass people, while the average American taxpayer is helpless to defend himself. I urge my colleagues to take a closer look at this measure, because its enactment would solve a longstanding abuse.

Mr. President, several news articles have been recently published which comment favorably upon this proposal. I ask unanimous consent that one such article published in the Evening Star on May 6 be printed in full in the Record. I believe that this article fully and fairly explains the intent of this measure.

There being no objection, the article was ordered to be printed in the Record, as follows:

### Who Pays Court Costs?

(By E. Edward Stephens)

Dear Counsel:

"If I win a case in the U.S. Tax Court, can the judge make the Internal Revenue Service pay my court costs?"

Not under present law. You may be reimbursed for some court costs if you win in the U.S. Court of Claims or the U.S. District Court. But you can't get a dime in the Tax Court, where most tax cases are tried.

This system has been challenged by Oklahoma's forthright senior senator, Republican Henry Bellmon, a member of the powerful Senate Appropriations Committee. He opened fire April 11 by dropping a bill (S-1535) into the legislative hopper. It would enable a taxpayer who wins in the Tax Court to recover most of his expenses, including the big one, a "reasonable" attorney's fee. The victorious taxpayer would be on the same footing as he'd be on if he had won in the District Court or the Court of Claims.

This is not to say that every person who defeats IRS in the Tax Court would have his expenses paid by Uncle Sam. It would be up to the judge. And his sword would cut two ways. His Honor could make the taxpayer pay IRS's court costs if he saw fit, though such expenses wouldn't include the salaries of IRS lawyers handling the case.

Suppose the judge concluded that IRS had arbitrarily knocked out deductions or other benefits claimed by a taxpayer in his return. The court could make the government pick up the tab for most of the taxpayer's court costs, including a reasonable lawyer's fee.

On the other hand, if the judge felt that the taxpayer was at fault—that he had dragged IRS into court when he didn't have a real case—the court could make him pay some of IRS's costs, not including attorneys' salaries.

The Bellmon bill is a significant reform measure. But it still could leave a deserving taxpayer out of pocket, since reimbursable costs would be only those established by statute or court order.

For example, allowable docket fees, costs of preparing briefs, and witness fees are prescribed in the U.S. Code, Volume 28. Reimbursable witness fees are low; they wouldn't begin to cover the high charges taxpayers often have to pay for the testimony of experts.

Bellmon said S-1535 would help to correct "one of the main complaints taxpayers have against the present administration of the income tax"—that IRS can use its tremendous power "to oppress and harass" people, and that the small taxpayer is "helpless to defend himself" against such an attack because it would cost more to fight than to pay up.

When he introduced S-1535, Bellmon said the present system "creates feelings of both irritation and rebellion" among taxpayers. He warned that the U.S. government will collapse if people "revolt against the internal revenue system." So, he concluded, it's imperative that Congress take steps, such as this legislation, to convince citizens that they're getting a fair shake in their dealings with IRS.

Bellmon has been working on this project for years. When the 1969 Tax Reform Act was under consideration in the Senate, he offered a floor amendment substantially the same as S-1535. It passed the Senate, but was thrown out later by the House-Senate Conference Committee. He tried again last year. That bill (S-3372) died with the 92d Congress.

## A NATIONAL HEALTH STRATEGY

Mr. KENNEDY. Mr. President, last week Dr. Charles Edwards, the Assistant Secretary for Health of HEW, delivered a speech to the American College of Obstetricians and Gynecologists entitled "Developing a National Health Strategy." I want to take this opportunity to compliment Dr. Edwards on this excellent presentation. In his talk he makes several telling points. He suggests that this Nation does not have a national health strategy. He points out that America has never had a national health strategy. Dr. Edwards also points out that one essential ingredient in the creation of a national health strategy will be more effective cooperation between the executive branch and the Congress. He correctly points out that the adversary climate which has existed recently between the Congress and the Executive is not conducive to the Nation's health. He points out that it is necessary for this Nation to have a truly pluralistic health care delivery system, which I believe today does not exist. And finally Dr. Edwards urges greater cooperation between government and the private sector.

Mr. President, the Senate Health Subcommittee, which I chair, stands ready to cooperate with HEW in the creation and implementation of the essential elements of a national health strategy. I ask unanimous consent that the full text of Dr. Edwards' speech be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

### Developing a National Health Strategy

(By Charles C. Edwards, M.D.)

I am delighted to have this opportunity to meet with the College.

One of the advantages of the post I now occupy is that it gives me a chance to renew some valued friendships in this and other professional societies.

It is precisely because I value the judgment and wisdom that exists among members of this College and throughout the medical profession that I want to speak frankly this morning about several things that vitally concern us all.

I would guess that not all of what I have to say will find general agreement. But if I can help to open up the dialogue among all of us in the health field—whether we agree in principle or not—I think we will move toward a better understanding of the difficult problems facing the American health care system.

And what is more important, we will make progress toward solving these difficult problems.

I would like to suggest several issues that, in my judgment at least, obstruct our efforts to develop a health care system that can effectively serve the needs of the people of this country.

First, despite all the talk to the contrary, despite the best efforts of government, the profession, and numerous other groups that are deeply concerned with health—we do not have a national health strategy. Indeed, I would suggest that we have never had one.

This is not something that only we in government understand or are concerned with. On the contrary, I am convinced that all of us—the health professions, hospitals, academia, third-party payment organizations, and the consumers of health care—sense that this country is trying to cope with major health problems in the absence of a national strategy that could make all our efforts a great deal more productive and effective.

In place of a national health strategy, we have adopted a great many ambitious goals and programs, most of which have been highly laudable and some of which have been successful.

I submit, however, that the somewhat fragmented way in which we have sought to cope with health problems—the piecemeal approach that has been followed for the past several decades—is a far cry from the orderly, realistic planning and programming that a national health strategy would make possible.

Some would argue I'm sure that massive Federal programs to help finance health services for the elderly and the poor are in fact elements of a national health strategy. But I would have to disagree.

Such efforts, worthwhile and necessary as they are, represent fragmentary responses to a variety of pressures, political and economic, as well as social. The fact that we are now having to contend with serious supply and demand problems that Medicare and Medicaid helped to create clearly suggests that something less than a well thought out national health strategy led to their enactment.

Even earlier, as I'm sure all of us recall, this nation embarked on an expanding program of biomedical research. Those who helped to pioneer it confidently believed that such a program would yield not just more knowledge, but more and better trained physicians and improved clinical facilities housing the most advanced technology.

No one would question that biomedical research has advanced further in the last quarter century than in any other comparable period in history. But at the same time this research effort has not fully met our expectations in terms of substantially improved health care for the American people.

It seems clear that such initiatives as the Partnership for Health and the Regional Medical Programs were undertaken largely in response to the recognition that we lacked the means of bringing new knowledge into the mainstream of health care. But it is also clear that these programs were handicapped almost from the start by the lack of a concise understanding of how they were to accomplish their purpose.

To some degree in the area of comprehensive health planning and to a greater degree with respect to Regional Medical Programs, a lack of focus and a lack of direction led these efforts to become all things to all men.

Let me say without hesitation that many of the activities carried out under the auspices of Regional Medical Programs have certainly been of great value to the health care system and to the people it serves. There is no doubt of that.

But at the same time, we must also recognize that the relative lack of cohesiveness and focus has made it extremely difficult for us to assess the total effect of the RMP effort. Merely to say that many of its activities have been highly successful is not to say that the total program justifies the large amounts of Federal resources that have been devoted to it.

As to comprehensive health planning, certainly the picture is a good deal brighter. But here, too, we feel that there is an opportunity for sharper focus that will lead to more effective results.

The failure to develop and agree on a strategic approach to meeting the health needs of the American people is, in my judgment, one of the most serious defects in our entire health effort. It not only frustrates the best attempts to cope with specific problems, it makes many of those problems worse.

For instance—in 1950 total national health expenditures amounted to about $12 billion or 4.6 percent of the gross national product. Last year we spent $83 billion on health, the equivalent of 7.6 percent of the GNP. Almost half of that increase resulted from price rises rather than increased utilization and productivity.

And if anyone seeks to rationalize these figures by pointing to the general inflationary trend of the last quarter century, just bear in mind that the rise in the cost of health care since 1960 has averaged well over half again as much as the rise of consumer prices generally.

If we have learned anything in the last quarter century, it must be that our public-private health care system has an enormous capacity to absorb new money and to command an increasing share of the national economy. And we should also have learned that this phenomenal growth has not produced the kind of results—in terms of better, more effective health care—that ought to have been purchased at so high a price.

I don't for a minute think there is any simple explanation for this disappointing record. Nor would I suggest that there is a simple, all-embracing solution. We are talking here about incredibly complex matters that range all the way from the unpredictability of basic biological research to the vagaries of human social behavior. What happens in the field of health is affected not simply by discoveries that come out of laboratories and clinics, but also by the decisions of political leaders, economists, professional organizations, bureaucrats, and ordinary citizens who may or may not have a good grasp of the consequences of their actions.

We cannot change that state of affairs. And I don't think we would change it even if we could. But what we can and must change is the way in which all of these forces that impact on health fit together in a balanced, rational scheme—a strategy for the nation's health effort.

I am convinced that we *can* come up with such a strategy, but not until we are prepared to lay aside some misconceptions, and change some of our attitudes.

First, I believe that the Congress and the Executive Branch will have to work more closely together than they have in the past. One of the things that has most impressed me in more than three years as Commissioner of Food and Drugs and now as Assistant Secretary for Health, is the adversary climate that often exists between the Congress and the Executive Branch.

Certainly these two arms of the Federal Government must retain their separate roles and responsibilities. But that must not prevent them from engaging in productive, creative discussion focused not on their individual differences, but on the great and pressing issues whose solution demands the best efforts of both.

Only when Congress and the Executive Branch accord one another a high degree of mutual respect—only when they approach their differences in an atmosphere of cooperation—can we expect to see the Federal effort in health function as it must within our pluralistic system.

Second, some members of the medical profession and others outside the health field will have to understand that a national health strategy is not a move in the direction of governmental control of the health care system. I'll grant that there are many thoughtful people who believe that we should move in that direction. They insist that nothing short of nationalizing the health enterprise will serve to correct the problems facing us.

Well, I happen to disagree with that concept of a strategy for health. Moreover, I am convinced that we have to work toward a system that retains the tremendous strengths inherent in our pluralistic approach to health care, not one that destroys them.

Third, I would hope that we can put to rest the notion that health planning and decision-making is exclusively the job of the Federal Government, with non-governmental interests taking part primarily to protect their own interests.

I want to come back to this point in a moment because I think it is critically important.

Finally, we have to do away with the assumption that the only strategic plan we need is one that banks on more and more Federal dollars.

It should be obvious to anyone that uncontrollably rising Federal health budgets have not bought solutions for the most serious problems that plague the health care system. Federal health spending in the coming fiscal year will be nearly six times what it was in 1965; it will represent more than 11 percent of the entire Federal budget for 1974.

Yet we are still left with serious problems of maldistribution that find some people and some regions of the country critically underserved. We are still burdened by inefficient and outmoded methods of organizing and delivering health care. We are still training people for the wrong kinds of job and using them in ways that restricts their contribution to patient care and adds to spiraling costs.

The days of the open-ended Federal health budget are gone. They served many valuable purposes and helped to accomplish many worthwhile objectives, not the least of which was to demonstrate that the solution for the problems we face can't be found in the U.S. Treasury.

If we can give up these and other incorrect notions about the need for and nature of strategic planning in Health, I think we can move ahead to develop a strategy that will enable us to meet the demands for health services effectively, creatively, and at a price that society can afford.

Let me tell you some of the things that we in the Federal Government intend to do to help bring that about.

We intend to take a hard look at our own structure, our own catalogue of programs, and our own operating methods. Those that are productive and necessary we will retain and expand if expansion is warranted. Those that are not working and those that have served their purpose we intend to modify or eliminate.

In addition, we are in the process of reorganizing the Federal health enterprise—pulling together those programs that belong together in the areas of research, services, resource development, consumer protection, and preventive health. And at the direction of Secretary Weinberger we are exploring ways in which the office of the Assistant Secretary for Health can exercise more effective policy guidance with respect to Medicare and Medicaid.

Perhaps this sounds like just another round of organizational chart making. Let me assure you that it isn't.

The primary purpose of this reorganization is to give the Department of Health, Education, and Welfare a single, articulate voice in the development of Federal health policy.

In the past we have heard simultaneously from an NIH voice, an FDA voice, several HSMHA voices, and others, each with its own parochial slant on what Federal health policy ought to be, and each frequently in conflict with one or more of the other voices in the HEW chorus.

If the Federal Government is going to participate effectively in developing a national health strategy, we first have to make sure that we are not divided among ourselves and working at cross purposes.

I think any candid observer would agree that the Federal Government has developed some truly remarkable resources within its own framework. The National Institutes of Health is, in my judgment, unquestionably the finest biomedical research institution in the world.

The Center for Disease Control, likewise, is a world leader in the fields of epidemiology and preventive medicine.

The Food and Drug Administration, despite the difficulties it faces, is an outstandingly effective agency that is making major and vital contributions to health protection.

Our task is not only to see that these and other parts of the Federal health establishment maintain and build on their competence, but also that they combine their efforts in ways that are mutually supportive and collectively add to the total national health effort in which the Federal Government obviously has a critical role to play.

But there is another reason for the changes we are making, and it is no less important.

The Federal health enterprise—chiefly the HEW health activities—have not been able to make effective use of the invaluable guidance that the private sector has to offer.

Just to take one example—in developing the annual health budget, we at HEW have not made effective use of the contribution that could be provided by the medical profession, the medical schools, the hospitals, third party payment organizations, voluntary groups, industry, and the people who use—or try to use—the health care system.

We meet with representatives of these interests, but almost invariably they come to us at a time when budget planning has reached the stage where one or more of these groups feel threatened. That's not planning, it's confrontation. And it doesn't make for effective budgeting.

I think the changes we are making in the way we operate will provide an opportunity for all segments of the health enterprise to take part in setting priorities and allocating the limited funds that go to make up the Federal health budget. And I think we can do this in an atmosphere of constructive deliberation.

I'll be frank to admit that the lines of communication within the Federal bureaucracy and among Federal and non-Federal health interests have been far less open than they should be. Oftentimes we have been in the position of having to reach a major decision with less than adequate information. And just as often we have come to a decision that is fully justified by the facts, but we have done a poor job of communicating our reasons to the people directly affected.

For instance—our efforts to make a thorough and overdue evaluation of our use of advisory committees has been interpreted by some as the beginning of the end of research grant peer review at the National Institutes of Health. Nothing could be further from the truth.

The system of peer review developed over the years at NIH is an invaluable tool—perhaps the only effective one—for determining the merit of innovative scientific research proposal and the competence of the people who make them. But this is not to say that the system is perfect and inviolate. It is quite possible that ways can be found to make the system work better. And if they can, we want to take advantage of them. Our purpose is not to do away with peer review, but to strengthen it.

We in the Federal Government can put our own house in order, and we can, in the process, open up our lines of communication with non-Federal health interests.

But if we are going to work together toward developing and carrying out an effective national health strategy, there will have to be some major changes in the way the private health sector, the medical schools, the hospitals, and other groups and organizations conceive of their roles and responsibilities.

As long as these interests—all of them—cling to outmoded, inefficient, and disorganized practices, no matter what the cost in rising prices and inadequate provision of services, our hopes of devising a workable health strategy will be nil.

We cannot afford to operate hospitals with inadequate regard to sound management aimed at efficiency and economy as well as quality.

We cannot afford to look on the prospect of important changes in the health care system solely as threats to individual prerogatives and professional status. For example, I can certainly understand your apprehension about professional standards review organizations. Nevertheless, we must all recognize that this kind of self-regulation is essential and proper not only where Federal health programs are concerned, but in the private health care field as well.

All I am suggesting is that we have to stop thinking of health care as something akin to a cottage industry with growing pains. We are talking about an essential and huge national resource that is being misued because we have lacked the will and the capacity to figure out how to use it properly and effectively.

Unless and until all of us who have a responsibility for the management of this resource can agree to work toward a strategy based on a clear perception of the national interest and an open exchange of knowledge and ideas, we will never develop the kind of strategy that our health needs demand.

As long as the Federal health enterprise is looked on as a philanthropic organization that pays 60 percent of the bill no matter how big it is—

As long as the Federal health enterprise is looked on as a threat rather than an opportunity—we will not only fail to develop a sound, rational strategy for health, we will invite the collapse of the system we have—the good and the bad.

We have an obligation as physicians and as human beings to see that does not happen. And we have an opportunity.

I hope we have the wisdom to act on it.

Thank you very much.

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## ADDRESS OF FLETCHER D. THOMPSON AT DEDICATION OF THE SOUTH CAROLINA CRIMINAL JUSTICE ACADEMY

Mr. THURMOND. Mr. President, recently, my good friend Mr. Fletcher D. Thompson, assistant director, the Federal Bureau of Investigation, made an excellent address at the dedication of the South Carolina Criminal Justice Academy in Columbia, S.C. Because of his 30-odd years of outstanding service to the Federal Bureau of Investigation, I thought that my colleagues would be interested in his remarks. I ask unanimous consent that a copy of his fine address, preceded by a brief biography of him, be printed in the RECORD.

There being no objection, the biography and address were ordered to be printed in the RECORD, as follows:

### FLETCHER D. THOMPSON APPOINTED ASSISTANT DIRECTOR

Mr. Fletcher D. Thompson has been appointed Assistant Director in charge of the Identification Division, replacing recently retired Assistant Director Joseph D. Purvis. Mr. Thompson was promoted to his new position after serving as SAC of the Omaha Office since August, 1971. He began his FBI career in a clerical capacity in 1941 and became a Special Agent in January, 1944. Following almost two years of duty in the U. S. Marine Corps, he returned to an assignment in the Washington Office and subsequently was transferred to Cleveland, Savannah, and FBIHQ, where he was a supervisor of criminal investigations. In 1969 Mr. Thompson was designated ASAC of the Mobile Office and the next year returned to Headquarters, where he served as an Inspector until his transfer to the Omaha Office as SAC.

A native Virginian, Mr. Thompson attended The George Washington University, Washington, D. C., and holds a Bachelor of Laws degree from the University of Toledo in Toledo, Ohio. He is a member of the Virginia Bar and has been admitted to practice before the U. S. Supreme Court.

Mr. Thompson is married and has four children.

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### REMARKS OF FLETCHER D. THOMPSON, ASSISTANT DIRECTOR, THE FEDERAL BUREAU OF INVESTIGATION, AT THE DEDICATION OF THE SOUTH CAROLINA CRIMINAL JUSTICE ACADEMY, COLUMBIA, S.C., MAY 23, 1973

Just before leaving Washington, D.C., Senator Strom Thurmond asked me to extend his warmest greetings and best wishes to you on this special occasion. He wanted very much to be here because he is, as you know, a staunch supporter of law enforcement and is very proud of the work being done at the Academy and by the law enforcement officers throughout the state of South Carolina. The Senator was so busy with his duties in Washington, however, that he could not get away to be with us.

I feel extremely privileged to have this opportunity to participate in the dedication of your magnificent new law enforcement academy in this, the state I consider to be my "second home."

South Carolina has many pleasant memories for me.

I entered the FBI after graduating from Spartanburg Junior College in 1941, and in 1945 I married a young lady who is a native of Saluda, South Carolina—Ruth DeLoache, whom I had met while attending SJC.

Permit me one other personal comment.

I began my career with the FBI in Washington 32 years ago as a clerk in the Identification Division. Now, after serving in interesting assignments in Cleveland, Ohio, Savannah, Georgia, and Omaha, Nebraska, I am back in Washington, D.C., as Assistant Director in Charge of the Identification Division—the largest division at FBI Headquarters, with 3,300 employees.

Perhaps more than any division in the FBI, the Identification Division is made possible by—and operates for—you and your fellow law enforcement professionals throughout the United States.

We process an average of 25,000 fingerprint cards each day from nearly 8,000 contributing agencies—including 91 law enforcement agencies in South Carolina.

As the nation's central repository for fingerprints, the FBI's Identification Division currently has fingerprint cards for nearly 60 million individuals.

One of four key operations is the Latent Fingerprint Section, which made examinations in 36,000 cases last year. Our fingerprint experts made in excess of 550 court appearances in 1972, the great majority involving state and local violations.

I cite these transactions because they exemplify the FBI's traditional goal of cooperating to the fullest—within our jurisdictional limitations—with law enforcement agencies throughout our Nation.

Within the past few weeks, we conducted examinations in an attempted kidnapping case for the Aiken Police Department, a bank robbery in Columbia, and a forgery matter in Orangeburg.

I have mentioned some of the things we *have been* doing; but in the broader perspective, what challenges confront the law enforcement profession today?

Realistically, we must recognize that the public regards the law enforcement officer with ambivalence. We are both loved and despised. We have our staunch supporters; but we also are set up by strident detractors.

What is the answer to those who deride and impugn our efforts, those who would undermine public confidence in our work?

Our answer must be a solid, professional performance. And we accomplish this in large measure through cooperation, teamwork, and, of course, through training.

One of our major responsibilities is to be certain we do everything within our human capabilities—as a team, as a profession—to merit public confidence and support.

The South Carolina legislature—with great foresight and persistent urging by persons like Pete Strom—in 1968 approved $30,000 for the training of law enforcement officers from any department in South Carolina—representing the initial step toward the academy we dedicate here today.

Cliff Moyer, a former FBI associate of mine was engaged as Director, and Paul Miller, another long-time friend and associate, later was named Assistant Director.

The academy first opened for business on September 26, 1968, occupying three buildings which had been used as a medical clinic, a mess hall, and a combination laboratory storage room, and detention cell.

It was reminiscent of the little red schoolhouse of years past, for it had but one classroom.

But the need and the value of an adequate academy facility were obvious to the people of South Carolina. With an equal blending of state and federal funds, the job was completed.

However, a law enforcement academy without qualified instructors and students is as useless as an automobile without gasoline.

The stimulus for acquiring a well-qualified faculty was provided in May, 1970, when legislation was passed providing minimum training and other standards for law enforcement officers in South Carolina.

From your academy's beginning less than five years ago, the Palmetto State can now take pride in a training facility that is among the finest in the country—pride in its alumni, now numbering more than 1,000—and pride in its 15 fine faculty members.

I think it is uniquely appropriate that your training program for lawmen, sworn to uphold the law, is financed by fines and bond forfeitures exacted from those who have violated the law.

Less than a year ago, we of the FBI also dedicated a new training facility—the FBI Academy at Quantico, Virginia.

The Academy was the culmination of another dream come true—the dream of a man whom I greatly admired, respected, and was privileged to serve with for more than 30 years, J. Edgar Hoover.

Nearly 40 years ago, Mr. Hoover recognized that if the thin blue line were to hold fast between those who live their lives honorably, with respect for the law, and lawless criminals, two things were absolutely essential: (1) better trained men of dedication and intelligence, and (2) close cooperation between local, state and Federal law enforcement agencies.

Thereby the FBI National Academy came into being.

How often Mr. Hoover emphasized that "Cooperation is the backbone of law enforcement!"

Cooperation was one of the cornerstone concepts of the FBI National Academy.

The Academy has provided advanced and specialized training for law enforcement officers from every state in our Nation and from many foreign countries. Pete Strom is a graduate of the Academy, as well as 72 other South Carolinians still active in the law enforcement profession.

The FBI Academy as well as this fine facility we dedicate here today is a milestone in law enforcement's forward progress.

But we cannot afford to be contented with our accomplishments. We must continue our progress.

We cannot afford to be satisfied as long as citizens in our Nation are afraid to walk their streets at night.

In a survey by a nationally circulated magazine last year, 80 percent of 45,000 readers indicated they were afraid to venture forth at night on their streets.

We need men and women in law enforcement with courage, vision and initiative . . . men and women who are willing to boldly take up the challenge of the future and work to make our profession ever more efficient in meeting the needs of the citizens we serve.

We may hail the 3 percent decline in serious crime reported in 1972 in our Nation—the first decline in 17 years—and rightly so; but shall we also pause to bid prayerful farewell to the human being who, our national crime statistics tell us, will be murdered sometime during the next 30 minutes in our land?

Shall we pause for a moment's grave reflection on the four females who will be raped during the next hour?

Shall we also contemplate, with sorrow, the 834 police officers who were killed in society's battle against crime during the 11 years through 1972?

Last year 112 police officers lost their lives on the front line against crime—one of them a patrolman of the South Carolina Highway Patrol—slain last October while on routine patrol in a traffic stop situation.

These slain law enforcement officers were more than a badge, a gun, a uniform or a statistic—they were flesh and blood human beings, with all the bright hopes and aspirations for themselves and their children that you and I share.

We cannot shield these men from the dangers their profession exposes them to.

But we can surmount inertia and apathy in seeing to their needs—as evidenced by this fine academy.

The law enforcement officer is entitled to the best training we can give him to prepare him for his demanding profession. And to your everlasting credit, you are seeing that he has it.

We must continue to progress, for our profession becomes ever more demanding, ever more complicated, due to constant growth and change within our society.

The FBI is attuned to these changes.

In the FBI's Identification Division, for example, the computer has begun to play a major role.

Last fall we received a prototype automatic fingerprint reader system which reads and records the identifying characteristics of fingerprints through the use of computerized optical-scanning equipment. The equipment has been given the name FINDER. It represents the culmination of 5½ years of research effort costing $1.25 million.

FINDER is capable of reading a fingerprint in approximately a half-second.

Eventually, FINDER will enable law enforcement fingerprint contributors to receive expanded and faster service.

Innovations elsewhere in the FBI include short-duration specailty-type schools for officers, designed to give quick, authentic and practical instruction on critical areas of law enforcement work.

One of these specialty courses is our antisniper and survival training.

In this coures, officers are given briefings on the scope and tactics of extremist individuals and groups. These are the groups which, in part, have given rise to terrorist-type mentality and its bitter hatred of law enforcement.

Included in this course are exercises on the FBI firearms ranges—designed to help the embattled police officer to stay alive.

I need hardly mention what a tremendous boon to law enforcement the National Crime Information Center (NCIC) has been. This system of storing instantly retrievable information regarding criminals and criminal loot carries out an invaluable service to our profession. Over 4 million records are aleady stored in NCIC, and NCIC is handling 113,000 transactions a day.

NCIC is another milestone of enterprising, productive *cooperation* between law enforcement agencies.

On behalf of the men and women of the FBI let me congratulate you on your new academy and pledge to you our utmost cooperation. We share a common goal—rendering our streets safe for law-abiding people—and united in this endeavor let us continue to strive *together* to achieve it.

## PRESS FREEDOM

Mr. CRANSTON. Mr. President, the administration is hard at work trying to push through Congress an Official Secrets Act designed to discourage the press from receiving and printing a broad range of information the public needs to know about policymaking decisions of the Federal Government.

Under the pretense of protecting national security, the proposal would bring down an iron curtain of executive secrecy on a host of governmental activities that should not be kept secret and that in no way threaten national security.

Information that should be made public in a free, democratic society would be hidden forever under this bill, and any Government employee who discloses such information—and any reporter who receives or prints it—would be guilty of a felony.

This infamous measure would shelter those who hide incompetence, cover up waste, bury corruption and peddle impropr influence, and anyone inside or outside the Government who blew the whistle on them would become a criminal.

Mr. President, the international executive board of the Newspaper Guild has adopted a resolution on the subject of "Press Freedom" which details the dangers of this legislation and other steps taken by the administration to limit first amendment press freedoms which are so essential to our democratic survival.

Mr. President, I ask unanimous consent that the text of the resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

### PRESS FREEDOM

Freedom of the press and of news gatherers to fulfill the demanding responsibilities placed upon them by the First Amendment continue to be placed in new jeopardy in the United States.

### AN "OFFICIAL SECRETS ACT"

One of the latest direct thrusts is tucked away in the complex 336-page Criminal Code Reform Act (S. 1400) introduced in the Senate at President Nixon's behest on March 28.

The fanfare which surrounded announcement of the proposed measure emphasized its tough new penalties for drug offenses, crimes against persons and property and reinstitution of the death penalty.

Nowhere in the handouts and speeches, however, was there mention that the measure would also:

Make it a crime for a reporter to publish the contents of government reports and studies, regardless of whether they were involved with the "national security." (It would do so by forbidding anyone to "exercise unauthorized control over . . . property owned by, or under the care, custody or control" of the government—and by defining property to include for the first time "intellectual property," such as books, reports and studies.)

Make it a crime to "knowingly" communicate information "relating to the national defense," which it would define broadly to include not only "intelligence operations, activities, plans, estimates, analyses, source and methods" but "the conduct of foreign relations affecting the national defense," as well whether or not disclosure would endanger national security. The provision clearly would cover the Pentagon Papers and probably most information about all the nations with which the U.S. has defense treaties.

Make it a crime for reporters to receive such information, unless they promptly reported its receipt and turned it back to the government.

Extend the criminal liability for publication of "national defense" information to all persons involved with its dissemination, which could include circulation employes as well as reporters, editors and publishers.

Make it a crime for government employees to fail to report other government employes they know to have made unauthorized disclosure of such information.

Penalties of three to seven years imprisonment and from $25,000 to $50,000 in fines could be levied for actions now considered part and parcel of the work of news gatherers.

### PRIOR RESTRAINT

The Justice Department has argued successfully before the Fifth Circuit Court of Appeals that newspapers must obey invalid court censorship orders while the orders are being appealed. The case involves contempt citations against two Baton Rouge State Times reporters who reported testimony given in an open civil rights case hearing in federal court despite a judge's order that they not do so. The government cited the precedents of the newspapers which suspended publication of the Pentagon Papers while their right to publish them was contested through the Supreme Court.

### CONSPIRACY

A Boston Globe reporter, Thomas Oliphant, was arrested on federal charges of conspiracy and aiding a riot after he rode one of three light planes that dropped food to Indians occupying Wounded Knee, South Dakota, and wrote first-person accounts of the flight. He said he made the April 17 flight solely to cover a news story and was allowed to accompany the men who flew the planes on the condition that he not reveal their names.

### PRIVILEGE

The Nixon Administration, plus a not insignificant number of Congressmen, continue to oppose enactment of federal legislation to recognize news-gatherers' unqualified right to refuse forced disclosure of their sources and information, insisting that if there is to be any federal privilege legislation it not only must be qualified but its coverage restricted to the federal domain.

The Nixon Supreme Court twice in the past three months—on appeals by Baltimore Sun Guildmember David M. Lightman and former Newark News reporter Peter Bridge—has refused opportunities to rectify its failure last June to recognize reporters' testimonial privilege.

And President Nixon's re-election committee attempted—albeit initially unsuccessfully—to force reporters for the Washington Post—and Star-News, New York Times and Time magazine to testify and turn over background materials on their stories about the Watergate case.

The IEB of TNG notes that President Nixon, in his Watergate house-cleaning address credited "a vigorous and free press" with helping bring the facts to light in the Watergate scandal and later urged the press corps to "give me hell every time you think I'm wrong," adding the "hope" that he's "worthy" of the press's "trust." The IEB also notes Presidential Press Secretary Ronald Ziegler's subsequent apology to the press and particularly to Broun Award winners Bob Woodward and Carl Bernstein of the Washington Post.

The IEB regrets that the President's statement falls short of the kind of clearcut apology working newspeople deserve, and that TNG President Perlik called on him to make, for the calumny heaped on newspeople by the Administration while they made the nation aware of Watergate.

Recalling the President's own request in 1970 that he "be measured" by his deeds rather than his words, the IEB suggests that the most effective way for him to make that apology, and at the same time demonstrate that he merits the trust he seeks, would be and the IEB calls upon him to:

Have withdrawn those sections of his proposed Criminal Code Reform Act which would in effect institute in the United States an "official secrets" act comparable to that under which Rhodesia's ruling white minority maintains control of information it finds uncomfortable.

Direct the Justice Department in the Baton Rouge case to join the State Times and its reporters in seeking to have the Supreme Court overturn the lower court's sanction of prior restraint on publication.

Direct the Justice Department to withdraw the conspiracy and riot charges against Boston Globe reporter Thomas Oliphant. When the IEB met in January it protested the attempt then underway through the arrest of reporter Leslie Whitten to extend application of stolen property laws to news gatherers who report information the government may find embarrassing or discomfitting. The charges against Oliphant can only be viewed as another effort to achieve the same end, namely to extend criminal laws into an area they were never intended to apply, the dissemination of information by and through the nation's press.

And finally, the IEB of TNG calls upon President Nixon, and those members of Congress who are marching to the beat of his drum in the matter, to drop their resistance to enactment of absolute and unqualified reporter-privilege legislation. None who are proposing lesser measures have come up with any which does not contain the very immediate potential for encouraging rather than stanching attempts to subpena news gatherers, their files and materials. It is time for the President, members of his Administration and members of Congress to put aside their personal prejudices and act to preserve the First Amendment for what it is—a clear, unambiguous and unqualified statement of one of the basic freedoms upon which the U.S. rests.

Adopted by the International Executive Board of The Newspaper Guild in session on May 2, 1973.

## FIRST PROPOSAL FOR GENOCIDE CONVENTION MADE IN 1933

Mr. PROXMIRE. Mr. President, few people in this country are aware of the important contribution by Prof. Raphael Lemkin to the field of international politics. Professor Lemkin was a Polish lawyer who escaped the Nazi invasion of Poland in 1939. Prior to 1939, he submitted a proposal which was to become the basic principle of the United Nations Genocide Convention. His proposal, submitted to the International Conference on the Unification of Criminal Law in 1933, declared "the destruction of racial, religious or social collectivities" to be an international crime. Unfortunately, his proposal was defeated, and it was not until the horrors of World War II were over that the world became aware of the need for this type of international law.

In an article published in 1944, Professor Lemkin coined the term "genocide" from a Greek word meaning race or nation and a Latin suffix which means killing. In less than 5 years, the word "genocide" became the name of a major convention of the United Nations that has since been ratified by 75 nations.

A few people in our country have argued against ratification of the Genocide Convention on the grounds that something so terrible as the persecution of Jews by Nazi Germany could not happen in the civilized world again. Let us not forget that in 1933 the international community thought the proposal of Professor Lemkin to be irrelevant and needless, but within 7 years, the world was shocked by the atrocities committed by the Nazis.

It is my fervent desire that the U.S. Senate ratify the Genocide Convention. I hope we do not need to wait for another crisis of mammoth proportions, but can act on the principle, first stated by Raphael Lemkin, which is embodied in the Genocide Convention. I urge swift ratification of this important treaty.

## BREWER AND THE PIPELINE

Mr. STEVENS. Mr. President, the question of the environmental implications of the trans-Alaska pipeline have been discussed thoroughly ever since a plan for a trans-Alaska pipeline was first introduced.

Since a plan for a trans-Alaska pipeline was first introduced, intensive investigations have determined that the trans-Alaska route is clearly a more superior route from an environmental perspective than a possible Canadian route.

I commend to my colleagues an editorial in a recent edition of the Anchorage Daily Times comparing a trans-Alaska pipeline with a possible Canadian route from an environmental standpoint.

I believe this editorial shows that from an environmental aspect a trans-Alaska route is by far superior. I ask unanimous consent that the editorial be printed in the RECORD immediately following these remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

### BREWER AND THE PIPELINE

Chalk up another star for Max Brewer.

The commissioner of Alaska's Department of Environmental Conservation—one of the world's true experts on the Arctic—has just completed an analysis of a feasibility study prepared last year in connection with proposals for a pipeline through the Mackenzie River Valley of Canada.

It is an analysis which should be required reading of those Midwestern congressmen who keep talking against a trans-Alaska pipeline and in favor of a trans-Canadian pipeline.

It should also be read and studied by that small minority of Alaskan super-conservationists who also oppose construction of a pipeline in their own state.

You've heard all of the arguments against the trans-Aalska pipeline.

Wisconsin's resident expert, Rep. Les Aspin, is among those who argue that there would be terrible hazards to the fragile Alaska environment were there to be a pipeline built between Prudhoe Bay and Valdez, a distance of some 789 miles.

He says that it would be much safer from an ecological standpoint were the pipeline to be built across to Canada, down the Mackenzie Valley to Edmonton, then eastward and finally down through his congressional district en route to Chicago.

Here's what Max Brewer has to say about that:

"It is generally recognized that any pipeline route from Prudhoe Bay to Edmonton will cross about 1,400 miles of terrain subjected to permafrost conditions . . .

"Less generally recognized is that the proposed trans-Canada pipeline will cross an area far richer for the propagation of birdlife serving the Midwestern and Eastern flyways of the United States, and an area far richer in water-loving animals such as muskrats, mink, otter, and beaver than would the proposed trans-Alaska pipeline.

"Even less generally well recognized is the fact that any pipeline between Prudhoe Bay and Edmonton will cross many north flowing rivers, including the mighty Mackenzie which is the second greatest river in North America, having a drainage basin equal to one-half of that of the Mississippi and the Missouri rivers combined . . .

"This is a major difference from the environment encountered by the trans-Alaska pipeline which, through benefit of geography, crosses only one major river, the Yukon, which is the fifth largest river in North America, but makes the crossing on a bridge already designed.

"The proposed trans-Alaska route tends to parallel rivers and, where crossing the rivers, the pipeline is proposed for burial well beneath the bottom.

"The location of such a large portion of the proposed trans-Canada oil pipeline within the Mackenzie River Basin poses an environmental hazard of potentially disastrous magnitude to both the river system and to several hundreds of miles of Arctic Coast of both northern Canada and northern Alaska because of the westward set of the Beaufort Sea current."

Those are the words of a man who knows the Arctic—who has lived there and who has studied it as a scientist and as a man.

Yet who gets the headlines? People like Les Aspin of Wisconsin, who's never even been to Alaska's southern climes, much less to the Arctic.

When is America going to start listening to those who know? And ignoring those who don't?

Maybe when the gas tank is empty. And the lights go out.

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## THE THREAT OF COMPETITIVE FOOD SALES TO SCHOOL NUTRITION PROGRAMS

Mr. McGOVERN. Mr. President, there is growing concern in the country with recent developments which threaten the fiscal and nutritional integrity of the National School Lunch Act.

The Select Committee on Nutrition and Human Needs recently completed hearings that dealt specifically with the Department of Agriculture's regulation change which now permits vended foods to compete with school lunch programs during meal hours. Representatives from groups of nutritionists and school lunch administrators testified that, in their experience, participation in the lunch program declined when in competition with vended foods, sending costs up. It is obvious that efforts in nutrition education are made much more difficult by allowing competition from "junk" foods. Finally, it was made clear that vended foods could add greatly to the already substantial problem and cost of maintaining the dental health of our children.

Recently, I received a letter and article from Dr. John Perryman, executive director of the American Food Service Association, highlighting the threat such a regulation change will pose to the national school lunch program. Mr. President, I ask unanimous consent that the text of that letter and article be printed at this point in the RECORD.

There being no objection, the letter and article were ordered to be printed in the RECORD, as follows:

APRIL 20, 1973.

Hon. GEORGE MCGOVERN,
*Chairman, Select Committee on Nutrition and Human Needs, Old Senate Office Building, Washington, D.C.*

DEAR SENATOR MCGOVERN: We are grievously concerned about the potential impact of the new federalism to child nutrition programs.

We urge your consideration of the enclosed article.

Sincerely,

JOHN PERRYMAN.

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### LOG OF THE EXECUTIVE DIRECTOR: THE NEW FEDERALISM—WHAT IT MEANS TO US

If you think that this title sounds academic and doesn't really apply to school foodservice, think again! Replacing the "old" federalism with the "new" could be revolutionary for our programs at best, totally destructive at worst.

Just to be basic, let's start by defining "federal". Contrary to popular belief, "federal" does not mean "national". The dictionary defines the word "federal" as "pertaining to a compact or league". When we refer to our form of government as a federal government, we are saying that it is a compact between the several states on the one hand and the national government on the other.

The federal-state relationship is deeply rooted in child nutrition programs. Those of us who have worked with such programs for many years have known innumerable occasions—not really of confrontation—but certainly of articulated differences between United States Department of Agriculture administrators and state school foodservice directors. No doubt this is good. No doubt the multi-governmental approach to child nutrition has worked well.

#### MILES FARTHER

On the one hand, appropriations from the national budget have been made to child nutrition programs in such meaningful amounts (now 1⅓ billion dollars a year) that substantive direction for such programs from Washington has been a reality. On the other hand, states have been given considerable latitude within which to spend their budget appropriations so as to best meet their own needs.

There is much that is harsh and critical than can—and is—said about direction from Washington. It can be arbitrary. It can be inflexible. It can be unyielding. It can be unimaginative. Yes, all of these and a few more descriptive adjectives can at times be used in describing direction from Washington. But does any one of us seriously doubt that we are miles farther down the road in child nutrition programs today than we would have been without direction from a central authority?

Would we have half the schoolchildren of the nation eating a good lunch without central direction? Would we have nationwide standards of definition as to what constitutes a good lunch without central direction? Would we even have a nationally-recognized concept of child nutrition at school without the grant-in-aid influence of "take-my-standards or don't-take-my-money"?

#### DARED TO DREAM

Would we even have dared to dream of a universal program of nutrition and nutrition education for *all* our schoolchildren without national direction and supervision of such a massive undertaking? National direction of child nutrition programs sometimes can be irksome as any direction usually is, but can any one of us doubt that more children are eating better food at lower prices in more schools by far, far, far than would have been the case without the involvement of the national government?

It is the purpose of this article to suggest to everyone whose eyes fall upon these words that the national government under the new federalism may well have decided to remove itself from the administrative responsibilities of feeding children. The working arm of the national government for child nutrition programs has always been the United States Department of Agriculture. Therefore, let us look at the "three C's" of involvement by USDA—commodities, control and cash. Let us examine what has happened to each.

In no way is it the author's purpose to criticize the National School Lunch Act of 1946. This must be one of the most forward-looking pieces of legislation of all time. Nevertheless, this Act had its root in the memory of the 1930's and the pathetically inadequate effort to bolster farm prices by destroying farm produce. The school lunch program gained its first breath of life as a farm-oriented project whose primary purpose was to solve "The Farm Problem", by removing surplus commodities and by supporting farm prices.

All told, there have been three different sources pumping farm produce into hungry children—one designed to support prices, one designed to take surplus commodities off the market and only one, by far the smallest of the three, specifically designed to meet the needs of children. From whatever source, commodities have made a substantial contribution to school foodservice—about 9¢ a meal at the beginning of the program, and hopefully pegged at 7¢ a meal in the current year.

#### FLAVOR OF THE PROGRAM

This splendid, multimillion dollar shopping list, each year containing cereals, fruits and vegetables, red meat items, poultry and dairy products, has produced a cohesive and appealing influence in school foodservice over the years. It has provided much of the flavor of the program, both literally and figuratively. In yesteryear, seemingly unlimited supplies of various commodities—flour, butter, cheese, nonfat dry milk—were combined with love and skill to create such menu items as fresh, school-baked bread in lunchrooms throughout the country.

This year, we finally realize that shipments are not just late; it seems likely that the value of commodities will fall short of the promised amount by as much as 50 million dollars. There is every reason to believe that this contribution to school foodservice will continue to dry up. Let's face facts. With food prices up and with food stocks down, there is need for neither price support nor for surplus removal.

#### CONTROL SLIPPING?

If the leaven of commodities is disappearing rapidly from the staff of school foodservice life, what of the second "C" of USDA administration—control? Here, the exit of the national government from our arena of activity becomes more apparent because it is more deliberate. Clearly we cannot hold

USDA responsible for low crop yields or prices so high that the Cost of Living Council forbids USDA to pay them. But we can and must ask why USDA let the control over competitive foods in the lunchroom slip from its hands unprotested. The proposed new regulations released on February 14 state that "foodservice for profit may be operated at the same time and place as the nonprofit foodservice under the program. . . ." Of course, there is a qualifying provision stating that proceeds must "inure" to someone connected with the school.

It would be interesting to know who chose the word "inure". According to my three dictionaries and the Denver Public Library, only an obscure third meaning of "inure" is "to accrue". The first meaning of the word is "to accustom, to discipline, to accept, to habituate". Perhaps the word is well-chosen after all. I am afraid it is becoming all too clear that we in school foodservice will be asked to accustom and discipline ourselves to accepting the profit motive as an habitué of the programs we have zealously guarded for children.

What does the new federalism mean to central direction of our programs? It means that the nation will be told that parents and local school administrators are better able to determine what is right for children than is "big government" in Washington, and that decisions will now be made locally. What it might mean is the beginning of the end of nationwide standards of excellence and nutritional integrity in school foodservice.

### DISAPPEARING ACT

If we don't have meaningful amounts of commodities to hold our program together and if the glue of central direction is slipping, what will preserve the continuity of our programs? Well, there is still cash—the third "C" of USDA direction. At least through fiscal year 1974 national involvement will still be major. It will be sufficient to be the "tail that wags the dog." (Percentages of contributions to the several child nutrition programs were carried in this column in the February, 1973 issue of the Journal.)

But alas we may find here the greatest disappearing act of all in the form of revenue sharing. The first fact to remember about revenue sharing is that it doesn't add any extra money—it simply realigns the authority to spend what there is. When President Nixon presented his new federalism to the nation early this year, he said, "It is time to get big government off your back and out of your pockets."

Translated into dollars and cents, the new federalism in the 1974 budget wil return $6.9 billion to cities and states with considerable leeway as to how the money is to be spent. However, it should be carefully noted that the projects affected are of a social, people-oriented nature.

### MAY—OR MAY NOT

Let us look at education as an example. Thirty separate programs are involved, including education for deprived and handicapped children, vocational education and impacted area aid. These programs received $2.5 billion in the 1973 budget and $2.5 billion in the 1974 budget. The major difference is that the money will now be distributed to cities and states which may use it in the same ways and in the same categories as before—and then again they may not!

With this picture in mind, add in the additional facts that the President speaks of a special revenue sharing bill to return more educational money to states and local communities, again with a strong element of local option as to how the money is to be used. He furthermore speaks of "folding in" school foodservice appropriations into the overall educational grants.

Just in case we haven't painted this picture in bold enough strokes, conjure in your mind's eye a board of education receiving a substantial grant of money not categorized other than that it is to be used for educational purposes.

In that same image we see that same board of education plagued by aging buildings, defeated bond issues and evermore militant and demanding groups that run the gamut from teachers to minorities. For what will the windfall from Washington be spent? Under these circumstances, quite possibly very little would be spent for school foodservice.

### IMMINENT DANGER

In the judgment of this writer, there is imminent danger that the meaning of new federalism to child nutrition programs will be the taking of our 1⅓ billion dollars, "folding it in" with other educational appropriations and returning it to cities and states to be used at local option. The national government can say, "We are just being democratic and getting Washington off your back." The educational establishment can say, "We are using the money where it is needed most." And all we can say is, "But the children are hungry."

Child nutrition programs have many friends in Congress. Under the leadership of such stalwart veterans as Carl Perkins and Hubert Humphrey, they will endeavor to stop the dismemberment of school foodservice. But it will not be easy.

We are now 27-year-olds. Let us hope that this is our prime, for we have ahead of us the fight of our lives.

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## NEW ENGLAND AND HER FUTURE IN THE WORLD ECONOMY

Mr. GRIFFIN. Mr. President, I ask unanimous consent to have printed in the Record a statement by the Senator from New Hampshire (Mr. Cotton), together with an address by the Senator from Massachusetts (Mr. Brooke).

The PRESIDING OFFICER. Without objection, it is so ordered.

### Statement by Senator Cotton

New Englanders are rightly concerned about their future role in the national and international economies. As pathfinders in the industrialization and growth of our nation, we seek new paths for our expertise and energies. On May 23 my friend and colleague from Massachusetts, Senator Edward W. Brooke, addressed the New Hampshire Council on World Affairs in Durham. I regret that I was not able to welcome Senator Brooke and listen to his most compelling speech on "New England and her Future in the World Economy." Senator Brooke's remarks were called to my attention and I commend them to my colleagues' attention. I believe they provide a positive and persuasive prescription for New England's growth and prosperity through regional cooperation and commitment.

### New England and Her Future in the World Economy

(Remarks of Senator Edward W. Brooke to the New Hampshire Council on World Affairs, May 23, 1973)

At a press conference thirty-four years ago, my predecessor, Leverett Saltonstall, was asked to characterize a New England Yankee. "The real New England Yankee," he replied, "is a person who takes the midnight train home from New York."

His description holds true, but today's New England Yankee is just as apt to be catching a direct flight from Tokyo as a train or plane from New York.

In many ways New Englanders remain the same—in innovation, drive and the desire to be in New England. But times have changed. And too often our six states and approximately 13 million people seem more content with the past than intent on the future. We have a proud past and, I believe, a promising future.

The past, Shakespeare wisely tells us, is prologue. But the playwright never suggested that men stand idly by to wait an uncertain future.

New England's future must not be the consequence of inaction when all evidence suggest that prompt and decisive action is needed.

The New England states played a leading role in the evolution of the American economy and is well situated to take an important place in the truly worldwide economy that will evolve by the year 2000, only 27 short years away.

I suggest we can succeed only by using our regional advantages and not dwelling on our disadvantages. On balance, our advantages are far greater than our disadvantages in the context of the future world economy.

Before discussing New England's role in tomorrow's economy, let me briefly review the evolution of the United States and foreign economies to their present condition.

The typical pattern of industrialization involved the introduction of inventions and technology, such as the weaving loom and steam engine, that opened up the possibilities for mass production. The vast quantities of labor needed for the new manufacturing came from the farm where at about the same time more systematic cultivation and later mechanized harvesting made it possible to produce more food with less labor.

One good indicator of the stage of industrialization is the percentage of the work force which remains in farming. In advanced economies, the farm population absorbs a small fraction of the labor force. So for example, in 1960 only seven percent of employment was in farming in the United States, three percent in the United Kingdom, 20 percent in France, 28 percent in Italy, and 32 percent in Japan. In contrast, for underdeveloped countries the work force still in farming is much larger—52 percent in Brazil, 73 percent in India, 47 percent in Taiwan and 49 percent in Colombia.

Within the high income community, France and Italy, if they can avoid political difficulties, will probably grow faster than the United States and the United Kingdom, because they still have room to grow via the industrialization process of moving farmers to the factory.

The earliest industrialization, the first large migration from farm to factory, was in England. Soon after World War I, the United States surpassed England as an industrial power and it was New England that led the way in the evolution from farm to factory.

The American challenge to England's industrial leadership was first developed in New England. The early inhabitants of our region were responsive to the need for change. The poor local farming conditions dictated that there must be an economic evolution. Many New Englanders sought to continue their farming by moving to the rich land in the West. But most plunged with zeal and ingenuity into the challenge of industrialization. This quality of adaptability is vital to the successful transformation of our region into the 21st century.

Another important quality of New England in the early years of the American republic was the energetic outreach in finance and trade beyond the region. New England was an important center for financing and supplying the expansion westward across the continent. As a coastal region close to Europe, it was inevitable that New England would play an early and active role in international trade and finance. The early trade in necessities with England was a vital part of activity at New England seaports, but our world commerce extended also to active trade and financing in Latin America and even visits by Boston clipper ships to the isolated country of Japan.

### KNOWLEDGE INDUSTRIES: THE ECONOMY OF THE FUTURE

When most people think of the economy, they think of material production, manufacturing as the heart of economic activity. And yet, a brief examination of the U.S. and other advanced economies shows a distinct shift toward service, knowledge-oriented mind power, rather than muscle-paper work. In just ten short years, the percentage of non-agricultural labor engaged in services, government, finance, insurance and real estate has increased from 35 percent in 1960 to 40 percent in 1970 for the United States, and from 32 percent to 33 percent for New England

While the United States remains a leader in complex large scale manufacturing, the technological gap in basic manufacturing is closing. Not only the United States, but also Northern Europe and Japan will be the centers of sophisticated financial and management services, research, the packaging and transmission of knowledge, and production of very sophisticated high technology manufactures. In a world of open trade, one can envision a gradual shift of manufacturing to lower wage areas in Southern Europe, Latin America, Asia and Africa. This will not mean a loss of jobs in the United States, but rather and upgrading and enriching of the work environment.

There is a remarkable consensus among economists about the likely growth sectors in advanced economies in the last third of this century. Norman Macrae, an editor of the widely respected London magazine, *The Economist*, cited in the April 28 issue of the journal three areas of key growth potential in the U.S., Northern Europe and Japan: (1) systems design of automated, labor-savings production facilities; (2) financial and management service; and (3) the "packaging and transmission of knowledge."

From a different earlier, but no less penetrating, perspective, Peter F. Drucker comes to very similar conclusions about the shape of our economic future in his book, *The Age of Discontinuity*. His words bear quotation:

"Thirty years ago, on the eve of World War II, semiskilled machine operators, the men on the assembly line, were the center of the American work force. Today the center is the knowledge worker, the man or woman who applies to productive work, ideas, concepts, and information rather than manual skill or brawn. Our largest single occupation is teaching, that is, the systematic supply of knowledge and systematic training in supplying it."

Mr. Drucker verifies what I said earlier about the shift from farm to factory to service and knowledge industries. By way of addition he says:

"By 1960, the largest single group were what the census called professional, managerial, and technical people; that is, knowledge workers. By 1975, or, at the latest by 1980, the group will embrace the majority of Americans at work in the civilian labor force."

Drucker stresses that—

"The new emerging industries, therefore, embody a new economic reality: knowledge has become the central economic resource. The systematic acquisition of knowledge, that is, organized formal education, has replaced experience—acquired traditionally through apprenticeship—as the foundation for productive capacity and performance."

### NEW ENGLAND AND THE FUTURE SECTORS OF GROWTH

Let us look more closely at those potential growth sectors, particularly in terms of what New England has to offer.

1. *Systems Design*—The continued upward march of real earnings for the average American is crucially dependent on the constant extension of man's productive power via mechanization and automation. In response to the shortage of labor in our young country, New England was a leader in developing labor-saving devices for the textile and other industries in the early nineteenth century. To some extent, the production machinery industry has shifted westward, but our region is still a major producer of metal working, textile, and general industrial machinery. We have strong engineering institutions for on-going research in labor saving machinery. Furthermore, there is still great unfulfilled potential for mechanization and automation in services, transportation, and especially the government sector. For example, the strong research and practicing base in the health services in New England give us important capabilities in automation of health care that will extend good care at lower cost through the greater use of paraprofessionals.

2. *Financial and Management Services*—The main device for spreading financial and managerial techniques as well as production around the world, hence a powerful impetus to economic development has been the multi-national corporation. Although New Englanders have been indirectly involved in these multi-national firms, our direct involvement is somewhat less than for other regions because few of the multi-national giants have their head offices in New England. However, with growing nationalism and sophistication particularly in less-developed countries, there may be diminishing prospects for continued growth of overseas subsidiaries that are 100 percent owned by American corporations. But this growth of locally based corporations will stimulate the demand for sophisticated financial and managerial services. New England may not be a leading center for U.S. multi-nationals, but our region, with its long-standing financial and academic enterprises, is a very attractive source of servicing for foreign corporations.

3. *Knowledge-Oriented, Information Industries*—Perhaps the biggest and most exciting prospects for U.S. and especially New England growth are in the activities of compiling, analyzing, and disseminating information and knowledge. In his famous study of the sources of economic growth in the United States, Edward Denison found that 20–25 percent of U.S. growth could not be explained in terms of increases in capital and labor, but rather stemmed from the advance of knowledge.

Norman Macrae in *The Economist* article that I cited earlier foresees great growth in the advanced countries of firms devoted to the packaging and transmission of knowhow. This would include not just world-wide communication of intellectuals by picture phone, but the transmission over thousands of miles of computerized learning programs to barely literate workers. Macrae predicts that a sort of transglobal teach-in will become a common industrial practice within 30 to 40 years.

Again, let me quote from Peter Drucker to give you an idea of the need for knowledge industries:

"Electricity is the cheapest, most plentiful, and most versatile energy for mechanical work. But information is energy for mind work. Most people in responsible positions today, whether in government, in hospitals, in research labs, or in business, spend most of their time scratching to get a little incorrect and unreliable information on what happened yesterday.

"The impact of cheap, reliable, fast, and universally available information will easily be as great as was the impact of electricity. Certainly young people, a few years hence, will use information systems as their normal tools, as they now use the typewriter or the telephone."

It is hard to think of a region better endowed with the necessary mixture of production, technology, research, and education required for a knowledge industry than New England. In our strong computer and telecommunications sectors, we have the capability to carry out the processing and transmission of information. In our higher educational institutions and our technical schools, we have the capablity to conceptualize and test practical interactive training programs. New England has 35 vocational and technical institutes that provide a wide variety of specialized training and 10 percent of the nation's higher educational institutions, many of outstanding worldwide reputation.

The market possibilities for learning systems and information compilation are virtually limitless. New England can be a major supplier first to the rest of the U.S., then soon after to other advanced countries which are increasingly hampered by the limited availability of useful knowledge. Export to less developed countries will come somewhat later, but in these countries there is great potential for mass education, particularly in technical subjects where cultural and language differences are less of a barrier.

The knowledge industry cannot be considered solely the province of Ph. D.'s. It will provide thousands of jobs in computer programming and in simple engineering and repair work which do not require higher education. The industry can open up new upwardly mobile job prospects for the factory workers in those declining sectors of our manufacturing industries.

### WILL NEW ENGLAND ADAPT OR STAGNATE?

Let us turn from these heady prophesies to a sober assessment of realities. Will our local business and governmental institutions provide the leadership to move New England from these prophesies to reality?

It has often been said that Europeans look at the United States today to see what the future will be for them. In turn, can one look at New England today to see what the prospect is for the future of the United States? Is New England the path-breaker, the cutting edge today, as it was in the early years of the American republic? The answer at present is yes and no.

Yes, because New England is richly endowed with the human resources so vital to the growth of the industries that I have discussed. Our region has a highly educated and motivated labor force with a skeptical and creative approach to solving problems. Our high technology industries are well suited to provide the hardware for the growth industries.

No, because government at all levels is providing uncertain leadership for economic development and because some business, labor and political figures are, at best, ambigous about their acceptance of fair and open world trade and investment, so essential to stimulate New England to move into the 21st century.

Let us briefly examine these two factors that may prevent New England from fulfilling its potential in the world economy: government development policy and our region's attitude toward open world trade.

First, in an increasingly complex economy, government action is required to smooth the difficult transition from a manufacturing to a service and knowledge economy. The primary policy of government at the national level is to maintain a stable and orderly environment for sustained economic growth.

Japan, is an outstanding example of a country, which is consciously preparing and adapting its human and material resources for tomorrow's world economy, not yesterday's work. Whereas old, low technology industries have drifted in a rather haphazard fashion from the North to the South within the United States. Japan is systematically transferring its old industries out of Japan to the less-developed countries.

Under the New Federalism, the role of the public sector in helping the economy to adapt is placed largely with the state and local governments in the United States. In theory, I endorse the effort. In practice, I'm not sure that it is universally applicable or viable. At present some local governments are equal to the challenge and others are not. Some sectors of governments in New England are notably lagging other regions in the country. This is not the occasion to dwell on development policy, but suffice it to say that we need a systematic scientific and cooperative effort by New England government at all levels to help foster a more favorable business climate that encourages growth of promising, but high-risk industries. A most urgent requirement to ease the pains of adjustment is a comprehensive employment clearinghouse that assures a balance between supply and demand for labor of different skills and educational attainment.

Second, my other major concern is the faltering support in New England for fair and open world trade and investment. Certainly other countries have not been always fair in developing their policies on trade and investment. The President's trade bill goes a long way in giving our trade negotiators the tools for tough bargaining. But then there is the Burke-Hartke bill that would drastically curtail imports and foreign investment leaving our region and the country like an ostrich with its head stuck in the sand as the world passes us by. Obviously, some districts in our regions have suffered chronic unemployment due in part to import competition. Those who have suffered most understandably demand the swiftest recourse. But protectionism historically has failed in the long run. It provides relief, not a remedy for economic ailments. The difficult and lasting solution is to adapt to, not hide from, the challenges of the world economy.

### NEW ENGLAND'S INTERNATIONAL LEGACY AND SOME PROPOSALS

The first settlers in New England arrived by sea and their descendants have continued to reach out by sea and air to the world economy. Geography dictates that our region look outside the United States for economic opportunities. Nationalism frustrates a truly open world economy, but a large part of the reluctance to sell in the world economy arises from a myopia about dealing with foreigners, not from restrictions. Boston is a day closer to Europe by sea than is New York.

New England is closer to the markets of Europe than those of our own Far West. We pride ourselves on being able to "build a better mousetrap" in a free and open environment of world, not just national, competition.

In brief, all these factors suggest that New England is destined, with a little foresight and planning on the part of business and government, to play a great role in the world economy.

To this end, let me close by briefly proposing some steps that could strengthen our role in the world economy:

1. To promote a sustained economic expansion via exports, we should explore ways of developing new profit-oriented large-scale export trading companies in New England. I have suggested that our region is well suited to play a key role in the high technology, service, knowledge-oriented economy of the future. But we need more effective foreign marketing and financing especially for the many small and medium-sized firms who do not have the management expertise to master the special factors in exporting.

2. State governments should strengthen their export information service here in the region and in new promotion offices in selected foreign cities. Here a cooperative regional venture is surely in order.

3. Business, labor and government leaders in New England should carefully consider the long-term consequences of protectionist proposals that could frustrate the transformation of our economy and perpetuate dead-end, low-wage jobs in our region.

4. We need a far more generous and thorough adjustment assistance program to ease the painful adjustment of our business to foreign competition. The extra cost of a meaningful adjustment assistance program will be returned many times over in higher wages and profits in an economy which has adapted to the 21st century. The responsibility for finding an adjustment program falls squarely on the Federal government. In that regard, let me say that adjustment assistance proposals in the President's new Trade Bill do not go far enough and must be revised.

5. We should encourage foreign investment on a fair and equitable basis. Investment by firms from Europe and Japan would stimulate the local economy and provide for a cross fertilization of ideas. I support the reverse investment mission of state development officers to Japan at the end of this month and the proposed fall mission to Japan of Massachusetts business leaders.

6. Within our states, those in and out of public life must forge a partnership which will make our region more competitive. We can't ignore the problem of state and local taxes and the excessive spending which drives those taxes upward each year.

Our most important resource for the future are the young people on this and other campuses throughout New England. Our knowledge beckons our native sons and daughters and thousands of young men and women from other parts of the nation. We cannot be content by providing these young people an education. We owe it to them—indeed—to ourselves to offer an opportunity.

Clearly, our knowledge, in and of itself, is not the answer. It is in the application of our knowledge that we are now, and shall be, tested.

Our history and the changing world economy give every indication that we shall succeed. I believe we shall.

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## THE CONSEQUENCES OF LAST YEAR'S SALE OF U.S. GRAIN TO RUSSIA

Mr. CLARK. Mr. President, although awareness of the consequences of last year's sale of U.S. grain to Russia has largely been confined to our grain-producing States, the matter is one that should be of concern to all Americans.

The timing and manner of this sale has resulted in higher domestic food prices; overburdened our already-strained grain transportation arteries, causing serious economic side effects that will continue to be felt by farmers and consumers alike for many more months to come, and may have given major grain companies windfall profits at the expense of American farmers and taxpayers.

If all of this was caused by mismanagement or a lack of foresight, it is one thing. But the allegations contained in an article published May 20 by the Des Moines, Iowa Register carry far more serious implications.

The article quotes administration sources as saying that political pressure from the White House was the major factor in the decision to move quickly and subsidize the sale.

The pressure, the sources indicate, was the result of a desire to consummate the sale agreement prior to the election in order to enhance Mr. Nixon's image within the agricultural community.

If these allegations are correct, we have in this grain sale yet another unfortunate example of the effects of an unbridled arrogance of power, even though no laws may have been broken.

The fact that the allegations have even been raised should cause us to consider more carefully than ever the granting of the broader trade powers the President is seeking for his upcoming negotiations.

Most of us, I am sure, agree in principle with the need for those broader powers, but none of us should permit them if they will be abused for the sake of partisan politics, or any other consideration, as has been charged here.

For these reasons, I am concerned that we settle once and for all the question of the White House's role in this sale, and want to commend Senator HENRY JACKSON for directing the Senate Permanent Investigations Subcommittee to conduct an investigation of the matter.

I am confident that this investigation will be fair and thorough, and provide us with the answers which we need.

Mr. President, if there are no objections, I ask for unanimous consent to print the Des Moines Register article which I have cited in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### NIXON URGED "CONCESSIONS" TO RUSSIA IN ORDER TO IMPROVE HIS FARM IMAGE

(By Clark Mollenhoff, George Anthan and James Risser)

WASHINGTON, D.C.—Pressure from the White House to complete a grain deal with the Soviet Union before the 1972 election was a major factor in the U.S. decision to subsidize the sale to Russia with American tax money, Nixon administration sources have told The Register.

An administration official said U.S. negotiators working on the wheat sale last year openly discussed among themselves the fact that President Nixon wanted a deal to be consummated quickly, and that he wanted "reasonable concessions" made to the Russians.

Among concessions granted was a $500-million line of credit from the U.S. government to the Soviets, and cash subsidies totaling more than $132 million.

#### "WORLD PRICE"

Also, the Russians were assured they would have to pay only the so-called "world price" for the grain, as low as $1.59 a bushel and far below the level the domestic price could be expected to reach under pressure of massive overseas exports of wheat.

A National Security Council source told The Register that the Soviet-American grain deal was outlined by members of the council staff, directed by Presidential adviser Henry Kissinger and by Agriculture Secretary Earl Butz, who went to Russia in April, 1972, to discuss East-West trade.

"We were all very much aware of the President's desire to pull this off before the election," the council official said.

A high official of the National Security Council has acknowledged in a congressional hearing that top-level government negotiators were involved in planning the grain sale to Russia and that the arrangements they made was of financial benefit to the Soviet Union.

The information from the National Security Council source that political pressure resulted in concessions to the Russians is significant because he indicated that a so-called "package" deal was put together.

#### IMPRESS FARMERS

Up to now it had been understood that the administration had discussed credit terms to enable the Russians to buy feed grain but not cash subsidies to enable them to buy wheat.

National Security Council sources said the wheat deal was seen as a means of impressing farmers by boosting grain prices, as a way to eliminate some government-owned grain stocks and as a method of improving the nation's balance of payments deficit.

But most important, they said, it was seen as a means of boosting the Nixon administration's political image throughout the nation's then-disgruntled agricultural belt.

The sale was hailed last summer by President Nixon as an "historic" event and Secretary Butz said the wheat deal was "good for consumer taxpayers . . . good for American farmers . . . good for labor . . . good for our economy . . ."

Later, however, it became clear that the sale of more than 500 million bushels of wheat and additional millions of bushels of feed grains to the Soviets had resulted in higher food prices in the U.S.

### ONLY LARGE SUPPLIES

Also, it became clear that the sale was subsidized even though the U.S. had the only large supplies of wheat available to the Soviets.

Many wheat farmers sold their crops at relatively low prices because the sale was negotiated secretly.

Officials of the U.S. Department of Agriculture (USDA) say they didn't notify farmers and the public of the massive wheat deal because they didn't know of the meetings between the Russians and grain company officials.

But a high official of Continental Grain Co. has stated privately that he did, in fact, notify USDA officials of the sale.

Also, at the same time the USDA officials say they were unaware of the huge deal, the department was agreeing to sell to the export firms record amounts of government-owned grain, needed by the companies to fill their contracts with the Russians.

The USDA also was agreeing to pay subsidies on a record volume of wheat exports, and the agency was receiving daily reports that grain firms were buying wheat in record amounts on the nation's commodity markets.

### SECRET REASON?

There is a growing belief among some members of Congress, including Representative John Melcher (Dem., Mont.), that the Russians were guaranteed a relatively low price for U.S. wheat in return for aid in settling the Vietnam war and in regard to other international matters and that this agreement, worked out by top-level negotiators, has been kept a closely-held secret.

Melcher said, "This is the only plausible explanation for our paying millions in subsidies when we had the only available supplies."

Senator Dick Clark (Dem., Ia.) has expressed puzzlement over the government's decision to subsidize the Soviet sales. "We had all the bargaining power, yet we ended up paying them tremendous subsidies," he said.

Testimony during Senate hearings last week indicated that Nixon administration officials who negotiated the grain agreement made major errors in dealing with the Soviets, and that these mistakes now have been privately recognized and admitted within the administration.

The testimony came in hearings before the Senate Finance Committee on confirmation of Helmut Sonnenfeldt as undersecretary of the treasury. Sonnenfeldt has been Kissinger's senior adviser at the White House, and has been specifically involved in East-West trade negotiations.

### SOVIET GAIN

Asked by Senator Harry Byrd (Ind., Va.) if the Soviet Union gained financially from American wheat subsidies, Sonnenfeldt stated:

"I think that is correct. I think that our government and everybody else learned from that experience and I don't think that that will ever occur again."

Byrd said, "As a result of that deal the price of wheat went from $1.63 as I understand it, to $2.25 by as early as September of last year?"

"I am aware of the figures," Sonnenfeldt said, "I am really not particularly qualified to give you any more specific answers except that it is clear that if the Soviets came into our market again this year, that these kinds, that type of tolerance that occurred last year will not occur again."

He was asked by Byrd: "Do you believe that the interests of the American consumer, the American baking industry, and the American farmer were adequately protected in the Soviet grain sale?"

The Kissinger aide said, "Well, my judgment on that would be that the effects of the grain sale were probably not fully anticipated. The effects on domestic prices, well, I frankly cannot tell you what the effects of some other kinds of arrangement might have been assuming we were going to sell the kind of quantities that we sold to the Soviets."

### 3-YEAR PERIOD

Sonnenfeldt said that U.S. negotiators had agreed to extend to the Russians $500 million in credit so the Soviets could buy American agricultural commodities over a three-year period. The U.S. was to charge the Russians interest at 6.5 per cent, the going rate charged by the USDA's Commodity Credit Corp.

He said the Russians at first objected to the interest as too high, but that they later agreed to pay it. Sonnenfeldt acknowledged, however, that 6.5 per cent was less than the interest on borrowed money being paid at that time by the U.S. government.

Sonnenfeldt said that in his job as senior National Security Council adviser he did not assess the impact on the U.S. economy of the Soviet wheat sale. He said that task was left to others.

He said though that the major increase in grain sales overseas, especially those to Russia, was "a totally new experience and our government was not adequately organized for this new experience."

Sonnenfeldt told the committee that U.S. officials have recognized their mistakes and that in future dealings with Russia and, possibly, with China, "precisely the kind of effects that you are disturbed by, and that I am disturbed by, will be assessed beforehand."

He added, "and these judgments will be made in a systematic way so that we will be negotiating with our eyes fully open."

Sonnenfeldt has maintained publicly that the National Security Council worked to negotiate only the credit arrangements for the Russians, and that the cash deal for wheat—including the millions in government subsidies—was arranged in private meetings between the Soviets and U.S. grain companies.

### LEND-LEASE DEBTS

Sonnenfeldt also was questioned by Byrd on the U.S. decision, following talks last year with the Russians, to settle Soviet lend-lease debts with a loss to the U.S. of some $300 million. Sonnenfeldt defended the agreement as the best that was possible for the U.S. to obtain.

He also was questioned concerning charges more than 10 years ago that he had passed classified documents to foreign agents. Sonnenfeldt denied the charges.

He said that in his new job at the Treasury Department he will concentrate on trade and economic relations between the U.S. and the Soviet Union.

## FEDERAL SUPPORT FOR ALASKAN PIPELINE

Mr. STEVENS. Mr. President, in its appeal of the trans-Alaska pipeline case—Morton against Wilderness Society, the Solicitor General received letters from the Secretary of Defense, the Under Secretary of State for Economic Affairs, the Acting Director of the Office of Emergency Preparedness, the Assistant to the President for Economic Affairs—on behalf of the Council for International Economic Policy, the Secretary of Commerce, the Deputy Secretary of the Treasury, and the Acting Secretary of the Interior.

These letters emphasize the importance of the trans-Alaska pipeline to our national interests. They also indicate the need for a quick resolution of the matter so that construction of the trans-Alaska pipeline might begin.

These letters detail our growing need for oil and the importance for our national security that we do not become overly dependent on foreign oil imports, particularly from the politically unstable Middle East. They also indicate the severe financial problems this country will face if our oil imports continue to impose a massive drain on our balance of payments.

Because these letters from each Federal agency involved are so important and discuss from each Department's point of view, the necessity for the trans-Alaska pipeline, I have asked each signer to permit me to reprint them in the CONGRESSIONAL RECORD. Each Secretary or Under Secretary has done so.

At this time, when the Senate will shortly consider pipeline right-of-way legislation, I believe it is of extreme importance that each Member of Congress realize that every executive agency involved has come to the conclusion that the trans-Alaska pipeline must be built. This conclusion was not based on the needs of any particular State or region, but on an examination of the national interests.

Each department has come to the same conclusion: the trans-Alaska pipeline must be built in the national interest.

I request unanimous consent that these letters be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
*Washington, D.C., March 5, 1973.*

HON. ERWIN N. GRISWOLD,
*Solicitor General, Department of Justice,*
*Washington, D.C.*

DEAR MR. SOLICITOR GENERAL: The Council on International Economic Policy strongly believes the further delay in the construction of the Alaskan pipeline would pose substantial national security and balance of payments risks. Alaskan oil provides one means to keep our dependence on insecure foreign sources within reasonable bounds. The increasing balance of payments burden of oil imports is also a matter of concern. Alternative proposals to bring Alaskan oil to the lower 48 States apparently would require an additional delay of several years, which I do not believe we can afford. I understand that it is the Administration's judgment that all essential environmental concerns will be met by the proposed Alaska pipeline.

Sincerely,

Peter M. Flanigan,
*Assistant to the President for Economic Affairs.*

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Office of Emergency Preparedness,
*Washington, D.C., March 5, 1973.*

Hon. Erwin N. Griswold,
*Solicitor General,*
*Department of Justice,*
*Washington, D.C.*

Dear Mr. Griswold: The national security of the United States is heavily dependent upon a stable and assured supply of petroleum. Our objective during the next two decades—as our economy becomes increasingly dependent on crude oil in conventional forms—must be to minimize our dependence on insecure foreign sources; otherwise, we will be subject to inordinate economic pressures and vulnerable to capricious supply interruptions. In the longer run, synthetic fuels, alternative energy sources, and altered consumption patterns can be expected to reduce this vulnerability.

Oil flowing from the North Slope of Alaska would significantly reduce our dependence in the near term. Delay in delivery is detrimental to the national security. Furthermore, no additional significant exploration and development on the Alaskan North Slope can be expected until marketing of Alaskan oil is assured.

It has been suggested that water movement from Alaska to the West Coast is more vulnerable than overland movement through Canada. However, this overland delivery system would not make petroleum available to the West Coast area which has the greatest potential future need. The West Coast has been an oil-deficient area from the commencement of the oil import program, and its relative dependence on insecure sources is growing at an alarming rate. Water movement of oil from Alaska to the West Coast will be short-haul transportation in United States flag vessels. The alternative supply for crude-deficient District V is long-haul foreign flag transportation of oil from less secure Eastern Hemisphere sources.

The trans-Alaska pipeline could deliver oil to the West Coast as early as 1976, and could reach full capacity by 1983. Recent developments in Canada indicate that previous estimates of an additional delay of three years in delivery of the first oil from the North Slope through a trans-Canada pipeline may have been overly optimistic.

Early completion of the trans-Alaska pipeline is an extremely important national security objective.

Sincerely,

Darrell M. Trent,
*Acting Director.*

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Under Secretary of State,
for Economic Affairs,
*Washington, D.C., March 5, 1973.*

Hon. Erwin N. Griswold,
*Solicitor General,*
*Department of Justice,*
*Washington, D.C.*

Dear Mr. Solicitor General: This letter is to confirm that the Department of State believes there is a strong national security need to bring Alaskan oil to the lower 48 states as expeditiously as possible to lessen our dependence on potentially insecure foreign sources of petroleum. Further, the Department of State considers that the earliest possible availability of this domestic oil is essential from a balance of payments standpoint.

The Alaskan pipeline gives promise of bringing significant quantities of North Slope oil to principal users at least several years earlier than any of the other alternatives which have been discussed. Hence, early completion of the Alaskan pipeline must be considered an important national objective.

Sincerely,

William J Casey.

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Secretary of Defense,
*Washington, D.C., March 5, 1973.*

Hon. Erwin N. Griswold,
*Solicitor General,*
*Department of Justice,*
*Washington, D.C.*

Dear Mr. Griswold: This is in response to the request of your Department for a statement of the interests of the Department of Defense concerning the construction of the Trans-Alaska Pipeline.

Programs which are now being initiated for development of alternate energy sources should guarantee the U.S. an adequate supply of energy based on secure sources in the later years of this century. But those programs are not likely to make a significant impact in the decade and the early years of the next. From an energy standpoint, the next ten to fifteen years will find the U.S. heavily and necessarily dependent on oil from sources which are politically insecure in peacetime and militarily insecure in event of hostilities. At best, during those years that dependence will incur considerable risk for the nation's economy, the well-being of the populace, and the national defense.

This nation's dependence on insecure foreign oil sources is now rising at a rate which presents a serious security risk. The 1968 discovery of major oil deposits in Alaska occurred just after the U.S. in 1967 entered a period of decline in productive capacity and became unable to meet all its oil needs from domestic sources. The discovery provided the nation with the potential to keep its dependence on insecure foreign oil sources within reasonable bounds. That potential, however, will be of no avail if means are not found promptly to move Alaskan oil to market.

I appreciate this opportunity to express my views on this very important matter.

With kindest regards,

Sincerely,

Elliot L. Richardson.

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U.S. Department of the Interior,
*Washington, D.C., March 2, 1973.*

Hon. Erwin N. Griswold,
*Solicitor General,*
*Department of Justice,*
*Washington, D.C.*

Dear Mr. Griswold: The resolution of the issues surrounding the issuance of the right-of-way permit for the trans-Alaska pipeline is of the highest urgency in the public interest.

It is extremely important that the Supreme Court rule on these issues this term, so that the oil from the North Slope can begin to flow as soon as possible. It is my understanding that the Secretary of the Treasury, Secretary of State, and the Secretary of Defense are informing you of matters within their primary purview which relate to the urgency of this matter. Although this Department does not have primary jurisdiction in international relations, national defense and the international position of the dollar, we are cognizant of the very important national problems raised in these areas by protracted delay in the approval of the permits for the trans-Alaska pipeline.

Recent developments affecting the supply and demand situation for crude oil have accented the urgent necessity of bringing Alaskan oil to markets in the Lower 48 with minimum possible delay. The total demand for petroleum products in the United States has been growing very rapidly, and is forecast to continue that growth through 1973 and beyond. For 1973 alone, an increase in demand of a million barrels per day is forecast. This demand growth, in conjunction with a decline in production from the Lower 48 states, will greatly increase our dependence upon foreign crude. Alaskan oil is the quickest, cheapest and surest way to mitigate this situation.

Already, the devaluation of the American dollar and the upward price presure from the Middle East producers have brought the price of foreign crude oil on parity with that of domestic crude oil. Without the certainty of movement of North Slope oil to American markets, we can expect to pay higher and higher prices for our crude oil supplies, with the consequent adverse impact on the American economy and on the consuming public. It should be realized that the mere settlement of this issue will rebound favorably to the national interest. For once the issue is settled, the eventual flow of the oil will be built into the planning posture of this government, our economy, and must be reckoned with by our foreign suppliers.

The imposition of export controls by Canada further accentuates the supply position. The course of world events since the Secretary announced his approval of the pipeline application last year have made more imperative than ever the prompt resolution of the issues surrounding this project. Each month of delay imposes large additional costs on the American economy, imposes increased presure on the American dollar abroad, creates more difficult situations in foreign affairs, and reduces the national security of the United States.

Sincerely yours,

John C. Whitaker,
*Acting Secretary.*

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Secretary of Commerce,
*Washington, D.C., March 3, 1973.*

Mr. Erwin N. Griswold,
*Solicitor General,*
*Department of Justice,*
*Washington, D.C.*

Dear Mr. Griswold: The Department of Commerce is deeply concerned about delays in the development of the Trans-Alaska Pipeline and hopes to see a speedy approval of this project so important to the national welfare of the United States. I urge you to do what you can to secure an early determination of this matter by the Supreme Court.

The Commerce Department has made several in-depth analyses over the past two years, all of which yielded the conclusion that the Trans-Alaska Pipeline, which constitutes the initial transportation link to North Slope oil, is both economically sound and essential. The steady growth of U.S. energy demands, projected over the next decade at something exceeding four percent per annum, combined with stagnation or decline in prospect for established domestic oil and gas production, indicate a large and rapidly increasing energy gap for the United States.

Inadequacies of domestic supplies can be filled only by imports. Unless present trends are altered, U.S. imports of oil will rise during the 1970's from less than four million to more than 13 million barrels per day. The cost of imports of this magnitude is conservatively placed at $20 billion for the year 1980, with the probability of even greater balance of trade drains in the years beyond. The prospect of reliance on these large-scale imports raises the threat of compromise to our national security.

Any contribution to the national energy requirements from domestic resources mitigates the balance-of-payments and security problems associated with imports. Reserves of a particularly attractive low-sulphur crude oil on the North Slope of Alaska from the region of Prudhoe Bay amount to at least one-fourth of the total proven reserves of the entire United States, and these represent by far the largest petroleum resource as yet undeveloped in this country.

After all legal issues are resolved, three years will be required for construction before the first oil flows through the pipeline. Development of full capacity will require additional years. However, the evidence indicates that North Slope oil is needed *now* in the lower forty-eight states. This is why we feel all further delay must be avoided. Also, there is a cost consideration at work here. It has been estimated that the total cost of delay of this pipeline project amounts to more than $1 billion for each year prior to the start of construction.

Both the Departments of the Interior and Commerce have extensively studied alternatives to the Trans-Alaska Pipeline. A route through Western Canada has been more thoroughly considered than any other. This option has been rejected on several grounds. The capital cost would be much higher—at least $2 billion. Also, it would take perhaps five years longer to complete the project via the Canadian route. Finally, there are important balance-of-payments and security advantages to a line which lies solely within U.S. territory.

The foregoing considerations in our view demonstrate the importance to the United States of constructing the Trans-Alaska Pipeline. For economic and security reasons, it is important that an early resolution of pending legal issues be sought so that work can begin on this project.

Sincerely,

______ ______,

*Secretary of Commerce.*

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Deputy Secretary of the Treasury
*Washington, D.C., March 6, 1973.*
Mr. Erwin N. Griswold,
*Solicitor General,*
*Department of Justice,*
*Washington, D.C.*

Dear Mr. Griswold: I am writing to ask your help on clearing the legal hurdles to opening up the Alaska oil pipeline.

As you know, oil production from domestic American sources has ceased to grow, while domestic consumption is growing at the rate of about 4% a year. This means that we are forced each year to import more and more oil from abroad. These growing quantitative imports, plus the price increases in foreign oil recently successfully achieved by the producing countries, means that our annual balance of payments costs of oil are jumping significantly. In 1973, we estimate it will cost us $6.1 billion dollars. By 1975, it should increase to $9.1 billion and by 1980, it may increase to $15.3. As you can see, imported oil costs are becoming the largest single problem in our total balance.

The opening up of oil from Alaska will make a significant difference to the U.S. in several ways:

a. *It will greatly increase U.S. national security,* through reducing the extent of our dependence upon foreign oil sources. Today we are dependent upon foreign sources for 29% of our oil. When Alaska reaches the hoped-for flow of 2.0 million barrels per day in 1980, this would help in slowing the rate of rise of this dependence.

b. *It should reduce the balance of payments costs* for oil imports. Every barrel from Alaska means one less barrel that we need to bring in from the Middle East. There have been some indications that the dollars we have been spending in the middle East for oil have contributed significantly to recent pressure on the dollar. Indeed, it can be estimated that each day's delay in getting Alaska into production represents a balance of payments loss to the U.S. of about $5 million dollars.

c. *It should reduce the risk of oil shortages.* As you know, in some sectors we have had shortages of fuel oil and diesel fuel. Some industry sources have predicted possible gasoline shortages next summer. We are acting vigorously to prevent such shortages. Unless we can act rapidly to assure ourselves of a stable future situation, however, we can see the possibility ahead of a slow-down in energy-dependent sectors such as transportation and petro-chemicals. Alaska oil, then can represent vital insurance that this does not happen.

For these reasons, therefore, it is urgent that we get your assistance in clearing up the remaining legal objections to the construction of the Alaska pipeline. Should you need any help from our staff in this effort, we would be glad to provide you with anyone or anything that you need.

Sincerely yours,

William E. Simon.

## INTERVIEW WITH WALTER CRONKITE

Mr. McGOVERN. Mr. President, one of the most respected men in America is the distinguished CBS news director, Mr. Walter Cronkite. In the current issue of Playboy magazine, Mr. Cronkite's observations on a wide range of public issues are carried in an interview with the editors of the magazine.

I ask unanimous consent that this thoughtful interview be printed at this point in the Record.

There being no objection, the interview was ordered to be printed in the Record, as follows:

### Walter Cronkite

(Playboy interview: a candid conversation with America's most trusted television newsman)

(In commenting on the demise of Life magazine last autumn, former chief editorial writer John K. Jessup remarked, "Except maybe for Walter Cronkite, there is no more focal point of national information cutting across these special interests, no cracker barrel, no forum, no well." Certainly, if God had set out to create a prototypical middle American, He could have done little better than limn the image of the sad-eyed 56-year-old man—at his CBS anchor desk in New York—whose military-drum-roll voice, sending modulator needles flickering toward the bass registers, has become part of our collective consciousness. Time magazine has described Cronkite as "the single most convincing and authoritative figure in television news," and a survey conducted by Oliver Quayle and Company to measure trust in prominent figures showed Cronkite leading everyone—including Presidential candidates Richard Nixon, Edward Muskie, Hubert Humphrey and George McGovern.

(But while Cronkite is regarded by the public as a fatherly, sympathetic figure, he has a rather more volatile reputation among his colleagues in the broadcast industry, where he's known as a tough, jealous and outspoken guardian of newsmen's rights. When Vice-President Agnew made his now-famous speech in Des Moines in 1969, sneering at TV news commentators as "a tiny, enclosed fraternity of privileged men elected by no one and enjoying a monopoly sanctioned and licensed by Government," Cronkite was among the first broadcasters to join the battle. Agnew's speech, he charged, was "a clear effort at intimidation." In May 1971, while most network news executives were taking refuge in corporate anonymity, Cronkite lashed out at the Nixon Administration for committing "a crime against the people" by trying to prevent TV from doing its job as the people's observer of the performance of their elected representatives.

(This position at the barricades is, in fact, a highly distasteful one for the Missouri-born, Texas-educated dentist's son, who has avowed no greater desire in his 22 years at CBS than to be where the news is. "Punditry doesn't really appeal to me," he once told TV critics in New York. Cronkite joined United Press after his college days at the University of Texas and, when World War Two broke out, he became a top U.P. correspondent—filing eyewitness dispatches from the Battle of the North Atlantic in 1942, landing with the invading Allied troops in North Africa in November of that year, taking part in the Normandy beachhead assaults in 1944, dropping into Holland with the 101st, Airborne Division and riding with General Patton's Third Army to the rescue of encircled American troops at the Battle of the Bulge in December 1944. After the war, Cronkite re-established U.P. bureaus in Belgium, Holland and Luxembourg, and he was chief U.P. correspondent at the Nuremburg trials of Göering, Hess and other Nazis before becoming U.P.'s chief correspondent in Moscow. Returning home in 1948, he broadcast events in Washington for a group of Midwestern radio stations before joining CBS News, where he became managing editor in 1963.

(Before and since going to CBS, he has been present at most of the major news events of his time; perhaps his strongest identification in recent years has been with coverage of the United States space program, for which he has received two Emmy awards. He has also been a fixture of CBS' political-convention coverage from its infancy in 1952 through the 1972 campaign—with one important, and humiliating exception. In 1964, CBS pulled Cronkite out of his anchorman's post for the Democratic Convention, substituting Roger Mudd and Robert Trout in an attempt to counter the rating success of NBC's Chet Huntley and David Brinkley. Cronkite's professional pride was deeply hurt, but he accepted the decision without public or private comment—and was back in the driver's seat after TV critics and the public voiced loud displeasure. Never again has he been so cavalierly treated by his network.

(Though he has always cherished his old wire-service-bred belief in objectivity, Cronkite has occasionally departed from his impersonal role. Sometimes the departures were unintentional—as when his voice broke with emotion in November 1963 as he announced President Kennedy's assassination, and when he gleefully chortled "Oh, boy!" on witnessing the blast-off of Apollo 11 for the moon in July 1969. Sometimes they were deliberate: In March, 1968, after a two-week visit to Vietnam, he conducted several newscasts with ringing statements of his view that the Administration was wrong in its policies there. And on at least one on-the-air occasion, Cronkite got just plain mad. During the 1968 Democratic National Convention in Chicago, after seeing a CBS correspondent punched on the convention floor by security officers, he fumed: "If this sort of thing continues, it makes us, in our anger, want to just turn off our cameras and pack up our microphones and our typewriters and get the devil out of this town and leave the Democrats to their agony."

(He didn't pack up, of course. He hung in there and saw the story through, as he has ever since his first days as a wire-service reporter. Thoroughness is a Cronkite hallmark—as evidence in two of last year's most incisive news specials: a three-part series on the controversial U.S.-Soviet wheat deal and an in-depth report on the Watergate scandal, both of which he put together after returning from trips with President Nixon's entourage to China and the Soviet Union.

(It's likely that Walter Cronkite has talked on-mike, with more of the world's headline makers than has any other living American—with the possible exception of Henry Kissinger—and many of his interviews have been considered landmarks of broadcast journalism. In September 1963, he inaugurated "The CBS Evening News," network TV's first half-hour, five-day-a-week news broadcast, with an exclusive conversation with President Kennedy. Among his other subjects: Egypt's President Anwar El-Sadat, Israel's Premier Golda Meir, Yugloslavia's President Tito, West Germany's Chancellor Willy Brandt, Britain's Prince Philip, and Daniel Ellsberg, the man who released the Pentagon papers. Most recently, Cronkite conducted a series of four interviews with former President Lyndon Johnson, the last taking place just ten days before Johnson's death in January.

(To get a summing up of Cronkite's own feelings about his 40 years in journalism and about the current contretemps between the Government and the Press, Playboy assigned

Chicago Sun-Times TV critic Ron Powers to interview Cronkite in New York. His report:

("Walter Cronkite is a Walter Mitty in reverse: He is a famous man who has fantasies of being ordinary. His office—a pristine cubbyhole just off the 'Evening News' set at CBS' big broadcast barn on West 57th Street in New York—proves it. There are the obligatory 'serious books' about Presidents and nations, the plastic-lined wastebasket, the three TV sets and the 'Facts on File.' But there is also a large, sentimental oil painting of a sailing boat (boating is Cronkite's favorite recreation), a box of chocolates and a cardboard-cutout statue of Apollo spacemen, a grade-schooler's gift that Cronkite keeps as a souvenir.

("He never loosened his necktie as we talked, but he propped his feet up on his desk and alternately clasped his hands behind his head and fiddled with his stretch socks. At one point he interrupted the interview to take a phone call from some dignitary; the one snatch of conversation I heard was, 'This is between you and me and the fence post. . . .' He coughed frequently—blaming it on a cold—and his voice in conversation was surprisingly low, as though he were trying to protect the throat that had recently undergone surgery for removal of a benign tumor. (He insisted he was fine now.) His eyes, so penetrating on the screen, seem pale and sensitive in person. He has the old-time journalist's knack of forming his thoughts into cogent, parsable sentences as he speaks, and he displayed a gift for the lyric phrase when talking of his reveries at the helm of his boat or of memories of childhood days in Texas.

("I frequently sensed a mild, resigned puzzlement that the life of a superstar had come to him. He was unfailingly courteous with me, but on the topic that was obviously foremost in his mind—current Government ploys to muffle newsmen in the pursuit of their work—he was neither mild nor resigned. He was visibly steamed, in fact, when we discussed the subject, which I broached in my first question.")

Playboy. You are perhaps the most outspoken of all newsmen in defending broadcasters' rights against Government intimidation. In fact, you have used the word conspiracy in describing the Nixon Administration's efforts to discredit the press. How would you characterize this conspiracy?

Cronkite. Let me say, first of all, that after I used the word conspiracy the first and only time, in a speech to the International Radio and Television Society in New York a couple of years ago, I began to regret the use of the word—only because I found that there were still people who equated conspiracy with some of the witch-hunts of the past. The word has nearly lost its true meaning. Having said that, I still feel that this is basically what has taken place: a well-directed campaign against the press, agreed upon in secret by members of the Administration. I can't see how it's possible to have such an orchestrated, coordinated campaign without some prior plan and agreement—which really comes out to be a conspiracy.

Playboy. Can you trace it to one person in the Administration?

Cronkite. I certainly think that the President has to be held accountable, since he's the boss.

Playboy. Do you attribute Nixon's hostility toward the press to his personal bitterness about the way the press has treated him?

Cronkite. I think that may be true, although it's very hard to ascribe motivation to anybody. Circumstantially, the evidence would point to that. Certainly, he's had his bouts with the press before; his disappointments have been shown in public. There is the case of the 1962 gubernatorial concession statement in California. There is his failure just in recent months, at a very critical time in history, to appear more frequently before the press and the public to explain the workings of the Administration. I think all these things point to that general attitude toward the press.

I don't know what happened inside the Administration. I don't know at what point its members decided that it would be wise to attempt to bring down the press's credibility in an attempt to raise their own. But I think that's what has happened. It's sort of like that U tube we used to see in physics class that shows the countereffects of pressure: When you put pressure on one side and the level goes down, the level of the water on the other side has to rise. Extending that theory, if you could lower the credibility of the press, you could raise the credibility of the politicians. That must be the underlying theory in their attack.

Playboy. Who, besides the President, are the men involved in this attack?

Cronkite. I'd include almost everybody on the White House staff. You've got Herb Klein and Ron Ziegler to be considered in there. You've also got the advisors, Bob Haldeman and John Ehrlichman, and the speechwriter, Pat Buchanan. Of course, it's unfair in a way to lump them all together, because I don't know who in that group might be raising a dissenting voice and suggesting that this is *not* the way to go about handling the press relations of this Administration.

Playboy. Nearly all politicians have felt the need to control the press to some degree. Is this Administration simply more sophisticated than its predecessors in the techniques of applying pressure effectively?

Cronkite. I don't know that they're any more sophisticated, but they're the first ones who have deliberately set out to *use* those techniques.

Playboy. What has been the chronology of this attack? Was Vice-President Agnew's 1969 Des Moines speech—in which he attacked the "tiny, enclosed fraternity of privileged men"—the start of it all?

Cronkite. I think that was the open declaration in the battle. Before that, it was simply felt that this Administration's antagonism had been about like the antagonism shown by previous Administrations, Democratic as well as Republican—particularly Democratic—toward the press. An adversary relationship, we all agree, is a good thing. But the Agnew attack suddenly became a matter of Administration policy and, more than that, a threat to use Governmental weapons against the press. Then, following Agnew's speech, there was a tightening in attitudes on the part of press-relations people in the Government. It was a subtle thing.

Playboy. Not being cooperative with reporters?

Cronkite. Yes. And clearly displaying a feeling that they felt they were under pressure from the press but that they were going to be protected higher up. They took the hard line.

Playboy. There have been private complaints by news executives of other networks about rather direct applications of this hard line. They say that staff aides of the FCC, and sometimes Administration staff people, upon hearing that a controversial documentary is in the works, will telephone the station managers of affiliate stations and remind them that their license is coming due for renewal in a few months. They raise that reminder in connection with whether the station manager is going to clear the documentary for broadcast or not. Has that happened at CBS?

Cronkite. I haven't heard anything like that here at CBS, but that doesn't mean it doesn't happen.

Playboy. In December of last year, Clay T. Whitehead, who is President Nixon's communications advisor, announced to a journalism fraternity in Indianapolis that a bill was in the works that would place a local station's license in jeopardy if the station couldn't "demonstrate meaningful service to the community." Whitehead said "the community-accountability standard will have special meaning for all network affiliates. They should be held accountable to their local audiences for the 61 percent of their schedules that are network programs." Whitehead used the words bias and balance in defining this accountability. What do you think is behind such a requirement?

Cronkite. I think the Administration would like to deflate, if possible, the power of the network news programs. But I don't know how in the world local station owners could do that. I think it's impossible. On the basis of what knowledge are they going to edit locally what we broadcast nationally? They don't have the sources of information available at their finger tips, as we do. Are they going to challenge a statement made by a network news correspondent in Saigon? How are they going to do that? Are they simply going to decide it doesn't sound right to them? Or it doesn't sound fair to them? I think this is what Mr. Whitehead would like to impose.

Playboy. Why?

Cronkite. This Administration clearly feels that its strength is out in the country, in the smaller communities, the land of the great silent American, as they would have it. The networks, this thinking goes, are more "liberal" in their outlook than the individual stations. I think they might be fooled in that assumption if they began to tamper with the flow of news. But the other part of Whitehead's proposition was the carrot dangling at the end of the stick: an increase in the license term to five years, instead of the present three. This would mean vast savings in legal fees for the station owner. The bill would also assure the owner that, if anyone challenged his license, it would be up to the challenger to present proof that the station hadn't performed its function, rather than the station owner's responsibility, as now defined by law, to prove he'd done a good job. And that, obviously, is very appealing—and rather insidious as a temptation to "cooperate" with the Government. But I think most station owners know there's no practical way they can exercise any real judgment over network programing, either entertainment or news.

Playboy. They could decide to cancel the network feed.

Cronkite. Yes, they certainly could. I would assume that that's the intent of the Whitehead proposal, in its ultimate: If the networks don't shape up by reflecting community attitudes, then the only recourse of the local station is to cancel them. Which means that you would be frozen in the establishment attitude of each individual community. If network news didn't coincide precisely with the view at the local level, off the air we'd go. If enough local stations did that, you wouldn't have network news any longer. But I don't think that's likely to happen.

Playboy. Wouldn't it be possible for local-station anchormen to use the same sources of information that you have at the network level and to give their own national newscasts?

Cronkite. Certainly. They can use the A. P. and the U. P. I., just as we do. But the great bulk of our reporting is with our own network correspondents, our own film crews around the world. I don't know who would supply the local stations with film. There have been attempts at syndicated news-film services that haven't been successful. I think it would be fine to have a television news association similar to the A. P. or the U. P. I., an association in which you would have a staff of foreign correspondents and foreign film crews. But it's a very expensive proposition, and it would cost the local stations a great deal more than the present system of taking network news, which is subsidized by the network.

Playboy. You had lunch with Mr. Whitehead recently. Did you raise these arguments with him?

CRONKITE. Yes, it was a diplomats' day; we had a "frank and open discussion." And as the diplomats say privately, it didn't come to anything. We had, I must say, a quite pleasant lunch, but we have a fundamental disagreement on these matters.

PLAYBOY. What's the nature of your disagreement?

CRONKITE. Well, it gets down to a couple of things. First, Mr. Whitehead suggests that he's not really trying to get at network news; that's not the purpose of the license-renewal bill. If that wasn't the intent, I asked him, why did he make that speech to a journalism fraternity? And he said, "Well, it just seemed like a good forum at the time." I found that a little disingenuous. Then, secondly, he maintains that the Administration feels network news must exercise a greater degree of "professional responsibility." I really couldn't get a definition from him of just what that "professional responsibility" is. I'd have a hard time defining professional responsibility myself. But my hackles rise when I hear it suggested that we're *not* responsible. We in broadcast news have ethics we defend and maintain as strongly as a doctor or a lawyer does; in fact, a lot *more* strongly than some doctors and lawyers I know.

PLAYBOY. Doctors and lawyers have rather well-defined codes of professional standards, but journalists don't. Do you think they should?

CRONKITE. I don't really see that they need to be imposed, and I see some dangers in it. Freedom of press and speech seems to imply that anybody can write or speak out, whether he's literate or not. Erecting standards would also suggest that you're going to legislate against the underground press, and I think that would be a mistake. If you're going to accept journalists only if they conform to some establishment norm, you won't have the new blood and free flow of new ideas that are absolutely essential to a vital press. I don't know that Tom Paine could have passed a journalism-review test.

PLAYBOY. One standard that Government already confers on broadcasters is the so-called fairness doctrine, which requires that both sides of controversial issues be presented. You have said you favor its elimination because it imposes artificial and arbitrary standards of balance and objectivity.

CRONKITE. Yes, I think the only way to free radio and television news broadcasting from the constant danger of Government censorship is to free it from any form of Government control. The only way to do that is to limit the licensing practice to a technical matter of assignment of channels.

PLAYBOY. Whitehead agrees with you on this. But he cites three "harsh realities" that he says make it impossible to eliminate the fairness doctrine at this time. The first is "a scarcity of broadcasting outlets," which he feels limits the range of viewpoints expressed on the air.

CRONKITE. I think that's false. There are certainly a limited number of bands on the open-broadcast spectrum, but we've got cable TV, which provides a multitude of outlets, coming along now. And even over the airwaves, how many outlets do you need to have enough? In almost every community today, the number of television stations is limited solely by economic viability. So where is this monopoly they keep talking about? It doesn't exist. You've got more television networks serving out news than you've got wire services.

PLAYBOY. Whitehead's second argument is that a great deal of economic and social power is concentrated in the networks. CBS, for example, does research and development in military and space technology, owns two publishing houses and has phonograph-record, record-club and film-communications divisions.

CRONKITE. That's right. We're big. And we're powerful enough to thumb our nose at threats and intimidation from Government. I hope it stays that way.

PLAYBOY. But are you powerful enough to broadcast in your own interest, as opposed to the public interest?

CRONKITE. That danger probably exists. I couldn't deny it. But there are an awful lot of journalists who wouldn't work for networks if they did that. That's the first line of defense. The second line of defense, which I admit is a matter of trust, is that none of the network managements is as venal as that. At least they haven't shown that side to me. I've been here for 22 years and I just don't think that's likely.

PLAYBOY. Whitehead again: "There is a tendency for broadcasters and the networks to be self-indulgent and myopic in viewing the First Amendment as protecting only their rights as speakers. They forget that its primary purpose is to assure a free flow and wide range of information to the public." Comment?

CRONKITE. That's absolutely what we ought to be doing. But that's not just what we're supposed to be doing; that's what we are doing.

PLAYBOY. Do you think the local-station license-renewal bill will succeed?

CRONKITE. I have a feeling that it won't, simply because I believe that there are enough Congressmen today who are alert to the dangers to our free speech and free press that they would go very slow on anything of this kind. I think that this awareness is increasing in the country. Now, I'm afraid that we in the news media aren't popular with politicians, with any political party or any political creed. I mean, all we have to do is go back four years to remember the furor that was raised in Congress after the Democratic Convention of 1968 by Democrats who were shocked at the coverage that we dared give their clambake in Chicago. Now it's the Republicans in power.

PLAYBOY. You say you believe that Congress will be alert to the dangers posed to free speech, yet you say the news media aren't popular with politicians. If that's true, wouldn't Congress be likely to vote in favor of restrictive legislation?

CRONKITE. No, I don't think so. I don't think you have to equate popularity or unpopularity with rational consideration of a given issue. I think a lot of Congressmen will vote to support an institution they have disagreements with if the issues involved are important enough to transcend their own personal bias, as I think the issues in this bill clearly are. Those in command are never going to appreciate the press. It's fundamental that they shouldn't. When they do, we'd better look to our profession to find out what's wrong.

PLAYBOY. Do you think what some editorial wrtiers have called the "chilling effect" of the Whitehead bill may have been achieved simply by its being brandished as a potential weapon?

CRONKITE. There is a chill right now on newspapers, and on broadcast news in particular. We feel it to a certain extent here at the network level, where we have the greatest strength. That'st why they're after us first.

PLAYBOY. What form does this pressure take?

CRONKITE. We feel it on us with each item we report: that it's going to be questioned by the Administration, and in the higher echelons of the network, and among our affiliates. We may be called upon to explain an item, why we used it, why we chose that particular wording. This is a shadow and a threat that constantly hangs over us.

PLAYBOY. Does that threat influence the content of the news?

CRONKITE. I don't think so. It's like a cold draft coming through the door, but I think we're kind of bundling up and putting on our mittens and continuing to do our job. I don't know of any story that hasn't been carried on the *CBS Evening News* because of a chilling effect, but I don't know that that can go on forever.

PLAYBOY. Besides the Whitehead bill, there have been other recent assaults on the press. Four reporters have been sent to jail for refusing to hand over confidential information to the courts; a fifth—Jack Anderson's legman Les Whitten—was handcuffed and his notes were impounded. And a Nixon-appointed Corporation for Public Broadcasting has removed virtually all news and public-affairs programing from public-TV's 1973 schedule. Do you believe these incidents are all part of an orchestrated attack on freedom of the press?

CRONKITE. Yes, I do. I have no doubt at all that they amount to a very serious assault. This Administration has tried to bring, and may have succeeded in bringing, the press to heel. It has tried to suggest in every possible way that the press has no privileges in this society, that, indeed, if anything, the press should be put under much closer scrutiny by society as a whole. And this, I think, is a dangerous philosophy. This campaign against press credibility, to divide the nation from the press, is continuing—and is being stepped up, as a matter of fact. I'm thinking of Agriculture Secretary Earl Butz's remark in late February, when he announced that the cost-of-food index had risen in January by the greatest percentage in 20 or 25 years—and then said, "Of course, the press is going to misinterpret this." This was quite a prejudgment, it seems to me. How do you misinterpret the fact that food prices have gone up by the greatest percentage in 20 or 25 years? Butz figures that food prices are going to be nasty and difficult for the Administration to deal with, so let's put the blame somewhere else again.

PLAYBOY. Insofar as television is bearing the brunt of this attack, do you feel that CBS is the primary target—that the Administration is still vindictive about *The Selling of the Pentagon* and your own news reports last summer on the Watergate affair and the Soviet wheat deal?

CRONKITE. I like to think that we've been in the forefront of the reporting and therefore in the forefront when the flak starts to fly. That doesn't alarm me. I'm not alarmed for CBS. I'm alarmed for the entire country.

PLAYBOY. News analysis on all the networks has dropped off since the Administration's attacks began. There are fewer "instant analyses" of Presidential addresses, for example.

CRONKITE. I'm not sure I agree with you. I think that we at CBS bend over backward to be sure that we get an analysis on after every major address. Even when commercial considerations might have dictated going immediately from the address to the next program, we've cut into the top of that program in order to get a few licks in.

PLAYBOY. But are these licks as tough as they used to be?

CRONKITE. I don't know. I guess I have to be candid and say that it seems to me that on occasion our guys have pulled their punches. But I've talked with them about it—not officially, because that's not part of my function—and I get the impression that they don't feel they have. But they do feel threatened. This question of "instant analysis," though, is one of the major phonies of the whole anti-network, anti-press campaign. As any newspaperman knows, it's rare that the press doesn't have a major Presidential speech several hours in advance. The newspapers must get it set in type, the editorial writers must have a shot at it for the next day's paper. So there's nothing instant about analysis. The network analysts have longer than the print press to study a speech, in fact, because they don't deliver their analysis until it's given.

PLAYBOY. What about the "instant analysis" that Government spokesmen gave to *The Selling of the Pentagon?* Do you feel some of that criticism—for editorial bias and unfair editing—was justified?

Cronkite. I think some of it *was* justified. I'm not a great defender of some of the editorial techniques used in *The Selling of the Pentagon*. I'm talking partly of rearranging the sequence of a military officer's conversation so that his remarks were taken out of context. I also think there was some emphasis on some aspects of Pentagon public relations that was kind of a bum rap. I think the firepower display and the touring exhibits are perfectly acceptable as Pentagon PR. I think the Pentagon *ought* to be showing the public what it's got and what we're buying for our money. How else is the public going to know? But the Government was nitpicking in an effort to destroy the general theme and the impression given by *The Selling of the Pentagon,* which was fully justified.

Playboy. What was that general theme?

Cronkite. The exposing of a great propaganda organization that has been developed not primarily to inform the public but to keep it sold on a big military establishment.

Playboy. Can you think of subsequent documentaries that have been as tough and crusading as that one? Many feel it was the last of its kind. And it was broadcast back in 1971.

Cronkite. I don't think the documentaries are less tough. We just don't have as many of them on as we used to, on any of the networks. I think this is a function partly of having kind of worn out the market for them, temporarily. What we have instead now is the *Sixty Minutes* format, the Sunday-magazine format. And I don't believe that anybody can say that that is soft. It's damn tough stuff.

Playboy. Do you think that the public's apparent declining interest in documentaries has anything to do with the Administration's success in discrediting the press? Were you surprised, for example, at the low level of outrage following the Watergate exposé.

Cronkite. I certainly was, very much so. I tie it to the fact that the people say, well, it's just another campaign-year press attack against Nixon.

Playboy. Do you think the public really cares about freedom of the press any more? Or even about its own freedom of speech or assembly?

Cronkite. I think people care in the abstract. But they don't understand the specifics. We did a poll on the Bill of Rights at CBS a couple of years ago. We asked people such specific questions as, "As long as there appears to be no danger of violence, do you think any group, no matter how extreme, should be allowed to organize protests against the Government?" Something like 76 percent of the people said no, they don't have that right. But the same people *support* the constitutional guarantee of freedom of assembly. So they believe in the abstract but not in the specific. And this is our problem.

Playboy. Implicit in the Administration's attempts to force the networks to "balance" the news is a conviction that most newscasters are biased against conservatism. Is there some truth in the view that television newsmen tend to be left of center?

Cronkite. Well, certainly liberal, and possibly left of center as well. I would have to accept that.

Playboy. What's the distinction between those two terms?

Cronkite. I think the distinction is both clear and important. I think that being a liberal, in the true sense, is being nondoctrinaire, nondogmatic, noncommitted to a cause—but examining each case on its merits. Being left of center is another thing: it's a political position. I think most newspapermen by definition have to be liberal; if they're not liberal, by my definition of it, then they can hardly be good newspapermen. If they're preordained dogmatists for a cause, then they can't be very good journalists; that is, if they carry it into their journalism.

As far as the leftist thing is concerned, that I think is something that comes from the nature of a journalist's work. Most newsmen have spent some time covering the seamier side of human endeavor; they cover police stations and courts and the infighting in politics. And I think they come to feel very little allegiance to the established order. I think they're inclined to side with humanity rather than with authority and institutions. And this sort of pushes them to the left. But I don't thing there are many who are *far* left. I think a little left of center probably is correct.

Playboy. Some critics believe that this left-of-center tendency produces a kind of conventional wisdom for liberals—a point of view that's common to most newsmen. During last summer's convention coverage, for example, George McGovern was repeatedly characteried as a likable but conniving bumbler and President Nixon as an unlovable but efficient manager running a closed shop. According to Richard Dougherty, Senator McGovern's press secretary during the 1972 campaign, the press never rests until it has found a convenient tag. Then, unconsciously, it edits its coverage to fit this preconception. Is this a legitimate charge?

Cronkite. God, it worries me more than almost any other single factor. It's a habit that I justify to myself because of the time element. You quickly label a man as a leftist or a conservative or something, because every time you mention him, it's almost impossible to explain precisely where he stands on various issues. But labeling disturbs me at every level of our society. We all have a tendency to do it.

Playboy. Doesn't the fact that the same labels tend to be applied to the same people by all the networks—as well as by the print media—imply that there's a bit too much editorial camp-following in the news business?

Cronkite. Don't forget that in political campaigns those who cover a candidate are all living and working together in the greatest intimacy. I mean, there's a lot of cross-fertilization, and these reporters become kind of a touchstone for the rest of the press. That's inevitable, I suppose. But the idea that there's some elitist liberal Eastern establishment policy line is absolutely mad.

Playboy. To the extent that there is at least a tendency to group-think, what do you think the effect of it is?

Cronkite. To the extent that there *is* an effect, I think it's to be deplored. But I don't know that there's anything you can do about it. We're perhaps all conditioned by similar backgrounds, similar experiences. And you'll find, I think, that if we do, indeed, react in a knee-jerk fashion to news stimuli, so do people in every other business.

Playboy. Isn't that the essence of Vice-President Agnew's charge—that newsmen are conditioned by similar backgrounds and experiences?

Cronkite. Again, he's thinking of the elitist Eastern establishment as our common background and experience. I'm thinking about covering the police station in Louisiana in Howard K. Smith's case or North Carolina in David Brinkley's case. That's the kind of experience I'm talking about—experience of America, experience with the people, experience with the burgeoning and overburdening bureaucracy, experience with those who have a tough shake in life. That's the experience I'm talking about.

Playboy. How do you feel about advocacy journalism—the kind of reporting that puts the sort of experience you mention in the service of a newsman's own personal convictions? Is it possible that there isn't enough of this—rather than too much, as Agnew claims—in the media?

Cronkite. I think that in seeking truth you have to get both sides of a story. In fact, I don't merely think, I *insist* that we present both sides of a story. It's perfectly all right to have first-person journalism; I'm all for muckraking journalism; I'm all for the sidebar, the eyewitness story, the impression piece. But the basic function of the press has to be the presentation of all the facts on which the story is based. There are no pros and cons as far as the press is concerned. There shouldn't be. There are only the facts. Advocacy is all right in special columns. But how the hell are you going to give people the basis on which to advocate something if you don't present the facts to them? If you go only for advocacy journalism, you're really assuming unto yourself a privilege that was never intended anywhere in the definition of a free press.

Playboy. In reporting an official statement that a newsman knows to be patently untrue, do you think that in the interest of presenting both sides of a story he should feel an obligation to report also that it's a lie?

Cronkite. I think you're probably obligated to report it—but you're also obligated to check the records first.

Playboy. Can you think of a story in which a man who's been quoted has been shown by independent checking to be untruthful?

Cronkite. Yes, that happens quite frequently. For example, there's a Pentagon announcement about the purchase of a new weapons system that's going to cost so much, and we point out that development costs have already run a lot more than that. This is a routine part of reporting.

Playboy. The job of corroborating the facts in a story can be complicated by a newsman's closeness with his source. Jack Anderson and others say that most newsmen in Washington are so dependent on high-level sources, so impressed with being able to associate with the mighty, that they become their unwitting allies. Is this a fair appraisal of the Washington press corps?

Cronkite. I think it's a serious problem. and not just for the Washington press corps. It's a serious problem for the county-court reporter, the police reporter in Sioux City or anywhere else. How close do you get to your sources? It's a hard decision. In order to protect your objectivity, you can turn your back on them socially; but by so doing, you can also cut yourself off from inside information.

Playboy. Anderson insists that sources tell him things because they're afraid not to.

Cronkite. Well, I think that's right. But I don't approve of everything Anderson does and everything he prints. He often has inadequate evidence. I think he takes the minor episodes and blows them into what appear to be major scandals. On the other hand, he's the one guy who's doing a consistent job of investigative journalism, at least on a daily basis in Washington. And I do agree with him that there are many reporters in Washington who deliberately seek social favors, to the considerable detriment of their reporting. But there are also a lot of lazy reporters who aren't high enough on the social scale, the impact scale, to get the big invitations. They simply find it's a lot easier to take the handouts and rewrite them than it is to do a day's work.

Playboy. Another problem in Washington news coverage seems to handicap broadcast reporters more than the print press. The networks don't seem willing to spend the money for specialist reporters, and their general newsmen are shunted from story to story, never staying on one for a long time. Doesn't that handicap you?

Cronkite. Yes, there's no question about it. It's part of our basic problem in network news, something the public should be aware of. The problem is lack of personnel. The reporters we have in the field are the best in the business, I think; most of them are graduates of newspapers and news services, and they are superb. But we don't have enough of them, and we're never going to—simply because we don't have the outlet for them. I mean, we may have room on the *Evening News* for maybe three or four reports on-camera and a total of 10, 12 or 15 other items that are going to run 15 to 20 seconds each. It's pretty hard in those circumstances to economically justify maintaining a staff equivalent to that of the A. P. or U. P. I.

In television, we can introduce the public to the people who make the news. We can introduce them to the places where the news is made. And we can give them a bulletin service. In those three particulars, we can beat any other news medium. But for the in-depth reporting that's required for an individual to have a reasonably complete knowledge of his world on any given day—of the city and county and state—we can't touch it.

PLAYBOY. There is a famous story that the CBS news director once pasted up your transcript of the *Evening News* onto a dummy of *The New York Times*, and it covered less than the eight columns of the front page.

CRONKITE. Yes. The number of words spoken in a half-hour evening-news broadcast—words spoken by interviewees, interviewers, me, everybody—came out to be the same number of words as occupy two thirds of the front page of the standard newspaper. We are a front-page service. We don't have time to deal with the back pages at all.

PLAYBOY. In recent years, the television press has been criticized not merely for the superficiality with which it reports the news but for actually creating or transforming news events—riots, for example. Do you think that's a valid criticism?

CRONKITE. There's a very serious problem with that. Demonstrations have always been staged for the purpose of attracting attention. There's no purpose for a demonstration except to get public attention and—it's hoped—sympathy. Certainly, the demonstrators are going to be where the cameras are. Certainly, they're going to let us know in advance that the demonstration will take place. Certainly, they're hoping for live coverage. Certainly, if you have live coverage, it's going to be a more lively demonstration than if you don't have live coverage. But I don't think that we're responsible for the events. We unquestionably have an influence on them; but so does a newspaper reporter's or a still photographer's presence.

PLAYBOY. But TV camera crews are very conspicuous, whereas a newspaperman can be lost in the crowd.

CRONKITE. Lights are the biggest problem. And I guess for that reason the Chicago convention may have been the end of lighted demonstration coverage, because lights attract demonstrators like moths to a flame.

PLAYBOY. Television has been assailed at least as much for its coverage of the Vietnam war as for that of demonstrations against it here at home. Do you think we found out from television—soon enough, at least—what was really going on in Vietnam? In the early war years, network news executives seemed to subscribe to the conventional assumption that American generals and politicians were simply doing what had to be done to preserve freedom, and the war was covered accordingly. It wasn't until long afterward—1968 and later—that TV newsmen such as yourself began to express doubts about the justness of America's involvement in Indochina. Wasn't this lag in critical reporting one of broadcast new's great failures?

CRONKITE. I'm not sure I can give an entirely satisfactory answer. The coverage changed. Yes. It changed. It went through several periods. Let's go back to when American troops were first committed over there in sizable, easily identified units, as opposed to two or three American advisors working with the Vietnamese troops. Up to '65, as our involvement deepened, we were increasing our coverage. We were doing stories on advisors out in the field, and the dangers to them, and the occasional death. But it wasn't a daily flow of combat film. For one thing, we weren't interested in endangering our correspondents to do that kind of thing. But in '65, when we began committing total U.S. units, it was another story. Here were American boys fighting in a war. If you're going to do that honestly, you're going to have to go up where the blood is flowing. That's where the story is, the story not back in the base camp. We were taking the war into the home of America—and that's where it belonged. In a war situation, every American ought to suffer much as the guy on the front lines. We ought to see that. We ought to be *forced* to see it.

PLAYBOY. But Vietnam wasn't just a visual story. It was a complex story of ideas, of political assumptions, of men's attitudes. To convey an understanding of the war on this level necessitated sophisticated reporting. How high was the journalistic quality of the TV newsmen who went over there in the early years? How about those guys who hung around the press headquarters in Saigon for the so-called "five-clock follies"—those no-comment news conferences? How long did it take them to realize they had to stop taking handouts and find out what was really going on?

CRONKITE. I don't think there was any lag at all. As a matter of fact, I was surprised—and a little annoyed—at reporters during my '65 visit over there. I had gone over believing in what we were doing; I came back concerned because I saw a build-up of forces far greater than our leaders ever told us we were likely to commit. That's when my disillusion began. But at first, when I arrived, as I say, I was annoyed at the skepticism of the reporters at the press conferences in Saigon. They were accepting nothing at the five-o'clock follies. More than seeking information, they were indulging in what I considered self-centered bearbaiting, pleasing their own egos, showing how much they knew. And I was a little offended. I thought they shouldn't betray their extreme youthfulness. Maybe, I thought, they were a little wet behind the ears. I wondered why they didn't just do their jobs, ask the questions and then go on and get the story.

PLAYBOY. Didn't the military have a strong hand over there in directing the flow of news, deciding where a man could go with his camera?

CRONKITE. Yes, they did, but they always do in a war situation. And I think that the press ended up getting the truth anyway—and telling it.

PLAYBOY. Well, it wasn't a reporter who uncovered My Lai but a disgruntled soldier, Ronald Ridenhour, who tried for months to peddle his story to the press before *The New York Times* accepted it. There was great resistance on the part of the press to accept his version.

CRONKITE. That could very well be, because this sort of story comes to us quite frequently. There are a lot of things that, if we had the manpower and the time and so forth, we could investigate: the letters that come to us about conditions at mental institutions, or in prisons, or the welfare situation, that undoubtedly are true. But as for My Lai, had it come to us first, I don't know precisely how we would have handled it, but I can see where we would have had considerable difficulty in handling it. Here was one soldier's charge; we couldn't have just gone on the air with it. We would have had to go out and spend a tremendous amount of effort to check the thing out. A really overwhelming amount of effort. And we just haven't got the resources to do it.

I think that the attitude of a managing editor, faced with that tip, might very well have been, "God, that sort of thing goes on in all wars. It's probably not as bad as this soldier says it was. It's probably somewhere between that and not having happened at all. As a matter of fact, we've already reported several like that—obviously not as bad as that, but charges that civilians had been shot, and so forth." And just dismissed this story for that reason. My Lai, fortunately, *was* finally uncovered, to the very great credit of Seymour Hersh.

PLAYBOY. You were quoted as saying that if Daniel Ellsberg had brought the Pentagon papers to CBS, you wouldn't have run that story either.

CRONKITE. I didn't say that. Somebody else said it, I think. But I'm not sure that it's quite true. I think if he had brought them here, we would have gone to a newspaper and said, "Let's work together on this. Let us summarize them and you present the full text." But the Pentagon papers are a tough one. I don't know that if I were the editor of a newspaper, I would assign a reporter to try to get hold of the secret reports of the Pentagon. In fact, I'm pretty confident I wouldn't.

PLAYBOY. Why not?

CRONKITE. Because I think that going in from the outside to get hold of secret papers is legally indefensible. I don't think the press has a right to steal papers.

PLAYBOY. Isn't it just as legally indefensible to print papers stolen by someone else?

CRONKITE. No. Once they've come out of the secret files and are in circulation in any way whatsoever, I'd say then that the public is entitled to know whatever anybody else knows. But I don't think an individual is entitled to know what is inside secret files while they're still secret. Please understand, however, that I'm for complete declassification of secret papers. Overclassification is one of the areas in which the Federal Government is terribly culpable. But I think we have to get at it through legal means.

I don't believe we have any right to violate the law. I'm a real old-fashioned guy in that sense: I believe in law and order. I don't like the fact that the phrase has become a code word for bigotry and suppression of civil rights and a lot of other things. I don't believe in that for one damned everloving minute. But if you take the words for what they really mean, I think law and order are the foundation of our society. And I just don't believe that anybody should take it unto himself to violate the law, no matter what good he thinks can be achieved, because you can extend that right up to lynching. Now, what Ellsberg did is for his conscience to work on. I admire tremendously his courage and bravery and his fortitude in doing what he did. But I would never assign a man to do that for CBS.

PLAYBOY. So a public good came from something you oppose in principle.

CRONKITE. It's not clear yet that Ellsberg violated the law. The trial is still on as we talk today. Ellsberg, after all, was the *author* of much of this material. He was a participant in it, you know.

PLAYBOY. Whether or not Ellsberg is guilty of a crime, is there never an instance, in your opinion, in which breaking the law could be justifiable? What about civil disobedience as practiced by Martin Luther King?

CRONKITE. Clearly, there may come a time when civil disobedience and protest against what is considered an unjust law might be considered proper. I'm inclined to believe, though, that if I had to stand on absolutes, I'd prefer to stand on the absolute of law and order, even in such a case as that. I think there are means in our society to correct injustice, and I don't think that civil disobedience or sticks and stones provide the way to do it.

I'm glad that things have worked out to speed integration in this country; certainly, for 100 years we damn well did far too little—didn't do anything, in fact. I'm glad we've finally gotten off our behinds and gotten going here in the last couple of decades. We have probably been spurred to some degree by the demonstrations that the great Martin Luther King directed. So you've got to say, well, it works on occasion. But I still think the better way would be to do it within the law.

PLAYBOY. The opinions you've just expressed are stronger than any you've ever delivered on the air about this issue—which seems to reflect your views about the importance of remaining an objective reporter. Yet you departed from that policy when you returned from a visit to Vietnam in 1968 and advocated an early negotiated peace in a series of editorials at the end of your nightly newscast. Are you glad you did it?

CRONKITE. Glad? I'm not sure. In a lot of people's minds, it put me on a side, categorized me in part of the political spectrum. And I think that's unfortunate. It's a question in my mind now, looking back, weighing the long-term disadvantages with the short-term benefits. When I went over there, I didn't know what I was going to report back, actually. I didn't go over to do a hatchet job. I didn' go over to be anti-Vietnam, to be against American policy. I was learning that way; I had been very disturbed ever since the '65 build-up. I was particularly disturbed over the lack of candor of the Administration with the American public, about the constant misleading statements as to the prospect of victory—the light-at-the-end-of-the-tunnel stuff. I thought—and I still think—that was the most heinous part of the whole Vietnam adventure. I had also been disturbed about the vast overkill, about what we were doing to the people of Vietnam.

But even then, I was still living with my old feeling of sympathy for the original commitment in line with Kennedy's promise that "we shall support any friend to assure the success of liberty." Nobody was kidding himself about the nature of the South Vietnamese regime, but we thought we were trying to create conditions that would promote the growth of democracy, give them a right to self-determination. So I went out in '68 still basically believing in our policy but increasingly disenchanted with what we had actually been doing over there ever since '65. Then, after the *Tet* offensive, Johnson and Westmoreland and McNamera were saying we had won a great victory—you know. "Now we've got them; this was their last great effort." And it was clearly untrue. That was what broke my back. That's why I felt I finally had to speak out and advocate a negotiated peace.

PLAYBOY. What do you think was the effect of your editorials?

CRONKITE. I think the effect was finally to solidify doubts in a lot of people's minds—to swing some people over to the side of opposition to our continued policy in Vietnam. I must be careful not to be immodest here, but I happen to think it may have had an effect on the Administration itself.

PLAYBOY. On President Johnson?

CRONKITE. Yes, although he denied that to me personally. Not just about my reporting but about everybody else's. In fact, in our last conversation, ten days before his death, he went over that ground again, as he did in almost every conversation. It weighed on him very much, apparently. He talked about the *Tet* offensive and he said a lot of people were sure it was *Tet* that really turned him off, and he said it wasn't so and that it wasn't my reports that did it, either.

PLAYBOY. Did Johnson ever confide in you about his feelings on the war? In the course of those last interviews you had with him, did he say anything that contradicted his public statements in office?

CRONKITE. No, never. It was one of the disappointments of the interviews we did. I thought, when he was out of office, that he would let his hair down and say, "Well, there were some points where I think we went wrong; there were some things I did that I wish, looking back on it, I hadn't done." But that never happened, either in personal conversation or in the interviews. And I think that's because he didn't entertain any such thoughts. Our private talks were reasonably personal. I'm sure he thought that they were confidential, and therefore there would have been no reason not to say it if he felt it. He was a loquacious man in person, and I believe these feelings would have flowed if he had felt them.

PLAYBOY. Another about-face for you in '68 occurred at the Democratic Convention in Chicago. It seemed almost a coming-out for you in a lot of human ways. It was as though you had gotten fed up with being above the battle. You saw Dan Rather get punched out on the convention floor and you made a reference to thugs. And then you said you felt bad about having said that.

CRONKITE. Yes, I did.

PLAYBOY. Do you still?

CRONKITE. Yes. I know that outburst kind of makes me more human in the eyes of the public and therefore, perhaps, improves the impression that people may have of me—that I'm not just an automaton sitting there gushing the news each night. But I think that each network ought to have someone who really *is* above the battle. CBS has 24 minutes of news time every evening. I know I could do 22 minutes of news just as objectively as I'm trying to do it now, and then I could put on another hat and for two minutes I could give a scathing editorial opinion, analysis, commentary, whatever you want to call it. It would be right out of the guts and depths of my soul each day, and it probably would be a pretty good piece, I'd like to think. What was revealed about me in those two minutes wouldn't affect the objectivity with which I conducted myself for the 22 other minutes of that program. But I can't for one minute expect anybody else—except, perhaps, another journalist—to believe that.

PLAYBOY. Some critics have discerned traces of editorializing in other facets of your coverage. During the space flights, for example, you were affectionately referred to as "the other astronaut," and your enthusiasm was obvious.

CRONKITE. Well, I can see why they would come to that conclusion. I don't fault them for coming to it. I was a space booster: I believed in that program. But I don't think that affected my criticizing the program, which I did on many occasions. I thought they should have gone with an extra Mercury flight, for instance. There were a lot of things in Mercury and Gemini and Apollo—in the matter of equipment and delays and some of the usual hardware problems—that I didn't think were handled right. And I talked about that during the space shots. I didn't ever pull those punches. But that in no way dimmed my excitment over man in space. I think it was the most exciting adventure of our time and probably of centuries; probably since the original explorations of the New World. I have no apologies to make for that.

Now, of course, it's fashionable to criticize all the money that was spent. "We should have used it here on earth" and all that sort of thing—but I still don't think that's right. If you could guarantee that the 24 billion dollars would have been spent on our cities instead of on space, then I would be inclined to agree that the money was perhaps not apportioned in the right fashion. But you know it *wouldn't* have gone to the cities. I think history is finally going to have to make some decisions on this matter. I think that those who are being critical are going to have to eat some words before the whole thing is over, because I think we're going to find that space is terribly valuable to us.

PLAYBOY. In your coverage of President Nixon's trips to China and Russia, did you feel you even had a chance to be objective, or did you feel that you were merely part of an entourage?

CRONKITE. Well, you can't help but feel you're part of an entourage when you're transported, led, babied by management. But I didn't feel I was part of ideological entourage. They had my body and I hoped they would deliver it back to the United States intact at the end of the trips; but they didn't buy my brain and soul. The problem in China was that, for one thing, there wasn't a hell of a lot of substance to the trip. The great story in China was clearly the Marco Polo aspect of going in and seeing this country for the first time, with live cameras in the streets of Peking and Shanghai, and that sort of thing. There wasn't any substance we could get hold of; we didn't know what Nixon and Chou En-lai were talking about; we weren't told. So the story was, the President of the United States being there and the pictures of the place. That's what we covered. Yet people said back here we should have had more substance. So then we go to Russia, where the story is *all* substance. I mean, there was one agreement after another—in a country we had seen a hundred times on television. And people said, "Why didn't we get to see more of the Soviet Union?"

PLAYBOY. On news events such as these, you're not only a correspondent but part of management as well. In fact, your title is managing editor of CBS News. How much editorial responsibility do you have?

CRONKITE. It's about like being managing editor of a newspaper. When I assumed that title, some of my friends in the press were critical—not in their columns but they suggested it was some kind of show-business gimmick, a title that had been lifted from the ancient and honorable print media. But when I pointed out what I did, I think I pretty well convinced them it was a sensible title. I participate in making assignments, in the decisions about what will be covered, future programing plans—what we're going to go after and, ultimately, what goes into the program. And I edit the copy. Every word that's said goes through my hands and is usually touched by my hands in some way. I edit almost every piece, rewrite many of them and originally write some of them.

PLAYBOY. If you were to quit tomorrow——

CRONKITE. There's a great idea.

PLAYBOY. Would the public get a substantially different picture of the news from CBS?

CRONKITE. Not really. I'm not sure, though, that some of the things I eventually hope to accomplish around here would be quite as easily and quickly done by somebody else, because I think I've established a certain degree of credibility with the public and with my employers as to my honesty and integrity. There's a mutual trust there. On that particular score, I may have a value beyond that of the daily broadcaster.

PLAYBOY. Actually, you're not a network newsman but a TV star. Does that status affect the way you're able to cover a story?

CRONKITE. It's a major handicap. There's an advantage to it, quite obviously, in that I can reach people more easily than a less-well-known newsman could. This works around the world, I find. I get in to see heads of state, usually through their American representatives, ambassadors or what not, just because they've seen television coverage. But, on the other hand, just like the camera that appears at the scene of a riot, when I appear I change the nature of the situation. I can't go to a bar and take in an average conversation, because it changes when I'm there: They're talking to the press.

And the same thing is true even when I meet important people. Yesterday a journalist who was doing an interview with a very important person in Washington told me he thought that his interview subject was arrogant and domineering. Well, I haven't seen either of these characteristics in this man, and I said so. My friend said, "Well, he probably isn't that way with you. With you, he probably feels he's dealing with an equal, or has some fear of your power, and therefore is much more courteous, much more willing to exchange ideas." And I suppose that's true. But I think, if I have enough time, I can break down most barriers. I think if I went back to that hypothetical bar for two or three days in a row, I'd find that I was accepted as a fairly regular fellow and the facade would wither away.

PLAYBOY. How do you feel about the personal side of being a television star? Do you like to be recognized, sign autographs and all that?

CRONKITE. Well, the autograph thing is flattering; that's exactly the word for it. But it's exceedingly tiring. It'd be nicer if you could turn it on once every few months, as sort of an ego builder, and then turn it off again. It's not fun to be the center of attention all the time. You know that people's eyes are on you. My wife and I like to dance, and we don't do it very often, but just the other night we were at a big occasion, an opening in New York, and we were Joel Grey's guests. In the early stage of the evening, at the Waldorf, we were dancing; but we suddenly realized, heck, everybody's kind of watching us dance. And that's not fun. I'm not an exhibitionist—at least not quite in that sense. I'd like to be a song-and-dance man; that's my secret ambition, but——

PLAYBOY. Wait a minute. You've always wanted to be a song-and-dance man?

CRONKITE. I've always thought one of the great things in life would be to entertain people with songs and dances and funny sayings. But it's just a fantasy. Another Walter Mitty dream.

PLAYBOY. Has your wife enjoyed the celebrity life?

CRONKITE. I think so, to about the same extent I have. That is, I can't deny it's nice getting a good table in a crowded restaurant without a reservation—a few emoluments of that kind. But I think both of us would have liked a more quiet life.

PLAYBOY. How do you escape? What do you do for privacy and enjoyment?

CRONKITE. Well, I enjoy totally escapist reading: I duck into historical sea stories. I enjoy the C. S. Forester kind of stuff—and there are 10,000 imitators of Horatio Hornblower who kind of keep me going. It's about a simpler period, a romantic period—strong men doing daring deeds, and a rather simplified moral code—and that makes it rather easy to take. I really enjoy solitude and introspection. That's why I like sailing. I like sitting in the cockpit of my boat at dusk and on into the night, gazing at the stars, thinking of the enormity, the universality of it all. I can get lost in reveries in that regard, both in looking forward to a dreamworld and in looking back to the pleasant times of my own life.

PLAYBOY. Tell us about that dreamworld.

CRONKITE. Oh, my dreamworld personally is to just take off on that boat of mine and not have to worry anymore about the affairs of mankind, and about reporting them, and taking the slings and arrows from all sides as we do today, since we can't seem to satisfy anybody. After ten years of it here in this particular spot, it gets tiresome. I'd like to be loved, like everybody else.

PLAYBOY. Do you feel the slings and arrows personally?

CRONKITE. Yes. I do. Most of them aren't directed at me personally, but they disturb me deeply anyway. And the criticism comes from both sides. The conservative press picks up the Administration line and hammers that back at us; and the liberal press snaps at us all the time about the things you've been bringing up, quite justifiably: about space, about civil rights, about our coverage of the war. So my dreams are to not have to fight the battles any more.

My dreams for the world are the same. I get fearful about what the world is coming to. You know, most people are good; there aren't very many really evil people. But there are an awful lot of selfish ones. And this selfishness permeates society. It keeps us from the beauty of where we could go, the road we could travel. Instead of being always on these detours and bumbling along side roads that take us nowhere, we could be on a smooth highway to such a great world if we could just put these self-interests aside for the greatest good of the greatest number. It applies to the industrialist who puts out a product into which he builds obsolescence, and to the guy up in Harlem who throws his garbage out the third-floor window. It's everybody's fault. I just find it hard to understand how man could come so far, how he can be so damn smart and at the same time be so damn stupid.

PLAYBOY. You're not alone in being discouraged with contemporary society; some writers are beginning to call the age we live in "postconstitutional America." They view with particular alarm such trends as the tendency toward unregulated, unlimited surveillance. What's your opinion?

CRONKITE. I can't decry it enough. I just don't see how we can live that way. It's not America, and it's not what we believe this country stands for. It's so terrible that I'm convinced there's going to be a great revulsion to it. I think we've come as close as we can to living in a kind of chaotic police state—and I say chaotic because it doesn't have any central headquarters; everybody's doing it. We're living in a state where no one can trust his telephone conversations, nor even his personal conversations in a room, in a bar or anywhere else.

PLAYBOY. Have you ever suspected that your phone was tapped?

CRONKITE. Oh, yes. My home phone and the one here at my office. I think anybody in the public eye—even in private business—who believes that his conversations are sacred today is living in a fool's paradise.

PLAYBOY. The Justice Department, in utilizing such tactics as bugging, stop-and-frisk searches, no-knock raids and preventive detention, has claimed these steps are necessary to control crime. Do you agree?

CRONKITE. I think this erosion of due process is reprehensible. Of course, we do have a serious crime problem in this country, there's no doubt about that. We've got to take off our gloves and somehow or other wade into this problem of crime and face quite openly its relationship to the slum living conditions of a large part of our population, and the resultant welfare circumstances in which they live, the resultant slippage in moral standards—that is, honesty, integrity, hard work and all those old fundamentals.

PLAYBOY. The increase of street crime has been blamed by some on Supreme Court decisions that conservatives feel protects the rights of criminals at the expense of their victims. More recently, it's been the liberals who have attacked the Court, particularly since its decisions have begun to be redirected by its Nixon appointees. Where do you think the Supreme Court is headed?

CRONKITE. Reading the past and looking at this Court now, in view of the most recent major decision, the abortion decision, I think it's impossible to predict the course of the Supreme Court. And I think one makes a mistake to do so. I think in our history we've been very lucky in our Supreme Court Justices, even as we have with our Presidents. For different reasons, perhaps, but the system seems to work pretty well. I've been appalled by a couple of recent Supreme Court decisions, but I was appalled by a couple of Warren Court decisions, too.

PLAYBOY. What decisions of the Burger Court have you found appalling?

CRONKITE. Well, primarily the matter of subpoena of newspapermen and their responsibility to reveal sources. I think that was disastrous, absolutely disastrous. But where the Court is going, where it's going to end is anybody's guess. It's a more conservative Court, to judge by its performance so far; but look at some of the people who, after coming on the Court, have taken positions that seemed absolutely antithetical to their past records. Justice Hugo Black was one of the most controversial men to go on the Supreme Court, I suppose. And he turned out to be one of the greats.

PLAYBOY. Isn't the current Court among the most political in American history?

CRONKITE. Well, I suppose that people of liberal persuasion would be inclined to think that, even as people of a conservative persuasion were inclined to think that the Warren Court was a terribly political Court. I'm very hesitant about criticizing the Supreme Court at this point. I think it has every promise of being a fair Court, if it goes down the line. I'd hate to prejudge it at this stage.

PLAYBOY. Are you concerned about backsliding in the enforcement of earlier Court decisions in the area of civil rights?

CRONKITE. Well, yes, though I don't know that it's any more than a swing of the pendulum. But it's to be regretted, because I believe we were making progress. As for busing, though, I've got to be honest about it: That never seemed to me to be the right solution. I think breaking down housing patterns—mixing up the neighborhoods, to use the phrase of some people—is the answer, rather than putting kids in buses for three, four and five hours a day. I don't care whether you're black or white, the neighborhood school is a fundamental concept. Admittedly, I've always believed that you must break down the patterns of segregation and prejudice through schooling; you're got to start with the child. But I think that busing, as hard as it's been to sell to people, is too easy a solution. I think that other solutions—like housing integration and equal employment opportunity—may be tougher, may take longer, may be more expensive, but I think they've got to be better.

PLAYBOY. Would it be fair to describe your position on race relations—and most other issues—as middle of the road?

CRONKITE. I think it probably would. I just don't understand hard-shell, doctrinaire, knee-jerk positions. I don't understand people not seeing both sides, not seeing the justice of other people's causes. I have a very difficult time penetrating what motivates such people. I'm speaking now of the particularly militant left as well as the particularly militant right. But I'm also speaking of people in that great center, whom I sometimes despair of when they accept so glibly the condemnation of other factions within our society—whether it's welfare people or the rich.

There are many people in this silent America who are bitter against the rich. We forget that. You know, from my Midwestern background, I know the Archie Bunkers of Kansas City; they're really basically my own family. I know exactly how they felt about all other walks of society, the lower classes as well as the upper. Unless you were a 32nd-degree Mason living on Benton Boulevard in Kansas City, Missouri, and a white Protestant, there was something a little wrong with you.

PLAYBOY. With that kind of background, where did you get your sense of fairness?

CRONKITE. From my parents. My father was a liberal when he was a young man. Though he's basically kind of set in his ways, as older people are inclined to be, he was terribly upset over the treatment of blacks when we moved to Texas. He went down to teach at the University of Texas Dental School in Houston, and also to practice. And the very first crack out of the box, the first social occasion we went to, we were sitting on the porch of this rich sponsor down there, in a fancy section of town—such a fancy section it didn't have alleys—and we ordered ice cream. In those days, nobody had a freezer, so you ordered it from the drugstore. A young black delivery boy brought it over.

There wasn't any alley, as I say, and he parked his motorcycle out in front of the place and walked up the front walk, across the lawn. And this fellow sat, with rage obviously building in him, and watched him come up the walk. When this young man set his foot on the first step of the porch, this fellow leaped out of his chair and dashed across the porch and smacked him right in the middle of the face. He said, "That'll teach you niggers to walk up to a white man's front door." And my father got up and said, "We're leaving." We almost went back to Kansas City. Growing up in the South, one's attitudes are affected quite seriously by such early experiences.

Playboy. Do any other such experiences come to mind?

Cronkite. Well, there was another one that also involved ice cream. This time I was the drugstore delivery boy; I did bicycle deliveries and we had a couple of blacks who used motorcycles for more distant orders. They were both great guys. One of them was a particularly close friend of mine—as close as you could be in the environment of Houston at that time. We weren't about to go out together anywhere, but we were good friends at the drugstore and sat out back and pitched pennies and shot crap and a few things like that.

As I say, he was a very nice guy, came from a nice family. His mother was a washerwoman, his father was a yardman, but they had great dignity. He had three or four brothers and sisters. Anyway, one night, as he parked his motorcycle and was walking between two houses to deliver some ice cream to the back door, he was *shot* by one of the occupants—the one who hadn't ordered the ice cream. He was listed as a Peeping Tom and the murder was considered justified. Incredible. I mean, this guy was no more a Peeping Tom than I was—maybe less so. Of course, if he'd gone to the front of the house, the guy who ordered the ice cream might have shot him. I almost never got over that case.

Playboy. When did you decide to become a journalist?

Cronkite. About the time I started junior high school. I became the happy victim of childhood Walter Mittyism, and it's never really gone away. *The American Boy* magazine ran a series of short stories on careers. They were fictionalized versions of what people did in life. And there were only two that really fascinated me at that point. One was mining engineering and the other was journalism. Anyway, I started working on the high school paper in Houston and I found that was what I wanted to do. In fact, that's really *all* I wanted to do. I didn't want to go to school anymore. But I did. I worked my way through the University of Texas in Austin as a newspaper reporter and did a little radio. Did a lot of other things, too, such as working in a bookie joint for a while.

Playboy. What was your job there?

Cronkite. Announcer.

Playboy. In a bookie joint?

Cronkite. On the public-address system. When they hired me, they said, "You sit back here in this room, and as the stuff comes over, you read it out over the P.A. system." Well, I'd never been in a bookie joint before, so I gave them the real Graham MacNamee approach on this, describing the running of the race. A mean character ran the place, a guy named Fox, and he looked like one. He came dashing into the room and said, "What the hell you think you're doing? We don't want entertainment, we just want the facts!"

Playboy. Your first critic.

Cronkite. Yeah!

Playboy. When you got out of school, according to your bio, you joined United Press and later covered World War II for them, and among the dispatches you filed was one from the belly of a Flying Fortress during a bombing raid over northern Germany. Under those circumstances, was it good copy?

Cronkite. Well, it had a dramatic lead. Homer Bigart, who was then a correspondent for the *New York Herald Tribune*, and I were at the same base. We were heading for the bomber command headquarters, outside London, to be debriefed after a long day's raid over Germany. We were both tired and I said, "Homer, I think I've got my lead: 'I've just returned from an assignment to hell. A hell at 17,000 feet, a hell of bursting flak and screaming fighter planes.' " I just recited it. I don't know if you knew Homer Bigart, but he stuttered very badly in those days—and he turned to me and put his hand on my arm and said, "Y-y-y-y-y-y-you wouldn't."

Playboy. Did the experience teach you anything about war?

Cronkite. I didn't need to be taught anything about war. I had already learned about it. But I still didn't understand—and don't understand today—how men can go to war. It's irrational, it's unbelievable. How can people who call themselves civilized ever take up arms against each other? I don't even understand how civilized people can carry guns.

Playboy. Were you under fire as a correspondent?

Cronkite. Lots. People take a look at my record, you know, and it sounds great. I'm embarrassed when I'm introduced for speeches and somebody takes a CBS handout and reads that part of it, because it makes me sound like some sort of hero: the battle of the North Atlantic, the landing in Africa, the beachhead on D day, dropping with the 101st Airborne, the Battle of the Bulge. Personally, I feel I was an overweening coward in the war. Gee, I was scared to death all the time. I did everything possible to avoid getting into combat. Except the ultimate thing of not doing it. I did it. But the truth is that I did everything only once. It didn't take any great courage to do it once. If you go back and do it a second time—knowing how bad it is—that's courage.

Playboy. After the war, you stayed on in Europe with United Press, finally returning to this country in 1948. Two years later, you joined CBS News in Washington, as a correspondent. Since CBS is a large, competitive organization, how did you manage to rise to your present position there?

Cronkite. I was just plain old lucky to be in the right place at the right time. But I think that to take advantage of luck, you've got to have some ability to do the job. As far as the ability to work on camera is concerned, that part of it was an absolute accident. I never trained for it; I'm just lucky to have it. Whatever it is, it seems to work. I was also ambitious as a young man and pushed myself along, not to become president of United Press but because I wanted to be where the story was. So I pushed to get where I could go. And I guess the whole thing just built up into a store of experience, and with experience came a certain amount of knowledge.

Playboy. In the years since you've been reporting the news at CBS, we've seen America's belief in its own rightness and invincibility crumble, its moral sense lost, or at least mislaid. Has it been shattering to you—as a man who believes in the system—to see all this happen?

Cronkite. No, not shattering. I'm still sitting here and doing my work; I'm not in a mental institution—although maybe some think I should be. But it *has* eaten at me. Sometimes I think about early retirement, simply to get out of the daily flow of this miserable world we seem to live in. But shattering? I have to say no. I think at times, though, that maybe I'm not as sensitive as I ought to be, that I ought to have gone nuts by now, covering all of this and seeing it firsthand. I sometimes wonder if maybe I'm not really a very deep thinker or a deeply emotional individual.

Playboy. Are you serious about early retirement?

Cronkite. Oh, I don't suppose it'll happen, at least not in the foreseeable future. I've just negotiated a rather lengthy extension of my contract.

Playboy. So you wouldn't have accepted that Democratic Vice-Presidential offer we heard about, had it been made by George McGovern.

Cronkite. No, I don't think so. Well, I don't know. I don't know what I would do with a political opportunity if it actually came down the pike.

Playboy. Would you really have considered it?

Cronkite. Well, if it were seriously tendered—and this is all so hypothetical, because it never was, you know, let's be perfectly honest about it. As I reconstructed it, the McGovern people were sitting around in a meeting and somebody simply said, "Look, I just saw a poll that said Walter Cronkite was the most trusted man in America, what about him?" And I think that's just about as far as it went. Nobody said that there were loud guffaws, but it would have gotten back to me directly if they had gotten any more serious than that. If they *had* gone any further with it, though, they would have uncovered the fact that I'm not a registered Democrat. I'm not a registered anything. I'm a total independent.

Playboy. Do you have any other skeletons in your closet?

Cronkite. Well, I'm just not going to talk about them!

Playboy. Have you ever seen yourself as a statesman?

Cronkite. Well, I must admit I've seen myself as a Senator. I see it in a very romantic way, jousting for justice and that sort of thing, on the floor of the Senate. But I don't know how effective I'd be in the political infighting. And I think we forget how hard public servants work. When you see them in action in Washington, you appreciate that they work awfully hard, long and tough hours. It must also be the most frustrating job in the world, spinning wheels as they do so much of the time. I really wouldn't want to undertake all of that. Far less would I ever want to be President. Even if I were temperamentally suited for the job, which I'm not, I wouldn't regard myself as qualified—except perhaps by good intentions.

Playboy. Do you think Nixon is qualified for the job—temperamentally or professionally?

Cronkite. Well, whether or not I agree with some of the things he's done as President, there's no question that he's had plenty of experience to qualify him for the job. As for his temperament, I think it's regrettable, particularly for a man in his position. I guess I just don't understand a man like Nixon—the completely private man. To stand off and almost hold your hands up and say, "Don't come any closer"—that bothers me in anybody, whether it's President Nixon or my next-door neighbor. It must be terribly sad and lonely to be so aloof, to be unable to throw one's arms around one's fellow man and hug him to you. I think President Nixon would like not to be that way; I think he'd like to be an outgoing, lovable man. But he knows he's not; it's not in his make-up. Somewhere in his genes, he just didn't come out that way. I think it bothers him, and I think it may affect a lot of his thinking.

You understand that I'm doing this analysis from about as remote a position as one can have. As you well know, I'm not exactly one of the inner circle. As a matter of fact, I'm cut off from the White House today, presumably because of my outspokenness about the war and about Administration attacks on freedom of the press. I regret this very much. I'm very sad, at this stage in my professional life—where, rightfully or wrongly, I have acquired a large audience and some prestige—that people in high places aren't inclined to invite me into their groups.

On occasions when I've been with President Nixon—and they've been fairly rare, countable on the fingers of one hand—I've had a tremendous feeling of wanting to reach out to him. I wanted to kind of help him. I wanted to say, "Look, let's let our hair down and talk about these problems." I have no doubt that this man wants to do what's right. But, as I said, I think what he's trying to do in several cases is absolutely dead wrong. I think that the attack on the press is so antithetical to everything that this country stands for that I just can't understand it.

I would love to be able to shut up about all of this. I don't want to stand out here as a spokesman for the free press against the President of the United States and against his Administration. That's not a comfortable thing to have to do. The attacks haven't come from our side, though. We're like the troops in the trench during a cease-fire that's being violated by the other side. You know, if we could just lay down our arms and say, "Come on, the Constitution says we have free speech and a free press, and broadcasting ought to be a part of it; now let's just admit that and acknowledge that this is the way this country has always run, and let's run it that way." Gosh, that would be great.

I just don't understand why the Administration took this position in the first place. The press wasn't that anti-Nixon in '68 or '69. I think most of the liberals in this country would say the press was cozying up to him, if anything. And yet, whammo, this whole explosive attack on the press. It all gets back a little bit, I think, to the President's personality, to his remoteness. He has never been able to sit down with newsmen, put his feet up, get out the bourbon bottle and say, "Come on, gang, let's have a drink; you guys sure laid it into me today." That's the sort of thing that goes on all over Capitol Hill every afternoon. And I think that, because President Nixon can't do that, his aloofness grew into coolness, into misunderstanding of the press, and then into antagonism toward the press and eventually into a campaign against it.

Playboy. Why does so much of the public seem to acquiesce in this campaign? Is it something about the times we live in?

Cronkite. I think you put your finger on it right there. It's a revolutionary time and people are never comfortable in a period of revolution. I think they try to regain some sense of security through the use or threat of force. But force isn't the mainstay of our democratic system. Dialog-debate is, and that's regarded with suspicion and indifference by most people at this particular moment in history. I suppose it's only human, when you're backed into a corner in debate, to get mad, to lash out with your fist or to leave the room as a last resort. I think that's what's happening today. Demands for law and order are translated into suppression. As I said before, I believe in law and order, not as a code word but as a keystone—along with freedom and justice—of the democratic process. We've got to stand for law and order. But when the effect of maintaining order is to chip away at the Bill of Rights, to suppress dissent and debate, then I think we're in very serious trouble.

I think these charges by the Administration fall on receptive ears in much of our country, among so many classes of people, because they feel so afraid, so unable to understand, let alone cope with, the tumultuous times we live in, so helpless to hang onto the values they were taught to believe in, so threatened by the revolutionary changes they see going on around them, that they're looking for scapegoats—and the press is a handy one. It's tragic that they can't see the press as the bulwark of their own freedom. I suppose the only reason I keep going, the only reason I haven't been shattered by all this, as I said earlier, is that basically I have hope that it's all going to turn around. In time, I think there'll be a new tolerance, and with it will come a strong resistance to all of these pressures against our liberty.

Playboy. Where will this resistance come from?

Cronkite. I think it'll come from the people. You know, we've shown amazing resilience all these years of the American experience. We go through these dark periods, but eventually we come back into the shining light of day. And I think we'll come back again.

## THAWING THE ALASKA PIPELINE

Mr. STEVENS. Mr. President, every day there is growing support for the immediate construction of the trans-Alaska pipeline.

Recently delegates to the western regional meeting of the National Association of Counties urged the immediate construction of a trans-Alaska pipeline.

This endorsement of a trans-Alaska pipeline reaffirms an earlier endorsement by the National Association of Counties.

It is important to note, Mr. President, that as a national organization of governmental administrators from all parts of the Nation they, indeed, realize the national need for a trans-Alaska route.

In a recent issue of the association's newspaper, delegates to the western regional meeting voiced a number of important reasons why the immediate construction of a trans-Alaska pipeline is needed urgently. I ask unanimous consent that this article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

### Thawing the Alaska Pipeline

We have just returned from our Western Region Meeting in Anchorage, Alaska where 400 of our county officials had an opportunity to study in considerable detail the proposed Alaska Pipeline. Our members have come to the conclusion that construction must begin immediately on the Pipeline thus, confirming a similar affirmative action taken by NACo several years ago.

It is significant that in the intervening time, the nation has passed at an astronomical speed into a desperate fuel crisis. In the interval, the planners of the Alaska pipeline have, in the view of the NACo leadership, taken the steps that NACo originally requested to insure that the pipeline would cause a minimum of ecological damage.

We are content that this is the case. We have testimony from former Governor and former Interior Secretary, Wally Hickel that had the pipeline been approved as originally requested that it would have caused great damage. We have testimony now that the million of dollars that have been spent carefully planning, test boring and engineering the line comes as close as humanly possible to fulfilling both the need for a pipeline and insuring that there will be little or no damage to surrounding land or wildlife.

The pipeline can move in one of two ways. The President can authorize it by executive order, or the Congress can take appropriate action. We urge both methods to insure the fastest possible starting date for the line.

It is estimated that it will take from two to three years to construct if the "go ahead" were given right now. At the same time that the gas and oil pipeline are authorized, it will be equally important to start construction to add to American oil refining capacity which is in equally short supply.

Many have argued that the pipeline should not be built across Alaska, but rather should be routed through Canada to insure delivery of the oil at the point of maximum need which is the American mid-west or heartland. It is significant that the Alaskans have no quarrel with the Canadian pipeline as a second routing. They point out that the need for the Alaskan pipeline is urgent now and that we will almost certainly need other pipelines in the future and they have no objections to the Canadian route. They do point out however, that from a national defense point of view there is some question about the advisability of having the nation's vital life supply of oil routed through a foreign country, even a country as wonderful and friendly as Canada.

The important thing is to act immediately. We already have reports from general contractors that unless they get more adequate supplies of fuel building construction will be slowed this summer. Farmers already report that they're having difficulty getting gasoline and diesel fuel and may be forced to reduce their spring planting operations. We have ample evidence of very severe shortages of gasoline, diesel fuel, and heating oils for our public service needs.

## WELFARE PROBLEMS IN LOUISIANA

Mr. LONG. Mr. President, the New Orleans Times Picayune, under the byline of Mr. Brent Manley, has run a seven-part series on the welfare program in the State of Louisiana.

The articles honestly set forth many of the problems being faced by the Louisiana State Department of Welfare. Most of those problems, it is regrettable to say, are at least partially caused by the Federal bureaucracy in Washington.

I recommend this series for reading by my colleagues, and I ask unanimous consent that these articles be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the New Orleans Times-Picayune, May 6, 1973]

### The Welfare Mess: Bonin Criticizes Regulations Imposed by Federal Agency

(By Brent Manley)

If you wanted to get on the welfare rolls in Louisiana—or anywhere else in the country—you could do it without much trouble.

You needn't be eligible. The prerequisites are simple—an inclination, a lack of scruples and access to a telephone.

Incredible as it sounds, that is how badly the welfare system has deteriorated, and the implications for Louisiana are staggering.

There is little room on the state's welfare rolls—already bulging at 400,000—but the numbers could multiply overnight if enough people were of a mind to take a free ride.

The cost of funding the system in this state is nearly $340 million a year, a sum which rivals the entire budget of the state of Mississippi.

Who is responsible for the appalling condition of the system? Louisiana's welfare director, Garland L. Bonin, blames Washington.

It is the department of Health, Education and Welfare (HEW), Bonin says, which has caused many of Louisiana's welfare problems.

The state must obey HEW rules or risk losing millions in federal funds, without which the state's public assistance programs would perish.

Bonin complains about these HEW regulations:

States must take requests for welfare applications by telephone, and mail the forms to its clients.

(Louisiana has ceased this practice in the aid to dependent children—ADC—category, but not in the others: old age assistance and aid to the blind and disabled.)

States must take the client's word that all information on the application is accurate. No inquiries can be made without asking the client's permission to do so.

If the client says no, the state must determine eligibility without making a single check.

A state must give 15 days' notice before stopping a client's assistance payments. Once notified, the recipient may appeal, and until a full hearing on the case is conducted, the state must continue the welfare payments, sometimes for as long as two months.

These procedures may soon be changed, Bonin says, but for now the state must operate under a federally dictated set of rules which invite fraud and prevent its detection.

Moreover, even if the rules are rescinded, the harm has been done.

Bonin suspects there are significant numbers of ineligibles on Louisiana's welfare roles, "But I have no way of telling how many because of these rules."

The ease with which an unscrupulous person could cheat in the welfare system, however, is only one of many complaints against it.

Virtually no one is satisfied with the system, or "mess", as it is popularly termed, especially when the subject is ADC.

Recipients complain that they receive too little—in Louisiana, ADC families get only 56 per cent of what the state considers their minimum needs—while taxpayers, who foot the bill, cannot abide what they feel is no more than a handout in far too many cases.

The monumental complexity of welfare regulations has prompted complaints that many ineligibles are on the rolls because no one can understand all the rules.

Others attack welfare because it forces families to break up, provides no incentive for poor people to work and condemns whole generations to the welfare rolls.

Most agree, in the end, that there is but one solution to the problem of welfare—complete overhaul.

Says United States Rep. Martha Griffiths, chairman of a House subcommittee investigating welfare: "Unmanageable welfare programs do not serve the nation well. Delays in processing applications, rules too complex for recipients to understand and eligibility conditions which encourage family dissolution wreak havoc in the lives of the poor.

"Disfunction in welfare also victimizes the taxpayer. In fiscal year 1973, public assistance programs will cost the nation $24 billion. This is a high price to pay for programs which betray the needy and violate the public trust."

Louisiana Congressman Gillis Long, once an assistant director of the Office of Economic Opportunity, echoed the sentiments of many when he said of the beleagured system:

"It doesn't work for the giver or the givee."

## THE WELFARE MESS: FEDERAL GOVERNMENT AT FAULT FOR SITUATION, DIRECTOR SAYS

(By Brent Manley)

"If welfare is a mess, it is the fault of the federal government."

Most of the states' welfare administrators would probably agree with this statement by Louisiana's welfare director, Garland L. Bonin, who claims that Washington has caused him no end of headaches in the operation of the state's welfare programs.

And when you're talking about the $340 million Louisiana will spend this fiscal year on its welfare programs, the headaches can be king-sized.

Here is Louisiana's bill for public assistance programs for 400,000 people. A large portion is federally funded:

Old-age assistance: $146 million.

Aid to dependent children (ADC): $93 million.

Aid to the disabled: $30 million.

Other categories: $25 million.

Administration of the programs: $44 million.

Assisting the needy is supposed to be a joint effort by the states and the Department of Health, Education and Welfare (HEW), but the two do not always get along.

### FRICTION MOUNTS

Friction between the states and the federal government over welfare was never more apparent than during their showdown last December.

HEW officials told state welfare administrators that unless they weeded out ineligibles and cheaters on their payrolls, they would lose $700 million in federal money.

An HEW survey of welfare cases has determined that five per cent of all recipients were not eligible for payments, due mainly to errors by state and local agencies.

This threat by HEW prompted Bonin to angry protest, since Louisiana stood to lose $11 million in federal money.

Bonin labeled HEW's position as "the most regressive piece of fiscal policy that has been advanced in recent years . . ."

And he pointed out to one HEW official that: "The vast majority of all ineligible payments made to welfare recipients in Louisiana have been made as a direct result of policies and procedures imposed on the state by your office."

### SIMPLIFIED METHOD

He referred specifically to the HEW's so-called "simplified" method for applying for welfare, whereby the client phones in for welfare forms.

Bonin also takes issue with HEW regulations restricting his department in investigating eligibility and procedures . . ., that there are so many immediately halting payment to ineligible cases.

But Bonin also has other gripes.

It is HEW's fault, he maintains, that there are so many ineligibles on Louisiana's welfare rolls, yet the state must pay back the federal share of any mispayment when the recipient cannot do so, which is the case in most instances.

But HEW is not the only federal authority Bonin has quarrel with. He blames the U.S. Supreme Court for many of Louisiana's troubles.

In its 1968 ruling on ADC cases, the high court said that if the man in the home was not married to the mother and contributed nothing to her children's support she was eligible for ADC.

### MORE CASES TODAY

Before that ruling, Bonin says, Louisiana had 28,000 ADC cases with about 117,000 recipients. Today, there are 65,000 cases involving 250,000 people.

In fact, about 65 out of every 1,000 people in Louisiana are ADC recipients, one of the highest rates in the nation.

"The Supreme Court has ruled that welfare is a right," Bonin says. "I can't buy that."

Next January, the Federal government will assume responsibility for payments to the aged, blind and disabled according to the Social, Security Amendments of 1972.

But Bonin views the federal assumption of this responsibility as a mixed blessing. With it, he says, will come new eligibility standards and new assistance programs.

States will have the "option" of participating in the new services, Bonin says, or denying them to the state's aged, blind and disabled.

### NEW PROGRAM

"How are we going to deny these services?" Bonin complains. "In effect, the federal government is coming up with a completely new program and almost forcing the states to pick up the tab.

HEW may soon rescind some of the rules Bonin most strongly opposes—the "simplified" method and restrictions on investigating information on applications.

But HEW may have trouble implementing the revised rules—at least as far as the National Welfare Rights Organization in Washington, D.C., is concerned.

NWRO executive director Mrs. Johnnie Tillmon, says her organization will file suit, if necessary, "to protect welfare recipients' rights."

And, she says, "We have a record for keeping them from implementing their regulations."

Thus, the rule changes and their implementation remain a question mark.

## FRAUD DETECTION TEAM NEED INDICATES CHEATING PROBLEM

(By Brent Manley)

Just last month, Dr. Charles Mary revealed that he is asking the state for money to build up the staff of field investigators whose job it is to track down welfare cheaters.

Dr. Mary is head of the state's super health agency, which included the Welfare Department, and he estimates that a "fraud detection team" could reduce Louisiana's welfare rolls by 40,000 and save $10 million to $20 million.

The welfare department has only six field investigators now. Dr. Mary wants 183 more.

The very need for such a large team of auditors and accountants is indicative of the problems all state welfare officials have with cheaters and other ineligible welfare recipients.

In fact, the ease with which a person can commit fraud within the welfare system is one of its major flaws and has prompted Louisiana Sen. Russell B. Long to comment:

"There is no question in anyone's mind that the present welfare program is a mess."

Louisiana's welfare director, Garland L. Bonin, says most of the people on welfare in this state are honest, and it is they who are victimized by those who cheat.

The state could pay more to those who are truly needy if it could eliminate the fraudulent welfare cases, Bonin says. Currently, the state pays only 56 per cent of what it considers the minimum needs of families with dependent children.

"The cheaters are stealing from people in more desperate need than they are," Bonin says.

### WELFARE CHEATERS

Basically, the methods used by welfare cheaters are confined to:

—Deliberate falsification of information on the initial application: lying about income, property or the number of children in the family.

—Deliberate failure to list information pertinent to eligibility.

—Deliberate failure to report income once on the welfare rolls, or failure to report changes in family status.

—Application for welfare more than once.

This is the most notorious method of welfare fraud. Bonin recalls a case in which one woman managed to get on the welfare rolls 14 different times as a recipient of aid to dependent children payments.

In another case, Bonin relates a woman was arrested for welfare fraud and, upon her arrest, she told authorities that when she had gone to her local welfare office to apply for assistance the first time, she saw how easy it would be to get more than one check, so she did.

When the woman was caught, she was receiving three different aid to dependent children payments.

Another Louisiana woman was caught with five different checks she had obtained with five different driver's licenses and five different social security cards.

### FRAUD ENDLESS

The list of fraud cases is endless, and the situation under current welfare rules and regulations is near hopeless.

The procedures are so complex—directives may fill a bookshelf four feet wide—and caseworkers are so overburdened that fraudulent welfare cases can go undetected for months.

Even when cheaters are caught, says Bonin, often they are not punished.

—"We're constantly digging out cheaters," he says. "In some areas of the state we get cooperation from district attorneys. In others we get none. Some judges hand out jail terms to welfare cheaters, others hand out suspended sentences."

Partly because of the numbers of cheats on the welfare rolls, Louisiana ranks 47th among states in the amount it pays per welfare recipient.

Louisiana's payments average $55 per recipient against a national average of $85.

Few welfare recipients deliberately swindle the government, but those who do have managed to undermine public confidence in welfare administrators and blacken the reputations of thousands of honest, needy Americans.

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### The Welfare Mess: Living on Public Assistance Easy? No, Especially in Louisiana

(By Brent Manley)

There is nothing easy about living on welfare in this country, and that is especially true in Louisiana, at least when you're talking about money.

In three of the four main categories of public assistance, Louisiana ranks at or near the bottom of the list in the average amount paid per recipient.

Overall, Louisiana pays only $55 a month to each welfare client. Only three other states pay less.

The state's average monthly grant for old age assistance is near average, but aid to dependent children (ADC) payments rank 47th; aid to the blind, 43rd, and aid to the disabled, dead last.

The largest group of welfare recipients in Louisiana—as in other states—includes those receiving ADC payments. Two-thirds of the 400,000 Louisiana citizens on welfare are in this category.

It is this group, many contend, which suffers the most under the current welfare system—and not just from small assistance grants.

Perhaps the worst feature of the welfare system, where the poor are concerned, is that it causes the dissolution of thousands of families, mainly by desertion of the father in the family.

In Louisiana, as in most other states, there are no welfare programs to aid unemployed men, and their wives and children cannot receive assistance as long as they stay in the home.

Thus, a man who has lost his job and cannot find another one has no choice but to desert his family.

Mrs. Annie Smart, a welfare recipient in Baton Rouge for 15 years, has gone that route.

She and her husband had 13 children—two sets of triplets, a set of twins and five other little ones—when he was laid off his construction job because of bad weather.

The financial situation worsened when he could not find another job, and Mr. and Mrs. Smart went to the welfare office in Baton Rouge to ask for help.

The welfare worker, says Mrs. Smart, told them no money was available as long as he remained in the home.

At first he resisted deserting his family. In the end, however, it was a question of his family's starving or his moving out.

When he finally left, Mrs. Smart had to file a suit for non-support against her husband, who had left only when the situation became critical.

"He didn't want to leave," Mrs. Smart says.

"Welfare tears families apart," says Mrs. Smart, now the regional representative of the National Welfare Rights Organization with headquarters in Washington, D.C.

When the legal spouse is put out of the home, she maintains, "the mother might be on welfare for 15 years."

Once on welfare, she says, "it's hard to get off. The system keeps you down."

Welfare mothers suffer many ways, Mrs. Smart says. Often they are trained for jobs which don't exist and, lacking credit, they are forced to buy household goods and furniture from stores which charge much higher rates than other firms, she says.

"There are many ways we're being ripped off," she adds.

ADC children also suffer under the current system, Mrs. Smart complains.

"I was lucky I could keep my children from ending up in jail," she says.

Another woman who is not so lucky, a New Orleans welfare mother, lives day to day with the problems of crime and drug abuse in the Desire Project.

The woman, who prefers anonymity, has six children. One has had several run-ins with juvenile authorities. The others, with the exception of the only girl in the family, have also been in trouble.

She blames the project. "It's a terrible place to raise children, especially boys," the woman says.

She and her children have seen the drug abuse and have been victims of the crime problem in the project.

"You see grown men using drugs," she says. "They're sickening with it."

Her apartment has been burglarized twice—while she was at home, and she recalls an incident in which two men beat up two young boys right outside her door.

Her welfare check amounts to $172 a month, so the woman cannot leave the project, where she pays only $9 a month rent.

Two of her children already have dropped out of school and the woman holds no hope that any of her offspring will finish high school.

Their chances of making it as productive citizens are slim.

Mrs. Smart objects to the image the ADC mother has acquired through the years.

"They say welfare mothers don't want to work, but there just aren't any jobs," she says. "You find people today with college degrees who are flipping hamburgers, so you know it's gonna be hard for me to find work."

Mrs. Smart says she is baffled by the welfare system, which allows no assistance for a woman whose legal husband remains at home but which will provide for her if the man in the home is not her husband.

"It just makes you immoral," she says.

Many welfare rules and regulations in Louisiana are designed "to help the welfare department, but not us," Mrs. Smart says.

One rule which may not help the department, but surely works to the detriment of welfare clients, is the one applying to teenaged mothers.

If a young girl becomes pregnant while she is in school, the state provides her no assistance unless she drops out of school and seeks employment.

If she is married, she must separate from or divorce her husband.

Mrs. Eileen Cowart, coordinator at the Margaret Haughery School, for young mothers, is shocked by this policy.

"You may well be talking about a 14-year-old girl," she says. "A lot of times, I just can't believe what I hear. This policy perpetuates the welfare cycle. That's a plain and simple fact."

Mrs. Smart complains about other rules, such as the one covering lost or stolen welfare checks. A mother who has lost her check, she says, has to wait as long as three months before the loss is recouped.

"There are people who make it a business of going around stealing welfare checks out of mail boxes," she says.

When the check is stolen, the family often does without until the next one comes, she says.

All told, the troubles welfare recipients must cope with represent more evidence that the system, as it has evolved, is in desperate need of reform.

### The Welfare Mess: Reform in State and Rest of Nation Termed a Must

(By Brent Manley)

It is clear that welfare reform—in Louisiana and in the rest of the nation—is a must.

Just where the changes will originate and how they will be implemented is less than clear.

Congress took a step in the direction of reform by passing the Social Security Amendments of 1972, whereby the federal government will take over payments to the aged, blind and disabled next January.

But that action left out the most troublesome, and the most heavily populated, of the welfare programs—aid to dependent children (ADC).

#### IN ADC CATEGORY

Two-thirds of the welfare recipients in Louisiana are in the ADC category, which will cost $94 million in the state this fiscal year.

Many complaints about the ADC program in Louisiana revolve around the working poor and unemployed men, who are not eligible for public assistance in this state.

That could have changed last year if Congress had adopted President Nixon's Family Assistance Plan, which featured a $2,400 income floor for a family of four.

The FAP died in the Senate, to the relief of Louisiana Sen. Russell B. Long, who attacked the President's plan, saying it would have doubled the welfare rolls and brought with it an incentive not to work.

#### LONG HOPEFUL

Long now favors stricter child support laws and more help for the working poor, and he is hopeful Congress will put his ideas into law.

"We should put the federal government in the business of helping to get support for a mother and her children," Long says.

A large portion of the ADC families has been deserted by the male head of the household.

"We need stronger child support laws," Long contends. "Fathers deserting has added tremendously to the welfare rolls, and even those making just the minimum wage are contributing to paying for welfare."

The objective of such legislation, Long says, is not to save money, but to help the poor. Even some well-to-do fathers are deserting their families and forcing others to pay for their support, he maintains.

#### ANOTHER GOAL

Another of Long's goals is to give more assistance to the working poor, principally by refunding to underemployed men and women most or all of the Social Security taxes taken out of their paychecks.

Such a program, Long says, would involve about five million families, and 20 million people altogether. It would cost about $1 billion.

The long-range goal of welfare legislation. Long says, should be to "reduce the advantage of leaving one's family to the welfare rolls."

Long says further: "We're not reducing the incomes of families by imposing stricter child support laws, just reducing the incomes of men who ought to be supporting their children."

In Baton Rouge, a major effort to improve the ADC program—at least the dollars and cents end of it—is being made by Dr. Charles Mary Jr., head of the "umbrella" health agency, which now includes the welfare department.

Dr. Mary is asking the Legislature to provide more money for ADC families, which now get only 56 per cent of their minimum needs as the state has determined them—about $91 per family.

Dr. Mary has submitted two budget plans, one for 10 per cent payments, and the other for 75 per cent.

He also is asking for $500,000 from the state—to be matched by the same amount in federal funds—for a 189-member fraud detection team to weed out welfare cheaters.

Louisiana now pays $16 million for ADC out of $94 million total. At 100 per cent funding, the ratio would be $38 million for the state to $102 million from federal sources; at 75 per cent, the state's share of the $92 million bill would be $25 million.

Dr. Mary says that by bringing into Louisiana millions more in federal dollars, either plan would practically pay for itself by the time the extra money is put into circulation in the state's economy.

"We think it will pay for itself," he says of his budget request.

### PART OF PROBLEM

Part of the problem with any kind of legislative welfare reform is that too many people and agencies get into the act.

"That's what got us into trouble in the first place," says U.S. Rep. Martha Griffiths, D-Mich., chairman of a House subcommittee investigating welfare. "So many different agencies kept adding things to the program."

Rep. Griffiths believes the welfare system should have one, and only one, agency for its control.

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## THE WELFARE MESS: PATCHING UP SYSTEM ITSELF CALLED THE WRONG APPROACH

(By Brent Manley)

Is welfare a disease of society or a symptom of its social problems?

There are those in Louisiana who adhere to the latter theory—that welfare did not create poverty or unemployment, but that those and similar problems are responsible for the creation of welfare.

Patching up the system itself, it is said, is the wrong approach. The critical need is help—and not just a welfare check—for people, especially children.

It is the young who, lacking the right education and the motivation to become productive, will grow up to become welfare clients, adding to the taxpayer's burden and perpetuating the so-called welfare "mess."

### IS IT THE SOLUTION?

But is social programming—child development, job training and other types of rehabilitation—the solution?

The answer is probably not, simply because such programs—or a significant portion of them—are on their way out at present.

President Nixon's budget cuts, which will include some programs aimed at helping the poor, have stirred up some anger in Louisiana.

### LIKELY TO FOLD

Total Community Action in New Orleans, for example, is likely to fold this summer, and its president, James Singleton, is hot because his program is being phased out by Washington.

"When some of these programs—TCA, for example—are cut out, there is nowhere for poor people to go but back in the streets," Singleton says.

"There's been an education process going on in some programs, and some people are learning how to cope with the system and to be self-supporting. Now you're going to cut off their life line and take away the mechanism for helping them get on their feet."

Many of the Great Society programs initiated during the administration of President Lyndon B. Johnson are getting the ax because, for one reason or another, they didn't work.

"Some of the federal job training programs," says Louisiana's welfare director Garland L. Bonin, "in effect went out and found customers for us by making people aware that they could receive welfare.

### "COLOSSAL FAILURE"

"The Work Incentive program (WIN) was a colossal failure because it trained people for jobs which weren't there."

Another TCA official, executive director Dan Vincent, agrees. "There are thousands of unemployed who are trainble for jobs, but the training isn't right and often the jobs aren't there," he says.

Others in Louisiana complain that the educational opportunities are out of line with the needs of the poor, particularly vocational education.

### TERMED A JOKE

"This business of preparing everyone for college and a bachelor's degree is a joke," says Rabbi Leo A. Bergman, once a member of the state's welfare advisory board.

A. Bernard Cox, former regional chairman of the Louisiana Conference on Social Welfare, also has complaints about the education system. "Institutions," he says, "are not meeting the needs of individuals to help them out of the trap they're in."

Even with an abundance of social programs, says Mrs. Wilma Salmon, director of the Orleans Parish welfare office, the lack of a central strategy contributed to the failure of many of them.

"Society usually does decide what it wants to do about certain problems," she maintains, "but we're not at that point yet."

One Louisianian who has decided what to do about the welfare situation is Dr. Joseph D. Beasley, head of the New Orleans based Family Health Foundation.

### 148 CLINICS

The organization has 148 health clinics spread through every parish in the state, with 94,000 active patients.

One of Family Health's goals, says Dr. Beasley, is to provide all indigent persons in the state with the information and services to allow them to rationally control their fertility.

Family Health, he says, studied 20,000 indigent births in the New Orleans area and where the welfare cycle starts, the basic causal factor is the unwanted pregnancy.

The economic and emotional hardships brought on by unwanted children often end up with the father of the family gone and the mother and her offspring left with no resources, Dr. Beasley says.

### GOALS DESCRIBED

Family Health's goal is "to get to people before the pregnancy and block the cycle," the doctor says.

By doing this, he maintains, "Louisiana has the best chance of showing how, by a voluntary, humane and enlightened method, the welfare cycle can be turned around. And we are doing it."

Dr. Beasley and Family Health have some enemies in the state, notably the Louisiana State Medical Society, which disputes some of his claims, but the doctor insists his foundation is helping.

If the cycle can be blocked, he maintains, "the savings to the state will give it an opportunity to do something for the children already born. If we get concerned with children and their potential, we can help maximize their capacities."

### "EDUCATION THE KEY"

Education is the key, in the minds of many, to bringing children into society as productive adults. Miss Mildred Fossier, former director of New Orleans' welfare department, says.

"We've got to prepare children to live in society according to their desires and needs and the needs of society. We've got to train them to meet their own destinies. There must be a solution to poverty and ignorance, and you have to stimulate children young enough and tailor their education to their needs."

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## THE WELFARE MESS: PROGRAM IN STATE SOON MAY OPERATE BETTER THAN MANY

(By Brent Manley)

Louisiana, it appears, soon may be able to manage its cumbersome welfare program better than many other states can handle theirs.

Every state, according to Louisiana welfare director Garland L. Bonin, soon may benefit from a series of changes in federal welfare guidelines.

And every state will be relieved of responsibility for funding assistance grants to the aged, blind and disabled next January, when the federal government takes over these programs.

### SUPER HEALTH UNIT

But not every state has a super health agency like Louisiana's Health, Social and Rehabilitation Services Administration—the "umbrella" agency which now includes the welfare department.

Dr. Charles Mary Jr., head of the all-in-one agency, believes it can make progress in shoring up Louisiana's welfare programs.

"We're doing a reorganization of the welfare system, trying to make it work better, because nobody is satisfied with it," Dr. Mary asserts.

The super health agency has already produced, he says.

### 13 NEW CENTERS

"We were behind three months in the food stamp program, so we mobilized more than 30 people from different departments and opened 13 new food stamp centers. Now, 50,000 to 60,000 people are being served, and it shows how the system works. We can use strong agencies to help the weaker ones."

Dr. Mary says the operation of the welfare system will be more unified under the umbrella agency. "We can solve things we couldn't before because we were all apart."

One priority is to give the needy more help. Right now, families with dependent children get only 56 per cent of their minimum needs.

"I'm going to change that," Dr. Mary says. "First, we've got to strip out the fraud, the ineligibles. Then you've got to spend more on the truly needy. The streamlined method of handling the truly needy can help them."

The system still has built-in faults, namely that it breaks up poor families by giving no assistance while the legal father remains at home.

"If we believe in the family unit in this country," says Dr. Mary, "then why is the system based on the dissolution of the family. It's pro-illegitimacy."

### "NO ONE LIKES IT"

He adds: "No one likes the system the way it is, but there is no consensus on which direction to take. But there is no doubt that this new umbrella agency can aid in the meantime."

While Congress ponders changes in welfare, Bonin is happy that the Department of Health, Education and Welfare—under whose rules he must operate—is on the verge of altering several of its policies.

If the changes are implemented—Bonin is confident they will be—all applicants for welfare will have to ask for assistance in person, not by mail or telephone.

### GREATER FREEDOM

And the welfare department, now officially the Division of Income Maintenance in the umbrella agency, will have greater freedom in investigating eligibility.

Bonin says also that, when fraud is determined in a welfare case, his department will be able to close the case (stop payments) as soon as it notifies law enforcement agencies.

Revised HEW regulations also will permit recoupment of overpayments and erroneous payments when they are discovered.

But extra efficiency and more cooperation from federal authorities will not solve the problems which brought on welfare in the first place.

### CAN BE TREATED

Unemployment and poverty, for example, cannot be eliminated, but they can be treated. These problems must be dealt with as a means for preventing dependency on society by people who are potentially productive citizens.

Says Dr. Mary: "People are out of work. What's our goal, to support them indefinitely or get them to work? We have to determine if they're able to work. If so, why aren't they working? Are they ill? Is it a mental problem? A lack of training? When we find this out, then we can work on solving the problem."

The poor—those who work and those who don't—have been hurt by rehabilitation programs which failed; by a system which produces broken families and often encourages people not to work; by the frightful image welfare itself has acquired.

### MUST RESPOND

And though society cannot allow masses of people to make welfare their goal in life, it must respond to those who, cannot complete, whether the reason is age, disability or lack of training and education.

By and large, welfare recipients are anxious to pattern themselves after the model of American society—the working man.

Says Dan Vincent, of Total Community Action, a program to help the poor in New Orleans:

"I never met a man who wanted to be on welfare."

### "MEANINGFUL WORK"

And Dr. Joseph D. Beasley, whose Family Health Foundation has many welfare recipients as clients, relates:

"I have never seen such hunger for meaningful work among any group of people in my life."

Ultimately, America may have to change its attitude toward the poor and the welfare recipient, and make the decision about its response to them.

Says Ed Weaver, former director of the welfare department in Illinois:

"The failure to respond to human needs is not based on an inability to do so, but an unwillingness. It's a conflict of values. It cuts at us morally to give money to those who aren't 'doing right'. I'm less comfortable, however, with little children and adults going hungry and with no clothing."

## VIOLATION OF INTERNATIONAL FISHING AGREEMENTS

Mr. STEVENS. Mr. President, this morning I was informed that three Japanese fishing vessels were sighted in Alaskan waters Tuesday morning gill netting salmon. The three boats were sighted by a Coast Guard surveillance plane at 52 degrees, 23 minutes north latitude, and 158 degrees 10 minutes west longitude, along the Aleutian chain. Upon being sighted by the Coast Guard, the fishing boats abandoned their gear and departed the area. No surface vessel was in the area, which eliminated the possibility to pursue the violators.

The State Department has been notified. This incident is just one more example why this Nation must take strong action to prevent the violation of international fishing agreements and the destruction of American anadromous fish. At this time, when the President is on his way to Iceland for international negotiations, I hope all concerned realize that Iceland is not alone in its problem regarding the protection of her fisheries resources. I will have more to say about this later.

## INCLUSIVE TOUR CHARTERS

Mr. HATHAWAY. Mr. President, the people of Maine take great pride in the progress which has been achieved at Bangor International Airport.

The former site and facilities of Dow Air Force Base have beein transformed into a busy industrial, commercial, and educational center.

The expansive runways and aprons which once served the Air Force now accommodate thousands of transatlantic charter flights each year, an activity which has given the area a welcome economic boost.

I am, of course, committed to assist in the further development at Bangor. One of the means at our disposal is the encouragement of charter flights. This can be accomplished by enactment of S. 1739 which would remove restrictions on inclusive tour charters.

On May 15 of this year, a distinguished consumer advocate, Mr. Shelby Southard, effectively summed up the many valid reasons for support of S. 1739.

At this point I request unanimous consent that Mr. Southard's statement be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

### STATEMENT BY SHELBY SOUTHARD

Mr. Chairman: First let me express my appreciation for this opportunity to say a few words in support of S–179, which would remove the restrictions on Inclusive Tour Charters (ITCs) and open up a wide variety of low-cost vacation opportunities for the American consumer, not only overseas, but also within the United States.

While preparing this statement, I checked through my files and found that it was almost exactly one year ago—on May 10, 1972—that I testified before this Subcommittee on a similar proposal. Nothing has happened in the interim to alter my view that the reforms proposed in S–1739 are not only in the interest of the American consumer—they are long overdue.

Frankly, Mr. Chairman, I am at a loss to understand the delay in the passage of such an obviously beneficial piece of legislation.

It certainly cannot be because the one-stop ITC is new and untried, for we can point to more than a decade of experience with such "package vacations" in Europe.

Since one-stop package tours first became available in Europe in the late 1950's they have been enjoyed by millions of Europeans—almost nine million last year alone. They have been profitable for travel agents, tour operators, airlines, and hotels, and they have provided countless jobs in hundreds of Mediterranean sunspots and Alpine ski resorts throughout Europe.

In short, Mr. Chairman, everyone has benefited.

Why then, if this is the case, have American consumers and the domestic tourist industry been deprived of these benefits?

It certainly cannot be because everyone is satisfied with the current ITC regulations. If they were, we might reasonably expect that more than 80,000 Americans might take such trips each year, and that the airlines would market them more aggressively.

The fact is that the three-stop, seven-day provisions make ITC's unattractive to the American consumer, who simply does not relish the idea of spending a week's vacation flying from place to place with no real chance to relax and enjoy any one of the resorts he visits.

As I mentioned in my testimony last year, my attendance at the First World Congress on Air Transportation and Tourism in Madrid last April gave me a chance to see at first hand how the one-stop package tours have affected the European travel market.

I have no doubt that the introduction of single-stop ITC's in this country would create a similar tourist boom: not only giving Americans a chance to enjoy low-cost vacations at home, but also attracting European visitors to this country in ever increasing numbers. Having talked with consumer representatives in many countries I know that there is great interest abroad in travel to this country—but that for most people, the costs are prohibitive.

I am convinced also that the introduction of single-stop ITCs in the United States would benefit not only the existing resort areas, but would also stimulate interest in, and provide opportunities for the development of new resorts. There are, I am sure, many suitable areas—along the Texas-Mississippi Gulf coast, for example—that would benefit economically from such development.

Passage of S–1739 could set such a train of events in motion.

Finally, Mr. Chairman, in these days of spiralling inflation, when many families are finding it increasingly difficult to make ends meet, a bill that lowers the cost of "getting away from it all" would be most welcome.

In another particular, the ITC Tour has attraction for groups like the American Cooperatives which maintain close ties with their counterparts in other countries. There is a strong desire both here and overseas to arrange exchange visits, and this would be made immeasurably easier if the provisions of S-1739 became law.

In closing, I would like to mention just a few of the members of the Consumer Federation of America who have expressed their support for passage of this legislation. They include the United Auto Workers, the Credit Union National Association, the National Council of Senior Citizens, the United Steelworkers, the National Farmers Union, the National Consumers League, and dozens of State consumer associations.

The National Education Association and many civic and fraternal organizations have also expressed an interest in the introduction of one-stop ITCs in this country.

Mr. Chairman, thank you for giving me this opportunity to testify before this Subcommittee and express the Consumer Federation's hope for speedy action on S–1739 during this session of Congress.

## PROPERTY TAX REFORM

Mr. MUSKIE. Mr. President, although most of us will agree that there is a growing property tax revolt in this country, we seldom see any evidence of such a citizens' uprising. Living as we do in an environment where national issues are the principal focus, it is all too easy to forget that there are important local issues which may not make the national news media but which nevertheless have an impact far beyond the bounds of a particular unit of local government.

The property tax is such an issue. Although the problem is national in scope, the poor administration and inequities of the property tax structure are felt primarily at the local level, and it is there that the rumblings of a property tax revolt are heard.

Every day my office receives news clippings, from all over the country, which attest to the growing concern over poor administration of the property tax and the demand that something be done about it. I ask unanimous consent that a selection of these clippings be printed in the Record.

The interest in reform, which these articles document, is encouraging. Senator Percy and I have introduced legislation, cosponsored by 12 additional Senators, which would provide limited Federal incentives to the States to undertake relief and reform measures, and which hopefully, would maximize this local pressure for improvements in the overall structure of the property tax. We have recently held an initial round of hearings on the bill—S. 1255—and plan to hold several additional days of hearings during this session of Congress. It is my opinion that reform of the property tax, which has been delayed for so long, is now the responsibility of all levels of government—Federal, State, and local—and that through a cooperative effort, the demand for reform can be met.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Cleveland Press, May 14, 1973]

### A NATIONWIDE TAX SCANDAL

No program of national tax reform will be completely satisfactory without sweeping changes in the way local property taxes are assessed.

States, counties and local communities get about 40% of their revenues from property taxes. Yet the imposition of these taxes often is so slipshod, so inequitable, and, in some cases, so corrupt, that angry taxpayers are demanding some basic reforms.

And well they should.

In most states, property assessors are underpaid and poorly trained. At worst, they're political hacks. At best, they're overworked civil servants who need help they're not getting.

Ten years ago the Advisory Commission on Intergovernmental Relations offered the states a list of recommendations for making their property tax systems simpler, fairer and more professional. The proposals were largely ignored.

Fewer than a dozen states have properly trained assessors. Only 14 states—including Florida and Ohio—publish lists of tax-exempt property, even though such exemptions are a major burden on home owners and businessmen who do pay property taxes.

Some of the same private assessment firms hired by counties to make mass property appraisals also work big for big industries and companies in the area, creating a possible conflict of interest.

Too often counties neglect property appraisals for years and then jolt home owners by jacking up their assessed valuations by 60 or 80% overnight.

One recent federal study found that slum property often is overtaxed—and therefore a bad investment risk—because assessors failed to consider the decline of neighborhood values.

Abuses are so common that Sen. Edmund S. Muskie (D-Me.) and Sen. Charles H. Percy (R-Ill.) have introduced a bill offering federal tax relief to the poor and the elderly in states willing to reform their property tax practices.

Needed are:

Tax districts large enough to support a competent staff of assessors. Letting every jurisdiction conduct its own property assessments is an invitation to trouble.

More involvement by the state. Wide disparities in assessments among communities only a few miles from each other simply don't make sense.

Traditionally, the property tax, which raises $42 billion a year, has been the prime source of local revenue in this country. But unless some of the inequities can be corrected, irate taxpayers will be justified in raising hell with a system so obviously out of whack.

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[From the Albuquerque (N. Mex.) Tribune, May 12, 1973]

### PROPERTY TAX CHANGE SUPPORT SNOWBALLING

(By Lee Stillwell)

WASHINGTON.—Public support is snowballing for Sen. Edmund S. Muskie's efforts to push property-tax reform through Congress this session.

The Senate intergovernmental relations subcommittee which Muskie, D-Maine, chairs has received appeals to probe property-tax gimmicks, loopholes and unfair assessments and exemptions in 17 states and 30 municipalities, including Pittsburgh, Denver and Columbus, Ohio.

The subcommittee has just completed hearings here on property-tax gripes and is getting floods of mail from complaining citizens. Alabama Gov. George C. Wallace endorsed efforts to give a break to low-income property owners.

Muskie believes his subcommittee's hearings bore out an earlier staff study that led him to declare it "a national outrage" that the average taxpayer is "at the mercy of inexpert local officials, arbitrary bureaucracies and privileged interests."

Muskie and his subcommittee plan to tour the nation this summer and hold hearings in several cities.

The senator is considering a trip to the Knoxville, Tenn., area to explore charges strip-mining interests are escaping taxes on reserve land because of low—or nonexistent—assessments.

A basketful of proposals for property-tax relief was dumped into Muskie's lap during his subcommittee's three days of hearings, including these:

—Property-tax breaks for the poor and elderly. A recent survey showed elderly homeowners in the northeast with annual incomes below $2,000 pay almost 30 per cent of their incomes for property taxes.

—Minimum qualifications for tax assessors. Twenty-eight states have no such qualifications now. Maine Gov. Kenneth M. Curtis said his state's property tax system is administered by "untrained, part-time amateurs in 496 assessment districts."

Federal regulation of mass-appraisal firms which often are hired by local jursidictions to assess property for taxation. Some of these firms have been accused of conflicts-of-interest since they also represent private clients interested in holding down their tax assessments.

Establishment of record-keeping procedures for tax-exempt property, which now amounts to one-third of the total area of the nation's taxable property. Only 15 states now keep such records, which would help government officials and the public recognize who benefits from such tax exemption.

Revision and updating of property tax laws in many states which date back 50 or even 100 years. Experts say many tax districts should be consolidated and state agencies should be created to supervise tax assessing.

Action by Congress to outlaw the common practice of states granting property tax concessions to lure industries from other states.

—State and local legislation to force mobile home owners to pay their fair share of property taxes.

Action to require the Internal Revenue Service, as now permitted by law, to provide states with data on their residents' intangible properity such as stocks and bonds. Most states do not tax intangible property because of past enforcement problems.

The Federal government should collect other data useful to local tax assessors such as corporate real estate holdings. Another way suggested to collect such data called for reinstating the nominal federal property-transfer tax which expired in 1968. Collection of this tax would provide current information on real estate selling prices.

States should be wary of tax breaks on farm land.

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[From the Fort Worth (Tex.) Press, May 8, 1973]

### SENATE EYES TAX-EXEMPT PROPERTY

(By Lee Stillwell)

WASHINGTON.—Keeping tabs on tax-exempt property is proposed in a Senate bill to help states meet the costs of overhauling their property-assessment practices and granting low-income families tax relief.

The bill, introduced by Sens. Edmund S. Muskie, D-Maine, and Charles H. Percy, R-Ill., would require all states accepting this federal help to keep records of tax-exempt property and its value. An estimated one-third of the nation's property now is believed to be tax exempt.

The listing proposal gained support from witnesses before the Senate subcommittee on intergovernmental relations during three days of hearings recently ended.

"A major problem in most states is the failure of local governments to account for properties that have received, over time, exemptions from tax," Percy said.

Percy said many local governments don't even know the value of property they don't tax or even what those properties are.

A bill before the Illinois State Legislature would place on the tax rolls properties owned by tax-exempt charitable organizations which are leased to commercial enterprises, Percy said.

Percy said tenants on tax-exempt land would have to pay taxes as if they owned it, noting that Chicago's Continental Illinois Bank & Trust Co. would have to pay taxes on valuable downtown land owned by Northwestern University if the bill passes.

"I strongly support this legislation," Percy said. "If passed, it will result in an estimated $10.3 million in additional tax revenue for Cook County. This is the kind of reform our bill will promote in all the states."

Bernard F. Shadrawy, president of the International Assn. of Assessing Officers, said his group believes that when any exemption is granted the local government should be reimbursed for the tax loss by the agency creating the exemption.

Furthermore, he said, his group opposes any exemption created for the benefit of either privately of publicly owned organizations which provide goods or services capable of being provided by private industry.

"Tax-exempt properties which perform no significant services to the local taxing district should be required to make in-lieu payments for the police protection, fire protection and other property-related services they receive from the local community," Shadrawy said.

"Where governmental properties are involved, these in lieu payments should be provided for in the budget, so that the public is given a full accounting of the costs of these services and what use is being made of its tax money."

Shadrawy said assessment and separate public listing of tax-exempt real property is long overdue and would make taxpayers and legislators aware of how much exemptions are costing local governments.

Testimony presented by the education commission of the states indicates one-third of the potentially taxable property in the United States is tax-exempt. Exempt properties range from church cemeteries to the 77-story Chrysler Bldg. in New York, the testimony showed.

Clifford Allen, metropolitan assessor for Nashville-Davidson County, said a state granting an exemption from the common burden of taxes to any property, or class of property, should be made to reimburse the local governments for the loss of tax revenue resulting from these exemptions.

Allen said it should apply to property owned by religious, educational and charitable institutions along with property owned by the state and federal governments.

He would also ask the federal government to pay local governments a tax equivalent on all property it owns in any locality.

"It is not fair for the taxpayers of a particular community to be saddled with the entire costs of such exemptions by having their tax bills raised to make up the loss in revenue from exempt property in their community," Allen said.

Muskie's subcommittee will look further into the matter at later hearings.

According to subcommittee figures, 14 states and the District of Columbia now compile lists of tax-exempt property. The states are Arizona, California, Delaware, Florida, Georgia, Hawaii, Iowa, Maryland, New Jersey, New York, Ohio, Oregon, Rhode Island and Wisconsin.

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[From the Knoxville (Tenn.) News-Sentinel, May 10, 1973]

### MUSKIE MAY HOLD AREA TAX HEARINGS

(By Tim Wyngaard)

WASHINGTON, May 10.—Spurred by charges of rampant inequities in property tax assessment of coal fields, Sen. Edmund Muskie (D-Maine) may hold a tax reform hearing this summer in Central Appalachia.

Muskie's Senate subcommittee on Intergovernmental Relations is considering adding a Cumberland Mountains hearing to a list of regional meetings on property tax and governmental reform moves pending in Congress, according to committee sources.

The committee may be drawn to the coal fields in response to detailed charges of tax breaks handed coal firms by state and local assessors, compiled by J. W. Bradley of Petros, Tenn.

Bradley is president of Save Our Cumberland Mountains (SOCM), which is involved in citizen suits challenging tax assessment practices in the area.

"Nowhere is an investigation of property tax injustices more sorely needed than in Central Appalachia—the 60 or so counties in the coal-bearing mountains of Eastern Tennessee and Kentucky and parts of Virginia and West Virginia," Bradley wrote Muskie.

#### OWNERS AIDED?

"Beneath the apparent poverty of these mountains are found immense reserves of one of the nation's most valuable resources—coal—but the conditions on the surface scarcely reflect the wealth beneath," Bradley wrote.

The faltering war on poverty brought Federal assistance to Appalachia, but the rich coal companies of the area—mainly controlled by outside interests—pay little in the form of taxes to support on-going governmental programs ranging from local education to health and welfare, Bradley charged.

"The Federal revenues in essence picked up the property tax tab of already wealthy non-Appalachian owners of the area's coal reserves," said Bradley.

"The stance of the Federal Government thus far seems to have been one of ignoring or tacitly tolerating this tax inequity."

#### MOST NOT APPRAISED

The British-owned American Association Ltd., which owns 17 per cent of the land in Claiborne County, Tenn., pays $19,000 a year in property taxes—only 3 per cent of the local tax load, according to Bradley's study.

Yet the firm makes more than $400,000 a year in coal field royalties, while most of its land is assessed at only $25 an acre—less than the assessment of farm land in the poverty-stricken county, according to Bradley.

Most of the coal reserves are not appraised at all, despite a state law requiring such action—and despite an anticipated mining life of at least 25 years for the reserve fields, Bradley told Muskie.

Local residents have started legal actions to force state and local tax officials to comply with the state property tax law, and they have won the battles—but the coal wealth remains unassessed, he told Muskie.

#### LIKENED TO "COLONY"

Said Bradley of the American Association: "It is like a colonialist, extracting wealth from Claiborne County and leaving behind poverty, environmental ruin, and low property tax revenues. The valley from which it derives its wealth and the county courthouse are its colony, lacking the power, money or ability to challenge the colonizer and having to depend upon the support of outside governments to run its schools, fix its roads and provide its services."

The pattern is reflected county by county and state by state throughout Central Appalachia, Bradley charged.

While Federal aid to the region increased during the war on poverty in the 1960's, the reliance of local governments in the area on the property tax for their budgets decreased, he said.

#### MISLEADING IMPRESSIONS

"While leaving the impression of 'aid' to Appalachia, the war on poverty revenues in essence picked up the property tax tab of the already buoyant owners of Appalachia's coal reserves."

In Kentucky, 31 people and corporations control four-fifths of the coal reserves in the state—while coal fields worth $200 to $300 an acre are often assessed at $2 an acre, if carried on the tax rolls at all, he charged.

In Tennessee, nine large corporations control 34 percent of the land in coal counties and 80 per cent of the coal wealth, but pay only 4 per cent of the property taxes in those counties.

#### SIMILAR PATTERNS

Similar patterns are found in Virginia and West Virginia, the report concludes.

Property taxation as now applied in the states, Bradley charged, "has failed and failed miserably."

"The area's resource is a depletable one. Every delay in remedying the inequities means a loss now and in the future.

"Coal taxation can be done and mineral taxation is being done effectively elsewhere. What seems to be lacking on the part of county and state officials in Central Appalachia is not the way but the will," Bradley told Muskie.

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[From the St. Paul (Minn.) Pioneer Press, May 3, 1973]

### WENDY TELLS TAX BURDEN

Gov. Wendell Anderson testified in Washington, D.C., today in support of a bill under which the federal government would help ease local property tax burdens.

The measure is sponsored by Sen. Edmund Muskie, D-Maine, and Sen. Charles Percy, R-Ill.

Testifying before the Senate subcommittee on intergovernmental relations, Anderson said over-reliance on property taxes has become "almost a national scandal."

Anderson said states and local governments need to strengthen their tax structures in order to become more efficient partners in a better-balanced federal system.

The governor said in prepared remarks:

"First, the property tax places a shameful burden on low-income individuals, especially the elderly. Second, the local nature of property taxes creates a great disparity in educational opportunity for our nation's children, both within states and among states."

Under the Muskie-Percy bill, a federal office of property tax relief and reform would be established to help state and local governments with tax reform efforts.

Payments of up to $6 per capita would be provided to states which adopt programs of property tax relief, designed to help low income taxpayers.

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## MAJOR SPEECH BY ARNOLD MILLER, NEW PRESIDENT OF THE UNITED MINE WORKERS OF AMERICA, BEFORE THE NATIONAL PRESS CLUB

Mr. WILLIAMS. Mr. President, less than a half year ago the United States witnessed the most closely watched exercise in union democracy in the history of this country. In December 1972, Arnold Miller defeated incumbent President W. A. "Tony" Boyle for the presidency of the United Mine Workers of America. During the course of Mr. Miller's campaign the issue he most frequently expounded upon was the health and safety of the Nation's coal miners.

As chief sponsor of the Federal Coal Mine Health and Safety Act of 1969, it was especially gratifying to me to know of the personal commitment Arnold Miller was making to the rank-and-file coal miners. To this day, as I have unfortunately been compelled to observe on too many occasions in the past 3 years, too little progress is being made in eradicating health and safety hazards from the Nation's coal mines.

In a recent statement to the National Press Club, Mr. Miller reiterates his commitment to mine health and safety and describes some of the steps the United Mine Workers of America is now undertaking to achieve the national goals in this field. He also explores publicly some of the steps which have been taken since the election in December to bring an even greater degree of democracy to the United Mine Workers of America.

Because of the interest of the Members of the Senate in the election and in the area of health and safety, I ask unanimous consent to have Mr. Miller's statement printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

### STATEMENT OF UMWA PRESIDENT ARNOLD MILLER

A little over four months ago, an iron gate barred the main stairway in the UMW's Washington headquarters. Today, that gate is gone. It is only one of the many recent changes at the UMW. But it symbolizes them all.

The obstacles that barred coal miners from their union have been removed. The United Mine Workers, today, belongs to the rank-and-file.

Probably the most far-reaching reform is the establishment of democracy in the union's districts. For the past 30 years, all but four of the UMW's 24 districts were kept under trusteeships by the International Union, and rank-and-file mineworkers were denied the right to elect their district officials. The UMW during this period was like a government of the United States in which the President appointed both Houses of Congress, the Governors of every state, and the officials who counted the ballots in Presidential elections. It was, in short, a dictatorship.

On our first day in office, Vice President Trbovich, Secretary-Treasurer Patrick and I submitted a resolution to the union's International Executive Board calling for democratic elections in every UMW district. The resolution was approved unanimously.

Today, elections for the offices of District President, Secretary-Treasurer, and International Executive Board Member are being held under independent supervision in 12 UMW districts. The remaining districts are either going to be merged to save operating expenses or are under court jurisdiction. Elections in these districts will probably take place by the end of the year. Following its election, each district will hold a convention to draft a district constitution and make plans to hold elections for the posts of district representatives.

After years of struggle by rank-and-file miners, the district elections are a great victory for trade union democracy. More than any other reform, democracy represents the hope for revitalizing the United Mine Workers as a militant trade union and as a progressive political force.

For the district officers who will be chosen by the rank-and-file determine union policy in the coalfields.

District representatives provide help to rank-and-file miners who feel their contract rights to seniority, wages, job posting, and the like have been abridged and who file a grievance against the company involved. In the past, district representatives were largely political appointments designed to buy off influential rank-and-filers or potential rebels. They owed nothing to the rank-and-file and rarely fought to protect its interests in grievance cases. As their contract rights were slowly whittled away coal miners resorted to the wildcat strike as their only protection.

The need to stand for election will force district representatives to be accountable to the miners they are supposed to represent or risk being voted out of office. In the future, at every step of the grievance process, coal operators can expect to face rank-and-file miners supported by district representatives who fight for the man, not give in to the management.

District presidents are the union's leaders in the coalfields. But under previous administrations, appointed district presidents viewed independent political activity by coal miners as a threat to their control and used the union's resources to suppress it.

In 1969, West Virginia coal miners organized the Black Lung Association to educate their union brothers about the ravages of miner's lung diseases. Eventually, about 40,000 coal miners went on strike for three weeks to gain recognition of black lung as a compensable disease under state workmen's compensation. As a founder of the Black Lung Association, I was shocked when West Virginia's UMW district presidents denounced our group as a dual union and tried to prevent any UMW local union from donating to our cause.

The Black Lung movement succeeded despite the opposition of the former United Mine Workers leadership. But it will never be known how many other efforts by rank-and-filers to improve their living and working conditions died a-borning because of the hostility of UMW officials. I am confident that once the leadership in the districts is elected by the rank-and-file there will be a resurgence of grass roots efforts by coal miners not only to improve their working conditions, but to elect progressive, pro-labor candidates to political office, and to win legislative improvements in workmen's compensation, minimum wage, and mine health and safety. This time the UMW will be 100% behind them.

The International Executive Board (IEB) members who will be elected in each district are the chief governing body of the union according to the UMW constitution. But under my predecessor, the appointed IEB members were little more than a rubber stamp in the hands of the officers. They approved the expenditure of millions of dollars in union dues money that was illegally used to finance the 1969 Boyle re-election effort and presided over a decade's misuse of funds so flagrant it makes the Committee for the Re-Election of the President look like a nickel-dime operation.

Few coal miners knew, for instance, that $68,894 of their dues money paid for a two-room suite in the Sheraton-Carlton Hotel occupied by former Secretary-Treasurer John Owens between 1963 and 1968. But the former members of the IEB knew and okayed the expenditure.

Shortly after I took my oath of office, I pledged that "The days when UMW officers lived like kings at the expense of the membership are over." A democratically-elected International Executive Board, exercising its full constitutional authority to oversee the union's affairs, will be the surest guarantee against their return.

But no matter how democratic the union's governing body and how well-intentioned its officers, the danger persists that here in Washington the new administration will become isolated from the men who don their hard-hats and lamps every day and labor in the nation's coal mines to earn a living.

That is why it's so vital to strip away the special privileges, inflated salaries, and extra benefits that separated the former officers from the rank-and-file miner. Since taking office, we have slashed salaries of the International officers and staff by 20 percent and have eliminated special per diems, medical privileges, and full-salary pensions for the top three officers.

In the past, staff and officers enjoyed a minimum of four weeks vacation while working coal miners got only two weeks under the 1971 National Coal Wage Agreement. Under the new vacation plan recently adopted by the Executive Board, those who work at the International, including the International officers, will receive the same vacation benefits as the contract provides for our members. Finally, in a much publicized sale, the UMW disposed of the three Cadillac limousines used by its former officers and leased two Chevrolets instead.

These reforms save the union considerable sums of money. But, what's more important, they affirm that Mike Trbovich, Harry Patrick, and I are coal miners and union men who don't need the trappings of corporate executives to win respect for the offices we hold.

Secretary-Treasurer Patrick recently summed up the change at the UMW this way. "The UMW used to have Cadillacs driven by chauffeurs," he said. "Now we have Chevrolets and the rank-and-file is in the driver's seat."

One further democratic safeguard has been the creation of an independent UMW Journal open to all views and expressions of opinion. In the past, a change in UMW leadership was most apparent in the Journal's letters to the editor section. Letters that used to read "God Bless John L. Lewis" were replaced by letters that read "God Bless Tony Boyle."

The new administration intends to go one step further. Whether a coal miner wants to write a letter to the editor that says "God Bless Arnold Miller" or a letter that says "God Save Us From Arnold Miller," the UMW Journal will provide him the space to print it.

We had hoped to give every candidate in the district elections space in the Journal to present his platform to the membership. Unfortunately, the Department of Labor was unable to supervise the allocation of Journal space to the candidates, as it did in the International election, and we could not risk the possibility of charges of partisanship and court challenges to the elections if we supervised it ourselves. At the upcoming union convention, I plan to ask the delegates to approve a constitutional amendment that will guarantee Journal space to candidates in future elections.

A free and independent UMW Journal, as recent events in Washington have demonstrated, will be an effective counter to the isolation any administration can fall victim to. And it will save my press secretary the difficult task of trying to explain the meaning of "inoperative" to a skeptical coal miner.

Here in Washington, we have taken steps to revitalize the UMW-owned National Bank of Washington. Seven new board members were elected to the NBW Board of Directors in March from the ranks of Washington's business community and labor movement. As Washington's third largest banking facility, we are confident that the NBW will take an increasingly active role in the Washington community with particular emphasis on increasing its program of loans to minority business enterprises.

The UMW Welfare and Retirement Fund is also located in Washington. Though legally it is a separate entity from the United Mine Workers, the union appoints one of its three governing trustees. When I came into office, the union-appointed trustee was Edward Carey, UMW General Counsel under Tony Boyle. I removed Carey from that position, an action he challenged in court, but which was subsequently upheld by a U.S. District Judge. I am presently serving as union trustee.

The problems facing the Fund are very great. A recent court ruling added approximately 17,000 additional miners and widows to the pension fund rolls. The ruling was a tremendous victory for thousands of mining families who had been illegally denied the pension benefits for which they worked all their lives. But it placed an additional burden on the Fund's assets, depleted by years of misuse. Last year, the Fund paid out $34 million more than it took in. Yet, despite its financial problems, the Fund's present benefit program will have to be increased for it consigns coal miners to a future of pension poverty, rather than pension security. Soft coal miners, who are fortunate enough to qualify, retire on $150 a month after 20 years work. Anthracite miners receive $30 a month pension. If a man is killed in the mines, his widow receives no pension benefits. A disabled miner loses his medical protection four years after he is injured.

Two things are predictable in the negotiations for the 1974 contract.

The coal industry will be asked to contribute more for the welfare of its employees. And the coal industry will claim it can't afford to. I was raised in the coalfields and have been a coal miner all my working life. But I have never heard a coal operator say he was making any money. To hear the operators tell it, the coal industry is the longest-running nonprofit organization in the nation, devoted solely to providing employment for miners.

Profit figures tell another story. The profits of Old Ben Coal Company, a subsidiary of Standard Oil, rose 137 percent between 1968 and 1972 according to reports filed with the Security Exchange Commission. Peabody Coal, a subsidiary of Kennecott Copper Company, boasted an 84 percent rise in profits last year according to the same sources. Consolidation Coal Company, owned by Continental Oil, experienced a rise of 118 percent.

From 1969 to 1972, the combined profits of the following eight coal companies showed a net gain of 69.5 percent—North American Coal, Westmoreland Coal, Rochester and Pittsburgh Coal, Valley Camp Coal, Eastern Associated Coal, Zeigler Coal, Baukol-Noonan, and the Pittston Company's coal divisions.

The United Mine Workers will be responsible in its bargaining position. But the industry must recognize that coal miners are no longer willing to risk their lives and choke on coal dust eight hours a day, yet receive no pay when they are sick and retire after a lifetime of work on less than $40 a week.

The pick and shovel days are over. Coal miners, today, are skilled industrial workers. Increasingly, they are younger men, many of them Vietnam veterans. All of them are unwilling to repeat the history of their fathers who worked their lives and health away and have nothing to show for it.

The energy industry has reaped tremendous profits and the nation's industrial expansion has been fueled by the labor of coal miners. Now coal miners are asking for a just return. The new leadership of the United Mine Workers is determined that they receive it.

Sick pay, aid to disabled miners and widows, and increased pensions can only be won in future contract negotiations. But there is one goal that coal miners are unwilling to postpone—safety in the mines.

Over 100,000 coal miners have been killed in the nation's coal mines in this century alone. Think about that for a moment. We're not talking about statistics, but men. Men like Roger Argabrite, a 26-year-old coal miner from Lynco, West Virginia, and father of two children, crushed by a roof fall April 26th in an Eastern Associated Coal Corporation mine. Or Kenneth Holland, a 21-year-old coal miner from Browder, Kentucky caught in a conveyor belt in a Peabody Coal Company mine on April 9th and run through its rollers. He left a wife and child.

The nation's coalfields are littered with the human debris of the mining industry—men with one arm, or two fingers on a hand, men whose backs were broken by tons of mine roof that fell silently, without warning. Widows who never had the comfort of growing old with their husbands and children who grew up with a memory instead of a father. And the walking dead—the victims of black lung—whose every step is a reminder that their lungs are little more than masses of black coal dust.

My friends, coal miners have had enough of dying. Coal miners' wives have had enough of widowhood. Coal miners' children have been dressed in mourning too long.

For years we've heard that miners die because coal mining is inherently dangerous. It's a myth. Last July, nine coal miners died in a fire at Consolidation Coal's Blacksville No. 1 mine near Fairmont, West Virginia. They didn't die because coal mining is dangerous work. They died because Consolidation Coal Company violated the law.

When a piece of mine machinery is moved in the narrow confines of an underground coal mine, there is always the possibility it will come in contact with overhead electrical cables and cause a fire. West Virginia mining law requires the removal of any miner who is working beyond the piece of machinery before it is moved. Then, if a fire breaks out, no one will be trapped within the mine cut off from the circulating air.

Consol simply ignored this law when moving a huge continuous mining machine on July 20 even though there were only inches of clearance between the mine roof and the machine and an energized trolley wire overhead. Nine men were kept working beyond the machinery while it was moved. A fire broke out. The men were trapped and suffocated within an hour.

In the seven months preceding the fire, Blacksville No. 1 mine had been cited for 485 violations of the federal coal mine health and safety act and 465 violations of state mining laws. Sections of the mine had been shut down on 19 separate occasions for conditions of imminent danger and the mine had been cited 24 times for accumulation of flammable materials. Two days before the fire, Bureau of Mines inspectors had issued a violation notice for "excessive accumulations of loose coarse coal, oil, and grease on and round" the machine which caused the fire.

It wasn't fate that killed nine men in Blacksville, but corporate irresponsibility and greed. Production time would have been lost if the nine men had been removed from the mine. And time, we are told, is money.

The argument that coal mining is unavoidably dangerous work fails to explain why other nations boast safety records vastly superior to the United States or why some American companies have made real progress in reducing fatalities and injuries.

American coal mines kill six times as many miners per million man shifts as West German mines, four times as many as British mines, and three times as many as coal mines in Russia. For *every* million tons of coal mined by the Pittston Company in 1970, at least one coal miner was killed and more than 35 suffered serious injuries. At U.S. Steel, on the other hand, with a total production of 18.7 million tons of coal in 1970 only one miner was killed in all of the company's mines and a total of 35 injured.

During my campaign, I pledged to the membership that coal will be mined safely or not at all. It is a pledge I intend to keep. The UMW safety division is assembling a team made up of veteran coal miners skilled in all areas of mine safety, attorneys trained in mine safety legislation, and physicians knowledgeable about miners' health problems. This team will be equipped to make on-site inspections of coal mines and provide immediate support in local safety disputes.

Since we have been in office, the new UMW safety division has provided assistance to two coal miners fired for refusing to operate unsafe equipment in a U.S. Pipe and Foundry mine in Alabama; members of a local union who refused to drink water from unsanitary, rat-infested containers at an Island Creek Company mine in West Virginia; and rank-and-filers demanding the removal of a new foreman who had ordered them to work in hazardous methane gas at a U.S. Steel mine in Pennsylvania.

With the safety division's support, the Alabama miners were re-hired, the West Virginia miners filed a grievance against their company, and U.S. Steel agreed to put the foreman challenged by Pennsylvania miners into a safety training program.

The primary union responsibility for enforcing mine safety rests with local UMW safety committees. Under the 1971 contract, committees elected from each local union have the power to inspect coal mines and shut down any section in which they find an imminent danger.

In the past, safety committeemen who pursued their responsibility vigorously were often transferred by management to a workplace filled with water, forced to work in low coal, or fired. The companies felt free to take such action because they knew the United Mine Workers leadership would not intervene. That situation has changed.

Any safety committee which shuts down a section or mine which in its judgment poses a threat to the lives or health of coal miners will get the complete support of the UMW today. Perhaps when certain coal operators discover that it is more costly to run their mines unsafely than to run them safely, they will also discover that coal mining is not inherently dangerous.

The failure of former UMW leaders to support local safety committees parallels the present problem with the safety effort at the U.S. Bureau of Mines. Officials at top levels of the Bureau are so industry-oriented that they continually undercut the efforts of mine safety inspectors in the field. Instead of a department staffed with experienced personnel, trained in mine safety, the upper reaches of the Bureau have become an oasis for political job seekers and public relations specialists.

In January 1971, the White House hired Edward Failor as a $100 a day consultant at the Bureau of Mines. Failor's experience included political support for Barry Goldwater in 1964, work as a paid lobbyist for the Iowa Association of Coin Operated Laundries, and service in the 1970 campaign of then-Republican Congressman Clark MacGregor against Senator Hubert Humphrey.

Mr. Failor had never been inside a coal mine, talked to a federal mine inspector, or read a copy of the coal mine health and safety act when he was hired by the Bureau. Nevertheless, a few weeks later, he was named by the White House as a $35,000-a-year assistant to Bureau of Mines Director Elburt Osborn and asked to establish a Bureau procedure for assessing penalties for violations of the 1969 Coal Mine Health and Safety Act.

A federal judge threw out Failor's first collection scheme in March of 1970 because it did not comply with the law's requirements. Undaunted, Failor drew on his experience as a municipal judge in Dubuque, Iowa and prepared a new procedure. In April 1970 and again in February 1971, West Virginia Congressman Ken Hechler warned the Bureau that the new assessment procedure again failed to comply with the law. The Government Accounting Office and the Comptroller General sounded similar warnings. The warnings went unheeded.

On March 9, 1973 U.S. District Court Judge Aubrey E. Robinson ruled in response to a suit by the Independent Coal Operators that the Bureau's assessment procedure was unlawful. The ruling virtually invalidated $24 million in penalties which had been assessed, but never collected, against coal companies.

There was no reaction from Ed Failor at the Bureau of Mines, however. He had already moved on to a job with the Committee for the Re-Election of the President. In late March, Failor was named to a high post in the Commerce Department.

Ed Failor's brief, inept reign at the Bureau of Mines might sound like the stuff of comedy. It isn't. During Failor's 18 months as head of the Bureau's assessment office, 271 men died violently in mine accidents, 40,000 miners were injured, and about 2,000 more were disabled for the rest of their lives.

Donald Schlick is Deputy Director for Health and Safety at the Bureau.

Last year, he amazed just about everyone by declaring that as a result of the Bureau's enforcement of dust control standards, black lung is a disease of the past. Not a single medical authority could be found to support this claim, nor had any independent study been made to verify that the sampling devices used by the Bureau accurately measure coal dust in a mine. Privately, Bureau officials concede that the sampling technique probably couldn't withstand a court challenge by coal operators. Coal miners, who continue to spit up mouthfuls of black coal dust after each shift, found Schlick's statement strangely reminiscent of the claims, made up until several years ago, that black lung doesn't exist.

Two months ago, Donald Schlick informed the world that, due to the Bureau's efforts, it is now safer to work in a coal mine than to drive a car on the nation's highway, a statement which prompted one coal miner to vow never to take a ride with Mr. Schlick at the wheel. Bureau Director Osborn was moved to point out that there had, in fact, been an increase in the over-all injury rate during 1972. And a dedicated information officer at the Bureau was courageous enough to say in response to reporters' inquiries, that "for anyone to make this kind of comparison would indicate he had not clear concept of the Bureau's mission."

More disturbing than Mr. Schlick's public relations gimmickry is his cozy relationship with the industry he is mandated to regulate. The Louisville Courier-Journal recently revealed that Schlick and two of his aides had accepted free transportation on a Food Machinery Corporation plane from Los Angeles to a company mine in Wyoming which the Bureau inspects. FMC has 5.9 million dollars in research contracts with the Bureau, and Department of Interior regulations prohibit acceptance of gifts or favors from companies doing business with it.

In an interview with the UMW Journal, Schlick acknowledged that he had also accepted free transportation on a plane owned by Mine Safety Appliances, another company doing business with the Bureau. And the Courier-Journal discovered that Mr. Schlick had apparently violated departmental ethics once again. Last fall the Courier said, Schlick had accepted five free football tickets and a weekend holiday provided by the Virginia Polytechnic Institute, which has had over $250,000 in research contracts with the Bureau over the past five years.

The day before he and his family left for the football weekend, Schlick sent a strongly worded memo to the Bureau's deputy director for mineral resources stating he was "quite chagrined" to learn that a proposed $585,000 contract between the Bureau and VPI had been disapproved. Schlick wrote that "I strongly urge that you reconsider this project" and fund it in total. The next day he was off to the ballgame.

On April 1, Schlick received a reprimand from Acting Secretary of Interior John Whitaker for accepting the free transportation on the FMC plane. According to Whitaker any repetition of such conduct would result in Schlick's immediate suspension and possible dismissal.

Yet the letter made no mention at all of the other instance of travel on a company plane or the acceptance of gifts from VPI. A month has gone by and the Department has not commented on the incidents.

How can the nation's coal miners have any confidence in an official who continually violates regulations against acceptance of favors from companies he is supposed to regulate? In the face of the Department's silence on two apparent violations of its ethics, can the public be confident that there will be "no whitewash" at the Bureau of Mines?

If Mr. Schlick's actions were isolated indiscretions, they might be overlooked. Unfortunately, they are consistent with the Bureau's history of coziness with the coal industry. Too many fines have gone uncollected. Too many warnings that collection procedures will not withstand a court challenge have gone unheeded.

Until the Bureau of Mines cleans its house of self-serving political appointees and public relations artists; until the Bureau recognizes that its mission is to clean up the mines, not strike a balance between productivity and saving men's lives; and until the Bureau understands that its constituents are American coal miners, not coal company executives, it will remain an agency with little credibility in the nation's coalfields or at the United Mine Workers of America.

Before closing, I want to touch briefly on the UMW's role in the labor movement and our recent legislative efforts.

The United Mine Workers was once a leader in the labor movement and every coal miner can take pride that his union helped build the United Steelworkers of America, the United Auto Workers of America, and the CIO. The UMW, allied with other progressive trade unions, intends to be a vital force in the labor movement once again.

In the four months the new administration has been in office, the UMW has supported a successful strike by members of the National Union of Drug and Hospital Employees in Richlands, Virginia; a successful organizing effort by reporters and editors in Morgantown, West Virginia; a recognition strike by members of the Communication Workers of America at a Pikeville, Kentucky hospital; and the candidacy of James Morrissey, a rank-and-file reformer seeking the presidency of the National Maritime Union.

On the home front, we are getting ready to launch a major UMW organizing drive—the first in over a decade—aimed at the large surface mines opening up out west and the hundreds of smaller non-union mines throughout the eastern coalfields. Close to 50,000 non-union coal miners in the United States produce over one hundred million tons of coal a year. Our organizing drive will end when every one of them is a United Mine Worker and a royalty is paid into the UMW Welfare and Retirement Fund on every ton of coal they mine.

On the legislative front, UMW representatives testified recently on pension reform before the Special Pension Task Force of the House Committee on Education and Labor. In its testimony, the UMW supported the strongest possible provisions for early vesting, portability, standards for trustees, widows benefits, and easy eligibility.

Our major legislative effort is to find congressional relief for the threat posed to coal miners because of industry's failure to develop sulphur control technology. As I pointed out in my recent statement on the energy crisis, present state regulations under the 1970 Clean Air Act will eliminate the jobs of 26,000 coal miners who mine coal too high in sulphur to burn under present pollution standards.

Coal miners remember when the mines automated in the 50's and hundreds of thousands of miners were thrown out of work. Automation of the mines was called progress, but its costs were borne only by the miners, not the industry or the public. Pollution control is also progress, but this time coal miners expect the nation and the industry to help bear its burden as well as its rewards.

Despite threats of blackouts and brownouts and the nation's increasing need for electrical power, the administration has cut by $8 million funds mandated in the 1974 budget for sulphur control. We have asked the Congress to restore those funds and to institute a crash program to develop sulphur controls.

We had hoped that President Nixon's long-awaited energy message would commit the nation to development of its huge coal reserves as its most stable, long-term source of energy. Common sense and history both dictate such an approach. Coal represents 80 percent of our domestic energy supply. And in every political and economic crisis in recent times, the nation has turned to coal as the most reliable, abundant fuel here at home.

I could not help but note the irony when less than 24 hours after President Nixon announced elimination of oil import quotas, Saudi Arabia announced it would not expand its oil production unless the United States alters its political stance in the Middle East. It seems we cannot learn from the past. The President's new energy policy is based on the same heavy reliance on foreign supplies of energy that created the crisis we face today.

While we discuss band-aid solutions to the present fuel shortages such as recommendations that we tape our doors to prevent winter heat loss, over a trillion tons of coal lie untapped beneath our feet. Coal can guarantee the nation's energy needs for hundreds of years to come if we unchain our vast reserves. The alternative is political blackmail for decades to come. The key to self-sufficiency is coal.

Less than a year has passed since 400 rank-and-file coal miners braved threats of reprisals, blackball, and even murder to gather in Wheeling, West Virginia, to nominate their candidates for leadership of the United Mine Workers and to adopt a platform of goals for the future.

Many of the goals in that platform—sick pay, credit unions, a union headquarters in the coalfields, and safety in the mines—have not yet been fulfilled.

But rather than be discouraged, I am reminded of what a coal miner said at the Wheeling convention. This miner had been beaten bloody on the floor of the 1964 UMW convention for trying to say what he believed.

In Wheeling, in 1972, at the Miners for Democracy convention, that same miner was chairing part of the proceedings. Several delegates from the floor complained to him that the convention was moving too slowly, and the miner acknowledged that it was true. But he didn't mind, he said, and gave the reason why.

"Democracy," the miner said, "always takes a little longer."

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## ADDITIONAL ASSISTANCE TO BANGLADESH URGED

Mr. SAXBE. Mr. President, recent reports of impending famine in Bangladesh have greatly disturbed me. I believe more assistance from our Government is essential. I was pleased to learn that the State Department announced a $45 million grant to Bangladesh for a series of reconstruction projects. The money can also be used to buy commodities such as fertilizers, pesticides and high yielding rice seed. In addition, I hope that we meet its request for 200,000 metric tons of rice.

The problem in Bangladesh is a complex one. On the one hand, this new and impoverished country has been faced with a dwindling supply of grain in light of our recent grain shipments to the Soviet Union. On the other, it has faced increasing criticism from many sources for massive failures in food distribution and black marketering. Finally, Bangladesh has been hit with floods leaving 10,000 persons homeless.

I hope that we lend our assistance to Bangladesh at a critical time for this new nation even though the criticism to which it has been subjected may in fact be justifiable. In view of our past failure of support to this nation, we should give it the benefit of the doubt and aid its starving people who have no control over the natural and man-made disasters that control their survival.

I ask unanimous consent that the following articles be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Washington Post, May 20, 1973]

### Bangladesh Gets $45 Million Aid From United States

The United States yesterday extended a $45 million grant to the Bangladesh government for a series of reconstruction projects. A State Department announcement said the funds could also be used to buy commodities such as fertilizers, pesticides and high-yield rice seed.

U.S. officials privately expressed optimism that the administration would meet a Bangladesh request for 200,000 metric tons of grains. The Bangladesh government has said that the grain will be needed in July and August to avert famine in the year's most critical between-harvests period.

But these officials said it was "most unlikely" that the grain could be shipped before July because of U.S. grain commitments to the Soviet Union.

The Soviet Union last year decided to buy about 18 million tons of food and feed grains in the United States. The Soviet move resulted in increased grain prices and tied up all available shipping.

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[From the Washington Post, May 29, 1973]

### Stealing Food From the Starving in Bangladesh

(By Lewis M. Simons)

Manikganj, Bangladesh.—For Ali Muddin, the umbrella fixer, this is the busy season. Each afternoon, towering black clouds roll up along the nearby Padma River from the Bay of Bengal and dump their monsoon torrents on Manikganj.

Muddin sits cross legged on the greasy brickwork street of the central market and stitches patches on worn black cotton umbrellas and repairs their broken metal ribs. As a sideline, he tinkers with sticky padlocks and replaces lost keys from a rusty heap at his side.

Yet, in this peak period, the umbrella man is hungry. "On a good day," he tells a visitor, "I eat one meal of rice. When things are not so good, I eat a chupatti [a flat bread] instead. There are many days, though, when I eat nothing."

One look at Muddin shows that he is telling the truth. His brown legs, sticking out beneath his tightly wrapped green plaid sarong, seem to have no flesh on them. His belly is a maze of fine wrinkles. His ribs and backbone protrude as clearly as the ribs on the umbrellas he fixes.

There are many like Muddin in Manikganj, a sub-district town 40 miles north of Dacca. Ndai Bepari owns two cows in the neighboring village of Motho and sells their milk in the town. "I'm half-fed all the time," he says. "We all are. There is no need to ask us if we're getting enough to eat. Just look at us. There's your answer."

Nowhere in Manikganj, a town of 15,000, is a fat man to be seen. Women are not seen at all. "Our women are ashamed to come out," says Kalu Biswas, a cycle rickshaw driver. "They are half-naked."

What is wrong with Manikganj? Why are the people without food and clothing?

"Since the war of liberation," says Monser Ali, 45, a farmer who lost a leg fighting as a guerrilla in 1971 against the Pakistani army, "prices have gone higher and higher. No one can afford to buy food or clothing.

"The government told us that after independence life would be good. My brother died in the war. I lost this leg. But the government has done nothing."

His hands trembling as he balances himself between a bamboo crutch and a cane. Ali reached into a threadbare cloth bag slung around his neck. He pulled out a stained and much-handled paper rolled and tied with a pink ribbon and opened it. "The Prime Minister's Relief and Welfare Fund," the paper is entitled.

"The government people in the town have told me to forget about the money due me from this fund," Ali says. "I am not a beggar, but I am forced to beg some food from my friends or I will die."

Ali's story, the story of Manikganj, is the story of millions of people and hundreds of towns and cities in Bangladesh. Although the world has responded to the tragedy of Bangladesh by pouring over 5 million tons of food into the newborn country, the food is not reaching the people who are supposed to get it. Prices have risen spectacularly, but earnings have stood still or fallen.

The story is the same for poor people like Ali Muddin, the umbrella man, who earns the equivalent of $9 a month, and middle-class people like Abdul Hadi, an accountant in the local branch of the Bangladesh Agricultural Bank, who earns a little more than $40 a month.

Hadi, 30, is married and has three small children. They live in a section of a corrugated iron shed they rent across the muddy street from the bank.

DEFICIT SPENDING

Standing in the doorway of the house along side his wife, who consented to see a stranger although her sari was worn thin and torn in places. Hadi said his monthly expenses—mainly for food and rent—were just about twice his earnings. "I don't know how long this can go on," he said.

What is the cause of his troubles? "Things were all right before the elections last March," he said. "There was enough food in the ration shops and we were getting along." Like almost everyone in Manikganj, Hadi voted for the Awami League of Prince Minister Sheikh Mujbur Rahman, contributing to the league's smashing 97 per cent victory in the nation's first post independence general election.

"But now, the ration shops have nothing," Hadi continued. "There is widespread misuse of funds by the government. In the next elections, I will vote for anyone who can give us food and colthes."

Sadi reckons that Mujib has lost 60 per cent of his support in Manikganj.

What has happened to all the food that has been sent to Bangladesh? "Everyone knows that," Hadi says and smiles. "It goes to India."

The claim that vast quantities of wheat and rice have been smuggled across the rambling and open Bangladesh border into India is heard everywhere. It has been heard ever since the Indian army withdrew from Bangladesh more than a year ago after defeating the Pakistani army and handing the former province of East Pakistan its independence.

Until now, most foreign observers have accepted that a certain amount of food has been smuggled out of the country but they have maintained that the quantity was limited. In the first eight or ten months after independence, it was presumed that local politicians were raking off shipments of relief rice and wheat for their own use and for sale on the black market.

But now, the grain is not even getting that far. The distribution system is being interrupted before the grain reaches the final channels. An investigation conducted in several small towns and at the country's principal seaport, Chittagong, showed what happens to much of the food.

GOVERNMENT PURCHASES

The United Nations Relief Office Bangladesh handles 95 percent of the food grains shipped to Bangladesh. The only food not cleared through Chittagong by the United Nations is that purchased by the government in foreign markets. To date, this amounts to 1.06 million tons.

According to Paul Wiis, a Dane in charge of the U.N. food operation in the port. The U.N. has cleared more than 4.8 million tons since the relief operation began some 16 months ago.

Once the grain, flour, sugar and cooking oil is unloaded at Chittagong, its distribution throughout Bangladesh is in the hands of the government. Sheikh Mujib insisted that foreigners not meddle in the internal distribution system. To aid the government, however, the U.N. has turned over its fleet of 723 trucks. Hundreds of theses vehicles are rusting and deteriorating in streets and on vacant lots in Chittagong and Dacca. Many are driven by politicians and members of their families for personal use.

From the huge warehouses and grain elevators at Chittagong, the food is moved overland and by small ships to the inland ports of Naryanganj and Khulna. From there, it is taken by bullock cars, trucks, trains and little sailing boats to local supply depots.

It is at this stage that the system falls apart. Private dealers pick up consignments, of say 10 tons each. They are supposed to deliver these to ration shops in the towns and cities. Rural villages, generally self-reliant through their own rice fields, are not covered by the rationing system. But about 35 per cent of the country's 75 million people—those living in towns—are estimated to be entirely dependent on rationing.

The dealers distribute perhaps half of their consignments to the ration shops, and show on their records that they have delivered the entire supply. The rest is smuggled across the border, most of it westward into the Indian state of West Bengal.

Although the governments of Bangladesh and India have made some efforts to halt the flow, by stationing armed troops on the border, the supervision is ineffectual. A Bengali source in Chittagong with personal acquaintances among the smugglers noted that many of the guards have been bought off, "very cheaply, indeed."

BLATANT TRUCKS

This source also said that the illicit traffic is extremely difficult to spot, let alone halt. "One peasant, carrying one sack of grain, raises little suspicion," he said. "And it's easy for that peasant to walk back and forth across the border 50 times a day. That kind of activity mounts up." Other activity is more blatant, with trucks plying back and forth almost at will.

The question is raised, why bother smuggling grain out of the country when the price in Bangladesh has doubled and tripled? The answer is that the exchange rate of the Bangladesh taka for the Indian rupee makes the trade more lucrative than disposal on the Bangladesh black market.

For example, two months ago, rice was selling in Bangladesh for 90 taka (about $13) a maund, an 82-pound measure. At the same time, the price in Calcutta, the state capital of West Bengal, was 70 rupees (about $10). But while the official exchange rate is one to one, the Indian rupee is worth double the taka on the Bangladesh black market, meaning the seller gets the equivalent of 140 taka.

The cost of smuggling one maund of rice most of the way across Bangladesh into India is estimated to be 10 taka. This leaves the smuggler a profit of 40 taka on each maund smuggled into India.

Some smugglers use their profits to buy Indian consumer goods which they take back into Bangladesh and sell on the black market. Increasing numbers, however, are leaving their money in Indian banks—or sending it on to banks in England and Europe—as confidence in the new Bangladesh government slips.

The smuggling trade is growing even more attractive as prices in India are driven up by a drought produced famine in half a dozen states.

Perhaps the only way to block the stream of food spilling out of Bangladesh would be to adjust the taka's value against the rupee. But fiscal planners in Dacca do not publicly discuss the possibility.

The most bitter irony about the failure in food distribution is that foreign grants and government purchases of rice and wheat, together with domestic rice production, total more than enough to feed the country's entire population.

According to informed Western sources intimately involved in the problem, this year's domestic output of rice will fall about 2.5 million tons short of what is required to feed the entire country. This gap, normal in Bangladesh, is at least spanned—and most likely exceeded—by what is coming into Chittagong, plus government stocks now said to total some 300,000 tons.

Recent floods in three districts of the country, which have destroyed a certain amount of the current rice crop, did not come as a surprise. Bangladesh has floods every year. "This year's are no better and no worse than most others," said an American source. "The trouble is that the figures are really hard to pin down. They're whatever you—or the government—choose to make them."

For international consumption, at least, the government has chosen to make the figures sound as disastrous as possible. One reason seems to be that Sheikh Mujib would like to have a good supply of food laid by to use as a cushion when expected anti-government activity increases later this summer.

FOOD DIVERSION

Reports from New York and Washington indicate that Bangladesh is considering ways of having the Soviet Union and India divert some of the wheat they have purchased from the United States to this country. U.S. sources in Dacca, however, dismiss the reports because neither the Soviet Union nor India is in a position to divert any food now.

Most foreigners working on food imports are reluctant to discuss the overall matter other than to report official statistics. The government, desperately seeking to alleviate public pressure against it, is flailing about, ascribing blame anywhere it can.

Two weeks ago, for instance, a government-controlled Bengali-language newspaper in Chittagong charged the UNROB's Wiis was deliberately mismanaging ship clearance to make a profit from the huge penalty charges—which have run into millions of dollars—that the government must pay shipping companies because their vessels are forced to wait weeks in the crowded harbor before being unloaded.

The main reason that ships have piled up in the harbor in the last few months is that the government went into the international market in a hurry in the months preceding the March elections to buy vote-winning rice. Vessels carrying the rice arrived all at once and could not be unloaded on schedule.

Wiis, who had been with the U.N. since 1949, simply smiles and shrugs his shoulders.

"All I can tell you," he says, "is that I do nothing but work, eat and sleep—in that order of priority. We're pushing food upcountry like crazy, more than ever before. I've often wondered what happens to it."

Wiis is presently on schedule, choreographing dozens of hulking tankers around the port, hindered by sunken ships yet to be cleared from the bottom by Soviet navy divers and by a shortage of docks, some of them destroyed during the war and others by cyclones.

A tour of the docks makes it clear that grain is pouring in. On one recent evening, an American tanker, the Virginia Trader, was emptying its hold.

### GIANT VACUUM

From the 40-foot depths of the tanker, thick, flexible tubes—like the tentacles of an octopus—were stretched across bamboo scaffolds to a rambling, corrugated iron warehouse. Powered by rumbling giant vacuum machines, the tubes spewed wheat onto a towering mountain of grain.

"Next stop, India," joked the ship's captain, James W. Pettyjohn of Bainbridge, Ga. "But this sort of thing is nothing new," Pettyjohn added. "I've been bringing wheat to India and Pakistan for years, and a lot of it never gets where it's supposed to."

It is certainly not getting to Manikganj. At the inland town, Jahiruddin Ahmed opened the lock on that small black metal shed and showed a visitor inside. At the back of the shed, a ration shop, were about a dozen sacks of grain. "That's all we've got, and it's wheat," Ahmed says. "We haven't received any rice since last November."

For Bengalis, doing without rice is more than doing without a particular kind of food. "Rice doesn't just fill our bellies," said Ahmed, "it soothes our minds as well. We will never get used to wheat."

According to Ahmed, a slight, white-bearded man with a philosophical bent, the average family's ration of 13 pounds of wheat, intended to last two weeks, suffices for five or six days.

"After that," he said, "they must buy on the open market. But, of course, very few can afford the prices. So, we live on fate."

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### BANGLADESH FLOODS LEAVE 10,000 HOMELESS

DACCA, May 28.—More than 10,000 persons have been made homeless by floods which followed two days of torrential rain in Northeast Bangladesh, it was reported today.

First reports said at least 20 villages had been hit in the Sylhet district, in which homes, cattle and personal belongings had been swept away.

This is the second time this month that the country has been hit by severe flooding. About 30 persons died when floodwaters inundated Eastern Bangledesh at the beginning of May, and half the area's rice crop was destroyed.

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[From the Washington Post, May 14, 1973]

### GRAIN CRISIS IN BANGLADESH

In Bangladesh the situation is almost beyond belief. This desperately poor and hungry country of 80 million people caught the world's sympathy, or fancy, when it became a nation late in 1971. On this basis, it was offered free some 2.5 million tons of food grains in 1972—nearly half from India, most of the rest from the United States. But political styles change. In 1972 the Soviet Union decided to buy some 18 million tons of food and feed grains in this country. Bangladesh did not disappear as a cause overnight; food commitments made earlier remained in effect. But the Soviet deal, lauded for its contribution to peace and the American balance of payments and the President's re-election, took center stage.

The results, for Bangladesh, have been awesome. Grant aid of American food is halting, to be replaced by sales. The reason is, one official puts it, grant aid was given on an emergency basis and "by definition an emergency is something short-lived." By American definition, one should add. So Bangladesh, whose foreign exchange reserves hover barely at the $200 million mark, has been forced to go out and *buy* some $120 million worth of food—at prices kited by the Soviet wheat deal, needless to say. Even with cash, grains are not available, or not available in the amounts and on the delivery schedules necessary. Bangladesh needs monthly imports of about 300,000 tons to keep even. But now that so many grain ships have been diverted from Dacca to Odessa, deliveries have fallen to 50,000 tons—this at the year's most critical between-harvests time. And, of course, the shippers have raised their prices. One should note that the consumption norm on which these calculations are based is a mere 15 ounces of food grains per person per day, a level certain to guarantee a degree of national malnutrition—malnutrition is itself a horrible wasting disease. About six times as much grain per person goes into the American diet, it might be noted.

What should be done? Immediately, the American and Soviet governments should take all necessary steps to let the available shipping be used to carry the available food to desperate Bangladesh. The seeming Soviet-American conspiracy of selfishness in this matter should be dissolved for the sake of millions of people poised on the brink of wasting and death. The time is so short that this should be done before the scheduled Brezhnev-Nixon summit; they could both make political capital out of it. Regardless of whether the summit is derailed or delayed by Watergate, the two powers should address themselves to the problem: the problem not only of Bangladesh but of all the hungry nations of the world.

Secondly, it is vital at this moment of grave crisis in Bangladesh that the United States, with or without the cooperation of other major food producers, spare Bangladesh the need to divert its grotesquely small reserves of foreign exchange to the purchase of either food or shipping to carry the food. The intended American decision to end grant aid and to sell grain—at easy terms but under a program requiring Bangladesh to pay expensive shipping costs—is simply wrong. This is a form of hard-headedness entirely out of phase with Bangladesh's plight. The United States should keep up international pressure to deal with it, even though the Bengali cause no longer has the "glamor" or excitement that sustained it abroad a year or so ago.

Finally, this particular crisis should spur those in and out of government who understand that food production must be planned much more on an international basis with an eye to filling all international needs. Short-term single-country agricultural planning is an anachronism and a luxury of the rich and, as the condition of Bangladesh demonstrates, a moral outrage. A President looking for worthy new horizons to conquer in international affairs can start right here.

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## SENATOR RANDOLPH COMMENDS POSTAL SERVICE ON FUEL CONSERVATION PRACTICES—POSTMASTER GENERAL ELMER KLASSEN ACTS AFFIRMATIVELY

Mr. RANDOLPH. Mr. President, on many occasions I have spoken concerning the fuels and energy crisis facing this Nation. Now we have a condition in which motorists are becoming more and more aware of the critical situation we face. This past Memorial Day weekend saw many motorists limited in the number of gallons of gasoline they may purchase. And large numbers of service stations were closed in many areas due to lack of supply.

We are being urged to conserve fuel in an effort to alleviate critical supply problems we certainly will face unless there are concerted fuel conservation efforts by all of us.

One notable effort to conserve supplies has been made by Postmaster General Elmer T. Klassen who issued guidelines for vehicle operations and maintenance in the five U.S. Postal Service Regions, operators of the largest fleet in the Nation.

Postmaster General Klassen recently issued a maintenance bulletin to all of the U.S. Postal Service's 7,000 facilities which have vehicles in which the need for fuel conservation was emphasized. Contained in the bulletin was an outline of steps to follow in seeking a reduction of 1 percent of the 85,701,821 gallons of petroleum fuels used by the Postal Service in fiscal 1972 for its fleet of 100,000 postal vehicles. A 1 percent reduction would mean a savings of 857,018 gallons.

I commend Postmaster General Klassen for arranging that articles are printed in Postal Service publications, thus alerting all postal employees to the need for conservation of motor fuels.

Mr. President, I ask unanimous consent to have printed in the RECORD the Maintenance Bulletin dated May 21 on fuel conservation.

There being no objection, the bulletin was ordered to be printed in the RECORD, as follows:

[From the U.S. Postal Service Maintenance Bulletin, May 21, 1973]

### FUEL CONSERVATION

To: Director, Delivery Division.

Att: Manager, Vehicle Services Branch.

In the past few weeks, newspapers, magazines and the television news media have been alerting the nation that it is facing a fuel crisis. To that end, the gasoline companies are being forced to ration deliveries to their supply outlets. Though there have been fuel shortages in certain areas, to date we or the general public have not felt the pinch nationwide.

The Federal Government has said it does

not want to ration fuel, so it has asked the oil companies to voluntarily establish priorities which they are doing. We would probably be considered on the priority list. This does not mean however that we should not attempt to conserve on fuel, especially since we have one of the largest fleets in the country.

Last year, FY 72, the Postal Fleet used 85,701,821 gallons of gasoline. If through the efforts of all employees concerned, we could reduce the consumption of our fleet by 1%, the net reduction would be 857,701 gallons annually.

A 1% or more reduction is not impossible if all employees concerned give their full cooperation. Listed below are some of the common practices that will conserve fuel.

1. Idling: Shut vehicles off when making pick ups or deliveries.
2. Acceleration: Practice moderate acceleration habits when starting vehicle in motion.
3. Speed: Maintain speeds of under 50 mph.
4. Vehicle Operation: Immediately report engine malfunctions.
5. Properly Tuned Engines: When tuning engines, follow the specifications, adjust carburetors to the proper air fuel ratio.
6. Carburetor Air Filters: Inspect filters frequently. Clean or replace as necessary.
7. Automatic Choke: Clean and adjust as necessary.

Carl F. Myers,
*Director, Office of Fleet Maintenance,*
*Customer Services Group.*

## BETTER HEARING AND SPEECH MONTH

Mr. EAGLETON. Mr. President, We people from Missouri have a two-word motto we are mighty proud of. Show Me. The idea of those words is both a challenge and a kind of mirror for what we believe in, a philosophy.

The other day a little 5-year-old girl came by my office with her family. We spent 15 or 20 minutes together, that's all. But in that time she gave me a lesson in what Show Me really means.

Her name is Dana Wells, and she comes from Independence, Mo., the home city of our late and great President Harry S. Truman. Bright and interested and eyes flashing as she explored my office, Dana Dells has all the energy of any 5-year-old once she unlocks her shyness and feels at home. And she has been deaf, profoundly deaf as they say, since birth. The point is, you would never know it, just looking at her and being with her. She wears a hearing aid in her left ear, but her tumbling hair barely lets you notice it at all. She showed me what love and devotion can accomplish in enriching the experience of living.

Dana Wells is this year's poster child for the National Association of Hearing and Speech Agencies. She is one of many children who have benefited from early detection of a communications handicap and from specialized professional help. And as one of them, she is the living symbol of Better Hearing and Speech Month.

In this connection, the Nation's hearing authorities have launched a massive public education program on defective hearing—America's No. 1 handicapping impairment. Hearing disabilities now afflict some 19 million persons, a U.S. Public Health Service study shows, including about 3.5 million school-age children. That is a greater number than are victims of arthritis, poor vision, heart disease or any other physical impairment limiting human ability to function.

Probably the best-identified spokesman for people with hearing problems is Nanette Fabray, the stage, screen, and television star who is honorary chairwoman of Better Hearing and Speech Month. Miss Fabray, who wears a hearing aid, for years has been directing public attention to hearing problems and the fact that most people can and should take steps to alleviate their hearing loss.

The new nationwide information program is being directed principally to individuals with partial hearing loss, who for one reason or another, try to ignore their disability.

People with normal hearing are also being urged to take steps to conserve their good fortune by avoiding environments with harsh, loud noises, excessively loud music, and other forms of noise pollution.

People who know estimate that more than 90 percent of all disabling hearing losses can be improved significantly by medicine, surgery or amplification.

Even among the hard-of-hearing who know of their impairment, many do not think anything can or should be done about it. They never have been to a physician about their hearing, or mentioned it to their doctor. This is usually because hearing disability comes on gradually and without pain, and many patients are not aware of the needless difficulty the loss is causing for themselves and the people around them at home, at work and in society.

## WICHITA FALLS ROTARY CLUB SEVENTH ANNUAL AMERICANISM ESSAY CONTEST

Mr. TOWER. Mr. President, I am pleased, today, to bring to your attention the winning essays of the Wichita Falls Rotary Club Seventh Annual Americanism Essay Contest. These four essays were chosen from each of the four 1973 high school graduating classes of Wichita Falls with the topic "What America Means to Me." These essays are certainly worthy of the attention of the Senate and I hope that you will take this opportunity to read these young peoples thoughts on this subject. I ask unanimous consent that the essays be printed in the Record.

There being no objection, the essays were ordered to be printed in the Record, as follows:

Hirschi High School,
*Wichita Falls, Tex.*

### What America Means to Me

(By Phyllis Duggan)

What does America—and what it symbolizes—mean to me, as a citizen of the United States? The answer to that question, at first glance, would invariably include definitions of freedom, liberty, equality, democracy, and justice and conjure up a diversity of connotative ideas: the American eagle, "In God We Trust," the Stars and Stripes, and possibly even the all-too-often stereotyped Archie Bunker, who proudly displays a small replica of the America flag on his coat. But in pondering a suitable response to such a question, I realized that various aspects of our society—an advanced technology, a high standard of living, a competent government, guaranteed privileges and freedoms—are all directly attributable to the efforts of Americans. The goals which our nation has reached were attained due to the intelligence, courage, and industry of individuals. In that context, America means individuals—and the recognition of the importance of each citizen. The most valuable human resource available to the United States, or any nation, is its people. This ideal, I feel, is the single most significant correlation to the meaning of America—and the basis for the very foundation of these United States.

Because America was established on the premise of individual importance, it recognizes the ability of individuals to create a capable government and to mold a society free of fear and oppression. America provides the incentive and opportunity for self-expression—the most meaningful aspect of individual importance. The old notion that ideas and individuals must be rejected merely because they are controversial denies the essence of American tradition and the philosophy of self-expression. Vigorous controversy and the acceptance of dissent as a positive value must continue to characterize America and demonstrate to the world our confidence that truth and reason prevail in a free society.

Our system of government is based on the concept that power flows from the people to the government. This reciprocal nature of democratic power is a basic element of the American political system, and it allows each of us, as Americans, to exercise our rights to their fullest extent. Our government is purposely structured in order to permit its citizens the unlimited potential for self-expression and individual achievement, and the responsiveness of our government serves to make apparent the realization that every individual's contribution to the betterment of the nation is an immensely significant one.

America has meant, and will continue to mean, a recognition of the limitless possibilities of individual development in order to guarantee individual importance—essential in a society such as ours. The term "People Power," coined to characterize the ability of individuals to demand needed changes—is an appropriate motto symbolic of the United States in the past, present, and future. Today, however, more than ever before, our massive achievements serve to prove that the individual is an individual in a sense new to the word. Through my self-expression I can help to bolster the enrichment of the high ideals of American democracy. America means *me*—I must help to maintain the philosophy of individual importance—and America will remain "the land of the free, the home of the brave!"

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Notre Dame High School,
*Wichita Falls, Tex.*

### What America Means to Me

(By Kathy Pavlick)

America is not a perfect land. No land shall ever be. But it is a good country, even a great one. Sometimes I sit in amazement at the thought that I, of all the billions of People on this earth, should be lucky enough to be able to call myself an American.

America's strength lies in her dedication to the welfare and happiness of each and every one of her countrymen. When I consider America in contrast with, for instance, a Communist nation, I find this virtue as a shining difference.

The philosophy of sacrificing an individual for the good of the state seems pointless to me. Can a state feel happiness? Does it have a soul to be crushed or enlightened? No, it is the individual that counts and the American government, since its conception, has recognized this fact.

Look at the oppressed, the unhappy, leading a life of drudgery, working continually to provide for the state in the job the state has appointed them.

Then look at the American:

Any American can pursue his education to any extent his desire, ability, and determination will allow him. Financial conditions and government regulations do not stand in his way.

In much the same manner one can go about choosing a career. The government does not test him and categorize him and hand down her irreversible verdict. No, it is his decision. He can find a job that interests him and it is interest which causes a man to excel.

It is a man's spirit which makes or breaks him. It is not his gifts, talents, or wealth that distinguish a man. A man can start out with every advantage and still be a nothing. It is the man a will, determination, perseverance who will, in the final outcome, be a success. He is the man to be admired, the man to be emulated. America gives each man this chance.

Freedom is a word used so much in relation to America it has become almost trite. But, as Americans, we must not let this word bore us. We must treasure it because it is the essential element which makes America a land in which it is a privilege to live. It is this which allows us to protest and voice dissent. It is through such criticisms that America evolves daily into a better place to live.

If America had never been conceived a cynical world would probably scoff at the idea that a land so completely democratic, granting so many rights and privileges could survive. But America has not only survived, she has thrived on her freedom. She is the strongest country in the world today.

America is living proof that a country founded on high ideals can survive. Her existence is a tribute not only to Americans, but to humanity as a whole.

### What America Means To Me

(By Phyllis Behrens)

Rider High School,
*Wichita Falls, Tex.*

"America, America, God shed His grace on thee
And crown thy good with brotherhood. . . ."

The tour books announce America as if they had her stored somewhere for future use. A patch of ground, a building, a bell, or even the remains of an old cowshed are shown to the interested public as the tour guides shout joyously, "This is America!" and the words echo in and about our lives. We grow up believing America to be nothing more than those things which are actually the belongings of America.

Somewhere, in these almost two hundred years of being Americans, we have lost sight of what America truly is. America is so much more than the Liberty Bell, Lincoln's birthplace, or some ancient battleground. The United States of America is more than the definition which may be found in the best of dictionaries. More than something that can be touched, more than words, America is what these elements symbolize. America is humanity's experiment in liberty and brotherhood. Therefore, America is the essence of man, for what man, no matter where he comes from or what he has endured, does not hold physical and, especially, spiritual freedom of self to be most dear?

Because America is the essence of man, she has become what man has become. She has grown with humanity and can adjust and compensate. For instance, to many people, America presents hope and dreams; when the hope appears to be futile, there are always fresh dreams to fall back on, with new hope of fulfillment following the dreams. You may ask, "Hope and dreams of what?" The only answer can be hope and dreams of each man's individual idea of a satisfying and good life. America offers no pat answers; she presents only the opportunity to find the answers to the age-old problems common to all men.

Thus, the tour books are wrong. They hide more of America than they show, and that which they do show is presented in the wrong light. Instead of buildings and other so-called points of interest, the tour books and guides should point out the diversity of humanity and say quietly and proudly, "This is America; anything else referred to as America is merely a possession of this country which symbolizes the long-term aspirations of man." America is no more and no less than the extension of that highest dream of every man's heart and soul and of the greatest part of each man's mind.

"America, America, God shed His grace on thee
And crown thy good with brotherhood from sea to shining sea."

Let us add, as Americans, from heart to blessed heart.

### What America Means to Me

(By Margaret Whitaker)

Wichita Falls High School,
*Wichita Falls, Tex.*

To form a true opinion of what America means to an individual, one must be objective about her good and bad points. Love for a country consists of loving that country in spite of her faults, including working to overcome these faults. As I have grown up, there have been many things done in America that I have strongly disapproved of. I realize, however, that many more good things outweigh the bad and strengthen the meaning of America in my life.

America means the day I realized what I was saying when I recited the pledge of allegiance. When reciting as a child, the words "And to the republic for which it stands" may have been slurred into "And to the republic of Richard Strands," but the meaning was still clear; the flag represented freedom and the right to stand in my classroom and take an oath of allegiance to my country. When I learned to say the pledge in Spanish, I realized the meaning behind the words inscribed on the Statue of Liberty:

Give me your tired, your poor,
Your huddled masses yearning to breathe free,
The wretched refuse of your teeming shore.
Send these, the homeless, tempest-tost to me,
I lift my lamp beside the golden door! [1]

America is the melting pot of many peoples who have come for the opportunity to say this same pledge in any language.

America means singing the national anthem even though it is too high for my voice. When the school band plays "The Star Spangled Banner" at the football games, I understand what Francis Scott Key must have felt when he saw that "our flag was still there." Amid the smoke and gunfire, the flag still flew high as a symbol of hope, just as it remains a symbol of hope in the midst of America's problems today.

America means respect for her symbols. After doing research and writing a term theme on symbols such as the bald eagle, Uncle Sam, and the flag, disrespect shown for them hurts to the core. From study of their rich heritage, I clearly see the sacredness and respect due these symbols of the American system.

When I listen to protestors, SDS organizations, Black Panthers, and other Communist groups tear down American ideals, I realize what a great freedom there is in this country. These groups fail to see that if they lived under the system of government they advocate, they would have no right to speak against the government or protest government action. They point out faults in a republican form of government and a free-enterprise system, but until they come up with a better form of government than one that has successfully existed for almost two hundred years, their protests are unfounded.

Finally, America means religious freedom—the right to worship God in one's own way, as long as he does not infringe upon another's right to freedom of worship. Religion was the basis on which America was built; it was first settled by those seeking religious freedom. There is religion in famous American documents such as the Declaration of Independence and the Constitution on which American government was based. The phrase "under God" was added to the pledge of allegiance. Those who advocate Communism advocate atheism and no worship of God. This is why those nations where the State is the supreme being are not on top. The country that retains freedom of religion will remain the most powerful nation on earth.

American freedom and American symbols are things that mean the most to me. Saying the pledge and singing the national anthem are ways I show respect for my country. To show my love in a greater way, however, I will not "love it or leave it" in spite of America's problems, but I will stay here and work to make America better.

## VENDING MANUFACTURER TRAINS BLIND TO BE INDEPENDENT VENDORS

**Mr. WILLIAMS.** Mr. President, one of our grave national tragedies is our relative neglect of the problems of the handicapped. Because our Nation has failed to act, we are wasting human lives. At the present time, I have been conducting hearings in various parts of the country for the Education for All Handicapped Children Act—a measure that would commit our Nation to the course of educating handicapped youngsters. During those hearings we have heard hours of testimony describing the productive lives which handicapped persons can lead if given the training and the opportunities.

Recently, an article appeared in the Regional Weekly News describing a program of Rowe International, Inc. offering significant and meaningful opportunities to blind persons. This article details the fashion in which this program works—and work it does.

This is not a charity but a solid business proposition. Yet it is one which might be overlooked. Therefore, I congratulate Rowe and the State of Kentucky for these most worthwhile efforts.

Mr. President, I ask unanimous consent that the article from the Regional Weekly News be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### Rowe Pioneers Program For Blind

HANOVER TOWNSHIP.—A Whippany company, Rowe International, Inc. a leading manufacturer of vending machines, has helped pioneer a program which makes it possible for blind people to become independent entrepreneurs. (Rowe is a subsidiary of Triangle Industries, Inc. of Holmdel.)

The program has had its greatest success in the State of Kentucky, which pioneered it. The following story describes just how the program works and how it has affected the life of one blind man.

It's not easy for a blind man to get a job. His options are limited, usually to working at arts and crafts (making chain link belts or potholders) or collecting welfare.

But most blind people want to be independent. They don't want handouts. They merely want the opportunity to use their true talents and abilities productively.

**In the State of Kentucky, a unique pro-**

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[1] Emma Lazarus, "The New Colossus."

gram was undertaken a few years ago to provide just such opportunities to blind people. Since the program's inception, just five years ago, the Kentucky Rehabilitation Bureau's Division of the Blind has helped 86 blind people to become independent entrepreneurs, running their own businesses and paying taxes instead of accepting welfare.

The Kentucky program trains blind people to service and maintain automatic food and tobacco vending machines, so that they can operate canteens in government buildings and in private industry in the State.

Arthur Kopp, a tall, good-looking cheerful man of 42 who has spent half his lifetime in darkness is a good example of what the program has accomplished.

Kopp began losing his sight as a result of glaucoma when he was 19. At the time he was working for the Falls City Brewing Company in Louisville as a billing clerk and he had his sights set on becoming a certified public accountant.

Then came the awful news.

"When the doctor told me I was going blind" says Kopp, "I thought I was the only one in the world. I went to the Shrine of Saint Anne de Beaupre, in Canada, with the hopes of a miracle. But, when I realized there would be no miracle, I resigned myself to reality, and took the attitude: Smile and the world smiles with you. Cry and you cry alone.

"I remember one of the first things I did when I knew I was going to lose my sight was to buy a television set (in 1949 when TV was still primitive) because I wanted to see what it looks like."

After Kopp was forced to leave Falls City Brewing because of his failing sight, he applied for disability Social Security and the State got him a job at a chair factory laying out big sheets of plastic and punching holes in them for buttons.

"But the eye doctor advised me to get out of that type of work, and I quit in May of 1950."

Within the year, (by the time I was 21) Kopp was totally blind.

"In March of 1952", he relates "I went to work for the Kentucky Business Enterprise Program. I operated a small stand selling candy, sundries and soft drinks at the Board of Education in Louisville."

"I moved on to stands at the General Hospital, the VA Building and the Federal Building.

"This type of work was a stepping stone until I could find something better. I knew that stands would fade someday, and vending machines would take over."

"That's exactly what happened in 1968 The State got six machines—all cold drink machines—in my building."

"But in July, a few months before the machines were scheduled for delivery, Bob Lawrence Assistant Director of the Stand Program for Kentucky, told me I was one of 18 blind people to be trained in vending machine operations in the new program set up in conjunction with one of the biggest equipment manufacturers in this field."

"I was scared to death, because I am just not mechanically minded."

"And, when the people of Kentucky's Stand Program first announced that they were going to start a vending machine training program for the blind, everybody said they were crazy. Vending machines are too complicated for the blind to handle," they were told.

"But they started training even though they had no outline or plan to guide them. It was a new experiment. They used the trial and error method," says Kopp.

After the first week of training they told us "you fellows are far above our expectations." And after one week I began to have confidence in myself. After two weeks, I could tear down a vending machine coin mechanism and put it back together again."

"Blind people are wonderful students," says Al Panuzzo, a service engineer for Rowe International, Inc., the manufacturer participating in the program. "They have patience and they want to learn," says Panuzzo, who has participated in the training program.

In the initial stages of training, the power in the machines is cut off. But once they know the machine, the blind work amid the complicated maze of wires with the power on. After only a few weeks training, the blind trainees know all the relays and circuits in the machine. They know how to trace down the source of malfunctions, they can fix broken coffee brewers and cup dispensers and temperamental coin mechanisms, and they can find a slug.

Today, Arthur Kopp, is an independent entrepreneur. He operates two canteens and one manned stand in the huge new Federal Building in Louisville, a structure which houses some 1,800 Federal employees.

Kopp himself, employs three blind helpers. He operates 19 vending machines (coffee, cold drinks, sandwiches, pastry, milk, ice cream and candy, etc.) plus coin changers and refrigerators, and he does most of the maintenance on them himself.

His responsibilities include buying, filling the machines, rotating the pastry, and even keeping three sets of books—with the help of his wife. He also orders the merchandise for machines at the Louisville Courier Journal and the Post Office.

Kopp's machines are always sparkling clean. "We're particular about our machines," says he. "We want them spotless."

And because he checks the functioning of his machines daily he has very few breakdowns.

"In the past three years, the coffee machine in our sixth floor canteen has been down only one day. In the same period, the coffee machine in our third floor canteen was down only two days," says Kopp.

"We know that when the machine is down customers start taking their trade to other places. So, the first day that the machine is back in service, the coffee is free. Word spreads quickly and the canteen is busy all day."

Kopp rises at 5 each morning. He washes and puts medication in his eyes to relieve pressure.

At 5:30, Kopp's wife, Catherine, gets up and at 6:30 she drives him to work, arriving at ten minutes to seven.

Kopp checks all his machines on both floors to make sure they're in good working order, checks to see how much merchandise he needs to order, fills his machines and rotates pastry products so the machine always deliver fresh pastry.

There are 86 independent blind entrepreneurs like Arthur Kopp at 52 separate locations in Kentucky, thanks to the efforts of the Division of Blind of the State's Rehabilitation Program.

The Director of the division, Tim Cranmer is himself a blind man. Now 47, he has been blind since he was nine years old.

According to Cranmer, the State of Kentucky is now far ahead of any other state in helping the blind, "because we were so far behind to begin with. We had no previous commitment of any kind when Federal funds became available for rehabilitation (via the Randolph-Sheppard Act) five years ago. We started fresh, cold.

"We used to allow private companies to place vending machines and share profits with our blind operators. Then we decided to exclude the third party entrepreneurs and purchase the machines ourselves and to allow the blind operators to do all the routine servicing."

Under the present program, the state of Kentucky sets the blind man up in business and furnishes his initial supplies. There is a $125 a week exemption for the blind operator, so that if sales are $1,125.00 for example, he is only taxed on $1,000.00. He pays three-percent to the State to help set up new locations and to purchase new equipment. This is matched by four-to-one in Federal funds.

If a location does $1,000.00 a week in sales, the blind operator contributes $30.00 to the State of Kentucky's program, and the Federal Government adds $120.00.

The Division of the Blind works out of a large one-story building in Louisville where training takes place. The Division has a blind Training Officer, Betty Gissone, on staff, assisted by representatives of the manufacturer of vending machines used.

Kentucky has given help to a number of other states which heard about the program and became interested in starting similar undertakings.

"Those states are now at the point where we were three or four years ago" says Cranmer. "Our program represents the first time blind people have had the opportunity to participate in the business world.

"Blind people are usually successful because they know it is difficult to get another job. So they have a vested interest, a real reason, to do well."

"Also," Cranmer added with a chuckle, "they can't be distracted by pretty girls. But Art Kopp falls in love with the perfume display," he adds, wryly. "One day it's Evening in Paris, the next day it's something else."

Kopp's success story is not unusual in Kentucky. He can recite case after case of blind people finding new independence as a result of the Kentucky program.

"One of the fellows who works for me is a college graduate." he relates. "He's qualified to teach school, but makes more money working with me than he could teaching school. Besides, he couldn't find a job teaching."

The average blind operator makes about $7,000, according to Kopp. But some earn as much as $15,000.

One of the successful operators in Kentucky has been previously trained as a computer programmer. But he couldn't find a job in that field.

"There is a girl in our program," says Kopp, "who was a checkout girl for a large chain drugstore. She went blind in her forties. She is now a very successful operator, and is doing better financially in vending than she did before she lost her sight."

One of Kopp's favorite success stories is about a colleague who runs an operation in the IRS Building in Covington. He is 37 years old and his whole life was changed by the Division of Blind program.

Before he got into the program this man was employed in a shelter workshop.

"He always wanted to get married," says Kopp, "but he never did because he didn't have enough money. Today, he is a successful businessman and is married."

Kopp himself was married in 1956, and he has a 14-year old daughter, Mary Linda, a sophomore in Presentation High School, Louisville.

The Kopps live in a modest one-family home that is nicely furnished and kept neat as a pin. Kopp, incidentally, frequently pitches in to help his wife with the dishes.

Among favorite pastimes are pinochle, (he plays several nites a week with sighted persons using braille cards) dancing, especially the polka and waltz, and table shuffleboard, at which he says a blind man can get to be pretty good with a little practice. He's also in a bowling league and likes to garden.

Kopp is fond of telling how a friend called him late one night and he said he'd been out in the backyard gardening.

His friend said, "But Arthur, it's dark out!"

And Kopp replied, "What difference does that make to me?"

You would be hard put to find a happier family man anywhere than Arthur Kopp of Louisville, Kentucky.

He's happy because he's independent, he's proud of the way he runs his business and he is able to support his family quite comfortably. And he's happy because he's a taxpaying citizen.

As he puts it, "I'd rather pay taxes than collect welfare."

"You feel like you can look straight at the world. It's a good feeling," says Kopp.

## THE RETIREMENT OF DILLON GRAHAM

Mr. CHILES. Mr. President, I would like to call attention to the retirement of a man who has played an important part in the lawmaking process on Capitol Hill for almost 26 years. He is not a lawmaker; he has seen many lawmakers come and go—some to higher station, many to oblivion. His vital role has been that of informing people—particularly those throughout the southeastern United States—what their elected Representatives were doing in the Congress in Washington.

I am talking about Mr. Dillon Graham, who retires officially tomorrow after 44 years of distinguished service with the Associated Press, the last quarter of a century right here in the Capitol.

Prior to coming to the Senate in 1971, I had seen Dillon's byline on news stories appearing in Florida newspapers but I did not know him personally. In the short time since then I have come to know him well, his work even better. In this day when we hear a lot of criticism of journalism and the people who work in the field, I am pleased to point out that I have never heard a word of criticism of Dillon Graham.

It seems to me that Dillon's assignment has been a particularly demanding and difficult one, for he has been responsible for covering Congressmen and Senators representing the entire southeastern part of the country. Still, his writing seemed always to be complete, accurate and objective—the old-fashioned kind of journalism that sought only to inform the public.

So it is with mixed emotions that I say goodbye to Dillon. On one hand, his retirement is certainly richly deserved. On the other hand, however, he will be sorely missed by all of us who had the opportunity to know him and work with him and by the people who gained information through his efforts.

It is human nature, I think, to look for some common bond by which we can associate ourselves with those whose character and contributions earn them deserved recognition and honor. Therefore, I am proud to note that Dillon and I are both native Floridians and both attended the University of Florida.

Now that he has finished his work on Capitol Hill, I want to wish him and Mrs. Graham many happy and healthy years of retirement life.

## CUBAN INDEPENDENCE DAY

Mr. WILLIAMS. Mr. President, Sunday, May 20 marked the 71st anniversary of the establishment of Cuban independence, and honored those brave Cubans who courageously fought for that freedom.

Prior to their liberation in 1902, the people of Cuba faced years of bitter discontentment. Several attempts to revolt against the Spanish dictatorship brought only additional hardships to these determined and patriotic Cubans.

The most successful attempt to expel the foreign rule came late in the 1800's under the leadership of Jose Marti. Marti, so honored by the Cuban people that he soon became known as the "Apostle of Cuban Independence," successfully organized the Cuban Revolutionary Party and ignited a new spark of hope among the people of Cuba. This spark, however, again faded with the superior forces of the Spanish army.

After a long and hard struggle, over the course of many years, independence from Spain came to this tiny island on May 20, 1902, and brought to the people of Cuba the opportunity for great accomplishments. These citizens not only demonstrated courage and determination, but the skill and ability so necessary to become a more productive society.

But, Mr. President, we all know that complete freedom and independence is an elusive goal in many nations. In recent years, hundreds of thousands of Cubans have been forced to flee the depressing and dangerous situation in that country, and many thousands of these fine people have settled in my State of New Jersey. But they have not come asking for sympathy or help. They have quickly and proudly demonstrated their ability to survive and their willingness to contribute to the American way of life. Our Cuban friends in New Jersey and the rest of the Nation are worthy of the greatest praise we have to offer.

Therefore, Mr. President, on the occasion of this proud anniversary, let us solemnly remember those citizens still in Cuba who long to be free once more, but let us rejoice with the outstanding accomplishments of all Cuban people.

## JUDGE WILLIAM WALLACE KENT

Mr. GRIFFIN. Mr. President, it is with a sense of deep personal loss that I report to the Senate the death on Monday of Judge William Wallace Kent of the U.S. Sixth Circuit Court of Appeals.

Before his elevation to the Court of Appeals Judge Kent served for 17 years as a Federal district judge in Michigan's Western District.

Judge Kent, who was known to his friends as "Wally," graduated from the University of Michigan Law School in 1940. He served as assistant prosecuting attorney and later as prosecuting attorney for Kalamazoo County, Mich., until 1946 when he entered private law practice. Thereafter, in 1954, he was appointed by President Eisenhower to be a Federal judge for Michigan's Western District. President Nixon appointed him to serve on the U.S. Sixth Circuit Court of Appeals.

Judge Kent was an outstanding jurist who found time in his busy schedule to participate in and provide leadership for many civic, social and religious activities in his community. He was climbing to the summit of his legal career when he died at age 57. He provided an example for the bench and bar that will be sorely missed.

Mrs. Griffin joins me in extending our deep sympathy to his wife, LaVerne, and to their six children. Mr. President, I ask that a biographical sketch of Judge Kent which was submitted to the Senate Judiciary Committee in 1971 he printed in the RECORD.

There being no objection, the biographical sketch was ordered to be printed in the RECORD, as follows:

### WILLIAM WALLACE KENT

William Wallace Kent, son of Harold S. and Alice W. Kent, was born in Galesburg, Michigan, on May 1, 1916. After attending the University Campus School he graduated from Kalamazoo Central High School in 1933. He received an A.B. Degree from Western Michigan University in 1937, and J.D. Degree from the University of Michigan Law School in 1940. He was a student editor of the Michigan Law Review and was elected to the Order of the Coif (national legal honor society) while at the University of Michigan Law School.

On July 7, 1940 he married LaVerne Fredlund in Iron River, Michigan, they have six children, Wallace, Jr., a graduate of Kalamazoo College and the University of Michigan Law School; Mrs. Richard M. Graybill, a graduate of Albion College; Eric H., a graduate of Western Michigan University and the University of Michigan; Robert J., a graduate of Western Michigan University; Edith Anne, a student at Albion College, and Martha Jean, and three grandchildren.

He is a member of St. Luke's Episcopal Church, Kalamazoo, Michigan. He has served as a Senior Warden, Junior Warden, Member of the Vestry and a Sunday School Teacher. He has also served as a member of the Standing Committee of the Diocese of Western Michigan and is presently serving as a member on the Committee on Canons. He is a Trustee of the Diocese and is a member of the Cathedral Corporation of the Diocese of Western Michigan.

Judge Kent began his legal career by "hanging out a shingle" in Kalamazoo, Michigan in 1940. In 1941 he became Assistant Prosecuting Attorney from which position he resigned in 1944. In 1945 he was named Prosecuting Attorney and served until the expiration of the term in 1946. He became a member of the firm of Mason, Stratton and Kent of Kalamazoo in 1944, and remained a member of the firm until appointed United States District Judge in 1954 by President Dwight D. Eisenhower. He serves as Chief United States District Judge for the Western District of Michigan with offices in Kalamazoo, Grand Rapids, and Marquette.

He has worked on the Community Chest, the Boy Scouts, served as a member of the Family Service Center, served as a member of the Board of the Legal Aid Bureau, he is a member of the Gull Lake Country Club, International Torch Club and Outlook Club.

Judge Kent has been an active Mason for many years, having served as Grand Master of the Masons of Michigan in 1960. Since 1961 he has served as Grand Treasurer of the Grand Lodge. He has served as a member of the Board of Control of the Michigan Masonic Home since 1960. He was elected a Thirty-third Degree Mason in 1962, and became an active member of the Supreme Council in 1967.

## QUEEN ISABELLA DAY

Mr. WILLIAMS. Mr. President, in April we observed a special day designated in honor of Queen Isabella of Spain.

As we know from history, it was Queen Isabella's faith in the skill of Christopher Columbus as a navigator and an explorer that provided him with the needed support for his voyage to the Western World. Her financial backing in the form of equipment and supplies demonstrated her intuition and foresight, and offered for Columbus the opportunity to reach and explore the New World.

On April 23, 1973, my own State of New Jersey, through an official proclamation, observed Queen Isabella Day, in honor of the Spanish Queen.

At this time I ask unanimous consent to have printed in the Record the New Jersey proclamation.

There being no objection, the proclamation was ordered to be printed in the Record, as follows:

### Proclamation

Whereas, the enthusiasm and support of a single ruler led to the discovery of America and the resounding effect this discovery has upon the history of the world; and

Whereas, this great ruler, Queen Isabella of Castile, wife of Ferdinand of Aragon, was the sole backer of Christopher Columbus, whose proposed expedition to the New World was contrary to the 15th century concept of the world; and

Whereas, the shrewd intuition of Queen Isabella, as well as the financial support and risk taken by Her Majesty on behalf of Spain, was responsible for uncovering the unknown riches of the Western Hemisphere; and

Whereas, the history of America has direct linkage to the birth of Queen Isabella on April 22, 1451;

Now, therefore, I, William T. Cahill, Governor of the State of New Jersey, do hereby proclaim April 23, 1973, as "Queen Isabella Day" in New Jersey and urge all citizens to reacquaint themselves with the earliest history of our Nation by honoring this Spanish Queen who was solely responsible for America's Discovery.

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## LEADERS MUST TELL TRUTH

Mr. HART. Mr. President, on Memorial Day, Mr. Muskie, the senior Senator from Maine, spoke at commemorative services at the grave of President Franklin D. Roosevelt in Hyde Park, N.Y.

In his remarks, Mr. Muskie contrasted President Roosevelt's press conferences twice a week and his fireside chats with the Nation to the tone of the present administration. It is a vivid contrast. I ask unanimous consent that the full text of his remarks be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

### Leaders Must Tell Truth

(By Senator Muskie)

Today, when America invokes the memory of all her military heroes, I have the great honor of recalling the memory of one special soldier, the man who earned for himself the title he gave another, that of "Happy Warrior."

In this simple ceremony, in this quiet and lovely place, among his friends and family and neighbors, I can only offer to Franklin Roosevelt the tribute of a young man for whom he was a hero and of a politician for whom he remains a model. The hope he gave to a Nation in despair, the energy he gave to government action for recovery, the leadership he gave to democracy in peril and the ethical standards he set for all those who hold public office—these are the legacies of his greatness. No words of mine can add either to his memory or to the respect in which Americans will always hold it.

So I would prefer to talk briefly about one of the essential attributes of his life and his conduct of government, the confidence he showed in the judgment of the people and the vitality he gave to the task of informing that judgment. In an era when popular opinion is manipulated more than it is trusted, we do well to understand the example of Franklin Roosevelt as a leader who taught Americans again to trust themselves.

Just before the 1936 Presidential election, Felix Frankfurter wrote his friend, "Frank," to compliment him on this campaign. The professor told his eminent pupil, ". . . in a democracy the essence of true politics is popular education." Then, after the returns were in, Mr. Frankfurter wrote again that the President's reelection was a tribute to "a people whom the hard school of experience and the greatest national educator since Jefferson taught to discriminate between fraud and fact, between fear and reason."

President Roosevelt was as much a teacher as his friend, the Harvard professor. In a time of unreasoning fear, he taught America how to renew its confidence. In the midst of upheaval, he schooled the Nation to be wary of extreme theories. And in a period of danger to all democracies, he prepared America to be worthy of its world responsibilities.

He instructed, of course, by action and decision. But he decided and he acted in the open, in a swirl of conflicting views and pressures, in a turbulence of special pleaders and a tumult of antagonistic advocates. In the center of this political cyclone, the President's voice seems never to have been silent. He talked all the time, to everyone. He talked to his supporters and advisers, and he talked to his opponents. Most important of all, he talked to the press.

After watching a Presidential press conference forty years ago—and they were held then twice a week with the only ground rules being that President Roosevelt's words were not to be directly quoted—Harold Ickes put the following notation in his diary:

". . . he answered every question that he could answer, and when he didn't know the answer he frankly said so. There was no subterfuge, no beating around the bush. All was frank, open and above board. It isn't any wonder that the newspaper correspondents like him and his methods . . ."

This constant communication by the President to the people set a whole, new tone for the conduct of government. The candor may not always have been complete, but the attempt at it was sincere, and the atmosphere it created was contagious. Exposing his own views to the reporters—even while he roundly denounced the views of their publishers—President Roosevelt made disclosure routine. He earned confidence by giving it.

In a fireside chat 35 years ago last month, he set out the philosophy that explained his practice. "The only sure bulwark of liberty," he said, "is a government strong enough to protect the interests of the people and a people strong enough and well enough informed to maintain its sovereign control over its government."

The balance between strong government and strong popular control of it has been the essence of modern American democracy. But that balance has always been delicate. Lacking Franklin Roosevelt's profound commitment to the process of popular education, we have experienced a growing rift between the leaders and the led.

In the name of national security, officials have built a wall between their actions and those in whose name they act. Inside that wall—in a world of obsessive secrecy—crucial decisions have been made and important policies set in motion. But those decisions and policies have been immunized against the healthy skepticism of a people who, by nature and tradition, question any concentration of unsupervised government power.

Spreading secrecy made supervision impossible. And that same secrecy carried a special corruption to those under its spell. Working only with information deemed too sensitive to share, those in authority lost their ability to weigh—perhaps even to hear—the criticisms of others who had solid instinct, but lacked privileged knowledge. They equated secret data with undisputed fact and mistook classification markings for proofs of accuracy.

Secrecy encouraged isolation. Isolation inspired contempt for uninformed opposition. Contempt bred conspiracy. And imperceptibly but inevitably the inhabitants of the world of secrecy came to see themselves as men apart, menaced by unreasoning, ignorant and, ultimately, subversive forces.

In such a poisoned and unreal atmosphere, the binding principles of democratic fair play were easily laid aside. Dissent came to be seen as a threat to national security. National security came to be seen as the exclusive concern of an elite. The elite naturally identified its continuation in power as essential to national security. And, to ensure its retention of authority, the elite came to adopt tactics which, in any other situation, would have been repugnant.

National security became the excuse for systematic deception. The defenders of policies felt unable to answer their challengers with facts and reason. Their strongest arguments allegedly required continued secrecy. They could not tell what they thought was the truth. So they began not to tell the truth. They began to lie.

When truth must be suppressed, when misinformation must be dealt out to divert inquiry, lying comes as a natural consequence. Journalists who must be intimidated, not informed, must also be told untruths. Political critics—members of Congress—who must be punished for voicing their opposition must also be deceived and denied access to the truth.

And, of course, secrecy permits those who practice it to regard themselves as safe from exposure. Lying is acceptable because the truth will never be disclosed. Foul play gains sanction from the belief that it will go unpunished.

Frank communication withers within the government and between the government and the people. Seclusion deepens, and conspiracy flourishes.

As public trust diminishes, private trust is eroded. Officials must spy on each other to insure that secrecy is not violated. Those who question the practices of the secret world—who threaten to disclose those practices—who break their oaths of secrecy—must be discredited, punished, cast out.

We are now witnessing—to our sorrow and horror—the unfolding of one such tragic cycle, a political episode hatched in secrecy, tangled in deception and fertilized by distrust. From the imperfect knowledge we now have and from the experience we have gained from other instances of similar official misconduct, we must draw again the lesson Franklin Roosevelt never needed to be taught.

Candor wins confidence. Truth generates trust. For a democratic government, as much as for a private individual, honesty is not only the best but the only policy.

Integrity may be inconvenient in a world where it is far from the universal practice. But the pursuit of national interests—of national security—cannot succeed in a moral vacuum. To win our way in the world, we must hold to the values in whose name we struggle—the precepts of generosity, of idealism, of tolerance and of truth which America has translated from individual virtues into civic standards.

Franklin Roosevelt always understood that moral imperative. The greatness he brought to America's government mirrored the greatness of America's faith that men can govern themselves, can choose between right and wrong policies, can bargain openly in the marketplace of ideas and can strike the proper balance between private interest and the public good.

Secrecy upsets that balance. It corrupts the commerce of ideas. It blurs the distinction between right and wrong, and it erodes the foundation of self-government.

"Sunlight," Justice Holmes observed, "is the best disinfectant." Franklin Roosevelt, the warrior whose happy creed we commemorate today, always fought in the sunlight. We honor his memory best by pursuing his example now.

## ASSISTANCE OF MALNOURISHED PREGNANT MOTHERS AND INFANT CHILDREN

Mr. CASE. Mr. President, today I again urge the Department of Agriculture to carry out its responsibilities and properly fund two programs designed to assist malnourished pregnant mothers and infant children.

In 1969 the Department of Agriculture initiated a modest program to assist malnourished adults and children after numerous citizen groups revealed the extent of hunger and malnourishment in the United States and pointed out the serious gap in assistance to infant children and pregnant women who most require this help.

The Department of Agriculture has never been enthusiastic about carrying on this effort which is, essentially, a distribution program providing surplus commodities to people in need. So the program has never been permitted to grow to meet the real need.

At the present time only 154,000 women and children benefit from these surplus commodities. And the program is being curtailed. For example, last year 16,000 women and children were dropped from the program because administrative funds were cut back. Moreover, unsuitable commodities such as fruit packed in sugar sirup have been used to replace much needed powdered milk.

Administrative costs have always been the responsibility of local groups with occasional emergency monetary assistance from the Office of Economic Opportunity. But Office of Economic Opportunity money is no longer available and the Department of Agriculture has not requested appropriations from Congress to pay local administrative costs.

So the prospect is that a small but tremendously valuable program may soon go under.

Last year Congress recognized that something had to be done to help infant children who were undernourished. Along with Senator HUBERT HUMPHREY, I sponsored a measure to create a pilot program to guide Congress in planning a national maternal and infant feeding program. The pilot program, signed into law by the President last September, was designed as a 2-year program at a cost of $20 million per year. It is intended as a cooperative program between physicians and people in the community. It was not intended to replace the older feeding program. Indeed, the new program was to test alternative approaches that might serve as a national program. Meanwhile, Congress expected the older program to continue until such a nationwide infant feeding program was available to replace it.

Sadly, the Department of Agriculture has not lived up to the mandate given to it by the Congress. Instead of continuing the older program for mothers and infants, the Department has permitted further erosion of the program—even to the point of failing in some instances—to provide crucial commodities such as powdered milk.

At the same time, for 9 months the Department has failed to spend one penny on the new pilot program. Now the Department reveals, through lower level officials, that it expects to begin the new program in about three months but that it will spend only a portion—20 percent—of the funds appropriated on the program. This is not enough to do a reasonable job—it will probably serve only to shore up such distribution centers as remain.

Hunger is still a serious problem in many urban and rural parts of the United States. There are still millions of people without a proper diet and without access to Federal, State, or local food assistance. In my own State of New Jersey which has a good record in providing food assistance to the needy, there are still 210,000 poor people who get no food assistance whatsoever. And, in our largest city, Newark, and its surrounding county, over 48,000 poor people get no food assistance.

While we may not be able to pinpoint exactly those who are hungry, we do see the results. For example, Newark has one of the highest infant death rates in the United States. And, while malnourishment is sometimes hard to recognize, over 200 children each year enter the Newark public schools malnourished. There are other effects as well. While we lack adequate statistics, we know malnourishment can cause brain damage, mental retardation, and any number of physical disabilities. It can cause learning and behavior problems that last the life of the person.

We can prevent this from taking place if we share a commitment to eradicate hunger and thereby prevent the damage to the person and to our society that hunger brings.

All of us have a responsibility to help. But now it is clear, the success of these efforts lies at the door of the Department of Agriculture.

## SENATOR NELSON SPEAKS ON HEALTH PLANNING

Mr. MONDALE. Mr. President, while the quality of health care and medical research in the United States is truly remarkable, this country still faces grave problems in delivering and paying for high-quality care.

Senator GAYLORD NELSON made those comments recently in a speech before the Comprehensive Health Planning Agency of Southeastern Wisconsin where the Wisconsin Senator expressed concern that health planning efforts must be strengthened so that the quality of health care be responsive to increasing demands, and to prepare a strong foundation for a national health insurance system.

Senator NELSON is one of the most knowledgeable men in the Senate on the subject of medicine and health care. His father was a country doctor and his mother a nurse. He is a member of the Senate Health Subcommittee, and for nearly 6 years has conducted extensive hearings into the competitive practices of the prescription drug industry.

Senator NELSON emphasized in his address that, even though we have made great strides in the quality and availability of health care, much remains to be done. Environmental pollution and the pressures of modern society contribute to health problems. And he wisely observes that careful planning is essential in order to provide adequate health care in a sensible and economic fashion, without duplication and waste.

When Senator NELSON speaks on health care and related subjects, his observations deserve the widest possible dissemination. That is why I ask unanimous consent that his speech be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

### ADDRESS BY SENATOR GAYLORD NELSON

The quality of health care and medical research in the United States is at the highest level ever, but at the same time, in a state of "crisis" in many respects. There are a number of prescriptions for curing these ills.

Medical technology and increased numbers of doctors have brought us to a more advanced state of health care than many realize. Nevertheless, problems continue to exist in the wealthiest nation in the world, where many people cannot get health care or cannot pay for it.

Certainly, at this stage in history, adequate health care should be available as a matter of right to everyone, young or old, rich or poor. That issue is hardly debatable any longer. The real issue now is how, or by what method or methods we provide for delivery of high quality medical care to everyone.

There is disagreement within Congress and between Congress and the administration over how this can best be done and over the Federal role in the delivery of health care, the training of health personnel, and support of biomedical research.

It is significant to note that in fiscal 1972, Americans spent $83.4 billion on health care—an average of nearly $400 per person, according to the Social Security Administration.

Health spending now represents 7.6 per cent of the gross national product. But the cost of health care is increasing more than twice as fast as the gross national product.

Health care has become the largest single consumer of manpower in the Nation. The number of professional and paraprofessional people working fulltime in health care occupations is close to 4 million. Over two and one-half million work fulltime in hospitals.

The Nation's health bill has doubled in eight years, and increased sixfold since 1950. Reasons for rising costs are higher prices and higher wages paid to health workers; population increases and greater use of services, along with the introduction of new, costly medical techniques.

It is unrealistic to expect health expenditures to decrease. The question is: What are our priorities, and what have we been getting for these health expenditures?

#### THE STATE OF THE NATION'S HEALTH

Overall, more Americans today are receiving better care than at any time in history, and care that compares favorably with or exceeds that of any other nation.

One in every 40 members of the consumer population is being served by the medical care system everyday. Some 85,000 people are admitted to hospitals each day: 1.3 million are in hospitals at any given time; 5 million are in nursing homes; and 3 million are seen each day by a physician or other health care professional.

Few countries can match the ratio of physicians to population that we have in the United States—one doctor for every 675 people, or 166 doctors per 100,000 population. There are some 350,000 doctors in the nation and 748,000 practicing registered nurses. Between 1950 and 1970, the number of M.D.'s in the country increased almost 50 per cent or substantially more than the one-third population increase for the same period.

Thanks to medical science and other factors, the average life expectancy of a newborn baby has reached more than 71 years for the first time in the nation's history. An American born in 1930 lived an average of 60 years. Unprecedented numbers of Americans now are surviving into their 80's and 90's. The White House conference on aging noted in 1971 that the U.S. population 65 years and older increased in a decade from 16.6 million to 20 million persons—about 10 per cent of the nation's total population.

Despite these dramatic facts showing that more Americans survive to live longer than ever before, some unpleasant figures haunt us.

The U.S. ranks 13th in infant mortality in the world, 18th in male life expectancy and 11th in female life expectancy. In addition, statistics show that mortality rates and life expectancy are worse for nonwhite populations of the U.S. than for white.

In evaluating such statistics, however, we must be careful to note several contributing factors. In comparing the U.S. to other nations, we must remember that we are a much larger, more heterogeneous country than others with more favorable such figures. Israel, Czechoslovakia and Scotland have more doctors per population. Sweden, Denmark and the Netherlands, which have fewer doctors per population than the U.S., have much higher life expectancy rates, and lower infant mortality rates.

The United States infant mortality and life expectancy rates, however, are superior to the Soviet Union's, where there are more doctors per population (one for every 460 people).

### OTHER FACTORS AFFECTING HEALTH

That brings us to ask, very seriously, to what extent are social, economic, and environmental factors responsible for the most industrialized and developed nation on earth not having the longest life expectancy or lowest infant mortality? To what extent are nonmedical factors contributing to what some may call a health crisis, and augmenting certain failings in the existing health system?

The U.S. Public Health Service, in a study on changing mortality of American males in the 1950's and 1960's emphasizes the rising importance of such causes of death as lung cancer, cirrhosis of the liver, homicide, suicide and automobile accidents. The medical system cannot be blamed for features of modern civilization that have caused much of the health problems.

Author Allan Chase, writing in his book "The Biological Imperatives—Health, Politics and Human Survival", states very rightly:

"From lung cancer and heart disease to traffic deaths and emphysema, many of the major underlying causes of premature death among adults in America are wholly or largely the products of man-made alteration of the total biological environment."

All the doctors in the world cannot keep us from overeating, overdrinking, smoking, taking harmful drugs, killing ourselves on the highways. There are many causes of sickness and death that are beyond the province of the medical men: These include all kinds of pollution, and a variety of stresses and fallouts from the industrial society.

Even if all these health hazards were corrected, people would still get sick. All the preventive health care in the world—better nutrition, dental care, hygenic education, vaccinations—will not prevent the onslaught of diseases, will not prevent the aged from becoming infirm, will not prevent accidental injuries.

To these curative ends, the health system can stand improvements. And that is where planning for delivery of care is so vitally important.

There is no question that there is still a lack of organization in the health system so that duplication, inaccessibility, and just plain lack of facilities or personnel exist in the country.

There is much that can be done, that can be planned into the system.

### THE ROLE OF CONGRESS AND THE FEDERAL GOVERNMENT

For this reason, Congress and the administration are seeking ways to better define the federal role in order to improve health care delivery, and to formulate a system whereby all citizens will be able to afford whatever health services they need.

This is a big year for health in Washington. Twelve authorities in the Public Health Service Act expire June 30. They include: health services research and development; health statistics; public health training; migrant health; comprehensive health planning; medical libraries; Hill-Burton hospital construction; allied health training; regional medical programs; family planning and population research; community mental health centers; and developmental disabilities. There is a push for HMO (Health Maintenance Organization) legislation that will provide specifically defined federal support for prepaid group practices. [The Senate May 15th passed an $805 million dollar HMO bill.]

There is increasing public pressure for some kind of system of national health insurance. There are the ever-present needs for considering federal support of medical education, neighborhood health care centers, emergency medical care, vocational rehabilitation, maternal and child health services, among others.

### WHAT IS CONGRESS DOING?

Congress is moving to enact a stop-gap measure, a one-year extension of the 12 expiring public health service acts, so that Congress has time to evaluate these programs prior to making a decision on whether they should be continued, changed, or terminated. Unfortunately, time is running out, and a number of programs, including Wisconsin's regional medical program, are being terminated. The stop-gap bill has passed the Senate and is pending in the House.

Congress, like the administration, is anticipating that some form of national health insurance will be enacted in the near future. But to phase out or end programs before that becomes a reality is shortsighted. It would leave a gap in delivery of services and health care personnel, with only promises of replacing them sometime in the vague future. The public and the medical schools have built expectations based on existing programs, and are now suddenly under-cut.

### SPECIFIC LEGISLATION

One program the administration has not proposed cutting back is comprehensive health planning. An administration bill has been proposed that would extend the CHP authority for 3 years, but the bill also would eliminate authority under the CHP law for training of planners, and repeal earmarking for mental health services funds under the **CHP law.**

The administration also would de-categorize and consolidate under one section of law (314(e)) three health programs—migrant health, population research and family planning, and lead-based paint poisoning research and control activities. Congress will examine carefully several other proposals to de-categorize health programs.

Congress is concerned that comprehensive health planning has not had the clout that it needed, such as certificate-of-need authority, to enforce decisions that were made. Nor has *CHP* been adequately funded to make the local and State agencies capable of doing the kind of positive planning necessary to see that services are delivered in the most efficient way possible.

For this reason, Congress last year enacted, as part of the package of social security amendments (known as H.R. 1), a provision that prohibits medicare and medicaid reimbursement of costs related to capital improvements of health facilities unless the local or State comprehensive health planning organizations approve the capital improvements. This is the first time in Federal law that *CHP* agencies have been given such authority.

Twenty-one States have enacted different types of certificate-of-need authority, and I understand that such a law is now pending before the Wisconsin Legislature. All of these laws differ, however.

We know, for example, that Wisconsin is not alone in being over-stocked with hospital and nursing home beds in some areas, while none exist in other areas, and that duplication of facilities and services exist in some areas, while there are no facilities or doctors in others.

The Government Accounting Office (GAO) in a study requested as part of the Comprehensive Health Manpower Training Act of 1971, recently concluded that:

"While some planning agencies have been effective, others have been unsuccessful in preventing construction and expansion of unneeded facilities. The inability (the GAO states) of planning agencies to prevent unnecessary and costly expansion of facilities and services has been often attributed to the agencies or others lacking the authority to enforce planning agency decisions."

This has caused those of us examining the CHP legislation to consider whether some statutory certificate-of-need or enforcement authority should be given planning agencies . . . and to consider whether the existing planning system should be changed.

At the present time, the future form of health planning and Federal planning laws is hard to predict. There is considerable debate both in and out of Congress over various approaches to health planning: whether it should continue to be done with a combination of voluntary and governmental agencies; whether more or less governmental authority is desirable; or whether planning should be on a regional basis.

If local voluntary agencies are to be continued, much depends on building their credibility and insuring their acceptance by communities.

If the authority of planning agencies—local, State or regional—is strengthened by law, a due process appeals mechanism should be established, which provides for orderly appeals of planning decisions, either at State or Federal levels or both, and which protects planners from harassment or other suits. An orderly appeals system is a preferable solution over going to court. Planning laws should be clarified to include such an appeals procedure. The present Federal CHP law does not have an appeals system. Some State certificate-of-need laws do. In the case of the social security amendment, appeals decisions are in the hands of the HEW Secretary.

All of these questions will be thoroughly discussed before a new planning law is enacted by Congress. Your views and experiences as members of active, voluntary "B" agency boards will be valuable to Congress as we begin to formulate a new law.

The Health Subcommittees of both Houses of Congress are evaluating not only CHP legislation, but the 11 other expiring public health service acts, and numerous other health measures. Separate but entirely new Public Health Service Act proposals are being presented to Congress for consideration. Bills in both the House and Senate would consolidate and revise health laws.

In examining the public health service act for loopholes, duplications, and needs, Congress is concerned that these health service delivery laws be responsive to increasing public demands for health care, and particularly, that the delivery system is prepared for a national health insurance system.

In this regard, Congress seems at present inclined to retain many of the programs the administration would scrap: community mental health centers: federal capitation support for health manpower training and nurse training; research training grants; and some form of Hill-Burton support, although it is foreseeable that the emphasis will be on renovation of existing facilities and on outpatient rather than inpatient facilities, based on current needs.

As for regional medical programs, Congress acknowledges that some programs have produced better than others. The Wisconsin *RMP* certainly is in the top ratings. However, it is conceivable that a change in that law may be required, to better define *RMP*'s role, particularly its relationship to *CHP*, so that efforts of these two programs are not duplicated. It is possible that certain aspects of *RMP* may be retained in law, others dropped, or that continued support of *RMP*-type demonstration projects may be incorporated under a different authority.

All of these laws are designed to improve health care delivery in anticipation of national health insurance. In order to provide adequate health care in a sensible and economic fashion, there has to be careful planning to avoid duplication, waste, and overlap of services.

As for national health insurance, there is a possibility for action in the next few years. Tax reform and trade legislation, however, have priority in the committees of both Houses that deal with health insurance legislation.

A number of major health insurance bills have been introduced this session that propose various health insurance systems, ranging from a Government-administered program, paid for out of payroll taxes and general revenues, to a catastrophic coverage bill. A plan will be introduced shortly that would, in effect, replace medicaid and provide Federal health insurance for the low-income population, much as medicare now covers those over 65.

The questions facing Congress are to what extent health insurance should be administered by the Federal Government or the private sector . . . what coverage should be required . . . whether the cost should be paid out of tax revenues or personal pocketbooks other than taxes . . . and to what extent national health insurance will require change in the system of delivery. It is conceivable that various aspects of several proposals may be combined into an insurance system.

### OTHER SOLUTIONS

There are other things that can be done, also, to improve health care: more computerized record-keeping in hospitals . . . satellite clinics staffed by paraprofessionals and connected by telecommunication to doctors in medical centers . . . more efficient emergency care, utilizing existing military and civilian equipment . . . community health clinics stocked with equipment from 1,500 prepackaged health units now stored by the Civil Defense and not used . . . encouragement of ambulatory and home health care, possibly through health insurance coverage of these less-costly types of care . . . A method of controlling malpractice suits and high loss claims so that high premium costs, which are passed onto patients, can be reduced . . . sharing of services among hospitals, wherever possible.

It is clear in any event that health planning, such as you are participating in, must be strengthened, and that effective cooperation between planners, providers and consumers will be a critical factor in the success or failure of any system of delivering medical care.

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## MAINE TESTIMONY: HEALTH CARE BARRIERS TO OLDER AMERICANS

Mr. MUSKIE. Mr. President, in March, the Subcommittee on Health of the Elderly of the Special Committee on Aging began hearings on "Barriers to Health Care for Older Americans." As chairman of the subcommittee, I was very much impressed by the testimony given on national issues at our first set of hearings, March 6 and 7. We heard excellent arguments, in particular, against the administration proposals to increase the coinsurance and deductibles paid by medicare participants. All in all, the initial testimony provided an excellent foundation for additional hearings to be held in Washington, D.C., and in the field.

To continue the inquiry, the subcommittee heard from witnesses in Livermore Falls, Maine, on April 23. This field hearing was especially valuable, because it provided excellent, firsthand testimony on health care issues at the grassroots level.

First, the hearing gave us facts on the imaginative efforts being made to improve health care for the elderly in west-central Maine through Project Independence. Funded by the Administration on Aging, this project provides services to the elderly on an areawide basis. It offers transportation, outreach services, information and referral, health screening, and home care. In less than a year of operation, the project has provided 57,200 units of service for 8,000 different individuals, or 43 percent of the total population over age 65 in Androscoggin, Franklin, and Oxford Counties.

Mr. Richard Michaud, director of Community Services for the State of Maine, testified that Project Independence has a direct relationship to medical services:

> Project Independence addresses itself to reducing the three most important barriers to health care. They are: lack of information, lack of transportation, and lack of money.
>
> The objective of Project Independence is to increase the accessibility of older persons in the area to health-related services: (1) through linking older persons to available health services, and (2) through establishment and expansion of low-cost alternatives to high cost and often unnecessary services such as hospital and nursing homes.

Project Independence did not spring up overnight. Mr. Daniel V. Lowe, vice president of the project's Executive Council, explained that the groundwork was laid before the White House Conference on Aging of 1971; regional task forces in Maine had been organized before that conference and each had identified major needs. The Task Force that led to Project Independence actually began its work in 1969, and it has done its work well. At the heart of its success is what Mr. Harold Collins, now serving as coordinator for Project Independence, describes as cooperation and coordination. He explained:

> Each senior center throughout this area is linked through representatives of the Tri-County areawide Task Force. . . . In each county we have many senior centers scattered over the area. These do include large towns, small towns, and the cities. . . . To effectively reach all centers and areas, a county organization representing every center is needed. Thus, we formed a Council, a county senior citizen advisory council.

Furthermore, Project Independence does not try to do the job alone. It works closely with the Androscoggin County Home Health Services, the Tri-County Health Planning Agency, health and welfare offices, the Rural Health Associates and other programs directed through Mr. Michaud's office.

We received additional testimony from project representatives including a bus driver, a homemaker, and a physician who has given his active encouragement to the project. I will not give excerpts from their testimony here, but I urge that those elsewhere in the Nation who wish to have a model for similar action in their regions request the transcript of our hearing. I believe that they will find it rich in information and ideas that can and should be applied elsewhere.

The hearing was also valuable because it provided excellent testimony on current health issues of considerable importance to the Committee on Aging, and to the Congress.

Dr. Dean H. Fisher, Commissioner of Health and Welfare for Maine, warned, for example, that the threatened dismantlement of the Hill-Burton program can cause wasteful disruption of plans long in the making. He used the situation in Houlton, Maine, as an example:

> Two, and perhaps three, small hospitals are willing to merge. Community plans are agreed upon and complete. However, they will need $6 million for a new physical plant. Without Hill-Burton funds, or interest subsidy, they now need to borrow about $5 million in the open market. This means some $200,000 per year of interest charges, and another $250,000 per year of debt retirement. The facility might expect to provide some 30,000 patient days of care per year. This means some $15 per patient day for 20 years for interest and debt retirement alone. In the long run Titles XVIII (Medicare) and XIX (Medicaid) will be paying for half of it.

Dr. Richard Chamberlin, member of the Executive Board of the Maine Medical Association, warned against inappropriate use of scarce health care facilities, and he called for effective review of utilization patterns.

A vigorous presentation was also made by representatives of the State Council of Older Persons. Mr. Jack Libby, president, was concerned, in particular, about the costs of prescription drugs. He said:

> This buying medicine or prescription drugs is the roadblock to happiness for too many people. Their income, although adequate to keep them afloat while they are well and able to live without drugs, seems to evaporate so quickly when they start doing business with a pharmacist.

Mr. President, the testimony by Mr. Libby and all the others was especially valuable to a Senator from Maine, but I believe that it has much to offer anyone else concerned about the many health care problems facing older Americans. I commend the transcript of the Livermore Falls hearing to their attention.

Mr. President, I also ask unanimous consent to have printed in the Record the opening remarks I made at that hearing.

There being no objection, the remarks were ordered to be printed in the Record, as follows:

### BARRIERS TO HEALTH CARE FOR OLDER AMERICANS

Today the Senate Subcommittee on Health of the Elderly has come to Maine to continue its inquiry into "Barriers to Health Care for Older Americans."

Our proceedings will be published. They will become part of a record of hearings which will be extended into other States and which will continue in Washington, D.C.

At our first hearings last month in Washington, we heard from witnesses who told us quite bluntly that for many older Americans, barriers to health care are formidable and often insurmountable.

They told us that health care costs are too high for the budgets of many older persons.

They told us that health care is often unavailable or too far away for elderly residents of cities or remote rural areas alike.

And they told us that Medicare, essential and welcome as it may be, is far, far from adequate.

On the matter of health care cost, I have an announcement to make.

In preparation for this hearing, I wanted to know how much older Americans pay out of their own pockets for medical care, as compared to what they were paying before Medicare went into effect almost 7 years ago.

The answer to that question disturbs me very much.

New tabulations, to be officially announced next month, show that for fiscal year 1972 the average out-of-pocket expenditure by the elderly for health care was $276 per person.

That figure is $42 *more* than the average elderly person paid in 1966, before Medicare paid any of their health costs.

These figures confirm what many elderly know from personal experience—that health care costs generally are rising faster than they can keep up with.

It is no secret that out-of-hospital prescription drugs for persons of age 65 and up average about $86 a year, almost three times higher than for younger people.

It is no secret that nursing home costs continue to rise, and that in many cases Medicare and Medicaid are far from sufficient to meet those costs.

And it is certainly no secret—certainly not to older Americans—that Medicare pays only about 42 percent of all health care costs of persons of age 65 and over.

Yes, Medicare has its shortcomings; and in some cases they are tragic shortcomings. I believe that Medicare must be improved.

Unfortunately, most of the recent discussion about changing Medicare has centered around proposals which I believe would make Medicare less effective.

I'm referring to the Administration proposal to increase the charges that Medicare participants must pay.

As things stand now, an elderly person pays $72 when he enters a hospital under Part A of Medicare. He then pays nothing until the 61st day, and even then only $18 a day until the 90th day. The Administration wants the elderly to pay more. Under the plan advanced by the President in his budget message, a patient would pay the first day's hospital charge—whether it was $40, $90 or $150—and then 10 percent of each following day's charges. For instance, a stay in the hospital of 21 days now costs the Medicare patient $72. Under the Administration proposal, the same stay might cost about $330 in a typical case, a 358 percent increase.

That's not all that the Administration wants to do to Medicare.

They also want to increase costs under Part B, which pays for physicians' services.

Today, a person pays the first $60 of his doctor's bill, and 20 percent of the rest of the bill. The Administration wants to raise the $60 to $85 and the 20 percent to 25 percent.

How does the Administration attempt to justify its proposal? It says that increased fees will reduce what they call "over-utilization."

I have yet to meet any person—young or old—who goes to a hospital or to a physician's waiting-room for fun.

I have yet to meet any persons—young or old—who shop around for the least expensive hospital; they go *where* the physician tells them to go, *when* he tells them to go.

This Subcommittee dealt with these Administration proposals in its first set of hearings in Washington. Our witnesses and our record, built what I believe is a solid case against the proposals. I have spoken against the Administration plan on the Senate floor, and so have other Senators, Republican as well as Democratic. All in all, the Administration proposals are unpopular, and I would be very much surprised if they got anywhere.

I would expect instead that Congress will gradually attempt to improve Medicare by adding to, not subtracting from, its coverage.

Surely one of the first of those improvements would be to include some out-of-hospital prescription drugs under Medicare. I expect to see some progress in this area during this Congress.

But Medicare is in some ways the victim of shortcomings in the health care system of this Nation. We must, therefore, turn our attention to the context in which Medicare must operate: the system itself. To citizens of Maine, the deficiencies of that system are obvious. I'd like to give you a few excerpts from their mail.

A Fryeburg woman, for example, said that Project Independence is critical to senior citizens in her county. She wrote: "There are a lot of our Senior Citizens who do not have cars and have to depend on the minibus to take them to the doctors (or to the store).

Illustrating further the problem of health care delivery in rural Maine, a physician in Union, wrote in a recent letter to me: "The people in the country do not understand Medicare . . . Added to that, most hospitals present to them unitemized, confusing bills which the patients are not sure whether or not they should pay. And many elderly patients in the rural areas do not have telephones . . . which confuses the matter even more."

Another evaluation of certain defects in the system was powerfully expressed right here in Maine as part of the Report of the Governor's Committee on Aging in August 1970. I'll read that paragraph to you now:

"The range of health services for older persons is inadequate since some elements are available only in certain parts of the State, while other elements are misused or overused. Today group care facilities cannot provide the level of service demanded of them, while general hospitals are overburdened, and home health care is drastically insufficient. The question of the quality of service and the high cost of drugs complicates problems throughout the entire range of health services. One of the most persistent, yet difficult to verify, complaints of the task forces was poor quality care, especially in group care facilities."

The "task forces" to which that excerpt referred, of course, were the groups of citizens who worked so long and so hard in 1970 and 1971 to prepare Maine for its role in the White House Conference on Aging almost 16 months ago.

In other States, the task forces met, made their recommendations, and then disappeared from the scene. But in Maine the task forces not only stayed alive; they are apparently flourishing. They are working to make their recommendations become realities.

And it is largely because of this strong, grassroots structure that we are here in Livermore Falls, today.

One of our primary purposes is to receive direct, firsthand testimony about the work done over the past year by Project Independence, which serves thousands of persons in Androscoggin, Oxford, and Franklin Counties.

The project draws its strength from what might be called organized neighborliness—people who care about people and who work for people.

I am especially interested in the Project because it clearly demonstrates that health services can't exist in a vacuum. They must be related to other programs, and they must draw strength from the insistence of the citizenry that no person, no matter what the age, can be forgotten or even denied the help needed to live at home independently, unless institutional help is absolutely necessary.

And so Project Independence has developed its five components—Health, Nutrition, Transportation, Information and Referral, and Recreation—for a 3-county area in a coordinated effort to provide services that make sense.

I'm especially interested in the fact that the major source of Federal funding for Project Independence comes from the Older Americans Act. And I'm happy to report that both Houses of Congress acted last week to broaden and extend that Act. I hope to say more about this as the hearings proceed. I will say no more about Project Independence, however, because our first panel of witnesses are admirably able to tell that story.

Other witnesses will tell us of statewide issues and proposals for improvement. And we will conclude by hearing from leaders of SCOOP, the State Council of Older Persons, now—I understand—about 5,000 members strong.

It is good to be here today in Maine talking to neighbors about matters of concern to the Senate Committee on Aging and to all citizens of this Nation.

## THE COST OF THE B-1 BOMBER

Mr. CRANSTON. Mr. President, on May 11 the Air Force announced that a combination of inflation and structural changes would lead to a significant rise in the unit price of the B-1 bomber. I think it is important to understand what has happened.

The bulk of the increase is due to a new inflation yardstick used by the Defense Department. Until last month, the prevailing assumption was a 1.9 percent annual rate of inflation. The new assumption is that prices will go up by 3.7 percent a year—admittedly a far more realistic estimate. The Air Force has acknowledged that if this escalation factor should prove accurate throughout the B-1 production years, the increase in price for the total B-1 program will be about $1.4 billion. If, on the other hand, we manage to tame the inflation problem, the increase will naturally be less than that.

When speaking of cost escalation, we must always keep in mind the difference between current dollars and "then year" dollars. The same product purchased in 1970 would clearly cost us more dollars if we were to buy it today. To treat the entire difference between a 1970 and a 1973 price tag as a cost overrun, to be blamed exclusively on the contractor, is a common mistake.

Almost 3 years ago, at the time the Air Force negotiated the B–1 contract with Rockwell International, the procurement cost of each bomber was estimated to be $30.8 million in 1970 dollars. The Air Force continues to state the cost of the B–1 bomber in 1970 dollars because that is the only accurate and firm base line price from which to judge cost growth.

To this figure of $30.8 million, the Air Force added an average cost escalation factor of 1.9 percent, as reported to the Congress in the selected acquisition report of September 30, 1970. The addition of the 1.9 percent cost escalation factor projected the procurement price of each B–1 aircraft from $30.8 million in 1970 dollars to $35.5 million in "then year" dollars—when procurement begins. Now, as I explained, the Department of Defense is using an inflation factor of 3.7 percent.

If we look at the B–1 program in this perspective, we see that in 1970 dollars, the cost of each aircraft has risen only 3.9 percent. This figure reflects the impact of two recent developments in the B–1 program.

First, about one-tenth of that figure is attributable to a decision to extend the flight test program from 12 to 15 months. Most of us consider this added cost for more "fly-before-you-buy" testing to be a worthwhile investment. In any case, it is inaccurate to list this cost as an "overrun" in the normal sense.

Second, the Air Force and the contractor decided shortly after contract award to shift their emphasis away from pretargeted, fixed-weight goals. Learning from the severe structural problems that confronted several major military aircraft developed during the 1960's, they decided instead to incorporate flexible weight goals that could be adjusted to assure structural integrity.

Structural integrity not only assures crew safety, but prevents the need for costly retrofits and modifications in the future. A controlled increase in projected unit production cost is a much less expensive solution than future retrofits.

The shift from fixed weight numbers to flexible weight goals was made with the knowledge that a higher price would probably have to be paid as more detailed design information became available. Detailed information simply was not available at the outset because the technology of so-called structural fatigue—how quickly an airframe gives out—is still being developed. For example, tests are still being run to determine how long it takes for a tiny crack to develop into a dangerous fissure, and under what stress conditions.

The price of the shift in weight goals that resulted from this new technology was an increase in airframe weight, which costs more money. But as I indicated above, all the changes together have only led to a 3.9 percent cost increase. In 1970 dollars, a B–1 originally estimated to cost $30.8 million now costs $32 million. In then-year dollars, the comparison is $35.3 million and $44 million. To say, as some newspaper reports have done, that the cost of the B–1 has risen from $30.8 million to $44 million amounts to comparing apples and oranges.

I continue to support the B–1 bomber program. I strongly believe that the flexibility of a manned bomber, combined with the improvements in technology which the B–1 incorporates, are essential to our "triad" posture.

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## HILL-BURTON HOSPITAL PROGRAM

Mr. MONDALE. Mr. President, there is no better example of the administration's irresponsible and deceptive approach to domestic social policy than their efforts to demolish the Hill-Burton hospital construction program.

The administration argues that there is no further general need for new hospitals. But this argument is beside the point. There is an urgent remaining need for new hospital space in isolated rural areas and central cities. And there is still more pressing need for renovation of obsolete hospital facilities and for the establishment of long-term care facilities.

As a thoughtful editorial in the Minneapolis Tribune for May 20 observes, it is these unmet needs which the Congress is attempting to address through the Hill-Burton program. Only 4 percent of Hill-Burton funds are used for new hospital construction.

I am certain that improvements can be made in the Hill-Burton program. As a member of the health subcommittee I will do my best to make those improvements. And I am more than willing to work with the administration in this effort. But no constructive dialog is possible while the administration continues to misrepresent the nature of the program itself.

Mr. President, I ask unanimous consent that an editorial entitled "Hill-Burton Extension" from the Minneapolis Tribune of May 20 may appear in the RECORD at the conclusion of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

### HILL-BURTON EXTENSION

When President Nixon said in his 1974 budget message that the Hill-Burton hospital-construction program is among "sacred cows" that should be dropped because it has fulfilled its purpose of ending the shortage of hospital beds, the explanation was deceptively oversimplified. What Mr. Nixon failed to point out was that only 4 percent of Hill-Burton funds now go to new hospital construction—the rest is for modernization of existing facilities.

As Sen. Mondale said in a letter to the Tribune several weeks ago, the fact that Hill-Burton has achieved its original purpose has "nothing whatever to do with the continuing and serious crisis in obsolete hospitals and in long-term care facilities." He said Minnesota has a backlog of $192 million of hospital needs. Hill-Burton statisticians say the figure is $12.7 billion nationwide.

Hill-Burton is due to end June 30 unless a one-year extension (already approved by the Senate) is passed by Congress and President Nixon does not veto it. Caspar Weinberger, secretary of health, education and welfare, said federal money would still be available for hospital construction and renovation because Medicare and Medicaid reimburse hospitals for depreciation expenses (amounting to $800 million a year) as do insurance companies (another $1 billion).

But Dr. Leo Gehrig, head of the American Hospital Association's Washington office, was quoted by Congressional Quarterly: "We deny that these (reimbursement) funds can be used for generating new capital." He said reimbursement funds are not based on replacement costs and do not provide as much money as hospitals need for renovation. The accuracy of Weinberger's figures also was put into question by a Blue Cross Association spokesman's statement to Congressional Quarterly that the association does not even keep national data on the annual amount its insurers reimburse hospitals for depreciation.

We agree with Mr. Nixon that the need for new hospitals (except in some isolated areas and in some sections of large cities) does not justify continuation of Hill-Burton. But the question of whether hospitals would be able to carry out needed modernization without Hill-Burton seems to us to require more debate. Further, the administration does not seem to have demonstrated that those areas that do need new hospitals would be able to raise needed funds without federal help. The administration may be able to prove its points, but we think they should be thoroughly aired before there is a sudden cutoff of the program on June 30. The one-year extension, during which there would be a complete review of Hill-Burton, seems to be the answer.

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## CONCLUSION OF MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, is there further morning business?

The PRESIDING OFFICER (Mr. HUDDLESTON). Is there further morning business? If not, morning business is concluded.

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## SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR ENDING JUNE 30, 1973

The PRESIDING OFFICER (Mr. HUDDLESTON). Under the previous order, the Senate will now resume the consideration of the unfinished business, H.R. 7447, which the clerk will state.

The legislative clerk read as follows:

H.R. 7447, making supplemental appropriations for the fiscal year ending June 30, 1973, and for other purposes.

The PRESIDING OFFICER. The question now recurs on the committee amendment on page 58.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BIDEN). Without objection, it is so ordered.

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## RECESS UNTIL 1:30 P.M.

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in recess until 1:30 p.m. today.

The motion was agreed to; and at 1:09 p.m. the Senate took a recess until 1:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. BIDEN).

## SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR ENDING JUNE 30, 1973

The Senate continued with the consideration of the bill (H.R. 7447) making supplemental appropriations for the fiscal year ending June 30, 1973, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 58.

### CAMBODIA—A DISSENTING REPORT RECONFIRMED

Mr. McINTYRE. Mr. President, 3 years ago this month I accepted President Nixon's invitation to join a bipartisan group of Senators, Congressmen, and Governors and undertake a Presidential factfinding mission to Southeast Asia.

We were specifically charged with evaluating the Cambodian incursion ordered by Mr. Nixon that spring.

Upon our return, I was invited to sign a "consensus report" submitted by my fellow members of the mission. That report, in effect, validated the incursion decision and forecast positive short and longrun results.

But what I saw on this mission, what I learned in my conversations with American diplomats, military officers, foot soldiers, Vietnamese, and war correspondents, did not square with the judgment in the "consensus report," and I could not, in good conscience, sign it.

Instead, I broke with the other members of the mission and submitted a minority-of-one dissent.

I take no particular pride in this. Indeed, I had hoped with all my heart that what I learned in Southeast Asia would encourage me to support the President's actions.

Nor do I claim any hindsight prescience when I review what I wrote at that time and consider that here we are—3 years later—36 long, bloody months later—still making war in Cambodia; still locked in debate over war-making authority; still trying to end the most divisive war in our history in the face of charges that we are only giving comfort to the enemy.

Mr. President, in my dissenting report to the President on the Cambodian incursion 3 years ago, I agreed that there was evidence of early tactical successes, but I said the "acid test of the Cambodian action is not the tactical gains or losses; it is whether we have widened the war."

I said I believed the operation had, indeed, widened the war, had led to a hardening of positions on both sides, and had dimmed prospects for a lasting negotiated peace.

And I asked the President what he would do if the defense of Cambodia by Asian forces ran into trouble?

Would we go back in to save them? And what would we do, I asked, if continued operations in Cambodia kept the government in power, but kept American boys indefinitely in Southeast Asia, in the face of a war at home which was tearing our own country apart.

Finally, I wrote this to Mr. Nixon:

> And I offer this concluding thought which means very much to me. I pray—with all my heart and soul, I pray—that your own judgment on the Cambodian matter will be vindicated, for every one of us yearns for peace, and in this area of public policy there is no place for partisanship or petty spirit. I appeal only for a sharing of this terrible problem in proper constitutional manner with others also elected to Federal office by the American people.

Mr. President, my appeal fell upon deaf ears.

Mr. Nixon continues to ignore the wishes of the people, continues to ignore the prerogatives of the Congress; continues to disregard the legislative history of the legal authority for the use of our airpower in Indochina; continues to send 200 bombing runs a day over Cambodia; continues to risk our airmen's lives and freedom; and by so doing he is risking the integrity of our political system itself.

He does this despite his own repeated assurances, beginning on the very month that I went to Southeast Asia at his request, that—

> The only remaining American activity in Cambodia after July 1 (1970) will be air missions to interdict the movement of enemy troops and material where (he finds) that it is necessary to protect the lives and security of our men in South Vietnam.

As our distinguished colleague from Maryland, the Honorable Charles McC. Mathias, has pointed out, this assurance was an important part of the basis of an agreement worked out between the Congress and the President when the final language of the Cooper-Church amendment was written in December of 1970, an amendment which carried a provision by Senator Henry Jackson that U.S. airpower could not be used in direct support of the Government of Cambodia.

Senator Mathias has also pointed out that Mr. Nixon subsequently signed two laws specifically excluding the use of U.S. funds for the purpose of supporting the Government of Cambodia.

And yet, Mr. President, every evidence points to the fact that our bombing missions in Cambodia are, indeed, in direct support of the government of that country.

How, then, does the administration justify its actions?

By citing violations of article 20 of the Executive agreement signed by the United States concerning the ending of hostilities in Indochina.

But once again, as Senator Mathias and others have pointed out, this agreement has never been submitted to the Congress for its approval, could not, in any event, supersede the Constitution or the statutes, and whatever the case, could not be operative in Cambodia, because Cambodia is not a party to the agreements.

All of this duly considered, I have come to the reluctant conclusion that I must support legislation to terminate funds for any further hostile action by U.S. forces in Indochina. And so I am cosponsoring not only Senator Mathias' resolution of advice to the President, but also the measure introduced by Senators Case and Church prohibiting the use of funds for hostile military action in, over, or from off the shores of North Vietnam, South Vietnam, Laos, or Cambodia, unless specifically authorized by the Congress. Such legislative action is not only needed, it is clearly, unquestionably, emphatically within this body's purview.

Mr. President, one final word:

As we consider and discuss this issue, I would sincerely hope that we can maintain perspective, reason, understanding, tolerance, and independence.

As all of us know too well, this long, agonizing, frustrating war has taken a terrible toll of wounds and scars at home as well as on the battlefield.

Deep, deep wounds have been sustained by those whose patriotism has been impugned because they have spoken out against continuing this senseless war.

I was pointedly reminded of this just a few weeks ago when my distinguished senior colleague from New Hampshire, Norris Cotton, joined in a unanimous vote in the Appropriations Committee to cut off funds for further bombing.

Though many of us hailed his courage and independence, others responded with vicious abuse.

The largest newspaper in our State, the Manchester, N.H., Union Leader turned on my colleague with an editorial entitled: "The Reds Thank You, Senator Cotton."

Now no reasonable, rational man could ever question the patriotism of Norris Cotton, and the newspaper's charge that "Communist agents are happy with his remarks" is patently ridiculous.

Equally absurd is the argument made by still others that urging an end to the bombing sends false signals to Hanoi which can only prolong the conflict and cost countless American lives.

I say that this kind of shopworn, discredited talk is what helped get us into Vietnam and kept us there far too long.

And, Mr. President, I can say this as one who himself resorted to that unfortunate argument once 5 years ago and has regretted it ever since.

So I would hope that all the sobering experiences, all the painful revelations, of recent years have made most of us bigger men. I would hope that they have taught us once again that questioning the patriotism of those who disagree with us is not only grossly unfair to those whom we impugn, it is of itself un-American, and it tears the very fabric of national unity and purpose.

If we have truly learned this lesson, Mr. President, then our consideration of legislation to end the bombing will be marked by reason instead of passion, independence instead of partisanship, good will instead of rancor.

Mr. President, I support the amendment proposed by the distinguished Senator from Missouri (Mr. Eagleton).

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, pending the arrival of Senators who may have amendments to the unfinished business, I ask unanimous consent that the distinguished Senator from Kansas (Mr. Dole) be recognized to speak out of order for not to exceed 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks Senator Dole made at this point on the introduction of S. 1902, to reinstate the rural environmental assistance program, are printed in the Record under Statements on Introduced Bills and Joint Resolutions.)

## QUORUM CALL—INTRODUCTION OF BILLS

Mr. DOLE. Mr. President, I yield back the remainder of my time and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HRUSKA. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Scott of Virginia). Without objection, it is so ordered.

(The remarks Senator Hruska made at this point on the introduction of S. 1905, to grant career status to U.S. marshals, and on S. 1906, dealing with the mission of the National Commission on Individual Rights, are printed in the Record under Statements on Introduced Bills and Joint Resolutions.)

## QUORUM CALL

Mr. COOK. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. McGOVERN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR ENDING JUNE 30, 1973

The Senate continued with the consideration of the bill (H.R. 7447) making supplemental appropriations for the fiscal year ending June 30, 1973, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 58.

Mr. McGOVERN. Mr. President, I urge the immediate adoption of the amendment by the Senator from Missouri (Mr. Eagleton) which would cut off further funding of military operations over Laos and Cambodia. We have delayed far too long in taking action here in Congress to terminate funding for any further military operations anywhere in Indochina. This amendment is an important and significant step in that direction.

We have delayed far more than we should. More than 3 years have passed since the senior Senator from Oregon (Mr. Hatfield) I, and other Senators sought by a similar amendment to end the slaughter and destruction in and over Indochina.

Over the past two decades millions of people have been killed or wounded in Indochina, billions of dollars have been wasted, and we have heard again and again the promise of peace, even as the war raged on.

Today it is more than 3 months since another cease-fire agreement was signed. And now we are learning anew that peace does not depend on a piece of paper, but upon the judgment and integrity of those who signed it. Today in Vietnam an old war has not really ended and in Cambodia a new war threatens to begin.

All of us, I am sure, welcomed the Paris agreement. All of us wanted to believe that the agony was past and that America was coming home at last. The people of this country, in effect, turned away from the war. But the war itself has continued, albeit in a different form.

The question is why we have not yet forced an end to this hated conflict.

I think it is partly because of the pain of realizing that peace has not actually come and partly because the renewal of the war has come in the midst of the Watergate scandal. As we wait and watch each day for the latest events in a scandal unprecedented in the history of this Nation, we hardly notice the continued killing which has so much tragic precedent in our recent past.

Mr. President, I would like to make this observation. I have had several communications in recent days from pilots and members of crews operating out of Guam and Thailand who are engaged in bombing over Cambodia, protesting the folly and the danger of this exercise. One of these B–52 crew members, whose home is in Rapid City, S. Dak., was quoted on one of the networks a few nights ago saying he felt like a "paid killer" being sent out day after day from the biggest country in the world in terms of wealth, power, and resources, to bomb one of the smallest and most poverty-stricken countries in the world.

I hope we will listen to some of the concerns of some of these men who are being pressed against their will into these aerial bombardment operations.

But the bombs that fall on Indochina are still dropped in the name of America. I think it is up to Congress to face up to its responsibility and bring this action to an end.

As we have so often done in the last decade, let us look once again beyond our own land, to the pain that we are inflicting on other people and to the waste of our own resources and the jeopardy in which we are placing our own men.

I have just come back from a rather extended tour of my State of South Dakota, where one of the topics of concern is the fuel shortage—the so-called energy crisis. We are reminded of this crisis when we see signs in the filling stations warning customers that only 5 or 10 gallons of gasoline is available to a customer. Yet one B–52 on one raid consumes 50,000 gallons of fuel. The bombers are going out on dozens of raids a day. One bomber consuming 50,000 gallons of fuel would be the equivalent of what it takes to propel an automobile 50 years at 20,000 miles a year.

In World War II, when we were carrying on operations of this kind with much smaller bombers, with much smaller equipment, the country was forced into gas rationing in order to carry on the war. We will have to go the same route again if we do not stop wasting our fuel in bombing operations over Cambodia.

Meanwhile, in South Vietnam, the bloodbath has come—but not from the North.

Since the signing of the cease-fire, the Saigon regime, which we are backing, has launched an offensive that in the first month and a half resulted in the capture of four hundred villages.

For weeks after the Paris peace, the South Vietnamese air force was flying more than a hundred bombing runs every day. And since then, the only change has been, not that Saigon has stopped the bombing of its own country, but that it has stopped reporting how much bombing has been done.

At the same time, the United States has suspended the clearance of mines from the coastal waters off North Vietnam. And contrary to the Paris agreement, we have not dismantled, removed, or destroyed our military bases in Vietnam. Instead, we have turned them over to General Thieu's forces—in effect, another $5 billion gift to a dictatorship that has already squandered so much of our aid. And now the administration is warning Hanoi of "revived confrontation"—of more air raids which will mean new American prisoners—after we just fought on for 8 years supposedly to free our prisoners.

But the administration has an excuse—that the other side has violated the cease-fire. We must wonder now whether these violations will finally turn out to be what the Gulf of Tonkin was—a half-truth at best, which was misused to justify a wider war.

Let me say again today, Mr. President, I no longer believe there was a Gulf of Tonkin crisis, as was reported to us by the executive branch. I think we were lied to in that instance. In order to get that Gulf of Tonkin resolution passed here in the Congress, we were deliberately misled by an administration that was looking for an excuse to get a blank check. I do not say that as a partisan matter, because it was my own party that was in control of the White House at that time.

And we must ask the terrible, almost unthinkable question: Are the administration's charges against Hanoi a calculated effort to prepare the American people for the escalation of American involvement?

In any agreement that includes two parties so long and so bitterly divided as Saigon and Hanoi have been, there are bound to be problems. There are sure to be some violations on both sides. But virtually every source except Saigon and Washington—almost every newsman and independent observer on the scene—agrees that the fault for the failures of the cease-fire rests far more with our ally than our adversary.

A recent survey could not find a single first-hand report by an American journalist of post cease-fire fighting started by the other side. At the same time, intelligence estimates from within the administration itself indicate that the North Vietnamese have reduced significantly the flow of weapons and military supplies down the Ho Chi Minh trail.

On the other hand, General Thieu's South Vietnamese forces have demonstrated an utter disregard for the Paris agreement. They have not only engaged in prohibited air strikes and ground offensives; they are not only responsible, in the words of one correspondent, for "most of the fighting;" they have also encouraged sneak attacks against members of the Joint Military Commission, which is supposed to enforce the truce. And above all else, the Saigon regime has repudiated in word and deed the political guarantees of the cease-fire.

The cease-fire outlawed "acts of reprisal and discrimination" in the South against anyone who "collaborated with one side or another." It pledged "freedom of speech—and—of the press—freedom of political activities—and—freedom of movement." General Thieu's representatives signed those promises—and then General Thieu promptly forgot them.

He has ordered the arrest of "neutralist and pro-Communist elements" if they assert their right to engage in "political activities."

We know that over the years, if one is labeled a neutralist or a pro-Communist, all that means is that he is opposed to General Thieu.

He has announced that he would "arrest or shoot on the spot" any citizen who works for the provisional revolutionary government. He has prevented refugees from leaving urban slums and returning to their villages—apparently because he fears that out of his control, they might choose to oppose his corrupt regime. And General Thieu has imprisoned a vast number of his fellow citizens—not because they have broken a criminal law—but because they believe in political liberty. Neutral and Western observers estimate that there are thousands of political prisoners in South Vietnam. And how does our so-called democratic ally treat them? We know they are beaten. We know they are tortured and even murdered. And their only offense is that they may think the same thing a majority of the U.S. Senate and most Americans think—General Thieu's dictatorship is not worth an endless and immoral war.

Anthony Lewis warns of the consequences if we do not wthdraw our support from this repression: "The alternative is very likely a third Indochina—conflict. The second was assured when Ngo Dinh Diem, after 1965, closed the politics of South Vietnam, and began arresting suspected Communists and other opponents." Eventually, the Communists responded with guerrilla war. If a political contest is foreclosed again, the result will almost certainly be the same. And where will the American involvement end this time?

It is already beginning again. The United States continues to fund as much as 90 percent of the Saigon government's budget. There are at least 6,000 American "technical personnel" in South Vietnam, most of them involved in military or paramilitary activities of the Saigon regime. Many of them have been mustered out of the Armed Forces and right back into the same assignments under another name. They are soldiers in civilian suits. They are in the 1970's what American advisers were in the 1960's—a prolog to a longer and even more destructive war.

And as we move toward escalation in one part of Southeast Asia, we are already in the midst of a full scale air war in another.

And it is that air war to which the amendment of the Senator from Missouri (Mr. EAGLETON) is directed today, and I want to commend the Senator from Missouri for bringing the amendment before us.

In 1970, we were told that the way out of Vietnam was through Cambodia. Today, we know that instead Vietnam was the way into Cambodia.

With even its capitol under seige, the military government of Cambodia—despite hundreds of millions of dollars of American aid—is a failing and faltering enterprise. It does not have the loyalty of the people; and we have learned at tragic cost that American support is no substitute for popular support.

That certainly ought to be one of the central lessons we learned from our long involvement, whether it is in South Vietnam, Laos, or Cambodia. There are just some things that we cannot accomplish politically with a B–52. And one of those is to make people be loyal to their government by bombing them. It was tragic to make a mistake in Vietnam. It is insane to repeat the mistake in Cambodia.

Yet this is the course our Government has chosen. Our B–52's and tactical planes have been flying as many as 240 bombing sorties a day over Cambodia. Our embassy in Phnom Penh is directing the bombing, and approving every target. And American officials attempt to justify this by pleading once again that the other side has violated the Paris Agreements by not withdrawing its troops.

That is questionable at best—for the accord, by the State Department's own admission, sets no time limit for troop withdrawal. There is nothing in the Paris Agreement that says that all opposing forces should be out by a specific day. Secretary Rogers admitted before the Foreign Relations Committee recently that there was no "technical" violation of the agreement in Cambodia. More importantly, our actions in Cambodia are plainly illegal. There is no declaration of war to support them. There is no congressional funding to finance them. And there is no legislative approval for any of them.

At one time the administration argued that the Cambodian bombing was justified to protect our troops in Vietnam. But now, according to the administration, the troops are gone.

Nor can White House officials claim that the SEATO treaty validates our policy as they did in Vietnam. Cambodia long ago withdrew from SEATO, which in any case requires a resort to constitutional processes before any member state takes any action other than mere consultation. A curious argument based on SEATO cannot support the massive bombing in Cambodia. Even the much over-worked Gulf of Tonkin resolution was long ago repealed. So that is no longer authority.

The administration has, of course, tried to come up with some new legal theories. Pending preparation of a constitutional background paper, Assistant Secretary and Ambassador-designate William Sullivan told us:

> For now, I'd just say the justification is the reelection of President Nixon.

So we began with the novel doctrine that if the margin is big enough, a reelected President can do anything he likes, regardless of what the law might say.

Mr. President, if I might interpolate a moment, I do not think there is anything about that reelection mandate last fall—and there is nobody here that is more painfully aware than I am of the size of it—by which the American people signaled that they wanted the aerial bombardment over Cambodia to continue 6 months after the election. Quite to the contrary, the American people were led to believe that the surest way to put an end to the bombing was to support the President's reelection. So, for one of the top officials in the State Department to say that the justification for the continued bombing is the reelection of President Nixon is to put an interpretation on that mandate which is not correct, and certainly not in keeping with the Constitution.

Finally, on April 30, we received the definitive document from Secretary Rogers. It is frankly difficult to discern from that memorandum what the State Department is trying to say. On the one hand, it seems to suggest that the administration has authority to enforce article 20 of the Paris agreement. But the administration has also argued that the Paris agreement is not a treaty requiring ratification by the Congress. So that suggestion amounts to a claim that the President can willy nilly make agreements around the world without congressional ratification, and then use those agreements as a source of Executive war powers without the Congress. It is a bankrupt position from any constitutional or legal standpoint. Then the State Department memorandum falls back on the favorite language of the loose constructionists, arguing that the framers were deliberately imprecise in order to leave "considerable flexibility for the future play of political forces." But we know now what those words mean. They are a euphemism for the Executive desire to conduct foreign policy exactly as the President sees fit, without the bothersome interference of, or a responsible check by, Congress. And we also know the framers were neither uncertain or ambiguous about where they vested the to power to initiate war—in the legislature, and in the legislature alone.

So we are still pursing victory in a war that is illegal, that is wrong and that cannot be won. We sought victory on the battlefield—and failed. We sought it at the conference table—and failed. And now we are seeking it again in renewed bombing.

And we will fail again at great cost.

Our airmen will be captured—and then we will be told that we must fight on to free them. And someday they will be freed if we are fortunate and the other side ever trusts us again—and then we will be told that we must fight on to prevent a North Vietnamese victory and to assure our own.

This is the way to war as a permanent condition of our national life. It is the way we must not take.

Me must not water the fields of Indochina with more innocent blood.

We must not waste more of our wealth on killing abroad when we must have it to make life more worth while here at home.

We must stop trying to make Southeast Asia safe for military dictatorships in those poverty-stricken little countries.

Since 1965, we have spent $150 billion—inflicted 1,300,000 civilian casualties—driven 10,000,000 people from their villages—and divided our own country as no other conflict in our history has done, save possibly the Civil War. Speaking of Cambodia alone, Senator **KENNEDY**, chairman of the Judiciary Subcommittee on Refugees, told the Senate on April 5:

> At least one-third of Cambodia's population—some 2,000,000 people—have fled the bombing and battle in the countryside during the last three years. Orphans number some 260,000. And over 50,000 war widows have registered with the government. The war has so thoroughly disrupted agricultural production in Cambodia that this once rich rice-exporting nation must now import, with U.S. assistance, more than three-fourths of all the rice consumed. The crisis which now seizes Phnom Penh began nearly three years ago with the failure of the Lon Nol government to organize effectively or command the support of the people. Corruption at the highest levels of government, chaos in administration, and the political bankruptcy of the country's leadership—these are the primary ingredients in the Cambodian crisis today. Whatever mandate the Lon Nol government may have had three years ago to bring peace to Cambodia has now completely vanished. And in the decay that has followed no amount of B-52 bombs or threats of escalating military action by our government can bring relief or peace to the people of Cambodia.

As many of us have said on the Senate floor in recent days, there is no moral, legal, or constitutional justification for American bombing of Cambodia. Worst of all, the illegality of our massive bombing is matched only by its futility. Today, after all this massive expenditure of blood, treasure, and resources, the Lon Nol government controls only 20 percent of the territory of Cambodia. The assaulting forces are spread so widely that no amount of bombing by B-52's can really be effective. All we can succeed in doing with our bombs is to destroy the countryside, and annihilate whole families and villages. And the bombing can never stop the war.

I talked with a former CIA employee the other day who has followed events in Cambodia very closely, and he said that under the system being used, where air strikes are called in through the American Embassy, the guerrilla forces know where these bombers are coming long before they arrive. The only people who do not get out of the way are the innocent civilians. So what happens is the annihilation of villages and the wiping out of whole families, the destruction of the rice paddies and the trails. And the senseless destruction continues.

This year, according to the Defense Department, military aid and operations in Indochina will cost $4 billion. If this is peace, it is surely the most expensive and violent peace in our history. And this is the first time in American history that the President has asked for a higher war budget in the year after a war.

I think the Congress must respond with two specific steps, which I summarize briefly in conclusion.

First, we should adopt the pending amendment and refuse the administration any authority to spend any funds for continued military operations in Cambodia and Laos. This is the most vital work before the Congress. If we fail, I think it will be interpreted as the Gulf of Tonkin Resolution was—as an endorsement by Congress to continue these military operations. It will be the Gulf of Tonkin all over again, with one difference. This time we know exactly what we are doing.

Second, we should condition further aid of any kind to South Vietnam on the release of all political prisoners and the removal of all restrictions on civilian movement. Such legislation should require verification by the International Control Commission that the conditions have been met. Furthermore, any cease-fire violations for which the Control Commission faults Saigon regime should result in a specified level of reduction in aid.

I am now preparing such legislation to offer as an amendment to the Foreign Assistance Act. I see no justification at all for this country using American taxpayers' funds to support a regime that imprisons people on political grounds, for the simple "sin" of expressing their views on the problems before their country. It is less than 4 months since we heard that we had peace with honor. What we really have is continued wars. And even worse, we are dishonored, not only by what we are doing, but by how it has been done.

For the administration's policy in Indochina has a frightening similarity to the administration's attitude toward corruption.

They have tried to cover up the war just as they tried to cover up Watergate. American officials in Southeast Asia have tolerated and even encouraged the harassment of American journalists. For example, five of the best reporters in South Vietnam have been expelled for "un-Vietnamese activities"—which probably means they told the truth. And in Cambodia the censorship system is so strict and so distorting that if Phnom Penh does fall, the last place to go for information would be the telegraph office sending out dispatches that government forces are advancing on all fronts.

And just as the law was apparently broken by some administration officials in the Watergate case, so the administration is clearly breaking the law with its war policy. It is violating not just the Paris accords, but the Constitution of the United States.

What is truly at stake in the war and in Watergate is essentially the same issue—whether we will check the arrogance of power, refuse to let one man or one administration stand above the law, and reclaim the respect of our people for a government that once again respects their rights and its own obligations. This is what we had before—even when we disagreed with a specific policy—and this is the kind of government—the rule of law—which we must restore if we are to survive.

Mr. EAGLETON. Mr. President, will the Senator yield?

Mr. McGOVERN. I yield to the Senator from Missouri.

Mr. EAGLETON. Mr. President, I wish to pay tribute to the distinguished Senator from South Dakota for his cogent, perceptive, and very persuasive analysis, not only of the historical antecedents which led us to the position we find ourselves in today, but also with respect to the amendment now pending before the Senate.

No Member of this body worked harder, longer, or with more diligence than the Senator from South Dakota to bring this atrocious nightmare to an end. Yet it endures. Yet it continues. And today we run the risk of having it become yet another war, this time a Cambodian war.

I ask the Senator from South Dakota if he does not see some ominous comparisons between the situation in which we find ourselves today, in 1973, and that situation of a decade ago, in 1963, particularly in these respects:

We are now giving political advice to Lon Nol, and not only advice, but total direction. We told him to expel from his government his own brother, just as we told President Diem, back in 1963, to unload his brother and sister-in-law. We are sending in supplies to Phnom Penh by airlift. We are trying to get as much as we can up the Mekong River, and so on.

I ask the Senator, are there not ominous comparisons to be made between our situation in 1973, with our involvement now in Cambodia, and the situation in 1963, that bring to mind haunting recollections of those earlier days in South Vietnam?

Mr. McGOVERN. Mr. President, I think the thrust of the Senator's inquiry is well taken. We are going down the same garden path we did in Vietnam, on the mistaken assumption that if the Government does not have the trust of its own people, if it cannot put together an indigenous military force, we can compensate for that by outside military power, in this case the most dramatic example being the use of B-52 bombers and F-111's and other aircraft for tactical air support.

Doubtless that does have some kind of slowing effect on the movement of insurgent forces, but, as the Senator knows, our experience in Vietnam has been that you cannot use heavy aircraft of that kind in jungle terrain with any great degree of accuracy, and every time one of those bombers goes astray and wipes out a village, we have created another thousand people who hate the United States, who see us coming over their country, not as healers or messengers of peace, but with our high-flying bombers. All of a sudden a rumble occurs, and another area is wiped out. It gives the complete lie to the argument that we are there trying to win confidence and win over the minds and hearts of the people, because the effect is just the opposite.

The great danger to us militarily and politically is that once again American crews will be shot down. I do not know whether the Cambodian insurgents have a surface-to-air missile capability at the present time, but doubtless if this bombing continues they will get it.

They will import that kind of equipment, if necessary, and then once again we will be going through the same procedure we have over the past few years, of American planes being shot down, their crews imprisoned and the argument then being made that we cannot quit until there is an agreement over the release of the prisoners. So it seems to me that, as the able Senator's question implied, we are making all the same mistakes that we have made with such pain and suffering in Vietnam over the past 20 years.

Mr. EAGLETON. During more recent years in which the Senator from South Dakota, in conjunction with the Senator from Oregon (Mr. HATFIELD), time and again fought to bring the war in South Vietnam to a close, were we not constantly advised that the way to terminate the activity and bring it to an end was to utilize the power of the purse, to cut off the money for that operation?

Mr. McGOVERN. The Senator is absolutely correct. My understanding is that the courts that have ruled on this question, as to whether we are conducting legal military operations in Indochina in the absence of a declaration of war, have said in effect that as long as Congress continues to appropriate the money, that is indirect congressional approval of what we are doing.

I think that argument has some cogency to it. The only tool, really, that we have left is the power of the purse, and I want to commend the distinguished Senator from Missouri for bringing this amendment before the Appropriations Committee on getting a unanimous vote on it, 24 to 0—Republicans and Democrats alike—who stood with the Senator and said that we want no more American funding spent on bombing Cambodia and Laos. We are exercising the one constitutional power we have, to terminate a war that we think is not in the public interest.

Mr. EAGLETON. One final question to the Senator. The section under debate at the present time, section 305, cuts off funds for air activity over Cambodia or Laos not only appropriated under the instant bill, the supplemental bill, but heretofore appropriated under any other act. If this amendment is defeated or deleted from the bill, it will leave in the bill some language which talks about the appropriation of money contained in this bill which the administration has already said will be ignored. They say they will find other Defense funding to continue the bombing in Cambodia, that they do not care about the transfer authority, that they will find the money somewhere, somehow.

Would not the Senator from South Dakota therefore believe that if section 305 is deleted it will then be construed by the administration as congressional authorization to go forward and continue the bombing of Cambodia?

Mr. McGOVERN. That is exactly what would happen in the absence of a specific prohibition against the use of funds under this bill or any previously authorized or appropriated funds. That is precisely what they would do. They would find funds elsewhere in the budget to do what they want to do.

I would hope that the language of this amendment is specific enough so that if this administration would respect the law—and I sometimes wonder if a mere law has much restraint on some of the people in this administration—that in any event, the Senator has worded his amendment as clearly and as specifically as possible and I would see no legal basis at all under which the administration could use funds heretofore appropriated to continue the bombing in light of the present wording of his amendment.

Thus, I hope that the amendment will stay in the bill and that it will go through in an unmodified form.

Mr. EAGLETON. Once again, I truly thank the distinguished Senator from South Dakota for his support of this amendment. I repeat what I said at the outset, that no single Member of this body in recent times has done as much to bring this hellish affair in which we have been so long engaged to a termination than has the Senator from South Dakota.

Many a day he stood alone in this Chamber, when no voices were being heard, when he decried the inhumanity that we were heaping upon the defenseless people of Southeast Asia.

At times his voice was without an audience. There were times when the country stood mute and he alone carried on the battle.

I am very much pleased and privileged to have the Senator's support on section 305 because I think, at last, that we may have the opportunity, not only to go on record, but to do something constitutionally that will bring this activity, insofar as American participation is concerned, to a total, complete, and ultimate end.

Mr. McGOVERN. I thank the distinguished Senator from Missouri for his generous words and for the leadership and sponsorship that he provides on the pending measure.

Now, Mr. President, I yield the floor.

### THE NEIGHBORHOOD YOUTH CORPS

Mr. FULBRIGHT. Mr. President, I am pleased that the Senate acted yesterday to pass the Javits amendment and include it in the supplemental appropriations bill. This amendment, which I cosponsored, would add a total of approximately $44.5 million for the Neighborhood Youth Corps summer job programs.

Since the NYC program began, thousands of underprivileged and deserving Arkansas youngsters have been provided summer job opportunities. The objectives of these programs are to keep youth occupied in meaningful activities during the summer months and to provide the wages which will assist them in contributing to the costs of their education and in helping to support their families during the year. In many cases, the moneys earned during the summer by those who have participated in NYC programs have made a critical difference with respect to their ability to purchase such necessities as books and clothing for school in the fall.

As a strong supporter of the NYC summer programs for many years, I was particularly gratified last year when the Congress appropriated $256.5 million, which the President requested to carry out a summer program in fiscal 1973. This amount was contained in the Supplemental Appropriations Act of 1972—Public Law 92-607—which was signed by the President on October 31 of last year, and in the Continuing Appropriations Act—Public Law 93-9—which he signed on March 9, 1973.

However, as in many cases with this administration, what was requested, approved by the Congress and then signed by the President on the one hand was then taken away by impoundment with the other.

In his revised budget for the new fiscal year, the President asked for a rescission of his own request for the $256.5 million for a NYC summer program in 1973. Instead of making these moneys available, he in effect impounded them based upon this new request. Then on March 21, he announced his own plans for a summer youth job program—one which has completely confused the situation in my own State and threatens the existence of any meaningful summer program in 33 counties there.

In his March 21 announcement, the President stated that he planned to utilize funds available to him under the Emergency Employment Act and that local sponsors, who had previously sponsored NYC projects, would be permitted to use moneys provided under the public employment sections of that act for 1973 summer youth programs.

Since the Emergency Employment Act was established by Congress for the specific purpose of providing "transitional" job opportunities for unemployed and underemployed persons of social and economic age groups, its application to a summer job program for youth has created tremendous inconsistencies in the amount of funding made available at local levels.

In my State, 33 counties in which successful NYC programs were operated last summer were completely left out when the public employment program—PEP—formula was applied to allocate and distribute funds.

The Appropriations Committee correctly pointed out in its report the problems associated with using public employment program funds for a NYC program and recommended that the President use the moneys already available to him for a summer program. Page 3 of the report states:

> With respect to the proposed rescission for the Department of Labor, the Committee strongly recommends against the use of funds for public service employment to carry out the Neighborhood Youth Corps summer program. The Committee feels that the programs involved are intended to serve two separate and distinct purposes, and that funds should not be commingled.

Mr. President, statistics provided by the Department of Labor show that 9,242 job slots would have been provided for Arkansas under the original Javits proposal, taking into account the committee's recommendation that the President utilize the $256.5 million already appropriated and available to him. The current situation is such that if this amendment is deleted in conference only 851 job slots of a total of 4,254 provided for in 1972 can be provided this summer in those 33 Arkansas counties which presently have received no funds for a summer program. Even after the modification of the Javits amendment yesterday, it is clear that if the Congress enacts this measure something in excess of 8,000 slots will be available in Arkansas this summer—more than enough to correct the inequities which currently exist.

As I mentioned at the beginning of my remarks, NYC has been particularly successful in Arkansas, and I hope that through the successful incorporation of the Javits' amendment in the supplemental appropriations, we can insure that the needy and disadvantaged, not only in my State but throughout the country will have an opportunity to continue to benefit from this particular program.

Mr. President, I ask unanimous consent to include in the RECORD some materials which describe the situation that presently exists in Arkansas.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

### TERMINATION OF NYC TO LEAVE YOUTHS UNEMPLOYED

(By Dan Farley)

About 800 Little Rock students from low-income families who found employment last summer through the Neighborhood Youth Corps will not find federally sponsored jobs this year as a result of President Nixon's plan to cutback federal spending.

With the Neighborhood Youth Corps officially terminated Saturday, an alternative program, similar in scope to NYC, will only be able to place about 315 youngsters from an estimated 3,000 applications in Little Rock.

Since the Neighborhood Youth Corps Program began in 1966, over 4,000 Little Rock high school students between the ages of 14 and 20 have been employed during the summer vacation periods. Last summer, 1,138 students from low-income families in Little Rock found summer jobs through the NYC program.

The Little Rock School District operated the program in the city under the direction of Roland E. Launius. Launius expressed concern over the termination of the program, saying many of the students were almost totally dependent on the summer jobs.

"The vast majority of the youngsters in the program saved their money to buy their clothes and books and pay their school fees," Launius said. He said he wondered what those same students would do now that the program has been discontinued.

Launius said he was particularly concerned about the 14- and 15-year-olds who had found employment through the program. He said almost half of those employed in Little Rock last year fell into that age group.

Although NYC will be formally terminated Saturday, there will be a summer job program available to the city's youngsters. It will be directed by the City of Little Rock, made possible by a grant from the federal Labor Department.

The program will be much smaller than the Neighborhood Youth Corps of previous summers. There will be jobs for only about 315 youngsters, according to Nathaniel Hill, director of the City Human Resources Department.

The summer grant, Hill said, has been made possible as a part of the Emergency Employment Act of 1971 and will amount to about $134,000. (The Little Rock School District received $422,000 last summer for the NYC program.)

Hill said the program would follow the basic guidelines of the Neighborhood Youth Corps, except the age limits for eligibility would be from 16 to 22. Hill said employment would be given on a "first-come-first-serve basis."

He said applications would be stamped upon receipt in order to accomplish this. The program is set to begin June 15.

Hill said each applicant chosen to participate in the program would work 260 hours during the summer, receiving a minimum salary of $1.60 per hour. He said the jobs would be made available through the city public agencies; the Parks and Recreation and Public Works Departments, the summer baseball program, and possibly with the Little Rock School District and the Veterans Administration.

Little Rock will not be the only area of the state affected by the demise of the NYC program. Last summer a preliminary estimate of $3.5 million was allocated throughout Arkansas for hiring about 9,600 students.

Ed Coleman, director of the Emergency Employment Act at the state Finance and Administration Department, said $790,500 has been allocated in federal funds for summer employment for youngsters throughout the state. He said the money will be used for hiring young people in all but Washington, Pulaski and Jefferson Counties. Those counties received separate funding by the Labor Department for similar programs because of the heavier population there, Coleman said.

Coleman said he had just recently been notified of the allocation, so the details of the program still have not been worked out. He said, however, that it would be similar to the Neighborhood Youth Corps. He said he expected details of the program to be announced later this month.

Jim Scott, public relations director for the City of North Little Rock, said a $65,900 grant had been made available to employ persons from 14 to 22-years-old. He said there would be about 147 jobs available in the program for "disadvantaged young persons."

Scott said the money had been made available through the public employment program, which is an offshoot of the Emergency Employment Act of 1971. He said an arrangement was being worked out to provide jobs for the youngsters through the North Little Rock Public Schools and the North Little Rock Housing Authority.

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CITY OF CAMDEN,
*Camden, Arkansas, May 10, 1973.*
The Honorable J. W. FULBRIGHT,
*U.S. Senate,*
*Washington, D.C.*

DEAR SENATOR FULBRIGHT: The Mayors and County Judges from south Arkansas were invited by Governor Dale Bumpers to attend a meeting yesterday in Hot Springs concerning the Public Employment Program. As you are aware, the President announced several weeks ago that since there would be no Neighborhood Youth Corps funding for this summer, he was making available a supplemental appropriation under the Public Employment Program to help take the place of the N.Y.C. program. We were invited to Hot Springs to learn of our allocation of this supplemental summer youth funding. It was announced at the meeting that thirty-seven counties were to be allocated supplemental summer youth funds and that thirty-three counties were to receive no summer youth funding. The officials who were present from the Regional Office of the Department of Labor could give no explanation as to why thirty-seven counties were chosen to receive these funds and thirty-three counties were allocated no funds. Naturally, we feel that this decision, which apparently was made in Washington, is terribly unjust and will result in numerous problems for those of us in the thirty-three non-funded counties. Last year the Ouachita Area Development Corporation, which managed the N.Y.C. program for six counties in our area, placed 621 N.Y.C. participants in job opportunities with schools, cities and county governments. In Ouachita County alone, we had 129 participants under the Neighborhood Youth Corps program. It is obvious that the elimination of the N.Y.C. program without any substitute program to service our area will cause numerous problems. The schools, cities and counties in our area will suffer, as will the youth who depend upon these funds for their summer livelihood.

We think it is grossly unfair that thirty-seven counties should divide the more than $800,000 allocated to the State of Arkansas for summer youth funding. The supplemental guidelines for the summer program distributed by the Regional officials of the Department of Labor state that money was allocated on the basis of the past year's N.Y.C. activity. If this is the case, someone has made a mistake in determining the allocations for the State of Arkansas.

Although our primary concern at this point is to obtain supplemental summer youth funding for our community, we are terribly concerned about the future of the Public Employment Program in general. Everyone we talk with who is connected with this program at the federal, state and local levels agrees that it is probably the best manpower program ever developed. It seems ridiculous to us to dismantle an ongoing effective program on the promise that a future manpower revenue sharing proposal will be adopted. Even if such a revenue sharing program comes to life, it will obviously take many months and will require the hiring of new personnel at some level of government to administer it. We hope that the Congress will do everything in its power to continue the Public Employment Program.

Any assistance you can provide in seeing that the Public Employment Program is continued and in correcting this apparent injustice regarding funding for summer youth job opportunities will be appreciated deeply by the citizens of Camden, Ouachita County and those thirty-two other counties which are not designated to receive supplemental summer youth funding. If I can provide any additional information for you in regard to this matter, please feel free to call upon me at any time.

Sincerely,
JASPER B. MORRIS, *Mayor*.

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RALPH BARNES, COUNTY JUDGE,
NEVADA COUNTY,
*Prescott, Ark., May 14, 1973.*
The Honorable J. W. FULBRIGHT,
*U.S. Senate,*
*Washington, D.C.*

DEAR SENATOR FULBRIGHT: I am writing you in regard to Nevada County's obtaining discretionary funds under the Emergency Employment Act administered by Manpower Training Services in the Department of Labor.

These discretionary funds for a summer work program were released to Farmers Union for use in the counties administered by Farmers Union, a total of 36.

At the present time, this is all the money that has been released to our State. We believe that it is grossly unfair that thirty six counties should divide the more than $800,000 allocated to the State of Arkansas for summer youth funding. The supplemental guidelines for the summer program distributed by the Regional officials of the Department of Labor state that money was allocated on the basis of the past year's N.Y.C. activity. If this is correct, someone has made an error in determining the allocations for the State of Arkansas.

Any assistance that your office might give us in helping to obtain these discretionary funds will be greatly appreciated.

Sincerely yours,

RALPH BARNES.

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TROY BRADLEY,
COUNTY JUDGE OF DALLAS COUNTY,
*Fordyce, Ark., May 14, 1973.*

The Honorable J. W. FULBRIGHT,
*U.S. Senator,*
*Washington, D.C.*

DEAR SENATOR FULBRIGHT: The Mayors and County Judges from south Arkansas were invited by Governor Dale Bumpers to attend a meeting yesterday in Hot Springs concerning the Public Employment Program. As you are aware, the President announced several weeks ago that since there would be no Neighborhood Youth Corps funding for this summer, he was making available a supplemental appropriation under the Public Employment Program to help take the place of the N.Y.C. program. We were invited to Hot Springs to learn of our allocation of this supplemental summer youth funding. It was announced at the meeting that thirty-seven counties were to be allocated supplemental summer youth funds and that thirty-three counties were to receive no summer youth funding. The officials who were present from the Regional Office of the Department of Labor could give no explanation as to why thirty-seven counties were chosen to receive these funds and thirty-three counties were allocated no funds. Naturally, we feel that this decision, which apparently was made in Washington, is terribly unjust and will result in numerous problems for those of us in the thirty-three non-funded counties. Last year Dallas County received some $22,000.00 for use by the cities, county and schools for the summer youth program. These funds were provided under the N.Y.C. program. It is obvious that the elimination of the N.Y.C. program without any substitute program to service our county will cause numerous problems. The schools, cities and county will suffer, as will the youth who depend upon these funds for their summer livelihood.

We think it is grossly unfair that thirty-seven counties should divide the more than $800,000 allocated to the State of Arkansas for summer youth funding. The supplemental guidelines for the summer program distributed by the Regional officials of the Department of Labor state that money was allocated on the basis of the past year's N.Y.C. activity. If this is the case, someone has made a mistake in determining the allocations for the State of Arkansas.

Although our primary concern at this point is to obtain supplemental summer youth for our community, we are terribly concerned about the future of the Public Employment Program in general. Everyone we talk with who is connected with this program at the federal, state and local levels agrees that it is probably the best manpower program ever developed. It seems ridiculous to us to dismantle an on-going effective program on the promise that a future manpower revenue sharing proposal will be adopted. Even if such a revenue sharing program comes to life, it will obviously take many months and will require the hiring of new personnel at some level of government to administer it. We hope that the Congress will do everything in its power to continue the Public Employment Program.

Any assistance you can provide in seeing that the Public Employment Program is continued and in correcting this apparent injustice regarding funding for summer youth job opportunities will be appreciated deeply by the citizens of Dallas County and those thirty-two other counties which are not designated to receive supplemental summer youth funding. If I can provide any additional information for you in regard to this matter, please feel free to call upon me at any time.

Sincerely,

TROY BRADLEY,
*Dallas County Judge.*

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H. M. BROWN, JUDGE,
COUNTY OF FULTON,
*Salem, Ark., May 14, 1973.*

Hon. J. W. FULBRIGHT,
*Senator from Arkansas, Senate Office Building, Washington, D.C.*

DEAR SENATOR FULBRIGHT: Last Thursday, May 10, I attended a meeting in Batesville, Arkansas, with the personnel from the Department of Labor Regional Office and also personnel from the Arkansas Department of Finance and Administration, who handle the public employment program. They were making plans for the phase-out of the public employment program and also explaining the summer youth program and how it would operate.

We were told something at this meeting that I just cannot believe is right. It seems there are only 37 counties in the State of Arkansas that will have a summer youth program. Fulton County is not one of them. We have always had from 50 to 60 children working on the NYC program in Fulton County every summer. This year there will be none. This may be hard to explain to the children in this county, while our neighboring county, Baxter County, will have 41 slots.

We were told that the orders came from Washington, that the only counties in Arkansas that would have a summer youth program were the counties where the Farmers Union had been the sponsoring agency. This is hard for me to believe. Will you please check into this and let me know something.

Yours truly,

H. M. BROWN,
*Fulton County Judge.*

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UNION COUNTY,
*El Dorado, Ark., May 14, 1973.*

Hon. J. WILLIAM FULBRIGHT,
*U.S. Senate,*
*Washington, D.C.*

DEAR SENATOR FULBRIGHT: The Mayors and County Judges from South Arkansas were invited by Governor Dale Bumpers to attend a meeting last week in Hot Springs concerning the Public Employment Program. As you are aware, the President announced several weeks ago that since there would be no Neighborhood Youth Corps funding for this summer, he was making available a supplemental appropriation under the Public Employment Program to help take the place of the N.Y.C. program. We were invited to Hot Springs to learn of our allocation of this supplemental summer youth funding. It was announced at the meeting that thirty-seven counties were to be allocated supplemental summer youth funds and that thirty-three counties were to receive no summer youth funding.

The officials who were present from the Regional Office of the Department of Labor could give no explanation as to why thirty-seven counties were chosen to receive these funds and thirty-three counties were allocated no funds. Naturally, we feel that this decision, which apparently was made in Washington, is terribly unjust and will result in numerous problems for those of us in the thirty-three non-funded counties. Last year the Ouachita Area Development Corporation, which managed the N.Y.C. program for six counties in our area, placed 621 N.Y.C. participants in job opportunities with schools, cities and county governments. In Union County alone, we had 175 participants under the Neighborhood Youth Corps program. It is obvious that the elimination of the N.Y.C. program without any substitute program to service our area will cause numerous problems. The schools, cities and counties in our area will suffer, as will the youth who depend upon these funds for their summer livelihood.

We think it is grossly unfair that thirty-seven counties should divide the more than $800,000 allocated to the State of Arkansas for summer youth funding. The supplemental guidelines for the summer program distributed by the Regional officials of the Department of Labor state that money was allocated on the basis of the past year's N.Y.C. activity. If this is the case, someone has made a mistake in determining the allocations for the State of Arkansas.

Although our primary concern at this point is to obtain supplemental summer youth funding for our community, we are terribly concerned about the future of the Public Employment Program in general. Everyone we talk with who is connected with this program at the federal, state and local levels agrees that it is probably the best manpower program ever developed. It seems ridiculous to us to dismantle an on-going effective program on the promise that a future manpower revenue sharing proposal will be adopted. Even if such a revenue sharing program comes to life, it will obviously take many months and will require the hiring of new personnel at some level of government to administer it. We hope that the Congress will do everything in its power to continue the Public Employment Program.

Any assistance you can provide in seeing that the Public Employment Program is continued and in correcting this apparent injustice regarding funding for summer youth job opportunities will be appreciated deeply by the citizens of El Dorado, Union County and those thirty-two other counties which are not designated to receive supplemental summer youth funding. If I can provide any additional information for you in regard to this matter, please feel free to call upon me at any time.

Very truly yours,

CARLTON G. JERRY,
*Union County Judge.*

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CAMDEN, ARK.,
*May 21, 1973.*

Hon. J. W. FULBRIGHT,
*Senate Office Building,*
*Washington, D.C.*

DEAR SENATOR FULBRIGHT: We are very much concerned about the Public Employment Program of south Arkansas. As you know, Ouachita county is among the thirty-three counties not funded for summer youth employment. We have been given no explanation as to why we are not funded for summer 1973. It does seem most extremely unfair that the more than $800,000 allocated to the State of Arkansas should have been divided among only a part of the counties.

Unless there is some means provided to supplement the youth program for summer employment, these counties are going to suffer greatly. I do hope that the matter will be given prompt and serious consideration by Congress and that they will do all possible to make provisions to continue the Public Employment Program.

Your assistance is requested in correcting this injustice regarding the funding for summer employment opportunities, and will be greatly appreciated by the people of Ouachita County and by those other counties which were not granted summer youth funding.

Thank you in advance for your assistance and cooperation to this matter of such great importance to so many people.

Sincerely,

ALFRED P. STINNETT,
*Ouachita County Judge.*

STATE OF ARKANSAS,
LEGISLATIVE COUNCIL,
*Little Rock, May 22, 1973.*
Hon. J. W. FULBRIGHT,
*Senate Office Building,*
*Washington, D.C.*

DEAR SENATOR FULBRIGHT: At its meeting on Friday, May 18, the Arkansas Legislative Council voiced concern over the cutback in the Neighborhood Youth Corps funds, which will deny many under-privileged and deserving Arkansas citizens work opportunities this summer. The Legislative Council voted to request the members of the Arkansas Congressional Delegation to use their influence in obtaining Neighborhood Youth Corps funds in order to continue the Youth Corps Program in all counties of the State.

With kindest personal regards, I am

Very truly yours,

MARCUS HALBROOK, *Director.*

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U.S. DEPARTMENT OF LABOR,
MANPOWER ADMINISTRATION,
*Dallas, Tex., May 15, 1973.*
Hon. WILLIAM J. FULBRIGHT,
*U.S. Senate,*
*Washington, D.C.*

DEAR SENATOR FULBRIGHT: This letter relates to telephone conversation Monday, May 14, between Mr. Capes of your office and Loron Bolen of my staff concerning the allocation of supplemental summer youth program funds for the Public Employment Program in Arkansas.

On April 11, the Department of Labor announced the distribution of $802.9 million in Public Employment Program funds; included in the allocations was $80 million from the Secretary's discretionary fund for a supplemental summer youth program.

The distribution of these supplemental funds among Program Agents was based on:

A. The amount of NYC summer funds obligated last year in each Program Agent's area; and

B. The estimated amount of this year's Public Employment Program Section 5 and Section 6 funds available in each area for this purpose, i.e., any funds in excess of those needed for a ten month completion of the program.

It was estimated that most Program Agents would need about two-thirds of their regular Section 5 and Section 6 funds to conduct a ten month phase down and that the balance of regular Section 5 and Section 6 funds could be used at the option of the Program Agent to conduct a summer youth program. If roughly one-third of a Program Agent's regular funds would equal two-thirds of last year's Summer NYC program, that area did not receive any supplemental summer youth program funds. Supplemental allocations were announced to make up the difference between the amount of NYC summer funds obligated in the Program Agent's area last year and the estimated amount of this year's Public Employment Program funds presumed to be available for this purpose.

As you probably know, many of the former NYC sponsors served large areas; areas that included more than one Program Agent area. This was the case in most of our region. Unfortunately, the announced Supplemental Summer Youth Program allocations were based on the headquarters address of the former NYC sponsor. This had the effect of apparently giving a disproportionate share of these funds to a particular Program Agent. We were instructed to identify the multi-jurisdictional areas affected by the Supplemental allocations and to apportion those funds among Program Agents serving those areas to ensure that the basic concept of funding was followed, that the areas intended to be served by the allocations were served, and that each Program Agent received his fair share—taking into consideration the size of the regular Section 5 and Section 6 funds in the area versus the size of the NYC summer program in the area last year.

We were advised that we could not simply start all over, pool the funds allocated to the region or to a state and re-allocate them. Instead, we were instructed to take each allocation, determine the areas served by the former NYC sponsors, and apportion the allocations among the Program Agents serving those areas.

For your information and ready reference we are enclosing a copy of the April 11 news release and a copy of our Emergency Employment Act Program Agent Issuance No. 10–73 which announced the apportionment of the previously announced Section 5 Supplemental Summer Youth Program allocations. In the April 11 announcement, a supplemental summer allocation was announced for the City of Little Rock in the amount of $840,300; the balance of state, outside designated Program Agent areas, would have received no supplementary funds under this announcement.

It was subsequently determined that the allocation for the City of Little Rock was based on the size of Little Rock's regular Section 5 PEP allocation versus the reported size of last summer's NYC program—which included the summer NYC program operated by the Rural and Urban Community Development Services, Inc., which was headquartered in Little Rock but served 37 counties.

We apportioned this allocation giving $134,500 to the City of Little Rock and the remainder to the State of Arkansas as Program Agent for the balance of state. We instructed the State of Arkansas that these funds were to be apportioned among the 37 counties formerly served by the Rural and Urban Community Development Services, Inc. Similar adjustments were made to the allocations announced for Pulaski County and Washington County giving those Program Agents that proportion of the funds generated by the formula and giving the remainder to the State of Arkansas for use in the areas identified by the data upon which the allocations were based.

The mistaken use of Little Rock's regular Section 5 allocation versus the reported size of last summer's NYC program (including the Rural and Urban Community Development Services, Inc.) had the effect of greatly increasing the size of the Supplemental Summer Youth Program allocation announced for the City of Little Rock, and the amount of funds available for apportionment. The actual size of last year's Summer NYC program in the balance of state, outside of identified Program Agent areas, was about $3 million. If the actual size of last year's Summer NYC program in the balance of state had been compared with the balance of state PEP allocation, the figures would have generated a Supplemental Summer Youth Program allocation of about $450,000—$265,800 less than the amount made available by virtue of the error of using Little Rock's PEP allocation. This amount would have been allocated, however, to the entire balance of state area.

We have recently gone through an exercise whereby Program Agents were required to identify any surplus of funds obligated, in excess of accrued costs, as of March 15, 1973—the effective date of the FY 73 allocations. Any surplus beyond a specified amount will be deducted from their allocations and the resulting unobligated funds will then be reallocated. Many Program Agents will obligate less than the amount allocated because they had already obligated more funds than they needed as of March 15.

Our National Office asked us to make recommendations concerning the reallocation of these "recaptured" funds for the summer program. We have been able to determine that this surplus in the State of Arkansas amounts to $364,519. We have recommended that $36,500 be allocated to Jefferson County and that the balance be reallocated to the State of Arkansas balance of state grant, for those 33 counties not covered by the previously announced Supplemental allocations.

In other states in our region, we have first recommended that additional funds be allocated to areas where the data upon which the Supplemental allocations was based was in error—and using corrected data would generate a larger Supplemental allocation—(this was the case in Jefferson County, Arkansas)—and that the balance of any remaining funds be reallocated to the balance of State Program Agent. We did this because the allocation of these Supplemental funds was based on the faulty presumption that any Program Agent could conduct a ten month phase down and still have approximately one-third of his regular funds available for a summer youth program. This would be true of most city and county Program Agents; however, balance of state Program Agents are charged with the responsibility of receiving and equitably distributing allocated funds giving each sub-agent funds in the same proportion that they shared in the original FY 72 allocations. Cities and counties receiving such funds from balance of state Program Agents, have very little flexibility in the use of these funds because of the relatively few dollars and the scant numbers of funded job slots. A Program Agent city with 200 funded slots could well decide to conduct a ten month phaseout at a phase down rate of 10 percent per month and elect to use the balance of regular PEP funds for a summer program. A rural county or city with 2–10 slots does not, in our opinion, have the same flexibility.

I trust the foregoing and enclosed information will adequately respond to your request for information on this matter. If I can be of further assistance to you, please let me know.

Sincerely,

R. L. COFFMAN,
*Regional Manpower Administrator.*

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[From the Arkansas Gazette, May 25, 1973]

### BUMPERS REQUESTS FUNDS FOR SUMMER PROGRAMS

Governor Bumpers has asked Labor Secretary Walter J. Brennan to allocate additional funds to Arkansas for summer work programs for youths.

The Labor Department has announced that it will distribute $802.9 million nationally in Public Employment Program funds for summer youth programs, replacing the Neighborhood Youth Corps program, which has been discontinued.

The Department said the funds would be distributed on a formula intended to give each sponsoring agent of a NYC program last summer about two-thirds of the amount received.

In a letter to Brennan, Mr. Bumpers said the allocation to Arkansas, "gave a disproportionate share to a particular program agent. When the error was discovered, it was determined the funds could not be reallocated to the agents in Arkansas receiving no summer program funds."

Mrs. Irene Samuel, a member of Mr. Bumpers' staff, said the agent referred to by Mr. Bumpers was Rural and Urban Community Development Services, Inc., which is affiliated with the Arkansas Farmers Union and which sponsors summer work programs in 37 counties. She said it received a $790,000 allocation from the total allocation to Arkansas of $1,180,000, while many sponsoring agencies of summer work programs last year received no allocation at all. In 33 counties, no funds have been allocated for summer work programs.

Mr. Bumpers said the Dallas regional office of the Labor Department had found $364,519 in surplus funds obligated to various Labor Department programs in Arkansas. These funds have reverted to Brennan's discretionary fund. The Dallas office has recommended that they be allocated to Arkansas sponsors of summer work programs that haven't received any allocation.

Mr. Bumpers said that even if the $364,519 were allocated to the counties that have received no allocation thus far, it would be only 20 per cent of the funding that the counties had last summer. He urged Brennan to release not only the $364,519, but an additional $843,956, so that the counties could be funded at two-thirds of last year's level.

The counties that have received no allocation for summer work programs are:

Clark, Clay, Columbia, Conway, Crawford, Crittenden, Dallas, Franklin, Fulton, Garland, Greene, Hot Springs, Independence, Izard, Jackson, Johnson, Lawrence, Lee Logan, Mississippi, Nevada, Ouachita, Perry Phillips, Pope, Randolph, St. Francis, Saline, Scott, Sharp, Stone, Union and Yell.

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State of Arkansas,
Office of the Governor,
*Little Rock, May 25, 1973.*

Hon. J. W. Fulbright,
*U.S. Senator, Senate Office Building,*
*Washington, D.C.*

Dear Senator Fulbright: I am sure you are aware of the confusion created by the April 11 announcement of the Department of Labor regarding the distribution of $802.9 million in Public Employment Program Funds for the summer youth program.

The allocation as made by the Department of Labor in Washington gave a disproportionate share to one program agent leaving 33 counties receiving no summer program funds. The formula was aimed at securing roughly two thirds of last year's summer funds for each program agent.

We understand our Regional Department of Labor office has identified $364,519 in surplus "recaptured" funds and they have recommended to Secretary Brennan this amount be allocated to Arkansas because of errors. If this is approved only 20% of the 1972 total number of slots from counties omitted would be funded. Attached is a letter I have written to Secretary Brennan requesting an additional $843,956 to secure at least two thirds funding for a summer program for those counties omitted.

In addition, I earnestly request your help in the Javits amendment to the appropriation bill which provides full funding for the Neighborhood Youth Program during the summer of 1973. Our young people need these jobs.

Kindest personal regards.

Sincerely,

Dale Bumpers,
*Governor.*

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State of Arkansas,
Office of the Governor,
*Little Rock, May 22, 1973.*

Hon. Peter J. Brennan,
*Secretary, Department of Labor,*
*Washington, D.C.*

Dear Mr. Secretary: With regard to the allocation of supplemental summer youth program funds for the Public Employment Program in Arkansas, I am concerned about a serious mistake that was made in the distribution of these funds to the various program agents within the State of Arkansas.

On April 11 your office announced the distribution of $802.9 million in Public Employment Program funds (including $80 million from the Secretary's discretionary fund) for a supplemental summer youth program. Your formula was aimed at securing roughly two-thirds of last year's summer funds for each program agent. The summer allocations, as made by the Department of Labor in Washington, gave a disproportionate share to a particular program agent. When the error was discovered it was determined the funds could not be reallocated to the agents in Arkansas receiving no summer program funds.

We have been informed that your Dallas Regional Office has identified $364,519 in surplus funds obligated to the various Labor Department programs operating within the State of Arkansas. These "recaptured" funds have reverted to your discretionary fund. We further understand the Dallas Regional Office has recommended these "recaptured" funds be allocated to those Arkansas program agents receiving no program funds because of errors made in the allocation of funds.

If all the "recaptured" funds ($364,519) were reallocated for a summer program, only 20% (851 slots) of the 1972 total (4,254 slots) from the counties omitted because of your error would be funded. If we are to fund two-thirds of last year's allocations, 2,850 or $1,208,476 would be necessary.

I urge that you not only allocate $364,519 in "recaptured" funds as recommended by the Dallas Regional Office but that an additional $843,956 be allocated from your discretionary fund to secure at least two-thirds of the 1972 allocation level in the counties that were omitted. (Attached is a table showing a county by county breakdown of areas not receiving summer program funds.)

I cannot over-emphasize the urgency of this request.

Sincerely,

Dale Bumpers,
*Governor.*

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### APPROPRIATIONS FOR PROGRAMS FOR OLDER AMERICANS

Mr. EAGLETON. Mr. President, I want to call particular attention to two provisions contained in H.R. 7447, the supplemental appropriations bill, which relate to programs for older Americans. These items result, in part, from amendments which I offered in subcommittee and I am grateful to the distinguished chairman of the Labor-HEW Subcommittee, Senator Magnuson, and to the able ranking minority member, Senator Cotton, as well as to all of the other members of the committee for agreeing to these provisions.

First, the bill contains $100 million to make a start—at long last—on the nutrition program for the elderly which was authorized by Public Law 92-258, passed in March 1972. Those interested in this important program will recall the long and rather involved history of the funding for this program.

Public Law 92-258 authorizes appropriations of $100 million for the current fiscal year which began on July 1, 1972. To its credit, the administration budget request for this fiscal year was for the full amount of $100 million. On two occasions, both Houses of Congress approved this level of funding and passed appropriations bills containing the $100 million item. Unfortunately, on both occasions the President vetoed the appropriation bill. Hence, more than 10 months of the fiscal year have passed and, as yet, it has not been possible to implement the nutrition program.

Mr. President, since this legislation first passed more than a year ago, enormous interest has been developed in implementing the program at the local level. At last count, 41 States had submitted their State plans and most of these plans have been approved by HEW. Thus, in a great many communities across the Nation, the planning for this program has been completed and local agencies are ready to begin providing vital nutritional services to older people as soon as funds are made available.

These agencies are aware that $100 million has been requested for this program and their plans are geared to funding at that level, so I am delighted that the Senate has seen fit to keep faith with them and provide the full $100 million rather than limiting the appropriation to $50 million as the House proposed. By permitting this money to be available until December 31, 1973, we can also assure that there will be no hasty expenditure in an effort to disburse funds before the end of the fiscal year on June 30, 1973.

The second provision of the bill which is of particular interest to those concerned with the field of aging permits funds previously appropriated this year for implementation of title III of the Older Americans Act to be carried over to the next fiscal year. The first supplemental appropriations bill for the current fiscal year, which was passed last October, included $100 million for title III, under which State and local service programs for the aging are funded. However, because the President vetoed the necessary authorizing legislation, HEW has refused to allow these funds to be spent. The President early this month signed a new version of the authorizing legislation, thus freeing up the $100 million for title III.

In order to avoid either the hasty and ill-planned expenditure of these funds before the end of the fiscal year on June 30 or, alternatively, reversion of the funds to the Treasury for failure to make use of them during the fiscal year for which they were appropriated, I proposed and the committee approved a provision which permits funds previously appropriated for title II of the Older Americans Act to be available for expenditure through December 31, 1973.

Again, Mr. President, I am grateful to my colleagues on the Appropriations Committee for their approval of these provisions. Though they may appear to be rather technical in nature, they are extremely important to the programs for the aging which have been established in every State under this act.

The PRESIDING OFFICER (Mr. Curtis). The Chair now recognizes the distinguished Republican leader, the Senator from Pennsylvania (Mr. Scott).

Mr. SCOTT of Pennsylvania. Mr. President, I make the point of order that a quorum is not present.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SCOTT of Pennsylvania. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SCOTT of Pennsylvania addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. SCOTT of Pennsylvania. I yield.

Mr. MANSFIELD. Mr. President, I am about to make a unanimous-consent request covering the pending measure. I think this has been cleared all around.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask

unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, at the time the quorum was called for, the distinguished Senator from Pennsylvania, the Republican leader, had yielded to me.

I should like at this time to suggest to the distinguished Republican leader the possibility of an agreement on the pending business, beginning tomorrow. I have discussed it with the distinguished chairman of the committee, and I am certain that the distinguished Republican leader has discussed it with the ranking member of the committee, the Senator from North Dakota (Mr. YOUNG), and other interested parties. The proposal is as follows:

Mr. President, I ask unanimous consent that the time between 12 noon and 12:30 tomorrow be taken up either with special orders or morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. I ask unanimous consent that, beginning at 12:30 p.m., there be a time limitation of 1 hour on amendments to the pending business, one-half hour on amendments to amendments, and the remainder of the time before the hour of 5 p.m. on the bill itself.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Will rule XII be waived?

Mr. SCOTT of Pennsylvania. Yes.

On this point, before the Senator proposes the remaining unanimous-consent request, I should like to say that several Senators came to me and said that they might have amendments. We have worked that out, so that I know at this time of only three possible amendments on this side of the aisle, and there may or may not be amendments on the other side of the aisle. In any event, our desire is to have this matter disposed of seasonably. We are perfectly agreeable to voting on it at 5 o'clock tomorrow.

Following a meeting with those Senators who had amendments, I made sure we got in touch with the distinguished ranking member of the Committee on Appropriations, who has no objection to the unanimous-consent request to vote at 5 p.m. tomorrow.

Mr. MANSFIELD. Will the distinguished Republican leader consider the possibility of substituting the language "not later than 5 p.m." with the supposition in mind that it would be 5 o'clock, but events could occur in the meantime, and if Members want to get away it might be helpful to them.

Mr. SCOTT of Pennsylvania. We might try it. With the understanding it is very likely to be 5 o'clock, I have no objection to substituting the language.

Mr. MANSFIELD. This is a possibility that might be of benefit to some Members.

Mr. SCOTT of Pennsylvania. Yes, even if it might save Members 5, 10, or 15 minutes.

Mr. MANSFIELD. Mr. President, I modify the unanimous-consent request accordingly to provide "not later than 5 p.m."

The PRESIDING OFFICER. The Senator from Montana does want the agreement in the usual form?

Mr. MANSFIELD. Yes.

The PRESIDING OFFICER. Is there objection?

Mr. TAFT. Mr. President, reserving the right to object, the general substance of the agreement appears to me to be satisfactory. The amendment I anticipate might merit more debate, even if it were considered to be an amendment in the first degree. As I understand it, the amendment I intend to offer will be an amendment to a committee amendment and I believe, under the language of the agreement proposed by the majority leader, limited to one-half hour, or 15 minutes to a side.

Mr. MANSFIELD. No. I meant to indicate that amendments of that nature would be 1 hour, but amendments in the second degree, and I would consider the Senator's amendment to be in the first degree, would be limited to one-half hour.

Mr. TAFT. With that understood, I have no objection.

Mr. SCOTT of Pennsylvania. Mr. President, it should be understood that we will be voting at not later than 5 p.m., to accommodate Members.

Mr. TAFT. Mr. President, reserving the right to object, as to the amendment which I have already filed at the desk, I would like to include a reservation that it be considered as germane.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The text of the unanimous-consent agreement is as follows:

*Ordered*, That, during the further consideration of H.R. 7447, a bill making supplemental appropriations for the fiscal year ending June 30, 1973, and for other purposes, debate on any amendment in the 1st degree shall be limited to 1 hour, to be equally divided and controlled by the mover and the manager of the bill, and that debate on any amendment in the second degree (except an amendment to a committee amendment, which shall be limited to 1 hour), debatable motion or appeal shall be limited to 30 minutes, to be equally divided and controlled by the mover of such and the manager of the bill: *Provided*, That in the event the manager of the bill is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or his designee: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

*Ordered further*, That the vote on final passage of the bill shall come no later than 5:00 p.m., with the time when no amendment is pending to be equally divided and controlled, respectively, by the Senator from Arkansas (Mr. McClellan) and the Senator from Pennsylvania (Mr. Scott) or his designee.

*Ordered further*, That the Taft amendment, No. 153, shall be considered germane.

## PENDING BUSINESS LAID ASIDE TEMPORARILY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business be laid aside temporarily.

The PRESIDING OFFICER. Without objection, it is so ordered.

## U.S. INFORMATION AGENCY APPROPRIATIONS AUTHORIZATION ACT OF 1973

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar No. 161, S. 1317, that it be laid before the Senate and made the pending business, to be disposed of today.

The PRESIDING OFFICER. The bill will be stated by title. The bill was read by title as follows:

A bill (S. 1317) to authorize appropriations for the United States Information Agency.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There was no objection and the Senate proceeded to consider the bill which had been reported from the Committee on Foreign Relations with an amendment to strike out all after the enacting clause and insert:

That this Act may be cited as the "United States Information Agency Appropriations Authorization Act of 1973".

SEC. 2. There are authorized to be appropriated for the United States Information Agency for fiscal year 1974, to carry out international informational activities and programs under the United States Information and Educational Exchange Act of 1948, the Mutual Educational and Cultural Exchange Act of 1961, and Reorganization Plan Number 8 of 1953, and other purposes authorized by law, the following amounts:

(1) $188,124,500 for "Salaries and expenses" and "Salaries and expenses (special foreign currency program)", except that so much of such amount as may be appropriated for "Salaries and expenses (special foreign currency program)" may be appropriated without fiscal year limitation;

(2) $4,125,000 for "Special international exhibitions" and "Special international exhibitions (special foreign currency program)," which amount may be appropriated without fiscal year limitation; and

(3) $1,000,000 for "Acquisition and construction of radio facilities", which amount may be appropriated without fiscal year limitation.

SEC. 3. In addition to amounts authorized by section 2, there are authorized to be appropriated for the United States Information Agency for fiscal year 1974 such additional or supplemental amounts as may be necessary for increases in salary, pay, retirement, or other employee benefits authorized by law or other nondiscriminatory costs.

The PRESIDING OFFICER. Time is under control.

## RECESS UNTIL 3:45

Mr. MANSFIELD. Mr. President, I ask unanimous consent, because of a hearing now being conducted downstairs, that the Senate stand in recess until the hour of 3:45 p.m. and that at that time the time limitation begin.

The PRESIDING OFFICER. Without objection, it is so ordered.

Thereupon, at 3:24 p.m., the Senate took a recess until 3:45 p.m.; whereupon, the Senate reconvened when called to order by the Presiding Officer (Mr. SCOTT of Virginia).

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. ROBERT C. BYRD. The time not to be charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## AMENDMENT OF PAR VALUE MODIFICATION ACT

Mr. SPARKMAN. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 6912.

The PRESIDING OFFICER laid before the Senate H.R. 6912, an act to amend the Par Value Modification Act, and for other purposes, which was read twice by its title.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that all after the enacting clause be stricken and that the language of the Senate-passed bill, S. 929, be inserted in lieu thereof.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of the amendment in the nature of a substitute is as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the first sentence of section 2 of the Par Value Modification Act (Public Law 92-268) is amended by striking the words "one thirty-eighth of a fine troy ounce of gold" and inserting in lieu thereof the following: "0.828948 Special Drawing Right or, the equivalent in terms of gold, of $1 equals 0.023684 of a fine troy ounce of gold".

### TITLE I—IMPOUNDMENT CONTROL PROCEDURES

SEC. 101. The Congress finds that—

(1) the Congress has the sole authority to enact legislation and appropriate moneys on behalf of the United States;

(2) the Congress has the authority to make all laws necessary and proper for carrying into execution its own powers;

(3) the Executive shall take care that the laws enacted by Congress shall be faithfully executed;

(4) under the Constitution of the United States, the Congress has the authority to require that funds appropriated and obligated by law shall be spent in accordance with such law;

(5) there is no authority expressed or implied under the Constitution of the United States for the Executive to impound budget authority and the only authority for such impoundments by the executive branch is that which Congress has expressly delegated by statute;

(6) by the Anti-Deficiency Act (Rev. Stat. sec. 3679), the Congress delegated to the President authority, in a narrowly defined area, to establish reserves for contingencies or to effect savings through changes in requirements, greater efficiency of operations, or other developments subsequent to the date on which appropriations are made available;

(7) in spite of the lack of constitutional authority for impoundment of budget authority by the executive branch and the narrow area in which reserves by the executive branch have been expressly authorized in the Anti-Deficiency Act, the executive branch has impounded many billions of dollars of budget authority in a manner contrary to and not authorized by the Anti-Deficiency Act or any other Act of Congress;

(8) impoundments by the executive branch have often been made without a legal basis;

(9) such impoundments have totally nullified the effect of appropriations and obligation authority enacted by the Congress and prevented the Congress from exercising its constitutional authority;

(10) the executive branch, through its presentation to the Congress of a proposed budget, the due respect of the Congress for the views of the executive branch, and the power of the veto, has ample authority to affect the appropriation and obligation process without the unilateral authority to impound budget authority; and

(11) enactment of this legislation is necessary to clarify the limits of the existing legal authority of the executive branch to impound budget authority, to reestablish a proper allocation of authority between the Congress and the executive branch, to confirm the constitutional proscription against the unilateral nullification by the executive branch of duly enacted authorization and appropriation Acts, and to establish efficient and orderly procedures for the reordering of budget authority through joint action by the Executive and the Congress, which shall apply to all impoundments of budget authority, regardless of the legal authority asserted for making such impoundments

SEC. 102. (a) Whenever the President, the Director of the Office of Management and Budget, the head of any department or agency of the United States, or any officer or employee of the United States, impounds any budget authority made available, or orders, permits, or approves the impounding of any such budget authority by any other officer or employee of the United States, the President shall, within ten days thereafter, transmit to the Senate and the House of Representatives a special message specifying—

(1) the amount of the budget authority impounded;

(2) the date on which the budget authority was ordered to be impounded;

(3) the date the budget authority was impounded;

(4) any account, department, or establishment of the Government to which such impounded budget authority would have been available for obligation except for such impoundment;

(5) the period of time during which the budget authority is to be impounded, to include not only the legal lapsing of budget authority but also administrative decisions to discontinue or curtail a program;

(6) the reasons for the impoundment, including any legal authority invoked by him to justify the impoundment and, when the justification invoked is a requirement to avoid violating any public law which establishes a debt ceiling or a spending ceiling, the amount by which the ceiling would be exceeded and the reasons for such anticipated excess; and

(7) to the maximum extent practicable, the estimated fiscal, economic, and budgetary effect of the impoundment.

(b) Each special message submitted pursuant to subsection (a) shall be transmitted to the House of Representatives and the Senate on the same day, and shall be delivered to the Clerk of the House of Representatives if the House is not in session, and to the Secretary of the Senate if the Senate is not in session. Each such message may be printed by either House as a document for both Houses as the President of the Senate and Speaker of the House may determine.

(c) A copy of each special message submitted pursuant to subsection (a) shall be transmitted to the Comptroller General of the United States on the same day as it is transmitted to the Senate and the House of Representatives. The Comptroller General shall review each such message and determine whether, in his judgment, the impoundment was in accordance with existing statutory authority, following which he shall notify both Houses of Congress within fifteen days after the receipt of the message as to his determination thereon. If the Comptroller General determines that the impoundment was in accordance with section 3679 of the Revised Statutes (31 U.S.C. 665), commonly referred to as "The Anti-Deficiency Act", the provisions of section 103 and section 105 shall not apply. In all other cases, the Comptroller General shall advise the Congress whether the impoundment was in accordance with other existing statutory authority and sections 103 and 105 of this Act shall apply.

(d) If any information contained in a special message submitted pursuant to subsection (a) is subsequently revised, the President shall transmit within ten days to the Congress and the Comptroller General a supplementary message stating and explaining each such revision.

(e) Any special or supplementary message transmitted pursuant to this section shall be printed in the first issue of the Federal Register published after that special or supplemental message is so transmitted and may be printed by either House as a document for both Houses, as the President of the Senate, and Speaker of the House may determine.

(f) The President shall publish in the Federal Register each month a list of any budget authority impounded as of the first calendar day of that month. Each list shall be published no later than the tenth calendar day of the month and shall contain the information required to be submitted by special message pursuant to subsection (a).

SEC. 103. The President, the Director of the Office of Management and Budget, the head of any department or agency of the United States, or any officer or employee of the United States shall cease the impounding of any budget authority set forth in each special message within sixty calendar days of continuous session after the message is received by the Congress unless the specific impoundment shall have been ratified by the Congress by passage of a concurrent resolution in accordance with the procedure set out in section 105 of this Act: *Provided, however,* That Congress may by concurrent resolution disapprove any impoundment in whole or in part, at any time prior to the expiration of the sixty-day period, and in the event of such disapproval, the impoundment shall cease immediately to the extent disapproved. The effect of such disapproval, whether by concurrent resolution passed prior to the expiration of the sixty-day period or by the failure to approve by concurrent resolution within the sixty-day period, shall be to make the obligation of the budget authority mandatory, and shall preclude the President or any other Federal officer or employee from reimpounding the specific budget authority set forth in the special message which the Congress by its action or failure to act has thereby rejected.

SEC. 104. For purposes of this Act, the impounding of budget authority includes—

(1) withholding, delaying, deferring, freezing, or otherwise refusing to expend any part of budget authority made available (whether by establishing reserves or otherwise) and the termination or cancellation of authorized projects or activities to the extent that budget authority has been made available,

(2) withholding, delaying, deferring, freezing, or otherwise refusing to make any allo-

cation of any part of budget authority (where such allocation is required in order to permit the budget authority to be expended or obligated),

(3) withholding, delaying, deferring, or otherwise refusing to permit a grantee to obligate any part of budget authority (whether by establishing contract controls, reserves, or otherwise), and

(4) any type of Executive action or inaction which effectively precludes or delays the obligation or expenditure of any part of authorized budget authority.

SEC. 105. The following subsections of this section are enacted by the Congress:

(a) (1) As an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they shall be deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of resolutions described by this section; and they shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) With full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of the House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

(b) (1) For purposes of this section, the term "resolution" means only a concurrent resolution of the Senate or House of Representatives, as the case may be, which is introduced and acted upon by both Houses at any time before the end of the first period of sixty calendar days of continuous session of the Congress after the date on which the special message of the President is transmitted to the two Houses.

(2) The matter after the resolving clause of a resolution approving the impounding of budget authority shall be substantially as follows (the blank spaces being appropriately filled): "That the Congress approves the impounding of budget authority as set forth in the special message of the President dated ——, Senate (House) Document Numbered ——."

(3) The matter after the resolving clause of a resolution disapproving, in whole or in part, the impounding of budget authority shall be substantially as follows (the blank spaces being appropriately filled): "That the Congress disapproves the impounding of budget authority as set forth in the special message of the President dated ——, Senate (House) Document Numbered —— (in the amount of $——)."

(4) For purposes of this subsection, the continuity of a session is broken only by an adjournment of the Congress sine die, and the days on which either House is not in session because of an adjournment of more than three days to a day certain shall be excluded in the computation of the sixty-day period.

(c) (1) A resolution introduced, or received from the other House, with respect to a special message shall not be referred to a committee and shall be privileged business for immediate consideration, following the receipt of the report of the Comptroller General referred to in section 102(c). It shall at any time be in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. Such motion shall be highly privileged and not debatable. An amendment to the motion shall not be in order, and it shall not be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(2) If the motion to proceed to the consideration of a resolution is agreed to, debate on the resolution shall be limited to ten hours, which shall be divided equally between those favoring and those opposing the resolution. Debate on any amendment to the resolution (including an amendment substituting approval for disapproval in whole or in part or substituting disapproval in whole or in part for approval) shall be limited to two hours, which shall be divided equally between those favoring and those opposing the amendment.

(3) Motions to postpone, made with respect to the consideration of a resolution, and motions to proceed to the consideration of other business, shall be decided without debate.

(4) Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution shall be decided without debate.

(d) If, prior to the passage by one House of a resolution of that House with respect to a special message, such House receives from the other House a resolution with respect to the same message, then—

(1) If no resolution of the first House with respect to such message has been introduced, no motion to proceed to the consideration of any other resolution with respect to the same message may be made (despite the provisions of subsection (c) (1)).

(2) If a resolution of the first House with respect to such message has been introduced—

(A) the procedure with respect to that or other resolutions of such House with respect to such message shall be the same as if no resolution from the other House with respect to such message had been received; but

(B) on any vote on final passage of a resolution of the first House with respect to such message the resolution from the other House with respect to such message shall be automatically substituted for the resolution of the first House.

(e) If a committee of conference is appointed on the disagreeing votes of the two Houses with respect to a resolution, the conference report submitted in each House shall be considered under the rules set forth in subsection (c) for the consideration of a resolution, except that no amendment shall be in order.

(f) Notwithstanding any other provision of this section, it shall not be in order in either House to consider a resolution with respect to a special message after the two Houses have agreed to another resolution with respect to the same message.

(g) As used in this section, the term "special message" means a report of impounding action made by the President pursuant to section 102 or by the Comptroller General pursuant to section 106.

SEC. 106. If the President, the Director of the Office of Management and Budget, the head of any department or agency of the United States, or any officer or employee of the United States takes or approves any impounding action within the purview of this Act, and the President fails to report such impounding action to the Congress as required by this Act, the Comptroller General shall report such impounding action with any available information concerning it to both Houses of Congress, and the provisions of this Act shall apply to such impounding action in like manner and with the same effect as if the report of the Comptroller General had been made by the President: *Provided, however,* That the sixty-day period provided in section 103 of this Act shall be deemed to have commenced at the time at which, in the determination of the Comptroller General, the impoundment action was taken.

SEC. 107. Nothing contained in this Act shall be interpreted by any person or court as constituting a ratification or approval of any impounding of budget authority by the President or any other Federal employee, in the past or in the future, unless done pursuant to statutory authority in effect at the time of such impoundment.

SEC. 108. The Comptroller General is hereby expressly empowered as the representative of the Congress through attorneys of his own selection to sue any department, agency, officer, or employee of the United States in a civil action in the United States District Court for the District of Columbia to enforce the provisions of this Act, and such court is hereby expressly empowered to enter in such civil action any decree, judgment, or order which may be necessary or appropriate to secure compliance with the provisions of this Act by such department, agency, officer, or employee. Within the purview of this section, the Office of Management and Budget shall be construed to be an agency of the United States, and the officers and employees of the Office of Management and Budget shall be construed to be officers or employees of the United States.

SEC. 109. (a) Notwithstanding any other provision of law all funds appropriated by law shall be made available and obligated by the appropriate agencies, departments, and other units of the Government except as may be provided otherwise under this Act.

(b) Should the President desire to impound any appropriation made by the Congress not authorized by this Act or by the Anti-Deficiency Act, he shall seek legislation utilizing the supplemental appropriations process to obtain selective rescission of such appropriation by Congress.

SEC. 110. If any provision of this Act, or the application thereof to any person, impoundment, or circumstance, is held invalid, the validity of the remainder of the Act and the application of such provision to other persons, impoundments, or circumstances shall not be affected thereby.

SEC. 111. The provisions of this Act shall take effect from and after enactment.

### TITLE II—CEILING ON FISCAL YEAR 1974 EXPENDITURES

SEC. 201. (a) Except as provided in subsection (b), expenditures and net lending during the fiscal year ending June 30, 1974, under the Budget of the United States Government shall not exceed $268,000,000,000. In subsequent years, after the submission of the Budget of the United States Government and after considering the recommendation of the President for each fiscal year (beginning with the fiscal year ending June 30, 1975), the Congress shall, by law, prescribe a limit on the total amount of expenditures to be made by the United States Government during such fiscal year.

(b) If the estimates of revenues which will be received in the Treasury during the fiscal year ending June 30, 1974, as made from time to time, are increased as a result of legislation enacted after the date of the enactment of this Act reforming the Federal tax laws, the limitation specified in subsection (a) shall be reviewed by Congress for purpose of determining whether the additional revenues made available should be applied to essential public services for which adequate funding would not otherwise be provided.

SEC. 202. (a) Notwithstanding the provisions of any other law, the President shall, in accordance with this section, reserve from expenditure and net lending, from appropriations or other obligational authority otherwise made available, such amounts as may be necessary to keep expenditures and net lending during the fiscal year ending June 30, 1974, and subsequent fiscal years, within the limitation specified in section 201.

(b) In carrying out the provisions of subsection (a) the President shall reserve amounts proportionately from new obligational authority and other obligational authority available for each functional category, and to the extent practicable, subfunctional category (as set out in the United States Budget in Brief), except that no reservations shall be made from amounts available for interest, veterans' benefits and services, payments from social insurance trust funds, public assistance maintenance grants under title IV of the Social Security Act, food stamps, military retirement pay, medicaid, and judicial salaries.

(c) Reservations made to carry out the provisions of subsection (a) shall be subject to the provisions of title I of this Act, except that if the Comptroller General determines under section 102(c) with respect to any such reservation that the requirements of proportionate reservations of subsection (b) have been complied with, then sections 103 and 105 shall not apply to such reservation.

(d) The provisions of section 103 of title I of this Act shall not apply to any impoundments or reservations made under title II insofar as they prohibit reimpounding or reservation.

(e) In no event shall the authority conferred by this section be used to impound funds, appropriated or otherwise made available by Congress, for the purpose of eliminating a program the creation or continuation of which has been authorized by Congress.

SEC. 203. In the administration of any program as to which—

(1) the amount of expenditures is limited pursuant to this title, and

(2) the allocation, grant, apportionment, or other distribution of funds among recipients is required to be determined by application of a formula involving the amount appropriated or otherwise made available for distribution, the amount available for expenditure (after the application of this title) shall be substituted for the amount appropriated or otherwise made available in the application of the formula.

## TITLE III—FOREIGN CURRENCY REPORTS

### STATEMENT OF FINDINGS

SEC. 301. The Congress finds that—

(1) the stability of the international monetary system is threatened by the existence of substantial sums of short-term liquid assets at the disposal of large United States business enterprises and their foreign affiliates;

(2) only a small percentage of United States business enterprises need to engage in speculative foreign exchange transactions in order to trigger an international financial crisis;

(3) the Government of the United States does not receive adequate and timely information on foreign exchange transactions conducted by large United States business enterprises and their foreign affiliates; and

(4) periodic and timely reports on foreign exchange transactions on the part of large United States business enterprises and their foreign affiliates would be useful in deterring the possibility of speculative exchange transactions and in providing the Government of the United States with information needed to deal with international financial crises.

### AUTHORITY TO PRESCRIBE REGULATIONS

SEC. 302. (a) The Secretary of the Treasury (hereafter referred to as the "Secretary") is authorized and directed, under the authority of this title and any other authority conferred by law, to prescribe regulations requiring the submission of reports on foreign currency transactions consistent with the statement of findings under section 301. Regulations prescribed under this title shall require that such reports contain such information and be submitted in such manner and at such times, with reasonable exceptions and classifications, as may be necessary to carry out the policy of this title.

(b) Reports required under this title shall cover foreign currency transactions conducted by any United States person and by any foreign person controlled by a United States person as such terms are defined in sections 7(f)(2)(A) and 7(f)(2)(C) of the Securities Exchange Act of 1934.

### ENFORCEMENT

SEC. 303. (a) Whoever fails to submit a report required under any rule or regulation issued under this title may be assessed a civil penalty not exceeding $10,000 in a proceeding brought under subsection (b) of this section.

(b) Whenever it appears to the Secretary that any person has failed to submit a report required under any rule or regulation issued under this title or has violated any rule or regulation issued hereunder, the Secretary may in his discretion bring an action, in the proper district court of the United States or the proper United States court of any territory or other place subject to the jurisdiction of the United States, seeking a mandatory injunction commanding such person to comply with such rule or regulation, and upon a proper showing a permanent or temporary injunction or restraining order shall be granted without bond, and additionally the sanction provided for failure to submit a report under subsection (a).

### EFFECT ON OTHER LAWS

SEC. 304. Nothing in this title may be construed to alter or affect in any way the authority of the Secretary under any other provision of law.

## TITLE IV—REPEAL OF LAWS PROHIBITING THE PURCHASE OF GOLD

SEC. 401. Sections 3 and 4 of the Gold Reserve Act of 1934 (31 U.S.C. 442 and 443) are repealed.

SEC. 402. No provision of any law, and no rule, regulation, or order under authority of any such law, may be construed to prohibit any person from purchasing, holding, selling, or otherwise dealing with gold.

SEC. 403. The provisions of this title, pertaining to gold, shall take effect December 31, 1973.

## TITLE V—PROHIBITION OF ASSISTANCE TO NORTH VIETNAM

SEC. 501. No funds made available by the Congress to any department or agency of the Government may be obligated or expended for the purpose of providing assistance of any kind, directly or indirectly, to or on behalf of North Vietnam, unless specifically authorized hereafter by the Congress.

The PRESIDING OFFICER. The question is on agreeing to amendment in the nature of a substitute.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. SPARKMAN. Mr. President, I move that the Senate insist on its amendment and agree to the request of the House for a conference on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. SPARKMAN, Mr. PROXMIRE, Mr. WILLIAMS, Mr. TOWER, Mr. BENNETT, Mr. ERVIN, and Mr. PERCY conferees on the part of the Senate.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. MANSFIELD. With the time not to be taken out of either side.

The PRESIDING OFFICER. Without objection, the clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. DOLE). Without objection, it is so ordered.

## U.S. INFORMATION AGENCY APPROPRIATIONS AUTHORIZATION OF 1973

The Senate continued with the consideration of the bill (S. 1317) to authorize appropriations for the U.S. Information Agency.

The PRESIDING OFFICER. The question is on the committee amendment in the nature of a substitute to S. 1317.

Mr. FULBRIGHT. Mr. President, I wish to explain to the Senate that I am holding hearings on our energy problem and did not anticipate that this matter was going to come up this afternoon. That is why there was some delay in proceeding. I had been conducting hearings until just 2 minutes ago.

Mr. President, in its deliberations on this year's appropriations authorization bill for the U.S. Information Agency, the Foreign Relations Committee acted, I believe, with careful consideration. The committee's report on this bill describes the reasons for each of the committee's decisions, and I would like to spend just a few moments now pointing up the highlights of this report.

The USIA budget requests fall into seven different categories: radio activities; motion pictures and television; press and publications; information centers and libraries; administration and general support; special international exhibitions; and acquisition and construction of radio facilities. After analyzing the Agency's activities within each of the areas, the committee voted to grant full funding in three of the areas and to make modest cuts in four.

### 1. RADIO ACTIVITIES

In the first category, the funding of Voice of America operations, the committee voted to approve the full amount requested by the administration—$56,000,000 and thus to allow VOA to continue its operations without diminution during the coming year.

### 2. MOTION PICTURES AND TELEVISION

In the second category, motion pictures and television, the committee voted to make a 10-percent cut in the administration request. This decision was based upon two independent evaluations—by the committee and by the U.S. Advisory Commission on Information. The Advisory Commission, in its recent report, stated specifically that USIA is producing a number of films that are not of value and that the volume of original productions should be reduced. The committee agreed. I note that Mr. Frank Stanton, the head of the Commission, seems recently to have disavowed the implications of his own Commission's report. He contends that the U.S. Advisory Commission's criticisms of USIA activities were meant to be taken as "constructive" criticism and not as the basis for cuts. I can assure my colleagues that the Commission's report was used by the committee in a constructive manner: for the committee has drawn upon the Advisory Commission's observations and the observations of the committee's own members to moderate expenditures—in what I consider a constructive way—on certain activities which are not now being performed in an efficient manner.

### 3. PRESS AND PUBLICATIONS

In the third category, press and publications, the committee voted to make a cut of approximately 13 percent. The committee looked at both kinds of activity conducted within the category—the production of publications and the effort to "place stories" in non-USIA publications around the world—and found unnecessary and misdirected spending in both. Regarding the production of USIA's production of its own publications, the committee, after its own evaluation, agreed with the Advisory Commission report which stated quite frankly that "USIA's magazines have fallen into a rut" and which indicated strongly that many of them are probably not being read. The committee believes that the number of magazines should be sharply reduced and far more emphasis given to the production of quality materials. I wish at this point to insert in the RECORD a full listing of the USIA periodicals and pamphlets now being published. This extraordinary number of different publications simply cannot, in my view, be justified; it is a perfect example of bureaucratic spread—which only the Congress, if it chooses to, can curtail. A greatly reduced number of publications, of higher quality and published in many languages, would surely represent this country more effectively.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

PERIODICALS AND OTHER AGENCY PUBLICATIONS, FISCAL YEAR 1973

| Title (area) | Where produced | Where principally distributed | Language | Frequency (issues per year) | Circulation per issue | 1973 total cost |
|---|---|---|---|---|---|---|
| EAST ASIA AND PACIFIC | | | | | | |
| Magazines: | | | | | | |
| Current Scene | Hong Kong | Worldwide | English, French, and Spanish | 12 | 11,200 | $85,898 |
| World Today [1,2] | do | East Asia area | Chinese | 24 | 93,000 | 135,092 |
| Titian | Indonesia | Indonesia | Indonesia | 6 | 8,000 | 54,027 |
| Trends | Japan | Japan | Japanese | 6 | 12,500 | 201,345 |
| Campus Life | Korea | Korea | Korean | 8 | 60,000 | 50,832 |
| Nen Dan (Dialogue) [2] | do | do | do | 6 | 9,000 | 20,839 |
| Universe | Laos | Laos | Lao | 8 | 8,000 | 11,671 |
| Free World (Horizons) | Philippines | Philippines | English | 12 | 37,000 | 31,466 |
| Focus | Singapore | Singapore | do | 6 | 1,000 | 5,779 |
| Resource | do | do | do | 6 | 1,000 | 5,306 |
| Student Review [2] | Taiwan | Taiwan | Chinese/English | 8 | 2,000 | 27,000 |
| Seripharb (Horizons-Free World) | Thailand | Thailand | Thai | 12 | 22,000 | 57,464 |
| Doi Thoai (Dialogue) | Vietnam | Vietnam | Vietnamese | 4 | 5,000 | 10,895 |
| Trien Veng (Horizons-Free World) | do | do | do | 6 | 44,000 | 51,792 |
| AFRICA | | | | | | |
| Magazines: | | | | | | |
| Progress | Ethiopia | Ethiopia | Amharic | 4 | 10,000 | 14,334 |
| News in Review | Kenya | Kenya | English | 12 | 2,500 | 10,883 |
| Interlink [2] | Nigeria | Nigeria | do | 4 | 5,000 | 11,240 |
| American Issues | South Africa | South Africa | do | 4 | 1,500 | 4,387 |
| Focus | Uganda | Uganda | do | 12 | 1,500 | 7,100 |
| NEAR EAST | | | | | | |
| Magazine: New Frontiers | Iran | Iran | Farsi | 12 | 21,000 | 81,255 |
| SOUTH ASIA | | | | | | |
| Magazines: | | | | | | |
| Dawn | Burma | Burma | Burmese | 12 | 20,000 | 32,767 |
| American Review | India | India | English | 4 | 43,500 | 74,560 |
| Span | do | do | do | 12 | 130,000 | 677,550 |
| Swatantra Vishwa (Horizons-Free World) | Nepal | Nepal | Nepali | 12 | 9,500 | 17,455 |
| Mashrab | Pakistan | Pakistan | Urdu | 12 | 18,000 | 45,533 |
| Panorama [2] | do | do | English | 12 | 19,000 | 99,727 |
| Newspaper: American Reporter | India | India | English and 11 local languages | 26 | 461,100 | 920,711 |
| LATIN AMERICA | | | | | | |
| Magazines: | | | | | | |
| Enfoques Gremiales | Argentina | Argentina | Spanish | 6 | 12,000 | 6,378 |
| Apuntes | Bolivia | Bolivia | do | 4 | 4,500 | 2,338 |
| Dialogo (Dialogue) | Brazil | Brazil | Portuguese | 4 | 11,000 | 33,505 |
| Tinta | Colombia | Colombia | Spanish | 6 | 3,000 | 5,300 |
| Saber | Mexico | Mexico and 15 other Latin American countries. | do | 12 | 18,000 | 28,147 |
| Guia | Paraguay | Paraguay | do | 12 | 4,000 | 14,283 |
| Informative Semanal | Peru | Peru | do | 52 | 3,500 | 25,146 |
| Enfoques de Aula | Uruguay | Uruguay | do | 4 | 6,000 | 960 |
| Newspaper: Progreso | Bolivia | Bolivia | do | 6 | 10,000 | 1,290 |
| Poster: Panorama Honduremo | Honduras | Honduras | do | 12 | 2,500 | 1,245 |
| WEST EUROPE | | | | | | |
| Magazines: | | | | | | |
| Informations et Documents | France | France and French-speaking countries. | French | 12 | 70,400 | 235,148 |
| Dialogos (Dialogue) | Greece | Greece | Greek | 4 | 4,000 | 18,500 |
| Mondo Occidentale [3] | Italy | Italy | Italian | 6 | 16,700 | 36,456 |
| Uiuk (Dialogue) | Turkey | Turkey | Turkish | 4 | 5,000 | 11,895 |
| Perspektiven (Dialogue) | Germany | Germany | German | 4 | 5,550 | 57,678 |
| Insight USA | United Kingdom | United Kingdom | English | 6 | 15,500 | 48,950 |
| EAST EUROPE | | | | | | |
| Magazines: | | | | | | |
| Spektar | RPO Vienna | RPO Vienna | Bulgarian | 4 | 5,000 | 23,780 |
| Spektrum | do | Czechoslovakia | Czech | 4 | 5,000 | 23,780 |
| USA | do | Hungary | Hungarian | 4 | 5,000 | 23,780 |
| Dialogue | do | Poland | Polish | 3 | 5,000 | 8,051 |
| Cultural & Science Bulletins | do | do | do | 4 | 5,500 | 26,125 |
| Dialogue | do | Romania | Romanian | 3 | 5,000 | 8,051 |
| Sinteza | do | do | do | 4 | 12,000 | 57,071 |
| Pregled | Yugoslavia | Yugoslavia | Serbo-Croatian | 11 | 28,000 | 113,390 |
| Science and Technical News | do | do | do | 11 | 10,800 | 45,276 |

| Title (area) | Where produced | Where principally distributed | Language | Frequency (issues per year) | Circulation per issue | 1973 total cost |
|---|---|---|---|---|---|---|
| WORLDWIDE | | | | | | |
| Magazines produced in Washington and at regional service centers by IPS for worldwide and regional distribution: | | | | | | |
| America Illustrated [2] | Washington | U.S.S.R., Poland | Russian and Polish | 12 | [4] 64,000 | $975,302 |
| Problems of Communism | do | Worldwide | English and Spanish | 6 | 33,650 | 229,462 |
| Al Majal | do | Near East and North Africa | Arabic | 8 | 19,540 | 260,100 |
| Topic | do | Sub-Sahara, Africa | English and French | 8 | 44,140 | 409,457 |
| Dialogue | do | Worldwide | English, French, and Spanish | 4 | 105,680 | 202,362 |
| Economic Impact | do | do | English and Spanish | 4 | 28,319 | 147,945 |
| Horizons [2] | RSC-Manila | East and South Asia | English | 12 | 45,889 | 111,050 |

[1] Changing to monthly and reducing circulation to 50,000 in April 1973.
[2] Sold.
[3] Terminated November–December 1972; replaced by "Americana" (initial press run 5,000 March–April 1973).
[4] Circulation per issue: 10 at 33,000 and 2 at 53,000; total cost, $766,205.

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PRESS AND PUBLICATIONS SERVICE, LIST OF PAMPHLETS PRINTED, FISCAL YEAR 1973

*Number of copies printed, fiscal year 1973* [1]

| Title and language | |
|---|---|
| A. Lincoln—Man of the People: Spanish | 32,000 |
| America in Pictures: | |
| Arabic | 16,336 |
| English | 9,500 |
| French | 24,636 |
| The Candidates: | |
| Arabic | 4,984 |
| English | 93,688 |
| French | 12,374 |
| Spanish | 84,200 |
| The Dance in America: | |
| Russian | 10,129 |
| Spanish | 6,600 |
| Emerging Structure of Peace: Vietnamese | 3,000 |
| Facts About America: Profile of the American Economy: English | 1,500 |
| Living Documents of American History: Spanish | 5,000 |
| Outline of American History: | |
| Arabic | 3,300 |
| Portuguese | 50,800 |
| People's Choice: | |
| Chinese/English | 8,050 |
| English | 52,000 |
| French | 10,305 |
| Spanish | 46,650 |
| President Nixon in Moscow: | |
| Finnish | 3,000 |
| Spanish | 8,500 |
| Profile USA: | |
| Spanish | 39,400 |
| Thai | 5,000 |
| Spirit of '76: | |
| Arabic | 6,634 |
| English | 101,294 |
| French | 9,864 |
| Greek | 20,000 |
| Spanish | 32,900 |
| Turkish | 8,000 |
| Vietnamese | 25,000 |
| This is America: English | 10,000 |
| Twelve Inventions That Changed the World: Spanish | 17,000 |
| U.S.A.—Its Geography and Growth: | |
| Portuguese | 41,100 |
| Spanish | 25,000 |
| U.S. Elections Handbook: | |
| English/Chinese | 10,000 |
| Chinese | 5,000 |
| Spanish | 5,000 |

[1] Total copies printed through Feb. 28, 1973.

Mr. FULBRIGHT. Mr. President, regarding USIA's effort to "place stories," the committee believes that the NSIA radioteletype system, which is justified as serving this purpose, does not have merits in proportion to its costs. This is discussed in greater detail in the committee report. However, I ask unanimous consent to insert in the RECORD at this point a listing of all of the foreign news services which are represented in the United States and which perform as well as can be done the job of reporting America to the world. Our efforts to "place stories" in other nations' newspapers are 25 years out of date. I also ask unanimous consent to insert a listing of the foreign distribution, through normal commercial channels, of the Reader's Digest, the largest selling magazine in the world and one which surely portrays the United States in a favorable light.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FOREIGN NEWS SERVICES WITH OFFICES IN THE USA

*Country and name of news agency and location of offices*

Australia: News Limited of Australia, 220 East 42d St., New York, N.Y.

Austria: Austrian Press Agency, 31 East 69th St., New York, N.Y.

Brazil: Image News Agency, 58 West 8th St., New York, N.Y.

Bulgaria: Bulgarian News Agency, U.N., 445 East 86th St., New York, N.Y.

Canada: 50 Rockefeller Plaza, New York, N.Y.

Canadian Press Agency, 1300 Conn. Ave. NW., Washington, D.C.

Free Press Publications of Canada, 876 National Press Bldg., Washington, D.C.

Southam News Services of Canada, 1125 National Press Bldg., Washington, D.C.

China (People's Republic of): China News Agency, 155 West 66th St., New York, N.Y.

China (Republic of): Central News Agency of China, 220 East 42d St., New York, N.Y.; 549 National Press Bldg., Washington, D.C.; and 681 Market St., San Francisco, Calif.

China:

Chiao Wwang News Photo Service, 438 61st St., Brooklyn, N.Y.

Overseas News Agency, 219 West 106th St., New York, N.Y.

Cuba: Prensa Latina (restricted to U.N. coverage) U.N. Press Section.

Czechoslovakia: Czechoslovakia News Agency, 330 East 46th St., New York, N.Y. U.N., New York, N.Y.

Denmark: Nordic News Agency, 829 National Press Bldg., Washington, D.C.

Finland: Finnish News Agency, 540 Madison Ave., New York, N.Y.

France: Agence France Presse, 50 Rockefeller Plaza, New York, N.Y. 914–A National Press Bldg., Washington, D.C.

Germany (FRG):

Deutsche Presse Agentur (DPA), U.N., 220 East 42d St., New York, N.Y.

Springer Foreign News Service, 700 National Press Bldg., Washington, D.C.; 50 Rockefeller Plaza, New York, N.Y.; and 819 Dominion Plaza, 1200 South Court House Rd., Arlington, Va.

Germany (GDR): German General News Service (restricted to UN coverage), U.N., 401 East 86th St., No. 10B, New York, N.Y.

Ghana: Ghana News Agency, U.N. Press Section, New York, N.Y.

Great Britain:

Asian News Service, Hong Kong, 435 East 79th St., New York, N.Y.

Reuters, 1700 Broadway, New York, N.Y.; 615 National Press Bldg., Washington, D.C.; 2603 Tribune Tower, Chicago, Illinois; 513 Houston, Chronicle Bldg., 512 Travis St., Houston, Tex.; 4800 Main St., Kansas City, Mo.; and 1543 West Olympia Blvd., Los Angeles, Calif.

Reuters Economic Services, 1212 Avenue of Americas, New York, N.Y. and 141 West Jackson Blvd., Chicago, Ill.

British United Press UPI, 315 National Press Bldg., Washington, D.C.

Hungary: Hungarian News Agency—MTI, 11215 Oak Leaf Drive, Silver Spring, Md.

Hong Kong: See Great Britian.

India: Press Trust of India, U.N., New York, N.Y.

Israel: Jewish Telegraph Agency, 660 1st Ave., New York, N.Y. and 834 National Press Bldg., Washington, D.C.

Italy:

Agenzia Democratic, 290 9th Ave., New York, N.Y.

Ansa, 220 East 42d St., New York, N.Y., and 767 National Press Bldg., Washington, D.C.

Italia News Agency, 437 Madison Ave., New York, N.Y.

Japan:

Kyodo News Service, 50 Rockefeller Plaza, New York, N.Y. and 904 National Press Bldg., Washington, D.C.

Jiji Press, 808 National Press Bldg., Washington, D.C. and 30 East 42d St., New York, N.Y.

Mainichi Newspapers, National Press Bldg., Washington, D.C.

Korea:

Dongwha News Agency, 6312 North 27th St. Arlington, Va.

A-K News Service (Korea Week), National Press Bldg., Washington, D.C.

Hapdong News Agency, 3624 Barcroft Terrace, Bailey's Crossroad, Va.

Orient Press Agency (Seoul), 730 National Press Bldg., Washington, D.C.

Latin America:

Central American Press Syndicate, 663 5th Ave., New York, N.Y. 10020.

Latin News Agency, 617 National Press Bldg., Washington, D.C.

Lebanon: National News Agency of Lebanon, U.N., 2 Tudor City Place, New York, N.Y.

Netherlands: [1]

Netherlands Press Association, (GPD), 8155 Upland Terrace NW., Washington, D.C.

Netherlands Newspaper Syndicate, National Press Bldg., Washington, D.C.

New Zealand: New Zealand Press Association, 614 National Press Bldg., Washington, D.C.

Norway:

Nordic News Agency, 829 National Press Bldg., Washington, D.C.

Norwegian Press Bureau, 1455 West Lake St., Minneapolis, Minn.

Pakistan: Associated Press of Pakistan, U.N., New York, N.Y.

Poland: Polish Press Agency, 928 National Press Bldg., Washington, D.C.

Romania: Romanian News Agency, U.N., Flushing, N.Y.

Romania: [1] Agerpress News Agency (Bucharest) SCINTEIA, 1200 Old Georgetown Rd., Rockville, Md.; 2727 29th Street NW., Washington, D.C.

South Africa: Argus Newspapers, 1501 Broadway, New York, N.Y.

Spain:

EFE Spanish Agency, U.N. Press Section, New York, N.Y. and 969 National Press Bldg., Washington, D.C.

Pyresa, 333 East 41st St., New York, N.Y.

Sweden: Nordic News Agency, 829 National Press Bldg., Washington. D.C.

Turkey: Turksel News Agency, U.N., Jackson Heights, N.Y.

U.S.S.R.:

TASS (Telegraph Agency of the USSR), 50 Rockefeller Plaza, New York, N.Y. and 215 National Press Bldg., Washington, D.C.

Novosty Press Agency, 11 Riverside Drive, New York, N.Y.

Yugoslavia:[1] Tanjug News Agency, 950 National Press Bldg., Washington, D.C.

[1] "Hudson's Washington News Media Directory."

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*The Reader's Digest*

| Foreign editions: | *Circulation* |
|---|---|
| Asia | 303,000 |
| Australian | 831,000 |
| Belgian-Flemish | 69,000 |
| Belgian-French | 120,000 |
| British | 1,647,000 |
| Canadian-English | 1,221,000 |
| Canadian-French | 274,000 |
| Chinese | 235,000 |
| Danish | 190,000 |
| Dutch | 384,000 |
| Finnish | 284,000 |
| French | 1,261,000 |
| German | 1,349,000 |
| Iberian | 245,000 |
| Indian | 162,000 |
| Italian | 726,000 |
| Japanese | 600,000 |
| New Zealand | 183,000 |
| Norwegian | 251,000 |
| Portuguese | 157,000 |
| South African | 220,000 |
| Spain-Latin America | 1,122,000 |
| Swedish | 370,000 |
| Swiss-French | 56,000 |
| Swiss-German | 210,000 |

### 4. INFORMATION CENTERS, LIBRARIES, AND RELATED ACTIVITIES

**Mr. FULBRIGHT.** In the fourth category of USIA activity, information centers, and libraries, the committee voted to approve the full amount requested: $40.6 million. As the committee report states:

> The Committee has long believed that this functional area encompasses the most admirable, and probably the most widely admired, of USIA's diverse activities.

I ask unanimous consent to insert in the RECORD a full listing of the libraries, information centers, reading rooms, and binational centers which USIA now maintains and for which the committee has granted full funding. This should be, I think, clear evidence that the committee is not trying to eliminate the U.S. representation abroad, but simply trying to modify the style into a quieter, more dignified mode.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

*U.S. Information Agency—Information centers and reading rooms, fiscal year 1972*[1]

| East Asia and Pacific: | *Total cost* |
|---|---|
| Australia: Sydney; Canberra (reading rooms); Melbourne (reading rooms); Perth (reading rooms) | $84,744 |
| China, Republic of (Taiwan): Kaohsiung; Taichung; Tainan; Taipei | 206,175 |
| Hong Kong: Hong Kong | $119,312 |
| Indonesia[2] | 63,756 |
| Japan: Fukuoka; Kyoto; Nagoya; Osaka; Sapporo; Tokyo | 1,388,236 |
| Khmer Republic (Cambodia)[2] | 6,846 |
| Korea: Kwangju; Pusan; Seoul; Taegu | 320,015 |
| Laos: Vientiane | 32,411 |
| Malaysia: Kuala Lumpur | 133,827 |
| New Zealand: Wellington; Auckland (reading rooms) | 40,021 |
| Philippines: Cebu; Davao; Manila | 189,625 |
| Singapore: Singapore | 68,574 |
| Thailand: Chiangmai; Khon Kaen; Songkhla | 111,746 |
| Vietnam: Cantho; Danang; Hue; Saigon | 385,150 |
| Total, East Asia and Pacific | 3,150,438 |
| Africa: | |
| Burundi: Bujumbura | 13,914 |
| Cameroon: Douala; Yaounde | 87,751 |
| Central Africa Republic[2] | 4,830 |
| Chad: Fort Lamy | 32,001 |
| Dahomey: Cotonou | 33,949 |
| Ethiopia: Addis Ababa; Asmara; Dessie (reading rooms); Dire Dawa (reading rooms); Gondar (reading rooms); Jimma (reading rooms); Makalle (reading rooms); Lekemte (reading rooms) | 163,227 |
| Gabon: Libreville | 38,559 |
| Ghana: Accra; Kumasi | 109,542 |
| Guinea[2] | 1,390 |
| Ivory Coast: Abidjan | 67,174 |
| Kenya: Nairobi | 104,374 |
| Lesotho: Maseru; Mbabane (reading rooms); Gaborone (reading rooms) | 29,131 |
| Liberia: Monrovia | 61,674 |
| Malagasy Republic: Tananarive | 64,575 |
| Malawi: Blantyre | 15,570 |
| Mali: Bamako | 21,816 |
| Niger: Niamey | 24,189 |
| Nigeria: Ibadan; Kaduna; Kano; Lagos | 400,612 |
| Rwanda[2] | 525 |
| Senegal: Dakar | 61,688 |
| Sierra Leone: Freetown | 42,188 |
| Somali Republic: Mogadiscio | 42,062 |
| South Africa: Cape Town; Johannesburg | 69,952 |
| Tanzania: Dar-es-Salaam | 69,770 |
| Togo: Lome | 30,941 |
| Upper Volta: Ouagadougou | 32,987 |
| Zaire, Republic of: Kinshasa; Kisangani: Lubumbashi; Bukavu (reading rooms) Luluabourg (reading rooms)[3] | 212,995 |
| Zambia: Lusaka | 47,642 |
| Total, Africa | 1,939,176 |
| Near East and North Africa | |
| Algeria[2] | 23,910 |
| Arab Republic of Egypt[2] | 6,979 |
| Iran: Tehran | 200,380 |
| Israel: Tel Aviv; Jerusalem | 164,810 |
| Jordan[2] | 21,700 |
| Kuwait[2] | 11,085 |
| Lebanon: Beirut | 123,202 |
| Libya[2] | 23,800 |
| Morocco: Casablanca; Fez; Rabat; Tangier (reading rooms) | 238,630 |
| Saudi Arabia: Jidda | 69,675 |
| Sudan: Khartoum | 52,623 |
| Tunisia: Tunis | 149,938 |
| Total, Near East and North Africa | 1,086,732 |
| South Asia: | |
| Afghanistan: Kabul | 56,877 |
| Bangladesh: Dacca; Chittagang (reading rooms); Mymensingh (reading rooms)[3]; Rajshahl (reading rooms)[3] | $170,559 |
| Burma[2] | 9,267 |
| India: New Delhi; Bombay; Calcutta; Madras | 1,382,923 |
| Nepal: Kathmandu | 49,706 |
| Pakistan: Islamabad; Karachi; Lahore; Peshawar; Hyderabad (reading rooms) | 641,037 |
| Sri Lanka (Ceylon): Colombo; Kandy (reading rooms) | 64,976 |
| Total, South Asia | 2,375,345 |
| Latin America: | |
| Argentina: Buenos Aires | 290,025 |
| Brazil: Brasilia; Rio de Janeiro; Sao Paulo | 357,747 |
| Dominican Republic: Santo Domingo (reading rooms) | 29,025 |
| Guyana: Georgetown | 36,723 |
| Jamaica: Kingston (reading rooms) | 29,926 |
| Mexico: Guadalajara; Mexico City; Monterrey; Hermosillo (reading rooms); Puebla (reading rooms); Tampico (reading rooms) | 488,233 |
| Panama: Panama City; David (reading rooms)[3] | 79,878 |
| Trinidad: Port-of-Spain | 27,508 |
| Uruguay: Monteviedo | 107,535 |
| Venezuela: Maracaibo | 85,748 |
| Total, Latin America | 1,532,357 |
| West Europe: | |
| Australia: Vienna | 174,102 |
| Belgium: Brussels | 133,928 |
| Canada[2] | 96,773 |
| Cyprus: Nicosia | 45,215 |
| Denmark: Copenhagen | 89,392 |
| Finland: Helsinki | 101,178 |
| France: Paris | 304,871 |
| Germany: Berlin; Cologne; Frankfurt; Hamburg; Hanover; Munich; Stuttgart; Bremen (reading rooms) | 1,095.816 |
| Greece: Athens; Thessaloniki; Patras (reading rooms) | 278,955 |
| Iceland: Reykjavik | 39,961 |
| Italy: Milan; Rome, Palermo (reading rooms); Florence (reading rooms) | 485,588 |
| Malta: Valletta | 15,241 |
| Netherlands[2] | 45,225 |
| Norway: Oslo | 101,054 |
| Portugal: Lisbon | 44,798 |
| Spain: Madrid | 189,721 |
| Sweden: Stockholm | 117,479 |
| Switzerland[2] | 2,516 |
| Turkey: Ankara; Istanbul; Izmir | 236,646 |
| United Kingdom[2] | 189,321 |
| Total, West Europe | 3,787,780 |
| Soviet Union and East Europe: | |
| Bulgaria[2] | 13,039 |
| Czechoslovakia[2] | 16,673 |
| Hungary[3] | 34,989 |
| Poland[2] | 28,444 |
| Poland[4] | 28,444 |
| Romania: Bucharest | 207,546 |
| U.S.S.R.[2] | 39,636 |
| Yugoslavia: Beigrade; Zagreb; Novi Sad (reading rooms); Ljubljana; Skopje | 290,679 |
| Total, Soviet Union and East Europe | 61,006 |
| Grand total | 14,502,834 |

[1] An information center is a USIS library operation with a book collection usually exceeding 4,000 volumes, under the direct supervision of an American officer. It is the center for a variety of cultural and information activities. A reading room is a USIS library operation with a book collection of less than 4,000 volumes, staffed entirely by local employees. Limited cultural and information activities may be conducted in conjunction with the library operation. The costs shown

by country on this list include the operating cost of information centers, reading rooms, and similar operations conducted in locations that are not formally classified as centers or reading rooms.

[2] Costs shown relate to operations similar to those carried on in information centers and reading rooms as indicated in the note above. There are no information center or reading room costs, per se, for these countries.

[3] Closed in fiscal year 1973.

USIA SUPPORTED BINATIONAL CENTERS, TOTAL 1972 OPERATING COSTS AND LOCAL SHARE BY COUNTRY

| | Total operating costs[1] | Local income | Percent of local income to total cost |
|---|---|---|---|
| East Asia and Pacific: | | | |
| Indonesia | $298,984 | $69,498 | 23.2 |
| Laos | 243,158 | 132,176 | 54.4 |
| Thailand | 600,985 | 507,875 | 84.5 |
| Vietnam | 316,460 | 216,570 | 68.4 |
| Total, East and Pacific | 1,459,587 | 926,119 | 63.5 |
| Near East and North Africa: Iran | 939,921 | 712,612 | 75.8 |
| South Asia: Pakistan | 41,893 | 40,693 | 97.1 |
| Latin America: | | | |
| Argentina | $419,317 | $352,145 | 84.0 |
| Bolivia | 147,138 | 87,822 | 59.7 |
| Brazil | 3,302,850 | 3,065,223 | 92.8 |
| Chile | 787,327 | 566,416 | 71.9 |
| Colombia | 1,220,092 | 1,020,569 | 83.6 |
| Costa Rica | 410,830 | 228,261 | 55.6 |
| Dominican Republic | 258,297 | 182,865 | 70.8 |
| Ecuador | 413,704 | 322,278 | 77.9 |
| El Salvador | 210,348 | 173,435 | 82.5 |
| Guatemala | 536,940 | 460,638 | 85.8 |
| Haiti | 60,806 | 38,777 | 63.8 |
| Honduras | 122,300 | 74,085 | 60.6 |
| Mexico | 2,452,423 | 2,356,241 | 96.1 |
| Nicaragua | 76,822 | 62,314 | 81.1 |
| Panama | 123,884 | 92,507 | 74.7 |
| Paraguay | 111,298 | 72,238 | 64.9 |
| Peru | 979,924 | 835,600 | 85.3 |
| Uruguay | 170,592 | 109,789 | 64.4 |
| Venezuela | 500,974 | 473,355 | 94.4 |
| Total, Latin America | 12,305,856 | 10,574,558 | 85.9 |
| West Europe: | | | |
| Germany | 677,541 | 481,983 | 71.1 |
| Greece | 241,624 | 214,091 | 88.6 |
| Italy | 104,318 | 85,938 | 82.4 |
| Spain | 401,389 | 374,209 | 93.2 |
| Turkey | 367,207 | 284,866 | 77.6 |
| Total, West Europe | 1,792,079 | 1,441,087 | 80.4 |
| Grand total | 16,539,336 | 13,695,069 | 82.8 |

[1] Operating costs include center expenses, the cost of USIA personnel and other Agency support.

### Binational Center Locations

#### EAST ASIA AND PACIFIC

Indonesia: Jakarta; Medan, Surabaya.

Laos: Vientiane; Luang Prabang; Savannakhet.

Thailand: Bangkok.

Vietnam: Saigon.

#### NEAR EAST AND NORTH AFRICA

Iran: Isfahan; Meshed; Shiraz; Tehran.

#### SOUTH ASIA

India: Bombay; Calcutta.

Pakistan: Karachi.

#### LATIN AMERICA

Argentina: Buenos Aires; Comodoro Rivadavia; Cordoba; Dean Funes; Jujuy; Mendoza; Rosario; Salta; San Francisco; San Juan; Santiago del Estero; Tucuman; Villa Maria.

Bolivia: Cochabamba; La Paz; Santa Cruz.

Brazil: Belem; Belo Horizonte; Campinas; Caxias do Sul; Curitiba; Florianopolis; Fortaleza; Juis de Fora; Manaus; Natal; Porto Alegre; Recife; Rio de Janeiro; Salvador, Bahia; Santos; Sao Paulo; Uberaba; Vitoria.

Chile: Antofagasta; Chillan; Concepcion; Santiago; Tamuco; Valparaiso.

Colombia: Barranquilla; Bogota; Bucaramanga; Cali; Caragena; Manizales; Medellia; Pereira.

Costa Rica: Limon; San Jose; Turrialba.

Dominican Republic: Santiago; Santo Domingo.

Ecuador: Cuenca; Guaygull; Quito.

El Salvador: San Salvador.

Guatemala: Guatemala City.

Haiti: Port-au-Prince.

Honduras: San Pedro Sula; Tegucigalpa.

Mexico: Chihuahua; Guadalajara; Hermosillo; Merida; Mexico City; Monterey; Morella; San Luis Potosi; Veracruz.

Nicaragua: Managua.

Panama: Panama City.

Paraguay: Asuncion.

Peru: Arequipa; Chiclayo; Cuzco; Huancayo; Lima; Piura; Trujillo.

Uruguay: Montevideo.

Venezuela: Caracas.

#### WEST EUROPE

Germany: Freiburg Heidelberg Nuremberg; Saarbrucken; Tuebingen.

Greece: Athens.

Italy: Naples.

Spain: Barcelona.

Turkey: Adana; Ankara; Istanbul; Izmir.

Mr. FULBRIGHT. Mr. President, in the next category, program direction and general support, the committee took its most significant action, cutting the administration request by 15 percent. The committee noted USIA's policy of decentralized spending and decisionmaking—and the associated figure of $20 million budgeted for "administration" and "policy-planning" by overseas missions—and found this highly inconsistent with the maintenance of an $18 million administration/policy-planning structure in Washington. By way of comparison, it should be noted that this figure is roughly equivalent to the annual operational costs of all of the Senate's permanent committees put together.

It was further noted that the USIA Director's personal office alone is budgeted at $1,000,000 a year; and that, of 4,400 American employees in the agency, well over 300 earn in excess of $30,000 per year. The committee expects this cut of $9.6 million will require the Agency to undertake a much-needed tightening of its inflated administrative apparatus. I understand that, during its extensive lobbying activities since the committee took this action, the Agency has been informing Senators that the committee's cuts would require the closing of dozens of overseas posts.

I would like to emphasize that the committee's cut is intended to reduce not the overseas USIA representation, but rather the oversized bureaucracy in downtown Washington. This seems only another example of the bureaucratic imperatives of such institutions. I think my colleagues should recognize the tendency for what it is: even if the Congress reduced USIA's budget from $200 million to $40 million, you can be sure that the last component to go would be the downtown bureaucracy. There would be $40 million in "administrators" downtown and no one overseas.

I might also mention, in connection with this budget category, that I am pleased to be able to announce the recent declassification of certain highly sensitive studies funded in past years from this category. My colleagues may now read at their leisure such documents as "Opinions and Values of Egyptian Students in West Germany," "Effect of the Moon Landing on Opinions in Six Countries," "Venezuelan University Graduates: Their Media Habits, Political Interest and Orientation, and Other Selected Characteristics," "Media Habits of Spanish Intellectuals," and "Attitudes of North African Students in France: A Preliminary Report." I will be happy to report to my colleagues when "the final report" has been received—and also the total cost to the American taxpayer.

I ask unanimous consent that a list of recently declassified USIA research reports be printed in the Record.

There being no objection, the list was ordered to be printed in the Record, as follows:

### USIA Survey Research Reports Declassified Since January 1970

*December 1970*

R–17–64, Feb. 14, 1964: Peasant Attitudes in Northeast Brazil.

R–219–64, December 1964: Urban Spanish Opinion About Recent International Developments.

R–179–65, December 1965: Latin American Attitudes Toward the U.S. in the Wake of the Dominican Crisis.

R–181–65, December 1965: The Standing of the Major Powers in Indian Public Opinion.

R–202–65, December 1965: The Standing of the U.S. in Japanese Public Opinion—1965.

R–209–65, December 1965: Opinions and Values of Egyptian Students in West Germany.

R–6–68, February 1968: The Korean Student Elite: Part A. Problems in Democratic Development. Part B. Views on Foreign Affairs Issues.

R–12–68, March 1968: Trends in West European Public Opinion on Current International Issues.

*July 8, 1971*

E–8–68, May 20, 1968: Venezuelan University Graduates: Their Media Habits, Political Interest and Orientation, and Other Selected Characteristics.

R–10–69, Sept. 12, 1969: Effect of the Moon Landing on Opinions in Six Countries.

#### DECLASSIFIED JUSPAO PUBLIC OPINION SURVEY REPORTS

1. Some Highlights of Saigonese Public Opinion, July 27, 1965.
2. National Rural Public Opinion, January 1966.
3. National Urban Public Opinion, January 1966.
4. Some Preliminary Findings from the TET Returnee Survey, February 15, 1966.
5. Barometer Survey I (April 18–24, 1966).
6. Saigon Student Survey, October 1966.
7. Nationwide Hamlet Survey, January 23, 1968 (An Interpretative Analysis):

First Interim Summary Report—I Corps, Oct. 10, 1967.

Second Interim Summary Report—II Corps, Nov. 1, 1967.

Third Interim Summary Report—III Corps, Nov. 27, 1967.

Fourth Interim Summary Report—IV Corps, Dec. 13, 1968.

8. Highlight Analysis of Post-Election Survey, February 10, 1968.
9. Saigon-GIA Dinh Post-Tet Refugee Attitude Survey, March 1968.
10. Further Reactions of Saigon Residents to Events Related to VC Offensive of Early May 1968, May 14, 1968 Memo (copies were not sent to Depositories; file copies only).
11. Summary of Attitudes of Saigon General and Elite Publics as Expressed in a Sample Survey Conducted During the Last Week of May and First Week of June 1968, June 30, 1968.
12. Summary of Post-TET Attitudes of General Public in Saigon and Six Provincial Capital Cities as Expressed in Sample

Survey Conducted Between March and June 1968.

13. Opinion Surveys, October, November, December 1968.

14. Saigon Public Attitudes as Expressed in Sample Survey Conducted in January 1969, February 7, 1969.

15. Saigon Public Attitudes as Expressed in Sample Survey Conducted in March 1969, April 15, 1969.

16. Public Attitudes in Danang and Hue as Expressed in Sample Survey Conducted in April 1969, May 21, 1969.

17. Saigon Public Attitudes as Expressed in Sample Survey Conducted in May 1969, June 24, 1969.

18. Saigon Public Attitudes as Expressed in Sample Survey Conducted in June 1969, July 9, 1969.

19. Public Attitudes in Danang and Hue as Expressed in Sample Survey Conducted in August 1969, August 25, 1969.

20. Saigon Public Attitudes as Expressed in Sample Survey Conducted Between August 22 and September 3, 1969, September 19, 1969.

21. Results of 60 interviews with Recent NVA Ralliers Conducted at National Chieu Hoi Center on September 24, 1969, October 9, 1969.

22. Saigon Public Attitudes as Expressed in Sample Survey Conducted Between September 18 and September 25, 1969, November 5, 1969.

23. Saigon Public Attitudes—Tabular Presentation of Survey Findings for November 1969 Including Available Trend Data.

24. Public Attitudes in Danang and Hue December 1969—Tabular Presentation of Survey Findings Including Available Trend Data.

25. Public Attitudes in Quang-Tri December 1969—Tabular Presentation of Survey Findings.

26. Saigon Public Attitudes as Expressed in Sample Survey Conducted March 16–25, 1970, March 1970.

27. Saigon Public Attitudes as Expressed in Sample Survey Conducted May 4–10, 1970, May 1970.

28. Public Attitudes in Danang and Hue May-June 1970—A Summary, June 1970.

*January 1973*

R–5–71, April 1971; Media Habits of Spanish Influentials.

R–8–71, July 1971: Foreign Attitudes Over the Past Decade Towards U.S. Space Achievements.

R–9–71, July 1971: Target Groups' Use of Books and Libraries in Anglophone Africa.

R–10–71, August 1971: Taiwan Library Study.

R–11–71, August 1971: Library Usage and Related Media Activities of Malaysian Target Groups.

E–1–71, February 1971: VOA's Greek-Language Transistor Radio Contest—1970.

E–2–71, April 1971: VOA's Spanish-To-Latin America Transistor Radio Contest—1970.

E–4–71, April 1971: Road to Development Exhibit.

E–5–71, October 1971: VOA's French-To-Africa Transistor Radio Contest—1971.

M–4–71, February 1971: Anthenian Opinion of the United States.

M–19–71, August 1971: Exposure to USIS Publications and Other Printed Media by Selected Target Groups Members in Accra and Kampala.

M–21–71, August 1971: Listening to VOA Swahili and English Among Urban Educated Kenyans.

R–1–70, March 1970: Urban Attitude Trends on Population Issues in Thailand and the Philippines.

R–2–70, March 1970: Philippine Opinion on U.S. World Standing and Key Viet-Nam Issues.

R–5–70, March 1970: Some Foreign Attitudes Toward the Quality of Life in the United States.

R–6–70, March 1970: Swedish Public Opinion on the United States.

R–11–70, May 1970: Japanese Opinion on U.S. World Standing and Viet-Nam Policy.

R–15–70, May 1970: West European Opinion About Some Atlantic Issues.

R–16–70, June 1970: The American Domestic Scene and the U.S. Presence in Japan.

R–18–70, July 1970: America's Domestic Image in Western Europe.

R–24–70, October 1970: America's International Standing in West European Opinion at the End of 1969.

R–2–69, February 1969: Trends in West European Public Opinion on Current International Issues.

R–13–69, November 1969: Reactions in Three Latin American Cities to President Nixon's Latin American Policy Address.

R–14–69, December 1969: Reactions in Eight Countries to President Nixon's Viet-Nam Policy Address.

R–16–69, December 1969: Thai Opinions of the American Domestic Scene and the U.S. Presence in Thailand.

R–19–68, June 1968: Trends in West European Public Opinion on Current International Issues.

R–30–67, November 1967: Trends in West European Public Opinion on Current International Issues.

R–178–64, November 1964: Far Eastern Views on Democracy and Government.

R–191–64, December 1964: Attitude of North African Students in France: A Preliminary Report.

### DECLASSIFIED JUSPAO PUBLIC SURVEY REPORTS

1. Saigon Public Opinion Survey, January 1971.

2. Can Tho Public Opinion Survey, February 1971.

3. Quick Response Survey Saigon, February 27, 28, 1971 ARVN in Laos.

4. Saigon Public Opinion, September 1970.

5. Qui-Nhon Public Opinion Survey, October 1970.

6. Delat Public Opinion Survey, November 1970.

Mr. FULBRIGHT. Mr. President, in the next category, special international exhibitions, the committee voted to approve the full amount requested by the administration: $4.1 million. These international exhibition activities are focused primarily in Eastern Europe and the Soviet Union; and the committee feels they serve a useful purpose in furthering the progress of détente.

In the final category, the acquisition and construction of radio facilities, the committee considered both the economic costs and the foreign policy implications of the proposed new construction project in East Asia. The eventual costs of this project to the American taxpayer will be $23 million, a sizable amount which in itself deserves careful deliberation. I would like to point out to my colleagues that if they vote to authorize so much as $1 for this purpose, they will have spent $23 million—for once begun, the project would surely be completed. Above and beyond this large cost, however, committee members expressed serious concern about the policy implications of this decision. As has now been published in the Washington Post, the proposed new site is South Korea. Because of the delicate situation which exists in Korea, and the connection which may exist between rapproachment there and a phased withdrawal of the American presence, the Senate should deliberate with considerable care before acting. In addition, the purpose of the facility would be to broadcast into northeastern China and the eastern Soviet Union; and in light of the rapidly evolving U.S. relationship with both of these countries, the committee decided to delay immediate action and to consider this matter carefully over the coming year. VOA operations on Okinawa can continue until 1977 and possibly beyond—which will allow ample time for the extensive congressional deliberation which this significant decision deserves.

In closing, Mr. President, I would like to make one further insertion into the Record: two articles, written by Mr. Robert Kaiser, which appeared recently in the newspaper. They describe the propaganda activities of the Soviet Union—directed not toward the detriment of the United States but rather toward persuading their own people that the United States is a fine country, one with which the Soviet Union should have good relations. According to the articles, the Soviets have even sent their reporters on extended automobile excursions across the length and breadth of our country. They have traveled our highways, watched our movies, talked with our people, and eaten our fried chicken and hamburgers. Their articles have been published and widely circulated in the Soviet Union and they describe America very favorably. Indeed, in all of their travels, the Soviet writers reported only one flaw in the American character: "They like to boast." Mr. President, it is time for this Nation to mature to a quieter, more confident style of presenting itself to the world.

Mr. President, I ask unanimous consent to have printed in the Record at this point the articles written by Mr. Robert Kaiser.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Washington Post, Apr. 10, 1973]

### Soviet Propaganda Selling Improved U.S. Ties to Public

(By Robert G. Kaiser)

Moscow, April 9.—In recent days, Soviet newspapers and television have expanded a propaganda campaign apparently intended to explain improved Soviet-American relations to the public.

Readers and viewers have been given unprecedented exposure to articles, speeches and reports on how well relations are developing between the superpowers, and how good this is for all concerned.

Communist Party propagandists are elaborating this message in political lectures, telling their audiences that the Cold War period has been supplanted by "a new stage in international relations."

The official enthusiasm in these articles, broadcasts and lectures seem to be a clear signal to the public and to party activists that it is time for a change in attitudes toward "the leading imperialist power," as the United States was regularly described until recently.

So much publicly expressed enthusiasm also seems to indicate the extent to which the Soviet leadership is now committed to a better relationship with the United States.

The new propaganda campaign pops up in unexpected places. For example, one evening last week tens of millions of Soviet citizens watched the telecast of the Soviet-Czechoslovak hockey game in the current world championship competition. Between the first and second periods of the game, these mililons of hockey fans saw a speech by the minister of health, Boris Petrovsky, who extolled the benefits of Soviet-American cooperation in medical research.

The weekly magazine Za Rubezhom (Abroad), which prints translations from the foreign press and original articles, devoted five full pages of this week's issue to "U.S.S.R.—U.S.A. Expansion of Businesslike Cooperation for the Sake of Peace."

This unusual special section contained seven different articles pointing toward expanded Soviet-American trade.

At least one or another of the major Soviet daily newspapers has carried an article on Soviet-American relations almost daily for a week. In Sunday's Pravda, an article on cooperation in medical research revealed that the American heart specialist Dr. Michael DeBakey had performed a six-hour operation on the Soviet Union's top scientific official, M. V. Keldysh, president of the Soviet Academy of Science.

The operation was a success, Pravda said, and Keldysh is already back at work. News of this heart surgery may surprise many Pravda readers, who are not used to reading that their officials have turned to foreign specialists for health care. The Soviet Union has always boasted proudly of its own state medical system.

In the past week, Pravda has also carried long pieces on preparations for the joint Soviet-American space flight in 1975.

The press has given the most attention to trade with America. Articles on the subject cite recent agreements with U.S. concerns and other signs of progress. They also note that "some circles" in the United States are trying to frustrate further progress.

Political lecturers explain the improved relationship with America as a consequence of the Soviet Union's increased strength and influence. In the past, they say, the United States felt it could act "from a position of strength," but it now recognizes that the Soviet Union must be treated as an equal.

Several of the recent newspaper articles indicate official sensitivity to the charge that Soviet-American cooperation is essentially "one-sided" American aid to the Soviet Union. These articles insist that both countries are making an equal contribution to each other's knowledge and well-being.

There is no apparent sensitivity about helping the ideological enemy. Writing in Pravda, a deputy minister of foreign trade said that trade between the superpowers would "lead to higher living standards for the peoples of both countries."

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[From the Washington Post, May 2, 1973]

### SOVIETS GET NEW, POSITIVE VIEW OF THE UNITED STATES

(By Robert G. Kaiser)

Moscow, May 1.—Soviet newspaper readers have a chance to read something unusual these days—long, detailed accounts of life in America which are friendly, fair and virtually devoid of propaganda.

The reports are appearing in the Communist Party newspaper Pravda, the country's principal paper with a circulation of 10 million and Komsomolskaya Pravda, the Young Communist League's paper, which is almost as well read. They were written by Pravda's Washington correspondent, Baris Strelnikov, and Vasily Peskov, a well-known Soviet essayist and journalist who often writes about nature.

Strelnikov and Peskov spent six weeks touring America in a Gran Torino—"A Ford of perfect quality," they explain to their readers. They've written a dozen long articles on the trip, half of which have now appeared.

Their pieces reflect a deliberate policy decision by the Communist Party Central Committee and Soviet editors to improve America's image. Other capitalist countries are due to benefit from the same kind of friendly treatment, according to Soviet editors. This new approach to news about the "ideological enemy" reflects the government's new emphasis on international detente.

In the past Soviet coverage of the United States has concentrated on information that reflected badly on American society. In most cases, Soviet reports are factually accurate, but one-sided. They were often based on critical articles in the American press.

#### TOO GENEROUS

Strelnikov and Peskov have ignored that tradition with gay abandon. They write with exuberance and approval about many aspects of American life, and their criticisms are calm and reasonable. Some American residents of Moscow who have been reading the articles even find them a little too generous.

The most recent piece to appear describes American roadside restaurants with some awe. The speed of service amazes the authors, especially in a drive-in restaurant. The smiling, helpful waitress with her ever-present glass of ice water delights them. Col. Sanders' chicken in every corner of the country impresses them. And ketchup on every table is a fool's delight: "One of us even ate tomatoes with ketchup."

There is one drawback apart from the ketchup, nothing tastes very good. Foods produced "on the conveyor belt" are fresh, clean and filling. But bland. On the other hand, the efficiency of it all largely compensates for tastelessness, they concluded.

There are lots of good things to eat in America, the authors add, both in private homes and in better restaurants. Many specializing in all kinds of foreign foods.

But these restaurants aren't for everybody. Peskov and Strelnikov discovered. Traveling on a Soviet per diem allowance (these are notoriously small) they found the best restaurants beyond their reach "even in the interests of journalistic curiosity."

#### TRAFFIC JAMS

One article devoted to the automobile culture seemed a fair summary of its advantages and pains. The authors wrote respectfully about America's turnpikes, and all its roads. (There isn't a paved road that crosses the entire Soviet Union.) They note the comfort of American cars and the skill of American drivers. They also described traffic accidents, traffic jams and air pollution.

The country is grand and majestic, the two journalists write, but some industrial regions look like hell on earth. Americans live in their own houses, they acknowledge—a fact Soviet propagandists have generally withheld from their nation of overcrowded apartment-dwellers.

Americans are nuts for "packaging." They can't call it New Mexico and leave it at that; it has to be the "land of enchantment," too.

Advertising rules the land: "If it disappears one day Americans won't know what to do." Strelnikov's young son—a Washington resident—heard him whistling the March of the Toreadors from Carmen one day and said, "I know that song, it's from a soap advertisement."

These Soviet visitors found Americans to be "prudent, thrifty but not stingy." Most Americans didn't seem very curious to them. "We asked the questions during our conversations."

These Americans have one weakness: "They like to boast."

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Mr. FULBRIGHT. Mr. President, I wish to make one further observation which relates to this matter but is not directly concerned with it. In connection with Radio Free Europe and Radio Liberty, which I think will be coming before this body in the near future, I think the administration is asking an additional $50 million for the purpose of broadcasting into Eastern Europe and the Soviet Union.

In view of the upcoming visit of the leader of the Soviet Union to this country and the President's policy with regard to him—of which I thoroughly approve—it seems to me that the idea of enormously expensive facilities to broadcast into Russia and to China is just out of date. Of course, we can always come back next year or the following year, if things change, and authorize such an installation.

So, in summary, I would like to say again that the committee gave the Voice of America all it asked for its operations, but not for the new installation.

The total outlay, if we approve this and Radio Liberty and Radio Free Europe, would be $106 million for operational costs for broadcasts abroad, primarily into Communist countries. It is rather strange, it seems to me, to be so interested in that kind of broadcast when we have allowed, I think, only $22.5 million for our own public broadcasting here at home.

Mr. President, I reserve the remainder of my time.

Mr. AIKEN. Mr. President, I yield myself 2 or 3 minutes, whatever is needed.

This bill, which came out of the committee, reduced the administration's request from $224 million to $193 million. I believe $16 million of this reduction was taken from the request to establish a new transmitter in South Korea to take the place of one in Okinawa.

There was an amendment offered, I believe by the Senator from New York (Mr. Javits), to make the amount we would allow them $8 million. That was defeated, and as the bill came out of committee, it provided only $1 million for VOA facilities.

Although the bill was reported unanimously by the committee, as usual committee members reserved the right to oppose any or all parts of it or to vote for any amendments which might be proposed to it.

In this case, there is a proposal to increase this amount about $16 million, so that construction of the new radio station in Korea can proceed as scheduled.

I have recently had some good reports on the USIA operations from people who have traveled in Western Europe, Russia, and Asia, saying they have been able to get the news from the United States freely and also accurately.

It seems to me that for the relatively small amount of money involved, we would be acting wisely to restore the $16 million, so USIA can go ahead with the construction of the radio station in Korea.

Therefore, I will vote for the amendment proposed by Senators Allen, Scott, Dole, and Javits. Otherwise, the bill, as far as I know, is acceptable to all the members of the committee.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. FULBRIGHT. I think the $1 million is not intended for any construction; it is purely for maintenance. It does not amount to approval of the project. That is held in suspension.

Mr. AIKEN. It is for the acquisition and construction of radio facilities. The request was for $17 million. The committee cut that to $1 million, a reduction of $16 million, which the amendment offered by the Senator from Alabama proposes to raise.

Mr. FULBRIGHT. I agree to that.

Mr. AIKEN. I cannot say whether that million dollars would be used exclusively for the starting of the building of a radio station in Korea or not.

Mr. ALLEN. Mr. President, will the Senator from Vermont yield 10 minutes to me on the committee amendment? The Senator has 30 minutes.

Mr. AIKEN. I have used 3 or 4 minutes. I yield 10 minutes to the Senator from Alabama.

Mr. ALLEN. I thank the Senator.

### THE FUTURE OF THE U.S. INFORMATION AND CULTURAL PROGRAM

Mr. ALLEN. Mr. President, a little more than a year ago, action was advocated which would have emasculated the coordinated U.S. information effort overseas embodied in USIA. At that time, the editors of TV Guide, who had completed a detailed study of anti-American programs on Western European television, said flatly:

> We disagree. To sit back and fail to counter with truth the vicious propaganda disseminated by those who seek to discredit the United States would, we believe, be shortsighted and, in the long view, dangerous.

I felt the same way then and do so now. At a time when we are facing new issues in the world, including the energy crisis, vital negotiations on economic and security matters and a host of other problems, we cannot afford to take the view that we have no business or interest in trying to promote a better understanding of ourselves. Let there be no mistake: that undertaking requires a coordinated effort to utilize all the means of modern communications—means which we ourselves largely pioneered and which other major countries, Communist and non-Communist, are using increasingly to advance their foreign policy goals. Concern over what others think is not only warranted by reality but also grounded in American tradition—"a decent respect for the opinions of mankind." What is at stake here is not dirty or "cold war" propaganda but rather the presenting of a factual case for America.

The cuts proposed now, though not as great as those rejected last year, would in my view very seriously hamper this effort. In general terms, the amounts requested by USIA represent, in effect, a decline of 16 percent from the level of 1967 in constant dollars—that is, adjusted for inflation. The staff level requested by USIA is already 20 percent below the level 6 years ago.

If the cuts proposed by the committee are adopted, the program level, adjusted for inflation, would be at its lowest point since 1955.

Mr. President, what other Government agency have we that is operating at the 1955 level?

By the denial of the $16,000,000 for the East Asia radio project the Voice of America, our major means of reaching closed societies, would lose the construction of a new facility which in the future will be necessary if it is to reach effectively Mainland China and adjacent areas. In whatever structure VOA is located, this facility is required.

I am advised that there is no commitment to build the installation in Korea. It is going to be necessary that the Voice of America or the U.S. Information Agency get off Okinawa—by 1976, I believe. This money is necessary to start the plan and acquire the property somewhere and to negotiate with the various nations where the installations would be put. We are certainly not starting too early if we were to start on this matter during the next fiscal year.

The recommended cut of $15,154,500 in operating funds, superimposed on the declining level already mentioned, cannot fail to have an ominous effect on the whole activity. Although the committee says it wants to leave untouched activities such as VOA and cultural/information centers, libraries, and so forth, these are in some measure intertwined and cannot be effectively insulated from the effect of the overall cut. The same office or building, for example, may serve various functions.

It is projected, for example, that USIA would have to close 28 informational/cultural installations abroad. The overall decline in Agency manpower since 1967 would reach 27 percent.

Also, all funds for documentary film production—a tool which can reach throughout the world with high impact—would probably be eliminated. Several magazines, including one of high prestige which has been acclaimed by thinking and influential people everywhere, would be eliminated.

The cuts in program direction and administration would have a most significant and negative impact on the necessary coordination and management of these manifold activities as well as plans for new directions. For example, USIA was planning to expand its role in support of the U.S. export drive which is certainly important to our economy and our balance of trade deficits, and promotion of foreign tourism here, which certainly has the same beneficial effect on our balance of trade deficits—support urgently requested by those responsible for these now crucial activities. The already limited budget for research—vital both for program evaluation and keeping our Government informed on the State of foreign opinion—would probably be cut by over 10 percent. All elements of the program would suffer. Losses in the coordinating, guidance, and planning functions would severely hamper the work of an Agency which must utilize a multimedia approach; cuts in administrative services and field reporting would hurt the effectiveness of all elements. And so it goes. In short, the net effect will be further damage to capability and the draining of energy into retrenchment instead of seizing new opportunities.

The committee's comments this year raise explicitly the question whether USIA as a whole ought to be dismantled, with those activities which all approve, separated out and shipped elsewhere. This comment has at least the virtue of candor: the cuts attempted last year, had they succeeded, and those suggested now would certainly move us closer to the point at which the question would be acute—or perhaps even academic.

We all know that necessary Government functions and their interrelationships can be organized in a number of different ways. In the foreign affairs field, these relationships and issues are becoming increasingly complex. To study these problems, Congress authorized the creation of a newly formed commission. In my view, it makes no sense to prejudge the work of this commission, as I think this bill and the accompanying comments do.

I am of the opinion that a strong case can be made anyway for the continued coordination of these activities in one Agency which has had the experience of 20 years of doing so with a highly qualified staff. However, the major point is that most of us recognize these efforts as essential to the interests of our people. There is always room for improvement. Let us not jeopardize this effort, however risk tossing out what we have achieved—in anticipation that something better will turn up.

Mr. President, I ask unanimous consent to have an editorial from the Washington Star of Monday night and a clipping from the Washington Post of Tuesday morning printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

### ASSAULT ON USIA

If there is one thing the United States Information Agency can depend on, it is an annual confrontation with Senator J. William Fulbright and his Foreign Relations Committee.

This year, the Committee wants the Agency to sit still for a fiscal 1974 budget of $193.2 million, which is $31 million below USIA's request and $16.6 million lower than its current appropriation. To be sure, this is not quite so drastic as the committee's attempt a year ago to slash the agency's budget by 23 percent. It is overly severe, nonetheless, and we believe the Senate should override the committee, at least to the extent of giving USIA the money it needs to maintain its current programmatic level.

Senator Fulbright, of course, has far more in mind than protecting the taxpayer's dollar. He has long quarreled with the USIA role of promoting the image of the United States around the world. He sees it as too much a hard-sell operation. He believes that much of it is, or appears to be, a cold-war anachronism. That is an arguable point. Yet even assuming that the senator is in part right, the slashing of appropriations is hardly the way to redress the balance.

As for particular functions, it is noteworthy that the committee, which last year launched a frontal attack on Voice of America, this year voted to approve the full amount requested by the administration. But in other programs, if the cuts are approved, USIA would have to close down 28 overseas cultural and information centers, curtail its film and press operations, and end publication of a number of magazines, including "Dialogue," which circulates world-wide in 12 languages, and "Al Majal," an Arab language periodical published for audiences in the Far East.

It is beside the point that we appear to be moving out of the cold-war era. We still need friends and understanding, and we need to get information to people in developed and under-developed countries, on this side of the Iron Curtain and beyond it. Since 1967, in constant dollar terms, USIA's resources have been declining steadily. It is time to stop that trend.

### USIA ADVISER URGES SENATE TO REJECT CUTS

(By Dusko Doder)

The chairman of the U.S. Advisory Commission on Information, Frank Stanton, yesterday called on the Senate to reject Sen. J. W. Fulbright's proposal for a $31 million cut in the United States Information Agency's budget for the fiscal year to start July 1.

Stanton's message to the Senate followed a 16-to-0 vote by Fulbright's Senate Foreign Relations Committee last week to slash the USIA's budget authorization.

According to USIA officials, the cut would force the agency to close 28 information and cultural installations abroad and to lay off 732 employees in addition to 264 positions scheduled to be eliminated by July 1.

Moreover, the committee action would deny funds for the construction of a Voice of America transmitter in South Korea. The VOA transmitter located in Okinawa is to be closed down at Japanese request.

Urging the Senate to restore the $31 million cut, Stanton said: "America's vital interests should not be impaired or undermined at this important juncture."

If enacted, Stanton said, the measure "will seriously reduce USIA's budget, jeopardizing the effectiveness of its efforts abroad and lead to the crippling of this important arm of American foreign policy."

Stanton, who is vice chairman of the Columbia Broadcasting System, noted that his commission's report earlier this year criticized some USIA activities. But he added that this criticism "should not be used as justification for budget-slashing of this agency" which "must be strengthened, not diminished."

Fulbright, an Arkansas Democrat, attempted last year to slash $45 million from the USIA budget for 1973, but his effort was rejected by the Senate.

In a report explaining his last week's proposal, Fulbright suggested that the USIA should be dismantled and some of its functions returned to the State Department. He said some USIA activities should be abolished, including "motion picture, television, press and publication activities."

"With a separate information agency there will always be the tendency to try to sell the United States, whereas in the committee's view what is needed today is a more mature, confident approach to the world: making information about ourselves available but not trying to foist it off onto people."

The recommended cuts, in Fulbright's view, "constitute interim action; and over the coming year the committee intends to continue its analysis of USIA's proper disposition."

The Senate is expected to vote on the USIA budget authorization Wednesday. The agency has asked for $224 million, for fiscal 1974, including $16 million for the VOA transmitter in South Korea.

With fewer than 9,000 employees in more than 100 countries, the USIA promotes the U.S. image and viewpoint abroad through a variety of means, including the Voice of America. The agency has been hit by rising costs and a steady drop in size over the past few years. More than 2,000 employees have been dismissed or retired since 1968.

Stanton, who has been chairman of the advisory board for nine years, is expected to retire soon. Hobart Lewis, a commission member and chief executive director of Reader's Digest, was nominated by President Nixon to replace Stanton. Lewis' appointment has not yet been confirmed by the Senate.

Mr. ALLEN. Mr. President, I also ask unanimous consent to have printed in the RECORD a tabulation of the history of the USIA positions starting back in 1954, down to the 1974 request of the agency and the 1974 Foreign Relations Committee provision.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

HISTORY OF USIA POSITIONS

| Fiscal year | Salaries and expenses | Special international exhibitions | Total | Increase or decrease (−) from preceding year |
|---|---|---|---|---|
| 1954 | 10,727 | | 10,727 | |
| 1955 | 10,791 | | 10,791 | 64 |
| 1956 | 11,405 | | 11,405 | 614 |
| 1957 | 12,065 | | 12,065 | 660 |
| 1958 | 11,097 | | 11,097 | −968 |
| 1959 | 11,057 | | 11,057 | −40 |
| 1960 | 11,040 | | 11,040 | −17 |
| 1961 | 11,089 | | 11,089 | 49 |
| 1962 | 11,400 | | 11,400 | 311 |
| 1963 | 11,866 | 14 | 11,880 | 480 |
| 1964 | 12,163 | 20 | 12,183 | 303 |
| 1965 | 11,998 | 167 | 12,165 | −18 |
| 1966 | 11,872 | 119 | 11,991 | −174 |
| 1967 | 12,012 | 94 | 12,106 | 115 |
| 1968 | 11,334 | 68 | 11,402 | −704 |
| 1969 | 10,856 | 135 | 10,991 | −411 |
| 1970 | 10,343 | 134 | 10,477 | −514 |
| 1971 | 10,146 | 64 | 10,210 | −267 |
| 1972 | 9,809 | 64 | 9,873 | −337 |
| 1973 | 9,772 | 64 | 9,836 | −37 |
| 1974 request | 9,508 | 64 | 9,572 | −264 |
| 1974 SFRC | 8,776 | 64 | 8,840 | −996 |
| Reduction from 1974 request | | | | −732 |

The PRESIDING OFFICER (Mr. SCOTT of Virginia). The time of the Senator has expired.

Mr. AIKEN. Mr. President, I yield 2 additional minutes to the Senator from Alabama.

Mr. ALLEN. Mr. President, I would like to point out that this tabulation shows that far from being a great escalation of the bureaucracy and a great setting up of an ever-expanding Bureau, this tabulation shows that in 1967 the Agency had 12,106 employees and that that number of employees has gone steadily down each year so that at the present time there are 9,836 employees. And the Agency request calls for cutting that number down by some 264 positions, to 9,572 positions.

Mr. President, I yield back the remainder of my time.

Mr. AIKEN. Mr. President, I yield 5 minutes to the Senator from Arizona.

The PRESIDING OFFICER. The Senator from Arizona is recognized for 5 minutes.

Mr. FANNIN. Mr. President, I appreciate the opportunity to make a few remarks reflecting my deep concern about the effect of the action of the Senate Foreign Relations Committee in dealing with USIA authorization legislation for fiscal year 1974. As now constituted, S. 1317 in my judgment would seriously cripple the ability of the U.S. Government to place the views of the American people before the world. It calls for a reduction of some 13 percent of the USIA budget.

Last week I was in Moscow and in Warsaw participating in a key USIA project. I had the honor to officially open a major exhibit on Outdoor Recreation in the United States in Moscow's Luzhniki Sports Park.

Participating in this exhibit were 22 bright, young American college men and women, all of whom spoke fluent Russian. Their performance in supervising the individual American exhibits and answering questions about our country, contribute greatly to the Russian people's better understanding our country and in general contributes to the Russian people's understanding of the freedom of our great Nation.

During my time in Moscow and in Warsaw I met with Foreign Trade and Ministry of Mines officials, and political leaders. I also had the pleasure to talk with the president of Continental Canning, Chase Manhattan Bank President David Rockefeller, and the president of Sunkist Citrus Co., Don McMillan. These three gentlemen were only a few among the steadily increasing flow of American business leaders who are moving in to take advantage of the economic opportunities which are now developing in Eastern Europe and the Soviet Union. These men agreed that there is much to be done in correcting the distorted image of the United States which persists in Eastern Europe.

Mr. President, what these reductions amount to is a deliberate unilateral decision on our part to reduce our ability to communicate with the peoples of Eastern Europe and the Soviet Union just at the very moment in history when the opportunity to do so is blossoming.

Mr. President, we are not talking about billions or hundreds of millions. USIA is a minute amount in budgetary terms, and it surely must be seen as pound foolish and penny wise to reduce our ability to take advantage of the benefits of a wise foreign policy, which is the understanding that I have of this particular cut.

It troubles me, Mr. President, that in a society which spends billions advertising our fine products to our own consumers that we are unable to bring ourselves to expend $200 million to tell the world the story of our people and the system which produces this rich life.

I support the efforts of Senators ALLEN, SCOTT, DOLE, and others—to amend the SFRC bill to restore the cuts to USIA's budget. My personal exposure to the life in the Soviet Union and Poland has reinforced my opinion that we have much to do among the peoples of the Soviet Union and Eastern Europe in this very field.

I trust the Senate will approve my amendment No. 149 to S. 1317.

Mr. President, I yield the floor.

Mr. HUMPHREY. Mr. President, will the Senator from Vermont yield?

Mr. AIKEN. Mr. President, there are two more requests for time that I know of. We do have a half hour on the bill. Does the Senator from Minnesota wish to speak on this subject?

Mr. HUMPHREY. Yes; I want to ask a question, first, about the amendment of the Senator from Alabama. Will the Senator yield for that purpose?

Mr. AIKEN. Yes.

Mr. HUMPHREY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HUMPHREY. The amendment that is offered, or contemplated to be offered, by the Senator from Alabama has two items in it: One item to restore funds to the sum of $203,279,000, and the other to strike $1 million and insert in lieu thereof $17 million.

My question is, Is this amendment subject to division in terms of voting? In other words, can we vote on each line item?

The PRESIDING OFFICER. The amendment is divisible.

Mr. HUMPHREY. This amendment is subject to division?

The PRESIDING OFFICER. The Senator is correct.

Mr. HUMPHREY. Will the Senator yield further?

Mr. AIKEN. It depends on which side of the issue the Senator from Minnesota would be on.

Mr. HUMPHREY. I am on the Senator's side.

Mr. AIKEN. Yes, I yield the Senator another minute.

Mr. HUMPHREY. Mr. President, I appreciate the distinguished Senator from Vermont's wanting to know which side we are on. I am on the side of the amendment being proposed by the Senator from Alabama (Mr. ALLEN), in the sense that I am on the side of supporting the restoration of funds for administration and operation. I hope that that part of the amendment will be adopted by the Senate.

The other item relates to a transmitter which is required to be constructed because of our arrangements with the Japanese on Okinawa, which requires us to abandon that transmitter facility and build a new one at another place. I would hope that in that area we might not go for the full $17 million, and I shall in due time offer an amendment to cut it to $9 million, which I believe would be an adequate beginning and would assure the Government of sufficient funds to undertake the necessary construction.

It is my hope that we will support the USIA in its effective endeavors abroad.

I notice that a general attack on the USIA is that it is a part of the cold war rhetoric. The fact of the matter is that it is needed more than ever right at this time as a part of the information system, to encourage broader cooperation among nations, and particularly with nations with which in the past we have very serious differences, and may continue to have differences in the future.

I noticed the report of Dr. Stanton, I believe of the Advisory Commission on the USIA, in which he pointed out that the Voice of America, particularly, and the U.S. Information Agency itself, could serve a very valuable function in promoting what we call detente. I do not look upon the Voice of America as a weapon in the cold war; I look upon it as a source of strength for the United States of America. It gives us an opportunity to explain our system, which is complicated enough even for our own people. It gives us an opportunity to at least stay in constant communication with other parts of the world. I do not consider it competitive with commercial networks and commercial news services, and I do not think we ought to have to expect commercial news services to carry out governmental functions, except incidentally as they are worthy of reporting.

I do believe that the U.S. Information Agency can be a very constructive voice in promoting understanding among peoples, and I would think the Congress of the United States is perfectly capable of seeing that it does not become a tool of aggression—verbal aggression, rhetorical aggression, or any kind of cold war rhetoric. Therefore, I want to do what I can to sustain the Agency in a degree of vitality and efficiency. After all, this Agency, like others, has suffered erosion from inflation.

I am sure that the Senator from Alabama has undoubtedly addressed himself already to the elimination of a substantial number of personnel. It is my judgment that insofar as Government Agencies are concerned, it has done a good job, and I hope we will give it the support which the Senator from Alabama has indicated in his remarks he feels that it deserves.

It is not every day that the Senator from Alabama and the Senator from Minnesota team up, but when we do I feel very comfortable and very happy. I think that in this instance, we are both on the right side.

Mr. AIKEN. Mr. President, may I ask how much time I have remaining on the amendment and on the bill?

The PRESIDING OFFICER. The Senator from Vermont has 5 minutes remaining on the amendment.

Mr. AIKEN. On the amendment?

The PRESIDING OFFICER. On the committee amendment.

Mr. AIKEN. And 30 minutes on the bill?

The PRESIDING OFFICER. The Senator is correct.

Mr. AIKEN. I thank the Chair.

Mr. FULBRIGHT. Mr. President, I do not know that it will prove much to argue with my colleagues. We seem to have made up our minds. I would simply remind them of one or two factors.

When this information agency was created—and I call attention to page 3 of the committee report—under the authority of the Information and Educational Exchange Act of 1948, it was clear from the authorizing legislation that the purpose of these activities was primarily to fill the information void that existed in the postwar world; the legislation specifically stated that certain of the activities for which it provided should be reduced as commercial sources of information became increasingly available. Over the quarter century since that legislation was passed, the nations of the world have been connected by a myriad of communications activities. Yet USIA, which still derives its basic authority from the 1948 legislation, has continued its operations unabated.

In other words, USIA was created for a certain purpose—when there was an absence of normal commercial information channels. Now there are plenty of responsible commercial news services throughout the world, and especially in this country. There are more opportunities or sources of information now, both here and abroad, than there ever have been, I think, in the history of the world. All we need to do is look at the ordinary publishing activity around here.

The Senator from Alabama (Mr. ALLEN) stated, if I understood him, that this was to combat or offset the efforts of countries abroad "seeking to discredit the United States." I have just finished reading the most recent articles from the Soviet Union, and I am not aware of anyone seeking to discredit the United States, especially now. Most countries are feeling very sorry for the United States. They see its dollar going down daily; they see its enormous deficits; they see its Watergate. They are not trying to discredit us. We are discrediting ourselves; they are not doing it. We are discrediting ourselves by our irresponsible actions on just such bills as this.

We talk all the time about balancing the budget and prudence in the expenditure of our funds, but we fund every bill that comes up here, whether this one, Radio Free Europe, the Peace Corps, or any of the things that were created in another day when there were people who were seeking to discredit us because we were the richest nation and were very arrogant and aggressive in our attitude. But most countries today are not really trying to discredit us; they are feeling sorry for the United States, and rightly so. I feel sorry for the United States. I feel sorry for what we do here when every time an effort is made in any way to restrict any activities, it is considered unthinkable.

The committee's reduction this year is not a very serious one. Reference was made to the reduction last year. Actually, I think some Senators misunderstood what happened last year. The request then was reduced by $45 million because USIA refused—flat out refused—to make available a nonsensitive document.

Mr. Shakespeare was showing—as most of the White House was—that he was not going to be responsible to the Congress. He refused to make it available. The committee tried to instill the idea that the Executive was responsible to Congress. It was understood in committee generally that this was the reason. The Senate reversed it, and of course the executive branch continued the attitude that it does not have to respond to the Congress.

Maybe Watergate is having some effect on that attitude, but it is too bad it took Watergate to bring that about.

I want to be sure the record is correct on the acquisition of radio facilities. We are not cutting one penny out of the operations of the VOA. The $16 million cut is directed toward a proposal to build a new and very large radio station in South Korea that would eventually cost $23 million. This is simply the first payment. The $1 million left in the request is not for construction at all. That is not to begin that facility. The report makes it clear that this is for engineering, research, replacement and repair for existing facilities.

In other words, we are not saying, "Here is $1 million. You start it." We are saying "Do not start a new project in Korea. We have to look that over more seriously." They can operate with what they have under the present agreement up to 1977. Whether we want to continue will depend on further agreements with Japan. Maybe we could and maybe we could not. As we are still friends with the Japanese—and I hope that we will continue to be—perhaps we could make some arrangements to stay. We pay rent now in Spain, Germany, and Taiwan for facilities for broadcasting. In this case, it would be a lot cheaper than building a new one. But to repeat: The committee is authorizing nothing for that purpose. The $1 million is for other purposes: the maintenance of existing facilities.

Mr. SYMINGTON. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. I yield.

Mr. SYMINGTON. Where will the broadcasts of this new and very expensive radio station be beamed?

Mr. FULBRIGHT. To China and Eastern Russia. That is what it is designed to cover.

Mr. SYMINGTON. What is the plan, ostensibly to promote America in those countries?

Mr. FULBRIGHT. It differs according to the spokesmen. This whole program was originally designed to sell America and to offset Soviet propaganda, or anyone else's propaganda. But as the original basic legislation said, and as I just read it, it is intended and expected that it would be phased out as the commercial private facilities were developed.

It says here in the report—

> . . . the legislation specifically stated that certain of the activities for which it provided should be reduced as commercial sources of information became increasingly available.

It was not intended originally as a permanent propaganda agency.

Mr. SYMINGTON. I realize there is little chance of the amendment's being defeated because it is not in the interest of the people of this country. It will be money spent abroad. It would appear easier to get the Senate to spend $100 on the problems of people abroad than to spend $1 on the problems of the people of the United States.

Mr. FULBRIGHT. Much more.

Mr. SYMINGTON. I think that was even shown in the committee, where, incidentally, it was voted out 16 to 0. Then people go to work on Members. I know, because they have gone to work on me. They explain why it is necessary for us to continue to spend all this money abroad to keep all these people happy.

I ask the able Senator this question: What has the coordination of building all these broadcasting places to talk to the Chinese and the Soviet Union got to do with the trips of the President? Is there any conflict, or is this just reinforcement of the heavy expenses involved in these other constructive efforts and worthy trips in the interest of the country? It is just a question of how far can we go in further depleting our balance of payments and our assets in favor of other countries when we have such heavy problems here at home.

Mr. FULBRIGHT. The distinguished Senator is quite right. It is inconceivable to me why we want to spend this kind of money under these circumstances. The Russians are not beaming any such propaganda in here. I just read part of the article in which they have taken a new turn in light of Brezhnev's visit here, and they report how wonderful this country is. They have been going all out, telling the Russian people what a fine country the United States is, that our hamburgers are great, and that our fried chicken is superb. I agree with them, especially about the Arkansas fried chicken. But the report was interesting. Why are they doing that? Because they are trying to promote better relations which their official policy has now dictated.

Why we do not meet these people half way is beyond my comprehension. It is inconsistent to keep this up. It would look as though we have become so accustomed to fighting hot and cold wars for 30 years that we cannot change our ways, that we cannot change our habits over the past 30 years.

Mr. PASTORE. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. I yield.

Mr. PASTORE. I believe in all honesty there was a time and place when there was a reason and a justification for spending these funds. I think that time has now passed.

In the lush days, when a dollar was worth a dollar and no one else in the world had any money, we were the only ones who could finance this function. I think in the light of those times there was justification for spending taxpayers' dollars to achieve our aims.

Now the executives of the three electronic media came before the committee, those representing Radio Free Europe, Radio Liberty, and the Voice of America. This is a tab, I understand, which will run to about $224 million, if we allow all what the administration is asking.

Mr. FULBRIGHT. That is what they are requesting.

Mr. PASTORE. How much of this will go to Radio Free Europe and Radio Free Liberty——

Mr. FULBRIGHT. No. That is in addition.

Mr. PASTORE. That is in addition?

Mr. FULBRIGHT. Radio Free Europe and Radio Liberty have asked for $50 million in addition to the $224 million they are asking.

Mr. SYMINGTON. Mr. President, will the Senator from Arkansas yield?

Mr. PASTORE. In this bill?

Mr. FULBRIGHT. No, in a separate bill.

Mr. SYMINGTON. The point is well taken.

Last year Radio Free Europe and Radio Liberty were sold to the Senate on the ground that it was all private enterprise. The facts were, when divulged, that $9 out of every $10 spent on Radio Free Europe and Radio Liberty was supplied by the U.S. Government.

Mr. PASTORE. In our hearings I asked, "What kind of program do you plan, and what system do you use?" What these agencies do is exactly what they do here in the United States of America. They read the teletype machine, such as we have outside the Chamber here, and whatever news is reported they send that news to Peking and they send that news to Moscow, to Bulgaria, Romania, and all the other countries behind the Iron and the Bamboo Curtains.

Our front pages today are filled with Watergate—and so are theirs. We have to do that, they say, in order to establish our credibility.

Well, now, not that I want them in any way to circumscribe the news. They should tell the news the way it is. They should tell all the news as well, if we are going to do it at all. But just imagine spending almost $100 million of the taxpayers' money in the United States of America to do what? To tell the people in Peking, as they tell the people in Moscow, that we have corruption in America.

What purpose does that serve? If we were telling the people of the world how well off we are, so well off that we do not have to do away with OEO, so well off that we can have a neighborhood youth program, so well off that we can build housing for our elderly, so well off that we do not have 30 to 40 million people in the United States on the edge of poverty—if we could tell the rest of the world that kind of a story I think our image would go up in their eyes. But I ask why, in the name of commonsense, do we have to spend millions and millions of dollars, which we have to borrow, in order to tell people who in all probability have no use for us, that what we have here is a scandal that has agonized the American public?

If corruption builds the American image, I think I have wasted my 38 years of public life.

It is very simple to me. I think the time has come when we should phase this out. No one wants to do away with it abruptly. But here we are now facing the fact that our dollar has been devalued by 10 percent.

The PRESIDING OFFICER. The Senator's time on the amendment has expired.

Mr. FULBRIGHT. Mr. President, how much time do I have remaining on the bill?

The PRESIDING OFFICER. The Senator has 30 minutes.

Mr. FULBRIGHT. I yield myself 10 minutes on the bill, and I yield to the Senator from Rhode Island.

Mr. PASTORE. Ten percent was the last blow, and we had one before of 8 to 10 percent, so that makes about 20 percent. It may be worse. When you realize that some four out of five of these employees are foreign nationals and we have to appropriate 20 percent more because we pay them in their own currency, we realize how foolish we actually have become.

We are being told by the President of the United States that we must have a ceiling on spending. We have made speeches and speeches on the floor of the Senate about that ceiling. We appointed a Joint Committee on the Budget to reduce the cost of government, because we are told that we will invite inflation, that we are going to disrupt our balance of payments, and that we are in really bad shape when it comes to the balance of trade. At the same time, what are we doing? We are giving jobs to more than 3,000 foreign nationals. And what are those nations doing? They are importing labor to meet the job demand that our money creates.

Not long ago, I was in Wiesbaden with the distinguished Senator from Missouri. I got up at my usual American hour around 5 o'clock in the morning. I took a walk, and at that early hour there they were breaking up the street pavement in Wiesbaden. There were 50 people; 49 were foreigners, and the foreman was a German.

Over there they are importing labor, and we in this country have an unemployment rate of more than 5 percent. In my State, it is already 6.4 percent; and now that they are closing 80 percent of the naval facilities, it will be about 20 percent. They are telling me that they have to close down those bases in Rhode Island because we do not have the money; and at the same time they expect me to vote all these millions of dollars to pay foreign nationals to broadcast the Watergate scandal behind the Iron Curtain.

If that makes sense, I do not know what logic is. If anyone can stand up and defend that, in view of how they claim that we are pinched for dollars, it is beyond my comprehension.

The committee has made only a modest cut.

Mr. FULBRIGHT. Very small.

Mr. PASTORE. A very small cut.

We have to realize that we must make up this devaluation of the dollar. And what caused it? The balance of payments. Why did that happen? Because we are sending our dollars abroad. I say we should keep them here. This is the first chance we have had in the measure before us today.

So I hope the committee is supported; and I hope that if anyone tries to increase the amount by an amendment, the amendment will be rejected.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. SYMINGTON. On the 30th of June, the draft runs out. Then we will have to pay for our people in the military, and we are going to see a bill that will really shake us plenty.

We have never been allowed, by either Congress or the administration, to reduce the number of soldiers and sailors and airmen we have in Europe. All I can say is, as the able senior Senator from Virginia, who has been a leader in questioning on this entire subject in the Armed Services Committee can attest, when the facts come out about the cost of retirement, the cost of our Reserves, and the overall cost of getting additional people into the military services, our financial problems are going to be heavily increased.

In spite of that, here we are, and with all our problems at home—as the able Senator from Rhode Island, who invariably puts his finger on the crux of these issues, pointed out—we are now going to have hundreds of millions of dollars, an increase over last year, to advertise to the people of the Chinese Republic and the Soviet Republic and other countries such things as the Watergate incident.

This is but one more illustration of what effective lobbying can do. Time and time again, in recent weeks, matters have come before this body, passed by the proper committees of the Senate after study, then reversed on the floor of the Senate through effective lobbying.

In 1950, the total budget for the military in the United States—Army, Navy, and Air—all cost, procurement and military personnel, was $13.8 billion.

Today, one subcommittee really studied a proposal for 10 submarines, they rejected it unanimously. It came to the floor, however, and was passed. The amount of money for those 10 submarines is almost exactly the same as the total cost of all the military in 1950.

I hope we realize just what we are doing to this economy when we pass totally unnecessary requests of this character so as to advertise the United States in foreign countries, often at the expense of the ideologies and actions in those countries, at the same time we spend a fortune trying to improve our relations with them.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I will yield in a moment.

I associate myself with what the distinguished Senator from Rhode Island and the distinguished Senator from Missouri have said. We are going to be confronted with this matter time and again. This is one of the first bills in this area. We are going to have the military assistance bill soon, Radio Free Europe, and Radio Liberty. In each, we are told this is a small amount; but they add up to a very substantial amount of money.

The Senator from Rhode Island has said that the time for this is past. We are in entirely different circumstances from those when this originally was justified.

I yield to the distinguished Senator from Virginia.

Mr. HARRY F. BYRD, JR. I feel that there is still a need for the USIA. Last year, the committee and the distingushed chairman, in making the presentation on the floor, recommended a deeper cut in this—$45 million, I think—in the operating budget.

Mr. FULBRIGHT. That is right.

Mr. HARRY F. BYRD, JR. I could not support that because I thought it was too deep a cut. Now we come to this year.

The PRESIDING OFFICER. The Senator's 10 minutes have expired.

Mr. FULBRIGHT. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator is recognized for an additional 5 minutes.

Mr. HARRY F. BYRD, JR. Mr. President, this year the committee is recommending in the operating budget a reduction of around 7 percent, in round figures.

Mr. FULBRIGHT. That is about right.

Mr. HARRY F. BYRD, JR. Which is very different from the proposal of last year.

Mr. FULBRIGHT. About $14 million.

Mr. HARRY F. BYRD, JR. Now, in addition to that, the committee is recommending a reduction of $16 million for capital outlay, one might say.

Mr. FULBRIGHT. A new radio station that has not been started. It will actually cost $23 million.

Mr. HARRY F. BYRD, JR. As I understand it, we now have a fine facility at Okinawa.

Mr. FULBRIGHT. Presently operating.

Mr. HARRY F. BYRD, JR. Yes, presently operating at Okinawa.

Mr. FULBRIGHT. Yes.

Mr. HARRY F. BYRD, JR. But the Japanese are throwing us out of Okinawa, so to speak.

Mr. FULBRIGHT. We made an agreement that we would remove ourselves. We have until 1977 to remove ourselves, unless we negotiate a new agreement. That is always a possibility.

Mr. HARRY F. BYRD, JR. But we have an adequate facility operating now in Okinawa.

Mr. FULBRIGHT. That is correct.

Mr. HARRY F. BYRD, JR. This new facility, wherever it might be located—South Korea has been mentioned—it is assumed will cost $39 million.

Mr. FULBRIGHT. Overall that will be the cost.

Mr. HARRY F. BYRD, JR. We will put up $23 million, and the Japanese will put up $16 million.

Mr. FULBRIGHT. That is right.

Mr. HARRY F. BYRD, JR. So in giving, as we did, Okinawa which was ours, back to Japan—we got it by treaty—we give it back by treaty. This is an additional cost that we have because in effect they are throwing us out of Okinawa. And because we have to remove the facility from Okinawa, we have to establish another facility somewhere else that is going to cost $39 million, of which we have to put up $23 million and the Japanese say, "We will give you $16 million."

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. HARRY F. BYRD, JR. I yield.

Mr. PASTORE. I raised that question when the agencies appeared before our committee. I did not get a satisfactory answer, as to why we had to move from Okinawa. We are the only country in the world that has never retained anything as a possession as a prize or plunder after having won a war. We have never had any ambitions of conquest. In connection with Okinawa we are told to move our equipment off. History repeats itself. This is a repetition of moving NATO out of France into Belgium, a move that cost us $5 billion. It seems to me we are always picking up the short end of the stick.

Mr. HARRY F. BYRD, JR. I think the Senator is quite correct. For that reason without making a firm commitment at the moment, I have considerable sympathy for the position of the Committee on Foreign Relations in this matter because it does not seem very logical to me at the moment to have an adequate facility at Okinawa which belonged to us, and which we got by treaty, and yet because the Japanese do not want us there, we have to build a new facility for $39 million, of which we have to put up $23 million. So without making a firm commitment, I am inclined to support the committee position.

Mr. FULBRIGHT. I appreciate that very much. The Senator will not regret it. The way things are moving in the international field, this is a very timely action on the part of the committee. I want to remind the Senator also that it was only last year or the year before that we completed a very extensive new radio station on an island in the Aegean, costing $48 million.

There is no limit to what could be spent on this matter. It was a brand new facility that just came into operation last year or the year before. A new place can always be found to build one of these.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator yield further?

Mr. FULBRIGHT. I yield.

Mr. HARRY F. BYRD, JR. The Senator from Rhode Island mentioned the devaluation of the dollar—two devaluations of the dollar, totaling 18 percent. That was the overall devaluation. But a governor of the Federal Reserve Board, Mr. Dewey Dean, testified before the subcommittee of the Committee on Finance this morning that the devaluation of the dollar vis-a-vis the yen is almost 40 percent.

Mr. FULBRIGHT. That is another indication of where we are going. The inflation is, of course, absolutely ruinous to our economy, if we do not stop it. This is the way to begin to stop it. This is a very modest request of $224 million including a capital expenditure of $31 million.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. FULBRIGHT. I reserve the remainder of my time.

Mr. AIKEN. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator is recognized.

Mr. AIKEN. Mr. President, I listened with interest to the arguments of the Senator from Missouri. I do want to say here and now I am not in favor of returning to an Army of draftees. I prefer this volunteer army even at a higher cost. I point out that the personnel of our Armed Forces have been reduced about 1.3 million, from 3.5 to 2.2 million within the last 4 years. I think that situation is better.

Neither would I want to return to those days when we had the 40- or 60-cent minimum wage which prevailed at the time that much less money was appropriated for the Armed Forces.

Finally, let me say that the purpose of the new broadcasting station is to enable us to communicate with all the people of Russia and China, which we cannot do through existing facilities on Okinawa. It may be that Russia and China do not expect us to be interested in their affairs at all. It may be Russia and China plan to live in harmony within the forseeable future, but there seems to be some question as to that. Further, it seems that both Russia and China are looking to us to help them in their efforts to maintain a degree of peace in the Asian area. So this new radio station or transmitter will enable us to communicate with all the people of Russia as well as all of China, and it is entirely possible that the time may come when it would mean the difference between world disaster and the maintenance of peace.

Mr. President, that is the argument put up for the new transmitter which will be infinitely more powerful than the present one on Okinawa.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. AIKEN. How much time does the Senator wish to have?

Mr. HUMPHREY. Five minutes.

Mr. AIKEN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Vermont has 1 minute remaining on the amendment.

Mr. AIKEN. And 30 minutes on the bill.

The PRESIDING OFFICER. Yes.

Mr. AIKEN. I yield 1 minute on the amendment and 4 minutes on the bill.

Mr. HUMPHREY. Mr. President, few countries have been the subject of more attention, curiosity and interest than America. And few have been subject to more misunderstanding and misinterpretation—sometimes malicious, often honest. In today's world, this can be dangerous. As Elihu Root wrote over 50 years ago, in the first issue of Foreign Affairs:

> When foreign affairs are ruled by democracies the danger of war will be in mistaken beliefs.

I believe that building genuine understanding between nations is essential if we are to erect a solid structure of peace throughout the world.

The opening of channels of communications to the People's Republic of China and the improving channels to the Soviet Union and the countries of Eastern Europe provide the U.S. Information Agency, as the Government's principal communications arm in foreign affairs, with an enormous opportunity. Far from being an anachronism of the cold war, "USIA is," as the U.S. Advisory Commission on Information noted in its most recent report, "an ideal agency in a time of detente and dialog." Dr. Frank Stanton, Chairman of the Commission, wrote that USIA "can help perpetuate as well as reflect the communications of detente."

While a new climate for relations with China and the Soviet Union has been developing, there has been, however, an undeniable erosion of old relationships with some of our major allies. The Times of London recently warned:

> The transatlantic dialogue is in danger of breaking down.

New problems have arisen and perceptions of national interests are changing. Old allies profess to be uncertain about our motives and goals. As our Government seeks to resolve differences through negotiation and engage former adversaries and old friends in constructive dialog, USIA must play an essential role in fostering a better and more extensive understanding of our purposes and policies.

Clearly, if our foreign policies are to succeed, they must be understood. The interests and principles on which they are based must be comprehended, and the mutual interest we share with other countries must be grasped. We must not only accurately state and explain what our policies are, we must also try to convey an understanding of what we as a nation stand for, what we are and where we are going.

This is precisely the purpose for which USIA was created by the Congress a generation ago. It is uniquely qualified for the job. With full admiration and respect for the power, skill, and sophistication of our private news media, I submit that they were never intended—nor have they any wish or reason—to do the job entrusted to the USIA.

Commercial news media have no desire to be the platform for official explanations of U.S. policy. They rarely carry the full texts of official policy statements or press conferences which are indispensable to our Embassies abroad. Yet this is precisely what the Agency's wireless file does. I am consequently mystified that the committee report should assert that it is of minor value and competes with commercial news services. The very reason for the existence of USIA's media services is that they are different from commercial media. There is no sense of competition, because they exist to serve different, although often complementary, ends.

Understandably, the commercial media tends to give greater coverage to spectacular events—riots, demonstrations, scandals, and disasters—than to those often undramatic aspects of American life, culture, and history essential to an understanding of our country and its policies.

I would point out that the United States is not alone in recognizing the need for informational and cultural programs in the conduct of foreign affairs. Indeed, as early as 1954, an official British study commission found that—

> The information services must today be regarded as part of the normal apparatus of diplomacy of a great power.

We should not be surprised to learn, therefore, that the other major powers—non-Communist as well as Communist—have been expanding their cultural and informational programs over the last decade, while the resources we have given USIA have been steadily shrinking.

The Senate is aware, I am sure, of the magnitude of the broadcasting and publication activities of the U.S.S.R. and the PRC. Even the United Arab Republic has more than doubled its foreign broadcasts since 1965, and Radio Havana broadcasts more hours weekly to Latin America than any other broadcaster. The Senate may be less aware of the extensive efforts of Western European countries. For example: The budget for the French external cultural and information program in 1971 was $430 million—more than double the 1961 level. West German expenditures in this field have been steadily growing and last year exceeded $300 million. The Federal Republic is increasing its transmitter capacity, and last year expenditures for its two foreign broadcasting stations equaled that of VOA and RIAS combined. And in spite of Britain's economic difficulties, the British Council—which conducts their overseas cultural programs—saw its budget increase by one-third from 1969 to 1970.

I am not arguing here that we should justify the budget for USIA in terms of what other countries are doing, although the recent report of the Advisory Commission on Information concluded that—

> The U.S. should remain competitive with other nations in the information and cultural fields.

What I am arguing is that in today's world it matters more and more what people think, and the success or failure of many of our foreign policies depend upon the attitudes of people who see their vital interests affected.

This is nowhere more true than in the realm of economic matters. People who once saw us as benefactors, now tend to regard us as commercial competitors whose monetary difficulties and trade imbalances threaten their own currencies and markets. USIA has reacted with admirable energy in adapting its programs and shifting resources to provide information support for our increasingly critical economic and commercial policies. It has substantially increased its capacity and efforts in this field. Officers have been given special training, and a new quarterly magazine, Impact, is devoted to economic matters. The agency is now discussing with the Departments of State, Commerce, and Agriculture means of cooperation to promote U.S. exports and encourage tourism to America. And it is working closely with the Treasury Department and the Office of the Special Trade Representative to support our monetary and trade negotiations. Given the profound importance of these matters to our national well-being, I submit that we should be considering ways to strengthen our information support of them, rather than debating ever deeper cuts.

I would point out that the agency's 1974 operating budget request is, in terms of constant dollars, 16 percent below the level of 1967. Since that year, the downward trend in staff levels has been even more pronounced. The agency's requested staff level is 20 percent below the level 6 years ago. Against that background, the Senate Foreign Relations Committee has proposed an overall cut of over $31 million. About half of this would be taken from USIA operations in television, motion pictures, press and publications operations and program direction and support needed to back up all of USIA's information and cultural programs abroad. The committee excluded radio operations, information centers, libraries, and related activities from any reductions. The exclusion of these latter activities introduces a note of unreality into the committee's recommendation. As the Advisory Commission report noted, a mix of cultural and information programs can be found in almost every USIA activity. For example, documentary films are major elements in the programs of the cultural centers, institutions which the committee admires. And USIA magazines and publications are staples at all our information and cultural centers. Similarly, an officer, a car, a building, or an official trip can combine cultural, press, or administrative functions. To cut program direction and support is to cut cultural activities also.

The reductions proposed by the Foreign Relations Committee, in real terms, would mean the loss of over 700 skilled employees and the closing of 28 installation abroad, including the complete closeout of USIA programs in six countries. These are valuable national assets which have taken many years to develop and, once lost, could not be replaced easily or quickly.

In addition, the committee has rejected the request for $16 million needed to relocate the Voice of America transmitter now in Okinawa. This new facility is needed if the VOA is to reach the people of China and other countries in the Far East. At a time when we are seeking to build new relations with the People's Republic of China and maintain the good will and cooperation of other Asian countries, the loss of ability to make ourselves heard in East Asia would be a serious blow to our diplomatic efforts and our national interest.

Last year the Congress established under title VI of Public Law 92–352, a Commission on the Organization of the Government for the Conduct of Foreign Policy. This high-level, bipartisan study group is to submit its findings and recommendations to the Congress next year. I agree with the chairman of the Foreign Relations Committee that the Commission should examine closely the activities of USIA as part of its study, but I submit that it would be injudicious to impose major reductions in the personnel and installations of USIA before we have the result of this study.

At this time of detente and dialog, USIA is a vital arm of our foreign policy. Our goal should be to assure that the diplomacy of the United States is supported by the most effective instrument of foreign communication possible. Our concern should be to strengthen the U.S. Information Agency.

Mr. President, this is not an increase in funds. We have already heard talk about inflation and devaluation. That is not the fault of USIA. There are 260 fewer jobs under this appropriation, even if they get the full amount. Inflation is taking its toll on USIA, and so is devaluation.

Mr. President, what is this USIA program about? The way it is interpreted here one would think it is filled with cannons, tanks, nuclear weapons, submarines and battleships. As a matter of fact, it is basically an information program, a cultural program, library program, documents, films, and literary sources.

It is a way in which we can be somewhat helpful in promoting a climate for peace. USIA is not dedicated to launching wars. It is dedicated to opening minds.

I do not know whether this amount of money is adequate or inadequate, but I want to say to me it is not exorbitant.

I do not think we can assume that we ought to justify our Nation's efforts in such programs based on what other countries do, but at least it is a point of reference. I note that the budget for the French external cultural and information program in 1971 was $430 million. For West Germany expenditures in that field have been steadily growing and last year exceeded $300 million. For Great Britain, the British Council, which is separate and distinct from the government, which operates this program, as we say, like a quasi-public nonprofit corporation, its budget for that program increased by one-third from 1969 to 1970—far beyond ours.

We are not in an orgy of spending here. I am going to vote to cut weapons systems that I do not think are necessary. The Senator from Vermont has cooperated in all of those endeavors. I do not believe we ought to scatter our money across the globe, but I think it is good for the country to be aware that there is a misunderstanding in our country that is perpetrated by other people. We cause enough trouble to ourselves, but there are other countries that are beaming propaganda against us. At least we ought to be able to state our own case.

I am not an administration supporter, but I do not look upon foreign policy as a matter of party politics. I look upon it as a matter of national interest. I am not going to vote on these questions on any feeling as a Democrat or a Republican when it comes to these matters. I am going to be bound, as I am sure other Senators are, by what is right.

Nobody is more disturbed by cuts in domestic program requests than the Senator from Minnesota, but I do not think the way to justify my vote on this question is how I will vote on budget requests. I think this is an effort on our country's part to make for a better world. I think there are some things we have to do and some things we had better not do. I will vote for cuts for bombing in Cambodia. If we cut that out, we would be able to supply funds for this purpose for a year. I will vote to cut other programs, but I look at this program as an effort to promote international goodwill and understanding.

I think as we enter into better relations with the People's Republic of China on the political and economic front, we ought to do it in the educational, scientific, and cultural front. The USIA program helps do that. It is the cutting edge of the effort to improve our cultural activities abroad.

I would hope we would not see an effort to cripple it or seriously weaken it.

Mr. President, this is not more money in constant dollars. This is, in fact, as I understand it—and I have had my staff people work on this—a 16-percent decrease in the budget request below that of 1967 in constant dolalrs. I also found that the Agency's request for staff is 20-percent below the request for staff 6 years ago in constant dollars. So we are not increasing; we are doing what I think is a sensible job of moderation.

Mr. FULBRIGHT. Mr. President, I yield 5 minutes to the Senator from Kentucky.

Mr. COOK. Mr. President, it is my intention to support the chairman of the Foreign Relations Committee on his amendment, but I think some things ought to be cleared up. One is that I commend the USIA for telling the rest of the world about Watergate, because I think we are a country that has freedom of information and we are willing to give that information all around the world.

The thing that bothers me is that we

are sitting here asking for $203 million for USIA and it was only a very short time ago that we had to compromise and cut $10 million this year and $10 million next year so we could get a public broadcasting bill through for the people of the United States. We are now sitting on a figure to give decent television to the American people so far less than this amount of money that it is absolutely unbelievable. And yet where do we get some of the good programs on public television that we show to the American people? From the British Broadcasting Co.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. COOK. I yield.

Mr. PASTORE. Does the Senator know why? Because it is cheaper?

Mr. COOK. That is correct.

However, Mr. President, there are some things that ought to be made clear.

First of all, the fact that we have disseminated information about every facet of this Nation is right and proper. That is the way it should be. I could not agree with the remarks of the Senator from Rhode Island that we should not spend our money telling the rest of the world about Watergate——

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. COOK. I have only 5 minutes, if I may go ahead.

I will say I feel strongly that, in their effort to do this, they should have a good system throughout the world and that they continue to have that system, but when we get to the remarks that we should be telling the world that we have gotten people off the edge of poverty, the people we are talking to do not know a thing about the edge of poverty and the people that are on the edge of poverty in the United States, and they have not any comprehension of what poverty is like that those people in other areas of the world live under.

My whole approach is that we have come to the point that we cannot afford money for a decent public television system in the United States, so that the young people of this country and the people who want to see decent television do not have to watch all the junk on Saturday morning and all the junk on every night, and watch all the crime and foolishness that they now have to watch on television, when we have an opportunity to give the American people a decent television system and yet we had to cut that down to $60 million while we are talking about $200 million here. The Senator from Kentucky has to say he just cannot agree with this.

In answer to the remarks of the Senator from Virginia, the reason why we have to move the transmitter from Okinawa is very simple. The law in the Japanese nation is that no foreign country can have a broadcasting facility anywhere in that nation. Unfortunately, when they received Okinawa back—and this is one Senator who voted with the Senator from Virginia not to agree to give Okinawa back—we put ourselves in a position where we were in violation of the law of Japan by maintaining that facility in Okinawa. That is the answer to that. It was in violation of their law.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator yield?

Mr. COOK. I yield.

Mr. HARRY F. BYRD, JR. I would repeat my vote every day.

Mr. COOK. So would I.

We have tried to get decent funding for a good public broadcasting system in the United States. We have been fought at every point. We have been fought downtown. We have been fought in the committees and on the floor. Finally we were successful this year in getting a 2-year appropriation, but we had to cut that appropriation so we could get the bill passed.

I can only say the cut we had to take to give the American people a remarkable public broadcasting and television system is a far greater cut than the 7-percent cut reflected by this amendment.

I thank the chairman for yielding me this time.

Mr. FULBRIGHT. Mr. President, I yield 2 minutes to the Senator from Rhode Island.

Mr. PASTORE. Mr. President, I am afraid my good friend from Kentucky misunderstood the import of my argument. I do not argue that if we are going to broadcast the news, we ought not to tell about Watergate. If we are going to tell the news, we ought to tell all the news. I am saying if that is all we can do, let us stop using the taxpayers' money and let them use their own money to find it out.

What I am saying is that the program itself has outlived its usefulness. We serve no purpose in irritating governments in other countries when at the same time we are trying to promote dialog. We do not accomplish anything.

Everyone knows that if we expect to promote a detente, it is not going to be the little people who will bring about an agreement. It is going to be the leaders of the countries involved. I count as real achievements of President Nixon his trips to Peking and to Moscow, thus opening up constructive dialog. When their leaders are here, if we spread propaganda in their homelands, I do not think it would expedite an agreement. It would destroy the agreement. That is the important thing. When we are trying to promote better understanding with other countries of the world, we must stop the propaganda. It costs money and we could use the money for a better purpose.

Mr. HRUSKA. Mr. President, when Congress enacted legislation creating the U.S. Information Agency it did so recognizing that the effective conduct of our foreign relations, no less than our democratic heritage, required a serious effort to insure that the actions and policies of the American people be understood by other peoples—or at least that they not be misunderstood.

Every American President since World War I has explicitly acknowledged that peace among nations must be built upon a foundation of mutual understanding. And every Congress since World War II has wisely and knowledgeably supported Government efforts to promote such understanding.

This is neither an easy task nor one that is ever finished. For as the world situation changes, as relationships evolve and power centers shift, as new problems and issues of concern arise, perceptions of national interest change. This Nation must of necessity make a continuing effort to explain its views, its policies and its actions to people abroad. As public attitudes increasingly influence national decisions, all modern nations have come to recognize that information and cultural programs are essential elements of foreign relations and diplomacy.

The extraordinary development of new techniques of communication which can now reach into all nations of the world have not lessened, but indeed have made more important the role of the USIA. It is not a role that can be filled by the commercial news media, no matter how skilled or efficient they be. For their purpose is different.

The news media—which are essentially and properly commercial enterprises—tend to search for and highlight the dramatic, bizarre, or sensational events while the normal, peaceful endeavors of society and its more mundane problems or quiet achievements are rarely reported. They do not attempt to present a sustained and in-depth view of American society. They do not care to be the outlet for official statements or explanations of U.S. policy, and replying to foreign critics of the United States is not their job. The correction of distorted foreign opinions is simply not one of their major concerns. Nor have they any financial incentive to attempt to communicate with people in closed societies. It is, however, vital for us to do so. It is essential that distortions and misunderstandings about our country—whether they result from the nature of the news and communications business or from the designs of our adversaries—not go uncorrected or unchallenged.

My colleagues are aware that efforts by the President to negotiate differences with the Soviet Union and the moves toward detente have not meant the end of competition in the arena of ideas. Indeed, Communist Party leader Brezhnev was quoted by the Soviet Army publication Red Star on April 24, 1973, as saying:

> In striving to assert the principle of peaceful coexistence, we realize that the successes of this important matter do not signify in any way the possibility of relaxing the ideoolgical struggle. On the contrary, we must be prepared to see this struggle intensify and become a still more acute form of opposition between the two social systems.

President Nixon, reporting to Congress in June 1972, after his visit to the Soviet Union, confirmed that the attitude of the Soviet leaders in this respect had not changed:

> We must remember that Soviet ideology still proclaims hostility to some of America's most basic values. The Soviet leaders remain committed to that ideology. Like the nation they lead, they are and will continue to be totally dedicated competitors of the United States.

We must meet this competition by insuring that a clear and balanced picture of the United States and its policies gets through both to those who make decisions and to the public at large. Eschewing polemics and the rhetoric of the cold war, we must present to audiences abroad precise information about our policies and an accurate picture of what America stands for as a nation, a culture, and as a people. A strong USIA is vital to this essential task.

Mr. HUMPHREY. Mr. President, since the senior Senator from Wyoming (Mr. McGee) is necessarily absent and cannot participate in the debate to restore full funding for the USIA authorization bill, I ask unanimous consent that his statement be printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

### STATEMENT BY SENATOR MCGEE

I think it is important to understand that with the advancing revolution in communications, many nations—not just the totalitarian ones—are devoting major resources to informational and cultural activities as adjuncts of foreign policy. Recent dramatic changes in the world situation have further stimulated this development but, as early as 1954, an official British study commission reported:

"We have found it impossible to avoid the conclusion that a modern government has to concern itself with public opinion abroad and be properly equipped to deal with it . . . The information services must today be regarded as part of the normal apparatus of diplomacy of a great power."

In recognition of this principle, other major countries—Communist and non-Communist alike—have during the last decade consistently expanded their cultural and information programs, while USIA operations and personnel have recently been shrinking. The volume of weekly broadcasting by the USSR and other Eastern European countries exceeds the combined total produced by the three U.S. stations (VOA–RFE–Radio Liberty) plus those of Britain and West Germany. Both the USSR and the PRC have greatly increased broadcasting and publication activities. The Arab Republic of Egypt has more than doubled its weekly output since 1965, reaching well over 1,000 hours in 1972.

Western Europe has not been backward. Appropriations for the French external cultural and information program—largest of any non-Communist country, reached $430 million in 1971, more than double the 1961 level. West German expenditures in these two areas have increased by 20% and 10% respectively in the last three years—total appropriations exceeded $300 million last year. The Federal Republic is augmenting its transmitter capability while outlay for the two stations broadcasting abroad equalled that of VOA and RIAS* in 1972. The British Council—mainstay of their overseas cultural effort—managed to increase its expenditures by one-third from 1969 to 1972 despite the difficulties of the economy generally. Several of these countries employ more people in these activities than does USIA. Later than their European counterparts but now concerned over foreign criticism, the Japanese are now entering this field in a larger way.

To Latin America, Havana broadcasts more weekly hours than any other major broadcaster. Both Cuba and the PRC have successfully exploited such issues as the future of the Panama Canal, nationalization of U.S. industrial assets and the 200-mile territorial sea limits. The Soviet Union now has 53 cultural centers in the area—nearly double the figure six years ago.

The underlying reason for all this activity is that it matters more and more in the world what people think: No major country—least of all our own—can now afford to ignore attitudes which have a bearing on matters of vital interest to its people.

It is no secret that over the last several years, important opinion abroad has increasingly and critically questioned and even scorned not merely U.S. policy but the achievements, directions and strength of our whole society. This trend has manifold causes: well-advertised and, in my opinion misunderstood ferment in this country; the nightmare of an unpopular war from which we are now extricating ourselves; the emergence throughout the world of a new generation and of new issues and relationships—including vital economic and security ones—which can easily divide old friends and introduce new uncertainties.

These trends of opinion could be endlessly documented; a few examples will serve to illustrate them here:

In Japan, where we are having crucial problems affecting all of us, the influential Minister of International Trade and Industry stated in a March interview: "What shocks us most is that the United States has become so weak that it has to shock us." In April, the Japanese Government cancelled the Emperor's projected fall visit to the U.S.—it was apparently too controversial. Public opinion surveys over the last few years have shown a diminishing regard for the U.S., for the priority of "closest friendly relations" with us and for the value of the U.S. security commitment. According to one newspaper-sponsored survey conducted in early May, more Japanese find U.S. demands for Japanese steps to correct the trade imbalance unreasonable than find them reasonable.

In Western Europe, where critical economic and security matters also remain to be hammered out, there are other trouble signals: According to German-sponsored surveys, the number of Germans considering the U.S. their "best friend" diminished by 26% between 1965 and 1972; about four in ten now discern in Germany an increasingly critical attitude toward us. Some influential media in France and Germany are portraying U.S. interest in securing equitable trade and monetary arrangements as "blackmail" or "massive threats." Earlier this year, the *Times* of London asserted: "The transatlantic dialogue is in danger of breaking down."

Last year, the editors of TV Guide studied the often one-sided and even vitriolic picture of America being conveyed by many European TV programs—some of which exploit for anti-American purposes carefully selected extracts from U.S. commercial TV production. The editors warned: "A generation brought up on television programming that presents a distorted picture of the United States could cause serious trouble in the future."

At times deliberate falsifications about the U.S., operating in an already inflamed environment, create an immediate danger. Such a situation arose in the Mid-East just a few weeks ago when terrorist-inspired broadcasts and press comment propagated a "Big Lie"—namely that the U.S. actively participated in the Israeli raid on Beirut. One broadcast called for action against U.S. lives and property. In this case as in others, USIA focused its press service and the Voice to disseminate clear and authoritative U.S. statements of our actions and policies. The story seems to have died down at the moment but another has arisen which can also be explosive: the unfounded suspicion that the U.S. has decided on the use of armed forces—our own or those of others—to secure oil resources in Arab lands.

Gentlemen, I submit that the United States must have the best possible capability to respond to these situations through modern communications to set the record straight and give a balanced account of ourselves. No one would claim that informational and cultural programs can of themselves accomplish miracles or abolish misunderstandings and distortions. But, as other major countries have found, they are indispensable instruments.

Is a coordinated effort in this area, as suggested by one Committee member, merely a sign of undue nervousness, of a "sales" mentality or lack of self-confidence? To my way of thinking, it is rather a sign of common sense to take these problems seriously. Is it a "cold war anachronism" to have a government Agency equipped to help meet these and other situations in which opinion is important? Apart from the fact that peaceful coexistence obviously does not mean an end to the competition of ideas and values, none of the examples I have mentioned comes out of a cold-war context but all of them involve issues and attitudes which directly and vitally touch the interests of our people.

Most of us would agree that this is an important task. Further, it cannot be left, as a few have suggested, to U.S. commercial media. Their emphasis and interests are naturally different. Do we see them extensively concerned with such matters as: lengthy statements and explanations of U.S. policy, positive but non-sensational developments in America, the tastes of foreign audiences, the correction of distortion, strenuous efforts to reach closed societies?

If this task is as important as I think it is, no time could be worse than the present to cripple our efforts. And that is what I fear that these cuts would do. Over the past six years, the staff has been reduced by over 20%; dollars, operating funds have been effectively reduced, by inflation and budget cuts, by over 16% since 1967. I am convinced that this downward trend should be halted. Surely it would be most unwise to engage in unilateral disarmament in the information field. I urge the members of the Senate to halt the continuing cuts in this Agency's budget and assure it the resources it needs to perform the vital functions entrusted to it.

### PRESS AND PUBLICATIONS SERVICE OF USIA

Mr. BROOKE. Mr. President, it is a sign of the times and a reflection of our interdependent world that a great many problems facing this country cannot be solved without the cooperation and understanding of other nations. I am speaking now of such problems as those arising out of the drug culture, the energy crisis, the spread of air piracy and terrorism, trade imbalances, the dollar crisis, overseas attitudes toward American private investment, the operations of multinational corporations, and many others.

Most of us in this body follow the American press with some care. How much of what we read in our daily papers contributes to greater international cooperation on the problems I have just cited? Some, certainly, but not nearly as much as most of us would like.

That is not meant to impugn either the motives or the performance of news media in this country. For it is a simple fact of American life that the press is free to pursue its ends as it sees fit. It is a constructive, independent force in our society. All of us are the better for it.

But that does not remove in any way the need for some means of insuring that America's dedication to peaceful international cooperation is appreciated and acted upon abroad. That is one of the major reasons the U.S. Information Agency was created more than 20 years ago. The need has not diminished. All that has changed is the collection of problems for which the United States is seeking cooperative solutions and negotiated settlements—not simply to shape a better world or even a better image, but out of enlightened self-interests for the welfare and prosperity of these United States.

I, for one, since I have been speaking here about the press, believe that the Agency's press and publications arm is promoting those interests vigorously and to good effect, and along lines that do not compete or conflict with typical coverage by commercial news media.

The notion, that the Agency's worldwide wireless file carries material similar to that transmitted by commercial news agencies is simply false. Similarly false is the notion that its content is meant only, or even mostly, for mass consumption through republication by foreign newspapers, periodicals and other information media. In contrast to commercial news wires the content of the wireless file is composed largely of explanations of U.S. policies—official statements, speech texts, press conferences and briefing transcripts, factual summations and analyses of their contents for quick digesting by Embassy and USIS staffs, and and other urgent information our officials abroad need it they are to operate intelligently in response to fast-moving international developments and domestic developments of international concern. Such material, in the main, is of interest and importance not to the general public, but to those among the foreign audience who formulate policies, make decisions and shape popular opinions. Such people attach importance to speed, accuracy, and completeness of information. The USIA must operate accordingly, not through communications channels which are already overburdened by U.S. diplomatic and operational traffic, but through such separate and more economical radioteletype facilities as the Agency now maintains.

Equally important, of course, is that press and publications output focus most heavily on the need and opportunities for international cooperation of benefit to the United States. It has been doing that, it seems to me, in rather impressive fashion, and in a role not played by private information media.

On the narcotics problem, for instance, the Agency has not needed to tell others that a drug culture is present in the United States. Its existence is amply illustrated in commercial reporting around the world about this country. What the Agency has sought to do is to place the emphasis where it belongs—on the need for international cooperation to bring the illegal production and shipment of drugs under control before the problem spreads.

The pattern repeats itself in press and publications treatment of air piracy, international terrorism, environmental problems, arms control, uses of the sea, energy sources, economic interdependence, collective security and other international issues.

In dealing with foreign reactions to prospective American fuel shortages, USIA materials have discussed the existence of alternative energy sources, technological efforts aimed at advancing their availability dates, fuel reserves on which the country can draw, and the benefits of international arrangements to ensure stability in the relationships between the world's major suppliers and consumers.

Immense attentions have been given by the Agency's press service and other media to trade and monetary issues for which the United States can provide no satisfactory, unilateral solutions. Foreign understanding and acceptance have been sought in that output for the broad range of official American proposals, emphasizing that the needs of other nations can and will be taken into account, but that redress of inequities harmful to the U.S. economic position is essential.

Closely related to the economic focus of those materials has been print information dealing with the problems and opportunities associated with private overseas investment and the growth of multinational corporations. These have helped to counter foreign reservations about the benefits of American investments, to discourage expropriation and other policies which inhibit the flow of outside development capital, and to demonstrate that the United States itself welcomes direct investment by foreign firms.

None of us are surprised, I am sure, that these are among some of the USIA's most important undertakings. They are in keeping with its mission of lending direct productive support to American interests abroad. They, and several other considerations, it seems to me, argue against a further dismantling of USIA operations. For if cutbacks in USIA resources continue at the rate established in recent years, the Congress will almost certainly find itself being asked by other governmental agencies for offsetting increases in their information capabilities—by narcotics control authorities, by our trade negotiators, by Commerce, by Treasury, the State Department, and by other Executive departments whose responsibilities abroad cannot be fully discharged without the aid of public information and public affairs support. I much prefer that we fund the USIA at a level which will enable it to continue to perform most such tasks abroad for the U.S. Government as a whole.

That is an important part of the USIA role which should not be underestimated or fragmented. For it gives those in a position to act as spokesmen for the United States a continuing channel from which to communicate quickly and effectively the views of this Government on virtually the entire range of issues on which we seek action and understanding by other nations. Let me list some of those who in past months have been accorded space in USIA press and publications material for important statements directed specifically at the overseas audience.

Treasury Secretary George Shultz, Treasury Under Secretary Paul Volcker, Arthur Burns, Paul McCracken, Herbert Stein, Marina Whitman—also of the Council of Economic Advisers—State Department Under Secretary for Economic Affairs William Casey, Presidential Assistant Peter Flanigan, the President's Special Trade Representative William Eberle, Deputy U.S. Representative for Trade Negotiations Harold Malmgren, Deputy Assistant Secretary of State for International Finance and Development Sidney Weintraub, Elliot Richardson, SALT negotiator U. Alexis Johnson, Kenneth Rush, Joint Chiefs Chairman Admiral Moorer, John Ingersoll of the U.S. Bureau of Narcotics and Dangerous Drugs, Julius Katz, Deputy Assistant Secretary of State for International Resources and Food Policy, Under Secretary of Commerce James Lynn, Russell Train, William Ruckelshaus, and Ambassador Armin Meyer, the State Department's coordinator for combating terrorism.

That is an impressive and, as I say, only a partial roster. It says something very important about USIA and how the flow of policy explanations is conveyed by U.S. officials charged with international negotiations and the conduct of other diplomatic business. It represents what I believe is a strong vote of confidence in the ability of USIA to help advance American policy interests and objectives abroad. And I cannot believe that any different measure was applied by the nearly 40 U.S. Senators and Representatives who over the past couple of years have contrbuted byline articles and statements of their own to the Agency's press and publications output. These on subjects that included trade restrictions, foreign aid, detente, multilateral corporations, the SST program, collective security, China policy, Vietnam, executive-legislative branch relations, energy problems, the election process and American isolationism.

There is one additional point I would like to make in closing. Many of us are concerned that the world may overreact to current U.S. foreign policies and domestic problems. We have good reason now for wanting precise understanding overseas that the United States is not withdrawing inward in ways that prevent it from remaining a strong and active power in world affairs. That cause will not be served if we dismember the Nation's overseas information program which is itself a clear symbol and major source of information of America's cooperative purposes abroad. I urge the Senate to support the significant work of this small but important Agency.

Mr. ALLEN. Mr. President, I ask unanimous consent to have printed in the RECORD a statement which the Secretary of State, Mr. Rogers, issued today.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

### STATEMENT BY HON. WILLIAM P. ROGERS, SECRETARY OF STATE ON USIA BUDGET CUTS

I am deeply disturbed to find that for the second year in a row the Senate Foreign Relations Committee is recommending crippling cuts in the budget of the US Information Agency.

My concern arises from the fact that I regard the overseas information and cultural programs of USIA to be an important and necessary part of our overall efforts to achieve the goals of our foreign policy. Indeed, my views have been strengthened by my observations on the trip to Latin America from which I returned Monday night. USIA officers and programs work in close support of our diplomatic missions abroad, and they are an integral part of the functionings of modern diplomacy.

This year particularly, as we enter a period of lessened tensions and increased negotiations, it is vitally important that people abroad understand fully and accurately what our policy positions are—and what they are not. In a period of detente, the relations among nations tend to become more complex and the issues more complicated. Now more than ever we need to assure that USIA is operating effectively in support of the many new diplomatic initiatives we are taking.

The Senate Foreign Relations Committee has recommended an overall cut of more than $31 million in the USIA budget for the coming fiscal year. About half of this reduction would apply to USIA operations in the foreign television, motion pictures, press, and publication fields, and to the support funds needed to keep all of USIA's information and cultural programs functioning abroad and in Washington.

These reductions in real terms would mean closing of 28 posts abroad, including the complete shut-down of USIA programs in six countries. These represent assets which have taken many years to develop and, once lost, could not be replaced easily or quickly.

In addition, the Committee has rejected the request for $16 million needed to replace the Voice of America transmitter we are closing as a result of the reversion of Okinawa to Japan. The loss of that transmitter, without a replacement, would seriously limit the ability of the United States Government to speak via radio to the people of East Asia.

Mr. FULBRIGHT. Mr. President, I am ready to vote.

Mr. ALLEN. Mr. President, I have an amendment to offer to the pending committee amendment when all time has been yielded back.

Mr. FULBRIGHT. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time has been yielded back.

Mr. ALLEN. Mr. President, on behalf of Senators Scott of Pennsylvania, Dole, Javits, and myself I call up the star print of amendment No. 149.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

On page 3, line 20, strike "$188,124,500" and insert in lieu thereof "$203,279,000".

On page 4, line 5, strike "$1,000,000" and insert in lieu thereof "$17,000,000".

Mr. HUMPHREY. Mr. President, would that preclude a division on the amendment?

The PRESIDING OFFICER. It would not preclude a division.

Mr. HUMPHREY. Mr. President, I thank the Presiding Officer.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. ALLEN. Mr. President, I yield myself 5 minutes on the amendment.

The PRESIDING OFFICER. The Senator from Alabama is recognized for 5 minutes.

Mr. ALLEN. Mr. President, a question arose as to how we can best proceed to seek to restore the reductions which the Foreign Relations Committee made in the budget request for the USIA. Either a motion could be made to table or else we could have a vote up or down on the committee amendment or an effort could have been made to preserve the constructive amendments made by the committee amendment and then direct an amendment directly to the two points involved—namely, the restoration of the $15 million in operating expenses and the restoration of the $16 million for the selection and purchase of a site and the building of the new transmitter.

The committee amendment had two constructive amendments. One was to eliminate the 1975 budget authorization, leaving the bill merely a 1-year authorization. Then in section 3, I believe, the amendment would eliminate the open-ended authorization that would have covered other programs. However, Mr. President, this agency has a very constructive record on the reduction of its own bureaucracy and the elimination of employees.

The reduction from 1967 down to the present time is from a total of 12,106 down to 9,836.

That would certainly indicate to the Senator from Alabama that this agency is operating in a highly efficient manner and on an economical basis.

I would like to say to the distinguished Senator from Virginia, who seems disturbed by the fact that the agency will have to choose another site somewhere and who is also disturbed by the fact that the agency is being required to move from Okinawa, that this is not a treaty between the USIA and the Government of Japan. It is a treaty between the U.S. Government and the Government of Japan. The USIA naturally had to get into line.

I would agree that if the USIA had reached that agreement with the Government of Japan to move off Okinawa, that would be another matter. However, that is not the case. The U.S. Government entered into this treaty with the Government of Japan. That should not be laid at the door of the USIA. I dare say they looked forward to being on Okinawa and are not leaving of their own fault.

Mr. President, I ask unanimous consent to have printed at this point in the Record a list of the tentative country and branch posts closing under the proposed budget reduction and also the U.S. Information Agency 1974 authorization program impact summary, the effect of the Foreign Relations Committee amendment on the ongoing programs of the agency.

There being no objection, the material was ordered to be printed in the Record, as follows:

TENTATIVE COUNTRY AND BRANCH POSTS CLOSING UNDER PROPOSED BUDGET REDUCTION

COUNTRY POSTS

Burundi, Guinea, Uganda, Algeria, Malta, Switzerland.

BRANCH POSTS

Kaduna, Nigeria, Kisangani, Zaire, Capetown, South Africa, Asmara, Ethiopia, Kumasi, Ghana, Bukavu, Zaire,* Songkhla, Thailand, Naha, Japan, Cordoba, Argentina, Rosario, Argentina, Belem, Brazil, Curitiba, Brazil, Fortaleza, Brazil, Hermosillo, Mexico, Puebla, Mexico,* Hermosillo, Mexico,* Montreal, Canada, Toronto, Canada, Casablanca, Morocco, Fez, Morocco, Tangier, Morocco,* Pozman, Poland.

Total country posts cut—6.

Total branch posts and reading rooms closed—22.

UNITED STATES INFORMATION AGENCY 1974 AUTHORIZATION PROGRAM IMPACT SUMMARY

1. Close six Country Posts.
2. Close eighteen Branch Posts.
3. Close Two Binational Centers.
4. Terminate program support for three Binational Centers.
5. Close Four Reading Rooms.
6. Eliminate All Motion Picture Documentaries.
7. Eliminate three centrally-produced magazines.
8. Eliminate twelve country-produced magazines.
9. Reduce press, photo, TV and cultural product support to all overseas posts.
10. Reduce Agency world-wide personnel by 732 positions.

Mr. AIKEN. Mr. President, would the Senator yield?

Mr. ALLEN. I yield.

Mr. AIKEN. Mr. President, has the Senator got any figures to show how the cost of operating the USIA compares with the cost of operating the White House?

Mr. ALLEN. Mr. President, I would say that if the White House has a record comparable to that of the USIA, we might be in much better shape in this country.

Mr. President, I reserve the remainder of my time.

Mr. AIKEN. Mr. President, I do not know if there are any further requests for time.

I ask unanimous consent that I may suggest the absence of a quorum for a period not to exceed 3 minutes for the purpose of alerting Senators that there will be a vote.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. AIKEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

Mr. FULBRIGHT. Mr. President, I yield myself 1 minute. It is my understanding that the amendment simply restores the full amount of the request.

Mr. ALLEN. The Senator is correct.

Mr. FULBRIGHT. Mr. President, I am ready to vote.

Mr. ALLEN. Mr. President, I yield back the remainder of my time. However, before doing so, at the request of the Senator from Minnesota (Mr. Humphrey). I ask for a division of the question—that is not my wish, but is done at the request of the Senator from Minnesota.

The PRESIDING OFFICER. The Senator has a right to demand a division. And the amendment is clearly susceptible of a division.

The question is on agreeing to the amendment of the Senator from Alabama to the pending amendment. The order for the yeas and nays will apply to each part of the amendment of the Senator from Alabama. The Senate will now vote on the first part of the amendment. The clerk will call the roll.

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* Reading rooms.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry. Would it be possible to serve notice now that rollcall votes after this one will occupy only 10 minutes instead of 15?

The PRESIDING OFFICER. The Chair would state that a vote is in progress. The Senator is out of order.

Mr. MANSFIELD. I have made the point, and I hope it will be noted.

The rollcall was continued.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Nevada (Mr. BIBLE), the Senator from Nevada (Mr. CANNON), the Senator from Idaho (Mr. CHURCH), the Senator from North Carolina (Mr. ERVIN), the Senator from Wyoming (Mr. MCGEE), the Senator from New Mexico (Mr. MONTOYA), the Senator from Georgia (Mr. TALMADGE), the Senator from Iowa (Mr. CLARK), the Senator from Alaska (Mr. GRAVEL), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Arkansas (Mr. MCCLELLAN), and the Senator from Connecticut (Mr. RIBICOFF) are necessarily absent.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further anounce that, if present and voting, the Senator from Iowa (Mr. CLARK) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Utah (Mr. BENNETT), the Senator from Colorado (Mr. DOMINICK), the Senator from Hawaii (Mr. FONG), and the Senator from New York (Mr. JAVITS) are necessarily absent.

The Senator from New Hampshire (Mr. COTTON) is absent because of illness in his family.

The Senator from Arizona (Mr. GOLDWATER) is absent on official business.

If present and voting, the Senator from New York (Mr. JAVITS) would vote "yea."

The result was announced—yeas 37, nays 42, as follows:

[No. 156 Leg.]

YEAS—37

Aiken
Allen
Bartlett
Beall
Bellmon
Bentsen
Brock
Brooke
Buckley
Byrd, Robert C.
Curtis
Dole
Eastland
Fannin
Griffin
Gurney
Hansen
Hathaway
Helms
Hruska
Humphrey
Jackson
Mathias
McClure
Mondale
Moss
Muskie
Nunn
Packwood
Schweiker
Scott, Pa.
Sparkman
Stevens
Thurmond
Tower
Weicker
Young

NAYS—42

Abourezk
Biden
Burdick
Byrd, Harry F., Jr.
Case
Chiles
Cook
Cranston
Domenici
Eagleton
Fulbright
Hart
Hartke
Haskell
Hatfield
Hollings
Huddleston
Hughes
Inouye
Johnston
Long
Magnuson
Mansfield
McGovern
McIntyre
Metcalf
Nelson
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Roth
Saxbe
Scott, Va.
Stafford
Stevenson
Symington
Taft
Tunney
Williams

NOT VOTING—21

Baker
Bayh
Bennett
Bible
Cannon
Church
Clark
Cotton
Dominick
Ervin
Fong
Goldwater
Gravel
Javits
Kennedy
McClellan
McGee
Montoya
Ribicoff
Stennis
Talmadge

So the first part of Mr. ALLEN's amendment was rejected.

Mr. FULBRIGHT. Mr. President, I move that the vote by which the first part of the Allen amendment was rejected be reconsidered.

Mr. PASTORE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. FULBRIGHT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. HASKELL). The Senator from Arkansas will state it.

Mr. FULBRIGHT. Mr. President, the next vote will take place immediately and will last for only 10 minutes; is that correct?

Mr. MANSFIELD. That is right.

The PRESIDING OFFICER. The vote will take place immediately unless time is used on the bill.

Mr. MANSFIELD. Ten minutes on this vote.

The PRESIDING OFFICER. On this question the yeas and nays have been ordered. The vote will consume 10 minutes time and the clerk will call the roll.

Mr. AIKEN. Mr. President, a parliamentary inquiry—will the Chair please state the question, is it not on the second part——

The PRESIDING OFFICER The Senate will please be in order. The Chair cannot hear the Senator from Vermont.

Mr. AIKEN. Mr. President, I asked whether part 2 is now the pending question. The vote will be on the second part of the Allen amendment; is that correct?

The PRESIDING OFFICER. The Senator from Vermont is correct. The vote will be on agreeing to the second part of the Allen amendment.

On this question the yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Nevada (Mr. BIBLE), the Senator from Nevada (Mr. CANNON), the Senator from Idaho (Mr. CHURCH), the Senator from Iowa (Mr. CLARK), the Senator from North Carolina (Mr. ERVIN), the Senator from Alaska (Mr. GRAVEL), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Wyoming (Mr. MCGEE), the Senator from New Mexico (Mr. MONTOYA), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Iowa (Mr. CLARK) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Utah (Mr. BENNETT), the Senator from Colorado (Mr. DOMINICK), the Senator from Hawaii (Mr. FONG), and the Senator from New York (Mr. JAVITS) are necessarily absent.

The Senator from New Hampshire (Mr. COTTON) is absent because of illness in his family.

The Senator from Arizona (Mr. GOLDWATER) is absent on official business.

If present and voting, the Senator from New York (Mr. JAVITS) would vote "yea."

The result was announced—yeas 31, nays 48, as follows:

[No. 157 Leg.]

YEAS—31

Aiken
Allen
Beall
Bellmon
Brock
Buckley
Byrd, Robert C.
Curtis
Dole
Eastland
Fannin
Griffin
Gurney
Hansen
Hathaway
Helms
Hruska
Humphrey
Jackson
Mathias
McClure
Moss
Packwood
Percy
Schweiker
Scott, Pa.
Sparkman
Stevens
Thurmond
Tower
Weicker

NAYS—48

Abourezk
Bartlett
Bentsen
Biden
Brooke
Burdick
Byrd, Harry F., Jr.
Case
Chiles
Cook
Cranston
Domenici
Eagleton
Fulbright
Hart
Hartke
Haskell
Hatfield
Hollings
Huddleston
Hughes
Inouye
Johnston
Long
Magnuson
Mansfield
McGovern
McIntyre
Metcalf
Mondale
Muskie
Nelson
Nunn
Pastore
Pearson
Pell
Proxmire
Randolph
Roth
Saxbe
Scott, Va.
Stafford
Stevenson
Symington
Taft
Tunney
Williams
Young

NOT VOTING—21

Baker
Bayh
Bennett
Bible
Cannon
Church
Clark
Cotton
Dominick
Ervin
Fong
Goldwater
Gravel
Javits
Kennedy
McClellan
McGee
Montoya
Ribicoff
Stennis
Talmadge

So the second part of Mr. ALLEN's amendment (No. 149) was rejected.

Mr. FULBRIGHT. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. PASTORE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

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## MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 1235) to amend Public Law 90-553 authorizing an additional appropriation for an International Center for Foreign Chanceries.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 38) to amend the Airport and Airway Development Act of 1970, as amended, to increase the U.S. share of allowable project costs under such act, to amend the Federal Aviation Act of 1958, as amended, to prohibit certain State taxation of persons in air commerce, and for other purposes.

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## U.S. INFORMATION AGENCY APPROPRIATIONS AUTHORIZATION OF 1973

The Senate continued with the consideration of the bill (S. 1317) to authorize appropriations for the U.S. Information Agency.

Mr. HUMPHREY. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 3, line 20, strike "$188,124,500" and insert in lieu thereof "$200,500,000".

Mr. HUMPHREY. Mr. President, very simply, this amendment merely would restore the figure for authorization as to what Congress appropriated in fiscal 1973.

We have before us an authorization bill. What the Appropriations Committee will do with it is a matter of its judgment and the judgment of the Senate, and ultimately of Congress. This really takes the appropriation figure of 1973 and makes it the authorization figure for fiscal 1974.

I would suggest that in light of the fact that we have had inflation of 6 percent or better in the past year and that we have had devaluation, it means that the USIA will have suffered a very serious reduction in funding. But at least it holds the line in terms of total dollars, even though those dollars have lost some of their purchasing power.

I do not believe there is any need for further explanation. If Congress could see fit a year ago to appropriate $200,500,000—the Senate, by the way, appropriated more than that, I believe—which was the figure that ultimately came from conference, then I believe it is not being irresponsible or asking too much to suggest that the USIA, which performs a valuable service for our Government and our country, at least have an authorization for fiscal 1974 of the amount of the appropriation for fiscal year 1973.

Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. PASTORE. Mr. President, will the Senator yield me 2 minutes?

Mr. FULBRIGHT. I yield.

Mr. PASTORE. Mr. President, I am opposed to this amendment. I hope Senators will understand what this is about. After all, this is to pay foreign nationals. That is what it amounts to because in this entire program the number of foreign nationals as against Americans employed is overwhelming. If this is what Senators want to do this afternoon, with all the problems needing our funds domestically, if the Senators want to raise these appropriations so we can accommodate foreign nationals, go ahead and do it. My own thought is we have too many problems in America that are pinched for money, moreover we are being told about ceilings, we are being told to cut down expenses—this is where we could make a beginning.

I hope the amendment is defeated.

Several Senators addressed the Chair.

Mr. FULBRIGHT. Mr. President, I am ready to vote. This is a rerun of the same thing we just voted down twice.

Mr. HUMPHREY. Mr. President, it is only fair to say with respect to the argument that it is for foreign nations, the American Federation of Government Employees takes a different view. I have a letter dated May 24, signed by the president of that organization, asking that I support the full amount of the administration request. I am not doing that. This is $4 million below the administration request.

Second, it is below what we did in the Senate last year. Last year the Senate voted down a cut by 57 to 15 and restored the full authorization. This is but an authorization, and the will of the Committee on Appropriations and the will of this body in the appropriation process can control the amount to be expended.

Mr. President, we are not voting for battleships, nuclear weapons, bombers; we are voting for libraries, information centers, television centers, news reports, and people to go on cultural exchange programs. I say that this program has performed a valuable function in promoting international good will and understanding.

Mr. CHILES. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. CHILES. The Senator said this would be the same amount appropriated last year. Is that correct?

Mr. HUMPHREY. Yes.

Mr. CHILES. There would not be anything wrong in voting something less than we at one time voted in this Chamber; would there?

Mr. HUMPHREY. Not at all. I do not say that is justification, but I think we should take a look at the fact that at least last year we saw fit to reject substantial cuts in this body and we saw fit to vote more money, and I feel we are asking here for a reasonable amount of money to preserve a valuable program.

Mr. FULBRIGHT. I yield to the Senator from Montana.

Mr. MANSFIELD. Mr. President, the facts here are simple. We have defeated two amendments which sought to bring about a restoration of funds. This would increase the amount reported by the committee by $23 million. Do Senators want to save in a good cause? This is the place to begin.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. SYMINGTON. In support of the position taken by the Senator from Rhode Island, on the trip we found that practically no people were allowed to work there who were not citizens of that country. I could not believe it. I have carried this clipping in my wallet. On the largest base we have over there, there were 743 jobs, of which citizens of the United States were allowed 77. That is what we are talking about.

Mr. HUMPHREY. Mr. President, to correct the RECORD, this does not increase the authorization from the committee by $23 million. It increases it by $12 million. But it does not increase the authorization of last year.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MANSFIELD. $12 million is $12 million.

Mr. HUMPHREY. $12 million is $12 million, to be sure.

May I suggest that it is below the administration request; it is below what the Senate authorized last year; and it is only what Congress appropriated in fiscal year 1972 or fiscal year 1973.

Mr. COOK. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. COOK. Mr. President, this is giving USIA $188,124,000 if it is left the way it is. With respect to those who believe in public broadcasting in the United States, we had to decrease it by $10 million and finally give $50 million for this year to have public broadcasting for the people of the United States, yet here we are talking about $188 million. Senators can make up their minds on that basis.

The PRESIDING OFFICER. Do Senators yield back their time?

Mr. FULBRIGHT. I yield back my time.

Mr. HUMPHREY. I yield back my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment of the Senator from Minnesota. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Nevada (Mr. BIBLE), the Senator from Nevada (Mr. CANNON), the Senator from Idaho (Mr. CHURCH), the Senator from Iowa (Mr. CLARK), the Senator from North Carolina (Mr. ERVIN), the Senator from Alaska (Mr. GRAVEL), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Wyoming (Mr. MCGEE), the Senator from New Mexico (Mr. MONTOYA), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Iowa (Mr. CLARK) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Utah (Mr. BENNETT), the Senator from Colorado (Mr. DOMINICK), the Senator from Hawaii (Mr. FONG), and the Senator from New York (Mr. JAVITS) are necessarily absent.

The Senator from New Hampshire (Mr. COTTON) is absent because of illness in his family.

The Senator from Arizona (Mr. GOLDWATER) is absent on official business.

If present and voting, the Senator from New York (Mr. JAVITS) would vote "yea."

The result was announced—yeas 36, nays 43, as follows:

[No. 158 Leg.]

YEAS—36

Aiken
Allen
Bartlett
Beall
Bellmon
Bentsen
Brock
Brooke
Buckley
Curtis
Dole
Fannin
Griffin
Gurney
Hansen
Hathaway
Helms
Hruska
Humphrey
Jackson
Mathias
McClure
Metcalf
Mondale
Moss
Muskie
Packwood
Pell
Schweiker
Scott, Pa.
Sparkman
Stevens
Stevenson
Thurmond
Tower
Weicker

NAYS—43

Abourezk
Biden
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Case
Chiles
Cook
Cranston
Domenici
Eagleton
Eastland
Fulbright
Hart
Hartke
Haskell
Hatfield
Hollings
Huddleston
Hughes
Inouye
Johnston
Long
Magnuson
Mansfield
McGovern
McIntyre
Nelson
Nunn
Pastore
Pearson
Percy
Proxmire
Randolph
Roth
Saxbe
Scott, Va.
Stafford
Symington
Taft
Tunney
Williams
Young

NOT VOTING—21

Baker
Bayh
Bennett
Bible
Cannon
Church
Clark
Cotton
Dominick
Ervin
Fong
Goldwater
Gravel
Javits
Kennedy
McClellan
McGee
Montoya
Ribicoff
Stennis
Talmadge

So Mr. Humphrey's amendment was rejected.

Mr. FULBRIGHT. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. PASTORE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The committee amendment is open to further amendment.

Mr. FULBRIGHT. Mr. President, I ask for third reading.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment in the nature of a substitute.

The amendment was agreed to.

Mr. FULBRIGHT. Mr. President, I ask for third reading.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. Do Senators yield back their time?

Mr. FULBRIGHT. Mr. President, I yield back my time.

Mr. AIKEN. Mr. President, I yield back my time.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time and all remaining time having been yielded back, the question is, Shall the bill (S. 1317) pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), the Senator from Nevada (Mr. Bible), the Senator from Nevada (Mr. Cannon), the Senator from Idaho (Mr. Church), the Senator from Iowa (Mr. Clark), the Senator from North Carolina (Mr. Ervin), the Senator from Alaska (Mr. Gravel), the Senator from Massachusetts (Mr. Kennedy), the Senator from Arkansas (Mr. McClellan), the Senator from Wyoming (Mr. McGee), the Senator from New Mexico (Mr. Montoya), the Senator from Connecticut (Mr. Ribicoff), and the Senator from Georgia (Mr. Talmadge) are necessarily absent.

I also announce that the Senator from Mississippi (Mr. Stennis) is absent because of illness.

I further announce that, if present and voting, the Senator from Iowa (Mr. Clark) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. Baker), the Senator from Utah (Mr. Bennett), the Senator from Colorado (Mr. Dominick), the Senator from Hawaii (Mr. Fong), and the Senator from New York (Mr. Javits) are necessarily absent.

The Senator from New Hampshire (Mr. Cotton) is absent because of illness in his family.

The Senator from Arizona (Mr. Goldwater) is absent on official business.

If present and voting, the Senator from New York (Mr. Javits) would vote "yea."

The result was announced—yeas 74, nays 5, as follows:

[No. 159 Leg.]

YEAS—74

Abourezk
Aiken
Allen
Bartlett
Beall
Bellmon
Bentsen
Biden
Brock
Brooke
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Case
Chiles
Cook
Cranston
Curtis
Dole
Domenici
Eagleton
Eastland
Fannin
Fulbright
Griffin
Gurney
Hansen
Hart
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Humphrey
Inouye
Jackson
Johnston
Long
Magnuson
Mathias
McClure
McGovern
McIntyre
Metcalf
Mondale
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Randolph
Roth
Saxbe
Schweiker
Scott, Pa.
Scott, Va.
Sparkman
Stafford
Stevenson
Symington
Taft
Thurmond
Tower
Tunney
Weicker
Williams

NAYS—5

Hughes
Mansfield
Proxmire
Stevens
Young

NOT VOTING—21

Baker
Bayh
Bennett
Bible
Cannon
Church
Clark
Cotton
Dominick
Ervin
Fong
Goldwater
Gravel
Javits
Kennedy
McClellan
McGee
Montoya
Ribicoff
Stennis
Talmadge

So the bill (S. 1317) was passed.

## UNANIMOUS-CONSENT REQUEST FOR JOINT REFERRAL OF S. 1636

Mr. STEVENSON. Mr. President, from the Committee on Banking, Housing and Urban Affairs, I report S. 1636, a bill to amend the International Economic Policy Act of 1972.

I ask unanimous consent that the bill be referred to the Finance Committee and also to the Foreign Relations Committee and that such referrals not extend beyond June 20, 1973.

Mr. GRIFFIN. Mr. President, reserving the right to object, and I am awfully sorry but I was not able to hear the request of the Senator from Illinois. Would the Senator from Illinois kindly repeat it?

Mr. STEVENSON. Mr. President, I asked unanimous consent that a bill which I am reporting from the Committee on Banking, Housing, and Urban Affairs, S. 1636, a bill to amend the International Economic Policy Act of 1972, which extends the authorization and provides for Senate confirmation of the Executive Director, be referred to the Finance Committee and the Foreign Relations Committee pursuant to an understanding between the chairmen of all committees, the Finance Committee, the Foreign Relations Committee, and the Committee on Banking, Housing, and Urban Affairs. It is my understanding that the ranking minority members of the Committee on Banking, Housing, and Urban Affairs have approved of this and further that the Senator from Utah has also.

Mr. GRIFFIN. Mr. President, reserving the right to object, it is my understanding—and I am not too familiar with the legislation—that there is some urgency about the passage or consideration of this legislation because of an expiration date.

Does the effect of this request mean that it will extend the time before the Senate will have an opportunity to act?

Mr. STEVENSON. The Senator is correct. The authorization expires June 30. The request I made is that the bill be reported to the Senate by June 20.

Mr. GRIFFIN. Mr. President, the request would mean that the bill would be unavailable to the Senate.

Mr. STEVENSON. The bill is reported from the committee today, and the request is to refer it to the other committees for a time not to extend beyond June 20. June 20 would be a deadline that would give the Senate sufficient time in which to act.

Mr. GRIFFIN. Mr. President, I wonder if the Senator from Illinois would permit the majority whip to remove that request until tomorrow and give me an opportunity to check with the other minority members and let me ascertain whether there is agreement on all sides, since there is a unanimous-consent request.

Mr. STEVENSON. Mr. President, I will withdraw that request and will make it tomorrow.

The PRESIDING OFFICER. Does the Senator request that the bill not be printed tonight as reported?

Mr. STEVENSON. No. No, the bill should be printed and the question of referral can be deferred until tomorrow.

The PRESIDING OFFICER. It is the understanding of the Chair that it would have to be placed on the calendar.

Mr. STEVENSON. Then I will withdraw the request for printing and take up the entire matter tomorrow.

The PRESIDING OFFICER. The request is withdrawn.

## ORDER FOR ADJOURNMENT UNTIL 11 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business tonight, it stand in adjournment until 11 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

## QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## VACATION OF ORDERS FOR RECOGNITION OF SENATORS GRIFFIN AND ROBERT C. BYRD TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the orders previously entered for the recognition of the Senator from Michigan (Mr. GRIFFIN) and the Senator from West Virginia (Mr. ROBERT C. BYRD) tomorrow be vacated.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ORDER FOR RECOGNITION OF SENATORS MATHIAS, PERCY, AND HUGHES TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following the remarks of the Senator from Oregon (Mr. HATFIELD) tomorrow, the following Senators be recognized, each for not to exceed 15 minutes and in the order stated: Mr. MATHIAS, Mr. PERCY, and Mr. HUGHES.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD subsequently said: Mr. President, I ask unanimous consent that the order for the recognition of Senators tomorrow be modified in the following manner: That Mr. BUCKLEY, Mr. HATFIELD, and Mr. HUGHES be recognized in that order, to be followed by Mr. MATHIAS and Mr. PERCY.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ORDER FOR RESUMING THE CONSIDERATION OF THE UNFINISHED BUSINESS TOMORROW

Mr. ROBERT C. BYRD. I ask unanimous consent that at 12:30 p.m. tomorrow the Senate resume its consideration of the unfinished business.

The PRESIDING OFFICER. Without objection, it is so ordered.

## QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, may I ask the Chair if there has been an order previously entered for routine morning business tomorrow?

The PRESIDING OFFICER. Such an order has been entered.

Mr. ROBERT C. BYRD. Not to extend beyond 12:30 p.m.?

The PRESIDING OFFICER. The order for routine morning business is for 30 minutes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following the recognition of Senators under the order tomorrow, there be a period for the transaction of routine morning business with statements therein limited to 3 minutes, the period not to extend beyond the hour of 12:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

## PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene tomorrow at 11 a.m.

After the two leaders or their designees have been recognized under the standing order, the following Senators will be recognized, each for not to exceed 15 minutes and in the order stated: Mr. BUCKLEY, Mr. HATFIELD, Mr. HUGHES, Mr. MATHIAS, and Mr. PERCY, after which there will be a period for the transaction of routine morning business, with statements therein limited to 3 minutes, the period not to extend beyond the hour of 12:30 p.m.

At 12:30 p.m., under the order secured by the distinguished majority leader, the Senate will resume the consideration of the unfinished business (H.R. 7447), an act making supplemental appropriations for fiscal year 1973. There is a time limitation agreement thereon. Yea-and-nay votes will occur, and the final vote on passage of that bill will occur not later than 5 p.m. tomorrow. Some Senators, I understand, are very hopeful that passage can occur as early as 4:30, or even earlier so as to accommodate their catching planes. So Senators are alerted as to the possibility of passage before 5 p.m., and certainly no later than 5 p.m., in accordance with the order.

## ADJOURNMENT UNTIL 11 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 11 a.m. tomorrow.

The motion was agreed to, and at 6:57 p.m. the Senate adjourned until tomorrow, Thursday, May 31, 1973, at 11 a.m.

## NOMINATIONS

Executive nominations received by the Senate May 30, 1973:

### DEPARTMENT OF COMMERCE

John K. Tabor, of Pennsylvania, to be Under Secretary of Commerce, vice James T. Lynn.

### DEPARTMENT OF TRANSPORTATION

John W. Barnum, of New York, to be Under Secretary of Transportation, vice Egil Krogh, Jr.

### INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

Charles O. Sethness, of New York, to be U.S. Executive Director of the International Bank for Reconstruction and Development for a term of 2 years, vice Robert E. Wieczorowski, resigned.

### FEDERAL HOME LOAN BANK BOARD

Grady Perry, Jr., of Alabama, to be a member of the Federal Home Loan Board for the remainder of the term expiring June 30, 1973, vice Thomas Hal Clarke.

### U.S. COAST GUARD

The following temporary officers for promotion to chief warrant officer, W2:

Ronald L. Endsley
Harrison F. Deitrick, Jr.
George L. Ramsey, Jr.
James E. Cain
Harry A. Vaughan, Jr.
Bernard P. O'Brien, Jr.

The following temporary chief warrant officers W2 to permanent chief warrant officer, W2:

David E. Hagberg
Norman K. Wampler
John A. Tolejko
Gerald D. Johnson
Myron O. Hale
John B. Beasley
Frederick K. Hunke
Wiley M. Grandy
James D. Stribling
Rutrell Martin
Clarence L. Wentworth
Ceasar A. Paras
Maynard L. Elliott
Ronnie M. Hudson
Darrell L. Murphy
John J. Keaney
James R. Bailey
Charles G. Lacey
William C. Held
Leon E. Minzy
David W. Eslick
Clifford W. Heideman
William H. Anslinger
James R. Stonelake
Ronald L. Heniges
Herbert C. Self, Jr.
Gerald K. Bjornson
Robert D. May
Charles W. Biddle
Carroll V. Wince
Warren J. Toussaint
Steve Tuller
Preston L. K. Knox
Edward E. Schwabe
Gary L. Pipes
Faye A. Amundson
Knut A. Borland
Donald K. Robinson
Frederick H. Allen
Billy M. McCullough
William G. Uhrig
Luman E. Hejl
Robert T. Douville
Glenn A. Lewis
John E. Schwartz
Stephen B. Scharbach
Robert L. Buettner
Heywood L. Hinds
Wayne E. McGraw
James T. Blackmon
Alva C. Anderson
Harry W. Sites
Raymond Wild, Jr.
Charles K. Hickey
Harold E. Walters
Gary S. Austin
Carl T. Goretski
Paul R. Midgett
Gerald D. Pierce
Ronald J. Sonnenberg
Larry E. Grimes
Florencio D. Pascua
Milton C. Duby
Robert L. White
William T. Lancaster
John C. Millett, Jr.
Harold L. Soper
James A. Mock
William C. Brizendine
Patrick E. Newman
Larry M. Luzader
Walton R. Dudley
William H. McKeigan
Albert J. Becker
Curvin W. Hagert
Edward R. Pritchett
James W. Gydish
Robert J. Lane
Roger A. Syria
Richard L. Stone
Philip M. Kolb, Jr.
Ronald D. Lawrence
Willie H. Coleman, Jr.
Billy L. Pritchett
Robert V. Venables
Dana E. Hale
Freddie M. Borden
Carl W. Murray
David M. Johnson
Bruce R. McMahill
Charles A. Teaney
Franklyn C. Lucas
Ronald A. Messura

George E. Beal
Arnfelth E. Bentsen
Johnny T. Taylor
Charles A. Fields
Elbert V. Beasley
Robert A. Warbutton
David R. Gay
Carl D. Johnson
Peter E. Kelleher
Robert E. Armstrong
Wildon E. Steele
Judah D. Shuster
Edward J. Hodgdon
John D. Seaman
William H. Aldrich
Alvin B. Beckerman
Richard A. Long
Ronald G. Walters
William R. Felkner
Stanley M. Lawson
Sherman W. Coulbourne
James A. Carpenter
Charles F. Maher
David A. Moss
Robert L. Couchman
Raymond E. White, III
William T. Myers
Timothy P. Riordan
Richard V. White
Francis C. Dorvinen
Armond K. Tennier
William E. Brown
William D. Hudson
Albert J. Klapetzky
Louis G. Brindle
Charles D. Marmon
James A. Kinimaka
Ernest W. Yost
Theodore S. Jones
Lewis C. Pyland, Jr.
Wayne H. Carlton
Robert A. Buotte
Ronald W. Sixberry
James H. Perry
Richard C. Carr
Ralph W. Willard
Page J. Shaw
Franklin D. Yelton
Troy P. Rhodes
Robert A. Cushing
Frank E. Kopszywa
Wesley G. Schallock
David L. MacFarland
Tommy W. Hancock
George L. Hooton
Paul L. Nadon
Charles J. Castello
Fred C. Hemmingway
George A. Baum
Joe Ramos, Jr.
Harry T. Hill
Robert M. Summerlin
Gerald F. Sipp
George R. Jones
James E. Johosky
Frank H. Bebout

The following Reserve officers to be permanent commissioned officers in the Regular Coast Guard in the grade of lieutenant commander:

George G. Turner
Walter R. Granstra

The following Reserve officers to be permanent commissioned officers in the Regular Coast Guard in the grade of lieutenant:

Edward G. Karst
Charles C. Rogers
Brian C. Sonner
Thomas D. McLaughlin
James R. Comerford
Timothy E. Foley
Ronnie R. Elliott
Quintin K. Quinn
Dennis C. Foresman
Thomas J. Burnaw
Richard P. Buhl
Edward G. Martin
Christopher M. Stone
Robert A. Knapp
James D. Stiles
Rodney E. Smith
Richard N. V. Norat
Roy G. Cook
Fred A. Dickey

The following named officer to be a permanent commissioned officer in the Coast Guard in the grade of chief warrant officer, W2 having been found fit for duty while on the temporary disability retired list:

Randolph O. Grady

The following licensed officer of the U.S. merchant marine to be a permanent commissioned officer in the Regular Coast Guard in the grade of lieutenant (junior grade):

Roger L. Haskell

The following named officer to be a permanent commissioned officer in the Coast Guard in the grade of lieutenant having been found fit for duty while on the temporary disability retired list:

Harvey F. Moore

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# HOUSE OF REPRESENTATIVES—*Wednesday, May 30, 1973*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

*Study to show thyself approved unto God, a workman that needeth not to be ashamed.*—II Timothy 2: 15.

O Thou whose light follows us all our days and whose love never leaves us along our ways, grant unto us a fresh sense of Thy presence as we face the duties of this day. We open our minds and our hearts unto Thee praying that Thou wilt dwell in us and abide with us as we labor for the welfare of our Nation and the well-being of all mankind.

Help us so to live, so to love our country, and so to lead our people that our flag may fly over a nation united in purpose, in spirit, and in good will—to the glory of Thy holy name and for the good of our human family. Amen.

## THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate has passed a resolution of the following title:

S. Res. 119

*Resolved,* That the Senate has heard with profound sorrow the announcement of the death of Honorable William O. Mills, late a Representative from the State of Maryland.

*Resolved,* That the Secretary communicate these resolutions to the House of Representatives and transmit an enrolled copy thereof to the family of the deceased.

*Resolved,* That, as a further mark of respect to the memory of the deceased, the Senate do now adjourn.

## DILLON GRAHAM OF ASSOCIATED PRESS

(Mr. SIKES asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

Mr. SIKES. Mr. Speaker, one of the outstanding journalists—and one of the most respected—in Washington is preparing to write "30" to his career and to leave Capitol Hill after 25 years of service to newspaper readers across the Nation.

Dillon Graham of Associated Press has spent 44 years with that organization. In recent years, he has covered the Congress as it affects the Southeastern United States, and covered it very well indeed.

It is in this role that I have come to know and respect him.

Dillon Graham exemplifies the type of newspaperman who enjoys the confidence of those in public life. Whatever the situation no one would object to having Dillon Graham cover the story. He is accurate, fair, honest, and courteous. In these days when there are many who are appalled at the way in which news reporting sometimes is accomplished, I have never known anyone to take issue with Dillon Graham over the manner he has covered and reported events on Capitol Hill.

He is one of the rare talents as a writer. He coupled capability to get at the facts with a talent for putting those facts into context so that anyone reading his words could understand and comprehend them.

So, as Dillon Graham concludes 25 years in Washington and 44 years with Associated Press, I want to join with his many friends in wishing him and his beloved wife, Gigi—who has been a wonderful asset to him—the very best in the years ahead and to add my profound thanks to him for his important contribution to journalism.

## ANY FUTURE GAS TAX SHOULD GO INTO SPECIAL FUND

(Mr. OBEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OBEY. Mr. Speaker, yesterday Secretary of the Treasury George Schultz hinted that the gas tax might be increased in an effort to help cool down the economy.

Mr. Speaker, if there is a need to slow the economy, the Government should look at other tax sources including closing some of the business tax loopholes which were granted just 2 years ago.

But, in my judgment, there is only one condition under which an increase in the gasoline tax would make the most sense. That is if the additional gas tax money were put into a special fund to finance Government research and Government development of oil and natural gas on Government-owned lands and to finance other research or alternate sources of energy.

The gas and oil shortage will be serious enough over the next few years without our diverting a potential source of research funds to other general purposes.

## POSTPONING CONSIDERATION OF HOUSE RESOLUTION 382

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent that any consideration of House Resolution 382, the resolution disapproving Reorganization Plan No. 2, which has been reported by the Committee on Government Operations, be postponed until Thursday, June 7, 1973.

I make this request with the knowledge and concurrence of the Member who introduced the disapproval resolution, the gentleman from California (Mr. Waldie).

The SPEAKER. Is there objection to

the request of the gentleman from California?

There was no objection.

## SHIPBUILDING IN WESTERN MASSACHUSETTS

(Mr. CONTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONTE. Mr. Speaker, yesterday this Chamber was treated to an impassioned defense of the scandal-ridden farm subsidy program by the distinguished chairman of the Agriculture Committee (Mr. POAGE).

After reading his remarks on page 17010 of yesterday's RECORD, I can only say that if his information on the farm subsidy program is as accurate as his information on the district I represent, then we had better end this program this afternoon.

Mr. POAGE diverted from his farm subsidy romance yesterday long enough to charge that I represent "several overseas shipping firms which draw substantial subsidies from the U.S. Government, both on the construction of their ships and on their operation."

Mr. Speaker, obviously a geography lesson is needed for my distinguished colleague from Texas.

My First District of Massachusetts, of course, is a landlocked district which is comprised of the beautiful Berkshire Hills, the lovely Connecticut River Valley and other fine scenic areas. Mine is the westernmost district in the State and extends all the way to the New York State border.

If ships are being built in my district to ply the oceans of the world, I can only say they are going to have a devil of a time getting to those oceans. The Housatonic River is a nice stream, but anything larger than a rowboat would have a tough time navigating it.

I appreciate my colleague's interest in my district, but I suggest that before he again takes to the floor of this Chamber to talk about it, he visit the district with me. Together we can roam the lovely hills and mountains of the First District in search of those "overseas shipping firms" that apparently are just taking a hint from Noah and waiting for the next great flood.

## PROVIDING FOR CONSIDERATION OF H.R. 5857, AMENDING NATIONAL VISITOR CENTER FACILITIES ACT OF 1968

Mr. PEPPER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 405 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 405

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5857) to amend the National Visitor Center Facilities Act of 1968, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment recommended by the Committee on Public Works now printed in the bill notwithstanding the provisions of clause 7, rule XVI. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

## CALL OF THE HOUSE

Mr. ASHBROOK. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. MILLS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 164]

Adams
Annunzio
Arends
Badillo
Barrett
Biaggi
Blatnik
Boggs
Bray
Broyhill, N.C.
Burgener
Burke, Calif.
Camp
Carney, Ohio
Carter
Chisholm
Clark
Collier
Cotter
Coughlin
Cronin
Davis, Ga.
Dickinson
Diggs
Dingell
Esch
Evins, Tenn.
Fisher
Flynt
Ford,
  Gerald R.
Fraser
Fuqua
Goldwater
Gubser
Harsha
Hawkins
Hébert
Howard
Hunt
Ichord
Kastenmeier
Landrum
Leggett
McCloskey
McCormack
McKinney
Michel
Milford
Minish
Minshall, Ohio
Mitchell, Md.
Mollohan
Murphy, N.Y.
O'Neill
Owens
Parris
Powell, Ohio
Price, Ill.
Railsback
Randall
Rarick
Reid
Rooney, N.Y.
Rosenthal
Rostenkowski
Roy
Sandman
Sisk
Slack
Spence
Stratton
Stuckey
Sullivan
Teague, Tex.
Waldie
White
Wiggins
Wilson,
  Charles, Tex.
Winn
Young, Ill.

The SPEAKER. On this rollcall, 352 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

## PERMISSION FOR COMMITTEE ON RULES TO FILE CERTAIN PRIVILEGED REPORTS

Mr. PEPPER. Mr. Speaker, by direction of the Committee on Rules, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

## PROVIDING FOR CONSIDERATION OF H.R. 5857, AMENDING NATIONAL VISITOR CENTER FACILITIES ACT OF 1968

The SPEAKER. The gentleman from Florida (Mr. PEPPER) is recognized for 1 hour.

Mr. PEPPER. Mr. Speaker, I yield 30 minutes to the gentleman from Tennessee (Mr. QUILLEN), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 405 provides for an open rule with 1 hour of general debate on H.R. 5857, a bill to authorize an appropriation for construction to complete the renovation of Union Station in Washington, D.C., as a National Visitor Center.

All points of order against clause 7, rule XVI, of the Rules of the House of Representatives, the germaneness provision, are waived.

H.R. 5857 also directs the Secretary of the Interior to provide transportation services in or between the National Visitor Center and other points of visitor interest.

The amount appropriated under H.R. 5857 is $8,680,000. The report from the Committee on Public Works indicates this is the total amount needed for the completion of the National Visitor Center.

Mr. Speaker, I urge adoption of House Resolution 405 in order that we may discuss and debate H.R. 5857.

Mr. GROSS. Mr. Speaker, will the distinguished gentleman from Florida yield?

Mr. PEPPER. I yield to the gentleman from Iowa.

Mr. GROSS. The gentleman says that this rule will make in order a bill to complete the renovation of the Visitor Center; is that correct?

Mr. PEPPER. The contract has been awarded.

Mr. GROSS. What makes the gentleman think that this bill, the money authorized in this bill, will complete the renovation? Would it not be just as fair to state that this is perhaps another foot in the door?

Mr. PEPPER. I understand that this money is all that would be required to complete the program that has been approved by the Congress.

Mr. GROSS. Well, that will be the day, if $8.6 million will complete the renovation of the Visitor Center.

May I ask the gentleman why rule XVI, clause 7, is waived? What is the purpose of the waiver?

Mr. PEPPER. That request for waiver of the rule was made to the Rules Committee, and approved by the Rules Committee. The bill primarily authorizes the completion of this project for a Visitors Center.

It also, as a relevant part but not a germane one in the technical sense, directs the Secretary of the Interior to provide transportation services from the Center to the Capitol and to places of historic interest in the Capital. That is not perfectly germane to the central theme of the bill authorizing construction of the project, but it is in a general sense relevant, and that is why I think it is appropriately included in the bill for our consideration.

Mr. GROSS. If the gentleman will yield further, I note in the bill—I assume that is what the waiver is directed to—the phrase "interpretive transportation." What is "interpretive transportation"?

Mr. PEPPER. That, one might say, is

giving instruction to the people about the sites that they see. It is sort of a sightseeing information service. I think that is what was intended by the committee.

Mr. GROSS. Is that what put Penn Central in bankruptcy—interpretive transportation? Where did this phrase originate?

Mr. PEPPER. This does not involve in any relevant sense the matter of the Pennsylvania Railroad. It is different from that, and it is not related to that subject. This has to do with the completion of the improvement program for the Union Station to be a very much needed Visitor Center, and provides transportation for the visitors who have such a difficult time finding places to park around the Capital. It provides informative transportation; I mean transportation with informative recital by those in charge of the transportation for our fellow Americans who come here to see our Capital.

Mr. GROSS. Has the gentleman from Florida ever ridden interpretive transportation?

Mr. PEPPER. That was their word. I think perhaps they could explain it more when we consider the bill. I think they mean an informative report on what the people are seeing who have the privilege of coming to the Capital of the greatest country in the world.

Mr. GROSS. I want to thank the distinguished gentleman for yielding to me.

Mr. PEPPER. It is always a pleasure to yield to the able and delightful gentleman from Iowa.

I yield to the gentleman from Tennessee (Mr. QUILLEN).

Mr. QUILLEN. Mr. Speaker, I thank the distinguished gentleman from Florida, and I yield myself such time as I may consume.

Mr. Speaker, today we are considering House Resolution 405, which is the rule on H.R. 5857, amending the National Visitor Center Facilities Act of 1968. This is an open rule with 1 hour of general debate. In addition, it waives points of order for failure to comply with clause 7, rule XVI, which is the rule on germaneness.

The primary purpose of H.R. 5857 is to authorize funds for the alteration and renovation of Union Station as a National Visitor Center.

In addition this bill directs that the Secretary of the Interior provide transportation services between the National Visitor Center and major points of interest to visitors in the Washington area.

The total cost of this bill is $8,680,000 for construction costs at the National Visitor Center. There will be no additional cost to the Government as a result of the transportation service, because this service will be integrated with present transportation service in the city.

Mr. Speaker, I urge the adoption of this rule so the House may work its will on this legislation.

Mr. PEPPER. Mr. Speaker, I have no further request for time.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

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## PROVIDING FOR CONSIDERATION OF H.R. 5858, JOHN F. KENNEDY CENTER MAINTENANCE FUNDS

Mr. PEPPER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 406 and ask for its immediate consideration.

The Clerk read the resolution as follows:

### H. RES. 406

*Resolved,* That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5858) authorizing further appropriations to the Secretary of the Interior for services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Florida (Mr. PEPPER) is recognized for 1 hour.

Mr. PEPPER. Mr. Speaker, I yield 30 minutes to the able gentleman from Tennessee (Mr. QUILLEN) pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 406 provides for an open rule with 1 hour of general debate on H.R. 5858, a bill to authorize appropriations to the Secretary of the Interior for all nonperforming arts functions at the John F. Kennedy Center for the Performing Arts, for the next 3 fiscal years.

Pursuant to the Public Buildings Amendments of 1972, all nonperforming arts functions are now, and will be, supplied by the National Park Service.

The cost of the bill is estimated at $7,500,000, with $2.4 million allocated for 1974, $2.5 million for 1975, and $2.6 million for 1976.

Mr. Speaker, I urge adoption of House Resolution 406 in order that we may discuss and debate H.R. 5858.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. PEPPER. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, do not the functional activities have something to do with operations of the entire Center?

Mr. PEPPER. Yes, of course, if it is to keep people from stealing the things that are there, then it is relative to the operation of the building. It is to keep people from injuring and doing damage to the things there and certain aspects of the facilities which are provided under this bill.

Mr. GROSS. What is the difference between nonperforming and performing arts? Is there some real difference insofar as the taxpayer and the Government are concerned?

Mr. PEPPER. For one thing it is like other public monuments around here. They are all protected by the Government. People are not permitted to go around and deface the historical monuments around our Capital. This is an extension of the same thing. The Park Service provides protection for the Lincoln Memorial and other monuments to protect them from injury. It is that kind of service which is proposed to be rendered to this national monument, the John F. Kennedy Center.

Mr. GROSS. If the gentleman will yield further, do they already have interpretive transportation for the Cultural Center or is that provided under some other means? What is the interpretive transportation in this Cultural Center?

Mr. PEPPER. There is not to be any taxpayer money involved at all in this transportation. I said to the able gentleman, and I am sure he will agree, that when they come to tell about the great Kennedy Center which they are privileged to see, they will be movingly eloquent.

Mr. GROSS. But they will have to provide their own transportation?

Mr. PEPPER. They will have to pay their own way.

Mr. GROSS. I thank the gentleman.

Mr. PEPPER. Mr. Speaker, I yield to the gentleman from Tennessee (Mr. QUILLEN).

Mr. QUILLEN. Mr. Speaker, House Resolution 406 provides for the consideration of H.R. 5858, authorization for the John F. Kennedy Center for the Performing Arts. This is a simple open rule with 1 hour of general debate.

The purpose of H.R. 5858 is to amend the John F. Kennedy Center Act to authorize appropriations to the Secretary of the Interior for maintenance, security, information, interpretation, janitorial, and all other nonperforming arts functions at the Center for an additional 3 fiscal years.

Section 10 of the Public Buildings Amendments of 1972 amended the Kennedy Center Act by directing the Secretary of Interior, acting through the National Park Service, to carry out the above mentioned functions, which do not include the performing arts activities of the Center. Appropriations were authorized for fiscal year 1973 only.

H.R. 5858 is necessary to authorize the appropriation of the funds requested in the President's budget for 1974, as well as 1975 and 1976. The Department of Interior's request would have been indefinite, without fiscal year limitation, but the committee felt the authorization should be limited to 3 fiscal years, in order that the Congress might review the operation.

The cost estimate was prepared by the Department of the Interior and accepted as accurate by the committee. The costs involved would be $2.4 million for fiscal 1974, $2.5 million for fiscal 1975, and $2.6 million for fiscal 1976.

Mr. Speaker, I urge the adoption of this rule so the House may have an opportunity to work its mill on the legislation.

Mr. PEPPER. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

## PROVIDING FOR CONSIDERATION OF H.R. 6830, INTERNATIONAL CENTER FOR FOREIGN CHANCERIES AUTHORIZATION

Mr. PEPPER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 407 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 407

*Resolved,* That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6830) to amend Public Law 90–553 authorizing an additional appropriation for an International Center for Foreign Chanceries. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit. After the passage of H.R. 6830, the Committee on Public Works shall be discharged from the further consideration of the bill S. 1235, and it shall then be in order to consider said Senate bill in the House.

The SPEAKER. The gentleman from Florida is recognized for 1 hour.

Mr. PEPPER. Mr. Speaker, I yield 30 minutes to the able gentleman from Tennessee (Mr. QUILLEN), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 407 provides for an open rule with 1 hour of general debate on H.R. 6830, a bill authorizing the Secretary of State and the General Services Administration to initiate site development for the International Center for Foreign Chanceries. After the passage of H.R. 6830, it shall be in order to consider S. 1235 in the House.

The International Center was authorized by Congress through enactment of Public Law 90–553, 90th Congress. H.R. 6830 provides authority for an appropriation not to exceed $2,200,000. Of this total it is estimated that $1,100,000 will be spent in fiscal year 1974, $900,000 will be spent in fiscal year 1975, and $200,000 in fiscal year 1976. The Treasury will be reimbursed for all outlays from the appropriated funds through receipts from sales of Center property to foreign governments.

Mr. Speaker, I urge adoption of House Resolution 407 in order that we may discuss and debate H.R. 6830.

Mr. WYLIE. Mr. Speaker, will the gentleman yield?

Mr. PEPPER. I yield to the gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. Mr. Speaker, does this represent a change in the way we have been doing business as far as the establishment of chanceries is concerned?

Mr. PEPPER. Mr. Speaker, this is an area that is agreed upon by our Government and representatives of foreign governments who would like to build facilities and chanceries at some central place which has been selected.

This money is for the purpose of authorizing the preparation of the site so that it will be appropriately available for purchase by these foreign governments for the erection there of their chanceries. Of course, they will pay a very good price for the land they purchase, and that purchase price will go to reimburse the Treasury 100 percent for this money which is appropriated.

Mr. Speaker, I am advised that the purchase price will be at the rate of $600,000 per acre. I call that pretty fair compensation.

Mr. WYLIE. Mr. Speaker, under H.R. 6830, as I understand it, the United States is providing the money for the preparation of a construction site. The reason we are providing the money is because we cannot get any of the other governments to agree to any sort of financial arrangement for chancery construction in advance of site preparation, is that correct?

Mr. PEPPER. Mr. Speaker, I am advised that they did not find it convenient to get the money from the prospective purchasers, and this bill is to authorize the Treasury to advance the money.

Mr. WYLIE. Mr. Speaker, heretofore countries having chanceries in the United States have provided for their own site by lease or on chancery property, owned by the foreign government have they not?

Mr. PEPPER. That, I believe, has been the policy.

The able gentleman will recall there was considerable controversy reported in the press not long ago about where these chanceries were to be located. It was not altogether a private land transaction. I understand public authority has something to do with where chanceries are located.

Finally this site was selected and the Government has felt a responsibility to provide a site we would approve, where the foreign governments may build their chanceries. So the Government has participated in selecting the site and making it available for these purposes. This is merely the advance of funds necessary for the preparation of the site, so that it may be purchased.

Mr. WYLIE. The gentleman used the word "advance". Is it the gentleman's understanding we will ultimately be reimbursed for our out-of-pocket expenses?

Mr. PEPPER. This measure carries that assurance. Every dime of this $2.2 million will be returned to the Treasury out of the purchase price.

Mr. WYLIE. I thank the gentleman.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 407 is the rule under which we will consider H.R. 6830, Authorization for International Center for Foreign Chanceries. This is an open rule with one hour of general debate. House Resolution 407 also provides for the consideration of the Senate bill, S. 1235, after passage of H.R. 6830.

The primary purpose of H.R. 6830 is to amend section 6 of the International Center Act to carry out the purposes of that act by providing authority for an appropriation not to exceed $2.2 million. This will allow the Secretary of State and the General Services Administration to initiate site development of the Center.

In 1968 the Congress authorized the International Center to be located at the south half of the old Bureau of Standards site in Washington. The north half of this site is being used for the permanent campus of the Washington Technical Institute. This site was to be developed by the Secretary of State from proceeds of sale or lease to foreign governments or international organizations. At present GSA is acting as agent for the Secretary, but cannot award contracts for demolition and site development until funds are available for those awards to be obligated against. To date it has not been possible to obtain capital from would-be purchasing governments to fund the necessary site development. This bill will solve these problems by authorizing $2,200,000 for the initial site development of the chancery section. This figure is broken down for the next 5 fiscal years as follows:

| | |
|---|---|
| 1974 | $1, 100, 000 |
| 1975 | 900, 000 |
| 1976 | 200, 000 |
| 1977–79 | None |

Ultimately, there will be no cost to the Government because the Treasury will be reimbursed through sales of center property and actual construction costs of the chancery facilities will be borne by the purchasing governments.

Mr. Speaker, I urge the adoption of this rule so the House may have an opportunity to work its will on the legislation.

Mr. Speaker, I have no further requests for time, but I reserve the balance of my time.

Mr. PEPPER. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

## TRANSFER OF SPECIAL ORDER

Mr. LANDGREBE. Mr. Speaker, I ask unanimous consent that the 1-hour special order I had reserved for today may be postponed until tomorrow, May 31, 1973.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

## AMENDING NATIONAL VISITOR CENTER FACILITIES ACT OF 1968

Mr. GRAY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5857) to amend the National Visitor Center Facilities Act of 1968, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Illinois.

The motion was agreed to.

### IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 5857, with Mr. EVANS of Colorado in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Illinois (Mr. GRAY) will be recognized for 30 minutes, and the gentleman from Ohio (Mr. HARSHA) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Illinois.

Mr. GRAY. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, H.R. 5857 is a simple authorization to amend the National Visitor Center Facilities Act of 1968 to allow the Secretary of the Interior and the National Park Service to make certain improvements at Union Station simultaneously with improvements being made by the Baltimore & Ohio and Chesapeake & Ohio Railroads who own Union Station, in connection with a National Visitors Center for the use of the American people and foreign visitors.

Mr. Chairman, in 1968, Congress passed the original Visitor Center Facilities Act that I had the privilege of sponsoring with other Members. The need was critical for a National Visitor Center at that time. It is much more critical today, especially as we approach our bicentennial year in 2½ short years.

Mr. Chairman, we tried to "poor boy" this project by asking the railroads to put up all of the money to build a parking facility and renovate the existing Union Station at a total cost of $16 million. Just at the time the plans were scheduled to be completed and the railroads were ready to go out for bids for construction, Penn Central who owned half of Union Station at that time went into bankruptcy, therefore, we have experienced a delay of at least 3 years. I am pleased to advise my colleagues today that the B. & O. and C. & O. Railroad has purchased all of the interest of Penn Central, has secured both construction and long-term financing, therefore, on June 5, 1973, it is expected that groundbreaking ceremonies will take place and this much needed project will be well underway. At the time the 1968 act was passed we estimated 15 million visitors per year. We now find that with the bicentennial approaching the visitation for 1976 should exceed 40 to 50 million foreign and American visitors. The President has requested this legislation and the funds are now in this year's budget for $8.6 million to construct the necessary improvements, including theaters and other informational services to have this project finished and adequate to accommodate these large numbers of people.

Mr. Chairman, we believe this facility will be a self-sustaining operation, because the concessions and parking fees will go to the National Park Service. The small visitor center at Cape Kennedy last year netted the Government over $600,000 profit according to figures given to us last week by the very distinguished chairman of the Space Committee, the gentleman from Texas (Mr. TEAGUE). This facility will have 25 times more visitors than Cape Kennedy, therefore, I think everyone can see the potential of this being a self-sustaining operation. But far more important, Mr. Chairman, is the fact the American taxpayers are coming to Washington and are disillusioned, frustrated and downright disappointed at the lack of facilities to accommodate them in their own Capital. To put it bluntly, all they are seeing now are our backs instead of our faces, a parking ticket, no place to sit down and rest, lack of restaurant facilities, no place to get a meal for a large group and certainly no easy way of touring Washington and its scenic environs by public transportation. This bill will allow this center to be completed properly within 18 to 24 months and also authorizes public interpretive transportation services to the Capitol Building and other Government facilities. Present shuttle service includes the mall area and includes to and within Arlington National Cemetery. Extension of this valuable service to the Capitol Grounds and the Visitors Center and other sites designated by the Secretary will allow the visitors to park their cars and buses and experience a convenient well-instructed guided tour by shuttle or bus.

Mr. Chairman, we have approved over $2 billion in public funds for bureaucracy to work in the Washington area. Now we have an all taxpayer bill which is very modest indeed, but will do more to sell democracy and the image of our friendly Capitol than anything we could do. This is particularly true of foreign visitors. The new Visitors Center will have language translation equipment in the theaters and other areas of the Visitors Center. It is designed to make Washington the greatest Capital in the world to visit. I hope there is not one dissenting vote against this bill designed to help schoolchildren, older Americans, citizens in general and foreign visitors alike. This is truly a program to "bring us together."

Mr. SNYDER. Will the gentleman yield?

Mr. GRAY. I am delighted to yield to a very valuable member of the Committee on Public Works.

Mr. SNYDER. I am wondering how many different languages are there?

Mr. GRAY. We have 187 nations in the world. I would assume many of them are probably multilingual.

Mr. SNYDER. You assume? You do not know?

Mr. GRAY. I do not have the exact number. As the gentleman knows, there are new countries springing up on different continents around the world. This will not be finished for 24 months, and I can assure the gentleman that when it is finished we will cooperate with all of the foreign embassies in Washington. If we need a language for Uganda or whatever it is, we will make sure it is part of the service provided by the visitor center.

Mr. SNYDER. You will have an ongoing program of languages, then, for all of these new emerging nations as they come forward?

Mr. GRAY. Without a doubt.

Mr. SNYDER. How much will that cost us when you come back?

Mr. GRAY. All of these services are being provided by the National Park Service.

Mr. SNYDER. But the gentleman told us——

Mr. GRAY. Let me finish. They are being provided by the National Park Service. None of the $8.6 million authorized here for bricks and mortar can be spent for that purpose. We will receive 10 percent from the sale of food and other goods and services and receive commissions from the parking. It will cost $3.5 million per year for the lease. Any residue left over over that $3.5 million can be spent for informational services and to fund other aspects of the project.

Let us do some quick arithmetic here. There are 30 million people who will be coming here and if each person spends just $1, that would be $30 million that would be available. The lease is only $3.5 million, so you can see that there is a big spread left for the type of services the gentleman is talking about. Also taxes will go to the District of Columbia. We estimate that this project will generate as much as $750 million a year in additional business to the District of Columbia, and with a 5-percent tax rate, that would give us about $35 million that would go to the District of Columbia government alone. These tapes used for translations will only cost a few thousand dollars.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GRAY. Mr. Chairman, I yield myself 2 additional minutes.

Does that answer the gentleman's question?

Mr. SNYDER. I was not through, but if you are through with me——

Mr. GRAY. I will be delighted to yield further to my friend.

Mr. SNYDER. What you are suggesting, then, is that this interpretative service will not pay for itself. Is that what you are saying?

Mr. GRAY. I am saying that we had a study committee take this subject up, and they stopped the average tourist on the perimeter roads and asked them how long they planned to stay, and they said 7 days, but on leaving the city we found that they actually stayed only 2 days on the average. Tourists today are spending $750 million a year in Washington.

By providing the proper facilities we can double it from 2 days to even 4 days, not the 7 they planned, so we will be talking about $750 million more money that will be spent in Washington. This means additional dollars that will provide relief from our Federal payments, that will in turn provide relief for our overburdened taxpayers. And I am sure the services the gentleman from Kentucky is talking about would be small indeed compared to the revenues that will be generated through this facility.

Mr. SNYDER. I still do not know what this interpretive thing is going to cost, and I guess from what the gentleman from Illinois says that the gentleman himself does not know. I believe that he is indicating that he feels that we will probably take more in than we will spend.

The gentleman was talking about this not costing anything, and I remember back in 1967 when I was cajoled by the gentleman from Illinois in voting for this project, and was told it was not going to cost the taxpayers 1 cent at that time. Is my recollection correct?

Mr. GRAY. The gentleman from Kentucky is absolutely correct, and to this day, 5 long years later, it still has not cost the taxpayers. What we propose today is in addition to what the gentleman from Kentucky voted for, and is not in lieu thereof. So the gentleman from Kentucky was right then, and the gentleman from Illinois is also correct today.

The modest project we passed in 1968 will not accommodate 40 million people. We are merely adding to what we did in 1968.

Mr. SNYDER. The Presidential approval was the old administration before the new one came in down there.

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

Mr. GRAY. Mr. Chairman, I yield myself 3 additional minutes.

Mr. HUNGATE. Mr. Chairman, will the gentleman yield?

Mr. GRAY. I am happy to yield to the gentleman from Missouri.

Mr. HUNGATE. Mr. Chairman, I think the program that the gentleman has outlined is a fine one in an area that has been too long neglected insofar as attracting tourists to the Washington area. The people who will come under this program will spend more money, and with the devaluation of the dollar that makes their money more valuable.

Concerning the language translations, is it not a fact that in the United Nations they accommodate all the nations, the emerging and disappearing nations both?

Mr. GRAY. The gentleman is correct.

Mr. HUNGATE. And that at the United Nations they use only about five languages to accommodate all the nations?

In other words, five languages are sufficient to solve this problem?

Mr. GRAY. The gentleman from Missouri is correct. And it is only at a cost of a few thousand dollars at the most for these interpretive translation tapes. So it is not an expensive item. But it is an important item, and one that will bring greater understanding of democracy in action, about this being a great capital, how democracy works, and so on. And it is only at a cost of a few thousand dollars to pay for these facilities. The United Nations in New York does provide this service now. I thank my friend.

Mr. HUNGATE. The gentleman is correct, the translation facilities in the United Nations are basically confined to English, Chinese, French, Spanish, and probably German, and you have got it.

Mr. GRAY. The basic languages in use.

Mr. HUNGATE. That is correct.

Mr. Chairman, I thank the gentleman for yielding.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. GRAY. I am happy to yield to my distinguished friend, the gentleman from Iowa. It is always a distinct privilege to do so.

Mr. GROSS. I thank the gentleman from Illinois for yielding to me.

The gentleman from Missouri says that the devalued dollar will make it all the more attractive for foreigners to go through the Visitor Center. Does the gentleman from Illinois agree with that?

Mr. GRAY. I am not an expert in monetary affairs, but it surely holds true that if you can get more goods for your dollars over here, that more people will come for if, with the devaluation, they can get a dollar's worth of merchandise for 90 cents, then that is an incentive for them to come here to buy.

We already have one and a half million foreign tourists and we expect 5 million for the bicentennial.

I would say further to my distinguished friend, that right now all that our foreign visitors are seeing is our backs; they cannot see our faces, because they do not understand our language. What we want to do is to extend to them the hand of fellowship and friendship.

The gentleman from Iowa is on the Committee on Foreign Affairs, and he knows that 1½ million people come to the Nation's Capital from foreign countries, who wish to see our great country, but when they do come here cannot learn about or understand our country.

It is people-to-people contact that we must have in order to accomplish peace and friendship in the world.

Mr. GROSS. That is lovely, but it costs money.

I would ask the gentleman from Illinois how many shifts of interpreters does the gentleman propose to maintain in order to interpret these 186 foreign dialects?

Mr. GRAY. I would say to the gentleman from Iowa that this will be primarily a daytime operation, in view of the fact that most of our other Federal monuments and facilities are closed at night, I would see no necessity to continue the operation of these interpretive and transportation services after dark, when the other Federal facilities have been closed down. We will, of course, keep the other facilities in the Visitor Center in operation, such as the restaurant facilities and other things; we will probably keep them open until midnight, in order for people to have an opportunity to go back there and get something to eat, and such other services as they may want. We plan to have automobile and rail facilities and bus services and the subway for the use of these visitors, the kind of facilities and services that the gentleman's constituents would want and need, all those services will be provided here. We will also provide USO facilities in the Visitor Center.

Anything that is needed in Washington for the visitors, they are going to find here.

Mr. HUNGATE. Will the gentleman yield further?

Mr. GRAY. I yield to the gentleman from Missouri.

Mr. HUNGATE. From the language point of view, we have down here at the National Gallery of Art a system where one rents a little earphone, puts it in his pocket, and as he goes around, it goes "beep." As one walks around to each picture, it goes "beep." We do not have any interpreters standing around.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GRAY. I yield myself 1 additional minute.

I yield to my friend from Ohio (Mr. WYLIE).

Mr. WYLIE. I thank the gentleman for yielding to me. I should like to refer to the language on page 2, beginning at line 4. This is rather unusual legal language. I wonder if the gentleman would explain the necessity for using this type of phraseology. It says:

> The Secretary may exercise the authority under this subsection without regard to whether or not title to the Union Station Building or the airspace adjacent thereto is in the United States . . .

Mr. GRAY. Yes, I shall be glad to explain that.

Mr. WYLIE. Then it says:

> *Provided,* That he shall have entered into an agreement for a lease . . .

And this is the unusual language really—

> (But such lease need not have commenced) . . .

Mr. GRAY. Yes, the gentleman raises a very important question. I should be delighted to answer it. As the gentleman knows, we do our best to get by without spending any of the taxpayers' money. We said to the railroads, "You go out there and spend $16 million, build this facility, and lease it back to us."

We do not own Union Station. The taxpayers will own it at the end of the 25-year period on the lease-purchase.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GRAY. I yield myself 2 additional minutes.

In the meantime we propose here to spend taxpayers' dollars to put in ramps and make certain improvements to the facility, so we wanted to protect the taxpayer by putting in this language saying, We do not own Union Station now; we have a noncancelable lease; we are going to own it in 25 years; and we want these improvements to accrue to the benefit of the taxpayer at the end of the period. That is the purpose of the language.

Mr. WYLIE. Will the gentleman yield further?

Mr. GRAY. I yield to the gentleman from Ohio.

Mr. WYLIE. What security does the United States have prior to the time the lease commences?

Mr. GRAY. We have a contract for a deed, and it is predicated upon a $3½ million per year payment. We do not start paying that lease money until the facility is completed. It is a turnkey operation. Therefore, our lease payments do not commence until they turn the keys over and say it is ready to be opened as a National Visitor Center. That is why we have that protective language in there.

Mr. WYLIE. Then we have an option to purchase it?

Mr. GRAY. We do have an option to purchase it. If we want to buy it the next day, we can, but I think the best way is to pay it out, because we have a low interest rate, and we are paying more for borrowed money, so I cannot see taking Treasury money at 6 or 7 percent and paying off the railroads in advance when we have got now a 5-percent interest rate on the air rights. The gentleman raises a very important point. I thank you for it.

Although inflation and high costs have forced the President to come up with another $8 million, let me explain that this property we estimate has increased in value by over $20 million; so while we are going to spend $86 million for needed improvements, the taxpayers are going to own all of this land and a 350,000 square-foot building at the end of the 25 years.

While inflation is eating us up on bricks and mortar, the value of that property will increase for the taxpayers 3 or 4 times.

Mr. WYLIE. I thank the gentleman.

Mr. WILLIAMS. Mr. Chairman, will the gentleman yield?

Mr. GRAY. I yield to my friend, the gentleman from Pennsylvania.

Mr. WILLIAMS. I should like to ask the gentleman if the decision is made to exercise the option, what is the price that will be paid?

Mr. GRAY. We estimate that the facility itself is about $19 million. I think if it were put on the market today, it would probably bring $40 or $50 million.

Mr. WILLIAMS. No, I want to know, is that figure included in the lease-option agreement?

Mr. GRAY. It is. Not only that, but I will say to the gentleman from Pennsylvania that it has an escalator clause that they cannot arbitrarily say it is $19 million going in, but 5 years later it is worth $40 million. It is all down for the entire 25-year period as to what we would have to pay if we pick up the option.

Mr. WILLIAMS. Wait a minute. The gentleman says there is an escalator clause in the option.

Mr. GRAY. There is a deescalator clause, because if we pay into equity, naturally the railroads will receive less money on a purchase contract.

Mr. WILLIAMS. There is no escalator clause

Mr. GRAY. That is right. I forgot about that little prefix "de."

Mr. WILLIAMS. I thank the gentleman.

Mr. SMITH of New York. Mr. Chairman, will the gentleman yield?

Mr. GRAY. I yield to the gentleman from New York.

Mr. SMITH of New York. Would the gentleman tell us regarding this $8,600,000 that is authorized in this bill, was it originally contemplated in the original legislation that the U.S. Government would be spending that kind of extra money?

Mr. GRAY. I would say to my distinguished friend, that when we passed the bill, and I have a copy of my statement made on the floor in 1967 and the bill was signed into law in 1968, we said at that time we were having 15 million visitors a year and we were planning a project without taxpayers' money that would accommodate 20 million people, but that was before the bicentennial celebration was contemplated which is projected to bring in 40 to 50 million people.

Now we have to think in terms of 10,000 to 20,000 an hour. So the President said we want to build the facility that was contemplated in 1968 but in addition why not, while we are doing it, include the additional needed facilities, and it will be much cheaper to go in and spent this additional $8.6 million now, so we will be able to accommodate the visitors anticipated for the bicentennial.

Mr. SMITH of New York. Then if I understand the gentleman, some of this $8 million is for additional facilities above those originally contemplated.

Mr. GRAY. The gentleman is absolutely correct. I would like to call attention to the fact that we have a mockup in the lobby. It was too large to bring it in, but the Members can walk up to it and lift the top and see that there are two walk-in theaters of 7 minutes duration each and visitors will be able to walk in and be able to see a little bit about the Capital area if they are in a hurry. Then if they want to sit down we will have two theaters to accommodate them, as at Williamsburg, if they want to know something about the executive and the legislative and the judicial branches it will all be told. That information has been produced or will be produced by the National Capitol Historical Society, and visitors will be able to sit down and see that film for 30 minutes. They will have a cyclorama. We will have different things for different people.

This is why the President has said we should do it now while it is cheaper to add on.

Mr. SMITH of New York. Am I correct in observing that part of the $8 million is due to inflation and that we are going to be doing part of the job already contemplated by the railroad?

Mr. GRAY. That and more.

Mr. GROVER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of H.R. 5857, a bill to authorize direct Federal appropriations for construction of part of the proposed National Visitor Center. This bill, a request made pursuant to the administration's bicentennial plans, would authorize $8.6 million for construction, and purchase of exhibits and furnishings. Additionally, this bill would authorize the Secretary of the Department of the Interior to provide bus service in or between Federal areas within the District of Columbia. This area shall include transportation between the Mall, the Ellipse, the National Visitor Center, the John F. Kennedy Center for the Performing Arts, and other visitor points of interest. Because the buslines were privately owned heretofore, the contract given by the District of Columbia to the then privately owned bus company did not allow any other transit line to offer services on Government property. This section will allow the Secretary to contract for this bus service, consistent with the purpose of the proposed parking facility at the Visitor Center, so visitors to our Nation's Capital can leave their cars at a conveniently located place and enjoy the bus service to the monuments and points of interest in the city. There are thus no Federal funds involved in this new visitors' transportation system.

I am pleased to note the ground-breaking ceremonies for this Center will take place on June 5, 1973, after a delay of some 5 years.

Because of this delay, the authorization contained in this bill is necessary to assure that the construction of this Center will be complete and adequate to handle the estimated 34 million people who will visit Washington, D.C., in 1976. The original act authorized the Secretary of Interior to enter into lease agreements with Washington Terminal Co., for the use of the facility, such sums not to exceed $16 million for improvements and construction of a parking facility by the Terminal Co. But, due to financing delays and the bankruptcy of the Penn Central, actual construction has been delayed. The current owners of the property have finally obtained financing, but with the additional costs of broker fees, surveys, appraisals, insurance and the like, together with some 5 years of inflation, there has resulted the need for these additional funds.

The President's budget includes some $7.1 million for fiscal year 1974 for the purposes of this bill. The additional $1.58 million, to be used for exhibits and furnishings, will be fully phased in with the work being undertaken, and will be requested later.

I hope the House acts favorably on this bill to benefit the visitors to Washington. Completion of this Visitor Center will be an enormous asset to the city of Washington, and will facilitate in orientating the visitors to the area. I urge enactment of this bill.

Mr. GRAY. Mr. Chairman, will the gentleman yield?

Mr. GROVER. I yield to the gentleman from Illinois (Mr. GRAY).

Mr. GRAY. Mr. Chairman, I thank the gentleman for yielding. I want the record to show that the gentleman from New York (Mr. GROVER) has worked like a Trojan on this project for the Nation's Capital. This has been bipartisan effort, with no politics involved, for the benefit of the American people.

Mr. Chairman, I want the record to show that the gentleman from New York has been tremendously helpful, and I thank him for it.

Mr. GROVER. Mr. Chairman, I thank the gentleman from Illinois for his kind remarks.

Mr. Chairman, there is one point that I might add here which has not been brought up today. This is an historic landmark piece of architecture which certainly could not be replaced. The land was worth $19½ million in 1967, and I am sure it is worth substantially more today.

I understand the presentation we have in the well, in its inception in 1967 and with the improvements on it, the replacement value would be in the area of $200 million to $300 million. Mr. Chairman, this is one of the best bargains this country has ever had.

**Mr. GROSS.** Mr. Chairman, I make the point of order that a quorum is not present.

**The CHAIRMAN.** The Chair will count.

Eighty-five members are present, not a quorum. The call will be taken by electronic device.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 165]

Adams
Annunzio
Arends
Armstrong
Ashley
Badillo
Barrett
Biaggi
Bray
Breaux
Broyhill, N.C.
Burgener
Burke, Calif.
Camp
Carey, N.Y.
Carney, Ohio
Carter
Clark
Collier
Cotter
Coughlin
Cronin
Davis, Ga.
Dickinson
Diggs
Dingell
Eckhardt
Esch
Evins, Tenn.
Fascell
Fisher
Flynt
Ford, Gerald R.
Fraser
Fuqua
Goldwater
Gubser
Hansen, Wash.
Harsha
Hawkins
Hébert
Heinz
Howard
Hunt
Ichord
Kastenmeier
Landrum
Leggett
McCloskey
McCormack
McKinney
Michel
Milford
Minshall, Ohio
Mitchell, Md.
Mollohan
Mosher
Murphy, N.Y.
O'Neill
Owens
Parris
Powell, Ohio
Price, Ill.
Railsback
Randall
Rarick
Reid
Rooney, N.Y.
Rostenkowski
Roy
Sandman
Sisk
Spence
Stratton
Stuckey
Sullivan
Teague, Tex.
Thompson, N.J.
Waldie
White
Widnall
Wiggins
Wilson, Charles, Tex.
Winn
Young, Ill.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Evans of Colorado, Chairman of the Committee of the Whole House on the State of the Union, having reported that that Committee, having had under consideration the bill H.R. 5857, and finding itself without a quorum, he had directed the Members to record their presence by electronic device, when 347 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

**The CHAIRMAN.** The Chair recognizes the gentleman from Kentucky (Mr. Snyder.)

**Mr. SNYDER.** Mr. Chairman, at the risk of sounding like a broken record on the subject of our monumental building endeavors here in the District of Columbia, may I respectfully point out that we are again called on to vote taxpayers' money to bail out a project which—we were assured vigorously and solemnly—would never cost the taxpayers 1 cent.

Mr. Chairman, I voted for the National Visitor Center Facilities Act when it first passed back in 1967. At that time, as is embarrassingly evident from the permanent Record of November 27, 1967 (page 33741), the chairman of the subcommittee, the gentleman from Illinois (Mr. Gray) observed "We are pleased to announce to the House that the proposal we bring to you today will not require 1 cent of taxpayers' money in the renovation of Union Station, construction of parking" and so forth.

The original device whereby many Members of Congress, myself included, were cajoled into voting for this project was that it would not be another white elephant to be bailed out by the taxpayers. Today we are asked to vote $8,600,000 to do just that. That sum represents over 50 percent of the $16 million maximum cost which was originally to have been incurred solely by the private parties to the agreement. It represents 8½ years of the cost of the original yearly lease, according to estimates at that time by Mr. Gray. That lease cost was supposed to have been paid out of the revenues of the facility—the Federal cost not to have been assumed at all until the Visitor Center, and so forth, was fully operational. As our former colleague from Florida Mr. Cramer, assured us in 1967:

> There will be no payment by the Federal Government due under this legislation until the building and improvements—the improvements on the building and parking facilities—are constructed and available for use.

It is obvious, Mr. Chairman, that this facility is far, far from being "constructed and available for use." And this brings me to another point.

Last year in this Chamber, as we discussed building the Elephantine Civic and Convention Center down here at the bottom of the Hill, one of the prime excuses the administration set forth was that it would be a fitting monument for the bicentennial celebration of 1976. We learned subsequently, of course, that it could not be ready by then.

Back in 1967, Mr. Gray's colleague in this matter, Mr. Cramer, estimated it would be "2 or 3 years" before this project saw completion. I assume there were delays.

Again, the committee report on the present bill contains, on page 3, a reference to President Nixon's February 4, 1972, statement that "such a facility, desirable for all years, becomes indispensable as we look to the bicentennial."

Mr. Chairman, I ask, are we really supposed to believe that this thing would be ready by 1976—any more than the Convention Center will be, or any more than the Visitor Center was ready in 1969 or 1970? I believe we must utterly disregard that plea as a justification.

Some of us have raised repeated objections to D.C. Enterprises such as the R. F. K. Stadium—which has yet to pay off any of its original bonded indebtedness and which is costing the taxpayers upwards of $800,000 per year in interest payments alone—and the Kennedy Cultural Center—which was originally not to cost the taxpayers any money but for which we are paying through the nose—as illustrated by the $7.5 million "maintenance" package we are asked to vote on here today.

What response do we get when we make such objections? In response to one such, back in 1967, Mr. Gray stated that:

> There is absolutely no comparison at all between the District of Columbia Stadium program and this [the Visitor Center] program. . . . We are talking about zero expenditures on the part of the Federal Government.

Six years later we are talking about $8,600,000 more than zero—and the Lord knows how much more we will be called upon to fork over after this initial investment. That is the whole history of these affairs.

As my distinguished colleague and the preeminent prophet of the House, the gentleman from Iowa (Mr. Gross), noted during debate on this center back in 1967:

> The bill will pass and I predict it will haunt some of those who voted for it.

I hope it haunts enough of us for us to realize that we keep getting told these things would not cost us anything so the project can get its foot in the door—and you know the rest.

This is just intolerable, Mr. Chairman. We cannot continue to operate by means of such transparent charades.

I urge my colleagues to remedy this deplorable situation. Let's just forget the whole thing while we still can—before the taxpayers get up to their ears in another fiasco.

The American people who come to Washington are resourceful people—like most Americans. They come to learn. They do not need guided tours everywhere. They do not need $700,000 in audiovisual equipment, or $730,000 in exhibits, or $8 million worth of added fixtures to enjoy our Nation's Capital. They do not need to be spoon fed or led around like lambs. And most especially they do not need another multimillion-dollar boondoggle to pay for—especially these days.

What they may need is more parking facilities. If so, let us turn our attention to that problem—and even to providing "interpretative transportation service"—whatever that means—if indeed there will be, as we are assured in the report with this bill, "no increased Federal expenditures."

**Mr. GRAY.** Mr. Chairman, will the gentleman yield?

**Mr. SNYDER.** I yield briefly to the gentleman from Illinois.

**Mr. GRAY.** Mr. Chairman, since the gentleman from Kentucky mentioned my name, I appreciate him yielding to me. The gentleman is absolutely correct that I made that statement in 1967, and I again say it in 1973. The project that is now being built at the Union Station will not cost the taxpayers a dime. The gentleman must differentiate between that project and what is on the floor today. What is on the floor today is to make improvements that have been requested by the President and the Secretary of the Interior, so I hope the gentleman will not leave the impression that we are asking for seconds on that original project.

**Mr. SNYDER.** That is exactly the impression that I am leaving, because the gentleman is back here now asking for seconds.

**Mr. GRAY.** The gentleman is not correct.

**Mr. SNYDER.** And I would hope that the gentleman from Illinois would not strike that from the record, as the gentleman from Illinois did previously when the gentleman said that I had falsely represented matters on the floor, which I had not; which transcript I have in my pocket if the gentleman would like to see it.

Mr. GROVER. Mr. Chairman, I yield to my colleague, the gentleman from New York, such time as he may consume.

Mr. WYDLER. Mr. Chairman, I rise in support of this proposal.

It was many years ago that I suggested to the House of Representatives that we have a National Visitor Center. I think the idea was sound then, and is sound now. I just want to make this point to my colleagues on this particular bill. Many times for many good causes we are required to take the tax dollars of the people we represent back home and spend them for others. We take our constituents' money and give it to others so that others benefit. This can be justified, of course. But in this particular bill we are being asked to spend the tax dollars of the people back home for their own benefit. It will benefit all those who want to come to the Nation's Capital and enjoy their visit here.

I heartily recommend to my colleagues that they give their support to this legislation.

Mr. GROVER. Mr. Chairman, will the gentleman yield to me?

Mr. WYDLER. I yield to the gentleman from New York.

Mr. GROVER. Mr. Chairman, let me point out the gentleman from New York has mentioned putting the taxpayers' money to the service of the taxpayer. I think we should reflect back on what the gentleman from Illinois said. There has not been one red cent spent on the Visitor Center since 1967, when it came into being through legislation on the floor of the House. Not one penny has been spent; not one visitor has visited that Visitor Center; not one car has parked, because there is no Visitor Center. We are here de novo because we have a new proposal for a Visitor Center in anticipation of the bicentiennial of 1976.

Let me say we have had since the initial legislation millions of footsore visitors—a lot of them my constituents—and I hear about their sore feet and other inconveniences. Do the Members know how much this legislation is going to cost the 200 million Americans per capita, the 200 million per capita of the United States of America? It will cost them exactly 4⅓ cents per capita, and then the annual maintenance after that will cost 2½ cents per capita. That is not an awful lot to spend for my constituents' comfort, safety, and convenience.

Mr. WYDLER. I thank the gentleman from New York.

Mr. FINDLEY. Mr. Chairman, will the gentleman yield?

Mr. WYDLER. I yield to the gentleman from Illinois.

Mr. FINDLEY. Mr. Chairman, it seems to me the money provided in this bill is money well spent. I want to take this opportunity to congratulate my colleagues, the gentleman from Illinois (Mr. Gray) and the gentleman from Illinois (Mr. Grover), for advancing it so well.

Mr. GROVER. Mr. Chairman, I have no further request for time and reserve the balance of my time.

Mr. GRAY. Mr. Chairman, I am privileged to yield 5 minutes to the very distinguished gentleman from Minnesota, the chairman of the committee (Mr. Blatnik).

Mr. BLATNIK. Mr. Chairman, first of all I would like to congratulate the gentleman from Illinois (Mr. Gray), the chairman of the subcommittee, for his leadership of the Subcommittee on Public Buildings and Grounds, and for the Subcommittee's really careful and thorough work. I want the record to show that I was not too enthusiastic about this project when it first started, but I also want the record to show I am very impressed with the thoroughness with which the ideas have been reworked and recast and broken apart and put together again in the reworking. The models we see are merely a small physical piece of evidence of the truly deep and caring thought that has gone into the facilities whose prime objective is to provide service for Mr. and Mrs. America who come here and who do not have the dollars to spend on the big luxury hotels and the valet parking services and the expensive meals.

I have had families drive in by car, with three or four little children in the back seat, perspiring in the hot weather in June, July, and August. They come to my office and they are very grateful when we give them and their children a chance to wash up and rest and get a Coke. They ask me where they can buy hotdogs or hamburgers around here and I have to tell them I do not know of any place.

When I think of the money we are spending in the Commerce Department to try to encourage foreign visitors to come here, and when we think of the money spent on the foreign aid programs abroad. I say for once let us spend some money for Mr. and Mrs. America and let them see their own Capital and the monuments and the scenic beauties of this area and let them be proud of their Nation's Capital.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. BLATNIK. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, the gentleman speaks of the high price of hotel rooms in Washington, and they are high. They are high across the country, including Minnesota, if you want to pay for them. But is it proposed to establish hotel and motel facilities over at this proposed Center with bargain basement prices for rooms?

Mr. BLATNIK. No, the bill has no provisions for hotel or motel accommodations. I am saying that the average Mr. and Mrs. America have an awful time when they come to this town and have to cope with the prices in this town. Conventioners who come here with all expenses paid can afford it, but the gentleman knows how many of our Midwestern people come here by private car, on a very limited budget. They can get a bite to eat at the Visitors Center, wash up, and rest at very little cost. They can leave their car at the Center, see an orientation film, and take public transportation to the Capitol, the Lincoln Memorial, and other visitor attractions, and not have to combat the congested traffic or grope their way around strange streets.

This is a little service, but it means a lot to our out-of-town visitors.

Mr. GROSS. If the gentleman will yield further, I do not know what that argument has to do with this bill, because you say you do not intend to provide room facilities in connection with this, so what in the world does that have to do with it? I would not be surprised to find that the Park Service or the Public Works Committee had something to do with closing down one of the best camping spots in the Washington, D.C., area on the Potomac River. Somebody chased the tourists out of these several years ago.

Mr. BLATNIK. We are not providing that kind of tourist facility. But we must do everything we can to encourage Mr. and Mrs. America, who don't have a conventioner's expense account, to come here to the Nation's Capital, bring their children, and enjoy their stay at minimum expense, in maximum comfort. The Visitor Center will go a long way toward making their stay here meaningful, memorable, and pleasant for them and their children.

Mr. GRAY. Mr. Chairman, will the gentleman yield to me?

Mr. GROVER. I yield to the gentleman from Illinois (Mr. Gray).

Mr. GRAY. Mr. Chairman, I apologize to my colleagues for taking this time, but the gentleman from Kentucky has left two or three impressions which I believe need clearing up.

First of all, more important than this Visitor Center is the credibility of our Committee on Public Works. We have worked on this matter for 8 long years. First, we established a Commission to study the needs of the visitors coming to Washington. Then, in 1967 we passed the original bill. It has been a long, hard time. All throughout the debate, even after President Johnson signed the bill, we have said that the project as it was originally voted in 1967 will not cost the taxpayer any money. We again reiterate that today.

Mr. Chairman, the original project, when passed in 1967, was to accommodate 15 to 20 million visitors. We know that in 3½ short years we will have 40 to 50 million visitors coming here for the bicentennial. So, the President and the Secretary of the Interior, with great foresight, said, "Let us take this project which Congress has voted, and which will not cost the taxpayer any money, and make sure it is going to be adequate."

There is no credibility gap. We are not today saying something different than we said in 1967. We are today saying, "Let us take what we said then and add to it, and make it a project which we can all be proud of, so that we do not have long lines waiting to get into the parking facilities, we do not have long lines waiting to eat in the restaurants, and to get into the other facilities."

Second, the gentleman from Kentucky alluded to this project as a grandiose thing with expensive services. I want to call to the attention of the Members that the old project in 1967 and the new project in 1973 call for over three-fourths of all the money in here to go for parking, ramps, or related work. I reiterate, parking or related work.

Mr. Chairman, this is the real crux of the visitors' problem now. There is no place to park. Look at the buses lined up at the Library of Congress now. There is no place to park. Look at the cars circling the Smithsonian. Dad drives the car around so that the kids and mom can go in to see a few of the displays.

Mr. Chairman, we need parking. Out of the original $16 million for the project, $11 million goes for parking facilities.

Mr. Chairman, I would say to my friend from Kentucky that we are not asking the taxpayers to foot the bill for a big, grandiose project. We are going to construct parking facilities, we are going to build theaters, small theaters that will be inexpensive so that they can see a movie about what there is in this National Capital to see.

So, in summarizing, there is no credibility gap. No. 2, this is a modest project. No. 3, every single dime, my friends, goes to aid your constituents and mine.

The gentleman from Kentucky said that this was a District of Columbia project. This is an All-American project for Illinoisans, Kentuckians, Californians; those people coming here. Look in the galleries. By the thousands they are coming to see the greatest deliberative body in the world, the Congress of the United States, and all the other points of interest.

Mr. Chairman, I say that a vote against this project is a vote against those who sent us here. It is a vote against the convenience of the people who sent us here, against those people who want to come here, see and enjoy their Capital.

Mr. Chairman, I hope the members will vote "aye."

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

> *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the National Visitor Center Facilities Act of 1968 (82 Stat. 43), is amended by inserting after subsection (b) in section 102 the following new subsection:
>
> "(c) In addition to the alterations and construction by the company pursuant to subsection (a) of this section, the Secretary is authorized to undertake, directly or by negotiated contract with the company, its successors, agents, and assigns, such alterations and construction, with regard to the Union Station Building and the adjacent parking facility, as he deems necessary to supplement the activities of the company in providing adequate facilities for visitors under the agreements and leases referred to in subsection (a). The Secretary may exercise the authority under this subsection without regard to whether or not title to the Union Station Building or the airspace adjacent thereto is in the United States: *Provided*, That he shall have entered into an agreement for a lease (but such lease need not have commenced) with the company incorporating the provisions of paragraph (5) of subsection (a) prior to the exercise of the authority under this subsection: *And provided further*, That not to exceed $8,680,000 of the funds authorized to be appropriated in section 109 shall be available for the Secretary to carry out the provisions of this subsection."

Mr. GRAY (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. GROSS. Mr. Chairman , I move to strike the requisite number of words.

Mr. Chairman, I would like the new Members of the House especially to be aware of the fact that they are being called upon today to pick the pockets of their taxpayers for almost $9 million for a white elephant that was proudly touted by the gentleman from Illinois (Mr. GRAY) as a project that "will not require one cent of taxpayers' money."

Yes, indeed, on November 27, 1967, the gentleman from Illinois (Mr. GRAY), fronting out for this so-called Visitor Center, stood in this Chamber and solemnly unburdened himself of the following:

> We are pleased to announce to the House that the proposal we bring to you today will not require one cent of taxpayers' money in the renovation of Union Station, construction of parking, or the construction of a new railroad passenger station to replace Union Station as a train terminal.

Mr. GRAY. Mr. Chairman, will the gentleman from Iowa yield?

Mr. GROSS. When I get through.

Mr. GRAY. I thank the gentleman.

Mr. GROSS. The gentleman has had ample time.

How the rhetoric can change in this center of fantasy known as Washington, D.C. when the Board of Trade goes to work.

The gentleman from Illinois was not alone. The gentleman from California (Mr. DON H. CLAUSEN) was also present that day, and he, too, was long on promising that it would not cost the Nation's taxpayers anything. He said this:

> One of the most gratifying factors about this legislative proposal is that the private sector.

Let me repeat:

> The private sector will finance the very substantial portion of the facilities required.

Messrs. GRAY and CLAUSEN were soon joined on that fall day in 1967 by a gentleman from Illinois (Mr. KLUCZYNSKI) who stated flatly and unequivocally that the so-called Visitor Center

> will come about without cost to the Federal Government and almost guarantees a continuing profit.

Not only a profit, but a continuing profit.

Mr. GRAY was not satisfied with his initial, glowing announcement about the cost, and he arose again to make the statement:

> Mr. Chairman, there is no net cost in the way of capital expenditures.

Then Mr. GRAY added:

> We are not talking about $35 million, we are talking about zero expenditures on the part of the Federal Government.

Still another gentleman from Illinois (Mr. ERLENBORN) came on strong for this project, saying that:

> No Federal funds are involved in the $19½ million estimated cost for the renovation of the Union Station and the construction of the facilities in the Center, the 4,000 parking-space garage, and the new train and rapid rail station under the garage.

In addition to all the wondrous promises to the House and the Nation's taxpayers that were made on the floor that November day in 1967, the report accompanying the bill had an interesting comment. It said this:

> It should be pointed out that under this bill there will be no expenditure of any money—

"Any money," it said—

> by the United States until such time as the facilities of the Visitor Center are available for public use.

One cannot make it any more plain than that, but here they are today looking for nearly $9 million.

Speaking of the report, I want to point out the supplemental views of the gentleman from New Hampshire (Mr. CLEVELAND) who said:

> The scheduling of this proposal is regrettable. I hope that consideration of this matter will be deferred until this Nation's difficult fiscal situation has clarified and other more important legislation is scheduled for House action.

I submit, Mr. Chairman, that the difficult fiscal situation of which the gentleman from New Hampshire spoke in 1967 has, indeed, been clarified.

It has become worse, much worse, and this is no time to be adding nearly $9 million to the load already being borne by the American taxpayer.

The CHAIRMAN. The time of the gentleman from Iowa (Mr. GROSS) has expired.

(By unanimous consent, Mr. GROSS was allowed to proceed for 3 additional minutes.)

Mr. GRAY. Mr. Chairman, I will ask if the gentleman from Iowa (Mr. GROSS) will now yield.

Mr. GROSS. I now yield to the gentleman who made such wonderful promises in 1967. I yield to the gentleman from Illinois (Mr. GRAY).

Mr. GRAY. Mr. Chairman, I thank my friend for yielding.

Let me say that that promise made in 1967 is being fulfilled today. The legislation we have before us today was not requested by the gentleman from Illinois; the legislation was not requested by the gentleman from California (Mr. DON H. CLAUSEN); it was requested by the President of the United States and by your former colleague, the gentleman from Iowa, Mr. Kyl, who now is Assistant Secretary of the Department of Interior. If the gentleman will read the report, he will see his letter verbatim.

Mr. GROSS. Well, the gentleman does not need to quote him to me, because that does not make any particular impression.

Mr. GRAY. Mr. Chairman, I am pointing out how the request came about. The request came from the administration, and they said it is true we are going to get a visitors' center without costing the taxpayers a dime, and we can live with that, however.

Mr. Chairman, if we want to see long lines down there, and if we want our constituents coming up here and saying, "I waited 2 hours to get a parking place, and then I could not get a hot meal at a restaurant, because it was too overcrowded," then perhaps the gentleman is right.

Mr. GROSS. Mr. Chairman, I heard the gentleman say that a while ago. He has fulfilled his promise by coming here today for $9 million.

Let me say something else to the gentleman from Illinois (Mr. Gray). I came to House Chamber early today to get a front row seat, because I thought the gentleman from Illinois would be here to tell us that he was going to recall that bill to provide 8,000 more seats in the Kennedy Stadium that we are going to pay for eventually.

Desipte what the gentleman told us, nobody around here is being kidded by the fact the gentleman says we are not going to have to pay for those seats in the end. But now that Joe Danzansky and the other two millionaires have a baseball club coming to town, why the devil not let them pay for those 8,000 seats? Is there anything wrong with those in District of Columbia doing something for themselves once in a while, since they are getting all of the gravy from the tourists? Why should they expect my taxpayers and the taxpayers from southern Illinois—and I doubt if they want any more tax increases down in southern Illinois—to pay for projects of this kind?

Why not let the District of Columbia take care of some of these things. They get all the manna from the tourists.

Mr. GRAY. Mr. Chairman, will the gentleman yield to me?

Mr. GROSS. Surely, I yield to the gentleman from Illinois (Mr. Gray).

Mr. GRAY. Mr. Chairman, that is exactly what we are doing with the 8,000 seats; we are letting the sports fans pay for them. There is not a dime of taxpayers' money involved.

Mr. GROSS. Mr. Chairman, that will be the day. The gentleman is back with a request for $9 million more on this project, and this is just a foot in the door.

I say to the Members of the House, Republicans and Democrats alike, that this is a foot in the door, and the gentleman from Illinois (Mr. Gray) will be back for more. He said he was not coming in for more money in 1967; yet he is here today asking for $9 million.

Mr. GRAY. Mr. Chairman, will the gentleman yield further?

Mr. GROSS. Of course, I yield to the gentleman from Illinois, if I have time remaining.

Mr. GRAY. I have a joke for you.

The CHAIRMAN. The time of the gentleman from Iowa (Mr. Gross) has expired.

Mr. GROSS. Mr. Chairman, I did not understand the gentleman.

Mr. GRAY. I have a joke for you, if the gentleman can get unanimous consent to proceed further.

Mr. GROSS. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute.

I do not know whether the joke is going to be on the gentleman from Illinois or the gentleman from Iowa. I think he has already played a joke on us with this bill.

(By unanimous consent, Mr. Gross was allowed to proceed for 1 additional minute.)

Mr. GRAY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Illinois (Mr. Gray).

Mr. GRAY. Mr. Chairman, here is the story:

There was an old maid riding on a train when all of a sudden they went into a dark tunnel, and in the tunnel a man leaned over and kissed her.

When they reached the end of the tunnel and came into the light, he was a little embarrassed, so he struck up a conversation. He said, "Say, do you know that tunnel we just went through cost over a million dollars?"

The old maid said, "It was worth every penny of it."

I guarantee that this project is going to be worth every penny it costs the taxpayers.

Mr. GROSS. Mr. Chairman, it appears this has now been turned into a sex bill.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Kentucky (Mr. Snyder).

Mr. SNYDER. And we are getting "kissed" today.

Mr. Chairman——

The CHAIRMAN. The time of the gentleman from Iowa (Mr. Gross) has expired.

### AMENDMENT OFFERED BY MR. SNYDER

Mr. SNYDER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Snyder: On line 8, after "directly" insert "by competitive bidding".

Line 8, after "or" insert ", if he deems it to be in the best interest of the United States,".

Mr. GRAY. Mr. Chairman, will the gentleman yield?

Mr. SNYDER. I yield to the gentleman.

Mr. GRAY. We have examined the amendment. It allows a competitive and negotiated bid consistent with the Secretary's wishes. We are prepared to accept the amendment, because we think it will improve the bill.

Mr. GROVER. Mr. Chairman, will the gentleman yield?

Mr. SNYDER. I yield to the gentleman.

Mr. GROVER. The minority concurs.

Mr. SNYDER. Thank you.

I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kentucky (Mr. Snyder).

The amendment was agreed to.

Mr. DERWINSKI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, it was not intention to participate in this debate, since I know that the committee has given it enough attention, but the gentleman from Iowa in the process of using some time a moment ago made reference to three very distinguished Members of the Illinois delegation, Mr. Gray, Mr. Kluczynski, and Mr. Erlenborn, and State pride requires that I rally to their support.

As I understand the situation, this Visitor Center. as the gentleman from New York pointed out, will be serving all of our constituents from all of the 50 States. When we break it down on a per capita basis, it is not exorbitant in cost. I say to the gentleman from Iowa $9 million seems like a staggering sum, but I am sure that if we can arrange with the leaders of the DSG to drop some of their wild-eyed spending schemes and save $9 million in that fashion, we can properly spend it on the Visitor Center.

Quite frankly, I think it is a shame that our Nation's Capital has not more adequately served the visitors to it in the past. This development is long, long overdue.

I look upon it as a very practical and timely investment. It is in the best interests of all of our constituents in the country.

The language that the gentleman from Kentucky just added to the bill makes that point. I think this bill will represent as fine an investment in an understanding of our Nation's Capital and therefore the history of our country as we can make, and give our constituents an appreciation of the greatness of this city and our land. I look upon it in a positive light. I do not think this is a place to wage a battle for economy.

I commend the gentleman from Illinois (Mr. Gray), and the other members of the committee for bringing forth this piece of legislation.

Mr. CONABLE. Will the gentleman yield?

Mr. DERWINSKI. I am glad to yield to the gentleman.

Mr. CONABLE. I would like to associate myself with the remarks of the gentleman in the well even though he is from Illinois.

Mr. DERWINSKI. In Illinois we have been known to rise when the occasion really demands it, and I am sure the gentleman recognizes that even though he comes from a State which I thought should have been cut off and left adrift in the ocean way back in 1964.

Mr. BAKER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of this legislation.

I would like to attest firsthand to the possibility which exists in the type of structures we have at Union Station. In Chattanooga, Tenn., we have an old massive terminal referred to as the terminal station of Chattanooga for many years. I had the opportunity to be in the terminal station last week. Incidentally, it contains the largest masonry arch in the world, so you can visualize the type of structure we have there. It has been beautifully restored and decorated and can now accommodate as a commercial enterprise 1,400 persons who can dine there in rooms which can be separated for meeting purposes. There are beautiful gardens in the rear where tracks once came up to the platform. There are old railroad cars for youngsters to view who have never had the opportunity of riding a passenger train.

We have spent $2 million in private funds there for an enterprise which is referred to as the Chattanooga Choo-Choo.

I will say to you that this project can well be worth any amount of money which we put into it if we spend it prudently for the comfort and accommodation of the visitors who come to Washington, D.C.

Mr. Chairman, I certainly appreciate and support the work that the chairman of the committee and the ranking member, the gentleman from New York (Mr. GROVER) have done.

Mr. GRAY. Mr. Chairman, will the gentleman yield?

Mr. BAKER. I yield to the distinguished gentleman from Illinois.

Mr. GRAY. Mr. Chairman, I want to thank our distinguished colleague, the gentleman from Tennessee (Mr. BAKER) who serves so well on our committee, for his statement, and for the contributions that the gentleman has made as a member of the Committee on Public Works, and to say that he is a very valuable member of that committee.

Mr. BAKER. I thank the gentleman for his remarks.

### AMENDMENT OFFERED BY MR. GROSS

Mr. GROSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GROSS: On page 2, strike all of lines 4 through 15 and insert the following:

"(a). The Secretary shall exercise the authority under this subsection only if title to the Union Station Building and the airspace adjacent thereto is vested in the United States."

Mr. GROSS. Mr. Chairman I do not know whether the gentleman is still in the room—but I am not at all surprised at the remarks made by the gentleman from Illinois (Mr. DERWINSKI) when the gentleman remarked that this was only $9 million, just a little dribble of the public's cash. I guess that trip he made to the United Nations as Ambassador really made a change in the gentleman. He has never been quite the same since.

I do not know how many coal miners in southern Illinois or the central part of Illinois, if there are any up there in the region of Chicago, it takes, paying the average income tax to put together $9 million. It would be interesting to know, would it not? Does anyone have any idea?

I see the gentleman from Illinois is here. I am glad to note the gentleman's presence. Could the gentleman from Illinois enlighten me on that subject as to how many of the gentleman's taxpayers it takes, paying the average Federal income tax, to put together $9 million, since it is such an infinitesimal amount of money?

Mr. DERWINSKI. Mr. Chairman, if the gentleman will yield, I understand that it is 3.5 cents, based on the normal congressional population.

But I may say to the gentleman from Iowa that my concern for my constituents also stems from the fact that many of them come into my office and complain about the problems that they face as tourists, and they especially grumble about the necessity on their part to direct lost constituents from Waterloo, Iowa.

Mr. GROSS. Mr. Chairman, I wonder if the gentleman from Illinois would support an amendment to the bill providing for cutting our contribution to the gentleman's favorite charity, the United Nations, to cut our contributions some $9 million?

The last time on that, as I recall, the gentleman from Illinois was not about to tolerate any cut in the United States contribution from the taxpayers of this country, to that wonderful windbag known as the United Nations.

Mr. DERWINSKI. If the gentleman from Iowa will yield further, I am pleased to advise the gentleman from Iowa that the Secretary-General of the United Nations has no objection to this bill.

Mr. GROSS. I am not at all surprised when the gentleman said $9 million was a mere drop in the bucket, and I gained from that that the gentleman is probably prepared to spend $9 or $10 or $15 or $20 million on this white elephant.

Mr. Chairman, the amendment that I have offered would strike the language on page 2, lines 4 through 15. I just happen to think that before we go any further with this thing we ought to have title to some of the property that we are putting money into. That is what this amendment does. Further, it takes out the $8 million, wipes that out. After we have some kind of title to some part of the property so that we have some equity for what we put in it, then the gentleman from Illinois can come back and submit his bill for the $8.6 million and some odd dollars in this bill. That is all the amendment does. It is simple, and it is in the interest of the taxpayers.

Now, I suspect that the Members will vote that down, too.

Mr. GRAY. Mr. Chairman, of necessity I rise in opposition to the amendment. If my memory serves me correctly, back in 1967 in colloquy we had here on the floor, the gentleman wanted assurances that we were not buying Union Station. Here today he is saying, Do not pay anything without coming back with a title.

Mr. GROSS. We should not put any money in it without a title; that is why.

Mr. GRAY. We already have a commitment for $16 million. A contract has been awarded, so we are a little bit beyond that stage. The gentleman is saying, Come back here with a title to Union Station. In 25 years, without putting out a cent, the taxpayers of this country will own Union Station and all the land and the parking facility, and all they will be out will be $3½ million per year. We have an option to buy in advance, but I do not think we want to put up $19½ million cash to buy that station. We want to lease it.

The gentleman's amendment would simply say: Go pay for it now, and come back with a title, and that would mean $19½ million of taxpayers' dollars and expenditures versus a modest $8.6 million in this bill. So I think the gentleman's amendment would do serious damage to the project and cause us to have to bust the budget, as it were, for $19½ million, so I ask for a "no" vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa (Mr. GROSS).

The amendment was rejected.

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: Page 2, line 16, add the following:

SEC. 2. The National Visitor Center Facilities Act of 1968 (82 Stat. 43) is amended by revising section 104 to read as follows:

"SEC. 104. The Secretary is directed to utilize the authority under the Act of August 25, 1916 (39 Stat. 535), as amended and supplemented (16 U.S.C. 1 et seq.), to provide interpretive transportation services between or in Federal areas within the District of Columbia and environs, including, but not limited to, transportation of visitors on, among, and between the Mall, the Ellipse, the National Visitor Center, John F. Kennedy Center for the Performing Arts, and East and West Potomac Park, and such other visitor facilities as may be established pursuant to this Act, and, with the concurrence of the Architect of the Capitol, to provide such services on, among, and between such areas and the United States Capitol Grounds. The Secretary shall determine that such services are desirable to facilitate visitation and to insure proper management and protection of such areas. Such interpretive transportation services shall, not withstanding any other provision of law to the contrary, be deemed transportation by the United States and shall be under the sole and exclusive charge and control of the Secretary."

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. EVANS of Colorado, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 5857) to amend the National Visitor Center Facilities Act of 1968, and for other purposes, pursuant to House Resolution 405, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 288, nays 75, not voting 69, as follows:

[Roll No. 166]

YEAS—288

Abdnor
Abzug
Addabbo
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Ashley
Aspin
Bafalis
Baker
Barrett
Bell
Bergland
Bevill
Biester
Bingham
Blackburn
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Brasco
Breaux
Breckinridge
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Ohio
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Burton
Butler
Byron
Carey, N.Y.
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clark
Clausen, Don H.
Clay
Cochran
Cohen
Conable
Conte
Corman
Culver
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Wis.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dent
Derwinski
Donohue
Dorn
Downing
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Eshleman
Evans, Colo.
Fascell
Findley
Fish
Flood
Flowers
Foley
Ford, William D.
Forsythe
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Gaydos
Gettys
Giaimo
Gibbons
Ginn
Gonzalez
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gude
Guyer
Hamilton
Hammerschmidt
Hanley
Hanna
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harrington
Harvey
Hastings
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hogan
Holifield
Holt
Holtzman
Horton
Hosmer
Howard
Huber
Hungate
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Jordan
Karth
Kazen
Keating
Kluczynski
Koch
Kyros
Lehman
Lent
Litton
Long, La.
McClory
McDade
McEwen
McFall
McKay
McKinney
Macdonald
Madden
Madigan
Mahon
Mailliard
Mallary
Mann
Maraziti
Mathias, Calif.
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Miller
Mills, Ark.
Minish
Mink
Mitchell, N.Y.
Mizell
Moakley
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Natcher
Nelsen
Nichols
Nix
Obey
O'Hara
Parris
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Podell
Preyer
Pritchard
Quie
Quillen
Rees
Regula
Reuss
Rhodes
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Roush
Rousselot
Roybal
Ruppe
Ruth
Ryan
St Germain
Sarasin
Sarbanes
Saylor
Sebelius
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steiger, Wis.
Stephens
Stokes
Stubblefield
Studds
Symington
Talcott
Taylor, Mo.
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thornton
Tiernan
Udall
Ullman
Van Deerlin
Vander Jagt
Veysey
Waggonner
Walsh
Wampler
Ware
Whalen
Whitehurst
Whitten
Widnall
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wolff
Wright
Wyatt
Wydler
Wylie
Yates
Yatron
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—75

Alexander
Archer
Armstrong
Ashbrook
Beard
Bennett
Brinkley
Brown, Mich.
Clancy
Clawson, Del
Cleveland
Collins
Conlan
Conyers
Crane
Daniel, Dan
Davis, S.C.
Dennis
Devine
Drinan
Fountain
Gilman
Goodling
Gross
Gunter
Haley
Hinshaw
Hudnut
Hutchinson
Jarman
Jones, Okla.
Kemp
Ketchum
King
Kuykendall
Landgrebe
Latta
Long, Md.
Lott
Lujan
McCollister
McSpadden
Martin, Nebr.
Martin, N.C.
Mathis, Ga.
Mayne
Mitchell, Md.
Montgomery
Moorhead, Calif.
Mosher
Myers
O'Brien
Passman
Poage
Price, Tex.
Rangel
Runnels
Satterfield
Scherle
Schneebeli
Schroeder
Snyder
Steelman
Steiger, Ariz.
Symms
Teague, Calif.
Thone
Towell, Nev.
Treen
Vanik
Vigorito
Wyman
Young, Alaska
Young, Fla.
Young, Ga.

NOT VOTING—69

Adams
Annunzio
Arends
Badillo
Biaggi
Bray
Broyhill, N.C.
Burke, Calif.
Burke, Mass.
Camp
Carney, Ohio
Carter
Collier
Cotter
Coughlin
Cronin
Davis, Ga.
Dickinson
Diggs
Dingell
Esch
Evins, Tenn.
Fisher
Flynt
Ford, Gerald R.
Fraser
Fuqua
Goldwater
Gubser
Harsha
Hawkins
Hébert
Hunt
Ichord
Kastenmeier
Landrum
Leggett
McCloskey
McCormack
Michel
Milford
Minshall, Ohio
Mollohan
Murphy, N.Y.
Nedzi
O'Neill
Owens
Powell, Ohio
Price, Ill.
Railsback
Randall
Rarick
Reid
Rooney, N.Y.
Rostenkowski
Roy
Sandman
Seiberling
Spence
Stratton
Stuckey
Sullivan
Teague, Tex.
Waldie
White
Wiggins
Wilson, Charles, Tex.
Winn
Young, Ill.

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Annunzio for, with Mr. Rarick against.

Mr. O'Neill for, with Mr. Winn against.

Mrs. Burke of California for, with Mr. Spence against.

Mr. Esch for, with Mr. Powell of Ohio against.

Mr. Hébert for, with Mr. Michel against.

Mr. Rostenkowski for, with Mr. Hunt against.

Mr. Fraser for, with Mr. Bray against.

Mr. Hawkins for, with Mr. Cronin against.

Mr. Kastenmeier for, with Mr. Sandman against.

Mr. McCormack for, with Mr. Camp against.

Mr. Mollohan for, with Mr. Carter against.

Until further notice:

Mr. Murphy of New York with Mr. Gerald R. Ford.

Mr. Rooney of New York with Mr. Arends.

Mr. Fuqua with Mr. Broyhill of North Carolina.

Mr. Teague of Texas with Mr. Young of Illinois.

Mr. Cotter with Mr. Coughlin.

Mr. Davis of Georgia with Mr. Dickinson.

Mr. Waldie with Mr. Goldwater.

Mr. Charles Wilson of Texas with Mr. Wiggins.

Mr. Nedzi with Mr. Railsback.

Mr. Leggett with Mr. Gubser.

Mr. Diggs with Mr. Carney of Ohio.

Mr. Dingell with Mr. Badillo.

Mr. Flynt with Mr. Biaggi.

Mr. Randall with Mr. McCloskey.

Mr. Burke of Massachusetts with Mr. Collier.

Mr. Adams with Mr. Evins of Tennessee.

Mr. Milford with Mr. Fisher.

Mr. Ichord with Mr. Landrum.

Mr. Owens with Mr. Seiberling.

Mr. Reid with Mr. Stratton.

Mr. Roy with Mr. Stuckey.

Mrs. Sullivan with Mr. White.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## PERSONAL EXPLANATION

Mr. BURKE of Massachusetts. Mr. Speaker, on Rollcall No. 166 I was inadvertently detained at the House Ways and Means Committee hearing on trade legislation. Had I been present I would have voted "yea."

## PERSONAL EXPLANATION

Mr. BRECKINRIDGE. Mr. Speaker, I was on the House floor on Tuesday, May 22, when H.R. 7200 came up for a vote. I voted for it, although I had reservations about title II relating to interstate and intrastate rates. However, for some reason the computer failed to register my vote.

## GENERAL LEAVE

Mr. GRAY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

## JOHN F. KENNEDY CENTER MAINTENANCE FUNDS

Mr. GRAY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5858) authorizing further appropriations to the Secretary of the Interior for services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Illinois.

The motion was agreed to.

### IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 5858, with Mr. Evans of Colorado in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Illinois (Mr. Gray) will be recognized for 30 minutes, and the gentleman from New York (Mr. Grover) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Illinois.

Mr. GRAY. Mr. Chairman, H.R. 5858 is a simple extension of an already existing law, the John F. Kennedy Center Act, to provide maintenance, security, information, interpretation, janitorial and all other services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts. This work is now being performed by the National Park Service; however, last year many Members expressed their wish that the authorization be for only 1 year. Therefore, the authority for the National Park Service to police and maintain the nonperforming arts functions at the JFK Center expires June 30, 1973. The bill before you would merely extend this authorization for 3 additional years. Our committee felt it inadvisable to give an open-ended authorization we would have some control over this important project, hence the 3-year authorization. The funds to pay for these services are in the President's budget and the Appropriations Committee is waiting for this authorization before they can mark up the $2.4 million requested for this purpose.

Mr. Chairman, the Kennedy Center is the second highest visitation point in Washington. More than 25 thousand persons per day are going through the Center. This is exclusive of those attending the performing arts functions in the evening. We are treating this memorial to President Kennedy exactly in the same manner we are treating the other memorials in Washington such as the Washington Monument, Jefferson Memorial, Lincoln Memorial, et cetera. I strongly encourage my colleagues to support this bill requested by the administration.

We are treating this memorial to President Kennedy in exactly the same manner as we are treating the other memorials in Washington, such as the Washington Monument, the Jefferson Memorial, the Lincoln Memorial, et cetera.

Mr. GROVER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of H.R. 5858, a bill authorizing appropriations for the National Park Service to carry out the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts. This bill, limited to 3 fiscal years, would authorize approximately $2.4 million in fiscal year 1974, $2.5 million in fiscal year 1975, and $2.6 million in fiscal year 1976. The administration has requested this action. The appropriation would be a line-item request, so the Park Service will respond to annual congressional appropriation oversight.

Mr. Chairman, I concur in the remarks of my colleague, the gentleman from Illinois (Mr. Gray), in his presentation of the basics of this legislation.

I had some reservations about the legislation in its conception some years ago, although I did support it. I can see now the productivity of the Center. The separation of the maintenance and the security functions from the nonperforming and the performing arts functions, I think, is a satisfactory arrangement.

Mr. Chairman, I might say that the gentleman informed us that there were some 24,000 visitors a day. In April alone there were 254,652 visitors, in a short month, who went through the Kennedy Center. It is anticipated that this will increase, and the coordinators of the Kennedy Center will provide fine services for visitors.

In addition to that, I would like to point out that there are many special functions. For example, during the past year as many as 74,000 schoolchildren have attended daytime concerts at the Kennedy Center.

We expect this figure of visitors will rise to as many as two and one-half million visitors per year in the Kennedy Center. I think for the amount of money involved, when we consider that we had the construction and improvements made to the National Zoological Park to accommodate the pandas and other denizens of the jungle for over $4 million, I think we have a good bargain here.

This bill would not allow any money to be spent on the performing arts functions at the Kennedy Center, and it would not allow any money to be spent on the building construction per se, but will allow money to be spent for security and maintenance of keeping the building open to the general public during daylight hours as a national monument.

Last year, Congress passed the Public Buildings Act of 1972, Public Law 92-313, which contained a 1-year authorization for the National Park Service to carry out the nonperforming arts functions of the John F. Kennedy Center. This national memorial to our late President, just as other memorials, required maintenance and protection. We feel that the National Park Service, since it has jurisdiction over the Washington Monument, the Jefferson Memorial, the Lincoln Memorial, and all other national monuments throughout this city and country, should be the custodian of this monument to the late President Kennedy. Since they have given exemplary service to other monuments, it should be the proper role of the Park Service to include the Kennedy Center in its jurisdiction. The Secretary of the Interior entered into an agreement with the board of trustees for these purposes. The experience has been successful.

The center is currently worth over $70 million and visitation to the center surpassed 2.5 million visits last fiscal year, second only to the Capitol.

During the month of April alone, the Park Service estimates visitor count at 254,652—this does not include the thousands of theatergoers, nor does the figure cited above. As an example of the center's multipurpose aspect, approximately 26,000 people participated in inaugural activities during the 3-day period from January 18, through January 20.

When the center first opened, minor vandalism, or "souvenirism" left holes in the carpet and drapes, and resulted in many bathroom fixtures and doorknobs missing. The center needs additional minor repairs from time to time, all of which requires maintenance men. The Department of Interior predicts that 80 employees would be required, including guards, Park Police officers, engineers, carpenters, plasterers, and the like.

The Kennedy Center board of trustees favor continuing this arrangement. The board will continue to reimburse the Interior Department of maintenance needs in connection with the performing arts functions.

I urge the enactment of this bill.

Mr. GRAY. Mr. Chairman, I yield such time as he may consume to our distinguished chairman, the gentleman from Minnesota (Mr. Blatnik).

Mr. BLATNIK. Mr. Chairman, I rise in support of H.R. 5858. This legislation authorizes the Secretary of the Interior to continue for another 3 years the maintenance and other essential services that are involved in the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts.

A year ago, we authorized appropriations for this purpose for a term of only 1 year, fiscal year 1973, so that our Public Works Committee would be able to review the operation before granting a more extended authorization. We found this to be a very workable arrangement; it enabled us to take a good, long look at the operation and to familiarize ourselves with the necessary services—such things, in addition to maintenance, as security, information for visitors, guided tours, and interpreters for visitors from foreign lands. These are basically the same services provided for all other monuments here in the Nation's Capital, and I believe they are justified for the non-performing arts activities of the Kennedy Center. The center, I am told, has become one of the most popular attractions in Washington, second only to the U.S. Capitol. About 2.5 million people come to visit the center each year—not counting those who attend the various performances staged there—and during the past year 74,000 school children attended daytime concerts there under the sponsorship of a number of arts organizations in the District of Columbia.

Mr. Chairman, this legislation is clearly in the national interest; it will enable us to maintain the center as a fitting memorial for millions of Americans and for visitors from all parts of the world. I urge passage of H.R. 5858.

Mr. GROVER. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa (Mr. Gross).

Mr. GROSS. Mr. Chairman, I suppose I have been around here too long, because I well remember the start of this venture.

This one, too, was not supposed to cost the Federal Government any money. It started out as a plain cultural center to be built and maintained by private contributions and fell flat on its collective face. So Congress got into it, thanks to the Committee on Public Works and others, and the country's taxpayers now have close to $50 million invested in the cultural center. In the meantime it was named the Kennedy Cultural Center following the death of President Kennedy, and again it fell flat on its financial face. The money still could not be raised by popular subscription. So there is now close to $50 million invested drained from the taxpayers and dumped into this so-called cultural center.

And the taxpayers of the country are apparently going to be called upon from now on until this thing folds to put up anywhere from $2.4, $2.5, and $2.6 millions for the next 3 fiscal years, as I understand the report. And for what? For the hiring of building engineers, carpenters, plasterers, painters, gardeners, plumbers, electricians, and others.

I do not know whether, like the visitor center, Federal funds will be approved for baby sitters and interpreters before they get through. It will not surprise me if they get into that and thus increase the cost to the taxpayers.

In other words, there is to be 15 man years of seasonal personnel, whatever that means. I would like to hear some explanation as to why, for instance, the taxpayers of this country should be paying for gardeners. Moreover, this money is being turned over to the Department of the Interior which couldn't even manage the Bureau of Indian Affairs building last fall, and I doubt that they can do a better job with the cultural center.

Additionally, I seriously question financing this deal for 3 fiscal years. Why not limit it to 1 fiscal year and take a look at what has happened after spending $2.4 million. Let's see how well the Department of the Interior handles this thing.

Mr. Chairman, I intend to offer an amendment to limit it to 1 fiscal year and cut the appropriation.

But I do not know why we should be contributing to this cultural center at all. I would hope somebody would provide a reasonable answer as to why we have to do that for the nonperforming arts. There is no way you can separate the nonperforming arts from the so-called performing arts in terms of the expenditure of this Federal money. But here we go again with a deal that was not supposed to cost the Government anything.

As a matter of fact, I have a newspaper clipping—I save things—and this clipping is getting a little on the yellow side. It is dated the 6th month, the 4th day of 1969, and it is from the Washington Star. It reads as follows:

> The House Public Works Committee gave its approval today to the spending of $20 million in added funds for the John F. Kennedy Center for the Performing Arts.
>
> But in reporting out a bill by a vote of 22 to 6 to authorize the government's portion of the additional spending, the committee put the Center on notice that "this is it" for the Federal Government's financial participation.

So, here we go again, $2.4 million in the next fiscal year, $2.5 million in the 1975 fiscal year, and then $2.6 million in the 1976 fiscal year, and the Lord only knows whether it will be in orbit in the 1977 fiscal year, or where it will be.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. GRAY. Mr. Chairman,, I yield myself 1 minute in order to answer the inquiries of the gentleman from Iowa (Mr. GROSS).

What the gentleman from Iowa is referring to was for more construction money. The gentleman from Iowa is talking about constructing the facilities that were completed.

This money, as I am sure the gentleman from Iowa knows, is needed for maintenance and security, and we are treating this monument the same as we treat the Smithsonian, the same as we treat the Washington Monument, the Lincoln Memorial, and the Jefferson Memorial. There is no construction requested in this bill.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. GRAY. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, I submit that the news story on this subject says nothing about construction. "This is it," it says.

Mr. GRAY. We were talking about construction at that time and if the gentleman from Iowa will read further on in that article he will see where that was for parking facilities, and that money is being repaid. That parking lot is filled every night, and the bonds should all be on schedule, and that money will be recouped to the taxpayers.

Mr. GROSS. Mr. Chairman, will the gentleman yield further?

Mr. GRAY. I will be delighted to yield to the gentleman from Iowa.

Mr. GROSS. How much of a cut is the ITT parking outfit, that famous ITT, how much of a cut are they taking out of it? How much does it get?

Mr. GRAY. In response to the gentleman from Iowa let me say that I have no idea what the percentage is. Our committee is not responsible for the operation of the performing arts functions at the facility.

Mr. GROSS. Will the gentleman yield further?

Mr. GRAY. I yield further to the gentleman from Iowa.

Mr. GROSS. That outfit is so flat on its face over there that it turned back the seats in the place, did they not, and they are now leasing them and paying a premium for that leasing?

Mr. GRAY. Is the gentleman from Iowa referring to the Kennedy Center itself?

Mr. GROSS. That is correct.

Mr. GRAY. Oh, no; it had over $500,000 net profit the last fiscal year.

Mr. GROSS. I do not believe that is quite right.

Mr. GRAY. It is. The Center itself is paying for the performing arts because from these functions $588,000 is being paid to the Center from the evening performances through the performing arts functions as they relate to police and maintenance costs.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. GRAY. Mr. Chairman, I yield myself 1 additional minute.

Mr. Chairman, what we are talking about here is the daytime functions of the Center, that of keeping it open for the gentleman's constituents and my constituents, those who want to go there and visit the monument part, the nonperforming arts part.

Mr. GROSS. If the gentleman will yield further, all I am trying to say—and I will get those figures when I get back up there, and when I get some time under the 5-minute rule I will give them to the House, as best I can. But all I am trying to say is that if they were practicing good management in this cultural center they would have some money to do so, and without taking the money from the taxpayers of our country, and all of them. And a lot of them will never see this cultural center, and never will want to see it; they do not want to see it, but they are being hooked, they are being hooked to pay for it.

Mr. GRAY. Mr. Chairman, I think that my distinguished friend, the gentleman from Iowa (Mr. GROSS) is a little bit confused as to what we are doing here. We are not asking the taxpayers to pay 1 cent for the performing arts functions of the John F. Kennedy Center, the Center is paying it themselves, their light bills, their police costs, and their maintenance bills. What this authorization is for is to take care of our constituents, and if it were not for these tourists they would not be requesting these funds because the evening performances, starting at 8 o'clock, take care of their own expenses, and they would not have to have the police there in the daytime, and they would not have to have guards and maintenance men there in the daytime. They are doing it because 25,000 constituents are going down there and knocking at the door, and wanting to learn about this monument to President Kennedy.

The gentleman is commingling the two arguments of the performing arts with the nonperforming arts.

Mr. Chairman, I yield 5 minutes to the gentleman from New Jersey (Mr. THOMPSON).

Mr. THOMPSON of New Jersey. Mr. Chairman, I might say to my distinguished friend, the gentleman from Iowa, that it is a fact that he is apparently confused between the two functions of the Center. Three of the Members of the House who are trustees are in the Chamber: Mr. RONCALIO, Mr. FRELINGHUYSEN, and myself. Within the last 3 weeks we had a board meeting. I can attest to the fact that it was shown in our accounts—board meetings are very well attended—that the performing arts function of the Center has been spectacularly and unexpectedly, I might say, successful. It has had a net profit in excess of $500,000.

I happen to be the original author of the legislation, and, with the senior Senator from Arkansas, the cosponsor of the legislation which made it the memorial to the late President Kennedy. We never expected ever that it would become the second greatest tourist attraction in the Nation's Capital. One need only go down to the Center each and every morning to see virtually innumerable buses of schoolchildren from the nearby communities within striking distance or driving distance going through.

As a matter of fact, following the last board meeting, the gentleman from Wyoming (Mr. RONCALIO) and I were headed back toward the Capitol when we saw not less than eight buses of youngsters unloading to tour the memorial to President Kennedy.

The fact is that we never anticipated the actual wear and tear on the building. The volume of traffic is so heavy that the carpets have all had to be replaced in the Great Hall not less than twice, I believe. It is a spectacularly successful memorial. The moneys which this legislation called for are not in any sense at all to pay for a deficit for either parking or the performing arts. It is simply a matter of policing, a matter of guiding, and, incidentally, we have mostly volunteer guides. With respect to the gardeners, less gardening is done there than there is in the approach to the Pentagon. I suppose we could employ goats or other livestock, or sheep, to trim the grass, but we do not have that much grass. Certainly the place has to be kept up. It is a memorial.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from Iowa.

Mr. GROSS. That is the thing that is incomprehensible to me. This is a part of the maintenance of the place at which the performing arts can perform; is that not true? What do the plasterers plaster, and what do the electricians wire, and what do the gardeners garden if they do not contribute to the upkeep of the place; will the gentleman tell me?

Mr. THOMPSON of New Jersey. Unhappily, the police force was inadequate to begin with, and there has been a considerable amount of damage done to the building by tourists.

The plasterers, I assure the gentleman, are not plastered but are plastering. The gardeners are gardening. The guards are guarding. We cannot have a stream of thousands of people a day going through a national memorial without it being policed and protected.

Yes, indeed, in the evenings there are very few tourists, although they are not excluded. Tourists are not excluded at any time, but the fact is that during the day largely there are not performances except for occasional matinees. The Eisenhower Theater and the Concert Hall and the Opera Hall are nearly 100 percent utilized. There is more utilization of the performing arts part of the Kennedy Center than in any other theater in the United States today.

Not only that, but also youngsters who would otherwise never see a live performance are given the opportunity to do so through the voluntary contributions of the friends of the Kennedy Center. What I am saying in short is that we have two separate factors here. One is the performing arts, which is self-sustaining along with the garage; and second there is the memorial aspect of it which must be kept open for the public since it is as a nation's memorial to the late President and must be maintained as a national monument.

Mr. TEAGUE of California. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from California.

Mr. TEAGUE of California. Mr. Chairman, I understand the distinction the gentleman is making. I wonder if he or the gentleman from Illinois (Mr. GRAY) has any information on the maintenance cost of the Lincoln Memorial and the Jefferson Memorial and the Washington Monument.

Mr. GRAY. Mr. Chairman, if the gentleman will yield, yes. We must remember this is a much larger facility than the others the gentleman from California mentions, but last year it cost $631,900 to maintain the Washington Monument; it cost $391,300 to maintain the Lincoln Memorial; and it cost $341,000 to maintain the Jefferson Memorial. These are just outdoor monuments. There is another one which we should consider, which is a shocker. Last year we appropriated $56,438,000 in guard and information services for the Smithsonian.

Mr. TEAGUE of California. That is $56 million?

Mr. GRAY. That is $56 million for the Smithsonian. Apparently $2.4 million we are asking for the Kennedy Center would indicate there is no disparity here in any sense.

Mr. THOMPSON of New Jersey. Mr. Chairman, I thank the gentleman very much.

I urge the passage of this meritorious legislation.

Mr. GROVER. Mr. Chairman, I yield myself 1 minute.

I wish to stress the fact that the Smithsonian Institution's $56 million was for salaries and expenses, and the appropriation for the total for the Smithsonian complex was $78,805,000.

Mr. GRAY. Mr. Chairman, if the gentleman will yield, I am glad the gentleman brought that out. I was only talking about the expenses for salaries out of the $78 million total, and $9 million is just to set up museum programs each year. That is, they put up displays and different types of museum programs such as the Folk Festival and other things they have on the Mall. So I think we can say that $2.4 million is not being extravagant in any sense for the Kennedy Center.

Mr. GROVER. I would repeat in contrast that for the Zoo and the Zoological Gardens then are appropriated more than $4 million.

Mr. GRAY. That is correct.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the second sentence of subsection (e) of section 6 of the John F. Kennedy Center Act (72 Stat. 1968), as amended, is amended to read as follows: "There are hereby authorized to be appropriated such sums as may be necessary for carrying out this subsection."

Mr. GRAY (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

### COMMITTEE AMENDMENT

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: On line 6, after the word "appropriated" insert: "only for the fiscal years ending June 30, 1974, June 30, 1975, and June 30, 1976,".

### PARLIAMENTARY INQUIRY

Mr. SNYDER. Mr. Chairman, I offer a mischievous amendment.

The CHAIRMAN. The committee amendment is pending. Is this an amendment to the committee amendment?

Mr. SNYDER. It is to the bill.

The CHAIRMAN. There is an amendment pending.

Mr. SNYDER. Mr. Chairman, a parliamentary inquiry. If the committee amendment is adopted, is the parliamentary situation the same as awhile ago, that I would be precluded from offering this amendment?

The CHAIRMAN. After the committee amendment has been considered and disposed of, other amendments will be in order.

### AMENDMENT OFFERED BY MR. GROSS TO THE COMMITTEE AMENDMENT

Mr. GROSS. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. GROSS to the Committee amendment: On page 1, line 5, after the colon, strike the remainder of the line and all of lines 6, 7, and 8, and insert the following: "There is hereby authorized to be appropriated not to exceed $1,500,000 for the fiscal year ending June 30, 1974."

Mr. GROSS. Mr. Chairman, I admittedly have figures for 1972, the last figures I could get with respect to the costs of maintenance of memorials to three other Presidents in Washington, and they differ substantially from the figures the gentleman from Illinois (Mr. GRAY) just provided the House.

Mr. Chairman, my figures show that in fiscal year 1972, the cost of maintaining the Washington Monument was $460,964.02; the Jefferson Memorial was $58,585.81; and the Lincoln Memorial was $126,729.94.

That is quite a substantial difference in contrast to the Kennedy Cultural Center, the memorial to one President. I believe every taxpayer in the country would concur in that. The proposal here being made to spend $2,400,000 in the next fiscal year on——

Mr. GRAY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. Yes; if the gentleman will not take all of my time.

Mr. GRAY. Mr. Chairman, I think I can clear up the discrepancy. This figure of $631,900 for the Washington Monument came from the Committee on Appropriations. That is what is now in this fiscal 1974 budget. The gentleman is reading what they actually spent last year, but the figure I have is what is in the budget now pending before Congress at this time.

Mr. GROSS. Mr. Chairman, a little while ago I referred to the seating situation at the Cultural Center, and I have the General Accounting Office report at the desk.

Let me read again, this time from the Washington Post of the date of August 16, 1972, which is less than a year ago:

The center, according to the (GAO) report, purchased 5,803 auditorium seats from the

> American Seating Co. for $400,447. Because the center was unable to pay, it entered into a sale and leaseback arrangement with United States Leasing Corporation.
>
> It sold the firm the seats for $398,982 and agreed to rent them back for $490,750 over six years.

So much for the seats. Quoting again:

> Carpets and wallscaping—

Whatever wallscaping is—

> were purchased by the center for $477,216 from Washington Carpet Sales Corp. on Oct. 15, 1971, according to the report, after the center had paid $264,411 of its carpeting bill, it entered into a lease purchase agreement with the carpet company.

Mr. Chairman, I think this pretty well adds up to the fact that there has been a lot of mismanagement in this place. If they were doing as well as we have been led to believe, they ought to be taking care of their liabilities without raiding the U.S. Treasury.

Mr. GRAY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I will yield if I have time after I have spoken to this amendment.

Mr. Chairman, as far as the amendment is concerned, it really hurts to put even $1,500,000 in the amendment, but that is what they got last year by way of maintenance for the nonperforming arts; $1,500,000.

Mr. Chairman, I say leave it exactly where it is, limit the authorization to 1 year, come back here next year, tell us your story and if you can justify an increase you may get it. In my opinion you have not justified an increase here today and I am totally opposed to obligating the taxpayers now for $2,500,000 in 1975 and $2,600,000 in 1976. There is not a soul on this floor who can even guess at the financial situation of this Government in 1975–76.

I am not laboring under any illusion about what will happen to my amendment, because there is no sign of any disposition on the part of the Members of the House to save a cockeyed dime in behalf of the taxpayers of this country.

Mr. RONCALIO of Wyoming. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I have been waiting for quite a few minutes to thoughtfully, I hope, throw some light onto this annual exercise of ours regarding the Kennedy Center for the Performing Arts.

Last year the able and tremendous Congressman from Iowa brought up many things that had to be improved, in order to make this a more efficient operation. We have begun these improvements.

We can report that the leasing was unfortunate, but when one is short on working capital and trying to complete the building of a monument, with tens of millions of dollars of private money and public money committed, a leaseback of provisions for a term, for immediate cash is not an unusual procedure. That is what happened at the Kennedy Center.

A subsidiary of I.T. & T., which runs parking facilities coast to coast, made a simple leaseback proposition, which is a basic discount arrangement very common to private industry, when one needs cash. That was done. Similarly, it was done with respect to the seats.

We also had some criticism last year that public funds should not go into productions that run the risk of public acceptance, can lose money. Therefore, Kennedy Center Productions, Inc. was created and now has the responsibility for the theatrical production side, so we will not be asked to authorize money to pay for a loss for the great American novel put to a theater production.

This bill, let me say to its critics, authorizes appropriations for such functions as are nonperforming—not arts, but nonperforming functions, one of which in the past year or so was the function of one of the three balls for the inauguration of the President. Some 26,300 people enjoyed that function. It is altogether fitting and appropriate that the center be used for such functions.

Another one took some 26,000 people coming in at the same time that 74,000 schoolchildren attended daytime concerts, held at the halls. These were free for the children. Again an excellent nonperforming function.

The Park Service estimates that there have been more than 254,000 people, on a visitor count basis, at the Kennedy Center. This does not include the theater goers in the evening, which falls into the performing arts part of assigning the costs.

They are conducting a regular tour for visitors, and they have facilities for special group tours available to Members of Congress and to organizations.

I do find more and more requests from my constituents for visits to the Kennedy Center for the Performing Arts, and particularly groups.

I will say to Members that what is still holding the first place—a heartening thing—is the FBI Building. The FBI tours still come first. The Kennedy Center is virtually passing the White House, when it comes to public memorials in this Nation's Capital.

If I might have the attention of the gentleman from Iowa, I hope the gentleman from Iowa (Mr. GROSS) will appreciate the fact that the Board of Trustees is attempting to continue to correct some of the management shortcomings to which it has referred in earlier debates on this matter.

Give that board an opportunity to put the institution in an excellent condition. I believe we are moving in that direction. I can give assurance that the 3-year appropriation will help us through these difficult years. It should result in excellent management decisions and in the best interests of everyone in this Nation for this Center.

Mr. GRAY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I believe we should put this matter in a little different perspective. Without casting any aspersions at all on the management of the Kennedy Center, we felt that an outside Government agency should police and maintain this Center for all of the nonperforming arts functions.

The gentleman from Iowa keeps talking about the operation of the Center itself. This bill does not address itself to that and should not address itself to that. This is why we selected the National Park Service to do this job as a national monument.

Putting it very simply, it costs $2,980,000 a year to provide electricity, to provide janitorial service and to provide guard services at the Kennedy Center.

We have tried to be fair by saying to the management at the Kennedy Center that we are not going to soak the taxpayers for all the costs of keeping up the Kennedy Center. So for nighttime operations you pay all the costs.

> You pay your $588,000 as your pro rata cost of maintaining that center, and the rest of it will be paid for in the public interest.

That is all this bill does.

This bill only addresses itself to those costs. So many of the arguments which have been heard here today are not germane, because we are not getting in any way into the debts or the obligations or the management of the Kennedy Center as a performing arts function.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. GRAY. I will be delighted to yield to my friend, the gentleman from Iowa (Mr. GROSS).

Mr. GROSS. Mr. Chairman, the gentleman well knows that this money complements the operation of the performing arts.

Mr. GRAY. I will inform my friend, the gentleman from Iowa (Mr. GROSS). It does not.

Mr. Chairman, we delineate in the report itself, if the Members will read it, that the performing arts functions are charged $588,000, and a check must be written to the Park Service for that amount, and it is being written. I am happy to report that the Kennedy Center is a profitable operation.

Mr. Chairman, the problem down there has been due to bad weather and some strikes, they built up several million dollars worth of back debts which they have had to absorb. Once they get out of the woods with those problems it will be a good operation.

But we do not attack that problem in any way, shape, or form.

I see my friend, the gentleman from New Jersey, who is on the board of trustees of the Kennedy Center, is on his feet, and I know that he will agree to this statement. They are proceeding with this matter in the Court of Claims in relation to some of their debts.

This is another matter and should not cause confusion; it has nothing to do with what the gentleman from Iowa (Mr. GROSS) is alluding to.

Mr. GROSS. Mr. Chairman, will the gentleman yield for one more question?

Mr. GRAY. Yes; I yield to the gentleman from Iowa (Mr. GROSS).

Mr. GROSS. Mr. Chairman, may I ask the gentleman, is this appropriation endorsed or has it been endorsed by the Nixon administration?

Mr. GRAY. Mr. Chairman, I would say to the gentleman who is addressing me now that the gentleman from Illinois, the chairman of the subcommittee, was requested on several occasions by the administration to pass this bill. It was sent down to the Speaker and the Vice President and referred to our committee. This is not something that the Committee on Public Works has dreamed up.

Mr. GROSS. Well, is it endorsed by the Nixon administration?

Mr. GRAY. Oh, yes, it is in the President's budget, and the money is now awaiting appropriations by the subcommittee of the gentlewoman from Washington (Mrs. HANSEN) and she is very anxious to get this authorized and out of the way so that her bill can be marked up.

Mr. GROSS. May I ask the gentleman further, was the preceding bill dealing with the Visitor Center also endorsed by the Nixon administration?

Mr. GRAY. Most certainly, it was. It was endorsed, not only by the Nixon administration, but the previous administration, the Johnson administration, which was very much in favor of it. President Nixon sent a message to Congress in February of this year expressing the administration's support of the bill.

Mr. GROSS. If the gentleman will indulge me again, I would raise some question about that in regard to their priorities, when they are cutting back on agriculture and a lot of related programs to agriculture and at the same time requesting funds for this kind of an operation.

Mr. GRAY. Mr. Chairman, I will say to the Members that every time the gentleman from Iowa (Mr. GROSS) lands on his feet he is speaking on behalf of the taxpayers, and I am a little bit surprised that he is against the taxpayers on this particular measure for the Visitor Center, because it is certainly in their interests.

Mr. FRELINGHUYSEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, as the gentleman from Illinois has said, I am one of several trustees from the House on the board of the Kennedy Center. I would like to begin by saying that I do not think any Member of Congress needs to be defensive about the amount of public money which we are putting up to cope with the memorial aspects of the Kennedy Center.

The committee report quite clearly points out the reasons for these expenditures.

The gentleman from Iowa has said, "Why is there need for plumbers? Why is there need for gardeners?" It is because the Federal Government has agreed as of last October to take over responsibility for the upkeep and maintenance of a national memorial to a late President. Quite obviously, we on the Board of Trustees of the Kennedy Center, who are responsible in one way or another for the performing activities, are only too glad to recognize the substantial contribution that is being made when money is appropriated for the upkeep and maintenance of the Center.

As the gentleman from Illinois pointed out, the Center is also making substantial contributions toward the obligations incurred as a result of the performing arts activities.

Quite obviously, a lot of problems that the Center has faced over the years have come about because there has been insufficient money. The gentleman from Iowa tried to make something out of the fact that there was not enough money to pay for some of the equipment needed in the various theaters. Well, there was no alternative, because of the lack of funds, but to make alternative financial arrangements, in order, for instance, to have seats available so that the various theaters could begin to pay money. I am proud of the fact that so much progress has been made with a variety of problems.

If the Committee on Apppropriations should think the request for funds from the Department of Interior is too great, they may appropriate less. However, I would hesitate to say that the expenses involved at this memorial can be handled with $1.5 million this coming year, even though that may be all that was spent in the current fiscal year.

Mr. GROSS. Will the gentleman yield?

Mr. FRELINGHUYSEN. I will be glad to yield to the gentleman.

Mr. GROSS. We have three other memorials to Presidents in Washington and they are costing us each year a mere fraction of what this one memorial is going to cost. If you want a grandiose memorial for this one President, why do not the people who want it pay the bill?

Mr. FRELINGHUYSEN. Let me say to the gentleman a grandiose memorial could be a simple stone monument such as George Washington has. Yet even that takes very considerable sums of money to maintain, and it has nowhere near the complexity of the Kennedy Center. As other examples, the Jefferson Memorial and the Lincoln Memorial do not have to be heated.

Is the gentleman from Iowa proposing that the Kennedy Center memorial should be a cold, empty stone memorial because we cannot afford its upkeep and maintenance as a living memorial?

The fact of the matter is that the Kennedy Center is a different kind of memorial and of necessity it does involve certain expenses. I do not think we need to be defensive about that. The fact is that we assumed the responsibility for upkeep and maintenance with our eyes open. The fact is that a case has been made for the sum requested so as to meet this responsibility.

I hope we do not go through an annual exercise on an authorization for these expenses, as I believe a 3-year authorization is entirely appropriate. The Committee on Appropriations will keep tabs on the amount of money requested, and if there is any substantial change from year to year, they can watchdog it.

Mr. Chairman, I hope we will reject the amendment and accept the committee bill.

Mr. PEYSER. Will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman.

Mr. PEYSER. I support a continuation of this program and the congressional support of it, but I do have a serious question. I heard there is nothing in this legislation dealing with construction costs of the Kennedy Center. I also heard the chairman of the committee make reference to the fact that much was being done about solving the problems of construction costs. My understanding is there are 35 contractors and subcontractors who have not yet been paid. One of the major ones involved happens to be from my own district.

A year ago I spoke on the floor of the House inquiring as to what would happen to the settlement of these claims, and I was assured at that time they would be handled and there was no problem about it and everything would go along perfectly fine. Well, the claims have not been handled and they are still outstanding. I am frankly very anxious about what will happen.

Mr. FRELINGHUYSEN. I regret that there are still claims against the Center for unpaid bills. The truth is that some of those claims are in litigation now. However, there is no question but that this authorization does not attempt to pay those bills. I suppose the only immediate answer to the gentleman is another question. Should Congress be willing to consider having the Federal Government share in some of the additional costs in construction expenses? However, the gentleman from Illinois said, there was a promise made not to make such a request.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, at the request of Mr. PEYSER, Mr. FRELINGHUYSEN was allowed to proceed for 1 additional minute.)

Mr. FRELINGHUYSEN. I yield to the gentleman.

Mr. PEYSER. On that question the gentleman raised the point as to whether the Government would have to pay the bills finally. I am convinced that the Government is probably going to have to pay these bills, and I will support that. It is a construction effort that was made. You have contractors and companies that operated in good faith. There seems to be now the problem that we still, after several years, have companies who in effect are carrying the Center at this point. I do not see any reason for it. I think they are entitled to be paid.

Mr. FRELINGHUYSEN. I should be glad, I might say, to support a bill that would provide Federal money to help pay off these bills. However, I suppose there might be strenuous opposition to a further request for construction money, in view of the fact that the building has finally been built. There is unfortunately very little expression of concern about how to pay those bills.

Let me say the trustees of the Center are sitting on no major source of funds which might make it easy to pay those bills.

Mr. PEYSER. I was going to ask this: As a trustee does the gentleman see any way this could be handled in the Center?

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa (Mr. GROSS) to the committee amendment.

The amendment to the committee amendment was rejected.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

### AMENDMENT OFFERED BY MR. SNYDER

Mr. SNYDER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SNYDER: Page 1, after line 8 add a new section as follows:

"(2) The Secretary of the Interior is directed to arrange wrestling matches in the Opera House or Concert Hall of the Center for the Performing Arts on each Wednesday night of each week provided (a) there are no other activities scheduled for said Opera House or Concert Hall on that Wednesday night and (2) that no wrestling matches have been scheduled for that Wednesday night at the R. F. Kennedy Memorial Stadium.

And number the preceding section accordingly.

### POINT OF ORDER

Mr. GRAY. Mr. Chairman, I make a point of order against the amendment

The CHAIRMAN. The gentleman will state it.

Mr. GRAY. I should like to have it explained.

Mr. SNYDER. Mr. Chairman, this is a matter I am very enthusiastic about, and so I will not get carried away, I ask unanimous consent that I be limited to 2 minutes instead of 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. SNYDER. Mr. Chairman, wrestling is a performing art, accordingly, this new language is both proper and sensible—as sensible, at least, as the taxpayers having had to pay for this Kennedy Center complex in the first place.

In the second place, Mr. Chairman, I am sure that my colleagues will agree that—at times when other "performing arts" do not occupy the Opera House or Concert Hall at the Center—the taxpayers should have the benefit of other activities to divert their attention. This would be especially beneficial in that the wrestling matches—surely, in their own way as poetic and artistic as many other "cultural" activities at the Center—would also help to defray some of the over $7 million in costs in the present bill.

Now I do not want to give the impression that I am trying to upstage one of our other great cultural centers here in the district, the R. F. K. Stadium. That palatial and continuingly expensive forum, however, may be too full of parked cars to handle the wrestling crowd. On the other hand, Mr. Chairman, Mr. GRAY has indicated that there may be greyhound races at R. F. K. Nevertheless, with these two enormous buildings put at our disposal by the generous taxpayers, I think we have the obligation to provide attractive alternatives.

I myself enjoy wrestling, and I am sure that millions of Americans—the same Americans who are paying for these plush pleasure palaces—share my predilection. They have a right to this diversion—and to the added income which will help pay for the enormous outlays we are authorizing here.

Mr GROSS. Mr. Chairman, will the gentleman yield?

Mr. SNYDER. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, I want to commend my friend the gentleman from Kentucky for his amendment. It might just produce enough revenue to take care of the gardeners, the plasterers, and the electricians, and what-have-you. But I also would like to know, does the Washington Board of Trade endorse this amendment?

Mr. SNYDER. I really do not know what the Washington Board of Trade endorsement is; I suppose we will find out as soon as the gentleman from Illinois speaks. He speaks for them quite often here.

### POINT OF ORDER

Mr. GRAY. Mr. Chairman, reluctantly I must insist on my point of order. May I be heard?

The CHAIRMAN. The gentleman may be heard

Mr. GRAY. Mr. Chairman, the gentleman from Kentucky offers an amendment that deals with the performing arts function of the John F. Kennedy Center. When we read this bill we see clearly it relates to the nonperforming arts functions. That is the purpose of the bill. Therefore in my opinion the amendment is not germane.

The CHAIRMAN (Mr. EVANS of Colorado). The Chair is ready to rule.

The pending bill authorizes appropriations solely for the nonperforming arts functions of the John F. Kennedy Center. The amendment, which would direct the Secretary of the Interior to arrange for specified performances at the Center, introduces an issue which is not within the purview of the pending bill.

The amendment is not germane to the bill, and the Chair therefore sustains the point of order.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. EVANS of Colorado, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 5858) authorizing further appropriations to the Secretary of the Interior for services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts, and for other purposes, pursuant to House Resolution 406, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. SNYDER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device; and there were—yeas 260, nays 100, not voting 72, as follows:

[Roll No. 167]

YEAS—260

Abdnor
Abzug
Addabbo
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Ashley
Aspin
Barrett
Bell
Bennett
Bergland
Bingham
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Brasco
Breaux
Breckinridge
Brooks
Brotzman
Brown, Calif.
Broyhill, Va.
Buchanan
Burgener
Burke, Mass.
Burlison, Mo.
Burton
Butler
Byron
Carey, N.Y.
Cederberg
Chappell
Chisholm
Clark
Clausen, Don H.
Clay
Cleveland
Cochran
Cohen
Conte
Corman
Culver
Daniels, Dominick V.
Danielson
Davis, S.C.
Davis, Wis.
Delaney
Dellums
Dennis
Donohue
Dorn
Drinan
Dulski
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Evans, Colo.
Fascell
Findley
Fish
Flood
Flowers
Foley
Ford, William D.
Forsythe
Fountain
Frelinghuysen
Frenzel
Fulton
Gaydos
Gettys
Giaimo
Gibbons
Ginn
Gonzalez
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gude
Gunter
Guyer
Hamilton
Hammerschmidt
Hanley
Hanna
Hansen, Idaho
Hansen, Wash.
Harrington
Harvey
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holtzman
Horton
Howard
Hungate
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Keating
Kluczynski
Koch
Kuykendall
Kyros
Lehman
Lent
Litton
Long, La.
McClory
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Mahon
Mailliard
Mallary
Mann
Maraziti
Mathias, Calif.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Mills, Ark.
Minish
Mink
Mitchell, Md.
Mizell
Moakley
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Natcher
Nedzi
Nelsen
Nix
Obey
O'Hara
Parris
Passman
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Podell
Preyer
Pritchard
Quie
Rangel
Rees
Regula
Reuss
Rhodes
Riegle
Rinaldo
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Roush
Roybal
Ryan
St Germain
Sarasin
Sarbanes
Saylor
Schneebeli
Schroeder
Seiberling
Shipley
Sikes
Slack
Smith, Iowa
Smith, N.Y.
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steiger, Wis.
Stephens
Stokes
Stubblefield
Studds
Symington
Talcott
Taylor, N.C.
Teague, Calif.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Van Deerlin
Vander Jagt
Vanik
Veysey
Walsh
Wampler
Whalen
Whitten
Widnall
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wolff
Wright

Wyatt
Wydler
Wyman
Yates
Yatron
Young, Ga.
Young, S.C.
Young, Tex.
Zablocki

NAYS—100

Alexander
Archer
Armstrong
Ashbrook
Bafalis
Baker
Beard
Bevill
Biester
Blackburn
Brinkley
Broomfield
Brown, Mich.
Brown, Ohio
Burke, Fla
Burleson, Tex.
Casey, Tex.
Chamberlain
Clancy
Clawson, Del
Collins
Conable
Conlan
Conyers
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Dellenback
Denholm
Derwinski
Devine
Duncan
Erlenborn
Eshleman
Frey
Froehlich
Gilman
Goodling
Gross
Haley
Hanrahan
Hastings
Holt
Hosmer
Huber
Hudnut
Hutchinson
Kazen
Kemp
Ketchum
King
Landgrebe
Latta
Long, Md.
Lott
Lujan
McCollister
Madigan
Martin, Nebr.
Martin, N.C.
Mathis, Ga.
Miller
Mitchell, N.Y.
Montgomery
Moorhead, Calif.
Myers
Nichols
O'Brien
Poage
Price, Tex.
Quillen
Roberts
Robinson, Va.
Rousselot
Runnels
Ruppe
Ruth
Satterfield
Scherle
Sebelius
Shoup
Shriver
Shuster
Skubitz
Snyder
Steelman
Steiger, Ariz.
Symms
Taylor, Mo.
Towell, Nev.
Treen
Vigorito
Waggonner
Ware
Whitehurst
Wylie
Young, Alaska
Young, Fla.
Zion
Zwach

NOT VOTING—72

Adams
Annunzio
Arends
Badillo
Biaggi
Bray
Broyhill, N.C.
Burke, Calif.
Camp
Carney, Ohio
Carter
Collier
Cotter
Coughlin
Cronin
Davis, Ga.
de la Garza
Dent
Dickinson
Diggs
Dingell
Downing
Esch
Evins, Tenn.
Fisher
Flynt
Ford, Gerald R.
Fraser
Fuqua
Goldwater
Gubser
Harsha
Hawkins
Henderson
Hunt
Ichord
Kastenmeier
Landrum
Leggett
McCloskey
McCormack
Michel
Milford
Minshall, Ohio
Mollohan
Murphy, N.Y.
O'Neill
Owens
Powell, Ohio
Price, Ill.
Railsback
Randall
Rarick
Reid
Rooney, N.Y.
Rostenkowski
Roy
Sandman
Sisk
Spence
Stratton
Stuckey
Sullivan
Teague, Tex.
Udall
Ullman
Waldie
White
Wiggins
Wilson, Charles, Tex.
Winn
Young, Ill.

So the bill was passed.

The Clerk announced the following pairs:

Mr. O'Neill with Mr. Gerald R. Ford.
Mr. Annunzio with Mr. Arends.
Mr. Hawkins with Mr. Rarick.
Mr. Roy with Mr. Downing.
Mrs. Burke of California with Mr. Winn.
Mr. Cotter with Mr. Camp.
Mr. Davis of Georgia with Mr. Bray.
Mr. Fraser with Mr. Minshall of Ohio.
Mr. Rooney of New York with Mr. Gubser.
Mr. Rostenkowski with Mr. Collier.
Mrs. Sullivan with Mr. Michel.
Mr. Teague of Texas with Mr. Dickinson.
Mr. Charles Wilson of Texas with Mr. Powell of Ohio.
Mr. Reid with Mr. Esch.
Mr. Sisk with Mr. Goldwater.
Mr. Henderson with Mr. Broyhill of North Carolina.
Mr. Kastenmeier with Mr. Harsha.
Mr. McCormack with Mr. McCloskey.
Mr. Mollohan with Mr. Carter.
Mr. Murphy of New York with Mr. Hunt.
Mr. Carney of Ohio with Mr. Cronin.
Mr. Dent with Mr. Coughlin.
Mr. Diggs with Mr. Milford.
Mr. Dingell with Mr. Railsback.
Mr. Fuqua with Mr. Sandman.
Mr. Adams with Mr. Spence.
Mr. Evins of Tennessee with Mr. Wiggins.
Mr. Flynt with Mr. White.
Mr. Leggett with Mr. Randall.
Mr. Stratton with Mr. Udall.
Mr. Waldie with Mr. Stuckey.
Mr. Ullman with Mr. Young of Illinois.
Mr. Badillo with Mr. Ichord.
Mr. Biaggi with Mr. Owens.
Mr. de la Garza with Mr. Fisher.
Mr. Landrum with Mr. Price of Illinois.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

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## GENERAL LEAVE

Mr. GRAY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

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## INTERNATIONAL CENTER FOR FOREIGN CHANCERIES AUTHORIZATION

Mr. GRAY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6830) to amend Public Law 90–553 authorizing an additional appropriation for an International Center for Foreign Chanceries.

The SPEAKER. The question is on the motion offered by the gentleman from Illinois.

### IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 6830, with Mr. EVANS of Colorado in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Illinois (Mr. GRAY) will be recognized for 30 minutes, and the gentleman from New York (Mr. GROVER) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Illinois.

Mr. GRAY. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, H.R. 6830 was reported from the House Committee on Public Works unanimously and would amend section 6 of the International Center Act (Public Law 90–553) and authorize an appropriation not to exceed $2.2 million to allow the Secretary of State and the General Services Administration to initiate site development of the International Center for Foreign Chanceries.

Mr. Chairman, all of this money will be recouped to the Treasury plus approximately $150,000 profit. The international center will be located on the old Bureau of Standards site with 14 sites comprising 10¾ acres plus additional acreage being made available for the OAS Headquarters, open space and public streets. In total, there are 31.9 acres involved. The Department of State now has a contract for sale of 3 of the 14 sites to Israel, Singapore, and Finland. As an example, Israel will pay $602,320 for their site consisting of 48,189 square feet or a little over 1 acre. Mr. Chairman, this is $12.50 per square foot which is certainly a good deal for the taxpayers. The Government will not only recoup all of this money, but will provide hundreds of new jobs through the construction of these chanceries, allow a more cohesive international community in Washington which will save the taxpayers a substantial amount of money through the executive protective service and at the same time utilize an area that has been allowed to deteriorate and for the most part lies dormant. I strongly encourage my colleagues to support this legislation. It has been requested by the Secretary of State and General Services Administration in behalf of the President who is responsible for foreign affairs.

Mr. GROVER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of H.R. 6830, a bill to authorize $2.2 million for partial development of the site for the International Center for Foreign Chanceries located in northwest Washington. The work included in this authorization would include demolishing the existing structures, reshaping the land contours, landscaping the public and common green areas, relocating and rebuilding public streets, services, watermains, and the like. The area covered will include eight sites plus a common area, totaling 12 acres.

It appears now in negotiating with foreign governments that it would be a much better and more orderly procedure if we ourselves razed the buildings presently on the property and proceeded to put in the roads and drainage and sewers and from there on go on to a disposition of the various sites, as the gentleman from Illinois indicated, which will then be negotiated and title transferred and recoupment made without any loss to the country.

The Department of State requested this legislation earlier this year, citing a need for seed money in connection with the Chanceries Center, land area totalled 31 acres. When the original act was passed in October of 1968, Public Law 90–553, the Department of State and Congress agreed that the project would be self-liquidating and would require no appropriations. However, it became apparent to State and GSA that the purpose of the act could not be implemented without an initial appropriation for capitalization. Experience has shown that foreign governments will not enter into sales contracts and advance purchase price of lots until the United States has shown its firm commitment to the Center by commencing the site improvements and demonstrating that it has funds available to complete first-phase site development. Furthermore, no Government is willing to commit time and money to design and planning without knowing when it can take delivery of its cleared site. And, finally, sales of most lots in the first phase of development would have to take place before General Services Administration could finance improvements related to that phase, which cannot be done economically on a piecemeal basis.

We are assured that the project will be self-liquidating and will entail no departure from the requirement that the project must be self-liquidating.

Enactment of this proposed legislation at this time deserves our early attention in that it would enable the Department of State to complete sales to the Governments of Finland, Israel and Singapore, which are now pending. It is hoped that the Center will be substantially complete by the bi-centennial year.

I urge the enactment of this bill.

Mr. SMITH of New York. Mr. Chairman, will the gentleman yield?

Mr. GROVER. I yield to the gentleman from New York.

Mr. SMITH of New York. Mr. Chairman, I do not think the chairman of the subcommittee stated that there had already been negotiated three pending sales, I think one to Singapore, one to Israel, and one to Finland. Did the hearings indicate that there was substantial interest on the part of foreign governments in buying sites at this International Center?

Mr. GROVER. That is correct.

Mr. GRAY. Would the gentleman from New York yield?

Mr. GROVER. I yield to the gentleman from Illinois.

Mr. GRAY. I should be glad to answer that question.

I have just been informed by my staff that late this afternoon two additional countries have come forward, so this makes a total of five contracts that we have now, or contracts for purchase. The total cost of development of the 30-acre site is about $5.4 million, we are only providing $2.2 million here. The first $2.2 million in sales comes back to the Government. When they sell additional sites they will make additional improvements. I like to refer to this bill as seed money. We are not going to put up the entire $5.4 million. We will only put up the $2.2 million. We will get that back, and after we spend all the money for improvements, there will be $150,000 left over for the taxpayers.

Mr. SMITH of New York. Mr. Chairman, will the gentleman yield?

Mr. GROVER. I yield to the gentleman from New York.

Mr. SMITH of New York. Do I understand correctly from the report the reason these sales have not gone through is because the foreign governments concerned want to be sure that we are going to go ahead with the site preparation?

Mr. GRAY. Mr. Chairman, will the gentleman yield?

Mr. GROVER. I yield to the gentleman from Illinois.

Mr. GRAY. That is precisely correct. These improvements are designed to make the 31.9-acre tract out there salable, namely, to put in streets, sewers, and water mains, and other things required to make them improved lots. They insist we do that before they will buy the lots.

Mr. SMITH of New York. I thank the gentleman.

Mr. GROVER. Mr. Chairman, I reserve the balance of my time.

Mr. BLATNIK. Mr. Chairman, H.R. 6830 which I had the privilege of sponsoring is indeed a tremendous step in the right direction of providing sorely needed chancery sites in the District of Columbia for foreign governments. The bill merely authorizes $2.2 million for site development of the chancery section of the International Center. Any funds spent for this purpose will be reimbursed to the Treasury from the sale of the 14 chancery sites of which 3 sites already have contracts pending.

The cost of actual construction of chancery facilities will be borne by the purchasing governments.

This bill was unanimously reported out by the full Committee on Public Works and has the support of the administration and of Mayor Washington of the District of Columbia. The bill will create not only additional jobs, but also allow economic stimulation locally. The bill will also allow redevelopment of the old Bureau of Standards site to coordinate with the bicentennial year.

Mr. Chairman, the need for additional chancery sites is clear. Also clear is the responsibility of the United States to insure that the representatives of foreign governments can obtain adequate premises in the Nation's Capital for their official representation to the United States, therefore, it is highly fitting for the United States, as the host government, to provide this site which will bring together the OAS and foreign chanceries in the same area and will certainly demonstrate the importance which the United States places on foreign affairs relations.

I strongly urge my colleagues to support this legislation.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

H.R. 6830

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the first sentence of section 6 of Public Law 90–553 (82 Stat. 958), is hereby amended to read as follows:

"There is hereby authorized to be appropriated, without fiscal year limitation, not to exceed $2,200,000 to carry out the purposes of section 5 of this Act: *Provided,* That such sums as may be appropriated hereunder shall be reimbursed to the Treasury from proceeds of the sale or lease of property to foreign governments and international organizations as provided for in the first section of this Act.".

Mr. GRAY (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. GROSS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I should like to ask the gentleman from Illinois how much the countries that he mentioned—four or five of them, as I remember—have paid down on the leases or contracts that they have entered into?

Mr. GRAY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Illinois.

Mr. GRAY. We have signed contracts—I have a copy here, if the gentleman would like to see it—between the countries of Finland, Israel, and Singapore. The execution of the contracts is contingent upon the good faith of our Government in making these improvements. So if this bill passes the House and Senate and is signed into law by the President, and the money becomes available, then the operational part of the contract goes forward.

In the case of Israel, they are paying about $620,000 for 1 acre.

Mr. GROSS. The answer to the question is they have not paid anything down so far?

Mr. GRAY. We have not been in a position to sell them an improved site. They picked out a site out in a field. The $2.2 million will allow us to tear down a building and put in the streets so we can get to that site. I am sure the gentleman will not expect Israel to pay $620,000 for one acre unimproved.

What we have got to come together here with is a mutual understanding that we have the wherewithal to make the improvements before they are going to write us a check for $620,000. But it is not just an idle gesture; we do have it in writing; and the money will not be expended for the improvements on the site unless we have the sale consummated.

Mr. GROSS. I do not know what I should expect from Israel, or any other country involved in this. I am not sure what should be expected, but there is nothing, then. They suffer no pecuniary loss if they say, "We do not like the width of the road or where you put the road," or something of that kind, and toss up the contract.

We are left holding the bag, are we not? If they have paid nothing down, there is no financial interest on their part.

Mr. GRAY. We will not make these improvements unless and until we have these signed contracts. We have enough now to go forward with the improvements, and this is the purpose of the bill. So I would say to my distinguished friend, we do not have to worry about our $2.2 million and then having someone say they do not want the site. We are locking these up in advance with contracts before we commit the taxpayers.

Mr. GROSS. Exactly how would the government collect if those countries do not want to go through with their contracts?

Mr. GRAY. Let me say these countries have approached the Department of State with the idea that all of them would locate in an enclave together. They are very desirous to get in. We have only 14 sites, and we have 187 countries represented in Washington.

Mr. GROSS. I am talking about the whole financial deal. The gentleman can answer yes or no, whether we would be holding the bag or whether we would not be holding the bag. The truth of the matter is that there is no way we could collect if they did not want to pay. Is that not correct?

Mr. GRAY. If the gentleman will yield to me, I am sure the gentleman realizes there are only 14 sites comprising almost an acre each, and 187 potential buyers. We are not going to have any trouble selling the lots. That is No. 1.

No. 2: I could not possibly conceive of the 14 countries giving me a commitment in writing, as I have, to buy a piece of property, and then all of a sudden saying they do not want it.

Mr. GROSS. We are having quite an experience with the United Nations these days, with foreign diplomats departing this country and leaving behind thousands of dollars of unpaid debts, telephone bills, and bills unpaid in the stores of New York. How do those who provide the goods and services collect? We make a collection agent in many instances of our Ambassadors in foreign countries.

The gentleman said something about the Executive or Federal security force, and that to keep the chanceries in one place would mean we would not need so many police in the new security force. I do not know why I ask this question, because in the past, when we got a firm answer from the committee with respect to some of these enterprises, we have found we did not get the right information, and we found that out a couple of times today.

I do not know why I should ask the question under those circumstances, but is the gentleman saying that if we get these embassies located together that we will not need the Federal security forces?

Mr. GRAY. Will the gentleman yield?

Mr. GROSS. I yield.

Mr. GRAY. The gentleman now addressing the gentleman from Iowa was the author of the Federal Protective Service Act. I am completely familiar with it. They have 888 policemen now guarding missions of foreign governments, which is the President's constitutional responsibility. It only makes sense if we have 14 embassies located in 14 different locations we have 14 different squad cars on three shifts, and all the patrolmen and everything else trying to police these embassies.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

(By unanimous consent, Mr. Gross was allowed to proceed for 1 additional minute.)

Mr. GROSS. Mr. Chairman, I would just like to say I have not had an answer yet.

Mr. GRAY. I am trying to give it to the gentleman.

Mr. GROSS. Will there be an increase in the Federal Security Force?

Mr. GROVER. Mr. Chairman, will the gentleman yield?

Mr. GROSS. Yes, if I have the time.

Mr GROVER. I am under the understanding, and perhaps the gentleman from Illinois will support my understanding, that the countries which will be moving in already have places in this country, and they are scattered around, and they are covered by our protective forces, so if we get them in this compound we may be able to reduce the number of forces.

Mr. GROSS. That is a nice theory, but it does not seem to work out. The gentleman has been around long enough to know that.

Mr. GRAY. Mr. Chairman, I move to strike the last word.

I would like to have the attention of my distinguished friend, the gentleman from Iowa; I am sure he would like to hear this.

Mr. Chairman, as of 10:45 this morning, the Committee on House Administration headed by the distinguished gentleman from Ohio (Mr. Hays) and my Subcommittee on Police, eliminated 15 police positions here on the House side of the Capitol. That was today. I am sure the gentleman from Iowa will be delighted to hear that we are trying to save money wherever we can.

Mr. GROSS. Will the gentleman yield?

Mr. GRAY. I yield to the gentleman from Iowa (Mr. Gross).

Mr. GROSS. I have seen more elevator operators on nice new self-automatic elevators, the latest word in automatic elevators, so I do not know whether they are accomplishing anything by taking away 15 police officers.

Mr. GRAY. Would the gentleman not agree that most of them are pretty?

Mr. GROSS. I wondered if the gentleman was going to introduce sex into this.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker, having resumed the chair, Mr. Evans of Colorado, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 6830), to amend Public Law 90-553 authorizing an additional appropriation for an International Center for Foreign Chanceries, pursuant to House Resolution 407, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

The SPEAKER. Pursuant to the provisions of House Resolution 407, the Committee on Public Works is discharged from further consideration of the bill (S. 1235) to amend Public Law 90-553 authorizing an additional appropriation for an International Center for Foreign Chanceries.

The Clerk read the title of the Senate bill.

The Clerk read the Senate bill, as follows:

S. 1235

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the first sentence of section 6 of Public Law 90-553 (82 Stat. 958) is hereby amended to read as follows:

"There is hereby authorized to be appropriated, without fiscal year limitation, not to exceed $2,200,000 to carry out the purposes of section 5 of this Act: *Provided,* That such sums as may be appropriated hereunder shall be reimbursed to the Treasury from proceeds of the sale or lease of property to foreign governments and international organizations as provided for in the first section of this Act."

The Senate bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

A similar House bill (H.R. 6830) was laid on the table.

## GENERAL LEAVE

Mr. GRAY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

## CONFERENCE REPORT ON S. 38, AIRPORT DEVELOPMENT ACCELERATION ACT

Mr. STAGGERS. Mr. Speaker, I call up the conference report on the bill (S. 38) to amend the Airport and Airway Development Act of 1970, as amended, to increase the U.S. share of allowable project costs under such act, to amend the Federal Aviation Act of 1958, as amended, to prohibit certain State taxation of persons in air commerce, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of May 24, 1973.)

Mr. STAGGERS (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement of the managers be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

Mr. GROSS. Mr. Speaker, reserving the right to object, does the gentleman plan to briefly tell us what transpired in the conference?

Mr. STAGGERS. I certainly do.

Mr. GROSS. And answer questions as to whether any and all amendments to the bill are germane?

Mr. STAGGERS. Yes, sir; I certainly do.

Mr. GROSS. Mr. Speaker, I withdraw my reservation.

Mr. STAGGERS. I can assure the gentleman that all agreements we made were germane to the bill.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The SPEAKER. The gentleman from West Virginia is recognized for 1 hour.

Mr. STAGGERS. Mr. Speaker, the House and Senate conferees have approved a compromise version of the Airport Development Acceleration Act of 1973 which, in my opinion, follows closely the version this House passed by a vote of 386 to 16 on May 2.

The main purpose of this bill, as the Members recall, is to ban the so-called airport head tax. We had seven of these taxes when we considered this legislation last year. This year we have 44.

The House and Senate had six points of disagreement when we each passed our separate legislation.

First. The Senate increased the minimum annual authorization for airport development grants from $280 million a year to $420 million a year. The House voted to keep the authorization at existing levels of $280 million a year. We agreed in conference on a minimum annual authorization of $310 million. This is $30 million more than the House version and $110 million less than the Senate version.

Second. The conferees increased the long-term obligatory authority for 2 years, to allow an expenditure of $310 million a year through 1975.

Third. The conferees agreed to the House version of raising the Federal share for airport development to 75 percent for all but the largest hub airports in the Nation. We leave discretionary authority within the Department of Transportation to make these grants of up to 75 percent Federal money. The existing law makes it mandatory to grant 50 percent Federal money, and the Senate version would have made it mandatory to grant 75 percent Federal money. We did not change the share formula for the largest hub airports.

Fourth. The Senate provision to include terminal facilities as eligible for Federal grants was omitted in conference.

Fifth. The Senate provision for a Sense of Congress resolution against the impoundment of funds by the President was stricken by the conferees.

Sixth. The conferees exempt three localities from the ban on head tax through the end of this year. We compromised on allowing Evansville, Ind., to be exempt. The Senate compromised by using our language to ban all head taxes after July 1 of this year except for three jurisdictions which are exempt through the end of the year.

I believe we have a good bill. While it is essentially the same as the one the President vetoed at the end of the session last year, I believe he will agree to this bill. It has bipartisan support in both Houses.

Mr. DEVINE. Mr. Speaker, will the gentleman yield?

Mr. STAGGERS. I yield such time as he may consume to the ranking minority Member, the gentleman from Ohio (Mr. DEVINE).

Mr. DEVINE. Mr. Speaker, I rise in support of the conference agreement on S. 38, the Airport Development Acceleration Act of 1973.

The House amendment to S. 38 was passed by this body by an overwhelming vote of 386 to 16 on May 2. The purpose of the bill was twofold—to prohibit the imposition of head taxes or gross receipts taxes by airport operators or States, and at the same time to increase the Federal share of funding for airport projects in medium hub and smaller cities to alleviate the problems that these cities have had in coming up with the local share.

The bill the House passed would have increased this Federal share from 50 to 75 percent for the medium and smaller hubs and would have retained minimum annual Federal expenditures at the existing law's level of $280 million.

As you will recall, the conference bill which we sent to the President last year contained the same increase in the percentage Federal share, but also increased the minimum annual authorization to $350 million. The bill was held at the White House without signature and a memorandum was returned to Congress indicating that this increase in obligational authority was the basic reason for the President not accepting the bill. For this reason, the House retained in this year's bill the existing level of $280 million.

The Senate, however, in repassing the measure returned to its original figure as included in the bill they passed last year, $420 million. Additionally, the Senate would have made terminal facilities eligible for grants under ADAP, would have made the Federal share a mandatory obligation rather than a ceiling as was the case with the House bill, and would have included an anti-impoundment provision.

The bill which comes to the floor from the conference is in practically every detail the House bill. The House prevailed on the Senate to drop the terminal eligibility provisions, the mandatory Federal share, and the anti-impoundment provision.

The conferees did bend enough to raise the $280 million to $310 million per year for the next 2 years. This is more than a reasonable compromise and hardly even a saving of face for the Senate supporters of the much higher figure of $420 million. It can and should be acceptable to the Executive. We who have been working on the bill feel that it should be accepted by the Executive and that no better bill can be reasonably expected. Should it be vetoed, I doubt if it would be sustained and I feel certain that most members of our committee and the conferees particularly will feel the same. If it is the intention of the Executive to have a confrontation, this is not the place to do it. There will be few to come to the defense of another attempt to scuttle this measure for what we believe to be questionable reasons.

I urge without reservation the adoption of the conference report.

Mr. STAGGERS. Mr. Speaker, I yield to the gentlewoman from New York (Ms. HOLTZMAN).

Ms. HOLTZMAN. Mr. Speaker, I thank the gentleman from West Virginia (Mr. STAGGERS) for yielding.

Mr. Speaker, I wish to ask the gentleman whether there is anything in the conference report that would in any way affect the assurance which the gentleman gave me in the debate on H.R. 6388 to the effect that no funds under this Act shall be used for the reconversion or redevelopment of Floyd Bennett Field in Brooklyn, N.Y., for civilian aviation purposes in contravention of the Gateway National Park Act, Public Law 92-592?

Mr. STAGGERS. Mr. Speaker, I assure the gentlewoman from New York (Ms. HOLTZMAN) that this was not even brought up in the conference report, and there is no change between what developed on the floor of the House and what was encompassed in the conference report.

Ms. HOLTZMAN. I thank the gentleman from West Virginia.

Mr. STAGGERS. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

## GENERAL LEAVE

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

## CREDIT SHOULD NOT DEPEND ON SEX

(Mr. KOCH asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. KOCH. Mr. Speaker, last summer it was established in hearings before the Commission on Consumer Finance that women experience widespread discrimination in applying for credit. Specifically, the Commission found: First, that single women have more trouble obtaining credit, especially mortgage credit, than single men; second, that creditors are often unwilling to extend credit to a married woman in her own name; third, that creditors are often unwilling to count the wife's income when a married couple applies for credit; fourth, that creditors generally require a woman who has credit to reapply for credit, usually in her husband's name, when she marries, while men do not have to reapply; and fifth, that women who are divorced or widowed have trouble reestablishing credit.

Today I am introducing what I believe to be the strongest and most comprehensive legislation yet developed prohibiting discrimination on account of sex or marital status against individuals seeking credit. This bill, the Equal Credit Act, would apply directly to all credit transactions; that is, to all forms of deferred payment of debt, whether they involve retail credit, mortgages, bank loans, credit cards, or simply the friendly grocer's monthly "trust."

The most important reason I say that the Equal Credit Act is the strongest among the bills so far introduced is that this act is the first, to my knowledge, to face squarely the problem of determining the individual's creditworthiness. All too often women are denied credit because "statistical tables" may indicate they are less likely than men to remain consistently employed over a period of time. Unfortunately, it is this approach that in practice has allowed irrelevant questions and outmoded customs to obscure the real changes that are now taking place in the position of women. In fact, in the Commission on Consumer Finance's hearings last summer, no evidence was introduced to suggest that women are worse credit risks than men—yet some banks still assume that women are bad credit risks.

More and more women these days are striving to maintain professional careers, and essential services such as day care programs are only beginning to be widely available to the working woman. To continue to rely on statistical tables is, in a sense, to lock women into the past, to fail to take into account the full potential of the changes in the position of women today. For this reason I have specified in my bill that—

> With respect to a married couple or either spouse, any creditor of card issuer shall take into consideration the combined incomes of both spouses, if both spouses are obligated; and with respect to any individual, any creditor or card issuer may not rely on the probability or assumption that 1) the income of such individual may be diminished because of the sex or marital status of such individual, or 2) the rate of increase in the income of such individual may be affected by the sex or marital status of such individual.

In my judgment, this provision is the only realistic and meaningful way to guarantee women equality of access to credit.

In addition, the Equal Credit Act is the first bill yet introduced to apply to all credit cards, some of which under other bills would escape regulation because their "late payment fee" is not considered a "finance charge" under the Truth in Lending Act. That is to say that under pending legislation, not even such major credit cards as American Express or Bankamericard would be covered. By standing independently rather than as an amendment to the Truth in Lending Act, my bill avoids this loophole and defines the terms "credit" and "creditor" so broadly as to encompass all debt deferrals regardless of size.

Another virtue of the Equal Credit Act as a self-contained, independent piece of legislation is that its prohibitions would extend to cover nonconsumer credit, that is, credit for commercial, business, or securities purposes. Under the Truth in Lending Act, to which most equal credit bills are attached, these types of credit are listed as "exempted transactions." Thus any bill amending this act would be confirmed by the act's restricted jurisdiction. Under the definition of credit in my bill, even the buying of stocks on margin would be covered.

To extend the scope of this bill as widely as possible, I have made the administrative enforcement authority of the bill very broad. The Equal Credit Act would have to be enforced not only in the case of national banks, member banks of the Federal Reserve System, and FDIC insured banks, but also in the case of banks not insured by the FDIC. Similarly, nonfederally insured credit unions, as well as those federally insured, would be covered—as would all building and loan, savings and loan, or homestead associations, whether or not they are members of the Federal Home Loan Bank Board.

Working women are an essential sector of our national economy; indeed, women now represent more than 40 percent of the Nation's total labor force and constitute 11.5 percent of the heads of families in the United States. Denying women access to the credit economy hurts the growth of our economy, as well as violates our system of justice and equality. Last summer's hearings demonstrated that it was prejudice, rather than business or economic principles, that constituted the basis of discrimination in credit against women. In many cases the woman works in order to give the family a decent standard of living, yet her income is often not counted toward the purchase of a home or toward a home improvement loan. Any prejudice-based denial of credit is reprehensible, and I hope my colleagues here in Congress will join in pressing for prompt enactment of this essential legislation.

## RIEGLE CAUTIONS FIRMS ON SOUTH VIETNAM OIL DEVELOPMENT

(Mr. RIEGLE asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

**Mr. RIEGLE.** Mr. Speaker, I rise today to call attention to a recent item in the Wall Street Journal which indicated that the Government of South Vietnam has invited some 27 western oil companies to bid on offshore oil concessions.

According to the article, a consortium of 10 oil companies moved in 1969 to take control of then existing oil survey material—and have moved quietly since that time to measure the oil potential off the coast of South Vietnam.

Given the very fragile character of the South Vietnam Government—and the general instability of Southeast Asia generally, I would urge the oil companies to very carefully weigh the geopolitical realities before making any long-term investment decisions.

These geopolitical realities, I believe, make the long-run private investment prospects in South Vietnam and Southeast Asia highly speculative and I would urge great caution before any new private capital is committed.

I take the time to publicly express this concern because there may be a tendency for oil companies to assume that the United States stands ready to intervene again in South Vietnam should the situation become more unstable. The indications I have seen here in Congress are just the reverse—and that each passing hour make American Government reintervention in Southeast Asia less and less likely.

More specifically, it would be a central error in judgment, I think, for private business firms to assume that the American Government could be drawn back into Southeast Asia in order to protect any projected new private investments—whether for oil or any other purpose.

I insert the copy of the Wall Street Journal article for the interest of my colleagues:

### South Vietnam Asks 27 Oil Firms To Bid on Offshore Rights

The government of South Vietnam invited 27 Western oil companies to bid on offshore concessions.

Among the companies are several of the big international concerns, including Gulf Oil Corp., Mobil Oil Corp., Texaco Inc. and the Royal Dutch-Shell Group.

Exxon and Mobil said they are studying the proposal, but don't know what they will do regarding their bid invitations. A Texaco spokesman also said, "A final decision hasn't yet been made as to whether Texaco will participate in such biddings."

One of the companies invited to submit bids, did not do so even though it filled out an "eligibility" questionnaire. South Vietnam sent questionnaires to more than 30 oil companies in 1971 in an effort to determine which concerns were capable of drilling offshore.

In Saigon, according to the Associated Press, government sources said they will put 30 blocks in the South China Sea up for bids. The sources said the 27 companies—American, French, British, Dutch, Japanese, Canadian and Australian—were asked to submit their bids before July 2. The sources indicated they expect the successful bidders to begin drilling early next year.

For years, government and business officials in Saigon have discussed the possibility a large supply of oil lies beneath South Vietnam's coastal waters. Government officials envision that oil might fuel South Vietnam's post-war economic recovery. The Saigon sources said the government thus wants to find out quickly about any oil reserves.

American oilmen said the waters to be bid on lie in a horseshoe shape around South Vietnam's southern tip. They have long been interested in that area.

In 1967, the United Nations undertook geological surveys in the Gulf of Siam and the South China Sea. Two years later, the surveys were taken over by a consortium of 10 oil companies. In 1969 and 1970, supported by the oil companies, a Houston geophysics concern conducted reconnaissance surveys on the South Vietnamese waters.

At the time, geologists concluded chances of finding oil were good but weren't certain. The oil companies, however, quietly dropped out of the picture after their interest became a national issue in the U.S. Antiwar factions in the U.S. accused the oil companies of "engineering" the war because of the alleged deposits off South Vietnam's shores.

In Saigon, sources said South Vietnam has surveyed the southern half of its offshore waters and hopes to survey the northern half by next year. The sources said 24 of the 27 companies invited to submit bids attended a meeting yesterday in Saigon.

The South Vietnamese government, the Saigon sources said, presented a model contract to the oil companies it selected to bid on the blocks. Terms and conditions also were outlined to avoid further negotiations with the winning bidders, the Saigon sources said.

Under the model contract, the AP reported, South Vietnam would receive 12.5% royalties on total production and a 55% tax on profit from the concessions.

Several of the oil companies confirmed their representatives had received tender documents and copies of the model contract in Saigon. But some of the companies, such as Hamilton Brothers Oil Co. of Denver, declined to discuss their bidding plans or their evaluation of the concessions "because of competition."

A spokesman for Sun Oil Co., one of the companies receiving invitations to bid, said: "We've read the literature, and it looks like there is potential there."

## A WHITE HOUSE CONFERENCE ON THE HANDICAPPED

(Mr. PATTEN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. PATTEN. Mr. Speaker, the situation of the handicapped is one with which I am sure all Members of Congress are concerned. During the 92d and 93d Congresses, the House and the Senate overwhelmingly approved the vocational rehabilitation bill which, in both instances, was rejected by the President.

In light of this, and because of the great concern of this body for the improvement of the life of the handicapped person, I am introducing today a joint resolution calling for a White House Conference on the Handicapped.

Senator WILLIAMS of New Jersey is introducing the same resolution in his Chamber. It is hoped that this joint effort of the House will bring attention to the fact that the Congress of the United States, and the Nation itself, is prepared to make a genuine commitment to better the life of our country's handicapped.

Mr. Speaker, the following Members of the House of Representatives chose to join me as cosponsors of this joint resolution:

COSPONSORS OF JOINT RESOLUTION FOR A WHITE HOUSE CONFERENCE ON THE HANDICAPPED

Ms. Abzug of New York.
Mr. Bingham of New York.
Mr. Brown of California.
Mr. Carey of New York.
Ms. Chisholm of New York.
Mr. Davis of South Carolina.
Mr. Denholm of South Dakota.
Mr. Donohue of Massachusetts.
Mr. Eilberg of Pennsylvania.
Mr. Fish of New York.
Mr. Forsythe of New Jersey.
Mr. Fulton of Tennessee.
Mrs. Grasso of Connecticut.
Mr. Hanley of New York.
Mr. Harrington of Massachusetts.
Mr. Helstoski of New Jersey.
Mrs. Holt of Maryland
Mr. Madden of Indiana.
Mr. Mayne of Iowa.
Mr. Matsunaga of Hawaii.
Mr. Mazzoli of Kentucky.
Mr. Melcher of Montana.
Mr. Moakley of Massachusetts.
Mr. Murphy of Illinois.
Mr. Myers of Indiana.
Mr. Podell of New York.
Mr. Rinaldo of New Jersey.
Mr. Roe of New Jersey.
Mr. Roncallo of New York.
Mr. Rosenthal of New York.
Mr. Roybal of California.
Mr. Sikes of Florida.
Mr. Vanik of Ohio.
Mr. Winn of Kansas.
Mr. Wolff of New York.
Mr. Won Pat of Guam.
Mr. Wyatt of Oregon.
Mr. Yatron of Pennsylvania.

Mr. Speaker, there are in the United States, according to surveys by the Public Health Service and the Social Security Administration, at least 22.6 million and probably over 30 million persons who are so disabled or handicapped as to limit in some way their ability to work or participate in other types of activity. Among these are at least 7 million handicapped children.

In this country, we have in recent years achieved great success in securing a better life for larger and larger numbers of our population. This has not happened, to a great extent, for many of those 20 or 30 million handicapped. Many of these handicapped persons, both children and adults, have been denied the basic fundamental rights of our society that the rest of us take for granted.

There are millions of children, mentally or physically handicapped, who could benefit and grow with the aid of special educational services designed for their needs, but who have been denied such services because of lack of adequate facilities or trained personnel, or of finances. In 1971, a survey by the U.S. Office of Education found that of the slightly more than 7 million handicapped children under the age of 19, only 2.8 million were being served with special educational services.

Millions of handicapped adults who could hold jobs and support themselves if they could receive the right kind of training, counseling, and understanding find themselves unable to work because of the inadequacy or nonexistence of training and counseling programs or because of the lack of understanding of their needs and problems by employers and others. The Social Security Administration survey found that of the 5 million adults whose handicaps are serious enough to interfere with the kind of work they can do, only 43 percent were employed full time and 16 percent were employed part time. Of the 7 million less severely handicapped who can work full time but whose handicaps limit them somewhat, 63 percent were employed full time and 6 percent were employed part time. Only 2 percent of the 6 million severely handicapped were employed full time and 14 percent were employed part time.

Handicapped persons as they try to go about the everyday activities of life—to work, to study, to go shopping, or to perform other normal activities—find before them countless barriers. These are not only the barriers of prejudice and lack of understanding, but the barriers of architecture and transportation. Stairs, escalators, narrow or heavy doors, high counters, and drinking fountains—all these architectural barriers prove that those who design and build our world have little or no concern for the needs and problems of the handicapped. The difficulty of access to buses, taxis, and other modes of public transportation provides further evidence, if any is necessary, of the low level of concern we feel for the handicapped.

The handicapped have real grievances against the way their country has treated and is treating them. Despite the great success of the Education of the Handicapped program growing out of the Elementary and Secondary Education Act in reaching handicapped children with special education, there are still millions of children who have not been able to profit from such help. Although the vocational rehabilitation program over the past half century has restored more than 3 million handicapped men and women to productive employment, many millions more have not yet been reached.

We have done a lot, but we find that there is still a lot that we have left undone. For this reason, I think it is time we make a broad and deep study of our commitment to the handicapped and of the successes and failures of the programs our commitment has led us to establish.

For this reason, I am today introducing legislation to this end; a joint resolution authorizing and requesting the President to call, within 2 years, a White House Conference on the Handicapped. The Conference will develop recommendations for further research and action in the field of the handicapped.

In arriving at recommendations, the Conference will bring together representatives of Federal, State, and local governments, professional and lay people who are working in the various fields of the handicapped, and of the general public, including handicapped persons and parents of handicapped persons.

I feel a conference of this type will provide an unparalleled opportunity for this Nation to confront our neglect of the handicapped and to try to come up with methods to end this neglect once and for all.

Such a conference can have a great impact on public opinion concerning the handicapped. It can kick off a national campaign to guarantee equality for the handicapped. I hope my fellow Members of this House will come to the support of my joint resolution and of the handicapped of this Nation. The resolution follows:

### H.J. RES. —

To express the sense of Congress that a White House Conference on the Handicapped be called by the President of the United States.

Whereas this Nation has achieved great and satisfying success in making possible a better quality of life for a large and increasing percentage of our population; and

Whereas the great benefits and fundamental rights of our society are often denied those who are mentally and physically handicapped; and

Whereas there are seven million handicapped children and countless numbers of handicapped adults; and

Whereas equality of opportunity, equal access to all aspects of society and equal rights of the handicapped is of critical importance to this Nation; and

Whereas the primary responsibility for meeting the challenge and problems of the handicapped has been that of the States and communities; and

Whereas all levels of government must necessarily share responsibility for developing opportunities for the handicapped; and it is therefore the policy of the Congress that the Federal Government shall work jointly with the States and their citizens, to develop recommendations and plans for action, consistent with the objectives of this resolution, which will serve the purposes of—

(1) providing educational, health, and diagnostic services for all children early in life so that handicapped conditions may be discovered and treated early;

(2) assuring that every handicapped person receives appropriately designed benefits of our educational system;

(3) assuring that the handicapped have available to them all special services and assistance they need to live a full and productive life;

(4) enabling handicapped persons to have equal and adequate access to all forms of

communication and transportation services and devices, especially in time of emergency;

(5) examining changes that technological innovation will make in the problems facing the handicapped;

(6) assuring handicapped persons equal opportunity with others to engage in gainful employment;

(7) enabling handicapped persons to have incomes sufficient for health and for participation in family and community life as self-respecting citizens;

(8) increasing research relating to all aspects of handicapping conditions;

(9) assuring close attention and evaluation to all aspects of diagnosis, evaluation, and placement of handicapped persons;

(10) assuring review and evaluation of all Federal programs in the area of the handicapped, and a close examination of the Federal role in order to plan for the future;

(11) promoting other related matters for the handicapped; and

Whereas, it is essential that recommendations be made to assure that all handicapped persons are able to live their lives in a manner as independent and self-reliant as possible, and that the complete integration of all the handicapped into normal community living, working, and service patterns be held as the final objective: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) the President of the United States is authorized and requested to call a White House Conference on the Handicapped within two years of the date of enactment of this joint resolution in order to develop recommendations for further research and action in the field of the handicapped, and to further the policies set forth in the preamble of this joint resolution. Such Conference shall be planned and conducted under the direction of the Secretary of Health, Education, and Welfare (hereinafter referred to as the "Secretary") with the cooperation and assistance of such other Federal departments and agencies, including the assignment of personnel, as may be appropriate.

(b) For the purpose of arriving at facts and recommendations concerning the utilization of skills, experience, and energies and the improvement of the conditions of the handicapped, the Conference shall bring together representatives of Federal, State, and local governments, professional and lay people who are working in the fields of the handicapped, and of the general public, including handicapped persons and parents of handicapped persons.

(c) A final report of the White House Conference on the Handicapped shall be submitted to the President not later than one hundred and twenty days following the date on which the Conference is called and the findings and recommendations included therein shall be immediately made available to the public. The Secretary shall, within ninety days after the submission of such final report, transmit to the President and the Congress his recommendations for the administrative action and the legislation necessary to implement the recommendations contained in such report.

SEC. 2. In administering this joint resolution, the Secretary shall—

(a) request the cooperation and assistance of such other Federal departments and agencies as may be appropriate;

(b) render all reasonable assistance, including financial assistance, to the States in enabling them to organize and conduct conferences on the handicapped prior to the White House Conference on the Handicapped;

(c) prepare and make available background materials for the use of delegates to the White House Conference on the Handicapped as he may deem necessary;

(d) prepare and distribute interim reports of the White House Conference on the Handicapped as may be exigent; and

(e) engage such handicapped persons and additional personnel as may be necessary without regard to the provisions of title 5, United States Code, governing appointments in the competitive civil service, and without regard to chapter 57 and subchapter 111 of chapter 53 of such title relating to classification and General Schedule pay rates in carrying out his functions under this joint resolution, the secretary shall employ handicapped persons.

SEC. 3. For the purpose of this joint resolution the term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

SEC. 4. (a) The Secretary is authorized and directed to establish an Advisory Committee to the White House Conference on the Handicapped composed of twenty-eight members of whom not less than fifteen shall be handicapped or parents of handicapped persons.

(b)(1) Any member of the Advisory Committee who is otherwise employed by the Federal Government shall serve without compensation in addition to that received in his regular employment, but shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by him in the performance of his duties.

(2) Members of the Advisory Committee, other than those referred to in paragraph (1), shall receive compensation at rates not to exceed $75 per day, for each day they are engaged in the performance of their duties as members of the Advisory Committee including traveltime and, while so engaged away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as the expenses authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently.

(c) Such Advisory Committee shall cease to exist ninety days after the submission of the final report required by section 1(c).

SEC. 5. There is authorized to be appropriated to carry out this joint resolution $2,000,000.

## HOUSE CONCURRENT RESOLUTION 173—DECLINE OF AMERICAN FISHING INDUSTRY

(Mr. TREEN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. TREEN. Mr. Speaker, on April 3 I introduced House Concurrent Resolution 173, which at that time had 22 sponsors. This resolution calls attention to a very serious situation: the decline of the American fishing industry from first place to seventh place among the fishing nations of the world.

It also calls attention to the fact that we have to import 60 percent of the seafood requirements of this Nation. The resolution declares it to be the policy of this Congress to afford all support necessary to strengthen and protect the fishing industry.

Mr. Speaker, since April 3 there has been much additional interest in this resolution, so I am reintroducing it today with 52 sponsors representing 22 States, Guam, and the Virgin Islands. This resolution has bipartisan support; there are 27 Democrat and 25 Republican sponsors.

Mr. Speaker, the need for foodstuffs throughout the world represents a tremendous opportunity for the United States not only to use its land agriculture, but its sea agriculture, for improvement of our international posture.

Mr. Speaker, I urge consideration by the House of this important resolution the sponsors of which I list below and the text of which follows:

### LIST OF COSPONSORS

Mr. Treen, Mr. Blackburn, Mr. Bowen, Mr. Burgener, Mr. Casey of Texas, Mr. Cohen, Mr. Robert W. Daniel, Jr., Mr. Dellenback, Mr. Derwinski, Mr. Downing, Mr. Drinan, Mr. Fisher, Mr. Harrington, Mr. Huber, Mr. Ketchum, Mr. Pritchard, Mr. Rarick, Mr. Sikes, Mr. Waggonner, Mr. Whitehurst, Mr. Won Pat, Mr. Young of Alaska, Mr. Anderson of California, Mr. Breaux, Mr. Burke of Massachusetts, Mr. Cronin, Mr. de Lugo, Mr. du Pont, Mr. Edwards of Alabama, Mr. Fuqua, Mr. Grover, Mr. Gunter, Mr. Haley, Mrs. Holt, Mr. Jones of North Carolina, Mr. Kemp, Mr. Kyros, Mr. Leggett, Mr. Long of Louisiana, Mr. Matsunaga, Mr. Moakley, Mr. Murphy of New York, Mr. Passman, Mr. Pepper, Mr. Podell, Mr. Sarasin, Mr. Stubblefield, Mr. Studds, Mr. Talcott, Mr. Teague of California, Mr. Wyatt and Mr. Young of South Carolina.

### H. CON. RES. 173

Whereas the position of the United States in world fisheries has declined from first to seventh place among the major fishing nations;

Whereas there has been a continuing decline in domestic production of food fish and shellfish for the last five years;

Whereas our domestic fishing fleet in many areas has become obsolete and inefficient;

Whereas intensive foreign fishing along our coasts has brought about declines in stocks of a number of species with resulting economic hardship to local domestic fishermen dependent upon such stocks;

Whereas assistance to fishermen is very limited as contrasted to Federal aid to industrial, commercial, and agricultural interest;

Whereas United States fishermen cannot successfully compete against imported fish products in the market because a number of foreign fishing countries subsidize their fishing industry to a greater extent;

Whereas some 60 per centum of the seafood requirements of the United States is being supplied by imports;

Whereas the United States fisheries and fishing industry is a valuable natural resource supplying employment and income to thousands of people in all of our coastal States;

Whereas our fisheries are beset with almost unsurmountable production and economic problems; and

Whereas certain of our coastal stocks of fish are being decimated by foreign fishing fleets: Now, therefore, be it

*Resolved by the House of Representatives (the Senate concurring)*, That it is the policy of the Congress that our fishing industry be afforded all support necessary to have it strengthened, and all steps be taken to provide adequate protection for our coastal fisheries against excessive foreign fishing.

SEC. 2. The Congress also recognizes, encourages, and intends to support the key responsibilities of the several States for conservation and scientific management of fisheries resources within United States territorial waters; and in this context the Congress particularly commends Federal programs designed to improve coordinated protection, enhancement, and scientific management of all United States fisheries, both coastal and distant, including presently successful Federal aid programs under the Commercial Fisheries, Research and Development Act of 1964, and the newly developing Federal-State fisheries management programs.

## INTRODUCTION OF THE MUTUAL DEVELOPMENT AND COOPERATION ACT

(Mr. ZABLOCKI asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. ZABLOCKI. Mr. Speaker, today 23 members of the Committee on Foreign Affairs—a bipartisan majority of that committee—are introducing new legislation which would reform and restructure the Foreign Assistance Act in order to make it more effective and enhance its chances of passage through Congress.

I believe this to be an historic initiative on the part of the Foreign Affairs Committee and an opportunity for the Congress to take the lead in reshaping foreign aid.

We have been working on this proposed legislation for more than a month. We have held a number of meetings to which all interested members of the Committee on Foreign Affairs have been invited.

Our objective was not—as I shall emphasize at greater length later—to sabotage or undercut the administration's proposed fiscal year 1974 aid legislation, which has been introduced upon request to the executive branch by the committee chairman, Dr. Morgan.

Our proposal would not supersede the administration's bill but instead be offered as a series of amendments to that bill during committee markup. Those amendments would change the style and direction of U.S. economic assistance efforts. They would not affect the military and supporting assistance portions of the administration's program.

Among the Members of Congress—all from the Committee on Foreign Affairs—who already have indicated their support by agreeing to cosponsor the bill are: Mr. Fraser, Mr. Frelinghuysen, Mr. Fascell, Mr. Findley, Mr. Diggs, Mr. Nix, Mr. Rosenthal, Mr. Hamilton, Mr. Bingham, Mr. Whalen, Mr. Biester, Mr. Winn, Mr. Reid, Mr. Yatron, Mr. Harrington, Mr. Ryan, Mr. Riegle, Mr. Mr. Charles Wilson of Texas, Mr. Gilman, Mr. Vander Jagt, and Mr. Wolff.

Our proposal amends the administration version in four respects:

First. It modifies the statement of policy by adding the following language:

> Bilateral development aid should concentrate increasingly on sharing American technical expertise, farm commodities, and industrial goods to meet critical development problems, and less on large-scale capital transfers, which when made should be in association with contributions from other industrialized countries working together in a multilateral framework.
>
> Future United States bilateral support for development should focus on critical problems in those functional sectors which affect the lives of the majority of the people in the developing countries: food production, rural development and nutrition; population planning and health; education, public administration, and human resource development.
>
> United States cooperation in development should be carried out to the maximum extent possible through the private sector, particularly those institutions which already have ties in the developing areas, such as educational institutions, cooperatives, credit unions, and voluntary agencies.
>
> Development planning must be the responsibility of each sovereign country. United States assistance should be administered in a collaborative style to support the development goals chosen by each country receiving assistance.
>
> United States bilateral development assistance should give the highest priority to undertakings submitted by host governments which directly improve the lives of the poorest majority of people and their capacity to participate in the development of their countries.
>
> United States development assistance should continue to be available through bilateral channels until it is clear that multilateral channels exist which can do the job with no loss of development momentum.

Second. In keeping with the new policy directions, it changes the name of the basic act to the "Mutual Development and Cooperation Act" and the name of the administering agency—now AID—to the Mutual Development and Cooperation Agency—MDCA.

Third. The bill provides for greater coordination of U.S. development activities and seeks to assure that the U.S. interest in development in low-income countries is taken into account in economic policies which affect development.

Fourth. It creates a new Export Development Credit Fund. The Fund would utilize repayment from outstanding loans to subsidize concessional loans to the low-income countries, thus aiding U.S. exporters and enabling countries to purchase goods and services needed for their development.

In summary, our proposal would do the following:

Focus the now much diminished bilateral aid on acute problem areas in order to encourage the developing countries to make it possible for the poorest majority of their people to participate in the development process;

Improve coordination of all U.S. activities that bear on development; and

Create a new facility to expand U.S. exports to the poorest countries with the further aim of providing additional resources to those countries at appropriate terms without increasing U.S. budgetary outlays.

Mr. Speaker, I believe this initiative is in the best tradition of congressional lawmaking. It embodies a bipartisan consensus on how future foreign aid programs should be structured.

I am inserting the text of the proposal into the Record at this point and urge the attention of my colleagues to it.

### H.R. 8258

A bill to amend the Foreign Assistance Act of 1961, and for other purposes

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Mutual Development and Cooperation Act of 1973".

#### MUTUAL DEVELOPMENT AND COOPERATION ACT

Sec. 2. The Foreign Assistance Act of 1961 is amended as follows:

(a) In the first section, strike out "The Foreign Assistance Act of 1961" and insert in lieu thereof "The Mutual Development and Cooperation Act of 1973".

(b) Strike out "Agency for International Development" each place it appears in such Act and insert in lieu thereof in each such place "Mutual Development and Cooperation Agency".

#### POLICY; DEVELOPMENT ASSISTANCE AUTHORIZATIONS

Sec. 3. Chapter 1 of part 1 of the Foreign Assistance Act of 1961 is amended as follows:

(a) In the chapter heading, immediately after "Chapter 1—Policy" insert "; Development Assistance Authorizations".

(b) In section 102, relating to statement of policy, insert "(a)" immediately after "Statement of Policy.—", and at the end thereof add the following:

"(b) The Congress further finds and declares that, with the help of United States economic assistance, progress has been made in creating a base for the peaceful advance of the less developed countries. At the same time, the conditions which shaped the United States foreign assistance program in the past have changed. While the United States must continue to seek increased cooperation and mutually beneficial relations with other nations, our relations with the less developed countries must be revised to reflect the new realities. In restructuring our relationships with those countries, the President should place appropriate emphasis on the following criteria:

"(1) Bilateral development aid should concentrate increasingly on sharing American technical expertise, farm commodities, and industrial goods to meet critical development problems, and less on large-scale capital transfers, which when made should be in association with contributions from other industrialized countries working together in a multilateral framework.

"(2) Future United States bilateral support for development should focus on critical problems in those functional sectors which affect the lives of the majority of the people in the developing countries: food production, rural development and nutrition; population planning and health; education, public administration, and human resource development.

"(3) United States cooperation in development should be carried out to the maximum extent possible through the private sector, particularly those institutions which already have ties in the developing areas, such as educational institutions, cooperatives, credit unions, and voluntary agencies.

"(4) Development planning must be the responsibility of each sovereign country. United States assistance should be administered in a collaborative style to support the development goals chosen by each country receiving assistance.

"(5) United States bilateral development assistance should give the highest priority to undertakings submitted by host governments which directly improve the lives of the poorest majority of people and their capacity to participate in the development of their countries.

"(6) United States development assistance should continue to be available through bilateral channels until it is clear that multilateral channels exist which can do the job with no loss of development momentum.

"(7) Under the policy guidance of the Secretary of State, the Mutual Development and Cooperation Agency should have the responsibility for coordinating all United States development-related activities. The Administrator of the Agency should advise the President on all United States actions affecting the development of the less-developed countries, and should keep the Congress informed on the major aspects of United States interests in the progress of those countries."

(c) At the end thereof, add the following new sections:

"Sec. 103. Food and Nutrition.—In order to prevent starvation, hunger and malnutrition, and to provide basic services to the people living in rural areas and enhance their capacity for self-help, the President is authorized to furnish assistance, on such terms and conditions as he may determine, for agriculture, rural development and nutrition. There is authorized to be appropriated to the President for the purposes of this section, in addition to funds otherwise available for such purposes, $300,000,000 for each of the fiscal years 1974 and 1975, which amounts are authorized to remain available until expended.

"Sec. 104. Population Planning and Health.—In order to increase the opportunities and motivation for family planning, to reduce the rate of population growth, to prevent and combat disease, and to help provide health services for the great majority, the President is authorized to furnish assistance on such terms and conditions as he may determine, for population planning and health. There is authorized to be appropriated to the President for the purposes of this section, in addition to the funds otherwise available for such purposes, $150,000,000 for each of the fiscal years 1974 and 1975, which amounts are authorized to remain available until expended.

"Sec. 105. Education and Human Resource Development.—In order to reduce illiteracy, to extend basic education and to increase manpower training in skills related to development, the President is authorized to furnish assistance on such terms and conditions as he may determine, for education, public administration and human resource development. There is authorized to be appropriated to the President for the purposes of this section, in addition to funds otherwise available for such purposes, $115,000,000 for each of the fiscal years 1974 and 1975, which amounts are authorized to remain available until expended.

"Sec. 106. Selected Development Problems.—The President is authorized to furnish assistance on such terms and conditions as he may determine, to help solve economic and social development problems in fields such as transportation and power, industry, urban development and export development. There is authorized to be appropriated to the President for the purposes of this section, in addition to funds otherwise available for such purposes, $93,000,000 for each of the fiscal years 1974 and 1975, which amounts are authorized to remain available until expended.

"Sec. 107. Selected Countries and Organizations.—The President is authorized to furnish assistance on such terms and conditions as he may determine, in support of the general economy of recipient countries or for development programs conducted by private or international organizations. There is authorized to be appropriated to the President for the purposes of this section, in addition to funds otherwise available for such purposes, $60,000,000 for each of the fiscal years 1974 and 1975, which amounts are authorized to remain available until expended.

"Sec. 108. Application of Existing Provisions.—Assistance under this chapter shall be furnished in accordance with the provisions of titles I, II, VI, or X of chapter 2 of this part, and nothing in this chapter shall be construed to make inapplicable the restrictions, criteria, authorities or other provisions of this or any other Act in accordance with which assistance furnished under this chapter would otherwise have been provided.

"Sec. 109. Transfer of Funds.—Notwithstanding the preceding section, whenever the President determines it to be necessary for the purposes of this chapter, not to exceed 15 per centum of the funds made available for any provision of this chapter may be transferred to, and consolidated with, the funds made available for any other provision of this chapter, and may be used for any of the purposes for which such funds may be used, except that the total in the provision for the benefit of which the transfer is made shall not be increased by more than 25 per centum of the amount of funds made available for such provision.".

### DEVELOPMENT LOAN FUND

"Sec. 4. Section 203 of chapter 2 of part I of the Foreign Assistance Act of 1961 is amended as follows:

(a) Strike out "the Mutual Security Act of 1954, as amended," and insert in lieu thereof "predecessor foreign assistance legislation".

(b) Strike out "for the fiscal year 1970, for the fiscal year 1971, for the fiscal year 1972, and for the fiscal year 1973" and insert in lieu thereof "for the fiscal years 1974 and 1975 for use for the purposes of chapter I of this part and part V of this Act and".

### ADMINISTRATIVE PROVISIONS

Sec. 5. Chapter 2 of part III of the Foreign Assistance Act of 1961, relating to administrative provisions, is amended as follows:

(a) In section 638, relating to Peace Corps assistance, insert before the period at the end thereof "; or under part V of this Act".

(b) At the end thereof, add the following new section:

"Sec. 640B. Coordination.—(a) The President shall establish a system for coordination of United States policies and programs which affect United States interests in the development of low income countries. To that end, the President shall establish a Development Coordination Committee which shall advise him with respect to coordination of United States policies and programs affecting the development of the developing countries, including programs of bilateral and multilateral development assistance. The Committee shall include the Administrator, Mutual Development and Cooperation Agency, Chairman; the Under Secretary for Economic Affairs, Department of State; the Assistant Secretary for International Organization Affairs, Department of State; the Assistant Secretary for International Affairs, Department of the Treasury; the Assistant Secretary for International Affairs and Commodity Programs, Department of Agriculture; the Assistant Secretary for Domestic and International Business, Department of Commerce; the President, Export-Import Bank of the United States; the President, Overseas Private Investment Corporation; the Special Representative for Trade Negotiations. Executive Office of the President; and the Executive Director, Council on International Economic Policy.

"(b) The President shall prescribe appropriate procedures to assure coordination among representatives of the U.S. Government in each country, under the direction of the Chief of the U.S. Diplomatic Mission.

(c) Programs authorized by this Act shall be undertaken with the foreign policy guidance of the Secretary of State.

"(d) The Chairman of the Development Coordination Committee shall report annually to the President and the Congress on United States actions affecting the development of the low income countries.".

### UNITED STATES EXPORT DEVELOPMENT CREDIT FUND

Sec. 6. The Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new part:

### "PART V

"Sec. 801. General Authority.—(a) In the interest of increasing United States exports to the lowest income countries, thereby contributing to high levels of employment and income in the United States and to the establishment and maintenance of long-range, growing export markets, while promoting development of such countries, the President shall establish a fund, to be known as the 'United States Export Development Credit Fund', to be used by the President to carry out the authority contained in this part.

"(b) The President is authorized to provide extensions of credit and to refinance United States exporter credits, for the purpose of facilitating the sale of United States goods and services to the lowest income countries which advance their development. The provisions of Section 201 (d) of this Act shall apply to extensions of credit under this part. The authority contained in this part shall be used to extend credit in connection with the sale of goods and services which are of developmental character, with due regard for the objectives stated in section 102 (b) of this Act.

"(c) The receipts and disbursements of the Fund in the discharge of its functions shall be treated for purposes of the budget of the United States Government in the same fashion as the receipts and disbursements of the Export-Import Bank of the United States under section 2 (a) (2) of the Export-Import Bank Act of 1945, as amended.

"Sec. 802. Financing.—(a) As many hereafter be provided in annual appropriation Acts, the President is authorized to borrow from whatever source he deems appropriate, during the period from the enactment of this legislation through December 31, 1977, and to issue and sell such obligations as he determines necessary to carry out the purposes of this part, *Provided,* That the aggregate amount of such obligations outstanding at any one time shall not exceed one-fourth of the amount specified in section 7 of the Export-Import Bank Act of 1945, as amended. The dates of issuance, the maximum rates of interest and other terms and conditions of the obligations issued under this subsection will be determined by the Secretary of the Treasury with the approval of the President. Obligations issued under the authority of this section shall be obligations of the Government of the United States of America, and the full faith and credit of the United States of America is hereby pledged to the full payment of principal and interest thereon. For the purpose of any purchase of the obligations issued under this part, the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as now or hereafter in force, and purposes for which securities may be issued under the Second Liberty Bond Act, as now or hereafter in force, are extended to include any purchases of the obligations issued under this part. The Secretary of the Treasury may, at any time, sell any of the obligations acquired by him under this section. All redemptions, purchases, and sales by the Secretary of such obligations shall be treated as public debt transactions of the United States.

"(b) Except as otherwise provided in section 806, the amounts borrowed under subsection (a) of this section shall be paid into the Fund and used to carry out the purposes of this part. Any difference between the interest to be repaid on export credits made under this part and the interest paid by the Fund on obligations incurred under subsection (a) of this section shall be paid into the Fund out of receipts specified in section 203 of this Act or out of receipts from loans made pursuant to this part.

"(c) Receipts from loans made pursuant to this part are authorized to be made available for the purposes of this part. Such receipts and other funds made available for the purposes of this part shall remain available until expended.

"Sec. 803. Lending Ceiling and Termination.—(a) The United States Export Development Credit Fund shall not have outstanding at any one time loans in an aggregate amount in excess of one-fourth of the amount specified in section 7 of the Export-Import Bank Act of 1945, as a mended.

"(b) The United States Export Development Credit Fund shall continue to exercise its functions in connecton with and in furtherance of its objectives and purposes until the close of business on December 31, 1977, but the provisions of this section shall not be construed as preventing the Fund from acquiring obligations prior to such date which mature subsequent to such date or from assuming prior to such date liability as acceptor of obligations which mature subsequent to such date or from issuing either prior or subsequent to such date, for purchase by the Secretary of the Treasury or any other purchasers, its obligations which mature subsequent to such date or from continuing as an agency of the United States and exercising any of its functions subsequent to such date for purposes of orderly liquidation, including the administration of its assets and the collection of any obligations held by the Fund.

"SEC. 804. Reports to the Congress.—The President shall transmit to the Congress semiannually a complete and detailed report of the operations of the United States Export Development Credit Fund. The report shall be as of the close of business of June 30 and December 31 of each year.

"SEC. 805. Administration of Fund.—The President shall establish a committee to advise him on the exercise of the functions conferred upon him by this part. The committee shall include the Secretary of Commerce, the Secretary of the Treasury, the Secretary of State, the President of the Export-Import Bank and the Administrator of the Mutual Development and Cooperation Agency.

"SEC. 806. Provision for Losses.—Ten per centum of the amount authorized to be borrowed under subsection 803(a) shall be reserved and may be used to cover any losses incurred on loans extended under this part. Receipts specified in section 203 of this Act may also be paid into the Fund for the purpose of compensating the Fund for any such losses.

"SEC. 807. Export-Import Bank Powers.—Nothing in this part shall be construed as a limitation on the powers of the Export-Import Bank of the United States.

"SEC. 808. Prohibition on Loans for Defense Articles or Services.—The authority contained in this part shall not be used to extend credit in connection with the sale of defense articles or defense services. This provision may not be waived pursuant to section 614 of this Act or pursuant to any other provision of this or any other Act.

"SEC. 809. Definitions.—As used in this part—

"(a) 'Lowest income countries' means the poorer developing countries, with particular, but not exclusive, reference to countries in which, according to the latest available United Nations statistics, national product per capita is less than $200 a year.".

### REFERENCES TO EXISTING ACT AND ADMINISTERING AGENCY

SEC. 7. All references to the Foreign Assistance Act of 1961, as amended, and to the Agency for International Development shall be deemed to be references also to the Mutual Development and Cooperation Act of 1973 and to the Mutual Development and Cooperation Agency, respectively. All references in the Mutual Development and Cooperation Act of 1973 to "this Act" or to any provisions thereof shall be deemed to be references also to the Foreign Assistance Act of 1961, as amended, or to the appropriate provisions thereof, and references to "the agency primarily responsible for administering part I" shall be deemed references also to the Agency for International Development. All references to the Mutual Development and Cooperation Act of 1973 and to the Mutual Development and Cooperation Agency shall, where appropriate, be deemed references also to the Foreign Assistance Act of 1961, as amended, and to the Agency for International Development, respectively.

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## MULTINATIONAL CORPORATIONS

The SPEAKER. Under a previous order of the House, the gentleman from Pennsylvania (Mr. GAYDOS) is recognized for 60 minutes.

Mr. GAYDOS. Mr. Speaker, in the great hue and cry over the Nation's present precarious position in international trade, our mounting deficits, our devaluations of the dollar and our pending confrontation with foreign competitors for world markets, a great deal of criticism has been directed toward the multinational corporations and the role they have played in bringing about the current situation.

These firms, with their globe encircling sphere of operations, have been accused of putting profits before patriotism, and of sacrificing American jobs on the altar of low labor costs abroad. The corporations have denied the charges. They contend they actually have created employment here, although some do admit that their foreign operations have resulted in replacing production workers in the United States with managerial, research, and service personnel.

However, it is not my intention to comment on this particular aspect of the problem. My colleague, Mr. DENT, is well prepared to handle it. Instead, I would like to direct my colleagues' attention at this time to two other matters involving multinationals. First: I would urge them not to concentrate exclusively on the American multinationals and forget about foreign multinationals. Second, I would ask my colleagues to pause for a moment to consider what effect these giants of business and industry could have on the lives of all people, and of all governments in the years to come.

For many years when people talked of multinational corporations, they automatically thought in terms of American-based plants which established subsidiary firms throughout the world. Multinationals and American corporations were synonomous, particularly in the years following World War II.

U.S. corporations were quick to recognize the potentially lucrative markets to be found in the ashes of foreign economies which had been shattered by the war and were ripe for the rebuilding. They saw the advantages of helping the reconstruction of those economies while at the same time enjoying lower production costs for goods shipped back to the United States.

In many cases, these corporations were encouraged by our Government to expand their overseas operations in order to assist—the underdeveloped nations and also to acquire a needed source of raw materials. Our Government has gone so far as to insure most of these firms against any possible confiscatory action which might be taken by foreign authorities. This is done, of course, through the Overseas Private Insurance Corp., which is supported by the tax dollars of working Americans.

In the period between 1950 and 1970, the growth of American multinational corporations was rapid. The number of U.S. firms' foreign subsidiaries almost quadrupled, jumping from 2,300 to 8,000 over the 20-year period. In nearly the same length of time, the amount of direct overseas investments also soared, from $11.8 billion in 1950 to $86 billion in 1971.

It is not surprising then that most people linked the word "multinational" with the United States. What is surprising, however, is that few people are now aware of the growth of foreign multinationals and their increased interest in the past few years in locating in the United States.

According to the U.S. Department of Commerce, the value of foreign direct investments here jumped from $7.4 billion in 1961 to $13.7 billion in 1971, an increase of $6.3 billion. However, the DOC notes the rate of increased growth was dramatic over the last 5 years of that decade.

From 1961 to 1966, the average growth was $330 million a year or 4.1 percent at an annual rate. But, from 1966 to 1971, growth more than doubled, averaging $930 million or an annual rate of 8.6 percent, DOC reported.

On February 18, 1973, an article in the Pittsburgh Press reported a University of Wisconsin economist as linking the second devaluation of the American dollar with a possible "grab" of U.S. companies by foreign investors.

Prof. Warren J. Bilkey was quoted as saying:

> If the thought of a Japanese takeover of General Motors appears fantastic, just consider that foreign banks now own more than 10 billion dollars more than they did 10 days ago.

That was the result of the dollar devaluation.

Bilkey explained that it was unlikely Japan and Germany would lend the excess dollars to Russia and China to be used to buy products manufactured by Japanese and German workers. The strategy would boomerang because they soon would end up still holding the excess American dollars. If the Japanese and Germans used the dollars to buy Russian and Chinese raw materials, it would mean the two Communist countries then would be faced with the problem of getting rid of the devaluated American currency.

Professional Bilkey suggested Germany and Japan might more wisely use the money to buy American stock, adding that if either could buy enough stock in GM to gain control, it could then determine the worldwide investment policies of the corporation.

Frankly, although the idea expressed by the professor was intriguing, I personally thought the possibility rather remote. But, just 1 month later, Industry Week magazine ran an article stating Hitachi Metals America Ltd., a subsidiary of the Hitachi Group in Tokyo, had acquired 80.5-percent interest in a magnet manufacturing plant operated by General Electric Co. in Massachuetts.

Hitachi, until then, primarily engaged in importing Japanese products to the

United States, now says it intends to export products from its new plant. Regarding further U.S. investments, Kenji Takitani, president of Hitachi Metals America, was quoted as saying:

> We have an aggressive, open-minded interest in U.S. ventures, large or small, at any time. We want to expand our roots in America.

In the same article Industry Week also reported Mitsubishi Heavy Industries Ltd. was interested in more direct investment in U.S. manufacturing, and Nippon Seiko Co., Tokyo, had started a joint venture with Hoover Ball & Bearing Co. in Michigan.

Just about the time the Industry Week article appeared, Mr. Harvey D. Shapiro wrote an excellent article on multinational corporations in the March 18 issue of the New York Times magazine. Entitled "Giants—Beyond Flag and Country," it is an extremely well-written analysis of the past and future of multinationals, and their effect on international economics and politics.

Mr. Shapiro discusses the growth of foreign multinational firms, noting Japan, for example, now has only $4.5 billion in overseas direct investments. However, he pointed out now that the Japanese Government has relaxed controls on the export of capital, it is anticipated that Nation's foreign investments will total $10 billion within the next few years.

I was particularly impressed with an observation of Mr. Shapiro's that while multinationals grow in number and in influence, they will further challenge the authority and jurisdiction of national governments. Mr. Shapiro observes that traditionally a state is responsible for what happens within its borders, but that multinationals require a free flow of goods, capital, and labor as though there were no borders. They look upon a state or states, not as a sovereign entity but as a sales territory. The question then becomes, as Mr. Shapiro so aptly puts it, "which is to govern? The law of the land or the law of supply and demand?"

George Ball, former Under Secretary of State, is quoted in the article as wondering how a national government can manage its domestic financial and economic policies if it cannot control the decisions of all factors within that economy. The point is made that multinational corporations have massive economic power and that economic power is political muscle as well.

This is a disturbing realization, especially when it is becoming increasingly evident that multinational corporations today are becoming ensnared in a web of allegiances to various governments which could become extremely sticky in years to come.

Frankly, I do not know now, how this developing problem can be solved, but I do know that I disagree quite strongly with the proposal put forth by Mr. Ball. He suggests a sort of economic United Nations, a supernational regulatory authority which will charter global firms, specify their rights and obligations and standardize the host government's regulations and taxes. I shudder at the thought of putting the fate of American citizens into the hands of such an authority, in view of what our experience with the United Nations has taught us as to where the loyalties of its members lie.

Nevertheless, it should be realized that the growing economic and political power of multinational corporations is a force which must be reckoned with. Already, these giants have reached a plateau where they can ignore trade unions, consumer groups and, in many cases, minor governmental bodies. It is not unrealistic to assume that if and when these modern-day giants decide to unite, and form their own set of rules and regulations, sovereign States will have little or nothing to say in the matter. I fear for the day when the Constitution of the United States is superseded by a sales contract.

Mr. Speaker, I include in the RECORD several published articles relating to the activities of multinational corporations today:

### FOREIGN DIRECT INVESTMENTS IN THE UNITED STATES, 1962–71

The value of foreign direct investments in the United States increased from $7.4 billion at yearend 1961 to $13.7 billion at yearend 1971, according to the Bureau of Economic Analysis, a part of the Commerce Department's Social and Economic Statistics Administration. Historical data on foreign direct investments in the United States are presented and factors influencing such investments are investigated in an article that will appear in the February issue of BEA's monthly magazine, the *Survey of Current Business*.

Here are the major findings of the article, "Foreign Direct Investments in the United States, 1962–71"—

The value of foreign direct investments in the United States increased $6.3 billion in the 1962–71 period. Net capital inflows added $2.6 billion while reinvested earnings contributed $3.8 billion. The value of the foreign share of U.S. firms' assets was adjusted downward by $100 million during the decade.

The rate of growth of foreign direct investments in the United States increased sharply after 1966: from yearend 1961 to yearend 1966, their average growth was $330 million a year, or 4.1 percent at an annual rate; from yearend 1966 to yearend 1971, growth averaged $930 million a year, an annual rate of 8.6 percent.

The value of foreign direct investments in U.S. manufacturing amounted to $6.7 billion in 1971. That was 49 percent of total investment. Manufacturing's share in 1962 was 38 percent.

European countries held 73 percent of foreign direct investments in the United States at yearend 1971, compared with 69 percent at yearend 1962. Among individual countries, the United Kingdom has traditionally had the largest direct investments in the United States ($4.4 billion in 1971).

Foreign earnings on direct investments in the United States increased from $359 million to $1,110 million from 1962 to 1971. Income paid to foreign parents rose from $185 million to $623 million over the same period.

The rate of return from foreign-owned manufacturing firms in the United States has historically been lower than that from all U.S. manufacturing firms. The gap has, however, been narrowing in recent years. In 1971, the rate of return from foreign-owned manufacturing firms in the United States was 8.7 percent, compared with 10.7 percent for all U.S. manufacturing firms. The rate of return from foreign-owned firms is based on a measure of benefits derived from the investments which adjusts earnings to include interest on intercompany debt but to exclude U.S. withholding taxes on common stock dividends. This measure of the foreign owners' return is most comparable to the rate of return from all manufacturing.

For full details, see "Foreign Direct Investments in the United States, 1962–71," in the February issue of the Survey of Current Business, the monthly magazine of the Bureau of Economic Analysis. The Survey is available from Field Offices of the Department of Commerce, or from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402, at an annual subscription price of $20, including weekly supplements; single copy, $2.25.

TABLE 1.—VALUE OF FOREIGN DIRECT INVESTMENTS IN THE UNITED STATES AT YEAREND

[In millions of dollars

| Line No. | Area and industry | 1962 | 1963 | 1964 | 1965 | 1966 | 1967 | 1968 | 1969 | 1970[2] | 1971 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Total | 7,612 | 7,944 | 8,363 | 8,797 | 9,054 | 9,923 | 10,815 | 11,818 | 13,270 | 13,704 |
| | By area: | | | | | | | | | | |
| 2 | Canada | 2,064 | 2,183 | 2,284 | 2,388 | 2,439 | 2,575 | 2,659 | 2,834 | 3,117 | 3,339 |
| 3 | Europe | 5,247 | 5,492 | 5,820 | 6,076 | 6,274 | 7,005 | 7,750 | 8,510 | 9,554 | 10,077 |
| 4 | United Kingdom | 2,474 | 2,665 | 2,796 | 2,852 | 2,864 | 3,156 | 3,409 | 3,496 | 4,127 | 4,435 |
| 5 | European Economic Community | 1,675 | 1,728 | 1,841 | 1,975 | 2,144 | 2,405 | 2,790 | 3,306 | 3,555 | 3,757 |
| 6 | Belgium and Luxembourg | 158 | 161 | 175 | 175 | 193 | 228 | 273 | 309 | 338 | 341 |
| 7 | France | 183 | 182 | 197 | 200 | 215 | 265 | 288 | 319 | 286 | 315 |
| 8 | Germany | 152 | 149 | 156 | 209 | 247 | 318 | 387 | 617 | 680 | 767 |
| 9 | Italy | 100 | 102 | 82 | 87 | 87 | 86 | 92 | 95 | 100 | 109 |
| 10 | Netherlands | 1,082 | 1,134 | 1,231 | 1,304 | 1,402 | 1,508 | 1,750 | 1,966 | 2,151 | 2,225 |
| 11 | Other Western Europe | 1,098 | 1,099 | 1,183 | 1,249 | 1,266 | 1,444 | 1,551 | 1,708 | 1,872 | 1,886 |
| 12 | Sweden | 179 | 185 | 199 | 215 | 217 | 239 | 205 | 199 | 208 | 229 |
| 13 | Switzerland | 836 | 825 | 896 | 940 | 949 | 1,096 | 1,238 | 1,395 | 1,545 | 1,537 |
| 14 | Other | 83 | 89 | 88 | 94 | 100 | 109 | 108 | 114 | 119 | 120 |
| 15 | Japan | 112 | 104 | 72 | 118 | 103 | 108 | 181 | 176 | 229 | −174 |
| 16 | Latin America and other Western Hemisphere | 152 | 123 | 145 | 172 | 195 | 192 | 182 | 193 | 248 | 315 |
| 17 | Other | 37 | 42 | 42 | 43 | 43 | 43 | 43 | 105 | 121 | 146 |

| Line No. | Area and industry | 1962 | 1963 | 1964 | 1965 | 1966 | 1967 | 1968 | 1969 | 1970 [2] | 1971 [3] |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | By industry: | | | | | | | | | | |
| 18 | Petroleum | 1, 419 | 1, 513 | 1, 612 | 1, 710 | 1, 740 | 1, 885 | 2, 261 | 2, 493 | 2, 992 | 3, 113 |
| 19 | Manufacturing | 2, 885 | 3, 018 | 3, 213 | 3, 478 | 3, 789 | 4, 181 | 4, 475 | 5, 344 | 6, 140 | 6, 748 |
| 20 | Trade | 750 | 706 | 675 | 748 | 739 | 848 | 938 | 959 | 994 | 568 |
| 21 | Insurance and other finance | 1, 943 | 2, 045 | 2, 181 | 2, 169 | 2, 072 | 2, 193 | 2, 305 | 2, 189 | 2, 256 | 2, 352 |
| 22 | Other | 615 | 662 | 682 | 692 | 714 | 816 | 836 | 833 | 888 | 923 |

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[1] The value of foreign direct investments is the sum of net capital inflows, valuation adjustments of the foreign share of assets held by U.S. affiliates of foreign firms, and the foreign share of reinvested earnings of incorporated U.S. affiliates.

[2] Revised.

[3] Preliminary.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, International Investment Division.

TABLE 2. FOREIGN DIRECT INVESTMENTS IN THE UNITED STATES SELECTED DATA ITEMS

[In millions of dollars]

| Line No. | Area andi ndustry | Earnings | | Reinvested earnings | | Interest, dividends, and branch earnings | | Net capital inflows | |
|---|---|---|---|---|---|---|---|---|---|
| | | 1962 | 1971 [1] | 1962 | 1971 [1] | 1962 | 1971 [1] | 1962 | 1971 [1] |
| 1. | Total | 359 | 1, 110 | 214 | 498 | 185 | 623 | 132 | −67 |
| | By area: | | | | | | | | |
| 2. | Canada | 90 | 218 | 56 | 137 | 48 | 88 | 43 | 85 |
| 3. | Europe | 267 | 757 | 159 | 292 | 132 | 466 | 62 | 229 |
| 4. | United Kingdom | 102 | 350 | 44 | 104 | 63 | 236 | 19 | 203 |
| 5. | European Economic Community | 105 | 274 | 75 | 140 | 40 | 134 | 46 | 61 |
| 6. | Belgium and Luxembourg | 2 | 22 | 2 | 20 | 4 | 3 | 5 | −17 |
| 7. | France | 4 | 21 | 2 | 11 | 4 | 10 | 7 | 18 |
| 8. | Germany | 6 | 55 | 3 | 39 | 4 | 19 | 31 | 48 |
| 9. | Italy | −10 | −1 | −11 | −4 | 3 | 5 | 22 | 13 |
| 10. | Netherlands | 103 | 176 | 79 | 75 | 25 | 97 | −19 | −1 |
| 11. | Other Western Europe | 60 | 133 | 40 | 49 | 30 | 96 | −3 | −35 |
| 12. | Sweden | 6 | 10 | 3 | | 3 | 11 | 1 | 21 |
| 13. | Switzerland | 53 | 118 | 34 | 48 | 26 | 83 | −7 | −59 |
| 14. | Other | 1 | 5 | 3 | 1 | (2) | 2 | 3 | 3 |
| 15. | Japan | −3 | 92 | −4 | 53 | 4 | 40 | 24 | −456 |
| 16. | Latin America and other Western Hemisphere | 5 | 36 | 1 | 8 | 2 | 29 | 27 | 60 |
| 17. | Other | (2) | 8 | 2 | 7 | (2) | (2 | −24 | 16 |
| | By industry: | | | | | | | | |
| 18. | Petroleum | 126 | 203 | 116 | 78 | 14 | 116 | −22 | 43 |
| 19. | Manufacturing | 146 | 512 | 88 | 318 | 76 | 217 | 41 | 287 |
| 20. | Trade | 19 | 130 | 15 | 71 | 8 | 52 | 83 | −497 |
| 21. | Insurance | 52 | 185 | | | 56 | 185 | 36 | 81 |
| 22. | Other finance | 15 | 62 | −2 | 26 | 18 | 39 | 11 | −11 |
| 23. | Other | 1 | 18 | −3 | 5 | 13 | 14 | −17 | 30 |

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[1] Preliminary.

[2] Less than $500,000 (plus or minus).

Source: U.S. Department of Commerce, Bureau of Economic Analysis, International Investment Division.

### JAPANESE FIRM BUYS GE's MAGNET FACILITY

Japanese investment in U. S. manufacturing continues to grow with one of the latest ventures involving Japan's second largest industrial combine and the General Electric Co.

Hitachi Metals America Ltd., White Plains, N. Y., a subsidiary of the Hitachi Group, Tokyo, acquired an 80.5% interest in GE's permanent magnet manufacturing plant at Edmore, Mich., to form a new company, Hitachi Magnetics Corp.

The Edmore plant, which has been operated as a department of GE's Chemical & Metallurgical Div., Pittsfield, Mass., manufactures products for the automotive, appliance, home entertainment, and electronics industries.

This is the first manufacturing venture in the U. S. for any company of the Hitachi Group, which has annual sales of more than $4 billion. The Japanese firm also has an extensive overseas marketing operation and plans to export products from Hitachi Magnetics Corp.

Hitachi Metals America had been primarily engaged in importing goods into the U. S. prior to the Edmore plant acquisition, the company said, although it also operates a small metals fabricating plant in Pittsburgh.

Kenji Takitani, president, Hitachi Metals America, and chairman and chief executive officer, Hitachi Magnetics, said: "The new operation will expand the magnetic product lines and improve the existing technologies now carried on at the Edmore plant."

Hitachi Magnetics will expand its present product line by supplying a variety of ferrite magnets, considered one of the fastest growing segments of the industry. The GE plant had not been manufacturing the ferrite magnets. Hitachi also said that the product line "will encompass the full spectrum of commercially made magnets: Alnico, ferrite, samarium cobalt, and Lodex."

"It is expected that the increase in exports will result in expanding employment at Edmore [which currently employs 600]," Mr. Takitani stated. "We hope to sell throughout the world."

Regarding further U. S. investment, Mr. Takitani said: "We have an aggressive, open-minded interest in U. S. ventures, large or small, at any time. We want to expand our roots in America."

Mitsubishi Heavy Industries Ltd. recently announced an interest in more direct investment in U. S. manufacturing, and Nippon Seiko Co., Tokyo, has started a joint venture with Hoover Ball & Bearing Co., Ann Arbor, Mich., to make antifriction bearings.

### DEVALUATION MAY TRIGGER FOREIGN GRAB—U.S. COMPANIES VULNERABLE, ECONOMIST WARNS

MADISON, WIS.—One overlooked effect of the devaluation is that it will speed up foreign investments in business firms and may lead to foreign takeovers, a University of Wisconsin economist says.

"If the thought of a Japanese takeover of General Motors appears fantastic, just consider that foreign banks now own more than 10 billion more dollars than they did 10 days ago," said Prof. Warren J. Bilkey.

"The question now is what will Germany and Japan do with all the dollars they have soaked up recently?" Bilkey asked.

He said they could lend the dollars to Russia and China to be used to buy Japanese and German manufactured goods, but that would boomerang because they soon would have the dollars back on their hands.

If they could use the dollars to buy Russian and Chinese raw materials, that would leave the two communist countries with the problem of getting rid of the dollars.

So Bilkey thinks it more likely the German and Japanese will use the money to buy American stocks.

If the Japanese should buy enough General Motors stock to get control of GM, Bilkey said, they then could determine GM's worldwide investment policies.

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[From the New York Times Magazine, Mar. 18, 1973]

### THE MULTINATIONALS—GIANTS BEYOND FLAG AND COUNTRY

(By Harvey D. Shapiro)

The meeting at the Palace of Versailles last March had all the trappings of a diplomatic congress. For three days the 90-odd delegates from nine nations held closed-door meetings to discuss international monetary problems, tariffs and foreign-investment restrictions, and they concluded with a joint communique setting forth their views. The delegates did not represent any governments, however. The participants included David Rockefeller, chairman of Chase Manhattan Bank, J. Kenneth Jamieson, chairman of Exxon Corporation, and Giovanni Agnelli of Fiat, as well as the top executives from such giant firms as I.B.M., Caterpillar Tractor and Imperial Chemical Industries. Altogether, the 50 European and 40 American executives represented multinational corporations with assets well over $300-billion.

Both the setting and the substance of this meeting may be a commentary on the growing importance of multinational corporations and the questions they raise about the existing system of nation-states. A multinational corporation is one which not only sells in more than one country but also obtains its raw materials and capital, and produces its goods, in several countries. Most important, it is, in some sense, managed from a global point of view.

According to recent estimates, the gross world product is valued at $3-trillion, of which some $450-billion, or 15 per cent, is produced by multinational corporations. This sector is growing at the rate of 10 per cent a year, faster than the economies of many nations, and Prof. Howard V. Perlmutter of the Wharton School has estimated that by 1985 some 300 giant multinational firms will produce more than half of the world's goods and services.

About 200 giant U.S.-based corporations are regarded as multinational, while some 3,600 additional American firms already have at least one foreign subsidiary. American-based firms account for nearly half of total multinational output, but many multinational corporations are based in Europe and Japan, including giants like Unilever and British Petroleum, and 500 or so smaller foreign firms have plants in the U.S.

This month the Senate Finance Subcommittee on International Trade, headed by Senator Abraham Ribicoff, is holding hearings to assess the impact of multinational corporations on the troubled American economy. Multinational firms have been accused of deepening the nation's trade deficit and participating in the currency speculations which helped produce two devaluations of the dollar. According to Burton Teague, a senior research associate at the business-sponsored Conference Board, "Many businessmen look at multinationals as a means of distributing the fruits of technology and managerial expertise throughout the globe, but American labor views them as exporting jobs, while some less developed countries see them as a new generation of exploiters." Political leaders aren't sure what to make of them, but this much seems certain: For the first time since the clash between the emerging nations and the medieval church was settled in favor of the nation-state, a powerful and unique new international entity has emerged in the world that is raising important political, social and legal questions.

Almost everybody knows Hershey bars come from Hershey, Pa., but where do Nestlé's chocolate bars come from? Well, these days they're made in Pereira, Colombia; Tempelhof, West Germany; Cacapava, Brazil, and Fulton, N.Y., as well as dozens of other places around the world. Though many U.S. shoppers think of Nestlé's as another little American chocolate maker, the Nestlé Company of White Plains, N.Y., is actually a subsidiary of Nestle Alimentana, S.A. The name does not evoke an image of massive, many-tentacled power like that of I.B.M. or ITT. Nonetheless, the corporation is the 29th largest in the world in terms of sales, and ranks with Unilever as the largest of the food processors.

The firm had total income of $4.2-billion last year, of which 53 per cent came from Europe, 33 per cent from the Americas, 11 per cent from Asia and 3 per cent from Africa. At headquarters in Vevey, Switzerland, on Lake Geneva, a cosmopolitan group of Nestlé executives orchestrates the activities of the firm's hundreds of subsidiaries, which operate 300 factories, maintain 677 sales offices and employ 110,000 people in 60 countries.

Nestlé Alimentana, a direct descendant of the baby-food business launched by Henri Nestlé in 1866, is now a holding company sitting atop a mind-boggling array of subsidiary companies which it has formed or acquired. It controls two other holding companies, Unilac, Inc., of Panama and Nestlé Holdings Ltd. of Nassau, and beneath this superstructure operates dozens of companies using the Nestlé name and selling Nestlé products such as Nescafé and Nesquik cocoa all over the world. It also controls, or is allied with dozens of other firms which don't fly the Nestlé flag, like Libby, McNeil & Libby, the giant American canner, Bachmann Bakeries of the Netherlands and the United Milk Company of Thailand. These firms sell their products under hundreds of brand names, including such popular labels as Crosse & Blackwell soups and Deer Park Mountain Spring Water.

The actual production of the firm's coffees, chocolates, baby foods, dairy products and frozen foods is highly decentralized. Cocoa, coffee beans and other raw materials are bought in local markets by individual subsidiaries, and "we vary each product according to local tastes," says Gerard J. Gogniat, chairman of Nestlé's in White Plains. Nestlé companies make their soups thick and creamy in West Germany and thin, like bouillon, in Latin America.

While the products may be adapted locally, the recipes for marketing and operations are written in Vevey. Headquarters receives regular projections on sales and profits from the subsidiaries, along with plans on how they will achieve their goals, and the parent company takes an active part in developing marketing strategies, brand names and even packages to insure success in each market. Some 25 million foreigners visited Spain last year, and while many may have been mystified by the local food, Nestlé Alimentana made sure they could find their old friend Nescafé in a familiar package.

When new products, marketing techniques or technologies prove successful in one country, they are transmitted via the parent organization to other subsidiaries. And if a Nestlé affiliate should falter, the trouble shooters at Nestlé Products Technical Assistance Co. Ltd. (Nestec) will parachute onto the scene to straighten things out. Headquarters also keeps an eye on coffee and cocoa markets, where Nestlé is among the world's largest customers, and it scans global political and social developments. Are there threats in Chile? New markets opening in China? A shift to consumer goods in Eastern Europe? A bad cocoa crop in Ghana? A new taste for wine in the U.S.? From listening posts all over the world, reports flow into Vevey. Ultimately, headquarters also coordinates the massive flow of funds among the subsidiaries, lending money to some, drawing down profits from others, always keeping abreast of impending changes in currency exchange rates, and, some say, manipulating the over-all flow of funds to minimize the firm's worldwide tax burden and maximize profits.

Nestlé's top executives come from several countries, but they all seem to regard nation-states more like sales territories than sacred ties of blood and history. For example, Nestlé's U.S. chairman, Gerard Gogniat, who is also a director of Libby's is a native of Switzerland who joined Nestlé Alimentana in 1946. He moved 12 times over the next 20 years, rising through various executive positions with Nestlé affiliates in Canada, Latin America, Stamford, Conn., Vevey and Paris before coming to White Plains in 1966. This summer, the 47-year-old executive, who speaks softly—in five languages—will return to Vevey to become one of the parent company's seven top-level "general managers."

When Gobniat leaves White Plains, Nestlé president David E. Guerrant, an American, will become chief executive of the corporation while remaining chairman of Libby's. His successor as chief executive officer at Libby's was Douglas B. Wells, an American who joined Nestlé's in White Plains in 1949 and served tours of duty with Nestlé affiliates in New Zealand and South Africa before Vevey installed him as president of Libby's last July. To insure a steady crop of good Nestlé men, last fall the parent company converted an old hotel in Rive-Reine to house its International Training Center, at which Nestlé executives from around the world come to prepare for senior management roles. After a little post graduate training there, one suspects, they go forth to sell chocolates to the world with passports stamped "Swiss" or "French" or "American," but with an outlook marked simply "Nestlé."

The rise of multinational corporations like Nestlé Alimentana is rooted in the logic of economics. Growth is the *sine qua non* of capitalism: As firms saturate their local markets, they broaden their horizons and seek new markets. Instead of expanding existing plants to supply these new markets, it is often more economical to open new factories near them and to buy raw materials in the area. When a new market is in another country, political concerns may require this choice. There are often political dangers for a product labeled "imported," as the Japanese are finding out, but tariffs and quotas on imported goods don't apply to the same goods if they are produced domestically by foreign-owned corporations. So, as the Japanese economist Chiaki Nishiyama notes, "The higher trade barriers become, the more attractive it will be for foreign capital to go into that country for investment." And once a corporation invests in another country, like a person who buys a house in a community, the firm begins an involvement that broadens its interests and its outlook. In contrast to a firm which simply ships in some goods to be sold, a company which makes a direct investment in plant and equipment in another nation becomes an employer and taxpayer, citizen and political participant. It brings in not only goods, but technology and a way of life.

The extractive industries had no choice but to invest wherever natural resources were to be found; so firms like Anaconda, Exxon, British Petroleum and United Fruit were becoming multinational in the 19th century. Rising tariffs after World War I led many manufacturing companies abroad for the first time but this movement was slowed by the Depression and World War II. The development of truly multinational corporations began on a broad front in the late nineteen-forties. The movement was led by American corporations which saw lucrative new markets in countries rebuilding their war-torn economies, as well as opportunities to produce cheaply abroad for sale at home. U.S. overseas direct investment increased from $11.8-billion in 1950 to $32-billion in 1960 and $86-billion in 1971. Two-thirds of this postwar growth was in Western Europe, and most of that was concentrated in such fast-growing, nonextractive industries as chemicals, electronics, autos and computers. The number of foreign subsidiaries of U.S. firms increased from 2,300 in 1950 to more than 8,000 in 1970, while total foreign assets controlled reached $125-billion.

In his 1967 book "The American Challenge," J. J. Servan-Schreiber warned of an impending takeover of the European economy by American-based multinationals.* However, Servan-Schreiber sketched only part of the picture. The rise of the Common Market since 1958 has reduced European trade and investment barriers and permitted American-sized economies of scale, while government-encouraged mergers have created a number of trans-European firms that can generate surplus capital. As a result, an impressive number of European firms have been quietly expanding foreign operations recently.

In contrast to the early European investments in raw materials in colonial areas, the recent European foreign investment has been in the U.S., primarily in technologically sophisticated industries such as chemicals and synthetic fibers, as well as consumer goods. These days, the manufacturers of such "all-American" products as 20-Mule Team Borax, Bic pens, Librium, Ovaltine and even Good Humor ice cream are owned by European companies. Two devaluations of the dollar, which have made investments in the U.S. relatively less expensive, serve to accelerate the trend.

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* "The American Challenge" was foreshadowed by Fred McKenzie's "The American Invaders," which warned: "The most serious aspect of the American industrial invasion lies in the fact that these newcomers have acquired control of every new industry created during the past 15 years." McKenzie's book was a best seller when it was published in London in 1902.

Not only are European firms pulled here by the world's largest and richest market and by the sophisticated R. and D. community, they are also being forced to become multinational by competition from American-based multinational companies. Joseph Rubin of the international accounting firm of Alexander Grant, Tansley, Witt, explains: "In order to remain competitive, European firms in multinational industries have had to obtain a foothold in the world's largest market in order to dilute their over-all costs over a greater sales base and lower their per-unit costs."

Japanese companies are also belatedly becoming multinational. Despite its success as an exporter, Japan has only $4.5-billion in overseas direct investments, mainly in raw materials in nearby, less-developed countries. Now that the Japanese Government has eased its stiff controls on the export of capital, however, foreign investment is likely to rise to $10-billion by 1977. Some of this will flow to the U.S., but a significant amount is being directed toward Europe, where Japan's mushrooming export sales totaled $1.6-billion last year and where the kind of protectionist rumblings that have endangered her American markets are beginning to be heard.

Dr. Peter Gabriel, the new dean of Boston University's College of Business Administration, predicts: "The L.D.C.'s [less developed countries] and the Eastern bloc [the Soviet Union, China and Eastern Europe] represent the biggest single growth area for multinational corporations in the remainder of this century." Gabriel, a former partner in McKinsey & Co., an international consulting firm, argues, "The needs of the Third World and the Eastern bloc countries for the resources and capabilities the multinationals possess are almost infinite, but the multinational involvement will be very different from that in the West."

Rising nationalism in the former colonial areas has fostered a suspicion of any new exploitation. Billions of dollars of investments have been expropriated in such countries as Algeria, Argentina, Indonesia and most recently, Chile. The oil-producing nations have been demanding not only a larger share of profits, but of ownership as well. And in 1970, the Andean Common Market countires stipulated that foreign companies had to turn over ownership of their operations to local control within 15 to 20 years.

"The era of the multinational corporation as a traditional direct investor in the L.D.C.'s is coming to an end," Gabriel says. Instead, firms which once sought 100 per cent ownership of foreign subsidiaries are becoming more flexible. For example, du Pont and American Cyanamid have accepted minority interests in Mexican ventures. Gabriel sees the management contract, in which firms "invest" their skills instead of their money, as an even more likely model for the future. T.W.A. has managed Ethiopian Airlines since World War II, for example, while Goodyear has agreed to operate two state-owned tire companies in Indonesia for a fee based on sales and profits.

Multinationals don't have any opportunities to acquire ownership interests in Eastern bloc countries, except for Rumania and Yugoslavia, but Dr. Gabriel argues these countries will increasingly seek management contracts with multinational firms to obtain the technology, managerial skills and capital they need to compete in the growing East-West trade. These days, a variety of firms have management contracts with the Soviet Union, among them Fiat, which built the Togliatti auto factory in Russia for a reported $50-million, as well as International Harvester and Renault, which have similar arrangements in Eastern Europe.

Some Eastern bloc countries are even developing their own state-owned multinational enterprises. The Soviet Union has a group of eight banks in Western Europe. In a joint venture with Belgian interests called Society Scaldia-Volga, the Russians have opened a small plant near Brussels where Volgas and Moskvitches are assembled largely for the Belgian market. Meanwhile, in October several oil-rich sheikdoms began talking about "downstream" investments in refineries or even gas stations; perhaps Europeans will soon be filling up with Faisal Supreme or Saudi Ethyl.

Whether as owners or managers, as senior or junior partners, multinational enterprises seem destined to continue expanding their role. Only such giants, or major governments, can now afford to develop new technologies and new products. Few institutions in the world, public or private, for example, could have mustered the $5-billion I.B.M. spent to develop its 360 series of computers. Moreover, as multinational firms operate in more and more markets, Joseph Rubin points out, firms in one country must either acquire, or be acquired by, competitors in other nations, just as local and regional industries in the U.S. gradually were consolidated into a nationwide economy earlier in this century.

Earlier this year Carl A. Gerstacker, chairman of Dow Chemical, told the White House Conference on the Industrial World Ahead, "We appear to be moving in the direction of what will not really be multinational or international companies as we know them today, but what we might call 'anational' companies—companies without any nationality, belonging to all nationalities." European firms are leading the way in this. S.K.F., a Swedish ball-bearing manufacturer changed its "official language" on all memos and even conversation in its headquarters from Swedish to English, the *lingua franca* of multinational business. Royal Dutch-Shell and Unilever operate companies which, in each case, are controlled by a pair of holding companies, one based in England and the other in the Netherlands; their executives and employes are even more polyglot than their shareholders. Most American-based multinationals still tend to do 70 per cent of their business at home, but a few American firms are also submerging their nationalities. More and more firms are staffing overseas subsidiaries with local citizens, and foreigners have become executives and directors of such corporations as I.B.M., H. J. Heinz and Xerox; in addition, shares of G.E., du Pont, Ford, Kodak and Goodyear are sold on stock exchanges in Paris, Amsterdam, Brussels, and Frankfurt or Düsseldorf.

Paralleling the rise of more "anational" firms, the world's major banks have divided themselves into multinational consortia. The largest, Orion Bank Ltd., was founded in October, 1969, by Chase Manhattan, Royal Bank of Canada, Britain's National Westminster Bank, Westdeutsche Landesbank Girozentrale, Credito Italiano and Mitsubishi Bank, Orion is represented in more than 100 countries and headquartered in London, but it has no real "nationality."

Instantaneous global communications, the computer and the rise of professionally trained managers have made control of these far-flung enterprises feasible, though managerial styles vary from tightly controlled empires to loose confederations. When the Cummins Engine Company of Columbus, Ind., launched Kirloskar-Cummins Ltd. as a joint venture in India a decade ago, Cummins vice president George Thurston recalls, "All the machinery we brought in was based on the concept of a man standing at a machine while doing his work. But we learned the Indian is much more content if he can squat, so we had to re-engineer the machinery and lower the controls so a guy could work squatting." Like many multinationals, Cummins has adopted Nestlé's approach of defining goals but leaving local managers some discretion in how to achieve them. However, the multinational headquarters almost always reserves for itself the tasks of long-range planning, research and development, and finance.

Because they introduce advanced technology and management on a large scale, the corporations have been telescoping the process of development in many countries. In the Third World, Nestlé is teaching new agricultural methods to its suppliers and new child-rearing and health-care practices to mothers to whom it hopes to sell baby food and dairy products. Ultimately, multinational companies "may be a more effective device than foreign trade in improving the standard of living in the L.D.C.'s," says Charles P. Kindleberger, professor of economics at M.I.T. He explains, "You didn't get an equalized standard of living and wage scale in the U.S. until capital moved out through the country, and national companies helped do this, though the populists hated these companies, especially the chain stores." Although multinational firms may move to an area because of its low wages, the firm's payroll may increase local income dramatically. When Cummins opened its Poona, India, plant, George Thurston recalls, "We used to have three buses to pick up the workers. Now our biggest problem is parking space for their cars and bicycles. People have reached that economic level."

A free flow of goods, investments and technology may heighten worldwide productivity and economic efficiency in the long run, but such free movements could also lead to instability and painful dislocations. Higher living standards, moreover, require new styles of living. For instance, when Sears helped introduce mass merchandising in Mexico, its retail stores provided more varied goods and created new jobs and industries to supply the stores. But these stores, with their impersonal cash-and-carry operations, also replaced the social life that surrounded local markets. Thus, multinational corporations hasten and exacerbate the social changes that accompany development, and sometimes sow tensions which lead to their own expropriation.

While Third World nations would like to acquire the managerial expertise, capital markets and research facilities that come along with multinational headquarters, they are more likely—with their uneducated labor force, low wages and uncluttered land—to attract chemical plants, oil refineries and sprawling, messy, labor-intensive industries. This is particularly so, says Dr. John Hackett, executive vice president at Cummins Engine Company, because "countries like Brazil aren't nearly as concerned about ecology as the U.S. and Japan." Thus, as pollution legislation grows more stringent in the developed countries, multinational corporations are likely to tempt the less-developed nations with incomes approaching New York or Chicago—at the cost of looking and smelling like northern New Jersey or South Chicago.

Trade unions in the industrialized nations are, of course, concerned that the movement of plants to other countries will mean loss of jobs. However, American labor's claim that multinationals "export jobs" from the U.S. is challenged by Prof. Robert B. Stobaugh in a study financed by the U.S. Department of Commerce. Stobaugh and his associates at the Harvard Business School examined nine major overseas investments and concluded they created more jobs for U.S. workers than they eliminated; if these investments hadn't been made, the study asserted, America would have lost 600,000 jobs, since the firms would have been unable to compete successfully. However, the study noted that these investments tended to "displace" production workers, while increasing managerial, research and service jobs.

Union leaders also worry that multinational companies can undermine collective bargaining by threatening to move rather than meet union demands. Henry Ford II, for example, told Prime Minister Edward Heath in 1971 that if striking workers at Ford's Dagenham, England, plant weren't tamed, the company might abandon the factory.

"International bargaining doesn't exist anyplace and I don't see how it can," says Gus Tyler, assistant president of the International Ladies Garment Workers. Garment workers making $3 an hour in the U.S. and 16 cents an hour on Taiwan have little common ground for negotiating with an employer, Tyler says, so to help stanch the flow of jobs abroad American labor is relying for the present on legislation. The A.F.L.-C.I.O. supports the Burke-Hartke bill, which seeks to tighten control on foreign investment and restrict imports. "In the long run," Tyler admits, "we have to hope wage levels elsewhere will come up."

Perhaps they will, for in an economy dominated by multinational companies, all roads are supposed to lead to equilibrium. In theory, industry would gradually be moved from high-rent, cluttered areas to cheap, vacant land, thus evening out global land use, and global wages, interest and prices would all tend to become more equal. However, the uniformity resulting from thus tying together various national economies is a double-edged sword. Multinationals are making the world's business procedures, measures and standards more uniform, as goods are being made and used in widely varied settings. But they are also fostering a growing sameness in the world's major cities. "It's sad, but work habits are going to become the same everywhere," says Giorgio Della Seta, a vice president of the Pirelli Tire Corporation, who bemoans the decline of the long Italian lunch break. All the typewriters and radios and toys and underwear in the world sometimes seem to be made in the same Hong Kong factory. An effective marketing program demands that all British Petroleum stations look pretty much alike. McDonald's golden arches will soon be everywhere. And a Hilton is a Hilton is a Hilton.

This growing sameness applies to people as well. Professor Kindleberger sees multinationals as creating a new cadre of international managers who will be committed to the aggrandizement of their firms and to their own salaries and stock options, but to little else. Like the mobile American executives who shuttle among the bedroom suburbs outside the U.S. industrial centers, these international managers will be efficient and useful to be sure, but bland and interchangeable as well. They will be the merchants in the Global Village they're helping to create. They will, that is, unless they are checked by political forces.

The sovereignty of the state requires that it be responsible for all that occurs within its borders. But the multinational corporation requires a free flow of capital, goods, and labor as if there were no borders. Which is to govern: the law of the land or the law of supply and demand? Prof. Raymond Vernon, the director of Harvard's Center for International Affairs, argues this "asymmetry" between multinational corporations and nations can be tolerated only up to a point; the threat, as he sees it, is reflected in the title of his recent book about multinationals, "Sovereignty at Bay."

Business spokesmen often deny there is any conflict. Burton Teague of the Conference Board says, "I'm not convinced by any means that the multinational corporations are exercising political power. They make their decisions on the basis of hard, cold business facts." True enough. The treasurers of many multinational firms acted like textbook examples of profit-maximizing managers when they began speculating in currencies in 1971. By all accounts, their movement out of dollars helped set off the worldwide monetary crisis that became a political issue in several countries and led to the first devaluation of the dollar and the revaluation of the yen. They also are said to have joined in the speculation that led to the second devaluation, though it is impossible to say which of the various types of currency speculators was most responsible for our recent troubles. Whatever their monetary role, it is clear that multinational corporations have economic power, and economic power is political power.

Mutinational companies might have caused fewer problems in a 19th-century night-watchman state concerned only with maintaining order, but modern governments have assumed the obligation of managing the economy and promoting the general welfare. "How can a national government operate a domestic financial and economic policy when it can't control the decisions of all the factors within the economy?" George Ball, a senior partner at Lehman Brothers and a former Under Secretary of State, asks. In a democratic society, the government manipulates the environment in which economic decisions are made. But multinational companies inhabit a different environment. A central bank may raise interest rates to slow inflation, but a multinational corporation may borrow funds in a low-interest country. The Canadian Government may attempt to change its unemployment rate, but the nearly 50 per cent of Canada's manufacturing and mining companies controlled by U.S. firms may determine their hiring policies in response to American rather than Canadian economic policies. The U.S. seeks to maintain its military superiority on the basis of its sophisticated weaponry, yet companies like G.E. that build those weapons want to export their military technology through their subsidiaries in other nations.

One alternative is for a nation to lock the door on movements of capital and goods. By taking such a step, however, a country risks falling behind in economic and technological progress in the rest of the world. Despite General de Gaulle's opposition to the American challenge, the French Government found it had to permit G.E. to take over troubled Machines Bull, the principal French computer company. (Honeywell recently acquired it from G.E.) Although the auto industry is often a matter of national pride, France permitted Chrysler to acquire a 77 per cent interest in Simca. After U.S. investment was restricted by France in 1963, U.S. companies set up shop in other Common Market countries, ultimately forcing the Pompidou government to relax the restrictions in order to share in the jobs and income gained by its neighbors.

Whatever their benefits, though, multinational corporations cannot simply be left to their own devices. What's good for General Motors is not always good for the U.S., and even when it is, it may not also be good for the people of Norway, Brazil or other countries. Under chairman Harold Geneen, ITT has become a model of efficiency and "good management," but it has been accused of manipulating governments for its own purposes from Santiago to San Diego. The important decisions about the world's resources cannot be left solely to the profit-maximizing managers of multinational corporations because their calculations leave out the social costs of their actions. They won't pay for cleaning up their pollution or supporting their discarded workers unless someone makes them. The 19th-century experience with laissezfaire economics demonstrated that there must be a social and legal framework to insure that corporations ultimately serve the public interest.

But multinational corporations have shaken off the traditional sources of countervailing power. They've outgrown trade unions, consumer groups, local and state governments. Currently, multinational corporations are responsible to both their home country and their host countries, and the jurisdictions are sometimes overlapping but often absent. The host governments' fear of losing the benefits of multinational operations leaves the companies with sufficient bargaining power to forestall regulation in many areas.

The traditional, good liberal, commonsense solution is clear: Global corporations should be responsible to a global regulatory authority. Despite the United Nation's impotence many still call for a multinational solution. George Ball, for example, proposes a treaty creating a supernational regulatory authority to charter multinational corporations and specify their rights and obligations, while also standardizing host government regulations and taxes. Such a treaty would begin with the developed nations—"The less-developed countries are too concerned with their nationalism right now," Ball says—and, like the International Monetary Fund or the General Agreement on Tariffs and Trade, it would gain signatories over time.

However, even if the dislocations caused by multinational companies were to be regulated by international agreement and cushioned by some form of financial assistance, many nations might still be reluctant to shift part of their economic fate out of their own hands. The less-developed countries may lead rather than follow the industrialized nations in dealing with multinationals, for the Third World is demonstrating that it can obtain many of the benefits multinational firms offer while retaining national control of its economy. Dr. Gabriel of Boston University foresees a growth in "bilateral relationships" in which corporations and governments will bargain over new and existing investments one by one. "Such a situation would resemble nothing so much as true capitalists in a free market, each seeking his own self-interest," he says. The result would be an untidy and uneven process, as corporations sought outlets for their capital and products and nations looked for corporations to fulfill their plans for national development. When those national aspirations didn't accord with the multinationals' plans—if India wants a steel industry or Norway wants fishermen—then the nation might create *ad hoc* or permanent subsidies and penalties to channel the economic landscape and persuade the multinational corporation to do its bidding.

Economic rationality demands that a nation be what it is best equipped to be, but politics holds the promise of being what a nation wants to be. There need not be a conflict, of course, but the nations of managers and researchers and financiers are more likely to accept their lot than those who seem destined to be the world's factory workers and hewers of wood and haulers of water. They may not maximize global economic efficiency that way, but as Profesor Kindleberger says: "The political solution to the question of multinational corporations depends on what it is that people want to maximize."

Mr. BURKE of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. GAYDOS. I yield to the gentleman from Massachusetts.

Mr. BURKE of Massachusetts. Mr. Speaker, I would pose a question to the gentleman because he is making a very interesting statement. I was wondering if he had any explanation about what has just happened with the figures given out by the Department of Commerce on the subject of trade for the 30 days of the month of April when the figures also reveal over $10.2 billion of American money was sent overseas for the balance of payments for the first 3 months of this year. How was this miracle brought about?

How was this miracle brought about? I have been trying to find out but I do not seem to be able to get the right answers.

Mr. Speaker, I can understand if the figure was, say, $500 or $600 million or possibly $600 or $700 million, but we have had a deficit in the balance of trade for the past 10 months, and suddenly we have a shift of trade of $3 billion in 30 days.

I was wondering how this figure was brought about and what the practice was that was entered into.

Mr. GAYDOS. Mr. Speaker, I can give the gentleman a specific response and a general response in answer to his question.

The specific response, I would say that would be generally and factually attributed to the fact that we just concluded an international agreement involving large exchanges of wheat, financed by this country through our international financing institutions, which did affect the immediate balance of payments which we are now experiencing, and shipping of these grains. Of course, that item is subject to specific answer, but generally I would have to say to the gentleman from Massachusetts that in response to this question, that there are many factors involved.

One factor is the FOB problem versus the CIF problem, the way we account our international trade.

Unfortunately, many Members of the House do not take the time to familiarize themselves with this disparity; the reason why we are one of two major countries in the world that do have that distinction in accounting for our balance of payments in trade; FOB distinguished from CIF.

Second, I can respond to the gentleman that it is mysterious. I have never been able to come across the answer why, when there is an international need or domestic need, we have figures immediately available, but yet when we have bad news, the figures seem to take an awful long time before they are computed, analyzed, and particularly before they are released for public consumption.

Again, to respond to the gentleman from Massachusetts, possibly these suggestions may help him in his dilemma. I would say the wheat trade, the grain trade deal was made, is one answer.

No. 2, it is between CIF and FOB. Three, this mysterious way of gathering facts and making them available to the public. I think in that area the possible solution lies.

Mr. BURKE of Massachusetts. Mr. Speaker, I thank the gentleman and I think he has done the best he can to answer my question.

It just seems strange to me that we should have over $10,200,000,000 deficit of payments for 3 months, then suddenly we come up with a $2,500,000,000 surplus in trade for 30 days in April. If the deficits of payments continue, we will have a $40 billion deficit in payments.

During the discussion of this trade before the Ways and Means Committee, we find these very beneficial figures appearing on the surface, yet with no real explanation as to how they were brought about. I can understand if the surplus was over a 12-month period based on the rate of imbalance of trade we have had in the past 24 months, but this is really a miracle.

It is a mystery miracle, and more than likely we might find out the trade bill voted upon by the House and the Senate and passed into law, but I hope we are not being misled.

Mr. Speaker, I am trying to get the explanation on this $2,500,000,000 surplus in trade for 30 days during April of 1973, when we had over $10 billion deficit in trade for the past 24 months.

Mr. Speaker, I thank the gentleman for yielding to me.

Mr. GAYDOS. Mr. Speaker, I would like to respond to the gentleman in this area. No. 1, I think the American public is not more aware of the facts involving international trade because basically and fundamentally it is not an interesting subject. Our people, and it is understandable, will read things more interesting to them. It is a complicated subject.

That is why my colleague, Mr. DENT, and I hope we can include the gentleman from Massachusetts, can get the solution to his inquiry. I think those who are unknowing and not familiar with the problem, if these people had more interest and more knowledge, they would not accept these figures based on a 30-day period so fast and so inaccurately.

They would then have an understanding of the problem and would know what the history has been over 6 months, 12 months, and years, and what the reasonable projections are, and would immediately discount that. Unfortunately, we come back to where the American public, not understanding this complicated subject matter, does not have the ability to discern between fiction and realistic and logical explanations.

Mr. BURKE of Massachusetts. What we need, in addition to truth in advertising and truth to the consumers, is a little bit of truth on the part of capital.

Mr. GAYDOS. I suggest that the gentleman's ideas are good ideas.

Mr. Speaker, I am happy to yield now to my colleague who has spent many years on this subject matter, whom I consider to be one of the foremost experts in this field, the gentleman from Pennsylvania (Mr. DENT).

Mr. DENT. I thank the gentleman.

Mr. Speaker, if Members want to know what is wrong with the whole situation on trade, and balances, and exports and imports, and the economics of the subject, just take a look around the House. That is what is wrong with it.

I am sure there are enough fertile brains in this Congress that if we were to have forums on this matter among the Membership of this House there might be a different solution found.

I want it clearly understood I have a great deal of confidence and faith in and a very high personal regard for the man who has carried this onerous burden over a great number of years, the gentleman from Arkansas (Mr. WILBUR MILLS). I do not believe anybody could possibly have done any better than the gentleman from Arkansas (Mr. MILLS) has done, considering the fact that even from such a most important position as chairman of the Committee on Ways and Means, the blood and guts of the whole operation of the economy of this Nation, he has not been able to get certain facts as to the true picture from our own departments.

Never in all the years I have spent in governmental work, particularly in the legislative field, have I known of such a misrepresentation of facts and figures.

For years I stood on this floor and called attention to the CIF valuation of exports against the FOB valuation of imports. By rule of thumb the difference is about 25 percent.

To the gentleman from Massachusetts I might have made the statement that if we just take the differential in those two accounting systems we will find that the surplus is a myth.

Another thing is very interesting. How could we possibly under any set of circumstances have changed the balance from a little over $3 billion in 1 month previous to $2.5 billion plus in the next month following? That is not only an impossible human effort to accomplish but it is also impossible economically. The goods would be piled so high on foreign docks it would take them 2 years to work out from under.

We are not kidding ourselves. Today's subject of discussion focuses on the ever-increasing interest in this phenomena mentioned by the gentleman from Allegheny of the so-called multinational corporation. When they first entered upon the scene I was one of the Members of the House who called attention to what we were doing.

No nation can hold unto itself the distribution and consumption of goods and export away from itself the production of goods and survive. It cannot be done. I said so in 1962. I repeated it dozens of times on this floor. The RECORD bears me out.

No amount of cover-up can hide the fact that in 1962 we had 17 million plus manufacturing workers with approximately 167 million population, and today, with 208 million population in this Nation, we have fewer than 14 million production workers in the United States.

Oh, some say we need technical improvements, more productivity. No, that would only have been able to take care of the added needs of the 167 million population, because the personal individual consumption today is greater by volume and by value than at any time in the history of any known economy in the world.

There are three very good studies that each Member ought to read in addition to this, if they read my remarks, because I do not intend to go through the whole subject matter I have before me. I have great regard for the Chairman, as I said, and he has a half hour speech coming up.

Mr. Speaker, the ABC's of multinational corporations are in themselves one of the most interesting phenomenon that has ever taken place in the civilized world. There is an interesting fact here that might interest all the Members.

We have had the opportunity to make a study and to get a report on the multinational productivity in dollar volume of multinationals operating in other than their domestic markets.

And is this not a strange thing? The expanding role of these multinationals in the world economy is a fact. It is estimated that the output by multinationals from their foreign-based plants is expanding at a rate twice that of the total world's output.

The United States had a $927 billion output by its multinationals offshore. We go on down through and we read the total. That is greater than the total of the entire world's operations offshore in their own countries.

Mr. Speaker, this is not, of course, an exclusively American phenomena, because it is directed by a centralized group. In Russia it is called the Politburo; in this country it is called—and I say this without reservation—the Council for Foreign Relations, a group of about 1,500 men who have had control of the last six administrations, Democratic, Republican, or any other.

We find ourselves at this point in history where we were in every point in history in this country of ours. Jobs and tax justice have few if any competitors for top billing in the list of issues vital to the health and well-being of a nation. The performance of international trade in this Nation and the role of tax loopholes have encouraged planned subsidization and the export of American jobs, American technology and facilities.

I have had the privilege under the auspices of this great House of Representatives through resolutions passed to travel to almost every country in the world. Before that time and during this time, on my own, I have further added to that travel.

I have come before this House and have warned about foreign impact on certain industries, from what I have seen overseas.

Early in the sixties I came back again and said there are more miles of footers being laid in textile plants in Hong Kong than could be exhausted anywhere in the world except here in the United States. Although we have textile agreements, every person knows we have been switching from 50 percent cotton content or a hundred percent or 80 percent and we have shifted within the legal amounts of the cotton agreement by putting manmade fibers in as a blend and tripled and quadrupled and sometimes increased one thousand fold the yardage of textiles sent into the United States under so-called mutual and voluntary agreements.

Mr. Speaker, voluntary agreements have never worked. They will never work, because we deal in an atmosphere completely contrary to the concepts of what we call "business ethics" in the United States. There is only one motivation to trade now. In the early beginnings of man, trade was motivated by the needs of people, and nations would deal with each other in the products they needed from each other to survive—raw materials from their manufactured products, for their loomed products, and for other purposes.

Slowly, as the world expanded, colonies came into view and into the possession of the empires that formed these colonies for the production of raw materials and a market for finished goods. In fact, that was the seed of the revolution that created this Nation.

What have we become in essence? The producers of raw materials, the drawers of water from the well for foreign countries, and the importers of manufactured products item by item by item.

The only hope that this Nation has today is, if we will bury the old cliches, set aside the old theories, deny the illogical conclusions drawn by those who have one interest and one interest only; namely, commercial enterprise.

Trade today is a commercial enterprise. No one in his right mind in the early days would ever dream that ships would pass each other at sea carrying the same cargo. Now it has gone even further.

As one head of a large multinational corporation said, "I fear we will end up, if we continue the pace we are running at, with everybody carrying kumquats to Khartoum, whether they need them or can absorb them." And we are Khartoum and the kumquats are coming in awfully, awfully heavy.

We are finding ourselves in the position of being able to go into the largest outlets under a so-called discount enterprise system where you have to have the best sleuths in the world to find an American made product.

I understood this Nation had a law on its books that every imported item had to be marked indelibly with the country of origin; advertisements had to be well spelled out and plain to see where the product was produced.

I came before this Congress with an early bill on minimum wage and tried to impose the same restrictions on foreign products that we imposed on American products when we put the amendment into my bill in 1966 which said that no products could cross State lines in the United States unless they were produced under the provisions of the Fair Labor Standards Act. That was necessary because we had a $1 million so-called commerce clause and companies producing less than $1 million worth of goods were exempted from the act, so they were shipping in competition with larger companies that were restricted to the criteria of the act as passed by the Congress.

We found a very strange thing happening. You would not expect it to be so valuable to them that they would resort to this, but we found corporate entities doing more than $1 million splitting up into smaller entities under $1 million. So the only cure to make honest men honest again was to pass an amendment to the Fair Labor Standards Act.

What logic is there is the minds of Members of Congress that this is not just as justified for a multinational corporation operating in Mexico or operating in Canada or anywhere else in the world but specifically these two points when they can cross over the Rio Grande and produce the same product on one side as they were producing on the other and be paid $3,30 and get a tax break on their taxes themselves and then get a break on tariffs traveling both ways and compete in this country with home-bound industry?

Even Stan Ruttenberg—who was the first man to lecture me against my position on trade—told me I did not know what I was talking about. In his study, which is very, very interesting, he said:

> Foreign government policy on United States multinational corporations will be an important variable in determination of U.S. policy.

Our greatest trading partner is Canada. As such, now the Canadian economy has been a captive extension, they say, of the United States to the extent that economic decisions taken in Ottawa in large part complement those made in Washington. In the past little has been done to protect the Canadian economy from incoming investors or to buttress Canadian companies to enhance the competitors. This situation is changing.

The "Gray Report," a Cabinet Commission study under the direction of Herbert Gray, Minister of National Revenue, is expected to underline both Canada's desire for and apprehension of foreign investment. The official version of the report is expected to recommend introduction of a screening authority empowered to review foreign direct investment into the country.

I propose within the very near future to introduce in this House legislation that will limit foreign ownership of American enterprise and productivity. It is being done all over the world. In some places they are doing it by confiscation and expatriation.

The Japanese are now searching all over the United States for industry to buy, productions to buy. I will insert into the RECORD at the proper time an open letter to me, and probably to other Members of Congress asking me to screen my district to find companies in need of financial aid, to find companies that are willing to sell, and contact certain people in Boston, who they say are agents for the Japanese Government.

Why would they not? They have got billions of dollars floating American paper money. It is worth only $1 here in the United States. They are already making money out of production, so now they want to come into the United States and make it out of distribution and consumption and keep it.

Today, as we all know, with the markup between a pair of shoes entering the United States until the time it gets onto an American pair of feet, we would never recognize the import price as it ends up as the so-called retail price. From my own knowledge, and as already told to this House, one can pick up a pair of shoes on contract in Greece, and delivered to the United States, for $11.87, including tax, tariff, or customs, whatever one calls it—insurance—freight. That shoe is marked at a price universally within the United States at $42.50 to $55 a pair.

I bought a baseball in Haiti, an American League baseball, for 25 cents. What would a Member pay for it if he wanted it and he did not have anywhere else to get it?

Mr. GAYDOS. Will my colleague yield to me?

Mr. DENT. I yield to the gentleman from Pennsylvania.

Mr. GAYDOS. On that question what has happened to the argument that one hears uniformly throughout the country that foreign imports provide cheaper consumer products for the American buyer? What has happened? What about the shoe business? Do we have cheap shoes here because 40 percent of all shoes used in this country are foreign made? Do we have cheap shoes or expensive shoes?

Mr. DENT. It might interest the gentleman to know that I heard from a man who represented a company for a government that ships—and I think my colleague was with me. He said they sell shoes to Macy's in New York for $38 a dozen. Those shoes are turned out to the public for an average of $16 a pair.

Yes, when they first penetrate the market they start with an inferior product at a very low price. The American producer does not get too excited about it. But they put only a few items in each store, in each outlet, and those are gobbled up by somebody at a very low price. The next shipment comes in at a better quality and a higher price. Pretty soon, about the third shipment, the American producer awakens to the fact that he is facing a very fine product at a price he cannot compete with.

So the program goes into reverse. The American producer then starts to deteriorate his own quality to meet the price structure of a foreign product. As soon as that fails, he goes out of business, or he sells out to a conglomerate, or he is closed down in some instances so that the conglomerate can pick up the benefits of the poor people who have put their money into pension plans, or in other instances they move to a more modern plant.

But, as soon as an American producer cannot produce to meet the market, and it is true in electronics, in shoes, in baseballs, in baseball bats, in tennis shoes, and in thousands of American products, as soon as they cannot produce in sufficient quantity to meet the market, the minute that happens the price of the foreign product not only reaches but in many cases passes the American product's former price. That can be proved anywhere we want to.

For instance, in Yugoslavia I went into a Communist garment factory. There were 200,000 garments which were sent to the United States at a price of from $14 to $18, and which were sold at a price of $98. That coincides with their own figures, and with my own figures in the foreign countries.

Mr. GAYDOS. Mr. Speaker, if the gentleman will yield, dealing with shirts and textiles, is it not true when my friend and I had a meeting with some representatives recently from Taiwan we were both informed that shirts selling in the New York stores at a rate of $16 a shirt were bought from Taipei, and a diplomat involved admitted he had personal knowledge of it, at a cost of $30 a dozen, and yet they were selling in this country at almost $17 a shirt? Is that not an average figure, and would that not also possibly substantiate the gentleman's argument that some imports do not necessarily result in low prices to the American consumers?

Mr. DENT. They only so result, as I said, until the foreign countries break into the market. That is the American concept of doing business. That is where they learned it. We have observed in a new town a company will come into a store and cut the existing costs until they get the existing establishment to cut down, and then the existing establishment goes out of business, and the new store goes sky high. It is just an American principle they have adopted.

I am going to insert into the RECORD at this time the tax situation on tax credits, DISC operations, and how the multinationals can operate year in and year out without paying 1 cent of Federal taxes to the U.S. Government, and can actually reduce their local domestic income tax by suffering losses for operating in South America and Central America.

The name of the game is money. The name of the shame is lost American jobs, unemployment, and $100 billion of relief and welfare paid by the citizens of this Nation. We are the Nation that now has to subsidize almost every human want in this country of ours.

I confess to being one of those who put on the books the legislation—I did not know. They say it takes a rabbit 8 days, I believe, to open its eyes. Well, I was 7 days old for a long time, but finally I had my eyes opened, and I awakened to the fact that what I had handed to me by my father, an opportunity to earn a living in this country, I cannot for the shame of me and myself and my colleagues guarantee that I am going to be able to hand to my children and my grandchildren, that opportunity to earn a living.

I feel the population I have added to with my little family will condemn at least three of them to a jobless life on welfare, or worse. Believe me when I say to the few Members who are here, this is not a matter we can slough off. This is a new day, a new era. It is dog eat dog and fight, fight, fight for a world market which does not exist.

Every trade bill which has been passed since the infamous Kennedy bill, which I think is the worst, and I predicted on this floor the end result of the Kennedy bill, but I was a new voice, very timid. As I grow older and the situation becomes more desperate, my voice gets louder and stronger; my conviction more resolved. At least, the facts will be put into the RECORD where all can see.

We are in a desperate situation. Yesterday, the shame of the whole thing appeared when we voted almost unanimously to legalize the depreciation of the American dollar. I predicted that in 1962, for the record.

Why? Because, if the members will open their eyes wide, sight will come and they will see. We just cannot close down the only production facility in a community of 15,000 and expect it to survive. Oh, they survive for a little bit. In comes a trucking firm so that gives jobs and puts a stop to unemployment.

Let me give the Members another significant figure. In 1962, we had slightly less than 6 million governmental workers, State, local and Federal. In 1972 we had 14,245,000—107,000 more than there are industrial workers. When we couple that with service workers who depend upon the seed money of production on the farm, in mines, and in industry, we will find that every workingman in the country is carrying upon his back and shoulders two other workers in some other area.

It is an imbalance that cannot be maintained. It cannot and will not be maintained. The proof of it is that each and every year the debt gets larger. The hidden debts go out of sight.

Do the Members think for 1 minute that the $480-odd billion we are supposed to own of the national debt of America covers the $90 to $100 billion we owe foreign countries? No nation has ever in the history of the world been able to divorce itself from hard specie coinage and currency and survive.

There is no limit to what one can do with paper money. A billion dollar loan by the United States ends up as a deposit in banks, who in turn deposit it less 5 to 15 percent for reserve, into the Federal Reserve System. The Federal Reserve System was created as an outrigger balance for a delicate canoe in rough water, but the canoe had to be there, because if the canoe, which is the body politic economic of this country, was not there, the outrigger would fall because the canoe carries the outrigger; but the outrigger in this instance is supposed to be carrying the canoe and it is not doing it.

We are sinking. Why are we sinking? Because the $100 million we borrow gets into their hands through a check handed by the so-called Federal Reserve to the Federal Government; deposited in the banks of the Nation to meet the needs of the Government as they come up. They in turn subtract a little reserve and take it to the Federal Reserve, and they get, depending on whether it is short term or long term, from 5 to 40 times every dollar that they deposit, which they then loan to industry. So, today we face a situation where we have the debt that is not a debt of money spent, but it is a debt, my good friends, of the interest payments on the money we originally borrowed, the first million dollars we borrowed in 1928. We find ourselves in the peculiar position, the more we pay off, the more we owe.

The more we pay off the more we owe. Every time we borrow more money it is to pay bonds that are coming in, but it increases the interest. Today the interest we are paying is more than the budgets of 90 percent of the countries in the world.

It was said by Dave Wilkins many years ago that once one borrows money at interest one can pay the loan off but he will never pay the interest off. My dad learned that when he bought a little house many years ago. He ended up, after 20 some years, owing more money for the house than he paid for it, because he could just never get around to paying the interest. On the other way around, sometimes people are able to pay the interest and not the principal.

Members of this body, my absent brothers, will not hear and will not listen. For some dozen or more years I have stood on this floor. I am glad a younger voice is following now, who will probably take up this very lonesome job of trying to bring at least another view of foreign trade.

Whether I am right or wrong only history will tell. The history of the past 10 years, if it is to be accepted from the records and not from my speeches, would be an indication of what is to come. Then I beg of this body and I beg of the chairman of the Committee on Ways and Means to use the most skillful scalpel ever in the hands of a man who can save this Nation, to cut out the disease that is in the proposal of the President. It will surely create more damage by far than was created heretofore.

If we can get down to a sound basis of trade, trade for use and not for abuse, there will be better relations in the world.

We have to do it. We cannot do it precipitately. We cannot go in and say, "Stop." We have to take the years to bring back our productivity and economy to a sound basis, as it took us to destroy it.

I propose to the Members of the House that we go item by item and quit playing one item off against another. I see no justice in closing my glass factories down and putting those men out of work so that the cotton growers can exist, or live, or prosper, which ever case it is. I see no value to trading wheat and closing down my rubber plants.

I see nowhere in the Bible that the Lord has anointed us to say which man shall have a livable job and which man shall not.

Every glassworker in this country put out of work, we put out of work.

Every shoemaker in this country put out of work, we put out of work.

Perhaps we can survive in an economy based on consumption and distribution, but I will guarantee my good colleagues that it will not work. If they want to see that it does not work, be my guest, let me take them to my district. I will take them to town after town.

I do not deal in big communities. My largest community is about 18,000. I have about four of the so-called cities under that yet. Then I have a number of townships. Every one of them has been affected by the blight of foreign trade.

It will not recover. It will never recover until the Congress quits listening to the voices of the siren and recognizes that trade is nothing but a commercial venture, that the production of goods will flow to the low-cost production area and that the shipment of goods and exports will go to the high-cost markets.

If the farm program is sound and in essence then there is a great soundness to the original program, then why do we not put all products in trade on a parity basis? Why do we not say we would include shoes and automobiles and all these other products where men work for a living, where towns and communities survive on that production? Take cotton. You cannot ship a bale of cotton in the United States for less than what we ship a bale of cotton into some other country.

So let us say to the foreigners "you have all our money"—and I understand the President was ready a few months ago, when gold had gone up to $50, to sell the $8 or $9 billion left out of the greatest stock of gold the world has ever seen.

I am going to leave with this thought to all the Members: I did not come from wealthy parents, but when my father got paid, in his day, if he had $5 coming, he got a $5 gold piece; if he had $11 coming, he got a $10 gold piece and a one dollar silver piece, and all of a sudden we outlawed the owning and holding and transferring and trading of gold in this country. We took our silver supply that took over a century to accumulate and dissipated it within a few short months. This was the silver supply that was necessary for the future, and the future is here.

What has happened? We were not allowed to own gold, and yet I can buy gold anywhere in the world if I have the money to buy it, not at a hundred dollars an ounce. But suppose we had been permitted to buy gold and we in this generation would have been able to balance whatever our assets were in our old age between stocks, bonds, and land holdings and gold. At least the gold would have somehow held a balance in relation to the depreciation of the securities.

Mr. Speaker, how many in this room now and how many in this room when it is full are going to be able to say to their children, "I am leaving you something of value. Other than the love that I have cherished for you, I am leaving something that I know will be helpful to you over the rough road ahead."

All right, we can leave some of the stocks and bonds on the market today. But is that security for them? That is all we can do in this country, because you cannot bury paper money; it deteriorates pretty fast.

So, Mr. Speaker, I thank the gentleman from Pennsylvania (Mr. Gaydos) for the opportunity of participating in this special order. In my days toward the end of the road, I am happy to see that somebody is taking up the cudgels.

Today's subject of discussion focuses on the ever increasing interest in the phenomena of the so-called multinational corporations—MNC's. Attention has been centered on the MNC's, particularly in light of their obviously expanding role in the world economy and their subsequent effect on world trade. It becomes additionally imperative to consider MNC's as forces gather to again saddle this country with a trade agreement that does not address itself to the problems at hand, much less those of the future.

Three very good studies covering many views and perspectives include one by Stanley Ruttenberg, for the industrial union department of the AFL–CIO, entitled: "Needed: A Constructive Foreign Trade Policy"; another published by the Governmental Research Co. of Washington, D.C., in their document: "The Politics of Foreign Trade, Tax, and Investment Policy"; and finally one by Arnold Cantor, who has made a rather exhaustive survey of the inequities of the tax program as it deals with MNC's and/or offshore American-owned production facilities. All highly recommended, I am submitting excerpts from each of these for the Record:

### Needed: A Constructive Foreign Trade Policy

(By Stanley Ruttenberg)

*Imports and Jobs:* According to the report prepared by Stanley Ruttenberg for the IUD:

Between 1966 and 1969 U.S. foreign trade produced the equivalent of a new loss of *half a million American jobs.*

During this period, although the number of export-related jobs increased, the number of jobs required to produce imported goods increased at a faster rate. If this trend held true in 1970—as it probably did—jobs required to produce imported commodities which compete with American-made goods exceeded the number of jobs connected with the export trade last year; therefore, a new deficit existed in jobs related to foreign trade.

In manufacturing, a reversal has already taken place; by 1969 there was a net deficit of jobs in non-agricultural industries of 33,000 compared to a surplus of 328,000 only three years earlier.

Some industries are particularly hard hit. For example, employment of production workers in the consumer home entertainment electronics industry has declined from 128,600 to 96,600 since 1966, as imports continue to rise. Twenty-four thousand production jobs have been eliminated from the footwear industry since 1966.

*Multinationals and Jobs*: On the relationship of multinational corporations to U.S. unemployment, labor has found it difficult to determine aggregate figures. According to a report prepared by the AFL–CIO Maritime Trades Department (Feb. 1972), the impact of U.S.-based multinational corporations on domestic employment has resulted in "thousands of jobs . . . exported abroad." The report stated that while the federal government has yet to develop estimates on the total number of jobs lost, "we in the labor movement see U.S. production facilities shut down and moved abroad continually."

In a dispute with the Commerce Department over a recent government report which concluded that multinational employment in the U.S. was "nearly equal" to total U.S. employment gains, Ruttenberg wrote in the Washington Post (March 26, 1972), "The basis for the government conclusion is a table in the report which purports to compare employment trends in the U.S. as a whole. What the table shows, however, is exactly the opposite from what the Department of Commerce says it shows. The table actually shows that employment in industries in which the multinationals are concentrated increased by only 6.6 per cent between 1965 and 1970 compared to a national gain of 16.9 per cent."

On the question of total jobs lost as a result of imports and the activities of multinational corporations, Ray Denison of the AFL–CIO legislative department has estimated the figure at one million between 1966 and 1971.

*Adjustment Assistance*: Most industry spokesmen, some government officials, and a number of economists have claimed that the solution to unemployment caused by imports or multinational activity lies in better, more comprehensive adjustment assistance programs. Labor's reaction to this "solution" is, in the words of Stanley Ruttenberg, "Adjustment assistance is a flimflam. It does not and cannot meet the needs of those hurt by import competition. Furthermore, it does not meet—in fact, it diverts attention from—the real issues, that is, the maintenance of a strong economy and continuation of progressive social development."

Another labor spokesman, Howard Samuels, vice president of the Amalgamated Clothing

Workers, has written that, "At best, adjustment assistance provides only temporary relief for the worker whose job has been lost to imports, and even then only when dislocations can be measured in terms of an isolated factory or shop, or even in terms of a small industry, employing only a few thousand workers."

The unions claim that during the first seven years of the present adjustment assistance program, no such assistance was approved by the Tariff Commission. Since 1969 only about 10,000 workers have benefited from the program as a result of a reinterpretation of the law.

Other union spokesmen have been more blunt than either Ruttenberg or Samuel; "we want jobs not handouts or welfare" has been their response to adjustment assistance.

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### LOSS OF JOBS AND THE MULTINATIONAL CORPORATIONS AS PRESENTED IN THE POLITICS OF FOREIGN TRADE, TAX, AND INVESTMENT POLICY

GOVERNMENT RESEARCH CO.,
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With the advent of the Burke-Hartke bill and the ITT affair in Chile, public attention is beginning to be focused on the multinational corporation (MNC), a term that was coined barely a decade ago. Most of the provisions of Burke-Hartke (quotas aside) are aimed primarily or exclusively at the MNC and labor's advocacy of the bill has singled out the "runaway" MNC as its chief target. This has provoked industry groups to impugn labor's motives by asserting that Burke-Hartke is simply the old wine of protectionism in new MNC bottles.

The expanding role of multinationals in the world economy is a fact. It is estimated that the output by MNC's from their foreign-based plants is expanding at a rate twice that of the total world output.

The impact can be seen from the following table on GNP and corporate volume:

| Country or corporation: | *Amount* |
|---|---|
| 1. United States | $927.6 |
| 2. Soviet Union | 478.0 |
| 3. Japan | 185.6 |
| 4. Federal Republic of Germany | 172.7 |
| 5. France | 138.0 |
| 6. Britain | 111.8 |
| 7. Italy | 87.3 |
| 8. Peoples Republic of China | 86.0 |
| 9. Canada | 75.0 |
| 10. India | 50.0 |
| 11. Poland | 46.1 |
| 12. German Democratic Republic | 39.7 |
| 13. Brazil | 33.7 |
| 14. Czechoslovakia | 32.5 |
| 15. Australia | 31.6 |
| 16. Mexico | 31.6 |
| 17. Spain | 30.7 |
| 18. Netherlands | 29.8 |
| 19. Sweden | 29.4 |
| 20. Belgium | 24.1 |
| 21. Argentina | 21.0 |
| 22. Switzerland | 19.6 |
| 23. *General Motors* (U.S.) | 18.8 |
| 24. Pakistan | 17.2 |
| 25. *American Tel. & Tel.* (U.S.) | 17.0 |
| 26. South Africa | 16.8 |
| 27. *Standard Oil* (*N.J.*) (U.S.) | 16.6 |
| 28. *Ford Motor* (U.S.) | 15.0 |
| 29. Denmark | 14.6 |
| 30. Austria | 13.2 |
| 31. Indonesia | 12.8 |
| 32. *Royal Dutch/Shell* (Anglo-Dutch) | 10.8 |
| 33. Norway | 10.1 |
| 34. Venezuela | 10.1 |
| 35. Iran | 9.9 |
| 36. Finland | 9.7 |
| 37. *Sears Roebuck* (U.S.) | 9.3 |
| 38. Greece | 9.0 |
| 39. *General Electric* (U.S.) | 8.7 |
| 40. Philippines | 8.5 |
| 41. Turkey | 8.2 |
| 42. Korea | 7.8 |
| 43. *IBM* (U.S.) | $7.5 |
| 44. *Mobil Oil* (U.S.) | 7.3 |
| 45. *Chrysler* (U.S.) | 7.0 |
| 46. *Unilever* (Anglo-Dutch) | 6.9 |
| 47. Thailand | 6.8 |
| 48. Colombia | 6.6 |
| 49. *International Tel. & Tel.* (U.S.) | 6.4 |
| 50. Chile | 6.3 |

Source: *Fortune*, Library of Congress.

While postwar MNC expansion is not exclusively an American phenomenon, the U.S. share of total foreign direct investment is roughly 60 per cent. Unless checked by national policies further MNC expansion will be accelerated by a significant counter-investment thrust into the U.S. market from European and Japanese firms during this decade. While foreign investment in the U.S., currently calculated at $12 billion, appears small against the more than $80 billion in U.S. foreign direct investment (FDI), a levelling effect seems certain.

#### UNKNOWN IMPACT

Although rhetoric abounds, no available data clearly shows the impact of the MNC. If new policy is to be made on the basis of data, at least three MNC effects must be established:

1) The movement of production to sources abroad;

2) The effect such movement has had on domestic employment and bargaining, and

3) Figures on import and export volumes which reflect intracorporate transfers—including transfers between non-subsidiary affiliates.

In addition, MNC's may be required to reveal their activities on a country-by-country basis to show their monetary flows across national boundaries. Such data would enable national leaders to assess more accurately the influences upon the implementation of economic policy.

#### FOREIGN PERSPECTIVES

Foreign government policy on U.S. MNC's will be an important variable in determination of U.S. policy. Recent Canadian response reflects awareness of the gradual decline U.S. MNC's have worked in that country's freedom to formulate independent policies. Canada is the largest U.S. trading partner and the largest outlet of U.S. foreign investment. As such, the Canadian economy is becoming a captive extension of the U.S. in the sense that economic decisions taken in Ottawa must in large part complement those in Washington.

In the past little was done to protect the Canadian economy from incoming investors, or to buttress Canadian companies to enhance their competitiveness. This situation may change. The "Gray Report", a Cabinet Commission study under the direction of Herbert Gray, Minister of National Revenue, is expected to underline both Canada's desire for and apprehension of foreign investment. The official version of the report is expected to recommend introduction of a screening authority empowered to review foreign direct investment into the country.

Europe has also been a heavy recipient of U.S. foreign investment. National independence in Europe is being challenged by the relative ease with which capital, goods and people can be moved from country to country. Since the competitive instinct of the MNC dictates that it seek the best returns available, a continent such as Europe must cooperate en-block or offer heavier and heavier incentives to incoming investment on an individual country basis.

With the adoption of an overall EEC industrial policy, pressures could be brought directly to bear on the multinationals. The EEC Commission has already warned of damaging implications for a common European industrial development policy if national concentration in industrial mergers and takeovers of companies by foreign firms are allowed to continue. The European objective will be directed toward the removal of all intra-EEC legal, fiscal, and political barriers as a way by which to promote the development of truly multinational European companies.

Toward this goal, the Europeans have attempted to promote the merging of some of their largest companies in order to lay a basis for a reciprocal investment flow to the U.S. The European response to the MNC over the coming years will be to penetrate the U.S. market (as for example in the case of British Petroleum's takeover of part of Sinclair's East Coast distribution net).

While the Japanese have been enjoying a "miracle" economic growth of roughly 10 per cent annually—an increase of approximately double her economic rivals, the country has successfully closed herself off from almost all direct foreign investment. Japanese reluctance to allow an influx of investment stems from the genuinely unique character of her business environment.

Since 1964 the U.S. has been pressing hard for the Japanese to ease the way for foreign direct investment. Most other developed nations are standing behind the U.S. in this effort. Many companies want to strike back at their Japanese competitors on their own home market. From the perspective of the multinationals Japan offers an excellent base from which to penetrate markets beyond Japan, in Southeast Asia.

Beyond these differing views, however, there is general agreement that the greatest threat to sovereign political power by the multinational corporation is to be found in its inherently international nature and its mobility, rather than its size. Implicit in this mobility is the suggestion that if national governments desire to attract major new investments within their borders, they will have to become more sensitive to those issues which appear significant in the decision-making process within the corporate board rooms.

The third report on this many-faceted subject comes from Arnold Cantor.

What he has to say is a must reading for all Members of Congress:

#### TAX SUBSIDIES THAT EXPORT JOBS

Jobs and tax justice have few if any competitors for top billing on the list of issues vital to the health and well-being of the nation.

Bridging both is the dismal performance of the nation in international trade and the role tax loopholes have played in encouraging and subsidizing the export of American jobs, technology and production facilities.

The U.S. government now provides American corporations with over $3 billion in tax subsidies for their foreign subsidiary operations. The result is that American workers lose their jobs, the economy loses part of its industrial base, the federal government loses revenue and the American taxpayer pays the freight.

The nation's position in world trade has been deteriorating dramatically since the early 1960s and this past year was the most disastrous. In 1971, for the first time since 1893, the nation experienced a trade deficit when Americans bought $45.5 billion worth of merchandise imported from other countries, while only $42.8 billion worth of U.S. goods were sold in foreign countries. For the current year, in all likelihood, the performance will be even worse. For the first six months of 1972, according to estimates of the President's Council of Economic Advisers, the trade deficit was $3.6 billion. If that pace should continue, the deficit for this year will jump to over $7 billion—more than double the 1971 gap.

The flood of imports in the face of the comparatively sluggish growth in exports obviously has consequences for U.S. employment. The AFL-CIO estimates that between 1966 and 1971, some 900,000 U.S. job opportunities were lost. Since the situation is getting progressively worse, tens of thousands of additional job opportunities are being wiped out.

The nation's failure on the international economic scene stem from a host of factors. Other nations manage their economies and provide direct and indirect barriers to trade. Powerful trading blocs, like the Common Market, have developed. Multinational corporations, loyal to no nation, have mushroomed. Vast amounts of American capital have gone abroad and American technology is being continually exported through the shifting of American industrial plants to other countries.

Among the results of these developments has been the dramatic shift in the composition of U.S. imports. Where once we imported primarily raw materials and manufactured products not available in the United States, now we import finished industrial products that directly compete with U.S.-made goods and of course with U.S. jobs.

Estimates show, for example, that in early 1971, imports of autos were 20 percent of the U.S. market, TV receivers over 30 percent, radios and tape recorders over 90 percent, glassware over 40 percent, sewing machines and calculating machines nearly 60 percent. And, all tolled, about three-fourths of imports are comparable to U.S.-produced goods. In contrast, in the 1950s, according to trade exports, only about 30 to 40 percent of a much smaller volume of imports were considered competitive with the U.S.-made products.

This new trading environment has little in common with the world of 20 or even 10 years ago. It cannot be handled by the policies, or the theories, developed at another time in a totally different world.

Unfortunately, the nation's income tax laws, which . . . income tax liability. As a result, the $1,000 profit made abroad netted the federal government only $370 compared to the $427 tax payment it received from the Pennsylvania corporation.

In addition, two side effects are also important. First of all, the domestic firm with the $1,000 profit has paid a combined (Pennsylvania and U.S.) income tax of $537 or a rate of 53.7 percent. The firm operating abroad has paid a combined (foreign and U.S.) income tax of $480 or a rate of 48 percent.

Secondly, from the domestic firm, the United States (Pennsylvania and federal) has received a total of $537 in tax revenue. American tax receipts from the U.S. corporation operating overseas were only $480.

Thus, the firm profiting abroad has the advantage of a lower tax rate, the United States has been derived of badly needed tax revenue and of course the money invested and the jobs generated to produce the profit were not to be found in Pennsylvania.

What is more, the tax credit device provides an open invitation to a foreign government to tax or increase its taxes on the U.S. firm without changing the firm's total tax burden.

Going back to the same example, it works like this: If the foreign government taxed the U.S. firm's $1,000 profit at the U.S. rate of 48 percent, the firm's total income taxes would be the same as it would if the foreign country only taxed at 11 percent. This is because the firm would receive full credit for the $480 tax paid to the foreign government, completely washing out any U.S. income tax liability. The firm's total income tax burden is still the same $480—it just wrote the check out to a different government. Again, in comparison, the company operating in Pennsylvania added $537 to U.S. (state and federal) tax revenues, while the U.S. firm operating overseas did not pay even a penny to a U.S. government on its $1,000 of income. As a result, the firm is unaffected, the Treasury and other U.S. taxpayers are losers and the foreign government's coffers are enriched.

The amount of foreign income tax credit a company can claim is limited to what its U.S. tax would be. If the foreign income tax rate should exceed the 48 percent U.S. rate, the excess cannot be credited. But there are ways to get around this, particularly for the larger multinational companies with operations in many countries.

First, under the so-called "overall limitation," a company can elect to lump all its foreign income together, in order to balance income from high-tax countries against income earned in low-tax countries. Thus if a firm operates only in a foreign country with a tax rate of 50 percent and repatriates $1,000 in earnings, out of the $500 foreign income tax payment it would be allowed to credit only $480. There would be an "excess" credit of $20. However, if the same firm also operated in a country with a 40 percent tax rate, it could lump together its income from both countries and receive full dollar-for-dollar credit against U.S. taxes.

What is more, if the "overall limitation" doesn't do the full job and the company should still have "excess credits," it can then resort to the "carryback" and "carryforward" provisions of the Internal Revenue Code.

Under these provisions a firm is allowed to "carry back" two years and "carry forward" five years any "excess credits." If the full foreign income tax is not wiped out in a particular year, the company can "save" the credits for use over the next five years or get a rebate on its previous two years' taxes.

Thus, the foreign tax credit:

Violates one of the basic concepts of tax equity, that of treating equal incomes equally, by saying that a certain form of income, because it's earned abroad, shall enjoy privileged status

amounts to a form of back-door foreign aid or no-strings-attached "revenue sharing" between the U.S. Treasury and a foreign government. Under the credit, the United States turns over its taxing authority to a foreign government. The U.S. government, in effect, says to the foreign government, "If you tax the company we won't and if you raise your taxes on the company, we'll reduce ours accordingly."

Again, it all adds up to U.S. tax dollars being used to subsidize the overseas activities of U.S. corporations.

The much publicized fact that U.S. Steel, the nation's 12th largest corporation, paid no federal income taxes in 1971—even though its net profits exceeded $154 million—presents merely one clear and current example of the effect of the foreign tax preferences. According to the company's own financial report for 1971, its income tax payment, based on $154.5 million of profits, should have been $57.9 million. But the entire $57.9 million was "offset by deferred tax credits" and, therefore, no federal income taxes had to be paid in 1971. The report goes on to explain that $23.5 million of the $57.9 million tax washout was due to the investment credit corporate giveaway—a corporate tax bonanza which was repealed as part of the reforms made in 1969 but put back into law by the Revenue Act of 1971. The remaining $34.4 million was, in the main, washed out through the foreign tax deferral and credit loopholes.

On a similar note, U.S. Oil Week Magazine, after digging deeply into reports to the Securities and Exchange Commission by 18 major oil companies, showed that on a combined income of $10.2 billion, these 18 companies paid $683 million in federal income taxes—a rate of 6.7 percent. "Curiously, the figures show in many cases that the larger the company the smaller the tax percentage," the U.S. Oil Week article commented.

"That's because the larger firms are involved abroad where royalties may sometimes be treated as federal income taxes paid to foreign governments, thus becoming a tax credit against federal tax owed Uncle Sam," the article said.

It is ironic to note that the infamous oil depletion allowance has been defended traditionally as a tax incentive to encourage the search for domestic oil. Yet according to the U.S. Oil Week article, "Tax treatment of income earned abroad has encouraged the search for oil abroad at the expense of drilling at home."

The deferral and credit devices are the most significant of the foreign tax provision affecting U.S. jobs and U.S. tax justice. But there are others. There is the Western Hemisphere Trade Corporation gimmick which permits U.S.-owned corporations doing business outside the United States—but in the countries of North, Central and South America—to have their income taxed at a preferential 34 percent corporate tax rate. Special privileges also are available to corporations operating in so-called less developed countries, U.S. possessions, Taiwan and Hong Kong.

Finally, the list of tax preferences given American businesses with income from foreign operations is incomplete without the most recent addition to the group—the Domestic International Sales Corporation (DISC). The DISC arrangement was part of the package of the business tax giveaways contained in the Revenue Act of 1971. DISC is not in the same league as deferral and the credit in terms of revenue loss and business tax windfalls. It is, however, a shocking example of tax gimmickry and misguided, counter-productive approaches to the nation's international trade and investment problems.

The DISC provision permits corporations to spin off into export subsidiaries and defer taxes on half of these subsidiaries' profits.

The DISC proposal was offered under the guise of an incentive to companies to increase their exports. Ironically, it was justified on the basis that the tax deferral provisions in present law discriminate against U.S. production and investment. Therefore, according to DISC advocates, the same loophole should be extended to export profits.

Thus rather than put an end to existing preferences, the philosophy underlying DISC is that tax equity should be achieved through widening existing loopholes to make room for more participants.

With the exception of the DISC provision, which was totally without justification, most of the foreign tax preferences had some rational foundation for their enactment—at the time of their enactment.

Deferral, for example, came in 1909 when the corporate income tax began. At that time the corporate tax rate was 1 percent, the term multinational corporation hadn't been invented and there was little concern over the question of how to tax the overseas earnings of subsidiaries of U.S. corporations.

The foreign tax credit was enacted in 1918 in response to high wartime tax rates in the United States and abroad because other countries did not tax foreign source income. The Western Hemisphere Trade Corporation was introduced in 1942 as an attempt to help U.S. corporations compete with other foreign nations in Latin America. And the less developed nation preferences evolved 10 years ago as special exceptions to the Revenue Act of 1962, which made some reforms in the ways in which foreign source income was taxed.

But the world of 1972 is not that of 1909, 1918 or even 1962. Government policies are needed now to deal with the realities of today's world of international commerce.

Fortunately, legislation, which offers specific remedies for the nation's trade and investment problems has been introduced in Congress by Sen. Vance Hartke (D-Ind.)

and Rep. James Burke (D-Mass.). The Foreign Trade and Investment Act of 1972 would provide the much needed and long overdue reshaping of the tax, trade and other federal laws that have contributed to the international crisis which is costing American jobs and posing a constant and growing threat to the nation's economic health.

If enacted, the bill would be a giant step toward restoring a balance in international trade and investment, promoting a just tax structure and stemming the export of American jobs.

In introducing the bill, Hartke appropriately noted "Old remedies have not worked . . . The textbook theories of the 1930s and the 1940s no longer apply in today's world of international trade." The legislation is needed, he said, "to protect the best interests of America against the worst practices of international corporations."

The AFL–CIO Executive Council has urged enactment of the bill "in the interest of national economic security and the jobs of American workers."

"Adoption of the Burke-Hartke bill is a necessity to stop the special tax advantages and import privileges of American companies operating abroad," the council said. "The time has come for the U.S. government to end the disastrous conditions it is creating in the American economy through the award of undeserved tariff and tax privileges for runaway capital and technology. Should these disastrous practices not be halted immediately by the U.S. government, a crisis of tragic proportions can develop in this country."

The Burke-Hartke bill, for example, would provide government regulation of the export of American technology and capital. And it would set up a "sliding door" limitation on most imports, except those that are not produced here or are in short supply. These limitations would be related to the level of American production—annual import quotas, based on the number of items imported into the United States in 1965–1969, as a percentage of U.S. output. In that way, imports would be guaranteed a share of the American market and would be permitted to increase as U.S. production rises.

A key part of the bill is its tax provisions, which would put an end to the two major tax inducements for firms to move abroad.

The bill would eliminate the deferral privilege, thereby requiring firms to report and pay taxes on the earnings of their foreign subsidiaries when they are earned—the same way profits are treated on domestic income. And the bill would require firms to treat foreign income taxes as legitimate costs of doing business—just like state and local income taxes—thereby closing the foreign tax credit loophole.

The elimination of these tax loopholes would, of course, have an impact on those who have been able to take advantage of them. Indeed that is the purpose.

Spokesmen for the huge multinational corporations claim, however, that ending these privileges would unjustifiably increase the tax burden of U.S. corporations operating abroad and they go on to conclude that U.S. investment abroad would be substantially cut back, U.S. corporations would no longer be able to compete with foreign companies, the profit margins of American corporations would be adversely affected and American jobs would be lost.

Such reasoning assumes that when corporations invest abroad, the profits from such investments benefit the nation as much, if not more, than U.S. dollars invested in America.

The facts do not support such general conclusions. As a result of the unfettered actions of multinational corporations—and federal subsidies—the United States has become an exporter of capital and know-how. The benefits from such exports have been shared, to too great a degree, between foreign countries and corporate stockholders. The benefits flowing to the great majority of Americans who depend on a job and a paycheck are becoming increasingly remote, while the costs are being felt day in and day out as America's position in world trade continues to deteriorate and jobs continue to be wiped out.

We are living in a world of nation states where other countries manage their economies and pursue trade and investment policies that are in their own interests. At the same time, American-based corporate giants operate with a great degree of freedom to pursue their individual interests. So far, U.S. policies have failed to respond to the fact that decisions which may appear rational for the profit margins of such corporations may be completely counter to the health and well-being of America. Rather, the U.S. government subsidizes these operations and, in many cases, these subsidies make it more profitable for companies to operate their plants in foreign countries than at home.

Putting an end to the privileged tax status enjoyed by American-based multinational corporations investing and profiting in foreign countries is not an attempt to discriminate, punish or penalize. Closing these loopholes would simply eliminate tax subsidies from the list of incentives that provoke corporate decisions to invest, profit and create jobs overseas.

Aside from the tax benefits enjoyed by MNC's, a conclusive argument can be made about the loss of American jobs in many communities that depend upon a single production facility. The situation is serious. While critics of that argument may point to the Tariff Commission and its ability to provide adjustment assistance to workers whose jobs have been determined to be affected by imports, it is interesting and shocking to find that, in fact, during the first 7 years of the adjustment assistance program, no assistance was provided. Since 1969, when the law was reinterpreted, only 10,000 workers have benefited. To emphasize the inadequacy of those Tariff Commission decisions, one need only to cite Ruttenberg:

> Between 1966 and 1969, U.S. foreign trade produced the equivalent of a new loss of *half a million American jobs.*

In too many instances, MNC's and/or conglomerate type entities buy up local facilities for the specific purpose of closing them down. Sometimes the product is replaced by imports from foreign producers or foreign based American producers, while at other times, the production is moved to a larger, more efficient plant. On multiple occasions the closing of the facility results in a windfall for conglomerate type operations when corresponding action terminates the pension plan, leaving little or no alternatives to affected workers. It is no news to learn that workers affected by these mergers, or closures, even if fortunate enough to maintain employment, often lose all pension entitlements, particularly if their benefit is not yet vested.

The Burke-Hartke bill is affording the American people an opportunity to see what has previously been obscured—more specifically, the imposition and dire consequences of foreign imports on the American economy.

I trust that the Members of this honorable body will find time to understand that this is a new ball game, and that the passage of a second trade round as proposed can be, in my opinion, the straw that breaks the camel's back, and endanger the very existence of our type of government.

Mr. GAYDOS. Mr. Speaker, I wish to thank my colleague and good friend and neighbor from Pennsylvania, Congressman DENT, who serves my adjoining congressional district, for his usual informed and factual dissertation and explanation. It is comparable to what he has been giving us over the last 10 years.

Mr. Speaker, in conclusion, I would like to remind my colleague that there is another possible response to our troubled friend, the gentleman from Massachusetts, regarding that turnaround in the balance of payments, as of last month.

I would seriously suggest that the conference the gentleman and I had might contain another answer for him, or possible answer, and that is that we were informed—and I am sure my colleague can authenticate this fact—we were informed that Nationalist China and its representatives have concluded as of this date the purchase in multimillion-dollar figures of cotton futures in this country. This is a matter of publication and is included in statistics.

I suggest again in response to my friend, the gentleman from Massachusetts, that that statistic might be a possible answer to why there is such a drastic turnabout. Again it appears to me to be the approach of the administration to make this change become a reality, and it may be an answer as to why that change occurred when money is made available statistically and yet the product is not even in being as yet.

Mr. DENT. Mr. Speaker, will the gentleman yield?

Mr. GAYDOS. I yield to the gentleman from Pennsylvania (Mr. DENT).

Mr. DENT. Mr. Speaker, there is plenty of evidence in publications on the stands where everybody can read the story that everybody is trading with us, reducing exports to the United States, increasing imports that will not be needed for 2 to 3 years, in order that they can change around the balance, in order that this group become the "sucker" again for the international traders all over the world.

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## TRIBUTE TO HON. JAMES A. FARLEY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. CAREY) is recognized for 30 minutes.

Mr. CAREY of New York. Mr. Speaker, it is with the greatest personal pleasure that I have requested this special order honoring James Aloysius Farley. For today, May 30, 1973, we not only celebrate Jim's 85th birthday, but we honor him for his over 60 years of dedicated and selfless service to the American Government and people.

The Farley success story is now a legend in the annals of both business and politics. As a lad Jim ran errands, sold newspapers and helped out in the store-saloon his mother bought to keep the family together after Jim's father was killed in an accident. He worked as a bookkeeper and then organized his own building supply firm. He entered politics in 1912 by becoming the first Democratic town clerk in Stony Point, N.Y., since 1894. Jim worked for the election and reelection of Al Smith as Governor of New York and served in various State posts during the Smith administrations.

Mr. Speaker, in order that published biographical materials, giving a more complete picture of Jim Farley's careers, might be included in the special order, I ask unanimous consent that an article from Current Biography and an excerpt from the book, "It's the Irish," be printed at this point in my remarks.

Mr. Speaker, Jim Farley's biography reads like a catalog of civic, personal, and domestic virtues. His service to his community, State, Nation, and church are a legend that any man, no matter how well endowed with mind, heart, and grit, would be hard pressed to approach. Jim Farley is, indeed "one of the giants."

But in this time when government and politics are in less than good repute, I think the best current lessons we can take from the Farley saga are the three H's—honesty, humor, and honor

Jim's honesty is such that he ran himself broke serving his party and his Nation. The Postmaster General in those days made the princely sum of $15,000. Today, I think that might just buy enough varnish to put one coat on the office of the PMG. In order to remain in government, Jim had to publish his political memoirs, "Behind the Ballots."

Finally, in a day when enriching oneself while holding high political office was much simpler, Jim was forced to return to industry in order to provide for his family's future. Jim never made a penny through the exercise of influence and as the chief political entrepreneur of several Roosevelt administrations, as well as chairman of the New York State and National Democratic Committees, he had plenty of influence at his disposal.

Jim's sense of humor and ability to find the good features as well as good side of many different kinds of people enabled him to bring together many factions in the party, the administration and the Nation. He lightened moments of stress during prewar Cabinet meetings and was able to smooth over, with humor diplomacy, conferences of politically explosive potential.

In this day of humorless efficiency and of administration officials gleefully going about the dismemberment of programs designed to help the little man in educating his children, preserving his and his family's health, and assisting him in securing his just rights, it is refreshing to look back on an efficient, dedicated, hardworking public official who was human, exercised humane compassion for his fellow man, and lightened his touch with the saving grace of humor.

Mr. Speaker, I have praised Jim Farley for never having made a dishonest dollar and having done this without being humorless. But to my mind the facet of his life and personality that have a most signal lesson for all in government is Jim Farley's honor.

"His word is his bond." If that is what Jim said, that is what he means. "His pledge once promised, is always kept." These are the descriptions one always hears in describing Jim Farley's honor.

Jim's honor was not a smug awareness of his own good qualities. It was not a Patrician aloofness. It was not an honor that took offense easily. Jim Farley's honor was a sense of knowing not only what was strictly honest, but what was fitting and proper. In the Roman Mass there is a beautiful phrase describing how proper it is to give thanks to God. The Latin, "Dignum et justum est, aequum et salutare" translates to "meet and just, right, and fitting." To me this best describes the moral sense of propriety, mixed with respect for himself and others, that is Jim Farley's sense of honor.

Mr. Speaker, I hope Americans and especially those of us in public life will learn from this man's sense of what is the honorable course of action. So many in Government today have forgotten that the style "honorable" is meant to signify not only that those who bear it should be treated with respect and deference, but that they have earned that respect by living lives of personal and professional honorableness. Those that truly merit the "Honorable" before their names are indeed kindred spirits and moral sons of the Honorable James Aloysius Farley.

Mr. Speaker, Shakespeare, in speaking of honor, would seem to be addressing Jim Farley in praise and all of us as teacher:

> Honour travels in strait so narrow where one but goes abreast. Keep the path, for emulation hath a thousand sons that one by one pursue." (Troilus & Cressida III–3).

I include the following biography:

James Aloysius Farley was born in Grassy Point, Rockland County, New York, May 30, 1888, of Irish antecedents. His father was James Farley, a brick manufacturer and one of the few Democrats in the county; his mother was the former Ellen Goldrick. "I was born a Democrat and I expect to die a Democrat," Farley himself has been quoted as saying. At any rate, his political talents showed themselves early. At the advanced age of eight young Jim Farley was carrying a torch in a "Bryan-for-President" parade; by the time he had reached high school years he was known as "that friendly-as-a-pup Farley kid"—he was addressing nearly everyone in town by his first name.

When Farley was not quite ten his father was killed by a horse, and Mrs. Farley was left with a half-interest in a little schooner that carried bricks thirty miles down the Hudson to New York, a small insurance policy—and five sons. Jim ran errands and sold newspapers until his mother bought a small grocery and saloon with her last $1,500. He then helped her in both ends of the business, and during the summers worked from 3:30 to 11 a.m. as a machine boy in Morrissey's brickyard for less than a dollar a day. Besides going to school he played a good deal of baseball. Nicknamed "Stretch" because he was the best first baseman the town had ever seen, he played on high school and semiprofessional teams which won most of the local pennants. At the same time he managed to be a waltzing champion and a model young man who attended church regularly—he made and kept a confirmation vow to abstain from alcohol and tobacco.

When Farley was graduated from near-by Stony Point High School in 1905 he went to New York City to study bookkeeping at the Packard Commercial School, then took a position as bookkeeper in the Merlin Keilholtz Paper Company in the same city, at a salary of $8 a week. But his natural affability and his talent for remembering "what kind of a tree it was that little Johnny fell out of and which arm he broke" wouldn't let him remain a bookkeeper long. His next position was with the Universal Gypsum Company, for which he worked fifteen years as bookkeeper, company correspondent, and finally as salesman.

In the summer of 1912 he entered politics when he announced his candidacy for the town clerkship of Stony Point. While selling on the road in southern New York six days a week he sent postal cards to everyone he knew in Stony Point (meaning nearly everyone); and, though the Democrats had not held the post since the swing away from Cleveland in 1894, he won the election hands down. He then wrote "thank-you" notes to every voter in Stony Point, to those who had voted for him as well as those who hadn't—and he made himself as useful and agreeable as possible in his non-paying office. He refused the small fees to which the law entitled him for various services; he delivered marriage licenses personally; he sold hunting licenses from door to door on the Sunday before the hunting season opened. It was little wonder that he was re-elected three times to the town clerkship by rising majorities, nor that he was soon associating with the real leaders of the Democratic Party in New York State. One of the first to urge Al Smith to run for the governorship of the state in the fall of 1918 he had the pleasure of adding his delegate's vote in the nomination of Smith for that office and of seeing him elected. The Governor later appointed him one of the wardens in the ancient office of port warden for New York at a salary of $5,000 a year. Farley describes the post (of inspecting cargoes on incoming boats for possible shifting or damage by water) as a sinecure: "I performed the duties of port warden for about a year, during which time it was evident to me that there was no real necessity for the place." In 1919 a Republican legislature abolished the office.

Farley then returned happily enough to his other labors; by this time he was chairman of the Rockland County Democratic Committee. and he was to serve as supervisor of Rockland County from 1920 to 1923. In April 1920 he was married to his childhood sweetheart, Elizabeth Finnegan, who, incidentally, has never been too interested in politics. In 1922 her husband engineered the renomination of Al Smith for Governor of New York over William Randolph Hearst, and was himself elected to the New York State Assembly. The following year he was defeated for re-election although nineteen bills he introduced to abolish the abuses of the "fee system" were enacted by the assembly. However, within a year Al Smith appointed him a member of the New York State Boxing Commission, a non-salaried position. Farley himself has said: "It wasn't very long until my idea about the new post's being a pleasant diversion was rudely shattered." Soon he was being severely criticized for a ruling on fouls and for allowing fights between boxers of mixed weights. He also came under fire for his liberal distribution of free fight tickets among personal and political friends. Such gifts, critics pointed out, did not impede his ascent in politics. During this time Farley was still sales manager of the Universal Gypsum Company; a few years later, however, he organized his own business of supplying lime and cement to contractors, which, after several mergers, became the General Building Supply Corporation. He remained its president until 1933.

All along Farley was increasingly active in politics. He remained chairman of the Rockland County Democratic Committee until 1929, and in 1928 became secretary of the

New York State Democratic Committee as well, helping to manage Franklin Delano Roosevelt's first campaign for Governor of New York. (He had first met Roosevelt in 1920 at a crowded reception in Manhattan, but their real acquaintanceship had begun at the Democratic National Convention of 1924, and Farley had been one of Roosevelt's chief admirers for some time.) In 1930, when Farley became chairman of the State Democratic Committee, Roosevelt was re-elected Governor by the unprecedented plurality of 725,001.

The day after the election Farley commented: "We have elected . . . the man who will be the next President of the United States," and he immediately set about to make his prophecy come true. Concentrating on the personal contact, in 1931 he made a whirlwind tour of eighteen states, renewing old acquaintanceships, winning new friends, and persuading everyone he met that "there is magic in the name of Roosevelt." Roosevelt's pre-nomination campaign was actually launched at the 1931 Elks' convention in Seattle. From that time until the convention Farley worked in conjunction with the late Louis McHenry Howe as organizer and "field man" for Roosevelt, his particular methods of contacting party workers being the personal letter, the long-distance telephone call, the handshake.

At the 1932 convention, when Farley was the Roosevelt floor leader, Roosevelt had a heavy majority from the first. The voting seemed hopelessly deadlocked, however, until Farley made a deal that swung the Texas and California delegations, pledged to John Nance Garner, to his candidate. Garner received the nomination for Vice-President as a result; Farley took over the chairmanship of the Democratic National Committee, which badly needed the streamlining that he gave it. He added to his reputation not only as a master politician but as a political prophet when he announced before the November 1932 elections that the Democrats would win by a plurality of 7,500,000 votes. He was off the mark by only 300,000.

Appointed Postmaster General by President Roosevelt, Farley continued to hold his posts as New York State Democratic chairman and National Democratic chairman. He soon became the chief target of Republican criticism, although he could never have been classed as a rabid New Dealer: he was, purely and simply, a Democrat. His yardstick for job-hunters in Washington was "party loyalty," and those who had been for Roosevelt before the 1932 convention found themselves particularly solid in his good graces. What is more, he delayed in awarding patronage until he saw how Congressmen voted on the essential part of the Roosevelt legislative program.

Opponents of the New Deal therefore attacked him as a "spoilsman," though there were others to point out that Farely had not invented the patronage system, and, according to *Look*, all he introduced into it was "a more efficient card-index system." Both the Administration and Farely were criticized when, following the cancellation of the air-mail contracts with commercial lines and the subsequent flying of air mail by the Army, ten Army fliers were killed. He was, too, the target of criticism for presenting specimen sheets of stamps to Democratic bigwigs, a criticism that came also from some of Roosevelt's friends. In the face of such attacks, however, Farley remained cheerful and silent.

In August 1936 Postmaster General Farley took a leave of absence without pay in order to manage Roosevelt's second Presidential campaign—and he maintained his reputation as a prophet when, five days before the election, he forecast that Roosevelt would carry every state except Maine and Vermont. Early in 1938, when his memoirs, *Behind the Ballots*, appeared, he and the President were apparently still on excellent terms. Already, however, he was beginning to become annoyed by Tommy Corcoran, "something of a program writer for the New Deal"—and other irritations came thick and fast. The Supreme Court reorganization bill was something on which he had nothing whatsoever to say. The party purge that followed was a bad political mistake, in his opinion: wasn't a Democrat a Democrat? Roosevelt consulted him less and less in his dealings with Congress, and, according to some sources, discouraged him from becoming a candidate for Governor of New York State. Whatever Farley's feeling may have been, by the latter part of the year one writer was already reporting that Farley and Garner had signed a secret pact under which they would attempt to control the 1940 convention and keep either Roosevelt, or anyone picked by him, from getting the nomination.

Farley's visits to the White House became less frequent, and although there was no open break with the President, it was bruited about that Farley, was opposed to a third term. It was also said that Farley himself had Presidential—or, at least, Vice-Presidential—aspirations. Then, in March 1940, Ernest K. Lindley reported in his column that Roosevelt had told an unnamed Democrat that he would not run for a third term unless Germany overran England; that Hull was his candidate; and that Farley was unacceptable as the Vice-Presidential nominee because some might think the Democrats "were using Cordell Hull as a stalking horse for the Pope."

Shortly afterward Roosevelt himself stated that the column had been made up out of whole cloth, but it was too late: the next day Farley announced that his own name would be presented to the Democratic National Convention in Chicago—"and that's that." Talk of a Hull-Farley ticket revived; there were signs of overtures from Vice-President Garner's friends for an alliance with Farley; and Farley himself made a "speech-making, hand-shaking, post-office dedicating" tour of the country.

Even before the 1940 Democratic National Convention it became obvious that the President, who had remained publicly non-committal on the issue, would permit himself to be drafted for a third term. In 1937 Farley had said of Roosevelt: "While the breath in my body lingers, I will try to assist him in all he does"; but now he apparently felt himself betrayed. According to Charlie Michelson, he had misunderstood Roosevelt's reluctance to run again as a pledge that he would not be a candidate.

In any case, Farley permitted his own name to go before the convention as a Presidential candidate (it was put up by Carter Glass), and gained a total of 72 and a fraction votes on the roll call. Roosevelt having won renomination by 946 and a fraction votes, Farley moved that the nomination be made by acclamation, but shortly after the convention he resigned both as chairman of the Democratic National Committee and as Postmaster General. This was ostensibly in order to become new board chairman of the Coca-Cola Export Company, but the move was interpreted by some as a dignified protest against the "third termites."

Farley's one-time critics, who had begun to see his good qualities as soon as he had lined up with the Roosevelt-must-go clique, immediately sympathized with him as one who had put principle and country above party, and who had been mistreated by Roosevelt. Farley himself, never sympathetic with party bolters (he had criticized his former friend Al Smith for teaming up with the Liberty League in 1932), announced that he was supporting the Democratic ticket, but conducted "only a perfunctory" campaign for Roosevelt in 1940.

His record as chairman of the State Democratic Committee from that time on was not one of undiminished success. In 1941 he backed William O'Dwyer, the Democratic nominee, in an unsuccessful bid for the mayoralty of New York. In 1942 he was successful in getting the Democratic nomination for Governor of New York for his candidate, John J. Bennett, against the opposition of Roosevelt, who was supporting James Mead; but the voters replied by electing the Republican candidate, Thomas E. Dewey. During 1943 Farley made many business trips in which he found time to talk with anti-Roosevelt Democrats all over the country, but particularly in the South. A "Byrd-for-President" campaign seemed to be shaping up there. Then, in the fall of 1943, the Republicans installed Joe R. Hanley as Lieutenant Governor of New York over the Democratic candidate, Lieutenant General William N. Haskell (retired). Farley saw Hanley's election as a sign that "the people are tired of being kicked around," and pointed to a "definite trend against the National Administration"; but New Dealers charged that he had not made "even the most elementary Democratic campaign efforts on behalf of Haskell." By April 1944 the O'Connell Democratic machine in Albany was attempting to oust him as chairman of the State Democratic Committee, but the move was not supported in Washington, and he was re-elected unanimously.

Farley resigned his chairmanship in June 1944, stating that business interests required his whole attention. This came as a surprise to those who had expected him to wait until after the Democratic National Convention. Although he could not have made his opposition to a fourth term for Roosevelt more evident, Democrats of all shades of opinion, 1,500 in number, attended a testimonal dinner in his honor the next month. No one assumed that he would entirely disappear from politics—and he did not. Later in July he was at the Democratic convention, telling reporters that he was not candidate for either nomination. His own half-votes, however, went to Alben Barkley for Vice-President and to Harry F. Byrd for President; and Farley himself received two half-votes for the Presidential nomination from two of his intimate friends in the New York delegation. Although he announced after Roosevelt's nomination that he would support the Democratic ticket as usual, Mrs. Farley was by this time frankly avowing her support of Dewey.

Farley continued to be active in both national and international affairs. In September, along with John Foster Dulles, Alfred E. Smith, Sumner Wells, and other distinguished citizens, he signed an appeal for a clean Presidential campaign—a public request to all candidates to discourage the injection of religious and racial animosities into the campaign: "Such conduct is un-American . . . divides our people and betrays one of the cherished ideals for which we struggle." In October he acted as chairman of the celebration held in New York City in honor of the thirty-third birthday of the Chinese Republic. At that time he paid tribute to the late Wendell Willkie for the service Willkie had rendered in strengthening the bond between the United States and China. A month later Farley spoke before the convention of the Alabama State Chamber of Commerce, stressing the need for more industry in the South to balance the agricultural production. And in December 1944, speaking at the twenty-sixth annual Guadalupe Day of the Mexico Pilgrims organization, Farley admonished Americans to drop the tendency "to talk down" to their Latin-American neighbors, but rather "to cement the ties between nations with true friendship."

Many things have been said for and against Farley, but there are some points on which both friend and foe agree. One is his phenomenal memory—a memory for names, faces, and personal details that has helped to win friends and influence people in a large way. Another is his dependability: "his pledge, once promised, is always kept . . . favor for favor, deed for deed." A third is his honesty. He made an annual $15,000 as Postmaster General, but was in debt when he left the office because he insisted that his General Building Supply Corporation, in which he still had a business interest, should not solicit orders where his influence would count and should reject all public business offered. If he had not received $65,000 for his memoirs when they were serialized in the *American Magazine* he would have been even more badly off. And a fourth quality is his affability. "I like people," Farley himself says, and boasts that he has 100,000 friends. He usually manages to stay on good terms personally with even his greatest political enemies, and he has always been universally popular with the press because he will quip or talk as seriously with a *Daily Worker* or New York *Herald Tribune* reporter as with representatives of more friendly newspapers.

Farley "has the look of what people living in the rural areas of the Boston diocese call a 'city Irishman.' Big, strapping [he is over six feet two], his bald head possessing an incredible shine, he has been marked by the metropolis in his manner, his bearing, his speech." According to the *American Mercury* in 1937, "He looks like a musical comedy butter-and-egg-man ripening for apoplexy, yet he bows the backs of five stenographers a day with his dictation orgies, sees sometimes as many as 200 visitors, and walks the occasional short corridor distances he has to negotiate between fast elevators, trains, and automobiles at a pace roughly equivalent to that of a championship football team charging into the Rose Bowl." "A lifelong nonsmoking teetotaler," he consumes large quantities of milk, ice cream, chewing gum, and peppermint drops. He is also a model family man, although his wife and three children (Elizabeth, Ann, James A.) have always complained that they don't see enough of him; and he is a born "joiner"—a big man in the Elks, Redmen, Eagles, and Knights of Columbus. In all these things he is typically American, too.

### IT'S THE IRISH

Successful Irish-American politicians or appointees have included James F. Byrnes, head of the Office of War Mobilization under Roosevelt, Secretary of State and Supreme Court Justice under Truman; Admiral of the Fleet William D. Leahy, Roosevelt's personal chief-of-staff; Pat Brown, Governor of California; Major General Patrick J. Hurley, Secretary of War under Hoover, and Ambassador to China in the 1940's. And, of course, there's the epitome of the Irish politicians, James Aloysius Farley, now a Coca-Cola executive.

James Aloysius was born in Grassy Point, New York, in 1888. Jim recalls that when he went to visit his father's people, in a town called Verplanck's Point, only a few miles away, he couldn't understand why all the Catholic Irish there were Republicans. He said:

"I couldn't understand how a Catholic could be a Republican because in the community where I was born and raised all the Catholics were Democrats. As a matter of fact, in Grassy Point we had difficulty finding enough Republicans to man the election boards."

Jim says he eventually learned that a Peekskill politician was helping the Catholic Irish get jobs in the local brickyard and enrolling them in the Republican party. As Jim says, the Irish largely voted as a bloc in the interests of self-protection, but they also sought the protective coloration of the dominant party. "In Boston," Jim says, "they became Democrats because there were Democrats in Boston. But in Philadelphia politics "was dominated by the Republicans, and in a large measure they became Republicans."

Jim began his political career by getting himself elected district committeeman. He recalls that the other two members of the town committee were at odds. "They were not on speaking terms and they couldn't agree on who would be the chairman, secretary, or the treasurer of the town committee. Neither one of them would vote for the other, so they elected me to all three positions. So I started from there and I was elected town clerk and served eight years. Finally, supervisor. Went to the New York State Assembly one year, and now you know the rest of it."

"The rest of it" is one of America's great success stories: Farley became head of the New York State Democratic Committee in 1930 and two years later successfully pushed the presidential nomination of Franklin Delano Roosevelt. Becoming chairman of the National Committee, Farley managed FDR's presidential campaign with equal success and landed up in the cabinet as Postmaster General. He dropped out to mastermind Roosevelt's 1936 campaign after which he stepped back into his old cabinet job. By 1940, Jim had accumulated some presidential aspirations of his own, and when Roosevelt decided he wanted the job again, Jim dropped out of the cabinet, and shed his party chairmanship.

It took twenty years for someone else to bring to reality the dream Jim had nurtured—to become the first Catholic Irish President. However, John Fitzgerald Kennedy was by no means the first man with Irish blood to take up residence in the White House. Andrew Jackson, James K. Polk, James Buchanan, Andrew Johnson, Chester A. Arthur, William McKinley, William Howard Taft, Woodrow Wilson, Grover Cleveland, Calvin Coolidge, and Harry Truman were mostly or partly of Irish descent.

### GENERAL LEAVE

Mr. CAREY of New York. Mr. Speaker, I ask unanimous consent that all Members desiring to do so may have 5 legislative days in which to extend their remarks at this point in the RECORD concerning the birthday of James Farley of New York.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HECHLER of West Virginia. Mr. Speaker, will the gentleman yield?

Mr. CAREY of New York. I yield to my colleague from West Virginia.

Mr. HECHLER of West Virginia. Mr. Speaker, today we honor a great American and the Nation's most prominent politician of all time, James Aloysius Farley, who was born in Grassy Point, N.Y., 85 years ago today.

Jim Farley's name is legend in American political history. When he embarked on his coast-to-coast tour on behalf of Franklin Delano Roosevelt in 1931, few Americans gave Roosevelt more than a fighting chance to capture the Democratic Presidential nomination in 1932. Yet this remarkable political organizer helped put Roosevelt in the White House, and his indefatigable energy, green-ink-signed letters, and phenomenal memory for names enshrined him as America's greatest politician.

My colleague from New York (Mr. CAREY) and many others are detailing the known facts about Jim Farley's political greatness. I would just like to add a few very personal stories to illustrate the noble characteristics of this big and very human man. His book entitled "Behind the Ballots," first inspired me to take more than a passing interest in politics. His later autobiography, "Jim Farley's Story," was also an inspiration to countless citizens interested in the political process.

While a young instructor at Columbia College in 1939, I recall the vivid impression which Jim Farley's description of the 1932 Democratic National Convention made on me. In his book, "Behind the Ballots," Farley casually mentioned an arrangement he had set up in Chicago to enable the then Governor Roosevelt to talk by telephone to groups of delegates from various States who were attending the Chicago convention. An amplifier was hooked up to the telephone so that the delegates could hear Roosevelt's voice long-distance. When I read this account, I could not sleep that night, and immediately went to the telephone company the next day and asked to have them install such an amplifier in my political science classroom at Columbia. Then I rushed down to the Hotel Biltmore, brashly asked for an audience with Jim Farley, and pleaded with him to talk to my class in "political parties" via amplified telephone.

Jim Farley was intrigued with the idea, and immediately agreed. The class was absolutely spellbound, and many students came to the front of the room to ask Mr. Farley questions over the phone. Although he was heavily engaged as Postmaster General and chairman of the Democratic National Committee, Mr. Farley then agreed to visit my class at Columbia in person some time during the spring of 1940.

On the day he was to appear, I went to meet him at his Park Avenue apartment. It was a great thrill for a young instructor to get into his long, black limousine with the official insignia emblazoned on the door, ride through Central Park and up to Morningside Heights, and see the surprised glances of recognition as we paused at stop lights and the people waved with great warmth at this big, bald-headed, ruddy-cheeked political leader.

The class itself was an outstanding experience, and contained some great lessons in practical information on politics. These were overshadowed by a traumatic incident which shook my composure, and also revealed the depths of human feeling and unselfish spirit in Jim Farley's character. He welcomed questions from the students, and prefaced his first answer with the observation:

> To be completely frank, my answers must be off-the-record.

It was early April 1940. Speculation was running high throughout the Nation on whether President Roosevelt would run for a third term. So one eager Columbia College student popped the natural question: "Do you think Roosevelt will run for a third term?" Without batting an eye, Farley leveled his glance at his young questioner and responded that he did not think Roosevelt would run for a third term and that he had advised him against it.

There was a visible stir in the room. It was hot news. Within minutes of the final class bell, while Jim Farley was riding downtown to his office, the whole campus erupted with buzzing groups of students excitedly saying: "Did you hear what Jim Farley told Doc HECHLER'S class about the third term?"

I tried to warn as many of my students I could reach that Farley's remarks were off the record. My worst fears were realized the next morning when the New York Herald-Tribune ran a streamer headline that "Farley Predicts Roosevelt Will not Run." I was mortified at what I regarded as a breach of confidence. After a brief and emotionally bitter statement dismissing my class the next day, I dejectedly went to my office and locked the door. I telephoned Jim Farley, almost in tears, to apologize. The reaction was a tonic I will never forget.

He started off breezily—

> Say, Ken, I've been trying to reach you all morning, I thought you might be worried about that newspaper article. But if I were you, I wouldn't let a newspaper article get you down. You know, tomorrow it will be all over and things will look brighter. Nothing is as dead as yesterday's newspaper, remember that!

Here was a great and busy man, overwhelmed with many weighty problems, yet he took time off to restore my shattered confidence. Not only that, but he wrote me a quick letter to read to the next class, indicating he would like to return and talk with the class. He did, and also visited my classes at Barnard College in both 1940 and 1941, and later at Princeton University.

That is just a small incident in a long and varied career, but it is indicative of the bigness of the man whose 85th birthday we honor today.

As for his political acumen, well, let me relate another personalized incident. At Columbia University, where I was working toward a master's degree in 1936, I persuaded my advisors to allow me to write my thesis on the subject "Will Roosevelt Be Reelected?" It was a very long and hard job to put together a 350-page analysis, but it was a lot of fun. The last chapter was just one word: "Yes." Fortunately, I got my M.A. degree in June, prior to the November election, but Mr. Farley, of course, came into my thesis. In making my State-by-State analysis, I remarked that surely one should not swallow Democratic National Chairman Jim Farley's prediction that Roosevelt would sweep every State but Maine and Vermont. Once again, Jim Farley's political acumen shone through. He had carefully, truthfully, and accurately analyzed the political situation and had given his boss and the Nation the fruits of his knowledge.

James Aloysius Farley's 85th birthday is the occasion to recall that here is a national political leader who ennobles the profession of politics. His reputation for truth, integrity, dedication, and character shine forth as a beacon to all who enter the political arena. He never engaged in self-deception and applied to the art of politics boundless energy, remarkable organizing ability, and did it in a way which uplifted the entire profession.

Truly, as we salute Jim Farley on his 85th birthday, we can say with pride: He is a big man, with a big heart, and character to match his bigness.

Mr. ALBERT. Mr. Speaker, I am happy to extend birthday greetings to a longtime friend and great American patriot and statesman, James Farley. Jim Farley is one of the last of those dynamic private entrepreneurs who understood his civic responsibility and worked hard for his country and his party. He built a Democratic Party that elected and reelected one of our Nation's greatest Presidents. He contributed to the thought and substance of the New Deal by his activities in behalf of Franklin Delano Roosevelt. He has had the remarkable ability to maintain close and easy communication with the many, many people he has worked with and known throughout the years. He has worked hard and he has been loyal to his concepts and his personal friendships throughout his life. He has received many degrees, many rewards, and many honors. He well deserves the accolades which we all extend to him today. My congratulations for a lifetime of achievement to which he has just added 1 more year. We wish many happy returns on his birthday and many, many more.

Mr. SIKES. Today, Mr. Speaker, marks the 85th anniversary of the birth of one of America's truly great leaders, James A. Farley of New York.

Jim Farley is perhaps the best known example of how a man can rise through the political system from precinct work to State chairman of his party, and then to national chairman, Presidential campaign manager, and Postmaster General of the Nation.

Through his rise to positions of power and influence, Jim Farley was always a gentleman, highly respected, and genuinely admired by people in and out of his political party.

He now lives in retirement in New York City, but he has never ceased to make his advice and wisdom available to those who seek it. And it has been sought by Presidents and by precinct workers through 60 years he has served his Nation.

Those of us who know and admire Jim Farley are pleased and honored to be able to spread upon the record of this body, our expressions of good will on the occasion of his 85th birthday.

I wish him happiness and good health for many years to come. He is indeed a legend in his own time. He is a great American.

Mrs. GRASSO. Mr. Speaker, I would like to join my colleagues today in expressing warm birthday wishes to Jim Farley on his 85th birthday. In his more than 60 years in public life in both business and politics, Jim Farley has proven himself to be a statesman and a great American.

He has earned the lasting respect of those who have come in contact with him. His long and devoted service to this Nation has demonstrated his special dedication and commitment to our national ideals. As chairman of the New York State Democratic Committee, chairman of the Democratic National Committee, Presidential campaign manager, and Postmaster General, Jim Farley performed most admirably as both a dedicated leader of his party and a concerned public servant.

My congratulations and very best wishes to Jim Farley on reaching the milestone of his 85th birthday.

Mr. RONCALIO of Wyoming. Mr. Speaker, I appreciate the gentleman from New York yielding to me, so that I might join his many friends in Congress in conveying to Jim Farley the congratulations and best wishes of his many friends and admirers in the State of Wyoming.

In 1933, upon the election of President Franklin Roosevelt, Postmaster General James Farley brought to Washington from Cheyenne, Wyo., a young assistant, Joseph C. O'Mahoney. Assistant Postmaster General Joe O'Mahoney served in that capacity until December of that year when Wyoming's incumbent Democratic Senator from Sheridan, Wyo., John B. Kendrick, died in office.

Wyoming Gov. Leslie Miller then appointed Joe O'Mahoney to the U.S. Senate to serve out the remainder of the term of Senator Kendrick until the next general election, at which time Wyoming's voters returned Joe O'Mahoney to the Senate for the full Kendrick term.

It is interesting to note that in this way O'Mahoney, in fact, became a successor to the man who first befriended him as a youngster. O'Mahoney came to Wyoming from Chelsea, Mass., as a rawboned youth looking for opportunity. John Kendrick gave Joe O'Mahoney a job and, in 1917, Joe O'Mahoney came to Washington as a clerk on Kendrick's staff, studied at Georgetown Law School, and returned to Wyoming in 1920 to practice law and engage in its political life.

The third Wyoming Democrat of national importance at the time was Tracy S. McCraken, then the publisher of the Wyoming Eagle and a close friend of imcumbent Gov. Leslie Miller and young Joe O'Mahoney. Each of these three men had served in various capacities in the Democratic Party, and together with their friend, the late John D. Clark, were pretty much the four men who managed to keep the Democratic Party solvent and alive in those early and difficult days in a State which was not only predominantly Republican, but also insurmountably Republican in its economic life and voting habits.

To what little this has changed in the decades that followed is due largely to the works of Jim Farley and of the dedication that he gave the Democratic Party. We are happy to recognize him today and to give him many happy returns of the day. I know that friends who have met him in Wyoming and who hold his friendship and tremendous record of service to his Nation in the highest esteem will be happy to join me in these felicitations today.

They will include Robert S. McCraken,

publisher, Cheyenne Newspapers, Inc., and Bernie Horton of the Wyoming Eagle, both of whom have interviewed and visited with Jim Farley over the years, either in Wyoming or at Democratic national conventions during the many years Tracy McCraken was the national committeeman of Wyoming for the Democratic Party.

At Casper, Wyo., Robert R. Rose, onetime Under Secretary of the Interior; Mr. Milt Coffman, one-time high party official; Mrs. Lina Burwell, former national committeewoman; and Mr. D. G. Richardson, publisher of the Rock Springs Rocket, are among the many who will take pride in recognizing this day for the great Jim Farley.

Happy Birthday Jim!

Mr. THONE. Mr. Speaker, as one who has high regard for most politicians, I appreciate the opportunity to help enhance the reputation of politics by saluting one of the greatest masters of that art—James A. Farley.

Even though we are members of different political parties, I briefly met Mr. Farley on two occasions and had the opportunity to observe his genuine interest in people. He was known for being able to call thousands and thousands of people throughout the country by their name. Sure, he kept file cards so he could refresh his memory on the people of an area before he revisited it. How much better it is to have a politician who cares enough about people to do some work to get their names right than it is to have a politician who thinks he has so much charm that all he has to do is smile and wave at everyone. Mr. Farley has been one of the great teachers of the effectiveness of person-to-person politics.

Jim Farley built a reputation as one who could be relied upon for what he said. Recently, he stated:

> May I say to you very humbly that I never lied to anyone in my life. In my judgment, the only thing a politician has to offer is his word.

One of the best ways of reminding the public of the honor in politics is to quote from a message written in the 18th century that Jim Farley always carries in his wallet. It states:

> Politics is the most hazardous of all professions. There is no other in which a man can hope to do so much good to his fellow creatures—and neither is there any which, by a mere loss of nerve, he may do as widespread harm.
>
> There is not another in which he may so easily lose his own soul, nor is there another in which a positive and strict veracity is so difficult. But danger is the inseparable companion of honor.
>
> With all its temptations and degradations that beset man, politics is still the noblest career any man can choose.

It is a pleasure to salute one of the noblest men in the noblest career—James A. Farley.

Mr. BENNETT. Mr. Speaker, one of the great Democrats I first met in my youth was Jim Farley. He is also one of the greatest Democrats and one of the greatest Americans I have ever met. It is a pleasure today to congratulate him on his 85th birthday and to thank him for the inspiration of his friendship and his tremendous leadership for the betterment of our country. We are all deeply his debtors.

Mr. PICKLE. Mr. Speaker, I am proud to join with my colleague, the Honorable HUGH CAREY of New York, in saluting one of New York's finest, Jim Farley.

In looking back over the history of this Nation, there are certain individuals that receive what in my books is a highest accolade.

This high accolade is "He served with distinction."

Jim Farley served his country with distinction.

And, today, on his 85th year of life, he can still give the sage advice so needed in the delicate task of running a democracy.

Public service is not just holding office. It is true that the officeholder is most known by the public. The officeholder is also in the majority of cases a hard worker.

But there are others in public service. There are those men and women who give their time and life to walking with the officeholder, to giving the counsel that makes for a better America.

Jim Farley is such a man.

As Postmaster General to President Franklin Roosevelt, as chairman of the New York State Democratic Committee and the National Democratic Committee, as Presidential campaign manager, and respected businessman, Jim Farley conducted himself with the integrity, with the highest dedication to democratic principles.

Jim Farley was a great friend of President Lyndon Johnson, who loved him and respected him. Mr. Johnson came to Washington during the New Deal days of President Roosevelt. He became a friend of Jim Farley then, and over 35 years they remained stalwart friends. All through the years, Mr. Farley gave loyalty and wise counsel to President Johnson. He visited President Johnson here in the White House, and he was an honored guest at the L.B.J. Ranch in Texas many times. These two great men loved each other. I have personally witnessed the affection that President Johnson had for Mr. Farley and I think all America loves and respects Mr. Jim Farley, one of the most fabulous men America has ever produced.

America is a better place, because of Jim Farley.

Mr. Speaker, I want to convey my best to Mr. Farley today, and I wish him many more birthdays.

Mr. FLOOD. Mr. Speaker, as a Member of Congress, as a lifelong member of the Democratic Party, and as one of the thousands who have been privileged to know him and call him their friend, I extend my own birthday greetings to the Honorable Jim Farley of New York.

I first met this distinguished gentleman 45 years ago in Houston, Tex.

It was the 1928 Democratic National Convention, the second party conclave which I attended. He was doing then what he did best in his admirable career, he was being a politician.

Four years later I met him in Chicago, and he was doing again what he has always done best, he was being a politician. The cause was the same—to elect a Democratic President, but there was a new leader for this crusade, Franklin Delano Roosevelt.

Jim Farley ran that campaign from the start, and helped make the decision which would change the course of the history in the 20th century. He was the leader of the Presidential Palace Guard, the Keeper of the Keys, and the Master of the Court.

He served his country as Postmaster General for 8 years. He was ever-attendant and always at the call of his President.

In the years to come I came to know Jim Farley, and I came to realize what an unique master of our political system Jim Farley truly is.

In the years when I first came to Congress, I lived at the Mayflower Hotel. The mezzanine of that grand hotel was the home for the Democratic National Committee. Jim Farley was the head of our party's national organization in the days when our party prospered under Presidents Roosevelt and Truman. He gave the party width and breadth, and he revolutionized political organization in the democratic form of government.

Jim Farley is a great American, one of the alltime great Democrats, faithful churchman, a proud resident of New York, and a believer in his fellow man.

As he observes his 85th birthday, hail and robust, I cannot help but reflect on his historical contribution to Presidential politics. His role was a role of leadership with integrity that seemingly is wanton in certain areas of the contemporary American political spectrum.

To Mr. Farley—Ad multos annos.

Mr. STAGGERS. Mr. Speaker—

> A thousand, thousand voices,
> From night to dawn, from dawn to night,
> Have cried the passion of their choices
> To orb your name and keep it bright.—Benet

To be a cause, a motive force behind great events, is a career to which relatively few men aspire. It is an attribute which borders on the divine. In this century, on this continent, no one has played that role so skillfully and so effectively as the Honorable James A. Farley. It is fitting that we should honor him today for what he has meant to America and to the world.

Time moves so fast, and yet so much history has been crowded into the last 50 years that the attention span of humanity has been put to the test to hold it all in memory. In retrospect, the America of 1930 is a strange, almost an alien country. Statesmen, warriors, philosophers, industrialists, scientists, have taken their place on the stage of events, and have played their respective parts with honor, or with dishonor, as the case may be. Back of what they have achieved and what has endured is in large part the vision and the manipulative and constructive skill of Jim Farley. Is it possible to believe that if there had been no Jim Farley, there would have been none of the scientific and economic and social progress of the last half century? I think it is. It is the experience of history that a very few men have preponderant control over the course of human affairs. What they have willed and what they have wrought draws the multitude on with irresistible force, and things become what they would not have become otherwise.

It is important that the records be made clear as to achievements of the Honorable James Farley. Only in that way can the future understand why power and influence has fallen so definitely into the hands of the United States in the era in which we now live. His vision was clear. His skill in materializing vision was unmatched. His work ought to live. It will live as long as we keep the mind and the character of Jim Farley in the position these have earned among the beneficient forces of our times.

My sincere congratulations and best wishes that Mr. Farley may enjoy many more years of the affection and high regard of his fellows.

Mr. NIX. Mr. Speaker, I pay this tribute to Jim Farley who today celebrates his 85th birthday. He has slowed down a bit by a heart attack, but he still manages to keep in touch with those he has known throughout the years. Jim just keeps rolling along, a survivor of a past political era. There are few men alive today who can claim more friends. The zest for living which this man exemplifies is nothing short of miraculous.

Jim Farley was one of the greatest political strategists that this country has known in this century. Twice, in 1931 and again in 1935, he had masterminded the Franklin D. Roosevelt campaigns. He served honorably and with distinction as Postmaster General in the Roosevelt Cabinet.

Many phases of Jim Farley's political career were impressive because politics was his great love. He was renowned for a remarkable memory for names. It was said that he knew 50,000 persons by their first names. In all the years that Jim Farley occupied the limelight in the field of politics, he was never charged with doubledealing, betrayal of friends or any other unsavory devise. He has an affinity for people, and his affection, loyalty, and outflowing friendship have been returned in the same generous abundance. No words of mine can adequately picture the ebullient spirit, the infinite compassion, or the glowing personal warmth of Jim Farley.

To Jim Farley, I extend my warmest congratulations and I hope the good Lord preserves you for many more years.

Mr. FULTON. Mr. Speaker, it is with great pleasure that I join my colleagues in paying tribute to Mr. Jim Farley on the occasion of his 85th birthday.

Though he is still considered and remembered by many as one of the Nation's master politicians of this century his real contribution to this Nation is more profound. For while he is certainly an eminent practitioner of the art of politics his contribution lies in the way he practiced that art over the years to build one of the strongest, positive, and successful political movements.

Mr. Farley has known success in a number of fields, but it is in the science of politics which he mastered so well that his mark will be left indelibly cast.

His life has been full and I wish him many, many more years of fulfillment and happiness.

Mr. JOHNSON of California. Mr. Speaker, it is with a great deal of pride and affection that I join my colleagues in paying tribute to Jim Farley, who is today celebrating his 85th birthday.

I not only want to wish him a very happy birthday—on this his very own special day—but I also want to congratulate and thank him for his loyal, dedicated service over the past 60 years to the Democratic Party and to our great Nation.

Jim Farley, in my opinion, rose to the heights of political activity and maintained that position with honor and integrity. He represents the strength of political morality in the administration of government.

As we all know, Jim served in many ways, as Postmaster General, as National Chairman of the Democratic Party, as Presidential campaign manager, and in all positions in which he was requested to serve. In addition he was an internationally known and respected businessman. He was never too busy with his business activities that he could not serve his country, the American people and the Democratic Party. All one had to do was ask.

I am proud to have worked with Jim Farley, and to have had the privilege of knowing one of the most able, conscientious, dedicated, and honest representatives of the Democratic Party. He represents all that is good in our democratic system of government.

Mr. HELSTOSKI. Mr. Speaker, I rise today to join my colleagues commemorating the 85th birthday of James A. Farley. Jim relied on personal contact and his famed memory during his more than 60 years of service to America. It is only fitting that we rely on our memories of Jim on this special day.

From the first, Jim Farley celebrated politics and life in the Democratic Party. He has often declared that he "was born a Democrat, and expects to die a Democrat." His dedicated service to the people and his party, have gained him many friends and international respect. His dependability, honesty, and affability have served men like Gov. Al Smith of New York and President Franklin D. Roosevelt, and have graced the offices of the Postmaster General and the Chairman of the Democratic National Committee.

America has been well served by Jim Farley during his 85 years of life. I am certain my colleagues join me in wishing him many, many more years to enjoy the honors he so richly deserves. Happy birthday Jim.

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, I would like to join my colleagues in extending congratulations today to James A. Farley on the occasion of his 85th birthday.

Mr. Farley has had a long and distinguished career as an active Democrat. Successful first in the construction business, he went on to serve the Democratic Party in such roles as political adviser, party official, fundraiser, Presidential campaign manager, and Postmaster General.

While Democrats particularly owe Mr. Farley their gratitude, all citizens can look back at the period of his activity as one of bitter political battles, but honorably fought.

I extend my best wishes to Mr. Farley on his birthday and hope he will enjoy continued health and long life.

Mr. CONTE. Mr. Speaker, I join with my colleagues today in offering birthday greetings to a fine gentleman and public servant Jim Farley.

Jim Farley has packed more living into his 85 years than any dozen more "mortal" men. His career in public service took him a long way, from the town clerkship of Stony Point, N.Y., to the highest levels of political policymaking and to positions of great responsibility in the Federal Government.

The list of his accomplishments is long and illustrous. His dedicated service to the American people transcends party bounds. He served all of the people with distinction as our Postmaster General from 1933 until 1940.

His work with charitable and religious organizations is legend. His talents in the business world are renowned.

I am delighted to extend a warm "Happy Birthday" to Jim Farley and wish him many happy returns of the day.

Mr. BOLAND. Mr. Speaker, I want to join with my good friend and colleague from New York, Congressman HUGH CAREY, in extending best wishes to a revered and respected elder-statesman, Jim Farley, on his 85th birthday.

This is indeed a sentimental occasion for all of us who started our public careers in the mid-1930's when Jim Farley had reached the pinnacle.

He had achieved fame as a national figure with the election of Franklin Delano Roosevelt to the Presidency in 1932, and as Postmaster General in the Roosevelt Cabinet for 8 years.

Long before attaining Cabinet rank, Jim Farley was active in business and local politics, served as clerk in his hometown, and became New York State Democratic Chairman before assuming the chairmanship of the National Committee in the 1930's.

Jim Farley is a warm-hearted internationally known and respected businessman-statesman, who has contributed 60 years of dedicated service to his country and organizations seeking to foster America's national goals.

I take this opportunity to wish Jim Farley a happy birthday and best wishes for many more years of good health and happiness.

Mr. RHODES. Mr. Speaker, it pleases me to join my colleagues today in a special tribute to the Honorable James A. Farley.

Jim Farley is a great American who has been on the political scene for many, many years, and has made many contributions, not only to the Democratic Party, but to the country as well. For this, all Americans of every party are grateful to him. On the occasion of his 85th birthday, I am glad to have this opportunity to extend to Jim Farley my warm and sincere congratulations.

Mr. DULSKI. Mr. Speaker, it is a pleasure to join today in offering heartiest best wishes to James A. Farley on the occasion of his 85th birthday.

If ever a man deserved the epithet "Mr. Democrat," Jim Farley is that man. He has said, "I was born a Democrat and I expect to die a Democrat," and his party loyalty has been unswerving in triumphs and personal defeats.

From the age of 8, when he participated in a parade for Presidential Candidate Bryan, he worked for party goals, though he never held high elective office himself. From town clerk, through county, State, and National Democratic Party Chairman, as campaign manager for Franklin Roosevelt from Governor to President, as Postmaster General of the United States, and in a variety of other offices and positions, Jim Farley served his country and the public as well as his party.

His personal code did not allow profiting by position, so he worked in private business to support his family.

Now retired after more than 30 years with Coca-Cola and serving as honorary chairman of that company, Jim Farley has every right to contemplate his long and distinguished career.

Examples of his keen interest in people and the events they shape, as well as his renowned memory for names and faces, are still quoted.

Mr. Speaker, the 85th birthday of Jim Farley is an event of note. May he enjoy it to the fullest, and may he have many, many happy returns.

## OUR AMERICAN SYSTEM OF GOVERNMENT TRADE, PRICES, AND WAGES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas (Mr. MILLS) is recognized for 60 minutes.

**Mr. MILLS. Mr. Speaker, on this occasion, I shall address the House only briefly. It is my earnest hope, however, that these words will, in some measure, be deserving of—and will receive—the attention of a wider community than my able colleagues on Capitol Hill.**

Our American system is inherently a system of confidence. The political system, the economic system, the social system—all those vital components of the total system—are so designed and so structured that their successful performance flows from that same essential source of confidence.

It is to this reality that my remarks now are directed.

By virtue of my position as chairman of this body's Committee on Ways and Means, I am acutely cognizant of the interrelationships between the public sector and the private sector in the economic realm. Those relationships are by no means limited merely to formal actions, such as enactment of legislation or issuance of executive orders. The successful functioning of our economic system is contingent upon the total climate—upon the sense of confidence, or lack of confidence, engendered by all that is said or unsaid, done or undone, perceived or not perceived.

In this context, there are, I believe, several concerns which need to be addressed forthrightly—concerns arising principally, although not exclusively, from the impact upon our system of what is commonly referred to as the Watergate.

This is not the time or place to say more of the specifics or surmises about Watergate. On the basis of what is known and established about this reprehensible business, Members on both sides of the aisle think alike and speak alike in deploring and condemning this offensive aberration in the conduct of our national affairs. Among those who revere and cherish our American form of government, there is no occasion for—and no room for—partisanship in rooting out the sources of Watergate and in insulating our system from the possibility for its recurrence.

What does need to concern us now are the inferences some are making about the effect of Watergate upon the functioning of our total system—particularly upon our economic system.

Stated simply, both abroad and at home, there are some who assume that the effect of this present period is crisis in the orderly functioning of the American political system. Furthermore, on the basis of that assumption, projections are casually made that the ultimate end must and will be a state of paralysis for the Government of the United States.

I speak today to say, as strongly as I can, that such is not and will not be the case. Any who proceed on these superficial premises—any at home, any abroad, who decide to sell America short—will discover in the not-too-distant future that they made the mistake of their lives and fortunes.

This is not said idly. On many occasions, during my long tenure here, I have seen—as other Members have seen—national leaders trying to convey across the oceans the simple fact that the American system is unlike other systems. It is not organized as other systems are organized; it does not function as others function. As the history of this century has demonstrated time and again, the American system has corrective powers and curative powers uniquely its own.

What we see—or should see—in operation today is a system functioning at its best, curing and correcting itself, purging itself, holding true to its course.

The courts are functioning. The grand juries are functioning. The Congress is functioning. The conscience of the American people is functioning powerfully.

Far from being a system in or at the edge of crisis, this system today is more accurately past the crisis and moving out of the valley. We have been confronted by the challenge and everything now occurring confirms the great truth that both the American people and their American system are more than equal to that challenge.

In this perspective, then, it is unrealistic and wholly out of proportion to dwell on the prospect that we may be heading for paralysis.

Certainly, at the moment, there may be a state of shock within some quarters of this system's executive branch. But let no one in this land or in other lands forget the significance of this system's design. The executive branch is not—and was never intended to be—the sum of the Government of the United States. It is here in these Chambers, here on this Hill, that the people of the United States are represented; it is here that their voices are heard and heeded; it is here now that the voices of the American people are being heard saying, "Get America moving again."

That, if I may use the term, is the "bottom line" of what I come to say.

The American people have endured a trying month of surprise and shock. Yet I know, as every Member of this House knows, the reaction of the people is not one of dejection, demoralization, or capitulation. Rather, the mood is just the opposite. On every hand, the people are saying, loud and clear, "Let us get moving again."

That message, as I interpret it, is loud, clear, and unmistakable for all who are concerned with the vital elements of confidence in our economic system—for financial decisionmakers, for individual investors and, I might add, for ourselves in this Congress.

Nothing about the public response to the traumas of recent days suggests, even remotely, a society about to come apart or to sink into a morass of disillusionment or disarray. The exact opposite is true. As always in the past, an adverse climate is only serving to unite the American people and to forge among the new steel of a new resolve that their public sector must and will give an accounting of itself worthy of the Nation's needs.

The time for that accounting to begin is not after 1976, or after 1974, or after the August recess—the time for it to begin is no later than after the first bell of this working day.

What I am saying is this. In the period to which we have been brought, it is no longer acceptable leadership to continue repeating the whines and whimpers about the feebleness of our political, social, and economic institutions—or about our powerlessness in the face of those institutions' decline.

These times demand—and these great people we all serve demand—far more of their elected leadership than pontification about the "sickness" of this society or about the loss of that society's standards, values, or directions. I believe the American people are sick to the gills of all this self-debasement—they want, and we must give them, positive, wholesome and confident leadership in both what we do and what we say.

Let me bring this down to the realities of our economic position.

First, we have the strongest economy in the world. It is vital. It is progressive. It has demonstrated—and continues every day to demonstrate—a greater capacity for providing greater real income and wealth for a greater number of people than any other economy in the history of man.

Second, that economy has made—and

continues to make—enormous gains. Just the past year it has provided an increase of 2.7 million additional jobs at higher average real wages than any place or any time ever.

Third, over the past year, the average output of the American worker increased by almost 5 percent. The economy added $61 billion in real output—and that additional output is more than the total output of most of the nations of the world.

Fourth, the American economy now provides a total of $605 billion in real, disposable personal income, an average of $2,882 per person.

Fifth, corporate profits before taxes are at an alltime high, running during the first quarter of 1973 to $62.3 billion. Furthermore, this economy is shipping abroad over $50 billion a year in exports of merchandise and our exports total more than the production of most of the world's nations.

Sixth, furthermore, the economy, I am confident, will continue to expand strongly during this year. While the pace may not equal the excessive rate of advance for the past two quarters, and there may be some rough spots, make no mistake: the expansion is going to be broadly based and vigorous.

Now, whatever else this may be, it is not a predicate for any sort of panic. Certainly, it is not, in any sense, a premise for doubt or diminished confidence.

Investors, whether institutional or individual, simply cannot ignore that the inventory of our economic strength is endless.

We have the largest and most efficient markets for our production of any nation in the world.

U.S. business is more successful in responding to changes in costs and demands, given the chance, than business anywhere else.

We have the largest, most diversified, and most efficient markets for channeling our savings into their most productive uses of any nation in the world, and these markets every year are enriched by the inventiveness and innovations of our financial institutions.

The U.S. economy provides larger and more diversified opportunities for new business than any other economy in the world.

While we have had several months of disturbing inflation—and may have more—none of the basic institutions of our economy are going to collapse under the current inflationary pressure. This present inflation did not develop because our economy does not operate efficiently. It is the result, instead, of a number of adverse circumstances, the combined impact of which has been a tremendous but temporary surge in prices. Acts of God and nature have had much to do with the inflationary push—not just acts of man. But let us face it, bad public policy—acts of men—must bear much of the blame. What we must ourselves resolve to do, and what the people demand we do, is to make certain that good public policy brings this inflation to a halt.

From midsummer of 1971 until the first of this year, we had the opportunity to use wage and price controls to give us the breather we needed to put our fiscal and monetary affairs in order. We did not take advantage of that opportunity. Instead, we acted as if those controls permitted us to indulge ourselves in a fiscal and monetary orgy. We had the fastest growth in our money supply in a year's time we have ever experienced. I do not care what brand of economics you prefer, you cannot have the supply of money go up by almost 10 percent in 9 months without getting an upward rush in prices afterwards. To a major extent that money expansion resulted from deliberately running up Government spending ahead of the increase in revenues, to the tune of an $18 billion deficit in calendar 1972. We wasted on a fiscal-monetary policy binge the respite which wage and price controls could have given us.

We know for a dead certainty that we don't need fiscal and monetary profligacy to have a strong, steadily growing economy. We know we must bring those excesses to an end. We must do so, and I say to all who may be listening: we are going to do so.

If we needed a wage-price freeze on August 15, 1971, to give us the time to get the economy on a strong, noninflationary growth course, the need today is even stronger. Strong and effective controls are not going to undo the natural or the manmade root causes of this inflation, and let us not indulge again in the fantasy that controls alone, themselves, no matter how stringent, will give a solid, continuing base for price-level stability. But the system must have time—time to allow the stabilizing effects of the slower and steadier growth of our money supply of recent months to begin to work on prices, interest rates, and expectations here and abroad as to the more solid, steadier expansion of our economy.

We need time to allow the Congress to complete its works in setting up the machinery for control of government spending. Make no mistake, the Congress cannot leave to others the full authority and responsibilty for the decisions that shape the economy and determine its growth. Given time, the congressional machinery will allow the Congress to take a firm grip on decisions about how much the Government is to spend as well as on what, and to make those decisions efficiently.

The need now is time for solid achievements, not for showmanship gimmicks. We cannot expect substantial accomplishments overnight. To get that time, we need a hold, a firm, ironclad hold on prices and wages. We gave the President the authority to impose that hold. He must use that authority, now.

On this, let me be perfectly clear. For all that has happened in recent days, the President of the United States is, in no way, rendered powerless. He can—and, I say with utmost respect for the office, he must—act with purpose and dispatch to restore the order, coherence and authority of the Executive establishment.

The people rightfully expect agencies as critical as the Federal Bureau of Investigation and the Securities and Exchange Commission to have qualified, permanent leadership at the helm. The talent for such positions has not suddenly become nonexistent; it can be found and put in place. That must be done as evidence to the Nation and the world that the Executive is not isolating itself from reality.

But I am not here to instruct the Executive. I am here to speak only as a Member of this body. In that capacity, I remind myself and all present that the Congress cannot indulge itself in the luxury of recrimination if we are to do our job.

We have many problems at hand the solutions for which are the joint responsibility of the administration and the Congress. We are going to have to get down to business. Now.

No. 1, we must bring inflation to a halt. Wishing will not make it go away. A temporary, hard hold on prices and wages, immediately enforced, will give us the opportunity to bring fiscal and monetary policy more closely into line with the requirements of strong, steady growth.

The single most important thing we can do here is to get control of public spending. We must establish the machinery for well thought out decisions on the budget total as well as its composition. We may dispute among ourselves about spending priorities, but we must agree that total government spending is held dwn to levels that are consistent with stable prices.

In the international monetary field, we must forego idle threats without forgetting our basic bargaining tool—we are the most productive economy in the world and the world's biggest single market. And we cannot be satisfied with more patchwork arrangements.

If we are to have an effectively operating international exchange system, all nations will have to abide by its rules. Successive devaluation of the dollar in response to speculative pressure originating in the lack of determination by other nations to abide by the rules is not the answer. And the other nations must learn that the United States is not going to continue bail-out operations by one devaluation after another.

We will not be able to negotiate successfully if our price level continues to soar. A hard hold on prices and wages is essential to strengthen the U.S. position.

We will also have to slow down price increases drastically if our trade negotiations are to be successful. It is fundamental that strong, continuing improvement in our balance of trade requires us to accelerate productivity advances throughout the economy. But we cannot attain a steeper gain in the trend growth of productivity overnight. In the meantime, we must sponge up the price increases spurting from excessive monetary expansion.

In our own backyard, we have much to do. We have undertaken a program of tax reform. We are going to make our tax system fairer and simpler. But we are not going to use tax reform as a coverup for penalizing saving by individuals or businesses. If ever there was a time for the tax system to encourage saving, this is it. We are not going to turn into a yo-yo those tax provisions we need to get the investment the Nation requires. We are not going to turn the investment credit on and off and we are not going to tinker with our depreciation provisions. And we are not going to treat the legitimate returns on saving as second-class income by taxing it more heavily than we now do. We are going to prevent ordinary income from being turned into capital gains, but we are not going to turn real capital gains into ordinary income.

We need tax provisions which assure every individual that his saving efforts will be amply rewarded, not frustrated by taxation. We are not going to wind up with a tax system that meets the purist standards of academicians but shuts off the wellsprings of economic progress—personal and business savings. We are going to simplify our estate and gift taxes and close the escape hatches that allow huge amounts of property to pass tax free from one generation to another. But we are not going to have the Government confiscate half or more of the estates people manage to build for their families. We are seeking in every aspect of taxation improvements to make the system fairer, simpler, and less repressive of saving, enterprise, and growth.

We have to gear our public policies to preventing abuse of our environment. We must not try, however, to buy an ideal environment at the cost of severe cutbacks in production and employment.

We have to be responsive to the demands of consumers and investors for protection against a handful of unscrupulous businesses. We must be certain that in doing so we do not put legitimate businesses—the overwhelming majority of our business population—into a bureaucratic straight jacket.

We are going to have to develop, at long last, a coherent, integrated viable energy policy. We are going to have to submit existing policies, including the regulatory policies of the FPC, to the most searching and critical scrutiny. We must be done with name calling and unfounded charges of monopolization as the occasion for curbing the growth of our entire energy industry. It will be small comfort to the urban consumer facing further price increases for produce because farmers cannot get the fuel supplies they need for planting and harvesting to know that the price of unavailable gas has been artificially held down to protect his interests against the thousands of so-called monopolists who explore for and produce natural gas.

The list of problems we have to deal with—many of them of our own making—is long. Our responsibilities are heavy. But we have going for us, in seeking solutions to these problems, an incredible inventory of assets—the strongest, most diversified, most productive, most efficient economy in the world. It is an economy which draws its strength from all of us. It is great because we have been bold and venturesome, because we have rejected in the past, as we must now, the doomsayers who have us on our way to hell in a hand basket.

We are not going to solve our problems overnight. Only small children believe in the fantasy of instant fix. And we must not waste our time on gimmicky solutions, on knee-jerk reactions to tough problems. We must, instead, proceed deliberately and firmly, sensibly guided by solid principles, to enduring solutions. We have the resources to do so. What we need now is the spirit to use our strength wisely.

In other words, what I am saying comes down to this: First, all about our land, its strengths, its assets, the will of its people, justifies confidence in its future, short term and long term. Secondly, though, the situation in which we now find ourselves requires of us, in this Congress, a kind of response that will inspire from all people, at home and abroad, a new birth of confidence in the resiliency, durability, and strength of a system where power lies, always and finally, with the people.

Mr. SCHNEEBELI. Mr. Speaker, I want to congratulate my chairman (Mr. MILLS) for the excellent statement he has made and with which I concur entirely. What he has said and what he proposes need to be said. Certainly our economic problems are bipartisan in nature and I am happy that the chairman has put aside politics and asks us to address ourselves to these problems with concerted action. I thank the gentleman from Arkansas for his meaningful and important contribution to our economic improvement.

Mr. BURLESON of Texas. Mr. Speaker, will the gentleman yield?

Mr. MILLS of Arkansas. I will be glad to yield to my colleague, the gentleman from Texas (Mr. BURLESON).

Mr. BURLESON of Texas. Mr. Speaker, will the gentleman yield?

Mr. Speaker, the distinguished gentleman from Arkansas, chairman of the Ways and Means Committee on which I have the privilege of serving, has, in his inimitable, scholarly manner, spoken with knowledge and understanding of crucial issues of the present time.

What he has said needs to be heard and heeded. I hope his words will lend some soothing balm to edgy nerves in many parts of the economy.

Mr. Speaker, you have referred to the development of resources to meet our energy shortage. You will recall that when Secretary of the Treasury, Mr. Shultz, and Under Secretary Hickman testified before our Ways and Means Committee, the proposal was made to only allow intangible drilling costs against production already in being or against that income from a successful operation.

They also proposed that intangible drilling costs in this regard be rolled back to April 30.

The effect of this proposal has been to restrict and in fact, dry up the high risk capital necessary for exploration.

Losses incurred in exploration operations may be charged to unrelated income, as I understand the proposal but a successful venture would cause the investor to wait 5, 10 years and even longer in more expensive operations, to get the benefit of any chargeoff.

Now Mr. Speaker, I cannot believe our committee is going to approve any such suggestion but nevertheless, it is at this very time having a disastrous effect on raising needed capital for oil and gas exploration and unless there is an abandonment of that position, effort to get more exploration for greatly needed new sources of oil and gas will be self-defeating.

Mr. MILLS of Arkansas. Under the circumstances, when we face a very serious crisis, really, in our total fuels and energy picture, and we have the prospect of having to import ever-increasing amounts of oil and gas abroad, I doubt that the committee will look with favor on any retrenchment from present incentives to get people to go out and find oil and gas in the United States. I am not willing, as far as I am concerned, to do anything to stop them in their exploration and development of oil and gas outside the United States. If we are going to have to buy it from somebody, I would much rather have two or three markets from which we could buy it if we need it in the remainder of this century than have to buy all of it from the Middle East. That is why I am so much interested in trying to have trade with Russia. I think the U.S.S.R. will be able to supply us with large amounts of gas and oil. I think we will find along the shorelines of other areas of the world additional oil and gas.

Why do we want to stop Americans from exploring and developing either here or outside the United States? We know it is available. To discourage our own citizens from such exploration and development does not make sense.

Mr. BURLESON of Texas. I appreciate the gentleman's statement.

Mr. CONABLE. Will the gentleman yield?

Mr. MILLS of Arkansas. I yield to the gentleman.

Mr. CONABLE. I would like to say the reassurance to be found in every corner of the chairman's fine address is, I think, something from which we can take confidence in the future of this body and the role we can play in getting the country moving again. It is the kind of statesmanship we have come to expect from the chairman over many years of experience.

I suspect the distinguished chairman and I would disagree about some of the details of his suggestions for ways out of our present economies difficulties, but I think it is terribly important that a man of his stature has stood here before us and before the Nation and listed the economic assets of this great country. As he said, we have reasons for gratitude and for assurance that we are going to continue to move ahead and solve our problems.

He has struck a note which is important for us to remember at this time in suggesting that the Congress has a more significant role when there has been some faltering on the executive level and uncertainty about the impact of Watergate on Presidential influence.

I would hate to see the Congress step back from its determination to reform its own processes so that we can address fiscal policy more effectively rather than returning to games as usual, frequently our approach to fiscal policy in the past.

We can all have great confidence in this body as long as people like the gentleman from Arkansas continue to express such a positive note, a signpost pointing the way out of this psychological and economic uncertainty in which we seem to be wallowing.

The committee over which the gentleman presides, and on which I have the honor to serve as well, has a tremendously important role to play over the next few months. I am pleased that the gentleman expressed again his determination to go ahead with a constructive tax reform bill. I think what we do in trade is equally important, and starting with the attitudes that the gentleman has expressed here today, I do not see how we can fail to improve the situation in which the country finds itself with the kind of support that the gentleman's determination deserves from the rest of the Congress.

Mr. MILLS of Arkansas. I thank my friend, the gentleman from New York.

Let me just add one word. There may be, and I am sure there are, others in the field of economics more qualified than I am, but roughly looking at the situation purely and simply from the point of view of economics, it would be unwise to change to the type of control that I have suggested on wages and prices. But I would caution those who are looking at the problem simply and solely from the point of view of economics that we cannot do that actually, because that position overlooks the psychology of the American consumer. That position also overlooks the very politics that makes us what we are. The two things that concern me about it are that inflation brings about a lack of confidence in our future that I think is most important that we possess right now; and politically the housewife, I understand, is becoming quite provoked at most of us for allowing the price of everything she buys to be higher in the succeeding week over what it was in the present week.

So I say politically and psychologically I make my case rather than to get into the argument with the economists over purely economic reasons for doing this or that.

Mr. CONABLE. If the gentleman would yield further to me, I should like to acknowledge that economics is not a science.

Mr. MILLS of Arkansas. It is not.

Mr. CONABLE. And certainly there is no shrewder psychologist in this Congress than the gentleman in the well at the present time. I think that is why it has been so important for him to say what he has said today. I should like to thank him for the confidence he has expressed.

Mr. MILLS of Arkansas. I thank the gentleman from New York.

Mr. HAMMERSCHMIDT. Mr. Speaker, will the gentleman yield?

Mr. MILLS of Arkansas. I yield to the gentleman from Arkansas.

Mr. HAMMERSCHMIDT. If the gentleman would yield just briefly, I do not want to miss this opportunity of complimenting him for the address he has just made. It is a message that was needed. It was one that was needed to be delivered to the Members of the House, to the people here at home in this country, and to those abroad. It contains certain truisms about our governmental system and our economic posture, and maybe some intentions of the Congress and the committees in the Congress that are important enough that they need to be recalled to the people at this time, after going through an emotional binge for about a month.

I know of no one in the Congress who could give them more validity or call more forcefully to the attention of the people than the distinguished gentleman from Arkansas, the distinguished chairman of the Committee on Ways and Means, my good friend, and I commend him for this contribution in reminding us what the governmental facts of life in this Nation are.

Mr. MILLS of Arkansas. I thank the gentleman from Arkansas.

Mr. HECHLER of West Virginia. Mr. Speaker, will the gentleman yield?

Mr. MILLS of Arkansas. I yield to the gentleman from West Virginia.

Mr. HECHLER of West Virginia. Mr. Speaker, I also should like to commend the gentleman from Arkansas for his cogent, thoughtful, and penetrating analysis of our economic and political systems.

So far as tax reforms are concerned, Mr. Speaker, I think in the nature of our economic and political system both that we do not have to bend over backward in order to protect the producer interests in this Nation. We do have to exert a little extra, and added effort, in order to protect the millions of American taxpayers who still resent the fact that those who can afford the lawyers and the accountants to find the loopholes in our tax systems are able to escape the payment of taxes. The average salaried individual in this Nation shoulders the burden of what should be paid by those who can afford to pay.

I trust that in framing the tax reform legislation this year the chairman in his usual wisdom and fairness will pursue this question, listening not only to those who are here every day pressing and lobbying for the protection of what they already have, but also that he will be trying to achieve a greater fairness for millions of Americans who now resent, even more than Watergate, the unfairness in our tax system.

Mr. MILLS of Arkansas. They do that because they perhaps have been misled somewhat by a great many speeches made last year that I, in part, regret were made. It is our responsibility to make the law as fair as it can be made, and that is what I have said repeatedly, and what I want to see done.

As I said in the statement I made, we can make it as pure as the academicians would have us make it, but I could not assure the gentleman that the economy would not go into a tailspin almost overnight in doing it. What I am saying is we must tell our taxpayers that in our pursuit of fairness we can go only so far without coming directly into contact and conflict with some other great national objective. We could have a very equitable bill, as I said earlier, but we might not have the growth we want. We could have a very equitable bill, but we might sacrifice all of our colleges and universities and many other institutions that are somewhat dependent upon our tax laws for support.

Wherever we look we come into conflict with some other national objective. I am saying in my speech that one of the greatest needs we have is the accumulation of more capital savings. I am radical. I have almost talked myself into the position where I could let everybody else in the United States accumulate $50,000 in a nest egg, from investments, from interest, from capital gains, and other ways, before I would put any tax on them, and then I would put a tax on what they make after that.

I think it would do more to establish in the minds and hearts of the people a feeling of Americanism that many of us remember we created with respect to the homeowners. Many years ago when we adopted a provision to allow them to deduct interest on mortgages, we did that because we wanted more people to own homes, and because we said they would be better citizens and better Americans if they owned a piece of America. I think if they owned a piece of capital to the extent I am talking about, they would be even stronger for our system.

True, there are wages withheld before the individual ever gets his money. The tax is taken out. But that individual should also be reminded of the fact his tax overall, as a percentage of his income, is less here than it is in any other industrialized country in the world. The overall effective rate is about 20 percent, which is less—and I am talking only about Federal taxes—than what his fellow workers pay in any other industrialized country in the world.

We do not tell the taxpayer what we ought to tell him on some occasions. I think we mislead him.

Mr. LANDGREBE. Mr. Speaker, will the gentleman yield?

Mr. MILLS of Arkansas. I yield to the gentleman from Indiana (Mr. LANDGREBE).

Mr. LANDGREBE. Mr. Speaker, I, too, would like to join others in thanking the gentleman in the well for bringing this message of inspiration. At this particular moment in history, I do not think there is anyone in Government who could have said it better and said it with more appeal to the rank-and-file Members of this Congress about turning our thoughts and our attention to moving America ahead.

Mr. Speaker, I certainly want to congratulate the gentleman from Arkansas and thank him. Of course, on some of the details we will disagree, but generally speaking, it was a tremendously statesmanlike statement.

Mr. ROGERS. Mr. Speaker, will the gentleman yield?

Mr. MILLS of Arkansas. I yield to the gentleman from Florida (Mr. ROGERS).

Mr. ROGERS. Mr. Speaker, I also would like to join my colleagues in commending the gentleman for a very excellent and very timely statement.

Furthermore, I think it is important that someone of the stature of the gentleman who chairs the Ways and Means Committee of this great body makes such a statement, because the Members of this body have great respect for him. But more importantly, I think the people of this Nation know that he speaks with great thought, with great experience, and they accept the words of the gentleman.

Mr. Speaker, I think the time that we have been going through now, certainly one who is respected in Government as much as any one man I know of, man or woman, I think it is important that this be said.

Mr. Speaker, I commend the gentleman for his contribution at this time.

Mr. MILLS of Arkansas. Mr. Speaker, I thank my friend. I thank all the Members of the House.

## GENERAL LEAVE

Mr. THORNTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of the special order by the gentleman from Arkansas (Mr. MILLS).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

## REINSTITUTE CERTAIN PERMANENT SOIL AND WATER CONSERVING PRACTICES

The SPEAKER. Under a previous order of the House, the gentleman from Kansas (Mr. SEBELIUS) is recognized for 5 minutes.

Mr. SEBELIUS. Mr. Speaker, today I introduced a bill that will reinstate established, permanent conservation practices on a cost-sharing basis in our rural areas. My good friend and distinguished colleague, Senator ROBERT DOLE, the author of this proposal, introduced this same legislation in the Senate today.

It is most appropriate that this bill is being introduced during the observance of Soil Stewardship Week whose theme is: "Consider These Changing Challenges."

Ever since President Truman's administration, the rural environmental assistance program—formerly ACP—has been a favorite target for budgetcutting and there has been abuse in administration of this program. However, to eliminate the REAP program because of the limited abuse does not represent an answer both from the standpoint of cost or of conservation.

The benefits of established soil and water conservation practices on a permanent basis, as outlined in this new legislation, is especially important as we face a potential food shortage with dramatic increases in population and limited land resources. We must be good stewards of our available cultivated acreage and restore depleted acres.

This legislation would establish that commitment in the interests of both farmers and consumers. The legislation would provide the same vehicle that prompted over 1 million farmers to annually invest their own limited resources—many times far in excess of Federal funds—to build terraces, construct diversion dams and institute pollution abatement practices to halt the flow of waste and sediment into our streams.

Without the investment incentives of the REAP cost-sharing programs many farmers, whose average income is still less than 85 percent of the median income of wage earners in the nonfarm sector, will bypass costly conservation measures. This will not only complicate our efforts to clean up our environment, it will have long range implications for our food supply. This problem also has a direct bearing on the cost of living and our balance of payments; so important to the stability of our domestic economy.

Let us consider the possibility of what kind of problems we will face if the housewife cannot find the food the consumer prefers on the counter. The answer to the food price dilemma rests with productivity and with fair prices for farm products. This, in turn, is determined in part from the conservation and wise use of our natural resources. That is what the REAP program is all about and why rural spokesmen will point out that a program of this type does not represent a cost but an investment—an investment that benefits both the farmer and the consumer.

Since prior legislation to restore funds for existing REAP authority has reached an impasse, I urge my colleagues to act promptly on this bill which will restore just those worthwhile permanent practices that are so important to rural and urban America.

The bill reads as follows:

H.R. 8254

A bill to amend section 8(b) of the Soil Conservation and Domestic Allotment Act as amended to reinstitute certain permanent soil- and water-conserving practices under such Act

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the second paragraph of section 8(b) of the Soil Conservation and Domestic Allotment Act as amended is amended to read as follows:

"Notwithstanding any other provision of law, payments made pursuant to the authority granted under this Act shall be made only for the construction of permanent dams, terraces, ponds, waterways, and other soil-conserving facilities and measures of a similar type that are permanent in nature (including measures to establish permanent erosion control cover), and which are approved by the Soil Conservation District and the appropriate county committee. No payment under this section shall exceed an amount equal to fifty per centum of the total cost of the facility, excluding the cost of the land. Payments under this section may be made in periodic installments as construction is complete."

## NEW TERMS OF OFFICE FOR THE PRESIDENT AND MEMBERS OF CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. FRASER) is recognized for 5 minutes.

Mr. FRASER. Mr. Speaker, today I am introducing a resolution to amend the Constitution to provide new terms of office for the President and Members of Congress.

The President would be limited to a single 6-year term under this proposal. A new triennial Federal election cycle would replace the current biennial cycle. House Members would be elected every 3 years. Senators would retain their current 6-year terms but half of them would be elected at every triennial election.

### A SINGLE 6-YEAR TERM FOR THE PRESIDENT

If nothing else, the Watergate affair has pointed up the dangers of White House preoccupation with election year politics.

We now know that the upper echelons of the White House staff were totally absorbed in the President's reelection campaign during the months leading up to November 1972.

On a public level, at least, the reelection campaign was the responsibility of a nongovernmental organization, the Committee To Re-Elect the President. But the Watergate hearings have shown that CREP was little more than a "front" for a small group of Presidential aides who had ultimate control over virtually all campaign activities.

It is an oversimplification to say that Watergate would not have occurred if President Nixon had not been running for reelection. But clearly, the temptation to use the apparatus of the Federal Government for purely political purposes would have been lessened considerably if the White House staff had not found it necessary to mobilize all available resources to aid the Nixon reelection effort.

President Nixon recognized this problem, himself, when he suggested on May 16 that consideration be given to a constitutional amendment limiting the President to a single 6-year term.

Probably the most succinct argument in favor of a single Presidential term was put forward by Senator GEORGE AIKEN in a statement on the Senate floor during the early months of the 92d Congress. Senator AIKEN said at that time that—

> The amendment would allow a President to devote himself entirely to the problems of the nation and would free him from the millstone of partisan politics. A single term would allow a President to wear at all times his "presidential hat" and forget for a while that he also owns a "politicians hat."

Senator AIKEN contended that no President can give his best to the Nation or maintain our prestige in the world as long as he is constantly being fired upon by those whose main objective is to keep him from being reelected.

This is not to say that the President should cease being a political leader—even in the partisan sense.

During his single term, the President would be the chief spokesman for his party and the chief advocate for its programs. While he would be unable to succeed himself, he would have some interest in seeing that his programs were moved forward after his term in office and that his party continued to hold the White House. But he would be working to perpetuate his party and his programs rather than his personal position of power.

In recent years, we have seen that a first term President's program is developed in large part to meet his own reelection needs.

In the case of President Nixon's domestic program, for example his basic policy interests were not revealed until the start of his second term. Why did we have to wait 4 years to discover the Nixon administration's real views about the Great Society programs? Mainly because the President knew that his basically conservative orientation towards social issues, if fully revealed too soon, might harm his reelection chances.

If the circumstances were reversed, we might have found ourselves with a Democratic President who attempted to camouflage his liberal orientation for 4 years until he was sure that his liberal policies would not damage him politically.

By giving the President one term and extending it to 6 years, we would be providing him with enough time to develop a program and see it take hold. Given the complexities of national public policy issues, 4 years is not enough time to work up new programs and then test them to see if they really work. Even if a first term President is lucky enough to see the major elements of his legislative program adopted during his first 2 years in office, the next election campaign is already upon him before the programs have begun to have an impact.

A single Presidential term might also help to strengthen our political party system.

With the exception of Eisenhower years, the party in power in recent times has been dominated almost totally by the man who occupies the White House. This was true of the Johnson administration and it is certainly true of the Nixon administration.

A first term President views his party almost solely in terms of his own reelection needs. Other party objectives, including the election of party members to Congress and to State and local office, clearly rank near the bottom of the White House's political agenda.

If a President is freed from the need to concern himself with his own reelection, he will not be tempted to take personal control of his party's organization—unless he wants to hand pick his successor, a risky business at best.

Once the Presidential election is over, it will be the new President's political party, not the Chief Executive himself, that must begin to think about and plan for the next election. This is as it should be. Political campaigns are the proper business of political parties. They should not become the preoccupation of the White House.

Obviously, a single term will not, in itself, purify and reform Presidential politics. There may still be political sabotage and campaign spending abuses. But at least the chances are less that the power of the presidency will be used for these negative purposes.

In drafting a constitutional amendment providing for a single 6-year term, we have encountered a practical problem. Unless the amendment is ratified during the next 2 years—a very unlikely possibility—it will become entangled in the 1976 campaign if it applies to President Nixon's successor. And after 1976, it will be difficult if not impossible to limit the term of a President who has been elected under the current system.

For this reason, the amendment does not take effect until 1984, thus giving the next President the opportunity to serve two 4-year terms, as he can do now under the 22d amendment.

### A 3-YEAR TERM FOR HOUSE MEMBERS

The establishment of a 6-year Presidential term gives us an opportunity to deal with another significant though less serious problem, the term of office for Members of the House of Representatives.

This is not a new issue. It has been with us since the Constitutional Convention. Then, the debate raged between those who thought that annual terms were essential to a democratic system, and others like James Madison who advocated a 3-year term so House Members would have enough time to learn about problems of the various States.

Madison's views sound surprisingly contemporary to many current Members of the House. He was sure that Congressmen would spend much of a 1-year term traveling back and forth between their districts and the U.S. Capitol. Even with a 2-year term, Madison was convinced that "none of the Representatives who wished to be reelected would remain very long at the seat of Government."

The 2-year term was finally written into the Constitution as a compromise between the advocates of annual elections and those like Madison who wanted 3-year terms in the interest of a more effective legislative process.

There is nothing magic in the number 2, as President Johnson said in a 1966 message to Congress. He proposed at that time a 4-year House term, saying that it was necessary in light of the complex legislative demands placed on the House of Representatives.

In the first Congress, 142 bills were introduced resulting in 108 public laws. The 92d Congress, by comparison, introduced over 17,000 bills, 607 of which were enacted into law. House Members are now required to be knowledgeable about the broad range of public policy issues—from the complexities of welfare legislation to the intricacies of military weapons systems.

After serving five terms in the House, I am convinced that 2 years is not enough time for a Member to fulfill his legislative responsibilities before he must face the voters again.

In an earlier period, Congress was able to adjourn in the spring of election years, thus enabling House Members to spend the summer and fall campaigning in their districts.

Even with the new streamlined House procedures, sessions are now likely to extend late into the fall every year. The competing political and legislative pressures on the incumbent during the preelection months make it difficult for him to be either an effective legislator or an effective campaigner.

A 6-year Presidential term would let us ease this problem somewhat by extending the House term from 2 to 3 years. This extra year, I am convinced, would help to improve the legislative effectiveness of Congressmen without at the same time weakening their ties to their constituents.

We have dealt with one other institutional problem in this amendment—seniority. Under the provisions of the amendment, Congress would have the option of setting a mandatory retirement age for its Members and limiting the number of terms they could serve. Service in either House could not be limited to less than 18 years, however, and the mandatory retirement could not be set below the age of 70.

### A NEW ELECTION CYCLE FOR THE SENATE

The new 3-year term for the House poses a special problem for the Senate. It would be possible to retain the current election cycle for the Senate, a third of its Members elected every 2 years, but this would require two additional Federal elections during each 6-year Presidential term when only Senators would be chosen.

In order to eliminate the two "Senate only" elections, we have established a new election cycle for the Senate—half its membership elected every 3 years—in order to conform with the new term for the House. Senators would continue to serve 6-year terms, as they do now.

We have provided the following system for phasing in this new cycle. Those States that elect a Senator for a regular term in 1984 would proceed with the senatorial election under the current system. The second Senator from the State would be elected at the new 1987 mid-Presidential term election. This means that some incumbent Senators running in 1987 would have their terms shortened by 1 year. Others would have their terms extended by 1 year.

Following the 1987 election, all Senators would be back on 6-year cycle, with half of them up for reelection in 1990 and the other half in 1993.

### CONCLUSION

This amendment represents an admittedly long-range solution to problems as current as today's headlines. But if we are to alter institutional arrangements that are nearly 190 years old, we must do so with great care.

A 6-year term for the President and a 3-year term for the House will do much, I feel, to improve the effectiveness of both branches of Government. Neither change can and will be made, however, unless we can deal with these structural issues separately from the battles that now occupy the center stage of the political arena.

A copy of the resolution is reprinted below:

### HOUSE JOINT RESOLUTION 588

Joint resolution proposing an amendment to the Constitution of the United States to alter the process of election of U.S. Senators, Members of the House of Representatives, and the President of the United States

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein)*, That the following article is proposed as an amendment to the Constitution of the United States, to be valid only if ratified by the legislatures of three-fourths of the several States by December 31, 1983.

"Article —

"Section 1. (a) The President and Vice President of the United States shall each hold office during a term of six years.

(b) No person shall be elected to the office of the President more than once.

Sec. 2. The House of Representatives shall be composed of Members chosen every third year by the people of the several States.

Sec. 3. Congress may by law limit service in the Senate and the House of Representatives based on age but no age limitation shall bar service under 70 years of age, or by length of service which shall be not less than 18 years in each House, and the law shall be uniform as to both Houses.

Sec. 4. This article shall be effective with respect to those offices to be filled for a regular term in the general election of 1984 and thereafter, and a person once elected to the Presidency prior thereto may be elected to such office again, but a person who could not be elected to the office of President in 1984 or thereafter under the Twenty-Second Article of Amendment to the Constitution of the United States shall continue to be ineligible for such office.

Those States which (without regard to this Article of Amendment) would have elected a Senator for a regular term in 1984 shall elect a Senator in that year for a six-year term and the second Senator from each such State shall be elected in 1987 (in lieu of 1986 or 1988, as the case may be) for a six-year term, with the immediately preceding term for each such office extended or shortened accordingly. Any State which (without regard to this Article of Amendment) would not have elected a Senator for a regular term in 1984 shall elect a Senator in 1987 (in lieu of 1986) for a six-year term with the immediately preceding term for each such office extended accordingly; and the second Senator from each such State shall be elected in 1990 (in lieu of 1988) for a six-year term with the immediately preceding term for each such office being extended accordingly.

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## UNDER COVER OF "NATIONAL SECURITY"

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. Abzug) is recognized for 10 minutes.

Ms. ABZUG. Mr. Speaker, it becomes more clear each day that the administration equates national security with Nixon security. The plan approved by Mr. Nixon in 1970 for domestic spying, burglary, interception of mail, wiretapping, and other forms of political harassment apparently was implemented despite the objections of the late J. Edgar Hoover. Organizations such as the Vietnam Veterans Against the War, the Black Panthers and many new left groups were to be under surveillance with no regard to the legality of the processes used.

Incredibly, foreign nations' embassies were included in the plan, even that of our friendly neighbor Canada. The motive here, it appears, was to learn the extent of aid provided to American draft resisters by the Canadian Government. It appears that the Chilean Embassy actually was burglarized under this false and alien concept of national security.

This Nation is fortunate that the spy ring was broken last year. It is terrifying to contemplate the kind of thorough intimidation and repression that might have been carried on, had these police state methods continued.

New York's Daily News today gives details that are revolting to any true concept of patriotism:

### Nixon's 1970 Domestic Spying Bared

(By James Wieghart and Frank Van Riper)

Washington, May 29.—Despite President Nixon's insistence that a 1970 plan for widespread domestic spying never went into effect, The News learned today that elements of the program—dubbed by sources "a blueprint for a police state"—actually were implemented over the objections of the late FBI director J. Edgar Hoover.

Secret documents, taken from the White House by fired presidential counsel John W. Dean 3d and provided to Senate investigators by the federal judge, laid bare a plan for domestic snooping that included burglary, wiretapping, interception of mail, harassment by tax officials, surveillance of political activist groups and others thought to be a threat to the Nixon administration.

Even the Washington embassies of friendly nations like Canada were targeted for illegal operations, it was said.

Along with a break in at the Chilean Embassy, allegedly carried out by administration operatives, plans were laid to break into the Canadian Embassy to determine what aid, if any, the Canadian government was providing to American draft resisters.

Last Tuesday, in his most recent statement on the Watergate scandal, President Nixon revealed that a scenario for domestic spying was developed in response to widespread antiwar violence in 1970. The plan, Nixon said, included "authorization for surreptitious entry—breaking and entering, in effect—on specific categories of targets in specified situations related to national security."

However, five days after the plan was approved by Nixon's domestic and foreign intelligence chiefs, Nixon said, Hoover refused to go along with it and the plan was never implemented. Nixon cited the plan and other reputed "national security" operations as reason for his actions in limiting the scope of the federal Watergate inquiry. Nixon said at the time that had it not been for his action, the Central Intelligence Agency and other national security operations—unrelated to Watergate—might have been revealed.

#### A NIXON DISCLAIMER

Critics contended, however, that Nixon's statements were meant to cloak, under national security, illegal, politically motivated actions of White House political spies whose operations are now coming to light in the wake of Watergate.

Despite Nixon's disclaimer last Tuesday that "I did not authorize, nor do I have any knowledge of, any illegal activity" pursued under the allegedly scrapped 1970 plan, it now appears that at least some of the operation went into effect.

One area the Senate probers are investigating involves charges that Guy Goodwin, chief trial attorney for the Internal Security Division of the Justice Department, used grand jury powers to investigate the political "new left" around the country.

Goodwin reportedly played a key role in the grand jury indictments and unsuccessful federal prosecution of both the Berrigan brothers and Daniel Ellsberg. Both proceedings were viewed by the left as "political" trials.

Along this line, Senate probers are now investigating the roles of three men who held key posts in the Justice Department's Internal Security Division and who are said to have known that political and other intelligence was being given to the Nixon reelection committee through convicted Watergate spy James W. McCord Jr., then security chief for the reelection effort.

The three men are former Assistant Attorney General Robert C. Mardian, then chief of the Internal Security Division; Mardian's chief deputy, A. William Olson, and McCord's alleged contact, John Martin, chief of the division's evaluation and planning section.

As related to the News, the secret domestic spying plan, spirited out of the White House by John Dean 3d, apparently to buy him leniency from Watergate prosecutors, included the following:

A broad mandate to spy on virtually all left-wing groups in the United States, including the Black Panthers, the Weathermen, Students for a Democratic Society, Vietnam Veterans Against the War, and others. Foreign intelligence would be supplied from the CIA, the National Security Agency and the Defense Intelligence Agency.

Plans for illegal break-ins and bugging of embassies, including those of Canada and Chile. Such operations also appeared aimed at a broad range of radical groups, including but not limited to black nationalists and Communists.

Infiltration, use of informers and illegal interceptions of mail beyond the authority of postal inspectors to monitor mail suspected of promoting fraud or of being obscene.

Internal Revenue Service audits both to harass and spy on dissidents.

#### THREE OFFICES HIT

Spokesmen for the Canadian and Chilean embassies had no formal comment on the White House spy plan. However, Andre Rojas, press attache for the Chilean Embassy, said that the break-in, believed carried out between May 14 and 15, of last year, hit three offices: those of then Ambassador Orlando Letelier, First Secretary for Political Affairs Fernando Bachleat, and his own. Only a few things were stolen. Rodas said, a transistor radio and an electric shaver among them. It appears now that the items were taken to make the break-in look like a common burglary rather than a political intelligence raid.

The Watergate panel, which resumes hearings June 5, is expected to go deeply into the role of the justice department in allegedly transmitting political intelligence to the Nixon reelection committee.

Investigators on the staff of Sen. Lowell P. Weicker (R–Conn.) believe that under Mardian, a unit of the Internal Security Division, set up by former Attorney General Ramsey Clark to transmit unclassified information on racial and other unrest to local police officials, was used as a cover to transmit political intelligence to the Nixon campaign.

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## THE HIGHER EDUCATION OF WOMEN—AN ADDRESS BY CONGRESSMAN JOHN BRADEMAS

(Mrs. GRIFFITHS asked and was given permission to extend her remarks at this point in the Record and to include extraneous matter.)

Mrs. GRIFFITHS. Mr. Speaker, I insert in the Record the text of an address on "The Higher Education of Women," deliverd by our distinguished colleague, Congressman John Brademas of Indiana, on May 5, 1973, at the college alumnae luncheon at Hood College, Frederick, Md.

The text of Mr. BRADEMAS' thoughtful address follows:

### THE HIGHER EDUCATION OF WOMEN

(By Congressman JOHN BRADEMAS)

I am, for several reasons, delighted to be with you here today at Hood College.

In the first place, your invitation affords me the opportunity to renew my acquaintance with your distinguished new president, Ross Pritchard, whom I first came to know during the years of his outstanding service with the Peace Corps.

And I am glad to be here, too, with the blessings of one of your loveliest alumnae, whom I have known for more years than either she or I will admit, and my fellow Hellene, Marina Zazanis.

But most of all, I am happy to be at Hood today because of the chance to talk to you about our common interest, education, and more particularly still, the higher education of women.

That I am single, male, and a Member of Congress does not, I hope, disqualify me in your eyes from discussing this subject.

When I first read over the list of classes holding reunions here this weekend, I realized that the two classes to whose members we do special honor today—the 50th anniversary class, of 1923, and the 25th anniversary class, of 1948—represent two distinct phases in the march toward greater participation of women in our society.

Members of the Class of 1923 entered college just one year before ratification of the Nineteenth Amendment, which gave women the right to vote. While some of you were in high school, therefore, the subject of suffrage for women must have come up during many a dinner table conversation.

Indeed, that you, the members of that class, decided to go to college, let alone complete your baccalaureate, indicates the extent to which your far-seeing families were already persuaded that women should receive higher education.

And so, whether or not your college degree has meant a professional career or some other less tangible benefit, you are to be congratulated on having had the courage to act on your belief in the need for your own education.

The Class of '23 was also the second postwar class, and no doubt the desire to prevent another carnage such as that of World War I was another factor motivating you to go to college.

Our other, equally honored, guests today—the Class of 1948—were, on the other hand, part of a generation which responded to the end of the even more devastating World War II by marrying and staying home to have large families.

Historians are divided on what to make of the fact that *during* World War II women held an astonishing range of jobs which men could not perform because they were in the armed forces. But when the war ended, instead of capitalizing on being accepted in previously male-only occupations, women returned to the home, some perhaps more eagerly than others. For, of course, it was also true that men returning from the war reclaimed their jobs.

### THE WOMEN'S MOVEMENT

Nevertheless, both these times in our past are marked by similar achievements by women—one in the political sphere, one in the socio-economic sphere—separated though those achievements were by a quarter of a century. A brief summary of the origin of the women's movement may demonstrate a certain parallel in these two kinds of accomplishments.

The women's movement began, of course, in the 1830's and 1840's among women fighting for the abolition of slavery and suddenly noticing that their own position was considerably less than free.

Many of these women abolitionists who became feminists were therefore stunned to hear themselves denounced by male abolitionists who saw no parallel at all between slaves and wives. Some few male abolitionists, however, like Horace Greeley, were sympathetic with the goal of women's suffrage and urged the feminists to trim their sails to that single purpose, but to wait until the slaves were freed.

Women leaders, among them the formidable Elizabeth Cady Stanton, were thereby faced with two equally bitter choices: 1) either win whatever small male support was obtainable by seeking suffrage alone and giving up their claims to full social, political and economic equality; or 2) incur opposition from those same males who, of course, controlled the press and all avenues to political power.

The result was a split in the movement. Stanton and Susan B. Anthony formed the National Woman Suffrage Association to continue to advance a wide range of reforms, including the right to vote.

More conservative Bostonians, including Lucy Stone and Julia Ward Howe, formed the American Woman Suffrage Association to fight only for the ballot.

No one can tell the extent to which that split in purposes delayed for more than a century other gains for women. Even then, from the time of the first suffrage convention in Seneca Falls, New York, in 1848, seventy-two years passed before women got the vote.

Then, too, by the late 19th and early 20th century, a different kind of woman had been drawn to the suffrage movement. Women such as Carrie Chapman Catt were more interested in plain political power than basic human rights, as Elizabeth Cady Stanton was.

But Stanton was labelled "radical" and Catt was called "sensible." More women flocked to be called "sensible," and of course more men approved the moderate position.

No wonder, then, that the movement disbanded in 1919 when its single goal was achieved.

Indeed, when World War I began, some of the most prominent feminists, who were also pacifists, were persuaded to put aside not only their drive for the vote but also their opposition to the war. Perhaps they believed that they could thereby show that they really were "one of the boys," and that, by pitching in, they would be rewarded with the vote.

Well, women got the vote, but not without suffering indignities in the process.

Historians might therefore have been able to predict that the economic and social gains women achieved during World War II would be abandoned in a way similar to that with which rank and file suffragists returned to hearth and children when the 19th Amendment was ratified.

The decade following that year whose graduates we honor—the fifties—was a relatively quiet time politically, as will be remembered by some of the other classes holding reunions this weekend: the classes of '56, '57, '58, and '59.

Four years later, however, the bullets that killed John Kennedy carved out a path for social and political upheavals of which now, ten years later, we have not yet seen the end.

One upheaval, which I think will not subside this time until it succeeds, is that interconnected series of legal, moral, political, social, and economic actions known collectively as the women's movement.

Now I did not come here today to persuade those of you who are not already feminists to join up. I am glad, however, to count myself among those who support greater educational and economic opportunities for every woman who seeks them.

I am told that few women believe that men can be feminists. But surely it is possible for men to champion the feminist cause—that is, equality of treatment for women.

### THE EQUAL RIGHTS AMENDMENT

In a word, the women's movement is nothing if it is not a movement for equality. And that is why I am puzzled when I hear some women oppose ratification of the Equal Rights Amendment, envisioning as they do spectres of marching female armies and alimony payments to former husbands.

Such fears are misplaced. The Equal Rights Amendment, often called the ERA, and championed by my distinguished colleague in Congress, the Honorable Martha W. Griffiths, will not force women to take jobs they do not want; it will, however, help forge a genuine equality in the kinds of work opportunities available to everyone.

ERA will not *force* women to work longer hours than they wish; it will, however, enable them to work overtime if they need the extra money, and be paid for it at the same rate that men are.

The Equal Rights Amendment, in other words, does not *require* women to do what they do not wish to do, just as the Nineteenth Amendment does not *require* women to vote if they do not wish to.

But just as the Nineteenth Amendment prohibits restraints on voting, if those restraints are based on a person's sex, so the Equal Rights Amendment prohibits restraints on *any* action *under the law*, if those restraints are based on a person's sex.

The Nineteenth Amendment reads:

"The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of sex."

The Equal Rights Amendment reads:

"Equality of rights under the law shall not be denied or abridged by the United States or any State on account of sex."

Fortunately, this audience was educated in a state which has already ratified the Equal Rights Amendment, thereby counting itself among the 30 states which have thus far ratified ERA since Congress overwhelmingly approved it on March 31, 1972.

All this brings me to the place I never really leave (Congress), and the work we do there (legislation), and a subject in which you and I share an abiding interest (education), and I must add, women.

### THE HIGHER EDUCATION ACT OF 1972

For less than a year ago, Congress approved major Federal legislation which, in part, directly affects the education of women. I speak of the Education Amendments of 1972, often cited as the Higher Education Act of 1972.

Title IX of this Act quite simply prohibits sex discrimination in all federally assisted education programs. That word "all" is literal. "All institutions" includes public and private preschools, elementary and secondary schools, and institutions of vocational, professional, undergraduate and graduate education, so long as the institutions received Federal funds, whether through grants, loans, or contracts.

In brief, once a female student is admitted to an educational institution which received Federal funds, she is entitled, without exception, to every privilege and opportunity to which a man is entitled.

I must, however, make clear that the 1972 law has certain provisions exempting some institutions from discriminating in their admissions policy. For the Act exempts from the provision prohibiting discrimination in admissions private undergraduate institutions of higher education, such as Hood. I understand, nevertheless, that Hood's 80th commencement in two weeks will be an historic occasion because four men will be the first men to receive a Hood diploma. But so far as Federal law is concerned, Hood may remain a women's college no matter how many men it chooses to admit.

Other institutions which the 1972 Education Amendments exempt from the admissions provision are: single-sex public undergraduate institutions; elementary and secondary schools other than vocational schools; schools in transition from single-sex to coeducation; religious institutions; and military schools.

Apart from the two latter kinds of institutions, the anti-discrimination provisions apply even to institutions with admissions policies of which have been exempted.

So here is something to tell your daughters; that wherever they attend college, if they believe themselves discriminated against in any aspect of their educational life, there are procedures which now—by law—enable them to air their grievances and, hopefully, to have them corrected.

### WOMEN'S STUDIES

Title IX has perhaps unlocked another door which had been opened only a crack, and then only on sufferance. I refer to the topic of women in the curriculum, "women's studies."

Just as programs concerned with various minority groups (Black Studies, Indian Studies) have found their way into the curriculum, aimed at correcting misconceptions about the group studied and thereby changing attitudes of faculty as well as students, so programs concerned with women's studies deserve the same serious attention in higher education.

In October, 1971, the first Midwest Conference on Women's Studies was held at Alverno College in Milwaukee. The Conference issued a policy statement in which 104 participants, from almost every major university and college in the Midwest, concurred.

The Alverno College statement urged that women's studies be considered a legitimate academic enterprise at every level of education. It declared that new research and the reinterpretation of old research about women deserve, institutional support and funding.

In December, 1970, the Modern Language Association's Commission on the Status of Women listed over 110 courses in its first Guide to Current Female Studies; the following year, over 600 courses.

In the field of English and Literature, for example, here are some courses that deal with the role, contributions, images and treatment of women:

"Literary Perspectives on Women" (Johns Hopkins)

"Female Archetypes" (Goucher College)

"Daughters and Ducats (The Examination of Women as Chattel in the 18th and 19th centuries)" (Mount Holyoke College)

The New Guide to Current Female Studies, published by Know, Inc., in Pittsburgh, a women's free press, lists 80 courses with a history base taught in colleges throughout the country and 85 with a social science base.

Sometimes such courses are taught by a team, with two or more teachers in different fields sharing one course.

For example, Cornell has a course called "The Evolution of Female Personality: History and Aspects." Lectures cover such topics as the legal status of women, biological differences between men and women, history of women, women's image in the arts, future perspectives in utopian literature, cross-cultural analysis, prostitution, power play in family life, urbanization, the influence of architecture and planning, the black woman's struggle, and new life styles.

As more and more women become aware of the way in which history books have ignored their legitimate technological, scientific and social contributions, while emphasizing their relationships as wives or mistresses of male historical figures, they have begun to demand that publishers revise textbooks, history books and anthologies.

Children's books in particular have come under attack as a consequence of this new female self-awareness. Instead of stories about neatly dressed Jane sitting quietly on the ground and applauding rowdy Stephen as he swings from a high branch of a tree, Jane now climbs the tree along *with* Stephen.

In sum, to the extent that a liberal arts education aims to develop the full capacities of an individual, women's studies can be viewed as a crucial part of liberal learning in helping women examine themselves as women, and, I may add, in helping men understand women, and themselves.

Hopefully, therefore, by helping end discrimination against women in the subject matter they, as well as men, are taught, Title IX of the Higher Education Act can help assure women the equality of educational opportunity to which our democracy should aspire.

Equality of opportunity for women in education, however, would be a mockery unless there were also equality of opportunity for women to make use of their education in a career, if they choose to pursue one.

Let me pause a moment here to lay to rest another myth about women: that an education is "wasted" on them because they do not pursue a career but simply marry, stay home, and have children.

In 1969, under the auspices of the Carnegie Corporation and the Russell Sage Foundation, Dr. Helen Astin, a prominent social psychologist, investigated the careers of women who had received their doctorates in 1957 and 1958, in her book. Dr. Astin discovered that ten years later 91% of women Ph. D's were working, 81% full-time; that 79% of them had not interrupted their careers since receiving their degrees, although 55% of them had married.

So much for women's education being a waste of time.

### WOMEN AND THE RHODES SCHOLARSHIP

I might, by the way, here interject a word about another instance of the increasing concern in this country about women's access to higher education. For I spent all of last week at my old college at Oxford in England and while there, I talked to the Warden of Rhodes House, Sir Edgar Williams, about the expressions of interest on the part of a number of women in the United States that the Rhodes Scholarships be open to women as well as men.

Because Cecil Rhodes' will, which has provided the funds for these scholarships over the past half century, is incorporated into an Act of Parliament, the issue of discrimination against women is not solely in the hands of the Rhodes Trustees.

But the law suit brought by a woman student at the University of Minnesota whose attempt to apply for a Rhodes was rejected will certainly bring this question to the attention of both the Rhodes Trust and the United Staes Department of Health, Education and Welfare in a very direct way.

My own judgment—and it is based on no specific information—is that the day will not be long when woman will be attending Rhodes Scholar reunions with men. My Oxford college, by the way, Brasenose, is admitting women next year.

### DISCRIMINATION IN EMPLOYMENT

Yet, as I have already suggested, education for women is not enough. Let me then say something about discrimination in employment, and of some recent legislation in Congress which addresses this problem for all women.

The Equal Pay Act of 1963, which was an amendment to minimum wage laws, prohibits discrimination on the basis of sex in the payment of wages (including overtime wages and all fringe benefits) for equal work on jobs that require equal skill, effort and responsibility. From the time it took effect, in June, 1964, until June, 1972, 108,000 employees recovered $44.5 million in wages which had not been paid to them on an equal basis with men.

The Equal Pay Act was, however, concerned only with equal pay, and not with equal opportunity, hiring, firing, promotion, seniority, or conditions of employment. And it excluded certain classes of employees.

The Higher Education Act of 1972, however, extended coverage of the Equal Pay Act to most of those employees previously excluded. Thus, all executive, administrative, and professional employees, including teachers, and outside salespersons, are now guaranteed equal pay for substantially equal work. And there are well established procedures for hearing complaints and awarding back pay.

But migrant and domestic workers are not covered, a serious omission. For 98% of the 1.5 million domestic workers in our country are women, and 80% of them have incomes below $2,000.

Then, too, passage alone of a Federal law does not guarantee that it is everywhere obeyed. For example, women sales workers earn only 42.8% of the wages male sales workers earn. And the Washington Post carried a report only a few days ago showing that women working full-time on the faculties of our universities earn an average of $3,500 less than their male counterparts.

So I must encourage you to take advantage of the law which was passed to help you obtain your right to equal pay with men.

Another important piece of legislation enacted last year is the Equal Employment Opportunity Act of 1972. This Act extends coverage of title VII of the 1964 Civil Rights Act, which prohibits discrimination in employment based on sex, as well as on race, color, religion and national origin, to State and local government employees and employees of non-religious educational institutions.

Before enactment of this law, the Equal Employment Opportunity Commission had the power only to conciliate when complaints were filed; it now has the power to file charges in Federal district courts to seek court orders.

The Equal Employment Opportunity Commission, called the EEOC, has issued guidelines which bar certain employment practices. Hiring, for example, cannot be based on stereotyped characterization of the sexes; jobs cannot be classified as "men's" or "women's." There is, however, a bona fide occupational qualification which must be interpreted very strictly: it is legal to advertise for a female actress to play a female part, but it is not legal to advertise for female secretaries because that assumes that only women can do secretarial work.

The EEOC also prohibits the following practices as illegal under the Act:

Employers cannot refuse to hire women with pre-school age children unless they refuse to hire men with pre-school age children;

There cannot be separate pension plans based on sex, even though actual figures may show that women live longer on the average;

Nor can there be separate seniority lists for male and female employees;

And an employer must treat a woman's pregnancy as a disability: she may not be fired or forced to resign at any specified month in her pregnancy.

If you work, therefore, and if you have

been subjected to any of these actions, you can obtain a complaint form from the EEOC, which will then investigate the matter for you. The Commission notes that since it came into existence, 20–25% of the complaints it hears concern sex discrimination.

If you are a Federal employee, or work in a company or other organization which has Federal contracts or subcontracts, you are also covered by antidiscrimination provisions.

In the first instance, of being a Federal employee, you are protected by Executive Order 11478 and also by Title VII of the Civil Rights Act as amended by the Equal Employment Opportunity Act. Your appeal here is to the U.S. Civil Service Commission, if you have grounds for a sex discrimination complaint.

In the second instance, of being employed by a company having Federal contracts or subcontracts, Executive Order 11246 (amended by E.O. 11375) protects you by prohibiting discrimination in employment, upgrading, transfer, recruitment or recruitment advertising, termination, rates of pay, and selection for training. Your company falls under this Order if it has a Federal contract in the amount of $10,000. The Office of Federal Contract Compliance of the Department of Labor administers the order and handles complaints.

Moreover, Revised Order No. 4, dated January, 1970, requires government contractors with 50 or more employees and a contract of $50,000 or more to take "affirmative action."

### AFFIRMATIVE ACTION

Now here we come to a phrase that is heard more and more these days, particularly with respect to the hiring of female university faculty.

"Affirmative Action" means that an institution is required to make "good faith" efforts to correct deficiencies in its employment of women at all levels of hiring. An institution can no longer say, "Well, there are no qualified women to fill the high-level administrative jobs we have open," or ". . . to fill our ranks of full professors."

Such institutions are now required to show that they took specific steps to locate qualified women, that they interviewed those women, that those women were distinctly inferior to men with comparable qualification, and, in some cases, to show that offers of employment were made to women who turned them down before similar offers could be made to men.

Patterns of sex discrimination in employment are now being made visible with greater frequency.

For example, the same HEW study which showed the differential between male and female faculty salaries also pointed out that 25.5% of males became full professors, while only 9.7% of females hold that rank. On the other hand, only half the junior ranks of instructor and assistant professor are filled by men, while 75% of the women hold these ranks.

And when we examine the percentage of women in professional and managerial occupations in the United States, we find that only 3.5% of the lawyers are women, 2% of the dentists, 7% of the physicians, and 1% of the engineers. In other countries, however, these statistics are stood on their head.

In Sweden, 24% of the lawyers are women. In Denmark, 70% of the dentists are women. In Russia, 75% of the physicians are women.

Now, it can hardly be argued that women in those countries have different genes from women in the United States.

In short, it's not a question of ability but of opportunity.

And opportunity, of course, includes not only the removal of discriminatory practices by law but also the strict enforcement of the law and, more than anything, changes in the attitudes of the men who control access to jobs and to professional education.

### STILL MUCH TO BE DONE

Now I have spoken to you today—in some detail but I hope at not too great length—about the many educational and employment opportunities Congress has provided in seeking to assure genuine equality for women and men in our society.

But there is still much to be done.

Representative Patsy Mink, my distinguished colleague from Hawaii, has introduced the Women's Educational Equity Act during this session. Its purpose is to encourage new curricula for women, such as those I described when I spoke of women's studies.

The Comprehensive Child Development Act, of which I was chief sponsor in the House in the last Congress, was vetoed by President Nixon. Its purpose is twofold: to provide day-care and other services for the 8,000,000 young children of working mothers (for present facilities can accommodate less than 700,000 children); and to provide opportunities for healthful and stimulating development for all American children in the first five years of life. If you want to know more of this legislation I refer you to an excellent article in the current issue of *Ms.* by Maureen Orth, a former member of my subcommittee staff, and now an associate editor of *Newsweek* magazine, entitled "The American Child Care Disgrace".

Bella Abzug, the articulate Member of Congress from New York, introduced various bills connected with banking and credit legislation last year with the purpose of ending discrimination against women in matters of credit.

Pension reform, welfare reform, fair labor standards, health insurance, tax reform—no topic comes before Congress which does not have some crucial impact on the lives of women. These topics therefore deserve your study and, when you find sound legislation that fills the specific needs of women, your support.

Indeed, the principal reason that Congress has been roused to open new doors to American women is the hard work done by dedicated women—attorneys, physicians, accountants, psychologists, physicists, professors, historians, and by untold numbers of nonprofessional women as well.

In his inaugural address last year as sixth President of Hood College, Doctor Pritchard set forth three convictions of his which, he said, related directly to the mission of Hood College.

He said he had a strong predisposition to change, a continuing belief in participation, and a commitment to community.

I suggest to you, the alumnae and friends of Hood College, that the actions taken by the Congress of the United States in the last few years—and those I believe we shall continue to take—will, hopefully, strengthen the opportunities for the women of America to make their full contribution to the constructive change, the wider participation and the healthier community of which President Pritchard spoke.

For these three goals surely ought to be the goals of all the people of our society, both men and women.

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## IS THERE REALLY A GAS SHORTAGE?

(Mr. SIKES asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, there may be danger of a serious energy crisis brought about by oil and natural gas shortages. The predictions, many of them from official sources, are alarming and this is helping to create an atmosphere of crisis. It is doubtful that anyone really knows how serious the problem is or will become. Ours is a highly industrial society which requires constantly increasing fuel supplies. In ever-increasing amounts, America requires light and heat or air-conditioning for its homes, electricity and natural gas and coal for industry and for municipal requirements, and a constantly greater volume of petroleum products for its automobiles and trucks. The basic problem here is that the United States has about 6 percent of the world's population and uses almost one-third of the energy which is consumed around the globe.

It is true that shortages have appeared. Thus far they have not been crippling, but this situation may worsen. We are heavily dependent upon Mideast oil and the Arab States have learned that they can extract more dollars from the Western powers by threats to shut down the supply. There are also those who feel the oil companies are taking advantage of the present situation to force prices up. New discoveries have been made, some of them in our own country, which should have relieved some of the pressure. But there also is a problem of obtaining deliveries, for instance from the promising Alaska oil fields.

The administration has taken steps to increase America's sources of fuel and to conserve existing supplies. Actions already taken include the removal of quantitative controls on oil imports and allowing considerably more leasing authority for oil exploration on the Continental Shelf. New ways are also being sought to expand and use the great resources of coal in this country. For years its use has declined as other fuels were substituted. While present methods of mining and using coal often pose environmental problems, this extensive source of energy cannot be overlooked. Cleaner and more efficient ways of extracting and burning all types of this fuel are now being sought and should be encouraged.

Nuclear energy, along with water power, is an alternative to petroleum, natural gas and coal for producing electricity. There are 30 nuclear powerplants in operation around the United States, but nuclear energy has not lived up to its earlier promise. Ninety percent of the energy we consume still comes from the the three fossil fuels—oil, gas, or coal. Obviously there is room for nuclear expansion and some experts believe half of America's electrical production will be generated through nuclear power by the end of the century.

These proposals offer help for the future but they promise little for today's problems. Much can be accomplished by conservation of fuels and steps are being taken to arouse the consciousness of the people to the need for more careful utilization of fuel supplies. Stronger steps may be required from Government to focus attention on the problem and to insure cooperation by individuals and by industry, or the situation may, indeed, get badly out of hand. It is possible, though not likely, that fuel shortages may paralyze our Nation's transportation and industrial programs. Gas and fuel rationing undoubtedly would be imposed to prevent a dangerous deterioration in the situation.

In any event it is clear that an energy crisis must not be allowed to develop when solutions are available. There are many who feel, and I agree, that the situation already warrants more vigorous action by the administration and by Congress than it has received. There should be consideration now of legislation which will help to insure continued exploration, to encourage production in new areas, to provide investment credits for modernization of facilities, and possibly the relaxation of regulations which hamper the availability of fuel supplies.

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## ADDRESS OF ASSISTANT SECRETARY OF STATE JOSEPH J. SISCO—25TH ANNIVERSARY OF ISRAEL

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, the Honorable Joseph J. Sisco, Assistant Secretary of State for Near Eastern and South Asian Affairs, delivered a very informative and significant address at the Sheraton Park Hotel the evening of May 7 at the celebration of Israel's 25th anniversary. Mr. Sisco has been outstanding in his handling of some of the most delicate international affairs; namely, the troubled situation in the Middle East and he has done so with the respect and confidence of both sides in the controversy. He is able, dedicated to his work, persistent but always fair and honorable in his dealings so that he inspires the trust of those with whom he works and those with whom he negotiates.

While I may not agree with everything Mr. Sisco said, his address is a very important declaration of the American policy and the American point of view about some of the critical issues facing our Nation and the world today. Secretary Sisco's able address will be informative to the Congress and to all those who read this RECORD. I am very much pleased, therefore, to include it in full in the body of the RECORD immediately following my remarks:

REMARKS BY THE HONORABLE JOSEPH J. SISCO AT THE CELEBRATION OF ISRAEL'S 25TH ANNIVERSARY

It is a great honor for me to participate in this celebration of Israel's 25th anniversary—a day of joy, of remembrance; a day of sobriety, yet a day of hope and renewed dedication.

In this twenty-fifth year of Israel's independence, much is being said—and rightly so—about the accomplishments of this remarkable state and its remarkable people. The second World War accelerated the striving of many people for national independence and changed the map of our world in ways few could have imagined when that war began. In one sense, Israel is simply one of the many young states that have swelled the membership of the United Nations from 51 when it was originally founded to 132 today.

But in another sense, Israel is unique among the new states of the world. There were many, well before the beginning of this century who *did* envisage its creation. And for millennia, before the phenomenon of the modern nation state appeared on the historical scene, Jews everywhere kept alive the vision of their nationhood.

In our century, out of the horrors of the holocaust, the vision of those generations of men and women was transformed into the reality of the State of Israel. Israel could not have come into being and survived had it not been for the indomitable will of its people for existence and independence. At the same time, on this twenty-fifth anniversary, it is fitting to recall also the role of others.

First, the partition decision and subsequent admission of Israel to United Nations membership have become an important part of the juridical foundations of the state. The United Nations itself is only three years older than the State of Israel. And their histories have been intertwined for the past quarter of a century—occasionally for the better and particularly in recent years too often for the worse. Secondly, while Israel with some justification has often felt it stood alone, the support of other nations—above all that of the United States—has been indispensable at critical moments to Israel's creation, growth and survival. That support draws in the first instance on the help and faith of the Diaspora, but its base is far broader than that.

As these opening remarks suggest, I believe that this is an occasion for standing back from the preoccupations of the moment, from the crises and headlines and tragedies and hopes of today—a time for a sober look at the past 25 years to see what lessons they teach us for the next 25.

First, Israel had to feel strong and secure and confident of its survival before it could think about tomorrow and the day after tomorrow. Israel lived so many of its first twenty-five years with an abiding sense of insecurity that some have not yet become accustomed to the fact that Israel today is strong, is secure and is confident of its survival. Moreover, there is no doubt that the support of the United States, both material and moral, has made a major contribution to the strength of Israel. That support and that strength have been a principal deterrent to renewed hostilities in the area. I am confident that the United States will remain steadfast in its support for Israel's security.

Foreign Minister Eban has recently alluded to Israel's strength in this way:

"It is of course a fact that we are still the target of perils and threats, but it is also a fact that Israel is, in the last resort, a strong and solid reality. Strong and solid in its capacities of defense: strong in the inspiration of its heritage and faith; strong in its economic resources; strong in the support that it receives from the Jewish people; strong in its science and learning, strong in the overall balance of its links with governments and peoples across the world. True, all these elements of strength and solidity are relative and not absolute, but they are impressive in relation to the resources and capacity of all our adversaries."

At the same time, I believe it is appropriate here to express a few words of caution to our Israeli friends—words expressed in the spirit of friendship and mutual confidence between us, which permit us to speak frankly, and without suspicions of ulterior motives. I would suggest that while Israel's strength must be maintained, the next 25 years present a corollary challenge. Again, I want to borrow the words of Israel's Foreign Minister:

". . . A confident and balanced national style is perfectly reconcilable with an alert security consciousness and a rational and firm political line. The problem is how to put the emphasis on freedom, tolerance, equality, social justice, spiritual and intellectual creativity and human brotherhood, as the salient characteristics of a strong and confident Israeli society . . ."

There is a second point regarding the past 25 years which I believe is worth making and this relates to both Israel and its Arab neighbors. For most of the past 25 years, both have held seemingly irreconcilable perceptions of what their respective national interests required with respect to the other. Before 1967, the Arab world, with few exceptions was unanimous in believing that its national interest required the elimination of the State of Israel.

Before 1967, Israel believed its national interest required above all Arab recognition of its sovereignty and its right to exist in peace and was prepared to accept something like the armistice lines of 1949 as its recognized international boundaries. Since 1967, while there are still Arab voices calling for the disappearance of Israel, there are many others in the Arab world who now perceive their national interest as compatible with the existence of a sovereign Israel. I believe that for most Arabs Israel's existence is no longer the principal issue, and this is a major positive element in the Middle East today. Unfortunately, while the gap on the question of existence and coexistence of Israel has narrowed, the gap on the question of borders has widened. Since 1967 while Israelis have not agreed among themselves on what the boundaries of the state should be, they are generally agreed that those boundaries should be substantially different from the Armistice lines. Sadat, in turn, insists that they can be no changes in his borders, "not an inch of territory" he repeats time and again.

There is a third lesson of the past. This relates to the vision of both sides, which has often been clouded by the myths of the past which have persisted in obscuring the realities of the present.

Before 1967, each side's perception of the other was compounded in part, at least, on some form of myth. To the Arabs, Israel did not exist as dynamic, evolving reality. It was, in their words, "occupied Palestine" and referred to as such. Arabs tended to think of Israel and its society as frozen in the patterns of 1947, as a state which would be made to disappear someday, leaving no trace on the land. Israel was seen as on the verge of collapse from internal decay, an artificial entity propped up by others which would not withstand the tide of history.

The Israeli counterpart of this myth before 1967 was its perception of a monolithic Arab world, strife-torn and backward. All Arabs were perceived as essentially the same, and there was little understanding of the sense of a Palestine-Arab identity in the Middle East which distinguished the Palestine Arabs from the Arabs of Lebanon, of Syria or Trans-Jordan or the Peninsula.

In the aftermath of the 1967 war the increasing interaction of Arabs and Israelis, in Gaza, in the occupied West Bank and across the Jordan River began a process of breaking down these myths which each had held of the other. This is an essentially healthy process and one of the positive by-products of the war.

But other myths have arisen and persist.

There is the myth—now accepted as a reality in much of the Arab world—that the Six Day War was the result of unprovoked Israeli aggression.

There is the myth—believed still by many even though now discounted by some Arab leaders—that units of the U.S. Air Force participated on Israel's side in the Six Day War. This myth has recently arisen in a new form in the "big lie" charging that the CIA and the American Embassy in Beirut were parties to the recent Israeli raid in Lebanon.

On the Israeli side, there is the myth that the Six Day War was the result of a calculated Arab plan to launch a war of destruction against Israel. In my view, the most plausible explanation is that the Six Day War resulted from improvised actions and reactions by each side. Combined with each side's perception and suspicion of the other's intensions, the cumulative weight of these actions and reactions made inevitable a war neither side deliberately sought at that time.

Next, there is the myth that security is solely a function of the physical location of territorial boundaries. Again I refer to the Israeli Foreign Minister, who put it much more eloquently than I can, "The question of boundaries is one of the components of peace and not its sole condition. The balance of forces, the spirit and resourcefulness of our defenders, the application of science to the reinforcement of the economy, the strength of our international ties, these are all factors of equal weight. Without them our security would be undermined, no matter what boundaries we were to establish. The problem is not merely how to define our own historic rights, but how to bring them into harmony with the rights of others and with our own right to peace."

Another myth, of which we have heard much lately in the Arab world, is that peace can be achieved by going to war. Certainly the lessons of the last three wars between Arabs and Irsaelis prove just the opposite.

Finally, there is the myth that peace can be made by proxy—that powers not party to the conflict, acting independently or through the United Nations, can somehow substitute for negotiations between the parties themselves. This has not been the case in any of the successful negotiations of international disputes in recent history, and the Middle East is no exception. The United Nations and outside powers can play a responsible role in encouraging the parties to get a negotiating process started. But they cannot be part of the process itself. When they seek to substitute their views for the positions of the parties directly concerned or openly advocate the positions of one party, they do not further progress. They inhibit it.

All of this suggests a fourth lesson, and I believe it is the principal lesson to be learned from the past. The history of the Arab-Israel problem is a history of lost opportunities. So often opportunities have slipped through the fingers of those concerned—slipped through their fingers just when they thought they could grasp them. At such moments, the opportunities were all the more precious because they seemed near enough to be seen but too far off to be tasted.

Perhaps the greatest opportunity came after the Six Day War in 1967. In November of that year the United Nations Security Council was able to agree unanimously on a set of principles embodied in its Resolution 242 and accepted by the principal parties to the conflict, which laid a new foundation for a peaceful settlement.

It is well to recall that at that time the Security Council did not label one side or the other as an aggressor in the 1967 War. Rather than looking backward and seeking to apportion blame, it looked forward and sought to build a better future.

Moreover, the Security Council did not call for unconditional Israeli withdrawal to the armistice lines as had been the case at the time of the 1956 War. Rather, it called for "withdrawal from territories occupied" in the 1967 war as part of a package settlement in which the parties would agree to respect each other's right to live in peace within secure and recognized boundaries. The Security Council resolution established principles, it did not establish borders or define precisely the obligations of peace and security.

And, moreover, the United Nations recognized that a settlement could not be imposed from outside. Instead, it established the principle that peace should be based upon agreement between the parties to the conflict.

These were principles for which the United States fought hard and successfully in the deliberations of the United Nations. They remain the essential framework for peace in the area, and if the Security Council departs from these principles any future prospects for negotiations between the parties will have been seriously jeopardized.

Why have so many opportunities been missed since the adoption of the November 1967 Security Council Resolution? If we had the complete answer to that question, perhaps our efforts in the cause of Middle East peace would have been more successful over the years. But I do believe I know part of the answer. Neither side, Arab or Israel, has collectively defined its goals in terms of what economists like to call the "opportunity costs" of achieving those goals—in other words, in terms of what it is willing to forego in the process. To be sure, there are Arabs who still say today: We want peace but only when Israel as a Jewish State is no more. There are Israelis who say: We want peace but only if we can also keep the occupied territories.

But these are statements of individuals or political groupings, not the positions of Governments. There is no broadly agreed consensus on either side as to what the acceptable trade-offs might be. Unfortunately, states seem to follow the patterns of human nature—the desire to have it both ways, to have their cake and eat it too, to keep their options open.

In this sixth year since 1967 of no/war and no/peace, I believe it is time for the parties to begin to choose options, to establish priorities, to decide what is most important and what it will cost, and to decide whether it is worth the price. I do not say that this or any other opportunity that may come along is the last one in history, but I do believe that the cost of each missed opportunity in the Middle East is becoming progressively higher than the previous one.

As we stand back and view the Middle East in the perspective of time, what do we see today? We see a situation that every rational person knows in his innermost thoughts is not normal, not stable and not durable. True, the world has lived with many such situations and, when the balance of power is properly maintained, such situations can last for a surprisingly long time. But need they? And isn't the cost in the end often greater than it would have been if both sides had seized the opportunities and taken the risks neecssary to resolve conflicts sooner?

We have a 33 month old ceasefire in the context of a reduced likelihood of a Soviet-American confrontation. However, the cycle of violence continues and has taken an appalling toll of life.

The Security Council on April 21 took a small step forward in facing up to this pressing problem. The resolution which was passed, while very far from the balanced outcome we sought, condemned terrorist violence for the first time. For the first time, the Security Council has recognized that terrorism is part of the porblem and not simply an irrelevant by-product.

The question now is: Where do we go from here? How do we at long last begin to build on the framework for peace contained in Security Council Resolution 242; on the ceasefire along the Suez Canal negotiated by the United States; on the stability in Jordan and the efforts to find a new stability in Lebanon; on the widely shared desire to develop further the mutually beneficial relations between high-energy consuming countries and the oil-producing nations of the Middle East?

In this connection, there has been much speculation of late as to whether the so-called energy crisis is going to lead to changes in our Middle East policy. In my view, this is the wrong way to pose the question. The question is whether our policy of seeking to promote a peaceful settlement through negotiations between the parties is going to succeed, so that there will be no temptation for some to seek to politicize the energy problem, to their own detriment as much as to the detriment of others.

For its part, the United States is continuing to press the search for answers. The present no/war, no/peace situation is unstable and unsatisfactory. As a beginning, it would be well to build on the present ceasefire. A ceasefire on public statements of ultimate and rigid positions; a ceasefire on inflammatory rhetoric; a ceasefire on violence of all kinds from whatever source. Just as we called on the parties in 1970, on the eve of the U.S.-initiated ceasefire, to stop shooting and start talking. Today we urge they stop shouting and start listening.

We need—the world badly needs—a period of calm and quiet diplomacy in the Middle East. For our part, we began that process during what President Nixon has described as this Middle East month. We had useful discussions with the leaders of Jordan and Israel and with a senior adviser to the President of Egypt. That continuing process has been complicated by the recent kaleidoscope of violent events but it has not been stopped. We intend to carry it forward through diplomatic channels. We intend to continue urging on the parties the need for getting negotiations started and to continue exploring with them ways to do this. The principal parties concerned have said they want to keep the doors of diplomacy open and we intend to take them at their word.

It would not be realistic to think, after so many years of effort, that there lurks somewhere, waiting to be discovered, a magic formula which could suddenly solve the Arab-Israeli problem in a single dramatic stroke. A way must be found in the first instance to reconcile Egyptian sovereignty and Israeli security needs. In our judgment, the chasm on an overall settlement is too broad to bridge in one jump. But practical step-by-step progress is feasible, beginning with negotiations on an agreement for some Israeli withdrawal in Sinai, the reopening of the Suez Canal and an extended ceasefire. I am convinced an interim Suez Canal agreement would not and should not become an end in itself, but would lead to increasingly productive negotiations on the larger issues. These also include the Jordanian-Israeli aspects of the settlement and the need to meet the legitimate concerns of the Palestinians. It is in the context of such active negotiations between the parties that the United States can be most helpful.

The President has said we will give high priority to moving the Middle East situation toward a settlement. Since we set that course four years ago, we have had some notable successes as well as some temporary setbacks. We see no reason to change course or diminish our efforts. I can assure you we do not intend to do so. Opportunities for diplomacy still prevail in 1973. Israel needs peace, its neighbors need peace, and the world needs peace. I would hope that we will not look back several years hence and conclude that the present period was another in the tragic catalogue of lost opportunities.

## ISRAEL'S 25TH ANNIVERSARY

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, on the evening of May 7 at the Sheraton Park Hotel upon the celebration of Israel's 25th anniversary, His Excellency Simcha Dinitz, Israel's Ambassador to the United States, delivered a very significant and moving address. Although a new ambassador to the United States from Israel, Ambassador Dinitz has a long and distinguished record of service to his country in its foreign affairs. He is learned, able, dedicated to his country and its service, but he is also one of the able and learned men on the world scene today. As Israel's spokesman in the United States he will command the respect and the esteem of our Government and our people. I am sure the able address of the distinguished ambassador will be of particular interest to the Congress and to our fellow countrymen. Mr. Speaker, I include in the RECORD following these remarks:

### REMARKS BY HIS EXCELLENCY SIMCHA DINITZ, ISRAEL AMBASSADOR TO THE UNITED STATES

I cannot think of a warmer, more meaningful way to commence my public appearances in this capital than to be with you tonight, and I thank you very much for inviting me.

Before I left for the United States, many friends gave me advice. Some friends gave more than one piece of advice just to be sure that at least one of them would work out. And among the advice I received was a suggestion from a very distinguished person in Israel: Think fast like Sisco and speak as little as Barbour.

Now, I ask you, my dear friends, how can you do these two things together in one evening when you have to follow both of them?

So with your permission, I will try, as Israel has always tried, to find the golden mean. Something between our experience in the past, which taught us self-reliance, and our hope for the future, which we hope will teach us that in the great partnership that has emerged over the last 25 years which you, Mr. Sisco, and you, Ambassador Barbour had so much to do with, that in this great partnership between Israel and the United States we can find together a road to a true and lasting peace.

Now 25 years is an age too mature to excuse foolishness but yet young enough to dream. Young enough to aspire for those things that to some, at times, look unattainable, and yet for us are the central core of our life and existence.

There is nothing more coveted for the government of Israel and for the people of Israel than the attainment of peace, true and lasting peace, peace with security.

We can enumerate many achievements on our 25th anniversary. We have brought into our shores a million and a half refugees, from the death camps of Europe, from the ghettos of the Arab lands and recently from behind the Iron Curtain of the Soviet Union. So far it is just a small crack in the iron wall, but we are praying and we are working for this crack to open wide so that many of our brothers, all of them who wish, will come and join us in Israel. One and a half million people from 107 different lands, speaking 70 different tongues, and now spread all over the country in hundreds of new settlements. These people who were the refugees of the second World War, of Arab persecution, are now raising food, developing industry, contributing to scientific and educational strides and helping to absorb many more newcomers. This is the story of Israel.

If we look at the field of education, we remember that, only 25 short years ago when Israel was reestablished, there were only two universities. Today we have seven institutions of higher learning in Israel spread all the way from Haifa in the north to the Negev in the south. And while in 1948 we had 100,000 children going to school, today 1,000,000 Israeli boys and girls go to school. This, too, my friends, is the story of Israel.

It has not only been the story of a brave nation, fighting for its life and security; it has also been the story of a nation trying to achieve the heights of democracy, of education, of technology, of know-how, of a better life, of a more decent society, while at the same time it had to protect its very life and existence.

But, as Assistant Secretary of State Sisco rightly said, 25 years is not only a period for self-gratification and for looking at the achievements of the past; it is also a period to examine the future, to see what was achieved, what was not, and why not. And the most important thing for us—peace—was not achieved.

We have won every single war that was launched upon us. But we have not won peace. The reason is simple. While it takes one to declare war, it takes at least two to make peace. And if today, after a quarter of a century, I stand before you as a representative of a country still beleaguered, still besieged, still without peace, it is not due to a lack of desire, not due to lack of effort on our part. For 25 years we have extended our hand of friendship to our Arab neighbors and pleaded for peace. This hand remains extended to the present day without response, to the great sorrow of the government of Israel and to the great sorrow of the government of the United States.

My friends, there is only one way to start on the road to peace: This is to stop talking in terms of myths and to begin to talk in terms of realities.

There was never an opportunity that presented itself—and was missed by us. After every war we had to fight, the Arabs converted the situation from a platform for meaningful negotiations into a jumping board for preparation of a new war.

In '49 we signed armistice agreements with the Arab countries. These Armistice Agreements, which outlawed the use of force and were supposed to be the preliminary for the establishment of a true and lasting peace, were used by the Arabs to justify years of terror, sabotage, boycott and blockade, leading to the Sinai Campaign. And again in '56 and '57, after they agreed to the arrangements that were made under the auspices of the United Nations—with the great contribution of the United States—they only used the 1957 arrangements to prepare for the 1967 war.

For us, 1967 was not a myth. For us it was somber reality. It was a somber reality in the days that preceded it. Six years ago, on our Independence Day in 1967, our soldiers were marching in one of those so-called "military parades" that have not hurt a soul yet. At the same time Nasser conducted another parade in the streets of Cairo. He was parading his tanks, and he was sending his planes and his people into the Sinai Desert, 100,000 strong. For what? To serenade Israel? To send her greetings on her anniversary? No. To threaten the very life and existence of Israel. And in case any one of you doubted it, he said so himself. He said so over the radio. He said so over the television. You people could have seen it better than we—we did not have television in Israel at that time. The whole world could see it.

And then we had to take our children from school and send them to fill sacks with sand to fortify the houses and the schools. We dug trenches. But we also prepared to dig graves in the public parks to bury the dead, because we did not yet know what the price would be. We knew we would win because we had no choice. But we did not know what the price of this victory would be. That, my friends, was no myth: that was sober reality.

And when we won that war, the first declaration that came from Israel was, "All right. Let us sit and negotiate. Let us sit and negotiate not as a conqueror and a vanquished, but as equals, without preconditions, without dictating to you what the terms are."

We were on the Suez Canal. We could have been, as you all know, at the gates of Cairo. But that was not our purpose. We do not believe that the Middle East should be a place in which there is no room for Arab states, just as we firmly believe that the Middle East should be a place where a Jewish state can exist in safety. We said to our Arab neighbors and to Egypt primarily, "Let us negotiate as equals." And the answer came from Khartoum: "No peace, no negotiations, no recognition."

We have been waiting ever since. Our ears are attuned and our minds are open and our hands extended, but all that we have heard from the other side—sometimes explicitly and sometimes implicitly—is a call for doing away with Israel.

From Egypt we hear two things: "We first want you to withdraw to the 1967 borders, and then we want you to restore the 'legitimate right of the Palestine people'."

The difference between this and a call to do away with Israel is just a matter of semantics. It makes very little difference to Israel whether it will be destroyed in one stage or in two different stages. First, we are to go back to the 1967 lines and then wait for the Arafat-type solution. He comforts us, proclaiming that we do not all have to be destroyed. All Jews who came to Palestine before 1917 will be allowed to stay under the benevolent regime of the democratic Palestine of Arafat. For this we thank him very much. If we are to live in a minority, may we have at least the freedom of choice of who will be the ruler of this country under which we have to live as a minority. And I can assure you that Arafat will not be our first choice.

So as a result of this, we have had six years of no negotiations. But let it be clear. The government of Israel has said—and we can repeat it today on the 25th anniversary of Israel: Just as we were ready in '48 and '49 and '56 and '57 and '67, so we are ready in 1973 to enter immediately into peace negotiations with the Arab countries on an overall settlement without any preconditions on either side. Our Arab neighbors expect us to commit ourselves in advance to withdraw to the '67 lines and then accept the Palestinians back as an independent state in Israel. If this is the request, I ask, what is there to negotiate? Or may I ask with whom is there to negotiate? What will be left of Israel under such conditions?

In February 1971, President Sadat came with a different proposal. He said, "We suggest a partial agreement, an interim agreement, for the opening of the Suez Canal before peace." This was not simple for us, because as long as there is no peace, there is no better defense line than the Suez Canal. Nevertheless, the government of Israel agreed to the suggestion to open the Suez Canal. After several months of negotiations with the friendly government of the United States, we agreed to accept the good offices of the United States in this regard. We waited for these proximity talks to begin. But what happened? A few days ago, on the first of May, President Sadat informs the world that he is asking the Russians not to fall into the American trap and agree to the opening of the Suez Canal. Now I ask you, why was this hailed as a contribution when Sadat proposed it in '71 and is referred to as a trap the moment Israel and the United States accept it? It leads me to believe—and I say this not with glee, but with sadness and real concern—that what Sadat is after is not negotiations with Israel in any real form, but rather the capitulation of Israel. That accommodating we are not prepared to be.

Even as I stand here before you tonight, we hear more sabre-rattling from Cairo. Again we hear that, as Nasser was before, Sadat now is frustrated. And we have to ask ourselves, "What is he frustrated about? What is the cause of this frustration?" President Sadat is frustrated because the poor man wanted to destroy Israel and we did not let him. He is frustrated because Israel is not prepared to surrender to him politically what he did not succeed in obtaining militarily. Why do we have to come to the negotiating table, yielding all the points in advance, accepting his preconditions, surrendering to his demands? Because he is frustrated?

I suggest to you, my dear friends, that real peace can never be achieved either by surrendering to blackmail or by satisfying frustrations. Peace can only be achieved when those who fought each other will talk to each other if they are to live with each other. Any other formula, any other framework is misleading. It will be destroyed when the first ill-wind blows. And no one—not Israel, not the United States, not any free and peace-loving country in the world—wants to see another fragile arrangement in the Middle East; wants to see another edifice which will collapse the moment our neighbors feel that they are strong enough to destroy it.

We are passing through a very interesting period in international relations. Everybody talks to everybody else. The Chinese talk, the Russians talk, the Vietnamese talk, the Koreans talk, the Europeans talk. There is only one place in the world where talks are considered taboo, where negotiations are considered a sin. There is only one place in the world where leaders are still thinking in terms of barren and fruitless wars instead of thinking of dialogue.

If we are to advance peace, we must do things. First and foremost, we must see that Israel is strong—not only strong enough to win wars, but strong enough to deter them. Strong enough so that launching a war will not be worthwhile for any Arab leader; strong enough so that the very fact of Israel's indestructibility will not make it a target for another war. Only a strong Israel can be a partner for negotiation; an Israel that you can destroy is not worth talking to. So the first element for peace is a strong Israel. And I am very happy that I can say on this platform tonight, in the presence of our good friends in the Administration and members of Congress, and you, friends of Israel, that the strength of Israel is to a large extent due to the wonderful understanding and partnership that we have developed with this government and with this people.

Another prerequisite of peace is that all the parties of the Middle East know that nobody from the outside is going to pull the chestnuts out of the fire for them. No new formula, no different framework, no new mechanism will do the trick. Only when the people in the area realize that they are responsible for their own future—it is they who have to live with each other, it is they who have to reason with each other—only when this is accepted will we begin to see the beginning of the road to peace. What we need is not a new framework, but a different frame of mind.

What we need is for the people of the Middle East to talk to each other. We do not insist right away on direct talks. If direct talks are taboo, we are prepared to start in an indirect way. But a dialogue, a discussion, a build-up of mutual trust must begin somewhere or it will not begin at all. This is the way that we can advance to peace.

I say this not without hope. The trouble with our neighbors is that they always looked for alibis or excuses, for myths to replace reality. Sometimes it is the UN, another time it is the U.S., sometimes it is the Soviet Union, on other occasions it is the elections in America and then it is the oil crisis. I suggest to you that there is no greater crisis in the world than a crisis of a people who refuse to face reality. The contribution of peace-loving people in the world cannot be greater than to make people face reality, because this is the beginning of a process of peace.

I believe this process has begun. It has begun largely due to the great understanding that exists today between the government of Israel and the government of the United States and the American people. I believe that this process will continue.

Our job in the attainment of peace is not yet done. Our minds must always be open, our hands always extended, our ears always attuned to whatever voice comes from the other side of the border. If it is a voice of peace, we will gladly reciprocate. If, God forbid, it is the voice of war, we will know how to handle this too.

But with Israel's strength, with the realization that negotiation is the only way to peace, with the understanding between us and the American government and the partnership between us and the great majority of the American people—that great partnership that contributed so much to what has been achieved until now—I believe that we can go forward to peace and not backward to hositilities.

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The following day, Ambassador Dinitz addressed the annual congressional luncheon sponsored by the American Israel Public Affairs Committee marking Israel's 25th anniversary and honoring the Israel ambassador.

Ambassador Dinitz took the opportunity to thank the two Houses of Congress for their solid support for Israel over the last quarter of a century:

"We are a people with a short geography but a very long memory, and we will never forget the first aid voted by Congress which facilitated the young state not only to stand on its feet but to absorb hundreds of thousands of homeless Jews scattered in the death camps of Europe and in the darkness of Arab lands. We will never forget your overwhelming support as recently demonstrated by both Houses of Congress to abolish restrictions on emigration of Russian Jews. We will never forget your support in helping make Israel a viable state, one that can defend itself, one that has never requested a single foreign soldier to shed his blood for its life and liberty.

"And just as we have benefitted from your support in the past, we ask you now to continue to help us to convert the present situation into one of permanent peace and security."

On the same occasion a distinguished and dedicated former U.S. Ambassador to Israel, the Honorable Walworth Barbour, also spoke. Ambassador Barbour rendered many years of able and effective service as U.S. Ambassador to Israel. He was there during troubled times and he was always an able spokesman of our country and a creditable representative of our policy. Because of the eminent quality of his service he enjoyed the esteem and respect of the government and the people of Israel and he won the gratitude of his own Government. I think my colleagues will profit from reading the statement of this knowledgeable ambassador in respect to the critical area of the Middle East:

### Remarks by the Honorable Walworth Barbour

I received a most cordial invitation from the American Israel Public Affairs Committee to attend this magnificent observance of the 25th anniversary of the State of Israel. The second sentence of the invitation said, "We know you have the reputation of only saying about three words." I think this was meant as a compliment; at least I'll take it that way.

I will, however, presume on your patience for only two sentences.

Mr. Sisco has made a profound and moving analysis of Israel-American relations and there is no one who could do any better.

My own feelings after 11 years in Israel can be boiled down to two sentences or can take 11 years to tell, and they have deepened as the 11 years went on.

The relations between the United States and Israel are based on fundamental similarities of our two states to an extent greater than political exigencies or other more mundane matters might dictate. We are both pioneer states. We both proclaimed our existence in the face of odds which looked overwhelming. We both maintained and continue, somehow, to maintain our existence.

You Israelis have had great success in doing this for 25 years. I think that as we go together into the future and work together, separately, or in combination with others, our mutual interests will work toward the achievement of that great goal of peace in the Middle East and peace for mankind.

## AMENDMENT TO H.R. 7724 WOULD BAN LIVE FETUS RESEARCH

(Mr. RONCALLO of New York asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. RONCALLO of New York. Mr. Speaker, when the bill H.R. 7724, the "National Biomedical Research Fellowship, Traineeship, and Training Act of 1973," is considered, I plan to offer an amendment which would specifically forbid HEW to conduct or support research on live fetuses.

I cause to have printed at this point in the Record the text of my amendment to insure its consideration under rule XXIII, clause 6, of the Rules of the House. The text follows:

### Amendment to H.R. 7724, as Reported—Offered by Mr. Roncallo of New York

Page 10, line 18, insert "(a)" after "Sec. 456."; strike out the close quotation marks in line 22; and after line 22 insert the following:

"(b) The Secretary may not conduct or support research in the United States or abroad on a human fetus which is outside the womb of its mother and which is alive with a beating heart."

## GENERAL HAIG: WILL HE MEASURE UP?

(Mr. HECHLER of West Virginia asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. HECHLER of West Virginia. Mr. Speaker, one of the outstanding general officers in World War II was the late Gen. Lucian K. Truscott, who had a brilliant career in the European Theater of Operations. General Truscott commanded the 3d Army after the untimely death of Gen. George Patton, and also commanded the 5th Army.

The grandson of General Truscott, Lucian K. Truscott IV, was a cadet at the U.S. Military Academy during the period when Gen. Alexander M. Haig, Jr., was third regimental commander and deputy commandant of cadets. From his personal knowledge, Mr. Truscott has written a very cogent article which originally appeared in the May 17, 1973, issue of the Village Voice, the text of which follows:

### THE LONG GRAY PAST OF NIXON'S NEW HALDEMAN: MR. T. & COLONEL HAIG

(By Lucian K. Truscott IV)

Among cadets in the Third Regiment at West Point in the fall of 1967, he was a popular if enigmatic figure. He was often seen striding through the area of New South Barracks; ever present at his side was Sergeant Major Theodore Dobol, one of the most distinguished and highly decorated noncommissioned officers in the Army. His hat cocked back slightly on a head of thinning, graying hair, he would grin and pop snappy, confident salutes at cadets as they passed. He seemed to know everyone by a nickname he assigned at first glance, and his voice would crack the air like a horsewhip: "How's it going, Mr. T.? What's your excuse today?" There was a visceral inclination to want to stop and talk with the new Third Regimental Commander. He was the kind of officer who aroused one's curiosity as surely and finally as the bugles and drums of the Hellcats would arouse one from the sack the next morning at Reveille.

The appointment last week of General Alexander M. "Al" Haig, Jr., to be "interim" replacement for the hastily deposed White House chief of staff, H. R. "Bob" Haldeman, has been seen as the leading edge of a Nixon attempt to infuse integrity into an administration racked by scandal and overrun with thieves, liars, cheats, and political peeping-toms. Despite his meteoric rise to rank and power, (a four-star general at 48, having skipped the three-star rank entirely, he was a colonel a scant four years ago), not much is known about the man other than that he has been Deputy Assistant for National Security Affairs (Kissinger's Kissinger, says the New York Times) and Army Vice Chief of Staff. At High Noon in a tense and frightened White House, "Al" Haig has become the keeper of the keys to Nixon's chastity belt. He is the "gatekeeper," in control of scheduling and information flow to the President. And yet the unspoken question today about Haig is the same one asked at West Point by cadets seven years ago, the same asked about Haldeman four years ago: who the hell is he?

Haig was my regimental commander at West Point in 1967–1968. He became Deputy Commandant of Cadets in the fall of 1968. Though my personal contact with him was limited, it was of such a nature that I got a unique glimpse of a man in flux, a man who was as raw and cunning as he was charming and charismatic.

Colonel Haig had that second nature of a born leader which made him seem to exude a perfect mixture of ego and humility. "Military bearing" it was called at West Point, a trait which had the odd power of attraction at the same time it kept one slightly off-balance. There was a certain stillness in the air behind Haig's walk, as if the molecules he passed through had been burned, ionized, leaving a faint scent of power. This was not something one understood about Haig, but rather smelled with one's ego, for only the psychic nose could detect such a presence. One was always kept guessing, for there was more to this man than his style, which was polished and magnetic.

It makes me laugh today to read press descriptions of Haig as being unlike the "military prototype," more like a college professor or a diplomat than an Army general. If "bright, articulate" are the first words off the lips of those seeking to describe Haig today, back then, among cadets in the Third Regiment, it was "tough, professional." There was no officer at West Point during the time Haig was there who was seen by cadets as more of a gut-level soldier's soldier than Colonel Haig.

Yet Haig's charisma and leadership ability go only a short distance toward explaining the man. He was exacting in what at West Point was called "attention to detail." The first action he took upon joining the Third Regiment was to put out an order that every cadet in the regiment would march with his fingers cocked squarely at the second knuckle, thumb running stiffly along the index finger pointing "like an arrow" to the ground, elbows rigidly locked. Haig was present at nearly every regimental formation during those early weeks in the fall of 1967, a pair of yellow gloves in his left hand, slapped against his trouser leg as he walked, or struck sharply into his right palm as he made a point in addressing one of the cadet commanders. He was like a ghost at those formations, an omnipresent conscience constantly correcting anyone found with an elbow breaking, a finger uncurled from the second knuckle, a thumb unpointed arrow-like toward the ground.

We were warned time and time again that Haig would attend every formation until he was satisfied that the Third Regiment down to the last Plebe could march as he wanted. In conversation one day he would admit that this was simply his way to make his presence felt in the consciousness of every cadet during every one of his waking hours. "If they can get that hand straight, that elbow stiff," he explained, "then all the rest of it falls into place. Every directive becomes second nature. It's my way of putting my signature on a unit." In other words, his "hang-ups," as they were often seen by cadets, were in reality leadership gimmicks. Unsurprisingly, they worked.

But Haig had other pet peeves, among them a compulsive desire to "keep everything within the regiment." If at all possible, Haig wanted all problems dealt with on as low a unit level as possible, a desire which on its face seemed logical enough. It was not until later that I would see this compulsion of Haig's for what it was: an almost maniacal desire to keep anything which he felt would reflect badly upon his command from his superiors. If a skill at covering up is a prerequisite to duty in the White House, Haig comes well prepared. For he was involved in at least three major cover-ups while at West Point.

The first involved seven sophomore cadets in the Third Regiment who were implicated in a marijuana investigation in 1967. One cadet was "eliminated," as it was said, for having been caught with the evil weed in his possession. The other seven, who came to be known as the "Magnificent Seven," or "Mag Seven" for short, supposedly knew that the first had marijuana, though it could never be established that any of them smoked it with him. In fact, all seven denied having smoked with the expelled cadet. Partially because no real evidence could be produced to solidly implicate the Mag Seven, and partially because Haig did not want it to become known that the Third Regiment was a hotbed of potheads, the Mag Seven were never formally punished under the established disciplinary system. None were awarded demerits, punishment tours, or time to be served in confinement to their rooms. Instead, their 30-day summer leave was summarily revoked, and they were instructed to lie—in direct violation of the Honor Code—to their parents about the reason for their not being able to return home for leave during the summer. The Mag Seven were instructed to inform their parents that they had been assigned "extra duty" because of a shortage of cadets for the summer detail during Beast Barracks, the summer training for Plebes. In the process of the marijuana "investigation," they were threatened with expulsion from the Academy and generally frightened into going along with the summary revocation of summer leave. The reason for this extraordinary arbitrary punishment, one of the Mag Seven told me, was that neither Haig or his superiors at the Academy wanted it to become known at the Pentagon that the Third Regiment harbored a bunch of junkies and perverts. Had they been punished through normal disciplinary channels, reports would have had to be filed at Department of the Army level, thus alerting the Pentagon to the existence of the Third Regiment potheads.

The irony here is that marijuana use in the Third Regiment at that time was widespread. I personally knew of at least 40 cadets who regularly used the stuff. More seriously, there was also extensive abuse of the drug Darvon, which was given out in great quantities by Academy doctors as a headache and cold remedy. Jack Anderson has reported that the chemical makeup of Darvon is similar to that of methadone, and in the Third Regiment it was well known that a half-dozen Darvons along with a little booze was a good high, a truth to which I can attest. In fact, in my company several guys used to eat Darvons and drink vanilla extract to get high. This practice, however, came to an abrupt halt when one guy was found passed out in his own puke in a phone booth.

The second cover-up Haig had a hand in involved the entire Plebe class in my company, H–3, in May of 1968. An extensive cheating ring was uncovered among the Plebes, who numbered about 30 in the company, and an investigation was begun through the cadet honor committee. It rapidly unfolded that nearly every Plebe in the company was either cheating or had knowledge of the practice among his classmates—which under the Honor Code was tantamount to cheating itself. It was a scandalous situation, and it didn't take long for the officers to get involved.

Somewhere around the late part of May, after 10 to 12 Plebes had been kicked out for honor violations, it was determined that it would be very bad for one company in the regiment to be minus an entire class of cadets, so the investigation was quickly drawn to a close. At a late-night "honor meeting," it was explained to company H–3 that all of those who were "actively involved" in the cheating ring had been gotten rid of, and the rest, well, they were just Plebes, and it could be presumed that they did not completely understand the full ramifications of the Honor Code, a relaxing of the rules which I had never seen before and would never see again. We were given to understand that they had received intensive "training" on the code and could be expected to abide by it now. Then we were told to keep the whole thing quiet. No one wanted the word to get out that the Third Regiment housed a nest of cheaters and tolerators. Over all of this Colonel Haig presided with something less than glee.

The third cover-up Haig played a part in, the starring role as it would turn out, had its roots in the spring of 1968 when a classmate and I decided we would complain to the Department of the Army's Inspector General about the regulation at West Point which required attendance at chapel each Sunday, either Protestant non-denominational, Catholic, or Jewish. We considered that the regulation was a violation of the establishment clause of the First Amendment, and after nearly three years of compulsive religious force-feeding, were simply fed up with what was known as "mandatory chapel."

We secured an appointment with the tactical officer, and he sent us up to see Colonel Haig. The colonel greeted us informally, as was his custom. "Mr. T., how's it goin'," he said, and addressed the other cadet similarly. "What's on your mind? Sit down. Let's have it." All eagerness, helpful, good ole buddy Colonel Haig.

We told him what was on our minds, and Haig frowned, then smiled. "Tell you what I'm going to do, men," he said cheerfully. "I'm going to do you a big favor. I'm going to send you on back down to the company and forget this ever happened. You see, if you go forward with this request (to see the I. G.) you can only hurt yourselves, and I don't want to see that happen. We need good men like you down there. Got a tough year ahead."

We explained that all we wanted to do was see the I. G., which a notice on every company bulletin board in the corps said was our right. Haig said no, we'd better not—the regulation was bigger than us, we'd be getting ourselves in trouble. This, in all our innocence, we did not understand, though we accepted the advice unquestioningly. Colonel Haig, after all, was looking out for our best welfare. So we went packing back down to H-3.

Early in September four of us in H-3 requested that chapel "donations" which we had discovered were arbitrarily deducted from our pay be returned to us. Later we sent requests up through channels to meet with the Department of the Army Inspector General when he visited West Point. This time there was an edge of precocious glee on our actions. We had begun to sense that mandatory chapel was a sacred cow, and the notion was a titillating one. We could be the guys who knocked off chapel! Still, we played innocent.

Then we started getting "called in." On many occasions we were asked to resign from the Academy, the rationale being that if we didn't like the regulation, we should leave. We very idealistically replied that we didn't want to break the regulation, we just wanted to change it. The new Third Regimental Commander, Colonel Marion C. Ross, threatened us with court martial if we didn't stop being "troublemakers."

Finally, in late October, I was called in to see Colonel Haig, now Deputy Com. Once again he was informal, almost jovial, calling me "Mr. T.," inviting me to sit down. Haig's office was a great wood-paneled vault-like chamber in the old Brigade Headquarters building, which has since been torn down. His desk was at the far end of the room, windows on two sides, and Haig sat behind it in his shirtsleeves, his tie loosened and askew.

He told me he'd been awfully busy, but recently it had come to his attention that his old friend Mr. T. had been involved in several "questionable activities," and he wanted to "do (me) the favor" of checking things out with me before he took any action. Notes about the "questionable activities" were laid before him on the desk, and he read each off as if it were a charge. Had I been involved in the publication of a certain underground newspaper which had surfaced recently at West Point? No. Did I know who put it out? Yes. Did I at one time "challenge the authority of the First Captain" in the Mess Hall? No. Then what were the circumstances of this felonious charge? I explained them. He seemed satisfied, even relieved to find out that Mr. T. was clean. He was still informal, joking and laughing off the "questionable activities" as faulty rumors once they were explained.

Finally he held up a familiar sheaf of paperwork and asked, "Know what this is, Mr. T.?" Yes, it was the collection of requests which had been in the mill since September. I had been wondering what had happened to them. "Well," said Haig, "I'm going to do you another favor, Mr. T. See this green memo-routing slip here?"

Yes, I saw it.

"I'm going to attach this green memo-routing slip to these requests and fire them back on down to you in H-3 first thing tomorrow morning, that's what I'm going to do. Do you a favor. What do you think of that?"

I didn't think much of it and asked him why he didn't simply let the requests go through channels as we had been told they would do, and which regulations required.

"Because if these go up, Mr. T., you'll leave the Commandant with no recourse but to eliminate you, all four of you from the Academy. Do you understand that? You're boxing him in, Mr. T., leaving him no other choice."

I opined that it seemed to me that the Commandant had two choices, not one: he could either approve the requests or deny them. Elimination from the Academy, it seemed to me, didn't come into things.

At that point, Haig began to get agitated. He tightened his tie. His face lost the glow of Colonel Haig, friend of Mr. T., and took on a new cast. "Look, Truscott, take my word for it. You had better get your buddies together and take these requests when they come back down to you tomorrow morning and tear them up and forget them. I know you've been garnering support down there. I know what's behind these requests. You're going after chapel again, even after I warned you last year."

I told Haig that I hadn't "garnered" support, that the other three cadets had come to me. And I said that before he sent the requests back via "green memo-routing slips" he might check with the cadet chaplains, all of them had assured me that they wanted no part of any money that was taken against a cadet's will.

Haig stood up and pulled on his uniform coat, slowly buttoning its front. "I've tried to play ball with you, Truscott. I warned you last year, and I warned you again this year. I've protected you as long as I'm going to. I've tried to play ball, but you absolutely refuse. This is the end. You'd better watch your step from here on out, young man, because you're treading on some dangerous ground."

I stood up as Haig walked around the side of his desk, straightening and re-straightening the bottom edge of his uniform coat. "Sir," I said, "I've tried to play ball with you, too. But if this is the way you want to play it, then I guess that's the way it's got to be."

Haig exploded, driving himself across the blue carpet until he was inches from my face. His fists were clenched and one of them was raised next to my head.

"You little bastard," he seethed between gritted teeth. "I will personally see you out of here one way or another. Now get out of here. Get out of my sight. The next time I see you, it will be the front gate to West Point, going out."

I left. At no time had there been any discussion on either mandatory chapel or mandatory chapel donations on their merits. Haig was unconcerned about the possible constitutional aspects; it did not matter to him in the least that the law would eventually mandate that the money be returned to us. The question we had raised the year before and again in the fall about the apparent discrepancy where officers "sworn to uphold the Constitution" also implemented a policy which on its face was unconstitutional probably never entered his mind. What mattered was that four cadets were apparently ready to go to the wall on an issue, the resolution of which he saw as a blemish on his career, an embarrassment. If we are allowed to "go forward," it would appear to the Commandant, to the Superintendent, and eventually at Department of the Army level that he, Haig, had been unable to stop the same upstarts he had so handily salted away the year before.

In classical fashion, he distilled the four to one, me, and operated on the theory that if he scared me off, the others would follow. But the primary advantage to dealing with a single cadet was that anything said in his presence alone, such as the threat to "see (me) out of here," could never be substantiated.

In weeks following, Haig carried out a one-man campaign to stop us through stopping me. A charge of a supposed honor violation which no cadet honor representative right up to the First Captain himself (the highest ranking cadet in the corps) could find any substance to or substantiation for was pulled out of nowhere by Haig. In mid-November, I was suddenly informed that proceedings to "eliminate" me for lack of "aptitude for the military service" had been initiated against me. Over Navy weekend in late November my room was ransacked and papers of a "subversive nature" was confiscated. Several of these "subversive" papers were copies of letters to Daniel Wolf, editor of this newspaper.

Also in late November my father, a colonel and West Pointer also, got in on the act. During a visit he made to West Point I and the other three cadets explained to him in detail what had been going on, and he met with the company tactical officer, Colonel Ross, and Colonel Haig. Haig repeated the charges of "questionable activities" he had appeared to have been satisfied about in October. He charged me with having told "half-truths," which under the cadet honor code are equivalent to outright lies. And he denied ever having threatened me, though it became obvious to my father, as it was to me, that Haig was behind the sudden attempt to "eliminate" me on aptitude.

In mid-December, just before Haig left West Point for the White House, he got in his last little dig. I was on the staff of the Student Conference on United States Affairs, a yearly forum held at the Academy, and had been for four years. The day before it was to meet in 1968, my name was dropped from the list of cadets excused from class in order to administer the conference, something I had done for two years previously and which was especially important that year as I headed up the committee charged with setting up the entire conference. The day the list came out minus my name, I stormed over to the Social Science Department and asked my committee sponsor, a major what was up.

"Surely you must know," he replied dejectedly. I asked him if he was going to do anything to see that my name was put back on the list, for if he didn't I was effectively removed from my committee chairmanship. He said he had already been to see the officer in charge of the list and he had said he had no authority to change my status. I asked the major if he would find out who did have the authority. He did. It was Haig. I asked the major if he planned to do anything to see that I was able to take part in the conference I had spent six months setting up. He said that feelings at Brigade Headquarters were "running so high" that were he to do anything at that point it would "ruin" (his) career. He was married, he said, with a couple of kids. He hoped I understood. I did.

Mandatory chapel attendance at all four service academies has been ended by a Federal Court of Appeals decision. The Nixon court refused nine to nothing to hear a government appeal of the decision. The pattern of behavior on the part of the authorities at West Point in dealing with the four of us in 1968 was instrumental in defeating various contentions the government sought to make during its case.

In 1969 I was stationed at Fort Carson, Colorado, with the Fifth Mechanized Infantry Division, whose commander was General Bernard Rogers, former Commandant of Cadets during 1967–1969. I spoke with General Rogers about my experiences with Colonel Haig, his Deputy Commandant. Rogers knew absolutely nothing about what Haig had been doing in the office next to his. He had no idea there had been such a brouhaha over the requests Haig had sought to dispose of with a "green memorouting slip" and said that when they finally reached him he dealt with them routinely. He had no idea the aptitude "elimination" proceedings had been initiated against me. (They were later dropped as suddenly as they had appeared.) He had no idea Haig had been trying to insulate him by trying to scare us off, eventually threatening that the Commandant (Rogers), in Haig's words, would have "no choice" but to "eliminate" us if our requests appeared on his desk. Rogers told me that he was quite frankly flabbergasted to hear what Haig had carried off without his knowing it. Haig, he said, had always appeared to be "completely loyal," but my description of his actions with respect to the chapel business had given him a new perspective on the rapidly rising young star.

If Kissinger understands power best in the abstract, Haig is his perfect complement, obsessed with its use in the man-to-man, army-to-army, nation-to-nation sense. It was Haig, after all, whom Kissinger sent to Saigon just before the final signing of the "peace" agreement to make sure Thieu would stay in line. Lord only knows what went on behind those closed doors.

Haig is the ultimate action/reaction, stimulus/response addict, a believer in total logic, a distruster of what he must see to be the frailties of lesser men: ideology, morality, a sense of the inevitability of one's death, the acceptance of sin and redemption, in short all those qualities which gave man a context in which to live, a reason for being. For Haig, all that is necessary is the action. The more direct, the better. For Haig, power is the simple establishment of authority by any means necessary. If some extraneous moral consideration gets in your way, step over it, If the stated goal of a policy (such as requiring attendance at chapel in order that cadets be morally prepared to lead) seems to be compromised, forget it. At one point in his discussions with my father, when he denied having threatened me, Haig said that he hoped "this won't degenerate into a pissing contest." When he was asked to explain the statement, he said that the institution was much larger than any individual, and that if "personalities" were dragged in I only would "suffer."

In some ways, Colonel Haig was right about "Mr. T." My suitability to become an officer was questionable. He told my father I was "way beyond being a hippie," by which he meant I was a dangerous radical. By any conventional political definition of radical, he was wrong. But to the extent that I would use marijuana at West Point and fail to consider the implications of my actions once I became a commander and was charged with enforcing the law, to the extent that I was a hot-headed young punk, he was right. Within the strictures of the system, I was eager to push everything right to the limit, and to Haig, that was dangerous in a radical way.

Eventually I came to take a ratty delight in disrupting the norm, in digging beneath the surface of the Academy—as much in curiosity as in concern—at the organ which made it live. I had a deep-seated distrust of authority which had its roots in my having grown up in a strict Army family, the son of a West Pointer, the grandson of a four-star general. This was complemented by the fact that I saw the mandatory chapel cause as "right" and the establishment's frightened response (particularly Haig's) as "wrong." If that amounts to a rough definition of dissent against the system, then I guess I was a dissident, a questionable candidate for a commission in a position of authority and responsibility within the system against which I rebelled.

What is most interesting here is that Haig, with all the right perceptions about my aptitude, with all the obvious indicators before him, was unable to cope with me and the three other cadets. The moral overtones to our position, and its psychological undertones, instead of pointing the way for Haig, stood as a roadblock he was never able to pass. Once he had locked horns with me, on my terms, there was for him no turning back. We were committed to play out our roles in a mutual drive further and further up against our respective walls.

Two major forces mesh in an instructive way in Haig. The first is the perfect malleability of his personality. He was willing to go to any length to achieve his ends. Finally he was willing to lie to cover up his actions. At West Point, where control over the lives of others is at its most absolute, the most totalitarian imaginable, the need for a code of honor is just as absolute. For in a strange way the code of honor takes the place of the protection a normal citizen enjoys through his civil liberties. Lying is the final insult to the code, the final breakdown in the tenuous system of protections it provided.

The other force was the peculiar anxiety Haig exhibited in fearing what would happen should he fail to stop Truscott at his level. Haig went to every length to conceal from General Rogers, the Commandant, not only his actions, but those we took as well. He also protected himself at every turn, insuring that nothing he did could be substantiated by a second source. Colonel Ross, the regimental commander, met with and threatened all four of us; but not Colonel Haig.

These forces were able to mesh as neatly as they did in Haig because he did not have a center. There was never a core off which his various selves had to bounce. He is the abominable no-man, a man for whom the the only true authority, inner or outer, is the Action, a man who is forever Without.

Haig was used regularly by Nixon for fact-finding trips to Southeast Asia. He made a dozen such trips. Haig has said, "Usually the trip is at a juncture in the situation which requires a personal assessment for the President." It is probable that Nixon's decisions to invade Cambodia and Laos, to resume bombing North Vietnam, to mine Haiphong harbor, to carpet-bomb Hanoi last Christmas, and to continue to bomb Cambodia after the signing of the Paris "peace" accord were all based at least in part on information provided by General Alexander M. Haig. Yet there is the sense that if Nixon had made it clear that there was to be no bombing and peace at any price, Haig would have returned from Vietnam with "facts" which would have supported the "operative" policy, as it is said in the White House. If Haig is in fact the first of the so-called "new, modern generals," as it has been said, then it is safe to assume that the Pentagon will be run in the future by men who are totally utilitarian, totally functional—windvanes which blow in the direction of the prevailing political wind.

The comparison with Haldeman is a necessary one. Has Nixon in fact appointed as his chief of staff the vaunted "Kissinger's Kissinger," or is he getting instead Haldeman's Haldeman? Haldeman can be assumed to have had as a center at least his dedication to Richard M. Nixon. And though Haig is obviously seen as completely loyal to the President, there is in my mind at least some question as to whether Haig can duplicate even that trait of dubious distinction.

But there is a syndrome here, and we have seen it carried to its logical conclusion in the White House complicity in planning and covering up the Watergate bugging, campaign espionage, and sabotage operations. The scandalous mess was a paranoid reaction to a stimulus, however weak, whose major threat was its moral underpinnings. The White House has so far gone to every conceivable length to continue the cover-up. With Haig riding shotgun for Nixon, if past performance is any guide, we can expect more of the same. And I would go further to predict that Haig, if anything, is better at it than Haldeman.

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## DENNIS KASUM—INDIVIDUALIST FIRST CLASS

(Mr. SYMMS asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. SYMMS. Mr. Speaker, in these days of increasing collectivism, and increasing emphasis on the necessity of obtaining a higher education in order to make a successful contribution to the world, it is instructive to study a person who is making a significant contribution, and who has never been to college.

This article taken from the Owyhee Nugget, one of Idaho's outstanding weekly newspapers, is a profile of one of those people who is still appearing in this country, and making great contributions without the benefit of college. Dennis Kasum, a resident of Idaho, articulates better than most, the philosophy that has made this country great.

I have included some personal profile material to give a better picture of the man, but for those who feel that more government is the solution to our Nation's problems, I specially urge an examination of the philosophy set forth at the end of the article.

[From the Owyhee (Idaho) Nugget, Mar. 15, 1973]

### DENNIS M. KASUM—DISTRIBUTOR OF HAPPINESS-PROGRESS-PROSPERITY

(Editor's note.—We publish the following article taken from "The Empire Builders," official publication of "KAS-COM," (Kasum Communications, Inc.), with head offices at Boise, Idaho and branch offices at Cincinnati, Ohio, Fort Mitchell, Kentucky, and Hackensack, New Jersey.

The article is about our friend, Dennis M. Kasum, president of "KAS-COM," his life, and how he built his present multi-million dollar business.

The story of Dennis M. Kasum, is the story of an "Empire Builder." The philosophy of Dennis M. Kasum should help everyone. We hope many of our young people will read this article, be inspired, so they, too, can be "Empire Builders." This is the proof that it can still happen today—with an idea and work!

We have had business dealings with Dennis Kasum for over twenty years—he has worked—and his word has been his bond.)

I was born when they still had horse wagons delivering the milk and picking up the garbage and delivering beer to the beer tavern in Milwaukee. But that was the end of an era. It was 1934. Now in the last third of the century I find myself living with a set of values that came out of pre-depression America. These values still work.

My father came from Southeastern Europe. He spoke English but never read or wrote English very well, and he worked most of his life as a crane operator in the steel foundries. My mother came off the farm in Northern Wisconsin—she was born in 1898—went to the big city of Chicago, an unheard of thing for single ladies at that time, and got her degree in nursing. She was a sort of liberated, very advanced woman for her time, and she sparked our entire family with progressive ways. My father was the arch conservative. They both had pretty simple country people type of values and maybe that explains my own sense of values.

I went to private religious academies in Wisconsin and that is where my education stopped, just short of graduation from high school.

Q. What did you do when you got out of high school or quit?

A. I was a pre-beatnik beatnik. I guess that means I was a beatnik before anybody had a word for it. I did the golden triangle—San Francisco, Mexico City, New York, before Jack Kerouac wrote "On The Road" in which the nation discovered the beatnik variety of expatriates.

I spent some time writing in Taxco. I wore sandals. At that time long hair was not popular, even among the beat variety, which didn't yet know it was a beat generation. I wore a beret. I ran around with a goatee—all the pictures have long since been burned . . .

Then there was the Canada experience—when I went to British Columbia to homestead. We settled a day's walk on snowshoes from our post office. A day's work meant 14 to 15 hours. We were about 400 miles from the nearest neon sign. I've seen it 67 below and 103 above in the same place. That is a range of 170 degrees.

Q. What did you do to make a living? What did you do to eat?

A. I did some trapping; did some writing; I was trying to build the ranch really. There was a lot more going out than coming in. I'd saved some money for the occasion. Finally I needed some more money to finish the place, so I came out and went into commercial fishing and that was the year the salmon disappeared for three years. I wound up very, very broke. That was also the end of the Canadian adventure.

Canada is where I learned that there isn't any good escape. I'd intended to build my own little world and I was going to live in my own little world and the rest of the world could go hang. I thought it could be done. It can't. There are tremendous benefits to civilization. In the wilderness I found myself spending almost every waking hour just trying to survive. I did very little writing or anything else creative. When you spend a couple of weeks sleeping in snowbanks chasing wild horses for a few bucks or when you spend some time on a trap line and you're sleeping out and it is like 30 below or worse, you don't think creative thoughts. Even washday becomes a big project because you spend all day hauling water up by the tub full from the lake. And that is all you do all day. You've only got seven days a week and if you take up one whole day just washing clothes . . . I think people who have a notion about getting off into the wilderness should be warned what it is really like. You are going to spend all of your time just surviving. If that is what you want, fine.

In Canada I found that it was too hard to civilize the wilderness. So I decided that maybe I ought to do this the other way around—maybe I ought to civilize myself and live in civilization. So that is the track I finally took. I worked much better, and I've been on that program ever since. I can't get enthused anymore about either being a revolutionary world-changer or about riding out from the world. Now I just want to carve out my own piece of world and keep sane and happy with my family in what is sometimes a rather insane world. I think it is working—I think this is what I was looking for.

David, have you ever read the book, Dr. Zhivago?

A. No, I haven't.

Well Dave, I think that Zhivago was one of the most moving books for me at the time that it came out. It certainly shaped much of my thinking. At one point in the book where Zhivago has been captured by the Red guerillas who called themselves the Forest Brotherhood he was serving as their unit doctor in the Siberian wilderness. Liberius, the head of the Forest Brotherhood, has Zhivago in his tent and is making him sleep in there day and night so that he can indoctrinate him as much as possible in Communism. So finally Zhivago gets disgusted and says "Look, you people are so great on slogans, but there are some slogans you have forgotten—you can lead a horse to water, but you can't make him drink." He goes on to say "Just talking about this great new world of yours has already cost so many oceans of blood that I doubt if all the good that you can ever do will ever be enough to wipe it out. You expect me to be grateful for liberating me. Sure you have liberated me—from my wife, from my profession, from my practice . . . and everything that I love. Have you ever stopped to think that maybe some people don't want to be liberated?" I think the lesson there is that if you want to liberate yourself, fine, but maybe you just better leave other people alone. Maybe they don't want to be liberated. This is something the revolutionaries don't ever think about. I know that personally. I sometimes get damn tired of people trying to liberate me. I can liberate myself if and when I want to.

Q. Why did you pick advertising, why magazines, why telephone sales, why this company?

A. Well, Dave, I believe that even to a romanticist like me, the most romantic sound in the world is the sound of the dinner bell—because that is where everything starts. Until you have a full stomach nothing else is possible. I learned that sleeping in snow banks. I learned that when I was hungry. You can't create, you can't enjoy anything more than . . . you can have the joy of putting one foot in front of another, you can have the joy of taking a deep breath and getting a natural pine scent from the forest around you, you can have these little joys . . . but the joy of creating, of using your mind to create something or the enjoyment of the creation of another man or the enjoyment of the mind of another man . . . no, you can't enjoy these until you have a full night's sleep, a full stomach and have generally set aside your basic comfort. You can talk to hungry Koreans or hungry Vietnamese to find out just how creative they feel without a full stomach or washed bodies. In the advertising field we work to satisfy the basic needs of people. Years ago when I first went into business my business card simply said "Dennis M. Kasum, Distributor of Happiness, Progress and Prosperity." What people do with this is their own business.

So I think that sometimes you can create more benefits for people to satisfy their basic human hungers, and then, let them take it from there to make something out of it.

Q. Did you ever read "Zorba the Greek?"

A. Yes.

Remember the place where Zorba is talking to the guy who is writing the book—it is written in first person—and he says "Some people make their food into manure, some people turn their food into work and good humor. Still a few others turn their food into God." He goes on to say "I'm not quite yet like the last variety, but I'm certainly not the first." In the advertising business we help to furnish the food that people eat and the products they consume. Whether they turn that food into manure or whether they turn it into some form of great creativity . . . I think that is entirely up to them.

Q. What does it take to advance in KAS-COM, what are you looking for in employees for management material?

A. I look for intelligence and basic energy level. In some fields experience is more important than others but, all other things being equal intelligence and high basic energy level are key factors.

I am afraid that I don't pay too much attention to formal education. A guy I knew in the service got blown off a tank in World War II and lost his arm. Yet, he plays golf in the low 80's. With two good arms I've always had a hard time breaking 100. His explanation was "Well, Kas, I found that one arm and the right attitude will beat two arms and the wrong attitude every time." I feel the same way about education; a basic education and the right attitude will beat a high level education and the wrong attitude every time. However, if you can find a person with a high level education and a good attitude, so much the better.

I'm interested in how much drive a man or woman has, how much do they really want to accomplish, what their personal goals and ambitions are. You've got to find a person's hot button—the thing that turns him on. Then, if you can find a way to tie what we want as a company to what he wants or she wants as an individual, we certainly have a match. I think that people have to be self-motivated. It's almost impossible to motivate other people. You see, it takes years to put a person together to what they are when they walk in our door and say "Here I am KAS–COM or Design and Lithography, I'm ready to go to work for you." At that moment they are whole people and in the next few weeks or the next few months or perhaps even the next few years we are not going to be able to change them substantially. So we are not out to change people—we are out to accept them as they are and to help them use their talents to the fullest for both their benefit and ours. We are still small enough so that you don't have to have too much luck to be noticed in our company. In some of the big corporations you almost have to go on some kind of campaign to get someone to notice you—it's not that bad here. There is such a demand for people at the top that if you have ambition you almost get sucked in by the vacuum. I don't mean to imply that we don't have great people at the top because we do have the very best. It is just that in an expanding company you always need more. Competition for jobs at the lower level is much harder and heavier than it is at jobs at the highest levels. At the lower levels there are more people willing to fill the jobs. At the high levels there are so few people who really want to take on that much responsibility. It takes more than just the knowledge of business to hold a top job in this company—it takes more than just being qualified from the standpoint of what you can do—you have to really want to do things—there has to be something during you from inside. You almost have to be a little out of round, a little wacky to go for high responsibility in any corporation. I don't recall the humorist that said "One of the most difficult problems in life is getting out of a warm bed into a cold room." But most people really don't want to get out of the warm bed into the cold room—you have to have something driving from inside to want to do it.

My advice to anyone who really wants to advance inside KAS–COM is don't ask for permission to perform. When you see something that needs to be done do it. Care. Your supervisor will very quickly be able to spot you because you will be standing head and shoulders above everyone else. And don't forget that he's looking for someone who can help him do his job better. So before very long you'll find him tapping you on the shoulder regularly for special assignments. Sooner or later the guy that handles those special assignments well in addition to his regular work is going to get tapped for advancement.

A third category of question I want to ask you concerns personal things. I've already asked you a couple of them because I thought I was running out of tape. I want to know what you do when you are not down here running this place, what you do in your spare time? What are your interests? I understand that you are a connoisseur of sorts.

We have an awfully good library developing in our home. Somehow we never got around to buying a TV set. Instead we talk to each other and read. All the kids enjoy reading very much. I know that we miss some things on TV but I'm more interested in our kids getting acquainted with some of the other things in life besides being entertained. We have quite a collection of art books and art studies that we enjoy.

Q. What artists do you admire most?

A. May I name several? I think that Vincent Van Gogh is one that I favor heavily over all. I like Monet and the impressionists. I think that Rembrandt's handling of light is utterly fantastic. I like Hopper. Probably the greatest on the contemporary scene that I like but can't afford is Andrew Wyeth. We have one of his prints in the Cincinnati apartment. But as long as Wyeth gets $80,000 and up for his paintings I think I am just going to have to be satisfied with prints. We are frequently contributing to local artists. Even in a difficult year like 1972 we added several paintings by local artists to our company art collection. In Boise we have paintings by Auth and Nicely. We are trying to invest in good art as an investment that can also be enjoyed by all employees. We have a Frank Myers original in the Cincinnati Office and a Weintraub in New Jersey. As we open new offices one of our hopes is to budget a larger and ever larger percentage of the total cost of these offices to original art.

Other areas—music. I don't like music that strikes me more as pure noise. I favor the classic forms of jazz. I think progressive jazz is one of the classic forms and it is nice to see progressive jazz coming back again. I think we are going to see it "in" again sometime in the next 5 to 10 years. I think we'll see Dixieland revived. It has its own sound and one thing we have too little of right now is unique sound. There are too many things sounding too similar.

The "fun" things that I do—I enjoy flying. I have my private, commercial, multi-engine and instrument licenses and ratings but I am still working on my instructor's rating so that I can teach my own boys to fly. Recently I started getting involved in aerobatics. If aerobatics ever dulls I'd like to try air-racing. I like shooting very much, both trap shooting and rifle shooting. I have my own hand loading stuff for all the gauges and calibers that I use.

Q. What is your favorite spectator sport?

A. The only spectator sport—and it's not really a sport—that I am interested in is bullfighting, and then it has to be as a spectator only, although it wasn't always that way. I spent part of my teens in Mexico and La Corrida was one of the things I got involved in. I was on the beach in Mazatlan when a fellow by the name of Gullermo Gonzales took me under his wing and started teaching me to become a matador. He was a breeder of fighting bulls in the State of Aguascalientes. When the Mexican government discovered that I had overstayed my welcome in the country they escorted me to the border. It's probably just as well that my career as a matador ended right there. It was a lot of fun. I got knocked around more than I care to remember but the rest of it was fun. I still follow it. It is not so much a sport as it is an art. It is not intended to be fair to the bull. It is a real life drama done on stage. It is a ballet with death waiting for you if you don't bring it off right. I know that most Americans don't think too much of bullfighting. It is not part of our life style. Perhaps few people who are not Spanish or Portuguese understand it very well. When it is done well it is most enjoyable. When it is not done well it is very, very bad.

Q. What are you doing in writing? Have *you just given it up?*

A. I decided to stop serious writing until I was past 30 and had developed enough of a philosophy that I didn't have to change my mind from one day to the next. This has since happened on both counts. There are finally enough concretes so that I have a philosophy and everyday the things that I do inside that day are done within that philosophy. It is not a philosophy that laughs at me for taking it seriously. Frequently the philosophies that you study in college are nothing more than parlor games. Mine is not one of these. It demands to be taken seriously. A person isn't going to get very far very fast without a pretty firm philosophy to follow. You can't live on the range of the moment and if you try to do it you are quickly dead. You've got to look out there ahead as far as you can possibly see and deal with your entire life as a whole. This requires a philosophy.

Q. What is your philosophy?

A. It can be summarized in one sentence—"I believe there is no legitimate conflict of interest among men." It is to my interest to see that you have everything that you should from me, everything that you've earned from me, and it is to your best interest to see that I have everything that I deserve from you, always. When you look at your life over the long period of time things look a lot different than they do on the stage of the moment. According to the pragmatist it may be all right to steal as long as it works. But if you look at your life beyond the range of the moment you get an entirely different picture. I think that it was Barnum who said "There's a sucker born every minute." And the biggest sucker is the guy who is looking for something for nothing. Anybody who has that kind of larceny in his heart is just waiting to be taken. The guy who is trying to get something that he doesn't have coming is a mark. The biggest safeguard that a person has to keep from getting taken is to keep the game honest.

There are two sides to the coin of honesty. The one side is not to accept, not to demand, not to receive the unearned. The other side is not to grant the unearned or the undeserved. In other words don't help someone fake it because you are doing them a disservice when you do. And you are doing yourself a disservice because when you get involved in helping other people to fake it, pretty soon you start wondering what is real and what is not real and then you may very well start faking it yourself—and that gets rough in a hurry.

I think that civilization has so much to offer because it allows each of us to speciallize. If we are to have civilization it requires the existence of government. We must have criminal and civil law and we must give up our right to the use of retaliatory force and place that right in the hands of the government. A country is merely a philosophy with geographic boundaries. If you have a good philosophy, a good way of life, you want to protect it and you want to prevent other people from taking over your way of life and changing it. So you need a government also to provide not only an internal police force but an external police force or army. Other than these areas I don't think we need government for very many things. I think the last great step forward in civilization came with the separation of church and state. I think the next great step forward will come with the separation of government and economics. You see, we have never had capitalism in the world. At first the so called capitalist, or industrialist, controlled a lot of government and as a consequence the market was not free because the government is the repository of the use of physical force. Any time the government does anything at all it is always with a threat behind it, "Look, if you don't go along with what I say we'll force you to do it." But the market place must remain free.

A business must approach you and say, "Well, we will sell this at so much. Do you want to buy it or not?" And you can say, "Yes," or "No," and that is all you have to say about it. Unless a business has some kind of government backing or pull they cannot use physical force to usurp the right of an individual to make up his own mind about something. In some countries, we have a reversal of roles in which the people, not the industrialist, but the people at large have this kind of power over everybody else. They can enslave anybody that they please just by sheer weight of numbers. As long as you are with the majority, you can make the minorities your slaves, This is not right either. In our country today we have the sort of situation that can only be described as Gang Warfare. It takes a gang to get something through Congress. If you have a big enough gang you can ram it through either as a lobbying gang or as a block vote. But one man in the cause of justice can't go to Congress and say, "We should do this." Congress says, "What is your name, fella; who do you represent; how many votes? How much of an industrial lobby to support me with campaign funds next time I run for re-election? What? Just yourself? Well, I'm sorry. We can't do anything for you." And this is pretty much the way it works. As you get more involved in some of these things as we have in the last couple of years we've discovered how frequently justice has nothing to do with it. I think that the only answer is a totally unregulated economy.

I'm not going to get Jefferson's quote right but it is something like this and it is engraved around the rotunda of the Jefferson Memorial in Washington, D.C., "I swear an eternal hatred to all that enslaves the mind of man." Jefferson is probably the philosophical father of our country. And his ideas, his pholosophies, are things we are still working on, still striving to reach. I think we will reach this kind of greatness if we keep trying. I think that we will develop new philosophies and that we will bring forth new great men who will help our country in the difficult periods that lie ahead. There are all kinds of revolutions. Some of them are bloody and some of them are without blood. The ones without blood may take a little longer but they will not cost quite so much.

Q. Do you think there is a need in the country now or in the future relating to this company for philosophies like Mark Twain's?

A. I think his philosophy might have laughed at him. He takes a rather dim view of man's self-importance. There are a lot of pompous people walking around thinking that they are the most important thing in this world. Twain took a rather dim view of that and tried to put man in perspective to the world, to nature, to God. I take people seriously and I like people who take themselves seriously.

I've been amused by many of the works of Mark Twain and I think that he is one of the first real American writers. Before Mark Twain we just had people copying European literary styles. But I don't agree with his philosophy in that area. Let me explain.

When I was a kid growing up I was told that there were only two philosophies a man could have. Either you had to be a Friedrich Nietzsche type of superman and trample all over other people or you had to subscribe to the alternate altruistic philosophy of casting your bread upon the waters. I couldn't seem to get enthusiastic about either philosophy. I'd go beachcombing before I'd try to get ahead by trampling over other people. On the other hand I have no intention of working my backside off casting my bread upon the waters, then skulking up and down like a charity bastard waiting in line for something to come back to me. It wasn't until just about my 31st birthday that I discovered the concept of rational self-interest as opposed to selfishness.

The concept of rational self-interest made it clear to me that I should be interested in myself because one of the things I wanted to do most was to survive—I wanted to live—to be alive and to stay alive as long as I possibly could. Without consciousness—if you don't value consciousness—what other values are possible? That is one of the axioms or concretes of my personal philosophy. So consciousness, life itself is a primary value. Another primary value is happiness. I believe that happiness is the mental equivalent of physical good health. That glow of mental and emotional well-being, that feeling of happiness, tells you that all is right just as a physical glow of good health tells you that your body is operating properly and is in good condition. I think that happiness has got to be a primary value because if a person's life is miserable—if he is unhappy through life and therefore emotionally sick and things are wrong—then to what purpose or of what use can his life be?

Why would a man wish to be conscious for 105 years if every moment of that consciousness was misery and unhappiness? So I think that the three things that all men strive for regardless of their race, creed, or color are life, happiness, and physical health. All other values are derivatives of these. This being the case I think that people had better take their lives seriously.

In the ancient Egyptian culture you notice that all the statuary is virtually two dimensional. Man is never shown in motion. He always looks like his joints are rigid. Then, if you hunt through ruins on Crete, as Bonnie and I both have, you find in the Mycenaean civilization that the statuary of man begins to take the third dimension. Finally in the Greek classic period you find man portrayed as a God.

I believe that in this life, without reference to any other, man can attain all he will ever know of God. There may be other lives. I don't know. But I do know that I have this life and I intend to enjoy every last minute of it.—The Empire Builders, Copyright 1973, published by permission of Kasum Communications, Inc.

## AGNEW SPEAKS OUT

(Mr. DEVINE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DEVINE. Mr. Speaker, Evans and Novak, in their syndicated column published last Sunday in the Washington Post, reported on the alleged dissatisfaction of conservative Republican Congressmen with Vice President SPIRO T. AGNEW's recent public remarks on Watergate. Actually, the Vice President has repeatedly cited the significant achievements of the Nixon administration in both domestic and foreign affairs and has cautioned the public—and Republicans in particular—against allowing the furor surrounding Watergate to obscure the merits of the Republican position on other great issues facing the country today.

The Evans and Novak column made specific reference to a speech the Vice President delivered before a luncheon meeting of the "Bull Elephants" Republican congressional staff organization at the Capitol Hill Club on May 21, 1973.

While I was not present at that meeting, I have examined the full text of the Vice President's statement, which was released to the press. Not only do I personally find the tone of the remarks appropriate and altogether unobjectionable, I also feel the Vice President's observations on the durability of Republican principles, temporary crises notwithstanding, were valid ones with which every thoughtful person will agree.

For the benefit of those of my colleagues who may not yet have had the chance to hear or read this very valuable statement in its entirety, I would like to include at this point in the RECORD the full text of the Vice President's "Bull Elephants" address:

### ADDRESS BY THE VICE PRESIDENT OF THE UNITED STATES, BULL ELEPHANTS LUNCHEON, WASHINGTON, D.C., MAY 21, 1973.

This is not the easiest time to be a high-profile Republican in Washington.

But it may well be the best time for Republican partisans to give evidence, in every appropriate way, of our Party pride and loyalty.

There are times when people momentarily lose a sight of what would otherwise be obvious, and when to remind them of the obvious is not to belabor it. This is such a time.

No matter when or how each of us in this room came to join the Republican Party, I am sure that each of us did so because we sensed that the Party's historic ideals, and its approaches to solving the major problems of the day, offered the best hope of accomplishing, quite simply, the greatest good for the greatest number.

The Republican Party's record of service to the States, the Nation, and the Nation's communities is a legitimate source of pride to us all. The philosophical underpinnings of that record are not so shallow or wispy that the sensation of the moment warrants a retreat from the battle to implement our philosophy through positive and progressive programs for the achievement of our major national goals.

I am as proud of my Republican identification today as I was last year, or four years ago, or twenty years ago. And I know all of you share this sense of pride.

You who work on the Hill have every reason to be proud of the contribution which you have made, year in and year out, this year as in prior years, to the shaping of the Nation's laws.

The Republican contingent in Congress has worked determinedly and constructively to protect the public interest by promoting legislation that is needed, opposing legislation that is not. And, with the help of like-thinking friends on the other side of the aisle, you have achieved a degree of success in this regard that often leaves one wondering who is in the majority and who is in the minority.

The American people have been well served by the Republican Members of Congress and by their supporting minority staff members. You merit and will continue to receive the support and appreciation of those of our citizens who demand efficient and fiscally responsible Government, a strong national defense and a deep commitment to reversing the continued flow of power to Washington.

It is understandable that those of us who are subjected to the incessant drumbeat of publicity given to Watergate tend to feel coerced by the seeming weight of it all and to grope anew each day for ever stronger words of condemnation and dissociation from the alleged and insinuated wrongdoing, lest we be thought to protest too little.

But I believe it is important that we not be stampeded into protesting entirely too much. Republicans must not allow the content of their speeches, statements and even private conversations to be controlled by those who are literally obsessed with one subject, some of whom do now and always did wish our Party nothing but ill.

Some people in this town, in and out of Government, never wanted Richard Nixon to become President. They will never be satisfied with him and this would be true whether or not Watergate had ever happened. Some people do not subscribe to either the President's or the Republican Party's goals in such areas as revitalization of the Federal system through the return of resources, responsibilities and initiative to our States and localities, or the maintenance of a strong national defense and a strong bargaining position vis-a-vis those other nations with whom we must from time to time negotiate on matters affecting our vital national interests.

Presidential accomplishment under Richard Nixon has been formidable; Presidential initiative under Richard Nixon has been unprecedented. Richard Nixon has advanced the United States by discarding the conventional utopian rhetoric for solid, pragmatic action. As a result, other nations, allies and adversaries, know where we stand and respect our positions.

It is time Republicans resume talking about the underlying merits of the issues before the Congress. We have the programs. We have the policies. And we are prepared to offer real and imaginative solutions to the real—as opposed to the manufactured—problems of our times. It is time, gentlemen, that we went back to work.

## THE JOHN W. McCORMACK AWARD OF EXCELLENCE

(Mr. ALBERT (at the request of Mr. STUDDS) was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ALBERT. Mr. Speaker, on Wednesday, May 23, 1973, the John W. McCormack Award of Excellence was presented to the outstanding employee of the House for 1972 in an impressive ceremony attended by Speaker McCormack. The recipient of the 1972 award was Robert M. Menaugh, the House's first and only superintendent of the Radio-Television Gallery. I have known Bob for 27 years, and I can personally attest to the excellent work he has done and the high standards he has set for the Radio-TV Gallery. His spirit of dedication and cooperation is unsurpassed. Bob has the difficult job of serving two masters: Members of the House and representatives of the broadcast news media. However, Bob has earned the deep respect and friendship of both.

We in the House have depended on Bob Menaugh for so much for so long that his name is synonymous with the Radio-TV Gallery which he helped establish in 1939. I am sure all Members of the House join with me in congratulating Bob Menaugh for his outstanding service to the House of Representatives.

At this point I would like to include a transcript of the John W. McCormack Award ceremony honoring Bob Menaugh and a news item broadcast by correspondent Joseph McCaffrey.

### John W. McCormack Award of Excellence Presentation—Kenneth Harding, Sergeant at Arms, Presiding May 23, 1973

Mr. Harding. Mr. Speaker McCormack, Mr. Speaker Albert, Majority Leader O'Neill, our good chaplain, ladies and gentlemen. On behalf of the selection Committee, it is once again my honor to welcome all of you to this happy ceremony. First of all, Speaker McCormack, it is so nice to have you with us again. All of us share a very special feeling of warmth and love for you. Thank you for coming home, sir.

Each year the committee takes on the task of finding that one person—that one person out of over 10,000 employees who best represents the high standards that have been established for the person chosen as the recipient of the John W. McCormack Award for Excellence. It is truly an awsome responsibility to make that determination—but still an assignment that each member of the committee considers a great privilege to be a part of. Today, we are fortunate to have with us two previous recipients of this honor—and I am sure we can all agree that they were and are true winners in every sense of the word—Lew Deschler for 1970. Turner Robertson for 1971.

Mr. Speaker, the Committee has scored again for 1972. The man chosen is a product of the great State of Indiana and has served the House of Representatives for over 40 years—his contributions have been many and his devotion to the Country and the Congress have been outstanding. Others this morning will tell of his accomplishments. When you hear the remarks, I'm sure you will all agree that the right choice has once again been made. Now, Speaker McCormack, will you kindly present the plaque to the winner of 1972, the Honorable Robert McFadden Menaugh.

Speaker McCormack. Bob, I'm very happy to be with you on this occasion—meet my old colleagues and friends. I'm particularly pleased to execute this part of this sweet and warm gathering and event.

To begin with, I am deeply touched by the action of the employees of establishing this annual award of excellence in my honor—I'm glad while I am alive. I'm particularly pleased to present this to you and for you to be included with the other two alumni—the recipients of the award—and you richly deserve it. Your relationship with myself has been very close, very close. And also with Speaker Albert. And you've done a grand job up there. You certainly got a lot of space out of me that very few could have got. I congratulate you on that. For that alone you are entitled to this award.

Mr. Harding. Before Bob responds, Speaker Albert, would you like to say a few words, please?

Speaker Albert. Mr. Speaker, Bob and friends. I want to join Speaker McCormack in congratulating Bob Menaugh in being the third on what is going to be one of the most illustrious lists you can put together in the Capitol either with Members or employees or officers of the House. You have earned this distinction and you certainly join two very illustrious predecessors. I'm happy that this award is made in the name of John McCormack because I believe John did as much if not more for the employees of the House as any Speaker in the history of the House. He was always mindful of their welfare . . . time and again almost unnoticed by other people. I have heard him say to Chairmen of Committees who were handling bills—Don't our own people get a part of this . . .?" Are we taking care of our own, too? and John, that shows the attachment which you had for the employees of the House and I know the considerations which you had for them is reflected in the love which they all had for you.

I'm glad the award is going to Bob Menaugh. I don't know how John found any extra room; that's the biggest problem I have. If you think that impoundment and the Vietnam War are problems, you ought to try and get rooms for the Members that want them here. It's the most difficult I think I ever undertook. But, I'm glad it went to Robert Menaugh, for here we have a great institution—the Radio and TV Gallery. The Radio and TV Gallery is Robert Menaugh. He set it up, he is the only person that was born with it and is still here, actively participating in it.

And he has run it through all the years. I have never had a complaint, not one from one single representative of that great branch or those two great branches of the media about his work. I have only compliments about the work of Bob Menaugh. In doing that, he certainly rendered great service to the House, to his fellow employees and to the Members. Bob, I thank you and I congratulate you.

Mr. Harding. Now I'm going to ask Ray Madden to speak on behalf of the entire Indiana delegation.

Mr. Madden. Thank you, Ken. Mr. Speaker, both former and present. I shouldn't say both ancient and modern. On behalf of the great State of Indiana, and I am now going to make a special inclusion there and put the Republicans in with the Democrats in Indiana, in congratulating Bob here because his name is well known back in the State of Indiana . . . as one of the great news men of that state and we've had some great ones over the years.

I remember when during my 31 years here now, John, Mr. Speaker, I got acquainted with Bob. He was a big help to me when I came here and ever since. I see a number of the newsboys here . . . and they are an invaluable help to all Members of Congress, whether they are new Members or old Members. If it weren't for the newspaper profession, I think most of the Congressmen who come down here—if they had to depend on their own lot—they wouldn't last very long. With the help of a few friendly news people they can get the word back home to the people that their representatives down here are accomplishing something, whether you are misrepresented or not I don't know. But never the less, it helps at home.

Bob, I know everyone in Indiana is proud of you in receiving this great award from the former Speaker. There have been so many great things said about our former Speaker. We're all glad to see him back here, and I think he'll go down in history as probably one of the most outstanding Speakers in our history. John McCormack, now, I'm going to limit that because Carl has still got a long time to go. He may pass you before my words are outlawed as to your standing. But, we certainly are happy to see our former Speaker and I want to congratulate him for originating this great prize which I know the news media people greatly appreciate, as well as the Members of Congress and the people of Indiana. Congratulations Bob.

Mr. Harding. And now we'll have a few words from Bob Menaugh. Bob.

Mr. Menaugh. Mr. Speaker, I want to thank the nominating committee that bestowed this plaque. I'm supposed to know all the things that are going on around here, but I didn't know that this committee was considering my selection.

There is a tradition around here that short speeches are always the best, so I will quit while I am ahead and revise and extend my remarks. Thank you all.

Mr. Harding. We do have Mrs. Menaugh with us today. We are very proud of your husband.

Mrs. Menaugh. Thank you.

### Outstanding House Employee Honored

(By Joseph McCaffrey)

Later this morning, to be exact at 10:30, a fine public servant will be paid tribute, and a deserved tribute it is.

These are the days when men and women who work in government are under suspicion, there is a distrust of our government. The stars and stripes feeling we used to have, for example, during World War II—if you are that old—has long faded into an echo.

But today, at a small ceremony, attended by a small number of people, one of the finest men I have ever known with the government will be given the honor as the outstanding employee of the House of Representatives for 1972.

His name is Robert Menaugh, and he is known to radio and television men and women from Maine to Hawaii, from Miami to Anchorage.

Today, Bob Menaugh will receive the John W. McCormack Award, and it will be presented by the former Speaker himself, in person.

Bob Menaugh has been a Capitol employee 40 years. He was the man who established the Radio Gallery in the infancy of this business, and he is still the man in charge.

Bob Menaugh, the man from Indiana, is one of the finest men I have had the honor to know . . . and for forty years he has proved that there are outstanding people serving in government. He is one of them. Today is his day.

## LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Spence (at the request of Mr. Gerald R. Ford), for the week of May 29, on account of official business.

Mr. Bray (at the request of Mr. Gerald R. Ford), for May 29 through June 4, on account of official business.

Mr. Dickinson (at the request of Mr. Gerald R. Ford) for the week of May 29, on account of official business.

## SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Mills of Arkansas, for 1 hour, today; and to revise and extend his remarks and include extraneous matter.

(The following Members (at the request of Mr. Huber) and to revise and extend their remarks and include extraneous matter:)

Mr. Landgrebe, for 1 hour, on May 31.

Mr. Kemp, for 15 minutes, today.

Mr. Sebelius, for 5 minutes, today.

(The following Members (at the request of Mr. Studds) and to revise and extend their remarks and include extraneous matter:)

Mr. Fraser, for 5 minutes, today.

Ms. Abzug, for 10 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Reuss, for 5 minutes, today.

## EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mrs. Griffiths and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the Record and is estimated by the Public Printer to cost $312.50.

Mr. Hechler of West Virginia and to include extraneous matter notwithstanding the fact that it exceeds two pages of the Congressional Record and is estimated by the Public Printer to cost $467.50.

Mr. Symms and to include extraneous matter notwithstanding the fact it exceeds two pages of the Congressional Record and is estimated by the Public Printer to cost $425.

Mr. Gaydos and to include extraneous matter notwithstanding the fact it exceeds two pages of the Congressional Record and is estimated by the Public Printer to cost $807.50.

Mr. Zablocki in two instances and to include extraneous matter.

(The following Members (at the request of Mr. Huber) and to include extraneous matter:)

Mr. Lent in three instances.
Mr. Erlenborn.
Mr. Findley.
Mr. Quie.
Mr. Bell in two instances.
Mr. Price of Texas.
Mr. Hosmer in three instances.
Mr. Zwach.
Mr. Brotzman.
Mr. Shriver.
Mr. Baker.
Mr. McClory in two instances.
Mr. Kemp.
Mr. Ashbrook in three instances.
Mr. Hinshaw.
Mr. Wyman in two instances.

(The following Members (at the request of Mr. Studds) and to include extraneous matter:)

Mr. Wolff in two instance.
Mr. Roybal in two instances.
Mrs. Burke of California in 10 instances.
Mr. Pickle in 10 instances.
Mr. Rangel in 11 instances.
Mr. Bennett in two instances.
Mr. Yates.
Mr. Charles H. Wilson of California.
Mr. Stark in 10 instances.
Mr. Dellums in 10 instances.
Mr. Addabbo in two instances.
Mr. Burke of Massachusetts.
Mr. Hungate.
Mr. Gonzalez in three instances.
Mr. Rarick in three instances.
Mr. Downing.
Mr. Hébert in two instances.
Mr. Rodino.
Mr. Reuss.
Mr. St Germain.
Mr. Casey of Texas.
Mr. Karth in two instances.

(The following Members (at the request of Mr. Mills of Arkansas) and to include extraneous matter:)

Mr. Koch.
Mr. Anderson of California in four instances.
Mr. Edwards of California.

## ADJOURNMENT

Mr. THORNTON. Mr. Speaker, I move the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 3 minutes p.m.) the House adjourned until tomorrow, Thursday, May 31, 1973, at 12 o'clock noon.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

972. A letter from the Assistant Secretary of Defense (Manpower and Reserve Affairs), transmitting a report on statutory limitations on the numbers of officers serving in the various commissioned grades of the Armed Forces, pursuant to section 2 of Public Law 92-561; to the Committee on Armed Services.

973. A letter from the Secretary of Commerce, transmitting a special report on export control, pursuant to section 4(b)(4) of the Export Administration Act of 1969, as amended by Public Law 92-412; to the Committee on Banking and Currency.

974. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting the texts of International Labor Organization Convention No. 128 and ILO Recommendation No. 131 concerning Invalidity, Old-Age and Survivors' Benefits, pursuant to article 19 of the Constitution of the ILO (H. Doc. No. 93-107); to the Committee on Foreign Affairs and ordered to be printed.

975. A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a draft of proposed legislation to amend Reorganization Plan No. 2 of 1973; to the Committee on Government Operations.

976. A letter from the Librarian of Congress, transmitting the Annual Report of the Library of Congress, including the Copyright Office, for fiscal year 1972, and the Annual Report of the Library of Congress Trust Fund Board, pursuant to 2 U.S.C. 139 and 163, respectively; to the Committee on House Administration.

977. A letter from the Chairman, Federal Power Commission, transmitting a copy of the publication entitled "Statistics of Publicly Owned Electric Utilities in the United States, 1971"; to the Committee on Interstate and Foreign Commerce.

978. A letter from the Vice Chairman, U.S. Commission on Civil Rights, transmitting a report on the problems of Southwest Indians, as part of a nationwide study of civil rights problems of American Indians, pursuant to Public Law 85-315; to the Committee on the Judiciary.

979. A letter from the National Executive Secretary of the Navy Club of the United States of America, transmitting a report on the proceedings of the national convention of the club during September 1972, together with a report of the examination of the financial status, pursuant to 36 U.S.C. 1103; to the Committee on the Judiciary.

### Received From the Comptroller General

980. A letter from the Comptroller General of the United States, transmitting a list of the reports issued or released by the General Accounting Office during April 1973, pursuant to 31 U.S.C. 1174; to the Committee on Government Operations.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of the rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HENDERSON: Committee on Post Office and Civil Service. H.R. 5094. A bill to amend title 5, United States Code, to provide for the reclassification of positions of deputy U.S. marshal, and for other purposes; with amendment (Rept. No. 93-235). Referred to the Committee of the Whole House on the State of the Union.

Mr. LONG of Louisiana: Committee on Rules. House Resolution 415. Resolution providing for the consideration of H.R. 6458. A bill to amend the Public Health Service Act to authorize assistance for planning, development and initial operation, research, and training projects for systems for the effective provision of health care services under emergency conditions; (Rept. No. 93-236). Referred to the House Calendar.

Mr. MURPHY of Illinois: Committee on Rules. House Resolution 416. Resolution providing for the consideration of H.R. 7357. A bill to amend section 5(1)(1) of the Railroad Retirement Act of 1937 to simplify administration of the act; and to amend section 226(e) of the Social Security Act to extend kidney disease medicare coverage to railroad employees, their spouses, and their dependent children; and for other purposes; (Rept. No. 93-237). Referred to the House Calendar.

Mr. MURPHY of Illinois: Committee on Rules. House Resolution 417. Resolution providing for the consideration of H.R. 7724. A bill to amend the Public Health Service Act to establish a national program of biomedical research fellowships, traineeships, and training to assure the continued excellence of biomedical research in the United States, and for other purposes; (Rept. No. 93-238). Referred to the House Calendar.

Mr. MURPHY of Illinois: Committee on Rules. House Resolution 418. Resolution providing for the consideration of H.R. 7806. A bill to extend through fiscal year 1974 certain expiring appropriations authorizations in the Public Health Service Act, the Community Mental Health Centers Act, and the Developmental Disabilities Services and Facilities Construction Act, and for other purposes; (Rept. No. 93-239). Referred to the House Calendar.

Mr. BOLLING: Committee on Rules. House Resolution 419. Resolution providing for the consideration of H.R. 7935. A bill to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rates under that act, to expand the coverage of that act, and for other purposes; (Rept. No. 93-240). Referred to the House Calendar.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MILLS of Arkansas:

H.R. 8213. A bill to amend the Social Security Act to extend for 1 year authorities for special project grants for maternal and child health, for social work training programs, and for temporary assistance to U.S. citizens returned from foreign countries; to the Committee on Ways and Means.

H.R. 8214. A bill to amend sections 112, 692, 6013, and 7508 of the Internal Revenue Code of 1954 for the relief of certain members of the Armed Forces of the United States returning from the Vietnam conflict combat zone, and for other purposes; to the Committee on Ways and Means.

H.R. 8215. A bill to provide for the suspension of duty on certain copying shoe lathes until the close of June 30, 1976; to the Committee on Ways and Means.

H.R. 8216. A bill to amend the Internal Revenue Code of 1954 to permit the authorization of means other than stamps on containers of distilled spirits as evidence of tax payment; to the Committee on Ways and Means.

H.R. 8217. A bill to exempt from duty certain equipment and repairs for vessels operated by or for any agency of the United States where the entries were made in connection with vessels arriving before January 5, 1971; to the Committee on Ways and Means.

H.R. 8218. A bill to amend the Internal Revenue Code of 1954 to permit charges for certain services; to the Committee on Ways and Means.

H.R. 8219. A bill to amend the International Organizations Immunities Act to authorize the President to extend certain privileges and immunities to the Organization of African Unity; to the Committee on Ways and Means.

By Mr. STAGGERS:

H.R. 8220 A bill to provide for the continued operation of the Public Health Service hospitals; to the Committee on Interstate and Foreign Commerce.

By Mr. ABDNOR:

H.R. 8221. A bill to amend the Flood Control Act of June 28, 1938, as amended and supplemented to provide for emergency bank stabilization works in that reach of the Missouri River between Fort Randall and Sioux City, Iowa; to the Committee on Public Works.

By Mr. ANDERSON of California:

H.R. 8222. A bill relating to the reduction of civilian personnel at military installations in the United States and the closing of military installations in the United States; to the Committee on Armed Services.

H.R. 8223. A bill relating to the authority of the Administrator of Veterans' Affairs to readjust the schedule of ratings for the disabilities of veterans; to the construction, alteration, and acquisition of hospitals and domiciliary facilities; to the closing of hospital and domiciliary facilities and regional offices; and to the transfer of real property under the jurisdiction or control of the Administrator of Veterans' Affairs; to the Committee on Veterans' Affairs.

By Mr. BAKER:

H.R. 8224. A bill to amend the National Labor Relations Act to make certain limitations on penalties levied by a labor organization upon its members, and for other purposes; to the Committee on Education and Labor.

By Mr. BENNETT:

H.R. 8225. A bill to amend chapter 313 of title 18 of the United States Code to improve the system dealing with mental defectives charged with offenses against the United States; to the Committee on the Judiciary.

By Mr. BROTZMAN:

H.R. 8226. A bill to strengthen and improve the private retirement system by establishing minimum standards for participation in and for vesting of benefits under pension and profit-sharing retirement plans, by allowing deductions to individuals for their contributions to retirement plans, by increasing contribution limitations for self-employed individuals and shareholder-employees of electing small business corporations, by imposing an excise tax on prohibited transactions, and for other purposes; to the Committee on Ways and Means.

By Mr. CLANCY:

H.R. 8227. A bill to amend the Communications Act of 1934 to establish orderly procedures for the consideration of applications for renewal of broadcast licenses, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 8228. A bill to extend to all unmarried individuals the full tax benefits of income splitting now enjoyed by married individuals filing joint returns; to the Committee on Ways and Means.

By Mr. DENHOLM:

H.R. 8229. A bill to declare that certain federally owned land is held by the United States in trust for the Sisseton-Wahpeton Sioux Tribe of the Lake Traverse Indian Reservation in North and South Dakota; to the Committee on Interior and Insular Affairs.

H.R. 8230. A bill to authorize the Sisseton and Wahpeton Sioux Tribe of the Lake Traverse Reservation to consolidate its landholding in North Dakota and South Dakota, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. DOWNING:

H.R. 8231. A bill to amend title II of the Social Security Act to eliminate the requirement that the 20 quarters of coverage which a fully insured individual generally needs in order to qualify for disability insurance benefits and the disability freeze must have been earned during a specified 40-quarter period; to the Committee on Ways and Means.

By Mr. DOWNING (for himself and Mr. GINN):

H.R. 8232. A bill to direct the Secretary of Health, Education, and Welfare to continue to operate and maintain the hospitals and other health care delivery facilities of the Public Health Service to assure that persons entitled to care and treatment at such facilities will continue to receive care and treatment there; to the Committee on Interstate and Foreign Commerce.

By Mr. FRASER:

H.R. 8233. A bill to revise the Welfare and Pension Plans Disclosure Act; to the Committee on Education and Labor.

H.R. 8234. A bill to revise the Welfare and Pension Plan Disclosure Act; to the Committee on Education and Labor.

By Mr. FRASER (for himself, Mr. DIGGS, Mr. CORMAN, Mr. ADDABBO, Mr. YATES, Mr. MOAKLEY, and Mr. REUSS):

H.R. 8235. A bill to amend the United Nations Participation Act of 1945 to halt the importation of Rhodesian chrome and to restore the United States to its position as a law-abiding member of the international community; to the Committee on Foreign Affairs.

By Mr. FREY:

H.R. 8236. A bill to amend title IV of the National Housing Act, to prohibit a mutual savings and loan association from converting into a stock savings and loan institution; to the Committee on Banking and Currency.

By Mr. FREY (for himself and Mr. HARVEY):

H.R. 8237. A bill to require the Secretary of Transportation to take into consideration the public interest in the freedom of movement of surface land transportation when prescribing rules and regulations to govern the opening of drawbridges across the navigable rivers and other waters of the United States; to authorize the Secretary of Transportation to assess a civil penalty for any violation of such regulations; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. FREY (for himself and Mr. LEHMAN):

H.R. 8238. A bill to require the Secretary of Transportation to take into consideration the public interest in the freedom of movement of surface land transportation when prescribing rules and regulations to govern the opening of drawbridges across the navigable rivers and other waters of the United States; to authorize the Secretary of Transportation to assess a civil penalty for any violation of such regulations; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HARRINGTON (for himself, Mr. BURTON, Mr. DONOHUE, and Mr. DRINAN):

H.R. 8239. A bill to establish a New England Regional Commission, and for related purposes; to the Committee on Public Works.

By Mrs. HECKLER of Massachusetts:

H.R. 8240. A bill to amend title 39 and title 18, United States Code, to provide for licensing and protection of distinctive designs, legends, and insignia of the U.S. Postal Service; to the Committee on Post Office and Civil Service.

By Mr. HILLIS:

H.R. 8241. A bill to establish a program of nutrition education for children as a part of the national school lunch and child nutrition programs and to amend the National School Lunch and Child Nutrition Acts for purposes related to strengthening the existing child nutrition programs; to the Committee on Education and Labor.

H.R. 8242. A bill to provide that respect for an individual's right not to participate in abortions contrary to that individual's conscience be a requirement for hospital eligibility for Federal financial assistance and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 8243. A bill to provide for improved labor-management relations in the Federal service, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 8244. A bill to amend the tariff and trade laws of the United States, and for other purposes; to the Committee on Ways and Means.

By Mr. HOLIFIELD (for himself, Mr. HORTON, and Mr. FUQUA):

H.R. 8245. A bill to amend Reorganization Plan No. 2 of 1973; to the Committee on Government Operations.

By Mr. KOCH:

H.R. 8246. A bill to prohibit discrimination on account of sex or marital status against individuals seeking credit; to the Committee on Banking and Currency.

By Mr. LUJAN:

H.R. 8247. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit for employers who employ members of the hard-core unemployed; to the Committee on Ways and Means.

By Mr. MATHIS of Georgia:

H.R. 8248. A bill to extend through fiscal year 1974 the expiring appropriations authorizations in the Public Health Service Act, the Community Mental Health Centers Act, and the Developmental Disabilities Services and Facilities Construction Act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MILLS of Arkansas:

H.R. 8249. A bill relating to the duties of the Joint Committee on Internal Revenue Taxation; to the Committee on Ways and Means.

By Mr. REES (for himself and Mr. DIGGS):

H.R. 8250. A bill to authorize certain programs and activities of the Government of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. RINALDO:

H.R. 8251. A bill to amend the Immigration and Nationality Act to transfer to the Secretary of State the powers, duties, and functions of consular officers relating to the granting or refusal of visas; to the Committee on the Judiciary.

By Mr. RODINO:

H.R. 8252. A bill to amend the Federal Meat Inspection Act to prohibit the sale for human consumption of meat from horses, mules, and other equines; to the Committee on Agriculture.

By Mr. ROE:

H.R. 8253. A bill to encourage the movement in interstate and foreign commerce of recycled and recyclable materials; to reduce the quantities of solid waste materials in commerce which cannot be recycled or do not contain available recycled materials; and to protect our domestic resources against shortages or inflationary pressures caused by export of recycled or recyclable materials; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SEBELIUS:

H. R. 8254. A bill to amend section 8 (b) of the Soil Conservation and Domestic Allotment Act, as amended, to reinstitute certain permanent soil- and water-conserving practices under such act; to the Committee on Agriculture.

By Mr. STAGGERS (for himself and Mr. Devine):

H.R. 8255. A bill to amend the Federal Trade Commission Act, as amended, to deal with unfair competition in imports and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 8256. A bill to amend the Investment Company Act of 1940 to provide for the registration and regulation of domestic investment companies organized for the sale of their securities to foreigners; to the Committee on Interstate and Foreign Commerce.

H.R. 8257. A bill to amend section 14 of the Natural Gas Act; to the Committee on Interstate and Foreign Commerce.

By Mr. ZABLOCKI (for himself, Mr. Fraser, Mr. Frelinghuysen, Mr. Fascell, Mr. Findley, Mr. Diggs, Mr. Nix, Mr. Rosenthal, Mr. Hamilton, Mr. Bingham, Mr. Whalen, Mr. Biester, Mr. Winn, Mr. Reid, Mr. Yatron, Mr. Harrington, Mr. Ryan, Mr. Riegle, Mr. Charles Wilson of Texas, Mr. Wolff, Mr. Vander Jagt, Mr. Gilman, and Mr. Buchanan):

H.R. 8258. A bill to amend the Foreign Assistance Act of 1961, and for other purposes; to the Committee on Foreign Affairs.

By Mr. QUILLEN:

H.R. 8259. A bill to establish a U.S. Fire Administration and a National Fire Academy in the Department of Housing and Urban Development, to assist State and local governments in reducing the incidence of death, personal injury, and property damage from fire, to increase the effectiveness and coordination of fire prevention and control agencies at all levels of government, and for other purposes; to the Committee on Science and Astronautics.

By Mr. SHOUP:

H.R. 8260. A bill to amend the Social Security Act to provide for medical, hospital, and dental care through a system of voluntary health insurance including protection against the catastrophic expenses of illness, financed in whole for low-income groups through issuance of certificates, and in part for all other persons through allowance of tax credits; and to provide effective utilization of available, financial resources, health manpower, and facilities; to the Committee on Ways and Means.

By Mr. ADDABBO (for himself, Mr. Bell, Mr. Brasco, Mr. Brown of California, Mr. Corman, Mr. Delaney, Mr. Danielson, Mr. Edwards of California, Mr. Gibbons, Mr. Helstoski, Mr. Koch, Mr. Leggett, Mr. Podell, Mr. Rooney of Pennsylvania and Mr. Moakley):

H.J. Res. 582. Joint resolution creating a Joint Committee on Classified Information; to the Committee on Rules.

By Mr. ARCHER:

H.J. Res. 583. Joint resolution proposing an amendment to the Constitution of the United States to provide for mandatory retirement of the Federal judiciary; to the Committee on the Judiciary.

By Mr. ASHBROOK:

H.J. Res. 584. Joint resolution proposing an amendment to the Constitution of the United States relative to force and effect of treaties; to the Committee on the Judiciary.

By Mr. BINGHAM (for himself, Mr. Waldie, Ms. Schroeder, and Mr. Stokes):

H.J. Res. 585. Joint resolution to end the war in Indochina; to the Committee on Foreign Affairs.

By Mr. DON H. CLAUSEN:

H.J. Res. 586. Joint resolution to amend title 5 of the United States Code to provide for the designation of the 11th day of November of each year as Veterans Day and the 30th day of May of each year as Memorial Day; to the Committee on the Judiciary.

By Mr. DERWINSKI (for himself, Mr. Brasco, Mr. Brown of California, Mr. Buchanan, Mr. Cleveland, Mr. Crane, Mr. Dennis, Mr. Huber, Mr. Kemp, Mr. Ketchum, Mr. Landgrebe, Mr. Walsh, and Mr. Charles H. Wilson of California):

H.J. Res. 587. Joint resolution commending the New York Times for its defense of freedom of the press against the threats of the People's Republic of China; to the Committee on Foreign Affairs.

By Mr. FRASER:

H.J. Res. 588. Joint resolution proposing an amendment to the Constitution of the United States to alter the process of election of U.S. Senators, Members of the House of Representatives, and the President of the United States; to the Committee on the Judiciary.

By Mr. MACDONALD (for himself, Ms. Abzug, Mr. Brown of California, Mr. Burton, Mr. Collins, Mr. Harrington, Mr. Leggett, Mr. Matsunaga, Mr. Podell, and Mr. Won Pat):

H.J. Res. 589. Joint resolution proposing an amendment to the Constitution of the United States to provide that a citizen shall not be ineligible to the Office of the President by reason of not being native born if he has been a U.S. citizen for at least 12 years and a resident within the United States for 14 years; to the Committee on the Judiciary.

By Mr. STOKES:

H.J. Res. 590. Joint resolution to end the bombing in Cambodia and Laos; to the Committee on Foreign Affairs.

By Mr. TREEN (for himself, Mr. Anderson of California, Mr. Breaux, Mr. Burke of Massachusetts, Mr. Cohen, Mr. Cronin, Mr. de Lugo, Mr. Downing, Mr. du Pont, Mr. Edwards of Alabama, Mr. Fisher, Mr. Fuqua, Mr. Grover, Mr. Gunter, Mr. Haley, Mrs. Holt, Mr. Jones of North Carolina, and Mr. Kemp):

H. Con. Res. 229. Concurrent resolution relating to the U.S. fishing industry; to the Committee on Merchant Marine and Fisheries.

By Mr. TREEN (for himself, Mr. Kyros, Mr. Leggett, Mr. Long of Louisiana, Mr. Matsunaga, Mr. Moakley, Mr. Murphy of New York, Mr. Passman, Mr. Pepper, Mr. Podell, Mr. Sarasin, Mr. Stubblefield, Mr. Studds, Mr. Talcott, Mr. Teague of California, Mr. Won Pat, Mr. Wyatt, and Mr. Young of South Carolina):

H. Con. Res. 230. Concurrent resolution relating to the U.S. fishing industry; to the Committee on Merchant Marine and Fisheries.

By Mr. ZWACH:

H. Con. Res. 231. Concurrent resolution expressing the sense of the Congress that the National Guard and Reserve components of the Armed Forces of the United States cut back on unnecessary fuel expenditures which are not required for our national security or defense readiness; to the Committee on Armed Services.

By Mr. LEHMAN:

H. Res. 420. Resolution to establish as part of the congressional internship program an internship program for secondary school teachers of government or social studies in honor of President Lyndon Baines Johnson, and for other purposes; to the Committee on House Administration.

## MEMORIALS

Under clause 4 of rule XXII,

229. The SPEAKER presented a memorial of the Legislature of the State of Oregon, ratifying, again (after rescinding previous ratification) the 14th amendment of the Constitution of the United States; to the Committee on the Judiciary.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ECKHARDT:

H.R. 8261. A bill for the relief of Ngan Sham Kwok Chee Stella; to the Committee on the Judiciary.

By Mr. FISHER:

H.R. 8262. A bill for the relief of Dr. Laurence T. Gayao, his wife, Edith Cabus Gayao, and their daughter, Lorraine Gayao; to the Committee on the Judiciary.

By Mr. LUJAN:

H.R. 8263. A bill to provide for the payment of death benefits in lieu of Servicemen's Group Life Insurance benefits to the eligible survivors of certain individuals killed while participating in the Air Force Reserve Officers' Training Corps Flight Instruction program; to the Committee on the Judiciary.

# EXTENSIONS OF REMARKS

## GEORGE BAKER—QUEENS VFW COMMANDER

### HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. ADDABBO. Mr. Speaker, the Queens, N.Y., chapter of the Veterans of Foreign Wars recently installed as its commander, Mr. George Baker of Jamaica. As the U.S. Representative of the Seventh Congressional District, New York. I am proud that Mr. Baker is my constituent and I look forward to working with the Queens VFW on such issues as the need for a medical college and veterans' hospital to be located at the St. Albans site in Queens County.

A recent article in the Long Island Press presents an interesting sketch of George Baker, his family and his goals as Queens VFW commander. I am pleased to insert the text of that article in the Record at this point:

New VFW Commander "Looking Forward to Challenge"

(By Ernie Johnston Jr.)

Last weekend was an exciting one for George Baker of Jamaica.

On Saturday night he was installed as commander of the Queens Veterans of Foreign Wars and then on Sunday he celebrated his 51st birthday.

As a matter of fact, it has been an exciting past several months for Baker who is a transit supervisor with the New York City Transit Authority working out of the Jamaica depot.

He proudly displays a 25-year award for his service to the Transit Authority with Metropolitan Transportation Authority head William Ronan's signature affixed to it.

Through it all, Baker has been anticipating his new position with the VFW. "My wife said I would have to get a larger size hat because my head will swell," said Baker jokingly.

Baker is the second black person to be elected to head the Queens VFW, the first being Henry Archer of Brooklyn.

"You might say that I was his protege," said the Florida-born VFW commander.

Baker had come to New York in 1940 to attend the World's Fair and after much urging by his brother not to return to Panama City, Fla. but rather to attend school in New York, he decided to finish his education here.

"I graduated from Jamaica High School and in 1943 went into the Army and worked as a medical specialist. I rose to the rank of sergeant major and was with the Seventh Army in North Africa, Italy and France," said Baker.

Baker has been involved in VFW activities for 21 years. It was a fellow postal worker who lived on the same street who urged Baker to join the organization.

"I wasn't connected with any organization," Baker said, "so I decided to join. I later became commander with my local post, a position held for three years. . .

"But it was during that time I was putting my children through school and college and didn't have the time to get involved like I wanted."

Baker's son, George, Jr., 24, is an auditor for Associated Hospitals, Patricia Ann, 25, is an employment specialist, while a younger daughter, Jacqueline, 16, is a senior honor student at Cardoza High School in Bayside.

His wife, Gloria, shares much of his VFW interest as she is county conductress of the VFW auxiliary of the Queen's County Council.

"She should be progressing through the chairs of the organization to president in a few years," said Baker.

Baker credits much of his moral support and advice he has received pertaining to VFW affairs to William McCarthy of Kew Gardens. McCarthy is the legislative chairman of the Queens Council.

"He has been my chief advisor over a great many years," he said.

Baker is an avid fisherman and since his VFW activities take up his schedule five nights a week he finds little time for other hobbies.

Already Baker is planning to push for St. Albans Naval Hospital to be continued as a veterans facility. "Our policy within the VFW is to fight this thing by contacting our congressmen and senators for their support.

"We are advocating setting up a medical college in conjunction with the naval hospital. Such a facility would be state supported," Baker said.

Baker heads an organization of more than 7,000 members.

"You know I am looking forward to the challenge this position offers me. I have been looking toward this for quite a number of years."

## MINNESOTA COLLEGE RECRUITS VIETNAM DISABLED

## HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. ZWACH. Mr. Speaker, when I was in the Minnesota Senate, before being elected to the Congress, I authored enabling legislation which led to the establishment of Southwest Minnesota State College in Marshall.

This liberal and technical college is unique because its buildings are designed and built to be convenient and easily accessible for the handicapped.

The curriculum and staffing are also planned for the needs of the handicapped.

Mr. Speaker, for the benefit of my colleagues and the other people who read the CONGRESSIONAL RECORD, I would like to include in it an article from the Jobs for Veterans Report about this unique college at Marshall:

Southwest Minnesota State College—the State's only four-year Liberal and Technical College—has a veterans' organization which is actively recruiting veterans. It's called the Vets Club.

Through the organization's efforts more than 200 veterans are enrolled at the institution. Since 1972, the club has worked with veterans organizations and the Minnesota Department of Veterans Affairs to aid the veteran in his educational endeavors. The club has many aims but one is to bring disabled veterans to the campus.

The Vets Club, which holds membership in the National Association of Collegiate Veterans and is affiliated with the Minnesota branch of the American Legion, is behind the drive to bring young students from the hospital to the campus. So far six disabled veterans are on campus.

Not content with merely bringing the disabled to campus, there are reachable phones and accessible bathrooms for the disabled. There is a rehabilitation counselor, a work experience counselor who works full time on placing disabled veterans, a registered physical therapist, and a secretary on full time call for the disabled. Additional services, such as readers for the blind and a test administering program, are also available. Most important, the school offers varied curricula of interest to disabled veterans who want to prepare for rewarding employment.

Marshall, Minn., the community in which the school is located, has taken interest in the disabled on campus. Its citizens have had their downtown curbs ramped so that these students can move about the town with ease. In return, they have found their businesses patronized by a group of people who otherwise may not have been able to enter their stores.

Dr. Joseph Rossillon, assistant to college president Dr. Howard Bellows, has said: With a common goal of easing the readjustment of the disabled veteran, club, school, and town are an example to the Nation of what can be done to attract disabled young people to higher education.

## DARREL DUNN: A DEDICATED FEDERAL SERVANT AND ADMINISTRATOR

## HON. GARNER E. SHRIVER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. SHRIVER. Mr. Speaker, I take this opportunity to pay tribute to a dedicated Federal servant and administrator, Darrel A. Dunn, who recently retired from his position as Associate Administrator of the Farmers Home Administration in the Department of Agriculture.

Mr. Dunn, a native of Langdon, Kans., made many lasting contributions in the field of agricultural credit, both at home and abroad, during his 20 years of distinguished service. He will be sorely missed and we owe him a great debt for his service to our Nation.

I know I speak for all those from rural America in extending best wishes to Mr. Dunn for good health, happiness and continued fulfillment as he returns to the family farm in Reno County, Kans.

Darrel Dunn began his Federal service as Kansas State Director of the FmHA on May 4, 1953. He had two decades of experience in agricultural credit work and shared responsibility for conduct of a program which invested more than $3.2 billion in rural America this year.

In addition to his responsibilities as State Director, Mr. Dunn served as an Assistant Administrator of FmHA in Washington from 1957 to 1961. He worked for 10 years with the Agency for International Development as an agricultural credit adviser in Ankara, Turkey, and New Delhi, India.

It was a privilege to endorse him for a return to the Farmers Home Administration and the assignment as Assistant Administrator for Farmer Programs in 1970.

He administered a joint government private lending policy that brought some $300 million of commercial support for FmHA borrowers. His efforts resulted in the first billion dollar lending program for FmHA farmer-borrowers.

He had a personal understanding and compassion of the needs of rural America, and he utilized his expertise and knowledge to further rural development and farm ownership.

## U.S. POLICY ON THE 1974 WORLD POPULATION CONFERENCE

## HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. ZABLOCKI. Mr. Speaker, in 1974, a World Population Conference under the auspices of the United Nations is to be held in Bucharest, Rumania. As the Stockholm Conference on the Environment helped to shape international environmental policies for the future, so this conference is expected to have an important impact on worldwide action on population issues.

Among the groups which are interested in making a contribution to the formulation of U.S. policy at that meeting is the Center of Concern, a new public interest group based in Washington.

Recently the center issued two memorandums on the subject of the 1974 World Population Conference and related issues which should be of interest to all who are concerned about the future of mankind on our planet.

For that reason I am placing them in the RECORD at this point and urge the attention of my colleagues to them:

### U.S. POLICY WITH RESPECT TO THE 1974 WORLD POPULATION CONFERENCE

(By William F. Ryan)

PREFACE

The Center of Concern, a public interest group in Washington, D.C., has recently embarked on a population policy project. Over a period of eighteen months the Center staff will engage in activities designed to sensitize North American decision-makers to global issues and Third World perspectives on population. Our aim is constructively to influence decisions made at the 1974 World Population Conference of the United Nations.

Our hope is that these decisions will be such that they promote human dignity and justice rather than reinforce present global social injustices.

With this purpose in view, this present memorandum attempts (1) to point out some significant inadequacies in the UN *Second Inquiry*, and (2) to suggest some ways in which these inadequacies can be addressed by the United States government in a way which will offer positive leadership in the promotion of global cooperation and justice.

### INTRODUCTION

With the passing of Resolution 1486 (XLVIII) in April, 1970, the UN Economic and Social Council agreed that all member states would be asked to prepare a reply to the *Second Inquiry on Population Growth and Development*. This *Second Inquiry*, to be conducted in 1972–1973, was to be similar to the successful *First Inquiry* held in 1963. Member states were asked to report their individual status "concerning population trends, economic and social development, and policies and action programmes taken by them."

In September, 1972, UN Secretary-General Kurt Waldheim announced that 1974 had been proclaimed UN World Population Year, and that a World Population Conference would be held as the highlight of the Year. It was also decided that the work of this 1974 World Population Conference would be assisted if member states prepared a *Country Statement* well in advance of the Conference. This was to be "a country statement summarizing their situation and outlook with respect to population growth and how this may affect their programmes and plans for economic and social development."

Member states have now been given the option of using a single reply to serve the purposes of both the *Second Inquiry* and the Conference *Country Statement*. Thus individual governments may "leave their country statement in essentially the same form as the reply sent to the Secretary-General for purpose of the Second Inquiry," or alter it in any way the government "considers most important from the standpoint of the interests and objectives of the Conference."

This present memorandum is directed to those interested in the response by the United States to this request for a *Country Statement*. The population staff of the Center of Concern see the 1974 Conference as a highly significant opportunity for the US government to lead world thinking in the enunciation of population policies which promote human dignity and justice. We feel an appropriate *Country Statement* offered by the United States could do much to ease international tensions and promote harmonious international relations. But to have such a desired effect, there is great need for a response with broader perspectives and deeper sensitivity than is implied by the *Second Inquiry* request.

To respond only within the limits suggested by the *Second Inquiry* will tend to direct debate towards the areas of conflict which the UN Conference itself is designed to resolve. Those responsible for the US *Country Statement* will need to carefully consider the objectives of the Conference and recognize the extent to which the US can take a role of positive leadership in achieving those objectives. This memorandum attempts to point to some considerations in this direction.

### INTERESTS AND OBJECTIVES OF THE CONFERENCE

The developed world has frequently approached the population problem of other countries on the basis that population growth acts primarily as a hindrance to development. The achievement of slower population growth rates has been regarded as a necessary precursor to more rapid development. This approach has led to a substantial and increasing amount of international conflict. As Rafael M. Salas, Executive Director of UNFPA, has emphasized:

"It is common these days to refer to rapid population growth as the single most important obstacle to improved living standards in developing countries. It is not surprising that this point of view is challenged in many developing countries as simplistic and misleading. The real 'obstacles' to development lie elsewhere, not merely in the rate of population growth, but in the compound effects of such factors as the neglect of agriculture, rigid social structures, imbalances in resource allocation as well as the unequal relations between rich and poor countries and the maldistribution of income. . . ."

Because many persons in the less developed countries agree with Salas' emphasis, and do not feel that the developed countries give sufficient recognition to it, there is a sense of conflict frequently present in population policy discussions.

One of the key interests in the 1974 World Population Conference is the extent to which the conflict existing on this issue of population policy can be decreased. The stated Conference aim of "promotion of international cooperation for the solution of population problems" will not be achieved unless this conflict is squarely faced and resolved to the extent possible. If government delegations come to the Conference with uncompromising positions, the ensuing debate will do little more than publicize and reinforce present disagreements. The Conference objectives, then, will certainly not be aided by *Country Statements* which take a narrow perspective on the relationship between population and development.

### INADEQUACIES OF THE SECOND INQUIRY

In offering member states the option of combining their Conference *Country Statements* with their *Second Inquiry* responses, the United Nations has requested that they "prepare and make available to the Conference a country statement summarizing their situation and outlook with respect to population growth and how this may affect their programmes and plans for economic and social development."

It is true that this request focuses on the impact of population on economic and social development and on environment. But it is highly significant that nowhere in the *Second Inquiry* is there explicit recognition that development trends and plans also have impacts on population. The complex feed-back interrelationships between population growth and distribution, societal values, economic development, social organization, and technology are not explicitly recognized. Lack of such explicitation, of course, narrowly limits the range of debate.

That such an approach as characterized by the *Second Inquiry* is limiting is widely recognized. Demographer Ian Pool of Carleton University has stressed:

"From the outset it must be recognized that it is impossible to develop a population policy by restricting discussion entirely to demographic variables. This is because population growth is inter-related with all other aspects of social and economic change, with the environment and with technological change. In this way population growth is both an independent variable and a dependent variable. It must be noted that generally discussions in public of the "population problem" relate to the role of population growth and size as an independent variable."

Similarly, this interrelationship was stated in the Declaration of Population Strategy for Development," adopted by the 23-nation Second Asian Population Conference in Tokyo on November 13, 1972:

"While population has a direct effect on economic and social development and the human environment, conversely policies in the fields of education, health, housing, social security, employment and agriculture have an impact on population and, therefore, require integrated national planning and coordinating action at the highest government level."

In addition, Raphael Salas has noted that—

"Changes in fertility behaviour are more likely to occur as an integral part of an overall process of social and economic change which is, generally speaking, not yet occurring on a sufficiently broad scale in most developing countries. . . ."

Empirical studies bear out these observations. Taiwan and Mexico can be used as illustrations of how alternative development strategies can affect birth rates. In Taiwan birth rates have declined markedly over the last fifty years whereas in Mexico they have declined very little. As William Rich points out in a recent study for the Overseas Development Council:

"Highly uneven distribution of income and social services as well as religious constraints and a lack of government support for family planning programs have all contributed to Mexico's sustained population growth."

While both countries have experienced substantial increases in productivity, the poorest 20% of the population in Taiwan "improved their economic standing by over 200% in the last two decades, while the income level of the same group in Mexico fell by 20%." Although cultural, geographic and political conditions in Taiwan and Mexico differ, their impact upon birth rates is not clear. What does seem clear, however, is that significant differences in development strategies—income distribution, social services, etc.—are linked to differences in family size.

In short, then, the *Second Inquiry* unfortunately encourages a response which would approach the population/development interrelationship primarily from only one side, that is, by treating population as an independent variable. Such a response from developed countries would, as explained above, tend to reinforce present international conflicts rather than resolve them. Unless the developed countries demonstrate recognition of and attention to the development impacts upon population, the less developed countries will very understandably view the UN Conference with increasing suspicion and fear.

### THE OPPORTUNITY FOR THE UNITED STATES

The United States is under careful world scrutiny with respect to population policy. It is in an extremely advantageous position to set an example for the type of world thinking which should go on in this area. The UN *Second Inquiry* has defined too narrow a perspective for the sort of response which would enable the US to give leadership in promoting human dignity. This is not to suggest the *Second Inquiry* should be ignored or perfunctorily answered. Indeed, it is already being answered with all the detailed information requested and answered in a spirit of good faith and cooperation.

But at this time the United States is in a position to do much more. It would be unfortunate to waste the opportunity. It could show decisive leadership in the developed world by making a statement for the Conference independent of, but complementary to, that required in answer to the *Second Inquiry*. In such a statement, the US could raise those perspectives and variables lacking in the *Second Inquiry*, and raise them before the less developed nations are forced to do so in self-protective defense. Thus the possibility of confrontation could be lessened and an enormous amount of global goodwill created by the United States' initiative in raising wider and deeper issues. The impact of such a gesture could greatly enhance cooperative international relations. This would be especially true if the US encouraged other developed nations to do the same.

### CONCLUSION

In summary, the concern of this memorandum is that the United States may miss the timely opportunity that the formulation of global population policy provides for it officially to take positive leadership in promotion of international understanding and justice. The missing of this opportunity will in fact tend to reinforce an approach to the population question which is increasingly a source of international tension. If the US response were deliberately to take a broader definition of the population problem and a broader view of the causal relationships between population and development, the stated aims of the 1974 World Population Conference would be well served. The latter approach could do much to promote social justice in the development of global population policies. It could also do much to reestablish faith in the intentions and desires behind US international policies.

## DRAFT NOTES ON A "JUST" GLOBAL POPULATION POLICY

(By Peter J. Henriot)

### PREFACE

In discussing population policy in relation to the coming United Nations Population Year and Conference, the population staff of the Center of Concern has been emphasizing the need for formulation and support of a "just" global population policy. The present memorandum presents a draft of early ideas to situate the need for such a "just" policy and to delineate some of the elements which would make up that policy. It is our intention to expand further these ideas in subsequent memoranda. Reactions and suggestions will be much appreciated.

### THE PROBLEM

There is a population crisis. The statistics used to demonstrate population growth rates are widely quoted but not always understood. It would be simple and certainly attractive to assume that continued population growth in and of itself constitutes a crisis and that in stopping such growth we will have resolved our social problems. In fact, what we are facing is a complex fabric of breakdowns in the human system that represents a global social crisis. One of the interdependent causal factors of that social crisis is rapid population growth.

Treating population growth as a separate problem, independent of other sources of strain within the global system, ignores its dependence on the other dimensions of social development. Population growth is not the only problem, nor the cause of all problems, nor the major obstacle to solution to all problems. Rather, population growth combines with widening gaps in income distribution, unequal consumption of food and mineral resources, insufficient health, education, housing and transportation services, increasing unemployment, environmental deterioration, in addition to widespread individual powerlessness to tip the already teetering balance of interdependent social pressures. Thus is created a crisis of global proportions.

According to the ancient Greeks, a time of *crisis* is a decision point, when decisions that are made can lead to solution or disaster. The decision point with respect to population growth is upon us. Essentially we are faced with a choice between inaction or ineffective action with resulting global catastrophe, and comprehensive, constructive action with potential for sane and humane social evolution. Clearly the latter is preferable. But the current absence of adequate planning and commitment to action serves to make the crisis more alarming. The attempts of the last decade to limit population numbers have not been successful. Clearly, a wider approach is necessary.

### THE SOLUTION

Deliberately designed population policy is an imperative because the alternative—inaction leading to catastrophe—is unacceptable. Policy, by its very nature, is determined by implicit or explicit priorities. We must first establish acceptable priorities so that we can adequately consider alternative policies. The position taken here begins with the postulate that the only truly acceptable policy priority is the enhancement of human dignity. For the "marginal, underdeveloped" two-thirds of the world's population, human dignity is grounded in global social and economic justice and a participation in the decisions leading to that goal. Given this position, what would a global population policy look like if it were to maximize global justice?

### TOWARD A JUST GLOBAL POPULATION POLICY

We are clearly far from the time when we will be able to describe in extensive detail a just population policy. But we are already late in beginning the process of formulation and enunciation. We can at least begin by outlining several objectives of a just population policy.

A just population policy would:

1. promote greater equalization of resources, social services, as well as political power and participation, both internationally and intranationally;
2. respect national sovereignty, cultural differences, and specific needs;
3. support sensitive and comprehensive approaches to social problems in place of simplistic technological tinkering;
4. elicit a wide measure of popular agreement and understanding of the extent to which social needs supercede individual freedom in the realm of reproduction;
5. insure easy access for all individuals to whatever knowledge and chosen means are necessary for them to control the number and spacing of their children;
6. be combined with concurrent social, economic, and political policies as one facet of a comprehensive program to solve social problems, thus refraining from presenting population growth as the most pressing of social problems;
7. delineate the relative importance of population phenomena within all social, economic, and political policies (e.g., education, housing, urbanization, industralization, transportation, etc.), and vice versa;
8. stress the fact that population is people and not numbers; that every statistic in every survey represents an individual with basic rights and freedoms.

These various elements of policy are obviously interrelated and are by no means exhaustive. But they are set down to help us begin to elicit something more comprehensive, more concrete. The debate and decisions of the UN Population Year and Conference will need a perspective which incorporates these elements if the challenge of the population crisis is to be effectively and humanely met.

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## A SHORTAGE OF SUMMER JOBS FOR YOUNG PEOPLE

## HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. HUNGATE. Mr. Speaker, the Missouri House of Representatives has approved a resolution on an important problem confronting the State of Missouri. I would like to call this to the attention of my colleagues so that they can have this in mind when appropriate legislation is considered.

### RESOLUTION

Whereas, the Missouri House of Representatives is aware of the extreme shortage of funds which have thus far been appropriated by Congress to provide summer employment for urban youth seeking jobs; and

Whereas, there is currently pending in Congress an amendment to the Labor Department's budget which would provide funds for programs to assure jobs for youth during the summer session; and

Whereas, in past years the Neighborhood Youth Corps and other agencies have provided several thousand summer jobs to young men and women in the greater St. Louis area and proportionate numbers of jobs in other major metropolitan areas of Missouri; and

Whereas, it is estimated that no more than three thousand jobs can be funded this year due to lack of money from the federal government unless the above-mentioned amendment receives a favorable vote in Congress; and

Whereas, it is the sense of the Missouri House of Representatives that without an adequate job program, serious repercussions may result and be manifest in an increase of juvenile delinquency and crime in general;

Now, therefore, be it resolved by the Missouri House of Representatives of the Seventy-seventh General Assembly that Congress be memorialized to provide the funds for summer jobs sought by the above-mentioned amendment; and

Be it further resolved that the Chief Clerk of the House of Representatives be instructed to send suitably inscribed copies of this resolution to each member of Missouri's Congressional Delegation.

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## SMITHSONIAN POLICY STATEMENT

## HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. BRADEMAS. Mr. Speaker, the Board of Regents of Smithsonian Institution at its meeting on May 9 issued a policy statement concerning Smithsonian's museums' acquisition policy.

The statement declares that the policy of the Institution is not to acquire or exhibit objects and specimens which have been stolen, unscientifically gathered or excavated, or unethically acquired from their source.

This policy statement is particularly welcome in view of the recent publicity given the unethical acquisition policies of some museums, and in order that all of the Members may read it I include it at this point in the RECORD:

### SMITHSONIAN INSTITUTION POLICY ON MUSEUM ACQUISITIONS

The documentary value of a museum collection is a principal criterion of its excellence, and museum accession records should therefore be of the highest order of accuracy and completeness. To this end, each object acquired should have a provenance as completely documented as possible. Objects with incomplete provenance should be acquired only when they are of exceptional rarity, and when it is reasonably certain that their origin, context, and history can be established through scholarly research. An inadequate provenance may give rise to doubt as to the licit quality of an object. Each provenance should be a matter of public record.

The Institution supports the free exchange of information and artifacts which contributes to the advancement of knowledge and promotes international comprehension and goodwill. The legitimate international transfer of natural and cultural material should be facilitated by all available means, including loans and sales, and the Institution encourages such transfers in the same manner as it now fosters international exchanges be-

**tween museums. At the same time, the Institution undertakes to cooperate fully with local, state, Federal and foreign authorities and institutions in their endeavors to protect their art, antiquities, national treasures and ethnographic material from destructive exploitation. An illicit international market has contributed to the despoliation of museums and monuments, and the irreparable loss to science and humanity of archaelogical remains. The Institution repudiates the illicit traffic in art and objects. Objects and specimens which have been stolen, unscientifically gathered or excavated or unethically acquired should not be made part of Smithsonian museum collections.**

**In consideration of this policy, the Regents of the Smithsonian Institution adopt the rules set forth below for the acquisition of art, antiquities, and other specimens. The Director of each Bureau shall be responsible for the application of the rules. Donors, vendors, and correspondents will be notified of this policy.**

**1. Each Director of a museum or collection, before authorizing the acquisition of an object, whether by purchase, transfer, gift or bequest, has the responsibility, in good faith, to ascertain, from the circumstances surrounding the transaction, or his knowledge of the object's provenance, that the object in question was not stolen or wrongfully converted, and is not illegally present in the United States.**

**2. Each Director also has the responsibility to ascertain that any proposed new acquisition was not unethically acquired from its source, unscientifically excavated or illegally removed from its country of origin after the date of adoption of this policy.**

**3. (a) In cases of doubt, the Director should consult widely within the Institution, particularly with those scientists or curators whose interests would be affected by acquisition of the object, and with the General Counsel. Where helpful, a special panel should be created to help pass on the questions raised.**

**(b) In the case of a substantial proposed acquisition of foreign provenance whose acceptability is in question, the Institution will contact the competent authorities or corresponding national museums of the probable countries of origin, or the countries whose laws may be affected by the transaction, in order to determine whether the latter can advise the Institution as to the status of the object. If any such object can be demonstrated to form part of the national patrimony of another country, the Institution will take reasonable steps within its power to aid that country in its efforts to effect the object's return.**

**4. In case the Institution should hereafter come into possession of an object which can be shown to have been acquired, excavated or exported in violation of Rule 2 above, the Institution should proceed as appropriate in each case, to seek to return the object to the donor or vendor or to contact the competent authorities or corresponding national museum in the probable country of origin, to determine what steps might be taken best to preserve the interests of all parties.**

**5. The policy set forth here should be applied in determining whether to accept loans for display or other purposes.**

**6. The provenance of acquired objects shall be a matter of public record.**

## NCOA LEGISLATIVE PROGRAM

## HON. F. EDWARD HÉBERT

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. HÉBERT. Mr. Speaker, at the request of C. A. Mack McKinney, director of legislative affairs for the Noncommissioned Officers Association. I include the organization's legislative program at this point in the RECORD:

NONCOMMISSIONED OFFICERS ASSOCIATION OF THE UNITED STATES OF AMERICA LEGISLATIVE PROGRAM FOR 1973

**The Noncommissioned Officers Association of the United States of America (NCOA), composed of nearly 125,000 Noncommissioned and Petty Officers of the Army, Marine Corps, Navy, Air Force, and Coast Guard; active, retired, reserve, National Guard and veteran; shall continue to support personnel legislation as its primary goal for 1973.**

**The Association's Creed objectively marshals its "Strength in Unity" motto to work for the well-being of its individual and collective membership, ever mindful that this is the principle on which it was founded.**

**The need for a viable, active organization such as the NCOA to speak for the NCO and petty officers corps is apparent more so today than at any time in our Nation's history.**

**For more than 185 years the military was the forgotten segment in our Country's labor force. They were only respected when their fellow Americans required their services to defend the rights to liberty and justice for all.**

**It was not until 1968 that the military pay scales and other allowances climbed sufficiently to provide a near-decent living level for the service member. Since that year they have continued to increase to where the average military person may now consider himself or herself adequately reimbursed for the services required by his Country.**

**But in less than five years, many of our Nation's lawmakers, government officials and civilian workers are crying for a reversal. "The military member is receiving too much money, too much in allowances, and too many benefits." The cry is to cut back on those monies, allowances and benefits that are necessary for the well-being of the career serviceman or woman.**

**Our Nation is undergoing a transition period following the termination of American participation in a hostile environment in Vietnam. Many of the Nation's lawmakers are actively supporting an All-Volunteer Force concept that will, according to Administration officials, provide our Armed Forces with a lean, professional corps of volunteer men and women.**

**The Association, however, submits that the present program of offering monetary awards to new enlistees and first reenlistment members is not the answer. Providing for the comfort and welfare of the military member and his or her family is of paramount concern.**

**The Nation cannot ignore the career-motivated military member of the NCO and petty officer corps. These are the professionals; these are the men and women who are, were, and shall always be the "backbone" of the services. It is they who train our young men and women of the volunteer forces. It is their dedication, their loyalty, their devotion that molds today's youth into the lean, professional military member of tomorrow.**

**The NCO's and Petty Officers of the worldwide Non Commissioned Officers Association pledge their continued loyalty to our Nation, our fellow-countrymen and our Services, and seek the same pledge from those we serve.**

**As members of the Armed Services and the NCOA, and as citizens of this great Nation, we join together in general assembly this 18th day of April 1973 at San Antonio, Texas, and adopt the following legislative program in behalf of ourselves and our fellow-NCO and petty officers stationed throughout the world, and those who are retired members or veterans of the U.S. Armed Services.**

**1. To continually support legislation and regulatory provisions that provide for the well-being of the NCO and petty officers' corps; active, retired, reserve and National Guard; and for their dependents. It is with the understanding that our efforts in this behalf will normally contribute to the welfare of all military members.**

**a. Primary concern shall be centered on the following goals:**

**(1). Renewed recognition of the trust and confidence in our NCO and petty officers of the Armed Services.**

**(a). It is with considerable concern that the NCOA continues to find officials who fail to afford the trust and confidence normally extended to the NCO and petty officers corps. Two primary reasons may be contributed to this failure; (1)—personal or collective thinking, and (2)—the inadequacies in the present promotion and assignment policies of the individual Services. The first may be rectified through educational efforts on the part of senior DOD officials and Armed Services commanders. The second requires a comprehensive study by a panel of enlisted personnel at the E-4 through E-9 levels. The NCOA recommends that DOD order such a study to commence at the earliest. It further recommends that the following points be considered; (a)—review all regulations prior to dissemination to ensure that the provisions of such directives do not degrade nor demean the NCO or petty officer corps, nor is it detrimental to their discipline or morale; (b)—cease to promote enlisted personnel to the ranks of NCO and petty officers solely on the basis of time-in-grade, time-in-service, and/or on-the-job proficiency; instead, promote on the primary attribute of possessing and practicing potential leadership capabilities; (c)—establish NCO and PO Leadership Training Course for potential promotees and not for those who have been promoted and make it mandatory that selectees must be attended and successfully passed such a course before the promotion can be effected; (d)—establish an Enlisted Counsellor (EC) specially at grade levels E-4 through E-9.**

**(2). To support any and all congressional legislation that will curtail the attainment, sale or use of dangerous drugs, and that which will vitally assist in the treatment of those military personnel addicted to dangerous drugs or alcohol; however, such legislation should contain the following provisions;**

**(a) Treatment of military personnel should be initiated while in the armed services, but only for a specific period of time, after which continued use will cause the user to be discharged from the service as an undesirable.**

**(b) Permit properly-conducted searches and seizures by senior NCO and petty officers on military personnel suspected of having dangerous drugs in their possession to be accepted by the military courts.**

**(c) Provide immediate and irrevocable dishonorable discharges for military personnel found guilty of illegally selling or passing dangerous drugs.**

**(d) Immediately suspend regulations that now call for the involuntary testing of NCO and petty officers for drug usage.**

**(3) Continue support for increased appropriations for a more active military family housing and bachelor quarters program.**

**(4) Maintain the present military retirement system for those members now on active duty and those who subsequently enlist in the Armed Services prior to the date of enactment of any new system.**

**(5) Support legislation that will provide equal rights for men and women in the Armed Services; that will correct inequities existing in present retirement laws as pertains to enlisted and officers; and that which will correct injustices to enlisted personnel that now exist in law, in writing or as a moral obligation of the United States government.**

**(6) Urge the Armed Services to encourage their individual members to take pride in their uniform and to further encourage the wearing of the uniform on and off duty.**

**(7) Review Statuses of Forces agreements**

to provide better protection and economic indiscrimination for military personnel.

(8) Work toward the attainment of an All-Volunteer Force, but with the understanding that the President may retain the induction authority under the Selective Service System in the event a rapid buildup of military forces is required to prevent aggression.

(9) Actively increase support of the National Guard and Reserve. To assist in the President's program of Employer Support for the National Guard and Reserve; and to support legislation that will assist the Guard and Reserve in attaining their recruitment goals.

2. To support a stronger defense posture for the United States that will ensure military offensive and defensive capabilities equal to or superior to that of the Soviet Union. The program is to include:

a. An Armed Forces strength at least equal to its size as authorized by the Fiscal Year 1973 Military Procurement Authorization Act.

b. Sufficient funds for the research and development of superior weapons.

c. Increased procurement of weapons, ships, planes and other hardware essentially needed for the U.S. Armed Forces.

d. An adequate airlift and sealift capability.

e. A capability to destroy most enemy missiles before they can strike the United States.

f. An adequate space system including the space-shuttle.

g. Sufficient appropriations for the Department of Transportation for the continued support of the U.S. Coast Guard.

h. An accelerated civil defense program aimed to instruct all persons living in the United States how to respond to various alarms related to armed attacks and how to properly defend and protect themselves.

3. To support and encourage congressional legislation that will:

a. Prevent any member of the communist party or any group advocated toward the overthrow of the U.S. government from teaching in any public school in the United States or supported by the U.S. taxpayers, or to be employed by any governmental agency at the national, state or municipal level.

b. Provide for the arrest, conviction and imprisonment of any person or persons that:

(1). Advocate the overthrow of the United States through words or action, or who through violence or force attempt to impose their convictions upon other citizens of the United States, or who willfully and illegally destroy any public or private property.

(2). Conspire, attempt and/or carry out the crime of kidnapping (including "skyjacking").

(3). Wound or kill a policeman, fireman, or security guard while in the performance of their duty, or as a result of such duty, and that such a crime will be considered an offense against the federal government.

c. Establish a Freedom Academy to train leaders for the United States in the Cold War.

d. Provide a continuing program to keep the American people, particularly military personnel, fully informed of the goals and activities of organizations and nations dedicated to the overthrow of the United States through force, violence or subversive efforts.

4. To support congressional legislation that will;

a. Permit prayer in public schools and buildings.

b. Require the Pledge of Allegiance to be recited daily in all public schools, but allow those who are religiously-opposed to be excused from the recitation.

c. Make it a federal offense to desecrate the Flag of the United States.

d. Make it a federal offense to fly or display a foreign flag of any nation that is in conflict with the U.S.

e. Redesignate the 11th day of November of each year as Veterans Day and the 30th day of May of each year as Memorial Day.

f. Encourage the playing of the National Anthem at all public gatherings, sports events, etc., that are televised or broadcast, or possess a public address system.

5. To support the continuation of the United States foreign policy program with the following recommendations;

a. Pursuit of further negotiations and agreements of military limitations and economic trade with the Soviet Union, Red China and other communist nations, but not to include technical and technological assistance that in any way may be related to military development of these nations.

b. Maintain the commitment to NATO and provide an adequate troop level and combat element to assist in acting as a deterrent to Soviet Union military and economic advancement in Eastern Europe; and

c. Continue the commitments to other allied and friendly nations that are materially aiding the United States strategically or economically. However, such commitments shall be subject to;

(1). Pursuit of increased financial and/or economic aid from those nations that are now experiencing greater economical wealth.

(2). The continual pursuit of full repayment by all nations indebted to the United States.

d. Insist that all nations having membership in the United Nations pay their full share for maintaining that organization, or be expelled for cause. And that the United States refuse to contribute any more financial aid than its annual assessed amount.

6. To adamantly oppose any legislative proposal calling for general or selective amnesty for selective service evaders, and military deserters.

7. To support congressional legislation designed to regulate congressional lobbying activities only if such regulations distinctively exempt military and veterans organizations of a non-profit status from complete statutory control.

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## REPORT TO PETER J. BRENNAN, SECRETARY OF LABOR

## HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. ROYBAL. Mr. Speaker, the following report was presented to the Honorable Peter J. Brennan, Secretary of Labor, by Donald P. Haggerty, the research director of the National Conference of Motion Picture and Television Unions.

The report deals with the unions' views on H.R. 1090, a bill to require contractors of departments and agencies of the United States engaged in the production of motion picture and television films to pay prevailing wages and fringe benefits.

The material follows:

Mr. Secretary: The United States Department of Labor does not presently provide any protection for wages paid to employees engaged in the production and processing of motion picture and television films for government contracts by extending the payment of prevailing wage statutes to private contractors involved in producing films for Federal departments and agencies.

Millions of dollars are spent annually to make films for departments and agencies of the United States with contractors who compete unfairly for such government business by paying substandard wages and deny the usual fringe benefits, such as health and welfare and pension, to employees.

The United States Congress long ago expressed its desire to discourage substandard labor conditions for governmental contracts dating back to 1931 when Congress adopted the Davis-Bacon Act to protect laborers and mechanics employed in Federal public works construction contracts.

Employees working on government contracts for manufacturing or furnishing of materials, supplies, articles or equipment in excess of $10,000 have been provided similar protection under the Walsh-Healey Public Contracts Act of 1936.

Additional protections were provided for employees working on projects performed for or financed by the United States Government in 1962 under the passage of the Contract Work Hours Standards Act which guaranteed established weekly as well as daily overtime pay requirements for laborers and mechanics on Federal public works and on work financed in whole or in part by the Federal Government.

Congress provided further minimum wage and fringe benefit protection for craftsmen, manual laborers, guards, watchmen and supervisors in positions having predominantly trade, craft or laboring experience who are engaged in work under Government contract to furnish services to Federal agencies with the passage of the McNamara-O'Hara Service Contract Act of 1965.

Professional performers and related or supporting professional personnel employed on projects or productions assisted by grants from the National Endowment for the Arts were guaranteed prevailing wage rates with the passage of the National Foundation of the Arts and the Humanities Act of 1965.

The employees in the motion picture production and processing industries are not provided any comparable statutory protection from substandard wages and working conditions. The passage of H.R. 1090 would resolve this inequity and substantiate the original desires of Congress by providing that prevailing minimum wage rates and fringe benefits for workers employed in the performance of any contract or subcontract entered into with the Federal Government for the production or processing of motion picture films shall be determined and enforced by the Labor Department in the same manner as for service employees under the McNamara-O'Hara Service Contract Act of 1965. Since the protection of prevailing wage legislation is already enjoyed by so many other types of employees working on government contracts, such protection should be extended to American film workers making motion picture films which are such a valuable aid to the conduct of governmental functions in the field of mass communications.

On August 27, 1972 at a reception at the California White House, President Nixon stated:

"Speaking to all of you, and to everybody in this whole community that we call Hollywood, I would like to express appreciation as an individual, and also speaking as President of the United States, for what you, the people of Hollywood, have done for America and have done for the world."

In October, 1972, the President instructed governmental agencies to "Better Utilize the American Motion Picture Industry in Film Production."

This Administrative Mandate has not been adhered to and the White House has not followed through with its directive to provide protection for the workers in the Motion Picture and Television Industry from the unfair "low bid" format that is presently being followed by governmental departments and agencies.

The employees of the Motion Picture Industry have been suffering from depressed conditions resulting from the "runaway" problem for the past 20 years and their wages and fringe benefits reflect this condition. The employees of the Motion Picture Industry do not have any contractual provisions for sick leave, nor do they have an automatic escalation "cost of living" clause, nor do they have dental, psychiatric or optical provisions. Their health and welfare medical coverage has dropped from 80% to 50%. Employees in this Industry have 7 holidays (if they work long enough to qualify). The average in manufacturing is 8.9, etc.

For comparable work performed in the Los Angeles area, for example:

HOURLY WAGE RATES

| | Motion picture industry | Building and construction trades |
|---|---|---|
| Electricians | $5.62 | $9.54 |
| Plumbers | 5.62 | 8.62 |
| Painters | 5.62 | 7.60 |
| Carpenters | 5.62 | 6.75 |
| Laborers | 4.335 | 5.495 |

The average rate for the Motion Picture Industry skilled craftsmen and technicians as stipulated by the Association of Motion Picture & Television Producers, Inc. on January 31, 1973 was $5.54 per hour.

It is an inequitable situation that the average hourly rate in the Motion Picture Industry for comparable work performed by equally skilled craftsmen outside the Industry is anywhere from $1.00 to $4.00 per hour lower than the corresponding outside rates.

Immediate relief from the current unemployment crisis is necessitated by prompt action through governmental channels in eliminating the "low bid" formula that rewards employers paying substandard wages refusing to provide medical or hospital fringe benefits or retirement incentives.

Whether the immediate short range financial advantages being gained by United States governmental departments and agencies will justify the long range economic losses for "the people of Hollywood who have done so much for America" (Nixon); in terms of mounting unemployment, increased welfare costs, and the erosion of our domestic film making capabilities is a question that the government of the United States will have to answer as a matter of public policy.

I sincerely hope that the Executive Branch and the Congress will provide us with the answer by promptly amending the Service Contract Act of 1965.

### H.R. 1090

A bill to require contractors of departments and agencies of the United States engaged in the production of motion picture films to pay prevailing wages

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That any contract (and any bid specification) entered into by an agency or instrumentality of the United States for the production or processing of motion picture films shall contain a provision specifying the minimum monetary wages and fringe benefits to be paid laborers, mechanics, craftsmen, technicians, professional employees, and related or supporting personnel employed in the performance of the contract or any subcontract thereunder, as determined by the Secretary of Labor in the same manner as the wages of service employees under the Service Contract Act of 1965 (79 Stat. 1034), and the provisions of such Act shall apply for purposes of determining and enforcing the payment of such wages and fringe benefits.

SEC. 2. Nothing in this Act shall be construed as repealing or modifying in any way other Federal laws prescribing minimum wages or overtime pay for contracts subject to this Act.

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## TEXAS HOSPITAL ASSOCIATION HOLDS ANNUAL MEETING

## HON. BOB CASEY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. CASEY of Texas. Mr. Speaker, last week in Houston the Texas Hospital Association held its annual meeting and I am proud to say that the event was one of the most outstanding health conventions ever to be held.

Hospitals from across Texas sent delegations of health care personnel to the association's 44th annual convention and exhibit show held May 19–23, in Houston, to learn about ways of keeping pace with the Federal health programs, ways of improving patient care, and become aware of the most recent scientific advancements in the delivery of health care.

"Living With Change" was the theme for the 5-day convention and the delegates heard discussion on the new Federal regulations dealing with over 100 changes in the social security medicare and medicaid programs, revenue sharing, labor relations, phase III regulations affecting health care providers and consumerism.

In conjunction with the THA convention, 20 other health care organizations affiliated and allied with THA held educational programs of their own. The groups meeting with THA were: Association of Protestant Chaplains for Texas Hospitals; Conference of Allied Health Educators; Hospital Purchasing Agents Association of Texas; Medical Explorer Scouts; Texas Association of Homes for the Aging; Texas Association of Hospital Auxiliaries; Texas Association of Hospital Engineers; Texas Association of Hospital Governing Boards; Texas Association of Nurse Anesthetists; Texas Association of Operating Room Nurses; Texas Association, Staff Directors of Hospital Volunteers Services; Texas Chapter, Society for Hospital Social Work Directors; Texas Conference of Catholic Health Facilities; Texas Dietetic Association; Texas Medical Records Association; Texas Society for Hospital Nursing Service Administrators; Texas Society of Central Service Personnel; Texas Society of Hospital Executive Housekeepers and Texas Society of Hospital Pharmacists.

Approximately 7,000 persons attended the convention, which featured sessions of the Association's House of Delegates, installation of Charles L. Foster, FACHA administrator of Knapp Memorial Methodist Hospital, Weslaco as the association's new leader and a dinner honoring Horace M. Cardwell, FACHA, administrator, Memorial Hospital, Lufkin and chairman-elect of the 7,000 member American Hospital Association.

Guest speakers at the convention included James A. Cavanaugh, staff assistant to the president for Health Affairs, Washington, D.C.; John Alexander McMahon, president, American Hospital Association, Chicago; Mary Bennett Peterson, author of the Regulated Consumer, Washington, D.C.; Richard J. Garvey, chief of operations and analysis branch, Health Division, Office of Price Monitoring, Cost of Living Council, Washington, D.C.; Arthur S. Fefferman, chief economist, Joint Committee on Internal Revenue and Taxation, Washington, D.C., and Thomas M. Tierney, Bureau of Health Insurance, Department of Health, Education and Welfare, Baltimore, Md., and Leo J. Gehrig, M.D., Vice President, American Hospital Association, D.C.

Special recognition was extended to L. E. Frazier, Jr., a Houston attorney and civic leader, who was given the 1973 Founders Award of the Texas Association of Hospital Governing Boards for his leadership and distinguished contributions to health care in Texas. He is vice chairman of the board of trustees of the Memorial Hospital System, and in eleven years on that board, he has helped develop and expand the satellite hospital concept which Memorial has pioneered.

Members and affiliates of the Texas Hospital Association should be proud of the excellent program. I commend the officers of the Association, especially C. Jack Price, the immediate Past-President, and Mr. O. Ray Hurst, Executive Vice President of the Association, and his extremely capable staff for a job well done.

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## MARGUERITE MOYNIHAN AWARDED FOR OUTSTANDING CIVIC INVOLVEMENT

## HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. BURKE of Massachusetts. Mr. Speaker, on June 1, Miss Marguerite Moynihan of Milton, Mass., will be honored with a luncheon at the Milton Hill House in recognition of her amazing civic involvement. Miss Moynihan has been selected to receive the Good Citizenship award of the Mutual Trust Life Insurance Co. A dedicated woman, Miss Moynihan has spent most of her life working to aid her fellow human beings. She has been associated with many community-centered organizations and has always endeavored to better the lifestyle of her community. It is my privilege to pay tribute to such a remarkable citizen and to thank her for the invaluable services she has rendered to her community and to the Nation at large.

The following is a background history of the award Miss Moynihan will receive on Friday, June 1, and a brief summary of the many activities in which Miss Moynihan has participated:

### MARGUERITE MOYNIHAN CHOSEN FOR GOOD CITIZENSHIP AWARD

Marguerite Moynihan, a resident of Milton, Massachusetts, has been selected to receive the Good Citizenship Award of Mutual Trust Life Insurance Company. Every year, the company honors policyowners who have helped to better their home communities. Ms. Moynihan was nominated by Mutual

Trust Life general agent Charles J. Interland, also a resident of Milton. The Interland Agency is located at 10 Fairway Street, Mattapan, Massachusetts.

On June 1, Ms. Moynihan will be honored with a luncheon in Milton (Milton Hill House). She will receive an engraved Revere sterling silver bowl, and Mutual Trust Life will present a check to her favorite charity.

Through the Good Citizenship program, now in its 11th year, Mutual Trust Life salutes outstanding citizens who have been nominated by the company's general agents across the country. Past winners have included a newspaper publisher from Connecticut, an Ohio juvenile court judge, an 18-year-old honor roll student from Utah, a county commissioner from Florida, a Chamber of Commerce president from California and an Iowa industrialist.

"During her career, she advised and assisted many unfortunate people with a kindness, courtesy and compassion that nowadays seem to be 'out of style'," general agent Interland declared when he nominated Ms. Moynihan for this year's award. She has worked for her home town of Milton since 1935. In 1969, she retired from the position of Director of Welfare for Milton. The same year, Milton Hospital started a Social Services Department and named her as director, a position she still holds.

Marguerite Moynihan has taken a personal interest in needy senior citizens of her community; she has run errands for them, driven them in her car and aided them in many ways. She is on the committee of the Milton residence for the elderly, and on the advisory board of the Milton Visiting Nurses Services. In addition she is chairman of the board of the Milton Campership Association, which raises funds for emotionally disturbed children.

Her "ecumenical outlook" is reflected in the fact that she is welfare secretary of the town of Milton Service Unit of the Salvation Army, and also active in a variety of committees in St. Mary's Parish.

Founded in 1904, Mutual Trust Life is one of the 100 oldest life insurance companies in the United States. The Chicago-based company has well over one billion, one hundred eighty million dollars of insurance in force, and exceeds $310 million in assets.

## CHEMICALS CONTROLLED

### HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. RANGEL. Mr. Speaker, the Environmental Protection Agency has just recently banned the dumping of certain substances in the ocean. The Agency will now prohibit, "under any circumstances," the dumping of radioactive materials and chemical or biological warfare substances, including what are commonly known as nerve gas, mustard gas and agent orange. Used in Vietnam, this consists of 2, 4, 5-T herbicide.

In the wake of chemical devastation in Vietnam, we are finally moving in the proper direction to the control and curtailment of toxic chemicals.

In this perspective, I will soon introduce the Herbicide Export Control Act of 1973 and the Chemical Warfare Prevention Act of 1973 in the House of Representatives.

The first proposal will halt the exportation of 2, 4, 5-T herbicides.

The latter will prohibit the exportation of all herbicides to Portugal and South Africa, nations engaged in chemical warfare in southern Africa.

Chemicals unfit for use in this country should not be peddled abroad. I welcome the support and cosponsorship of my colleagues in these legislative efforts to control chemical destruction.

## FUEL SHORTAGES IN AMERICA

### HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. PICKLE. Mr. Speaker, it has become painfully clear that some sections of the United States have fallen into the grip of a potentiality crippling energy shortage. Gasoline stations in some areas are rationing their supplies, some farmers cannot secure liquid petroleum to heat and cool their homes, and urban areas are haunted by the threat of blackouts or brownouts. In my own district, cities are turning off the street lights because they cannot purchase enough natural gas and fuel oil to fully power their electric generating turbines.

The problems associated with the energy shortage are complex and manifold. Though more realistic market regulations will increase American petroleum and natural gas production by encouraging exploration and refinery construction, we are meanwhile forced to rely increasingly on petroleum imports, a practice which could compromise our foreign policy prerogatives.

Whatever action is taken with respect to petroleum and natural gas, we know that the world supply of both will be depleted or greatly reduced relatively soon and that other sources of power must be ready to meet energy demands. And any source of power must be reasonably clean and environmentally accepted.

Congress is cognizant of the energy shortage. Several committees have begun probing its maze of problems, and legislation has been introduced which would create a central committee for studying the shortage. Today I am introducing into the RECORD the following article, which I think will prove useful to those of us who are concerned about this Nation's energy supply.

The following, by John H. Douglas, appeared in the May 26 issue of Science News:

### FUEL SHORTAGES IN AMERICA: THE ENERGY CRISIS COMES HOME

(By John H. Douglas)

The energy crisis has come home. Across the nation hundreds of neighborhood gasoline stations have closed, schools have had to suspend classes during cold waves for lack of heat, shortages to farmers threaten a new round of rising food prices and millions of Americans have begun to wonder whether their summer vacation plans will be curtailed by fuel rationing. They have also begun asking troublesome questions: Why did the crisis get this far? Why did it come first in petroleum products? Is anybody doing anything about it?

The answers rest on an understanding of two very different, but equally grave, problems—long-range ecology and short-range economics.

The long-range problem is the more easily stated: An end is in sight for America's reserves of oil and gas, but the nation continues acting as if they would continue forever. Half the country's original oil has been burned; a third has not been pumped but is known to exist, a fifth has not been discovered but is presumed to exist from geological considerations.

Oil supplies about half the nation's energy needs and demand is expected to double in the next 12 years. If it does, and if domestic production increases as expected, by 1985 the United States may have to import as much as 60 percent of its petroleum. The price of this imported oil, and the resulting cost of powering the country, would be many times higher than at present.

The soaring demand for oil stems from several factors. Shortages of natural gas have forced industries and utilities in some areas to switch to oil. (Low cost and lack of new wells have combined to bring natural gas—the cleanest conventional fuel—into critical shortage, with projections of rising demand and import needs roughly equivalent to those for oil). Environmental pressure has forced industries that once depended on coal to use oil or gas, and at the same time, has slowed the installation of nuclear reactors that could potentially ease the fuel shortage. New refineries and deep-water ports for supertankers have also been blocked. Electric companies increasingly use diesel turbines for power generation. More immediately, the worst winter in decades for many regions severely depleted existing stockpiles. Something had to give.

What gave were the "mom and pop" independent filling stations. Almost entirely dependent on surplus gasoline of "brand name" distributors, the independents suddenly found themselves cut off from supplies as the major petroleum companies moved to protect their own dealers. By last week, 600 private-brand stations had closed, hundreds of others had shortened their hours, and the nation, especially Congress, had begun to awaken to the growing problem.

A series of hearings before a Congressional subcommittee quickly revealed a situation more encompassing and more serious than most people yet realized. Darrell M. Trent, acting director of the Office of Emergency Preparedness, told the committee acute problems were only "temporary and localized," and that gasoline rationing was unlikely. If that were so, asked Rep. Paul Cronin (R-Mass.), why couldn't Boston find a bidder for its municipal fuel contract? Rep. J. J. Pickle (D-Tex.) demanded to know why Austin, Texas, should experience over a dozen instances of fuel shortages this winter though it lies in the middle of a fuel-producing region.

Trent's assurances aside, rationing has already begun, depending on one's definition of the term. Demand for gasoline is expected to exceed supply by two to five percent this summer, and prices have already begun to rise for big users. Cleveland, Ohio, has just promised to pay 35 percent more for gasoline to run its buses. The Massachusetts Turnpike Authority has had to pay 49 percent more for this year's fuel contract. Iowa plans to reduce the speed limit on its highways to conserve gasoline, should the pinch worsen. Ten-gallon limits on individual "fill-ups" are becoming more and more common. One major oil company has recently started "voluntary" nationwide rationing and lowering of octane to conserve fuel.

Trent suggested to the Congressional committee that states should begin allocating fuels within their boundaries and "jawbone" the oil industry to make sure fuel is spread evenly around the country. *"That,"* grumbled Congressman Pickle, "doesn't help much." The situation will only get worse as the country has to depend on foreign suppliers for oil, added Rep. Bob Bergland (D-

Minn.). "Those folks won't take green stamps—they want cash!"

Indeed, America paid $2.1 billion a year for oil imports in 1970; now it imports $7 billion worth of oil a year, and some industry projections anticipate the need for $30 billion worth of imported petroleum annually by 1980.

However, long before that figure is paid, say some experts, the country will either have to find its energy elsewhere, or do without. "The projections are fantasies," says J. T. Claiborne Jr., head of an appraisal firm. "Such import needs would bankrupt America, eliminating us as a customer." Already, evidence has surfaced indicating the danger of too heavy reliance on Middle Eastern oil and pointing up the complex role short-term economic pressures have played in creating a growing emergency.

Some economists, like MIT's M. A. Adelman, believe that the energy crisis, at least in the short-range, has been artificially created. "The world 'energy crisis' or 'energy shortage' is a fiction," he says, "It makes people accept higher oil prices as imposed by nature, when they are really fixed by collusion." American oil companies, he charged in a Wall Street Journal article, have acted as "tax collectors" for the oil sheiks, according to ever higher demands by Middle Eastern exporters in hopes of driving up the worldwide price of oil.

Between now and 1985, the world will probably burn more oil than has been consumed so far throughout history, sending perhaps a half trillion dollars into the Middle East.

Some of the smaller oil-producing countries have been raking in money almost twice as fast as they can spend it, leading them to make speculative ventures with American dollars. Such speculation is now blamed, in part, for precipitating the latest dollar devaluation. The emerging villain, from the American point of view, is the Organization of Petroleum Exporting Countries (OPEC). The organization's latest move is a demand for hundreds of millions of dollars added to existing oil contracts to counterbalance devaluation. The member countries—which produce 85 percent of the world's oil—have scheduled an extraordinary meeting in Vienna later this month to decide how to enforce their demands, since Western oil companies, they say, "continue to adopt a negative attitude." That, in the euphemistic parlance of international finance, amounts to making them an "offer they cannot refuse."

Whether viewed as the machinations of an international cartel or simply the inevitable pinch that comes with dwinding supplies, the shortage of fuel is real and all the suggested remedies seem both unpleasant and very expensive. Intense pressure is mounting to relax atmospheric-pollution standards enough to reintroduce coal—cheap and abundant—as a primary source of energy. Likewise, offshore drilling, the Alaska pipeline and deep-water ports for supertankers, which environmentalists have so far successfully blocked, will gain new impetus. Oil companies say capital investment for new refineries, new pipelines, new drilling and new tankers could run to the astronomical figure of half a trillion dollars by 1985, and they have already begun approaching the Government for help.

Ultimately, the consumer must pay. OEP Director Trent expects gasoline prices to rise this summer by about a nickel a gallon. Congressman Cronin predicts prices of 50 to 80 cents a gallon by summer's end, but he quotes the president of one oil company as saying the price could be $1.25 a gallon "soon." Meanwhile, the Federal Trade Commission is studying possible antitrust action against the nation's major oil companies, claiming their control of refinery capacity seems to have "contributed in a major way" to the current fuel shortage.

Oil cannot long remain the principal source of energy for the United States, much less for the world. At *present* rates of consumption, currently proven Free World reserves of oil could last only about 35 years, with new discoveries possibly extending that time by a factor of two or three. By taking into account the continued rapid expansion of industrialized countries and the technological development of Third World nations, the figure reduces sharply. The expected rise of imports, following the recent lifting of all quotas, will probably ease the current pinch. Alaskan oil may someday provide 20 percent of the country's needs, particularly if new technology assures its safe transport (SN: 5/19/73, p. 325). Oil now locked in shale, and thus not counted as "reserves," might someday be freed by nuclear explosions, but thousands of such explosions would be required to make a significant impact.

Ultimately other energy sources must be exploited. Environmentalists and industrialists alike must make hard choices as to what the sources will be. The transition to new sources can be made smoothly only if pursued with foresight and compromise, not the amateurism and intrigue that have led, in part, to the present crisis.

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## FUNDING OF INTERCOLLEGIATE ATHLETICS

### HON. DICK SHOUP

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. SHOUP. Mr. Speaker, Montana's university system, like many other university systems throughout the Nation, is facing a financial crisis. University officials, taxpayers, and students are feeling the pinch from increased costs and lack of sufficient funding. With this in mind, students at the University of Montana are taking a close look at the amounts of money which they and the taxpayers contribute toward intercollegiate athletics. They are not questioning the value of intercollegiate athletics, but are seeking alternate ways to fund these expensive programs. One of the funding proposals brought to my attention was that of Bruce Sayler, a sophomore in journalism at the university. It is an interesting approach to the problem which merits printing in the RECORD:

MAY 24, 1973.

Congressman SHOUP: This is merely an idea for possible legislation dealing with funding of intercollegiate sports.

The University of Montana campus had to face a serious problem during the Central Board budgeting problems during the planning for the 1973–74 budgets. Bickering and conflicts between students arose during these sessions as each student has his own interests and student fees alone cannot cover these expenses.

It is my suggestion that the United States government start legislation which calls for professional sports corporations paying colleges and universities for individuals they sign to contracts to participate in professional sports. This would alleviate the problem of campuses trying to single-handedly produce successful athletic departments, only to start over when the star individuals finish their eligibility and compete on the national level in professional sports.

Major League Baseball has a farm system it uses to develop players for their top organizations. The National Football League is one example of a professional sports corporation which does not have a farm system as such to develop these players. Instead, these corporations use college campuses for these services and the colleges never receive more than perhaps, a thank-you.

These corporations should be required to pay the colleges for the services the corporations are now exploiting.

A program as this suggestion would keep intercollegiate athletics on campus where they can be enjoyed by students and would not interfere with a sports competitor's higher education. This system would also allow the students' other interests, receive more student funding and satisfy more people. Also, the sports corporations could benefit from this as it would promote higher levels of intercollegiate competition and if athletics were forced off of the campuses, these corporations would be forced to pour money into farm systems to make up the difference.

I am willing to look into these possibilities farther and am sure I can receive assistance from several interested parties in doing so. I would appreciate you contacting me and tell me if you are willing to consider this possibility.

College years are filled to the brim with serious academic problems for the student without there being a need for the students to bicker over programs for each deciding who will enjoy their collegiate lives the most by what programs get the most money.

Thank you.

Sincerely,

BRUCE SAYLER,
*Sophomore, Journalism.*

MISSOULA, MONT.

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## THAT PRESIDENTIAL PAPER

### HON. CHARLES H. WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. CHARLES H. WILSON of California. Mr. Speaker, the Washington Post of May 27 printed an article by Richard Holbrooke which delves into President Nixon's motivation in creating the Special Investigations Unit known as "the plumbers." Mr. Holbrooke describes the distorted view of the world and the distrust that led Nixon to declare a private war on those he perceived to be enemies of "national security" and deplores the auxiliary unit that chillingly resembled a covert, personal police organization. Holbrooke clearly points out that the White House remained immersed in the Cold War era that had ended and that this very mistaken perception led to many illegal and criminal actions. In order that all Members gain from Holbrooke's insight, I am inserting this article in the RECORD at this point:

READING BETWEEN THE PRESIDENT'S LINES

(By Richard Holbrooke)

In defense of himself, Mr. Nixon has provided us with one of the most remarkable documents of his remarkable career. With his back against the wall, stripped of the protective layers of staff, fighting for his political life, he has given us in his May 22 statement an extraordinary insight into the way he views the world.

Never mind for a moment, if he is finally telling the whole truth, or even a good part of it. The courts and the Senate will decide that in the coming weeks, with help from investigative reporters. Consider, rather, the world the President lives in, and ask yourself if it bears any resemblance to yours:

1969: The world we live in, he believes, is threatened by a subversive conspiracy at every level. In the words of columnist Stewart Alsop, summarizing the views of the inner Nixon team, the administration believed that "the left-wing opposition had infiltrated the secret vitals of the Nixon foreign policy."

1970: Then a sudden threat "of critical proportions": a wave of violence sweeping across the nation, with "some of the disruptive activities receiving foreign support."

1971: a theft of 47 volumes of studies and documents "from the most sensitive files," a "security leak of unprecedented proportions," creating *"a threat so grave as to require extraordinary actions."*

And so—viewing the world outside the oval office as hostile, the President took internal security measures. But because he could not even trust the established agencies any more—particularly the FBI, where old anti-subversive hero J. Edgar Hoover was no longer cooperative—he created an extraordinary little organization, which he himself refers to as "the plumbers."

Nothing is more astounding than the creation and existence of this group. It had no legal or legislative basis for existence; its very existence was a well-kept secret. It operated under the close supervision of John Ehrlichman, who presumably knew what the President wanted. It strikes me that this group, the Special Investigations Unit, may be the closest thing our nation has ever had to a secret, personal police. In the name of the President (and whether or not he authorized its specific acts) this group conducted illegal and criminal actions. The President personally selected the unit's "first priority"—Daniel Ellsberg. In a mood which must have been fierce and was certainly based on a misreading of the potential importance of Ellsberg, the President now recalls:

*Because of the extreme gravity of the situation, and not then knowing what additional national secrets Mr. Ellsberg might disclose, I did impress upon Mr. Krogh the vital importance to the national security of his assignment.*

The President says he never authorized or knew of any of the "illegal means" then "used to achieve this goal," and perhaps he did not, but he had declared a secret war on his enemies, and then set loose his personal troops with a ringing order to win the day. As he himself now admits, those actions were his responsibility.

His distrust of the regular government, including even parts of the White House and Henry Kissinger's National Security Council, must be beyond all previously understood levels. Why else, for example, charge "the plumbers" with "compiling an accurate record of events related to the Vietnam war, on which the government's records were inadequate (many previous records having been removed with the change of administrations) and which bore directly on the negotiations, then in progress." There was a qualified NSC staff under Kissinger working on this problem; there was State, Defense, the CIA; and, ironically enough, there was a voluminous study of just these questions, with information of great potential embarrassment not to Nixon but Lyndon Johnson and the Kennedys. That study, of course, was the Pentagon Papers.

Much more will undoubtedly become known about the extraordinary, extralegal activities of this extraordinary group, although we may never know its full scope. The President is still trying to preserve secrecy concerning its activities under his very last line of defense, national security. But unfortunately for the President's case, it was members of this same group who committed the break-in at the Watergate.

Conspiracy, subversive, Communist—those words of the 1940s and 1950s are missing from the President's May 22 statement. But they cry out from between the lines, echoing an era that we thought—and the President had even said—was ended. Richard Nixon, a veteran of those days, apparently thought he had some reason to know better.

## CHIEF JUSTICE BURGER ON THE FRAGILITY OF FREEDOM

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## HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. BENNETT. Mr. Speaker, the Honorable Warren E. Burger, Chief Justice of the United States, addresed the Law Day Ceremony on April 29, 1973, at the St. Johns Cathedral in the city of Jacksonville, Fla., which I represent in the Congress. The Chief Justice spoke with great eloquence, on this particular occasion, discussing the fragility of freedom. I was personally present at this impressive ceremony and believed that the remarks of the Chief Justice were so significant that with his permission, I am including them herein for wider distribution:

### THE FRAGILITY OF FREEDOM

(Remarks of Warren E. Burger, Chief Justice of the United States at the Law Day Service, St. John's Cathedral)

During the week that begins today people will gather in small groups and large, all over the country, to turn their minds away from the turmoil and confusion of our times—and from daily tasks—to focus on an ideal shared by civilized people everywhere—the ideal of freedom.

The formal recognition of Law Day by proclamations of Presidents is something of fairly recent origin, but the underlying idea is ancient.

What I have to say today will therefore be quite simple and I will tread no unfamiliar ground. We are in a house of worship where it is a common practice to deal in a simple way with old truths; people gather here regularly to repeat old creeds, old prayers, psalms and songs from times long past. As we restate a creed or recite the 23rd Psalm to draw fresh inspiration and new strength, so we can turn to old truths learned by countless generations before us at great cost and over many centuries. The title to an article, a speech or a sermon is significant only in the sense it tells what the author or speaker is trying to say. With so elusive a topic as the need for the rule of law, if I were to have a title for this brief and simple message it would be the fragility of freedom.

When men and women first came down from rude tree houses in forests and jungles and from caves to take the risks of living in groups—and we know there are many risks—they had already experienced, for uncounted centuries, a kind of existence in which none could survive except those most fit for the harsh environment they had to contend with. Passive people simply did not survive. Only the strongest, the fiercest and most ruthless could contend with the elements, with predatory animals and predatory neighbors, all eager to seize whatever they could. People had no time to concern themselves with anything beyond bare existence.

As people gradually began to gather to live in larger and larger groups, in tribal villages, and later in towns, tribal customs developed with crude rules to curb the same aggressiveness that had enabled people to survive. Thus the idea of the rule of law was born even before Man's comprehension was able to grasp this as a concept. From hard experience our primitive ancestors learned that communal life and unrestrained aggressiveness could not co-exist. In their own way they discovered that total freedom was not freedom.

So it was that slowly, haltingly and painfully over a span of more thousands of years than science and history can even yet measure, the human family came to develop not just rules of conduct in terms of tribal customs, but three basic mechanisms to regulate that human aggressiveness which had kept them from extinction, and to guide those human energies and urges into constructive channels.

First came what we would now call laws—not unlike those laws that today regulate the speed of automobiles or prohibit theft of another man's goods. Next came practices that developed into religion as Man searched for God, and finally came the formulation of customs that we now call manners. *Law, religion* and *manners* are thus closely linked in the evolution of human institutions. We can accept religion as a divine revelation, but in the whole scheme of human existence the rule of law is hardly less so.

As we look back we see that the development of the human species from caves, forests and jungles to the present could not have occurred without these three factors. Scholars and social scientists see the universal nature of the evolution of rules of law, forms of religion and manners of civility in the fact that centuries before any means of communication or of travel were available, the people in Asia, in Europe, Africa and the Western Hemisphere independently developed these three patterns of restraint—these three pillars of civilization—in much the same way.

These behavior controls were invented by our forebears and became foundations of civilization without the aid of psychologists, lawyers or theologians—except that even those primitive people had the seeds of these disciplines within them. These restraints were the inventions of necessity made by people who learned the hard way that there can be no human progress, no lasting change, no improvement in the human condition, except in a setting of the rule by law.

Until these propositions are challenged or shaken by events, we tend to take them for granted as immutable parts of life, like the earth we walk on and the skies above, and the precise mathematical order of the universe. But they are not immutable. Eric Hoffer commented once that our social and political order is even more fragile and vulnerable than a human being who cannot survive if the heart stops for even a matter of minutes. Therefore these three vital supports of civilization must be constantly reexamined and reaffirmed. The Book of Judges tells how Israel became "prey to bands of raiders and plunderers." When the Roman Empire fell, cities very nearly disappeared. In the great city of Bologna, Italy, the seat of a university dating back to the 11th Century, there are still standing the towers that affluent people made part of the walled enclosure of their homes. As recently as the 17th Century and even early 18th Century, we know that Paris and London were made up of large areas of lawless slums and small compounds of fortress-like homes of the rich. These people may have been made more safe by their towers and their walls, but they were not made more free.

We know, now, that men and women could not have developed homes, farms, factories and, finally, schools, universities and laboratories without the order produced by the rule of law. We know how often in human history there were setbacks when human aggressiveness reasserted itself. Our own history books remind us that in the great period of expansion of our country into the West, it was accompanied by a frank attitude of many people that came to be expressed as "dog-eat-dog and the Devil take the hindmost." What a distressing experience to see that the primitive hostilities of prehistoric Man again surfaced as recently as the 19th Century in a civilized nation.

And then we come to our own century in which one war has followed another, and millions of innocent people died. In more pessimistic moods it seems that human beings have not changed basically over these thousands of years except that, with our highly developed technology, more people can be killed more swiftly and efficiently in our time.

But this dismal view is not entirely accurate. Although some of our forebears 100 or 150 years ago cynically spoke of the dog-eat-dog philosophy and some practiced it, most people shared with their neighbors and helped them in adversity and sickness, and most people accepted the restraints of the law. So I suggest that a fair perception of history shows that we are making progress, and if it is not as swift as we would like, there is more progress than in many periods in the past 5,000 years. But this progress could not have been made without having the rule of law that has maintained order so that people could work and create, learn and improve.

Yet as recently as the 1960's and for most of that decade this country experienced a rising scale of attacks on our institutions. It was a twin attack by the lawful means of free expression, which we must not change, and by the unlawful means of violence when universities, colleges and public buildings were occupied, buildings were burned, great libraries and priceless manuscripts were destroyed. The country was disturbed and troubled, but with few exceptions the official reaction was calm as befits mature people.

On occasion some of the leaders and spokesmen for the violent groups sought to compare themselves and their acts with those of 200 years ago culminating in our Declaration of Independence from England. That analogy was spurious, as anyone who reads history can readily see.

The Revolution of 1776 succeeded because the protestors had a clear focus on objectives and valid grievances. Their protests were against being ruled by a distant King and Parliament who denied them a voice or vote in government. Their objective was to gain a voice and a vote, and for a number of years before and indeed even after 1776 many leaders of our Revolution would have gladly abandoned the Revolution had England granted their legitimate demands. The acceptance of the need for the rule of law by those who signed the Declaration of Independence was shown by the great pains they took in those historic lines that preceded the recital of grievances. You will recall they said that "a decent respect to the opinions of mankind requires that they should declare the causes which impel them to separation." They were troubled by that step and felt a need to explain.

In the 1960's nothing stood in the way of the protestors having a voice in their times and their government, except that they could not secure sufficient popular support in a system that gives public office to those who have such support. Fortunately, except in a few places the policy of patience and tolerance succeeded in avoiding tragic consequences throughout that decade. Those few tragedies should teach us a great deal.

That mindless violence of the 1960's seems to have stemmed in part from a confused idea that human beings will be happier and life will be better if they "act out what they feel"—and as soon as they feel it—in short to elevate emotion over reason and experience as the guiding force of conduct. Instant gratification at all cost seemed at times to be the order of the day.

Yet a most encouraging sign has emerged with some of these protest leaders running for public office and some being elected, making clear that the system is indeed open to all. This has the added benefit of subjecting those who challenge the system to the chastening experience of bearing responsibility and being accountable at the ballot box. Accountability for stewardship is not simply a political mechanism but one closely related to our religious beliefs, and again we see the linkage between the law and religion.

The protests of the 1960's, like others over our 200-year history, were, however, not totally devoid of reason, except in their resort to violence. The hard truth is that there was and is much that needs change in our social, political and economic institutions but there never has been a time when this was not true. Man differs from the lowly ant whose structured existence has remained static for millions of years. Man is constantly pressing for change.

Very often social explosions are brought on by rigid and unreasoning resistance to change. Long ago Disraeli said, "We must choose to be managers of change, or we will be victims of change." Mature, reasoning people elect to be the managers, and, being mature, they know that change must be orderly to preserve continuity with the past. The rule of law permits us to be the managers of change and to maintain our links with the experience of the past.

However painful we find it, we should ask whether some of those who challenged the system in the 1960's have not intuitively perceived that we are in a period of great change and that what was good enough 50, 40 or even 30 years ago is not necessarily good enough for today and for the future. The underpinnings and fundamentals of our institutions are valid, but we must be willing to re-examine the methods of implementation and make orderly adjustments from time to time.

When reasonable people speak of order as a product of the rule of law, they know well the difference between the kind of order Hitler imposed and that state of order which permits each individual to develop the talents God has given. Judge Learned Hand put his finger on the kind of order that flows from the rule of law when he said it must have two elements, *first,* authority, which implies the coercive powers of enforcement, and *second,* acquiescence, which implies genuine acceptance by a majority. Hitler's kind of order was all authority with acquiescence only by fear. That kind of order would never be acceptable to free people.

We must maintain our insistence that the rule of law is the best way to establish the condition of order that is indispensable for improvement and change. But even as we do it, we must be receptive to the challenge even to ideas we cherish. This is not easy. It will never be easy, but it is as inescapable as change itself. We of the generation over fifty are the outgoing generation. We have had the opportunity to try to improve our world, and in the perspective of history I believe it will be seen that during the past third of a century, in beating off the hordes that would have enslaved Europe and Asia, in finding ways to live with alien philosophies—and even possibly to modify them, and in recognition of the rights of minorities here at home, the outgoing generation has contributed some share to both change and improvement.

Within our own legal structure our generation is slowly evolving new functions of the rule of law that will have great impact on our system of justice. The law has now rejected the cynical laissez-faire philosophy of "Let the buyer beware", and it is now accepted as a proper function of the law that to assure justice the foolish and the weak must be protected from the ruthless and the strong.

If we can respond with open minds to new ideas, if we can provide universities that will let youth quest and search and if we will listen to them, I believe they will accept our belief that justice can best be attained when human beings acknowledge the restraints of law, religion and manners.

No matter what coercive powers of enforcement governments may assert, the peoples in country after country in all ages have demonstrated that Man was meant to be free, but that this ideal can be realized only under the rule of law. And this must be a rule that places restraints on individuals and on governments alike. This is a delicate, a fragile balance to maintain. It is fragile because it is sustained only by an ideal that requires each person in society, by an exercise of free will, to accept and abide the restraints of a structure of laws. If it seems a contradiction to say that to preserve freedom we must surrender some freedom, it is no more so than to say, as Christians have been saying for 2,000 years, that "he that loseth his life . . . shall find it."

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## CONGRATULATIONS TO FOOTE, CONE, AND BELDING ON ITS 100TH ANNIVERSARY

## HON. SIDNEY R. YATES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. YATES. Mr. Speaker, the 100th anniversary of Foote, Cone, and Belding Communications, Inc., was recently celebrated in Chicago, and the agency's recognition is well deserved. Foote, Cone, and Belding has long enjoyed the reputation of being one of the Nation's most creative, imaginative, and responsible advertising firms.

Foote, Cone, and Belding has become synonymous with modern advertising. Founded in 1873 by Daniel M. Lord, the agency became known as Lord and Thomas near the turn of the century. Under the innovative leadership of Albert D. Lasker, the agency launched a career which has consistently stressed that responsibility and dignity must accompany the tremendous persuasive power of advertising. This proud heritage continues today as Foote, Cone, and Belding begins its second century.

During FCB's centennial week, Chicago's mayor, Richard J. Daley, took the opportunity to award Fairfax M. Cone, the agency's cofounder, the city of Chicago's Medallion of Honor for Distinguished Public Service. The award was in recognition of the public service Fairfax Cone, as the agency, has performed for the city in taking an active interest in the problems of Chicago and in developing civic pride. Mayor Daley said of Fairfax Cone:

> He is a booster of the best in all of us.

So too has his agency, Foote, Cone, and Belding, sought to represent its clients responsibly and truthfully.

Mr. Speaker, I submit for the RECORD an editorial which appeared on Friday, May 11, 1973, in the Chicago Daily News commemorating Foote, Cone, and Belding's first 100 years.

The editorial follows:

### FCB'S FIRST HUNDRED YEARS

An advertising agency has fewer physical assets than almost any other kind of business you can name. No factories, no machinery, no lands, usually no building of its own; even its office furniture may be leased.

So an agency that lasts to celebrate its 100th birthday—as Foote, Cone & Belding did this week—must get its staying power from other kinds of assets. And those are people and ideas.

Since Daniel M. Lord opened his shop in Chicago in 1873, many of the most renowned practitioners in advertising history have made it their home: Albert D. Lasker, the father of modern advertising; the great copywriters, John E. Kennedy and Claude C. Hopkins; the brilliant young trio of Emerson Foote, Fairfax Cone and Don

Belding who took over when Lasker retired; and the present top management team of Arthur W. Schultz and John E. O'Toole.

FCB now has 1,900 people spread through 13 countries serving more than 350 big clients and billing $271 million a year in advertising.

Yet the payoff today is just what Lasker said it was: The ability to propel merchandise from market to consumer with a strong sales proposition.

This is a people-to-people exercise, and there is nothing hifalutin about it: FCB has made it with such homely propositions as Raid Kills Them Dead, by raising such earthy questions as Where the Yellow Went and Does She or Doesn't She, and by perceiving the merchandising utility of Amos & Andy, Bob Hope, and Smokey Bear.

But it takes more than cleverness or even genius to make it across a century. FCB has maintained a steady concern for the integrity of its clients and the good will of their customers, and nobody's about to invent a better sales proposition than that.

## LABOR ORGANIZATION PENALTIES LIMITATION ACT OF 1971

## HON. LAMAR BAKER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. BAKER. Mr. Speaker, today I am introducing legislation to amend the National Labor Relations Act to make certain limitations on penalties levied by a labor organization upon its members.

Our late—and sorely missed—colleague, the distinguished Senator from Vermont, Win Prouty, introduced identical legislation during the 92d Congress.

Because his remarks in May of 1971 explain the need for this legislation so clearly, I ask that his statement at that time be reprinted in the RECORD at this point:

### LABOR ORGANIZATION PENALTIES LIMITATION ACT OF 1971

Mr. PROUTY. Mr. President, prior to 1947, labor organizations held complete authority over the job security of rank-and-file union members.

The man's skill, competence, and ability meant nothing, nor did the employer's desire to retain him as an employee, if he incurred the wrath of his union's leadership.

By the simple device of expelling this man from the union, the union leaders forced the company to discharge him under union security agreements providing that union membership was a condition of employment.

It is obvious that rank-and-file employees thought many times of the consequences before opposing the union leaders' acts, policies, or statements of any kind—personal and political as well as those relating to union or employment-connected affairs.

The Taft-Hartley amendments to the National Labor Relations Act in 1947 attempted to cope with this problem, and did so to a substantial extent.

Agreements requiring union membership as a condition of obtaining employment were prohibited, agreements requiring union membership after 30 days of employment as a condition of continued employment were sanctioned, and a union's right to prescribe its own rules for the acquisition or retention of union membership was protected.

However, rank-and-file employees were given additional job protection from retaliatory action by their union leaders through the requirement that an employee could not be discharged under a union security agreement for non-membership in the union if membership in the union was denied or terminated for any reason other than his failure to tender the periodic dues and initiation fees uniformly required as a condition of obtaining or retaining union membership.

Thus, while a union retained the right to expel a member, it lost the power to force him to engage in conduct or activities he did not favor by holding the loss of his job over his head. His job was secure, as far as the union's authority was concerned, so long as he paid or tendered his initiation fees and union dues.

The 1947 Taft-Hartley Amendments to the National Labor Relations Act gave rank-and-file employees greater protection from abusive use of power by his union leaders in another area.

The original National Labor Relations Act, commonly called the Wagner Act, contained a sort of magna carta for workers in our country by guaranteeing them the right to organize, form, join or assist labor organizations; to bargain collectively; to select their own bargaining representatives; and to engage in any other concerted activities for the purposes of collective bargaining or for their own mutual aid or protection.

The Taft-Hartley amendments extended this guaranty to cover the right of a rank-and-file employee to refrain from engaging in any or all of these activities, except where he refuses to pay initiation fees or union dues under a valid union security agreement.

For example, prior to 1947, a union member was protected from retaliation by his employer if he refused to cross his union's picket line to go to work.

After the 1947 amendment, this same employee was also protected from retaliation from the union if he decided he wanted to cross his union's picket line and go to work. Or so, at least, everyone thought. He could still be expelled from union membership, of course, but expulsion for this reason could not result in the union lawfully requesting the company to discharge him under a union-security agreement.

Public and congressional discontent and concern over alleged abuses of power by union leaders in conducting the internal affairs of their unions—areas over which the National Labor Relations Board had no jurisdiction—continued to increase.

This mounting concern that some unions had gone too far in protecting the interests of union officers at the expense of the interests of rank and file members was reflected and culminated in the enactment in 1959 of the Labor-Management Reporting and Disclosure Act, otherwise known as the Landrum-Griffin Act.

Under this legislation, a whole new range of procedural and substantive obligations was placed upon labor organizations. See, for example, *Ryan* v. *I.B.E.W.*, 361 F.2d 942.

Government responsibility for implementing and enforcing these regulations bearing essentially on the internal affairs of unions was vested in the Department of Labor under the Landrum-Griffin Act rather than in the National Labor Relations Board.

Nevertheless, The National Labor Relations Board and the courts moved into this area and fashioned changes in employee-protection provisions.

The technique employed by unions to circumvent the clear intent of the National Labor Relations Act was use of the union fine.

Since 1947, as noted above, section 7 of the National Labor Relations Act has guaranteed employees the right to engage in—or to refrain from engaging in—the activities therein enumerated.

Thus, a union member's right to cross his union's picket line to go to work is an activity protected by section 7. A union's attempt to restrain or coerce him in the exercise of this right is an unfair labor practice under section 8(b)(1)(A) of the National Labor Relations Act, while a union's attempt to have the employer fire him or otherwise discriminate against him for engaging in this conduct is also a violation of section 8(b)(2) of the act. If acquiesced in by the employer, of course, the employer also commits unfair labor practices under section 8(a)(1) and (3).

The new approach worked, however. Exorbitant daily fines placed on members for crossing their union's picket line were held to be collectible in State court litigation, and the National Labor Relations Board and the U.S. Supreme Court sanctioned this action as well as holding that it did not constitute an unfair labor practice by the union.

See *Allis Chalmers Manufacturing Co.* 149 NLRB 67 (1964); affirmed 388 U.S. 175 (1967).

Similarly, union fines have been upheld against employees for filing deauthorization petitions with the National Labor Relations Board—that is, petitions seeking a Board election to determine whether representation by the incumbent union is still desired by a majority of the employees.

See *Tawas Tube Products, Inc.*, 151 NLRB 46 (1965). Cf. *Pittsburgh-Des Moines Steel Co.*, 154 NLRB 692 (1965); affirmed 373 F. 2d 443 (CA 9—1967).

This device has also been used successfully by unions to achieve unilaterally what they were unable to obtain through collective bargaining at the bargaining table.

Thus, the National Labor Relations Board and the courts have found no violation of the National Labor Relations Act where a union has assessed fines against its members for exceeding production quotas unilaterally established and prescribed by the union. See *Wisconsin Motors Corp.*, 145 NLRB 1097 (1964); affirmed 393 F.2d 49 (CA 7—1968).

The key to this latest successful approach by union leaders to keeping their rank-and-file members "in line" is, of course, the fact that State courts have held such fines collectible rather than throwing these actions out on the ground that they ran counter to public policy, and the additional fact that the National Labor Relations Board and the Federal courts have refused to find such conduct unlawful under the National Labor Relations Act.

Indirectly, therefore, unions have found a way to "restrain or coerce" rank-and-file members in the exercise of rights supposedly protected by section 7 of the National Labor Relations Act—rights which Congress thought it had fully protected under the 1947 Taft-Hartley amendments.

The right to levy fine can indeed be a heavy and coercive penalty upon individual union members. This is particularly so if the fines are for exercising rights guaranteed under the National Labor Relations Act, or for engaging in conduct which is in accord with their collective bargaining agreement.

The essence of my amendment, Mr. President, is this. It would be an unfair labor practice for a union to fine any member for exercising rights which are his under the law, or for carrying out the lawful instructions of his employer.

The present officially approved power to fine union members opens the door to vast and possibly unlimited future employee liability as this doctrine is applied and expanded.

It is particularly regrettable when this liability fastens upon an employee who never wanted to be a union member but who is required to be under a lawful union security agreement.

I submit that union abuse of this power with judicial approval is completely at odds with the objective of establishing democratic procedures for union affairs and directly contravenes the right of the minority to dissent.

In 1953, the U.S. Supreme Court said:

> The policy of the act is to insulate employees' jobs from their organizational rights. *Radio Officers' Union* v. *NLRB*, 347 U.S. 17, 40.

This, I submit, is what my bill is designed to help accomplish.

## RETIREMENT BENEFITS TAX ACT

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## HON. DONALD G. BROTZMAN

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. BROTZMAN. Mr. Speaker, for some time now I have been active in the effort to enable the Nation's future senior citizens to provide for their own retirements in comfort and dignity. Today I am renewing that effort by introducing the Retirement Benefits Tax Act. Legislation to enact pension reform was first requested by the President in a December 14, 1971, message to Congress. Now, a full 16 months later, he has asked us to consider a new, more comprehensive proposal. The time has come for an energetic congressional review of pension reform.

The plight of the Nation's senior citizens has been a matter of concern to me for some time. Indeed, during the time I have spent representing the Second District of Colorado in Congress, a number of significant pieces of legislation to assist them have been passed. Invariably however, the legislation has established or expanded a Government program which is aimed at providing some specific benefit for retirees.

Most senior citizens with whom I have met, through periodic forums I hold and through meetings in my office, stress that they are not interested in receiving welfare benefits. Rather, they would prefer enjoying a measure of the fruits of the labor produced during their working years. Moreover, I have been impressed with the number of persons who are presently in the workforce and who would like to provide for their retirement years through their own devices.

All too often they are unable to do so. While their salaries enable them to live in relative comfort, they simply lack the resources necessary to save for the future. More often than not their inability to save can be traced to the fact that their taxes—including income taxes, sales taxes, and property taxes—represent the single largest claim on their paychecks.

The Retirement Benefits Tax Act would make it possible for those Americans who choose to provide for their retirement to do so. It would reward self-reliance. It would assure the future for those not covered by adequate pension plans to take the steps necessary to have a degree of financial independence during retirement.

There are five principal features of this legislation, Mr. Speaker. First, an income tax deduction would be provided for those who wish to save independently for their retirement. Second, the tax deduction for self-employed persons who provide for their own and their employees' retirement is liberalized to better conform to current financial realities. Third, the bill establishes a minimum standard for the vesting of pensions in those who take part in a private plan for a number of years, but who lose their jobs or change their jobs prior to actual retirement. Fourth, it provides for a higher minimum financing standard to increase the security of pensions. Fifth, the bill amends the tax laws to permit a lump sum representing one's retirement benefits to be put into a qualified retirement savings program without paying tax until benefits are drawn upon retirement.

Only 30 million employees are covered by private retirement plans. The others, unless they are of substantial means, will have to rely on social security or some other public retirement plan for the main source of their income following retirement. For these people, my bill would permit a deduction of up to 20 percent of an individual's salary, with a limit of $1,500 annually, for contributions made to a segregated retirement fund. A wide variety of investment possibilities would be allowed the taxpayer who chooses to establish such a fund for himself. Standards for the distribution of the accumulated assets of the fund are established to assure that the fund will not be utilized before retirement and to further assure that the fund will be liquidated during the life expectancy of the participant. Also, the deduction is reduced for those whose employers contribute to a fund and for those not now subject to either social security or railroad retirement taxes. This would place all taxpayers on an equal footing with respect to total impact on income and tax liability.

At present, those who are self-employed or who do business other than as a corporation are severely limited in the amount the business can deduct from its taxable income for contributions to retirement funds. No such limit exists for corporations, and the result has been a proliferation of firms doing business as corporations chiefly for this tax purpose. Even professionals are being allowed to incorporate in many States so as to take advantage of the tax laws concerning employer contributions to retirement funds. Whatever the merits of incorporation, this is not a decision which ought to be made on the basis of the deductibility of employer contributions to retirement funds. Therefore, my bill would increase the deductible contribution limit for noncorporate firms from $2,500 to $7,500 per employee, and it would increase the percentage of eligible earned income from 10 percent to 15 percent.

For those 30 million Americans who are now covered by private pension plans through their employment, the bill would preserve interests accrued through the years. A basic problem in the present private pension system is the situation of the worker who loses his pension when he is discharged, laid off, resigns, or moves to another job. For these persons, the typical private pension plan pays no benefits when retirement age is reached, despite the fact that both the employer and employee treat contributions to the fund as deferred compensation. The bill provides that employees would receive a vested right in their pension funds equal to 50 percent of accrued benefits when their age plus their years of service equal 50. Additional vesting of 10 percent would accrue for each additional year worked. Provisions to prevent employee abuse of the vesting requirements are included.

So that employees expecting retirement benefits under their firm's plan will have the security of knowing that their vested benefits are being adequately funded, my bill would augment existing minimal protection standards with an additional requirement calling for at least 5 percent of the unfunded, vested liabilities in a pension plan to be funded annually. Further, an employee who leaves his job for one reason or another is freed from taxes on the lump sum he receives upon termination. My bill, then, ends the discriminatory tax treatment given the individual who chooses to stay with one employer.

Mr. Speaker, the Retirement Benefits Tax Act comes at a particularly opportune moment. The Ways and Means Committee, on which I am privileged to serve, has recently concluded 3 months of hearings on tax reform and will present a new tax bill to this body in the near future. If included in a general tax bill, I believe my proposal will fill the need for Federal legislation which would protect employee interests in their pension funds and encourage private thrift without depriving individuals and funds of the flexibility they now enjoy. I commend this bill to my colleagues' attention and ask for their support.

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## JOBLESSNESS AND THE YOUNG

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## HON. JOHN N. ERLENBORN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. ERLENBORN. Mr. Speaker, within the near future, this body will take up a matter of unfinished business from the 92d Congress: Increasing the national minimum wage. When we do, we will once again be faced with the question of whether we should set a separate minimum hourly rate for our young people. In spite of the fact that the members of the Education and Labor Committee recognize and deplore the disproportionately high unemployment rate among our youth, the bill which the committee will bring before us does little or nothing to put these young people into jobs. Instead, that bill, for all practical purposes, merely continues the existing, limited student certification program, which obviously has not encouraged youth employment opportunities.

To remedy this failing of the committee bill, I will join several of our colleagues, as I did last year, in offering a substitute bill which provides a two-tier minimum wage rate—one rate for adult breadwinners, and another for youth. I believe this body, as it did in 1972, will endorse this two-tier system.

In saying this, I recognize, of course, that there are those among us who doubt the wisdom of the youth differential. I would like, therefore, to call attention to a recent article by the noted columnist, Milton Viorst, in the Washington Star-News. Mr. Viorst's realistic appraisal of this feature of our substitute bill carries a message that needs to be heard.

The article follows:

[From the Washington Star-News, May 28, 1973]

### JOBLESSNESS AND THE YOUNG

(By Milton Viorst)

For some years, liberals in Congress have been agonizing over the philosophical and practical implications of establishing a two-tier minimum wage, lower for teenagers than for adults.

In the last session of Congress, in fact, legislation to raise the minimum wage—which has remained at $1.60 since 1966—was defeated, largely because liberals were unable to reconcile themselves to the principle of the two-tier system.

On the whole, liberals have found that such a system smacks of discrimination. They are no more comfortable conceding a lower minimum to teenagers than to women, blacks or cripples. Equal wages somehow seem part of equal rights.

It is relevant, also, to mention that the labor unions have been dead-set against a two-tier system. Labor leaders are understandably apprehensive that employers will shift to younger workers, if wages are lower, and thus threaten the jobs of union members.

Needless to say, since the liberals in Congress are much dependent on labor, not only for campaign funds but for support for overall legislative objectives, they are ill-disposed to dabble with anything the unionists feel so deeply about.

The idea for a two-tier minimum wage then, has by default become a conservative cause—which tends to make it even more suspect in liberal eyes. The reasoning goes: Any variation of the minimum wage supported by people who oppose the principle of a minimum wage must, automatically, be bad.

The reasoning is unfortunate because it obscures the arguments in favor of the two-tier system.

The arguments center on the barely disputable contention that, when the minimum wage is the same for teenage and mature workers, an employer will pick the adult every time, and maybe for overtime, while the teenager walks the street.

The unions consider teenage unemployment a tolerable price for a prosperous adult labor force—and they (like the corporation execs who consider profits more important than anything else) have a right to their point of view.

But more and more economists and sociologists, liberals as well as conservatives, are reaching the conclusion that an undifferentiated minimum wage serves to price teenagers out of the labor market, and that this is a social disaster.

I talked with one of them the other day, Prof. James Q. Wilson of Harvard, who is a recognized expert on violent crime in American society. Wilson emphasized that violent crime, in all countries, is basically a practice of the young.

Wilson cited some stunning facts, which say much more than all of the pious and get-tough declarations of our public officials. He said that more young people in the crime-prone age bracket from 15 to 24 came into the population from 1960 to 1970 than from 1900 to 1960.

Looked at another way, he said, if you think of persons under 25 as an invading army and persons over 25 as a defending army, in 1960 the two forces were equal. By 1970, the invaders had become twice the size of the defenders. Wilson called this shift a "dramatic discontinuity" in American society.

Getting back to the job question, Wilson also pointed out that teenage unemployment in 1960 was about 8 percent. By 1970, the rate had at least doubled—and for black teenagers it had, perhaps, doubled again.

By 1970, Wilson said, we had two societies in America—but not necessarily the two societies (black and white) predicted by the President's riot commission in 1968. It was an adult society of unparalleled prosperity, and a youth society of idleness and poverty.

Under those circumstances, for the country to have avoided a violent crime wave would have been a sort of miracle. What could be more conducive to growing violence than a burgeoning crime-prone age group with no work to do?

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## MONTEREY PARK ENDORSES H.R. 261, ASIAN AMERICAN AFFAIRS ACT

## HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. ANDERSON of California. Mr. Speaker, the United States for years has totally ignored the special problems which face our Asian American communities.

While it is true some Asian Americans have broken through various political, economic, and social barriers; discrimination and prejudice continue to plague a great number of these people.

Many communities, such as Monterey Park, Calif., are realizing the need for Federal action which would help eliminate these ever-growing problems.

On May 7, 1973, the city council of Monterey Park adopted a resolution in support of H.R. 261, the Asian American Affairs Act, which I authored with our colleague, SPARK MATSUNAGA.

I want to extend my thanks to the city council of Monterey Park for their action. For the benefit of my colleagues, I am inserting the resolution passed by the Monterey Park City Council regarding H.R. 261:

### RESOLUTION NO. 7697

(A resolution of the city council of the city of Monterey Park supporting H.R. 261 relating to the establishment of an Asian American Affairs Cabinet Committee)

Whereas, while it is true that Asian Americans over the years have surmounted legal, economic, political, educational, and social barriers, the facts indicate that in all too many instances, the remnants of prejudice and bigotry still pervade our society and continue to confront the Asian American citizens in this country; and

Whereas, the problems of the Aisan Americans include both the youth and the elderly of the country; partly because of the language barrier and partly because of social and cultural differences; and

Whereas, while the City of Monterey Park and many of its neighboring cities have taken constructive steps to help solve the many and complex problems confronting the Asian American citizens of the community, this City Council is of the opinion that only federal action can begin to investigate, isolate and rectify the many inequities; and problems relating to the Asian American population; and

Whereas, on February 22, 1973, the Honorable Glenn M. Anderson, Member of Congress, introduced H.R. 261, which he coauthored together with the Honorable Spark M. Matsunaga, which would create a meaningful and effective Cabinet Committee for Asian American Affairs with the specific task of identifying the problems of Asian Americans, developing solutions to those problems and correcting the injustices that presently confront Americans of Asian ancestry;

Now, therefore, the City Council of the City of Monterey Park does resolve as follows:

Section 1. That this City Council does hereby support H.R. 261 in its entirety and does hereby urge its favorable passage.

Section 2. That the City Clerk is hereby instructed to forward a copy of this resolution to Congressmen Glenn M. Anderson, Spark M. Matsunaga, and George Danielson, Senators John V. Tunney and Alan Cranston, the League of California Cities.

Section 3. The City Clerk shall certify to the adoption of this resolution.

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## RELIGIOUS AND WOMEN'S GROUPS OPPOSE RESTRICTIVE LANGUAGE IN H.R. 7806

## HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. DELLUMS. Mr. Speaker, when the House takes up consideration of H.R. 7806, the legislation to extend Public Health Services programs, one part of this proposal merits careful attention.

I refer to section 401(b)(2) in title IV, in which new restrictions on the use of abortions are placed.

According to a group of major religious organizations and women's groups, this specific language in the bill dealing with abortion was written without due consideration by committees or the public. No public hearings were held and the public was not given a chance to comment on this restrictive language.

I, for one, oppose these restrictions, and I urge that they be deleted from the bill.

For a fuller commentary on this problem, I now insert into the RECORD the following statement made by the religious and women's groups:

### JOINT STATEMENT ON H.R. 7806—THE PUBLIC HEALTH SERVICES ACT EXTENSION

We, the undersigned organizations and religious denominations, are gravely concerned about the possible passage by the U.S. House of Representatives of section 401(b)(2) in Title IV of H.R. 7806, the Public Health Services Act Extension.

This subsection goes far beyond subsection 401(b)(1), which seeks to protect individual doctors and health care personnel from being compelled to participate in abortion procedures contrary to their religious beliefs. Subsection (b)(2) permits any "entity" to refuse to perform abortions or sterilizations, to refuse to make facilities available, or to "provide any personnel" for such operations.

This subsection was written into the Public Health Services Act Extension without due consideration by the Congress or by the public. No public hearings have been held, nor has there been adequate opportunity for public comment. Even the Subcommittee's sessions held to draft this amendment were closed to the public. This is extraordinary procedure for legislation of dubious constitutionality and with such sweeping effect on fundamental constitutional rights.

Our opposition to section 401(b)(2) centers on the following points.

First, the subsection unfairly favors the religious beliefs of one or a few groups at the expense of the religious beliefs and professional commitments of health care personnel and men and women seeking abortion or sterilization. It threatens the rights of individual doctors and nurses to implement their own beliefs and their duty to render appropriate medical care, and ignores the needs of individuals to receive health care to which they have a fundamental constitutional right. In fact, the subsection as worded permits a few persons (such as a hospital administrator or a few board members) to "legislate" policy for a whole institution that may be contrary to the beliefs of a majority of the staff and patient populations. This clause is particularly dangerous as it would apply not only to private or denominational hospitals, but also to public hospitals, clinics, state medical boards and other heath care agencies.

Second, in many areas where entire counties or communities are served by only one or two religiously-affiliated hospitals, the subsection would permit these institutions to receive federal funds while effectively denying total health care to all men and women in the community. This would have the effect of undermining the Supreme Court's recent decisions and preventing full enjoyment of constitutional rights. If adopted, this legislation would particularly deny access to certain types of health care to the less affluent who are unable to travel outside their communities for such services.

Third, the subsection clearly could result in institutions' terminating staff privileges or employment of doctors, nurses, and other health care personnel, or otherwise discriminating against those who choose to participate in abortion and sterilization procedures outside the bounds of the institution, on their own time. In communities with limited medical facilities, this could lead to an institution exercising "veto power" over the establishment and operation of high quality medically-sound facilities for the performance of abortion or sterilization anywhere in the area. Because of this dangerous possibility, and because any bill purporting to protect individual rights should protect the rights of all rather than just those of a few, the Senate-passed provisions prohibiting discrimination based on religious belief should be incorporated into the House bill.

Fourth, the language of the House bill barring "any Court" from entering certain orders could be interpreted as a Congressional attempt to deny "government involvement" in these hospitals' policies or to deny federal courts jurisdiction to enforce fundamental constitutional rights in appropriate situations. We believe either interpretation might well render the bill unconstitutional.

Finally, we believe subsection (b)(2) raises grave First Amendment problems concerning the separation of church and state. It appears to be designed to encourage institutions that wish to operate on a religiously-motivated basis to deny constitutional rights to individuals of other persuasions, while receiving federal funds. And of course, without regard to possible constitutional problems, the bill is objectionable insofar as it sanctions the religious beliefs of one or a few religious demonstrations while hindering free exercise by members of other religions of their own free, responsible choices in matters of abortion and sterilization.

In light of these concerns, we urge the House of Representatives to delete those sections of H.R. 7806 which violate individual rights (Title IV, Section 401 (b) (2)) and to include language protecting individuals from institutional discrimination on the basis of their own religious beliefs:

American Civil Liberties Union.

Church of the Brethren, Washington Office.

Division of Social Ministries, National Ministries of the American Baptist Churches, U.S.A.

National Board, Young Women's Christian Association of the U.S.A.

National Council of Jewish Women.

National Organization for Women.

National Women's Political Caucus.

Planned Parenthood.

United Church of Christ, Board of Homeland Ministries.

United Methodist Church, Board of Church and Society.

Women's Equity Action League.

Women's Lobby, Inc.

Unitarian Universalist Association.

Unitarian Universalist Women's Federation.

American Humanist Association.

American Ethical Union.

## ANOTHER VIEW OF THE WATERGATE

### HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. EDWARDS of California. Mr. Speaker, in times of national crisis it is always instructive to stand back and view the problems confronting us from another perspective. One way of accomplishing this is to read what other nations think of the situation, recalling that because of our world leadership position everything that happens in the United States has global repercussions. The Watergate affair, although a peculiarly American phenomena, is no exception. The understanding of this situation by foreign governments can perhaps offer us some insight into the matter that our own closeness to it prevents us from seeing. Following is a reprint of an editorial of May 21, 1973, from a leading Dublin newspaper, The Irish Times, which I think my colleagues will find interesting:

#### FOULING THE NEST

President Nixon must be under a severe strain—unless he is a man of iron nerve—when he delivers a speech as he did on Saturday without making any reference to the scandal which, with every week, envelops him in its clouds.

This week may increase the inundation: on Friday the former director of the Central Intelligence Agency, Mr. Richard Helms, told a Grand Jury that he was ordered by the President's chief-of-staff, Mr. H. R. Haldeman, to help to conceal the Watergate scandal and that the orders came from "higher up."

In this context that could only mean the President. If, by a continuation of luck and strategy and the sheer ability to survive, he manages to ride out this squalid affair, the President will be the only skittle left standing in the alley. Even Dr. Kissinger, who would have been too intelligent, one might have supposed, to get involved, has not escaped. He, too, allowed his staff to be subjected to wire-tapping. All the sinister apparatus of spying that used to be associated with embassies in Moscow has now been discovered in Washington, and used, not against foreigners, but colleagues.

On the assumption that President Nixon is the only member of his staff who was not out of step, that the practices of his closest advisers (sometimes friends) were unknown to him, he cannot escape the charge of choosing undesirables. The choice of his Vice-President was, to say the least, bizarre. Now the idea of President Agnew is probably Mr. Nixon's strongest card. That such should be the position, that he should have chosen such a running-mate, is itself something for which he owes his people an apology.

The spectacle of the United States in trouble may give satisfaction to some. There was a time, and it was not long ago, when this nation cherished close ties with that great country. The United States was founded in a generous and idealistic spirit. It represented—or symbolised at least—a step forward in the harsh progress of mankind. Anyone in the West who welcomes its loss of influence, humiliation and internal weakening takes a short as well as an ungenerous view.

It is a time to condole with the country which has fallen into such unworthy hands. And whatever President Nixon's future may be and whether or not he retains his office, he has done ill service to his country, more than any external enemy has achieved since the Declaration of Independence.

The disclosures will not merely discredit the President's entourage; they will arouse well-founded suspicion of how politics and affairs of State are conducted in the U.S.A.

And not only in the U.S.A. In this country we have witnessed in recent years a lack of candour in high places. In Britain, despite Mr. Heath's criticism (what else could he say?), the Lonrho business and the importance of the names associated with that concern shake confidence. Mr. Reginald Maulding and the revelations in the Poulson bankruptcy suggest that the standards of Ancient Rome are no longer required or expected among the ruling few.

The wrong done is to the democratic process. If one of the American generals of World War II were still available it is not too far-fetched to imagine a rally round such a figure and a Cromwellian purging of Congress. Many Americans must today be in that mood. The test of the American system has not yet come. It may be resilient enough to survive these shocks. If it does it must begin at once to clean out its political stables.

## RETURN TO THE RAILS

### HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. UDALL. Mr. Speaker, development of Arizona, like that in most western States, stems from the completion of pioneer railroads. The railroads of my State—the Southern Pacific and the Santa Fe—are still of major importance to the economy.

Railroad passenger service is something else. The railroads suffered the same decline in ridership that affected all railroads after gasoline rationing ended with the return of peace after World War II.

However, for a multitude of reasons—highway traffic congestion, air pollution, proper use of our limited land resources, and now the energy crisis—I believe it is important that we do everything possible to restore railroad passenger service to its proper place. There are many modes of transportation, and we need them all. But we need the balance in our overall system provided by a stronger railroad passenger service.

Amtrak has made a good beginning in this area, and has passed its second birthday with hopes and indications of a successful future.

I was pleased to read in the May issue of Environmental Quality magazine an editorial by Richard Cramer, editor, an exceptionally fine view of the problems we must deal with in meeting the transportation needs of this country—and the part Amtrak is playing in solving them.

#### RETURN TO THE RAILS

(By Richard Cramer)

Since World War II, the percentage of railway passengers in America has declined from some thirty percent of the nation's travelers to less than five percent. And as the train lost its popularity in America, people quickly focused on the bus, truck, plane and automobile as more desirable modes of transportation. Today we're beginning to recognize the appalling results.

As Lewis Mumford aptly states, "By shifting the main burden of transportation to cars and trucks, we have extravagantly multiplied the number of vehicles in constant operation, decreased their speed, wasted time, money and petroleum, slowed freight and mail deliveries, and increased human tensions. Meantime, we have nullified the shorter work week, and the promised gain in leisure, by spending more hours in monotonous daily travel, under conditions highly inimical to health."

Yet there's an alternative to the frenzied highway and airport expansion which continues to contribute to our deteriorating environment: A return to the rails. Railroads are the nation's safest, most efficient and economical means of transportation today.

But first some facts. The highway use of motor fuel exceeded 103 billion gallons in 1972. This is 877 gallons of fuel for every registered motor vehicle in America, exclusive of motorcycles. The EPA has suggested gasoline rationing for the notoriously toxic Los Angeles basin. This past winter thousands of cities experienced shortages of fuel, with no promised easing of the crisis in the near future.

More facts. The automobile uses 2½ times the energy per passenger-mile than a train in cross country travel. An airplane—six times the energy. A person who flies coast to coast is personally using as much fuel for that one trip as his automobile will consume in six months. If he takes the train, he will use one-sixth as much energy as in a car.

So let's consider the advantages of returning to the rails, from a purely environmental viewpoint. Trains have the unique potential for using energy from just about any source—oil, or electricity from coal, gas or atomic energy. Thus, as our crisis for oil further develops, trains could potentially make use of other fuel resources in greater supply.

Trains also require far less land than either airports or highways. Manhattan's two railroad stations handle 105 million passengers a year, on just 124 acres. New York's three airports handle less than a third as many passengers on more than 60 times as much land. The new Dallas-Ft. Worth airport is as large as Manhattan Island, but its capacity is less than Manhattan's 9-acre Penn Station.

Infinitely less air pollution is created per passenger by the most heavily traveled diesel or electric railroad as compared to cars or planes. While railroads are currently responsible for only about 1 percent of the total national air pollutant emissions, the automobile is responsible for "over half of the two million tons of pollution which we pump into our air yearly," according to John P. Olsson, Deputy Under Secretary of Transportation. And the airplane? A study released by the EPA last December said that although 90 percent of the nation's jet airlines now have engines producing a reduced level of emission fumes, aircraft will continue to be a major source of air pollution until at least 1980.

Yet despite the environmental advantages of rail passenger service, the future of Amtrak, our only rail passenger commodity, is in doubt. When Amtrak began operating on May 1, 1971, it inherited a passenger network that had suffered seriously from mismanagement and neglect. With some Government "seed" money, Amtrak cleaned up the trains, reduced the fares, got them on schedule and began an extensive advertising campaign to get travelers "back on the rails."

Come this June 30, 1973, Congress must review Amtrak's operation, and pass new legislation to keep the passenger rails open. But several of President Nixon's top advisors are opposed to Amtrak, believing there's no place or need for rail passenger service. Most notable are Domestic Advisor John Ehrlichman, Treasury Secretary George Schultz, and newly appointed Secretary of Health, Education and Welfare, Caspar Weinberger. There is even speculation that Weinberger, former Director of the Office of Management and Budget, will recommend to his successor that Amtrak be dismembered, under the guise of wanting to hold the line against wasteful government spending. Perhaps these "advisors" also wish to keep the support of railroad presidents who do not want passenger trains interfering with their profitable freight trains.

Proponents of Amtrak include virtually every member of the Senate and a large percentage of the House, as well as consumers, environmentalists and rail labor unions. Yet the pro-train forces are not nearly as powerful as the highway or aviation interests. *Fortune* magazine has estimated that the combined forces of the highway lobby spend $100 million a year on their Washington offices alone. Thus the fate of rail passenger travel in this country is indeed tenuous.

The solution is clear. With fuel running out, land becoming scarce, and our air quality reaching the point of no return, it's time we had a choice in our modes of travel. Amtrak's survival could help shape the course of passenger transportation in America for years to come, but only if we let our legislature know how we feel. Write and tell them to support passenger trains. Also, you yourselves should try a return to the rails—you'll love it.

## DOLLAR OVERHANG

## HON. RICHARD T. HANNA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. HANNA. Mr. Speaker, the recent dollar devaluation is one symptom of the underlying ill of heavy foreign dollar holdings "Dollar Overhang." I have proposed, both in hearings of the Banking and Currency Subcommittee on International Finance and in the RECORD, that the Treasury Department take aggressive action to return some of these dollars to the United States. Only in this way will we have some reliable expectation of a stable dollar value abroad.

Last month I invited representatives of the Treasury Department to my office to discuss in more detail the proposal I had urged and the current plans of the Department. At the conclusion of that meeting, I asked Deputy Assistant Secretary Sam Cross to send me a memorandum covering the points he had made. I want to share that memorandum with the Members of the House.

The letter and memorandum from Mr. Cross follow:

THE DEPARTMENT OF THE TREASURY,
*Washington, D.C., April 16, 1973.*

Hon. RICHARD T. HANNA,
*House of Representatives,*
*Washington, D.C.*

DEAR MR. HANNA: When we met in your office the other day to discuss proposals for consolidating U.S. dollar balances held by foreign official institutions, you asked for a memorandum summarizing the points I mentioned.

A memorandum is enclosed.

Please let me know if you have any further questions or if we can help in any other way.

Sincerely,

SAM Y. CROSS.

### PROPOSALS FOR REDUCING THE LIQUIDITY OF U.S. DOLLAR BALANCES HELD BY FOREIGN INSTITUTIONS

1. The Treasury is at present giving renewed consideration to the possibility of special measures aimed at reducing the liquidity of U.S. dollar balances held by foreign official institutions. We cannot at this stage predict the outcome, but we are reexamining the entire question to see whether new initiatives are in order.

2. As of the end of January 1973, U.S. liquid and other liabilities to foreign official institutions amounted to about $61 billion. There have been a number of proposals that these funds should be consolidated, funded or in other ways made less liquid, as a move toward international monetary stability. To considerable extent, however, these balances represent the working balances and reserve holdings which other nations have sought to accumulate. They undoubtedly wish to retain sufficient balances to finance their trade and payments and as a cushion for balance of payments need. Thus by no means all of these balances are either very volatile or a source of instability. The very large holdings are concentrated in the hands of a very few central banks. In fact, about 60 percent of the total is held by the monetary authorities of three countries.

3. The Treasury has been receptive—and to a degree has actively encouraged—investment of dollar balances in nonmarketable U.S. Treasury bonds and notes. As shown in the attached table, at end January 1973, the total of such issues (including both those payable in dollars and those payable in foreign currencies) amounted to about $16 billion, or 25 percent of the total balances held by foreign official institutions. (It should be noted, however, that the bulk of these issues can, under various conditions, be converted into marketable issues.) During 1972, the total of non-marketable issues rose by about $7 billion, largely through increases in the amounts held by Germany.

4. There are, however, serious constraints on the scope for bilateral arrangements between the U.S. and large dollar holding countries to reduce the liquidity of the dollar balances:

Central banks traditionally desire to hold their reserve assets in a very liquid form so that they can use the assets on short notice if necessary, and they do not like to give up that liquidity for the higher earnings which might be earned;

The Treasury is reluctant to pay more interest than necessary to finance the public debt, and does not wish to give preferential interest rates to one class of lender (foreign official institutions).

5. More broadly, the United States view has been that the question of the dollar balances must be examined as one part of the much broader issue of long-term international monetary reform—involving decisions on effective means of balance-of-payments adjustment; possible exchange rate regimes and degree of flexibility in rates; the proper role of gold, currencies and SDR in the system; the appropriate degree of international liquidity; and other issues. The Smithsonian Agreement and the mandate of the Committee of Twenty (C–20) both recognize that decisions on long-term monetary reform must encompass all such interrelated issues.

6. To the extent the balances are in some sense "excess" to the holders' needs or wishes, the balances are perhaps more a reflection of past instabilities than a source of present instability. Thus during the monetary crises of last February and March, the market pressures which were experienced did not, generally speaking, result from previously acquired dollars being sold on the ex-

change markets by the authorities in Germany, Switzerland, Japan, and other such very large dollar holders. They were basically the result of additional dollars being transferred out of the United States and elsewhere to these large dollar holders, further increasing the total balances substantially above the $61 billion mentioned earlier.

7. The fact that the dollar balances are the result of past international monetary instabilities means that any lasting solution requires not just a means of dealing with the liquidity of these balances, but development of a new international monetary system without the instabilities of the past. Obviously, if nothing were done to create a more stable monetary system and a more effective balance of payments adjustment process, the instabilities and imbalances of the past might emerge again. Even if the present balances were fully consolidated, there might simply be a new build-up of additional dollar balances under such conditions, and the world would be no better off.

8. In the U.S. proposals for monetary reform presented by Secretary Shultz last September, we contemplated that there would be a declining but continuing role for foreign currency holdings in the system. We recognized that a number of countries want to hold currencies in their reserves, and we stated that official holding of such currencies "need be neither generally banned nor encouraged." At the same time, we noted the possible need for some consolidation of present large liquid currency balances, and we said "careful study should be given to proposals for exchanging part of existing reserve currency holdings into a special issue of SDR, at the option of the holder."

9. Thus the question of consolidation of the dollar and other currency balances is on the agenda of the C-20 and proposals have been received by the C-20 Deputies. This is not to suggest the matter can be easily resolved. Quite aside from the fact that it must be dealt with as part of the whole reform issue, there are opposing national interests and different views. Holders of the currencies understandably would want maximum return on their assets, and maximum protection against loss from exchange rate changes, while issuers of currencies would naturally have a different interest. And, from the viewpoint of all nations in the system, there are thorny questions of achieving, in a world of convertibility, a sustainable balance between the availability of primary assets (SDR) in the system and claims on such primary assets—which means either providing for substantial increases in the amount of SDR in the system, or limiting somehow the extent to which currency holdings can become a claim on primary reserves. Without some means of attaining a sustainable balance between the claims on and supply of primary assets, the monetary system could be subject to severe strains, and the prospects of maintaining a system of general convertibility would be dim.

10. As yet it is by no means clear how these important aspects of long-term monetary reform will be resolved, or what decisions will be made with respect to consolidating, funding, or exchanging part of currency balances into SDR. But the importance of the issue was reiterated in the communique issued at the end of the Ministerial Meeting of the Group of Ten and the EEC, of March 16, 1973 which stated:

"In the context of discussions of monetary reform, the Ministers and Governors agreed that proposals for consolidation of official currency balances deserved thorough and urgent attention. The matter is already on the agenda of the Committee of Twenty of the IMF."

11. Whatever the steps, multilateral or bilateral, to make these balances less liquid in the short term, the longer-term solution is a strong U.S. balance of payments which enables us to reduce the balances through surpluses.

TABLE IFS-4.—NONMARKETABLE U.S. TREASURY BONDS AND NOTES ISSUED TO OFFICIAL INSTITUTIONS OF FOREIGN COUNTRIES

[In millions of dollars or dollar equivalent]

| End of calendar year or month | Total | Payable in dollars | | | | | | | | | | Payable in foreign currencies | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Total | Belgium | Canada[1] | Denmark | Germany | Italy[2] | Korea | Sweden | Taiwan | Thailand | Total | Austria | Belgium | Germany[3] | Italy | Switzerland | Bank for International Settlements |
| 1962 | 251 | | | | | | | | | | | 251 | | | | 200 | 51 | |
| 1963 | 893 | 163 | | 125 | | | 13 | | 25 | | | 703 | 50 | 30 | 275 | 200 | 175 | |
| 1964 | 1,440 | 354 | | 329 | | | | | 25 | | | 1,086 | 50 | 30 | 679 | | 257 | 70 |
| 1965 | 1,692 | 484 | | 299 | | | 160 | | 25 | | | 1,208 | 101 | 30 | 602 | 125 | 257 | 93 |
| 1966 | 695 | 353 | | 144 | | | 184 | | 25 | | | 342 | 25 | 30 | 50 | 125 | 111 | |
| 1967 | 1,563 | 516 | | 314 | | | 177 | | 25 | | | 1,047 | 50 | 60 | 601 | 125 | 211 | |
| 1968 | 3,330 | 1,692 | 32 | 1,334 | 20 | | 146 | 15 | 25 | 20 | 100 | 1,638 | 50 | | 1,051 | 226 | 311 | |
| 1969 | [4]3,181 | 1,431 | 32 | 1,129 | | | 135 | 15 | | 20 | 100 | [4]1,750 | | | [4]1,084 | 125 | 541 | |
| 1970 | 3,563 | 2,480 | 32 | 2,289 | | | 25 | 15 | | 20 | 100 | 1,083 | | | 542 | | 541 | |
| 1971 | [5]9,657 | 7,829 | 32 | 2,640 | | 5,000 | 22 | 15 | | 20 | 100 | [5]1,827 | | | 612 | | 1,215 | |
| 1972 | 15,872 | 14,333 | 20 | 2,840 | | 11,315 | 22 | 15 | | 20 | 100 | 5,539 | | | 306 | | 1,233 | |
| 1972: | | | | | | | | | | | | | | | | | | |
| February | 9,658 | 7,829 | 32 | 2,640 | | 5,000 | 22 | 15 | | 20 | 100 | 1,828 | | | 612 | | 1,216 | |
| March | 9,940 | 8,188 | 32 | 2,840 | | 5,158 | 22 | 15 | | 20 | 100 | 1,752 | | | 536 | | 1,216 | |
| April | 12,440 | 10,688 | 32 | 2,840 | | 7,658 | 22 | 15 | | 20 | 100 | 1,752 | | | 536 | | 1,216 | |
| May | 12,441 | 10,688 | 32 | 2,840 | | 7,658 | 22 | 15 | | 20 | 100 | 1,753 | | | 536 | | 1,217 | |
| June | 12,441 | 10,688 | 32 | 2,840 | | 7,658 | 22 | 15 | | 20 | 100 | 1,753 | | | 536 | | 1,217 | |
| July | 15,864 | 14,188 | 32 | 2,840 | | 11,158 | 22 | 15 | | 20 | 100 | 1,676 | | | 459 | | 1,217 | |
| August | 15,864 | 14,188 | 32 | 2,840 | | 11,158 | 22 | 15 | | 20 | 100 | 1,676 | | | 459 | | 1,217 | |
| September | 16,022 | 14,345 | 32 | 2,840 | | 11,315 | 22 | 15 | | 20 | 100 | 1,677 | | | 459 | | 1,218 | |
| October | 15,871 | 14,345 | 32 | 2,840 | | 11,315 | 22 | 15 | | 20 | 100 | 1,526 | | | 306 | | 1,220 | |
| November | 15,872 | 14,345 | 32 | 2,840 | | 11,315 | 22 | 15 | | 20 | 100 | 1,528 | | | 306 | | 1,222 | |
| December | 15,872 | 14,333 | 20 | 2,840 | | 11,315 | 22 | 15 | | 20 | 100 | 1,539 | | | 306 | | 1,233 | |
| 1973: | | | | | | | | | | | | | | | | | | |
| January: | 16,016 | 14,474 | 20 | 2,840 | | 11,471 | 22 | | | 20 | 100 | 1,542 | | | 306 | | 1,236 | |
| Feb.[6] | 15,863 | 14,474 | 20 | 2,840 | | 11,471 | 22 | | | 20 | 100 | 1,389 | | | 153 | | 1,236 | |

[1] Includes bonds issued to the Government of Canada in connection with transactions under the Columbia River treaty. Amounts outstanding were $204,000,000, September 1964 through October 1965; $175,000,000, November 1965 through October 1966; $144,000,000, November 1966 through October 1967; $114,000,000, November 1967 through October 1968; $84,000,000, November 1968 through September 1969; $54,000,000, October 1969 through September 1970; and $24,000,000, October 1970 through October 1971.

[2] Notes issued to the Government of Italy in connection with military purchases in the United States.

[3] In addition, nonmarketable Treasury notes amounting to $125,000,000 equivalent were held by a group of German commercial banks from June 1968 through November 1972. The dollar value of these notes was increased by $10,000,000 in October 1969, and by $18,000,000 as of Dec. 31, 1971. See also footnotes 7 and 8, table IFS-1.

[4] Includes an increase in dollar value of $84,000,000 resulting from revaluation of the German mark in October 1969. See also footnote 7, table IFS-1.

[5] Includes $106,000,000 increase in dollar value of foreign currency obligations revalued to reflect market exchange rates as of Dec. 31, 1971. See also footnote 8, table IFS-1.

[6] Dollar equivalents not revalued to reflect end-February 1973 de facto conversion rates.

Note.—For further information, see "Public Debt Operations," tables PDO-8 and 9.

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## THE POSTWAR FOLLIES

## HON. F. EDWARD HÉBERT

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. HÉBERT. Mr. Speaker, Rear Adm. Ernest M. Eller has written a story in the May issue of Sea Power magazine which should be read by every Member of Congress, and I include it at this point in the RECORD:

### THE POSTWAR FOLLIES—PEACETIME PARSIMONY LEADS TO WARTIME CALAMITY, WARNS EMINENT HISTORIAN

(By Ernest M. Eller)

(NOTE.—Rear Admiral Ernest McNeill Ellen, former Director of the Naval History Division, retired from the Navy in 1970, ending a distinguished 48-year career. Currently, he is serving his second year as National Historian of the Navy League. Author of the book "The Soviet Sea Challenge," Admiral Ellen has been an anxious observer of the momentous changes of the past decade which have eroded U.S. oceanic strength and tipped the precarious balance of sea power in favor of the Soviet Union. These are his views.

After all major conflicts in which the United States has been involved there has been, and rightly so, a cutback of U.S. military forces.

Sometimes—more often than not, unfortunately—such cuts have gone beyond the point of reason and safety as the nation's craving for peace and weariness with war, particularly with expenditures for war, have caused the pendulum to swing too far—regardless of postwar world conditions, U.S. international treaty responsibilities, and domestic economic needs.

The country again faces such a situation today as, in the wake of the longest war—and one of the most divisive—in U.S. history, she begins a substantial dismantling of the country's defense establishment and turns to consideration of what many stridently proclaim as "higher priority" domestic matters.

But it is no exaggeration to say that, if America follows too closely the postwar excesses of the past, if she once again permits the pendulum to swing too far, she will be inviting calamity.

This is particularly true as regards the situation at sea, where the United States is losing the fight to a relentless opponent—and, in fact, in the opinion of many naval leaders, has probably already lost it.

It is also exaggeration to state, alarmist though it may sound, that never before in history has the United States been in as great peril as she is today.

This is so because, for the first time in history, the nation is faced with a ruthless antagonist which, always strong on land, is now, and has been for several years, furiously building a strength at sea which is today second to none.

### THE BRITISH SHIELD

In the past, particularly throughout the last century, the benevolent shield of British sea power protected the United States and many other nations from would-be predators. When in this century aggressor nations, ambitious for world conquest, became more so because of the naval and military weakness of the democracies and finally did challenge the Royal Navy, as well as the ascendant, newly powerful U.S. Navy, at sea, there followed the catastrophe of two world wars.

Those who lived through the darkest days of World War II, particularly, know how perilously thin was the margin of naval/military strength by which the Allies finally won out, and should remember that Great Britain nearly succumbed to a submarine force insignificant to that which the Kremlin now directs. Those in the U.S. Navy who survived will never forget the dark and desperate year after Pearl Harbor when the Japanese had a stronger Navy in the Pacific, nor the immense efforts required of the combined navies of the United States, Great Britain, and other Allied countries to check the smaller German and Japanese navies.

With such examples from the recent past, with a strong friendly sea power no longer standing between America and potential adversaries, with an avowed enemy already armed to the teeth daily growing ever stronger—particularly on, under, and now over the seas—and with the acknowledged responsibilities thrust upon and accepted by her as the most powerful of the world's democracies, it seems incredible that America has allowed herself to become abysmally inferior in most of the essentials of sea power.

But this is exactly what has happened. It is hard to understand why this is so. Perhaps today's willingness, not to say eagerness, to demolish the tools of war simply reflects historical American tendencies to let hope ride over common sense. The country has always suffered heavily in times of war for its lack of foresight during the preceding periods of peace.

If history repeats itself once again, if the past is lantern for the future, which it is, Americans can expect cruel days ahead—*but this need not be so if, in fact, U.S. leaders in Congress and in the Executive Branch can read history, and can learn from it.*

### EARLY ECONOMY ERRORS

Examining the past may help to put the present situation in better perspective. After the American Revolution Yankee maritime enterprise ranged far and wide. Merchant ships multiplied, and commerce prospered. However, bankrupted by the long war, and struggling to unite on national purpose, the nation's forefathers disbanded the small U.S. Navy of the day and depended upon the good will of others for protection.

They soon learned—the hard way, unfortunately—that freedom cannot survive without the courage and sacrifice and strength that won it in the first place. In a world where power must back the best intentions, one cannot fight sturdily for the right and then on victory day abandon his arms and leave the future as unprotected as the past. Strength in peace is almost more important than in war, *for it can prevent war*. Weakness, on the other hand, invites war.

In 1785, as the United States auctioned off her last warship, Barbary corsairs captured American merchantmen and enslaved the crews. Neglected by their government, many luckless sailors, the "POWs" of their day, died in captivity, and a decade would pass before the last survivors were freed—any similarity with Korean War and Vietnam War POW experiences is more than coincidental.

Worse followed. The French Revolution that began in 1789 soon ignited the fifth World War of that century. In efforts to cut each other's lifelines, both England and France (America's ally, under another government, during the Revolutionary War) preyed on the American merchant marine. The U.S. government protested—but it was too weak to do more.

Then, in 1792, Algerian corsairs captured several ships and enslaved over 100 more American marines. Congress finally authorized the building of six frigates—but soon cut that number to three when U.S. diplomats negotiated a humiliating peace at a tribute cost of one-sixth of the national revenue (then $6 million).

At that time the nation's income came almost exclusively from taxes on foreign trade. During the 1795–97 period, income averaged under $6.5 million annually, of which the Navy was allocated 5.5 per cent. Congress obviously wasn't rushing to rebuild a fleet, even though world war still raged.

As hostilities mounted, outrages against American commerce increased. French corsairs even captured ships in U.S. territorial waters. Congress consequently sped up commissioning a small fleet, and the country entered upon the naval quasi-war with France.

In 1801, following successful conclusion of that war, the U.S. government commenced operations against the Barbary pirates—but, as usual, tried to conduct them on a shoestring: naval appropriations dropped from $2.111 million in 1801 to $916,000 in 1802. The war thus dragged on for years until finally settled when the government agreed to pay ransom for the U.S. POWs.

Thereafter, as war continued and American commerce suffered heavily, naval budgets grew. From 1806 to 1811 they averaged around $1.9 million annually, or 20 per cent of the national budget. Such wiser allocation of resources to provide protection at sea in perilous times, however, was hamstrung by what can only be called the "gunboat aberration." (Not only do Americans usually deceive themselves that the end of the war means peace forever, but they ever follow the other chimera that security can be bought on the cheap. This time the bargain basement offered Mr. Jefferson's gunboats. Most of the Navy's increased funds went into this folly; hence real preparedness afloat benefited little.)

### FOLLY AND FORESIGHT

When the War of 1812 came the United States had, therefore, only a few high-seas warships. The little Navy could not stop the ravages—including the burning of Washington—of the British fleet, but it won notable single-ship duels and lake victories of lasting importance to the American future. When the war ended in 1815, the government consequently continued to strengthen the Navy by commissioning ships of the line, backbone of sea power. During the period 1817–12, appropriations for the Navy averaged $3.56 million, or 18 per cent of total government spending. Three sea wars in less than two decades, and pirate depredations in the West Indies, had apparently driven the lesson home.

It is not necessary to detail the wisdom or folly in naval appropriations for the ensuing century to World War I, except to note two significant examples:

(1) Power afloat played a giant role on the ocean, bays, and rivers during the Civil War. Yet when peace came naval funds plummeted and stayed in the deep six. For 25 years they averaged under 7 per cent of the overall budget, and did not rise to above 10 per cent until the late 1890s. The nation survived such a perilously low level of security only because of Britain's benign rule of the seas—a safeguard no longer present.

(2) One of the few instances of wise and strong U.S. maritime policy over an extended peacetime period followed the short Spanish-American War. During that war, naval expenditures rose only moderately over the years immediately preceding, holding at about 10–11 per cent of total national spending (then $605 million). But in 1900 a new trend began.

It was a time of cataclysmic changes. Giant forces were sweeping the world. The rising tide of the Industrial Revolution and accelerating technology had completely changed navies. A modern ship of the line, the "battleship," had evolved. Submarines were bringing their deadly stealth to boost the offensive strength of navies and increase defensive problems. Aircraft would soon follow.

These revolutionary developments at sea converged with the rise of ambitious rivals east and west yearning to wrest the sea from Britain. At the same time, although not understanding it, the United States was rising to world primacy. Without conscious preparation the nation was becoming world leader.

### TR'S PRESCIENCE

A number of Americans, with Teddy Roosevelt—a leader who demonstrates the overriding importance of a single great man in shaping history—in the van, did understand the changes taking place, however, and saw clearly that the key to the defense of freedom lay at sea. With Teddy Roosevelt on the bridge, funding for the Navy rose steadily to about 18 per cent of the rising national budget. Had the U.S. government held to the preceding low 6–10 per cent ratio, in the opinion of many military historians, World War I might well have gone the other way.

Roosevelt's foresight did, of course, provide the naval muscle needed by the Allies to win World War I, and should have been an example to future generations of the necessity for strength at sea. Yet, since World War I armistice of November 11, 1918, the record of U.S. national peacetime leadership in providing a navy adequate to the nation's needs and to cope with changing and increasingly hostile world conditions has been as bleak as the worst of the past, with only a few bright spots.

Each generation seems to find its own false standard to displace strength, which history has repeatedly demonstrated is the one sure hope for peace in a world where aggression never sleeps. The post-World War I generation found solace in the term "disarmament." Full of good will, the United States scrapped real ships, afloat and building; other nations scrapped mostly blueprints and obsolete hulls.

The Depression and vocal anti-arms advocates led U.S. leaders to cut back even more. Hence, the Navy was not permitted to build up even to treaty levels. By 1930 funds allotted to the Navy had shrunk to under 11 per cent of the national budget, and matters soon grew worse. From 1932 to 1939 Navy funding averaged well under half a billion dollars annually—about 7 per cent of the national budget, approximating the doldrum ratio of the 1870s and 1880s. The Army received little more.

This head-in-the-sand folly, it should be noted, took place in an environment radically different from the post-Civil War era, when the British Navy kept world peace. During the 1930s explosive dangers raged on three continents as the world was rocked by the conquests of the Nazis in Germany and the Fascists in Italy at the same time Japanese imperialists were threatening Asia and the Communists were completing their brutal consolidation of the USSR.

### WHAT PRICE WEAKNESS?

The inevitable followed. Determined aggressors, encouraged by weakness, unloosed the horror of another world war. If Britain and America had been prepared, this and future generations may well ask, would Hitler have risked the gamble into Poland? If the United States had doubled appropriations for sea power in the 1930s, would Japanese militarists have dared the Pearl Harbor Day of Infamy?

America's scrimping—Navy funding, for example, fell from $2 *billion* in 1919 to a $484 *million* average during the years 1931–38—during the fateful decade of the 1930s turned against her with a vengeance. Expenditures on the Army (and Army Air) exceeded $50 billion in the single year of 1945, and on the Navy (and Marines and Navy Air), $30 billion. During the long and bloody battles of World War II the small dollar savings achieved by crippling U.S. military strength in the 1930s were turned—at a cost of hundreds of billions of dollars—into an awesome and awful loss of life, untold human misery, and a world torn asunder and open, moreover, to yet another ruthless type of aggression: communism, with its evil philosophy that the end justifies the means.

Yet did America heed? No, she seemed bent on suicide, as in wild abandon, after VJ Day, she dissipated her expensive and hard-won military strength. Theorists hoisted a new signal of cheap security—the atomic bomb, which would now keep peace without the expense of conventional arms. Sea power, which had just made possible victory in the most gigantic struggle in the history of mankind, was obsolete, and this was where the biggest savings could be achieved.

Communist intrigue and aggression soon caused new crises: in Poland, Czechoslovakia, Berlin, Greece, Iran, and China. But the United States continued to cut its military strength, nevertheless. The party line now ran that if the nation spent more on defense it would go bankrupt. By 1950 the Navy's share of the now much-reduced defense budget had dwindled to 30 per cent from nearly 50 per cent through most of the 1930s—although dollar expenditures of course much exceeded those of the 1930s, as inflation and sophisticated weapons skyrocketed costs.

Looked at through another prism, the Navy's share of the overall national budget had shrunk to 10 per cent, a hazardous level at any time, but downright foolhardy in 1950, when the mantle of leadership of the Free World had fallen on the United States.

Thus, even with the tragic lesson of the 1930s made abundantly clear by hindsight, only a decade later U.S. leaders were making the same disastrous mistakes. Actually, such repetition of previous mistakes was far worse than the originals, since there was full evidence of the Kremlin's intent to dominate the world stage.

### THE LONELY GUARDIAN

The folly of the late 1940s surpassed preceding ones in yet another way. During the 1930s the Navy shared U.S. defense funds close to 50–50 with the Army, averaging over 45 per cent of the small pittance that Congress was allocating for security. But at that time Great Britain still had a powerful fleet, comparable in size to the U.S. fleet. By 1950, however, the U.S. Navy stood almost alone as guardian of the seas, but the share of the new tri-service defense budget earmarked for sea power had dwindled to 30 per cent.

Just as Pearl Harbor followed America's lack of foresight in the 1930s, so in 1950 came the onslaught of the communist juggernaut that rolled down Korea, sweeping to the last corner of land on that embattled peninsula before finally being checked by the Inchon landing and subsequent U.S./U.N. counterattacks. The shadow of the mighty World War II Navy and Marine forces that had swept across the Pacific sufficed once again, though barely, and only because the sea was uncontested.

Had the U.S. Navy been stronger and had U.S. forces ashore been larger, however, there might have been no Korean War and no need for an Inchon landing. The dollars saved by cutting the defense budgets from 1947 to 1950 went up like smoke. The loss of lives and the world disruption that followed those budget cuts—inevitably, it would seem—could be directly charged, once again, to abandonment of the wise maritime strategy that had just led to victory in World War II.

### THE SOVIETS MOVE AHEAD

Today, for the third time in one wracked generation, the United States is repeating the same mistakes of the recent past. With the Soviet Union driving to dominate the sea, the nation is spending less than 10 per cent of the national budget for security afloat—this was the level of disaster in the past, and was at that low a level only because no navy in any way comparable to the USSR's present-day fleet existed to challenge the Free World. Today, because of the USSR's furious naval/maritime build-up, coupled with America's own neglect—not to say deliberate cutback—of its Navy, the Soviet Union has shot ahead in nearly every aspect of sea power. In the Navy the Soviets lag only in carriers, amphibious ships, and at-sea replenishment ships. But the Russian fleet now far exceeds the U.S. Navy in submarines, guided-missile surface ships, minecraft, and—most important of all for the future—in new construction. One early consequence of U.S. lethargy occurred when the United States—*which only five years earlier had been far ahead*—accepted, in the 1972 SALT Agreement, a 3:2 Soviet superiority in sea-based ballistic missiles.

In shipyards, oceanography, R&D, merchant marine shipping, fishing fleets, and training of seamen, the Soviets also have drawn far ahead. The significance of the purposeful Soviet drive to win the world at sea, and of the incredible inaction of this country, becomes even more apparent when it is remembered that only 25 years ago the United States led overwhelmingly in all aspects of sea power, and the USSR far behind, wasn't even in the running.

It is now evident, and becoming more so each day, that the United States will in the future have to import more and more raw materials for the U.S. economy—and, therefore, the American way of life itself—to survive. This being the case, intelligent men may ask, why have those who control this nation's destiny not seemed to learn, as apparently Kremlin leaders *have* learned, that the nation that controls the seas controls the course of civilization?

There are those who say that the present drive to cut expenditures for national security is a natural revulsion on the part of democratic peoples to spending heavily for armaments immediately after a war. There may be some truth in this theory, but it is evident from a study of history that the nation acted more wisely after the War of 1812, the Spanish-American War, and the Korean War. At least part of the difference, it would seem, was the foresight of the nation's leaders of those times, as well as their willingness to go to the people and explain to them the need for a continuing strong national defense.

The seas, and free access to them, have ever wielded a mighty influence on the American destiny, and will prove even more vital to the American future. Those who love and understand the sea, and who also know and love this country, may well pray today—having seen the Free World and the U.S. role in it twice barely escape annihilation—that in this third and last chance of this century U.S. leadership, in Congress as well as in the Executive Branch, will rise to the need and not throw away, once again, the strength that has always been a mandatory prerequisite to freedom.

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## GRUMMAN SUN SHIELD

## HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. LENT. Mr. Speaker, the Skylab mission now seems well on the way to success, thanks to the erection of a device to shade Skylab from the Sun, and thus make it habitable for the astronauts. The construction of the Sun shield was accomplished in less than 2 days by a team of engineers at Grumman Aerospace in Bethpage, L.I., and they certainly deserve a great deal of credit for helping to save this $2.6 billion space venture. So that my colleagues might have an idea of the work that went into the construction of the Sun shield, I include in the RECORD an article that appeared in the May 25 issue of Newsday:

### A GRUMMAN PARASOL TO THE RESCUE

(By Mark Bloom)

CAPE KENNEDY, FLA.—After one of the most bizarre countdowns in the history of the American space program, three astronauts blast off this morning for the severely crippled Skylab laboratory, which they hope to repair and live in for 28 days.

The attempt at an unprecedented space repair job was made possible in large part by the high-speed efforts of a team of engineers and machinists at Grumman Aerospace in Bethpage, L.I., who responded to the Skylab crisis with a round-the-clock crash program.

The Grumman team devised, designed and fabricated the critical telescoping extension rods for a parasol-like device that astronauts Charles (Pete) Conrad, Joseph Kerwin and Paul Weitz plan to erect to shade Skylab from the sun, cooling it down to habitable temperatures.

After intensive testing in Houston which went past deadline after revised deadline, the parasol device arrived here last night at 9 PM—an unheard of mere 12 hours before launch. Also arriving at the last minute were two backup sun shields.

It was the loss of a micrometeoroid-heat shield during launch of the space station 10 days ago that threw the $2.6-billion Skylab program into disarray and made an improvised sun shield essential.

For Grumman, the accident brought an opportunity for a rescue, as hectic though obviously not so dramatic, in the tradition of the lunar module "lifeboat" tow on the crippled Apollo 13.

This time, instead of saving lives, the Grumman efforts could help save the entire Skylab project, in which three crews are to visit and work in the station for up to 56 days over the next eight months. Grumman previously had no hardware on Skylab.

Grumman's part began last Sunday about 1:30 in the afternoon, just after Phil Vassallo, director of Grumman machine operations, sat down to dinner with his family in Bethpage.

Vassallo, 39, received a call from Jack Buxton, a Grumman vice president who heads operations at Houston, saying that the space agency had accepted a Grumman offer of help.

Grabbing bites between phone calls to

Houston, Vassallo finished his dinner about the same time he completed the first rough drawings of the series of telescoping rods the space agency needed for deployment of the parasol.

About that time, he called Edward Hertford, the Grumman machine shop manager, who was having a party after his son's confirmation that morning.

By sundown, Vassallo and Hertford had rounded up some raw material—aluminum tubing—and they had a team of eight working on the problem at one of Grumman's plants. By the next morning, the group had expanded to 20 lunar module veterans, including an engineering team headed by Bud Lee, and a quality-control group led by Joseph Kingfield. Machining had to be to tolerances of one-thousandth of an inch, which is extremely difficult with aluminium.

Most of the original group had about two hours' sleep that night, and there was none at all for anyone the second night. Finally, by 5 AM Tuesday morning, the rods and their documentation were sent on their way to Houston for testing, and everyone could relax. But only for six hours. At 11 AM, the space agency requested a backup set of rods, and everyone went back to work. The backup hardware was delivered on time early yesterday.

Vassallo, who ran the operation, said, "We were back doing the kinds of things we've been doing for years around here, quick reaction to a crisis. The people I called were used to reacting to those things, and there were plenty more if I had needed them."

## LET US GET THAT OIL MOVING

### HON. LOUIS C. WYMAN

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. WYMAN. Mr. Speaker, further delay in building a trans-Alaska pipeline to a terminal within the United States is unconscionable. Both the pipeline and the terminal in this instance will be U.S. controlled and beyond foreign interruption whether by assessment or force.

Those that want a pipeline across Canada to the Midwest seek to defer construction of the Alaska pipeline and to eventually substitute a trans-Canada pipeline. Such a course is wrong on two counts. First, it will delay our vitally needed oil—2 million barrels per day per pipeline—by months and perhaps years. Second, we need both pipelines for reasons obvious, for we are presently in critical deficit in both oil and refinery capacity in this country.

So let us get on with the trans-Alaska pipeline without further delay, and work to approve and negotiate with our Canadian friends for a second, trans-Canada pipeline, as rapidly as possible.

What is at stake is 4 million barrels of oil a day from one of the largest known oil reserves in the North American Continent. The urgency of the need for this oil is undeniable, as well as the fact that the degree of urgency is escalating with every passing day.

In this connection the following editorial from today's Washington Star-News is significant.

#### Risky Quibbling Over Oil

Petroleum may well be running a close second to Watergate as a national obsession before this year ends. Already the gasoline shortage is causing some people to trim their summer travel plans, and a fuel-oil crunch may be on the way. This whole problem could become a full-blown crisis, because the supply simply isn't there any more to meet the demand. And against such an ominous background, we find it incredible that a sizable segment of Congress, largely from the Middle West, is raising a parochial obstruction to the trans-Alaska oil pipeline.

This huge petroleum artery is ready to be built. The pipe that would extend almost 800 miles across Alaska, from the northern Arctic rim to the warm-water port of Valdez on the southern shore, already is on the ground. On that North Slope, untapped, is the largest oil pool ever discovered on this continent, which can come flowing down the line at a rate of 2 million barrels a day. And most importantly, this would be a domestic source, reducing the nation's costly and risky dependence on foreign oil imports. Those will rise to about 5 million barrels a day this year, and drastically increase until, in the 1980's, the dollar outflow may strike a severe blow at the American economy.

So the Alaskan oil is absolutely essential. Right now the $3 billion pipeline project is stalled, however, by a Supreme Court ruling on a question of corridor width across federal lands. Congress could, and should, remove this obstacle in short order by amending an old right-of-way law. But as that attempt gets underway, some lawmakers—in both the House and Senate—have launched a counter effort. They argue that the trans-Alaska line should be scrapped in favor of a route across Canada. That way, the oil would enter the petroleum-hungry Midwest which, they contend, will pay a cost penalty if shipment is down the West Coast in accordance with present plans.

There are some good points in this argument, but they have been raised much too late to justify any interference with the trans-Alaska plans. Shifting to a Canadian route could mean a five-year postponement in gaining access to North Slope oil, according to Interior Secretary Morton. If Congress forces such a delay, either by action or inaction, it will face a furious populace in the Midwest and everywhere else in the event of a crippling oil emergency. It should, as President Nixon recommends, get the Alaskan project unjammed, while the government begins negotiations for another pipeline across Canada. For this country will need every drop of oil it can get from both lines and then some.

## ISRAEL CELEBRATES 25TH ANNIVERSARY

### HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. BENNETT. Mr. Speaker, recently the State of Israel celebrated the 25th anniversary of its declaration of independence. These 25 years, much like the first 25 years of our Nation's history, were not easy times, but rather were times that required individual and national sacrifice for an ideal that has come under repeated attack around the world—democracy.

The similarity between Israel's struggle and our own does not stop with a comparison of governmental systems. As our country was built by emigrants fleeing religious prejudice and political repression, so was Israel. Its open arms extended to Jews in Russia waiting to emigrate and all people wishing to be repatriated to their traditional homeland will offer scholars a subject of study for years to come.

At this point, Israel also faces a problem that we in this country have had to deal with since our founding—that of the integration of different racial and national groups while, at the same time, the maintenance of ethnic identity that is the very hallmark of the tolerance of a free society.

Although this is a period of celebration and joy, signaling the end of the first era of modern Israeli development, it does not mark the end of sacrifice or, unfortunately, the diminishing of tensions in the Middle East. The impasse still exists and every avenue should be explored to achieve a firm and lasting peace.

## MALCOLM X REMEMBERED

### HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. RANGEL. Mr. Speaker, the response and reaction initiated in the black community by the remembrance of Malcolm X on the anniversary on May the 19th of what would have been his 48th birthday is truly moving and promising.

The goals and dreams of black America that Malcolm so well expressed are still kindling. It is up to caring and freedom-loving Americans to make those dreams burn with the glowing fire of reality.

An interesting article appeared in the May edition of Encore magazine, entitled "An Interview With Malcolm X" which I place in the Record at this time for the information of my colleagues:

#### An Interview With Malcolm X

(All quotes attributed to Malcolm X in the following article are taken from interviews and speeches given and made by Malcolm during his lifetime. In some cases his actual words have been slightly modified, in terms of tense, to make the story flow smoothly.)

He appeared mysteriously and suddenly at my table in the rear of the small restaurant on 125th Street early in 1973. A ghost, his complexion was that of beach sand, his close-cropped hair was burnt umber, flourishing about his chin was a trimmed red goatee. He was lamppost straight, over six feet tall, his dark suit jacket hanging loosely about his shoulders and chest.

His bearing was that of an infantry general, but he was without his Honor Guard. His face was stern, somewhat narrow. And, despite the horn-rimmed glasses, his eyes emitted great strength, gazing fixedly with unnerving penetration. His voice was hoarse, fast-clipped; it had the quick-silver cadence of the street hustler; a voice that could put goose pimples on women and high resolve in men.

He looked down at me and politely asked that I move to the other seat at the two-chair table. "I never sit with my back to a door," he said dryly.

Palming the greasy metal dish, he poured a liberal serving of cream into his cup. "Coffee is the only thing I like integrated."

"You know, since you departed eight years ago," I said, "Blacks have been giving off signs of changing their minds about themselves. But in many ways, things have remained the same, or they have gotten regressively worse."

He sipped his coffee patiently, gazing directly at me, expressionless, but not cold, staring at me, but not through me.

I saw him for the first time and thought of him as the man-child in a land without promise, the son of a handy man and Baptist minister in Omaha and Lansing who had followed Marcus Garvey until he was killed and mutilated by Whites on a street. head bashed in, cut almost in two by a streetcar.

I gazed at the converted citizen of the Nation of Islam. By now he had been converted again—this time to the orthodox Eastern Moslem religion. Malcolm X was now El-Hajj Malik El-Shabazz. "What changes did you undergo after enduring the agony of your prison conversion to the Nation of Islam?" I asked.

"I still marvel at how swiftly my previous life's thinking pattern slid away from me, like snow off a roof. I would be startled to catch myself thinking in a remote way of my earlier self as another person.

"It made me very proud, in some odd way, to give up pork. One of the universal images of the Negro, in prison and out, was that he couldn't do without pork. My first pre-Islamic submission had been manifested. My brother Reginald visited me at the prison one day and lectured me about the teaching of the Honorable Elijah Muhammad. At the end of his talk he said: 'The White man is a devil.'

"Every instinct in me, which would have scoffed at and rejected everything else, was struck dumb.

"The White people I had known marched before my mind's eye. The state [welfare] people always in our house after the other Whites I didn't know had killed my father . . . the White people who kept calling my mother 'crazy' to her face until she was finally taken off by White people to the Kalamazoo asylum . . . the White judge who had split up our family . . . the teacher who told me in the eighth grade to 'be a carpenter' because thinking of being a lawyer was foolish for a Negro . . . the New York City cops . . . the fence back in Boston . . . Boston cops . . . the social workers . . . the prisoners . . . the guards.

"As a Black prisoner, I was most perfectly preconditioned to accept the words 'The White man is a devil.' It was right there in prison that I made up my mind to devote the rest of my life to telling the White man about himself—or die. And awakening this brainwashed Black man and telling this arrogant, devilish White man the truth about himself is a full-time job."

I told him about the current Black Liberation Army scare sweeping police precincts across the republic. "The police are illegally carrying shotguns in their cars," I said. "Almost every police injury in the Black community is linked to this phantom Black 'army.' In Nassau County, New York police spent weeks searching for BLA members who allegedly shot out the windshield of a police squad car. The search ended when the police found that the car had been hit as it drove past a vacant lot in a White neighborhood that is used as a rifle range."

A smile played briefly at the corners of his mouth. He reminded me of the phantom "Blood Brothers" group created by the imagination of police and New York City newsmen in 1964. The police said that the alleged group was comprised of young Harlem Blacks sworn to kill White people.

"No such organization existed," I said.

"If they don't exist," he said, "it's a miracle. Our people in this society live in a police state. We need a Mau Mau. In Mississippi we need a Mau Mau. In Alabama we need a Mau Mau. In Georgia we need a Mau Mau. Right here in Harlem, in New York City, we need a Mau Mau. We have to give them an alternative.

"Black people have got to learn the White man's language if we're going to communicate with him. If he speaks French, we can't speak German. If he only understands the language of a rope, get a rope. If something was wrong with that language, the federal government would have stopped the cracker from speaking it to you and me."

The juke box in the restaurant began blaring a song by James Brown: "Waaaaaaa-aaaaaaaa, Eeeeeeeeeeeee Huh-Huh, I Got Ants in my Pants and I need to Dance, huh, Lordy, Lordy, Lordy, eeeeeeeeeeeee."

He shook his head, gazed at his watch, and leaned over the table.

"I always maintained," he said, "that Blacks in America should defend themselves against White violence, murder by policemen, and brutality. If it takes violence to get the Black man his human rights in this country, I'm for violence. Exactly, you know, as the Irish, the Poles, or Jews would be if they were flagrantly discriminated against.

"If the leaders of the nonviolent movement can go into the White community and teach nonviolence, good, I'd go along with that. But they are teaching nonviolence only in the Black community. I'm not for telling Black people to be nonviolent while nobody is telling White people to be nonviolent.

"Besides," he said with a half-grin, 'Black people aren't nonviolent with each other. Here in Harlem some Blacks talk that nonviolent talk. But you can go to Harlem Hospital and see them going in there all cut up and shot up and busted up where they got violent with each other. So Negroes are talking about being nonviolent with the enemy. There's an inconsistency there."

Hunching his shoulders beneath his loose jacket, he coughed into his cupped fingers. He leaned forward and asked softly about Dr. Martin Luther King.

"He was assassinated by some White man with a rifle in Memphis in 1968," I said.

His face froze and his eyes grew harder; his lower lip quivered for a fleeting moment.

"Our goal has always been the same," he said. The approaches were different . . . with Dr. Martin Luther King's nonviolent marching dramatizing the brutality and the evil of the White man against defenseless Blacks. And in the racial climate of this country today, it was anybody's guess which of the extremes in approach to the Black man's problem might *personally* meet a fatal castastrophe *first*—nonviolent Dr. King or so-called violent me."

The police in Harlem," I said, "are as bloodthirsty as they were eight years ago. Of late the White cops have been given to shooting even Black policemen: accidentally, of course, usually five or six bullets in the back or chest. Nothing is ever done to the trigger-happy cops. The mayor and the top cops usually attend the funeral, and the murdered policeman's character is made suspect."

His face thawed almost imperceptibly. "Nowadays, our people don't care who the oppressor is, whether he has on a sheet or uniform, he's in the same category. I'm not against law enforcement. But we have to suffer from officers who lack understanding and who lack any human feeling for their fellow human beings. In Brooklyn the Hasidic Jews formed vigilante committees. No one thinks it's so wrong. I say that all we need is a few. But, because of the type of oppression and tyranny and opposition we are confronted by, ours need to be invisible. You never see them. You just feel them.

"Any time you know you're within the law, within your legal rights, within your moral rights, in accord with justice, then die for what you believe in. But don't die alone. Let your dying be reciprocal."

"It sometimes seems," I said, "that small numbers of Blacks are beginning to adopt the politics of reciprocity as applied to violence."

"Negroes didn't do this 10 years ago," he said. "They are waking up. It was stones yesterday, Molotov cocktails today; it will be hand grenades tomorrow and whatever else is available the next day. Those days of the turn-the-other-cheek fight are gone."

"Do you feel that Blacks will wage indiscriminate violence against Whites because they are White?" I asked.

"It's smarter to say that you're going to shoot a man for what he is doing to you than because he is White. If you attack him because he is White, you give him no out. He can't stop being White. We've got to give the man a chance. He probably won't take it, the snake."

We ordered more coffee and two slices of bean pie.

"The same thing happened to the French in Indochina. The Algerians did it to the French again in Algeria. Nowhere on this earth does the White man win guerrilla warfare. And this is the day of the guerrilla. You've got to be mighty naïve, or you've got to play the Black man cheap, if you don't think someday he is going to wake up."

"But in domestic urban guerrilla warfare," I said, "isn't there the question of odds?"

"Don't let anybody tell you anything about the odds are against you. If they draft you, they send you to Korea and make you face 800 million Chinese. If you can be brave over there, you can be brave right here. These odds aren't as great as those odds. And if you fight here, you will at least know what you're fighting for.

"If violence is wrong in America, violence is wrong abroad. If it is wrong to be violent defending Black women and Black children and Black babies and Black men, then it is wrong for America to draft us and make us violent abroad in defense of her. And if it is right for America to draft us and teach us how to be violent in defense of her, then it is right for you and me to do whatever is necessary to defend our own people right here in this country."

Speaking rapid-fire now, he leaned forward, fixing an unnerving stare on me.

"As long as the White man sent you to Korea, you bled. He sent you to Germany, you bled. He sent you to the South Pacific to fight the Japanese, you bled. He sent you to Vietnam, you bled. You bleed for White people, but when it comes to seeing your own churches being bombed and your little Black girls being murdered, you haven't got any blood. You bleed when the White man says bleed, you bite when the White man says bite, you bark when the White man says bark."

The thin waitress, a bulb of an afro blooming about her head, brought us more coffee.

"Thanks to you," I said, "most young Blacks now wear their hair in afros. But recently, with the influence of the movie "Superfly," some Blacks, more noticeably entertainers, have again started sporting processes or straight-hair wigs."

"I remember seeing my first 'conk' when I went to Boston as a teenager," he said. "I couldn't get over marveling at how Negroes' hair was straight and shiny like White men's hair. And I was among the millions of Negroes who were insane enough to feel that it was some kind of status symbol to be light complexioned. But later I learned to hate every drop of that White rapist's blood in me.

"After I got my first process, I vowed that I'd never be without a conk again. And I never was for many years. This was my first really big step toward self-degradation."

A smile flashed across his face, showing those long white teeth. Just as quickly it receded and the hard eyes took over. "The ironic thing is that I have never heard any woman, White or Black, express any admiration for the conk. Of course, any White woman with a Black man isn't thinking about his hair."

We paid our check and walked out into the warm May sun of Harlem. Down 125th Street, south on Lenox Avenue. Past a tangle of wig merchants at the corner. Threading our way through the maze of numbers runners at 121st, the addicts at 120th. As we walked, the faces of Harlem turned on their axes, starting in amazement at my tall, gangling companion, who walked swiftly, smiling and nodding to those we passed.

"Before your conversion," I said, "you loved the race of your White grandfather. Afterward, did you counsel hatred for the White man?"

He wheeled toward me in midstride near 119th Street. "Some Whites have the audacity to refer to me as a hate teacher. If I'm teaching someone to hate, I'm teaching them to hate the Ku Klux Klan. But here in America, the White man has taught us to hate ourselves. To hate our skin, to hate our hair, hate our blood, hate what we are. Why, Uncle Sam is a master hate teacher.

"Are you trying to change the White man's mind?" I asked.

"It is not necessary to change the White man's mind. We have to change our own minds about each other. We have to see each other with new eyes. We have to see each other as brothers and sisters. We have to come together with warmth so we can develop unity and harmony that's necessary to get this problem solved ourselves."

"This Black conversion," I said, "would only nourish a revolt since the American structure of White supremacy would be left intact. Do you feel that a revolution is needed?"

"The Negro's so-called revolt is merely an asking to be accepted into the existing system. A revolution means a complete overturn—a complete change. The so-called Negro revolt will become a real Black revolution when it links up with the worldwide Black revolution that has been taking place since 1945."

"Where?"

"When I say Black, I mean non-White, Brown, Red, or Yellow: Our brothers and sisters in Asia who were colonized by the Europeans; our brothers and sisters in Africa who were colonized by the Europeans; and in Latin America. They all have been involved in a struggle since 1945 to get the colonizing powers, the Europeans, off their land, out of their country."

"This certainly is real revolution."

"Revolution is always based on land. Revolution is never begging somebody for an integrated cup of coffee. Revolutions are never fought by turning the other cheek. And revolutions are never waged by locking arms and singing "We Shall Overcome." That's part of our problem: we do too much singing. It's time to stop singing and start swinging. You can't sing up on freedom, but you can swing up on some freedom.

"Revolutions overturn systems. And there is no system on this earth which has proven itself more corrupt, more criminal, than this American system which still enslaves over 30 million Afro-Americans. Blacks will realize that it is impossible for a chicken to produce a duck egg. The system in this country cannot produce freedom for the Afro-American. It is impossible for this economic system, this political system, this social system, as it stands, to produce freedom for the Black man in the country. And if ever the chicken did produce a duck egg, you will have to say that it was certainly a revolutionary chicken."

He was himself a duck egg, hatched by a chicken, reincarnated a second moment within his own lifetime—a second conversion, coming around the final turn as El Hajj Malik El-Shabazz, servant of Allah of the East, confirmed by the journey to Mecca, drinking this time the waters of Zem-Zem, making the seven circuits around the Ka'ba—"Takbir" running away from the Nations of Islam, laying them (The Honorable Elijah Muhammad) to rest but finding no rest himself, expanding, rethinking, finding blue eyes and blond hair at the Zem-Zem, he made room for them in his world, he was speechless, spellbound. He grew out of the Nation's world and into the world of Allah, the new world of El-Shabazz.

We stopped at the corner of 118th Street and waited for the "walk" light.

"We have to broaden our scope," he said, "and think of ourselves as a part of the large majority of non-Whites on the world's stage. The American power structure doesn't want any Negroes to start thinking internationaly. It is time for all Afro-Americans to join the world Pan-Africanists." [Malcolm X persuaded the Organization of African Unity during its Cairo conference in 1964 to pass a resolution stating that the discrimination against Negroes in the United States was a matter of deep concern to the Africans. In August, 1964, the *New York Times* wrote that the Justice and State departments had begun "to take an interest in Malcolmn's campaign because it might create a 'touchy problem' for the U.S. if raised at the U.N."]

"Do you suggest that Blacks begin to migrate back to Africa?" I asked.

"Migrate back to Africa," he said, "is still a long-range program. And while it is yet to materialize, millions of our people who are still in America need better food, clothing, housing, education, and jobs right now.

"If we migrated back to Africa culturally and philosophically while remaining here physically, the spiritual bond that would exist between us and Africa through this spiritual migration would enhance our position here. Africa would act as a foundation for us. Blacks will never have a foundation in America.

"No, I'm not an American. I'm not a patriot or a flag saluter or a flag waver. I don't believe in deluding myself. I'm not going to sit at your table and watch you eat, with nothing on my plate, and call myself a diner. Sitting at the table doesn't make you a diner. Being born in America doesn't make you an American. If birth made you an American, you wouldn't need any legislation, any amendments to the Constitution.

"Those Honkies that just got off the boat, they're already American. Poles are already American. The Italian refugees are already American; every blue-eyed thing that came out of Europe is already American. And as long as Blacks have been in this country they aren't Americans yet. They are the victims of Americanism."

We turned back onto 117th Street. We sat on the stoop of an old crumbling six-story apartment building. He looked disappointed. He looked at his watch, removed his glasses, and rubbed his eyes.

"Sometimes I have dared to dream to myself that, one day, history may even say that my voice—which disturbed the White man's smugness and his arrogance and his complacency—that my voice helped to save America from a grave, possibly even a fatal catastrophe."

Uncoiling his long frame from the steps, he said: "I could die suddenly at the hands of some White racists. Or I could die at the hands of some Negro hired by the White man. Or it could be some brainwashed Negro acting on his own idea that eliminating me he would be helping the White man."

And as quickly as he had appeared that morning, he was gone.

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## SOCIAL SERVICE REGULATIONS MUST BE CHANGED

### HON. BARBARA JORDAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Miss JORDAN. Mr. Speaker, the revised social service regulations issued May 1 by the Department of Health, Education, and Welfare are cumbersome, counterproductive, and unnecessarily restrictive. Drawn up in response to a congressionally endorsed administration request to place a $2.5 billion limit on expenditures for social services and to provide a more orderly system for their delivery, they have become a prime example of bureaucratic overkill. In the State of Texas alone, some 148,000 people previously eligible for supporting social services designed to keep them off welfare rolls will be dropped from a wide variety of services. Texas expects to lose some $50 million in Federal support because of unnecessarily restrictive definitions of who is eligible for what kinds of services.

Gov. Dolph Briscoe of Texas has issued a detailed critique of these regulations which he calls a giant step backward. He points out that these regulations "are certain to assure that many of those getting off of welfare rolls will be forced to return." This certainly was not the intent of Congress when it enacted the ceiling on social services, since Congress clearly rejected any sweeping cutbacks in existing programs.

I commend Governor Briscoe's excellent statement to the attention of my colleagues with the firm belief that other States will soon realize these regulations will have an equally devastating impact.

The Senate Finance Committee has been conducting hearings on these regulations and I encourage the House Ways and Means Committee to immediately begin its own investigation. These regulations must not be allowed to take effect.

The statement follows:

### STATEMENT ON THE SOCIAL SERVICES REGULATIONS

(By Dolph Briscoe)

The HEW news release announced by Caspar Weinberger on April 26, 1973, suggested that the new social services regulations are intended "to get families off the welfare rolls and onto the job rolls—and keep them there." Furthermore, Mr. Weinberger implied that the Revenue Sharing Act provided a "legislative mandate" to limit the availability of such services. He expressed the opinion that "these regulations will not force any low income family back onto welfare because of child day care expenses." Finally, he said the regulations will carry out both the intent of Congress and "the directions of the President" that social service programs be focused directly on those most in need.

Unfortunately, an analysis of the impact these regulations will have on Texas social services programs illustrates that Mr. Weinberger's evaluations are incorrect. Although the final regulations are an improvement over the proposed regulations which were published in the Federal Register on February 16, 1973, they are still a giant step backward. "Contrary to the statements made by Mr. Weinberger, these regulations will restrict the availability of social services for many needy Texans and will force many low income families and individuals back onto the welfare rolls." In addition, the regulations will increase administrative red tape and expenses beyond the level reasonably necessary to assure efficient, effective administration of the social services programs. It is highly doubtful that Mr. Weinberger correctly interpreted the intent of Congress if he really believes these regulations reflect that intent.

The problems these regulations will create are more fully described and illustrated by the following comments:

### I

The definitions of eligible individuals in the final regulations are a slight improvement over the proposed regulations, but they remain incredibly restrictive. If, as Mr. Weinberger said, the purpose of social services is to get people off the welfare rolls, these regulations fail miserably to achieve that goal.

For instance, in Texas, the AFDC payment level for a family of four, with no income, is $140.25 per month. In order to be eligible for free social services as a potential recipient, the family could have income of no more than 150% of that level, namely $210 per month. The family could have income up to 233⅓% of that level (i.e., $327 per month) and receive social services in the form of day care, provided they paid an increasingly greater share of the cost of such care when their income went over $210 per month.

By way of contrast, if a family is receiving AFDC they are entitled to an income disregard for earned income. The first $30 of earned income and ⅓ of the balance may be disregarded in determining the amount of an assistance grant. In addition, some of the expenses of earning the income (including the cost of day care) may be deducted before the amount of the grant is established. But there can be no income disregards in determining eligibility for social services as a potential recipient. Thus, a working mother of three not on welfare and earning $328 per month would not be eligible for social services (even day care). On the other hand, an AFDC recipient could go to work and earn up to $349, continue to receive a small AFDC grant and also be eligible for social services (including day care) and Medicaid coverage at no cost to her. Needless to say, the excessively restrictive financial eligibility criteria for potential recipients are counterproductive.

The following are examples of cases which were qualified under previous regulations as potential recipients of assistance and therefore eligible for day care. Each received day care for all children in the family at a cost of $147.68 per month per child, which was paid by the Texas DPW day care program:

Mrs. B.—Works five days a week in hospital making $276 a month. Has never received AFDC. Has three children, ages 1, 5 and 6. Cared for by grandmother until she was forced to go to work to maintain her own home. Mother pays fee of $2.00 per week. Would have to quit her job and go on AFDC if this care were not available.

Mr. and Mrs. P.—Have three children, ages 2, 4 and 5. Mother has Muscular Dystrophy and cancer. Requires hospitalization. Father has job paying $5,500 per year, but was forced to stay off job to care for children until day care could be arranged. Never received AFDC. If day care had not been arranged, this man would have lost his job.

Mrs. J.—Has three children, ages 2, 4 and 8. Mother never married. Works 9:00 to 5:30, five days a week as clerk at department store. Earns $320 a month. Never received AFDC. Her job was threatened because of irregular attendance resulting from unstable child care plan prior to day care placement. She pays about $4.00 per week for care of her children in a day care center. She would have been fired if her work attendance had not improved after placement of children.

Mr. and Mrs. E.—Have six children, ages 1, 3, 4, 6, 7 and 8. The father is emotionally ill. and in and out of home. The mother is employed as a barber, making $134 a week. This family formerly received AFDC. If the mother had to quit work to care for children, the family would have to go back on AFDC.

Mrs. L.—Has four children, ages 2, 5, 6 and 7. She is separated from her husband and has trained under the WIN program. She is employed in a hospital at $350 a month. She will have to return to AFDC rolls if child care at minimum fee is not available.

The financial eligibility criteria for potential recipients are equally counterproductive in the adult categories. Since Texas cannot supplement SSI payments, no aged, blind or disabled individual can be considered a potential recipient unless his income is less than $195 or less than $292.50 for a couple. If services such as chore services and homemaker services were more widely available, many of the elderly and disabled poor could be kept out of nursing homes and other institutions, ultimately reducing the expenses of Medicaid programs. Without the availability of such services, many of the elderly poor are forced into nursing homes at tremendous expense to the State and Federal government.

In addition to the financial eligibility criteria, other requirements of eligibility are excessively restrictive and self-defeating. For instance; to be eligible for social services as a potential recipient, a person or family must have a problem which, if not corrected, is likely to cause them to become recipients within six months. At that point it is frequently too late to expect social services to have any viable preventive function. Under this requirement an elderly person must be 64½ years old before he can be eligible for any services as a "potential."

This six month time period is especially absurd in regard to family planning services. How can a woman of child-bearing age who is not pregnant and has no children be provided family planning services? She cannot become a recipient within six months, and therefore she is ineligible to receive family planning services as a potential recipient prior to pregnancy. The time limits for eligibility as a former recipient are also restrictive. Only limited kinds of services may be provided to former recipients for three months after they leave the rolls. Such restrictions are certain to assure that many of those getting off of welfare will be forced to return.

Another eligibility requirement to qualify for services as a potential recipient is that available resources not exceed permissible levels for financial assistance. This requirement is an administrative nightmare, but more than that it is analogous to allowing a drowning man to go under for the third time before pulling him out and giving him oxygen.

### II

Not only are eligibility requirements unduly restrictive, but also the types and scope of services which may be provided are very limited compared to those permitted under previous regulations. Although the Revenue Sharing Act (P.L. 92–512) indicated Congressional intent that a substantial effort be made to meet the needs of the mentally retarded, the alcoholic and the drug addict, the range of services available under these regulations is not of significant help to these groups of people and their problems.

In many instances the services described are limited to referring people to other systems (e.g. education, health, employment, etc.), even when the other systems are incapable of handling the volume or types of people being referred. Many of the services which could help keep people from becoming recipients have been eliminated or restricted by the new regulations. They include such services as character building out-of-school programs for pre-teen children; child guidance clinic services for disturbed children; half-way houses for alcoholics and drug addicts; self-care training for the retarded; and, programs for pregnant teenage girls which permit them to learn child care, develop vocational skills, continue their education and otherwise better prepare themselves to meet their responsibilities as mothers.

The regulations also eliminate the availability of Title IV–A funds for non-AFDC child welfare services. Although the authorized level of funding for such services has been increased under Title IV–B, those funds have not been appropriated. Consequently, the new regulations have the effect of eliminating staff and services by approximately 50% for non-AFDC children's protective services. In Texas this amounts to a loss of approximately $3.5 million in Federal funds.

The limitations on eligibility, the exclusion of certain services and the restrictive definitions of other services, particularly educational services and services for the mentally-retarded, will have a significant impact on social service programs in Texas. These new regulations will probably result in a total loss to Texas of more than $50 million in Federal funds next year. Such a loss will obviously affect significant numbers of people. Precise estimates of the numbers affected are not yet available; however, the following estimates are representative of the numbers of persons who will be deprived of services due to these new and more restrictive regulations. Services to the mentally-retarded and mentally-ill will be drastically curtailed. The best estimates available indicated that 17,649 persons receiving services for the mentally-retarded will no longer be eligible for such services. Likewise, 23,693 individuals will no longer be eligible to receive mental health services. Furthermore, initial estimates indicated that vocational educational services will no longer be available to some 3,562 previously eligible persons.

Social services to families, including home management and certain other functional educational services directed at maintenance of the home will not be available to some 16,319 persons. Delinquency prevention services will not be available to an estimated 6,828 children and some 110,000 children have received licensing services which will not be available under the new regulations. Furthermore, the new regulations affect foster care services to 3,700 non-AFDC related children and protective services to approximately 50,000 non-AFDC children. Approximately 4,250 persons will not be eligible for family planning services. Information and referral services, whereby persons are advised of and directed to other community resources will affect some 22,290 persons, 148,291 excluding licensing services.

### III

In addition to defining eligibles so restrictively that it is more profitable for them to remain on the welfare rolls, and reducing the effectiveness of social services by narrowly defining the services available, the new regulations also increase the bureaucratic red tape and administrative expenses of providing such services. The eligibility determination process is as rigorous, and therefore will be as costly, as an eligibility determination for a grant of assistance. Especially time-consuming is the matter of checking resources other than income. Such requirements prior to delivery of services create unnecessary administrative obstacles to the provision of needed services. They will cause delay to recipients and reduce the time available to staff for service functions. In some instances, such as in the provision of emergency and protective services, and delay will effectively eliminate the benefits such services are intended to provide.

The administrative paperwork required by these regulations, particularly in the individual determination of eligibility, is difficult to reconcile with the statutory criterion of administrative efficiency. The accountability and effectiveness of social service delivery can be assured much more efficiently and with much less red tape than these regulations create.

Numerous legal objections can and have been made against these regulations. It has been said that various provisions contravene the letter and spirit of the Social Security Act, the Revenue Sharing Act (P.L. 92–512) and other indications of Congressional intent. When these regulations were published in proposed form, a record number of comments were made. According to HEW, 208,515 comments were received from 198,759 individuals and organizations. Despite this unprecedented response, the changes made by the present Administration have been minimal. In most cases, the changes have been piecemeal and quantitative rather than qualitative in nature. In short, the final regulations are overly restrictive, and they will reduce the effectiveness of social services programs thereby defeating the purposes of previous Congressional enactments.

## SENATOR JACKSON SPEAKS ON HEALTH

## HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. BRADEMAS. Mr. Speaker, the distinguished junior Senator from Washington, the Honorable HENRY M. JACKSON, recently delivered the principal address at the dedication ceremonies for the new Colonial Penn Center at the University of Pennsylvania at Philadelphia.

Construction of the center was made possible through the generosity of Mr. Leonard Davis, chairman of the board of the Colonial Penn Group, Inc., and will house the Institute of Health Economics which bears his name.

Senator JACKSON addressed himself to the health care needs of Americans and the ways in which academic institutions such as the Leonard Davis Institute—may join with the political institutions of the United States in developing solutions to those needs.

Senator JACKSON's treatment of this topic was both succinct and comprehensive, and is, I believe, well worth the attention of the Members:

### ADDRESS BY SENATOR HENRY M. JACKSON ON HEALTH CARE DELIVERY

It is a pleasure for me to participate today in the dedication of the Colonial Penn Center. This center will house the Leonard Davis Institute of Health Economics and other divisions of the University of Pennsylvania concerned with the organization, financing, and delivery of health care in this country. Today's event has a special meaning for me because of my great admiration for Mr. Leonard Davis, who I believe has been an innovator in the health insurance field, and who has had a constructive interest in solving the health care problems facing our country. His generous gift which allowed for the construction of this building attests to this.

I believe every American has a right to good health and to good health care. We have come a long way toward making this right a reality, but as long as good health care is denied any citizen we have unfinished business.

I believe there are two groups of Americans who are being denied the right to adequate health care—those who don't have access to it and those who cannot afford it. We must meet the needs of these groups by improving the delivery of health services and providing assistance to meet the rising health care costs.

One of the ways to improve health care delivery is by providing for more health care personnel. I believe this institute will help supply us with these needed health care experts—be they in the insurance field or in the hospital administration field.

Health economics has been a much forgotten field of study. I think the Wharton School of Finance and the University of Pennsylvania Medical School should be proud of their efforts in the establishment of this institute. Together they have made substantial contributions to our health manpower resources.

The basic problem with the delivery question is, of course, our health manpower shortage and the great maldistribution of our existing health manpower. This disparity of health manpower distribution between geographic areas and economic groups can be striking. We all know that health care for the poor citizens in rural areas or the urban ghettos is not equal to that available to middle income suburbanites.

There are several ways to correct this inequity. One approach which I took in the 91st Congress was to sponsor legislation which created the National Health Service Corps within the Public Health Service. The corps is an agency of H.E.W. and is comprised of physicians, nurses, dentists, and other health care personnel who are assigned for a two-year period to work in communities having insufficient health care personnel. The corpsmen are paid by the Federal Government and provide these services at cost according to the patient's ability to pay. The program is designed to help improve health care delivery to the poor and to those who have inadequate access to health resources.

Essentially, the National Health Service Corps is designed to solve one of the serious aspects of our health care crisis—the highly uneven social and economic distribution of our health care personnel. I believe that the 144 national health corps programs across the country have proven to be highly successful. An example of one of these successful programs can be found right here in your own Philadelphia.

Another one of our major health care problems is the fact that our prevailing system of health insurance is seriously deficient in coverage and puts too much stress on using the high cost component of the health care system—the hospital.

I know that countless Americans have been put in the hospital for tests of one kind or another simply because "their insurance would cover the procedure, but only in the hospital." I also feel confident that many millions of our citizens have neglected seeing their physician either because of financial considerations or as is so frequently the case—pure procrastination. Taking care of a medical problem early can lengthen lives, improve family life, and make our country more productive.

Private and public health insurance programs need to provide necessary incentives for preventive care. I believe the introduction of health maintenance organizations and group health insurance programs have done and will continue to do much to lower the health care delivery costs and provide better distribution of health manpower resources.

This institute is addressing itself to improving the development and operation of health maintenance organizations through its study of group health insurance and prepaid medical plans. Health costs are, as we all know, spiraling higher every day. The health maintenance organization concept has proven to be a powerful incentive in providing quality health care at a reasonable price to our citizenry. A major problem with the development of health maintenance organizations is the lack of public understanding of the concept and the advantages of such group programs. I believe that the education and research provided by this institute will help to enlighten the public to their advantages. I think it is important to remember that the health maintenance organizations which have been successfully operating in this country are the result of the efforts made by the private health insurance companies to provide a comprehensive prepaid program of health care to its participants.

I believe this idea needs to be expanded and so does the Congress. On Monday the Senate is scheduled to vote on the health maintenance organization and resources act of 1973. This act provides $1.5 billion in Federal assistance in developing and expanding health maintenance programs in urban and rural areas. I think we can all agree that the present health care system is not organized properly. Our present system is oriented more toward treating diseases rather than providing health maintenance services and maintaining good health. By providing better access to good health—for example through health maintenance organizations—we will help alleviate the maldistribution of health resources in our inner cities and rural areas.

In addition to breaking down the geographic barriers that keep health care from those who need it, we must destroy the economic barriers. To do this we must provide for a system of comprehensive national health insurance.

I have supported the principle of Federal health insurance since it was first considered by the Congress over 25 years ago. Experience since then has only strengthened the case for national health insurance. Soaring costs have made good health care an unreachable luxury for too many Americans.

However, we cannot expect to create a workable system of national health insurance overnight. I don't believe a system of national health insurance will, by itself, provide all Americans with good health care. I sincerely feel that the most urgent needs are to provide comprehensive health insurance for the poor and the aged and protection for all Americans against the staggering burdens of prolonged illness. Many of us have seen examples where a single catastrophic illness completely wiped out the lifesavings of a family. This is a wrong which must be righted now. I believe that the primary consideration of any national health insurance program should be to protect the American family from this awful plight.

In closing let me emphasize that the Federal Government cannot and should not attempt to solve the national health care problem single handedly. One of the strengths of our present system is its pluralistic nature—a combination of public and private, voluntary and state supported efforts. Each element in that system—government, the professions, the hospitals, and the health insurance industry, is challenged by today's health care crisis. I believe we can reorganize and modernize our health care system in the next few years if all concerned are willing to recognize and meet their responsibilities. In making these reforms, we should not outlaw fee-for-service arrangements for doctors or scrap the existing system of private medical practice or private health insurance. What we need to do is make optimal use of the available facilities and talents of all concerned. Health maintenance organizations, community health centers and mobile emergency health teams can all help in bringing about adequate health care and adequate access to it for all Americans. The faculty, staff, and students of the Leonard Davis Institute of Health Economics should be proud of the efforts they are making to bring about adequate health care services to all Americans.

## TRIBUTE TO DILLON GRAHAM

## HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 24, 1973*

Mr. PEPPER. Mr. Speaker, I wish to join my colleagues in paying warm tribute to Dillon Graham who has just retired from the Associated Press after a 25-year assignment to the Capitol and after 44 years continuous service with the Associated Press.

Dillon Graham has lived up to the highest and finest traditions of his profession. He has been alert, diligent, and persistent but always fair. He has exemplified the recognition of his profession that it is a public servant as well as a private enterprise. Dillon Graham is a fine gentleman, a dedicated American. He leaves behind a record of which he can always be proud.

The best wishes of all of us who have known him through the years on the Hill will go with him through what we hope will be many years of happy retirement.

## TRIBUTE TO DR. MAX NUSSBAUM

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## HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. BELL. Mr. Speaker, on Monday, June 11, 1973, in the Crystal Room of the Beverly Hills Hotel, Dr. Max Nussbaum, rabbi of Temple Israel of Hollywood and a Zionist leader of international prominence, will receive the Prime Minister's Medal at the Israel independence dinner which will celebrate the 25th anniversary of Israel's statehood.

A former national president of the Zionist Organization of America, a past president of the American Zionist Council, and currently a member of the Presidium of the Actions Committee of the World Zionist Organization, Dr. Nussbaum and his wife Ruth, arrived in America from Germany in 1940.

He became rabbi of Temple Israel in 1942, was a member of the first United Jewish Appeal delegation to Palestine in 1948, and served as delegate to the 24th, 25th, 26th, 27th, and 28th World Zionist Congresses in Jerusalem. He was formerly chairman and is now honorary chairman of the World Jewish Congress in the United States.

Dr. Nussbaum received the Eleanor Roosevelt Humanitarian Award in 1968. He and Mrs. Nussbaum were honored with the Brandeis Award of the Zionist Organization of America in 1969. In 1971, the rabbi was given the Scopus Award of the American Friends of Hebrew University for his contributions to Israel and to the Jewish people.

Proceeds of the Scopus Award banquet 2 years ago went to the establishment of the Max Nussbaum Department of Research on the Holocaust and Jewish Resistance at the Hebrew University. Dr. Nussbaum has also been commended for his work in behalf of interfaith undertanding by the California Assembly.

He has received honorary doctor's degrees from Hebrew Union College, Jewish Institute of Religion, Cincinnati; and from Dropsie College for Hebrew and Cognate Learning in Philadelphia. He earned his formal Ph. D., summa cum laude, from the University of Wurzburg in 1934.

At age 25 Max Nussbaum was rabbi of the Great Jewish Congregation in Berlin, was the youngest rabbi in Germany, and was a regular contributor to the German Jewish and European Jewish press.

He arrived in the United States from Germany in 1940, spared the fate which fell to so many and, in the words of Victor Carter, "here and wherever civilized man would listen, his voice was heard and his genius flourished."

In the United States, Dr. Nussbaum has achieved national and international influence and prestige. He is one of the most admired men in our community and one of our most able leaders.

For these reasons, Mr. Speaker, it is with special pleasure that I call attention to the honor which is being paid to Dr. Nussbaum on June 11. It is a tribute which reflects the regard and respect of all of us who are privileged to know him.

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## NATIONAL CUSTOMS SERVICE ASSOCIATION VIEWS ON REORGANIZATION PLAN NO. 2

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## HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. DULSKI. Mr. Speaker, I have studied the National Customs Service Association's memorandum, filed with the House Government Operations Committee in connection with House Resolution 382, urging disapprvoal of Reorganization Plan No. 2.

The NCSA is now in its 50th year representing employees of the Customs Service, and its views merit attention. I urge my colleagues to give serious consideration to the contents of the memorandum, and to vote for House Resolution 382 when it reaches the floor this week.

The memorandum follows:

NATIONAL CUSTOMS SERVICE
ASSOCIATION,
*Washington, D.C., May 16, 1973.*

MEMORANDUM CONCERNING REORGANIZATION PLAN NO. 2

Reorganization Plan No. 2 proposes to create a new agency to combat the international drug trade by waging "global war" against the menace.

The new agency would be called The Drug Enforcement Administration and would be headed by an Administrator reporting directly to the Attorney General. The new agency would provide a unified command for drug enforcement activities.

The Reorganization Plan states as one of its major aims the improvement of port-of-entry inspections and would transfer to the Secretary of the Treasury all functions currently vested in Justice Department officials, to inspect persons or the documents of persons. The immediate effect of Reorganization Plan No. 2 would be to transfer to the Drug Enforcement Administration approximately 500 Customs agents and to transfer some 1,000 employees of the Immigration and Naturalization Service (INS) to the Bureau of Customs.

The National Customs Service Association (NCSA) is the representative of the vast majority of Customs employees who would be directly affected by Reorganization Plan No. 2. NCSA is the exclusive representative, under Executive Order 11491, as amended, of employees in the appropriate unit in eight of the nine Customs Regions. We have canvassed our National Vice Presidents in each of the Customs Regions in order to obtain the views of the membership concerning the Plan. We find that there is overwhelming opposition to the Plan in its present form.

At the outset, we want to make it clear that we are in complete agreement with the President that the international traffic in narcotics is a vicious and corrosive force and has a destructive effect on the lives of many of our citizens. In spite of the heroic efforts of the Customs Service, much needs to be done in order to stem the flow of narcotics. Clearly, we would normally favor and strongly support any and all plans that would assist the interdiction of narcotics. However, we sincerely feel that the President's Reorganization Plan falls short of its desired objective. We strongly favor the unification of all agencies concerned with the narcotics fight. We strongly favor unified direction and elimination of any factors that have weakened the all-out fight against the drug menace.

We have reservations, however, concerning the arbitrary transfer of 500 Custom agents to the new agency. In addition to their duties in combatting narcotic smuggling, many, many Custom agents are highly skilled in the detection of fraudulent practices against the Government. To arbitrarily transfer agents with this sort of experience and expertise would be foolhardy. The net result would seriously diminish the ability of the Customs Service to combat fraudulent practices which would result in the loss to the Government of many millions of dollars in revenue.

If transfers of Customs agents should occur, we strongly recommend that it be done on a highly selective basis rather than an across-the-board transfer of 50 individuals without consideration of extenuating factors relating to the personal situation of the individual and the loss of skill to the Customs Service.

We have grave doubts as to the desirability of transfering 1,000 INS personnel to the Bureau of Customs. We believe that so many complications will be generated by such a move that the benefits are problematical and, on balance, that the move would not be a good one.

We foresee many complications in integrating the INS force with the BC employees. Many complications concerning seniority. work assignments, promotions, career ladder projections, double supervision and a host of others can result. Additionally, so much cross-training would be necessary to make the program even minimally workable, that the time required for this alone would greatly inhibit the effectiveness of the program. Work assignments and schedules would be interrupted to such an extent that the capability of both forces would be dangerously lessened.

It should be borne in mind that an experiment has been tried in the recent past using BC and INS inspectional personnel in a "one-stop" inspection. The project was abandoned after a trial period proved it ineffective. There is no reason to expect that the same concept would now be workable.

An additional important point that should be given great consideration is the morale of the employees involved. Both BC and INS employees are engaged in sensitive activities and high morale is absolutely essential to the successful accomplishment of the BC and INS missions. Any lessening of morale is immediately reflected in less intensive performance.

In consideration of the benefits to be derived from a unified command in the fight against narcotics and the consideration of the problems inherent in the transfer of Customs and Immigration personnel, we urge that H. Res. 382 be approved and that Congress itself make an immediate, comprehensive and intensive study of the feasibility of a unified agency to effectively combat the drug menace.

JOHN J. MURPHY, *President.*

## FILLING THE GASOLINE DEMAND

### HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. HAMILTON. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include my Washington Report entitled "Filling the Gasoline Demand":

FILLING THE GASOLINE DEMAND

Americans are beginning to feel the pinch of the energy shortage, most of all in the gas tank. Many gas stations across the country have closed (562 by last count), and others are shortening their hours and limiting the amount a customer may purchase. Big fuel users, like bus lines, trucking firms and other vehicle fleets, both private and public, are scrambling for sources of supply. Calls to my office from gas distributors, farmers, businessmen and families planning vacations come frequently now, and the questions are usually the same: "How severe is the gasoline shortage? What can be done about it?"

No one can be certain just what will happen this summer, but here is the best information I can obtain:

PRICES

In Indiana, regular grade gasoline presently costs 40c per gallon, on an average, and premium grade gasoline is selling for 44c. There are some reports that the price of gasoline will soon jump to $1.00 per gallon, but such a tremendous increase is not likely in the near future. Higher production costs may drive prices up a few cents a gallon, probably only several cents at the most. Across the nation travelers will find different prices in different places. There should be no major increases, but a gradual rise in prices should be anticipated. Wide-ranging gas rationing should not be necessary. Prices at discount stations that are normally a few cents cheaper than brand-name gas will probably be closer to major oil company price levels.

SUPPLY

Gasoline stocks in Indiana are not sufficient to keep pace with demand. Indiana drivers will probably encounter "spot shortages" of gas, with filling stations along busy highways hit hardest this summer. One oil company has already told its dealers on the Indiana Toll Road to limit gasoline purchases to 10 gallons per car and 35 gallons per truck. Independent stations which rely upon big refineries or the wholesale market will have even more difficulty getting enough gasoline. Across the nation gasoline stocks are 12 percent below their level of last year, while demand is up 6 percent. Today we use 47 million barrels of gasoline each week and produce only 43 million barrels.

There are a number of reasons for the present gasoline shortage. Basically, our natural oil supply is reaching its limit, and our capacity to produce gasoline has been exceeded by our soaring demand for petroleum products. The world-wide appetite for oil has turned a buyer's market for oil into a seller's market.

Exhaust emission control devices, automatic transmissions and air conditioners guzzle more and more gas per mile, as auto sales boom and clean air regulations are tightened. Distillation of crude oil into fuel and other products rather than gasoline just shifts the problems; catching up on last winter's fuel oil shortage helped create the existing gasoline supply problem. Many inland gasoline refineries cannot get enough U.S. crude oil and consequently 47 refineries are now operating at only 70 percent capacity.

The administration is attempting to deal with gasoline shortages by loosening import controls on the flow of oil from abroad and by establishing voluntary guidelines designed to insure a fair allocation of gasoline stocks on a proportional basis with key national needs such as farming, food processing and emergency transportation receiving top priority.

Steps to assure that the gasoline shortage does not become permanent should be taken now, including the construction of new refineries and superports for the gigantic oil tankers, new exploration, obtaining the oil from the continental shelf, shale deposits, and Alaska, as well as improving the oil distribution system. Meanwhile, to help us get through the shortage period, especially the summer months of peak demand for gasoline, here are a few practical suggestions:

Avoid unnecessary automobile trips.

Driving slowly: A car traveling 60 mph uses 11 percent more gas than one going 50 mph.

Drive a smaller car.

Plan and consolidate trips—form car pools.

Keep car engines tuned and tires properly inflated.

Heat your home a bit less in winter.

And finally, walk or ride a bicycle—it's good exercise!

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## BRANDT'S MAY 11 ADDRESS

### HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. FINDLEY. Mr. Speaker, a statement of great importance to the American people as well as to the peace of Europe was made on May 11 by Chancellor Willy Brandt before the Bundestag. In my view, the position outlined in this speech is constructive and hopeful and shows imagination in dealing with the complex problems confronting West Germany. It also represents, I believe, a promising step toward the settlement of issues with East Germany. Because of its importance I insert in the RECORD a partial text:

EXCERPTS FROM CHANCELLOR WILLY BRANDT'S MAY 11 ADDRESS BEFORE THE BUNDESTAG ON THE BASIC TREATY WITH THE GERMAN DEMOCRATIC REPUBLIC

All constructive foreign policy begins by noting that which is. The frontiers of power in the center of Europe will be immovable for an unforeseeable length of time, if peace on our continent and thus peace in the world is not to be jeopardized.

With the building of the wall in the summer of 1961, the division not only of the city of Berlin but also of the (two) parts of Germany were—in a literal and dreadful sense—cemented. Patriotic pathos has not brought the wall tumbling down; flaming appeals for a spirit of humanity and to justice and right—at least the right of self-determination—have unfortunately failed to do away with the minefields. We had to decide whether to simply resign ourselves to the existing conditions or to permit the breeding of impotent national resentment. My government and the coalition upon which it is sustained decided otherwise. We committed ourselves and our friends in the country to accept the bitter realities—not because we felt they constituted an order and system made tolerable by the process of inurement and creeping insensibility but because the only way to move forward is to start with these realities.

The Basic Treaty is designed to serve detente and peace in Europe and thus the safeguarding of our national substance. It cannot tell us anything about if, when, or how a common mode of life for the Germans can be found again. At this moment we know nothing about this.

I want to repeat with all due precision that the Basic Treaty is not at variance with the historical continuity of German existence; it confirms this continuity in the form that is possible today.

German realism cannot be a unilateral contribution by the Federal Republic of Germany. We must hope—and have a right to expect—that the government in the German Democratic Republic will also do justice, at long last to the imperatives of German realism. We cannot refrain from pointing out to the government in the GDR the serious fact that it still maintains the most unnatural frontier regime far and wide in our civilization . . .

Together with France, we have been able to extricate the process of European unification from the anachronistic rigors of nationalism. Europe is, Europe is becoming reality; this reality, too, demands recognition . . .

Not the last important purpose of my visit with the President of the United States last week was to make it clear to our American friends that the Atlantic partnership can no longer be a bunching of bilateral relations, but that it must be the basis of sound European-American relations. The American President's clearly articulated interest in meetings—during his planned visit to Europe in the fall—not only with the governments of individual states, not only with NATO, but also with the European Community can become a considerable gain in ground for the reality constituted by Europe.

At any rate, we have refuted the legend that Europe can only be born as a product of tension. That the west needs external pressure to induce it to reflect on the mutual character of its interests. We know today that Europe needs detente to be able to consummate its unification.

We also know that the mutual character of Atlantic interests lies not only in the security interests of the States on either side of the ocean. According to the insights of our policy, detente and European unification are intertwined. Both are foundational aims of our policy; both are to become reality as parallel actions. An important function falls to the Basic Treaty at this point. Detente in the world—fragile as it may repeatedly seem, or as it in fact is—would undoubtedly have come about without the participation and the contribution of the Federal Republic of Germany, but then it would have passed over us and our interests.

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## H.R. 5452, SEA GRANT COLLEGE EXTENSION

### HON. SPARK M. MATSUNAGA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. MATSUNAGA. Mr. Speaker, I wish to take this opportunity to voice my strong support for H.R. 5452, which extends the Sea Grant College and Program Act of 1966.

This legislation was developed to demonstrate the determination of this country toward the development, management, conservation and utilization of ocean resources. It provides a means through which scholars and learning institutions can apply their knowledge to the needs of their localities and the entire country. In the long run, the entire world would be helped through these endeavors.

Colleges and universities which have received support through the 1966 act and justified this support may, after a period of 3 years, qualify as a sea grant college. I am proud to point out that the University of Hawaii, along with only five other institutions, has been designated a sea grant college. The university provides a comprehensive and necessary program in oceanography and related fields. Because of Hawaii's status as our only island State, support received through the Sea Grant College and Program Act of 1966 is extremely important to the institution, and of considerable importance to the sea grant program itself.

As all parts of the world continue to exhaust the resources of our land areas, it is imperative that we continue to research the potential of our oceans. This is not a luxury, but a matter of survival. Through continuing support of the 1966 Sea Grant College and Program Act and all amendments to strengthen that act, we will hopefully make the sea grant college program as productive to our Nation as has been the program of land grant colleges.

Mr. Speaker, I urge the approval of H.R. 5452.

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## WASHINGTON NEWS NOTES

## HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. HOSMER. Mr. Speaker, there follows the Washington News Notes I am about to circulate in the 32d Congressional District of California under a June 1973, dateline:

### CONGRESSMAN CRAIG HOSMER'S WASHINGTON NEWS NOTES, JUNE 1973

### THE VITAMIN CONTROVERSY

There's an old jingle that goes: "I never saw a vitamin, and I never hope to see one. But one thing I'm certain of, I'd rather C than B1." A lot of Americans won't be seeing or taking vitamins, at least not in today's dosages, if a new Food and Drug Administration order goes into effect.

Congressman Hosmer's Vitamin Bill, H.R. 643, now with 144 cosponsors, would head the FDA off at the vitamin counter. "At point," says Hosmer, "is whether a person can choose to buy harmless vitamins or whether he must go to the physician to have them prescribed."

Hosmer emphasizes that H.R. 643 will not hamper FDA control of any item which is either harmful intrinsically or harmful if taken in excessive quantities.

### INCREASED JOBS AT LONG BEACH NAVAL SHIPYARD

The Secretary of Defense has announced that civilian positions to be added at Long Beach Naval Shipyard by June 1974 will be 1,700 instead of the 820 originally announced. The count does not include 220 additional civilian jobs relocated from Hunter's Point Naval Shipyard.

### REVENUE SHARING

During the last fiscal year, the 32nd Congressional District received more than $5.5 million from the Federal Government's Revenue Sharing program. These funds can be used for projects which include Public Safety (law enforcement, fire protection, building code enforcement), Health, Recreation, Libraries, Social Services for the poor and the aged.

The 1974 Federal Revenue Sharing program will spend $4.078 billion in the State while $3.876 wil be collected from Californians to pay for it.

### THE THROW AWAY GENERATION

During 1972, Americans threw away 88 million cans, 34 billion glass bottles, 40 million tons of paper, 7 million old cars, 8 million TV sets and 3 million tons of plastic materials.

### HOSMER'S BILL FOR A NEW NAVAL DISTRICT HDQS.

Congressman Craig Hosmer and 21 other metropolitan Los Angeles Congressmen have introduced legislation to establish a new Naval District Headquarters in Long Beach.

The Administration has proposed consolidation of the Eleventh Naval District based in San Diego and the Twelfth Naval District located in San Francisco as an economy move.

In introducing the bill, Congressman Hosmer noted that the facilities being closed at the Long Beach Naval Station will be ideal for the new Headquarters.

### SCARCITY: SIGN OF THE TIMES

Animal, vegetable or mineral, you name it and the U.S. suddenly has come up with a shortage. It is clear that in the years ahead vast changes must be made both in the way we use our resources and in development of them.

We are increasingly dependent on other nations. This means that foreign policy will loom larger economically than ever before. President Nixon is wisely opening up new trade channels with countries that have vast natural resources. And Congress will play an important role in forming a national policy of intensive development, recycling of valuable minerals, controls over usage, and encouragement of trade abroad that will keep our supplies coming in.

### THE FUEL SHORTAGE

The fuel shortage affects us all, and because of the possibility that gasoline will be in short supply this summer, here are a few tips on how to conserve fuel:

Keep your engine tuned. An improperly tuned engine can use one-third more gas.

Decelerate and accelerate gradually. Don't floor the gas pedal.

Drive at a steady pace. If conditions permit, try to stay under 40 miles per hour.

Air conditioning can increase the fuel consumption by 6%, so use it sparingly.

When parked for more than a minute, don't let the engine idle. You will use more gas than it would take to restart it.

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## MISGUIDED SST PROPHETS PRACTICED FALSE ECONOMY

## HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. McCLORY. Mr. Speaker, several of our colleagues appear to be boasting about their action in killing the American SST.

With the development of a Russian SST, as well as the British and the French Concorde, it may be well to reflect on the consequences of the unfortunate votes cast in March 1971, which resulted in abandoning the SST program after the investment was virtually completed.

Mr. Speaker, a most thoughtful discussion of this subject appeared in last Thursday's Chicago Tribune, in which blue-collar columnist, Mike LaVelle, outlines the scare techniques which resulted in our unfortunate decision, and some of the consequences which we are just now beginning to experience. Mike LaVelle's article follows:

### BLUE-COLLAR VIEWS: SST AND SOCIAL RESPONSIBILITY

(By Mike LaVelle)

Well, the Russians have their SST, the Tupolev 144, and the British and French now have their SST, the Concorde, in production, and somehow the earth has survived ecological disaster.

On March 24, 1971, the 92d Congress of these United States, following a biased media blitz against the SST, cancelled an eight-year program of government support for our SST.

By 1975 there will be a slew of SSTs flying the commercial airways, but none of them will be American. Did we save money by cancelling our SST? No. The Department of Commerce has estimated that it cost $100 million more to dismantle SST than it would have to build and test them. An SST program in production would have created 50,000 new jobs, its abandonment cancelled 150,000 jobs then in existence. It was a retreat not only from technology, but from a social responsibility.

I am reminded of two books by the objectivist philosopher Ayn Rand wherein energy, creativity, brains—in essence, the producers of America who have given the average worker and farmer the highest standard of living in the world—are challenged by knot-headed, know-nothing consumers and parasitical pseudo-intellectuals who prefer a collectivist mastery over people [and to a degree get it] rather than an individualistic bettering of their lives thru the results of unfettered minds.

Here are some of the arguments against SST:

"The great need is for jobs for less skilled workers, not the highly skilled groups who would build SST." "The Environmentalist Handbook."

"A sonic boom loosens 66,000 tons of rock in Mesa Verde National Park." "The Environmental Handbook." Apparently we should punish skilled workers because they spend time and money in schools to learn those skills, rather than threatening to blow them up raging at a system that refuses to feed them and clothe them simply because they exist.

I suspect that in the latter part of the 19th century one of the Luddite arguments against the automobile was that its chug, chug and ooga, ooga were responsible for avalanches and earthquakes.

Here is eco-nut Paul Ehrlich in September, 1969, telling us of 1973 in his horror hype: "The year 1973 . . . suddenly our citizens were forced with nearly 200,000 corpses and massive documentation that they could be the next to die from respiratory diseases." "The Environmentalist Handbook."

It is disaster apostles like Ehrlich who with such imagined overkill wreck the credibility of other more responsible environmentalists. There is also this side issue concerning the SST. With the American dollar devaluation it might be well to keep in mind that of all the commercial airline planes flying today 85 per cent were built by American firms in former years. In 1969 we exported $2.2 million worth of civilian planes and attendant parts.

Its effect on the balance of trade has been to recapture some American dollars that we spend abroad or send abroad in our buying of foreign cars, TVs, radios, etc.

It would be a supreme irony to see the American dollar further devalued when just to compete with foreign airlines we are forced to buy their SSTs. Is it further possible that in an American retreat from technology we could as a nation be reduced to a giant repair shop servicing [and consuming] what others create? What effect would that have on traditional American creative pride?

And what of our cancelled space programs? Are we to leave our universe and the galaxies beyond undiscovered and fallow? The immutable laws of biology hold as well for the planet earth as it does for the smallest anthill upon it—expand or die.

We are as infinite in the uses of our intelligence as we wish to be, and as limited. Exploration is in our blood and our brain cells and so is fear and apathy. I'm sure that the first caveman who ventured over the hills and across the waters was told by the fearmongers and lazy of his day that it was a foolhardy and dangerous undertaking. The cave was where it was at and forever meant to be. And so thruout history: "The earth is flat. Sail beyond the horizon and you will fall off" "If man were meant to fly, God would have given him wings."

Times have changed, but the doomsayers, the fearful who would strap Prometheus to an earthbound rock, have not and never will change. They are the cumbersome baggage on Apollo's chariot. Slowing him down perhaps, but those trips will be made.

## THE PLIGHT OF AMERICA'S SENIOR CITIZENS

## HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. BINGHAM. Mr. Speaker, America's senior citizens, particularly those living in major urban areas, are confronted by serious problems of health, housing, nutrition, crime, transportation, and loneliness. All too often, Federal, State, and local programs have fallen short of the objective of locating and uplifting the elderly, ranging in age from 65 to 85 and even 90 years old.

In light of this situation, it is encouraging that a new and ambitious program aimed at providing assistance to isolated, ignored, and neglected senior citizens is beginning this week in the Grand Concourse area of the Bronx. The Concourse Jewish Community Council, under the leadership of its executive director, Mr. Murray H. Kiok, is undertaking a survey to determine the location and numbers of elderly Jewish poor persons in five selected Bronx areas, three within community planning board No. 4 and two within community planning board No. 5.

The sample areas to be covered are:

First, Nelson Avenue between West 164th and West 166th Streets; second, the block bounded by East 169th and 170th Streets, between Clay and Teller Avenues; third, Jessup, Shakespeare, and Nelson Avenues, between West 172d Street and the Cross Bronx Expressway; fourth, West Burnside Avenue to West Tremont Avenue, between Loring Place and Phelan Place; and fifth, East 183d Street, between the Grand Concourse and Valentine Avenue.

The survey, which is expected to last a month, will focus on establishing contact with those elderly Jewish poor who are often overlooked by social services agencies—the infirm, senescent, and frightened senior citizens who are unable to make their location known to social services workers because of their own reclusion or lack of information about available services and agencies. To a large extent, this subculture of isolated elderly poor is composed of widows and widowers suffering from intense loneliness, anomie, and, in many instances, malnutrition.

A basic purpose of the survey will be to determine the needs, both physical and social, of these people, through interviews and questionnaires which include inquiries on availability of shopping facilities, frequency and nature of food purchases, victimization by crime, and desire for hot meals programs. The council hopes to project the results of its five-area survey over the entire Grand Concourse region to arrive at an estimate of the overall number of Jewish elderly poor in that section of the Bronx.

The Concourse Jewish Community Council has already completed a study on the availability of social services and social agencies in the Grand Concourse area. When it has completed its survey on locations and numbers of elderly Jewish poor, it will undertake the missions of matching existing social service facilities with those persons in need of assistance, determining where new social service centers and agencies are required, and persuading Jewish social assistance facilities and agencies to remain in areas where they have a hidden constituency to search out and serve.

The Concourse Jewish Community Council, located at 1130 Grand Concourse, Bronx, N.Y., has received a grant of $81,760 from the city of New York, and if its project of surveying and bringing assistance to the isolated elderly of the Grand Concourse area accomplishes its objectives, the city's grant will certainly be money well spent.

The May 1973 issue of Saturday Review of the Society contains a fine article by Margaret H. Bacon on the subject of this nationwide problem of the hidden elderly poor, entitled "Why the Old Are Getting Mad." The article vividly describes the situation of the forgotten elderly poor and underscores the inadequacy of existing Federal programs for improving the lives of the country's senior citizens, who, having worked many years to build a strong America and raise their families, find themselves neglected in the allocation of our national resources when they grow too old to remain in the labor force. Since the Concourse Jewish Community Council will be grappling with the problems of these forgotten Americans, I request that the article be printed in full in the CONGRESSIONAL RECORD.

The article follows:

### WHY THE OLD ARE GETTING MAD

(By Margaret H. Bacon)

(NOTE. Margaret H. Bacon is a member of the information services department of the American Friends (Quakers) Service Committee.)

You can live on a dollar a day in Philadelphia—if you don't eat much, that is. Addie Wentzel, a 76-year-old woman of Pennsylvania Dutch extraction pays $54 every two weeks for her cheerless room in a cheap Philadelphia hotel. Since her check from the Department of Public Assistance comes to $69 for the same period, Addie is left with $1.03 a day for food, clothes, and transportation. By consuming lots of white bread and canned soup, which she heats on an illegal hot plate, she managed for a time to get by. A few days ago, however, she fainted in a corner grocery store, perhaps as a result of malnutrition, and the police took her to a clinic. Addie is supposed to go back for tests, but she is afraid that if she leaves her room and sets out for the clinic, she will faint again. Alone in the world, she has nowhere to turn for help.

Several floors above in the same hotel lives Valerie Belmont. (The name is fictitious, as are the names of the other elderly persons described here.) Valerie is 77 and has such poor eye-sight that she could be declared legally blind. Unfortunately, this would not result in a larger pension than the $69 she, like Addie, receives biweekly from the Department of Public Assistance. Valerie pays $56 every two weeks for her room and so must try to live on 93 cents a day. She can get a cheap hot lunch five days a week at the Philadelphia Center for Older People, but she needs a companion to lead her across the busy streets from the hotel to the center. The elderly woman who formerly accompanied her has since found a part-time job; she can no longer help out. Valerie has no one to look after her.

In a rooming house a few doors down from the hotel lives Tony Montinez. Tony is a Mexican-American who came to this country in 1917 to work on a railroad. Now he has washed up in a dark bedroom off a corridor smelling of urine. He pays $40 a month for his room. Once a week the wife of a former friend comes to clean his room and buy him groceries. Otherwise Tony has no visitors. He suffers from emphysema and doesn't know how to get to a clinic for treatment.

Addie, Valerie, and Tony belong to the most forgotten group in America—the isolated elderly poor. Somehow, somewhere they have become detached from that web of family and friends that sustains most people in their old age. They live in dirty hotels or decaying rooming houses or tumble-down shacks at the end of forgotten country lanes. Prey to muggers, robbers, and confidence men, confused by the bureaucratic red tape that surrounds what little help is available to them, ashamed of their own isolation, afraid of dying alone, they wait out the empty hours.

Of the 20 million Americans over 65 years of age, six million are said to live in poverty. One recent nationwide survey found that approximately 38 per cent of the elderly poor live alone. This would come to 2,280,000. Probably there are many more. The census on which these figures are based excluded men and women who live in hotels, considering them transients. There is only one way to find the elderly poor—go from door to door.

Addie, Valerie, and Tony were discovered by just this process when the Philadelphia Center for Older People added an outreach worker to its staff and sent her into a relatively quiet and genteel area of central Philadelphia. Approximately 10,000 persons live in the area to which 25-year-old Jean DeGraff has been assigned, some 1,800 of them over 65. In four months of work Jean has discovered 100 persons who require immediate attention. These are the men and women who face eviction but have no place to go, who need medical attention but have no way to get to the clinic, who need someone to bring them food, who desperately need money to tide them over until the next welfare check, who are starving for human contact. Jean says she frequently feels that she is trying to sweep back the ocean with a toy broom.

In theory, federal and state social service programs make provision for the elderly poor. But with rare exceptions these programs are based on the premise that the needy individual will take the initiative to seek services. The premise ignores the fact that it is next to impossible for the shy, lonely, and confused older person to overcome his fears, work his way through the red tape, accept the insensitivity with which he is generally met, and persist until he actually gets help.

Take food, for example. The elderly poor are eligible for either the surplus commodities program or food stamps, depending on which system of distribution prevails in their county. But the commodities program presents the older person with almost insurmountable difficulties of transportation and storage. He must present himself at a certain time and a certain place, receive bulky packages of foodstuffs, often totally unsuited to his needs, and somehow carry them back to his living quarters.

Food stamps are slightly more adapted to the use of the elderly, but the process of applying for them is formidable and often humiliating. Many older people have heard (incorrectly) that they must give up their homes or their bank accounts in order to be eligible; others feel it represents a disgrace to accept such help. Hotel and rooming house residents do not qualify since one must have adequate cooking facilities to be eligible.

For the home-bound a program called Meals on Wheels has been developed. Elderly invalids with incomes below the poverty level—the line is drawn by the Office of Economic Opportunity (OEO) at $2,725 for aged—couples and $2,100 for aged individuals—are entitled to one hot meal a day. Ideally, the meal is delivered by another elderly but still vigorous worker who stays to pay a friendly visit. For those lucky elderly persons who receive such calls it is often the one event of their day. Like most such programs, Meals on Wheels is underfunded and thus available to only a minute percentage of those who might benefit from it.

In March 1972 President Nixon signed into law a Nutrition Program for the Elderly to be administered by the Department of Health, Education, and Welfare. The plan was to provide food for the elderly poor in a variety of ways, including Meals on Wheels and hot lunches served in neighborhood centers. In October of the same year Nixon vetoed the HEW-Labor appropriation, which included funding for the program he had proposed seven months before. The new budget for fiscal 1974 calls for $99 million for this program, but no one knows whether Congress will pass it, nor how it will be implemented if it is passed.

Before any nutrition program for the elderly can be effectively implemented the problem of outreach must somehow be solved: the elderly poor must be found before they can be helped. In 1968/1969, under an OEO grant, the National Council on the Aging (NCA) conducted a search for the invisible elderly in 12 representative cities. Altogether some 44,000 elderly people were interviewed, of whom 19,000 were poor and another 5,000 "near poor." (The poverty level used in the survey was set at $1,999 for aged couples; $1,499 for aged individuals; the near poor were defined as those whose combined or individual income ranged up to $1,000 more.) Of these, only 19 per cent of the poor and 9 per cent of the near poor had ever applied for surplus food or food stamps, and only 14 per cent of the poor and 6 percent of the near poor had ever received any government aid for nutrition. It is figures like these that make the concerned very angry when the Department of Agriculture announces that it has returned money appropriated to food programs as "unused" in order to demonstrate "fiscal responsibility."

The elderly poor experience similar difficulties when it comes to their medical needs. Although Medicare and state and local supplements supposedly are designed to provide for their needs, few of them realize the benefits to which they are entitled. Some 15 percent of the elderly poor have not signed up for Medicare at all; among blacks this figure rises to 22 per cent. Almost all of those interviewed reported long waits and total indifference when they tried to explain their symptoms, or get new glasses, or have a drug prescription filled. The same callous attitude generally meets the elderly poor when they attempt to get better housing, look for part-time work, or break out of their isolation.

To fill their empty days, many old people spend hour upon hour in public places. The waiting rooms of bus terminals and train stations are full of them. A network of centers for the elderly is badly needed. Such centers, commonplace in most European nations, are sparse in the United States. A few, supported by the United Fund, do a heroic job, but they usually find themselves overwhelmed by the needs of those elderly who are sufficiently healthy, wealthy, and motivated to come to the center. There is no time nor staff to seek out the lost.

Under the OEO a large number of senior centers were established throughout the country. In addition, under Title IV–A of the Social Security Act funds were made available for the establishment of a number of centers for the elderly, called Late Start centers. These were to provide not only a hot lunch and a social and counseling program but also an outreach program, sending workers into the community to knock on all those doors. Both of these badly needed programs are jeopardized by President Nixon's cutbacks on all funds allocated for social services.

Also swept away in the cutbacks are funding for the building of subsidized housing for the elderly (another area in which the United States is far behind most of Europe) and money for Medicare. The elderly are now being asked to pay for a larger portion of their hospital and doctor bills. Programs for research and training for geriatric workers have been slashed, along with programs for the employment of the elderly. New Social Security regulations appear to mean that most of the elderly poor will receive a small supplement but will become ineligible for food stamps.

All these anti-old people measures may prove poor politics in the long run. There are more than 20 million Americans in the 65-or-over bracket and every one of them has the vote. In most major cities coalitions of the aging are rapidly forming to fight the cutbacks and to lobby in Washington and the state capitals for the funding of such programs as Late Start. Much of the leadership in the new movement is coming from retired union workers, many of whom fought the battle for the closed shop 30 years ago. significantly, the elderly black, Puerto Rican, Mexican-American, and blue-collar workers are pulling together in these new coalitions in a way their younger counterparts are not.

Addie Valerie, Tony, and the two million others who are in their predicament have lacked a voice. Now however, the more vigorous older citizens, outraged by the recent Nixon cutbacks and by the nation's apparent indifference to the needs of all the elderly, are becoming more militant. Perhaps, as a result, their fellow citizens will at least notice, and finally attend to the needs of, this long-silent, long-forgotten host of Americans.

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## DILLON GRAHAM, CORRESPONDENT FOR ASSOCIATED PRESS RETIRES

### HON. WALTER FLOWERS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 24, 1973*

Mr. FLOWERS. Mr. Speaker, on May 31, 1973, my friend Dillon Graham will retire after 25 years of service as a correspondent for the Associated Press at the U.S. Capitol.

I have had the pleasure of knowing Dillon since I have been in Congress, and have found him to be an effective and accurate reporter. He has obviously done a good job for the Associated Press while maintaining the profound respect of the Members of Congress.

As Mr. and Mrs. Graham begin retirement, I want them to know that they shall always have my very best wishes.

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## A MOTHER'S PLEA AGAINST THE LEGALIZATION OF MARIHUANA

### HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. YOUNG of Florida. Mr. Speaker, for some time now a great deal of attention has been focused on our drug oriented culture as there is little doubt but that drug abuse is rapidly becoming one of the most serious problems in America. However, far too often we hear only from those who espouse the legalization of marihuana rather than from those whose personal experiences clearly show the need to strengthen our laws relating to the use and/or possession of this mind-altering drug.

Although marihuana is regarded as a "weaker" or milder drug in comparison to the "hard stuff" such as heroin, I can see no logical reason for the Government sanctioning its use. In my mind, this would serve as a signal to thousands of impressionable youths throughout the country that the Government had put its stamp of approval on this drug and that it was alright to use without any harmful effects.

The May 3 issue of the Evening Independent contained a 'Letter to the Editor" from a concerned mother who is personally experiencing a not-so-rare situation involving her son's efforts to rehabilitate himself. I believe the anguish suffered by "H. K." and her family, as described in this letter, merits the attention of my colleagues.

#### A MOTHER'S PLEA: DON'T MAKE MARIJUANA LEGAL

Editor:

I am writing this letter on the way to Fort Lauderdale to visit our son at the drug-abuse rehabilitation center—called "The Seed"—founded by Art Barker:

My husband and I are taking this trip (500 miles) twice a week on Monday and Friday, to attend the open meeting. We leave at 2 p.m. and arrive home between 3:30 and 4 a.m.

From 7:30 to 11:30 p.m., we sit with hundreds of parents at The Seed, looking across to hundreds of young people. We do not talk, we just sit and listen as one youngster after another unfolds his or her story of drug involvement. Ages range from 10 to 25 years—drugs from marijuana to heroin.

Then the time comes for the parents to say a few words and when the microphone reaches us, we get up, look at our son, tell him we miss him and love him.

On March 18 he was 17 years of age. For 16 years he was a fine upright boy with a good sense of justice and high goals, a loyal friend and loving son—a good student, a popular boy who was good in school and good at sports.

Shortly after his 16th birthday, he told us that he was smoking marijuana, that he liked the high feeling it gave him and so did his friends. To subdue our protests and horror, he informed us that he saw harm in taking alcohol or tobacco and would not partake in such partying with his friends even if they should do so. Both, he told us, are addictive and habit-forming.

But marijuana—that was a different story! No hangover, not addictive, and most of all—as he had read—our own government commission stated publicly after much research (not in the houses of families with teenagers) that marijuana is a minor drug compared to alcohol and tobacco, and that same commission recommends legalization of the weed. The same argument was given us by all his friends.

From then on we had to watch our only son turn from an open-minded, honest boy to a boy who had many secrets; who, in place of a kiss when he came home, would look downward, hurry to his room and lock the door. The Visene bottle was never out of reach. His grades in school dropped from A-B to C-D and, on the last report card, an F. The F was for skipping too many days in school, a fact we were not even aware of. A boy with a 100 per cent attending record was twice suspended for 10 days each time, for leaving school grounds without permission. Dents and scrapes on his and his father's car became numerous and so were the traffic tickets.

One night he and two of his friends were arrested while smoking marijuana in our son's car on a deserted strip of marshland. They were all 16 years old. They were handcuffed and brought to the police station. Our son was not charged because his friends had the marijuana and paraphernalia in the back seat at the time of apprehension. Lucky?

I don't know how often I have stood in the laundry crying because I had found another shirt or slacks with burnt holes down the front . . . holes made by burning marijuana held with a so-called roach clip. Eleven joints were found behind a book; a plastic bag half full of the weed was found under the car seat; another joint in the back pocket of his jeans—these were a usual kind. For the rest of the family, another day of tears, threatening, begging him to stop. He would and could NOT!

Two weeks before his 17th birthday, we had him picked up by the local police, brought to the police station and then to the Juvenile Detention Center, to obtain a court order to have him ordered to the full-time Seed program.

Now all we can do is love him and hope he will understand that in order to save him from a criminal record, we had him taken against his will, hoping Seed will do for him what it was able to do for so many others—clear his head, make him happy and high on life again in place of being high on marijuana, so he will be able to function as a useful citizen.

We miss him so! We are scared parents! We do not believe in the government commission's recommendation and findings. We do not want marijuana legalized!

Legalization of marijuana would add to our nation's problems—the problem of the habitual "pot head."

In the name of our children, WAKE UP! The government commission should be awakened to the reality of its responsibilities. The damage already done amongst the young users, and the users who went on to other drugs, is great.

The commission's attempt to justify its recommendation of legalizing marijuana by comparing it to the already legal and misused drug "alcohol" . . . is irresponsible. Marijuana should be judged on its own destroying merits.

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## LORRAINE HANSBERRY

## HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Ms. ABZUG. Mr. Speaker, I would today like to pay tribute to Lorraine Hansberry, a talented and sensitive black playwright whose untimely death from cancer was a great loss to the theater and to the public as a whole. Her first play, "A Raisin in the Sun," was a phenomenal success, winning Ms. Hansberry the New York Drama Critics Circle Award at age 29.

"A Raisin in the Sun" is a moving portrayal of human pride and dignity of a poor black family in Chicago's South Side. Yet the message of the play, as with all great plays, is timeless.

Today has been declared "Lorraine Hansberry Day" by D. C. Mayor Walter Washington in honor of the opening tonight of "Raisin," a musical version of "A Raisin in the Sun" adapted by Robert Nemiroff. I urge my colleagues to honor a fine and gracious woman by attending this performance. I would like to close with the words of James Baldwin:

### Sweet Lorraine

(By James Baldwin)

That's the way I always felt about her, and so I won't apologize for calling her that now. *She* understood it: in that far too brief a time when we walked and talked and laughed and drank together, sometimes in the streets and bars and restaurants of the Village, sometimes at her house, sometimes at my house, sometimes gracelessly fleeing the houses of others; and sometimes seeming, for anyone who didn't know us, to be having a knockdown, drag-out battle. We spent a lot of time arguing about history and tremendously related subjects in her Bleecker Street and, later, Waverly Place flat. And often, just when I was certain that she was about to throw me out, as being altogether too rowdy a type, she would stand up, her hands on her hips (for these down-home sessions she always wore slacks) and pick up my empty glass as though she intended to throw it at me. Then she would walk into the kitchen, saying, with a haughty toss of her head, "Really, Jimmy. You ain't *right*, child!" With which stern put-down, she would hand me another drink and launch into a brilliant analysis of just why I wasn't "right." I would often stagger down her stairs as the sun came up, usually in the middle of a paragraph and always in the middle of a laugh. That marvelous laugh. That marvelous face. I loved her, she was my sister and my comrade. Her going did not so much make me lonely as make me realize how lonely we were. We had that respect for each other which perhaps is only felt by people on the same side of the barricades, listening to the accumulating thunder of the hooves of horses and the treads of tanks.

The first time I ever saw Lorraine was at the Actors' Studio, in the winter of '57–58. She was there as an observer of the Workshop Production of *Giovanni's Room*. She sat way up in the bleachers, taking on some of the biggest names in the American theater because she had liked the play and they, in the main, hadn't. I was enormously grateful to her, she seemed to speak for me; and afterwards she talked to me with a gentleness and generosity never to be forgotten. A small, shy, determined person, with that strength dictated by absolutely impersonal ambition: she was not trying to "make it"—she was trying to keep the faith.

We really met, however, in Philadelphia, in 1959, when *A Raisin in the Sun* was at the beginning of its amazing career. Much has been written about this play; I personally feel that it will demand a far less guilty and constricted people than the present-day Americans to be able to assess it at all; as an historical achievement, anyway, no one can gainsay its importance. What is relevant here is that I had never in my life seen so many black people in the theater. And the reason was that never before, in the entire history of the American theater, had so much of the truth of black people's lives been seen on the stage. Black people ignored the theater because the theater had always ignored them.

But, in *Raisin*, black people recognized that house and all the people in it—the mother, the son, the daughter and the daughter-in-law, and supplied the play with an interpretative element which could not be present in the minds of white people: a kind of claustrophobic terror, created not only by their knowledge of the house but by their knowledge of the streets. And when the curtain came down, Lorraine and I found ourselves in the backstage alley, where she was immediately mobbed. I produced a pen and Lorraine handed me her handbag and began signing autographs. "It only happens once," she said. I stood there and watched. I watched the people, who loved Lorraine for what she had brought to them; and watched Lorraine, who loved the people for what they brought to *her*. It was not, for her, a matter of being admired. She was being corroborated and confirmed. She was wise enough and honest enough to recognize that black American artists are a very special case. One is not merely an artist and one is not judged merely as an artist: the black people crowding around Lorraine, whether or not they considered her an artist, assuredly considered her a witness. This country's concept of art and artists has the effect, scarcely worth mentioning by now, of isolating the artist from the people. One can see the effect of this in the irrelevance of so much of the work produced by celebrated white artists; but the effect of this isolation on a black artist is absolutely fatal. He *is*, already, as a black American citizen, isolated from most of his white countrymen. At the crucial hour, he can hardly look to his artistic peers for help, for they do not know enough about him to be able to correct him. To continue to grow, to remain in touch with himself, he needs the support of that community from which, however, all of the pressures of American life incessantly conspire to remove him. And when he is effectively removed, he falls silent—and the people have lost another hope.

Much of the strain under which Lorraine worked was produced by her knowledge of this reality, and her determined refusal to be destroyed by it. She was a very young woman, with an overpowering vision, and fame had come to her early—she must certainly have wished, often enough, that fame had seen fit to drag its feet a little. For fame and recognition are not synonyms, especially not here, and her fame was to cause her to be criticized very harshly, very loudly, and very often by both black and white people who were unable to believe, apparently, that a really serious intention could be contained in so glamorous a frame. She took it all with a kind of astringent good humor, refusing, for example, even to consider defending herself when she was being accused of being a "slum-lord" because of her family's real-estate holdings in Chicago. I called her during that time, and all she said—with a wry laugh—was, "My God, Jimmy, do you realize you're only the second person who's called me today? And you know how my phone kept ringing *before!*" She was not surprised. She was devoted to the human race, but she was not romantic about it.

When so bright a light goes out so early, when so gifted an artist goes so soon, we are left with a sorrow and wonder which speculation cannot assuage. One is filled for a long time with a sense of injustice as futile as it is powerful. And the vanished person fills the mind, in this or that attitude, doing this or that. Sometimes, very briefly, one hears the exact inflection of the voice, the exact timber of the laugh—as I have, when watching the dramatic presentation, *To Be Young, Gifted and Black*, and in reading through these pages. But I do not have the heart to presume to assess her work, for all of it, for me, was suffused with the light which was Lorraine. It is possible, for example, that *The Sign in Sidney Brustein's Window* attempts to say too much; but it is also exceedingly probable that it makes so loud and uncomfortable a sound because of the surrounding silence; not many plays, presently, risk being accused of attempting to say too much! Again, Brustein is certainly a very *willed* play, unabashedly didactic; but it cannot, finally be dismissed or categorized in this way because of the astonishing life of its people. It positively courts being dismissed as old-fashioned and banal and yet has the unmistakable power of turning the viewer's judgment in on himself. *Is all this true or not true?* the play rudely demands; and, unforgivably, leaves us squirming before this question. One cannot quite answer the question negatively, one risks being caught in a lie. But an affirmative answer imposes a new level of responsibility, both for one's conduct and for the fortunes of the American state, and one risks, therefore, the disagreeable necessity of becoming "an insurgent again." For Lorraine made no bones about asserting that art has a purpose, and that its purpose was action: that it contained the "energy which could change things."

It would be good, selfishly, to have her around now, that small, dark girl, with her wit, her wonder, and her eloquent compassion * * * I've very often pondered what she then tried to convey—that a holocaust is no respector of persons; that what, today, seems merely humiliation and injustice for a few, can, unchecked, become Terror for the many, snuffing out white lives just as though they were black lives; that if the American state could not protect the lives of black citizens, then, presently, the entire State would find itself engulfed. And the horses and tanks are indeed upon us, and the end is not in sight. Perhaps it is just as well, after all, that she did not live to see with the outward eye what she saw so clearly with the inward one. And it is not at all far-fetched to suspect that what she saw contributed to the strain which killed her, for the effort to which Lorraine was dedicated is more than enough to kill a man.

I saw Lorraine in her hospital bed, as she was dying. She tried to speak, she couldn't. She did not seem frightened or sad, only exasperated that her body no longer obeyed her; she smiled and waved. But I prefer to remember her as she was the last time I saw her on her feet. We were at, of all places, the PEN Club, she was seated, talking, dressed all in black, wearing a very handsome wide, black hat, thin, and radiant. I knew she had been ill, but I didn't know, then how seriously. I said, "Lorraine, baby, you look beautiful, how in the world do you do it?" She was leaving, I have the impression she was on a staircase, and she turned and smiled that smile and said, "It helps to develop a serious illness, Jimmy!" and waved and disappeared.

## WHAT IS SECURITY?

## HON. THOMAS N. DOWNING

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. DOWNING. Mr. Speaker, on Friday, May 18, the Honorable Frank P. Sanders, Under Secretary of the Navy, addressed over 400 military, business and civic leaders of Tidewater Virginia at the annual Armed Forces Banquet held at the Fort Monroe Officers Club in Hampton, Va.

Under Secretary Sanders eloquently and persuasively set forth the vital need of maintaining the military strength of our country. He said:

I do not have to tell you that the best negotiator is a man who negotiates from a position of strength.

His remarks were so timely and so well received by his audience that I thought my colleagues here in the Congress would also be greatly interested in them. Therefore, I am placing them in the CONGRESSIONAL RECORD for their benefit:

### WHAT IS SECURITY?

It is a real pleasure to be here on the Virginia Peninsula, surrounded by so many of the historic sites in the founding of our country and mindful of the precious heritage of independence and freedom which is ours because of that which was finally accomplished here. In all the years since, Virginians have been in the front ranks of America's development, both in peace and war. Today you are still there, working to keep our nation strong and secure.

Tonight, I would like to comment briefly on this matter of security, the role of the Armed Forces in this important area and set forth what I believe is your role and mine.

First, let us look at the world briefly. Not the world as you would like it to be but the way it is. If you were to ask the average American the one national goal to which we could aspire, I think you would find that goal to be peace. This is not new. It has always been our oft elusive but constant goal. A native Virginian, George Marshall, stated: "If man does find the solution for world peace it will be the most revolutionary reversal of his record we have ever known." The real key to world peace lies not in war or disarmament but through the peaceful resolution of conflicting national interests by negotiation.

This approach has recently resulted in far-reaching and successful initiatives in our nation's foreign policy—initiatives unprecedented in our time. In effect they have redefined reality.

We have already begun a second phase of talks with the Soviets looking toward more comprehensive agreements in the strategic arms area. Preparatory talks and initiatives have taken place for a Conference on Security and Cooperation in Europe and for talks between the NATO and Warsaw Pact nations on Mutual and Balanced Force Reductions in Europe.

Certainly, we have made significant strides on the long and difficult journey toward our elusive goal of peace. The success thus far achieved can be attributed, of course, to the willingness of the negotiating parties to accommodate conflicting interests. Let there be no mistake, however, that this willingness is directly related to the relative bargaining power of the parties concerned and—where we negotiate in the military area—bargaining power is synonymous with military strength. I do not have to tell you that the best negotiator is a man who negotiates from a position of strength.

As we approach our immediate goal of a generation of peace, we must avoid actions which those at the bargaining table, with us or across from us, will regard as weaknesses, or the loss of our will to be strong.

The President has forcefully presented such a position of strength in his proposed budget for fiscal 1974. Yet already we are hearing cries to drastically reduce that budget. Yet it is a budget which, if measured in constant dollars is $8.7 billion below the pre-SEA budget of 1964.

Simply stated, as some clamor for shifts in priorities, I can only say that the priorities have already shifted and that we cannot look at the defense budget as a panacea to solve other domestic problems if we are to maintain the defense potential we require and that I feel the American people demand of us. As the President has stated, we must "never fall short of the minimum needed for security."

We have not and will not fall short of this minimum.

Our forces will be smaller than they have been in recent years, smaller even than we had before the Vietnam War. For example: There will be a total of 16 active Army and Marine divisions at the end of FY 1974—3⅓ fewer than in 1964. We will have a total of 163 active Air Force, Navy and Marine Corps tactical fighter and attack squadrons at the end of FY 1974, compared with 199 squadrons in 1964. We will have a total of 253 active major combat ships (including attack submarines) at end FY 1974, compared with 407 in 1964. In sum, we will have a substantially smaller active force at the end of FY 1974 than we had before the Vietnam War.

This puts a premium on the modernization of our remaining forces. We are planning on that modernization. In the ground forces we will be taking several steps to improve anti-tank capabilities—to develop and procure a new MB tank. The purchase of additional MAVERICK air-to-ground missiles for the Air Force will also assist. We are developing the F–15 air superiority fighter for the Air Force and procuring the F–14 anti-air warfare fighter for the Navy. We are improving our close air support capabilities with the development, including advance procurement in this year's budget submission, of the Air Force's A–10 aircraft, and completing procurement of the Marines' VSTOL attack aircraft, the Harrier. In the strategic field we are proceeding with the B–1 Bomber and TRIDENT FBM system.

The Navy also has impressive plans for modernization. A significant step forward in Anti-Submarine Warfare capabilities is being made with the transition to the S–3A aircraft, the first jet carrier-based-ASW aircraft. In shipbuilding, acquisition of 3 new nuclear carriers, the new Spruance class DD's, the nuclear submarine building program, plus new ship initiatives such as patrol frigate, patrol hydrofoil, sea control ship, will assure that we maintain our U.S. seapower as number one in the world against a Soviet threat that has benefitted from the greatest Naval buildup in history.

We cannot have the strong Armed Forces we need, however, unless we have the trained and dedicated people to give life and direction to it all. For armies, navies and air forces are not only tanks and ships and planes; those are hardware, cold and immobile without living, breathing people.

In this era of the All Volunteer Force—and make no mistake we are there now as draft calls have ended and we are completely dependent upon volunteers—there are two factors we must consider.

And this is where you come in.

First, your attitude and the attitude of our young people toward the Armed Services. We are trying to present to them the very real advantages of service, as preparation for life, as education, as a chance to contribute, but this will go for naught unless we—you and me—can show them with their strong motivation for the building of a better world, that their idealism is typified by men and women in uniform—that their contribution to the greatness of America is the devotion of their lives to keeping it strong through full time service—that they stand in the forefront of those ready to make the supreme sacrifice for the freedom which we sometimes take so much for granted. Only as we who are older manifest our respect for them and support the goals for which they stand can we expect our young people to reflect the same respect and to seek military service as a rewarding and satisfying career.

Secondly, we want everyone to know that opportunity in the Armed Services is real, solid opportunity.

The Armed Forces is a microcosm of the world around us—we are not perfect. But we are making strides.

Our efforts to interest, recruit and retain young men and women, including all minority groups, are proving increasingly successful. The opportunities are real, ready for the grasping.

We have better pay, more travel, and high potential for upward mobility. The average salary in the military services today is $8,832, plus fringe benefits such as outstanding medical care, commissaries, post exchanges, housing and an excellent insurance program.

Education—at all levels—is our high selling point. In the Navy, for example, we spend $680 million a year on education. Eighty-five percent of the skills for which Armed Forces train are directly transferable to the civilian market. A dollar for defense is not a dollar thrown away. It is a dollar multiplied for America many times over.

I say again—the Armed Services today represent very real opportunity.

Let me summarize then the situation in the world today and what we can expect for the future. We see the movement from an era of confrontation to an era of negotiations, looking toward a generation of peace. We have proven that we can maintain strong strategic position and enhance our security by agreeing on mutual arms limitation. We are committed to future negotiations of this type. They can be at least equally as successful only if we continue to depend on the military strength and the strength of the people of this country.

Throughout the long years of our nation's history we have depended on those two strengths. Our birth as a nation and our growth to world leadership today have been possible only through the united strength of our fighting men supported and guided by the strength and genius of our people. We saw this manifested in the bi-partisan foreign policy of the early post World War II years united with and supported by the national security policies of Presidents Truman, Eisenhower, and their successors.

Today, we have the same requirement for unity between our foreign policy and our national security policy. We have the same continuing need for strong leadership to steer us through these still hazardous times. We are fortunate in our form of government—really I should say we are blessed with our form of government, as we Americans are blessed in so many other ways—that we have in the institution of the Presidency the unifying factor of foreign and national security policies. As we pay tribute to the Armed Forces tonight let us remember that it is the institution of the Commander-in-Chief, which, under our Constitution, has given us the strong leadership to meet challenges in the past. We citizens can allow no erosion of that institution—it must remain strong—for we will surely need it in order to meet the challenges of the future.

All of us here, public servants, private citizens, men and women of the Armed Services have a clear duty. We must help to keep America strong in every way. We must support the positive actions needed to continue America's efforts to make this a better, safer world. We must continue to act in positive, not negative, ways to meet the needs and to fulfill the desires of the American people.

There is a stirring of the breezes of peace, but it is a peace founded on our nation's strength, a strength which makes it possible for our President to negotiate from a position of power, not one of weakness. Those of us who are with or in the military service of our country know that a just and lasting peace must always be our ultimate objective. This is that to which the man in uniform is dedicated, even to the sacrifice of his own life to achieve it. This strength exists solely to secure the interests of the American people.

Earlier this year a lonely man walked down a ramp leading from an Air Force aircraft—the first time in over seven years his feet had touched land over which the American flag flew. Then very quietly Captain Jeremiah A. Denton, Navy pilot, former POW and father of seven, including two with service in Vietnam, speaking for these returning POW's, some of whom you honor here tonight and to whom we owe so much, said: "We are honored to have the opportunity to serve our country under difficult circumstances. We are profoundly grateful to our commander-in-chief and to our nation for this day. God bless America."

When we are the recipients of such dedication we have no choice but to respond in kind.

How we respond as individuals and as a nation is the measure of the national security we will have. The choice is strictly up to us—to you and to me. I ask from you the same dedication and the same support for them and for those who lead us so that together we may continue to strive successfully toward our ultimate objective.

May God truly continue to bless America through our dedication to the ideals that have made this the greatest nation in the world.

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## THE BATTLE OVER COMBINATION DRUGS

## HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. CRANE. Mr. Speaker, the Food and Drug Administration has been provided with extraordinary and, often, arbitrary power with regard to the removal of drugs from the American market.

The Kefauver-Harris amendments to the Federal Food, Drug, and Cosmetic Act gave the Food and Drug Administration the responsibility of verifying not only the safety of drugs but also their "effectiveness" prior to granting approval to the marketing of new drugs.

On February 9, 1973, the FDA, through the Federal Register, declared its intention to remove 23 cough mixtures from the market. The Government claimed that it lacked "sufficient evidence" that all of the premixed ingredients contribute to the total treatment. This action is only part of a continuing effort by the FDA to eliminate the use of standard-dose combinations.

The decisions made in this field are the result of bureaucratic determinations from within the Food and Drug Administration and its advisory panels. Discussing these bodies the staff of Private Practice, the journal of the Congress of County Medical Societies, declared:

> These organizations which have such great potential power over medical prescribing are almost totally devoid of practicing doctors who base their judgments on daily clinical evaluation in routine settings. The FDA has only 4500 employees. . . . Of these there are only approximately 200 physicians, 80 pharmacologists and 100 pharmacists . . . yet more than 300,000 practicing doctors and 200 million potenial patients will be affected by the decisions made by . . . the FDA.

Discussing the merits of combination drugs Private Practice, whose editor is Marvin H. Edwards, noted:

> The truth is, no pharmacist, operating in a corner drug store, without expensive equipment, could match the quality control provided by the painstaking and highly expensive manufacturing operations in every major pharmaceutical company—and whether he could or not, the cost of the medication would nearly triple.

Commenting upon the FDA's recent action concerning combination cough medicines, Private Practice declared:

> The argument that a combination should be removed from the market because it is no more effective than the combined effect of the individual medications taken singly is akin to suggesting that additives be removed from gasolines, hair sprays and pre-packaged foods—akin to suggesting that Betty Crocker cake mixes be banned from the market because the ingredients can each be purchased individually.

It is essential that we carefully review the extensive and often arbitrary authority which has been given to the Food and Drug Administration.

I wish to share with my colleagues the thoughtful discussion of, "The Battle for the Combinations," which appears in the April 1973 issue of Private Practice, and insert it into the RECORD at this time:

### THE BATTLE FOR THE COMBINATIONS

> A patient comes to you with a cough—a painful, frustrating, irritating cough. It has kept him home from work for two days already. He feels miserable and he is making everybody around him feel miserable. To the patient and his family, it is a deceptively simple problem: hard to stop, perhaps, but nonetheless a simple cough.
>
> But it is not so simple to the doctor, is it? You see the threat of Lysozyme attack on inflamed cells; you see dry membrane and the inability to expectorate; you see spasm and reflex—all things which you must treat.
>
> Today you can respond quickly by writing a prescription for any one of a number of pre-mixed cough medicines—medicines which contain antiallergic ingredients and liquefying ingredients, which provide ingredients for bronchial dilatation, and ingredients to depress the cough reflex—all important parts of the treatment.
>
> This wasn't always the case: many of you remember when you had to treat the ailment and symptoms separately—or with your own fixed-dose combinations. In those days most pharmacists were apt to have a thick card file of such brand name mixtures as "Dr. Smith's cough medicine," "Dr. Jones' cough medicine," "Dr. Davis' cough medicine," and so forth. When a patient came in with a prescription, the pharmacist selected the usual ingredients and began the mixing or compounding—or, if you were a heavy prescriber, took your pre-mixed combination from the shelf.
>
> Because the mixtures were by hand, and in small quantities, there was apt to be a wide disparity betwen your cough mixture on Wednesday and another bottle mixed on Friday. Because the local pharmacist did not have expensive equipment, the mixtures themselves were bound to be unstable; poor suspension sent ingredients to the bottom of the bottle, and the patient's instructions always began "shake well before using." Depending on the vigor of the shaking, the patient might get a dosage that was straight alcohol or one that was heavy on one ingredient and light on another—and never the same as the time before.
>
> The medicine was expensive, too. The pharmacist had to maintain a large inventory of unmixed ingredients, and had to spend more time and effort in filling each prescription. And each product had to be packed separately and shipped separately.
>
> The treatment was uncertain: if you chose not to mix ingredients, but to prescribe separate medications, the patient might end up with four separate ingredients to be taken either separately or at the same time, three or four times a day. Sometimes the patient would take them all, diligently; sometimes he would give up and shove the medicine into the medicine cabinet; sometimes he would simply tell the pharmacist to fill one or two of the prescriptions—only so much as he could afford at the time—and he might

get the rest filled later—or he might not, deciding for himself what part of the treatment he would accept.

Like most medical practice of 30 years ago, the prescribing of cough medications was far inferior to the quality of care available today. But it may not be inferior to the care available tomorrow, because there is a great danger that cough treatment—like many other medical treatments—may regress rather than progress.

Most of you have probably never seen the Federal Register: in fact, most Americans have never seen it. Yet it affects every one of us in ways we will never know, for the Federal Register is a unique publication, issued every day, day after day, with hundreds of pages of small print regulating everything from the amount of red coloring in an apple to whether or not a new television transmitter can be built in Terrell, Texas.

It was in the Federal Register (volume 38, number 27, dated February 9 of this year, on page 4006) that the Food and Drug Administration announced its intention to remove from the market 23 cough mixtures.

This notice, buried among some 8,000 pages of fine print since the first of the year, gave the pharmaceutical industry and the medical profession just 30 days to protest and ask for a hearing, after which a simple notice in the same publication can, by bureaucratic decree, remove from your patients the benefits of every one of these important medicines.

The reason is simple: the government claims it lacks "sufficient evidence" that all of the pre-mixed ingredients contribute to the total treatment. It is a part of the Food and Drug Administration's continued hostility toward the use of standard-dose combinations, and is only one step toward the eventual removal of all fixed combinations, including some of the most important medicines available to us.

Where does the FDA get this power? From a law which neither the medical profession nor the pharmaceutical industry opposed—Public Law 87–781, passed by Congress in 1962. These are the so-called Kefauver-Harris amendments to the Federal Food, Drug and Cosmetic Act, which provided that the Food and Drug Administration would have the responsibility of verifying not only safety but effectiveness prior to granting approval to the marketing of new drug products.

The truth is, the pharmaceutical industry was then already engaged in heavy research to assure effectiveness—extensive double blind, comparative human studies, with animal studies as backup. The amendments only formalized what was already a fact, and nobody objected. But some observers were uneasy. One was Dr. Jean Weston, who was then head of the AMA's Council on Drugs. The problem Dr. Weston feared was not in the law itself, but in the always fertile ground for bureaucratic interpretation and regulation.

Dr. Weston's discomfort has proved to be well-founded. The attempt to remove combination products from the market is based on this simple statement in the 1962 amendments:

"If the Secretary finds . . . that (1) . . . there is a lack of substantial evidence that the drug will have the effect it purports or is represented to have under the conditions of use prescribed . . . he shall issue an order refusing to approve the application."

By interpretation, that statement has been stretched to give the FDA authority to determine whether or not a product may remain on the market if it is composed of several ingredients, one or more of which may be considered non-essential in producing the effect claimed for the product.

There is no question that there may be cases in which a portion of a mixture may subject the patient to a risk that he need not be exposed to for treatment of his individual case—but the physician, who has accepted the responsibility for the care of his patient, knows the patient's sensitivities and his therapeutic needs: in those few instances where prescription of a standard-dosage combination would be more harmful than beneficial, it can be assumed that the doctor will prescribe another treatment—just as he decides dozens of times each day what course of treatment is safest and most effective for each patient.

There is also no question that there may be cases in which some portion of the premixed combination is not harmful but is simply not needed. Nonetheless, by prescribing a cough mixture which is already prepared the doctor may give his patient access to the medications he does need, at a lower cost, and more conveniently packaged.

Who makes these decisions—the decisions that would deprive the patient of a simple, inexpensive, effective cough remedy? The Food and Drug Administration and its advisory panels from the National Academy of Sciences/National Research Council.

Yet these organizations which have such great potential power over medical prescribing are almost totally devoid of practicing doctors who base their judgments on daily clinical evaluation in routine settings.

The FDA has only 4500 employees, and less than half are professionals. Of these there are only approximately 200 physicians, 80 pharmacologists and 100 pharmacists. The physicians on the advisory panels are, almost without exception, drawn from the academic world—either from teaching hospitals or medical schools; few, if any, receive daily experience in watching routine patient reaction. Yet more than 300,000 practicing doctors and 200 million potential patients will be affected by the decisions made by these panels and the FDA.

The attack on combinations has not reached peak—it is just beginning. On September 20 of last year Senator Gaylord Nelson introduced into the Congressional Record a statement by Dr. Richard Burack, a prominent critic of the medical profession and the drug industry.

"Doctors," Burack said, "have been prescribing therapeutically unnecessary and unnecessarily expensive combinations of drugs, some of which are or may be ineffective . . ." In answer to the doctor's argument that combinations are more convenient for the patient, Burack simply states: ". . . most doctors are relatively affluent with respect to most patients who might well prefer a minor inconvenience in order to save some money."

What he seems to propose is that the doctor prescribe a single drug—which presumably would attack the major problem—and a couple of aspirins. But to prescribe a full range of products—a decongestant, a constricting agent, an antispasmodic agent—in other words, to provide the same quality of care—the doctor would not only have to cause his patient inconvenience, he would have to *increase* the cost of the medication both in terms of pharmacy labor and the cost of maintaining large stocks of individual drugs.

The truth is, no pharmacist, operating in a corner drug store without expensive equipment, could match the quality control provided by the painstaking and highly expensive manufacturing operations in every major pharmaceutical company—and whether he could or not, the cost of the medication would nearly triple.

The argument that a combination should be removed from the market because it is no more effective than the combined effect of the individual medications taken singly is akin to suggesting that additives be removed from gasolines, hair sprays and prepackaged foods—akin to suggesting that Betty Crocker cake mixes be banned from the market because the ingredients can each be purchased individually.

And, as always when excessive regulation threatens to reduce the quality of health care, it is the patient who will be hurt the most.

Unfortunately, too few patients and too few doctors are aware of these proposals until it is too late—until the removal has become an accomplished fact. As a result, the doctor loses another of the weapons he uses to fight illness and the patient suffers because a medicine is no longer available to help him.

There *is* something that can be done about it—and the threat to remove combinations offers as good a place as any to start doing something.

As soon as we learned of the notice in the Federal Register, Private Practice went immediately into action: we contacted members of Congress, who protested to the FDA; and we sent more than 1,000 telegrams to doctors, urging them to file written protests. The result has been a stream of letters urging the FDA to leave these important products—these 23 cough mixtures—on the market and in the drugstores for our patients.

We in the medical profession need to keep our colleagues aware of what is happening, and urge them to be on the alert to protest any FDA actions which threaten their ability to care for their patients.

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## SERVICE OF REMEMBRANCE

## HON. FERNAND J. ST GERMAIN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. ST GERMAIN. Mr. Speaker, on May 6 I took part in an ecumenical service in remembrance of 21 young men who died in Vietnam. It was a moving tribute and it was a fitting tribute.

To be sure, there has been much controversy over the Vietnam War, but this commemoration had the support of everyone in the community.

I hope that by bringing this event to the attention of my colleagues it will encourage other communities to have similar ceremonies.

At this point I would like to include in the RECORD an account of this commemoration by one of the organizers who is also a reporter. He wrote this story for the Woonsocket Call.

### "SERVICE OF REMEMBRANCE" IN PRECIOUS BLOOD—1,000 PAY HOMAGE TO 21 VIET DEAD

(By Tim Manigan)

Homage was paid in an ecumencial offering of prayer and song by more than 1,000 persons who crowded into Precious Blood Church last night in remembrance of 21 young men from Woonsocket and North Smithfield who died in the Vietnam war.

Entitled a "Service of Remembrance," the program was attended by such persons as Sen. Claiborne Pell, Congressman Fernand J. St Germain, House Majority Leader John J. Skiffington Jr., other senators and representatives, Mayor John A. Cummings, North Smithfield Administrator Carl B. Sandberg and a long list of other dignitaries.

Those attending witnessed an hour-long tribute highlighted by a touching deliverance by the Rev. Robert A. Carpentier, acting pastor of St. Agatha's Church, and a candle lighting ceremony which hushed the church into the most solemn moments of the service.

A candle was lighted for each of the 21 veterans by a member of his immediate family—escorted by a military man in full dress—as an act of faith in the belief that what the young men died for still lives.

As Father Carpenter put it in keeping with the theme of the service, "In remembering, we can bring dead men back to life; we can recall they cared enough to give the very best."

Father Carpentier, who lost a brother in the war, told the huge gathering, "One of the easiest and hardest things for a human being to do is to forget." He said forgetting, at times, can be like a "medicine."

"But sometimes we forget too easily," he cautioned, "we forget what should not be forgotten."

Calling death "the greatest mystery of all," the priest said, "we are proud to honor these men and their families today as a community."

Then Father Carpentier read a sermon he delivered almost five years ago, shortly before his own brother died, concerning the pains of a young man and his family parting at Logan Airport, Boston, as the young man left for Vietnam. It was, in all probability, based on his brother's departure.

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### An Address of Remembrance

(By Rev. Robert A. Carpentier)

One of the easiest and one of the hardest things for us human beings to do is to forget. To forget can be something good or something bad. It can be like medicine that soothes the pain. It can lift us up from the darkness of painful days to the light of a better day. It can strengthen us to live the present with courage. But sometimes, we too easily forget what should never be forgotten. And so God, our loving Creator, has given to us one of the most beautiful powers we have as men . . . the power to remember. And this too, like forgetting, can either be good or bad. It is bad if, by remembering, we continually live in the past rather than the present. But to remember is also good. For it is by remembering that joy is brought to sorrow, that healing is brought to pain, that life is made stronger than death, that separation in some way, however slight, is breached. In remembering, we can bring dead men back to life.

I guess this is why it is so fitting for us to come together this evening to remember, to call to mind the actions of twenty-one young men from Woonsocket and North Smithfield who have cared enough to give the very best . . . to give their own lives for us. Their sacrifices symbolize those of thousands of young men who served us in Vietnam. We are proud to honor them today as a community.

I remember, it was five years ago this month, Mother's Day May 12, 1968 to be exact, that in this very church, I delivered a sermon in which I tried to recreate the feelings that must have been the apostles as Jesus told them, "I must go away." To draw an analogy, I spoke about a young man and the feelings of his mother as he left for Vietnam. I very seldom write out a sermon, but I did this particular one. I would like to share with you what I said on that day. It was written before my own brother died in the war.

"There are just a few hours remaining. The flight from Logan Airport leaves at 11 PM. It's now nine o'clock and the last good byes are being given to those at home. Then the youngest son steps into the car, accompanied by his mother and two others. It's only a short drive to Logan, but on that evening, the drive seems shorter. All in the car are nervous but try not to show it. The radio is softly playing, the only sound that breaks the silence. And whatever words are spoken are just unsettled expressions that try to relieve the mind from the reality which is taking place. The traffic in Boston is very light. Within an hour, the car comes to a stop in front of the United Airlines Terminal. In seconds and without too many words, the youngest son carries his duffel bag into the terminal and checks it on Flight 114. As hours sometimes seem like minutes, so now the minutes seemed like seconds. The terminal is practically deserted now except for the few night travelers. Then the loudspeaker blares out: 'Flight 114 from Boston to Chicago is leaving at Gate 3.' The son then says to his mother: 'Mom, don't worry, I have to go, but I'll be back soon. It's better for you and me that I go.' And so the boy, now a man, fades out of sight. And she still lingers a little while, empty, lost, hoping that the noise of the jet soaring towards the West and Vietnam will fill the sudden void. And the only words that bring any consolation are those of her son: 'I have to go. It's best for you and me.' "

Words such as these do bring consolation to us for we know that these men stood up and acted out of conviction, and they died in the process of carrying out what they felt was their responsibility in life. This is why we honor them today. However, the knowledge of this truth did not make the moment of separation any less painful. Many of you in this church have experienced that painful moment. But for some of you, that time of separation has been short, although it was filled with many days of anxiety and fear. However, these days look like fleeting moments now and are almost easily forgotten as these young men and their families have experienced the joy of reunion. We thank those men for their service in the persons of the Vietnam veterans who are present today.

For others, the separation became a living hell as a loved one became a prisoner, or worse still, as he was listed as "Missing in Action." However, for many of these men and their families, the time of waiting is over and the separation has turned into joyful reunions. We remember these men today in the person of Sergeant Dennis Tellier and his mother and father and we thank them for their service.

But for many others, there will never be any reunion, and the most we can do is REMEMBER. Among the thousands of men who have died in Vietnam, there were twenty-one from Woonsocket and North Smithfield. This is quite a price to pay as small American communities. But the price is even greater for the families that are involved. These are the men, these are the families we remember on this special day.

These men are no longer with us, and, because of that, it is so easy to forget. For their parents, or wife or child or families, forgetting is not so easy. We, as a community, want to remember. And as we remember, these men live and continue to influence our lives. By remembering we say Thank You to them, and through our presence, we say Thank You to their families who have so intimately joined in the sacrifice of these men. To you, parents and families, we say to you that we will never be able to repay you for this gift of self that you have offered for us. But we hope that as we honor these men today, we are in some way soothing your pain, and that by our remembering, we are helping you to forget the pain of separation.

My brothers and sisters, we are told that life is a mystery . . . a mystery to be lived, not solved. Death is also a mystery, the greatest of mysteries. And death of itself makes no sense at all. We can only begin to understand it if we look at it in relation to life. As we look at the lives of these men, we see that they lived for us. Their lives became a beautiful song they sang for us. Their death begins to make sense because they lived for us. And they live today if we dare to let them sing their song again by remembering. In the song there is pain, but in their singing it we find comfort.

So we try to remember . . . for it is in remembering them that they live on. It is in remembering them that they remain for us a light of hope. It is in remembering them that their lives go marching on.

Father Carpentier ended as the 40-member choral choir began leading the congregation in the "Battle Hymn of the Republic."

One of the candle ceremony's most touching moments came when the one was lit in memory of Spec. 4 Rene A. Bois, son of Armand and Eva Bois, both of North Smithfield. Specialist Bois was the only one of the 21 honored who was married at the time of his death. His wife, the former Sharon Benjamin, now of Millville, bore him a son, named after him, a month after the soldier was killed.

The son, now 4 years old, marched bravely to the altar with his military escort, Navy Chief Joseph J. Eckles, and lighted the candle for the father he has never known. Several members of the Bois family were present to witness the event.

Another of the most solemn moments came when Mrs. Shirley Labrecque of 2187 Diamond Hill Road, lighted two candles.

The mother is one of the very few in the country, possibly the only one in New England, who lost two sons in the war. They were Army Pfc. Robert W. Labrecque and Army Pfc. Paul E. Labrecque, both 18 at the times of their deaths.

A candle was also lighted by Mrs. Mary Ray of 84 Bourdon Blvd. in memory of her son, Army S. Sgt. James M. Ray who died of malnutrition in Communist captivity about 18 months after his capture March 18, 1968. Mrs. Ray had hoped for almost five years for her son's return.

Candles were also lighted in memory of Army S. Sgt. Henry R. Lambert, son of Mr. and Mrs. Raymond Lambert of 164 Ward St.; Army Spec. 4 Richard L. Lanctot, son of Mr. and Mrs. Edouard J. Lanctot of 231 Vose St.; Army Spec. Robert N. Lebrun, son of Mr. and Mrs. Norman L. Lebrun of 161 Burrington St.; Army Sgt. Richard M. Beauregard, son of Mr. and Mrs. Robert A. Beauregard of 77 Grace Ave., and Army Pfc. Frederick T. Carter, son of Mr. and Mrs. Fred W. Carter of Follet St., North Smithfield.

Also, Army Pvt. Leon J. Atteridge Jr., son of Mr. and Mrs. Leon J. Atteridge Sr. of 71 Main St., Slaterville; Marine Cpl. Rene R. Coutu, son of Mrs. Jeanne Coutu of 127 South St.; Marine Lance Cpl. Richard E. Ducharme, son of Mr. and Mrs. Rustand Ducharme of 706 Harris Ave.; Marine Pfc. Paul L. Durand, son of Mr. and Mrs. Lionel C. * * * Army Second Lt. Dennis E. Burke, son of Mrs. Raymond Burke, of 127 Spring St.

Also, Army Pfc. Lucien G. Carpentier, son of Mr. and Mrs. Anatole Carpentier of 299 Morin Heights Blvd.; Army Sgt. Robert J. Frisk, son of Mr. and Mrs. Robert R. Frisk of Slater Drive, Slatersville; Army Spec. 4 Robert W. Lauzon, son of Mr. and Mrs. Eugene Lauzon of 444 Wood Ave.; Cpl. Gerald H. Lavoie, son of Mr. and Mrs. Phillas Lavoie of Tarkin Road, Nasonville; Airman 1. C. Alan D. Curtis, son of Mr. and Mrs. Kenneth C. Curtis of 574 North Main St.; Marine Sgt. Paul R. Rivet, son of Mr. and Mrs. Aldor Rivet of 213 Greenville Road, and Army Pfc. Ronald J. Brissette, son of the late Alcee and Blanche Brissette.

Brissette's nephew, named after him, lighted the candle in his memory.

The Rev. Rene Gagne, Precious Blood pastor, officiated at the call to worship during which he welcomed the congregation, remarked he was impressed to see such a large gathering, and noted that it is gratifying to see "so many care."

As attention was drawn to the waiting candles on the altar, a large wreath especially designed with white flowers and 21 red ones and two color guards bearing flags of the U.S. and Rhode Island, the choir sang "The Impossible Dream."

The affirmation of God's word was delivered by the Rev. George Harvey, pastor of the

Slatersville Congregational Church, and the Rev. Lucien Rousel, pastor of Our Lady Queen of Martyrs Church, led the congregation in responsive readings.

The choir, which also sang "Let There Be Peace on Earth," was under the direction of William Cooper, organist. Soloist was Walter Polucha. A duet entitled "If We Only Have Love," was sung by Rachelle Belisle and Walter Crepeau.

Omer A. Sutherland, Woonsocket attorney, read letters from the White House and Sen. John O. Pastore, then sounded off the names of veterans during the candle ceremony.

Benediction was delivered by the Rev. Richard C. Leupold, pastor of First United Methodist Church, who said the veterans remembered "help us fulfill our dreams of love, peace and freedom."

Servicemen who volunteerd as escorts, ushers and color guards include Sgt. 1C. Paul L. Rollins, Sgt. 1C. Hugh L. Buzzell, Sgt. 1C Richard F. Silva, S. Sgt. Terance Rene, S. Sgt. Joseph F. Larose, Sgt. 1C Harvey VanBrocklyn Jr., Navy Chiefs Everett W. Charles, Jerald M. Butler, Normand A. "DJ" Dejardins, Eckles, Williams W. Kirtlink, Michael Rapoza, M. Sgt. John Casilli, Tech. Sgt. Conrad Paquette, S. Sgt. Joseph Flannery, S. Sgt. Francis Masse, Airman 1C. Norman Girard, Airman Ronald Cousineau, M. Sgt. M. R. Coyle, M. Sgt. R. Gordon, S. Sgt. Robert Quirk, S. Sgt. William Shinn, S. Sgt. Harold Brandenburg, and Sgt. Peter Castricone.

The service was the result of about nine weeks of preparation by a committee consisting of Father Carpentier, the Rev. Mr. Leupold, Father Roussel, Councilman Charles O. Bishop Jr. and Tim Manigan of The Woonsocket Call.

The brochures, wreath, corsages and boutonnieres, limousine services, ushers and many other services which went into the program were donated by Woonsocket area businesses and private citizens.

The entire program was broadcast live over WWON.

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# VALUES, POLITICS, AND THE HUMAN COMMUNITY

## HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, May 29, 1973*

Mr. BRADEMAS. Mr. Speaker, I insert at this point in the RECORD the text of a most thoughtful address delivered by Kenneth W. Thompson, vice president, Rockefeller Foundation, on the subject of "Values, Politics, and the Human Community."

Mr. Thompson's address was delivered at the annual conference of the National Association for Foreign Student Affairs on May 3, 1973:

### VALUES, POLITICS AND THE HUMAN COMMUNITY

(By Kenneth W. Thompson)

It is illusory to think that politics can be free of values. Those spokesmen of real politik whom we read long after the passing of their historical era called not for the repudiation but the reinterpretation of values. Machiavelli wrote of "virtu," Rousseau of "the noble savage," and the nationalists of "national glory." The debate over values, despite the claims of so-called value-free social science, has never been between one school of thought espousing values and another rejecting all values. Rather, almost always, it involves two groups with different sets and concepts of values—different perspectives on the nature and content of values. No one who lives in a human community can be wholly amoral if he would work with and deserve the trust and response of others. We recall the reference by Harold Nicholson to the classic definition of the diplomat as "a man sent abroad to lie and deceive in the interest of his country." Yes, said Nicholson, but also he must return to negotiate another day.

Part of our problem in gaining clarity on values in international politics is that most of us are endlessly tempted either to inflate or disparage the role of morality in politics and thus fall prey at opposite extremes to moralism or cynicism in our views.

### MORALISM AND CYNICISM

The moralist inflates the place of values by sanctifying every short-term and parochial interest, absolutizing higher goals into rigid principles that obstruct the political process and raising moral formulations to the level of irrelevance. No moral disease is more commonplace than to impute final virtue to immediate and practical measures and, in western culture, liberalism has suffered most from this disease. While every act in statecraft, as in life, has its worth, the moralist errs by elevating the routine to the same level as objective truth. Thus, in statecraft, there are countless procedures and acts, such as issuing visas or preparing protocols, that are a vital part of the diplomatic process. Yet, what is to be gained by pretending that these important measures, which are part of the day's work, are sacred to the point of being beyond criticism and change? If it is wrong to deny the dignity and worth of the work-a-day world, it is also an error to equate it with all truth and justice and place it beyond the possibilities of change. There is too much arrogance in maintaining that every pragmatic move we make is endowed with some kind of ultimate virtue.

### AMERICANS PLACE MORALS OUTSIDE POLITICAL PROCESS

A more serious failing of the moralist, particularly in the United States, is to absolutize particular ends and values, thus placing them outside the political process. Whenever political goals are cast in the language of absolute right and wrong, implementing them through the democratic process becomes difficult, if not impossible. The most fateful example of this was the breakdown of democracy at the time of the American Civil War. Once each side had framed the issue in terms of its total righteousness and the complete depravity of the other, the workings of democracy, with the necessary play of compromise and adjustment, became impossible. The Wars of Religion are an earlier example of absolutizing particularistic ends, and history attests that man is never so cruel and intractable as when he becomes a crusader for moral and religious goals. If liberals are more prone to sanctify certain immediate political and social interests, the religious and moralistic historically have been prime offenders in absolutizing values and goals.

### MORALS OFTEN RAISED TO TOWERS OF IRRELEVANCE

If the doctrines of moralists can lead to rigidity and brutality, their habits and style can lead to irrelevance. For moralists are wont to raise ends and values to such towering heights as to give them a quality of irrelevance as respects all those practical and pressing choices that confound men in daily life. Thus, it was noble to talk, following World War I, about a new and better world, but, for those who sought to hammer out the peace in Paris, the towering doctrines of Woodrow Wilson bore littie if any relationship to the harsh issues they struggled to resolve.

### CYNICS CLOAK SELF-INTEREST IN IDEOLOGY

Yet, cynics are as misguided and destructive as the moralists when they approach issues of values. They are misled by the discovery that men are never as virtuous as they claim to be and interpret this as proof that in man there is no virtue. Sociologists, such as Weber, identified the taint of deception in every virtuous act. We cover our self-interest with a tissue of ideological rationalization. We never do anything as individuals or nations for our own good but for the good of others, or as part of history's unfolding process. There are some blatant examples of this: Stalin's liquidating of the kulaks as a necessary and inevitable step in the history-fulfilling design of communism; Hitler's cremation of so-called inferior races as a necessary hygienic measure to assure continued Teutonic superiority; and some of the actions taken in China during the Cultural Revolution.

### MEN ARE SELDOM AS MORAL AS THEY CLAIM

However, the less blatant examples may be more significant and all-pervasive. Whenever men and nations act, their claims of morality are larger than their actions warrant. If this is deception, it is apparently an almost inevitable form of self-deception since nations, no less than individuals, must persuade themselves that their deeds are legitimate because consistent with some larger frame of value. The parent never disciplines the child except for its own good. The powerful nation never goes to war except in the interests of peace and justice. The problem about these actions is not that they are all devoid of some residual justice nor that the claims of goodness never serve to lift men and groups above the selfish and the mundane. It is rather that we are seldom as moral as we claim to be, whether as self-righteous individuals or when we speak for the nation as a whole.

### CYNICS AND MORALISTS DELUDE THEMSELVES EQUALLY

The irony of our self-righteousness is that there is virtue in our very self-deception about our righteousness. Hypocrisy is the tribute that vice pays to virtue and, by claiming some form of virtue for himself or his acts, the selfish man reaches up at least a little, toward a goal that is higher than his selfishness. Thus, the cynic who finds total depravity in man's self-righteousness is as deluded as the moralist who sees only shining virtue and goodness in man. The reductio ab absurdum of cynicism is the response of a diplomatist who, on learning of the death of a fellow diplomatist, asked, what can have been his motive?"

### THE MORAL PROBLEM: NOT RIGHT AND WRONG, BUT RIGHT AND RIGHT

The difficulty we have in talking about values arises from the fact there is not one morality but many. Morals and values, at every level, cluster, compete and may be in conflict. Most debates about values are not debates between right and wrong but between rights and rights—and this makes their resolution so endlessly complicated. Thus, we believe in freedom of speech, but what about crying fire in a crowded theatre? We have faith in the freedom of inquiry and science, but does this extend to a graduate student building an atomic bomb in his kitchen? We strive for social justice and equality, but what do we do when systems of order and social stability crumble? In developing societies, how do we reconcile the goal of the civil society with the need, temporarily, it is said, for a military regime?

The moralist may take satisfaction from proclaiming to the hard-pressed citizen leader that there are obvious and clear-cut moral answers to such choices. The cynic, in turn, may find an opposite way out by boasting that he knows there are no moral answers. Caught up in the problem and the need for policy not rhetoric, the rest of mankind can indulge neither of these luxuries. They must find the best possible answers knowing, with Meinecke, that, "Every authentic tragedy is a shattering demonstration that moral life cannot be regulated like clockwork and that even the purest strivings for good can be forced into the most painful choices."

### MIND IS A FRAGILE GUIDE WHICH MUST CHOOSE

Instead, the facile optimism of political and social scientists that models can be found for resolving problems at every social level is nearly as mischievous as that of the moralist or the cynic. We are involved in human endeavor in which the tragic element of life plays a part. The human mind is at best a fragile guide. For all the power of systematic disciplined scientific studies, we are dealing with stages in the historical process and individual acts that involve *hubris*. There are fatal flaws in our ability to choose; our best wisdom falls short of what is required. Raymond Aron quoted Montesquieu in a recent commentary on Henry Kissinger. Montesquieu wrote, "Even wisdom has its excesses." Aron applied this to Kissinger's valiant efforts to open up United States foreign policy to contacts with China. Aron asked Kissinger if he didn't feel that, in reaching out to his enemies, he was forgetting his friends; and according to Aron, Kissinger admitted there was that risk.

### VIOLENCE IS BORN OF MORAL ABSOLUTES

Yet, even the fact of tragedy will not excuse us from acting. Perhaps the first step on the thousand-mile journey toward grappling with moral problems is understanding that violence is most often born out of a single value orientation. This form of seduction is a constant companion of all those who face moral choices. Whenever complexity exists, we seek to reduce it by focusing sharply on a single value. In the 1930's following the most painful economic depression in our history, reformers proposed that economic security would assure happiness and well-being for all the people. Intellectuals and scholars were urged to concentrate on business cycles and the needs of economic man, and "the best and the brightest" of that day assumed that progress on this front would be sufficient. The problems of the 1960's dramatize clearly that economic advancement has not been sufficient.

### VIETNAM: PUBLIC POLICY ADRIFT FROM CULTURAL-POLITICAL MOORINGS

In the same spirit, we turned in the 1950's to programs of national security and defense long absent from national policy of a nation isolating itself from the struggles for Europe until the eleventh hour. Yet, national defense and international security systems cut adrift from cultural and political moorings are bound to flounder. We discovered in Vietnam that neither collective security nor military defense is sufficient if we fail to tie them to knowledge of political movements or the cultural context.

### CULTURE CAN DEFEAT RAW POWER

The lesson for international politics is that, even for security policies, cultural factors may be more important than raw power. What is vital in international politics is our perception of ourselves and our interests as a people and nation, of the interests and commitments of others and of our common interests. And these perceptions are determined not by interests alone but by the cultural and value context of ourselves and others. For big countries, this is no less important than small countries. There is danger in war gaming—both academically and in international politics. All too often, it can give false assurance and false security; and we must be on guard against it. And the best way to be on guard is to keep our eye on values and the cultural context as we think about the moral problem.

### MORAL DIMENSIONS: SOME DECISIONS MUST BE MADE

This leads to my final word. There are levels and dimensions at which the moral problem can be brought into focus. One is the level of a certain minimum concern for moral discrimination—failing here, we destroy ourselves and the society. Positively, the response to the needs of blacks and other minorities long the victims of racial discrimination illustrates what a nation must do. Negatively, there are certain things a civilized people—whatever the ambiguities and pressures—must not do. Watergate may become the tragic symbol for this. If doubts arise that we have not measured up to this minimum standard, we destroy all trust and confidence—the cement that holds us together. The international equivalent is a decent respect for the opinions of mankind—and, we must add, the rights of mankind.

### THE MARSHALL PLAN: ILLUSTRATION FOR A RULE

A second level is to seek common interests even in areas where values inevitably differ and conflict. This is the moral problem in foreign affairs. The values of individuals and groups are subject to different constraints. In the words of Cavour, "If we had done for ourselves what we did for the state, what scoundrels we would have been." The triumph of the Marshall Plan was that, for a brief historical moment, both moral and political interests drew Western Europe and the United States together. Today we hear talk of a wider European community, of trilateralism (Europe, Japan and the United States) and, I would hope, more and more talk of North/South interests in helping and learning from each other. What goes on at this level suggests that, where interests converge and problems loom large, there are possibilities for peoples of very divergent systems and ideologies to come together—in their needs.

### COMMON INTEREST: UNIFY, RESPECT THE UNITY OF OTHERS

A final level is that of more intimate communities where both values and interests converge. The family is the classic example, but so is the human community at large. We need one another, yet we fear one another—and fearing, we hurt one another. If the years before and after World War II were filled with moralistic illusions about our similarities, we have become far too cynical about the consequences of our differences. Therefore, we said in the report, *Reconstituting the Human Community:* "Recognizing all mankind's differences, there are still unities from which we derive strength, as does the world community. This unity is a different sort than that which was talked about in too simple terms twenty-five years ago. It is a unity which assumes and takes advantage of lesser unities, such as constructive regionalism and the struggle for recognition by smaller groups within societies. They are unities which those outside a particular unity or unifying tradition have to learn to respect and to esteem, wthout envy, whether included or not. There will be unities within local communities which strengthen the larger community within a country. And the West, particularly the affluent West, must learn to recognize and welcome, as a sign of true progress, worthy of support, the growth of self-confidence and self-reliance in nations and societies elsewhere in the world and their search for new directions. This, after all, is one aspect, varying in time and place, of the growing fabric of the desired human community."[1]

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## CONGRESSMAN YATRON AT EUROPEAN PARLIAMENT

### HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. ROSENTHAL. Mr. Speaker, an informal delegation from the House of Representatives met in Strasbourg earlier this month with members of the European Community—Common Market. Discussions were held on security, trade, agricultural, and monetary questions with advance papers prepared by both sides for these meetings.

Congressman GUS YATRON of Pennsylvania, a member of the Committee on Foreign Affairs and of the Subcommittee on Europe, which I chair, was one of our members who agreed to prepare an advance paper for the important discussion on "East-West Relations in the Context of the Conference on Security and Cooperation in Europe." Mr. YATRON's paper was titled "Toward a More Equitable Sharing of the NATO Defense Burden" and it elicited an excellent response from both the American and European participants. I include below a copy of the summary of the paper which Mr. YATRON presented at this meeting.

I also include an editorial from the Reading Times of May 18, 1973, describing the reception given to Mr. YATRON's paper in Strasbourg:

### GUS TELLS 'EM ABOUT NATO

What Congressman Gus Yatron, D-Reading, had to tell the European Parliament during that meeting last week in Strasbourg, France, needed saying.

Yatron—making his first foreign trip in an official capacity to present his white paper entitled "Toward a More Equitable Sharing of the NATO Defense Burden," to the representatives of nine European governments—jarred the parliament.

The local U.S. representative told his listeners point-blank that "A problem of major concern to the United States is whether the burden of NATO defense is now fairly allocated in order that the Europeans carry a larger share of the defense of their own continent."

"NATO now costs the United States $17 billion per year," he told Times Staffer Michael Wentzel on his return. "I told them that they have to start picking up part of the tab. This had been discussed before, but no one had put it straight to the Europeans."

In his speech—part of a session on East-West security during the trip in which he and 13 other congressmen met in Brussels and Strasbourg with European officials—Yatron, quite correctly, said he was presenting the views of the people he represents.

And we think he did.

Until the United States' tragic involvement in Vietnam, perhaps many Americans paid little or no attention to this country's foreign policy and its various commitments.

But more and more, Americans are beginning to realize that to many foreign nations, Uncle Sam is just Uncle Sucker, going all out in aid and being far more generous than need be in picking up a disproportionate share of the tab involved in honoring various commitments.

What Yatron has done is lay it on the line—a flat statement that it's time for the Europeans to start carrying a realistic share of the burden in NATO. And we think many Americans will agree.

What he is asking is nothing more than a fair shake—that's certainly reasonable.

### TOWARD A MORE EQUITABLE SHARING OF THE NATO DEFENSE BURDEN

In 1948, the 80th Congress of the United States debated an historic foreign policy resolution sponsored by the late Senator Arthur H. Vandenberg. This resolution put the United States Senate on record as favoring collective defense arrangements based upon continuous and effective self-help and mutual aid.

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[1] *Reconstituting the Human Community,* (a report of Colloquium III, held at Bellagio, Italy, July 17–23, 1972 for the program of inquiries, Cultural Relations for the Future, sponsored by the Hazen Foundation), p. 50.

The adoption of the Vandenberg Resolution in June of that year paved the way for the Senate ratification of the North Atlantic Treaty and the creation of the North Atlantic Treaty Organization.

Today, a quarter of a century after the creation of NATO, the 93rd Congress seems likely to begin yet another great debate on the major question: Should the United States keep its 303,000 troops in Europe?

Pursuant to the principles of NATO, the United States has maintained a major military establishment on European soil since the early 1950's. Our nuclear power, as well as conventional forces, are available in support of this treaty commitment.

From the start, the United States has viewed NATO as a means to an end—not an end in itself. The long-range objectives were: To promote an all-European settlement ending the division of Germany; to encourage a united Europe capable of assuming responsibility for its own defense; and to foster European stability by knitting Germany into this larger community. When these goals had been reached, NATO was to have been either drastically remodeled or replaced.

Meanwhile, Western Europe itself, prosperous, mostly democratic, stable, and probably more secure than at any time in its modern history, has been preoccupied with the inevitable problems that are the by-product of affluence and rapid economic growth.

These concerns seem to have caused it to shift somewhat from the lofty goals of a unified Europe and Atlantic partnership to a more parochial stance today.

Beginning in the early 1960's, and in growing numbers as the decade progressed, many members of the United States Congress questioned the scale of the American military participation in NATO. They agreed that it was time to change for three basic reasons: 1) the Soviet threat had lessened; 2) Europe was now economically strong, politically stable, and ready to take on major responsibilities for its own defense, and; 3) the United States could not afford to spend the large amounts of funds which our troop commitment required.

Therefore, a problem of major concern to the United States is whether the burden of NATO defense is now fairly allocated in order that the prosperous Europeans carry a larger share of the defense of their own continent.

The United States continues to support the goal of a politically and economically integrated Europe. Economic integration has come far and there are indications that new moves forward may be developing. The most ambitious of the European regional arrangements—the European economic community—has already gone beyond the earlier conception of international cooperation to a new form of relationship among nation states.

This economic development is in direct contrast to the degree to which Europeans have met their predetermined NATO commitments. Economic progress should have been followed by increased military contributions. However, European nations have not done so and therefore, the arguments for increased burden sharing are strengthened even more.

The status quo has been safe and comfortable for our European allies. But, it has made them less interested in their own defense. It has distorted the relationship between Europe and the United States.

And it has resulted in a drain on our resources which has adversely affected not only our international financial position, but also our ability to deal with the urgent problems we face at home.

Therefore, there are three areas in which I feel our European partners can more equitably share the costs of the NATO defense structure.

First, the presence of substantial U.S. forces abroad contributes to our balance-of-payments deficit which would not occur otherwise. When its general payments picture was in balance, the United States could afford to maintain this part of the cost without pressing for an offset of the foreign exchange losses. For years while there was a dollar "gap", the U.S. deliberately poured dollars—some $13 billion of them—into Europe on the military account as a means of stabilizing the international exchange mechanism. But the problem of the American balance-of-payments deficit has now reached critical proportions not only in economic and financial terms, but also in political attitudes.

The cumulative deficit on the military account with western Europe alone in the past 17 years totals nearly $20 billion. It would be larger, of course, if the early years of NATO were included. Accordingly, neither the man on the street nor Members of Congress can understand how Europeans can complain about their "Glut" of unwanted dollars on one hand and, at the same time, refuse to neutralize the chief contributor to the continuing inflow of those dollars; namely, the foreign exchange cost of maintaining the American NATO commitment in Europe.

Therefore, the need is for politically visible action now through an initiative by Europeans themselves to remove the balance-of-payments deficit from our NATO commitment.

Second, it is scandalous that the United States Government continue to pay millions of dollars annually to its NATO partners in taxes: Real property taxes, local and municipal taxes; business and trade taxes, excise taxes, and import taxes.

The General Accounting Office has found taxation to be particularly high in many NATO countries. We do not pay taxes to the States and communities in our own country where we have military installations; yet our European allies—the nations we spend billions to protect—have no qualms about adding these surcharges to our costs for their mutual defense. Clearly, the United States military commitment to NATO should be tax exempt.

Third, the substance of my burden-sharing legislation should be implemented. It is time for a thoughtful and comprehensive reassessment of the American commitment to NATO. In terms of both total costs and manpower, the United States is bearing an unfair and staggering burden in the defense of Europe.

It requires no special perception to observe that Europe today is not the rubble-strewn continent it was 25 years ago; or that its reconstructed, thriving economies can bear a much larger defense burden than was possible in the immediate post-war years.

Changing conditions demand changing responses. If the European nations do not accept their new responsibilities—and do so quickly—reductions in American troop levels will have passed the point of debate and will become inevitable.

The immediate goal of the United States should be, therefore, the cutting of its NATO expenses. With the United States facing severe economic pressures, with every American aware of the need for budgetary reductions, it is absurd for us to continue to shoulder expenses that rightfully should be borne by Europeans.

There are several identifiable areas in which our NATO allies could assume the cost from the United States: 1) the salaries of the 73,000 local nationals employed by United States forces; 2) construction costs of building used by Americans; 3) materials and equipment purchased in the local economy for use in that country; 4) transportation, power and various other related services; and 5) NATO infrastructure expenses such as roads and runways.

I do not mean to suggest that the United States will abandon its NATO partners. We have pledged to assist in the defense of Europe and will honor that pledge. Although this country values highly its close friendship with western European nations, one must realize that legitimate friendship is based upon equity and mutual self-respect. The American burden in the defense of Europe is patently inequitable. Were we to permit it to continue, it would reflect poorly on our judgment and leave our claim to world leadership open to serious question.

The time has passed when the United States could afford to devote $16 billion to the defense of Europe and contribute $1.6 billion to its own national debt. America simply does not have the financial capability to spend a greater percentage of its resources on the security of western Europe than does western Europe; nor are its citizens willing to demand more service from its young men in the defense of NATO than other nations demand.

The world has changed, but many of our commitments and much of our military presence have not adjusted to meet these developments. Our allies around the world are now strong, when once they were weak. There is governmental stability and economic prosperity when once there was chaos. We must ask our allies to do more for themselves and even reduce our own commitments to impress this point upon them. Our Nation needs these funds for domestic purposes and a modern foreign policy requires change which is attuned to the 21st century.

Thank you very much.

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## MINNESOTA'S "SUCCESSFUL SOCIETY" HAILED IN BOOK

## HON. JOSEPH E. KARTH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. KARTH. Mr. Speaker, Minnesota's vital contributions to the good of our country are a matter of history. Minnesota has achieved a lasting place in our country's heritage through its natural beauty, its necessary resources, and its hard-working men and women. It also has contributed some of our country's greatest leaders.

It is both fitting and proper that this important place in our country's development, as well as its continued progressive outlook under the leadership of Gov. Wendell Anderson, has been recognized in a book entitled "The Great Plains States of America".

This book is an ambitious study of the United States. Ambitious in its scope and successful in its purpose. It is with a great deal of pride in my native State that I place in the RECORD a review of this book's analysis of Minnesota. It is with additional pride that the review of the book is written by a man who has been called by a competing newspaper the best of Minnesota's Washington correspondents—Albert Eisele of the Ridder Publication's Washington Bureau. An honored writer and author in his own right, I believe Mr. Eisele's review of the book reflects an honest analysis of the author's comments about the North Star State.

[From the St. Paul Sunday Pioneer Press, May 20, 1973]

### MINNESOTA'S "SUCCESSFUL SOCIETY" HAILED IN BOOK

(By Albert Eisele)

WASHINGTON.—A monumental new study of the United States has singled out Minnesota as the best available model of the "successful society" in America and an outstanding example of "how a democratic society should be run."

The flattering assessment of Minnesota's social, political and economic climate is contained in a book published today that is the fourth part of a nine-volume examination of contemporary America.

The study, written by political scientist Neal Peirce and patterned after John Gunther's classic 1947 book, "Inside USA", cites Minnesota's "open, issue-oriented (and) responsible" political system as the key to the state's "unique character" and disproportionate national prominence in recent years.

In his latest volume, "The Great Plains States of America," (W. W. Norton & Co., New York), Peirce declares that despite a number of shortcomings, Minnesota is a state in which its people can take justifiable pride and . . . as good a model as one can find in these United States of the successful society."

Referring to Gunther's observation that Minnesota is a "spectacularly varied, proud and handsome" state with a progressive political tradition, Peirce concludes, "the intervening quarter century has done little to tarnish the bright image of the North Star State."

Peirce, who examines eight other Great Plains states in the same volume and finds that much of the region has become an economic and political backwater since World War II (in fact, Peirce suggests that financially hard-pressed North Dakota should merge with Minnesota), says he found many reasons for Minnesota's success in the face of this trend.

"But none is so convincing as perhaps the simplest," he writes: "These people appear to have control of their own destiny."

Declaring that no other Great Plains state "has tried to be so responsive to the needs of its people," Peirce, who visited every state in the union since beginning his project 4½ years ago, said Minnesota leaders responded with a "blank stare" when he asked who "runs" their state.

"No single industrial cabal, no bank group, no patronage-hungry courthouse crowd controls Minnesota," he asserts.

Peirce notes that special interest groups are active in lobbying at the state legislature, but adds, "None is consistently successful, and the crucial decisions of a public nature are made through the political process with few invisible powers lurking behind the throne.

"The political parties, constituted by an especially democratic process from local precinct caucuses on up, wield the significant power—and through them, the people."

Peirce, whose three previous volumes on the 10 largest states ("megastates"), the Pacific States and the Mountain States have been hailed by critics as the best works of their kind since the state guides produced by the Works Progress Administration (WPA) in the 1930s, is unsparing in his lavish praise of Minnesota.

"Its leaders . . . have played an increasingly prominent role in national life, far out of proportion to the state's modest 2 percent of the national population," he observes.

"Its political structure remains open, issue-oriented, responsible.

"Its state government has been a leader in services for people, even though citizens and corporations alike have had to pay a high tax bill for those services.

"Few states exceed Minnesota in the quality and extent of the education offered its citizens; none appears to provide health care of comparable quality.

"Economic growth has been strong and steady, encompassing the brain-power industries of the electronic era along with traditional farming, milling and mining.

"And Minnesota maintains a clear focus of economic and cultural leadership in her Twin Cities, towns whose great industries have resisted the siren call of the national conglomerates."

In his analysis of Minnesota's political and governmental system, Peirce takes note of the "excesses" that occurred when supporters of Sen. George McGovern, D-S.D., took control of the Democratic-Farmer-Labor state convention in 1972 and forced through a platform "clearly unrepresentative of the broad mass of Minnesota Democrats."

But, he notes, "Usually the system works well, and as a general rule one cannot find another state in which party platforms and campaign promises are taken more seriously."

He cites Gov. Wedell Anderson's 1970 campaign promise to work for property tax equalization and a greater state share of school financing as an example, noting that Anderson later successfully pushed for enactment of a landmark school financing reform program.

The program was part of a "revamping of the entire fiscal relationship between the state and its localities so sweeping that the National Advisory Committee on Intergovernmental Relations later hailed it as 'the Minnesota miracle'," Peirce states.

Peirce notes that following Minnesota's example, courts across the country began to invalidate the local property tax as the chief source of school financing and that the same change in the tax system was ordered in Minnesota by a federal judge in 1971.

"But in Minnesota, the court action was almost an afterthought," he writes. "The essential point is that in this state the issue had already been handled in its most appropriate forum, the political-legislative system not the courts."

Peirce cites numerous other examples of the "quiet revolution" that has taken place in Minnesota in recent years which he says "has been characterized by the replacement of the professionals" who have traditionally dominated the policy-setting boards in state and local government with "dedicated and interested lay citizens who are more concerned with the breadth and quality of services delivered than with special professional prerogatives."

These include "genuine citizen membership" on the new Twin Cities Metropolitan Council ("one of the most advanced regional government bodies in the country"), the nation's first statewide press council, and the Higher Education Coordinating Commission, the water pollution board, as well as most state licensing and standards boards.

"Minnesota is finding a reservoir of citizens able to assume these key policy-making roles in the society—leaving the implementation of programs, of course, to the professionals under their direction," Peirce asserts.

"The openness of Minnesota public life, the willingness of leaders to try new ideas. and the state's demonstrated capacity to handle money and programs well and honestly. bring dividends of many kinds," Peirce notes, adding that Minnesota's reputation has enabled it to become a testing ground for many new private and federal experimental programs.

"In sum," Peirce concludes, "Minnesota is a deceptively simple example of how a democratic society should be run."

Peirce, a Washington-based political writer since 1959 and presently a fellow at the Woodrow Wilson International Center for Scholars here, goes into considerable detail about other aspects of Minnesota life in his 40-page chapter entitled, "Minnesota—the Successful Society."

Among the factors he cites to justify that title are:

An adaptive and diversified economy with a high degree of local ownership and heavy emphasis on science-oriented, "intelligence-devouring industries";

A "deep orientation to change" among Twin Cities civic and business leaders, "and a determination not to be engulfed by that change, but rather to make it work constuctively";

A steadfast commitment to public and private education, to efficient, innovative government even at the cost of a heavy tax burden ("Minnesota is a high-tax, high-service state") and to cultural and recreational activities.

Ironically, Peirce's laudatory comments about Minnesota come in the wake of last week's announcement that the state has dropped from second in the nation to 13th in its overall "quality of life" ranging.

Peirce ends his Minnesota chapter by pointing out the unusually large number of Minnesotans on the national political stage. "Man for man, it would be hard to name a state which has contributed as many men of stature and depth to national political life in the post-war era as Minnesota", he states.

In the light of their accomplishments alone, Peirce observes, "Minnesota's role in the history of post war America seems assured a shining place."

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## SER WEEK

## HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. ROYBAL. Mr. Speaker, often in recent years we have become aware of many problems in manpower programs. But today I am pleased to call the attention of my colleagues to the outstanding performance of SER, Jobs for Progress, Inc., and to announce the observance of SER Week June 3 to June 10 in the 30th Congressional District of California. Similar proclamations of support and recognition of SER are being issued in the 14 States where SER is located by Governors, mayors, county officials, and Congressmen.

During this week, citizens, the business community, and elected officials will pay tribute to SER, the only national manpower program designed to serve the needs of the disadvantaged Spanish-speaking citizens of our country.

For the record, I would like to recognize the excellent performance of the West Los Angeles, Calif., SER project, which is directed by Mr. Rick D. Sanchez, a dedicated and farsighted individual.

This fiscal year alone, in the West Los Angeles SER, over 1,400 applicants will go through assessment and orientation sessions, and some 350 disadvantaged persons will benefit directly by being trained and placed in breakthrough permanent jobs.

SER came into existence through the efforts of individuals in two great Spanish-speaking organizations—the American G.I. Forum, and the League of United Latin American Citizens (LULAC).

Members of these two organizations, realizing the desperate need for manpower services for the Spanish-speaking, began voluntary job placement centers in Washington, D.C., Houston, and Corpus Christi, Tex.

In 1966, SER funded in a small way from private sources, the Office of Economic Opportunity—OEO—the Department of Health, Education, and Welfare, and the Department of Labor, began to provide skills training and related bilingual and bicultural services to Spanish-speaking Americans of the Southwest.

As a national effort for Spanish-speaking Americans, SER has come a long way since 1966. At that time, Department of Defense officials noticed that not many Chicanos were applying for jobs in plants with Government contracts. They suggested to LULAC and G.I. Forum that they let the Mexican-American community know that jobs were available and that Government contractors had a legal obligation to provide equal employment opportunity.

The first SER offices, like those of today, were located in the heart of the barrios. Manned by bilingual volunteers, these offices were soon swamped with job applicants.

One notable result of this small-scale effort was a decision by the Manpower Administration and the Office of Economic Opportunity to fund SER jointly as an experimental and demonstration project. Still small in scale—funding was about 400,000 over a period of 2 years—SER began serving a larger geographic area. Moreover, SER was no longer just a volunteer placement effort, it was now in the manpower business—a program planner, administrator, recruiter, and counselor for low-income people.

SER's success as an experimental project led to its growth and present status as a major effort to draw the Spanish-speaking into the Nation's employment mainstream. It has become, as one Chicano described SER in its early days, "a dynamic engine of change" for Spanish-speaking people.

SER now has developed a significant amount of expertise in manpower. It has blended its intimate knowledge of the language, culture, and outlook of people in low-income Spanish-speaking communities with manpower program technology and it has discovered what works in the barrios, what does not work and why.

Its role is not an easy one. As a bridge between two cultures—the Anglo and the Spanish—SER is in the middle.

Today, SER is a dynamic organization that expanded beyond its original territory to meet the needs of people in cities such as Gary, Ind., and Racine, Wis., among others.

In addition to skills training through a variety of educational institutions and on-the-job training, SER provides the enrollee with supportive services to insure firm placement in a meaningful job.

SER is also conducting successful experimental programs such as Project Detour, a program for young first offenders, offering an alternative to court backlogs and imprisonment. Another innovative program is the SER Residential Youth Center in San Jose, Calif. Here an environment marked by drugs,, hopelessness and crime is being replaced by a living situation which allows individual potential to flourish. These are just samples of the many innovative programs being developed to provide creative solutions to persistent problems unique to the Spanish speaking.

The purpose of SER is to help build a better America by breaking the barriers of traditional employment patterns and by helping business and industry to understand that Spanish speaking people are a valuable resource.

A typical SER program operates in three functional areas: intake and counseling; education and training; and job development.

The initial part of the program is the selection of the people who can be most helped by the particular program and the referral of as many others as may be helped to the appropriate agency. Each enrollee is then assessed and counseled to determine his vocational goals and how they can be achieved. This results in an individual employment development plan for each enrollee detailing his ultimate employment goal and the various steps leading to its fulfillment.

Education and training provide the enrollee with the basic knowledge necessary to communicate with his employer and the basic skill necessary to perform his job. A variety of academic and vocational training courses are offered at SER according to the educational situation and the potential labor market the individual community. The academic courses include Job Preparation, English as a Second Language, Adult Basic Education, and Advanced Adult Education. Vocational courses vary from site to site because of different local labor requirements, but often include courses such as licensed vocational nurse training, secretary-stenographer training, auto mechanic, keypunch operator training and electronics assembly training.

Job development is essentially a placement service that attempts to obtain long range commitments from employers. It differs from usual placement in that the jobs are sought at the time the enrollee begins training and are not filled until the enrollee completes training which may not be until months later. A second type of job development involves cooperation between the local program and the employer to provide on-the-job training for enrollees. In this case, part of the cost of job training is borne by the employer and part by SER.

A listing of the areas where SER has Manpower Training sites follows:

SITES

*Arizona*—Glendale/Phoenix, Tucson, and Yuma.

*California*—El Centro/Calexico, Contra Costa, East Los Angeles, Fresno, West Los Angeles, National City/San Diego, Norwalk, San Francisco, San Jose, San Bernardino, and Santa Ana.

*Colorado*—Colorado Springs, Denver, and Pueblo.

*Illinois*—Chicago.

*Indiana*—Gary.

*Kansas*—Topeka.

*Michigan*—Detroit.

*Nevada*—Las Vegas.

*Nebraska*—Scottsbluff.

*New Mexico*—Albuquerque, Las Cruces, and Santa Fe.

Texas—Austin, Brownsville, Corpus Christi, Dallas, El Paso, Galveston, Houston, Lubbock, McAllen, and San Antonio.

*Utah*—Salt Lake City.

*Washington*—Seattle.

*Wisconsin*—Milwaukee/Racine.

PERFORMANCE

Program statistics confirm that SER is the most effective and most efficient national manpower program in the United States. [All data used in discussing performance is obtained from the U.S. Department of Labor, Manpower Administration Management Information Report, Office of Financial and Management Information System.]

INTAKE

During fiscal year 1972, 35,043 persons applied for and were qualified for SER services. Of this number of people, SER was only able to serve 11,163 and because of lack of resources, 23,880 people were turned away.

Of the 11,163 people served, 5,305 were trained; 3,478 were directly placed without training on full time, permanent and meaningful jobs and 2,380 received supportive services. The number trained exceeds SER's contractual obligation to Department of Labor of 3,905 trainees by 1,400 people. This demonstrates SER's commitment to efficiently serve the Spanish-speaking community beyond what is required in the contract.

TRAINEE PROFILE

SER enrollees come from a broad cross section of the disadvantaged and this provides evidence that SER is representing and serving the community. SER is one of the few manpower programs which can and does successfully serve the following traditionally difficult clients:

| | (In percent) |
|---|---|
| Spanish-speaking | 90 |
| Head of Household | 63 |
| Female | 42 |
| High School Dropout | 57 |
| Elementary School Dropout | 11 |
| Welfare Recipient | 12 |
| Monolingual | 8 |

QUALITY OF PLACEMENT

Out of every 100 enrollees who are placed on a job, 82 are placed on jobs for which they were specifically trained. The average starting wage for the SER placement is $2.47 per hour, well above the Federal minimum of $1.60 per hour. It is of significant interest to point out that the average wage of all enrollees prior to entering SER was only $.95 per hour This means that SER trainees are earning $3,074 per year more than before.

TRAINING

SER is providing quality training to the enrollee. SER is operating at 101 percent of planned capacity demonstrating excellent planning and management on the part of the local project directors and their staffs. A mere 12 percent of the trainees are holding. Only 16 percent of the trainees terminated from the program early, as computed from total enrollment.

RETENTION AND REPLACEMENT

SER is placing 79 out of every 100 people trained. This is accomplished by careful assessment, counseling, education, training, and followup of trainees.

Retention statistics were: One month after placement, 88 percent were still working; after 6 months, 64 percent were still working.

The reasons for these successes in today's tight and competitive job market are varied. One reason is that SER continues counseling and other supportive help during training, then finds jobs for its graduates. Once at work these persons are followed up by SER counselors at regular intervals for a year. During these follow-ups, counselors help to iron out problems that might hurt a worker's chances of staying on the job.

One very important factor is that SER attempts to maintain a cooperative and flexible relationship with employers. Basically, SER serves the employer by providing him with qualified workers, in so doing SER also serves the unskilled and unemployed.

Employers in many instances help local SER's in developing certain training courses and in turn, SER trains enrollees to meet specific employer's requirements for jobs. Once a good working relationship is established between a local SER and the business community, an exchange of expertise and information continues that results in a relationship of mutual trust and confidence.

Many of SER's placements were in new employment areas which previously have been traditionally closed to the Spanish-speaking. SER's excellent reputation with business and industry has made SER a direct and highly functional link from business and industry to a vast reservoir of talent and service. At the same time, the unskilled and unemployed are linked to breakthrough jobs in industry and business which they would not have otherwise been able to train and qualify for.

### COST

One of SER's notable achievements is the cost per trainee figure of $1,341. For every $1 spent on an enrollee, the return to the community, in the form of increased earnings is $1.24.

I am sure that my colleagues and the readers of the RECORD strongly concur in my support and recognition of SER and in the observance of SER Week, June 3 to June 10.

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## A PAPER CRISIS?

### HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. GAYDOS. Mr. Speaker, we are now being warned of another coming shortage—this time on paper.

Ralph W. Michaud, a researcher and recognized expert on the subject, told the Chicago Daily News the other day that the demand for paper products is running well ahead of supply and that the situation could become "severe" and remain so for at least 5 years.

Paper companies, Mr. Michaud explained, will need that much time to hurdle their pollution problems and build the plants necessary to expand production to the amount called for by the growing market.

This, it seems to me, is one threatening shortage which government at all levels can help ease. And it can do so directly. If government paper use all across our country were cut—triplicate copies down to just duplicates, for example—enough pulp and paper might be salvaged to spare the American public another hardship.

Imagine the tonnage saved if Federal tax forms were made simple—and easily understood, thus making scratch paper unneeded by the taxpayer! Or if government regulations were reduced to plain language! My hope is that the public's need of paper napkins, paper plates, facial tissues, and all the other paper products will force these reforms upon us. I propose that the Federal Government begin acting now.

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## BRISTOL, CONN., PARKLAND—A JOINT EFFORT

### HON. ELLA T. GRASSO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mrs. GRASSO. Mr. Speaker, it was with a keen sense of pride that on May 15 we received word from the Interior Department's Bureau of Outdoor Recreation that approval had been granted for $500,000 in Federal funding to pay one-half the cost of purchasing 201 acres of proposed parkland in Bristol, Conn. The city of Bristol and State of Connecticut will each furnish 25 percent of the funding for this important project.

This approval was a clear example of the effectiveness of cooperation among various levels of government and representatives of the private sector. It is a tribute to the unselfish efforts of many of Bristol's community leaders who realized the benefits their city would reap from this beautiful acreage which includes Birge's Pond and is known to residents as "the Hoppers."

The spirit of cooperation of which I speak goes further than the language on government forms, or the common logic of contractual agreements. It involves a concern at all levels of government, as well as in the private sector for the welfare of the citizens of Bristol.

Mayor Frank J. Longo and Bristol's city government, state legislators, officials of the Department of Environmental Protection and the Citizens Advisory Commission worked tirelessly to insure that the Hoppers would be preserved as open space in Bristol.

Several private groups, such as the Bristol Jaycees, the town's historical society, and the Connecticut Nature Conservancy, contributed generously to the drive to preserve this beautiful green area. The Bristol Savings Bank, under the guidance of its president, Edward P. Lorenson, and the continuing work of bank director E. Bartlett Barnes and others, was truly magnanimous.

Last February, when it appeared that efforts to preserve the Hoppers might prove fruitless and Bristol might miss its chance for this park site, the Bristol Savings Bank purchased the land for $1 million and announced its intention to hold title to the Hoppers until the city was in a position to purchase it. The bank made this transaction because of an overriding concern that the Hoppers remain intact to make possible the establishment of permanent park and recreation area.

The following comments by Bristol Jaycee president Roger Morin typify the feeling of appreciation held by all those involved in the Hoppers project with regard to the bank's unselfish effort:

> For a private business to make such a substantial commitment for the benefit of all Bristol's citizens is an extraordinary display of civic pride and the spirit of involvement.

It should be noted that the Bristol Press recently reported the efforts of students from science classes at Bristol Central High School who cleaned up and removed debris from the Birge's Pond dam and spillway near the Hoppers.

It is with great pleasure that I bring to the attention of my colleagues the outstanding example of unstinting cooperation exhibited by so many people, both in and out of government, who have made it possible for Bristol, to get its parkland. Because of their cooperation and generosity, Bristol residents will reap the benefits described by the words of that city's park department superintendent Joseph J. Riley, Jr.:

> Beautiful winding trails are wonderful for nature walks, while Birges Pond can be stocked for better fishing and used for ice skating in the winter. When conditions permit, the pond can be lowered so that youngsters can enjoy swimming in a spring fed pond such as their parents and grandparents did many years ago.

Truly this action represents not only the preservation of a priceless natural resource, it represents as well the triumph of cooperative action in the name of the people.

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## THE LATE REPRESENTATIVE WILLIAM MILLS

### HON. W. S. (BILL) STUCKEY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. STUCKEY. Mr. Speaker, the death last Thursday morning of Representative William Mills of Maryland is a tragedy in the fullest sense of the word. I offer my condolences to Mills' wife and two children.

It was my pleasure to get to know Mills on a recent congressional trip to Africa and I was very saddened to learn of his death.

He had served the State of Maryland well for many years in both business and governmental capacities and he had served his country well, winning the Bronze Star for action in the U.S. Army during World War II.

As administrative assistant to Rogers Morton for 9 years, Mills gained the experience in government that earned him the support of the people on Maryland's Eastern Shore. He was elected to Congress in May 1971 when Morton became Interior Secretary.

A quietly conservative down-to-earth man, Mills knew many of the people in his area on a first name basis and concerned himself a great deal with local issues. The First District of Maryland has lost an able Representative.

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## PENSION LEGISLATION? WHEN?

### HON. ALBERT H. QUIE

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. QUIE. Mr. Speaker, many of us in

Congress are concerned about strengthening workers' assurance of their pension rights. The general Subcommittee on Labor has been looking into all aspects of possible legislation to accomplish this goal. On May 23, our colleague from Illinois (Mr. ERLENBORN), the ranking minority member of the subcommittee, delivered an address to the Association of Private Pension and Welfare Plans, revealing the lessons the subcommittee members have thus far learned from their studies and hearings. His remarks, I believe, provide an insight for all of us; and I commend them to our colleagues:

### PENSION LEGISLATION? WHEN? AND HOW MUCH?

(Remarks by Representative JOHN N. ERLENBORN)

You will be wise, I believe, to expect further Federal regulation of private pension plans in the current Congress, that is, before the end of 1974.

The title of my remarks this afternoon is, Pension Legislation: When? and How Much?

I have already answered the first question—the When?—and we could be out of here quickly if I could answer the second question as easily.

I can tell you that I welcome reform as it relates to some aspects of private pensions; but in my view, we need more information before we undertake an omnibus bill—more information and more time to digest what information we have.

I am the ranking Republican on the General Labor Subcommittee, and I note that you will hear later this afternoon from John Dent, who is our chairman, and a good one. He may have a slightly different answer to both of these questions.

In each of the past several Congresses, Chairman Dent has introduced measures aimed at correcting all ailments or supposed ailments of our private pensions plans. There are sections covering vesting, funding, termination insurance and portability—all the features of a pension plan that any working man could ask for.

I was able to convince Mr. Dent in 1971 that we ought to collect more facts before our committee could think of reporting out a bill. We embarked upon that study in 1972, and we still have a way to go with it.

I believe the study has helped both Chairman Dent and me. I think he now sees some of the pitfalls of a headlong rush into all-encompassing legislation; and I am coming to a realization that we must strengthen a worker's assurance of his pension rights. I believe we can do that while keeping the essentials of our diverse private pension programs.

In the eyes of business men, the need for federal legislation grows as various state legislatures show interest in pension problems. I doubt whether any companies in interstate commerce, or whether any national unions which negotiate with those companies, would relish the prospect of—let us say—25 differing pension laws in half of our states and an absence of any pension laws in the other half.

I think we could have passed a minimal pension law a long while ago. Everybody seems to agree that further regulation of fiduciaries would be good. In truth, I suspect that this improvement could have passed Congress several years ago, but has been held hostage by those who want a one-shot pension reform bill.

The same can be said about improved reporting and disclosure by the trustees. A law to compel a full showing, from time to time, by pension trustees of the fund's assets and liabilities would harm nobody except the faithless trustee. To the worker, it *might* provide a kind of distant early warning if there were possible difficulties ahead.

I emphasize "might" because we all know that only a small number of workers will read the reports. Disclosure will not prevent bad management of theft; but it will *tend to discourage* them.

Reporting might also give working people the chance to know what benefits they may expect upon retirement; and about their rights and the restrictions on them.

The Department of Labor has recently aided the employee's right to know with its D–1 supplement, which I regard as a step in the right direction.

I believe the laws in regard to fiduciaries can be strengthened without causing any trouble at all—except to the faithless trustees.

When we turn to vesting, funding, termination insurance and portability, however, I believe we must step more carefully. We can make changes in the law which might cause a lot of trouble—trouble to faithful workers, and trouble to faithful trustees.

They are medicines which *may* have some undesirable side effects. We must look for ways to cure the ailments without harming the patient.

Our General Labor Subcommittee held hearings, starting February 20 of this year in Washington; and they continued through March and into April in Washington and in several cities from coast to coast. I have been impressed by the quality of our witnesses.

Their testimony has contributed to my education in pension matters; and further contributions have been made by perceptive students who have written on this subject. These sources suggest that some minimal standards for vesting may be written into law—standards which would be beneficial at a cost which would be acceptable.

One of the Administration's pension bills proposes vesting by the Rule of 50, and it seems to me this is the most nearly balanced plan.

The Dent bill asks for a ten-year vesting program; that is, a worker gets no vesting until he has been a part of a plan for 10 years, then would get a fully vested interest in his pension.

Some witnesses have pointed out that, with such early vesting, portability becomes less important; and the complexities of portability are such that Mr. Dent's proposal takes on a new importance in my eyes.

I know that vesting—or any other feature that may be written into law—will cost something. The cost must be paid, no matter whether the worker is to get a vested right to his pension in 10 years or (as the Williams-Javits bill in the Senate would have it) by stages in 15 years, or at age 50.

I want to make sure that, when we pay this cost, we get our money's worth.

A lot of union negotiators assume that the employer will pay these costs and, for that reason, go all-out in demanding early vesting.

Our subcommittee commissioned a study of these costs last year by Dr. Winkelvoss, an assistant professor of actuarial science at the Wharton School of Finance in Philadelphia. He found that the cost of vesting, stated as an increase in the contribution, may vary from as low as one per cent to as high as 35 per cent, depending upon a variety of circumstances.

For instance, if a plan has no disability provision prior to adding a vesting benefit, the cost of vesting would be higher.

Let me suggest that an employer might concede a one per cent rise in his contribution to a pension fund without a very long argument; but when the talk suggests a 35 per cent higher contribution, or any considerable fraction of it, the argument is likely to last quite a while longer. I would expect, for example, that, before a company bargaining representative were to agree to an increased contribution of—even —15 per cent, he would demand some substantial concession from the union spokesman. In other words, the workers, one way or another, would have to pay a goodly part of that increase.

Dr. Winkelvoss tried out six plans. He ran them through a computer and, thus, was able to simulate how these plans would work under varying assumptions over a 50-year period.

He concluded, among other findings, that a 10-year vesting program would be consistently a little more costly than the Williams-Javits graded 15-year provision where the benefit is lower; and that the Rule of 50 would cost about the same for many plans as the other two—but it would be more expensive in companies whose workers have older average entry ages.

The Winkelvoss study also dispels some of the fog surrounding the answer to the question, "Cost to whom?"

All of us know that, in devising a pension program, C plus E must equal B—contributions plus earnings must equal benefits. Experience shows that hardship is not far off when Contributions plus Earnings equal less than Benefits.

To devise a funding formula, or a vesting formula, projections must be made of benefit costs; and also projections of the contributions needed to pay for those benefits, based upon certain assumptions.

If the estimates are borne out by subsequent events, or if the estimates prove to be on the conservative side, then the plan has a good chance of meeting its benefit payments. On the other hand, if events deviate from the assumptions, the funding schedule may be inadequate.

Professor Winkelvoss points out that liberalized vesting properly is regarded as an addition to the benefit side. Now, C plus E must equal B plus V; contributions plus earnings must equal benefits plus vesting.

One way to keep the balance would be to make B smaller; that is, lower benefits.

Or one might balance the equation by liberalizing the assumptions, which would suppose that E is bigger than previously assumed. If it turns out that earnings are not bigger—well, we will have postponed worrying about that for a few years—but only a few years.

A third way would be an increase in the contribution level. In plans paid for by employers, this translates almost surely into higher consumer prices.

Nobody can predict which course would be followed by companies faced with a need to afford better vesting. A look at general practices, however, affords a clue.

First, to provide a hedge against the unexpected, actuaries tend to use conservative assumptions.

Second, most companies gear pension benefits to the amount they can contribute to the plan. In these cases, the actuary starts with that amount; and he computes the benefits which can be expected and the funding formula that will be necessary, using the population characteristics of the plan together with various assumptions.

If the patterns do not prevail as he forecasts, it is to be expected that the cost adjustment will be made either in the contributions or the benefits; but, because the contribution level is generally inflexible, or nearly so, we can more reasonably expect adjustments in benefits.

All this adds up to an over-simplification: Added costs will be paid either by the pension plan beneficiaries or the public.

#### TERMINATION INSURANCE

Both the Williams-Javits bill in the Senate and one of the Dent bills in the House have provisions for pension plan termination insurance.

They are looking for a way to prevent future occurrences such as the Studebaker pension program, which ended with the demise of Studebaker manufacturing in South Bend in the early Sixties. In order to prevent repetitions of that unhappy event, they would have all pension plans which are supported by contributions from private companies pay premiums into a government-controlled insurance fund.

The Studebaker Company was regarded as the weakest of the auto manufacturers in the late '40's, when the United Auto Workers negotiated with the management for a pension plan. The agreement was made in the hope that times would get better, but the company's condition got worse, instead. This did not prevent the union from demanding more generous benefits.

Considering that the pension fund had been in existence for only 14 years, it paid out remarkably well.

At the same time, however, there were thousands of pension plans, both large and small, which started in '50's in good condition and got better. They, too, were new. They, too, were building up their reserves.

The advocates of termination insurance would tap these healthy, growing pension funds in order to make the Studebakers of the business world healthy, as far as their retirement programs are concerned.

Why?

Why should a company with a well-funded pension program pay for insurance it doesn't need? Why pay insurance premiums for the benefit of other pension funds?

In the Studebaker case, the United Auto Workers knew when it negotiated the pension agreement that it was shaky. I suspect that termination insurance would encourage unions to press harder for a pension agreement in the expectation that its workers could collect, come what may.

This, I submit, would increase the cost of this insurance, a cost which would be paid, in the long run, by the people who are doing things right.

Some have argued that there is almost no difference between bank insurance under the FDIC and termination insurance. That contention won't stand much scrutiny—not unless our pension insurance corporation is going to control pension benefits as the Federal Deposit Insurance Corporation controls the risk that it insures.

During our hearings, we learned of a Seattle paper mill which had two million dollars in its pension fund. Benefits were set at $4.75 per month for each year of service. Then there was a strike, which was settled, in part, by raising that pension rate to $9 per month. When the company announced it was about to cease operations, the result was predictable. There were a lot of early retirements, and there was an early depletion of the pension fund.

The FDIC has never had to insure a bank against a hazard such as that.

If there had been termination insurance, I suspect that there never would have been a strike at that mill. Knowing that it would be bailed out, the management would have yielded on the level of benefits almost automatically; the fund would have gone broke; the termination insurance plan would have made up the deficit.

Then it would have raised the premiums for the remaining pension plans.

I trust I have made clear to you some of the reasons why I am not eager to have Congress pass a law containing a termination insurance section.

I picked up another interesting thought at our hearings. James Curtis, a former president of this Association and a prominent West Coast actuary, suggests modifying the usual formula for distributing funds when a plan terminates. Typically, we tend to give first priority to those already retired; next to those with the right of early retirement; third, to those with vested rights; and finally (if there is anything left) to other participants.

Curtis would have all beneficiaries and workers share equally—by law.

I am not sure this is the answer to the termination problem, but it does seem that the typical termination schedule lacks equity—and Jim Curtis' suggestion is intriguing.

Time and again in our hearings, we have heard it said that a worker's best guarantee of getting his pension lies not in termination insurance, but rather in a good funding program.

### FUNDING

Proper funding not only is a form of termination insurance, but it has the delightful advantage that there is no premium to pay.

As a matter of fact, money in the pension trust fund earns money and this makes possible larger retirement benefits or a lower level of company contributions.

I believe a law requiring a certain minimum level of funding would be beneficial and at a moderate cost.

Mostly, in talking about funding, I am talking about an upward adjustment—and how quickly must the employer bring the reserves into balance with the new requirements.

There are, of course, some pension programs which are not funded or are only partly funded; and presumably the same provision which would bear on added benefits could be applied to this type of unfunded liability. Daniel F. McGinn, another West Coast actuary, told our committee that an unfunded liability might be amortized over, perhaps, 30 years and still give the worker reasonable assurance that, when he is ready to retire, his pension will be ready for him.

Others have spoken well of a 40-year amortization. Either arrangement seems all right to me, provided the amortization plan be reviewed every two or three years. If a deficiency were to show up in one of these reviews, it could be easily rectified.

Multi-employer plans, of course, would present some different problems; a fact which needs to be taken into account in any funding arrangement which may be required.

Let me turn for a moment to public pension plans. I have long opposed requiring them to be funded, but I am weakening. A recent suit filed in my home state of Illinois has been an eye opener. The Illinois Teachers' Association has demanded that the state be required to fund the state teachers' pension plan. The Illinois Attorney General, in replying, asked the court to order a 50-year amortization, and estimated the unfunded liability at two billion dollars.

When we Illinois taxpayers are two billion dollars in the hole, I agree that it's time to start climbing out.

### PORTABILITY

Some pension programs provide a limited portability with no trouble at all; and these are the multi-employer programs. Other employers, however, support pension plans in order to hold their people. They want experienced and skilled workers with the company; and the prospect of a good pension can act as a deterrent to worker mobility.

The Williams-Javits bill would provide for portability. It is voluntary—or perhaps it more properly can be said that it appears to be voluntary. It would have the Secretary of Labor set up a system of individual accounts for those who want them.

If this were written into law, the day would not be far off when portability would become a common subject for collective bargaining, and at that point, the voluntary aspect fades from view.

This section of the Williams-Javits bill has another defect, as I see it; and a puzzling one. It would require that these portable funds be kept in depositories insured by the Federal Deposit Insurance Corporation and the Federal Savings and Loan Insurance Corporation.

Do they have in mind any particular banks? Any particular savings and loan associations? If this were to become law, even Wright Patman might want to start a bank investment portfolio.

One of the Dent bills has a portability requirement which is not voluntary—a compulsory portability.

Either of these portability schemes would give the departing employee a prior claim on the pension fund—priority over that of the worker who stays with the firm until he reaches retirement age. The departing worker would be assured of his benefits, while the worker who stays on the job might get his full pension or might have to settle for some fraction of it. A law such as either of these would compel prudent pension trustees to keep larger amounts of cash on hand, and that probably would reduce the investment return.

I question the workability of these provisions, and I expect they would be expensive—costly far beyond the advantages they would afford.

A point which needs to be kept in mind in this connection: Some witnesses have mentioned that, as the level of vesting rises, the need for portability lessens; and the only cost to be paid is that of vesting.

Another of the Dent proposals would have the employer reporting to the Department of Health, Education and Welfare when a worker leaves the company. This report would show the pension benefits that worker has accumulated—benefits which would be awaiting him upon retirement.

Think for a moment how many people leave their jobs every day. The employers wouldn't have to report all of them to HEW, of course, because only about half of the nation's employees in private industry are working toward pensions. But the paper work involved here would be formidable, to say the least.

I can conceive of some modifications of this scheme which would enable the departing employee to keep track of his vested benefits so he could claim them when the time comes to retire.

The Administration has come forward with a proposal which I look upon favorably. It would encourage voluntary retirement security. It would afford tax incentives for retirement savings and, in that regard, might be called an extension of the Keogh Plan. It would be another form of portability and, while it has some of the disadvantages of other proposals, it would be less costly, simpler, and capable of being tailored to individual cases.

When one considers the immense diversity of pension programs, it is hard to imagine a worker's transfer from one plan to another without somebody getting hurt. The great variety of assets, liabilities, assumptions, fundings, purposes—yes, and hopes—of these programs make the job of doing justice to a departing employee almost impossible, and doing justice to the pension fund he leaves behind him is equally hard.

To me, a portability law, as suggested by Williams and Javits, or by Dent, would cost a lot more in frustration and controversy, in litigation and red tape, than it would be worth in richer retirement and peace of mind.

### YOU CAN'T EAT YOUR CAKE

Something frequently overlooked in all the talk about improving our pension plans is the purpose for which the plans were started.

Workers and their spokesmen made a conscious decision many years ago to move away from money-purchase plans. By their very nature, these plans provide early vesting, and full funding, and probability. There was only one trouble—the pension benefits were meager.

The workers decided they preferred bigger pensions, so they turned to the system we now have—defined benefits which mean the possibility of greater returns to the person who qualifies for a pension. They have foregone negotiating for vesting—or, at least, for portability and insurance—knowing that funds diverted for these attractions could not be used to pay benefits.

It's a gamble.

If a worker leaves his job before he has vested rights, or if he dies before his benefits have equalled the contributions made in his behalf, what he loses is available to pay greater benefits to somebody else.

Now, the unions are trying to tell us that their members ought to be able to eat their cake and have it too. Senator Williams, and Senator Javits, and Congressman Dent, say, in effect, that this can be done.

But it can't.

There is no law we can pass that will magically produce the money needed to provide these extras. There must be tradeoffs.

#### CLOSING

I have been more than pleased with our subcommittee's study so far, and with our hearings during the winter and spring. I think I see signs that Chairman Dent has moved a little closer to my cautious position; and I am sure I have moved a little closer to his belief that private pension plans can do a better job than they have done in the past—and they've accomplished a lot.

All these pension plans, numbering in the thousands, combine in my opinion to make one of the finest contributions that American business has provided for the workers whose service has done so much to make business profitable.

Everybody needs something to worry about, but not too much.

People over 65 have enough aches and pains to keep their quota of anxieties filled.

I want to encourage more companies to set up pension programs so that more men and women at retirement age will have only their health problems to worry about—so that they'll be relieved of money worries.

I believe it is possible that we can pass a law to enhance their hopes and to improve their prospects. Such a law is possible, but it must be devised with great care.

I am reminded of the carpenter's advice to his apprentice: Measure twice before you saw once.

## MR. DILLON GRAHAM RETIRES

### HON. RICHARD H. FULTON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 24, 1973*

Mr. FULTON. Mr. Speaker, I would like to take this opportunity to extend my very best wishes to Mr. Dillon Graham, somewhat of a pleasant fixture in the U.S. House of Representatives, who retires tomorrow after 44 years service as a newsman with the Associated Press.

Some 25 years of this time has been spent right here at the Capitol as correspondent for the Associated Press.

Mr. Graham has earned a deserved reputation as a conscientious, accurate, and fair reporter. Always a friend of the House he has, nevertheless, never hesitated to play his stories straight and let the facts speak for themselves, the high watermark of integrity in any reporter.

Best wishes to Mr. Graham and his wife, Gigi, for many, many happy years of retirement.

## WHAT IS COMMUNISM?—LESSON I

### HON. ROBERT PRICE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. PRICE of Texas. Mr. Speaker, today and each subsequent Wednesday I shall include in the RECORD a step-by-step analysis and discussion of a subject of utmost importance to every American citizen. It shall not be my purpose to incite or inflame, but rather to educate. I seek not to persecute nor to confuse, but rather to remove the confusion, the emotion, and the extremism that have heretofore clouded the truth. In short, I seek to examine communism—what it is as an ideology and political system.

Everyone has an opinion about communism, but is that opinion based upon fact or hearsay? What is communism? Would your definition coincide with the answer given by Leonid Brezhnev, or Khrushchev, or Lenin? The time has come, then, to bring to an end the stereotypes and clichés, and to seek a meaningful, logical, and unemotional comprehension of communism—and that shall be the purpose of this series which begins today.

#### I

Communism is first and foremost, communism is a systemic whole, made up of its various parts—ideological, political, social, economic, et cetera. Communism might be compared to a complete football game; while its various parts might be compared to the players, timekeepers, referees, et cetera, of the football game. A clear realization of this point is absolutely essential to a meaningful understanding of communism.

A concentration of attention on or the ignoring of one or more aspects would create a distorted image of the whole system. In essence, the understanding of the whole can only be derived from an understanding of each of the parts. An understanding of one or more of the parts may not necessarily lead to an understanding of the whole. A good understanding of the parts and their relationship to the whole will point out the ambiguities and inconsistencies between Communist theory and practice.

Communism as an ideology stresses: Marxism-Leninism as the primary interpreter of values. Morality is guided and inculculated by the Communist Party—the vanguard—and is determined by whatever serves the survival and growth of communism.

Although Marx stated—

> Religion is the sight of the oppressed creature, the heart of the heartless world, just as it is the spirit of a spiritless situation. It is the opium of the people.

Communism is in essence an atheistic religion. Communism has its "missionaries" and "evangelists" in the form of Communist Parties and organizations which can be found in almost every country, the purpose being to promote the Communist doctrine, that is, to gain and hold power. In theory, the ultimate goal is to achieve a completely classless society of workers where all private property—and therefore advantage—is abolished.

Communism as an ideology is composed of the following important elements:

The dialectic. An idea espoused by Friedrich Hegel to explain the process of change whereby an entity passes over into and is preserved and fulfilled by its opposite. Hegel applied his concept to the development of ideas—that is, an existing idea—thesis—gives rise to an opposing idea—antithesis—from which comes a new idea which is a combination of the first two elements—synthesis. The synthesis becomes the new thesis and the process starts all over again. Hegel theorized that this process would continue ad infinitum. Marx borrowed the dialectic theory, but unlike Hegel who applied the concept to ideas, Marx applied it to institutions. Marx used the dialectic to explain the history of mankind—he said feudalism gave way to mercantilism, which gave way to capitalism, et cetera. Unlike Hegel, Marx theorized that this process would ultimately stop when mankind arrived at its ultimate destination—communism—which would be the perfect, static society.

Economic materialism. Also known as economic determinism, Marx believed that only material things were important to the evolutionary development of mankind. Morals and ethics could not be regarded as important factors. In essence, changes in production would change class structure and produce new ideologies. Marx combined his materialistic philosophy with the Hegelian dialectic method to thus explain the advance of history toward communism.

Labor theory of value. Borrowing from the anarchist Proudhon, Marx embraced the concept that all value is created by labor—the capitalist steals the surplus as "profit."

The class struggle. Marx also theorized that the history of all societies has been a struggle of the classes. He reasoned that capitalism has reduced society to only two classes: bourgeoisie, capitalists, and proletariat workers.

## RETIRES AFTER 44 YEARS OF SERVICE WITH ASSOCIATED PRESS

### HON. JACK BRINKLEY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. BRINKLEY. Mr. Speaker, tomorrow one of Washington's most distinguished newsmen, Mr. Dillon Graham, will retire after some 44 years of service with the Associated Press. For the past 25 years he has covered the legislative branch of our Government with integrity, courtesy, dedication, and, above all, fairness.

In recent months much has been said about "slanted" and "biased" reporting. But, in the years I have known Dillon Graham, I can honestly say that he has always exemplified in the very strictest sense what it means to be an objective, responsible newsman—and an uncommon gentleman as well.

Mr. Speaker, I would like to take this opportunity to join with Dillon's family, friends, and many colleagues in wishing him the very best in his retirement years.

## MILITARY WASTE IS SHOCKING

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## HON. LEO J. RYAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. RYAN. Mr. Speaker, a letter from one of my constituents who served as a medic in South Vietnam during our military withdrawal brought to my attention some shocking news about the destruction of medical supplies.

The story he told involved the closing down of several dispensaries, during which time the medical supplies stored therein were destroyed apparently due to the fact that the medical depot refused to take back any supplies other than machinery. Rather than give the supplies to the South Vietnamese, based on the fear that they would end up on the black market, the military ordered them to be burned.

I could continue to vent my wrath on this ridiculous situation, but one sentence from my constituent's letter stands out as an eloquent and complete appraisal of my feelings:

> I really think by this type of wasteful destruction we are also destroying tax dollars and insulting the integrity of the people of America as well as to the starving and underprivileged people of many of the underdeveloped countries.

I am in complete agreement with this young man, and intend to send his letter, and my remarks to the Government Accounting Office for their use in the hope that it will spark an investigation into this matter. For the benefit of my colleagues, Mr. Speaker, I include this man's letter to be printed in its entirety following my remarks.

The letter follows:

DALY CITY, CALIF.

DEAR SIR: I was recently discharged from the Army in August of 1972, and I am now writing you concerning the thousands and thousands of dollars, "tax dollars," that I have seen literally wasted while serving in the Republic of Vietnam. The really sad part about this is that it could have been totally avoided.

I was a medic during my tour of duty in Vietnam and due to President Nixon's withdrawal program I was subject to moving from one unit to another quite frequently. In less than 9 months I had helped close down 7 dispensaries during stand-down procedures. All those dispensaries received medical supplies from 32nd Medical Depot in Long Binh. During stand-down of all these dispensaries 32nd Medical Depot would refuse to take back any medical supplies outside of Machinery that a dispensary had. Since all the units didn't have the authority to give excessive stored medications to the Vietnamese because of the black market, they had only one other alternative and that was to destroy them. So since 32nd Depot refused to take back and reallocate supplies, thousands of dollars of medication went up in smoke. Only once did we give away these medications for proper use and that is when I was with 185th Medical Detachment we gave our left over medications to a Korean Hospital in Vung Tau.

It is really aggravating to know that there are many people in the United States and in the world today who are paying marked-up prices for drugs today or are doing without them because of their inability to afford them, and we are here literally destroying drugs and depriving people of them simply because a medical supply depot refuses to do the excessive work in taking the supplies back.

My fiancee paid $6.50 for 10 erythrocin tablets (an antibiotic) the other day and I can remember destroying several thousand of them.

I really think by this type of wasteful destruction we are also destroying tax dollars and insulting the integrity of the people of America as well as to the starving and underprivileged people of many of the underdeveloped countries.

If the Army can not make a better suggestion as to how to make better use of the tax dollars allotted to them concerning the disposition of medical supplies, I can assert two propositions of my own. One, widely distribute un-used drugs to the people of the world who really need them or, two, re-sell them at government fixed prices to the people back in America, thus providing more governmental funds and a chance to lower the tax dollar.

Sir, I wish to thank you sincerely for taking the time to read my letter and I would appreciate your cooperation in trying to conserve the tax dollar.

Yours truly,

CHARLES W. TIBBOTS.

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## CALIFORNIA BUILT HOMES TOKYO-BOUND

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## HON. ANDREW J. HINSHAW

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. HINSHAW. Mr. Speaker, I have been told by a practiced traveler in the Pacific that the knowledgeable and informed man of that area holds in high esteem three worldly treasures: A Japanese wife, a Chinese cook, and an American house. To some, this might seem slightly less than the end goal for a good and pleasant life for all. But it is interesting to see that in housing the American holds a position comparable to the cuisine of China.

As we approach the new era where the challenge for export competition becomes an imperative in the search for a better balanced economy, we should certainly seek to market this highly regarded technology—housing.

I am proud to announce, Mr. Speaker, that a small and newly formed corporation in my 39th District of California has recently launched a vigorous effort to impact the Japanese housing market, and will also seek to expand to other major market areas of the world in partnership with the Mitsubishi Corp.

It is particularly pleasing to point out the success of this local company, as it is an example of an aggressive, positive response to the challenge in the export-import battle of international trade.

We must do more of this sort of dynamic and active responding to the market penetrations accomplished by our trading partners. We have not bent our industrial efforts toward exporting, nor have we forged strong national policies to support such efforts. We must do both.

It should be of some interest to note the basic component of the houses being exported is a self-supported panel of a gypsum compound which uses a minimum of the now expensive and hard to get lumber. Further, the compound provides side benefits because it has qualities for fire prevention, noise abatement, and energy conservation.

In Japan, where panel construction is centuries old, such qualities, added to a familiar mode of construction, are extremely welcome. It seems likely that conditions in our own country may make this component highly attractive, too.

Mr. Speaker, I welcome the opportunity to salute an enterprise in my district, which has scored a major impact on the international market, while also holding high potential for a major contribution to the construction of much-needed housing in the United States.

I insert the attached article from the Santa Ana Register:

### COUNTY-BUILT HOMES TOKYO-BOUND—IRVINE-BASED FIRMS, MITSUBISHI CORP. AS PARTNERS

(By Anthony Gentle)

"It will be displayed on a lot in downtown Tokyo where millions can see it. The exposure is fantastic."

Chairman W. Max Binswanger of Irvine-based Insulation Systems, Inc. could hardly contain his enthusiasm as he spoke of a licensing arrangement with Mitsubishi International Corp., Japan, one of the world's industrial giants.

What's Binswanger so enthused about? It's a house—made in Orange County—which he hopes will open the door to the vast Japanese market.

Within the next few weeks three complete houses, developed and marketed by subsidiary Plastonium International, will be erected and shown in and near Tokyo. The downtown model will be on a leased lot valued at $16 million, Binswanger said.

Everything that goes to build a fully integrated 3-bedroom, 2-bath, 1400 sq. ft. house was shipped some weeks ago in a package container to Japan from the port of Los Angeles.

A first for Orange County's export trade business, the shipment included roof, trusses, plumbing, appliances, drapes, carpets, and all other needed items, to the last nail—all made in California. Door frames, walls, sidings, windows were precut and measured on metric scale for easy on-site assembly.

The houses, ready for move-in and including a garage, will be field erected and completed in just nine days, Binswanger said.

The mood is bright at Insulation Systems. The stakes are high—in the millions of dollars, the chairman indicated.

Binswanger contends that his company, supported by the international marketing deal with well-financed Mitsubishi and its extensive dealer network resources, will be embarked on a dynamic world-wide course in the housing business.

This affiliation with a big money Japanese firm is a real plum for a small, but growing Orange County firm. "We feel we have one of the biggest international businesses as a partner," Binswanger said.

### PLASTONIUM KEY TO MART

Main component of the firm's panel framing system is a core material, named Plastonium (registered trademark) which is highly fire and sound resistant. The material is sandwiched either between wood or metal skins. Exclusively developed by Insulation Systems, the Plastonium core the past few years had been used only for fire doors and noise-deadening partitions. Now it has been developed as the core material for a fully structural panel housing system which, Binswanger said, will cut housing cost considerably, while providing more, not less, in many areas.

What is Plastonium? It's a gypsum-based resin compound which as a slurry is treated to harden into a cast form. From its solid state it is easily cut to size. Light weight, Plastonium passed heat tests as high as 1,000 degrees, Binswanger said. Manufacturers have been using the core material for fire doors and partitions in hospitals, apartments, government and office buildings and theaters.

Although manufacturing of the structural panels will be accomplished in Japan, the Plastonium core shipments will mean a very high money return to Orange County, Binswanger predicted.

Insulation Systems is the manufacturing and housing system parent company of two other affiliated companies, Plastonium Systems and Plastonium International. Plastonium Systems handles the domestic market while Plastonium International is the worldwide marketing agent. All offices are located in the Irvine Industrial Complex.

In addition, the Orange County firm owns Insulation Systems Research and Development Laboratory in Fountain Valley which develops new applications and product lines, including special programs for the U.S. government which Binswanger said is "classified."

## OUTSTANDING PERFORMANCE

### HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. BELL. Mr. Speaker, often in recent years we have become aware of many problems in manpower programs. But today I am pleased to call the attention of my colleagues to the outstanding performance of SER, Jobs for Progress, Inc., and to announce the observance of SER Week June 3 to June 10. Similar proclamations of support and recognition of SER are being issued in the 14 States where SER is located by Governors, mayors, county officials, and Congressmen.

During this week, citizens, the business community and elected officials will pay tribute to SER, the only national manpower program designed to serve the needs of the disadvantaged Spanish-speaking citizens of our country.

For the record, I would like to commend Ricardo Zazueta, national director of SER, for his farsighted and dedicated leadership of SER.

During his administration, SER has not only expanded in the number and types of programs which SER provides to the Spanish-speaking, but as important, more efficient and effective allocation of resources and manpower within SER has resulted in a substantial drop in the cost per client served. In other words, SER has far exceeded all contractual obligations, some by as much as 112 percent above specifications. A trusted and firm rapport with the Spanish-speaking community indicates SER's success in its unique bicultural and bilingual approach. Mr. Zazueta has indeed provided enlightened and innovative leadership which has inspired the entire SER organization.

SER came into existence through the efforts of individuals in two great Spanish-speaking organizations—the American G.I. Forum, and the League of United Latin American Citizens—LULAC.

Members of these two organizations, realizing the desperate need for manpower services for the Spanish-speaking, began voluntary job placement centers in Washington, D.C., Houston, and Corpus Christi, Tex.

In 1966, SER funded in a small way from private sources, the Office of Economic Opportunity—OEO—the Department of Health, Education, and Welfare, and the Department of Labor, began to provide skills training and related bilingual and bicultural services to Spanish-speaking Americans of the Southwest.

As a national effort for Spanish-speaking Americans, SER has come a long way since 1966. At that time, Department of Defense officials noticed that not many chicanos were applying for jobs in plants with Government contracts. They suggested to LULAC and G.I. Forum that they let the Mexican American community know that jobs were available and that Government contractors had a legal obligation to provide equal employment opportunity.

The first SER offices, like those of today, were located in the heart of the barrios. Manned by bilingual volunteers, these offices were soon swamped with job applicants.

One notable result of this small-scale effort was a decision by the Manpower Administration and the Office of Economic Opportunity to fund SER jointly as an experimental and demonstration project. Still small in scale—funding was about $400,000 over a period of 2 years—SER began serving a larger geographic area. Moreover, SER was no longer just a volunteer placement effort, it was now in the manpower business—a program planner, administrator, recruiter, and counselor for low-income people.

SER's success as an experimental project led to its growth and present status as a major effort to draw the Spanish-speaking into the Nation's employment mainstream. It has become, as one chicano described SER in its early days, "a dynamic engine of change" for Spanish-speaking people.

SER now has developed a significant amount of expertise in manpower. It has blended its intimate knowledge of the language, culture, and outlook of people in low-income Spanish-speaking communities with manpower program technology and it has discovered what works in the barrios, what does not work, and why.

Its role is not an easy one. As a bridge between two cultures—the Anglo and the Spanish—SER is in the middle.

Today, SER is a dynamic organization that expanded beyond its original territory to meet the needs of people in cities such as Gary, Ind., and Racine, Wis., among others.

In addition to skills training through a variety of educational institutions and on-the-job training, SER provides the enrollee with supportive services to insure firm placement in a meaningful job.

SER is also conducting successful experimental programs such as Project Detour, a program for young first offenders, offering an alternative to court backlogs and imprisonment. Another innovative program is the SER Residential Youth Center in San Jose, Calif. Here an environment marked by drugs, hopelessness and crime is being replaced by a living situation which allows individual potential to flourish. These are just samples of the many innovative programs being developed to provide creative solutions to persistent problems unique to the Spanish speaking.

The purpose of SER is to help build a better America by breaking the barriers of traditional employment patterns and by helping business and industry to understand that Spanish-speaking people are a valuable resource.

A typical SER program operates in three functional areas: intake and counseling; education and training; and job development.

The initial part of the program is the selection of the people who can be most helped by the particular program and the referral of as many others as may be helped to the appropriate agency. Each enrollee is then assessed and counseled to determine his vocational goals and how they can be achieved. This results in an individual employment development plan for each enrollee detailing his ultimate employment goal and the various steps leading to its fulfillment.

Education and training provide the enrollee with the basic knowledge necessary to communicate with his employer and the basic skill necessary to perform his job. A variety of academic and vocational training courses are offered at SER according to the educational situation and the potential labor market in the individual community. The academic courses include job preparation, English as a second language, adult basic education, and advanced adult education. Vocational courses vary from site to site because of different local labor requirements, but often include courses such as licensed vocational nurse training, secretary-stenographer training, auto mechanic, keypunch operator training and electronics assembly training.

Job development is essentially a placement service that attempts to obtain long-range commitments from employers. It differs from usual placement in that the jobs are sought at the time the enrollee begins training and are not filled until the enrollee completes training which may not be until months later. A second type of job development involves cooperation between the local program and the employer to provide on-the-job training for enrollees. In this case, part of the cost of job training is borne by the employer and part by SER.

A listing of the areas where SER has manpower training sites follows:

SITES

*Arizona*—Glendale/Phoenix, Tucson, and Yuma.

*California*—El Centro/Calexico, Contra Costa, East Los Angeles, Fresno, West Los Angeles, National City/San Diego, Norwalk, San Francisco, San Jose, San Bernardino, and Santa Ana.

*Colorado*—Colorado Springs, Denver, and Pueblo.

*Illinois*—Chicago.

*Indiana*—Gary.

*Kansas*—Topeka.

*Michigan*—Detroit.

*Nevada*—Las Vegas.

*Nebraska*—Scottsbluff.

*New Mexico*—Albuquerque, Las Cruces, and Santa Fe.

*Texas*—Austin, Brownsville, Corpus Christi, Dallas, El Paso, Galveston, Houston, Lubbock, McAllen, and San Antonio.

*Utah*—Salt Lake City.

*Washington*—Seattle.

*Wisconsin*—Milwaukee/Racine.

PERFORMANCE

Program statistics confirm that SER is the most effective and most efficient national manpower program in the United States. [All data used in discussing performance is obtained from the U.S. Department of Labor, Manpower Administration Management Information Report, Office of Financial and Management Information System.]

INTAKE

During fiscal year 1972, 35,043 persons applied for and were qualified for SER services. Of this number of people, SER was only able to serve 11,163 and because of lack of resources, 23,880 people were turned away.

Of the 11,163 people served, 5,305 were trained; 3,478 were directly placed without training on full-time, permanent, and meaningful jobs and 2,380 received supportive services. The number trained exceeds SER's contractual obligation to Department of Labor of 3,905 trainees by 1,400 people. This demonstrates SER's commitment to efficiently serve the Spanish-speaking community beyond what is required in the contract.

TRAINEE PROFILE

SER enrollees come from a broad cross-section of the disadvantaged and this provides evidence that SER is representing and serving the community. SER is one of the few manpower programs which can and does successfully serve the following traditionally difficult clients:

| | (In percent) |
|---|---|
| Spanish-speaking | 90 |
| Head of household | 63 |
| Female | 42 |
| High school dropout | 57 |
| Elementary school dropout | 11 |
| Welfare recipient | 12 |
| Monolingual | 8 |

QUALITY OF PLACEMENT

Out of every 100 enrollees who are placed on a job, 82 are placed on jobs for which they are specifically trained. The average starting wage for the SER placement is $2.47 per hour, well above the Federal minimum of $1.60 per hour. It is of significant interest to point out that the average wage of all enrollees prior to entering SER was only $0.95 per hour. This means that SER trainees are earning $3,074 per year more than before.

TRAINING

SER is providing quality training to the enrollee. SER is operating at 101 percent of planned capacity demonstrating excellent planning and management on the part of the local project directors and their staffs. A mere 12 percent of the trainees are holding. Only 16 percent of the trainees terminated from the program early, as computed from total enrollment.

RETENTION AND PLACEMENT

SER is placing 79 out of every 100 people trained. This is accomplished by careful assessment, counseling, education, training, and followup of trainees.

Retention statistics were: One month after placement, 88 percent were still working; after 6 months, 64 percent were still working.

The reasons for these successes in today's tight and competitive job market are varied. One reason is that SER continues counseling and other supportive help during training, then finds jobs for its graduates. Once at work these persons are followed up by SER counselors at regular intervals for a year. During these follow-ups, counselors help to iron out problems that might hurt a worker's chances of staying on the job.

One very important factor is that SER attempts to maintain a cooperative and flexible relationship with employers. Basically, SER serves the employer by providing him with qualified workers, in so doing SER also serves the unskilled and unemployed.

Employers in many instances help local SER's in developing certain training courses and in turn, SER trains enrollees to meet specific employer's requirements for jobs. Once a good working relationship is established between a local SER and the business community, an exchange of expertise and information continues that results in a relationship of mutual trust and confidence.

Many of SER's placements were in new employment areas which previously have been traditionally closed to the Spanish-speaking. SER's excellent reputation with business and industry has made SER a direct and highly functional link from business and industry to a vast reservoir of talent and service. At the same time, the unskilled and unemployed are linked to breakthrough jobs in industry and business which they would not have otherwise been able to train and qualify for.

COST

One of SER's notable achievements is the cost per trainee figure of $1,341. For every $1 spent on an enrollee, the return to the community, in the form of increased earnings is $1.24.

I am sure that my colleagues and the readers of the RECORD strongly concur in my support and recognition of SER and in the observance of SER Week, June 3 to June 10.

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## SOUTHBURY, CONN.

### HON. ELLA T. GRASSO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mrs. GRASSO. Mr. Speaker, a full 300 years ago, over a century before the birth of this Nation, a small band of 16 families journeyed by raft and boat up the Housatonic River in the colony of Connecticut. Led by the Reverend Zachariah Walker, they went from Stratford in the south to Pomperaug Plantation farther to the north in the wilderness known as Ancient Woodbury.

This small group of settlers had split with the Congregational Church in Stratford, and buying the plantation from the friendly Pootatuck Indians had set out to start a new and independent life.

Legend has it that the settlers missed the turn for the Pomperaug River and by mistake continued up the Housatonic to the Shepaug River and Roxbury Falls. As a result, they had to backtrack for 2 days before reaching the large white oak tree. There they camped and began the settlement of Southbury, Conn.

This week the residents and friends of Southbury are engaged in the gala celebration of that town's tercentennial, a true milestone in the long and distinguished history of a great Connecticut town in the Sixth District.

Over the years Southbury residents have built on the sturdy foundations provided for them by their colonial forebears. Today, the people of Southbury display the industry and creative vigor which is a heritage from those early settlers.

Reverend Walker and his followers took to tilling the soil as their first primary occupation, and indeed farming continues to be very much a part of Southbury. Through the years, the town has retained the country charm of its expansive New England landscape, and the solid architecture of colonial days.

Abundant water power brought light industry to the region in earlier times, but as more versatile means of needed energy were utilized, industry in Southbury diminished.

Southbury residents have shown a reverence for Old New England concepts of citizens in government as attested to by their involvement in numerous commissions and boards, which direct local affairs under the aegis of the traditional town meeting and selectmen form of government. The townspeople contribute to a bedrock sense of community through their many and varied social and church related activities. The cultural heritage of the area has been preserved through a respect for the arts that has been manifested in preservation of colonial crafts and the development of craftsmen of skill and renown.

Southbury has become a haven in recent years for those who work in nearby cities but prefer life in a more peaceful country-like setting. The town's population of nearly 10,000 is almost 10 times what it was at the turn of the century.

Southbury also serves as the site of the Southbury Training School, a State-run facility for the rehabilitation of the mentally retarded and Heritage Village, a 1,000-acre planned adult residential community.

Yes, the people of Southbury have always been forward looking individuals. At the same time, they have had a keen understanding and a particular reverence for the traditions of the past. This is clear in their continuing efforts to preserve the priceless heritage of the past which has been a prolog to new achievement and endeavors. It is especially evident in the marvelous celebration they have organized to commemorate Southbury's 300th birthday.

I would like to take this opportunity to wish Southbury and its residents a continuation of unparalleled accomplishment befitting the town's motto "Unica, Unique," the one and the only.

## WATERGATE: TOWARD A TRUE UNDERSTANDING

## HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. RANGEL. Mr. Speaker, the Nixon administration, one could say, is not best characterized by its honesty or respect for the American people.

This is clearly symbolized by the Watergate mess. But it is even better symbolized by the President's fiscal policies and the wholesale slaughter of the war on poverty.

Vernon Jordan, the executive director of the National Urban League, dealt with this recently in his syndicated column. I place this column in the RECORD for the information of my colleagues.

### TO BE EQUAL

(By Vernon E. Jordan, Jr.)

The Watergate scandal is one that has rocked the very foundations of our society. It has paralyzed the government, damaged relations with other countries, and called into question the very credibility of our political institutions.

But I fear that the concentration on who did what to whom and why may obscure some of the deeper meanings of this affair.

For example, Watergate can be seen as a symbol of a view of our society and the political process that is founded on suspicion and mistrust. In the Watergate affair, men in high places apparently believed that the ends justified the means, even when those means were illegal. It stands for the very opposite of the open society we have been taught is the goal of a democracy.

#### OTHER EVENTS LACK CREDIBILITY

If Watergate is symptomatic of such a distrustful view of society, then its ultimate importance might be in examining some other recent events that share that discredited view.

The systematic dismantling of social programs, the disengagement of the government from the war on poverty, the stress on what has been called "law and order," and other examples of indifference and even antagonism to the needs of poor people and minorities share with Watergate a mistrust of the masses of people and of their democratic institutions.

Coupling Watergate and the budget cuts may seem strange to some, but they are both indicative of a concern for ends without consideration of the means. They are both—in the flagrant abuse of power as well as in heartlessness towards the poor—subversive of a free and open society.

#### FREE EXCHANGE OF IDEAS NECESSARY

Such a free society must be one in which contending political ideas may freely circulate without harassment, and one in which individuals, families and minority groups are not penalized by poverty and discrimination.

While Watergate was dominating the headlines, a Senate report said that some twelve million Americans are still malnourished and indicated that their numbers may increase because of the rise in food prices. To me, this is as much of a scandal as Watergate. And neglecting those hungry twelve million is part of the mind-set that can tolerate bugging, stealing files, and other actions that undermine democracy.

Everyone seems to agree that the Watergate disclosures have severely damaged the country, but too few people also realize that the country is damaged if it rolls back the social reforms of the 1960s. Scandals and investigations make good headlines, hunger and want do not.

Long after the Watergate mess fades into the history books, it will be seen that the failure of our time was not in its lapses of political morality, but in its failure to do something about the pervasive social and racial conflicts that divide this society.

It should be remembered that Watergate is a "white folks' mess," not because black people are innately better or are incapable of abusing power, but because no blacks were part of the federal and party hierarchy. Thus, even in this, blacks are notable by their exclusion. To abuse responsibilities, one must first be in a responsible position.

I hope the lessons of Watergate will be learned—and quickly. Already there seems to be a new awareness of the importance of a free press, of the basic strength of the democratic institutions that exposed the scandal, and of the need for a more open government.

#### ENLIGHTENED ATTITUDE DESIRABLE

It is my hope that this will be reflected further in a new, more enlightened attitude toward black Americans by the Administration, and by a revised view of the basic social programs it planned to end.

Watergate is being fully exposed. Now it's time to turn the spotlight on the unmet needs and unfulfilled dreams of America's poor and its minorities.

## TORNADOPOWER

## HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. HOSMER. Mr. Speaker, whilst breezing through the appendix of yesterday's CONGRESSIONAL RECORD an item inserted by the junior Senator from Alaska favoring windpower caught my eye. For only $1,800, a man up in Maine built a windpower machine and is selling people plans for the thing. Then a few pages beyond the Senator inserted another article about a $400 windpower machine built by another chap. Somehow that all reminded me that some people for some reason have somewhat irreverently sometimes referred to the appendix as the Cave of the Winds.

That, of course, is a thought totally unconnected with the Senator's insertions other than by random association. The Senator is troubled by impending power shortages as we all are. In the same issue of the appendix he also gave a boost to garbagepower in an article "Heat Your House With Garbage" and to trashpower in articles discussing refuse as a supplementary fuel.

Some people may take such exotic suggestions as these lightly. The fact is that they may not be doing so soon when energy shortages commence to impose very real burdens on the American public.

In a complex, energy dependent society such as ours man has only a marginal capability even for survival if he lacks to a substantial degree the energy he customarily consumes to support his way of life. The weakest members of society, the very old and the very young, would go first. Then others would follow.

Hopefully we can avoid energy shortages which reflect themselves in the mortality tables. But those we will not avoid will reflect themselves with a harsher impact than mere annoyance and inconvenience.

The scramble by millions of people to avoid the burdens of these shortages upon themselves and instead shift the impact of to these other millions of people who are strangers will set in motion some rather severe political, social and psychological, stress and turbulence. The impact of this continuing kind of crisis will go far beyond the physical and could impact upon the Nation's institutions.

Meanwhile, and in possibly a whimsical vein, those who struggle with the energy problem may be illumined by the following item which has had some minor circulation on the intellectual fringes:

### BREAKTHROUGH REPORTED IN HARNESSING TORNADOES

A major technological breakthrough in harnessing the energy of tornadoes to generate electricity was announced today by Dr. Seymour F. Cloghn, president of Texas Energy Research Associates (TERA).

In testimony prepared for the Senate Select Committee on Energy Conversion, Dr. Cloghn said that scientists at TERA's laboratories in Gravelville, Texas, have successfully demonstrated that man can create and to some degree control tornadoes.

"Creating, sustaining and controlling tornadal energy to produce electrical power is a realistic near-term alternative to fossil fuel generation and nuclear power," Dr. Cloghn said. "Based on current technology, we believe we can create full scale tornadoes capable of supplying pollution-free electrical energy to a city the size of Dallas within 6–8 years."

Controlled tornado research (CTR) has been underway at TERA and the State University of Iowa for three years under a program jointly-funded by NASA and the Environmental Science Services Administration (ESSA).

Dr. Cloghn said that TERA scientists have built and tested a laboratory scale system to generate small tornadoes. Initial experiments in December achieved an electrical output of approximately 125 watts.

Phase I studies have been devoted to laboratory investigations and development of computer models, and fabrication of a prototype energy transfer system, consisting of spectropanels seeded with silicone-germanium crystals and multiple banks of variable discharge capacitors.

A follow-on grant for Phase II studies is expected to lead to field tests next fall at Ames, Iowa, Dr. Cloghn said.

"We are primarily interested in further research into the possibility of operating multiple funnels and refining techniques to accurately predict the paths of man-made tornadoes," he added.

Tornadal energy, like solar, tidal and glacial energy, offers a potential for large quantities of peaking power free of the emission consequences of fossil fuels and the radiation safety problems of nuclear power. The process is considerably less costly than solar energy because the integrated spectropanel grid will be only one square mile, compared to estimates of up to 500 square miles for solar reflecting mirror configurations.

Under spectral shift technology developed by Academician Ripov of the Ubrezk Institute in the Soviet Union, nonreflective spectropanels are emplaced around a central reflective coral panel. Solar reflection creates an updraft, similar to the process by which tornadoes are generated in nature. Air collapsing into the void created by the updraft results in a man-made tornado.

The electrostatic charge generated by the funnel is transmitted at the touchdown point via pressure sensitive thermocouples to the banks of capacitors, which convert the static electricity into direct current.

The funnels are confined within the grid by an electromagnetic restraint system, which is the only energy dependent phase of the process. Control of the tornado is limited to confinement under present technology, Dr. Cloghn said.

A demonstration funnel 1000 feet in height with wind velocities of 225 mph and a ground speed of 45–55 mph would produce up to 500 mwe for 72 hours before the energy of the tornado is dissipated.

Dr. Cloghn urged an intensive U.S. research effort aimed at meeting 25% of the nation's power needs through controlled tornadoes by 1980. He estimated a cost of $500 million over eight years.

"It is a remarkably small requirement for a program which could eliminate strip mining, thermal pollution, radiation emissions and air pollution," Dr. Cloghn said.

Dr. Cloghn was the recipient of the 1971 John Gofman Award for Environmental Engineering from the International Atmospheric Engineering Association.

His interest in tornadography was sparked by the pioneer work of Dr. Nicholas Cristrofilos of Lawrence Radiation Laboratory (Livermore) in predicting the Argus effect. This phenomenon of nuclear explosions at exoatmospheric altitudes is responsible for radio-communications blackouts caused by entrapment of beta particles in the earth's magnetic lines of force.

Dr. Cloghn theorized that in atmospheric altitudes the rapid interception of these same lines of force by materials trapped in vertically oriented tornadal columns could generate useable electricity. From this postulation his research focused first on perfecting Ripov techniques to create, sustain and control tornadoes on a predictable basis and then upon channeling the resultant electrostatic discharges into commercial electrical distribution systems.

"The force of winds which once powered sailing ships may soon again supply dependable power for a major fraction of our modern, energy-oriented technological society," Dr. Cloghn concluded.

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## THE SUPPORT OF SCIENCE

### HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. BRADEMAS. Mr. Speaker, I am inserting at this point in the Record the text of an editorial in the June 1, 1973, issue of the journal, Science.

The author of the editorial, "The Support of Science," is Dr. Arthur Kornberg of the Department of Biochemistry at the Stanford University Medical Center.

The text of Dr. Kornberg's article follows:

#### The Support of Science

The results of the massive support of biomedical science during the past 20 years have exceeded even the most optimistic predictions. No one imagined that we would acquire so quickly the firm grasp we have today of the basic designs of cellular chemistry and its regulation. The nature of heredity, clouded in abstract genetic language only 20 years ago, can now be described in explicit chemical terms. In the next 20 years application of chemistry of genes could transform the image of health and disease as dramatically as any advance in the history of medicine.

Nevertheless, those of us who do research in medical science and train young people for such work have witnessed in recent weeks the most calamitous decision a government of the United States could make for the future of medicine and the welfare of our country. Were there an intentional effort to undermine health and economic welfare of this country for the coming generations, I could imagine nothing more devastating than to stop training our best young people to do research in basic medical science. Yet this is precisely what has been done, and the consequences of the decision have not been foreseen.

In my scientific lifetime I have seen a very low tide of science support during the 1930's before World War II. Then there followed a strong high tide for 20 years after that. For the past 5 years, the support of science has been visibly ebbing. Funds for important research have been cut at a time when inflation and advanced technology require increases; the support for the training of our best young scientists has been abruptly eliminated. This support for research and training cannot be finely regulated. When the flow of science support is turned down, the stream of progress dries up and cannot be restored for years.

Surely the decision cannot be ascribed to economy. The science training programs cost about $300 million annually. This is less than one-half of 1 percent of the budget for welfare or for defense. For weapons research and development alone, $20 billion a year is being spent. This is to protect us against the *possibility* of attack by a hostile country. But now we have been told we can't afford to spend even 1 percent of this amount to train young people to fight diseases for which crusades have been proclaimed and that we know for *certain* will kill millions of our citizens each year.

Although in the past 20 years some scientists were influential in advising the government, the major forces in urging the support of science came from the Congress and citizens testifying before its committees. The support of science, so absolutely vital to our future, has been and must remain the responsibility of society. It is too important and too complex a problem to be left to scientists.

There are two compelling reasons why society must support basic science. One is substantial: The theoretical physics of yesterday is the nuclear defense of today; the obscure synthetic chemistry of yesterday is curing disease today. The other reason is cultural. The essence of our civilization is to explore and analyze the nature of man and his surroundings. As proclaimed in the Bible in the Book of Proverbs: "Where there is no vision, the people perish."

America's strength is not in mineral resources, in hydroelectric power, or in agriculture. It is not in the accumulation of a huge weapons arsenal either. America's strength is in the moral and intellectual resources of the people.

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## McCORMACK NOTES ESTABLISHMENT OF TECHNOLOGY ASSESSMENT PANEL BY ENGINEERS JOINT COUNCIL

### HON. MIKE McCORMACK

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. McCORMACK. Mr. Speaker, I was extremely pleased to learn of the formation of a technology assessment panel by the Engineers Joint Council. The council, whose membership includes 15 member societies, 20 associate societies, and over 180 industrial affiliate members, has established the panel to work with both the legislative and executive branches of Government to provide liaison and technical backup for technology assessment.

The panel provides a focal point for communication—both ways—between the newly created Office of Technology Assessment and professional and technical groups. It is a welcome and vitally important addition to our national effort to assess needs and developments in the field of technology.

I include in the Record at this point the description of the purpose of the panel that was provided by the council at the time of the panel's establishment:

#### Technology Assessment Panel

Dr. Robert J. Raudebaugh, President of the Engineers Joint Council, . . . announced the formation of a Technology Assessment Panel created especially to establish and maintain liaison with the federal government in the critical area of technology assessment. In announcing establishment of the Technology Assessment Panel at today's General Assembly meeting of EJC at the Hotel Biltmore in New York, Dr. Raudebaugh also said that Robert J. Mayer, Vice President of the A. T. Kearney Co. and the EJC representative for the Society of Manufacturing Engineers, will serve as Panel Chairman.

The Panel itself will be composed of representatives of the member societies of the Engineers Joint Council. The member societies and their representatives to the Panel are listed in the attached roster.

"Specifically," Dr. Raudebaugh explained, "EJC will work closely with those agencies of the legislative and executive branches of the federal government that are concerned with technology assessment. Such liaison will assure effective and credible response by the engineering profession to the needs of the federal government."

In its initial stages, the EJC Panel will be primarily concerned with establishing a working relationship with the Office of Technology Assessment (OTA) recently created by Congress. Senator Edward M. Kennedy, of Massachusetts, is Chairman of the Congressional Board.

Walter A. Hahn, Senior Specialist for Science and Technology, of the Library of Congress, and President of the International Society for Technology Assessment, addressed the General Assembly on the subject of technology assessment. He pointed out the need for close cooperation from the professional and engineering community and the contribution that EJC could make by serving as the focal point in providing technical input.

In keeping with its overall objectives, the EJC's Technology Panel is expected to function as a resource and referral agency for studies requiring specialized expertise as found so readily among the members of engineering societies. The Panel will also be expected to provide technical consultation to participate in studies under grants sponsored by OTA and other government agencies. This will permit the evaluation of ongoing technology assessments in order to identify their impact on industry and to make recommendations to assure positive results.

"The development of new technology has always been one of the major strengths of the United States", Dr. Raudebaugh said. Its development, however, has not been without numerous positive and negative side effects in social and environmental areas".

With the increasing pace of technological development and application in today's complicated life, the assessment of the "side effects" of technology has become increasingly important to the total community. Technology assesment as defined by the OTA is the full and balanced analysis of all significant primary-secondary, indirect and delayed consequences for impacts present and foreseen of the technological innovational society environment for the economy. Technology Assessment is not intended as a deterrent or mechanism to halt or slow the development of technology.

The Congress of the United States today is faced more and more with highly important political decisions based on highly intricate technical matters closely related to technology and its use. The need to pass legislation on such items as new missiles, super-sonic transports, environmental pollution, health and safety, etc., requires objective expert advice to guide these decisions. This need resulted in the passing of the Technology Asesssment Act in 1972 which created the Office of Technology Assessment.

Because the engineering profession is concerned with the impact of technology on the economic and social structure and fully accepts its responsibility as a contributor to the implementation of technological change, the Engineers Joint Council felt it was a matter of extreme importance to create the Technology Assessment Panel which would then serve as a focal point to marshal the total resources of the engineering and professional community.

The Engineers Joint Council is a Council of professional engineering societies. The total membership in these member body societies is approximaetly 600,000, all of whom are directly connected with the engineering and professional communities, and are intimately concerned with the development, use and application of technology in industry.

The following societies will serve as active members, through their representatives, on the Technology Assessment Panel: SESA, ASCE, ASEE, ECPD, SFPE, SAE, APCA, AIAA, ASQC, IEEE, AIIE, SME, ISA, ASM, AICE, AIME, ASHRAE, ASME, NACE, and SPHE.

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# HOUSE OF REPRESENTATIVES—*Thursday, May 31, 1973*

The House met at 12 o'clock noon.

The Honorable William H. Hudnut III, of Indiana, offered the following prayer:

This is the day which the Lord hath made. Let us rejoice and be glad in it.

Let us pray.

O Thou Eternal God, our loving Heavenly Father, we do thank Thee for the opportunities that come to us to serve Thee and to serve our country, and we pray that in our day and in our generation, through our ministry in this House of Representatives, we may perform something worthy to be remembered by the people of this great Nation and by You, our Father. And to You be the glory and the praise, now and forever, world without end. Amen.

## THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed with an amendment, in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 6912. An act to amend the Par Value Modification Act, and for other purposes.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 6912) entitled "An act to amend the Par Value Modification Act, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Sparkman, Mr. Proxmire, Mr. Williams, Mr. Tower, Mr. Bennett, Mr. Ervin, and Mr. Percy to be conferees on the part of the Senate.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 1317. An act to authorize appropriations for the U.S. Information Agency; and

S. 1501. An act to amend the Water Resources Planning Act to authorize appropriations for fiscal year 1974.

## INCREASE IN PRICE OF NATURAL GAS

(Mr. OBEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OBEY. Mr. Speaker, it appears that step No. 2 in the administration's efforts to have Government cave in to the oil and gas companies came yesterday with the Federal Power Commission's decision to allow a 73-percent increase in the price of natural gas.

Step 1 was the administration's hint Tuesday that the gas tax might be increased.

The gas price increase approved yesterday—from 26 cents a 1,000 cubic feet to 45 cents—will yield the three gas companies who received the increase—Belco Petroleum, Tenneco, and Texaco Oil—a 27.5-percent rate of return on total investment.

For the Government to guarantee that kind of return is outrageous, especially when the companies specifically refused to guarantee that any additional profits from the increase will be plowed back into additional exploration and development efforts.

When the companies imply—as they have—that they will not be doing more exploration and development for additional gas reserves, unless the prices they get are substantially increased, then its time for the Government to say: "To hell with you, we will do the job ourselves."

Mr. Speaker, when the present price of natural gas was increased to 26 cents in 1971, industry indicated it would increase its exploration and development to ease the gas shortage.

The result instead has been decreasing gas reserves and increasing gas shortages, for which the companies are now being rewarded with an increased rate of return and no doubt increased profits.

If the major oil and gas companies had paid as much attention to research over the past 5 years as they have to advertising and promoting their own cause, we might not be in as serious a bind as we are today.

## ANNUAL CONGRESSIONAL BASEBALL GAME

(Mr. CONTE asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. CONTE. Mr. Speaker, I am sure that everyone in this Chamber was thrilled by the recent news that major league baseball apparently will be returning to the Nation's Capital next year.

But I am pleased to announce today that the fans in this great Chamber will not have to wait until next spring to see topnotch baseball played as it has rarely been played before.

Yes, Mr. Speaker, I am referring to that annual exhibition of Capitol talent, that refreshing exercise of brain and brawn, that storied struggle of titans, that summer outing that causes flutters in the hearts of little children and grown men alike—yes, Mr. Speaker, I am referring to the annual congressional baseball game.

The mere fact that there will be no major league games in Washington this year is not a big enough obstacle to block the annual congressional battle.

Once again this year, the game will be played—if that is the right term. The memorable night will be July 30 at Baltimore's Memorial Stadium, and the game will be a prelude to a major league contest between the Baltimore Orioles and the Detroit Tigers.

While this will necessitate a short bus ride up the Baltimore-Washington Parkway, all the traditional hoopla and outstanding talent that have marked previous congressional games will again be provided.

Despite losing the last nine consecutive games to my slick fielders and heavy hitters, my colleague from Pennsylvania and opposite number on the diamond, Mr. Clark, promises to field enough Democrats to fulfill at least the numerical requirements for a team.

If they can do that in spite of their recent adversity on the ballfield, surely every Member of this body should match their sacrifice by coming out to the game July 30 to see the Republicans' 10th consecutive victory in this glorious series.

## APPOINTMENT OF CONFEREES ON H.R. 6912, TO AMEND THE PAR VALUE MODIFICATION ACT

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 6912) to amend the Par Value Modification Act, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Texas? The Chair hears none, and appoints the following conferees: Messrs. PATMAN, GONZALEZ, REUSS, MOORHEAD of Pennsylvania, REES, HANNA, YOUNG of Georgia, STARK, STEPHENS, WIDNALL, JOHNSON of Pennsylvania, J. WILLIAM STANTON, CRANE, FRENZEL, and CONLAN.

## APPOINTMENT OF CONFEREES ON H.R. 5293, PEACE CORPS AUTHORIZATION

Mr. MORGAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 5293) authorizing additional appropriations for the Peace Corps, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania? The Chair hears none, and appoints the following conferees: Messrs. MORGAN, ZABLOCKI, HAYS, FASCELL, MAILLIARD, FRELINGHUYSEN, and BROOMFIELD.

## APPOINTMENT OF CONFEREES ON H.R. 5610, TO AMEND FOREIGN SERVICE BUILDINGS ACT, 1926

Mr. HAYS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 5610) to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Ohio? The Chair hears none, and appoints the following conferees: Messrs. HAYS, MORGAN, ZABLOCKI, MAILLIARD, and THOMSON of Wisconsin.

## AUTHORIZING U.S. POSTAL SERVICE TO RECEIVE FEE FOR EXECUTION OF PASSPORT APPLICATION

Mr. HAYS. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs be discharged from further consideration of the bill (H.R. 7317) to authorize the U.S. Postal Service to continue to receive the fee of $2 for execution of an application for a passport, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

Mr. GROSS. Mr. Speaker, reserving the right to object, do I understand this provides for 1-year extension?

Mr. HAYS. The gentleman is exactly correct.

Mr. GROSS. And that is pending a study by the Postal Service as to the continuance of this service?

Mr. HAYS. That is right. The Postal Service has been studying it and they claim they could not finish their study so this is continuing it for an additional year until they do finish the study and to accommodate the public in making applications for passports.

Mr. GROSS. May I assume that the gentleman will not be particularly interested in a further extension?

Mr. HAYS. Well, I can only say to the gentleman that if the Postal Service looks favorably on it and the thing has increased and has worked, we might consider making it permanent. However, that would come to the committee in the regular way.

Mr. GROSS. Yes. I thank the gentleman for that response.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the bill as follows:

H.R. 7317

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 2 of the Act entitled "An Act to authorize the United States Postal Service to receive the fee of $2 for execution of an application for a passport", approved May 14, 1971 (22 U.S.C. 214 note), is amended by striking out "June 30, 1973" and inserting in lieu thereof "June 30, 1974".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## A NEW TRADITION BEGINS

(Mr. PODELL asked and was given permission to address the House for 1 minute.)

Mr. PODELL. Mr. Speaker, in the next 10 or 15 minutes we shall have the pleasure in this chamber of welcoming a charming and bright new addition to the House page staff, Miss Heidi Stam, of Brooklyn, N.Y. She will start her work here very shortly.

Heidi got her position here on her own initiative. She sought the job for almost 2 years and knew what she wanted and went after it.

She is a very bright young lady, and I am sure that the House will be enriched by her presence. Brooklyn and the Nation shall be very proud of her.

## PROVIDING FOR CONSIDERATION OF H.R. 7806, HEALTH PROGRAMS EXTENSION ACT OF 1973

Mr. MURPHY of Illinois. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 418 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 418

*Resolved,* That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7806) to extend through fiscal year 1974 certain expiring appropriations authorizations in the Public Health Service Act, the Community Mental Health Centers Act, and the Developmental Disabilities Services and Facilities Construction Act, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the five-minute rule by titles instead of by sections. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit. After the passage of H.R. 7806, the Committee on Interstate and Foreign Commerce shall be discharged from the further consideration of the bill S. 1136, and it shall then be in order in the House to move to strike out all after the enacting clause of the said Senate bill and insert in lieu thereof the provisions contained in H.R. 7806 as passed by the House.

The SPEAKER. The gentleman from Illinois (Mr. MURPHY) is recognized for 1 hour.

Mr. MURPHY of Illinois. Mr. Speaker, I yield 30 minutes to the gentleman from California (Mr. DEL CLAWSON) pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 418 provides for an open rule with 1 hour of general debate on H.R. 7806, a bill extending through fiscal year 1974 appropriations in the Public Health Service Act, The Community Mental Health Centers Act, and the Development Disabilities Services and Facilities Construction Act.

H. R. 7806 authorizes $1,270,566,000 for the 12 health programs included in the bill. It restricts the authorization under section 314(e) of the Public Health Service Act to support of programs for which no other authority is contained in title I of H.R. 7806. It also extends the provision of the Medical Facilities Construction and Modernization Amendments of 1970 which are designed to assure availability of appropriated health funds.

Mr. Speaker, this bill extends many health programs which are greatly needed to aid our progress in the field of medical research. I urge adoption of House Resolution 418 in order that we may discuss and debate H.R. 7806.

Mr. DEL CLAWSON. Mr. Speaker, House Resolution 418 is the rule under which we will consider H.R. 7806, Health Programs Extension Act of 1973. This is an open rule with 1 hour of general debate. The rule has two additional provisions—the bill will be read for amendment by title instead of by section and the House-passed language will be inserted in S. 1136.

The primary purpose of H.R. 7806 is to extend through fiscal year 1974 certain expiring appropriations authorizations in the Public Health Service Act, the Community Mental Health Centers Act, and the Developmental Disabilities Services and Facilities Construction Act. A comparable bill, S. 1136, passed the Senate on March 29, 1973.

This legislation is needed because on June 30, 1973, 12 major health programs will expire. The committee wants time to consider the future of existing, expiring health programs, because the administration has made it clear that, unless required to continue these programs, they will terminate five of them as soon as their authorities expire.

The total 1 year authorization in this bill is $1,270,566,000. The total authorization for fiscal 1973 for these programs was $2.28 billion.

H.R. 7806 would also extend the 1970 Hill-Burton amendment in the Medical Facilities Construction and Modernization Amendments of 1970 which assures the availability and expenditure of appropriated health funds.

In addition, this legislation also contains a provision which denies any court, public office, or public authority the right to require individuals or institutions to do abortions or sterilizations contrary to their religious beliefs or moral convictions because an individual or institution received funds under these health acts.

Mr. Speaker, I urge the adoption of this rule.

Mr. MURPHY of Illinois. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

## PROVIDING FOR CONSIDERATION OF H.R. 7724, NATIONAL BIOMEDICAL RESEARCH FELLOWSHIP, TRAINEESHIP, AND TRAINING ACT OF 1973

Mr. MURPHY of Illinois. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 417 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 417

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7724) to amend the Public Health Service Act to establish a national program of biomedical research fellowships, traineeships, and training to assure the continued excellence of biomedical research in the United States, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendment thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Illinois (Mr. MURPHY) is recognized for 1 hour.

Mr. MURPHY of Illinois. Mr. Speaker, I yield 30 minutes to the gentleman from California (Mr. DEL CLAWSON) pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 417 provides for an open rule with 1 hour of general debate on H.R. 7724, a bill extending the national program of biomedical research fellowships. The bill authorizes the Secretary of Health, Education, and Welfare to conduct the program through the National Institutes of Health and the National Institute of Mental Health.

H.R. 7724 provides for first, authorization of training and fellowships at NIH and NIMH, and at other public or nonprofit private institutions; second, limiting support for individuals under the legislation to 3 years; third, requiring individuals supported to perform 2 years of research, teaching or practice for each year of support; fourth, requesting that the National Academy of Sciences do a 1-year study for the Congress of the Nation's needs for research workers and programs for training them, with appropriate recommendations; and fifth, requiring that the Secretary of Health, Education, and Welfare not support any research in the United States or abroad of an unethical nature.

Mr. Speaker, this program has been a well-established and fundamental part of our Nation's medical research effort for over 30 years. I urge adoption of House Resolution 417 in order that we may discuss and debate H.R. 7724.

Mr. DEL CLAWSON. Mr. Speaker, House Resolution 417 is an open rule with 1 hour of general debate. The rule provides for the consideration of H.R. 7724, the National Biomedical Research Fellowship, Traineeship, and Training Act of 1973.

The primary purpose of H.R. 7724 is to provide a 2-year authorization for a national program of biomedical research fellowships and training, administered through the National Institutes of Health and the National Institute of Mental Health.

In addition, the bill includes provisions limiting the fellowships to 3 years, and requiring recipients of training to spend 2 years in health research or teaching for each year of training received. The bill requires that the Secretary of Health, Education, and Welfare not support any research of an unethical nature. There is also a provision in the bill requesting that the National Academy of Science conduct a study of the Nation's need for biomedical research personnel and report to Congress within 1 year.

The total cost of this bill is $207,947,000 for fiscal year 1974 and an equal amount for fiscal year 1975.

The legislation does not have the blessing of the administration. However, Mr. Speaker, I urge the adoption of this rule so that the House may work its will on the legislation.

Mr. MURPHY of Illinois. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

## PROVIDING FOR CONSIDERATION OF H.R. 6458, EMERGENCY MEDICAL SERVICES ACT OF 1973

Mr. MURPHY of Illinois. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 415 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 415

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6458) to amend the Public Health Service Act to authorize assistance for planning, development, and initial operation, research, and training projects for systems for the effective provision of health care services under emergency conditions. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider without intervention of any point of order the text of the bill H.R. 8220 if offered as an amendment to the bill H.R. 6458. At the conclusion of the consideration of H.R. 6458 for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit. After the passage of H.R. 6458, it shall be in order in the House to take from the Speaker's table the bill S. 504 and to move to strike out all after the enacting clause of the said Senate bill and insert in lieu thereof the provisions contained in H.R. 6458 as passed by the House.

Mr. MURPHY of Illinois. Mr. Speaker, I yield the usual 30 minutes for the minority to the distinguished gentleman from California (Mr. DEL CLAWSON), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 415 provides an open rule with 1 hour of general debate for the consideration of H.R. 6458, the Emergency Medical Services Act of 1973. The rule also provides that it shall be in order to consider without the intervention of any point of order the text of the bill H.R. 8220 if offered as an amendment to H.R. 6458 and that after the passage of H.R. 6458 it shall be in order to take from the Speaker's table the bill S. 504 and to move to strike out all after the enacting clause of the Senate bill and insert in lieu thereof the provisions contained in H.R. 6458 as passed by the House.

H.R. 8220, the proposed amendment, was introduced by the chairman of the Committee on Interstate and Foreign Commerce, Mr. STAGGERS. It is a bill to provide for the continued operation of all Public Health Service Hospitals.

H.R. 6458 authorizes Federal assistance for the planning and development of communitywide emergency medical systems. The bill authorizes grants and contracts for planning and feasibility studies related to such emergency medical systems, and authorizes grants for the establishment and initial operation of such systems. It also authorizes grants to health professional schools for research and training in emergency medical services.

Both the House and the Senate passed legislation with similar purposes in the 92d Congress, but the Congress adjourned before a conference was held.

The total cost of this bill, for a 3-year period, is $145 million.

Mr. Speaker, it is estimated that proper emergency care could save approximately

60,000 lives annually. I urge the adoption of House Resolution 415 in order that H.R. 6458 may be considered.

Mr. DEL CLAWSON. Mr. Speaker, House Resolution 415 provides for the consideration of H.R. 6458, the Emergency Medical Services Act. This is an open rule with 1 hour of general debate. The rule also makes the text of H.R. 8220 in order as an amendment without the intervention of a point of order. This amendment continues the operation of Public Health Service Hospitals. In addition, House Resolution 415 makes it in order to insert the House-passed language in S. 504.

The purpose of H.R. 6458 is to provide new authority for the support of emergency medical services. In the 92d Congress, the House passed a similar bill (H.R. 15859), as did the Senate, but a conference was not possible because of time at the end of the second session.

It has been estimated that proper emergency care could save approximately 60,000 lives annually. In emergency situations many ambulance attendants are not properly trained; only 5 percent of the Nation's ambulance personnel have completed the standard instruction course. Another problem is that numerous States have laws which discourage doctors from stopping to render assistance to accident victims.

This bill will provide grants to public and nonprofit entities for planning, establishment, and expansion of emergency medical service systems. Grants to schools are authorized for research and training programs dealing with emergency medical service. Because of the lack of coordination of Federal programs, the bill establishes an Interagency Technical Committee on Emergency Medical Services, which is to be chaired by the Secretary of HEW or his designee. The bill also provides for a study of legal barriers which impede the effective delivery of medical care under emergency conditions. The Secretary is required to report his findings to Congress within 12 months.

At present there is an impressive project being undertaken by the military assistance to safety and traffic program—MAST—which is a joint effort by DOD, DOT, and HEW. Its purpose is to augment civilian emergency capabilities by using military helicopters, et cetera, on a time-available basis. H.R. 6458 authorizes the Secretary of Defense and/or the Secretary of Transportation to undertake this type of assistance program, to the extent that it will not interfere with their primary missions.

The total cost of this bill, over a 3-year period is $145,000,000.

Mr. Speaker, there is the exception in connection with the amendment that was requested by the chairman, and there is no objection apparently on the part of the committee, for the text of H.R. 8220 to be in order as an amendment without the intervention of a point of order. H.R. 8220 has been introduced in the House since the consideration of the rule and this is the proposed amendment which I am going to take the liberty of reading so the Members of the House will know what is proposed:

That the Secretary of Health, Education, and Welfare is directed to take such action as may be necessary to assure that all the hospitals of the Public Health Service shall, until such time as the Congress shall by law otherwise provide, continue in operation as hospitals of the Public Health Service and continue to provide inpatient and other health care services to all categories of individuals entitled, or authorized, to receive care and treatment at hospitals or other stations of the Public Health Service, in like manner as such services were provided to such categories of individuals at hospitals of the Public Health Service on January 1, 1973.

Mr. Speaker, it is my understanding there was some concern as to whether or not the administration would attempt to phase out programs of this kind and eliminate this. The committee apparently wanted to see that the services were continued without interruption.

Mr. Speaker, I urge adoption of the rule and reserve the balance of my time.

Mr. MURPHY of Illinois. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

## ORGANOPHOSPHOROUS PESTICIDES

(Mr. GOODLING asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. GOODLING. Mr. Speaker, I am joined in these remarks by the gentleman from Virginia (Mr. Robinson) and the gentleman from Idaho (Mr. Symms).

The Occupational Safety and Health Administration just recently issued some emergency temporary standards for exposure to organophosphorous pesticides through the Federal Register of May 1, 1973. These regulations would have a devastating effect on agriculture in the United States, and I have today petitioned by the Secretary of Labor and the Solicitor of that Department to immediately suspend the implementation of these regulations and, in the process, to lend stability to our agricultural complex. I insert my communications in the Congressional Record:

May 31, 1973.

Alfred G. Albert, Esq.,  
*Deputy Solicitor, U.S. Department of Labor, Washington, D.C.:*

For your attention: Re. Part 1910—Occupational Safety and Health Standards, Emergency Temporary Standard for Exposure to Organophosphorous Pesticides (F.R. May 1, 1973, Part I)—. Petitions for Review and Stay of these amendments have been filed in the Circuit Courts of Appeal of the following jurisdictions: New Orleans—by Florida Peach Society, San Francisco—by Washington Horticultural Society and Chicago—by American Farm Bureau Federation. I have today wired Secretary of Labor Brennan, urging his immediate suspension of the implementation of these amendments, pending judicial findings on same.

George A. Goodling,  
Kenneth J. Robinson,  
Steven S. Symms,  
*Members of Congress.*

May 31, 1973.

Hon. Peter J. Brennan,  
*Secretary, U.S. Department of Labor, Washington, D.C.:*

Seriously urge you act immediately to suspend implementation of Part 1910—Occupational Safety and Health Standards, Emergency Temporary Standard for Exposure to Organophosphorous Pesticides (F.R. May 1, 1973, Part I)—pending judicial finding on petitions filed in various Courts of Appeal for Review and Study of these amendments. Alternative is agricultural chaos. Please respond to this request and communication promptly.

George A. Goodling,  
Kenneth J. Robinson,  
Steven D. Symms,  
*Members of Congress.*

## CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McFALL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 168]

Adams  
Alexander  
Annunzio  
Ashbrook  
Ashley  
Badillo  
Biaggi  
Blackburn  
Blatnik  
Boggs  
Bray  
Burke, Calif.  
Camp  
Carney, Ohio  
Carter  
Chisholm  
Clark  
Coughlin  
Cronin  
Davis, Ga.  
de la Garza  
Dickinson  
Diggs  
Dingell  
Donohue  
Esch  
Evins, Tenn.  
Fisher  
Flynt  
Foley  
Fraser  
Fuqua  
Goldwater  
Gray  
Gubser  
Harvey  
Hébert  
Henderson  
Hunt  
Ichord  
Ketchum  
Landrum  
Leggett  
McCormack  
Madden  
Martin, Nebr.  
Mazzoli  
Milford  
Minshall, Ohio  
Moakley  
Mollohan  
Murphy, N.Y.  
Nedzi  
O'Hara  
O'Neill  
Owens  
Pike  
Powell, Ohio  
Price, Ill.  
Randall  
Rarick  
Reid  
Rhodes  
Roncalio, Wyo.  
Rooney, N.Y.  
Sandman  
Satterfield  
Spence  
Steiger, Ariz.  
Stratton  
Sullivan  
Talcott  
Teague, Tex.  
Udall  
White  
Wilson, Charles, Tex.  
Winn

The SPEAKER. On this rollcall 355 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

## PROVIDING FOR CONSIDERATION OF H.R. 7357, AMENDMENT TO RAILROAD RETIREMENT ACT

Mr. MURPHY of Illinois. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 416 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. Res. 416

*Resolved*, That the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7357) to amend section 5(1)(I) of the Railroad Retirement Act of 1937 to simplify administration of the Act; and to amend section 226(e) of the Social Security Act to extend kidney disease medicare coverage to railroad employees, their spouses, and their dependent children; and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Illinois is recognized for 1 hour.

Mr. MURPHY of Illinois. Mr. Speaker, I yield the usual 30 minutes to the distinguished gentleman from California (Mr. DEL CLAWSON), and pending that I yield myself such time as I may consume.

Mr. Speaker, House Resolution 416 provides for an open rule with 1 hour of general debate on H.R. 7357, a bill amending the Railroad Retirement Act.

H.R. 7357 has three major purposes: First, to simplify administration of the social security minimum guaranty provision contained in section 3(e) of the Railroad Retirement Act; second, to liberalize the eligibility conditions for children's benefits under the Railroad Retirement Act to conform with the liberalizations provided in such benefits under the Social Security Act by Public Law 92-603, approved by the 92d Congress; and third, to extend kidney disease medicare coverage to railroad employees, their spouses, and their dependent children on the same basis as such coverage is now provided for persons insured under the Social Security Act.

The cost resulting from H.R. 7357 balances with the savings from technical amendments to Public Law 92-603 and Public Law 92-460, so there is no additional cost involved.

Mr. Speaker, I urge adoption of House Resolution 416 in order that we may discuss and debate H.R. 7357.

Mr. DEL CLAWSON. Mr. Speaker, today we will consider H.R. 7357, amendments to the Railroad Retirement Act. The rule under which we will consider this bill is House Resolution 416, an open rule with 1 hour of general debate.

There are three major purposes of H.R. 7357: One, it liberalizes eligibility for children's benefits under the Railroad Retirement Act to match the liberalizations in such benefits provided under the Social Security Act by Public Law 92-603, approved at the end of the 92d Congress. Two, it simplifies administration of the social security minimum guaranty provision contained in section 3(e) of the Railroad Retirement Act; and three, it extends kidney disease medicare coverage to railroad employees, on the same basis as such coverage is now provided for persons insured under the Social Security Act.

The provision extending kidney disease medicare coverage is an amendment to the Social Security Act which is within the jurisdiction of the Committee on Ways and Means. However, the committee report contains a letter from the Committee on Ways and Means approving this provision with the understanding that by doing so the Ways and Means Committee does not give up any jurisdiction which it now has.

The committee report estimates that there will be no additional cost as a result of this bill because the increased cost resulting from these amendments to the Railroad Retirement Act is balanced off by the savings from technical amendments to Public Law 92-460 and Public Law 92-603.

Mr. Speaker, I urge the adoption of this rule in order that the House may begin debate on H.R. 7357.

AMENDMENT OFFERED BY MR. MURPHY OF ILLINOIS

Mr. MURPHY of Illinois. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MURPHY of Illinois: On page 1, line 1, of House Resolution 416, after the words "*Resolved*, That", insert the word "upon".

Mr. MURPHY of Illinois. Mr. Speaker, I have offered this amendment because the word "upon" was inadvertently left out of the resolution. It is a technical amendment.

The SPEAKER. The question is on the amendment offered by the gentleman from Illinois (Mr. MURPHY).

The amendment was agreed to.

Mr. MURPHY of Illinois. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

## HEALTH PROGRAMS EXTENSION ACT OF 1973

Mr. STAGGERS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7806) to extend through fiscal year 1974 certain expiring appropriations authorizations in the Public Health Service Act, the Community Mental Health Centers Act, and the Developmental Disabilities Services and Facilities Construction Act, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from West Virginia (Mr. STAGGERS).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 7806, with Mr. CHARLES H. WILSON of California in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from West Virginia (Mr. STAGGERS) will be recognized for 30 minutes, and the gentleman from Minnesota (Mr. NELSEN) will be recognized for 30 minutes.

The Chair recognizes the gentleman from West Virginia (Mr. STAGGERS).

Mr. STAGGERS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of H.R. 7806, a bill to extend the expiring health programs for 1 year.

This bill, H.R. 7806, is a very important piece of legislation for the Congress. At the end of June, 12 of our most important health programs will expire including the Hill-Burton program, community mental health centers program, and the regional medical program. The administration has proposed to terminate these and other programs. They have done so in a way which does not allow the Congress a reasonable opportunity to consider them. Our committee is presently working on appropriate revision of all of these programs but the administration has refused to date to give us any assurance that they will continue the programs until we have completed our consideration.

H.R. 7806 is sponsored by the gentleman from New York (Mr. HASTINGS) and all other Members of the Subcommittee on Public Health and Environment. It was reported from the subcommittee and the full committee unanimously. Its purpose is to allow the Congress the opportunity to do the job of rewriting its own health programs.

The bill would authorize for the 12 expiring programs appropriations in fiscal year 1974 at the level contained in the second, vetoed, fiscal year 1973 HEW-Labor appropriations bill, a total authorization of $1,270.6 million; restrict the authorization under section 314(e) of the Public Health Service Act to support of programs for which no other authority is contained in title I of H.R. 7806; deny any court, public official, or public authority the right to require individuals or institutions to perform abortions or sterilizations contrary to their religious beliefs or moral convictions because an individual or institution had received assistance under the Public Health Service Act, the Community Mental Health Centers Act, or the Developmental Disabilities Act; and extend the provision of the Medical Facilities Construction and Modernization Amendments of 1970—Hill-Burton amendments—designed to assure availability of appropriated health funds.

I would like to emphasize that the amount of money we are authorizing, $1.2 billion, is a lot of money but is the amount that the Congress wanted to spend this fiscal year on these programs and is less than the administration wants to obligate on these programs. Further, these are important health programs on which millions of people depend and the congressional determination of their future is an important issue. For all of these reasons, I urge the overwhelming passage of this legislation.

Mr. Chairman, I think that this sufficiently explains the purpose of the bill. However, I might list the 12 programs in total.

| *Program* | *Authorization* |
|---|---|
| *Health Services Research*—Administration would extend permanently | $42,617 |
| *Health Statistics*—Administration would extend permanently | 14,518 |
| *Public Health Training*—Administration would terminate with no phase-out | 23,300 |
| *Migrant Health*—Administration would terminate specific legislative authority and fund under general authority at the same level | 26,750 |

| | |
|---|---|
| *Comprehensive Health Planning and Services*—Administration would extend permanently | 360, 500 |
| *Medical Libraries*—Administration would extend permanently with revisions | 8, 442 |
| *Hill-Burton* — Administration would terminate with no phase-out | 197, 200 |
| *Allied Health*—Administration would terminate with no phase-out | 44, 345 |
| *Regional Medical Programs*—Administration would terminate with no phase-out. (Heart, cancer, and stroke) | 159, 000 |
| *Family Planning*—Administration would terminate specific legislative authority and fund under general authority at the same level | 118, 024 |
| *Community Mental Health Centers*—Administration would terminate with phase-out | 234, 120 |
| *Developmental Disabilities*—Administration would extend permanently with modifications | 41, 750 |
| Total | 1, 270, 000 |

Mr. NELSEN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I should like to preface further remarks by pointing out that our committee, I believe without question, recognizes the need for some change in the programs that we presently have. We find that year by year new programs have been added, and now many of them overlap. Administrative costs are high and getting even higher. Something must be done to improve the situation.

We have a multitude of social programs. There are many that duplicate one another, and of these a great number are in the health fields. We must cure this situation, and we must have the time to do the job properly.

On June 30 of this year—or in about 1 month from now—several of the important public health authorities are due to expire. Many of these programs have achieved great records of success, many others have not done as well, while still other programs have outlived their usefulness.

It is clear that a great deal of thought and study must be given to these expiring authorities. Which ones should be continued or even expanded? Should some be discontinued? Should they be modified? Should parts of some be merged while other parts are discontinued?

These and many other questions must be considered if we are to give the public health laws the full attention they demand. It is clear that we cannot give this sort of attention to these programs in the 1 month we have left before expiration.

The bill we are now considering, H.R. 7806, is designed to give us the time we need to fully and fairly review those programs due to expire. It does not make substantive changes in these programs, it merely extends them for 1 additional year. During that year the Congress can revise the public health laws without the fear of making serious mistakes through undue haste.

It is to the great credit of my friend and distinguished colleague, JIM HASTINGS of New York, that he introduced this measure in the House. Mr. HASTINGS' contribution to the Subcommittee on Public Health and Environment has been considerable. This is but another example of his diligence and plain good sense. I am pleased to have joined with him in cosponsoring this measure.

I should point out, Mr. Chairman, that this bill comes to the floor with one amendment unanimously approved by the full Committee on Interstate and Foreign Commerce. This amendment dealing with "project grants for health services development," subsection 314 (e) of the Public Health Service Act, has the effect of extending the broad flexible authority now contained in that provision.

When the language was originally written in 1966 the committee indicated its intention to provide such flexibility and thus to overcome "undue rigidity in the categorical financing of federally assisted health programs."

The authorization for this provision is consistent with the budget requests for four programs the administration would fund under this authority. While it is expected that these funds will be used for the requested programs, the provision does provide sufficient flexibility to allow the administration the option of requesting a reallocation of funds or a supplemental appropriation at a later time.

As we are all aware, this bill is intended to afford the Congress the time it needs to thoroughly review and where necessary, to rewrite and reorganize public health laws. The administration has given a great deal of thought and study to the programs authorized by these laws. They are strongly recommending that many of them be discontinued as federally supported efforts and that others be significantly modified. While I feel that it is premature for us to go along with these proposals before we have had an opportunity to fully study the programs and issues involved, I am deeply impressed by much of the underlying logic contained in the administration's proposals. I hope that as we review and redraft the public health laws, we give the administration's plan the full weight it deserves.

Mr. Chairman, H.R. 7806 is the necessary means to an important end. I support the measure and urge my colleagues to do likewise.

I should like to point out that recommendations were made by the administration to drop certain programs, including Hill-Burton, with the understanding that much of the financing for hospitals can now be achieved through other programs.

About $800 million will be paid through medicare and medicaid; about $1 billion by private insurance companies through depreciation allowances now available.

The administration has also noted that 56 regional medical programs are now in operation. Many are in almost direct conflict with comprehensive health planning agencies. The result is a great deal of confusion. We must develop a means for revising and, hopefully, coordinating the functions of these programs.

So when the Members take a look at all of the programs that we are talking about here, I think it will be conceded that some change is necessary. In view of the dollar crisis that we are now involved in, we should do everything possible to try to streamline the administration of these programs so that more of our dollars can reach the people.

Our committee has repeatedly endorsed the idea that the total dollar outlay for Federal programs has got to stay within the administration's budget.

For the same programs included in this measure the administration has requested $1.3 billion; we would authorize $1.27 billion. It is true that of the $1.3 billion requested by the administration only about $820 million will be needed for obligation during fiscal 1974. I agree that funding must be kept to the minimum reasonable level.

I would further like to emphasize that what is needed for our health programs is change—well thought out and sensible change.

We believe changes ought to be made and I hope the committee will get right to it and make the changes that are necessary.

In the Rules Committee the other day it was suggested that if we extend this legislation for 1 year, at the end of that year we will be back for another extension. I indicated that I would even entertain the idea of a 6-month extension. However, the main author of the bill and I have discussed this and finally rejected the idea. The point should be made though, that we must get on with this important work at once.

Certainly I want to compliment HEW for trying to make some changes. I think these changes are necessary. I am trying, at this point, only to make it clear that we in the committee recognize there is a need for change. We are concerned about the overlapping of programs, and the great many dollars which are being spent on programs but, yet, are not reaching the people who need them. It is our hope that we can get down to business and make the changes that are necessary during the next few months. We hope that we can work with the administration in developing new, more streamlined, and more workable programs.

Mr. STAGGERS. Mr. Chairman, I yield 5 minutes to the gentleman from Florida, the chairman of the subcommittee (Mr. ROGERS).

Mr. ROGERS. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I rise in full support of this bill which is an extension act for 1 year of significant health programs. I think it is a bill which is critical to the proper development of health legislation over the next 3 or 4 months. As has been stated, it provides for a simple 1-year extension of existing programs which would expire June 30, 1973.

The purpose of this bill, however, goes far beyond the extension of programs because the underlying effect of the bill is to assert that it is the Congress that is to determine health policy in this country and not the Federal bureaucracy.

Mr. Chairman, our committee writes bills whose authorizations expire every 3 years, in order to insure oversight of the programs authorized under our legislation. This year 12 programs expire. These are programs developed as long ago as 1946, when the Hill-Burton Act was first enacted, and as recently as 1970, when the Developmental Disabilities Act was signed by President Nixon.

A substantial number of these programs require detailed revision. It will, however, be impossible to complete our job by June 30, when all 12 programs expire.

During the last few months of the last session of the Congress, Mr. Chairman, our subcommittee attempted to revise and extend some of these 12 programs for a year, so that this year's logjam would not occur. We were prevailed upon—successfully—by officials at the Department of Health, Education, and Welfare to wait until the Department's position on expiring programs could be developed. Although the budget submissions gave some hints of what the proposals would be, it was not until March that the administration's legislative recommendations were submitted to the Speaker. Even more importantly, the recommendations do not contain meaningful substantive revision, as the committee expected in 1973 when we acceded to HEW's request not to extend some of these programs at that time. The request is little more than an "up or down" approach to the 12 programs and leaves to the Congress—and only the Congress—the responsibility for much needeer evaluation and revision of the program.

In the request, HEW seeks extension of five of the programs with virtually no revision. These include health statistics, health services research and development, medical libraries, developmental disabilities, and comprehensive health planning. It seeks extension of two of the programs by funding them under broad general authorities, despite the existence of legislative guidelines for these programs carefully developed by the Congress. These are migrant health and family planning. But most critically, Mr. Speaker, HEW recommends abrupt termination of five substantial health programs—regional medical programs, assistance to new community mental health centers, assistance to schools of public health, assistance to schools of allied health, and the Hill-Burton hospital construction and modernization program. While no member of our subcommittee would assert that based on the programs' experience over the past 3 years, these programs do not need modification, abrupt termination is unthinkable. It would ignore the good features that should be retained in these programs through revision of the programs or incorporation of them into other health programs. It ignores the welfare of millions of persons, of educational institutions and health care facilities that depend upon these programs. In fact, the Assistant Secretary for Health, Dr. Charles E. Edwards, in testimony before our subcommittee last month, acknowledged the necessity for phaseout time even if these programs were to be completely terminated, which, by the way, I assure my colleagues will not be the recommendations of our subcommittee.

I asked Dr. Edwards if HEW would need a period of adjustment if the subcommittee were to decide to terminate authorities under 314(e) of the Public Health Service Act. Dr. Edwards responded that, yes, HEW would need a little adjustment period. This is what the subcommittee would provide these individuals and institutions at the very least—a period of adjustment of 1 year.

Moreover, Mr. Chairman, presently there is very broad authority in the Public Health Service Act and we are addressing ourselves to that issue as well so that we can stop overlapping. We have already taken up one of four bills that the committee will develop this year to revise expiring programs. One of the purposes of that bill will be to refine this broad authority which has been used by the bureaucracy to go off on its own instead of staying within the guidelines that the Congress itself desires to set.

I think one section of this bill should be clarified, Mr. Chairman. The committee has authorized to be appropriated under section 314(e) funding for only those programs which have no other current legislative authority. It should be clearly understood that these programs are the only programs which HEW has the authority to fund under this section. As the committee report indicates, we would like to see 314(e) used to develop new and innovative programs as originally intended, and would be receptive to administration requests in the form of legislation to implement the amendment in this fashion.

Mr. Chairman, it is important to note that this bill is hardly a budget buster. The authorization figures in this bill are based on the second 1973 fiscal year vetoed appropriation bill. In fact, the total authorization for this bill is approximately $3 million less than the administration's 1974 budget request for these programs. So it is not money that is the issue, Mr. Chairman. The issue is whether or not it will be the Congress or the bureaucracy that will determine health policy for this country.

Finally I want to commend the members of the subcommittee for their very diligent work. All of the members have participated in a most active way. The gentleman from Minnesota (Mr. NELSEN) on the minority side and the author of this bill the gentleman from New York (Mr. HASTINGS) have been most vigorous in trying to bring about proper legislation in the health field. Then of course I thank the Members of the majority who have all had a significant input. I would like to recognize them here on the floor: The gentleman from Virginia (Mr. SATTERFIELD), the gentleman from Maine (Mr. KYROS), the gentleman from Missouri (Mr. SYMINGTON) and the gentleman from North Carolina (Mr. PREYER) and the gentleman from Kansas (Mr. ROY). Moreover, the gentleman from Pennsylvania (Mr. HEINZ) and the gentleman from Indiana (Mr. HUDNUT), have had substantial input.

Of course we are very sorry that another member of the subcommittee, our very distinguished colleague, the gentleman from Kentucky (Mr. CARTER), because of illness in his family was unable to be here, but his office has sent word that he is in strong support of this legislation.

We have tried to present this legislation in a very bipartisan manner for the best interest of the Nation's health. I urge the bill's adoption.

There are some who fear that a 1-year extension might phase us into another extension, and another extension, feeling that perhaps we will not really get down to cases and make the changes that appear to be necessary.

I would like to have the chairman comment and endorse on what he has already said, but the point is that we are not going to sit around and wait. We are going to do the job that ought to be done.

Mr. Chairman, I agree 100 percent with what the gentleman has just said. We are going to look at expiring programs as quickly as possible, look at the recommendations of HEW, and try to make quick judgments so that we can bring specific recommendations to the Congress to act on them.

Our committee has no opposition to changes where programs are not operating. I am sure the gentleman will substantiate that we are willing to make changes, but we want to do it properly. We just cannot automatically cut off a program without looking at it and making some adjustment.

In fact, as I stated earlier, the Assistant Secretary of Health, Education, and Welfare in testimony before our committee the other day, when I asked him, "Suppose we just terminated the broad authority, found in section 314(e) of the PHS Act, as of June, would you need a period of time to make some adjustments?" He said to the effect that "Of course we would need time."

And that is the reason why the passage of this legislation is necessary.

Mr. NELSEN. Mr. Chairman, I thank the gentleman.

Mr. Chairman, I yield such time as he may consume to the gentleman from New York (Mr. HASTINGS).

Mr. HASTINGS. Mr. Chairman, H.R. 7806, the Health Programs Extension Act of 1973, would extend several provisions of the Public Health Service Act, the Developmental Disabilities Act, and the Community Mental Health Centers Act for 1 year; to June 1974.

Among the programs to be continued are: comprehensive health planning, regional medical programs, Hill-Burton hospital construction, and community mental health centers.

The administration has proposed elimination of 5 of the 12 major health authorities included in this extension.

When I first introduced this measure in February, I made it very clear that my support for 1 year extension does not constitute a blanket endorsement of all of these programs. It merely indicates support for the proposition that this Congress has the right, indeed the responsibility, to thoroughly review and determine the future of programs that the Congress itself has created.

This then is the major thrust of H.R. 7806. To provide this Congress, through activities of the Subcommittee on Public Health and Environment, the necessary time to reconstruct these health proposals, to eliminate those that are no longer productive, to improve those that are viable.

The passage of this measure will record the fact that Congress is a coequal branch of the Federal Government, together with the executive branch.

I must advise the House, Mr. Chairman, that the work of restructuring these health programs has already begun, and I am confident that before the calendar year 1973 has concluded, that this House will have the opportunity to express itself on many of the new proposals.

In considering this legislation, the Subcommittee on Public Health and Environment made every effort to keep authorization levels within the constraints of the administration's budget request for fiscal year 1974. These efforts were successful.

The total authorization level in this bill is $1.27 billion—this compares most favorably with the administration's request of $1.3 billion.

It is true that the administration would allocate these funds in a different manner. They would substantively modify the applicable acts by terminating some programs and increasing emphasis on others. Our measure would extend these programs on an interim basis while providing only a minimum level of funding—thus we would be able to adhere to the administration's budget levels while at the same time assuring program continuity.

H.R. 7806 also contains a freedom of conscience provision relating to abortion. This measure is designed to protect any individual or institution, who, for moral or religious convictions, do not wish to participate in an abortion or sterilization procedure, from so doing merely because it has received Federal assistance under the Public Health Service Act, the Community Mental Health Centers Act, or the Developmental Disabilities Act.

Mr. Chairman, the public health programs of this Nation touch the lives of millions of Americans every day. These are our constituents. This Congress put these measures into law, and it is this Congress that should determine which of these measures should continue in the law.

In order to live up to this responsibility, we must have a reasonable amount of time to fully examine all alternatives and determine a final course of action.

H.R. 7806 would afford us this time and I strongly urge its passage.

Mr. GERALD R. FORD. Mr. Chairman, will the gentleman yield?

Mr. HASTINGS. Certainly, I yield to the distinguished minority leader, the gentleman from Michigan (Mr. Gerald R. Ford).

Mr. GERALD R. FORD. Mr. Chairman, I think the comments made by the gentleman from Minnesota, the gentleman from New York, and the gentleman from Florida are very helpful.

Let me ask this hypothetical but also a very real question:

First, is there a comparable bill in the other body? And if so, how does it relate to this proposal?

Mr. HASTINGS. Mr. Chairman, I might say that I am glad the gentleman asked the question. The Senate, by a vote of 72 to 19 has passed the extension act. There are differences, however, in that they extended at last year's authorization level. We, section by section, program by program, go to an authorization which equaled last year's appropriation. That is the major difference.

Mr. GERALD R. FORD. Would the gentleman from Florida wish to comment? I would appreciate having his observation.

Mr. HASTINGS. I am glad to yield to the gentleman from Florida.

Mr. ROGERS. I would be glad to comment.

We believe, from the discussion we have had, that we the Senate committee is very satisfied with the appropriation levels available in the House bill. I hope rather optimistically that perhaps the Senate will accept the House action. I would hope that would be the case, and there is some reason for the hope.

Mr. GERALD R. FORD. I am grateful for the comments of the distinguished gentleman from Florida. On this assurance I believe the situation changes some what significantly in this body, and certainly so on the basis of the comments made and the colloquy between the gentleman from Minnesota and the gentleman from New York, and others on the Democratic side. If we can rely on this assurance, and I certainly do, then there is a rationale which is perfectly understandable for a 1-year extension as proposed.

Mr. HASTINGS. I thank the gentleman for his support.

Mr. HEINZ. Mr. Chairman, will the gentleman yield?

Mr. HASTINGS. I yield to the gentleman from Pennsylvania.

Mr. HEINZ. I thank the gentleman for yielding.

Mr. Chairman, I must say I deeply appreciate the comments of the distinguished minority leader on H.R. 7806, The Health Programs Extensions Act of 1973. As a member of the House Subcommittee on Public Health and Environment, I should like to take this opportunity to compliment the leadership and hard work of the gentleman from Florida, my subcommittee chairman, Paul Rogers, as well as that of the distinguished gentleman from New York (Mr. Hastings) and all those on the subcommittee who have worked so long and hard on this bill.

This bill extends for 1 year the authorizations for 12 major health programs which expire on June 30, 1973. This includes programs for health services research and development, health statistics, public health training, migrant health, comprehensive health planning, medical libraries, Hill-Burton hospital construction, allied health training, regional medical, and family planning and population research. The total 1-year authorization level for this bill is $1.21 billion, equal to the amount of budget authority requested by the administration for these programs.

The Department of Health, Education, and Welfare has proposed, however, a radical revamping of current Federal health programs. HEW has asked Congress to phase out several programs, including public health training, Hill-Burton, allied health training, regional medical programs, community mental health centers, and support for developmental disabilities. In addition, HEW seeks to reduce funding for health services research and development, and to hold funding at 1973 levels for family planning and population research and developmental disabilities. Slight increases are requested for medical libraries and health statistics, while comprehensive health planning is slated for substantial funding increase.

The Health, Education, and Welfare Department's proposals deserve the most careful and complete congressional consideration. These proposals would redirect Federal efforts in the health area and have serious implications for the present and future health needs of our citizens as well as for our health care institutions. H.R. 7806 will allow the public health and environment subcommittee the time needed to fully consider these proposals on their merits.

The time has certainly come for Congress to reexamine completely all current Federal health programs in light of the Nation's health needs in the 1970's and in light of current and future budgetary restrictions. While the administration is to be praised for confronting such difficult questions as the appropriate Federal role in health and how well current programs mesh with that role, under our constitutional system of government it is Congress that must determine the answers to those difficult questions. H.R. 7806 provides the additional time necessary for Congress to review all health programs, and to consider thoroughly the administration's proposed new departure for Federal health efforts. Then the programs that Congress agrees are no longer necessary or appropriate or have failed may be phased out or restructured, while any programs necessary may be continued, revitalized or supported with increased resources.

There is an important additional reason for swift and unanimous approval of H.R. 7806. It contains provisions preventing health care personnel from being compelled by their employers to cooperate in sterilizations or abortions when they find such procedures morally abhorrent.

A recent Federal court case in Montana has made urgent the question of whether Congress intended Federal money to be used as a lever to force religiously affiliated hospitals to perform medical procedures they regard as violating their religious or moral convictions. In the Montana decision, the judge ordered the Catholic hospital in Billings, Mont., to perform a sterilization, even though such an operation is contrary to Catholic moral codes. One of the bases for the court order was the one-time receipt by the hospital of Federal Hill-Burton construction assistance.

Section 401(b) of H.R. 7806 guarantees that the mere receipt of Federal health funds cannot be used as the basis for requiring any institution to allow the performance of sterilizations or abortions in its facilities. This language assures that institutions that have observed moral codes in the past will not be forced to depart from them simply because at some past time they received Federal funding from programs under the committee's jurisdiction. The proposal deserves the support of the full House.

Mr. Chairman, H.R. 7806 is a good bill. It represents a real meeting of the minds on the part of the minority and the majority members of the subcommittee, as well as the full House Commerce Committee and I, therefore, urge my House colleagues to support H.R. 7806.

Mr. MICHEL. Mr. Chairman, will the gentleman yield?

Mr. HASTINGS. I am delighted to yield to the gentleman from Illinois.

Mr. MICHEL. Did I correctly understand, in answer to one of the questions, the gentleman responded by saying that the authorizing legislation here for 1 year is at last year's appropriation level rather than at the authorizing level?

Mr. HASTINGS. The gentleman is entirely correct. We took the figures from last year's actual appropriations and substituted those for this year's authorization.

Mr. MICHEL. Further, the bill that passed the other body was at what level? At the authorizing level?

Mr. HASTINGS. They went the simple extension route, which would have included last year's authorization. However, as the gentleman from Florida previously mentioned, we have reason to believe the other body in its wisdom will accept the House version.

Mr. MICHEL. I would certainly hope so.

I thank the gentleman for yielding.

Mr. NELSEN. Mr. Chairman, will the gentleman yield?

Mr. HASTINGS. I yield to the gentleman from Minnesota.

Mr. NELSEN. I should like to point out that in our discussions in the committee we tried to devise language for our report dealing with the overall health budget. We wanted to indicate our feeling that we should keep our level of expenditure within the budget requests. How to do that was problematical, because we do not make the appropriations.

I believe that some kind of endorsement of that idea would have a bolstering effect on the Appropriations Committee. It would be an indication of our willingness to support it.

Mr. HASTINGS. I thank the gentleman for his comment.

Mr. BUCHANAN. Mr. Chairman, will the gentleman yield?

Mr. HASTINGS. I yield to the gentleman from Alabama.

Mr. BUCHANAN. I should like to join other Members in commending the gentleman from New York, the chairman of the subcommittee and others responsible for this legislation. Their leadership has been of decisive importance to a great many people across the land who will directly benefit from these programs. I thank them for it.

Mr. BAKER. Mr. Chairman, will the gentleman yield?

Mr. HASTINGS. I yield to the gentleman from Tennessee.

Mr. BAKER. I rise in support of this legislation. I respect the excellent job which has been done by our colleagues.

Mr. Chairman, I rise in suport of H.R. 7806, which extends 12 major health programs through fiscal year 1974. I respect the excellent job our colleagues have done and am pleased to count myself among the many cosponsors of this legislation—and I hope a solid majority of the Members of this House will vote to approve this important measure.

My record here in the House, I believe, reflects my deep concern over Federal spending and my support of efforts to get the Nation back on the road to fiscal sanity. And, I cannot argue with the evidence that many of our health programs should be revised and, perhaps, some should be terminated.

However, I am convinced they should not be terminated until Congress has had a chance to evaluate them and propose alternatives where needed. This legislation gives us the time we need to review our health programs and to develop proposals and to enact new programs to meet the needs of this Nation for better health care in the years to come.

Mr. HUDNUT. Mr. Chairman, will the gentleman yield?

Mr. HASTINGS. I yield to the gentleman from Indiana.

Mr. HUDNUT. Mr. Chairman, I rise in support of H.R. 7806, the Health Programs Extension Act of 1973. This bill would extend for 1 year—or less, if oversight hearings can be held promptly and Congress can undertake the necessary evaluation which is the prerequisite for arriving at definitive conclusions about terminating or continuing these programs—12 major health programs for which authorizations expire on June 30, 1973. These include: health services research and development, national health surveys and studies, public health training, migrant health, comprehensive health planning services, assistance to medical libraries, Hill-Burton program, allied health professions training, regional medical programs, population research and family planning, the Community Mental Health Centers Act, and the Developmental Disabilities Services and Facilities Construction Act. In writing this bill, our Subcommittee on Public Health and Environment has geared the total authorizations as closely as possible to reflect the fiscal year 1973 appropriation levels. The total authorizations provided in H.R. 7806 are $1,250,966,000.

The authority for all of these programs expires on June 30 and obviously the Congress cannot do a thorough job of evaluating and restructuring each one separately. While it is true that the administration has raised serious questions about the effectiveness of several of the programs such as Hill-Burton and regional medical programs, the Congress should have an opportunity to work its will on the shape of this legislation. In order to permit an orderly transition period, I feel it is necessary to extend all these legislative authorities for up to 1 year—and that is exactly what H.R. 7806 will do. It represents an attempt to buy needed time.

One of the programs which is particularly deserving of support is the Community Mental Health Centers Act which was passed originally by the Congress in 1963. Since that time it has resulted in the funding of some 500 new community mental health centers with a profound effect upon the delivery of mental health services in this country. There is documented evidence that these centers have contributed significantly to a decline in the census of state mental institutions. For example, the population of Central State Hospital in Indiana has declined from 2,100 to below 900 since the advent of the initial community mental health center. There is no reason why the progress that has already been made cannot be duplicated throughout America if Federal funds for new centers continue to be available. About 1,500 catchment areas have been identified in the United States for this program, and with only 500 centers operational, we are only one-third of the way home. We should continue to a complete conclusion, before terminating Federal participation in these demonstrably successful programs.

In addition to extending the health programs, H.R. 7806 contains a reasonable, successful, and necessary freedom of conscience provision relative to abortions. The last section of the bill states that no court or other public authority may require an individual or organization to participate in, or make its facilities or personnel available for, the performance of abortions if there is objection on the basis of religious beliefs or moral convictions.

This legislation has strong bipartisan support. It is cosponsored by all members of the Subcommittee on Public Health and Environment. The Interstate Commerce Committee reported it out without dissent. It is my hope that it will receive an overwhelming endorsement by the House of Representatives.

Mr. STAGGERS. Mr. Chairman, I yield 5 minutes to the gentleman from Texas (Mr. ECKHARDT) a member of the committee.

Mr. ECKHARDT. Mr. Chairman, I thank the gentleman from West Virginia (Mr. STAGGERS), the chairman of the committee, and I wish to compliment him and the chairman of the subcommittee, the gentleman from Florida (Mr. ROGERS), as well as the gentleman from New York (Mr. HASTINGS), the author of the bill, for the product that is presented to us here, which I think is excellent. I intend to support it.

There is a question I should like to ask of the chairman. I direct the gentleman's attention to section 401(b) of the bill, and I wish to ask him if he has the same impression of the meaning of that section that I do. It says that the receipt of any grant under the three acts referred to does not authorize any court or public authority to require an individual or facility, such as a hospital, to participate or make its facilities available for abortion or sterilization.

Mr. Chairman, I would think that nobody would be compelled today to perform any act of this nature contrary to his religious beliefs or moral convictions, and I think the *Roe* case of the Supreme Court would not affect those personal rights. Therefore, I was worried about the inclusion of this language when the bill was before our committee. It seemed to me to be unnecessary. I wondered what it was really intended to do.

Mr. Chairman, what troubled me was the provision that the receipt of the grants under the laws in question were said not to "authorize any court" to require certain things.

Now, I am not so much concerned one way or the other about the abortion question, but I am very much concerned about not writing any laws that infringe on any courts' rights to interpret the Constitution. If we create Federal courts, as we have, and they are called upon to deal generally with the Federal law and the Constitution, I do not think we can hamper them in their interpretation of the Constitution by means of a statute.

Mr. Chairman, I hope that is not what section 401(b) is designed to do.

Mr. STAGGERS. Mr. Chairman, in reply to the question of the gentleman from Texas (Mr. Eckhardt) I would agree with him that it is not. The answer would be: No, it is not.

All we are saying here is that the receipt of assistance under the statutes mentioned in 401(b) is not intended, in and of itself, to authorize any person, including a court, to require a facility to perform sterilization or abortion procedures.

Mr. ECKHARDT. Then do I understand correctly that we are not attempting in the statute to curtail the exercise in the Federal Court of any right which an individual may assert as his constitutional right?

Mr. STAGGERS. Certainly not.

Mr. ECKHARDT. Mr. Chairman, I must say that I think this is a fine piece of legislation. I think it should be fully supported.

Mr. Chairman, I should like to ask the gentleman from Minnesota (Mr. Nelsen) if he would agree with what the gentleman from West Virginia (Mr. Staggers), the chairman of the committee, has said in this regard.

Mr. NELSEN. Mr. Chairman, it is my understanding that the details and the interpretation here have been based on pretty careful examination by proper legal counsel. I would have to say that I would go along with their interpretation. Although I am not a lawyer myself, I would say it is my understanding that it is all right.

Mr. ECKHARDT. Mr. Chairman, I thank the gentleman.

Mr. NELSEN. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Massachusetts (Mrs. Heckler).

Mrs. HECKLER of Massachusetts. Mr. Chairman, I would like to compliment this distinguished committee on the bill which we have before us. It is comprehensive and responsible legislation. I would particularly like to compliment them for including title IV section (b) in the bill, because it is addressed to what I believe is a fundamental problem in our society today.

Title IV section (b) recognizes that the right of conscience exists for both individuals and institutions. It provides that an individual, a hospital, or other medical entity, may follow the dictates of its religious or moral conviction in facing the question of performance of abortions or sterilizations, without jeopardizing its eligibility for Federal assistance.

This bill does not directly affect the issue of abortion; it merely states that Federal funds cannot be used as grounds for compelling those who are opposed to abortion or sterilization to perform what to these individuals and institutions are repugnant acts.

Mr. Chairman, I think it is extremely important that in our society we respect this right of conscience. As my colleagues will recall, the right of conscience has long been recognized in the parallel situation in which the individual's right to conscientious objector status in our selective service system has been protected. This doctrine has been continually approved in Congress, and has even been expanded by the Supreme Court to include moral conviction as well as formal religious belief.

I know all of my colleagues agree that abortion is a profoundly moral issue, on which people differ sharply. It is vital that the freedom of religious belief and moral conviction with regard to this issue be respected, just as military conscientious objection is respected. Therefore, I believe that we in this Chamber should ratify the provision which the Commerce Committee so wisely saw fit to include in this legislation.

For some months, I have been working to secure passage of a protection for the the right of conscience in the abortion question. In February, I introduced H.R. 4797, which was cosponsored by 47 of my colleagues, listed below, and which provided that individual hospital workers could not be forced to assist at an abortion if the practice was contrary to their personal moral belief:

COSPONSORS

Archer, Burke of Massachusetts, Don Clausen, Cronin, Delaney, Derwinski, Esch, Forsythe, Gude, Gunter, Hanrahan, Hansen of Idaho, Helstoski, Holifield, Holt, Howard, Huber, Hudnut, Jordan.

Ketchum, Kuykendall, Lujan, Madigan, Mazzoli, McCollister, Mink, Moakley, Nedzi, Obey, Powell of Ohio, Quie, Rhodes, Rinaldo, Roncallo of New York, Roy, Ryan, J. Wm. Stanton, Sullivan, Whitehurst, Zwach.

Steiger of Wisconsin, Conte, Mayne, Sisk, Broomfield, O'Neill, Karth.

Subsequently, I introduced a companion bill, H.R. 6445, which extended the right of conscience to institutions as well as individuals. This was in line with a similar proposal by Senator Church in the other body. The following Members of the House cosponsored this legislation:

COSPONSORS

Murphy of New York, Madigan, Chisholm, McKay, Pritchard, Whitehurst, Moakley, O'Brien, Huber, Frenzel, McCollister, Grasso, Studds, Boland, Burke of Massachusetts, Sisk.

Although the specific mechanism provided in my original legislation is not incorporated in H.R. 7806, the thrust and intent of the provision before us are the same, and I wholeheartedly support it.

It is crucial that the House of Representatives protect one of the most precious rights—the right to say "no" out of moral belief, without the threat the vast array of Federal assistance programs will be shut off as a consequence. I firmly believe that every Member of the House can support this bill regardless of one's position on the question of abortion itself. We are concerned here only with the right of moral conscience, which has always been a part of our national tradition.

For those who still question the relationship of this legislation to the recent Supreme Court decisions on abortion, let me say that the Court decisions were in fact very narrowly drawn, and they leave in their wake a broad range of policy questions to which Congress must address itself. While on the one hand, in Roe against Wade and Doe against Bolton, the Court acknowledged the right to seek an abortion, on the other hand, the Court refrained from compelling religiously affiliated hospitals to perform abortions. Further, statutes which extended the legal right of individuals in this regard to institutions were ruled permissible.

What is thereby left to Congress, and what is now provided in this legislation, is the application of this dicta to the question of Federal assistance to those individuals and institutions which assert their right of conscience. Rather than conflicting with the Court rulings in these two cases, H.R. 7806 fulfills them.

This is responsible, carefully drafted legislation. It establishes a strong protection against any possible repression or discrimination which might arise out of the vacuum left by the Court decisions. I urge the support of my colleagues.

Mr. BURKE of Massachusetts. Will the gentlewoman yield?

Mrs. HECKLER of Massachusetts. I am glad to yield to the gentleman.

Mr. BURKE of Massachusetts. I wish to associate myself with the remarks of my distinguished colleague from Massachusetts. She has explained this problem with great clarity and commonsense. I have supported her position on the right of conscience for the individual, and I also believe that we must protect that right. I can attest to the leadership which the gentlewoman from Massachusetts has provided in this field. It is because of her commitment to individual rights and religious freedom that we in the House have an opportunity today to enact legislation that will insure that religious belief and moral conviction will never disqualify a person or a hospital from eligibility for Federal assistance. Certainly my support, and the support of many of my colleagues for the gentlewoman's original legislation gives ample evidence of the widespread commitment there is in this House for the cause of the individual right of conscience.

Mrs. HECKLER of Massachusetts. I thank the gentleman. I yield back the balance of my time.

Mr. STAGGERS. Mr. Chairman, I yield whatever time he may require to the distinguished member of the subcommittee, Dr. Roy of Kansas.

Mr. ROY. Mr. Chairman, I would like to associate myself generally with the remarks of the gentlewoman from Massachusetts and congratulate her on her statement with regard to the freedom of conscience amendment which has become title IV of H.R. 7806.

I supported this in subcommittee and

in committee, and I feel we will get strong support here on the floor of the House today to adopt this very important portion of this bill.

Mr. Chairman, this afternoon we are considering three bills reported from the Committee on Interstate and Foreign Commerce. These three bills are important to the future health of the people of this country.

The first bill, H.R. 7806, concerns the extension of various health programs. There is a great need for this legislation. For without the passage of this legislation, there can be no appropriations for these programs and several of them—the Hill-Burton hospital construction program, the regional medical program, and the programs to assist schools of public health and allied health—will die.

The central question with respect to this legislation is one of responsibility. There is no doubt that the Federal Government has a responsibility to the people to limit the Federal budget, to limit taxes. But the Federal Government also has a responsibility to survey the needs of the people and to act to meet those needs if no other source of assistance is apparent.

The Federal Government also has responsibility with respect to its own programs; to survey such programs periodically; to improve those which are not functioning in an optimal manner; and to discard those which are no longer needed. This responsibility also includes the responsibility to continue those programs which continue to be needed and to base changes or discontinuation of programs on hard studies and careful analysis.

But if we look at the administration's activities in the health field, we find that its decisions are arbitrary and irrational. In 1972, Dr. Merlin DuVal, then Assistant Secretary of Health, Education and Welfare, told the members of the Subcommittee on Public Health and Environment that the administration would submit detailed legislative recommendations in connection with the 1972 budget. It was reported that the Department of Health, Education and Welfare was at that time reviewing the programs in detail and would have necessary and desirable amendments when the fiscal year 1974 budget was presented.

Such proposals were not, in fact, submitted with the fiscal year 1974 budget. They were not, in fact, received until late in March. And these proposals, promised as a result of extensive review and careful analysis revealed no such extensive review and careful analysis. Those proposals would extend, with virtually no revision, five of these expiring programs. They would place two others under a broad general authority obviating the need for their extension and negating existing congressional guidelines for them. And they would terminate five others.

In view of this late presentation, this lack of careful consideration, and this lack of necessary and desirable amendments on the part of the administration, extensive congressional review is appropriate at this time. The congressional review which was begun, then delayed, at the express request of the administration.

This is the situation, then, which necessitates the extension of all of these programs, unchanged, for 1 year.

If these programs are extended, by H.R. 7806, it is anticipated that most of them would be revised, and some of them may be terminated within the year. But such changes or terminations would be responsible. They would be after the committee has had an appropriate opportunity for careful and detailed consideration and after the Congress has had the opportunity to vote upon them.

In developing this legislation, careful consideration was given to an appropriate level for authorization for these programs during fiscal year 1974. The authorization provided in this legislation is not excessive. It is far less than the amounts previously authorized for these programs. In fact, the decrease is from $2.2 billion for fiscal year 1973 to $1.2 billion for fiscal year 1974. The basis for the figures in the legislation come from the second, vetoed fiscal year 1973 Labor-HEW appropriation legislation. If we can compare this to the administration's own budget request for these programs for fiscal year 1974, we find the administration figure of $1.30 billion is somewhat more than the amount authorized under this bill.

Mr. Chairman, because of the need for Government to act responsibly, and because of the need for the Congress to play its role in responsible Government, especially in an instance in which the administration is acting irresponsibly, I urge the passage of this legislation.

Mr. STAGGERS. Mr. Chairman, I yield whatever time he may require to the distinguished member of the subcommittee, Mr. SYMINGTON, of Missouri.

Mr. SYMINGTON. Mr. Chairman, I simply want to say it has been a great privilege working on this legislation under our chairman and with the majority and minority members.

I think this subcommittee has worked as hard on this particular piece of legislation as on any I have seen.

I submit, based on all of the testimony we have received and the various extension involved here, that it enjoys the full support of the medical community in this country in order to do the job that has been given us to do.

Mr. STAGGERS. Mr. Chairman, I yield 1 minute to the gentleman from Florida (Mr. LEHMAN).

Mr. LEHMAN. Mr. Chairman, I am glad to see that the Interstate and Foreign Commerce Committee has reported out this legislation to extend several of our health programs for another year. In particular, the regional medical program, the Community Mental Health Centers Act, and the migrant health programs are important to Florida.

Dr. Clyde E. Moore, chairman of the Florida Regional Advisory Group, wrote to me saying:

> The Regional Medical Program concept is virtually tailor-made for Florida. It enables the decisions regarding the use of available funds to be made here by citizens most knowledgeable about Florida's unique health needs and problems. FRMP's funds have been used in a manner which is enabling the State to "catch up" medically. The Program has operated efficiently and effectively without bureaucracy or organizational inertia.

Unlike most States, Florida was late in establishing medical schools within its borders due to the existence of laws against the dissection of the human body. In fact, Florida's first medical school, which is at the University of Miami, is barely 20 years old, and Florida's third medical school has not yet graduated its first class.

Consequently, many Floridians in need of medical care, and who could afford to do so, have gone to medical centers out of State for specialized kinds of care. Others, who could not afford the expenses involved in going out of State, have done without.

Under the regional medical program, Floridians have been able to remain within the State to obtain kidney transplant surgery. Two transplant centers have already been established at Gainesville and Miami, and a third is planned for Tampa. Kidney dialysis centers have been made possible by RMP in Jacksonville, Orlando, and Pensacola.

Despite claims that the regional medical programs have had high administrative costs, in Florida, administrative costs have been held to 4 percent.

Another program headed by FRMP has been the launching of a demonstration project to bring new techniques to fight hospital-acquired infections to 10 hospitals in the Dade and Broward County areas. The project was so successful that a similar project is being planned for the Hillsborough-Pinellas area.

The second program of importance to Dade County is the Community Mental Health Centers Act. There now exist in Florida only 10 community mental health centers. Dade County does not have one. However, a grant is pending in Washington awaiting funding, and another is in the review process.

Aside from the needs of my own district, such centers which have proven to be successful are needed on the nationwide scale, as originally envisioned. The National Mental Health Association estimates that the annual economic loss in the Nation due to mental health related causes is $300 billion in any given year.

Migrant health programs are a third category of importance to south Florida. In 1972, Florida received a little over $2.5 billion to provide health care to its migrant workers. The recent outbreak of typhoid at a labor camp in South Dade County, and the subsequent emergency, indicate that the needs of the migrants in this country have hardly diminished.

I urge my colleagues to lend their support to the extension of these programs.

Mr. STAGGERS. Mr. Chairman, I yield 1 minute to the gentlewoman from Texas (Miss JORDAN).

Miss JORDAN. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in support of the bill H.R. 7806. My interest in the bill is both general and specific. It is specific in light of the needs of the Texas Medical Center, which is located in my district. My general interest was expressed in my cosponsorship of similar legislation, H.R.

6332, which proposed to extend the life of the same broad range of vital health programs. Mr. Chairman, the Congress cannot allow this significant Federal support for health care and its delivery systems to be precipitously terminated as this administration proposes to do. Pending congressional oversight and legislative improvements, these programs must be kept alive so that the training of health care personnel and the delivery of important health services are not disastrously disrupted. I hope that this measure as worked out by the committee does pass.

Mr. STAGGERS. Mr. Chairman, I yield 1 minute to the gentlewoman from New York (Ms. Abzug).

Ms. ABZUG. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I was pleased to hear the gentleman who is managing the bill state that section 401(b) does not constitute an attempt to curtail the assertion in a Federal court of any right which an individual may assert as a constitutional right.

The abortion cases which were decided by the Supreme Court in January, Roe against Wade and Doe against Bolton, held that the constitutional guarantees of privacy and due process of law limit the right of the Government to interfere with the right of a woman to terminate a pregnancy that she does not desire to continue.

It has been held in a number of cases that hospitals receiving Federal funds are subject to the same limitations as is the Government when constitutional rights are involved. In *Sams* v. *Ohio Valley General Hospital Association,* 413 F.2d 826 (4 Cir., 1969), the court wrote as follows:

> Substantial Federal moneys invited and flowing into the defendant hospitals under the Hill-Burton Act entail, in return, obligations of observance of Federal constitutional mandates. Disregard of them is State action, for the act trusts the State to maintain a fair and just governance of these hospitals accepting the aid of the legislation.

The Sams case is similar to the situation presented to us today, for the constitutional right there being violated was the right to travel, a right—like the right of privacy—which is nowhere in the constitution explicitly delineated, but which has been interpreted as being a constitutional guarantee. A constitutional right is no less sacred because it is not explicitly spelled out in the Constitution.

In *Simkins* v. *Moses H. Cone Memorial Hospital,* 323 F. 2d 959 (4 Cir., 1963), the court held that racial discrimination by an institution receiving Federal health funds was impermissible. The court referred to the erroneous view that for an otherwise private body to be subject to the antidiscrimination requirements of the 5th and 14th amendments it must actually be rendered an instrumentality of government, and stated that the proper criterion to be applied in a case of this sort is whether the State or the Federal Government, or both, have become so involved in the conduct of these otherwise private bodies that their activities are also the activities of these governments and performed under their aegis without the private body necessarily becoming either their instrumentality or their agent in the strict sense.

To allow health care institutions receiving Federal funds to prohibit the use of their facilities for legal, safe surgical procedures protected by the Constitution would violate the rights of individual citizens to have abortions or sterilizations and the rights of physicians and other health care personnel to perform such procedures.

There is an additional constitutional obstacle with regard to hospitals operated by religious organizations. Giving such an institution Federal funds while it refuses to perform, on religious grounds, abortion or sterilization procedures, would violate the establishment clause of the first amendment.

There is also the issue of discrimination against persons of lesser means. The clearest example of this is that of a woman who desires an abortion but whose local hospital—an institution receiving Federal funds—refuses to perform such operations. Unless she can afford to go to another hospital, perhaps hundreds of miles distant, her constitutional right will be rendered utterly meaningless. I might add that this is far from a hypothetical case, for there is presently pending before the U.S. Court of Appeals for the Seventh Circuit the case of a woman who desires an abortion in a midwestern municipality in which all three hospitals—all of which receive governmental assistance—refuse to permit the use of their facilities for the procedure.

Congress may not by statute limit constitutional rights. Nor, having created Federal courts inferior to the Supreme Court, may it hamper them in their interpretation and enforcement of the Constitution by means of a statute.

Mr. HORTON. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from New York.

Mr. HORTON. Mr. Chairman, I rise in support of H.R. 7806 and H.R. 7724. We have under consideration today legislation that tests the Federal commitment to the health care needs of our Nation. H.R. 7806 now under debate would authorize the continuation of 12 major health programs due to expire on June 30. Once that bill is dispensed with, we will proceed on H.R. 7724, legislation to extend for 2 years biomedical research training and fellowship grants.

These two bills represent a response by the House to the fiscal year 1974 budget proposals submitted by President Nixon. The administration budget for the Department of Health, Education, and Welfare reduces Federal support for health care delivery and service programs, in some cases to extinction, and decreases basic research funds. These proposals were presented in the name of economy—something all American taxpayers want—but this is false economy when we place in jeopardy the welfare of America's people.

Before turning to the merits of the legislation before us, I am compelled to register a note of thanks to two of our colleagues. I speak of Paul Rogers of Florida and of my New York colleague, Jim Hastings. H.R. 7806 and H.R. 7724 are the products of their leadership and it is to them that we owe this opportunity to protect the health needs of our country. I should also add that I am fortunate to represent a district whose medical community is regarded as among the finest in our country. Representatives of the University of Rochester School of Medicine and Dentistry and medical personnel involved in the numerous programs threatened by the administraton's budget proposals mounted an unprecedented effort to bring their concerns to Congress. They have worked closely with Mr. Hastings and with Mr. Rogers and his subcommittee and their efforts have had a measurable impact on the legislation now at hand.

Mr. Chairman, H.R. 7806, the Health Programs Extension Act, is a device to buy time and thereby avoid the wholesale disruption or scrapping of a number of vital programs. These programs include public health training, the Hill-Burton hospital construction program, regional medical programs, community mental health centers, allied health training, migrant health, and family planning and population research. To be sure, many of the programs extended by this bill need to be reappraised. Members of the medical community whom I have consulted have been quick to agree that there is a need for restructuring certain programs to meet the changing health needs of our country. However, this restructuring must take place through close congressional scrutiny and indepth deliberation and that process has already begun in the hearings underway in the Public Health and Environment Subcommittee. I am confident that these hearings will produce sensible alternatives to programs extended by this bill. It must also be recognized that in reporting a bill to extend these health programs, the Interstate and Foreign Commerce Committee has kept wholly within responsible budget limitations. H.R. 7806 sets a total authorization level of $1.27 billion, compared to the $1.31 billion requested by the administration. While the specific allocations of funds vary from the administration request, this bill cannot be labeled fiscally irresponsible.

In a similar vein, H.R. 7724 does not amount to an across-the-board dismissal of the administration viewpoint. In the fiscal year 1974 budget, the administration recommends that health research fellowship and training grants be phased out over a period of 5 years. H.R. 7724 would provide new budget authority for traineeships and fellowships for 2 years, during which time reasonable alternatives can be formulated. Furthermore, H.R. 7724 incorporates major modifications to improve the quality and operation of the training and research programs. For example, no fellowship or traineeship may extend beyond 3 years, with certain exceptions. All award recipients must engage in health research or training or serve in the Health Services Corps within a reasonable time after completing the traineeship or fellowship. The Government may recover the full cost of training or a fraction of it, plus interest, from those who fail to fulfill the service requirement. While I have yet to see sufficient evidence that would support the administration's arguments against the fellowship and training programs, these modifications should certainly satisfy many of the objections to the current operation of the programs.

Both H.R. 7806 and H.R. 7724 emerged from the subcommittee and the full committee by unanimous votes. I urge that the full House respond with an overwhelming endorsement of this essential legislation.

Mr. STAGGERS. Mr. Chairman, I yield such time as he may consume to the gentleman from North Carolina (Mr. FOUNTAIN).

Mr. FOUNTAIN. Mr. Chairman, I rise in support of H.R. 7806, extending for 1 fiscal year, through 1974, expiring appropriations authorizations in the Public Health Service Act, the Community Mental Health Centers Act, and the Developmental Disabilities Services and Facilities Construction Act.

In fact, I would like to commend the committee for its action. This will give the committee an opportunity to carefully and thoroughly examine each of these programs to determine which should survive and which should be terminated, or modified and even redirected.

As the committee report points out, unless action such as this is taken, the President, as he has already stated, will terminate at least five of them as soon as their authorities expire. Like the committee, I do not necessarily feel that all of these programs should be continued. In fact, I doubt that many of them should be continued indefinitely without appropriate modifications. A careful study and evaluation of them may prompt the committee to completely terminate any one or more of them. Some of them, obviously, can be vastly improved. These are changing times, demanding new approaches and maybe better answers to the many problems we face in the health areas covered by this legislation.

Even if some of the programs need to be terminated we cannot overlook the millions of people who have come to depend upon them for health services in one form or another. We cannot overlook the responsible institutions and personnel involved. For many reasons, a less abrupt approach than absolute termination of a health program appears to me to be the responsible way to act. When a program which has been successful or even just partially successful is terminated, appropriate provision should be made for properly phasing it out. Adequate provision should also be made for those dependent upon it, and every precaution should be taken to preserve those programs or parts of programs which have been successful.

I do not know what the Appropriations Committee will do about these programs. It may make some substantial cuts, but in any event, the Committee on Interstate and Foreign Commerce is recommending to this House, through this legislation, that it be given a reasonable period of time in which to consider the future of all these programs in a thorough and responsible manner. In the meantime, the good they do will be continued. If the committee should fail to do its job, then we ourselves may have to take the ball and run with it, but in that event, we could make some serious mistakes.

As the committee evaluates each of these programs during the months that lie ahead, all of the institutions and people affected by them will also be able to prepare themselves for such action as the committee studies may prompt them to anticipate.

And then, too, this legislation puts the Congress in a position of insisting upon its constitutional prerogative of directing the executive branch in connection with health programs which the Congress itself created. After all, the Congress is supposed to legislate and the Executive is supposed to administer.

I definitely feel that we must establish an expenditures ceiling and to wisely do this, we must develop a set of priorities. That is why I favor passage of a budget control act. At the same time, when countless thousands of people and institutions will be affected by the termination, or substantial changes in any program, such terminations or changes just must not be done overnight. We may momentarily save money in the process, but we may end up costing the taxpayers much more in the long run.

For these and many other reasons which have already been clearly pointed out here today, I support H.R. 7806, known as the Health Program Extension Act of 1973.

Mr. FROEHLICH. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from Wisconsin.

Mr. FROEHLICH. Mr. Chairman, I rise in support of section 401(b) of the bill which would establish congressional intent on the question of whether courts should be authorized to require abortions and sterilizations in institutions receiving Federal funds.

Subsection (b) clearly states that the receipt of any grant or contract or loan or loan guarantee under the Public Health Service Act, the Community Mental Health Centers Act, or the Developmental Disabilities Services and Facilities Construction Act by any individual or entity does not authorize a court to require the individual or entity to perform an abortion, or assist in the performance of an abortion, or provide facilities for the performance of an abortion, contrary to the religious beliefs or moral convictions of such individual or entity.

This congressional intent is also explained on pages 15 and 16 of the committee's report.

In short, this section indicates that Congress is opposed to court orders that compel individuals or institutions to perform or facilitate the performance of abortions because they have received Federal financial assistance.

The need for this section has been made apparent by several recent court decisions. Perhaps the best known of these decisions is Taylor against St. Vincent's Hospital, a Montana case in which the court enjoined a hospital from denying the plaintiff the use of hospital facilities for the performance of a "tubal ligation."

This decision was based, in part, upon a determination that the hospital was "acting under color of law" because of the benefit "it has received by virtue of Hill-Burton funds."

In a very recent decision, which is now on appeal in the the seventh circuit, District Judge Myron Gordon issued a preliminary injunction ordering the staff of Bellin Memorial Hospital in Green Bay to assist a doctor in the performance of a nontherapeutic abortion. The injunction was bottomed on the court's finding that there was "State action here" by the hospital because it received Hill-Burton funds.

These decisions are simply unacceptable as a matter of public policy. Those who receive Federal financial assistance to advance medicine should not, on account of that assistance, be compelled to violate their religious beliefs and moral scruples in matters that involve life itself.

Congress did not establish this newly found constitutional right to abortion. It was manufactured last January and imposed upon the Nation by the Supreme Court.

Section 401 makes clear that, as far as Congress is concerned, the vindication of this new right to an abortion shall not come at the expense of the long-established right to conscience, simply because Federal funds are tangentially involved.

Mr. PATTEN. Mr. Chairman, I strongly urge my colleagues to vote for extension of several health programs the Nixon administration wants to end. These programs have helped millions of people and have alleviated human suffering.

The programs include: Public health training, Hill-Burton health facilities construction, allied health training, regional medical programs, and community mental health centers. These programs would expire on June 30, 1973, but I am convinced should be extended. I do not speak only as one of the sponsors of the legislation we are now considering, but as a person who is deeply interested in improving the health of the American people. Our males and females rank poorly with other nations in longevity and we should do somethig about it—but the administration's plan is the wrong approach.

I will only make a few observations in the brief time I have. In Middlesex County, N.J., alone, the Roosevelt Hospital, in Edison, received Federal grants of $487,781 in expanding the hospital there. This was made possible by the Hill-Burton program the administration wants to terminate. It also wants to end community mental health centers funding, but it was an $800,000 Federal staffing grant that has made possible one of the finest mental health centers in the East—the one of Perth Amboy. If the administration is successful in terminating this fine and humane program, two other centers now almost completed will suffer greatly—the structures located in South Amboy, and at Rutgers University.

Mr. Chairman, my major concern is the health of our people. We are the wealthiest Nation in the world, but we are far from the healthiest. Our citizens should have the best medical care in the world. And passage of this legislation would help achieve this goal. I want to commend the gentlemen from New York (Mr. HASTINGS), the chief sponsor, and the main sponsor in the Senate, EDWARD M. KENNEDY, of Massachusetts, for their strong leadership in this important fight. I hope that H.R. 7806 is enacted, not only for the sake of the afflicted, but for the benefit of this Nation, for good health helps make a Nation great.

Mr. HICKS. Mr. Chairman, it has been said that America is facing a health crisis. In attempting to deal with this situation, can we afford to allow expiration of the 12 important health programs we are discussing here today? I think not. It is imperative that Congress take time to examine these programs in detail and preserve those that have been most effective in our communities. Passage of this bill will allow us an additional year for study and evaluation of such health care fundamentals as community health centers, medical libraries, family planning, public health training, and health services research and statistics.

I am particularly concerned about the preservation of the regional medical programs. These innovative and efficient health care delivery support systems would be indiscriminately eliminated under the administration's budget request. The activities of the Washington/Alaska regional medical program demonstrate that this action is unjustified.

In the Northwest, RMP health care services are provided to more than 380,000 persons. At least 72,000 of these patients depend on the RMP for specific disease services and activities, such as programs for heart, cancer, stroke, kidney, and emergency and primary medicare.

Two programs of particular importance to the Sixth Congressional District are the emergency medical service and the nurse practitioner program. The Tacoma/Pierce County EMS will train 370 emergency medical service personnel in cooperation with Tacoma Community College, purchase emergency vehicles and equipment, and set up a comprehensive communications system that will provide round-the-clock emergency service for the area.

With the difficulty in attracting physicians to rural areas, the nurse practitioner program has fulfilled an especially important health care delivery need in my district. The nurse clinics initiated by the RMP already have demonstrated the effectiveness of nurse practitioners in providing health care in delivery need in my district. The nurse clinics initiated by the RMP already have demonstrated the effectiveness of nurse practitioners in providing health care in communities lacking adequate physician coverage.

Other RMP projects that are highly important to the medical well-being of the residents of my area include shared hospital services, kidney patient care, pediatric pulmonary disease control, stroke nurse clinical training, and services at the Seattle Urban Indian Clinic.

The RMP has become an integral part of Puget Sound's total medical program. Until Congress can make its determination, it is important that these services be continued not only in our area of the country, but throughout the Nation. Therefore, I urge you to support H.R. 7806.

Mr. ESCH. Mr. Chairman, I rise today in support of H.R. 7806, the Health Programs Extension Act, which, if acted upon favorably by my colleagues today, will reauthorize 12 major health programs which expire in June of this year.

It is unlikely that Congress will act upon legislation in this session more important to the well-being of our citizens than H.R. 7806. As a sponsor of the original legislation, I believe this bill is an absolute necessity if we are to live up to our responsibilities to insure adequate health care for our citizens.

I need not go into the long list of truly significant programs in this bill. Suffice it to say that today we are not considering one program, but more than a dozen, including health services research and development, comprehensive health planning, medical libraries, family planning and population research, regional medical, and other programs now in operation under the Community Mental Health Center Act, the Public Health Services Act, and the Developmental Disabilities Services and Facilities Construction Act.

Mr. Chairman, there are a number of programs that are of particular concern to me, including the public health training, and allied health training programs. These programs are slated to be phased out by this administration at a time when the need for an all-out program in this area should be our concern. Our schools of public health which have contributed so much in the area of research and training would literally be forced to close down these efforts unless we act favorably on this bill. The argument is made that these efforts can be maintained under other programs such as national student defense and work study. This, to me, is a factitious argument in that the administration also proposes to phase out and replace these programs.

The fact remains that cutting back on Federal support in this area would probably ruin the research careers of thousands who cannot afford the high cost of research training, and considering that our needs will become greater, not less, in this area, this is a time to expand, and extend, not end, these vital programs.

Mr. Chairman, I could go on all day pointing out the need for the programs under this bill. But I do not think this necessary because I believe the importance of these programs is self-evident. I urge my colleagues to join me in supporting this legislation.

Mr. BOLAND, Mr. Chairman, I support H.R. 7806, a bill to extend through fiscal year 1974 certain expiring appropriations authorizations in the Public Health Service Act, the Community Mental Health Centers Act and the Developmental Disabilities Services and Facilities Construction Act.

As the cosponsor with my colleague from Massachusetts, Congresswoman MARGARET M. HECKLER, of H.R. 7340, the right of conscience in abortion procedures bill, I am pleased that provisions of our legislation is contained in title IV of the bill before the House.

Mr. Chairman, our bill (H.R. 7340) provided that respect for an individual's right not to participate in abortions contrary to that individual's conscience be a requirement for hospital eligibility for Federal financial assistance, and for other purposes.

I want to commend the gentlewoman from Massachusetts, Congresswoman HECKLER, for her lucid presentation on our bill. It was our intent in sponsoring H.R. 7340 to protect both institutions and individuals who oppose abortion on moral grounds, and to effectively prevent impositions upon individual rights and liberties.

Also, I want to thank the gentleman from Florida, Chairman PAUL ROGERS of the Subcommittee on Public Health and Environment, and the gentleman from West Virginia, Chairman HARLEY STAGGERS of the full Committee on Interstate and Foreign Commerce, for including our provisions for the right of conscience in abortion procedures legislation in section 401 of the committee bill.

This section 401 provides that receipt of financial assistance under any of the acts being extended by this bill does not constitute legal basis for a judicial or administrative order requiring an individual to aid in performing a sterilization or abortion, if such activity is contrary to the individual's religious or moral beliefs.

Nor does receipt of financial assistance provide legal authority for a judicial or administrative order requiring the provision of personnel or facilities by any entity for the performance of sterilization or abortion, if such activity is contrary to the religious or moral beliefs of the personnel or prohibited by the entity for religious or moral reasons.

Mr. Chairman, I trust that this language will provide the clear safeguards for the conscientious convictions of institutions and individuals who oppose abortion on moral grounds, as intended in our bill, H.R. 7340.

Mr. MINISH. Mr. Chairman, I rise in support of H.R. 7806, legislation which I have cosponsored to extend through fiscal year 1974 various vital Federal health programs. It is essential that this measure pass in order to give the Congress the opportunity to reevaluate and, if necessary, restructure these programs in an orderly and constitutional fashion.

The following 12 programs would be extended by the pending bill: Health services research; health statistics; public health training; migrant health; comprehensive health services; medical libraries; Hill-Burton anti-impoundment provision; allied health; regional medical programs; family planning; community mental health centers; and developmental disabilities.

The administration arbitrarily has proposed termination of many of these programs, along with drastic cutbacks in others. No workable alternatives have been advanced by the administration to provide the much needed health services presently delivered by these programs. Congress has a responsibility to extend the programs so that we may make provision for individuals adversely affected by proposed terminations, and so that we can preserve and enlarge upon those parts of programs which have proven successful.

As the distinguished chairman of the Subcommittee on Public Health, Congressman ROGERS, has stated:

> It is the Congress that has developed these programs, and it is the Congress that will determine their fate.

One program that the administration wishes to end, for example, involves community mental health centers. These centers, even with inadequate financing, have operated as one of the most humane, effective, and economical systems of health care yet developed.

The history of care for the mentally ill in this country should be a source of embarrassment to every American. Only recently have we begun to develop new approaches to the treatment of mental illness. One of the most promising of these approaches is the community mental health center program which seeks to treat people in their own community without having to institutionalize them. Yet, the administration, which has endorsed the concept of community mental health centers, wants to end Federal support for the program with no guarantee that States or localities can, or are willing, to finance the centers.

Mr. Chairman, the health of our people is our most precious national resource. Every American, regardless of economic circumstance, should be able to live out his years without fear of the high cost of sickness. Admittedly, we are a long way from the realization of this goal, but we will be even further from it if we permit the administration to succeed in its attempt to scuttle these important programs.

**Mr. DONOHUE.** Mr. Chairman, I earnestly hope that this pending bill, H.R. 7806, the Health Programs Extension Act of 1973, will be speedily adopted by this House this afternoon.

In essence this measure extends, through fiscal year 1974, 12 health programs under the Public Health Services Act, the Community Mental Health Centers Act and the Individual Disabilities Services and Construction Act, all of whose authorizations are due to expire on June 30 next. This measure also extends for 1 year the provision of the 1970 Hill-Burton amendments designed to insure the availability of expenditure, against administration withholding, of appropriated health funds and further protects the right and freedom of individual conscience and institutional determination to refrain, without deprivation of Federal funds, from participation in any program or action that violates their known ethical standards.

Mr. Chairman, the evidence in support of this measure very clearly shows that any summary wholesale ending of these health programs would impose exceptional hardships on great numbers of people who solely depend upon them for health services and cannot, now, reasonably obtain them elsewhere. The testimony also shows this extending legislation is essential so that additional congressional study and opportunity may be had to preserve those parts of these health programs that have proved to be successful and to provide other avenues of services to those who presently depend on existing programs, when these programs are terminated.

In summary, Mr. Chairman, our approving action on this bill will simply and sensibly provide an opportunity to reexamine all these health programs in an orderly fashion, prevent exceptional hardships from being visited upon great numbers of people who are least able to protect themselves and reassert and reaffirm our legislation determination to exercise the constitutional prerogatives which traditionally belong to this Congress. I therefore urge overwhelming approval of this bill in the public interest.

**Mr. DRINAN.** Mr. Chairman, on May 5, 1973, I held congressional hearings on a wide range of health programs in Newton, Mass. During these hearings I received expert testimony from a number of physicians, nurses, medical educators, and health administrators on the public health programs that we are now considering as part of the Health Programs Extension Act of 1973, H.R. 7806.

These hearings, which I have shared with my colleagues in Congress, confirmed my belief that the Health Programs Extension Act of 1973 deserves the resounding approval of this body of Congress. The occasion for this legislation, as I am sure my colleagues know, is that the existing authority for 12 public health programs authorized by the Public Health Service Act, the Community Mental Health Centers Act, and the Developmental Disabilities Services and Facilities Construction Act, is due to expire on June 30 of this year. H.R. 7806 would extend the authorization of each of these programs for 1 year at a funding level of $1.27 billion—the exact amount of the second vetoed HEW-Labor appropriations bill of 1972.

Apart from the expiration of authority that will occur on June 30 without this bill, this legislation is particularly significant in the light of the administration's proposals in the area of public health. After months of delay, in late March of this year, the administration revealed its long-awaited position on public health programs. Five of the existing 12 programs were to be terminated or phased out: Hill-Burton hospital construction, the regional medical program, allied health training grants, public health training grants, and community mental health centers. Two other public health programs, migrant health and family planning, were to have been combined under the general authority of section 314(e) of the Public Health Service Act. The remaining five programs were to be continued, and in some cases to be granted permanent authorizations.

In response to these proposals I and other Congressmen joined our distinguished colleague, Congressman HASTINGS, in sponsoring H.R. 6240, legislation similar to that before us today, which also extended the existing authority for public health programs for 1 year.

Mr. Chairman, I believe that the administration position can be criticized on two grounds. First, it represents an abdication of responsibility. Throughout the latter part of the 92d Congress the administration requested the House Interstate and Foreign Commerce Committee to delay extending authorizations for public health programs until the administration completed its review of the programs and formulated a position. The position that finally resulted, as I have noted above, can not be characterized as constructive.

It is the duty of any Government official—elected or appointed—to try to see that public funds are well spent. It is incumbent upon legislators and administrators alike to do their best to improve Federal programs—even those that are demonstrated successes, such as many of those we are considering today. The administration's response to this task of good government is to go after programs with an ax. The administration has proposed no substantial improvements, it has only designated those programs that it would either "keep or throw."

Because of this short-sighted manner of dealing with public health programs, it is necessary for Congress to exercise responsible judgment where the executive branch has demonstrated that it will not. This is what H.R. 7806 is about. The Public Health Subcommittee of the Interstate and Foreign Commerce Committee has already begun work on a sweeping reorganization of the Public Health Service, and has promised a thorough review of each of the programs before us today. To responsibly conduct its examinations, the committee must not be restrained by the pending demise of authorizations for these programs. For this reason at least, a 1-year extension of all of the existing programs is a necessity.

I believe that there are still more important reasons to extend these programs. Each and every one of the 12 public health programs to be extended performs a valuable service to the citizens of our country. Few concerns are as important to the citizens of our country than the quality and the availability of health care. Each of these programs contributes to the quality and availability of health care, and are positive investments in a better future for America.

I would like to focus on two programs singled out by the administration for termination: the regional medical program and the community mental health centers program, both of which are particularly important to the State of Massachusetts which I represent.

In a statement I made on May 14 of this year on the regional medical program, I suggested that the administration was attempting "sleight of hand" tactics with funds for health planning. I would like to repeat the sense of those remarks on this occasion.

While comprehensive health planning is one of the very few public health programs slated to receive an increase in funding during the 1974 fiscal year under the administration's budget, its companion regional medical program is to be terminated entirely. In fiscal 1972 the RMP program was funded at $99.5 million. One year later the funding was cut in half to $58.3 million. Now the administration proposes to end funding for RMP's altogether. It does not require a budgetary expert to see that the administration's proposed increase of $2.5 million for comprehensive health planning is but a drop in the bucket when compared with a loss of nearly $60 million in funds for regional medical programs.

The regional medical program, I believe, has been victimized by a number of unfair accusations. It has been claimed that the regional medical program duplicates other existing Federal health programs, and is therefore unnecessary. I dispute this claim. In fact, RMP's provide a valuable service in encouraging cooperation between medical institutions and among the health community. Most important, RMP's serve to bring developments in the medical field from the laboratory or the research institution to the patient care health-delivery level. Further, RMP's serve to coordinate efforts between other Federal health care programs, and actively assist private health care agencies as well in controlling chronic diseases such as cancer, heart disease, kidney disease, and stroke. The tri-State regional medical program, to which Massachusetts belongs along with New Hampshire and Rhode Island, is an excellent example of how RMP's can offer wide-ranging health delivery and development services.

As I have suggested before, there may be ways in which the regional medical program can be improved. But the need for improvement in no way justifies the severity of the action desired by the administration. Surely in this case the administration's intended cure is far worse than the disease.

I wholeheartedly concur in the action of the Interstate and Foreign Commerce Committee in recommending an authorization of $159 million for the regional medical program in the coming year. This program has had many successes—I count the RMP operating in Massachusetts among those successes—and it deserves to be improved, not eliminated.

If it is curious that the administration proposes to terminate the regional medical program because it claims RMP to have been a failure, it is especially curious—if not a bit bizarre—that the administration should suggest the elimination of the community mental health centers program because it is a success.

Here the administration's logic is that since the program has worked so well it no longer needs government support. Of course, this argument neglects the economic realities involved. Funds appropriated under the Community Mental Health Centers Act, for staffing grants and construction, amount to more than one-third of the total revenues of community mental health centers nationwide, according to the National Institute of Mental Health.

The administration suggests that the Federal share can be made up by increased third-party financing, by increased State and local contributions, and conceivably from increased patient charges. In the first instance, the last 10 years has convincingly demonstrated that the availability of third party financing for outpatient care of the sort emphasized by community mental health centers is minimal. Private health insurers—Blue Cross, Blue Shield, and so forth—are slanted toward inpatient hospitalization care. Public health insurance programs, notably medicare and medicaid, suffer from both inadequate coverage of mental illness and structural restrictions on outpatient ambulatory/clinical care. In 1971, medicare and medicaid combined made up only 7 percent of the revenues of community mental health centers. It is unreasonable to expect this percentage to jump much higher. It is equally unlikely that the contribution of private health insurers will rise much from the 1971 level of 9 percent.

Increased support from State and local governments is also improbable, given the historic neglect of mental health at the State and local level and the hard-pressed financial resources of State and local governments. My distinguished colleague PAUL ROGERS, chairman of the Public Health Subcommittee of the Interstate and Foreign Commerce Committee, has referred to this action as being not "buck-saving," but "buck-passing." It is revenue sharing in reverse—taking away Federal moneys and dropping the burden upon the States.

Finally, to suggest that the needed funds could be raised from increased patient—user—costs is to ignore the obvious result of such an action—decreased use of services. Community mental health services should be available to the widest possible spectrum of our citizenry, but such will not be the case if would-be patients must turn away because of lack of funds.

I believe that the community mental health centers program is worthwhile, and ought to be continued, if not expanded. It is worthy of note that the committee report on the Health Programs Extension Act of 1973 states that:

> All testimony heard by the Committee on this program, including that of the Administration, has agreed that the Community Mental Health Centers program has been a success. . . .

This program has done much to improve the conditions of the mentally ill in our country, and has assisted materially in achieving long-overdue improvements in the neglected realm of mental health care. Already the program is credited with a substantial contribution to the one-third reduction in patients in State mental hospitals that has occurred in the last 5 years. More important, the basic concept of the community mental health center—the preventive approach and the emphasis on outpatient care—is demonstrably sound.

It has been estimated by mental health groups that as many as 20 million Americans could benefit from professional mental health care, and that nearly half that number—another 9 million—could benefit from alcoholism and drug dependency care of the sort that is offered by many community mental health centers.

This is no time to pull the plug on the community mental health centers program. I fully agree with the provisions of the Health Programs Extension Act of 1973, which extend the authorization of the program at a level of $234 million.

Mr. Chairman, I urge my colleagues in the House to give this bill the overwhelming support it deserves. Not only for the sake of continuing the vitally important public health programs, but for the sake of good government.

Mr. WOLFF. Mr. Chairman, I rise in support of H.R. 7806, the Health Programs Extension Act of 1973. As a cosponsor of this legislation, I feel it is imperative for Congress to enact this extension in order to give itself needed time to study the merits of those health programs due to expire on June 30.

Mr. Chairman, as you know, the administration has proposed the outright termination of five of the programs extended under this act. Although there very well may be excesses in some of these programs which need revamping, I do not believe that the President has a mandate, either from Congress or from the American people, to scrap these programs entirely before even allowing Congress sufficient time to determine their strengths and weaknesses. His decision has already created havoc for those participating in these programs and threatens to undermine our efforts to improve and upgrade health care delivery systems in this country. Through his decision, the President has placed Congress in the untenable position of having to develop alternative health programs in a matter of a few months. This necessarily precludes a thorough review and comprehensive hearings with health experts across the country to determine where our health care priorities should lie. I do not believe that the future of health care for this Nation or health care delivery systems for our people should be decided so haphazardly. On an issue as vital and far reaching as health care, I would expect the administration to work in a spirit of cooperation with the Congress and, through careful review and reevaluation, to develop stronger, improved health programs. In addition, the authorty for determining when these programs should end lies with the Congress, not with the executive branch, and the Congress must reassert its rightful role in deciding the future of these programs.

Mr. Chairman, by enacting this extension we provide both Congress and the executive with the time and the opportunity to work together to study our health care picture. We express to the American people our refusal to neglect their health care needs and our determination to develop meaningful and effective health delivery systems. I urge my colleagues to join with me in supporting H.R. 7806 as a necessary step in demonstrating a responsible and concerned attitude toward the future of health care in the United States.

Mr. ALEXANDER. Mr. Chairman, I rise today to urge my colleagues in the House to approve the extension of the authorization for appropriations under the Public Health Services Act, the Community Mental Health Centers Act, and the Developmental Disabilities Services and Facilities Construction Act. Early in this session I sponsored legislation which would extend these authorizations.

My sponsorship of the legislation stems from my deep concern over the critical shortage of health care facilities and personnel available in most communities of Arkansas. First Congressional District. It is also a result of my belief that these programs we propose to extend have aided significantly in working toward solutions to these shortages.

I have long recognized that every Federal program should be reviewed to see if it is meeting its objectives. If it is not, why not? And, what services the program is actually performing. Programs which are not successfully performing needed services should not be continued. Programs which are well organized, and are meeting needs of the areas they serve should be continued. When it is found that programs are working to meet the objectives established for them and have expanded to serve related needs they should be reviewed, and, if necessary, revised under the direction of the Congress.

But, I am at a complete loss to understand how an executive branch which claims to be cost-conscious can justify jettisoning programs which are performing for new and unproven programs with all the problems and expense such an experiment entails.

What our people in Arkansas need is help now in resolving their health care problems through improvement of existing programs, not a new, bureaucratic structure that may or may not do a better job at some point in the future, after it overcomes its organizing pains.

This is not to say that the Congress, during the coming year, should not evaluate the programs which we propose to extend by our action here today. Such a study should be undertaken. But, it would be folly to discontinue successfully operating programs while awaiting the results of that examination.

It would be well to point out here, I believe, that what is proposed in H.R. 7806 will be less costly than the administration's proposal.

There are two programs affected by the legislative proposals before us today to which I would like to give special attention. These are the Hill-Burton health facilities construction program and the regional medical program.

In discussing the health facilities construction program, the writers of the "Budget of the United States Government"—someone deep in the recesses of the Office of Management and Budget, I assume—said on page 136:

> Over the past two decades, the medical facilities construction program has spent more than $3.7 billion in Federal funds to assist over 10,000 hospitals and other health facilities. This program has resulted in 470,000 new hospital beds. Currently, the Nation is experiencing an over-supply of hospital beds, which has contributed to the inflation in medical care costs. The national average bed occupancy rate is now 73%. In view of these facts the medical facilities construction program is being terminated. Any further construction that might be needed can be financed from charges for patient care through private, State and local borrowing.

A close and critical examination of this paragraph is warranted. I would not challenge the facts in the first two sentences. But, I believe that our people in the First Congressional District, indeed, throughout most of Arkansas, would be astonished to learn that rather than facing a severe shortage of health facilities, they are actually in an over-supply situation.

In fact, I am advised by Dr. J. A. Harrel, director of the Arkansas Department of Health, that the State plan shows a need for adding 750 beds and for replacing 526 during the coming year. Dr. Harrel also says that the plan identifies a need for adding 822 new long term care—nursing home—beds and for replacing 987 existing beds. This is hardly evidence of an over-supply of facilities.

It is my understanding that this study shows that 259 hospital beds in First District need modernizing and that the State plan allocates 253 new beds for the district. In the nursing home area, there is a need for 270 new beds and 268 modernized beds in the First District during the coming year. The First District has a population of more than 480,000 persons, yet it has only 1,731 hospital beds and 3,002 nursing home beds.

While it may be true that some areas of the Nation are over-supplied with inpatient beds in health care facilities, that situation is cold comfort to communities like those in First Congressional District which don't have enough. It may be true that areas which have had more facilities than current demands require should not receive further Federal assistance. But, areas which have not fared so well and which must struggle even to meet the funding requirements under the existing Hill-Burton program should not be penalized for the excesses of the other areas. And, in these areas where there are large members of medically indigent persons, how can we justify the higher medical costs which will be involved in the financing scheme the executive branch proposes.

A sufficient quantity of good quality, affordable health care facilities is essential to nonmetropolitan area efforts at improving their communities. We cannot, as a Nation, afford to follow a policy which discriminates against the countryside, hampering its communities' attempts to become or remain attractive living places for our citizens. To do so will inevitably stimulate more migration from the countryside into the metropolitan areas further aggravating the overcrowding problems of those areas.

This statement which I have taken from the budget is a boldly, bald attempt by the executive to snatch away from the Congress more of its power to legislate. It says flatly, "In view of these facts the medical facilities construction program is being terminated." It does not purport to request that the Congress repeal the programs it has enacted. It attempts to tell the Congress what is going to happen whether the Congress likes it or not. I for one, am not as a Member of Congress, prepared to dance to that piper's tune.

This situation also bears directly on the question of the regional medical programs.

Again on page 137, the writers of the "Budget of the United States Government" presume to instruct the Congress on what is to be the fate of a congressionally enacted program. They say ". . . the original objective of RMP—to improve quality care—will now be a major responsibility of the nationwide system of Professional Standards Review Organizations. For these reasons, the RMP will be phased out in 1974. . . ."

Here is another blatant example of the highandedness with which the Executive is trying to treat the Congress. It is constitutionally irresponsible.

I can not speak for all the State regional medical programs across the country. But, in Arkansas the RMP has been a valuable aid to efforts to upgrade the quality of health care provided our people. If it is typical of other such programs, then it is unconscionable to disrupt the momentum for improvement which has been achieved. If Arkansas is not typical of RMP's in other states, then the answer is not to destroy a successful program, but rather to examine its operation and develop similar strengths in other RMP's.

In recent weeks, since it became known that the executive branch wanted to kill the regional medical programs, I have received a stream of communications from the First District and Arkansas medical community in support of its work. I would like to share with you one example of those communications. I have selected this letter from Dr. Winston K. Shorey, dean of the University of Arkansas School of Medicine because it includes a summary of the history, activities, programs and operations of the Arkansas regional medical program. This illustrates the kind of work that an RMP can and ought to do.

Dr. Shorey's summary follows:

ARKANSAS REGIONAL MEDICAL PROGRAM

1. History of Regional Medical Program.

A. Authorized by Congress as a result of recommendations of Commission on Heart Disease, Cancer and Stroke chaired by Dr. Michael DeBakey.

(1) Legislation was considered by House health committee chaired by Congressman Oren Harris of Arkansas.

(2) Legislation as initially introduced provided for a bricks and mortar development of satellite facilities affiliated with a medical center.

(a) In Congressman Harris' committee the legislation was completely rewritten into the form that was adopted.

(1) Testimony by people from Arkansas before Mr. Harris' committee had a great deal of input into the final legislation.

(3) Legislation that passed was oriented toward education of physicians and other health personnel in modern methods and techniques in patient care.

(a) Direct patient services limited to that required for teaching and demonstration.

(4) As time has gone on there has been increased emphasis on direct patient services.

2. History of Arkansas Regional Medical Program.

A. Legislation did not stipulate who should organize a regional medical program or what constituted a region.

(1) It did stipulate that a region must include a medical school and that a program should be affiliated with a medical school.

(2) It stipulated that there should be a Regional Advisory Board which would have responsibility for program.

(3) It stipulated that some responsible body should be the grantee institution with fiscal responsibility for the program.

B. Upon recommendation from UAMC, the President of the University of Arkansas appointed the initial Regional Advisory Group, requesting that it form an Arkansas Regional Medical Program.

(1) Initial Regional Advisory Group constituted the State of Arkansas as the region.

(2) Dean of the School of Medicine became initial coordinator.

(3) Application submitted for planning grant and this was approved.

C. Planning grant utilized to:

(1) Secure office space.

(2) Provide core personnel.

(3) Tour the State of Arkansas to discuss RMP with county medical societies, hospital staffs, nursing groups, and other health professionals.

(4) Prepare application for operational funds.

D. University of Arkansas Medical Center became grantee institution.

(1) RMP staff reports administratively to Dean, School of Medicine.

(2) Throughout operation of RMP the attempt has been made for it to stand by itself with as little image of it as a UAMC activity as possible.

(a) Objective as a state-wide activity relating to all health activities rather than limited to medical center.

E. Dr. Roger Bost became coordinator as program became truly operational.

F. Upon Dr. Bost's resignation, Dr. C. William Silberblatt became coordinator.

G. Regional Advisory Group has enlarged itself and has increased its representation through the years.

H. Emphasis has been upon supporting programs and projects that spring from the grassroots rather than formulating programs centrally and implementing them downward.

3. Relationship with Comprehensive Health Planning.

A. The two programs began at about the same time in Arkansas.

B. Initial decision to bring the two programs into as close a relationship as possible in Arkansas.

(1) This was not the attitude at the national level.

C. Offices for the two programs were provided in adjoining space.

D. The two programs have worked very closely together and have supported each other.

(1) RMP has had greater resources and been able to supply CHP with professional, technical, and clerical help.

(2) CHP has been an official agency of state government and able to bring about changes developed through RMP.

(3) The combined energies of the two programs have resulted in success in several situations where there has been competition among states and regions for funds.

(a) State-wide Comprehensive Kidney Disease Program, $1,575,000.

(b) Experimental Health Service Delivery System (Arkansas Health Systems Foundation), $1,690,000.

(c) State-wide Emergency Medical Services System, $3,400,000.

(d) State Health Statistics Center, $400,000.

(e) Four (4) Health Service/Education Activities (Fayetteville, Fort Smith, Batesville, Jonesboro), $125,000.

(f) State-wide Family Planning Program, $2,100,000.

4. Arkansas Regional Medical Program as a catalytic agency.

A. The staff of ARMP has served to bring together groups of health professionals to develop objectives that otherwise would not have occurred.

(1) Central Arkansas Radiation Therapy Agency.

(a) All hospitals in Little Rock will pool x-ray therapy in one institution. This will be the educational unit in x-ray therapy for the School of Medicine as well as patient care for all hospitals.

(b) ARMP served to get the initial organization started and is no longer a part of the organization.

(c) No direct RMP funds were involved, but ARMP staff devoted time to initial organization.

B. Has provided many meetings and workshops to acquaint professionals with new concepts and developments.

(1) Area Health Education Centers.

(a) Laid ground work which led to medical school's proposal for Area Health Education Centers throughout state.

(2) Physicians' Assistants.

(a) Meeting in Hot Springs introduced concept to physicians of Arkansas.

(3) Professional Service Review Organizations.

(a) Meeting in Hot Springs to introduce concept to physicians.

5. Direct Funding of Projects.

A. Major projects currently on-going.

(1) Training of nurses for activity in Coronary Care Units Baptist Medical Center, $34,100.

(2) Stroke project at Mountain Home. Development of a Department of Rehabilitation and Physical Therapy, $12,900.

(3) Stroke project at Harrison. Development of a Dept. of Rehabilitation and Physical Therapy, $17,700.

(4) Medical technology training. A refresher program for medical technologists at Baptist Medical Center, $27,500.

(5) Laboratory Quality Control. A program to upgrade quality of laboratory procedures in hospitals in Northeast Arkansas. Conducted by pathologist in St. Bernard's Hospital, Jonesboro, $40,700.

(6) Program for dietitians. Provides workshops for food services supervisors in hospitals and nursing homes, $52,700.

(7) Nursing Home Program. Program to upgrade capability of nursing home aides and fosters work with families of patients. Conducted by Arkansas League for Nursing, $105,800.

(8) Comprehensive Kidney Disease Program. UAMC, Baptist Medical Center, VA Hospital, Regional Hospitals through state, $577,300.

(9) Rural Arkansas Medical Extension Services, Medical school faculty make consulting and teaching visits to hospitals throughout state. Approximately twenty communities each month. Telephone consultation services. Information regarding rural communities needing physicians transmitted to students and young physicians, $160,300.

(10) Cardiac Rehabilitation Program. UAMC and State Hospital. Program to develop rehabilitation services for patients with heart disease, $33,600.

(11) Consumer Education Program. Conducted as a collaborative effort between University Cooperative Extension Service and State Department of Health, $132,200.

B. Developmental Projects.

(1) Partial funding of program of Department of Pediatrics, UAMC to train nurse clinicians, $34,400.

(2) Partial funding of program to determine feasibility of utilizing physicians' assistants in Arkansas, Camden, Arkadelphia, Lavaca, $16,500.

(3) School of Pharmacy. Continuing education program, $6,000.

(4) Partial funding of program to train high school dropouts to be health aids. East End Clinic, Little Rock, $5,900.

(5) Remote cardiac monitoring. Centralized monitoring of coronary care beds in hospitals with too few patients to efficiently do it themselves. Beds in Booneville, Danville, and Mena are monitored by St. Edwards Hospital in Ft. Smith. Beds in Osceola are monitored in Blytheville. (Plan to monitor beds in Murphreesboro, Nashville, Prescott, and Gurdon in Texarkana), $26,000.

(6) Pediatric Oncology. A program providing consultation services by faculty members from UAMC to children with cancer in Texarkana, $13,100.

(7) Blood Lipid Program. A program to provide both education and services to physicians in locating families with high risk for coronary heart disease due to high blood cholesterol and lipids, $15,000.

(8) Provision of a physician for the Bearden Clinic one day a week, $6,000.

(9) First aid kits, thermal blankets, and inflatable splints in every state police patrol car, $7,000.

(10) Evaluation of library collections throughout state preparatory to making application for funds relative to allied health teaching program, $7,000.

(11) Pilot program in speech therapy unit at UALR preparatory to making application for larger amount of funds, $2,600.

(12) Speech training program for individuals who have had laryngectomy, $10,000.

(13) Program for assisting in the repair and maintenance of electronic equipment used in health facilities throughout state, $750.

(14) Development of training program in digestive diseases. St. Vincent Infirmary, $13,000.

(15) Assistance to Sickle Cell Association in public education regarding sickle cell disease, $300.

(16) Assistance to East End Clinic to provide physical examinations and screening of fifteen individuals each Monday evening with objective of accomplishing complete examination of all persons attending the clinic. Professional services furnished by 810th Station Hospital, Army Reserve, $4,000.

(17) Assistance to program for instructing teachers of 5th and 6th grades in teaching health matters to children. Camden, Ft. Smith, Little Rock, $600.

(18) Assistance to Central Arkansas CHP (b) agency in making it possible to merge and become part of State Economic Development District, $3,500.

C. Discretionary expenditures of funds that have been available. Example below.

(1) Purchase of equipment from several clinics throughout state.

(2) Conduct of conferences, workshops and seminars.

(3) Assistance to School for Allied Health Professions UAMC.

(4) Travel of medical student to rural health conference.

(5) Assistance to Arkansas Data Center in its development stage.

(6) Expenses of site visit when grant application for Arkansas Health System Foundation was being reviewed.

(7) Purchase of teaching tapes for nurses' continuing education.

D. Maintenance of the program staff of RMP.

A group of highly competent individuals has been brought together with expertise in analyzing health needs, stimulating appropriate people and agencies to take action to meet these needs, and reviewing proposals that are generated to accomplish this. Proposals are critically reviewed, assistance is provided in improving proposed programs, and final proposals are prepared for action by Regional Advisory Group and the national RMPS agency for funds.

Programs sponsored by RMP are constantly monitored and evaluated for effectiveness.

The RMP staff has made itself available to many individuals and agencies for health development. Example: An application for funds to provide family planning services had been disapproved. Assistance from RMP staff resulted in approval of grant for approximately $750,000 to provide services in Southeast, Northwest, and Southwest Arkansas.

Annual funds for core staff, $500,000.

6. Regional Medical Programs Service is among the health programs that President Nixon and his administration have decided to discontinue.

A. No funds requested in President's budget for RMP beyond June 30, 1973.

B. Telegram sent to each program on February 1, 1973 stating that programs are to be phased out by June 30, 1973 with the possibility of extending to February 15, 1974 some activities that cannot be discontinued by June 30th.

(1) Subsequent communications from RMPS of DHEW indicate that June 30th should be considered the realistic termination date of RMP activities.

7. The purposes of the presentation that has been made above are:

A. Information to responsible people in government regarding what will be lost with discontinuation of RMP.

B. Request for consideration of a longer and more orderly phase out period if, indeed, the program is not worthy of continuation.

C. Request for support encouraging Congress to give further consideration toward continuing the existence of Regional Medical Programs.

8. A draft letter dated February 27, 1973 from Dr. Harold Margulies, Director of Regional Medical Programs Service, has been received reviewing Arkansas Regional Medical Program as if it were to be continued. This letter results from the annual national review of the program as of October 26, 1972. The following is quoted from the letter.

"It was recommended that ARMP be funded at the November, 1971, NAC approved level of $1,700,000 (direct costs). The recommendation includes a developmental component and maximum funding of $375,000 (d.c.) for the kidney disease project. ARMP's overall progress during the last three years has been excellent, but does not warrant increased funding beyond the Council's previously recommended level."

The need for these programs is amply clear. They have established their value and demonstrated their capacity to benefit society many times over. For these reasons, I urge that the House, and the full Congress, vote to approve this extension of the appropriations authorization for these worthwhile programs.

Mr. CULVER. Mr. Chairman, the bill we are considering, H.R. 7806, extends for 1 year 12 health programs under the Public Health Service Act, the Community Mental Health Centers Act, and the Developmental Disabilities Services and Construction Act. The authorization for next fiscal year is $1.27 billion dollars, $1.01 billion less than the existing authorizations for the present fiscal year.

The total authorized in this bill is $30 million lower than the amount requested by the administration. The administration, however, proposes to terminate five of these important health programs, and a major part of its budget request reflects closeout costs. This bill provides for a 1-year extension to insure that provision is made for those who depend on programs that are to be terminated, and to preserve those parts of programs that have proven successful.

An important principle is involved here. In the name of economy the administration is suddenly seeking to eliminate important health services to many citizens. The fact that this bill proposes $1 billion less than the current authorization is a clear indication of the willingness of the Congress to tighten its belt and to cut marginal spending. To allow immediate termination of programs, however, without allowing adequate time for congressional review or for the provision of alternative services, is irresponsible.

In the past few months I have recieved many letters indicating the dismay felt in Iowa over the phaseout and proposed termination of one of these services in particular—the regional medical programs. These programs have not only provided improved health care in many regions of the country, but they have also allowed physicians to explore practical methods of reforming the Nation's health care delivery system.

Leaving aside for the moment the obvious advantages of involving the private sector in developing new mechanisms for medical delivery, I would like to call to your attention the specific benefits the regional medical programs have brought to some Iowans. The parents of a 2 pound, 10 ounce premature baby in Dubuque gave credit to the Dubuque Prenatal Care Center for saving their baby's life. They wrote that the expansion of this program—

> To make such centers within reasonably close reach all over Iowa . . . would be a wonderful thing for other parents finding themselves in a position like ours. It is hard for us to think of more important ways that a little government money could be spent than in making this program possible. Surely the cost could not be much, compared to the tragedies prevented and the happy, healthy babies sent home instead of their lives being snuffed out for lack of the right kind of care when they need it.

Another Iowan suffered a heart attack and credits the coronary care unit at the county hospital with saving his life. The personnel staffing this unit had all been trained through an Iowa heart association program funded by the Iowa regional medical program. The patient wrote that—

> The training these people had received is the reason I am alive today. You can see why I think the Iowa Regional Medical Program has been doing some very important things. It would be a real shame if the IRMP had to quit training people to save lives as they did mine. There is a possibility these people would have received this training elsewhere, but I would hate to stake my life on it, wouldn't you?

I am sure that other Members have received equally compelling arguments in favor of the programs that the administration wants to terminate. There may be areas in which these programs can be improved, and when alternative methods of providing the services are available, we may want to terminate some of the Government efforts. At this time, however, I urge all Members to support the 1 year extension of these programs and to reject amendments which would eliminate them.

Mrs. BURKE of California. Mr. Chairman, the measure before us carries major implications beyond this hour. Our vote on H.R. 7806 will not only determine the fate of several expiring health programs, but it also could affect our own future as Members of this body.

This legislation would extend for one year the Public Health Service Act, including regional medical programs, community mental health centers and Hill-Burton construction assistance which were not included in the President's fiscal year 1974 budget.

The administration tells us its budget request is only a recommendation, yet as I speak at least one of these programs is rapidly being dismantled, much like the OEO program was. I refer to regional medical programs—RMP—which in California is associated with the State's nine medical schools. I am told that 260 employees in California already have been laid off or are on terminal vacations. By June 30, $1.8 million in project activities in California will have been terminated in response to HEW orders.

This action raises serious questions from both a legal and constitutional standpoint.

U.S. District Court Judge William Jones recently ruled that the administration could not dismantle OEO's community action programs when it was the intent of Congress to continue them. He further stated that only Congress has the power to terminate the programs either by failing to include the community action programs in a continuing resolution or by failing to appropriate funds for them.

The Senate has expressed its intent with regard to RMP and the other expiring public health service authorities by voting 72–19 for a 1 year extension. The Senate bill, S. 1136, is similar to the measure we are considering. Legislation which concerns the future of these programs beyond fiscal year 1974 also has been introduced by our esteemed colleague, the Honorable Paul Rogers, Chairman of the House Subcommittee on Health and Environment. I urge my colleagues to take similarly strong action by passing H.R. 7806.

Failure to act on so important an issue would create a dangerous precedent which could make every program we enact vulnerable to termination without specific congressional approval. That, in my opinion, would constitute a forfeiture of the constitutional powers entrusted to us.

This view is shared by many. The Sacramento Bee published in our State capital where I served as an assemblyman for the past 6 years, noted the following remarks:

> Termination of the RMPs marks the fourth major health program to fall under Nixon's budget ax. The others, all of which have roused Congress to wrathful indignation, are the Hill-Burton hospital construction grant program, the Research Training Grants and Community Mental Health Centers.
>
> These are programs established by the people's representatives in Congress and as such should be beyond purview of the President's executive role. It is his constitutional duty to see that the will of the people, expressed through the Congress, is carried out as legislated.

Added the Fresno Bee:

> The Regional Medical Programs have proved a valuable link in the chain of bringing to the people the benefits of research and new medical treatment, largely in outlying regions which lack such facilities.
>
> In a nation where health care delivery already is in a state of crisis, this action by the President is unconscionable. Members of Congress have shown an encouraging militancy to protect their constitutional prerogatives, and the President's series of drastic cutbacks in such domestic needs will surely strengthen the legislators' determination to resist. They should do so not only in defense of Congress' powers, but also for the common welfare.

A 1-year extension of this act would provide Congress the opportunity denied it by the executive branch to review the programs involved and make its own recommendations. Certainly, my own review leads me to believe that the RMP's and some of the other programs may have been misjudged as to their effectiveness by overzealous budget cutters.

This possibility is openly acknowledged in the HEW budget justification which states:

> Despite Federal expenditures in excess of $500 million for these activities, however, there is little evidence that on a nationwide basis the RMP's have materially affected the health care delivery system. Further expenditure of scarce Federal health resources on this program, therefore, cannot be justified on the basis of available evidence.

The key phrase in that brief synopsis is available evidence. I might also point out that the $500 million referred to covers a 7-year period for which the average expenditures amounted to a little over $60 million. In contrast, at the height of the Cambodian bombing, administration officials have estimated that the bombing cost $1 million a day.

What concerns me is the fact that the administration's rationale for cutting these programs does not square with the performance in California of the RMP. In fact, one of the RMP areas, based at UCLA, was singled out by the Harvard University Center for Community Health and Medical Care. Its evaluation released in December 1972, stated that projects and core staff activities are "characteristically relevant, innovative and designed for direct action" and that the UCLA area "had responded energetically to the new RMPS mandate to facilitate change within the health delivery system."

RMP's director Harold Margulies, M.D., expressed similar confidence in RMP just this past January at a national meeting in St. Louis. So did other high HEW officials, including Merlin K. Du Val, M.D., former assistant secretary for health and scientific affairs. He told RMP coordinators:

> Today, I feel greatly comforted by the knowledge that RMP's have continued to gain in strength and maturity; they have come to represent a powerful local and national resource that is critical to our progress in achieving HEW goals.
>
> Many people have opined that RMP's stock seems to have been sinking over the last year or so. If this is so, I think the trend has reversed, primarily because you have demonstrated great capacity in meeting new challenges. As the Administration followed through on the President's Health Message of last year you took on new responsibilities which were developmental rather than categorical. You have acted more swiftly than your critics had expected. It is never easy to alter directions when so many commitments and expectations are involved—it is especially difficult when the program has barely begun to establish itself.

These statements lead to the conclusion that the President and his budget officials may not have had all the facts available in considering RMP's future. It would also explain the inaccuracies in the testimony of the former Budget director who now heads the Department of Health, Education, and Welfare.

The Secretary of HEW repeatedly stated that the greatest expenditure of RMP funds has been in the area of continuing education, although the "Fact Book" printed by his agency in May indicates these activities constituted only 16 percent of the fiscal years 1972 RMP budget. I do concur with the Secretary, however, that these health professionals—including physicians—should pay their own way which they do in the RMP's which I am familiar with in California through fees and tuition charges. Nonetheless, it must be remembered that it is the public who benefits from the increased skills and capabilities of those who deliver medical care.

There is also no doubt that some of these public health services do overlap with other Federal efforts which is a concern I share with Secrettary Weinberger of HEW. It is my understanding, however, that Congressman ROGERS' Subcommittee on Public Health and Environment has already begun to tackle this problem and assures me that specific areas of authority for health planning, research, health services, etc, will be spelled out in a revised Public Health Services Act on which they are hard at work.

Mr. Chairman, few can argue with the need to hold Federal expenditures to a realistic level. I support the recent action of the Senate which demonstrated its willingness to work with the executive branch toward that goal in the passage of a $268 billion spending ceiling. But, as Secretary Weinberger testified recently, that is not the issue involved in the decision to terminate these particular programs.

Rather, HEW is seeking a new approach we all know as revenue-sharing. It is built on the premise that Federal money should be returned to local communities to spend on programs which the localities determine are priority needs.

Ironically, the President's budget proposes to cut one of the programs which has consistently followed that philosophy. More than 20,000 practicing physicians, nurses, hospital administrators and consumers are actively involved in RMP decisionmaking as members of regional advisory groups and community committees. That is how a health awareness project got started in southern California with only $1,000 in RMP funds. To date, it has provided direct access to health information and referrals to more than 2,000 residents.

A recent progress report on the 56 RMP regions indicates that almost 10 million people were directly served through projects and programs supported by this agency in 1972. I would like to share with you some of the activities underway in my congressional district.

One of the first paramedic programs in the county was initiated by RMP volunteers with local hospitals, city and county fire departments and the Los Angeles County Heart Association. Frederick Gordon of Inglewood is alive today after suffering two heart attacks because firemen trained by RMP were able to administer lifesaving therapy in time.

RMP is currently working with other emergency medical service interests to assure ambulance drivers and attendants also are properly trained. First steps also have been taken to achieve better coordination of emergency medical services at all levels in the county which includes 77 incorporated cities. That is no easy task, but the progress achieved so far faces a setback without other means of support.

One-year-old La Trina Knight is another person who directly benefited from RMP. Her anemic condition and heart murmur were diagnosed by Antonio Clark, R.N., a pediatric nurse practitioner at the Compton health services facility. Mrs. Clark is among 30 registered nurses who were prepared through RMP to assume greater responsibilities for routine child care and counseling, thereby freeing already overburdened pediatricians to spend more time with seriously ill infants. Although more than 90 nurses were originally scheduled to be trained as pediatric nurse practitioners, this number will be reduced substantially without RMP support.

Ronnie Jacobson almost did not celebrate his first birthday this month. Born prematurely, he suffered from severe hyaline membrane disease, one of the major disorders which contributed to the death of 3,800 newborns in California last year. Many of these infants could have been saved if they had had the benefit of skilled care and modern technology. RMP is helping to extend this capability to hospitals throughout southern California by offering intensive training to physicians and nurses. The real beneficiaries, of course, are patients like Ronnie.

There are three projects outside my district which deserve special mention. They, too, will be affected by the RMP phaseout:

> California Regional Kidney Disease Program which anticipated providing life-saving therapy to all good medical candidates by 1975.
>
> The Firebaugh-Mendota Medical Center which has provided primary care to more than 15,000 rural residents of Central San Joaquin Valley, many of whom previously travelled 100 miles round trip to see a doctor. This project will receive only one-third of the RMP funds promised it because of the phase out.
>
> An Extended Care Facilities Project which has enabled more than 600 nursing home administrators and directors of nursing services in Southern California to increase their skills and knowledge of patient care and work more closely as a team.

Elderly patients are receiving better care because of this investment.

Several other projects in California totaling another $1.8 million were approved and ready to be initiated when HEW orders came to shut down.

Among them was a health consortium of hospitals and educational institutions which volunteers spent many hours developing. This project would have facilitated cooperative educational programs based on a realistic assessment of manpower needs. Just as business saves money by pooling resources so did this project anticipate a considerable savings it could pass on to patients. The consortium also encompasses an important educational concept—that of a career ladder—which I hope will not be lost.

Mr. Chairman, I cannot help but feel a program capable of generating this kind of commitment among health professionals deserves more than a casual dismissal. In my view RMP has not only fulfilled its promise, but it also holds out vast resources yet to be tapped. I urge my fellow colleagues not to let this investment in the health of our citizens be diverted to less noble causes, and urge their support of H.R. 7806.

Mr. KYROS. Mr. Chairman, 13 of the Nation's public health programs are scheduled to expire at the end of the current fiscal year on June 30. These programs include Hill-Burton, the Community Mental Health Centers Act, comprehensive health planning, the regional medical program, and several others.

The purpose of our bill, H.R. 7806, is simply to extend these programs for 1 year, thus affording the Public Health Subcommittee and the U.S. Congress time to consider these programs fully to decide which ones should be continued, which are in need of modification, which might be combined, and which might even be terminated.

Some of the authorities dealt with in our bill are proposed to be continued in the administration's fiscal year 1974 budget. Some—including the Community Mental Health Centers Act, Hill-Burton, and the regional medical program—are proposed to be terminated by Executive fiat. Our bill states simply that it is the Congress and not the executive branch which should determine the fate of these programs. And this is by no means a partisan issue. Indeed, it is worth noting that H.R. 7806 passed both our subcommittee and the full Committee on Interstate and Foreign Commerce on unanimous votes. The full House should act likewise.

There is no doubt, Mr. Chairman, that the Public Health Act is in need of major overhaul. Our subcommittee has already begun this monumental task. We have introduced new legislation to revise three of the existing programs, and a second bill to revise two more will be introduced shortly. This effort will take us many months, but in the end we will have done the job properly. Meanwhile, H.R. 7806 is deserving of our full support.

Mr. ZWACH. Mr. Chairman, I rise in support of the bill H.R. 7806. I am especially interested in title IV which recognizes the rights of individuals and institutions to decide whether or not to take part in abortion or sterilization operations. Similar language is included in S. 1136, which passed the Senate on March 27.

It is my belief that every medical worker has the right to abide by his or her moral code in this situation. Conscientious objection to the taking of unborn life deserves as much consideration and respect as does conscientious objection to warfare.

As a cosponsor of the so-called "conscience clause," I urge favorable action by the House today and wish to thank the distinguished Mrs. HECKLER for all her efforts in this area.

Mr. STAGGERS. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. Pursuant to the rule, the Clerk will now read the bill by titles.

The Clerk read as follows:

H.R. 7806

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SHORT TITLE

SECTION 1. This Act may be cited as the 'Health Programs Extension Act of 1973".

TITLE I—AMENDMENTS TO PUBLIC HEALTH SERVICE ACT

REFERENCES TO ACT

SEC. 101. Whenever in this title an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

HEALTH SERVICES RESEARCH AND DEVELOPMENT

SEC. 102. Section 304(c) (1) is amended (1) by striking out "and" after "1972,", and (2) by inserting before the period at the end thereof a comma and the following: "and $42,617,000 for the fiscal year ending June 30, 1974".

NATIONAL HEALTH SURVEYS AND STUDIES

SEC. 103. Section 305(d) is amended (1) by striking out "and" after "1972," and (2) by striking out the period and inserting in lieu thereof a comma and the following: "and $14,518,000 for the fiscal year ending June 30, 1974".

PUBLIC HEALTH TRAINING

SEC. 104. (a) Section 306(a) is amended (1) by striking out "and" after "1972,", and (2) by inserting after "1973" the following: ", and $10,300,000 for the fiscal year ending June 30, 1974,".

(b) Section 309(a) is amended (1) by striking out "and" after "1972,", and (2) by inserting after "1973" the following ", and $6,500,000 for the fiscal year ending June 30, 1974".

(c) Section 309(c) is amended (1) by striking out "and" after "1972,", and (2) by inserting after "1973" the following: ", and $6,500,000 for fiscal year ending June 30, 1974".

MIGRANT HEALTH

SEC. 105. Section 310 is amended (1) by striking out "and" after "1972,", and (2) by inserting after "1973" the following: ", and $26,750,000 for the fiscal year ending June 30, 1974".

COMPREHENSIVE HEALTH PLANNING SERVICES

SEC. 106. (a)(1) Section 314(a)(1) is amended (A) by striking out "and" after "1972,", and (B) by inserting after "1973" the following: ", and $10,000,000 for the fiscal year ending June 30, 1974".

(2) Section 314(b)(1) is amended (A) by striking out "and" after "1972,", and (B) by inserting after "1973" the following: ", and $25,100,000 for the fiscal year ending June 30, 1974".

(3) Section 314(c) is amended (A) by striking out "and" after "1972,", and (B) by inserting after "1973" the following: ", and $4,700,000 for the fiscal year ending June 30, 1974".

(4) Section 314(d)(1) is amended (A) by striking out "and" after "1972,", and (B) by inserting after "1973" the following: ", and $90,000,000 for the fiscal year ending June 30, 1974".

(5) Section 314(e) is amended by inserting at the end thereof the following: "There is authorized to be appropriated for the fiscal year ending June 30, 1974, $198,100,000 for grants by the Secretary to public or nonprofit private neighborhood health centers to cover part of their cost of providing health services. The Secretary may make a grant under the preceding sentence to only those neighborhood health centers which received a grant in the fiscal year ending June 30, 1973, under the first sentence of this subsection or under title II of the Economic Opportunity Act of 1964. There is authorized to be appropriated for the fiscal year ending June 30, 1974, $13,000,000 for grants by the Secretary to public or nonprofit private family health centers to cover part of their cost of providing health services. The Secretary may make a grant under the preceding sentence to only those family health centers which received a grant in the fiscal year ending June 30, 1973, under the first sentence of this subsection."

(b) The first sentences of sections 314(b)(1)(A) and 314(c) are each amended by striking out "and ending June 30, 1973" and inserting in lieu thereof "and ending June 30, 1974."

ASSISTANCE TO MEDICAL LIBRARIES

SEC. 107. (a) Section 394(a) is amended (1) by striking out "and" after "1972,", and (2) by inserting after "1973" the following: ", and $1,500,000 for the fiscal year ending June 30, 1974".

(b) Section 395(a) is amended by inserting after the first sentence the following new sentence: "To enable the Secretary to carry out such purposes, there is authorized to be appropriated $95,000 for the fiscal year ending June 30, 1974."

(c) Section 395(b) is amended by inserting after the first sentence the following new sentence: "To enable the Secretary to carry out such purposes, there is authorized to be appropriated $900,000 for the fiscal year ending June 30, 1974."

(d) Section 396(a) is amended (1) by striking out "and" after "1972,", and (2) by inserting after "1973" the following: ", and $2,705,000 for the fiscal year ending June 30, 1974".

(e) Section 397(a) is amended (1) by striking out "and" after "1972,", and (2) by inserting after "1973" the following: ", and $2,902,000 for the fiscal year ending June 30, 1974".

(f) Section 398(a) is amended by inserting after the first sentence the following new sentence: "To enable the Secretary to carry out such purposes, there is authorized to be appropriated $340,000 for the fiscal year ending June 30, 1974.".

HILL-BURTON PROGRAMS

SEC. 108. (a)(1) Section 601(a) is amended to read as follows:

"(a) for the fiscal year ending June 30, 1974—

"(1) $20,800,000 for grants for the construction of public or other nonprofit facilities for long-term care;

"(2) $70,000,000 for grants for the construction of public or other nonprofit outpatient facilities;

"(3) $15,000,000 for grants for the construction of public or other nonprofit rehabilitation facilities;".

(2) Section 601(b) is amended (A) by striking out "and" after "1972,", and (B) by inserting after "1973" the following: ", and $41,400,000 for the fiscal year ending June 30, 1974".

(3) Section 601(c) is amended (A) by striking out "and" after "1972,", and (B) by inserting after "1973" the following: ", and $50,000,000 for the fiscal year ending June 30, 1974".

(b)(1) Section 621(a) is amended by striking out "through June 30, 1973" in paragraphs (1) and (2) and inserting in lieu thereof "through June 30, 1974".

(2) Section 625(2) is amended by striking out "for the fiscal year ending June 30, 1973" and inserting in lieu thereof "for each of the fiscal years ending June 30, 1973, and June 30, 1974".

TRAINING IN THE ALLIED HEALTH PROFESSIONS

SEC. 109. (a) Section 792(b) is amended (1) by striking out "and" after "1972,", and (2) by inserting after "1973" the following: ", and $20,000,000 for the fiscal year ending June 30, 1974".

(b) Section 792(c)(1) is amended (1) by striking out "and" after "1972,", and (2) by inserting after "1973" the following: ", and $18,245,00 for the fiscal year ending June 30, 1974".

(c) Section 793(a) is amended (1) by striking out "and" after "1972;", and (2) by inserting after "1973" the following: "; and $6,000,000 for the fiscal year ending June 30, 1974".

(d) Section 794A(b) is amended (1) by striking out "and" after "1972;", and (2) by inserting after "1973" the following: "; and $100,000 for the fiscal year ending June 30, 1974".

### REGIONAL MEDICAL PROGRAMS

SEC. 110. Section 901(a) is amended (1) by striking out "and" after "1972,", and (2) by inserting after "1973" the following: ", and $159,000,000 for the fiscal year ending June 30, 1974,".

### POPULATION RESEARCH AND FAMILY PLANNING

SEC. 111. (a) Section 1001(c) is amended (1) by striking out "and" after "1972;", and (2) by inserting after "1973" the following: ", and $111,500,000 for the fiscal year ending June 30, 1974".

(b) Section 1003(b) is amended (1) by striking out "and" after "1972", and (2) by inserting after "1973" the following: "; and $3,000,000 for the fiscal year ending June 30, 1974".

(c) Section 1004(b) is amended (1) by striking out "and" after "1972;", and (2) by inserting after "1973" the following: "; and $2,615,000 for the fiscal year ending June 30, 1974".

(d) Section 1005(b) is amended (1) by striking out "and" after "1972"; and (2) by inserting after "1973" the following: "; and $909,000 for the fiscal year ending June 30, 1974".

## TITLE II—AMENDMENTS TO THE COMMUNITY MENTAL HEALTH CENTERS ACT

### REFERENCES TO ACT

SEC. 201. Whenever in this title an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to a section or other provision of the Community Mental Health Centers Act.

### CONSTRUCTION ASSISTANCE FOR MENTAL HEALTH CENTERS

SEC. 202. (a) Section 201(a) is amended (1) by striking out "and" after "1972,", and (2) by inserting after "1973" the following: ", and $20,000,000 for the fiscal year ending June 30, 1974".

(b) Section 207 is amended by striking out "1973" and inserting in lieu thereof "1974".

### STAFFING ASSISTANCE FOR MENTAL HEALTH CENTERS

SEC. 203. (a) Section 221(b) is amended by striking out "1973" each place it occurs and inserting in lieu thereof "1974".

(b) Section 224(a) is amended (1) by striking out "and" after "1972,", (2) by inserting after "1973" the following: ", and $49,131,000 for the fiscal year ending June 30, 1974", and (3) by striking out "thirteen succeeding years" and inserting in lieu thereof "fourteen succeeding years".

### ALCOHOLISM PROGRAMS

SEC. 204. (a) Section 246 is amended by striking out "1973" and inserting in lieu thereof "1974".

(b) Section 247(d) is amended by striking out "for the fiscal year ending June 30, 1973" and inserting in lieu thereof "for each of the fiscal years ending June 30, 1973, and June 30, 1974".

### DRUG ABUSE PROGRAMS

SEC. 205. (a) Section 252 is amended by striking out "1973" and inserting in lieu thereof "1974".

(b) Section 253(d) is amended (1) by striking out "and" after "1972,", and (2) by inserting after "1973" the following: ", and $1,700,000 for the fiscal year ending June 30, 1974".

(c) Section 256(e) is amended by striking out "$75,000,000" and inserting in lieu thereof "$60,000,000".

### OTHER AUTHORIZATIONS FOR ALCOHOLISM AND DRUG ABUSE PROGRAMS

SEC. 206. (a) Section 261(a) is amended (1) by striking out "and" after "1972,", and (2) by inserting after "1973" the following: ", and $36,774,000 for the fiscal year ending June 30, 1974".

(b) Section 261(b) is amended (1) by striking out "nine fiscal years" and inserting in lieu thereof "ten fiscal years", and (2) by striking out "1973" and inserting in lieu thereof "1974".

### MENTAL HEALTH OF CHILDREN

SEC. 207. (a) Section 271(d)(1) is amended (1) by striking out "and" after "1972,", and (2) by inserting after "1973" the following: ", and $16,515,000 for the fiscal year ending June 30, 1974".

(b) Section 271(d)(2) is amended (A) by striking out "eight fiscal years" and inserting in lieu thereof "nine fiscal years", and (B) by striking out "1973" and inserting in lieu thereof "1974".

## TITLE III—AMENDMENTS TO THE DEVELOPMENTAL DISABILITIES SERVICES AND FACILITIES CONSTRUCTION ACT

### AUTHORIZATION OF APPROPRIATIONS FOR SERVICES AND PLANNING

SEC. 301. (a) Section 122(b) of the Developmental Disabilities Services and Facilities Construction Act is amended (1) by striking out "and" after "1972;", and (2) by inserting after "1973" the following: "; and $9,250,000 for the fiscal year ending June 30, 1974".

(b) Section 131 of such Act is amended (1) by striking out "and" after "1972,", and (2) by inserting after "1973" the following: ", and $32,500,000 for the fiscal year ending June 30, 1974".

(c) Section 137(b)(1) is amended by striking out "the fiscal year ending June 30, 1973" and inserting in lieu thereof "each of the fiscal years ending June 30, 1973, and June 30, 1974".

## TITLE IV—MISCELLANEOUS

### MISCELLANEOUS

SEC. 401. (a) Section 601 of the Medical Facilities Construction and Modernization Amendments of 1970 is amended by striking out "1973" and inserting in lieu thereof "1974".

(b) The receipt of any grant, contract, loan, or loan guarantee under the Public Health Service Act, the Community Mental Health Centers Act, or the Developmental Disabilities Services and Facilities Construction Act by any individual or entity does not authorize any court or any public official or other public authority to require—

(1) such individual to perform or assist in the performance of any sterilization procedure or abortion if his performance or assistance in the performance of such procedure or abortion would be contrary to his religious beliefs or moral convictions; or

(2) such entity to—

(A) make its facilities available for the performance of any sterilization procedure or abortion if the performance of such procedure or abortion in such facilities is prohibited by the entity on the basis of religious beliefs or moral convictions, or

(B) provide any personnel for the performance or assistance in the performance of any sterilization procedure or abortion if the performance or assistance in the performance of such procedure or abortion by such personnel would be contrary to the religious beliefs or moral convictions of such personnel.

Mr. STAGGERS (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

### COMMITTEE AMENDMENT

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: Page 4, strike out lines 4 through 21 and insert in lieu thereof the following:

(5) Section 314(e) is amended (A) by striking out "and" after "1972,", (B) by inserting "and $230,700,000 for the fiscal year ending June 30, 1974," after "1973,", and (C) by adding at the end thereof the following: "No grant may be made under this subsection for the fiscal year ending June 30, 1974, to cover the cost of services described in clause (1) or (2) of the first sentence if a grant or contract to cover the cost of such services may be made or entered into from funds authorized to be appropriated for such fiscal year under an authorization of appropriations in any provision of this Act (other than this subsection) amended by title I of the Health Programs Extension Act of 1973."

The committee amendment was agreed to.

### AMENDMENT OFFERED BY MR. HEINZ

Mr. HEINZ. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HEINZ: Page 13, insert after line 24, the following:

(c) No entity which receives a grant, contract, loan, or loan guarantee under the Public Health Service Act, the Community Mental Health Centers Act, or the Developmental Disabilities Services and Facilities Construction Act after the date of enactment of this Act may—

(1) discriminate in the employment, promotion, or termination of employment of any physician or other health care personnel, or

(2) discriminate in the extension of staff or other privileges to any physician or other health care personnel,

because he performed or assisted in the performance of a lawful sterilization procedure or abortion, because he refused to perform or assist in the performance of such a procedure or abortion on the grounds that his performance or assistance in the performance of the procedure or abortion would be contrary to his religious beliefs or moral convictions, or because of his religious beliefs or moral convictions respecting sterilization procedures or abortions.

Mr. HEINZ. Mr. Chairman, freedom of conscience is one of the most sacred, inviolable rights that all men hold dear. With the Supreme Court decision legalizing abortion under certain circumstances, the House must now assure people who work in hospitals, clinics, and other such health institutions that they will never be forced to engage in any procedure that they regard as morally abhorrent.

Under the present language, H.R. 7806 assures that no hospital or health care institution would be forced to perform abortions or sterilizations contrary to its religious or moral code simply because it had received Federal funds under one of the health acts treated in this bill. But we must also guarantee that no hospital will discharge, or suspend the staff privileges of, any person because he or she either cooperates or refuses to cooperate in the performance of a lawful abortion or sterilization because of moral convictions.

The amendment that I offer to H.R. 7806 simply states that hospitals or other health care institutions receiving funds under the Federal programs treated in this bill may not discriminate against those who on the basis of their religious or moral convictions, either participate in or refuse to participate in lawful abortions and sterilizations. I also wish to reassure my colleagues, and make crystal clear at the outset, that it is not the intent or the effect of this amendment to in any way compel health care entities to make available any facilities for sterilization or abortion procedures against their moral or religious convictions. This point was raised prior to my offering this amendment by the gentlewoman from Massachusetts (Mrs. HECKLER), and I believe she is in agreement with my amendment.

I wish to stipulate two other aspects of the amendment:

It is germane—it treats only legislation in the jurisdiction of the committee, that is, the three health acts mentioned in H.R. 7806.

It applies only to entities who receive Federal funds under these programs after the date of enactment of this proposal. We would not, therefore, be attaching a new condition to Federal assistance received 5, 10, or even 20 years ago.

It in no way prevents hospital action against personnel who perorm unlawful abortions or sterilizations.

Congress must clearly state that it will not tolerate discrimination of any kind against health personnel because of their beliefs or actions with regard to abortions or sterilizations. I ask, therefore, that the House approve my amendment to title IV, section 401.

Mr. STAGGERS. Mr. Chairman, will the gentleman yield?

Mr. HEINZ. I am happy to yield to the gentleman from West Virginia.

Mr. STAGGERS. Mr. Chairman, I have read the amendment, and I am in agreement with the gentleman on his amendment to the bill. I agree to it, and I believe the committee would, too.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. HEINZ).

The amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. CHARLES H. WILSON of California, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 7806) to extend through fiscal year 1974 certain expiring appropriations authorizations in the Public Health Service Act, the Community Mental Health Centers Act, and the Developmental Disabilities Services and Facilities Construction Act, and for other purposes, pursuant to House Resolution 418, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. WYDLER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 372, nays 1, not voting 59, as follows:

[Roll No. 169]

YEAS—372

Abdnor
Abzug
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Archer
Arends
Armstrong
Ashley
Aspin
Bafalis
Baker
Barrett
Bell
Bennett
Bergland
Bevill
Biester
Bingham
Boggs
Boland
Bolling
Bowen
Brademas
Brasco
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Butler
Byron
Carey, N.Y.
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collier
Collins
Conable
Conlan
Conte
Conyers
Corman
Cotter
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, S.C.
Davis, Wis.
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Devine
Donohue
Dorn
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Eshleman
Evans, Colo.
Fascell
Findley
Fish
Flood
Flowers
Foley
Ford, Gerald R.
Ford, William D.
Forsythe
Fountain
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Goodling
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Gross
Grover
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Hastings
Hawkins
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Holtzman
Horton
Hosmer
Howard
Huber
Hudnut
Hungate
Hutchinson
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Keating
Kemp
King
Kluczynski
Koch
Kuykendall
Kyros
Landgrebe
Latta
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Macdonald
Madigan
Mahon
Mailliard
Mallary
Mann
Maraziti
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Metcalfe
Mezvinsky
Michel
Miller
Mills, Ark.
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
Obey
O'Brien
O'Hara
Parris
Passman
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Podell
Preyer
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Rangel
Rees
Regula
Reid
Reuss
Rhodes
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Roybal
Runnels
Ruppe
Ruth
Ryan
St Germain
Sarasin
Sarbanes
Satterfield
Saylor
Scherle
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stubblefield
Stuckey
Studds
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague, Calif.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Treen
Ullman
Van Deerlin
Vander Jagt
Vanik
Veysey
Vigorito
Waggonner
Waldie
Walsh
Wampler
Ware
Whalen
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—1

Crane

NOT VOTING—59

Adams
Annunzio
Ashbrook
Badillo
Beard
Biaggi
Blackburn
Blatnik
Bray
Burke, Calif.
Camp
Carney, Ohio
Carter
Coughlin
Cronin
Davis, Ga.
de la Garza
Dickinson
Diggs
Dingell
Esch
Evins, Tenn.
Fisher
Flynt
Fraser
Fuqua
Goldwater
Gubser
Harvey
Hunt
Ichord
Jones, N.C.
Ketchum
Landrum
Leggett
McCormack
Madden
Martin, Nebr.
Melcher
Milford
Minshall, Ohio
Mollohan
Murphy, N.Y.
O'Neill
Owens
Powell, Ohio
Price, Ill.
Randall
Rarick
Rooney, N.Y.
Sandman
Spence
Stratton
Sullivan
Teague, Tex.
Udall
White
Wilson, Charles, Tex.
Winn

So the bill was passed.

The Clerk announced the following pairs:

Mr. Annunzio with Mr. Winn.

Mr. Rooney of New York with Mr. Hunt.

Mr. Teague of Texas with Mr. Ashbrook.

Mr. Fuqua with Mr. Camp.

Mrs. Burke of California with Mr. Goldwater.

Mr. de la Garza with Mr. Powell of Ohio.

Mrs. Sullivan with Mr. Bray.

Mr. O'Neill with Mr. Cronin.

Mr. Murphy of New York with Mr. Coughlin.

Mr. Mollohan with Mr. Beard.

Mr. Blatnik with Mr. Gubser.

Mr. Carney of Ohio with Mr. Harvey.

Mr. Davis of Georgia with Mr. Blackburn.

Mr. Diggs with Mr. Udall.

Mr. Charles Wilson of Texas with Mr. Dickinson.

Mr. Dingell with Mr. Esch.
Mr. Leggett with Mr. Minshall of Ohio.
Mr. Fraser with Mr. Fisher.
Mr. Evins of Tennessee with Mr. Carter.
Mr. Biaggi with Mr. Sandman.
Mr. Flynt with Mr. Spence.
Mr. Badillo with Mr. Madden.
Mr. McCormack with Mr. Martin of Nebraska.
Mr. Adams with Mr. Ichord.
Mr. Jones of North Carolina with Mr. Rarick.
Mr. Randall with Mr. White.
Mr. Melcher with Mr. Owens.
Mr. Milford with Mr. Landrum.
Mr. Price of Illinois with Mr. Stratton.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

**The SPEAKER.** Pursuant to the provisions of House Resolution 418, the Committee on Interstate and Foreign Commerce is discharged from the further consideration of the bill (S. 1136) to extend the expiring authorities in the Public Health Service Act and the Community Mental Health Centers Act.

The Clerk read the title of the Senate bill.

### MOTION OFFERED BY MR. STAGGERS

**Mr. STAGGERS.** Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. STAGGERS moves to strike out all after the enacting clause of the bill S. 1136 and to insert in lieu thereof the provisions of H.R. 7806, as passed, as follows:

### SHORT TITLE

SECTION 1. This Act may be cited as the "Health Programs Extension Act of 1973".

## TITLE I—AMENDMENTS TO PUBLIC HEALTH SERVICE ACT

### REFERENCES TO ACT

SEC. 101. Whenever in this title an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

### HEALTH SERVICES RESEARCH AND DEVELOPMENT

SEC. 102. Section 304(c)(1) is amended (1) by striking out "and" after "1972,", and (2) by inserting before the period at the end thereof a comma and the following: "and $42,617,000 for the fiscal year ending June 30, 1974".

### NATIONAL HEALTH SURVEYS AND STUDIES

SEC. 103. Section 305(d) is amended (1) by striking out "and" after "1972," and (2) by striking out the period and inserting in lieu thereof a comma and the following: "and $14,518,000 for the fiscal year ending June 30, 1974".

### PUBLIC HEALTH TRAINING

SEC. 104. (a) Section 306(a) is amended (1) by striking out "and" after "1972,", and (2) by inserting after "1973" the following: ", and $10,300,000 for the fiscal year ending June 30, 1974,".

(b) Section 309(a) is amended (1) by striking out "and" after "1972,", and (2) by inserting after "1973" the following: ", and $6,500,000 for the fiscal year ending June 30, 1974".

(c) Section 309(c) is amended (1) by striking out "and" after "1972,", and (2) by inserting after "1973" the following: ", and $6,500,000 for the fiscal year ending June 30, 1974".

### MIGRANT HEALTH

SEC. 105. Section 310 is amended (1) by striking out "and" after "1972,", and (2) by inserting after "1973" the following: ", and $26,750,000 for the fiscal year ending June 30, 1974".

### COMPREHENSIVE HEALTH PLANNING SERVICES

SEC. 106. (a)(1) Section 314(a)(1) is amended (A) by striking out "and" after "1972,", and (B) by inserting after "1973" the following: ", and $10,000,000 for the fiscal year ending June 30, 1974".

(2) Section 314(b)(1)(A) is amended (A) by striking out "and" after "1972,", and (B) by inserting after "1973" the following: ", and $25,100,000 for the fiscal year ending June 30, 1974".

(3) Section 314(c) is amended (A) by striking out "and" after "1972,", and (B) by inserting after "1973" the following: ", and $4,700,000 for the fiscal year ending June 30, 1974".

(4) Section 314(d)(1) is amended (A) by striking out "and" after "1972,", and (B) by inserting after "1973" the following: ", and $90,000,000 for the fiscal year ending June 30, 1974".

(5) Section 314(e) is amended (A) by striking out "and" after "1972,", (B) by inserting "and $230,700,000 for the fiscal year ending June 30, 1974," after "1973,", and (C) by adding at the end thereof the following: "No grant may be made under this subsection for the fiscal year ending June 30, 1974, to cover the cost of services described in clause (1) or (2) of the first sentence if a grant or contract to cover the cost of such services may be made or entered into from funds authorized to be appropriated for such fiscal year under an authorization of appropriations in any provision of this Act (other than this subsection) amended by title I of the Health Programs Extension Act of 1973."

(b) The first sentences of sections 314(b)(1)(A) and 314(c) are each amended by striking out "and ending June 30, 1973" and inserting in lieu thereof "and ending June 30, 1974".

### ASSISTANCE TO MEDICAL LIBRARIES

SEC. 107. (a) Section 394(a) is amended (1) by striking out "and" after "1972", and (2) inserting after "1973" the following: ", and $1,500,000 for the fiscal year ending June 30, 1974".

(b) Section 395(a) is amended by inserting after the first sentence the following new sentence: "To enable the Secretary to carry out such purposes, there is authorized to be appropriated $95,000 for the fiscal year ending June 30, 1974."

(c) Section 395(b) is amended by inserting after the first sentence the following new sentence: "To enable the Secretary to carry out such purposes, there is authorized to be appropriated $900,000 for the fiscal year ending June 30, 1974."

(d) Section 396(a) is amended (1) by striking out "and" after "1972,", and (2) by inserting after "1973" the following: ", and $2,705,000 for the fiscal year ending June 30, 1974".

(e) Section 397(a) is amended (1) by striking out "and" after "1972,", and (2) by inserting after "1973" the following: ", and $2,902,000 for the fiscal year ending June 30, 1974".

(f) Section 398(a) is amended by inserting after the first sentence the following new sentence: "To enable the Secretary to carry out such purposes, there is authorized to be appropriated $340,000 for the fiscal year ending June 30, 1974.".

### HILL-BURTON PROGRAMS

SEC. 108. (a)(1) Section 601(a) is amended to read as follows:

"(a) for the fiscal year ending June 30, 1974—

"(1) $20,800,000 for grants for the construction of public or other nonprofit facilities for long-term care;

"(2) $70,000,000 for grants for the construction of public or other nonprofit outpatient facilities;

"(3) $15,000,000 for grants for the construction of public or other nonprofit rehabilitation facilities;".

(2) Section 601(b) is amended (A) by striking out "and" after "1972,", and (B) by inserting after "1973" the following: ", and $41,400,000 for the fiscal year ending June 30, 1974".

(3) Section 601(c) is amended (A) by striking out "and" after "1972,", and (B) by inserting after "1973" the following: ", and $50,000,000 for the fiscal year ending June 30, 1974".

(b)(1) Section 621(a) is amended by striking out "through June 30, 1973" in paragraphs (1) and (2) and inserting in lieu thereof "through June 30, 1974".

(2) Section 625(2) is amended by striking out "for the fiscal year ending June 30, 1973" and inserting in lieu thereof "for each of the fiscal years ending June 30, 1973, and June 30, 1974".

### TRAINING IN THE ALLIED HEALTH PROFESSIONS

SEC. 109. (a) Section 792(b) is amended (1) by striking out "and" after "1972,", and (2) by inserting after "1973" the following: ", and $20,000,000 for the fiscal year ending June 30, 1974".

(b) Section 792(c)(1) is amended (1) by striking out "and" after "1972,", and (2) by inserting after "1973" the following: ", and $18,245,000 for the fiscal year ending June 30, 1974".

(c) Section 793(a) is amended (1) by striking out "and" after "1972;", and (2) by inserting after "1973" the following: ", and $6,000,000 for the fiscal year ending June 30, 1974".

(d) Section 794A(b) is amended (1) by striking out "and" after "1972;", and (2) by inserting after "1973" the following: "; and $100,000 for the fiscal year ending June 30, 1974".

### REGIONAL MEDICAL PROGRAMS

SEC. 110. Section 901(a) is amended (1) by striking out "and" after "1972,", and (2) by inserting after "1973" the following: ", and $159,000,000 for the fiscal year ending June 30, 1974,".

### POPULATION RESEARCH AND FAMILY PLANNING

SEC. 111. (a) Section 1001(c) is amended (1) by striking out "and" after "1972;", and (2) by inserting after "1973" the following: ", and $111,500,000 for the fiscal year ending June 30, 1974".

(b) Section 1003(b) is amended (1) by striking out "and" after "1972;", and (2) by inserting after "1973" the following: "; and $3,000,000 for the fiscal year ending June 30, 1974".

(c) Section 1004(b) is amended (1) by striking out "and" after "1972;", and (2) by inserting after "1973" the following: " and $2,615,000 for the fiscal year ending June 30, 1974".

(d) Section 1005(b) is amended (1) by striking out "and" after "1972;", and (2) by inserting after "1973" the following: "; and $909,000 for the fiscal year ending June 30, 1974".

## TITLE II—AMENDMENTS TO THE COMMUNITY MENTAL HEALTH CENTERS ACT

### REFERENCES TO ACT

SEC. 201. Whenever in this title an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to a section or other provision of the Community Mental Health Centers Act.

### CONSTRUCTION ASSISTANCE FOR MENTAL HEALTH CENTERS

SEC. 202. (a) Section 201(a) is amended (1) by striking out "and" after "1972,", and (2) by inserting after "1973" the following: ", and $20,000,000 for the fiscal year ending June 30, 1974".

(b) Section 207 is amended by striking out "1973" and inserting in lieu thereof "1974".

#### STAFFING ASSISTANCE FOR MENTAL HEALTH

SEC. 203. (a) Section 221(b) is amended by striking out "1973" each place it occurs and inserting in lieu thereof "1974".

(b) Section 224(a) is amended (1) by striking out "and" after "1972,", (2) by inserting after "1973" the following: ", and $49,131,000 for the fiscal year ending June 30, 1974", and (3) by striking out "thirteen succeeding years" and inserting in lieu thereof "fourteen succeeding years".

#### ALCOHOLISM PROGRAMS

SEC. 204. (a) Section 246 is amended by striking out "1973" and inserting in lieu thereof "1974".

(b) Section 247(d) is amended by striking out "for the fiscal year ending June 30, 1973" and inserting in lieu thereof "for each of the fiscal years ending June 30, 1973, and June 30, 1974".

#### DRUG ABUSE PROGRAMS

SEC. 205. (a) Section 252 is amended by striking out "1973" and inserting in lieu thereof "1974".

(b) Section 253(d) is amended (1) by striking out "and" after "1972,", and (2) by inserting after "1973" the following: ", and $1,700,000 for the fiscal year ending June 30, 1974".

(c) Section 256(e) is amended by striking out "$75,000,000" and inserting in lieu thereof "$60,000,000".

#### OTHER AUTHORIZATIONS FOR ALCOHOLISM AND DRUG ABUSE PROGRAMS

SEC. 206. (a) Section 261(a) is amended (1) by striking out "and" after "1972,", and (2) by inserting after "1973" the following: ", and $36,774,000 for the fiscal year ending June 30, 1974".

(b) Section 261(b) is amended (1) by striking out "nine fiscal years" and inserting in lieu thereof "ten fiscal years", and (2) by striking out "1973" and inserting in lieu thereof "1974".

#### MENTAL HEALTH OF CHILDREN

SEC. 207. (a) Station 271(d)(1) is amended (1) by striking out "and" after "1972,", and (2) by inserting after "1973" the following: ", and $16,515,000 for the fiscal year ending June 30, 1974".

(b) Section 271(d)(2) is amended (A) by striking out "eight fiscal years" and inserting in lieu thereof "nine fiscal years", and (B) by striking out "1973" and inserting in lieu thereof "1974".

### TITLE III—AMENDMENTS TO THE DEVELOPMENTAL DISABILITIES SERVICES AND FACILITIES CONSTRUCTION ACT

#### AUTHORIZATION OF APPROPRIATIONS FOR SERVICES AND PLANNING

SEC. 301. (a) Section 122(b) of the Developmental Disabilities Services and Facilities Construction Act is amended (1) by striking out "and" after "1972;", and (2) by inserting after "1973" the following: "; and $9,250,000 for the fiscal year ending June 30, 1974".

(b) Section 131 of such Act is amended (1) by striking out "and" after "1972,", and (2) by inserting after "1973" the following: ", and $32,500,000 for the fiscal year ending June 30, 1974".

(c) Section 137(b)(1) is amended by striking out "the fiscal year ending June 30, 1973" and inserting in lieu thereof "each of the fiscal years ending June 30, 1973, and June 30, 1974".

### TITLE IV—MISCELLANEOUS

#### MISCELLANEOUS

SEC. 401. (a) Section 601 of the Medical Facilities Construction and Modernization Amendments of 1970 is amended by striking out "1973" and inserting in lieu thereof "1974".

(b) The receipt of any grant, contract, loan, or loan guarantee under the Public Health Service Act, the Community Mental Health Centers Act, or the Developmental Disabilities Services and Facilities Construction Act by any individual or entity does not authorize any court or any public official or other public authority to require—

(1) such individual to perform or assist in the performance of any sterilization procedure or abortion if his performance or assistance in the performance of such procedure or abortion would be contrary to his religious beliefs or moral convictions; or

(2) such entity to—

(A) make its facilities available for the performance of any sterilization procedure or abortion if the performance of such procedure or abortion in such facilities is prohibited by the entity on the basis of religious beliefs or moral convictions, or

(B) provide any personnel for the performance or assistance in the performance of any sterilization procedure or abortion if the performance or assistance in the performance of such procedure or abortion by such personnel would be contrary to the religious beliefs or moral convictions of such personnel.

(c) No entity which receives a grant, contract, loan, or loan guarantee under the Public Health Service Act, the Community Mental Health Centers Act, or the Developmental Disabilities Services and Facilities Construction Act after the date of enactment of this Act may—

(1) discriminate in the employment, promotion or termination of employment of any physician or other health care personnel, or

(2) discriminate in the extension of staff or other privileges to any physician or other health care personnel,

because he performed or assisted in the performance of a lawful sterilization procedure or abortion, because he refused to perform or assist in the performance of such a procedure or abortion on the grounds that his performance or assistance in the performance of the procedure or abortion would be contrary to his religious beliefs or moral convictions, or because of his religious beliefs or moral convictions respecting sterilization procedures or abortions.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 7806) was laid on the table.

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that the title of the bill (S. 1136) passed today by the House with an amendment, be amended to read as follows: "An Act to extend through fiscal 1974 certain expiring appropriations authorizations in the Public Health Service Act, the Community Mental Health Centers Act, and the Developmental Disabilities Services and Facilities Construction Act, and for other purposes."

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

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## NATIONAL BIOMEDICAL RESEARCH FELLOWSHIP, TRAINEESHIP, AND TRAINING ACT OF 1973

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that the bill (H.R. 7724) to amend the Public Health Service Act to establish a national program of biomedical research fellowships, traineeships, and training to assure the continued excellence of biomedical research in the United States, and for other purposes, be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the bill as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SHORT TITLE

SECTION 1. This Act may be cited as the "National Biomedical Research Fellowship, Traineeship, and Training Act of 1973".

#### FINDINGS AND DECLARATION OF PURPOSE

SEC. 2. (a) Congress finds and declares that—

(1) the success and continued viability of the Federal biomedical research effort depends on the availability of excellent scientists and a network of institutions of excellence capable of producing superior research personnel;

(2) direct support of the training of scientists for careers in biomedical research is an appropriate and necessary role for the Federal Government; and

(3) graduate training and research fellowship programs should be the key elements in the training programs of the National Institutes of Health, the National Institute of Mental Health, and their respective research institutes.

(b) It is the purpose of this Act to increase the capability of the National Institutes of Health, the National Institute of Mental Health, and their respective research institutes to carry out their statutory responsibility of maintaining a superior national program of biomedical research into the basic biological processes and mechanisms involved in the physical and mental diseases and impairments of man.

#### BIOMEDICAL RESEARCH FELLOWSHIPS, TRAINEESHIPS, AND TRAINING

SEC. 3. (a) Part G of title IV of the Public Health Service Act is amended by adding after section 454 the following new section:

#### "BIOMEDICAL RESEARCH FELLOWSHIPS, TRAINEESHIPS, AND TRAINING

"SEC. 455. (a) The Secretary shall provide biomedical research fellowships, traineeships, and training in the following manner:

"(1) The Secretary shall establish and maintain fellowships for (A) biomedical research at the National Institutes of Health and the National Institute of Mental Health, and (B) training at such Institutes of individuals to undertake such research. Any reference in this section to the National Institutes of Health and the National Institute of Mental Health shall be considered a reference to the Institutes and their respective research institutes, divisions, and bureaus.

"(2) The Secretary shall establish and maintain fellowships for (A) biomedical research at non-Federal public institutions and at nonprofit private institutions, and (B) training at such public and private institutions of individuals to undertake such research.

"(3) The Secretary shall (A) provide training, and establish and maintain traineeships, in the Institutes (referred to in paragraph (1)) in matters relating to the cause, diagnosis, prevention, and treatment of the disease (or diseases) to which the activities of such Institutes are directed; and (B) make grants to public or nonprofit private institutions for traineeships in such matters. Training and traineeships provided under this paragraph (or under grants made thereunder) may not include residency training or traineeships.

"(b)(1) No fellowship or traineeship may be awarded under subsection (a) (or under any grant made thereunder) to, and no training may be provided under such subsection for, any individual unless such individual provides, in such form and manner as the Secretary shall by regulation prescribe, assurances satisfactory to the Secretary that the individual will meet the requirement of subsection (c)(1).

"(2) The award of fellowships and traineeships by the Secretary under subsection (a), the making of grants for traineeships under such subsection, and the number of persons receiving training under such subsection, shall each be subject to review and approval by the appropriate advisory councils to the Institutes referred to in subsection (a)(1)(A) whose activities relate to the research or training under such fellowships, traineeships, or traineeship grants or (B) at which such training will be conducted.

"(3) The period of any fellowship, traineeship, or training (or any combination thereof) provided any individual under subsection (a) (or under any grant made thereunder) may not exceed three years in the aggregate unless the Secretary for good cause shown waives the application of the three-year limit to such individual.

"(4)(A) No fellowship or traineeship may be awarded by the Secretary under paragraph (1), (2), or (3)(A) of subsection (a) to any individual unless the individual has submitted to the Secretary an application therefor and the Secretary has approved the application. The application shall be in such form, submitted in such manner, and contain such information, as the Secretary may by regulation prescribe.

"(B) Fellowships and traineeships awarded under subsection (a) shall provide for such stipends and allowances (including travel and subsistence expenses and dependency allowances) for the fellows and trainees as the Secretary may deem necessary. A fellowship awarded under subsection (a)(2) may also provide for payments (in such amount as the Secretary determines is appropriate) to be made to the institution at which the research or training, for which the fellowship is awarded, is conducted for support services provided such individual by such institution.

"(5) No grant for traineeships may be made under subsection (a)(3)(B) unless an application therefor has been submitted to, and approved by, the Secretary. Such application shall be in such form, submitted in such manner, and contain such information, as the Secretary may by regulation prescribe. Traineeships under a grant under subsection (a)(3)(B) shall be awarded in accordance with such regulations as the Secretary shall prescribe.

"(c)(1)(A) Each individual who receives a fellowship or traineeship, or receives training, provided under subsection (a) (or under a grant made thereunder) shall, in accordance with paragraph (2), engage in health research or teaching, or if authorized under paragraph (B), serve as a member of the National Health Service Corps (established under section 329), for a period computed as follows: For each year during which the individual receives such a fellowship or traineeship and for each year of such training the individual received, the individual shall (i) engage in twenty-four months of health research or teaching, or (ii) (if so authorized) serve as a member of such Corps for a period of twenty-four months.

"(B) Any individual who

"(i) received a fellowship or traineeship, or received training, provided under subsection (a) (or under a grant made thereunder), and

"(ii) is a physician, dentist, nurse, or other person trained to provide health care directly to individual patients,

may, upon application to the Secretary, be authorized by the Secretary to serve as a member of the National Health Service Corps in lieu of engaging in health research or teaching if the Secretary determines that there are no suitable health research or teaching positions available to such individual to enable him to comply with the research or teaching requirement of this paragraph.

"(2) The requirement of paragraph (1) shall be complied with by any individual to whom it applies within such reasonable period of time, after the completion of such individual's fellowship, traineeship, or training (as the case may be), as the Secretary shall by regulation prescribe. The Secretary shall (A) by regulation prescribe (i) the type of research and teaching which an individual may engage in to comply with such requirement, and (ii) such other requirements respecting such research and teaching as he deems necessary; and (B) to the extent feasible, provide that the members of the National Health Service Corps who are serving in the Corps to meet the requirement of paragraph (1) shall be assigned to patient care.

"(3)(A) If any individual to whom the requirement of paragraph (1) is applicable fails, within the period prescribed by paragraph (2), to comply with such requirement, the United States shall be entitled to recover from such individual an amount equal to the product of—

"(i) the aggregate of (I) the amount of assistance provided to such individual under subsection (a), and (II) the sums of the interest which would be payable on such assistance if, at the time such assistance was provided, such assistance were a loan bearing interest at a rate fixed by the Secretary of the Treasury, after taking into consideration private consumer rates of interest prevailing at the time such assistance was provided and if the interest on each such assistance had been compounded annually, and

"(ii) a fraction (I) the numerator of which is the number obtained by subtracting the number of months equal to one-half the number of months of research or teaching performed by the individual in compliance with paragraph (1) from the total number of months in the period of research or teaching required to be performed by such individual by such paragraph, and (II) the denominator of which is a number equal to such total number of months.

Any amount which the United States is entitled to recover under this subparagraph shall, within the three-year period beginning on the date the United States becomes entitled to recover such amount, be paid to the United States. Until any amount due the United States under this subparagraph on account of any assistance provided under this section is paid, there shall accrue to the United States interest on such amount at the same rate as that fixed by the Secretary of the Treasury pursuant to clause (i) with respect to the assistance on account of which such amount is due the United States.

"(B) For purposes of subparagraph (A)—

"(i) in determining the amount of assistance provided an individual the Secretary shall include amounts paid to the individual (or to any institution on his behalf) under a fellowship or traineeship and the cost (as determined in accordance with regulations of the Secretary) of any training provided such individual; and

"(ii) the time at which assistance shall be considered as having been provided under subsection (a) to an individual shall, in the case of a traineeship or fellowship, be the date on which the traineeship or fellowship is awarded and shall, in the case of training, be the date on which such training was begun.

"(4)(A) Any obligation of any individual under paragraph (3) shall be canceled upon the death of such individual.

"(B) The Secretary shall by regulation provide for the waiver or suspension of any such obligation applicable to any individual whenever compliance by such individual is impossible or would involve extreme hardship to such individual and if enforcement of such obligation with respect to any individual would be against equity and good conscience.

"(d)(1) There are authorized to be appropriated to make payments under fellowships awarded under subsection (a)(2), $54,599,000 for each of the fiscal years ending June 30, 1974, and June 30, 1975.

"(2) There are authorized to be appropriated to make payments under grants under subsection (a)(3)(B), $153,348,000 for each of the fiscal years ending June 30, 1974, and June 30, 1975."

(b) Section 433(a) of such Act is amended by striking out the last two sentences.

(c) The heading for such part G is amended by striking out "ADMINISTRATIVE" and inserting in lieu thereof "GENERAL".

### LIMITATIONS ON RESEARCH

SEC. 4. Part G of title IV of the Public Health Service Act is further amended by adding after section 455 (as added by section 3 of this Act) the following new section:

"LIMITATIONS ON RESEARCH

"SEC. 456. The Secretary may not conduct or support research in the United States or abroad which violates any ethical standard respecting research adopted by the National Institutes of Health, the National Institute of Mental Health, or their respective research institutes."

### STUDIES RESPECTING BIOMEDICAL RESEARCH PERSONNEL

SEC. 5. (a) The Secretary of Health, Education, and Welfare shall, in accordance with subsection (b), arrange for the conduct of studies to—

(1) establish (A) the Nation's overall need for biomedical research personnel, (B) the subject areas in which such personnel are needed and the number of such personnel needed in each such area, and (C) the kinds and extent of training which should be provided such personnel;

(2) assess (A) current training programs available for the training of biomedical research personnel which are conducted under the Public Health Act at or through the National Institutes of Health, the National Institute of Mental Health, and their respective research institutes, and (B) other current training programs available for the training of such personnel;

(3) identify the kinds of research positions available to and held by individuals completing such programs;

(4) determine, to the extent feasible, whether the programs referred to in clause (B) of paragraph (2) would be adequate to meet the needs established under paragraph (1) if the programs referred to in clause (A) of paragraph (2) were terminated; and

(5) determine what modifications in the programs referred to in paragraph (2) are required to meet the needs established under paragraph (1).

(b)(1) The Secretary shall request the National Academy of Sciences to conduct such studies under an arrangement under which the actual expenses incurred by such Academy in conducting such studies will be paid by the Secretary. If the National Academy of Sciences is willing to do so, the Secretary shall enter into such an arrangement with such Academy for the conduct of such studies.

(2) If the National Academy of Sciences is unwilling to conduct one or more such studies under such an arrangement, then the Secretary shall enter into a similar arrangement with other appropriate nonprofit private groups or associations under which such groups or associations will conduct such studies and prepare and submit the reports thereon as provided in subsection (c).

(c) The studies required by subsection (a) shall be completed within the one-year period beginning on the date of the enactment of this Act; and a report on the results of such study shall be submitted by the Secretary to the Committee on Interstate and Foreign Commerce of the House of Representatives and the Committee on Labor and

Public Welfare of the Senate before the expiration of such period.

Mr. STAGGERS. Mr. Speaker, I move to strike the last word.

Mr. Speaker, I rise in support of H.R. 7724, the National Biomedical Research Fellowship, Traineeship, and Training Act of 1973.

This bill, the National Biomedical Research Fellowship, Traineeship, and Training Act of 1973, was reported by the Subcommittee on Public Health and Environment and the Full Committee on Interstate and Foreign Commerce unanimously, and is cosponsored by all Members of the Subcommittee.

In the last few months the present administration has proposed and begun terminating long and well established programs for training medical researchers at the NIH, the NIMH, and throughout the rest of this country. As many of you know, this action has been violently opposed by practically every person and school concerned with medical research in this country. The bill before us today is intended to provide new authority to the Department of HEW for continuing these programs.

Several changes in the programs have been incorporated into the bill. First, a requirement has been added for 2 years of service in either medical research, teaching, or practice for each year of training given by the program; second, the training in the bill has been limited to a 3-year period for training in doing medical research; third, specific authorizations of appropriations for this program have been added for the first time. These amount to $207,947,000 for fiscal year 1974, and again for fiscal year 1975; fourth, a requirement for a study of programs to train medical researchers has been added; and fifth, a requirement has been added that the Secretary of Health, Education, and Welfare shall not support any unethical medical research.

I am well aware that the present administration opposes this legislation, but we have had few subjects for which there has been such unanimous support as this one and I, therefore, recommend its passage, as an important and necessary step toward preserving our Nation's capacity to do medical research—a capacity unmatched by any other country in the world.

Mr. NELSEN. Mr. Speaker, I move to strike the last word.

Mr. Speaker, H.R. 7724, the National Biomedical Research Fellowship, Traineeship, and Training Act of 1973, would provide authority to conduct research training programs through the National Institutes of Health and the National Institute of Mental Health.

It is difficult, with the information now available, to make an accurate estimation as to what our Nation's biomedical research needs will be in the next several years. We cannot, however, afford to gamble with the manpower supply levels for such a critical function in our society. The bill does contain a provision for an outside study of our research training and the methods best suited to meeting those needs. But until such time as we have the results of that and related work, we must do our best to assure the availability of an adequate number of qualified researchers.

An interesting feature of this bill is the requirement that individuals who receive support under the program must perform 2 years of approved research; teaching, or practice for each year of such assistance received. This is to help assure that some individuals will not take advantage of the Federal funding and then fail to return any benefit to the taxpayers. People who receive support will be obligated to participate in meaningful work related to their area of expertise.

It should also be noted that no individual may receive in excess of 3 years of assistance—at least not without a Secretarial waiver. This will help guard against the so-called career trainees while at the same time helping many students over the most economically difficult period of their training. The limitation will also have the benefit of minimizing the period of required service for individuals receiving support.

Mr. Speaker, though I agree with and support the provisions of this bill, I should like to raise a related matter of great concern to me. At present there seems to be no effective method for tracking funds made available for fellowships and traineeships in research. The money goes out to the medical institutions and from that point on there is little accountability. We do not know how much of it is actually used for educating the individual recipient, how much goes into the institution's general accounts.

It may not be wrong for us to subsidize medical schools and teaching hospitals—but we should know just how and to what degree we are doing this.

I hope that either through regulations or, if necessary, by legislation we can achieve a better accounting of the money being spent to educate and develop our researchers.

Thank you, Mr. Speaker—and I urge my colleagues to support this legislation.

I would like also to say that this bill is one of the measure that the administration, suggested be dropped. They are deeply concerned about the concern the medical schools' handling of the grant money. They do not feel this money should be used for the institutions' general funds.

However, the committee was of the opinion that it might be able to provide for better guidelines. We may be able to give HEW more authority to direct where the money goes and how it is used by the schools.

I think the compelling testimony that we received from medical schools would indicate that without these research and training grants some of our very basic research would go neglected and our health causes would be lost in the process. Therefore, we decided to go ahead with this bill, hopefully to come up with improvements when we review the entire package.

Mr. ROGERS. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, following World War II this Nation embarked on a substantial effort through which medical research could, and, in fact, has evolved from a limited, private endeavor to a major national commitment commanding substantial support from the Federal Government. For the past 20 years a cornerstone of that effort has been the national program of biomedical research fellowships, traineeships, and training, whereby students and their parent institutions receive support for research and training in the biomedical sciences. As a direct result of this program, the United States now supports the finest biomedical research program in the history of the world. For reasons never made clear to members of the Subcommittee on Public Health and Environment, this year's budget request proposes the award of no new traineeships or fellowships this year. H.R. 7724 is designed to counteract that decision.

Mr. Speaker, the bill would provide line-item authorizations for traineeships and fellowships at the 1972 obligation level, instead of the broad, open ended authority presently found in the Public Health Service Act. It would also establish guidelines for such programs. Support to individual recipients would be limited to 3 years. Individuals so supported would be required to engage in 2 years research teaching or practice in the National Health Service Corps for each year of support received, or repay the amount received under the program. It would direct a new, independent study of the traineeship and fellowship program by the National Academy of Sciences, a nongovernmental unit.

I should point out, Mr. Speaker, that the authorization levels in this bill is not all new money. For fiscal year 1974, for example, the total budget request is approximately $136 million and the bill authorizes about $208 million—a difference of $72 million.

Mr. Speaker, during hearings on the proposed phaseout, the subcommittee received not one shred of evidence that would indicate that the proposed phaseout would be anything but disastrous to our nation's biomedical research effort. Administration testimony spoke in terms only of HEW being "prepared to consider any specific evidence that anyone can develop that the phaseout of this program will result in shortages of specific categories of research personnel." [Testimony of John S. Zapp, D.D.S., Deputy Assistant Secretary of Health, Education and Welfare for Legislation (Health) before House Subcommittee on Public Health and Environment, March 20, 1973.]

Nor only is this an interesting shifting of the burden of proof, Mr. Speaker, it is an inaccurate statement. The President's own Science Advisory Committee, in a recently released report has concluded that the problems of health care delivery are urgent, and require their own solutions, but a reduction in the biomedical research and research training effort would be a mortgaged solution with unacceptable consequences, namely, reductions in the rate of medical progress, in the quality of medical education, and ultimately in the health of the American people.

The support of biomedical research should be consistent. Erratic changes in the level of financial support of a scientific enterprise destroy morale, vitiate planning, and waste human and capital resources. The report recommends that "a stable base be established for support of research training programs and fellowships at both predoctoral and postdoctoral levels, adequate to assure an uninterrupted flow of research and teaching manpower for both basic and clinical science. The level of support should be established on the basis of the most precise estimates possible of the present and future needs for both Ph. D.'s and M.D. scientists for research and teaching in colleges, universities, research institutes, government agencies, and industry. The activities supported by training grants involve a large amount of patient care, and further reduction of support will have effects on American medicine far beyond limiting the output of research scientists. Therefore, Federal support for research training programs and fellowships should be maintained at least at the fiscal year 1969 level with adjustments for inflation, until a thorough analytic study can be made of the direct and indirect, immediate and long term, consequences of alternation of the present levels and mechanisms of support for research training programs and fellowships."

That is far from all the evidence, Mr. Speaker. A recent report of the National Institutes of Health, in response to a request from the Office of Management and Budget, reaffirmed the necessity for the traineeships and fellowships. Two of the NIH recommendations adequately summarize this extremely thoughtful report:

First. That direct support of the training of candidate biomedical scientists for careers in research be reaffirmed as an appropriate and necessary role for the Federal Government.

Second. That the existing instuments of support—the graduate training grant and the research fellowship—continue to be the key elements in the NIH training program.

Mr. Speaker, no less a health spokesman than Benno Schmidt, Chairman of the President's National Cancer Panel has appealed directly to the President to reverse this decision. Moreover, some of the most forceful testimony on the decision was offered by three Nobel Laureates, James D. Watson, director of the Cold Spring Harbor Laboratory, Cold Spring, N.Y., Joshua Lederberg, of Stanford University; and Arthur Kornberg, also of Stanford. Dr. Watson called the decision "myopic reasoning"; Dr. Lederberg stated that "only disaster will follow" from the decision; and Dr. Kornberg concluded that:

> I may sound dramatic to say it but today lights are going out in laboratories in many parts of America.

These are not men prone to exaggeration, Mr. Speaker. These are men who have devoted their lives to biomedical research, and who have been recognized by their peers as the best in their fields.

Mr. Speaker, as you know, with respect to the traineeship program it has been the procedure to award a portion of the moneys to the individual recipient and a portion to the institution. The committee expects that the Secretary of Health, Education, and Welfare would require in the award of such traineeships that accurate records be maintained with respect to how much money an institution receives under traineeships.

Mr. Speaker, this bill would reverse a decision that has enormous implications. There are many who feel that the decision would revert this country's biomedical research status to pre-World War II days, when the brightest research scientists in this country went to Europe to train, because many European countries supported biomedical research programs superior to those supported by the United States. This must not happen again, Mr. Speaker, through fiat of the Office of Management and Budget. A vote for this bill will do much to insure that it will not.

I urge adoption of the bill.

### AMENDMENT OFFERED BY MR. RONCALLO OF NEW YORK

**Mr. RONCALLO** of New York. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. RONCALLO of New York: Page 10, line 18, insert "(a)" after "Sec. 456."; strike out the close quotation marks in line 22; and after line 22 insert the following:
>
> "(b) The Secretary may not conduct or support research in the United States or abroad on a human fetus which is outside the uterus of its mother and which has a beating heart."

**Mr. RONCALLO** of New York. Mr. Speaker, this amendment would do nothing more than spell out in precise terms the sense of the committee report, which states on page 12:

> The Committee feels that present standards of ethical conduct make research on living fetuses unethical.

I commend the committee for making this determination and for including in its bill a section regarding limitations on research. Indeed this is the subject of H.R. 7850 which I presently have pending before the committee and which would ban the use of any appropriated funds by any agency for live fetus research. H.R. 6849, which I later reintroduced with 24 cosponsors would make such activities a Federal crime if the research itself or the institution in which it takes place is federally funded. This bill is before the Judiciary Committee.

The committee restriction in the reported bill would ban research in violation of ethical standards adopted by NIH and NIMH. I applaud this as far as it goes, for who would want to see HEW use funds for research declared unethical by those institutes? My amendment would in no way change or replace the committee's language. Rather it adds an additional paragraph specifically restricting the use of funds for live fetus research. The committee says it understands that it is the current position of NIH not to fund these activities. However, when the NIH Deputy Director for Science, Dr. Robert Berliner, made such a statement to the press, the Scientific Director of NIH's National Institute for Child Health and Human Development was not so sure. Dr. Charles U. Lowe was quoted by the Washington Post as saying, "You know we are dealing with 14,000 grants," and "we are not insofar as we know" financing any such research.

"Insofar as we know," Mr. Speaker, "Insofar as we know"! If the top officials dealing with fetal research at NIH disagree or are not sure what their policy is, maybe it is about time Congress told them what it should be. Congress is accused, and I am sorry to say, justly so, of forever abdicating its responsibility for setting policy to the executive branch. Time and again we vote to let the President or his Cabinet officers decide things. Today we would let NIH decide if funds are to be spent on live fetus research. It is our responsibility to legislate and their duty to execute our policies.

If it is our policy not to allow HEW to conduct or support this type of research, let us say just that. Let us take back the reins right here where they belong, in Congress. My amendment takes back those reins.

This is not an antiabortion bill. We are not concerned here with how this live human fetus gets to the operating table. All we say is, if I cannot live, let me die in peace. Do not cut tissue samples while I still have a heartbeat; do not stick tubes in me; do not artificially prolong my life when the decision has already been made that I cannot survive just to watch what happens, only to shut off the machine when we are done and watch me die. No matter how we feel about the abortion issue, no matter when we believe life starts, we can all agree that this fetus, no longer connected to its mother's life support system, existing independently with a beating heart, is a human life, a human baby if you will, however fleeting its time on earth. It is a human life entitled to the same dignity as any other human life. If we can get upset about vivisection on dogs, can we not be just as concerned about vivisection on humans? What would be the next step, vivisection of our terminally ill or our handicapped?

Second, the amendment would not in any way restrict the use of experimental therapeutic procedures in an attempt to save the life of the fetus, to allow it to develop into a mature viable infant. A good case in point is an attempt by the Children's Hospital of Philadelphia to save the life of moribund newborn infants with respiratory distress syndrome using an experimental lung substitute machine. Improvement in early trials was only temporary, but encouraging results and valuable data were obtained. Is it not much better to gain knowledge this way, in an attempt to save the infant?

Lest you think "it can't happen here," it has happened here, right here in our Nation's Capital at George Washington Hospital where a British doctor continued his overseas research in this country. Although I am told this research was not federally funded, the next case might be. If the British, the Scandinavians or other Europeans want to do this on their own soil, I still think it is wrong, but we can make it as difficult as possible for anyone to do it here in the United States.

Mr. Speaker, HEW's fiscal year 1973 estimated obligations for basic and applied research in the life sciences total over 1¼ billion dollars. Now we want to give them more than 200 million dollars additional.

As a human being, I am revolted at the thought that we might have reached the era of "1984" where we lower ourselves to performing vivisection on our own kind. If my colleagues share my revulsion, I hope they will see fit to pass this amendment.

Mr. J. WILLIAM STANTON. Mr. Speaker, will the gentleman yield?

Mr. RONCALLO of New York. I yield to the gentleman from Ohio.

Mr. J. WILLIAM STANTON. Mr. Speaker, I would like to compliment the gentleman from New York (Mr. Roncallo), who is now in the well, on his amendment. I think it expresses the intent of the committee, but I think the language proposed by the gentleman from New York which reads, "The Secretary may not conduct or support research in the United States or abroad on a human fetus which is outside the womb of its mother and which is alive with a beating heart," is good language, and again I certainly wish to compliment the gentleman from New York for offering this amendment. We were made aware of this situation when we read in the Washington Post of a test being conducted and there were denials and statements that it would not be done in the future.

But certainly it is the prerogative of the gentleman to offer such language, and I certainly back the gentleman 100 percent in support of the right of the gentleman to offer this amendment.

Again, I compliment the gentleman from New York.

Mr. DENHOLM. Mr. Speaker, will the gentleman yield?

Mr. RONCALLO of New York. I yield to the gentleman from South Dakota.

Mr. DENHOLM. Mr. Speaker, I thank the gentleman from New York for yielding to me. I commend you for the initiative in proposing the amendment to restrict medical research on aborted fetus specimens to that same ethical standard acceptable to all medical research. I understand that the intent and purpose of your amendment seeks to do no more. Certainly, that cannot be wrong.

Medical research has resulted in great benefits to all of us in the control of diseases and human affliction.

The issue of abortion, as we now know it, cannot be a license for the over enthusiastic experimentation of research by any person. If that exists as a fact—it must be stopped. If it is contemplated by the rationale of science—it cannot be permitted. I cannot condone the barbaric behavior of the 18th and 19th century and I will not passively concede to wrong in the alleged practices of "right."

The argument and reasoning that to limit experimental research on the life of a delivered, living fetus to that biomedical research equal to other human beings is to acknowledge wrong in all other substandard conduct of professional medical ethics is without merit. That line of argument is no more convincing than an antibank robbery statute should make legal all other crimes.

Mr. Speaker, I urge the committee to accept the amendment and abreast of that—the amendment should be adopted as an expression of this representative and legislative body of the people in a cause that is human, just, and right.

I thank the gentleman from New York (Mr. Roncallo) for yielding. I urge the adoption of the amendment and I ask unanimous consent to revise and extend my remarks at this point in the Record.

Mr. RONCALLO of New York. That is correct.

Mr. DENHOLM. Mr. Speaker, I commend the gentleman.

(Mr. DENHOLM asked and was given permission to revise and extend his remarks at this point in the Record.)

Mr. ERLENBORN. Mr. Speaker, will the gentleman yield?

Mr. RONCALLO of New York. I yield to the gentleman from Illinois.

Mr. ERLENBORN. I thank the gentleman for yielding. I want to compliment the gentleman for offering this amendment. I rise in support of the amendment.

Mr. Speaker, H.R. 7724 contains a proposal for amending the Public Health Service Act under a heading, "Limitations on Research." As reported by the Committee on Interstate and Foreign Commerce, section 456 would forbid the Secretary of Health, Education, and Welfare to conduct or support research which violates any ethical standard respecting research adopted by the National Institutes of Health, the National Institute of Mental Health, or their respective research institutes.

As much as I approve the intent of this language, I find it lacking in precision. It would permit the directors of these institutes to define "any ethical standard respecting research."

The committee, in its report, states that it intends by this phrase to prevent experimentation on live fetuses. I intend to say that, also. Hence, I support the amendment proposed by my colleague, the gentleman from New York (Mr. Roncallo).

This amendment would add a paragraph which would clarify the intent.

Honest and sincere persons can have differences about when life begins, either at conception or at some later time. We should, however, be able to agree that a fetus which has been removed from a mother's womb and which has a heart beat is entitled to the equal protection of our laws.

I urge that this House make its language precise and its intent clear by means of the amendment by the gentleman from New York.

Mr. WYDLER. Mr. Speaker, will the gentleman yield?

Mr. RONCALLO of New York. I yield to the gentleman from New York.

Mr. WYDLER. Mr. Speaker, I also want to compliment the gentleman for bringing this amendment to the floor. I think it is an important amendment and certainly in keeping with the philosophy that we are hearing lately that the Congress should take some responsibility and stand up and draw some guidelines. I believe the argument that we should leave this to the whim of the people who draw the regulations—whoever they are—in NIH, would be a very weak argument in an area this sensitive.

I am fully in support of the gentleman's amendment.

Mr. RONCALLO of New York. Mr. Speaker, I thank the gentleman.

Mr. WALSH. Mr. Speaker, will the gentleman yield?

Mr. RONCALLO of New York. I yield to the gentleman from New York.

Mr. WALSH. Mr. Speaker, I, too, thank the gentleman. I want to associate myself with the remarks of Mr. Roncallo, in bringing this amendment to our attention. I think it is one of the most important we will have to consider in a long, long while.

Mr. Speaker, several minutes ago, Mr. Roncallo spoke about research on living fetuses going on right here in Washington, D.C. The research in question is work being carried on by Dr. Geoffrey Chamberlain of Kings College Hospital in London. The research began in England but is being concluded here at the George Washington University Medical School.

This experimentation, through which none of the living fetuses connected to the artificial placenta survived more than 5 hours and 3 minutes, raises some important ethical and legal questions that merit serious deliberation now.

The human fetuses used in these experiments are alive, what are their rights? Since they are incapable of giving their consent to their use as experimental subjects, who can morally and legally give consent for them—their mothers, their fathers, both parents, the State, perhaps no one. What if the parents are minors?

One of the living human fetuses used by Dr. Chamberlain was taken from a 14-year-old girl. Is this type of human experimentation morally licit and legal? I do not think it is.

I strongly urge support of this amendment.

Mr. RONCALLO of New York. I thank the gentleman.

Mr. HEINZ. Mr. Speaker, will the gentleman yield?

Mr. RONCALLO of New York. I yield to the gentleman from Pennsylvania.

Mr. HEINZ. Mr. Speaker, I want to commend the gentleman for bringing this amendment to this body. I should like to say that in my opinion it is a very important step toward rejecting the utilitarian view of mankind that disregards the intrinsic values of human existence. Instead, the amendment acknowledges and protects the conviction that human life is unique and precious, and that it is to be celebrated, not derogated.

I urge the acceptance of the amendment.

Mr. CAREY of New York. Mr. Speaker, will the gentleman yield?

Mr. RONCALLO of New York. I yield to the gentleman from New York.

Mr. CAREY of New York. Mr. Speaker, I, too, want to commend the gentleman for making explicit what congressional policy will be in this area. I do want to say that one greatly admires the doctors working in the Child Health Institute, and the other institutions at NIH. We want to make clear that the policy of doctors working there, as well as the technicians and policy people at NIH, is exactly in accordance with the gentleman's language.

I believe that of any place in the entire world, the NIH is the greatest source of hope and compassion, especially for children's diseases—leukemia, and many blood and immunology-related diseases. NIH frequently is the sole hope of many parents that their son's or daughter's crippling childhood disease will be cured. I know the gentleman will agree that NIH policy, as evidenced by the type and philosophy of medicine practiced out there, is not such that we should have to convince them this should be policy; there is agreement with such policy as it presently operates.

As a matter of fact, the whole policy position was clear in that area, and certainly we are not in favor of using the fetus as an experiment.

Mr. STAGGERS. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, I think the introduction of the amendment is appropriate. I am against it, but I think it conveys the wish of this Congress, of every individual here, I am sure, and across the Nation, who has any compassion in any way that we should not experiment with fetuses.

I would like to tell the House this: If we start putting in amendments, for example, like this, we would have to put many more in. We have said the NIH has already said they do not think this is ethical, and we have said our thinking is that it is not ethical. In reading the bill, it says:

> The Secretary may not conduct or support research in the United States or abroad which violates any ethical standard respecting research adopted by the National Institutes of Health, the National Institute of Mental Health, or their respective research institutes.

NIH is definitely against this research, and the sense of it, but if we start amending this, there are many other areas of research that they support and which we have not mentioned in the bill.

There has been unethical research time and again in these other areas: Human beings in whom the brain has been destroyed and the body kept alive, for example. The institutes have said this is not ethical. There were times when drugs have been given to people without permission. The National Institutes of Health have said this is not ethical. There are many more examples. I am against them and many persons in the Chamber are against it. The National Institutes of Health have said all these are unethical, so let us not start naming just one. If we do we will have to name them all before we are through. So let us not pick out one. I am against it and I know many Members of the House are against it. So let us not single out just one. Many of these other examples are not making headlines but the national institutes have said they are unethical and should not be done. We have said so in our legislation, and not just for one but for all of them.

Miss JORDAN. Mr. Speaker, will the gentleman yield?

Mr. STAGGERS. I yield to the gentlewoman from Texas.

Miss JORDAN. Mr. Speaker, I am interested in the proviso that human experiments have the protection of the force and effect of the law. As I read the paragraph of the bill the gentleman referred to, and then heard his reference to the National Institutes of Health, all we have is a determination of policy and policy is something that can change as the board of directors change. How can we be sure we will not have a repeat of the Tuskegee experiment on humans?

Mr. STAGGERS. We had that experiment and hundreds of others, and, as the gentlewoman knows, some have not been ethical, they should not be and shall not be continued. We have put that in this bill. We have said this to cover any and all of them. I do not think we ought to pick out just one type of research and say that it should not be done. We are trying to cover the whole field.

I agree with the gentlewoman that that was one of the most despicable experiments I know of. It is good that it was brought to light and stopped. We want it to be stopped on fetuses, and on those whose minds have been destroyed as well.

Miss JORDAN. So it is fully the gentleman's intent that this proviso would be applicable to the Tuskegee and any similar experiments, to prevent that happening, even though the language the gentleman cites has not the full force and effect of law.

Mr. STAGGERS. The Secretary is directed—it says "may not"—and this is the law, not to continue or support research of any kind which is unethical. It would be a violation of the statute.

Mr. MAZZOLI. Mr. Speaker, I move to strike the last word.

Mr. Speaker, I hesitate to take the well today on an issue involving a committee on which I do not have the privilege of sitting, but I think this is a matter of great moment to every Member of the House and to all people who have a respect for human life.

I listened with great care to the distinguished chairman of the committee, the gentleman from West Virginia, who says that the report contains a clear statement of the congressional intent. He also says there is no intent on the part of the National Institutes of Health, the NIH, to change present policy which is to respect human life and not derogate it.

But if the chairman will bear with me a moment, I had great concern when I read two articles in April written by Mr. Victor Cohn in the Washington Post. I put these in the Record and wrote letters to NIH authorities asking for a clear and unequivocal statement from them as to whether it is NIH policy and position not to perform experiments on nor to finance performance of experiments on live human aborted fetuses.

Mr. Speaker, I have tried in two or three series of letters with NIH, which includes one from Dr. Sherman, the Acting Director of NIH,, to get straight, honest answers from them. But I do not think they are willing to let us know specifically what their position is.

The letter I just received yesterday from Dr. Sherman contains a list of individuals whose names I will insert in the Record by permission of the Chair, who comprise a committee which is studying the whole proposition of human biomedical experimentation and research which would include that done on prisoners, institutionalized persons, children, the developing fetus, and the aborted fetus.

I am satisfied that, at this time, NIH does not have an absolutely clear statement of policy on this issue. It could well be that this type of experimentation, which I conceive to be very disrespectful of life and absolutely appalling, might, in fact, be conducted with Federal funds.

It seems to me, Mr. Speaker, that if the amendment as proposed by the gentleman from New York (Mr. Roncallo) does in fact bring to a halt now, today, immediately, this kind of possible experimentation, it seems to me his is a very good amendment.

The material referred to follows:

April 27, 1973.

Dr. Robert W. Berliner,
*Deputy Director for Science,*
*National Institutes of Health,*
*Bethesda, Md.*

Dear Dr. Berliner: I am writing to express, in the strongest terms possible, my alarm over the recent publicity suggesting that Federal funds may have been used in support of research involving live human fetuses.

Aside from my personal feelings that such a practice is disrespectful of human life and morally repugnant, my political perceptions tell me that such a use of public monies is wholly unacceptable to a vast majority of American taxpayers.

The statement published in the Washington Post on April 15, 1973, to the effect that no present or foreseeable circumstances would justify N.I.H. support for such research, does not completely satisfy me.

I would like to see an outright policy statement from N.I.H., totally banning any form of support for research—present or future—involving live fetuses.

Your careful consideration of this request will be greatly appreciated.

With best wishes and regards.

Sincerely,

Romano L. Mazzoli,
*Member of Congress.*

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April 27, 1973.

Dr. Gerald D. LaVeck,
*Director, National Institute of Child Health and Human Development, National Institutes of Health, Bethesda, Md.*

Dear Dr. LaVeck: I am writing to express, in the strongest terms possible, my alarm over the recent publicity suggesting that Federal funds may have been used in support of research involving live human fetuses.

Aside from my personal feelings that such a practice is disrespectful of human life and morally repugnant, my political perceptions tell me that such a use of public monies is wholly unacceptable to a vast majority of American taxpayers.

The statement published in the Washington Post on April 15, 1973, to the effect that no present or foreseeable circumstances would justify N.I.H. support for such research, does not completely satisfy me.

I would like to see an outright policy statement from N.I.H., totally banning any form of support for research—present or future—involving live fetuses.

Your careful consideration of this request will be greatly appreciated.

With best wishes and regards.

Sincerely,

Romano L. Mazzoli,
*Member of Congress.*

NATIONAL INSTITUTES OF HEALTH,
*Bethesda, Md., May 9, 1973.*
Hon. ROMANO L. MAZZOLI,
*House of Representatives*
*Washington, D.C.*

DEAR MR. MAZZOLI: Dr. Robert Berliner, NIH Deputy Director for Science, and Dr. Gerald LaVeck, Director, National Institute of Child Health and Human Development have asked that I respond on their behalf to the letters addressed to them on April 27, 1973. Your communication expressed your deep concern over the possibility that NIH might be engaged in research involving live aborted human fetuses.

First, let me assure you that the NIH does not finance or conduct research on live aborted human fetuses.

In carrying out our basic mission to improve the health of the nation, the NIH conducts and supports a major portion of the biomedical research in this country. All research conducted or supported by NIH involving human subjects is performed under guidelines which require the protection of the rights and welfare of the subjects, the weighing of the risks of such activity against its benefits and assurance of informed consent from the subject. We agree to finance such procedures only when we are assured by a panel of experts that the particular study is necessary, and that it holds promise of substantial benefit to mankind. We require that the local expert panel know the circumstances under which the research is to be done. We also require that the judgment as to the appropriateness of the research be made by persons other than the scientist who plans it. Our final decision to support such research involves our judgment of its scientific merit and full consideration for the ethical issues it presents.

Since our present guidelines for research with human subjects were adopted in 1966, necessary and life-saving research activities have grown increasingly complex giving rise to new and unexpected ethical issues. For example, it was during this period that reports began to be received of research upon live human fetuses performed in certain European countries.

In December 1972, the NIH set up a committee to make a comprehensive review of existing guidelines and policies on the protection of human subjects taking into account any problems which might be foreseen from new areas of biomedical investigation which offer hope for improving health. As a part of this review, we are focusing special attention on the meaning of "informed consent" in subjects such as prisoners, institutionalized patients, children, the developing fetus and the aborted fetus.

The committee has made no recommendation as yet. You may be assured that before any revised or new policies are finally recommended or adopted on any of the many issues related to research with human subjects opportunity will be given for public comment. We are convinced that this approach to the problems of fetal research, as well as the many other sensitive current questions about the use of human subjects will lead to responsible, humane and defensible policy conclusions.

We deeply appreciate your interest and would be most happy to provide further information.

Sincerely yours,
JOHN F. SHERMAN, Ph. D.,
*Acting Director.*

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MAY 23, 1973.
JOHN F. SHERMAN, Ph. D.
*Acting Director, Department of Health, Education, and Welfare, Public Health Service, National Institutes of Health, Bethesda, Md.*

DEAR DR. SHERMAN: This is in further reference to your letter of May 9, 1973.

I desire the names and addresses of the members of the committee which was set up by the N.I.H. last December to study guidelines and policies on research on human subjects to include research on human fetuses.

It is my intention to contact these individuals to express my views on this subject.

In further reference to this matter, I am enclosing copies of articles which appeared in the Washington Post of April 10 and April 13, 1973. In these articles, Dr. Kurt Hirschhorn states that American scientists are going abroad to conduct research on aborted human fetuses at N.I.H. expense.

Is this a true statement? If not, can you verify that it is false?

I await your early advice.

Sincerely,
ROMANO L. MAZZOLI,
*Member of Congress.*

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NATIONAL INSTITUTES OF HEALTH,
*Bethesda, Md., May 25, 1973.*
Hon. ROMANO L. MAZZOLI,
*House of Representatives,*
*Washington, D.C.*

DEAR MR. MAZZOLI: In response to your request of May 23, 1973, I am providing herewith the roster of members of the interagency Study Group for Review of Policies on Protection of Human Subjects in Biomedical Research. This is the group which was mentioned in my May 9 letter to you as being engaged in a comprehensive review of existing guidelines and policies on the protection of human subjects in research. The group is focusing particular attention on the questions surrounding the use of subjects such as prisoners, institutionalized patients, children, the developing fetus and the aborted fetus.

To assist the Study Group a staff paper on the subject of fetal research is being developed by Dr. Charles U. Lowe, Scientific Director, National Institute of Child Health and Human Development, National Institutes of Health, Bethesda, Maryland 20014. Dr. Lowe's staff paper and recommendations will be presented to the Study Group about July first. After review in draft by the Study Group and before approval by the NIH Director all recommendations for new or amended guidelines will be made available for public comment, and of course your comments will be welcomed and given careful attention.

In your letter, inquiry was made as to the truth of certain published statements to the effect that American scientists are going abroad to conduct research on human fetuses at NIH expense.

During the week of April 10 we conducted a search of files on all current NIH grants and contracts and verified that there is no evidence that research involving the use of live aborted human fetuses is being conducted with NIH support. It is possible that individuals who are or have been grantees of NIH might have carried out such research though we are not aware of it. In any case NIH is not supporting and has not knowingly supported research with live aborted human fetuses.

If we can provide additional information, please let us know.

Sincerely yours,
JOHN F. SHERMAN, Ph. D.,
*Acting Director.*

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### STUDY GROUP FOR REVIEW OF POLICIES ON PROTECTION OF HUMAN SUBJECTS IN BIOMEDICAL RESEARCH

ROSTER

Dr. Ronald W. Lamont-Havers, Chairman, Deputy Director, National Institute of Arthritis, Metabolism, and Digestive Diseases, National Institutes of Health, 9000 Rockville Pike, Bethesda, Maryland 20014.

Mr. Seymour Bress, Executive Secretary, Division of Research Grants, National Institutes of Health, Westwood Bldg., 5333 Westbard Avenue, Washington, D.C. 20016.

Dr. Thomas Chalmers, Director, Clinical Center, National Institutes of Health.

or

Dr. Roger Black, Associate Director, Clinical Center, National Institutes of Health 9000 Rockville Pike, Bethesda, Maryland 20014.

Dr. Carl Douglass, Deputy Director, Division Research Grants, National Institutes of Health, Westwood Bldg., 5333 Westbard Avenue, Washington, D.C. 20016.

Miss Mary McEniry, Assistant to the Director for Regulatory Affairs, Food and Drug Administration (BD-30), Parklawn Bldg., 5600 Fishers Lane, Rockville, Maryland 20852.

Mr. Joel Mangel, Office of the General Counsel, Office of the Secretary, Parklawn Bldg., 5600 Fishers Lane, Rockville, Maryland 20852.

Dr. Murray Goldstein, Associate Director for Extramural Programs, National Institute of Neurological Diseases and Stroke, National Institute of Health, 9000 Rockville Pike, Bethesda, Maryland 20014.

Dr. Leon Jacobs, Associate Director for Collaborative Research, Office of the Director, National Institutes of Health, 9000 Rockville Pike, Bethesda, Maryland 20014.

Dr. Carl Leventhal, Assistant to the Deputy Director for Science, Office of the Director, National Institutes of Health, 9000 Rockville Pike, Bethesda, Maryland 20014.

Dr. Charles McCarthy, Office of Legislative Analysis, Office of the Director, National Institutes of Health, 9000 Rockville Pike, Bethesda, Maryland 20014.

Dr. Richard B. Stephenson, Training Officer, Office of the Director, National Institutes of Health, 9000 Rockville Pike, Bethesda, Maryland 20014.

Mr. David Kefauver, Assistant Director for Extramural Programs, National Institute of Mental Health, Parklawn Bldg., 5600 Fishers Lane, Rockville, Maryland 20852.

Dr. Frances O. Kelsey, Scientific Investigations Staff, Food and Drug Administration, Parklawn Bldg., 5600 Fishers Lane, Rockville, Maryland 20852.

Dr. Franklin Neva, Chief, Laboratory of Parasitic Diseases, National Institute of Allergy and Infectious Diseases, National Institutes of Health, 9000 Rockville Pike, Bethesda, Maryland 20014.

## NEED FOR A TOTAL PROHIBITION AGAINST RESEARCH INVOLVING LIVE HUMAN FETUSES

Mr. MAZZOLI. Mr. Speaker, apparently in response to the glare of publicity, the National Institutes of Health has recently promulgated a policy statement indicating that it knows of no circumstances which would justify NIH support for research involving a live human fetus.

I would like to contend that this statement is wholly inadequate since it clearly leaves the door wide open for the future discovery of circumstances, which in NIH's opinion might justify such morally repugnant research.

It is my personal opinion—and also my reading of public sentiment—that there can be no circumstances which would justify the use of public moneys in support of practices so disrespectful of human life. Nor, do I feel that such research should even receive verbal support from a public agency.

Accordingly, Mr. Speaker, I want to call upon my colleagues in the Congress to join me in requesting that the National Institutes of Health adopt a policy of absolute prohibition against any form of support for research involving live human fetuses.

Additionally, I insert in the RECORD the following two articles by Mr. Victor Cohn, which appeared in the Washington Post on April 10, 1973 and April 13, 1973, respectively:

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### NIH Considering Ethics—Live-Fetus Research Debated

(By Victor Cohn)

The possibility of using newly-delivered human fetuses—products of abortions—for medical research before they die is being strenuously debated by federal health officials.

So is the question of whether or not federal funds ought to be used to support such research in a country where abortion is considered immoral by millions.

A proposal to permit such studies was recommended to the National Institutes of Health 13 months ago, it was disclosed yesterday by a doctors' newspaper, Ob.-Gyn. (Obstetrician-Gynecologist) News.

Officials at NIH, prime source of funds for American research laboratories, differed yesterday on whether the recommendation had at least temporarily become "NIH policy."

But they agreed that NIH is considering the ethics of the matter afresh in the light of last year's revelation of an Alabama syphilis study in which the human subjects were neither informed about their disease nor treated for it.

They also agreed that most scientists feel that it is both moral and important to health progress to use some intact, living fetuses—fetuses too young and too small to live for any amount of time—for medical study.

Most such scientists would apparently agree with the recommendations of still another NIH advisory body—made in September, 1971, but again not disclosed until yesterday—that a fetus used in research must meet at least two out of three criteria: (1) it be no older than 20 weeks: (2) no more than 500 grams (1.1 pounds) in weight; and (3) no longer than 25 centimeters (9.8 inches) from crown to heel.

Such tiny infants if delivered intact may often live for an hour or so with beating heart after abortion.

They cannot live longer without aid, primarily because their lungs are still unexpanded. But artificial aid—fresh blood and fresh oxygen—might keep them alive for three or four hours.

Scientists in Great Britain and several other countries are regularly doing studies in this way, medical sources said yesterday.

British scientists generally work under a set of strict though unofficial guidelines set last year by a government commission named to end what virtually everyone agreed was an abuse—obtaining months-old fetuses for research and keeping them alive for up to three or four days.

Before permitting research on fetuses said the British commission, a hospital ethics committee must satisfy itself "that the required information cannot be obtained in any other way."

This is often the case, one well-known genetics researcher, Dr. Kurt Kirschhorn of New York's Mount Sinai Hospital and Medical School, said in an interview yesterday. Indeed, he added, some U.S. scientists are going to Sweden or Japan or other countries to do such research and doing so with the help of their NIH funds.

Using the fetus, Hirschhorn said, it may be possible "to learn how differentiation occurs"—the way cells develop into different parts of the body. "We could learn more about inborn anomalies," or birth defects.

"I don't think it's unethical," he said. "It's not possible to make this fetus into a child, therefore we can consider it as nothing more than a piece of tissue. It is the same principle as taking a beating heart from someone and making use of it in another-person."

Dr. Andrew Hellegers, professor of obstetrics at Georgetown University and director of the Kennedy Institute for the Study of Human Reproduction and Bioethics, argued with this view at one NIH advisory meeting. "It appears," he said, "that we want to make the chance for survival the reason for the experiment."

"Isn't that the British approach?" another member asked him.

"It was the German approach. 'If it is going to die, you might as well use it,' " Hellegers replied, referring to Nazi experiments on doomed concentration camp inmates during World War II.

Despite some views like his, an NIH Human Embryology and Development Study Section decided in September, 1971, that: "Planned scientific studies of the human fetus must be encouraged if the outlook for maternal and fetal patients is to be improved. Acceptable formats for the conduct of . . . carefully safeguarded, well controlled investigations must be found."

For example, this group warned, "under no circumstances" should attempts be made to keep a fetus alive indefinitely for research.

The study section's recommendations were greatly modified by the National Advisory Child Health and Human Development Council—the advisory group to NIH's National Institute of Child Health and Human Development—in March, 1972.

"It was my understanding that the advisory councils recommendations were accepted last year." Dr. Philip Corfman, acting director of the Child Health Institute, said yesterday. "But everyone knew they would require more work on specific guidelines."

However, Dr. Charles U. Lowe, the institute's scientific director—who was asked last year to head a group to help develop such guidelines—said: "The council statement was sent to the director of NIH, but it is not at the present time policy. It has no standing except as a council expression."

The Child Health Institute is supporting no research using live, intact fetuses, he said. Other sources said they know of no such projects supported by any NIH institute, though one added, "we'd have to survey some 12,000 projects to be sure."

Lowe said he personally agrees with the British commission's feeling that such research is proper and ethical if properly controlled.

"But I haven't decided in my own mind yet," he added, "whether we can go along with Great Britain, using federal dollars. First, we have an articulate Catholic minority which disagrees. Second, we have a substantial and articulate black minority" sensitive on issues of human life.

Hirschhorn for his part argued: "How do we know what drugs do to the fetus unless we find out?" A position is needed, he maintained, between those "who say we're not doing any harm to a fetus that's going to die anyway" and those who would require "highly complex forms" before a medical scientist can do anything.

#### STATEMENT ON RESEARCH

Note.—This statement backing the regulated use of human fetuses in medical research was approved in March, 1972, by the National Advisory Child Health and Human Development Council but not made public. The council is an advisory body to the National Institute of Child Health and Human Development, part of the National Institutes of Health.

Scientific studies of the human fetus are an integral and necessary part of research concerned with the health of women and children. Because of the unique problems involved and a growing competence and interest in this field ethically and scientifically acceptable guidelines for the conduct of such investigation must be developed.

In all cases, applicable state and/or national laws shall be binding.

Guidelines for human investigation used to protect the rights of minors and other helpless subjects are applicable.

The study protocol must be reviewed and approved by the appropriate institutional review committee to insure that the rights of the mother and fetus will be fully considered.

It is the duty of these committees to insure that the investigator shall not be involved in the decision to terminate a pregnancy, the product of which is intended for study within his own research grant or authority.

Continuing review by the institutional committee must be undertaken in approved projects.

Informed consent must be obtained from the appropriate party(ies).

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### NIH Vows Not To Fund Fetus Work

(By Victor Cohn)

The National Institutes of Health will not fund research on live aborted human fetuses anyplace in the world it promised yesterday in a policy statement that is likely to become government-wide practice soon and probably a guide for most American scientists.

NIH, from its headquarters in Bethesda, finances nearly half of all U.S. medical research, and the federal government finances nearly two-thirds of the country's $3.5 billion a year total.

NIH "does not now support" any such research, said Dr. Robert Berliner, deputy director for science, and "we know of no circumstances at present or in the foreseeable future which would justify NIH support."

Some scientists have said that at least a few research programs involving study of live aborted refuses in the short time before they die have been supported with NIH funds, some of them performed by U.S. scientists abroad.

Dr. Charles U. Lowe, scientific director of NIH's National Institute for Child Health and Human Development, qualified Berliner's statement slightly by commenting, "You know we're dealing with 14,000 grants," and "we are not insofar as we know" financing any such work.

Berliner's statement was read to nearly 200 Roman Catholic high school students gathered in an NIH auditorium for questions and protest. The students were organized by a group from the Stone Ridge Country Day School of the Sacred Heart led by Renee Meter, Theo Tuomey and Maria Shriver, 17, daughter of Sargeant Shriver.

The students got together after a Washington Post story Tuesday reported that federal health officials were debating the advisability of such studies and were considering issuing federal guidelines for anyone doing them.

"Why are they drawing up guidelines if they don't intend to use live fetuses?" one skeptical questioner asked Dr. Lowe, referring to federal advisory groups who have in fact supported the idea of some such research.

"Any organization develops policy through review," Lowe replied. The advisory groups were made up on non-federal, university scientists, and "they can say anything they want," Lowe said, but "policy is made by NIH."

Research involving the fetus has been going on in many countries with liberal abortion policies. Many medical scientists are eager to study fetal developments as a guide to prevention and treatment of many diseases and abnormalities.

Such research has focused on two main kinds of procedures: some studies during the minutes or hours while some fetuses still live or can be kept alive, and operations on fetuses to get cells or organs that can be kept alive in the laboratory.

It is only the first kind that NIH said yesterday that it would not support. Merely taking tissues for study "is about the same thing as taking kidneys or a heart for a heart transplant," said Dr. Berliner in an interview.

Lowe told the students that "I see no need at this point" for studies of the live fetus, though he admitted that many scientists in the Scandinavian nations, Britain and the United States feel differently.

As to reports that some U.S. scientists have done such research in trips abroad, some of them with NIH funds, Lowe said, "I can't agree" that this has happened. Also, he said, "I object strongly to professional scientists doing in other countries what ethics here would not permit."

In a series of statements preceding this week's meeting, officials of the United States Catholic Conference called for a constitutional amendment "protecting the life of the unborn," for a national commission of theologians, scientists, lawyers and citizens to monitor scientific advances and recommend ethical guidelines, and for congressional study and regulation of experiments on human beings.

John Cardinal Krol of Philadelphia, speaking for the conference's executive committee, expressed "shock" at the possibility of federal support of studies on live, aborted babies. "If there is a more unspeakable crime than abortion itself," he said "it is using victims of abortions as living human guinea pigs."

In other statements:

The Catholic Bishops' Ad Hoc Committee on Population and Pro-Life Affairs termed the matter "cause for moral outrage."

The Washington area's St. Luke's Guild of Catholic Physicians stated unequivocal opposition to experimental use of living fetuses "at any time and under any circumstances."

Maryland Right to Life, and anti-abortion group, pointed out that the Maryland General Assembly this year passed a joint resolution calling on Congress to propose a constitutional amendment to protect unborn human beings—intended to upset the recent Supreme Court decision on abortion.

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[From the New York Times, May 6, 1973]

### Fetuses—What Price Research?

Washington.—A few years ago, medical scientists in Helsinki injected rubella vaccine into 35 pregnant women who were scheduled to have abortions. The doctors wanted to find out what effect the live virus in the vaccine would have on the fetuses.

The experimental question was important and could not really be answered by animal research. Rubella, also known as German measles, is a major cause of stillbirths and birth defects, and the vaccine was developed to prevent them, yet it was not clear whether the vaccine would be safe to use in a pregnant woman. The study strengthened the evidence that it would not be safe for the fetus.

So there was reason for the experiments, but was it ethical to do them? There was nothing in the research that was going to help the fetuses, nor could their "informed consent" be obtained.

A final report on the project was published last summer in the New England Journal of Medicine. The authors included not only the doctors in Finland but also American scientists of Case Western Reserve University and the National Institutes of Health.

Although the report caused no ethical stir at the time, it is doubtful that the American participation in the project would be possible now. The climate of opinion seems to have changed.

While this has happened totally independently of the rubella story, that project does exemplify the growing problem concerning research involving the fetus. The issues are complicated and are often laden with emotion. If a fetus is to be aborted and therefore cannot survive, is it not wasteful to throw it away without attempts at learning things that might help other babies survive or avoid crippling defects?

On the other hand, if it is human, does anyone have the right to do research on it without consent—and whose consent? The mother would ordinarily be the person to ask, but she has already asked for abortion. Can she be said to have the best interest of the fetus at heart?

One question often raised by laymen is whether or not experiments on the fetus could inflict pain. But the term "pain" is subjective. It has no meaning unless the subject is conscious and the fetus, presumably, is not. One of the ironies of the already tangled problems of fetal research is that anyone dissatisfied with that answer could only dispute it by doing research on the fetus.

The issues concerning fetal research have arisen in this country because of several factors, only one of which is the recent liberalization of abortion laws. In recent years scientists have gained increasing ability to maintain life artificially in the laboratory. There is continued scientific impetus and need to learn more concerning the details of human development and its problems. . . . The question was: is it justifiable to use aborted human fetuses in research aimed directly at developing artificial means of keeping an early premature baby alive until it is sufficiently developed to live on its own? Dr. Robert S. Morison, professor of science and society at Cornell, argued that, with proper safeguards, it is permissible. He said that the research could be of great help to future babies, and that the experiments on the aborted fetus did not alter its prospects for life because the decision to abort had already decided that. He noted that a special problem would arise if the research progressed far enough to offer the prospects of survival to the aborted fetus under study—a fetus by definition no longer wanted by the mother.

Sumner B. Twiss Jr. of the Department of Religious Studies at Brown University said the research in question should not be done. He argued that it raised insoluble problems concerning "informed consent," serious moral problems involving disposal of the fetus at the end of the experiments and a real dilemma when the research neared the stage of being successful.

The example the two men discussed was not hypothetical, but was the subject of an actual research grant application in Britain, where a review committee decided in favor of the project.

Dr. André Hellegers, professor of obstetrics and gynecology at Georgetown University, believes that the United States Supreme Court, which has already ruled that women have rights to abortion, may ultimately have to rule on the question of whether a fetus, viable or not, has individual rights once it has been removed from the womb.

Harold M. Schmeck, Jr.

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Mr. FRENZEL. Mr. Speaker, will the gentleman yield?

Mr. MAZZOLI. I yield to the gentleman from Minnesota (Mr. Frenzel).

Mr. FRENZEL. Mr. Speaker, I congratulate the gentleman from Kentucky on his statement, and wish to be associated with his remarks.

Mr. MAZZOLI. I thank the gentleman from Minnesota for his association.

Mr. Speaker, I would only conclude by saying that it seems to me that the least Congress can do today—a Congress which as has been earlier pointed out would not be shunted off onto the sidetrack on the great, major, profound life and death issues of this country and of this world, and which should reassert itself on these issues—is to say that we today feel, notwithstanding what may be clear though unwritten policy; notwithstanding what might be the unwritten rules and regulations of NIH regarding human experimentation; we say today that life is too precious to be experimented with. We say today that life in the form of a tiny human infant should not be played around with, we should not play God with people, and we should bring these reprehensible practices to a halt today.

Mr. Speaker, I am honored to join my distinguished colleague from New York today in opposing experimentation on living fetuses, and compliment him on focusing attention on this despicable practice.

This is a practice which seems to have grow in acceptability in medical research circles, due to lack of knowledge on the part of the public and lack of adequate restrictions by the Government.

I think it is time the Federal Government goes on record as opposing this practice, signaling Congress intent to respect the dignity of life. Regardless of the circumstances surrounding the past or future status of the fetuses upon which experiments are being performed, I think we have to morally put a stop to this practice and any similar encroachments upon the misuse of living humans. To allow such practices to continue and possibly expand into other areas strikes me as nothing short of a 20th century form of barbarism.

As we expand our knowledge about the human organism and expand our capabilities for living longer, transplanting materials from one organism to another, and performing mental and physical operations which can substantially alter the character of an individual, we are going to have to be on special guard to make sure that the dignity of human life is not violated. Experimentation is fine, and advances in science and medicine are to be welcomed, but not at the cost of undermining the very thing which we are seeking to improve through science—the value of a human life.

Mr. HILLIS. Mr. Speaker, will the gentleman yield?

Mr. MAZZOLI. I yield to the gentleman from Indiana (Mr. Hillis).

Mr. HILLIS. Mr. Speaker, I wish to compliment the gentleman from Kentucky on his statement, and associate myself with his remarks.

Mr. SNYDER. Mr. Speaker, will the gentleman yield?

Mr. MAZZOLI. I yield to my colleague from Kentucky (Mr. Snyder).

Mr. SNYDER. Mr. Speaker, I wish to state that my distinguished colleague from the Third District of Kentucky has done his homework. I appreciate very much his bringing this subject to the attention of the House.

Mr. KEMP. Mr. Speaker, will the gentleman yield?

Mr. MAZZOLI. I yield to the gentleman from New York (Mr. KEMP).

Mr. KEMP. Mr. Speaker, I wish to compliment the gentleman from Kentucky on his remarks and associate myself with those remarks. I wish to commend him for taking the well and bringing the attention of this House to this issue.

Mr. Speaker, I also would like to rise in support of the amendment proposed by my friend and colleague the gentleman from New York (Mr. RONCALLO).

Mr. GUYER. Mr. Speaker, will the gentleman yield?

Mr. MAZZOLI. I yield to the gentleman from Ohio (Mr. GUYER).

Mr. GUYER. Mr. Speaker, I too wish to go on record as being 100 percent in favor of this amendment.

I think it is time to stand up and be counted, and I want to be identified.

Mr. Speaker, I rise to support the Roncallo amendment and am proud to say that this measure may well be the first breakthrough in this Congress for the most important "Right to Life" principle.

I heartily concur with my colleague from New York, that a human life, however tiny, and however brief its candle of light may be permitted to glow, is entitled to its God-given place on Earth, and the dignity of an entity in life as in death.

The horrendous reports of doctors performing experiments on human, live fetuses both abroad and in this country, such as the incident of a British doctor taking a human fetus from a 14-year-old girl, and subjecting it to callous tests and experiments, is both morally and humanly illicit.

The highest court in our land, which in one verdict announces that a proven murderer cannot be given capital punishment for his crime, and then in another verdict announces that the taking of a human life by abortion, is legal—poses a problem as to the rights of all of us human beings. What are the rights of these tiny lives? They are incapable of giving consent to their being used as experimental subjects. Who can morally and legally give consent for them—their parents, the state, or who?

I congratulate my colleagues today for standing up and being counted in support of an amendment which will make crystal clear that no funds appropriated under this measure, nor any similar act or authority by the Secretary of Health, Education, and Welfare may be used at the expense of live human fetuses. They may in many cases have not had protectors, but today the U.S. Congress is saying they will have.

As this amendment and the bill it embraces, which surely will assist our researchers to explore the hidden mysteries of cancer, heart disease, dental and mental health, and related areas of unconquered life-takers, is passed into statute, all of us can have the good warm feeling of accomplishment today.

This little floor drama, which burst into near acclamation, may just be the voice and the rising curtain to herald the opening of the door on the related legislative measures, some of which are locked up in committee and subcommittee. By such breakthrough, may be the vehicle that proclaims from the Nation's Capital that life in America is still precious; that all human beings, young and old, have divine legacies and God-given dignity which shall be esteemed both by precept and example by all of us.

Mr. ROGERS. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, I think it would be well for the House to know the background of this issue. Of course it would be extremely difficult to vote against this amendment and run the risk of the vote being misinterpreted.

It is the current policy; it is the established policy; it is the acting policy of any research supported now by the NIH that there shall be no research on a live fetus. Now, the committee heard, however, that in Sweden such an experiment was conducted and that it was mistakenly supported by a grant from NIH. When NIH found out, they stopped it.

But to make it absolutely clear that it is the policy of the Congress that this type of research shall not be done, we put into the language of the bill that no research supported by any funds from NIH shall be carried on in an unethical manner. The bill, therefore, handles the situation.

Mr. Speaker, right now a committee in the other body has already started hearings on this whole problem of ethics in biomedical research. The Senate hearings are not just on research on the fetus, but on all of these ethical problems such as research on prisoners, improper drug use, and on research being conducted on patients without their full knowledge of their risk.

A whole range of problems is involved. That is the way the problem should be handled, rather than picking out a situation here or there and not covering those other situations.

By simply picking out one we run the risk of an interpretation that would say, "We approve of other situations which are just as unethical." The committee language clearly says, "No, we do not approve any of them."

I believe that is the position the House wants to take.

Our subcommittee will go into this entire range of problems later in hearings. We anticipate action by the other body. I do not believe the House at this time wants to say, "We are going to single this one problem out."

The language says there shall be no support for any unethical research. That is the position I believe each individual Member would want to take, a total prohibition, including a prohibition against the use of fetuses.

I would urge that the committee be supported on the language. The committee will go into the specific problem in a proper forum.

Mr. MAZZOLI. Mr. Speaker, will the gentleman yield?

Mr. ROGERS. I yield to the gentleman from Kentucky.

Mr. MAZZOLI. I thank the distinguished gentleman from Florida for yielding.

Does the gentleman have any way in which he can assure the House—perhaps by inserting a statement in the RECORD which says so—that the clear and unequivocal position of NIH is not to consider as ethical research on fetuses?

Mr. ROGERS. Yes, we do have that, and we will put it in the RECORD. We have a letter from HEW. We will get that statement.

I will do that for the gentleman.

Mr. MAZZOLI. I would only say further along that line that if, for instance, the House were to vote today to disapprove experiments on live fetuses——

Mr. ROGERS. We have done that in the bill.

Mr. MAZZOLI. If the House were to vote in favor of the amendment offered by the gentleman from New York (Mr. RONCALLO) I do not believe the House would be on record as saying that everything else, the Tuskegee experiment or anything else, is approved.

Mr. ROGERS. If we do it by law we will.

Mr. MAZZOLI. How?

Mr. ROGERS. Because we run the risk of singling out one problem and be subject to an interpretation of denying what the committee has done in broad policy.

Mr. MAZZOLI. I would think the House would be saying only that this experimentation on the human fetus is so reprehensible as to be illegal, and that any other experiment may later be said to be the same.

Mr. ROGERS. It is already illegal under the provisions of this bill. That is what I am trying to get across to the gentleman. This bill covers that problem, as well as the Tuskegee problem, as well as the improper research on prisoners, as well as the improper research on persons who have not been advised of their rights.

I believe we should not simply single this out at this time, because it might negate the broad general approach of the committee.

Mr. MAZZOLI. I thank the gentleman for yielding.

Mr. HOGAN. Mr. Speaker, I rise in support of the amendment.

Mr. Speaker, with all due respect for the chairman of the subcommittee and the chairman of the full committee, I do not believe these are times for half measures. I believe it is important for the House of Representatives to go on record today indicating that we do have respect for human life.

There are some significant differences between the case alluded to by the chairman of the subcommittee in relation to the medical experiments on prisoners. One big difference is that when a prisoner dies, a death certificate must be filled out indicating the cause of his death. No one can deny that taking the life of a live fetus, as the result of an abortion, is the taking of the life of a human being, but there is no requirement that a death certificate be issued regarding the death of that child.

It is important that we go on record today in support of human life. We have reached a point—because of the Supreme Court's decision on January 22 which says that life no longer has any value, that we have created a new constitutional right of privacy which permits abortion. It means, in effect, that the day before an actual birth that the child can be destroyed.

Mr. Speaker, I ask my colleagues: What is the difference between a child of minus 1 day age and a child of plus 1 day age? Is there really any biological differences in a human being at that point in time?

I submit that there is not. And yet the Supreme Court recognizes the right to life of the latter, but not the former.

I commend the gentleman from New York (Mr. RONCALLO) for his amendment, and I urge all of my colleagues to go on record today indicating that we in this body do, in fact, respect human life, we must state clearly that we oppose research on live fetuses.

Mr. Speaker, the chairman of the subcommittee says that he has assurances that this research is not going to take place. The facts are that in countries where wholesale abortion has been acceptable, experimentation on live fetuses has gone forward in an unregulated and accepted way.

The very fact that NIH would conduct studies to determine whether or not they should fund experimentation on live fetuses leads us to the conclusion that they very definitely are considering it. No other conclusion is possible.

So, Mr. Speaker, we should make our position eminently clear today. We ought, at this point to clarify the record on our position that we cherish human life.

We have all had experiences with bureaucrats in the executive branch. If there is ever a loophole for them to proceed with the implementation of their own ideas, they use that loophole. If Congress leaves them a loophole, NIH will go through it to do whatever they want to do. This is not the time to leave loopholes. We must specifically prohibit research on live fetuses regardless of assurances which have been given to the committee.

Mr. ROGERS. Mr. Speaker, will the gentleman yield?

Mr. HOGAN. I yield to the gentleman from Florida (Mr. ROGERS).

Mr. ROGERS. Mr. Speaker, I am sure the gentleman does not want to leave the impression that by any action we take here today we will stop this type of operation all over the world.

Now, what we have said in the bill and what those who are against this type of research have said is that no Federal funds can support any such research. I have already said that they have assured us that it is not their policy, that this is not done in the United States; they thought that it might be done outside the United States, but the bill says it shall not be done here.

Mr. HOGAN. Mr. Speaker, I would like to respond to the gentleman's remarks.

I did not say that this bill is going to affect what is going on in other countries. What I am saying is that when a country adopts a position to allow wholesale abortion, when it is decided that unborn life has no value and is expendable, research on live fetuses is the inevitable result.

What we need to do today is to go on record as the House of Representatives saying that we abhor the very concept of research on live fetuses.

Mr. ROGERS. Mr. Speaker, that is what the committee bill does.

Mr. MAZZOLI. Mr. Speaker, will the gentleman yield?

Mr. HOGAN. I yield to the gentleman from Kentucky (Mr. MAZZOLI).

Mr. MAZZOLI. Mr. Speaker, I would like to read for the benefit of the gentleman from Maryland (Mr. HOGAN) one sentence from a letter which I received yesterday from Dr. John F. Sherman of the NIH. I had posed the specific question to him: "Does the NIH finance this kind of experimentation?"

His sentence, in reply to my question, on page 2 of his letter, is as follows:

> It is possible that individuals who are or have been grantees of NIH might have carried out such research though we are not aware of it.

They are grantees, though they are not aware of it. They would not specifically say that this has not occurred and, accordingly, it seems to me that the gentleman from New York (Mr. RONCALLO) has a worthy amendment, and I commend the gentleman from Maryland for supporting it.

Mr. HOGAN. Mr. Speaker, I thank the gentleman.

When it was reported last month that the National Institutes of Health was considering financing experimentation on human fetuses alive after abortions, I was shocked but not surprised.

The Supreme Court crossed the Rubicon in its January 22 decision when they declared that an unborn baby is of no value, that it is a "nonperson." Since we have now established in law that the fetus has no rights and no value, it seems academic whether we experiment on it or not.

But we cannot let this happen. Ultimately we must restore the right to life to the unborn child. Today we have the opportunity to take a step in that direction.

At this point, we have no definitive statement by the National Institutes of Health on the subject of experimentation on live fetuses. It has been reported that NIH has a policy against live fetus research, but there is nothing to prevent them from changing their minds whenever they please.

It is the responsibility of Congress to demonstrate clearly that it will not fund research of this sort. If we fail to expressly prohibit this research, we will be contributing to the disregard for life expressed by the Supreme Court. Let us prove that America is not morally bankrupt. Let us prove, that we still cherish and value human life.

The Interstate and Foreign Commerce Committee has recognized the need for a policy to be set, but they have not gone far enough. In their report on this bill they state that "present ethical standards conduct make research in human fetuses unethical," however, they fail to squarely face the issue and adopt a clear policy of experimentation prohibition. The bill restricts research "which violates any ethical standard respecting research adopted by the National Institutes of Health, the National Institute of Mental Health, or their respective institutes." Who decides what is ethical and what is not. Many in the medical profession feel it is ethical to destroy unborn children. I do not and most Americans do not.

If Congress does not overwhelmingly support this amendment we will fail the American people. We have the opportunity to establish a national policy, to set a moral example by approving this amendment. I urge my colleagues to support this amendment and take the first step toward restoring the value of a human life.

Mr. MALLARY. Mr. Speaker, I regret that I must oppose the amendment offered by the Member from New York (Mr. RONCALLO) which he obviously introduced in good faith and which seeks to perform a very commendable purpose.

I am certainly not in favor of prejudicial experimentation on any human being whether it be a human fetus inside its mother's womb, an aborted fetus, or any human being at any stage in its career or at any age. It is my understanding that section 456 of the bill clearly prohibits any research in the United States or abroad which violates any ethical standard respecting research adopted by the National Institutes of Health or the National Institute of Mental Health and their respective Institutes. Clearly, as has been pointed out by the gentleman from West Virginia (Mr. STAGGERS) and the gentleman from Florida (Mr. ROGERS) it would not be possible under this bill to conduct the kind of objectionable research on human fetuses that is contemplated in this amendment.

I am very much concerned, however, that in its commendable intent the amendment goes much farther than the author intends and is sufficiently imprecise in its language so that it might constitute a serious problem for the Secretary of Health, Education, and Welfare or for the courts.

In the first place, the amendment prohibits research on a fetus which is outside the mother's uterus and has a beating heart. It is my understanding that a fetus is, by definition, an unborn person and therefore, a fetus, by definition, could not be outside the mother's uterus. I believe that this contradiction implicit in the amendment might create serious questions in the minds of anyone who later attempted to construe the meaning of this amendment.

My second objection to the amendment stems from its total prohibition on research on any such fetus if, in fact, it can be at some time determined exactly what it is under the terms of the amendment. I am sure that the amendment is directed at prohibiting any kind of research which might be damaging or in any way prejudicial to the survival, health, or comfort of such a fetus. I would contend that research could be conducted quite properly on life saving drugs or devices that might be aimed at preserving or enhancing the lives of such fetuses rather than being damaging to them. It would seem to me that this amendment, if it passes, could prevent the very kind of research that would be, in the long run, most beneficial in saving the lives of those same unprotected young humans that we are professing to benefit by this amendment.

Mr. Speaker, it is with regret that I feel that I must oppose this well-intentioned amendment with the full conviction that the bill, as presented by the committee, provides very satisfactory protections in this area.

The SPEAKER pro tempore (Mr. CAREY of New York). The question is on the amendment offered by the gentleman from New York (Mr. RONCALLO).

The question was taken; and the Speaker pro tempore announced that the yeas appeared to have it.

Mr. ERLENBORN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 354, nays 9, not voting 69, as follows:

[Roll No. 170]

YEAS—354

Abdnor
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Archer
Arends
Armstrong
Ashley
Aspin
Bafalis
Baker
Barrett
Bell
Bennett
Bergland
Bevill
Biester
Bingham
Boggs
Boland
Bolling
Bowen
Brademas
Brasco
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Carey, N.Y.
Casey, Tex.
Cederberg
Chappell
Chisholm
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collier
Collins
Conable
Conlan
Conte
Conyers
Corman
Cotter
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, S.C.
Davis, Wis.
Delaney
Denholm
Dennis
Dent
Derwinski
Devine
Donohue
Dorn
Downing
Drinan
Dulski
Duncan
du Pont
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Eshleman
Evans, Colo.
Fascell
Findley
Fish
Flood
Flowers
Foley
Ford, Gerald R.
Ford, William D.
Forsythe
Fountain
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Goodling
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Gross
Grover
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Hastings
Hawkins
Hays
Hechler, W. Va.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Horton
Hosmer
Howard
Huber
Hudnut
Hungate
Hutchinson
Jarman
Johnson, Calif.
Johnson. Colo.
Johnson, Pa.
Jones, Ala.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
King
Kluczynski
Koch
Kuykendall
Kyros
Landgrebe
Latta
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Macdonald
Madigan
Mahon
Mailliard
Mann
Maraziti
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Miller
Mills, Ark.
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
Obey
O'Brien
O'Hara
Passman
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Podell
Preyer
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Rangel
Rees
Reid
Reuss
Rhodes
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roybal
Runnels
Ruppe
Ruth
Ryan
St Germain
Sarasin
Sarbanes
Satterfield
Saylor
Scherle
Schneebeli
Sebelius
Seiberling
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Steiger, Wis.
Snyder
Staggers
Stanton, J. William
Stanton, James V.
Steed
Steele
Steiger, Ariz.
Stephens
Stubblefield
Stuckey
Studds
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague, Calif.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Treen
Ullman
Van Deerlin
Vander Jagt
Vanik
Veysey
Vigorito
Waggonner
Waldie
Walsh
Wampler
Ware
Whalen
Whitehurst
Wiggins
Whitten
Widnall
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—9

Abzug
Burton
Dellenback
Dellums
Eckhardt
Holtzman
Mallary
Schroeder
Stark

NOT VOTING—69

Adams
Annunzio
Ashbrook
Badillo
Beard
Biaggi
Blackburn
Blatnik
Bray
Burke, Calif.
Camp
Carney, Ohio
Carter
Chamberlain
Coughlin
Crane
Cronin
Davis, Ga.
de la Garza
Dickinson
Diggs
Dingell
Esch
Evins, Tenn.
Fisher
Flynt
Fraser
Fuqua
Goldwater
Gubser
Harvey
Hébert
Heckler, Mass.
Hunt
Ichord
Jones, N.C.
Keating
Ketchum
Landrum
Leggett
McCormack
Madden
Martin, Nebr.
Milford
Minshall, Ohio
Mollohan
Murphy, N.Y.
O'Neill
Owens
Parris
Powell, Ohio
Price, Ill.
Randall
Rarick
Regula
Rooney, N.Y.
Roy
Sandman
Spence
Steelman
Stokes
Stratton
Sullivan
Teague, Tex.
Thompson, N.J.
Udall
White
Wilson, Charles, Tex.
Winn

So the amendment was agreed to.

The Clerk announced the following pairs:

Mr. Annunzio with Mr. Teague of Texas.

Mr. Rooney of New York with Mr. Minshall of Ohio.

Mr. Thompson of New Jersey with Mr. Hunt.

Mr. Price of Illinois with Mr. Martin of Nebraska.

Mr. Fuqua with Mr. Ashbrook.

Mrs. Burke of California with Mr. Gubser.

Mr. de la Garza with Mr. Bray.

Mrs. Sullivan with Mrs. Heckler of Massachusetts.

Mr. O'Neill with Mr. Cronin.

Mr. Murphy of New York with Mr. Roy.

Mr. Mollohan with Mr. Chamberlain.

Mr. Adams with Mr. Sandman.

Mr. Davis of Georgia with Mr. Blackburn.

Mr. Carney of Ohio with Mr. Spence.

Mr. Diggs with Mr. Udall.

Mr. Charles Wilson of Texas with Mr. Powell of Ohio.

Mr. Dingell with Mr. Stratton.

Mr. Leggett with Mr. Goldwater.

Mr. Fraser with Mr. Rarick.

Mr. Evins of Tennessee with Mr. Beard.

Mr. Biaggi with Mr. Steelman.

Mr. Flynt with Mr. Dickinson.

Mr. Badillo with Mr. Winn.

Mr. McCormack with Mr. Coughlin.

Mr. Blatnik with Mr. Ichord.

Mr. Fisher with Mr. Harvey.

Mr. Hébert with Mr. White.

Mr. Madden with Mr. Crane.

Mr. Stokes with Mr. Regula.

Mr. Jones of North Carolina with Mr. Keating.

Mr. Landrum with Mr. Carter.

Mr. Owens with Mr. Camp.

Mr. Randall with Mr. Esch.

Mr. Milford with Mr. Parris.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. CHAMBERLAIN. Mr. Speaker, I regret that I was not recorded on this vote. I was in the Chamber before this vote was announced, but I was not recognized. Had I had the opportunity, I would have voted "yea."

Mr. STAGGERS. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, I am sorry that this amendment passed.

I voted for it because I did not want some demagogue to say I voted for experimentation on fetuses. But I do not want the people of this land saying I am for experimentation not covered by the amendment, on people such as those at Tuskegee, that should have been included here. I said what was in the bill was entirely adequate, but the House would not accept that. They brought up an emotional issue and of course I voted for it because how could anybody vote otherwise? Further, I wish to compliment those with the courage to vote no. "No" was the right vote on this amendment, albeit a dangerous one, and those members are to be complimented.

Mr. ECKHARDT. Mr. Speaker, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from Texas.

Mr. ECKHARDT. Mr. Speaker, I want to join heartily in the reasoning of the chairman. I voted "No" and I voted "No" for the same reason he has stated that he voted "Yes."

Mr. FINDLEY. Mr. Speaker, I move to strike the last word.

Mr. Speaker, I take this time to ask a couple of questions of the committee. I notice on page 15 of the committee report a statement by the Secretary of HEW in which this sentence appears:

The cornerstone of the administration's higher education assistance efforts has been to make assistance available to *all* needy students through the basic opportunity grant program and the guaranteed student loan program administered by the Office of Education.

My first question is: Are students who seek to be involved in biomedical research eligible for the basic opportunity grants?

Mr. STAGGERS. The answer to that is "No."

Mr. FINDLEY. They are disqualified for the basic opportunity grants?

Mr. O'HARA. Mr. Speaker, will the gentleman yield?

Mr. FINDLEY. I yield to the gentleman from Michigan.

Mr. O'HARA. Mr. Speaker, the basic opportunity grants, because of the rather inadequate level of funding provided in the supplemental bill in an amendment to the law that was made here in the House just a couple of weeks ago, are limited in the coming academic year to full-time entering students, students who are attending an institution of higher education for the first time, and those would be freshmen in effect. So no one who is not a full-time, first-time student this fall would be eligible for a basic opportunity grant.

Mr. FINDLEY. That is based only on the level of funding, am I correct? If funding is more adequate this coming fiscal year, is it fair to assume that students under this program would be eligible for the BOG's?

Mr. O'HARA. Mr. Speaker, under existing law, even when the 1973 "first-time, full-time" limit lapses, and even if the level of funding reaches a higher point than I would anticipate in the immediate future, the authorization for basic grants is limited to undergraduates.

Mr. FINDLEY. Would students in this type of training be eligible for the student loan?

Mr. O'HARA. Yes, they would.

Mr. FINDLEY. I thank the gentleman.

Mr. ROY. Mr. Speaker, H.R. 7724 concerns biomedical research fellowships and traineeships.

There is a great need for this legislation. Over the past 42 years, this country has developed the greatest biomedical research program in the world. That program is dependent on the individuals available to do research. Without the people, there will not—cannot—be a program. And unless this legislation is approved, the supply of such people will be in severe jeopardy.

The first legislation authorizing the U.S. Public Health Service to support the training of biomedical researchers was passed in 1930. Since that time, at least 11 different pieces of legislation have broadened, modified, and supported that authority. During that time, the number of biomedical researchers—and the amount of high quality research done in this country—has increased greatly. Today, the United States has become the world's acknowledged leader in medical research.

But in its proposed budget for fiscal year 1974, this administration proposed the phasing out of all training and fellowship grants in the biomedical area. This phase-out would be conducted gradually over the next 5 years by making no new commitments and allowing existing commitments to expire.

This administration's justification for this action was based on a series of non sequiturs, half truths, and complete fantasies. It is clear that the real reason for elimination of this program was that of reducing the Federal budget. While we are all supportive of limitations on Federal expenditures, such limitations should not threaten programs essential to the future welfare of the people of this country.

In "The Training Programs of the Institutes of the National Institutes of Health," a volume recently published by the National Institutes of Health, the authors recommend:

> Direct support of the training of candidate biomedical scientists for careers in research be reaffirmed as an appropriate and necessary role for the federal government.

Additionally, the President's Science Advisory Committee Report, "Scientific and Educational Basis for Improving Health," states:

> We recommend that a stable base be established for the support of both research training programs and fellowships at both pre-doctoral and post-doctoral levels, adequate to insure an uninterrupted flow of research and teaching manpower, both basic and clinical science.

Additional testimony presented to the Committee by distinguished scientists, researchers, and physicians from across the country supports the conclusions of these panels. Federal support of biomedical training is necessary.

The legislation which we consider here today, H.R. 7724, provides new, modified authority for the Secretary of Health, Education, and Welfare to conduct programs of training and fellowships for biomedical researchers through the National Institutes of Health and the National Institute of Mental Health.

The funds authorized by the bill over 2 fiscal years is $415 million—an adequate amount to continue programs which the administration wants to eliminate.

Mr. Speaker, we are all interested in saving money, in reducing the Federal budget, and in reducing taxes. But such considerations must be balanced against those of the real needs of the people and of an appropriate role for Government. One of the appropriate roles for the Federal Government, I am convinced, is that of supporting the training of our future biomedical researchers. Without Federal support, these people will not be trained in adequate numbers. Yet without these people, there can be no biomedical research. Without biomedical research, cancer, heart disease, and other crippling and killing diseases cannot be eliminated. For this reason, I urge adoption of this measure.

Mr. HUDNUT. Mr. Speaker, as a member of the Subcommittee on Public Health and Environment and as a cosponsor of H.R. 7724, I rise to urge the House to approve this legislation.

Training grants and fellowships have been a well established and fundamental part of our Nation's medical research effort for three decades and during this time, the United States has become the acknowledged world's leader in medical research. Our need for health care personnel, particularly research manpower, is greater today than ever before.

In some circles, there has been concern that research training funding should be decreased because the market for the product, the trainee, is leveling off or diminishing. The hearings of our Subcommittee on Public Health and Environment show that this is not true. For example, the cancer program estimates a doubling in their scientific manpower requirements for 1972 to 1978; the heart program might require an additional 20- to 30-percent increase in manpower; and the administration's own biomedical research budget requests a continued increase though at a lesser rate than previously. Normal attrition must be replaced.

Moreover, the best projections suggest a further doubling of medical student output to 25,000 students per year by 1982 which will require marked increases in faculty. It should also be emphasized that 82 percent of medical school faculties in the United States were supported in their training by NIH training grants and fellowships in the past. Any decrease in production of academic health manpower now could lead to a shortage of academic personnel up to 10 years in the future.

The Indiana University Medical Center is located in my congressional district and during a recent visit to the campus I noted a plaque in front of the main building with a quote of Disraeli who said:

> Health is the foundation upon which all of our happiness as a State depends.

Nothing could be more true than this statement.

The Nation's medical schools have been asked to increase the number of physicians to meet America's health care needs. Highly trained new faculty are needed to staff the new and developing medical schools in order to carry out this objective. In addition, there is a continued need for a constant supply of highly trained and competent biomedical researchers to meet the Nation's research requirements. With increased congressional interest in and recognition of the need to combat the gamut of diseases which afflict mankind, and with increased administration initiatives in such fields as cancer and heart research mentioned above, more biomedical scientists will be needed to carry out the intensified research that will be necessary to come to grips with these dread diseases.

Equally important is the need to provide new researchers for new areas of research. The training grant and fellowship programs are the only adequate mechanisms for training investigators to enter into or to develop new research fields. Thus, maintaining the present status quo will require increases in the biomedical manpower pool. We cannot possibly hope to increase our research efforts without also increasing our research resources.

While I am well aware of the need to limit our expenditures, I feel we should continue our research-fellowship programs on a reasonable basis as provided in H.R. 7724. This bill limits the authorization to 2 years with a total expenditure of $415.6 million. This exceeds the administration's budget in this area by only $141 million.

Medical care in the United States involves an annual expenditure of $80 billion, 7 percent of our gross national product. Either the $416 million authorization or the $141 million increase over the administration budget represented by this legislation would be a very small proportionate investment in the success of our research enterprise, and thus in the health of our people.

The economic benefits of health research investment by any calculation have returned to society multiples of the original investment in jobs, taxes, and decreased hospital days, not to mention the value of less "pain and suffering." I feel that we have presented a good bill in H.R. 7724 and that it merits favorable consideration.

Mr. ESCH. Mr. Speaker, I rise today in support of H.R. 7724, the National Health Research Fellowship and Traineeship Act of 1973. This act will extend health training and fellowship programs which the administration had stipulated to be phased out over the next few years.

I cannot overstate the critical importance of passing this legislation. The fact is that without these programs for training and research in cancer, heart disease, mental health, and other broad areas of biomedical research, our efforts to find answers to the causes of these serious diseases will be seriously, if not permanently, impaired.

Mr. Speaker, Federal support for biomedical research and fellowship grants have been going on since 1930. These grants have been instrumental in the discovery and eventual treatment of a wide range of health problems in this country. Today, these programs produce over 5,000 scientists a year, and by 1983 the projected annual need will be nearly 8,000. As is well known, the costs for training far outstrips the ability of those who wish to enter the biosciences to pay. The facts are that from 70 to 75 percent who are now engaged in training would be able to continue without Federal support.

Mr. Speaker, I believe that this is the time to expand and improve our efforts in the biomedical research and I urge my colleagues to join with me in supporting this important legislation.

Mr. DONOHUE. Mr. Speaker, I urge and hope that this pending bill, H.R. 7724 the National Biomedical Research and Training Act, is overwhelmingly approved by this House today.

The testimony and record show that the Interstate and Foreign Commerce Committee reported this bill by unanimous vote because of their united conviction that the proposed termination of these training programs would very severely disrupt an obviously successful history of research.

The evidence also reveals that recent studies by the Health, Education, and Welfare Department, as well as those of the President's own Science Advisory Committee supported the continuation of these programs and it is further worthy of note, in our legislative determination, that approval of this measure was advocated by all the witnesses who appeared before the congressional committee, other than those that appeared there on behalf of the administration.

Mr. Speaker, without any reasonable doubt our biomedical research and training programs have unquestionably demonstrated their value in the national interest and we should be mindful that no viable alternative to these programs has been proposed by the administration. In the light of this failure of the administration, all the authoritative testimony in favor, and the imperative necessity to continue biomedical research in the public interest, I hope that the House will speedy adopt this measure.

Ms. HOLTZMAN. Mr. Speaker, I am concerned about the so-called Roncallo amendment offered today.

This is a badly drafted, badly thought out amendment. Its major effect would be simply to discourage and prevent research to save the lives of infants born prematurely. It would have no effect on the policy presently pursued by the National Institutes of Health.

Because this amendment as drafted could prevent life-saving research for premature infants I intend to oppose it.

Mr. CRONIN. Mr. Speaker, I rise in strong support of the amendment offered by the gentleman from New York (Mr. RONCALLO) to prohibit the use of HEW funds for research on a live fetus. The experimentation on human fetuses has been subject to widespread abuses, and I urge that this amendment be overwhelmingly adopted.

Mr. CARTER. Mr. Speaker, I wish to indicate that I fully support the bills H.R. 7724, National Biomedical Research Fellowship, Traineeship, and Training Act of 1973; H.R. 7806, Health Programs Extension Act of 1973; and H.R. 6458, Emergency Medical Services Act of 1973.

It is clear that we cannot negotiate with disease. There are no conference tables of any size or shape that will permit our sitting down and discussing with the microscopic killers and cripplers of our people the possibility of an end to hostilities. We can be certain that disease will never sign a treaty of peace. It is for us, therefore, to choose the path of waging an even more massive war against the maladies of mankind, and to strengthen the supply lines to our programs for proper health care and for the prevention of disease.

A war of this magnitude will entail virtually endless battles, but we must not avoid the responsibility that we have to meet the continuing challenge of good health and good health facilities for all Americans.

My colleagues and I who serve on the Public Health and Environment Subcommittee have worked to develop measures that will help us continue to meet our responsibility in this area of concern. I submit that these measures are effective ones, and they deserve the support of this body.

Mr. DRINAN. Mr. Speaker, on previous occasions during this month of May I have spoken on the need to continue the biomedical research programs carried out under the auspices of the National Institutes of Health. I am pleased that today I have the opportunity to stand before this House to cast my vote in favor of H.R. 7724, the National Biomedical Research Fellowship, Traineeship, and Training Act of 1973.

As I noted in the statement I made earlier today on the Health Programs Extension Act of 1973, on May 5, 1973, I conducted congressional hearings on a variety of health programs in Newton, Mass. At these hearings I received testimony from many noted health professionals from the greater Boston area. At these hearings no single issue received as much attention as did the research training programs administered by each of the National Institutes of Health.

As part of its wide-ranging assault against health programs, the administration announced coincident with the release of the fiscal 1974 budget that NIH research training programs—fellowship and traineeship grants—were to be phased out. No funds were included in the 1974 budget for new commitments to research training grants, and only those grants made before January 29, 1973, with continuing commitments would receive any funds at all.

It is hard to understate the potential damage that these proposals would have upon medical education, biomedical research, and finally health care in general, if they are carried out. Last week the Association of American Medical Colleges released the results of a study it conducted to assess the potential impact of the administration's 1974 health budget. These results were shocking. According to this study, 78 medical schools will be forced to discharge about 1,400 faculty members unless financial support can be found from other sources.

One out of every 12 faculty members would lose their jobs, supporting staff would have to be cut back by 15 percent, medical school enrollments would have to be reduced, and research programs would be cut by as much as one-half.

These are the immediate results. The long-term results are even more distressing. Biomedical research, supported to a large measure by the Federal Government, has made great strides in the past decade in conquering the major debilitating diseases facing mankind.

This partnership of the Government, medical education institutions, and talented biomedical research personnel is to be terminated, under the administration's plans. Not only will ongoing research projects be curtailed, but also new projects will be limited. The result would be to shortchange our own future. Without the NIH biomedical research training grant programs, the progress of man's efforts to conquer disease and improve health will be stunted.

The effect of these cutbacks upon medical education will be equally severe. The extramural NIH fellowships and training grants provide an important source of income to medical schools, particularly in the form of faculty support. Without these funds, faculty will have to be reduced, and this cannot help but harm the quality of medical education and reduce the enrollments in medical schools. The specter of fewer doctors, who are less well trained, is hardly encouraging.

And one must consider those doctors and future doctors who desire a career in biomedical research. The costs of postgraduate training are very high—$20,000 to $45,000—and thus beyond the reach of all but a select few. Medical institutions themselves cannot afford to subsidize the postgraduate education of future biomedical researchers and medical educators. The Federal Government alone has sufficient money, and without the assistance of the Government many talented doctors will find the door to biomedical research and medical education closed.

At the congressional hearings on health programs on May 5, 1973, to which I referred above, I received very convincing testimony on this subject from Dr. Kurt J. Isselbacher, Mallinockrodt Professor of Medicine at Harvard Medical School, and chairman of the executive committee of the department of medicine at Harvard Medical School.

Dr. Isselbacher noted the financial difficulties attendant upon individuals seeking careers in biomedical research:

> It should be pointed out that over 36% of graduate students have a major indebtedness and over 56% of medical students are in debt by the time they graduate. More than 50% of the individuals who are in the training and fellowship programs [of NIH] are in debt and 70–75% of this group indicated that they would not be able to continue their research training if this training had to be achieved on the basis of loans because of their already significant indebtedness.

One of the arguments that the administration has used in defending its position is that biomedical researchers can expect to receive lucrative salaries after the completion of their training, and that thus the Government should not be forced to pick up the tab of their training.

The administration also suggests that an excessive percentage of those individuals receiving NIH grants and fellowships go into private industry after the completion of their training, rather than pursuing careers in research and/or teaching.

In fact, as Dr. Isselbacher suggests, "more than 80 percent" of individuals trained in biomedical research choose careers in research or in medical education. The report of the House Interstate and Foreign Commerce Committee on the bill before us today supports Dr. Isselbacher's contention. The report states that the "vast majority of those trained remain in research and teaching for the bulk of their careers," and refers to one study, conducted in 1969, that showed that 90 percent of those completing arthritis training grants and fellowships were engaged in teaching and research.

Contrary to the administration's assertions, the financial rewards that follow biomedical research training are not high at all. Another medical professional, Prof. Robert W. Jeanloz of Harbard Medical School, spoke to this point during the congressional hearings earlier this month:

> After 4 years of College and 5 years of graduate work, these students will normally take 2 to 3 years of postgraduate work at salaries in the range of 7–8,000 dollars yearly, and then they will move to academic positions where some may reach the upper 20,000 dollar range, but many more will remain at around 20,000 dollars. We are far away from the 100,000 dollar salaries generally mentioned as a reason to suppress Training Grants. In the past 15 years, only one student [from Harvard Medical School] (less than 2%) has found a position in industry, all the others have gone into research and/or teaching positions.

Professor Jeanloz's position is also supported by the findings of the Interstate and Foreign Commerce Committee, which in the report on H.R. 7724 state the average annual income of scientists with doctorates in the field of bioscience to be $16,000. Surely it is unreasonable to ask a man or woman who can expect to make less than $20,000 per year to shoulder the $20,000-plus cost of their postdoctorial training, in addition to the indebtedness they have probably incurred before in completing their college and graduate education.

Another argument used by the administration in attempting to eliminate the research training programs is that there is no longer a need for more research and teaching personnel. Yet a study of NIH training, referred to in the committee report on the bill we are now considering, estimated the need for new scientists to be 6,800 in 1971, 7,100 in 1975, and 7,730 in 1983. Existing training programs do not meet these goals. Thus I agree with the statement of the committee report that "it seems clear that these programs should be continued if not expanded."

In the statement I made in this House earlier today, on the Health Programs Extension Act of 1973, I commented on the irresponsible attitude demonstrated by the administration in its proposals for health. Specifically, I noted that the proposals of the administration were wholly destructive. The same charge holds true in this case.

Despite the overwhelming evidence of the success and value of the NIH research training programs, the administration chose not to try to improve the programs, but to eliminate them entirely. Again I question whether this approach is the mark of a responsible and responsive administration.

And again I must commend the members of the Interstate and Foreign Commerce Committee for shouldering the responsibilities of good government where the administration left off. This bill, the National Biomedical Research Fellowship, Traineeship, and Training Act of 1973; is responsive not only to the legitimate needs of medical education and biomedical research but also to the demands of fiscal responsibility placed upon the Government. The bill authorizes a total of $415.6 million for NIH and NIMH biomedical research training programs over the next 2 years. It establishes a program whereby those who receive Government support for their research training and who subsequently go into private practice or pursue a career in industry shall repay the Government.

But this repayment clause, I believe, is sufficiently flexible as to not interfere with the vast majority of those individuals who receive NIH financial assistance and then follow careers in public health, biomedical research, or teaching.

In 1972 $186 million was expended by the National Institutes of Health in support of a total of 18,367 trainees and fellows. In addition, the National Institute of Mental Health spent $22 million for training and fellowships for research personnel. The $186 million spent by NIH represents only 0.2 percent of total health expenditures. Surely this is a very small price to pay for the many benefits received. The funds expended on biomedical research training through NIH and NIMH training and fellowship grants richly deserve to be termed investments in the future health and welfare of our Nation.

Mr. KYROS. Mr. Speaker, I rise in strong support of H.R. 7724, which was passed unanimously by the Public Health and Environment Subcommittee on which I serve, and by the full Committee on Interstate and Foreign Commerce.

Our bill would provide new, modified authority for the Secretary of Health, Education, and Welfare to continue the enormously successful, 30-year program of traineeships and fellowships for biomedical researchers through the National Institutes of Health, National Institutes of Mental Health, and at other public and nonprofit private institutions throughout the country.

It was unbelievable to me, Mr. Speaker, that the administration in its fiscal year 1974 budget proposed a complete phasing out of all training and fellowship programs over the next 5 years. In the words of Dr. Arthur Kornberg, director of Stanford University's department of biochemistry—

> This was perhaps the most calamatous decision a government of the United States could make for the future of medicine and the welfare of our country.

Dr. Kornberg's words should not be taken lightly. For over 40 years, the Government of this country has supported the training of biomedical researchers. During this time, the United States has become the acknowledged leader of the world in medical research, and our own National Institutes of Health has become the world's single finest center for biomedical research. While some modifications may be necessary in our fellowship and traineeship program—which is a fundamental part of our Nation's medical research effort—I submit that this is hardly the time to cut out the program entirely.

With a new commitment having recently been made to the American people by the President and by Congress to deal with the difficult problems of cancer, heart disease, birth defects, and so forth, we must continue to move forward. Research and training programs must be maintained on a continuing basis. If we allow the momentum we now have to dissipate, we will reduce our medical arts to the dismal state of medicine in the Soviet Union—a clear and tragic example of neglect and poor administration.

For these reasons, and for the future of medicine in the United States and the future health and well-being of our citizens, I urge passage of H.R. 7724.

Mr. ZWACH. Mr. Speaker, I would first like to commend my distinguished colleague, Mr. Roncallo of New York, for his amendment.

As a cosponsor of this human fetus research bill, I believe it is a step in the right direction. The Secretary of Health, Education, and Welfare would be restricted in any research on a human fetus which is outside the uterus of its mother and which has a beating heart.

Although most of the research on live fetuses is done in foreign countries, it has also been done right here in Washington.

We have already passed H.R. 7806 with the "conscience clause" intact. Now we have the opportunity to take a second step in the "life" direction.

On February 1, I introduced a "right to life" amendment calling for a constitutional amendment to insure that due process and equal protection are afforded to an individual from conception. It is my opinion that on January 22 the Supreme Court aborted the Constitution and the Declaration of Independence.

In 1776, our forefathers said:

> We hold these Truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the Pursuit of Happiness.

To take the life of an unborn is to deny life, liberty, and the pursuit of happiness to one who is unable to yet fight for his own well-being. Biologically, there is little difference between a day-old baby and one to be born tomorrow. We must extend a helping hand to all those that need help, not just those of a day or older.

Mr. STAGGERS. Mr. Speaker, I know of no further amendments.

Mr. Speaker, I move the previous question on the bill.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. ROGERS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 361, nays 5, not voting 66, as follows:

[Roll No. 171]

YEAS—361

Abdnor
Abzug
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Archer
Armstrong
Ashley
Aspin
Bafalis
Baker
Barrett
Bell
Bennett
Bergland
Bevill
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Brasco
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Butler
Byron
Carey, N.Y.
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collier
Collins
Conable
Conlan
Conte
Conyers
Corman
Cotter
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, S.C.
Davis, Wis.
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Devine
Donohue
Dorn
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Eshleman
Evans, Colo.
Fascell
Fish
Flood
Flowers
Foley
Ford, Gerald R.
Ford, William D.
Forsythe
Fountain
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Goodling
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Hastings
Hawkins
Hays
Hébert
Hechler, W. Va.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Holtzman
Horton
Hosmer
Howard
Huber
Hudnut
Hungate
Hutchinson
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
King
Kluczynski
Koch
Kuykendall
Kyros
Latta
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Madigan
Mahon
Mailliard
Mallary
Mann
Maraziti
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Miller
Mills, Ark.
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
Obey
O'Brien
O'Hara
Passman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Podell
Preyer
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Rangel
Rees
Regula
Reid
Reuss
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roybal
Runnels
Ruppe
Ruth
Ryan
St Germain
Sarasin
Sarbanes
Satterfield
Saylor
Scherle
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steiger, Ariz.
Steiger, Wis.
Stephens
Stubblefield
Stuckey
Studds
Symington
Talcott
Taylor, Mo.
Taylor, N.C.
Teague, Calif.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Treen
Ullman
Van Deerlin
Vander Jagt
Vanik
Veysey
Vigorito
Waggonner
Waldie
Walsh
Wampler
Ware
Whalen
Whitehurst
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—5

Findley
Gross
Hanrahan
Landgrebe
Symms

NOT VOTING—66

Adams
Annunzio
Arends
Ashbrook
Badillo
Beard
Biaggi
Blackburn
Bray
Burke, Calif.
Camp
Carney, Ohio
Carter
Coughlin
Crane
Cronin
Davis, Ga.
de la Garza
Dickinson
Diggs
Dingell
Esch
Evins, Tenn.
Fisher
Flynt
Fraser
Fuqua
Goldwater
Gubser
Harvey
Heckler, Mass.
Hunt
Ichord
Keating
Ketchum
Landrum
Leggett
McCormack
Martin, Nebr.
Milford
Minshall, Ohio
Mollohan
Murphy, N.Y.
O'Neill
Owens
Parris
Patman
Powell, Ohio
Price, Ill.
Randall
Rarick
Rhodes
Rooney, N.Y.
Roy
Sandman
Spence
Steelman
Stokes
Stratton
Sullivan
Teague, Tex.
Udall
White
Whitten
Wilson, Charles, Tex.
Winn

So the bill was passed.

The Clerk announced the following pairs:

Mr. Annunzio with Mr. Arends.
Mr. Teague of Texas with Mr. Rhodes.
Mr. Rooney of New York with Mr. Bray.
Mr. Price of Illinois with Mr. Coughlin.
Mr. Fuqua with Mr. Camp.
Mrs. Burke of California with Mr. McCormack.
Mr. de la Garza with Mr. Blackburn.
Mr. O'Neill with Mr. Cronin.
Mrs. Sullivan with Mrs. Heckler of Massachusetts.
Mr. Murphy of New York with Mr. Hunt.
Mr. Mollohan with Mr. Gubser.
Mr. Adams with Mr. Spence.
Mr. Davis of Georgia with Mr. Carter.
Mr. Carney of Ohio with Mr. Ashbrook.
Mr. Diggs with Mr. Esch.
Mr. Charles Wilson of Texas with Mr. Dickinson.
Mr. Dingell with Mr. Harvey.
Mr. Evins of Tennessee with Mr. Beard.
Mr. Fraser with Mr. Milford.
Mr. Leggett with Mr. Goldwater.
Mr. Randall with Mr. Steelman.
Mr. Roy with Mr. Minshall of Ohio.
Mr. Stokes with Mr. Powell of Ohio.
Mr. Stratton with Mr. Sandman.
Mr. Whitten with Mr. Crane.
Mr. White with Mr. Keating.
Mr. Fisher with Mr. Martin of Nebraska.
Mr. Flynt with Mr. Parris.
Mr. Landrum with Mr. Winn.
Mr. Ichord with Mr. Badillo.
Mr. Rarick with Mr. Biaggi.
Mr. Udall with Mr. Owens.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## PERSONAL EXPLANATION

Mr. DELLUMS. Mr. Speaker, on the previous rollcall I was detained. Had I been able to be present I would have voted "yea." I ask unanimous consent that this statement be printed in the Record right after the previous rollcall.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

## EMERGENCY MEDICAL SERVICES ACT OF 1973

Mr. STAGGERS. Mr. Speaker, I move that the House resolve itself into the

Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6458) to amend the Public Health Service Act to authorize assistance for planning, development and initial operation, research, and training projects for systems for the effective provision of health care services under emergency conditions.

The motion was agreed to.

### IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 6458, with Mr. CHARLES H. WILSON of California in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from West Virginia (Mr. STAGGERS) will be recognized for 30 minutes and the gentleman from Minnesota (Mr. NELSEN) will be recognized for 30 minutes.

The Chair recognizes the gentleman from West Virginia.

Mr. STAGGERS. Mr. Chairman, I yield myself whatever time I may require.

I rise in support of H.R. 6458, a bill to give to the Secretary of the Department of Health, Education, and Welfare new authority to support the development and expansion of emergency medical services.

This bill is designed to provide new authority for the support and expansion of emergency medical services and related research and training throughout this Nation.

The Subcommittee on Public Health and Environment held hearings on this legislation and related bills with similar purposes on June 13, 14, and 15, 1972, in the last Congress and March 15 of this year. The testimony received was entirely favorable to the objectives of the bill except for that of witnesses from the administration. They felt that new authority was unnecessary because it would duplicate existing authority. Following the hearings a clean bill was introduced and ordered reported to the House by the full commitee by a voice vote.

This legislation defines the characteristics of emergency medical service systems and provides the Secretary of Health, Education, and Welfare with authority to support these systems using grants and contracts for planning and feasibility studies; grants for the establishment and initial operation of the systems: and grants for their expansion and improvement. In addition, the Secretary is given authority to make grants for needed research and training in methods and techniques of emergency medical services.

This bill will authorize $145 million in appropriations over a 3-year period with all but $40 million to be expended in fiscal years 1974 and 1975.

In the last Congress legislation similar to H.R. 6458 passed the House with a two-thirds vote and the Senate, but a conference was not possible because of lack of time.

Mr. Chairman, our committee found in its hearings that one of the most visible and unnecessary parts of our country's health care crisis is the present deplorable way in which we care for medical emergencies. Every year 55,000 people die in automobile accidents. Every year 16,000 children die in accidents. Every year 275,000 people die from heart attacks before they reach the hospital. Our committee believes that as many as 35,000 of these deaths could be prevented by adequate, effective emergency medical services.

In addition untold injury and unnumbered dollars could be saved by these same services. Experts have estimated, for instance, that the cost of accidental death, disability, and property damage is $28 billion a year. This legislation would create the kinds of services which we are already capable of delivering and thus stop these unnecessary deaths, and I, therefore, urge its passage.

Mr. NELSEN. Mr. Chairman, I yield such time as he may consume to the gentleman from Indiana (Mr. HUDNUT).

Mr. HUDNUT. Mr. Chairman, I rise in support of H.R. 6458—without H.R. 8220—the Emergency Medical Services Act of 1973. The ultimate goal of this legislation is to help remove the barriers that prevent the citizens of this Nation from having prompt access to effective, efficient, and acceptable emergency medical services when they need those services. One of the most visible and best understood of the many health care crises faced by the Nation today is the appalling and unnecessary loss of life and disability due to sudden catastrophic illness and/or accidents.

At the present time only limited Federal support for emergency medical services is available. We propose in H.R. 6458 to create new authority under the Public Health Service Act for assistance by the Secretary of Health, Education, and Welfare in the development of emergency medical services. Briefly, this bill would: First, define "emergency medical service systems"; second, authorize the making of grants and contracts for planning and feasibility studies related to the establishment of such systems; third, authorize grants for the establishment and initial operation of such systems; fourth, authorize grants to health professional schools for research and training in emergency medical services; fifth, authorize grants for the expansion and improvement of existing emergency medical services system; sixth, establish an Interagency Technical Committee on Emergency Medical Services, and seventh, require a report to the Congress 1 year after enactment on legal barriers to the effective delivery of medical care under emergency conditions with recommendations for overcoming these barriers.

The bill would authorize appropriations totaling $145 million over the 3-year period of fiscal years 1974–75 and 1976. Of this amount, $15 million would be for planning and feasibility grants and contracts; $95 million for establishment and initial operation grants; $15 million for research and training grants; and $20 million for expansion and improvement grants.

Grants for establishment and initial operation must be participated in equally by the grantee during the first year with at least 75 percent participation in the second year. Any systems funded under this mechanism must be self-supporting within 2 years. In other words, Federal funding would be expected to serve only as "seed money."

Many lives are lost or permanent disabilities occur each year as a result of the frequently inadequate state of emergency medical care resources and systems in the United States. In many cases hospital emergency rooms are improperly equipped or staffed, ambulance drivers have too little training to handle emergency cases, and communications between ambulances and hospitals are inadequate. There are various other shortcomings as well, such as the lack of transport facilities such as helicopters and other aircraft. Studies have demonstrated that 15 to 20 percent of accidental highway deaths could be prevented if prompt, effective emergency care were available at the scene of the accident, on the way to an emergency facility, and within that facility.

Furthermore, these studies indicate that some 60,000 lives could be saved per year by emergency medical services in times of heart attacks, automobile accidents, and so forth.

Experts in the field of emergency medical services are unanimous in their opinion that the present situation need not exist. We possess the technology and the expertise to provide efficient, effective, and acceptable emergency medical services for all citizens. Unlike cancer, where much more basic and applied research is needed before cures can be found, much death and disability arising from emergency situations could be prevented now if only existing capabilities were used. Therefore, I urge the approval of H.R. 6458—without the amendment H.R. 8220 which would include Public Health Service hospitals, and is in my opinion nongermane—so that we can get a program underway without any further delays.

Mr. NELSEN. Mr. Chairman, I have no further requests for time.

Mr. STAGGERS. Mr. Chairman, I yield such time as he may consume to the gentleman from Florida (Mr. ROGERS).

Mr. ROGERS. Mr. Chairman, I rise in support of this legislation which would provide increased emphasis in the area of emergency medical services.

Accidental deaths claimed 117,000 lives in the United States last year and were the fourth leading cause of death in the Nation, and between the ages of 1 and 38 years were the No. 1 cause of death. Yet it has been pointed out that between 15 and 20 percent of the 56,000 highway deaths each year could be prevented if we had a proper emergency medical service system. Even more appalling is the estimate by the Ambulance Association of America that as many as 25,000 Americans are permanently injured or disabled each year by untrained ambulance attendants and rescue workers.

In 1972, President Nixon signed the National Heart, Blood Vessel, Lung, and Blood Act of 1972 which has as one of its goals reducing the tremendous mortality from heart attack, yet with a properly trained emergency medical service system in operation, we presently have the ability to prevent an estimated 30,000 prehospital coronary deaths each year. Overall we have the ability to each year save more lives through proper emergency care than are killed in all of the automobile accidents in the country.

Emergency medical services represent a missing link in this Nation's total health care delivery system. We have too long looked upon EMS as simply a horizontal taxi service, with proper medical treatment beginning only after transportation to the hospital has been accomplished. One of the goals of the legislation we are now considering is to bring an effective and unified system out of the chaos which characterizes our present nonsystem. This bill would provide for the establishment of systems which would be activated by a call for help, would provide proper treatment at the scene and during transportation in a properly equiped vehicle and would also include the activities which take place after the patient is taken into a hospital or receiving center.

The idea of a comprehensive system of emergency medical services is not an untried concept. There are several excellent examples of the value of such a coordinated system, among them Jacksonville, Fla., recognized by many as one of the finest systems in the country. At the same time, Federal involvement in the area of emergency medical services is not a recent occurrence either. During testimony by the Department of Health, Education, and Welfare in 1972 and again in March 1973, it was noted that nearly every Federal agency has one or more programs which touch on one or more areas of emergency medical services.

Yet even with this attention, the result has been a patchwork of fragmented and woefully incomplete ambulance services. I was shocked to find that only 5 percent of the ambulance drivers have completed even the minimum 80-hour training course recommended by the Department of Health, Education, and Welfare and the American College of Surgeons, and that as many as one-third of our ambulance drivers have had nothing more than a basic first aid course. These are shocking statistics and something must be done to correct them, but experience has shown that the present Federal efforts are inadequate and fragmented.

Mr. Chairman, the legislation before us today is very similar to a bill which passed the House near the end of the 92d Congress and legislation with similar purposes was passed by the Senate. However it was not possible to go to conference before the adjournment of the 92d Congress. This legislation would provide assistance in a number of ways. Grants and contracts for planning and feasibility studies would be provided for those communities in the initial stages of assembling emergency medical service systems.

Two-year grants for establishment and initial operation of systems would be provided for those areas ready to implement plans. These grants provide for 75-percent participation by the grantee in the second year and require funded systems to become self-sufficient within 2 years. A third category of aid would be available to those communities who wish to expand or improve existing systems. These grants would be limited to 50 percent of project costs. The bill also provides funding for training personnel to operate these systems, an area that has been badly neglected in the past.

An Interagency Technical Committee on Emergency Medical Service would be established by this legislation to coordinate all Federal efforts in the area of emergency medical services, but to insure that EMS is given the proper visibility within the Department of Health, Education, and Welfare, a separate identifiable administrative unit would be established to administer the activities authorized by this legislation.

Additionally the Secretary of Health, Education, and Welfare would be required to make a 12-month study of legal impediments to provision of adequate emergency medical services and to present recommendations to the Congress to meet these impediments.

Mr. Chairman, this is a very comprehensive piece of legislation with the potential for saving over 60,000 lives each year. It was reported unanimously by the Subcommittee on Public Health and the Environment. I urge my colleagues to reaffirm the position taken by the House during the 92d Congress and again pass the Emergency Medical Services Act of 1973.

Mr. MURPHY of New York. Mr. Chairman, I urge every Member to vote for the text of H.R. 8220, that will be offered to amend H.R. 6458, the Emergency Medical Services Act. This amendment will provide for the continued operation of the eight Public Health Service hospitals which are facing imminent extinction at the hands of the Department of Health, Education, and Welfare and the Office of Management and Budget. I have only recently chaired 4 days of intensive hearings into the proposed closing of the Public Health Service hospitals with the House Merchant Marine and Fisheries Committee. The overwhelming weight of the evidence presented by the witnesses—including those from the Department of Health, Education and Welfare—proved that the so-called administration "plan" to turn over the hospitals to community organizations would not provide equal care to the Public Health Service beneficiaries as required under Federal law, that in thousands of cases there would be little or no medical care at all for primary beneficiaries and that there would be absolutely no health care in most cases for secondary beneficiaries.

The administration claims that the reduction in the number of merchant mariners is one reason for the phase-out of the Public Health Service System, yet the Maritime Administration provided the committee with figures that show that by 1980, there would be 196,000 merchant seamen, 5,000 higher than the current level.

The administration claims that the "plan" has been supported by State agencies and local agencies as required by law. Yet, the administration's own justification of the "plan" contains numerous communications from these agencies alleging that: first, they had insufficient time to properly evaluate administration plans, or second, they outright rejected administration proposals for a given area.

There was not one locally in the six announced closing—Baltimore, Boston, Galveston, New Orleans, San Francisco, or Seattle—or the two proposed closings—Staten Island and Norfolk—where there were not substantial objections to or outright rejection of the administration proposals.

For example, I cite two of the comprehensive health planning agencies involved that have gone on record in opposition to the administration's plans. The Maryland Comprehensive Health Planning Agency, in a letter of February 23, 1973, to Assistant Surgeon General David Sencer, stated the following:

> The short response period permitted is entirely inadequate to decide such an important health care issue and precludes our undertaking an indepth review at this time . . .
>
> The closing of the PHS Hospital in Baltimore would deprive the State of a unique facility providing needed health care services for many Maryland citizens. It is not at all clear that the necessary resources are currently available to substitute for the loss of this key facility.
>
> Although the proposed (administration) plan offers a program for the continued care of primary PHS beneficiaries, it would appear that secondary beneficiaries would have to be cared for entirely in community institutions. The sizeable cancer research program conducted at the hospital would also be closed down leaving many terminal cancer patients with no comparable care available. A much heavier burden will be placed on the already overtaxed emergency rooms of neighboring institutions with the closing of the hospital.

The Puget Sound Health Planning Council, in a letter of February 22, 1973, to Dr. Sencer, stated its position that the Seattle Public Health Service Hospital remain open. The letter states in part:

> It is our position that we cannot support any changes in the operation of the Seattle PHS facility unless and until we have an opportunity to review detailed plans for alternative arrangements. We would have to assure ourselves that such proposed alternative arrangements protected the interests of those not served by the PHS facility and provided satisfactorily for clinical training programs conducted at the hospital by the University of Washington and Seattle University. . .
>
> As the recognized 314(b) comprehensive health planning agency for this area we feel a serious responsibility to prevent modifications in health care delivery programs which would work to the detriment of those served. We are also concerned that the programs of the University of Washington medical schools which rely heavily on the Seattle PHS facility not be disrupted. As you know, this is the only medical school serving a widespread area of the northwest.

The question at the heart of our hearings was, "Will the alternate plan, or what is really a patchwork of hastily derived arrangements offered by the administration, provide the same quality comprehensive health care that is now being delivered by the Public Health Service System?" The answers provided the Merchant Marine and Fisheries Committee by virtually everyone added up to an emphatic "No."

U.S. Senators who know the situation said "No."

Members of the House who have fought this travesty said "No." The maritime unions said "No."

The communities themselves said "No."

And, despite the fact that members of the Department of Health, Education, and Welfare feared for the loss of their jobs by stepping forward, they came to me by the dozens and said "No"—the closing of the Public Health Service is a blunder—morally, ethically, legally, and medically. They charged that the proposed closings would be—could only be—detrimental to the beneficiaries.

For my own experience, I can point to New York City's hospital on Staten Island. Under previous plans to phase out the facility, the Department of Health, Education, and Welfare used a formula provided by the Health Insurance Plan of Greater New York, to take over the operation of the hospital. That plan which was defective and rejected by everyone concerned, ran out in late February 1973, then, just 5 weeks ago, in its headlong rush to meet the closing deadline, the Department of Health, Education, and Welfare again asked the health insurance plan to come up with a "new" plan. This the officials at health insurance plan did. It is very simple. Health insurance plan would act as a broker—a referral agent if you will—to farm out the beneficiaries to its vast network of contract facilities all over New York City. At least that was the plan that was covertly given to me by concerned professionals at the Department of Health, Education, and Welfare. I asked the author of the health insurance plan for a copy of the document and was informed that the Department of Health, Education, and Welfare let him know that he was "not to give it to Congressman Murphy."

If the plan was a good one, if it would indeed, provide quality care at the same level as in the past, why the hesitancy to provide me and, in turn the Merchant Marine and Fisheries committee with a copy of it.

Some of the answers were provided to me by the comprehensive Health Planning Agency of New York City which, under the law, is supposed to comment on the HIP proposal.

In statements to the Merchant Marine staff they charged that: If the patients at Staten Island are turned over to HIP, the Government would be getting substandard care for the beneficiaries;

The care would cost more, yet the government would be getting less for its money on a dollar-for-dollar basis;

The bulk of the patients are in the $6,000 to $8,000 income range and could not afford to travel the long distances to other parts of New York City to HIP facilities;

The only hospital operated by HIP, is in Queens and is chronically overcrowded—it has only 218 beds, and its occupancy rate is at the 100 percent level;

Staten Island is the fastest growing area of New York City with the greatest need for health services, yet HIP has no dental care, no amputee care, and no rehabilitative services.

The Department of Health, Education, and Welfare cites a national hospital bed vacancy rate of 20 percent. Yet, this formula doesn't apply to Staten Island where general care hospitals have a 90-percent occupancy rate, and a 103-percent rate for medical-surgical beds. This fact alone prompted the Comprehensive Health Planning Agency to tell the Assistant Surgeon General in February of 1973, that:

> Not a day should be lost on the continuity of this (the Staten Island) facility.

Further, the Director of the Comprehensive Health Planning Agency said that:

> The hospitals on Staten Island are operating at capacity and with a large population growth projected for Staten Island, there will be even greater demand for both in-patient and ambulatory services.

In short, there really was no plan for Staten Island. There was a hasty-stop, gap measure to farm out the beneficiaries to a system that in terms of service quality is not in the same league. Critics of the HEW plan—mainly from within HEW—pointed out to me that situations similar to the above surround every hospital doomed by the OMB budget ax.

In Baltimore, HEW experts told me the cancer research center, if forced to move, will most likely lose a significant number of patients presently in research studies unless it relocates in the immediate area. The cost of moving and providing the necessary support services for this unit are not included in the costs of the proposed system.

In Boston, HEW experts told me community programs not mentioned in the plan and in danger of being discontinued included a methadone maintenance program for 100 enrollees, a large family planning clinic and the provision of medical consultation by members of the PHS hospital staff to Kennedy Memorial Hospital, greater Boston chapter of the Leukemia Society of America, Roxbury/Boston University Comprehensive Community Health Center, and Boston University Medical Center.

In Galveston, HEW experts told me Dr. Truman Blocker, vice president for health affairs of the University of Texas medical branch has repeatedly stated the university's needs for teaching beds at the PHS hospital. The availability of these beds was one reason for increasing the medical school enrollment.

The 314(a) agency—State agency—comments support the plan. However, the 314(b) agency—local agency—was not requested to submit their comments. I am convinced this was because this agency indicated in 1972 that the public health service hospital serves a vital function on Galveston Island and should not be closed?

In New Orleans, HEW experts told me hospitals have indicated an adequate number of available beds to treat primary beneficiaries. However, the hospitals do not have the necessary personnel to staff these units. Secondary beneficiaries constitute 50 percent of the inpatient load at the New Orleans Hospital. However, no effort has been made to identify the community beds available for these beneficiaries and after closure of the public health service hospitals, the primary and secondary beneficiaries will actually be competing for available beds in the community.

Further, in New Orleans, family health clinics have, to date, been unable to obtain the necessary in-patient facilities for their program and have requested that 80 to 100 beds be set aside at the PHS hospital for these community patients.

The occupational therapy and pediatric departments at the hospital have developed the only screening program in New Orleans for children with dyslexia and other learning disabilities.

The patients in the assistance program for unwed mothers through the catholic charities will have great difficulty obtaining this care at other institutions and are generally not eligible for care at charity hospital.

These are just some of the items that have not been resolved in HEW's plan."

In San Francisco, HEW experts told me the impact of terminating all training affiliations was completely ignored in the plan. There are 31 outside affiliations for teaching, consultation and the provision of direct patient care by members of the PHS hospital staff at 10 medical and dental schools, colleges, community health centers and hospitals.

The Bay Area comprehensive health planning council in San Francisco, in 1971, recommended that the PHS hospital not only remain under Federal jurisdiction but expand its community health program to assist in meeting community needs. Especially in regard to the urban Indian people in the Bay Area.

In Seattle, the HEW experts told me Congressman JOEL PRITCHARD wanted to know who was going to pay for the services presently provided by the PHS hospital to the Seattle Indian health board and the Seattle free clinics. He wanted to know if there were other resources in the community able to furnish services to patients that are unable to finance their health care through other means. The letter from the 314(a) agency indicates that the community hospitals are not able to assume this responsibility.

The University of Washington has provided evidence of the negative impact the closures will have in terms of the cessation of inpatient care and the termination of stipends to interns and residents.

Yet, the unique relationship that exists between the University of Washington and the PHS hospital was not mentioned in the plan.

Finally, in view of the alleged pressure put on the Puget Sound Health Planning Council by HEW to go along with its proposal, the council wrote, that its position is that the "Seattle PHS hospital remain open and that it continues as part of the National Public Health Service."

These are only some of the highlights of the flood of information that came to the Merchant Marine Committee during the hearings. The overriding issue here is, does the HEW proposal meet the statutory requirement that the PHS beneficiaries be assured of continued equivalent care.

The preponderance of the evidence, I am convinced, proves that the proposal does not meet this standard. In the words of a major health care system executive who is standing by to take over the PHS beneficiaries, "we are second-best next to PHS."

I feel it is unacceptable that the PHS beneficiaries should get "second-best" treatment—and I am convinced Members will agree with that position.

Having shown that the "plan" did not meet the standards established by the Congress, the second major question is, "What will happen to the 'plan' once its 90-day run past Congress is terminated?"

The House Report on Public Law 92-585, which mandated the 90-day notice to Congress states:

> It is anticipated that this 90 day period of notice will in future, unlike the past, provide the Congress with an adequate period during which to review any proposed closure or transfer, and, if necessary, *to take whatever action is felt to be appropriate upon the proposal.*

I was encouraged that Dr. Charles C. Edwards, Assistant Secretary for Health, Department of Health, Education, and Welfare, after 3 hours of testimony agreed that under the law passed by Congress in 1972 (Public Law 92-585), it is the Congress that has the option of accepting or rejecting the administration "plan."

When I asked Dr. Edwards if it was the administration's intent to proceed with the hospital closings even though the Congress might rule otherwise, Dr. Edwards replied:

> Absolutely not. . . . our responsibility is to carry out the law and if the law says we are not going to close down, we obviously will not close them.

And that is what Members should do today. They should lay down the law to Dr. Edwards and to the Department of Health, Education, and Welfare. Tell them that this body will not tolerate the dismantling of this needed health care delivery system.

In summation, I can assure Members today, based on the Merchant Marine Committee hearings, that the administration plan is so inadequate, so full of holes, and so callous in its regard for the beneficiaries of, and the communities served by the Public Health Service System, that it must be rejected by the Congress.

The plan, as submitted by the Department of Health, Education, and Welfare, plainly is designed to dismantle and terminate the entire Public Health Service Hospital System within the United States. As such, I believe that the proposed administrative action runs afoul of the stated congressional intent to preserve and revitalize the Public Health Service Hospital System, and represents a usurpation by the executive branch of the legislative role reserved for Congress alone in this area.

Moreover, the plan is ill-conceived, shortsighted and utterly fails to comply with the requirements of Public Law 92-585, which provides that any plan submitted by the Department of Health, Education, and Welfare for the closing or transfer of control of a hospital or other health care delivery facility of the Public Health Service contain assurances that persons entitled to treatment and care at such facilities, as well as those persons for whom care and treatment is authorized, will continue to be provided equivalent care and treatment.

Additionally, to the extent that the Department of Health, Education, and Welfare is required to obtain and submit to Congress in conjunction with its plan, the comments made by each State or areawide health planning agency in which the affected facility is located, after affording each such agency a reasonable opportunity to review the proposed action, the Department of Health, Education, and Welfare has failed to observe the congressional mandate.

I submit that the Congress should reject the proposal as submitted by the Department of Health, Education, and Welfare and adopt the legislation before us insuring that the Public Health Service Hospital System be retained.

The proposed amendment will settle once and for all the status of the Public Health Service System. It will guarantee the continued operation of the System until such time as the Congress shall by law otherwise provide.

I urge Members to vote for the adoption of H.R. 8220.

Mr. ROBISON of New York. Mr. Chairman, the state of this Nation's emergency medical services is too often characterized by voluminous depictions of prolonged human suffering. These stories are sad, shocking, and even gruesome, and it was because of such a painful education that the gentleman from West Virginia (Mr. MOLLOHAN) and I first introduced the Emergency Medical Services Act. Perhaps my friends in the medical profession were not surprised, but I was startled to find that accidental death is the leading cause of death for those between 1 and 37 years of age, and to note in the American College of Surgeons report for 1968 that accidents caused more than 100,000 deaths, 10 million cases of temporary disability, and 400,000 cases of permanent disability, at a medical cost of $18 billion. It is no wonder that one medical expert stated:

> The permanence of trauma and accidental injury as the single most crucial health problem in the U.S. now seems firmly established.

And directly to the point of the legislation before us today, the statement continues:

> . . . . to treat that problem we have virtually the same emergency medical system that we had fifty years ago.

We must also add to this emergency medical system the huge caseload created by all other medical emergencies. For example, the Surgeon General has estimated that 35,000 heart disease victims die because they are not given proper emergency care. This number can be immediately reduced through any improvement in emergency medical care. It is not hard to conclude, then, that in this area alone there is huge potential for the saving of life. The same can be said for traffic accidents, which now claim 55,000 victims a year, and for those emergencies related to the diseases of old age: We have within our grasp the capability for providing life-saving treatment, if we have sufficient desire and interest to do so.

In all of these fields, the problem is compounded in rural areas. In fact, the crisis in emergency medical care services is overwhelmingly a rural problem. According to the National Academy of Sciences-National Research Council, 70 percent of motor vehicle deaths occur in rural areas and communities under 2,500 population. A 1967 study found that in California the mortality rate from auto accidents was 17 per 100,000 in urban areas, 46.8 per 100,000 in rural areas, and 85.5 per 100,000 in the mountain counties. Naturally, these deaths are not all attributable to a failure in emergency medical response—an accident on an isolated road might go undetected for hours, for example—yet the remarkable contrast pointed out by these figures indicates where the problem most directly lies.

What I have mentioned to this point is an argument for expanded service. I wish this were the only problem before us. Unhappily, there is another tragic aspect which demands equal attention. The American Ambulance Association has estimated that 25,000 persons are injured or disabled every year by untrained ambulance attendants and rescue workers. The reasons for this statistic are clear enough. A quick survey of State statutes which regulate ambulance services shows that in the few States where such statutes exists, the subject of attendant training does not appear.

Most of the facts and statistics which I cite have been compiled by medical professionals throughout the country who are now raising a loud and concerted voice for assistance. Through their efforts the problem is well defined, and the need is compellingly clear. And I would like to think that through this bill, Mr. Chairman, a plan of action is close at hand.

The Emergency Medical Services Act of 1973 is not another health program which channels Federal funds to a select group or a small segment of the citizenry. Simply by reading the bill's opening definition, my colleagues can determine that the measure proposes to be a catalyst for bringing together local, State, and Federal planning and coordination of emergency medical systems. At the local level, the bill provides planning and funding assistance and moves local ambulance services and emergency room facilities to cooperate in regional and State systems and to improve training and facilities. When natural disaster or large accidents strike, this bill would have every arm of the regional and State emergency medical systems cooperate to provide the quickest and most competent response.

At the State level, the planning requirements and inducements in the legislation would move State officials to rationalize the statewide emergency medical services system so that it can efficiently respond to serious need in any part of the State. And at the Federal level, the Interagency Technical Committee established in the bill would pull together the more than 25 Federal agencies which are now associated in some manner with emergency health care, so that Federal activities are given central direction, and Federal policy is applied consistently.

Finally, Mr. Chairman, I should also point out that full consideration has been given to the many volunteer ambulance corps throughout the country which have long served their communities for the best of motives. No provision in this measure is intended to inhibit the work of the volunteer corps in any way. Rather, there is new and expanded authorization for the Federal Government to assist these volunteer organizations, should they choose to make use of that assistance.

What we begin today with this legislation, Mr. Chairman, may very well affect the safety and health of many of us and our families in the near future. This is not another health program, this is a responsibility to our constituents which we have avoided far too long.

Mr. ROY. Mr. Chairman, H.R. 6458 concerns emergency medical services. There is a great need for this legislation. There is no greater cause of unnecessary disability and death in the United States today than that which occurs because individuals receive improper, or inadequate, emergency medical services.

Traffic accidents last year killed 55,000 Americans. And 63,000 Americans died in nonhighway accidents. Prehospital heart attacks were reported numbering 275,000.

Accidents are the fourth most common cause of death. Currently, accidents kill more persons in the most productive age group—1 to 37—than any other single cause. Approximately 15 million children sustain significant accidental injuries each year, with about 16,000 of these dying.

But many of these deaths are unnecessary. Qualified observers estimate that proper emergency services could prevent 11,000 deaths from highway accidents, 5,000 deaths from other accidental causes, and up to 27,000 deaths from heart attacks. In all, it is estimated that proper emergency care would save approximately 60,000 lives annually.

But proper emergency care is not available for most Americans. While more than 90 percent of acute care hospitals maintain an emergency room, only 10 percent of these are equipped to handle all medical and surgical emergencies, and only 17 percent have 24-hour physician staffing. Recent surveys have demonstrated that only 5 percent of the Nation's ambulance personnel have completed a minimum 80-hour instruction course. Another survey has shown that only 7 percent of the nation's ambulances are capable of communicating directly with hospitals. And only 37 percent of these ambulances meet even the minimal standards set long ago by the American College of Surgeons.

In this instance, Mr. Chairman, I am convinced that a new national initiative in this area is imperative. We must save these 60,000 lives a year. We must improve our emergency medical services.

The legislation which we are considering today does that. The major thrust of the legislation is to define an emergency medical system in terms of its necessary elements: questions of sponsorship, personnel, communications, transportation, facilities, records, universal accessibility, internal linkages, public education programs, and quality review are all considered in some detail in the bill. The bill requires the emergency medical systems to meet standards in each area set forth by the Secretary.

Funds are provided for the initiation of such systems. Grants are provided for 2 years and must be at least equally shared by the grantee during the first year with at least 75 percent participation by the grantee in the second year. All systems funded under this mechanism must be self-supporting within 2 years. The amount of $145 million are authorized over a 3-year period. This is not an excessive amount. And the funds are well targeted. Of the funds authorized under the bill, $110 of the $145 million authorized are for the support of the development of such emergency medical systems. Additionally, $20 million is provided for the expansion and improvement of existing emergency medical system; $15 million is authorized for research and training grants in this area.

There is no greater cause of unnecessary death and disability in the United States today than that caused by the lack of proper emergency medical services. The legislation which is presented here today identifies the need, and moves directly, at a reasonable price, to meet that need.

Mr. DOMINICK V. DANIELS. Mr. Chairman, I rise in strong support of H.R. 6458, a bill to amend the Public Health Service Act to authorize assistance for planning, development, and initial operation, research and training projects for systems for the effective provision of health care services under emergency conditions.

Mr. Chairman, very briefly this legislation authorizes the making of grants and contracts for planning and feasibility studies related to the establishment of emergency medical service systems. It also would authorize the making of grants for the establishment of such systems, and also authorizes grants to health professional schools for research and training in emergency medical services. Also included in this useful piece of legislation are grants for improvement of emergency medical systems already in use.

H.R. 6458 also creates an Interagency Technical Committee on Emergency Medical Services and requires a report to the Congress on legal barriers to the delivery of medical care under emergency conditions with recommendations as to how these barriers may be removed.

Mr. Chairman, too many Americans have had their lives shortened because emergency care was not available. The American Heart Association has pointed out that 27,500 prehospital coronary deaths each year could have been prevented if proper care were administered on the way to the hospital. It has been estimated that 60,000 deaths each year could be prevented in all if emergency treatment were improved and made effective.

Mr. Chairman, this bill must pass. I urge all Members to join with me today in approving this badly needed legislation.

Mr. DONOHUE. Mr. Chairman, I earnestly urge and hope that this bill H.R. 6458, the Emergency Medical Services Act, will be promptly and resoundingly approved by this House.

In substance this measure authorizes a new program of Federal assistance for the development of more efficient emergency medical services, provides for the more effective delivery of such emergency health care and establishes grants to medical schools and other medical institutions for further research and training for the overall improvement and more responsible administration of our whole emergency medical care system. Also a major bill provision requires that a study of the legal barriers to the availability of emergency medical care be conducted by our Health, Education, and Welfare Department and submitted to the Congress for additional legislative review, within 1 year.

Mr. Chairman, authoritative testimony and statistics demonstrate that accidents kill more persons in this country in the productive age group of 1 to 37 than any other single factor and accidents are the fourth most common cause of all the deaths that occur in the Nation. Other authoritative testimony emphatically indicates that efficient emergency care could save at least 60,000 lives a year that are now lost because of accidents and sudden illness and these same experts unhappily reveal that the present emergency care system in this country is near to if not actually in chaos.

Mr. Chairman, a very great majority of medical experts in this country are on record in favor of this measure; its cost, in relation to the human tragedies it could prevent and economic production it would preserve, is prudent by any standard and the wholesome objectives of this measure are unquestionably in the national interest. I therefore hope that the House will overwhelmingly approve it.

Mr. KYROS. Mr. Chairman, as a member of the Public Health and Environment Subcommittee, I rise in strong support of H.R. 6458, the Emergency Medical Services Act of 1973, which would provide needed improvements in the administration and delivery of our Nation's emergency medical services.

The need for this legislation is clear: Each year, 60,000 lives are lost, because of the inadequacy of our Nation's emergency medical services. Four years ago, a report of the American College of Surgeons stated that accidents account for almost 100,000 deaths every year, in addition to 10 million cases of temporary disability, 40,000 cases of permanent disability, and a cost to the public of $18 billion. And that report stressed that to treat this massive national problem we have virtually the same emergency medical system that we had 50 years ago.

Two basic factors account for these almost unbelievable figures. The first is the national shortage, both in terms of manpower and equipment, of ambulance and hospital emergency services. Our ambulance workers are too often inadequately trained and forced to work in inadequately equipped vehicles. Similarly, our hospital emergency rooms too often rely on substandard equipment, and many do not even have a physician on duty 24 hours a day. The second factor is the shocking lack of coordination between local, State, and Federal agencies which administer emergency medical services. At the Federal level alone, some 25 agencies are involved.

H.R. 6458 would go a long way toward solving the problems in our antiquated emergency medical services system. Through a reasonable and economically prudent system of grants to individual communities, emergency medical systems can be started where there are currently none, and improved and expanded, where they now exist. At the same time, the bill emphasizes the need for improved training for personnel, better equipment, and increased research in this field.

I hope the House will take this opportunity to begin the modernization of our emergency medical services system, so that 60,000 lives a year might be saved rather than wasted. I urge passage of H.R. 6458.

Mr. STAGGERS. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### SHORT TITLE

SECTION 1. This Act may be cited as the "Emergency Medical Services Act of 1973".

### EMERGENCY MEDICAL SERVICE SYSTEM

SEC. 2. Title III of the Public Health Service Act is amended by adding at the end thereof the following new part:

### "PART K—EMERGENCY MEDICAL SERVICE SYSTEMS

### "DEFINITION; AGREEMENTS

"SEC. 399e. (a) For purposes of this part, the term 'emergency medical service system' means a system for the arrangement of personnel, facilities, and equipment for the effective delivery of health care services under emergency conditions (occurring either as a result of the patient's condition or of natural disasters or similar situations), which system (1) is administered by a public, or other nonprofit private entity, which has the authority and the resources to provide effective administration, and (2) to the maximum extent feasible—

"(A) includes an adequate number of health professions and allied health professions personnel who meet such training and experience requirements as the Secretary shall by regulation prescribe and provides such training and continuing education programs as the Secretary shall by regulation prescribe;

"(B) joins the personnel, facilities, and equipment of the system by central communications facilities so that requests for emergency health care services will be handled by a facility which (i) utilizes or, within such period as the Secretary prescribes, will utilize a universal emergency telephone number, and (ii) will have direct communication connections with the personnel, facilities, and equipment of the system;

"(C) includes an adequate number of vehicles and other transportation facilities (including such air and water craft as are necessary to meet the individual characteristics of the area to be served)—

"(i) which meet such standards relating to location, design, performance, and equipment, and

"(ii) the operators and other personnel for which meet such training and experience requirements,

as the Secretary shall by regulation prescribe;

"(D) includes an adequate number of hospitals, emergency rooms, and other facilities for the delivery of emergency health care services, which meet such standards relating to capacity, location, hours of operation, coordination with other health care facilities of the system, personnel, and equipment as the Secretary shall by regulation prescribe;

"(E) provides for a standardized patient record-keeping system meeting standards established by the Secretary in regulations, which records shall cover the treatment of the patient from initial entry into the emergency medical service system through his discharge from it, and shall be consistent with ensuing patient records used in follow-up care and rehabilitation of the patient;

"(F) is designed to provide necessary emergency medical services to all patients requiring such services;

"(G) provides for transfer of patients to facilities and programs which offer such followup care and rehabilitation as is necessary to effect the maximum recovery of the patient;

"(H) provides programs of public education and information in the area served by the system, taking into account the needs of visitors to that area to know or be able to learn immediately the means of obtaining emergency medical services; and

"(I) provides for periodic, comprehensive, and independent review and evaluation of the extent and quality of the emergency health care services provided by the system.

"(b) The Secretary shall prescribe the regulations required by subsection (a) after considering standards established by appropriate national professional or technical organizations.

"(c) The Secretary of each military department (or his designee) is authorized to enter into agreements with emergency medical service systems under which agreements equipment and personnel of the armed force under the Secretary's jurisdiction may, to the extent it will not interfere with the primary mission of that armed force, provide in emergency conditions transportation services (including helicopter service) and other services. If the Coast Guard is not operating as a service of the Navy, the Secretary of Transportation (or his designee) may enter into such agreements with emergency medical service systems for the provision of such services by Coast Guard equipment and personnel.

### "GRANTS AND CONTRACTS FOR PLANNING AND FEASIBILITY STUDIES

"SEC. 399f. (a) The Secretary may make grants to public and other nonprofit entities, and may enter into contracts with public and private entities and individuals, for (1) projects to study the feasibility of establishing (through expansion or improvement of existing services or otherwise) and operating an emergency medical service system for an area, and (2) projects to plan the establishment and operation of such a system for an area. The Secretary may not make more than one grant or enter into more than one contract under this section with respect to any area. Reports of the results of any study or planning assisted under this section shall be made at such intervals as the Secretary may prescribe and a final report of such results shall be made not later than one year from the date the grant was made or the contract entered into, as the case may be.

"(b) (1) (A) No grant for planning may be made under this section unless an application therefor has been submitted to, and approved by, the Secretary. Such an application shall be in such form, and submitted to the Secretary in such manner, as he shall by regulation prescribe, and shall—

"(i) demonstrate to the satisfaction of the Secretary the need of the area for which the planning will be done for an emergency medical service system,

"(ii) contain assurances satisfactory to the Secretary that the applicant is qualified to plan for the area to be served by such a system,

"(iii) contain assurances satisfactory to the Secretary that the planning will be conducted in cooperation (I) with the planning entity referred to in subparagraph (B) (i) or if there is no such planning entity, with the planning entity referred to in subparagraph (B) (ii), and (II) with the emergency medical service council or other entity in such area responsible for review and evaluation of the provision of emergency medical services in such area, and

"(iv) contain such other information as the Secretary shall by regulation prescribe.

"(B) The Secretary may not approve an application for a grant under this section for planning unless—

"(i) the public or nonprofit private agency or organization which has developed the comprehensive regional, metropolitan area, or other local area plan or plans referred to in section 314(b) covering the area for which the planning for an emergency medical service system will be done, or

"(ii) if there is no such agency or organization, the State agency administering or supervising the administration of the State plan approved under section 314(a) covering that area,

has, in accordance with regulations of the Secretary, been provided an opportunity to review the application and to submit to the Secretary for his consideration its recommendation respecting approval of the application.

"(2) No grant for a feasibility study may be made under this section unless an application therefor has been submitted to, and approved by, the Secretary. Such application shall be in such form, submitted in such manner, and contain such information as the Secretary shall by regulation prescribe.

"(c) The amount of any grant under this section shall be determined by the Secretary. Payments under grants under this section may be made in advance or by way of reimbursement and at such intervals and on such conditions as the Secretary finds necessary.

"(d) Contracts may be entered into under this section without regard to sections 3648 and 3709 of the Revised Statutes of the United States (31 U.S.C. 529, 41 U.S.C. 5).

"(e) For the purpose of making payments pursuant to grants and contracts under this section, there are authorized to be appropriated $5,000,000 for the fiscal year ending June 30, 1974, and $10,000,000 for the fiscal year ending June 30, 1975.

### "GRANTS FOR ESTABLISHMENT AND INITIAL OPERATION

"SEC. 399g. (a) The Secretary may make grants to public and nonprofit private entities for the establishment and initial operation for an area of an emergency medical service system.

"(b) (1) No grant may be made under this section unless an application therefor has been submitted to, and approved by, the Secretary. Special consideration shall be given to applications for grants for systems which will be part of a statewide emergency medical service system.

"(2) (A) An application for a grant under this section shall be in such form, and submitted to the Secretary in such manner, as he shall by regulation prescribe and shall—

"(i) set forth the period of time required for the establishment of the emergency medical service system,

"(ii) demonstrate to the satisfaction of the Secretary that existing facilities and services will be utilized by the system to the maximum extent feasible,

"(iii) provide for the making of such reports as the Secretary may require, and

"(iv) contain such other information as the Secretary may by regulation prescribe.

"(B) The Secretary may not approve an application for a grant under this section unless—

"(i) the public or nonprofit private agency or organization which has developed the comprehensive regional, metropolitan area, or other local area plan or plans referred to in section 314(b) covering the area which will be served by the proposed emergency medical service system, or

"(ii) if there is no such agency or organization, the State agency administering or supervising the administration of the State plan approved under section 314(a) covering that area,

has, in accordance with regulations of the Secretary, been provided an opportunity to review the application and to submit to the Secretary for his consideration its recommendation respecting approval of the application.

"(c) The amount of any grant under this section for establishment of an emergency medical service system shall be determined by the Secretary. Grants under this section for the initial operation of such a system shall be available to a grantee over the two-year period beginning on the date the Secretary determines that the system is capable of operation and shall not exceed 50 per centum of the costs of the operation of the system (as determined under regulations of the Secretary) during the first year of such period, and 25 per centum of such costs during the second year of such period.

"(d) For the purpose of making payments pursuant to grants under this section, there are authorized to be appropriated $25,000,000 for the fiscal year ending June 30, 1974, $50,000,000 for the fiscal year ending June 30, 1975, and $20,000,000 for the fiscal year ending June 30, 1976. Funds appropriated for the fiscal year ending June 30, 1976, may be used only for grants to those entities which received a grant under this section for the preceding fiscal year.

### "GRANTS FOR RESEARCH AND TRAINING

"SEC. 399h. (a) The Secretary may make grants (1) to schools of medicine, dentistry, and osteopathy for projects for research in the techniques and methods of medical emergency care and treatment, and (2) to such schools and to schools of nursing, training centers for allied health professions, and other educational institutions for training programs in the techniques and methods of medical emergency care and treatment, including the skills required to provide ambulance service.

"(b) No grant may be made under this section unless (1) the applicant is a public or nonprofit private entity, and (2) an application therefor has been submitted to, and approved by, the Secretary. Such application shall be in such form, submitted in such manner, and contain such information, as the Secretary shall by regulation prescribe.

"(c) The amount of any grant under this section shall be determined by the Secretary. Payments under grants under this section may be made in advance or by way of reimbursement and at such intervals and on such conditions as the Secretary finds necessary. Grantees under this section shall make such reports at such intervals, and containing such information, as the Secretary may require.

"(d) For the purpose of making payments pursuant to grants under this section, there are authorized to be appropriated $5,000,000 for the fiscal year ending June 30, 1974, and $10,000,000 for the fiscal year ending June 30, 1975.

### "GRANTS FOR EXPANSION AND IMPROVEMENT

"SEC. 399i. (a) The Secretary may make grants to public and nonprofit private entities for projects for the acquisition of equipment and facilities for emergency medical service systems and for other projects to otherwise expand or improve such a system.

"(b) No grant may be made under this section unless an application therefor has been submitted to, and approved by, the Secretary. Such application shall be in such form, submitted in such manner, and contain such information, as the Secretary shall by regulation prescribe.

"(c) The amount of any grant under this section for a project shall not exceed 50 per centum of the cost of that project, as determined by the Secretary. Payments under grants under this section may be made in advance or by way of reimbursement and at such intervals and on such conditions as the Secretary finds necessary. A project may receive grants under this section for a period of up to two years. Grantees under this section shall make such reports at such intervals, and containing such information, as the Secretary may require.

"(d) For the purpose of making payments pursuant to grants under this section, there are authorized to be appropriated $10,000,000 for the fiscal year ending June 30, 1974, and $10,000,000 for the fiscal year ending June 30, 1975.

### "INTERAGENCY TECHNICAL COMMITTEE ON EMERGENCY MEDICAL SERVICES

"SEC. 399j. (a) The Secretary shall be responsible for coordinating the aspects and resources of all Federal programs and activities which relate to emergency medical services. In carrying out his responsibilities under the preceding sentence, the Secretary shall establish an Interagency Technical Committee on Emergency Medical Services. The Committee shall evaluate the adequacy and technical soundness of such programs and activities and provide for the communication and exchange of information that is necessary to maintain the necessary coordination and effectiveness of such programs and activities.

"(b) The Secretary or his designee shall serve as Chairman of the Committee, the membership of which shall include (1) appropriate scientific, medical, or technical representation from the Department of Transportation, the Department of Justice, the Department of Defense, the Veterans' Administration, the National Science Foundation, the Federal Communications Commission, and such other Federal agencies, and parts thereof, as the Secretary determines administer programs directly affecting the functions or responsibilities of emergency medical service systems, and (2) five individuals from the general public who by virtue of their training or experience are particularly qualified to participate in the performance of the Committee's functions. The Committee shall meet at the call of the Chairman, but not less often than four times a year.

### "ADMINISTRATION

"SEC. 399k. The Secretary shall administer the program of grants and contracts authorized by this part through an identifiable administrative unit within the Department of Health, Education, and Welfare."

### STUDY

SEC. 3. The Secretary of Health, Education, and Welfare shall (1) conduct a study to determine the legal barriers to the effective delivery of medical care under emergency conditions, and (2) within twelve months of the date of the enactment of this Act, report to the Congress the results of such study and recommendations for such legislation as may be necessary to overcome such barriers.

Mr. STAGGERS (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

### AMENDMENT OFFERED BY MR. HICKS

Mr. HICKS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HICKS: In section 2 or page 4 strike lines 22 through 25 and on page 5 strike lines 1 through 8.

Mr. HICKS. Mr. Chairman, I offer this amendment, because the section to be deleted is redundant in light of recent action by the House.

On May 21, the House passed the bill H.R. 7139. That bill accomplished the same purpose as the section in question; namely, it granted the Department of Defense the authority to provide emergency medical helicopter services to civilians.

The Armed Services Committee considered H.R. 7139 in depth and amended that bill in such a way as to provide the greatest possible benefit at the least cost, both in terms of dollars and in terms of maintaining a strong national defense posture.

Inasmuch as the House has already expressed itself on this matter, the language of the bill presently under consideration is no longer required and should be deleted.

Mr. STAGGERS. Mr. Chairman, I would like to thank the gentleman from Washington for offering this amendment. I would state to the gentleman from Washington that we would accept the amendment he has offered on this side of the aisle.

Do I understand from the amendment offered by the gentleman from Washington that the gentleman feels they have done just exactly what we had done in our bill, authorize cooperation with the medical services around the country insofar as the use of helicopters by the military in civilian accidents is concerned?

Mr. HICKS. The gentleman is correct.

Mr. STAGGERS. I am willing to accept the amendment on this side.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington (Mr. HICKS).

The amendment was agreed to.

### NADER'S STAND ON NUCLEAR POWER WILL DELAY FILLING OF ENERGY GAP

(By unanimous consent, Mr. HOSMER was allowed to speak out of order.)

Mr. HOSMER. Mr. Chairman, Mr. Ralph Nader today has announced a lawsuit that would cut down a substantial portion of the Nation's nuclear power generating capacity and undoubtedly if carried out this would prevent the installation on the line of new capacity. I think this should be understood in context.

Ralph Nader's publicity star is waning.

This lawsuit is a butterfly net to collect new recruits.

It is aimed at the timid, the gullible, and people with leftover hangups about atom bombs.

The fuss he kicks up now will delay the day when nuclear power will be available to fill the Nation's energy gap. He may get a free ride but someone will pay for it.

This is because there is almost a 10-year lead time for building power plants. Obstructionism today does not show up for years. That is why irresponsible people get away with activities which, in the end, are very costly to society.

They will not be around later to take the blame when energy shortages start to be reflected in mortality tables for the weakest members of our energy dependent society—the very young and the very old. Their survival bears a very direct relationship to the adequacy of power supplies and the absence of drastic shortages.

As between Ralph Nader, gadfly, and the Atomic Energy Commission's scientists and engineers, I will rely on the AEC for my advice on nuclear safety any day. I suggest that is the wise course for all citizens. In my book Nader is for publicity and the AEC is for the people and for the Nation which is in desperate need of new power sources.

### AMENDMENT OFFERED BY MR. STAGGERS

Mr. STAGGERS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STAGGERS: Page 14, insert after line 10 the following:

PUBLIC HEALTH SERVICE HOSPITALS

SEC. 4. The Secretary of Health, Education, and Welfare is directed to take such action as may be necessary to assure that all the hospitals of the Public Health Service shall, until such time as the Congress shall by law otherwise provide, continue in operation as hospitals of the Public Health Service and continue to provide inpatient and other health care services to all categories of individuals entitled, or authorized, to receive care and treatment at hospitals or other stations of the Public Health Service, in like manner as such services were provided to such categories of individuals at hospitals of the Public Health Service on January 1, 1973.

Mr. STAGGERS. Mr. Chairman, I rise in support of the amendment. I might say that in the Senate there was a similar amendment but the State of Virginia was omitted, the hospital at Norfolk. I do not believe this is fair and right, because we have as many people in that area who need treatment and help as we have in most other sections of the country. So what the amendment does is just include some of what was in the Senate bill, plus the hospital in Virginia, so that it would remain open.

I would like to say one other thing to the gentleman from Texas about his statement about the administration not wanting this emergency medical service legislation. In the President's 1972 state of the Union message, he directed the Department of Health, Education, and Welfare to develop new ways of giving emergency and medical service and providing care to accident victims. Also in his 1973 health message, he says it is very important that this be done. We are only trying to do what the President says is important to America. This is indicated in the emergency medical hearings. I can give the gentleman the page or he can look at it in the book.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from Iowa, (Mr. GROSS).

Mr. GROSS. Mr. Chairman, what makes them so unhealthy in Norfolk, Va.?

Mr. STAGGERS. Mr. Chairman, I do not know whether they are any more unhealthy in Norfolk, Va., than anyplace else. However, there are many ex-servicemen stationed there.

Mr. GROSS. Is this dealing with the military or naval people?

Mr. STAGGERS. It deals with those who have maritime experience—those who have retired—many others. The Coast Guard is included.

Mr. WHITEHURST. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from Virginia (Mr. WHITEHURST).

Mr. WHITEHURST. Mr. Chairman, it deals with servicemen and also service families. Also, there are many Civil service people using the hospital.

Mr. MEEDS. Mr. Chairman, will the gentleman yield.

Mr. STAGGERS. I yield to the gentleman from Washington (Mr. MEEDS).

Mr. MEEDS. Mr. Chairman, I wish to speak for Mr. STAGGERS' amendment. Its purpose is to keep open the Public Health Service Hospitals in Seattle, San Francisco, Galveston, New Orleans, Baltimore, Staten Island, and Boston until such time as Congress authorizes their closure. The Department of Health, Education, and Welfare has announced that it will close six of these, including the Seattle hospital, this summer, in a plan submitted to Congress on March 28.

I find this plan unacceptable on a number of grounds. HEW has claimed that primary beneficiaries will be better served under a contract system, and that the Federal Government will save money. I disagree with both these statements. Certainly, every beneficiary I have heard from, and that is a considerable number, disagrees. I do not want to go into the question of savings, because others are better equipped to discuss that.

What I am particularly concerned with is the human element, that services now provided by these hospitals will no longer be available to people who need them.

In addition to inpatient care, these hospitals provide training for more than 1,600 in the health professions. In Seattle one-fourth—or 200—of the University of Washington's medical students are in training at the PHS hospital, along with 300 others studying for a variety of health careers. Elimination of this training source could well force the university to cut back on health science enrollments.

Community health programs now incorporated into the PHS hospitals concern me as much as anything about the administration's proposal to close these hospitals. In Seattle, for example, the PHS hospital provides X-ray, lab tests, and other necessary support services for a network of 17 community clinics staffed free of charge by doctors so as to provide free care to medical indigents. HEW states the community will pick up this burden. There is no assurance of this, nor has any evidence been provided.

Now, as to the primary beneficiaries and their continued care. In Seattle in 1972 these included 1,100 merchant seamen, 2,000 retired military personnel and their dependents, and 550 Indians. I might add this is the only Indian clinic anywhere near the area.

HEW states they will contract for this care. However, not a single contract has been negotiated, and questions have been raised as to the capacity of military facilities in the Seattle area to handle the added burden represented by the military personnel now served.

To sum up, I believe that these hospitals should be kept open until Congress is convinced that services now provided can and will be covered as well or better through other means. I do not believe that HEW has demonstrated that the primary beneficiaries will be cared for as well or as cheaply; there is no provision for alternative training opportunities for health care personnel; and, most of all, the communities now served by these hospitals through medical support services for free clinics will be the losers.

Mr. NELSEN. Mr. Chairman, I move to strike the last word, and speak in opposition to the amendment.

Mr. Chairman, for a number of years, going back through previous administrations, Democrat and Repulican, there have been attempts made to change the original purposes of the Public Health Service hospitals.

In recent years, most of these hospitals have become increasingly involved in community activities. It has been the feeling of this administration, and previous administrations, that under these circumstances, they should be transferred to the community in which they now serve.

Mr. Chairman, I feel that to say, mandatorily and by law, that no accommodation can be made, is a mistake.

It is only a short time ago that the Bureau of Prisons wanted to convert the Fort Worth Public Health Service Hospital into a treatment center for drug addicts. Strong opposition occurred in the House to doing that. However, in the Conference with the Senate—and I was there—we did make that one transfer, and I think it is serving a good purpose.

I must say in support of the position that the gentleman from West Virginia (Mr. STAGGERS) our chairman, has taken that the hospitals are doing a good job in various communities. I feel, however, that to tie the hands of the department so that no negotiations are possible would be a misake at this time.

Therefore, I oppose the amendment.

Mr. **BROOKS**. Mr. Chairman, I rise in support of the amendment offered by the distinguished gentleman from West Virginia to require this Government to meet its legal obligations to our merchant marine and those beneficiaries who are entitled to care in our Public Health Service hospitals.

The administration has consistently ignored the will of the Congress and the law of the land in this matter. This amendment is an attempt to place on record that the Congress, as the elected representatives of the people—and lawmakers, intends for the President, as the Executive, to carry out the law as it is enacted as is provided under the Constitution.

While I do not expect the administration to have a sudden change of heart and carry out its responsibilities, I do think it is vital that we continue to insist that it does so.

This matter is of more than academic interest to me as in my district, the Public Health Service hospital in Galveston, Tex., provides care for more than 125,000 people. It meets many additional community needs which I will not enumerate; however, of particular interest to me is the affiliation between the University of Texas Medical Branch and the Public Health Service hospital. The hospital provides clinical experience for 96 medical students in various disciplines. It also trains dental, nursing, and physical therapy students.

I have been informed by the medical branch officials that if the hospital is closed, they will have to cut back possibly as much as one-third of their student body. If the Federal Government curtails the number of young Americans who can become doctors by this drastic closing of a going hospital, certainly more expensive measures will be necessary to provide medical care to the American people.

Mr. Chairman, the hospital and the clinics are vital parts of our community. The whole State of Texas and, truly, the whole Nation has an interest in the future of these institutions for they offer future medical services through their trainees as well as the treatment and care they are providing daily. At a time when medical care and services must be expanded, we cannot afford to lose our Public Health Service hospitals. Therefore, I urge passage of this amendment, and the Emergency Medical Services Act of 1973.

The **CHAIRMAN**. The question is on the amendment offered by the gentleman from West Virginia (Mr. STAGGERS).

The amendment was agreed to.

### AMENDMENT OFFERED BY MR. ROUSH

Mr. **ROUSH**. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. ROUSH: Page 2, beginning in line 23, strike out "a universal emergency telephone number" and insert in lieu thereof "the universal emergency telephone number 911".

Mr. ROUSH. Mr. Chairman, I rise today to offer an amendment to H.R. 6458. On page 2, beginning in line 23, strike out "a universal emergency telephone number" and insert in lieu thereof "the universal emergency telephone number 911." I would like to explain the reason for this suggested change.

I have spoken many times about the need for a single, nationwide, emergency telephone number, which a number of communities in the United States now enjoy, in the number "911" made available by A.T. & T. and the independent telephone companies beginning in 1968. I have introduced legislation that would financially assist communities, through LEAA or the FCC or both, to make the renovations, improvements necessary to make adoption of 911 possible and meaningful.

I have not supported the idea of requiring the adoption of 911. However, since the bill before us and the accompanying report require some kind of a universal emergency telephone number as a part of the emergency medical services. I am loath to see us complicate matters by even temporarily encouraging cities to adopt some other emergency number. I so indicated in testimony before the subcommittee.

The committee report accompanying this bill, while "impressed" with 911 evidently hesitated to adopt that as the emergency number because of the supposed length of time needed to establish such a system and the large costs thought to be involved.

I do not believe that either are serious impediments and I do believe that the harm done by multiplying emergency numbers would perhaps be fatal to the cause I have sponsored of securing nationwide adoption of a single, emergency number, so that wherever you happened to be, whatever emergency occurred you would have the knowledge of an easily remembered emergency number.

I would call attention first to the fact that the bill before us is so worded that communities establishing coordinated emergency medical services have as much time to work in a universal emergency telephone number as the Secretary prescribes. The legislation requires that an emergency medical services system "to the maximum extent feasible" "utilizes or, within such period as the Secretary prescribes, will utilize a universal emergency telephone number." I would change that to read "the universal emergency telephone number 911" leaving the time within which this is to be achieved to the Secretary, as it is now. So I do not see that this should be an undue burden. It need not be, given this language of the legislation.

Second, I would like to consider what is the alternative to "911" if we are to have an emergency telephone number? The committee report suggestion of an alternative, such as an 800 telephone exchange is not acceptable to A.T. & T., the principal telephone company involved. A.T. & T. fears, as do I, that the adoption of alternatives to 911 will totally destroy the uniformity now achieved in over 300 communities representing 22,000,000 Americans.

In fact, A.T. & T. in their statement to the subcommittee on the original House bill noted the following:

> It is of great concern to the System [Bell] that so much emphasis, money—and success—attendant to the progress of 911 as the universal emergency reporting number stand to be blunted should this legislation be the mainspring for diversion away from one universal three digit emergency telephone number to perhaps a second and different such number. Hopefully this Committee will not, through this legislation, encourage or appear to encourage an alternative course for summoning aid, but rather will underscore its intention to adhere to the full use of 911 for such purposes. To utilize a different three digit number would require an unnecessary reduplication of central office modifications at a cost of approximately $50–$75 million, plus the time required to make such modifications.

Describing their reasons for opposing an 800 exchange or another seven-digit number for reporting medical emergencies A.T. & T. concluded with this recommendation with which I concur:

> The recommendation of the Bell System to the Committee . . . is simply that the language of whatever legislation that might be forthcoming calling for utilization of a universal emergency reporting number, and any regulations promulgated thereunder, be drawn so as to encourage or require the use of 911 as the reporting number.

And they add the following:

> In the interim, if any, between the time an emergency number is needed in a community for reporting medical emergencies and 911 capabilities are available to that community, the Bell System operating telephone companies offer the use of its operators, or "0," for reporting medical as well as any other emergency. In fact, dialing "0" for Operator to report emergencies is and will continue to be a backup facility even after a 911 system is installed.

Thus it would seem that in the legislation before us the Secretary could allow an interim period based on any community's financial and technical capabilities, during which 911 would not be required, with 911 as the ultimate universal emergency number to be implemented.

I would like to add an additional reason for supporting the concept of 911 as the single, nationwide emergency telephone number. In March of this year, the Office of Telecommunications Policy in the White House issued a national policy statement encouraging nationwide adoption of the 911 emergency number because of the rapid response this number makes possible to emergencies.

Dr. Whitehead, Director of that Office, at a special news conference announced the creation of a Federal Information Center in the Department of Commerce, which is to disseminate information on 911 and offer assistance to communities that are interested. I also understand that various agencies under the executive branch are moving to implement this order within their own operations as quickly as possible.

I would hope that this Congress would not impede, but rather encourage nationwide adoption of 911 by amending this legislation as I have suggested.

Mr. STAGGERS. Mr. Chairman, will the gentleman yield?

Mr. ROUSH. I am glad to yield to the distinguished chairman of the committee.

Mr. STAGGERS. I should like to ask a couple of questions.

Has the gentleman conferred with the telephone company, to see if this is possible?

Mr. ROUSH. Yes, Mr. Chairman. I have conferred with the telephone company. As a matter of fact, the telephone company is advocating that we not use the suggestion which is included in the language of the report itself.

I included this in my formal remarks. I should like to read what they have inserted in the Record. They say:

> It is of great concern to the System—

Referring to the Bell System—

> that so much emphasis, money—and success—attendant to the progress of 911 as the universal emergency reporting number stand to be blunted should this legislation be the mainspring for diversion away from one universal three-digit emergency telephone number to perhaps a second and different such number.

In other words, Mr. Chairman, the Bell System itself is advocating 911 as the universal number. Second, they feel that if emergency services should turn to another number that effort will blunt their effort to make a single uniform telephone number prevail in this country.

Mr. STAGGERS. We have a lot more than the Bell Telephone Co. There are many independents across America. Has the gentleman talked to these different organizations to find out what their situations are?

Mr. ROUSH. Mr. Chairman, I do not have the figures before me, but many of the independent telephone companies are also now turning to 911 as the emergency telephone number.

Quite a few of these more than 300 communities now using 911 have independent telephone companies.

I can say that in my own area my contacts with General Telephone, an independent telephone company, lead me to believe that they approve of this. As soon as their technology is up to the place where it can accommodate 911 their intention would be to turn to 911.

I have also talked with other telephone companies. I find no real resistance, except some political differences within communities; jealousies, if you will.

Mr. STAGGERS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I am going to read the exact language of the bill, for the edification of Members of the House: "a facility which (i) utilizes or, within such period as the Secretary prescribes, will utilize a universal emergency telephone number, and (ii) will have direct communication connections with the personnel, facilities, and equipment of the system;".

I believe we have left this up to the Secretary, to do just exactly what the gentleman is advocating, but we have not given him a certain number.

I am not averse to giving this number, and I am not saying it is wrong. Sometimes we have to say what the number is. If we make it law, all the companies in America would try to join in.

The gentleman from New York, I know, has some thoughts on this subject, and I would like to give him a chance to express himself.

Mr. HASTINGS. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from New York (Mr. Hastings).

Mr. HASTINGS. Mr. Chairman, I appreciate very much the gentleman's yielding to me.

I agree with the intent of the amendment. My only comment is this: Many independent, small telephone companies do not, as the gentleman suggests, have the technology at this point in time to proceed with emergency telephone numbers. They are utilizing a particular 4-digit number in small communities, but forcing them to go to 911 where that technology does not exist, it seems to me, would force them to abandon their existing emergency numbers. I do not believe that is the intent of the amendment of the gentleman from Indiana (Mr. Roush). I am convinced that in many rural areas of the country, however, that would be the outcome.

Mr. ROUSH. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from Indiana (Mr. Roush).

Mr. ROUSH. Mr. Chairman, my amendment does nothing more than the language of this bill does, insofar as causing a community to change. What I do with my amendment is to insert 911 as the number, and as I indicated in my opening remarks, this particular provision is modified by the language which precedes, for example, on page 2, in line 11, "to the maximum extent feasible" this shall be done.

Mr. Chairman, it does not make it mandatory that any community turn to 911; it is merely saying that if they are to go to an emergency number—and I would say that they are going to go to an emergency number—they should go to 911, but it is not mandatory. I am merely trying to nudge this concept along of a uniform nationwide emergency telephone number. I do not see that this in any way affects exactly what the committee was intending to do with the language which is presently in the bill.

Mr. HASTINGS. Mr. Chairman, will the gentleman from West Virginia (Mr. Staggers) yield further?

Mr. STAGGERS. I would be very happy to yield to the gentleman from New York (Mr. Hastings).

Mr. HASTINGS. Mr. Chairman, I appreciate again the explanation, but I would say again that there are many small telephone companies in the country which, in fact, even if they want to go to any emergency number, are not necessarily capable of going to 911. That is my only objection.

Mr. Chairman, I thank the gentleman for yielding.

Mr. STAGGERS. Mr. Chairman, if I have enough time left, I would like to make this statement:

I agree with the gentleman from New York (Mr. Hastings) and I also agree with the gentleman from Indiana (Mr. Roush). I believe the time has come in America when we do need to have a nationwide emergency telephone number. We are a traveling public, a public on wheels, today, and we do need an emergency number to call in any community. We should be able to have a number to dial so that we will in an emergency get somebody to answer our questions.

Mr. Chairman, I would say to the gentleman from New York (Mr. Hastings) that I believe there is sufficient protection in the bill for those who cannot install the number, and I would point out that we have said that the Secretary can prescribe any length of time that is needed for these communities to do this.

So, Mr. Chairman, so far as I am concerned, I do not see any real reason for not accepting the gentleman's amendment. I believe the time is coming when we ought to have a number which is known across America to call in an emergency situation and expect to get some aid in such situations.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana (Mr. Roush).

The amendment was agreed to.

Mr. GROSS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, as I understand it there were 12 major health programs in the preceding bill that called for an authorization of some $2 billion for the next fiscal year. I would ask the gentleman rom West Virginia (Mr. Staggers) if that is approximately correct?

Mr. STAGGERS. Mr. Chairman, the figure is $1.2 billion.

Mr. GROSS. For the 12 major health programs?

Mr. STAGGERS. Yes, sir.

Mr. GROSS. All right.

The figure is $1.2 billion. Now, the title of the pending bill reads as follows: "To amend the Public Health Service Act to authorize assistance for planning, development and initial operation, research, and training projects for systems for the effective provision of health care services under emergency conditions."

Are we expected to believe that with 12 major health programs to be financed with $1.2 billion in the next fiscal year that we should spend another $125 million for the purposes set forth in this bill? How do you justify that?

Mr. STAGGERS. I just read a few moments ago in the President's two messages that he expected to give directions to HEW for special emergency care in accidents. He reiterated it twice as a way to get care to those who have had accidents. This is carrying out his words.

The agencies testified before the committee that 60,000 lives would be saved each year, and that is approximately 200 lives per day, if we trained certain personnel in this manner.

Mr. GROSS. As far as planning, development, research, and training projects are concerned, could they not be carried out in-house by one or more of these 12 major programs?

Mr. STAGGERS. No, sir. Not the way they want it done. It could be done piecemeal, that is true.

Mr. GROSS. Do you mean that in all of these 12 programs not one of the 12 could carry out the activities of planning, development, research, and training? Is that what the gentleman means to say?

Mr. STAGGERS. I will say to the gentleman we not only have 12 programs, but we have 20 or 25 or 30, because we have gotten into the health field and we know it is one of the most important things we do in America. As I said awhile ago, many diseases have been eradicated in America, but there are others that still need to be. This is a special project we want to take care of and it was so testified to before the committee.

Mr. GROSS. Let me ask the gentleman the $164 question. Where will he get the $125 million?

Mr. STAGGERS. That is a good question.

Mr. GROSS. I am glad to have some kind of an answer even though the gentleman took a deep breath before he answered.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. CHARLES H. WILSON of California, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 6458) to amend the Public Health Service Act to authorize assistance for planning, development and initial operation, research, and training projects for systems for the effective provision of health care services under emergency conditions, pursuant to House Resolution 415, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. GERALD R. FORD. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 261, nays 96, not voting 75, as follows:

[Roll No. 172]

YEAS—261

Abdnor
Abzug
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Archer
Ashley
Aspin
Baker
Barrett
Bergland
Bevill
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Brasco
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Buchanan
Burke, Mass.
Burlison, Mo.
Burton
Butler
Byron
Carey, N.Y.
Casey, Tex.
Chappell
Chisholm
Clancy
Clark
Clausen, Don H.
Clay
Cleveland
Cohen
Conte
Conyers
Corman
Cotter
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, S.C.
Delaney
Dellenback
Denholm
Dent
Donohue
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Evans, Colo.
Fascell
Fish
Flood
Flowers
Ford, William D.
Forsythe
Frey
Fulton
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Grasso
Green, Pa.
Griffiths
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hanrahan
Hansen, Wash.
Harrington
Harsha
Hays
Hébert
Hechler, W. Va.
Helstoski
Henderson
Hicks
Hillis
Holifield
Holt
Holtzman
Horton
Howard
Hungate
Jarman
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
King
Kluczynski
Koch
Kyros
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
McDade
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Mailliard
Maraziti
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Mills, Ark.
Minish
Mink
Mitchell, Md.
Mizell
Moakley
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Natcher
Nedzi
Nichols
Nix
Obey
O'Brien
O'Hara
Passman
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pike
Poage
Podell
Preyer
Pritchard
Quillen
Railsback
Rangel
Rees
Regula
Reid
Reuss
Riegle
Rinaldo
Roberts
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Runnels
Ryan
St Germain
Sarasin
Sarbanes
Satterfield
Schroeder
Seiberling
Shipley
Sikes
Sisk
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Stephens
Stubblefield
Stuckey
Studds
Symington
Thone
Thornton
Tiernan
Towell, Nev.
Ullman
Van Deerlin
Vander Jagt
Vanik
Vigorito
Waggonner
Waldie
Wampler
Whalen
Whitehurst
Whitten
Widnall
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wolff
Wright
Wyatt
Wylie
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, Tex.
Zablocki

NAYS—96

Arends
Armstrong
Bafalis
Bell
Bennett
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Burgener
Burke, Fla.
Burleson, Tex.
Cederberg
Chamberlain
Clawson, Del
Cochran
Collier
Collins
Conable
Conlan
Davis, Wis.
Dennis
Derwinski
Devine
Eshleman
Findley
Ford, Gerald R.
Fountain
Frelinghuysen
Frenzel
Froehlich
Goodling
Gross
Grover
Hansen, Idaho
Hastings
Heinz
Hinshaw
Hogan
Hosmer
Huber
Hudnut
Hutchinson
Johnson, Pa.
Kemp
Kuykendall
Landgrebe
Latta
Lujan
McClory
McCollister
McEwen
Madigan
Mahon
Mallary
Mann
Mayne
Michel
Miller
Mitchell, N.Y.
Montgomery
Myers
Nelsen
Pickle
Price, Tex.
Quie
Robinson, Va.
Roncallo, N.Y
Rousselot
Ruppe
Ruth
Scherle
Schneebeli
Sebelius
Shoup
Shriver
Shuster
Skubitz
Smith, N.Y.
Snyder
Steiger, Wis.
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague, Calif.
Thomson, Wis.
Treen
Veysey
Walsh
Ware
Wiggins
Wydler
Wyman
Zion
Zwach

NOT VOTING—75

Adams
Annunzio
Ashbrook
Badillo
Beard
Biaggi
Blackburn
Bray
Burke, Calif.
Camp
Carney, Ohio
Carter
Coughlin
Crane
Cronin
Davis, Ga.
de la Garza
Dellums
Dickinson
Diggs
Dingell
Dorn
Esch
Evins, Tenn.
Fisher
Flynt
Foley
Fraser
Fuqua
Goldwater
Gray
Green, Oreg.
Gubser
Harvey
Hawkins
Heckler, Mass.
Hunt
Ichord
Keating
Ketchum
Landrum
Leggett
McCloskey
McCormack
Martin, Nebr.
Milford
Minshall, Ohio
Mollohan
Murphy, N.Y.
O'Neill
Owens
Parris
Powell, Ohio
Price, Ill.
Randall
Rarick
Rhodes
Rooney, N.Y.
Sandman
Saylor
Slack
Smith, Iowa
Spence
Steelman
Steiger, Ariz.
Stokes
Stratton
Sullivan
Teague, Tex.
Thompson, N.J.
Udall
White
Wilson, Charles, Tex.
Winn
Young, S.C.

So the bill was passed.

The Clerk announced the following pairs:

Mr. Annunzio with Mr. Smith of Iowa.

Mr. Rooney of New York with Mr. Steiger of Arizona.

Mr. Price of Illinois with Mr. Martin of Nebraska.

Mr. Hawkins with Mr. McCloskey.

Mr. Adams with Mr. Harvey.

Mrs. Burke of California with Mr. Gubser

Mr. Davis of Georgia with Mr. Spence.

Mrs. Sullivan with Mr. Camp.

Mr. Teague of Texas with Mr. Bray.

Mr. O'Neill with Mr. Cronin.

Mr. Murphy of New York with Mr. Sandman.

Mr. Dingell with Mr. Powell of Ohio.

Mr. Evins of Tennessee with Mr. Beard.

Mrs. Green of Oregon with Mrs. Heckler of Massachusetts.

Mr. Fuqua with Mr. Keating.

Mr. Mollohan with Mr. Carter.

Mr. Thompson of New Jersey with Mr. Hunt.

Mr. Stratton with Mr. Coughlin.

Mr. Slack with Mr. Landrum.

Mr. Leggett with Mr. Goldwater.

Mr. McCormack with Mr. Crane.

Mr. de la Garza with Mr. Rhodes.

Mr. Diggs with Mr. Badillo.

Mr. Dorn with Mr. Parris.

Mr. Fisher with Mr. Dickinson.

Mr. Flynt with Mr. Blackburn.

Mr. Stokes with Mr. Biaggi.

Mr. Carney of Ohio with Mr. Ashbrook.
Mr. Dellums with Mr. Udall.
Mr. Gray with Mr. Minshall of Ohio.
Mr. Fraser with Mr. Esch.
Mr. Foley with Mr. Saylor.
Mr. Milford with Mr. Steelman.
Mr. Ichord with Mr. Winn.
Mr. Randall with Mr. Young of South Carolina.
Mr. Owens with Mr. Rarick.
Mr. White with Mr. Udall.

The result of the vote was announced as above recorded.

Motion to reconsider was laid on the table.

Mr. STAGGERS. Mr. Speaker, pursuant to the provisions of House Resolution 415, I call up from the Speaker's table the Senate bill (S. 504) to amend the Public Health Service Act to provide assistance and encouragement for the development of comprehensive area emergency medical services systems.

The Clerk read the title of the Senate bill.

### MOTION OFFERED BY MR. STAGGERS

Mr. STAGGERS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. STAGGERS moves to strike out all after the enacting clause of S. 504 and to insert in lieu thereof the provisions of H.R. 6458, as passed, as follows:

### SHORT TITLE

SECTION 1. This Act may be cited as the "Emergency Medical Services Act of 1973".

### EMERGENCY MEDICAL SERVICE SYSTEM

SEC. 2. Title III of the Public Health Service Act is amended by adding at the end thereof the following new part:

### "PART K—EMERGENCY MEDICAL SERVICE SYSTEMS

### "DEFINITION; AGREEMENTS

"SEC. 399e. (a) For purposes of this part, the term 'emergency medical service system' means a system for the arrangement of personnel, facilities, and equipment for the effective delivery of health care services under emergency conditions (occurring either as a result of the patient's condition or of natural disasters or similar situations), which system (1) is administered by a public, or other nonprofit private entity, which has the authority and the resources to provide effective administration, and (2) to the maximum extent feasible—

"(A) includes an adequate number of health professions and allied health professions personnel who meet such training and experience requirements as the Secretary shall by regulation prescribe and provides such training and continuing education programs as the Secretary shall by regulation prescribe;

"(B) joins the personnel, facilities, and equipment of the system by central communications facilities so that requests for emergency health care services will be handled by a facility which (i) utilizes or, within such period as the Secretary prescribes, will utilize the universal emergency telephone number 911, and (ii) will have direct communication connections with the personnel, facilities, and equipment of the system;

"(C) includes an adequate number of vehicles and other transportation facilities (including such air and water craft as are necessary to meet the individual characteristics of the area to be served)—

"(i) which meet such standards relating to location, design, performance, and equipment, and

"(ii) the operators and other personnel for which meet such training and experience requirements,

as the Secretary shall by regulation prescribe;

"(D) includes an adequate number of hospitals, emergency rooms, and other facilities for the delivery of emergency health care services, which meet such standards relating to capacity, location, hours of operation, coordination with other health care facilities of the system, personnel, and equipment as the Secretary shall by regulation prescribe;

"(E) provides for a standardized patient record-keeping system meeting standards established by the Secretary in regulations, which records shall cover the treatment of the patient from initial entry into the emergency medical service system through his discharge from it, and shall be consistent with ensuing patient records used in follow-up care and rehabilitation of the patient;

"(F) is designed to provide necessary emergency medical services to all patients requiring such services;

"(G) provides for transfer of patients to facilities and programs which offer such followup care and rehabilitation as is necessary to effect the maximum recovery of the patient;

"(H) provides programs of public education and information in the area served by the system, taking into account the needs of visitors to that area to know or be able to learn immediately the means of obtaining emergency medical services; and

"(I) provides for periodic, comprehensive, and independent review and evaluation of the extent and quality of the emergency health care services provided by the system.

"(b) The Secretary shall prescribe the regulations required by subsection (a) after considering standards established by appropriate national professional or technical organizations.

### "GRANTS AND CONTRACTS FOR PLANNING AND FEASIBILITY STUDIES

"SEC. 399f. (a) The Secretary may make grants to public and other nonprofit entities, and may enter into contracts with public and private entities and individuals, for (1) projects to study the feasibility of establishing (through expansion or improvement of existing services or otherwise) and operating an emergency medical service system for an area, and (2) projects to plan the establishment and operation of such a system for an area. The Secretary may not make more than one grant or enter into more than one contract under this section with respect to any area. Reports of the results of any study or planning assisted under this section shall be made at such intervals as the Secretary may prescribe and a final report of such results shall be made not later than one year from the date the grant was made or the contract entered into, as the case may be.

"(b) (1) (A) No grant for planning may be made under this section unless an application therefor has been submitted to, and approved by, the Secretary. Such an application shall be in such form, and submitted to the Secretary in such manner, as he shall by regulation prescribe, and shall—

"(i) demonstrate to the satisfaction of the Secretary the need of the area for which the planning will be done for an emergency medical service system,

"(ii) contain assurances satisfactory to the Secretary that the applicant is qualified to plan for the area to be served by such a system,

"(iii) contain assurances satisfactory to the Secretary that the planning will be conducted in cooperation (I) with the planning entity referred to in subparagraph (B) (i) or if there is no such planning entity, with the planning entity referred to in subparagraph (B) (ii), and (II) with the emergency medical service council or other entity in such area responsible for review and evaluation of the provisions of emergency medical services in such area, and

"(iv) contain such other information as the Secretary shall by regulation prescribe.

"(B) The Secretary may not approve an application for a grant under this section for planning unless—

"(i) the public or nonprofit private agency or organization which has developed the comprehensive regional, metropolitan area, or other local area plan or plans referred to in section 314(b) covering the area for which the planning for an emergency medical service system will be done, or

"(ii) if there is no such agency or organization, the State agency administering or supervising the administration of the State plan approved under section 314(a) covering that area,

has, in accordance with regulations of the Secretary, been provided an opportunity to review the application and to submit to the Secretary for his consideration its recommendation respecting approval of the application.

"(2) No grant for a feasibility study may be made under this section unless an application therefor has been submitted to, and approved by, the Secretary. Such application shall be in such form, submitted in such manner, and contain such information as the Secretary shall by regulation prescribe.

"(c) The amount of any grant under this section shall be determined by the Secretary. Payments under grants under this section may be made in advance or by way of reimbursement and at such intervals and on such conditions as the Secretary finds necessary.

"(d) Contracts may be entered into under this section without regard to sections 3648 and 3709 of the Revised Statutes of the United States (31 U.S.C. 529, 41 U.S.C. 5).

"(e) For the purpose of making payments pursuant to grants and contracts under this section, there are authorized to be appropriated $5,000,000 for the fiscal year ending June 30, 1974, and $10,000,000 for the fiscal year ending June 30, 1975.

### "GRANTS FOR ESTABLISHMENT AND INITIAL OPERATION

"SEC. 399g. (a) The Secretary may make grants to public and nonprofit private entities for the establishment and initial operation for an area of an emergency medical service system.

"(b) (1) No grant may be made under this section unless an application therefor has been submitted to, and approved by, the Secretary. Special consideration shall be given to applications for grants for systems which will be part of a statewide emergency medical service system.

"(2) (A) An application for a grant under this section shall be in such form, and submitted to the Secretary in such manner, as he shall by regulation prescribe and shall—

"(i) set forth the period of time required for the establishment of the emergency medical service system,

"(ii) demonstrate to the satisfaction of the Secretary that existing facilities and services will be utilized by the system to the maximum extent feasible,

"(iii) provide for the making of such reports as the Secretary may require, and

"(iv) contain such other information as the Secretary may by regulation prescribe.

"(B) The Secretary may not approve an application for a grant under this section unless—

"(i) the public or nonprofit private agency or organization which has developed the comprehensive regional, metropolitan area, or other local area plan or plans referred to in section 314(b) covering the area which will be served by the proposed emergency medical service system, or

"(ii) if there is no such agency or organization, the State agency administering or supervising the administration of the State plan approved under section 314(a) covering that area,

has, in accordance with regulations of the Secretary, been provided an opportunity to review the application and to submit to the Secretary for his consideration its recommendation respecting approval of the application.

"(c) The amount of any grant under this section for establishment of an emergency medical service system shall be determined by the Secretary. Grants under this section for the initial operation of such a system shall be available to a grantee over the two-year period beginning on the date the Secretary determines that the system is capable of operation and shall not exceed 50 per centum of the costs of the operation of the system (as determined under regulations of the Secretary) during the first year of such period, and 25 per centum of such costs during the second year of such period.

"(d) For the purpose of making payments pursuant to grants under this section, there are authorized to be appropriated $25,000,000 for the fiscal year ending June 30, 1974, $50,000,000 for the fiscal year ending June 30, 1975, and $20,000,000 for the fiscal year ending June 30, 1976. Funds appropriated for the fiscal year ending June 30, 1976, may be used only for grants to those entities which received a grant under this section for the preceding fiscal year.

### "GRANTS FOR RESEARCH AND TRAINING

"SEC. 399h. (a) The Secretary may make grants (1) to schools of medicine, dentistry, and osteopathy for projects for research in the techniques and methods of medical emergency care and treatment, and (2) to such schools and to schools of nursing, training centers for allied health professions, and other educational institutions for training programs in the techniques and methods of medical emergency care and treatment, including the skills required to provide ambulance service.

"(b) No grant may be made under this section unless (1) the applicant is a public or nonprofit private entity, and (2) an application therefor has been submitted to, and approved by, the Secretary. Such application shall be in such form, submitted in such manner, and contain such information, as the Secretary shall by regulation prescribe.

"(c) The amount of any grant under this section shall be determined by the Secretary. Payments under grants under this section may be made in advance or by way of reimbursement and at such intervals and on such conditions as the Secretary finds necessary. Grantees under this section shall make such reports at such intervals, and containing such information, as the Secretary may require.

"(d) For the purpose of making payments pursuant to grants under this section, there are authorized to be appropriated $5,000,000 for the fiscal year ending June 30, 1974, and $10,000,000 for the fiscal year ending June 30, 1975.

### "GRANTS FOR EXPANSION AND IMPROVEMENT

"SEC. 399i. (a) The Secretary may make grants to public and nonprofit private entities for projects for the acquisition of equipment and facilities for emergency medical service systems and for other projects to otherwise expand or improve such a system.

"(b) No grant may be made under this section unless an application therefor has been submitted to, and approved by, the Secretary. Such application shall be in such form, submitted in such manner, and contain such information, as the Secretary shall by regulation prescribe.

"(c) The amount of any grant under this section for a project shall not exceed 50 per centum of the cost of that project, as determined by the Secretary. Payments under grants under this section may be made in advance or by way of reimbursement and at such intervals and on such conditions as the Secretary finds necessary. A project may receive grants under this section for a period of up to two years. Grantees under this section shall make such reports at such intervals, and containing such information, as the Secretary may require.

"(d) For the purpose of making payments pursuant to grants under this section, there are authorized to be appropriated $10,000,000 for the fiscal year ending June 30, 1974, and $10,000,000 for the fiscal year ending June 30, 1975.

### "INTERAGENCY TECHNICAL COMMITTEE ON EMERGENCY MEDICAL SERVICES

"SEC. 399j. (a) The Secretary shall be responsible for coordinating the aspects and resources of all Federal programs and activities which relate to emergency medical services. In carrying out his responsibilities under the preceding sentence, the Secretary shall establish an Interagency Technical Committee on Emergency Medical Services. The Committee shall evaluate the adequacy and technical soundness of such programs and activities and provide for the communication and exchange of information that is necessary to maintain the necessary coordination and effectiveness of such programs and activities.

"(b) The Secretary or his designee shall serve as Chairman of the Committee, the membership of which shall include (1) appropriate scientific, medical, or technical representation from the Department of Transportation, the Department of Justice, the Department of Defense, the Veterans' Administration, the National Science Foundation, the Federal Communications Commission, and such other Federal agencies, and parts thereof, as the Secretary determines administer programs directly affecting the functions or responsibilities of emergency medical service systems, and (2) five individuals from the general public who by virtue of their training or experience are particularly qualified to participate in the performance of the Committee's functions. The Committee shall meet at the call of the Chairman, but not less often than four times a year.

### "ADMINISTRATION

"SEC. 399k. The Secretary shall administer the program of grants and contracts authorized by this part through an identifiable administrative unit within the Department of Health, Education, and Welfare."

### STUDY

SEC. 3. The Secretary of Health, Education, and Welfare shall (1) conduct a study to determine the legal barriers to the effective delivery of medical care under emergency conditions, and (2) within twelve months of the date of the enactment of this Act, report to the Congress the results of such study and recommendations for such legislation as may be necessary to overcome such barriers.

### PUBLIC HEALTH SERVICE HOSPITALS

SEC. 4. The Secretary of Health, Education, and Welfare is directed to take such action as may be necessary to assure that all the hospitals of the Public Health Service shall, until such time as the Congress shall by law otherwise provide, continue in operation as hospitals of the Public Health Service and continue to provide inpatient and other health care services to all categories of individuals entitled, or authorized, to receive care and treatment at hospitals or other stations of the Public Health Service, in like manner as such services were provided to such categories of individuals at hospitals of the Public Health Service on January 1, 1973.

Amend the title so as to read: "An Act to amend the Public Health Service Act to authorize assistance for planning, development and initial operation, research, and training projects for systems for the effective provision of health care services under emergency conditions."

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 6458) was laid on the table.

## GENERAL LEAVE

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that all members may have 5 legislative days in which to revise and extend their remarks on the three bills just passed.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

## AMENDMENT OF THE RAILROAD RETIREMENT ACT OF 1937

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that the bill (H.R. 7357), to amend section 5(l)(1) of the Railroad Retirement Act of 1937 to simplify administration of the Act; and to amend section 226(e) of the Social Security Act to extend kidney disease medicare coverage to railroad employees, their spouses, and their dependent children; and for other purposes, be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the bill as follows:

### H.R. 7357

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 5(l)(1) of the Railroad Retirement Act of 1937 is amended—

(1) by striking out from clause (ii) "shall not be adopted after such death by other than a stepparent, grandparent, aunt, uncle, brother, or sister;";

(2) by striking out from such clause (ii) "age eighteen" and inserting in lieu thereof "age twenty-two or before the close of the eighty-fourth month following the month in which his most recent entitlement to an annuity under section 5(c) of this Act terminated because he ceased to be under such a disability";

(3) by striking from the third sentence thereof "202(d) (3) or (4)" and inserting in lieu thereof "202(d) (3), (4), or (9)";

(4) by adding immediately after the seventh sentence thereof the following new sentence: "A child whose entitlement to an annuity under section 5(c) of this Act was terminated because he ceased to be disabled as provided in clause (ii) of this paragraph and who becomes again disabled as provided in such clause (ii), may become reentitled to an annuity on the basis of such disability upon his application for such reentitlement."; and

(5) by adding the following new paragraph at the end thereof:

"(a child who attains age twenty-two at a time when he is a full-time student (as defined in subparagraph (A) of paragraph 7 of section 202(d) of the Social Security Act and without the application of subparagraph (B) of such paragraph) but has not (at such time) completed the requirements for, or received, a degree from a four-year college or university shall be deemed (for purposes of determining whether his entitlement to an annuity under this section has terminated under subsection (j) and for purposes of determining his initial entitlement to such an annuity) not to have attained such age until the first day of the first month following the end of the quarter or semester in which he is enrolled at such time (or, if the educational institution in which he is enrolled is not operated on a quarter or semester system, until the first day of the first month following the completion of the course in which he is so enrolled or until the first day of the third month beginning after such time, whichever first occurs."

SEC. 2. Section 226(e) of the Social Security Act is amended—

(1) by inserting "or would be fully or currently insured if his service as an employee (as defined in the Railroad Retirement Act of 1937) after December 31, 1936, were included in the term 'employment' as defined in this Act" after "(as such terms are defined in section 214 of this Act)" in 2(A) thereof;

(2) by inserting "or an annuity under the Railroad Retirement Act of 1937" after "monthly insurance benefits under title II of this Act" in 2(B) thereof;

(3) by inserting "or would be fully or currently insured if his service as an employee (as defined in the Railroad Retirement Act of 1937) after December 31, 1936, were included in the term 'employment' as defined in this Act" after "fully or currently insured" in 2(C) thereof; and

(4) by inserting "or an annuity under the Railroad Retirement Act of 1937" after "monthly insurance benefits under title II of this Act" in 2(D) thereof.

SEC. 3. (a) The provisions of this Act shall be effective as of the date the corresponding provisions of Public Law 92–603 are effective.

(b) Any child (1) whose entitlement to an annuity under section 5(c) of the Railroad Retirement Act was terminated by reason of his adoption prior to the enactment of this Act, and (2) who, except for such adoption, would be entitled to an annuity under such section for a month after the month in which this Act is enacted, may, upon filing application for an annuity under the Railroad Retirment Act after the date of enactment of this Act, become reentitled to such annuity; except that no child shall, by reason of the enactment of this Act, become reentitled to such annuity for any month prior to the effective date of the relevant amendments made by this Act to section 5(l)(1)(ii) of the Railroad Retirement Act.

Mr. STAGGERS (during the reading). Mr. Speaker, I ask unanimous consent that the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. STAGGERS. Mr. Speaker, I move to strike the last word.

Mr. Speaker, I rise in support of H.R. 7357. This bill is designed to simplify administration of the social security minimum guaranty provision contained in section 3(e) of the Railroad Retirement Act; to liberalize the eligibility conditions for children's benefits under the Railroad Retirement Act to conform with the liberalizations provided in such benefits under the Social Security Act by Public Law 92–603; and to extend kidney disease medicare coverage to railroad employees, their spouses, and their dependent children on the same basis as such coverage is now provided for persons under the Social Security Act.

The Committee on Interstate and Foreign Commerce passed this bill by unanimous vote. It has the complete approval of the Railroad Retirement Board, the unions representing the employees, and the railroad management. The Office of Management and Budget does not object.

Under the bill, these changes in the law would result:

First. A child's survivor benefit will continue after his adoption by anyone—instead of a close relative;

Second. A survivor benefit will be paid to a child for a disability which began before age 22, instead of before age 18;

Third. A child who is a full-time student when he attains age 22 will in some cases continue to receive benefits until the first month after the quarter or semester in which he is enrolled;

Fourth. A dependent grandchild will be treated as a child of his grandparent.

In addition, a wife under age 62—if her husband has attained age 65 and has been awarded an annuity—will be eligible for an annuity if she has in her care a child who became disabled between the ages of 18 and 22, and a widow under age 60 will be eligible for an annuity if she has in her care a child who became disabled between the ages of 18 and 22.

The bill also affects one amendment to the Social Security Act. I might add that Chairman MILLS and the Ways and Means Committee has consented to our committee's consideration of this amendment, which is in the jurisdiction of his committee. An exchange of letters on this subject is included in the report.

The bill would amend section 226(e) of the Social Security Act to extend kidney disease medicare coverage to railroad employees, their spouses, and their dependent children. As a result of the enactment of section 2991 of Public Law 92–603, an individual insured under the Social Security Act, his spouse, or dependent children who need treatment for kidney disease are covered under medicare, beginning July 1, 1973, in the same way as beneficiaries age 65 and over or disabled beneficiaries under age 65. The present provision, through an oversight, did not include railroad employees, their spouses, or dependent children unless they happen to also be covered under social security.

Mr. Speaker, all of these amendments except for the oversight we correct in the amendment to the Social Security Act, were proposed last year. These provisions were deleted from the bill subsequently enacted as Public Law 92–460 last year because they were contingent upon passage of H.R. 1, and at the time, it was believed H.R. 1 would not be enacted in 1972. H.R. 1, however, was enacted on October 30, 1972, as Public Law 92–603.

The costs resulting from these amendments together with the costs and savings from the technical amendments enacted in Public Law 92–460 and additional financial interchange gains because of the enactment of Public Law 92–603 balance out so that no financial burden would result in the passage of this bill.

I believe this bill merits the fullest support of this body.

Mr. SHOUP. Mr. Speaker, will the gentleman yield?

Mr. STAGGERS. I am happy to yield to the gentleman from Montana.

Mr. SHOUP. I commend the chairman of the committee for being very specific in outlining the portions of this bill which certainly do establish the fact that there are technical amendments which are needed to equalize the benefits between social security and railroad retirement.

The members of the subcommittee on this side fully endorse this bill and I ask for its passage.

### COMMITTEE AMENDMENT

The SPEAKER. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: On page 3, line 23, strike out "213" and insert in lieu thereof "214".

The committee amendment was agreed to.

Mr. CRONIN. Mr. Speaker, over the past few weeks I have received a tremendous amount of mail from my constituents strongly urging my support of H.R. 7357, the Railroad Retirement Act Technical Amendment. Though only a technical amendment, it is vitally important to railroad retirees. I would like to state my support of this measure and urge my colleagues to do likewise when it is brought to the floor.

Mr. DONOHUE. Mr. Speaker, I earnestly hope that this pending bill H.R. 7357, to amend the Railroad Retirement Act, will be overwhelmingly approved without extended delay.

In substance, and as a matter of equity, this bill is designed to extend, to railroad employees, their spouses and dependent children, kidney disease medicare coverage in the same manner as provided social security beneficiaries.

The bill also amends the basic Railroad Retirement Act to bring it into line with recent survivor annuity liberalizations in the Social Security Act; child's benefits would be continued after adoption by anyone, rather than by close relatives only; benefits would be paid out to children for disabilities acquired before age 22 rather than age 18; certain students could receive benefits after age 22 and a dependent grandchild would be treated as the child of the grandparent. In addition, certain spouses and children who do not themselves qualify for benefits would be included in computing annuities.

Mr. Speaker, very happily, no additional costs to the taxpayers are estimated to result from the enactment of this bill and there is no question that its overall objectives are in the national interest. Mr. Speaker, on its merits, this measure deserves the unanimous approval of this House and I hope it promptly receives that approval.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

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### GENERAL LEAVE

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to extend their remarks on the amendments to the Railroad Retirement Act (H.R. 7357), just passed.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

### LEGISLATIVE PROGRAM

(Mr. GERALD R. FORD asked and was given permission to address the House for 1 minute.)

Mr. GERALD R. FORD. Mr. Speaker, I take this time for the purpose of asking the distinguished majority whip the program for the remainder of this week, if any, and the schedule for next week.

Mr. McFALL. Mr. Speaker, if the gentleman will yield, there is no further business this week, and I will be glad to present the program for next week.

Mr. GERALD R. FORD. I am glad to yield to the distinguished gentleman from California.

Mr. McFALL. On Monday the call of the Consent Calendar is scheduled, and one suspension: House Resolution 398, positions on U.S. Capitol Police force.

The Private Calendar will be called on Tuesday, and three bills are listed under suspensions, as follows:

H.R. 8070, Rehabilitation Act of 1973;

H.R. 1820, Conveyance of Real Property by Arkansas to United States; and

H.R. 3620, Establish Great Dismal Swamp National Wildlife Refuge.

As soon as consideration of those suspensions is completed, we would expect to begin consideration of H.R. 7935, the Fair Labor Standards Amendments of 1973, under an open rule, with 3 hours of debate, and to finish, if possible, the general debate, but not go into consideration of the bill under the 5-minute rule.

Consideration of the bill would continue on Wednesday.

For Thursday and the balance of the week there are scheduled:

H. Res. 382, Disapproving Reorganization Plan No. 2;

H.R. 7645, Department of State Authorization Act of 1973;

H.R. 5464, saline water program authorization, fiscal year 1974;

H.R. 7670, maritime authorization, Department of Commerce, fiscal year 1974; and

H.R. 7446, establish the American Revolution Bicentennial Administration.

The latter four bills are subject to rules being granted.

Conference reports may be brought up at any time, and any further program will be announced later.

### ADJOURNMENT OVER TO MONDAY, JUNE 4, 1973

Mr. McFALL. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

### DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. McFALL. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule may be dispensed with on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

### LEGISLATIVE PROGRAM FOR JUNE 1973

Mr. GERALD R. FORD. Mr. Speaker, I should like to ask the gentleman from California a further question.

Mr. McFALL. I shall be glad to answer the gentleman's question.

Mr. GERALD R. FORD. Has the revised Friday program for the month of June been announced yet?

Mr. McFALL. I believe the gentleman is referring to the proposal by the joint leadership for an accelerated program in the month of June.

Mr. Speaker, I would say to the distinguished minority leader that on the majority side we are sending out a "Whip Advisories," which describes the proposal for June under consideration by the House, and I would like to read for the benefit of the gentleman the first several paragraphs of the Whip Advisories:

> House Committee Chairmen met this week with Speaker Carl Albert and agreed to a heavy work schedule during the month of June and no legislative business during the Fourth of July week.
>
> The Democratic Deputy and Zone Whips endorsed the plan and Minority Leader Gerald Ford concurred.
>
> The program is to schedule legislative business daily, if available, including Fridays, in June. No legislative business will then be scheduled from the close of business Friday, June 29, until Monday morning, July 9.

Now, the part that the distinguished minority leader, I am sure, is waiting for me to read is the following sentence:

> The Speaker and Minority Leader emphasized that all necessary business will be concluded prior to adjournment on the 29th.

Then we go on to list a number of appropriation bills that will hopefully be ready for House consideration in the month of June. There are nine of them listed.

Then we have a list of legislation which the committee chairmen now feel they will be able to report during the month of June.

Mr. GERALD R. FORD. Mr. Speaker, I would like to ask one further question, if I might.

As I had noticed by looking at that list, there are 9 appropriation bills and, if I recollect, 15 or 20 other legislative proposals. It seems to me that this is a good constructive legislative program for June.

Mr. Speaker, I am glad the gentleman from California (Mr. McFall) has read the one sentence that I think is significant. At least, as far as I am concerned, Members should understand that if there is any legislation necessary for consummation or conclusion on Friday, June 29, we will meet on Friday, June 29, to take care of that business; is that correct?

Mr. McFALL. Mr. Speaker, that is my understanding. The gentleman is correct. Both the Speaker and the minority leader have asked that this be emphasized.

Mr. GERALD R. FORD. Mr. Speaker, I thank the gentleman from California (Mr. McFall).

The SPEAKER. The Chair would like to add to the statement the following: That in return for meeting every Friday that is necessary, we are taking the entire week of July 4, including Thursday and Friday, instead of coming back at Thursday noon, as announced earlier in the year.

Mr. McFALL. I thank the distinguished Speaker.

Our plan is to recess at the close of business, June 29, and reconvene on Monday, July 9.

### AGREEMENT BETWEEN DEPUTY DIRECTOR OF OMB AND REPRESENTATIVES OF ORGANIZED LABOR GROUPS

(Mr. ADDABBO asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. ADDABBO. Mr. Speaker, a week ago, I took to the floor to inform my colleagues of what I term the government-by-appointment tactics of the Nixon administration, using the Office of Management and Budget to subvert the wishes of the elected representatives of the people, the Congress.

Today, I would like to carry this matter one step further. I have in my possession a copy of an agreement signed May 29, by the Deputy Director of the Office of Management and Budget, Mr. Malek, and representatives of two organized labor groups.

In this astounding document, Mr. Malek commits the administration to a course designed to make section 2 of the Reorganization Plan No. 2 inoperative. And the administration agrees that if the collusive lobbying techniques do not work by July 1, the administration will "postpone implementation of the transfers mandated by the plan" until such time as the lobbying techniques are successful and the measure is repealed.

I am not particularly concerned with the positions of the administration or those held by the unions on a bill pending before Congress. What I am deeply concerned with, however, is that an agency of the Government would sign a formal document with two labor groups, and specifically agree to collusion to directly affect an action of the Congress, or to subvert the congressional decision.

At best, this reeks of all that is bad with government. How we can expect our citizens to have faith in the legislative process when these practices are carried on is more than I can comprehend.

But, once more, we are treated to the sight of the Office of Management and Budget going ar beyond the duties prescribed to it. Once more, OMB officials seek to subvert the will of the Congress, and to impose on the citizens of this Nation, government by appointment rather than by election. The Congress can no longer permit this bureaucratic challenge to its authority.

Mr. Speaker, the following is a copy of this agreement:

AGREEMENT REORGANIZATION PLAN NO. 2 OF 1973

The Administration Agrees:

I. To make Section 2 of the plan inoperative.

A. We will have introduced and will work with the AFL-CIO to secure passage of a separate bill prospectively repealing Section 2.

B. If this approach does not yield results by July 1, 1973, we will postpone implementation of the transfers mandated by the plan by having Customs contract immigration primary inspection to INS until such time as Section 2 is repealed by statute.

II. To avoid public discussion of "featherbedding" or labor being "against better drug enforcement" in conjunction with organized labor's position on Reorganization Plan No. 2 of 1973.

III. To honor OMB Director Ash's commitment of May 17, 1973, to Chairman Holifield with respect to strengthening the country's illegal alien control capability.

IV. To give careful study to those other problems and suggestions for more effective Customs and illegal alien control and for better labor/management relations in INS and the Customs Service which have been advanced by the labor representatives in the course of discussions to date.

V. To review seriously and sympathetically any other proposals for more effective illegal alien control.

VI. To continue to support H.R. 982 (Rodino bill) restricting employment of illegal aliens within the United States.

The AFL-CIO and AFGE Agree:

I. To cease all lobbying and other activities designed to defeat Reorganization Plan No. 2 in the Congress.

II. Accompanied by an Administration reprepresentative to visit personally before Thursday with the Speaker of the House, and key supporters of the Waldie Resolution in the House informing them that the AFL-CIO and AFGE have withdrawn their opposition to the reorganization plan. Similar steps will be taken in the Senate.

III. To inform member unions and affected membership immediately of the withdrawal of labor opposition to the plan.

IV. To assist actively and publicly in securing passage of legislation prospectively repealing Section 2 of the plan.

FRED V. MALEK,
*Deputy Director-OMB.*
CLYDE M. WEBBER,
*President, American Federation of Government Employees.*
KENNETH A. MEIKLEJOHN,
*Legislative Representative AFL-CIO.*

## APPRAISAL OF THE LATE J. EDGAR HOOVER AS DIRECTOR OF THE FBI BY JOSEPH KRAFT

(Mr. BURLESON of Texas asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. BURLESON of Texas. Mr. Speaker, the following article by Joseph Kraft in this mornings Washington Post is commended to your attention. What he says is, of course, an opinion but apparently his conclusions are rather solidly based on publicly known facts.

His appraisal of the late J. Edgar Hoover as Director of the FBI is, in my judgment, accurate. No man is indispensable but the situation today suggest Mr. Hoover was as much so as anyone in that position and to the best interest of this Nation.

Those of us who served in the FBI under Mr. Hoover, resent and refute, as has the Assistant Directors of the Bureau, the scurrilous and unjustified statement of the former FBI official referred to in Mr. Kraft's article. Whatever his motives, they are highly questionable.

My colleagues, I particularly call your attention to next to the last paragraph in the article by Mr. Kraft. It is a high tribute to Mr. Hoover and reminds me of the President's characterization of him in his eulogy on May 4, 1972. He referred to Mr. Hoover as one of the giants of American life and said:

> He personified integrity; he personified honor; he personified principle; he personified courage; he personified discipline; he personified dedication; he personified loyalty; he personified patriotism.

These are the legacies Mr. Hoover left to the institution he built and to the Nation it serves.

Except for the few critics, those of us who knew Mr. Hoover, worked with and under, fully agree with these tributes to this great man.

THE FBI AND WATERGATE: WINNING ONE FOR HOOVER

(By Joseph Kraft)

The Federal Bureau of Investigation—more than the press, the courts, the Congress and all other government agencies combined—led the way in resisting and exposing what we now know as the Watergate conspiracy.

In the process, the bureau itself developed a true crisis of authority. So the FBI now affords a supreme object lesson as to the requirements for rebuilding government after Watergate.

The FBI, we now know, came into the Watergate picture back in 1970 when the White House first began calling on the various agencies of government to provide political information by wiretap and other dubious means. The one person inside government who refused was the director of the bureau, J. Edgar Hoover.

The FBI next came into the picture immediately after the Watergate burglary of June 17, 1972. By the second week of July, an FBI team under the supervision of Charles Nuzum had developed all the information necessary to bring the men who participated in the burglary to trial. The FBI agents were confident (rightly it turned out) that under pressure of sentencing the guilty men would break and spill the beans on the higher-ups.

But the trial was delayed until after the election—apparently on orders of the prosecutors at the Justice Department. FBI agents were deterred—in part by Mr. Hoover's successor, acting director L. Patrick Gray III—from thorough questioning of the higher-ups.

With their professional reputations on the line, FBI agents began airing their suspicions. The result was the first big set of Watergate stories before the election showing that the break-in was part of a larger campaign of sabotage involving President Nixon's closest personal and political advisers.

The FBI became more deeply embroiled after the elections when the President named Mr. Gray to be director of the bureau in his own right. That appointment offended both younger agents who believed he had queered the Watergate investigation and older officials with ambitions of their own.

The upshot was a new wave of leaks which centered around Mr. Gray and began to surface in his Senate confirmation hearings. Out of these leaks came the major evidence of the attempt to cover up Watergate and the resignation of Messrs. Haldeman and Ehrlichman from the White House staff. As part of the shakeup, Mr. Gray was replaced as acting FBI director by William Ruckelshaus, a former assistant attorney general who had made a name for himself as a tough and honorable official in the environmental field.

The record of the FBI on Watergate is so extraordinary, its determination to force out the truth in such staggering contrast with the rest of the executive branch, that it raises a question. How come? Why was the bureau so different from the CIA and the Justice Department and the staff of the National Security Council?

The answer is J. Edgar Hoover. He was, as I had occasion to write some years ago, the compleat bureaucrat. He made the FBI a supremely professional law-enforcement agency with elan, discipline and a profound sense of institutional loyalty. In the crunch, the institutional loyalty, the sense of fidelity to law enforcement, was proof against the demands of the White House. Despite the powerful pull of presidential loyalty, the bureau went out and won one for J. Edgar Hoover.

But the price paid has been very heavy. The bureau is now a hotbed of factionalism. It leaks like crazy to the press and the Congress. At least one former high FBI official, William Sullivan, was willing to play the White House game, and passed FBI documents over to the White House by back channels. More important still, in a total break with discipline, all assistant directors and all special agents in charge of FBI field offices have sent a telegram to the President insisting that he name an FBI man as the next director.

The way to save the bureau from this factional infighting is not in doubt. The necessary step is the appointment of a man who has the Hoover qualities—integrity, independence, institutional loyalty and a willingness to stand up to the high political authorities when they push him to cut corners.

It is only by bringing such men into his administration, at the FBI and other governmental agencies, that Mr. Nixon can redeem the government he and his friends have done so much to weaken at the base.

## PROPOSED INCREASE IN FEDERAL GASOLINE TAX

(Mr. LATTA asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. LATTA. Mr. Speaker, along with millions of other Americans, I want to express my displeasure over the disclosure by Treasury Secretary George Shultz that the administration is studying a proposal to drastically increase the Federal excise tax on gasoline.

This is a negative approach that should be rejected out of hand. What is needed is more gasoline—not more taxes.

In the first place, we should be moving ahead now with an aggressive program to increase the supply of gasoline. Raising the excise tax would not produce a single gallon of needed fuel.

Second, any gasoline tax increase—and certainly the one of from 5 to 10 cents per gallon reportedly being considered by the administration—would place an unfair burden on those who are least able to afford it; namely, the millions of lower-income men and women who must depend upon their automobiles in earning a living.

I would remind the administration's economic policymakers that President Nixon made a specific campaign commitment to hold the line on taxes. Higher gasoline taxes would violate that pledge.

Given the President's firm stand against new or higher taxes during his reelection campaign, I remain hopeful that the administration will reject the proposition of a boost in the gasoline tax. If I am disappointed in this hope, and if the administration does request such a tax hike from the Congress, I want to serve notice that I shall oppose it as vigorously as possible.

Rather than "studying" a regressive gasoline tax increase, the administration and the Congress—in cooperation with the energy-related companies in the private sector—should be moving at full speed to increase our total fuel supplies by implementing the recommendations in the President's energy message to Congress on April 18.

It is not my intention to downgrade the seriousness or the scope of our total energy problem, however, I do suggest we have had too much rhetoric on the subject and not enough action. That we have a growing energy problem is no longer debatable. But we have the resources, the ingenuity and the technological skills to solve it.

The current crunch in gasoline supply is only one aspect of the total problem, but it is one that demands priority attention immediately. Focusing only on gasoline for the moment, what should we be doing about it?

It seems to me the President answered this question in his energy message, both for the short term and for the longer range period through the end of the century. In my judgment there is a broad consensus on steps we should be taking. I suggest we take immediate action to achieve the following eight top priority objectvies:

First. Experience with new model cars indicates we must take another, more realistic look at auto emission standards. We would not have a gasoline shortage today if the new model cars were not using up to 20 percent more fuel.

Second. Of necessity we must increase our oil imports, principally from the Middle East, and the administration has already taken Executive action to make this possible.

Third. At the same time it is imperative that we find and develop more domestic supplies of oil and gas. Nobody in his right mind wants America to become overly dependent upon petroleum supplies from an area of the world so unstable and politically volatile as the Middle East.

Fourth. Congress should approve the President's request to extend the investment credit provisions of our existing tax laws to encourage exploratory drilling for new oil and gas fields. A more conducive tax climate and incentive for private capital to assume the enormous risks involved in oil exploration is clearly needed.

Fifth. The administration should do everything possible to expedite the program already announced to extend the amount of Continental Shelf acreage subject to leasing, because these are the most promising areas for early development.

Sixth. Congress should speedily enact the right-of-way bill that will enable construction to begin on the Trans-Alaska pipeline. The oil is here, and each day's delay in getting the pipeline started is costing a half million dollars.

Seventh, we must take whatever action is required, at all levels of government, to develop new deepwater terminals in suitable coastal locations to handle the new generation of supertankers.

Eighth, given the assurance of tax incentives and more stabilized supplies of crude oil, the petroleum industry must be permitted under realistic environmental standards to construct needed refinery facilities. The hard fact is that we now have no excess capacity, our refineries are running at maximum capacity.

Mr. Speaker, I have attempted to outline a plan of action which is realistic and capable of being accomplished. I do not suggest it will be easy, but I am saying it can be done.

Let me comment briefly on a few of the recommendations I have made.

If any one doubts the need and economic wisdom of additional tax incentive to spur domestic exploration, let him consider the fact that one off-shore drilling rig costs upwards of $10 million—and there is no guarantee of finding oil.

Or let him consider the fact, for example, that American companies have already expended vast sums to find what is probably the largest oil field in North America on the north slope of Alaska. Yet the delay in building the pipeline to get that oil to the consumer is costing more than $180 million a year—and the American consumer will ultimately have to foot that bill.

With respect to our strained refining capacity, we have been warned by the National Petroleum Council that we need to build five new refineries every year, each with a capacity of 150,000 barrels, for perhaps the next decade. Yet there is not a single new refinery under construction in the United States today.

Congress must face up to its responsibilities in helping to solve not only the immediate gasoline shortage but also the long-range total energy resources problem. We do not need any more rhetoric on the "energy crisis." We need constructive legislative action.

What needs to be done is abundantly clear. There is still time in this session for Congress to act. Let us get on with it.

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## SMALL BUSINESS IN AMERICA

(Mr. PARRIS asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. PARRIS. Mr. Speaker, the small business community of this Nation is a major economic and social force, comprising more than 98 percent of American business. Small businesses at present employ more than 56 million Americans. When we speak of small business it is easy to visualize the corner drugstore and the neighborhood drycleaner. However, in actuality, everything from the local market with two employees to companies employing up to 500 persons can qualify under the Federal definition of a small business concern. As a result, there are currently more than 3 million operational small businesses in the United States.

Further, the role that small business plays in the success and viability of its counterpart, American big business, cannot be underestimated. For example, consider the development of the 747 jumbo jet by the Boeing Aircraft Corporation. More than 16,500 small suppliers contributed to what resulted in the successful production of that airplane.

In view of the enormous economic impact of small business upon this Nation, and the fact that the failure rate for small, independent firms is notoriously high, I am utterly at a loss to understand why the Federal Government sometimes seems to ignore and often fails to protect their interests when it enacts new laws, issues new regulations, or takes any action whatsoever which has a potential and oftentimes substantial damaging impact upon the small business community. Considerable hardship has been imposed upon our smaller firms with the promulgation of EPA and FDA regulations, recent military base closures, and the transfer of various Federal installations, to name a few. In addition, the enactment of the Occupational Safety and Health Act and the Wholesome Meat Act must also be considered in this light. We have often overlooked the side effects and financial impact that such measures or actions place upon small, independent firms. By approving legislation that requires plant facility changes or the purchase of new equipment, that affects the availability of a raw material necessary to the completion of an end product, or that detrimentally affects small business markets, we are establishing what can only be termed as retroactive guilt for those who must bear the burdens and the costs of these changes. I do not believe that forcing a small business to undertake substantial expansion, alteration, or substantial additional costs as a result of Federal action is an equitable procedure.

Recently, several communities in my district sustained considerable damage as a result of a tornado which destroyed homes, businesses, and schools. Accordingly, after appropriate investigations of the extent of damage and the affected sites, the Federal Government made available disaster assistance to Fairfax County through the Office of Emergency Preparedness. Without this assistance, much of what was destroyed or damaged could not have been replaced.

I believe that the impact of new Federal laws and regulations can be equally as devastating to the small business community as a natural disaster is to a local area. It is therefore reasonable to assume that small businesses adversely affected by the actions of the Federal Government are entitled to the same consideration from that Government as are those whose homes or businesses are destroyed by a tornado or hurricane. It is for this reason that I am today introducing legislation which will provide for the availability of disaster relief to those small businesses or their employees specifically and uniquely detrimentally affected by the following Federal actions: new laws or amendments to existing law; new regulations; contract cancellations by the United States; or the closing of any Federal facility or installation. Eligibility for disaster relief would be jointly, and I might add appropriately, determined by the Director of the Office of Emergency Preparedness, the Secretary of Commerce, and the Administrator of the Small Business Administration.

The principle of this proposal is far from new. My colleagues will certainly recall that when the Congress gave its approval to the Trade Expansion Act of 1962, a provision was specifically included to allow relief for our domestic industry and labor who were adversely affected by the influx of foreign imports. This was also true when the Congress addressed its attention to the deplorable conditions which were developing in our urban areas, and accordingly developed comprehensive urban renewal programs. Relocation assistance allowances were made available to those families or businesses who were forced to move as a result of the implementation of these programs.

Mr. Speaker, in recent years we have taken great strides in asserting our dependence upon, and support for, the contributions of the small business community, as first evidenced by the creation of the Small Business Administration in 1953. The enactment of the legislation I am introducing today will be but another step in insuring that small businesses maintain their viability and productivity. I am extremely hopeful that this body will give expeditious consideration to my bill so that it can be enacted at the earliest possible date.

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## THE ENERGY CRISIS

(Mr. EDWARDS of Alabama asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. EDWARDS of Alabama. Mr. Speaker, many words have been spoken and written lately about the energy crisis. But unfortunately, all this thunder has been accompanied by very little lightning. We are concerned about this problem at both ends of Pennsylvania Avenue, but concern will not fill our gas tanks or run our machinery and equipment or keep our businesses and homes functioning.

Time plays a very crucial factor in the energy problem. Because of the nature of energy development, there is a built-in lag between production and actual utilization of fuel. We cannot afford to add to that lag through indecision and lack of action.

Several steps are in order immediately. I have introduced legislation to create a Council on Energy Policy to piece together the fragmented governmental approach we have now. Our uncoordinated, duplicative, overlapping system produces untold delays and additional costs. Like a broken gas line, we spill significant amounts of our energy efforts as we stumble from agency to agency trying to find solutions. I urge that my legislation be enacted at once so that the Federal effort to solve this problem can take on new direction and purpose.

The energy industry must work to increase capacity production. Exploration and development of our available resources must proceed at once.

We must decide the Alaskan pipeline issue now, balancing environmental needs with the need for energy development. Research into new energy sources must proceed. Governmental policy must be reexamined to make certain that no unnecessary impediments are placed on energy development.

Every citizen has an obligation to take all possible steps to conserve energy by wise use of utilities and personal automobiles.

We must recognize that the day of energy abundance is over. Everyone—industry, Government, individual citizens—must pull together to solve this problem.

I am deeply concerned that in the rush to make use of our dwindling energy supply the small businessman, the independent oil man, and private citizens will be overlooked. These people are the backbone of our country, and we must do whatever is necessary to see that they get the fuel they need.

Mr. Speaker, America has faced serious problems before. We have solved them. I am confident that we will solve this one. But we need to get started today, not next week or next month. It only takes a short while to put a small operator out of business, so we must move and we must move now.

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## FAIR LABOR STANDARDS AMENDMENTS OF 1973

(Mr. ERLENBORN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. ERLENBORN. Mr. Speaker, as has just been announced, the amendments to the Fair Labor Standards Act of 1973 (H.R. 7935) will be considered by the House next week.

Just this day, I, together with the gentleman from Florida (Mr. FUQUA), the gentleman from Minnesota (Mr. QUIE), the gentleman from Louisiana (Mr. WAGGONER), and the gentleman from Illinois (Mr. ANDERSON) have introduced a bill which will be offered as a substitute to the committee bill when that bill is under consideration next week.

So that the Members may have an opportunity to see the text of this bill, Mr. Speaker, at this point I ask unanimous consent that the text of the bill we are introducing today, which will be offered as a substitute, be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The material referred to is as follows:

### H.R. 8304

A bill to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rates prescribed by that Act, to expand employment opportunities for youths, and for other purposes

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SHORT TITLE

SECTION. 1. This Act may be cited as the "Fair Labor Standards Amendments of 1973".

### TITLE I—INCREASES IN MINIMUM WAGE RATES

#### INCREASE IN MINIMUM WAGE RATE FOR EMPLOYEES COVERED BEFORE 1966

SEC. 101. Section 6(a) (1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a) (1)) is amended to read as follows:

"(1) not less than $1.90 an hour during the first year from the effective date of the Fair Labor Standards Amendments of 1973, not less than $2.10 an hour during the second year from such date, and not less than $2.20 an hour thereafter, except as otherwise provided in this section;"

#### INCREASE IN MINIMUM WAGE RATE FOR NONAGRICULTURAL EMPLOYEES COVERED IN 1966

SEC. 102. Section 6(b) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(b)) is amended by striking out paragraphs (1) through (5) and inserting in lieu thereof the following:

"(1) not less than $1.80 an hour during the first year from the effective date of the Fair Labor Standards Amendments of 1973,

"(2) not less than $2.00 an hour during the second year from such date,

"(3) not less than $2.10 an hour during the third year from such date, and

"(4) not less than $2.20 an hour thereafter."

#### INCREASE IN MINIMUM WAGE RATE FOR AGRICULTURAL EMPLOYEES

SEC. 103. Section 6(a) (5) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a) (5)) is amended to read as follows:

"(5) if such employee is employed in agriculture, not less than $1.50 an hour during the first year from the effective date of the Fair Labor Standards Amendments of 1973, not less than $1.70 an hour during the second year from such date, but not less than $1.85 an hour during the third year from such date, and not less than $2.00 an hour thereafter."

#### INCREASES IN MINIMUM WAGE RATES FOR EMPLOYEES IN PUERTO RICO AND THE VIRGIN ISLANDS

SEC. 104. (a) Effective on the date of the enactment of the Fair Labor Standards Amendments of 1973, subsection (c) of section 6 of such Act is amended by striking out paragraphs (2), (3), and (4) and inserting in lieu thereof the following:

"(2) (A) In the case of such employee who is covered by such a wage order and to whom the rate or rates prescribed by subsection (a) would otherwise apply, the following rates shall apply (unless superseded by a wage order issued under paragraph (5) and except as otherwise provided by paragraph (7)):

"(i) Effective as prescribed in subparagraph (B), the employee's base rate, increased by 18.75 per centum.

"(ii) Effective one year after the applicable effective date of the increase prescribed by clause (i), not less than the highest rate applicable to the employee on the day before the effective date of the increase prescribed by this clause, increased by an amount equal to 12.5 per centum of the employee's base rate.

"(iii) Effective one year after the applicable effective date of the increase prescribed by clause (ii), not less than the highest rate applicable to the employee on the day before the effective date of the increase prescribed by this clause, increased by an amount equal to 6.25 per centum of the employee's base rate.

"(B) The effective date of the increase prescribed by subparagraph (A)(i) shall be the sixtieth day following the effective date of the Fair Labor Standards Amendments of 1973 or one year from the effective date of the most recent wage order applicable to the employee which the Secretary issued before the effective date of the Fair Labor Standards Amendments of 1973 pursuant to the recommendations of a special industry committee appointed under section 5, whichever is later.

"(C) For purposes of this subjection, the term 'base rate' means the rate applicable to an employee under the most recent wage order issued by the Secretary before the effective date of the Fair Labor Standards Amendments of 1973 pursuant to the recommendations of a special industry committee appointed pursuant to section 5.

"(3)(A) In the case of any employee employed in agriculture who is covered by a wage order issued by the Secretary pursuant to the recommendations of a special industry committee appointed pursuant to section 5 and to whom the rate or rates prescribed by subsection (a)(5) would otherwise apply, the following rates shall apply (unless superseded by a wage order issued under paragraph (5) and except as otherwise provided in subparagraph (B) or paragraph (7)):

"(i) Effective as prescribed in subparagraph (C), the employee's base rate, increased by 15.4 per centum.

"(ii) Effective one year after the applicable effective date of the increase prescribed by clause (i), not less than the highest rate applicable to the employee on the day before the effective date of the increase prescribed by this clause, increased by an amount equal to 15.4 per centum of the employee's base rate.

"(iii) Effective one year after the applicable effective date of the increase prescribed by clause (ii), not less than the highest rate applicable to the employee on the day before the effective date of the increase prescribed by this clause, increased by an amount equal to 11.5 per centum of the employee's base rate.

"(iv) Effective one year after the applicable effective date of the increase prescribed by clause (iii), not less than the highest rate applicable to the employee on the day before the effective date of the increase prescribed by this clause, increased by an amount equal to 11.5 per centum of the employee's base rate.

"(B) Notwithstanding subparagraph (A) of this paragraph, in the case of any employee employed in agriculture who is covered by a wage order issued by the Secretary pursuant to the recommendations of a special industry committee appointed pursuant to section 5, to whom the rate or rates prescribed by subsection (a)(5) would otherwise apply, and whose hourly wage is increased above the wage rate prescribed by such wage order by a subsidy (or income supplement) paid, in whole or in part, by the government of Puerto Rico, the following rates shall apply (unless superseded by a wage order issued under paragraph (5) and except as otherwise provided in this subparagraph and in paragraph (7)):

"(i) Effective as prescribed in subparagraph (C), the employee's base rate, increased by (I) the amount by which the employee's hourly wage rate is increased above his base rate by the subsidy (or income supplement), and (II) 15.4 per centum of the sum of the employee's base rate and the amount referred to in subclause (I).

"(ii) Effective one year after the applicable effective date of the increase prescribed by clause (i), not less than the highest rate applicable to the employee on the day before the effective date of the increase prescribed by this clause, increased by an amount equal to 15.4 per centum of the sum of the employee's base rate and the amount referred to in subclause (I) of clause (i).

"(iii) Effective one year after the applicable effective date of the increase prescribed by clause (ii), not less than the highest rate applicable to the employee on the day before the effective date of the increase prescribed by this clause, increased by an amount equal to 11.5 per centum of the sum of the employee's base rate and the amount referred to in subclause (I) of clause (i).

"(iv) Effective one year after the applicable effective date of the increase prescribed by clause (iii), not less than the highest rate applicable to the employee on the day before the effective date of the increase prescribed by this clause, increased by an amount equal to 11.5 per centum of the sum of the employee's base rate and the amount referred to in subclause (I) of clause (i).

Notwithstanding clause (i), (ii), (iii), or (iv) of this subparagraph, the minimum wage rate for any employee described in this subparagraph shall not be increased under such clause (i), (ii), (iii), or (iv) to a rate which exceeds the minimum wage rate in effect under subsection (a)(5).

"(C) The effective date of the increase prescribed by subparagraphs (A)(i) and (B)(i) shall be the sixtieth day following the effective date of the Fair Labor Standards Amendments of 1973 or one year from the effective date of the most recent wage order applicable to the employee which the Secretary issued before the effective date of the Fair Labor Standards Amendments of 1973 pursuant to the recommendations of a special industry committee appointed under section 5, whichever is later.

"(4)(A) In the case of any employee who is covered by a wage order issued by the Secretary pursuant to the recommendations of a special industry committee appointed pursuant to section 5 and to whom this section was made applicable by the amendments made to this Act by the Fair Labor Standards Amendments of 1966, the following rates shall apply (unless superseded by a wage order issued under paragraph (5) and except as otherwise provided by paragraph (7)):

"(i) Effective as prescribed in subparagraph (B), the employee's base rate, increased by 12.5 per centum.

"(ii) Effective one year after the applicable effective date of the increase prescribed by clause (i), not less than the highest rate applicable to the employee on the day before the effective date of the increase prescribed by this clause, increased by an amount equal to 12.5 per centum of the employee's base rate.

"(iii) Effective one year after the effective date of the increase prescribed by clause (ii), not less than the highest rate applicable to the employee on the day before the effective date of the increase prescribed by this clause, increased by an amount equal to 6.25 per centum of the employee's base rate.

"(iv) Effective one year after the effective date of the increase prescribed by clause (iii), not less than the highest rate applicable to the employee on the day before the effective date of the increase prescribed by this clause, increased by an amount equal to 6.25 per centum of the employee's base rate.

"(B) The effective date of the increase prescribed by subparagraph (A)(i) shall be the sixtieth day following the effective date of the Fair Labor Standards Amendments of 1973 or one year from the effective date of the most recent wage order applicable to the employee which the Secretary issued before the effective date of the Fair Labor Standards Amendments of 1973 pursuant to the recommendations of a special industry committee appointed under section 5, whichever is later.

"(5)(A) Any employer, or group of employers, employing a majority of the employees in an industry in Puerto Rico or the Virgin Islands for whom wage rate increases are prescribed by paragraph (2), (3), or (4) may apply to the Secretary in writing for the appointment of a special industry committee to recommend the minimum wage rate or rates to be paid such employees in lieu of the rate or rates prescribed by paragraph (2), (3), or (4), whichever is applicable. Any such application shall be filed—

"(i) in the case of the first of such increases, not less than thirty days following the date of enactment of the Fair Labor Standards Amendments of 1973, and

"(ii) in the case of each succeeding increase, not more than one hundred and twenty days and not less than sixty days prior to the effective date of such increase.

"(B) The Secretary shall promptly consider any application duly filed under subparagraph (A) of this paragraph for appointment of a special industry committee and may appoint such a special industry committee if he has a reasonable cause to believe, on the basis of financial and other information contained in the application, that compliance with any applicable rate or rates prescribed by paragraph (2), (3), or (4) as the case may be, will substantially curtail employment in the industry with respect to which the application was filed. The Secretary's decision upon any such application shall be final. In appointing a special industry committee pursuant to this paragraph the Secretary shall, to the extent possible, appoint persons who were members of the special industry committee most recently convened under section 8 for such industry. Any wage order issued pursuant to the recommendations of a special industry committee appointed under this paragraph shall take effect on the applicable effective date provided in paragraph (2), (3), or (4), as the case may be. If a wage order has not been issued pursuant to the recommendation of a special industry committee appointed under this paragraph prior to the applicable effective date under paragraph (2), (3), or (4), the applicable percentage increase provided by paragraph (2), (3), or (4) shall take effect on the effective date prescribed therein, except with respect to the employees of an employer who filed an application for appointment under this paragraph of a special industry committee and who files with the Secretary an undertaking with a surety or sureties satisfactory to the Secretary for payment to his employees of an amount sufficient to compensate such employees for the difference between the wages they actually receive and the wages to which they are entitled under this subsection. The Secretary shall be empowered to enforce such undertaking any sums recovered by him shall be held in a special deposit account and shall be paid, on order of the Secretary, directly to the employee or employees affected. Any such sum not paid to an employee because of inability to do so within a period of three years shall be covered into the Treasury of the United States as miscellaneous receipts.

"(C) The provisions of section 5 and section 8, relating to special industry committees, shall be applicable to special industry committees appointed under this paragraph. The appointment of a special industry committee under this paragraph shall be in addition to and not in lieu of any special industry committee required to be convened pursuant to section 8(a), except that no special industry committee convened under that section shall hold any hearing within one year after a minimum wage rate or rates for such industry shall have been recommended to the Secretary, by a special industry committee appointed under this paragraph, to be paid in lieu of the rate or rates prescribed by paragraph (2), (3), or (4), as the case may be.

"(6) The minimum wage rate or rates prescribed by this subsection shall be in effect only for so long as and insofar as such minimum wage rate or rates have not been superseded by a wage order fixing a higher minimum wage rate or rates (but not in excess of the applicable rate prescribed in subsection (a) or (b)) hereafter issued by the Secretary pursuant to the recommendation of a special industry committee appointed under section 5.

"(7) Notwithstanding any other provision of this subsection, the wage rate of any employee in Puerto Rico or the Virgin Islands which is subject to increase under paragraph (2), (3), or (4) of this subsection shall, on and after the effective date of the first wage increase under the paragraph which applies to the employee's wage rate, be not less than 60 per centum of the wage rate that (but for this subsection) would be applicable to such employee under subsection (a) or (b) of this section."

(b) The third sentence of section 10(a) of such Act (29 U.S.C. 210(a)) is amended by inserting "(including provision for the payment of an appropriate minimum wage rate)" after "modify".

### EXCLUSION OF EMPLOYEES IN THE CANAL ZONE FROM INCREASE IN MINIMUM WAGE

SEC. 105. Section 13(f) of the Fair Labor Standards Act of 1938 (29 U.S.C. 213(f)) is amended (1) by inserting "(1)" immediately after "(f)", and (2) by adding at the end thereof the following new paragraph:

"(2) Notwithstanding paragraph (1), the increases in the minimum wage rates prescribed by the Fair Labor Standards Amendments of 1973 shall not apply to the minimum wage rates applicable under this Act to employees employed in the Canal Zone."

## TITLE II—REVISION OF EXEMPTIONS

SEC. 201. Section 7 of the Fair Labor Standards Act of 1938 (29 U.S.C. 207) is amended by adding after subsection (j) the following new subsection:

"(k) For a period or periods of not more than seven workweeks in the aggregate in any calendar year, the requirements of subsection (a) of this section shall not apply with respect to the employment of any employee (not otherwise exempted from such subsection by subsection (i) or section 13 (a)(1)) in a retail or service establishment if—

"(1) such employee is employed in a bona fide sales capacity in, or as manager of, such establishment;

"(2) such employee's regular rate of pay is not less than twice the wage rate in effect under section 6(a)(1); and

"(3) for employment in such establishment in excess of forey-eight hours in any workweek during such period or periods, such employee receives compensation at a rate not less than one and one-half times the regular rate at which he is employed in such establishment."

### NEWSPAPER DELIVERY EMPLOYEES

SEC. 202. Section 13(d) of the Fair Labor Standards Act of 1938 (29 U.S.C. 213(d)) is amended by inserting after "newspapers" the following: "or shopping news (including shopping guides, handbills, or other types of advertising material)".

### HOUSE-PARENTS FOR ORPHANS

SEC. 203. Section 13(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 213(a)) is amended by striking out the period at the end of paragraph (14) and inserting in lieu thereof "; or" and by adding after that paragraph the following:

"(15) any employee who is employed with his spouse by a nonprofit educational institution to serve as the parents of children—

"(A) who are orphans or one of whose natural parents is deceased, and

"(B) who are enrolled in such institution and reside in residential facilities of the institution, while such children are in residence at such institution, if such employee and his spouse reside in such facilities, receive, without cost, board and lodging from such institution, and are together compensated, on a cash basis, at an annual rate of not less than $10,000."

## TITLE III—EXPANDING EMPLOYMENT OPPORTUNITIES FOR YOUTHS

### SPECIAL MINIMUM WAGES FOR EMPLOYEES UNDER EIGHTEEN AND STUDENTS

SEC. 301. Section 14 of the Fair Labor Standard Act of 1938 (29 U.S.C. 214) is amended (1) by striking out subsections (b) and (c), (2) by redesignating subsection (d) as subsection (c), and (3) by adding after subsection (a) the following:

"(b)(1) Subject to paragraph (2) and to such standards and requirements as may be required by the Secretary under paragraph (4), any employer may, in compliance with applicable child labor laws, employ, at the special minimum wage rate prescribed in paragraph (3), any employee—

"(A) to whom the minimum wage rate required by section 6(a) or 6(b) would apply in such employment but for this subsection, and

"(B) who is under the age of eighteen or is a full-time student.

"(2) No employer may employ for a period in excess of one hundred and eight days any employee who is under the age of eighteen and is not a full-time student at the special minimum wage rate authorized by this subsection.

"(3) The special minimum wage rate authorized by this subsection is a wage rate which is not less than the higher of—

"(A) 80 per centum of the otherwise applicable minimum wage rate prescribed by section 6(a) or 6(b), or

"(B) $1.30 an hour in the case of employment in agriculture or $1.60 an hour in the case of other employment.

"(4) The Secretary shall by regulation prescribe standards and requirements to insure that this subsection will not create a substantial probability of reducing the full-time employment opportunities of persons other than those to whom the minimum wage rate authorized by this subsection is applicable.

"(5) For purposes of sections 16(b) and 16(c)—

"(A) any employer who employs any employee under this subsection at a wage rate which is less than the minimum wage rate prescribed by paragraph (3) shall be considered to have violated the provisions of section 6 in his employment of the employee, and the liability of the employer for unpaid wages and overtime compensation shall be determined on the basis of the otherwise applicable minimum wage rate under section 6; and

"(B) any employer who employs any employee under this subsection for a period in excess of the period authorized by paragraph (2) shall be considered to have violated the provisions of section 6 in his employment of the employee during the period in excess of the authorized period."

## TITLE IV—CONFORMING AMENDMENTS; EFFECTIVE DATE; AND REGULATIONS

### CONFORMING AMENDMENTS

SEC. 401. Section 8 of the Fair Labor Standards Act of 1938 (29 U.S.C. 208) is amended (1) by striking out "the minimum wage prescribed in paragraph (1) of section 6(a) in each such industry" in the first sentence of subsection (a) and inserting in lieu thereof "the minimum wage rate which would apply in each such industry under paragraph (1) or (5) of section 6(a) but for section 6(c)", (2) by striking out "the minimum wage rate prescribed in paragraph (1) of section 6(a)" in the last sentence of subsection (a) and inserting in lieu thereof "the otherwise applicable minimum wage rate in effect under paragraph (1) or (5) of section 6(a)", and (3) by striking out "prescribed in paragraph (1) of section 6(a)" in subsection (c) and inserting in lieu thereof "in effect under paragraph (1) or (5) of section 6(a) (as the case may be)".

### EFFECTIVE DATE AND REGULATIONS

SEC. 402. (a) Except as provided in section 104(a), the effective date of this Act and the amendments made by this Act is the first day of the second full month which begins after the date of its enactment.

(b) Notwithstanding subsection (a), on and after the date of the enactment of this Act the Secretary of Labor is authorized to prescribe necessary rules, regulations, and orders with regard to the amendments made by this Act.

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## PROSPECTIVE CONFIRMATION OF DIRECTOR AND DEPUTY DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET

(Mr. STEELMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEELMAN. Mr. Speaker, 2 weeks ago, this distinguished body voted their convictions and approved legislation calling for Senate confirmation of the Director and Deputy Director of the Office of Management and Budget, including the present incumbents, Roy Ash and Fred Malek.

This same legislation, also passed by the Senate, was vetoed by the President and returned to the House where, only last week, it was voted to sustain the President's veto.

I feel that there is an important principle involved here and one that must be faced now. The important institutional principle is that the Director and Deputy Director should be confirmed by the Senate because the nature of the institution has changed. I believe the current scope and influence of the Office of Management and Budget has elevated the position of Director to one with power far exceeding that of a Cabinet officer, and Cabinet officers are subject to confirmation.

It is clear to me that it is no longer the case that the Director or the Deputy Director is simply another staff member preparing policy options and recommendations in the same manner as other officials do for the President's consideration .

I am sure my colleagues will agree that the original concept of the Bureau of the Budget, now termed the Office of Management and Budget, has changed a great deal since its inception in 1921. It has gone from an advisory capacity, whose sole purpose was to advise and counsel the administration and the Congress, to an organization responsible for countless major policymaking decisions each day.

In light of this change, it is clear that the powers and responsibilities of the persons who head this organization have also changed. They negotiate with the various agencies for what their funding levels will be, decide the fate of congressionally authorized and appropriated programs, and generally dominate the area of budgetary policy. Also, it should be understood that the Director and Deputy Director of the Office of Management and Budget are responsible for the hundreds of day-to-day decisions that are made at the staff level, never involving the President.

I can see no reason why not—in fact, I see an urgent need why—the persons in charge of the Office of Management and Budget should come under the same close scrutiny of the Senate as do Cabinet officers. Confirmation will not only allow an evaluation of the nominee's fitness for the job, but also his concept of the role the Office of Management and Budget should play among the branches of government.

It is toward this end that I and over 60 of my colleagues on both sides of the aisle are introducing legislation to provide for Senate confirmation of all future Directors and Deputy Directors of the Office of Management and Budget. We feel that this legislation will overcome the objections of many to subjecting the present incumbents to Senate confirmation.

There were those who previously made this issue into a confrontation between the Executive and Legislative branches of Government by insisting that the present incumbents be subject to confirmation. We have seen the result of the confrontation—a Presidential veto sustained by the House.

By the broad-based support on both sides of the aisle for this new legislation, I believe that it is the overwhelming consensus of the Congress that the positions of Director and Deputy Director of the Office of Management and Budget have such powers that appointees to these posts should receive the scrutiny of the Legislative branch. I hope that we can all work toward this goal.

## WILLIAM BENTON

The SPEAKER pro tempore (Mr. McFall). Under a previous order of the House, the gentleman from Indiana (Mr. Brademas) is recognized for 15 minutes.

Mr. BRADEMAS. Mr. Speaker, earlier this year, on March 18, 1973, a former U.S. Senator and one of the most distinguished citizens of our country, the Honorable William Benton of Connecticut died.

As one of the many Members of Congress who had the privilege of knowing Senator Benton, and in particular as one who knew firsthand of Senator Benton's deep commitment to education, I take this time to pay my respects to this extraordinary figure in modern American life.

I am sure that other colleagues will wish as well to comment on the many contributions which William Benton made as a leader in education, government and industry, among the several fields to which his remarkable energies and talents were most intensively and productively directed.

Mr. Speaker, William Benton won his first fame and his first fortune as an advertising genius, but from the age of 35 he dedicated the remainder of his life to education. Something of the impact he made upon that field, through the publications and productions of Encyclopedia Britannica and the Britannica Educational Corp., and through his own contributions of intellect, energy, and time, and money, and works of art, may be seen in the reactions of the world of education to his death.

Mr. Speaker, I insert extracts from some of those comments at this point in the Record:

### From Edward H. Levi, President of the University of Chicago, the Following Statement on the Death March 18 of William B. Benton, Life Trustee and Former Vice-President of the University

The world has known William Benton as a man of the most extraordinary ability, whose energy, creativity, and dedication led him into many careers of public service and public leadership, as United States Senator from Connecticut, Assistant Secretary of State, Ambassador on the Board of UNESCO, and publisher of the *Encyclopaedia Britannica*. For the past 37 years The University of Chicago has known William Benton as a most devoted friend and wise counselor. He became Vice-President of the University in 1937; he became a Trustee of the University in 1946.

His active role in the guidance of the University throughout this entire period and to the present was marked by a deep appreciation of the aims of education and a concern for basic values. Under his leadership, the University pioneered in educational radio. "The University of Chicago Round Table" became a national institution. He took the lead at an early time in helping to bridge the gap between the world of scholarship and the world of public affairs. It was from The University of Chicago that he helped to organize the Committee on Economic Development as an effort in this direction. The academic community owes an enormous debt of gratitude to him for his work in the international exchange of scholars and his championship of intellectual freedom. His interest in communications and the requirements of a learning society manifested themselves in numerous joint projects with the University and as publisher of the *Encyclopedia Britannica*.

William Benton brought to the University a special insight in public affairs, but always with an insistence upon the role of the University in quality education and in discovery. His interest in education led him to significant participation in many learned groups, as, for example, among educators in the Cleveland Conference. In recognition of his extraordinary leadership for the University, the Board of Trustees created in 1968 the William Benton Medal as the University's highest service award, to be given not more than once in any five-year period, and conferred the first such medal upon Senator Benton.

Those of us who were fortunate enough to know William Benton in The University of Chicago setting will always remember his quickness and openness of mind, his insatiable intellectual curiosity, his incredible activity and successful mastery and assumption of responsibility in many fields which never, however, distracted him from acts of continuing friendship and his devotion to this institution and its ideals.

### From the Board of Trustees of the Institute of International Education

*Resolved*, that the Board of Trustees of the Institute of International Education notes with profound sorrow the untimely death of their good friend and colleague, William Benton. His commitment to international education, his loyal and devoted services as a trustee during the past twelve years, his sharp insights and comments and his personal sincerity made him a beloved and valued member of the IIE family. He will be deeply missed by all of us who have had the pleasure and privilege of knowing him.

### From Walter Perry, Vice Chancellor of the United Kingdom's Open University

It was with very real regret that I read of his death. I have many happy memories of his infectious enthusiasm about the Open University and his encouragement as we took our first steps towards the United States. All of us here are indebted to him for the Common Room we now use which is our main social focus, and we are very glad that he managed a visit to England to see it himself.

### From the Reverend Theodore M. Hesburgh, C.S.C., President, University of Notre Dame

All of us who knew Bill were constantly surprised by the vitality of his thought and the wide range of his intellectual and moral concern. I have cherished the many opportunities I had to visit with him during his life and was often inspired by his good works and marvelous writings. America needs people like Bill Benton and has been immeasurably enriched by his presence among us.

### From Prof. Arthur Schlesinger, Jr.

I was appalled to read the sad news in this morning's *Times*. Bill was one of the extraordinary men of our day—a man of unique energy, imagination, courage and generosity—and it is impossible to believe that such unquenchable vitality has been stilled. He has left monuments all around, but the gap in the minds of his family and friends will be hard to fill.

### From James A. Robinson, President, Macalester College

Although I have only been at Macalester College a short time, I have been well aware of the lasting impression Mr. Benton made on this campus. The William Benton Endowed Scholarship established by him in 1957 has given financial assistance to twenty young men in pursuit of their educational goals. Some have already become successful as educators and attorneys as well as businessmen . . . all of those lives he touched through his remarkable career in the fields of business, education, publishing, communications and government.

### From James J. Henderson, Chairman of the Board of Trustees, the Hampton Institute

The Board of Trustees and the Hampton Institute community have learned with deep regret of the death of Senator Benton . . . His many, many, plentiful contributions to the work of our Board and the lasting effects of his outstanding leadership will be long remembered with gratitude and respect.

### From Dr. Jerome H. Holland, Former President, Hampton Institute and U.S. Ambassador to Sweden

The passing of William Benton leaves a void in American life. He was a concerned citizen who pioneered in many educational, political and social welfare measures. My personal experiences with him as a trustee of Hampton Institute provided me with an insight into his commitment towards his fellow man. I join his many friends in expressing my sympathy to the members of his family.

Mr. Speaker, William Benton also gave unstintingly of his time and his seemingly endless energy to serve his country, for more than 25 years, in a variety of public positions. His service to UNESCO was conspicuous, from his leadership of the American delegation to its founding conference all the way to his service on the executive board near the end of his life.

Mr. Speaker, I insert extracts from some of the comments on his death by political leaders of this country and the world at this point in the RECORD:

### FROM SUPREME COURT JUSTICE WILLIAM O. DOUGLAS

I was greatly saddened by Bill's death. He was one of our great Americans and contributors to the quality of our lives. I saw him only occasionally, but was always inspired by him as an example.

### FROM ARTHUR J. GOLDBERG, FORMER SUPREME COURT JUSTICE AND FORMER AMBASSADOR TO THE UNITED NATIONS

Bill Benton was a great public servant and a warm and likeable human being. His service to his country, to his state and to the international community were manifold; not the least of these was his courageous stand against McCarthyism when others, both in private and public life, were unwilling to stand up and be counted.

Despite a busy and successful business career, he was a conscientious U.S. Ambassador to UNESCO and in this capacity served with distinction and fidelity. He was, as I have said, a successful businessman, but in all of his business activities, Bill Benton had a sense of the overriding public interest. Senator Benton had a unique capacity also for personal friendships. He enjoyed people and they, in turn, responded by enjoying and profiting from association with him.

Bill Benton is one of those rare persons who will be truly missed by all who knew him.

### FROM RENÉ MAHEU, DIRECTOR-GENERAL OF UNESCO

The name of William Benton has been associated with UNESCO—the United Nations Educational, Scientific and Cultural Organization, from the earliest days of the Organization.

As a leading member of the United States delegation to the UNESCO Founding Conference in London in November, 1945, Benton played a vital role in shaping the structure and policy of the fledgling Organization as it emerged from that Conference. He was then Assistant Secretary of State for Information and it is largely due to his influence that one of the main tasks laid upon UNESCO from the outset was to further the international development and application of the information media with a view to promoting the free exchange of ideas and knowledge among the peoples of the world. As a consequence communication was to be one of the Organization's major fields of competence.

From that time on Benton remained one of UNESCO's staunchest supporters in the United States. He served as a member of the UNESCO Executive Board from 1963 to 1968, a position in which his broad knowledge and international experience were of great value. He took a particularly active interest in promoting education and communication in the cause of international understanding and his contribution in this respect was an outstanding one.

William Benton will always be remembered as an indefatigable worker and a frank and outspoken man who was never afraid to share his views with others. He fought hard to further the aims and ideals of UNESCO and, in doing so, served well both his country and the Organization.

I myself had many opportunities of getting to know him throughout these years and was deeply affected by the news of his death. He had my esteem and respect at all times, whether we found ourselves on opposing sides, as sometimes happened through the force of circumstances, or united in that faith in democracy and devotion to the cause of intellectual freedom that we shared. More than all else, I valued him for the untiring energy, the warmth of human sympathy, the insatiable curiosity and the open-minded approach to any sort of innovation which I admired so much and which will remain, for all those who had to do with him, an unforgettable instance of man's enterprising spirit, as exemplified in the most gifted individuals.

### FROM THE HONORABLE JOHN E. FOBES, DEPUTY DIRECTOR-GENERAL OF UNESCO

We at UNESCO have learned with great distress of the death of William Benton . . . He was an important part in the founding of UNESCO and later as an active member of its Executive Board, and he will long be remembered by all who knew him here.

Personally, Mrs. Fobes and I need to express our feelings of admiration and esteem for the man, William Benton, a longtime friend and adviser. No task was too great, if the cause was right. He traveled throughout the world leaving his imprint, his challenge to "get on with it" and his encouraging ideas. We humans miss someone like Senator Benton. Many tributes will be given him now, as they were so justly during his full lifetime. We must profit from his example.

Mr. Speaker, here are other tributes to William Benton from a variety of leaders of business, industry, labor, and journalism:

### FROM EMILIO G. COLLADO, EXECUTIVE VICE PRESIDENT, EXXON CORP.

One facet of Bill Benton's great career was his sponsorship of and participation in the work of the Committee for Economic Development. Those who worked with him in the creation and work of CED over the years held him in great respect and admiration for his foresight, courage, drive, and continuing optimism. We shall miss him very much.

### FROM ALFRED C. NEAL, PRESIDENT, THE COMMITTEE FOR ECONOMIC DEVELOPMENT

Bill was a founder and great leader of the Committee for Economic Development. Through the time and breadth of CED's activities, in which he was always interested, he insisted upon full commitment and high purpose however difficult the course. His inspiration, thought, and guidance will long remain with us, and his ideas will be carried on by his colleagues in our work.

### FROM JACOB POTOFSKY, OF AMALGAMATED CLOTHING WORKERS

He was a great American and Senator from the State of Connecticut as well as a member of Cabinet in the Truman administration. His passing is a great loss to our country.

### FROM DAVID J. STEINBERG, EXECUTIVE DIRECTOR, COMMITTEE FOR A NATIONAL TRADE POLICY

We have learned with great sorrow of Senator Benton's passing. The nation has lost an extraordinary figure with an outstanding record in business, education, government service and a wide range of cultural pursuits. Our Committee and the campaign for a freer world economy have also suffered a great loss.

Bill Benton was for many years one of the most active members of our Board—one of those most concerned with the national issues and with the unique role of our Committee. He helped us in many ways, including constructive suggestions and financial support. I look back pridefully to our leadership involvement (almost alone among the active members of the liberal-trade community) in certain trade policy issues in which he was particularly interested—issues which might seem marginal to the overall objective, but which we regarded as deserving our interest. I refer to our vigorous support of the Beirut and Florence agreements and our urging repeal of the manufacturing clause of the copyright convention. These were issues on which Senator Benton spoke out forcefully as a business executive, a former Assistant Secretary of State and a former Ambassador to UNESCO.

At the last CNTP board meeting he attended (our most recent meeting on January 12, 1973), he stressed something that all of us at CNTP should not forget—the importance of CNTP "maintaining its character" (his words) as an avant-garde leader of the liberal-trade cause. He made this point (as I recall it) in support of our efforts to raise the sights of government and the nation as a whole to the goal to be sought, and our cautioning against protectionist compromises in the interest of political expediency or what some might call political realism.

Now in its 20th year, our Committee has built an impressive record as a highly principled but equally pragmatic champion of an international economic policy calculated to advance the only standard with which our Committee is concerned—the overall national interest. Bill Benton's contribution to this endeavor was considerable and will always be warmly remembered.

### FROM MRS. FRANK LLOYD WRIGHT

Senator Benton used the years of his life in service to his country and to the world, promoting education, contributing to education by way of his relentless effort, his work, his financial support. He firmly believed that only through education can the world achieve peace.

My husband and I knew him for twenty-five years. His friendships lasted a lifetime. He was personally kind to people, especially young ones.

He had an exquisite sense of humor, with perfect timing. We were showing in our theater at Taliesin West a fine film photographed in Alcatraz prison. During a gripping, bloody scene of a riot, he saw our daughter, Iovanna, sitting tight and rigid, completely identified with the prisoners' hopeless rebellion. He leaned over to her and said in a loud voice, "I think I will send them a set of Encyclopedia Britannica." From a peak of tension she burst into a spasm of laughter, and so did everyone who heard him.

The only person in his life to whom he listened and took advice from was his wife, Helen, his intelligent life's companion, to whom he was devoted and who worked side by side with him in all his undertakings.

We here at Taliesin have deep respect and affection for this man who forcefully fought for what he believed in.

### FROM DAVID ROCKEFELLER, CHAIRMAN, THE CHASE MANHATTAN BANK

When I first shook Bill Benton's hand, he had already accomplished three or four times more than most men do in the span of a lifetime. It was in the early 1950's then, and I can only say that, in the years since, it was my privilege to watch him proceed to achieve three or four more lifetimes of work. He had a tremendous capacity for accomplishment.

His untiring commitments to public service led Bill to the corridors of government, as well as into higher education, philanthropy, cultural activities, foreign affairs and countless other concerns.

He and I shared the University of Chicago as a well-loved alma mater, so we met frequently at University gatherings, and shared our mutual interests at meetings of the Council on Foreign Relations and elsewhere.

I had many opportunities to explore his enlightened thinking, and I took all of them eagerly. The truth is that wherever Bill happened to be, he generated a creativity the force of which will continue to be felt and remembered for many years to come.

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From Edward M. Korby, President Association of American Publishers

His manifold contributions to the intellectual, governmental, business, and aesthetic life of our nation will be long remembered. His imagination and courage will be examples for other public servants to emulate. He was a courageous and public-spirited leader and our valued colleague. We are all immeasurably impoverished and saddened by his passing.

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From Barry Bingham, Sr., Chairman of the Board, the Courier-Journal and the Louisville Times

I had known him for many years, and had always felt the warmth and generosity of his friendship. We worked together on the Adlai Stevenson campaigns and in other causes. Last summer I had the pleasure of sitting next to him at an Aspen seminar. He was as usual lively, articulate, and deeply engaged. What a fine human being!

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From Fairfax M. Cone, Cofounder of Foote, Cone & Belding Advertising Agency

Senator Benton was one of the important Americans of his time. He had a half-dozen careers, in all of which he was successful; in advertising, in education, publishing, and international affairs. Senator Benton was one of the pioneers in the use of research in advertising, and his agency, formed with Chester Bowles, was one of the most successful in the field. Not to be forgotten is Senator Benton's attack on Senator (Joseph) McCarthy, which led to McCarthy's censure by the Senate. Senator Benton has been over a period of years one of the principal and most faithful donors to the University of Chicago.

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From Norman Cousins, of World Magazine

The significance of William Benton's life will be assessed differently by different people; he made his impression in so many different ways and in so many fields that it it is difficult for any one person to provide full appraisal. Yet I would venture the guess that Bill Benton's main contribution to his times was in elevating the level of public thought and action about the possibilities for improved education, improved communication, improved government—all of which comprised the intellectual trinity of his life. His involvement with education led to greater public participation. His involvement in government—whether in Congress or the State Department or UNESCO—led to wider public understanding of the need for, and opportunities of, responsible public service. His involvement in communications led to a significant increase in the level of public knowledge of the information process in America.

To say that Bill possessed a searching intelligence is like saying that Margot Fonteyn can dance or that Rubinstein can play the piano. But what is less obvious is that Bill was never afraid to test himself or go back for a second look. He did his homework as did few other men I know. He was strong in his views but I always admired the way he liked being challenged. He was second in his enthusiasm and energy to no one in his organization. He worked harder than any of the men who worked for him. More than any man I know, he took pains to find out both what he had to know and what was worth knowing.

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From Thomas B. Curtis, Former Chairman, Corporation for Public Broadcasting

With the passing of Sen. Benton, public broadcasting has lost one of its truly great friends. . . . He was a great believer in freedom of information for the citizens of his state and his nation.

In addition to his vision and his concept of public service, the Senator's many interests and accomplishments in education, in communications in all senses, and his representation of the public interest in broadcasting, were of enormous significance.

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From Hartford N. Gunn, Jr., President, Public Broadcasting Service

One of the truly great men of our country. His contribution to communications, advertising, and education would stand at the top of everyone's list.

A thoughtful and energetic pioneer, he always took the time to study, to understand and to explain. His passing greatly saddens all of us.

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From Andrew Heiskell, Chairman of Time, Inc.

It was my rare privilege to have been associated with him on many occasions over the years. I came away from these associations with an enduring respect for his abilities and effectiveness in serving both the national government and local community efforts. He was an extraordinarily devoted citizen and business leader.

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From Robert W. Sarnoff, of RCA

Bill's sudden passing shocked and saddened me. He was a man who gave hope to millions in our nation and around the world and who achieved many triumphs in his brilliant and creative life.

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From Eric Sevareid, of CBS News

I am so sorry that Bill is gone and so relieved that he died peacefully . . . He did as much good for this sorry world with his time and brain resources as anybody I can think of.

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From DeWitt Wallace, of The Reader's Digest

"It is an honor to join Bill Benton's legion of admirers in tribute to his rare excellences as a warm friend and fellow-publisher. A stimulating companion, ardent idealist and brilliant spirit, his memory will remain firmly positioned in a front rank among the leaders of men I've been privileged to know."

Mr. Speaker, I should like to also make reference to Senator Benton's venture into the important field of audiovisual education. Demonstrating the vision that characterized his entire life, William Benton grasped the ability of audio-visual techniques to educate efficiently and advocated the use of audiovisual materials for the Nation's schools and other educational programs.

He launched the Encyclopedia Educational Corp. as a subsidiary of his publishing firm to produce educational motion pictures and filmstrips. He also sponsored a practical application of educational audiovisual programs in Project Discovery, an experimental effort to introduce these techniques into several school systems, including that of Washington, D.C. His foresight in this area has contributed to the wide support for instructional technology in our schools.

Mr. ALBERT. Mr. Speaker, it was with great personal sadness that I noted the death of William Benton. Bill Benton served with me on the 1964 Democratic Platform Committee. In that year when the Democratic Party faced divisive issues of war and peace, of civil rights, and civil disturbance, Bill Benton's ability to compromise and negotiate, his tireless labor and effective advocacy, were vital elements contributing to the clear statements of the planks in the 1964 Democatic party platform. He contributed integrity, compassion, a sense of responsibility, and leadership on these issues affecting the vitality of this Nation. He was the voice of reason and moderation.

Senator Benton was one of those rare men who made his mark and his fortune very young, with a unique and innovative career in advertising. He retired early and felt he had still more to contribute. He then began a distinguished second career at the University of Chicago. He left the academic world to devote his time to public life. Through service in the State Department and the United Nations, he made outstanding contributions to national policy and international relations. He ran successfully and served with distinction as the U.S. Senator from Connecticut. He was an able legislator, standing firmly for those principles in which he had a deep conviction. He made a remarkable contribution as chairman of the board of the Encyclopedia Britannica. Bill Benton has a long list of impressive accomplishments; he was a businessman, academician, diplomat, publisher, legislator, and politician—truly a man for all seasons.

Mr. REUSS. Mr. Speaker, it is with a feeling of deep regret that I note the passing of former Senator William Benton of Connecticut this past March 18.

Bill Benton was a man of fantastic energy and talent. After a brilliant undergraduate career at Yale, he turned down a Rhodes scholarship to enter the advertising business. His was always the creative and unconventional approach that turned everything to gold. He was a self-made millionaire at age 30 and retired from his advertising firm at 35—a multimillionaire despite the Great Depression. He then proceeded to become an eminent art collector, an Assistant Secretary of State, and our Ambassador to UNESCO. He rescued Encyclopaedia Britannica from near-bankruptcy and became vice president and a major benefactor of the University of Chicago.

During the course of his business career, he pioneered the use of market research and introduced the use of motion pictures for classroom instruction. To his later regret, he also invented the singing radio commercial. In the State Department, he organized our first international cultural exchange.

But Bill Benton will be longest remembered for the iron sense of values and the courageous statesmanship he displayed during his 3 years in the U.S. Senate, 1949–52.

He was one of the first to speak up against the paranoid anticommunism of the early 1950's. Partly as a result of this, he was not reelected in 1952, although his views have stood the test of time better than have the views of those with whom he disagreed.

It is easy to say that Benton, as a wealthy man with a number of successful careers, was less concerned than most of us about the political consequences of a stand of conscience. I am convinced this was not the case. Bill Benton loved public service far more than mere moneymaking; he badly wanted to remain in the Senate. He tried several times to regain his seat, and was deeply disappointed that he was unsuccessful. He did not throw the seat away lightly; on the contrary, he risked it because he was convinced the national interest required him to do so.

I extend my sincere sympathy to his wife, Helen, and to their four children and eight grandchildren. I share their sorrow that we have lost him.

Mr. RHODES. Mr. Speaker, I am pleased to join my colleagues in this tribute today to the late Senator William Benton. In his later years, Senator Benton lived in Arizona, and was a distinguished and productive citizen of the State. While I did not know him during the time he served in the Senate, my acquaintance and association with him in Arizona developed into friendship and deep admiration. His presence is sorely missed.

Mrs. Rhodes joins me in heartfelt sympathy to his family in their bereavement.

Mr. BINGHAM. Mr. Speaker, I am glad to join in paying tribute this afternoon to a great American, the Honorable William Benton.

I had the pleasure of knowing Bill Benton over a period of many years and was invariably impressed with his dedication to good causes and his enthusiasm for whatever useful undertaking he was engaged in at the moment.

Bill Benton served with distinction in the other body, and there were times when, in speaking out for what was just and right and truly American, his was a lonely voice.

Later Senator Benton devoted a great deal of time and energy to the important work of the United Nations Educational, Scientific, and Cultural Organization.

Unfailingly over the years, Bill Benton responded generously to appeals for help from worthy organizations as well as from political candidates who shared his philosophy of progressive government.

America and the world are the better for Bill Benton having lived. We shall miss him greatly.

Mr. PEPPER. Mr. Speaker, pursuant to leave obtained by the gentleman from Indiana, the Honorable JOHN BRADEMAS, as a part of the special order in honor of the Honorable William Benton, former U.S. Senator from Connecticut, I submit the following tribute to my great friend and America's great Senator and citizen, Senator Benton:

TRIBUTE TO SENATOR BENTON

On March 18 one of the great men of America passed away, William Benton, at age 73. William, or Bill, Benton, as he was called by his friends, was one of those rare human beings blessed with versatile genius which led him to leadership in at least five meaningful fields of life. He achieved outstanding success in business even while he was yet a young man and with enviable ease he continued to add to his fortune as the years went by. He told me one time he wished it were as easy for him to succeed in politics as it was for him to make money. But the businesses he built or bettered also made an increasingly valuable contribution to his country. Yet he was known to be indifferent in a way to money and always seemed to many of his friends to be playing the game of business for the thrill of it rather than to gratify a burning desire for money which actuates so many men. He was one of the earliest to conceive of modern advertising methods and to master modern advertising techniques, both no doubt attributable to his rare insight into the thinking and the feeling of people. He achieved distinction as vice president of the University of Chicago to which he rendered an immeasurable contribution at the invitation of his old college friend and classmate, Robert M. Hutchins. He was always at heart an educator and his genius in salesmanship enabled him to sell education and indeed a great university.

I first came to know Bill Benton as Assistant Secretary of State for Public Affairs in 1945 when I was a member of the Foreign Relations Committee of the U.S. Senate. Our acquaintance and cooperation at that time deepened into what became for me and will ever remain one of my most cherished friendships. As Assistant Secretary he organized the Voice of America broadcast and was active in the establishment of the United Nations Educational, Scientific, and Cultural Organization. Under the Johnson administration he became a U.S. member of the UNESCO with the rank of Ambassador. His imprint will ever last upon our State Department, upon the United Nations, and especially upon UNESCO which meant so much to him.

I served a part of 1949 and through 1950 with Bill Benton in the Senate. In this body, as in every area into which his restless energy moved him, he immediately distinguished himself. His keen intelligence, his indefatigable labor, his deep dedication to the public interest, and his burning concern for what was wholesome and decent and would be meaningful to the needy of our country brought him into a most active role as a Senator. He fought against discrimination of any kind that strangled the legitimate aspirations of people. He fought for measures that would make America better and stronger. He was in the Adlai Stevenson public image and character. He exhibited in the Senate the courage that was one of his great attributes—the kind of moral courage that induced him as the first Senator to denounce and to propose censure for Senator Joseph McCarthy, who at that time was at the height of his evil power. Senator Benton's defeat in 1952 was largely due to the enmity of Senator McCarthy. Yet, Senator Benton's resolution ultimately led to Senator McCarthy's censure in 1954.

Senator Benton achieved eminence and wealth also as a publisher of "Encyclopaedia Britannica" and of the 54-volume "Great Books of the Western World," of the 10-volume set called "Gateway to the Great Books," and many other works. As a publisher he was again the dynamic educator and salesman—bringing profound knowledge within the reach of the masses of the people and persuading them to take it.

A few words cannot describe this versatile man. His genius was reflected in his numerous activities in which he so easily excelled. He was indefatigable in labor, unswerving in the pursuit of high principle and deep conviction, brave in attacking without a thought of self or consequence what his conscience told him was wrong or foul or corrupt. The good deeds he did, the help he bestowed upon innumerable individuals, the support he gave to countless causes, the encouragement he gave to those struggling to achieve worthy ends will never be known because in a high sense, as was said of the Master Bill Benton "went about doing good."

He loved the Democratic Party and immeasurably served it. He loved art and was its generous patron and wise connoisseur. He loved education and he taught in educational institutions, through books, writing, and the media. He built great edifices of business. He created and developed institutions meaningful to America and to the world. This kindly, gentle, modest man was blessed with some sort of magic that enabled him to rise from his humble beginning to walk with and among the great doers and builders and thinkers and feelers of the world. Bill Benton made this country better by having labored in it a long lifetime and by the love that he gave it. Every man who had his friendship was fortunate because the friendship of Bill Benton was something to treasure and to cherish. As his friend said of Hamlet when he passed away, we say to Bill:

"Goodnight sweet prince and may flights of angels sing thee to thy rest."

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## LEGAL SERVICES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. LANDGREBE) is recognized for 60 minutes.

### GENERAL LEAVE

Mr. LANDGREBE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on this subject.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. LANDGREBE. Mr. Speaker, before I proceed with my special order, I would like to acknowledge the presence of Dr. Hall in our Chamber.

I have told him personally and I have told him in writing that he is one of the truly great people who have ever served our country, and, Dr. Hall, I am glad to see you here at this time.

Mr. Speaker, the proponents of legal services legislation go to great lengths to attempt to justify public financing of legal services on the basis that there is an overwhelming need for it. Poor people, the argument goes, although provided legal aid in criminal actions through the public defender programs, have nowhere to turn for legal aid for civil actions.

Now this is certainly a questionable argument. Is legal aid a fundamental right? If so, what about food, clothing, medical expenses, et cetera? Which takes priority? Or does everyone have a right to all goods and services that happen to be available on the market? Who, then, is to pay for these goods and services? Or do the producers have no rights, but the consumers do? If so, then what difference is there between this argument and the Communist principle expressed by Lenin:

> From each according to his ability, to each according to his need?

But, nevertheless, let us grant, for the moment, that those who cannot otherwise afford it, should be provided with legal aid. Is this truly the reason for having a public legal services program? Is providing legal service to the poor the real goal of establishing a national legal services corporation? Or is the real purpose of such a program to spread leftist propaganda; to attack and weaken American institutions established to protect the rights of the people; and to effect legal reform, changing laws from those that protect rights and individual freedom to those which grant wider and wider power to the Government and to groups bent on destroying what still remains of our free society?

The history of the legal services program administered by the Office of Economic Opportunity—OEO—since 1965, provides overwhelming evidence that the latter is the case. Established as a program to provide legal aid to the poor, it was instead used by political activists to promote a variety of leftist causes. Operating through a national network of 260 projects, with roughly 2,200 lawyers in about 850 locations, linked together by scores of newsletters, subsidized professional associations, as well as project-subsidized travel, the program grew into a potent political force.

The abuses of the OEO legal services program—including such activities as suits against the government, class actions, representation of ineligible clients, political advocacy, and the organization of protest—have been, and are being here today, voluminously documented. That the primary goal of the program is to promote leftist causes, and not to serve the poor, is beyond doubt.

If, however, anyone remains unconvinced, they need only to observe the actions of the Committee on Education and Labor during the last 2 weeks.

President Nixon submitted a bill to establish a National Legal Services Corporation which was designed in such a way as to provide legal aid to the poor, but to prevent the Corporation from being used for political purposes and for the other kinds of abuses that occurred in the OEO legal services program. The bill was introduced on May 15, 1973, with 10 cosponsors, all of them members of the Education and Labor Committee.

The Equal Opportunity Subcommittee immediately removed most of the President's safeguards against abuse and political action at a single meeting and reported the bill on May 18, without holding a single hearing on what is surely one of the most important and controversial pieces of legislation to be considered in the 93d Congress.

If their goal was legal services for the poor, and not political activism, why did they remove the prohibitions against political action?

The bill was then marked up in the full Committee on Education and Labor as soon as possible. Two or three of the provisions of the original bill were restored, but most of the safeguards, against political action were still left out of the bill. For example, the administration bill contained a provision for citizen suits, an important safeguard which assures the rights of interested persons to bring action in Federal district courts to enforce compliance with the legislation. This was deleted.

The administration bill would have prohibited legal services attorneys who receive a majority of their professional income through the program, from engaging in political activity, transportation of voters to the polls, and voter registration activity. The committee added language rendering this prohibition of such political activity meaningless. Also rendered meaningless were prohibitions against training in political advocacy and against group organization.

I offered an amendment to substitute the original administration bill for the committee bill; it was defeated 28 to 4 with all ten members who sponsored the administration bill voting against it. If their concern was legal aid to the poor, and not political activism, why did they vote against their own bill and for the committee bill which allows political action?

The actions of the committee and the history of the OEO legal services program leave no doubt that legal aid to the poor is not the goal of the proponents of public legal services programs. It has been amply demonstrated—by a private legal aid program in Indianapolis, Ind., for example—that private groups can serve more clients at less cost, than can the public programs.

Private programs would not, however, finance the distribution of leftist propaganda and the promotion of leftist causes. Individual Americans would not voluntarily support programs aimed at their own destruction. This, then, is the reason for having legal services programs paid at public expense. They need the power of taxation to force the American people to support a destructive program that they would not voluntarily support.

I hope, therefore, that all members will pay special attention to any legal services bill brought before the House, and withhold support of any bill that does not contain ironclad safeguards ensuring that the program will provide legal aid to the poor, but will not be used for political activism or to spread political ideas.

Mr. DERWINSKI. Mr. Speaker, will the gentleman yield?

Mr. LANDGREBE. I yield to the gentleman from Illinois.

Mr. DERWINSKI. Mr. Speaker, I commend the gentleman for following the legislation that I presume will be before us the week after next. I recognize that the gentleman has fought a rather lonely and uphill fight in this committee, but I encourage the gentleman to stick to his guns.

As I recall, there was an earlier vote in the committee of something like 32 to 1, and it received 167 votes on the floor in support of his position. If the mathematical figures work out, the gentleman could well prevail, so I commend the gentleman from Indiana for his fortitude and his determination, and especially for the tremendous fashion in which he maintains his principles.

Mr. LANDGREBE. I thank the gentleman from Illinois, my very good friend (Mr. DERWINSKI).

I hope on this particular legislation when I offer a substitute in place of the committee bill that we will have 218 votes rather than the 165, because I think again I am handling the right approach.

If I may just make this observation, the President is under heavy pressure these days by the liberal press, and there are a lot of people who feel that the White House and even the Government is sort of closed down until the Watergate problems recede. I want to remind the Members of this Congress that the White House, the administrative, HEW, and all of the different agencies of this Government are producing and offering and suggesting some very reasonable, some very necessary legislation. I think it is most unfortunate that this liberally controlled Congress again is so hesitant and is doing everything it can to circumvent the President in his intention to bring about fiscal stability to our country again, and even to bring safety to the streets.

This Congressman, living so close to Gary, Ind., has observed what happens when irresponsible people go out and activate and foment rioting in the streets.

Mr. SEBELIUS. Mr. Speaker, will the gentleman yield?

Mr. LANDGREBE. I yield to the gentleman from Kansas.

Mr. SEBELIUS. I want to commend the gentleman from Indiana for taking this special order. I think it is something that needs to be brought to our attention early before it comes to the floor for new legislation.

Mr. LANDGREBE. I thank the gentleman from Kansas for his participation.

Mr. SYMMS. Mr. Speaker, will the gentleman yield?

Mr. LANDGREBE. I yield to the gentleman from Idaho.

Mr. SYMMS. I should like to commend the gentleman from Indiana and tell him that, as he knows, many times I have shared a very lonely voting position with him thus far in my short time in Congress, but I do think that his wisdom on this matter is such that I hope will prevail. I appreciate his efforts, and I think that at some point in time the people will remember Members like EARL LANDGREBE who makes a real effort for fiscal responsibility.

We do have a printing press on 14th Street that seems to be the way people would like to pay their bills nowadays.

I commend the gentleman from Indiana for his efforts to try to balance the books of the Federal Government so that the working American taxpayer can also balance his books and we can get on about the business of making a living and raising our families, which is what the country was set up to do, instead of trying to do as we have been doing for the past number of years.

Mr. LANDGREBE. I commend the gentleman for his comments and for his dedication to fiscal responsibility and fiscal sanity. Having this young gentleman come to this body gives me hope that maybe sometime we will get our country back on the track. The gentleman is doing a great job and I commend the people of Idaho for sending him here.

Mr. SYMMS. I thank the gentleman for those remarks.

Mr. Speaker, it is worthwhile, as we discuss the question of the establishment of a Federal Legal Services Corporation, to discuss the relationship between the poor and the legal services program. Of course, we have all heard it said that the purpose of the program is to benefit the poor, but who are the poor.

Howard Phillips, Director of the Office of Economic Opportunity, has pointed out that OEO was founded upon the Marxian concept that the poor are a class apart, a separate and distinct group in society whose interests and aspirations are outside of and antagonistic to those of the majority of Americans. This is, in my view, a dangerously mistaken concept which contains the seeds of needless social unrest and discontent.

The view which is advanced by the legal services advocates is that the poor are those who have been deprived by society of affluence which rightfully belongs to them. It is considered extremely unenlightened to suggest that prosperity is intrinsically related to the ability to produce goods and services which have value in the marketplace. To hear them tell it, one would imagine that when the first settlers arrived and found themselves in need, they began searching for the nearest legal services office to find out who had deprived them of their promised affluence. Nor did the immigrants who came to America in the great waves of the late 19th and early 20th centuries have the benefit of a legal services establishment.

At this point legal services backers will say that I am engaging in ridiculous hyperbole, for everyone knows that it is not the early settler but a new creature known as "modern urban man," who is somehow to be considered deprived and exploited whenever money and other "goodies" do not rain down upon him from the sky.

My own experience has taught me that the poor are not a class apart but that to a large extent they share the same customs, values, and objectives as the rest of society. Moreover, the notion that so large and diverse a group as the poor can be represented by a legal services establishment which adheres to the narrow ideology of exploitation seems grossly unfair to those poor people who sincerely want to improve their ability to contribute to their own and society's well-being.

Indeed, it is a cruel hoax in this age of inflation and the energy crisis to suggest that society will continue to be able to produce a steady flow of resources which will be available to all just for the suing. As responsible Congressmen, we owe it to the people to level with them and say, "If you want to be better off, go to work, not to court."

Mr. DEVINE. Mr. Speaker, it has unfortunately been one of the main characteristics of government in recent years to attempt to do too much, to attempt to do what it ought not to be doing in the first place. The result of this characteristic is that government often does not do properly those things it should be doing.

It seems to me, Mr. Speaker, that the OEO-funded Legal Services program is a good example of this regrettable characteristic. This program has frequently strayed far afield from their proclaimed intention of providing legal services to the needy in noncriminal cases. The Boston legal assistance project, for instance, filed numerous suits against the Boston school district concerning matters with only a tenuous connection to the poor. Among other activities, the project attacked the constitutionality of Boston schools charging tuition to students whose parents are residents of other States and defended teachers who were fired for participation in school boycotts. In the same State, the Cambridge and Somerville Legal Service group helped draft two bills which are now law, dealing with discrimination on the basis of sex in the public schools and maternity leave for pregnant employees. Very few of the people who were directly benefited by these measures could be called poor.

Across the Nation a good many of these federally subsidized lawyers have been using their positions to push their own favorite political candidates or projects. Many of these government attorneys are fresh out of law school and overcome with a desire to change the world to make it closer to their revolutionary ideals. The poor, to these lawyers, are simply one means to that end; if it means using poor Americans as guinea pigs through which they can test out their theories and experiment with social groups, these young world-savers will be happy to do it. Many would rather enjoy the "glamour" of being a "civil liberties lawyer"—which includes being invited to radical chic parties in penthouses—than spending time helping poor people with their daily problems; problems which are dull to the Cape Cod-Upper East Side set, but which are serious and important to millions of less fortunate Americans.

I hope the Congress will see that Federal taxpayers' funds are used to help the needy and not to build the egos of radical young law school graduates.

The goals for the Legal Services program were never adequately defined and each local agency was left to themselves to decide what they meant. Generally, Law Reform—the pet project of most of the lawyers—was given the highest priority at the expense of drastically cutting down on individual legal services. [In Indianapolis in 1972 the Government program lawyers handled an average of 169 cases per attorney per year, while the private Legal Aid Society handled an average of 1,364 cases per attorney.]

Examples of efforts by Government lawyers to engage in political action of dubious value to poor people generally abound. In Boston, the Legal Services program attempted to halt construction of a highway and challenged the practice of a prison censoring prisoners' mail. In many cities these lawyers have either initiated or worked with the ACLU or the NAACP on busing suits against local school boards. Whether or not some of these activities were desirable or not, the important point is they were done by persons paid by the Federal Government to give legal aid to the poor.

Many of the attempts to inform poor people of their rights through pamphlets, newsletters and leaflets have been marked by a sizable amount of leftist propaganda and abuse. In Burlington, Vt., a Legal Services program newsletter spoke of "our enemies" and the "oppressors of the poor." In St. Paul, Minn., a pamphlet on tenants' rights spoke of a landlord and his "goons." These publications frequently contain derogatory remarks about the police, calling them "pigs." This sort of activity can hardly maintain respect for fair and orderly processes of settling disputes; it really has no place in American life.

In reconsidering the sort of Government legal services we wish to have in noncriminal cases, it is up to us, the Congress of the United States, to ask if we are going to continue to subsidize a program which is spending more time attempting to radicalize America than it is in helping the poor, as well as beginning the socialization of the practice of law. We can, if we choose, endorse a program which will provide needed legal aid to indigents and will defend their rights whenever necessary. I certainly hope that we will take the latter and saner course for the good of all of our people, rich, poor, and middle class alike.

Mr. DEL CLAWSON. Mr. Speaker, the practice of providing free, pro bono legal assistance to the poor and destitute citizens of our land who, through no fault of their own, are unable to meet the expenses of professional service, has a long and honorable history within the American legal profession. Several years ago the Congress expanded this concept of pro bono service with the enactment of a legal services program for the poor under the aegis of the Office of Economic Opportunity. This legislation was intended to provide the disadvantaged citizens of our society equal access to legal aid in dealing with the multiple legal complexities and problems individuals and families often face in daily life.

But now, Mr. Speaker, looking back over the brief history of this federally sponsored program, we find that this program, which was intended to help disadvantaged citizens with their day-to-day legal problems, has instead become a Pandora's box of political lobbying, social action, radical organizing, and ideological ax-grinding—wherein the real and immediate legal needs of the poor are all too often neglected while extremist young lawyers pursue their own goals of partisan political and social change.

Legal services lawyers have organized imprisoned criminals and, in one case, even worked to obtain voting privileges for prisoners. They have represented borderline political groups; they have been involved in tenant strikes. They have represented well-to-do clients. They have worked for one union against another; they have heightened tensions and conflicts between various ethnic groups; they have spent countless hours pursuing class action suits and their own special version of "law reform." They have overloaded welfare rolls and increased welfare costs through abuse of loopholes and technicalities in the laws and regulations. They have brought suit demanding quota hiring policies; they have engaged in partisan political activities, written and submitted legislation and lobbied for its passage. During the 1972 Massachusetts legislative session, for example, the Legal Services publication Clearinghouse Review, notes that "Legal Services lawyers and their clients submitted approximately 50 legislative bills," and that "Legal Services lawyers were instrumental in securing the passage" of numerous bills.

In these things, and in many others, these young lawyers have all too often pursued their own social-political goals and their own concepts of what constitutes the interests of the poor. Meanwhile, the legitimate legal needs of the poor go unattended. It appears that the Legal Services program has become a haven for the alienated, the malcontent, and the discontent who would overturn or eviscerate the major, vital institutions of our society. It appears that many in the Legal Services program have sought to use the program and the law as a political weapon. It appears that many of these radical lawyers view society as a battleground, and themselves as an elite vanguard leading and pitting the poor against the nonpoor in a bitter struggle for power and spoils.

No one can say for sure how much time, effort, and public money is expended through the Legal Services program on such questionable and surely inappropriate activities. Certainly the Legal Services program has done good and has helped many people. Certainly there are many sincere and responsible legal services lawyers, but the dominant emphasis seems to have been toward self-serving activities which neglect the real needs of the poor.

Mr. Speaker, with the new legal services legislation before us, we have an opportunity to improve this program so that it better serves the people and the purposes for which it was intended. We have the opportunity to include provisions which will discourage political activities and lobbying, the representation of ineligible clients, excessive efforts on questionable "law reform," social warfare, and other improper activities.

We have the opportunity to reform this program so that it will more truly provide equal access to legal aid and justice before the law for the disadvantaged of our society.

Mr. Speaker, I sincerely hope that we, the peoples' representatives, will not quietly and weakly let this opportunity pass by.

Mr. GOODLING. Mr. Speaker, one of the lowest blows which has been struck against the administration's Legal Services bill involves its safeguards against legislative lobbying by legal services attorneys and other staff members.

If plain common sense was not sufficient to reveal the danger to us, the experience of Legal Services agencies under OEO has surely taught us the mistake in allowing attorneys from a federally funded agency to lobby in State and local lawmaking bodies.

At best, such activity creates ill will and dissension in the local community, undermining the effectiveness of the Legal Service agency's legitimate functions. The situation which developed in Cincinnati, Ohio, is a case in point: The infusion of OEO funds and lawyers bent on law reform split the community's long-standing Legal Aid Society into warring factions. The legal assistance available to low-income individuals in Cincinnati deteriorated instead of improving.

At worst, such Federal pressure against duly elected State and local officials could result in the enactment of ill-considered legislation which would undermine local law enforcement. We have no right to ask the taxpayers of members of legislative bodies, but would also allow them to engage in lobbying activities which are referred to as "necessary representations * * * in the course of providing assistance to an eligible client" which justify "advocating or opposing any legislative proposals, ballot measures, initiatives, referendums, executive orders, or similar enactments or promulgations." As amended the bill would allow lawyers on Government payroll to lobby for whatever legislation strikes their fancy. This amounts to a subsidy by the taxpayers of individuals and groups representing particular ideologies and agitating for specific legislation which is a situation grossly unfair to those who must foot the bill. To require that tax money collected from the general public be used in this way is discriminatory and undemocratic. There is the further objection that political and lobbying activity is not the purpose for which legal services was, or should have been set up in the first place. Legal services was intended to provide free or low cost legal counsel to the poor involved in noncriminal proceedings as a means of enabling them to exercise their legal rights which it was hoped would have a positive effect on the general conditions of their lives. A renewed resolve to fulfill this function, and no other, would be sure to have the best possible results in the alleviation of poverty.

Mr. CRANE. Mr. Speaker, the OEO-funded Legal Services program is yet another classic example of a hastily put together, inadequately supervised bureaucracy which has grown by leaps and bounds in the past 8 years.

In 1965, Congress incorporated in the Economic Opportunity Act a Federal role in assuring the availability of legal aid for the poor, Since that date, funding has increased from an estimated $5.4 million, largely private, to more than $71 million in Federal funds alone last year. We are now faced with a national network of about 260 projects staffed by roughly 2,200 lawyers in over 850 locations across the country.

Instead of devoting their energies to helping individual poor people with legal problems, most of these lawyers have preferred to spend their time in various social engineering projects dear to their own hearts. Apparently draft counseling, working to repeal the laws against pornography, encouraging high school students to defy their parents and teachers and other such activities are more glamorous to radical young lawyers than the day-to-day job of assisting widows faced with eviction notices.

Mr. Speaker, I really do not believe that it was the intention of the Congress to inflict upon so many cities and towns of our Nation what can only be described as a plague of determined, self-righteous radical lawyers owing allegiance not to a code of ethics, not to individual clients, not to their States but to some grandiose ideas of their own of social reform.

The attitude of many of these lawyers was unconsciously well expressed by a Mr. Michael Kantor writing in the fall 1972 issue of the Yale Review of Law and Social Action. Mr. Kantor, who worked for Legal Services for awhile, then became lobbyist on behalf of Action for Legal Rights was later staff coordinator for the Vice-Presidential campaign of Sargent Shriver. Mr. Kanton complains that:

> In 1972 OEO began "a process of change or attempted change to regionalize the legal services program, i.e., to put the program under the political control of persons in the various regions of the United States who were only subject to the whims and interests of various local politicians, *and who would not have seen the broad national movement of legal services and the recurring patterns of problems.*" (*Italics mine*).

Mr. Speaker, what Mr. Kantor is saying here, in plain English, is that the representatives of the people cannot be counted upon to always agree with the world-view of the radical movement in our country. Therefore, according to Mr. Kantor and his radical lawyers, the people must accept what is good for them—in the eyes of these youthful philosopher-kings—whether they like it or not. Various dictators could not have put it any better.

It seems to me, Mr. Speaker, that any such organization as a federally funded national legal services program is almost bound to fall into the hands of such arrogant elitists as Mr. Kantor and his friends. It is for that reason that I must oppose the whole principle behind this program and urge the Congress to eliminate this octopus while there is still time.

Mr. ZION. Mr. Speaker, in order to better understand the OEO-funded legal services program I believe it is first necessary to analyze its announced goals and then to examine how they have been implemented in practice.

When founded, the program was supposed to consist of five major components. These were first, law reform; second, individual legal services; third, economic development; fourth, community education; fifth, group representation.

First. Law reform was to be one of their chief projects; the idea was to try to change laws that affected poor people as a group so that most poor people would be better off. Very often this has included cases against the Government, suits involving high school students who had been expelled, busing, abortion, and so forth. Many of the lawyers active in the program considered this area to be the most important. It was the area which most interested the attorneys, many of whom had attended law school in the hope of "changing society through using the legal system," or more bluntly, in order to "turn the weapons of the establishment against the establishment."

Second. Individual legal services was intended to provide direct aid to poor persons with particular problems, such as obtaining a divorce, suing a landlord, and so forth. Most persons originally understood this kind of work to be the main purpose of the program. Unfortunately, in my view, law reform has taken over the bulk of the activities of this OEO-funded agency.

Third. Economic development was to to be the program's attempt at drawing Federal, State, local, and private funds into economically underdeveloped areas to help provide jobs or teach skills to the poor.

Fourth. Community education was to be the program under which the poor community might be educated both about the services available under this agency and about their rights in general.

Fifth. Group representation has usually meant involvement with such groups as the Welfare Rights Organization, tenants' rights groups, the NAACP, the American Civil Liberties Union, and at times the Black Panthers and other militant groups. These organizations are not always representative of the majority of poor people in this country and there is a serious question whether or not they fall within poverty guidelines.

Mr. COLLINS. Mr. Speaker, as amended, the Legal Services bill weakens or eliminates many of the safeguards against mispractice adopted as a result of careful study of practices in the legal services programs. Possibly the most grievous of these changes are the alterations of the original prohibitions aganist political activity and lobbying by legal services attorneys. The bill as presented would have prohibited legal services attorneys who receive a majority of their professional income through the program, from engaging in political activity, transporting voters to the polls and engaging in voter registration activity. Amendments proposed in subcommittee would have this prohibition apply only while the attorney is "on duty." This could be properly interpreted to allow political activity during lunch hours, coffee breaks and other such situations in which the performance of official duties would cease. Even if strictly adhered to the "on duty" provision would leave plenty of time in the course of the day for an attorney to engage in politics but we should not expect scrupulous adherence to or enforcement of this regulation. If the legal services program is to be truly independent and free of politics the original provision should be restored.

Revisions in the original bill also make it possible for legal services attorneys to not merely testify on the request of America to support an army of Federal lawyers with free rein to attack their local institutions and laws according to these individuals personal, ideological view of what will help the poor.

If we are truly interested in helping poor people receive needed legal assistance on an individual basis, let us make absolutely certain that the employees of the organization we establish are required to devote their energies to individual cases, and are prohibited from engaging in lobbying in any form.

Mr. ROBINSON of Virginia. Mr. Speaker, many concerns have been expressed about the legal services program as it has been administered within OEO. It seems to me that one of the most serious concerns relates to attempts by legal services attorneys to legislate without ever having been elected to office. In the name of law reform, the legal services attorneys direct their energies and their efforts at changing the law. Purportedly, these efforts come in response to the needs and problems of clients who are served by legal services attorneys. In reality, though, the pattern of cases brought by these attorneys makes it clear that they are determined to remake the legal fabric of society.

Now, I am prepared to assume good will on the part of many of these young attorneys. I am prepared to take it for granted that they are motivated by the interest of their clients. But the facts, the records, bear out that the legal services lawyers are impatient. If they feel that the law, the system of justice, does not correspond perfectly to their concept of the way it ought to be, rather than relying on the elected representatives of the people, they assume for themselves the responsibility to change the law.

The phrase "law reform" is attractive, Mr. Speaker, and appealing. But there is a vast difference between bringing an action in behalf of a client which results in a change in the law and setting out with the avowed purpose of remaking the law, and subsequently finding a client to use as the excuse. The latter, which I observe all too often in the legal services program, represents self-appointment as a legislator, rather than the slower democratic process of getting elected to the legislature.

Every periodic survey of important cases brought by legal services attorneys demonstrates the number of attempts each week and each month to substitute the policy judgments of legal services attorneys for the established governmental bodies. For example, in a span of weeks recently, legal services attorneys brought actions which were directed at striking the State residency requirements for obtaining a divorce; at requiring the establishment of an affirmative action plan; at compelling the police department to hire minorities; at defending the rights of homosexuals to Government employment; at securing the right to public housing for emancipated minors under the age of 18; at protecting the right to wear hair longer than allowed by the applicable dress code; et cetera, et cetera.

Now, Mr. Speaker, it may well be that some of these causes are worthy, although others, I think not. But the important thing to note is that these matters ought properly to be debated in a legislative forum, with opposing points of view considered as a matter of policy. When such things are in court, the judge has little flexibility and often has no other option than to strike down or sustain a statute. However worthy, these efforts at law reform result in imposing a serious strain on our system. The entire program of law reform is one that must be subjected to some measure of accountability, and I hope, Mr. Speaker, that the future of any legal services program will be such as to address the concerns which I have expressed on the subject of law reform.

Mr. BAFALIS. Mr. Speaker, very few people will disagree with the contention that everyone accused of a crime—whether rich or poor—is entitled to legal counsel. While many Americans will need the services of a lawyer sometime during their lifetime, I personally do not think the United States needs to provide us with a national legal services system financed with the tax dollars of the American taxpayer—especially in light of the grave fiscal crisis facing our Government today.

Let me assure you that I am not questioning the right to legal counsel, but, as you know, this type of service is guaranteed to anyone who simply cannot afford the proper defense.

I am questioning, however, the sensibility of establishing a separate highly financed Government agency with this sole responsibility and which, according to numerous studies, has often defaulted even this one responsibility.

In depth studies have consistently shown that this is a service which has been and can be provided more efficiently and effectively by the private sector than by the Government-financed Legal Services program. Unfortunately, this, too, reflects the Federal bureaucratic syndrome—increased cost and waste with decreased efficiency.

In Indianapolis, Ind., for instance, two organizations work side by side, both devoted to helping the poor with their legal problems. One is the OEO-funded Legal Services and the other is the independent, privately supported, Legal Aid Society. In 1972 the Government Legal Services Organization was staffed by 19 attorneys with a budget of $526,000. They handled a total of 3,213 cases. This is an average of 169 cases per lawyer with an average cost of $163.70 a case. The private Legal Aid Society, on the other hand, was staffed by only four lawyers who managed to handle 5,455 cases, an average of 1,364 cases per attorney at an average cost of $14.60 a case. The private group's overall budget was $80,000, less than 20 percent of the funds available to the Government operation. Despite a much smaller staff and with a fraction of the funds available, the private lawyers were somehow able to deal with a much larger number of cases and render more effective service to the poor at a much lower cost.

In Boston, Mass., we find the same basic comparison with basically the same results. There the private Legal Aid Society had a budget only 20 percent as large as the government service, a staff only 25 percent as large, and yet it managed to handle 75 percent more cases. In Boston, many members of the local bar regrettably would agree with an attorney from the private Legal Aid Society who views the Government project as "a collection of highly paid, indolent attorneys who are getting rich easily at the taxpayers' expense, while all the needy must bring their problems to the hard-working, low-paid attorneys of the Legal Aid Society."

The Legal Services program of the Office of Economic Opportunity has received a great deal of criticism very similar to the words of this attorney recently. Allegations have been made that the program has become too political, too involved in law reform; and has neglected the cornerstone upon which Legal Services was developed—the relationship between the individual client and the lawyer.

We must ask ourselves, in view of these facts, which type of program is really helping the poor—the Government-funded, highly expensive operation whose lawyers spend much of their time lobbying for their own pet political projects—or the private staff which has been much more responsive to the needs of the poor and more helpful in resolving their problems with the law.

Let us act immediately to remove this added burden from the shoulders of the American taxpayer. We simply do not have the resources nor can we afford the surplus manpower to continue funding a program which has proven itself ineffective and nonessential.

Mr. BAKER. Mr. Speaker, I am totally opposed to a continuation of a federally funded legal services program for noncriminal cases. The Supreme Court has recently ruled that every defendant facing a possible jail sentence is entitled to a lawyer, regardless of his financial ability. In addition, there are many private, voluntary groups such as the American Civil Liberties Union, the NAACP, various welfare and tenants' organizations, and innumerable local legal aid societies as well as court-appointed attorneys who are doing an excellent job of meeting the legal needs of people who cannot afford normal legal fees.

There is ample evidence, Mr. Speaker, that most of the efforts of the OEO-funded legal services programs have not gone into helping poor clients with specific legal problems. Rather, a small army of Government-subsidized lawyers—about 2,200 are involved in this program—has spent most of its time promoting their own ideas about how society should be changed, using the poor as guinea pigs.

The Vice President of the United States put it very astutely, it seems to me, when he wrote recently in the American Bar Association Journal that:

> What we may be on the way to creating is a federally-funded system manned by ideological vigilantes, who owe their allegiance not to a client, not to citizens of a particular state or locality and not to the elected representatives of the people, but only to the concept of social reform.

The lawyers taking part in this program seem to be more interested in pushing their pet social theories than they are in the more humdrum work of helping poor people in need. Many of these lawyers, in fact, have been engaged in highly questionable, if not unethical or illegal, activities.

In Redwood City, Calif., an attorney for Angela Davis embezzled $10,000 from the local Legal Services program.

In Colorado, Rural Legal Services admitted preparing articles for an underground newspaper that advocated, among other things, draft evasion and defiance of the military authorities.

In Florida, Rural Legal Services used Federal funds to publish an underground newspaper that constantly referred to policemen as "pigs" and displayed cartoons of white policemen beating young blacks.

I submit, Mr. Speaker, that these activities have nothing whatsoever to do with helping poor Americans. If anything, they promote lawlessness and steal from funds meant to help relieve the problems of the poor among us.

There can be nothing lower than so-called members of a proud profession who prey upon the weak and helpless and actually embezzle funds meant to relieve human suffering.

This whole program should be scrapped before more harm to all our people—rich, poor, and middle class—is perpetrated by these "ideological vigilantes" who owe allegiance only to themselves.

Let me again stress that this does not mean I object to a person being provided legal assistance in the complex society when his personal welfare is in jeopardy in the courts of our land. Defense has been ably handled by members of the bar association in the past, and provisions for compensation for their services should be provided by our local governments.

However, a broad Federal system of legal services to satisfy the whims of ideologists of varying persuasions is a gross imposition on the taxpayers of this Nation.

Mr. HUBER. Mr. Speaker, the original concept of legal services was to insure that poor people who could not afford attorneys' fees would still be able to be represented by counsel. This was, and is, an admirable goal. The right to justice should never be limited by one's ability to afford legal advice. Economic status must have no bearing on right and wrong. Whether a person be a millionaire or the poorest down and outer if an individual is innocent he must be protected, and if he is guilty he should be duly punished.

I do not intend at this time to talk about what the problems have been, and are, with the present legal services situation. Instead, I am going to talk about the grave potential problem with the proposed legal services bill. First, however, I must note the abhorrent manner in which this bill was rushed through the Education and Labor Committee, on which I serve. No hearings have ever been held, there has only been two or three full committee meetings on the subject, and now there is a movement afoot to rush this bill to the House floor for a vote. If this is such a good bill then I would only like to ask this question; namely, why the hurry? It is entirely possible that even the majority realizes that the bill is so bad that it will not bear close scrutiny. And that is why they are in such a big hurry to get it through. They hope that it can be passed before anyone realizes what has happened. I certainly cannot condone this unnecessary expeditious activity.

Aside from the method in which this proposal has to come to our attention, there are serious problems with the actual proposal itself. Rather than helping indigent individuals, we will be encouraging political activity on the part of the service's attorney. The original legislation requested by the President would have prohibited legal services' attorneys from engaging in political activities. The committee bill says that attorneys are prohibited from such activity only while they are "on duty." Obviously, many attorneys, under such conditions, would spend a considerable amount of their time advancing certain philosophical causes. They would be inclined to take only those cases that would further their way of thinking. The poor guy who does not have an interesting case may not be represented because of lack of a social or political cause involve in his situation. To the politically motivated lawyer, the chance to work at Legal Services represents a gold mine opportunity to further his crusade. Like a thirsty bloodhound champing at the bit, he would be ready to dig in and advance every theory he has ever wanted to test in a court. He would soon be representing a cause and not a person. And that would be a complete distortion of what should be the basic concept of Legal Services.

And if that alone were not enough, under those rules and regulations, we would also be encouraging those attorneys who are out of work to seek employment with legal services. Thus, we would not be doing anyone, other than the lawyers, any kind of favor for we would probably be hiring the more inept counsels rather than the good ones. At the very best, we would be hiring the untried attorneys who have just passed the bar. Section 1007(b)(4) now states:

> This provision shall not be construed to prohibit the training of attorneys necessary to prepare them to provide adequate legal services to eligible clients.

Thus, we will now have a new training grounds for lawyers, at the expense of the poor. Any way one looks at it the poor would not be getting adequate representation. Already legal services employs approximately 2,200 lawyers, and from what I have read and heard, many of them are engaged in questionable legal service activity. Must we encourage more lawyers to take up causes for the masses? I ask only that we take up the cause of the individual, for be he rich or poor, he alone is the backbone and true grit of the American movement. It is primarily for that reason, because the legal services encourages loss of individuality, that

I must oppose the bill that is shortly to come before us. I would hope my colleagues would follow suit.

Mr. ROUSSELOT. Mr. Speaker, it is said that the bill which we are now discussing H.R. 7824 would create an "independent" legal services corporation. What is meant by the word "independent"? The conventional answer is that by creating a legal services corporation the program will become "independent" of the "political interference" which has hampered the program while it has been conducted by the Office of Economic Opportunity.

Who are the politicians who have been interfering with the legal services program? They include the Congressmen, Senators, Governors, State legislators, and mayors who have complained about abuses and illegal activities in the legal services program and who have been on the receiving end of many of the suits, strikes, and demonstrations which have been instigated by legal services personnel.

In short, the politicians are the elected representatives of the people, the same people who pay taxes to support the legal services program. Their interference is their attempt to insure that public funds are safeguarded and that the abuses are held to a minimum. The fact that we as elected officials have been so overwhelmed by the outrages and abuses that we have been unable to bring them under control has not prevented the legal services community from protesting loudly the fact that we have been bold enough to attempt to control the program.

And what are the abuses to which I have referred. Ironically, many of the worst abuses are political. For example, for years it has been all in a day's work for OEO and legal services projects to use Federal funds for political activities, including the management of local referendum campaigns, conduct of local voter registration campaigns, and transportation of voters to the polls. What is wrong with registering voters and transporting them to the polls with Federal money? Such activity constitutes a distortion and interference with the democratic process wherever it occurs. If the Federal Government, by controlling the placement of funds and personnel can intervene in local elections, the vote of the individual citizen will be subject to nullification whenever it conflicts with the interests of the poverty-legal services establishment.

What does the Education and Labor Committee bill propose to do about such abuses? In what it doubtless regards as a major concession, the committee amended the bill to provide that political activity cannot be conducted by legal services personnel on Government time. But what does the distinction between the Government's and the employee's time mean when the employee is on salary or is paid a Government-sponsored fee and can control the use of vacation time, leave time, and lunch time?

What it means is that the campaign of the legal services advocates against political interference to which they object is nothing but a cover for political interference, to be conducted by themselves.

The solution, in my opinion, is that these controls must be accomplished by administrative practice as well as legislative prohibition. It should be required that all legal services employees pledge themselves to a position of nonpolitical activity—as is required of other judicial officials and representatives of district attorneys' offices. It is really not too much to ask of one who is employed to assist those in poverty—and who is working at the expense of the taxpaying public—to reduce his position of strong advocacy in political affairs when the basic purpose in overseeing social work is a purported one of idealism and assistance to the poor. The professional employees in legal services are genuinely thought to be of high and noble purpose, so it would seem only correct that they remove themselves from a position of political partisanship.

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## HOLY CROWN OF ST. STEPHEN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. HOGAN) is recognized for 15 minutes.

Mr. HOGAN. Mr. Speaker, the Holy Crown of St. Stephen, the oldest Christian symbol of freedom and authority in Europe, was entrusted to the U.S. Government in 1945 to keep it out of the hands of attacking Russian armies and until Hungary is a free nation again.

During the past few years there have been recurring reports that the United States might return the crown to the Government of Hungary in an effort to encourage better diplomatic and commercial relations between our two countries. The most recent report came to my attention in an article appearing in the Washington Post on April 29 of this year. The article reports that Hungarian Prime Minister Jeno Fock appealed to a group of visiting U.S. Senators to relinquish the crown. At this point I would like to insert the full text of the article into the RECORD:

### HUNGARIANS ASK UNITED STATES FOR CROWN

(By Dan Morgan)

BELGRADE, April 28.—Hungarian Prime Minister Jeno Fock appealed to visiting U.S. senators Friday to get the American government to relinquish the golden Crown of St. Stephen, which it has held since 1945.

The issue of the crown, the ancient symbol of Hungarian sovereignty, was raised during talks between the prime minister and members of the Senate Commerce Committee in Budapest Friday. The committee members have been touring the Soviet Union and Eastern Europe to assess the impact on East-West trade and relations of an administration trade bill that would liberalize trade with Moscow and its allies.

Fock and other Hungarian officials made a strong plea for most-favored-nation treatment for Hungary, saying that the lowering of American barriers could triple or quadruple trade with Hungary.

Sen. Howard W. Cannon (D-Nev.) said in a telephone interview today that the prime minister urged that the U.S. position on returning the crown should be "softened" now that Hungary has agreed to compensate the United States for postwar claims that resulted from the seizure of American industries by the Communist governments.

"He did say that he was glad to know that the crown was being held safely," said Sen. Cannon. "I replied that the State Department wouldn't even tell me where it is."

The crown is believed to be stored at Fort Knox, Ky. It was presented to St. Stephen, the first king of Hungary, by Pope Sylvester II nearly 1,000 years ago and was subsequently used at coronations. As the Red Army approached Budapest, it was spirited out and fell into American hands in Austria.

Hungarians set great value on the crown and its return would gain prestige for the government. Its release would mark the final step in American acceptance of the Communist government. Therefore, the move is opposed by many anti-Communists in the West and also by the Hungarian Roman Catholic primate, Joseph Cardinal Mindszenty, who is now living in Vienna.

The Cardinal's departure from a 15-year asylum inside the American embassy in Budapest in 1971 contributed to the improvement of American-Hungarian relations. Communist leader Janos Kadar urged improved ties when Secretary of State William P. Rogers visited Budapest in 1972.

Sen. Cannon said that he and his colleagues had "excellent, frank talks" with the Hungarian officials. He said the officials told him that American exports to Hungary would continue to exceed imports even if Congress approved most-favored-nation tariff privileges, allowing Hungarian goods into the United States at the most favorable rate given to any other country.

Sen. Cannon said the increased trade would enable Hungary to buy industrial items in America that it now gets through trade or licensing deals with British and Western European firms.

The senator said President Nixon had requested most-favored-nation treatment for Hungary in a separate statement. He said the committee was "almost unanimous" in favoring the trade concession.

Its chances would be slim, however, if the Senate should reject most-favored-nation treatment for Soviet imports, which Moscow now seeks. An amendment by Sen. Henry M. Jackson (D.-Wash.) would withhold the concession if Moscow continues to impose a heavy education tax on emigrating Jews.

Trade and bilateral issues were also covered in talks between the senators—three Democrats and four Republicans—and Polish officials in Warsaw earlier in the week.

Sen. Cannon said that Polish Communist Party leader Edward Gierek had expressed hope that the list of American goods embargoed for export for security reasons could be reduced as tensions eased. The embargoed list contains numerous items of advanced technology, some of which are made only in the United States.

Polish law still does not permit direct investment of foreign capital, and Sen. Cannon said it was therefore "unclear how joint ventures could be arranged." But he said the Poles had said they wanted American business offices in Warsaw and would encourage foreign companies to build their own.

The Crown of St. Stephen is the symbolic source of all Hungarian laws and powers. It has become the symbol of Hungarian sovereignty.

Despite the current improvement in American-Hungarian relations and despite the fact that a long-standing dispute concerning the settlement of claims of U.S. nationals for war-damaged and nationalized property was finally ended when an agreement was signed in March, the United States cannot violate her trust by surrendering this state symbol to the totalitarian regime of a Soviet satellite.

I am today reintroducing a concurrent resolution to express the sense of Congress that the Holy Crown of St. Stephen should remain in the safekeeping of the United States until such time as Hungary once again functions as a constitutional government established through free choice of the Hungarian people.

I am very pleased, Mr. Speaker, that the following colleagues have chosen to cosponsor this resolution with me:

Mr. Brasco of New York.
Mr. Derwinski of Illinois.
Mr. Forsythe of New Jersey.
Mrs. Grasso of Connecticut.
Mrs. Heckler of Massachusetts.
Mr. Horton of New York.
Mr. Hunt of New Jersey.
Mr. Kemp of New York.
Mr. Landgrebe of Indiana.
Mr. Melcher of Montana.
Mr. Minshall of Ohio.
Mr. Pepper of Florida.
Mr. Roe of New Jersey.
Mr. Rousselot of California.
Mr. Scherle of Iowa.
Mr. Yatron of Pennsylvania.

The complete text of the resolution follows:

CONCURRENT RESOLUTION

Whereas the Holy Crown of Saint Stephen is a national treasure of great symbolic and constitutional significance to the Hungarian people; and

Whereas the United States Government is in possession of the Holy Crown of Saint Stephen, it having been entrusted to the United States in 1945 for safekeeping until Hungary should once again function as a constitutional government established by the Hungarian people through free choice; and

Whereas Hungary is presently under the control of an atheistic Communist regime in whose interest it would be to destroy the Holy Crown of Saint Stephen; and

Whereas the Communist government of Hungary has repeatedly proposed that the Crown be given to that government in order to further improve the atmosphere of American-Hungarian relations; and

Whereas relations between the United States and the Communist government of Hungary have gradually been resumed, and discussions have taken place and agreements have been made regarding the settlement of various longstanding bilateral problems; and

Whereas it is possible that the Holy Crown may be considered as a negotiable item by the United States Government; and

Whereas the hopes of the oppressed people of Hungary for a future of freedom and liberty, and the hopes of their brothers and sisters, the American-Hungarians in this country, will be dashed if the United States Government breaks its sacred trust and relinquishes the Crown; Now therefore, be it

*Resolved by the House of Representatives (the Senate concurring)*, That it is the sense of Congress that the Holy Crown of Saint Stephen should remain in the safekeeping of the United States Government until Hungary once again functions as a constitutional Government established by the Hungarian people through free choice.

Mr. Speaker, the return of the holy crown to a Communist government would be a symbol that the United States believes that Communist rule will go on indefinitely in Hungary and other Eastern European nations and we accept that fact.

I urge my colleagues to support this resolution, maintaining a firm stance in support of the hopes of the oppressed people of Hungary for a future of freedom and liberty and the hopes of their brothers and sisters, the American-Hungarians in this country.

## THE SURVIVAL OF AMERICAN FISHING INDUSTRY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Hampshire (Mr. WYMAN) is recognized for 15 minutes.

Mr. WYMAN. Mr. Speaker, the past two decades have witnessed a tragic reversal for the American fishing industry. The basic cause of this decline is increased exploitation of traditional U.S. fishing grounds by foreign fishing fleets; fleets which give little or no thought to sound conservation practices. From 1952 through 1960, for example, the U.S. catch from New England waters averaged over 700 million pounds, accounting for 99 percent of the total catch from these waters. By 1969, however, Soviet fishing fleets alone were taking out over 800 million pounds, or 50 percent of the total catch from New England waters. At the same time, the U.S. catch declined to about 418 million pounds, or 25 percent of the area's harvest.

Three developments have taken place over the past 10 to 12 years which cause deep concern for northwest Atlantic fishery resources of interest to the United States, and about the capability of U.S. fishermen to continue to share in the harvest of these resources. First, the growth in world population and the accompanying increased need for protein has created new demands for our fish and shellfish products. Second, foreign nations have accelerated oceanographic research and resource assessment which has provided knowledge of the oceans, enabling their fishermen to locate and exploit stocks of fish that were previously unknown. Third, new technologies and innovations, usually subsidized heavily by foreign governments, have made possible the harvest of these resources. These developments have resulted in direct competition between our coastal fishermen and the distant water fleets of other nations, sometimes with catastrophic effects, such as the continuous destruction of American lobster pots.

The United States has been trying since the 1950's to secure international agreements which would regulate the harvest of fish and protect the rights of American fishermen. To date, no effective action has been taken to control the burgeoning foreign fishing effort which has severely depleted the stocks of fish which supported the east coast fishing industry. We are now at the point, and have been since 1965, where the harvest of fish is greater than the total potential sustainable production, yet consumer demand and fishing fleets continue to expand.

I am, therefore, introducing legislation which would extend our contiguous fishery zone to a limit of 200 miles from shore or to a depth of 200 meters, whichever is further. Such a limit will insure an adequate fishing area for American fishermen, free from foreign harassment.

In an effort to promote a long range solution which will assure adequate supplies of fish for future harvesting, existing law provides authority to relax the prohibition against foreign fishing within the contiguous fishery zone for those nations which enter into agreements with this country to respect the rights and equipment of U.S. fishermen and to establish a sound international conservation program. This should be especially helpful to U.S. negotiators at the coming Law of the Sea International Conference.

In any event, the American fisherman needs the protection afforded by an extension of our contiguous fishery zone. The past 20 years have demonstrated that foreign nations will not respect the rights of the American fishermen unless forced to do so. I urge the Merchant Marine and Fisheries Committee to call hearings on and favorably report legislation to assure this basic protection for the domestic fishing industry. There is not much time remaining.

My bill provides as follows:

H.R. 8320

A bill to extend the fisheries zone of the United States to a distance of 200 miles from the shore of the United States or beyond in certain instances to a point where the sea's depth is more than 200 meters

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 2 of the Act entitled "An Act to establish a contiguous fishery zone beyond the territorial sea of the United States", approved October 14, 1966 (16 U.S.C. 1092), is amended—

(1) by striking out "nine" and inserting in lieu thereof "one hundred ninety-seven"; and

(2) by inserting before the period the following: "; except that if between any particular point on the line so drawn and the nearest point in the inner boundary the vertical distance between the sea surface and the seabed is always two hundred meters or less, the line between those points shall be extended outward to the first spot where such vertical distance is greater than two hundred meters and the line of the seaward boundary shall be drawn through that spot (with appropriate adjustments in adjacent portions of the line of such boundary) instead of through such particular point".

SEC. 2. The amendments made by this Act shall take effect ninety days after the date of enactment of this Act.

## INADEQUATE FUNDING FOR RESEARCH

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Massachusetts (Mrs. HECKLER) is recognized for 5 minutes.

Mrs. HECKLER of Massachuetts. Mr. Speaker, Benjamin Disraeli once said that health is the foundation of the State's strength and happiness. Few people would disagree with the importance of maintaining a healthy society.

Debate on health issues usually focuses on the necessity for medical research versus health care.

For many years I have supported the funding of biomedical research in the belief that all applied research or methods used in health care are the ultimate results of original basic research and experimentation.

Health care programs and research programs have always been in competition for Federal funds. Undoubtedly, the maintenance of a healthy society depends on both programs; but in view of spiraling medical and hospital costs, we must think in terms of preventive strategy. Biomedical research is prevention against disease and an ailing society at less expense than actual medical treatment of a patient.

Since World War II, research in biomedical sciences has been considered one of our greatest national achievements, whether measured by our numerous Nobel laureates in medicine or by the fact that polio and tuberculosis no longer cripple and kill thousands of people each year.

Biomedical research brought forth the development of penicillin and many other antibiotics enabling us to control rheumatic fever, pneumonia, and other infections. Organ and tissue transplants are also an outgrowth of research in this field.

According to many members of the scientific community, the solution to all disease problems, including cancer and heart disease, lies within the basic laws of the biomedical sciences.

We are plagued with cancer which takes the lives of more than 300,000 victims annually and multiple sclerosis afflicting over half a million people between the ages of 20 and 40.

During the last three decades biomedical research has been associated, until recently, with the diagnosis and cure of disease. Today biomedical science has an additional significance as essential for the survival of mankind in an environment which threatens our health through excessive pollutants, hazardous to our existence.

The procurement of adequate food supplies by agricultural methods for our growing population requires the use of enormous quantities of pesticides. Just within recent years have we begun to question the effects of pesticides upon the balance of nature and upon man himself.

Air pollution caused by the burning of industrial wastes and automobile exhaust has become an issue of major concern to all Americans. The effects of the gaseous components of polluted air on the human body and the environment are poorly understood, requiring comprehensive biomedical research and investigation.

Modern food technology is dependent on certain synthetic chemicals as food preservatives, additives, and coloring for food products. The food industry has utilized synthetic chemicals in processed foods for years to protect against spoilage and create an appealing food in terms of color and consistency.

During recent years the public and the Food and Drug Administration have become aware of the need for continued testing for toxics in synthetic chemicals leading to chromosomal damage or linked with cancer.

Toxicological testing methods, designed years ago, are no longer capable of determining the safety of today's myriad of synthetic additives. Intensive biomedical research is needed in the area of toxicology and pharmacology to keep pace with the new food additives and preservatives which are incorporated into our food.

The tragic thalidomide episode which crippled thousands of unborn babies in Europe was an exceptionally severe form of unexpected side effects of a new drug which, with proper testing, could have been discovered and prevented. There is a long list of discovered harmful effects of previously FDA approved drugs, yet, the research efforts in this important field are minimal.

In spite of the broadening need for biomedical research, Federal support for the National Institutes of Health and thousands of medical schools, dependent on Federal funds, has steadily decreased since the fifties.

Initially, the percentage increases in Federal funds devoted to research were enormous. By 1953, the annual rate of increase in Federal expenditures in support of research and developmental activities was 22 percent per year until 1958–59. Since then and until 1967, the rate of increase declined to about 9 percent annually.

In 1958, medical school budgets showed that Federal funds comprised 30 percent of total expenditures and in the late sixties this figure had risen to 60 percent. Federal funds account for about 82 percent of all research expenditures.

NIH through its involvement with more than 1,000 research institutions, supported 37.5 percent of the Nation's full-time graduate students in medical sciences and 21 percent in all biosciences with Federal funds in 1971.

The dependency of medical schools and research programs on the Federal Government is obvious, without Federal funds, the all-research programs fade out of existence and medical schools close their doors to students.

The Congress must prevent this from happening by recognizing the necessity of continued support for basic biomedical research not only as a combatant against disease, but also as a solution to the health aspects of our environmental crisis.

Increased funding in the area of research must be appropriated to meet the increased demands on health services, serious manpower shortages, and uncontrolled costs in medical services and research due to inflation.

Biomedical research is not a luxury. It is an essential and without it we will see medical progress thwarted and the health of Americans seriously endangered.

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## CRUCIAL PANAMA CANAL ISSUES: CONTINUED U.S. SOVEREIGNTY OVER U.S. CANAL ZONE AND MAJOR MODERNIZATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. FLOOD) is recognized for 15 minutes.

Mr. FLOOD. Mr. Speaker, Members of the Congress who have followed the conduct of U.S. policies concerning the Panama Canal know that the March 15–21, 1973, meeting of the U.N. Security Council in Panama ended in a diplomatic fiasco. As predicted in my address to this House in the CONGRESSIONAL RECORD of February 8, 1973, on the "Crisis at Panama: A Three-Pronged Assault on Canal Zone," those sessions were used to encourage U.N. intervention in the internal affairs of the United States. They were also used to foster worldwide hostile propaganda against the United States.

The position taken by Panama over a a long period of time has had two major features:

First, that Panama's advantageous geographical location is its greatest natural resource and that this should be exploited to the maximum degree.

Second, that U.S. sovereign control over the Canal Zone and Panama Canal with its military presence on the Isthmus must be liquidated.

In regard to the first point, the Panamanian attitude resembles the position taken by the Barbary Pirates in the early part of the 19th century as regards commerce in the Mediterranean. Panamanian demagogs overlook the fact that the Isthmus has always been, and always will be, an object for predatory attack, which makes its favorable geographic location a grave weakness requiring the shield of a strong power. Thus the grim realities involved cancel the claimed exploitatory advantages.

As to the second point, the U.S. Canal Zone is the indispensable protective frame of the canal. Surrender of the zone territory to Panama would place the United States in the position of having a grave responsibility without requisite authority, which is unthinkable. The removal of U.S. Forces from the isthmus would inevitably invite a takeover of the Canal as occurred in 1956 at Suez following the withdrawal of British Forces from the Suez Canal Zone.

The two underlying principles of U.S. Isthmian Canal policy are:

First. Security of transit; and

Second. Independence of Panama.

The only way that these can be guaranteed are by continued United States presence on the isthmus with retention by the United States of its undiluted sovereign control over the zone for the maintenance, operation, sanitation and protection of the canal. Any other view, however plausible it may seem, is naively simplistic and not in any degree realistic.

Mr. Speaker, on March 15, the first day of the U.N. Security Council meeting in Panama, my most scholarly and able colleague from Illinois (Mr. CRANE), Dr. Donald M. Dozer, distinguished authority on Latin America, and I participated in an hour long national TV debate on The Advocates program in support of continued U.S. sovereign control over the Canal Zone and canal. Since that time I have received a deluge of letters from 45 States, with the number supporting our position, which has now reached the ratio of 27 to 1. This can only mean that feeling in our country is growing stronger than ever against any surrender at Panama.

In these general connections, I would repeat what I have stated on previous occasions that we have a workable treaty with Panama but that it is being weakened by Executive fiat. This must stop—and stop now—for if we lose the canal who will control this priceless asset of the United States? It definitely would not be

Panama as an independent country but as another Caribbean satellite of the U.S.S.R. This is the grim reality behind the Canal Zone sovereignty question and no amount of official State Department sophistry can change it.

The House Committee on Merchant Marine and Fisheries in its report on January 2, 1973, summarized the major Panama Canal issues as follows:

(a) Retention by the United States of its sovereign control over the Canal Zone; and

(b) Major modernization of the existing canal under present treaty provisions. (H. Rept. No. 92–1629, p. 36.)

Mr. Speaker, the report then stressed that all other large canal questions, including the sea-level proposal are irrelevant and should not be allowed to confuse the solution of the canal's major needs. The principal canal problems and their solution have been ably described in the 1973 memorial to the Congress by the Committee for Continued Control of the Panama Canal of 3704 University Drive, Fairfax, Va. 22030. This informative paper will be distributed to all Members of the Congress at an early date.

In order to give the indicated memorial a wider circulation, I quote it as part of my remarks and commend it for careful reading, especially by new Members of Congress.

### PANAMA CANAL: SOVEREIGNTY AND MODERNIZATION

Honorable Members of the Congress of the United States:

The undersigned, who have studied various aspects of interoceanic canal history and problems, wish to express their views:

(1) The report of the interoceanic canal inquiry, authorized under Public Law 88–609, headed by Robert B. Anderson, recommending construction of a new canal of so-called sea level design in the Republic of Panama, was submitted to the President on December 1, 1970. The proposed canal, *initially* estimated to cost $2,880,000,000 exclusive of the costs of right of way and inevitable indemnity to Panama, would be 10 miles West of the existing Canal. This recommendation, which hinges upon the surrender to Panama by the United States of all sovereign control over the U.S.-owned Canal Zone, has rendered the entire canal situation so acute and confused as to require rigorous clarification.

(2) An important new angle developed in the course of the sea level inquiry is that of the Panamic biota (fauna and flora), on which subject, a symposium of recognized scientists was held on March 4, 1971 at the Smithsonian Institution. That gathering was overwhelmingly opposed to any sea level project because of the biological dangers to marine life incident to the removal of the fresh water barrier between the Oceans, now provided by Gatun Lake, including in such dangers the infestation of the Caribbean Sea and Atlantic Ocean with the poisonous yellow-bellied Pacific sea snake and the crown of thorns starfish.

(3) The construction by the United States of the Panama Canal (1904–1914) was the greatest industrial enterprise in history. Undertaken as a long-range commitment by the United States, in fulfillment of solemn treaty obligations (Hay-Pauncefote Treaty of 1901) as a "mandate for civilization" in an area notorious as the pest hole of the world and as a land of endemic revolution, endless intrigue and governmental instability (Flood, "Panama: Land of Endemic Revolution . . ." C.R., August 7, 1969), the task was accomplished in spite of physical and health conditions that seemed insuperable. Its subsequent efficient management and operation on terms of "entire equality" with tolls that are "just and equitable" have won the praise of the world, particularly countries that use the Canal.

(4) Full sovereign rights, power and authority of the United States over the Canal Zone territory and Canal were acquired by treaty grant in perpetuity from Panama (Hay-Bunau-Varilla Treaty of 1903). In addition to the indemnity paid by the United States to Panama for the grant in perpetuity of the indispensably necessary sovereignty and jurisdiction, all privately owned land and property in the Zone were purchased by the United States from individual owners; and Colombia, the sovereign of the Isthmus before Panama's independence, has recognized the title to the Panama Canal and Railroad as vested "entirely and absolutely" in the United States (Thomson-Urrutia Treaty of 1914–22). The cost of acquiring the Canal Zone, as of March 31 1964, totalled $144,568,571, making it the most expensive territorial extension in the history of the United States. Because of the vast protective obligations of the United States, the perpetuity provisions in the 1903 Treaty assure that Panama will remain a free and independent country in perpetuity, for these provisions bind the United States as well as Panama.

(5) The net total investment by the taxpayers of our country in the Panama Canal enterprise, including its defense, from 1904 through June 30, 1971, was $5,695,745,000; which, if converted into 1971 dollars, would be far greater. Except for the grant by Panama of full sovereign powers over the Zone territory, our Government would never have assumed the grave responsibilities involved in the construction of the Canal and its later operation, maintenance, sanitation, protection and defense.

(6) In 1939, prior to the start of World War II, the Congress authorized, at a cost not to exceed $277,000,000, the construction of a third set of locks known as the Third Locks Project, then hailed as "the largest single current engineering work in the world." This Project was suspended in May 1942 because of more urgent war needs, and the total expenditures thereon were $76,357,405, mostly on lock site excavations at Gatun and Miraflores, which are still usable. Fortunately, no excavation was started at Pedro Miguel. The program for the enlargement of Gaillard Cut and correlated channel improvements, started in 1959, was completed in 1970 at a cost of $95,000,000. These two works together represent an expenditure of more than $171,000,000 toward the major modernization of the existing Panama Canal. Under current treaty provisions Panama has proclaimed that the word "maintenance" in the treaty permits "expansion and new construction" for the existing Canal (C.R., July 24, 1939).

(7) As the result of canal operations in the crucial period of World War II, there was developed in the Panama Canal organization the first comprehensive proposal for the major operational improvement and increase of capacity of the Canal as derived from actual marine experience, known as the Terminal Lake—Third Locks Plan. This conception included provisions for the following:

(1) Elimination of the bottleneck Pedro Miguel Locks.

(2) Consolidation of all Pacific Locks South of Miraflores.

(3) Raising the Gatun Lake water level to its optimum height (about 92').

(4) Construction of one set of larger locks.

(5) Creation at the Pacific end of the Canal of a summit-level terminal lake anchorage for use as a traffic reservoir to correspond with the layout at the Atlantic end, which would improve marine operations by eliminating lockage surges in Gaillard Cut, mitigate the effect of fog on Canal capacity, reduce transit time, diminish the number of accidents, and simplify the management of the Canal.

(8) Competent, experienced engineers have officially reported that all "engineering considerations which are associated with the plan are favorable to it." Moreover, such a solution:

(1) Enables the maximum utilization of all work so far accomplished on the Panama Canal, including that on the suspended Third Locks Project.

(2) Avoids the danger of disastrous slides.

(3) Provides the best operational canal practicable of achievement with the certainty of success.

(4) Preserves and increases the existing economy of Panama.

(5) Avoids inevitable Panamanian demands for damages that would be involved in the proposed sea level project.

(6) Averts the danger of a potential biological catastrophe with international repercussions that recognized scientists fear might be caused by constructing a salt water channel between the Oceans.

(7) Can be constructed at "comparatively low cost" and being "an enlargement of existing facilities" without requiring additional "lands and waters" avoids the necessity for a new canal treaty with Panama.

(9) All of these facts are elemental considerations from both U.S. national and international viewpoints and cannot be ignored, especially the diplomatic and treaty aspects. In connection with the latter, it should be noted that the original Third Locks Project, being only a modification of the existing Canal, and wholly within the Canal Zone, did not require a new treaty with Panama. Nor, as previously stated, would the Terminal Lake—Third Locks Plan require a new treaty. These are paramount factors in the overall equation.

(10) In contrast, the persistently advocated and strenuously propagandized Sea-Level Project at Panama, initially estimated in 1970 to cost $2,880,000,000, exclusive of the costs of right of way and indemnity to Panama, has long been a "hardy perennial," according to former Governor Jay J. Morrow. It seems that no matter how often the impossibility of realizing any such proposal within practicable limits of cost and time is demonstrated, there will always be someone to argue for it; and this, despite the economic, engineering, operational, marine biological and navigational superiority of the Terminal Lake solution. Moreover, any sea-level project, whether in the U.S. Canal Zone territory or elsewhere, will require a new treaty or treaties with the countries involved in order to fix the specific conditions for its construction; and this would involve a huge indemnity and a greatly increased annuity that would have to be added to the cost of construction and reflected in tolls, *or* be wholly borne by the taxpayers of the United States.

(11) Starting with the 1936–39 Treaty with Panama, there has been a sustained erosion of United States rights, power and authority on the Isthmus, culminating in the reopening in 1971 of negotiations for a proposed new canal treaty or treaties that would:

(1) Surrender United States sovereignty over the Canal Zone to Panama;

(2) Make that weak, technologically primitive and unstable country a senior partner in the management and defense of the Canal;

(3) Ultimately give to Panama not only the existing Canal, but also any new one constructed in Panama to replace it, all without any compensation whatever and all in derogation of Article IV, Section 3, Clause 2 of the U.S. Constitution. This Clause vests the power to dispose of territory and other property of the United States in the entire Congress (House *and* Senate) and not in the

treaty-making power of our Government (President *and* Senate)—a Constitutional provision observed in the 1955 Treaty with Panama.

(12) It is clear from the conduct of our Panama Canal policy over many years that policy-making elements within the Department of State, in direct violation of the indicated Constitutional provision, have been, and are yet, engaged in efforts which will have the effect of diluting or even repudiating entirely the sovereign rights, power and authority of the United States with respect to the Canal and of dissipating the vast investment of the United States in the Panama Canal project. Such actions would eventually and inevitably permit the domination of this strategic waterway by a potentially hostile power that now indirectly controls the Suez Canal. That Canal, under such domination, ceased to operate in 1967 with vast consequences of evil to world trade.

(13) Extensive debates in the Congress over the past decade have clarified and narrowed the key canal issues to the following:

(1) Retention by the United States of its undiluted and indispensable sovereign rights, power and authority over the Canal Zone territory and Canal as provided by existing treaties;

(2) The *major* modernization of the existing Panama Canal as provided for in the Terminal Lake—Third Locks Plan.

Unfortunately, these efforts have been complicated by the agitation of Panamanian extremists, aided and abetted by irresponsible elements in the United States, aiming at ceding to Panama complete sovereignty over the Canal Zone and eventually, the ownership of the existing Canal and any future canal in the Zone or in Panama that might be built by the United States to replace it.

(14) In the 1st Session of the 93rd Congress identical bills were introduced in both House and Senate to provide for the *major* increase of capacity and operational improvement of the existing Panama Canal by modifying the authorized Third Locks Project to embody the principles of the previously mentioned Terminal Lake solution, which competent authorities consider would supply the best operational canal practicable of achievement, and at least cost without treaty involvement.

(15) Starting in January 1973, many Members of Congress sponsored resolutions expressing the sense of the House of Representatives that the United States should maintain and protect its sovereign rights and jurisdiction over the Panama Canal enterprise, including the Canal Zone, and not surrender any of its power to any other nation or to any international organization in derogation of present treaty provisions.

(16) The Panama Canal is a priceless asset of the United States, essential for interoceanic commerce and Hemispheric security. The recent efforts to wrest its control from the United States trace back to the 1917 Communist Revolution and conform to long range Soviet policy of gaining domination over key water routes as in Cuba, which flanks the Atlantic approach to the Panama Canal, and as was accomplished in the case of the Suez Canal, which the Soviet Union now wishes opened in connection with its naval buildup in the Eastern Mediterranean and Indian Ocean. Thus, the real issue at Panama, dramatized by the Communist take over of strategically located Cuba and Chile, is not United States control versus Panamanian but continued United States sovereignty versus Soviet control. This is the issue that should be debated in Congress, especially in the Senate. Panama is a small, weak country occupying a strategic geographical position that is the objective of predatory power, requiring the presence of the United States on the Isthmus in the interest of Hemispheric security and international order.

(17) In view of all the foregoing, the undersigned urge prompt action as follows:

(1) Adoption by the House of Representatives of pending Canal Zone sovereignty resolution and,

(2) Enactment by the Congress of pending measures for the major modernization of the existing Panama Canal.

To these ends, we respectfully urge that hearings be promptly held on the indicated measures and that Congressional policy thereon be determined for early prosecution of the vital work of modernizing the Panama Canal, now approaching saturation of capacity.

Dr. Karl Brandt, Palo Alto, Calif., Economist, Hoover Institute, Stanford; Former Chairman, President's Council of Economic Advisors.

Comdr. Homer Brett, Jr., Chevy Case, Md., Former Intelligence Officer, Caribbean area.

Hon. Ellis O. Briggs, Hanover, N.H., U.S. Ambassador (retired) and Author.

Dr. John C Briggs, Tampa, Fla, Professor of Biology, University of South Florida.

William B. Collier, Santa Barbara, Calif., Business Executive with Engineering and Naval Experience.

Lt. Gen. Pedro A. del Valle, Annapolis, Md., Intelligence Analyst; Former Commanding General, 1st Marine Div.

Herman H. Dinsmore, New York, N.Y., Former Associate Foreign Editor, *New York Times*, Editorialist.

Dr. Lev E. Dobriansky, Alexandria, Va., Professor of Economics, Georgetown Univ.

Dr. Donald Dozer, Santa Barbara, Calif., Historian, University of California, Santa Barbara; Authority on Latin America.

Lt. Gen. Ira C. Eaker, Washington, D.C., Former Commander-in-Chief, Allied Air Forces, Mediterranean; Analyst and Commentator on National Security Questions.

K. V. Hoffman, Richmond, Va., Editor and Author.

Dr. Walter D. Jacobs, College Park, Md., Professor of Government and Politics, University of Maryland.

William R. Joyce, Jr., J.D., Washington, D.C., Lawyer.

Maj. Gen. Thomas A. Lane, McLean, Va., Engineer and Author.

Edwin J. B. Lewis, Washington, D.C., Professor of Accounting, George Washington University; Past President, Panama Canal Society of Washington, D.C.

Dr. Leonard B. Loeb, Berkeley, Calif., Professor of Physics (Emeritus), University of California.

William Loeb, Manchester, N.H., Publisher and Author.

Lt. Col. Matthew P. McKeon, Springfield, Va., Intelligence Analyst, Editor and Author.

Dr. Howard A. Meyerhoff, Tulsa, Okla., Consulting Geologist, Formerly Head of Department of Geology, University of Pennsylvania.

Richard B. O'Keeffe, Fairfax, Va., Asst. Dir. of Library, George Mason University, Research Consultant on Panama Canal, The American Legion.

Capt. C. H. Schildhauer, Owings Mills, Md., Aviation Executive.

V. Adm. T. G. W. Settle, Washington, D.C., Former Commander, Amphibious Forces, Pacific.

Jon P. Speller, New York, N.Y., Author and Editor.

Harold Lord Varney, New York, N.Y., President, Committee on Pan American Policy, New York, Authority on Latin American Policy, Editor.

Capt. Franz O. Willenbucher, Bethesda, Md., Lawyer and Executive.

Dr. Francis G. Wilson, Washington, D.C., Professor Science (Emeritus), University of Illinois, Author and Editor.

Institutions are listed for identification purposes only.

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## SECRETARY OF THE TREASURY RESPONSES TO INQUIRIES ON TRADE REFORM ACT OF 1973

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 5 minutes.

Mr. VANIK. Mr. Speaker, prior to the start of the Ways and Means Committee's hearings on H.R. 6767, the Trade Reform Act of 1973, I addressed a series of questions to the Department of the Treasury.

I have today received an extensive reply to these inquiries which is being entered into the committee's hearing record.

Because of the importance of this legislation to all Members of the Congress and to the entire Nation, I would like to enter in the CONGRESSIONAL RECORD at this point portions of my inquiries and the reply which I have received from the Secretary of the Treasury. I want to thank the Secretary and his staff for preparing this detailed information. I am hopeful that it will be useful to the Congress in developing an improved trade bill.

Portions of the correspondence follow:

THE SECRETARY OF THE TREASURY,
*Washington, D.C., May 29, 1973.*

Hon. CHARLES A. VANIK,
*House of Representatives,*
*Washington, D.C.*

DEAR MR. VANIK: Your letter of April 30, 1973 requested data and answers to a series of questions on international monetary, tax, debt and defense issues. Detailed responses prepared by my staff are contained in the enclosed documents.

I hope this information will be of assistance to you during the trade hearings.

Sincerely yours,

GEORGE P. SHULTZ.

Q (2) b. To what extent does the Department feel that multinational corporations contributed to this winter's pressure against the dollar? What steps does the Administration propose to take to control these corporations?

A. This is a difficult and complex question. The pressure in the exchange markets came from many sources and reflected various motivations. Among the possible sources of transactions are U.S. as well as foreign banks, U.S. and foreign-controlled multinational corporations and other non-banking companies, individuals all over the world and some governments and central banks. The underlying balance-of-payments disequilibrium provided some of the reason for the movement of funds. To this were added the motives of hedging and speculation which tend to arise particularly strong and suddenly during times of uncertainty about the durability of exchange rate relationships.

It is difficult to make a distinction between hedging in order to protect a business transaction and "speculating" for the sole purpose of making a profit on an exchange rate change. For example, a company could be planning to make investments in its subsidiary in a country which is expected to revalue its currency. To avoid having to put up more dollars to make the same investment, the company would buy the foreign currency in advance. The company would regard such a capital outflow as a legitimate business hedge.

The Administration is actively engaged in an effort to improve the quality of balance-of-payments statistics and to better our understanding of the nature of the capital flows that took place during the exchange market disturbances earlier this year. Letters were sent on April 23 to the presidents of some 1300 corporations asking for their cooperation in this effort. We also expect to have direct contacts with a representative group of corporations.

More broadly, we are working to establish a new monetary system better capable of dealing with disruptive short-term capital flows. Such a system should facilitate basic adjustments and minimize the likelihood of large and persistent disequilibria which feed speculative activity. Also, the monetary system can help to limit the incentives for short-term capital flows by built-in stabilizers, such as wider margins. The Committee of 20 on international monetary reform and related issues announced on March 27 in Washington an intensive study of disequilibrating capital flows. The Deputies of the Committee of 20 have established a technical working group for this purpose.

Q. (2) c. What is the total pressure which can be brought against the dollar from dollars now held by foreigners and in the reserves of international corporations?

A. There is no adequate basis for estimating the amount of liquid funds available to move at short notice from one currency into another, whether held by multilateral corporations or by others. The potential from existing balances is only one element; credit can also be used for such purposes. While liquid balances are very large, there are various constraints on the use of many types of such assets. For example, a large portion of the liquid assets held by foreign governments and central banks in the U.S. is generally not shifted for reasons associated with expected exchange rate changes since the holders are well aware of the disruptive effects of such moves for the international monetary system. Furthermore, both official and private holders of short-term dollar assets have working balance requirements and other commitments which tend to make it difficult for them to reduce liquid assets below a certain level.

There are also dollar funds available for conversion into other currencies in the Euro-dollar market, held by both foreign official institutions and private individuals and institutions. The total liabilities of the Euro-banks in this market have been estimated at over $70 billion (at the end of 1971) by the Bank for International Settlements. This total appears to reflect a good deal of pyramiding and double-counting. In any case, only a portion of the funds in the Euro-dollar market represents demand deposits and other holdings that can be readily moved.

The Tariff Commission's recent study on multinational corporations contains data in Table 7 of its Chapter V (page 537), which attempts to reconstruct the short-term assets and liabilities of principal private and official institutions operating on the international scene. From this table, the study estimates that these institutions possessed some $268 billion in short-term assets at the end of 1971 "with the lion's share of these assets under control of multinational firms." As the Tariff Commission's report itself recognizes, the figures in Table 7 are very tenuous and contain double-counting and other errors.

Furthermore, it is likely that the bulk of the assets of U.S. corporations other than banks and of the foreign affiliates of those firms as represented in the table consist of inventories, receivables, and other non-liquid current assets, rather than bank deposits and other readily available funds.

The sole figure which presumably represents short-term dollar assets of MNC's is the entry in Table 7 which shows $4.7 billion in assets of U.S. non-banks at the end of 1971. There is no dollar-denominated breakdown for the foreign affiliates of U.S. non-banks. Given the nature of the operations of U.S. MNC's abroad, one would expect that their short-term assets would be overwhelmingly in foreign currencies, rather than in dollars.

In theory, all liquid assets in the U.S. domestic economy, held by banks, non-banking institutions and by individuals, as well as the whole gamut of transactions between U.S. and foreign residents are susceptible to conversion or management in a way which would give rise to international capital movements. Some of these transactions would come under the purview of the U.S. Government's capital outflow restraints and others would not.

In sum, various types of estimates of the amounts of potentially volatile international flows can be constructed. All would be based on inadequate data and on assumptions that can be questioned. However, it is clear that the amount of potential pressure which can be brought to bear on exchange markets is very large in situations of acute disequilibrium and deep uncertainty. The important lesson is that we must prevent such situations from developing. That is an aim of monetary reform.

Question 2(d). Can you explain the American position with respect to the Paris agreement and, in particular, can you describe the circumstances in which the United States will support the dollar through dollar purchases, how much support we will provide (in billions of dollars)? Is it possible for the United States, in an effort to support the dollar against the enormous speculation which is possible, to again lose "money" through support activities? If so, what objections does the Department have to a completely free float? In the Department's analysis, how much is the current rate of inflation wiping out the balance of trade advantages gained by the latest devaluation?

Answer: The United States has not undertaken any commitment to intervene in the exchange markets. It was agreed, however, that intervention might be useful at appropriate times to facilitate the maintenance of orderly market conditions, but each nation, in consultation with the country whose currency was being bought or sold, would determine for itself when it thought such intervention advisable and the amount of its intervention. Just what tactics would be followed or at what levels intervention might be undertaken will have to be determined from time to time on the basis of our appraisal of prevailing market conditions. We cannot therefore give any estimate of how much such intervention might amount to if undertaken or under what conditions it may be undertaken.

Should we engage in intervention it would, of course, be possible that some further exchange loss might be sustained. As indicated in our recent testimony before several Congressional Committees, we believe, however, that we now have an exchange rate structure which reflects underlying economic realities. There will be no further devaluation of the dollar that would result in the sort of losses sustained previously. Moreover, it would not be our intent to undertake intervention in defense of exchange rates which are inappropriate.

We anticipate that in a reformed monetary system most countries will want to maintain established values for their currencies, although provision should also be made for floating rates which may be appropriate in particular circumstances. Also we do not believe there should be intervention by ourselves or others to maintain artificially a rate which is counter to basic balance of payments trends. This does not mean, however, that one should disregard the adverse effects of disorderly markets and, as was stated in the Communique issued following the meeting in Paris in March and as noted above, we have agreed that intervention might be useful at appropriate times to facilitate the maintenance of orderly market conditions.

The rate of inflation in the United States so far this year is considerably higher than it should be and it is important that it be curbed. This is essential, not only for obvious domestic reasons but also, as your question indicates, because inflation could erode the benefits to our competitive position derived from the devaluation. In assessing the degree of such erosion one must, however, take into account the rate of inflation in other countries. Most of the developed countries are experiencing inflation. On a relative basis we have not lost ground but this is no ground for complacency.

Question 3: Will the "gold window" remain closed?

Answer: On August 15, 1971 the United States suspended the convertibility of the dollar into gold and other reserve assets. This suspension remains in effect.

It has been generally recognized that, as part of a satisfactory reform of the monetary system, convertibility of currencies would be one of the important elements, but that the issue is intimately related to such other questions as improving the process of adjusting payments imbalances and the future role of various reserve assets. At the September 1972 meeting of the IMF, Secretary Shultz outlined a series of proposals for a satisfactory reform and he stated that after a transition period "the United States would be prepared to undertake an obligation to convert official foreign dollar holdings into other reserve assets as a part of a satisfactory system much as I have suggested—a system assuring effective and equitable operation of the adjustment process. That decision will, of course, need to rest on our reaching a demonstrated capacity during the transitional period to meet the obligation in terms of our reserve and balance of payments position."

Question: (4) Would you describe the details of the Lend-Lease settlement negotiated with the Soviet Union? How much lend-lease was written off?

Answer: As the result of the negotiations concluded last October, the outstanding Soviet lend lease obligations will be settled by Soviet payments to the United States of an amount of at least $722 million payable over the period ending July 1, 2001. $12 million was paid October 18, 1972. $25 million will be paid July 1, 1973, and $12 million on July 1, 1975. The balance will be paid in equal annual installments ($24,071,429 for each of 28 installments assuming the first such annual payment is on July 1, 1974*) ending on July 1, 2001. The exact total amount will depend upon when and how many of the four allowable annual deferments are taken by the Soviets. If the Soviets were to take their four postponements early in the period, interest on deferments could amount to as much as $37 million, making the total amount payable between now and 2001 equal to $759 million. Such deferments, if taken, will nonetheless be repaid by July 1, 2001.

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*If MFN is granted between June 1 and December 1, the first lend lease payment is due not more than thirty days thereafter. If MFN is granted from December 2 through May 31 of the following year, then the first lend lease payment is due on July 1 of that year. The earliest payment date of such annual installments is July 1, 1974.

and will bear interest at the rate of 3 per cent per annum. The British pay 2 percent interest on any deferments and are permitted to add a year beyond 2001 for each deferment. The settlement also includes remaining amounts due on the "pipeline account" for lend lease goods delivered (approximately $45 million due) to the Soviets immediately after World War II and for which they have been paying since 1954. Soviet payments since 1954 of principal and interest to the U.S. against this account amount to $199 million.

In negotiating a settlement with the Soviet Union, the U.S. Government has not "written off" any amount of the lend-lease provided during World War II. The lend-lease aid was rendered to foreign governments, including the Soviet Union, under "Master Lend-Lease Agreements," which provided for future determination of the amount and terms of settlement.

From the beginning of lend-lease it was recognized that the assistance provided could not be subjected to normal commercial procedures. In negotiating settlements under the "Master Lend-Lease Agreements" after the war, no compensation was requested for articles lost, consumed or destroyed during the war. Nor was compensation sought for military supplies and equipment under the control of the Armed Forces of the respective allied governments when the war ended. It was the policy of the United States to seek payment only for lend-lease goods in the possession of other countries at the end of the war which were of a civilian type, useful in a peacetime economy of the recipient country.

In seeking a settlement of the lend-lease account with the Soviet Union, the United States has always followed the basic principles and policies, described above, which governed lend-lease settlements with other governments. It was the 1945 settlement with the British, the principal beneficiaries of lend-lease aid, which provided guidelines for settlements with other countries. During the initial negotiations in 1948 the United States asked the USSR to pay $1.3 billion as the first step in the negotiating process, while the USSR offered $170 million. During subsequent negotiations in 1951–52, the United States figure was reduced to $800 million while the USSR increased its offer to $300 million. The claim was ultimately settled last fall for $722 million.

## CAMBODIA

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. Abzug) is recognized for 10 minutes.

Ms. ABZUG. Mr. Speaker, I think it important that we not permit the daily revelations about the Nixon administration's lawlessness on the domestic front to obscure or divert our attention from its lawlessness abroad.

The bombing in Cambodia continues, with no grant of authority from Congress and with no colorable claim of any constitutional basis. I am pleased to note the 63 to 19 vote today in the other body to cut off all funding for bombing in Laos and Cambodia. Considered together with our 219 to 188 vote in favor of a similar provision a few weeks ago, it demonstrates that Congress has finally decided to end our military involvement in Indochina and to reassert its constitutional authority over military and foreign policy.

Anthony Lewis wrote another of his excellent columns for today's New York Times, and I include it at the conclusion of my remarks:

### Crimes of State

(By Anthony Lewis)

Boston, May 30.—On 85 successive days now, without any authority in law, American planes have bombed Cambodia. The latest official figures, for April, showed that the average daily tonnage had risen to nearly one and one-half the amount dropped on North Vietnam during the Christmas bombing campaign.

Not surprisingly, the bombs dropped by B–52's and fighter-bombers actually kill people and destroy their village civilization. A New York Times correspondent, Sydney Schanberg, recently filed an impressively meticulous account of what the United States has done to Cambodia in these last months.

"Sometimes the devastation is continuous for several miles," he wrote of a trip along a road from Phnom Penh. "Ashes, broken cooking pots, shattered banana and mango trees, twisted corrugated iron roofing and sometimes the concrete stilts of a house reaching toward nothingness—that is all that is left. A few people wander forlornly through the rubble. . . ."

Cambodia is a small peasant country in a far-away place, and few Americans know or care much about it. But we might care about the reputation the United States is acquiring as the country that over the last decade has killed more innocent people and destroyed more homes and crops than any other. And above all, at this time of heightened constitutional sensibility, we should care about what this lawless warmaking is doing to our own institutions.

Even President Johnson, when he began bombing North Vietnam in 1965, did not do so as an act of naked Presidential fiat. By whatever means he had persuaded Congress to prove it, he did have the authority of the Tonkin Gulf resolution to attack North Vietnam. Indeed, he was so conscious of the problem of authority that he used to keep a copy of the resolution in his pocket and bring it out when he was asked questions about the bombing.

There is no Tonkin Gulf resolution any more; with the agreement of President Nixon, Congress has repealed it. There is no other law that anyone has interpreted to authorize war on Cambodia. The U.S. is not party to any treaty covering that country. It may be reiterating the obvious to say so, but there simply is no basis in law for the current bombing.

The lawyers of the United States Government have made no serious effort to justify the war on Cambodia in terms of our Constitution and laws. The one person I know who has is Prof. Eugene V. Rostow of the Yale Law School, who tried the other day in The New York Times. His argument was an object lession in self-destruction.

It is an "inappropriate moment" to stop bombing Cambodia, Professor Rostow argued. We cannot "assure the security of South Vietnam" unless we get "hostile forces" out of sanctuaries in neighboring countries. The Cambodian Government, like others, is entitled to call in others for help in collective self-defense.

As a matter of military policy, those arguments would doubtless persuade some people. But, inconveniently, the United States Constitution does not confide such judgments to the President. The power to declare war is committed to Congress.

How sad it is to read such stuff from a man who once understood that the end cannot justify the means in this country, that the Constitution is for bad times and good. Eugene Rostow was eloquent when he fought the internment of Japanese-Americans in World War II. Now he tells us that it would be "constitutionally irresponsible" to stop the President from waging his own war.

Congress is at last moving to stop the unlawful American destruction of Cambodia. But as it does, it must beware of an effort by the President's men to reverse the constitutional burden of proof. They want the Constitution to read: "The President may wage war unless Congress stops him." But it does not say that. It does not put on Congress the burden of overcoming inertia, and possibly overriding a veto; it is up to those who want war to obtain Congressional authorization.

What has gone on these last 85 days is in its way more serious than Watergate, more depressing in its demonstration of how far we have gone in the corruption of our constitutional ideals. For the most eminent men in our Government—not just policemen and political hatchetmen—have carried out acts that they well knew were illegal.

Like Adolph Eichman, they can argue that they were only following orders. But in this country no superior's order is lawful if it is in fact unauthorized by the Constitution and laws.

Law students learn early-on that killing without lawful authority is murder. The point has escaped the White House assistants and Pentagon and State Department officials who have carried out the President's unconstitutional orders to bomb Cambodia. But some less exalted men have begun to understand. One of the B–52 crew members on Guam, a Sergeant Simerly, said "We're still killing hundreds of people every day, and for what? When I came into the Air Force, we had a mission: peace. Right now I'm a paid killer."

## CONGRESSMAN GONZALEZ INTRODUCES LEGISLATION TO PROVIDE ELDERLY HOMEOWNERS WITH GREATER FINANCIAL SECURITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. Gonzalez) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, in the Housing Act of 1949 Congress affirms the national goal of a decent home and suitable living environment for every American family. This goal is becoming harder and harder to achieve, especially for the elderly, and today I am introducing legislation that would provide elderly homeowners with greater financial security.

This bill, entitled the Home Preservation Act of 1973 would allow elderly people to borrow money from the Government to prevent a foreclosure on their home if they are temporarily unable to meet their mortgage payments because of illness or reduced income.

They could borrow enough to cover up to 12 monthly payments under this legislation.

Elderly homeowners could also borrow up to $5,000 at low interest from the Government to make repairs on their homes which they otherwise could not afford.

The interest rate would be 3 percent and for people unable to afford even that, the loan would be interest-free with repayment of the principal deferred for their lifetimes.

This bill authorizes a revolving fund of $50 million for the two loan programs.

I believe this legislation is earnestly needed to help the elderly of this Nation keep their pride in themselves and in their property. More than 13,600,000 elderly people own their own homes, but their average household income is a mere $3,700.

The double problem of a limited income and advancing age make it very difficult for many of them to keep their homes. And with the current rate of inflation the cost of upkeep and repair in these times is far beyond their reach.

I feel that it is essential that we help the elderly people keep and maintain what for them has been a lifetime investment. As citizens of this great Nation they should be able to live out their lives in their own homes and in a manner that gives them dignity.

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### ARMS POLICY IN PERSIAN GULF AREA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. HAMILTON) is recognized for 10 minutes.

Mr. HAMILTON. Mr. Speaker, in the last few weeks, there have been a series of confirmed reports about enormous arms sales to certain states in the oil-rich Persian Gulf which are friends of the United States.

Congress was certainly not given much of a warning about this apparent major element of our emerging Persian Gulf policy. In the President's 1973 report to Congress on our foreign policy and in the Secretary of State's foreign policy report for 1972, emphasis was placed on stability and cooperation in the Persian Gulf, fostering orderly development and maintaining close and friendly ties in order to assure access to oil. The Secretary's report did make reference to United States support for "a reasonable expansion and modernization of regional defense forces, particularly those of Iran and Saudi Arabia."

#### ARMS CONTRACTS

But developments of recent months might suggest that support for economic development and close political ties are peripheral aspects of a policy increasingly centered on maintaining and improving the defense arsenals of the many states bordering the Persian Gulf. Consider what we know now:

Iran, an ally, is contracting to buy over $2.5 billion worth of arms over the next several years.

Saudi Arabia, a friend of the United States, has, under an ongoing program with the U.S. Navy, bought over $600 million worth of equipment and training. There are today $1 billion pending in additional sales to Saudi Arabia and another $500 million cash program for the Army. To this, there must be tagged on an unexplained request by the administration for $20 million in foreign military sales credits for Saudi Arabia for fiscal year 1974.

Kuwait is about to sign contracts with the United States amounting to $600 million.

Bahrain receives some fees from the United States which enable the U.S. Navy's Mideast force to station itself there.

A U.S. military mission has been visiting several of the smaller Persian Gulf States and this mission will probably result in further contracts.

A Communist-supported rebellion in one province of Oman is taking place and the United States, Britain, and some of our Middle East friends—Saudi Arabia, Iran, Abu Dhabi and Jordan—are helping, in one way or another, to stamp it out.

Mr. Speaker, some of these activities have received careful attention over a period of years but others appear to be quick responses to immediate, perceived needs. The net impression left, in the absence of appropriate policy explanations, is that we are willing to sell just about everything these Persian Gulf states want and will buy.

One of the major reasons for the requests of these countries to buy equipment involve their sense of threats to their own security. There is much internal instability in most of these states and distrust among them—even among recipients of U.S. arms. And there is the external threat, some states perceive, from the nearby, more radical states—Iraq and People's Democratic Republic of Yemen. But one wonders whether the potential threat of Iraq—the recipient of over $1 billion worth of arms since 1965—and Yemen, which receives some Chinese and Soviet aid and exports some guerrilla activity to neighboring Oman, will prove to be as much a threat to the calm in the gulf as the burgeoning arms race and the lack of peace in the Arab-Israeli conflict.

It would, indeed, be unfortunate if, during President Brezhnev's visit to Washington, arms races and possible limitations on deliveries in the Middle East, both in the Arab-Israeli sphere and in the Persian Gulf, could not be discussed. Unfortunately, with this hope goes the realization that we are doing most of the selling and may not want even to discuss the issue.

Mr. Speaker, I rise not to express fears or make any dire predictions. I merely feel that our Government must be more forthcoming in explaining its policies in the Persian Gulf and why it is embarking on such an ambitious arms selling program. There may be compelling arguments for these policies but they need to be articulated. We must not become arms merchants in this important area merely because of the arguments often used that if we do not sell arms, others will, or that arms contracts create beneficial interrelationships which last because of the need for spare parts, or that our balance-of-payments problems dictate such action.

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### ON INTRODUCTION OF GASOLINE ALLOCATION BILLS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. HARRINGTON) is recognized for 5 minutes.

Mr. HARRINGTON. Mr. Speaker, in the last week, four of the largest oil companies in the world announced allocation programs for their customers. All over the country, independent marketers are closing down. Cities and towns from Los Angeles, Calif., to Rockport, Mass., have discovered that no major firms will bid for gas supply contracts, thereby jeoparding police, fire, ambulance, and other essential services. The administration is still talking about a voluntary allocation program. And amidst all this, the major oil companies are recording the greatest profits in their history. A number of bills have been introduced recently establishing mandatory allocation programs to protect independent marketers of gasoline. Today, I am introducing two bills which differ in a number of respects from the existing legislation.

The first bill authorizes the President to allocate all forms of energy when he determines that serious shortages exist. Three objectives are established for the allocation program: First, the protection of public health, safety, and welfare; second, the maintenance of public services; and third, the preservation of an economically sound and competitive fuels and energy industry.

The bill also directs the Attorney General to investigate the marketing practices of oil companies which have annual gross revenues of more than $1 billion and to take such steps as may be necessary under the antitrust laws to insure that the marketing practices of these companies are not detrimental to the maintenance of a viable competitive domestic petroleum industry, and do not result in a foreclosure to independent marketers of supplies from these companies.

The second bill makes it a violation of the Federal Trade Act for a major refiner to refuse to supply its independent customers with the equivalent percentage of gasoline being supplied to the refiner's marketers. It also provides that the price charged independent customers—which also includes State and local governments and public authorities—does not increase more than the percentage increase being charged to the refiner's affiliated customers.

The bill further provides that, if a refiner does not sell at least 10 percent of its gasoline to nonaffiliated buyers, it must make an additional 10 percent of its supply available for nonaffiliated customers. The provision means that at least 10 percent, and up to 20 percent, of gasoline supply must be reserved for independent and public use.

The President and the major oil companies have called for conservation and responsibility on the part of the American people during the gasoline shortage. The Congress must act to assure that the major oil companies act responsibly also.

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### SOVIET "EDUCATION TAX"

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. REES) is recognized for 5 minutes.

Mr. REES. Mr. Speaker, I would like to place in the RECORD a letter from Dr. Isaac Poltinnikov, a citizen of the Soviet Union, concerning the harassment he and his family are undergoing because of their wish to emigrate to Israel.

Earlier this year, the Soviet Union announced that they were lifting many of the restrictions such as the education tax which had been imposed upon Jewish citizens desiring to emigrate to

Israel. This letter from Dr. Poltinnikov written last March to Jack and Evelyn Paller of my 26th Congressional District clearly demonstrates that these practices have not disappeared.

It is obvious that Dr. Poltinnikov has been a loyal Soviet citizen and has enriched through a very productive career the quality of life in his country. It is disturbing that a sincere desire to emigrate to another country should cause the events described in this letter to occur. I would hope that practices such as this will cease to exist in the Soviet Union and that new Soviet policy on immigration will no longer result in oppression to those wishing to emigrate.

The letter follows:

Isaac Poltinnikov,
*Novosibirsk, U.S.S.R., March 17, 1973.*

Jack and Evelyn Paller,
*Los Angeles, Cal.*

Dear Friends: We thank you for your letter of March 5 (Our Registration No. N680379) which we received on the 14th of March. We are touched by your care, your attention to ourselves and by the care and attention of others who have written us. Our family has now been trying to get permission to leave for Israel for a long, long time, but as of right now we still do not get permission from the authorities. Lately they started to promise us that fairly soon they would let us go. However, after these promises, weeks and months are passing and permission is still not given. In the meantime, our family finds it to be a hardship—a precarious situation.

My older daughter, Victoria was forced out of her job at the end of 1971 simply because she had declared her desire to leave for Israel. She suffered greatly at that time and was accused of being a traitor to the State at a meeting of her co-workers which lasted for 5 hours. She is a radiologist and can no longer get any work in her specialty and her situation is complicated by the fact that she has tuberculosis. My wife Irma is a cardiologist. After severe illness, she stopped working about five years ago.

I am an ophthalmologist. For a long time I served in the Army as a military doctor. I retired because of my age, and illness, at the end of 1971. I was given a retirement pension for my many years of service and this pension was the basis of our existence. When I declared that I wanted to leave for Israel, I, with many others, had to submit to interrogation, in spite of the fact that I participated in World War II, received many medals and served in the Army for many years as an authority in medical fields, and was many times mentioned favorably by the very same government that is now accusing me of treason to the State. In November of 1972, by a decision of the Ministers of the USSR, I was deprived of my retirement pay and military rank. No one thought about how I was to live from now on. I retired with the rank of Colonel, but they made me a Private.

Not so long ago my wife and daughter were arrested simply because they, together with many other Jews, appeared to petition the Supreme of the USSR, and this brought my wife again another severe heart attack. At the end of 1972, my 84 year old father-in-law (Dr. Bernstein) left for Israel. We were sure that after permitting our very close relatives to leave, we would be given permission too, but as of right now we cannot leave. So our family is separated and we are existing entirely from the sale of the possessions we have accumulated. It is very difficult for us to exist under such circumstances.

I am 52, my wife Irma is 50. We have given the Soviet Union our best years—our major strength, and for example, during just my life in Novosibirsk, I performed more than 3,000 operations and I have saved the sight of many human beings. I have many letters from people saying that I did so many good things for Russia. We haven't that much longer to live. I can count on ten more years and we would like the years remaining to us to make our contribution to our newly-reborn nation, our old-new country which has been raised from the ashes, over the bones of six million Jews who died in the Hitler camps.

We would very much like to know what is Jewish national culture, Jewish national tradition, things of which we have been deprived, not officially, since officially Jewish culture is not forbidden in the Soviet Union, but we are deprived of Jewish culture in actuality. In the earlier years there were Jewish schools, Jewish universities, and Jewish theatre in the Soviet regime but they have all disappeared. Even people who are as old as I am, have forgotten the Jewish language and our children don't know what it is all about. This is because when a man lives outside the Jewish milieu, he knows that the Jewish language and Jewish national tradition are not relevant to his everyday life.

Many people look differently at the question of nationality. We believe in internationalism. We believe that nationalities have their rights and have the right to exist as nationalities and to have national pride. At present this is possible if a people have their own state. This does not mean that only one nationality must live in its own state. This is a private personal business of every human being, but our family wants to live in Israel and we are trying to achieve that openly and strongly. We know very well what the difficulties are and what the difficulties will be. We know that these barriers are placed before us by the government and they are deliberate, but we will not change our minds—no matter what—and for this we are ready to suffer all of the consequences.

We received many letters from various cities in the United States, as well as other countries. In the letters people write about being ready to help us. We are thankful to all those people who express such solidarity in this effort.

We wish you a very happy and pleasant Passover, which is to come soon. With very best wishes to you and your family.

Isaac, Irma and Victoria Poltinniko.

P.S. At present in the United States is my youngster daughter Eleanor and her husband Mark Yampolski. I would be very happy if you were able to meet with them. You may receive news of them through Rosalie and Harry Kleinhaus, 141 E. 89th Street, New York 10028, (212) 722–2625.

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## JOHN GABRIEL, DISTINGUISHED CITIZEN, TO HEAD YMCA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. Danielson) is recognized for 10 minutes.

Mr. DANIELSON. Mr. Speaker, on June 8, Mr. John Gabriel of Montebello, Calif., will be installed as the chairman of the board of managers of the YMCA serving the cities of Monterey Park, Montebello, East Los Angeles, Commerce and South San Gabriel. Mr. Gabriel will assume his new post at a dinner given at the Montebello Country Club.

A lifelong resident of the Montebello-East Los Angeles area, Mr. Gabriel has consistently been active in community affairs, contributing generously of both his time and energy. He is a charter member and past president of the advisory board of the Eastmond Salvation Army, and a past president of the city of Montebello public recreation facilities. He has been a member of his church's board of trustees for the past 15 years.

Mr. Gabriel has been associated with the Beverly Hospital as a member of the board of directors since 1966. Along with his colleagues on the board's building and finance committee, he has been instrumental in the present expansion of the hospital, which is a pressing need in the community.

In addition, John Gabriel is currently a director of the Armenian Educational Foundation, Inc. Twice a year for the past 15 years, he has given awards through the Gabriel Scholarship Foundation to outstanding students at East Los Angeles College.

At the State level, Mr. Gabriel is a member of the California State Senatorial Advisory Committee and is on the Advisory Committee to the Joint Legislative Retirement Committee.

John Gabriel has also played a very important role in the business life of his community. He is the founder, owner, and president of five corporations located in Santa Fe Springs and Montebello, and is well known in the business world as the only independent owner of a combined manufacturing paper board mill and corrugated container plant in the 11 Western States. In 1955, Mr. Gabriel was a cofounder of the Garfield Bank of Montebello and Monterey Park. Since then, he has served as a member of its board of directors and its executive committee. Presently, he is also serving as a director of the Constitution Savings and Loan Association.

Mr. Gabriel's activities in the Montebello, East Los Angeles, Monterey Park and Commerce YMCA include a charter membership, and the general chairmanship of the current support campaign. He now assumes the duties of the chairmanship of the board of managers.

My distinguished colleague, the Honorable Chet Holifield, dean of the California delegation, joins me in congratulating Mr. Gabriel on his election as chairman. His record of past achievement assures us that his term will be a very successful and fruitful one. The districts and communities which we represent are certainly fortunate in having as willing and able a person as John Gabriel working to improve community life.

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## YOUTH CAMP SAFETY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. Dominick V. Daniels) is recognized for 10 minutes.

Mr. DOMINICK V. DANIELS. Mr. Speaker, over 250,000 children will be injured while attending summer camp this year. One more camp season will pass without the necessary regulatory legislation to prevent these tragedies.

Today, Congressman Peter Peyser and I, along with approximately 48 of our colleagues are reintroducing legislation to institute minimum Federal safety standards for youth camps. We have been attempting to establish these standards for the adequate protection of our children for over 5 years with few visible results.

During the 92d Congress, a youth

camp safety survey was authorized as an amendment to the Higher Education Act. This extremely sketchy survey has just recently been made available to the Congress. It unfortunately confirms our worst suspicions. The GAO reports that at least 65 percent of the accidents occurring in their nationwide sample of camps could have been prevented by better supervision or higher standards of camp maintenance and administration. Still nothing is done. Only five States—New York, Connecticut, Michigan, New Jersey, and New Hampshire—have even the barest laws or regulations pertaining to camp safety or they have absolutely no regulatory legislation. There is no estimate of the number of deaths or injuries that go unrecorded, yet we still hesitate.

No legislation or system can remove all the risks for children at camp or anywhere else, but is it not our responsibility to safeguard as best we can, those who are least able to protect themselves?

On January 9 of this year, Mr. PEYSER and I introduced identical legislation in the form of H.R. 1486. If you have not already expressed an interest in cosponsoring this bill we hope that you will look into the legislation and follow the hearings which I hope to schedule in the near future.

## REMARKS OF THE HONORABLE CHET HOLIFIELD ON REORGANIZATION PLAN NO. 2 OF 1973

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. HOLIFIELD) is recognized for 10 minutes.

Mr. HOLIFIELD. Mr. Speaker, there have been several developments in regard to the implementation of Reorganization Plan No. 2 of 1973 that have taken place since the Waldie Resolution, House Resolution 382, was reported from the Committee on Government Operations. I insert, herewith, a copy of a Dear Colleague letter which my colleague, FRANK HORTON, ranking minority member on the committee, and I sent out to all Members of the House with attachments. The material is self-explanatory, and will indicate that a major source of opposition to the reorganization plan has been removed.

The plan creates a new Drug Enforcement Administration in the Department of Justice, and consolidates a number of enforcement activities which should improve the ability of our Government to deal with the problem of drug trafficking.

HOUSE OF REPRESENTATIVES,
*Washington, D.C., May 31, 1973.*

DEAR COLLEAGUE: The House Committee on Government Operations reported that Waldie Resolution (H. Res. 382) disapproving Reorganization Plan No. 2 by a vote of 23 to 17. The undersigned supported the Reorganization Plan by voting against the disapproval resolution. Under the Reorganization statute, neither the Reorganization Plan nor the disapproving resolution can be amended by the Committee or by the House.

By unanimous consent, the Waldie resolution will be considered by the House on Thursday, June 7, 1973.

As a result of the hearings and numerous conferences between the Administration, members of the Government Operations Committee and representatives of the American Federation of Government Employees and the AFL–CIO, certain agreements have been arrived at to resolve areas of disagreement which had not been resolved prior to the vote of our Committee.

We are attaching certain documents indicating the withdrawal of opposition to the Reorganization Plan by organized labor, the substance of the crucial portion of the agreements reached, and the reasons therefor. We have introduced H.R. 8245 in furtherance of the agreements.

We believe that the results of this procedure of negotiation will have the effect of strengthening the Immigration and Naturalization Service and, at the same time, will insure more effective enforcement of the drug control laws. Therefore, we felt it was important for us to bring these facts to the attention of each Member of the House.

In light of these changes, we hope that you will support the Plan.

Sincerely yours,

CHET HOLIFIELD,
FRANK HORTON.

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OFFICE OF MANAGEMENT AND BUDGET,
*Washington, D.C., May 29, 1973.*
Hon. CARL ALBERT,
*Speaker of the House of Representatives,*
*Washington, D.C.*

DEAR MR. SPEAKER: The President continues to be most interested in taking those steps necessary to ensure the most effective possible Federal drug law enforcement. Congressional approval of the consolidation of drug law enforcement functions proposed to the Congress in Reorganization Plan No. 2 of 1973 is essential to this effort.

Serious opposition to the Plan has been articulated by organized labor and other interested parties based on the assertion that the Plan would adversely affect the nation's capability to deal with the problems of illegal alien control because it would transfer approximately 900 Immigration inspectors from the Immigration and Naturalization Service to the Bureau of Customs. These concerns appear to have been in part responsible for the action taken by the House Government Operations Committee on May 22, 1973, in recommending disapproval of the Plan.

Discussions with representatives of organized labor and members of the House Government Operations Committee subsequent to the Committee's action have led us to conclude that the transfers envisioned by Part 2 of the Plan should not take place pending further Congressional and Administration review of the illegal alien issue.

We would therefore propose to make Section 2 of the Plan inoperable by statute prior to July 1, 1973. Draft legislation to accomplish this objective is attached.

We urge speedy Congressional approval of both this bill and of Reorganization Plan No. 2 of 1973.

Sincerely,

ROY L. ASH,
*Director.*

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OFFICE OF THE ATTORNEY GENERAL,
*Washington, D.C., May 30, 1973.*
Hon. CARL ALBERT,
*Speaker of the House of Representatives,*
*Washington, D.C.*

DEAR MR. SPEAKER: On Thursday June 7, the House will consider a resolution of disapproval (H. Res. 382) filed against the President's Drug Law Enforcement Reorganization Plan (Reorganization Plan No. 2 of 1973). In essence, the Plan provides for consolidation of federal drug law enforcement activities to increase their effectiveness in combatting the vicious drug menace facing our Nation.

As a result of contemplated transfers of personnel from the Immigration and Naturalization Service at the Department of Justice to the Treasury Department's Bureau of Customs, serious opposition had earlier been voiced by organized labor based primarily on the assertion that the Plan would adversely affect the Nation's capability to deal with the problem of illegal alien control. Fortunately, as you are aware, these differences have now been resolved by the proposed legislation outlined to you in Roy Ash's letter of May 29.

From experience as a State Attorney General and as a Federal prosecutor, and as Secretary of HEW, I am well aware of the terrible toll in both material and human resources taken by drug related activities. Narcotics networks know no boundaries. Their tentacles span local, state, and international borders. They reach into the most affluent suburbs at the same time they are reaching into the poorest urban ghetto. They affect all races, all ages, and all income groups.

The emphasis of law enforcement in the area of narcotics must be upon locating and destroying the hubs of these narcotics networks and at bringing to Justice those at the top who would make millions in the illegal sales of drugs. A single, effective national agency with adequate funds and manpower can best combat these networks. The creation of a unified drug enforcement agency in the Department of Justice will provide this country with just such a mechanism to combat interstate and international narcotics trafficking.

Because of the urgency and importance of the problem, I am hopeful that we can now move with dispatch to carry-out Reorganization Plan No. 2. Your support would be greatly appreciated.

Sincerely,

ELLIOT L. RICHARDSON,
*Attorney General.*

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AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES,
*Washington, D.C.*

### STATEMENT—AFGE POSITION ON REORGANIZATION PLAN NO. 2 OF 1973, MAY 30, 1973

In response to Congressional and union concerns regarding the illegal alien problem facing the United States, the Administration has agreed to place additional emphasis on the roles and responsibilities of the Immigration and Naturalization Service. In particular, the Administration has agreed to seek repeal of Section 2 of the Plan and until such legislation is enacted to not implement the controversial Section 2 of the Reorganization Plan No. 2 which would remove the immigration inspection function from the Immigration and Naturalization Service.

We will support this Administration effort to deal with the flood of illegal aliens and find that it is consistent with Labor's support of H.R. 982 to help alleviate the United States unemployment crisis.

Reorganization Plan No. 2 has the critically important goal of mounting an all-out offensive on illegal drugs by consolidating the drug law enforcement activities in a new agency within the Justice Department. While not agreeing with all the details of the Plan, the AFGE is in complete agreement with the need to pursue the fight against illicit drugs.

Therefore, based on the Administration agreement not to implement Section 2 pending its repeal and the overriding Administration concern for the efficacy of its drug enforcement program, the AFGE has agreed to cease all lobbying and other activities designed to defeat Reorganization Plan No. 2 in the Congress. In effect, this means AFGE has withdrawn its previous objections to Reorganization Plan No. 2 of 1973.

It is my understanding that the AFL–CIO is in full accord with this position.

CLYDE M. WEBBER.

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### AFGE ACCEPTS ADMINISTRATION ASSURANCES, WITHDRAWS OPPOSITION TO REORGANIZATION PLAN NO. 2

The American Federation of Government Employees, AFL–CIO, which represents 625,000 Federal employees, today expressed satisfaction with the Administration's proposal to make inoperative Section 2 of its Government Reorganization Plan No. 2 which the Union had strenuously opposed because of the deleterious effect it would have had upon the Immigration and Naturalization Service.

"We accept in good faith the Administration's assurances that it will propose legislation which would set aside Section 2, and until such legislation is enacted it will not implement Section 2," AFGE National President Clyde M. Webber announced.

"We also accept at full value the Administration's views that defeat of Reorganization Plan No. 2 would seriously delay and impair its program to wage all out war on the illegal drug menace."

Based on these assurances, Webber announced AFGE will no longer actively oppose Reorganization Plan No. 2.

"We also want to assure the friends and allies of Federal employees in the Congress that we appreciate the support and assistance they have given us in our effort to preserve and improve the national effort to contain the flood of illegal aliens into the U.S.," he said.

Webber had told the House of Representatives Committee on Government Operations that AFGE opposed Section 2 of the Plan because the proposed transfer of 1,000 INS Inspectors to the Bureau of Customs "will lead to demoralization and to the loss of time and effort at all levels."

"The Administration's agreement to withdraw Section 2 of the Plan will avoid this situation," he said.

"AFGE agrees, of course, that it is critically important to mount an all-out offensive on illegal drugs by consolidating the drug law enforcement activities. While not agreeing with all of the details of the Plan, the AFL–CIO and, therefore, the AFGE, are in complete agreement with the need to pursue the fight against illicit drugs."

Webber stated, "While the Plan is not perfect, it is necessary to avoid any prolonged delay in the fight against the illicit drug traffic."

For further information contact: Clyde M. Webber, National President, AFGE; Leo M. Pellerzi, General Counsel, AFGE, 1325 Massachusetts, Avenue, N.W., Washington, D.C. 20005. Phone: (202) 737–8700.

## THE ENERGY CRISIS 2 YEARS LATER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee (Mr. Fulton) is recognized for 10 minutes.

Mr. FULTON. Mr. Speaker, 2 years ago, almost to the day, on May 26, 1971, the House defeated by a significant margin my resolution to establish a select committee to study the energy resources of this Nation.

Despite the fact that the resolution had well over 100 cosponsors which would generally indicate strong bipartisan support the bill was handily defeated. The reasons for its defeat were several but outstanding among them was the fact that several committee chairmen in the House objected to the committee on grounds that such a body would intrude on the jurisdiction of their own committees. Several of them further stated that if the resolution were defeated they would, in the near future, hold hearings on that area of energy matters which fell within their jurisdiction.

That was 2 years ago last Friday and to my knowledge with the exception of Mr. Evins' Select Committee on Small Business, no sustained attention has been directed to this problem by any committee in the House and no legislation of any significance to alleviate our energy problems has been reported or passed.

My purpose here is not to condemn or criticize. It is simply to point to the fact that we have done almost nothing in the 2 years since these assurances were given on this floor that something would be done.

What has transpired in the meantime is a tragedy and disgrace. Today we have gasoline shortages with service station operators going out of business or forced to curtail operations and motorists unable to fill their tanks. We have trial balloons floated proposing an unbelievable 5- to 10-cent-a-gallon increase in Federal gasoline taxes, a most regressive tax and a most perplexing proposal for meeting our energy needs.

Today we have to import more and more of our crude oil from the unstable Middle East in an energy supply effort which not only should be unnecessary but which is a critical factor in our balance-of-payments deficit today and threatens to grow larger in the months ahead unless something is done.

Just yesterday the Federal Power Commission, that dubious protector of the public interest, voted to grant an unconscionable 73 percent increase in new natural gas to three firms. This is just another step toward total deregulation of this energy resource, a step which the industry has long sought and a step which this administration, with its anticonsumer bias, supports.

The public is soon going to be searching to place the blame for this disgraceful and as far as I am concerned, avoidable energy crunch. It will be at first very fashionable to blame the energy industry because they control the resources. But it is the Government which should set the national policy on energy and soon the public will realize that we have been totally inoperative and inactive through our failure to undertake let alone carry out this responsibility.

While I will have more to say on this matter in the very near future because it is my hope it will become an issue for public debate right here in this body, I urge my colleagues to review this matter and focus their attention on the fact that we have failed to act while this energy shortage, whether real, contrived, or a mixed bag of each, has reached threatening proportions which far transcend our inability to gas our autos or fuel our homes.

## THE CONGRESS AND INDOCHINA

(Mr. BINGHAM asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. BINGHAM. Mr. Speaker, we read of "new understandings" on Indochina, full of promise and just around the corner—if only we do not "tie" the President's hands. Diplomatic efforts to bring peace closer are of course most welcome and should continue. We must not, however, lose sight of the realities. One reality is that the situation in Indochina defies any quick solution, and could easily deteriorate. Another is that the administration, unless Congress acts to assert its own responsibilities, will continue to claim uncontested authority to use military force, or the threat of force in Indochina.

The U.S. bombing in Cambodia is the most blatant abuse of Presidential authority at present. However, even should the administration decide on its own to halt the bombing tomorrow, air strikes in Indochina could be resumed at any time. Unless Congress acts, what assurance do we have now that we will not awake some morning to a new U.S. military involvement in Indochina, undertaken by the administration in the name of "maintaining peace"?

I am encouraged by the recent strong expressions in both Houses of the Congress to assert congressional responsibility in this area. The Senate has been able to move ahead with various legislative initiatives, which we may expect to have before us sooner or later. In the meantime, the House should take action itself at the first appropriate opportunity. War powers legislation would seem to offer one such early opportunity.

Mr. Speaker, much has been said and written on the need for the Congress to stop the U.S. military actions still going on or threatened in Indochina, notwithstanding the fact that all of our combat forces have been removed and our prisoners returned. I insert in the Record a most timely editorial concerning Indochina and realities, which appeared in the New York Times on May 31. I believe that the "challenge" applies equally to the House:

### Challenge to the Senate

Administration efforts to defer or deflect Senate action to cut off all funds for United States military operations in Cambodia and Laos represent a dangerous flight from reality on two vital issues.

The Administration appears to assume that:

(1) Even after the President's proclamation of "peace with honor" in Indochina and the return of United States combat troops and prisoners, the American people will continue to support direct United States military involvement in the area indefinitely to sustain an agreement that was presented to them as the end of involvement;

(2) Congress and the public can be persuaded in the name of national security to tolerate the continuing abuse of Presidential authority in committing this country to military actions without following constitutional procedures.

Congress has already vigorously rejected both propositions—in a House vote three weeks ago banning the transfer of Defense Department funds to pay for the Cambodian bombing and in this week's vote in the Senate upholding the complete cutoff of funds for United States military activities in Cambodia and Laos.

These forceful expressions of Congressional sentiment virtually render moot the Administration's dubious argument that the fund cutoff would compromise Henry Kissinger's efforts, for which he has already claimed success, to salvage the Paris peace accords. In any event, it would not serve the cause of peace if the United States negotiator were to reach understandings based on military actions and threats that the American people and Congress are not willing to support.

If the President had taken his case to Congress in accordance with constitutional requirements and offered persuasive arguments that the bombing of Cambodia or other threatened military actions served vital United States interests, the Congress undoubtedly would have given the most serious consideration to a request for authority to undertake such actions.

Instead, Mr. Nixon has flouted Congress and the Constitution in pursuing military policies which have repeatedly failed in the past and which many members fear will only prolong the war, generating fresh American casualties and prisoners and risking additional direct United States military involvement in the essentially local political problems of the Indochinese people.

Everyone, of course, will welcome Mr. Kissinger's announcement that he expects to conclude "new understandings" with Hanoi next week to strengthen the cease-fire. But the concurrent announcement of Canada's decision to quit the international control commission in Vietnam underscores the skepticism that attends all efforts to patch up an imperfect peace. There is still no sign that either side in Vietnam or in neighboring Cambodia is preparing for the kind of political accommodations that are needed to stop the fighting for good.

An armed truce that works would be a notable improvement over the heavy fighting that has persisted since the cease-fire pact was signed last January. But Mr. Kissinger's announcement provides no real assurance that peace is at hand in Indochina or that Congress can relax its efforts to insure that the United States military withdrawal becomes complete and irrevocable.

## MAKE CONTRIBUTION TO THE U.N. AND UNICEF TAX DEDUCTIBLE

(Mr. BINGHAM asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. BINGHAM. Mr. Speaker today I am introducing legislation to encourage private contributions to the United Nations and the United Nations Children's Fund—UNICEF—by making such donations tax deductible here in the United States.

The 28-year history of the United Nations has been one of contribution to peaceful resolution of international disputes, improvement of understanding among peoples, and advancement of the social and economic development of the emerging nations. Like any other major institution, the U.N. has suffered setbacks and disappointments on occasion, but a balancing of its record indicates that the organization has been a decisive factor in contributing to a reduction of world tensions. United Nations military forces have performed valuable peacekeeping missions in the Congo, the Middle East, Cyprus, Indonesia, and India-Pakistan. The work of the organization in assisting emerging nations to make a peaceful transition from colonial status to self-determination and independence has been of enormous significance. In addition to this activist role, the U.N. performs the vital function of serving as a world forum for contact, negotiation, and conciliation among nations with radically differing interests, ideologies, and ambitions. Many of the U.N.'s accomplishments are made from day to day at the ordinary working level, without great publicity or fanfare, and these quiet achievements are certainly as significant as the occasional shortcomings of the organization which receive such wide notice.

Financial gifts, donations, grants, and legacies from the many foundations, associations, and individuals in the United States who have developed an interest in the U.N. and an admiration for its accomplishments constitute an attractive potential source of funds for future U.N. activities and programs. Unfortunately, many Americans and U.S. foundations who might be inclined to make such donations are discouraged from doing so because contributions to the U.N. and UNICEF are not tax deductible as charitable contributions under existing U.S. law. The proposal which I am introducing today would make such U.N. and UNICEF contributions by U.S. taxpayers fully deductible for U.S. income, estate, and gift tax purposes, just as contributions to U.S. governmental units are fully tax deductible.

Mr. Speaker, I feel that the enactment of this legislation would be a positive step forward in advancing multilateralism and international cooperation. Now that the annual U.S. governmental contributioin to the U.N. has been recently reduced, the organization is in need of additional funds and resources to help meet ever-increasing expenses and the high cost of maintaining world headquarters in New York City.

I urge the Congress to give this bill serious consideration at the earliest possible opportunity.

## FACTFINDING AD HOC CONGRESSIONAL HEARING ON MIA'S

(Mr. WOLFF asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. WOLFF. Mr. Speaker, last week, I sponsored an ad hoc hearing in New York City. On the present status of efforts to obtain a complete accounting for our men classified as missing in action. The hearing, attended by my colleagues, Congressmen Koch and Rangel, attempted to spotlight and draw attention to the many problems associated with the MIA's. We heard from many families and friends of MIA's, and, I think, gained some new perspectives in this area.

Because of the tremendous amount of interest in this critical concern, Congressman Koch and Congressman Rangel are joining me in inserting the transcript of our hearings into the Record, for the attention of our colleagues:

### Factfinding Ad Hoc Congressional Hearings on Mia's Held at the Federal Building, New York, N.Y., on Friday, May 25

Before: Rep. Lester L. Wolff, (D-Queens), Chairman; Rep. Edward Koch, (D-Man); Rep. Charles Rangel (D-Man); Members of Panel.

List of Witnesses: Mr. Dermot G. Foley, Mr. Fred Feldman, Mr. George Brooks, Mrs. Walter Schmidt, Mr. Jerry Dennis, Mr. Joseph McCain, Mr. Thomas Gleason, Mrs. Mary Payne.

### PROCEEDING

Representative Wolff. I am Lester L. Wolff, a member of the Foreign Affairs Committee, member of the Subcommittee on Asian and Pacific Affairs and member of the Veterans Affairs Committee.

On my right is Congressman Rangel of New York (indicating) and on my left is Congressman Edward Koch of New York. These gentlemen have joined in this hearing today, which is preliminary to a Full Foreign Affairs Committee inquiry next week in Washington.

The minutes of this meeting will provide a basis for further investigation leading to, we hope, a rapid resolution of the problem of the MIA's.

I am very happy to see that so many of us share in the critical concern for the fate of American men who have been listed as missing in action.

We are all aware that there have been countless conflicting stories on the success or failure of efforts to obtain a complete accounting of these men. In that light, we can all agree that we seek most of all to avoid a repetition of the sad situation that followed the conclusion of the Korean conflict twenty years ago.

We have assembled this hearing for several purposes:

First, and most important, as I have indicated, is to gather information preliminary to official hearings that will be held in Washington next week in the House Committee on Foreign Affairs. Congressman Rangel will appear with me before the Committee to present the information that we have secured. I take it that Congressman Koch will be there as well.

This investigation will cover the question of the Missing in Action and the efforts to investigate their status and the treatment of the families of these men, and also what steps are being taken to resolve the problem.

Secondly, we are going to hear from the people most directly affected by the government's policies: the families and friends of the men themselves.

We are seeking to discover how the Departments of Defense and State have communicated with the families, whether they have been open and forthcoming with all possible information, and related areas of concern. Similarly, we want to find out if there has been withholding of vital information, and, if so, who is responsible.

Thirdly, we want to gain your impressions of the efforts to investigate the status of the remaining MIA's, and of the overall compliance by the parties to the Paris accords as they relate to the accounting of these men.

One of the main problems facing us all with the MIA's is the state of agonizing uncertainty it places on the families. Compassion dictates that as expeditious and clear a resolution of the fate of the men be made. We cannot allow anyone to hold the fate of the MIA as hostage for political gain, or as instrument of foreign policy. The families of these men cannot be used as pawns in a political "game plan." Too much suffering has been visited upon next of kin already; we must go about the business of obtaining a complete accounting as rapidly and expeditiously as possible.

Again, let me say that I am very grateful to those families that have come here today and to those who have information that will help us toward a resolution of the problem.

I would next like to call upon Congressman Rangel of New York for a short statement.

Representative Rangel. Mr. Chairman, I thank you for this opportunity. In addition to the statement made by Congressman Wolff, I would like to point out a discrepancy that Americans have noticed as they have enjoyed and welcomed the return of our Prisoners of War. The question has been raised as to why less than twelve percent of the prisoners that have been returned to this country were enlisted men.

I served in Korea from 1950 to 1951 in combat with the Second Infantry Division.

I received a Purple Heart and a Bronze Star.

From my experience in Korea, it is totally inconceivable to me that as America engaged in ground warfare in Southeast Asia for ten years, with a total involvement of over two and a half million soldiers, that it can be said that of the 566 Prisoners of War returned by the enemy, only sixty-nine of them were enlisted men.

I cannot conceive that in any combat situation where there were close to 46,000 American soldiers killed, with 4,000 of them being black, that we are being asked to believe that of the Prisoners of War, less than twenty of them were black.

As we suffered with anguish in watching television to see what was happening in this war, nobody can disagree with me that the war as depicted on television certainly portrayed the fact vividly that the black ground soldier was present in Vietnam in numbers far greater than the percentage of his population in this country.

How, then, can we say that with an announcement having been made that all of the prisoners have returned, we must accept the fact that the black man that fought and died there, in numbers far disproportionate to the percentage of his presence in America, is once again the "invisible man" among our returned Prisoners of War.

The question is not just one of white or black.

The question is what happened to all of the American enlisted men that fought this war, and why is it that the only thing that we are concerning ourselves with now are officers who became Prisoners of War from the bombing raids over North Vietnam. Even the Missing in Action, from the Department of Defense would indicate that close to a thousand of them are officers, while 376 of them are enlisted men.

I think there are answers that the Department of Defense has refused to give the American people, and that we have been programmed, we have been staged to be joyful without question in response to the sight of the Prisoners of War leaving the airplanes.

I am just saying as a former dogface, as a former infantryman, that the families of infantrymen all over this country should get a better answer as to why only officers were included, or at least eighty percent, over eighty percent were officers in the Prisoners of War.

Representative WOLFF. Thank you, Mr. Rangel.

The next statement will be from Congressman Koch of New York.

Representative KOCH. First, Mr. Chairman, I want to commend you for organizing these hearings.

They serve a most valuable purpose to keep public attention focused on the distressing fact that so many of the Missing in Action have not been accounted for.

I also want to commend the families of the POW's and the Missing in Action who over the years have kept this issue before the public, when it might otherwise have been swept under the carpet. As a result of those pressures, the Congress was continually confronted with the dilemma of the POW's and MIA's.

Now that hostilities appear basically to be ended, although some fighting still continues, we want to make certain that the faith of these MIA's is still before the public until every reasonable effort has been made to locate every single individual whose existence or death is not yet exactly known.

I am here to lend my support to those efforts and I will be in Washington to lend my support there.

I do want to mention, too, to those assembled here that I will be leaving earlier than the others because I have another community meeting which, unfortunately, could not be postponed.

But my feeling is as strong as anyone's. Anyone who has served in any war—and I have served in World War II—must have uppermost in his mind the faith of the soldiers who served their country.

So it does not make any difference what we be, doves or hawks—and the three of us sitting here at this table were opposed to the war—but the 435 members of Congress are united in ensuring that the MIA's will not be forgotten.

Representative WOLFF. Thank you, Congressman Koch.

Our first witness today is Mr. Dermot G. Foley, an attorney, brother of an MIA pilot. He is affiliated with the Council for Civilized Treatment of POW's and the Long Island League of Families.

Mr. Foley, I appreciate your coming here today and your cooperation in getting these hearings together.

Your cooperation was invaluable, sir.

I wonder whether you can now fully identify yourself and tell us your story.

Mr. DERMOT G. FOLEY. Yes. I am Dermot G. Foley.

I, as the Congressman has mentioned, I am an attorney practicing in the New York City.

I am the brother of Lt. Col. Brendan P. Foley of the Air Force, who has been missing in action since November 24, 1967.

For several years I have been intimately involved in activities respecting POW and MIA problems.

I am a member of the National League of Families of American Prisoners Missing in Southeast Asia.

I am also affiliated with the Long Island League of Families and the Council for Civilized Treatment of POW's.

I assume that this Committee is informed respecting POW problems prior to the Paris Peace Agreement.

Therefore I will confine my statement today to the current situation among the families and to discuss the problems which are presently being faced and the solutions which I believe should be considered by legislators.

The Paris Peace Agreement and the arrival home of the POW's occasioned much relief and happiness in this country and MIA families shared in the sentiments.

In particular, after years of close association with the POW question, we enthusiastically participated in welcoming those POW's who were fortunate enough to be returned.

However, we were also painfully aware that close to 75 percent of the men involved did not come home, and it became quickly apparent that they were not being accounted for.

While this situation developed we felt bound to remain silent for fear that protest might prejudice the return of those who were coming home.

This silence was limited, however, to public statements. And there was extensive communication among MIA families and with individuals at the White House and in the Departments of Defense and State.

This arose from anxiety which focused on Article 8(b) of the Peace Agreement.

A copy of that agreement I am attaching to this statement. I am furnishing this to this Committee.

Your attention is invited to the fact that this provision calls for an exchange of information respecting MIA's who are not returned or accounted for.

But the right to such information is limited expressly to those men who are still considered Missing in Action. Quote; those are the words used.

Thus, it can be claimed that there is no right to such information with respect to men who are not still considered Missing in Action, and any act which tends to establish that a man is no longer considered Missing in Action can have disastrous and irreparable impact on him and his family.

This is a very real danger. I am attaching the text of Sections 555 and 556 of Title 37 of the U.S. Code which form the statutory basis for presumptive findings that individuals were killed in action and they are no longer considered Missing in Action.

Your attention is invited to the fact that such change of status need not be based on any evidence that death occurred and may be made despite a total absence of such evidence.

This particular procedure is planned in the case of the MIA's. Board hearings are now in process to make status changes and several such changes have already been made. Within the past ten days General Ogun, who is a decisive personality in the government's treatment of the MIA problem, announced to family members that the status of every MIA will be changed to KIA—which is presumptively Killed in Action—within approximately the next twelve months regardless of the presence or absence of evidence.

At that point, then, as far as the Peace Agreement is concerned, these men are not only written off the payroll but any further inquiries concerning them are open to rejection by the North Vietnamese, who have never shown any candor or honor on the question and have no reason to change that attitude now.

I would like to add that the Board hearings which are being conducted for purposes of determining a change of status are conducted without any notice to family members, are conducted without affording family members any rights whatsoever to participate or challenge the basis on which the changes are made and are not subject to appeal unless one goes to Court for some type of a special proceeding to appeal it there. That will, of course, be subject to presumptions which favor the validity of determinations by an agency such as the Defense Department people in this case.

Understandably, then, we were seriously concerned. Added to the status change problems were a whole range of other questions which we came to feel were not being treated with adequate candor by our government. When efforts to clarify these areas were unsuccessful, the Long Island League of Families sent a letter to the President of the United States on February 9, 1973 which dealt in detail with unnecessary difficulties which our government was creating for MIA families. The text of the said letter was as follows. Under the letterhead, the date and the name and address of the President. Let me remark, also, that the letter is attentioned to Brigadier General Brent Scowcroft.

"DEAR MR. PRESIDENT: At a meeting of our organization of POW/MIA families on February 5, 1973, we had a long and detailed discussion of our current problems, anxieties and uncertainties and we tried to identify measures which we believe will be helpful to us now.

"To the surprise of some of us, we came to certain unanimous decisions which included the sending of this letter to you.

"Generally, our present difficulties fall into three categories. The first is a sense of bewilderment, and, to be frank, of latent suspicion, at the apparent consequences for MIA's of the manner in which the cease-fire was achieved and the contents of the Cease-fire Agreement and accompanying protocols.

"A reading of these documents offer no assurance that the thoroughness of MIA accounting has not, in the final analysis, been left to the discretion of the North Vietnamese and their colleagues. The meager and incomplete information available from media reports and the varying opinions of persons who may or may not be accurately informed on the subject, are of little use.

"In October, when you told the nation that you wished to resolve ambiguities before signing an agreement, we trusted you and supported you. Now we have an agreement in which some ambiguities may have been resolved but which contain uniform equivocation on MIA accounting. We can find nothing in these documents which assures us that the North Vietnamese and their colleagues will perform any better than did the North Koreans and Chinese after the settlement of the Korean conflict. Indeed, we see a distinct danger that the other side, relying on the terms of Article 8(b)"—which I have referred to—"of the Cease-fire Agreement, may recognize no obligation to furnish any information respecting any missing men who have had their status changed, pursuant to 37 U.S.C. Section 555 or 556, to one of presumptive killed-in-action.

"From the foregoing illustrations you can see that we have a considerable range of substantial questions which we would like to have answered. We are not being informed on these matters despite our pressing need to know. Instead we are being left to our own speculations, which can be painfully disastrous. We submit, Mr. President, that this is not right.

"A second area of inquiry concerns the future. We need to know details about the search for MIA's. Can this be expressed in terms of man-hours per square mile or of facilities which will be employed? Indeed, will there be a physical search for crash-sights, graves and other relevant locations? If so, to what extent will the United States participate in such a search and what punitive and/or persuasive influences are we prepared to commit to assure the success of the efforts of others who are involved?

"In short, then, we really know nothing about the prospects of our MIA's. If the fate of these men is not to be left to the discretion of the other side, there should and, indeed, must be a plan of action and some degree of analysis of any preparation for the contingencies that are likely to arise. We, however, have not been given any basis for an intelligent appraisal of what we are to expect.

"A third problem area involves the whole question of presumptive findings of killed-in-action. A poll of those present at our February 5th meeting revealed that a wide range of inconsistent information is being received by MIA families on this subject both with respect to the procedure whereby such a finding may be made and the time when such findings will commence to be made. Also unknown are the criteria which will be decisive and the degree, if any, to which interested family members will be notified of and permitted to participate in the proceedings leading to such findings."

Representative Wolff. Excuse me, Mr. Foley. Are you still reading from the letter?

Mr. Foley. Yes.

"The foregoing is merely intended to illustrate the problem areas. It would not be possible, in a letter such as this, to express all of the doubts or to ask all of the questions which plague our members. From these illustrations, however, the areas of needed information can be fairly well defined and we believe that there is only one effective way to treat the matter.

"In the past, when representatives of the administration or of the various branches of the Armed Forces wished to meet with POW/MIA families, they did so by arranging relatively large scale briefing sessions at different places around the country. These sessions were so organized that most if not all of the families could conveniently get to the meeting place. At the meetings the attending families were given information relative to the subject matter of the session, often in great detail, by a team of highly informed experts. Thereafter, the normal practice has been to open the meeting for questions from the family members, which, for the most part, were responded to satisfactorily.

"On occasion matters of some delicacy were discussed at these sessions and we believe you will find that those who were present treated the disclosures made to them in a highly responsible and discreet way.

"The one product of these sessions which is particularly relevant now is the fact that frank, candid, informed dialogue with informed and authoritative persons, diffused and relieved, to some extent, the fears and anxieties which have been corroding the minds and hearts of each of us for years. We left those meetings with a feeling respecting our government's attitude and position which only a personal exchange can produce.

"The POW/MIA families in our area (Long Island and lower New York State) strongly feel the need for such a meeting now. The subjects which would predominate are those discussed above in this letter. Necessary limitations could be explained and agreed to and within that framework we could proceed with this very necessary business in a cooperative, productive manner.

"We feel that such a meeting should be called at the earliest date available and should be conducted in the New York City area or on western Long Island. We could cooperate on the details of preparations so as to avoid schedule problems for a maximum number of people.

"The practice in the past has been for the different branches of the Armed Forces to conduct separate sessions. We recommend a change in this policy so that this time a session be conducted at which the families of Army, Navy, Air Force and Marine MIA's will gather together with one group of informed people in one place at one time to discuss the subjects in which we all have such a vital common interest.

"In conclusion, we wish to emphasize that what we propose is not a confrontation." And that is clear. "We have a genuine and legitimate need for information, discussion and assurance. We have confidence that our request will be treated in this light. Because of the urgency of the situation and the undesirable consequences which will flow from delay, we would appreciate a reply to this letter as soon as is conveniently possible."

Representative Wolff. What is the date of that letter?

Mr. Foley. The date of that letter was February 9, 1973.

I have more details about its delivery. It should be noted that this letter was written against a background of years, before the Peace Agreement, when MIA and POW families were led to believe that there was a receptive and cooperative attitude at the White House concerning their problems. Further, the letter was preceded by telephone discussions with Mr. William Gulley, a White House staff member who had been involved in POW/MIA matters and who, together with Brigadier General Brent Scowcroft, received copies of the letter.

Post Office records establish that the letter was received at the White House on February 16, 1973.

Our past experiences led us to believe that a letter as this would receive responsible and reasonably prompt attention from the White House. However, this time no direct answer was forthcoming. Indeed, months later, after our letter had been shuffled from one functionary to another, a short, blunt note was received from an Under-Secretary of Defense stating that our request for information was rejected.

Representative Wolff. What date was that letter received?

Mr. Foley. I do not know. But I believe it was about two months afterwards, and I will attempt to get a copy of that letter and furnish it.

Representative Wolff. Who was that letter sent to?

Mr. Foley. Mrs. Mildred Fowler. She was the person who signed the letter that we sent.

Thus, the position of the Administration was that the families of MIA's were to be left to confront their worries and anxieties without clearcut information.

The effect, of course, has been devastating. There is a distinct feeling on the part of most of the families with whom I have spoken—and I have spoken to families right across the country—that the stage is being set to force an acceptance by them of a conclusion that the MIA's are dead and that it is appropriate to pave the matter over and forget about it. Now, I join in that suspicion.

It is reinforced, in my opinion, by the apparently orchestrated release of statements by persons associated with the Administration, indicating, among other things, that there is no proof of survivors. It would be hard to find such proof before a thorough search has been made.

It is further reinforced by the absence of any firm indication of insistence by our government upon the accomplishment of a dependable verified accounting of the men who are not returned. The complaints, if any, have been mild in comparison with the sentiments expressed respecting the continued protection of some Indo-Chinese political figures.

The ongoing program of status changes, without regard to the consequences for MIA's is a further indication of what is happening.

The dogged determination of the Department of Defense in adhering to KIA determinations in the face of overwhelming evidence of error is further support for our suspicions. Another witness will, I believe, be furnishing details of the Mark Dennis case which demonstrated a morbid resolve on the part of the Defense Department to pave over and suppress the embarrassment resulting from a lack of concern in identifying the war dead and returning them to their families for burial.

That was a case of where there was not merely a mistake made but it was followed, I tell you, by outright misstatements, and I think you can only fairly characterize it as straightforward fraud.

This nation owes an unlimited moral obligation to the captured Americans whom we sent into battle. I believe we all recognize that. It is a disgrace to tolerate the abandonment of these Americans to discretionary disposal by a guilty enemy who has only hate and contempt for us. To do so by failure to act effectively on the available evidence is equally wrong.

American concern for the fate of these captured and missing men—all of them—is valid and substantial. However, the matter does not end with them. In view of world events during this century, our common sense tells us that there can be no guarantee given that there will be no more war. The tragic fact is that there may well be other conflicts in the years to come. The children growing up among us today are the candidates for maltreatment as POW's in the not too distant future. The consequences of their capture will reflect precedents which we insist upon, and achieve now. Their suffering will be measured by our indifference.

In the face of these conditions the need for action by Congress is clear.

Since we are unable to get answers to vital and reasonable requests, such as those discussed in our letter to the President of February 9, 1973, we need the support of Congress in obtaining this information.

Since the presumptive findings of death in the absence of any supporting evidence, not only abolish the possibility of hopeful search for MIA's thereafter, but also set a precedent which will bring harm to Americans captured in any future conflicts, Congress should halt these findings until it has an opportunity to review the matter and replace the present provisions with law that is more than a tool for the paving over of embarrassing situations.

Congress should also reconsider the financial effect of a presumptive KIA finding upon the dependants of these men. Maintenance of income for the balance of normal life expectancy for the dependants and other natural beneficiaries of these men, as opposed to minimal compensation in the form of a fractional pension, would not make up fully for their loss. But it would be a reasonable gesture that would not over-strain the nation's resources.

In addition, I have two other proposals that I believe Congress should consider.

I believe that the Congress should give serious thought to making an accounting, a real accounting, a condition will be weighed by them in considering legislation beneficial to certain countries, such as the Soviet Union and China, and I am thinking in particular with reference to trade legislation, favored nation treatment and various pieces of legislation like that that are coming up.

Secondly, I think that it would be marvelous, absolutely marvelous if the Congress would give serious consideration to a joint resolution which would be aimed at being passed in time for Chairman Brezhnev's visit here next month, which would express the rejection by our legislative body in this country of the cavalier attitude with which not only our government but other governments seem to think they can treat missing Americans. It would be an enormously effective and beneficial thing to do.

In short, then, there is an urgent need to turn to the problems of MIA's.

At the moment, it is my belief that the nation is being led by the President, into a course of conduct which can only lead to the abandonment of these men with appropriate, hypocritical blandishments, parades, monuments and public holidays.

This performance will not suffice. The packaging job cannot disguise the fact that, as measured by solid substantive achievements which produce measurable benefit for MIA's, nothing productive is being done and the outcome is being left to the discretion of the other side.

We would sincerely request that Congress take the initiative in turning the situation in a proper direction.

Gentlemen, that is the statement which I prepared. I would be very glad to answer any questions that you have.

Representative Wolff. Thank you, Mr. Foley.

A Voice. Congressman, sir; I am not listed as a witness, but my son is missing in action. And would I be out of turn, out of order, for me to speak?

Representative Wolff. It would be now, I would be delighted——

A Voice. I don't have a long story.

Representative Wolff. I would be delighted to have you speak when the other witnesses have concluded their testimony.

Mr. Foley. May I just answer your question, Congressman—

Representative Wolff (to voice). I am sorry we cannot hear you now, but we would be delighted to hear you later.

A Voice. Thank you.

Representative Wolff. Mr. Koch?

Representative Koch. Your statement was superbly done and I want you to know that it is not only moving and factual but it has been very helpful.

I gathered from the statement that it is not the action of the North Vietnamese that is our major problem in this particular case.

Mr. Foley. That is correct.

Representative Koch. From your statement it is my understanding that it is this Article 8, which presents serious problems, i.e., that when a soldier has been declared KIA, instead of MIA, then there is objection to further pursuing the matter. Is that correct?

Mr. Foley. Yes, there is a very substantial danger there.

Representative Koch. I understand that. Then it is in the power of the government of the United States to determine whether or not these individuals continued as MIA's instead of KIA's.

Mr. Foley. Absolutely.

Representative Koch. Therefore what we have to do is to make certain that people are not declared Killed in Action, unless we know that fact absolutely.

Now I think it is important, then, that you separate this from the question of continued maintenance, while it may very well be that we ought to have better provisions for the widows and the families involved, that is a separate question.

I don't think that you would continue someone as MIA instead of KIA in order to have maintenance continue instead of an insurance policy.

Mr. Foley. Absolutely not. I brought it up as an ancillary matter.

The question remains as an ancillary matter.

May I explain this? That while a man is considered MIA his salary does persist anyway, but the thing that is bothering me is that I feel that, you know, POW's, and their families have gone through over the past seven or eight years—has been so atrociously manipulated and merchandised by a lot of people who try to sort of get a leg up on it, to put it in very plain English, and, frankly, I feel that at the end of it all it would not sort of overstrain the generosity of our country to turn around and say, well, now that we are finished using you, we will sort of let you off without income loss while we forget it. But it is a separate question.

Representative Koch. Yes, it is a separate issue.

Representative Wolff. Mr. Foley, I would like to ask you, what is the status financially of those people today who are next of kin to the MIA's?

Mr. Foley. In the case, they are on full pay.

Representative Wolff. They are on full pay?

Mr. Foley. Bear in mind that they are on full pay can mean two things. I was impressed with what Congressman Rangel had to say.

I am particularly distressed because we are leading into a time when we are apparently going to have a volunteer army. I think we have a pretty good idea where a large part of those volunteers are going to come from.

In the case of the Air Force, my understanding is that approximately ninety-two percent of the airplanes that were shot down actually contained officers.

And those men, of course, were on a high pay scale and because of the higher pay scale that the individuals were on, suffered less than, say, some poor private who was in a significantly lower pay scale and his family had to continue to exist for seven or eight years on a reduced pay.

So the answer to your question is that the situation varies.

Representative Wolff. What you said also indicates the fact that there were very few prisoners taken on the ground by the North Vietnamese and the V.C.

Mr. Foley. One does not really know.

Representative Rangel. Really, you have raised an issue that I was going to respond to, because the thrust of your statement indicated that you had deep concerns as to whether or not the United States government, might be disposed to simply write off the MIA's. The thrust of your statement appears to be some concern that the MIA's status might be changed without proper evidence to KIA.

Mr. Foley. It is being done right now.

Representative Rangel. May I suggest to you, if we can really appreciate each other's problems more and stand together on this, it might be very interesting to note how easy it was for the Department of Defense to give Killed in Action status to the enlisted men.

Mr. Foley. It sure was.

Representative Rangel. That this Department of Defense would have the American people believe that out of a total of 45,938 killed in action, that they were able to positively identify the bodies of each and every one of the killed in action with the exception of 1,200.

Mr. Foley. You are right.

Representative Rangel. I ask all of those people that served in any war, in any combat, what type of method any Grave registration detail can use to come up with type of accuracy, unless it is for the sole purpose of a write-off?

Mr. Foley. You are 100 percent right.

As a matter of fact, I know of only two instances where a family actually checked to see if the body they got was theirs, and in both cases it wasn't.

And the testimony that is going to be given by Mr. Dennis is going to be really worth hearing, because they not only apparently just dogtagged whatever they found, put names on it and shipped it home, but then they persisted when they were proven wrong.

I have a very strong feeling myself that it wouldn't hurt at all in the case of many of these guys to verify if it was really their loved ones who came home.

I unfortunately think that you are going to find a lot of misidentifications.

Representative Rangel. Mr. Foley, I want to congratulate you. What we are doing is not very popular and, indeed, it is very painful.

But I think that all Americans would just like to believe what we saw on television, that what we did honestly was to negotiate a peace with honor. But I feel confident that we are doing the right and moral thing to bring a little more honesty into the statements of our leaders and shed a little more light regarding what was really negotiated at that table.

Mr. Foley. We are anxious to find out because, quite frankly, speaking for myself, I will tell you this, that I am very concerned about the negotiating priorities. You see, when you have this business of prolonged bargaining programs for the purpose of resolving ambiguities, and then you take a look at the agreements before and afterwards you can tell what the ambiguities were that got high priority.

It is quite obvious that MIA's were on the furthest back burner that there was around, and that South Vietnamese political despots that were largely despised by everybody that they ever met were given front burner treatment all the way along the line.

I will tell you, nobody lost 75 percent of the South Vietnamese politicians, but MIA's we're supposed to forget right now, apparently, according to the way that the administration and the Departments of Defense and State are behaving. I think it is outrageous.

There is no excuse for it.

Representative Rangel. The Congress is supposed to throw in an additional seven billion dollars on top of that.

Mr. Foley. That is another point that I would like to raise.

Representative Wolff. Gentlemen, we have to limit ourselves to the question of the MIA's.

We want to thank you, Mr. Foley, for your testimony. I can assure you that so far as three Members of Congress are concerned, we will not let this question die.

We will see to it that there is a resolution to this problem, activities are ongoing, and continuing to help you find a resolution.

We owe that to you, who are the families.

Mr. Foley. Thank you very much, sir.

Representative Rangel. Thank you, Mr. Foley.

(Witness excused.)

Representative Wolff. Our next witness is Mr. Fred Feldman. Mr. Feldman has extensive background knowledge of POW and MIA problems.

Mr. Feldman is a pilot.

Could you please identify yourself?

Mr. Fred Feldman. Yes. I will identify myself as wearing three hats.

Number one, I work for WOR radio as a helicopter pilot traffic reporter.

I would like to apologize for coming here in this dress. This is my business suit. I didn't have a chance to change when I left the airport.

Representative Wolff. We appreciate your coming.

Mr. Feldman. Secondly, I am a Major in the Air Force Reserve, and I am a Korean veteran.

I am not representing the Air Force or the Reserves.

Third, I am Chairman of the Advisory

Board of Viva in New York City. These are the people who have been selling the bracelets, et cetera.

And I must tell you in all honesty that I am not here representing Viva. I am not.

I am here on my own, standing on my own two feet for my own two reasons.

Probably the biggest one is my personal concern. I brought with me a book called "The Endless Hours, My Two and a Half Years as a Prisoner of the Chinese Communists by Wallace Brown," who was my flight commander back in the States while he was shot down on his first mission in Korea.

I want to give you some background and lead up to it.

I just want to read a small portion of it. He was shot down about six months prior to the truce.

Then he was taken into Red China and he was kept in Red China for a year and a half after the truce in prison, much of it in solitary confinement.

And when you are talking about torture I just want to read you this.

Representative WOLFF. Was he identified as a POW? Or was he listed as an MIA at that time?

Mr. FELDMAN. O. K. The answer to that is eighteen months after he was captured he was finally identified by the Communists as a POW. But for eighteen months he was MIA and that is after the truce was declared.

"September 8, 1954 brought the best news we had since becoming prisoners. We received mail from home. After 19 months" —pardon me—"the Communists had notified the American Red Cross that we were alive. All these months our family had not yet known whether we were alive or dead. Our captors had kept the outside world completely in the dark about this. Now after twenty-one months we knew that our government and our families were aware that we were still alive."

So, again, this is well after the truce that they were identified as POW's.

O. K. This is a small quote, one paragraph.

"I had been standing in the blue room, which is where they torture people, I had been standing in the blue room for 154 hours standing. That is more than six and a half days of standing. I had been under interrogation for over sixty hours. I had slept less than one hour in almost a week. My body was so swollen that it looked more like a dead stump than a human being. The pain I had endured was much greater than I ever dreamt that the human body can bear."

I don't know if you can imagine what standing for six and a half days would be like.

He also described in there where his hands were twice the size of normal, where his feet had burst out of his shoes because all the blood was going down to the lower extremities of his body.

How he ever endured it, I don't know, but he did.

My point in bringing this up is that I do not necessarily think that the Communists are very nice people.

Further, I don't think that they are particularly honest people.

They had Wally and they kept him and they also had several other crew men for eighteen months before they even released this information.

Therefore, don't believe what they say.

I do not necessarily, therefore, believe that when Hanoi has said that we have released all your prisoners. I don't believe it.

That is one of the main reasons, damn good proof as to why we could doubt them.

Representative WOLFF. Do you have any evidence that you might be able to give of any kind that might substantiate your position?

Mr. FELDMAN. I would like to refer to a letter that I got from Chappy James, and also a letter that I got from Senator Javits.

These were both letters to me in response to a letter I sent to them. A short story, if I may.

Because some people in this town know that I am very interested in the MIA situation, a letter was brought to my attention. It was received by a woman. This woman had been corresponding with a nun in South Viet Nam for seven years.

The nun had escaped from Hanoi and traveled into the south, where she set up a nursery for orphans, South Vietnamese children.

This woman, after corresponding with the nun for about six years, adopted one of those children, who was brought back to the United States and who is now living here.

The nun wrote a letter, dated 8 April, if I remember correctly, to this woman in which she stated, or she relayed that some of the prisoners who had come out of the North—meaning South Vietnamese who had been interned by the North Vietnamese and then released back to the South, stated that they had seen American prisoners—this letter was received after the prisoner release was completed—stating that she had seen American prisoners in camp near the Red Chinese border.

You would have to do some intelligence work and find out when these people who were returned to the South were released from North Vietnam, and when they saw those prisoners—

Representative WOLFF. Do you have the name of the sister or the nun that was involved?

Mr. FELDMAN. I would not give you the name for this reason at this time.

May I correct that, sir?

The woman who received this letter has become very close to this nun through correspondence over the seven years.

She in no way wants to endanger her life.

This nun also stated in the letter that people in South Viet Nam, those who worked or collaborated with the American government, are being murdered and killed in the streets every day in DaNang.

Representative RANGEL. Major?

Mr. FELDMAN. May I just go a little bit further and possibly answer one of your questions?

Representative RANGEL. I am sorry.

Mr. FELDMAN. I sent this letter to the then Defense Secretary Richardson—

Representative WOLFF. Excuse me. You sent a copy of the letter that the woman had received. Is that it?

Mr. FELDMAN. Yes, I did. With the sister's name blocked out.

But with the name and address of the nursery that she had been upholding all these years for people to look into this.

And I received back a fairly standard answer, "Your letter has been forwarded to the appropriate agency for any action deemed necessary. It is further said, for your information, at one point in time there were in excess of 200 U.S. Prisoners of War being held in a camp in North Viet Nam near the Peoples Republic of China border. These were subsequently moved to the Hanoi area. While the information in your letter cannot be dated at this point, it may be that this camp is the one referred to."

So there is that possibility that the prisoners, Americans that they are talking about were—

Representative WOLFF. Were transferred?

Mr. FELDMAN. Were transferred, but there is also the possibility that this information comes after those prisoners—those prisoners were transferred back down south for release.

I guess, I would assume from this that they are looking into it. And it is further stated with respect to—

Representative WOLFF. What is the date of that letter?

Mr. FELDMAN. The date that I just received it, 14 May.

And with respect to the public use of the material in the letter, we suggest caution on your part, et cetera, involving general statements because it may give rise to false hopes to the families.

I fully respect that there is no question about that. That is why I say it could be these people were seen, the Americans were seen before the release, but there is also, I submit the possibility that it was afterwards, and that they are still holding them up.

The question is always asked of me, why would they be holding people up there.

That is the next question that has always been asked.

I would submit two possibilities to you, gentlemen: possibility number one being as, I have no reason to think that these are fair play people, as our Senators were when they went over and saw the Tiger cages and demanded that these prisoners be let out immediately.

I don't think that the North works that way, and I talked to enough of the returned prisoners to know what the conditions of some of them were like.

I don't think you have really heard what some of the worst ones were.

The possible reasons they might be holding them, I think that internally they could use them for propaganda in North Viet Nam.

I think it would be a very easy thing, and probably an intelligent thing for them to take some of these prisoners, who might still be alive, and take them as scarecrows, unshaven, beaten, half starved, and walk them through the streets and towns where there are no photographs and they have complete control, and where there is no press coverage, and say, here is what your capitalist American pig looks like. I wouldn't put it past them.

Representative WOLFF. I wouldn't put it past them either, but I would find it hard to believe that this could escape the attention of the press.

Mr. FELDMAN. It can. It can. Because they have complete out and out control over every single word.

Representative RANGEL. May I just ask one question? You have given strong evidence of your belief in the dishonesty of the Communist and even the North Vietnamese themselves.

But you recognize that it was not the North Vietnamese that designated the title Killed in Action. And it was not the North Vietnamese that we saw on television that proclaimed that our last prisoners of war had returned.

Mr. FELDMAN. Oh, no. That is true.

Representative RANGEL. I would just like to add that I want you as a combat pilot to evaluate an answer that I received as a Member of the United States Congress, that this enemy that you and I know, they claimed that they only have three cases where there is evidence to sustain the belief that American prisoners were killed in captivity.

Do you understand what I am saying, Major?

That this country, and our Department of Defense, in an effort to substantiate the KIA figures have said that they have no evidence or no reason to believe that the enemy killed any of the people that they captured, that were American troops, with the possible exception of three.

It is unbelievable, as far as I am concerned.

But that you understand that neither you nor I expect the North Vietnamese to come forward and tell us how many of the prisoners they have killed?

It would be unheard of, no matter what the negotiations are.

But it bothers me that the Department of Defense is so willing, I mean, you or I don't want to give false hopes, but is it believable?

Mr. FELDMAN. I have to tell you right now that I would prefer to have my testimony aimed more at them on the other side of this Pacific Ocean than I would right here for this time being.

Representative RANGEL. The problem—and I agree with you, Major—is that you and I will never get an opportunity to sit down at a table and deal with them.

Mr. FELDMAN. Agreed upon.

Representative RANGEL. I am, for one, I am forced to deal only with those people that are going to that table.

Mr. FELDMAN. However, sir, in all due respect I think we have a weapon here that I will get to in a minute.

Representative RANGEL. Very good.

Mr. FELDMAN. The second possible reason that I can see them holding our people is that they have not told us about, that I don't personally believe that North Viet Nam by any means is finished with South Viet Nam. And they are going to try perhaps now politically what they started to do militarily, and if they cannot finish the job politically, then I do believe very strongly that they will go back to do it again militarily, at which point the United States might somehow, pass the objections of what I am sure would be a very clamorous United States public, threaten again to bomb the North, if they do, indeed, start.

O.K. I can just note where North Viet Nam now all of a sudden comes up with however many they might be holding and say, oh, is that correct?

You want to start bombing us again?

Well, we just happen to have so many of your prisoners who came out of the woodwork. Now where is it that you would like to bomb?

Because after the first bomb drops we want to tell you right now that your prisoners of war are going to be sitting right there, waiting for the next one. So you can start killing your own men.

I think that that is a very feasible and very practical reason.

Representative WOLFF. I think that the sum total of your information is disbelief as to the number of POW's that have been returned and the questionable characterization of the MIA's. Is that correct?

Mr. FELDMAN. That is very true. Very correct.

And if anything, whatever weaknesses or whatever problems we are having within our own government, I would like more attention focused on the international scene on their government, which is a very touchy thing to do.

But you people are the experts. Hopefully you can find ways to do it.

I don't believe we can make them lose face. They have already said, well, we don't have any more.

I believe they do. But I think there are two outs. There is Cambodia and there is Laos, and I think if the pressures were brought upon them properly, subtly, yet forcefully, that they can take those prisoners. Many of them I believe they have marched out of Laos and Cambodia and marched them from North Viet Nam right back into Laos and Cambodia and let them out that way. I think we have that possibility.

Representative WOLFF. Mr. Feldman, we appreciate the information you have brought to us and your background and experience in this area.

We appreciate the fact that you have taken time out in coming out of the air, so to speak, to give—

Mr. FELDMAN. Can I just add one thing, Representative Wolff?

One last thing. I asked my Senator, Jacob Javits, who was a very outstanding Member of Congress, the prime advocate of peace, and while the war was still on he said, I am sure, a letter to a friend of mine who had written concerning this matter—I am sure that when the war is over that all of our men will be accounted for.

All right, damn it, they are not being accounted for, and I would like the Senator, that Senator and many of our other Senators and Congressmen to now start standing up and be just as damned outspoken to get an accounting of these guys and when our teams go up to Hanoi, and they say, O.K., we know that four men are buried here, and they say we'd like to go to the graves and they say, oh, we just dug them out and we moved them to somewhere else, it is going to cost you such and such an amount of money to get over there and find these bodies, I would like our Congressmen and our Senators to stand up and shout from the rafters of Congress so that every piece of media in this country gets it.

And I think that is one of the big ways that you are going to embarrass North Viet Nam into coming through.

But I would like to see our people stand up and shout on that floor for these guys and for these families just as loudly and vociferously as they did to stop and get out.

Representative RANGEL. Can we expect your voice to be included in that, that you don't believe what the Department of Defense said?

Mr. FELDMAN. There goes fifteen years in the Reserves, sir.

Representative RANGEL. I withdraw my question, Major.

Mr. FELDMAN. Thank you very much.

Representative WOLFF. Thank you very much for coming before us today.

(Witness excused.)

Representative WOLFF. I assure you that we will be in the forefront of activity when it comes to the question of the MIA's. That is the purpose of this meeting today.

I should like to call Mr. Joseph Brooks, the father of an MIA flyer who is affiliated with the Council for Civilized Treatment of POW's and the Long Island League of Families.

I wonder whether we could ask you to hold your testimony as short as possible so that all the people can be heard here this morning.

Thank you very much, Mr. Brooks, for coming here this morning.

Mr. BROOKS. Good morning. My presentation will be short unless there are questions.

I do not have a prepared speech. I live with this every day, so I pretty much have the facts in mind.

I do not know just how much knowledge you have of it, but I am ready to answer any questions you have.

At the outset, I hope that there will not be any political connotations made of these hearings at all. This is strictly a humanitarian situation. I have not seen any evidence of it to this point, and I would not like to see it.

Representative WOLFF. I assure you that there will not be any.

Mr. BROOKS. I am also not speaking for the National League of Families of which I am a director. We have not taken a position on this yet.

I have been a member of the Board for two years, and my wife has been State Coordinator for New York State, has been for two years, and as such we have been in contact with practically all of the families in the State of New York, all the way from Buffalo out to the tip of Long Island.

We worked on this very hard for three years—it seems like thirty years. I never worked so hard on anything in my life and have been frustrated over so many of the results.

We watched with extreme joy, as everyone else did, as the prisoners came out. And, of course, our point right now, I believe, in being here at all is the fact that we were promised that we would get the prisoners of war back and we would have an accounting of the missing. This has been made very clear to us and on many different occasions.

I have met with Dr. Kissinger and President Nixon at times in the White House. I have been very close to this.

At this time make no mistake that the secretaries of the various services do have by law the right to make determinations when they see fit regarding killed in action. But we feel that it is quite premature at this time. This is our particular complaint that men should not be written off. The cease fire has only been in effect a fairly short time. It would seem to me long enough to have accomplished a lot more. But the communists, as you well know, have not even released the bodies of the men who died in captivity. This is incredulous to me to be a member of the greatest Nation on earth and to be twisted and turned around by these people. I resent this very much. I do not know what you and Congress can do about a situation like that. But I have worked too hard and too long on this thing to now be willing to accept the Communists' statement that we are holding no more men.

Our government says we have no evidence of any more men being alive in Southeast Asia; by the same token, they do not have any evidence that they are all dead, either.

I have a letter here with me from the Navy Department that said my son landed alive on January 2nd in Laos and escaped capture on that day. This is a lot more information than a lot of other families have, I realize. But it is not unknown at all that men were held incognito for long periods of time. I am quite sure that most of the people here know the situation after Korea, where at that time we had over 900 prisoners of war who were unaccounted for at the end of the war, and then by various people working on this list and so forth they finally got it down to 389, and that is where it stuck and that is where it stayed. And these people were known to have been captured. They were known to be held by the enemy and they had been in contact, some of them were, with their families, so there is no question about the fact that they were known prisoners of war.

One man who was scheduled to be here—he could not be here today—I have talked to him many different times. He was released in China two years after the truce was signed, all of which time he was carried as MIA.

So if people are going to get hung up on why would the Communists, why would they hold men without admitting that they are holding them—I do not know, I do not have the slightest idea, I do not have any excuses for a lot of the things that the Communists have done.

They have broken the Peace Agreement, of course, on many different instances, especially going right from the very first day that the Peace Agreement was signed. It was part of the agreement that they would have there on that date the complete list of all of the men alive and in all of the various areas over there. They took the responsibility for this. They did not have a list there that day. It was not completed for a long while after that. And that was the first instance of breaking the so-called truce agreement, and they continued on that after.

Now, the cease fire—I do not like people to call it a "Peace Agreement." It is not a Peace Agreement; it is a cease fire agreement. The cease fire agreement is not all that we wanted it to be, there is no question about that.

I am surprised that they could even get a cease fire agreement at that time because, as you well recall, we were meeting with Dr. Kissinger before he left to go over there the last time, and Congress at that time was voting to cut off all funds and all support for the military in Southeast Asia, and I do not know how at that time that Dr. Kissinger could go ahead and get any kind of an agreement. But we are glad that they did sign the agreement.

And what the Communists did sign was not really a cease fire; they signed an agreement to get the United States out of there. I do not believe that they ever intended to stop fighting. I think that is pretty obvious at this point.

But this is—as I say, the services have a right to make this determination.

Representative WOLFF. Mr. Brooks, could I interrupt for a moment and ask you from the time that you received information that your son had landed safely, what further communications have you had?

Mr. Brooks. Well, of course—

Representative Wolff. Not from him?

Mr. Brooks. Not from him but no additional information on him at all.

Representative Wolff. When was he shot down?

Mr. Brooks. Nick was shot down on the 2nd of January, 1970, and information that we received about thirty days later, which, of course, was confidential information because—it, of course, has long since gone by the board—told the full details of what happened that day. I know exactly what happened.

And about thirty days later we received information from a reliable but sensitive source in the area on that day that at that time one man was injured and was shot and the other man escaped capture. And from the evidence of witnesses there at the time, and so forth, we put all this together. Evidently it was my son who escaped capture.

Representative Wolff. Has there been any evidence at all from the Department of Defense, relative to any of the people that you know of, regarding people knocked down in Laos?

Mr. Brooks. No. This is one of the very incredible things about this thing.

And as you well know, we have got back nine so-called Lotian prisoners but they were not really Laotian prisoners because they were captured by the North Vietnamese over the border of Laos and taken to Hanoi and kept for the rest of the war. And until this time, of course, Hanoi never admitted they were holding them. They were not released until a U.S. official went to Hanoi and signed the papers indicating, falsely, of course, that the Pathet Laos had held them. They had never held these men.

So we are in a situation where we have over 300 men missing at Laos, none of whom we have any information on whatsoever. We know some of them were captured and held. We have this information—a man by the name of LeClaire, Sheldon, Cristiano—I can name them. We know that they were captured and held by the Loatians. And we swore and be damned after the Korean Conflict that we would not let this happen in this situation here, and there have been agreements signed, the Paris Agreement signed. The North Vietnamese signed relevant to the treatment of prisoners—

Representative Wolff. Have you made inquiries to DOD as to further information, about your son?

Mr. Brooks. Yes. We are in pretty good contact. I have been to the Navy Department. They cannot give me something they do not have. I am sure they have no more information on that.

Representative Wolff. We do recall in the early days before there was information readily available on our participation in Laos, at the time when I was investigating POW's, that the families of POW's, had come to us and indicated that it was U.S. govt. policy not to reveal information about anyone lost in Laos.

Mr. Brooks. You are talking about Laos in particular?

Representative Wolff. Yes.

Mr. Brooks. That was true. That was confidential at one time. It is no longer so.

Representative Wolff. I wonder in these meetings that Mr. Foley had discussed before, has anything been afforded to you regarding any further information, any indication that they have attempted in any way to find some information about your son, any direct information at all.

Mr. Brooks. No. I think it amounts to just asking the North Vietnamese about these men. And, of course, they have not responded to this.

Representative Wolff. As you know, a goodly portion of the territory of Laos is in the hands of Communists and, therefore, it is difficult for us to get into those areas until there is a resolution of the whole problem in Laos and Cambodia it will be equally difficult to get into the areas of Cambodia.

The important element, I think, here is to find out what you think we can do in order to help you with your basic problem of a determination of your son's fate.

Mr. Brooks. Well, of course, that gets to be the $64 question every time: What do you want us to do for you? I do not know.

There are enough people, I am sure, in the State Department and the Department of Defense who should be experts on this. I do not know whether it would be a combination of economic pressure, military pressure or both. I really do not know. I mean I know when you complain you should have the answer to the problem, but I do not. I hope that the people in the government——

Representative Wolff. Do you think it would be advisable for the families to have representation on the search teams, the identification teams?

Mr. Brooks. Not necessarily. I do not believe—of course, you have two different things here: I want a resolution, of course, on the search and a look for the bodies, and so forth. And the people's minds should be put to rest on that.

But I have made up my mind, Mr. Congressman, that there are men still alive over there. And when you have heard the stories of returning prisoners about the treatment that prisoners got over there, and you believe in your heart that there are men alive over there, it is very hard just to treat things as business as usual. I do not have any evidence that they are alive. They do not have any evidence that they are dead.

When we get to the situation I say, all right, if you want to write off the missing in action over my objections, O.K., put yourself in the position of the prisoners of war who have not been accounted for yet. I say to these people, now stop for a minute and clear your mind of all the other junk and just think that your brother, your son was known to be a prisoner of war in Southeast Asia. And this government, believe me, does not classify a man prisoner of war lightly. There had to be evidence that this man was held.

Representative Wolff. When was the status of your son changed?

Mr. Brooks. It has not been changed.

Representative Wolff. He was always MIA?

Mr. Brooks. He is still.

I think there is evidence enough there to list him as POW, but not really good enough. So these people who are classified as POW had to have eyewitness factual proof.

When the so-called list came out, if your son was on that list as "died in captivity," this would have been a terrible shock to you. But picture yourself if you knew that he was a prisoner of war and when the list came out he is not on the list as "died in captivity" or anything else.

Representative Wolff. As Congressman Rangel has indicated, there have been only three known cases of "died in captivity" reported to have occurred.

Mr. Brooks. We have a total of fifty-three POW's who have not been accounted for, and the last I hear——

Representative Wolff. The status has changed.

Mr. Brooks. The last I heard twelve of them had status changes, so this leaves us with forty-one or forty-two at this particular time.

I met one of the families in Boston a couple of weeks ago. They are going around like they are stunned. They cannot understand who is going to do something about this situation.

Representative Wolff. We have a lady here who has had the status of her son changed, and she will be talking. I am familiar with her problem, having worked on the case for a number of years.

I thank you very much, Mr. Brooks, for appearing here today and for giving us the benefit of your experience.

If there is anything else that you have—I assure you that the information that you have given us now will not only be inserted into the Record but it also will be placed in the hearings of the Full Committee on Foreign Affairs. If there is anything from time to time that you have that you feel you would like us to transmit, we will be very happy to transmit it to the Committee.

Mr. Brooks. Thank you very much.

Representative Wolff. I would like to call next Mrs. Walter Schmidt. We will call her out of order since certain of these questions just raised refer to the situation in which she finds herself.

Mrs. Walter Schmidt is the mother of Marine Captain Walter "Roy" Schmidt who was sighted by a rescue force after being shot down but has had no further accounting.

Mrs. Schmidt, I wonder if you could tell us a little bit about the experiences that you have had.

Mrs. Schmidt. Yes. We did receive very firm information that my son was alive on the ground. That date was June 9, 1968. And he was in radio contact with the rescue mission from 10:25 A.M. until 5:15 in the afternoon. The mission to rescue him was called off because of dusk.

The next day they went back and searched the area at dawn and nothing was to be seen. There was no chute, no gear, no body. It was assumed from that—and that is the basis of his status for POW.

From that time on we have had no newspaper pictures, no confirmation from any source, nor did we ever have word from him.

Now, through the years, of course, we have attempted to send packages, we have attempted to ask questions. My son was a Marine. And there have been no answers. No packages went through.

When we came up to the agreements in the fall, or in, I should say, in February and they started to bring the lists out, you can imagine we were extremely shocked to have no word from him. No name came out.

I have since asked many, many pertinent questions through your office, through the Marine Corps. You, yourself, spoke to Dr. Kissinger, even.

Representative Wolff. I have received no reply, however.

Mrs. Schmidt. Nor have we.

I did receive a letter just the other day from the Assistant Secretary of the Navy saying he had hoped that we had further information in response to my letter of March, which actually we have not.

However, April 19th—and this might dispute something that Dermott Foley was saying before—on April 19th, we were called down, strictly Marine families were called down to Marine Headquarters, the Navy Department in Brooklyn, and we were briefed to the effect that all of the men—and we were the only POW family; everyone else was a MIA—all of these men are going to have a determination of death.

This is not going to be a blanket determination. This is going to be a review of individual cases and the circumstances surrounding the cases. Teams will go in. I understand there are two cemeteries: one in North Vietnam and one the V.C. admit having with American dead. They are very willing to have our teams come in and identify these bodies.

We have teams going into North Vietnam and to South Vietnam and Laos to the crash sites for grave I.D. purposes.

Now, we were told that there would be no money angle as far as paying the local people off and asking their help to go in and ask: Do you know of an American that is buried in this area?

That day in particular my husband was there and he brought up a question: What is to prevent a Vietnamese from taking our money and leading you down the road to grandpa's bones?

And I think that this is in a little controversy with Mr. Foley. It was explained explicitly to us that they do not even need a head or a section of the mouth or jaw; all they need on a body is a femur bone. They can pretty much tell the size of the man, the amount of weight he carried. They have all measurements—most particularly in the case of pilots—measurements of every bone, even down to the kneecaps.

There is a certain pelvic structure, male or female, and according to the way the pelvic bones rest together or join together or separate, they can tell within one year positively the age of the man they are identifying.

Captain Johnson, who is on the Washington team for the Marine Corps, has been on this grave I.D., I would say, four or five years, and he explained that he had recently been working on a headless torso—I am sorry if this sounds a little bit gory—but it does satisfy us a little bit, that if we do get a body back, it will be our son's body. He said that from all the records that they have, this headless torso, he had pinpointed it down to one man.

Believing it to be that man, he went back to the family and asked to look in the man's personal properties. He was looking for a hair, one single hair. If the quality and color and structure of the hair matches his records, he has a positive I.D. on the body.

Now, I think that this—if we must accept a determination of death on the man—and I am sure none of us want to, and I am sure as a mother you can appreciate that is the last thing I want—but if we must accept a determination of death. I have come to believe and been convinced that they are doing everything to sort out and make an individual determination for all of us—something that must satisfy us. Perhaps it is not going to be a body right away, but it will be some I.D. to bring forward, to give to us to satisfy us.

I disagree with our gentleman from WOR over there (indicating). I see no purpose—at the time my son was shot down he was only a first lieutenant. I do not see any reason to release commanders and hold a first lieutenant. I see no reason to hold even enlisted men and release higher ranking officers. They would be more valuable if they were going to hold some of these men.

Mr. FELDMAN. Just a point of correction.

A lot of the people that were held—this man was on his first mission, he was on his first combat mission, and other people were held who were enlisted men and they were held for two years.

Mrs. SCHMIDT. Are you saying my son was on his first mission?

Mr. FELDMAN. I am speaking about the Korean War. There was a first lieutenant on his first mission and he was held for two years as a prisoner.

Representative WOLFF. I am sorry. But if you do not mind. I would appreciate your letting Mrs. Schmidt finish.

Mrs. SCHMIDT. I will try to hurry along. There is just one more point I want to bring out.

Most recently, at the beginning of May, I believe the first weekend of May, the family group met up in Massachusetts and a statement was made at that time by Dr. Roger Shields that there were no live men in Southeast Asia.

Representative WOLFF. Could you identify Dr. Shields, please?

Mrs. SCHMIDT. Yes. I believe he is the psychologist that was working with the team on the Operation Homecoming.

Representative RANGEL. Might I add that he was brought in especially to deal with prisoners of war. He was not with the Department of State before that. He came from a university.

Mrs. SCHMIDT. That is right. He comes out of a university. But he did work with us on the original Operation Homecoming.

Representative RANGEL. Right.

Mrs. SCHMIDT. Yes. I called Dr. Shields and I asked him—you know, now we have come to believe or try to accept a determination of debt and now he is contradicting this—does he really believe there are live men over there?

He said he was sorry to have made such a blanket statement, that there is no way of knowing that there may not be one or two stragglers.

So you cannot wipe every man off. And if we get one or two stragglers out we will be very lucky.

But he said they have the knowledge of the camp in China that was spoken about before. They knew about the camp in China before it was emptied. Every American has been taken out of there.

There was also a statement that the men that were held by the Pathet Laos and the V.C. were not held for any length of time. They were systematically executed after a period of three or four days for the simple reason that the Pathet Laos had no food and no medication with which to maintain the American men.

Representative RANGEL. May I interrupt you?

This information did not come from Dr. Shields.

Mrs. SCHMIDT. Not the basic information. But we did discuss this on the telephone.

Representative RANGEL. Because it would be very interesting, that is, what a sharp conflict it is, because Dr. Shields informed me on numerous occasions that there is no evidence that any prisoners were killed in captivity, with the possible exception of three. And it is very interesting if he informed you of something else.

Mrs. SCHMIDT. Well, now, I do not know the number three. I had the idea that there were many more than that killed in captivity.

Representative RANGEL. I got the idea, too, that there were many more killed than that, but not from Dr. Shields.

Mrs. SCHMIDT. Well, I may stand corrected on that if I am misquoting him.

Representative RANGEL. I did not mean to correct you.

Mrs. SCHMIDT. No. That information may have come out of the Marine Corps——

Representative RANGEL. Or some place else.

Mrs. SCHMIDT. Washington team.

At the particular moment I think I am the other side of the coin here. I am accepting the determination of death for my son. I feel that if he does come out it will be a most welcome miracle.

But I do think that the families cannot be asked any more to live in limbo. Our case alone has been five years. We must try to find a way to adjust ourselves and come back to some kind of demure.

Representative WOLFF. I thank you very much, Mrs. Schmidt for coming here today.

Mrs. SCHMIDT. Thank you.

Representative WOLFF. I have known of your situation, having worked on it.

I think one of the most touching experiences that I have had as a Member of Congress is a call that I received a number of years ago, four or five years ago, from a family who had just been informed that their son was missing in action. It was from a family in my own district.

The mother got on the phone. All she wanted to know was whether or not he was dead. She started to cry and the husband took the phone away from her. And at that point he got on the phone and he said he just wanted to find out what was happening to his son's body, to see to it that it is not rotting in some field and wouldn't I do something about it?

Unfortunately, the same frustrations are still with us: the fact that we do not have a final determination of the status of many of the young men who went over to Indochina.

I would like to again go out of order here because it follows a logical sequence of some of the disputed areas that have been brought forth today.

I call Mr. Jerry Dennis to the stand.

Mr. Dennis is a brother of an MIA who was declared dead in 1966 but status changed by court order on discovery that the body shipped home was not his.

Would you further identify yourself, Mr. Dennis, and give us some of the information that you are prepared to bring to this Committee today?

Mr. DENNIS. Yes. I am Jerry Dennis. I am presently a Captain with the Miamisburg, Ohio Fire Department. My occupation involves not only fire fighting but investigation of fires, arson investigations.

My brother was listed as killed July 15th of 1966. And the entire issue we are now fighting started on November 25, 1970 when the November 30th Newsweek magazine came out with a picture of an unknown POW which dad and I felt to be Mark. The entire family felt sure it was Mark. We had calls from neighbors, people all over the United States, when that came out expressing the same thing.

My investigation started at that point. We sent every photograph we had of Mark to the United States Navy and Navy Intelligence. After six weeks they could not disprove that it was Mark's photo. They also said the photograph was out of focus, it was blurred, and, therefore, they could not prove it was him.

At that point I released it to the newspapers. They refused to change Mark's status based on the photograph.

I released a story to the newspapers and I received a call that evening from a medic stating that the recovery of bodies from an aircraft carrier in July of 1966—that there were bodies missing, that sixteen men took off in the helicopter, they were hit with incendiary shells, that the pilot tried to go ahead and land it, there was a crash, an explosion, and the pilot, co-pilot and one crew member walked away from the crash with third degree burns and the other thirteen men had been listed as killed in action. But from this medic it was indicated that at least two bodies were missing. But at the time he said the bodies were blown apart and burnt beyond recognition, they could not tell who got out, so they waited a week and no one came back and all thirteen men were listed killed in action.

I have photographs of the actual crash and the statements by the Navy that the thirteen men were killed. So I started an investigation after this medic called the house.

I fought with the Navy until July 9th of 1971 and received no satisfaction whatsoever and no sympathy at all.

On July 9th I exhumed the body we had in Miamisburg. We had Dr. Bobby, an Ohio State archeologist, who was sent to exhume Amelia Earhart's remains, and at that time he was supposed to be a competent archeologist, but when he worked for us—and he was supposed to be competent—he came up with listing the body as five three and a half to five foot four. Mark was five eleven. The body was that of a man of age thirty. Mark was nineteen. The body was burned with regular gasoline, leaded type. The helicopter carried J.P. 4 non-leaded kerosene. The entire body was full of grenade shrapnel. The fire was found in the sinus area of the skull. The dogtags that were bound to a blanket wrapped around the body, the laboratory results showed that they were burned by holding paper matches under the dogtags. There was one tooth in the body. The tooth that appeared in the body showed on Mark's medical records to have been extracted one year prior to that crash, so the Navy said another tooth moved into its slot.

I located the dental technician, Mr. Steve Wilcocks, who is a teacher in Hamilton, Ohio at present. He was a medical technician when Mark had the filling put in his tooth. The tooth that they said moved into the open slot still does not compare with Mark's fillings.

So I tried to locate Dr. Charles A. Brown who puts the fillings in at the camp. In July we exhumed the body, on July 9th. When the Navy came in on July 30th—on July 31st Dr. Charles A. Brown was transferred unexpectedly to Roda, Spain. At that time we called Roda, Spain by transatlantic cable and he had been put on the U.S.S. HOLLAND and is still out in the Mediterranean.

We have talked to the pilot, who is now from Columbus, Indiana, of Mark's helicopter. He stated the original reports that he received after getting out of the aircraft were that there were some men missing that had jumped. Another pilot who followed that aircraft in states there were definitely men jumping, that the last two who jumped out at treetop level were on fire when they jumped.

After the exhumation we had the American Legion rebury that body back in Miamisburg as an unknown soldier.

We have fought with the Navy on May 12th of last year. They have suddenly changed the number of men killed in that crash to eleven. This is in a letter from the Secretary of the Navy. For five years it had been carried as thirteen.

I have worked on the case and taken complete charge. I have been assigned the power of attorney in Mark's case. His mother has been sick since 1966 when they buried that body. His father has been of failing health since he saw the picture. I have worked on this case with no help from anyone else.

I would like to correct one statement made here: that all the MIA's family members speaking today were collecting the salary. There is no salary being received for Mark. There is no reimbursement for the expenses we have paid. And we are still in Federal Court.

All we ask is that our government be humanitarian and account for a man that volunteered his services to this country.

I have been very bitter. And contrary to some of the people here, I feel there were two parties involved in this war and they are both wrong, damn wrong. We cannot ask Hanoi to account for our men and be humanitarian when our own government is not.

If anyone wants to question me on any of the facts, I have 482 pages of the lab records and doctor reports which are open to the public. I would be willing to answer any questions in this case.

Representative Wolff. I wonder if you would tell us, Mr. Dennis, what is the exact status of the situation now. Your brother has been declared as MIA; is that correct?

Mr. Dennis. He was declared by a federal judge in Dayton, Ohio as MIA strictly for the purpose of accounting, to be accounted for as any other MIA. It does not include his back pay, any payment of attorney fees or anything else.

Representative Wolff. Why have you been given to understand that you do not get the financial remuneration that is due?

Mr. Dennis. The restraining order changing Mark's status to MIA is a temporary restraining order until such time as a hearing can be held in Federal Court.

Representative Rangel. Is the government contesting this action?

Mr. Dennis. Yes. But the problem we have—they have been ordered by the Federal Court to account for Mark quote as any other MIA.

And, to my knowledge, we are damn sure they are not accounting for the other MIA's either. So I feel the Federal Court action is a beautiful piece of paper which doesn't mean a damn thing.

Representative Rangel. Well, let us attempt to help you as we deal with the agency, without getting involved in the court action.

I think that what you have done on behalf of your brother has helped hundreds if not thousands of Americans. You are really working for them.

Mr. Dennis. I will not stop. I have offered my services to any other families who need help and are in the same situation. I do investigations for a living and I have offered to do anything I can for them, including going to Southeast Asia, if it takes it, with one of these committees to make damn sure they do the job right.

Representative Wolff. We thank you very much for being here today, and thank you especially since you came all the way from Ohio. We appreciate you bringing this to our attention and I assure you we will bring this matter to the attention of the committee during the hearings that follow.

Mr. Dennis. Thank you very much.

Representative Wolff. I would next like to call Mr. Joseph McCain, son of Admiral McCain, USN retired, brother of Navy Commander John McCain, a former POW, and Director of the National League of Families.

Mr. McCain. My name is Joseph McCain. I am thirty-one. I am from Southern California and Washington, D.C. I appreciate the privilege to speak here this morning.

I think here the issue which we are talking about today has been much obscured by some of the more prominent facts: one, the cease fire; two, the return of prisoners of war; and, three, other things that seem to be taking place in the national news today.

I think, however, that the focus of the hearings thus far this morning are something that I do not really quite agree with, frankly. I think that there is no question in anyone's mind who has ever been a taxpayer or a member of the Military—you called yourself a dogfaced Congressman—I was a swab jockey, I was an enlisted man in the Navy.

There is no question that the government of the United States of America and bureaucracies from your offices to the Defense Department to the IRS makes mistakes. I, however, believe that the matter of what we are talking about here is intent. I think the intent of the United States government and the Defense Department in particular, from my observations—and I just made a visit with them yesterday—has been confused, perhaps. It has been dogged by a lot of criticism from many quarters, but it has been honorable. After all, these men in the Defense Department are fellow officers. All of the men who staff the POW task force, whose direct responsibility is these men, they are all flyers, they have an empathy with these men.

And I do not think there is any attempt on the part of the United States government to shove something under the rug. And, as a matter of fact, I would turn the question toward the members of Congress, because I think I can remember during the years of 1969, 1970, 1971 and 1972, when I knocked on door after door in Congress and the Senate and received no attention whatsoever except from a handful of gentlemen. I was thrown out of one Senator's office. I was asked not to bother another Senator and so on.

So I think that if we are going to talk about responsibility, the responsibility is all of ours. It is the family members who, perhaps, have not done enough.

Representative Rangel. Would you clarify——

Mr. McCain. May I continue, please?

Representative Rangel. I want you to continue, but I would like you first to clarify——

Mr. McCain. Let me continue, because there is a statement that you made that I really do not think is fair.

Your focus, apparently, this morning was to talk about the paucity of the number of enlisted men returned.

I can tell you that half of the men missing in North Viet Nam or Southeast Asia, North Viet Nam particularly, everyone was a pilot. You have to be an officer. In Laos one-sixth of those men, in other words, two-thirds of the entire men lost in Southeast Asia, Laos and North Viet Nam, they are officers.

I do not think there was any conscientious attempt—I do not know what the innuendos are that—

Representative Rangel. There is no innuendo. But you seem perfectly satisfied to believe that pilots, that this represents those that were involved in Southeast Asia, and certainly your thinking and the Department of Defense's is exactly similar.

Mr. McCain. I am saying that because of the nature of this conflict, Mr. Rangel, I think that almost all of the men missing in action were pilots and, therefore, were officers.

A Voice. No.

Mr. McCain. I beg your pardon.

A Voice. You are wrong, Joe.

Mr. McCain. I have got figures, if you want to look at them.

Representative Rangel. And those figures were prepared by someone who reached a conclusion. And I am just saying that if you find that the overwhelming majority of the killed in action were enlisted men, how do you reach your conclusion that the overwhelming majority of the MIA's should be officers?

Mr. McCain. Because most of the men killed in action were on the ground, which is South Viet Nam, and most of the men missing in action were in the air space over North Viet Nam.

Representative Rangel. You cannot include that a ground soldier would be a prisoner of war, you ignore it and write it off. And let's get on with the business of the pilots.

Mr. McCain. I am saying a large part of the killed in action were on the ground in battlefields and recovered.

Representative Rangel. Can't you consider that some of them on the ground could have been captured? Can't you just consider that?

Mr. McCain. As a matter of fact, the majority carried in South Viet Nam are enlisted.

Representative Rangel. There are no prisoners of war that are enlisted men?

Mr. McCain. I am telling you that most of the missing in action carried in South Viet Nam are listed. Almost all of the MIA's in Laos and North Viet Nam are officers.

Representative Rangel. Then you have statistical data that differs from that as was given to me from the Department of Defense.

Mr. McCain. Most of the seventy-seven prisoners of war returned from the south were enlisted, Congressman.

Representative Rangel. We have here the MIA from the Department of Defense. And the statistics show for South Viet Nam only that the enlisted was 161 and the officers was sixty-two. And I submit that this is not the proper ratio in terms of what you have that went over.

Mr. McCain. I am not sure what the proper ratio is.

Representative Rangel. That is the difference.

Mr. McCain. The ratio would be a lot greater.

Representative Rangel. That is the difference between the Navy and the Army.

I do not want to debate it. I want to hear what you have to say.

Mr. McCain. Well, anyway, I feel that perhaps the emphasis should be placed upon where the responsibility really lies, and I think it is with those countries in Southeast Asia that have either captured or identified these men.

You have heard testimony of various kinds alluding to the fact that all of the men have not been accounted for. And I shall at this time, rather than just deluge you with words, I brought specific evidence relating to the accounting of prisoners of war which I hope that you gentlemen will become interested in and perhaps be able to approach not as an argumentative thing, not as philosophical, but as strict gospel.

Representative Rangel. We are interested in the missing in action.

Mr. McCain. These are missing in action.

Representative Rangel. You said "prisoners of war."

Mr. McCain. Because I consider them prisoners of war. I do not call them "missing in action," which you say is dead, right?

A Voice. No, they are not dead.

Mr. McCain. That is right. So I call them all "prisoners of war."

(At this particular time slides were shown.)

Mr. McCain. I am going to run through these briefly because I know that we are running short of time.

This first man is a Navy lieutenant named Ron Dodge. He was shot down May 1967, captured and taken to an anti-aircraft site where this photograph was taken by a Dutch freelance photographer. In turn he sold it to Paris Match, which is the Life Magazine of Paris. Of course, they ran this photograph September 1967. This photograph was essentially identifiable. It was identified by different varieties, from his family to the Defense Department.

When the official list came out in December 1970, which purported to be all the prisoners in Hanoi, this man was not on it. We made a so-called official inquiry to the Government of Sweden—that was the only way that North Viet Nam would reply to our inquiries—and they sent back a telegram saying quote never detained in North Viet Nam.

In other words, not that he died, not that he was taken to Laos, not that he was still held prisoner someplace, but that this man who is essentially identifiable did not exist.

In addition, there have been a lot of different things that we have attempted to do, plus putting this man's photograph on the peace table in Paris, and on two separate occasions the North Vietnamese refused to talk about it.

Representative Wolff. With all this information that you had, did you approach the DOD with this information?

Mr. McCain. Certainly. As a matter of fact, I spoke to Mr. Porter—

Representative Wolff. Ambassador Porter.

Mr. McCain. I spoke to Ambassador Porter who, of course, was the chief negotiator in Paris, and to Ambassador Isham, who is No. 2.

Both of them said at separate occasions that this has been presented to the North Vietnamese and they refused to talk about it.

This particular piece of evidence is a blowup of a North Vietnamese news release. You will notice that the caption underneath is in English. That is from the North Vietnamese obviously for our consumption. And underneath that is an AP wire photo where it was monitored by our Associated Press at Warsaw, Poland.

November 21st is the date of this news release. This shows the photographs of four pilots, and underneath there are the names and after each individual named are the words "Captured in Haiphong," repeated four separate times. When the official list came out in December 1970 the top two men were listed among the men and the bottom two were not.

We made official inquiry and the North Vietnamese only reply was quote never retained in North Viet Nam. In other words, they are saying in 1967 that these two men are captured, and in 1971, 1972 and 1973 they are saying they never heard of these men.

This is a photograph that is typical of the entire missing in action situation which includes something over 1300 families. This photograph appeared in a magazine, in a newspaper, rather, called Nhan Dan, which is the official military house organ for Hanoi. Underneath this photograph was an extension about the pilot begging to surrender. The only piece of information we were interested in was his name and it was not on it.

A Voice. What is his name?

Mr. McCain. We made inquiry of the North Vietnamese and the North Vietnamese would not tell us who it is. We compared it to the official list of 339 men in December of 1970. That man was not one of those, so we sent it around to the different family members throughout the country.

Now, we hoped that some family member somewhere would be able to say, that is my son, husband, brother, and so forth. Mr Congressman, I can tell you that twenty-eight different families came back and said, that is my husband, that is my son, because he is not positively identifiable.

Now, the North Vietnamese have refused to reply to any questions concerning this photograph, even though it appeared in one of their official military publications.

This is a case I merely have to—well, we will do this very briefly, but this is a photograph of an article that appeared after a lawyer named Henry Aaron visited North Viet Nam in December 1971. He was interested in the prisoner of war program, although the North Vietnamese thought he was there as a peace lawyer. He took an official list of the North Vietnamese prisoners of war and he was shown, in turn, in Hanoi, a billboard display of prisoners captured called their War Crimes Commission, in a rather lengthy title. He noticed that two of the names on their official display were not on their official list. And he went through the entire list. He said, is this complete?

They said, yes.

He said, have there been any changes?

They said, no.

He said, are all of the men who were captured alive? He said, are all the men who were captured and on this list alive? He noticed, you have two men on display, who are not on this list.

The Hanoiee who was—I forget his name—but he is head of the American Committee for Solidarity or Solidarity with America. The Hanoiee looked embarrassed, took him away from the display and nobody since has seen the display again.

Here we have again two pieces of North Vietnamese propaganda which disagree.

These other photographs, these are men, some of whom are unidentifiable.

This particular pilot was captured in Laos, was taken to North Viet Nam. This is typical of men who are shot down in Laos, captured by the North Vietnamese and taken to Hanoi.

This is a picture—the man on the bottom is a Colonel Ted Guy, who was also shot down in Laos. His co-pilot was also shot down in Laos. There is no word of them even though they were shot down.

These are typical civilians. Two men—all of these, by the way, up until the time the official list came out most recently, before its release in March 1972, these men were unidentified. Their families have not heard from them. The Viet Cong refused to talk about them. Two of the men returned. They refused to talk about the other man who was a pilot on an Air American aircraft.

This is a case where this particular man, a Major William Grubb, was shot down January 1966. The photograph was taken of his capture scene. As you can see, he has, apparently, a slight knee wound. The reason we can say, apparently, the slide is correct is because the other pictures show him walking toward the camera without apparent effort.

The North Vietnamese released these photographs piecemeal for three and a half years. We got these pictures in Canada, Algeria, France and other nations, in Hungary, and each of the captions reflect the fact that he was in good condition, that he was being treated humanely, thus the emphasis——

Representative Rangel. What is his status now?

Mr. McCain. When the official list came out December 1970 Hanoi said he was dead.

Now, we asked for further inquiries and the North Vietnamese claimed through a series of events that later this man had died nine days after capture and died of grievous wounds received.

One, he is not grievously wounded.

Two, he was not in a plane crash.

Note that caption, which is North Vietnamese, and it refers to him jumping out of his plane.

Third, there is no sign of serious injury. There has been no death certificate, one of the things that——

Representative Rangel. How is he officially listed now?

Mr. McCain. He is still carried as a POW because the Defense Department has not received satisfactory information that he is dead.

These other photographs I will not identify, but these are examples of men who seem on the ground, who parachuted or who had radioed in saying they are being captured but, nevertheless, it was obvious they were captured. None of the men have appeared on any official list. These are merely examples of attempts to identify men, that a family provides a picture. The person in the picture on the right, he has been identified as a different man now.

That is all I have.

When these men were returned it was considered that one of the most crucial things they had was to try and identify the men missing in action, to briefly recount them. They sat down with all these films and gradually all these men were identified.

Now, the second question we have is—there is no question that, you know, I hope, after looking at these pictures—and I can just tell you that I would not show them to you, but the files are full of them, of people who are unaccounted for by the North Vietnamese, the Viet Cong, and the Pathet Laos. There is no question that they were alive and in their hands at one time. The question is, whether they are still alive today.

And if I may refer to another Congressional investigation much like this one—it will take me about two minutes to read two short excerpts—I think we can get into the problems here and perhaps be able to work out a solution. These were similar hearings about the problems of accounting.

The first excerpt says—and this is an official of the Defense Department testifying before a Congressional committee.

Representative Rangel. Would you identify the committee?

Mr. McCain. I will be glad to. I was going to do it. This is the Subcommittee on the Far East and the Pacific of the Committee on Foreign Affairs, House of Representatives.

Representative Wolff. That must be Clement Zablocki. However, he has not been chairman of that committee for 4 years.

Mr. McCain. Our belief that the Communists should have knowledge of these individuals was based upon several sources of information:

First, interviews with repatriated personnel who stated that they had seen certain named individuals who had not been repatriated, who had not been otherwise accounted for, and who had been alive and in Communist hands;

Secondly, Communist radio broadcasts giving the names of certain U.N. Command personnel and admitting that they were under Communist control;

Thirdly, propaganda pictures in our possession which had been taken by the Communists and circulated for propaganda purposes showing American military personnel on forced marches, taking part in parades in Communist-held cities, undoubtedly against their will;

Fourthly, mail which had been written by POW's to their friends and relatives in the United States attesting to the fact that they were in a POW status;

Fifthly, air crews who had seen our airmen parachute from disabled aircraft and, after safe landings, surrounded by enemy forces or civilians. In addition, other intelligence reporting supported our contentions.

In other words, exact similar cases to what we have here has happened. This is about Korean. It is the same problem over again.

Now, just three individual cases is the last excerpt I am going to read.

A. An Air Force major, pilot of a B-29 that was shot down on September 9, 1950. He was taken prisoner and held for a time in a jail in Pyongyang, the capital of North Korea. Later the same year the agency, "Soviet Picture," released a picture of this flyer together with the statement that he had been taken prisoner by Communist forces. In one of the inadequate accountings furnished by the Communist side, they stated that they had no data regarding the fate of this pilot.

Now, that data, it sounds very similar to "never detailed in North Viet Nam."

C. A United States Army private, taken prisoner by the Communists in August 1950. Several months later a Communist radio station broadcast a number of messages to mothers in the United States from POW's held by their side. The Army private's mother was one of those to whom such a message was addressed. In the so-called accounting the Communists stated they had no data regarding the fate of this soldier.

"Never detailed in North Viet Nam."

Representative RANGEL. You are using Korea as an example. But would you agree that the overwhelming number of prisoners of war in Korea were enlisted men?

Mr. McCAIN. Yes. I am just comparing it to ground combat.

B. A United States Army captain, pilot of a liaison plane shot down October 1952. This captain was taken prisoner and held by the Communists. From the statements of fellow prisoners later repatriated, we know that he had lost one leg when shot down, and by November 1952 his other leg had been amputated. In the so-called accounting given by the Communists, it was stated that this captain had escaped. Note that by this time the captain was a double amputee.

Now, one further reference to these hearings. Gentlemen, as we have all seen so far, it is the same thing we had in a slide projector, that is, the men were alive at one time. We do not know whether they are alive now.

But in September 1953, the Chinese Government and the North Korean Government publicly stated that all American servicemen detained in both countries had been released, all prisoners had been released.

The Communists in June 1954, for the first time, formally admitted holding fifteen American servicemen, four of them fighter pilots, and the remaining eleven members of a bomber crew.

And I can tell you that Ambassador U. Alexis Johnson, who was in charge of the negotiations, went to Dag Hammarskjold and demanded the immediate release of these men.

Dag Hammarskjold—it says that Secretary General Hammarskjold went to Peking in January 1955. Through diplomatic channels, we sought and obtained the willing cooperation of various free-world nations having relations with the Chinese Communists.

In other words, it came up to the point where there was about to be a diplomatic thing, so the four fighter pilots were released on May 31, 1955. The eleven B-29 airmen were released on the eve of the renewal of the ambassadorial talks with the Chinese Communists in Geneva on August 1, 1965.

So here we have the first historical example of a nation saying that we have released all of the prisoners of war and two years later fifteen more come out, fifteen out of these 289.

And I think I will close here because obviously we still have more people to hear from.

But Kurt Waldheim, who is now Secretary General of the U.N. said he was an Austrian soldier on the Russian front in 1944. He was so badly wounded that they brought him back to Vienna and put him in the hospital. He was badly wounded again. They did not return him to the front. So because of that he became accidentally a diplomat.

One of his responsibilities after World War II was to try to negotiate with the Russians for the return of Austrian prisoners. He said that the Russians frequently refused to talk about the situation. They were the victors, of course, and he said that even though the Russians at one point made a statement saying they had released all Austrian and German men, that there were German prisoners coming back to Austria as late as 1950, five years after the end of the war.

Now a similar situation occurred, of course, in our own situation, as, you know, in Korea.

Now as far as I can determine from talking to diplomats there seems to be two reasons that a nation frequently holds on to prisoners:

One is for negotiating purposes.

In Korea and in Viet Nam, the North Vietnamese, the Pathet Laos, the Viet Cong in the present situation, and in Korea, the North Koreans and the Chinese Communists found out that that not only was the return of our prisoners important to us but his name.

And we went through a series of machinations, which I invite you to read in these hearings, concerning some attempts we made to get prisoners back, including, finally, Admiral Turner Joy, our chief negotiator, coming back recommended to the United States Government that they make an issue of this deceitful situation and the government saying no, they don't want any difficulty, and in the best interests of these men, no issue was made of this, and no Congressional hearing was held until 1957, no public issue.

Secondarily, the second reason seems to be besides negotiations, as has happened so frequently, that once a man is captured by a victor, the detaining country will consider this man's proper punishment to not return him home. He invaded the country and he is to stay there.

We can see how this philosophy worked with the Russians holding on to Austrian soldiers for as much as five years.

This is how they philosophize the whole thing of apparently 90,000 Bangladesh prisoners by India—excuse me—West Pakistani prisoners by India, and there is no reason for that.

He also philosophizes that in other wars, when prisoners have been detained, or even, as a matter of fact, if I can draw another parallel, the hesitancy of the Russians to release Jews, unless there is a lot of public pressure brought to bear.

This is the way it has gone.

So we are faced with this, and I think particularly—there is one thing to my footnote—that there are 318 men listed as missing in action, seven of those returned, all of those seven had been taken immediately to Hanoi, there is no word what happened to those 311 men.

So I would suggest to this committee that I do not know of any such men, but the possibility exists that these men are being held in the same way that the Russians held on to the Germans, the same way that the North Koreans and the Chinese held on to their prisoners until there was a public stink about it.

I think also that we can see that there have been mistakes. I have had many a hassle with the Defense Department over differences, and the real issue that there is apparently a willfulness on the part of the country who has signed and formally agreed to a cease fire, and which not only does not honor the agreement for the return of the prisoners and whatever other identification was specifically stated that they have thus far refused to do so.

Representative WOLFF. Do you have any recommendations that you think the Congress can agree to in order to try to bring to light a resolution of what you have just discussed here?

Mr. McCAIN. Yes, Congressman, briefly. I can say this, that the hope on the part of the families is that we can use the carrot and stick approach with the Vietnamese, that after the October peace at hand agreement, which you know we don't have to talk about the discussions, but what happened at that time, according to Dr. Kissinger, is that the North Vietnamese, the Viet Cong and the Pathet Laos have agreed to account for all the prisoners.

Within a week there was a statement made by Madam Binh, who said, we will change our minds, these prisoners will not be released until the civilian prisoners, and the North Vietnamese said that we are going to cut down on these from five to 250, that they will not have their own equipment.

These men, of course, were of direct interest to us because they were going to be responsible for the accounting.

The Pathet Laos said we don't have any agreement at all.

So many of us feel that the December and January bombings is the only reason that these men came home because once you showed the North Vietnamese we were willing to lean on them, that the carrot and stick approach apparently has been removed.

I think, I doubt, as you would philosophize it, the theory is that it is going to be very unlikely if we are going to use that approach in Southeast Asia, the carrot approach of two and a half billion dollars.

We said to the North Vietnamese that we will make the basic criteria for any aid from our country is that you release these prisoners.

Perhaps this has been removed now because, of course, there are the conservatives who say that we don't think that Hanoi should get this two and a half billion dollars because it will go to the military arms.

The liberals in Congress have said if we are not going to spend this money on our own domestic programs in America, that they have no business in Southeast Asia.

I am not arguing the politics. I am just saying that these seem to me to join together to make it impossible for us to even use the carrot and stick approach.

Let me continue on with this thing, that is the Congressmen who oppose the war, the Congressmen who support the war, the Congressmen who have made an issue of pollution, the Congressmen who have made an issue of civil rights, the Congressmen who have made an issue of various things for which they, themselves, have become known or have espoused, if there is a joining together in this one media, because I think this is the only place where there is representative democracy in the world, frankly, except for England, it is parliamentary, but if in this area the Congressmen and the Senators who have a plethora of activities and interests, that they join together and then perhaps this is the only hope that we have, that the North Vietnamese realize that peaceful relations with the United States is impossible, and that they will not join the world community of respected nations, then perhaps we have some hope there.

What I am telling you, Congressmen, is that without the carrot and stick approach there is only that one slim hope, and if you gentlemen, if you 535 gentlemen that meet within those two august halls, if you get up and you start talking about what Mr. Feldman asked me to say earlier, even if you realize that the life of one of these human beings is so important, if you will get on top of your desk and talk about it.

Representative Wolff. As I indicated to you before, this hearing was conceived before the hearings were set up in Washington.

It took several weeks in order to gather the people that we have here today.

It is an effort to focus attention and to focus a spotlight on the plight of the families that are involved.

I don't know whether I can agree with you as to the "carrot and stick approach," but I do think that we can agree on the one area, and that is the fact that we will leave no stone unturned until such time as there is a resolution of this problem and a final determination that there are no more people left in North Viet Nam, China, or wherever else they may be.

I do feel that one of the reasons for having such a hearing as this is to expose the variety of opinions on the same subject in order for the American people to make a decision as to what position and what course the Congress and their representatives shall take.

We appreciate very much your coming in before us.

Do you have any questions, Mr. Rangel?

Representative Rangel. No.

Mr. McCain. One more sentence, if I may?

I appreciate your interest. And I am sure that that is why this hearing was held today, and I am asking you, Congressman, even though we may disagree on certain details, I think all of us here are saying unless there is something done, and hopefully by Congress, those men are going to remain as slides in that machine, and in those photographs, and they are just going to remain question marks.

And I think it is crucially urgent, particularly for families like myself who have sons and brothers and husbands returned for us to get in this fight together, otherwise these men will disappear.

Representative Wolff. I appreciate your comments.

I wonder—do you have duplicate copies of the slides that you have?

Mr. McCain. I could give you some photo prints, or I could even lend you the slides.

Representative Wolff. That would help us because I would like to show these slides to the committee.

Mr. McCain. Yes.

Representative Wolff. Thank you.

(Witness excused.)

Representative Wolff. The next gentleman we have is Mr. Thomas Gleason.

Mr. Gleason is President of the International Longshoreman's Association and has been active in the National League of Families.

We will have one more witness after Mr. Gleason, and that will be Mrs. Mary L. Payne.

Mr. Thomas Gleason. Thank you.

Representative Wolff. Mr. Gleason, we want to thank you for coming down here.

Would you please identify yourself?

Mr. Gleason. My name is Teddy Gleason.

I am President of the International Longshoreman's Association.

I did not prepare a long statement here this morning, but after listening to all of the speakers here this morning I think there is a lot of anxiety amongst these people that have their brothers and sisters, and what have you, missing in action and not accountable for them.

How the Association over a period of years has taken a very determined stand, and we have been accused over a period of years of being hawks, and all this kind of stuff, but I believe in the last summation by Joe McCain here that the only way that you are going to do anything is by putting your foot down. That is the way we got where we are today, by meaning what we say.

For twenty years we have been talking to the Russians about doing something about the shipping business that we were in. From 1970 until 1973 we were playing the part in this release of the prisoners of war because we refused to work the Russian ships until we got a decision on the prisoners of war.

And when the grain shipments were made we refused to load those grain shipments until we had some knowledge of a deal being made with Russia, with China, that they will work in cooperation with our government to force the release and the identity of those missing in action and the prisoners of war.

And in December when we had mined the harbor and bombed Hanoi, we were 100 percent behind it, because we believed that this is the only way that they could be brought home from Viet Nam.

It is very easy for me to talk because I am on social security. I am seventy-three years of age. I won't have to go to war.

But I have three sons that did serve their country, and one gave a leg in Southeast Asia. And none of us wants to see war, but if we go in there, the only way we should go in there is to go in to win and not play around the way the hell we did the last thing here.

I worked in Saigon and in DaNang in 1965, 1966, 1967, and I know some things that were going on there.

I worked there on the docks, not for my government, but for the union, for the International Longshoreman's Union. We wouldn't accept any money off the United States government because we felt that we wanted to be free to make decisions as we saw them.

And I feel again that something has to be done to unite Congress down there. The war is supposedly over.

Those of us who disagree with each other about the war, whether it was moral or not, or whether we were in a war, we shouldn't have been there in the first place, and now we should get together in trying to make a peace and make the peace work.

I think that the only way to do this is the way that Joe said here a little while ago, that we should use the carrot and stick approach.

We talked about the grain. I think you are familiar, Mr. Congressman, that after making the deal with the Russians on the grain, that now they are coming back for renegotiations on the grain because we wanted American ships subsidized, and we wouldn't load them unless the American Merchant Marine got a certain percentage of the shipping.

They are tough people to do business with. They will talk for fifteen or eighteen years. They just talked for five years with the committee that is over there trying to work out some kind of a solution between East and West Europe over there, and it took them five years to agree, our country to agree to Hungary was not part of the discussion.

So if we keep talking about those poor boys that are left over there, then we are going to be talking for the next fourteen or fifteen years again.

So my part in coming here this morning was to introduce a resolution that was passed by the Council, the Council for Civilized Treatment of Prisoners of War.

And if I may read this? This is the resolution that was passed, and also a joint one in our own state here in New York.

"Whereas, The people of the United States of America and of the entire civilized world have been shocked by the inhumane treatment accorded our captured and missing Americans by the government of North Viet Nam and here Communist allies; and

"Whereas, The failure of these governments to identify, return and account for all of these men including eighty men known to be captured and 311 men downed in Laos; and

"Whereas, The government of North Viet Nam and its allies have blatantly ignored the provisions of the Geneva Convention Relative to the Treatment of Prisoners of War for the entire period of the conflict; and

"Whereas, Some members of the House and Senate have encouraged Hanoi's intransigence by introducing legislation limiting our country's ability to take effective action, or by statements inevitably construed by Hanoi as divisive and weakening to the United States; and

"Whereas, There is an abundance of evidence available in the Library of Congress clearly depicting the failure of the Communist enemy in the past in both Korea and North Viet Nam to honor their agreements covering the accounting of missing men including known prisoners of war; and

"Whereas, The precedent which we insist upon now for our captured Americans will determine the treatment accorded future generations, who become the prisoners of war in any further conflict into which the United States may be drawn; now therefore, be it

"Resolved, By the 'Council For Civilized Treatment of POW's' in regular meeting held in New York, N.Y., May 9, 1973, That the Congress of the United States declare a moratorium on any action that will limit the United States from carrying out its unlimited obligation not to abandon a single captured American and to obtain a complete, authenticated accounting of every missing American; and be it

"Further resolved, That no funds for reconstruction or other purposes be provided for North Viet Nam and her allies until and unless this prompt release and complete accounting is carried out; and be it

"Finally resolved, That the Congress of the United States unite in taking whatever measures are necessary for this prompt release of all captured Americans and complete authenticated accounting of all missing Americans."

That was the resolution that was adopted by the Council for the Civilized Treatment of Prisoners of War.

And after the resolution was passed by the Joint Committee, the Legislature of the State of New York goes on,

"Whereas, a peace agreement has been instituted to officially end the armed conflict in Viet Nam"——

Representative Wolff. Excuse me. Could I interrupt you for a moment, Mr. Gleason?

Could we have those statements for inclusion in the record?

Mr. Gleason. Yes.

Representative Wolff. Then I don't think you have to proceed on to read those. We will include them in the record, and if there is something that is in addition to that that you would like to put in, that would be fine.

Mr. Gleason. No, I will give it to you.

I didn't come here to make a long statement about the damn thing.

If we can get you guys together, as you know here in New York State we have been trying to bring everybody together, if we can get all the Congressmen together down there in Washington to fight this case—

Representative Wolff. I am sure you realize that it is difficult for so many Congressmen, because they are running for Mayor.

(Laughter.)

Mr. Gleason. Yes, and also with television programs going on.

(The following statement was included in the testimony:)

"Whereas, a peace agreement has been instituted to officially end the armed conflict in Viet Nam; and

"Whereas, Exchanged prisoners of war have returned to rejoicing families leaving behind unaccounted for MIA's; and

"Whereas, In excess of thirteen hundred men serving throughout the United States and men of over one hundred families in New York State remain listed as missing in action due to the past hostilities; and

"Whereas, Aggrieved families of these homeless soldiers and suffering loved ones have not received nor are given any promise of information disclosing their existence; and

"Whereas, The people of New York State have not and will not forget the sacrifices and undertakings so honorably endured by our MIA's; and

"Whereas, The fortitude and tolerance of our missing men behooves their recognition by every free-living citizen of our state; and

"Whereas, The people of New York State commit themselves to maintain faith with our MIA's and their patient families and resolve to pursue any and all indications leading to a determination of their fate, and vow a relentless campaign until all are accounted for; now therefore, be it

"Resolved, That the Legislature of the State of New York acknowledges the contributions made to the peace of our state and our nation by the young men who valiantly offered themselves in the Armed Forces during the "Viet Nam Conflict" by commemorating the third day of June, nineteen hundred seventy-three as "Missing in Action Recognition Day."

(By order of the Assembly.")

Mr. GLEASON. So far as we are concerned, if something is not done with this then we won't load one pound of cargo that is going over to Viet Nam. Under no circumstances. You can go to sleep with that, we will take that position, that not one pound leaves these shores. It may leave other shores but not ours. That is our position.

We have supported the President in his determination to end the damn thing.

We have supported his mission to Moscow. We have supported his mission to Peking, but the simple reason is that we believe that this was the only way that we could get pressure on North Viet Nam to bring this conflict to an end, and myself and Johnny Bowers, who went down there and helped him in his meetings, and got classified information and knew what was going on, and we felt that this was the reason, and this is the only reason why we never worked the Russian ships in this port.

Representative WOLFF. Thank you very much, Mr. Gleason.

Mr. GLEASON. Thank you.

Representative WOLFF. Maybe you can provide us with some of the information.

Mr. GLEASON. Here it is. You don't have all that pressure, too. That was without executive clemency, too.

Representative WOLFF. Thank you.

(Witness excused.)

Representative WOLFF. I would like to call Mrs. Mary L. Payne.

Mrs. Payne, I wonder whether you could identify yourself, please.

Mrs. PAYNE. I am Mrs. Mary L. Payne from Bay Ridge, Brooklyn.

My son, John Allan Payne was drafted the 8th of March 1968.

He was a passenger aboard a helicopter in South Viet Nam that disappeared. There were seven men on helicopter.

It left at 11:00 A.M., the 4th of November, 1969, twelve hundred and ninety-eight days and twelve hundred and ninety-eight nights, all seven of the young men are still missing. They are listed as missing in action.

And when Major Sprough came to my house on January 27, 1973 to tell me that John's name was not on the list, we had a meeting of all the people to see if the helicopter had been found. It had not been found.

I am a Catholic, so I knelt down on my knees and I said, look, God, the young man has suffered now. Would you take his soul to heaven? Would you just let him be at peace? This would be such a relief that he is in heaven.

But he said to me, mother, don't give me up.

Incidentally, I have great reason to remember that week of November 3, 1969. President Nixon came back from abroad, he had just met with General De Gaulle and I said to my boss, I've got to get home, and I've got to hear this man speak tonight because we are going to have peace. I knew that De Gaulle would say, get out.

So when he didn't declare peace, I cried all night and so my son's helicopter disappeared that night.

Anyhow, I do not want to be dramatic, but I am the voice of one little guy in Viet Nam because then, you know yourself, a couple of months ago Phyllis Allard, a missing in action mother, stated that she had gone to—was on television first—had televised passport with all the visas where she had gone to Cambodia and seen her son in Cambodia with twenty-five other missing in action men.

So I called Phyllis in Chicago and I said, Phyllis, when did you go?

She said January, 1972.

I said, why didn't you tell us that you had gone?

She said, because the Army had told me to keep quiet. They would follow it up.

I said, Phyllis, did you really see your son?

Yes, she said.

I said, how did you get there?

She said, I bought a ticket on Northwest Orient Airlines, the officials helped me and it cost me $2,000. But I will work the rest of my life to see him.

So I called Washington and I said, Phyllis Allard did go to see her son. Why weren't we told?

Why weren't we told, Congressman?

Why won't they tell us that—well, anyhow, to make a long story short and a short story sweet, I went to Boston a couple of weeks ago and I met Dr. Shields and I said, you know, Doctor, Phyllis Allard saw her son, and approximately twenty-five missing in action in Cambodia.

And he said, you know, she is a bit—I don't know—I can't remember his words but he implied she was strange.

I said, Congressman, a mother is not strange. Don't write her off because I believe that she went.

He said, do you think they would let you in?

I said, no, they wouldn't because if they let me in it would be two MIA's. I wouldn't leave him there.

So I presume Phyllis will testify next week. I am hoping she will. Because I am going down there to hear her, because I do believe that we have an awful lot of men in Cambodia, but we are still bombing but you can't get in and this thing goes on and on.

If I may quote Senator Brooks, I asked Senator Brooks, I said, do you think our bombing is helping?

He said it is a waste. We are bombing rice paddies, but I do believe we have a lot.

And, you know, Gladys Brooks, she is convinced that her son is in Laos.

We have all the mothers, we really just won't give them up.

And as far as Joe's carrot and stick, I believe a lot in the brotherhood approach, the war is over. The war should never have been.

And, you know, in Bay Ridge, Brooklyn, we had a big quota, and we have right in my area, we have three missing in action.

We have a civilian, which is one of the most tragic aspects of the thing, her son is missing and Ann Cherrillo, the three of us, we just talk and we never give up.

We listen to everything that goes on—I get up at 5:00 o'clock, I put on the news. I could write the column between working.

And I have become a pain in the neck. My boss says, what good are you doing?

I have been to Paris. We have been to Geneva. I run back and forth to Washington. I have not accomplished anything.

But I am ready to go to Viet Nam. And I do believe that if we used the brotherhood approach, I do believe that it would work.

Our Holy Father, the Pope, has advocated it and we are all brothers.

And, you know, these little Viet Nam people, that seventy-three percent of the casualties in South Viet Nam were from our bombs.

And, you know, we have an awful lot of little—we have an awful lot to do.

My son, John, who is a humanitarian always said, mother, you should see these little people. You never knew what underprivileged meant. So I don't know——

Representative WOLFF. Mrs. Payne, again we want to thank you for coming here and giving us the benefit of your experiences.

I assure you, as I have done with the others, that we will continue to search to try to find some resolution for the MIA's.

It is certainly in everyone's interest to determine the fate of the young men who are involved.

As I indicated before, there are a variety of opinions that have been expressed by Members of Congress, people in this country, regarding the war itself.

But I think that we are united in one final effort, and that is to see to it that there is an end to the "limbo" in which you find yourselves.

Representative RANGEL. Thank you.

Mrs. PAYNE. I am lucky. Thank you, sir. Thank you for having this hearing. It has really been very beneficial.

Representative WOLFF. Thank you very much.

This hearing is now adjourned.

(Witness excused.)

(Whereupon, at 12:45 o'clock P.M. the hearing was adjourned.)

## RURAL MEDICAL PRACTICE INCENTIVE ACT

(Mr. SEBELIUS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SEBELIUS. Mr. Speaker, as every American citizen knows, the task of making health care accessible to all Americans in a fair and equitable manner has become an issue of national importance.

In some communities, especially in rural and isolated areas, citizens face the problem of inadequate health care. This problem stems from a lack of health manpower or the inability of rural communities to attract young doctors.

No one in my congressional district needs to be told that we have an acute doctor shortage. Virtually every county seat community in the 57-county area I am privileged to represent is experiencing problems in health care services. It has reached the point in some areas where communities openly compete for the services of young general practitioners much in the same fashion as professional sports organizations compete for quality athletes.

In Kansas, the latest figures show there are 2,173 practicing physicians. However, 54 percent of these doctors practice in four of my State's most populated counties, leaving the remaining 902 physicians to serve the other 101 counties. In short, it is the rural areas of our country that have the greatest problems in providing adequate health care services. While the problem is simply stated—rural Kansas communities are losing their physicians through retirement and death and the younger generation of doctors are not moving in at an adequate rate to replace them—the answers are complex.

One approach to meeting this problem has been suggested by my good friend and colleague, Senator **Robert Dole**, who has introduced legislation in the other body that would create incentives to encourage health professionals to develop practices in critical health manpower shortage areas.

In introducing this legislation, Senator **Dole** recently outlined the bill's purpose and intent. His remarks, I think, put this matter into proper perspective and summarize the issue very well. I am today introducing this legislation which is identical to the bill introduced by Senator **Dole** and ask that my colleagues who have an interest in improving health care in all areas of critical manpower shortage join in sponsoring this measure. The Senator's remarks follow:

The first portion of the bill authorizes the transfer of military physicians to the National Health Service Corps, provided they make a commitment to serve for a period of time equal to their military obligation in an area of critical health manpower needs. The basic premise behind this provision of the bill is that physicians who have incurred a Federal service obligation should be used to help meet the Nation's greatest health needs, regardless of whether they exist in the military or civilian sector.

The bill specifically authorizes the transfer of physicians to the National Health Service Corps who have incurred a military obligation under the Barry plan, the Armed Forces health professions scholarship program, or through the University of the Health Sciences—once it becomes operational. By permitting these physicians to serve in the National Health Service Corps, the bill would provide a great and essential service to many rural communities.

The National Health Service Corps was established by legislation in the 92d Congress to improve the delivery of health care and services to persons residing in areas which have critical health manpower shortages. Corps physicians, dentists, or nurses, depending on the need of the applicant community, are assigned to areas upon the request of the State or local public health agencies or any other public or nonprofit health entity in the area. The request must have the approval of State and local medical, dental, and nursing societies. The community requesting such a health team must demonstrate a need for such manpower assistance and a financial commitment to sustain their services, as well as show how the health team would be integrated into the community and the existing health delivery system.

In Kansas there are currently six designated critical health manpower shortage areas which have an approved National Health Service Corps application and are awaiting assignment of a physician. The Haven, Kans., community has already been assured a physician placement, but the applications of Yates Center, Coldwater, Phillipsburg, Nemar, and Valley Falls are still awaiting physician assignments. Other communities have expressed urgent need for physicians and will be developing applications. Because the number of approved applications exceeds the number of Corps physicians, not every approved community can be assured of physician placement this July. This legislation I am today introducing would hopefully make an adequate number of Corps physicians available to meet the needs of all of the approved communities.

There are currently 6,617 physicians enrolled in the Barry plan who are completing residency requirements and will enter the military sometime between now and 1980. In addition, 1,421 medical students receiving scholarship assistance now will be entering the service in the next 4 years. If only a small portion of these physicians were diverted to serve in designated critical health manpower shortage areas, it would be an important step in helping to solve the rural health care crisis.

Taking into consideration the cessation of American military combat activity since the Vietnam cease-fire and the prospects for passage of a bill which would readjust pay rates for uniformed service physicians and dentists, I feel that the Armed Forces physicians corps could afford the losses which would result from this legislation. Using the figures provided by the Department of Defense, my office has learned that the doctor/patient ratio in the military is more than 120 patients per doctor lower than in the civilian sector and 3 times as low as in many of the rural Kansas communities. In addition, military physicians have the benefit of serving a population which resides in a compact area and thus is not faced with the health care delivery problems associated with rural medical practice. Also, the military physician has the benefit of a larger number of technicians and corpsmen to assist him in serving his patients. Although I recognize the needs to sustain a high level of medical care in the military, statistics indicate that some of the physicians currently serving in the military could be transferred to areas of critical civilian need without jeopardizing the level of military health care.

The second portion of the bill would provide a financial incentive for any physician practicing in designated health manpower shortage areas, whether he is serving in the National Health Service Corps or not. The bill would permit any physician serving in a designated area to exempt for Federal tax purposes $20,000 of his adjusted gross practice income the first year; $15,000 the second year; $10,000 the third year, $7,500 the fourth year; and $5,000 the fifth year. This provision would have the impact of providing a Federal incentive for establishing a practice in areas of critical need and phase out the assistance over a period of 5 years as the practice becomes established.

It is recognized that this provision is not a cure-all for the rural health care needs since the financial aspects are only one of several problems facing rural practitioners. However, to any extent that it would induce the development of medical practices, it is a wise dollar investment by the Federal Government.

## DEVINE RELEASES POLL RESULTS

(Mr. DEVINE asked and was given permission to extend his remarks at this point in the **Record** and to include extraneous matter.)

Mr. DEVINE. Mr. Speaker, I am glad to announce the results of my 12th Ohio District constituent poll. Questionnaires were mailed to 182,000 during the first week in April and nearly 40,000 persons responded from Delaware County, Morrow County, and the eastern portion of Franklin County.

Although the subject of capital punishment has been highly controversial, 85 percent urged restoration of the death penalty for premeditated murder, treason, or skyjacking.

In the foreign policy field, 70 percent want less U.S. aid to the United Nations, only 5 percent an increase, with 25 percent undecided. Less foreign aid is demanded by 86 percent and again, a mere 5 percent favor more.

As far as U.S. contributions for North Vietnam reconstruction is concerned, 6 percent say yes, with an overwhelming 85 percent in opposition.

Amnesty for deserters and draft dodgers is favored by 18 percent, with 77 percent saying no.

The total poll results are as follows:

[In percent]

| | Yes | No | Undecided |
|---|---|---|---|
| 1. Should the United States contribute to reconstruction of North Vietnam? | 6 | 85 | 9 |
| 2. Amnesty for deserters and draft dodgers? | 18 | 77 | 5 |
| 3. Economic and cultural trade with China and the U.S.S.R.? | 69 | 21 | 10 |
| 4. President Nixon lifted controls on food, health care, and construction, and substituted voluntary controls. Do you agree? | 30 | 57 | 13 |
| 5. Do you approve the Government's effort to lower spending by freezing funds appropriated by Congress? | 67 | 23 | 10 |
| | More | Less | Same |
| 6. Federal spending involves your tax dollars. Should we spend more, less, or the same as presently on the following: | | | |
| Defense | 28 | 40 | 32 |
| Education | 45 | 20 | 35 |
| Space program | 12 | 58 | 30 |
| Crime control and prevention | 76 | 4 | 21 |
| Foreign aid | 5 | 86 | 9 |
| Pollution control | 42 | 26 | 32 |
| Aid to U.N | 5 | 70 | 25 |
| Mass transportation | 55 | 22 | 23 |
| Consumer protection | 53 | 15 | 32 |
| Housing for poor and elderly | 47 | 13 | 40 |
| Farm program | 23 | 35 | 42 |
| | Yes | No | Undecided |
| 7a. Should parents get tax credit for tuition? | 52 | 43 | 5 |
| 7b. Do you favor Federal aid to private and parochial schools? | 30 | 65 | 5 |
| 7c. Would you pay more taxes to raise Federal aid to education? | 17 | 77 | 6 |
| 8. Should death penalty be restored for premeditated murder, treason, or hijacking? | 85 | 11 | 4 |
| 9. Should reporters have the right to refuse to reveal sources? | 51 | 42 | 7 |
| 10. Which of the below describes your feeling about gun control (check only 1): | | | |
| (a) All guns should be registered and controlled | 55 | | |
| (b) No guns should be registered or controlled | 16 | | |
| (c) Saturday Night Specials should be outlawed | 27 | | |
| (d) Undecided | 2 | | |

Of those responding, 52 percent identified themselves as Republicans, 30 percent Democrats, and 18 percent independents. Only .012 percent of the returns were from the 18 to 21 age group and most answers were in the 35 to 50 group.

## GENERAL LEAVE

Mr. BRECKINRIDGE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks and include extraneous matter on the subject of the special order given by the gentleman from Indiana (Mr. **Brademas**).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

## LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. **Ketchum** (at the request of Mr.

Gerald R. Ford), for today, on account of official business.

Mr. Parris, for the balance of today's session, on account of official business.

## SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Huber) and to revise and extend their remarks and include extraneous matter:)

Mr. Hogan, for 15 minutes, today.

Mr. Wyman, for 15 minutes, today.

Mrs. Heckler of Massachusetts, for 5 minutes, today.

(The following Members (at the request of Mr. Breckinridge) and to revise and extend their remarks and include extraneous matter:)

Mr. Flood, for 15 minutes, today.

Mr. Rooney of Pennsylvania, for 15 minutes, today.

Mr. Vanik, for 5 minutes, today.

Ms. Abzug, for 10 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Hamilton, for 10 minutes, today.

Mr. Harrington, for 5 minutes, today.

Mr. Rees, for 5 minutes, today.

Mr. Bingham, for 5 minutes, today.

Mr. Danielson, for 10 minutes, today.

Mr. Dominick V. Daniels, for 10 minutes, today.

Mr. Holifield, for 10 minutes, today.

Mr. Fulton, for 10 minutes, today.

## EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Madden.

Mr. Mallary in connection with the amendment to H.R. 7724.

Mr. Wolff to revise and extend his remarks in the body of the Record, notwithstanding the fact that it exceeds two pages of the Record and is estimated by the Public Printer to cost $2,167.

(The following Members (at the request of Mr. Huber) and to include extraneous matter:)

Mr. Collier in three instances.

Mr. Bell in two instances.

Mr. Blackburn in two instances.

Mr. Young of Alaska in two instances.

Mr. Snyder.

Mr. Whitehurst.

Mr. Hogan in two instances.

Mr. Railsback in two instances.

Mr. Rinaldo.

Mr. Duncan.

Mr. Wyman in two instances.

Mr. Lujan in two instances.

Mr. Fish.

Mr. Carter in two instances.

Mr. Young of Florida.

Mr. Derwinski in three instances.

Mr. Cohen in three instances.

Mr. Symms in two instances.

Mr. Hosmer in three instances.

Mr. Dennis.

Mr. Brown of Ohio.

Mr. Goldwater.

Mr. Pritchard in five instances.

Mr. Anderson of Illinois in three instances.

Mr. McCloskey.

Mr. Wydler.

Mr. du Pont.

Mr. Froehlich.

(The following Members (at the request of Mr. Breckinridge) and to include extraneous matter:)

Mr. Roy in four instances.

Mr. Hamilton.

Mr. Wolff in two instances.

Mr. Annunzio in 10 instances.

Mr. Howard.

Mr. McFall.

Mr. Harrington.

Mr. Gonzalez in three instances.

Mr. Rarick in three instances.

Mr. Thompson of New Jersey.

Mr. Burke of Massachusetts.

Mr. Boland in two instances.

Mr. Blatnik in five instances.

Mr. Mezvinsky.

Mr. Vanik in two instances.

Mr. Brinkley.

Mr. Jones of Oklahoma.

Mr. Rees in five instances.

Mr. Studds.

Mr. Donohue.

Mr. Edwards of California.

Mr. Anderson of California in two instances.

Mr. Drinan.

## SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1317. An act to authorize appropriations for the U.S. Information Agency; to the Committee on Foreign Affairs.

S. 1501. An act to amend the Water Resources Planning Act to authorize appropriations for fiscal year 1974; to the Committee on Interior and Insular Affairs.

## SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1235. An act to amend Public Law 90-553 authorizing an additional appropriation for an International Center for Foreign Chanceries

## ADJOURNMENT

Mr. BRECKINRIDGE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 31 minutes p.m.), under its previous order, the House adjourned until Monday, June 4, 1973, at 12 o'clock noon.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

981. A letter from the Under Secretary of Agriculture, transmitting a report covering calendar year 1972 on the administration of the Laboratory Animal Welfare Act, pursuant to section 25 of Public Law 91-579 (84 Stat. 1565); to the Committee on Agriculture.

982. A letter from the Acting Assistant Secretary of the Navy (Installations and Logistics), transmitting notice of the proposed transfer of the destroyer escort ex-U.S.S. *Stewart* (DE 238) to the U.S. Submarine Veterans World War II—Texas, Inc., Galveston, Tex., pursuant to 10 U.S.C. 7308; to the Committee on Armed Services.

983. A letter from the Director, Federal Mediation and Conciliation Service, transmitting the 25th annual report of the Service, covering fiscal year 1972, pursuant to section 202(c) of the Labor-Management Relations Act, 1947; to the Committee on Education and Labor.

984. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting the texts of International Labor Organization Convention No. 131 and ILO Recommendation No. 135, concerning minimum wage fixing with special reference to developing countries (H. Doc. 93-108); to the Committee on Foreign Affairs and ordered to be printed.

985. A letter from the Acting Administrator, U.S. Environmental Protection Agency, transmitting the annual report on progress in the prevention and control of air pollution, covering calendar year 1972, pursuant to section 313 of the Clean Air Act, as amended; to the Committee on Interstate and Foreign Commerce.

986. A letter from the secretary, Aviation Hall of Fame, Inc., transmitting the audit of the organization for calendar year 1972, pursuant to section 15(b) of Public Law 88-372; to the Committee on the Judiciary.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mrs. SULLIVAN: Committee on Merchant Marine and Fisheries. H.R. 1820. A bill to direct the Administrator of General Services to release a condition with respect to certain real property conveyed to the State of Arkansas by the United States, and for other purposes; with amendments (Rept. No. 93-241). Referred to the Committee of the Whole House on the State of the Union.

Mrs. SULLIVAN: Committee on Merchant Marine and Fisheries. H.R. 3620. A bill to establish the Great Dismal Swamp National Wildlife Refuge; with an amendment (Rept. No. 92-242). Referred to the Committee of the Whole House on the State of the Union.

Mr. GRAY: Committee on House Administration. House Resolution 398. Resolution providing for the promotions to positions of a supervisory capacity on the U.S. Capitol Police force authorized for duty under the House of Representatives, to reduce by 15 positions the total number of positions on such force under the House, and for other purposes (Rept. No. 93-243). Referred to the House Calendar.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BADILLO (for himself and Mr. Harrington):

H.R. 8264. A bill to amend title 18 of the United States Code to provide rules for the treatment of prisoners in Federal correctional institutions; to the Committee on the Judiciary.

By Mr. BINGHAM:

H.R. 8265. A bill to further amend the Internal Revenue Code of 1954 (as amended) so as to permit charitable contributions, bequests, transfers, and gifts to the United Nations and the United Nations Children's Fund, to be deductible for income tax, estate tax, and gift tax purposes; to the Committee on Ways and Means.

By Mr. BROWN of Ohio (for himself and Mr. Van Deerlin):

H.R. 8266. A bill to amend section 303 of the Communications Act of 1934 to require that radio receivers be technically equipped to receive and amplify both amplitude modulated (AM) and frequency modulated (FM) broadcasts; to the Committee on Interstate and Foreign Commerce.

By Mr. BROYHILL of North Carolina:

H.R. 8267. A bill to provide that appointments to the offices of Director and Deputy Director of the Office of Management and Budget shall be subject to confirmation by the Senate; to the Committee on Government Operations.

By Mr. CAREY of New York (for himself, Mr. Burke of Massachusetts, Mr. Koch, Mr. Won Pat, Mr. Stark, Mr. Yatron, Mr. Hicks, Mr. Howard, Mrs. Grasso, Mr. Hanley, Mr. Podell, Mr. Davis of South Carolina, Miss Jordan, Mr. Whitehurst, Mr. Mitchell of Maryland, Mr. Drinan, Mr. Jones of North Carolina, Mr. Davis of Georgia, Mr. Kyros, Mr. McSpadden, Mr. Cronin, Mr. Flood, Mr. Hawkins, Mr. Harrington, and Mr. Johnson of California):

H.R. 8268. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Mr. CAREY of New York (for himself, Mr. Burke of Massachusetts, Mr. McKinney, Mr. Moakley, Mr. Rees, Mr. Studds, and Ms. Abzug):

H.R. 8269. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Mr. DOMINICK V. DANIELS (for himself, Mr. Peyser, Mr. Perkins, Ms. Abzug, Mr. Anderson of Illinois, Mr. Sarbanes, Mr. Breckinridge, Mr. Burton, Mrs. Chisholm, Mr. Dellums, Mr. Derwinski, Mr. William D. Ford, Mr. Fraser, Ms. Grasso, Mrs. Green of Oregon, Mr. Harrington, Mr. Hawkins, Mr. Howard, Mr. Metcalfe, Mr. Podell, Mr. Rees, Mr. Rodino, Mr. Rosenthal, Mr. Roybal, and Mr. Sarasin):

H.R. 8270. A bill to provide for the development and implementation of programs for youth camp safety; to the Committee on Education and Labor.

By Mr. DONOHUE:

H.R. 8271. A bill to establish a Joint Committee on Energy, and for other purposes; to the Committee on Rules.

By Mr. FRASER (for himself, Mr. Diggs, Mr. Studds, Mr. Matsunaga, Mr. Koch, Mr. Rodino, Mr. Moss, Mr. Eilberg, Mr. Forsythe, and Mr. Podell):

H.R. 8272. A bill to amend the United Nations Participation Act of 1945 to halt the importation of Rhodesian chrome and to restore the United States to its position as a law-abiding member of the international community; to the Committee on Foreign Affairs.

By Mr. FULTON:

H.R. 8273. A bill to repeal section 411 of the Social Security Amendments of 1972, thereby restoring the right of aged, blind, and disabled individuals who receive assistance under title XVI of the Social Security Act after 1973 to participate in the food stamp and surplus commodities programs; to the Committee on Ways and Means.

By Mr. HANRAHAN:

H.R. 8274. A bill to amend the Federal Food, Drug, and Cosmetic Act to include a definition of "food supplements," and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. KASTENMEIER (for himself and Mr. Riegle):

H.R. 8275. A bill to authorize the President, through the temporary Vietnam Children's Care Agency, to enter into arrangements with the Government of South Vietnam to provide assistance in improving the welfare of children in South Vietnam and to facilitate the adoption of orphaned or abandoned Vietnamese children, particularly children of U.S. fathers; to the Committee on Foreign Affairs.

By Mr. LUJAN:

H.R. 8276. A bill relating to lands in the Middle Rio Grande Conservancy District, New Mexico; to the Committee on Interior and Insular Affairs.

By Mr. MARAZITI:

H.R. 8277. A bill to amend the Federal Aviation Act of 1958 to provide effective program to prevent aircraft piracy, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MATHIS of Georgia:

H.R. 8278. A bill to amend the Internal Revenue Code of 1954 to prohibit inspection of income tax records by the Department of Agriculture and to allow certain limited information from such records to be furnished to the Department; to the Committee on Ways and Means.

By Mr. MILLER:

H.R. 8279. A bill to amend the Federal Food, Drug, and Cosmetic Act to include a definition of "food supplements," and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. PATTEN:

H.R. 8280. A bill to amend the Federal Aviation Act of 1958 to authorize reduced-rate transportation for young people on a space-available basis; to the Committee on Interstate and Foreign Commerce.

By Mr. PERKINS:

H.R. 8281. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

By Mr. REUSS (for himself, Mr. Adams, Mr. Moss, and Mr. Thompson of New Jersey):

H.R. 8282. A bill to amend the Internal Revenue Code of 1954 to raise needed additional revenues by repealing certain provisions relating to the allowance for depreciation; to the Committee on Ways and Means.

H.R. 8283. A bill to amend the Internal Revenue Code of 1954 to raise needed additional revenues by increasing the amount of minimum tax imposed on tax preferences; to the Committee on Ways and Means.

By Mr. RODINO:

H.R. 8284. A bill to amend title 28 of the United States Code to provide for the appointment of officers and employees of the Court of Claims, the Court of Customs and Patent Appeals, and the Customs Court, and for other purposes; to the Committee on the Judiciary.

H.R. 8285. A bill to amend title 28, United States Code, to provide in civil cases for juries of six persons, and for other purposes; to the Committee on the Judiciary.

By Mr. ROSENTHAL (for himself, Mr. Addabbo, Mr. Drinan, Mr. Edwards of California, Mr. Fraser, Mr. Gilman, Mr. Harrington, Mrs. Heckler of Massachusetts, Mr. Helstoski, Mr. McKinney, Mr. Pepper, Mr. Rooney of Pennsylvania, Mr. Won Pat, and Mr. Wydler):

H.R. 8286. A bill to establish the Airport Noise Curfew Commission and to define its functions and duties; to the Committee on Interstate and Foreign Commerce.

By Mr. ROYBAL:

H.R. 8287. A bill to amend the National Housing Act to provide that real property owned by the Secretary of Housing and Urban Development shall be subject to local code requirements in the same way as privately owned property; to the Committee on Banking and Currency.

By Mr. STARK (for himself, Mr. Won Pat, Mr. Rosenthal, Mr. Hechler of of West Virginia, Mr. Drinan, Mr. Yates, Mr. Nix, Mr. Dellums, Mr. Roe, Mr. Podell, Mr. Stokes, Mr. Waldie, Mr. Eilberg, Mr. Adams, Mr. Yatron, Mr. Anderson of California, Mr. Lehman, Mr. Riegle, Mr. Harrington, Mrs. Grasso, Mr. Bingham, Ms. Jordan, Mr. Helstoski, Mr. Edwards of California, and Mr. Flood):

H.R. 8288. A bill to amend the Small Business Act to provide that a small business concern shall include a nonprofit organization providing economic benefit or valuable service to its members; to the Committee on Banking and Currency.

By Mr. STEELMAN (for himself, Mr. Wylie, Mr. Erlenborn, Mr. Anderson of Illinois, Mr. Dennis, Mr. Gross, Mr. Fountain, Mr. Derwinski, Mr. Thone, Mr. Teague of California, Mr. Wyatt, Mr. Armstrong, Mr. Pritchard, Mr. Archer, Mr. Steiger of Wisconsin, Mr. Won Pat, Mr. Minshall of Ohio, Mr. Jones of North Carolina, Mr. Brown of California, Mr. Dellenback, Mr. McCloskey, Mr. Melcher, Mr. Mosher, Mr. Cohen, and Mr. Walsh):

H.R. 8289. A bill to provide that appointments to the offices of Director and Deputy Director of the Office of Management and Budget shall be subject to confirmation by the Senate; to the Committee on Government Operations.

By Mr. WYLIE (for himself, Mr. Steelman, Mr. Scherle, Mr. Ruppe, Mr. Denholm, Mr. Boland, Mr. Fauntroy, Mr. Findley, Mr. Cleveland, Mr. Parris, Mr. Beard, Mr. Forsythe, Mr. Mallary, Mr. Gude, Mr. Buchanan, Mr. Ware, Mr. Mazzoli, Mr. Harrington, Mr. Charles H. Wilson of California, Mr. Brotzman, Mr. Hudnut, Mr. Johnson of Colorado, Ms. Heckler of Massachusetts, Mr. Sarasin, and Mr. Martin of North Carolina):

H.R. 8290. A bill to provide that appointments to the offices of Director and Deputy Director of the Office of Management and Budget shall be subject to confirmation by the Senate; to the Committee on Government Operations.

By Mr. STEELMAN (for himself, Mr. Wylie, Mr. Madigan, Mr. Bell, Mr. Riegle, Mr. Gunter, Mr. Lent, Mr. Steiger of Arizona, Mr. Fish, Mr. Goldwater, Mr. Cochran, Mr. McCollister, Mr. Young of Florida, Mr. Rousselot, Mr. Podell, Mr. Rangel, Mr. Burgener, Mr. Zwach, Mr. O'Brien, Mr. Railsback, Mr. Gilman, Mr. Young of Alaska, Mr. Montgomery, and Mr. Hanrahan):

H.R. 8291. A bill to provide that appointments to the offices of Director and Deputy Directors of the Office of Management and Budget shall be subject to confirmation by the Senate; to the Committee on Government Operations.

By Mr. STEIGER of Arizona:

H.R. 8292. A bill to provide for the orderly administration of special land-use permits regarding Federal lands; to the Committee on Interior and Insular Affairs.

By Mr. STEPHENS:

H.R. 8293. A bill to provide for the establishment of the Kettle Creek National Monument; to the Committee on Interior and Insular Affairs.

By Mr. WHALEN:

H.R. 8294. A bill to amend the Postal Reorganization Act of 1970, title 39, United States Code, to eliminate certain restrictions on the rights of officers and employees of the Postal Service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. WHITEHURST (for himself, Ms. Abzug, Mr. Moakley, and Mr. Wolff):

H.R. 8295. A bill to amend section 9 of the Military Selective Service Act relating to reemployment rights of members and former members of the Armed Forces of the United States; to the Committee on Armed Services.

By Mr. BOB WILSON:

H.R. 8296. A bill to amend section 1034 of the Internal Revenue Code of 1954 (relating to nontaxable sale or exchange of taxpayer's residence) to provide an extended period for the purchase of a new residence in the case of certain temporary foreign assignments; to the Committee on Ways and Means.

By Mr. ZABLOCKI (for himself, Mr. Culver, Mr. Kazen, and Mr. Steele):

H.R. 8297. A bill to amend the Foreign Assistance Act of 1961, and for other purposes; to the Committee on Foreign Affairs.

By Mr. ANDERSON of Illinois:

H.R. 8298. A bill to promote economic stability in the construction industry; to provide legislative authorization for the Construction Industry Stabilization Committee and its wage stabilization activities; and to mandate the Construction Industry Stabilization Committee to prepare a plan for construction industry bargaining reform within 12 months of the date of enactment of this act; to the Committee on Education and Labor.

By Mr. ANDERSON of Illinois (for himself and Mr. Udall):

H.R. 8299. A bill to improve the conduct and regulation of Federal election campaign activities; to the Committee on House Administration.

By Mr. BEVILL:

H.R. 8300. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to promote traffic safety by providing that defects and failures to comply with motor vehicle safety standards shall be remedied without charge to the owner, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BLATNIK:

H.R. 8301. A bill to amend section 107 of the River and Harbor Act of 1970; to the Committee on Public Works.

H.R. 8302. A bill to provide for the conversion of the United States to the metric system; to the Committee on Science and Astronautics.

By Mr. BRADEMAS (for himself, Mr. Perkins, Mr. Hansen of Idaho, and Mr. Peyser):

H.R. 8303. A bill to authorize grants for vocational rehabilitation services, and for other purposes; to the Committee on Education and Labor.

By Mr. ERLENBORN (for himself, Mr. Fuqua, Mr. Quie, Mr. Waggonner, and Mr. Anderson of Illinois):

H.R. 8304. A bill to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rates prescribed by that act, to expand employment opportunities for youths, and for other purposes; to the Committee on Education and Labor.

By Mr. FASCELL:

H.R. 8305. A bill to enact the provisions of Reorganization Plan No. 2 of 1973 with certain amendments; to the Committee on Government Operations.

By Mr. GONZALEZ:

H.R. 8306. A bill to help preserve and improve low- and moderate-income housing; to the Committee on Banking and Currency.

By Mr. HARRINGTON:

H.R. 8307. A bill to authorize the President of the United States to allocate energy and fuels when he determines and declares that extraordinary shortages or dislocations in the distribution of energy and fuels exist or are imminent and that the public health, safety, or welfare is thereby jeopardized; to provide for the delegation of authority to the Secretary of the Interior; and for other purposes; to the Committee on Banking and Currency.

H.R. 8308. A bill to provide for the continued sale of gasoline to independent gasoline wholesalers and retailers and State and local governments and governmental agencies thereof; to the Committee on Interstate and Foreign Commerce.

By Mr. MARAZITI:

H.R. 8309. A bill to provide for improved labor-management relations in the Federal service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. NELSEN:

H.R. 8310. A bill to modify the authorization for the project for flood protection on the Minnesota River at Mankato-North Mankato, Minn.; to the Committee on Public Works.

By Mr. PARRIS:

H.R. 8311. A bill to make small businesses and/or employees that are detrimentally affected by new Federal law, rules issued thereunder, contract cancellations by the Federal Government, or the closing of Federal facilities or installations eligible for disaster relief assistance through the Office of Emergency Preparedness; to the Committee on Banking and Currency.

By Mr. PEYSER (for himself, Mr. Dominick V. Daniels, Mr. Anderson of Illinois, Mr. Eilberg, Mr. Gilman, Mr. McDade, Mr. McKinney, Mr. Murphy of New York, Mr. Nix, Mr. Riegle, Mr. Roncallo of New York, Mr. Yatron, Mr. Burke of Massachusetts, Mr. Matsunaga, Mr. Sisk, Mr. Karth, Mr. Dent, Mr. Dulski, Mr. Helstoski, Mr. Brasco, Mr. Minish, Mr. Gaydos, Mr. Carey of New York, Mr. Charles H. Wilson of California, and Mr. Waldie):

H.R. 8312. A bill to provide for the development and implementation of programs for youth camp safety; to the Committee on Education and Labor.

By Mr. RINALDO:

H.R. 8313. A bill to amend the tariff and trade laws of the United States to promote full employment and restore a diversified production base; to amend the Internal Revenue Code of 1954 to stem the outflow of U.S. capital, jobs, technology, and production, and for other purposes; to the Committee on Ways and Means.

By Mr. ROYBAL (for himself, Mr. Aspin, Mr. Bell, Mr. Brown of California, Mr. Burgener, Ms. Burke of California, Mr. Danielson, Mr. Eckhardt, Mr. Edwards of California, Mr. Hanna, Mr. Hawkins, Mr. McCloskey, Mr. Owens, Mr. Rees, Mr. Roy, Ms. Schroeder, Mr. Udall, Mr. Van Deerlin, Mr. Waldie, and Mr. White):

H.R. 8314. A bill to authorize financial assistance for service, employment, and redevelopment (SER) centers; to the Committee on Education and Labor.

By Mr. SEBELIUS:

H.R. 8315. A bill to encourage health professionals to practice in critical health manpower shortage areas; to the Committee on Ways and Means.

By Mr. STARK (for himself, Mr. Fraser, Mr. Studds, Mrs. Chisholm, Mr. Sarbanes, Mr. Adams, Mr. Mitchell of Maryland, Mr. Roybal, Mr. Hawkins, and Ms. Abzug):

H.R. 8316. A bill to amend the Small Business Act to provide that a small business concern shall include a nonprofit organization providing economic benefit or valuable service to its members; to the Committee on Banking and Currency.

By Mr. STUDDS:

H.R. 8317. A bill to amend the Northwest Atlantic Fisheries Act of 1950; to the Committee on Foreign Affairs.

By Mr. STUDDS (for himself and Mr. Boland):

H.R. 8318. A bill to establish the Nantucket Sound Islands Trust in the Commonwealth of Massachusetts, to declare certain national policies essential to the preservation and conservation of the lands and waters in the trust area, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SYMMS (for himself and Mr. Hansen of Idaho):

H.R. 8319. A bill to provide for the coinage and issuance of coins to commemorate the bicentennial of the American Revolution; to the Committee on Banking and Currency.

By Mr. WYMAN:

H.R. 8320. A bill to extend the fisheries zone of the United States to a distance of 200 miles from the shore of the United States or beyond in certain instances to a point where the sea's depth is more than 200 meters; to the Committee on Merchant Marine and Fisheries.

By Mr. GONZALEZ:

H.J. Res. 591. Resolution to designate February 17 to 23, 1974, as "National Vocational Education, and National Vocational Industrial Clubs of America (VICA) Week"; to the Committee on the Judiciary.

By Mr. PATTEN (for himself, Ms. Abzug, Mr. Bingham, Mr. Brown of California, Mr. Carey of New York, Ms. Chisholm, Mr. Davis of South Carolina, Mr. Denholm, Mr. Donohue, Mr. Eilberg, Mr. Fish, Mr. Forsythe, Mr. Fulton, Mrs. Grasso, Mr. Hanley, Mr. Harrington, Mr. Helstoski, Mrs. Holt, Mr. Madden, Mr. Mayne, Mr. Matsunaga, Mr. Mazzoli, Mr. Melcher, Mr. Moakley, and Mr. Murphy of Illinois):

H.J. Res. 592. Joint resolution to express the sense of Congress that a White House Conference on the Handicapped be called by the President of the United States; to the Committee on Education and Labor.

By Mr. PATTEN (for himself, Mr. Myers, Mr. Podell, Mr. Rinaldo, Mr. Roe, Mr. Roncallo of New York, Mr. Rosenthal, Mr. Roybal, Mr. Sikes, Mr. Vanik, Mr. Winn, Mr. Wolff, Mr. Won Pat, Mr. Wyatt, and Mr. Yatron):

H.J. Res. 593. Joint resolution to express the sense of Congress that a White House Conference on the Handicapped be called by the President of the United States; to the Committee on Education and Labor.

By Mr. HOGAN (for himself Mr. Brasco, Mr. Derwinski, Mr. Forsythe, Mrs. Grasso, Mrs. Heckler of Massachusetts, Mr. Horton, Mr. Hunt, Mr. Kemp, Mr. Landgrebe, Mr. Melcher, Mr. Minshall of Ohio, Mr. Pepper, Mr. Roe, Mr. Rousselot, Mr. Scherle, and Mr. Yatron):

H. Con. Res. 232. Concurrent resolution expressing the sense of Congress that the Holy Crown of St. Stephen should remain in the safekeeping of the U.S. Government until Hungary once again functions as a constitutional government established by the Hungarian people through free choice; to the Committee on Foreign Affairs.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BEARD:

H.R. 8321. A bill for the relief of C.M. Sgt. Donald E. Rudy, U.S. Air Force; to the Committee on the Judiciary.

By Mr. EVANS of Colorado:

H.R. 8322. A bill for the relief of William L. Cameron, Jr.; to the Committee on the Judiciary.

By Mr. BOB WILSON:

H.R. 8323. A bill for the relief of Richard K. Brehl; to the Committee on the Judiciary.

# SENATE—*Thursday, May 31, 1973*

The Senate met at 11 a.m. and was called to order by Hon. Ernest F. Hollings, a Senator from the State of South Carolina.

## PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Most Merciful and Gracious God, who has led this Nation through turbulent times of the past, keep us this day from disappointment and discouragement at the long delay of the coming of Thy kingdom. Keep hope alive that out of the world's tragedies and tyrannies and from our mistakes and misfortunes the spirit of the Master will guide us to the truth and bring the final victory. Grant us a clear sense of duty and honor in every decision. May we live and work not alone or by our own efforts but in Thy strength and by Thy wisdom. May the justice, purity, and peace of the Man of Nazareth be the guide to making our policies and developing our plans until His kingdom comes and His will be done on earth.

We pray in Christ's name. Amen.

## APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. Eastland).

The second assistant legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
*Washington, D.C., May 31, 1973.*

*To the Senate:*

Being temporarily absent from the Senate on official duties, I appoint Hon. Ernest F. Hollings, a Senator from the State of South Carolina, to perform the duties of the Chair during my absence.

James O. Eastland,
*President pro tempore.*

Mr. HOLLINGS thereupon took the chair as Acting President pro tempore.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 5857. An act to amend the National Visitor Center Facilities Act of 1968, and for other purposes; and

H.R. 5858. An act authorizing further appropriations to the Secretary of the Interior for services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts, and for other purposes.

## HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred to the Committee on Public Works:

H.R. 5857. An act to amend the National Visitor Center Facilities Act of 1968, and for other purposes; and

H.R. 5858. An act authorizing further appropriations to the Secretary of the Interior for services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts, and for other purposes.

## THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Wednesday, May 30, 1973, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nomination under Atomic Energy Commission.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nomination on the Executive Calendar, under Atomic Energy Commission, will be stated.

## ATOMIC ENERGY COMMISSION

The second assistant legislative clerk read the nomination of William E. Kriegsman, of Maryland, to be a member of the Atomic Energy Commission for the remainder of the term expiring June 30, 1975.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

## LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

## HONOR AMERICA

Mr. SCOTT of Pennsylvania. Mr. President, I submit, on behalf of myself and the distinguished majority leader, a concurrent resolution and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The concurrent resolution will be stated by title.

The legislative clerk read as follows:

Senate Concurrent Resolution 27, to declare a 21-day period as a period to honor America.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution (S. Con. Res. 27) was considered and unanimously agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

Whereas it is the sense of Congress that 1973 be recorded as the year that all freedom loving Americans demonstrate a reaffirmation of their patriotism and love and respect for these United States of America upon the occasion of the 197th anniversary of its founding; and

Whereas the Congress is aware that while many of the problems confronting America may appear to be monumental, they are problems that are surmountable through the exercise of the American spirit and will; and

Whereas the rekindling of that spirit and will can begin by honoring America: Now, therefore, be it *Resolved in the Senate, (the House of Representatives concurring)*, That Congress declares the 21 days from Flag Day, June 14, 1973, to Independence Day, July 4, 1973, as a period to honor America, and let there be public gatherings and activities at which the people of the United States can celebrate and honor their country in appropriate manner.

Mr. SCOTT of Pennsylvania. I yield back the remainder of my time.

## ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from New York (Mr. Buckley) is recognized for not to exceed 15 minutes.

## PROTECTION OF THE UNBORN—INTRODUCTION OF A JOINT RESOLUTION

Mr. BUCKLEY. Mr. President, about 4 months ago, the Supreme Court, in a pair of highly controversial, precedent-shattering decisions, Roe against Wade and Doe against Bolton, ruled that a pregnant woman has a constitutional right to destroy the life of her unborn child. In so doing, the Court not only contravened the express will of every State legislature in the country; it not only removed every vestige of legal protection hitherto enjoyed by the child in the mother's womb; but it reached its result through a curious and confusing chain of reasoning that, logically extended, could apply with equal force to the genetically deficient infant, the retarded child, or the insane or senile adult.

After reviewing these decisions, I concluded that, given the gravity of the issues at stake and the way in which the Court had carefully closed off alternative means of redress, a constitutional amendment was the only way to remedy the damage wrought by the Court. My decision was not lightly taken for I believe that only matters of permanent and fundamental interest are properly the subject for constitutional amendment. I regret the necessity for having to take this serious step, but the Court's decisions, unfortunately, leave those who respect human life in all its stages from inception to death with no other recourse.

To those who argue that an amendment to the Constitution affecting abortion and related matters would encumber the document with details more appropriately regulated by statute, I can only reply that the ultimate responsibility must be borne by the High Court itself. With Mr. Justice White, who dissented so vigorously in the abortion cases:

> I find nothing in the language or history of the Constitution to support the Court's judgment.

The Court simply carved out of thin air a previously undisclosed right of "privacy" that is nowhere mentioned in the Constitution, a right of privacy which, oddly, can be exercised in this instance only by destroying the life and, therefore, the privacy of an unborn child. As Mr. Justice White remarked last January:

> As an exercise of raw judicial power, the Court perhaps has authority to do what it does today; but in my view its judgment is an improvident and extravagant exercise of the power of judicial review which the Constitution extends to this Court.

In the intervening weeks since the Court's decisions, I have sought the advice of men and women trained in medicine, ethics, and the law. They have given me the most discriminating and exacting counsel on virtually every aspect of the issues involved and have provided invaluable assistance in drawing up an amendment that reflects the latest and best scientific fact, and that comports with our most cherished legal traditions.

Mr. President, before discussing the specific language of my proposed amendment, I believe it necessary first to analyze the effect and implications of Wade and Bolton, and then to place them in the context of current attacks on our traditional attitudes toward human life. At the outset, it is necessary to discuss with some care what the Court in fact held in its abortion decisions. This is, I must confess, not an easy task. For passing the Court's opinions in these cases requires that one attempt to follow a labyrinthine path of argument that simultaneously ignores or confuses a long line of legal precedent and flies in the face of well-established scientific fact.

The Court's labored reasoning in these cases has been a source of considerable puzzlement to all who have the slightest familiarity with the biological facts of human life before birth or with the legal protections previously provided for the unborn child. The Court's substantial errors of law and fact have been so well documented by others that it would be superfluous for me to attempt to add anything of my own. I shall simply refer Senators to the most incisive summary of the Court's errors that I have encountered. It is in the form of a legal brief filed by the attorneys in the Byrn case that was on appeal to the Supreme Court at the time it handed down its opinions in Wade and Bolton. It presents a devastating historical, legal and scientific indictment of the Court's errors of commission and omission. I ask unanimous consent that this document be printed at the end of my remarks as Appendix A, and urge Senators to give most careful study to its arguments.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See Appendix A.)

Mr. BUCKLEY. Mr. President, the full import of the Court's action is as yet incompletely understood by large segments of the public and by many legislators and commentators. It seems to be rather widely held, for example, that the Court authorized abortion on request in the first 6 months of pregnancy, leaving the States free to proscribe the act thereafter. But such is far from the truth. The truth of the matter is that, under these decisions, a woman may at any time during pregnancy exercise a constitutional right to have an abortion provided only that she can find a physician willing to certify that her "health" requires it; and as the word "health" is defined, that in essence means abortion on demand.

The Court's attempts to distinguish three stages of pregnancy, but upon examination this attempt yields, in practical effect, distinctions without a difference. In the first 3 months, in the words of the Court, "the abortion decision and its effectuation must be left to the medical judgment of the pregnant woman's attending physician." This means, for all intents and purposes, abortion on request. During the second trimester of pregnancy, the State may—but it need not—regulate the abortion procedure in ways that are reasonably related to maternal health. The power of the State's regulation here is effectively limited to matters of time, place and perhaps manner.

Thus, through approximately the first 6 months of pregnancy, the woman has a constitutionally protected right to take the life of her unborn child, and the State has no "compelling interest" that would justify prohibiting abortion if a woman insists on one.

After the period of "viability", which the Court marks at 6, or alternatively 7, months of pregnancy, the State "may"—but, again, it need not—proscribe abortion except "where it is necessary for the preservation of the life or health of the mother." This provision, which appears at first glance to be an important restriction, turns out to be none at all, as the Court defines health to include "psychological as well as physical well-being," and states that the necessary "medical judgment may be exercised in the light of all factors—physical, emotional, psychological, familial, and the woman's age—relevant to the well-being" of the mother. The Court, in short, has included under the umbrella of "health" just about every conceivable reason a woman might want to advance for having an abortion.

It is clear, then, that at no time prior to natural delivery is the unborn child considered a legal person entitled to constitutional protections; at no time may the unborn child's life take precedence over the mother's subjectively-based assertion that her well-being is at stake.

In reaching these findings, the Court in effect wrote a statute governing abortion for the entire country, a statute more permissive than that enacted by the hitherto most permissive jurisdiction in the country; namely, my own State of New York. Nor is that all. In the course of its deliberations, the Court found it necessary to concede a series of premises that can lead to conclusions far beyond the immediate question of abortion itself. These premises have to do with the conditions under which human beings, born or unborn, may be said to possess fundamental rights.

I shall have a good deal to say about these extended implications of the Court's decisions in the months ahead, but for the moment, I would like to touch briefly on one or two basic points:

First, it would now appear that the question of who is or is not a "person" entitled to the full protection of the law is a question of legal definition as opposed to practical determination. Thus, contrary to the meaning of the Declaration of Independence, contrary to the intent of the framers of the 14th amendment, and contrary to previous holdings of the Court, to be created human is no longer a guarantee that one will be possessed of inalienable rights in the sight of the law. The Court has extended to government, it would seem, the power to decide the terms and conditions under which membership in good standing in the human race is determined. This statement of the decisions' effect may strike many as overwrought, but it will not appear as such to those who have followed the abortion debate carefully or to those who have read the Court's decisions in full. When, for example, the Court states that the unborn are not recognized by the law as "persons in the whole sense," and when, further, it uses as a precondition for legal protection the test whether one has a "capability of meaningful life," a thoughtful man is necessarily invited to speculate on what the logical extension of such arguments might be.

If constitutional rights are deemed to hinge on one's being a "person in the whole sense", where does one draw the line between "whole" and something less than "whole"? It is simply a question of physical or mental development? If so, how does one distinguish between the child in his 23d week of gestation who is lifted alive from his mother's womb and allowed to die in the process of abortion by hysterotomy, and the one that is prematurely born and rushed to an incubator? It is a well known scientific fact that the greater part of a child's cerebral cortex is not formed, that a child does not become a "cognitive person", until some months after normal delivery. Might we not someday determine that a child does not become a "whole" person until sometime after birth, or never become "whole" if born with serious defects? And what about those who, having been born healthy, later lose their mental or physicial capacity? Will it one day be found that a person, by virtue of mental illness, or serious accident, or senility, ceases to be a "person in the whole sense", or ceases to have the "capability for meaningful life," and as such no longer entitled to the full protection of the law?

Mr. President, the list of such questions is virtually endless. The Court in attempting to solve one problem has ended up by creating 20 others. One can read the Court's opinions in the abortion cases from beginning to end and back again, but he will not find even the glimmer of an answer to these questions; indeed, one will not even find the glimmer of an indication that the Court was aware that such questions might be raised or might be considered important.

A second general consideration I should like to raise, Mr. President, has to do with the Court's definition of "health" as involving "all factors—physical, emotional, psychological familial, and the woman's age—relevant to . . . well-being." It is a little remarked but ultimately momentous part of the abortion decisions that the Court, consciously or unconsciously, has adopted wholesale the controversial definition of "health" popularized by the World Health Organization. According to the WHO, "health" is "a state of complete physical, mental, and social well-being, not simply the absence of illness and disease." In this context, the Court's definition acquires a special importance, not only because it can be used to justify abortion any time a woman feels discomfited by pregnancy, but because the Court made pointed reference to the "compelling interest" of the State in matters of health in general and maternal health in particular. One is bound to wonder whether the State's interest in maternal health would ever be sufficiently "compelling" to warrant an abortion against a pregnant woman's will. This is no mere academic matter. An unwed, pregnant teenage girl was ordered by a lower court in Maryland just last year, against her will, to have an abortion. The girl was able to frustrate the order by running away. The order was later overturned by a Maryland appellate court; but the important point is that an analog to the compelling State interest argument was used by the lower court to justify its holding.

Let us consider, for example, the case of a pregnant mental patient. Would the State's compelling interest in her health ever be sufficient to force an abortion upon her? What of the unmarried mother on welfare who is already unable to cope with her existing children? Again, Mr. President, I am not raising an academic point for the sake of disputation. In the abortion cases, the Supreme Court breathed life into the notorious precedent of Buck against Bell. The Bell case, it will be recalled, upheld the right of a State to sterilize a mental incompetent without her consent.

The Court held in that case that—

> The principle that sustains compulsory vaccination is broad enough to cover cutting the Fallopian tubes.

One is necessarily bound to wonder whether, by analogous extension, the principle that sustains compulsory sterilization of mental patients is broad enough to cover compulsory abortion of mental patients; and if of mental patients, then why not, as the lower court in Maryland suggested, of unwed minor girls? And if of unwed minor girls, then why not of any other woman? Just how "compelling" is the state's interest in matters of "health"? Where does the power begin or end? In the abortion cases, Bell, curiously, is cited for the proposition that a woman does not have an unlimited right to her own body, whence the only inference to be drawn is that the reason she doesn't have an unlimited right is that the state may qualify that right because of its "compelling interest" in "health." I find that a strange doctrine to be celebrated by the proponents of women's liberation.

These larger and deeply troubling considerations, Mr. President, may in the long run be as important to us as the special concern that many of us have with the matter of abortion itself. Every premise conceded by the Court in order to justify the killing of an unborn child can be extended to justify the killing of anyone else if, like the unborn child, he is found to be less than a person in the "whole" sense or incapable of "meaningful" life. The removal of all legal restrictions against abortion must, in short, be seen in the light of a changing attitude regarding the sanctity of individual life, the effects of which will be felt not only by the unborn child who is torn from its mother's womb but as well by all those who may someday fall beyond the arbitrary boundaries of the Court's definition of humanity.

This wider context of the abortion controversy was brought to my attention most forcefully by an unusually candid editorial entitled "A New Ethic for Medicine and Society" that was published two and a half years ago in California Medicine, the official journal of the California Medical Association. It was occasioned, as I understand it, by the debate then taking place in our largest State regarding the liberalization of the abortion law.

The thrust of the editorial is simply this: That the controversy over abortion represents the first phase of a head-on conflict between the traditional, Judeo-Christian medical and legal ethic—in which the intrinsic worth and equal value of every human life is secured by law, regardless of age, health or condition of dependency—and a new ethic, according to which human life can be taken for what are held to be the compelling social, economic or psychological needs of others. Mr. President, I ask unanimous consent that the editorial referred to be printed in the RECORD at the conclusion of my remarks as appendix B.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See appendix B.)

Mr. BUCKLEY. Let me for a moment dwell on a crucial point in that editorial. The author writes:

> The process of eroding the old ethic and substituting the new has already begun. It may be seen most clearly in changing attitudes toward human abortion. In defiance of the long held Western ethic of intrinsic and equal value for every human life regardless of its stage, condition, or status, abortion is becoming accepted by society as moral, right, and even necessary. It is worth noting that this shift in public attitude has affected the churches, the laws and public policy rather than the reverse. Since the old ethic has not yet been fully displaced it has been necessary to separate the idea of abortion from the idea of killing, which continues to be socially abhorrent. The result has been a curious avoidance of the scientific fact, which everyone really knows, that human life begins at conception and is continuous whether intra- or extra-uterine until death. The very considerable semantic gymnastics which are required to rationalize abortion as anything but taking a human life would be ludicrous if they were not often put forth under socially impeccable auspices. It is suggested that this schizophrenic sort of subterfuge is necessary because while a new ethic is being accepted the old one has not yet been rejected.

Lest there be any ambiguity as to the ultimate thrust of the "new ethics," the California Medicine editorial went on to state the following in discussing the growing role of physicians in deciding who will and will not live:

> One may anticipate further development of these roles as the problems of birth control and birth selection are extended inevitably to death selection and death control whether by the individual or by society . . .

I find the editorial of a powerful, eloquent, and compelling statement of the ultimate questions involved in the abortion controversy. The question in issue—the Supreme Court to the contrary notwithstanding—is not to determine when life begins, for that is one of scientific fact requiring neither philosophical nor theological knowledge to answer. The question, rather, is what value we shall place on human life in general and whether unborn human life in particular is entitled to legal protection.

Whether or not our society shall continue its commitment to the old ethnic, or transfer its allegiance to the new, is not a question to be decided by a transitory majority of the Supreme Court, but by the people acting through their political processes. I concur in Mr. Justice White's condemnation of the Wade decision as "an exercise of raw judicial power" that is "improvident and extravagant." I concur in finding unacceptable the Court's action in "interposing a constitutional barrier to State efforts to protect human life and—in—investing mothers and doctors with the constitutionally protected right to exterminate it."

The majority of the Court, however, has rendered its decision. We as a people have been committed by seven men to the "new ethic"; and because of the finality of their decisions, because there are now no practical curbs on the killing of the unborn to suit the convenience or whim of the mother, those who continue to believe in the old ethic have no recourse but to resort to the political process. That is why I intend to do what I can to give the American people the opportunity to determine for themselves which ethic will govern this country in what is, after all, quite literally a matter of life or death. That is why I send my proposed Human Life Amendment to the desk and ask that it be printed and appropriately referred.

In doing so, Mr. President, may I say how deeply gratified I am to be joined in introducing this amendment by my distinguished colleagues from Oregon, Iowa, Utah, Nebraska, Oklahoma, and North Dakota. Senators HATFIELD, HUGHES, BENNETT, BARTLETT, CURTIS, and YOUNG are known in this body and elsewhere as exceptionally thoughtful and dedicated men whose day-to-day political activities are informed by devotion to first principles. When such a geographically, ideologically, and religiously diverse group of Senators can agree on a major issue like this, it suggests that opposition to abortion is truly ecumenical and national in scope. These Senators honor me by their cosponsorship, and I consider it a privilege to work together with them in this great cause. I would simply like to take this occasion to extend to each of them my personal gratitude for their help and cooperation and to say how much I look forward to working jointly with them in the months ahead.

The text of our amendment reads as follows:

> ARTICLE —
>
> SECTION 1. With respect to the right to life, the word 'person', as used in this Article and in the Fifth and Fourteenth Articles of Amendment to the Constitution of the United States, applies to all human beings, including their unborn offspring at every stage of their biological development, irrespective of age, health, function or condition of dependency.
>
> SEC. 2. This Article shall not apply in an emergency when a reasonable medical certainty exists that continuation of the pregnancy will cause the death of the mother.
>
> SEC. 3. Congress and the several States shall have power to enforce this Article by appropriate legislation within their respective jurisdictions.

The amendment's central purpose is to create, or rather, as will be made clear below, to restore a constitutionally compelling identity between the biological category "human being" and the legal category "person". This has been made necessary by two factors: First, the more or less conscious dissemblance on the part of abortion proponents, by virtue of which the universally agreed upon facts of biology are made to appear as questions of value—a false argument that the Supreme Court adopted wholesale; and second, the holding of the Court in Wade and Bolton that the test of personhood is one of legal rather than of biological definition. The amendment addresses these difficulties by making the biological test constitutionally binding, on the ground that only such a test will restrain the tendency of certain courts and legislatures to arrogate to themselves the power to determine who is or who is not human and, therefore, who is or is not entitled to constitutional protections. The amendment is founded on the belief that the ultimate safeguard of all persons, born or unborn, "normal or defective, is to compel courts and legislatures to rest their decisions on scientific fact rather than on political, sociological, or other opinion."

Such a test will return the law to a position compatible with the original understanding of the 14th amendment. As the debates in Congress during consideration of that amendment make clear, it was precisely the intention of Congress to make "legal person" and "human being" synonymous categories. By so doing, Congress wrote into the Constitution that understanding of the Declaration of Independence best articulated by Abraham Lincoln; namely, that to be human is to possess certain rights by nature, rights that no court and no legislature can legitimately remove. Chief among these, of course, is the right to life.

On the specific subject of abortion, it is notable that the same men who passed the 14th amendment also enacted an expanded Assimilative Crimes Statute, April, 1866, which adopted recently passed State antiabortion statutes. These statutes, in turn, had been enacted as a result of a concerted effort by medical societies to bring to legislators' attention the recently discovered facts of human conception. The Court's opinion in Wade totally misreads—if the Court was aware of it at all—the fascinating medico-legal history of the enactment of 19th century antiabortion statutes, and ignores altogether the fundamental intention which animated the framers of the 14th amendment.

Section 1 of the proposed amendment would restore and make explicit the biological test for legal protection of human life. The generic category is "human being," which includes, but is not limited to, "unborn offspring—at every stage of their biological development." It is a question of biological fact as to what constitutes "human being" and as to when "offspring" may be said to come into existence. While the basic facts concerning these matters are not in dispute among informed members of the scientific community, the ways in which these facts are to be ascertained in any particular case will depend on the specifications contained in implementing legislation passed consistent with the standard established by the amendment. Such legislation would have to consider, in the light of the best available scientific information, the establishment of reasonable standards for determining when a woman is in fact pregnant, and if so, what limitations are to be placed on the performance of certain medical procedures or the administering of certain drugs.

Some proponents of abortion will seek to characterize the amendment as prohibiting methods of contraception. To such charge, the answer is twofold:

First, there is nothing in the amendment which would, directly or indirectly, expressly or impliedly, proscribe any mode of contraception;

Second, under the amendment, the test in each case will be a relatively simple one; that is, whether an "unborn offspring" may be said to be in existence at the time when a potentially abortive technique or medicine is applied. Particular standards on this point are to be worked out in implementing legislation.

Section 1, it will also be noted, reaches the more general case of euthanasia. This is made necessary because of the widespread and growing talk of legalizing "death with dignity," and because of the alarming dicta in the Wade opinion by which legal protection seems to be conditioned on whether one has the "capability of meaningful life" or whether one is a "person in the whole sense." Such language in the Court's opinion, when combined with the Court's frequent references to the State's "compelling interest" in matters of "health," is pointedly brought to our attention by the revival in Wade of the notorious 1927 case of Buck against Bell—which upheld the right of the State to sterilize a mentally defective woman without her consent. The Wade and Bolton opinions taken as a whole seem to suggest that unborn children are not the only ones whose right to life is now legally unprotected. Thus, the proposed amendment explicitly extends its protections to all those whose physical or mental condition might make them especially vulnerable victims of the "new ethic."

Regarding the specific subject of abortion, section 2 makes an explicit exception for the life of the pregnant woman. There seems to be a widespread misimpression that pregnancy is a medically dangerous condition, when the truth of the matter is that under most circumstances a pregnant woman can deliver her child with minimal risk to her own life and health. There is, however, an exceedingly small class of pregnancies where continuation of pregnancy will cause the death of the woman. The most common example is the ectopic or tubal pregnancy. It is our intention to exempt this unique class of pregnancies, without opening the door to spurious claims of risk of death.

Under the amendment, there must be an emergency in which reasonable medical certainty exists that continuation of pregnancy will cause the death of the woman. This is designed to cover the legitimate emergency cases, such as the ectopic pregnancy, while closing the door to unethical physicians who in the past have been willing to sign statements attesting to risk of death when in fact none exists or when the prospect is so remote in time or circumstance as to be unrelated to the pregnancy. Contrary to the opinion of the Supreme Court, which assumes that pregnancy is a pathological state, modern obstetrical advances have succeeded in removing virtually every major medical risk once associated with pregnancy. As Dr. Alan Guttmacher himself remarked nearly a decade ago, modern obstetrical practice has eliminated almost all medical indications for abortion. In certain limited instances, however, a genuine threat to the woman's life remains, and it is felt that excepting such situations is compatible with longstanding moral custom and legal tradition.

Mr. President, there is today a broad and growing concern over the consequences of the Wade and Bolton decisions. Scarcely 4 months have passed since the Court's ruling, but already 10 States have petitioned the Congress to adopt an amendment to nullify their effect. They are Maine, North Dakota, South Dakota, Maryland, Utah, Indiana, Nebraska, Minnesota, New Jersey, and Idaho. Moreover, within a few days after the ruling, 17 States joined as amicus curiae in a petition filed by the State of Connecticut seeking, in effect, a reversal of Wade and Bolton. They were Arizona, California, Colorado, Georgia, Kentucky, Louisiana, Massachusetts, Mississippi, Missouri, Montana, Nebraska, New Hampshire, North Dakota, Ohio, Rhode Island, Utah and West Virginia. Several States have refused to adopt new laws to conform with the dictates of the Supreme Court, their legislators being simply unwilling to bring themselves to ratify the Court's actions.

A number of constitutional amendments have already been introduced into the House of Representatives designed to restore protection to the unborn. One of these, the amendment introduced by Congressman Lawrence J. Hogan of Maryland, has already drawn widespread national attention. It seems clear, in short, that the Supreme Court has done anything but "settle" the abortion issue, as some had hoped.

I therefore urge the Committee on the Judiciary to schedule early hearings on my proposed amendment, as well as the Hogan and other amendments which seek to restore the full protection of the law for human life at every stage of development from the time a distinct biologically identifiable human being first comes into existence.

I know there are those, Mr. President, who would argue that it would simply be a waste of time to schedule hearings on proposals for a human life amendment. It is continually being asserted these days that public opinion on the abortion issue has turned the corner, that the Supreme Court decisions in fact reflect current American acceptance of abortion-on-demand. Thus, it is argued, any serious attempt to enact a corrective constitutional amendment would be an exercise in futility.

Some polls have been cited in support of this contention, but these are refuted by the most detailed study of the matter made in recent months. I speak of the one conducted by the University of Michigan's Institute of Social Research last fall which found, among other things, that 58 percent of Americans continue to oppose liberalized abortion, as do a majority of non-Catholic Americans. I mention this last fact in passing, because so many today have "bought" the charge made by the proabortionists that only Roman Catholics today oppose what the Supreme Court has accomplished through judicial fiat. For the benefit of those, Mr. President, who may nevertheless feel that the impetus behind the antiabortion movement is exclusively Catholic, I ask unanimous consent that there be printed in the Record, at the conclusion of my remarks, as appendix C, excerpts from various non-Catholic sources affirming the rights of the unborn and condemning liberalized abortion. I also ask unanimous consent that an article in the April 17, 1973, issue of the Washington Star-News describing the University of Michigan study be printed in the Record at the conclusion of my remarks as appendix D.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See appendix C and D.)

Mr. BUCKLEY. Mr. President, of much greater significance than this study, Mr. President, are the results of referendums last November in which the people of two States, Michigan and North Dakota, were asked to vote on the adoption of liberalized abortion laws. The issue was widely debated, and on election day the people spoke with a decisive voice. They voted to reject permissive abortion by a margin of 3 to 2 in the case of Michigan, and of 3 to 1 in the case of North Dakota.

These votes are of particular significance, because they indicate that the commitment of Americans to the traditional Judeo-Christian ethic is apt to be strengthened after the public has had the advantage of the intensive educational process that results from any actively debated issue. The voters of Michigan and North Dakota came to know the biological facts of human development. By the time they cast their ballots, they had absorbed a knowledge of the subject of abortion and of its implications that is shared today by too few Americans.

Mr. President, I profoundly believe that such popularity, as the idea of abortion as acquired, derives from the ability of the proponents of abortion to dissemble the true facts concerning the nature of unborn life and the true facts concerning what is actually involved in abortion. I further believe that when these facts are fully made known to the public, they will reject abortion save under the most exigent circumstances; that is, those in which the physical life of the mother is itself at stake. In recent weeks, in discussing this matter with friends and colleagues, I have found that, like many of the rest of us, they labor under certain misimpressions created by the proponents of permissive abortion. I, therefore, believe that it would be useful for me to call our colleagues' attention to clinical evidence upon these points.

First, I will quote a particularly felicitous description of the biological and physical character of the unborn child by Dr. A. W. Liley, research professor in fetal physiology at National Women's Hospital, Auckland, New Zealand, a man renowned throughout the world as one of the principal founders and masters of the relatively new field of fetology. Dr. Liley writes:

> In a world in which adults control power and purse, the fetus is at a disadvantage being small, naked, nameless and voiceless. He has no one except sympathetic adults to speak up for him and defend him—and equally no one except callous adults to condemn and attack him. Mr. Peter Stanley of Langham Street Clinic, Britain's largest and busiest private abortorium with nearly 7,000 abortions per year, can assure us that "under 28 weeks the foetus is so much garbage—there is no such thing as a living foetus." Dr. Bernard Nathanson, a prominent New York abortionist, can complain that it is difficult to get nurses to aid in abortions beyond the twelfth week because the nurses and often the doctors emotionally assume that a large foetus is more human than a small one. But when Stanley and Nathanson profit handsomely from abortion we can question their detachment because what is good for a doctor's pocket may not be best for mother or baby.
>
> Biologically, at no stage can we subscribe to the view that the foetus is a mere appendage of the mother. Genetically mother and baby are separate individuals from conception. Physiologically, we must accept that the conceptus is, in very large measure, in charge of the pregnancy, in command of his own environment and destiny with a tenacious purpose.
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> It is the early embryo who stops mother's periods and proceeds to induce all manner of changes in maternal physiology to make his mother a suitable host for him. Although women speak of their waters breaking or their membranes rupturing, these structures belong to the foetus and he regulates his own amniotic fluid volume. It is the foetus who is responsible for the immunological success of pregnancy—the dazzling achievement by which foetus and mother, although immunological foreigners, tolerate each other in parabiosis for nine months. And finally it is the foetus, not the mother, who decides when labour should be initiated.
>
> One hour after the sperm has penetrated the ovum, the nuclei of the two cells have fused and the genetic instructions from one parent have met the complementary instructions from the other parent to establish the whole design, the inheritance of a new person. The one cell divides into two, the two into four and so on while over a span of 7 or 8 days this ball of cells traverses the Fallopian tube to reach the uterus. On reaching the uterus, this young individual implants in the spongy lining and with a display of physiological power suppresses his mother's menstrual period. This is his home for the next 270 days and to make it habitable the embryo develops a placenta and a protective capsule of fluid for himself. By 25 days the developing heart starts beating, the first strokes of a pump that will make 3,000 million beats in a lifetime. By 30 days and just 2 weeks past mother's first missed period, the baby, ¼ inch long, has a brain of unmistakable human proportions, eyes, ears, mouth, kidneys, liver and umbilical cord and a heart pumping blood he has made himself. By 45 days, about the time of mother's second missed period, the baby's skeleton is complete, in cartilage not bone, the buds of the milk teeth appear and he makes his first movements of his limbs and body—although it will be another 12 weeks before mother notices movements. By 63 days he will grasp an object placed in his palm and can make a fist.
>
> Most of our studies of foetal behavior have been made later in pregnancy, partly because we lack techniques for investigation earlier and partly because it is only the exigencies of late pregnancy which provide us with opportunities to invade the privacy of the foetus. We know that he moves with a delightful easy grace in his buoyant world, that foetal comfort determines foetal position. He is responsive to pain and touch and cold and sound and light. He drinks his amniotic fluid, more if it is artifically sweetened and less if it is given an unpleasant taste. He gets hiccups and sucks his thumb. He wakes and sleeps. He gets bored with repetitive signals but can be taught to be alerted by a first signal for a second different one. Despite all that has been written by poets and song writers, we believe babies cry at birth because they have been hurt. In all the discussions that have taken place on pain relief in labour only the pain of mothers has been considered—no one has bothered to think of the baby.
>
> This then is the foetus we know and indeed each once were. This is the foetus we look after in modern obstetrics, the same baby we are caring for before and after birth, who before birth can be ill and need diagnosis and treatment just like any other patient. This is also the foetus whose existence and identity must be so callously ignored or energetically denied by advocates of abortion.

For those who seek further information on the points raised by Dr. Liley, I would refer them to the detailed description of the unborn child contained in the brief filed as amicus curiae by more than 200 members of the American College of Obstetrics and Gynecology. Mr. President, I ask unanimous consent that the relevant portions of that brief be printed at the conclusion of my remarks as appendix E.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See appendix E.)

Mr. BUCKLEY. Mr. President, finally, for the benefit of those who wish to learn what is actually involved in abortion procedures, I ask unanimous consent that there be provided at the conclusion of my remarks, as appendix F, a recent paper by Dr. Joseph Stanton, M.D., entitled "Abortion—Death Before Birth." Dr. Stanton is associate clinical professor of medicine at Tufts Medical School.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See appendix F.)

Mr. BUCKLEY. So much, Mr. President, for the scientific facts of prenatal life and for the techniques now used to destroy it. They illluminate the true nature of the distinctions we are asked to make in the name of a "new ethic." I urge my colleagues to study these facts with special care in the light of the truly radical implications for our society of the Supreme Court decisions. I ask them to keep in mind that the American people were not consulted before seven justices of the Supreme Court took it upon themselves to overturn a commitment to the sanctity of human life that has been central to our civilization for more than 2,000 years. I urge them to understand that if—as I profoundly believe—a majority of the American people continue to believe in the old ethic, they have no effective recourse except through the amendatory process. I believe, at the very least, we have a duty to give consideration of a human life amendment our highest priority.

Mr. President, one final note, if I may. Opponents of abortion are frequently characterized as being indifferent or callous toward the plight of women with what are called problem pregnancies—such as the pregnant, unwed teenager, or the woman who conceives an unplanned child. I believe such a characterization to be wholly unwarranted. To oppose abortion—save the mother's life is at stake—is by no means to be indifferent to the problems of pregnant women. It is our belief that abortion is in fact a spurious remedy to the problem pregnancy. The substantial medical risks attending abortion, the well-documented psychological trauma which accompanies the destruction of a child in utero, the continuing possibility of repeated problem pregnancies throughout the rest of a fertile woman's life—all these factors suggest that ethical considerations aside, abortion is a superficial and highly dangerous nonsolution to what is admittedly a most serious problem.

I profoundly believe that opponents of abortion have a positive obligation to assist pregnant women who are troubled. The private sector has already produced a number of organizations whose central purpose it is to provide counseling and medical assistance to pregnant women, as well as for the placement of any child who after birth is still unwanted. The most prominent organization of this type is called Birthright, with chapters in many cities and towns across the land. I fully endorse these efforts to provide truly humanitarian assistance to those in need, and I intend to assist their growth in whatever ways I can.

Mr. President, I have spoken at some length because I consider this issue to be of paramount importance. As we stand here on this day, quite literally thousands of unborn children will be sacrificed before the sun sets in the name of the new ethic. Such a situation cannot continue indefinitely without doing irreparable damage to the most cherished principles of humanity and to the moral sensibilities of our people. The issue at stake is not only what we do to unborn children, but what we do to ourselves by permitting them to be killed. With every day that passes, we run the risk of stumbling, willy-nilly, down the path that leads inexorably to the devaluation of all stages of human life, born or unborn. But a few short years ago, a moderate liberalization of abortion was being urged upon us. The most grievous hypothetical circumstances were cast before us to justify giving in a little bit here, a little bit there; and step by step, with the inevitability of gradualness, we were led to the point where, now, we no longer have any valid legal constraints on abortion.

What kind of society is it that will abide this sort of senseless destruction? What kind of people are we that can tolerate this mass extermination? What kind of Constitution is it that can elevate this sort of conduct to the level of a sacrosanct right, presumptively endowed with the blessings of the Founding Fathers, who looked to the laws of nature and of nature's God as the foundation of this Nation?

Abortion, which was once universally condemned in the Western World as a heinous moral and legal offense, is now presented to us as not only a necessary, sometime evil, but as a morally and socially beneficial act. The Christian counsel of perfection which teaches that the greatest love consists in laying down one's life for one's friend, has now become, it seems, an injunction to take another's life for the security and comfort of one's own. Men who one day argue against the killing of innocent human life in war will be found the next arguing in praise of killing innocent human life in the womb. Doctors foresworn to apply the healing arts to save life now dedicate themselves and their skills to the destruction of life.

To enter the world of abortion on request, Mr. President, is to enter a world that is upside down. It is a world in which black becomes white, and right wrong, a world in which the powerful are authorized to destroy the weak and defenseless, a world in which the child's natural protector, his own mother, becomes the very agent of his destruction.

Mr. President, I urge my colleagues to join me in protecting the lives of all human beings, born and unborn, for their sake, for our own sake, for the sake of our children, and for the sake of all those who may someday become the victims of the new ethic.

## APPENDIX A

[In the Supreme Court of the United States, October Term, 1972—No. 72-434]

### MOTION TO POSTPONE JURISDICTION UNTIL A HEARING ON THE MERITS

On Appeal From the Court of Appeals of the State of New York

(Robert M. Byrn, as Guardian ad Litem for Infant Roe, an unborn child of less than 24 weeks gestation, whose life is about to be terminated by induced abortion at a municipal hospital of New York City Health & Hospitals Corporation, etc., *Appellant*, versus New York City Health & Hospitals Corporation, Jan Roe and John Roe, parents of said unborn Infant Roe, whose true names are presently unknown, the Hon. Louis J. Lefkowitz, Atty. General of the State of New York, *Appellees*, and Ruth Charney, *et al.*, *Interveners-Appellees*)

Appellant respectfully moves that the Court postpone determination of the question of jurisdiction and of the motions pending before the Court to affirm or dismiss appellant's appeal until a hearing of the case on the merits.

Appellant is the court-appointed guardian *ad litem* for a continuing class of unborn children scheduled for abortion in the municipal hospitals of appellee, New York City Health & Hospitals Corporation. On behalf of his wards, appellant challenged the constitutionality of New York's Elective Abortion Law (New York Penal Law, Sec. 125.05, subdiv. 3); the New York Court of Appeals upheld the validity of the Law, and granted final judgment on the merits to appellees. Appellant's appeal to this Court was docketed on September 14, 1972.[1]

On January 22, 1973, this Court struck down antiabortion statutes in Texas and Georgia in *Roe* v. *Wade*, No. 70-18 (hereinafter "Wade") and *Doe* v. *Bolton*, No. 70-40 (hereinafter "Bolton"). Although unborn children were not parties in either *Wade* or *Bolton*, the opinions of the Court raise doubts affecting the determination of jurisdiction in the instant appeal. The standing or right of appellant's wards to a hearing is inextricably intertwined with the merits of their case (Juris. State., pp. 38a-39a, 65a). That being so, there must not be a prejudgment that the guardian may not be heard because his wards are non-persons. Since jurisdiction in the case at bar depends on the ultimate resolution of that issue, for the reasons hereinafter set forth, determination of jurisdiction should not be made until after a full hearing on the merits.

### GROUNDS FOR THE MOTION

I. *Wade* and *Bolton* are neither controlling nor persuasive as to the claims of right of appellant's wards:

A. Unborn children were not parties, individually or as a class, in *Wade* and *Bolton* and those cases are not *res judicata* as to their rights and status. (See, *infra*, IA).

B. *Wade* and *Bolton* contain fundamental errors with respect to crucial issues upon which appellant had previously briefed the Court. Appellant's arguments were not answered in *Wade* and *Bolton*. (See, *infra*, IB).

II. *Fundamental fairness* requires that before an entire class of living human beings be deprived of the protection of law, their claims of right be heard. (See, *infra*, II).

III. *Wade* and *Bolton* contain dangerous implications which threaten the continued viability of the Due Process and Equal Protection clauses of the Fourteenth Amendment wherein the claims of right of appellant's wards are rooted. (See, *infra*, III).

*The holding in Wade and Bolton does not affect the right of absent parties, including appellant's wards, to a hearing on the merits before this Court on their federal constitutional rights.*

The opinions of the Court in *Wade* and *Bolton* are not decisive of the instant appeal because unborn children were not parties in either case and no guardian was before the Court to represent their interests. *Griswold* v. *Connecticut* is not to the contrary. In that case, this Court recognized the standing of the Planned Parenthood League of Connecticut and a physician to raise the constitutional rights of married people with whom they had a professional relationship. *Griswold* v. *Connecticut*, 381 U.S. 479 (1965).

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Footnotes at end of article.

However, *Griswold* involved a defense to a criminal prosecution and this Court noted that if declaratory relief were sought "the requirements of standing should be strict, lest the standards of 'case or controversy' in Article III of the Constitution become blurred." 381 U.S. 479, 481. It seems clear that a decision in *Griswold* adverse to the constitutional rights of those married people (who were not parties) would *not* be *res judicata* in any pending or subsequent suit by married people to assert and vindicate their rights. *Hansberry* v. *Lee*, 311 U.S. 32, 40 (1940).

In *Wade*, the constitutional rights of unborn children were raised by the Texas Attorney General to support Texas' compelling interest in its anti-abortion statute.[2] The Attorney General argued that the question as to when human life begins was unanswerable and best left to the legislature.[3] But the issue before this Court is not when human life begins. It is recognition of the constitutional fact that at the time an abortional decision is executed, death is inflicted, not on potential human life, but on an individual human life with all its potential, that has already begun.

In all, thirteen judges in New York passed on the merits of appellant's case. Although divided in their decisions on the legal issues, on the factual issue of the individual humanity of the unborn child, they found, on an unchallenged—indeed conceded—factual record of expert evidence, that each of appellant's wards is a "live human being" (Queens County Supreme Court, Juris. State., p. 68a), a "child [with] a separate life" (Appellate Division, Second Department, Juris. State., p. 41a, 38 A.D. 2d 316, 324, 329 N.Y.S. 2d 722, 729 [1972]), a "human" who is "unquestionably alive" and "has an autonomy of development and character" (N.Y. Court of Appeals, Juris. State., p. 10a, 31 N.Y. 2d 194, 199, 335 N.Y.S. 2d 390, 392, 286 N.E. 2d 887, 888 [1972]).

It cannot be said that the Texas Attorney General stood in substantially the same position as the class of unborn children whose rights he purported to assert. Clearly he is not a member of the class and he cannot adequately represent the class. *Hansberry* v. *Lee*, 311 U.S. 32, 41, 43. As a public official, his interest is ever subject to the vagaries of legislative action and potentially in conflict with the interests of the unborn child. Appellant-guardian asserts that the interests and nature of the unborn child constitutionally mandate state protection—a position an attorney general, jealous of state's rights, could hardly sponsor. The potentially conflicting interests of State Attorney Generals is clearly illustrated by the recent history of abortion in New York. In 1969, the Attorney General of the State of New York asserted the interests of the unborn child in supporting a law which permitted abortions only when necessary to preserve the life of the mother. *Hall* v. *Lefkowitz*, U.S.D.C., So. Dist. N.Y., 305 Fed. Supp. 1030 (1969). As appellee herein, he now supports New York's elective abortion law which subordinates the lives of appellant's wards to the unfettered discretion of pregnant women and their doctors. A party possessing such potentially conflicting interests cannot represent the fundamental personal interests of an absent party or fairly insure their protection. *Hansberry* v. *Lee*, 311 U.S. 32, 44, 45. Wright and Miller, *Federal Practice and Procedure*, Vol. 7A, No. 1789 at pp. 178–9. Mr. Justice White writing for the Court in *Blonder-Tongue Labs.* v. *University Foundation*, squarely stated the governing principle in these words:

"Some litigants—those who never appeared in a prior action—may not be collaterally estopped without litigating the issue. They have never had a chance to present their evidence and arguments on the claim. Due process prohibits estopping them despite one or more existing adjudications of the identical issue which stand squarely against their position." 402 U.S. 313, 329 (1971).

## I(B). THE FUNDAMENTAL ERRORS

The Court in *Wade* erred at the threshold when it declined to resolve the crucial question of whether abortion as a matter of fact kills a live human being, even though this is a fact upon which constitutional issues rest (page 15, *infra*). This fundamental error was evidently caused by the Court's misapprehension of the common law of abortion (page 8, *infra*) and the motivation behind early American anti-abortion statutes (page 10, *infra*) which led the Court to ignore the intent of the Framers of the Fourteenth Amendment: to bring within the aegis of the Due Process and Equal Protection Clauses every member of the human race regardless of age, stage or condition of wantedness (page 14, *infra*). The Court left itself without any reliable historical basis for its constitutional interpretation with the result that the Court both omitted to allude to its own prior interpretation of "person" under Section One of the Fourteenth Amendment (page 17, *infra*), and mistook the general status in law of unborn children (page 17, *infra*). Instead, the Court adverted to a number of criteria which it erroneously interpreted as proof that the unborn child is not a person under Section One of the Fourteenth Amendment (pages 19–23, *infra*).

The threshold error is the crucial error. As appellant demonstrates in this motion, the claims of constitutional right of appellant's wards turn on the issue of whether they are all live human beings. When the personal constitutional rights of a party depend on a fact in controversy, the duty rests upon this Court to resolve the fact in controversy for itself. *Napue* v. *Illinois*, 360 U.S. 264, 272 (1959). The Court cannot abdicate that duty without sapping its authority as fact-finder, judge and ultimate arbiter of federal rights.

Referring to another question of life-or-death import, Mr. Justice Marshall observed, "While this fact cannot affect our ultimate decision, it necessitates that the decision be free from any possibility of error" *Furman* v. *Georgia*, 408 U.S. 238, 316 (1972). *Wade* and *Bolton* are not free from error.

### *1. The historical errors*

(a.) *Apparent acceptance of the pro-abortionist thesis that abortion was not a crime at common law (Wade, p. 21),*[4] *and may even have been a "right" (Wade, p. 25), when Appellant had previously briefed the Court on the better view of history which is to the contrary.* Apparently relying on a single law review article, the Court in *Wade* concluded that it is "doubtful that abortion was ever firmly established as a common law crime even with respect to the destruction of a quick fetus." (*Wade*, pp. 20–21)

The Court is in error. Appellant has briefed the Court extensively on the common law history of abortion (Appellant's Brief, pp. A–8 to A–24). Appellant's Brief shows (i) that at least from Bracton's time onward, the common law sought ways to protect the unborn child from abortion from the moment his existence as a separate, live, biological human being could be scientifically demonstrated; (ii) that problems of proving that the unborn child had been alive when the abortional act was committed and that the abortion had been the cause of the child's death were, in the early law, considered insuperable barriers to prosecution; (iii) that thereafter quickening evolved in the law, not as a substantive judgment on when human life begins, but as an evidentiary device to prove that the abortional act had been an assault on a live human being; (iv) that outside the criminal law, the common law, unburdened of problems of proof, regarded the unborn child as in all respects a human being;[5] (v) that abortion after quickening, though a crime, was not homicide at common law (unless the child were born alive and then died) only because of the difficulty of proving that the abortional act had been the cause of the child's death; (vi) that the liability of the abortionist to a murder conviction, if the aborted child were born alive and then died, establishes that the unborn child was in law a person prior to birth because the common law defined crime as "generally constituted only from concurrence of an evil-meaning mind with an evil-doing hand" (*Morissette* v. *U.S.*, 342 U.S. 246, 251–52 [1952]), and the rule of concurrence means necessarily that the intrauterine victim of the abortional act was at the time of the act a human person, else the result could not be called murder; (vii) that problems of proof aside, abortion at any stage of pregnancy was considered *malum in se*, a secular crime against unborn human life, as evidenced by the application of the common law felony-murder rule to the death of the aborted woman (even prior to quickening)[6]—the theory being "that at common law the act of producing an abortion was always an assault for the double reason that a woman was not deemed able to assent to an unlawful act against herself, and for the further reason that *she was incapable of consenting to the murder of an unborn infant* * * * ." *State* v. *Farnum*, 82 Ore. 211, 161 Pac. 417, 419 (1916) (emphasis added) (Motion for a Stay, pp. 7a–8a); (viii) that the application of the felony-murder rule to abortion belies the Court's statement in *Wade* that "abortion was viewed with less disfavor than under most American statutes currently in effect." (*Wade*, p. 25);[7] (ix) that in the face of the abortion-murder rule and the general medical disapproval of abortion, it cannot be assumed that "throughout the major portion of the 19th century prevailing legal abortion practices were far freer than they are today * * * ." (*Wade*, p. 43), and finally, (x) that the common law is totally consistent with the claims of right of appellant's wards herein.

(b.) *Apparent acceptance of the pro-abortionist thesis that 19th century anti-abortion legislation was intended solely to protect the pregnant woman (Wade, p. 36, citing only one case), when Appellant had previously briefed the Court on the overwhelming majority of State court decisions to the contrary.* The 19th century American anti-abortion legislation is a continuum of the efforts of the common law to protect the unborn child from abortion from the moment his existence as a separate, live, biological human being could be scientifically demonstrated.

The Court in *Wade* asserts that the American Medical Association's outcries against abortion, spanning the years 1859–1871, "may have played a significant role in the enactment of stringent criminal abortion legislation during that period." (*Wade*, p. 26).[8] Yet while so admitting, the Court concludes that "the few state courts called upon to interpret their laws in the late 19th and early 20th centuries focused on the State's interest in protecting the woman's health rather than in preserving the embryo and fetus." (*Wade*, p. 36, citing only *State* v. *Murphy*, 27 N.J.L. 112, 114 [1858]). It is inconceivable that appellant's wards should be bound by such a finding when appellant has heretofore briefed the Court on:

(1) the amendment of the New Jersey abortion statute in 1972 designed "to protect the life of the child also, and inflict the same punishment, in case of its death, as if the mother should die." *State* v. *Gedicke*, 43 N.J.L. 86, 90 (1881). (Motion for a Stay, pp. 4a–6a).

(2) decisions from ten other states—all of which were rendered prior to the abortion "reform" movement of the 1960's (six prior to 1920, three between 1930 and 1940, and one in 1950)—which explicitly state that protection of the life of the unborn child was at least one of the purposes of the re-

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spective States' 19th century anti-abortion statutes. (Appendix A)*.

(3) decisions and statutes from nine other States (only one of the key decisions being later than 1907) which clearly imply the same intent. (Appendix A).[9]

(4) the better interpretation of early New York anti-abortion statutes as having as at least one of their purposes the protection of unborn children (in refutation of one of the law review articles upon which the Court relied) (Appellant's Brief, pp. (A29–A37).

Further, appellant submits that it is inconsistent for the Court in *Wade*, on the one hand, to admit that the A.M.A. statements may have influenced the passage of restrictive abortion legislation, and on the other hand, to find, in effect, that the Framers of the Fourteenth Amendment acted in defiance of both the 1859 A.M.A. statement and State legislation and deliberately created an unarticulated right of privacy which included the right to kill unborn children whom the Framers intended to exclude from Fourteenth Amendment protection. If that had been the intent of the Framers, one could hardly imagine three quarters of the State Legislatures ratifying the amendment while they were at the same time contemplating (or had already enacted) restrictive abortion legislation designed to protect unborn human children—especially if such legislation was the product of the A.M.A. statements cited by the Court. Then too, what evidence is there that the Framers did not share "[t]he anti-abortion mood prevalent in this country in the late 19th century * * *" (*Wade*, p. 26)?

Statutory law, common law and the prevalent mood converged in an Iowa case decided in 1868, the year in which the Fourteenth Amendment was ratified. *State* v. *Moore*, 25 Iowa 128 (1868) (Motion for a Stay, pp. 10a–11a), affirmed a conviction of murder for causing the death of a woman by an illegal abortion. The trial court had charged the jury:

"To attempt to produce a miscarriage, except when in proper professional judgment it is necessary to preserve the life of the woman, is an unlawful act. *It is known to be a dangerous act, generally producing one and sometimes two deaths—I mean the death of the unborn infant and the death of the mother.* Now, the person who does this is guilty of doing an unlawful act. If the death of the woman does not ensue from it, he is liable to fine and imprisonment in the county jail (act March 15, 1858, Revision, sec. 4221); and if the death of the woman does ensue from it, though there be no specific intention to take her life, he becomes guilty of the crime of murder in the second degree. The guilt has its origin, in such cases, in the unlawful act which the party designs to commit, and if the loss of life attend it as incident or consequence, the crime and guilt of murder will attach to the party committing such an unlawful act." 25 Iowa at 131–32 (emphasis added).

In upholding the charge, the Iowa court said: "We have quoted the court's language in order to say that it has our approval as being a correct statement of the law of the land." 25 Iowa at 132.

and further: "*The common law is distinguished, and is to be commended, for its all-embracing and salutary solicitude for the sacredness of human life and the personal safety of every human being. This protecting, paternal care, enveloping every individual like the air he breathes, not only extends to persons actually born, but, for some purposes, to infants in ventre sa mere:* 1 Bla. Com. 129.

The right to life and to personal safety is not only sacred in the estimation of the common law, but it is inalienable. It is no defense to the defendant that the abortion was procured with the consent of the deceased.

*The common law stands as a general guardian holding its aegis to protect the life of all.* Any theory which robs the law of this salutary power is not likely to meet with favor." 25 Iowa at 135–36 (emphasis added).

Although the abortion in *State* v. *Moore* occurred after quickening, "no mention is made of the fact in the opinion," *State* v. *Harris*, 90 Kan. 807, 136 Pac. 264, 266 (1913), and the court was obviously speaking of the "sacred" and "inalienable" right to live of *all* unborn children.

(c) *Omission to allude to the recorded statements of intent of the Fourteenth Amendment Framers.* Unfortunately, the Court's errors in *Wade* are cumulative. Having been led astray on the common law and the motivation for 19th century anti-abortion legislation, the Court apparently (and, as it turns out, erroneously) felt that it could safely expound the status of the unborn child under the Fourteenth Amendment without reference to the intent of the Framers.

Fortunately we need not guess at the Framers' intent. It was to protect every live human being regardless of age, stage, or condition of wantedness. Congressman John A. Bingham who sponsored the Amendment in the House of Representatives noted that it is "universal" and applies to "any human being" (Appellant's Brief, p. 38). Congressman Bingham's counterpart in the Senate, Senator Jacob Howard, emphasized that the guarantee of equality in the Amendment protects "the humblest, the poorest, the most despised of the race." (*Id.*)

Appellant submits that it was error for the Court to expound the status of unborn children under the Fourteenth Amendment without reference to the expressed intent of the Framers, as further illuminated by the better view of the common law, the real motivation for the 19th century statutes, and the prevalent mood of the time—that the life of every unborn child is "sacred" and "inalienable." *State* v. *Moore, supra;* A.M.A. Statements, *supra.*

### *2. The errors on the questions of human life and human-legal person*

(a) *Failure to resolve the threshold question of fact of whether an abortion kills a live human being.* The Framers intended that every life human being, every member of the human race, even the most unwanted, fall within the aegis of the Due Process and Equal Protection Clauses. History does not support the proposition that the Framers intended to exclude unborn children. The Court observed in *Wade* that "We need not resolve the difficult question of when life begins." (*Wade*, p. 44). But the Court erred at the threshold when it failed to determine whether an individual human life has already begun before an abortion takes place. That was precisely the constitutional fact to be resolved by the Court before it could even address itself to the rights of unborn children. "There is a long line of judicial construction which establishes as a principle that the duty rests on the court to decide for itself facts or constructions upon which federal constitutional issues rest." *Napue* v. *Illinois*, 360 U.S. 264, 272 (1949). (Appellant's Brief, pp. 7–8). What is at issue in the instant appeal is not a "theory of life" (cf. *Wade*, p. 47), but the "fact of life." The lack of "consensus" among those trained in the respective disciplines of medicine, philosophy, and theology" (*Wade*, p. 44) is not a lack of consensus on the fact of the existence of human life before birth—that is established beyond cavil by the unchallenged biological-medical-genetic-fetological evidence in the case at bar—but on the value of a human life already in existence.[10] That value judgment was made over one hundred years ago, on a constitutional level, and as a matter of binding law, by the Framers of the Fourteenth Amendment. A "consensus" is not relevant. "One's right to life * * * depend[s] on the outcome of no elections." *West Virginia State Board of Education* v. *Barnette*, 319 U.S. 624, 638 (1943). (Appellant's Brief, p. 44)

The Court in *Wade* erroneously omitted to resolve the threshold issue of fact—that abortion kills a live human being—which is, by virtue of the statements of intent of the Framers, a fact upon which constitutional issues rest.

(b.) *Failure to advert to the Court's own explication of "person" as that term is used in Section One of the Fourteenth Amendment.* Heretofore, the Court's explication of "person" in Section One of the Fourteenth Amendment has been consistent with the intent of the Framers. In *Levy* v. *Louisiana*, 391 U.S. 68, 70 (1968), the Court identified such persons as those who "are humans, live and have their being." By rational, modern, biological-genetic-medical-fetological standards, Appellants wards are humans, live and have their being. (See page 5, *supra,* and see Appellants Brief, pp. 8–19). It is this evidence, not personal or legislative predilection, that controls. "To say that the test of equal protection should be the 'legal' rather than the biological relationship is to avoid the issue. For the Equal Protection Clause necessarily limits the authority of a State to draw such 'legal' lines as it chooses." *Glona* v. *American Guarantee Co.*, 391 U.S. 73, 75–76 (1968). (Appellant's Brief, pp. 33–36)

(c.) *That statement that, "In areas other than criminal abortion the law has been reluctant to endorse any theory that life, as we recognize it, begins before birth or to accord legal rights to the unborn except in narrowly defined situations when the rights are contingent upon live birth."* (*Wade*, p. 46). The Court erred. Appellant has heretofore briefed the Court on cases in which an unwilling pregnant woman was required to submit to a blood transfusion, despite her religious objections, because "the unborn child is *entitled* to the law's protection." (Appellant's Brief, pp. 21–30, citing, *inter alia, Raleigh Fitkin-Paul Morgan Memorial Hospital* v. *Anderson*, 42 N.J. 421, 201 A.2d 537, 538, *cert. den.*, 377 U.S. 985 [1964], emphasis added). Obviously, the unborn children in these cases were recognized as human persons before birth—only persons are "entitled" to the law's protection—and just as obviously, their rights were not contingent upon birth.

The common law regarded the unborn child as a live human being in all situations except that in the criminal law problems of proof gave rise to the quickening dichotomy. *Hall* v. *Hancock, supra.* The "traditional rule of tort law" that "denied recovery for prenatal injuries even though the child was born alive," (*Wade*, p. 46) is no tradition at all. It was first promulgated in 1884 (*Dietrich* v. *Inhabitants of Northampton*, 138 Mass. 14); it was severely criticized in a scholarly New York Law Revision Commission Study for its misunderstanding of law and science (*Communication of the Law Revision Commission to the Legislature Relating to Prenatal Injuries* 5–6, 24–25 [1935], reprinted in Law Revision Commission: Report, Recommendations and Studies, 449, 453–54, 472–73 [1935]; it was totally discredited in 1946 on the ground that, "From the viewpoint of the civil law and the law of property, a child *en ventre sa mere is* not only regarded as [a] human being, but as such from the moment of conception—which it is in fact," (*Bonbrest* v. *Kotz*, 65 F. Supp. 138, 140 [D.D.C.]); and it is now in all but total disrepute. (Appellant's Brief, p. 36)

The whole thrust in the law, outside the abortion "reform" movement, is to recognize the unborn child for exactly what he is—a live human being.

### *3. The errors in the interpretation of criteria purportedly negativing the personhood of unborn children*

(a.) *The statement that "appellee conceded on reargument that no case could be cited*

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Footnotes at end of article.

*that holds that a fetus is a person within the meaning of the Fourteenth Amendment."* (*Wade*, p. 41, footnote omitted). Appellant herein would make two observations:

*First*, the inability of appellee in *Wade* to cite a case in answer to a question does not mean that the case does not exist, nor can it govern the rights of appellant's wards herein. Appellant has cited to the Court the statement in *Steinberg* v. *Brown*, 321 F.Supp. 741, 746–47 (N.D. Ohio 1970) that, "Once human life has commenced, the constitutional protection found in the Fifth and Fourteenth Amendments impose upon the state the duty of safeguarding it." (Appellant's Brief, p. 5) (Of course an attempt *might* be made to denigrate the *Steinberg* statement as *dictum* and not holding, but this hardly seems relevant in the context of the Court's question in *Wade*.) Appellant has also called to the Court's attention statements in *State* v. *Moore*, 25 Iowa 128 (1868) (Motion for a Stay, pp. 10a–11a); *People* v. *Sessions*, 58 Mich. 594, 26 N.W. 291 (1885) (Appellant's Brief, p. A–17; Motion for a Stay, pp. 13a–14a), and *Gleitman* v. *Gosgrove*, 49 N.J. 22, 227 A.2d 689 (1967) (Appellant's Brief, pp. 65–66) which, in paraphrase of the Declaration of Independence, characterize the lives of unborn children of all gestational ages as "sacred" and "inalienable." The Constitution incorporates the basic guarantees of the Declaration (Appellant's Brief, p. 68). Unless we are to assume that the Framers of the Fourteenth Amendment intended to strip live human beings of their sacred and inalienable right to live, *Moore*, *Sessions* and *Gleitman* must be interpreted as holding that appellant's wards are persons under Section One of the Fourteenth Amendment. Appellant has also cited to the Court the cases requiring a pregnant woman to undergo a blood transfusion because the unborn child is "entitled" to the law's protection. Only human persons are "entitled" to the law's protection, and the blood transfusion cases must be taken as decisions of Fourteenth Amendment significance.

*Second*, the absence of any such decision should not be influential. As Mr. Justice Brennan stated in another life-or-death context, "The constitutionality of death itself under the Cruel and Unusual Punishments clause is before this Court for the first time; we cannot avoid the question by recalling past cases that never directly considered it." *Furman* v. *Georgia*, 408 U.S. 238, 285 (1972).

(b.) *The statement that, "We are not aware that in the taking of any census under this clause, a fetus has ever been counted."* (*Wade*, p. 42, note 53). Appellant submits that corporations are not counted in a census either, but they too are Fourteenth Amendment persons (discussed under a separate point heading in Appellant's Brief, p. 49).

(c.) *The statement that, "When Texas urges that a fetus is entitled to Fourteenth Amendment protection as a person, it faces a dilemma. Neither in Texas nor in any other States are all abortions prohibited."* (*Wade*, p. 42, note 54). Appellant has discussed the relevant doctrine of legal necessity (which applies to postnatal as well as prenatal human beings) under a separate point heading at pages 52–54 of Appellant's Brief.

(d.) *The statement that, "Further, the penalty for criminal abortion specified by Art. 1195 is significantly less than the maximum penalty for murder prescribed by Art. 1257 of the Texas Penal Code. If the fetus is a person, may the penalties be different?"* (*Wade*, pp. 42–43, note 54). Indeed, the penalties may be and are different because States are free to recognize "degrees of evil" and treat offenders accordingly. *Skinner* v. *Oklahoma*, 316 U.S. 535, 540 (1942). Killing an unborn child may, in legislative judgment, involve less personal malice than killing a child after birth even though the result is the same (discussed under a separate point heading in Appellant's Brief, pp. 50–51).

(e.) *The statement that, "It has already been pointed out, n. 49, supra, that in Texas the woman is not a principal or an accomplice with respect to an abortion upon her."* (*Wade*, p. 42, note 54). The reasons appear to be historical and pragmatic, and totally unrelated to the personhood of the unborn child. *Historically*, abortion was viewed as an assault upon the woman because she "was not deemed able to assent to an unlawful act against herself," *State* v. *Farnum*, 82 Ore. 211, 161 Pac. 417, 419 (1916). As a result the woman was considered a victim rather than a perpetrator of the abortion.[11] *Pragmatically*, conviction of the abortionist would frequently depend upon the testimony of the aborted woman, especially if a subjective element like quickening were at issue. The woman could hardly be expected to testify if her testimony automatically incriminated her. *People v. Nixon*, —— Mich. App. ———, 201 N.W. 2d 635, 645–46 (Mich. 1972, concurring and dissenting opinion of Burns, J.). The omission to incriminate the woman is no more than a statutory grant of immunity.

(f.) *The statement that, "Montana* v. *Rogers, 278 F.2d 68, 72 (CA 7 1960), aff'd sub nom. Montana v. Kennedy, 366 U.S. 308 (1961)" "is in accord" with the proposition "that the word 'person' as used in the Fourteenth Amendment, does not include the unborn."* (*Wade*, p. 43, footnote omitted.) *Montana* was decided under the Citizenship Clause, not the Due Process and Equal Protection Clauses, and is therefore irrelevant (discussed under a separate point heading in Appellant's Brief, pp. 49–50, and see *Byrn* v. *N.Y.C. Health & Hospitals Corp.*, 38 A.D. 2d 316, 329, 329 N.Y.S.2d 722, 734 [1972]).

(g.) *The statement that "Keeler v. Superior Court, ——Cal.——, 470 P.2d 617 (1970) and State* v. *Dickinson, 23 Ohio App. 2d 259, 275 N.E.2d 599 (1970)" are "in accord with" the proposition "that the word 'person,' as used in the Fourteenth Amendment, does not include the unborn."* (*Wade*, p. 43, footnote omitted). Neither *Dickinson* nor *Keeler* was an abortion case. Under a separate point heading in Appellant's Brief, pages 54–55, three reasons are given why the cases are both irrelevant to the instant appeal and correct on their facts. Appellant will not repeat the reasons here.

None of the seven negative criteria cited by the Court (pages 19 through 22, *supra*) supports a finding that the unborn child is not a person under Section One of the Fourteenth Amendment.

* * * * *

In previous papers submitted to the Court on the instant appeal, appellant has provided the answer to virtually every erroneous proposition advanced by the Court in *Wade*. Appellant submits that fundamental fairness requires that the claims of right of appellant's wards not be summarily dismissed on the basis of precedent containing these fundamental errors; rather appellant ought to be accorded a full hearing on the merits.

### II. FUNDAMENTAL FAIRNESS REQUIRES A HEARING.

The constitutional right of life of unborn children was not, and could not, be "inferentially determined in *Vuitch*," (*Wade*, p. 43) and should not be determined by *obiter* in *Wade* and *Bolton*. If the Court should dismiss the instant appeal on the authority of *Wade* and *Bolton*, unborn children, including appellant's wards, will be left rightless without ever having been heard. Such a holding would lower a judicial iron curtain in every court in the nation against the future standing of unborn children to claim protection for their lives. A judicial holding that condemns an entire class of live human beings to oblivion without a hearing is lacking in the fundamental fairness that is the very foundation of due process.

The crucial constitutional fact before the Court is not when life begins but recognition that an individual human life has begun before the abortion takes place. At least for purposes of postponing jurisdiction until after a hearing on the merits, that fact is as worthy of judicial notice as the notice taken by the Court of "the normal 266-day human gestation period" (*Wade*, p. 10) for purposes of giving standing to *Roe*.

*Byrn* is the only case that directly presents the voice of unborn children, themselves, to the Court. It is certainly not an ordinary case. It is a case of first impression presenting a constitutional issue of great magnitude—the extent to which human life itself is protected under the Constitution. The Court has indicated its awareness "of the well known facts of fetal development" (*Wade*, p. 41), and knows that ova, sperm and zygotes are not being aborted under New York's Elective Abortion Law. No troublesome judicial notice need be taken in *Byrn*.[12] The medical and scientific testimony of experts is in the record and directly before the Court. It is uncontradicted and was accepted by all of the judges in the Courts below. Only in *Byrn* are the unborn children, whose lives depend on the outcome, directly before the Court. The vital criterion as to the standing of those children is not birth but that they live. There is no superior element in the crude fact of expulsion from a uterus that would render it a satisfactory 20th Century determinant of legal human existence. Life, not birth, is the essential element worthy of recognition.

A matter so grave as excluding live human beings from basic constitutional protections should not become part of the fabric of our jurisprudence without full opportunity for the affected human beings, themselves, to be heard.

Fundamental fairness requires that this Court afford that opportunity to appellant's wards.

### III. THE DANGEROUS IMPLICATIONS

#### *A. Compulsory abortion*

In *Wade*, the court grounded its holding in "the right of personal privacy," but noted that "this right is not unqualified and must be considered against important state interests in regulation." (*Wade*, p. 39) in support of this qualification and as an example of an appropriate state limitation on the right of privacy, the Court cited *Buck* v. *Bell*, 274 U.S. 200 (1927) which upheld the validity of a state statute providing for compulsory sterilization of mental defectives whose affliction was hereditary (*Wade*, p. 39). *By implication in* Wade *the Court espoused the constitutional validity of State-imposed compulsory abortion of unborn children diagnosed intrautero as mentally defective.* Neither the child's constitutional rights (of which the Court could find none) nor the mother's right of privacy (which the Court found limited by the State's "interest" in preventing the birth of mental defectives) could, according to *Wade*, be interposed to challenge such a statute. The spectre of compulsory abortion assumes additional substance when one reads (within a page of a citation to *Buck* v. *Bell*) that certain enumerated situations "make an early abortion the only civilized step to take." (Douglas, J., concurring in *Wade* and *Bolton*, p. 8). Presumably, under *Wade*, the State would have an interest, sufficiently compelling, to mandate "the only civilized step to take," *i.e.*, abortion.

#### *B. Execution of a sentence of death upon a pregnant woman*

In *Furman* v. *Georgia*, 408 U.S. 238 (1972) it was speculated that capital punishment might not be unconstitutional so long as it was mandatorily imposed (408 U.S. at 413, dissenting opinion of Blackmun, J.). Assuming this to be true, *Wade* would permit a State to execute a pregnant woman (under an appropriate mandatory capital punishment statute) at any time during pregnancy up to the moment before the birth of a

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Footnotes at end of article.

child. The sense of reverence for the life of an unborn child, which in the past has underpinned state policies of delaying execution of a condemned pregnant woman until the birth of her child (see Appellant's Brief, pp. 30–32, 62–64, A24–A28), is nowhere evident in *Wade*.

### *C. Involuntary euthanasia*

The Court in *Wade* refused "to resolve the difficult question of when life begins" because "medicine, philosophy and theology are unable to arrive at any consensus," (*Wade*, p. 44)[13] even though the Court had before it in briefs of appellee and *amici* "at length and in detail the well-known facts of fetal development." (*Wade*, p. 41). These well-known facts include the fact that an eight week old unborn child (for instance) is in genetics, in biology, in medical science, and in appearance nothing less than an individuated, irreversible, live human being. (See Appellant's Brief, pp. 8–10) The controversy to which the Court refers, involves not whether abortion kills a live human being, but whether that live human being is worth keeping alive or, to put it another way, whether he may be killed with impunity. The factual judgment is clear and inevitable; what is at issue is a subjective, individual judgment of whether the life of a human being distinguished from other human beings only by dependency, is "meaningful" (cf. *Wade*, p. 84).[14] The same kind of controversy could, of course, arise at the end of life. Because of illness, age or incapacity a live human being, indistinguishable from other live human beings except by dependency, might be claimed by some in the disciplines of medicine, philosophy and theology to be no longer alive in a "meaningful" way.[15] On the precedent of *Wade* and the Court's unwillingness to recognize the fact of life unless there is a "consensus," a State would seem to be free to remove a live human being (*e.g*, a senile elderly individual) from the law's protection, and the "process of death"' (compare the "process of conception," *Wade*, p. 45) could then be hastened by those who found that the care of this live human being had forced upon them "a distressful life and future." (Compare *Wade*, p. 38).

The prospect of involuntary euthanasia is no mere hobgoblin. It results from the Court's abandonment in *Wade* of the constitutional fact doctrine set forth in *Napue* v. *Illinois* (page 16 *supra*). The Court's refusal to resolve the crucial question of the fact of life, because of a lack of "consensus," establishes a precedent that is as far reaching as involuntary euthanasia.

### *D. Selectivity in Recognizing only some human beings as fourteenth amendment persons*

To the extent that *Wade* is to be read to mean that not all live human beings are "persons" within the Fourteenth Amendment Equal Protection and Due Process clauses, it is a dangerous departure from the intent of the Framers and the Court's own prior interpretation of the word "person" as used therein (Appellant's Brief pp. 33–38). Once these clauses cease to have universal application to all who are humans, live and have their being, the Fourteenth Amendment ceases to be viable. Every unwanted person may justly feel imperiled.

### CONCLUSION

Traditional reverence for human life cannot long survive in a society that surrenders to doctors, or anyone else, a choice to determine who shall live and who shall die. Forty-five years ago this Court upheld compulsory sterilization of the feeble-minded in these words:

"The principle that sustains compulsory vaccination is broad enough to cover cutting the Fallopian tubes." *Buck* v. *Bell*, 274 U.S. 200, 207.

The analogy is clear. *The principle that sustains termination of unwanted pregnancies is broad enough to cover the termination of unwanted lives.*

In Germany, earlier in this century, doctors advanced medico-sociological "final solutions" to the problems of the unwanted. In this way mercy killing of the senile and the incurably insane became an accepted part of "good" medicine. Great numbers of sane intellectuals and middle class professional people accepted a new ethic that demanded "life have quality", and then proceeded to carry that ethic to its logical conclusion until the "Judgment at Nuernberg." Only at its peril does society strike, as ours has started to do, at the fundamental conscience of its doctors. It is not the doctor's province to make a value judgment of a human life. His task is to help where he can, relieve pain and continue to treat illness which is beyond cure. This Court should not give impetus to a new ethic foreign to our traditions and to the reverence for all life embedded in the Declaration of Independence. *Wade* and *Bolton* should be courageously "re-examined without fear and revised without reluctance rather than to have the character of our law impaired, and the beauty and harmony of the system destroyed by the perpetuity of error." 1 Kent's Commentaries 13th Ed. 477.

Wherefore, it is respectfully requested that the Court postpone determination of the question of jurisdiction and of the motions now pending before it to affirm or dismiss the appeal herein until a hearing of the case on the merits.

### APPENDIX A

I. Courts which have declared unambiguously that one of the purposes of their early anti-abortion statutes was the protection of unborn children:

*Alabama—Trent* v. *State*, 15 Ala. App. 485, 73 So. 834 *cert. den.*, 198 Ala. 695, 73 So. 1002 (1916)

*Colorado—Dougherty* v. *People*, 1 Colo. 514 (1872)

*Idaho—Nash* v. *Meyer*, 54 Idaho 283, 31 P. 2d 273 (1934)

*Kansas—State* v. *Miller*, 90 Kan. 230, 133 Pac. 878 (1913)

*New Jersey—State* v. *Gedicke*, 43 N.J.L. 86 (1881)

*Ohio—State* v. *Tippie*, 89 Ohio St. 35, 105 N.E. 75 (1913)

*Oklahoma—Bowlan* v. *Lunsford*, 176 Okla. 115, 54 P.2d 666 (1936)

*Oregon—State* v. *Ausplund*, 86 Ore. 121, 167 Pac. 1019 (1917), *rehearing den.*, 87 Ore. 649, 171 Pac. 395 (1917) *appeal dismissed* on consent, 251 U.S. 563 (1919)

*Vermont—State* v. *Howard*, 32 Vt. 380 (1859)

*Virginia—Anderson* v. *Commonwealth*, 190 Va. 665, 58 S.E. 2d 72 (1950)

*Washington—State* v. *Cox*, 197 Wash. 67, 84 P.2d 357 (1938)

II. Courts which have clearly implied that that one of the purposes of their early anti-abortion statutes was the protection of unborn children:

*Iowa—State* v. *Moore*, 25 Iowa 128 (1868) (1 Harris 631) (1850) (common law)

*Maine—Smith* v. *State*, 33 Maine 48 (1851)

*Maryland—Worthington* v. *State*, 92 Md. 222, 48 Atl. 355 (1901)

*Michigan—People* v. *Sessions*, 58 Mich. 594, 26 N.W. 291 (1886)

*Indiana—Montgomery* v. *State*, 80 Ind. 338 (1881)

*Nebraska—Edwards* v. *State*, 79 Neb. 251, 112 NW 611 (1907)

*New Hampshire—Bennet* v. *Hymers*, 101 N.H. 483, 147 A.2d 108 (1958)

*Pennsylvania—Mills* v. *Commonwealth*, 13 Pa. St. 630 (1 Harris 631) (1850) (common law)

*Utah—State* v. *Crook*, 16 Utah 212, 51 Pac. 1091 (1898)

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FOOTNOTES

[1] The proceedings below and the prior proceedings before the Court are set forth in appellant's Jurisdictional Statement (hereinafter referred to as Juris. State.) filed September 14, 1972, appellant's Motion to Expedite Consideration of Jurisdiction, filed September 14, 1972 and denied October 10, 1972, appellant's Brief in Opposition to Motions to Dismiss, filed October 21, 1972 (hereinafter referred to as Appellant's Brief), and appellant's Application for a Temporary Restraining Order (hereinafter referred to as Motion for a Stay), filed January 5, 1973 and denied by Mr. Justice Marshall January 11, 1973 and by the Court, January 22, 1973 (A–721).

[2] During reargument of *Bolton*, October 11, 1972, the Assistant Attorney General of Georgia stated, "I do not directly represent the unborn children here * * * their representation by a guardian ad litem was denied by the court below." *Doe* v. *Bolton*, Tr. of Rearg. 21–22.

[3] *Roe* v. *Wade*, Tr. of Rearg. pp. 38–39.

[4] Unless otherwise indicated, page references are to the slip opinions in *Wade* and *Bolton*.

[5] "We are also of opinion that the distinction between a woman being pregnant, and being quick with child, is applicable mainly, if not exclusively, to criminal cases * * *." *Hall* v. *Hancock*, 15 Pick. 255, 257 (Mass. 1834).

[6] See the cases collected in *State* v. *Harris*, 90 Kan. 807, 136 Pac. 264 (1913).

[7] The Court also erred when it concluded that prior to the incrimination of prequickening abortions in the 19th century, "a woman enjoyed a broader right to terminate a pregnancy than she does today." (*Wade*, p. 25). A lack of criminal prosecution cannot be translated into an historical right. At common law, larceny by false promise was not a crime, *Chaplin* v. *U.S.*, 157 F. 2d 697, (D.C. Cir. 1946), but few would claim that a thief "enjoyed a broader right" to commit a fraudulent larceny than he does today.

[8] The outcries, of course, were against "the destruction of human life." (*Wade*, p. 26, quoting the 1859 report of the A.M.A. Committee on Criminal Abortion), whether before or after quickening. "We had to deal with human life. In a matter of less importance we could entertain no compromise. An honest judge on the bench would call things by their proper names. We could do no less." (*Wade*, p. 27, quoting the 1871 report of the A.M.A. Committee on Criminal Abortion). No subsequent medical society or bar association statement, referred to by the Court (see *Wade*, pp. 27–32), denies that abortion, as a matter of fact, kills a live human being.

[9] The cases are also set forth in Appellant's Motion for a Stay, pp. 1a–9a and 10a–18a.

[10] Appellant would also point out that the existence of each of his wards has been confirmed by a pregnancy test. (Appellant's Brief, p. 10). We do not deal here with "obscurity," but with the "known rather than the unknown." (Cf. concurring opinion of Douglas, J. in *Wade* and *Bolton*, p. 10). See *State* v. *Sudol*, 43 N.J. Super. 481, 129 A.2d 29, 33, *cert. den.*, 25 N.J. 132, 135 A.2d 248 (1957), *cert. den.*, 355 U.S. 964 (1957), holding that modern science has advanced to a point where a court is justified in taking judicial notice of the accuracy of a confirmed pregnancy test. (See Motion for a Stay, p. 6a)

Appellant, of course, would not concede that *any* human life is *de minimis*.

[11] There is, however some authority that "the mother may be guilty of the murder of a child in *ventre sa mere*, if she takes poison with an intent to poison it, and the child is born alive, and afterwards dies of the poison." *Beale* v. *Beale*, 1 P.Wms. 244, 246, 24 English Reports 373 (ch. 1713).

[12] Chief Justice Burger, concurring in *Wade* and *Bolton* noted "I am somewhat troubled that the Court has taken notice of various

scientific and medical data in reaching its conclusion." Slip Opinion p. 1.

[13] But see *West Virginia State Board of Education* v. *Barnette,* 319 U.S. 624, 638 (1943): "One's right to life * * * depend[s] on the outcome of no elections."

[14] See, *e.g., Editorial,* California Medicine, Vol. 113, No. 3, p. 68 (Sept. 1970) (Appendix B).

[15] See, *e.g.,* Fletcher, *Indicators of Humanhood,* The Hastings Center Report, vol. 2, No. 5, p. 1 (November 1972).

## APPENDIX B

(This editorial is preprinted from "California Medicine," Official Journal of the California Medical Association, Volume 113, Number 3, Pages 67–68, September, 1970)

### A NEW ETHIC FOR MEDICINE AND SOCIETY

The traditional Western ethic has always placed great emphasis on the intrinsic worth and equal value of every human life regardless of its stage or condition. This ethic has had the blessing of the Judeo-Christian heritage and has been the basis for most of our laws and much of our social policy. The reverence for each and every human life has also been a keystone of Western medicine and is the ethic which has caused physicians to try to preserve, protect, repair, prolong and enhance every human life which comes under their surveillance. This traditional ethic is still clearly dominant, but there is much to suggest that it is being eroded at its core and may eventually even be abandoned. This of course will produce profound changes in Western medicine and in Western society.

There are certain new facts and social realities which are becoming recognized, are widely discussed in Western society and seem certain to undermine and transform this traditional ethic. They have come into being and into focus as the social by-products of unprecedented technologic progress and achievement. Of particular importance are, first, the demographic data of human population expansion which tends to proceed uncontrolled and at a geometric rate of progression; second, an ever growing ecological disparity between the numbers of people and the resources available to support these numbers in the manner to which they are or would like to become accustomed; and third, and perhaps most important a quite new social emphasis on something which is beginning to be called the quality of life, a something which becomes possible for the first time in human history because of scientific and technologic development. These are now being seen by a growing segment of the public as realities which are within the power of humans to control and there is quite evidently an increasing determination to do this.

What is not yet so clearly perceived is that in order to bring this about hard choices will have to be made with respect to what is to be preserved and strengthened and what is not, and that this will of necessity violate and ultimately destroy the traditional Western ethic with all that this portends. It will become necessary and acceptable to place relative rather than absolute values on such things as human lives, the use of scarce resources and the various elements which are to make up the quality of life or of living which is to be sought. This is quite distinctly at variance with the Judeo-Christian ethic and carries serious philosophical, social, economic and political implications for Western society and perhaps for world society.

The process of eroding the old ethic and substituting the new has already begun. It may be seen most clearly in changing attitudes toward human abortion. In defiance of the long held Western ethic of intrinsic and equal value for every human life regardless of its stage, condition or status, abortion is becoming accepted by society as moral, right and even necessary. It is worth noting that this shift in public attitude has affected the churches, the laws and public policy rather than the reverse. Since the old ethic has not yet been fully displaced it has been necessary to separate the idea of abortion from the idea of killing, which continues to be socially abhorrent. The result has been a curious avoidance of the scientific fact, which everyone really knows, that human life begins at conception and is continuous whether intra- or extra-uterine until death. The very considerable semantic gymnastics which are required to rationalize abortion as anything but taking a human life would be ludicrous if they were not often put forth under socially impeccable auspices. It is suggested that this schizophrenic sort of subterfuge is necessary because while a new ethic is being accepted the old one has not yet been rejected.

It seems safe to predict that the new demographic, ecological and social realities and aspirations are so powerful that the new ethic of relative rather than of absolute and equal values will ultimately prevail as man exercises ever more certain and effective control over his numbers, and uses his always comparatively scarce resources to provide the nutrition, housing, economic support, education and health care in such ways as to achieve his desired quality of life and living. The criteria upon which these relative values are to be based will depend considerably upon whatever concept of the quality of life or living is developed. This may be expected to reflect the extent that quality of life is considered to be a function of personal fulfillment; of individual responsibility for the common welfare, the preservation of the environment, the betterment of the species; and of whether or not, or to what extent, these responsibilities are to be exercised on a compulsory or voluntary basis.

The part which medicine will play as all this develops is not yet entirely clear. That it will be deeply involved is certain. Medicine's role with respect to changing attitudes toward abortion may well be a prototype of what is to occur. Another precedent may be found in the part physicians have played in evaluating who is and who is not to be given costly long-term renal dialysis. Certainly this has required placing relative values on human lives and the impact of the physician to this decision process has been considerable. One may anticipate further development of these roles as the problems of birth control and birth selection are extended inevitably to death selection and death control whether by the individual or by society, and further public and professional determinations of when and when not to use scarce resources.

Since the problems which the new demographic, ecologic and social realities pose are fundamentally biological and ecological in nature and pertain to the survival and well-being of human beings, the participation of physicians and of the medical profession will be essential in planning and decision-making at many levels. No other discipline has the knowledge of human nature, human behavior, health and disease, and of what is involved in physical and mental well-being which will be needed. It is not too early for our profession to examine this new ethic, recognize it for what it is and will mean for human society, and prepare to apply it in a rational development for the fulfillment and betterment of mankind in what is almost certain to be a biologically oriented world society.

## APPENDIX C

### CONTEMPORARY VIEWS ON PROTECTING UNBORN LIFE AND ANTIABORTION

*United Nations Declaration on the Rights of the Child,* (promulgated by the General Assembly in 1959.) It reads, in relevant part:

"The child . . . shall be entitled to grow and develop in health; to this end, special care and protection shall be provided both to him and to his mother, including adequate *pre-natal and post-natal care.*" And elsewhere in the same document it states:

"the child by reason of his physical and mental immaturity, needs special safeguards and care, *including appropriate legal protection, before as well as after birth.*"

*"Declaration of Geneva",* (medical oath adopted by the General Assembly of the World Medical Association in 1948.) It states, in relevant part:

"I will maintain the utmost respect for human life, from the time of conception; even under threat, I will not use my medical knowledge contrary to the laws of humanity."

*Karl Barth,* (considered by many to be the pre-eminent Protestant theologian of this century): "The unborn child," he wrote, "is from the very first a child. It is still developing and has no independent life. But it is a man and not a thing . . . He who kills germinating life kills a man."

*Dietrich Bonhoeffer,* (the famed Protestant philosopher and theologian who ended his days in a Nazi concentration camp): "To raise the question whether we are here concerned with a human being or not is merely to confuse the issue. The simple fact is that God certainly intended to create a human being and that this innocent human being has been deliberately deprived of his life. And that is nothing but murder."

*Dr. George Hunton Williams,* (Hollis Professor of Divinity at Harvard University): "The Catholic Church is here defending the very frontier of what constitutes the mystery of our being. At the other end of this front line is the struggle against euthanasia (in the strict and deliberate sense). Unless these frontiers are vigilantly defended, the future is grim with all the prospects of man's cunning and contrived manipulation of himself and others. Next to the issue of peace in the world, I feel the opposition to abortion and euthanasia constitutes the second major moral issue of our society (racial integration and the preservation of the family being third and fourth in the American perspective of priorities). In the cause of defending the rights of the unborn, all Christians should be rallied.

"The Catholic position on abortion should not be assailed as 'sectarian' or deplored by some Protestants as 'too harsh' in the present ecumenical climate. Historically the position is in fact Judeo-Christian."

*Dr. Billy Graham,* (widely known and respected contemporary Protestant evangelist): "Murder is murder, whether you shoot the victim with a revolver, or disconnect his life support mechanisms.

"Abortion, like many other questionable things, is a symptom of something more serious than the act itself. It has long been allowed by society, when the life of the mother is endangered, but today, all too often, it is occasioned by the breaking of God's laws on sex. Unwanted pregnancy is the result, not the cause of the difficulty. If you really want to stop 'runaway' abortion, then you must first start with the human heart, not the body. The Bible says, 'Keep thy heart with all diligence, for out of it are the issues of life.' (Proverbs 4:23).

"Physicians say that the complications from a 'vacuum abortion' are relatively few. But when you tamper with the body in what some have called the 'voiceless injustice," it is also possible to damage the soul.

"Few women plan to have an abortion. It suddenly appears as the answer to a dilemma. But, ask the woman who has had one—it carries a heavy price.

"Even if abortion were legalized, no law could take away the feelings of guilt which inevitably accompany it. You don't violate the sacredness of life with impunity. Any position which doesn't respect the rights of the unborn is a position which opposes those rights. As Deuteronomy 30:19 says, 'See, I have set before you life and death . . . choose life.' "

*The Conference of Rabbis of the Chief Rabbinate of the Holy Land:* "Abortion, except when necessary to save the mother's life, is in the category of the killing of innocent human life."

*The Rabbinical Alliance of America,* (supported by the entire Orthodox Rabbinate as well as by Jewish lay groups such as the Agudah Women of America and the National Council of Young Israel) urged the immediate repeal of New York's liberalized abortion law, which it described as "the most vicious and barbaric law" in the history of the state. "Abortion is not as its advocates say a private, personal matter in which the law should not interfere. Where human life is at stake, the law has always interfered and must continue to interfere . . ."

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### Appendix D

[From the Evening Star and Daily News, Apr. 17, 1973]

### Women Lead Opposition to Abortion

(By John Lear)

Although the recent Supreme Court decision upholding the legality of abortion was based largely on the argument that women have a constitutional right to make a personal decision concerning the children they will bear, American women themselves are not as determined to exercise that right as men are to guarantee it.

This is perhaps the most surprising finding of a public opinion survey just reported by political scientists at the University of Michigan's Institute for Social Research.

The survey disclosed that only a short time before the Supreme Court in January voted 7–2 in support of the view that the Constitution protects the right to abortion, a majority of the eligible voters of the country were opposed to abortion.

The data came from computer analysis of answers given by a sample of 2,738 citizens questioned between Sept. 15 and Nov. 6, 1972 by ISR surveyors. The sample was statistically representative of the whole electorate, and the weight of preference against abortion was roughly 3–2.

When the responses to the ISR questionnaire were separated according to sex, women in all three of the age brackets covered were found to be slightly more opposed to abortion than were men. Here are the figures:

Over age 60—men 67, women 72.

30 to 60 years of age—men 58, women 60.

Under 30 years of age—men 43, women 49.

Among the respondents in the under-30 age group, where a majority of both sexes favored abortion, the number of women opposed to abortion was 6 percent higher than the number of men.

In June, during the California primary, Dr. Warren Miller of ISR's Center for Political Studies, decided to include the abortion question in the 1972 edition of a pre-election survey ISR has been conducting regularly for a quarter century. By then, abortion not only had attained the status of a nationally debated social problem but seemed likely to become an active issue in the presidential campaign. The ISR survey received the following percentages of favorable responses to these four statements:

Abortion should never be forbidden—25 percent.

Abortion should be allowed in any case in which the prospective mother would have difficulty in bringing up her child—17 percent.

Abortion should be permitted only when the life of the mother would be endangered by the birth—47 percent.

Abortion should never be allowed—11 percent.

Although those absolutely in favor of abortion were more than twice as numerous as those absolutely opposed, the holders of the two extreme positions, together totaled only a shade more than one-third of the population sample.

Since those who expressed a more moderate view accounted for almost two-thirds of the sample, analysts agreed that the most accurate separation of the data would combine the responses to the first two statements and juxtapose them against the combined responses to the last two. The result was 42 percent favorable to abortion, 58 percent opposed.

Because opposition to abortion is a tenet of modern Roman Catholic teaching, a substantial component of the opposition sentiment could be expected to be Catholic. The ISR data confirmed that expectation.

Of Catholics in the sample, 67 percent were opposed to abortion. But Catholics make up something less than a quarter of the population of the country and obviously could not alone account for an electoral majority in opposition. The balance had to be made up by non-Catholics. And when all Protestants were counted together, 59 percent of them were found to be lined up with the Catholics. Only Jews were steadfastly in favor of abortion and overwhelmingly so (82 percent).

Other differences became noticeable when the so-called "establishment" Protestants (Congressionalists, Episcopalians, Lutherans, Presbyterians, and several smaller groups) were split off from the more fundamentalist Protestant denominations. The Protestant "establishment" then was seen to have a 1 percent majority in favor of abortion while 63 percent of the far more numerous fundamentalists were opposed.

An even more interesting difference surfaced when the attitudes of Catholics, "establishment" Protestants, and Protestant fundamentalists were measured in terms of frequency of worship. Of "establishment" Protestants who went to church every week or almost every week, 57 percent opposed abortion; of those who appeared in church only a few times a year or not at all, 59 percent favored abortion.

Catholics who went to church every week or almost every week were 83 percent opposed to abortion; those who got to church but once or twice a year or never were 51 percent in favor of abortion. It was the Protestant fundamentalists who most resisted abortion regardless of the regularity of their attendance at church.

Among those who worshipped every week or almost every week, 75 percent were opposed to abortion; when church attendance dropped to only a few times a year or ceased altogether, 56 percent of the Protestant fundamentalists still opposed abortion.

What other elements influential in defining traditional morality in America can be identified in the ISR abortion data?

One is the immediate environment into which people are born and in which they grow up. Within the ISR sample, 72 percent of those reared in a rural setting opposed abortion, 55 percent of those who grew up in towns or small cities opposed abortion, and 54 percent of those who lived in big cities favored abortion.

Education is another factor in moral definition. The more schooling people have the less willing they are to see abortion as an evil. College people are three times as favorable to abortion as are those whose education stopped in grade school. However, those at the college level favor abortion by only a 7 percent margin.

A third facet of traditional morality is social class. Sixty-five percent of those who consider themselves members of the working class are opposed to abortion. Those who characterize themselves as middle class are so evenly split on abortion that a majority cannot be said to exist on either side of the question.

Race is a factor, too. Blacks are more anti-abortion than whites are, although only slightly so.

In view of what the ISR study has already revealed, it is not surprising to learn that the older people are, the more they oppose abortion. Here the attitudes are expressed by age bracket:

| | *Percent in opposition* |
|---|---|
| Over 60 years | 72 |
| 30 to 60 years | 60 |
| Under 30 years | 47 |

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[Supreme Court of the United States, October Term, 1971]

No. 70–18

Jane Roe, et al., Appellants, vs. Henry Wade, Appellee, on Appeal From the United States District Court for the Northern District of Texas

No. 70–40

Mary Doe, et al., Appellants, vs. Arthur K. Bolton, et al., Appellees, on Appeal From the United States District Court for the Northern District of Georgia

Motion for leave to file brief amicus curiae.

### PURPOSE OF THE MOTION

All parties in No. 70–18 (the Texas case) have given their written consent to Dr. Bart Heffernan, one of the amici herein, to file an *amicus curiae* brief.[1] The appellants in No. 70–40 (the Georgia case) have never responded to a request for consent. The appellees do not object to these *amici* filing in this cause.[2]

### INTEREST OF THE AMICI

1. Identification of the *amici*. Dr. Bart Heffernan has an appeal presently pending before this Court in the case of *Heffernan, et al.* v. *Doe, et al.*, docketed as No. 70-106, October 1971 term, which case involves the constitutionality of the Illinois criminal abortion statute, and is similar to both *Jane Roe, et al.* v. *Wade*, No. 79-18, and *Mary Doe, et al.* v. *Bolton*, No. 70-40. The Jurisdictional Statement in the *Heffernan* case was filed on March 29, 1971, but no action was taken thereon during the last term of Court.

Any ruling on the merits in the Georgia and Texas cases could profoundly and perhaps adversely affect the outcome of the Illinois case, in which case Dr. Heffernan was appointed *guardian ad litem* for the class of unborn children. He asks leave of this Court to file this *amicus curiae* brief on behalf of his wards.

The other *amici* are physicians, professors and certain Fellows of the American College of Obstetrics and Gynecology who seek to place before this Court the scientific evidence of the humanity of the unborn so that the Court may know and understand that the unborn are developing human persons who need the protection of law just as do adults.

These *amici* also desire to bring to the Court's attention the medical complications of induced abortion, both in terms of maternal morbidity and mortality (as well as the mortality to the child), and to show that these are questions of considerable debate in medicine.

2. The Legal Position of these *Amici* in these cases. The unborn child is a developing human being who is entitled to the law's protection just as is an adult.

3. Justification for Participation as *Amici*. As previously stated, the issues in these cases, as well as the pending case of *Heffernan* v. *Doe*, No. 70-106, October 1971 term, are of the most profound significance in dealing with the most basic and fundamental of human rights: The Right to Life.

In reviewing the Briefs filed in both cases it appears that no attempt was made to advise the Court of the scientific facts of life from conception to birth, or of the medical complications of induced abortion, and it is urged that presentation of this information is a reasonable justification for participation by these *amici*.

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[1] Written consents have been filed with the clerk of this court.

[2] Response of appellees has been filed with the clerk of this court.

### CONCLUSION

For the reasons stated and for additional reasons as contained in and expanded upon in the Brief itself, these *amici* respectfully request this Court to grant this Motion and grant leave for filing this Brief served herewith.

Respectfully submitted,
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## APPENDIX E

[Supreme Court of the United States, October Term 1971]

No. 70–18

JANE ROE, ET AL., APPELLANTS, VS. HENRY WADE, APPELLEE, ON APPEAL FROM THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF GEORGIA

No. 70–40

MARY DOE, ET AL., APPELLANTS, VS. ARTHUR K. BOLTON, ET AL., APPELLEES, ON APPEAL FROM THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF TEXAS

*Brief amicus curiae of certain physicians, professors and fellows of the American College of Obstetrics and Gynecology in support of appellees*

(NOTE.—Figures referred to are not printed in the RECORD.)

### I. THE HUMANITY OF THE UNBORN OFFSPRING OF HUMAN PARENTS HAS BEEN THE CRITICAL ISSUE IN LOWER FEDERAL COURT ABORTION CASES

The immediate and intended consequence of an induced abortion is the destruction of life of the unborn. It is in the light of this reality that this Court must consider and decide the profound and far-reaching issues in these abortion cases.

The *amici* are concerned physicians, many of whom are fellows of the American College of Obstetrics and Gynecology (FACOG), who *urge* this Court to consider the current medical and scientific evidence of the humanity of the unborn which is contained in this Brief.

The *amici* also urge this Court to give careful consideration to the section of this Brief concerning the medical complications of legally induced abortions. Any consideration of the "safety" of legally induced abortions must consider the full range of medical complications including early and late physical and psychological complications, as well as maternal and *child* mortality.

The Courts below reached their conclusions without considering whether the victim, i.e. the unborn, of the abortion has constitutionally protected rights. In *Roe v. Wade*,[1] the U.S. District Court for the Northern District of Texas, without once mentioning, discussing or considering whether the unborn is a "person" under the Fifth and Fourteenth Amendments, or otherwise has legally protected interests involved, concluded that the Texas Abortion Laws must be declared unconstitutional because they deprive single women and married couples of their right, secured by the Ninth Amendment, to choose whether to have children."

In *Doe* v. *Bolton*,[2] the U.S. District Court for the Northern District of Georgia touched, but only in passing, upon the primary issue in this litigation, i.e. the legal "personality" of the unborn for constitutional purposes. At one point in the opinion, the Court wrote that it did not ". . . (posit) the existence of a new being with its own identity and federal constitutional rights, . . ."[3] Elsewhere in the opinion the Court, in denying a reconsideration of the Court's previous order revoking another's appointment as *guardian ad litem* for the unborn person, wrote that ". . . the Court does not postulate the existence of a new being with federal constitutional rights at any time during gestation".

The *Bolton* Court was thus able to conclude that, while procedures for obtaining an abortion may be controlled, the "reasons for which an abortion may be obtained" may not be regulated "because such action unduly restricts a decision sheltered by the constitutional right to privacy".[4]

The *Bolton* Court did point out that once conception has occurred and the embryo has formed, ". . . the decision to abort its development cannot be considered a purely private one affecting only husband and wife, man and woman".[5]

Other three-judge federal courts presented with the same clash of "rights" between mother and the unborn have not ignored the developments of many areas of the law which have found legal rights in the unborn. For example, in *Steinberg* v. *Brown*[6] the majority gave careful consideration to both the rights of the woman and the unborn, and concluded that ". . . the state has a legitimate interest to legislate for the purpose of affording an embryonic or fetal organism an opportunity to survive."[7] This Court concluded that the state did have that right ". . . and on balance it is superior to the claimed right of a pregnant woman or anyone else to destroy the fetus except when necessary to preserve her own life."[8]

In *Rosen* v. *Louisiana State Board of Medical Examiners*[9] the Court recognized that it was not dealing merely with the question whether a woman has a generalized right to choose whether to bear children ". . . but instead with the more complicated question whether a pregnant woman has the right to cause the abortion of the embryo or fetus she carries in her womb."[10] Without deciding whether the unborn per se is a person protected by the constitution since that was not the issue that Court faced, the *Rosen* Court concluded that the state of Louisiana had intended to and could legitimately protect fetal life against destruction.[11]

In *Corkey* v. *Edwards*[12] the Court concluded also that the issue involved ultimately a consideration of more than just the issue of whether a woman has a right not to bear children:

"The basic distinction between a decision whether to bear children which is made before conception and one which is made after conception is that the first contemplates the creation of a new human organism, but the latter contemplates the destruction of such an organism already created."[13]

Finding protection of fetal life an adequate state interest in invading the woman's claimed right of privacy, the *Corkey* Court concluded:

"To determine the state interest we shall not attempt to choose between extreme positions. Whether possessing a soul from the moment of conception or mere protoplasm, the fertilized egg is, we think, 'unique as a physical entity', Lucas, Federal Constitutional Limitations of the Enforcement and Administration of State Abortion Statutes, 46 N. C. L. Rev. 730, 744 (1968), with the potential to become a person. Whatever that entity is, the state has chosen to protect its very existence. The state's power to protect children is a well established constitutional maxim. See, *Shelton* v. *Tucker*, 364 U.S. 479, 485, 81 S. Ct. 247, 5 L. Ed. 2d 231 (1960); *Prince* v. *Massachusetts*, 321 U.S. 158, at 166–168, 64 S. Ct. 438, 88 L. Ed. 645. That this power should be used to protect a fertilized egg or embryo or fetus during the period of gestation embodies no logical infirmity, but would seemingly fall within the 'plenary power of government'. *Poe* v. *Ullman*, 367 U.S. 497, at 539, 81 S. Ct. 1752, 6 L. Ed. 2d 989 (Harlan, J., dissenting). That there is a state interest has until recently been taken for granted. History sides with the state."[14]

Even this brief review of five federal decisions involving the constitutionality of state abortion laws makes it clear that whether or not the Court considers the developing humanity of the unborn is critical in its resolution of the issues.[15]

The *amici* therefore ask this Court to consider the material in this Brief concerning the modern medical discoveries of the development of the unborn.

An expansion of the right to privacy to include the right of a woman to have an abortion without considering the interests of the unborn person decides this question against the unborn. The necessary consequence of that expansion would be a direct and unavoidable conflict between the unborn person's right to life and the woman's extended right of privacy. Assuming such a conflict, it is the position of the *amici* that the more fundamental and established of the conflicting rights must prevail where they clash. The right to life is most certainly the most fundamental and established of the rights involved in the cases facing the Court today.

FOOTNOTES

[1] *Roe* v. *Wade*, 314 F. Supp. 1217 (1970) at 1221 (N. D. Tex. 1970).

[2] *Doe* v. *Bolton*, 319 F. Supp. 1048 (N. D. Ga. 1970).

[3] *Ibid.* p. 1055.

[4] *Ibid.* p. 1076.

[5] *Ibid.* p. 1055.

[6] 321 F. Supp. 741 (N. D. Ohio 1970) (J. Green dissenting).

[7] *Ibid.* p. 746.

[8] *Ibid.* p. 746.

[9] 318 F. Supp. 1217 (E. D. Louisiana 1970) (J. Cassibry dissenting).

[10] *Ibid.* p. 1223.

[11] *Ibid.* p. 1225.

[12] *Corkey* v. *Edwards,* 322 F. Supp. 1248 (N. D. North Carolina 1971).

[13] *Ibid.* p. 1252.

[14] *Ibid.* p. 1253.

[15] Even the *Bolton* Court preserved the Georgia statute after alluding in its decision to the creation of a new life after conception, thus making any decision involving abortion one affecting the state since it involved developing human life.

### II. THE UNBORN OFFSPRING OF HUMAN PARENTS IS AN AUTONOMOUS HUMAN BEING [1]

Even before implantation in the wall of the uterus the unborn child is responsible for the maintenance of the pregnant state in the maternal metabolism (1). The child whose tissue is antigenically different from the mother sets up protective mechanisms to prevent maternal immunologic responses from causing fetal distress (2). The newly formed child has a remarkable degree of metabolic autonomy (3). For example, the fetal endocrine system functions autonomously (4).

The recent recognition of this autonomy has led to the development of new medical specialties concerning the unborn child from the earliest stages of the pregnancy (56).

Modern obstetrics has discarded as unscientific the concept that the child in the womb is but tissue of the mother. As Dr. H. M. I. Liley, the New Zealand pediatrician, and research assistant to her famous husband, Dr. Albert Liley who perfected the intrauterine transfusion, has said:

"Another medical fallacy that modern obstetrics discards is the idea that the pregnant woman can be treated as a patient alone. No problem in fetal health or disease can any longer be considered in isolation. At the very least two people are involved, the mother and her child." (5 at p. 207.)

The courts have also abandoned that concept (7):

> We ought to be safe in this respect in saying that legal separability should begin where there is biological separability. We know something more of the actual process of conception and foetal development now than when some of the common law cases were decided; and what we knew makes it possible to demonstrate clearly that separability begins at conception.
>
> The mother's biological contribution from conception on is nourishment and protection; but the foetus has become a separate organism and remains so throughout its life. That it may not live if its protection and nourishment are cut off earlier than the viable stage of its development is not to destroy its separability; it is rather to describe the conditions under which life will not continue."

Yet the attack on the statutes below assumes this discredited scientific concept and argues that abortions should be considered no differently than any medical measure taken to protect maternal health (see Texas appellant's brief, pp. 94–98), thus completely ignoring the developing human being in the mother's womb.

It is our task in the next subsections to show how clearly and conclusively modern science—embryology, fetology, genetics, perinatology, all of biology—establishes the humanity of the unborn child. We submit that the data not only shows the constitutionality of the legislature's effort to save the unborn from indiscriminate extermination, *but in fact suggests a duty to do so*. We submit also that no physician who understands this will argue that the law is vague, uncertain or overbroad for he will understand that the law calls upon him to exercise his art for the benefit of his *two* patients; mother *and* child.

### *A. The Unborn Person Is Also a Patient*

From conception the child is a complex, dynamic, rapidly growing organism. By a natural and continuous process the single fertilized ovum will, over approximately nine months, develop into the trillions of cells of the newborn. The natural end of the sperm and ovum is death unless fertilization occurs. At fertilization a new and unique being is created which, although receiving one-half of its chromosomes from each parent, is really unlike either (8) (6) (9) (10 at p. 18).

About seven to nine days after conception, when there are already several hundred cells of the new individual formed, contact with the uterus is made and implantation begins. Blood cells begin at 17 days and a heart as early as 18 days. This embryonic heart which begins as a simple tube starts irregular pulsations at 24 days, which, in about one week, smooth into a rhythmic contraction and expansion (8) (9) (10) (6).

Straus, et al. have shown that the ECG on a 23 mm embryo (7.5 weeks) presents the existence of a functionally complete cardiac system and the possible existence of a Myoneural or humoral regulatory mechanism. All the classic elements of the adult ECG were seen (11). Marcel and Exchaquet observed occasional contractions of the heart in a 6 mm (2 week) embryo. They also obtained tracing exhibiting the classical elements of the ECG tracings of an adult in a 15 mm embryo (5 weeks) (12).

One commentator has indicated that about 4 days postconception under a special microscope the prospective sex can already be determined (10 at p. 23).

Commencing at 18 days the developmental emphasis is on the nervous system even though other vital organs, such as the heart, are commencing development at the same time. Such early development is necessary since the nervous system integrates the action of all other systems. By the end of the 20th day the foundation of the child's brain, spinal cord and entire nervous system will have been established. By the 6th week after conception this system will have developed so well that it is controlling movements of the baby's muscles, even though the woman may not be aware that she is pregnant. By the 33rd day the cerebral cortex, that part of the central nervous system that governs motor activity as well as intellect may be seen (8) (13) (10).

The baby's eyes begin to form at 19 days. By the end of the first month the foundation of the brain, spinal cord, nerves and sense organs is completely formed. By 28 days the embryo has the building blocks for 40 pairs of muscles situated from the base of its skull to the lower end of its spinal column. By the end of the first month the child has completed the period of relatively greatest size increase and the greatest physical change of a lifetime. He or she is ten thousand times larger than the fertilized egg and will increase its weight six billion times by birth, having in only the first month gone from the one cell state to millions of cells (8) (9) (10) (6) (13). [See Fig. 1.]

Shettles and Rugh describe this first month of development as follows:

"This, then, is the great planning period, when out of apparently nothing comes evidence of a well integrated individual, who will form along certain well-tried patterns, but who will, in the end, be distinguishable from every other human being by virtue of ultra microscopic chromosomal differences." (10 at p. 35.)

By the beginning of the second month the unborn child; small as it is, looks distinctly human. (See Fig. 1.) Yet, by this time the child's mother is not even aware that she is pregnant (6).

As Shettles and Rugh state:

"And as for the question, 'when does the embryo become human?' the answer is that it *always* had human potential, and *no other*, from the instant the sperm and the egg came together because of its chromosomes." (Emphasis in original.) (10 at p. 40.)

At the end of the first month the child is about ¼ of an inch in length. At 30 days the primary brain is present and the eyes, ears and nasal organs have started to form. Although the heart is still incomplete, it is beating regularly and pumping blood cells through a closed vascular system (8). The child and mother do not exchange blood, the child having from a very early point in its development its own and complete vascular system (8) (9) (10) (12) (13).

Earliest reflexes begin as early as the 42nd day. The male penis begins to form. The child is almost ½ inch long and cartilage has begun to develop (8) (9). [See Fig. 2.]

Even at 5½ weeks the fetal heartbeat is essentially similar to that of an adult in general configuration (12) (13). The energy output is about 20% that of the adult, but the fetal heart is functionally complete and normal by 7 weeks (12) (13). Shettles and Rugh describe the child at this point of its development as a 1-inch miniature doll with a large head, but gracefully formed arms and legs and an unmistakably human face (10 at p. 54). [See Fig. 2]

By the end of the seventh week we see a well proportioned small scale baby. In its seventh week, it bears the familiar external features and all the internal organs of the adult, even though it is less than an inch long and weighs only 1/30th of an ounce. The body has become nicely rounded, padded with muscles and covered by a thin skin. The arms are only as long as printed exclamation marks, and have hands with fingers and thumbs. The slower growing legs have recognizable knees, ankles and toes (8) (9) (10) (6). [See Figs. 3 and 4]

The new body not only exists, it also functions. The brain in configuration is already like the adult brain and sends out impulses that coordinate the function of the other organs. The brain waves have been noted at 43 days [14]. The heart beats sturdily. The stomach produces digestive juices. The liver manufactures blood cells and the kidneys begin to function by extracting uric acid from the child's blood (13) (49). The muscles of the arms and body can already be set in motion (15).

After the eighth week no further primordia will form; *everything* is already present that will be found in the full term baby (10 at p. 71). As one author describes this period:

"A human face with eyelids half closed as they are in someone who is about to fall asleep. Hands that soon will begin to grip, feet trying their first gentle kicks." (10 at p. 71)

From this point until adulthood, when full growth is achieved somewhere between 25 and 27 years, the changes in the body will be mainly in dimension and in gradual refinement of the working parts (8) (46).

The development of the child, while very rapid, is also very specific. The genetic pattern set down in the first day of life instructs the development of a specific anatomy. The ears are formed by seven weeks and are specific, and may resemble a family pattern (16). The lines in the hands start to be engraved by eight weeks and remain a distinctive feature of the individual (45) (49). [See Fig 3]

The primitive skeletal system has completely developed by the end of six weeks (8) (9). This marks the end of the child's embryonic (from Greek, to swell or teem within) period. From this point, the child will be called a fetus (Latin, young one or offspring) (9). [See Fig. 2]

In the third month, the child becomes very active. By the end of the month he can kick his legs, turn his feet, curl and fan his toes, make a fist, move his thumb, bend his wrist, turn his head, squint, frown, open his mouth, press his lips tightly together (15). He can swallow and drink the amniotic fluid that surrounds him. Thumb sucking is first noted at this age. The first respiratory motions move fluid in and out of his lungs

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Footnotes at end of article.

with inhaling and exhaling respiratory movements (13) (15). [See Fig. 5]

The movement of the child has been recorded at this early stage by placing delicate shock recording devices on the mother's abdomen and direct observations have been made by the famous embryologist, Davenport Hooker, M.D. Over the last thirty years, Dr. Hooker has recorded the movement of the child on film, some as early as six weeks of age. His films show that prenatal behavior develops in an orderly progression (15) (17) (18).

The prerequisites for motion are muscles and nerves. In the sixth to seventh week, nerves and muscles work together for the first time (8). If the area of the lips, the first to become sensitive to touch, is gently stroked, the child responds by bending the upper body to one side and making a quick backward motion with his arms. This is called a total pattern response because it involves most of the body, rather than a local part. Localized and more appropriate reactions such as swallowing follow in the third month. By the beginning of the ninth week, the baby moves spontaneously without being touched. Sometimes his whole body swings back and forth for a few moments. By eight and a half weeks the eyelids and the palms of the hands become sensitive to touch. If the eyelid is stroked, the child squints. On stroking the palm, the fingers close into a small fist (17) (15) (13) (64).

In the ninth and tenth weeks, the child's activity leaps ahead. Now if the forehead is touched, he may turn his head away and pucker up his brow and frown. He now has full use of his arms and can bend the elbow and wrist independently. In the same week, the entire body becomes sensitive to touch (7) (15). [See Fig. 6]

The twelfth week brings a whole new range of responses. The baby can now move his thumb in opposition to his fingers. He now swallows regularly. He can pull up his upper lip; the initial step in the development of the sucking reflex (5). By the end of the twelfth week, the quality of muscular response is altered. It is no longer marionette-like or mechanical—the movements are now graceful and fluid, as they are in the newborn. The child is active and the reflexes are becoming more vigorous. *All this is before the mother feels any movement* (5) (64). [See Figs. 5 and 7]

The phenomenon of "quickening" reflects maternal sensitivity and not fetal competence.[3] Dr. Hooker states that fetal activity occurs at a very early age normally in utero and some women may feel it as early as thirteen weeks. Others feel very little as late as twenty weeks and some are always anxious because they do not perceive movement (17).

Dr. Liley states:

"Historically 'quickening' was supposed to delineate the time when the fetus became an independent human being possessed of a soul. Now, however, we know that while he may have been too small to make his motions felt, the unborn baby is active and independent long before his mother feels him. Quickening is a maternal sensitivity and depends on the mother's own fat, the position of the placenta and the size and strength of the unborn child." (5 at pp. 37, 38)

Every child shows a distinct individuality in his behavior by the end of the third month. This is because the actual structure of the muscles varies from baby to baby. The alignment of the muscles of the face, for example, follow an inherited pattern. The facial expressions of the baby in his third month are already similar to the facial expression of his parents (13) (14) (49). [See Figs. 5 and 7]

Dr. Arnold Gesell states that: "By the end of the first trimester (12th week) the fetus is a sentient moving being. We need not pause to speculate as to the nature of his psychic attributes but we may assert that the organization of his psychosomatic self is now well under way." (49 at p. 65)

Further refinements are noted in the third month. The fingernails appear. The child's face becomes much prettier. His eyes, previously far apart, now move closer together. The eyelids close over the eyes. Sexual differentiation is apparent in both internal and external sex organs, and primitive eggs and sperm are formed. The vocal cords are completed. In the absence of air they cannot produce sound; the child cannot cry aloud until birth, although he is capable of crying before (8) (13) (9) (5).

Dr. Liley relates the experience of a doctor who injected an air bubble into unborn baby's (eight months) amniotic sac in an attempt to locate the placenta on x-ray. It so happened that the air bubble covered the unborn baby's face. The moment the unborn child had air to inhale, his vocal cords became operative and his crying became audible to all present, including the physician and technical help. The mother telephoned the doctor later to report that whenever she lay down to sleep, the air bubble got over the unborn baby's face and he was crying so loudly he was keeping both her and her husband awake (5 at p. 50) (15 at p. 75).

The taste buds and salivary glands develop in this month, as do the digestive glands in the stomach. When the baby swallows amniotic fluid, its contents are utilized by the child. The child starts to urinate (8) (13) (19).

From the twelfth to the sixteenth week, the child grows very rapidly (50). His weight increases six times, and he grows to eight to ten inches in height. For this incredible growth spurt the child needs oxygen and food. This he receives from his mother through the placental attachment—much like he receives food from her after he is born. His dependence does not end with expulsion into the external environment (8) (9) (13) (6) (10). We now know that the placenta belongs to the baby, not the mother, as was long thought (5). [See Fig. 8]

In the fifth month, the baby gains two inches in height and ten ounces in weight. By the end of the month he will be about one foot tall and will weigh one pound. Fine baby hair begins to grow on his eyebrows and on his head and a fringe of eyelashes appear. Most of the skeleton hardens. The baby's muscles become much stronger, and as the child becomes larger his mother finally perceives his many activities (8). The child's mother comes to recognize the movement and can feel the baby's head, arms and legs. She may even perceive a rhythmic jolting movement—fifteen to thirty per minute. This is due to the child hiccoughing (13) (5) (6). The doctor can already hear the heartbeat with his stethoscope (8) (13) (6). [See Figs. 9 and 10]

The baby sleeps and wakes just as it will after birth (63) (5). When he sleeps he invariably settles into his favorite position called his "lie". Each baby has a characteristic lie (5). When he awakens he moves about freely in the buoyant fluid turning from side to side, and frequently head over heel. Sometimes his head will be up and sometimes it will be down. He may sometimes be aroused from sleep by external vibrations. He may wake up from a loud tap on the tub when his mother is taking a bath. A loud concert or the vibrations of a washing machine may also stir him into activity (13). The child hears and recognizes his mother's voice before birth (19) (20). Movements of the mother, whether locomotive, cardiac or respiratory, are communicated to the child (19).

In the sixth month, the baby will grow about two more inches, to become fourteen inches tall. He will also begin to accumulate a little fat under his skin and will increase his weight to a pound and three-quarters. This month the permanent teeth buds come in high in the gums behind the milk teeth. Now his closed eyelids will open and close, and his eyes look up, down and sideways. Dr. Liley feels that the child may perceive light through the abdominal wall (20). *Dr. Still has noted that electroencephalographic waves have been obtained in forty-three to forty-five day old fetuses, and so conscious experience is possible after this date (14).*

The electrophysiologic rhythm develops early. Detailed EEG tracings have been taken directly from the head end of the 16mm (crown rump) human embryo at 40-odd days of gestation in Japan (172).

As one writer said:

"Thus at an early prenatal stage of life the EEG reflects a distinctly individual pattern that soon becomes truly personalized." (173)

In the sixth month, the child develops a strong muscular grip with his hands. He also starts to breathe regularly and can maintain respiratory response for twenty-four hours if born prematurely. He may even have a slim chance of surviving in an incubator. The youngest children known to survive were between twenty to twenty-five weeks old (13). The concept of *viability* is not a static one. Dr. Andre Hellegers of Georgetown University states that 10% of children born between twenty weeks and twenty-four weeks gestation will survive (44A and 44B). Modern medical intensive therapy has salvaged many children that would have been considered non-viable only a few years ago. The concept of an artificial placenta may be a reality in the near future and will push the date of viability back even further, and perhaps to the earliest stages of gestation (43) (48). After twenty-four to twenty-eight weeks the child's chances of survival are much greater.

Our review has covered the first six months of life. By this time the individuality of this human being is clear to all unbiased observers. Dr. Arnold Gesell has said:

"Our own repeated observation of a large group of fetal infants (an individual born and living at any time prior to forty weeks gestation) left us with no doubt that psychologically they were individuals. Just as no two looked alike, so no two behaved precisely alike. One was impassive when another was alert. Even among the youngest there were discernible differences in vividness, reactivity and responsiveness. These were genuine individual differences, already prophetic of the diversity which distinguishes the human family." (49 at p. 172)

### *B. The Doctor Treats the Unborn Just as He Does Any Patient*

When one views the present state of medical science, we find that the artificial distinction between born and unborn has vanished. As Dr. Liley says:

"In assessing fetal health, the doctor now watches changes in maternal function very carefully, for he has learned that it is actually the mother who is a passive carrier, while the fetus is very largely in charge of the pregnancy." (5 at p. 202) (65)

The new specialty of fetology is being replaced by a newer specialty called perinatology which cares for its patients from conception to about one year of extrauterine existence (56). The Cumulative Index Medicus for 1969 contains over 1400 separate articles in fetology. For the physician, the life process is a continuous one, and observation of the patient must start at the earliest period of life. (See 42 U.S.C. 289(d).)

A large number of sophisticated tools have been developed that now allow the physician to observe and measure the child's reactions from as early as ten weeks. At ten weeks it is possible to obtain the electrocardiogram of the unborn child (22) (11) (12). At this stage also the heart sounds can be detected with new ultrasonic techniques (45). The heart has already been pumping large volumes of blood to the fast growing child for six weeks.

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Footnotes at end of article.

With present day technology, the heart of the child is now monitored during critical periods of the pregnancy by special electronic devices, including radiotelemetry (23) (60). Computer analysis of the child's ECG has been devised and promises more accurate monitoring and evaluation of fetal distress (14). A number of abnormal electrocardiographic patterns have been found before birth. These patterns forewarn the physician of trouble after delivery (57) (58) (62). Analysis of heart sounds through phonocardiography is also being done (25) (53).

With the new optical equipment, a physician can now look at the amniotic fluid through the cervical canal and predict life-threatening problems that are reflected by a change in the fluid's color and turbidity (26) (27). In the future, the physician will undoubtedly be able to look directly at the growing child using new fiber optic devices (through a small puncture in the uterus) and thereby diagnose and prescribe specific treatment to heal or prevent illness or deformity (21) (55).

For the child with severe anemia, the physician now gives blood, using an unusual technique developed by Dr. A. Liley of New Zealand. This life saving measure is carried out by using new image intensifier x-ray equipment. A needle is placed through the abdominal wall of the mother and into the abdominal cavity of the child. For this procedure the child must be sedated (via maternal circulation) and given pain relieving medication, since it experiences pain from the puncture and would move away from the needle if not premedicated. As Dr. H. M. I. Liley states:

"When doctors first began invading the sanctuary of the womb, they did not know that the unborn baby would react to pain in the same fashion as a child would. But they soon learned that he would. By no means a 'vegetable' as he has so often been pictured, the unborn knows perfectly well when he has been hurt, and he will protest it just as violently as would a baby lying in a crib." (5 at p. 50)

The gastro-intestinal tract of the child is outlined by a contrast media that was previously placed in the amniotic fluid and then swallowed by the child (52). We know that the child starts to swallow as early as fourteen weeks (5).

Some children fail to get adequate nutrition when in utero. This problem can be predicted by measuring the amount of estradiol in the urine of the mother and the amount of PSP excreted after it is injected into the child (29). Recent work indicates that these nutritional problems may be solved by feeding the child more directly by introducing nutrients into the amniotic fluid which the child normally swallows (250 to 700 cc a day). In a sense, we well may be able to offer the child that is starving because of a placental defect a nipple to use before birth (30).

The amniotic fluid surrounding the unborn child offers the physician a convenient and assessable fluid that he can now test in order to diagnose a long list of diseases, just as he tests the urine and blood of his adult patients. The doctor observes the color and volume of amniotic fluid and tests it for cellura element enzymes and other chemicals. He can tell the sex of his patient and gets a more precise idea of the exact age of the child from this fluid. He can diagnose conditions such as the adrenogenital syndrome, hemolytic anemia, adrenal insufficiency, congenital hyperanemia and glycogen storage disease. Some of these, and hopefully in the future all of these, can be treated before birth (31) (32) (33) (34) (35) (36) (37).

At the time of labor, the child's body can be obtained from scalp veins and the exact chemical balance determined before birth. These determinations have saved many children who would not have been considered in need of therapy had these tests not been done (38) (39). The fetal EEG has also been monitored during delivery (61).

A great deal of work has been done to elucidate the endocrinology of the unborn child. Growth hormone is elaborated by the child at seventy-one days, and ACTH has been isolated at eleven weeks gestation (40). The thyroid gland has been shown to function at ten and a half weeks (51), and the adrenal glands also at about this age (40). The sex hormones—estrogen and androgen—are also found as early as nine weeks (40).

Surgical procedures performed on the unborn child are few. However, surgical cannulation of the blood vessels in an extremity of the child has been carried out in order to administer blood. Techniques are now being developed on animals that will be applicable to human problems involving the unborn child. Fetal surgery is now a reality in the animal laboratory, and will soon offer help to unborn patients (28) (41) (42).

The whole thrust of medicine is in support of the notion that the child in its mother is a distinct individual in need of the most diligent study and care, and that he is also a patient whom science and medicine treats just as it does any other person (21) (5).

This review of the current medical status of the unborn serves us several purposes. Firstly, it shows conclusively the humanity of the fetus by showing that human life is a continuum which commences in the womb. There is no magic in birth. The child is as much a child in those several days before birth as he is those several days after. The maturation process, commenced in the womb, continues through the post-natal period, infancy, adolescence, maturity and old age. Dr. Arnold Gesell points out in his famous book that no king ever had any other beginning than have had all of us in our mother's womb (49).

Secondly, we have shown that quickening is a relative concept which depends upon the sensitivity of the mother, the position of the placenta, and the size of the child. At the common law, the fetus was not considered alive before quickening,[3] and therefore we can understand why commentators like Bracton and Coke placed so much emphasis on quickening. But modern science has proven conclusively that any law based upon quickening is based upon shifting sands—a subjective standard even different among races. We now know that life precedes quickening; that quickening is nothing other than the mother's first subjective feeling of movement in the womb. Yet the fetus we know has moved before this. In spite of these advances in medicine, some courts and legislatures have continued to consider quickening as the point when life is magically infused into the unborn. (See *Babbitz* v. *McCann*, 310 F. Supp. 2830). No concept could be further from the scientific truth.

Thirdly, we have seen that viability is also a flexible standard which changes with the advance of these new medical disciplines some of which are hardly a half dozen years old. New studies in artificial placentas indicate that viability will become an even more relative concept and children will survive outside of the womb at even earlier ages than the 20–28 weeks in the past. Fetology and perinatology are only a few years old as specialties. Obstetrics is only sixty years old as a specialty.

Fourthly, we have seen that the unborn child is as much a patient as is the mother. In all the literature opting for permissive abortion, this simple truth is ignored. There are many doctors who know that the unborn is also their patient and that they must exercise their art for the benefit of both mother and child. When the physician accepts that he has two patients, he has no difficulty applying his skill for the benefit of child *and* mother. Every doctor practicing can tell this court when in his medical judgment an abortion is necessary to preserve life. There is no medical mystery on that point. A review of the relevant obstetrics texts will list the indications—psychiatric as well—for therapeutic abortion.[4] When the doctor makes the decision he must not consider the unborn as "mere tissue of the mother" or he will certainly weigh it no more in the balance than any other replaceable tissue of the mother.

FOOTNOTES

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[1] In this section the citations are according to medical journal practices. The numbers in the parenthesis refer to the correspondingly numbered work in the medical bibliography.

[2] If the Court is interested in the actual medical history of nineteenth century legislative opposition to abortion, it may consult the American Medical Association, *1846–1952 Digest of Official Actions* (edited F. J. L. Blasingame 1959), p. 66, where a list of the repeated American Medical Association attacks on abortion are compiled. It will be seen that the great medical battle of the nineteenth century was to persuade legislatures to eliminate the requirement of quickening and to condemn abortion from conception, see Isaac M. Quimby *Introduction to Medical Jurisprudence,* Journal of American Medical Association, August 6, 1887, Vol. 9, p. 164 and H. C. Markham *Foeticide and Its Prevention,* ibid, Dec. 8, 1888, Vol. 11, p. 805. It will be seen that the Association unanimously condemned abortion as the destruction of "human life" American Medical Association, *Minutes of the Annual Meeting 1859,* The American Medical Gazette 1859, Vol. 10, p. 409.

[3] See 4 Blackstone, *Commentaries on the Laws of England*, 394–95 (1769) where it is said:

"In case this plea is made in stay of execution, the judge must direct a jury of twelve matrons or discreet women to inquire the fact, and if they bring in their verdict 'quick with child' (for barely, 'with child', unless it be alive in the womb, is not sufficient, . . .)"

[4] See Quay, *Justifiable Abortion,* 49 Georgetown Law Journal 173, 1960, pp. 180–241, where the medical reasons for therapeutic abortions as stated in the standard obstetric works from 1903 to 1960 are stated and analyzed. Dr. Guttmacher has stated:

"On the whole, the over-all frequency of therapeutic abortion is on the decline. This is due to two facts: first, cures have been discovered for a number of conditions which previously could be cured only by termination of pregnancy; and second, there has been a change in medical philosophy. Two decades ago, the accepted attitude of the physicians was that if a pregnant woman were ill, the thing to do would be to rid her of her pregnancy. Today it is felt that unless the pregnancy itself intensifies the illness, nothing is accomplished by the abortion." (66 at p. 13) (See also 67).

Dr. Guttmacher has also said:

"Today it is possible for almost any patient to be brought through pregnancy alive, unless she suffers from a fatal illness such as cancer or leukemia and, if so, abortion would be unlikely to prolong, much less save, life." (68 at p. 9).

Dr. Guttmacher has also said:

"There is little evidence that pregnancy in itself worsens a psychosis, either intensifying it or rendering prognosis for full recovery less likely." (69 at p. 121).

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## APPENDIX F

## ABORTION—DEATH BEFORE BIRTH

(By Joseph R. Stanton, M.D., F.A.C.P.)

The magnificent Life Magazine Series "Life Before Birth" with the pictures of the human embryo and fetus by Lennart Nilsson began with the following statement, "The Birth of a Human Life Really Occurs at the Moment the Mother's Egg Cell Is Fertilized by One of the Father's Sperm Cells."

Abortion attempts to destroy the life that begins with conception. It usually but not always results in the death of the growing child within the womb. After the first six months of liberalized abortion in New York City, the Health Department reported "eleven live births after abortion procedure, all infants died within the next day or so. Two living infants were "discharged from hospitals" having to be classified as live births rather than as abortions

During the first 12 weeks of life, abortion is carried out by either (A) D&C or (B) Suction Curettage. After twelve weeks, the fetus is too large to be removed by (A) or (B), so abortion is attempted by (C) Saline Injection, and if this is not effective, (D) Hysterotomy is carried out.

No method of abortion is carried out in any significant number of cases without hazard to the mother. A recent paper from England makes the following statement: "The morbidity and fatal potential of criminal abortion is widely accepted while at the same time the public is misled into believing that legal abortion is a trivial incident, even a lunch hour procedure which can be used as a mere extension of contraceptive practice. There has been almost a conspiracy of silence regarding risks."

Listed as immediate complications are:

1. The birth of a living child.
2. Cervical lacerations—4.2%.
3. Uterine performances—1.7%.
4. Fever—15%.
5. Peritonitis—7.2%.
6. Retained products of conception requiring D&C—5%.
7. Septicemia—0.37%.
8. Endometritis—2.5%.
9. Urinary tract infection.
10. Pulmonary embolism.
11. Amniotic fluid embolism.
12. Hemorrhage greater than 500cc. in 9–17% of abortions done by various methods.

Later, additional complications are depressive reactions, subsequent sterility, subsequent abnormalities of placental implantation and a predisposition to premature labor in future pregnancies. A paper from Czechoslovakia states: "We find the immediate acute inflammatory complications in about 5% of cases—permanent complications in 20–30% of all women who had pregnancy interruptions."

It is believed that this presentation shows abortion for what it is—a negative and destructive approach to life and one of its problems. Those who have portrayed abortion as safe, easy, and almost without psychic trauma have not spoken from the facts. The current efforts of the American drug industry now spending millions of dollars to perfect the prostaglandins so that abortions may be made microscopic should be no less objectionable than the destruction of life at 8 weeks or 12 weeks or 24 weeks—before or after birth. Each one of us began life as a single cell and that biological process has continued without interruption to the moment this line is read. Abortion interrupts, despoils and destroys human life.

### A. D&C OR DILATION AND CURETTAGE

A brief history is taken, the blood typed and a consent form signed by the patient. The patient is premedicated and an intravenous is started. Anesthesia, either regional or intravenous pentothal is induced. The operative area is cleansed with antiseptics, a retractor is inserted and the mouth of the womb or cervix is grasped with a tenaculum or clamp. A sound or calibrated measure is inserted to measure the depth of the womb. The mouth of the womb is then dilated—"The amount of dilation will depend on the size of the products of conception." A sharp curette—like a long spoon with sharp serrated edges is introduced and the interior of the womb methodically scraped. "Often little tissue comes away at first but the products of conception are loosened and the ovum forceps is used to remove them." An oxytocic is then given to shrink down the uterus and lessen bleeding. The patient is watched until recovery from anesthesia occurs and then sent back to her room. The pathetic pulp in the photos above, what were once fragile, living objects of simple innocence and complex wonder, are consigned to furnace or sewer . . . unwanted, undefended, unknown. What greater sacrifice could the innocent unborn make but to lay down their lives for their mothers' convenience.

### B. SUCTION CURETTAGE

Preoperative medication and preparation the same as for D&C. Anesthesia is induced usually with intravenous pentothal. A speculum is inserted in the vagina. The cervix (mouth of the womb, ed.) is grasped with a tenaculum. Pitressin, to cause the womb to contract—is injected. The cervix is forcibly dilated. The suction curette, a tube, is inserted into the uterus, the suction turned on, present at 70 mm Hg. negative pressure. The curette is worked in and out rotating it slowly. "Because the curette and tubing are transparent, the site of implantation can be ascertained from the amount of tissue withdrawn from different areas of the uterus. . . . The procedure is completed by concentrating in the area from which the bulk is obtained." The end point of the procedure is reached when no further tissue is obtained by suction. The embryonic parts, broken and crushed are caught in a tissue trap attached to the machine. A physician long accustomed to witnessing suffering and death has said of suction curettage, that in all his life he has known no more horrible sight or sound than that produced as the little human parts thud into and are caught by the tissue trap.

### C. SALINE INJECTION

After twelve weeks, the fetus is so large that D&C and Suction Curettage are too dangerous to the mother. At twelve weeks, there is not enough amniotic fluid in the sac in which the little aquanaut lives and moves to do amniocentisis safely. Usually the physician waits until the unborn child has grown to 16 weeks size. Life Magazine states that it is now 5½ inches long and, "quite recognizable now as a human baby." After the patient has emptied her bladder, the abdomen is then prepared with antiseptics. The skin and subcutaneous tissues are injected with a local anesthetic. A long 18 inch gauge needle is inserted through the abdominal wall and the wall of the uterus into the amniotic sac of fluid surrounding the fetus. Four to five ounces of fluid are withdrawn and 5–7 ounces of toxic salt solution 20% saline (more than 23 times the concentration of salt solution that is used for intravenous therapy normally—ed.) is injected. The patient is then given oxytocics to contract the uterus and often also an antibiotic. After the toxic solution is injected, electrocardiographic studies in a New York hospital show that it takes 45 to 120 minutes for the unborn child's heart to stop. When the child dies or the uterus is sufficiently irritated, after a latent period of hours—labor begins and the dead child is born 24 to 28 hours later. A New York physician who does saline abortions has said of this procedure, "I hate to do saline injections—when you inject the saline you see an increase of fetal movements—it's horrible." That increase of fetal movements occurs as the unborn child struggles in his or her death throes.

### D. HYSTEROTOMY

If Saline injection is ineffective or cannot be completed because of technical difficulty or reaction, abortion is accomplished by Hysterotomy. Hysterotomy has been called the "miniature Caesarean section". The patient is prepared and anesthetized, the abdomen and womb are opened. The fetus is lifted out. The cord is clamped. The fetus struggles for a moment and dies. This is obviously unpalatable, particularly to nurses, so much so that Kaye states "The large fetuses aborted at greater than 22 weeks gestation become abhorrent to the nursing staff. This necessitated the change in policy limiting abortion up to the 20th week." Hysterotomy or Caesarean section has a long and honored history in medicine, often saving the life of the mother and the child. When deliberately used to abort, it destroys the life of the child. Occasionally, at least, it also leads to the loss of the life of the mother.

### TERMS AND DERIVATIONS

Abortion—Latin Ab-orior, orire, ortus sum—the one kept from arising.

Embryo—Latin Embryon—the offspring before its birth.

Fetus—Latin Foetus—the young one.

"Products of Conception"—the abortionists' term for the embroyo or fetus.

Termination of Pregnancy—abortionists' term for the act of abortion.

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## ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order the Senator from Oregon (Mr. HATFIELD) is recognized for not to exceed 15 minutes.

Mr. MANSFIELD. Mr. President, will the Senator yield to me for 1 minute?

Mr. HATFIELD. I yield.

## COMMITTEE SERVICE

Mr. MANSFIELD. Mr. President, I send to the desk a resolution and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The resolution will be stated.

The legislative clerk read as follows:

S. Res. 121

*Resolved*, That the item of paragraph 2 of rule XXV of the Standing Rules of the Senate, relating to the Committee on Interior and Insular Affairs, is amended by striking out "13" and inserting in lieu thereof "14".

Sec. 2. Mr. Nelson of Wisconsin, be, and he is hereby, assigned to service on the Committee on Interior and Insular Affairs, to fill a vacancy on that committee. Mr. Nelson may serve on that committee without regard to the provisions of the first sentence of paragraph 6(a) of such rule XXV, for the remainder of the Ninety-third Congress.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 121) was considered and agreed to.

Mr. MANSFIELD. I thank the Senator for yielding.

## WHEN DOES LIFE BEGIN?

Mr. HATFIELD. Mr. President, I wish to commend my colleague, the Senator from New York (Mr. BUCKLEY), for his very thoughtful and thorough statement on a very important issue of the day, and to commend him for offering this amendment to the Constitution with which I am happy to associate myself.

Few issues prompt the depth and intensity of feeling as does abortion. On either side of the question, the ardent protagonists seem more frequently compelled by thoughtless passion and even vindictiveness than by sensitive reason. Such fervor and fury are understandable, for this issue touches on the most personal of beliefs, and affects in the most intimate way the lives of women.

An issue marked by such intensity and divisiveness invites public neutrality on the part of the politician. Quite candidly, it usually seems pragmatically imprudent to become strongly and unapologetically committed on either side of this controversy.

In truth, I have chosen to identify myself unambiguously with a constitutional amendment safeguarding the existence of human life in all forms because I am utterly convinced that issues of the most profound moral consequence for our society, and for all humanity, are at stake.

I have wrestled with my beliefs about abortion—morally, legally, biologically, sociologically, and theologically. In doing so, convictions that I find totally compelling have been deeply affirmed. Moreover, I am persuaded that how society regards this question directly relates to whether we can choose to nourish and enhance all life for the development of its full humanity, or whether we shall make quiet compromises about the sacredness of human life, until the fundamental worth of any life becomes subject to society's discretion, rather than guaranteed by that life's being.

It would be simpler if one concluded that convictions about abortion, however deeply felt, were "personal" beliefs that should be followed individually, but not applied to society. But the belief in life's fundamental right to be has inevitable corporate consequences. I do not, after all, believe merely in my right to be; I believe in the right of all life to be. It would be hypocritical cowardice to hold such a conviction, but not to propose, as a legislator, that society embrace this view.

In opposing our intervention in Indochina, for example, I did not merely believe it would be wrong for me, as an individual, to fight there. I believed that no American should fight there, which compelled me to propose legislation expressing that conviction.

Certainly, abortion, like the war, is an issue requiring moral judgments by each of us as individuals. But it is also an issue which society should and must continually face, making its corporate moral determinations.

The vitality of our corporate conscience is the fundamental issue.

Let me elaborate on the issues that invariably present themselves, in my view, when considering abortion.

At the heart of all else, we must decide upon our definition of human life and determine what value we shall give to that life. In doing so, it only makes sense, in my judgment, to start with the knowledge of biology.

The evolution of a human life, seen through the eyes of scientific inquiry, unfolds as a miraculous, awe-inspiring occurrence. It is a profoundly beautiful, incredulous mystery that prompts praise and wonder.

At the moment of fertilization, new life has its beginning. A totally unique and novel genetic code, expressing a multitude of inherited characteristics, is established as this life springs forth at this instant of creation.

After 5 to 7 days, this re-creative growing organism of life—the blastocyst—journeys into the uterus to seek implantation. Already it has developed the complexity to communicate hormonal information to its maternal host.

If successful in its urge for implantation, and accepted by the body of the mother, this evolving life then establishes a life-giving relationship with its mother. Either before, during, or immediately after implantation segmentation may occur, causing at least twins.

An awesome dynamism reveals itself in this new expression of life. Each present form is transcended by a far more complex mode of life, yet one creating a greater unity. This surging course of growth is guided by an inborn principle.

After the second week of pregnancy—when the woman becomes aware that she is pregnant—the embryo begins differentiating its distinct vital organs—the brain, the heart, the liver, and so on, with unfathomable precision. The basic structure of the human cerebral cortex, the center of consciousness, is outlined between the 15th and 25th day after fertilization, constituting an astounding leap in the growth of the life.

By 4 to 5 weeks a heart beat is detectable. By 5 to 6 weeks the signs of brain waves are present. By 6 weeks every major organ of the fully developed human can be identified. By the 8th week, all the basic structures of the grown human are present, including eyes, fingers, and toes. From this point on, its growth will consist of perfecting and maturing all its structures and organs, rather than adding anything new.

This whole intricate, stupendous chain of occurrences describes biologically the miracle of life's genesis.

Acknowledging the reality of this process, we must ask: Where does the existence of a human being begin? When is it that the individual—personhood—or true human life comes into being?

The facts of embryology seem compellingly clear to me. Human life—the existence of the person—begins when life begins.

When that life commences its development, it is human life—not any other form of life, or not just general life, but human life. And since it is there, it is obviously being. It is a human being. That seems to be the evidence of science.

It may be sensible to point to implantation, and the time after potential segmentation, as the more precise moment when truly individual and personal life is present. At that point, the life has individualized itself, and transcended its own existence by putting itself in relationship to another person. Also, due to this urge, we come to know life exists only at this point.

In any case, the thrust seems absolutely vivid to me. The life of a human being begins at life's beginning.

In my judgment, one cannot begin by dismissing what is biologically self-evident. The appropriate question we must ask is not, "When does life begin?" but rather, "How shall we value the life that exists, in relation to the life of the mother, and other values and considerations?"

There is a tendency to approach the essential questions about life from purely sociological, or legal framework, without reference to biological realities. Sociologically, we discover that unwanted children can often face severe and debilitating burdens. We find that mothers with an unwanted pregnancy may not properly nourish themselves, and thus, the life of their developing child. Retardation of that child may be the consequence.

Further, we see that society leaves a man who is the cause of an unwed mother with no responsibility, and barely even any guilt. Yet the mother faces the emotional and physical demands of a 9-month pregnancy, plus the psychological pain that can result, and then the guilt from a judgmental society. Also, we know that our planet, as well as a poverty-stricken family, have limits to the amount of life that can be fully nurtured and sustained. These are all tragic, terrible realities. But despite the harshness of such truths, these are not the criteria for determining when human life begins, or whether the existence of that life has value.

It is just as impossible to arrive at a full answer to these questions from a purely legal perspective. The law, and the courts, may determine when personhood is to be granted legal definition; this, of course, is the precise intent of the constitutional amendment being proposed. In the Supreme Court's Wade and Bolton decision, it is maintained that personhood is recognized, and given rights under the law, only when that life is viable outside the womb of the mother. The Court does not answer the question of when human life, and personhood, begins. Rather, it makes an arbitrary judgment about when that life is to be valued, and thus given legal recognition and protection.

Now we simply cannot blind ourselves

from the facts of embryology by allowing legal categories, constructed by a Court decision, to determine the point when human life shall be valued, and gain the status of person. There exists a clear consensus, from a biological view, that the ability of life to exist outside the womb in no way gives us a basis for deciding whether human life—a human being—is present. The most obvious refutation of such view—beyond all the embryological realities—is that the point of viability is purely a function of medical skill and scientific progress, and thus is highly variable. Let us push this view to its logical conclusion. If we reach the point scientifically in some future decades where life can be created and sustained totally outside the womb, then is that life to be valued legally, as human life and personhood from the beginning of its development, while life beginning inside a womb, naturally, is not to be so regarded?

The reality of a developing life's total dependency upon the mother does not provide reason for regarding it as other than life. Neither does this fact justify depriving the emerging person of its lifesaving environment, any more than an infant's basic life need for affection, warmth, and cuddling would somehow justify the abandonment of that life. The state of intimate and total dependency between the mother and the evolving life within her only underscores the realization that a human relationship exists.

As Bernard Haring eloquently expresses this truth in his new book, "Medical Ethics":

> Human solidarity, the intimate dependency of the human person on the other's love and protection—never are these more strongly disclosed than during the nine months the embryo or fetus lives in the mother's bloodstream. The psychological and moral maturity of the mother, as mother, greatly affects her attitude towards the child she is bearing. It makes an enormous difference whether she considers the fetus only as "tissue" or entertains motherly feelings towards this living being. The humanization of all mankind, the totality of human relationships cannot be dissociated from this most fundamental and life-giving relationship between the mother and the unborn child. All forms of arbitrary rationalization to justify abortion will lead to other types of alibiing about interpersonal relationships and further explosions of violence.

In summary, it seems unreasonable and irresponsible to apply sociological or legal criteria as if they transcended scientific and biological evidence when we define the existence of a human being, and then decide what value we shall give to that life. The tendency not to acknowledge known truth about life in order to view abortion in a more acceptable light must be honestly confronted and rejected if society is to have an ethic based on reality rather than on what we wish were true. An editorial in "California Medicine," the official journal of the California Medical Association, forcefully expressed this point:

> In defiance of the long held Western ethic of intrinsic and equal value for every human life regardless of its stage, condition or status, abortion is becoming accepted by society as moral, right and even necessary. It is worth noting that this shift in public attitude has affected the churches, the laws and public policy rather than the reverse. Since the old ethic has not yet been fully displaced it has been necessary to separate the idea of abortion from the idea of killing, which continues to be socially abhorrent. The result has been a curious avoidance of the scientific fact, which everyone really knows, that human life begins at conception and is continuous whether intra- or extra-uterine until death. The very considerable semantic gymnastics which are required to rationalize abortion as anything but taking a human life would be ludicrous if they were not often put forth under socially impeccable auspice.

The Supreme Court's decision must also be judged purely on its own legal terms. The Court sets limits to the legal definition of personhood—limits which cannot be justified by more fundamental biological reality. The Court, and our Nation, have dealt in the past with the legal definition of personhood. The truth of history is that the most tragic consequences have directly resulted when we, or another nation, have taken a too restrictive view of personhood and the value of all human life. The institution of slavery, reducing human beings to the level of economic commodities, the ovens at Auschwitz and the slaughter at all the My Lais of Indochina demonstrate what becomes possible, tolerable, and even legal from a philosophy of human life and personhood too narrowly conceived.

The Nation's definition of personhood, as set forth by its system of law, has potentially profound and crucial consequences on the rights of every citizen. To set a legal precedent for restricting the view of personhood according to certain artificial criteria is to open the way for the abuse of our most fundamental and treasured ideals.

We are obligated to formulate and to defend a system of law that guarantees the freedom and safety of persons within the public domain that we are called to serve. But we must not view the range of that "public" too nearsightedly. In our collective memory we honor most those lawmakers of the past who were able to hear and think beyond the vocal din of their day and to reflect justly on the needs and plight of those who had no public voice. It is difficult to bring to mind an advocate of justice whom history has condemned for a too "liberal" view of the range of human life and personhood.

The point is this: What the lessons of history teach us is that where societies have erred, they have erred on the side of bigotry and narrowmindedness. They have more often than not erred in the direction of failing to grant rights where those rights were subsequently recognized to be legitimate.

The question, then, is: How broadly shall we apply our system of justice? How liberally shall we interpret the principles spelled out in the U.S. Constitution, and more specifically in the 5th and 14th amendments, which state that no person shall be deprived "of life, liberty, or property, without due process of law" or "the equal protection of the law"?

This was precisely the issue which Congress sought to settle by the adoption of the 14th amendment. With the Dred Scott decision, the Supreme Court in effect had recognized another criteria, other than existence, for determining personhood. The impulse behind those who framed and urged the adoption of the 14th amendment—men like Congressman John Bingham of Ohio, Congressman Thaddeus Stevens, the Radical Republican leader from Pennsylvania, Senator Jacob M. Howard of Michigan, and others—was to make absolute and unequivocal that when the Constitution declares that "no person shall be deprived of life, liberty, or property without due process of law," every person means every human being. No other criteria or limitation can be applied by the State in defining who is a "person."

In the words of Congressman Bingham after the adoption of the joint resolution proposing the constitutional amendment:

> By that great law of ours it is not inquired whether a man is "free" . . . it is only to be inquired is he a man, and therefore free by the law of that creative energy which breathed into his nostrils the breath of life, and he became a living soul, endowed with the rights of life and liberty. . . . Before that great law the only question to be asked of the creature claiming its protection is this: Is he a man? Every man is entitled to the protection of American law, because its divine spirit of equality declares that all men are created equal.

The argument for the 14th amendment rests originally with the concepts of the Declaration of Independence:

> We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness.

These rights are not rights conferred on man by the State. It is not for the State to decide what persons shall or shall not have the right to live. These rights are ordained by the Creator. That is why they are universal. Our country was founded on the principle that human rights—the most fundamental of which is the right to life itself—are not given by governments, but endowed by God.

The PRESIDING OFFICER (Mr. STEVENSON). The Senator's time has expired.

Under the previous order, the Senator from Iowa (Mr. HUGHES) is recognized for not to exceed 15 minutes.

Mr. HUGHES. Mr. President, I would like to yield a part of my time to the Senator from Oregon to complete his statement, as if it were my own, and I am certainly more than willing to adopt it.

Mr. HATFIELD. I would be very appreciative of that. I have about 6 minutes more, I would say.

Mr. HUGHES. Mr. President, I ask unanimous consent to yield a portion of my time to the Senator from Oregon to continue with his statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. I thank the Senator from Iowa.

Abraham Lincoln understood the full meaning of that document:

> I should like to know—taking this old Declaration of Independence, which declares that all men are equal, upon principle, and making exceptions to it—where will it stop? If one man says it does not mean a Negro, why not another say it does not mean some

> other man? If that Declaration is not the truth, let us get the statute-book in which we find it, and tear it out! (If it is the truth.) Let us stick to it then; let us stand firmly by it, then.

It is fascinating to discover that advocates of civil rights during this time, who framed and supported the 14th amendment, are among the same men who successfully urged the adoption of the Assimilative Crime Statute in 1866, which adopted as law in Federal territories antiabortion laws passed recently before as State statutes. The adoption of such statutes had been prompted, in large part, by the growing scientific knowledge about the process of conception—the human female ovum was not discovered until 1827—and the resultant urgings by physicians and medical associations for more specific statutes outlawing abortion.

In 1873, Congress responded even more specifically to these pressures by passing a law prohibiting the sale, lending, or giving away of any drug, medicine, or any article causing unlawful abortion. The record shows those supporting the statute included Congressmen and Senators who were framers and advocates of the 14th amendment. This was all far more than coincidence. When one becomes convinced that every human being has fundamental, endowed rights, which are rooted in the right to life itself, then it becomes natural to apply that principle consistently, and universally.

What, then, do we discover to be the true legal issues involved with this question? We recognize that life is life from the beginning; it is endowed with personhood from its outset. To make any other legal definition of personhood is to jeopardize and nullify the most basic right guaranteed by our Constitution—the right to be. The purpose of the amendment proposed today is restore an essential unity to what the law recognizes as a person, and what we know from science, observation, and conviction to constitute a human being.

I recognized that everyone may not agree about the certainty of where personhood begins. But I suggest that if we are to err, then let us err on the side of being too liberal about the definition of human life. Even if one is unsure about when personhood originates, that does not automatically condone adopting a more restricted, limited view regarding what constitutes a human being. For if one is to argue that unborn life may be taken, more or less at will—outside of the case where there is a threat to the life of the mother—then there must be convincing certainty that a human being does not exist when that life is eliminated. The burden of proof lies with those who would advocate abortion to demonstrate conclusively that they are not taking human life. It is hard to imagine where the evidence exists—biologically, philosophically, or in any way—to conform certainty to that belief. Our commitment to life's ultimate, intrinsic value dictates that we never be careless with so crucial a question, whatever our initial views may be. The task must be to safeguard and preserve human life, rather than rationalize its expendability.

The reason why it has become so difficult and even perilous to discuss the issue of abortion is because of the growing realization by women, that they have inner gifts to express, and roles in society to explore, that have previously been disregarded and resisted by society—or more specifically, by men. Women have suffered deeply and even been dehumanized, by society's discrimination of them, and the socially enforced stereotypes every woman has been expected to fulfill. A review of our country's lamentable history in granting to women the very same right we have been discussing—full personhood under the law—makes us realize how tragically we have contradicted our ideals about human rights as far as women are concerned. Further, the depth of the culture's discriminatory attitudes, as also in the case of racism, makes this problem far more complex than merely one of legal injustice.

Many women today believe deeply that their worth is defined in ways that far transcend their ability to bear children. They see new possibilities vocationally, and new ways to express their gifts and capabilities to society. In the process, they reject the notion that the only normal, worthy, and respectable role they should play is that of being a mother. Rather, that is an option that can be chosen and embraced, if desired, rather than arbitrarily imposed by society's expectations.

I fully respect these feelings, for I deeply believe that every person who comes into this world has unique gifts which only he or she can give to others. There must be an atmosphere of freedom to allow their expression—freedom from arbitrary roles, rules, and expectations, which means freedom from prejudice.

But in pursuing these convictions, some believe that the woman's choice over whether or not to become a mother must be guaranteed not just by the preventive techniques of contraception, but by an unquestioned right to abortion. They further buttress this claim by pointing out that society, as well as biological reality, makes the woman's life bear the full weight, burden, and guilt of an unwanted pregnancy, rather than the father.

The harsh and reprehensible treatment, and the deep suffering, that can be inflicted upon the unwed mother, or a life unwanted by its parents, is painfully obvious in many instances. But the crimes of society do not exempt an individual from moral responsibility; they cannot be invoked to numb the conscience, and rationalize what is wrong into something easily excusable or inherently justifiable. Sociological tragedy does not alter the biological reality of a life's existence.

Further, I cannot condone any liberation movement that demands the sacrifice of innocent human life. You do not liberate life by destroying life. The goal, after all, is the human liberation of all mankind. It is a tragic and frightful delusion to believe that goal will be enhanced by granting the right to take life at will, claiming this can make one more fully human. The humanization of mankind will never come through condoning the slaughter of unborn life. Gandhi's words apply directly:

> The means is the end in the making.

Many cases where abortion is considered are lives faced with compounded personal tragedy. In human terms, nothing can totally erase depth of tragedy from such lives; that is the province of religious faith. But society can and must take steps to at least alleviate this tragedy, and assume the responsibility for the nurturing of all life.

Let me simply outline society's obligations, which have yet to be assumed with true faithfulness and commitment. Every unborn life has a birthright; for life that is unwanted by unwed parents, society must insure that right. This necessitates maternal care and support so that the psychological, medical, nutritional, and financial needs of the mother are fully cared for, with compassion and acceptance. It means that adoption laws need substantial revision, so especially the mixed-blood or handicapped child will find the warmth and love of a family. Our whole approach to foster care must be humanized.

To prevent the tragedy of unwanted pregnancies, we must promote an uncompromising commitment to sex education and family planning services. Destroying the myths and teaching the truth about sex, and the origin of life, can instill the fundamental reverence for the miracle of new life, preventing tragic pregnancies and scarring of lives.

Further, we must recognize the plurality of sexual morality that exists in our society. That is not likely to change. But the result need not be unwanted life. Thus, there should be widespread knowledge and availability of contraceptive options. This should be steadfastly and forthrightly pursued so that life will not be created unless it is desired.

The PRESIDING OFFICER (Mr. STEVENSON). The Senator's additional 6 minutes have expired.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the remainder of my statement be printed in the RECORD as if read.

Mr. HUGHES. Mr. President, since the time is mine, I will continue to give the statement of the Senator from Oregon as though he had given it.

Mr. HATFIELD. I would be very happy for the Senator to do that.

Mr. HUGHES. Mr. President, I would be more than happy to adopt the statement of the senior Senator from Oregon.

The Senator from Oregon and the Senator from New York have given wise and an unusual amount of research and dedication to this high purpose. I compliment the Senator from Oregon and the Senator from New York and others for undertaking what is obviously a very divisive issue in this country at this point. It is a very controversial one and one that could have been easily avoided by those in public life. It will be a very difficult one for this Nation to face.

I would like to continue with the reading of the excellent statement of the Senator from Oregon (Mr. HATFIELD). It deserves to be stated here this morning. And with the Senator's permission, I will now do so, as follows:

Those who advocate abortion often cite their genuine concern for the plight of the poor. It is felt that those who are poverty stricken should not be subject to the burden of trying to support children they may not have planned to bear. Yet I believe the dispossessed should be listened to, and allowed to speak for themselves about their needs. The truth is that in general they have not been the ones asking for abortion laws to be liberalized. Quite to the contrary, the Reverend Jesse Jackson has termed abortion a form of genocide practiced against blacks. He condemned—

> The moral emptiness and aloofness that comes when protecting human life is not (considered) sacred.

When we realize that society has been more ready to provide assistance for the poor to have abortions than for the poor to have children, maintained by an adequate standard of living, we recognize the truth spoken by those who view abortion as another form of our oppression of the poor.

The reality we face is our reverence for life. On many fronts today we are being asked and urged to save life. We want to save endangered species from extinction; we are asked to spare animals the abuse they suffer at rodeos or from experimentation; we hear pleas to find homes for the thousands of stray dogs populating our dog pounds; and we all know the urgent demand to preserve our natural life—to nurture the rare species of plants, to reverence the value of nature's beauty, and to protect and enlarge major portions of our natural habitat from man's destructive encroachment.

Why should this urge to reverence life, based as it is on a recognition of life's transcendent value, exclude a commitment to save unborn human life? I only plea that we recognize and seek to preserve and nurture the sacredness of life in all its forms.

Abortion is a form of violence. That is the undeniable reality. It is the destruction of life. It furthers the dehumanization of life. It cheapens life.

There is no single characteristic of our society that troubles my inner self more than the degradation, the cheapening, the dehumanization of life that we see all around us today.

That is what is at the heart of the terrible inhumanity of our policies in Indochina. Human life became cheap, and easily expendable—especially Asian life, which somehow seemed less valuable than American life. We justified policies by talking about body counts. And we destroyed all sensitivity to the sanctity of human life.

That is what happened at Attica. That is what happens whenever we heed the frightened and vengeful pleas for "law and order" that would have us crush the lives of others.

The same holds true for capital punishment. The State cannot be so arrogant as to take away that ultimate right of every citizen—the right to life. Those who clamor for capital punishment—even for those certain "exceptions"—do not sense how basic a right they would deny.

A cheapness for life plagues our attitudes regarding amnesty. We would ostracize young men from our midst—ban them forever from our land—because we disagree with their conscience. It means we have little respect for their lives.

We have suffered so many assaults on the sacredness of human life that our conscience is insensitive and numb.

So we face a complex troublesome issue. And what do many want to do? Resort to violence once again. Much of the impulse is to degrade life, and take life once again, thinking that it is some kind of a solution.

Violence is no solution. We have had enough. It is time it all stopped.

Let me echo the sentiments expressed by C. Eric Lincoln in the Christian Century:

> I, for one, am sick of blood and blood-letting—in the streets, on the battlefields and in the safe aseptic privacy of a doctor's office. In our continuing retreat from responsibility, we are too ready to wipe out the consequences of our private and public acts with a shrug and a resort to blood. But there *are* consequences to human behavior—economic, political, social, psychological and sexual; and neither the bayonet nor the scalpel is the ideal means of setting things straight.

Let us believe in life. Let us nourish life. Let us commit ourselves to life.

Why? Teilhard de Chardin expresses it best:

> How can we account for that irresistible instinct in our hearts which lead us towards unity whenever and in whatever direction our passions are stirred? A sense of the universe, a sense of all, the nostalgia which seizes us when confronted by nature, beauty, music—of a Great Presence * * *
>
> We are often inclined to think that we have exhausted the various forms of love with a man's love for his wife, his children, his friends and to a certain extent his country. Yet precisely the most fundamental form of passion is missing from this list . . . A universal love is not only psychologically possible; it is the only complete and final way in which we are able to love.

Mr. President, that concludes the remarks of the distinguished senior Senator from Oregon.

Mr. HATFIELD. Mr. President, if the Senator would yield, I consider it a great honor that the Senator from Iowa completed my remarks through his own voice, and I consider it a great privilege and an honor to be associated with him in this amendment.

Mr. President, I ask unanimous consent that the following four articles be inserted at this point in the RECORD: "Avoiding a Question About Human Life," from the Washington Star; "A Religious Pacifist Looks at Abortion," by Gordan Zahn from Commonweal; "Abortion and the Court" from Christianity Today; and "Why I Reversed My Stand on Laissez-Faire Abortion," from Christian Century.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Star, Mar. 7, 1973]

### THE COURT AND ABORTION, AVOIDING A QUESTION ABOUT HUMAN LIFE

(An interview with Dr. Andre Hellegers)

Dr. Hellegers is director of the Kennedy Institute for the Study of Human Reproduction and Bio-Ethics. He is a past president of the Society for Gynecological Research and the Society for Perinatal Research. This interview was conducted by Thomas Ascik of the Star-News staff.

Q. The Supreme Court, in its recent decision on abortion, calls a pregnant, but otherwise healthy, woman a "patient," and states that abortion is "primarily and inherently a medical decision up to the end of the first trimester." Is she a patient in the traditional medical sense?

A. Well, we've traditionally taken care of pregnant women. The question is whether you consider pregnancy a disease. Within the definition of the Court, pregnancy is a disease. The Court considered the stressful factors of pregnancy and the possibilities of future stress in making its decision. So the Court very rigidly followed the World Health Organization's definition of health which says that it is not just the absence of disease but "a sense of well-being." If being pregnant does not give a woman a sense of well-being, then she's ill.

Q. The Court uses the term "potential life" when talking about the fetus. What is a "potential life?"

A. I don't understand the language of the Court myself. You can't talk of the potential hand or the potential foot of a fetus; at least I presume not. It's there or it's not there, and its obviously there. I think that people are confusing the term "life" and the term "dignity." The whole abortion debate has been very fouled up in its linguistics.

I think the simple biological fact is that the fetus is human, only because "human" is a biological category. So, first, the fetus is categorically human. Second, the fetus is a "being" because it's there. If it wasn't a being, you wouldn't need the abortion. So we're dealing with human beings; we're dealing with human life.

The issue is whether we're dealing with valuable human life, whether we're dealing with dignity in that life, whether it has to be protected under the Constitution. All of these are not biological questions.

The unfortunate part of the whole debate is that people have misused biology to create phrases like "when does life begin?" When the question should have been "when does dignity begin?" They have used terms like "potential life," trying to say that life wasn't there, when the reason for saying that life wasn't there was because they didn't attach any value to it. The abortion issue is fundamentally a value issue and not a biological one.

Q. The Court says that it is only "a theory" that human life is present from conception. You obviously think that it can be substantiated beyond mere theory.

A. Oh, it's obvious. I don't know of one biologist who would maintain that the fetus is not alive. The alternative to alive is dead. If the fetus was dead, you would never do an abortion. Today we are employing euphemisms to pretend that human life is not present. This stems from the fact that we are not quite ready yet to say, yes, there is human life but it has no dignity. We have wanted to avoid that statement at all costs.

Q. So abortion is only a euphemistic question of life?

A. That's right, because of the fear of saying what we know—yes, there is human life but we attach no value to it. And it has led, incidentally, to a very interesting phenomenon. The Court specifically says that it does not want to take a stand on whether human life is there or not. But it says, operationally, you may proceed to abort. If you are not willing to say when life starts, there are two possibilities—either it is there or it is not. If you then proceed to abort you are factually saying that you may abort even though human life may be there.

Q. What is "the point of viability?"

A. The Court divides pregnancy into three sectors. During the first three months it rules totally under the issue of privacy. Then it says, as pregnancy advances, the state may have a compelling interest in the fetus at viability which it puts at 24 or 28 weeks.

The issue, of course, is that the fetus is perfectly viable at any time during pregnancy provided you leave it in place, and it is only because of your action that it becomes not viable. To me the odd situation is that because you do something to the fetus and doing that makes it not viable you may proceed to do so.

Q. What is the "compelling point" of three months? The Court says that is the point at which the woman and her doctor are free to make a private decision about abortion, and the state may step in after three months.

A. The state may step in after three months except when the life and health of the woman are involved—and the Court clearly defines health as being economic state, stress and so forth. Now, any pregnant woman who says, "I am pregnant and it is stressful to me," is right there a candidate for abortion.

Q. What is the basis of regarding the first three months as a turning point in pregnancy?

A. It's based on the proposition that it is safer to have an abortion at that time than to go ahead and have the childbirth. The Court says that up to that time the mother's health is automatically provable to be better off not pregnant than pregnant. And that, incidentally, is just terrible use of statistics. What has happened is that one compares the statistics of undergoing an abortion procedure with the general statistics on maternal mortality as whole. Several problems arise.

First, childbirth as a whole takes nine months whereas the abortion by definition takes less than that. So, obviously, there is a less risk of dying in a three-month period than in a nine-month period because you have lived less long. The second problem is that if you die of anything before you have had a chance to get an abortion, you are counted among the non-abortion deaths. The third problem is that all women who want a child regardless of their health status and who decide to go through with it, and die, automatically fall under the death statistics and not under the abortion statistics. So you are really comparing apples and oranges. It is total misuse of scientific method.

Q. Medically where does the term "the first trimester" come from?

A. The first trimester comes from the fact that up to 13 weeks the abortion procedure is rather a simple one. The first trimester has nothing to do with what a fetus is at 13 weeks compared to what it is at 26 weeks. Up to 13 weeks it is rather safe to get aborted. From 13 to 26 weeks you have to change methods; you have to do saline infusions or hysterotomies. Then the statistics don't look quite as good.

The Court maintains that up to 13 weeks it is safer to be aborted than to have a child, which is already poor statistics. After 13 weeks the Court recognizes that the abortion procedure becomes more dangerous and therefore says that the state may begin to have some regulations to protect the health of the woman. After the 27th week there may be some interest in protecting the fetus as well. But it again spells out very clearly that whenever maternal health is involved, as defined under the World Health Organization's definition of stress, the state cannot stop the woman from getting an abortion. The first trimester has nothing to do with the visability issue; it has to do with the safety of the abortion procedure.

Q. You're saying that meaningful life outside the womb could start at the 27th week?

A. Well, after the 27th week we no longer use the term "abortion" in obstetrical circles. We then talk about "premature delivery". Now the survival rate between 20 and 28 weeks is only 10 percent. The question here is how long must you have lived to be considered viable. That's an issue in its own right.

What is, of course, absurd about the situation is that it is the procedure that makes the fetus unviable. Obviously the chances of survival are greater the closer to 40 weeks you are. But viably at any time during pregnancy is only with assistance. But it is just like a newborn child which is only viable with assistance.

Q. The Court maintains that the abortion question turns on whether the existing laws violate a woman's "rights" and "privacy." Is the fetus the possession of a woman the same as an appendix?

A. In the opinion of the Court it is. Not just the decision but a great deal of things that are going around suggest that intercourse is a given * * *. It shall be without consequences; philosophically, that is what we are saying. It is now assumed that intercourse is one action that everyone can engage in without accepting any consequences. We are now saying that the decision whether to bear a child is not a decision to be made prior to intercourse.

In the high schools we are trying to teach children that, good heavens, intercourse does things. It is very strange the way Justice Douglas puts it in his concurring opinion. He says, "The viscissitudes of life produce pregnancies that may be unwanted."

We are trying to teach in the high schools that pregnancies are produced by intercourse, and here a Supreme Court Justice who says that pregnancies are produced by "viscissitudes of life." If he had said that rape produces pregnancies which are unwanted and over which one has no control, you might be able to agree. That is not a decision for which one must take the consequences because it was not entered into voluntarily. The philosophy now becomes all intercourse is involuntary. Or else everyone is getting raped. It really is amazing.

Q. The Court allows the state a "concern for the health of the mother," and allows the state a concern for the "potential life" of the fetus, but only after 27 weeks. Why?

A. The Court simply and flatly states that the fetus is not a person to be protected under the Constitution. If that is right, then there is no reason at all for the Court to worry about the health of the fetus. Now, very interesting things will happen as a result of this.

As I read the decision, you should now be able to experiment on the fetus *in utero*. The Food and Drug Administration has always had very strict rules about what drugs may be used in pregnancy. There has been a lot of talk about setting up private colonies to test the effects of drugs on the unborn fetus. As a consequence of this decision it is now possible to test all drugs on pregnant women who are going to have an abortion, providing the woman agrees, of course.

Q. The Court says that it wished "a consensus" could have been reached from philosophers, theologians and doctors about the starting point of life.

A. There is a consensus on the starting point of life, without any question. There are many ways to prove when the starting point of life is. If we were going to make a test tube baby how would we do it? We would start off by putting a sperm and an egg together and if we succeeded, then we would be in business; we would have life. The fertilized egg would develop automatically unless untoward events occurred. The first definition of life, then, could be the ability to reproduce oneself and develop one's own, and this the fertilized egg has while the individual egg and sperm do not.

The Court makes some really amazing biological errors in its decision. When it deals with the history of abortion, it talks about what people thought about conception in the past without realizing that conception was only discovered in the 19th century. The ovum wasn't discovered until 1827. The Court says that the Pythagoreans held as a matter of dogma that the embryo "was animate from the moment of conception." Well we didn't even know about conception until 150 years ago. The Pythagoreans were philosophers, not biologists, but the Court seems to regard their opinions as dissenting biological opinions. Factually, of course, they arrived at the right answer anyway, even though they knew very little about biology.

But unless you can think about an ovum as an entity, you cannot talk medically about a start of life. Before, people thought the seed was planted and it either caught or it didn't, almost as if the seed itself was life. That is why we have such crazy terms as insemination, a pure agricultural term that implies that the seed is planted. One ought to talk about cosemination or something that recognizes that the woman contributes an ovum.

The American Medical Association in the 19th century took its stand against abortion when it became known what the process of conception was and what the ovum was. When they found out when life began they thought it imperative to protect it from the beginning.

Q. It seems that the 20th Century has used the same medical knowledge to draw the exact opposite conclusion.

A. That's right. Now that it is absolutely clear how the process works one begins to falsify history and blame the 19th century for having written laws which it wrote, not based on Victorianism, but based on the new knowledge about the process of conception. Unless you are aware of the fact that biologists did not discover the ovum until the 19th century you will completely misread the history of the subject.

The original idea was that the soul was attached at some time to the body but nobody knew when the process of body-building started. When that became known, doctors and the AMA began to count the start of life from conception.

It has been commonly assumed that once human—not cat or rat—life—not death—has started then the concept of soul or human dignity has started. That is where the falsity of the Supreme Court decision lies. If the Court had said that we know when life starts but the issue is when we shall protect it or when we shall attach value to it, then it would have had rational ground for its decision. In the whole debate I have resented the falsification of embryology for the purpose of avoiding the fundamental question—when shall we attach value to human life?

Do you think the Court could have reached the same decision if it had put the question on the proper grounds?

A. Ah, that would have been the difficult one. The Court would have been forced to say something which the California Journal of Medicine has already said very clearly. It says that we know when life starts, let's not kid ourselves. We ought to admit that we are handling certain social problems with the medical technology of killing life that has already started. The Court didn't have the courage of its convictions. So it wound up with the principle that you may kill the fetus even though it is already alive, but the Court didn't quite dare to come out and say it.

Q. What are some further implications of the Court's decision?

A. Hellegers: I am not sure that the Court's decision will cause any further harm other than the killing of fetuses. I am not a domino-theory man. Some people predict that euthanasia, infanticide and other practices will follow hard and soon on the abortion decision. I do think that the abortion decision and other bio-ethical problems are common symptoms of an underlying question. The question is whether you are going to have a utilitarian view of man or whether you are going to have some other view. The Court's decision is a utilitarian view. This fundamental question will come up very clearly, very shortly when the issue of how we use live fetus for experimentation comes up. In England it has already been decided; you may use the live fetus for experimentation.

There are two great issues before us now. First, does one adopt the World Health Organization's definition of health, and does it become a doctor's duty to ensure "a sense of well-being," which is, in a way, happiness. The second issue is whether we shall look at the body in a utilitarian sense or whether we shall attach some greater value to it.

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[From Commonweal]

## A RELIGIOUS PACIFIST LOOKS AT ABORTION—CAN ONE ABSOLUTIZE THE RIGHT TO LIFE?

(By Gordon C. Zahn)

Prudence, if nothing else, would seem to dictate that a celibate male, especially one committed to pacifism, should avoid getting embroiled in controversy with the women's liberation crowd. Ordinarily I would be all set to go along with this and not only for reasons of such prudential restraint. I am in general agreement with the movement's objectives and principles and more than ready to give it the benefit of almost every doubt—even though I do wish at times that its principal spokesmen (?) could be a little more, if not "ladylike," at least gentlemanly in their rhetoric and tone. But these are minor reservations.

There is one point of substance, however, on which I must register strong disagreement, and that is the increasing emphasis being placed on "free abortion on demand" as a principal plank in the liberationists' platform. From my perspective as a religious pacifist, I find this proposal thoroughly abhorrent, and I am disturbed by the willingness of so many who share my political and theological approach in most respects to go along with or condone a practice which so clearly contradicts the values upon which that approach is based.

In the past I have criticized "establishment" Christians, in particular official Catholic ecclesiastical and theological spokesmen, for their hypersensitivity to the evil of killing the unborn and their almost total disregard of the evil of "post-natal" abortion in the form of the wholesale destruction of human life in war. The argument works both ways and with equal force: those of us who oppose war cannot be any less concerned about the destruction of human life in the womb.

In discussing this issue from a pacifist standpoint I do not intend to enter upon two controversies which, though clearly related to the problem of abortion, are somewhat peripheral to my essential concern for life and the reverence for life. Thus, the whole question of the morality of contraception, obviously one of the alternatives to abortion as a means of population control, involves moral principles of an altogether different order. More closely related but also excluded from consideration here is the legal question, that is whether or not anti-abortion legislation now on the statute books should be repealed, modified, or retained. One can argue, as I shall here, that abortion is immoral and still recognize compelling practical and theoretical reasons for not using state authority to impose a moral judgment that falls so far short of universal acceptance within the political community. On the other hand, there are equally compelling arguments upholding legal prohibition of what has long been considered by many to be a form of murder; and this takes on added force to the extent that repeal of laws already in effect will be interpreted as official authorization of the hitherto forbidden practice. Since the intention here is to discuss the objections to abortion itself, this very important legal question will be left for others to debate and resolve.

Nor will I comment upon what I consider the tactical blunder on the part of the liberationists to "borrow trouble" by making so touchy an issue—on emotional as well as moral grounds—a central part of their program. I must, however, reject the rationale that is usually advanced to support their demands, the "property rights" line which holds that because a woman's body is "her own," she and she alone must be left free to decide what is to be done about the developing fetus.

Leaving aside the obvious fact that the presence of the fetus suggests a decision that could have been made earlier, this line of argument represents a crude reversion to the model of *laissez-faire* economics Catholics of a liberal or radical persuasion have long since repudiated. Even if one were to accept the characterization of a woman's body as "property" (is it not one of the liberationists' complaints that men and man-made laws have reduced her to that status?), the claim to absolute rights of use and disposal of that property could not be taken seriously. The owner of a badly needed residenial building its not, or at least *should not be*, free to evict his tenants to suit a selfish whim or to convert his property to some frivolous or non-essential use. In such a case we would insist upon the traditional distinction which describes property as private in ownership but social in use.

To use another example, the moral evil associated with prostitution does not lie solely, perhaps not even primarily, in the illicit sex relationship but, rather, in the degradation of a person to precisely this status of a "property" available for "use" on a rental or purchase basis. It is a tragic irony that the advocates of true and full personhood for women have choosen to provide ideological justification for attitudes which have interfered with recognition of that personhood in the past.

This is not to say, of course, that a woman does not have prior rights over her own body but only that the exercise of those rights must take into account the rights of others. In monogamous marriage this would preclude a wife's "freedom" to commit adultery (a principle, it should be unnecessary to add, which applies to the husband as well). Similarly, in the case of a pregnancy in wedlock, the husband's rights concerning the unborn child must be respected too; indeed, even in a pregnancy out of wedlock, the putative father retains parental rights to the extent that he is ready to assume his share of responsibility for the child's future needs. In both cases, and this is the crux of the born child, perhaps the most important argument, of course, the rights of the unclaimant of all, must be respected and protected.

### HUMAN RIGHTS

These categories of rights, I insist, are not to be put in any "property rights" or similar economic frame of reference. They represent elementary human rights arising out of an intimacy of union between responsible persons which transcends purely utilitarian or proprietary considerations. The governing consideration as far as the unborn child is concerned is simply this: when do these rights come into existence? The answer offered here, and I think it is the only answer compatible with a pacifist commitment, is that they exist at the moment of conception marking the beginning of the individual's life processes.

This has nothing to do with the old theological arguments over whether or not the soul can be said to be present at conception; it rests completely upon the determination of whether or not there is now something "living" in the sense that, given no induced or spontaneous interferences, it will develop into a human person. We know for certain that this fertilized ovum is not going to develop into a dog or cat or anything else; whatever its present or intervening states, it will at the end emerge as a human child. One need only consider the usual reaction to a spontaneous or accidental termination of a *wanted* pregnancy. The sorrow of the prospective parents, a sorrow shared by friends and relatives alike, testifies not only to the fact that something has "died" but, also, that this "something" was human.

So, too, with the medical arguments over when the fetus becomes "viable" and, therefore, eligible for birth. It is the life that is present, not the organism, which should concern us most. Once we agree that society's origin and purpose lie in the fulfillment of human capacities and needs, we have established the basis for a reverence for life which goes far beyond such purely technical determination. Should a life once begun be terminated (whether before or after the point of viability) because the prospective mother did not have adequate food and care or because she was forced by the demands of her social or economic condition to undergo excessive physical or psychological strain, we would have no problem about charging society with a failure to meet its responsibility. There is no reason to change this judgment when the termination is brought about by deliberate act, either to avoid some personal inconvenience or to serve what may be rationalized into the "greater good" of the family unit or, as the eugenicist might put it, society as a whole. Just as rights begin with the beginning of the life process, so does society's obligation to protect them.

Recently a new and somewhat terrifying "viability" test has been proposed in arguments supporting abortion. No longer is it to be the stage of physiological development which determines whether or not life is to be terminated but rather the degree to which "personhood" has emerged or developed. Although strict logic might suggest that personhood can be established only after the fetus has entered upon its extra-uterine existence (that is, after the child has been born) advocates of this new test are apparently willing to extend it back into the later weeks of pre-natal development as well.

Two objections to this test should be immediately obvious. In the first place (and the "generous allowance" of pre-natal personhood serves as a good illustration of this point), we are caught up with the same old problems of judgment that plagued the older viability standards: if the fetus is to be considered viable at x-weeks, what about the day before that period is completed? If personhood can be manifested in the pre-natal period when, let us say, fetuses can be compared in terms of differential activity, what about the hour before such differences can be noticed? Is more activity a sign that personhood is advanced, or might the absence of much activity be a sign of equal, though different, emergence of personhood?

The second objection is even more troubling. Under the old notion of physiological viability, the child once born was unquestionably viable. The saying may not be true—or may not remain so in the face of changing social definitions—once the emergence or development of personhood is the measure. My experience as a conscientious objector in World War II doing alternate service in a home for mental deficients introduced me to literally hundreds of individuals whose state of retardation was such that they could be described as "animals" or even "vegetables" by members of the institutional staff. Later, working in a hospital for mental diseases, I attended paretic and senile patients who had reached the state of regression and psychological deterioration at which the same terms could be applied to them and their behavior. However ardent and sincere the disclaimers may be, applying the test of personhood to the unborn is certain to open the way to pressures to apply that same test to the already born. In this sense, then, abortion and euthanasia are ideological twins.

In the old theological formulations of the problem, the condemnation of abortion was justified in terms of the "sancity" or the "intrinsic worth" of human life. Today much of the argument supporting abortion rests upon similar abstractions applied now to the intrinsic worth of the prospective mother's life or of siblings whose living standards and life-chances might be threatened by the additional pregnancy. These are valid concerns and deserve serious and sympathetic understanding; and society does have a responsibility to find answers to these problems that do not involve the sacrifice of the human life that has begun. Pacifism and opposition to abortion converge here, for both find their ultimate justification in the Christian obligation to revere human life and its potential and to respect all of the rights associated with it.

The developmental model used by those who propose emergence of personhood as the test is basically sound, but as used by the advocates of abortion it becomes a logical enormity arguing for a development from an undefined or unstipulated beginning. A more consistent approach would see human life as a continuity from the point of clinically determined conception to the point of clinically determined death. This physiological life-span is then convertible to an existential framework as a developmental pattern of dependence relationships: at the earliest stages of a pregnancy the dependence is total; as the fetus develops, it takes on some of its own functions; at birth, its bodily functions are physiologically independent but existential dependency is still the child's dominant condition. The rest of the pattern is obvious enough. As the individual matures and achieves the fullness of personhood, both functional and behavioral independence become dominant (though never total; culture and its demands must be taken into account). Finally, advanced age and physical decline returns him to a state of dependency which may, at the end, approximate that of his earliest childhood.

Society's responsibilities to the individual stand in inverse relationship to the growth and decline of his independence and autonomy. It would follow, then, that the immortality of abortion (and euthanasia as well) lies precisely in the fact that they propose to terminate the life process when the dependency is most total, that it would do so with the approval or authorization of society, that it would seek to justify this betrayal of society's responsibility on purely pragmatic grounds. The various claims made for the social utility of abortion (reducing the threat of over-population and now pollution; sparing the already disadvantaged family the strain of providing for yet another mouth; etc.) or the even less impressive justifications in terms of personal and all too often selfish benefits to the prospective parent(s) have to be put in this context; and once they are, they lose much of their force.

The earlier reference to the sorrow caused by the loss through miscarriage of a wanted child does not obscure the fact that most abortion proposals are concerned with preventing the birth of unwanted children. No one will deny that being regarded as an unwanted intruder in the family circle will be psychologically if not always physically harmful, but there should be other solutions to this problem than "sparing" the intruder this unpleasantness by denying him life in the first place. If a child is "unwanted" before conception, science has provided sufficient means for avoiding the beginning of the life process.

Since the sexual enlightenment burst upon us a generation or so ago, we have replaced the old Victorian notions about "the mystery of sex" with a kind of mechanistic assumption that man is the helpless victim of his chemistry and unconscious impulses, an assumption which reduces sexual intercourse to a direct, natural, and almost compulsive response to stimuli and situations. The other side of this particular coin is the not so hidden danger that man himself will be redefined in strictly biological terms, a largely accidental event brought into being by the union of two adult organisms acting in response to that irresistible urge. This is reflected in many of the statements made by advocates of abortion in their references to the conceived child as a "fertilized ovum." The term is perfectly accurate in the strictly physiological sense; in the Christian perspective, however, it leaves something to be desired.

The act of intercourse, like any other human act is and must remain subject to human responsibility. This means that those who enter upon it should consider the possible consequences of the act and acknowledge responsibility for those consequences if and when they come to pass. Ideally this would mean that unwanted children would not be conceived; where the ideal is not achieved—or where the participants change their minds after the child is conceived—it will be society's obligations to assume the responsibility for the new life that has been brought into being.

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### ABORTION AND THE COURT

Writing to Christians in Rome about the spiritual condition of the pagan world, Paul diagnosed it in this way: "Although they knew God, they did not honor him as God or give thanks to him, but they became futile in their thinking, and their senseless minds were darkened. Claiming to be wise, they became fools. . . . Since they did not see fit to acknowledge God, God gave them up to a base mind and to improper conduct" (Rom. 1:21, 22, 28). Not only the thinking but often the laws of men, and even the decisions of religious councils, can conflict with the laws of God. That is why Peter and John called before the Sanhedrin, declared that they must obey God rather than men (Acts 4:19).

In a sweeping decision January 22, the United States Supreme Court overthrew the abortion statutes of Texas, indeed, of the states that protect the right of an unborn infant to life before, at the earliest, the seventh month of pregnancy. The Court explicitly allows states to create some safeguards for unborn infants regarded as "viable," but in view of the present decision, it appears doubtful that unborn infants now enjoy any protection prior to the instant of birth anywhere in the United States. Until new state laws acceptable to the Court are passed—at best a long-drawn-out process—it would appear impossible to punish abortions performed at any stage.

This decision runs counter not merely to the moral teachings of Christianity through the ages but also to the moral sense of the American people, as expressed in the now vacated abortion laws of almost all states, including 1972 laws in Massachusetts, New York, and Pennsylvania, and recently clearly reaffirmed by statewide referendums in two states (Michigan and North Dakota). We would not normally expect the Court to consider the teachings of Christianity and paganism before rendering a decision on the *constitutionality* of a law, but in this case it has chosen to do so, and the results are enlightening; it has clearly decided for paganism, and against Christianity, and this in disregard even of democratic sentiment which in this case appears to follow Christian tradition and to reject permissive abortion legislation.

The Court notes that "ancient religion" did not bar abortion (*Roe et al.* v. *Wade*, No. 70–18 [1973], VI, 1); by "ancient religion," it clearly means paganism, since Judaism and Christianity *did* bar abortion). It rejects the "apparent rigidity" of the Hippocratic Oath ("I will give no deadly medicine to anyone if asked, nor suggest any such counsel; and in like manner I will not give to a woman a pessary to produce abortion") on the grounds that it did not really represent the consensus of pagan thinking, though pagan in origin, but owed its universal acceptance to popularity resulting from "the emerging teachings of Christianity" (*ibid.*, VI, 2.) To these, the High Court unambiguously prefers "ancient religion," that is, the common paganism of the pre-Christian Roman Empire. Against the official teaching of the Roman Catholic Church that the "life begins at conception" (curious language on the part of the Court, for no one denies that the fetus is human, or that it is alive: the Court apparently means *personal* life), the Court presents "new embryological data that purport to indicate that conception is a 'process' over time, rather than an event, and . . . new medical techniques such as menstrual extractions, the 'morning-after' pill, implantation of embryos, artificial insemination, and even artificial wombs" (*ibid.*, IX, B). It is hard to understand how the contention that conception is a "process" of at most a few days' duration is relevant to the possible rights of the fetus at three or six months, and even harder to comprehend the logic that holds that "new medical techniques" for destroying or preserving the embryo "pose problems" for the view that it was alive before being subjected to those techniques.

Unwanted pregnancies resulting from a freely willed and voluntary act of sexual intercourse are one thing; those resulting from rape require special consideration. Even here, I would hold, the reverence for life which forms the basis of this pacifist rejection of abortion would preclude the intentional termination of the life process begun under such tragic circumstances. The apparent harshness of this position may be mitigated somewhat by reflecting that pregnancies attributable to true rape (or incest) represent a small proportion of the unwanted. Certainly they do not constitute a large enough proportion to justify the emphasis placed upon them by proponents of abortion. This provides small consolation to the victim who has already undergone the physically and psychologically traumatic experience of the assault itself and must still suffer the consequences of an act for which she bears no active responsibility. Nevertheless, the life that has begun is a human life and must be accorded the same rights and protection associated with the life resulting from normal and legitimate conceptions. Here again society must do what it can to provide all possible assistance to the victim including compensation (if one can speak of "compensation" in this context!) for the sacrifice she has been called upon to make. In most cases we must assume the mother will not want to keep the child after birth, at which point society's responsibility for its future development will become complete. If a mother does decide to keep her child, society will still have the obligation to make some continuing provision for adequate care and support.

The position I have outlined here has been described as unrealistic and even irresponsible in that it absolutizes the right of every "fertilized ovum" to develop, as one critic put it, "in a planet which can no longer support that kind of reproduction and where it threatens the possibility of realizing the lives which exist." The adjectives unrealistic and irresponsible do not trouble me; they are fairly standard descriptions of the pacifist approach, and this is a pacifist case against abortion. What does trouble me is the rest of the criticism. The ability or inability of the planet to support present and projected population totals is still a contested issue, and even if the prospects were as desperate as the statement suggests, the question would still remain as to whether the termination of unborn life is a desirable or acceptable solution. And as for the "realization" of the life which exists, it is essential to face the prior question of who is to determine what that involves and by what standards. How long we must ask before the quotas now being set in terms of "area population growth" and similar quantitative formulae are refined by eugenic selectionists into qualitative quotas instead? This is not an idle fear, and one would think that a movement dedicated to the elimination of long-standing inequalities based on the qualitative distinction of sex should be particularly sensitive to the possibility.

Beyond this there is that matter of "absolutizing" the right to life, and to this I am ready to plead guilty. At a time when moral absolutes of any kind are suspect and the fashions in theological and ethical discourse seem to have moved from situationalism to relativism and now to something approximating indifferentism, it strikes me as not only proper but imperative that we proclaim the value of every human life as well as the obligation to respect that life wherever it exists—if not for what it is at any given moment (a newly fertilized ovum; a convicted criminal; the habitual sinner) at least for what it may yet, with God's grace, become.

It is not just a matter of consistency, in a very real sense it is the choice between integrity and hypocrisy. No one who publicly mourns the senseless burning of a napalmed child should be indifferent to the intentional killing of a living fetus in the womb. By the same token, the Catholic, be he bishop or layman, who somehow finds it possible to maintain an olympian silence in the face of government policies which contemplate the destruction of human life on a massive scale, has no right to issue indignant protests when the same basic disregard for human life is given expression in government policies permitting or encouraging abortion.

Pleading "the established medical fact" that "until the end of the first trimester, mortality in abortion [of course the reference is to *maternal* mortality—fetal mortality is 100 per cent] is less than that in normal chilldbirth [nine maternal deaths per 100,000 abortions vs. twenty-five per 100,000 live births, a differential of 0.016 per cent, of course not counting the 100,000 fetal mortalities]" (*ibid.*, X), the Court decreed that a state may not regulate abortion at all during the first three months, and during the second, only to protect the health of the mother. After "viability," defined as "about six months," when the fetus "presumably has the capability of meaningful life outside the mother's womb," then, if the State is interested in protecting fetal life . . . it may go *so far* [emphasis added: since abortion is 100 per cent fatal to the fetus, it is hard to see the value of "protection" that goes less far] as to proscribe abortion during that period, except when it is necessary to preserve the life or health of the mother" (*ibid.*). Since health is explicitly defined to include "mental health," a very flexible concept, this concession to the protection of the fetus from seven to nine months will, in practice, mean little.

The Court based its abortion decision on the right of privacy, and that without empirical or logical justification. "This right of privacy . . . is broad enough to encompass a woman's decision whether or not to terminate her pregnancy," Justice Blackmun wrote in delivering the opinion of the Court. But the right of privacy is not absolute, and, much more important, no abortion decision can ever be by any stretch of the imagination a purely private matter. The fetus, if not a full-fledged human being, is at least a being owing his existence as much to father as to mother, and is therefore an individual distinct from both. Curiously, fathers are scarcely mentioned in the fifty-one-page majority opinion! The decision would appear to contradict itself when it insists that the "private" abortion decision must be made in conjunction with a physician and/or in line with some kind of medical judgment.

In his concurring opinion, Chief Justice Burger fatuously comments, "I do not read the Court's holding today as having the sweeping consequences attributed to it by the dissenting justices [White and Rehnquist]." The New York state tally stood in 1971 at a ratio of 927 abortions for 1,000 live births; now that abortion has become allowable nationwide, the ratio will presumably change, but the experience of nations with easy abortion suggests that it may very well remain as high as one abortion for every two live births, or even higher. What would the Chief Justice consider sweeping? Mandatory abortion for all those falling into a certain class? Infanticide? Mass extermination of undesirables? Make no mistake: the logic of the high court could be used with like—in some cases with greater—force to justify infanticide for unwanted or undesirable infants; the expression, "capability of meaningful life" could cover a multitude of evils and will, unless this development is stopped now.

In his dissent, Justice White sums up the situation and the Court's action:

"The common claim before us is that for any one of such reasons [he cites convenience, family planning, economics, dislike of children, the embarassment of illegitimacy, and others], or for no reason at all, and without asserting or claiming any threat to life or health, any woman is entitled to an abortion at her request if she is able to find a medical doctor willing to undertake the procedure. The Court for the most part sustains this position; during the period prior to the time the fetus becomes viable, the Constitution of the United States values the convenience, whim or caprice of the putative mother more than the life or potential life of the fetus. . . ."

In arriving at this position, the majority of the Supreme Court has explicitly rejected Christian moral teaching and approved the attitude of what it calls "ancient religion" and the standards of pagan Greek and Roman law, which, as the Court notes in self-justification, afforded little protection to the unborn" (*Ibid.*, VI, 1). It is not necessary to read between the lines for the spiritual significance of this decision, for the Court has made it crystal clear.

In view of this, Justice Rehnquist's dissenting observation that the Court is engaging in "judicial legislation" may seem almost insignificant. Nevertheless, we must ask what remains of the democratic process and the principle of local initiative when not only long-standing older laws but the most recent state laws and even the will of the people expressed in state-wide referendums are swept from the board in a single Court ruling, when the people and their representatives are prohibited forever—or at least until the Constitution is amended—from implementing a higher regard for the life of the unborn than that exhibited by seven supreme judges.

Having previously seen fit to ban the formal, admittedly superficial, and possibly hypocritical acknowledgment of God that used to take place in public-school prayers and Bible readings, the Court has now repudiated the Old Testament standards on capital punishment as cruel and without utility, and has rejected the almost universal consensus of Christian moral teachers through the centuries on abortion. Its latest decision reveals a callous utilitarianism about children in the womb that harmonizes little with the extreme delicacy of its conscience regarding the imposition of capital punishment.

Christians can be grateful that the court has not yet made the "right" to abortion an obligation. It is still possible for us to consult the will of God in this matter rather than the laws of the state. The present decision makes it abundantly clear that we are obliged to seek his will and not be guided only by public law. We should recognize the accumulating evidence that public policy is beginning to display what Paul called "a base mind and improper conduct," and for similar reasons. Will the time come when this nation "under God" is distinguishable from those that are aggressively atheistic only by our currently greater material affluence? Christians should accustom themselves to the thought that the American state no longer supports, in any meaningful sense, the laws of God, and prepare themselves spiritually for the prospect that it may one day formally repudiate them and turn against those who seek to live by them.

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[From the Christian Century, April 25, 1973]

### WHY I REVERSED MY STAND ON LAISSEZ-FAIRE ABORTION

(By C. Eric Lincoln)

Unrestricted abortion is but one more example of the retreat from responsibility which seems characteristic of the times.

In September 1967, I was invited to Washington to join in an international discussion on "the terrible choice," abortion. The seminars were sponsored by the Joseph P. Kennedy Foundation, and the featured speakers were some very learned clergymen and scholars from all over the world. Mine was by no means a major voice in the proceedings, but somewhere in the footnotes of the record there may be some notation of what I said at the time.

I took the position that in America, at least the notion of a woman's complete personal autonomy over her body is, or should be, so elementary as to preclude debate, and that to require a woman to be an incubator for a child she does not want is barbaric and tyrannical and in violation of the most basic expectations of a civilized society. But I also insisted that "any liberalization of the abortion laws [should] serve a constructive interest of those who are particularly disadvantaged by the consequences of isolation and poverty," and that "their economic and social vulnerability should not be . . . exploited by other interests masquerading as abortion reform." I have never been an advocate of abortion on demand, but as things have turned out, the fact that I am somewhere on record as standing for what could be interpreted as a laissez-faire approach to the issue humbles my self-esteem and roils my conscience as well. My mind has changed. I have had some second thoughts on the matter.

The issues have been debated pro and con in the press for years now, but I am not aware that any of the sub-issues I am about to raise has received the attention that seems due it. To be sure, having taken the "logical" position in the early years of the debate, I made no attempt to keep up with it, awaiting only the confirmation of the courts—which did occur in due time, to my increasing apprehension and dismay. For, as I said, my mind has changed. So, although belatedly and after the fact, I feel compelled to raise the following issues.

(1) Marriage is a civil contract. The partners to that contract are required by law to assume certain derivative responsibilities to each other, to the state (society) and to any children born to their marriage. A married person's control over his or her body is modified by the contract of marriage, which, among other things, presupposes sexual ("bodily") love and exclusive access.

Now, a marriage that is not "consummated" by bodily union is customarily considered null and void. If consummation results in pregnancy, that pregnancy is the consequence of *two people's acting in concert;* and if that pregnancy reaches its natural consummation, a child is born. A child is the natural product of *two* people who have had sexual intercourse, and by law and by custom both share responsibility for the child. No woman gets pregnant all by herself. The child, born or unborn, belongs equally to its progenitors. How then can the decision to terminate—to abort—be limited to one partner to the marriage contract and a physician?

(2) An unmarried woman may accept or refuse sexual intercourse. If she consents, a contractual relationship is implied, for if a child is born of that union, the male partner may be assigned the responsibilities of support of the child and/or its mother. In a just and reasonable society, rights and responsibilities occur in tandem. Has not a man who is legally liable for the consequences of his participation in sexual intercourse by mutual consent, an equal right in the determination of whether the natural consequences of that act shall be terminated by abortion? A child has a mother *and* a father. A fetus is a child *in utero*. We need not debate the question of at what point it becomes "human"; we know by experience that it becomes human at *some* point, and that after nine months, more or less, a child will be born of every pregnancy if it is not interrupted. Can a decision so vital to at least two people be justly made by one?

Stress is put on the fact that the woman must carry the child in her body, to her possible inconvenience in one way or another. But "incubation" is in some sense only the counterpart of "procreation." Both require the instrumentation of the body and its processes and resources. One of these processes requires more time. But society evens out the responsibilities by placing the subsequent burden of primary liability upon the male.

The state (society) is a party to every marriage contract and to every *implied* contract of marriage. It must be, because the state is in *loco parentis* to every child whose father and/or mother cannot or will not accept responsibility for it. If the state (in the absence of father or mother) must assume liability should pregnancy run its natural course, does not the state also have something to say about the interruption of pregnancy?

The state is the guardian of public welfare and public policy. In that capacity, it exercises some degree of control over our use (or abuse) of our bodies in many other areas. For example, it requires the conversion of some (male) bodies to military tasks; it confines some bodies in jails or other institutions, thereby drastically reducing the options for personal decisions regarding those bodies. It forbids suicide and restricts the use of certain beverages or drugs, and even of some medical practices (e.g., acupuncture), which might have a deleterious effect upon the body. The state requires, on occasion, the use of seat belts, helmets, protective shoes, water treatment, various inoculations, among myriads of other practices which modify the individual's right to make autonomous decisions about his body. Even the right not to clothe it is a regulated right. Probably the state would prohibit branding of the body as practiced in the days of slavery, and would hold scarification as a beauty technique to be against public policy. Does the state have an interest in abortion that it may have overlooked in the heat of the controversy?

Despite the fact that the issue has been settled, at least for the time being, by the Supreme Court, the questions I have raised are in no sense intended to be academic, but they did figure prominently in my own descent from what now seems an impossible idealism. My original position was largely motivated by an interpretation of sectarian dogma which seemed at the time anachronistic and repressive. My vision was of an occasional individual caught up in circumstances so overwhelming and so devastating in potential as to warrant so drastic a procedure as the interruption of life. I considered abortion a draconian measure of last resort for a limited class of people who, after having considered the vast implications of what they were about to do, would proceed with fear and trembling and a prayer for forgiveness. I was not prepared for the bloodletting which has, in fact, ensued.

I, for one, am sick of blood and bloodletting—in the streets, on the battlefields and in the safe aseptic privacy of a doctor's office. In our continuing retreat from responsibility, we are too ready to wipe out the consequences of our private and public acts with a shrug and a resort to blood. But there *are* consequences to human behavior—economic, political, social, psychological and sexual; and neither the bayonet nor the scalpel is the ideal means of setting things straight. They are instruments after the fact. In a sophisticated society with a vaunted technology based on the common understanding of cause and effect, we seem to be operating more and more from the premise that so long as the effect is no more than a small unpleasantness which can be conveniently removed before it becomes burdensome, the cause is reduced to inconsequence. The police, the army, the medical profession are there to extricate us from the consequences of our folly and our lack of restraint. We do not need to care much about what we do, or to whom.

There are few to challenge the permissive sophistry behind which we slither our way into this "new" wasteland of unaccountability. Our newest cultural "inventions" and "discoveries" are in fact ancient experiments long since discarded by ascendant civilizations. To my present way of thinking, unrestricted abortion—"left up to the woman and her doctor"—is but one more example of the retreat from responsibility which seems characteristic of the times. A decision about abortion is not properly the doctor's responsibility unless a medical problem is involved, and most abortions currently demanded are not even remotely "medical." Since the physician was not a party to the procreative act, his role in determining the consequences of that act is questionable. We have made of medicine a convenient facade. We have made of the doctor a mere functionary and accessory—a scapegoat for the clergy, the judiciary, the pregnant woman and her partner in the act, and for all the rest of us who turn away from personal and social accountability. This is social progress? Somehow I remain unconvinced.

Mr. HUGHES. Mr. President, I compliment the distinguished Senator from Oregon and the distinguished Senator from New York. It is a very difficult enterprise in which they have engaged. I am cosponsoring this amendment for the reasons given this morning and because of my own deep feeling that abortion is the taking of human life.

I disagree with the Wade and Bolton decisions of the Supreme Court which deal with the matter of abortion more liberally than is necessary for the health of the mother. It is claimed that this is an invasion of the mother's constitutional right to privacy. I cannot accept the view that the mother has a right to privacy which would supersede the unborn child's right to life.

I am aware of the difficulties in forming an amendment to the Constitution to deal with a matter of this kind. There are great difficulties.

I compliment the Senator from New York and the Senator from Oregon for the tremendous effort they have put in this matter. I know the difficulty involved in choosing the right wording to frame such an amendment. We must avoid language that would affect the constitutional rights of people on matters that are entirely unrelated to the objective we seek here.

I am hopeful that we have done that. However, certainly this amendment is going to be referred to the appropriate committee, and the Subcommittee on Constitutional Amendments will, I am sure, analyze it carefully and consider what we are discussing here today in the light of what they should do.

The PRESIDING OFFICER. The Senator's time has expired. Under the previous order, the Senator from Maryland (Mr. MATHIAS) is recognized for not to exceed 15 minutes.

(The remarks Senator MATHIAS made at this point on the introduction of S. 1923, pertaining to the need for Federal agencies to keep congressional committees fully and currently informed, are printed in the RECORD under Statements on Introduced Bills and Joint Resolutions.)

## QUORUM CALL

Mr. MATHIAS. Mr. President, I make the point that a quorum is not present.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. PERCY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ORDER OF BUSINESS

The PRESIDING OFFICER. Under the previous order, the distinguished Senator from Illinois (Mr. PERCY) is now recognized for not to exceed 15 minutes.

(The remarks Senator PERCY made at this point on the introduction of S. 1914, relating to Radio Free Europe and Radio Liberty, are printed in the RECORD under Statements on Introduced Bills and Joint Resolutions.)

## INTERPARLIAMENTARY UNION MEETING IN MEXICO

Mr. PERCY. Mr. President, in my few remaining minutes, I would like to address myself to another subject.

While we try to build bridges to our enemies, I feel that we should be careful not to burn them or neglect them with respect to our friends. I had the privilege of participating in the Interparliamentary Union meeting in Mexico over the Memorial Day recess. It was the first bilateral meeting I have attended in Mexico. I will reserve detailed comments for later, when other Senators are ready to report on that meeting.

At this time I should merely like to state that I have reaffirmed my interest and intention in maintaining close relationships with our immediate neighbors, Canada and Mexico. There is always the tendency to say that fields farthest away are the greenest. I would say, as a result of the meeting just held in Mexico—the 13th, now, in a series of such meetings—that I am impressed with how many things we have in common with our friends in Mexico, and how many problems await solution.

I should like to pay tribute to the great hospitality and warmth of our Mexican hosts, whose thoughtfulness and kindness exceeded all bounds of duty to warm friends.

Mr. President, I wish to conclude by stating that the leadership provided to the U.S. delegation by the distinguished majority leader (Mr. MANSFIELD) was greatly appreciated. We all have the highest admiration for him and we all hold him in the highest regard and affection. But to see this feeling that we have had on both sides of the aisle for our majority leader expressed so warmly and with such enthusiasm by our Mexican parliamentary counterparts left us all with a feeling of pride in his leadership.

Senator MANSFIELD's understanding of Mexico, his deep interest in their problems, his apparent admiration for their marvelous characteristics, and his desire to work out—and not cover over—any problems they have with us or we have with them made our session intensely interesting and left all of us with the feeling that we had learned a great deal as a result of this experience. We returned, renewed in our faith that whatever problems we have with Mexico can be solved, that they will be solved, and that there will be greater good will on each side in the future.

I am glad to have been able to participate and to have been a part of the U.S. delegation. I believe an outstanding job was done by every member of the delegation from both the House of Representatives and the Senate, including our distinguished colleague, the Senator from Michigan (Mr. GRIFFIN).

## TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed the hour of 12:30 p.m., and with statements therein limited to 3 minutes each.

Is there further morning business?

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## EXPRESSION OF SYMPATHY ON DEATH OF THE MOTHER OF SENATOR MUSKIE

Mr. MANSFIELD. Mr. President, I have just been informed that the mother of the distinguished senior Senator from Maine (Mr. MUSKIE) passed away last night. She was 82 years old. We all know what great pride she had in her son and in her family. We regret that Senator MUSKIE is not with us today, but we fully understand the reason he is in Rumford, Maine, at the present time, where the Muskie family lives.

May I at this time on behalf of the Senate extend to ED and Jane MUSKIE our deepest sympathies and our condolences, and to assure them that while we never got to know ED's mother, we do know she produced an outstanding man in the person of her son who has made many contributions to the betterment of his State, the Nation, and the country.

At this time, I wish to make my personal feelings known, as well as the feelings of the Senate, and to say in conclusion may her soul rest in peace.

## COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. HOLLINGS) laid before the Senate the following letters, which were referred as indicated:

### Report on Numbers of Officers Serving in Commissioned Grades in the Armed Forces

A letter from the Assistant Secretary of Defense, transmitting, pursuant to law, a report on numbers of officers serving in commissioned grades in the various branches of the Armed Forces, as of May 10, 1973 (with an accompanying report). Referred to the Committee on Armed Services.

### Report on Export Control

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report on export control, dated May 29, 1973 (with an accompanying report). Referred to the Committee on Banking, Housing and Urban Affairs.

### Publication and Map From Federal Power Commission

A letter from the Chairman, Federal Power Comission, transmitting, for the information of the Senate a publication entitled "Steam-Electric Plant Air and Water Quality Control Data, Form No. 67, December 31, 1969," together with a map of major natural gas pipelines, December 31, 1972 (with accompanying documents). Referred to the Committee on Commerce.

### Publication From Federal Power Commission

A letter from the Chairman, Federal Power Commission, transmitting, for the information of the Senate, a publication entitled "Statistics of Publicly Owned Electric Utilities in the United States, 1971" (with an acompanying document). Referred to the Committee on Commerce.

### Instruments Adopted By the International Labor Oganization

A letter from the Acting Assistant Secretary for Congressional Relations, Department of State, transmitting, pursuant to law, certain instruments, adopted by the International Labor Organization (with accompanying papers). Referred to the Committee on Foreign Relations.

### List of Reports of General Accounting Office

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a list of reports of the General Accounting Office, for the month of April 1973 (with an accompanying list). Referred to the Committee on Government Operations.

### Analysis of Assaults on Federal Officers

A letter from the Acting Director, Federal Bureau of Investigation, transmitting, pursuant to law, an Analysis of Assaults on Federal Officers, 1972 (with an accompanying document). Referred to the Committee on the Judiciary.

### Report Entitled "The Southwest Indian Report"

A letter from the Vice Chairman, U.S. Commission on Civil Rights, transmitting, pursuant to law, a report entitled "The Southwest Indian Report" (with an accompanying report). Referred to the Committee on the Judiciary.

### Report of the Librarian of Congress

A letter from the Librarian of Congress, transmitting, pursuant to law, his report for the fiscal year ended June 30, 1972 (with an accompanying report). Referred to the Committee on Rules and Administration.

## PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. HOLLINGS):

A concurrent resolution of the Legislature of the State of Florida. Ordered to lie on the table:

"SENATE CONCURRENT RESOLUTION NO. 258

"A concurrent resolution commending President Richard M. Nixon for concluding an agreement to end the war and bring peace with honor in Vietnam and Southeast Asia, and inviting the President to address the Florida legislature

"Whereas, all the world is joyous that an agreement was signed on January 27, 1973, which is bringing an end to destruction of American and Asian lives and property, and

"Whereas, it is hoped the peace agreement will ultimately bring peace through out Vietnam and Southeast Asia, and

"Whereas, the peace agreement is the instrument responsible for freeing American Prisoners of War and returning these brave men to their families, and

"Whereas, the entire nation owes a debt of gratitude to President Nixon for his role in preserving the respect for the United States in the world and establishing the United States as a leader in the cause of world peace by "staying the course in Vietnam" and bringing about "peace with honor" instead of choosing the dangerous course of "peace at any price", and

"Whereas, an overriding majority of all Americans and especially Floridians have supported President Nixon in his successful quest for a just and honorable peace and the release of all Prisoners of War, now therefore,

"Be it resolved by the Senate of the State of Florida, the House of Representatives concurring:

"That the legislature of the State of Florida, on behalf of the citizens of Florida, commends the President of the United States, the Honorable Richard M. Nixon, for his steadfast and successful role in bringing peace with honor in ending this nation's involvement in the Vietnam War, and for bringing about the release of American Prisoners of War.

"Be it further resolved that the legislature of the State of Florida issues a standing invitation to President Nixon to address a joint session of the legislature during his term of office.

"Be it further resolved that this resolution, under the Great Seal of the State of Florida, be presented to President Nixon as a token of appreciation from the people of Florida and that copies of this resolution be presented to the officers of the United States Congress and to the members of the Florida congressional delegation.

"Filed in Office Secretary of State May 15, 1973."

A concurrent resolution of the Legislature of the State of New Jersey. Referred to the Committee on the Judiciary:

"SENATE CONCURRENT RESOLUTION NO. 2022

"A concurrent resolution, memorializing the Congress of the United States to amend the Constitution of the United States to effectuate protection of unborn humans

"Be it resolved *by the Senate of the State of New Jersey (the General Assembly concurring)*:

"1. That the Congress of the United States be and is hereby memorialized to propose an amendment to the Constitution of the United States to effectuate protection of unborn humans.

"2. That duly authenticated copies of this resolution, signed by the President of the Senate and the Speaker of the General Assembly and attested to by the Secretary of the Senate and Clerk of the General Assembly, be transmitted to the Secretary of the Senate of the United States and the Clerk of the House of Representatives, the United States Senators from New Jersey and each member of the House of Representatives elected from New Jersey."

A joint resolution of the Legislature of the State of Oregon. Referred to the Committee on the Judiciary:

"HOUSE JOINT RESOLUTION 13

"Whereas the Thirty-ninth Congress proposed an amendment to the Constitution of the United States, as follows:

" 'ARTICLE —

" 'Section 1. All persons born or naturalized in the United States, and subject to the jurisdiction thereof, are citizens of the United States and of the State wherein they reside. No State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States; nor shall any State deprive any person of life, liberty, or property, without due process of law; nor deny to any person within its jurisdiction the equal protection of the laws.

" 'Section 2. Representatives shall be apportioned among the several States according to their respective numbers, counting the whole number of persons in each State, excluding Indians not taxed. But when the right to vote at any election for the choice of electors for President and Vice President of the United States, Representatives in Congress, the Executive and Judicial officers of a State, or the members of the Legislature thereof, is denied to any of the male inhabitants of such State, being twenty-one years of age, and citizens of the United States, or in any way abridged, except for participation in rebellion, or other crime, the basis of representation therein shall be reduced in the proportion which the number of such male citizens shall bear to the whole number of male citizens twenty-one years of age in such State.

" 'Section 3. No person shall be a Senator or Representative in Congress, or elector of President and Vice President, or hold any office, civil or military, under the United States, or under any State, who having previously taken an oath, as a member of Congress, or as an officer of the United States, or as a member of any State legislature, or as an executive or judicial officer of any State, to support the Constitution of the United States, shall have engaged in insurrection or rebellion against the same, or given aid or comfort to the enemies thereof. But Congress may by a vote of two-thirds of each House, remove such disability.

" 'Section 4. The validity of the public debt of the United States, authorized by law, including debts incurred for payment of pensions and bounties for services in suppressing insurrection or rebellion, shall not be questioned. But neither the United States nor any State shall assume or pay any debt or obligation incurred in aid of insurrection or rebellion against the United States, or any claim for the loss or emancipation of any slave; but all such debts, obligations and claims shall be held illegal and void.

" 'Section 5. The Congress shall have power to enforce, by appropriate legislation, the provisions of this article.'; and

"Whereas such amendment was ratified as the Fourteenth Amendment to the Constitution of the United States by the legislatures of three-fourths of the several states within seven years after its submission; and

"Whereas the Fifth Legislative Assembly of Oregon 'rescinded' its ratification of such amendment on October 16, 1868, by Senate Joint Resolution 4 (1868); now, therefore,

"Be It Resolved by the Fifty-seventh Legislative Assembly of the State of Oregon:

"(1) The Fourteenth Amendment to the Constitution of the United States, as set forth herein, hereby is ratified.

"(2) The Governor shall send certified copies of this resolution to the Administrator of General Services of the United States, to the presiding officer of the United States Senate and to the Speaker of the House of Representatives of the United States."

A joint resolution of the Legislature of the State of Utah. Referred to the Committee on Interior and Insular Affairs:

"HOUSE JOINT RESOLUTION"

"A joint resolution of the 40th Legislature of the State of Utah, memorializing the President of the United States, the Secretary of the Interior, and the Congress of the United States to promote and facilitate the development of southern Utah

"Be it resolved by the Legislature of the State of Utah:

"Whereas, the development of the Kaiparowits Coal Project and the Lake Powell Recreation Area are important elements in the economic growth of Utah and Southern Utah in particular; and

"Whereas, the counties of Southern Utah directly affected by these developments have been declared by the federal government to be economically depressed areas (with a 14% unemployment factor); and

"Whereas, the federal government has already studied the feasibility of full development in this area and found it economically sound; and

"Whereas, private enterprise has signed contracts and is ready to develop the area as soon as the federal government and the Secretary of the Interior in particular permit; and

"Whereas, in the past numerous promises have been given regarding federal permission and assistance in the development of these two areas of Southern Utah; and

"Whereas, at the present time, many Kane County residents have to travel an unnecessarily long route of over 400 miles to the county seat because of non-existent or inadequate roads; and

"Whereas, the American people are traveling more and overcrowding the existing accessible national parks and recreational areas; and

"Whereas, tourism is a major factor in Utah's economy, demanding proper facilities and accessibility for our scenic attractions; and

"Whereas, ninety percent of Lake Powell is in Utah with less than ten percent of accessibility from Utah.

"Now, therefore, be it resolved, by the Legislature of the State of Utah that we call upon the President of the United States, the Secretary of the Interior, and the Congress of the United States to honor past commitments made, to take a positive view toward the future, and to further and to assist in the development of this potentially rich, economically depressed area.

"Be it further resolved, that the Legislature of the State of Utah call upon the Congressional Delegation from the State of Utah to work avidly for the implementation of this resolution.

"Be it further resolved, that the Secretary of State of Utah, be, and is hereby, directed to send copies of this resolution to the President of the United States, the Secretary of the Interior, to the Senate and House of Representatives of the United States and to the Senators and Representatives representing the State of Utah in Congress."

A resolution of the Fifth Palau Legislature. Referred to the Committee on Appropriations:

"RESOLUTION NO. 73(1)-28

"A resolution respectfully urging the President and the Congress of the United States not to cut the funds for the construction of the Koror-Babelthaup Bridge

"Whereas, the April 12, 1973 Dateline of Guam quoted Senator J. Bennett Johnston, Jr., Chairman of the U.S. Senate Interior Subcommittee on Territories, as saying that his subcommittee would cut the funds which have been previously appropriated by the United States Government for the bridge between Koror and Babelthaup Islands in the Palau District; and

"Whereas, the Palau Legislature places the highest priority on the construction of the said bridge over any other capital improvement project being built or to be built in Palau by the United States Government as the bridge would bring tremendous economic and social benefits to the people of Palau and would also greatly assist the United States Government in meeting its obligations under the Trusteeship Agreement; now, therefore;

"Be it resolved by the Fifth Palau Legislature, Fourth Regular Session, April, 1973 that the President and the Congress of the United States are hereby respectfully urged not to cut the funds for the construction of the Koror-Babelthaup Bridge; and

"Be it further resolved that the Select Committee on Development of the Palau Legislature is hereby authorized and directed to look to other sources for funds to construct the Koror-Babelthaup Bridge if and when the United States Government decides to cut the monies for the bridge; and

"Be it further resolved that certified copies of this Resolution be transmitted to the President of the United States, the President and Speaker of the United States Congress, the Chairman of the U.S. Senate and House Committees on Interior and Insular Affairs, Senator J. Bennett Johnston, Jr., the members of the Hawaii Congressional Delegation, the Secretary of the U.S. Department of the Interior, the President of the United Nations Trusteeship Council, the President and Speaker of the Congress of Micronesia, the Chairman of the Joint Committees on Program and Budget Planning, the Chairman of the Select Committee on Development, the High Commissioner, and the District Administrator.

"Adopted: April 27, 1973"

A resolution adopted by the County of Maui, Wailuku, Hawaii, praying for the enactment of House bill 6522. Referred to the Committee on Finance.

A resolution adopted by the County of Maui, Wailuku, Hawaii, praying for the enactment of House bill 5877. Referred to the Committee on Finance.

A resolution adopted by the Council of San Diego State University, San Diego, Calif., praying for political asylum for certain persons. Referred to the Committee on Foreign Relations.

Two resolutions adopted by the Long Island Federation of Women's Clubs, Inc., Oceanside, N.Y., praying for restoration of Veterans Day to November 11, and compulsory retirement age for Members of Congress. Referred to the Committee on the Judiciary.

A resolution adopted by the Long Island Federation of Women's Clubs, Inc., Oceanside, N.Y., praying for designation of Ellis Island as a national shrine. Referred to the Committee on Interior and Insular Affairs.

A resolution adopted by the Georgia Chapter, Society of Former Special Agents of the Federal Bureau of Investigation, Inc., Atlanta, Ga., praying for the selection of a permanent Director of the Federal Bureau of Investigation. Referred to the Committee on the Judiciary.

A resolution adopted by the County of Maui, Wailuku, Hawaii, praying for the enactment of legislation to amend the Federal Aid Highway Act of 1973. Referred to the Committee on Public Works.

## NEW HAMPSHIRE FISCAL PROBLEMS

Mr. McINTYRE. Mr. President, the State of New Hampshire faces today a problem shared by most other States. In attempting to design a fiscally sound budget, the State finds itself unable to anticipate Federal allotments for ongoing programs or to determine which funds have been terminated, impounded, or reprogramed.

New Hampshire is feeling the adverse effects of this clash between the executive and legislative branches of the Federal Government. This is a battle over spending and taxing priorities, over which branch of Government has the constitutional power to establish these priorities, and how that power will be exercised.

The U.S. Senate supported legislation to restrict the President's ability to arbitrarily cut funds if the $268 billion ceiling is exceeded; however two attempts to override Presidential vetos were unsuccessful. It is evident from these activities that the time element will pose a substantial problem. Time is also a major element in the conversion of over 70 categorical aid programs to special revenue-sharing programs.

I ask unanimous consent that Senate Concurrent Resolution No. 6, reflecting the desire of the general court of New Hampshire to continue to budget their Federal funds in a conventional manner until such time as Federal budgetary problems are resolved, be printed in the RECORD, and be referred to the appropriate committee.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution was referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

### RESOLUTION

Senate Concurrent Resolution No. 6 relative to the effect of the Federal budget cutbacks on the fiscal affairs of the State of New Hampshire

Whereas, The leadership of both the House of Representatives and the Senate have been concerned with the potential disruption of the State's fiscal affairs which could result from a conflict between the Congress and the President as to the budgetary priorities for the nation; and

Whereas, The potential damage of this conflict has been sufficient to motivate the leadership of both the House of Representatives and the Senate to authorize the attendance of delegates of both House and Senate at the National Legislative Leadership Conference in Washington, D.C. on March 30 and 31, 1973, including an interview with the President and his Cabinet Officers at the White House; and

Whereas, At said Conference, the President and his Cabinet asserted that the Federal Revenue Sharing plans being submitted to the Congress would more than cover the amounts now being expended through the federal categorical grant programs; and

Whereas, The State of New Hampshire has, like most other states, the problem of passing a budget for fiscal year 1974 starting July 1, 1973, which budget must anticipate federal revenues in support of existing, on-going programs and has, however, been told conflicting reports concerning which programs may be in effect on July 1, 1973 and which may be placed in jeopardy from either termination, impoundment or reprogramming;

Now Therefore Be It Resolved by the Senate, the House of Representatives concurring:

That The State of New Hampshire respectfully requests that federal officials recognize the very real mechanical problem being faced by the States during the transitional period which will surely occur between July 1, 1973 and the time when the new Revenue Sharing programs may be enacted by Congress to replace the present programs; that they agree to "hold harmless" those states which continue to budget their federal funds in conventional manner during said period; and be it further

Resolved, That the President of the United States, the members of the Federal Cabinet and the New Hampshire Congressional delegation be advised that the responsible officials of the State of New Hampshire request that the present federal programs be continued until such time as they are replaced; and be it further

Resolved, That in replacing said programs, the States be given at least ninety days' notice before the effective date of any such new programs in order that the States can have sufficient time to readjust their budgets to reflect such federal budgetary changes.

Now Be It Further Resolved, That certified copies of this concurrent resolution be conveyed to the President of the United States of America, the members of the Federal Cabinet and the New Hampshire Congressional delegation and such other officials as the President of the Senate and the Speaker of the House shall designate.

## REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 67. A bill for the relief of Reynaldo Canlas Baecher (Rept. No. 93–181);

S. 227. A bill for the relief of Michael Kwok-choi Kan (Rept. No. 93–182); and

S. 339. A bill for the relief of Mrs. Stefanie Miglierini (Rept. No. 93–183).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 155. A bill for the relief of Rosita E. Hodas (Rept. No. 93–184);

S. 315. A bill for the relief of Elsa Bibiana Paz Soldan (Rept. No. 93–185); and

S. 529. A bill for the relief of Mrs. Hang Kin Wah (Rept. No. 93–186).

By Mr. WILLIAMS from the Committee on Banking, Housing and Urban Affairs, with an amendment:

S. 470. A bill to amend the Securities Exchange Act of 1934 to regulate the transactions of members of national securities exchanges, to amend the Investment Company Act of 1940 and the Investment Advisers Act of 1940 to define certain duties of persons subject to such Acts, and for other purposes (Rept. No. 93–187).

By Mr. McCLELLAN:

S. 1930. An original bill to amend the Omnibus Crime Control and Safe Streets Act of 1968; ordered placed on the calendar, by unanimous consent.

## REPORT ENTITLED "JUVENILE DELINQUENCY" (S. REPT. NO. 93–180)

Mr. BAYH, from the Committee on the Judiciary, submitted a report entitled "Juvenile Delinquency," pursuant to Senate Resolution 256, 92d Congress, second session, which was ordered to be printed.

## EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. SPARKMAN, from the Committee on Banking, Housing and Urban Affairs:

John R. Evans, of Utah, to be a member of the Securities and Exchange Commission;

Thomas R. Bomar, of Maryland, to be a member of the Federal Home Loan Bank Board;

Gloria E. A. Toote, of New York, to be an Assistant Secretary of Housing and Urban Development;

Robert C. Holland, of Nebraska, to be a member of the Board of Governors of the Federal Reserve System;

Grady Perry, Jr., of Alabama, to be a member of the Federal Home Loan Bank Board; and

James E. Smith, of Virginia, to be Comptroller of the Currency.

The above nominations were reported with the recommendation that they be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

By Mr. EASTLAND, from the Committee on the Judiciary:

Harold O. Bullis, of North Dakota, to be U.S. attorney for the district of North Dakota; and

Brian P. Gettings, of Virginia, to be U.S. attorney for the eastern district of Virginia.

The above nominations were reported with the recommendation that they be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

## REREFERRAL OF S. 1810

Mr. ROBERT C. BYRD. Mr. President, on behalf of the Senator from Idaho (Mr. Church) I ask unanimous consent that S. 1810 be rereferred from the Post Office and Civil Service Committee to the Senate Labor and Public Welfare Committee because this bill amends the Age Discrimination in Employment Act. Second, S. 1810 would extend the application of the age discrimination law to include additional private employers—those employing 20 or more employees—in interstate commerce, as well as governmental employers.

The PRESIDING OFFICER. Without objection, it is so ordered.

## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. PERCY (for himself and Mr. Humphrey):

S. 1914. A bill to provide for the establishment of the Board for International Broadcasting, to authorize the continuation of assistance to Radio Free Europe and Radio Liberty, and for other purposes. Referred to the Committee on Foreign Relations.

By Mr. HARTKE (for himself and Mr. Hansen):

S. 1915. A bill to amend title 38, United States Code, to provide an earlier effective date for payment of pension to veterans. Referred to the Committee on Veterans' Affairs.

By Mr. SYMINGTON (for Mr. Stennis and Mr. Thurmond) (by request):

S. 1916. A bill to amend titles 10 and 37, United States Code, to make permanent certain provisions of the Dependents Assistance Act of 1950, as amended, and for other purposes. Referred to the Committee on Armed Services.

By Mr. DOMENICI:

S. 1917. A bill for the relief of Giusetpi Migliaccio. Referred to the Committee on the Judiciary.

By Mr. BURDICK:

S. 1918. A bill to allow the States to designate agents to conduct audits on behalf of any designating State or group of States. Referred to the Committee on Government Operations.

By Mr. BARTLETT (for himself and Mr. Bellmon):

S. 1919. A bill to amend the Federal Meat Inspection Act to provide that State inspected facilities after meeting the inspection requirements shall be eligible for distribution in establishments on the same basis as plants inspected under title I. Referred to the Committee on Agriculture and Forestry.

By Mr. METCALF:

S. 1920. A bill to amend the Budget and Accounting Act, 1921, to require the advice and consent of the Senate for future appointments to the officers of Director and Deputy Director of the Office of Management and Budget. Referred to the Committee on Government Operations.

By Mr. METCALF:

S. 1921. A bill to amend the age and service requirements for immediate retirement under subchapter III of chapter 83 of title 5, United States Code, and for other purposes. Referred to the Committee on Post Office and Civil Service.

By Mr. JAVITS:

S. 1922. A bill for the relief of Robert J. Martin. Referred to the Committee on the Judiciary.

By Mr. MATHIAS (for himself, Mr. Ervin, and Mr. Mansfield):

S. 1923. A bill to amend the Legislative Reorganization Act of 1970 to provide that Federal agencies keep congressional committees fully and currently informed. Referred to the Committee on Government Operations.

By Mr. CRANSTON (for himself and Mr. Tunney):

S. 1924. A bill to authorize the Administrator of General Services to dispose of certain excess property. Referred to the Committee on Government Operations.

By Mr. PEARSON (for himself, Mr. Beall, Mr. Hartke, and Mr. Cotton)

S. 1925. A bill to amend section 1(16) of the Interstate Commerce Act authorizing the Interstate Commerce Commission to continue rail transportation services. Referred to the Committee on Commerce.

By Mr. McCLURE:

S. 1926. A bill to be cited as the "Livestock Grazing Indemnification Act." Referred to the Committee on Interior and Insular Affairs.

By Mr. McCLURE (for himself and Mr. Church):

S. 1927. A bill to provide for the coinage and issuance of coins to commemorate the bicentennial of the American Revolution. Referred to the Committee on Banking, Housing, and Urban Affairs.

By Mr. McCLURE (for himself and Mr. Church):

S. 1928. A bill to provide for the coinage and issuance of coins to commemorate the bicentennial of the American Revolution. Referred to the Committee on Banking, Housing, and Urban Affairs.

By Mr. KENNEDY:

S. 1929. A bill to establish the Nantucket Sound Islands Trust in the Commonwealth of Massachusetts, to declare certain national policies essential to the preservation and conservation of the lands and waters in the trust area, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. McCLELLAN (for himself and Mr. Hruska):

S. 1930. An original bill to amend the Omnibus Crime Control and Safe Streets Act of 1968. Ordered placed on the calendar by unanimous consent.

By Mr. BROCK:

S. 1931. A bill to amend the Agricultural Adjustment Act of 1938 with respect to peanuts. Referred to the Committee on Agriculture and Forestry.

By Mr. INOUYE:

S. 1932. A bill to amend section 1331(c) of title 10, United States Code, to authorize the granting of retired pay to persons otherwise qualified for such pay who were members of the Reserve forces prior to August 16, 1945, if such persons served on active duty during the Vietnam conflict. Referred to the Committee on Armed Services.

By Mr. BUCKLEY (for himself, Mr. Hatfield, Mr. Hughes, Mr. Bennett, Mr. Bartlett, Mr. Young, and Mr. Curtis):

S.J. Res. 119. Joint resolution proposing an amendment to the Constitution of the United States for the protection of unborn children and other persons. Referred to the Committee on the Judiciary.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. PERCY (for himself and Mr. Humphrey):

S. 1914. A bill to provide for the establishment of the Board for International Broadcasting, to authorize the continuation of assistance to Radio Free Europe and Radio Liberty, and for other purposes. Referred to the Committee on Foreign Relations.

Mr. PERCY. Mr. President, today Mr. Humphrey and I are introducing a bill to authorize the continuation of Federal assistance to Radio Free Europe and Radio Liberty and establishment of a Board for International Broadcasting to administer that assistance.

Just over a year ago, a resolution introduced by Mr. Humphrey and myself and cosponsored by 65 other Senators expressed "appreciation of the valuable work being performed by the personnel" of RFE and RL and the "intention to provide adequate support to these radios while methods for future support are carefully examined within the framework of U.S. foreign policy objectives." In the wake of that action, the Congress voted the necessary financial aid and the President appointed a distinguished panel to study the problem of future government support.

The Report of the Presidential Study Commission on International Radio Broadcasting, which the President endorsed on May 7, makes recommendations on which the administration bill we are introducing is based. Dr. Milton S. Eisenhower, president emeritus of John Hopkins University, served as Chairman of the Commission. The other members were Mr. Edward Ware Barrett, director of the Communications Institute of the Academy for Educational Development; Dr. John A. Gronouski, dean of the Lyndon B. Johnson School of Public Affairs, University of Texas; Dr. Edmund A. Gullion, dean of the Fletcher School of Law and Diplomacy, Tufts University; and Dr. John P. Roche, professor of politics at Brandeis University.

These men have rendered a comprehensive study of Radio Free Europe and Radio Liberty. In the process, the Commissioners' report also illuminates the fundamental nature of relations between the Soviet Union and the West in the present era we characterize by the term "detente." It merits reading by every member of the Congress and by a wide public.

The Commission anchored its study to the fundamental principle that all peoples have a "right to know," for only if they are informed and are able freely to exchange ideas can they deal with the problems they face in common. Beyond this, the Commission concluded that a freer exchange of information is a precondition for genuine, long-term accommodation between East and West. Accordingly, the United States can ill-afford to reduce its efforts to supply information needed and desired by the people of the U.S.S.R. and East Europe so long as internal controls imposed by their governments make them so largely dependent on us.

The report analyzes the remarkable growth in the volume and importance of international radio broadcasting in the last two decades. For several years, the U.S.S.R. has maintained the largest foreign radio service in the world. The United States places no barriers in the way of the international movement of information, by whatever medium. Yet the Soviet and other Communist governments devote several hundred hours weekly to shortwave broadcasts to North America alone. Western nations, in contrast, must rely on radio broadcasting to Eastern Europe and the U.S.S.R. as virtually the only effective means of reaching the peoples there.

The report makes clear that Radio Free Europe, broadcasting to the people of Bulgaria, Czechoslovakia, Hungary, Poland and Romania in their native languages, and Radio Liberty, transmitting in 18 languages to the peoples of the U.S.S.R., continue today to provide a unique informational service. They operate as a surrogate "home service," providing reliable, comprehensive information—particularly about developments that most directly affect the lives of their listeners, namely, within their own nation and region.

The bill introduced today is based on the conclusion reached by the Commission that a Board for International Broadcasting should be created to administer future grants of public funds to Radio Free Europe and Radio Liberty. Under its provisions, five voting directors would be appointed by the President, with the advice and consent of the Senate, from Americans distinguished in the fields of foreign policy and mass communications. The Board would assure that grants of public funds made to the two private, nonprofit radio corporations are used for broadcasting of the highest professional integrity. The Board would also be responsible for ascertaining that the content of RFE and RL broadcasts did not run counter to broad U.S. foreign policy objectives. The Commission strongly and unanimously felt that providing Federal assistance to the radios through the Board which this bill would establish is far preferable to assigning that responsibility to the Department of State or to USIA.

While this bill relates to the U.S. Government's relationship to the radios, it should be noted that the Commission gives strong backing to reinvigorated solicitation of nongovernmental contributions to the stations, both in Europe and the United States. The report also recommends that European government support now be sought to finance RFE and RL research, which is used by many governments. The Commission does not favor solicitation of foreign government contributions for station broadcast operations for it believes that such aid would lead to multinational management and, thus, problems in operational policies.

Mr. President, Radio Free Europe and Radio Liberty have contributed in a major way to a better informed public in East Europe and the Soviet Union. I believe that the weight of the popular consensus there pressing for peaceful relations with the West and for a better, freer way of life has significantly affected the posture of their governments. But their work is not over. The Soviet and other East European governments still prevent anything approaching a free flow of information and ideas in domestic media; they continue to try to jam out such information coming from abroad, evidently preferring to set national policies in a public opinion vacuum.

Thus Radio Free Europe and Radio Liberty serve a purpose in harmony with the broad objectives of the United States and the West in general and they merit a continuation of the governmental assistance they have received for two decades. Expeditious enactment into law of the "Board for International Broadcasting Act of 1973" will permit Radio Free Europe and Radio Liberty to continue to inform the people of the Soviet Union and East Europe, thereby advancing the cause of international peace and understanding.

I know that this subject is not without controversy in the Senate, and the distinguished chairman of the Committee on Foreign Relations feels very strongly about this matter. It was with distress that in my first week of service on that great committee I had to take serious issue with our chairman on this issue. I was pleased to be joined by virtually two-thirds of the Senate in an expression of support for Radio Free Europe and Radio Liberty.

But I agreed with Senator FULBRIGHT that we should carefully appraise and study the objectives and performance of the radios, to be certain that the audits made by GAO and the Library of Congress would be studied closely, and that we should look into the possibility of having certain aspects of the program and its cost shared by the governments of Western Europe.

The study by Dr. Eisenhower was undertaken for that purpose. Dr. Milton Eisenhower, president emeritus of Johns Hopkins University, a man who has devoted himself to public service throughout his career in many aspects of foreign and domestic affairs, was the brilliant choice of President Nixon to serve as chairman of this Commission.

The members of the Commission, I believe, have performed a great service; and I commend to every Member of Congress as well as others interested in this subject the report they have published. It is my intention to insert various parts of the report and periodically in the RECORD, for study and review by my colleagues.

It is my hope that as a result not only of the work of this Commission but also of previous work that has been done on a number of occasions to evaluate the effective role of Radio Liberty and Radio Free Europe, Congress will once again affirm its support for the radios.

The question has been asked whether this activity is a continuation of the cold war, whether statements made or programs carried by Radio Liberty and Radio Free Europe are provocative. I can say that the programs today are straightforward and informational. They are of deep interest and have a wide following in Eastern European countries and in the Soviet Union itself. It is the only source of information of this type provided to the peoples of Eastern Europe. The Right To Know, which is the title of the study of the Presidential Commission on International Radio Broadcasting, is a right that we feel should be shared with the people of the world.

Obviously, it would be the hope of all of us that other countries would decide that a more open society for their citizens would be desirable and that they should have access to all the news at home and abroad. But until such time as internal policies make this possible, I think it is our obligation to provide a source of reliable information and news.

If figures that I have seen are accurate, the Communist nations invest a far greater proportion of their gross national product to broadcasting abroad than do the United States and other western countries.

Mr. HUMPHREY. Mr. President, Radio Free Europe and Radio Liberty make an essential contribution to our national interest by maintaining a flow of uncensored information into a area of central importance to our foreign policy.

Radio Free Europe and Radio Liberty provide one important means of assuring that the "muffling" of information by governments does not happen. These radios differ from official national radios in that they speak sensitively and with authority about the day-to-day concerns of their listeners—both domestic developments and international affairs in which they have a particular stake. Both stations have steadily won over the confidence and respect of their audiences by two decades of honest and skilled effort at telling the truth. They have audiences of many millions. Their importance and effectiveness has been confirmed by professional journalists and—more important—their listeners at all levels.

It was the novelist Solzhenitsyn who said of Radio Liberty:

> If we ever hear anything about events in this country (and by "this country" he meant his own, the USSR), it's by listening to them.

The New York Times veteran East European correspondent, Henry Kamm, wrote about RFE:

> East Europeans . . . continue to tune in with as much faith as an American might bring to a newspaper that had a decent record for factual reporting and an editorial policy with which he agrees more often than not . . . Radio Free Europe's listeners consider it not a propaganda station, but the antipropaganda station that adjusts the one-sided view of the world laid down for all do-

> mestic media by . . . each country's Communist Party.

The London Times commented:

> One reason why these stations are valued is that they are not primarily concerned with purveying official propaganda about the Western way of life, but with meeting the hunger of their listeners about their own domestic affairs. . . . They are serving quite hard and legitimate interests of Western foreign policy by preventing the peoples of Europe drifting apart into two wholly different worlds, and by contributing to the competition of ideas which the Communists themselves regard as an essential element of peaceful coexistence.

A recent letter from a Czechoslovak listener warned RFE:

> It is difficult to tell you what a tremendously important source of information RFE is at this time, because it deals with Czechoslovak affairs . . . If it is in your power, do something so that we may hear you without jamming, we beg you. I am not speaking for myself alone; I am sure I do not exaggerate when I say that the great majority of the nation feels the same way. People are deprived of information and succumb to despair: believe me, it is terrible. . . . Friends, let our truth prevail!"

Finally, let me also remind you of the appeal addressed to us here in the U.S. Senate in March of last year by 98 recent emigrants from the Soviet Union to Israel. It said in part:

> It is very difficult to explain to you, people of a free country, how vital and important it is for everybody behind the iron curtain to get true and objective information about world affairs . . .
>
> Most of us, the undersigned, just arrived from Russia. We still remember very well those evening hours during which we tried to get and listen to the voice of the free world. Sometimes it was very difficult to catch the voice—the Soviets are doing everything to silence the transmission. . . . [Without Radio Liberty] the cold war will increase, because nobody inside Russia will be able to say a word about the real affairs of their government and in a certain measure to influence the little public opinion in their country.

There is a recurrent theme in these and other comments about the two stations. They are prized by their audiences not only because of their proved reliability, but because they report and analyze developments with the Soviet Union and East Europe as well as world developments which are of particular concern to the Eastern countries.

It is not without significance that last year, during the 6-month debate over continuing the radios until a solution for their future could be found, that Soviet and East European media printed or broadcast no less than 587 attacks on them. In the same period, from mid-February through the end of August, the American press offered 598 editorials favorable to the stations, against 33 unfavorable.

The distinguished members of the Presidential Study Commission on International Radio Broadcasting say, in the summary of their report:

> The Commission is convinced that Radio Free Europe and Radio Liberty, by providing a flow of free and uncensored information to peoples deprived of it, actually contribute to a climate of detenté rather than detract from it. . . .
>
> Progress toward the relaxation of international tensions will be the product of many influences. The free flow of ideas and information will be critical among these. Without this free communication of information and ideas, governments will strive to insulate themselves from the pressures for changes in policies and actions which an informed public opinion imposes on even the rigidly controlled societies in Eastern Europe. Radio Free Europe and Radio Liberty play a uniquely important role in this process.
>
> . . . If the International Community is to make true and lasting progress toward the East-West detente about which we all dream, it will come about through pressure exerted on their own governments by an informed citizenry.

Mr. President, I believe the Senate should support Radio Free Europe and Radio Liberty.

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By Mr. HARTKE (for himself and Mr. Hansen):

S. 1915. A bill to amend title 38, United States Code, to provide an earlier effective date for payment of pension to veterans. Referred to the Committee on Veterans' Affairs.

Mr. HARTKE. Mr. President, today I introduced legislation to provide an earlier effective date for payment of pensions to veterans. This bill would liberalize the provisions governing the effective date of initial awards of non-service-connected disability pensions by authorizing payment of the benefit retroactively to the date on which the veteran became permanently and totally disabled, if his application for payment is received within 1 year of that date.

Currently, a disability pension may not be paid for any period earlier than the date of receipt of application. By contrast, disability compensation is paid retroactively to the day following the veteran's discharge if his application is received within 1 year; death compensation, dependency and indemnity compensation or death pension are payable retroactively to the first day of the month in which the veteran died if the eligible survivor's application is received within 1 year.

Need is one of the criteria for entitlement to disability pension. But if the veteran delays in applying for the benefit because of problems relating from his disability, the award presently cannot be effective prior to the date his application is received. This compounds the hardship since the very condition upon which entitlement may depend may also prevent prompt application for the benefit.

This legislation would alleviate this situation by affording the disabled veteran a year from onset of disability to apply for pension, and if eligible, receive retroactive payment to the date he became permanently disabled.

This 1-year period is very reasonable. Its enactment would achieve general uniformity respecting the effective date of an initial award of monetary disability or death benefits.

Mr. President, I ask unanimous consent that the text of the bill as introduced be inserted in the Record.

There being no objection, the text of the bill was ordered printed as follows:

S. 1915

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That subsection (b) of section 3010 of title 38, United States Code, is amended by inserting "(1)" immediately after "(b)" and by adding at the end of said subsection the following new paragraph:

"(2) The effective date of an award of disability pension to a veteran shall be the date on which the veteran became permanently and totally disabled, if an application therefor is received within one year from such date."

Sec. 2. The first section of this Act shall apply to applications filed after its date of enactment, but in no event shall an award made thereunder be effective prior to such date of enactment.

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By Mr. SYMINGTON (for Mr. Stennis and Mr. Thurmond) (by request):

S. 1916. A bill to amend titles 10 and 37, United States Code, to make permanent certain provisions of the Dependents Assistance Act of 1950, as amended, and for other purposes. Referred to the Committee on Armed Services.

Mr. SYMINGTON. Mr. President, by request, for Mr. Stennis and Mr. Thurmond, I introduce, for appropriate reference, a bill to amend titles 10 and 37, United States Code, to make permanent certain provisions of the Dependents Assistance Act of 1950, as amended, and for other purposes.

I ask unanimous consent that a letter of transmittal from the Department of Defense requesting consideration of the legislation, and explaining its purpose, be printed in the Record immediately following the listing of the bill.

There being no objection, the bill and material were ordered to be printed in the Record, as follows:

S. 1916

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

TITLE I—AMENDMENTS TO MAKE PERMANENT CERTAIN PROVISIONS OF THE DEPENDENTS ASSISTANCE ACT OF 1950, AS AMENDED

Sec. 101. Sections 10, 11, and 12 of the Dependents Assistance Act of 1950 (50 App. U.S.C. 2210, 2221, and 2212) are repealed.

Sec. 102. Chapter 59 of title 10, United States Code, is amended by adding after section 1172 the following new section and inserting a corresponding item in the analysis:

"§ 1173. Enlisted members: discharge for hardship

"Under regulations prescribed by the Secretary concerned, a regular enlisted member of an Armed Force who has dependents may be discharged for hardship."

Sec. 103. Section 401(3) of title 37, United States Code, is amended to read as follows:

"(3) his parent (including a stepparent or parent by adoption, and any person, including a former stepparent, who has stood in loco parentis to the member at any time for a continuous period of at least five years before the member became 21 years of age) who is in fact dependent on the member for over one-half of his support; however, the dependency of such a parent is determined on the basis of an affidavit submitted by the parent, and any other evidence required under regulations prescribed by the Secretary concerned, and he is not considered a dependent of the member claiming the dependence unless—

"(A) the member has provided over one-half of his support for the period prescribed by the Secretary concerned; or

"(B) due to changed circumstances arising after the member enters on active duty, he becomes in fact dependent on the member for over one-half of his support."

SEC. 104. Section 403 of title 37 is amended—

(1) by striking out that part of the table in subsection (a) which prescribes monthly basic allowances for quarters for enlisted members in pay grades E-1, E-2, E-3, E-4 (four years' or less service), and E-4 (over four years' service) and inserting in place thereof the following:

| | | |
|---|---|---|
| "E-4 | $81.60 | $121.50 |
| E-3 | 72.30 | 105.00 |
| E-2 | 63.90 | 105.00 |
| E-1 | 60.00 | 105.00"; |

(2) by striking out the last sentence in subsection (a);

(3) by striking out "subsection (g)" in the second sentence of subsection (b), and inserting in place thereof "subsection (j)";

(4) by inserting the following new subsections after subsection (f):

"(g) An aviation cadet of the Navy, Air Force, Marine Corps, or Coast Guard is entitled to the same basic allowance for quarters as a member of the uniformed services in pay grade E-4.

"(h) The Secretary concerned, or his designee, may make any determination necessary to administer this section with regard to enlisted members, including determinations of dependency and relationship, and may, when warranted by the circumstances, reconsider and change or modify any such determination. This authority may be redelegated by the Secretary concerned or his designee. Any determination made under this section with regard to enlisted members is final and is not subject to review by any accounting officer of the United States or a court, unless there is fraud or gross negligence.

"(i) Under regulations prescribed by the Secretary of Defense, the Secretary concerned may authorize payment of the monthly basic allowance for quarters to the authorized dependents of an enlisted member who loses his entitlement to basic pay as a direct result of his being incarcerated by a foreign government. Payments may be made under this subsection only for the period during which an enlisted member is being held in pretrial confinement by that foreign government."; and

(5) by redesignating subsection (g) as subsection (j).

TITLE II—MISCELLANEOUS PROVISIONS

SEC. 201. Section 302 of title 37, United States Code, is amended by striking out "July 1, 1973" wherever it appears therein and inserting in place thereof "July 1, 1975".

SEC. 202. Section 302a of title 37, United States Code, is amended by striking out "July 1, 1973" wherever it appears therein and inserting in place thereof "July 1, 1975".

SEC. 203. Section 303 of title 37, United States Code, is amended by striking out "July 1, 1973" wherever it appears therein and inserting in place thereof "July 1, 1975".

SEC. 204. Section 308a of title 37, United States Code, is amended by striking out "June 30, 1973" and inserting in place thereof "June 30, 1975".

SEC. 205. Section 207 of the Career Compensation Act of 1949, as amended (70 Stat. 338), is repealed.

SEC. 206. This Act shall become effective on July 1, 1973.

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GENERAL COUNSEL
OF THE DEPARTMENT OF DEFENSE,
*Washington, D.C., March 21, 1973.*

Hon. SPIRO T. AGNEW,
*President of the Senate,*
*Washington, D.C.*

DEAR MR. PRESIDENT: There is forwarded herewith a draft of legislation "To amend titles 10 and 37, United States Code, to make permanent certain provisions of the Dependents Assistance Act of 1950, as amended, and for other purposes."

This proposal is a part of the Department of Defense legislative program for the 93d Congress, and the Office of Management and Budget advises that the enactment of this proposal would be in accord with the program of the President. It is recommended that the proposed legislation be enacted by the Congress.

### PURPOSE OF THE LEGISLATION

The purpose of the proposed legislation is to make permanent certain of those authorities and entitlements now contained in the Dependents Assistance Act of 1950, as amended, (50 App. U.S.C. 2201 et seq.), and to extend certain other temporary entitlements in title 37, United States Code, which would otherwise expire on June 30, 1973. The implications of permitting these authorities to expire along with the draft act would counter the improvements provided by the Congress in Public Law 92-129 (Amendments to the Military Selective Service Act of 1967) by lowering the pay rates of junior enlisted members. Essentially, this would be a step backward in our move toward an all-volunteer force.

The authorities in the Dependents Assistance Act of 1950 as amended, primarily impact on members in pay grades E-4 (with four years' or less service), E-3, E-2, and E-1, and should they be allowed to expire, approximately 352,000 members with dependents would suffer a reduction in their quarters allowance ranging from $60-$76 per month. The reason for this is because the Dependents Assistance Act of 1950 suspends those provisions of 37 U.S.C. 403(a) which stipulate that a member in pay grade E-4 (with four years' or less service), E-3, E-2, or E-1 is considered at all times to be without dependents. The permanent quarters rate in title 37, United States Code, for members with dependents in these pay grades is $45.00 monthly as compared to the $105.00-$121.50 now provided by the Dependents Assistance Act of 1950 as amended.

In addition, this legislation would extend until June 30, 1975, the special pay authorized for physicians, dentists, optometrists, and veterinarians under 37 U.S.C. 302, 302a, and 303, and also extend until June 30, 1975, the enlistment bonus authorized under 37 U.S.C. 308a for persons enlisting in a combat element of an armed force.

### ANALYSIS

The following are the principal features which are incorporated in the legislation. They constitute a restatement of existing authority and are considered vital to the Department of Defense in its move to an all-volunteer force.

#### *Dependents Assistance Act of 1950, as amended, authorities*

The Dependents Assistance Act of 1950 (hereafter referred to as the "DAA") allowances had their beginning during World War II when it was found that the Nation's resource of single, draft-eligible males was insufficient to satisfy the country's need for military manpower. Because it was necessary to draft married men, many with young children, Congress enacted the Servicemen's Dependents Allowance Act of 1942 (56 Stat. 381) which provided special allowances for their families.

After World War II, at the recommendation of the Hook Commission, these allowances were discontinued. The Commission believed that the Nation's military manpower requirements could be met from the pool of available single men, and further, it was the Commission's opinion that due to the many relocations experienced during the first few years of a military career, it would be best for all concerned if young servicemen remained single.

In 1950, with the onset of the Korean War, it became necessary to induct married men into the armed forces, and Reservists with family responsibilities were mobilized and called to active-duty. Congress responded to this situation with the enactment of the DAA. This Act provided a quarters allowance supplement to the income of young enlisted members to enable them to cope with family responsibilities. Because of the continuing need for this income supplement, the DAA has been renewed concurrently with the Selective Service Act, since 1950.

The need for equitable treatment of junior enlisted members has been established and will not diminish as the Department of Defense approaches its objective of an all-volunteer force. Therefore, it is considered necessary to make the following features of the DAA permanent legislation.

The paramount need is to eliminate the language of current 37 U.S.C. 403(a) that stipulates a member in pay grade E-4 (with four years' or less service), E-3, E-2, or E-1 is considered at all times to be without dependents. The discrimination inherent in this section has been recognized by the Congress since 1950 in the continuance of the DAA. Future equitable treatment of junior enlisted members and their families should be ensued in permanent legislation to be in consonance with our move to an all-volunteer force. At the present time, more than 30 percent of the members in pay grade E-4 (with four years' or less service), and below, have dependents. This is representative of the national population were 33.5 percent of the 10 million males in the 18-24 year age group are married. Certainly, this is too large a segment of the available manpower pool to exclude as a recruiting resource through inequitable compensation treatment. To be competitive with civilian industry and attractive to this group, provision must be made to ensure that junior enlisted members can adequately support and care for their families.

Another feature of the proposal deletes the language of current 37 U.S.C. 401(3) which stipulates that parents must actually reside in the service member's household to be considered dependents. This restrictive definition is an outdated provision of law which fails to recognize that members of the uniformed services are required to serve wherever assigned; oftentimes on remote tours where dependents are specifically precluded from accompanying them. The DAA suspended this restriction to ease the economic burden of our servicemen and to enable them to approach their duties with the realization that their families were financially secure. This purpose remains valid and permanent modification of existing law is now desirable.

The proposal also makes permanent the current language of section 8 of the DAA (50 App. U.S.C. 208), which prescribes that aviation cadets are entitled to the basic allowance for quarters at the rates for members in pay grade E-4. This change is for administrative convenience and consistent with respect to other entitlements for these members which already are incorporated permanently in title 37, United States Code.

The DAA contains certain sections which are permanent in that they do not have an expiration date. For administrative expediency it is proposed that portions of two sections (50 App. U.S.C. 2210 and 2211) which provide secretarial authority to regulate entitlements for enlisted members, be included in the appropriate section of title 37, United States Code. The authority to waive recoupment of erroneous payments, which is in sections 10 and 11 (50 App. U.S.C. 2210 and 2211), has now been made permanent law in title 10 P.L. 92–453, which Act includes waiver authority with respect to allowances paid to dependents. Therefore, the waiver authority in sections 10 and 11 of the DAA need not be included in this bill since such authority has already been incorporated in title 10 by P.L. 92–453.

Section 5 of the DAA (50 App. U.S.C. 2205) authorizes the Secretary concerned to pay the basic allowance for quarters to an enlisted member's dependents even when the member is not entitled to receive basic pay. That authority is made permanent in title 10, United States Code, by this bill, but it will apply now only to an enlisted member who is incarcerated by a foreign government, and only while such an enlisted member is being held in *pretrial* confinement by that government. The authority will no longer apply to enlisted members who are absent without leave, deserters, or not entitled to basic pay for any reason other than the one outlined above.

The DAA authorizes the Secretary concerned to establish policies under which certain enlisted members with dependents may be discharged for hardship. It is proposed that this authority (section 14; 50 App. U.S.C. 2214) be permanently incorporated in title 10, United States Code.

In submitting this legislation, the Department of Defense proposes to allow certain authorities now contained in the DAA to expire. A discussion of each of these follows:

The most significant is the objectionable feature of existing law (section 4(b); 50 App. U.S.C. 2204(b)) which requires members in pay grade E–4 (with four years' or less service), E–3, E–2, and E–1 to allot a portion of their pay in order to qualify for DAA benefits. Such a provision was necessary during the past decades of heavy conscription when some individuals of questionable integrity were drafted into the armed forces. However, a mandatory allotment implies irresponsibility on the part of the member and is neither conducive to attracting the kind of individual desired in a zero draft environment nor consistent with the degree of responsibility entrusted to members in the operation of modern weapons systems. Elimination of the mandatory allotment is also in consonance with recent Congressional action recognizing the maturity and sense of responsibility of 18 year olds by authorizing them the right to vote. It would be inconsistent for the Department of Defense to treat this group as less than fully responsible citizens.

The general authority of the Secretary concerned under section 6 of the DAA (50 App. U.S.C. 2206) to establish allotments without the consent of the members is unnecessary. Adequate provision for the well-being and protection of dependents in the event of the service member's absence or physical incapacity is already contained in 37 U.S.C. 553(h). Further, 37 U.S.C. 602 provides protection when the member is mentally incompetent.

Finally, another objectionable and discriminating feature of the DAA is that provision (section 4(b); 50 App. U.S.C. 2204) which specifically precludes payment of quarters allowances to Reservists in pay-grades E–4 (with four years' or less service), E–3, E–2, and E–1 who are on active duty for training. Since all other married Reservists receive a quarters allowance while on active duty for training, internal equity is adequate justification for elimination of this provision. However, reserve forces manning shortfalls are an equally significant consideration. Because married personnel are an important resource for reserve recuiting, every effort must be made to ensure that reserve participation is not financially unattractive to the more than 3.2 million married civilians in the 18–24 year age group.

### *Miscellaneous authorities*

The legislation also extends until June 30, 1975, the following miscellaneous authorities which expire June 30, 1973.

### Special Pay for Physicians and Dentists

The authority for special pay for physicians and dentists (37 U.S.C. 302) (ranging from $100 per month for those with less than two years' service to $350 per month for those with over ten years' service) will expire with respect to those ordered to active duty after June 30, 1973. This authority presently exists to reduce the disparity between compensation in the uniformed services and earnings opportunities of physicians and dentists in the private sector.

### Special Pay for Optometrists

The authority for special pay for optometrists (37 U.S.C. 302a) of $100 per month will expire with respect to those ordered to active duty after June 30, 1973. This authority was enacted by the Congress to make the financial inducements of military service more attractive to optometrists.

### Special Pay for Veterinarians

The authority for special pay for veterinarians (37 U.S.C. 303) of $100 per month will expire with respect to those ordered to active duty after June 30, 1973. This authority presently exists to make a military career more attractive for veterinarians.

### Combat Arms Enlistment Bonus

The Department of Defense has authority, until June 30, 1973, to pay an enlistment bonus of up to $3,000 for at least a three-year enlistment to individuals who enlist in the combat elements of the armed forces (37 U.S.C. 308a). Continuation of this authority is essential to ensure that the required combat element accessions are obtained in the all-volunteer environment. However, as demonstrated with the current enlistment bonus, the Department of Defense intends to use the proposed enlistment bonus authority only if it is necessary to do so.

### *Cost and budget data*

The enactment of this legislation will result in no increase in budgetary requirements for the Department of Defense.

Sincerely,

J. Fred Buzhardt.

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## Section-by-Section Analysis of a Bill "To Amend Titles 10 and 37, United States Code, to Make Permanent Certain Provisions of the Dependents Assistance Act of 1950, as Amended, and for Other Purposes"

### TITLE I

*Section 101.* This section repeals sections 10, 11, and 12 of the Dependents Assistance Act of 1950, as amended (50 App. U.S.C. 2210, 2211, and 2212). Those three sections of the Act are the only ones which will not otherwise expire on July 1, 1973, under the provisions of section 16 of that Act (50 App. U.S.C. 2216). By repealing sections 10, 11, and 12, the entire Act will terminate as of July 1, 1973.

*Section 102.* The purpose of this section is to insert a new permanent section 1173 in chapter 59 of title 10, United States Code, to authorize the Secretary concerned to prescribe regulations for the discharge, in his discretion, of enlisted members with dependents, on the basis of hardship. This makes permanent, in title 10, the basic provisions of section 14 of the Dependents Assistance Act of 1950, as amended (50 App. U.S.C. 2214).

*Section 103.* The purpose of this section is to make permanent the suspension of the original requirement that a parent reside in the members' household for purposes of entitlement of quarters allowances. That requirement originated in section 102(g) of the Career Compensation Act of 1949 (63 Stat. 802), but was suspended by section 1 of the Dependents Assistance Act of 1950, as amended (50 App. U.S.C. 2201), for the duration of that Act. This section amends section 401(3) of title 37, United States Code, by permanently deleting that requirement, and also by including the other amendments made to the definition of "parent" by the Dependents Assistance Act of 1950, as amended, with some technical changes made for purposes of clarity.

*Section 104.*

*Clause* (*1*). This clause permanently amends that part of the table in section 403(a) of title 37, United States Code, which prescribed monthly basic allowance for quarters for enlisted members in pay grades E–1, E–2, E–3, and E–4 (four years' or less service). Section 3 of the Dependents Assistance Act of 1950, as amended (50 App. U.S.C. 2203), and subsequent amendments to it, temporarily suspended, for the duration of that Act, that portion of the table and inserted temporary changes in the rates being paid to those grades. That part of the table is still temporarily suspended until July 1, 1973, with changes in the rates having been made periodically by a series of amendments. The purpose of this clause is to make permanent in the table the current rates for quarters allowances for pay grades E–1 through E–4. This clause also deletes the former distinction between a member in pay grade E–4 who has over four years' service, and such a member who has four or less years' service, since all members in pay grade E–4 are now being paid the same rate for quarters allowance.

*Clause* (*2*). This clause strikes out the last sentence in section 403(a) of title 37, United States Code. That sentence, which states that a member in pay grade E–4 (four years' or less service), E–3, E–2, or E–1 is considered at all times to be without dependents, was temporarily suspended by section 2 of the Dependents Assistance Act of 1950, as amended (50 App. U.S.C. 2202), for the duration of that Act.

*Clause* (*3*). The purpose of this provision is to change the reference to "subsection (g)" that appears in subsection (b) of section 403 of title 37, United States Code, since subsection (g) is being redesignated as "subsection (j)" by this bill.

*Clause* (*4*). The purpose of this provision is to insert three new subsections in section 403 of title 37, United States Code.

Subsection (g) makes permanent the basic provisions of section 8 of the Dependents Assistance Act of 1950, as amended (50 App. U.S.C. 2208), which prescribes that, for the purpose of that Act, aviation cadets are entitled to basic allowance for quarters under the conditions and at the rates for members in pay grade E–4.

Subsection (h) makes permanent the authority to make determinations of dependency given to the Secretary concerned by sections 10 and 11 of the Dependents Assistance Act of 1950, as amended (50 App. U.S.C. 2210 and 2211).

Subsection (i) retains in part the authority in section 5 of the Dependents Assistance Act of 1950, as amended (50 App. U.S.C. 2205) to pay the basic allowance for quarters to an enlisted member's dependents even when he is not entitled to receive basic pay. This subsection retains that authority, but only with respect to an enlisted member who is incarcerated by a foreign government, and only while such an enlisted member is being held in *pretrial* confinement by that government. The authority will no longer apply to enlisted members who are absent without leave, deserters, or not entitled to basic pay for any reason other than the one described above.

*Clause (5)*. This clause redesignates subsection (g) as subsection (j).

### TITLE II

*Section 201.* This section extends until June 30, 1975, section 302 of title 37, United States Code, which would otherwise expire with respect to authorizing special pay for physicians and dentists ordered to active duty after June 30, 1973.

*Section 202.* This section extends until June 30, 1975, section 302a of title 37, United States Code, which would otherwise expire with respect to authorizing special pay for optometrists ordered to active duty after June 30, 1973.

*Section 203.* This section extends until June 30, 1975, section 303 of title 37, United States Code, which would otherwise expire with respect to authorizing special pay for veterinarians ordered to active duty after June 30, 1973.

*Section 204.* The purpose of this section is to extend until June 30, 1975, section 308a of title 37, United States Code, providing for the payment of an enlistment bonus to a person who enlists in a combat element of an armed force for at least three years.

*Section 205.* The purpose of this section is to repeal section 207 of the Career Compensation Act of 1949, which contains certain provisions regarding the reenlistment bonus that are now obsolete.

*Section 206.* This section establishes the effective date of this Act as July 1, 1973, so as to provide continuity with the present laws which expire on that date.

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By Mr. METCALF:

S. 1920. A bill to amend the Budget and Accounting Act, 1921, to require the advice and consent of the Senate for future appointments to the offices of Director and Deputy Director of the Office of Management and Budget. Referred to the Committee on Government Operations.

Mr. METCALF. Mr. President, today I am introducing a bill that makes it explicit that the Director and Deputy Director of the Office of Management and Budget be confirmed by the Senate. Previously, I introduced S. 37 which was considered in connection with S. 518, introduced by Senator ERVIN and others. S. 37 was introduced on January 4 for consideration as soon as Congress convened and without knowing who the President would appoint to the offices of Director and Deputy Director. When the Government Operations Committee reported S. 518, it contained the provision that the recent Presidential appointees to these offices would be subject to confirmation. S. 518 passed the Senate and was considered in the House where an amendment was made discontinuing the respective offices and then recreating them in order that the present incumbents of these offices would be subject to confirmation. This is the bill that President Nixon vetoed.

The Senate voted to override the veto but the House failed to muster the necessary two-thirds vote, and therefore the Presidential veto was sustained. However, in the veto message, and indeed in the House debate, much was made of the proposition that this act would require the present regularly appointed and serving incumbents in the Office of Management and Budget to submit to retroactive confirmation as a result of the provisions of the law.

President Nixon said:

> This legislation would require the forced removal by an unconstitutional procedure of two officers now serving in the executive branch.

I do not concede either proposition. It would not necessarily have meant that the two incumbents now serving would have been unable to meet the scrutiny of confirmation. Nor do I think the provision of requiring their confirmation was unconstitutional. The President also based his veto upon the proposition that the offices of Director and Deputy Director of the Office of Management and Budget are special offices to provide the President with advice and staff support in the management of his budgetary and management responsibilities.

President Nixon declared that these offices cannot be equated with other offices requiring Senate confirmation. Again I must respectfully disagree. In fact, it was the growth of responsibility and power in the Office of Management and Budget that impelled me to introduce S. 37 on January 4 before either of the present incumbents was appointed.

Today I am introducing a revised version of S. 37. It is completely prospective in nature. It would affect only future appointees and thus remove one of the reasons for the Presidential veto. More than a majority of each House of Congress has voted to require confirmation of these powerful and important officers. Without having the question of the status of the present incumbents interjected, I believe Congress should again have the opportunity to prospectively decide about confirmation of these powerful officers. Perhaps with removal of the question of the status of the present incumbents, the President will reconsider; or, in the event of a veto, some of those who believed this legislation was directed at the present incumbents will agree that future confirmation would be desirable.

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By Mr. MATHIAS (for himself, Mr. ERVIN, and Mr. MANSFIELD):

S. 1923. A bill to amend the Legislative Reorganization Act of 1970 to provide that Federal agencies keep congressional committees fully and currently informed. Referred to the Committee on Government Operations.

### AMENDMENT OF THE LEGISLATIVE REORGANIZATION ACT OF 1970 TO REQUIRE ALL FEDERAL AGENCIES TO KEEP CONGRESSIONAL COMMITTEES FULLY AND CURRENTLY INFORMED

Mr. MATHIAS. Mr. President, from the earliest days of the Republic it has been a premise of our Democratic government that the shared wisdom of those elected to carry out the public will should be based on the fruits of deep and considered full inquiry. It is both sensible and necessary that those given the responsibility by the Constitution to make decisions about our national policy should have the best and fullest information available to guide them. Unfortunately, the Congress of the United States, for a variety of reasons, has not been as well informed as recent situations have demanded. Decisions of great consequence have been acceded to by the Congress without the necessary facts, and such inquiries as have been made by the Congress from time to time, have been stymied all too often by a refusal on the part of the executive branch to furnish necessary information. It is vital to have the relevant facts and alternatives before decisions are made; all too often information has been supplied to the Congress after decisions have been made in the executive branch. All too often a chain of irreversible events has been set in motion which has prevented alternative policies from being acted upon or even considered. The result of this practice has been the entanglement in destructive policies, some of which, such as our Vietnam involvement have cost the United States the lives of tens of thousands of its youth, the loss of revenues and resources and the diminishing of U.S. influence and reputation in the world.

I do not question the motives of those who advocated the pursuit of past policies which have turned out to be failures. But what I do question is the process by which we have become committed to such disastrous policies. A large part of the blame for these failures lies with the Congress itself. The Congress has not taken the steps it can take to assure that it has the full information necessary to make sound judgments about the purposes, goals and programs of this Government. It is a plain fact that the Congress of the United States is not as well informed as it should be. Members of the Senate and House, whether they serve on committees which examine questions of defense or foreign policy or of agriculture or those that concern the judiciary—members of all of the committees of the Congress no matter what their jurisdiction, have not been able to carry out fully, or even adequately, their responsibilities, because of a lack of necessary information.

Many in the Senate and the House have spoken about the need for reform—the need for the Congress to improve its capabilities and performance so that the legislature of the United States can better serve the people who have elected them. It is a reason for hope that steps are being taken by both Houses once again to enable the Congress to assume responsibility for the appropriations process. The Congress has recognized that the practical and sensible steps taken by the executive branch enabling it to function with effect in a complex modern superstate, such as the creation of Office of Management and Budget and its predecessor agencies have relevance to the Congress. The Congress is only now beginning to give itself a similar capability, but at this point we can only hope for significant change.

Article I of the Constitution specifies that Congress shall make the laws. If this responsibility of the Congress is to have purpose and effect, it will require changes, and changes now, in the procedures of the Senate and the House. A vital first step is to assure that full and timely information will be available to the Congress and to adapt our committees in order to make use of this information.

To this end, Senator ERVIN and I introduce today a bill which would amend the Legislative Reorganization Act of 1970 and require all Federal agencies to keep congressional committees and any subcommittee thereof fully and currently informed.

I send the bill to the desk and ask for its appropriate referral.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

Mr. MATHIAS. The bill reads as follows:

S. 1923

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) title III of the Legislative Reorganization Act of 1970 is amended by adding at the end thereof the following new part:

"PART 4—KEEPING THE CONGRESS INFORMED

"INFORMING CONGRESSIONAL COMMITTEES

"SEC. 341. (a) Every Federal agency shall keep each standing committee of the Senate and the House of Representatives fully and currently informed with respect to all matters relating to that agency which are within the jurisdiction of such committee. Every Federal agency shall furnish any information requested by any such standing committee with respect to the activities or responsibilities of that agency within the jurisdiction of that committee.

"(b) Each such standing committee shall take appropriate measures to insure the confidentiality of any information made available to it under this section.

"DEFINITION

"SEC. 342. For purposes of this part, 'Federal agency' has the same meaning given that term under section 207 of this Act."

(b) Title III of the table of contents of the Legislative Reorganization Act of 1970 is amended by adding at the end thereof the following:

"PART 4—KEEPING THE CONGRESS INFORMED

"341. Informing congressional committees.
"342. Definition."

The bill provides, very simply, that there is an imperative duty on the part of the executive branch to provide information, not just some unspoken understanding but an affirmative duty, that "every Federal agency shall keep each standing committee of the Senate and the House of Representatives fully and currently informed with respect to all matters relating to that agency which are within the jurisdiction of such committee."

The purpose of this bill is to provide as a matter of legal right to all standing committees and subcommittees thereof of the Senate and House of Representatives, fully and currently, any information or analyses of information paid for by public funds from any Federal department or agency pertaining to all matters within the jurisdiction of each standing committee. In addition, every Federal agency would be required to supply any information requested by any standing committee with respect to all matters within the jurisdiction of each standing committee. This proposed legislation would, in the form of a statute, enforce what is already a fundamental legislative right.

The obligation that this bill would place upon the executive branch: the requirement to keep the Congress fully and currently informed and to respond to any request within the jurisdiction of a congressional committee is already firmly established by a working precedent of over 27 years duration. The Joint Committee on Atomic Energy, under the provisions of section 202 of the Atomic Energy Act of 1946 as amended (42 U.S.C. 2252) places these obligations upon the executive branch:

> The Commission shall keep the Joint Committee fully and currently informed with respect to all of the Commission's activities. The Department of Defense shall keep the Joint Committee fully and currently informed with respect to all matters within the Department of Defense relating to the development, utilization, or application of atomic energy. Any Government agency shall furnish any information requested by the Joint Committee with respect to the activities or responsibilities of that agency in the field of atomic energy . . ."

The experience of the Joint Committee on Atomic Energy has been exemplary. The executive branch has provided fully and currently the information as required by law and has responded to all requests made by the Joint Committee. The question of security has never been an issue, even though the Joint Committee is privy to the most sensitive matters relating to our national security.

In addition, there is at least one other statutory precedent—5 U.S.C. 2954 provides that—

> An Executive agency, on request of the Committee on Government Operations of the House of Representatives, or of any seven members thereof, shall submit any information requested of it relating to any matter within the jurisdiction of the committee.

The proposed bill simply extends the precedents in law contained in section 202 of the Atomic Energy Act and 5 U.S.C. 2954 to all standing committees.

I think it is fair to say that the Senator from North Carolina (Mr. ERVIN) and I recognize that it would be desirable to have provisions for enforcement to assure compliance with the purposes of the bill. Although we have considered various proposals which provide for enforcement, we have decided to defer a final decision on the most appropriate enforcement procedure until the bill is taken on by the committee which would consider the proposed bill.

The underlying premise of this bill is that the Congress should have access to all information produced by the Government, so that it can carry out its constitutional responsibilities to make law and policy, and do so making use of the best and most complete information and analyses of information available. We believe that for constitutional and practical reasons it is in the national interest to place the legal obligation contained in this proposed bill upon the executive branch to keep the Congress fully and currently informed upon all matters pertaining to the jurisdiction of the standing committees of the Congress.

This bill, in my view, provides one significant and effective way to assure that the major decisions made by the Government of the United States will be made with full due process as provided by the Constitution, and assure that fundamental decisions will be made on the basis of the reasoned judgment of all of the peoples, responsible elected officials, and representatives.

Over the past decade, we have had clear and sufficient warnings of increasing threats to open democratic government. We have begun to heed these warnings that government by cabal, unless checked, will stifle our freedom. It is my hope that the bill Senator ERVIN and I have introduced will contribute to strengthening our system of free democratic government of laws.

Mr. President, I ask unanimous consent that this bill be referred to the Committee on Government Operations.

The PRESIDING OFFICER (Mr. NUNN). Without objection, the bill will be received and so referred.

Mr. MATHIAS. Mr. President, I reserve the remainder of my time.

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By Mr. CRANSTON (for himself and Mr. TUNNEY):

S. 1924. A bill to authorize the Administrator of General Services to dispose of certain excess property. Referred to the Committee on Government Operations.

Mr. CRANSTON. Mr. President, I introduce for appropriate reference a bill to authorize the Administrator of the General Services Administration to convey portions of the Camp Antelope property in Mono County, Calif., to the Paiute Indians of Coleville, Calif. I am delighted that my distinguished colleague from California, Senator JOHN TUNNEY, is joining me as cosponsor of this bill.

The Paiute Indians of Coleville, Calif., are in dire need of adequate housing. They are now living in shacks—without sanitation facilities, without inside running water or insulation, and with only wood-burning stoves to heat them in winter. The Indians take their drinking water from a polluted drainage ditch which runs from the nearby Walker River. During the summer their water supply is nearly cut off as the flow of the ditch is reduced to a trickle. Coleville Paiute Roseann Kizer describes her situation:

> In our little one-room house there are seven of us living and we have another little one coming soon. All the (Indian) people who now live here in Coleville have all lived the same way, drinking ditch water, using wood-burning stoves.

Within view of the Indian shacks are 36 modern homes with all the necessary comforts which have been vacant for nearly 6 years. These homes, formerly occupied by officers at Camp Antelope, have been declared excess to the needs of the Marine Corps and were turned over to the General Services Administration for disposal in January of this year. To my knowledge the Federal Government has no need for the buildings; although the Forest Service has submitted an application to GSA, I understand that it soon may be withdrawn. The heads of 24 families of Coleville Paiute Indians, eager to improve their living conditions, have expressed the desire to acquire the excess military officer housing. Because most of them are unemployed on pensions or receiving welfare, they otherwise would be unable to acquire better housing.

However, no agency of the Federal Government appears to have the authority to submit an application to GSA on behalf of the Paiute Indians. The Coleville Indians are not a federally recognized tribe with a Federal reservation with land held in trust. However, this legislation is not concerned with the question of recognition of these Indians by the BIA. The bill merely helps the Indians obtain decent housing.

The Bureau of Indian Affairs advises me that—

> Legislation would be necessary to authorize the federal government to donate these houses and land in fee title to the designated Indian families.

The legislation I am introducing today would provide that authority. The bill would give the Administrator of GSA the authority to dispose of the 36 excess houses at Camp Antelope together with whatever amount of national forest land he deems necessary to adult Paiute Indians of Coleville. In addition, the Administrator is given the authority to convey the laundromat and maintenance shop on the property to any corporation, association, or group formed by these individuals within 1 year following the date of enactment of the bill. All the buildings are located on 80 acres withdrawn from the public domain which are part of 720 acres permitted to the Department of the Navy from the Department of Agriculture. The land has not been declared excess.

The General Services Administration, recognizing the tremendous need of the Paiute Indians of Coleville, has been delaying action on the disposal of the 38 Camp Antelope buildings until all possibilities of making the houses available to the Indians have been exhausted. I commend the General Services Administration for its compassion and caution in this matter.

In disposing of excess Federal property, I feel it is incumbent upon the Federal Government to give first priority to the welfare of its citizens and human needs. There is no doubt about the need of the Paiute Indians. I am hopeful that Congress will respond with early action on this bill to alleviate the wretched conditions under which the Paiute Indians of Coleville are living.

Mr. President, I ask unanimous consent that the text of the bill be printed at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1924

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, upon application filed by any eligible individual within the twelve calendar month period following the date of the enactment of this Act, the Administrator of General Services is authorized to convey, by quitclaim deed, to such applicant, all right, title, and interest of the United States in and to one of the thirty-six family housing units located within the area comprising seven hundred and twenty acres made available to the Department of the Navy under a permit from the Department of Agriculture and comprising a portion of Camp Antelope, Mono County, California. Such conveyance shall include the land on which such dwelling is situated, together with such additional land contiguous thereto as the Administrator determines necessary to enable the applicant to utilize such dwelling for non-commercial residential purposes. Such applications shall be submitted in such manner and shall contain such information as the Administrator shall prescribe. Conveyances pursuant to this Act shall be made without consideration.

Sec. 2. The Administrator of General Services is authorized, at any time during the twelve calendar month period following the date of the enactment of this Act, to convey, by quitclaim deed, to any eligible entity, all right, title, and interest of the United States in and to the facilities comprising the so-called maintenance shop and laundromat which are located generally within the area described in the first section of this Act. Such conveyance shall include the land on which such facilities are situated, together with such additional lands contiguous thereto as the Administrator shall determine necessary to the utilization of such facilities.

Sec. 3. As used in this Act, the term—

(1) "eligible individual" means any individual who, without regard to place of residence, is generally recognized as a Paiute Indian of Coleville, California, and who is twenty-one years of age or older; and

(2) "eligible entity" means any corporation, association, group, or other entity established by the Paiute Indians of Coleville, California.

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By Mr. PEARSON (for himself, Mr. Beall, Mr. Hartke, and Mr. Cotton):

S. 1925. A bill to amend section 1(16) of the Interstate Commerce Act authorizing the Interstate Commerce Commission to continue rail transportation services. Referred to the Committee on Commerce.

### INTRODUCTION OF LEGISLATION TO CONTINUE ESSENTIAL RAIL SERVICES

Mr. PEARSON. Mr. President, I introduce for myself, and Senators Beall, Hartke, and Cotton, a bill requested by the Interstate Commerce Commission to authorize the Commission to direct one railroad to operate over the lines of another when the latter carrier is unable to transport essential tendered traffic.

The Northeastern United States—a region of 17 States—currently is served by 6 class I railroads which are in bankruptcy. These six railroads operate over 50 percent of the trackage in the affected region. Together they generate more than 17 percent of all the freight revenues of all class I railroads in the Nation. Nearly half of all the people of this country are provided essential rail services by one or more of these bankrupt carriers.

The Surface Transportation Subcommittee, chaired by our distinguished colleague from Indiana (Mr. Hartke) is currently considering intensively the proposals of the U.S. Department of Transportation and the Interstate Commerce Commission to bring order out of the chaos in rail transportation in the Northeast. I am confident that our subcommittee, and the full Commerce Committee will meet their responsibility in fashioning a reasonable legislative proposal in response to the Northeast rail problem.

In the meantime, however, it is imperative that Congress approve legislation to authorize the Commission to invoke emergency procedures in the event of the cessation of rail service on one or more carriers' lines. The Commission should be given authority to direct an operating carrier to provide essential rail services over the lines of a defunct carrier. Today under existing law the Commission can exercise certain emergency powers to alleviate the crisis which would result if even one carrier were to terminate services. But those powers stop short of what is needed.

Mr. President, the bill which I today introduce will extend to the Commission the authority which it has been seeking for 3 years or more. It will guarantee that no essential service will be interrupted in the event of liquidation of a railroad and termination of its operations.

Hearings were held by the Surface Transportation Subcommittee on an identical measure in the 92d Congress. The proposal which I am introducing today enjoyed the support of the administration in the last Congress.

Mr. President, in view of the potential injury which would be suffered by the public in the event of interrupted essential rail services due to liquidation of an operating carrier, and in view of the support this measure enjoys within the administration, I am hopeful that it can be reported promptly by our committee and considered favorably by the Senate in the immediate future.

Mr. President, I request that the text of my bill be inserted in the Record immediately following these remarks.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1925

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 1(16) of the Interstate Commerce Act (49 U.S.C. 1(16)) is amended to read as follows: "Whenever the Commission is of opinion that any carrier by railroad subject to this part is for any reason unable to transport the traffic offered it so as properly to serve the public, it may, upon the same procedure as provided in paragraph (15), make such just and reasonable directions with respect to the handling, routing, and movement of the traffic of such carrier and its distribution over such carrier's or other lines of roads, as in the opinion of the Commission will best promote the service in the interest of the public and the commerce of the people, and upon such terms as between the carriers as they may agree upon, or, in the event of their disagreement, as the Commission may after subsequent hearing find to be just and reasonable."

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By Mr. KENNEDY:

S. 1929. A bill to establish the Nantucket Sound Islands Trust in the Commonwealth of Massachusetts, to declare certain national policies essential to the preservation and conservation of the lands and waters in the trust area, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

### THE NANTUCKET SOUND ISLANDS

Mr. KENNEDY. Mr. President, nearly 18 months ago, in September of 1971, I introduced legislation designed to begin the process of preserving and conserving the Nantucket Sound Islands. These islands, principally those of Martha's Vineyard and Nantucket, lie off the southern coast of Cape Cod.

They are unique islands. They combine an unusual history, a fragile ecology, a natural beauty, and other values unmatched anywhere on the east coast of the United States. These islands have, until recently, escaped the intense second-home and suburbanized development pressures which are so characteristic of much of the rest of the coastlines of the United States. In the past 4 years, however, the Nantucket Sound Islands have become the target of the same kind of pressures which have irretrievably destroyed such large parts of our natural heritage. This type of development scatters houses haphazardly across the rolling moors; sits them down on fragile dunes and in coastal marshes without regard for delicate, natural balances; drives up local taxes to pay for the increased demand for municipal services; and with irreversible finality changes what was once a wild and beautiful landscape into one indistinguishable from big city suburbs.

It is my own belief that legislation can be designed which will both preserve and conserve the natural beauty of these islands, and at the same time maintain the sound economic base so important for the island residents. These are not, I should stress, incompatible goals. But because the islands are not entirely wild but are already partially developed, with bustling towns on each of the major islands, the legislation must be imaginative and innovative in comparison to legislation designed strictly to preserve the wide open expanses which exist in so much of the rest of the country. It will not be good enough, however, to preserve the island if the local economies falter; similarly, it will do no good to focus entirely on the local economies and pay no heed to the imminent destruction of all that makes the islands so unique.

These islands today, then, stand on the brink. There really is but one chance for them. If the challenge is met, then the islands, with all their rare values, will be preserved. If the challenge is not met, however, then the Nantucket Sound Islands will in a very few years be indistinguishable from the heavily developed and suburbanized parts of Cape Cod or of Long Island or of the New Jersey Shore. This is not an overstatement. It is a fact accurately represented and attested to by numerous studies, comment by public officials, and confirmed by personal observation.

As one illustration, Massachusetts Gov. Francis W. Sargent visited Martha's Vineyard in January of this year, to talk with island officials about conservation issues. During that visit he said:

> There is not one inch of available land on the island that is not being eyed by developers today.

Governor Sargent's statement is yet one more warning that tomorrow may be too late for the islands.

I am today introducing the Nantucket Sound Island Trust bill. This bill is the natural product and outgrowth of the bill I first introduced more than 18 months ago. The bill is designed to meet the threat to these islands head on. It is compatible with any possible future State legislation, and is designed in such a way that any such legislation would complement this bill, and that this bill would complement the State legislation. Congressman GERRY E. STUDDS is introducing today companion legislation in the House of Representatives.

### NATURE OF THREAT

The threat to the islands is a very real one. It is evidenced by large scale suburban tract developments promoted by off island developers. These developments have already brought, and will continue to bring in ever-increasing degree, overloaded sewage systems, potentially hazardous saturation of the soil and possible contamination of the ground water supply where sewage systems do not exist, congestion of the narrow winding roads so typical of the islands, overcrowding of public facilities—and without doubt, higher taxes.

Row house condominium developments in the moors and plains are now a fact of life on these islands. In 1971, there were 197 housing starts on Martha's Vineyard. In the first half of 1972, there were 144 starts. This is an increase of nearly 50 percent over that of the first half of 1971. As is predictable in situations such as this, the development pressures have the effect of driving the price of land higher and higher, so that it is increasingly out of the reach of island families.

The people of the islands recognize this threat. On Martha's Vineyard, for example, in a referendum of island voters, nearly 90 percent indicated their belief that the island was in jeopardy from overdevelopment. The same sentiment exists on Nantucket, on the basis of informal samplings at a number of large public meetings.

The towns of Nantucket and West Tisbury have made the most determined efforts to prevent haphazard development which might endanger water supplies of these towns. Nantucket, for example, has established a moratorium on building permits for that part of the town which is adjacent to the source of most of its fresh water. This moratorium, though, can be only of limited duration pending completion of a ground water quality study. Furthermore, it is very limited in the area to which it applies. The town of West Tisbury on Martha's Vineyard made an effort to put into effect a similar moratorium, but had to withdraw it under the threat of lawsuits from large scale developers. These efforts must stand beside the incident in Vineyard Haven last summer, in which the town dump became overloaded with raw sewage being trucked to it from restaurant cesspools; the result of the dumping was raw sewage flowing down the State road in that town.

The report of the town of Gay Head on Martha's Vineyard for 1971 crystallized the sentiment of many islanders in these words:

> Gay Head has reached a crossroad in her history. The town could become another Cape resort, or carry on with its traditions and history. The public has discovered the town to an increasing degree, so that revolutionary adjustments have become necessary.

The threat, then, to these islands is very real, it is present, and it has been recognized by many of the islanders.

### BACKGROUND OF BILL

It was in response to these threats, and in response to appeals from a broad spectrum of island people, that in September of 1971 I introduced S. 2605, to authorize the Secretary of the Interior to study the feasibility of including the Nantucket Sound Islands within the Cape Cod National Seashore. This bill, which drew extensive treatment in island newspapers, stimulated the beginnings of what has been a continuing series of discussions about Federal, State, and local legislation to preserve the islands. The response that I received to this bill, and my own studies and examinations, convinced me later in 1971 that there was no real need for yet another study of these islands. They have been the object of numerous Federal, State, and local studies over the years, and each one of these studies has recognized the unique characteristics of the islands, and the strong national and State interests in preserving them. I was also convinced, upon examination, that the model of the Cape Cod National Seashore was not the one most appropriate for the Nantucket Sound Islands. The National Seashore was highly effective on Cape Cod, as it dealt primarily with the largely undeveloped lands of the outer beach. But because it is my intention to treat the threat to the islands in toto, instead of simply the undeveloped fragile edges and areas, I was drawn to the work of the Department of the Interior in its report entitled Islands of America.

This study is a comprehensive and recent inventory of the recreational, scenic, and historical value of the Nation's islands. It was published in 1970 by the Department of the Interior, and recommended establishment of a national system of island trusts.

In November of 1971, I had printed in the CONGRESSIONAL RECORD copies of a number of articles about Martha's Vineyard and Nantucket, all of which plead for their preservation; also at the same time a memorandum expanding upon the Department of the Interior's recommendations. This material, too, was printed in island newspapers and reecived wide discussion over a period of some months.

There were a number of public meetings on the subject of the seashore study bill and the material printed in the CONGRESSIONAL RECORD. As a result, I received a large volume of letters and memorandums from island people suggesting ways to shape and strengthen any legislation. The result of this was the Nantucket Sound Islands trust bill, S. 3485, which I introduced on April 11, 1972. That bill, the predecessor of the one I am introducing today, established a comprehensive program for preserving and conserving the islands within the structure of an island trust, to be largely controlled by a trust commission largely made up of island people.

After I introduced the bill, there was an immediate and sharp division of opinion about the merits of the bill. The proponents of that bill saw it as an opportunity to preserve all that is unique about the islands, and forthrightly and willingly accepted my invitation to come forward with constructive suggestions for improving it. I made it plain that the bill I introduced last April was a working document, and that I expected to make substantial changes in it after discussions and meetings with island residents.

Many of the opponents of the bill saw it as more of a threat to the islands than the pressures of suburbanization and overcrowding. Many of the opponents were local officials, who saw the bill as a threat to local control and the town meeting form of government so much a part of the history of Massachusetts. Many other opponents, principally those in the construction trades and in the real estate development business, saw the bill as a threat to their livelihoods. Over a period of months, however, much of this early opposition has changed to support, and much of it has changed to less strong opposition. There is, however, still opposition to Federal legislation to preserve and conserve these islands, and I would not anticipate there ever being unanimous support for it. I am confident, on the other hand, of a majority of island people accepting a carefully designed program based on Federal and State legislation which assures that all of our children, when they are our ages, will be able to enjoy the beauty of these islands.

After the bill was introduced, I attended a number of meetings with island officials and island residents. There were many, many other meetings held with interested citizens on my behalf. The written results of these meetings and discussions were circulated on the islands, and printed in the local newspapers, as proposed revisions to the island trust bill. After a careful review of these suggestions, on July 27, 1972, I introduced an amendment to S. 3485, which was printed as Senate amendment 1372. This amendment, comprehensive in scope, was the direct outgrowth of active citizen participation of both year-round and seasonal residents in strengthening the bill and tailoring it more closely to the needs of the islands. This aspect of the effort to preserve the islands—the hard work and long hours of literally hundreds of island people—has been the most gratifying aspect of the 18 months' effort.

In October of last year. Congressman EDWARD P. BOLAND introduced the revised bill in the House of Representatives. In January of this year, Congressman BOLAND and Congressman GERRY STUDDS reintroduced the bill in the House of Representatives. Also, in January, I visited both Martha's Vineyard and Nantucket, and held a series of meetings on both islands; these meetings were both open public meetings and meetings with island officials and groups.

As the direct result of this visit to the islands, of the meetings held then, and of the continuing work of interested citizens and officials who continue to make constructive suggestions, I circulated a proposed revision of the bill on March 21, 1973, to all island officials and interested citizens. This bill, too, was printed in the island newspapers of general circulation.

The bill finds its direct precedent in the 1970 Department of Interior report, Islands of America. It was in this report that the island trust concept first received careful explanation and wide public notice. The bill is also based upon the land use control and environmental protection legislation in the States of New York, Maine, and Vermont. In addition, existing Federal laws dealing with preservation and conservation of natural areas was a major source of many of the bill's provisions.

Despite the ample precedent for many of the bill's provisions, it is still an innovation in Federal conservation and preservation efforts. It is an innovation because it makes a serious and concerted attempt to confront directly one of the most difficult problems facing the Nation today: the necessity of containing the spread of suburban tract developments, and the commercial strip development which follows, to areas of unique value to the Nation as a whole. The islands are not empty of people; there are towns and schools and stores and homes from one end to the other. There are, though, still large areas preserved wild, in many cases because of the efforts and sacrifices of individual land owners. There are, too, many areas with large expanses of sparsely developed land. The village centers are easily identified, and until recently have been concentrated in fairly tight geographic centers. It is only in the past few years that the suburban sprawl so much in evidence around our metropolitan areas has begun to reach the Nantucket Sound Islands.

The principal innovation in the bill is in the establishment of Island Trust Commissions to manage the lands and waters in the trust area. The Commissions, created by Federal statute, are to a large extent made up of island people. Because of the national interest in the islands, and because of the Federal funds involved, there is a Federal representative on the Commissions. Similarly, there is a State representative on the Commissions because of the State interests and potential State funds involved in a comprehensive attempt to preserve the islands. But the large majority of Commission members are local people.

These Commissions will establish policies and then carry them out. They will do so within guidelines established by the bill, but by and large the policies and the programs will be developed, written, and enforced by the Commissions—that is, by the local people themselves.

To divert the threat of haphazard overdevelopment, the bill establishes three principle land use classifications, into which all lands not currently protected by conservation status are placed. These classifications are class A: Forever Wild, class B: Scenic Preservation, class C: Town Planned Lands.

The bill, then, seeks to create a new kind of partnership between the Federal, the State, and the local governments involved. It recognizes at the outset that most of the decisionmaking as it relates to the future of the islands, belongs in the hands of the local people themselves. But it also recognizes realistically that both the powers and the funds available at the State and Federal level are absolutely essential if the islands are to be preserved for future generations.

I am convinced that only with the partnership of the type represented by the island trust bill can preservation and conservation efforts be successful over the long term. One of the key lessons of the discussions over the past 18 months about these preservation and conservation efforts has been a steadily growing awareness that the town governments and county governments do not have the tools at their disposal to control, in any meaningful way, the development pressures. Another lesson has been that even new State legislation will not suffice to create the tools to do the job because of the limitations of the police powers under the State constitution and State laws.

At the same time, it has become plain that Federal legislation, to be successful, must wherever possible be fitted together with whatever State and local laws are available to the people of the islands, or may become available in the future. It is this sharing of powers and sharing of responsibilities which marks one principal innovative feature of this bill, and which I believe augurs well for its operational success.

### PROVISIONS OF BILL

The central concept behind the island trust is that there be a body created to hold certain lands "in trust" for future generations. It is not necessary that this body own the lands outright; nor is it by any means necessary that the body own all the lands. It is sufficient that the body have the authority to purchase or otherwise obtain easements and other restrictions on those lands threatened by the type of development which would destroy the unique island values.

This body, the Island Trust Commission, becomes the principal operational authority established by the bill. It also becomes, automatically, the one-half owner of any lands or interests purchased by the Department of the Interior; and it can receive full title to lands or interests it acquires in any other manner. The Commission sets policies, writes regulations, and enforces them—with the expertise available from a paid professional staff and with the advice and suggestions from the Department of the Interior and the Commonwealth of Massachusetts.

There are three Commissions established—one for Nantucket, one for Martha's Vineyard, and one for the Elizabeth Islands. On each one, there is a majority of local island people—an important factor both in terms of local knowledge being brought to bear on the problems, and also in terms of enhancing the ability of a locally based institution to exercise some high degree of control over the future of the islands.

The three classifications of land follow logically from a study of existing land use patterns, and a comparison of those patterns with the natural and other features of the islands which contribute so markedly to the unique qualities.

Forever wild lands are those which should be left wild. They may be dunes, marshes, hilltops, promontories, watersheds, and so on—but they should not, henceforth, sustain any new construction. There are, in addition, lands which should be in the forever wild classification but which are already built upon. The bill provides that improvements in this latter category may remain in the hands of the family, broadly defined, now owning them. If the improvements are to be sold outside the family, then a Commission has the right to first refusal at the then determined fair market value. This is an orderly, fair procedure for protecting a family's stewardship of a particular area, while presenting the Commissions with the long-range opportunity of restoring the forever wild status some areas which are now built upon but which perhaps should not be.

Scenic preservation lands are those which are currently most threatened by the rush to suburbanized tract development. Generally speaking, they are the lands which lie between the built-up village centers and the dunes, marshes and hilltops. Thousands of acres of these "middle lands" have been subdivided into 1-, 2-, and 3-acre lots in the past 5 years, and without the Island Trust bill they will ultimately, each one, have a house. The Vineyard Conservation Society newsletter estimates that there could be as many as 49,000 new houses built on Martha's Vineyard under existing or proposed zoning ordinances.

The bill establishes four broad guidelines for development of scenic preservation lands beyond their present intensity of use. Within these broad guidelines, the Commissions are to draw up specific regulations, which may be different for the different character and quality of the lands within the scenic preservation classification. This is a key provision of the bill, and it is this flexibility which holds out such a high degree of promise.

The third category is town planned lands, in which local zoning and other ordinances control. In general, town planned lands are the village centers and the areas immediately contiguous to them. In town planned lands, the Commissions are required to review and comment upon any new land use control ordinances, or amendments; and may review and comment upon proposed variances. A considerable amount of criticism has been directed at this provision, because it does not give the Commissions any measure of control over potential developments in the village centers and their fringes. But it seems to me that the review and comment procedure can serve very well to help achieve consistency and to provide information, and that this is the principal need in town planned lands.

The boundaries between classifications are set by official maps. These maps, after enactment, must be publicly available in the town offices, the Commissions' offices, and the offices of the National Park Service. I am releasing proposed official maps today; I anticipate that further information gathered previous to and during the hearings on the bill will permit refinements and adjustments in the preparation of the official maps themselves.

It has been a continuing and often-repeated fear of many island people that the purpose of this bill is to make the Nantucket Sound Islands into recreation areas; or that in years to come the Federal or State governments will induce the Commissions to turn the islands into recreation areas. In the first instance, if the central purpose of the bill had been recreation, it would not be framed as an island trust, but would be framed as an incremental addition to our system of national recreation areas. In the second instance, the Commissions are the central management authority for the islands trust; neither the Secretary of the Interior nor the Governor can change the policies and guidelines unless the Commissions so desire and affirmatively vote for the changes. In effect, the Commissions have veto power. Finally, I have deleted most references to recreation, to make clear the paramount preservation and conservation purposes.

The bill states that full and fair market value must be paid for any purchase of the whole or a lesser interest in any land. Since 1970, all agencies of the Federal Government have been subject to the provisions of the Relocation Assistance and Real Property Acquisition Policies Act. This law without qualification requires prompt appraisals and payments, and mandates fair market valuations.

The bill when introduced last year contained a provision authorizing the selectmen in each town to institute a procedure to slow down the runaway rate of growth, based upon a showing of "need" for the construction of improvements. This provision was and is designed as an interim measure, to assist the towns during the period between first introduction of the bill on April 11, 1972, and its eventual enactment. The town of Nantucket instituted such a procedure, which has been of material assistance to it, and the provision is consequently retained. Individuals who obtained permits under this provision, or made efforts to in those towns which did not adopt the procedure, are protected from nonconsent acquisition.

Any lands or interests held in trust by the Commissions, and owned jointly by them and the Secretary, are to be subject to real property taxation as if they were privately owned. This is important if the tax base of the towns is not to shrink because of the bill, even though I do not anticipate that very large areas will be actually purchased. It has been suggested that this provision is an almost pure form of revenue sharing, and it seems to me that this suggestion has merit.

There are important provisions in the bill concerning private nonprofit organizations and associations. The main purpose of these provisions is to encourage preservation and conservation by voluntary private action, where at all possible. Generally speaking, the authority to acquire without consent is suspended as to those lands now owned by conservation organizations, or to those lands which are committed to conservation organizations up to 2 years after enactment. In addition, there is a broader suspension of the bill's provisions for lands subject to a conservation easement created under Massachusetts statute either when the bill is enacted, or up to 2 years later. This is strong inducement for the continuing strong presence of these organizations.

The bill would establish a mechanism by which access to the islands, by water and air, can be controlled. If access were to be unlimited, then the very purposes of the bill—preservation and conservation—would be thwarted. For that reason, the Commissions and other officials are directed to examine and develop the means and procedures by which access could be limited. A corollary of this access control mandate is a statement of national policy in the bill which would prevent a bridge or causeway or tunnel from ever being built to the islands.

There live on Martha's Vineyard the last survivors of the Gay Head Indian Tribe. The bill makes special provision for the lands which belong to this tribe, and directs the Secretary of the Interior to carry out whatever studies and undertake whatever steps are necessary to give this tribe Federal recognition. The precise legal status of these lands is at the present time unclear, and until a thorough and detailed study is made it is not realistic to determine precisely the manner of preserving them, although it is realistic to set a policy—that they should remain Indian lands.

We cannot turn back the clock and restore to the Indians of this country all that they once had; but where we have an opportunity, as we do on Martha's Vineyard and with this legislation, we should make an effort, and a determined effort, to restore to the Indians what is rightfully theirs.

For many years the Department of the Interior has sought to win acceptance of the concept of compensable regulations. Under this concept, wherever an action of the Federal Government in the nature of the land-use control regulation can be construed as a taking, of either the fee or of a less-than-fee interest, there must be provided full and fair compensation at fair market value. The bill adopts the compensable regulation concept. This is an important step in Federal conservation and preservation efforts, one which I believe to be long overdue. It contrasts strongly with local zoning, carried out under the police powers of State constitutions, which is a noncompensable regulation and for which there is no compensation paid for the restriction on land use.

Because land costs on the islands have been driven so high by the speculation accompanying the land boom, the bill establishes a mechanism by which the Commissions and the towns can, in effect, write down the cost of land for residents who seek homesites. This, too, is a fair and needed provision. It will make it possible for many islanders, under regulations and provisions locally prepared, to own land and homes where they might otherwise not be able to afford rapidly rising land costs which are still fueled by speculative fever.

The bill would clarify the right-of-passage easement which exists below the high-water line on beaches in Massachusetts. It does so by stating that there shall be a right-of-passage easement created at the high-water mark. To go further and establish all of the beaches on the islands as open and free for public use, as has been strongly urged by a number of groups and residents of the islands, would, unfortunately, probably lead to the destruction of much of the most fragile and beautiful areas. The threat of dune buggies and other vehicles on the dunes is a present one, and if it is not controlled will shortly lead to the destruction of the dunes. Similarly, uncontrolled pedestrian public access to all of the fragile dune lands and marsh areas would shortly and similarly destroy them.

Consequently, the bill provides that there shall be created on Martha's Vineyard two new additional public beaches on the south and southwestern shores of that island. Creation of these new beaches will provide ample access to the ocean for island residents and island visitors, because the bill also establishes the procedures for providing access to these new beaches. On Nantucket, the problem of public beaches does not exist because there are already an ample number; consequently, no new beaches are required to be created on Nantucket.

No Man's Land, an island now under the jurisdiction of the Department of the Interior, but used by the Department of the Navy under an agreement with the Department of the Interior as a bombing range, would be made a national wildlife refuge, and the Secretary of the Navy would be directed to clean up all of the unexploded bombs and other such materials within a short time after passage of the bill.

There are many other provisions of the bill, the most important of which are the 3-year authorization of appropriations of $25 million; pollution and erosion control measures; encouragement of new employment opportunities in occupations outside the construction trades; specific inducement for voluntary private preservation and conservation efforts; and reasonable procedures for changing the boundaries between classifications.

In sum, the bill is a comprehensive legislative effort designed specifically to blunt the threat now confronting the islands, consistent with the highest possible degree of control of local people and maintenance of the local economies.

As succinct a statement as currently might be made about island sentiment is the following paragraph, signed by the chairman, from the Edgartown selectmen's report for 1972, released in April of 1973:

> In April of 1972 Senator Kennedy made public his Islands Trust bill. The debate has been raging ever since. This controversial legislation has brought out some very strong feelings amongst the people of Martha's Vineyard. One positive result is the interest that has been generated throughout the Island in land usage and the need for some protection of the environment. The questions raised by the bill at this writing are far from resolved. However, one or two indications seem very clear. I believe that the majority of the people want some reasonable protection for the land and environment of Martha's Vineyard. Also, they want the necessary authority to attain this protection given to the local town government with Federal and State participation kept at a minimum.

Very few of us would quarrel with that statement, and it is my belief that the islands trust bill is very near to achieving the combination of authority and local control.

### LOCAL EFFORTS

Much has already been accomplished on the islands, both to set aside large areas for conservation, and to adopt local land use controls. But it is now a race against the clock, and local conservation groups simply cannot raise adequate funds privately to preserve all which should be preserved. Furthermore, even if all the towns adopted the full range of measures available to them under State law—zoning, subdivision controls, building codes, and historic district measures—they would not have enough powers to control the burgeoning growth effectively. This bill, though, by combining Federal, State and local powers in the Commissions, can and will provide the tools to do the job of controlling unchecked growth—a job the overwhelming majority of islanders wants done.

On Nantucket, Nantucket Conservation Foundation, the Nantucket Ornithological Foundation, the Nantucket Conservation Commission, the Nantucket Historical Trust, and the Nantucket Historical Association, have accomplished much to preserve that island's natural, cultural and historic heritage. Their work has been nationally recognized, and that recognition is well deserved. Since I introduced the bill in April of 1972, two groups have worked long and hard to provide their fellow islanders and State and Federal legislators and officials with constructive suggestions: The Nantucket Home Rule Committee and the Committee to Preserve Nantucket. Their work has been of inestimable value, and it is my hope that their work will continue over the next few months.

On Martha's Vineyard, the Vineyard Open Land Foundation, the Vineyard Conservation Society, the Martha's Vineyard Garden Club, the Sheriff's Meadow Foundation, the Trustees of Reservations, and other groups have also made important contributions. Many of that island's most critical areas have already been preserved by the work of these organizations. Since I introduced the bill, the Vineyarders to Amend the Bill and the Concerned Citizens have provided real leadership for their fellow Islanders in strengthening and tailoring the bill's provisions to the specific needs of Martha's Vineyard. The Conservation Society and the Garden Club have done similarly, and the Open Land Foundation recognized the importance of the bill for the island's future in a resolution by its board adopted last spring.

The Elizabeth Islands have been well protected over the years through the Naushon, Pasque, Nashawena and Cuttyhunk Trusts. The bill provides a series of measures of encouragement for this type of enlightened stewardship.

In recent months a coalition of different groups of Martha's Vineyard, proponents and opponents alike, has been meeting under the chairmanship of a nationally-recognized land use expert. The principal thrust of this group's work has been to explore approaches to establish controls on the growth rate, and it is my hope that in time for hearings on this bill the group will have been able to resolve the inherently difficult issues in this work and be able to present it to the committees of the Congress.

Since late last year, through the impetus of the Dukes County Selectmen's Association and the Dukes County Planning and Economic Development Commission, State officials have been drafting a bill to present to the Massachusetts legislature to control developments in areas of critical planning concern through an island-wide or regional agency. I welcome this effort, and I have added provisions to this bill to ensure that it is carefully fitted to whatever State legislation might ultimately result. I do not believe that State legislation can provide all the necessary powers to preserve and conserve the islands in the fashion they deserve; nor do I believe that State funds in sufficient amounts can be made available. This has been confirmed by spokesmen for Governor Sargent, and this is the principal reason for the complementary approach adopted by the bill.

In sum, local efforts have already accomplished much. They can accomplish even more. But if all the work which has gone before is not to have gone for naught, then we will have to press vigorously for enactment of this bill.

### LAND USE LEGISLATION

The Nantucket Sound Islands are not an isolated situation. There is a stronger and stronger demand all across Massachusetts, and all across the country, for more and stricter land use control laws. The problem will grow more acute as the second home becomes more and more a part of the American standard of living; and it will continue to be acute, but for different reasons, in the presently open lands within easy travel time of all our large metropolitan areas.

The most recent major study and report on land use controls—conducted by the Citizens' Advisory Committee to the Council on Environmental Quality—has concluded:

> To protect critical environmental and cultural areas, tough restrictions will have to be placed on the use of private land.

The report cites growing acceptance of the concept that development rights attaching to private property must henceforth be regarded as being vested in the community and in its well-being, instead of in the fact of ownership.

In the past, the Congress and the Executive have responded to the needs for preservation and conservation with specific legislation designed for a specific area—such as the Cape Cod National Seashore or the Point Reyes National Seashore, and with the whole range of national parks, national wildlife, refuges, wild rivers, and national recreational areas. There will always be a continuing need for this special purpose legislation, and it is my belief that the island trust concept will provide a model for legislation to preserve threatened areas elsewhere in the country.

But for the first time, there is now a serious effort underway for a national land use program. As a precursor, last year the Congress adopted the Coastal Zone Management Act, an important step focusing on the Nation's shorelines. Unfortunately, though, it has not been funded. Also last year, the Senate passed a National Land Use Policy Act, but the House did not. This, too, is an important step toward rational policies toward our Nation's land.

It has been said that the Nation is in the midst of a quiet revolution of land use controls. A few short years ago, such an idea would not have received serious consideration. Today, however, it is generally recognized as inescapable because land use has become recognized as the critical and overriding environmental issue. A few specific examples of the high-level concern.

President Nixon, in his message to Congress on February 14, 1973—

> Land in America is no longer a resource we can take for granted. We no longer live with an open frontier. Just as we must conserve and protect our air and our water, so we must conserve and protect the land, and plan for its wise and balanced uses.

Russell E. Train, Chairman of President Nixon's Council on Environmental Quality, in a 1972 book:

> The Council on Environmental Quality seeks reform of the regulatory structure over land use decisions that have greater than local impact. . . Some have purported to see in this approach a dire threat to cherished values of municipal home rule and local autonomy. . . However, like the 19th century pioneer ethic towards the land, unthinking obeisance to notions such as home rule can be an obsolete reflex in a more complicated time.

Secretary of the Interior Rogers C. B. Morton, in a February 15, 1973 letter to the President of the Senate:

> ". . . most of our present land use problems stem from a piecemeal, fragmented, and uncoordinated approach to land use decision-making. Unless we can reverse this pattern, we will not be able to meet the challenge which lies ahead of us in planning for the future of this country.

These are important policy statements, deserving our thoughtful consideration.

While recognition of the need for wise and reformed land use patterns is a recent phenomenon, the facts demonstrating the need are not. For example, in the period 1922–54, over one-quarter of the salt marshes in the Nation—more than 900 square miles—were destroyed by filling, diking, draining or by construction of walls along the seaward marsh edge. In the following 10 years, another 10 percent of the remaining salt marsh, between Maine and Delaware, was destroyed.

There are other examples, too. Upwards of 3 million Americans now own second homes. This new rush to the frontier generates a sales volume of $4 to $6 billion a year. Former Vermont Gov. Philip Hoff said recently:

> Southern Vermont is now swiftly becoming an upper middle class suburb.

In the Poconos in Pennsylvania, some 35,000 to 45,000 lots for vacation homes have recently been sold.

Some States have moved energetically to control their land use. Maine, Vermont, New York, Oregon, Florida, Hawaii—these States have laws which are important models for other States, laws on which key parts and concepts of the islands trust bill have been modeled.

It should be clear, consequently, that the threat to the Nantucket Sound Islands is not an isolated phenomenon. It is part of the pattern of similar pressures which threaten the Berkshires in western Massachusetts, the northern New England mountains, the Shenandoahs, the Upper Midwest, and both the coastline and mountains of California.

The key to preserving the truly unique among these threatened resources is a partnership which provides Federal and State funds and powers, in the framework of guidelines, to be administered by local island people. Such a partnership is in fact an expansion of local powers, but an expansion realistically consistent with guidelines reflecting the national interest in preserving the islands. I do not believe that an effective preservation program can be designed without this three-level partnership.

Time, for the islands, is of the essence. The urgency is plain for all to see, in the angular grids slashed through the moors and woods for subdivision roads; in the steepening curve of housing starts; in the Steamship Authority's boats filled to capacity on spring and fall weekends; and in the steady, ongoing destruction of dunes, beaches, and wetlands.

Where we can act, we should; and because we can act to save the Nantucket Sound Islands, we must.

Mr. President, I want to bring to the attention of the Senate two editorials from island newspapers. The first appeared a year ago in the Vineyard Gazette, that island's largest newspaper. The second appeared last week in the Nantucket Inquirer & Mirror, that island's only newspaper. They are a good indication of the urgency of the need for the islands trust bill, and of the sentiments of a great number of island people. I ask unanimous consent that they be printed in the RECORD at this point. I also ask unanimous consent that the text of the bill I am introducing today be printed in the RECORD following the two editorials.

There being no objection, the editorials and bill were ordered to be printed in the RECORD, as follows:

### THE KENNEDY BILL MUST BE ENACTED

The only secure future for Martha's Vineyard lies in the enactment as soon as possible of the Islands Trust Bill with the amendments now incorporated or projected. This view would not be advanced here or urged so forcibly without reservation if it were not based upon study, consultation, and an earnest examination of problems and alternatives.

Some things need to be resolved, such as provision for the building industry which, at the rate of a new house every day, is now headed for disaster in the familiar cycle of boom and bust. The bill ought to be shaped to make it the salvation of the builders, not their ruin. Other changes are easily possible if Islanders will speak up.

Meantime no word has been said against the purpose of the bill. We can recognize in it the common purpose of us all. Every Vineyarder knows in his heart that the Island is in deep trouble that will not go away. We have kept our heritage almost intact for more than 300 years but a new era has closed in about us and we must act. More than the preservation of scenery is at stake. Our tax structure, our basic economy, our customary pursuits, our quality of life, are all in hazard.

The differences among us are not of good against evil, or summer people against all year people, or the wise against the foolish. They are basically of conservatives who would protect and hold as much of the Island heritage in its present form as possible; and of liberals who have a dedicated love of the Island and would take bold steps to save it.

These differences must be resolved with the mutual respect of Vineyarders as reasonable men and women, and by a steadfast realism in facing up to things as they are. The county, an obsolete unit everywhere but on the Islands, cannot serve us now. To become instrumentalities of the state legislature would be intolerable.

The Kennedy Bill offers a sound course, innovative but well grounded. Within its framework a bright future can be shaped, and only good will is needed for success in the undertaking. Not least important by far, in discussing and planning and deciding, let's not lose the fun of living on Martha's Vineyard either for ourselves or for generations to come.

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### REAL ESTATE DEVELOPMENT—ANOTHER DEFENSE DISCREDITED

(By Tom Giffin)

In the concern which has arisen in the past several years to preserve a large part of Nantucket's wild lands as they are, there has been a sharp difference of opinion over how to do it. Beyond the capacities of the Nantucket Conservation Foundation and other private groups, which has been able to purchase less than 20 percent of Nantucket's open land for preservation, one school of thought has favored government action primarily through the proposed Nantucket Sound Islands Trust, or Kennedy bill. Another school of conservation-minded people has felt that land control by any off-island level of government should be avoided if at all possible, and has believed that Nantucket can sufficiently restrict real estate development through its own public health authority over sewage disposal and water supply.

This latter school has been, for all practical purposes, demolished with the completion of the water study in the land east of the Wannacomet Water Company and the subsequent lifting of the moratorium on building in that area. In this potentially most sensitive of all land on Nantucket it was found that the ground could safely absorb septic tank effluent from a very large number of dwelling units, and that building could therefore not be prohibited on this account. What goes for this land will very likely apply to a large proportion of land elsewhere on the island, and the amount of building thereby permitted will easily be enough to completely change the character of Nantucket in a most unpleasant way. Much more than just the covering of wild land with houses is at stake.

The further congestion of the town with additional auto traffic for which we have no room, the need for more heavy transport facilities both on the waterfront and at the airport, the need for more out-of-town shopping services—these and other changes in the wake of much more building will make Nantucket a very different place than we have known in even the recent past. What we have valued will shrink and disappear, and it will be replaced by one more piece of modern American Exurbia, a little harder to get to than its likenesses on the mainland, but of no particular interest or appeal.

The situation facing us should now be clear to all. If land is to be restricted from building it must be bought, either by ourselves or by someone off-island, government or otherwise. If it is not bought for conservation, then sooner or later the greater part of it will be bought for building. We can have Building Codes and Zoning Codes, and Historic District regulations until we are blue in the face—but it won't stop the building. If Nantucket is to be preserved substantially the way it is, as a delightful place to live in and visit and a valuable part of America's natural wealth, then someone is going to have to take effective action very soon.

## S. 1929

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### FINDINGS AND STATEMENTS OF POLICY

Section 1. The Congress finds that—

(a) The Nantucket Sound Islands in the Commonwealth of Massachusetts, known generally as the Islands of Nantucket, Tuckernuck, Muskeget, Martha's Vineyard, Noman's Land, and the group of Islands known collectively as the Elizabeth Islands, possess unique natural, scenic, ecological, scientific, cultural, historic, and other values;

(b) There is a national interest in preserving and conserving these values for the present and future well-being of the Nation and for present and future generations;

(c) These values are being irretrievably damaged and lost through ill-planned development;

(d) Present state and local institutional arrangements for planning and regulating land and water uses to preserve and conserve these values are inadequate;

(e) The key to more effective preservation and conservation of the values of the Nantucket Sound Islands is a program encouraging coordinate action by Federal, State, and local governments in partnership with private individuals, groups, organizations, and associations for the purpose of administering sound policies and guidelines regulating ill-planned development;

(f) Such a program can protect the natural character and scenic beauty of the Nantucket Sound Islands consistent with maintenance of sound local economies and private property values; and

(g) Because expanded access to the Islands would seriously impair them and be in contravention to the purposes of this Act, it shall be national policy that no bridge, causeway, tunnel or other direct vehicular access be constructed from the mainland to the Islands.

### NANTUCKET SOUND ISLANDS TRUST

Sec. 2. In order to provide for the preservation and conservation of the unique natural scenic, ecological, scientific, cultural, historic, and other values of the Nantucket Sound Islands, there is established in the Commonwealth of Massachusetts the Nantucket Sound Islands Trust (hereinafter referred to as the "Trust") consisting of the area described in section 4 herein. This Trust area shall be administered as hereinafter described through programs and policies designed to achieve wise use of the land and water resources of the area, giving full consideration to protection of the values of the area as well as to needs for sound local economies.

### NANTUCKET SOUND ISLANDS TRUST COMMISSIONS

Sec. 3. (a) There are hereby established the Nantucket Trust Commission, the Martha's Vineyard Trust Commission, and the Elizabeth Islands Trust Commission, to be known collectively as the Nantucket Sound Islands Trust Commissions (hereinafter referred to as the "Commissions"). It shall be the purpose of the Commissions to have principal management authority for the Nantucket Sound Islands Trust.

(b) The Nantucket Trust Commission shall have the responsibilities as established herein over the lands and waters in Nantucket County, and shall be composed of seven members serving three-year staggered terms which shall commence on the first Monday in April. Members shall be selected as follows:

(1) a member appointed by the Secretary of the Interior (hereinafter referred to as the "Secretary");

(2) a member appointed by the Governor of the Commonwealth of Massachusetts (hereinafter referred to as the "Governor");

(3) two members appointed by the Board of Selectmen of the Town of Nantucket within two weeks after the annual town meeting, one of whom shall be a seasonal resident property owner;

(4) two members who shall be qualified voters of the town and shall be elected at the annual election which is a part of the annual town meeting; and

(5) a member appointed by the Nantucket Planning Board within two weeks after the annual town meeting, who shall be a qualified voter of said town. Not more than one member of the Commission may serve simultaneously in any elective Town or County office.

(c) The Martha's Vineyard Trust Commission shall have the responsibilities as established herein over the lands and waters in Dukes County, excepting the Elizabeth Islands, and shall be composed of thirteen members serving three-year staggered terms which shall commence on the first Monday in June. Members shall be selected as follows:

(1) a member appointed by the Secretary;

(2) a member appointed by the Governor;

(3) a member elected by each town on Martha's Vineyard at the annual election which is a part of the annual town meeting, each of whom shall be a qualified voter of the town;

(4) a member appointed by the Dukes County Selectmen's Association;

(5) a member appointed by private conservation organizations on Martha's Vineyard;

(6) two members appointed by seasonal resident taxpayer associations on Martha's Vineyard; and

(7) a member elected by the senior class of the regional high school, who shall, notwithstanding other provisions of this subsection, serve a one year term.

Only the member selected under paragraph (4) of this subsection may hold elective Town or County office during his term of office as Commission member.

(d) The Elizabeth Islands Trust Commission shall have the responsibilities as established herein over the lands and waters of the Elizabeth Islands, and shall be composed of seven members serving three-year staggered terms which shall commence on the first Monday in April. Members shall be selected as follows:

(1) a member appointed by the Secretary;

(2) a member appointed by the Governor;

(3) a member elected at the annual election which is a part of the annual town meeting;

(4) two members appointed by the Board of Selectmen to represent the Island of Cuttyhunk, one of whom shall be a permanent resident of Cuttyhunk and one of whom shall be a seasonal resident of Cuttyhunk; and

(5) two members appointed by the Board of Selectmen to represent the other islands in the Elizabeth Islands, one of whom shall be a permanent resident of one of such other islands and one of whom shall be a seasonal resident of one of such other islands.

(e) Each Commission shall have a Chairman. The Chairmen of the Commissions shall each be elected by the membership thereof for a term of not to exceed two years. Any vacancy in the Commissions shall be filled in the same manner in which the original selection was made, except that interim appointments may be made by the remaining members of the Commission.

(f) All members of the Commission shall be paid at the rate of $50 per diem when actually serving. The Secretary is authorized to pay the expenses reasonably incurred by the Commissions in carrying out their responsibilities under this Act on the presentation of vouchers signed by the Chairmen.

(g) The Commissions shall publish and make available to the Secretary and to the public an annual report reviewing matters relating to the Trust, including acquisition of lands, progress toward accomplishment of the purposes of this Act, and administration, and shall make such recommendations thereto as they deem appropriate to the Secretary, the Governor, and the towns.

(h) The Martha's Vineyard and Nantucket Commissions shall, and the Elizabeth Islands Commission may, each have an Executive Director, and such other permanent or part-time professional, clerical, or other personnel as they find are required, and may engage such other professional services as they may reasonably require and the Secretary shall approve. Each Commission shall have an office and a mailing address at a central location in the area of its jurisdiction, and such office shall be where its ordinary business is conducted and its maps and records kept.

(i) The Commissions shall each have the authority to appoint Commission Advisory Committees in their own discretion. Each Commission shall designate three of its members to serve on a coordinating committee with members of the other Commissions to treat matters of common concern.

(j) At its first meeting each Commission shall adopt by-laws and rules of procedure, which may include dates of meetings, public distribution of information relating to Commission activities, disclosure of ownership interest in trust lands by Commission members, and any other matters normal to the operation of such bodies and consistent with the purposes of this Act. The Commissions shall comply with the provisions of the Massachusetts Open Meetings Law, and they shall be deemed to be "boards" within the meaning of said law.

(k) In exercising their management and administrative responsibilities under this Act the Commissions shall not adopt regulations which are less restrictive than regulations in force and effect in the Commonwealth of Massachusetts or the respective towns within the Trust area.

(l) Members of Commissions may serve also as members of any resources or land management council heretofore or hereafter established under the laws of the Commonwealth of Massachusetts.

### TRUST AREA

SEC. 4. (a) The area of the Trust shall encompass the following lands and waters in the Commonwealth of Massachusetts:

(1) Nantucket Island, and the Island to westward called variously Smith's Island or Esther Island;

(2) Tuckernuck Island;

(3) Muskeget Island;

(4) Martha's Vineyard Island, and various islands appurtenant to it;

(5) Noman's Land Island;

(6) The Elizabeth Islands, including but not limited to the Islands of Cuttyhunk, Nonamasset, Naushon, Pasque, Nashawena, Uncatena, Penikese, and the Weepeckets; and

(7) Any other lands and waters in Nantucket County and Dukes County in the Commonwealth of Massachusetts.

(b) The area included in the Trust may be changed only by an amendment to this Act adopted by the Congress and signed by the President, and only upon petition therefor by the Commissions wtih the concurrence of—

(1) The town or towns affected expressed by vote of a town meeting or meetings;

(2) The Governor; and

(3) The Secretary.

(c) Noman's Land. The lands and waters of Noman's Land are hereby established as a national wildlife refuge, and the Secretary is directed to prepare and execute the necessary documentation for such establishment forthwith. To make Noman's Land suitable for such establishment, the Secretary and the Secretary of Defense shall, within twelve months after the date of enactment of this Act, survey Noman's Land for unexploded military ordnance and render such ordnance, wherever it may be found, harmless.

### CLASSIFICATION OF TRUST LANDS

SEC. 5. (a) Lands and waters within the Trust area shall all be assigned to the classifications established in subsection (b) of this section. Upon the date of enactment of this Act, such lands and waters shall be assigned to classifications according to the terms of section 6 of section 17 herein.

(b) Classifications of Trust lands:

(1) Class A: Lands Forever Wild. Lands and waters so classified shall remain forever free of improvements, as defined hereinafter, of any kind except as provided herein. If improvements exist on any lands so classified on the date of enactment of this Act, then the Commissions and the Secretary shall permit a right of use and occupancy to the legal or beneficial owner or owners thereof, or their successors or assigns, for so long as such successors or assigns are members of the same family or families as the legal or beneficial owner or owners. If, however, the legal or beneficial owner or owners seek to sell or otherwise convey the improvement with or without the land thereunder to others than legal or beneficial owners or members of the same family or families as the legal or beneficial owner or owners, then the Commissions and the Secretary shall have an exclusive option to purchase at full and fair market value, which shall be promptly determined, and such option shall exist for sixty days after such determination. If such option is exercised, then the improvement may be moved or removed; if such option is not exercised, then the sale or other conveyance may proceed in the ordinary course. For the purposes of this paragraph, family shall mean siblings of a legal or beneficial owner or owners, lineal descendants natural or adopted, or relatives by marriage. Access to and use of lands so classified under the terms of this Act shall be determined by the Commissions and the Secretary, except that uses shall be in a manner not less restrictive than permitted by general purpose local ordinances, by-laws and regulations from time to time in effect.

Owners of improvements may make necessary repairs, and may make replacements or extensions which shall not alter the basic character of the lands, with the approval of the Commissions and applicable Town or County agencies.

(2) Class B: Scenic Preservation Lands. Lands and waters so classified shall not be developed beyond their present intensity of use, except as provided in this paragraph. Owners of such lands, or of improvements thereon, or of both, may transfer, sell, assign, or demise such land or improvements, or both. Reasonable replacement and extension of improvements shall be permitted, under regulations issued by the Commissions. Development on lands so classified beyond their present intensity of use shall be permitted only under regulations consistent with the following guidelines:

(i) The overall intensity of use for lands so classified in any town shall not be greater than sixty-five improvements per square mile, including improvements existing on April 11, 1972;

(ii) The area upon which intensity is calculated shall not include bodies of water or wetlands classified as such under Massachusetts salt water or fresh water wetlands acts (Chapters 784 and 782 of the Acts of 1972);

(iii) The overall intensity guideline shall not be translated into uniform lot sizes and applied to the land so classified, but shall be applied with flexibility to encourage sound land use planning respecting the varying natural values of the different geographical areas of land; and

(iv) Any development must take into account the capability of the land for such development, which shall include consideration of existing land use, intensity of uses in the immediate vicinity, areawide water quality, soil conditions, roadway utilization, and visual and topographic conditions.

Regulations consistent with these guidelines shall be drawn up and published by each town and the appropriate Commission, and shall become effective only after a public hearing or hearings thereon and after approval by the Governor and the Secretary. After such regulations have become effective, the provisions of section 16 herein as they apply to the lands covered by the regulations shall no longer apply; and construction of improvements shall thereafter be permitted so long as the appropriate Commission has issued a permit therefor indicating satisfaction of the conditions of this paragraph.

(3) Class C: Town Planned Lands. Lands and waters so classified shall remain under the jurisdiction of the town in which located for purposes of planning and zoning ordinances and other land use regulations: *Provided*, That such planning and zoning ordinances and other land use regulations shall be reviewed and commented upon by the Commissions and the Secretary as to consistency with the purposes of this Act prior to the adoption of such ordinances or regulations or amendments thereto; and *provided further*, That the Commissions may review and comment upon variances proposed to be granted pursuant to any local zoning ordinance.

### ASSIGNMENT OF TRUST LANDS

SEC. 6. (a) Assignment of lands and waters within the Trust area to the classifications established by section 5 herein shall be as depicted on Nantucket County and Dukes County Nantucket Sound Island Trust maps on file and available for public inspection in—

(1) The offices of the National Park Service, Department of the Interior;

(2) The offices of the towns within the Trust area; and

(3) The offices of the Commissions.

(b) Changes in such assignments to classifications may be made by altering the location of boundary lines between classifications in the following manners—

(1) Minor corrective adjustments due to technical or clerical errors may be made within one hundred and eighty days after the first official meeting of a Commission by vote of such Commission and with the concurrence of the Board of Selectmen of the town affected;

(2) Thereafter, the location of boundary lines between classifications may be changed only by a Commission acting pursuant to an affirmative vote thereon by a town meeting or meetings of the town or towns affected, with the concurrence of the Governor and the Secretary.

(c) Any changes in the location of boundary lines between classifications shall be recorded by the Commissions and the Secretary on the official maps within seven days after such changes become effective.

### ACQUISITION OF LANDS

SEC. 7. (a) GENERAL PROVISIONS—

(1) Within the area of the Trust, the Secretary is authorized to acquire by donation or transfer from any Federal agency, and, with the advice of the Commission, by purchase with donated or appropriated funds or transfer funds, or by exchange, lands and waters and interests therein at fair market value for the purpose of this Act.

(2) With respect to that property which the Secretary is authorized to acquire without the consent of the owner under the terms of this Act, the Secretary shall initiate no proceedings therefor until after he has made every reasonable effort to acquire such property or interest therein by negotiation and purchase at the fair market value prior to April 11, 1972. The certificate of the determination by the Secretary or his designated representative (which may be the Commissions) that there has been compliance with the provisions of this paragraph and of paragraph (3) of this subsection shall be prima facie evidence of such compliance.

(3) In exercising authority to acquire property under the terms of this Act, the Secretary shall give immediate and special consideration to any offer made by an owner or owners of unimproved Class A: Forever Wild Lands or Class B: Scenic Preservation Lands within the Trust area to sell such lands to the Secretary. An owner or owners may notify the Secretary that the continued ownership of those lands would result in hardship to such owner or owners, and the Secretary shall immediately consider such evidence and the recommendations of the Commissions, if any, and shall within six months following the submission of such notice, and subject to the then current availability of funds, purchase the lands offered at the fair market value prior to April 11, 1972.

(4) In exercising authority to acquire property under the terms of this Act, the Secretary shall conform to the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601).

(5) The Secretary shall furnish to any interested person requesting the same a certificate indicating, with respect to any property which the Secretary has been prohibited from acquiring without the consent of the owner in accordance with the provisions of this Act, that such authority is prohibited and the reasons therefor.

(6) Nothing in this Act shall be construed to prohibit the use of eminent domain as a means of acquiring a clear and marketable title, free of any and all encumbrances.

(7) In exercising his authority to acquire property by exchange, the Secretary may accept title to any non-Federal property located within such area and, with the advice of the Commissions, convey to the grantor of such property any federally owned prop-

erty under the jurisdiction of the Secretary within such area. The properties so exchanged shall be approximately equal in fair market value: *Provided*, That the Secretary may accept cash from or pay cash to the grantor in such an exchange in order to equalize the values of the properties exchanged.

(8) Any property or interests therein, owned by the Commonwealth of Massachusetts or any political subdivisions thereof, may be acquired only by donation. Notwithstanding any other provision of law, any property owned by the United States on April 11, 1972, located within the Trust area may, with the concurrence of the agency having custody thereof, be transferred without consideration to the administrative jurisdiction of the Secretary for use by him in carrying out this Act.

(b) TRANSFER TO COMMISSIONS—

(1) Upon acquisition by him of any land or interests therein, the Secretary shall concurrently or as soon as is practicable thereafter transfer without consideration an undivided one-half interest in such land or interest therein to the Commission within whose jurisdiction the land or interest therein lies.

(2) Thereafter, such land or interest therein shall be held by the appropriate Commission and the Secretary in a public trust.

(3) The lands or interests therein so held in trust shall be administered as described in this Act, and the Secretary and the Commissions may exchange any such lands or interests so held in trust pursuant to the provisions of this section.

(c) TAXATION—

(1) Nothing in this Act shall be construed to exempt any real property or interest therein held by the Commissions and the Secretary under this Act from taxation by the Commonwealth of Massachusetts or any political subdivision thereof to the same extent, according to its value, as other real property is taxed.

(2) Nothing contained in this Act shall be construed as prohibiting any governmental jurisdiction in the Commonwealth of Massachusetts from assessing taxes upon any interest in real estate retained under the provisions of this Act to the nonexempt owner or owners of such interest, nor from establishing and collecting fees in lieu of taxes upon any nongovernmental use of lands acquired pursuant to this Act.

### LIMITATIONS

SEC. 8. (a) Not later than one hundred and eighty days after the enactment of this Act, the Commissions and the Secretary shall notify an owner or owners of Class B: Scenic Preservation Lands, other than property designated for fee acquisition, of the minimum regulations on use and development of such property under which such property may be retained in a manner compatible with the purpose for which the Trust was established. If the owner or owners of any such lands agree to the use and development of the property in accordance with such regulations, the Secretary may not acquire, without the consent of such owner or owners, such property or interests therein for so long as the property affected is used in accordance with such regulations, unless the Commissions and the Secretary determine that such property, or any part thereof is needed for other purposes as described in this Act. Such lands shall be included in the area upon which intensity is calculated for purposes of section 5(b)(2) herein.

(b) The Secretary may not acquire improved property on Class B: Scenic Preservation Lands without the consent of the owner or owners unless he shall have determined that acquisition of such property is necessary to carry out the requirements of this Act and unless the appropriate Commission shall have concurred therewith by a recorded affirmative vote.

(c) As used herein, the terms "improved property" or "improvement" shall mean a detached, noncommercial residential one-family dwelling the construction of which was begun before April 11, 1972, or such a dwelling for which a certificate of need was voted pursuant to section 16(a) herein, together with—

(1) So much of the land on which the dwelling is situated, the said land being in the same ownership as the dwelling, as the Commissions and the Secretary shall determine to be reasonably necessary for the enjoyment of the dwelling and land for noncommercial residential or agricultural purposes, and

(2) Any structures accessory to the dwelling which are situated on such land. The amount of the land subject to determination Class A: Forever Wild Lands and Class B: Scenic Preservation Lands shall in every case be at least three acres in area, or all of such lesser acreage as may be held in the same ownership as the dwelling. In making such determinations the Commissions and the Secretary shall take into account the manner of noncommercial residential use in which the dwelling and land have customarily been enjoyed: *Provided*, That the Commissions and the Secretary may exclude from the land subject to determination any beach lands, together with so much of the land adjoining such beach lands, as they may deem necessary for public access thereto. If they make such exclusion, an appropriate buffer zone shall be provided between any dwelling and the public access or beach.

(d) As used herein, the term "development" shall mean the construction of an improvement.

(e) Should a commercial use in existence prior to April 11, 1972, be included as part of such a dwelling, it shall be considered a nonconforming use.

(f) The Commissions, together with the Secretary and the towns, shall establish regulations consistent with the purposes of this Act governing the status of boathouses, camps, piers, and other nonresidential structures.

(g) The Secretary, after consultation with the Commissions and the Governor and within six months after the date of enactment of this Act, shall issue proposed Compensable Land Use Regulations applicable to the Trust, and after due notice shall cause to be held public hearings on such regulations. Thereafter, he shall issue Compensable Land Use Regulations applicable to the Trust which shall—

(i) establish the manner in which the fair market value of lands or waters affected by the classifications established in sections 5(b)(1) and 5(b)(2) and by the right of passage in Section 10(c) shall be calculated where such classifications have caused a decrease in such value, and where the provisions of sections 7(a)(3), 8(a) or 13(a) do not apply; and

(ii) set forth the manner by which owner or owners may pursue a right of action in the United States District Court.

### EROSION CONTROL

SEC. 9. (a) The Commissions, together with the Secretary, the Governor, and the Secretary of the Army, shall cooperate in a study and shall formulate plans for beach and shoreline erosion control and restoration projects on the Nantucket Sound Islands, especially in those areas most immediately threatened. Any protective works, including water resource developments and navigation improvements, for such control undertaken by the Chief of Engineers, Department of the Army, shall be carried out only in accordance with a plan that is mutually acceptable to the Commissions, the Governor, and the Secretary, and is consistent with both the purposes of this Act and the purposes of existing statutes dealing with water and related resource development.

(b) The Commissions together with the Governor and the Secretary, shall undertake a program of dune and headland erosion control, beginning with those dunes and headlands most immediately threatened and in need thereof. Such dune and headland erosion may be that caused by natural wind and water action, by motor vehicle passage, or by other factors, and such programs may have the purposes of restoring past and present damage and of preventing further damage.

### BEACHES

SEC. 10. (a) All beach lands within the Trust area, with the exception of beach lands classified as Class C: Town Planned Lands, shall be classified as Class A: Forever Wild Lands, notwithstanding that such beach lands may be classified as Class B: Scenic Preservation Lands by other provisions of this Act.

(b) As used in this Act, the term "beach lands" shall mean the wet and dry sand area lying between the mean low water line and the base of headlands or the visible line of upland vegetation, whichever shall be closer to the mean low water line, and shall include dunes, rock beaches, wetlands, marshes, and estuarine areas adjoining tidal waters.

(c) There is herewith established a nonvehicular right of passage—

(1) In Class A: Forever Wild beach lands, at the high water line of sufficient width for a person to pass and repass; and

(2) In Class C: Town Planned beach lands, at the high water line of sufficient width for a person to pass and repass, but only in those specified areas which each Commission shall, within six months after its first meeting, establish as right of passage beach lands. The rights of owners of residential improvements on beach lands as of April 11, 1972, shall be respected: and the Commissioners shall not permit the right of passage created in paragraphs (1) and (2) of this subsection where such right would interfere with the use and enjoyment of such improvements by the owners thereof.

(d) Upon agreement therefor by the Commissions, the Governor, and the Secretary, the Secretary may acquire in any manner authorized by this Act, lands and waters in the Trust area for the purposes of—

(1) establishing public beaches open to public use and enjoyment; and

(2) establishing access to such beaches. Such public beaches may or may not be enlargements of existing public beaches, but in any case shall to as great an extent as possible be located so as to be consistent with the conservation and preservation purposes of this Act. Access to such public beaches shall respect the rights of private property owners in the immediate vicinity, and shall be designed to protect the natural features of the land. The Commissions shall establish limitations on the number of vehicles to be parked at public beach areas. Within twelve months after its first meeting, the Martha's Vineyard Commission shall designate two new public beaches on the southern or south-western shoreline of Martha's Vineyard; neither of such new areas shall, however, be enlargements of existing beaches open to public use.

(e) Six months after the first meeting of each Commission, motor vehicles, open fires, and camping shall be prohibited from beach lands within the area of its jurisdiction: *Provided*, That each Commission may designate beach land areas open to such uses, and shall adopt regulations specifying the conditions of use within six months after its first meeting.

### ADMINISTRATIVE PROVISIONS

SEC. 11. (a) The Trust shall be administered and protected by the Commissions with the primary aim of preserving the natural resources located within it and preserving the area in as nearly its natural state and condition as possible. No development by the Commissions shall be undertaken in the Trust area which would be incompatible with the overall lifestyle of residents of the area, with generally accepted ecological principles, with the preservation of the physiographic conditions now prevailing, or with the preservation of historic sites or structures.

(b) The Trust shall be administered and protected by the Secretary, as to his responsibilities, in accordance with the provisions of this Act and the Act of August 25, 1916 (39 Stat. 535; 16 U.S.C. 1 et seq.), as amended and supplemented, except that the Secretary may utilize any other statutory authority available to him for the conservation, preservation, and management of natural resources to the extent he finds such authority will further the purposes of this Act.

(c) The Commissions shall coordinate their administrative activities both with each other, and with those of other Federal, State, and local government authorities and agencies operating in the Trust area.

(d) In the event that the laws of the Commonwealth of Massachusetts either before or after enactment of this Act provide for the management by a regional agency of areas of critical planning concern, pursuant either to a special purpose act dealing only with all or a part of Trust lands and waters or to a general purpose state law, the Commissions may, with the concurrence of the Governor and the Secretary, suspend the application of all or part of the provisions of this Act, except Section 2 which shall not be suspended, for those lands and waters managed by such agency so long as the Commissions, the Governor and the Secretary are satisfied that such management will be consistent with the purposes of this Act.

### TRANSPORTATION AND GENERAL USES

SEC. 12. (a) The Commissions, together with the Governor, and the Secretary, shall make an immediate survey of public and private water and air access to lands in the Trust area, including that by the Woods Hole, Martha's Vineyard, and Nantucket Steamship Authority and by other public and private water and air carriers, shall make such recommendations to the appropriate body or bodies for legislative or administrative action as they deem consistent with the preservation and conservation purposes of this Act. Such recommendations shall include specific measures to limit the number of motor vehicles and passengers such carriers might otherwise transport to the Nantuck Sound Islands. Thereafter, regular and frequent surveys of such access shall be made, and such recommendations shall be made, as are deemed appropriate to maintain the unique values of lands and waters in the Trust area.

(b) No development or plan for the convenience of visitors to Trust lands or waters shall be undertaken which would be incompatible with the preservation and conservation of the unique values thereof: *Provided,* That the Commissions, the Governor, and the Secretary may provide for the public enjoyment and understanding of the values of the Nantucket Sound Islands by establishing such public transportation systems, trails, bicycle paths, observation points, and exhibits, and by providing such services as they may deem desirable for such public enjoyment and understanding, consistent with the preservation and conservation of such values.

(c) In any such provision for public enjoyment or understanding, the Commissions, the Governor, and the Secretary shall not unreasonably diminish for its owners or occupants the value or enjoyment of any improved property within the Trust lands.

### PRIVATE NONPROFIT ORGANIZATIONS

SEC. 13. (a) In order to encourage and provide an opportunity for the establishment of natural and scenic preserves by voluntary private action of owners of lands and waters in the Trust area, and notwithstanding any provision in this Act or in any other provision of law, the Secretary's authority to acquire lands or interests therein without the consent of the owner shall be suspended when:

(i) lands or waters or interests therein which are designated as being presently or from time to time needed to carry out the purposes of this Act are irrevocably in the ownership of private nonprofit conservation, preservation, historic, or other organizations or associations, and the restrictions against development of such lands meet the standards referred to herein; or

(ii) lands or waters or interests therein which are designated as being presently or from time to time needed to carry out the purposes of this Act are, to the satisfaction of the Commissions, the Governor, and the Secretary and within twenty-four months after enactment of this Act, irrevocably committed to be sold, donated, demised, or otherwise transferred to such organizations or associations.

(b) Section 19 of this Act shall be suspended with respect to those lands and waters and interests to which subsection (a) of this section applies; and section 10 of this Act shall be similarly suspended whenever in the judgment of the Commissions its applicability will contravene the purposes of this Act or any provision of law of the Commonwealth of Massachusetts.

(c) The provisions of this section shall be applied only to those organizations and associations which are determined to be bona fide and general purpose.

(d) All of the provisions of this Act, except Section 2, shall be suspended with respect to any lands, waters, or interests therein so long as such lands, waters, or interests therein are within twenty-four months of the enactment of this Act irrevocably subject to a conservation restriction created, approved and recorded under sections 31 through 33 of chapter 184 of the General Laws of Massachusetts which forbids or in the judgment of the Commissions and the Secretary, as evidenced by their written approval of such restriction, substantially limits all or a majority of the land uses referred to in clauses (a) through (g) of the first paragraph of said section 31.

(e) The Secretary is authorized to provide technical assistance to the Commissions and the towns, and to private organizations and associations, for the purpose of establishing sound land use planning and zoning bylaws to carry out the purposes of this Act. Such assistance may include payments to the Commissions and the towns for technical aid.

### POLLUTION

SEC. 14. The Commissions, together with the Governor and the Secretary, shall cooperate with the appropriate Federal, State and local agencies to provide safeguards against pollution of the waters in and around Trust lands. Such safeguards shall include an immediate survey of the quality of ground water conditions in all or any part of the area of the Trust, and the necessary funds therefor may be drawn from the appropriations authorized by section 20 herein.

### NEW EMPLOYMENT OPPORTUNITIES

SEC. 15. (a) The Secretary, together with the Governor and the Secretaries of Commerce and Labor, is directed to examine the Trust lands and waters forthwith for opportunities to experiment with, and to encourage development of, aquaculture of all kinds, including but not limited to, fish and shellfish and other associated activities; and to examine other new employment opportunities of any kind appropriate to the purposes of this Act. Funds appropriated to the Department of Interior, Commerce and Labor under the authority of this or other laws of the United States may be used for this purpose without restriction.

(b) The Commissions, the Governor and the Secretary shall to as great an extent as possible in the development of any regulations pursuant to the provisions of this Act encourage the maintenance and commencement of agricultural uses of Trust lands.

(c) The Secretary, in consultation and cooperation with the Secretary of Labor, shall investigate, and where appropriate establish, training and retraining programs suitable for residents of Trust lands.

### FREEZE DATE

SEC. 16. (a) Beginning on April 11, 1972, no construction of any improvement, whether for residential, commercial, industrial, or any other purpose, shall be permitted to commence on any lands classified herein as "Forever Wild". Construction of improvements shall be permitted on any lands classified as "Town Planned Lands" only upon the granting of specific approval therefor by the board of selectmen of the particular town, after a showing of the need therefor. Construction of improvements shall be permitted on any lands classified as "Scenic Preservation Lands" only upon the granting of specific approval therefor by the board of selectmen of the particular town, after a showing of the need therefor. Approvals granted by a vote of board of selectmen pursuant to a finding of need therefor and pursuant to a statement of justification therefor, shall subsequently be deemed valid by the Commissions and the Secretary.

(b) In the case of any hardship caused by the provisions of subsection (a) of this section, the Commissions and the Secretary shall, on the basis of rules and regulations developed and approved by the Commissions and the Secretary, make a valuation thereof and shall award fair recompense to any individual for whom hardship is demonstrated.

### INDIAN COMMON LANDS

SEC. 17. (a) The Martha's Vineyard Commission is directed to establish forthwith an orderly program for determining the precise extent of Indian Common Lands on Martha's Vineyard. The program shall include a survey or surveys, and such other research or field work as may be necessary to establish the ownership and boundaries of the Indian Common Lands known generally as the Cranberry Bogs, the Clay Cliffs, and Herring Creek. Funds to carry out the program may be drawn from those authorized to be appropriated by section 20 or section 13(c) herein.

(b) Upon completion of this program, the Secretary is directed to acquire the Indian Common Lands by any manner authorized by this Act: *Provided,* That such power of acquisition is suspended for any such lands in the ownership of a member or members of the Wampanoag Indian Tribe of Gay Head.

(c) The Martha's Vineyard Commission and the Secretary shall thereafter hold in trust such land acquired as established by section 7 herein. At such time as the Wampanoag Indian Tribe of Gay Head is recognized officially by the United States of America, and subject to mutual agreement as to utilization of any land held in trust, the Martha's Vineyard Commission and the Secretary shall transfer such land to the Wampanoag Indian Tribe of Gay Head without consideration to be held in tribal trust status.

(d) Upon petition therefor by the Wampanoag Tribal Council, the Secretary shall undertake such studies and begin such proceedings as may be necessary to cause the Wampanoag Indian Tribe of Gay Head to be officially recognized by the United States of America.

### RESIDENT HOME SITES

SEC. 18. (a) Upon petition therefor by any town, acting pursuant to a vote of a town meeting, the appropriate Commission shall, with the advice of the Governor and the Secretary and the Secretary of Housing and Urban Development, prepare a Resident Home Site Plan.

(b) A Resident Home Site plan shall—

(1) State the reasons for the establishment of the plan;

(2) Delineate the land area or land areas in the town intended to be utilized for carrying out the plan;

(3) Define the criteria by which town residents may avail themselves of the plan;

(4) Project the total number of sites envisioned by the plan; and

(5) Establish the fair purchase value of such sites for qualified residents.

(c) Upon approval of a Resident Home Site plan by the appropriate town, and by the Governor and the Secretary, the Secretary is authorized to acquire for fair market value the land area or land areas specified in the plan by any manner authorized by this Act. The Secretary of the appropriate Commission shall thereafter make resident home sites available for sale to qualified residents at the fair purchase value established in the plan. The difference between the fair market value and the fair purchase value shall be borne by the Secretary out of funds appropriated pursuant to section 20 herein.

(d) Any resident home site sold under the authority of this section shall be subject to a right of first refusal in the Secretary and the appropriate Commission.

### HUNTING AND FISHING

SEC. 19. (a) Hunting, fishing, and trapping on lands and waters within the Trust shall be permitted in accordance with the applicable laws of towns in the Trust area, the Commonwealth of Massachusetts, and the United States, except that the Commissions, the Governor, and the Secretary may designate zones where, and establish periods when, no hunting, no fishing and no trapping shall be permitted for reasons of public health, public safety, fish or wildlife management, administration, or public use and enjoyment. Except in emergencies, any regulations prescribing any such restrictions shall be issued only after consultation with the appropriate agency of said Commonwealth and any political subdivision thereof which has jurisdiction over such activities.

(b) The Commissions and the Secretary shall leave all aspects of the propagation and taking of shellfish to the towns within the Trust area.

### APPROPRIATIONS

SEC. 20. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act; not to exceed, however, $20,000,000 for the acquisition of land and interests therein, and not to exceed $5,000,000 for development, both in April 1972 prices, for the first three years of the operation of the Trust, plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuations in construction costs as indicated by engineering cost indices applicable to the types of construction involved herein.

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**By Mr. McCLELLAN (for himself and Mr. HRUSKA):**

**S. 1930. An original bill to amend the Omnibus Crime Control and Safe Streets Act of 1968. Ordered placed on the calendar by unanimous consent.**

Mr. McCLELLAN. Mr. President, I am today introducing, for myself and the distinguished Senator from Nebraska (Mr. HRUSKA), legislation to extend for 1 year the Law Enforcement Assistance Administration created by the Congress as title I of the Omnibus Crime Control and Safe Streets Act of 1968.

The authority for the Law Enforcement Assistance Administration—LEAA—will end on June 30 of this year. There are a number of proposals pending in both Houses of the Congress which would extend, alter, or significantly change the authority for this administration. One such measure would have the funding authorities of the present act merged into law enforcement revenue sharing payments to the States. Another proposes to channel increased Federal funds directly into local cities and communities, replacing the existing State block grant approach in most of the present programs. Other proposals, with perhaps less far-reaching changes, are before the Subcommittee on Criminal Laws and Procedures, which I am privileged to chair.

In view of the obvious controversial or at least differing character of the proposals before the subcommittee, and the short time remaining under existing authority, I feel that this bill may be the most expeditious way to guarantee that the LEAA program does not die and that the Senate has adequate opportunity to consider proposals for change.

We had hoped that the House—which started its hearings sometime ago—would have a bill over here by now, giving the Senate time to examine it along with other measures pending in the Senate. This would have possibly enabled us to have processed, reported, and enacted a bill before the end of next month. That possibility is now fading with the passage of time. In view of our present heavy schedule here in the Senate it now appears we will have to adopt some other course of action.

Mr. President, there has been a very significant amount of interest expressed recently in the Law Enforcement Education program administered by LEAA. The mail I have received indicates serious concern for the future of that program, concern particularly on the part of the men and women in law enforcement and on the part of the educational institutions taking part in the program. This program is presently serving some 95,000 students in more than 900 educational institutions across the Nation. Clearly, those who are presently taking part in the program and those who hope to do so in the future need to be assured of its continuation.

Under this proposed extension, the law enforcement education program could be continued in its present form and could continue to provide financial assistance to law enforcement personnel who are seeking to increase their skills and ability through higher education.

Under the 1968 act, moreover, each State is required to develop and submit to LEAA a comprehensive statewide criminal justice plan. This plan must be approved by LEAA before bloc grant funds are made available to implement the State and local law enforcement programs. The criminal justice planning process and the development of State and local programs is a year-round activity, which requires leadtime in term of the assurance of a specific level of Federal funding. The States are already well into the planning cycle for the 1974 fiscal year funding. This proposed extension will permit them to continue the planning activities and assures them that Federal participation will not be disrupted or suddenly expire with the close of fiscal year 1973.

It has been said that the cooperation between the various elements of the criminal justice system in the several States and the preparation of the annual State plans are among the most important contributions of the Safe Streets Act to law enforcement. It is critical that this planning process be maintained and encouraged through positive action to continue the Federal program of law enforcement assistance.

Mr. President, I do not view this extension as settling in favor of the status quo or even putting off the work that faces the subcommittee. Hearings have been scheduled for June 5 and 6 on the measures now before the subcommittee. I expect that the House bill will arrive shortly. The subcommittee fully intends to explore each of these measures and to process a comprehensive bill as soon as practicable. I note, too, that it will be possible to tailor carefully the effective date of innovative features of any legislation which emerges from our considerations. Needed reforms can, therefore, be put into effect without unnecessary delay or disrupting unduly the present programs.

Mr. President, I ask unanimous consent that this proposed legislation not be referred to committee, but that it go directly on the calendar. It is not my intention, however, to call this legislation up immediately. But as time goes on, if it appears that it will not be possible to complete action on the measures before us, I want to be in a position to act swiftly to guarantee that this program will continue.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HRUSKA. Mr. President, I am pleased to join with the distinguished senior Senator from Arkansas (Mr. McCLELLAN) in the introduction of a bill to extend the Omnibus Crime Control and Safe Streets Act for 1 year following its expiration on June 30, 1973.

As the ranking minority member of both the Subcommittee on Criminal Laws and Procedures and the Appropriations Subcommittee responsible for the budget legislation affecting the Department of Justice and the Law Enforcement Assistance Administration, I am deeply concerned by the rapidly advancing expiration date of this important program. A glance at the calendar indicates that there are fewer than 20 weekdays remaining for final legislative action.

On March 14 of this year, I introduced at the request of the administration the Law Enforcement Revenue Sharing Act of 1973. A companion measure was introduced in the House by Representative HUTCHINSON.

The Subcommittee on Criminal Laws and Procedures has set aside time on June 5 and 6 to hold hearings on the anticipated House-passed bill. It is hoped that we will be able to complete final action on the measure by June 30. However, the prospects of final action by the Congress prior to that date are extremely dim.

One reasonable interim alternative might be a simple extension of the Safe Streets Act to June 30, 1974. This will permit the State and local units of government, which have benefited so significantly under the existing law enforcement assistance program, to continue their comprehensive criminal justice planning and maintain the operation of crime-reduction programs with some assurance of a continuing Federal commitment to this effort.

Mr. President, I am certain that none of my colleagues wants to see this program end or would propose to abolish LEAA. Even those who have most forcefully advocated changes in the present Act have repeatedly asserted a conviction that LEAA should have a continued life. This attitude was made abundantly clear last September when I proposed an extension to the Safe Streets Act in anticipation of the very kind of difficulty and delay we are now experiencing.

I am certain that no one would argue that the existing law is perfect—that no modifications to the Safe Streets Act ought be considered. In fact, I am pleased to learn that the House subcommittee which is considering the law enforcement assistance legislation has tentatively agreed to language which would reduce the state and local contributions to the program. It is my understanding that the presently agreed-to proposal would provide for a 90 percent Federal share to be matched by a 10 percent State and local match instead of the present 75 percent and 25 percent matching. It would also provide for a 50 percent "buy-in" wherein the States will provide in the aggregate not less than one-half of the non-Federal funding. This provision would reduce even further the burden on local units of government and be one step toward a revenue sharing concept.

Additionally, there are other alterations in the existing Safe Streets Act which may be desirable, and they will be considered fully.

From the standpoint of the appropriations process we must provide both LEAA and the Congress with sufficient time prior to June 30 to begin consideration of a restructuring of certain portions of the administration's budget request. The administration budget proposal for LEAA was designed to implement law enforcement special revenue sharing and to operate with a reduced administrative staff. It might be necessary to consider a variation of that administration budget for LEAA to make necessary adjustments in personnel.

It seems to me that with the imminent expiration of the present Act and the possibility that the Senate will be unable to undertake adequate consideration of a House bill to deal with this matter, an immediate extension of the Safe Streets Act should be held at the desk and duly acted upon as subsequent events require.

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By Mr. BUCKLEY (for himself, Mr. Hatfield, Mr. Hughes, Mr. Bennett, Mr. Bartlett, Mr. Young, and Mr. Curtis):

S.J. Res. 119. Joint resolution proposing an amendment to the Constitution of the United States for the protection of unborn children and other persons. Referred to the Committee on the Judiciary.

(The debate relating to introduction of the joint resolution appears at an earlier point in the Record.)

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## ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

### S. 470

At the request of Mr. Williams, the Senator from Massachusetts (Mr. Brooke) was added as a cosponsor of S. 470, to amend the Securities Exchange Act of 1934 to regulate the transactions of members of national securities exchanges, to amend the Investment Company Act of 1940 and the Investment Advisers Act of 1940 to define certain duties of persons subject to such acts, and for other purposes.

### S. 651 AND S. 652

Mr. McCLURE. Mr. President, I have worked against gun controls ever since I have been in Congress. I was the first Member of the House of Representatives to introduce a bill to repeal the entire Gun Control Act and I was the first Member of the Senate to do so this year. S. 652 would simply repeal the Gun Control Act of 1968, a law passed at a moment of national hysteria and a law that has proved to have no adverse effect on anyone other than the law-abiding citizen.

Recently the distinguished Senators from Arizona, Senator Fannin and Senator Goldwater, have asked to cosponsor my bill. I welcome this support and respectfully request that their names be added as cosponsors to S. 652.

Additionally Senator Goldwater and Senator Fannin have asked to cosponsor S. 651. I introduced this bill in an effort to take a more practical approach to crime in which a gun is used. S. 651 would require an automatic additional penalty of from 5 to 10 years for anyone convicted of using a firearm in the commission of a Federal crime. I am grateful to Senator Fannin and Senator Goldwater for their support of this bill. I respectfully request that their names be added as cosponsors to S. 651.

The PRESIDING OFFICER. Without objection, it is so ordered.

### S. 1125

At the request of Mr. Hughes, the Senator from Oregon (Mr. Hatfield) was added as a cosponsor of S. 1125, to amend the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act and other related acts to concentrate the resources of the Nation against the problem of alcohol abuse and alcoholism.

### S. 1318

Mr. BEALL. Mr. President, on March 22, 1973, Senator Dominick and I introduced S. 1318, the Elementary School Reading Emphasis Act of 1973.

I first want to ask unanimous consent that at the next printing of the bill the following Senators be added as cosponsors of the measure: Peter V. Domenici, Joseph M. Montoya, John O. Pastore.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BEALL. Mr. President, I am most pleased with the favorable interest this proposal is generating throughout the country. This includes endorsements from a number of prominent educators, including the superintendents from two of the Nation's largest States, California and Michigan. I ask unanimous consent that the letters from both Superintendent Porter of Michigan and Superintendent Riles of California be printed in the Record.

Finally, this proposal has also received editorial comments and endorsements. I ask unanimous consent that the editorials from the Frederick News-Post and the Baltimore News American in my State, together with a two part article carried by the Copley Newspapers, be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

State of California,
Department of Education,
*Sacramento, May 11, 1973.*

The Honorable J. Glenn Beall, Jr.,
*U.S. Senate,*
*Committee on Commerce,*
*Washington, D.C.*

Dear Senator Beall: Thank you very much for giving me the opportunity to comment on the "Elementary School Reading Emphasis Act of 1973". I vigorously support the preventative approach to learning problems in general and reading problems specifically addressed in your bill.

Along with a great many educators, I have been much concerned with the increasing numbers of children who fail to reach even minimal standards of achievement in school. Too often for too many children, the costly pattern of failure is fixed as early as the third grade and continues until they become high school dropouts. As a result, we have developed in California an innovative plan for Early Childhood Education designed to restructure early elementary school programs to more fully meet the individual needs and talents of youngsters. The plan will concentrate on the basic skills of reading, language, and mathematics.

Your program of reading emphasis in the early grades addresses itself to the most basic educational problem facing too many youngsters. Such intensive reading programs with the use of reading specialists can only help to assure each child a sufficient level of reading achievement to guarantee educational success.

I have asked Don White, Deputy Superintendent for Congressional Liaison, to provide any assistance you might request on S. 1318.

Sincerely,

Wilson Riles.

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Michigan Department of Education,
*Lansing, Mich., April 17, 1973*

The Honorable J. Glenn Beall, Jr.,
*U.S. Senator, Senate Office Building, Washington, D.C.*

Dear Senator Beall: I have had an opportunity to review Senate Bill 1318 and the analysis of your legislation entitled "The Elementary School Reading Emphasis Act of 1973."

I am very impressed with the proposal, and certainly support the emphasis on reading.

In fact, I am so encouraged that I have requested my staff to consider modifications in our remedial reading legislation to reflect some of the accountability ingredients contained in Senate Bill 1318. You are to be congratulated on emphasizing the need for improved skills in teachers of reading and in emphasizing the need to demonstrate whether or not there are some programs that can better teach reading than others.

If I can be of any assistance in helping to move this legislation through Congress, please do not hesitate to let me know.

Sincerely,

John W. Porter.

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### Education Notebook I

(By Kenneth J. Rabben)

Elementary school pupils could improve their reading ability within three years through a broad-based attack on reading problems proposed by U.S. Sen. J. Glenn Beall Jr.

The Maryland Republican's bill, The Elementary School Reading Emphasis Act of 1973, S. 1318, recognizes that reading problems have many causes and it attempts to deal with their interrelationships.

Beall and co-sponsor, Sen. Peter H. Dominick, R-Colo., both on the Senate Education subcommittee, recommend spending $176 million during the next three years to halt the inability to teach children to read.

Schools in the program would be committed to having pupils read at third grade level by the end of their third year in school.

There is no financial eligibility criteria. Pupils with reading problems from poor, middle-income and rich families would take part. Federal funds would be provided for demonstration projects in elementary schools with large numbers or high concentrations of children not reading at grade level. (A child is expected to grow a year in reading ability for each year in school. Youngsters in most city and many rural schools are a year or more behind.)

At participating schools, regular reading instruction in all first and second grades would be supplemented by not less than 40 minutes of additional instruction daily by reading specialists. Pupils in grades three through six with special reading problems would have regular classroom instruction supplemented by not less than 40 minutes of additional instruction daily by reading specialists.

In addition, all pupils in one urban and one rural school district somewhere in the nation would test further the effect of specialized, expert reading instruction.

The bill defines a reading specialist as someone with a master's degree in reading instruction and three years of successful teaching experience, including reading. Reading teachers who agree to become specialists can be used instead of specialists if not enough specialists are available. A reading teacher, the bill says, will have a bachelor's degree, 12 credit hours in reading instruction and two years of successful teaching, including reading instruction. Funds are to be provided for in-service teacher training.

Special intensive summer reading programs would be conducted by reading specialists or teachers for children below grade level or with reading problems. The senator found research showing that reading skills of children from low-income families drop significantly during vacation periods.

Schools in the program would be required to analyze why pupils are not reading at grade level and to determine "conditions that would impede or prevent children from learning to read." Diagnostic tests would have to be used to identify pupils not reading at grade level. School districts would have to develop plans with specific objectives that would include children reading at the appropriate level by the end of the third year. Each year, participating districts would calculate, through use of objective reading measures, the extent to which the goals have been achieved.

For the first time, the federal government would require participating districts to publish aggregate test scores of pupils in the program, thus giving parents and other taxpayers some idea of the progress of pupils, their schools and school system. Individual scores would be available only to parents or guardians.

Parent participation is stressed.

When teacher aides are used, consideration would have to be given to hiring parents of pupils in the program on a rotating basis.

These provisions would be authorized $50 million during the next fiscal year beginning July 1. In 1975, the bill calls for $55 million and in 1976, $60 million. More money is recommended for other sections of the bill.

The Elementary School Reading Emphasis Act of 1973 faces a tough, perhaps impossible fight without strong support from people who think public schooling can change the fact that:

In urban areas about 50 per cent of the children read below grade level.

Seven million elementary and secondary pupils are in dire need of help from reading specialists.

Ninety per cent of the 700,000 pupils who drop out of school annually are "poor readers."

About 18.5 million adults do not read well enough to follow simple directions; to complete employment and other important forms or to broaden their knowledge and brighten their lives through books and periodicals.

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### Education Notebook II

(By Kenneth J. Rabben)

The proposed Elementary School Reading Emphasis Act is a very comprehensive piece of federal legislation dealing with a major basic education problem.

In addition to providing grade school pupils with supplemental reading instruction from experienced specialists and teachers during the school year and in the summer, S. 1318 also:

Recognizes the importance of upgrading preparation of reading specialists and teachers and the principal's special role in improving a school's reading program.

Would establish a Reading Corps to increase the number of reading specialists and improve instructional quality.

Would provide a reading instruction course and study guide for teachers and parents to be shown over public television.

Provides for a Reading Improvement Center to conduct research into the how and why of reading and to develop new instruction methods.

Creates a presidential Reading Achievement Award for pupils reading at the appropriate grade level and for schools whose pupils do likewise.

This broad attempt to improve reading instruction would cost $176 million during the next three years. It is not designed to replace regular classroom instruction in reading by regular teachers.

Much of the act's successful implementation would depend upon the U.S. commissioner of education.

John R. Ottina, the acting commissioner, who is expected to be confirmed in that job permanently, told a meeting of education writers on March 30 that he was not familiar with the proposal.

The act was introduced on March 21 by Sen. J. Glenn Beall Jr., R–Md., a member of the Senate Education subcommittee and is co-sponsored by Sen. Peter H. Dominick, R–Colo., another committee member. Sen. Beall and his staff spent a year preparing the act and it shows a deep appreciation of the workings of public education in general and reading instruction in particular.

S. 1318 was filed as an amendment to the Elementary and Secondary Education Act of 1965 being considered for continuation, but it can be adopted separately if the ESEA is replaced by education revenue sharing as proposed by the Nixon administration.

The bill may be difficult to pass at a time when the administration is trying to reduce more than 300 special or categorical programs to about five and S. 1318 may not be supported by the Department of Health, Education and Welfare.

The act wisely takes into consideration the hard lessons learned from Title I of the ESEA, aid to disadvantaged children, the ESEA's most ineffective section and recipient of most ESEA funds.

One of Sen. Beall's aides explained that the senator is sympathetic to the revenue sharing approach and reduction of categorical programs, but he also believes that there remains a federal role to identify key problems and to point the way toward their solution.

The bill "addresses what I regard as the Achilles' heel of education, the massive reading problem of schools having large numbers or high concentrations of children reading below grade level," Sen. Beall said.

"A society like ours, where technology and education are so important and where only five per cent of the jobs are unskilled, cannot allow the dangerous condition of having massive numbers of children who lack the ability to read and thus the ability to learn and to earn."

The bill and the senator's remark provide yet another sad commentary on what passes for public education not only in kindergarten through 12th grade, but in teacher preparation institutions as well.

S. 1318 places considerable emphasis on credentials, ignoring the many classroom teachers who have been doing an outstanding job of reading instruction and who might not want to chase college credits for "specialist" status and higher pay.

It also must make the public question once again the claim by schoolmen that they know how to educate the nation's children. Some parents and other taxpayers will wonder whether such a massive effort should be undertaken by the federal government.

Given the concept of a monopolistic bureaucratic, government-controlled public school system, will $176 million and supplemental instruction from reading specialists make a difference?

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[From the Frederick (Md.) News, Mar. 22, 1973]

### Teach America To Read

The acute seriousness of the reading problems facing the nation—yes, Johnny still can't read well enough—has finally been brought to the attention of the nation . . . and rather forcefully by U.S. Senator J. Glenn Beall, Jr.

The Republican Senator from Maryland Wednesday proposed the establishment of special reading programs to teach reading skills in the elementary grades in order to overcome what he correctly described as "the massive reading problem" in American schools.

How right he is when he states that "reading is the single most important skill, the single most important key to learning."

And how descriptively accurate when he labels the lack of proper training in reading skills as "the Achilles' Heel of Education," and is there anyone who does not know that the great warrior Achilles was vulnerable only in one place—his heel.

Obviously Senator Beall has hit a tender spot with the people at least in Frederick County, because within minutes after the public announcement Wednesday of his proposal, scores of local residents telephoned this column urging its support of his bill, which is being co-sponsored by his Republican colleague from Colorado, U.S. Senator Peter H. Dominick.

"Equal opportunities begin early, and this proposal seeks to make the opportunity for higher education or technical education possible by not only reaffirming that children have the right to read, but also helping to assure that they will, in fact, be able to read," Senator Beall contends.

A member of the Senate Education Subcommittee, Senator Beall, proposed a seven-point plan to have reading skills taught as a special emphasis subject, by teachers as well as reading specialists, in the elementary grades.

The bill, would authorize federal assistance to enable local educational agencies to implement reading programs in schools having a large concentration or large numbers of children who are reading below grade level.

Specifically, the proposed Elementary School Reading Emphasis Act of 1973 would:

Provide instruction by reading specialists for at least 40 minutes daily for all children in grades one and two.

Provide similar instruction in grades 3 through 6 for children with reading difficulties or who are below grade level.

Provide a summer intensive reading program for children showing signs of reading difficulty or of falling behind grade level.

Establish a Reading Corps to increase the number of reading specialists and improve the general quality of reading instruction.

Develop a course and study guide in reading to be shown over public television for the use of teachers and parents.

Establish a Center for Reading Improvement to conduct research on reading and develop new methods of instruction.

Create a Presidential Award for Reading Achievement to motivate elementary pupils to develop better reading skills.

The legislation carries an authorization of $176 million to support research, training programs and demonstration projects over a three-year period.

"Mastery of reading determines, in large part, not only success in school, but also success in adulthood," Senator Beall declared, adding that, "A society like ours, where technology and education are so important and where only about 5 percent of the jobs are unskilled, cannot allow the dangerous condition of having massive numbers of children who lack the ability to read, and thus the ability to learn and to earn."

The senator pointed to some alarming statistics which underline the extent of the reading problem in the United States:

Some 18.5 million adults are functional illiterates.

Nearly 7 million elementary and secondary school children are in severe need of special reading assistance.

In large urban areas, 40 to 50 percent of the children are reading below grade level.

Close to 90 percent of the 700,000 pupils who drop out of school annually are classified as poor readers.

"Many middle class children are also handicapped because of their lack of reading skills, and in my own state of Maryland, a statewide survey by the Department of Education found that parents ranked the mastering of reading skills as the most important goal in school."

This column commented at length on that state report and urged then a program of positive action as a follow through to improve reading in the schools. Beall's bill is a good start.

"The situation was put in perfect perspective recently," Senator Beall said, "when Washington Post Columnist William Raspberry said, 'Since you can only play at teaching history to children who can't read, why not stop playing and teach them to read?'

"This legislation seeks to prevent reading problems from developing, to identify them when they do, and to provide for a prompt remedy once such problems are identified," Beall explained, adding:

"The education-limiting and career-crippling handicap of the inability to read is so big and its solution is so important that it demands a concentrated attack, and I believe that this approach can and will make a substantial difference."

Senator J. Glenn Beall has struck a blow at the very heart of the problem crippling much of our nation. Hopefully every Senator and every Congressman will support this timely piece of legislation, and let every voter urge them to do so.

It is time to teach America to read and to read well.

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[From the News American (Md.), Apr. 22, 1973]

### READING SPECIALISTS

Maryland's Sen. J. Glenn Beall, Jr., has zeroed in on what many public school educators consider their most important problem with an imaginative proposal to launch a federally-financed program that would wipe out reading deficiencies.

Sen. Beall, a member of the Senate Subcommittee on Education, has introduced a bill to pump $176 million in federal funds over a three-year period into a variety of projects to improve reading skills of students, particularly those in big cities like Baltimore.

The Beall bill carries a two-point rationale. The first is the time-tested thesis that reading is the most crucial skill a school can develop in a youngster, the key to all learning. The second is the documented fact that an appalling 40 to 50 per cent of children in large urban areas are reading below grade level.

The situation is so bad some places that one nationally known educator proposed, in all seriousness, the suspension for one year of all subjects in ghetto schools so that the time could be devoted to bringing the children's reading up to grade level.

While not going that far, Baltimore's school superintendent, Dr. Roland Patterson, has recognized the importance of improving reading skills here. He has ordered all 8,000 teachers to take additional training in the teaching of reading. His idea is to hammer away at imparting reading skills throughout the school day and not just in one classroom period.

Perhaps the key proviso in the Beall bill concerns reading specialists, teachers trained especially in the field. Federal funds would be provided so that schools could put a reading specialist for at least one period a day into every first and second grade classroom. Youngsters would get a double dose of reading since the regular classroom teacher would continue to teach a period in the subject.

Sub-par readers would continue to receive instruction from a reading specialist in the third grade. Funds also would be provided for intensive summer reading programs, for recruiting more reading teachers, and for giving all teachers training in the teaching of reading.

Sen. Beall's bill, entitled the Reading Emphasis Act, is attracting interest in Congress and elsewhere. It is a good example, we think, of legislation proposing a solution for a demonstrated need.

### S. 1722

At the request of Mr. HARTKE, the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 1722, a bill to provide tutorial assistance for homebound handicapped students.

### S. 1748

At the request of Mr. GRAVEL, the Senator from Alaska (Mr. STEVENS) was added as a cosponsor of S. 1748, to amend the Ship Mortgage Act of 1920 in order to provide that a State, the District of Columbia, the Commonwealth of Puerto Rico, and a territory of the United States shall be considered to be a citizen of the United States for the purposes of such act.

### S. 1766

At the request of Mr. BAYH, the Senator from California (Mr. TUNNEY) was added as a cosponsor of S. 1766, to require periodical financial disclosure by officers and certain employees of the Federal Government, to establish criminal penalties for unfair campaign practices, to strengthen Presidential campaign financing laws, to amend the Federal Election Campaign Act of 1971, and for other purposes.

### S. 1880

At the request of Mr. HARTKE, the Senator from Colorado (Mr. DOMINICK) was added as a cosponsor of S. 1880, the Hobby Protection Act.

### SENATE JOINT RESOLUTION 117

At the request of Mr. INOUYE, the Senator from South Dakota (Mr. ABOUREZK), the Senator from Indiana (Mr. BAYH), the Senator from Texas (Mr. BENTSEN), the Senator from North Dakota (Mr. BURDICK), the Senator from Wyoming (Mr. HANSEN), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Iowa (Mr. HUGHES), the Senator from Utah (Mr. MOSS), the Senator from Rhode Island (Mr. PASTORE), the Senator from Illinois (Mr. STEVENSON), the Senator from North Dakota (Mr. YOUNG), and the Senator from Ohio (Mr. TAFT) were added as cosponsors of Senate Joint Resolution 117, to authorize and request the President of the United States to issue a proclamation designating September 17, 1973, as "Constitution Day."

## SENATE CONCURRENT RESOLUTION 27—SUBMISSION OF A CONCURRENT RESOLUTION TO OBSERVE A PERIOD TO HONOR AMERICA

(Considered and agreed to.)

Mr. SCOTT of Pennsylvania (for himself and Mr. MANSFIELD) submitted a concurrent resolution (S. Con. Res. 27) to observe a period of 21 days to honor America, which was considered and agreed to.

(The concurrent resolution printed in full when submitted by Mr. SCOTT of Pennsylvania, appears at an earlier point in the RECORD.)

## SENATE RESOLUTION 121—SUBMISSION OF A RESOLUTION WITH RESPECT TO THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

(Considered and agreed to.)

Mr. MANSFIELD submitted a resolution (S. Res. 121) with respect to the Committee on Interior and Insular Affairs, which was considered and agreed to.

(The resolution printed in full when

submitted by Mr. MANSFIELD, appears at an earlier point in the RECORD.)

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## SENATE RESOLUTION 122—SUBMISSION OF A RESOLUTION RELATING TO THE PRESIDENT'S ECONOMIC STABILIZATION PROGRAM

(Referred to the Committee on Banking, Housing and Urban Affairs.)

Mr. CRANSTON. Mr. President, it is understandable that Watergate has demanded much of the President's time and attention. It is imperative, however, that he not permit himself to be distracted from the No. 1 domestic problem facing our Nation: inflation.

Runaway prices are doing incredible harm to countless Americans, inflicting deep hardship upon tens of millions of families.

A month ago, Congress extended the President's power to deal with inflation. But the administration has done nothing, and through its indecision and inaction, the economy has gotten completely out of hand.

The rate of inflation has been 9.2 percent—the highest since the Korean war—in sharp contrast with the President's goal of 2.5 percent.

Food prices, compounded annually, have increased by 25.4 percent at the consumer level and by 34.9 percent at the wholesale level during the first quarter of 1973, a rate of increase that is likely to continue based on the omen of a 37.3-percent annual increase in farm prices.

The industrial commodity index, the leading indicator of consumer prices in the months ahead, has increased 14.8 percent under phase III, and real weekly spendable earnings have actually declined, for the first time in more than 2 years.

Phase III, a weakling premature birth brought into the economic world before the inflational spiral was under control, has totally deteriorated.

Phase III has degenerated into phase IV—the do-nothing phase of economic policy—in which a seemingly paralyzed administration has seemingly become psychologically incapable of decisive action on its own.

Therefore, I am submitting a sense of the Senate resolution calling on the President to take immediate action to place firm and equitably administered controls on prices, wages, and whatever other elements of the economy contribute to the present runaway inflation.

Earlier action on Capitol Hill giving the President full power to deal with inflation represented stage I of congressional action against inflation.

This resolution represents stage II of congressional action against inflation—an urgent appeal to the President to use those powers.

If the President remains reluctant or unable to act, we must then move to stage III of congressional action against inflation—enacting a law mandating firm economic controls.

Mr. President, I ask unanimous consent that the text of the resolution be printed at this place in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

S. RES. 122

Whereas the months since the beginning of Phase III voluntary economic controls have been marked by steadily rising prices and uncontrolled inflation, and by increasing anguish and economic turmoil on the part of the American people, which are overwhelming evidence of the failure of the President's economic program; and

Whereas the Congress renewed the President's authority to contain inflation because Congress intended that the President utilize this authority to bring inflation under control and to achieve the economic goals set forth in his statement introducing Phase III; and

Whereas the President has consistently failed to respond to this mandate for action, except for a selective and totally ineffective effort to curb meat price increases; and

Whereas the economic indicators that reflect the state of the domestic economy have shown steady deterioration since the inception of Phase III, particularly the rate of inflation which has been 9.2 percent—the highest since the Korean War—in sharp contrast with the President's goal of 2.5 percent; and

Whereas food prices, compounded annually, have increased by 25.4 percent at the consumer level and by 34.9 percent at the wholesale level during the first quarter of 1973, a rate of increase that is likely to continue based on the omen of a 37.3 percent annual increase in farm prices; and

Whereas the industrial commodity index, the leading indicator of consumer prices in the months ahead, has increased 14.8 percent under Phase III; and

Whereas average real weekly spendable earnings have actually declined, for the first time in over two years: Now, therefore, be it

*Resolved*, That it is the sense of the Senate that Phase III voluntary controls have failed, and that therefore the President should take immediate action to place firm and equitably administered controls on prices, wages and whatever other elements of the economy contribute to the present runaway inflation.

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## REPEAL OF TAX ON WHEAT MILLED INTO FLOUR—AMENDMENTS

AMENDMENT NO. 155

(Ordered to be printed, and to lie on the table.)

BREAD TAX REPEAL

Mr. BAYH. Mr. President, I am today submitting for myself and Senator WEICKER an amendment to the Agriculture and Consumer Protection Act of 1973 (S. 1888) to accelerate the effective date of the repeal of the 75-cents-per-bushel tax on wheat milled into flour—"the bread tax"—from January 1, 1974, to the date of enactment of the bill.

I ask unanimous consent that the text of the amendment and an explanation of it be printed in the RECORD at this point.

There being no objection, the amendment and explanation were ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 155

On page 21, line 8, insert "(A)" immediately after "(10)".

On page 21, line 15, strike out "January 1, 1974", and insert in lieu thereof "beginning on the date of enactment of the Agriculture and Consumer Protection Act of 1973."

On page 21, between lines 16 and 17, insert the following:

(B) The Secretary of Agriculture is authorized to issue such rules and regulations as he deems necessary to achieve a prompt and effective implementation of the amendment made by subparagraph (A) of this paragraph, and to guarantee that the amounts which a producer would have realized under law for the 1973 crop of wheat from the sale of his farm domestic allotment of wheat in the absence of the changes relating to marketing certificate requirements made by the Agriculture and Consumer Protection Act of 1973 shall be paid to such producer as if such changes had not been made.

EXPLANATION OF BREAD TAX AMENDMENT TO S. 1888

The Bayh-Weicker Bread Tax amendment to S. 1888 would accelerate the effective date of the repeal of the bread tax from January 1, 1974 to the date of enactment of the bill. The amendment would also give the Secretary of Agriculture authority to issue regulations to assure an orderly transition at the time the tax is removed, and to guarantee that farmers receive exactly what they would have received for their 1973 crops of wheat in the absence of the repeal of the bread tax.

The bread tax is the 75 cents per bushel tax imposed on wheat which is milled into flour. It is a highly regressive tax because it applies to the primary ingredient in a basic necessity, bread. And the tax creates significant inflationary pressures on the retail price of bread, because the additional cost to the miller is reflected in the price he charges the baker, and the price the baker charges the grocer and thus the consumer. Finally, the tax has had a particularly devastating effect on small independent bakers in the last year because flour prices have risen sharply (due largely to the Russian wheat deal) while the controlled prices of large bakers have prevented a retail price increase. Many small bakers have been forced out of business or forced to operate at losses they cannot long sustain.

S. 1888 contains provisions (p. 21, 11.8–16) which repeal the bread tax effective January 1, 1974. The Bayh-Weicker amendment would move that date up to the date of enactment of the bill. This is highly desirable for several reasons. First, the principle that the bread tax is not the right way to raise money for our valuable farm programs having been accepted, it ought to be implemented as quickly as possible. The tax hits poor people harder than rich people and ought to be repealed when this bill is enacted. Second, acceleration of the repeal will help stabilize the price of bread by removing a cost which is, in the end, borne by the consumer. The Senate wisely rejected the alternative to repeal—a 10% to 15% increase in the price of bread—when it defeated on March 19 an amendment designed to permit an across the board increase. Third, acceleration of the repeal will help the baking industry remain competitive by keeping many small independent bakers in operation. Fourth, making the repeal effective on date of enactment will help the cost decrease to be more quickly reflected in flour prices by eliminating the inventory control problems which would occur if the tax is repealed on a date certain, known far in advance, as the bill now provides.

Repeal of the bread tax, as proposed in S. 1888, will reduce federal revenues by a relatively small amount in fiscal 1974, and acceleration of the repeal will result in some additional loss of revenue, depending on the date of enactment. We believe this is a worthwhile cost in view of the short and long range benefits to consumers, the public policy principles involved, and the estimates that fiscal 1974 receipts as a whole will be some $4 billion above those originally anticipated. In sum, the small budgetary impact is far outweighed by the benefits of acceleration.

The remaining parts of the amendment

are designed simply to give the Secretary of Agriculture authority to issue regulations to assure that the transition from tax to no tax is smooth so that the cost reduction will quickly be passed on, and to guarantee that wheat growers are in no way affected in the payments they receive by the repeal of the bread tax. These provisions reflect the desires of those who favor repeal of the bread tax and are not necessarily related to the date of repeal.

### AMENDMENT NO. 156

(Ordered to be printed, and to lie on the table.)

### HOG CHOLERA INDEMNIFICATIONS

Mr. BAYH. Mr. President, I am submitting today an amendment to the Agriculture and Consumer Protection Act of 1973 (S. 1888) to require the Agriculture Department to compensate swine producers in the same manner as poultry producers when animals on their farms have been destroyed to prevent the spread of disease.

In 1972 there was a rather severe outbreak of hog cholera in Indiana. As of December 6, 19,567 hogs had been killed to prevent the spread of the disease. The Federal Government paid a total of $631,192 in indemnities to affected Indiana hog producers, and a national emergency was declared for the area.

As a result of the epidemic and the personal difficulties of these farmers, I became very involved in the details of the cholera outbreak, meeting with farmers to discuss improved techniques of monitoring the interstate shipment of possibly diseased animals, and corresponding with the Department of Agriculture to secure adequate financial assistance for those farmers whose herds had been wiped out due to an outbreak in the area.

As you may know, in 1969, the use of vaccinations for hog cholera was ceased because, according to the Department of Agriculture's studies, it was not possible to eradicate the disease while vaccines were being used, and because the vaccine was, in itself, a frequent cause of the disease. Therefore, swine producers rely entirely on the effectiveness of the regulation of interstate shipment, and upon Federal and State assistance in order to get back on their feet after eradication of their herds. The situation of these farmers is very insecure since they can take no precautions themselves to prevent catastrophes.

During the emergency last year, I was consistently impressed by the cooperative attitude of Indiana swine producers. These farmers, who rely completely on the actions of Federal and State governments have not made many requests or demands during a year of personal and professional trauma. However, some of the farmers did bring to my attention reports that poultry farmers in California whose flocks had been infected with exotic Newcastle disease had been paid indemnities which were much higher than those paid to hog producers. Investigation proved the reports to be true, despite official denials from the Department of Agriculture.

Basically, at the time of depopulation, poultry farmers are reimbursed for the replacement value of the depopulated flocks—since the new flocks are raised to near maturity off the farm, this figure is close to the value of a mature laying hen—then, when the farmer is ready to start with a new flock of mature hens, he is reimbursed again for the profit lost during the intervening 26 weeks as a result of the depopulation of his egg-producing machines. Hog farmers are only reimbursed for the replacement value of their depopulated hogs; in the interest of equity they, like poultry farmers, should be compensated for lost profits which result from depopulation of their meat producing machines.

Prior to markup by the Senate Committee on Agriculture of this year's Agriculture Act, I wrote to all members of the subcommittee, requesting that they consider my bill, S. 1683, as an amendment to the Agriculture Act. Unfortunately, the committee decided not to attach my bill as an amendment to the farm bill because the Department successfully argued that it would be too expensive.

While I am also very concerned about the question of expense, I cannot understand why the Department incurred the initial expense of paying poultry producers for lost profits if it was not prepared to treat livestock and pork producers in the same way. Therefore, today I am asking the Senate to vote on the question of whether we intend to compensate all farmers who need financial assistance as a result of disease and depopulation in an equitable fashion. As the payments stand now, the Department has declined to give one producer desperately needed financial assistance to get him back on his feet, while paying another group of producers generous payments designed to compensate them for lost profits during the time needed to get back in full production.

The inequities are blatant, and in my view are without justification. Just as there are insufficient supplies of laying hens on the market for the poultry farmer to restock his farm immediately, there are insufficient supplies of breeding sows for the swine producer to restock his farm immediately. Usually the farmer must buy untried gilts and raise them to breeding age. Second, a swine producer cannot risk mixing breeds of stock which comes from different farms because each group may be carrying diseases to which the other has not built up an immunity. Therefore, a producer is limited, in restocking his farm, by the number of pigs, sows, or gilts available for sale from any other single farm in the area.

Of course, the Department of Agriculture has argued that the situation between swine producers and egg producers is not parallel. Therefore, a more detailed analysis of the indemnification system used in the case of Newcastle disease and a comparison between production methods for swine producers and egg producers is in order.

In the words of the Department of Agriculture:

> On October 5, 1972, Secretary Butz announced a change in the indemnity schedule for exotic Newcastle disease for egg-laying flocks to properly reflect the actual value of those flocks. The schedule is in two phases. The first is to appraise the birds prior to depopulation, based on their market value at the time. The second phase involves a reevaluation of the value of the birds as egg-laying machines, based on the 26 weeks following depopulation.
>
> Flock owners must be paid for the replacement value of their birds immediately following depopulation in order that they will have the financial resources to negotiate for replacements. When the flock is declared infected, it will be appraised at its actual replacement value. When the owner orders replacements from the hatchery, it usually takes about a week to complete the contract for the production of birds, 3 weeks to hatch the eggs, and 26 weeks to raise the birds to full production age. The supplemental indemnity computations are based on a 26 week period following the date of appraisal by deducting the average cost of production from the actual average weekly price of the type of eggs which would have been produced by the birds had they lived. The variation in the cost of feed above or below the basic $80 per ton is built into the compensation formula. Variations in feed prices of $5 per ton will change the cost or production of eggs by one cent per dozen.
>
> The formula evaluates the potential production of the flock, the price that the owner would have received had the birds remained alive, adjusted by the variation in feed prices, deducting the fixed production costs. Any increased value above production costs will be reevaluated and paid to the owner at the end of the 26-week period following depopulation.

Thus, during the quarantine and the period of inactivity of the poultry farm when the farmer has to continue paying overhead costs such as taxes on, and maintenance of, his buildings, and wages for the employees whose assistance he will need once the farm is again in full production, the poultry farmer can count on Federal financial assistance to replace the profits which he would have made if his farm were fully operating. At present, a hog producer, who may have to operate a partially operating farm for even longer than the poultry producer, receives no financial assistance while getting back on his feet.

The Department explains the discrepancy between the two programs by arguing that there are no established markets or replacement values for laying hens, while both markets and values exist for hogs of all weights. Actually, there are market values for laying hens; the problem is that there are not sufficient market supplies to allow poultry farmers to immediately restock their farms. Compensation has been provided in recognition of the restocking delay. In my view, the swine producers face the exact same problem in that most of them are not able to immediately restock their farms without committing economic suicide.

The Department apparently believes most swine producers can restock their farms immediately since they have written me the following statement:

> The existence of markets for swine of virtually any age not only assists the appraisers and the owners in arriving at fair market values, but also provides a source of swine for restocking premises following cleaning and disinfection. Assuming hog cholera outbreaks are confined to a comparatively small number of herds, it is possible, under exist-

> ing Federal regulations, for the producer to repopulate the premises with swine of approximately the same weight class as those that were destroyed immediately after having completed the required supervised cleaning and disinfection of the infected or exposed premises.

In fact, the producer cannot—

> Repopulate the premises with swine of approximately the same weight class as those that were destroyed, immediately after having completed the required supervised cleaning and disinfection.

The Carroll County Pork Producers Board in Indiana recently met and sent me a number of advisory comments and recommendations. Among them was the statement that a person who has bred gilts or bred sows for sale will not sell their best ones to potential buyers. It is very unusual to buy good proven sows. General agreement was reached that those who had to buy replacement female animals did so by buying 6-month-old gilts from general fattening pens at the market price plus $10,000. Since it is recommended that a gilt not be bred until she is 9 months old, she usually must be cared for and fed for 90 days before she is of breeding size, and for another 114 days before she had pigs. Thus, there is a delay of at least 6 months after the quarantine has been lifted before a farrow-to-finish farmer—one who raises baby gilts to mature sows, then breeds the sows and raises those baby feeders to maturity for slaughter—or a feeder-producer farmer can even think about raising feeder pigs for market.

An apparently obvious solution to this 6-month delay is for the producer to buy feeder pigs on the market as well as sows to replace those which have been depopulated. The pork producers pointed out that such a purchase would be possible only if the producer can buy both the gilt and the feeder pigs from the same farm; it is very unwise to mix breeds of stock from different farms because each group may be carrying diseases to which the other has not built up an immunity. In Indiana following the recent cholera outbreak, the earliest that any farrow-to-finish operator will have market animals for sale is 1 year from the date that the quarantine was lifted; despite farmers' obvious self-interest in getting back in business as quickly as possible, some producers face a delay of as much as 18 months.

For those farmers producing feeder pigs for sale, the delay would be similar to that for farrow-to-finish operators since sows would first have to be raised and bred. However, for farmers raising feeder pigs to a marketable age, the delay would consist only of the length of the quarantine, which in Indiana last year was as long as 3 months for some farms, plus the time needed to buy replacement pigs.

Under my proposed bill, the Department of Agriculture would draw up payment schedules based on the various requirements of the three types of swine operations. Following the formula used in the Newcastle indemnification program, the average cost of production would be deducted from the average price of the hogs or meat which would have been produced if depopulation had not occurred.

The following tentative table has been provided me by extension economists at Purdue University for the computing of the probable profits and costs which would have occurred during the interim period while the farmer is restocking his farm. I want to emphasize that this is a tentative table; its purpose is to demonstrate that a reasonable formula can be established to compensate hog producers for their lost profits. All variable figures are based on 1972 national average figures. I ask unanimous consent that the table be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

### PROPOSED PROFIT-COST FORMULAS

### I. PRODUCER OF PURCHASED PIGS

Period for second payment might be the time interval from depopulation to the end of the embargo plus 30 days as a period to locate replacement pigs. Volume could be established on the basis of the number of pigs on hand at the time of depopulation. If we define a unit of production as a pig, a normal production rate is 1.75 pounds of product (starting with a 40# pig) per unit per day.

The approximate requirements to produce a 220# market hog, averaging $57.20 in 1972 are:

| | |
|---|---|
| A 40# pig | *$20.32 |
| 11.5 bu. corn | *14.83 |
| 100# supplement | *7.50 |
| Other variable costs | 5.00 |
| Fixed costs (overhead) | 2.00 |
| Labor | 2.50 |
| Total | 52.15 |

### II. PRODUCER OF FEEDER PIGS

Period for second payment might be the time interval from depopulation to end of embargo plus seven months. (Seven months made up of one month to locate breeding stock, two months to get new breeding stock to reproduction age plus four months gestation.) Volume might be established on the basis of the number of mature females on hand at the time of depopulation. If we define a unit of production as a mature female, a normal production rate is 1⅓ pigs (40# each) per unit per month.

The approximate requirements to produce a 40# pig, averaging $20.32 in 1972 are:

| | |
|---|---|
| 60# supplement | *$4.50 |
| 3 bu. corn | *3.87 |
| Other variable costs | 3.00 |
| Fixed costs (overhead) | 3.25 |
| Labor | 3.75 |
| Total | 18.37 |

### III. FARROW TO FINISH

Period for second payment might be the time interval from depopulation to end of embargo plus nine months. (Nine months made up of one month to locate breeding stock, two months to get new breeding stock to reproductive age plus four months gestation, plus two months to produce feeder pigs.) Volume might be established on the basis of the number of mature females on hand at the time of depopulation. If we define a unit of production as a mature female, a normal production rate is 300# of slaughter animals per unit per month.

The approximate requirements to produce 100# of slaughter animals (currently worth $32.02 at Indianapolis), averaging $26.00 in 1972 are:

| | |
|---|---|
| 75# supplement | *$5.61 |
| 6 bu. corn | *7.74 |
| Other variable costs | 2.00 |
| Fixed costs (overhead) | 2.50 |
| Labor | 3.25 |
| Total | 21.00 |

*Values vary (along with slaughter hog and feeder pig prices) depending upon time and geographic location.

Mr. BAYH. To take the example of the producer of feeder pigs in more detail, let us assume that the producer owned 20 sows which were all depopulated and the second evaluation was made 8 months after the depopulation—1 month of quarantee, 1 month to locate breeding stock, 2 months—plus—to raise the stocks to reproduction age, and 4 months for gestation. If we assume that a mature sow will usually produce 1⅓ pigs—at 40 pounds each—per month, the potential production from 20 sows over the 8-month period would have been 213 pigs—40 pounds each.

The average market price of a 40-pound pig was $20.32 in 1972, so that the gross potential profit would have been $4,328. Approximate costs of producing one 40-pound pig have been estimated in the printed table as $18.37. The costs for producing 213 40-pound pigs would therefore have been $3,913, and the difference between the gross profit and cost, or the net potential profits over the 8-month period would have been about $415.

I ask unanimous consent that a copy of my amendment be printed at this point in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

### AMENDMENT NO. 156

On page 51, between lines 15 and 16, insert the following:

(29) Section 11 of the Act of May 29, 1884 (58 Stat. 734); 21 U.S.C. 114a) is amended by inserting "(a)" immediately after "Sec. 11." and by adding at the end of such section a new subsection as follows:

"(b)(1) Whenever swine are destroyed under authority of this Act, the amount of compensation to be paid to the owner of such swine shall be determined in two stages as follows:

"(A) The swine shall be appraised, at the time of their destruction, on the basis of their fair market value for meat, feeding, or breeding purposes, as appropriate.

"(B) At the end of an appropriate period following the date on which the swine were destroyed, a determination shall be made of the potential value of the swine as meat producers had such swine not been destroyed. In determining the potential value of any swine under this clause, the value shall be reduced by the amount that would have been expended for feed (adjusted for variation in price) and other production costs. The period between the destruction of swine and the appraisal of the potential value of the swine shall be determined on the basis of the average time required by (i) farrow to finish operators, (ii) feeder pig producers, and (iii) finishers of purchased pigs to raise new herds to full production capacity.

"(2) The owner of swine destroyed under amount determined under clause (A) of paragraph (1) as soon as practicable after the authority of this Act shall be paid the destruction of his swine. The owner of such swine shall be paid the amount of any increase in value determined under clause (B) of paragraph (1) as soon as practicable after the amount has been computed."

AMENDMENT NO. 157

(Ordered to be printed, and to lie on the table.)

### FAMILY FARM AMENDMENT

Mr. PEARSON. Mr. President, from our Revolutionary period to the present we have sought in this Nation to promote, protect, and maintain a family farm system of agriculture. By the early 1800's our forefathers had made the commitment that the vast public domain—all the agricultural land that came to constitute the territorial United States—would be turned over to private ownership in family size units. It was a conscious and deliberate decision to form an owner-operated type agriculture over large scale, estate and plantation type agriculture. The decision was based in part on the belief that the family farmer was best suited for subduing the frontier and producing the necessary food and fiber. But equally important, the decision was based on the conviction that for social and political reasons small scale, family farming was preferable to large scale estate farming. Indeed, men like Thomas Jefferson literally believed that democracy could survive only if the bulk of the citizens was made up of family farmers and independent village artisans. In any case, the agrarian ethic and the early land policies culminating in the Homestead Act of 1862 had a profound effect in shaping the economic, social, and political character of the Nation.

We have never deviated from that national commitment forged during the Revolutionary period and refined during the first half of the 19th century. It is true we never sought to dismantle the large estates and plantations but we never sought to consciously promote their growth. It is true also that we have not been altogether successful in promoting and protecting the family farm system, but our intent to do so has always formed the base of our agricultural policy deliberation. In short, our agricultural policies have been intended as family farm policies, and today despite many shortcomings and many failures we have the finest agricultural system—both in its economic and social aspects—in the world.

Mr. President, today the family farm is rather firmly entrenched and clearly the dominant production unit in agriculture. But we are entering an uncertain period. New forces are at work which appear to promise a stronger farm economy. But it is possible that these forces may also bring a new threat to the competitive position of the family farm. Corporate and vertically integrated units continue to show some increase in number and size and this trend might accelerate in the future. In addition, growing demands on the budget require, I believe, that we must make an ever more conscious effort in the future to tailor the expenditure of Federal taxes to the family farm system. We must do this in our commodity programs, our credit programs, and our research and development programs. Large scale, corporate agriculture does not need nor deserve Federal support except where the failure to do so would do harm to the family farm system.

Therefore, it seems to me that the time is appropriate for us to make explicit what has always been implicit in our agricultural policy deliberations. To this end, I introduce an amendment to S. 1888 specifying that Congress affirms its long standing commitment to protecting, preserving, and strengthening the family farm system of American agriculture.

Such a declaration at this time will serve as a clear standard for our future policy deliberations and also for a fresh, thorough review of existing agricultural and agriculture related programs.

The amendment which I submit does not establish any new program. It does, however, require the Secretary of Agriculture to provide the Congress with annual reports containing current information on trends in family farm operations and data on corporate, vertically integrated agricultural operations. In these reports, the Secretary will also provide the Congress with an analysis of how these existing programs are being administered on behalf of family farm agriculture and also how Federal programs, including tax laws, may be serving to encourage the growth of large-scale corporate and vertically integrated farming operations.

These reports will provide Congress with the information needed to improve our operational definition of family farms and to better judge trends in the organizational structure of agriculture and as a consequence how we may improve upon existing programs and better shape future Federal farm programs.

Mr. President, I believe this is a noncontroversial amendment, but at the same time an extremely important and useful one, and I ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 157

On page 46, line 17, strike out the double quotation marks.

On page 46, between lines 17 and 18, insert the following:

"SEC. 818. (a) The Congress hereby specifically affirms the long-standing national policy to protect, preserve, and strengthen the family farm system of agriculture in the United States and believes that the maintenance of that system is essential to the social well-being of the Nation and the competitive production of adequate supplies of food and fiber. The Congress further believes that any significant expansion of large scale corporate and vertically integrated farming enterprises would be detrimental to the national welfare. It is not the policy of the Congress that agricultural and agriculture related programs be administered exclusively for family farm operations, but it is the policy and express intent of the Congress that no such program be administered in a manner that will place the family farm operation at an economic disadvantage.

(b) In order that the Congress may be better informed regarding the status of the family farm system in the United States, the Secretary of Agriculture shall submit to the Congress not later than July 1 each year a written report containing current information on trends in family farm operations and comprehensive national and state by state data on corporate and vertically integrated agricultural operations in the United States. The Secretary shall also include in each such report (1) information as to how existing agricultural and agriculture related programs are being administered so as to protect, preserve, and strengthen the family farm system of agriculture in the United States, (2) an assessment of how Federal laws, including the tax laws, may be serving to encourage the growth of large-scale corporate and vertically integrated farming operations, (3) such other information as the Secretary deems appropriate or determines would aid the Congress in protecting, preserving, and strengthening the family farm system of agriculture in the United States."

Mr. PEARSON. Mr. President, today the family farm is rather firmly entrenched and clearly the dominant production unit in agriculture. But we are entering an uncertain period. New forces are at work which appear to promise a stronger farm economy. But it is possible that these forces may also bring a new threat to the competitive position of the family farm. Corporate and vertically integrated units continue to show some increase in number and size and this trend might accelerate in the future. In addition, growing demands on the budget require, I believe, that we must make an ever more conscious effort in the future to tailor the expenditure of Federal taxes to the family farm system. We must do this in our commodity programs, our credit programs, and our research and development programs. Large scale, corporate agriculture does not need nor deserve Federal support except where the failure to do so would do harm to the family farm system.

Therefore, it seems to me that the time is appropriate for us to make explicit what has always been implicit in our agricultural policy deliberations. To this end, I introduce an amendment to S. 1888 specifying that Congress affirms its long-standing commitment to protecting, preserving, and strengthening the family farm system of American agriculture.

Such a declaration at this time will serve as a clear standard for our future policy deliberations and also for a fresh, thorough review of existing agricultural and agriculture related programs.

AMENDMENT NO 158

(Ordered to be printed, and to lie on the table.)

Mr. HART. Mr. President, a bill, the Agriculture and Consumer Protection Act of 1973 (S. 1888), which the Senate soon will be asked to vote on fits nicely in with the cliche: It grew like Topsy.

Introduced on January 23, this year, as a 5-page proposal, it has been reported as a 5-page bill. As introduced, the bill would simply have extended the provisions of the Agricultural Act of 1970.

During about 14 days of hearings in Washington and in the field, witnesses were heard on a vast array of subjects including all the major farm crops covered by farm programs in the last 40 years, the dairy and livestock industries, forestry, the food for peace program, beekeeping, food stamps, the International Grains Conference, various research proposals, and proposed policies affecting imports and export policies.

The resulting bill amends or extends 12 different major acts of Congress now on the books and for the most part is commendable legislation reflecting great credit on the committee.

But, truthfully—and not aiming at being dramatic—I think some of the phenomenal growth shows signs of malignancy.

My deepest concern is over some of the provisions dealing with the dairy industry.

Careful reading of this necessarily complex bill seems to show that these provisions would:

First. Legalize practices which are currently being attacked in Department of Justice antitrust suits and private suits.

Second. Give a congressional blessing to future antitrust violations.

Third. Increase dairy product prices manyfold.

Fourth. Work great competitive harm on independent dairies which are competing with large co-ops.

Fifth. Give the co-ops enormous power and control over the individual farmer members.

In brief, the particular provisions which concern me would give a great deal of increased power to the large dairy cooperatives. Maybe this is justified—although I admit on the face of it, I cannot see the reasons.

My greatest concern is that this language was adopted without a chance for the many interested parties to dissect it, comment on it and counsel concerning it.

Up to now, the co-ops were governed by the antitrust laws—with some limited exemption for marketing granted under the Capper-Volstead Act. But S. 1888 would expand greatly this antitrust exemption and seems to give an unfair advantage to the co-ops over the independent dairies with which they compete.

While my concern over some of these provisions as they affect competition could be called the type of esoteric thing that would interest the chairman of the Antitrust and Monopoly Subcommittee and almost no one else, there is a practical concern affecting every family in America.

For these provisions will—without question—raise milk prices.

One of the ways they do that is with what amounts to a system of payment aimed at eliminating competition.

Let me explain that.

Traditionally, areas which produce less milk than they consume—deficit areas—buy at reasonable prices milk from areas which produce a surplus.

This has resulted in a stable milk price countrywide—and an efficient use of milk production.

Under the provisions of this bill, the surplus areas would no longer sell milk to the deficit areas. In fact, the deficit areas would pay the producers in the surplus areas to keep their milk at home.

The unavoidable result would be a scarcity of milk and high prices. Without this bill, such an agreement would be a flagrant violation of the antitrust laws.

The bill would also raise prices of milk and cheese by fixing the minimum prices which the handler would pay for services rendered by the co-op. This will result in an increased price for those services which will be passed on to the consumer in the form of higher prices for milk and cheese.

Moreover, the bill would make the dairy farmer subject to the giant co-op. It would allow the co-op to take possession and control of the base of the dairy farmer. "Base" is a term which designates the number of pounds of milk a farmer can sell at class I prices, which is the highest price a farmer can receive for milk. It is a very valuable property of the dairy farmer. Without it the milk of the farmer has little value. Under this bill the co-op can usurp the farmer's base. The bill is unclear whether or not the base is returned to the farmer if he leaves the co-op and, if so, how it would be returned to him. Thus, the independent farmer is at the mercy of the giant co-op for his livelihood.

The amendments I propose today would only strike those sections of the bill which raise these serious antitrust concerns. Should the amendment be agreed to, as I urge, then I would hope the committee will hold public hearings on the exact impact of these particular provisions.

Let me make it clear, this is not an amendment to strike the entire dairy section. Provisions dealing with import quotas, support prices, authority for class I base plans and indemnification or loss of milk and cows would remain in the bill. These provisions are not affected by this amendment.

Struck from the bill—with the hope of full hearings at an early date—would be the provisions only that raise serious antitrust questions and seem to guarantee increases in milk prices for consumers.

I ask unanimous consent that my amendment be printed in the RECORD at this point.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

### AMENDMENT NO. 158

On page 2, beginning with line 6, strike out through line 2 on page 8 and insert in lieu thereof the following:

(A) amending section 201(e) by striking out "1973" and inserting "1978", and by striking out "1976" and inserting "1981" and

(B) adding at the end thereof the following:

"(f) The Agricultural Adjustment Act as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, is further amended by:".

On page 8, line 3, strike "(4)" and insert "(1)".

On page 8, line 15, strike "(5)" and insert "(2)".

### AMENDMENTS NOS. 160 THROUGH 162

(Ordered to be printed, and to lie on the table.)

Mr. BUCKLEY submitted three amendments, intended to be proposed by him, to Senate bill 1888, supra.

### AMENDMENT NO. 163

(Ordered to be printed, and to lie on the table.)

### PAYMENTS LIMITATION

Mr. BAYH. Mr. President, I am introducing today an amendment to the Agriculture and Consumer Protection Act of 1973 (S. 1888) to limit payments to individual producers to a total of $20,000, rather than $55,000 per crop—for a total of $165,000—as provided in the bill.

I ask unanimous consent that the text of the amendment and an explanation of it be printed in the RECORD at this point.

There being no objection, the amendment and explanation were ordered to be printed in the RECORD, as follows:

### AMENDMENT NO. 163

On page 1, line 5, strike out "101(1)" and insert "101".

On page 1, strike out lines 6 and 7, and insert in lieu thereof the following:

(A) amending subsection (1), effective beginning with the 1974 crop, to read as follows:

"(1) The total amount of payments which a person shall be entitled to receive under one or more of the annual programs established by titles IV, V, and VI of this Act for the 1974 through 1978 crops of the commodities shall not exceed $20,000."

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### FACT SHEET ON $20,000 PAYMENT LIMITATION

#### AMENDMENT TO 1973 AGRICULTURAL BILL (BY SENATOR BAYH)

**Limit total annual payment to an individual producer under cotton, feed grains and wheat programs to $20,000 not including any payment determined by the Secretary to represent compensation for resource adjustment or public access for recreation. Under the present provisions of S. 1888, a producer would be entitled to receive up to $55,000 under each of these crop programs, a total of up to $165,000, in addition to compensation for resources adjustment or public access for recreation.**

#### PRINCIPAL REASONS WHY A $20,000 PAYMENT LIMITATION WOULD IMPROVE S. 1888

**1. As a result of the program changes proposed in S. 1888, a $20,000 blanket limitation is even more desirable than a $55,000 per crop limitation since the limitation would apply only to income supplement payments.**

**2. A $20,000 limitation on total payments to an individual producer would reduce government expenditures without reducing the benefits of the programs to small family farmers. This could result in potential savings of $150 to $200 million annually.**

3. One of the major beneficiaries of government payments in terms of dollar amounts is the large farm operation. Many of these farms receive payments well above this $20,000 payment limitation. Few of them, if any, require such large income supplement payments. Few small family farms receive payments in excess of $20,000. Many of them require adequate income supplements. This amendment sets a reasonable limit on such payments and insures that government money does not go to farmers who do not require it.

4. The blanket limitation is preferable to the per-crop basis for limiting payments in that it offers more encouragement for the farmer to respond to market forces rather than to predetermined government payments.

KEY FACTS IN FAVOR OF A $20,000 PAYMENT LIMITATION

TABLE 1.—NUMBER OF PRODUCERS RECEIVING CHECKS OF $20,000 OR MORE

| | 1970 | 1971 | 1972 | Percent change 1970–72 |
|---|---|---|---|---|
| Cotton producers | 7,753 | 8,810 | 9,066 | +17 |
| Feedgrains producers | 1,395 | 245 | 1,855 | +33 |
| Wheat producers | 1,223 | 1,088 | 1,388 | +13 |
| Total | 10,371 | 10,143 | 12,309 | +19 |

TABLE 2.—TOTAL PAYMENTS TO PRODUCERS RECEIVING $20,000 OR MORE IN 1972

[Dollar amounts in thousands]

| | Total payments | Amount in excess of $20,000/producer | Excess payments (percent) |
|---|---|---|---|
| Cotton producers | $319,384 | $138,064 | 43 |
| Feedgrain producers | 53,088 | 15,988 | 30 |
| Wheat producers | 39,288 | 11,488 | 29 |
| Total | 411,760 | [1] 165,540 | |

[1] Potential reduction in Government expenditures with $20,000 limitation.

3.—PERCENTAGES OF PRODUCERS VERSUS TOTAL PRODUCTION AFFECTED BY A $20,000 LIMIT

[In percent]

| | Producers | Total production |
|---|---|---|
| Cotton | 4.0 | 39.5 |
| Feedgrains | .1 | 3.0 |
| Wheat | .1 | 4.5 |

## EMERGENCY PETROLEUM ALLOCATION ACT OF 1973—AMENDMENTS

### AMENDMENT NO. 159

(Ordered to be printed.)

Mr. MOSS (for himself, Mr. Kennedy, Mr. Saxbe, Mr. Cannon, Mr. Magnuson, Mr. Pastore, and Mr. Stevenson) proposed an amendment to the bill (S. 1570) to authorize the President of the United States to allocate energy and fuels when he determines and declares that extraordinary shortages or dislocations in the distribution of energy and fuels exist or are imminent and that the public health, safety, or welfare is thereby jeopardized; to provide for the delegation of authority to the Secretary of the Interior; and for other purposes.

### AMENDMENT NO. 164

(Ordered to be printed, and to lie on the table.)

Mr. RIBICOFF submitted amendments, intended to be proposed by him, to Senate bill 1570, supra.

### AMENDMENT NO. 165

(Ordered to be printed, and to lie on the table.)

Mr. KENNEDY (for himself and Mr. Jackson) submitted amendments, intended to be proposed by them, jointly, to Senate bill 1570, supra.

## ADDITIONAL COSPONSORS OF AN AMENDMENT

### AMENDMENT NO. 9 TO S. 426

At the request of Mr. Mansfield (for Mr. Hart), the Senator from Wisconsin (Mr. Nelson) was added as a cosponsor of amendment No. 9, to the bill (S. 426) to regulate interstate commerce by requiring premarket testing of new chemical substances and to provide for screening of the results of such testing prior to commercial production, to require testing of certain existing chemical substances, to authorize the regulation of the use and distribution of chemical substances, and for other purposes.

## NOTICE OF HEARINGS ON S. 1861 AND S. 1725

Mr. WILLIAMS. Mr President, on Wednesday and Thursday, June 6 and 7, the Subcommittee on Labor of the Committee on Labor and Public Welfare will hold hearings on S. 1861 and S. 1725, amendments to the Fair Labor Standards Act of 1938, as amended. The hearings will begin at 9:30 a.m. on June 6 and 10 a.m. on June 7 in room 4232 of the Dirksen Office Building.

The subcommittee will hear from representatives of the administration, the AFL–CIO, the National League of Cities, a panel of representatives from the retail and service industries, and a panel of economists.

Any persons wishing to submit any written materials to the committee for its consideration during deliberations on this legislation should make those materials available to the subcommittee staff prior to June 7, 1973.

## ADDITIONAL STATEMENTS

## VA ADMINISTRATOR EXPLAINS DEADLINE

Mr. HANSEN. Mr. President, the Administrator of Veterans' Affairs, Mr. Donald E. Johnson, is making a concentrated effort to advise all veterans of their education rights.

Since some schooling benefits will expire in the next fiscal year, Mr. Johnson has released a statement which is most timely; it should provide beneficial information to these individuals.

Because of its importance, I ask unanimous consent that the information provided by Administrator Johnson be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

### Statement by Veterans' Administration

Administrator of Veterans Affairs Donald E. Johnson is making an all-out effort to alert all veterans discharged from the military service prior to June 1, 1966, that they only have until May 31, 1974, to *complete* their programs of education.

These warnings are being issued through all possible news media. Special letters have been sent to all veterans not presently participating in the program, notifying them of the impending delimiting date, and each time a veteran currently participating in the program is sent a new Certificate of Eligibility he is advised of the deadline date. Plans have been made to expand all of these potential sources of communication to inform veterans of the impending expiration date.

At the time the current GI Bill was passed in 1966, the Congress provided that any veteran serving on or after January 31, 1955, and discharged on or before June 1, 1966, would be allowed a period of eight years from that latter date in which to utilize his available educational benefits.

A subsequent law (Public Law 90–77) added three new programs—on-job or apprenticeship, flight, and on-farm training. Veterans training under any of these programs were given until August 30, 1975, to complete their education in these categories.

The program has been very successful with 1.4 million, or 33 percent of the 4.1 million veterans made eligible by the 1966 law having used all or part of their educational benefits.

The overall participation rate for Vietnam era veterans has been even higher—approximately 46 percent.

Any veteran whose benefits may expire soon is urged to contact any Veterans Administration office or representatives of local veterans service organizations for full information on the many educational programs available to him, as well as the benefits payable to him while pursuing those programs.

## NO ONE CLOBBERED BY THE STICK IN THE CLOSET

Mr. PROXMIRE. Mr. President, when phase III went into effect and many of us complained about its obvious and apparent weakness, we were reassured by the administration and especially by Secretary Shultz that if prices got out of line the administration had a "stick in the closet" which it would not hesitate to use.

In the first quarter of phase III wholesale prices rose at an annual rate of 21.2 percent. But no one was clobbered.

Farm products, food, and feed went up by 37.3 percent. But no stick was unveiled.

Even more important, there was a 15 percent increase in the wholesale price index for industrial products. But the stick remained in the closet.

These are unparalleled increases in peacetime periods. Ordinarily the wholesale price index rises at 1 percent or a little more or less per year. Yet, as prices went through the roof, no action was taken. Nothing.

All we got were bland reassurances and Pollyanna-ish statements delivered by Mr. Shultz or Mr. Stein or by some anonymous statistical interpreter from deep in the bowels of the bureaucracy.

Mr. President, this situation is impossible to describe and even more impossible to understand.

Here is an administration which does not hesitate to unleash the fury of the B–52 bombers on tiny nations abroad, but is impotent in dealing with a domestic crisis at home.

How does one account for this pusillanimous policy in light of the unprecedented price increases we have seen since phase III began?

Phones are tapped. Burglaries receive official sanction. Dissenters are brought to trial. But outrageous price increases, which can be and should be met through entirely legal action provided for by congressional legislation and authority, are allowed to take place without a blink of the eye.

In a Wall Street Journal article for May 30, James P. Gannon detailed these events—or the absence of events. I ask unanimous consent that his article entitled "Phase 3's Unused Stick in the Closet," where the facts and statements concerning phase III are laid out in all their detail, be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

### PHASE III'S UNUSED STICK IN THE CLOSET

(By James P. Gannon)

Washington.—Somewhere in the White House, there is supposed to be a closet with a stick in it.

The "Stick in the Closet" is the Nixon administration's catch-phrase for the standby powers it has to hit unions and companies which flagrantly violate the quasi-voluntary Phase 3 wage and price controls.

Treasury Secretary George P. Shultz first referred to the stick on Jan. 11, in unveiling the change from the mandatory Phase 2 controls to what he called the "voluntary" Phase 3 curbs. Seeking to distinguish the revamped Phase 3 controls from the voluntary wage and price guidelines of the Kennedy-Johnson years, Mr. Shultz conjured up the "stick in the closet" image and warned that "people who don't comply voluntarily are going to get clobbered."

Inasmuch as this is a time of feverish searching into White House closets, which contain plenty of skeletons if nothing else, it seems timely to ask: Whatever became of the stick?

What seems clear now, after more than four months of the Phase 3 program, is that the stick is more a rhetorical tool than a practical anti-inflation weapon. Nixon administration economic policy-makers, led by Mr. Shultz, believe strongly in basic supply-and-demand strategies to control inflation, rather than in any selective punishing of scapegoats who sin against the wage-price commandments. The mere existence of Mr. Shultz's shillelagh apparently was meant to serve as a deterrent to a possible widespread surge of follow-the-leader type price increases that might follow the expiration of Phase 2 controls.

To be sure, the Phase 3 stick has been rhetorically brandished by Nixon administration economic officials with great vigor and frequency. Alarmed by the widespread reaction that the switch to Phase 3 was actually an abandonment of meaningful controls, Mr. Shultz and his cohorts verbally swing the stick in an effort to restore some of the controls program's damaged credibility.

#### MR. SHULTZ' WARNING

Only a day after he unveiled the Phase 3 program, Mr. Shultz, who didn't like newspaper headlines that said the White House had "scrapped" controls, summoned a small group of newsmen to his Treasury office to say that the Phase 3 closet contained not only a stick, but a shotgun, a baseball bat and an arsenal of other weapons. And the government wouldn't hesitate to use them, Mr. Nixon's economic policy architect warned.

In the days that followed, as price indexes began ringing inflationary alarms, the administration kept talking a tough controls strategy. William Simon, the new No. 2 man at the Treasury, warned that "Phase 3 is going to get tough if toughness is warranted." Mr. Shultz even strode into that corporate lions' den, the prestigious Business Council, to warn that "someone will get clobbered" if the price and wage rules are broken. "If any of you want to offer yourselves up as that juicy target," the Cabinet officer told the businessmen, "we'll be delighted to clobber you."

So, much has been heard of the stick in the closet. But very little—almost nothing—has been seen of it.

That's not because everything on the inflation front is going swimmingly, of course. As everyone from housewives to purchasing agents knows, the pace of price increases since the Phase 3 program began has been the worst since the Korean war inflation of 1951.

Wholesale prices in the first three months of Phase 3 soared at a seasonally-adjusted annual rate of 21.2%. Forget for a moment the stunning 37.3% annual rate of gain in prices of farm products, processed foods and feeds, and look just at that segment of the economy that ought to be most susceptible to persuasion by the "stick in the closet"—industrial prices. In that three-month period, wholesale quotes of industrial goods zoomed at an annual rate approaching 15%, the steepest in 22 years.

The industrial price escalation reflects sizable markups on steel, nonferrous metals, oil, coal, gasoline, textiles, machinery and many other basic goods. The price of lumber has gone up so much under Phase 3 that, if the White House had to go out today and buy a new stick to put in the closet, it would cost nearly 23% more than in January.

But who has been "clobbered"? Despite the price outbreak, there hasn't been a single case of a company feeling the whack of the Phase 3 stick. The general level of wage settlements under Phase 3 has been much more stable than prices; still, there have been numerous settlements exceeding the admittedly fuzzy 5.5% wage standard, but no disciplining of labor chieftains, either.

Administration men cite various moves as evidence that there really is a stick, but the evidence isn't very persuasive. In March, reacting to climbing fuel prices, the Cost of Living Council reimposed limited mandatory price controls on 23 oil companies. But it has already begun relaxing these in the face of shortages that the companies contend are worsened by the price curbs.

Under political pressures that included a march on Washington by homebuilders, the Cost of Living Council seven weeks ago held public hearings on the soaring price of lumber. Despite the implication that it would stiffen lumber price controls, the Council hasn't followed the hearings with any such action; it is still studying the situation.

As pot roast became a luxury and housewives began boycotting the butcher, the White House took another action that's more symbolic than real: placing price ceilings on beef, pork and lamb at a time when those prices were at historic highs. By locking the barn after the inflationary stampede, the administration again demonstrated its reluctance to tighten controls in any way that really puts the squeeze on anyone.

Currently, the administration faces what may be the crucial test of the whole stick-in-the-closet idea. In the midst of the worst industrial price inflation in two decades, the steel industry, led by U.S. Steel Corp., has served up a 4.8% price hike, effective June 15 on about 45% of the industry product line, principally sheet and strip. Now the ball is in the Cost of Living Council's court, where officials are studying the situation.

In the Kennedy-Johnson era, steel price hikes prompted anti-inflationary sticks to emerge from the White House closet even though there wasn't any direct price-control program. Several times during the 1960s, steelmakers trooped down to the White House to have their allegedly greedy knuckles rapped by wrathful Presidents. It became a sort of ritual dance in which the steelmakers stuck their necks out, took a couple of licks, then retreated halfway, leaving everybody with the feeling that something had been accomplished.

There's no way to predict how the Cost of Living Council will handle the steel-price bid. But it's fair to say that if it doesn't do anything to forestall or reduce a price hike that's bound to ripple throughout the economy in coming months, the stick in the closet can be put down as a myth.

#### A DEBATABLE ISSUE

There's room for debate over whether the stick really ought to be wielded with force and frequency, of course, a case can be made that now is the crucial time for the administration to demonstrate that it won't allow inflation to get out of hand and that it's willing to whack a few scapegoats. This might restore public confidence.

Administration men argue another case: that beating the lumber industry, oil men or farmers over the head with a price stick isn't going to solve supply tightness in lumber, oil or meat. The administration's anti-inflationary strategy is to find ways to boost production or imports of products that are under heavy demand pressure.

The administration, in fact, seems ready to accept a considerable degree of price upturn in a period of strong demand, such as the present. Prices, Mr. Shultz likes to tell listeners, have an essential rationing function to perform by allocating scarce supplies among those willing to pay what the traffic allows.

Thus, classic supply-demand economics is dominating the administration's policy today and probably will as long as Mr. Shultz, an ardent free-market disciple, remains in charge. It's difficult to fit a punitive stick into that philosophical closet. After all, if a businessman is only helping to ration a scarce commodity among all those customers lined up at his door, should he be walloped for it?

Maybe the administration economists are right in their judgment that a general demand-pull inflation can't be effectively and equitably controlled by application of the stick. But if the stick is any more than a rhetorical wand, now's the time to prove it. If not, they ought to quit kidding everybody about the contents of that closet.

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## RETIREMENT OF R. L. "BOB" PHINNEY

Mr. TOWER. Mr. President, all too often, we tend to overlook the honest, efficient, dedicated service of the many Federal Government employees and officials who perform their duties in an outstanding manner, without attracting headlines. Such a man is R. L. "Bob" Phinney, who has served as District Director of the Internal Revenue Service's Austin, Tex., district for the past 21 years. Mr. Phinney is retiring in June, after a distinguished career for which the taxpayers of this country should be extremely grateful.

Mr. Phinney has enforced our tax laws throughout the Austin district firmly, efficiently, and fairly. He has done so in a nonpartisan manner which has won him great respect from people of all political persuasions. He has been patient and reasonable while, at the same time, insisting that every dollar due our Government was collected.

He is a man of unquestioned integrity and honor. He is the type of man whose splendid service should make us all feel a bit prouder of our vast governmental machinery. I am confident that his distinguished career will continue to serve, after his retirement, as a wonderful example and inspiration to thousands of other Government employees who have had the privilege of working under his direction. And I wish him many happy years in his well-earned retirement.

## THE FUEL SHORTAGE AS IT RELATES TO AGRICULTURE

**Mr. HUMPHREY.** Mr. President, it is impossible to state too strongly the seriousness of the fuel crisis facing agriculture and agriculture related transportation, especially in the midwestern States, the breadbasket of the Nation. Unless effective action is taken by Government and industry immediately, great damage will be done to our entire economy. Food will be in short supply and many farmers will face financial ruin—for the supply of gasoline is intertwined with the supplies of truck and tractor fuel.

Mr. President, when gasoline or diesel fuel is needed to run a tractor to prepare the ground for planting and then to plant, these activities cannot be delayed. The law of nature determines when planting must be done. If tractor fuel is not available when nature dictates, there will be inadequate crops, which means that there will be not enough bread or beefsteak or other food.

Recently, Mr. Howard J. Simons, who collects reports on farm fuel shortages for the agricultural stabilization and conservation service said:

> I don't think we're going to be hurt very much by a fuel shortage this year.

Well, I beg to differ. I have been receiving many letters from farmers who are very concerned about the fuel shortages. They are concerned that most of the public attention has centered on the effect of the fuel shortages on motorists, and little public attention has been given to the fact that if the farmer does not have enough fuel after an already too wet spring, less food is going to be produced and the price will go sky high. The critical problem now is the planting. The bad weather has delayed much of the planting in the key agricultural areas of the Midwest. The next critical need will be in harvesting, crop drying, and transporting the product.

Mr. President, for many weeks I have been calling the attention of the executive branch to this dire situation. Under the administration's voluntary guidelines for gasoline and fuel allocation, farmers have been designated as top priority recipients of dwindling supplies. But, it is one thing to be so designated, and it is another thing to actually receive the fuel. To determine just how serious the situation is, and may become, I am holding hearings in Minneapolis on Saturday. Among those testifying will be representatives from the following organizations: National Farmers Organization; Minnesota Farm Federation; Minnesota Motor Transport Association; Minnesota Petroleum Council; Northwest Petroleum Association; Association of American Railroads; Minnesota Association of Petroleum Retailers; the Department of the Interior's Office of Oil and Gas; and Minnesota's top Civil Defense official.

Mr. President, there are more than 60 agencies of the Government with responsibility for energy planning—and yet right now we do not have enough gasoline to plow the fields in the upper Midwest. Something must be done to rectify this situation, and I am doing everything in my power to make sure that our farmers and truckers are provided for.

A good illustration of why farmers and transporters of farm goods share a deep uncertainty about the inadequacy of fuel supply can be found in two reports which came over the commodity ticker tape yesterday. At the same time the Agricultural Stabilization and Conservation Service issued the statement I have referred to that there is not a fuel shortage problem for agriculture, the news service reported the threat that Kansas wheat fields may be skipped entirely by harvesting crews, because of the fuel shortages, and that two major railroads serving Missouri have reported a severe shortage of diesel fuel.

Mr. President, I ask unanimous consent that these three statements be printed in the RECORD at the end of my remarks.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

(See exhibit 1.)

**Mr. HUMPHREY.** Mr. President, another example of the uncertainty is a letter I received recently from the mayor and members of the council of the village of Ellsworth, Minn. They state that—

> There are at least 50 farmers without supplies of gasoline and they will probably have enough fuel to get their corn in, but not their beans and other crops.

Mr. President, I ask unanimous consent that this letter be inserted in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

ELLSWORTH, MINN.,
*May 10, 1973.*

In the last week we have been faced with a real emergency due to fuel shortage with the closing of Skelly Oil Company in Ellsworth. We are experiencing an acute gas and fuel shortage in our community. There are at least 50 farmers without supplies of gasoline and they will probably have enough fuel to get their corn in, but not their beans and other crops. No other firm can supply their needs because of the cutback in their allocations to supply only their own customers.

Now as the Council of Ellsworth we think this is very critical because the two suppliers in Ellsworth as of their quotas will not be able to keep up with the demand for month of May. We the Village Council think there is something that can be done to eliminate this situation, not entirely, but something to insure the community that crops are important and with the production needed as now, we need this fuel and think it's a main concern of the State of Minnesota to begin thinking of the welfare of the whole state, not just a few. They should try to get enough fuel into Ellsworth to take care of this production of crops in the community and insure them a fair share in the welfare of the county, state, and community.

VILLAGE COUNCIL,
*Ellsworth, Minn.*
KENNETH HACKING,
*Mayor.*

Council men Royce Becker, Lowell E. Colwell, Pat Doherty, and Wendell Lovlaen.

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### EXHIBIT 1

### TWO RAILROADS FACE SHORTAGE OF DIESEL FUEL

SPRINGFIELD, MO., May 30.—UPI—Two major railroads serving Missouri reported today they face a severe shortage of diesel fuel.

R. C. Grayson, president of Frisco, said the line expects to be 15 million to 18 million gallons short of diesel this year. He said the railroad normally uses 91 million to 92 million gallons, but anticipates a supply of less than 76 million gallons.

President John Lloyd of Missouri Pacific said his railroad needs 180 to 200 million gallons a year and tries to keep a reserve of 12 to 15 million gallons.

"This year we haven't been able to get reserves as high as 10 million gallons," Lloyd said.

Grayson said the rise in fuel prices are "almost unbelievable, with domestic prices up 20 pc."

Both executives said they are searching for foreign fuel at even higher prices to meet load demands.

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### CUSTOM COMBINES MAY SKIP KANSAS WHEAT HARVEST

TOPEKA, May 30.—UPI—Kansas Agriculture Secretary Roy Freeland says he is having difficulty in compiling a list of custom combine crews available for the Kansas wheat harvest.

Governor Robert Docking requested the information from Freeland after learning from the Governor's advisory council on energy and natural resources that several combine outfits might skip Kansas this season for fear of being stranded by the fuel shortage.

Freeland said he probably will achieve only a rough estimate.

According to Docking's information, most of the crews normally expected in Kansas wheat fields have indicated they will either work selected portions of the State or skip the State entirely because of the fuel shortages.

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### ASCS DON'T SEE FUEL AS FACTOR IN AFFECTING PRODUCTION

WASHINGTON, May 30.—The Government has taken adequate steps to assure that fuel shortages this summer and fall will not cause higher food prices, an USDA official says.

"I don't think we're going to be hurt very much by a fuel shortage this year," said Howard J. Simons, who collects reports on farm fuel shortages for the Agricultural Stabilization and Conservation Service (ASCS).

"We're right on the ragged edge on fuel and we can't afford to waste any," he said, but added, "we really don't see fuel as being a factor in affecting the production this year."

Farmers need fuel to power their tillers, tractors, harvesters and almost every other piece of farm machinery, let alone the trucks used to deliver the supplies to the farm and the end product to market.

With most of the attention centered on the effect of the fuel shortage on motorists, little public attention has been given to the fact that if the farmers don't have enough fuel after an already too-wet spring, less food is going to be produced and the price will go sky high.

To forestall that possibility the administration designated farmers as top priority recipients for gasoline and other fuel supplies and worked out voluntary agreements with oil companies so farmers and farm suppliers would receive what they need.

The voluntary program was begun less than two weeks ago, and Simons said yesterday he has received about 100 complaints from farmers and farm suppliers in 21 or 22 States about not getting enough fuel. About 14 or 15 of the most critical ones were resolved quickly, he said.

As an example of the program's effectiveness already, he noted that at the start of the program Michigan was in very bad shape. Some farmers were having difficulty getting fuel to run their tractors, he said. But all are receiving fuel now and "Michigan is pretty much out of the woods," he said.

Most of the reports now are coming from Illinois, Iowa, Missouri, Nebraska and Florida, Simons said. Many of the problems turn out not to be problems at all after the farmer or supplier is told by ASCS that his is a priority need which will be filled.

As a result, Simons said, "no significant production has been lost anywhere on account of the fuel shortage."

He said the critical problem now is the planting. The weather delayed much of the planting in the key agricultural areas of the Midwest.

The next critical need will be in harvesting, crop drying and transporting the product. "That's way down the road and hard to see clearly," Simons said, but he doesn't think the problem would be any worse than it has been.

"There are ways to save in farming operations," Simons said. "I think this is important to be brought to farmers' attention. Make every gallon go as far as possible."

To that end, the USDA advises farmers to put off until after the crisis such operations as ditch cleaning and land leveling and to reduce their tillage operations as much as possible.

To determine just how serious the situation is and may become, the USDA has scheduled a one-day meeting in Des Moines, Iowa, tomorrow to hear from Government officials, farmers, farm suppliers and farm organizations on the effects of the gas shortage.

## WATERGATE

Mr. SYMINGTON. Mr. President, every Member of the Senate, as well as anyone else really interested in the present Government problem that comes under the overall heading "Watergate," will be glad to have the opportunity to read an article written by one of the ablest of newspapermen, Walter Pincus, associate editor of the New Republic magazine.

I ask unanimous consent that this article entitled "The Puzzling Prosecution: More Unanswered Watergate Questions," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### THE PUZZLING PROSECUTION

(By Walter Pincus)

Within hours of the arrest of five men inside Democratic national headquarters in the Watergate building, last June 17, agents of the Justice Department—the local US attorney's office in Washington, DC and the assistant attorney general of the Criminal Division—took charge of the case. Four individuals were involved: Assistant Attorney General Henry E. Petersen, and Assistant US Attorneys Earl Silbert, Seymour Glanzer and Donald Campbell. Of the four, two had ties to main participants in the matter. Petersen, a career Justice official, had been plucked from the bureaucracy by John Mitchell, a man he admired, and given the presidential appointment as head of the criminal division. Silbert, who worked for years in the US attorney's office, had during 1969 been dispatched to the Justice Department to help draw up the DC crime bill. There he dealt not only with Mitchell but also with John Wesley Dean III, then a Mitchell deputy in charge of Justice's congressional relations. For almost a year, these four, along with Attorney General Richard Kleindienst and former acting FBI Director L. Patrick Gray III, exercised primary responsibility for the investigation and prosecutions, not only of those involved in the Watergate burglary and bugging, but of the financing and carrying out of the Nixon campaign organization's widespread political espionage and sabotage. Since March 21, when convicted Watergate conspirator James McCord, Jr., sent a letter to Judge John Sirica alleging political pressures to cover up the original crime, the prosecutors also have been investigating that side of the sordid affair.

From the start, the prosecutors have been the subject of speculation—speculation over whether they could get to the higher-ups who ordered and directed the crime, but who also were *their* bosses; speculation over whether they, the prosecutors, would be subject to political pressures. This concern was expressed during the first Watergate trial by Judge Sirica, who on several occasions interrupted the prosecutors to press questions of his own, seeking to dig out information that seemed to be ignored by the government lawyers.

Now it appears the prosecutors themselves are under investigation by the Ervin Select Senate Committee. And the appointment of a special supervisory government prosecutor, Archibald Cox, makes it likely that still another review of their work will be made. Though hindsight simplifies what may have been obscure at the time, a number of questions are worth asking in assessing the prosecutorial effort to date.

*Who narrowed the scope of the original investigation and why?*

In a June 19, 1972 summary, the FBI said it was investigating "whether there is a violation of the Interception of Communications Statutes or any other Federal statutes." In another FBI investigative summary little more than one month later, prepared at the request of White House counsel, John Wesley Dean III, and delivered to him through the attorney general, the "direction of investigation" was limited to possible violations of the wiretap statute, although by then information had been developed indicating possible violations of campaign fund laws and fraud statutes. Justice Department spokesman John W. Hushens said recently that Attorney General Kleindienst joined with Assistant Attorney General Petersen in making that "policy" decision within weeks after the break-in. White House aides John Erhlichman and H. R. Haldeman were by then actively intervening in the case in an attempt to get the CIA to limit FBI investigation of Watergate funds, claiming—erroneously—that clandestine activities would be endangered. However, Hushens says the prosecutors were not to his knowledge influenced in their decision by the White House.

On July 10, 1972, FBI agents in Mexico City were told that a $100,000 contribution destined for Maurice Stans, finance chairman of the Nixon reelection campaign, had come from the account of an "American company with operations in Mexico." Federal law prohibits corporations from contributing to presidential elections; yet this alleged violation was not initially pursued by the FBI, according to Mr. Gray, because the assistant US attorney did not request such an inquiry. Recently a federal grand jury in Houston has begun an investigation of Gulf Resources and Development Corp., from whose account the funds initially came.

Telephone records and bank accounts from August 1971 to June 1972 of Donald J. Segretti, an alleged campaign saboteur hired by the Nixon organization, were examined last fall by the FBI at the direction of the US attorney, but no prosecution was immediately brought. Instead, according to Mr. Gray, "there was never any indication from either the assistant attorney general or the US attorney that there was any likelihood of prosecution of Mr. Segretti." Recently an indictment has been brought against Segretti in Florida and investigations of his activities are reportedly underway in several other states.

*Why was the Watergate prosecution so slow in coming to trial?*

According to former Acting FBI Director Gray, the main part of the investigation was over by mid-July last year. Gray's successor, William Ruckelshaus and other FBI sources reportedly agree that indictments could have been obtained in late July rather than in mid-September, a date that guaranteed no trial would take place until well after the election.

*Was the delay in any way part of a cover-up?*

Despite statements that the FBI investigation was the "most thorough since the Kennedy assassination," as alleged by Attorney General Kleindienst during his campaign appearances last fall there is ample evidence the inquiry was hesitant when it approached the White House and the reelection committee.

It was five days after the crime before an arraignment could be agreed upon for FBI interviews with White House staff members. White House counsel Dean was permitted to sit in. The contents of Watergate conspirator E. Howard Hunt's safe, kept in Hunt's White House office, were withheld from the bureau for seven days. Then at least two folders were privately given Acting Director Gray with implied instructions from Dean and Ehrlichman to destroy them.

Assistant U.S. Attorney Silbert agreed to permit reelection committee lawyers to sit in on all FBI interviews with campaign personnel, if they would not "interfere with the questioning." This arrangement continued despite the fact that, according to the FBI's July 21 report, at least some reelection committee employees secretly sought FBI reinterviews without committee lawyers present, and others advised agents they were being given the runaround by Nixon committee officials.

The then treasurer of the Nixon reelection effort, Hugh Sloan, Jr., was given unusual treatment by his Nixon committee colleagues and prosecutors alike. Sloan was troubled by those $100 bills in the hands of the Watergate burglars. He immediately tied the break-in to almost $200,000 in cash—mostly $100 bills—which he had given G. Gordon Liddy, a Nixon committee employee. Sloan had asked Finance Chairman Stans about these disbursements and had been told by Stans, after he checked with campaign chairman John Mitchell, that "you don't want to know" about them. On July 14 FBI agents questioned Stans about the Mexican money; he deferred to Sloan. The agents asked for Sloan; Stans told them "Sloan had resigned two weeks ago." But according to a later deposition by Sloan, he did *not* resign until later *that day*, after Stans told him what he had told the FBI.

Sloan then informed both the U.S. attorneys and the grand jury that it had been suggested to him by Mitchell aide Fred LaRue that he, Sloan, take the Fifth Amendment on his disbursements of cash to Liddy. Deputy campaign director Jeb Magruder suggested that he perjure himself and report a smaller amount, $40,000. Alfred C. Baldwin III, the man who monitored some 200 telephone calls over the bugged Democratic phone, also says he was told to take the Fifth Amendment by Nixon committee lawyers. Nevertheless Baldwin on July 10, less than a month after the break-in, told his whole story to the U.S. attorney and the FBI. With all the other defendants and suspects remaining silent, and neither of the two bugs in Democratic headquarters having yet been uncovered, Baldwin's was the first indication that a wiretap had actually been installed.

His statement was important for another reason. He told the prosecutors of the participation of Hunt and Liddy. And he reported that on the night of the arrests, he had taken to McCord's home and given McCord's wife the receiver—over which he heard the conversations—and the walkie-talkies that he and Hunt had used that night.

McCord, at the time he was arrested, had at least one telephone electronic bug in his possession. During the week McCord was in jail, however, no search warrant was taken out for either his home or his business office. The prosecutors now say they had no reasonable cause to get one. Yet an FBI directive, sent to its Miami office on June 20, suggests a search warrant be obtained to examine McCord's Florida apartment. If investigators had searched McCord's home they would have found $18,800 in cash in his basement along with some $20,000 in bugging transmitters and receivers. When he was released from jail, McCord disposed of some of the equipment by burying it or throwing it in a sewer. Strangely enough, three months later—at the time of McCord's indictment—the prosecutors sought from him and got the receiver and walkie-talkies Baldwin had delivered to McCord's home the night of the arrest. Both McCord and the prosecutors are silent on why all this happened as it did, though it is said to have involved the threat of legal action against McCord's wife.

We don't know today why the prosecutors waited so long to get that material, nor why they didn't ask for any other material. It should be pointed out that around the same time, in September, the Democrats—contacted secretly by Baldwin—turned up the bug on the phone of Spencer Oliver, a party official. The appearance of that bug confirmed that an electronic interception had occurred and could have required the prosecutors to retrieve the receiver. The appearance of the bug preceded the Watergate indictment by about two weeks. There has been speculation that if the Democrats had not uncovered the Spencer Oliver bug, the indictment would have been only a conspiracy to intercept, rather than the carrying out of the act of wiretapping.

*Did the prosecutors know of attempts to involve the CIA in the cover-up?*

On June 23, 1972 White House aides Haldeman and Ehrlichman—aware even before the FBI that the Mexican checks would lead to the Watergate conspirators—sought to have bureau investigation of those checks blocked by the CIA. On July 6, CIA Deputy Director Lt. General Vernon Walters told Acting FBI Director Gray that there was no clandestine CIA connection with the Mexican money and that it appeared the White House was trying to involve CIA in a cover-up. Did Gray ever pass along that information to Assistant Attorney General Petersen or the US attorneys? Beginning in October 1972, and running through December 22, the Watergate prosecutors sought additional information on CIA assistance given Hunt and Liddy in July and August 1971, when both were working on a project that culminated in the September 3, 1971 burglary of Daniel Ellsberg's psychiatrist's office. A CIA official, who refuses to comment on the cover-up allegations, says these questions in late 1972 dealt mainly with proving there was no CIA involvement in the Watergate break-in. He attributes the special interest of the prosecutors in CIA to "rumors around the courthouse that some defendants would use CIA as a defense."

In his Senate committee testimony, James McCord alleges that it was suggested to him, at just this time on December 21, that he use "as my defense during the trial the story that the Watergate operation was a CIA operation." McCord says he refused to go along with what he termed "the White House . . . ploy," and thereafter, he testified, it was dropped.

*What was the background of the press release by Assistant Attorney General Petersen on September 16, 1972?*

Twenty-four hours earlier, on September 15, the indictments were brought in the Watergate case. The main defendants were Hunt and Liddy. Senator George McGovern, then the Democratic presidential candidate, called for additional investigation into who had paid for the operation. On September 16 McGovern termed the indictment a "whitewash." Later that day a press release emerged from the Justice Department under the name of Assistant Attorney General Henry C. Petersen (his middle initial is E.), stating that "Senator McGovern's charges are completely unfounded and are a grievous attack on the integrity of the 23 good citizens of the District of Columbia who served on the Watergate grand jury." It went on to say there had been no limits on the investigation "conducted under my supervision" and that it was "among the most exhaustive and far-reaching that I have seen in my 25 years in the department." Justice Department press officer Hushens says he worked the language of the statement out with Petersen that afternoon, while Petersen was attending his daughter's wedding. "We had the information ready to go." Hushens said recently, adding that he saw nothing wrong with a career bureaucrat answering the charge of a presidential candidate. "Petersen may have come up from the ranks but he was a Presidential appointee," he said. Hushens, it might be recalled, traveled with Attorney General Kleindienst when the later performed as a surrogate in the Nixon campaign—with his expenses reimbursed by the Nixon reelection committee.

*Why did the prosecutors accept so uncritically Magruder's questionable testimony?*

As noted earlier, Hugh Sloan told the prosecutors and the grand jury that Magruder sought to have him testify falsely. Nevertheless the prosecution used Magruder as a key witness. It gave credence to Magruder's assertion that Liddy had been given a "legal" intelligence function, an assertion now known to be untrue. Prosecutor Silbert accepted Magruder's statement that in return for $150,000, Liddy had told him 250,000 demonstrators would show up at the Republican Convention in San Diego, and that that intelligence was critical to the decision to move the convention to Miami. McCord noted both in his Senate testimony and in reports filed with the Nixon reelection committee (and thus available to the prosecutors) that the demonstrator figures for San Diego were given McCord by the internal security division of Justice, and not to Liddy. It also should have been noted by the prosecutors that the GOP convention site was transferred primarily because of the ITT scandal (the alleged payment of $400,000 for the convention), and not anxiety about possible demonstrations.

Two other prosecution witnesses were in conflict on the same key cover-up promoted at the trial—the so-called need for a special intelligence unit run by Liddy. Robert Odle, the Nixon reelection committee's director of administration, testified that McCord was hired because he was plugged into investigative agencies such as the FBI, Justice Department, Secret Service and the Metropolitan Police; and indeed he did receive regular reports from those agencies. Herbert Porter, the reelection committee's director of scheduling, testified that the Liddy operation was necessary because the campaign organization was a private body and therefore could not receive reports from Justice, Secret Service, etc. Porter and Odle testified on the same day!

Perhaps the most damaging point concerning the prosecutors at the trial was a leading question put to Magruder, who was asked if he had ever told Liddy how to conduct his "legal" intelligence gathering. "We were very concerned about being sure that the activities of our committee were handled in a legal and ethical manner," Magruder replied. Under questioning he could not recall what prompted that statement to Liddy though he said it took place in a hallway.

*What has been the prosecutors' attitude since the trial?*

The prosecutors generally have been critical of the press, citing misleading facts and conclusions based on hearsay. Though they talked of searching for higher-ups after conviction of the original seven defendants, the assistant U.S. attorneys stressed to newsmen that, as they had told the jury, Liddy was the boss. There were no superiors to find. During the pre-trial and post-trial period, they offered, on background, numerous theories as to what had happened; for example that Liddy was a zealot, operating on his own and out to make points with Nixon associates. At one time there was even a suggestion put forward that Liddy had stolen $16,000 to finance the operation. A lawyer for Democratic National Committee employees who were wiretapped says chief prosecutor Silbert told him that Hunt was doing the bugging for blackmail, not for political reasons at all. In their summary the prosecutors alleged that McCord was in it for the money—and in trying to prove that they conveniently left out the fact that McCord had a tax free $12,000 a year CIA pension. As McCord recently noted in the Ervin hearings, he was being paid at an annual rate of $20,000 by the Nixon committee and received another $8,000 from the Republican National Committee on top of his pension.

Whether they were simply unable to break the case first time around; whether they were simply politically naive; whether they were manipulated by the White House as were the directors of CIA and the FBI—whatever the truth—the prosecutors should be replaced. That should be one of special prosecutor Cox's first moves.

There is no need to rush the new round of grand jury investigation and indictments. Mr. Cox needs time not only to build up his own staff but also to review the investigative work to date and decide what remains to be done. Of all the inquiries in progress—administrative, legislative and judicial—it is the latter, the criminal justice proceedings, that should be the most carefully prepared. Meanwhile the Ervin committee should take a close look at how justice was administered by the prosecutors who had the case from the beginning.

## HIGHWAY SAFETY

**Mr. BURDICK.** Mr. President, an important piece of legislation passed by the Senate this year was the highway safety bill. This legislation is necessary to combat the high incidence of highway accidents. But as vital as this legislation is, more is needed. I refer to the need for each one of us to be concerned for traffic safety. One man in North Dakota, Robert F. Miller, of Fargo, has been vitally concerned, not only today, but for years. An article published August 23, 1936, in the Fargo Forum, a daily newspaper published in Fargo, N. Dak., gives an account of Mr. Miller's "one man campaign against car accidents." That was almost 37 years ago. He still maintains his scrapbook and, at every opportunity, reminds the motoring public of the hazards upon the highways, with the admonition to drive carefully. He is making his contribution to safety in his own way.

I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

### "Sudden Death" Scrapbook Is Ex-Garageman's Hobby—Fargoan Finds It Hard To Keep Pace With Accident Stream

And Sudden Death was instilled in his mind when he was high school age—

He has seen the pools of dried blood, the shriveled bits of flesh torn off in the crunching of steel automobile bodies that meant sudden or agonizing death or bodies crippled and twisted for life—

He has seen automobiles in which many had their lives snuffed out, not through any fault of the victims but through highpowered, death-dealing machines in the hands of some irresponsible individual or individuals—

He has cringed when he touched the nerveless steel of automobiles, but he had to—he worked for garages and he often had to haul in the wreckage, many times twisted beyond repair.

### A SHOE MAN NOW

He is Robert F. Miller, manager of the Metropole Shoe Repair, who now spends his days mending torn foot-gear rather than tangled masses of automobile steel, in which many times the tender flesh of the human body had been equally torn and tangled.

Miller, who since the first time he saw the suffering caused by misuse of automobiles, was deeply affected by the horrors of this grim reaper of the highways.

In what he terms a "one man campaign against car accidents," Miller has made a hobby of collecting pictures and articles from various newspapers and magazines on highway mishaps and placing them in a scrapbook.

### CAUTIONS DRIVERS

Another move in his campaign is to caution any driver he sees breaking traffic laws, either on the highway or on city streets.

Looking through newspapers or magazines, Miller watches for stories or pictures pertaining to accidents. His scrapbook gives a vivid and graphic picture of horrors caused by mishaps.

Most emphasis is placed on speed. But he does not forget that alcohol and gasoline don't mix and that carelessness is the cause of much sorrow and pain.

"I'm having a difficult time keeping my scrapbook up-to-date," he declares, "the accidents are coming too fast."

"From the time children are in the lower grades to the time they are graduated from high school or college they should be taught traffic rules, given driving lessons, and the horrors of car accidents should be presented to them," he said. "This would bring about fewer accidents and less grief, I believe."

### WORKED IN HILLSBORO

Born and raised in Hillsboro, Miller first worked for a garage in that Trail county town.

An accident that impressed him most was one in which a 2-year-old child was crushed to death.

Miller was 17. He was one of the garage employees sent out on the highway, now No. 81, near Buxton to gather up the tangled wreckage of the two automobiles.

The mishap occured when a small sedan came in off a side road and struck a larger machine amidship. The larger rolled over and the small one was telescoped. Seven persons were involved, five in the small sedan, that could easily have been killed. Luck rode with the other six.

Another one which remains vividly in his mind is a train-car crash north of Hillsboro. Several were killed, cut to bits.

### WITH GARAGES 9 YEARS

Miller was connected with garages for nine years, quitting that occupation about six years ago to go into the shoe repair business.

Asked about the article—And Sudden Death, that descriptive writing by J. C. Furnas on the results of two accidents, Miller said:

"It deeply penetrated my mind, although I have seen much of the same thing. To persons who have not seen much of accident results, it must have knocked them cold."

"The Fargo Forum has not been any too strong on many of their vivid accident stories. It is the only way to make people realize the danger that the highpowered cars can cause if improperly handled. We need more of these stories and pictures."

## THE SUBSTANCE OF THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, I have been speaking before the Senate for almost 7 years urging our ratification of the Genocide Convention. It is pertinent to review the major features of this human rights convention.

Genocide has been defined as any act designed to destroy a national, ethnic, racial, or religious group. Member nations, who are parties to the convention, agree to punish any person committing an act of genocide, committing an act inciting genocide, or engaging in complicity in genocide.

The convention also makes provision for the punishment of any person, be he public official or private citizen, who commits an act of genocide. I would like to point out that the convention intends for each member country to bring to trial individuals who have committed acts of genocide within their territory. The convention does not establish a world court, as some have maintained. It does allow for an international penal tribunal, whose jurisdiction has been accepted by the involved parties, to examine cases of genocide. Such a court would not, however, supersede the authorized courts of any nation.

Article VII states that genocide will not be considered a political crime and extradition should be granted in accordance with the laws and treaties of the countries involved. If there is a question or dispute between any two countries, article IX allows for the dispute to be heard in the International Court of Justice.

From this brief survey of the basic points of the Genocide Convention it is clear that it would be in the best interest of the United States for us to ratify this human rights document. We must go on record as completely opposed to this monstrous crime.

## THE SCIENCE OF WEATHER MODIFICATION

Mr. BELLMON. Mr. President, the science of weather modification has been developing for over 30 years, but only recently has the public demonstrated strong interest in using these techniques to prevent drought or modify severe weather. With growing public interest, there has been a corresponding increase in the number of active weather modification programs in widely separated regions of the Nation. Some of these programs are privately financed, others are financed publicly. Some are undertaken as short duration emergency programs, others are of a continuing nature. Some use ground generators for cloud seeding, while others make use of aircraft for this purpose.

Many of these programs have shown conclusively that weather modification has a highly favorable benefit-to-cost ratio, frequently above 10 to 1. Such evidence indicates these scientific techniques hold great potential for improving the economy and quality of life in many parts of the country by enhancing precipitation and stabilizing weather patterns. But there is still much about weather modification that remains unknown to the scientists and these questions need to be answered.

There is great interest and even greater need for a well managed and operational demonstration project in weather modification to test all known scientific procedures and to carefully monitor results so that we can better learn what works, what does not work and how to accurately predict the results of modifying a storm system.

Probably no State has greater citizen interest in weather modification than Oklahoma, where several cloud seeding contracts are now in effect. The Oklahoma State Legislature has recently acknowledged the need and national significance of a controlled operational program. The State legislature expressed its interest in a formal resolution which pledges the support and cooperation of the State of Oklahoma for designation of a site and operation of a controlled program.

Mr. President, on behalf of myself and my colleague from Oklahoma (Mr. Bartlett) I ask unanimous consent that the text of HCR 1056, enacted by the Oklahoma State Legislature, be printed in the Record.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

### House Concurrent Resolution No. 1056

A resolution relating to weather modification research; expressing legislative intent that it be officially known that Oklahoma strongly favors establishment of a site in this state by the bureau of reclamation for scientific precipitation augmentation; and directing distribution

Whereas, the Bureau of Reclamation is interested in the selection of a suitable site for an experimental program to test the scientific concepts of precipitation augmentation; and

Whereas, there is general local interest in precipitation augmentation because of need, prior experimentation, educational programs and operational activities; and

Whereas, the Bureau of Reclamation's prior activities in Oklahoma met with general acceptance and the National Oceanographic and Atmospheric Administration has a severe storms laboratory in Oklahoma.

Now, therefore, be it resolved by the House of Representatives of the 1st session of the 34th Oklahoma Legislature, the Senate concurring therein: That the House of Representatives and the Senate of the State of Oklahoma express their interest in and support for an experimentation program in precipitation augmentation by the Bureau of Reclamation that the Governor, the Oklahoma Water Resources Board and other state agencies extend their cooperation to the Bureau of Reclamation in selecting and operating a site for such experimental operations in Oklahoma.

That copies of this Resolution be sent to the Bureau of Reclamation, Dr. Archie M. Kahn, the Honorable David Hall, Governor, the Oklahoma Water Resources Board, the State Department of Agriculture, the Civil Defense Agency, the Governor's Advisory Commission on Weather Modification and the Oklahoma Congressional Delegation.

Adopted by the House of Representatives the 15th day of May, 1973.

## REESTABLISHMENT OF GUILT

Mr. BROCK. Mr. President, columnist Jenkin Lloyd Jones had a remarkably perceptive and thought-provoking column, which appeared in the Washington Star last week.

It deals with the subject of guilt, and expresses some very cogent arguments with regard to the potential consequences to a society which allows itself to stray from a belief in individual responsibility for individual actions.

I have long felt that the general philosophical trend away from this belief was an underlying cause of a wide range of social problems in the United States today, and I believe that Mr. Jones' well-considered article deserves the attention of my colleagues.

Accordingly, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### REESTABLISHMENT OF GUILT

One of these years, before the jungle grows completely over the temples of civilization, Americans may have to rediscover guilt.

Good old go-to-Hell guilt.

Guilt is the sour taste you get when you know you've done badly. Guilt is the pointed finger of society. Guilt is the hand in the cookie jar—or the cash till—that evokes an appropriate response. Guilt is the cry, "Father, I have sinned," and the gut feeling that it's time to hit the sawdust trail.

Now, of course, Puritans and Victorians and prissy people of all eras have overdone guilt. John Bunyan feared that he might be damned for his love of ringing church bells. Cotton Mather slavered over his public denunciation of the girl "who spent the night on a frigate." To many frigid 19th-century ladies, intercourse for any other purpose than procreation set you back 10 spaces in the heavenly parchesi game.

And so here came Sigmund Freud, and he told us that the reason for a lot of misery and breakdowns was because we hadn't been able to come to terms with the animal within us all. And he was probably right.

But because Freud tried to explain why we act as we do, many of us seem to have gone on to the more dubious assumption that anything we do is justly explained away.

We have been deep in the age of alibi.

Not long ago Tom Wicker of The New York Times hit out at law-and-order demanders by explaining once more that crime in the cities was the result of deprivation.

He neglected to explain how it was that the children of people who had lived with reasonable peace and order under real agricultural peonage were turning his city's streets into tiger walks in spite of record outlays for education, uplift and direct relief payments.

More than half a century ago Vachel Lindsay wrote:

Good old preacher in the slums of town
Preached at a sister for her velvet gown.
Howled at a brother for his lowdown ways,
His prowling, guzzling, sneak-thief days.

There's not much of that preaching any more. To charge wrongdoers with wrongdoing is unthinkable in many theological seminaries. Instead, it must be the hard-working, conscientious, law-abiding taxpayer who is tagged for his bigotry, his ungenerosity, his callousness to the disadvantaged, and, therefore, his responsibility for crime.

This type of thing has been going on long enough to reveal a counter-trend. Pulpits filled with bleeding-heart, explain-away-sin preachers are facing diminishing congregations, while old-fashioned fundamentalist sects, which hold that each man remains responsible to God for what he does, are flourishing.

In short, the philosophy of the alibi is not working very well. The more one dwells on the rationale for misbehavior, the more misbehavior seems to increase.

A few years ago two California psychiatrists, Drs. William Glasser and G. L. Harrington, came up with what they called "reality therapy" at a state reform school. They were kindly and understanding, but they bore down on the thesis that no-nos were not maybes. Wrote Dr. Glasser:

"We have met too many fouled-up youngsters who have never had to face their principles in therapy, because traditional therapy requires not that they exercise their values, but only that they understand causes. If everyone working with a delinquent child holds him responsible to himself for what he does the child soon learns the pleasure of doing well and getting credit for it."

Guilt ignored does not necessarily go away. Instead, it often festers. A child is usually bright enough to understand his misbehavior. The quick swat to the britches redresses guilt and tends to clear the air. But the child of weak or permissive parents must live with his guilt, and where they and society, in general, offer no response he is likely to develop contempt for both.

As one juvenile probation officer put it: "Much serious law-breaking among the young is masochistic desire to seek punishment that has been denied."

The concept of sin, not directed at the bystander but at the sinner, is essential to any orderly and productive society. If you embrace the theory that the transgressor is helpless before forces beyond his control then, of course, there is no guilt.

But civilization is measured, not by the right of a man to do as he pleases, but by the freedom of a man from depredations by other men. When restraints, moral and legal, vanish and nothing stands between him and the predators but the strength of his own arm, then we are back to the jungle.

## A LOOK AT THE MIDDLE EAST

Mr. BIDEN. Mr. President, Dr. Allen Pollack, a history professor at Yeshiva University in New York, has written an article, published by the American Enterprise Institute, on the Middle East. It is an incisive piece and gives a lucid picture of some problems involved in the Arab-Israeli conflict.

The article lists three major conflicts going on in the Mideast. They are: the continued war between Israel and the Arab States, the involvement of the Great Powers in the dispute, and the internal warfare inside the Arab world itself.

An interesting observation Mr. Pollack makes is that "in the Middle East, Israel plays the same role that the Jews traditionally played in Eastern Europe. It serves as the scapegoat for the domestic problems of the society in which it lives."

One of the most interesting discussions in the article is that of the role of the Soviet Union. Mr. Pollack feels that the Arabs could not continue their war effort without the help of the Soviet Union. The Soviet Union's assistance does not stem from pure motives, Mr. Pollack says, but rather from its desire to achieve total control over the Middle East. The main goal of the Soviet Union in this area has been to eliminate the Western presence in this area. Thus, there is really no inconsistency in its supporting the establishment of the State of Israel, and then their switching to an anti-Israel policy. Both moves were intended to get the British out of the Middle East—first from Israel and then from Egypt.

The Middle East conflict is today, as it has been for years, a volatile and confusing situation, and Mr. Pollack's article helps shed light on some of the underlying causes of the conflict. It is worth reading.

Mr. President, I ask unanimous consent that Mr. Pollack's article "A Just Peace in the Mideast" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### A JUST PEACE IN THE MIDEAST

(By Allen Pollack)

In seeking to clarify the most important issues involved in the Middle East, at least three major conflicts in the area should be traced.

The first, and of course, the most familiar of these conflicts is the continued state of war between Israel and the Arab states. The conflict is bitter and genuine rights are involved on both sides. Interestingly enough, however, the outstanding points of this conflict, which is primarily a dispute over territory, could lend themselves fairly easily to compromise. The Security Council Resolution of November 22, 1967 contains the outline of the most feasible settlement. Unfortunately, such a solution is unlikely to come about, because these issues involving territory, the Arab refugees, the city of Jerusalem, or navigation rights through international waterways are but the surface reflections of the more basic forces which underlie the conflict.

The fundamental question is still whether the Arab states are ready to accept the existence of a viable Jewish State of Israel as an equal in their midst. So far it remains a fact that they are unwilling to face reality—they are unwilling, in spite of three humiliating defeats in 20 years, to give unqualified acceptance to the fact of the existence of the sovereign State of Israel. Their unwillingness reflects their deep-seated resentment of what Israel represents in their eyes. It also reflects their frustration and bitterness at their inability to solve the anguishing problems which beset their own societies, as these societies are being forced into a process of dramatic change and social transformation. These processes are more important to the future of Arab society than is any basic clash of nationalisms, such as that which the Arab-Israeli dispute also reflects. This helps explain the continued unwillingness of the Arab states to entertain any compromise in their fundamental opposition to the legitimacy of Israel's existence.

In recent years, the Arab-Israeli dispute has become more complicated with the emergence of Palestinian nationalism. There are now two components to the conflict, related though separate. In the straightforward dispute between Israel and the Arab states the outstanding issues still lend themselves to fairly easy resolution. However, the dispute between Israel and the Palestinians may be much more difficult to resolve if Palestinian nationalism develops only in an extremist form, as is the case at present—if, that is, no alternative force representing the true interests of the Palestinians emerges to the present guerrilla groups, who define their *minimal* demands as including the dissolution of the State of Israel as presently constituted. In spite of the depth of feeling involved, the Arab-Israeli dispute is actually less important in the Middle East context as a whole than the other conflicts with which it has become intertwined.

The second major conflict in the Middle East concerns the very reason why the area is both so prominent in the news and so menacing to world peace. The Middle East has become the newest and most volatile front, reheating the cold war between East and West. The world can tolerate, as it has in the past, festering wars between small nations. But it cannot survive direct clashes between the Great Powers. This is the war that must be defused, for it contains the threat of potential global destruction. Because of Great Power involvement, the Arab-Israeli dispute has remained unsolved. Because of Soviet actions in recent years, the stakes have been raised, and the issues now far transcend regional considerations.

The third major conflict in the Middle East is the incessant internecine warfare going on inside the Arab world itself. This state of affairs also serves to clarify the Arabs' continued intransigence on the issue of Israel. It is also one of the reasons why the Soviet Union has been able to penetrate into the area so swiftly and easily. These constant internal convulsions are the Middle East variation of the overall struggle for modernization in the underdeveloped world. They reflect the effort of an undoubtedly great people to make the basic social, political, economic, and even cultural changes necessary to transform their societies into modern nation states.

Within the context of struggle and change the rulers of the Arab world have used war with Israel as a means of maintaining themselves in power. To some, the State of Israel has become a convenient excuse for their inability to solve their own domestic problems. To others, it has become the focal point towards which they seek to divert those forces threatening revolutionary change. To all the Arab leaders, Israel has come to serve as a means of uniting a people otherwise deeply rent by splits and fissures. Hostility towards Israel also serves as a foil for their frustrations at their own inability to reach out of their own backwardness. Ironically, in the Middle East, Israel plays the same role that the Jews traditionally played in Eastern Europe. It serves as the scapegoat for the domestic problems of the society in which it lives. Arab antagonism is stimulated and sustained for reasons which have little to do, intrinsically, with Israel itself. For their own reasons, key groups in the Arab world wish to maintain the state of war with Israel. They need the war and therefore they will not end it; and changes threaten and beset the Arab states, the need will continue.

Ultimately, however, as the process of Arab national and social transformation continues, basic stability in a new societal context, will come to the Middle East. Once the threat of internal upheaval is past, there will no longer be need for a scapegoat. At that point the present posture of hostility and intransigence of the Arab states can be expected to dissolve, and compromises on the outstanding issues in the Arab-Israeli dispute can be implemented.

While the ultimate prospects for Arab-Israeli coexistence may be good, the immediate prognosis seems to indicate an indefinite continuation of hostilities. But though the Middle East today presents a basic threat to the peace of the world, the issues must not be confused. It should be clear that only the parties directly involved in a particular struggle can resolve it. Only the United States can meet the Soviet challenge, and in this way reduce the danger of a world conflagration. Only the Arabs can ultimately solve their own internal dilemmas—and in whatever form proves to be acceptable to them. Only the Palestinian Arabs and the Israelis can ultimately resolve their conflict in a form that will be meaningful and lasting for both peoples.

The danger is that the wrong issues will be settled by the wrong parties. It is dangerous to fight a proxy war, and equally dangerous to attempt to impose a proxy peace, and the world has witnessed both in the Middle East in recent months.

The solution to the Arab-Israeli conflict may well be a long-range goal. Great patience is required, as well as the realization that efforts to force a settlement, no matter how well-meaning, could actually prove to be counterproductive. The world may have to accept the fact that until the internal conflicts within the Arab world itself are resolved, the Arabs will not be ready to make peace with Israel. Unpleasant though this fact may be, it can be accepted if the proper conclusions are drawn from the situation: first, that Israel must be kept strong enough militarily to contain the Arab threat until such time as the Arabs are ready to make peace, and second, that the Great Powers must act effectively to remove the Middle East from the global confrontation in which they are engaged. In this way, the danger that the Middle East holds for the world as a whole could be reduced, and the ultimate solutions to the problems of the area could be allowed to evolve.

It is essential to realize that the very existence of Israel and its staggering and continued successes have been a traumatic experience for the Arabs, and something to which they have not yet been able to adjust. The Arabs have been beset by turmoil and have been trying to adjust themselves to the modern world's demands since the turn of the century. Nationalism, engulfing the Arab world, led the Arabs to fault their own weakness as the product of foreign rule and oppression. The triumph of the movement of national independence for most of the Arab states came after World War II. But with its triumph came the unpleasant realization that national liberation, without social and economic transformation, could not solve basic national or social problems.

The Arab states today are in the throes of social upheaval, economic change and national reorientation, and these conflicts and agonies are unceasing. There are conflicting ideologies, antagonistic movements and opposing nationalist programs. The Arab states are contesting for power, competing for loyalties, and bitterly hostile to one another. The Arab world is witnessing the destruction of its traditional society and is suffering from countless problems in its uncertain path towards some new form of society. The creation of Israel, as a Jewish state, is a challenge to the national sensibilities of the Arab world at a time when it is still groping for the form its own national identity will take. Israel's emergence as a modern, Western state is a challenge to the sensibilities of the Arab states still seeking to find their own path to modernity. They are unable to destroy this challenge and unwilling to accept it.

By its very nature, modernization is a destabilizing process. An inevitable byproduct is great internal dissension and unrest, as the existing social and political structure is split and torn off, made vulnerable to groups competing for supremacy and power.

It is a truism that the ruling elite in any society seeks first and foremost to remain in power. The constant struggle with Israel has proved a useful tool to the present leadership of the Arab states as that leadership seeks to preserve its position in the face of rampant instability.

Hatred of Israel also serves as a unifying factor in this period when so many forces encourage confrontation and disintegration. The consequence of the struggle with Israel can be used to mask domestic failures, or to divert threatened revolution. These factors are equally valid in all the Arab states, irrespective of the social system in power.

In the traditional Arab societies, the main interest is to stave off the threatening revolution. King Faisal of Saudi Arabia, thus, gives large sums of money to the Palestinian guerrilla groups, although these groups proclaim themselves to be dedicated to solve revolution and are openly contemptuous of the society he is trying to preserve. Faisal knows, however, that as long as the Palestinian guerrillas continue to focus all radical interest on the destruction of Israel, they will not be preoccupied with the overthrow of the Saudi regime. Similarly, Faisal is ready to give money to Egypt to enable it to continue the struggle with Israel. The longer Egypt is involved with Israel, the less is the danger that some form of Nasserism will threaten the internal stability of Saudi Arabia. The traditional societies then, have a vested interest in keeping the conflict alive, lest they be swept away in the social revolution which would inevitably follow its conclusion.

For the so-called radical states, the problem is more complex. It is relatively easy for groups seeking change in the traditional states to identify all societal ills with the ruling class and to be convinced that overthrowing the existing social order would automatically result in the necessary basic changes. But in many countries the "revolution" occurred, changes were made, and still the basic problems remained. The radical states thus face the problem of satisfying the expectations which their revolutions awakened but have not been able to fulfill. President Nasser, after several years of attempted reform in Egypt, embarked on a program of foreign adventurism, Pan-Arabism and war with Israel. His purpose was, in part, to divert the attention of his people from the unfilled hopes of the revolution, in part to seek control of the oil-rich lands in order to gain the financial resources necessary for the modernization of Egypt, in part to find a scapegoat for his failures. Israel still serves as such a scapegoat for the radical states, which are beset with the danger of still further revolution.

Israel, in short, serves to maintain the power of the existing elites in both inter-Arab and intra-Arab disputes. She then must pay the price for the instability of the Arab world in whose midst she finds herself, and the price is to live in a constant state of war.

Underdeveloped countries are not only extremely conscious of their own instabilities, but hypersensitive to any allusion of their inferity to the more developed nations of the world. They have a great need to reassert constantly their status of full equality in the world of modern nation states. This phenomenon is, to an extent, universal. Many have noted the seeming impropriety of the new states of Africa and Asia which have limited sources of income but which nonetheless spend large sums on questionable projects, such as national airlines or government buildings or chauffeured limousines for their officials.

Yet these projects serve to bolster their self-esteem and symbolize their equality to the other nations. The Arabs tend to have the same sensitivity, perhaps particularly so because they are a great people with a great history and a justifiable sense of pride in their past glory. They feel bitter towards the West in general, on whose past imperialist rule and present economic exploitation they blame their backwardness. Much like other underdeveloped peoples, they relish any opportunity to show their strength vis-á-vis the Great Powers, and react negatively to any indication of the inherent weakness of their present situation.

This is why the Arab world was so pleased when Nasser "told off" the United States. All Arabs could hold their heads higher when the President of the U.A.R. informed the American government that it could "keep its aid." Similarly all Arabs could vicariously participate in the thrill of seeing Nasser playing off the Great Powers against one another throughout the late 50s and early 60s. Not Nasser alone, but all Arabs rose in their own esteem at the sight of the major world leaders arriving to woo the mighty Nasser. The central role of Nasser in the nonaligned bloc also was noted. While much of this might have been just show, the show itself was important. It was important psychologically.

Equally important to the Arabs is the necessity of avoiding any indication of their real weakness and backwardness. Israel, by its very success, is a constant humiliation, a constant reminder of what the Arabs are not—in spite of all their hopes, in spite of all their dreams, in spite of all their pretenses and in spite of all the self-deception and self-delusions. Israel is a scar upon their self-esteem which they cannot erase and, therefore, they pretend it does not really exist. For this reason the Arabs have made such an important point of ascribing Israel's military victories to Great Power intervention: Soviet support in 1948–49, British and French intervention in 1956, and the great hoax of the U.S. Air Force intervention in 1967. If the Great Powers had really been involved, then the Arab defeats would be understandable. To the Arabs, public acceptance of defeat by Israel would, of necessity, be public confession of basic weakness—and they cannot psychologically overcome this barrier.

In the same vein, the Arabs make a great issue of stating they will not negotiate while their land is occupied. Of course, as many have indicated, this is precisely the normal pattern of behavior, followed throughout history, whenever the armed forces of one state defeat those of another. However, if the Arabs succeed (as so far they evidently have) in not negotiating directly with Israel, then they can continue to maintain they were not defeated.

Arab obsession with self-image is still crucial. Israel, by its physical existence, simply does not allow the Arabs to live in the dream world to which they have become accustomed. It is a constant reminder of the real world, a world that is too painful for the Arabs to acknowledge. Every Israeli success is an Arab humiliation. Israel has drained the swamps, irrigated the deserts, industrialized the land and educated the people. The Arabs, faced with these same problems, have not been so successful in resolving them. It is so much easier to try to explain away Israel's success than to recognize Arab weakness.

The Arabs are bitter about their fate and frustrated by their inability to solve the profound problems which beset them. They fear the West, yet stand in awe of its technology, power, and achievements. To them, Israel represents the West. The Arabs wish to be modern and yet are afraid of losing their unique identity if they modernize. And Israel represents modernity personified, and with a unique identity as well. Israel represents, in short, much of what the Arabs aspire to become, are afraid of becoming, wish to become, and do not know how to become.

The Arabs have constructed a terrible image of Israel: It has been made the focus of all the fears and frustrations which beset the Arab people. As their difficulties and frustrations grow, so does their antagonism toward the Jewish state. To many Arabs, Israel has become the epitome of their own inferiority, the symbol of their discontent, and the cause of all their problems. Too many have made of Israel a test, identifying self-esteem and global equality with their ability to destroy the symbol of their current misfortunes—Israel.

Therefore, the Arabs do not wish to recognize Israel—or to negotiate directly, or to sign a peace treaty, or to reach any kind of meaningful settlement. They view such a process as the ultimate humiliation and as the unveiling of their own weakness. The danger to the Arab states is not Israel itself but what they have made Israel represent.

With the modernization of the Arab world will come economic changes that will enable the Arabs to meet the needs of their own peoples. When the Arabs have solved their own problems, they will no longer need to resent the achievements of Israel. When their own self-image is raised, they will no longer feel inferior to Israel—or envious. Not long ago a leading advisor to Nasser indicated that even if all the political problems between Israel and the U.A.R. were settled, there still could not be normal relations between the two countries. Why? Because given Israel's economic and technological superiority, it could easily dominate the Arab world. When the time comes that the Arabs are secure enough in their own ability to withstand peaceful competition with Israel, such fears will no longer exist.

When Arab nationalism has reached its full development and a new form of Arab national entity is created, the Arabs will no longer see Israel as a threat to their own identity as Arabs. It is too early to foretell whether Pan-Arabism will triumph with one united Arab State, or whether the alliance between the U.A.R., Libya, and Sudan will turn into a new union, or whether a Fertile Crescent state will emerge. As long as Arab nationalism is in flux, Israel is seen as a major block to the achievement of Arab unity. If the Egyptian claim to Arab leadership is stabilized, then Israel will no longer appear as a threat to Egypt's ambitions in the eastern half of the Arab world. Once the Arab national revolution has run its course, then Israel will sink back to its true perspective: a small piece of territory in the vast Arab sea.

Until the time comes when Israel no longer is a symbol to the Arabs but just a country, no solution is really possible to the Arab-Israeli dispute. All the world can do is try to defuse the danger which this dispute entails. Israel must be kept militarily strong so the Arab states cannot destroy her; Israel must be kept viable until the time comes when the Arabs no longer need to destroy her.

In recent years the growth of Palestinian nationalism has added a new and complicating dimension to the problem. For 20 years the Arab states used the Palestinians as a pawn in their battle wih Israel. The defeat of 1967 led to action by Palestinians independent of and in some cases contrary to the wishes of the host Arab states in which they lived. Whether Palestinian nationalism need have evolved at all is questionable. Had the Arab states treated the population displaced by the 1948–49 war with the magnanimity that might have been expected, the problem of the refugees could have been solved with the integration of these people among the Arabs in the U.A.R., Jordan, Syria, Lebanon, and/or Iraq. By keeping them separate, by using them as political pawns, and fostering hatred of Israel among them, the Arab states have become the midwives of a unique Palestinianism. Today there is a Palestinian nationality which demands its self-determination and its own homeland. Most probably this demand for self-determination is as much a reaction against other Arabs who did not accept them as equals as it is against Israelis whom they blame for their homelessness.

In spite of the seemingly intractable problem of two peoples claiming the same land, the problem of the Palestinians could also be solved if there were readiness to seek a true solution, rather than to make use of the difficult situation. Mandated Palestine comprised all the land of present day Israel and Jordan and most of the territory occupied by Israel in the 1967 war. The Arab refugees have not lost their homeland—there never was a Palestine. An Arab Palestine was envisioned in the partition plan of 1947. Arab opposition to this plan precluded this state from being created. Actually, the vast majority of the Palestinians today are still living in Palestine. Many of them have merely, in fact, moved from one section of former Palestinian territory to another—some within the West Bank, some from one side of the Jordan to another. All this territory can, however, be considered part of the "Palestinian homeland." If the readiness existed, there would be a possibility of creating an Arab Palestine in addition to a State of Israel.

The problem remains that no responsible Palestinian leadership has evolved to give expression to aspirations of the people. The guerrilla groups, to date the only meaningful exponent of Palestinian nationalism, demand the elimination of the State of Israel. When Palestinian leaders evolve who are ready to accept a solution that is reasonable although less than their total demands, a territorial compromise can be reached between Israel and the new Palestine. As long as Palestinian nationalism remains only in an extremist form its demands can never be achieved. It serves only to exacerbate an already difficult problem. Almost all the nationalist movements in history have had to compromise on their maximalist demands in order to realize and legitimize their national aspirations. This was true of Jewish nationalism, and it will one day be true of Palestinian nationalism.

But here again, only time and change will lead to the necessary results, which are a prerequisite for coexistence and peace in the Middle East.

The Arabs need and want to live in a world of illusion, maintaining their stance of hatred of Israel and perpetuating their hostility. It is only, however, the actions of the Soviet Union that have enabled the Arabs to continue this policy. Without the intervention of the Soviet Union, the Arabs would long since have had to come to terms with the reality of the Jewish state in their midst.

A differentiation must be made between the goal of the Soviet Union in the Middle East and the means and tactics it is using to achieve this goal. The Soviet Union exploits the Arab states' resentment of the West, and enjoys the fruits of Arab hatred of years of colonial misrule and economic exploitation. The rising Arab intelligentsia is especially bitter about this exploitation. The Arabs also blame the West for "imposing Israel on them" and for supporting the Israel which to them is so disastrous a symbol. The Soviet Union makes use of this antipathy, but the Arab-Israeli conflict is only a means to a much greater end: control of the entire Middle East and, through that control, a radical shift in the world balance of power.

The Soviet Union is, in fact, following the traditional pattern that other great powers have utilized. For 30 years, Great Britain made use of Arab-Jewish conflict in Palestine to maintain and strengthen its position in the Middle East. French policy, dating back to before the 1967 war, has been to support the Arab states as a way of ensuring increased French influence in an area from which France had been effectively eliminated. None of the Great Powers has operated in this area from pure motives, and the nations of the Middle East have suffered from the fact that each of the Great Powers has made use of the Middle East and its problems for its own selfish ends. Certainly today the problems are exacerbated by their involvement. The best solution for the Middle East, though unfortunately an illusory one, would be for the Great Powers to withdraw from the Middle East. Since such an eventuality is unlikely, it can be understood that the Soviet Union, as any other Great Power, would seek to achieve its own national interest to the greatest extent possible.

Only recently it might have been argued that the basic goal of Soviet policy was primarily defensive: to get the West out of areas where it has been well entrenched and to keep the West out of areas where it has already been expelled. It now seems clear, however, that the Soviet Union has embarked upon a strategy that seeks preeminence for itself in this area. As a result of its present politics it could gain further control in some of the radical Arab states, perhaps even leading to eventual sovietization. The Soviet Union could further the radicalization of some Arab states (Jordan and Lebanon) and work towards the overthrow of those states which are still basically pro-Western (Saudi Arabia and Kuwait). Continuing to make use of the Arab-Israeli dispute, with all the turmoil and social unrest rampant in the Arab world, the Soviet Union hopes to bring about the eventual elimination of all Western influence in the Middle East and replace it with Soviet-supported regimes.

Should this goal be achieved and the Soviet Union attain effective control of the Middle East, it would then be in a greatly strengthened strategic position in global terms. Europe would be outflanked and the U.S. Sixth Fleet placed in a most untenable position. The Soviet Union would be able to exert political blackmail on Western Europe and Japan, both of which are dependent on Middle East oil.

Effective neutralization of these areas would result in the U.S. being forced to return to a "fortress America" concept, while the effective balance of power in the world would shift in favor of the Soviet Union.

Since the stakes are high, it should be understood, that the Arab-Israeli dispute is of vital interest to the Soviet Union. However, the Soviet Union has no intrinsic interest in the merits of the dispute itself, only in prolonging it indefinitely. It should also be noted in passing that while the Soviet Union is not really interested in the destruction of Israel (since this would remove a major cause of Arab antipathy to the West) it might well be prepared to tolerate such an eventuality if this would further its policy of seeking basic control of the entire Middle East.

Hitherto, the balance of power in the world has rested, since the end of World War II, on the knowledge that each of the two Great Powers would be prepared to act if the fundamental balance were challenged. Today, the Soviet Union is embarked upon precisely such a fundamental challenge in the Middle East. President Nixon's statement of July 1, 1970 seemed to indicate that the administration recognized the challenge. However, American policy in the past year has not been consistent with such recognition, and Soviet policy seems to have been predicated on the assumption that the United States was so involved in Vietnam and so torn with internal tensions that it would not stand firm in the Middle East. America's hesitancy in supplying arms to Israel, as one example, has seemed to confirm such an analysis.

In fact, the Soviet government could easily have interpreted American policy as seeking to avoid a confrontation *at all costs*. If a global confrontation is to be avoided, clear and direct action by the United States must be taken to convince the Soviet Union that we will not, as President Nixon has indicated, allow the Soviet Union to achieve complete domination in the Middle East. The issue has really nothing to do with the Arab-Israeli dispute as such. The Soviet Union, as it has done periodically since World War II, is seeking control of an area basic to vital U.S. interests. Continuation of an indecisive U.S. policy in the Middle East may well lead to an immediate disaster for Israel, but the ultimate disaster will be to the United States and to the peace of the world.

The Soviet Union has made such good use of the Arab-Israeli dispute because it has no natural links that would enable it to establish effective ties with the Arab world. The natural trading partners of the Arabs are in the West. The Soviet Union is an oil and cotton exporting nation and, therefore, it does not really need the commodities which are the leading products of the Middle East. Its ties to the Arab world, then, are actually an economic liability. The Arab states need technological assistance to help them overcome the problems inherent in the struggle for modernization. They would prefer to deal with the West, which has more to offer them in terms of such assistance. Since the West needs what the Arabs produce and has what the Arabs want, logic would predict that close links would exist between the Arab world and the Western nations. It is only the Arab antipathy to the West and the existence of the Arab-Israeli dispute which enables the Soviet Union to overcome these natural drawbacks and establish effective ties with the Arab states.

Control of the Middle East has been a historic goal of the Russian state. For hundreds of years, Russian leaders have dreamed of reaching the Mediterranean and achieving warm water ports. Throughout the 19th century a prime objective in British foreign policy was to block Russia from this goal. Through their relations with the Arab states, the Russians have now bypassed Constantinople and have finally achieved the goal of establishing themselves in the Mediterranean basin. Soviet policy, then, can be seen in part as a continuation of a basic trend which has existed over long periods of time.

In addition, Soviet Middle Eastern policy can be understood in terms of how it serves the defensive needs of the Soviet Union. After fighting two disastrous wars in which it lost almost 50 million people, the Soviet Union emerged from World War II determined that never again would its border lands be used as a staging area for potentially hostile forces, Eastern Europe was therefore secured.

Communist victories in China and Soviet establishment of North Korea served this purpose in Asia. Only in the Middle East did Russia fail, in the immediate aftermath of World War II, to eliminate potentially anti-Soviet regimes from along its borders.

Therefore, since World War II the main goal and major interest of the Soviet Union in the Middle East has been to eliminate the presence of the West and/or regimes which tolerate or authorize the Western presence in this area so vital to Russia's security. And Russian policy has been amazingly consistent in following this goal.

Thus, in 1947–48 Russia supported the establishment of the State of Israel as the best means to eliminate the British from Palestine. British Palestine, at that time, was the single greatest Western presence in the Middle East. Soon after, the Soviet Union shifted to an anti-Israel policy in order to get the British out of Egypt and to ingratiate itself with the Arab peoples.

There is nothing contradictory in this shift from a pro-Israel to a vehemently anti-Israel position. The goal was and remains the same—to eliminate the Western presence in the Middle East. The Soviet Union has followed and will follow whatever techniques are best suited to achieve this goal.

The United States, under the leadership of former Secretary of State John Foster Dulles, sought to replace Great Britain and, through the Baghdad Pact, to build up Iraq as an anti-communist bastion along the "northern tier." This was essential to his effort to bring the Middle East directly into the global policy of containing communism. It was logical for the Soviet Union to respond to this attempt to thwart its policy, this challenge to its vital security interests as it saw them. Establishing links with Nasser was the means selected for challenging Dulles' efforts. Given the history of Egyptian-Iraqi competition for supremacy among the Arabs and Egyptian efforts to remove vestiges of British domination, Nasser was receptive to the Soviet attempt. Soviet arms cemented the relationship—thus, the only lasting contribution of the Dulles policy in the Middle East was to make it a major front of the cold war. It has become an increasingly important and volatile front of this war ever since.

Since their main interest is in keeping the West out, the Soviet Union is prepared to support anti-Western governments even if they are not pro-Communist. The Soviet Union, as any great power, seeks to advance its own national interests. If these interests coincide with the interests of international communism, that is an additional benefit. However, the national interests of the Soviet Union are predominant. There are other examples of the Soviet Union's support of regimes which take militant action against local communist parties. The primary goal of Soviet policy in the Middle East today is not to install communist parties in power, but rather to remove any Western influence and to eliminate the possibility of the return of the West to this area. This goal can best be served by supporting and assisting radical regimes in several of the Arab states.

For the past 15 years Soviet policy in the Middle East has met with great success. This, however, is due as much to the reaction of the West to the Soviet policy as it is to any action the Soviet Union has taken. The West has supported the traditional elites in too many Arab states and, therefore, has become overly identified with old regimes which must be changed if the aspirations of the Arab peoples are to be achieved. The economic exploitation of the Arabs, with oil companies taking a disproportionate share of the wealth for their own profit, has furthered this antipathy. Finally, in the Arab-Israeli dispute the West has been identified with the State of Israel, which the Arabs have made the symbol of their own weakness and humiliation. And, interestingly enough, the Soviet Union has succeeded in making most of the Arabs forget that it, even more than the United States, supported the establishment of the State of Israel.

Since the Arab-Israeli dispute remains today the single greatest means by which the Soviet Union strengthens its own position, it has no interest in ending the conflict. Should the Arab-Israeli dispute be resolved, much of the Arab antipathy to the West might dissolve. This would result in increased trade between the Arabs and the West and in strengthened ties. Soviet influence would be limited and Soviet hopes of eliminating the West would be blocked.

The Soviet Union must fear that a large-scale return of Western influence would doom to failure its entire policy of the last 25 years. Peace between Israel and the Arab states, then, would go directly against the vital interests of the Soviet Union as it defines them.

Only two factors might force the Soviet Union to change its policy and give up the great gains which it foresees. The first would be firm American action, since the Soviet Union wishes to avoid a nuclear confrontation. It must be emphasized, however, that American policy to date has not indicated that degree of firmness which would cause the Soviet Union to believe that America is prepared to act, if necessary, to prevent further Soviet expansion.

A second factor that might change Soviet policy could arise out of the potential threat of China. Communist China has been making efforts to gain control over the Palestinian guerrillas. Should the guerrillas become effective Chinese agents and begin to pose a real threat to the existing Arab regimes upon whose survival the Soviet influence rests, then the Middle East might become a Chinese sphere and the southern flank of the Soviet Union would be endangered. Therefore, the Soviet Union is interested in limiting the effectiveness of the guerrillas, to the extent that they can be controlled by the Arab states. Should the guerrilla movement become a real threat to the Arab regimes (except for Jordan, in whose survival the Soviet Union has no basic interest), then the Soviet Union might act to stabilize the situation before these regimes collapsed and Soviet influence with it.

If the United States were to act correctly, the same kind of balance between the Great Powers could be established in the Middle East as has been established in Europe, and the danger of global conflagration eliminated. The Soviet Union and the United States are conducting two-power talks on the Middle East, which is good. But unfortunately, they are talking about the wrong subjects. The United States and the Soviet Union can only effectively agree upon issues which they control. They should be discussing a guarantee of noninvolvement in any new Arab-Israeli conflict, since that is what they are most concerned about. They might also discuss means of stabilizing the Arab-Israeli conflict until such time as the Soviet Union would be prepared to use its influence to encourage a meaningful settlement. If the danger is the escalation of the Arab-Israeli dispute into a Great Power confrontation then this is the danger that has to be met. Any attempt to force a solution of the Arab-Israeli dispute itself would, of necessity, be doomed to failure, since only a basic change in the Arab attitude would permit such a solution.

The realistic options, then, allow us to outline an American policy which would signal the Soviet Union that the United States is prepared to meet the challenge which the Soviet bid for supremacy portends. Once this is done, Israel should be kept militarily strong enough to offset the Arab threat until such time as the Arabs are prepared to live in peace.

As to specifics, it serves little purpose to talk at length about various possible ways of solving the outstanding issues of the Arab-Israeli dispute. Most of the issues could easily be resolved if there were readiness to seek solutions.

The question of Israel's security, for example, could be solved through demilitarization of the Sinai and some special arrangements for the Sharm al Sheikh. The Golan heights could be effectively demilitarized. Most of the West Bank could be returned. A new state might be established, either instead of or in addition to the existing state of Jordan, in order to satisfy the national aspirations of the Palestinian people. Given human ingenuity, arrangements could be made to maintain the unity of Jerusalem (which nobody wants divided again)—and still provide for the religious interests concerned with the city. The refugee problem could be solved through the repatriation of some and the resettlement of others, all within the borders of what was once Palestine. These issues, as already indicated, are but a reflection of the Arab-Israeli dispute and not its cause. When the Arabs are prepared to live at peace with Israel, these problems will be settled. It might also be noted that the United Nations can play only a limited role in any such settlement. When the Arabs are prepared to live with Israel, the two sides will not need the United Nations to bring them together.

And as long as the Arabs are not prepared to live with Israel, no army the United Nations can form is large enough to make them do so.

It also serves little purpose to wax euphoric over the great potential which lies in wait for the nations of the Middle East once peace is attained. It is true that economic relations, scientific exchange and various kinds of technical assistance among the nations of the Middle East would be of great benefit to all the peoples of the area. Similarly, one day, there might be economic confederation and perhaps even political confederation, involving Israel and the Arab states. Only time, however, can bring this about.

To talk of a binational state is the height of ludicrousness. In the best of cases, there are tremendous problems in any binational state. Given the animosity and mistrust which the Arab-Israeli dispute has engendered, a binational state is simply impossible. The truth is, also, that the only binational state the Arabs would be ready to accept is one in which the Jews were second-class citizens in an Arab Palestine. This is the meaning of the "democratic secular Palestine" that the Arab guerrillas have been espousing. It is a guise behind which large numbers of Jews would be eliminated and the remnants would remain as a "tolerated" minority in an Arab land. The Arab peoples, like so many other peoples, have suffered from a by-product of nationalism—the mistreatment of national and religious minorities. Whatever the ultimate relations between the Israelis and Arabs in the Middle East, be they political, economic or cultural, they will be meaningful only to the extent that they come about as the culmination of a natural process of evolution. They cannot be imposed from outside.

The Middle East is beset by many complex problems. Attempts at forcing solutions to these problems, no matter how well meaning, could be disastrous. Only the parties to the conflict can solve the issues of the conflict. Only the United States can meet the challenge of the Soviet Union. Only the Arabs can solve the problems which beset them in a way which they would accept. Only the Arabs and the Israelis can solve the problems which concern them. The world must learn that certain problems may prove to be insoluble and that, therefore, the dangers which these problems present to the world must be avoided while the search for long-term solutions continues. This will no doubt be the fate of the Arab-Israeli dispute. It can and must be defused and stabilized. But only with time and basic changes can it be truly solved.

## THE DISMANTLING OF OEO

Mr. McCLURE. Mr. President, in the wake of Judge Jones' injunction to stop the dismantling of OEO, we should pause and take a hard look at the facts. It is unfortunate that an issue of vital importance to so many of our citizens has been debated in highly emotional tones. While it is perfectly obvious that the public relations which accompanied the shift in OEO policy hit an all time low, the Congress, nevertheless, has the job of making a dispassionate evaluation of what the agency has done and what should have been expected of it. We must decide how the taxpayer's dollar may best be used in order to give the less fortunate the most help we can afford.

Theoretically, this evaluation should not be difficult. For once the Congress finds itself in a position where two of its aims—protection of the budget and protection of society's less fortunate people—involve the same actions. Wasting the poor's money hurts the poor most. But we must avoid emotional arguments and use facts and audits if we are to accomplish anything. First, we ought to take a look at the way in which OEO was intended to operate in the first place. The Economic Opportunity Act of 1964 said that OEO was to determine, primarily by research, which new and experimental programs would work. When projects were considered "mature and successful" they were to be transferred to an appropriate agency for continuance. There were no loud cries in 1967 when the Head Start program was transferred to HEW. Although Head Start has since been funded under the Economic Opportunity Act, it has been administered by HEW. The Economic Opportunity Act also provided for the transfer of individual units as well as entire programs. In 1969, a number of health programs went to HEW as they were then considered "mature." A program benefiting the aged was also considered viable and was transferred to social security. Despite the fact that the spinoff concept is not hard to comprehend, previous OEO Director Phillip V. Sanchez found considerable difficulty explaining it to those who could not or would not understand the theory. The office as it was originally conceived was intended to avoid precisely that duplication which later became typical of it.

Two further misunderstandings led to the current confusion. OEO's programs were originally considered as pilots and one of its primary functions as research. Any legitimately operating agency specifically authorized to do research, will, necessarily come up with a significant number of failures. Their identification not only lends the agency credibility, but protects the proper recipients of poverty money. Weeding out failures is as important as establishing the good programs and the identification of either should certainly not be held against the agency doing the research. But OEO followed Parkinson's law instead of the Equal Opportunity Act's mandate, became institutionalized and failed in its object of selectivity, in the interest of building a bureaucracy.

In my opinion, the administration might have clarified its intent by taking a more positive approach to OEO. Congratulating the agency on graduating some of its programs to lasting status might have eliminated the furor that ensued when poor ones were criticized. But regardless of the tone in which people speak, we must still listen to what they say. Probably the best place to look for a dispassionate analysis of OEO's working methods is in the GAO report, "The Need for More Effective Audit Activities." Mr. President, I would like to include a few exerpts from this publication in addition to some of OEO's findings at the conclusion of my remarks. I earnestly hope that the Senators will read them and be guided by the GAO's analysis.

Many people have expressed concern about the phase out of OEO as a funding vehicle. Others are worried about the propriety of the President's reorganization without congressional approval. While congressional responsibility is as important to me as to is to other Senators, I am afraid that if we limit ourselves to this aspect of the argument we are guilty of the same callousness toward the poor, as those at the other extreme who use Federal funds for overt political activity or illegal personal uses. The recipients of our poverty dollars should have first priority in our considerations. It is important to make a distinction between professional poverty parasites and the poor themselves. Most of those who happen to have less than others are not looking for perpetual support from an unseen sugar daddy in Washington. They see their positions as temporary and themselves as needing only the right kind of help in order to join the economic mainstream and earn their own livings. Self-reliance and dignity which are incompatible with the former point of view are certainly consonant with the latter. President Nixon recognized this when he said that people should help themselves. Some, whether maliciously or innocently, have interpreted that to mean that the Nation's poor should fend for themselves, ignored by others.

But this is precisely what he does not mean. By these words the President is acknowledging that desire we all have to be our own masters. And if we happen to be recipients of poverty money we want to be masters of that too. This means that we do not want it paid out to people who sit behind desks and order us around. We do not want it put into fancy offices and underworked staffs. We do not want it filtered through an endless succession of middle men. It has been argued that without OEO we will have riots. Conversely then, these people see OEO as a pacification program. This statement borders on slander. People seeking to participate in economic development do not want to be pacified. They want work. OEO's purpose is to find ways to provide that work. But there is considerable evidence that OEO programs have been doing a good job of keeping the poor poor. The purpose of OEO was not to initiate handouts, for handouts alone perpetuate poverty, but to provide seed money to generate development, and increasingly to involve the private sector, as the programs progressed and became stable. OEO on an overall basis has not come up with an acceptable mobilization rate. Properly managed seed money is expected to generate many times its own amount. Ten to 20 dollars per seed dollar would indicate a normally successful project. But OEO's return has been only 80 cents on the dollar; 75 percent of that is Government cash, 85 percent of which has gone to staff salaries and administrative expenses. There is a certain obvious logic then, to the transferral of the migrant and seasonal farmworkers program, manpower and labor force participation, and the Job Corps to the Labor Department, as there is in removal of alcohol, drug abuse, family planning, health services, and Indian programs to HEW, and the Housing R. & D. activities to HUD. The summary departure of these programs prior to their maturity is probably the only way to save them in terms of doing the poor any real good.

Another bone of contention is the transfer of the CAA's to local control. While there may be a certain initial difficulty in assigning priorities, local control would be a great help in assuring responsibility of the program to those whom it is designed to serve. "No more inaccessible bureaucrats in Washington," should be more of a rallying cry than a tragedy. Any local officials unwilling or unable to accept the responsibilities involved would presumably be replaced.

The facts which follow explain the particular abuses of which the GAO found the OEO guilty. In the face of them it apepars that the demobilization of OEO was a courageous act. And I suppose that courage will be required as long as the transfers are publicized and the abuses are not. Those responsible for the emphasis seem to have forgotten that the poor are the most helpless against these abuses, most subject to the political whims of those handling the money, and utterly without recourse if administrators are incompetent or unfair.

Mr. President, I ask unanimous consent that the material I have previously referred to be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

### COMMUNITY ACTION PROGRAM A SCANDAL-RIDDEN DISASTER THAT HAS FAILED

("This is the essential fact: The government did not know what it was doing."—Daniel P. Moynihan, writing in his book about the Community Action Program, "Maximum Feasible Misunderstanding.")

Since 1964 the Federal Government has spent over $2.8 billion for Community Action operations. While some individual "success" stories exist, there are many more failures.

More important, there is no conclusive evidence that the Community Action Agencies (CAA) have moved significant numbers of people out of poverty. That, basically, is why Federal money for Community Action programs is being ended.

In addition, a whopping 80 percent of all Community Action money is spent on Headquarters salaries and overhead expenses—only 20 percent of the money, if even that, ever makes its way to the poor.

The Community Action Program has been riddled with scandals. Examples:

In Harlem, Montana, a local attorney who was the city attorney of another community received a $20,000 salary as a "tourism specialist."

In Elizabeth, New Jersey, an employee rented a house to the project for $383 a month. He was buying it for $128 a month on a VA loan. A member of the CAA board of directors rented another house to Head Start for $225 a month. He was paying $55 a month to a realty firm for it.

In Las Vegas, New Mexico, the CAA organization provided the organization for a partisan election race by the group's board chairman, and the executive director used staff members to work on his personal residence with materials he charged to the program.

In Fort Lauderdale, Florida, a community action employee and director were convicted of being part of an auto theft ring.

In Canton, Ohio, the project purchased lumber from a firm owned by a board director. One full-time staff member hired his daughter at $300 a month.

In Oklahoma, a regional project purchased a $39,500 building from the brother of one of the project lawyers. Six months earlier, the property had been appraised at $15,200.

In Grand Junction, Colorado, a project attorney used project letterhead to boost the circulation of an underground newspaper in which he had an interest.

In Nassau, New York, all project employees who declined to participate in a "March on Washington" were fired.

In San Juan, Texas, employees were required to kick back part of their salaries to the unemployed board president. Local attorneys were hired for hefty retainers while they worked full time in other organizations. Meanwhile, the board of directors did not meet for an 18-month period and there was no evidence that any poor people, black or white, ever received any services.

In Scottsburg, Indiana, an executive director chartered a private aircraft for personal use and delivered contract work to a relative.

In Yakima, Washington, OEO-funded employees engaged in confrontations with school authorities and also engaged in labor organizing and strike picketing, all during working hours.

In Jersey City, New Jersey, the project was captured by the Black Panther Party which used the organization's funds to spread hate literature and provide bail bonds for party members arrested on criminal charges, including the bombing of police precinct houses.

In Grants, New Mexico, the program paid for dentures for the wife of the community action board chairman, among other unusual expenses.

In York, Pennsylvania, CAA staff members were the subjects of active narcotics investigation by the local police and an associate director was convicted of attempting arson, being apprehended with a fire-bomb at a school.

In Portland, Oregon, the CAA board chairman was convicted of firebombing, as the leader of an arson gang that fired at least seven major structures.

Thus it is clear that the only people who have gained from the Community Action Program are the professional poverty czars who have managed to get fat at the Federal trough while poor people are brazenly exploited by these modern-day money changers. There is no more justification for this scandal-ridden, no-result program. The burden of proof is on those who wish to continue it.

In our evaluation we (1) audited the operations of selected grantees and determined whether the findings revealed by our audits had been reported in the independent public accountants' reports and (2) examined the disposition of expenditures questioned and the actions taken to correct internal control, accounting system, and other deficiencies reported in the independent public accountants' reports.

About 60 percent of over 1,000 audit reports on grantee operations issued in fiscal year 1970 reported no major accounting system or internal control deficiencies. We selected 27 reports from this group for our review.

Of the 27 public accountants' reports, 17 did not disclose what we believe were significant deficiencies in the financial operations of OEO grantees. Some public accountants informally reported such deficiencies to their grantee-clients rather than including them in their formal audit reports. Also, some public accountants were not sufficiently familiar with OEO's special audit requirements covering compliance with grant conditions and allowability of costs. We considered only those grantees which had an audit report showing no adverse comments on their financial operations (unqualified opinion) and which had received a favorable opinion on their accounting systems and internal controls.

## DEFICIENCIES IN ACCOUNTING SYSTEMS AND CONTROLS NOT DISCLOSED IN AUDIT REPORTS

Of the 27 grantees, 17 had been operating with what we considered to be significant deficiencies in their accounting systems and/or internal controls that had not been reported in the public accountants' audit reports. Some of the matters described in this report dealing with work done by public accountants could not be accepted as adequate professional performance by public accountants.

The deficiencies included inadequate controls over cash, payroll, travel expense, procurement, consultant services, and property. In two cases, misappropriations of funds had occurred which were traceable to deficiencies in their respective grantees' management controls.

The public accountants had known of some of the deficiencies, including the two cases of misappropriations, and had discussed them with employees of the grantees. We found no evidence that the public accountants had noted certain other deficiencies revealed by our review. In several cases we were unable to ascertain the extent of the accountants' findings or scope of work because they did not prepare or retain workpapers showing the nature and extent of the audit work done. The OEO audit guide requires that such matters as defalcations, thefts, or other irregularities be immediately reported and that information on them be included in the accountants' audit reports.

### *Case I*

A grantee agency in Iowa, whose CPA had reported an adequate accounting system and adequate internal controls, had been operating with several serious deficiencies in controls over funds and in personnel, travel, and procurement practices.

We found that blank checks were being stored in an unlocked desk drawer, and facsimile signature check-signing machine was not being controlled. This enabled one employee to make unauthorized payments to himself amounting to $7,035 during a 7-month period. Of this sum, $6,565 was recorded as salary advances and $470 as travel advances. The grantee's board of directors initiated action to recover the unauthorized advances after the grantee's bookkeeper, who had discovered them, had brought them to the attention of the executive director; about 17 months later all the unauthorized advances had been recorded as recovered.

The CPA firm was aware of, and had discussed with grantee officials, the unauthorized advances and had recommended that the employee be discharged. Officials of the firm informed us that the audit report did not disclose these matters because complete disclosure of all facts had been made to their grantee-client and corrective action had been promised. They said that mentioning these matters in the audit report might cause OEO to terminate the funding of the grantee, which in their opinion, would result in an injustice to the community.

In addition to noting the lack of time and attendance and leave records for some employees, we noted that (1) employees were being granted compensatory time in excess of the amount of leave that they had earned, (2) salary increases were being granted to employees in excess of the 20-percent limitation in OEO regulations and without the required OEO waiver, (3) purchases were not properly controlled because purchase orders either were not prepared or were prepared after the purchases had been made, and (4) a significant number of travel payments were made which were not supported by travel vouchers.

The CPA informed us that he was aware of, but had not formally reported, the above weaknesses. The CPA firm informed us that its report had qualified the adequacy of the internal control system and had enumerated the weaknesses; however, OEO advised the firm that it had to state that the system was generally adequate unless it believed the system was totally inadequate. Although the CPA informed us that he had enumerated weaknesses in his report, our review, as described above, revealed a number of serious deficiencies that were not commented on in his audit report.

### *Case II*

A CPA firm's audit report on the operations of a grantee agency in Texas stated that the grantee's accounting system and internal controls were adequate and that no significant weaknesses requiring corrective action were noted.

In our review of the grantee's financial operations, we noted other deficiencies which we believe should have been disclosed in the audit report: (1) no time and attendance records were kept on salaried employees, (2) no records were maintained on employees' leave earned or used, (3) OEO's limitation on starting salaries of grantees' employees was not complied with, (4) written purchase orders were not prepared and vendor invoices were paid without evidence that the goods had been received, and (5) property records were not maintained.

The public accountant told us that he was aware of the above conditions but that he did not consider them reportable deficiencies. He stated that his management letter opinion, indicating an adequate accounting system and adequate internal controls, did not reflect actual conditions. He told us, however, that, if he had reported to OEO that the grantee's records were not in an auditable condition, OEO probably would have diverted program funds to hire qualified personnel to correct accounting weaknesses, which he felt would have hurt the program.

### *Case III*

A CPA firm reporting on the activities of a grantee agency in California stated that the accounting system and internal controls were adequate. No deficiencies were reported and no costs were questioned in the audit report. Our review covering the same period disclosed numerous deficiencies that the auditor should have reported in the management letter. These included:

#### Personnel Practices

1. About 20 percent of the employees' leave records were not being maintained on a current basis.
2. No personnel records were maintained for part-time employees; their salaries were charged to miscellaneous expense.
3. The grantee had not complied with the Internal Revenue Code requirement that Federal income and social security taxes be withheld from wages paid to employees.
4. Employees were granted compensatory time in lieu of overtime without specific approval or generally without showing the reason for working the additional hours.

#### Travel Practices

1. Written travel authorization were not used in conjunction with out-of-town travel.
2. Travel advances were charged directly to expense with no further accounting unless the employees' expenses exceeded the advance, in which case expense vouchers would be prepared to justify additional reimbursements.
3. Per diem was determined on a basis other than the quarter-day required by the Standardized Government Travel Regulations which apply to OEO grantees.

#### Procurement and Property Control Practices

1. Purchase orders were not consistently used and, when used, were not forwarded to the accounting section to vouch vendor invoices.
2. A significant number of vendors' invoices were paid without evidence that the goods had been received.
3. Property records to control and account for nonexpendable equipment were not maintained on a current basis.

#### Contracting Practices

1. No records were maintained showing the basis for selecting a particular contractor or determining his fees.
2. Contracts awarded by the agency were not specific about the scope of the services to be provided or the payment terms.

The public accountant informed us that he was not aware of the personnel and contracting practices mentioned above and that, although he was generally aware of the travel, procurement, and property control practices, he did not believe that they warranted reporting. He also said that he had discussed the property control deficiency with the grantee's fiscal manager.

The public accountant's workpapers did not show that any tests or reviews of the grantee's financial operations had been made, which precluded an evaluation of the adequacy of his reviews. He stated, however, that he had reviewed the grantee's accounting system but had not noted this in his workpapers and that he had told the grantee's fiscal manager about his observations.

### *Case 4*

A licensed public accountant reviewed the operations of a California grantee and reported that (1) no significant weaknesses were noted in the accounting system and (2) only minor weaknesses in the area of personnel records were noted and corrective action had been taken.

We found, however, that (1) the grantee had poor financial controls over some of its activities, (2) the grantee's board of directors was considering holding the executive director personally liable for misuse of agency funds, (3) contracting procedures were so poor that the grantee was forced to pay for undesired services, (4) inventory shortages were not reconciled, (5) some travel costs were unauthorized or were for personal benefits, (6) books of blank airline tickets were not adequately controlled, (7) travel was 40 percent over the budget, and (8) many of the time and attendance sheets we reviewed had not been signed by an approving supervisor. We noted further that, in addition to auditing, the public accountant had been furnishing extensive bookkeeping services to the grantee.

#### Cash Disbursements

A number of checks had been drawn to cash or to the order of employees without adequate documentation that they had been used to pay for program expenses. Two large checks ($15,000 and $7,942) were issued for the stated purpose of providing a camping experience for 1,000 Indian boys but were made out to an individual in the organization providing the services, rather than to the organization. In some cases, the disposition of funds from checks drawn to cash could not be determined. The grantee's executive director was being held liable by the grantee's board of directors for the personal use of $768 which had been entrusted to him to reimburse board members for travel.

#### Payroll Procedures

Manv of the time and attendance sheets we reviewed had not been approved by the supervisors, and the reasons for grantee employees' working overtime and receiving compensatory time were not shown.

#### Bookkeeping Services

During the year under audit, the public accountant furnished substantial accounting assistance to the grantee—he directly supervised the bookkeeping and personally made changes in accounts. He said this assistance was necessitated by the inexperience and lack of knowledge of the bookkeeper. Although OEO officials determined that the accountant's actions did not constitute a conflict of interest, they suggested that a different accountant perform the audit in the future. However, the same accountant made the next audit.

As a result of poor controls over funds, a loan to an outside activity was concealed through recording it as a loan to five grantee employees.

Both the public accountant and the grantee were aware of poor controls, and the accountant was aware also of the concealed loan. He did not review the contracting activity, although he was aware of some weaknesses, and he did not review property controls. He was aware of the weaknesses in travel controls, particularly in the uncontrolled use of credit cards, and he had recommended against their use; however, he made all recommendations verbally to the grantee. We noted that the use of credit cards was still uncontrolled in that procedures had not been established as to who would be authorized to use the cards and for what purposes. The public accountant stated that he had not attempted to trace travel advances back to individuals because the travel ledger book, the only means of identifying amounts owed by individuals, was not available. He did not recall making any recommendations to the grantee on this.

### Property Accountability

A physical inventory of equipment was taken by the grantee but was not reconciled with existing property listings. Several items appearing on the property listings—such as typewriters, calculators, desks, chairs, and cameras—did not appear on the physical inventory list and could not be physically accounted for at the time of our visit. We also noted the property listings were not current since several recent equipment acquisitions were not included.

### Travel Costs

Travel costs as reported by the public accountant to OEO were 40 percent ($20,000) over the budget. The grantee did not maintain such customary controls as (1) approving travel prior to commencement, (2) approving travel claims prior to payment, and (3) showing the periods of travel to support the per diem claimed. These weaknesses were not mentioned in the public accountant's report. In the program year covered by the audit report, grant funds amounting to about $4,500 were expended for an unauthorized trip by grantee personnel to Alaska without the required advance approval by OEO. The grantee's board of directors later determined that the expenditure was not a proper charge to grant funds and, at the time of our review, was considering holding the executive director liable if reimbursement could not be obtained from other sources. In another instance, the lack of proper approval requirements allowed about $470 of grant funds to be used to pay for an automobile rented for the personal use of an employee. As of the date of our review, the employee was making restitution of this amount. Also books of blank airline tickets were not adequately controlled by an assigned individual.

### *Case 5*

A CPA firm reviewed a grantee agency in Missouri and stated in its audit report that the financial statements fairly presented the financial position of the grantee at August 31, 1970, and the results of operations for the period then ended, except that prepaid leases of $18,744 had been expensed. The treatment of the prepaid leases as an expense was disclosed in a footnote to the financial statements.

The improper treatment of the lease as an expense, together with an overstatement of $12,107 in the grantee's accounts payable, resulted in a misstatement of the financial position of the agency and the results of its operations.

In the matter of the lease, on July 28, 1970, the grantee entered into an agreement to lease vehicles from an automobile rental company. The agreement set forth only general lease terms and did not specify amounts. Funds to pay the leasing costs had been entered in the grantee's books of account earlier by a charge to expense and an offsetting credit to a reserve account. At August 31, 1970, the end of the grantee's program year, the reserve account had a balance of $24,000. In November 1970 the grantee and the company executed a vehicle lease order which provided for leasing 11 vehicles at a monthly rental of $142 per vehicle; the grantee paid 1 year's advance rental of $18,744. Seven vehicles were delivered in December 1970.

Even though the lease order, the prepayment of the rental, and the first vehicle delivery did not occur until November or later, the CPA, during his review of the grantee's program year ended August 31, 1970, made an adjusting entry reducing the reserve account and the cash account by $24,000 and $18,744, respectively, and increasing the account—unused Federal funds—with the excess of $5,256 from the reserve account. This adjustment understated the grantee's cash account by $18,744 and overstated the grantee's expenses. It also understated the grantee's carryover balance of Federal funds to the next program year and enabled the grantee to receive additional Federal funds to which it was not entitled.

The CPA firm advised us that:

The regional office of the Office of Economic Opportuntiy had instructed the grantee, through one of their field representatives to make the adjustment recorded as an adjusting entry. This was not in conformity with generally accepted accounting principles but the opinion letter states the fact that some items are only in conformity with provisions of the Office of Economic Opportunity, including the leases.

After our discussion the firm issued a revised audit report which showed an increase of $18,744 in the grantee's cash account and the reestablishment of a reserve account of $18,744; however, no adjustment was made to reduce the expense account which had been charged with the $24,000 estimated annual cost.

Concerning the overstatement, that liabilities reflected in the financial statements amounted to $28,116, of which $23,059 represented accounts payable. Our discussion with grantee officials and our tests disclosed that $12,107 of the accounts payable pertained to orders for goods and services which had not yet been received as of the end of the program year.

The CPA stated that he believed a valid liability and expense existed as long as an order was placed before the close of the year. OEO instructions, however, provide that for a financial liability to exist (1) there must have been a need, (2) there must have been supporting evidence, such as an invoice, and (3) goods or services must have been received during the grant year. Since the goods had not been received by the end of the grant year, these transactions did not qualify as a liability. These transactions also reduced the grantee's carryover balance of Federal funds to the next program year and enabled it to receive additional Federal funds to which it was not entitled.

We discussed these matters with the OEO regional office officials who agreed to examine the situation. On March 30, 1971, OEO reduced the Federal grant by $30,851 ($18,744 plus $12,107) for the program year beginning September 1, 1970.

### *Case 6*

After reviewing a grantee's operations in Nevada, a CPA firm issued a report which stated that the grantee's accounting system and internal controls were adequate. The report noted no system deficiencies.

Our review of the grantee's operations during the same period disclosed the following weaknesses in personnel, travel, and procurement and property control practices.

### Personnel Practice

1. Salaries received by employees immediately preceding employment with the grantee were not verified to insure that salaries paid by the grantee were in accordance with OEO regulations.

2. Employees were accumulating compensatory time in lieu of overtime without specific approval or justification and were allowed to take time off in excess of earned leave.

3. Vacation and sick leave were advanced to employees without prior approval, and in many cases leave taken was not supported by leave authorizations.

### Travel Practices

1. Travel advances were charged directly to an expense account rather than initially to an advance account.

2. The Standardized Government Travel Regulations, which OEO grantees are required to follow, required that per diem in lieu of actual subsistence be computed on a quarter-day basis and that travelers submit vouchers to support expenditures properly chargeable to the grant. However, the grantee was computing per diem in whole days and did not require travelers to submit travel vouchers. As a result, the per diem to which employees were entitled could not be determined.

### Procurement and Property Control Practices

1. Many procurements were not supported by purchase orders.

2. Current records to control and account for nonexpendable property could not be located by the grantee for our review.

Our discussion with the CPA and a review of his workpapers disclosed that he was aware of most of the weaknesses noted above. The CPA stated that he was aware of the lack of verification of prior salaries and that, in accordance with his contractual responsibilities to the grantee, he had brought the matter to its attention.

The CPA also indicated that he was aware of the absence of specific approval or justification for compensatory time earned but did not believe this to be a significant matter. He stated that he did not know that employees were taking leave and compensatory time in excess of that accumulated by them or that leave taken was not supported by leave authorizations. He agreed, however, that vacation and sick leave taken in excess of that earned should be on a without-pay basis or specifically approved in writing by grantee officials.

The CPA stated that he was not aware of how the grantee was handling travel advances. He said that such payments should initially be established as advances and would have so recommended had he known how the grantee was handling advances. Our review of the same period examined by the CPA disclosed 10 disbursements for out-of-town travel—all of which were charged to travel expense and 8 of which were travel advances. The CPA stated that he was aware of the erroneous computation of per diem and the absence of travel vouchers and had brought them to the grantee's attention.

The CPA's workpapers indicated that he was also aware of the absence of purchase orders and property record cards. Although he did not consider the lack of purchase orders a significant weakness, he said that he had discussed the lack of control over nonexpendable property with the grantee.

The CPA believed that he is responsible not to OEO but to the grantee because the grantee hired him. If minor deficiencies noted during the audit did not affect the overall. . . .

### PUBLIC ACCOUNTANTS' INDEPENDENCE MAY BE AFFECTED BY OTHER SERVICES TO GRANTEE-CLIENTS

In 10 cases reviewed the public accountants were performing services for the grantees which could affect their independence. In six cases the public accountants performed or supervised day-to-day and/or periodic bookkeeping functions. In nine cases they adjusted, closed, and summarized the books of account at yearend. In two cases they prepared budgets and/or financial statements and functioned as the grantees' financial consultants. In one case the accountant was a member of the grantee's board of directors.

Although the accounting profession's ethical standards permit accountants to perform many of these services, the fact that the accountants did not always include significant grantee financial management deficiencies in their audit reports, coupled with such services, raises a question of whether their independence may have been impaired in some situations.

AICPA, in its statement on the independence of the auditor, states:

"He must be without bias with respect to the client under audit, since otherwise he would lack that impartiality necessary for the dependability of his findings, however excellent his technical proficiency may be.

"It is of utmost importance to the profession that the general public maintain confidence in the independence of the independent auditors. Public confidence would be impaired by evidence that independence was actually lacking and it might also be impaired by the existence of circumstances which reasonable people might believe likely to influence independence.

"Independent auditors should not only be independent in fact; they should avoid situations that may lead outsiders to doubt their independence."

AICPA's ethical standards permit its members to perform certain bookkeeping functions for their clients, provided they do not engage in any administrative decisionmaking capacity. Although the standards permit the public accountants to perform such services, they also establish precepts to guard against the presumption of loss of independence. AICPA states " 'Presumption' is stressed because the possession of instrinsic independence is a matter of personal quality rather than of rules that formulate certain objective tests."

Much of the detailed accounting work was done by the public accountants because some grantee employees lacked training or competence in accounting. Although OEO instructions anticipate that grantees will employ only persons qualified to perform their duties, grantees are required, by law and by OEO regulations, to give every consideration to providing employment opportunities to disadvantaged persons from the low-income areas they serve. Such disadvantaged persons frequently do not have the training and experience needed to fully understand the need for compliance with OEO's financial requirements or to understand the significance of highly technical verbal recommendations made to them by their auditors. This lack of training and experience is also found among some of the top officials of the grantees, who usually are drawn from fields unrelated to financial areas. OEO officials informed us that a very pragmatic problem its grantees face is a lack of available persons in low-income areas who are expert in a particular discipline and the reluctance of nonresidents who are expert to work in the target areas.

Also, the public accountant in many instances finds the books of account and other financial records to be in an unauditable condition and considers it necessary to perform basic accounting work before beginning his audit.

OEO stated that, in all of the cases mentioned in the report—with the possible exception of the accountant who was a grantee board member—it believed that the independent accountants' actions did not necessarily violate AICPA's ethical standards regarding independence and that GAO had substantiated this position by stating that the accounting profession's ethical standards permit the accountants to perform many of these services.

We recognize and note in this report that the accounting profession's ethical standards permit accountants to perform various bookkeeping and other services for their clients and also render an opinion on the clients' financial condition. The AICPA stresses that the public's confidence in a public accountant may be impaired by circumstances which reasonable people might believe likely to influence independence.

We believe that the presumption of independence is open to question for those public accountants who performed various bookkeeping and other services normally performed by clients' employees and whose audit reports did not always include significant financial management deficiencies.

The number of public accountants who provide accounting as well as auditing services for the same grantee-clients indicates a need for OEO to closely monitor such a relationship to safeguard the integrity of the audit function. Our review has shown that this matter has not received sufficient attention by the public accountants and their grantee-clients. In one case, the grantee did not heed OEO's specific advice that the two functions be assigned to different contractors. We believe that OEO should increase its emphasis on this important standard governing professional auditing work, both in its audit guidelines and in its specific instructions to all grantees to which the annual audit requirement applies.

### Audit Reports Closed Without Responses To Reported Deficiencies

#### *Case 1*

On March 3, 1970, OEO requested comments from a grantee in California on an audit report prepared by a CPA which listed eight major deficiencies.

1. Inadequate controls over petty cash fund transactions.
2. Inadequate maintenance of employees' personnel files and failure to obtain employees' former employment salary rates.
3. Incomplete and unapproved time and attendance records.
4. Failure to implement effective procurement procedures.
5. Need to improve property records and controls.
6. Need to improve procedures for processing accounts payable.
7. Travel claims paid in excess of the maximum allowances contained in the Standardized Government Travel Regulations and claims for mileage not supported in accordance with the grantee's procedures.
8. Failure to establish budgetary control reporting procedures.

The grantee replied on March 20, 1970, requesting waivers on various monetary exceptions, but made no reply to OEO about actions taken or planned to correct the above deficiencies. On September 9, 1970, OEO closed the report on the basis that corrective actions would be monitored during an upcoming field examination prior to refunding and that the grantee's lack of corrective actions would be reported in subsequent audits. We visited the grantee in March 1971 and determined that seven of the eight deficiencies had not been corrected. Grantee personnel informed us that they had not replied to the deficiencies because they were unaware that a reply was required.

#### *Case 2*

On May 18, 1970, OEO requested comments from a grantee in Texas on an audit report prepared by a CPA which listed deficiencies in the following areas.

1. Documentation and recording of non-Federal share.
2. Supervisory approval of time sheets and travel vouchers.
3. Procurement and inventory procedures.
4. Personnel files and controls.
5. Centralized program administration.

The grantee did not respond to OEO on the deficiencies, but on July 21, 1970, OEO closed the audit report with a notation that the grantee had been instructed to furnish a response to the weaknesses in the accounting system and internal controls. A subsequent audit report received by OEO in September 1970 showed that none of the deficiencies had been corrected.

### Audit Reports Closed on the Basis of Unverified Responses of Grantees

#### *Case 1*

On January 22, 1970, a CPA issued an audit report on a grantee in Mississippi which listed 23 deficiencies and recommendations for corrective actions in financial management and internal controls. OEO reviewed the report and on June 1, 1970, forwarded it to the grantee for action and response. By letter dated June 11, 1970, the grantee informed OEO that it had taken steps to implement all recommendations in the audit report. Without verifying the grantee's response, OEO closed the audit file on October 21, 1970. On December 29, 1970, we visited the grantee and determined that eight of the deficiencies listed in the audit report had not been corrected. These included failure to (1) reconcile the bank statement with the books of account, (2) approve invoices before payment, (3) verify payroll to personnel records, (4) post transactions in the general ledger at regular intervals, and (5) identify the applicable invoices on check payments. The grantee informed us that it would obtain assistance from the independent accountant to correct the deficiencies.

#### *Case 2*

A CPA issued an audit report in November 1969 which covered the activities of a grantee in Georgia and which listed 12 deficiencies in the grantee's accounting system and internal controls and recommendations for corrective actions. By letter dated November 11, 1970, the grantee informed OEO that the CPA's recommendations had been implemented, and on this basis OEO closed the audit file on November 20, 1970. We visited the grantee in December 1970 and found that the following three deficiencies still existed.

### QUESTIONABLE EXPENDITURES CLEARED

In examining 46 closed audit reports which had monetary exceptions totaling $9,160,000, we found that OEO allowed $8,995,000 as charges to grant funds and disallowed $165,000. The auditors questioned most of the costs because (1) documentation was inadequate, (2) the expenditure was not provided for in the approved budget, (3) the expenditure was in excess of approved budgets, or (4) deficiencies existed in the documentation relative to the non-Federal contribution.

On a nationwide basis, monetary audit exceptions for OEO grantees totaled $207.9 million for the period July 1, 1966, through December 31, 1972. The total expenditures incurred under all grants audited during this period were about $5.4 billion. At December 31, 1972, of the $207.9 million in questioned costs, $113.4 million had been determined as allowable, $25.7 million was disallowed, and $68.8 million remained unresolved.

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## PHASE III CONTROLS—REGULATION OR RELAXATION

Mr. BIDEN. Mr. President, after 4 months of phase III, the voluntary wage-and-price controls, it is becoming increasingly evident that the general reaction to the anti-inflationary program is a disregard of meaningful phase II controls. Administrative efforts to maintain a policy of actively curbing the rising cost of living with any effectiveness seem nonexistent.

James P. Gannon, addressing himself to this issue in the Wall Street Journal of May 30, 1973, states that, although Treasury Secretary George Shultz promises brandishments to those who flagrantly violate the administration's attempt to curb the rising costs of living, he has yet to use his "stick in the closet," the catch-phrase for the standby powers which are available to him for violators of the voluntary controls.

Mr. Gannon specifically points to the ineffectiveness of the administration's economic program:

> Wholesale prices in the first three months of Phase III soared at a seasonally-adjusted annual rate of 21% . . . In that 3 month period, wholesale quotes of industrial goods zoomed at an annual rate rate approaching 15%, the steepest in 22 years.

At the same time, Gannon notes the administration's claim that it is still talking tough control strategy. Mr. Shultz, after unveiling phase III, said he would not hesitate to use all possible means to punish the violators. Gannon contrasts these adamant claims with the fact that nothing yet has warranted adminisrative control. He questions these claims as rhetoric.

The administration, says Gannon, is now faced with the crucial test of the program—

> In the midst of the worst industrial price inflation in two decades, the steel industry has proposed a 4.8% price hike.

There is no way to predict how the President's Cost of Living Council's court will decide the bid. Gannon raises the question:

> Could this be the appropriate occasion for the unused stick in the closet.
>
> A case can be made that now is the crucial time for the Administration to demonstrate that it won't allow inflation to get out of hand and that it is willing to whack a few scapegoats. This might restore public confidence.

The editorial also acknowledges the question of the effectiveness of any punitive system in a general demand-pull inflation. However, perhaps it deserves at least a chance to prove itself.

I ask unanimous consent that the text of the Wall Street Journal article, "Phase III's Unused Stock in the Closet," be printed in the RECORD at this point in my remarks:

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### PHASE III'S UNUSED STICK IN THE CLOSET

(By James P. Gannon)

WASHINGTON.—Somewhere in the White House, there is supposed to be a closet with a stick in it.

The "Stick in the Closet" is the Nixon administration's catch-phrase for the standby powers it has to hit unions and companies which flagrantly violate the quasi-voluntary Phase 3 wage and price controls.

Treasury Secretary George P. Shultz first referred to the stick on Jan. 11, in unveiling the change from the mandatory Phase 2 controls to what he called the "voluntary" Phase 3 curbs. Seeking to distinguish the revamped Phase 3 controls from the voluntary wage and price guidelines of the Kennedy-Johnson years, Mr. Shultz conjured up the "stick in the closet" image and warned that "people who don't comply voluntarily are going to get clobbered."

Inasmuch as this is a time of feverish searching into White House closets, which contain plenty of skeletons if nothing else, it seems timely to ask: Whatever became of the stick?

What seems clear now, after more than four months of the Phase 3 program, is that the stick is more a rhetorical tool than a practical anti-inflation weapon. Nixon administration economic policy-makers, led by Mr. Shultz, believes strongly in basic supply-and-demand strategies to control inflation, rather than in any selective punishing of scapegoats who sin aaginst the wage-price commandments. The mere existence of Mr. Shultz's shillelagh apparently was meant to serve as a deterrent to a possible widespread surge of follow-the-leader type price increases that might follow the expiration of Phase 2 controls.

To be sure, the Phase 3 stick has been rhetorically brandished by Nixon administration economic officials with great vigor and frequency. Alarmed by the widespread reaction that the switch to Phase 3 was actually an abandonment of meaningful controls, Mr. Shultz and his cohorts verbally swing the stick in an effort to restore some of the controls program's damaged credibility.

#### MR. SHULTZ' WARNINGS

Only a day after he unveiled the Phase 3 program, Mr. Shultz, who didn't like newspaper headlines that said the White House had "scrapped" controls, summoned a small group of newsmen to his Treasury office to say that the Phase 3 closet contained not only a stick, but a shotgun, a baseball bat and an arsenal of other weapons. And the government wouldn't hesitate to use them, Mr. Nixon's economic policy architect warned.

In the days that followed, as price indexes began ringing inflationary alarms, the administration kept talking a tough controls strategy. William Simon, the new No. 2 man at the Treasury, warned that "Phase 3 is going to get tough if toughness is warranted." Mr. Shultz even strode into that corporate lions' den, the prestigious Business Council, to warn that "someone will get clobbered" if the price and wage rules are broken. "If any of you want to offer yourselves up as that juicy target," the Cabinet officer told the businessmen, "we'll be delighted to clobber you."

So, much has been heard of the stick in the closet. But very little—almost nothing—has been seen of it.

That's not because everything on the inflation front is going swimmingly, of course. As everyone from housewives to purchasing agents knows, the pace of price increases since the Phase 3 program began has been the worst since the Korean war inflation of 1951.

Wholesale prices in the first three months of Phase 3 soared at a seasonally-adjusted annual rate of 21.2%. Forget for a moment the stunning 37.3% annual rate of gain in prices of farm products, processed foods and feeds, and look just at that segment of the economy that ought to be most susceptible to persuasion by the "stick in the closet"—industrial prices. In that three-month period, wholesale quotes of industrial goods zoomed at an annual rate approaching 15%, the steepest in 22 years.

The industrial price escalation reflects sizable markups on steel, nonferrous metals, oil, coal, gasoline, textiles, machinery and many other basic goods. The price of lumber has gone up so much under Phase 3 that, if the White House had to go out today and buy a new stick to put in the closet, it would cost nearly 23% more than in January.

But who has been "clobbered"? Despite the price outbreak, there hasn't been a single case of a company feeling the whack of the Phase 3 strick. The general level of wage settlements under Phase 3 has been much more stable than prices; still, there have been numerous settlements exceeding the admittedly fuzzy 5.5% wage standard, but no disciplining of labor chieftains, either.

Administration men cite various moves as evidence that there really is a stick, but the evidence isn't very persuasive. In March, reacting to climbing fuel prices, the Cost of Living Council reimposed limited mandatory price controls on 23 oil companies. But it has already begun relaxing these in the face of shortages that the companies contend are worsened by the price curbs.

Under political pressures that included a march on Washington by homebuilders, the Cost of Living Council seven weeks ago held public hearings on the soaring price of lumber. Despite the implication that it would stiffen lumber price controls, the Council hasn't followed the hearings with any such action; it is still studying the situation.

As pot roast became a luxury and housewives began boycotting the butcher, the White House took another action that's more symbolic than real: placing price ceilings on beef, pork and lamb at a time when those prices were at historic highs. By locking the barn after the inflationary stampede, the administration again demonstrated its reluctance to tighten controls in any way that really puts the squeeze on anyone.

Currently, the administration faces what may be the crucial test of the whole stick-in-the-closet idea. In the midst of the worst industrial price inflation in two decades, the steel industry, led by U.S. Steel Corp., has served up a 4.8% price hike, effective June 15, on about 45% of the industry product line, principally sheet and strip. Now the ball is in the Cost of Living Council's court, where officials are study the situation.

In the Kennedy-Johnson era, steel price hikes prompted anti-inflationary sticks to emerge from the White House closet even though there wasn't any direct price-control program. Several times during the 1960s, steelmakers trooped down to the White House to have their allegedly greedy knuckles rapped by wrathful Presidents. It became a sort of ritual dance in which the steelmakers stuck their necks out, took a couple of licks, and retreated halfway, leaving everybody with the feeling that something had been accomplished.

There's no way to predict how the Cost of Living Council will handle the steel-price bid. But it's fair to say that if it doesn't do anything to forestall or reduce a price hike that's bound to ripple throughout the economy in coming months, the stick in the closet can be put down as a myth.

#### A DEBATABLE ISSUE

There's room for debate over whether the stick really ought to be wielded with force and frequency, of course. A case can be made that now is the crucial time for the administration to demonstrate that it won't allow inflation to get out of hand and that it's willing to whack a few scapegoats. This might restore public confidence.

Administration men argue another case: that beating the lumber industry, oil men or farmers over the head with a price stick isn't going to solve supply tightness in lumber, oil or meat. The administration's anti-inflationary strategy is to find ways to boost production or imports of products that are under heavy demand pressure.

The administration, in fact, seems ready to accept a considerable degree of price upturn in a period of strong demand, such as the present. Prices, Mr. Schultz like to tell listeners, have an essential rationing function to perform by allocating scarce supplies among those willing to pay what the traffic allows.

Thus, classic supply-demand economics is dominating the administration's policy today and probably will as long as Mr. Shultz, an ardent free-market disciple, remains in charge. It's difficult to fit a punitive stick into that philosophical closet. After all, if a businessman is only helping to ration a scarce commodity among all those customers lined up at his door, should he be walloped for it?

Maybe the administration economists are right in their judgment that a general demand-pull inflation can't be effectively and equitably controlled by application of the stick. But if the stick is any more than a rhetorical wand, now's the time to prove it. If not, they ought to quit kidding everybody about the contents of that closet.

## COMMENDATION OF 1973 MINNESOTA LEGISLATURE

Mr. MONDALE. Mr. President, the 1973 session of the Minnesota Legislature achieved a record which is in many ways remarkable. It is the first legislature in Minnesota's history in which the Democratic Farmer-Labor Party has held a majority in both the house and senate.

Among the most important legislative gains made this year were the ratification of the Equal Rights Amendment, the lowering of the age of majority to 18, approval of a school aid bill which provides special benefits for disadvantaged students, reform in the organization of State government, tax relief for homeowners and renters, and passage of several major environmental measures.

But notwithstanding the many significant bills which were adopted this session, I believe the greatest achievement was in the approval of new rules designed to increase openness in the legislature itself. As a result, the press and the public this year were able to attend most committee meetings and to follow the activities of the legislature more closely. This in turn helped to permit a better understanding of the legislative process and to encourage more responsive government.

Many of the candidates who ran for legislative office last November promised, if elected, to work for greater openness in government. They deserve great credit for having opened up the legislature to full public view because of their dedication. I believe the 1973 session may be remembered as among the most far-sighted and productive in our State's history. Its achievements are worthy of national attention.

I would like to urge my colleagues in the Senate to take a moment to read two editorials which recently appeared in the Minneapolis Tribune and the St. Paul Pioneer Press, expressing the sense of pride the citizens of Minnesota can rightly take in the openness that was achieved by the legislature this session.

Mr. President, I ask unanimous consent that the full text of the following editorials be printed in the RECORD:

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

### THE LEGISLATURE'S RECORD

The Minnesota Legislature's 1973 session was both productive and disappointing—productive because of the major accomplishments, the quantity of legislation enacted, the movement on issues that had never gone anywhere in previous sessions; disappointing because some worthwhile bills were passed only in watered-down form and because the lawmakers failed to act on some crucial bills. But this session was also the most open in the state's history—and that may turn out to be this Legislature's most significant accomplishment in the long run.

The major accomplishments began early in the session with the ratification of the Equal-Rights Amendment to the U.S. Constitution and the enactment of a law providing for party designation for legislative candidates. The list continues with the lowering of the age of majority to 18; the opening of the state's liquor-wholesaling system to increased competition; the enactment of a school-aid bill that will be of special benefit to central-city districts because of its provisions for school systems with high concentrations of disadvantaged students; the long-overdue abolishing of the township relief system, which will ease an inequitable burden on Minneapolis taxpayers.

This Legislature can also take credit for reorganizing state government, in line with a proposal of the Loaned Executives Action Program, by establishing departments of finance and personnel; for providing more tax-relief for homeowners and renters; for removing inequities from the mechanic's-lien law; for increasing state funding of grants and scholarships for college students; for strengthening the open-meeting law; for making Minnesota one of the few states to become involved in the regulation of cable television; for approving a state zoo; for voting a bonus for Vietnam veterans; for providing better protection for the Lower St. Croix River and for the land around tourist attractions; for allocating $1.5 million for the establishment of regional recycling plants; for resisting an attempt to phase out the state's Pollution Control Agency.

The Legislature had a mixed record on consumer legislation. It provided only a minimal requirement for open dating of perishable foods, after rejecting a broader bill that would have been far more useful to shoppers. It took the heart out of a bill that would have allowed druggists to advertise prescription-drug prices, leaving only a requirement that pharmacists post prices and answer telephone inquiries. It imposed regulations on hearing-aid sales—but only sales to persons under the age of 18 or over 60. On the other hand, the Legislature did approve a bill calling for the posting of gasoline octane ratings and another requiring funeral directors to itemize their bills.

A major disappointment, however, was the Legislature's failure to deal with the need for clarifying the roles of metropolitan agencies in such a way as to establish the planning and coordinating authority of the Metropolitan Council. Another was its failure to end the impasse between the council and the Metropolitan Transit Commission over what kind of mass-transit system is to be built in the Twin Cities area. Still another was its failure to pass a no-fault auto insurance bill. Also, disappointing was the failure of Gov. Anderson to provide strong leadership in some of these areas.

On balance, however, the session was productive—far more productive than it was disappointing. And with the scheduling flexibility now available to it, there is a chance for the Legislature to erase the disappointments when it reconvenes next January. As for this session's openness, which saw rules and conference committees open to the public for the first time, it proved that the light of public scrutiny need not inhibit the free, full and, at times, heated discussion of issues that is necessary to the legislative process. The opening up of the Legislature is to the credit of the DFL majorities in the Senate and House whose campaign pledge it was to do so. And it is to the credit of the entire Legislature that the openness was made to work.

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### LEGISLATURE PROVES IT CAN MOVE OPENLY

One area in which the Minnesota Legislature has made considerable progress during the 1973 session is openness.

Many DFL candidates made openness in state government a campaign issue last fall. To their credit, they followed through when they gained a majority in both the Senate and the House, and established rules that opened up many committee meetings that formerly were closed to the public and the press. Meetings of the Rules committees were opened for the first time, as were the meetings of Senate-House conference committees.

Not that the Legislature has ever been a darkly secretive place. But many committees had been closed traditionally and occasionally important business was conducted in unscheduled, secret sessions. There seemed to be fewer of the secret discussions this year, along with the greater visibility of committee work. The public and the press have been able to observe the legislators wrestling with all kinds of problems—fiscal and philosophical—on a day-to-day basis during this session.

This increased openness does two things. It enables the voter who really cares about what his elected representatives are doing to follow their actions more closely. And it allows the press to present a more complete report on the Legislature's daily business. The result should be a greater understanding of the legislative process and of the legislators' problems.

Reporters were pleased to find that they could get into any committee meeting they wanted to. Their freedom of coverage was so extensive that one newsman jokingly remarked, "We were wishing they'd close the Adult Committee meetings—we got so bored."

What a refreshing contrast that is to the complaints of reporters who have been banned from meetings of local government bodies and school boards, or who have had to pursue elected public officials to secret, unscheduled meetings in order to gather the news. Some public officials seem to devote as much effort to circumventing the state's open-meeting law as they do serving their constituents.

We hear all sorts of supercilious claptrap about why village councils and school boards should meet in secret. Some matters are just too delicate to be aired in public, elected officials claim. Or some officials will be afraid to speak, while others will seek publicity, if they are forced to debate the issues in public.

Our legislators have demonstrated just how ridiculous those excuses are. Legislative committees dealt with all sorts of controversial and delicate issues in public sessions. Legislators who had something to say did not seem unduly reluctant to speak and there were no outlandish cases of grandstanding. Most legislators seem to be accepting the fact that a public body should do its work in public. If the state's problems can be dealt with openly, there is no reason that the lesser problems of a village or a school district cannot be solved in an equally open manner.

Whatever quarrels one may have with the actions of the Legislature during the 1973 session, there is no denying that they did their work in full view of the public. We applaud them.

## RETIREMENT OF DILLON GRAHAM

Mr. SPARKMAN. Mr. President, my good friend Dillon Graham, who first came to Washington with the Associated Press in 1934 and who has covered Capitol Hill for AP almost continually since 1947 is retiring today. I know that all Members of this body share the high regard and deep respect that I have for Dillon.

Dillon first joined the AP in Atlanta in 1929, and, in addition to Atlanta and Washington, he has served AP in Charlotte, N.C., and in New York City. In the many years that I have known Dillon

Graham, he has always been completely thorough and fair in carrying out the responsibilities that he had in covering the news here in the Nation's Capital.

Dillon and his lovely wife Gigi are moving to Myrtle Beach, S.C. I shall miss them, as will the other Senators. I wish for them the very best, and I hope that it will be possible for them to come back to Washington often to visit with us during the years ahead.

## SOVIET COPYRIGHT LAW

Mr. McCLELLAN. Mr. President, on March 26, I introduced S. 1359 to amend section 9 of the Copyright Act in response to events surrounding the adherence of the Union of Soviet Socialist Republics to the Universal Copyright Convention. The Authors League of America, various Soviet affairs scholars and others have expressed to me their serious concern that the purpose of the Soviet ratification of the Copyright Convention was primarily to facilitate the suppression abroad of the writings of dissident Soviet authors. My bill provides that a U.S. copyright secured to citizens of a foreign nation shall be deemed to vest in the author of the copyrighted work, or his voluntary assigns.

In my remarks on March 26, I stated—

> Before this legislation is processed by the Congress it will obviously be desirable to secure clarification of the intentions of the Soviet Government.

The most reliable method of judging the true intention of the Soviet Government is to consider, to the extent that it can be ascertained, the analysis of Soviet authors and intellectuals. I have previously brought to the attention of the Senate an open letter on this subject by a distinguished group of Soviet intellectuals to the United Nations Educational, Scientific, and Cultural Organization.

The New York Times of May 28 contains a dispatch from Moscow reporting recent events relating to the Soviet adherence to the Copyright Convention. The article states—

> The intent of the Soviet decision has become increasingly clear in informal discussions with Soviet publishing officials and authors. It is, first, to stop the flow of underground literature to Western publishers.

The May 28 issue of Time included an article based on an interview with Zhores Medvedev, a leading Soviet intellectual and biographer of Alexander Solzhenitsyn, the foremost living Russian novelist. The article states in part:

> Why has Medvedev risked his Soviet citizenship by publishing the book now? In a conversation with Time Correspondent Lawrence Malkin in London last week, Medvedev disclosed that he had completed the biography before he was granted permission to leave the Soviet Union. When he learned that the U.S.S.R. was going to join the Universal Copyright Convention on May 27, he decided that he would publish the book as soon as possible. He obviously was convinced that the new copyright law would enable Soviet officials to censor writers who are critical of Soviet society.
>
> Moreover, said Medvedev, once the deadline has passed, "a direct approach (to a publisher) may become a criminal matter." As for whether he will be allowed to go home again, Medvedev remarked dryly that Soviet officials "must read the book and make their own decisions."

Mr. President, I ask unanimous consent that the articles from the New York Times and Time be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, May 28, 1973]

### SOVIET UNION JOINS COPYRIGHT NATIONS

MOSCOW, May 27.—Confusion appeared to reign in the Soviet publishing industry and among writers as Moscow's adherence to the International Copyright Convention became effective today.

"Absolutely nothing is yet decided," said a spokesman for the domestic copyright office when he was asked how the Soviet Union planned to implement its controversial decision to enter international copyright arrangements.

By becoming a member of the convention—concluded in 1952 in Geneva—the Soviet Union undertook to grant the same protection to foreign authors as it accords to its own citizens. Similarly, Soviet authors became entitled to copyright protection in other member countries. Previously, each side could reproduce the other's work at will.

Although two months have passed since Moscow declared its intention to join the convention, no Soviet agency appears to have been empowered to deal with the vast amount of work involving foreign contract negotiations and royalty payments.

#### VAGUE REPLIES GIVEN

Inquiries made on Friday at Government offices authorized to deal with foreigners on publishing matters yielded either no comment or vague replies.

The foreign relations department of the State Committee on Publishing, which runs this country's vast book trade, said no one would be available all day for questions.

The foreign commission of the Soviet Writers Union also had no comment. Callers were advised that all officials were attending an international conference of literary critics, under way in Moscow.

Only at the Administration for Copyright Protection, a domestic agency, was some explanation offered. Regina M. Gorelik, head of the agency's foreign department, said that pending a decision on international copyright arrangements, "technical questions" were being referred to her department.

The evident disarray tended to reinforce a widely held impression that the decision to join the copyright convention had been a sudden top level move, presumably by the ruling Politburo, and had caught executive agencies totally unprepared.

However, the intent of the Soviet decision has become increasingly clear in informal discussions with Soviet publishing officials and authors. It is, first, to stop the flow of underground literature to Western publishers and, second, to try to promote the marketing of Soviet fiction and nonfiction through foreign channels.

Domestically, the Soviet copyright move does not portend any increase in the number of Western authors available to the average reader here. In fact, the new requirement that royalties will have to be paid to foreign writers, at least in part from the Government's dollar reserves, is likely to reduce the number of book titles that will be translated here.

Although the Soviet Government is making an all-out effort to improve relations with the United States in the political and economic spheres, this does not imply any relaxation on the inflow of ideas and information from abroad.

Boris Stukalin, chairman of the Government's State Committee on Publishing, made this clear in an interview published in March in the foreign-affairs weekly New Times.

"The Soviet Union will continue to acquaint its citizens with the best in progressive world culture. Needless to say, writings advocating war and violence, immorality, chauvinism and ways of life alien to us will not be disseminated."

Writers and publishers in the United States have expressed concern at the prospect that the Soviet Government can claim copyright control over works of Soviet citizens and can take Western publishers to court if they publish unauthorized Soviet writers.

The Authors League of America has sought legislative action to prevent Moscow from using American courts for that purpose. Senator John L. McClellan, Democrat of Arkansas and chairman of the Senate Judiciary subcommittee on copyright, has been reported to share the league's concern.

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[From Time, May 28, 1973]

### HOMAGE TO SOLZHENITSYN

(Is it possible that we are again on our way toward the rule of violence and tyranny? Is art, after sparkling before us in a few—and certainly not in all—colors of the rainbow destined again to be painted in just one color?)

The questions are asked by Russian Geneticist Zhores Medvedev, a leading Soviet intellectual and close friend of the man who for years has had to bear the weight of official Soviet censorship—Alexander Solzhenitsyn. That such questions are being put forward by a Soviet citizen who has been given official permission to live in London for a year—and presumably could be "recalled" home for simply asking them—is significant enough. Even more important, they have been raised in the first biography by a Russian of the country's greatest living novelist.

Ten Years After One Day in the Life of Ivan Denisovich, which will be initially published (in Russian) by Macmillan of London this week, is described by Medvedev as a Festschrift (German for a written homage). In part, it is a vivid account of an artist who has struggled to write and publish under extraordinarily hazardous conditions. Ten Years is also a detailed analysis of Soviet cultural life from Nikita Khruschev's brief era of liberalization in 1962 (when One Day was published in the Soviet Union) down through the repressive climate of the present day.

#### TRAGIC HISTORY

At the center of the book is the tragic literary history of Solzhenitsyn. Ironically, his troubles began with the publication of One Day by the literary magazine Novy Mir in 1962. Eventually that book became an increasingly intolerable burden to the new leadership of the Communist Party. In the shifts of party policy that followed Khrushchev's downfall, mere mention of any crimes committed in the Stalinist era was anathema. Friends of Solzhenitsyn who tried to defend his subsequent anti-Stalinist books (including The Cancer Ward and The First Circle) were condemned by the official press, and many lost their jobs. Solzhenitsyn himself was ousted from the Soviet Writers Union in 1969.

Alexander Tvardovsky, one of Russia's best known poets, had published One Day while editor of Novy Mir. He soon fell into disgrace and was forced to leave the magazine. At his funeral in 1971, writes Medvedev, no friends were allowed to give eulogies. The ceremonies were strictly supervised by party functionaries who made no mention of Tvardovsky's role in the publication of Russia's great postwar novel.

Medvedev singles out a number of people who have made notable efforts to discredit Solzhenitsyn. For instance, Culture Minister Yekaterina Furtseva helped prevent Solzhenitsyn from receiving the 1964 Lenin Prize for Literature, one of the Soviet Union's most prestigious awards. Medvedev also attacks Victor Louis, a roaming Soviet correspondent noted for providing leaks on Soviet policy shifts to the Western press. The author describes him as a "special agent of the KGB." Louis, claims Medvedev, planted a stolen copy of Solzhenisyn's *The Cancer Ward* with the Russian émigrê publication *Posev*, which is based in West Germany. Since this magazine is considered an anti-Soviet journal, its publication of a book by a Russian writer may constitute grounds for arrest and imprisonment.

Interestingly enough, Medvedev reserves some of his strongest criticism for Western publishers. Solzhenitsyn, he writes, was "appalled" by the poor translations of *One Day*. Further, says Medvedev, Dial Press and Farrar, Straus & Giroux published *The Cancer Ward* without permission (the publishers deny it). Medvedev also claims that Praeger Publishers ignored his repeated requests on behalf of Solzhenitsyn that they provide rare drugs for a dying Russian girl from royalties that the company had agreed to pay the writer for *One Day*. A Praeger spokesman has denied this charge, too, insisting that "there never was any question of our refusing to pay royalties to Solzhenitsyn."

Perhaps the worst villains in the book are the Swedes. According to Medvedev, Gunnar Jarring, the Swedish ambassador to Moscow, did not even send a customary cable of congratulation to Solzhenitsyn when he won the Nobel Prize. If the Swedes had offered to help Solzhenitsyn receive the prize instead of backing away timidly after learning of Soviet displeasure, Medvedev argues, the Russians, would have granted Solzhenitsyn the right to return to his homeland, which otherwise he feared would be refused him.

### DIRECT APPROACH

Why has Medvedev risked his Soviet citizenship by publishing the book now? In conversation with Time Correspondent Lawrence Malkin in London last week, Medvedev disclosed that he had completed the biography before he was granted permission to leave the Soviet Union. When he learned that the U.S.S.R. was going to join the Universal Copyright Convention on May 27, he decided that he would publish the book as soon as possible. He obviously was convinced that the new copyright law would enable Soviet officials to censor writers who are critical of Soviet society.

Moreover, said Medvedev, once the deadline has passed, "a direct approach [to a publisher] may become a criminal matter." As for whether he will be allowed to go home again, Medvedev remarked dryly that Soviet officials "must read the book and make their own decisions."

## WATER TO MAKE UTAH GO

Mr. MOSS. Mr. President, on the 22d of May of this year, the Utah congressional delegation, accompanied by the Governor of the State of Utah, and with a number of knowledgeable officials of that State, testified before the Appropriations Committee on behalf of funding for the Central Utah project and especially funding for the Bonneville Unit of that project. I was totally shocked and dismayed to learn that on the day following a Dr. David Raskin appeared before the subcommittee and asked that appropriation of funds for Central Utah project be terminated. Dr. Raskin, who claims to be a resident of the State, cited some unbelievably inaccurate figures on the question of water supply in the Great Basin and especially in the Salt Lake City area. He argued that there was adequate water available for the remainder of the century and then cited figures that some fishing streams and other areas would be changed by building the project. He also took the occasion to again urge that Lake Powell be drained down to half of its capacity, blithely ignoring the adverse impact that this would have on the building of the remaining projects in the Upper Basin and the loss of electric power to be generated at the dam. Never in my experience have I seen such an irresponsible argument presented from a resident of Utah concerning the needs in my State for water supply.

On the 29th of May, the Salt Lake Tribune, one of our great daily newspapers in Salt Lake City, printed an editorial which was in part an answer to the irresponsible allegations of Dr. Raskin. I ask unanimous consent that the editorial entitled "Water To Make Utah Go" be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

### Water To Make Utah Go

For 17 years the Central Utah Project has been authorized by Congress, yet the most complex of its units—the Bonneville Unit—stands only 14 percent complete. The reason? Primarily the reluctance of Congress to appropriate money to build the combination of dams, canals, tunnels and earthworks to bring urgently needed water to the fast-growing Wasatch Front.

Initially, cost of the Bonneville Unit was estimated at a half billion dollars. This was based on a construction schedule envisioning a 1968 completion date. Considering the dalliance of Congress in appropriating money, coupled with ongoing inflation, the validity of the cost estimate and the construction schedule comes into question.

In an appearance before Senate and House public works appropriations subcommittees, Utahns, including Gov. Rampton and officials from water districts, sought $23,796,000 in CUP construction funds for fiscal year 1974. The money would include about $20 million for the Bonneville Unit.

The $20 million contrasts sharply with the niggardly $6,280,000 the Nixon administration has asked for. The wisdom of frugality in government expenditures cannot be questioned. Neither can the premise that exorbitant federal spending contributes substantially to inflation be very seriously doubted.

Yet, there is something "penny wise and pound foolish" about not appropriating enough money to quickly finish a vitally needed water project, one that has already cost more than $80 million.

Despite repeated rosy prediction by presidential economic advisers that the threat of inflation is going to ease, the truth is prices have continued to climb. Even the economic guidelines outlined by Phase III administrators allow a national inflation rate of 3 percent.

That being the case, if Congress continues to deny the CUP needed construction funds the whole project is in danger of becoming prohibitively costly.

But, putting the matter of costs aside, the fact remains that Utah needs the water the Central Utah Project, particularly its Bonneville Unit, will provide. During the same hearings attended by Gov. Rampton, water officials testified to need for more water distribution and retention facilities.

Robert I. Hilbert, manager, Salt Lake County Water Conservancy District, was one of those concerned water managers. He told the subcommittees that a continued slowdown of the Bonneville Unit could mean that "if we are subjected to a below-normal precipitation condition the (district) will be required to initiate a positive water-rationing program."

With the ability of existing facilities to continue supplying sufficient water to people and industry along the Wasatch Front already in some jeopardy, it becomes mandatory that the Central Utah Project's Bonneville Unit be completed soon. The same applies, possibly to a lesser degree, to the other CUP units.

To appropriate less than the $23,796,000 requested by Gov. Rampton, Utah's congressional delegation and other Utahns would be parsimony of the highest order. It is, admittedly, trite, but the fact remains, Utah needs the water, it can't afford to go ahead without it. The CUP is the only way to get water where it is needed today and will be needed even more tomorrow.

## A STUDY OF FUEL AND ENERGY POLICY

Mr. JACKSON. Mr. President, last Friday, May 25, as chairman of the Senate Committee on Interior and Insular Affairs, I authorized Senator James Abourezk of South Dakota to conduct a field hearing in Sioux Falls as part of the Interior Committee's current study of fuels and energy policy.

This particular hearing dealt with the very serious fuels shortage confronting the Nation and particularly with respect to the problems facing the agricultural sector.

Senator Abourezk has presented to me a very fine report summarizing some of the important testimony given at this hearing. Since this information is very relevant to the Senate's consideration of S. 1570, the emergency petroleum allocation bill, which will be debated in the Senate tomorrow, I ask unanimous consent that his report to me of this hearing be printed in the Record.

There being no objection, the report was ordered to be printed in the Record, as follows:

May 31, 1973.

Hon. Henry M. Jackson,
*Chairman, Senate Interior Committee, New Senate Office Building, Washington, D.C.*

Dear Mr. Chairman: As you are so keenly aware, this is a crucial time for action to allocate adequate supplies of gasoline and diesel fuel to agricultural producing areas of the nation.

It is for this reason that you authorized me to conduct a special hearing of the full Senate Interior Committee in Sioux Falls on May 25 on fuel supply, especially as this supply is needed by farmers and ranchers.

Because of the critical nature of this situation, I have prepared this letter as an interim and immediate report on our hearing prior to recept of the hearing record.

Nebraska Governor J. James Exon, one of the witnesses who filed a statement with the Committee, summarized the situation succinctly with this comment:

"Where the cut-off of fuel has already occurred on a limited basis, the pattern is most evident of how rapidly a widespread shortage for a few days during harvest could reach the frightening stage of a calamity. Allowed to spread for only a few critical weeks during planting or harvest and you have the stage set for a national emergency that would threaten disaster to the entire nation."

Mr. Chairman, after listening to more than 30 witnesses in Sioux Falls, reviewing testimony of those who filed statements with the Committee and visiting with scores of others, I am convinced that Governor Exon is not exaggerating by one iota a situation that could occur.

I am as equally convinced that the present voluntary program of this Administration will not avert such a disastrous situation.

And, I am alarmed by how the restrictions on the amount of fuel available to the Midwestern agricultural producing states will cripple many businesses and industries, processing and marketing and all of them important to the economic well-being of the Upper Great Plains region.

Testimony at the hearing is most relevant to the evaluating the voluntary program of the Administration and the need for S. 1570, which would make action by the Administration mandatory.

### THE FUEL FARM SUPPLY

For several reasons, farmers and ranchers need more fuel this year than they did last. An extremely wet Fall in many areas made it impossible to do Fall plowing. That delay caused the ground to be hard this year requiring extra fuel for plowing this Spring. Farmers are planting extra acres as requested by the Administration.

The Agriculture Department reports that as of May 1, approximately 50 per cent of the 50,000,000 additional acres removed from the set-aside program had been planted.

Farmers and ranchers, in many cases, are having great difficulty obtaining fuel for their present operations. This occurs for two major reasons: the major oil companies are providing from 85 to 100 per cent of the fuel that they provided in 1972. Many independent dealers have had their supplies cut off. Many others have been told that they will not have supplies after a specified date or that their supply is on a month-to-month basis. Farmers who have relied on independent dealers for their fuel are being refused fuel supplies from outlets of the major companies, which have told their retail outlets to refuse new customers. Some farmers have obtained fuel only by paying a premium price on what is plainly a black market.

One farmer near Wolsey, South Dakota, who testified at the hearing, farms 5000 acres of land and feeds 7000 head of cattle. He had purchased his fuel from an independent dealer. The independent dealer lost his source of supply. Outlets of the major companies could not supply him. At present, he has about 10 days supply of fuel.

Maurice Bergh, farmer near Florence, South Dakota, summarized the feeling of all farmers, I believe, with this comment: "As farmers, we can face drought, floods, hail, winds or almost any natural disaster and come fighting back, but we will not accept a disaster caused by man's planning or lack of planning. Agriculture must have top priority in the use of petroleum products—not only the farmer but those who are handling agricultural products must have high priority."

The unavailability of fuel for farmers and ranchers has to some degree already limited our farm production, the degree to which will not be determined until it is determined how many acres have been planted.

If the present situation is allowed to continue the nation, as Governor Exon warns, is heading for a national disaster.

One of the most disturbing comments at the hearing was a report from one farmer that custom combiners, who harvest a substantial portion of the grain in the Upper Great Plains, are not now planning to move their equipment northward in the harvest season because they do not have assurance of a fuel supply to operate this machinery. Those who relied on custom combiners cannot get fuel for any alternative machinery because all allocations are being based on 1972 supplies. This is true also for farmers who have purchased larger tractors requiring more fuel.

Besides requiring additional fuel for planting and for all of the farm operations through harvest, additional fuel is required for transporting these farm products. Governor Exon reports that Nebraska has the most extensive tie-up of transportation in the history of the state, with 472,000,000 bushels of grain in their elevators.

The representatives of the trucking industry in South Dakota report that their fuel supplies range from 70 to 80 per cent of their supply in 1972. New contracts for fuel have a minimum increase of 50 per cent over last year. The need for fuel by the trucking industry is 130 per cent of that requirement last year.

The supply of LP gas for drying crops creates another impending crisis. The suppliers of this fuel have no assurance of the amount that they will have this year. The general estimate is that about 40 per cent of the supply last year will be available this year. A cooperative manager in Tyndall, South Dakota, emphasizing that a large part of the milo and corn has to be dried for safe storage and shipment, projects that the shortage of this fuel could create a potential loss of $200,000,000 of farm products of South Dakota.

Besides the effect on agriculture and related business, the restrictions on fuel supply is causing many other economic losses in South Dakota:

### INDEPENDENT DEALERS

Hunreds of independent oil dealers have been forced out of business in the Midwest.

### CONSTRUCTION

A spokesman for the construction industry of South Dakota foresees that the severe shortages, already affecting some construction work, will affect some 300 South Dakota businesses with as many as 30,000 people being out of work.

### TOURISM

This is the second largest industry in South Dakota. Restrictions on fuel supply threaten seriously this important industry to my state.

### PUBLIC BODIES

School districts, municipal bodies and other public bodies are unable to get bids for the heating fuel that they will need this Fall. Bids for part of the supply are at a greatly increased price.

The President has the authority to act to meet these crises under authority already given to him by the Congress. The voluntary program is not working. He should immediately require mandatory allocations under this authority. The nation cannot gamble on either its fuel or food supply. That mandatory action must be required by passage of S. 1570.

Accompanying this letter are summary comments from key witnesses at the hearing in Sioux Falls. I believe they provide a body of valuable evidence for support of S. 1570.

With best wishes,
Sincerely,

James Abourezk,
*U.S. Senate.*

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### Comments at Interior Committee Hearing, Sioux Falls, S. Dak., May 25, 1973

Ed Smith, Vice President of the National Farmers Union and President of the North Dakota Farmers Union, Jamestown, North Dakota: In North Dakota, fuel distributors, both retail and bulk, are existing on a month-to-month basis, if not on a day-to-day basis, and are hoping that somehow they will be able to secure adequate supplies. Almost every outlet has had some restriction placed on their supply. He urged national planning to avert a crisis at harvest time and an investigation to see if the anti-trust laws are being adequately enforced.

Duane Struck, Rural Route, 2, Wolsey, South Dakota: Mr. Struck is a farmer and cattle feeder, farming 5000 acres of land and feeding 7000 head of cattle yearly. His supplier, Mid-West Oil Co., Sioux Falls, wrote him in November that he would supply him in 1973 the same amount, on a monthly basis, as he did in 1972. In April, when Struck was out of fuel, Mid-West informed Struck that he could no longer supply him. At the time of the hearing, Struck had a 10–15 day supply of fuel that he had received from a supplier in Huron. Struck has been informed that major companies will not supply him because if they take on new customers they will be cut off from their supplies. If he cannot obtain fuel, "we will be forced to sell cattle as we will not be able to run feeding equipment or be able to raise feed." He submitted statements showing increases in prices since January 3, 1973.

James Exon, Governor of Nebraska: Governor Exon said that for the period of April 22–July 31, 1973 the extra acres brought into production through action of the Nixon Administration planners will require an increase of an estimated 5,000,000 gallons of diesel fuel and 3,300,00 gallons of gasoline. The Governor also made clear two other factors involved in agriculture production at this time:

"Extra fuel requirements will be required for increased irrigation power and transport of supplies and grain."

"This pressure on fuel supplies is further complicated by the most extensive transportation tie-up our state grain industry has ever faced. As of July 1, 1973, it is estimated by the state-federal agricultural statistician that there will be 472,000,000 bushels of grain on hand in our elevators."

"Where the cut-off of fuel has already occurred on a limited basis, the pattern is most evident of how rapidly a widespread shortage for a few days during harvest could reach the frightening stage of a calamity. Allowed to spread for only a few critical weeks during planting and harvest and you have the stage for a national emergency that would threaten disaster to the entire nation."

Maurice Bergh, one of the principal farmer witnesses, Florence, South Dakota: He cautioned on the need for extra gas for the increased acres. "As farmers, we can face drought, floods, hail, winds or almost any natural disaster and come fighting back, but we *will not* accept a disaster caused by man's planning or lack of planning. Agriculture must have top priority in the use of petroleum products—not only the farmer but those who are handling agricultural products must have high priority."

Bergh asked that the National Guard exercises be limited.

John Engel, Avon, South Dakota, Attorney: He represented a group of independent oil dealers, and told the committee that ten independent suppliers are out of business in the Tyndall area. Each of these suppliers has been providing gasoline and fuel oil for from 75 to 150 farmers.

John Zebroski, Onida, South Dakota: Mr Zebroski, who does custom combining, said that he has been advised that custom combiners from out-of-state are not coming back to South Dakota this year because they cannot gamble on having fuel when they arrive there.

Representative James Abdnor, Congressman, Second District, South Dakota: Abdnor discussed ways in which fuel could be conserved and said he would support legislation to solve the shortage if necessary. He would support that legislation, but he has not been convinced at this time.

Representative Neal Smith, Congressman, Iowa: Congressman Smith wrote in a letter to be inserted in the record of the hearing, as follows:

"Due to some unexpected warm weather in March, the shortage of diesel fuel (which is interchangeable with No. 2 fuel oil) is not as critical yet (as it was in December, 1972.) However, the best estimates we can get is that farmers this year will need 30 per cent more fuel than last year."

Congressman Smith cites as reason for this increased need: fields were wet last year and fall work was not done, increased acres and the land being harder to work than in previous years. He added, "Suppliers tell me they simply do not have these kinds of additional supplies available."

Senator Carl Curtis, Nebraska: Senator Curtis called the fuel shortage in rural Nebraska "critical to a point bordering on disaster." Senator Curtis said he asked the Department of Defense if fuel supplies for the military could be diverted to agricultural production and was advised that there are no such supplies in the United States that could be used for this purpose.

Senator Curtis believes that a mandatory plan is necessary. He reported that about half of the major oil companies also agree that a mandatory program is necessary. The Senator cites black market operations in Nebraska in which "diesel fuel at wholesale is selling for 13.5 cents on the legal market and being offered for 23 cents on the black market. Propane that is selling at wholesale for 11 cents on a gallon on the legal market is being offered for sale on the black market at 21 cents." In response to queries that he has made, major oil companies say that they do not know about the priorities of the voluntary market and that others are not acting because they do not know of the legal ramifications of canceling contracts.

Representative John Zwach, Congressman, Sixth District, Minnesota: Congressman Zwach testified that he favors a mandatory allocation program. He cited the closing down of a bulk supplier in his district that is resulting in farmers not being able to plant corn. He warns of a shortage of propane for corn drying this Fall.

Among the letters that he includes is one from the McFarland Company, Marshall, Minnesota. This company has been informed by its supplier that it could commit only 1000 gallons of propane for use this Fall. Last year the McFarland Company used 2900 gallons of propane.

John M. Rodenberg, Manager, Co-op Inc., Tyndall, South Dakota: Manager of this farmer-owned cooperative, he said that shortage of propane in 1972 caused a loss of $30,000 of grain to the members of this cooperative.

"As you probably know, a large percentage of the milo and corn has to be dried for safe storage and shipment. If grain elevators were unable to get the needed fuel we would be unable to purchase corn as it would be impossible for us to ship grain that has not been dried."

"All grain contracts sold by country elevators have to guarantee that the grain is cool and sweet upon arrival of destination. This would be impossible if we were unable to dry the grain before shipment. This in turn would cause financial losses to the farmers in Bon Homme County of one to two million dollars. For the state of South Dakota the financial loss could run as high as 200 million dollars."

Ben Radcliffe, President, South Dakota Farmers Union, Huron, S.D.: "Not only do we have the new acres that have been taken out of the set-aside land retirement program, we have the acres that could not be planted in 1972 because of the excess rain. Weather conditions so far this Spring have enabled farmers to use more fertilizer, and applying the fertilizer has also accelerated the consumption of petroleum. Coping with this increased demand for petroleum products is a serious situation, but it is worsened by the fact that some service stations have gone out of business."

Radcliffe said that five stations have gone out of business since January 1 in Huron. He said that the voluntary program would not work because by its nature it is unenforceable.

Ray Rowell, Executive Secretary, South Dakota-Nebraska L-P Gas Association, Huron, South Dakota: He said that at present there are many LP Gas dealers or marketers who do not have a contract for their supply of fuel and a smaller number who cannot buy fuel today. A number of marketers have had the amount of products they can buy from their supplier reduced by as much as 40 per cent. He said that some marketers now plan on curtailing their sale of propane for irrigation this Summer and for crop drying this Fall.

He supported the voluntary program. He urged as a solution relaxing of restrictions so that prices could be increased.

Governor Art Link, State of North Dakota: He noted that while there is little shortage of fuel for agricultural production in his state at this time, he warns of an impending shortage. He also emphasized the importance of fuel for transporting agricultural products and the effect of higher fuel prices on the cost of consumer food supplies.

Senator Walter F. Mondale, Minnesota: He noted that about 150 independent stations in Minnesota have been closed down and that shortages have occurred because of this. Senator Mondale supports a mandatory program of allocation—if not under the existing legislation then one required by new legislation.

Charles Ingersoll, General Manager, South Dakota Motor Carriers Association, representing every type and class of truck operation in the state, both for hire and private: Ingersoll said typical price for diesel fuel (number two) for a substantial trucking company in Sioux Falls has been 11.5 to 12 cents per gallon. Suppliers are not entering into new contracts when existing contracts expire. They are entering into contracts for a supply ranging from 70 to 80 per cent of last year's amount—at minimum price increase of 50 per cent over the previous year. No fuel appears to be available for the additional supply. Total need for fuel this year is 130 per cent of that requirement last year.

"Motor carriers are facing a day-to-day probability that they will not be able to secure enough motor fuel to continue their operations. The price which they pay for motor fuel which they can obtain has increased 50 to 100 per cent over recent contract prices.

The motor carrier industry in South Dakota and the nation is facing an emergency situation in respect to motor fuel. When fuel is not available to turn the wheels of motor carriers, the economy of the State of South Dakota and the nation will be devastated. Planting a crop or raising livestock is an exercise in futility if that crop or livestock cannot be transported to the market place."

The Motor Carriers support S. 1570.

John M. Heisler, All-American Transport, Inc.: This trucking firm, one of the 50 largest motor transportation companies of 15,000 in the nation, at some point within its system handles directly or indirectly 50% of all finished goods that are used in South Dakota. Major oil companies are allocating between 70 to 80% of the bulk fuel purchased from them for the 12 months ending September 30, 1972. Due to increased demand for services, the company will increase its consumption by 30% as compared to 1972. The company will be short nearly five million gallons of both gasoline and diesel fuel throughout the season, if the present situation and allocations are unchanged, thereby reducing operating capabilities to South Dakota by at least 35%.

Russell F. Ripley, Luverne, Minnesota: He operated over 30 gasoline outlets and bulk delivery stations, six of them being in South Dakota, purchasing from Murphy Oil and several other suppliers. He employed 170 people at one time through these enterprises. He is now employing seven people at one station that is to close soon. Jobbers of the major oil companies have told him that if they sell to independent dealers their supply will be cut off.

Luther W. Miller, oil dealer, White Lake, South Dakota: He wrote that his total supply is being cut off from Champlin Oil Company, after 25 years in business. Nearly 100 per cent of his customers are farmers.

Marion Van Wyck, Executive Director, South Dakota Independent Oilmen's Association: Van Wyck reported on findings of seven meetings with distributors throughout the state, representing 65 per cent of the retail marketers of the state. In brief his findings were:

(1) Almost without exception, the distributors had restrictions placed on the amount of product available to them.

(2) They were urging conservation to make more fuel available for farmers.

(3) There was greater need for fuel because of earlier planting season.

(4) Increased acreage was being planted.

(5) Farmers were storing fuel.

(6) No farmer, to his knowledge, lacked fuel.

(7) Franchises, in some cases would not be renewed when they expired.

His members, generally, are not independent dealers in the usual sense, but local businessmen who have a contract with a major oil company. They include cooperatives.

Van Wyck supports the voluntary program.

James Erchul, Director of Minnesota Civil Defense, representing Governor Wendell R. Anderson: Erchul recalled the shortage of heating fuel this past winter. He said that the voluntary program of the Administration has not been in effect long enough to make a judgment on it.

Ronald R. Williamson, Executive Director, South Dakota Municipal League: ". . . . . in Custer, for example, the construction of their waste water treatment plant has been stopped because the contractor is unable to obtain fuel. . . . I don't believe that any large community has been successful in negotiating an acceptable contract. Specifically, Sioux Falls, Huron, Mitchell, Pierre, and Vermillion have not received an answer to their request for bids.

Representative Wiley Mayne, Congressman, Sixth District, Iowa: Congressman Mayne reviewed the voluntary program and reported that representatives of the Agriculture Department have been assigned to work with the Office of Oil and Gas of the Interior Department administering this voluntary program.

Glen L. Westberg, President, Whitewood Post and Pole Co., Inc. Whitewood, South Dakota: In a statement filed with the Committee, Mr. Westberg reports that Standard Oil canceled its contract with them on May 1. He reports that much of the production of the company is used for pole-type buildings for production of meat and other farm commodities.

William P. McGrath, Manager, Homestake Forest Products Company, Spearfish, South Dakota: In a statement filed with the Committee, he said that this firm would have to close without fuel. It employs 140 people who receive an annual payroll of $1,200,000.

Steve Davis, representing South Dakota Governor Richard Kneip: The Governor's statement noted that the increased demand for fuel products would occur this Summer when the supply is predicted to be short. The Governor recommended that a study be made of the existing supplies and the transportation system to deliver those supplies.

MISCELLANEOUS COMMENTS

(1) *Parcel Oil Co.*, Aberdeen, South Dakota, wants some protection for the branded dealers as well as the independents.

(2) *William H. Pulse*, Kimball Tri-County State Bank, wants the Congress to set some standards so that cars don't use so much gas—and to build the Alaskan pipeline—but he doesn't say where.

(3) *Art Schimkat Construction Co.*, Fort Pierre, South Dakota was notified by wire by

Texaco on May 23 that it could no longer supply gas for interstate construction project between Pierre and Rapid City.

(4) *Lloyd E. Keszler,* Executive Secretary, South Dakota Black Hills, Badlands, and Lakes Association, points out that allocation is based on last year's situation, when the Flood cut down travel by 12 to 17 per cent. He points out that tourism is second largest industry, providing 300 to 350 million dollars in economy.

(5) *Jay R. Carr,* construction company, White River, South Dakota is cut off by fuel suppliers and will not be able to fulfill his contracts.

(6) *Robert T. Weld,* head teacher in a small rural school, has difficulty getting gas. The only station in Norris, South Dakota closed down.

(7) *Charles Pederson,* President, Local 738 Allied Industrial Workers of America, cited shortage of LP gas and its effect on agricultural production. (His address is Sioux Falls)

(8) *Lee McCahren,* attorney for "Keep Our Railroad," an organization formed to oppose abandonment of the Chicago Northwestern Railroad's line from Wren, Iowa to Iroquois, S.D. said that the additional fuel required to move the tonnage which the railroad hauled in 1972 would be in excess of a half million gallons.

## RESTORING FOOD STAMP BENEFITS

Mr. HUMPHREY. Mr. President, once again, the Federal Government seems to be taking policy actions that will result in a loss of benefits to the elderly of this Nation. Last fall, the Congress passed and the President signed amendments to the Social Security Act establishing a new supplemental security income program, providing for an increase in cash grants to older Americans now participating in programs of old-age assistance, aid to blind, and aid to disabled. In effect, this new program would replace those categorical programs.

However, at the same time, more than 1.5 million current aged, blind, or disabled, recipients face the loss of food stamps and another 150,000 face the possible loss of medicaid benefits because of this new program. The net result will likely be that many recipients will be worse off income wise than they were before the passage of the administration's program.

Mr. President, I have previously addressed myself to this old problem of giving with one hand and taking away with the other.

The same situation existed with the passage of the 20 percent increase in social security benefits last fall—this increase was not completely passed through to recipients, causing many to lose food stamp benefits, public housing benefits, and medicaid benefits.

This year, I have introduced S. 835, the Full Social Security Benefits Act, to "pass through" the entire benefits of the social security increase.

And, I am pleased to take note that the Senate Agriculture Committee, in its mark-up of the farm legislation added a provision that would restore food stamp eligibility to aged, blind, and disabled persons threatened with the loss of such benefits by this new program.

Section 808 of the Agriculture and Consumer Protection Act of 1973 states:

> Notwithstanding any other provision of law, households in which members are included in a federally aided public assistance program pursuant to Title XVI of the Social Security Act shall be eligible to participate in the food stamp program or the program of distribution of federally donated foods if they satisfy the appropriate income and resource eligibility criteria.

Mr. President, this section of the farm bill would correct the deficiency now scheduled to go into effect on January 1, 1974.

I would hope that the Senate would be aware of this section of the Agriculture Act of 1973. It meets the need. It serves the purpose.

Mr. President, I ask unanimous consent that an article detailing this possible loss of benefits to aged, disabled, and blind persons be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times]

### MANY ARE FACING FOOD STAMP LOSS—HEW TELLS OF THE EFFECTS OF NEW U.S. INCOME PLAN

WASHINGTON, May 30.—About 1.5 million aged blind and disabled welfare recipients will lose eligibility for food stamps, and up to 150,000 other persons may no longer receive Medicaid benefits when a new Federal guaranteed income plan takes effect next Jan. 1, the Department of Health, Education and Welfare said today.

Under Secretary Frank C. Carlucci 3d announced at a news conference that a new supplemental security income program, created by welfare reform legislation last fall, would replace current state-administered old-age assistance, aid to the needy blind and aid to the disabled.

It will provide instead, he said, for a minimum cash income to such persons of $130 a month per person, or $195 per couple. Mr. Carlucci estimated that 6.2 million persons would receive a total of $4.5-billion in combined Federal and state payments.

At a Senate hearing on nutrition and the elderly earlier today, Mr. Carlucci told the Select Committee on Nutrition and Human Needs that 24 states, including New York, currently provide public assistance at a level higher than the proposed Federal payment.

#### SUPPLEMENT SOUGHT

These states will be called upon to provide money to supplement the Federal payment up to the amount of their expenditures for assistance to the aged, blind and disabled in 1972, he said.

Mr. Carlucci termed this 1972 "harmless level" an "incentive" for states to decide in favor of supplemental funding. He noted also that the basic Federal payment would "release the states financially for the cost of the state's share of the public assistance payments," and said this "saving" could be used to pay the supplements.

Mr. Carlucci was pressed for information on the number of states that had agreed to provide supplemental payments. He replied that his department had "only begun to meet with the states to determine their hold harmless level—on they can OPI for supplementation."

Under persistent questioning from Senator Edward M. Kennedy, Democrat of Massachusetts, as to "who in the states have said they will underwrite this program," Mr. Carlucci replied that he "cannot give categorical assurances at this time" on participation by individual states.

Senator Kennedy and Senator Charles H. Percy, Republican of Illinois, indicated that they were considering legislation to restore the food stamp benefits that will end next January. Mr. Carlucci warned that any such legislation would give states "a disincentive to supplement."

## NEW LIGHT ON THE FAMILY FARM

Mr. McGOVERN. Mr. President, those of us in the Congress who have spoken frequently of the importance of the family farm in the American economy and society have been subject to criticism by those who do not share our view.

Last year, the Department of Agriculture, accusing us of crying wolf, claimed that corporate farming was no danger to the family farm.

Although I have agreed with the Secretary of Agriculture, Mr. Butz, on many occasions in the last few months, he and I do not agree on what is happening to the family farm in America. Last July, Secretary Butz sought to characterize my warnings against intrusions of corporate farming as an attempt on my part to create a straw man. At a press conference in Kansas City, Mo., on July 17, the Secretary said corporate farms amounted to only 1 percent of all farming, and claimed that most corporate farms were family corporations.

Secretary Butz' claim that only 1 percent of America's farms are corporate farms apparently is based on research by USDA economists over the past 2 years which attempted to analyze census of agriculture data. That study apparently served also as the basis for testimony last year by J. Phil Campbell, Under Secretary of Agriculture, in opposition to a bill which would have limited nonresident, nonfamily corporation farming.

As a corollary to Secretary Butz' statement that only 1 percent of the farms are corporate farms, Under Secretary Campbell maintained that family farms produce 95 percent of America's farm production.

During recent days, Mr. President, new evidence has come to light which suggests that the optimistic picture which the USDA paints of the future of the family farm may not be so bright after all.

It is in the form of a paper delivered by Prof. Richard D. Rodefeld of the Department of Sociology, Michigan State University, East Lansing, Mich., on April 27, 1973, to the First National Conference on Land Reform in San Francisco, Calif.

Professor Rodefeld's conclusions are disturbing to me as a Senator from a State in which the family farm and ranch has been the economic and social backbone since the land was settled.

Whereas USDA continues to maintain that family farms dominate farm numbers, farm production and sales, and that there has been no trend from family farms to corporate farms, the Rodefeld paper contends differently.

Based on a searching analysis of USDA's research methods and results, backed up by a prodigious amount of his own original research, Professor Rodefeld concludes that: First, family farms are less dominant numerically than supposed; second, family farms do not dominate farm production and sales and have not at least since 1959; third, there has been at least a 20-year trend of erosion of family farms and growth of nonfamily farms in terms of their proportion of sales of farm products; fourth, corporate farms presently account for a significant proportion of all farm product sales; and fifth, from 1959 through 1964, corporate farm numbers and sales increased at a rate substantially greater than that of family farm numbers and sales.

According to Professor Rodefeld, family farms accounted for 80 percent of the farm numbers, but since corporate and industrial-type farms are much larger units, family farms sold only 50 percent of farm products in 1959 and only 49 percent in 1964. It is his statement that corporate or industrial size farms increased in number by 23 percent from 1959 to 1964, while the number of family farm units decreased by 12 percent. Simultaneously, he maintains, corporate and industrial size farms increased their sales by 73 percent while family farm sales grew by only 12 percent.

While this new information obviously troubles those of us who represent rural areas, it should cause great concern to every urban Member of Congress and to every resident of city and suburb as well.

For a continued erosion of the family farm, and its replacement by corporate farm, means two things to the majority of Americans who do not live in rural America:

First. Continued depopulation of rural areas means continued crowding in the cities and suburbs, with a reduction in the quality of life both in the city and countryside.

Second. Corporate control of agriculture inevitably means higher food prices.

A South Dakota farm widow wrote a poignant letter to me last week:

> My husband . . . was completely tied to the work, and we never got our time together as we both worked so hard. I always went to the field from early spring through corn-picking until my health failed too.
>
> My point is you have to love this land to do this—and work, and hope, and pray.
>
> Now if corporations own the land and run it, they will have hired labor. Most people nowadays want shorter work hours and work weeks and most of labor never renews contracts without raises. So you know and I know these big companies are going to pass on the costs, which we never are able to do.
>
> Think what food will cost! I believe, for the good of our whole country, we must preserve the family farmer—not let it get in the hands of a few to price things as they wish.
>
> I think rural people should be classed as human beings, not just slaves to feed the world.

This woman's letter is an articulate expression, from the heart of rural America of the threat which Professor Rodefeld describes, but which the Department of Agriculture hopes to ignore.

There is clear evidence that the South Dakota farm woman is correct in warning that higher food prices result from corporate farm ownership. The single argument advanced in justification of large-scale, corporate-type farming is efficiency in bigness.

Last month, the Senate Committee on Agriculture and Forestry held a field hearing at Huron, S. Dak. One of the documents included in the record of that hearing is a study done for USDA's own Economic Research Service entitled, "Midwestern Corn Farms: Economic Status and the Potential for Large and Family-Sized Units."

The authors of that study conclude that the large farms—they used 5,000 acres of Illinois corn land for a model—can obtain some economic advantages not available to family-sized corn farms—they used 500 acres for this study. But, they concluded, such efficiencies are not due to better operation but to external financial factors:

> They can employ various measures to reduce or eliminate Federal income tax costs . . . obtaining discounts on inputs purchased in large volume . . . such as petroleum products, machinery, crop chemicals, fertilizer, and seed, that was 20 percent greater than that obtained by a 500-acre family-sized corn farm.

The report demonstrates once again that "efficiency" of large, corporate-style farming is illusory; it is based not on farm operations but on external factors such as loopholes in tax laws.

Studies by the South Dakota Crop and Livestock Reporting Service and others have shown that, for every six farms which goes out of business, one store on a small town's main street fails also.

So all of us should be concerned, as indeed many of us are. A year ago in March, the Public Broadcasting Service television program, "The Advocates," debated whether Congress should prohibit large corporations from farming. More than 81 percent of the respondents agreed; fewer than 18 percent opposed the view that corporations should be kept from farming.

Mr. President, there is pending before the Senate Committee on the Judiciary S. 950, the Family Farm Antitrust Act of 1973, which I have cosponsored with Senators Nelson, Abourezk, Metcalf, McGee, Hatfield, and Burdick.

Our bill would amend the Clayton Act to prohibit persons with nonfarming assets of more than $3 million from engaging in agriculture, and requires that those presently over that standard divest themselves of their prohibited holdings within 5 years. The bill creates authority for the Farmers Home Administration to acquire, at fair market value, any holdings which would be divested as a result of this legislation. In turn, Farmers Home Administration would be required to sell such acquisitions in 2 years or less.

The findings of Professor Rodefeld underscore the need for enactment of the Family Farm Antitrust Act of 1973. The Nation can ill afford to delay the decisive steps which will be required to reverse the migration of people from rural to urban areas. This bill is one step.

I ask unanimous consent that the text of Professor Rodefeld's paper be printed in the Record.

There being no objection, the paper was ordered to be printed in the Record, as follows:

### A Reassessment of the Status and Trends in "Family" and "Corporate" Farms in U.S. Society

(By Prof. Richard D. Rodefeld)

#### PREFACE

"We in the National Farmers Union believe 'the corporate invasion of American agriculture' by non-farm interests is real. It is leaving behind 'wasted towns, deserted communities, depleted resources, empty institutions, and people without hope and without a future.' The invasion is still in the beginning stage. Some people see this trend as inevitable—that is, cannot be stopped. Not only can it be stopped, it must be stopped." (Tony T. DeChant, President, National Farmers Union from the introduction to *The Corporate Invasion of American Agriculture.*)

"These data document the extremely low involvement of nonfamily types of corporations in farming and refute the alleged takeover of farming by outside corporations." (Testimony of J. Phil Campbell, UnderSecretary, Department of Agriculture, p. 20, *Family Farm Act,* Hearings Before Antitrust Subcommittee, March 22, 1972.)

"This group of fairly conservative agricultural economists (more than a dozen agricultural economists teaching at Midwest Universities) expects a continued increase in the concentration of production on fewer and fewer farms. In 25 years, this could result in a nearly complete demise of typical family farms in the units classified as commercial full-time farms." (Statement of Dr. Leonard Kyle, Michigan State University Agricultural Economist, *The State Journal,* Lansing, Michigan, April 15, 1973.)

"In conclusion I would say we do not feel this bill is necessary (The Family Farm Act of 1972) because the facts of the case in agriculture do not point to any conclusion that the family farm is presently in jeopardy." (Testimony of J. Phil Campbell, UnderSecretary, Dept. of Agriculture, p. 24, *Family Farm Act,* . . . , March 22, 1972.)

"The large integrated agribusiness concerns and conglomerates are taking over farming and ranching today in this country. Either laws now on the books or those who are supposed to enforce them are failing to stem the tide that threatens the very existence of the remaining individual farm and ranch operators." (Testimony of Oren Lee Staley, President, National Farmers Organization, p. 101, *Family Farm Act,* . . ., March 22, 1972.)

"Subsequently, the Board of Directors of the American Farm Bureau Federation gave consideration to provisions of H.R. 11654 (Family Farm Act of 1972). On the basis of present available data relative to corporate farming in the United States, the Board took action opposing the principles of this legislation." . . . "The entry of huge conglomerate corporations into agriculture in recent years has attracted a great deal of attention; however, there is little solid evidence that this is a serious problem." (Letter submitted to the Hearings record by William J. Kuhfuss, President, American Farm Bureau Federation, p. 138, *Family Farm Act,* . . ., March 22, 1972.

"Chairman Celler. (addressing a question to Sec. Campbell) Tenneco recently sold 30,000 of its 130,000 acres of California farmland. Did you encourage that, or had you admonished them in any way?

Mr. Campbell. We had nothing to do with that, Mr. Chairman.

Chairman Celler. Why wouldn't you have something to do with that? Or more accurately, what was your interest?

Mr. Campbell. Under the free enterprise competitive system, it took care of itself, and we had no law to do anything in the first place, and we would not be suggesting that we be given any authority because our family farmers are doing so well for themselves these people can't compete with them.

Chairman Celler. Would you want the Congress to give you some authority in that regard?

Mr. Campbell. Not at the present time, because our family farmers are taking care of the problems themselves.

Chairman Celler. You would not want any authority after the cow gets out of the stable, but as a prevention would you want some authority?

Mr. Campbell. Not at the present time, because we see no danger to the family farm at all Mr. Chairman. . . .

Mr. Hungate (U.S. Representative in

Congress from the State of Missouri). Thank you Mr. Chairman (Celler). Mr. Secretary, I want to be sure I understood this. Was it actually your statement, as I understood it, that the family farm is in no jeopardy?

Mr. CAMPBELL. That is correct. The figures I have given show that the family farmer produces 95 percent of everything that is being produced today. (The figures referred to show that family-sized farms in 1968 were estimated to account for 95 percent of all farms and 65 percent of all products sold). (Verbal Testimony, *Family Farm Act*, pp. 29–30, . . ., March 22, 1972).

### INTRODUCTION

As indicated in the program the subject I will be addressing today is the role of the USDA and land grant colleges in relation to the needs of family farmers. There are a number of ways in which this question could be addressed. For instance, a list of all the major needs of family farmers could be compiled followed by an analysis and discussion of the extent to which the USDA and land grant colleges (LGC) have met or failed to meet these needs. Further analysis could be carried out to determine the major reasons for success and/or failure in meeting these needs. This would be an interesting, informative and valuable exercise. This is not what I will attempt today, however.

Instead I would like to address two specific needs of family farmers which really take precedence over all others. The first is the need of survival. The second need is for the larger society to have the most accurate, unbiased, and complete information as possible on: the present status of family and nonfamily farms; changes taking place in their status (trends); the causes of any such changes; and the implications or effects for society (costs and benefits) of any changes in their status. The society must have this information if it hopes to formulate, enact and implement policies for the farm and rural sector which will maximize the positive effects emanating to it from the rural sector and minimize the negative effects.

Of these two needs, the second clearly precedes the first in importance because society, through its elected representatives, will decide what the future of family farms is to be. Family farmers and rural people assuredly will play an active role in this decision-making process. Fifty or 60 years ago this activity would have been decisive. Farmers and those dependent upon them for their livelihood comprised a majority of the population and certainly would have voted for collective self-preservation. The resulting societal decision unquestionably would have been to preserve or enhance the status of family farms. Today, however, family farmers and those dependent on them do not have this power.

Farmers presently comprise less than 5 percent of the population and only 22 percent of the total population is rural nonfarm. Farmer and rural political strength has eroded through their reduced numbers and proportion of the electorate and the one-man, one-vote rule. Today and in the future, the status of family farmers will be determined by the nonfarm, nonrural majority through its elected national and state representatives. Furthermore, the status of family farms will be preserved and enhanced by society only if they are believed by society to be in its collective best interests. Rather strong evidence exists which suggests family farms, historically and presently, are still preferred by a majority of the population, at least in principle.

A serious problem arises at this point, however. Most of society knows little about present day farming and rural society. How can society make any sound policy decisions about family farms or anything else "rural" when collectively it knows so little about these subjects? Society must of necessity rely on other institutions, organizations and specialists for this information. Farmers, rural people and their organizations perform this function or fulfill this societal need to a certain extent. Society cannot rely exclusively or primarily on these sources, however. The identification of problems and their causes may be inadequate or incorrect. If so, remedial action on the part of society will be ineffective. The magnitude of problems may be exaggerated resulting in unnecessary or wasted societal expenditures. Furthermore, these sources have vested interests. The policies they recommend as being best for themselves may or may not be the best for society as a whole. Society clearly needs additional information from sources relatively independent of farmers and rural people. Society has given a major charge and responsibility for the provision of this information to the USDA Land Grant College (LGC) system.

The larger society, through its taxes and policies, makes the USDA–LGC system possible. In this sense, these institutions are responsible first and foremost to the larger, urban society. Many things are expected in return for this support, the most relevant of which for this paper are: a monitoring of the present status of family and nonfamily farms; the discovery of any significant changes taking place or foreseen in the relative positions of family and nonfamily farms; a specification of the causes of any such changes in farm types; and, a specification of the implication or effects, positive and negative, for all levels of society, of a change from family to nonfamily farm types (or vice-versa). Society also expects that this information and its interpretations and recommendations will be objective, unbiased, accurate and will be communicated in a like manner to society's elected representatives and policy makers.

Since society relies to such a great extent on the USDA LGC system for its farm information, what assurances does society have it is receiving high quality information from this source. One of the safeguards which functions to assure this is the training process of future USDA LGC staff members where students are taught and acquire the skills, values and commitments of objective scientists searching for truth. If for any reason this process fails, professional societies and journals have been created and function as institutional forces not only to disseminate knowledge and research findings, but also to insure these findings are free from major biases and inaccuracies and follow the established dictums of logic and scientific inquiry. The subjection of manuscripts to the critical review of colleagues is the common procedure followed in obtaining this assessment. Thus, the society has numerous reasons to believe or assume it is obtaining accurate information and sound recommendations about family farms from the USDA–LGC system. This, of course, does not speak to the point of how society can insure that needed research gets carried out.[1]

If society will decide the future of the family farm; and the USDA–LGC system is to be the major source of the information those decisions are based on, then, in essence, the USDA–LGC system will determine the future of the family farm through its research and recommendations. This situation suggests a third major family farm need, the need for the USDA–LGC system to obtain the maximum amount of accurate information on the present status of family and nonfamily farms changes occurring in the relative importance of these farms, the causes of any such changes, and the implication for society of any such changes and the effective communication of this knowledge to society. If this need is satisfied, then society's need for this information will also be satisfied.

Assuming family farms maximize positive benefits to society emanating from the rural sector and that society recognizing this, still prefers family farms, then any accurate assessments of family farms by the USDA LGC system can only help the status of family farms. If family farms are found by the USDA LGC system to be dominant numerically and in production and sales and their proportions in these areas are not declining relative to nonfamily types of farms (including "corporate" farms), this is evidence the society's policies formulated and enacted to maintain and enhance family farms are succeeding. These policies will be maintained and it is unlikely any major changes will be proposed or made in this area.

On the other hand, if family farms are found by the USDA–LGC system to be: less dominant than previously thought; not dominant in production and sales; and declining in importance relative to nonfamily and corporate farms; then society will rightfully conclude that its policies designed to maintain family farms were failing. Hopefully, the USDA LGC system in this situation could point out where the family farm policies had failed, what changes in these policies were suggested and recommend what new programs and policies might be needed. The necessary changes could be made by society and famly farms would be returned to their former status.

In other words, as long as the USDA–LGC system does the job society and family farmers expect it to in this area, no one will lose—society, family farmers or the USDA–LGC system. What will the effects be, however, if the USDA–LGC system fails in its responsibilities to society and family farmers in this area, i.e., if it provides society with inaccurate, misleading and inadequate information about the status and changing status of family and nonfamily farms and as a result recommends unsound and incorrect policies to society?

If the USDA–LGC system concludes family farms are declining, when in reality they are not, the major effects would be: additional legislation supportive of family farms and/or detrimental to nonfamily farms, which would improve the status of family farms in society and perhaps increase the positive effects to society emanating from the rural sector. Since both family farmers and society would either be gaining or not losing from this USDA-LGC system error, confidence in the reliability of this system probably would not be greatly diminished, it might even be enhanced.

The other incorrect position which the USDA-LGC system could reach in this area is to conclude family farms are increasing or remaining stable in status while in reality they are declining in status and being replaced by nonfamily farms. In this situation, the society would be inactive, policy-wise, because there would be no evident reason or justification for action. Because of this inaction, family farmers would continue to be replaced by nonfamily farms. Family farmers, society and the USDA–LGC system would all lose in this situation. Family farmers would increasingly be lost to a society which in reality preferred family farms, desired their retention and believed them to provide more positive benefits than nonfamily farms. The status, legitimacy and confidence in the reliability of the USDA-LGC system vis-a-vis both family farmers and society as a whole, would be greatly diminished if the USDA-LGC system made such an error, and as a result irreparable, unjustifiable damage was done to family farmers by society.

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[1] This is another matter entirely and is a subject worthy of much more thought and discussion than has occurred to date.

If, as has been assumed, family farms maximize benefits and minimize costs to society and as a result society desires policies supportive of family farms, then clearly this last situation, where everyone loses and only nonfamily farms gain, is to be avoided at all costs. I only present this lengthy introduction because of my belief it is this last situation, the least desirable of all for everyone, we are presently entering.

As indicated by the quotes at the beginning of this paper, the USDA and others accepting the USDA's evidence, such as the Farm Bureau, argue that:

1. Family farms presently dominate farm numbers.
2. Family farms presently dominate farm production and sales.
3. There has been no trend away from family farms or towards nonfamily farms in terms of their proportions of:
    a. Farm numbers
    b. Farm sales
4. The number and importance of "corporate" farms in the U.S. is an insignificant proportion of total farm numbers and average.

Thus, the USDA and others following their lead see no present problems with "corporate" farms, nonfamily farms or with family farm decline. Furthermore, there is no indication they expect any of these problems in the immediate future. As a result, no need is perceived for "pro" family farms or "anti" corporate farm legislation. The USDA desires no additional power to deal with what they view as a nonexistent "corporate" farm problem.

Unfortunately for family farmers, society and the USDA-LGC system, I think the USDA, Farm Bureau and others are more wrong than right on these issues. I will argue and present evidence showing:

1. Family farms are less dominant numerically than supposed.
2. Family farms do not dominate farm production and sales and have not since at least 1959.
3. There has in fact been a clear, uninterrupted 20-year trend away from family farms and toward nonfamily farms in terms of their proportion of all farm sales.
4. "Corporate" farms presently account for a significant proportion of all farm sales.
5. From 1959 to 1964, (the only time period for which adequate data was available corporate farm numbers and sales increased at a rate substantially greater than for family farms.

The remainder of this paper will be devoted to developing and presenting the evidence upon which these assertions are based. I will begin by summarizing the evidence upon which the USDA has based its position followed by a critical review of this evidence and the presentation of new evidence. The paper will conclude with a summary and recommendations.

### THE USDA CASE SUPPORTING FAMILY FARM PREDOMINANCE AND STABILITY OVER TIME

Evidence supportive of the USDA claims has (or could have) been derived and based on four types of information: research carried out by R. Nikolitch, based on special Census of Agriculture tabulations on family and larger than family sized farms; Census of Agriculture land tenure data; Census of Agriculture and USDA-ERS survey data on farms classified by type of business organization; and Nikolitch data on the composition of the total farm work force.

If there is any one piece of evidence most crucial and central to the USDA position, it is the results of a special Census of Agriculture tabulation carried out by R. Nikolitch. Nikolitch divided all farms into two categories: those where the majority of the work was done by the farm operator and his family, and those farms where hired labor did more than half the work. Most would undoubtedly agree this classification is quite reasonable and useful. Everyone would agree that "family" farms are worked primarily by family members and that farms using large quantities of hired labor are "nonfamily". This definition of "family" farms is the same as that used by the USDA. (Family Farm Act of 1972, 1950).

Nikolitch classified all farms into these two categories for 1949, 1959, 1964 and 1969 (estimates) and then analyzed various characteristics of the two farm types for the various years. The USDA in testifying against the Family Farm Act of 1972 quoted one of the major findings of this research as follows: "Family Farms, those using predominantly family labor, make up about 95 percent of all farms and produce 65 percent of all farm products sold in the U.S. Although these percentages have fluctuated slightly, they have been substantially the same for the last 30 years, despite the decline in total farm numbers." (Ibid., pp. 17–18). This quote and evidence is based on Nikolitch's research which showed family farms accounted for 95 percent of all farms in 1949 and 1969 and 63 and 62 percent of all farm sales in these respective years. "Other" or larger-than-family sized farms were found to account for 5 percent of all farms in 1949 and 1969 and 37 and 38 percent of all sales in these respective years. (Nikolitch, p. 4). If one accepts the definitions of "family" and "nonfamily" farms used in this research, then the data presented does in fact show present family farm predominance in numbers and sales and no difference in this status from 1949 to 1969.

The second source of evidence which could be used to demonstrate the predominant position of family in U.S. society and no lessening of this predominance over time is land tenure data from the Census of Agriculture. Up to 1969 the Census of Agriculture classified all farm operators in terms of their relationship to land ownership. The resultant four categories of operators were: full owners (operator owned all land); part owners (operator owned and rented land); hired manager (operator owned none of land); and tenants (all lands rented by the operator).

If most or all "family" farms are defined or thought of as family owned and managed farms; then a present predominance of "owner-operated" farms would seem to be consistent with the assertion that "family" farms also are presently predominant. If owner-operated (family owned and managed) farms are found to have been predominant in the past and presently, and their position relative to nonowner-operated farms has remained stable or improved over time, then these findings would be consistent with the assertion family farms are presently predominant and not declining. This is in fact what the data on farms classified by land tenure show.

Presently, owner-operated farms (full and part) occupy a clear, predominant position numerically and acreage-wise. The predominant position of owner-operated farms relative to nonowner-operated farms in the areas assessed has increased over time. Essentially the same results would be observed if proportion of all sales was assessed. In 1964, owner operated farms accounted for approximately 75 percent of all farm sales. Tenant operated farms have declined in numbers and land operated since 1935, while hired manager operated farms have consistently accounted for less than one percent of all farms and about 10 percent of the farm land. These findings then are also consistent with the assertion "family" farms are presently predominant and are not declining relative to "nonfamily" farms.

TABLE 1.—PERCENTAGE DISTRIBUTION OF FARMS AND LAND IN FARMS, BY TENURE OF OPERATOR, UNITED STATES, 1900–69, (MOYER, ET AL., P. 14 AND 1969 CENSUS OF AGRICULTURE)

| ITEM | Farms | | Land | |
|---|---|---|---|---|
| | Owner-operated | Nonowner-operated | Owner-operated | Nonowner-operated |
| 1900 | 63.7 | 36.3 | 66.3 | 33.7 |
| 1920 | 60.9 | 39.1 | 66.7 | 33.3 |
| 1940 | 60.7 | 39.3 | 64.3 | 35.7 |
| 1964 | 82.4 | 17.6 | 76.7 | 23.3 |
| 1969 | 88.1 | 11.9 | 86.9 | 13.1 |

The third source of information and evidence used by the USDA is that based on the classification of farms by type of organization: individual or family (sole proprietorship); partnership; corporation (10 or fewer shareholders or more tan 10 shareholders), and other. In reality this classification is based on the type of legal owner. The first information of this kind was obtained in a nationwide USDA-ERS survey of all legally incorporated businesses with agricultural operations in 1967 which was initiated in response to concern at that time with "corporate" farms. The second source of information about farms classified by type of organization is the 1969 Census of Agriculture, which in that year classified farms for the first time in this way. According to the Census, "This information was collected for class 1–5 farms in response to the demand for data more descriptive of current farm organizational structure than the traditional tenure of farm operator classification." (1969 *Census of Agriculture,* Vol. I, p. A–6).

Since no nationwide data exists on farms classified in this manner before 1969, no assessment of trends is possible. It is, of course, possible to assess the present status of such farms. If most or all "family" farms are defined or thought of as farms which are owned by an individual or family, then a present predominance of individual or family owned farms would be consistent with the assertion that "family" farms are presently predominant in society. Similarly if "family" farms are in actuality presently predominant, then "nonfamily" owned farms cannot be predominant or very significant. In terms of this classification method, farms organized as a sole proprietorship (owned by an individual or family) and most partnerships would clearly fall in the category of family owned farms. The USDA has also argued that all or most of the corporations with 10 or fewer shareholders are also family owned. In 1972 Secretary of Agriculture Butz stated "Less than one percent of our total farms are corporate farms, and about 6 out of 7 (86%) of these are family corporation farms. They are really family farms." (*Wisconsin Agriculturist,* p. 12). The 86 percent referred to by Sec. Butz would consist almost entirely of those corporations with 10 or fewer shareholders.

Sole proprietorships, partnerships and corporations with 10 or fewer shareholders will therefore be viewed as largely or exclusively individual or family owned farms. Farm corporations with more than 10 shareholders will be viewed as nonfamily owned farms. In 1969, sole proprietorships, partnerships and family corporations accounted for 85.4, 12.8 and 1.1 percent of all commercial farm numbers respectively (99.3 percent of the total) and 72.5, 17.8 and 7.2 percent respectively of all commercial farm acreage (97.5% total). Nonfamily owned farm corporations accounted for .1 percent (1,797) of all commercial farm numbers and 1.6 percent of all acreage (14,360,000). (1969 *Census of Agriculture.*)

Based on its 1967 survey of corporations with farming operations, the USDA estimated "sales from all corporate farms accounted for about eight percent of total sales of all farms. Sales from nonfamily types of farm corporations were about two percent of total sales." (Family Farm Act of 1972, p. 20). If all or most "family" farms are owned by an individual or family, this data is consistent with the assertion family farms are presently predominant in society. The low number and acreage of "nonfamily" owned farm corporations is consistent with the assertion "corporate" farms are presently of little significance.

The fourth source of data used by the USDA to support its contentions about the status of "family" and "nonfamily" or "corporate" farms is the composition of the farm work force. The interest on this question apparently stems from the work of Nikolitch who has argued "If technological and other economic changes had an adverse effect on family farms, several consequences would follow. . . . Family labor would represent a decreasing proportion of total farm labor." (*Size, Structure and Future of Farming*, p. 251.) The USDA summarizes the data in this area as follows: "Although the proportion of labor hired has remained fairly constant at 25 to 30 percent of total labor used on farms, the total amount of hired labor has declined steadily with the decline in total farm population. Operator and family labor provides about 70 to 75 percent of the total labor used on farms, and has provided about this proportion at least since the mid-1950's." (Family Farm Act of 1972, p. 19.) If "family" farms are defined or viewed as farms where the family does all or the majority of work, this data is consistent with the assertion family farms are predominant presently and are not declining and the reverse is suggested vis-a-vis "nonfamily" or "corporate" farms which use large amounts of hired labor.

If family farms are in fact dominant, then you would also have to observe a predominance of: family-size farms, owner-operated farms, individual and family owned farms, and family worked farms. The data used by the USDA (or which could be) provides evidence demonstrating rather convincingly that each of these four conditions consistent with family farm dominance does in fact exist. Corresponding evidence of an equally convincing nature is presented for three of these areas showing little change in the level of predominance over time.

Based on this evidence, the USDA and others have concluded in rather strong terms: family farms are predominant in numbers and sales, corporate or nonfamily farms are relatively insignificant in numbers and sales; family farms are not declining in their proportion of numbers and sales; and corporate or nonfamily farms are not increasing in these areas. Apparently the vast majority of land-grant college personnel with interests and competencies in this area agree with the USDA, judging from the relative lack or nonexistence of any significant challenges to these conclusions or assumptions. It is clear from the quotes in the preface not everyone agrees with the USDA's conclusions, but the empirical base for these disagreements is almost nonexistent or highly questionable.

### THE CASE AGAINST THE USDA AND THE BELIEF IN FAMILY FARM DOMINANCE

Given the reasonable logic and the quality and quantity of the evidence upon which the USDA conclusions are based, any challenge, let alone a significant or major one, would seem doomed to an early and futile death. I hope I can demonstrate this is not the case because of the immense social, political and economic implications associated with the issue of family and nonfamily or corporate farms. I will begin by addressing each of the four major bodies of evidence used to support the USDA's conclusions.

### THE CLASSIFICATION OF FARMS BY AMOUNT OF LABOR HIRED

The argument and supporting evidence used by the USDA to argue there has been no decline in family-sized farms relative to larger than family sized farms over the last 30 years has four errors or misrepresentations associated with it; one of these errors is relatively minor, the other three quite significant. In order to understand these errors or misrepresentations, the Nikolitch findings used by the USDA are reproduced in Table 2.

TABLE 2.—NUMBER OF FARMS AND SALES OF FARM PRODUCTS BY ALL FARMS, OTHER THAN FAMILY FARMS, AND ALL FARMS, AND AS A PERCENTAGE OF ALL FARMS, 1949, 1959, 1964, AND 1969 (NIKOLITCH, P. 4)

| Size of farm | Number of farms | | | | Percent of all farms | | | | Percent of all sales | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1949 | 1959 | 1964 | 1969 | 1949 | 1959 | 1964 | 1969 | 1949 | 1959 | 1964 | 1969 |
| 1,000 farms: | | | | | | | | | | | | |
| All farms | 4,905 | 3,695 | 3,150 | 2,726 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| Other than family | 264 | 165 | 154 | 146 | 5 | 5 | 5 | 5 | 37 | 30 | 35 | 38 |
| Family | 4,641 | 3,530 | 2,996 | 2,580 | 95 | 95 | 95 | 95 | 63 | 70 | 65 | 62 |

The first USDA error, the most minor, was their inaccurate statement of the number of years covered by their trend data. Nikolitch only assessed a 20-year period, not a 30-year period. He makes no reference to data going back to 1939. If it existed, I assume he would have included it or made reference to it. I have been unable to find any such reference in any of his work familiar to me. The source of this inaccuracy is found in the foreword to the Nikolitch publication, Family-Size Farms in U.S. Agriculture, written by R. L. Mighell, Chief of the Production Resources Branch, FPED ERS (Nikolitch, p. iii). The entire paragraph in which this error occurs was repeated verbatim in the USDA testimony against the Family Farm Act of 1972 (unreferenced and without quotes). This is a minor but not insignificant point. The degree of confidence which can be accorded to trend data covering 30 years is a good deal more than what can be accorded to a 20-year period. Thus, the statement of the period covered by the trend data was inaccurate and the research findings as a result were misrepresented and misleading when communicated to audiences not familiar with the original research source. The effect of this was to accord more stability to family farms than is actually known at this time.

The second error is one of excluding information inconsistent with the conclusion reached. From 1959 to 1969 little change occurred in the proportion of all farm numbers, family and larger than family sized. The same cannot be said concerning sales. Family sized farms experienced a decline in their proportion of total sales from 70 percent in 1959 to 65 and 62 percent in 1964 and 1969, respectively. Thus, for the most recent time period, the last ten years, family farms have been declining in their proportion of all farm sales. Assuming conditions in the future will be more similar to the 1959–69 period than the 1949–59 period, then what has happened to family farms in the last ten years should have higher predictive ability and accuracy than what happened from 1949–59 or from 1949–69. It is clear, the trend in family farm sales for the most recent ten year period is at considerable variance with the USDA's overall conclusion on this matter.

The third error is one of rather major dimensions. Referring again to Table 2, notice the drop in other than family farm numbers from 1949 to 1959 and the corresponding drop in the proportion of all sales. The number of other than family sized farms was reduced by 99,000 farms from 1949 to 1959. This was a 37 percent decline. The number of family sized farms, on the other hand, declined by only 24 percent. The absolute amount of other than family farm sales increased from 1949–59 by only 12 percent while family sized farms increased their sales by 51 percent. This is a curious situation because conventional wisdom and accumulated knowledge suggest that smaller farms have higher mortality rates than larger farms. If so, the figures just quoted for 1949–59 should have been reversed and more like the comparable figures for the 1959–69 period. In this period family sized farms experienced a decline in their number of 27 percent while other than family farms dropped by only 11 percent.

What happened to the other than family farms between 1949 and 1959? Some kind of economic disaster or calamity? Well, it was nothing as dramatic as that. The explanation is given by Nikolitch in a footnote to the table where these figures were derived. For the 1949 figures, he states "sharecropper operations not considered as independent farms, but as parts of respective multiple-unit operations." (Nikolitch, p. 4). This is the solution to the mystery. The numbers and sales of other than family farms in 1949 were inflated vis-a-vis the 1959–69 figures because plantations were included in the 1949 figures as single operations, most of which undoubtedly were other than family sized.

In 1959 and later, however, these "multiple-unit operations" were not counted as single units but instead all the sharecropper units on these places were counted separately. Hence, other than family farms experienced a big drop from 1949 to 1959 because of the loss of these multiple-unit operations. Family sized farms increased their proportion of sales considerably through the definitional acquisition of all the individual sharecropper operations and the sales which in 1949 were associated with the multiple unit operation.

This gain by the family sized category was not detectable in the changes in farm numbers because the loss of family farms from 1949–59 more than offset the numbers gained by the definitional change.

This third error was the direct cause of the fourth major error made by the USDA. The high level of apparent family farm stability from 1949 to 1969 was in fact a statistical artifact caused by the use of different definitions for family and other than family sized farms in 1949 and 1969. If multiple-unit sharecropper operations had been included for the years 1959, 1964 and 1969, then other than family farms would have consistently accounted for an increasing proportion of all farm sales from 1949 to 1969. Furthermore, if this had been done, then family sized farms at the present time would account for a good deal less than their present 62 percent of all farm sales. In other words, family sized farms while still predominant numerically would be a good deal less predominant in sales.

If the same definition had been used in 1949 as in later years, then the number of other than family sized farms in 1949 would have been much lower and their proportion of all sales would have also been much lower. If this had been done, family farms would have been observed declining in their proportion of all sales consistently from 1949 to 1969 and other than family farms would have been observed consistently increasing.

This fourth error is one of immense magnitude because if consistent definitions had been used, the conclusions reached would have been the exact opposite of those reached by Nikolitch and the USDA. This data instead of being evidence for family farm stability is in actuality evidence of systematic, linear family farm decline and larger than family size farm growth.

Even if no additional information was to be presented in this paper, some serious questions could be raised at this point about the meaningfulness of the other evidence upon which the USDA has based its case. If family farms are much less dominant than previously thought and/or family farms have been systematically declining in importance, why weren't these facts observable or detected in the other evidence presented by the USDA? I will attempt to answer this question in the later sections.

Actually, Nikolitch presented a good deal of additional data which by itself should have raised some serious questions about the conclusions reported by the USDA on the present status and trends in family farms. For instance Nikolitch presented information by region on changes from 1959 to 1964 on the proportion of all sales accounted for by family sized farms. In each of the 11 regions, family sized farms declined in sales from 1959 to 1964. The amount of reduction varied from 1 to 13 points while for the U.S. as a whole, the reduction was 5 points. (Nikolitch, p. 9). This information certainly wasn't consistent with the conclusion presented by the USDA.

The present predominant status of family sized farms inferred from their proportion of sales for the entire U.S. would also have been much less clear or certain if the USDA had presented data on the present status of family sized farms by region, state and type of production. A summary of this data appears in Table 3.

TABLE 3.—THE PERCENTAGE OF ALL FARM NUMBERS AND OF ALL SALES BY OTHER THAN FAMILY SIZED FARMS BY REGION, STATE AND TYPE OF PRODUCTION FOR 1964 (NIKOLITCH, PP. 7, 9–10)

| Region | Percent Farms | Percent Sales | State | Percent of sales | Type of production | Percent Farms | Percent Sales |
|---|---|---|---|---|---|---|---|
| Pacific | 13 | 71 | Arizona | 89 | Vegetables | 17 | 85 |
| Southeastern | 6 | 56 | California-Nevada | 79, 70 | Fruit and nuts | 17 | 71 |
| Mountain | 9 | 54 | New Mexico | 63 | Other field crops | 20 | 70 |
| Delta | 8 | 51 | Colorado-Massachusetts | 57, 56 | Cotton | 10 | 58 |
| New England | 11 | 49 | Mississippi | 55 | Poultry | 8 | 43 |
| Southern Plains | 6 | 45 | Maine-South Carolina | 53 | Other livestock | 3 | 31 |
| Lake States | 2 | 14 | Texas | 52 | General | 5 | 30 |
| Corn Belt | 2 | 13 | Arkansas | 50 | Dairy | 6 | 23 |
| Northern Plains | 2 | 18 | Louisiana | 48 | Tobacco | 3 | 18 |
| Appalachian | 4 | 27 | Washington-Oregon | 46 | Cash grain | 3 | 15 |
|  |  |  | Wyoming, Georgia, Idaho | 43 |  |  |  |
|  |  |  | Michigan | 21 |  |  |  |
|  |  |  | Wisconsin, Illinois, North Dakota | 13 |  |  |  |
|  |  |  | Iowa | 9 |  |  |  |

[1] The percent of all farms which were other than family sized was not available on a State basis in the Nikolitch publication.

Table 3 indicates if statistics had been presented for regions, states and enterprise areas, it would have been quite clear (contrary to the impression given by the national level figures quoted by the USDA) that other than family farms were either predominant (or close to it) in most regions and states other than the midwest as early as 1964. This was also true for most types of production other than those concentrated in the midwest.

Another shortcoming of classifying farms on the basis of quantity of labor hired is that land ownership and the ownership of nonland resources (capital) are not taken into consideration in the classification scheme. What proportion of family sized farms are owner and nonowner operated? What are the proportions for larger than family sized farms? Regardless of one's own preference as to what a family farm is, the questions of whether or not (or to what extent) the farm operator owns the land (or holds title to it) and the nonland production resources are easily defended on historical, practical and conceptual grounds as desirable and necessary elements of any ideal classification scheme (in addition to an assessment of labor). As pointed out earlier, it appears the bulk of sharecropper farms presently are included in the family sized farm category. In addition, a high proportion of other farms classified as tenant operated are undoubtedly classified as family sized. If these farms and their sales were removed from the family sized farm category, what proportion of all sales would the remaining owner operated: family sized farms account for? It could conceivably be less than 50 percent. Would this alter or affect our conclusions as to whether "family" farms are presently predominant in society?

THE CLASSIFICATION OF FARMS BY LAND TENURE

Given the trends in family and larger than family sized farms since 1949, some serious questions must be raised about the utility and meaningfulness of relying on land tenure data (as defined by the Census) to assess and measure significant alterations taking place in the structural characteristics of U.S. farms and changes taking place in the relative importance of different structural types. The land tenure information suggests or leads one to conclude family farms are predominant presently and their amount of predominance has been increasing. On the other hand, family sized farms have been becoming less predominant in sales since 1949 suggesting or leading one to conclude family farms are declining. The explanation for this incongruity is the fact that while the land tenure classification assesses changes taking place in the status of farms classified by the relationship of the farm operator to the ownership of the land he operates (owner and nonowner operated farms) the amount of hired labor and the ownership of nonland production resources (capital) are not included as a part of the classification.

Because of this omission we do not know the proportions of all owner operated farms which are family and larger than family sized. The same information is also lacking for nonowner operated farms. Since family sized farms have been declining even as owner-operated farms were increasing, it's quite clear some of the owner operated farms are larger than family sized. An important question is what proportion of all owner operated farms and their sales are accounted for by farms which are larger than family sized? The land tenure classification as it exists cannot be used to assess trends on "family" farms if one includes as a minimal part of his family farm definition the requirement that the operator and his family do a majority of the work and/or that the operator owns the majority of the farm's nonland resources used in production. Since the land tenure classification excludes these two major structural dimensions or characteristics of farms, it falls far short of the ideal classification system.

Any one using land tenure data should also be alerted to the fact that the Census changed their minimal requirements to qualify as a farm operator in 1969. The 1969 tenure classification no longer allows a meaningful distinction or classification of farms in terms of the relationship between the person managing the farm on a daily basis and the extent to which that manager owns the land managed (operated). Furthermore, pre-1969 hired manager farms are now classified as owner and tenant operated farms. The latter point explains to a large extent why owner operated farms increased in their proportion of all farm numbers, acreage and sales from 1964 to 1969. Large corporations like Tenneco and Del Monte, etc. are now classified as owner operated farms if they own any of the land they operate.

This reclassification was made possible by changing the definition of a farm operator from "a person . . . either doing the (farm) work himself or directly supervising the work" to "the person in charge of the farm or ranch operation." (1969 Census of Agriculture, p. A–6). Semantically there seems to be little difference here but what the new definition allows that the old one did not is for absentee farm owners to be classified as "owner-operators." Obviously, if one owns a farm or any part of a farm, legally and technically he is the person or entity (corporations) *in charge* of the farm operation (assuming the land owned is not all rented out).

THE CLASSIFICATION OF FARMS BY TYPE OF ORGANIZATION

What contribution does a knowledge of type of farm legal organization (sole proprietorship, partnership, corporation with 10 or fewer or more than 10 shareholders) make to understanding the present position or trends in the same of "family" and "corporate" farms and farm organizational structure generally? Was the conclusion of the USDA in the preface justified, that "these data document the extremely low involvement of nonfamily types of corporations in farming and refute the alleged takeover of farming by outside corporations?" (Family Farm Act of 1972, p. 20).

Technically, this information provides no evidence whatsoever on either the present or changing status of "family" farms. As pointed out earlier, if "family" farms are in fact predominant you would also have to observe a predominance of individual and family ownership. But, the observation of individual and family ownership predominance, by itself, does not prove "family" farms are predominant. Why? Because in either a practical or ideal sense more information than just type of owner is necessary to identify a "family" farm. Family owned farms which would under no circumstances be classified as "family" farms are: absentee family owned farms with hired managers and hired workers; and, family owned and managed farms with high inputs of hired labor. Ideally, one would also like to know if the individual or family owner was also managing the farm directly (or was absentee) and if these owners also owned the nonland production resources (capital). None of these necessary or desirable distinctions can be made by knowing only the type of owner because information is not available on the involvement of these various owners in management, labor or the provision of capital.

Is the USDA's quoted assertion about "corporate" farms correct? Well, as a matter of fact it is, if you accept the USDA's definition of a "corporate" farm as exhaustive or inclusive of all "corporate" farms. No one will argue with the USDA that all or most of the farming corporations with more than 10 shareholders are "corporate" farms. There are very solid practical and conceptual reasons to disagree with the USDA, however, that their definition includes all "corporate" farms. This is very clear when one begins specifying the most likely structural characteristics of those farms identified by the USDA as "corporate". These farms most likely are large (acreage and/or sales-wise), have absentee owners, hired managers and hired workers and provide their own capital. Many would argue that the structural characteristics just enumerated constitute the definition of a "corporate" farm at the most general level. This type of farm is the polar extreme structurally of what Harris has defined as the ideal "family" type farm (Harris, p. 519).

If this structural definition of a "corporate" farm is accepted, then it is clear the USDA definition of a "corporate" farm not only does not include all "corporate" farms; it probably does not even include "most" "corporate" farms. For a farm to be structurally defined as "corporate", it need not be legally incorporated. This is not true of the USDA's definition. Furthermore, the structural definition of a "corporate" farm places no a priori limits on the minimum number of owners as with the USDA's definition. The structurally defined "corporate" farm may have any kind or number of absentee owners. The owner may be an individual, family, small or large group of unrelated individuals or any combination of these. That the USDA's definition of a "corporate" farm may be excluding the majority of structurally defined "corporate" farms is indicated by research I was involved with at Wisconsin, where it was found that approximately 75 percent of all structurally defined legally incorporated "corporate" farms were owned by an individual, family or small group of unrelated individuals. None of these "corporate" farms would have been included in the USDA's "corporate" farm category. The percentage of structurally defined "corporate" farms excluded from the USDA's "corporate" farm category undoubtedly is even greater than 75 percent because no assessment was possible on the number of such farms unincorporated in Wisconsin.

If you accept the USDA's definition as including all "corporate" farms, then the USDA is quite correct in its assertion that "corporate" farms have a low involvement in farming and are light years away from predominance in farming. If you do not accept the USDA definition of a "corporate" farm, then the USDA figures on "corporate" farms as they define them are rock bottom estimates of the present levels of "corporate" farms. If "corporate" farms are defined structurally, then the USDA has not presented data documenting low "corporate" farm involvement in agriculture and definitely has not refuted either the alleged takeover of farming by "corporate" farms or more correctly, in terms of what has been charged, a trend toward "corporate" farms.

Since the 1967 USDA–ERS survey of farming corporations has been highly quoted in the past and will undoubtedly continue to be in the future, a few comments about this research appear justified. Essentially the same definition of a "corporate" farm was used in this research as that presently being used by the USDA so all of the previous comments apply equally as well to this research. There is one feature of this research, however, which distinguished it from the similar Census of Agriculture based data. This feature is that it may have been highly inaccurate. Information on this topic has been presented in two previous papers, so I will not go into very much detail on this (Rodefeld, March and May, 1972).

I pointed out in these papers that in Wisconsin 37 percent of the USDA enumerated farming corporations were not qualified for inclusion and 43 percent of all farming corporations actually found in the state were left out by the USDA. The USDA research was found to have underestimated acres operated by 46 percent, acres rented by 298 percent, cattle fed by 46 percent, etc. This research was easily dismissed by the USDA since it only covered one state but it should be pointed out that a comparison of the 1969 Census of Agriculture data on farming corporations with the 1968 data of the USDA is consistent with the results of the Wisconsin research. For instance, the Census found 61 percent more farming corporations and 34.5 percent more acres operated by farming corporations than found in the USDA survey for the USDA as a whole.

COMPOSITION OF THE FARM WORK FORCE

Nikolitch and the USDA have argued (or implied) that if family farms were declining, family labor would represent a decreasing proportion of total farm labor. These authors observe no such decrease which suggests or is consistent with the assertion "family" farms have not been declining. These arguments, data and inferences, however, are not well founded. Family farms could in fact be declining even as the proportion of family workers in the total work force remained stable. This is clearly supported by the trends in family and larger than family sized farms. The proportion of the work force hired has not changed even while larger-than family sized farms over the last 20 years have accounted for an increasing proportion of all farm sales. What has been happening in the farm labor sector is quite clear. Family and hired workers have been decreasing at about the same rates even while those farms using hired labor have been increasing their work force sizes. Thus, even while all hired labor is being reduced, that remaining is becoming more highly concentrated on the larger farms. For instance from 1959 to 1964 farms with sales exceeding $100,000 increased their proportion of hired labor on all farms from 30.1 to 40.6 percent (Nikolitch, p. 18). For the same time period the average number of hired workers on commercial farms reporting regular hired workers increased from an average of 2.2 to 2.6 while the number on hired manager farms increased from 8.5 to 12.0 (Moyer, et al., p. 19).

In conclusion, while stability in the proportion of the work force which is family labor is consistent with the assertion of stability in "family" farm status, the former is not and cannot be used by itself as evidence of "family" farm stability since "family" farms can and in fact have declined even while the proportion of the work force which was family labor remained constant.

OTHER EVIDENCE SUGGESTING FAMILY FARM DECLINE AND LESS PREDOMINANCE THAN SUGGESTED BY THE USDA

Other evidence also exists more supportive of my claim that "family" farms are less dominant than suggested by the USDA and have been declining in importance rather than remaining stable. The present concentration of operated farm land suggests family farms are less dominant than supposed. In 1969 farms with 1000 or more acres (150,946) accounted for only 5.5 percent of all farms, but operated 54.4 percent (578.4 million acres) of all land in farms. Farms with 2,000 or more acres were 2.2 percent (59,907) of all farms but operated 42.8 percent (454.8 million) of all land in farms. There were 130,995 (5.9 percent) farms with harvested crop land with acreages exceeding 1000 acres that accounted for 29.2 (79.8 million acres) percent of all harvested crop land acreage. Farms with acreages exceeding 1000 acres accounted for only 14.1 percent of all farms with irrigated acreage, but 47.8 percent (18.7 million acres) of the irrigated acreage (1969 Census of Agriculture).

Trends in the number and proportion of sales of the largest farms also support the contention of family farm decline. The number of farms with sales exceeding $100,000 per year has increased from 20,000 (.5 percent of the total) in 1959 to 31,000 (1.0 percent) in 1964, to an estimated 54,000 (1.8 percent) in 1970. The sales accounted for by these farms has increased from $5.0 billion (16.3 percent of the total) in 1959 to $17.2 billion (32.6 percent) in 1970. (*Our 31,000 Largest Farms*, p. 4 and *Family Farm Act of 1972*, p. 24.) This is evidence of the declining position of the "family" farm since in 1964, 86 percent of these largest farms were larger than family sized and they accounted for 92 percent of all sales by these largest farms (Nikolitch, p. 5). From 1959 to 1964, these largest farms increased their proportion of all farm sales in every single region in the U.S.

WHAT IS THE PRESENT STATUS OF THE FAMILY FARM AND HOW IS IT CHANGING?

As pointed out previously, it is technically and conceptually impossible to answer the question of what the present status of the family farm is and how this status has been changing to everyone's satisfaction with presently available data. The family sized-larger than family sized distinction probably is the most useful, insightful, and generally acceptable classification presently available. Even this classification does not assess two important farm structural characteristics, however, land ownership and the ownership of nonland production resources (capital). For policy making it would seem quite important to know the extent to which family and larger than family sized farms were owner and nonowner operated and who provided the capital on these farms (land owner, farm manager, both, neither).

The land tenure classification is useful because prior to 1969, it assessed the relationship between land ownership and farm management, i.e., it classified farms on the basis of whether or not the farm manager (operator) owned the land which was being managed. It was deficient in the sense it did not assess the farm structural characteristics of labor and nonland resource ownership. Hence, even though owner and nonowner operated farms were distinguished, there was no way of knowing which of these farms were family sized (used little or no hired labor) and which were larger than family sized (used a good deal of hired labor). There also was no way of knowing from this classification who was providing the capital on these farms.

A significant step forward in understanding what is happening to the "family" farm would be a synthesis or combination of the family-larger than family sized classification with land tenure classification (owner and nonowner operated). Such a synthesis would result in four farm types. At the one extreme you would have the owner operated: family sized farm. This is a farm owned, managed and worked by an individual or family. This is the farm type which historically and presently has been predominant throughout the greater Midwestern area. It is consistent with the definition of the ideal "family" type on the three structural dimensions included in the definition (no or little differentiation between land ownership, management and labor). The ownership of nonland production resources (capital) is the only other factor of production or input not included.

The other extreme is the polar opposite, structurally from the preceding farm type. This is the nonowner operated; larger than family sized farm. This is a farm with absentee ownership, and a nonland owning manager where all or most of the work is done by hired nonowning workers. Structurally, this is the most highly differentiated farm type because in contrast to the ideal "family" type farm, different individuals provide for each of the farm structural characteristics of land ownership, management and labor. This type of farm is undoubtedly what most people have referred to as the "corporate" or "industrial type" farm. Undoubtedly most "plantation" farms would also be classified in this category.

Two farm types occupy positions between the two extreme farm types: owner operated: larger than family sized and nonowner operated: family sized. These two types are clearly intermediate on the structural differentiation continuum since each shares a common characteristic with the extreme farm types while the extremes share no commonalities. The first of these intermediate types is a farm which is owned and managed by an individual or family where all or most of the physical labor is performed by hired nonowning workers. It is the same as the ideal "family" type farm in the sense there is no differentiation between land ownership and management. It is different from the "family" farm and the same as the "corporate" farm in that the bulk of the work is done by hired workers. Many fresh vegetable, fruit, livestock ranches and some plantations would be found classified as this type of farm.

The second intermediate type farm has absentee ownership and a nonland owning manager who himself or with his family does all or most of the work. This farm type is the same as the ideal "family" farm since there is no differentiation between management and labor. It is different from the family farm and the same as the "corporate" farm since it has absentee ownership and a nonland owning manager. Included in this category are all family sized rented and leased farms and farms worked on shares (50–50, 40–60, etc.). If plantations are not enumerated as single units, sharecropper farms would also be included in this category. The knowledge of nonland production resource ownership is necessary here to distinguish among the various sub-types of this general farm type.

How many farms are there in each of these categories? How much acreage and sales are accounted for by each? What changes have taken place in the numbers and sales of each over time? This information has never been available up to this point in time because farms have never been classified in this way. I have been able, however, to determine the answers to these questions for 1959 and 1964 on the basis of existing data on family and larger than family sized farms and owner and nonowner operated farms. This information is provided in Table 4.

TABLE 4.—FARM NUMBERS, SALES, PERCENTAGE OF ALL FARM NUMBERS AND SALES AND PERCENTAGE CHANGE IN FARM NUMBERS AND SALES FOR 1959 AND 1964 BY FARM TYPE[1]

| | Farms (thousands) | | | Sales (millions) | | |
|---|---|---|---|---|---|---|
| | 1959 | 1964 | Percent change 1959-64 | 1959 | 1964 | Percent change 1959-64 |
| All farms | 3,695 | 3,150 | −14.7 | $30,362 | $35,075 | +$15.5 |
| Owner operated: Family sized (family) | 2,808 | 2,475 | −11.9 | 15,224 | 17,276 | +11.9 |
| Nonowner operated: Family sized (tenant) | 721 | 521 | −27.7 | 5,912 | 5,372 | −9.1 |
| Owner operated: Larger than family sized (larger than family) | 139 | 122 | −12.2 | 7,202 | 8,915 | +23.8 |
| Nonowner operated: Larger than family sized (Industrial type) | 26 | 32 | +23.1 | 2,024 | 3,512 | +73.5 |

| | Percent of all farms | | Percent of all sales | |
|---|---|---|---|---|
| | 1959 | 1964 | 1959 | 1964 |
| All farms | 100.0 | 100.0 | 100.0 | 100.0 |
| Family | 76.0 | 78.6 | 50.1 | 49.3 |
| Tenant | 19.5 | 16.5 | 19.5 | 15.3 |
| Larger than family | 3.8 | 3.9 | 23.7 | 25.4 |
| Industrial type | .7 | 1.0 | 6.7 | 10.0 |

Since no such information or determination has been provided or accomplished previously, a description of the procedure followed appears as a footnote to Table 4. What does Table 4 show? First, as might have been expected owner operated: family sized farms (family) predominated in farm numbers in both 1959 and 1964, accounting for 76 and 79 percent of all farm numbers in these respective years. Numerically in both years nonowner operated: family sized farms (tenant) ranked next in importance accounting for 19 and 16 percent of all farms in these respective years. Owner operated: larger than family sized farms (larger than family) and nonowner operated: larger than family sized farms (industrial type) accounted for only 4.5 and 4.9 percent of all farm numbers in 1959 and 1964 respectively. In conclusion, previous assertions about family farm numeric predominance have been well founded.

In terms of numeric changes from 1959 to 1964, the total number of farms declined by about 15 percent. The greatest losses were experienced by tenant farms while family and larger than family farm declined at lower rates with little difference between them in their rates. Industrial type farms, however, increased by about 23 percent; the only one of the four farm types experiencing an increase in numbers.

Family farms while accounting for almost 80 percent of all farm numbers, accounted for only 50 percent of the sales in 1959 and less than 50 percent (49) in 1964. It is based on this evidence that I argue family farms have not been predominant in sales since as early as 1959. Given the continuing increases in proportion of sales by larger than family size farms and the largest (sales exceeding $100,000) farms, it appears quite likely the proportion of sales presently accounted for by family farms is less than their 1964 level. Furthermore, the percentage of all sales accounted for by family farms is considerably less than what "owner-operated" farms accounted for in 1964 (75) and what "family sized" farms accounted for in 1964 (65).

Tenant farms also account for a lower proportion of the total sales than what one would expect on the basis of their proportion of farm numbers. This difference is not as discrepant as that for family farms, however. Larger than family farms while accounting for only 4 percent of all farms, accounted for a quarter of all farm sales in 1964. Industrial type farms accounted for 10 percent of all farm sales in 1964, while accounting for only 1 percent of the farms.

It should be pointed out that the number and sales of industrial farms are extremely conservative estimates. Specifically, the number of tenant operated: larger than family sized farms is underestimated because no estimate was possible of the tenant operated farms classified by Nikolitch as larger than family sized because of the use of seasonal workers. Furthermore, if plantations were enumerated instead of individual sharecropper operations, tenant farm numbers and sales would be decreased and larger than family and industrial type farm numbers and sales would correspondingly be increased. It also should be pointed out that if these computations had been made for commercial farms which in 1964 accounted for 69 percent of all farm numbers and 97.4 percent of all farm sales, then the percentage of family farms would be reduced considerably (since 91 percent of all noncommercial farms are owner operated and undoubtedly family sized), and the percentage of all commercial farm sales by family farms would also be lower than the 49 percent of all farm sales.

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[1] The 1st step in deriving these figures was to determine the numbers and sales for the marginals. The marginals for family and larger than family sized farms were provided by Nikolitch. The census provided the data for the owner and nonowner operated farms for 1959 and 1964. There was a problem here, however, because Nikolitch excluded all the farms in Alaska and Hawaii and all institutional farms. To get comparable marginals, these farms and their sales also had to be removed from the census land tenure totals. It was possible to determine from State data in the 1959 and 1964 Census of Agriculture the total number and sales by land tenure type of Alaska and Hawaii farms. For 1959 and 1964 these farm numbers and sales were subtracted from the U.S. totals by land tenure class. The remaining differences in total numbers and sales between the 1959 and 1964 census and Nikolitch's totals for these years was the number and sales of institutional farms removed by Nikolitch in his analysis. It was assumed all of these farms and their sales were classified in the census as hired manager farms. Hence for 1959 and 1964, these farms and their sales were subtracted from the census hired manager numbers and sales. The remaining hired manager numbers and their sales for the 2 years were placed in the nonowner operated larger than family sized cell of the table. This was appropriate because Nikolitch classified all hired manager farms as larger than family sized. This cell, however, was not complete because Nikolitch classified all farms with 1 to 5 man-years or more of hired labor as larger than family sized. To fill out this cell it was necessary to know how many tenant operated farms were larger than family sized. An estimate of this number was made by assuming all commercial tenant operated farms with 2 or more regular hired workers would have been classified by Nikolitch as larger than family sized. These numbers for 1959 and 1964 were available from the Census of Agriculture. This number plus the already established number of hired manager farms equalized the number of nonowner operated: larger than family sized farms in 1959 and 1964. Since all the marginal numbers were known, once the number was known for this 1 cell, all the other cell numbers were easily determined by subtraction. The sales accounted for by each cell in the table were determined by first assuming the tenant operated larger than family sized farms had the same average sales per farm as the larger than family sized farms remaining after subtracting the hired manager farm number and their sales from the total of all larger than family sized farms. Multiplying the estimated number of tenant operated larger than family sized farms by the average sales per farm for larger than family sized farms minus hired manager farms equalled the total sales of tenant operated larger than family sized farms for 1959 and 1964. These totals for 1959 and 1964 plus the already determined totals for hired manager farms equalled the total sales of nonowner operated larger than family sized farms for 1959 and 1964. Since the marginals for sales were already determined, the amount of sales for the remaining three cells were easily determined through a residualization process.

The total amount of sales by all farms increased about 15 percent from 1959 to 1964. Tenant farms were the only farm type experiencing an absolute reduction in sales over this period. Family farms increased, but at a rate lower than the average for all farms. Larger than family farms, and especially industrial type farms, experienced substantial increases, the former farm type by 24 percent and industrial type farms by 73 percent.

In 1964 family farms accounted for 95 percent of all "owner operated" farms but only 66 percent of the sales by "owner operated" farms. Family farms also accounted for 83 percent of all "family-sized" farms in 1964 and 76 percent of their sales. Larger than family farms accounted for 79 percent of all "larger than family sized" farms in 1964 and 72 percent of their sales. Tenant farms in 1964 accounted for 94 percent of all "nonowner operated" farms, but only 60 percent of their sales.

The percentage of "owner operated" sales accounted for by family farms decreased from 1959 to 1964 (68–66), while family farms increased their percentage of "family sized" farm sales (72–76) in the same period. Larger than family farms accounted for 78 percent of all "larger than family sized" farm sales in 1959 and 72 percent in 1964. Tenant farms while accounting for 75 percent of all "nonowner operated" farm sales of 1959 experienced a substantial drop to 60 percent by 1964. Average sales per farm by type of farm for 1964 were: family=6980; tenant=10,304; larger than family=73,041 and industrial type=109,569. In 1959 larger than family farms had average sales of 51,981 and industrial type farms averaged 77,057.

### CONCLUSIONS

Since the mid to late 1960's, numerous farm organizations, (especially the Farmers Union and NFO) rural people, legislators and other interested parties have argued that family farms were declining and were being replaced by nonfamily farms, especially "corporate" and/or industrial type farms.

The USDA explicitly, and the land grant college system by acquiescence, have consistently maintained quite to the contrary that: family farms continue to predominate in farm numbers and sales; "corporate" farms are presently an insignificant force in American agriculture; there has been no change over the last 30 years in the proportion of all farm numbers and farm sales accounted for by family farms, i.e., there has been no decline in family farms and no increase in nonfamily farms over the last 30 years; and there has been no trend toward corporate farms.

I think I have proven in this paper that those who have maintained that "family" farms are declining and "corporate" or "industrial type" farms are increasing are a good deal closer to the truth than the USDA and others who have supported its position. If a family farm is defined as an owner operated: family sized farm, then this type of farm has not predominated in farm sales since at least 1959. If one wanted to be a little dramatic, one could use the fact that such family farms account for less than 50 percent of all farm sales to assert that U.S. rural society can no longer be correctly characterized as one dominated by family farms and farmers. Rather, it is now dominated by "nonfamily" farms and farmers. "Nonfamily" farms can be viewed as insignificant in U.S. society only if one is willing not to attach very much import to farm types which account for more than 50 percent of all sales, even though they only accounted for 21 percent of the farms and farm operators in 1964. "Corporate" and "industrial type" farms can be viewed as insignificant only if 10 percent of all farm sales in 1964, and undoubtedly more 9 years later, is also viewed as insignificant.

There has, in fact, been a systematic, uninterrupted 20-year decline in the proportion of all farm sales accounted for by family sized farms and a corresponding systematic increase in the sales accounted for by larger than family sized farms over the same 20-year period. The USDA's own data is evidence for this statement when errors in the reporting, inconsistencies in the definitions of the farm types, and the interpretations of that data are accounted for or corrected. From 1959 to 1964 there was, in fact, a trend toward "corporate" or "industrial type" farms. This type of farm was the only farm type of the four analyzed that experienced an absolute increase in farm numbers from 1959 to 1964, a 23 percent increase over a 5-year period. Family farms for the same period decreased in number by 12 percent. "Corporate" or "industrial type" farms also experienced the greatest increase in sales from 1959 to 1964, a 73 percent increase. Family farm sales for the same time period registered only a 12 percent increase.

The pattern of family farm decline and "nonfamily", "corporate" and/or industrial type farm ascendency established in this paper takes on added credibility when viewed in conjunction with the existent high levels of land concentration by farms exceeding 1000 acres; the proportion of all sales accounted for by farms with sales exceeding $100,000; the concentration of hired workers on these largest farms; and the existent high levels of production concentration in some areas pointed out by the USDA in its testimony against the Family Farm Act of 1972.

The USDA-LGC system has been vested with the responsibility by society of providing it with the information it needs to make policy decisions about the farm and rural sectors. The society expects and assumes that this information will be accurate, adequate and correctly interpreted. The greater the extent to which this is not true, the greater the probability is that society will not make policy decisions maximizing its own best interests.

I do not think society has been receiving accurate, adequate and correctly interpreted information on the present and changing status of family farms and farmers. Society has not received the information it seeks because of the reasons outlined previously in this paper. Furthermore, policy recommendations which have been made to society by the USDA and others based on this inaccurate, etc., information are questionable. They may, in fact, have made the same recommendations even after taking into account the points raised in this paper. I would venture the prediction, however, that if these recommendations were the same they would be justified or defended for considerably different reasons.

The past positions of the USDA (and others who have agreed with them) on "family" and "corporate" farms has already had a number of detrimental effects. For instance, their pronouncements on the continuing health of the family farm has lulled the nonfarm population and some segments of the farm population into a false sense of security about the well-being of family farms and farmers. An acceptance of the USDA position has had the effect, and will continue to have the effect in the future, of seriously undermining and diminishing the nonfarm-urban support which family farmers must of necessity have in their attempts to preserve the family farm or anything remotely resembling it in the future. Another effect of the USDA position on "family" and "corporate" farms is that it has effectively to date hindered both research in the area and legislation addressed to the "family farm" problem. Significant, large scale, expensive research tends not to be formulated, funded or carried out on nonexistent problems or problems expected only in the far and distant future. The same situation would seem to hold for new legislation or major modifications to existing legislation.

### RECOMMENDATIONS

1. The Census Bureau, USDA or land grant college personnel should, at the earliest possible date, carry out a reanalysis of Census of Agriculture data for at least the last two decades. Farm types in this reanalysis should be conceptualized and classified at a level of specificity minimally equal to that employed in the last table of this paper.

2. In light of the evidence presented in this paper, the USDA should at its earliest convenience begin a detailed and systematic review of its definitions of farm types and data which it has used in making past assessments of proposed legislation and public pronouncements concerning "family" farm characteristics and trends.

3. Any person or organization which has based its evaluation of trends in "family" and "corporate" farms on past USDA generated data and pronouncements should undertake a reevaluation of their positions in light of the data and arguments presented here today.

4. Research should begin immediately addressed to the question of what effects have and will be associated at all levels of society with a change from family farms to either larger than family farms or industrial type farms since at this point in time this seems to be the direction we are heading.

5. If any of the Census data analysis or other research suggested here is not initiated soon (within a year), farm organizations should consider joining together in the creation of a research foundation to contract with individual researchers for the information society needs.

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*Wisconsin Agriculturalist*, January 8, 1972.

## SKYLAB

Mr. MOSS. Mr. President, on Saturday, March 26, the day after the astronauts were placed in orbit to rendezvous with Skylab, the Deseret News, one of the great daily newspapers in Salt Lake City, published an editorial concerning the experience of Skylab. I believe that in a very short tersely worded editorial the Deseret News stated accurately what the lessons are from the adversity of Skylab and the efforts being made to recover from that adversity. I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

### SKYLAB'S TROUBLE: LESSON IN THE USES OF ADVERSITY

What began as a test of man's ability to endure physically in outer space has turned into a test of determination and ingenuity.

If the astronauts who vaulted into orbit Friday on an unprecedented mission succeed in repairing the crippled Skylab, their work could help shift the emphasis from space exploration to space exploitation intended to benefit mankind in many ways.

If they fail, it will provide ammunition to those who see the $2.6 billion project as a wasteful boondoggle and would like the U.S. to curtail sharply its space efforts.

But even failure will prove something more positive and constructive than that. It will prove that the proper choice for the U.S. should not be between a manned vs. an unmanned space effort. Instead, the right choice is to decide on what constitutes the proper mixture of the two.

If the Skylab flight had been an unmanned undertaking, as Dr. Wernher Von Braun observed the other day, "this would have been the end of it."

As it is, the world's first astro-repairmen have a chance to erect a sunshade to shadow the space station and cool down Skylab, which has been limping in earth-orbit for 12 days with overheating and power troubles. It will be a test of man's ability to work efficiently in space and recover from setbacks.

If Skylab is successfully cooled, its nine astronauts over the next eight months should be able to carry out most of the 87 medical, scientific engineering, and earth resources survey experiments planned. Only three relatively minor experiments would definitely be lost.

Among the experiments that can be completed, besides the major one to see how well man adapts to lack of gravity for long periods, are tests designed to pinpoint mineral deposits and agricultural areas infested by plant diseases.

With sufficient improvisation and and determination on the part of all those involved, Skylab's troubles could become a blessing in disguise. Such, in space as on earth, are the uses of adversity.

## THE FUTURE OF NONMETROPOLITAN AMERICA

Mr. HUMPHREY. Mr. President, yesterday I had the privilege of discussing the problems facing nonmetropolitan America with rural development leaders from all over the Nation.

The conference on "The Future of Nonmetropolitan America," sponsored by the National Association of Development Organizations and the Coalition for Rural Development, being held in Washington this week, is grappling with one of the most serious problems facing this country today.

In my remarks to the Conference I made the following points:

First, rapid change in many important basic socio-economic factors makes it essential that we find a way to anticipate change and direct it and its consequences.

Second, at present no mechanism or process exists for long-range growth and development policy planning at the national level in the United States.

Third, we have a national commitment, by the Congress and the President, giving the "highest priority" to balanced rural-urban development, but haven't followed through on it.

Fourth, the Rural Development Act of 1972 was a modest step in carrying out this commitment. However, it is now being used by the administration as an excuse for terminating many of the ongoing programs that are vital to a healthy rural America. Both the President and Congress realized and intended that this program supplement and not supplant ongoing rural development programs, when it was signed into law last summer. It is only after the fact that the administration has decided to subvert this basic policy intent.

Fifth, to cope with the many interrelated long-run growth and development problems facing us, as a people, this country needs a process and mechanism for balanced national growth and development. HUD, HEW, and other Federal agencies are the first to require comprehensive long-term planning by local communities seeking Federal assistance. Yet, at the national level we are lucky if we have good plans for 6 months into the future for the program of a single agency. This is far from sufficient. It is time we put our Federal house in order.

Sixth, if we are to "design" and not "resign" ourselves to the future, we need to create the institutional system needed to develop and monitor a continually evolving balanced national growth and development policy. The Balanced National Growth and Development Act, which I will soon introduce, would go a long way toward establishing this capability.

I ask unanimous consent that the entire program of the conference on "The Future of Nonmetropolitan America" and the text of my remarks at the conference be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

### THE FUTURE OF NONMETROPOLITAN AMERICA

(A conference sponsored by National Association of Development Organizations and Coalition for Rural Development, May 29–31, 1973, Washington, D.C.)

#### THE CONFERENCE

This is a most critical time in Washington, D.C., for the future of nonmetropolitan America. Within the next few months Congress must address its attention to the challenging task of determining priorities and shaping policies for nonmetropolitan America. Questions related to the expanded funding of the Rural Development Act, the implications of land use planning on a statewide basis, economic development and a compatible growth policy and programs in the area of health and housing are indicative of the many issues which need to be focused upon in order to restore the vitality of nonmetropolitan America.

The Conference will provide those in attendance the latest news from Washington affecting substate or district programs. The Conference also offers a forum in which Administration representatives, Congressional members, state and local officials and other nonmetropolitan leaders may exchange ideas and information on the important decisions to be made about rural America.

In the spirit of cooperation, NADO and the Coalition for Rural Development are enthusiastic about the opportunities of this joint conference, bringing together the energies and resources of many concerned and influential individuals, representing the broad spectrum of nonmetropolitan America.

Conference participants are urged to use this meeting as a base for further cooperation and coordination of efforts, to insure that the goal of a continuing vitality for nonmetropolitan America is reached.

#### THE SPONSORING ORGANIZATIONS

##### *National Association of Development Organizations*

NADO is an independent organization of economic development districts that is interested in the development of a structure whereby politically viable substate regions might be formed, in cooperation with the states and the federal government. It is the intent of NADO to provide a mechanism for local citizens and elected officials of nonmetropolitan America who can effect a partnership for communication, education and financing locally developed plans and priorities to effectively manage the land and water resources, formulate a balanced national growth policy and solve the problem of massive population maldistribution. Nick L. Salazar, President of the North Central New Mexico Economic Development District (P.O. Box 773, San Juan Pueblo, New Mexico) is currently President of NADO.

##### *Coalition for Rural Development*

The Coalition, originally organized as the Coalition for Rural America, is led by a board including 10 former governors and 34 representative national leaders from business, labor, agriculture, cooperatives, universities and conservation organizations. The Coalition supports "those policies, programs and laws which will improve the quality of life in rural America . . . encourage a better balance between rural and urban growth . . . and assure the continued opportunity for efficient family farms to survive." Edward T. Breathitt, currently Vice-President of the Southern Railway System, former Governor of Kentucky, and former Chairman of the President's Commission on Rural Poverty, is Chairman of the Coalition's Board of Directors. The Coalition is headquartered at 30 F Street, NW., Washington, D.C.

#### CONFERENCE PROGRAM

##### *Tuesday, May 29*

2:00–7:00—Registration (Lobby).

2:00—Special Organizational Meetings (North Room) [1]

Proposed Association of Legal Advisors to District Organizations.

4:00—NADO Board Meeting (North Room).

6:00—Open House:

Coalition for Rural Development Suite.

National Association of Development Organizations Suite (Suite number available at Registration Desk).

##### *Wednesday, May 30*

9:00–9:30—Opening Remarks (Chinese Room):

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[1] All meeting rooms are in the Mayflower Hotel unless otherwise noted.

Chairman: Edward T. Breathitt, Chairman of the Board, Coalition for Rural Development.

Nick Salazar, President, National Association of Development Organizations, "Problems Facing Non-Metro America."

9:30–10:30—The Administration's Program for Non-Metropolitan America (Chinese Room):

Introductions: Jerry J. Jubie, Chairman, National Association of Development Organizations.

William W. Blunt, Jr., Acting Assistant Director for Economic Development, Economic Development Administration.

Will Erwin, Assistant Secretary for Rural Development, U.S. Department of Agriculture.

10:30—Coffee.

10:45–12:15—Concurrent Workshops:

I. *Rural Development Legislation and Appropriations* (East Room)

Chairman: William E. Murray, National Rural Electric Cooperative Association.

John A. Baker, Professional Staff Member, Senate Committee on Agriculture.

Hyde H. Murray, Associate Counsel, House Committee on Agriculture.

Donald A. Raney, Executive Director, Northwest Arkansas Economic Development District.

Darl E. Snyder, Director, Rural Development Center, Tifton, Georgia.

Reporter: Frank Hood, Georgia Power Co., Atlanta, Georgia.

II. *Economic Development Legislation* (Chinese Room)

Chairman: Rudy R. Esala, Immediate Past President, National Association of Development Organizations.

Joseph G. Hamrick, Deputy Assistant Secretary for Economic Development Planning, Economic Development Administration.

A. David Sandoval, Professional Staff Member, Senate Public Works Committee.

James Oberstar, Administrator, House Public Works Committee.

John D. Whisman, States' Regional Representative, Appalachian Regional Commission.

Reporter: James B. Coffey, Jr., Executive Director, Eastern Maine Development District.

12:30–2:00—Luncheon (Ballroom):

Introduction: W. Wilson King, Vice President, Coalition for Rural Development.

Senator Hubert H. Humphrey, Minnesota, "A National Growth Policy."

2:30—The Outlook in Congress (Room 2167, Rayburn Building):

Chairmen: Nick Salazar, President, National Association of Development Organizations.

Dick Hausler, Member, Board of Directors, Coalition for Rural Development.

Brief statements by key Congressional leaders and committee staff members. Visits to individual Congressmen and Senators.

5:30–7:00—Congressional Reception (Room B 369, Rayburn Building):

*Thursday, May 31*

8:30–9:45—Buffet Breakfast Meeting (Chinese Room):

Speaker: Calvin Beale, Demographer, Rural Development Service, U.S. Department of Agriculture "Where Do Americans Want to Live?"

Brainstorming Session: "Future Legislative Priorities."

10:00–11:45—Concurrent Workshops.

10:00–11:45—I. *Land Use Planning: Problems and Funding* (North Room):

Chairman: William S. Bonner, Board of Governors, American Institute of Planners.

Lance Marston, Director, Office of Environmental Review, Department of Interior.

Robert Knecht, Director, Coastal Zone Management, National Oceanic and Atmospheric Administration.

Steve Quarles, Professional Staff, Senate Committee on Interior and Insular Affairs.

R. Deane Conrad, Special Assistant, Council of State Governments.

Reporter: Richard L. McVay, Assistant Executive Director, Lower Rio Grande Valley Development District.

II. *Planning and the New Federalism* (New York Suite):

Chairman: John Joyner, Executive Director, American Institute of Planners.

Richard W. Lincoln, Special Assistant, Council of State Governments.

Clifford W. Graves, Assistant Secretary for Community Planning and Management, Department of Housing and Urban Development.

Jim Thornton, Professional Staff, Senate Committee on Agriculture.

Bill Brussat, Management Analyst, Office of Management and Budget.

Richard L. Sinnott, Deputy Assistant Secretary for Policy Coordination, Economic Development Administration.

Reporter: Fred Michaelis, Executive Director, Coordinating and Development Council of Northwest Louisiana.

III. *Coordination of Economic and Rural Development* (Pennsylvania Suite):

Chairman: Leslie Newcomb, National Association of Development Organizations President-Elect, Executive Director, Southern Mississippi Planning and Development District.

Gary Howland, Special Assistant for Community Planning and Management, Department of Housing and Urban Development.

Thomas S. Francis, Director, Economic Development District Program, Economic Development Administration.

Joseph C. Doherty, Special Assistant for Home Administration.

John D. Leslie, Executive Director, National Area Development Institute.

Forest W. Reece, Professional Staff, Senate Committee on Agriculture.

Ira Kaye, Acting Director, Community development, Office of Economic Opportunity.

Reporter: Lon Hardin, Executive Director, Western Arkansas Planning and Development District.

12:00–1:45—Luncheon (Chinese Room):

Introduction: Harold LeVander, Former Governor of Minnesota.

Senator Robert Dole, Kansas "Agriculture and Rural Development."

Reporter: Max C. McElmurry, Executive Director, White River Planning and Development District.

2:00–3:15—Wrap up (Chinese Room):

Chairman: Nick Salazar, President, National Association of Development Organizations.

Edward T. Breathitt, Chairman of the Board, Coalition for Rural Development "Where Do We Go From Here?".

3:30–5:00—NADO Annual Membership Meeting (East Room).

3:30–5:00—Coalition for Rural Development Board of Directors meeting (North Room).

## NATIONAL ASSOCIATION OF DEVELOPMENT ORGANIZATIONS

President: Nick L. Salazar, P.O. Box 773, San Juan Pueblo, New Mexico.

Secretary-Treasurer: Max McElmurry, White River Planning & Development District, 1120 St. Louis Street, P.O. Box 1010, Batesville, Ark.

Chairman of the Board: Jerry Jubie, R. 3, Box 285, Floodwood, Minn.

Vice President Elect: Les Newcomb, South Mississippi EDD, P.O. Box 2057, 719 Scooba Street, Hattiesburg, Miss.

### *Board of directors*

#### Southeast

Frank Hood, Georgia Power Co., P.O. Box 4545, Atlanta, Ga.

Joe Wilder, Lower Savannah Regional Planning & Devel. Comm., P.O. Box 850, Aiken, So. Car.

R. B. Patterson, Senior Vice President, Wachovia Bank & Trust Co., P.O. Box 669, Kinston, No. Car.

Don Wakefield, Upper Cumberland Development District, Tennessee Tech, Box 5076, Cookeville, Tenn.

#### Northeast

Tom Zappone, Exec. Vice President, Oneida County Industrial Development Corp., Airport Terminal Bldg., Oriskany, N.Y.

Sam Lauffer, Southern W. Va. Planning & Development Comm., P.O. Box 936, Bluefield, W. Va.

Fred Johnston, NE Michigan Regional Planning & Dev. Comm., 118 So. Third Street, Rogers City, Mich.

James Coffey, Eastern Maine Dev. Dist., 10 Franklin Street, Bangor, Maine.

#### Northwest

Nick L. Salazar, North Central New Mexico EDD, P.O. Box 773, San Juan Pueblo, New Mexico.

Fermin Martinez, Local Laborers 354, SECC Regional Planning & Development Council. 108 Broadway, Pueblo, Colorado.

Elizabeth (Betty) George, Sierra Ec. Dev. District 134 South Auburn Street, Grass Valley, Calif.

Jerry Jubie, Arrowhead Regional Devel. Commission, 900 Alworth Building, Duluth, Minn.

#### Southwest

H. L. Hembree, President Arkansas Best Corporation, 301 Eleventh Street, Fort Smith, Ark.

Brian Duke, Kisatchie Delta EDD, 1243 Dorchester Drive, Alexandria, La.

Judge Ed Gomez, Hidalgo Co. Court House, Edinburg, Texas.

Robert A. Chandler, Lower Rio Grande Valley Development Council, First National Bank Bldg., McAllen, Texas.

#### *Past President*

R. R. Esala, Arrowhead Regional Devel. Commission, 900 Alworth Building, Duluth, Minn.

#### *Honorary Member*

Robert Eaton, 700 First American National Bank Building, Duluth, Minn.

## NADO COMMITTEES

### *Goals committee*

Leslie Newcomb, Executive Director. Southern Mississippi EDD, Inc.

Rudy Esala, Executive Director, Arrowhead Regional Development Comm. (*Co-Chairmen*).

John Ladd, Executive Director, Mohawk Valley EDD, Inc.

Lon Hardin, Executive Director, Western Arkansas Plan. & Devel. Dist. Inc.

Tim Maund, Executive Director, Central Savannah River Area Planning and Development Comm.

### *Nominating committee*

Nick L. Salazar, North Central New Mexico EDD.

Rudy Esala, Executive Director, Arrowhead Regional Development Comm.

John Ladd, Executive Director, Mohawk Valley EDD, Inc.

Donald Raney, Executive Director, NW Arkansas EDD, Inc.

James Coffey, Executive Director, Eastern Marine Dev. Dist.

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## BALANCED NATIONAL GROWTH AND DEVELOPMENT

(Remarks by Senator HUBERT H. HUMPHREY at the conference on "Future of Nonmetropolitan America")

Any discussion of a "Policy of Balanced Urban-Rural Growth" must begin with the statement of a few facts. While the data is not new, it provides the essential backdrop for such a discussion.

In 1900 our population was 76 million. Today it is over 209 million, by the year 2000 it will be between 270 and 300 million.

Today two out of three Americans live in cities of 50,000 people or more and by the year 2000 this percentage will be up to 8 out of 10.

By the year 2000, 83% of our population will reside on one-sixth of the national land area composing ten urban regions.

In 1940, the Nation's farm population was 32 million. Today it is less than 10 million and farmers, farm workers, and their families represent only about 5% of our population.

American per capita income will double, possibly triple, by the year 2000.

With only 6% of this world's people, the United States consumes a full 40% of the world's resources.

In Future Shock, Toffler points out that, roughly speaking, half of all the energy consumed by man since the time of Christ has been consumed since 1870.

A wide variety of additional data could also be used to show the major changes in critical socio-economic trends that one can expect over the next several years and decades.

But my purpose today is not to document the fact of expected rapid change, but rather to discuss with you what might be done to anticipate it and direct it and its consequences.

To me, the statistics on the future are nowhere near as awesome as the fact that this nation does not have now a process or mechanism that will permit and encourage us to develop policies and plans required to shape our country's long-range future in the light of predicted developments.

Many European nations have instituted such policies of balanced national growth and development in the post-World War II period. These policies, incorporating population distribution goals, land use objectives, economic growth targets, etc., have met with some success in Europe.

During this same period in this country, of course, anything that even sounded like national planning was looked upon with suspicion by a large and vocal segment of our population.

But, in recent years, some important progress has been made in making significant component parts of a balanced national growth and development policy a reality.

In Title I of the Agriculture Act of 1970, Congress and the President committed themselves to a national policy of "sound balance between rural and urban America." Congress proclaimed that it "considers this balance so essential to the peace, prosperity, and welfare of all our citizens that the highest priority must be given to the revitalization and development of rural areas."

A similar commitment to the balanced growth and development of rural and urban America was echoed in Title VII of the Housing and Urban Development Act of 1970.

Well, last year we took the first steps in fulfilling this commitment. We passed the Rural Development Act of 1972. And it is a good piece of legislation. It was signed with all appropriate fanfare.

Now the question is, will it be properly funded? And, quite honestly, the funding of it is about half of what was authorized. And what's authorized is about a tenth of what's needed.

I'm a legislator. I've never believed in all or nothing. I believe in trying to make progress. Our Committee wrote that law. Senator Talmadge and I were two of the main movers behind it. However, every member of the Committee deserves credit for participating in the development of this legislation.

We held hearings all across this land. This law is based upon ascertainable facts. The result of profound and intensive hearings. But we understood when we passed that law that it was a token. We knew that we were only beginning and, therefore, the authorizations for funding in that law were minimal—not what we really needed—but enough to get us off the ground.

Ladies and gentlemen, that funding has already been cut in half, and certain sections of the bill are not funded at all. Now you ought to go up to Congress and ask that the full funding for that program be passed by the Congress. I think that's what's needed as the beginning, because every bit of that funding will add to the well-being of this country. It will not be wasted. It will help us.

Now, what else is there to rural development? The Rural Development Act of 1972 is not a substitute for all other policy. And I want to get this across here if nothing else is said today. It is not a substitute for rural electrification, for example. It is not a substitute for the rural telephone program. It is not a substitute for the rural housing program. It is not a substitute for the rural water and sewer program. It is not a substitute for the Economic Development Administration. It is a supplement. It's an add-on. It's additional.

But what do I see coming out of the counsels of government? Everytime a program is canceled out, whatever it may be, they say, look to the Rural Development Act. I know about the Rural Development Act. It's one thing for the Administration to come to you and say we're not going to give you the money. That's an honest fight. But I don't like them to come and tell me I didn't know what I was doing.

Now I'm here to remind the President of the United States of what he told the nation last summer when he signed the law—that it was not a substitute, it was a supplement. It was an add-on. And when I see the leaders of government coming before the Congress and before you and before other communities and saying, well, you can fund this out of rural development, I simply say that's as phony as a $3 bill, it does not wash and it's outright deception.

What we need is full funding for rural development. We need the funding for rural electrification. We need the full funding for EDA. We need manpower training programs, and God only knows we need housing programs in rural America, where the housing is worse than it is in our cities.

All our people want is a break. The monies that we expend and invest in rural America in jobs, in industrial growth, in housing, in water and sewer, in electricity and telephones, in schools and hospitals, all of those things add to the wealth and the strength of this nation.

The Rural Development Act of 1972 provides a large part of the financial investment, credit, research, technical, and institutional resources that will be required to implement the commitments to balanced growth mentioned above.

Under title I of the act, guaranteed, insured and direct loans and grants would be provided to help meet the credit, investment, and equity capital needs for essential rural industrialization, job expansion and community facility improvements.

Under titles II and III, additional Federal cost-sharing for water quality improvement and provision of ample water for rural community and industrial development would be provided through further expansion of authorities under the small watershed and resource conservation and development programs.

Under title IV, a new Federal cost-sharing program would be established to aid small rural communities which are in need of help to establish or improve their local firefighting capability.

Under title V, a new nationwide research and extension information program would be established utilizing the resources of the State Land Grant colleges and other public and private institutions of higher education to strengthen and support rural community development and to help solve many of the problems faced by families in operating and managing our Nation's smaller farmers.

Under title VI, the basic statutory mission of the U.S. Department of Agriculture would be broadened to empower the Secretary of Agriculture to coordinate the rural development programs and activities of all departments and agencies of the Federal Government, including improved utilization of both personnel and offices. A new Assistant Secretary position also is provided to help provide the leadership necessary to carry out these new responsibilities.

Another element is a national rural growth and development policy is the need for a source of capital to revitalize rural areas of our country.

The United States has capitalized development financing institutions in Asia, Africa, and Latin America. While I am not adverse to providing such assistance to our foreign friends, I think it is time we did the same for our own people. For that reason I have introduced the "National Rural Development Bank Act of 1973."

Such a financial institution, channeling additional capital into rural areas of the United States for non-farm development purposes, is essential to the economic revival of rural America and the future balanced growth and development of our Nation.

The National Rural Development Bank Act I have proposed would, among other things:

create a National Rural Development Bank;

set up a 24-member Board to establish operating policies and procedures;

authorize the appropriation of up to $200 million annually for ten years to provide initial capitalization;

become 100% borrower owned, ultimately, and repay the entire Federal participation;

permit the bank to engage as a partner in equity investments for important rural development projects; and

create an independent source of capital for the use of small rural financial institutions to promote growth and development in rural America.

The above legislation is important, good and necessary for America. However, it is far from sufficient to help us cope with the long term balanced growth and development problems which we face.

Problems of:
population growth and distribution;
balanced economic growth;
protection of our air, water, and land;
fuel shortage and energy crises;
Balanced and efficient transportation for all parts of our nation;
Responsible use of increasingly scarce land;
Requirements for feed and fiber at reasonable prices; and many others.

The time has come for us to decide as a nation whether we will "design" or "resign" ourselves to our collective future.

That is the basic question underlying decisions we make today, regarding the kind of a nation we want to create or leave for our children.

What we do—or fail to do—today clearly commits and fixes future patterns of life in this country as well as on this planet.

In these days of the super specialist, with complexity of unknown dimensions advancing on us relentlessly at every turn in our daily lives;

In these times of amazing proximity between people and nations, resulting from revolutions in communication and transportation technology;

In this age of unbelievably rapid change in virtually every facet of man's existence, from the way he constructs his office buildings to the way his children perceive "right and wrong";

We need a way for all the "people" of this nation to participate in shaping their own future.

Only through an effective process of this kind can we as a nation anticipate and direct change and, consequently, minimize what Alvin Toffler has aptly named "future shock."

For more than two years I have been writing and rewriting my Balanced National Growth and Development proposal. I consider it to be the single most important piece of legislation of my 25 years of public service. I intend to spend a great deal of my time in the Senate working to see that its principles are adopted.

I believe this legislation goes a long way toward providing the institutional arrangements necessary to the development of a continually evolving balanced national growth and development policy.

This bill provides for the establishment of an Office of Balanced National Growth and Development within the Office of the President to—develop specific national policies relating to future population growth, settlement, and distribution patterns, economic growth, environmental protection, income distribution, energy and fuels, transportation, education, health care, food and fiber production, employment, housing, recreation and cultural opportunities, communications, land use, welfare, technology assessment and transfer, and monetary and fiscal policy.

This new office also will provide the means to develop these individual national policies in such a way as to reflect the appropriate inter-relationships that obviously exist between and among such policies.

This new office will tie together and coordinate the work of the Council of Economic Advisors, the Office of Management and Budget, and the Environmental Quality Council.

This new Office will be empowered to bring about more uniform and workable Federal assistance programs, to streamline the federal delivery system now involving hundreds of categorical programs that so bewilder and confuse many state and local officials.

The bill also establishes new uniform planning requirements for federal grants-in-aid and transfers to the new Office the comprehensive planning assistance Program authorized by Section 701 of the Housing Act and administered by HUD.

The bill creates a national system of multi-state regional planning and development commissions, involving both governors and state legislatures, to help link-up and facilitate proper coordination among federal, state, and local units of governments. This nationwide regional commission structure would be directly tied to the new office within the Office of the President, rather than to a Department, and administered by HUD.

In addition, this bill would create a joint congressional committee on balanced growth and development. This committee would be supported by a new congressional office of policy and planning, staffed by professionals and experts on national policy matters.

New requirements pertaining to the location impact of federal facilities, activities and procurement are specified in the bill. We are the only developed nation in the world that totally ignores this critical question in our private and public decision-making.

This bill creates a new national research institution to monitor, measure and forecast developments and happenings in all the major sciences—soft and hard—and to report its findings, with possible alternatives that might be pursued.

It also provides for more detailed and continuous analysis of population and demographic trends, within the U.S. Bureau of Census.

And, finally, it provides for the development of an annual report by the Executive Branch detailing "where we are," and "whither we are tending" in our pursuit of developing and implementing national policies. That report will be made available to and assessed by Congress and the people of this Nation.

It will become a national working document for the entire Nation to reflect its concerns and desires concerning national goals, priorities and policies.

I do not view this proposal, which I will introduce within the next week or two, as the perfect piece of legislation. This is a difficult and complex problem. I have asked many individuals and groups throughout the country for comments and recommendations. In due course, all of these suggestions will be carefully scrutinized and changes in my proposal will undoubtedly be made.

I welcome any and all ideas and comments you here today would care to make.

Finally, to close on an optimistic note, I believe that I have seen in the last two or three years a rather startling rise in concern for America's future. I don't know what to attribute it to, I'm sure there are a number of factors at work. However, the public concern is rapidly growing and with it the interest in "growth and development policy" on the part of their elected representatives. I am heartened by this development and more convinced than ever that Congress will act, and much sooner than many of the skeptics expect.

## THE EFFECTS OF WEATHER MODIFICATION

Mr. ABOUREZK. Mr. President, there is a debate going on in this country about weather modification.

South Dakota has had some experience with both sides of this controversy.

On the one hand we have a rain-inducing, hail-abating weather modification program which obviously enjoys wide support in a predominantly agricultural State.

On the other hand, we had the tragic flood in Rapid City last June 9. The same day of the freak, torrential downpour which caused the flood, clouds were seeded in the Black Hills area.

I am not enough of an expert to judge whether there was a direct cause-effect relationship between the seeding and the flood. The experts dispute it, and the only thing they seem to agree upon is that measurement of the effectiveness of weather modification one way or the other is at best an inexact science.

In all fairness to both sides, I ask unanimous consent to have two articles printed in the RECORD.

The first is a description of the structure, benefits, and goals of the State's weather modification program by my good friend Merlin Williams, director of the State's weather control commission.

The second is an article which appeared in the May 12 issue of Environmental Action magazine which argues that there may have been cause-effect relationship the day of the flood

There being no objection, the material was ordered to be printed in the RECORD, as follows:

## SOUTH DAKOTA WEATHER MODIFICATION PROGRAM

(By Merlin C. Williams [1])

### I. INTRODUCTION

Activities by state planners, interested private groups and legislators in 1970 led to legislative action in March 1971 to establish a statewide program of weather modification in South Dakota. This program is intended to provide an economic benefit to the people of the state through application of existing knowledge to increase rainfall and decrease hail by cloud seeding. In addition, the legislative action recognized the need to enhance knowledge in the field to improve the capability.

The South Dakota Weather Control Commission (WCC) is charged by law with the responsibility for weather modification activities in this state including the development of the statewide program. The Commission was established in 1953 when the basic law, South Dakota Compiled Law (SDCL) 38–9, concerning weather modification was passed. The Commission is composed of ten representatives, seven of whom are appointed by the Governor and three ex officio members representing the Department of Agriculture, the Water Resources Commission and the College of Agriculture of South Dakota State University. Through periodic meetings, the Commission provides general policy and oversight for the functions set forth by the law.

The detailed work of the Commission is conducted by the office of the Director. This office was established as a result of the amendment to SDCL 38–9 by the 1971 legislature. In September 1971, the Director's office began the task of designing, organizing and initiating the statewide program. This activity represented one of the four functions assigned to the Commission by the Law. These functions also include interstate and federal cooperation, special studies and regulation of all weather modification activities in the state through both licensing and monitoring.

This paper describes the activities of the Weather Control Commission in the design, organization and initiation of the statewide program. Cloud seeding activities during the first season of operation will be summarized, and program effectiveness will be described. It must be recognized that insufficient data can be obtained from a single year's operation to supply statistical significance to the results; therefore, no attempt will be made to indicate the effects of seeding.

### II. BACKGROUND

Private associations of farmers, ranchers and businessmen have been formed to sponsor weather modification in specific areas of the state since the early 1950's. Funding for these activities were provided by voluntary contributions. At one point in the mid 1950's, operations by a private contractor involved seeding with ground generators in an attempt to affect as much as 60% of the state. Relatively few areas of the state have not been the target of seeding attempts at one time or another.

Passage of enabling legislation in 1963 provided for more organized funding of weather modification through county tax structure. Various long term, county supported projects were developed in both the eastern and western part of the state. Examples of such programs are to be found in the western and northwestern grasslands areas and the northeastern crop area. Numerous shorter term projects were also developed on this basis in the south central and southeastern crop areas. Some measure of the degree to which such activities are supported can be obtained from the fact that county funding for weather modification throughout the state has averaged nearly $100,000 for the past ten years (1).

Results of these projects were not always documented. Funding limitations did not permit evaluation activities of a significant nature. In fact, funding limitations for projects sponsored by individual counties did not permit adequate operations in many cases. Routine evaluations of the activities based on comparisons of variations from long term normals for target and control areas were made by members of the WCC. Persistent indications of increases achieved by the cloud seeding were obtained from these evaluations. Those Commission efforts led to the support of a more formal evaluation of the locally sponsored efforts by the Institute of Atmospheric Sciences (IAS), South Dakota School of Mines and Technology, during the summer of 1971. This evaluation, which was funded under a contract with the WCC, provided strong indications that increases of 7% to 48% were being achieved in four different projects (3).

While it is recognized that these evaluations do not provide conclusive evidence for cloud seeding effects, they do represent a considerable body of qualitative evidence favorable to the seeding. This information together with research results was considered sufficient supporting evidence to warrant development of the applied, statewide program.

Results of research activities serve as a basis for portions of the program design. The most pertinent results are those obtained by projects in South Dakota. Specifically, concentrated experimentation has been underway by the IAS since 1963. This activity has been under the sponsorship of federal agencies such as the Bureau of Reclamation, National Science Foundation and National Oceanic and Atmospheric Administration. The research has involved both individual cloud experiments and areal testing. Through the use of scientific design and sophisticated technique, these efforts have led to results which provide a stepwise program development. In 1969 a pilot project was developed to test the research results over large areas in North Dakota. Subsequent results made it possible for the IAS staff to make the summary statement in November 1971: "However, the overall result of a project based on the present state of the art of cloud seeding and lasting for a season or more should be an increase in total rainfall at the ground" (6). This conclusion was reinforced by the results of the evaluation of commercial seeding activities during the summer of 1971 (3).

South Dakota results are reinforced by results from other parts of the country and the world. Hail suppression activities in four southwestern counties of North Dakota indicate 30% to 60% decrease in hail (4). A cumulus experiment in California conducted during the summer months of 1966, 1967 and 1968 provided results indicating significant increases in runoff resulting from cloud seeding (18). Research on summer systems in Arizona sponsored by the Bureau of Reclamation between 1965 and 1969 provided support for increases resulting from seeding (15). Experiments in Florida by National Oceanic and Atmospheric Administration researchers provides strong evidence for increased precipitation from seeded convective cells (19). Results of seeding experiments in Australia have led to application of the technology for many years (2). Carefully conducted experiments in Israel between 1961 and 1967 led to development of an operational program in 1971 (9). Activities in Kenya since 1967 provide evidence of significant reduction in hail (as much as 60%) with corresponding increases in crop production (tea) (10). Reports of hail suppression activities in Russia include statements of ability to stop 70% to 85% of the hail for clouds treated by firing sliver iodide bearing artillery shells into the cloud. (17).

### III. BASIS

The physical conditions associated with weather in South Dakota are characterized by a continental climate with cold winters, warm to hot summers, light moisture in the winter and moderate moisture in the summers. The climate is generally limiting or marginal for most crops in terms of both precipitation and growing season. Winter weather patterns are associated with cold, northerly flow from large, high pressure systems moving into the state from the north or north-west. Warm or hot summer air results from southerly flow which is interspersed with humid conditions when this air originates over the Gulf of Mexico. The entire state is characterized by frequent changes caused by cold fronts and associated low pressure areas moving across the state (5).

The maximum precipitation occurs during the growing season months. This precipitation varies from 18 inches in the southeast to 10 inches in the northwest, and results predominantly from convective activity with no major orographic influences except in the Black Hills region. Some measure of the degree of convective activity can be obtained from the fact that thunderstorms occur on an average of 40 to 45 days at any one location in the state.

Average increases of 15% to 20% as deemed possible by the research efforts at IAS (14) would provide an additional one to two inches of precipitation during the growing season. Hail may be expected in most parts of the state an average of two to three times a year. Hail losses are estimated to average $30,000,000 per year (13).

The potential for benefits from weather modification is variable for the activity being conducted. Variations in effect are also noted for different crop types. Preliminary estimates of the benefits to be achieved by an average increase of growing season precipitation of one inch would provide a benefit cost ratio of between 10 and 30 to one (14) through increased crop production. The additional benefit achieved by a 30% to 50% reduction in hail would increase the benefit to cost ratio significantly. In addition, these preliminary estimates do not specifically include benefits to urban areas. Reduction of hail damage and increased water supplies for cities and towns provides an additional significant benefit that is difficult to estimate at this time.

Considerably more detailed studies of benefits are underway by a research team of the College of Agriculture at South Dakota State University. Preliminary estimates have been made of the benefits to be derived from an average increase of one inch of rainfall during the growing season. An example of their findings can be obtained from consideration of wheat production where results indicate increases of one to nine bushels per acre depending on type, location and distribution of rainfall (7). Continuing studies of a broad range of economic considerations are underway not only by SDSU, but by surrounding Northern Great Plains states as well (8) (11).

Additional studies (11) and consultation with farm groups have identified another source of potential benefits in the form of increased preseason moisture. The effect of preseason moisture varies with crop type, but appears to be most important to forage and small grains. Additional investigation may well lead to the development of programs to provide seeding for periods other than the growing season.

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[1] Director, South Dakota Weather Control Commission, Pierre, South Dakota.

Social concerns in the state are associated with agricultural activities since the economy of South Dakota is largely dependent on this industry. Approximately 70% of the state's economy is derived from agiculture and agriculture related activities (16). The general trend in farming operations in the last 30 years has been toward increasing mechanization and larger farms. This action has resulted in part from relatively constant prices for farm products while production costs increased. The overall effect of these factors is a resulting out-migration of population in the state. This factor is particularly significant in younger age groups, and results in a general economic and social problem for the state. It is generally accepted that stabilization of the agricultural economy will serve to reduce the social problem, but probably not eliminate it.

An average increase in precipitation of one to two inches of precipitation is generally recognized as a means of improving crop production, and, thereby contributing to stabilization. Opinion surveys indicate that 60% to 80% of the people accept weather modifications as a tool to be used for this purpose, and feel that it can produce the beneficial effects proposed (12). A majority of the people are willing to spend their local and state tax money to support a weather modification program. Legislative approval of both the concept and funding of the program has been provided by the same margins.

The legal aspects of weather modification have been considered on an individual state basis. In this manner, consideration of local conditions and needs has been included in the legal policy of the states. South Dakota claims sovereign right to the use of all water over its boundaries for the benefit of its residents. The law (SDCL 38–9) also provides a general recognition of weather modification as a state function entered into to provide for the general welfare of the public. It further recognizes the state of the art as being capable of producing beneficial changes under certain defined conditions.

The financial support for the program is broadly based throughout various levels of government. State support for the statewide activities is derived from general fund appropriations. The initial state appropriation amounted to $100,000, and was provided by the 1971 legislature for FY 1972 to design, organize and initiate the program. This action was followed by an appropriation of $250,000 for operations in FY 1973. Administrative funds for the conduct of Commission activities were provided under a separate budget appropriation in each case.

Authority for county support of weather modification is provided by SDCL 10–12–18. This law provides that counties may levy a maximum of one mill tax on assessed property valuation for this purpose. The authority to levy and commit funds under this law rests solely with the county commissioners in each case; however, in actual practice it is normally done on the advice of groups in the county. On occasion, the county commissioners have requested that approval to proceed with a program will be obtained by a vote of the people or a poll be taken to determine the wishes of the people.

Funding of weather modification activities by federal agencies has been limited to research either by administrative policy or Congressional directive. Thus, funds for support of the operational aspects of the statewide effort are not available; however, cooperative programs for the support of related evaluation and research activities have been developed. The Bureau of Reclamation participation in the program takes the form of funding support in the amount of $52,000 for a 15 month period to conduct research and special evaluation studies. This organization also supplies special services for operational testing. The National Oceanic and Atmospheric Administration is also providing support in the form of services and related research.

### IV. PROGRAM DESIGN AND ORGANIZATION

Initial investigation indicated that the technical design and organization would be inextricably bound together. Considerations of funding, equipment limitations, personnel availability and other technical features would determine the most effective type of organizational structure. Conversely, existing governmental and private characteristics would effect the technical considerations from the standpoint of location, areas covered and decisionmaking.

Administratively there was a need to have local involvement in decisions regarding cloud seeding activities by those people most affected by the outcome. After consideration of a number of possibilities it became evident that a local-state cooperative effort was desirable. Examination of governmental structure indicated that county government was the most suitable for local representation. Reasons for this choice included such factors as, (1) county commissions represent an existing governmental structure, (2) they are familiar with local conditions and desires and, (3) they represent the smallest level of government that could provide effective decision-making.

The decision making proposed for the administrative aspect of the program was of two types. First, a decision to participate in a cooperative effort was required. Recognizing dissimilar local needs and desires, this decision was made voluntary. Secondly, decisions on the degree and type of activity needed to be made on the basis of local conditions. Thus, the local administrative structure was required to establish beginning and ending dates and provide recommendations for suspension or termination of activities when adverse effects (such as production of additional rainfall when above normal amounts affected farm operations) were prevalent.

A local-state cooperative feature was also desirable from the standpoint of funding. Such an arrangement would not only provide increased operational capability through a larger budget; but would provide a measure of the need and interest by local groups. Here again, county government was the most logical choice for local-state cooperative efforts. Their authority to tax to support weather modification provided the House the means for local level support.

After examination of various factors, a cost-share concept was developed wherein the counties provide 25% and the state 75% of the costs. Considerations involved in this concept included the relative role of agriculture in the overall state economy and the ability of counties to raise funds under the one mill limitation. The latter consideration is significant for large counties with major portions of their area represented by nontaxable federal, state or Indian land. This factor has resulted in an inability of several counties to participate despite the unequal cost-sharing ratio.

Physical characteristics were also considered in the program organization. Climatic and soil zones were investigated to prozones. Use of such zones to organize areas of activity would provide the ability to make uniform seeding decisions. This point was quite important in view of the variation in across the state.

In addition, consideration was given to the capabilities of the equipment currently available. Radar and aircraft capabilities provided the primary limitations on the size of the areas considered. Available radar could effectively cover a circle approximately 100 miles in diameter. Light aircraft of the type proposed could also be expected to cover an area approximately 100 miles in diameter without excessive loss in transport time. Minimum equipment required to meet the technical design could provide coverage for areas larger than single counties; therefore, multicounty operation would be more efficient than single county efforts.

All of the above considerations led to the adoption of multicounty districts operated on the basis of cost-sharing. Each of the districts is designed to consist of the counties that fit within a 100 mile circle within the limitations imposed by straight line county boundaries. Local level administration of each district is provided by a coordinating committee composed of one representative of each participating county commission. Districts and their associated counties participating during 1972 are shown in Figure 1.

### V. OPERATIONS—1972

State funding for the summer field activities was provided by the 1972 legislature in the form of $250,000 appropriation. This amount was inadequate to meet the requests by counties representing three full districts and two partially formed districts. The decision was made to provide full scale funding to the two adjacent districts in the southeast portion of the state with supplemental support to on-going county programs in the western and northwestern part of the state rather than try to provide limited support over the entire area requesting. Representatives of the district in the north central part of the state agreed to develop the administrative organization, but forego field operations until 1973 when funds became available. District cost-share funds from participating counties resulted in a total budget of approximately $340,000 from both state and county sources.

Contracts with private operators for equipment and personnel were awarded in March in preparation for field activities during the period May 1 through August 31. Aircraft acquired under these contracts were of the turbocharged, light, twin-engine type, fully equipped for high altitude and instrument operations. Complete navigation equipment provided the capability for day or night, all weather flights to meet the proposed requirement for seeding operations at any time. Each of the three aircraft provided to each complete district was equipped with both acetone silver iodide type generators with a capability of dispensing silver iodide at a rate of 150 to 300 grams per hour and pyrotechnic devices capable of dispensing 200 grams per minute. Thus, a wide range of capabilities was provided for two types of seeding materials to permit either rainfall increase or hail suppression activities. Aircraft safety was stressed throughout the contract specifications.

Equipment contracts also provided for radar equipment with multiple capabilities. One radar system was located in each complete district with the capability for both storm monitoring and aircraft tracking. Radar storm surveillance provided the capability to detect storm characteristics, determine hail potential, provide seeding direction and coordination and provide continous recording of all radar information by time lapse photography. In addition, each radar system included standard observing instruments for measuring meteorological parameters.

The requirement for experienced personnel was stressed in both the radar and aircraft contracts. A fully qualified individual with an academic degree in meteorology and experience in radar and/or weather modification work was provided for each district. A radar operator was provided by separate contract to assist the meteorologists at each site, and an electronic technician was provided to maintain and calibrate all radar systems. Three instrument rated, commercial pilots were provided for each site.

All equipment and personnel were ready to begin operations on May 1; however, natural events in the form of above normal rainfall resulting in difficulties to farming operations just prior to the starting date necessitated a delay. This circumstance provided a major test of the effectiveness of the organization structure which utilized decision-making inputs from local coordinating committees. Normal operations required a full coordinating committee meeting once a month during operations with a telephone poll of each representative once a week to determine recommended operations. On May 1, all district representatives except one requested that nothing be done to aggravate a situation where excessive rainfall was hampering farm operations. (It should be noted that the representative from one county consistently requested full operation on the basis that the additional rainfall should be obtained whenever possible.) The suspension of rain enhancement activities extended throughout most of May and June, and periodic suspension of rain enhancement activities continued throughout most of the summer.

Crop development by mid-May had reached a stage where the occurrence of hail would cause damage. Accordingly, the Coordinating Committees were consulted regarding the advisability of initiating hail suppression at any time a clear cut indication of hail potential was identified. This action represented a departure from the original plan, and was made possible only by the flexibility provided by the local-state cooperative organization.

The results of this type of decision-making can be seen from a comparison of potential operations versus actual operations given in Figure 2. The potential operations represent estimates by the district meteorologist of the total number of aircraft seeding hours that could have been conducted for the weather systems that actually occurred. It should be noted that as the season progressed the potential opportunities decreased and the ratio of seeded to potential hours increased. Table 1 presents a summary of seeded days during the season.

TABLE 1.—*Seeding days and missions (1972 season)*

| | |
|---|---|
| DISTRICT I | |
| Rain increase: | |
| Days[1] (8) | 10 |
| Missions | 30 |
| Hail suppression: | |
| Days (19) | 23 |
| Missions | 75 |
| Both (6) | 8 |
| DISTRICT II | |
| Rain increase: | |
| Days (10) | 12 |
| Missions | 42 |
| Hail suppression: | |
| Days (13) | 16 |
| Missions | 75 |
| Both (11) | 13 |

[1] ( )— percent of total days.

Various methods of evaluation are currently underway both by the staff of the WCC and under private contract. Data available for these evaluations consist of the following:

1. Radar cloud intensity and height measurements
2. Raingage observations from National Weather Service networks
3. WCC supplemental raingage observations obtained by cooperative observers
4. WCC hail occurrence observations obtained by cooperative observers
5. American Hail Actuarial Insurance Institute records
6. National Weather Service radar observations
7. WCC seeding operations logs

Evaluation of rainfall is not expected to produce significant results due to the lack of seeded cases resulting from the frequent suspensions imposed on the effort. Some indications of effectiveness may be obtained in the two counties where seeding for rain enhancement was conducted for continuous periods in excess of one month. However, the overall conclusion must be that no valid evaluation on rainfall increases can be conducted for 1972.

Hail suppression evaluations are underway using hail insurance loss records. Historical hail loss records for the period 1928 to 1972 will be used to provide comparisons evaluation. In addition, comparisons will be made between seeded and unseeded areas and times.

Qualitative evaluations of radar observations, seeding pilot observations and local observers reports are also underway. While this type of evaluation will not provide definitive proof of effectiveness, it does provide valuable background information for modification and improvement of future operations.

A post-program evaluation of costs indicates that the most meaningful estimate for varying size districts is a per unit basis. Using this method provides an average per acre cost of 3.2c for 1972 operations. On the basis of a 75% state-25% county basis, the costs are divided 2.4c per acre from state funds and 0.8c per acre from county funds.

### VI. FUTURE DEVELOPMENT

Operational structure will remain essentially the same for 1973 with the exception of addition of as many new districts as funding permits. The district coordinating committees will continue to provide input to decision-making from the local level while the design, coordination, oversight and budgeting will be provided by the WCC staff. Cost sharing is also proposed to continue on the same basis.

No major changes are proposed for the technical design. Equipment, personnel and operational requirements for individual districts will be modified slightly on the basis of experience gained during the first summer; however, no major changes are anticipated. The emphasis and goals of the program will remain the same.

The major change in the program will be the overall size. A total of 26 counties participated in the program during 1972. In order to provide for effective planning and organization, all counties in the state were notified that requests for participation in 1973 needed to be submitted by September 10, 1972. A total of 42 counties responded representing an increase of almost twice as much area. This increase includes District 3 which was formed during 1972. Plans are currently underway to revise district boundaries and establish new districts to accomodate the additional counties shown in Figure 3. The number of counties and districts will be finally determined by the amount of the budget provided by legislative appropriation, since county funds are already obligated for this purpose. Accomodation of varying size areas is achievable by virtue of the flexibility inherent in the multi-county district organizational concept.

### VII. RELATED RESEARCH AND EVALUATION

Funding for the operational aspects of the program is derived solely from state and county sources. Limitations on funds provided to federal agencies restrict their use to research purposes which precludes federal participation in the operational phases of the program. However, conduct of certain research and evaluation in conjunction with the operations is not only desirable from the standpoint of enhancing knowledge and improving the operations, but required by the directive contained in SDLC 38–9. During the development of the program, cooperative relationships were developed with various federal agencies either directly or through other organizations to conduct special studies.

A contract with the Division of Atmospheric Water Resources Management of the Bureau of Reclamation provides for testing and development of certain models and concepts in an effort to effect a technology transfer from research to operations. Testing during the summer seeding program of the effectiveness for operational purposes of the computer time-share system developed by that organization represented one phase of this project. A subcontract arrangement with South Dakota State University provides for the development of sociological, economic and climatological models with which to evaluate the effectiveness of the seeding program. A second sub-contract with a private firm is designed to provide for development of conceptual models of cloud conditions with which to improve operational coordination and communication. Direct funding provides for establishment of a supplemental raingage network in seeded and unseeded areas in an effort to improve evaluation information. During the summer of 1972 a total of 175 such gages were operated by volunteer observers in the eastern half of the state.

Funding from the National Oceanic and Atmospheric Administration (NOAA) provides for both direct support and support to the IAS. Initiation of radiosonde operations at Huron, South Dakota on May 1, 1972 to coincide with initiation of the state program contributed significantly to the program. IAS efforts under NOAA funding consisted of efforts to develop techniques for evaluation of the field program through the use of the National Weather Service radar at Huron, South Dakota.

A third cooperative effort involves sociological studies conducted by the Institute of Behavorial Sciences, University of Colorado, under the sponsorship of the National Science Foundation. This program involves a study of attitudes of residents of the state toward the weather modification program. Testing is conducted before, during and after the seeding program takes place.

### VIII. REGIONAL PROGRAMS

The possibility of cooperative efforts with adjacent states is being investigated. Planners in both North Dakota and Nebraska have indicated interest in cooperative programs. Organized activities on the part of these states, however, will require legislative action to provide both the structure and funding for such efforts. The primary need at this point is the development of an organizational structure with enough flexibility to recognize the needs and requirements of the individual states.

Current action involves a proposal for joint projects in border counties. Negotiations for such a project have been completed with four counties in North Dakota. It is anticipated that activities in this project will be initiated in 1973. There are needs for additional projects of this nature in other areas of the state where border counties are involved.

In addition to joint operational efforts, a necessity exists to develop an interstate compacts system for operations along state boundaries where no seeding is taking place in the adjacent county. A distinct requirement exists to begin treatment of storm systems before they reach the upwind boundary of the target counties. For example, clouds moving southward from North Dakota to South Dakota should be treated 10 to 20 miles north of the state boundary in order to have an effect on areas in South Dakota immediately adjacent to the boundary. Proper treatment should not cause an effect in areas of North Dakota. Establishment of a compact to permit such activities will require action by the Governors of the states involved, and must recognize differences in state laws regulating weather modification in each case.

Federal regional programs are under consideration in two areas of the Great Plains. The WCC will continue to cooperate in the development of these programs. In view of the fact that South Dakota has an operating program, the state may serve as a nucleus for such development. Steps are underway to provide information based on experience gained during the first year to other states establishing programs.

### IX. REGULATION

South Dakota has had a law to regulate and monitor all weather modification activities since 1953. This law requires both licensing and reporting of activities. Steps are now underway to modify and expand the existing law to keep pace with both the operational program and new developments in the field. The new law will provide for improvements in the structure and administration of the Commission. It will clarify and expand the functions of the Commission, and strengthen the regulatory authority of the State. To implement the new law a set of rules and regulations are being promulgated for administration of the provisions.

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### KEY WORDS

Design, *hail suppression*, meteorology, organization, operation, *rain increase*, water resources, *weather modification*

### ABSTRACT

Design, organization and initiation of a statewide program of weather modification was undertaken by the South Dakota Weather Control Commission in September 1971. This program was designed to provide for increased rainfall and decreased hail by cloud seeding. The design of the program was based on research and operational results obtained in South Dakota and other parts of the country. The organizational structure of the program was based on a local-state cooperative effort for both decision-making and funding. These efforts led to the development of a limited scale field program during the summer of 1972.

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## IT WAS AN "ACT OF GOD"—WITH A FEW GRAINS OF SALT

(By David Howell)

Next month, Rapid City, S.D., will in some painful, quiet way take note of the first anniversary of the flash flood that early last summer heaped death, destruction and national attention on the thriving little city of 43,000. The community, second largest in the state, lies at the southeastern edge of the famous Black Hills, which draw hordes of tourists each year to view the great stone likenesses of four American presidents at Mt. Rushmore.

The hills also serve as the genesis of many streams and rivers, including busy little Rapid Creek, which has its headwaters 34 miles to the west of Rapid City and zigzags down the mountain until it reaches the flat lands of Rapid City's business district 4000 feet below.

The city took its name from the river and the two have co-existed belligerently now for decades; and periodically the river overflows its banks to again remind the city that it can never take too much for granted.

As it plunges down the mountain to Rapid City, Rapid Creek is controlled only by the dam which creates Pactola Reservoir at a level of 4300 feet about 13 miles to the west of the city. The rushing waters are—or were, until June 9, 1972—also momentarily delayed as they passed through Canyon Lake, a 40-year-old WPA dam at the western edge of the city.

On June 9 of last year the waters of Rapid Creek were racing faster than usual as rain began falling in torrents over the Hills. The runoff fed the quickly building stream. As the waters began inching upward along their banks in downtown Rapid City sometime after 6 p.m., residents took little serious note of it. There had been floods before that claimed perhaps a few lawn chairs or even an occasional tree or carport, but they had no reason to think that the churning waters might explode into a rampaging torrent that would bring a horrifying death to nearly 250 of their neighbors and destroy $100 million worth of property before the sun would rise again.

As late afternoon turned to evening, some ominous warnings began appearing across television screens, and national guards and state police began cautioning people to prepare for a serious flood, but still the residents of the area hesitated. No reason to panic, they told themselves. But as the night wore on, the rains kept coming—and coming. Up to 15 inches fell in some areas; 12 inches fell in the Pactola Reservoir area to feed the now seething flood that was Rapid Creek.

Near midnight, the surging, angry river swept away its last obstacle, the flimsy, inadequate Canyon Lake dam, and lurched madly into the downtown area, sucking up cars, trees, houses, mobile homes—and people. It ripped up 80 blocks of paving, covered one-fifth of the city with mud, rendered drinking water unsafe, snapped telephone and electric power lines, and forced the city to shut off the gas supply.

Whole families were lost. One couple survived because they were able to cling for hours to the cross bars of a telephone pole. Some managed to scramble to roofs of houses, or to work their way out of the waters to higher ground. Others were less strong, less able, and less lucky.

Insurance adjusters and city, county and state officials shook their heads gravely. It was a sad, a tragic thing indeed. But what is to be done? It was, after all, an act of God.

Or was it? Available information now suggests it may not have been an act of God. Or more accurately, that an act of God may have gotten a big push from a growing and increasingly controversial science referred to in broad terms as weather modification.

In this instance, it involved an attempt to modify the weather by injecting salt crystals into clouds to make them rain earlier and longer.

And now an uncomfortable argument rages between those who designed, carried out and supported the experiment, and their critics. It is, however, a strange argument, because those who set out to prove they could increase the amount of rainfall from a cloud deny vehemently that that's what they did on June 9.

Just a few hours before Rapid Creek started climbing its banks, while the clouds were building up over the Black Hills, the foothills and the plains, two cloud seeding exercises were conducted as part of "Project Cloud Catcher," an ongoing weather modification experiment being conducted by the Institute of Atmospheric Sciences (IAS) at the South Dakota School of Mines and Technology. It was being carried out as part of a $675,000 contract awarded by the Interior Department's Bureau of Reclamation.

Available information indicates that the cloud seeding set the clouds raining at an unusually heavy pace, after which the winds carried them—still raining—over the watersheds that fed the flood, where opposing weather forces halted them. And there they sat over the next six hours to pour out four times as much water as could be expected to fall during a six-hour period once every 100 years!

Immediately after the flood, Institute of Atmospheric Sciences Director Dr. Richard Schleusener issued a report to South Dakota Governor Richard Kneip. In it he declared, "I can assure you that the cloud seeding did not contribute to this disaster." Governor Kneip in turn called in reporters who had speculated that there might be some connection, and passed along Dr. Schleusener's reassurance and the two-page report that he said documented "Cloud Catcher's" vindication. Newsmen who had written that any such link could exist should now report this documentation fully to their readers, the Governor stressed, "so that they might be accurately informed on this matter. The last thing that is needed in an emergency such as Rapid City is going through," he went on, "is for unfounded fear or sensationalism concerning a scientific operation that scientists had reported had nothing whatsoever to do with the flood." And with that, the matter was pretty well laid to rest.

With passing time, however, and the emergence of a report of a board of inquiry which Kneip subsequently appointed as a formality, it appears that the initial report which Schleusener issued and which the governor passed on to the public contained crucial loopholes and misleading statements, if not outright falsehoods.

Just two months before the Rapid City flood, Dr. Arnett Dennis, project director for Project Cloud Catcher, and Alex Kocielski, the project meteorologist and field director of operations, explained to fellow meteorologists in the *Journal of Weather Modification* that both radar data and rain gauge measurements "suggest that salt seeding produces substantial increases in rainfall." In one set of experiments, for instance, they found that the rain which fell over a period of eight days when clouds were seeded with salt was nearly twice that which fell over a period of nine days when similar clouds were not seeded at all. What's more, they noted, once the salt coaxes the rain to begin falling from the base of a cloud, "the cloud may remain efficient as a rain producer for the remainder of its life."

Curiously enough, with all these acknowledged effects of their cloud seeding experiments, the Institute of Atmospheric Sciences has never filed an environmental impact statement on its activities. James Kerr, the Bureau of Reclamation's weather modification expert in Washington, explained that Project Cloud Catcher was not considered to have a significant environment impact; therefore, an environmental impact statement was not necessary, he said.

The conclusion that a link may have existed between the cloud seeding and the Rapid City flood is derived partially because of, and partially in spite of, the report of Governor Kneip's Board of Inquiry. The board found that the IAS cloud seeding activities that day were marked by a series of incredible blunders and myopic decision making. Despite all their mistakes, however, concluded the panel, the Rapid City cloud seeders could not possibly have contributed to the disaster.

The Board of Inquiry was chaired by Dr. Pierre St. Amand, who is not a meteorologist, but who has worked closely with the meteorology community while employed by the U.S. Navy at China Lake, Calif., to try to develop weather modification as a weapon of war.

Another member of the Rapid City Board of Inquiry was Robert Elliott, president of North American Weather Consultants in Santa Barbara, Calif., a commercial rainmaking enterprise which also does cloud seeding research for various federal agencies, including the Bureau of Reclamation, which funded the Rapid City experiments.

Elliott was once the target of a major law suit over rainmaking. His company was sued for $13 million back in the mid-'50s when it was accused of causing flooding in connection with cloud seeding efforts to augment rainfall so that the Pacific Gas & Electric Co. could get greater flow through its hydroelectric power plants. While Elliott won the suit, the bad publicity had a sharply depressing effect on the rainmaking business, he told 1966 Senate Interior Subcommittee hearings. By the mid-'60s, however, Elliott testified, "we think it is coming back." In conducting his investigation of the Rapid City experience, it must have been very difficult for Elliott not to be conscious of the fact that, if the Rapid City flood were somehow linked to cloud seeding, the rainmaking business might again drop off.

The third member of Kneip's panel was Ray Davis, an Arizona law professor who has earned a considerable reputation defending weather modifiers in damage suits brought by angered individuals who suspect they may have been harmed by weather modification activities. Among the rainmakers Davis has defended is his fellow member of the Rapid City Board of Inquiry, Robert Elliott.

Davis also authored a book under a Bureau of Reclamation contract entitled *The Legal Implications of Atmospheric Water Resources Development and Management*, in which he noted that regardless of other factors involved in damage for which cloud seeding had been blamed—negligence, undue risk, inappropriate procedure, etc.—courts have held that cloud seeders cannot be held responsible for alleged damage if the damage would have occurred anyway.

This is the thrust of the Board of Inquiry's conclusions. The members agreed that the seeding should not have been carried out under the threatening weather conditions, but the fact that it was was irrelevant to the outcome. This is true, they contended, for several reasons. First, the salt seeding would have been relatively ineffective, they insisted, and wouldn't have significantly altered rainfall from the massive Black Hills clouds. Second, they concluded that the real culprit was the unique weather pattern which held the natural storm firmly in place. At the lower level, the wind from the east, they contended, kept blowing the clouds up into the Black Hills where they condensed and/or froze, and precipitated as rain. An upper level weak wind from the west then held the storm system in place but blew unprecipitated ice crystals back to the east, where they fell into feeder clouds and were again carried by the easterly lower winds back into the Black Hills to repeat their moisture-dumping cycle—salt seeding or no salt seeding.

"It is inescapable," they noted, "that such clouds have in the past formed and rained without human intervention, and that the meteorological conditions were indeed such that a natural catastrophic rainfall on June 9 was inevitable."

This handwashing ceremony has afforded immense relief to those involved in the cloud seeding activities. But the irony of this comforting reassurance is that the one thing all meteorologists seem to agree on is that they simply don't know enough about the enormous complexities of the weather system to make such a claim. A book, *Cumulus Clouds and Their Modification*, co-authored by IAS's Dennis himself, notes that "lives of cumulus clouds are a precarious seesaw between growth and destructive forces" and the most confounding obstacle to more knowledge about the effects of weather modification "is the enormous natural variability in atmospheric phenomena."

Dr. Charles Hosler, dean of the College of Earth and Mineral Sciences, Pennsylvania State University, likewise stresses that an unstable atmosphere can be such a delicately balanced thing that simply making raindrops fall earlier can have far-reaching effects on a cloud system.

Thus, to declare flatly and without equivocation—as the Rapid City rainmakers have done—that causing clouds to rain earlier on that day and under those circumstances could have had no significant effect on the outcome of the weather system seems to reflect a knowledge that they simultaneously acknowledge simply does not exist.

Significantly, there was no previous experience to draw from in salt seeding a cloud system just like this one, according to the Board of Inquiry report, with its wind patterns geared to keeping the storm stationary, its heavy moisture content, and its awesome potential for merging with other large clouds that were developing in the area.

Addressing the December, 1972 convention of the American Association for the Advancement of Science (AAAS) in Washington, Penn State's Hosler said "small perturbations" in temperature, moisture, raindrop size, etc., could make major differences in what a cloud or a storm system might do.

If such minor "perturbations" can induce such major changes, as Hosler contends, how can the Board of Inquiry (or anybody else) rule out the possibility that the "perturbations" introduced by the cloud seeding—condensation of haze into drops of rain which in turn releases heat and causes other raindrops to form, which in turn affects cloud weight, altitude, velocity, etc.—might have had a significant effect on the outcome of the Rapid City storm?

"I can't get any responsible answer to the same question," declared Dr. James Crutchfield, a University of Washington economist who has studied extensively the costs versus benefits of weather modification.

"When it gets to the point where there is a possibility of really catastrophic side effects," he added, "and when these catastrophic side effects are occurring close enough to weather modification as to raise the possibility of a cause-and-effect relationship, there is serious questions in my mind as to whether we ought to be fooling around with it at all."

There was no such doubt in the mind of IAS Director Schleusener, whose haunting memories of the rainless Nebraska dust bowl of his youth steered him toward the science of rainmaking as the great hope for the prairies.

"It is ridiculous to think that with a few hundred pounds of finely ground table salt disbursed from a single airplane we could cause 12 inches of rain in a few hours," he declared.

The reason this was impossible, he contended, was because "both of the seeded storms were physically separate" from the storm over the Pactola dam area. Unfortunately, subsequent evidence indicates this is just not true.

The Board of Inquiry concluded that the seeders could not have caused more than one-billionth of the recorded rainfall, based on slide rule calculations of the amount of water vapor in the air which the salt could have converted to raindrops.

Project meteorologist Kocielski made substantially the same claim, but used a slightly different argument to bolster it. Only two clouds were seeded, he declared. Of those two clouds, "the first cloud . . . showed less rain than should have been for that tall a cloud, and the second one showed slightly more," based on the IAS's own radar measurements.

This relatively miniscule amount of water from the seeded clouds should set the matter at rest once and for all. It should, perhaps, until it is pointed out that the IAS observation of a seeded cloud only continues for one hour. At the end of the hour, regardless of what the cloud is doing at that point, the measuring is stopped and the amount registered at that time is recorded as the total amount of rain which fell from the cloud. As a result, IAS scientists have no idea what the seeded clouds actually did over their entire lifetime.

The reason they stop measuring cloud output at the end of an hour is that a cloud undergoes an entire transformation over a period of 20 to 30 minutes. In other words, by the end of half an hour or so, there's no longer moisture or any other particles left in the cloud that were there when the rain began. (In Project Cloud Catcher the measurement period is extended to a full hour just to be sure.)

"It's not the same entity after half an hour," Kocielski contended. This rather simplistic position is a totally inadequate approach in terms of measuring the actual output of the seeded clouds.

Dr. Wallace Howell, a Bureau of Reclamation meteorologist and former rainmaker who also pooh-poohed any effect of cloud seeding on the flood, nevertheless noted that "the cloud is more a process than an object." One should think of the cloud as "a kind of factory, with stuff coming in the receiving door and going out the delivery door," he added.

Kocielski's arguments that it was a different cloud at the end of the hour, so that it was no longer necessary to observe it since its part in the Rapid City disaster was over, emerges, then, as a self-serving, factious and misleading assertion. The "stuff" coming in and going out of the "factory" may be a different set of "stuff" from what it was an hour earlier, but the important point is that, having been set in motion, the factory—as a dynamic process—was still there, operating at the same—and perhaps intensified—efficiency. And the Rapid City cloud seeding seems to have set the assembly line moving at a record pace. Kocielski acknowledged that one seeded cloud dropped three inches of rain in the one hour that it was measured, and it was still going strong at the end of the hour.

Both Kocielski's "one-hour cloud" contentions and the Board of Inquiry's slide rule calculation theory ignore this basic fact—that a raining cloud is not a thing, but a process. They also ignore the fact that it was not the amount of rain, so much as it was the places where that amount of rain fell, that caused the Rapid City tragedy.

A national Oceanic and Atmospheric Administration (NOAA) report noted that "15 inches of rain fell in Nemo on Box Elder Creek and 14.5 inches in about five hours near Sheridan Lake, located on the divide between Spring Creek and Rapid Creek, southwest of Rapid City. This set the stage for the great flood on Rapid Creek and the utter destruction of two-thirds of the City of Keystone on Battle Creek."

A few hours before this, at 2:30 that afternoon, the IAS's leased plane took off for the first seeding exercise a few miles to the north and northwest of Rapid City.

By the time this first seeding exercise ended at 3.43, the radar station at Huron, S.D., was reporting "nearly stationary" radar echoes indicating thunderstorms to the west and northwest of Rapid City, approximately where the 30 mph winds would have carried the seeded clouds.

Satellite pictures of the clouds over South Dakota at 3:40 p.m. also indicate, according to Vincent Oliver, chief of the NOAA National Environmental Satellite Service's Applications Group, that the thunderstorms had just begun as the seeding drew to a close. Dennis agreed that "the storm cells moved northwestward and several of them intensified to give local heavy showers."

What seems to have happened, then, is that the salt seeding was suceessful, rain was induced, and the clouds moved over the Nemo-Sturgis area where they halted to reflect the "nearly stationary" radar echoes reported by the Huron equipment.

They seem to have remained there, turning the incoming moisture into rain until they merged with other clouds about 5 p.m., at which time the rain intensified into a torrential cloudburst which eventually dumped 15 inches of rain on the town of Nemo, and 12 inches near Sturgis.

The increasing thunderstorm activity north and northwest of Rapid City after the seeding there precluded further seeding in that area. So the scheduled second seeding exercises was shifted to the south of Rapid City.

The first seeding in this second exercise took place between 4:39 and 4:45 p.m., south of Rapid City near Hermosa. The rain quickly intensified, but the 30 mph southeast wind probably carried it, not over Buffalo Gap, as had been anticipated by the cloud seeders, but further to the northwest.

The second seeding pass in this second seeding flight was from 5:00 to 5:11 p.m. between Buffalo Gap and Fairburn. Once more, the storm almost immediately intensified. Pushed by the 30 mph wind from the southeast as it was, this cloud would have been over Sheridan Lake, between Keystone and Pactola Dam, by 6 p.m.

The third seeding pass was from 5:17 to 5:22, between Sheridan Lake and Hermosa. This cloud by 6 p.m. would also have been between Sheridan Lake and Pactola, possibly merging with its seeded sister clouds.

The fourth seeding pass was from 5:23 to 5:30 just east of Fairburn. By 6 p.m., this cloud would have been centered over Keystone, just to the southeast of Sheridan Lake.

The fifth seeding pass was from 5:32 to 5:37 south of Hermosa again. Pushed by a 30 mph wind to the northwest, this cloud would also have been located over Keystone at 6 p.m., merging with the other clouds into a major storm center.

It is not surprising, then, that at 6 p.m., IAS personnel noted an intense radar cell over the Keystone/Sheridan Lake/Pactola area. The seeding seems to have turned the clouds into four heavy rain generators that came together over the Keystone/Sheridan Lake/Pactola Dam area where unique wind and weather conditions would keep them sitting for hours, pumping out the torrent that would roar down the mountains with death and horror riding at its crest.

Such a series of events "is certainly possible," agreed Dr. Lewis Grant, meteorologist at Colorado State University in Boulder, an opinion diametrically opposite from the flat denials by the Board of Inquiry, the IAS staff, and the Bureau of Reclamation that the seeding could have in any significant way contributed to the disaster.

Interestingly enough, one of the reasons the Board cited for inability of the salt seeding to have played a role was that there was already "an abundance of natural condensation nuclei as evidenced by the presence of dense haze . . ."

Grant terms this assertion nonsense. The presence of the haze in itself, he noted, indicates that the condensation nuclei—minute specks of moisture not big enough to fall as rain—were not going to coalesce into raindrops on their own any time soon. "This is the ideal condition under which you *could* promote [rainfall] artificially," Dr. Grant contended.

"Because you couldn't get a coalescence process going naturally, artificial seeding is the only way you *could* get the process going."

The defenders of the Rapid City cloud seeding are probably correct when they say it was a massive storm that would have brought heavy rains throughout the area no matter what the cloud seeders did.

But without the cloud seeding it might have remained only a generalized storm, dropping two to six inches over the entire Rapid City and Black Hills area, causing some flooding and destruction. The pockets of 10 to 14 inches of rain in the crucial locations which caused the real devastation might not have occurred without the booster shot from the cloud seeders.

The Board of Inquiry report attempted to head off any such assertion by carefully noting that the flood of June 9 was merely "one in a long series of similar events." Rapid City, it noted, has had "at least 32 flooding situations in the last 94 years. . . . Of these, 13 have been serious and five have been comparable to this year's in area flooded, if not perhaps in total discharge. Maps of the flooded zones show that the 1907 flood inundated an area about the same size as did the flood of June 9, 1972. . . ."

However, the NOAA disaster report, which was compiled by a group with a somewhat less eager interest in the cloud seeding business than the three-man Board of Inquiry, took awesome note of the fact that the heavy sustained rainfall to the west and northwest of Rapid City "averaged about *four times the six-hour amounts that are to be expected once every 100 years in that area.*"

What's more, they noted, U.S. Geological Survey calculations "indicate that Rapid Creek had a peak flow of about 31,200 cubic feet per second (cfs) three miles above Canyon Lake Dam at 10:45 p.m. and 50,600 cfs, *more than 10 times the flow of any previous flood on record, in downtown Rapid City at 12:15 a.m.*"

That flow, the NOAA report reiterated, came from the water from the clouds over the Pactola Dam/Sheridan Lake/Keystone area.

Another indication that the clouds released an unnatural amount of water that day is that NOAA photo interpreters, whose daily job is to determine, on the basis of cloud photographs, the amount of precipitation that might be expected, were "surprised" several days later, when they saw the satellite pictures of the clouds over Rapid City, "that they had had as much rain as they did."

While the weather modification community has steadily maintained that the Rapid City cloud seeding did not affect the outcome of the flood, they nonetheless readily acknowledge that it should not have been conducted.

Penn State's Hosler said they should have known "not to touch that one with a 10-foot pole." The fact that they did "was a real goof."

Another prominent weather modifier, who asked not to be identified, called it "stupidity" to seed such a dangerous weather system with a potential for flooding for which they might be blamed. But, based on the report of the Board of Inquiry and statements from the staff themselves, the IAS meteorologists simply had no concept at that point of the nature of the clouds they were fooling with.

Kocielski, in a telephone interview in late December during which he gave several misleading statements aimed at absolving anyone but God of any responsibility for the Rapid City disaster, reiterated that it was important to publicly vindicate cloud seeding of any role in the June 9 flood. Otherwise, "first thing you know somebody will say, 'gee, better have an injunction,' and you get an injunction and nobody's doing anything," he said.

"And you look at the farmer's point of view: If you can get a 10 to 15 percent increase out of clouds in the summertime and get more rain, that means quite a bit of money to him, to the economy."

Perhaps the ultimate irony is that this economic benefit argument—the rationale rainmakers advance for toying with the weather—may be groundless.

Economist Crutchfield told an AAAS audience that in areas like the Great Plains, where 20 to 30 percent more rain from a given set of cloud formations "might be conceivable," the actual benefits are highly uncertain because the natural topography is not designed to store and distribute these sudden increases of water. "Application of water in excessive quantities or at the wrong time may be useless or detrimental even to a crop normally deficient in moisture supply over the whole growing season," Crutchfield said.

"Under such conditions," he continued, "cloud seeding is likely to yield much smaller benefits than the estimates now widely quoted. There is real doubt as to how much change can actually be achieved in rainfall of this type and degree."

In fact, he concluded, the benefits may be "very close to zero."

Because of the almost infinite variables that go into the making of weather, there is no way it can be proved that the hypotheses put forward in this analysis actually account for the horror of Rapid City on June 9, 1972. What has been demonstrated is that they in fact could have. The steadfast denials on the part of those connected with the project and their self-serving twisting of facts and conclusions smacks of nothing less than a meteorological Watergate.

It is understandable. For the IAS, the Interior Department and commercial weather modifiers to acknowledge the possibility of this chain of events could perhaps prove fatally counterproductive to their dogged determination to convert our skies into their own experimental laboratories, come hell or high water—or as in the case of Rapid City, both.

The real potential danger of tinkering with the weather was hinted at—perhaps unwittingly—by one of rainmaking's biggest boosters, Dr. Pierre St. Amand, chairman of the three-man Board of Inquiry. "There's not much danger, now that we know how [clouds] behave," he declared in a telephone interview. "You can go ahead and work on them all the time and not really have any great cause of concern, but you still have to adopt the normal precautions that you'd use when you're playing with a rattlesnake."

## THE RELATION OF POWER NEEDS TO POPULATION GROWTH, ECONOMIC, AND SOCIAL COSTS

Mr. ABOUREZK. Mr. President, for years this body has been blessed to have the lucid pen of Vic Reinemer writing in defense of the public interest.

Mr. Reinemer's sharp and acid wit surely must pain those who would exploit us. He is a beacon of direct truth who slices through the smokescreen laid down by corpocracy's public relations image-makers.

Mr. Reinemer's latest essay should be required reading for anyone truly concerned with the public interest in our present so-called energy crisis. It cannot fail to enlighten.

Mr. President, I ask unanimous consent that Mr. Reinemer's latest essay, "The Relation of Power Needs to Population Growth, Economic and Social Costs," which was prepared for an April 30 Congress on Environmental Health of the American Medical Association be printed in the Record.

There being no objection, the essay was ordered to be printed in the Record, as follows:

### The Relation of Power Needs to Population Growth, Economic, and Social Costs—Abstract

In important respects public policy regarding energy is made by bank and energy company officials rather than public officials.

This corporate government—corpocracy—exercises its control through three branches:

1. The legislative branch, through which the banks vote other people's stock;
2. The money branch, through which the banks extend credit and hold the mortgage;
3. The interlock branch, consisting of bank officials on energy company boards, company officials serving as advisors to government bureaus, company officials who become government officials, and former government officials who become industry lobbyists.

This corpocracy wants development of the energy sources which they control—fossil fuels and uranium—and energy sources subject to monopoly control—oil shale and geothermal steam.

The public needs development of alternative power sources that are not subject to monopoly control by corporate or foreign governments, which offer low operating costs, and which do not present the environmental hazards endemic to coal, oil and uranium. These alternate sources are sun, wind and water, with solar power offering the best prospect for significant energy increments soon. Other attractive alternate sources are solid waste conversion and MHD—magnetohydrodynamics—the direct conversion process for getting approximately twice the energy now obtainable from coal, with material reduction in pollution.

A rational energy system would include limitations on corpocracy's induced growth in energy demand, an integrated national electrical transmission system, public development of energy resources on public lands, application of the common carrier concept to all energy transmission systems, and restructuring of the regulatory process to require energy companies to divulge information which they now hide from regulators and the public, and to provide the public with expertise, before regulatory bodies, comparable to that which the companies marshal at the public's expense.

The President, in his recent energy message, advocated industry desires rather than public needs.

In the energy business, the structure is the policy. Changing that structure involves heavy social and economic costs to thousands of individual public citizens, working within the corporate and governmental systems, to make them responsive to public needs. Otherwise, given corpocracy's entrenchment and the public's lassitude, we are in for years of higher prices, less fuel, more inconvenience, greater pollution, an increasingly restive urban population and growing alienation of American citizens who dimly but surely perceive the paralysis that grips the public government.

### The Relation of Power Needs to Population Growth, Economic, and Social Costs

At the outset, I should discuss briefly the control and decision-making process in the energy sector. Then we can better evaluate the costs involved in meeting needs.

In important respects, public policy regarding energy is not decided by public officials, at either Federal or State levels.

In all but one of the states utilities have one of the most powerful rights of government, eminent domain.

A few oil companies—not your government—deal with Middle East nations regarding availability and cost of oil and gas.

A few pipeline companies—not your government—deal with the Soviet Union for Siberian natural gas.

A few oil companies—not your government—decided that the oil from Alaska's North Slope should go, rather than to the oil-short Midwest, to an Alaskan port, whence it can easily be shipped to Japan, whose Premier happily reported last year that Japan would be buying some of it. The pipes to Valdez were quickly laid down along the right-of-way. The push is on now to change the legal right-of-way width and thus legalize the venture.

We have all heard the litany that energy companies are regulated by literally dozens of government bureaus. Let us remember that the "regulation" of utilities was invented here in Chicago, by Samuel Insull. He devised the scheme so as to appear controlled by government, and thus stop the growth of municipal power systems. Then he sent his lawyers to Springfield to set up the Illinois Commerce Commission.

All the government energy regulatory bureaus collectively can be likened to the wizened mountaineer who had seven huge strapping sons. The mountaineer boasted that they did not disobey him. "Of course," he added, "I'm right careful what I ask them to do."

Energy companies are, in reality, governments. Primary control of the energy industry rests, as it does in other major sectors, with a few large banks. This corporate government—"Corpocracy" if you prefer—exercises its control through the three branches of corporate government.

One is the legislative branch, through which the bankers vote other people's stock.

The second is the money branch, through which the banks extend credit and hold the mortgage.

The third—and certainly the most fascinating—is the interlock branch. The big banks maintain large stables of vice presidents—Chase Manhattan has 298—for service on the boards of companies in which they have financial interests, and on the boards of the funds, universities and foundations which have money to invest.

A second tier of interlocks functions through government bureaus such as the Federal Power Commission, which last year created thirty new advisory committees. You could hide all of the FPC auditors and accountants among its official industry advisers. Their corporate reports become government writ regarding, for example, the natural gas shortage, a subject about which neither the FPC nor any other government bureau has independent knowledge.

The third tier of interlocks is comprised of the men who come into government from energy companies and their law firms for the full tour, four or five years. After their tour they are pastured out to the big remuda of energy company lobbyists, who constitute the fourth tier of interlocks. This recycling of commissioners is especially characteristic of the FPC and the Interstate Commerce Commission.

I mention the ICC because it is supposed to regulate conglomerates such as the Burlington Northern and the Union Pacific which, although often thought of as railroads, have the most fabulous coal reserves of all corporations.

And so it goes.

It is important to distinguish between the power *needs* of this country and what the energy corpocracy *wants*.

The companies want development of the energy sources which they control. Those are the fossil fuels—oil, gas and coal—and uranium for their nuclear reactors. They are also anxious for development of other energy sources subject to monopoly control—oil shale and geothermal steam. These companies raised the national fuel bill by about $6 billion and contributed significantly to the energy crisis by persuading a President, fourteen years ago, to turn down the spigot of cheap Middle East oil, through the import quota system. The same companies also use their vast influence among elected officials to channel your tax dollars into programs which will facilitate development and depletion of the energy sources they control. In support of their goals, the energy companies have generated a corporate advertising program which is continuous, costly and pervasive.

The wants of the energy industry contrast with the public's need for development of alternative power sources that are not subject to monopoly control.

These alternate sources have low operating costs. They do not present the environmental hazards endemic to coal, oil and uranium.

The alternate sources are elemental: the sun, the wind, water. And in a related category is the fastest-growing energy source of all—solid waste—the utilization of which will enhance the environment.

Energy companies generally downgrade these alternate sources. Solar power and wind power raise the specter of competition, of customer independence. So does hydropower, insofar as it is developed at Federal projects subject to the preference clause, under which public and cooperative power systems have first call on the power.

Additional hydropower potential is limited. But hydro could constitute an important increment in areas such as the Missouri Basin through installation of additional generators at existing main stem dams. Unfortunately, for four years now the White House Office of Management and Budget has stymied the Corps of Engineers' work on this environmentally ideal power development.

Wind power and solid waste conversion still suffer from disregard by too many scientists and engineers. But solar power is at a stage where substantial research funding would make it significant within five years.

The energy companies' rush to strip and burn coal, at plants with only thirty to forty per cent efficiency, severely impedes development of MHD—magnetohydrodynamics—the direct conversion process for getting approximately twice as many BTUs per ton of coal while reducing its pollution materially. We are far behind the Russians, the Germans and the Japanese in MHD technology. But industry, and consequently the Federal Government, have not assigned a high priority to MHD.

The big problem in developing alternative, economical, environmentally attractive and unmonopolized energy sources is to obtain recognition for them in the Federal budget, which reflects the short term interests of the energy corpocracy. The needed research would be marvelously assisted by the equivalent of the cost of one Trident submarine, which is about $1.2 billion.

A rational energy system would include an integrated electrical transmission system, which would reduce by an estimated 20 or 25 per cent the new construction of plants needed to meet electric energy needs. Our present transmission system can be compared with an interstate highway interspersed with one-lane gravel roads. An integrated private and public transmission system would permit rapid transfer of power where needed, depending on peak loads that vary according to season, time zone and time of day.

A rational energy system would provide for public development of energy resources on public lands, and thus reduce monopoly control and its adverse effects on both price and supply.

A rational energy system would reinstitute rail passenger service and copy or even improve upon the Japanese regarding pollution emission control systems.

A rational energy system would apply the common carrier concept to all energy transmission systems.

And a rational energy system would provide the public with as much talent and information, before regulatory commissions and courts, as the companies buy and bill us for.

But these proposals are strongly opposed by the energy companies, which means that they will not be permitted in the near future.

Given corpocracy's entrenchment, and public lassitude, we are in for years of higher prices, less fuel, more inconvenience, greater pollution and growing alienation of American citizens who dimly but surely perceive the paralysis that grips the public government. Economic power in the energy sector is now becoming even more concentrated as the independent gasoline and oil distributors, unable to obtain supplies, close their stations. A growing population, concentrated in urban areas, become increasingly restive as the costs of essential energy-related services increase while service deteriorates. The market for night lights and night sticks will increase—the President's budget for them has already been augmented. And the Middle East will become even more explosive as we arm and advise Iran in exchange for its oil.

What the energy corpocracy needs is The Pill. As recently as last month the presidents of the American Gas Association, American Petroleum Institute, Atomic Industrial Forum, Edison Electric Institute and National Coal Association jointly declared *against* restricting the growth rate of energy use, which as they project will almost triple energy consumption by the year 2000. The industry leaders foresee a doubling of rates and prices in 10 years. Their program rests wholly on exploitation of the fuels which their corporate governments have monopolized. *I say that we have to stop these market-mad men from selling such a disastrous policy.*

They plead for deregulation of natural gas, in order to increase supplies. Yet theirs are the same companies whose *unregulated* oil enterprises have run us short of fuel. Furthermore, Texaco has admitted, in a current FPC proceeding, that it would oppose any attempt by the commission to force producers to plow back into exploration and production any part of new higher gas prices they are seeking. And the hand of the regulator is already so light that the FPC does not even publicize the handsome return on equity of the gas pipeline companies.

The President at last delivered his energy message on April 18, just as Congress was recessing for Easter. The timing was no surprise to seasoned Washington observers. Pronouncements contrary to public interest are usually made when Congress and the press are diverted. Over holiday, corporate government is as busy as the highway patrol.

Christmas Eve before last the railroads tried to slip through an "emergency" rate increase. And the Federal Communications Commission tried to quit altogether the job it has never done of regulating AT&T. That was too much for the public to forgive even at Christmas. So the FCC simply waited until last Thanksgiving to give Ma Bell what she wanted.

The most recent Christmas-New Year's holidays featured regal pronouncements of executive privilege, and unskilled surgery on the statutes, the budget, and perhaps the Constitution itself. As momentous issues rise to a divided Supreme Court, some of us are more grateful than you know for the medical technology that implanted a Pacemaker in the heart of a great Justice.

The heavy hand of the energy industry is imprinted on every page of the President's energy message. Raise prices. Cut taxes. Stretch out compliance with environmental standards. Strip that prairie. Burn that coal. Pipe that oil to the coast. Ease regulation. Lease out *all* energy resources on public lands. Triple the leases on the Outer Continental Shelf. Energy prices should reflect their true costs, he said. Yet he asked for more tax relief for energy companies, and did not mention rate structure.

He again advocated, and deserves credit for urging, that local officials be allowed to use money from the highway trust fund for mass transit purposes. But all in all, it's a "burn, baby burn" message, with only mild pleas for "voluntary" conservation. Turn out the lights. Tune up the car.

One of the most crucially important problems involved in developing energy policy is obtaining independent data, including information which companies would rather not share but should be required to divulge because of the public service nature of their business and its overriding importance to the Nation. Neither the executive nor legislative branch, neither the Democrats nor the Republicans, have dedicated themselves to this fundamental proposition of obtaining the facts upon which intelligent policy can be based. The President's approach, in his energy message, is to say that the Department of Interior "is to develop capacity for gathering and analysis of energy data."

Well, the director of Interior's Office of Oil and Gas recently transferred to the Lone Star Gas Company. He was succeeded by a Conoco man. My hunch is that Interior will gather and analyze energy data by asking the National Petroleum Council, its most prestigious, all-industry advisory committee, to put out another report.

The President barely recognized development of alternative energy sources. The budget for solar energy research and development is a mere $12 million. His approach to developing magnetohydrodynamics—MHD—is to make it a joint project with the Russians. They have a pilot MHD plant in operation and we haven't even begun to design one. We're not even going to work with the Russians or Chinese on solid waste conversion, hydro or wind power.

Perhaps I am old-fashioned. Maybe there are ways to develop alternate, economical and environmentally attractive energy sources in this era.

We could lease Litton Industries exclusive rights to the sun.

We could organize a wind division of ITT.

We could send another team to the moon, to evaluate its tug on the tides of Passamaquoddy, where a hydro facility should have been built long ago.

And a public relations firm could be hired to propose that the environment and the image be enhanced by transforming the Watergate into a solid waste conversion plant.

There are ways in which individuals who wish to can help limit the growth sought by the energy hucksters.

I don't mean riding the bike or the bus, or insulating the house, and turning down the heat, although such practices are to be commended.

I refer to participation in the small but growing groups, active in most states which, working within the system, seek to make it responsive to the needs of people. One of the most effective groups is in St. Louis, thanks in good measure to the remarkable Dr. and Mrs. Slavin. Their interests include revision of retail rate structure, a matter handled by State commissions, and sponsorship of consumer counter-ads on TV and radio.

In a typical retail rate structure, electricity used to produce aluminum for bombers over Cambodia costs one third as much as the electricity which a doctor uses for providing health care. The industrial customers are similarly subsidized by the low-income family who lives in a densely-settled area where cost of electric service is low, but rates are high. State commissions are concerned about this inequity. But they need testimony from persons who will counter the arguments of the batteries of company lawyers, experts and kept professors, whose retainers and salaries you pay as part of your utility bill.

State commissions also need to hear from those who object to free advertising by utilities. Many state commissions permit advertising and sales promotion to be written off as operating costs of the cost-plus utilities. Those companies, on the average, spend three and a half times as much on advertising and sales promotion as they spend on research and development. (Commonwealth Edison, I am pleased to report, spends slightly more on R&D than on advertising and sales promotion.)

Utility R&D is an allowed operating cost. In fact, sometimes utilities make money off R&D by getting it included in the rate base.

They are trying to obtain tax incentives for R&D expenditures as well. Yet the annual R&D effort of the Nation's largest industry, the investor-owned electric utilities, is less than the amount Exxon spent to put up and merchandise its new name.

Then there is the lighting project, which could use the services of pro bono oculists.

Some years ago a group of electrical equipment and utility salesmen formed the Illuminating Engineering Society. They have by now jacked up the lighting standards in many states to the extent that schools, libraries, government offices and other buildings use much more electricity for lighting than is necessary.

A Georgia Power official bragged to his colleagues that the lighting standards have become so high that the air conditioner had to run year round to keep down the heat from the lights.

If you want to help replace market-madness with common sense on that one, write Senator Lee Metcalf or Ralph Nader.

Finally, corpocracy itself needs attention from stockholders. They are more likely than is government to make constructive changes in corporate affairs during the next few years.

The job of affecting corporate policy is indeed awesome. The agenda and candidates considered at an annual stockholders' meeting are determined well in advance, by corporate management. Great effort and considerable expense, months prior to the meeting, are required to obtain consideration of the most modest proposals that have not been offered by management. If the attempt to get on the ballot is successful, identification of the voting stockholders and timely communication with them is difficult or impossible. The big voters, usually the banks and other institutional investors, often hide their identity behind multiple "street names" or "nominees."

You, as I, have probably received proxies from companies which will not even permit you to cast a negative vote against management's single slate. You vote "da" or withhold your vote. The corporate election process in America today is as rigged as elections are in the Soviet Union, the outcome as predictable, and the accompanying propaganda as self-serving.

But that is the structure with which we must deal, in attempting, to ameliorate the undesirable social and economic consequences of explosive energy growth. In the energy business the structure is the policy.

Changing that structure involves an extraordinary investment of time and energy by thousands of individuals who decide to become active public citizens. Your participation in this Congress suggests that you have assumed or may now be ready to assume more individual responsibility in this area. It is that kind of an investment, costly in both social and economic terms to each public citizen, which is required to relate energy policy to public needs, rather than profligate goals of corpocracy.

## THE EDITORIAL SUPPORT FOR A NUCLEAR POWER MORATORIUM

Mr. GRAVEL. Mr. President, while the editor of a professional society's journal does not speak for the society's membership, he or she is seldom out in left field relative to the membership.

Therefore, I would like to call my colleagues' attention to an editorial in the May issue of Chemical Technology. This is a publication of the American Chemical Society, which has a membership of 110,000 chemists. The editor is Dr. B. J. Luberoff of New Jersey.

The editorial strongly urges its readers to give their attention to the Nuclear Power Moratorium Act of 1973, S. 1217; this brief bill and my introductory remarks appear in the RECORD on March 14, pages 7741–7742.

Mr. President, I ask unanimous consent that the editorial entitled "Please Read This" be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From Chemtech, "The Industrial Chymist," May 1973]

### READ THIS, . . . PLEASE

(By B. J. Luberoff)

This is the shortest Chymist ever because it's painful to write and will be painful to read. Its thesis is simple. It goes like this:

For years I've accepted nuclear energy as a splendid example of what we technologists can do. Now, quite suddenly, it scares the hell out of me!

Several weeks ago, an outfit called KEEP—Keys to Education in Environmental Protection—sponsored a debate in my neighborhood. I went. I expected to find a bunch of little old ladies in tennis shoes—democracy in action. Instead, I found two informed advocates addressing well over a hundred concerned citizens. (This, in a town of 25,000.) The speaker from the Edison Electric Institute was most assuring in a polished, fatherly way. The other speaker was Larry Bogart, who's made a "career" of this sort of thing since retiring from the CPI (2). He proved to be a fantastic storehouse of knowledge not only about the technology of nuclear power, but also its politics, economics, and sociology. A lot of the concerns he expressed we can handle:

(1) We can shield against as much steady-state radioactive leakage as we want.

(2) We can keep steady-state thermal pollution as low as we want.

(3) We can build as much redundancy into safety as we want.

These are all normal cost/benefit continua. We can plot them, optimize them, put in sound safety factors, and all the rest.

What he told me that I didn't know—or never had the guts to face—is that superimposed on these quite normal mathematical functions are two that are anything but normal:

First, any event that could disperse a nuclear reactor core has a damage potential beyond any other event that I can imagine.

Second, the hazard of fission products persists for a time that is longer than any I can conceive.

These two concepts take nuclear power right out of the hands of technologists and put them in the sociopolitical sphere. The sad thing is that members of that sphere don't fully appreciate the responsibility technology has presented to them. Will you—people who appreciate technology—but also *people*—please help them.

Now, lest you think that your editor has become a garden variety eco-nut, let me document briefly.

Speaking on CBS-TV on August 10, 1970, Dr. Edward Teller said in part: "You can put it in this, perhaps inappropriate, mathematical form. The probability that something will go seriously wrong is real. But the damage that would be caused if it went wrong is infinite. So you have the peculiar problem of multiplying zero by infinity" (1)

Nuclear waste that must be stored consists among other things of $Sr^{90}$, whose half-life is 28 years; $Cs^{137}$, whose half-life is 30 years; and $Pu^{239}$, half of which will still be around 24,360 years from now. To put that last number in perspective, recall that this is only 1973 A.D. . . . That's some legacy. (2)

By nature we're not political people, but here, I think we *must* be. Senator Mike Gravel has introduced a bill to place a federal moratorium on construction of nuclear plants (S1217). It deserves your attention. Wisconsin and Minnesota have similar bills pending in their State Houses; Calif., Conn., Ill., Ind., Mich., Ore., and Vt. are about to see such bills, and Friends of the Earth is targeting most other states. Where do you live? More important: Where will your children live? And their children on whom will be visited ". . . the iniquities of the fathers . . . unto the third and fourth generation . . .". (3)

Lest you think that we have no alternate to nuclear roulette, turn to page 275 where you'll meet the concept of the energy forest. It, like so many other good concepts, is having difficulty finding support. Since WW II nuclear power has received something like 200 times the funding of all other energy sources combined. Should that continue?

Sure, we have a crisis, but John Kennedy long ago pointed out that China's venerable ideograph for "Crisis" is made up of two symbols: One is "Danger"; the other "Opportunity."

REFERENCES

(1) If a numerical approximation of Dr. Teller's "infinite" is more comforting, one can find it in U.S. AEC document 740, Wash., March 1957. One "case" it calculates includes:

General Restrictions, 3,800,000 persons.

Agricultural Restrictions, 150,000 sq. mi.

Evacuation, 460,000 persons, 760 sq. mi., $2,300,000.

Injury Likely, 43,000 persons.

Lethal Exposure, 3,400 persons.

This case has a tiny probability of occurrence—But it is not zero.

(2) *New York Sunday Times*, 3/31/73.

(3) Exodus, Chapter 20, Verse 5.

## NEW PRESIDENT OF U.S. CHAMBER OF COMMERCE: A MAN WITH DIRECTION

Mr. PERCY. Mr. President, I wish to commend the U.S. Chamber of Commerce for its recent selection of Edward B. Rust as its 46th president. Mr. Rust is the chairman and chief executive officer of the State Farm Insurance Co. in Bloomington, Ill. He has served as director of the chamber for 6 years, and was treasurer for the past year.

More important than his credentials, is his expressed intention to improve the credibility of business and the image of business. In a recent statement, he has said:

> I want business to earn the confidence of consumers, and the way to do that is to provide consumers with a product they are satisfied with. Surveys indicate every institution in the country—political, labor, business, the church—is in a downtrend in public confidence. Business isn't alone in this. I will work to improve the image of business and to close that credibility gap.

I commend the chamber for its outstanding choice, and express the hope that under Mr. Rust's leadership we will find a reaffirmation of the importance to businessmen and consumers alike of quality in goods and services, integrity in advertising, packaging, and promotion, and honesty in the marketplace.

I look forward to cooperating with Mr. Rust and the chamber in working for these modest, albeit, ever so important ends. For if we encourage and promote—

Free and informed consumer choice in a competitive market,

The prevention of unfair or deceptive trade practices, Fair advertising promotion and sales practices,

Adequate product information and warnings,

The protection of consumer legal rights,

The preservation of consumer health and safety, and

The open advocacy of responsible consumer positions in the context of governmental and corporate deliberations.

If we can do that, then we will have laid the groundwork for separating out those very few firms which act arrogantly and without regard for their customers, from the overwhelming majority whose actions are responsible and worthy but whose good names are indelibly tarnished by the callous behavior of the few.

## THE COMEBACK OF WYOMING'S VANISHING BIGHORNS

Mr. McGEE. Mr. President, in last Sunday's May 27 edition of the Denver Post, there appeared an article on efforts by my State to prevent the extinction of Rocky Mountain bighorn sheep in Wyoming.

The article, written by Zeke Scher, is a fitting tribute to the farsighted commitment on the part of William Crump, a game supervisor for the Wyoming Game and Fish Department, and the State department, to not only the preservation of a species of wildlife, but also the enhancement of its numbers.

As was pointed out in the article, only some 300 bighorns were barely scratching out an existence on their ancestral range in 1954 when Bill Crump decided something had to be done. Today, there are more than 1.000 bighorn sheep in Wyoming, entirely due to the efforts of Bill Crump, the Wyoming Game and Fish Department, and the Bureau of Land Management.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### THE COMEBACK OF WYOMING'S VANISHING BIGHORNS

(By Zeke Scher)

In the Whiskey Mountain area of northwestern Wyoming, the late spring sun is drawing grass from the sandy soil, luring down Rocky Mountain bighorn sheep that have spent the long winter on windswept ridges.

Ewes and lambs lead the march from the rims to the fresh mountain bunch grasses. The boys—those majestic, massively horned rams—remain together at the higher elevations. At this time of the year all these wild sheep look downright scruffy as they shed their long, coarse bleached-white coats.

The bighorns are shy, wild and relatively rare in the West. Or are they? I wondered about that on this visit to the Wind River Mountains south of Dubois. As I drove down a single-lane dirt road, there were bighorns to the left of me, to the right of me and right there in front of me.

No less than two dozen bighorn ewes and lambs calmly foraged, moving away ever so slowly upon my approach. The rarest sight of all was a yearling with a magpie perched on its rump—in the middle of the road.

How could this be? This was no zoo. This was in Wyoming's remote high country just east of the Continental Divide.

Bill Crump, termed this fascinating scene "proof of the success of a 15-year program." The bighorns around me were only an advance contingent of nearly 1,000 thriving upon the 4-by-15-mile Whiskey Basin Big Game Winter Range. They are the biggest herd of bighorns in America and a primary source of seed stock for restocking ancestral ranges in Wyoming.

It certainly wasn't always like this. William I. (Bill) Crump of Lander, Wyo., can vouch for that. At 48 he's District 6 game division supervisor for the Wyoming Game & Fish Department. When he came to the area in 1954 as an associate biologist, five years after graduation from Colorado State University, Crump found some 300 bighorns literally scratching out an existence on the ancestral range.

(No one knows how long bighorns had occupied the area, but Indian pictographs identified them and archaeologists discovered Indian trap sites and tools made from their horns.)

Whiskey Mountain traces its name to more recent history. In the summer of 1931 a major forest fire swept the slopes. It was started, so the story goes, when a bootlegger's mountaintop distillery blew up. The fire was hard on the booze merchants but in the long run it was great for the wildlife.

A heavy timber stand was cleared out and eventually replaced by forage and space for wildlife. Estimates at that time put no more than 150 bighorns in the Whiskey Mountain area. They occupy three principal sites—Sheep Ridge, along Jakeys Fork Creek; BLM Ridge on Whiskey Mountain, and Torrey Rim above Torrey Creek.

In 1956 Crump began a detailed study of the bighorns. He found a low survival rate for lambs and there were only 10 lambs per 100 ewes. What was the problem?

Most of the bighorns were using one rim of Jakeys Canyon where the forage was extremely limited. Other wildlife, horses and domestic livestock were getting the grass.

During the winter of 1955–56, several bighorns were captured and taken to a 60-acre pasture in the Sybille Game & Fish Experimental Unit in southeastern Wyoming's Albany County. The elevation was 6,500 feet compared to the mountain range of from 7,500 to more than 11,000 feet.

With excellent feed conditions for the transplanted animals, the results were predictable. Ewes showed a high birth rate and their lambs thrived, averaging 79 pounds at one year compared to 53 for yearlings from Dubois. Another striking difference was horn development of ram lambs: Two at Sybille had lengths of 6.5 inches and 8 inches; three at Dubois averaged 2.5 inches.

Since the Whiskey Mountain area had plentiful summer forage, the bighorn herd obviously was being restricted in numbers by insufficient winter range.

Crump's conclusion was that this ancient home of the bighorns should be managed for their benefit by restricting the number of competitive game species—principally elk—and fencing out domestic livestock. He suggested increasing the food supply by purchasing private land adjoining the critical winter range.

Crump also warned that the heavy concentration of bighorns in the Jakeys Fork and Torrey Creek drainages posed a serious danger to the animals. Similar situations in Colorado during the early 1950s resulted in rapid transmission of diseases and a die-off of up to 95 per cent of an entire herd.

Game Department officials reacted favorably to Crump's report. In 1954 a 1,668-acre tract in Whiskey Basin had been purchased primarily for elk from rancher Max Miller. In 1957 the Department added 1,166 acres know as Trail Lake Ranch along Torrey Creek from Charles Beck, another Dubois landowner. This doubled the size of state-owned land set aside as bighorn habitat adjacent to Bureau of Land Management (BLM) and U.S. Forest Service holdings.

Both purchases were made with funds from hunter license sales and taxes on hunters' purchases of arms and ammunition. This program, known as Federal Aid in Wildlife Restoration, continues to contribute maintenance and management for the area. Larry Sabatka is the Department unit manager for Whiskey Basin.

Following that, a series of trades was completed in which land in lower areas of lesser wildlife value was exchanged with Les Shoemaker, a dude ranch operator, for other lands next to the rim areas preferred by the bighorns. Fred Fish Sr., a retired Dubois businessman and rancher, voluntarily relinquished a horse-use permit on Forest Service land to enhance sheep forage.

Many hours of persuasion were spent in convincing people about bighorn needs. Progress at times seemed painfully slow. Despite this, the bighorn population by the mid-'60s rose to 600 and a ratio of 25 to 35 lambs per 100 ewes was recorded. Then in 1969, in the face of growing concern over conservation, the Forest Service and BLM drew up a "cooperative agreement" with the Wyoming Game & Fish Department:

Improve the habitat and forage conditions so the area may support "an optimum population of bighorn sheep."

Maintain the area in public ownership "so that the public may fully enjoy this outstanding herd of bighorn sheep."

The BLM agreed to prohibit public sale, mineral entry or agricultural use of lands occupied by the bighorns. Grazing by domestic livestock would be limited and, if necessary, eliminated.

Wyoming Game Department officials would continue to control wildlife numbers on the newly entitled Whiskey Mountain Bighorn Sheep Habitat—8,674 acres including 5,300 under federal ownership—by livetrapping and hunting.

Crump feels that the success of Wyoming's efforts to save and increase the bighorn—some 1,000 are expected to roam the area after lambing ends next month—could be duplicated by other states. He encourages similar programs. Things look rosy now. However, Crump says, "Of course we're sitting on a powder keg at all times.

"We must maintain the proper balance between range and herd numbers," Crump says. "If we do, they'll thrive and properly distribute themselves. If we don't, Mother Nature will do it for us with a disastrous die-off."

At one time biologists thought lungworm was a major cause of bighorn deaths. Crump says almost all Wyoming bighorns have lung worm "but we don't worry about it." He explains that every sheep has parasites but they don't normally bother animals with sufficient range.

The Whiskey Mountain herd is being kept at a proper size by an annual hunting season for rams with at least a three-quarter-curl horn, which is about 5 or older, and a live-trapping program.

A record 136 bighorns were trapped this past winter. They were trucked to such places as the Big Horn Mountains near Lovell (39 of them). Laramie Peak north of Wheatland, Little Popo Agie Canyon near Lander and Bear Creek north of Dubois. In recent years some of the bighorns have been traded for other game to Utah, New Mexico and South Dakota.

Jim Oudin, game warden at Dubois, and Bill Helms, big game biologist at Lander, are in charge of the trapping. They set up large nylon-net traps on Sheep Ridge and Torrey Rim from December to March, enticing the bighorns in with alfalfa hay and salt.

They select the transplants by hand, wrestling their choice into their four-wheel-drive pickups or horse trailers. Wildlife men can be intimidated, too. They release the big older rams. Who wants to tangle with an angry, hardheaded 300-pound roughhouser?

In a typical transplant group of 20, there will be three or four young rams, with the rest being ewes and lambs. Each animal is given shots to combat infection and then fitted with a bright yellow plastic neckband to identify it as a Whiskey Mountain graduate.

During the next few weeks lambing will begin and Crump expects between 175 and 200 youngsters to be frolicking about the area. (Mating season—when the rams butt heads—is late fall.)

Statistics spell out the program's success since 1956. A total of 687 bighorns have been removed and transplanted by live-trapping. During the same period 638 have been taken by hunters.

Despite the abundance of bighorns, hunters find them more than a match. During the past 17 seasons, Wyoming has issued 1,592 permits in this area with a hunter-success of about 40 per cent. Last year the 116 permitees came up with 54 bighorns.

While visiting with Crump I learned that horrendous Wyoming wind isn't all bad. It makes the bighorn habitat possible by keeping parts of the range swept clear of snow and open for winter foraging. Sort of an ill wind that blows good.

If other groups of people, land managers and landowners, can get together like they have here maybe bighorn herds will multiply and create additional Whiskey Mountain success stories.

## HELP FOR HANDICAPPED CITIZENS

Mr. PERCY. Mr. President, I join Senator HART in introducing a package of bills designed to afford our handicapped citizens an equal opportunity to the high quality of life that this country holds as a promise for everyone. The three bills deal with the accessibility, transportation, and employment problems that have so persistently restricted and impoverished the lifestyles of our handicapped citizens.

The problems of accessibility that confront the handicapped have been of particular concern to me. I find it shocking that in this 30th century the handicapped of this country are still a largely hidden population, cut off from normal opportunities of education, work, recreation, and the most basic social services because of man-made architectural and transportation barriers. In the 92d Congress, the Rehabilitation Act of 1972 incorporated several of my amendments which made the removal of architectural and transportation barriers an integral part of the act. In this Congress I have introduced S. 1105, a bill that would provide tax incentives to stimulate public and private action for eliminating architectural and transportation barriers from our society.

The accessibility bill which Senator HART and I are introducing would further combat architectural and transportation barriers by insuring that buildings and facilities financed with revenue sharing funds are so designed and constructed as to be accessible to the handicapped. Cause of action would be given to the appropriate Secretary or to a handicapped individual to enforce compliance with this law in the Federal Courts.

Very much related to the problem of accessibility is the question of the excessive transportation expenses that mobility-limited individuals, including both the handicapped and the elderly, must incur as they strive to live a normal life. Because this country's public transportation systems, as a rule, are inaccessible to mobility-limited individuals, the handicapped and the elderly are forced either to use more expensive modes of transportation—taxis, limousiness, special arrangements—or stay virtually incarcerated in their homes. A 1969 study on the transportation needs of the handicapped found that 33 percent of the mobility-limited are frustrated in their primary activities and 40 percent in their social activities because of their inability to use low-cost means of transportation. Also, the mobility-limited individual makes 50 percent fewer trips per day than the average citizen. When he does venture out to see the doctor, go to work, shop, or visit a friend, he takes a taxi 14 percent of the time when the average citizen makes fewer than 2 percent of his trips by taxi.

Mobility for the handicapped and the elderly could improve with increased accessibility or lower cost for transportation. Increasing accessibility is realistic only as a long-range alternative, for the elimination of transportation barriers would require extensive renovation of existing facilities. Such a remodeling program would be limited both by physical constraints and by financial considerations. Until such a time when the public transportation systems in this country are made accessible, the handicapped and the elderly deserve and have a right to enjoy mobility on the same terms as any other American citizen.

Senator HART and I, therefore, are introducing a tax deduction proposal to alleviate the excessive transportation costs that the handicapped and elderly must incur through no fault of their own. Unlike a number of bills already before this Congress, our bill would provide justified relief to the mobility limited for all excessive transportation costs rather than just work-related transportation expenses. The lack of appropriate transportation frustrates the attempts of the handicapped and elderly to meet their needs not just in going to and from work, but in all areas of life.

Although accessibility and mobility are keys to getting the handicapped into the mainstream of living, even more important is employment. Unfortunately unemployment is the rule rather than the exception for handicapped individuals. At present, only 36 percent of the national handicapped population aged 17 to 64 are members of the labor force. This means that 64 percent are unemployed, compared with 29 percent of the nonhandicapped population of the same age group.

It is obvious that a handicapped person is not able to perform all types of jobs, just as the average person is not able to perform all types of jobs. However, almost all handicapped persons can be trained in some area, and, if hired, their efficiency attendance record and performance of duty can be better than their nonhandicapped counterparts. Unfortunately, the handicapped face more than architectural and transportation barriers, they also face the more insidious man-made barrier—prejudice.

More often than not, the handicapped job applicant never gets a chance to show that he can do the job, because the employer is persuaded automatically by a number of mental blocks to reject hiring a handicapped person. According to Robert Wurster, assistant director of the Illinois Governor's committee on Employment of the Handicapped, some of those mental blocks, none of them legitimate, include: disbelief that a handicapped worker can measure up in a competitive office or shop; fear that a handicapped worker would boost insurance rates; prejudice that physical handicaps are related to slower mental abilities; psychological predisposition to avoid the handicapped so as not to be reminded that such frailties can occur to everyone; and suspicion that a handicapped worker would disrupt staff morale and make coworkers uncomfortable.

Compounding the problems of prejudice is another factor which is very seldom mentioned, and that is that it sometimes costs more to arrange a job situation so that a handicapped person can be fully productive. Machinery, bathrooms, stairs, furniture, entrances, exits, and so forth must sometimes be modified to accommodate a handicapped employee.

Recognizing these overwhelming barriers to employment for the handicapped, Senator HART and I are introducing a tax incentive plan to give businesses and industries a tax credit for 50 percent of qualified wages paid the first year and 25 percent the second year to handicapped workers. One bill would also insure that a handicapped worker who suffers a subsequent injury on the job would receive full compensation to cover the resultant injury, with the employer paying only the benefits for the subsequent injury. Our bill is designed to take the handicapped applicant over initial employment hurdles and give him the opportunity, as any other worker, to be judged solely according to his ability to do the job at hand.

Through the years I have consistently supported all congressional efforts to provide more equitable opportunities for the handicapped. However, I have somehow felt that this country has never faced squarely the problems of the handicapped. For too long we have dealt with handicapped people as afterthoughts, outcasts of society, and charity cases deserving of public pity or dole but not of equal treatment or consideration. I quite agreed when Jack Anderson in his May 5, Washington Post column urged all of us to call attention to our national hypocrisy and to advocate a more forthright policy for the handicapped. It is time we recognized that the handicapped suffer many disadvantages in our society, the least of which often are their handicaps.

There is no reason on earth why this Nation cannot fulfill its promise to the handicapped with the same success as it has to the nonhandicapped. I hope that the package of bills which Senator HART and I are introducing today will help to effect a change in public attitude and foster a policy toward the handicapped that is both fair and honest.

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## CONSUMER CREDIT

Mr. BROCK. Mr. President, I would like to bring to the attention of my colleagues some very significant testimony given recently before the Subcommittee on Consumer Credit of the Committee on Banking, Housing, and Urban Affairs by Prof. E. Ray McAlister of North Texas State University.

For the past 10 years, Professor McAlister has been engaged in extensive research projects dealing with the economic and legal aspects of consumer credit in addition to teaching courses in consumer and commercial credit management. At the request of the subcommittee, Professor McAlister testified about some of the results of a research project in which he has been engaged for the past 18 months with regard to the types of billing methods used by retailers and banks in assessing finance charges on open-end credit plans.

The results of Professor McAlister's study are important because they relate directly to the most controversial issues involved in the legislation which is presently before the Subcommittee on Consumer Credit, namely the Fair Credit Billing Acts—S. 914, sponsored by Senator PROXMIRE and S. 1630, sponsored by Senator SPARKMAN and me. Those issues deal with the prohibition of certain types of billing methods in section 167 of S. 914 and the prohibition of minimum finance charges in section 168 of S. 914. No comparable sections are found in S. 1630.

Until Professor McAlisters' study was undertaken, all discussions about the costs and use patterns of the various billing methods were based on hypothetical examples, theory, and pure conjecture. On the basis that empirical data on this subject was needed. Professor McAlister decided to thoroughly examine actual account histories over an extended period of time. He then got the approval of a major retailer to analyze a random sample of its accounts in Texas over a 12-month period.

The summary statistics from Professor McAlister's study made during 1972 seem to indicate a pattern of credit account usage in revolving credit which is substantially different from any other types of consumer indebtedness. For example, the average outstanding monthly balance on the retail accounts included in this study was $91.90; for one-half of the customers their average balance amounted to $37.27—the median figure—or less. Professor McAlister pointed out that this is considerably smaller than is frequently imagined as being typical of revolving account indebtedness. The customers in this study incurred an average monthly finance charge of $1.24 or $14.88 for the year. The average annual percentage rate paid by these customers amounted to 11.64 percent. This figure is based on all accounts, including those which incurred no charge at all. If the calculations are confined to only those customers who paid a finance charge, the average rate paid was 15.65 percent.

As to account usage the study showed that approximately 26 percent of the customers never paid a finance charge during the 12-month period. About 25 percent always paid a finance charge and about 50 percent incurred a finance charge part of the time and in other months either did not purchase, or if they did, paid their accounts in full and thus avoided a finance charge. Those customers who never paid a finance charge and thus received the so-called free ride—226 out of the 865—owed on the average a monthly balance of only $14.78. In total, these customers accounted for only about 4 percent of the total balance activity on all of the accounts studied. Thus the study seems to indicate that by far the majoriy of the revenue in finance charges comes from those customers who use their accounts the most. As noted by Professor McAlister, the impact of the "free ride" is substantially less than generally imagined.

The study goes into great detail about the differences in dollar amounts of finance charges among the six types of billing methods. The statistics disproved the commonly held assumption that the choice of billing method produces a substantial difference in finance charges to the customers. For example, the previous balance method on the average cost $0.15 a month—$1.80 a year—more than the adjusted balance method. For one-half the customers, the previous balance method differed in cost from the adjusted balance by $0.06 a month or less. Comparison of the costs of the other billing methods showed similar differences of a de minimus nature.

Professor McAlister pointed out in his testimony that whereas differences in dollar costs to customers resulting from usage of varying billing methods are generally rather minimal, the differences in total annual finance charge yield for a retailer can be significant. His study revealed a difference in revenue, for example, between the previous balance method and the adjusted balance method of some 12 percent. For the legislator faced with the task of setting rate ceilings and regulating other aspects of credit operations which affect rates, the difference in yield produced by various billing methods is a substantive issue.

Professor McAlister's conclusions about billing methods based on his study of empirical data is that the impact of billing method on cost to the customer is minimal, and that the consumer's best interest is served by allowing companies to choose whatever method is most appropriate for them—considering their costs of operation, customer needs and desires, and so forth. Competition should be promoted and assured and consumers should be adequately informed as to the type of billing method in use by the retailer.

The Truth in Lending Act now requires retailers to disclose the method of determining a balance for finance charge computation purposes on each monthly or periodic billing statement. Even if all retailers and banks used the same billing method, as some people advocate, it still would not be possible to predict in advance what the actual cost of credit—in dollars or as a rate—would be on revolving accounts. This is because of the fact that repayment terms differ from store to store and because the actual rate of charge paid by the customer is largely a result of his individual purchase and payment patterns.

As to the use of a minimum finance charge on accounts, the study's result showed that the impact on cost to the individual customer from use of the 50 cent minimum is in most instances practically nothing. Under most billing methods use of the minimum charge amounts to a difference of only 1 or 2 cents a month. Professor McAlister believes that the possibility of incurring a $0.50 charge tends to encourage customers to pay in full their balances when they are very small thereby saving them some finance charges they might otherwise incur.

I ask unanimous consent to have printed in the RECORD, Professor McAlister's entire prepared testimony given to the Subcommittee on Consumer Credit on May 24, 1973.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

### TESTIMONY BY E. RAY MCALISTER, PH. D.

Mr. Chairman and members of the Subcommittee. I am Ray McAlister, Professor of Business Administration at North Texas State University in Denton, Texas. I appear here today at the request of the Subcommittee. I have been asked to share with the Subcommittee some of the results of a study on which I have been working off and on for about eighteen months. The results of this study may be of interest in regard to S. 914. specifically Sections 167 and 168.

In my duties as Professor of Business Administration, I regularly teach upper-level courses in consumer and commercial credit management. As a result, I have been more or less continuously interested in updating my expertise in economic and legal matters pertaining to consumer credit.

My interest in consumer credit in particular dates back to the early 1960's at which time I was working on a doctoral dissertation at The Ohio State University pertaining to state and federal credit legislation. I received my degree in 1963 and since that time have been on the staff of the College of Business at North Texas.

During the past ten years or so I have engaged in a number of different research projects and have written numerous articles on the economic and legal aspects of consumer credit. I have enjoyed the opportunity of sharing the results of my studies with legislative committees in various states. As you may recall, I also had the pleasure of appearing before a committee on which some of you were members in 1967 when the Truth in Lending legislation was under consideration.

### ORIGIN AND DESIGN OF THE STUDY

As a part of my efforts to keep up-to-date in the field of consumer credit, naturally I was aware of some of the legal developments concerning the particular area of revolving credit. As you know, one of the more discussed subjects in this area recently has been with regard to the type of billing method employed by stores and banks in assessing finance charges on open-end credit plans.

It occurred to me that in all of the debate in this area, the discussions centered entirely around hypothetical examples of how one billing method compared in cost to another.

I was unaware of any substantial published materials based on empirical data. It seemed to me that much of the legislation that had been proposed and in some instances enacted into law, while no doubt well-meaning in its purpose, was based on a total absence of any objective findings; and, instead, was designed purely on the basis of theoretical possibilities.

Therefore, it appeared to me that a thorough examination of actual account histories over an extended period of time would provide very meaningful data from which to evaluate legislative proposals and enactments.

Accordingly, in December, 1971, I made a proposal to Sears, Roebuck & Company in Chicago that a random sample of their accounts in Texas be selected for analysis over a twelve-month period. Recognizing the value of such a study, the project was approved and undertaken that same month.

### SELECTION OF THE SAMPLE

It was decided that use of a single billing cycle would be appropriate since customers were assigned to cycles in a completely random manner and since preparation of the computer program for analysis of the data would be greatly simplified. Thus, the sixth billing cycle, closing on the 12th of each month and containing some 75,000 individual accounts throughout the state, was chosen by random selection.

From a list of active accounts as of December 12, 1971, having previously determined the first unit of the sample to be chosen by use of a table of random numbers, every fortieth account was selected, provided that the account met the necessary parameters. Those accounts excluded from the sample studies included any with the following characteristics:

(1) Accounts with less than a full year's activity. It was not necessary that the account have actual activity (that is, purchase or payment) during each of the twelve months studied, but it had to be open and subject to usage by a resident of Texas.

(2) Accounts of customers who were not residents of Texas.

(3) Accounts which, at any time during the twelve-month period of study, were more than one month delinquent in payment. The decision to exclude "extreme past due" accounts was based on the desire to know what costs and rates were involved when accounts were paid according to the agreement signed by the customer. Otherwise, it would not have been possible to evaluate the significance of the terms on the original agreement as they affect the buyer.

(4) Employee accounts were not included because of a difference in the area of finance charge assessment.

This procedure produced account histories for a twelve-month period for a total of 865 accounts. These records came from all parts of the state—every town in which Sears had a "retail" store (although some towns with "mail-order" outlets only were not included).

Data used in the study were copied by hand from original records on a month-to-month basis. All transactions on the account during the twelve months were recorded, including the dates involved. A computer program for analysis of the data was prepared by Mr. Edward DeSpain of Southern Methodist University in Dallas, Texas.

### MAJOR OBJECTIVES OF THE ANALYSIS

As indicated earlier, the primary purpose of this study was to obtain actual account history data for use in evaluating revolving account usage rather than to rely entirely on hypothetical examples. Of primary concern were the following questions:

(1) What amount of finance charges in dollars and cents was actually incurred by the customers over the twelve-month period?

(2) What annual percentage rate of finance charge was actually paid over this time?

(3) What was the actual yield to the store over the 12 months?

(4) How often were finance charges incurred?

(5) How many customers did not incur finance charges at all?

(6) What was the typical activity on the account—that is, size of balance, number of transactions per month, average amount of each purchase, number of days between purchase date and billing date, number of days between billing date and payment date, etc.

(7) What effect on the cost of the account over the 12 months did the use of a 50¢ minimum monthly charge have?

(8) What would have been the effect on dollar cost and annual percentage rate paid if the monthly rate had been 1% instead of 1½%?

(9) What would have been the dollar finance charges incurred under five other billing methods? (Other methods simulated were: Adjusted Balance, Ending Balance, Average Daily Balance Including Debits, Average Daily Balance Excluding Debits, and True Actuarial Average Daily Balance.)

(10) What would have been the annual percentage rate paid under these other billing methods?

(11) What would have been the impact on the revenue or yield of the store from the use of other billing methods?

### TERMS OF THE REVOLVING ACCOUNT AGREEMENT STUDIED

Before analyzing the results of account usage, it is necessary to have an understanding of the terms of the agreement under which the accounts were actually used. Pertinent terms in effect on the accounts studied were as follows:

(1) Finance charges were assessed at a monthly percentage rate of 1½% on the part of the unpaid balance between $33.33 and $500; 1% on that part of the unpaid balance in excess of $500; on unpaid balances of $1 to $33.33, a minimum charge of $0.50 was assessed.

(2) Finance charges actually were assessed in accordance with the "Previous Balance" method. That is, the finance charge was based on the balance owed on last month's billing statement (current month's beginning balance) *without* deducting payments or credits made on that balance subsequent to receipt of the statement and *before* adding current month's purchases.

(3) No finance charge was assessed if the customer paid his previous month's balance within 25 days of his billing date.

(4) The account agreement called for monthly payments of at least $10 to be made within 25 days of billing date.

A copy of the Sears Revolving Charge Agreement used in the state of Texas at the time of the study is illustrated below.

### SEARS REVOLVING CHARGE ACCOUNT AND SECURITY AGREEMENT

Sears, Roebuck and Co.

In consideration of your selling merchandise and services for personal, family or household purposes to me on my Sears Revolving Charge Account I agree to the following regarding all purchases made by me or on my Sears Revolving Charge Account identification.

1. I have the privilege of a Charge Account, in which case I will pay the full amount of all purchases within 30 days from the date of each billing statement.

2. If I do not pay the full amount for all purchases within 30 days from the date of each billing statement, the following terms shall be in effect:

(A) I will pay the Deferred Payment Price for each item purchased consisting of:

(1) The cash sale price, and

(2) A finance charge, which will be the greater of a minimum charge of 50c (applied to previous balances of $1.00 through $33.00); or an amount determined by applying a periodic rate of 1.5% per month (annual percentage rate of 18%) to the first $500.00 of "previous balance" and a periodic rate of 1% per month (annual percentage rate of 12%) to any part of the "previous balance" in excess of $500.00. Finance charge is based upon account activity during the billing period preceding the current billing period, and is computed upon the "previous balance" ("new balance" outstanding at the end of the preceding billing period) before deducting payments and credits or adding purchases made during the current billing period.

(B) I will pay for all purchases in monthly installments which will be computed according to the following schedule.

If the new balance is:

| | The scheduled monthly payment |
|---|---|
| $.01 to $10.00 | Balance |
| $10.01 to $200.00 | $10 |
| $200.01 to $250.00 | 15 |
| $250.01 to $300.00 | 20 |
| $300.01 to $350.00 | 25 |
| $350.01 to $400.00 | 30 |
| $400.01 to $450.00 | 35 |
| $450.01 to $500.00 | 40 |
| Over $500.00 | 1/10 of new balance |

I will pay each monthly installment computed according to the schedule as stated above upon receipt of each statement. If I fail to pay any installment in full when due, you may, at your option, take back the merchandise or affirm the sale and hold me liable for the full balance on my account which shall be immediately due. Ownership of the merchandise purchased on this account shall remain in Sears until I have paid the purchase price in full. My installment payments shall be applied as follows: in the case of items purchased on different dates, the first purchased shall be deemed first paid for; in the case of items purchased on the same date, the lowest priced shall be deemed first paid for. I have risk of loss or damage to merchandise.

(C) You are to send me a statement each month which will show my previous balance (last month's new balance), new balance, scheduled payment, Finance Charge, purchases, payments and credits, and the amount of my monthly installment coming due.

(D) I have the right to pay all or any portion of my account in advance.

3. You are authorized to investigate my credit record and report to proper persons and bureaus my performance of this agreement.

I understand that my Finance Charge and other credit terms will be based on my State of Residence. If I change my State of Residence, I will notify you, and you will provide me with a new agreement containing the Finance Charge and other credit terms applicable to my new State of Residence.

Notice to buyer: (1) Do not sign this contract before you read it or if it contains blanks. (2) You are entitled to a copy of this contract. Keep it to protect your legal rights. (3) You have the right to pay in advance the full amount due.

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### DEFINITION OF TERMS

There are numerous types of billing methods used for calculating finance charges on revolving credit accounts. Because the terminology used in describing the various methods is often not uniform, it is necessary to define precisely the meanings of the billing methods as used in this study. They are as follows:

(1) *Previous Balance.* Also known as the "beginning balance" method, finance charges are calculated on the basis of the unpaid balance shown on the previous month's billing statement *before* deducting payments or credits made subsequent to receipt of state-

ment and *before* adding current month's purchases. Payments made on the account are applied first to any unpaid finance charges and then to principal.

(2) *Adjusted Balance*. Finance charges are determined on the basis of the unpaid balance shown on the previous month's billing statement less payments and credits made during the current billing period, but *before* adding current month's purchases. Date of payment or credit has no bearing on the amount of the finance charge assessed. Payments are applied first to any unpaid finance charges and then to principal.

(3) *Ending Balance*. Finance charges are based on the balance owed at the end of the current billing period, including all purchases and payments or credits occurring during the current month. Finance charges are applied first to any unpaid finance charges and then to principal.

(4) *Average Daily Balance Including Debits*. Finance charges are based on the "average" unpaid balance during the billing cycle, taking into account all purchases, payments, and credits on the account during the period. It is calculated by taking the sum of each day's unpaid balance and dividing by the number of days in the billing period. No finance charge is imposed, however, if the beginning balance of the account was zero, or if the total of payments and credits on the account during the current billing period is equal to or greater than the beginning balance. Payments are applied first to any unpaid finance charges and then to principal.

(5) *Average Daily Balance Excluding Debits*. Sometimes referred to as a "modified" average daily balance, this method provides for calculation of finance charges on the basis of an "average" daily balance which is computed by taking the sum of the daily unpaid balances—excluding current month's purchases from the unpaid balances—and dividing by the number of days in the billing cycle. Thus, the timing of the payment will affect the amount of finance charge—that is, the earlier payments are made on the account the lower will be the finance charge. Payments are applied first to any unpaid finance charges and then to principal.

(6) True Actuarial Average Daily Balance. Under this method, customers will incur finance charges in any month in which there is purchase activity on the account, regardless of whether or not the account balance is zero at the beginning of the period or whether payments and credits equal or exceed the beginning balance. Finance charges are based on the "average" unpaid balance during the billing period, including all purchases, payments, and credits on the account during that period. It is determined by taking the sum of each day's unpaid balances and dividing by the number of days in the billing cycle. Payments are applied first to any unpaid finance charges and then to principal.

Under all billing methods used in this study it was assumed that finance charges were imposed at the following rates: (1) on that part of the unpaid balance between $33.33 and $500, 1½% per month; (2) on that part of the unpaid balance in excess of $500, 1% per month; (3) on balances between $1 and $33.33, a minimum charge of $0.50 was imposed.

### CHARACTERISTICS OF ACCOUNT USAGE

Much misunderstanding often exists with regard to what is typical of consumer use of revolving credit accounts. Sometimes there is a tendency to think of revolving credit in much the way that one visualizes bank loan credit or other types of consumer credit plans.

Table 1 provides some summary statistics from actual account usage which would seem to indicate a pattern in use of revolving credit which is substantially different from many other types of consumer indebtedness.

### *Size of balances*

The average outstanding monthly balance on accounts included in this study was $91.90; for one-half of the customers their average balance amounted to $37.27 (the median figure) or less. This is considerably smaller than is frequently imagined as being typical of revolving account indebtedness; and is much less than what is typically owed on bank charge plans, for example. The latter is said to be around $235 according to the Federal Reserve Board.

The largest balance maintained by any customer in this study was $741.26; only 10% of the accounts had average balances larger than $267.

### *Finance charges paid*

For some reason not entirely evident, consumers often seem to feel that revolving credit costs them more than other types of credit. Perhaps this feeling is a result of the fact that under revolving credit plans they receive statements every month, often with a finance charge thereon; whereas on other types of credit plans, often they are not made aware of finance charges except at the time of signing the contract initially.

As can be observed from Table 1, these customers incurred an average monthly finance charge of $1.24 or $14.88 for the year. One-half of the accounts incurred finance charges of $0.31 a month or less ($3.72 a year).

TABLE 1.—EMPIRICAL DATA CONCERNING SEARS REVOLVING CHARGE ACCOUNT USAGE IN TEXAS, SELECTED SUMMARY STATISTICS, 865 ACCOUNTS

| Item | Mean[1] | Median[2] |
|---|---|---|
| Average outstanding monthly balance | $91.90 | $37.27 |
| Average monthly dollar finance charge, all accounts[3] | $1.24 | $0.31 |
| Average monthly dollar finance charge, based only on those accounts actually paying charges | $1.68 | ---------- |
| Average number of months finance charge incurred | 5.16 | 3.0 |
| Average annual percentage rate paid, all accounts | 11.64 | 14.40 |
| Average annual percentage rate paid by those accounts who paid a finance charge | 15.65 | ---------- |
| Average number of sales per month, per account | .95 | .67 |
| Average dollar volume of sales per month, per account | $19.85 | $13.89 |
| Average number of days between purchase date and billing date | 15.90 | 16.0 |
| Average number of days between billing date and payment date | 14.77 | 15.09 |
|  | Number | Percent |
| Accounts who always paid a finance charge | 213 | 24.6 |
| Accounts who never paid a finance charge | 226 | 26.1 |
| Accounts who paid a finance charge part of the time | 426 | 49.2 |

[1] An arithmetic average of monthly averages for all individual accounts.

[2] The mid-point in a series of data, indicating that ½ of the accounts had a value of this much or more and ½ had values of this much or less.

[3] Billing method actually used on the accounts sampled in this study was the previous balance. Finance charges were on the following basis: On that part of the previous balance between $33.33 and $500, the monthly rate of charge was 1½ percent, on that part of the previous balance in excess of $500, the monthly rate was 1 percent on balances from $1 to $33.33, a finance charge of $0.50 was assessed.

Source: Data taken from a 12-month history of account records chosen at random. Sample data included accounts from all parts of Texas.

In terms of an Annual Percentage Rage, the average rate paid by these customers amounted to 11.64%. This figure is based on all accounts, including those which incurred no charge at all. If the calculations are confined to only those customers who paid a finance charge, the average rate paid was 15.65%.

It should also be noted that generally these accounts did not incur finance charges every month. On the average, a charge was incurred a little over 5 months out of the year.

### *Payment and purchase patterns*

As shown in Table 1, the average account experienced about a 31 day period of credit—with slightly more days (15.90) between purchase date and billing date than between billing date and payment date (14.77). On the average, there was approximately one purchase per billing period and total volume averaged around $20 per month.

### MAJOR USAGE PATTERNS

Generally, it is possible to recognize three principal patterns of account usage. First, there are those customers who never paid a finance charge during the twelve-month period covered by the study. Approximately 26% of the accounts were of this type. Second, are those accounts which always paid a finance charge—about 25% of the total. Third, accounting for about 50% of the total, are those customers who incurred a finance charge part of the time; but in other months either did not purchase, or if they did, paid their account in full and thus avoided a finance charge (see Table 1).

An issue frequently arises concerning the impact of the so-called "free ride" which allegedly is obtained by those customers who pay in full thereby avoiding finance charges entirely. Analysis of the data provided by this study would seem to indicate that by far the majority of the revenue in finance charges comes from those customers who use their accounts the most.

For example, those customers who never paid a finance charge (226 out of the 865) owed on the average a monthly balance of only $14.78. In total, these customers accounted for only about 4% of the total balance activity on all of the accounts studied. Of course, these customers did not contribute any to the finance charge revenue of the store; and to that extent, they did enjoy a "free ride."

On the other hand, those customers who always paid a finance charge (213 out of the 865) owed an average monthly balance of around $240; and, in total, accounted for almost two-thirds of the total balance activity of all the accounts. This group incurred an average monthly finance charge of about $3.56 (as compared to $1.24 average for all accounts) and accounted for about 71% of the total finance charge revenue generated by the store.

Those customers who paid a finance charge only part of the time (426 out of the 865) accounted for approximately 31% of the total balance activity with an average unpaid balance of slightly under $59. They incurred an average monthly finance charge of about $0.75 and accounted for approximately 29% of the total finance charge revenue of the store.

Thus, there is, indeed, a "free ride" enjoyed by some customers; but those same customers actually account for an extremely small portion of the total business activity done by the store. A majority of the finance charge revenue is paid by those customers who account for the vast majority of the total purchase activity. Therefore, it would seem that the impact of the so-called "free ride" is substantially less than generally imagined.

### IMPACT OF BILLING METHOD ON DOLLAR COST TO CUSTOMER

It has been generally assumed that choice billing method produces a substantial difference in dollar amounts of finance charges. As indicated earlier, however, almost all evidence offered as to such differences has been based on theoretical conjecture of various possibilities rather than on empirical data. Part of the problem, of course, centers around what one might consider to be "substantial."

Accordingly, one of the main objectives of this study was to study actual account histories over a period of time in order to measure empirically the impact of various billing methods on the dollar cost of credit to the customer.

Analysis of actual data produced the following monthly average dollar finance charges for the various methods:

| | *Mean* | *Median* |
|---|---|---|
| Previous balance | $1.24 | $0.31 |
| Adjusted balance | 1.09 | .25 |
| Ending balance | 1.41 | .62 |
| Average daily balance including debits | 1.24 | .30 |
| Average daily balance, excluding debits | 1.18 | .28 |
| True actuarial average daily balance | 1.47 | .66 |

Tables 2 and 3 and illustrate the magnitude of the differences in dollar finance charges resulting from use of various billing methods. For example, the Previous Balance method on the average cost $0.15 a month ($1.80 a year) more than the Adjusted Balance. For one-half the customers, the Previous Balance method differed in cost from the Adjusted Balance by $0.06 a month or less (see median, Table 3).

TABLE 2—DIFFERENCES IN AVERAGE MONTHLY DOLLAR FINANCE CHARGES, 6 BILLING METHODS, 865 ACCOUNTS

[Based on mean figures]

| Billing method | Previous balance | Adjusted balance | Ending balance | Average daily balance including debits | Average daily balance excluding debits | True actuarial average daily balance |
|---|---|---|---|---|---|---|
| Previous balance | | $0.15 | ($0.17) | $0.00 | $0.06 | ($0.23) |
| Adjusted balance | ($0.15) | | (.32) | (.15) | (.09) | (.38) |
| Ending balance | .17 | .32 | | .17 | .23 | (.06) |
| Average daily balance, including debits | .00 | .15 | (.17) | | .06 | (.23) |
| Average daily balance, excluding debits | (.06) | .09 | (.23) | (.06) | | (.29) |
| True actuarial average daily balance | .23 | .38 | .06 | .23 | .29 | |

Source: Data taken from a 12-month account history of records from 865 accounts.

TABLE 3.—DIFFERENCES IN AVERAGE MONTHLY DOLLAR FINANCE CHARGES, 6 BILLING METHODS, 865 ACCOUNTS

[Based on mean figures]

| Billing method | Previous balance | Adjusted balance | Ending balance | Average daily balance including debits | Average daily balance excluding debits | True actuarial average daily balance |
|---|---|---|---|---|---|---|
| Previous balance | | $0.06 | ($0.31) | ($0.01) | $0.03 | ($0.35) |
| Adjusted balance | ($0.06) | | (.37) | (.05) | (.03) | (.41) |
| Ending balance | .31 | .37 | | .32 | .34 | (.04) |
| Average daily balance, including debits | (.01) | .05 | (.32) | | .02 | (.36) |
| Average daily balance, excluding debits | (.03) | .03 | (.34) | (.02) | | (.38) |
| True actuarial average daily balance | .35 | .41 | .04 | .36 | .38 | |

Source: Data taken from the 12-month account history of records from 865 accounts.

Further analysis of the data in Tables 2 and 3 indicate that the Previous Balance method on the average cost no more than one form of Average Daily Balance (Including Debits) and actually was *less* expensive than a True Actuarial Average Daily Balance to the extent of $0.23 a month. Likewise, use of the Ending Balance method produced a greater cost ($0.17 a month average) to the customer than did use of the Previous Balance method.

One other method—Average Daily Balance Excluding Debits—produced a smaller finance charge than Previous Balance by an amount equal to $0.06 a month on the average.

### DETAILED ANALYSIS OF MONTHLY DIFFERENCES IN DOLLAR FINANCE CHARGES

Tables 4 through 7 provide a more detailed analysis of the monthly dollar differences in finance charges between Previous Balance and other billing methods.

TABLE 4.—DIFFERENCES IN AVERAGE MONTHLY DOLLAR FINANCE CHARGES, PREVIOUS BALANCE AS COMPARED TO ADJUSTED BALANCE

| Amount of difference [1] | Number of accounts | Percent of accounts |
|---|---|---|
| 0 | 342 | 39.5 |
| +$0.01 to $0.10 | 181 | 20.9 |
| +$0.11 to $0.15 | 41 | 4.7 |
| +$0.16 to $0.25 | 112 | 12.9 |
| +$0.26 to $0.50 | 125 | 14.5 |
| +$0.51 to $0.75 | 46 | 5.3 |
| +$0.76 to $1.00 | 14 | 1.6 |
| +$1.01 to $1.86 | 4 | .5 |
| Total | 865 | 99.9 |

[1] When the amount of the difference is a positive value, this indicates that the previous balance method is the greater of the 2.

Note: Mean (average) difference, $0.15; median difference, $0.04; range of differences, 0 to $1.86.

Source: Data taken from a 12-month history of account records on 865 accounts chosen at random.

TABLE 5.—DIFFERENCES IN AVERAGE MONTHLY DOLLAR FINANCE CHARGES, PREVIOUS BALANCE AS COMPARED TO AVERAGE DAILY BALANCE INCLUDING DEBITS

| Amount of difference [1] | Number of accounts | Percent of accounts |
|---|---|---|
| −$0.51 to $0.59 | 2 | 0.231 |
| −$0.26 to $0.50 | 16 | 1.850 |
| −$0.16 to $0.25 | 21 | 2.428 |
| −$0.11 to $0.15 | 26 | 3.006 |
| −$0.01 to $0.10 | 163 | 18.844 |
| 0 | 369 | 42.659 |
| +$0.01 to $0.10 | 222 | 25.665 |
| +$0.11 to $0.15 | 25 | 2.890 |
| +$0.16 to $0.25 | 12 | 1.387 |
| +$0.26 to $0.45 | 9 | 1.040 |
| Total | 865 | 100.000 |

[1] Where the amount of the difference is a negative value, previous balance is less than ADB including debits. Where the difference is a positive value, previous balance is more than ADB including debits.

NOTES

Mean (average) difference, all accounts, 0; median difference, all accounts, 0.

Mean difference, positive values only, $0.06; median difference, positive values only, $0.04; total positive values, 268 o 30.98 percent of all accounts.

Mean difference, negative values only, −$0.09; media difference, negative values only, −$0.06; total negative values 228 or 26.36 percent of all accounts.

Item: When there is a difference other than 0, positive values account for 54 percent of the differences; negative values account for 46 percent of the differences.

Source: Data taken from a 12-month history of account records on 865 accounts chosen at random.

TABLE 6.—DIFFERENCES IN AVERAGE MONTHLY DOLLAR FINANCE CHARGES, PREVIOUS BALANCE AS COMPARED TO AVERAGE DAILY BALANCE, EXCLUDING DEBITS

| Amount of difference [1] | Number of accounts | Percent of accounts |
|---|---|---|
| 0 | 358 | 41.387 |
| +$0.01 to $0.10 | 326 | 37.688 |
| +$0.11 to $0.15 | 68 | 7.861 |
| +$0.16 to $0.25 | 68 | 7.861 |
| +$0.26 to $0.50 | 38 | 4.393 |
| +$0.51 to $0.73 | 7 | .809 |
| Total | 865 | 99.999 |

[1] When the amount of the difference is a positive value, this indicates that the previous balance method is the greater of the two.

Note: Mean (average) difference, $0.06; median difference, $0.02; range of differences, 0 to $0.73.

Source: Data taken from a 12-month history of account records on 865 accounts chosen at random.

TABLE 7.—DIFFERENCES IN AVERAGE MONTHLY DOLLAR FINANCE CHARGES, PREVIOUS BALANCE AS COMPARED TO TRUE ACTUARIAL AVERAGE DAILY BALANCE

| Amount of difference [1] | Number of accounts | Percent of accounts |
|---|---|---|
| −$1.51 to $3.27 | 2 | 0.231 |
| −$1.01 to $1.50 | 13 | 1.503 |
| −$0.76 to $1.00 | 26 | 3.006 |
| −$0.51 to $0.75 | 56 | 6.474 |
| −$0.26 to $0.50 | 204 | 23.584 |
| −$0.16 to $0.25 | 151 | 17.457 |
| −$0.11 to $0.15 | 83 | 9.595 |
| −$0.01 to $0.10 | 226 | 26.127 |
| 0 | 11 | 1.272 |
| +$0.01 to $0.05 | 42 | 4.855 |
| +$0.06 to $0.10 | 33 | 3.815 |
| +$0.11 to $0.15 | 9 | 1.040 |
| +$0.16 to $0.25 | 6 | .694 |
| +$0.26 to $0.36 | 3 | .347 |
| Total | 865 | 100.000 |

[1] Where the amount of the difference is a negative value, previous balance is less than true ADB. Where the difference is a positive value, previous balance is greater than true ADB.

NOTES

Mean (average) difference, all accounts, −$0.23; median difference, all accounts, −$0.17.

Mean difference, negative values only, −$0.26; median difference, negative values only, −$0.19; total negative values, 761 or 87.977 percent of all accounts.

Mean difference, positive values only, +$0.07; median difference, positive values only, +$0.06; total positive values, 93 or 10.751 percent of all accounts.

Source: Data taken from a 12-month history of account records on 865 accounts chosen at random.

### *Previous balance versus adjusted balance*

As indicated earlier, the average difference in cost between Previous Balance and Adjusted Balance amounted to a relatively modest $0.15 a month or less than $2 a year. For some customers, of course, the difference would be either more or less than that average difference.

As indicated by the data shown in Table 4, differences between these two billing methods actually ranged from zero to $1.86 a month. For almost 40% of the accounts there was absolutely no difference in cost. For one-half of the customers the difference amounted to $0.04 a month or less. The difference in cost amounted to a maximum of $0.50 a month or $6 a year or less in over 93% of the instances.

Thus, it would appear that although the Adjusted Balance does, in most instances, cost less than Previous Balance, the savings to the individual customer is actually quite minimal—much less than generally imagined. Of course, most of the hypothetical examples illustrating these two methods vastly overstate the differences involved and usually bear no resemblance whatsoever to what actually occurs.

One point that should be noted at this juncture is that whereas the impact on the individual customer is rather minimal generally, impact on the store in terms of differences in total revenue received from finance charges can be substantial. This point will be mentioned and discussed in greater detail at a later section, but loss of revenue to a store from use of Adjusted Balance rather than Previous Balance amounts to about 12% annually.

### *Previous balance versus average daily balance including debits*

Although the Previous Balance and Adjusted Balance methods until very recently have been the most widely used, several types of Average Daily Balance systems have been appearing with increasing frequency.

Table 5 shows the differences in monthly dollar finance charges between an ADB Including Debits and the Previous Balance. As indicated, based on both the mean and median, the average difference between these two methods was zero.

Further analysis of the data reveals, however, that the Previous Balance method was more expensive for 268 accounts (31% of all accounts) and less expensive for 228 accounts (26% of all accounts). For approximately 369 (43%) of the customers, there was no difference in the cost under the two billing methods.

For the vast majority of the customers (87%) there was either no difference or *no more* than $0.10 a month difference more or less.

If one confines the analysis to the positive values shown in Table 5, which indicate that the Previous Balance method was the *more* expensive of the two, the average difference amounted to $0.06 a month.

Again, in looking only at the negative values in Table 5, which mean that the Previous Balance method was the *less* expensive of the two, the average difference amounted to $0.09 a month.

Thus, it would appear that when the ADB Including Debits costs more than Previous Balance, the impact on the customer is greater, on the average, than when Previous Balance costs more than ADB Including Debits.

### *Previous balance versus average daily balance excluding debits*

A relatively new form of Average Daily Balance system which has appeared in use is one where current month's purchases are excluded from the unpaid balances used in determining the average monthly balance on which the charge is based. This is the method recently adopted by Sears in a majority of the states.

This method, like the Adjusted Balance method, will never cost more than the Previous Balance and is likely to cost less. Some critics of this method have claimed that since customers do not pay their accounts early in the billing period that the possibility of saving charges under this method resulting from having paid early is not a meaningful option. If this were true, of course, the revenue received by the store would be roughly the same as that produced by the Previous Balance method.

Analysis of the data shown in Table 6 indicates clearly, however, that a majority of customers (59%) actually pay *less* under this form of Average Daily Balance by an amount equaling on the average $0.06 a month. The range of differences between these two billing methods is from zero to $0.73 a month. One reason for the savings may be, as indicated in Table 1, that customers generally do not wait until the last possible time in which to make their payments; but rather tend to pay about 15 days from billing date.

It is true that the difference between these two billing methods as applied to any one individual account is not very striking; but the same observation would seem to be appropriate when comparing the Previous Balance to almost *any* other billing method, with the exception, perhaps, of a True Actuarial Average Daily Balance. In the latter instance, differences are much larger.

### *Previous balance versus true actuarial average daily balance*

Generally, the most costly of all billing methods partly because of complete absence of an ability to avoid finance charges by paying balances in full and partly because current month's purchases are included in the unpaid balances on which the charges are based, is the True Actuarial Average Daily Balance.

As can be observed from data in Table 7, the mean difference between these two methods amounted to -$0.23 a month—with the Previous Balance being the less expensive of the two on the average.

The Previous Balance method was *less* expensive for 761 accounts (88% of all accounts) by amounts ranging upwards to $3.27 a month. For those accounts where Previous Balance was less expensive, the savings averaged $0.26 a month.

In a very small number of instances—11 accounts or 1.3% of all accounts—the difference between these two methods was zero.

It is possible, of course, for the Previous Balance method to be more costly to some customers than the True Actuarial Average Daily Balance. This occurs primarily when customers make an initial purchase and then begin to pay back the amount in regular monthly payments without making any additional purchases in the meantime.

Even this situation would not result in higher costs than the Previous Balance method, however, if the customer would always take the full amount of time allotted to him for making his payment. But, as indicated in Table 1, customers on the average make their payments approximately 15 days past billing date, rather than taking the full thirty days offered them.

As shown in Table 7, in this study some 93 accounts (10.8%) paid a higher finance charge under the Previous Balance method than they would have incurred under the True Actuarial ADB. In 75 of these cases, the difference amounted to $0.10 a month or less. The largest difference amounted to $0.36 a month. Where the Previous Balance was the more expensive of the two, the average difference amounted to $0.07 a month.

### IMPACT OF BILLING METHOD ON YIELD TO THE STORE

As had been indicated to this point, whereas differences in dollar costs to customers resulting from usage of varying billing methods are generally rather minimal, the same conclusion does not necessarily hold with regard to the impact on total finance charge revenue of the store.

Table 8 provides data relative to the total revenue from finance charges and the annual yield achieved under each of the six billing methods studied. As can be seen, the largest yield could be obtained through use of a True Actuarial ADB—approximately 21% (see Index in Table 8) more than that obtained from use of the Previous Balance method.

On the other hand, use of the Adjusted Balance method produced a yield of 14% compared to 15.9% for Previous Balance—a difference in revenue received of some 12% (see Index, Table 8). Thus, use of the Adjusted Balance method will produce significantly less revenue for a store although, as indicated earlier, to an average customer the savings amounts on the average to only $0.15 a month.

Further insight into the degree of impact on the store from use of Adjusted Balance is gained by comparing total revenue at 1½% (1% on amounts above $500) under Adjusted Balance with a 1% monthly rate under the True Actuarial ADB. As shown in Table 8, total revenue in this study under Adjusted Balance amounted to $11,325.17. This figure is only 5% more than what would have been the total revenue ($10,739.07) had the monthly rate been 1% and the billing method used been the True Actuarial ADB.

Again, as shown in Table 8, the yield provided by an ADB Including Debits is slightly greater (0.44%) at 15.997% than that received under Previous Balance.

TABLE 8.—TOTAL DOLLAR FINANCE CHARGE REVENUE AND ANNUAL YIELD UNDER SIX DIFFERENT BILLING METHODS

| Billing method | Total revenue[1] | Revenue per account per month | Annual yield[2] (percent) | Index[3] |
|---|---|---|---|---|
| Previous balance | $12,843.13 | $1.24 | 15.928 | 100.00 |
| Adjusted balance | 11,325.17 | 1.09 | 14.045 | 88.18 |
| Ending balance | 14,648.77 | 1.41 | 18.167 | 114.06 |
| Average daily balance, including debits | 12,899.16 | 1.24 | 15.997 | 100.44 |
| Average daily balance, excluding debits | 12,204.10 | 1.18 | 15.135 | 96.02 |
| True actuarial average daily balance | 15,228.06 | 1.47 | 18.886 | 121.32 |

[1] All billing methods were based on a monthly rate of finance charge of 1½ percent on balances from $33.33 to $500; 1 percent per month on that part of the unpaid balance in excess of $500; on balances below $33.33, a $0.50 minimum monthly charge was assessed.

[2] Annual yield determined by dividing the total revenue for each billing method by the sum of the true actuarial daily balances ($967,593) and multiplying by 12.

[3] Total revenue for each billing method divided by the total revenue produced by the previous balance method.

Source: Data taken from 12-month account histories of records on 865 accounts chosen at random.

As mentioned previously, some critics of the ADB Excluding Debits had doubted whether or not customers would actually pay any less or whether or not yields to the store would be any different. As illustrated in Table 8, the yield under this method amounted to 15.1%—some 5% (see Index in Table 8) less than the yield realized under the Previous Balance method.

To summarize concerning yields produced by the Previous Balance as compared to other billing methods, the Adjusted Balance produces substantially smaller yields; the ADB Excluding Debits results in definitely less yield but not to the extent that Adjusted Balance does; an ADB Including Debits produces only very slightly more yield; and both the Ending Balance and True Actuarial ADB produce substantially greater rates of return.

### SIGNIFICANCE OF VARYING YIELDS

Granted that substantial variation does exist in yields to stores from use of different billing methods, the question arises as to what is the significance of this fact.

For the legislator faced with the task of setting rate ceilings and regulating other aspects of credit operations which affect rates, the difference in yield produced by various methods is a substantive issue.

In general, legislators have wisely followed the approach to rate ceilings which has been to allow competition to determine to the extent possible what is an appropriate rate. It has been realized that to set rates that are too low to allow firms to recover their costs of operations results in a shrinking availability of credit to those who most need it.

My feeling based on the data produced in this study of empirical data is that the impact of billing method on cost to the customer is *minimal*; and that the consumer's best interest is served by allowing companies to choose whatever method is most appropriate for them—considering their costs of operation, customer needs, and desires, etc.

The object of legislation should be, in my opinion, to promote and assure competition and to assure that consumers are adequately informed as to the type of billing method in use by the store. The existing Truth in Lending Law has provisions which can, if enforced, accomplish this end.

It has been noted by some that if all companies were to use the same billing method, comparison of costs between different firms would be possible. Even if the billing method were the same, however, it still would *not* be possible to predict in advance what the actual cost (in dollars or as a rate) of credit would be on revolving accounts. This is true because of the fact that repayment terms differ from store to store and because the actual rate of charge paid by the customer is largely a result of his individual purchase and payment patterns.

### IMPACT OF 50-CENT MINIMUM ON DOLLAR COST

Another area of interest in undertaking this study was the question concerning the impact of a fifty-cent minimum charge on the cost of credit to customers. Various critics have often condemned this practice and have given examples of this practice producing rates of 60% or more. Again, the examples provided have been largely conjectures.

In an attempt to measure the actual cost differences to customers, a simulation of a program whereby finance charges were assessed at the same rates except without the imposition of a $0.50 charge on balances of less than $33.33 was conducted on the sample data in this study.

Table 9 contains the result of this simulation. Under most billing methods use of the minimum charge amounts to a difference of only $0.01 or $0.02 a month. The impact of the minimum is greatest under use of the True Actuarial Average Daily Balance.

TABLE 9.—EFFECT OF 50-CENT MINIMUM CHARGE ON AVERAGE MONTHLY DOLLAR FINANCE CHARGES. 6 DIFFERENT BILLING METHODS

[1½ percent per month on 1st $500; 1 percent on excess]

| Billing method | Mean charges[1] (minimum) |  | Median charges[2] (minimum) |  |
|---|---|---|---|---|
|  | With | Without | With | Without |
| Previous balance | $1.24 | $1.23 | $0.31 | $0.30 |
| Adjusted balance | 1.09 | 1.08 | .25 | .21 |
| Ending balance | 1.41 | 1.38 | .62 | .56 |
| Average daily balance, including debits | 1.24 | 1.23 | .30 | .29 |
| Average daily balance, excluding debits | 1.18 | 1.16 | .28 | .25 |
| True actuarial average daily balance | 1.47 | 1.39 | .66 | .55 |

[1] Arithmetic average of monthly averages for all individual accounts.

[2] The mid-point value in a series.

Source: Data taken from 12-month histories of account records on 865 accounts chosen at random.

For whatever the reason, the impact on cost to the individual customer from use of the minimum is in most instances practically nothing. It may be that the possibility of incurring a $0.50 charge actually encourages customers to pay in full their balances when they are very small thereby saving them some finance charges they might otherwise incur. In any event, this does not seem to be a significant factor from a consumer point of view.

### FINAL THOUGHTS

Finally, I would like to urge the Subcommittee to concentrate on other areas covered by S. 914 such as correction of billing errors and assuring prompt crediting of payments where a more urgent need may be said to exist.

It would seem to me that it is not at all certain that Sections 167 and 168 will actually provide any real benefit for consumers; and may actually on balance prove to be harmful to the extent that competition is lessened and credit revenues reduced to the point that cash buyers are forced to bear an increased share of credit costs or if a lessening in the availability of credit should occur.

Basically, my position is similar to that recommended by the National Commission on Consumer Finance. In their report, they recommend treatment of purchases and payments alike within a given billing period and that credit be given for merchandise returned before determining the balance on which finance charges are to be based. With those exceptions, the Commission recommended leaving open as many options on billing methods as possible.

One final observation made by the Commission which I have not mentioned to this point, but with which I agree, is that many small retailers might find mandatory use of some type of Average Daily Balance system prohibitive either financially or mechanistically. The result could be a shift to bank charge plans, thus lessening competition and providing both the customer and the merchant with a restricted choice—clearly not a desirable occurrence.

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## PRIVATE PENSION PLAN REFORM

Mr. NELSON. Mr. President, the Subcommittee on Private Pension Plans of the Senate Finance Committee has been conducting hearings and panel discussions on proposed pension legislation. In preparation for these hearings, the staff of the Joint Committee on Internal Revenue Taxation prepared an excellent summary of the various proposals for private pension legislation. The members of the subcommittee have found this summary to be a helpful guide in their consideration of pension legislation. Because in the near future the Senate will also be considering such legislation, I believe that the Joint Committee's study might be of interest to other Senators and interested people. Therefore I ask unanimous consent to have a substantial excerpt from that study printed in the RECORD.

There being no objection, the study was ordered to be printed in the RECORD, as follows:

### SUMMARY OF PROPOSALS FOR PRIVATE PENSION PLAN REFORM

### I. GENERAL STATEMENT

Over the past 30 years, the private pension system has grown rapidly. About 30 million employees were covered by these plans in 1970 compared to 4 million in 1940 and 9.8 million in 1950.[1] (See Table 1.) By 1980, these pension plans are expected to cover 42 million employees.[2] The growth which has occurred is also evidenced in other ways. Between 1950 and 1970, total annual contributions made to pension plans by employees and employers rose from about $2.1 billion to about $14 billion. In 1950, 450,000 beneficiaries received $370 million from pension plans; in 1970, 4.7 million beneficiaries received $7.4 billion in pension payments. Moreover, pension plan assets soared from $12.1 billion in 1940 to $150 billion in 1972 (book value) and are expected to reach $225 billion by 1980.[3]

This rapid increase in pension plans over the past few decades has consisted overwhelmingly of plans which meet Internal Revenue requirements designed to insure that the plans will benefit the rank and file employees and not merely a few highly paid employees. Since 1942, the Internal Revenue Code has contained provisions which prohibit qualified pension plans from discriminating as to coverage or benefits in favor of highly paid employees. The Internal Revenue Code seeks to induce compliance with these nondiscriminatory requirements by giving favorable tax treatment where plans comply.

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Footnotes at end of article.

TABLE 1.—PRIVATE PENSION AND DEFERRED PROFIT-SHARING PLANS:[1] ESTIMATED COVERAGE, CONTRIBUTIONS, BENEFICIARIES, BENEFIT PAYMENTS, AND RESERVES, 1950, 1955, 1960–70

| Year | Coverage[1] end of year (in thousands) |  |  | Employer contributions (in millions) |  |  | Employee contributions (in millions) |  |  | Number of beneficiaries, end of year (in thousands) |  |  | Amount of benefit payments (in millions) |  |  | Reserves, end of year (in millions) |  |  |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
|  | Total | Insured | Noninsured | Total | Insured | Noninsured | Total | Insured | Noninsured | Total | Insured | Noninsured | Total[2] | Insured | Noninsured[2] | Total | Insured | Noninsured |
| 1950 | 9,800 | 2,600 | 7,200 | $1,750 | $720 | $1,030 | $330 | $200 | $130 | 450 | 150 | 300 | $370 | $80 | $290 | $12.1 | $6.6 | $6.5 |
| 1955 | 15,400 | 3,800 | 11,600 | 3,280 | 1,100 | 2,180 | 560 | 280 | 280 | 980 | 290 | 690 | 850 | 180 | 670 | 27.5 | 11.3 | 16.1 |
| 1960 | 21,200 | 4,900 | 16,300 | 4,710 | 1,190 | 3,520 | 780 | 300 | 480 | 1,780 | 540 | 1,240 | 1,720 | 390 | 1,330 | 52.0 | 18.8 | 33.1 |
| 1961 | 22,200 | 5,100 | 17,100 | 4,830 | 1,180 | 3,650 | 780 | 290 | 490 | 1,910 | 570 | 1,340 | 1,970 | 450 | 1,520 | 57.8 | 20.2 | 37.5 |
| 1962 | 23,100 | 5,200 | 17,900 | 5,200 | 1,240 | 3,960 | 830 | 310 | 520 | 2,100 | 680 | 1,470 | 2,330 | 510 | 18,20 | 63.5 | 21.6 | 41.9 |
| 1963 | 23,800 | 5,400 | 18,400 | 5,560 | 1,390 | 4,170 | 860 | 300 | 560 | 2,280 | 690 | 1,590 | 2,590 | 570 | 2,020 | 69.9 | 23.3 | 46.6 |
| 1964 | 24,600 | 6,000 | 18,600 | 6,370 | 1,520 | 4,850 | 910 | 310 | 600 | 2,490 | 740 | 1,750 | 2,990 | 640 | 2,350 | 77.7 | 25.2 | 52.4 |
| 1965 | 25,300 | 6,200 | 19,100 | 7,370 | 1,770 | 6,600 | 990 | 320 | 670 | 2,750 | 790 | 1,960 | 3,520 | 720 | 2,800 | 86.5 | 27.3 | 59.2 |
| 1966 | 26,300 | 6,900 | 19,400 | 8,210 | 1,850 | 6,360 | 1,040 | 330 | 710 | 3,110 | 870 | 2,240 | 4,190 | 810 | 3,380 | 95.5 | 29.3 | 66.2 |
| 1967 | 27,500 | 7,700 | 19,800 | 9,050 | 2,010 | 7,040 | 1,130 | 340 | 790 | 3,410 | 980 | 2,480 | 4,790 | 910 | 3,880 | 106.2 | 31.9 | 74.2 |
| 1968 | 28,000 | 7,900 | 20,100 | 9,940 | 2,240 | 7,700 | 1,230 | 340 | 890 | 3,770 | 1,010 | 2,760 | 5,530 | 1,030 | 4,500 | 117.8 | 34.8 | 83.1 |
| 1969 | 29,000 | 8,700 | 20,300 | 11,420 | 3,030 | 8,490 | 1,360 | 350 | 1,010 | 4,180 | 1,070 | 3,110 | 6,450 | 1,160 | 5,290 | 127.8 | 37.2 | 90.6 |
| 1969 | 29,000 | 8,700 | 20,300 | 11,420 | 3,030 | 8,490 | 1,360 | 350 | 1,010 | 4,180 | 1,070 | 3,110 | 6,450 | 1,160 | 5,290 | 127.8 | 37.2 | 90.6 |
| 1970 | 29,700 | 9,300 | 20,400 | 12,580 | 2,860 | 9,720 | 1,420 | 350 | 1,070 | 4,720 | 1,220 | 3,500 | 7,360 | 1,330 | 6,030 | 137.1 | 40.1 | 97.0 |

[1] Includes pay-as-you-go multiemployer and union-administered plans those of nonprofit organizations and railroad plans supplementing the Federal railroad retirement program. Excludes pension plans for Federal State and local government employees as well as pension plans for the self-employed. Insured plans are underwritten by insurance companies; noninsured plans are in general funded through trustees.

[2] Excludes annuitants; employees under both insured and noninsured plans are included only once—under the insured plans.

[3] Includes refunds to employees and their survivors and lump sums paid under deferred profit-sharing plans.

Source: Compiled by the Office of the Actuary, Social Security Administration from data furnished primarily by the Institute of Life Insurance and the Securities and Exchange Commission.

More specifically, where the pension plan qualifies under the Internal Revenue Code, employers, within certain limits, are permitted to deduct contributions made on behalf of covered employees; earnings on the plan's assets are exempt from tax; and covered employees defer payment of tax on employer contributions made on their behalf until they actually receive the benefits, generally after retirement when their incomes and hence applicable tax rates tend to be lower.

In order to qualify under the Internal Revenue Code, a pension plan must cover a specified percentage of employees[4] or cover employees under a classification found by the Internal Revenue Service not to discriminate in favor of employees who are officers, shareholders, supervisory employees, or highly compensated employees. Similarly, the contributions to the plan or benefits paid out by the plan cannot constitute a larger percentage of pay for higher-paid employees than for lower-paid employees.[5]

With the growth in private pension plans there has been increasing criticism of the pension plan system. The principal problem areas are discussed below. These are followed by a brief general discussion of the remedies which have been proposed. Part II of this pamphlet compares specific aspects of present law with proposals contained in the following bills that are the subject of the Subcommittee's hearings: S. 4 (as reported by the Senate Committee on Labor and Public Welfare), S. 1179, (introduced by Senator Bentsen), and S. 1631 (the administration's tax bill, introduced by Senator Curtis and others). A companion administration bill, S. 1557, is also discussed where its provisions deal with matters involved in present law or one of the other bills mentioned above. Part III of this pamphlet consists of a table briefly highlighting the major elements of present law and those bills.

### *A. Problem areas*

*Inadequate coverage.*—Despite the rapid growth in pension coverage in recent years to its 1970 level of about 30 million employees, one-half of all employees in private, nonagricultural employment are still not covered by pension plans. Pension plans are still relatively rare among small business firms and in agriculture. Moreover, it is claimed that even where employees work for a firm with a pension plan, the age and service requirements for participation and coverage in the plan may be overly restrictive.

*Alleged discrimination against the self-employed and employees not covered by pension plans.*—Another problem area is that present law discriminates against employees not covered by pension plans and against the self-employed. This is primarily because the personal retirement savings of individuals not covered by pension plans must be made out of after tax income, while those covered by pension plans are permitted to defer tax on their employer's pension contributions.

Self-employed people also frequently maintain that they are discriminated against as compared with corporate executives and owner-managers of corporations in regard to the tax treatment of retirement savings. At present, there is no comprehensive limit on the amounts the employer can contribute on behalf of corporate executives and owner-managers of corporations; similarly, there is no limit on the amount of pension benefits that the latter can receive—so long as those contributions or benefits do not discriminate in favor of employees who are shareholders, officers, supervisors, or highly paid and do not constitute unreasonable compensation. As a result of legislation enacted in 1962 and amended in subsequent years, self-employed people can now be covered by pension plans but their deductible contributions to such plans on their own behalf are limited to 10 percent of earned income up to $2,500 a year.

Some self-employed people, including professional people, have been successful in securing the tax advantages associated with corporate pension plans by forming professional corporations. Although the Service for a long time refused to recognize the validity of such corporations for Federal tax purposes, the courts sided with the taxpayers and the Internal Revenue Service has agreed to generally recognize such corporations for pension purposes.[6]

*Inadequate vesting.*—Present law generally does not require a pension plan to give a covered employee vested rights to benefits—that is, the right to receive benefits even if he leaves or loses his job before retirement age.[7] Over two-thirds of the private pension plans provide vested rights to pension benefits before retirement. However, as a general rule, employees do not acquire vested rights until they have accumulated a fairly long period of service with the firm and/or are relatively mature. At present, only one out of every three employees participating in employer-financed pension plans has vested rights to benefits. Moreover, 58 percent of covered employees between the ages of 50 and 60, and 54 percent of covered employees 60 years of age and over, do not have vested pension rights.[8] As a result, even employees with substantial periods of service may lose pension benefits on separation from employment. Extreme cases have been noted in which employees have lost pension rights at advanced ages as a result of being discharged shortly before they would be eligible to retire. In addition, failure to vest more rapidly is charged with interfering with the mobility of labor, to the detriment of the economy.

*Inadequate funding.*—Another problem area is the significant portion of present pension plans which are not adequately funded—that is, they are not accumulating sufficient assets to pay benefits in the future to covered employees. As a result, there is concern that many employees now covered by pension plans may not actually receive pensions when they retire because the funds will not be available to pay for those pensions.

In general, pension plans that are qualified under the Internal Revenue Code must meet certain minimum funding requirements by irrevocably setting aside funds in a trust or through the purchase of insurance contracts. Contributions to such plans must be at least large enough to pay the normal pension costs (the pension liabilities created in the current year) plus the interest on unfunded accrued liabilities which generally are attributable to the past service of the covered employees. However, it is urged that this minimum funding requirement is not adequate because it is designed only to prevent the unfunded liabilities from growing larger and does not require any payment to reduce the amount of the outstanding unfunded liabilities, which may be substantial.

The available evidence suggests that many pension plans are adequately funded—but that a significant proportion of the plans have not been adequately funded. This is indicated, for example, by a survey made by the Senate Labor Subcommittee of 469 trustee-administered pension plans covering 7.1 million employees. In 1970, about one-third of the plans covering one-third of the participants reported a ratio of assets to total accrued liabilities of 50 percent or less; while 7 percent of the plans covering 8 percent of the participants reported a ratio of assets to accrued liabilities of 25 percent or less. (See Table 2.)

In general, the older plans are better funded than the newer ones. Over one-half of the plans covered by the study which were 6 years old or less had an assets-liabilities ratio of 50 percent or less, while 35 percent of the plans in existence for 17 years to 21 years had such an assets-liabilities ratio.

TABLE 2.—FUNDING OF PRIVATE PENSION PLANS: ASSETS AT MARKET VALUE, AS PERCENT OF PRESENT VALUE[1] OF TOTAL ACCRUED RETIREMENT BENEFITS, BY PLAN AND BY PARTICIPANT AS OF 1970

| | By plan | | By participant | |
|---|---|---|---|---|
| | Number[2] | Percent | Number | Percent |
| Assets as percent of accrued benefits: | | | | |
| 25 percent or less | 33 | 7 | 541,801 | 8 |
| 26 through 50 | 118 | 25 | 1,798,945 | 25 |
| 51 through 75 | 104 | 22 | 2,134,601 | 30 |
| 76 through 100 | 117 | 25 | 1,211,298 | 17 |
| 101 through 125 | 55 | 12 | 949,975 | 13 |
| 126 through 150 | 20 | 4 | 134,252 | 2 |
| 151 through 175 | 8 | 2 | 52,498 | 1 |
| Over 175 | 14 | 3 | 276,835 | 4 |
| Total | 469 | 100 | 7,100,205 | 100 |

[1] Present value of accrued benefits is actuarially determined.
[2] Sample consists of 469 trustee-administered plans. Comparable data were not available for insured plans.

Note: The sum of individual items may not equal totals because of rounding.

Source: Senate Committee on Labor and Public Welfare Report on S. 3598, The Retirement Income Security for Employees Act of 1972, 92d Cong., 2d Sess., p. 97.

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Footnotes at end of article.

TABLE 3.—FUNDING OF PRIVATE PENSION PLANS: ASSETS AT MARKET VALUE AS PERCENT OF PRESENT VALUE[1] OF TOTAL ACCRUED RETIREMENT BENEFITS, BY AGE OF PLAN AS OF 1970

| | Age of plans[2] | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 6 years or less | | 7 to 11 years | | 12 to 16 years | | 17 to 21 years | | 22 to 26 years | | 27 to 31 years | | Over 31 years | |
| | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| Assets as percent of accrued benefits: | | | | | | | | | | | | | | |
| 25 percent or less | 9 | 21 | 7 | 9 | 10 | 8 | 2 | 2 | 4 | 8 | | | 1 | 5 |
| 26 through 50 | 13 | 31 | 24 | 30 | 36 | 29 | 34 | 33 | 4 | 8 | 6 | 13 | 1 | 5 |
| 51 through 75 | 9 | 21 | 18 | 22 | 31 | 25 | 24 | 23 | 8 | 15 | 9 | 20 | 5 | 24 |
| 76 percent and over | 11 | 26 | 32 | 39 | 48 | 38 | 43 | 42 | 36 | 69 | 30 | 66 | 14 | 68 |
| Total | 42 | 100 | 81 | 100 | 25 | 100 | 103 | 100 | 52 | 100 | 45 | 100 | 21 | 100 |

[1] Present value of accrued benefits is actuarially determined.
[2] Sample consists of 469 trustee-administered plans.

Note: The sum of individual items may not equal totals because of rounding.

Source: Senate Committee on Labor and Public Welfare report on S. 3598, the Retirement Income Security for Employees Act of 1972, 92d Cong., 2d. sess., p. 98.

*Loss of pension benefits due to plan terminations.*—Concern has also been expressed over the possible loss of pension benefits as a result of termination of pension plans. The Studebaker Case, which has been widely publicized, illustrates how pension benefits can be lost as a result of termination of a plan. When Studebaker closed its South Bend, Indiana, plant in 1964, the employees were separated and the pension plan was terminated. The plan provided fairly generous vested rights and the funding apparently would have been adequate had the firm remained in business and the plan continued in operation. However, at termination, the plan had not yet accumulated sufficient assets to meet all its obligations. As a result, full pension benefits were paid only to employees already retired and to employees age 60 or over with 10 years or more of service. Little or no benefits were paid to large numbers of other employees, many of whom had vested rights.

A joint study by the Treasury Department and the Department of Labor indicates that there were 683 plan terminations in the first 7 months of 1972.[9] These terminations resulted in the loss of $20 million of benefits (present value) by 8,400 pension participants in 293 of the terminated plans. The average loss of benefits for participants amounted to $2,400. Participants losing benefits represented about four one-hundredths of one percent of workers covered by pension plans. The data, of course, cover terminations occurring over a relatively short period of time.

*Misuse of pension funds and disclosure of pension operations.*—There also has been concern about the administration of pension plans. It has been charged that all too frequently pension funds have not been used in the best interest of covered employees. There have been cases of extreme misuse of pension funds.

Also, questions have been raised as to whether a pension plan should be permitted to invest heavily in the employer's securities instead of diversifying investments. Present law permits such investments in the employer's securities.

The Welfare and Pension Plans Disclosure Act, which is administered by the Labor Department, was adopted in 1958 to protect the interests of welfare and pension plan participants and beneficiaries by requiring disclosure of information regarding such plans. This Act requires the plan administrators to file with the Secretary of Labor and to send to participants upon written request a description and annual report of the plan. The Act was amended in 1962 to make theft, embezzlement, bribery and kickbacks Federal crimes where they occur in connection with welfare and pension plans. The 1962 amendment also conferred limited investigatory and regulatory powers upon the Secretary of Labor. However, it is maintained that further revision of the Welfare and Pension Plans Disclosure Act is required—for example, to require more detailed and more effective disclosure and to spell out the degree of responsibility of fiduciaries of pension funds, the types of persons who should be allowed to act as fiduciaries, and the standards of accountability that should be required of fiduciaries.

The Internal Revenue Code (sec. 503 (b)) seeks to prevent abuses in the use of qualified pension funds by prohibiting qualified pension plans from engaging in certain specified prohibited transactions such as lending funds without adequate security and a reasonable rate of interest to the creator of the plan, his family, or corporations controlled by him. Other prohibited transactions include payment of excessive salaries, purchase of property for more than an adequate consideration, sale of property for less than an adequate consideration, or any other transactions which result in a substantial diversion of funds to such individuals. Special additional rules apply to trusts benefiting owner-employees. However, it has been charged that this prohibited transaction provision is not effective because the penalty for noncompliance is the disqualification of the pension plan from tax benefits for a period of time, which is unfavorable to the covered employees who have had no part in any wrongdoing.

### *B. Proposed remedies*

A number of legislative proposals have been made to remedy the deficiencies of pension plans. This includes S. 4 (which has been reported favorably by the Senate Committee on Labor and Public Welfare), S. 1179 (introduced by Senator Bentsen), and the administration's proposal, "The Retirement Benefits Tax Act" (S. 1631 introduced by Senator Curtis and others).

In general, these legislative proposals would retain the present tax treatment of pension plans which is designed to encourage the growth and development and nondiscriminatory pension plans. Moreover, the proposals would make no change in the present voluntary nature of pension plans in that employers would retain the right either to have or not to have a pension plan for their employees. However, the proposals would require the pension plans that are established to comply with certain specified requirements which are designed to insure that they will operate in the best interest of covered employees. While the specific requirements vary from proposal to proposal, S. 4, S. 1179, and S. 1631 all contain provisions to:

*Age and service coverage requirements.*—Prohibit plans from imposing overly restrictive age and service requirements for participation. S. 4, for example, generally provides that no pension plan is to require as a condition for eligibility to participate a period of service longer than one year or an age older than 25 whichever occurs later. The comparable maximum limits for participation are set at one year of service and age 30 under S. 1179 and at three years of service and age 30 under S. 1631.

*Vested rights.*—Require plans to grant covered employees vested rights to benefits either not later than a specified period of service or not later than a specific combination of years of service and attained age. The minimum required vesting would be gradual—that is, a portion of the benefits would be vested after the fulfillment of the specified initial requirement and the remaining benefits would be vested gradually over a specified period of time. Specifically, S. 1631 would require 50 percent of the employee's benefits derived from employer contributions to be vested by the time the sum of his age and years of participation in the plan total 50; the remaining 50 percent would have to be vested at least as fast as on a pro rata basis over the next five years of participation. S. 4 would require at least 30 percent of the benefits to be vested after eight years of participation and the remaining 70 percent over not more than the next seven years. S. 1179 would require at least 25 percent of benefits to be vested after five years of participation and the remaining 75 percent over not more than the next 15 years.

Under S. 4, the new vesting requirements would apply to benefits regardless of whether such benefits were acquired before or after the effective date of the provision (3 years after enactment). For example, if an employee had 15 years of covered service prior to the effective date of the provision, he would have to be given 100 percent vested rights to the benefits earned up to that date. Under S. 1179, the new vesting requirements would apply only to benefits accrued after the effective date of the provision (3 years after enactment) except for covered employees 45 years of age and older. Vesting for the latter employees would apply to all benefits accrued, including benefits accrued before the effective date of the provision. Under S. 1631, the new vesting requirements generally would apply only to benefits accrued after the effective date (generally January 1, 1975, in the case of a plan in existence on December 31, 1972). However, years of participation in the plan prior to the effective date would be taken into consideration in determining if the employee was entitled to vesting. For example, an employee 40 years of age who had 10 years of participation in the plan prior to the effective date would not have to be given vested rights to the benefits accrued prior to the effective date; however, he would have to be given a vested right for benefits accrued after the effective date since his age and total years of participation (including participation before the effective date) entitle him to 50 percent vesting after the effective date.

Under S. 4 and S. 1179, the regulatory authority (the Secretary of Labor under S. 4 and the Secretary of the Treasury under S. 1179) would be given the authority to postpone the vesting requirements for a period of up to 5 years from the effective date of the vesting provision where compliance with the vesting requirements would cause substantial economic injury to the employer and participants or beneficiaries.

The relative additional costs of financing pension plans under the vesting requirements imposed by the different plans are shown in table 4.

TABLE 4.—RANGE OF INCREASE IN PENSION PLAN COSTS FOR MANDATORY VESTING PROVISIONS

[Percent]

| | Present vesting: None | Present vesting: Moderate | Present vesting: Liberal | All plans |
|---|---|---|---|---|
| Percentage of pension plan members covered under such plans | 23 | 56 | 21 | 100 |
| Range of present plan cost as a percent of payroll | 1.8–10.4 | 2.2–11.8 | 2.2–11.9 | 1.8–11.9 |
| Range of increase in cost as a percent of payroll: | | | | |
| S. 4—30 percent at 8 years, graded, all past service vested | .2–1.4 | .1–.3 | 0–0 | 0–1.4 |
| S. 1631—Rule of 50, no past service vested | .2–.7 | 0–.3 | 0–.2 | 0–.7 |
| Range of increase in cost as a percent of present plan cost: | | | | |
| S. 4—30 percent at 8 years, graded, all past service vested | 5–53 | 1–8 | 0–1 | 0–53 |
| S. 1631—Rule of 50, no past service vested | 3–28 | 0–12 | 0–5 | 0–28 |

Note: Cost estimates for S. 1179 are not yet available, but it is believed that this bill will have slightly lower cost effects than S. 4.

Source: "Summary of Report, Study of the Cost of Mandatory Vesting Provisions Prepared for the Senate Subcommittee on Labor," by Donald S. Grubbs, Jr., as reprinted in S. Rept. 93–127, the report of the Committee on Labor and Public Welfare on S. 4., p. 79.

*Funding.*—Require pension plan funding to meet certain specified standards. This would generally require contributions to be sufficient to cover the current costs attributable to pension coverage in the pertinent year plus the funding of all unfunded past service liabilities over some specified period of time. Specifically, S. 4 and S. 1179 would require all unfunded past service liabilities to be funded over not more than 30 years, while S. 1631 would require the portion of unfunded past service liabilities that is vested to be funded at a rate not less than 5 percent per year.

In general, S. 4 and S. 1179 would require faster funding than S. 1631 of plans which have not provided substantial vested rights to benefits prior to the effective dates of the legislation. This is because S. 1631 bases the funding requirement as to past service liabilities on the amounts that have been vested but requires only benefits accrued after the effective date of the provision to be vested even in the case of employees who have had long periods of service prior to the effective date. In contrast, S. 4 and S. 1179, because they base the funding requirements on accrued liabilities, would require the funding of substantial benefits accrued prior to the effective date by long-service employees. However, because it would require vested unfunded liabilities to be funded at the rate of 5 percent per year, S. 1631 could initially require relatively faster funding than S. 4 and S. 1179 for plans which are characterized by relatively full vesting (perhaps because the plan previously granted generous vesting on a voluntary basis).

Experience deficiencies in funding (i.e., instances in which the funding is deficient because experience proves that the actuarial assumptions on which the funding is based are deficient) would generally have to be funded over a 5-year period under S. 4. Under S. 1179, such experience deficiencies would have to be made up at least ratably over the average remaining working life of the covered employees. Under S. 1631, experience deficiencies in funding vested liabilities would have to be made up at a 5-percent-per-year rate.

Where it is determined that the employer is not able to contribute enough to the pension plan to meet the funding requirements, S. 4 and S. 1179 arrange for the employer to be given an additional 5-year period to make this contribution. Such deferments cannot be given more than five consecutive times.

Under S. 4 and S. 1179, the generally applicable minimum funding requirements would not apply to multi-employer plans. Instead, the regulatory authority (the Secretary of Labor under S. 4 and the Treasury Department under S. 1179) would be given the authority to promulgate regulations regarding the minimum funding requirements of such plans. The funding period for the multi-employer plans would reflect an adequate basis for funding the plans' benefit commitments and would take into account the particular situation pertaining to the plan industry and circumstances. S. 4 further indicates that in no event could the regulatory authority prescribe a funding period for such multi-employer plans which is less than 30 years.

In addition to the above revisions, which would be made by all three bills (S. 4, S. 1179, and S. 1631), some of these bills propose other changes in the pension area.

*Insurance for plan terminations.*—An insurance program to protect employees against loss of vested pension benefits in the event that their pension plans terminate would be established by S. 4 (the Senate Labor and Public Welfare Committee's bill) and S. 1179 (Senator Bentsen's bill). The insurance protection would apply to 50 percent of the highest average monthly pay over a five-year period with a dollar ceiling of $500 a month under S. 4 and $1,000 a month under S. 1179. The insurance programs would be financed by premiums paid by those financing the pension plans, ranging from 0.2 percent to 0.4 percent of their unfunded vested liabilities.

*Portability.*—A voluntary portability program would be established by S. 4. Under this program, employees who change jobs would have the option of transferring amounts equal to the current values of their vested pension rights from their old pension fund to a central fund which would then transfer those amounts to the plans of their new employers or, at the options of the employees, would make payments to the employees when they retire and which would also keep records of employees' pension rights accumulated under different plans. This program would cover only employees in employer plans which elect to participate as members in the portability system. Although they would not establish a similar central portability fund, S. 1179, and S. 1631 seek the portability objective by providing that covered employees who transfer vested pension rights from one plan to another can do so free of tax when the employees change jobs.

*Tax benefits of self-employed.*—The tax benefits associated with the establishment of pension plans by self-employed people would be increased by the administration bill which would raise the maximum tax deductions permitted for contributions for self-employed persons under owner-employee plans from the present level of 10 percent of earned income up to $2,500 a year to 15 percent of earned income up to $7,500 a year. The Treasury Department has estimated that the revenue cost of this change will be $110 million a year.

*Tax benefits for individual retirement plans.*—Individuals would be permitted by S. 1631, the administration bill, to establish their own individual retirement plans and to deduct amounts contributed to such plans up to 20 percent of earned income or $1,500 a year whichever is less. This tax deduction would also be extended to employee contributions to pension plans. The maximum allowable deduction would be reduced by the employer contributions made on behalf of the employee. Similar provision for individual retirement savings and employee contributions to pension plans is made in S. 1179, but in this case, the tax allowance for individual retirement savings would be granted in the form of a tax credit equal to 25 percent of the contribution or $375 a year, whichever is less. The Treasury estimates that the initial cost of its proposals on this point would be $300 million a year and would increase to $350 million in the second year, to $410 million in the third year, and to $480 million in the fourth year. The Treasury estimates that the initial cost of the tax credit proposal in S. 1179 would be $400 million a year, and that the cost would increase to $600 million in the fourth year.

*Fiduciary and reporting requirements.*—The Welfare and Pension Plans Disclosure Act is strengthened under S. 4. Plans are required to disclose information regarding their activities in greater detail than previously, more severe penalties are placed on malfeasance and abuse of pension funds, the obligations of trustees are spelled out in greater detail and pension plans (but not profit-sharing plans) are prohibited from investing more than a specified percentage of their assets in the securities of the employer. Broadly similar measures are proposed by the administration in S. 1557, the Employee Benefits Protection Act. In addition, the administration bill, S. 1631 (the Retirement Benefits Tax Act) would make acts prohibited by the Employee Benefits Protection Act prohibited transactions and would require trustees, employers, and officers of the firm who are responsible for such prohibited transactions to pay an excise tax of 5 percent of the amounts involved in the transactions. An additional tax of 200 percent of the amount involved in the prohibited transaction would be imposed if the violation were not corrected by 90 days after notice.

### *C. Administration of new requirements*

The legislative proposals also differ substantially in the provision made for administering the new pension requirements that they would impose. Under S. 1179 and S. 1631, the new pension requirements would be administered by the Internal Revenue Service, which now administers the substantive pension provisions dealing with the qualification of plans under the Internal Revenue Code. S. 4, however, departs from this traditional practice and provides that the Department of Labor would administer the new provisions. This would involve a dual system of administration in which the present rules regarding qualification which include such aspects as coverage, vesting, funding, and prohibited transactions would be administered by the Internal Revenue Service while the new additional requirements regarding these items as well as plan termination insurance would be administered by the Department of Labor.

Historically, the substantive requirements regarding non-discrimination, which are designed to insure that pension plans will benefit the rank and file of employees have been enforced through the tax laws which are administered by the Internal Revenue Service. As a result, the Internal Revenue Service is already required to examine the coverage of pension plans and pension contributions and benefits as well as funding and vesting practices in order to determine that plans operate so as to conform to the nondiscrimination requirements. Also, the Service has administered the fiduciary standards embodied in the prohibited transactions provisions since 1954.

Senator Bentsen's bill, S. 1179, and Senator Curtis' bill, S. 1631, which embodies the administration proposals, would continue this precedent by having the Internal Revenue Service administer the new coverage, vesting, and funding requirements.[10] Similarly, the Labor Department which has been administering the Welfare and Pension Plans Disclosure Act would continue to administer a strengthened Act.

In contrast, under S. 4, the Labor Department would administer the new substantive requirements regarding coverage, vesting, funding, fiduciary standards, and plan termination insurance as well as the disclosure provisions which up to now have been its area of jurisdiction under the Welfare and Pension Plans Disclosure Act. In effect, this means that the substantive provisions regarding coverage, vesting, fiduciary standards, and funding under pension plans would be administered by both the Internal Revenue Service and the Labor Department.

Accordingly, S. 4, in effect, would require two government agencies to administer the same broad areas of pension operation. While there undoubtedly would be attempts to coordinate the work of the two agencies, the dual administration approach involves inherent problems. These are discussed below.

*Dual staffs.*—Two staffs of two different governmental agencies would be employed in the work of regulating the vital areas of vesting, funding, fiduciary standards, and coverage. This, in turn, would involve duplication in regulation since, as a practical matter, the Internal Revenue Service would be required to examine the overall operation of plans in order to determine compliance with the nondiscrimination and prohibited transactions provisions of the Internal Revenue Code.

*Dual reports.*—Employers and plan administrators would be required to file two sets of reports dealing with the same broad areas of pension operation with the two different governmental agencies. To some extent the duplication in reporting might be reduced by coordination procedures but since the reports deal with different legal provisions which have somewhat different objectives, much dual reporting would still be required. For example, employers requesting determination letters from the Internal Revenue Service indicating that their plans qualify under the Internal Revenue Code would have to file information regarding such plans with the Internal Revenue Service. Annual reports regarding plan operations would also continue to be filed with the Internal Revenue Service to substantiate the deductions and the exemption of earnings of the pension fund. At the same time, administrators of plans would be required to submit broadly similar

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information to the Department of Labor in order to receive certification for their plans and to continue such certification.

*Differences in coverage.*—Although S. 4 would require the Department of Labor and the Internal Revenue Service to engage in considerable duplication in regulatory efforts, there would be gaps in the regulation by the Department of Labor. For example, S. 4 would generally not cover plans which cover not more than 25 participants plans of firms which are not in industry or in an activity affecting commerce, plans covering self-employed people even though such plans also cover employees, plans of exempt organizations, and governmental plans (including the United States Civil Service system). Many of these plans, however, seek qualification under the Internal Revenue Code so that the Internal Revenue Service would continue to administer the pension rules for them.

*Conflicting requirements.*—Because of differing requirements, plans which meet the requirements of one agency might not meet the tests of the other. For example, the application to a particular plan of the Labor Department requirements regarding vesting might conflict with the Internal Revenue Service requirements because they could, in a particular plan, result in discrimination in favor of executives and highly paid employees. Similarly, while the new age and service coverage requirement in S. 4 is generally stricter than the present age and service coverage provisions, it is only one part of the entire coverage rules which have to be met and the Internal Revenue Service would, therefore, still have to concern itself with all the coverage aspects of the plan including the new coverage requirement. Moreover, considerable differences in evaluating the extent of funding in particular plans could arise as a result of different evaluations of the actuarial assumptions by the Labor Department and the Internal Revenue Service.

*Qualifications under one set of requirements and not the other.*—Since the Internal Revenue Service is continually engaged in auditing plans and tax returns, it is highly likely that particular pension plans might be examined by investigatory agents of both the Internal Revenue Service and the Labor Department in a short period of time. The results of these duplicatory investigations could be quite inconsistent. In view of the different rules enforced by the two agencies, the Internal Revenue Service might give the plan, its trust, and fiduciary a clean bill of health while the Department of Labor might find violations. On the other hand, the Labor Department might find the situation satisfactory and the Internal Revenue Service might find violations with regard to the particular rules that it enforces.

*Change in enforcement procedures.*—S. 4 would also adopt a fundamental change in the approach toward enforcing the pension provisions. For over three decades, withdrawal of the tax advantages associated with qualification has been the basic method of enforcing the nondiscrimination rules of the Internal Revenue Code, which are designed to insure that pension plans are actually for the benefit of the rank and file of employees. In general, this has been an effective tool since the withdrawal of qualification can result in the denial of deductions for employer contributions to the plan and the loss of the exemption of the plan's earnings. The fact that such drastic penalties may be imposed for noncompliance provides a substantial inducement to meet the required tests for qualification. In contrast, under S. 4 the Labor Department would have to get a court order to enforce compliance where plans are not living up to these requirements. It is not clear how large an investigation staff would be required for this. In part this is because it is not clear whether employers would make changes voluntarily (as they do to avoid loss of tax deduction) or whether in the case of many of the requirements they would wait until an investigation is made by the Labor Department personnel.

### II. ANALYSIS OF PENDING LEGISLATION

### *A. Plan participation—Age and service requirements*

*Present law.*—In general, in the case of an employer pension and profit-sharing plan, the Internal Revenue Code does not require the plan to comply with any specific eligibility conditions relating to age or service in order to qualify. Existing administrative practice allows plans to be limited to employees who have (1) attained a designated age, or (2) have been employed for a designated number of years, so long as the effect is not discriminatory in favor of officers, shareholders, supervisory, or highly-compensated employees (sec. 401(a)(3)(B) of the Internal Revenue Code). Also, under administrative practice, a plan may exclude employees who are within a certain number of years of retirement (for example, five or less) when they would otherwise become eligible, if the effect is not discriminatory. On the other hand, in the case of a plan for owner-employees,[11] the plan must provide that no employee with three or more years of service may be excluded (sec. 401(d)(3) of the code).

*S. 4*—A plan would not be permitted to require, as a condition of participation, more than one year of service or attainment of an age greater than 25, whichever occurs later. However, any plan which provides full immediate vesting would be permitted to require as much as three years of service or attainment of age 30, whichever occurs later (sec. 201 of the bill). The bill would not change the Internal Revenue Code provisions described above. As a result: (1) the bill would provide more stringent Labor Department standards than those of the tax law in the case of corporate plans and H.R. 10 plans without owner-employees (i.e., where no one has more than a 10-percent interest in the partnership)—but only as to plans with more than 25 participants; (2) the bill would provide essentially the same standards as the tax law in the case of owner-employee plans with more than 25 participants; and (3) the bill would not provide new standards for plans with fewer than 26 participants.

The effect of the bill, therefore, is to require each plan to determine which set of standards is the more stringent as to it, and then to obey that set of standards.

*S. 1179.*—A plan would not be permitted to require, as a condition of participation, more than one year of service, or an age greater than 30 (sec. 321 of the bill); however, no change would be made in the three-year rule for owner-employee plans, described above.

*S. 1631.*—A plan would not be permitted to require, as a condition of participation, more than three years of continuous service or attainment of an age greater than 30, but the plan could exclude an employee who was within five years of normal retirement age at the time he would otherwise become eligible for participation (sec. 2(a)(2) of the bill).

An owner-employee plan would be required to cover every employee with three years or more of continuous service, every employee with two years of continuous service who was at least 30 years old, and every employee with one year of continuous service who was at least 35 (sec. 2(b)(2) of the bill).

### *B. Vesting*

*Present law.*—A qualified pension or profit-sharing plan must now provide that an employee's rights are to become nonforfeitable (i.e., "vested") if the plan terminates or the employer discontinues his contributions. The employee's rights also must become fully vested when he attains the normal or stated retirement age. With these exceptions, there is no requirement that an employee be given nonforfeitable rights to his accrued benefits before retirement, although the absence of such pre-retirement vesting is taken into account in determining whether the plan meets the nondiscrimination tests of the Internal Revenue Code (sec. 401(a)(4) of the code).

Under an owner-employee plan, the rights of employees must vest immediately (sec. 401(d)(2)(A) of the code).

*S. 4.*—A plan would generally be required to give each employee vested rights to at least 30 percent of his deferred pension benefits (or 30 percent of his interest, in the case of a profit-sharing retirement plan) after 8 years of participation in the plan. Thereafter, each year the minimum vesting percentage would be increased by an additional 10 percentage points, so that no later than the end of 15 years of participation, the employee would be entitled to 100-percent vested rights in his benefits (or interest, in the case of a profit-sharing retirement plan) (sec. 202(a)(1) of the bill).

The vesting standards that would be established by the bill would allow later vesting than under existing tax law governing H.R. 10 plans which include owner-employees. Since the bill would not amend the tax law, the more stringent of the two requirements presumably would apply and owner-employee plans would continue to have to meet current requirements.

The plan could require 3 of the 8 years minimum service under the plan to be continuous and generally could ignore service prior to age 25 (sec. 202(b) of the bill). A plan could provide a different vesting formula from the minimum formula set forth in the bill if the Secretary of Labor determines, upon application by a plan, that its vesting provisions are "as equitable" as that minimum formula (sec. 202(e) of the bill). In the case of a class year plan, it would be required that a participant be fully vested in employer contributions on his behalf not later than the end of the fifth year following the year for which those contributions were made (sec. 202(a)(3) of the bill).

The vesting requirements would apply to accrued benefits for service rendered before and after the effective date of the vesting provisions (sec. 202(a) of the bill), which would be 3 years after the date of enactment (sec. 701(b) of the bill). However, in the case of a plan established or amended after the effective date of the bill, only service rendered after that establishment or amendment need be considered in applying the vesting requirements to the new benefits or interests. Also, the Secretary of Labor would be given the authority to postpone application of the vesting requirements to a plan for up to 5 years from the effective date of those requirements (i.e. 8 years from date of enactment) where there is a showing that the vesting requirements would increase the employer's costs or contributions under the plan to an extent that "substantial economic injury" would result to the employer and to the interests of the participants (sec. 216 of the bill).

S. 1179.—A plan would be required to give each employee vested rights to at least 25 percent of his accrued benefits after 5 years of participation in the plan. Thereafter, each year the minimum vesting percentage would be increased by an additional 5 percentage points, so that no later than the end of 20 years of participation, the employee would be entitled to 100-percent vested rights in his benefits (sec. 322 of the bill).

The plan could require 2 of the 5 years minimum service under the plan to be continuous and generally could ignore service prior to age 30. In the case of a class year plan, it would be required that a participant be fully vested in employer contributions on his behalf not later than the end of the fifth

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year following the year for which those contributions were made.

The vesting requirements would not have to apply to service rendered before the effective date of the vesting provisions, which would be 3 years after the date of enactment (sec. 328 of the bill). However, any participant who has attained age 45 on the effective date would have to receive credit for service rendered before that date. Also, the Secretary of the Treasury or his delegate would be given authority to postpone application of the vesting requirements to a plan for up to 5 years from the effective date of those requirements (i.e., 8 years from the date of enactment) where there is a showing that "substantial economic injury" would result if earlier compliance were to be required.

No change would be made in the present law's full immediate vesting requirement for owner-employee plans.

*S. 1631.*—A plan would be required to satisfy the "rule of 50." That is, a participant's right in at least 50 percent of his accrued benefits derived from employer contributions (as defined in the bill) must vest no later than the end of the year in which the sum of his age and his years of participation in the plan total 50, except that a minimum of 3 years of continuous service with the employer could be required before vesting. The remaining 50 percent of accrued benefits would have to vest not less rapidly than ratably over the next 5 years (sec. 2(a)(2) of the bill).

In the case of an owner-employee plan, a similar "rule of 35" would apply (sec. 2(b)(1) of the bill).

In general, vesting would not be required for an existing plan which is "winding down," that is, if the benefits paid to retirees for a given year exceed the benefit accruals for active participants and if the present value of accrued plan liabilities exceeds the fair market value of plan assets. This exception is not to apply for the fifth plan year before any plan amendment providing additional or increased benefits, and is not to apply for all plan years thereafter.

Generally, service prior to 1975 is to be considered for determining whether the employee is entitled to a level of vesting, but not for determining the amount of the benefits to be vested. In the case of plans in effect on December 31, 1972, vesting would apply to benefits accrued for plan years beginning on or after January 1, 1975, or after the expiration of any collective bargaining agreement in effect on December 31, 1972, whichever occurs later. In the case of plans initiated after December 31, 1972, the vesting requirements are to begin immediately.

### *C. Funding*

*Present law.*—Contributions to a qualified pension[12] plan must be made in amounts at least equal to the current pension liabilities ("normal pension costs") plus the interest due on unfunded accrued pension liabilities ("past service costs") (regs. § 1.401–6(c)(2)(ii)).

There is no present requirement that contributions be made to amortize the principal amount of unfunded accrued pension liabilities.

If an employer does not make the minimum required contributions to a qualified pension plan, under administrative practice the deficiency may be added to unfunded past service costs. However, the plan also may be considered terminated, and immediate vesting of the employee's rights may be required (sec. 401(a)(7) of the code).

The amount to be contributed to a qualified pension plan generally is determined by the cost of benefits to be paid,[13] less the value of plan assets.[14] Plan costs are estimated by actuarial calculations, and all actuarial methods, factors, and assumptions used must together be reasonable and appropriate in the individual employer's situation (regs. § 1.404(a)–3(b)). When applying for a determination that a plan is qualified, the actuarial methods, factors, and assumptions which are used generally must be reported to the Internal Revenue Service, along with other information to permit verification of the reasonableness of the actuarial methods used; changes in actuarial assumptions and methods must be reported annually to the Service; and in some cases actuarial certifications must be submitted to the Service every five years (regs. § 1.404(a)–4(b)).

Experience may show that actual costs are more or less than the estimates. Where actual costs are greater than estimates, there are "experience deficiences"; where they are less, there are "experience gains." Under administrative practice, if there is an experience deficiency, then depending on its cause, additional contributions necessary to fund the deficiency may be deducted currently, or the deficiency may be added to past service costs and deducted on an amortized basis. Experience gains may reduce the plan cost currently, or reduce costs under one of the spreading methods used to determine the amounts deductible (described below in limitations on contributions).

*S. 4.*—In addition to requiring the funding of normal pension costs annually, the bill (generally, sec. 210) would require funding of initial past service costs not less rapidly than ratably over 30 years from the date the plan is established[15]; in the case of a past service cost liability existing on the effective date of these provisions—3 years after enactment—over 30 years from the effective date. Experience deficiencies generally would have to be funded over not more than five years; a longer period would be permitted if the five-year period requires contributions greater than the allowable tax deductions. These requirements would apply to all plan liabilities, not just vested liabilities. It is intended that assets would be valued at fair market value to determine whether plan assets are sufficient to cover accrued liabilities.

The initial unfunded accrued pension liabilities of a plan would be determined by an actuary certified by the Secretary of Labor. These liabilities would be reported to the Secretary, with a report of the actuarial assumptions used, the basis for using these assumptions, and other pertinent actuarial information required by the Secretary. Additionally, a plan would have to be reviewed every five years by a certified actuary, and his report would be submitted to the Secretary. The Secretary would be authorized to establish reasonable limits on actuarial assumptions and to certify actuaries who are permitted to perform services regarding registered plans (sec. 101(b) of the bill).

Separate funding rules would be established by the Secretary for multi-employer plans; the funding period for such plans would be not less than 30 years (sec. 217(d) of the bill).

If an employer demonstrates that he could not make a required annual contribution, under certain conditions the Secretary of Labor could allow the annual contribution to be amortized not less rapidly than ratably over no more than five years; the Secretary could grant five consecutive waivers of this type (sec. 217 of the bill).

If an employer failed to contribute to the plan in accordance with the minimum requirements, the Secretary of Labor could petition the appropriate United States district court for an order requiring compliance with the funding requirement (sec. 601 of the bill).

The bill also would specify the order of priority of classes of beneficiaries for payment of plan assets upon termination of the plan (sec. 214 of the bill). The order of priority would be subject to the provisions of the Internal Revenue Code and regulations relating to limitations applicable to the 25 highest paid employees of the employer. However, apparently the order of priorities of the bill would not be subject to the further requirement of the Internal Revenue Code that allocation upon termination not otherwise discriminate in favor of officers, shareholders, supervisors or highly compensated employees. Consequently, the requirements of the bill and the Internal Revenue Code could conflict in some cases.

*S. 1179.*—New minimum funding requirements and actuarial reporting requirements would be established as a condition for qualifying a retirement trust under the Internal Revenue Code. The funding and actuarial requirements generally would be similar to those under S. 4. However, with respect to experience deficiencies, funding would be not less rapidly than ratably over a period that is no longer than the average remaining working life of the employees covered by the plan on the date the deficiency was determined (sec. 323 of the bill).

If the minimum funding requirements were not met, the plan could be terminated if necessary to protect the interests of participants, and the employer could be required to include in income deductions attributable to maintaining and operating the plan for up to five years preceding termination (sec. 324 of the bill).

The bill would specify the order of priority of payment of plan assets upon termination, but the order of priority would be subject to the nondiscrimination rules of the Internal Revenue Code.

The funding requirements would go into effect 3 years after enactment (sec. 328 of the bill).

*S. 1631.*—New minimum funding requirements would be established under the Internal Revenue Code for qualified defined benefit pension plans. In general, the minimum contribution requirement would be an amount equal to the sum of normal pension costs, interest on past service costs, and 5 percent of unfunded, vested past service costs. The fair market value of plan assets would be used in computing unfunded plan liabilities. In effect, then, experience deficiencies as to vested liabilities would be funded at the same rate as vested past service costs. In lieu of this minimum funding requirement the Secretary of the Treasury could authorize the use of another minimum funding standard that results in a satisfactory rate of funding (sec. 2(a) of the bill).

Additionally, the 5-percent-of-compensation limit on deductions for pension plans (sec. 404(a)(1)(A) of the code) would be eliminated and the other limitations would not apply to the extent that the contributions do not exceed the minimum funding requirement (sec. 7(g) of the bill).

### *D. Portability*

*Present law.*—Under administrative practice, when an employee changes jobs, his interest in his former employer's qualified retirement plan may be transferred to the retirement plan of his new employer without the employee being taxed on the transfer. This can be done if both his former and new employers agree to the transfer, if the transfer may be made under the terms of both plans and trusts involved, and if the administrative requirements governing the method of transfer are met.[16] However, transfers of employee interests between qualified plans upon changes in employment do not appear to be usual.

*S. 4.*—A program would be established to facilitate the transfer of employees' vested pension credits between retirement plans of employers who choose to participate in the program. Under the program, when an employee leaves a participating employer (be-

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fore the time that payments would be made to the employee under the plan), the employee could direct that an amount equal to the current discounted value of his vested rights under the plan of this employer be paid into a central portability fund (the Voluntary Portability Program Fund) administered by the Secretary of Labor. Upon receipt of payment, a separate account would be established for the employee in this central fund. He then could choose to maintain an account in the central fund, or could direct that amounts credited to his account be used to purchase actuarially equivalent pension credits in a new plan in which he participates. If amounts were left in the central fund, at age 65 the employee could direct the purchase of a single premium annuity contract. Alternatively, the amounts could be paid to a designated beneficiary upon the employee's death (sec. 301 *et seq.* of the bill).

Amounts maintained in the central portability fund could be deposited in financial institutions insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation, but not more than 10 percent of the total could be deposited in any one financial institution (sec. 303 of the bill).

The portability provisions would go in effect one year after enactment of the bill (sec. 701(b) of the bill).

*S. 1179.*—An employee who changes employment would not be taxable on the transfer of his interest in the retirement plan trust of his former employer (or from his individual retirement account [17]) to a retirement trust of his new employer (or to his individual retirement account) (sec. 326 of the bill).

*S. 1631*—An employee, on leaving employment, would not be taxed on the receipt of a lump-sum distribution from a qualified retirement plan if he reinvests the funds in another qualified retirement plan (or a qualified individual retirement account) within 60 days after the close of the taxable year in which he receives payment (sec. 5 of the bill).

### *E. Plan termination insurance*

*Present Law.*—Present law does not require pension plans to insure their liabilities.

*S. 4.*—A "Pension Benefit Insurance Fund" would be created, to be administered by the Secretary of Labor (sec. 401 *et seq.* of the bill). All pension plans subject to the bill's provisions would be required to purchase plan termination insurance from the Fund. A plan not subject to the bill (e.g., a plan covering no more than 25 participants) could also be permitted to purchase insurance, at the discretion of the Secretary of Labor, if it meets the standards, rules, and regulations that would be required by the bill.

The insurance would cover unfunded vested liabilities incurred before or after the bill's enactment. Participants and beneficiaries of a plan would be protected against loss of vested benefits from termination of the plan, within specified dollars or percentage-of-salary limits; but benefits are not to be available to any participant who owns as much as 10 percent of the voting stock of the employer contributing to the plan or a like interest in a partnership contributing to the plan.

In general, the benefits of the insurance would not be available unless the plan (or the plan amendment creating or increasing the participant's rights) has been in effect at least three years before the insured loss.

For the first three years after the effective date of these provisions (one year after the bill's enactment) premiums need not exceed 0.2 percent of a plan's unfunded vested liabilities incurred before enactment if the median ratio of plan assets to those liabilities was 75 percent during the five years preceding enactment, or, for a plan established during those five years, if the plan reduced those liabilities at the rate of at least five percent yearly since the plan's establishment. If unfunded vested liabilities incurred before enactment do not meet these standards, the annual premium for the first three years may not exceed 0.4 percent of those liabilities and may not be less than 0.2 percent of those liabilities.

The bill also provides a 0.2-percent limitation for the first three years on premiums based on unfunded vested liabilities incurred after enactment. It sets a 0.2-percent premium limitation on unfunded vested liabilities incurred by multi-employer pension plans. In addition, the bill permits special assessments made to cover administrative costs.

After the three-year period, the insurance rates may be changed by the Secretary based upon experience and other relevant factors, after giving appropriate notice to the Congress and the public.

The moneys of the Fund would be invested only in obligations of the United States, or in obligations guaranteed as to both principal and interest by the United States.

Upon termination of a pension plan, the Secretary of Labor would determine how plan assets should be liquidated and the proceeds applied to the payment of vested benefits. The Secretary would be given specific authority to transfer the funds of the plan to the common fund of the insurance program, to purchase single-premium life annuities with the funds of the terminated plan, or to take other appropriate action to provide for the payment of vested benefits. Notice would be required to be given prior to the termination of every covered plan. The person or persons responsible for any failure to give that notice would be personally responsible for any losses incurred by the Pension Benefit Insurance Fund in connection with the termination. Personal liability for losses of the Fund also would be imposed on anyone who terminates a plan with intention to avoid or circumvent the purposes of the bill or in violation of the requirements of the bill or of the Welfare and Pension Plan Disclosure Act. The Fund would be authorized to recover from solvent employers or their successors for all benefits paid by the Fund on account of the termination; the employer's liability, however, is not to exceed 50 percent of his net worth.

*S. 1179.*—In many respects, the insurance system created by the bill bears a close resemblance to that created by S. 4.

The bill provides for a "Pension Guarantee Corporation" that would be a nongovernmental, nonprofit membership corporation composed of the pension plans purchasing insurance and would be administered by a 7-member Board of Directors. The directors would be the Secretaries of Treasury and Labor and five persons chosen by the President—two who are associated with employee organizations, two who are associated with employers, and one from the general public.

All pension, profit-sharing, stock bonus, and bond purchase plans which qualify for tax benefits under the Internal Revenue Code would be required to purchase plan termination insurance.

Participants and beneficiaries of a plan would be protected against loss of vested benefits from termination of the plan, within specified dollar or percentage-of-salary limits; but benefits are not to be available to any participant who owns as much as 10 percent of the voting stock of the employer (or a like interest in the employer that is unincorporated).

In general, the benefits of the insurance would not be available unless the plan has been in effect at least five years before the insured loss. If the loss arises out of benefits created or increased by plan amendment, the amendment must have been in effect at least three years before the loss.

Premium limitations are provided that are essentially the same as those for S. 4, described above.

The bill creates two funds, one for multiemployer plans and one for other plans. The premiums are to be paid into the appropriate fund and each fund's liabilities are to be borne by it and not the other fund. Differences in experience would be expected to lead to differences in rates of premiums.

Upon termination of a pension plan, the bill would allow the insurance program administrators to determine how plan assets should be liquidated and the proceeds applied to the payment of vested benefits. The administrators would be given specific authority to transfer funds to the appropriate common fund of the insurance program (i.e., the fund for multiemployer plans or the fund for other plans), to purchase single-premium life annuities with the funds of the terminated plan, or to take other appropriate action to provide for the payment of vested benefits.

The moneys of the funds may be invested in obligations of the United States or in obligations guaranteed as to both principal and interest by the United States.

Finally, the bill would allow the Secretary of the Treasury to make interest-bearing loans to the Pension Guarantee Corporation if those loans should be needed for the protection of participants in member plans and the maintenance of confidence in the private retirement system.

S. 1631.—No provision is made for plan termination insurance.

### *F. Fiduciary standards*

*Present Law.*—A retirement plan trust may be qualified under the Internal Revenue Code only if it is impossible under the trust instrument for trust funds to be used for any purpose other than the exclusive benefit of the employees or their beneficiaries (sec. 401(a)(2) of the code). In addition, a retirement plan trust will not be exempt from taxation if it engages in any specifically defined "prohibited transactions" (sec. 503(a)(1)(B) of the code).

Under administrative rulings, an investment generally meets the "exclusive benefit" requirement if it meets the following standards: the cost of the investment does not exceed fair market value, a fair return commensurate with the prevailing rate is provided, sufficient liquidity is maintained to permit distributions, and the safeguards and diversity that a prudent investor would adhere to are present. On purchasing stock or securities of the employer, or lending funds to the employer, the trust must notify the Internal Revenue Service so that it may determine whether the exclusive benefit requirement is met.

"Prohibited transactions" include the lending of funds without adequate security and a reasonable rate of interest to the creator of the plan, his family, or corporations controlled by him. Other prohibited transactions include payment of excessive salaries to interested persons, providing trust services on a preferential basis to interested persons, substantial purchases or sales of property from interested persons for other than adequate consideration, and engaging in any other transaction which results in a substantial diversion of trust assets to an interested person (sec. 503(b) of the code). If the trust engages in any prohibited transaction, it will lose its tax-exempt status for at least one year; upon meeting certain requirements the trust may reacquire tax-exempt status.

Special rules govern trusts benefiting owner-employees who control the business with respect to which the plan is established. In this case, generally the trust cannot make any loan, pay compensation for services, or make services available on a preferential basis to an owner-employee or certain related parties. The same prohibition applies to trust purchases from or sales to these interested persons (see 503(g) of the code).

In many cases, pension plan trustees also will be subject to local laws governing the actions of fiduciaries.

*S. 4.*—The Welfare and Pension Plans Disclosure Act would be amended to provide standards of conduct for fiduciaries[18] of employee benefit plans covered under the bill (sec. 510 of the bill). These standards would generally supersede State law governing fiduciaries' conduct (sec. 609 of the bill).

Generally, a fiduciary would be required to act in the same way that a prudent man in a similar situation and under other like conditions would act (sec. 510 of the bill). In addition, a fiduciary would be prohibited from engaging in certain transactions with interested parties.[19] He could not rent or sell property to, or rent or purchase property from, an interested party; could not lend trust assets to an interested party; could not furnish trust goods, services, or facilities to an interested party; and could not permit the transfer of any trust property to or its use by or for the benefit of an interested party. Furthermore, a fiduciary could not deal with the trust in his own interest or for his own account, could not represent another party with regard to the trust nor act on behalf of a party adverse to the trust or to the interests of its participants or beneficiaries, and could not receive any consideration from any party dealing with the trust in connection with a transaction involving the trust.

Specific exemptions would be provided from this list of prohibited activities, in recognition of established business practices. Thus, a fiduciary could receive his normal benefits as a participant under the plan, could receive reasonable compensation for services and for reimbursement of actually incurred expenses, and could be an officer, agent or employee of an interested party. Furthermore, a pension trust generally could invest 10 percent of the value of its assets in securities issued by the employer, and certain profit-sharing trusts could invest in these securities without limit. Additionally, under certain conditions, securities could be purchased from or sold to interested parties, loans could be made to participants or beneficiaries of the plan, and an interested party could be paid for office space and other services. In addition, the Secretary of Labor could provide for exemption of any fiduciary from certain specifically prohibited transactions if the exemption were in the interest of the trust fund, the participants and the beneficiaries.

The fiduciary standards that would be established by the bill would in some cases allow fiduciaries of certain owner-employee plans to engage in transactions now prohibited under the tax laws (sec. 503(g) of the code). Additionally, investments in securities of the employer may be allowed under the bill when forbidden by the tax laws. Also, the Secretary of Labor could exempt fiduciaries from certain transactions otherwise prohibited under the bill, but this exemption would not affect the prohibitions of the tax laws. Since the bill would not change the Internal Revenue Code, the tax laws presumably would continue to apply where they exercise more restraint on fiduciary actions than the bill would.

A fiduciary who breached any of these duties would be personally liable to the trust for losses sustained by it on account of the breach, and would have to pay to the trust any profits which he received from use of trust assets. Exculpatory clauses would be prohibited. Co-fiduciaries could, in certain cases, be held liable for breaches of another co-fiduciary.

The bill also would prohibit persons convicted of certain listed crimes from serving in a responsible position in connection with an employee benefit plan for a period of five years after conviction or the end of imprisonment.

*S. 1179.*—S. 1179 includes no provisions dealing with fiduciary responsibility.

*S. 1631.*—The prohibited transactions provisions, described above under *Present Law,* would be repealed (sec. 6(a) of the bill). In lieu of these rules, excise taxes would be imposed on the amount involved in a prohibited transaction, and the current list of prohibited transactions would be expanded. The taxes would be payable by participating interested parties, and would be 5 percent of the amount involved in the prohibited transaction. An additional tax of 200 percent of the amount involved would be owed if the transaction were not corrected within the period allowed (generally 90 days from notice) (sec. 6(b) of the bill).

A taxable transaction would be any prohibited transaction specifically listed in the proposed Employee Benefits Protection Act, S. 1557 (sec. 6(b) of the bill). The transactions specifically prohibited in S. 1557 are substantially the same as the transactions specifically prohibited by S. 4, with generally the same exceptions. Additionally, in most other respects regarding fiduciary conduct, S. 1557 is substantially the same as the provisions of S. 4.

### *G. Reporting and disclosure*

*Present law: reporting to government agencies.*—Every employer who maintains a funded retirement plan must annually file a return with the Internal Revenue Service, regardless of whether the plan is qualified or whether a deduction is claimed for the current year (regs. § 1.404(a)-2A). This return generally includes information on the nature and coverage of the plan and certain actions and changes that affected the plan. Information regarding contributions and computations for deductions must also be included. Every employer (or trust fiduciary) also must annually file with the Service a financial statement of the retirement plan fund, including a statement of assets and liabilities and a statement of receipts and disbursements.

The trustee of a qualified retirement trust must file an annual return with the Internal Revenue Service that discloses whether the trust engaged in transactions which may have been "prohibited transactions," and a statement describing the transactions also must be filed. (Prohibited transactions include certain dealings between the trust and interested parties, and are discussed in section F, Fiduciary Standards).

The Welfare and Pension Plans Disclosure Act also provides for disclosure and reporting of retirement fund transactions. Under this Act, most private employers (except certain tax-exempt organizations) engaged in interstate commerce or in an industry or activity affecting such commerce who have retirement plans covering more than 25 participants must file a description of the plan with the Secretary of Labor when the plan is established or amended (29 U.S.C. §§ 303, 305). Further, if a covered plan includes at least 100 participants, an annual report must be filed providing information about contributions, benefits paid, number of employees covered, assets, and liabilities of the plan (29 U.S.C. § 306). The annual report also is to include statements regarding certain transactions between the trust and interested parties, and is to include certain actuarial information. The Internal Revenue Service will accept the annual report filed with the Labor Department as satisfying some of the requirements for filing with the Service.

*Present law: disclosure to employees.*—Under Treasury regulations, employees must be informed of the establishment of a qualified retirement plan and its basic provisions (regs. § 1.401-1(a)(2)). This may be done by furnishing each employee with a copy of the plan, but where this is not feasible substitute methods may be used. Satisfactory substitutes must describe the essential features of the plan, and may be in the form of a booklet given to the employees or a notice posted on the company's bulletin board. Substitutes must state that the complete plan may be inspected at a designated place and times on the company's premises.

Under the Welfare and Pension Plans Disclosure Act, the plan description and annual reports filed with the Labor Department must be available for examination by participants and beneficiaries in the principal office of the plan. Additionally, upon written request, a copy of the plan description and summaries of the annual reports must be mailed to participants and beneficiaries (29 U.S.C. § 307).

*S. 4.*—The Welfare and Pension Plans Disclosure Act would be amended to require that additional information be provided in the plan descriptions and annual reports filed with the Labor Department (secs. 505 and 506 of the bill). Furthermore, annual reports generally would be required for any private funded employee benefit plan which covers more than 25 (rather than 100) participants, and coverage would be extended to most tax-exempt organizations (secs. 503 and 507 of the bill). Annual reports also would include the opinion of an independent auditor based on an annual audit (sec. 506(c) of the bill).

Annual reports would include additional information on all investments, and include separate detailed schedules for transactions involving securities, other investment assets, loans, and certain leases (sec. 506 of the bill). Additionally, annual reporting would be required for all transactions involving interested parties. Detailed actuarial information also would be required, in order to allow evaluation of the funding of the plan.

In addition to current requirements on disclosure to employees, each new participant would receive a summary of the plan's important provisions, including an explanation of plan benefits and the circumstances which would disqualify a person from receiving benefits (sec. 507 of the bill). Every three years a revised summary of the plan's provisions would be provided to participants. (Plan summaries would be required to be written in a manner calculated to be understood by the average participant.) Participants also would be entitled to obtain copies of all the underlying plan documents. When a participant terminates service with a vested pension right, he would be given a certificate setting forth the benefits to which he is entitled (sec. 108 of the bill).

*S. 1179.*—S. 1179 includes no provisions regarding disclosure or reporting.

*S. 1557.*—S. 1557 is a companion measure to S. 1631; it would amend the provisions of the Welfare and Pension Plans Disclosure Act regarding disclosure and reporting. The disclosure and reporting provisions of S. 1557 are substantially the same as in S. 4. Additionally, S. 1557 would require that a statement of accrued benefits be given to participants or beneficiaries upon request (sec. 8(c) of the bill).

### *H. Enforcement*

*Present law.*—Plans which meet the requirements of the Internal Revenue Code (e.g., exclusively for benefit of employees, nondiscriminatory in regard to coverage and benefits, limits on contributions for owner-employees under H.R. 10 plans) receive special tax treatment to foster their growth. It is not necessary, in order to receive this special tax treatment, that a prior determination be obtained from the Internal Revenue Service. However, to assist employers in their development of plans or plan amendments, the Internal Revenue Service is willing to issue determination letters that proposed plans or amendments qualify for the special tax

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treatment. As a practical matter, since taxpayers generally wish to be assured in advance that their plans or amendments will qualify, they obtain prior determinations from the Internal Revenue Service. Such a determination is with respect to the qualification of the plan (sec. 401 of the code) and tax-exempt status of the related trust (sec. 501 of the code).

Under the Internal Revenue's published procedures, this determination generally takes the form of a determination letter from a district director. The district director may request technical advice from the national office on issues arising from a request for a determination letter. Also, the applicant may request national office consideration of the matter if the district director does not act within 30 days from notice of intent to make such a request, or acts adversely.

Standards are set forth under which the national office is to determine whether it will entertain a request for consideration of a case. One situation where a request will be entertained is where the contemplated district office action is in conflict with a determination made in a similar case in the same or another district. The procedure provides for a conference in the national office, if it is requested by the applicant. In addition, determination letters issued by the district director are subject to post review procedure in the national office.

The Internal Revenue Service, besides granting prior determinations, also administers the tax provisions of the Internal Revenue Code relating to the continued qualification of pension and profit-sharing plans.[20] If a plan does not comply with the requirements of the Internal Revenue Code, these special tax benefits are lost. Thus, to a considerable extent, the provisions of the Code in this area are self-enforcing (i.e., those in charge of a plan have an interest in seeing to it that the plan continues to comply with the antidiscrimination requirements, that the plan does not engage in prohibited self-dealing transactions, and that it otherwise acts in such a manner to preserve the complex of tax benefits to both the employer and the participants and their beneficiaries).

In addition, the Department of Labor administers the Welfare and Pension Plan Disclosure Act of 1958 (P.L. 85–832, as amended by P.L. 87–420), discussed above, under Reporting and Disclosure.

*S. 4.*—An Office of Pension and Welfare Plan Administration would be established within the Department of Labor to implement the specified standards of vesting, funding, and reinsurance, as well as disclosure and fiduciary standards (sec. 101 *et seq.* and sec. 601 *et seq.* of the bill). Plans covered by the bill would have to be registered with the Secretary of Labor, who would issue certificates of registration to plans which qualify under the bill.

The Secretary of Labor would be empowered to enforce the provisions of the bill by petitioning the Federal courts to compel a pension or profit-sharing retirement plan to comply with the provisions of the bill. He would be given the right to seek relief in the Federal courts to compel the return of assets to the fund, to require payments to be made, to require the removal of a fiduciary, and to obtain other appropriate relief.

In addition, civil actions may be brought by plan participants to seek relief against violations committed by a fiduciary.

A plan administrator in discharging his duties with respect to the assets of the fund would be subject to the standards of care under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use. The failure of an administrator to comply with these standards would result in the administrator being personally liable to the fund for any losses to the fund resulting from the administrator's breach of his fiduciary responsibilities and by the administrator paying to the fund any profits which have inured to him through use of fund assets.

The Secretary of Labor would be empowered to examine the books and records of any plan or fund in order to determine compliance with the provisions of the Act.

*S. 1179.*—The Internal Revenue Service would administer the provisions of the bill using the same enforcement procedures that are available to it under existing law; that is, by determining as to any plan whether it is, or continues to be, qualified for the special tax benefits available under the Internal Revenue Code. In order to upgrade the administration of the pension plan provisions of the code, the bill would establish within the Internal Revenue Service an Office of Pension Plan Administration, headed by an Assistant Commissioner of the Internal Revenue Service (secs. 201 and 202 of the bill).

In addition, the bill provides for additional enforcement measures where there is a failure to make the required contributions. The Secretary of the Treasury, or his delegate, may order that a plan be terminated if, after notice and opportunity for a hearing, termination is considered necessary to protect the interests of the participants. Also, if a plan is terminated, any tax deductions attributable to contributions to the plan for the five taxable years immediately preceding the year of termination may be disallowed by including them in the employer's income in the year the plan is terminated (sec. 324 of the bill).

*S. 1631.*—The Internal Revenue Service would administer the provisions of the bill using the same enforcement procedures that are available to it under existing law; that is, by determining as to any plan whether it is, or continues to be, qualified for the special tax benefits available under the Internal Revenue Code. In addition, the bill would impose an excise tax on the amount involved in a prohibited transaction. The tax would be imposed on any party in interest who is a participant in the prohibited transaction (see discussion under Fiduciary Standards, above).

### *I. Limitation on contributions*

*Present law.*—Under present law, different rules are provided for employer and employee contributions in the case of plans for self-employed individuals (H.R. 10 plans), "regular" corporations and electing small business corporations (subchapter S).[21] These are described below.

*H.R. 10 plans.*—The amount of deductible contributions to an H.R. 10 plan on behalf of a self-employed person cannot exceed the lesser of 10 percent of his earned income or $2,500 (sec. 404(e) of the code). In addition, limited nondeductible contributions may be made in certain cases. Contributions for employees of self-employed individuals must be at least proportionate to contributions for self-employed (sec. 404(e) of the code).

*"Regular" corporate plans.*—In the case of a "regular" corporate plan there are no limitations on how much may be contributed by the employer. There are, however, limitations on the amount of the contribution that is deductible. Different limitations apply to profit-sharing and stock bonus plans and to pension plans.

In the case of profit-sharing or stock bonus plans, the amount of the contribution that is allowable as a deduction is not to exceed 15 percent of compensation to employees covered under the plan. Contributions in excess of the 15-percent limitation may be carried over to future years. In addition, within certain limits, to the extent that an employer does not make the full 15-percent contribution in one year he may increase the amount of his deductible contribution in a future year.

In the case of pension plans, the amount of the contribution that is deductible is not to exceed 5 percent of the compensation to employees covered under the plan, plus the amount of the contribution in excess of 5 percent of compensation to the extent necessary to fund normal pension costs and remaining past service costs of all employees under the plan. In the alternative, the taxpayer may compute the limit on his deductible contributions by limiting his deduction to his normal cost for the plan plus 10 percent of the past service cost of the plan (sec. 404(a) of the code).

Where an employer contributes to two or more retirement plans which are governed by different limits on deductions (pension, profit sharing or stock bonus, or employee annuities), the total amount annually deductible under all the plans cannot be more than 25 percent of compensation otherwise earned by the plan beneficiaries. If any excess is contributed, it may be deducted in the following year; the maximum deduction in the following year (for carryover and current contributions together) is 30 percent of compensation. An unlimited carryover is available for additional excess amounts.

*Subchapter S plans.*—The limitations on the deductibility of contributions to a subchapter S corporation plan are the same as those in "regular" corporate plants. However, a shareholder-employee (an employee who owns more than 5 percent of the outstanding stock of such a corporation) must include in his gross income the amount by which the deductible contributions paid on his behalf exceeds the lesser of 10 percent of his compensation or $2,500 (sec. 1379 of the code).

*Professional corporations.*—Generally, lawyers, doctors, accountants and certain other professional groups in the past have been unable to carry on their professions through the form of corporations because of the personal nature of their responsibility or liability for the work performed for a client or patient. Consequently, their contributions to retirement plans were limited by the rules governing self-employed persons. In recent years, however, most States have adopted special incorporation laws which provide for what are generally known as "professional corporations." These have been used increasingly by groups of professional persons, primarily to obtain the more favorable tax treatment for pensions generally available to corporate employees. The Treasury Department in the so-called Kintner regulations held that professional corporations were not taxable as corporations. A number of court cases, however, have overturned the regulations and the Service has now acquiesced and generally recognizes these professional corporations as corporations for income tax purposes. The formation of professional corporations, while maintaining the personal relationship between the shareholder-employee and the patient or client, has had the effect of indirectly overcoming the limitations Congress intended to impose with respect to deductible amounts which may be set aside for pensions in these cases. In 1969, the Finance Committee felt it was inappropriate to permit what are essentially, in most respects, self-employed persons to avoid the pension limitations prescribed by Congress.

The committee amendments to the Tax Reform Act of 1969 provided that shareholder-employees of a professional service organization were to include in their gross income the amounts of contributions paid on their behalf which are deductible under qualified pension, profit-sharing, and stock bonus plans under the Internal Revenue Code to the extent that these amounts exceeded 10 percent of the compensation received by the shareholder-employee from the organiza-

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tion, or $2,500, whichever is less. However, the Treasury opposed these amendments on the ground that there should be equality of treatment between corporate employees and self-employed persons. Treasury officials stated at that time that this objective may involve the imposition of some form of limitation on contributions or benefits for high-paid corporate employees, at least for shareholder-employees. Further, Treasury felt it was preferable to wait until the following year to deal with this issue, when it expected to have comprehensive recommendations on professional service corporations, along with other employee benefit plan recommendations. On this basis, the Senate voted to delete from the Tax Reform Act of 1969 the committee's recommendation on professional corporations.

*S. 4.*—The bill would not change the rules in the Internal Revenue Code on the limitations on contributions.

*S. 1179.*—The bill would not change the rules in the Internal Revenue Code on the limitations on deductible contributions.

*S. 1631.*—The bill would increase the limitation on deductible contributions on behalf of a self-employed individual (H.R. 10 plans) or a shareholder-employee (subchapter S plans) to the lesser of $7,500 or 15 percent of his earned income (sec. 4 of the bill).

The bill would also require an employee to include in his gross income the amount of the employer's contributions made on the employee's behalf under a money purchase pension plan to the extent that the contributions are in excess of 20 percent of the employee's compensation during the taxable year. Amounts included in gross income under this provision would be treated as part of the employee's investment in the contract for purposes of computing the taxable income of the employee upon a distribution to the employee (sec. 7(h) of the bill).

In the case of pension plans, the 5-percent of compensation limitation on deductible contributions would be eliminated and the other limitations would not apply to the extent that the contributions with respect to a pension plan do not exceed the minimum funding standards (sec. 7(g) of the bill).

### *J. Deduction for personal savings retirement plans*

*Present law.*—There is no deduction for amounts contributed by an employee to a qualified pension plan (except to the extent that tax-excludable contributions made in connection with salary-reduction plans, described below, may be viewed as employee contributions), although the income earned on such amounts is not taxed until it is distributed.[22] There is also no deduction for amounts paid by an individual for his own retirement savings outside the scope of a qualified plan.

*S. 4.*—The bill would not change the rules in the Internal Revenue Code on the treatment of personal savings retirement plans.

*S. 1179.*—A credit would be allowed against tax for contributions by an employee to an employer retirement plan, or to his own qualified retirement account, equal to the lesser of 25 percent of such contributions or $375. This credit would be reduced by an amount equal to 25 percent of any employer contributions to a qualified pension plan which were made on behalf of the employee (which contributions could, at the employee's option, be deemed to be 7 percent of his earned income) and 25 percent of the FICA tax which would have been imposed on any earned income not subject to social security or the railroad retirement system had this income been subject to this tax. Also, in the case of contributions to a personal retirement savings account (but not in the case of employee contributions to an employer plan) the contribution base, with reference to which the credit would be determined, could not exceed the lesser of 20 percent of earned income or $1,500. In the case of a married couple, each spouse would be entitled to claim the credit.

In general, contributions to such a retirement account would not be permitted to exceed the 20-percent-$1,500 limit noted above, and then could be made only by the employee and the employee's spouse. A qualified retirement account would be treated as a qualified owner-employee plan, for purposes of the Code's provisions on exempt organizations (such as the prohibited transactions and unrelated business income provisions) and procedure and administration (such as the requirement for fiduciary returns).

Penalties would be imposed on premature distributions (generally, distributions before the employee or spouse reaches age 59½) and distributions would be required to begin from a personal retirement savings account by the time the individual attains the age of 70½ (sec. 341 *et seq.* of the bill).

*S. 1631.*—A deduction would be allowed for contributions made by an employee to an employer retirement plan, or to his own qualified retirement account; generally, the deduction could not exceed the lesser of 20 percent of the employee's earned income, or $1,500. The maximum deductible amount for an employee would be reduced by any payments made on his behalf by an employer to a qualified pension plan (which contributions could, at the employee's option, be deemed to be 7 percent of his earned income). In the case of an employee who had earned income which was not subject to social security or the railroad retirement system, the maximum deductible amount would also be reduced by the tax which would have been imposed on such income had it been subject to this tax. In the case of a married couple, each spouse would be entitled to claim the deduction and the limit would be applied separately to each spouse.

In most other respects, S. 1631 is similar to S. 1179, except that S. 1631 imposes an annual 10-percent excise tax on amounts retained in the individual retirement account in excess of those amounts necessary so that the amount may be distributed ratably over the life expectancy of the employer or the employee and spouse, after they reach the age of 70½ (sec. 3 of the bill).

### *K. Salary reduction plans—Tax-sheltered annuities*

*Present law.*—As a general rule, employees may not deduct contributions to pension plans which are made out of their own funds ("employee contributions"). However, employees of tax-exempt charitable, educational, religious, etc., organizations, and teachers and other employees of public educational institutions may exclude from income amounts paid by their employers to purchase nonforfeitable annuity contracts (in many cases, the source of those amounts is the employees' agreement to take salary reductions or forego increases). The amount of salary reduction which can be used in this way is determined in accordance with a statutory formula;. generally, salary reductions may be up to 20 percent of compensation, times years of service, reduced by amounts previously contributed by the employer for annuity contracts on a tax excluded basis to the employee (sec. 403(b) of the Code).

Antidiscrimination provisions that apply generally to qualified plans do not apply to tax-sheltered annuities.

*Legislative history.*—Section 403(b) was added to the Code by the Technical Amendments Act of 1958 (Public Law 85-866). Prior to enactment, in certain cases tax-exempt organizations were paying all, or almost all, the compensation of certain employees in the form of "tax-free" premiums for annuities. Usually these were part-time employees who derived their principal income from other employment and wanted to defer taxes on income, which they intended to save, from these exempt organizations. The Internal Revenue Service had attempted by regulation to limit this tax deferred compensation to amounts which were supplemental to the employee's normal compensation, but there was some uncertainty about the validity of these regulations. Therefore, Congress adopted the statutory exclusion formula in section 403(b) in order to resolve the matter. This provision was amended in 1961 (Public Law 87-370) to make it clear that the provision applied to employees of public educational institutions.

### *L. Salary reduction plans—6-percent plans*

*Present law.*—Under administrative rulings, until recently, employees of organizations not covered by section 403(b) were permitted to participate in salary reduction plans. If the plan met certain non-discrimination requirements, the Internal Revenue Service had taken the position in rulings that, under certain circumstances, the amount of the salary reduction would be treated as an employer contribution to a qualified pension plan, not taxable to the employees (until benefits were received from the plan). The maximum amount that could be so treated was 6 percent of compensation.

On December 6, 1972, the Service issued a proposed regulation which would change this result by providing that an amount contributed to a retirement plan will be considered to have been contributed by the employee "if at his individual option such amount was so contributed in return for a reduction in his basic or regular compensation or in lieu of an increase in such compensation." Under the proposed regulations, which would operate prospectively, amounts contributed under a salary reduction agreement, not covered by section 4403(b), which affects basic or regular compensation would not be excludable from income by the employee. The Service has invited written comments or suggestions on the proposed regulations and will provide an opportunity for persons to comment orally at a public hearing.

### *M. Lump-sum distributions*

*Present law.*—Retirement benefits generally are taxed as ordinary income under the annuity rules (sec. 72 of the code) when the amounts are distributed, to the extent they do not represent a recovery of the amounts contributed by the employee. However, an exception to this general rule under prior law provided that if an employee's total accrued benefits were distributed or paid in a lump-sum distribution from a qualified plan within one taxable year on account of separation from employment or death (or death after separation from service), the taxable portion of the payment was treated as a long-term capital gain, rather than ordinary income.

The capital gains treatment accorded these lump-sum distributions allowed employees to receive substantial amounts of deferred compensation at more favorable tax rates than other compensation received currently. The more significant benefits under this treatment apparently accrued to taxpayers with adjusted gross incomes in excess of $50,000, particularly in view of the fact that a number of lump-sum distributions of over $800,000 have been made.

To correct this problem, the Tax Reform Act of 1969 provided that part of a lump-sum distribution received from a qualified employee's trust within one taxable year on account of separation from service or death (or death after separation from service) is to be given ordinary income treatment, instead of the capital gains treatment it had been given under prior law. The ordinary income treatment applies to the taxable portion of the distribution (i.e., the total distribution less the employee's contri-

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bution) which exceeds the sum of the benefits accrued during plan years beginning before 1970, and the portion of the benefits accrued thereafter which does not consist of employer contributions (sec. 402(a)(5) of the code).

The 1969 Act provides a special limitation in the form of a 7-year "forward" averaging formula which applies to the portion of the lump-sum distribution treated as ordinary income. An employee (or beneficiary) is eligible for the special 7-year forward averaging provision if the distribution is made on account of separation from service or death (or death after separation from service)[23] and if he has been a participant in the plan for 5 or more taxable years before the taxable year in which the distribution is made.

In 1971 the Treasury issued proposed regulations under the 1969 Act describing the computation of tax on total distributions from qualified plans. These proposed regulations were criticized as requiring payment of more tax than the statute required. On May 4, 1973, the Treasury withdrew the regulations proposed in 1971 and issued a new set of proposed regulations describing the computation of tax on total distributions. Generally, these new proposed regulations appear to meet the criticisms of the old proposed regulations. However, it appears that under the newly proposed regulations there are some circumstances in which a taxpayer would pay less tax under the rules of the 1969 Act than under previous rules, and it is not clear that this was the goal Congress intended to reach. Treasury has invited written comments on the newly proposed regulations, and also has stated that persons who wish to comment orally will be given an opportunity to do so.

*S. 4.*—See D. Portability, above, for proposals affecting lump-sum distributions under certain circumstances.

*S. 1179.*—No part of any distribution from a qualified individual retirement account (see J. Deduction for Personal Savings Retirement Plans, above) would be eligible for long-term capital gain treatment (sec. 342 of the bill).

(See D. Portability, above, for proposals affecting lump-sum distributions under certain circumstances.)

*S. 1631.*—No part of any distribution from a qualified individual retirement account (see J. Deduction for Personal Savings Retirement Plans, above) would be eligible for long-term capital gain treatment.

(See D. Portability, above, for proposals affecting lump-sum distributions under certain circumstances.)

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FOOTNOTES

[1] This includes employees covered by profit-sharing and stock bonus plans used for retirement purposes.

[2] See Public Policy and Private Pension Programs. A Report to the President on Private Employee Retirement Plans by the President's Committee on Corporate Pension Funds and Other Private Retirement and Welfare Programs, January 1965, p. vi.

[3] Ibid. and Securities and Exchange Commission, Private Noninsured Pension Funds, 1972 (Preliminary).

[4] To qualify on this basis, the plan must cover 70 percent or more of all the employees, or 80 percent or more of all the employees who are eligible to benefit under the plan if 70 percent or more of all the employees are so eligible, excluding in each case employees who have been employed not more than a minimum period prescribed by the plan, not exceeding 5 years, employees whose customary employment is for not more than 20 hours in any 1 week, and employees whose customary employment is for not more than 5 months in any calendar year (sec. 401(a)(3)(A) of the Internal Revenue Code).

[5] Under special "integration" rules, the pension benefits may be considered to be augmented by a specified percentage of social security benefits for purposes of determining the ratio of benefits to pay at any given income level and the employer is treated as having contributed a portion of the cost of those benefits.

[6] However, the 1969 Tax Reform Act made exclusive contributions on behalf of shareholder-employees who own more than 5 percent of an electing small business (subchapter S) corporation's stock subject to the same 10 percent-$2,500 limitations as apply to pension contributions on behalf of self-employed people.

[7] However, as noted below, vesting is required for employees under so-called H.R. 10 plans for owner-employees and may also be required in other cases to prevent the plan from having a discriminatory effect.

[8] U.S. Treasury Department—Fact Sheet, Pension Reform Program, as reprinted in Material Relating to Administration Proposal Entitled the "Retirement Benefits Tax Act" Committee on Ways and Means, 93d Cong., 1st sess., p. 37, Table B.

[9] Department of the Treasury and the Department of Labor Study of Pension Plan Terminations, 1972—Interim Report, February 1973.

[10] In addition, S. 1179 would set up a private nonprofit corporation chartered by the Federal Government to administer the termination plan insurance that it would institute.

[11] An owner-employee is a sole proprietor or a partner with a greater than 10-percent interest in capital or profits (sec. 401(c)(3) of the Code).

[12] The minimum funding requirement of present law applies only to pension and not to profit-sharing or stock bonus plans. The proposed minimum funding provisions of S. 4 and S. 1631 apply only to pension plans. However, the funding provisions of S. 1179 apply to all qualified plans. This section on present law will be addressed solely to pension plans.

[13] In determining costs, an employer must take into account factors such as expected mortality, interest, employee turnover, and changes in compensation levels.

[14] Under administrative rulings, the value of plan assets may be determined by using any valuation basis, if it is consistently followed and results in costs that are reasonable. Consequently, a number of methods of asset valuation may be used, including cost and fair market value.

[15] A plan amendment which results in a substantial increase in unfunded liabilities would be funded as it were a new plan.

[16] Generally, for the participant to avoid tax, the transfers of funds must be directly from one qualified trust to another qualified trust. However, if the funds are first paid to the participant, he may be able to avoid tax if he pays them to the new qualified trust under a legally enforceable agreement entered into before he received the funds from the first trust. See Rev. Rul. 55-368, 1955-1 C.B. 40.

[17] Individual retirement accounts are discussed below, at J. Deduction for Personal Savings Retirement Plans.

[18] A fiduciary is defined as any person who exercises any power of control, management, or disposition with respect to any property of any employee benefit fund or has authority or responsibility to do so (sec. 502(a) of the bill).

[19] The bill defines "party in interest" generally as fiduciaries and employees of the employee benefit plan, employers or their controlling or controlled parties, employee organizations with members covered by the plan, officers or employees of employers or of employee organizations, and relatives or partners of these persons (sec. 502(f) of the bill).

[20] It should be noted that qualified pension, etc., plans are taxable on unrelated business income, as are other exempt organizations (sec. 511 *et seq.* of the code).

[21] All the types of plans must, in addition to the rules described below, meet the general reasonable compensation tests (sec. 162 of the code).

[22] At one time the Congress took the position that a contribution to an H.R. 10 plan on behalf of a self-employed person was made half by the employer and half by the self-employed person; no deduction was allowed for half the contribution (presumably, the half "contributed by" the self-employed person. This limitation (sec. 404(a)(10) of the Code) was repealed for taxable years beginning after December 31, 1967.

[23] Self-employed taxpayers, on the other hand, continue to be eligible for their special 5-year forward averaging only on lump sum distributions received on account of death, disability as defined in sec. 72(m)(7) of the code or if received after the age of 59½.

III.—COMPARISON OF MAJOR PROVISIONS OF PRESENT LAW, S. 4, S. 1179, AND S. 1631

| Item | Present law | S. 4 (Williams-Javits) | S. 1179 (Bentsen) | S. 1631 (The administration bill) |
|---|---|---|---|---|
| Short title |  | Retirement Income Security for Employees Act. | Comprehensive Private Pension Security Act of 1973. | Retirement Benefits Tax Act. |
| Principal Administering Agency | Internal Revenue Service | Labor Department | Internal Revenue Service | Internal Revenue Service. |
| General coverage of bill | All qualified pension and profit-sharing plans. | All pension and profit-sharing plans, except those of Government, religious organizations, those with 25 or fewer participants, those benefiting the self-employed; also certain other exceptions. | All qualified pension and profit-sharing plans. | All qualified pension and profit-sharing plans. |
| Plan participation | Employer plans—Plans may be limited to employees who have (1) attained a designated age, or (2) been employed for a designated number of years, so long as effect is not discriminatory in favor of officers, shareholders and highly compensated employees. Plans may also exclude employees who are near retirement age when they would otherwise become eligible. | Generally, plans could not require more than 1 year of service or an age greater than 25; plans which provide full immediate vesting for all participants could require 3 years of service and an age of 30. | Employer plans—1 year of service and age of 30. | Employer plans—3 years of continuous service and an age of 30; plans could exclude employees who are within 5 years of retirement age when they would otherwise become eligible. |

III.—COMPARISON OF MAJOR PROVISIONS OF PRESENT LAW, S. 4 S. 1179 AND S. 1631—Continued

| Item | Present law | S. 4 (Williams-Javits) | S. 1179 (Bentsen) | S. 1631 (The administration bill) |
|---|---|---|---|---|
| | Self-employed plans—Plan must cover all employees with 3 or more years of service. | | Self-employed plans—Same as present law. | Self-employed plans—Must cover all employees with 3 years of continuous service; all those age 30 with 2 years of service, and all those age 35 or older with 1 year or more of service. |
| Vesting | Employer plans—Employees must receive vested rights when they retire or upon plan termination; also vesting provisions may be considered in determining if plan discriminates. | 30-percent vesting after 8 years of participation; thereafter vesting increases at a rate of 10 percent per year; in lieu of this schedule Secretary of Labor could approve other equally "equitable" vesting formulas. Vesting would apply to benefits accrued before and after effective date of provision (3 years after enactment). Secretary of Labor could postpone required vesting for 5 years to prevent "substantial economic injury." Contributions under a class-year plan must vest in full within 5 years. | Employer plans—25 percent vesting after 5 years of participation with additional vesting at a rate of 5 percent per year. Vesting would apply to benefits accrued before the effective date of the provision (3 years after enactment) in the case of employees 45 and older. The Internal Revenue Service could postpone required vesting for 5 years to prevent "substantial economic injury." Contributions under a class-year plan must vest in full within 5 years. | Employer plans—"Rule of 50" would apply under which there would be 50 percent vesting when an employee's age and years of participation in the plan totaled 50, if the employee also had 3 years of continuous service. Remaining benefits would vest, at least ratably, over the next 5 years. Generally, vesting requirements would not apply with respect to benefits accrued before enactment (but preenactment years of participation would be considered in determining if the employee was en-entitled to vesting). |
| | Self-employed plans—Rights of all plan participants must vest immedately. | | Self-employed plans—Same as present law. | Self-employed plans—A "rule of 35" would apply. |
| Funding | Must fund at least normal pension costs and interest on unfunded accrued liabilities. No amortization of principal amount of unfunded accrued liabilities is required. Actuarial methods, factors and assumptions must together be reasonable and must be reported. | Normal pension costs would be funded annually and accrued unfunded liabilities (whether or not vested) would have to be funded at least ratably over a 30-year period. Substantial increased liabilities resulting from a plan amendment would be funded over 30 years. Experience deficiencies would generally have to be funded over a 5-year period. Actuarial assumptions would be set by Secretary of Labor. Secretary of Labor could waive the requirement for a particular year upon a showing of hardship, and allow the year's deferred contribution to be made up ratably over a 5-year period. | Generally similar to S. 4, but would be condition for qualifying under the Internal Revenue Code. Experience deficiencies would have to be made up at least ratably over a period no longer than the average remaining working life of covered employees. Secretary of Treasury could grant waivers of the requirements. | Minimum contributions would equal normal costs, interest on past service costs, and 5 percent of vested unfunded liabilities. Secretary of Treasury could permit alternative funding schedule which results in a satisfactory rate of funding. |
| Portability | Under administrative practice, and employee's pension rights may be transferred from one plan to another both old and new employers consent and the terms of both plans and trusts permit such transfers. To avoid tax, however, the transfer of funds must generally be made directly between qualified trusts. | Would create a Federal clearinghouse to facilitate portability of vested pension credits. Program would be voluntary both for employers and employees. At his option, an employee would leave amounts transferred on his behalf under the portability program on deposit with the Federal portability fund. | Would amend the law to specifically permit tax-free transfer of employee pension rights between plans. | Would amend the tax law to permit tax-free lump-sum distributions from a qualified retirement plan if the proceeds are reinvested in another qualified plan within 60 days after the close of the taxable year in which such a distribution was received. |
| Plan termination insurance | None. | Federal insurance program would be established protecting an employee's rights to accrued vested benefits equal to the lesser of 50 percent of his highest average monthly wage earned over a 5-year period, or $500 a month. Generally, employers would pay a premium for this coverage equal to 0.2 percent of unfunded vested liabilities in the case of multi-employer plans or 75-percent funded plans and up to 0.4 percent in the case of other plans. In addition, the employer would be liable to reimburse the insurance fund upon plan termination in an amount not in excess of 50 percent of net worth. | Federal insurance program would protect employee's rights to a pension equal to the lesser of 50 percent of his highest average monthly wage over a 5-year period, or $1,000 a month. Premiums would initially be up to 0.2 percent of vested unfunded liabilities in the case of multiemployer plans or 75 percent funded plans, and up to 0.4 percent in the case of other plans. | None. |
| Reporting and disclosure | Reporting—Internal Revenue Service: All employers with funded plans must file annual returns on plan financial status, contributions and deductions, and changes; trustees of qualified plans must report prohibited transactions. Labor Department: Plans covered under the Welfare and Pension Plans Disclosure Act must file plan description when plan is established. Covered plans with over 100 participants must file an annual report on contributions, benefits, employees covered, assets and liabilities, interested party transactions and certain other matters. | Reporting—Labor Department: Annual reports would be required from plans covering more than 25 participants and would include independent auditor's statement. Annual reports would include more detailed information concerning investments, transactions involving interested parties and actuarial information. | None. | Reporting—A companion bill, S. 1557, contains requirements substantially similar to those in S. 4. |
| | Disclosure—Under the tax law, employees must be informed of the establishment of a qualified plan and its basic provisions; a copy of the plan must be available for inspection. Under the WPPDA, the material filed with the Secretary of Labor must be available for inspection and upon request, copies or summaries of this material must be mailed to plan participants and beneficiaries. | Disclosure—New participants would receive summary of important plan provisions, especially those concerning plan benefits and circumstances which would disqualify the individual from receiving benefits. Revised summary would be provided every 3 years. Summaries would have to be written in a manner calculated to be understood by the average participant. When a participant with vested benefits terminates service, he would receive a certificate concerning his rights. | | Disclosure—S. 1557 is substantially similar to S. 4. Also would require a statement of accrued benefits be given to participants or beneficiaries upon request. |
| Fiduciary standards | The assets of a qualified plan must be used exclusively for the benefit of employees and their beneficiaries. Additionally pension trusts engaging in specified "prohibited transactions" with certain interested persons may lose their qualified status. Generally, these include loans, payment of compensation, providing trust services, or purchases or sales of property between the trust and an interested person, other than on arms-length basis. | Would amend the WPPDA to impose a "prudent man" standard on pension trust fiduciaries. Additionally, fiduciaries could not engage in specified transactions. These include rentals, sales or purchases of property, loans, providing trust goods, services or facilities, or otherwise permitting the transfer of trust property to interested parties. Exceptions are made for certain established business practices. | None. | Prohibited transaction rules (presently resulting in loss of exemption where violated) would be repealed. However, excise taxes of 5 and 200 percent would be imposed on persons engaging in self-dealing type transactions similar to those specifically prohibited under S. 4. |

| Item | Present law | S. 4 (Williams-Javits) | S. 1179 (Bentsen) | S. 1631 (The administration bill) |
|---|---|---|---|---|
| Personal retirement savings plan | Generally, there is no tax deduction for amounts paid by an individual toward his own personal retirement savings, or for employee contributions to an employer pension plan. | None | Would allow a credit against tax for employee contributions to an employer retirement plan or to a personal retirement savings account. Credit could not exceed lesser of (1) 25 percent of such contributions or (2) $375. The maximum allowable credit would be reduced by 25 percent of any employer contributions to a qualified retirement plan and would be further reduced by 25 percent of any FICA tax savings if the individual had earned income not subject to this tax. In the case of a married couple, both husband and wife could claim the credit. The personal retirement savings account would be managed by a bank or other trustee. Generally, no benefits could be paid before age 59½ (except in the event of death or disability) and benefit payments would have to begin by age 70½. | Similar to S. 1179 except that a deduction (rather than a credit) would be allowed for such contributions equal to the lesser of (1) 20 percent of earned income or (2) $1,500. These limits would be scaled down dollar for dollar to reflect employer contributions to a qualified retirement plan, or any FICA or railroad retirement tax savings of the employee. |
| Contribution limits | Employer Plans—Deductible contributions to pension plans generally may not exceed (1) 5 percent of pay of covered employees plus any sum necessary to fund current and past service costs on an actuarial basis, or (2) normal service costs plus 10 percent of past service costs. Profit-sharing contributions may be deducted up to 15 percent of payroll of covered employees. Credit and contribution carryovers are permitted. | Would not amend the Internal Revenue Code. Certain funding requirements would be reduced if necessary to enable the employer to receive his tax deduction. | None | Employer plans—Would repeal the 5 percent limitation. Deductions would be permitted for any amount necessary to meet minimum funding requirements.<br>Money Purchase Plans—Contributions to such plans in excess of 20 percent of annual compensation would have to be included in gross income by the employee. |
|  | Self-Employed Plans—Deductible contributions on behalf of self-employed persons (and shareholder-employees of subchapter S corporations) may not exceed the lesser of 10 percent of earned income, or $2,500. In plans where covered employees may make voluntary contributions, the owner-employees may make proportionate contributions, on a nondeductible basis, up to the lesser of 10 percent of earned income or $2,500. |  |  | Self-employed plans—The limits on deductible contributions would be increased to the lesser of 15 percent of earned income or $7,500. Excludible contributions on behalf of shareholder-employees of subchapter S corporations would be increased to similar levels. Limits on nondeductible contributions would be correspondingly increased for owner-employees. |
| Enforcement | Largely self-policing since plans not meeting the requirements for qualification under present law are not tax exempt; therefore, employer contributions to such plans are generally not tax deductible unless rights under the plan are nonforfeitable and the amounts contributed are includible in income by the employee. | The provisions of the bill would be enforced in the Federal Courts as the result of legal actions brought by the Secretary of Labor, or concerned employees. A special office would be created in the Department of Labor to administer the provisions of S. 4. | Generally, the same as under present law. However, a special Office of Pension Plan Administration would be created in the Service. For funding violations, the pension plan could be terminated by the Service, and the deduction for contributions made to the plan for the 5 preceding years may then be disallowed. | Generally, the same as under present law. However, penalty taxes could be imposed on interested persons engaging in self-dealing transactions with the fund, whereas, under present law, the only sanction is loss of tax exemption. |

## CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

## SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR ENDING JUNE 30, 1973

The PRESIDING OFFICER. Under the previous order, the hour of 12:30 p.m. having arrived, the Senate will resume consideration of the unfinished business, H.R. 7447, which the clerk will read by title.

The assistant legislative clerk read the bill (H.R. 7447) by title, as follows:

A bill making supplemental appropriations for the fiscal year ending June 30, 1973, and for other purposes.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time be charged equally against both sides on the bill.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. TAFT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

### AMENDMENT NO. 153

Mr. TAFT. Mr. President, I call up my amendment No. 153.

The PRESIDING OFFICER. The amendment would not be in order until the time had expired on the committee amendment or until the time had been yielded back.

Mr. TAFT. Mr. President, the amendment is an amendment to the committee amendment.

The PRESIDING OFFICER. One hour of debate is permitted on it.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senator may be allowed to offer his amendment notwithstanding the fact that the time on the committee amendment has not run out.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will read the amendment.

The assistant legislative clerk read the amendment (No. 153) as follows:

On page 58, line 10, after "SEC. 305" insert the following: "Except as to combat activities by air operations against the forces of the Democratic Republic of Vietnam which by their presence in Laos and Cambodia are in violation of article 20 of the Agreement of Ending the War and Restoring Peace in Vietnam, dated January 27, 1973,".

The PRESIDING OFFICER. Who yields time?

Mr. TAFT. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. TAFT. Mr. President, I have today offered an amendment to H.R. 7447, numbered 153, which would modify the amendment of the Senator from Missouri, which is a committee amendment contained in section 305 of the bill.

The effect of my proposal would be to exempt from the Eagleton prohibition U.S. air combat activities in Cambodia and Laos directed solely against North Vietnamese forces.

I might comment at this point that, I am aware, and I am sure the Senate is aware, that there is, for all practical purposes, a cease-fire in effect in Laos. That cease-fire, incidentally, seems to have come about, at least in part, because of the fact that the violations of the cease-fire that were occurring were responded to by U.S. air support. In any event, the Laos point, so far as this amendment today is concerned, is moot except for the fact that if the Eagleton amendment is adopted without the exception I have presented in my amendment, it seems to me it might be an incentive to the Communist forces and the North Vietnamese forces in Laos to resume their military activities there.

Therefore, I feel that, so far as the situation in Laos is concerned, there is danger that if we adopt the Eagleton amendment without amendment No. 153, the cease-fire in Laos may be jeopardized.

My concern today, is Cambodia.

The United States is currently conducting air operations in Cambodia on three basic levels: First, tactical air support operations for Cambodian Government troops involved in fighting against Khmer Communist forces, which, incidentally, are largely North Vietnam directed. I do believe that those forces, which are basically Khmer or Communist forces should not be the target of U.S. bombing.

The second category of air operations which the United States has been conducting in Cambodia relates to air support through B-52's for the same objective.

In other words, support operations for Cambodian troops involved in fighting against other Cambodians. I would not exempt this type of bombing from the prohibitions of the Eagleton amendment.

The third, and the key aspect of air operations which we have been carrying on, is tactical air operations and B-52 bombings directed against North Vietnamese troops and supplies. The intention of my amendment would be to permit discretion—not mandate, of course, but discretion—for the President and those under him in the Armed Forces at his command to use, and threaten to use B-52 bombers, targeted against North Vietnamese troops and supplies in Cambodia.

The Eagleton amendment, as I understand it, would absolutely prohibit all three levels of air operations. It would be 100-percent effective. I support this approach with respect to prohibiting the first two levels of air operations, but not the third.

Incidentally, I hope the Senate will not make the mistake of believing that the Eagleton amendment, if passed and if it became law, would not be effective. Inquiries I have made of those responsible would seem to indicate that there is no doubt whatsoever, and the Senate, I think, must act on the presumption, that there is absolutely no doubt whatsoever, the Eagleton amendment would be 100-percent effective insofar as banning any activity, or even threat of activity, by the United States in the Cambodian theater.

Incidentally, with regard to that point, I suppose the remarks of the former Secretary of Defense with regard to the House committee action—and I refer to Elliot Richardson, now Attorney General—when he said the bombing would continue even if a prohibition amendment were passed, seems unoperative today.

It was directed, as I understand it, at a statement or at a position taken by the House which related solely to language then under consideration. It did not contain the language which is contained presently in the bill in section 305. Section 305, in that regard states that—

> None of the funds herein appropriated under this Act or heretofore appropriated under any other Act . . .

And thereby covers the entire gamut of possible authorization of funds which would be involved.

I think, therefore, the Richardson statement should not be considered by the Senate in any way to be related to what the effect of the Eagleton amendment would be if it is adopted in its present form without the exception.

The United States must not become involved in another "Vietnam"—the internal affairs of Cambodians must be solved by Cambodians. But the peace agreement must be supported.

Mr. President, there are 35,000 North Vietnamese troops still in Cambodia contrary to the provisions of article 20. And the only effective sanction which the United States has in the negotiations is the threat of air operations in Cambodia and Laos.

There are territorial considerations the Senate should consider.

The first is that the entire northeast section, the so-called freedom deal area of Cambodia, is for all practical purposes an area different from the rest of Cambodia insofar as military operations are concerned.

It is the area immediately adjacent to South Vietnam. In that area the strikes have been almost entirely B-52 strikes. It is not a tactical operation, as I understand it. There are practically none of the government forces of Cambodia in that area. The entire forces in the area are North Vietnamese forces. These areas are used to stage military action against South Vietnam.

As to the area of the actual control of the bombing, the report of the staff of the Subcommittee on U.S. Security Agreements and Commitments Abroad, a subcommittee of the Foreign Relations Committee of the Senate, under date of April 27, state that it is almost entirely in the hands of the United States. It does have the ultimate approval of the Khmer Republic officials. But it does not start with them.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. TAFT. Mr. President, I yield myself an additional 5 minutes.

The PRESIDING OFFICER. The Senator from Ohio is recognized for an additional 5 minutes.

Mr. TAFT. Mr. President, there are very few civilians actually living in these areas. It is an extremely remote and mountainous area. The Ho Chi Minh Trail comes through this area. The bombing has been quite useful in interdicting the flow of men and supplies.

I think it is important to say how I arrived at this amendment and the administration's position with regard to my amendment.

I arrived at my amendment after a comprehensive study of the documents available to me, not classified documents. The basic documents involve the peace agreement. The basic information I was able to get came from a large part from the newspapers.

I then drafted the amendment with no consultation with the administration, the State Department, the Defense Department, or representatives of the White House. I have used no documents other than those gathered on my own part. I have attempted to obtain from the administration information which would be valuable to me in ascertaining whether the position I have taken is sound. However, they have taken no position in favor of this amendment. I think if it is accepted, it would be a far more acceptable solution, than would the Eagleton amendment which offers no compromise or latitude whatsoever.

It is a congressional initiative. It is not the administrative initiative. I would like to make that absolutely clear.

The administration's views are such that if the U.S. military involvement in internal problems in Cambodia and Laos are necessary, they would come to the Congress and ask for the power to do this. This would be entirely consistent with the War Powers Resolution which I have supported.

At this point, I think this would be a tremendous mistake to pass the Eagleton amendment. If Cambodia and Laos could become a sanctuary for the North Vietnamese troops to attack South Vietnam, the United States would be powerless to act. It would be an invitation to those forces from North Vietnam to come into Cambodia.

I am concerned with the activities of the North Vietnamese troops in violation of Article 20. I do not believe that we should be restricted if at some point in the future the North Vietnamese should launch a full-scale attack on South Vietnam through Cambodia. Moreover, there is danger that a sanctuary buildup will bring about a North Vietnamese attack on South Vietnam through Cambodia would trigger an outbreak of fighting between the North Vietnamese and the South Vietnamese forces of wide proportions in Cambodia and in South Vietnam.

Mr. President, article 20 of the peace agreement in part states:

> CHAPTER VII: REGARDING CAMBODIA AND LAOS
>
> ARTICLE 20
>
> (a) The parties participating in the Paris Conference on Vietnam shall strictly respect the 1954 Geneva Agreements on Cambodia and the 1962 Geneva Agreements on Laos, which recognized the Cambodian and the Lao peoples' fundamental national rights, i.e., the independence, sovereignty, unity, and territorial integrity of these countries. The parties shall respect the neutrality of Cambodia and Laos.

Article 20 continues:

> The parties participating in the Paris Conference on Vietnam undertake to refrain from using the territory of Cambodia and the territory of Laos to encroach on the sovereignty and security of one another and of other countries.
>
> (b) Foreign countries shall put an end to all military activities in Camobdia and Laos, totally withdraw from and refrain from reintroducing into these two countries troops, military advisers and military personnel, armaments, munitions and war material.

> (c) The internal affairs of Cambodia and Laos shall be settled by the people of each of these countries without foreign interference.
>
> (d) The problems existing between the Indochinese countries shall be settled by the Indochinese parties on the basis of respect for each other's independence, sovereignty, and territorial integrity, and noninterference in each other's internal affairs.

These conditions and contracts have been violated and are being violated continually by the North Vietnamese forces. For us to tie our hands unilaterally is to say we accept de facto what the North Vietnamese have been doing in violation of the agreement.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. TAFT. Mr. President, I yield myself an additional 5 minutes.

The PRESIDING OFFICER. The Senator from Ohio is recognized for an additional 5 minutes.

Mr. TAFT. Mr. President, I interpret this article as stating that both the United States and North Vietnam should stay out of Cambodia and Laos militarily and also not become involved in the internal affairs of either country. I believe the Eagleton language as limited by my amendment would be helpful. In fact needed in light of some of the current U.S. military activities in Cambodia. I deeply fear what will happen, however, if the United States should unilaterally say we will take no action whatsoever in Cambodia, no matter what North Vietnam does. If massive military action is taken by North Vietnamese troops in Cambodia, do we do nothing? We would be prohibited from acting, as I read section 305. I believe to be honest with ourselves we must answer this question and also consider what effect passage of section 305, unamended, might have on Dr. Kissinger's recent and forthcoming efforts. These negotiations show many signs of reaching new understandings with the North Vietnamese and should strengthen the Vietnam cease-fire agreement. The Congress should at least consider the results of these negotiations before any unilateral action is taken.

Secretary Rogers, in his statement to the foreign relations committee on April 30, stated as follows:

> At the time the Vietnam Agreement was concluded, the United States made clear to the North Vietnamese that the armed forces of the Khmer Government would suspend all offensive operations and that the United States aircraft supporting them would do likewise. We stated that, if the the other side reciprocated, a "de facto" cease-fire would thereby be brought into force in Cambodia. However, we also stated that, if the communist forces carried out attacks, government forces and United States air forces would have to take necessary counter measures and that, in that event, we would continue to carry out air strikes in Cambodia as necessary until such a time as a cease-fire could be brought into effect. These statements were based on our conviction that it was essential for Hanoi to understand that continuance of the hostilities in Cambodia and Laos would not be in its interests or in our interest and that compliance with Article 20 of the Agreement would have to be reciprocal.

That ends the statement I wish to quote of Secretary Rogers before the Foreign Relations Committee.

Pursuant to that policy, we did suspend all bombing for a period of 10 days after the January 27 agreement.

However, the North Vietnamese did not respond by commencing to withdraw their troops. In fact, quite the contrary, they almost seem to have speeded up and brought in more troops and more supplies during that period.

If compliance is not reciprocal, it seems clear that our sanctions, insofar as the North Vietnamese are concerned, are clearly restricted.

It is not my intent in offering this amendment to permit an "out" for air operations to be conducted in all parts of Cambodia by the mere assertion by the administration that North Vietnamese troops may be involved. Intelligence reports and proof would have to be furnished. Practically, Cambodian forces are only actively fighting in limited geographic regions of the country—roughly the southern Mekong and Phnom Penh area. U.S. air support operations would be prohibited in these areas unless North Vietnamese troops were directly involved in the fighting. This does not appear to be the case at present. I am concerned most basically about supply corridors and staging areas along the Cambodian-South Vietnam border and the upper Mekong. I believe our intelligence apparatus should be sophisticated enough to determine where North Vietnamese troops are and to contain any U.S. air operations to these sectors.

I realize of course there is strong public pressure for a total cessation of U.S. involvement in Southeast Asia—this approach is simplistic and easily understood. The fact remains, however, that a peace agreement was negotiated with the North Vietnamese and this country cannot merely turn its back on the facts due to impatience.

The tedious and complex task of implementing peace agreements throughout history has not been very popular politically. This is especially true with regard to Vietnam, but if the efforts of our men in Southeast Asia are to have meant anything, the peace agreement should be conscientiously maintained.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. SYMINGTON. Mr. President, will the able junior Senator from Missouri yield me 5 minutes?

Mr. EAGLETON. I yield 5 minutes to my colleague from Missouri.

The PRESIDING OFFICER. Is the Senator from Missouri acting for the Senator from Arkansas?

Mr. MANSFIELD. Yes.

### BOMBING OF CAMBODIA

Mr. SYMINGTON. Mr. President, there are many compelling reasons of national interest why our country should not be conducting bombing operations in Cambodia today. I would talk about one of those; namely, the authority.

Section 8 of article I of the U.S. Constitution gives to the Congress the sole right to declare war. We are clearly engaged in conducting a war in Cambodia today, no matter how it is variously described by those apologists who favor our present policy. The fact is that hundreds of our planes are engaged in daily operations over Cambodia and thousands of tons of bombs have been dropped. President Nixon has ordered this bombing in Cambodia, although he cannot but be aware that he does so without any authority from the Congress.

Throughout our lengthy and tragic involvement in Indochina, different theories have been advanced from time to time to justify our conduct of military operations in that part of the world.

It has been suggested that the SEATO Treaty authorizes such military activity.

It appears to me that this is clearly incorrect. Cambodia is not a signatory of the SEATO Treaty but is a protocol state for purposes of article IV. That article provides that where such state is a subject of "aggression by means of armed attack," each Party "will in that event act to meet the common danger in accordance with its constitutional processes." Obviously, the appropriate constitutional process under these circumstances would be to submit the matter to Congress so that it might determine if it was proper for war to be declared.

At one time, it was contended that our military activities in Indochina were sanctioned by the Senate Gulf of Tonkin Resolution. This authority cannot be utilized at the present time, however, because the Gulf of Tonkin Resolution was repealed months before the present military activity was ordered by the President.

On many occasions these past years, President Nixon has justified military activity in Southeast Asia on the basis that it was necessary to protect the lives of the members of our military forces in the area. This justification was dramatized by the statement of President Nixon on June 3, 1970, when he said:

> The only remaining American activity in Cambodia after July 1st will be air missions to interdict the movement of enemy troops and material where I find that it is necessary to protect the lives and security of our men in South Vietnam.

The obvious interpretation of this language is that there would be no justification for the bombing in Cambodia after we have withdrawn our military forces from South Vietnam.

The constitutional authority of the President as Commander in Chief provides no justification for the present exercise of pre-emptory authority where Congress has sanctioned no military involvement and where no emergency exists which threatens our national security. Indeed, by categorical legislative enactment, the Congress has declared that our military forces should not be recommitted in that country. The latest theory advanced to sanction the bombing is that it is necessary in order to encourage compliance of article 20 of the Executive agreement, the purpose of which was to end the hostilities in Indochina. Careful reading of that agreement fails to disclose any authority for the United States to bomb in Cambodia. In addition to that, the agreement was never submitted to the Congress for approval and it does not have the dignity of a treaty. No "bootstraps" doctrine can be condoned whereby unilateral executive fiat is sought to be utilized to support Presidential usurpation of congressional constitutional authority to wage war.

To recapitulate, it is clear that none of the reasons advanced through the years and down to today are operable at this time in bestowing the right upon the President to engage in this activity. It appears clear that no authority exists, in either our Constitution or our statutes, for the conduct of bombing operations in Cambodia.

Mr. President, it is for these reasons that I support without reservation the amendment of my distinguished colleague (Mr. EAGLETON), who has done so much to present this problem and this situation in detail to the people of the United States as well as the Members of the Senate.

I thank my colleague for yielding.

Mr. EAGLETON. I thank the distinguished senior Senator from Missouri. I yield 4 minutes to the Senator from Utah.

Mr. MOSS. Mr. President, I thank the Senator for permitting me to speak briefly at this point.

I, too, support the Eagleton amendment, and wish to be recorded as for it. But the matter that is directly before the Senate is the amendment of the Senator from Ohio (Mr. TAFT), and in his amendment he seeks to limit the bombing, as I understand the amendment, to where the North Vietnamese forces are engaged.

In the first place, I do not know what kind of intelligence we have, by which we could be sure that we were bombing where the North Vietnamese were engaged. It seems to me his amendment is simply a derogation of the Eagleton provision, which the Senate apparently very strongly supports, as indicated by the vote on the point of order.

I think it would be a grave mistake to try to place on the President or on the military a selective sort of bit as to when they could bomb and when they could not bomb, when what we want to do is terminate all of the bombing in Southeast Asia, and particularly now over the country of Cambodia.

Mr. President, yesterday we debated on this floor the authorization bill for the U.S. Information Agency, and we had a very spirited debate and cut it some $12 million below what they were given by appropriation last year. It was felt that we ought to do that because of the great expenditure overseas.

The USIA is engaged in an educational mission of libraries, filmstrips, exhibits, and cultural exchanges with other countries, trying to communicate with the peoples of the world, yet we have felt constrained to take away some of that money. Now we are participating in a civil war where perhaps one bombing raid would cost as much as the amount we cut out of the annual authorization bill of the USIA. We are still wasting vast amounts of money over there, devastating the land of a people with whom we are not at war, a people not a part of the issue which brought us to Southeast Asia in the first place. We are doing it simply on the pretext that, some way or other, the North Vietnamese influence is coming into Cambodia.

Maybe it is. Maybe the Cambodians are engaged in a civil war. I think that they are. I think that the Khmer Rouge, as they are called, are a great element of the population of Cambodia and that the Government of Cambodia is a makeshift affair, in which we seem to have had a hand in choosing who would be its leader. However, it certainly is not self-determination that is being made in Cambodia today.

The decision has been made long since by this country that we are to get out of Indochina and, therefore, I cannot understand why the President holds on and on and on to continue warfare, to continue destruction in that country, with no objective in the end that is in the self-interest of the United States.

What are we going to accomplish? Suppose we did prop up the present Government of Cambodia for a period of another 6 months? What effect would that have on the United States? What will it mean to us? I believe that the effect will be negative because our sole accomplishment is one of destruction and death in an area where we have long since decided it was a mistake for us to have been in in the first place.

Therefore, I strongly support the basic amendment that we are discussing in the bill, and I oppose the amendment of the Senator from Ohio (Mr. TAFT). I believe that Congress must use every weapon at its command to say to the President, "We want no more of this insane war in Southeast Asia."

Mr. President, I yield the floor.

Mr. EAGLETON. Mr. President, may I be recognized?

The PRESIDING OFFICER (Mr. NUNN). The Senator from Missouri is recognized.

Mr. EAGLETON. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. 20 minutes.

Mr. EAGLETON. Mr. President, I yield myself 8 minutes.

Mr. President, the Senator from Ohio has proposed an amendment which would require the most accurate and sophisticated intelligence estimates available to carry it out. He states that Congress should authorize bombing only of North Vietnamese forces in Cambodia. I suggest that even in a tactical military sense, this approach is impractical considering our current posture in Cambodia.

According to official administration estimates, there are 30,000–35,000 North Vietnamese forces in Cambodia. Again, according to the administration, all but 5,000 of these forces are support troops. Approximately 30,000 support forces are located in the border sanctuary areas supplying Vietcong and North Vietnamese battalions in South Vietnam—3,000 of the combatants are also in the sanctuary areas. That leaves 2,000 combatants who are fighting with Cambodian Communist forces.

It is my understanding that these 2,000 troops are now in three areas of Cambodia. There is what is known as a "Zapper" training camp in Phnon Penh area—this is a camp which trains commando forces. There is an infantry unit in the northern part of Cambodia and there are small artillery units along the Mekong River assisting the Cambodian Communists in attacks against ships attempting to supply Phnon Penh.

It should be emphasized that all of the 2,000 combatants directly assisting Cambodian forces are highly mobile. In other words, what may be hard intelligence on their location, on a given day, could be false information on the next day. It should also be stressed that the figures I have used are figures supplied by the administration, figures which have been criticized by many as being grossly inflated.

In considering the amendment of the Senator from Ohio, we should understand the difficulty we have in assuring the effectiveness and the accuracy of our bombing raids. Especially in an agrarian country such as Cambodia, where landmarks are not easily found, it is imperative that we have accurate ground control direction for our bombers. We have no ground forces in Cambodia, so we must depend solely upon Cambodian forces for this direction. This is the element which makes our bombing extremely inaccurate.

First, the Cambodians have no ability to send coded messages. Approximately 90 percent of the messages to our B-52's are intercepted and when the B-52's arrive from Thailand or Guam, the coordinates that they have been given many hours before are normally occupied only by the innocent few who have no access to the intercepted radio message.

The only form of bombing that may be effective, therefore, is on-the-scene tactical bombing when our Cambodian allies are directly engaged with insurgent units. But then the problem becomes one of language. Having no Americans on the ground, we are then forced to attempt communications between Cambodians who cannot speak English and American pilots who cannot speak Cambodian.

If there is any kind of effective bombing in Cambodia—and I doubt whether there is—it is the so-called carpet bombing along the Mekong River in support of supply ships. But even with this heavy-handed type of bombing, insurgent artillery is still capable of rendering great damage to the supply ships.

Furthermore, the incredible expense in protecting a convoy of ships on the Mekong River cannot continue to be supported by the United States over any extended period of time—we simply cannot afford it.

Mr. President, in essence, what the Taft amendment would do—and I believe that the Senator from Ohio was highly motivated in the presentation of his amendment—would be to sanctify by legislation article 20 of the Paris agreement. The Paris agreement was signed by the North Vietnamese, the South Vietnamese, and ourselves; it was not signed by the Cambodians. They have no standard insofar as trying to legalize a war in Cambodia is concerned. It was my emphasis, and the point stressed so well by my distinguished colleague, Mr. SYMINGTON, that there is not one whit of legal authority for what we are doing in Cambodia today.

By no stretch of the imagination, or any constitutional precept, is there any authority for doing what the President is doing there today.

What the Taft amendment would do, if agreed to, would be to make article 20 of the agreement in Paris the codified law of the United States. It would, perhaps, unwittingly, be another Gulf of Tonkin Resolution insofar as the Cambodian war is concerned. It would authorize indefinite American participation in air raids over Cambodia for the purpose of seeking out North Vietnamese troops wherever our military commanders think they might be. Under this open-ended authority, the President would then have the unilateral authority, to bomb, bomb, and bomb ad infinitum.

Rather than being a step forward in favor of peace and in favor of ending American involvement in Southeast Asia—which is the intent of all of us, I take it—this would be a new authorization in a new cloak, to renew American activities in Southeast Asia.

Therefore, Mr. President, I must oppose the Taft amendment.

Mr. TOWER. Mr. President, any failure on our part to adopt the Eagleton amendment without the Taft amendment or something comparable to it would be to treat the peace accord as a scrap of paper; because they mean to violate it any time they can get away with it, and if we shackle the President, they will get away with it.

Not only have they been in noncompliance with article 20—and I thank the distinguished Senator from Ohio for his very closely reasoned and impeccable argument—but also, they are in violation of article 7, which reads:

> From the enforcement of the cease-fire to the formation of the government provided for in Articles 9(b) and 14 of this Agreement, the two South Vietnamese parties shall not accept the introduction of troops, military advisers, and military personnel including technical military personnel, armaments, munitions, and war material into South Vietnam.
>
> The two South Vietnamese parties shall be permitted to make periodic replacement of armaments, munitions and war material which have been destroyed, damaged, worn out or used up after the cease-fire, on the basis of piece-for-piece, of the same characteristics and properties, under the supervision of the Joint Military Commission of the two South Vietnamese parties and of the International Commission of Control and Supervision.

That provision has not been complied with by North Vietnam. They are resupplying their forces in South Vietnam and are doing it in large measure through Laos. If we hamstring the President, they are going to continue to operate these supply routes through Laos, and they are going to reopen their old supply routes through Cambodia, because there will be absolutely nothing to stop them. We can see that then the whole peace agreement will be meaningless, because then North Vietnam, at such time they feel logistically capable, will resume the war against South Vietnam, and we will have lost the peace in Southeast Asia.

The way the Eagleton amendment now reads, we could not even go in and evacuate American civilians from Cambodia and Laos. We would be prohibited from doing so.

The Senator from Ohio has correctly pointed out that the only reason we have a cease-fire in Laos is because of air strikes against the Pathet Lao; and for "Pathet Lao" we should read "North Vietnamese," because the Pathet Lao could not fight their way out of a wet paper bag without the North Vietnamese.

Let us realize the realities of the situation and for goodness sake allow the President some flexibility in his efforts to establish a real and meaningful cease-fire in Southeast Asia and in Mr. Kissinger's efforts to negotiate the same in Paris.

The PRESIDING OFFICER. Who yields time?

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. EAGLETON. I yield.

Mr. MANSFIELD. Mr. President, I have appreciated the arguments by the sponsor of the amendment, the distinguished Senator from Ohio (Mr. TAFT), but I have appreciated more the rebuttal by the distinguished Senator from Missouri (Mr. EAGLETON).

Senator EAGLETON has pointed out that if you approve an amendment of this kind, you are in effect creating another Gulf of Tonkin Resolution. You are giving your acquiescence, your approval, to what the President is now doing on an illegal and unconstitutional basis.

He has no justification, legal, constitutional or otherwise. Article 20 of the Paris agreements is not justification. There is no justification under SEATO. He has no justification as Commander in Chief. He has no justification because there are U.S. troops in South Vietnam or U.S. prisoners of war in South and North Vietnam—perhaps Cambodia and Laos—because they all have been brought home. But, there may be new prisoners of war in Cambodia on the basis of the bombings which are now taking place.

What we are doing, regardless of any agreement reached in Paris or any article in that agreement, is involving ourselves in a civil war. There is no question about that. The solution will not be through military means.

I happened to see a cartoon in a paper the other day, and it shows bombs dropping on people all over in Cambodia. The caption is, "Unless they keep bombing us, the cease-fire might fall apart."

As I say, a military solution is not the answer, unless you want to keep on killing civilians primarily, unless you want to craterize Cambodia, unless you want to further devastate that beautiful, that peaceful, that hapless land.

I think we might as well face the fact that if there is going to be a solution, it is going to be diplomatic. What we do here in this Chamber now will make little or no difference, because what the House has done, what the Senate Appropriations Committee has done, and what the Senate did on Tuesday last are all indications of how the people in this country feel, how their representatives vote, and how we react to the present situation. Bombers, airlifts, and river convoys are not the answer.

The distinguished Senator from Ohio indicated—and I think I quote him correctly—that this amendment would continue to "give discretion to the President and those under him." Those under him doing what? Another General Lavalle, who can take into his own hands what he thinks a decision should be and have it carried out contrary to the direct orders of the Commander in Chief? I think not.

The distinguished Senator from Ohio also said that "the Eagleton amendment would be 100-percent effective."

The Senator from Ohio is absolutely correct, because that is the intent and the purpose of the Eagleton amendment—to do away with bombing completely and to get out of Cambodia and Southeast Asia.

How do you differentiate between a North Vietnamese and a Cambodian, from the air, as the Taft amendment purports to do? Do you just go to the northeast part of Cambodia, where supposedly the North Vietnamese are most highly concentrated? Are no Cambodian civilians there? This is a hard one to figure out, because even with the best kind of pinpoint bombing, it is most difficult to differentiate between a North Vietnamese and a Cambodian.

The distinguished Senator from Texas said that if we pass the Eagleton amendment we will "hamstring the President." I do not think so. I think we will be facing up to our responsibility as Members of a branch coequal with the executive branch, and I would point out that this body, the Senate, and the Congress, have something to say in the making of war, and that is what this is in Cambodia; we have a responsibility which I think we should not shirk at this time.

We have all read in the newspapers this morning something to the effect that among U.S. pilots and crews, both at Utapao Air Base in Thailand and at Anderson Field in Guam, there is a morale problem. We have been reading that some of these people look upon themselves as being treated as "mercenaries" and some of us have received letters using those same words.

So I would hope that this back door approach to a Gulf of Tonkin resolution which would give acquiescence and approval to an illegal and unconstitutional act by the President of the United States at this time would not be agreed to, because if we are ever going to face up to this issue and do something about it, the time is now.

The PRESIDING OFFICER. Who yields time,

Mr. TAFT. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator is recognized for 5 minutes.

Mr. TAFT. Mr. President, a number of statements have been made that I think should be commented upon with regard to this question.

The thing that I think most crucial and that all of us must understand in voting on this difficult measure today is presented very ably by the distinguished majority leader. He said the solution of the war in Southeast Asia will not be one brought by arms—it will be a negotiated one. I agree with him and I agree with him completely that it must be negotiated one, but the chances of carrying out and implementing a successful negotiated settlement in Southeast Asia today will be nil if we tie the hands of the President of the United States.

Time after time Communist forces and Communist nations in Southeast Asia have shown they understand very well that war and negotiation are one as far as they are concerned. They do not hesitate to the use of military force to accomplish their goal.

The only reason we have a peace agreement, which was referred to as a piece of paper without dignity earlier today, was by maintaining the option for use of air operations in Southeast Asia. This so-called paper was responsible for bringing back over 500 of our POW's from Southeast Asia and was responsible for getting off the ground a peace agreement. It was related to bombing by B-52's, and no one can deny it in North Vietnam. The achievement of the cease-fire in Laos was related to the fact that we were using the Air Force against the North Vietnamese in Laos. In Cambodia the same thing is true.

If we tie the hands of the President the chance of a negotiated settlement, with the North Vietnamese in control of Communist forces, is not probable; it is perfectly obvious they will not arrive at any negotiated settlement. They have no reason to do so. They can continue to build up sanctuaries across the border. Encouraging the South Vietnamese to protect themselves, will be more difficult.

It has been suggested that there cannot be any identification of North Vietnamese forces. Admittedly, this is not easy. But I feel confident to a great degree that there can be identification. As I pointed out, those who are familiar with the Khmer Rouge forces of the Cambodian force know that they are all dispersed in the central area, around Phnom Penh and the southern Mekong area. There may be some North Vietnamese forces there, too.

The distinguished junior Senator from Missouri (Mr. EAGLETON) really made my point for me, so far as identification is concerned, in talking about artillery units. The only artillery units there today are artillery units being used by the North Vietnamese. The only additional units that are being used in shelling are units that come up the Mekong—the North Vietnamese units.

If we prevent our Air Force units from making an attack upon them, we hurt efforts for peace in Southeast Asia.

I should like to have the Senator from Missouri comment, when he takes the floor, on whether he would take exception to his amendment covering just one of these areas of Cambodia, because I think that would be of great assistance. I would be willing to amend my amendment—I have not asked for the yeas and nays yet—to make that possible. I do not believe the Senator or those who will vote with him are willing to go that far. They want to make it an issue between the President and the Congress. They should not do that. This is a matter of general public and human interest involved here.

Mr. EAGLETON. Mr. President, I would not be willing to accept that proposal. It is my intention to stay with my amendment until we withdraw all our forces from Southeast Asia, and not to try to delineate a small part of a country in northwest or southwest Cambodia or Phnom Penh. We do not want to authorize a new war or to prolong the old one in any way, shape, or form. That is the great danger of the Taft amendment.

Read article XX of the Paris agreement, to which Cambodia is not a part, and in which they did not participate. They want to build on that a new authority, to codify it into the law of our Nation. That would make this amendment a new Gulf of Tonkin resolution.

So far as I am concerned, I am not for declaring a new war, even a miniwar, in any sector of Cambodia or Southeast Asia.

Mr. President, how much time is remaining on my side?

The PRESIDING OFFICER. The Senator from Missouri has 3 minutes remaining.

Mr. EAGLETON. I yield 1 minute to the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, from listening to the debate, I think the amendment fails to realize the true impact of the bombing of Cambodia in recent times. If our policy was only to engage the military element in Cambodia, North Vietnam, and Khmer Rouge that have been threatening the government, the fact remains that it has also helped to create some 3 million refugees and some 200,000 orphans in Cambodia.

If our bombing policy is only to engage the military element, we are doing a pretty shabby job, because the statistics show that we are killing civilians and creating large numbers of refugees as well. A great human tragedy has been experienced by the innocent of Cambodia. It is a tragedy that is being created by American bombers. The Taft amendment fails to address itself to the enormous tragedy that has taken place among the civilians in Indochina.

The Defense Department has said time and time again that our bombing policy is directed only to military targets, but all we have to do is look at the various refugee reports, the GAO reports, the U.S. official reports, the AID reports, to see how our bombing policy has resulted in more refugees, civilian casualties, and orphans in Cambodia, as well as in North Vietnam and Laos, as a result of so-called military bombing.

The Taft amendment fails to address this whole problem. That, along with the reasons outlined by the majority leader and the Senator from Missouri is sufficient to defeat the amendment.

The PRESIDING OFFICER. Who yields time?

Mr. TAFT. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Missouri has 1 minute left.

Mr. EAGLETON. Mr. President, I yield that 1 minute to the distinguished majority leader.

Mr. MANSFIELD. Mr. President, I think the answer to Cambodia is not a bombing continuation, not even the confining of the bombing to a particular corner of Cambodia. I think the best way to bring the Cambodian situation to a successful conclusion is to invite Prince Norodom Sihanouk to meet with Cambodian officials, if he will, and if not, then to meet with U.S. officials, because I think he is the one man who can restore stability, peace, and neutrality to that country.

If we are interested in bringing about an end of the war in Cambodia, we can do it, I think, through using our good offices in relation to this man, and not by a continuation of the bombing.

Mr. PERCY. Mr. President, I fully appreciate the good intentions of the Senator from Ohio in offering this amendment. I share his desire to bring Hanoi into compliance with the terms of the cease-fire agreement. However, I cannot believe that U.S. air operations over Cambodia will compel Hanoi to alter its policies. Cambodia cannot be saved by air operations so long as its government in Phnom Penh cannot inspire countrywide support. And the North Vietnamese forces in Cambodia are only a fraction of the total forces aligned against the Phnom Penh Government.

I have long counseled that U.S. combat activities in Indochina should be brought to a halt so there will be no further Americans taken prisoner or lost in action or killed, and so there will be no further American responsibility for widespread death and injury among the civilian population. Let us end the bombing.

The PRESIDING OFFICER. All time on the amendment has expired.

The question is on agreeing to the amendment to the committee amendment on page 58. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. FANNIN (after having voted in the affirmative). On this vote, I have a pair with the Senator from Connecticut (Mr. WEICKER). If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I withdraw my vote.

Mr. ROBERT C. BYRD. I announce that the Senator from Nevada (Mr. BIBLE), the Senator from Nevada (Mr. CANNON), the Senator from Idaho (Mr. CHURCH), the Senator from North Carolina (Mr. ERVIN), the Senator from Wyoming (Mr. MCGEE), the Senator from New Mexico (Mr. MONTOYA), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

I further announce that the Senator from Alabama (Mr. ALLEN) and the Senator from Colorado (Mr. HASKELL) are absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that the Senator from Maine (Mr. MUSKIE) is absent because of a death in the family.

I further announce that, if present and voting, the Senator from Idaho (Mr. CHURCH), the Senator from Colorado (Mr. HASKELL), the Senator from New Mexico (Mr. MONTOYA), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Nevada (Mr. CANNON), and the Senator from Nevada (Mr. BIBLE) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Utah (Mr. BENNETT), the Senator from Colorado (Mr. DOMINICK), the Senator from Hawaii (Mr. FONG), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

The Senator from Arizona (Mr. GOLDWATER) is absent by leave of the Senate on official business.

The Senator from New Hampshire (Mr. COTTON) is absent because of illness in his family.

The pair of the Senator from Connecticut (Mr. WEICKER) has been previously announced.

The result was announced—yeas 17, nays 63, as follows:

[No. 160 Leg.]

YEAS—17

Brock
Buckley
Curtis
Dole
Eastland
Griffin
Hansen
Helms
Hruska
Jackson
Long
Roth
Scott, Pa.
Scott, Va.
Taft
Thurmond
Tower

NAYS—63

Abourezk
Aiken
Bartlett
Bayh
Beall
Bellmon
Bentsen
Biden
Brooke
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Case
Chiles
Clark
Cook
Cranston
Domenici
Eagleton
Fulbright
Gravel
Gurney
Hart
Hartke
Hatfield
Hathaway
Hollings
Huddleston
Hughes
Humphrey
Inouye
Javits
Johnston
Kennedy
Magnuson
Mansfield
Mathias
McClellan
McClure
McGovern
McIntyre
Metcalf
Mondale
Moss
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Saxbe
Schweiker
Sparkman
Stafford
Stevens
Stevenson
Symington
Tunney
Williams
Young

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Fannin, for.

NOT VOTING—19

Allen
Baker
Bennett
Bible
Cannon
Church
Cotton
Dominick
Ervin
Fong
Goldwater
Haskell
McGee
Montoya
Muskie
Ribicoff
Stennis
Talmadge
Weicker

So the Taft amendment to the committee amendment was rejected.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 5293) authorizing additional appropriations for the Peace Corps; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MORGAN, Mr. ZABLOCKI, Mr. HAYS, Mr. FASCELL, Mr. MAILLIARD, Mr. FRELINGHUYSEN, and Mr. BROOMFIELD were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 5610) to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. HAYS, Mr. MORGAN, Mr. ZABLOCKI, Mr. MAILLIARD, and Mr. THOMSON of Wisconsin were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the amendment of the Senate to the bill (H.R. 6912) to amend the Par Value Modification Act, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. PATMAN, Mr. GONZALEZ, Mr. REUSS, Mr. MOORHEAD of Pennsylvania, Mr. REES, Mr. HANNA, Mr. YOUNG of Georgia, Mr. STARK, Mr. STEPHENS, Mr. WIDNALL, Mr. JOHNSON of Pennsylvania, Mr. J. WILLIAM STANTON, Mr. CRANE, Mr. FRENZEL, and Mr. CONLAN were appointed managers on the part of the House at the conference.

## ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (S. 1235) to amend Public Law 90-553 authorizing an additional appropriation for an International Center for Foreign Chanceries.

The enrolled bill was subsequently signed by the Acting President pro tempore (Mr. HOLLINGS).

## NATIONAL CEMETERIES ACT OF 1973

Mr. HARTKE. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 49.

The PRESIDING OFFICER (Mr. NUNN) laid before the Senate the amendment of the House of Representatives to the bill (S. 49) to amend title 38 of the United States Code in order to establish a National Cemetery System within the Veterans' Administration, and for other purposes which was to strike out all after the enacting clause, and insert:

That this Act may be cited as the "National Cemeteries Act of 1973".

SEC. 2. (a) Part II of title 38, United States Code, is amended by adding at the end thereof the following new chapter:

"CHAPTER 24—NATIONAL CEMETERIES AND MEMORIALS

"Sec.
"1000. Establishment of National Cemetery System; composition of such system; appointment of director.
"1001. Advisory committee on cemeteries and memorials.
"1002. Persons eligible for interment in national cemeteries.
"1003. Memorial areas.
"1004. Administration.
"1005. Disposition of inactive cemeteries.
"1006. Acquisition of lands.
"1007. Authority to accept and maintain suitable memorials.

"§ 1000. Establishment of National Cemetery System composition of such system; appointment of director

"(a) There shall be within the Veterans' Administration a National Cemetery System for the interment of deceased servicemen and veterans. To assist him in carrying out his responsibilities in administering the cemeteries within the System, the Administrator may appoint a Director, National Cemetery System, who shall perform such functions as may be assigned by the Administrator.

"(b) The National Cemetery System shall consist of—

"(1) national cemeteries transferred from the Department of the Army to the Veterans' Administration by the National Cemeteries Act of 1973;

"(2) cemeteries under the jurisdiction of the Veterans' Administration on the date of enactment of this chapter; and

"(3) any other cemetery, memorial, or monument transferred to the Veterans' Administration by the National Cemeteries Act of 1973, or later acquired or developed by the Administrator.

"§ 1001. Advisory Committee on Cemeteries and Memorials

"There shall be appointed by the Administrator an Advisory Committee on Cemeteries and Memorials. The Administrator shall advise and consult with the Committee from time to time with respect to the administration of the cemeteries for which he is responsible, and with respect to the selection of cemetery sites, the erection of appropriate memorials, and the adequacy of Federal burial benefits. The Committee shall make periodic reports and recommendations to the Administrator and to Congress.

"§ 1002. Persons eligible for interment in national cemeteries

"Under such regulations as the Administrator may prescribe and subject to the provisions of section 3505 of this title, the remains of the following persons may be buried in any open national cemetery in the National Cemetery System:

"(1) Any veteran (which for the purposes of this chapter includes a person who died in the active military, naval, or air service).

"(2) Any member of a Reserve component of the Armed Forces, and any member of the Army National Guard or the Air National Guard, whose death occurs under honorable conditions while he is hospitalized or undergoing treatment, at the expense of the United States, for injury or disease contracted or incurred under honorable conditions while he is performing active duty for training, inactive duty training, or undergoing that hospitalization or treatment at the expense of the United States.

"(3) Any member of the Reserve Officers' Training Corps of the Army, Navy, or Air Force whose death occurs under honorable conditions while he is—

"(A) attending an authorized training camp or on an authorized practice cruise;

"(B) performing authorized travel to or from that camp or cruise; or

"(C) hospitalized or undergoing treatment, at the expense of the United States, for injury or disease contracted or incurred under honorable conditions while he is—

"(i) attending that camp or on that cruise;

"(ii) performing that travel; or

"(iii) undergoing that hospitalization or treatment at the expense of the United States.

"(4) Any citizen of the United States who, during any war in which the United States is or has been engaged, served in the armed forces of any government allied with the United States during that war, and whose last such service terminated honorably.

"(5) The wife, husband, surviving spouse, minor child, and, in the discretion of the Administrator, unmarried adult child of any of the persons listed in paragraphs (1) through (4).

"(6) Such other persons or classes of persons as may be designated by the Administrator.

"§ 1003. Memorial areas

"(a) The Administrator shall set aside, when available, suitable areas in national cemeteries to honor the memory of members of the Armed Forces missing in action, or who died or were killed while serving in such forces and whose remains have not been identified, have been buried at sea or have been determined to be nonrecoverable.

"(b) Under regulations prescribed by the Administrator, appropriate memorials or markers shall be erected to honor the memory of those individuals, or group of individuals, referred to in subsection (a) of this section.

"(c) All national and other veterans' cemeteries in the national cemetery system created by this Act shall be considered national shrines as a tribute to our gallant dead and, notwithstanding the provisions of any other law, the Administrator is hereby authorized to permit appropriate officials to fly the flag of the United States of America at such cemeteries twenty-four hours each day.

"§ 1004. Administration

"(a) The Administrator is authorized to make all rules and regulations which are necessary or appropriate to carry out the provisions of this chapter, and may designate those cemeteries which are considered to be national cemeteries.

"(b) In conjunction with the development and administration of cemeteries for which he is responsible, the Administrator shall provide all necessary facilities including, as necessary, superintendents' lodges, chapels, crypts, mausoleums, and columbaria.

"(c) Each grave in a national cemetery shall be marked with an appropriate marker. Such marker shall bear the name of the person buried, the number of the grave, and such other information as the Administrator shall by regulation prescribe.

"(d) There shall be kept in each national cemetery, and at the main office of the Veterans' Administration, a register of burials in each cemetery setting forth the name of each person buried in the cemetery, the number of the grave in which he is buried, and such other information as the Administrator by regulation may prescribe.

"(e) In carrying out his responsibilities under this chapter, the Administrator may contract with responsible persons, firms, or corporations for the care and maintenance of such cemeteries under his jurisdiction as he shall choose, under such terms and conditions as he may prescribe.

"(f) The Administrator is authorized to convey to any State, or political subdivision thereof, in which any national cemetery is located, all right, title, and interest of the United States in and to any Government owned or controlled approach road to such cemetery if, prior to the delivery of any instrument of conveyance, the State or political subdivision to which such conveyance is to be made notifies the Administrator in writing of its willingness to accept and maintain the road included in such conveyance. Upon the execution and delivery of such a conveyance, the jurisdiction of the United States over the road conveyed shall cease and thereafter vest in the State or political subdivision concerned.

"(g) Notwithstanding any other provision of law, the Administrator may at such time as he deems desirable, relinquish to the State in which any cemetery, monument, or memorial under his jurisdiction is located, such portion of legislative jurisdiction over the lands involved as is necessary to establish concurrent jurisdiction between the Federal Government and the State concerned. Such partial relinquishment of jurisdiction under the authority of this subsection may be made by filing with the Governor of the State involved a notice of such relinquishment and shall take effect upon acceptance thereof by the State in such manner as its laws may prescribe.

"§ 1005. Disposition of inactive cemeteries

"(a) The Administrator may transfer, with the consent of the agency concerned, any inactive cemetery, burial plot, memorial, or movement within his control to the Department of the Interior for maintenance as a national monument or park, or to any other agency of the Government. Any cemetery transferred to the Department of the Interior shall be administered by the Secretary of the Interior as a part of the National Park System and funds appropriated to the Secretary for such system shall be available for the management and operation of such cemetery.

"(b) The Administrator may also transfer and convey all right, title, and interest of the United States in or to any inactive cemetery or burial plot, or portion thereon, to any State, county, municipality, or proper agency thereof, in which or in the vicinity of which such cemetery or burial plot is located, but in the event the grantee shall cease or fail to care for and maintain the cemetery or burial plot or the graves and monuments contained therein in a manner satisfactory to the Administrator, all such right, title, and interest transferred or conveyed by the United States, shall revert to the United States.

"(c) If a cemetery not within the National Cemetery System has been or is to be discontinued, the Administrator may provide for the removal of remains from that cemetery to any cemetery within such System. He may also provide for the removal of the remains of any veteran from a place of temporary interment, or from an abandoned grave or cemetery, to a national cemetery.

"§ 1006. Acquisition of lands

"As additional lands are needed for national cemeteries, they may be acquired by the Administrator by purchase, gift (including donations from States or political subdivisions thereof), condemnation, transfer from other Federal agencies, or otherwise, as he determines to be in the best interest of the United States.

"§ 1007. Authority to accept and maintain suitable memorials

"Subject to such restrictions as he may prescribe, the Administrator may accept gifts, devises, or bequests from legitimate societies and organizations or reputable individuals, made in any manner, which are made for the purpose of beautifying national cemeteries, or are determined to be beneficial to such cemetery. He may make land available for this purpose, and may furnish such care and maintenance as he deems necessary."

(b) The table of chapters of part II and the table of parts and chapters of title 38, United States Code, are each amended by inserting immediately below

"23. Burial benefits.................. 901"

the following:

"24. National cemeteries and memorials .......................... 1000".

(c) Section 5316 of title 5, United States Code, is amended by striking out:

"(131) General Counsel of the Equal Employment Oportunity Commission."

and inserting in lieu thereof the following:

"(132) General Counsel of the Equal Employment Opportunity Commission.

"(133) Director, National Cemetery System, Veterans' Administration."

SEC. 3. (a) The Administrator shall conduct a comprehensive study and submit his recommendations to Congress within six months after the convening of the first session of the Ninety-third Congress concerning:

(1) criteria which govern the development and operation of the National Cemetery System, including the concept of regional cemeteries;

(2) the relationship of the National Cemetery System to other burial benefits provided by Federal and State Governments to Servicemen and veterans;

(3) steps to be taken to conform the existing System to the recommended criteria;

(4) the private burial and funeral costs in the United States;

(5) current headstone and marker programs; and

(6) the marketing and sales practices of non-Federal cemeteries and interment facilities, or any person either acting on their behalf or selling or attempting to sell any rights, interests, or service therein, which is directed specifically toward veterans and their dependents.

(b) The Administrator shall also, in conjunction with the Secretary of Defense, conduct a comprehensive study of and submit their joint recommendations to Congress within six months after the convening of the first session of the Ninety-third Congress concerning:

(1) whether it would be advisable in carrying out the purposes of this Act to include the Arlington National Cemetery within the National Cemetery System established by this Act;

(2) the appropriateness of maintaining the present eligibility requirements for burial at Arlington National Cemetery; and

(3) the advisability of establishing another national cemetery in or near the District of Columbia.

SEC. 4. (a) Subchapter II of chapter 3 of title 38, United States Code, is amended by adding at the end thereof the following new section:

"§ 218. Standards of conduct and arrests for crimes at hospitals, domiciliaries, cemeteries, and other Veterans' Administration reservations

"(a) For the purpose of maintaining law and order and of protecting persons and property on lands (including cemeteries) and in buildings under the jurisdiction of the Veterans' Administration (and not under the control of the Administrator of General Services), the Administrator or any officer or employee of the Veterans' Administration duly authorized by him may—

"(1) make all needful rules and regulations for the governing of the property under his charge and control, and annex to such rules and regulations such reasonable penalties within the limits prescribed in subsection (b) of this section as will insure their enforcement. Such rules and regulations shall be posted in a conspicuous place on such property;

"(2) designate officers and employees of the Veterans' Administration to act as special policemen on such property and, if the Administartor deems it economical and in the public interest, with the concurrence of the head of the agency concerned, utilize the facilities and services of existing Federal law-enforcement agencies, and, with the consent of any State or local agency, utilize the facilities and services of such State or local law-enforcement agencies; and

"(3) employer officers or employees of the Veterans' Administration who have been duly authorized to perform investigative functions to act as special investigators and to carry firearms, whether on Federal property or in travel status. Such special investigators shall have, while on real property under the charge and control of the Veterans' Administration, the power to enforce Federal laws for the protection of persons and property and the power to enforce rules and regulations issued under subsection (a) (1) of this section. Any such special investigator may make an arrest with or without a warrant for any offense committed upon such property in his presence or if he has reasonable ground to believe (A) the offense constitutes a felony under the laws of the United States, and (B) that the person to be arrested is guilty of that offense.

"(b) Whoever shall violate any rule or regulation issued pursuant to subsection (a) (1) of this section shall be fined not more than $50 or imprisoned not more than thirty days, or both."

(b) Section 625 of title 38, United States Code, is hereby repealed.

(c) (1) The table of sections at the beginning of chapter 3 of title 38, United States Code, is amended by inserting immediately after—

"217. Studies of rehabilitation of disabled persons."

the following:

"218. Standards of conduct and arrests for crimes at hospitals, domiciliaries, cemeteries, and other Veterans' Administration reservations.".

(2) The table of sections at the beginning of chapter 17 of title 38, United States Code, is amended by striking out—

"625. Arrests for crimes in hospitals and domiciliary reservations.".

Sec. 5. (a) Chapter 23 of title 38, United States Code, is amended by—

(1) amending section 903 to read as follows:

"§ 903. Death in Veterans' Administration facility; plot allowance

"(a) Where death occurs in a Veterans' Administration facility to which the deceased was properly admitted for hospital or domiciliary care under section 610 or 611 of this title, the Administrator—

"(1) shall pay the actual cost (not to exceed $250) of the burial and funeral or, within such limits, may make contracts for such services without regard to the laws requiring advertisement for proposals for supplies and services for the Veterans' Administration; and

"(2) shall, when such a death occurs in a State, transport the body to the place of burial in the same or any other State.

"(b) In addition to the foregoing, if such a veteran, or a veteran eligible for a burial allowance under section 902 of this title, is not buried in a national cemetery or other cemetery under the jurisdiction of the United States, the Administrator, in his discretion, having due regard for the circumstances in each case, may pay a sum not exceeding $150, as a plot or interment allowance to such person as he prescribes. In any case where any part of the plot or interment expenses have been paid or assumed by a State, any agency or political subdivision of a State, or the employer of the deceased veteran, no claim for such allowance shall be allowed for more than the difference between the entire amount of the expenses incurred and the amount paid or assumed by any or all of the foregoing entities."; and

(2) adding at the end of such chapter the following new sections:

"§ 906. Headstones and markers

"(a) The Administrator shall furnish, when requested, appropriate Government headstones or markers at the expense of the United States for the unmarked graves of the following:

"(1) Any individual buried in a national cemetery or in a post cemetery.

"(2) Any individual eligible for burial in a national cemetery (but not buried there), except for those persons or classes of persons enumerated in section 1002(a)(4), (5), and (6) of this title.

"(3) Soldiers of the Union and Confederate Armies of the Civil War.

"(b) The Administrator shall furnish, when requested, an appropriate memorial headstone or marker to commemorate any veteran dying in the service, and whose remains have not been recovered or identified or were buried at sea, for placement by the applicant in a national cemetery area reserved for such purposes under the provisions of section 1003 of this title, or in any private or local cemetery.

"§ 907. Death from service-connected disability

"In any case in which a veteran dies as the result of a service-connected disability or disabilities, the Administrator, upon the request of the survivors of such veteran, shall pay the burial and funeral expenses incurred in connection with the death of the veteran in an amount not exceeding the amount authorized to be paid under section 8134(a) of title 5 in the case of a Federal employee whose death occurs as the result of an injury sustained in the performance of duty. Funeral and burial benefits provided under this section shall be in lieu of any benefits authorized under sections 902 and 903(a)(1) and (b) of this title."

(b) The table of sections at the beginning of chapter 23 of title 38, United States Code, is amended—

(1) by striking out

"903. Death in Veterans' Administration facility."

and inserting in lieu thereof

"903. Death in Veterans' Administration facility; plot allowance.";

and

(2) by adding at the end thereof the following items:

"906. Headstones and markers.
"907. Death from service-connected disability.".

Sec. 6. (a)(1) There are hereby transferred from the Secretary of the Army to the Administrator of Veterans' Affairs all jurisdiction over, and responsibility for, (A) all national cemeteries (except the cemetery at the United States Soldier's and Airmen's Home and Arlington National Cemetery), and (B) any other cemetery (including burial plots), memorial, or monument under the jurisdiction of the Secretary of the Army immediately preceding the effective date of this section (except the cemetery located at the United States Military Academy at West Point) which the President determines would be appropriate in carrying out the purposes of this Act.

(2) There are hereby transferred from the Secretary of the Navy and the Secretary of the Air Force to the Administrator of Veterans' Affairs all jurisdiction over, and responsibility for, any cemetery (including burial plots), memorial, or monument under the jurisdiction of either Secretary immediately preceding the effective date of this section (except those cemeteries located at the United States Naval Academy at Annapolis, the United States Naval Home Cemetery at Philadelphia, and the United States Air Force Academy at Colorado Springs) which the President determines would be appropriate in carrying out the purposes of this Act.

(b) So much of the personnel, property, records, and unexpended balances of appropriations, allocations, and other funds available to, or under the juristiction of, the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force, in connection with functions transferred by this Act, as determined by the Director of the Office of Management and Budget, are transferred to the Administrator of Veterans' Affairs.

(c) All offenses committed and all penalties and forfeitures incurred under any of the provisions of law amended or repealed by this Act may be prosecuted and punished in the same manner and with the same effect as if such amendments or repeals had not been made.

(d) All rules, regulations, orders, permits, and other privileges issued or granted by the Secretary of the Army, the Secretary of the Navy, or the Secretary of the Air Force with respect to the cemeteries, memorials, and monuments transferred to the Veterans' Administration by this Act, unless contrary to the provisions of such Act, shall remain in full force and effect until modified, suspended, overruled, or otherwise changed by the Administrator of Veterans' Affairs, by any court of competent jurisdiction, or by operation of law.

(e) No suit, action, or other proceeding commenced by or against any officer in his official capacity as an official of the Department of the Army, the Department of the Navy, or the Department of the Air Force with respect to functions transferred under subsection (a) or (c) of this section shall abate by reason of the enactment of this section. No cause of action by or against any such department with respect to functions transferred under such subsection (a) or by or against any officer thereof in his official capacity, shall abate by reason of the enactment of this section. Causes of actions, suits, or other proceedings may be asserted by or against the United States or such officer of the Veterans' Administration as may be appropriate and, in any litigation pending when this section takes effect, the court may at any time, upon its own motion or that of any party, enter an order which will give effect to the provisions of this subsection. If before the date this section takes effect, any such department, or officer thereof in his official capacity, is a party to a suit with respect to any function so transferred, such suit shall be continued by the Administrator of Veterans' Affairs.

Sec. 7. (a) The following provisions of law are repealed, except with respect to rights and duties that matured, penalties, liabilities, and forfeitures that were incurred, and proceedings that were begun, before the effective date of this section:

(1) Sections 4870, 4871, 4872, 4873, 4875, 4877, 4881, and 4882 of the Revised Statutes (24 U.S.C. 271, 272, 273, 274, 276, 279, 286, and 287).

(2) The Act entitled "An Act to provide for a national cemetery in every State", approved June 29, 1938 (24 U.S.C. 271a).

(3) The Act entitled "An Act to provide for selection of superintendents of national cemeteries from meritorious and trustworthy members of the Armed Forces who have been disabled in line of duty for active field service", approved March 24, 1948, as amended (24 U.S.C. 275).

(4) The proviso to the second paragraph preceding the center heading "MEDICAL DEPARTMENT" in the Act entitled "An Act making appropriations for the support of the Army for the fiscal year ending June thirtieth, eighteen hundred and seventy-seven, and for other purposes", approved July 24, 1876, as amended (24 U.S.C. 278).

(5) The Act entitled "An Act to provide for the procurement and supply of Government headstones or markers for unmarked graves of members of the Armed Forces dying in the service on or after honorable discharge therefrom, and other persons, and for other purposes", approved July 1, 1948, as amended (24 U.S.C. 279a–279c).

(6) The Act entitled "An Act to establish eligibility for burial in national cemeteries, and for other purposes", approved May 14, 1948, as amended (24 U.S.C. 281).

(7) The Act entitled "An Act to provide for the erection of appropriate markers in national cemeteries to honor the memory of members of the Armed Forces missing in action", approved August 27, 1954, as amended (24 U.S.C. 279d).

(8) The Act entitled "An Act to provide for the utilization of surplus War Department owned military real property as national cemeteries, when feasible", approved August 4, 1947 (24 U.S.C. 281a–281c).

(9) The Act entitled "An Act to preserve historic graveyards in abandoned military posts", approved July 1, 1947 (24 U.S.C. 296).

(10) The Act entitled "An Act to provide for the utilization as a national cemetery of surplus Army Department owned military real property at Fort Logan, Colorado", approved March 10, 1950 (24 U.S.C. 281d–f).

(11) The Act entitled "An Act to provide for the expansion and disposition of certain national cemeteries", approved August 10, 1950 (24 U.S.C. 281g).

(12) The ninth paragraph following the side heading "National Cemeteries" in the Act entitled "An Act making appropriations for sundry civil expenses of the Government for the fiscal year ending June thirtieth, nineteen hundred and thirteen, and for other purposes", approved August 24, 1912 (24 U.S.C. 282).

(13) The fourth paragraph after the center heading "NATIONAL CEMETERIES" in title II of the Act entitled "An Act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1926, and for other purposes", approved Febuarry 12, 1925 (24 U.S.C. 288).

(14) The second paragraph following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for the fiscal year ending June 30, 1942, for civil functions administered by the War Department, and for other purposes", approved May 23, 1941 (24 U.S.C. 289).

(15) The first proviso to the second paragraph and all of the third paragraph following the center heading "NATIONAL CEMETERIES" in title II of the Act entitled "An Act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1927, and for other purposes", approved April 15, 1926 (44 Stat. 287).

(16) The first proviso to the second paragraph and all of the third paragraph following the center heading "NATIONAL CEMETERIES" in title II of the Act entitled "An Act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1928, and for other purposes", approved February 23, 1927 (44 Stat. 1138).

(17) The first proviso of the fourth paragraph and all of the fifth paragraph following the center heading "NATIONAL CEMETERIES" in title II of the Act entitled "An Act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1929, and for other purposes", approved March 23, 1928 (45 Stat. 354).

(18) The first proviso to the second paragraph and all of the third paragraph following the center heading "NATIONAL CEMETERIES" in title II of the Act entitled "An Act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1930, and for other purposes", approved February 28, 1929 (45 Stat. 1375).

(19) The first proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in title II of the Act entitled "An Act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1931, and for other purposes", approved May 28, 1930 (46 Stat. 458).

(20) The first proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in title II of the Act entitled "An Act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1932, and for other purposes", approved February 23, 1931 (46 Stat. 1302).

(21) The first proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in title II of the Act entitled "An Act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1933, and for other purposes'", approved July 14, 1932 (47 Stat. 689).

(22) The first proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in title II of the Act entitled "An Act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1934, and for other purposes", approved March 4, 1933 (47 Stat. 1595).

(23) The first proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in title II of the Act entitled "An Act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1935, and for other purposes", approved April 26, 1934 (48 Stat. 639).

(24) The first proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in title II of the Act entitled "An Act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1936, and for other purposes", approved April 9, 1935 (49 Stat. 145).

(25) The first proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in title II of the Act entitled "An Act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1937, and for other purposes", approved May 15, 1936 (49 Stat. 1305).

(26) The first proviso to the paragraph following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for the fiscal year ending June 30, 1938, for civil functions administered by the War Department, and for other purposes", approved July 19, 1937 (50 Stat. 515).

(27) The first proviso to the first paragraph and all of the second paragraph following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for the fiscal year ending June 30, 1939, for civil functions administered by the War Department and for other purposes", approved, June 11, 1938 (52 Stat. 668).

(28) The first proviso to the first paragraph and all of the second paragraph following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for the fiscal year ending June 30, 1940, for civil functions administered by the War Department, and for other purposes", approved June 28, 1939 (53 Stat. 857).

(29) The first proviso to the first paragraph and all of the second paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for the fiscal year ending June 30, 1941, for civil functions administered by the War Department, and for other purposes", approved June 24, 1940 (54 Stat. 505).

(30) The first proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for the fiscal year ending June 30, 1942, for civil functions administered by the War Department, and for other purposes", approved May 23, 1941 (55 Stat. 191).

(31) The first proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for the fiscal year ending June 30, 1943, for civil functions administered by the War Department, and for other purposes", approved April 28, 1942 (56 Stat. 220).

(32) The first proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for the fiscal year ending June 30, 1944, for civil functions administered by the War Department, and for other purposes", approved June 2, 1943 (57 Stat. 94).

(33) The first proviso to the paragraph immediately following the center heading *"Cemetery Expenses"* in the Act entitled "An Act making appropriations for the fiscal year ending June 30, 1945, for civil functions administered by the War Department, and for other purposes", approved June 26, 1944 (58 Stat. 327–328).

(34) The first proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for the fiscal year ending June 30, 1946, for civil functions administered by the War Department, and for other purposes", approved March 31, 1945 (59 Stat. 39).

(35) The first proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for the fiscal year ending June 30, 1947, for civil functions administered by the War Department, and for other purposes", approved May 2, 1946 (60 Stat. 161).

(36) The first proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for civil functions administered by the War Department for the fiscal year ending June 30, 1948, and for other purposes", approved July 31, 1947 (61 Stat. 687).

(37) the first proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1949, and for other purposes", approved June 25, 1948 (62 Stat. 1019).

(38) The first proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1950, and for other purposes", approved October 13, 1949 (63 Stat. 846).

(39) The first proviso to the paragraph following the center heading "CEMETERIAL EXPENSES" in chapter IX of the Act entitled "An Act making appropriations for the support of the Government for the fiscal year ending June 30, 1951, and for other purposes", approved September 6, 1950 (64 Stat. 725).

(40) The first proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1952, and for other purposes", approved October 24, 1951 (65 Stat. 617).

(41) The first proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1953, and for other purposes", approved July 11, 1952 (66 Stat. 579).

(42) The first proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1954, and for other purposes", approved July 27, 1953 (24 U.S.C. 290).

(43) The first proviso to the third paragraph following the center heading "NATIONAL CEMETERIES" in title II of the Act entitled "An Act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1926, and for other purposes", approved February 12, 1925 (43 Stat. 926).

(44) The first and second provisos to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1955, and for other purposes", approved June 30, 1954 (68 Stat. 331).

(45) The first and second provisos to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for the Atomic Energy Commission, the Tennessee Valley Authority, certain agencies of the Department of the Interior, and civil functions administered by the Department of the Army, for the fiscal year ending June 30, 1956, and for other purposes", approved July 15, 1955 (69 Stat. 360).

(46) The first and second provisos to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for the Tennessee Valley Authority, certain agencies of the Department of the Interior, and civil functions administered by the Depart-

ment of the Army, for the fiscal year ending June 30, 1957, and for other purposes", approved July 2, 1956 (70 Stat. 474).

(47) The third proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for civil functions administered by the Department of the Army and certain agencies of the Department of the Interior, for the fiscal year ending June 30, 1958, and for other purposes", approved August 26, 1957 (71 Stat. 416).

(48) The third proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for civil functions administered by the Department of the Army, certain agencies of the Department of the Interior, and the Tennessee Valley Authority, for the fiscal year ending June 30, 1959, and for other purposes", approved September 2, 1958 (72 Stat. 1572).

(49) The third proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for civil functions administered by the Department of the Army, certain agencies of the Department of the Interior, and the Tennessee Valley Authority, for the fiscal year ending June 30, 1960, and for other purposes", approved September 10, 1959 (73 Stat. 492).

(50) The third proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for certain civil functions administered by the Department of Defense, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Saint Lawrence Seaway Development Corporation, the Tennessee Valley Authority, and certain river basin commissions for the fiscal year ending June 30, 1963, and for other purposes", approved October 24, 1962 (76 Stat. 1216).

(51) The third proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for certain civil functions administered by the Department of Defense, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Saint Lawrence Seaway Development Corporation, the Tennessee Valley Authority, and certain river basin commissions for the fiscal year ending June 30, 1964, and for other purposes", approved December 31, 1963 (77 Stat. 844).

(52) The third proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Saint Lawrence Seaway Development Corporation, the Tennessee Valley Authority and the Delaware River Basin Commission, for the fiscal year ending June 30, 1965, and for other purposes", approved August 30, 1964 (78 Stat. 682).

(53) The third proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSE" in the Act entitled "An Act making appropriations for certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Saint Lawrence Seaway Development Corporation, the Tennessee Valley Authority and the Delaware River Basin Commission, and the Interoceanic Canal Commission, for the fiscal year ending June 30, 1966, and for other purposes", approved October 28, 1965 (79 Stat. 1096).

(54) The third proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Atlantic-Pacific Interoceanic Canal Study Commission, the Delaware River Basin Commission, the Saint Lawrence Seaway Development Corporation, the Tennessee Valley Authority, and the Water Resources Council, for the fiscal year ending June 30, 1967, and for other purposes", approved October 15, 1966 (80 Stat. 1002).

(55) The third proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Atlantic-Pacific Interoceanic Canal Study Commission, the Delaware River Basin Commission, Interstate Commission on the Potomac River Basin, the Tennessee Valley Autority, and the Water Resources Council, for the fiscal year ending June 30, 1968, and for other purposes", approved November 20, 1967 (81 Stat. 471).

(56) The third proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atlantic-Pacific Interoceanic Canal Study Commission, the Delaware River Basin Commission, Interstate Commission on the Potomac River Basin, the Tennessee Valley Authority, the Water Resources Council, and the Atomic Energy Commission, for the fiscal year ending June 30, 1969, and for other purposes", approved August 12, 1968 (82 Stat. 705).

(57) The third proviso to the paragraph immediately following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for public works for water, pollution control, and power development, including the Corps of Engineers—Civil, the Panama Canal, the Federal Water Pollution Control Administration, the Bureau of Reclamation, power agencies of the Department of the Interior, the Tennessee Valley Authority, the Atomic Energy Commission, and related independent agencies and commissions for the fiscal year ending June 30, 1970, and for other purposes", approved December 11, 1969 (83 Stat. 327).

(58) The first proviso to the paragraph following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for public works for water, pollution control, and power development, including the Corps of Engineers—Civil, the Panama Canal, the Federal Water Quality Administration, the Bureau of Reclamation, power agencies of the Department of the Interior, the Tennessee Valley Authority, the Atomic Energy Commission, and related independent agencies and commissions for the fiscal year ending June 30, 1971, and for other purposes", approved October 7, 1970 (84 Stat. 893).

(59) The first proviso to the paragraph following the center heading "CEMETERIAL EXPENSES" in the Act entitled "An Act making appropriations for public works for water and power development, including the Corps of Engineers—Civil, the Bureau of Reclamation, the Bonneville Power Administration and other power agencies of the Department of the Interior, the Appalachian Regional Commission, the Federal Power Commission, the Tennessee Valley Authority, the Atomic Energy Commission, and related independent agencies and commissions for the fiscal year ending June 30, 1972, and for other purposes", approved October 5, 1971 (85 Stat. 368).

(60) The Act entitled "An Act to revise eligibility requirements for burial in national cemeteries, and for other purposes", approved September 14, 1959 (73 Stat. 547).

(61) The Act entitled "An Act to amend the Act of March 24, 1948, which establishes special requirements governing the selection of superintendents of national cemeteries", approved August 30, 1961 (75 Stat. 411).

(b) Nothing in this section shall be deemed to affect in any manner the functions, powers, and duties of—

(1) the Secretary of the Interior with respect to those cemeteries, memorials, or monuments under his jurisdiction on the effective date of this section, or

(2) the Secretary of the Army, the Secretary of the Navy, or the Secretary of the Air Force with respect to those cemeteries, memorials, or monuments under his jurisdiction to which the transfer provisions of section 6(a) of this Act do not apply.

SEC. 8. The first sentence of section 3505(a) of title 38, United States Code, is amended by inserting immediately after the words "gratuitous benefits" where first appearing therein, the following: "(including the right to burial in a national cemetery)."

SEC. 9. (a) The Secretary of Defense is authorized and directed to cause to be brought to the United States the remains of an American, who was a member of the Armed Forces of the United States, who served in Southeast Asia, who lost his life during the Vietnam era, and whose identity has not been established, for burial in the Memorial Amphitheater of the National Cemetery at Arlington, Virginia.

(b) The implementation of this section shall take place after the United States has concluded its participation in hostilities in Southeast Asia, as determined by the President or the Congress of the United States.

(c) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

SEC. 10. (a) The first section and sections 2, 3, 4, and 8 of this Act shall take effect on the date of enactment of this Act.

(b) Clause (1) of section 5(a) shall take effect on the first day of the second calendar month following the date of enactment of this Act.

(c) Clause (2) of section 5(a) and sections 6 and 7 of this Act shall take effect July 1, 1973, or on such earlier date as the President may prescribe and publish in the Federal Register.

Mr. HARTKE. Mr. President, I move that the Senate concur in the amendment of the House of Representatives with amendments, which I send to the desk.

The PRESIDING OFFICER. The amendments will be stated.

The legislative clerk proceeded to read the amendments.

Mr. HARTKE. Mr. President, I ask unanimous consent that further reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendments will be printed in the RECORD.

The amendments are as follows:

On page 10, line 12, strike out "six months" and insert in lieu thereof "twelve months".

On page 11, line 7, strike out "six months" and insert in lieu thereof "twelve months".

On page 15, line 20, strike out "(a)".

On page 38, line 2, strike out "July 1, 1973" and insert in lieu thereof "September 1, 1973".

Mr. HARTKE. Mr. President, my colleagues will recall that on March 6 of this year, the Senate by a vote of 85 to 4 passed S. 49, the National Cemeteries Act of 1973 as reported by the Committee on Veterans' Affairs which I am privileged to chair. The House of Representatives on

May 17, 1973, by a vote of 342 to 1 returned S. 49 to the Senate with an amendment in the form of a substitute. S. 49, as returned to the Senate, is virtually identical to the bill originally passed by the Senate with a few minor technical changes and one substantive amendment. That amendment would add a subsection (c) to the new section 1003 of title 38 created by this act. Under the subsection added by the House, all cemeteries within the National Cemetery System are to be considered national shrines and the Administrator of Veterans' Affairs is authorized to permit the flying of the flag of the United States of America at such cemeteries 24 hours a day. It is the committee's understanding that this section is permissive rather than mandatory and that the Veterans' Administration is not opposed to the amendment. Accordingly, I would urge my colleagues to accept the House amendment.

Following passage by the House of Representatives the Senate committee staff has been in contact with representatives of the Veterans' Administration who have pointed out a number of technical problems in complying with first, the transfer of cemeteries and functions by the Department of Army to the Veterans' Administration; and second, the comprehensive study provisions of section 3. S. 49 currently provides for the transfer to be accomplished and the study to be submitted on or before July 1, 1973. Given the present time frame, the committee is sympathetic to requests for extending the effective date. The Senate amendments which I propose today would defer for a 2-month period the transfer of cemeteries and functions from the Department of Army to the Veterans' Administration to September 1, 1973.

With respect to the comprehensive study directed by section 3, the committee notes that the Veterans' Administration submitted a study of veterans' burial benefits on April 2, 1973 in connection with a draft bill which would have, among other things, significantly reduced the amount of burial benefits and sharply narrowed the number of veterans eligible for any allowance at all. That study is of limited value to Congress for two reasons, however. First, to the extent the study was structured to support new highly restrictive burial policy proposals embodied in the administration's draft bill, it is at best irrelevant in light of the bill we adopt today. The study previously submitted will have to be reexamined in light of the policy decisions inherent in the National Cemeteries Act of 1973. Second, the study submitted by the Veterans' Administration does not address itself to a large number of areas which are required to be studied by section 3. Additional time will thus be needed to more thoroughly examine those areas not covered in section 3, particularly subsection (a)(4) and (a)(6) as well as all of subsection (b).

Finally, it should be obvious to the Veterans' Administration that a substantial portion of Congress and the Nation's veteran population are concerned about the right to a burial in a national cemetery and the current lack of existing accessible space. The development of new Federal cemeteries on a regional basis is an important question to them which simply will not be adequately answered by either a plot allowance or financial assistance to State cemeteries. The committee, by directing a study, is providing the Veterans' Administration with an opportunity to develop a sensible, cohesive, regional plan for new national cemeteries. If they decline to do so, they should be fully prepared to accept the parochial proliferation and fragmentation of the system that many believe will inevitably follow.

To allow the Veterans' Administration adequate time within which to complete its study and make its recommendations the amendment which I propose today would allow an extension of 6 months to January 3, 1974, for the submission to Congress. Based on informal staff discussions between committees I believe the Senate amendments which I propose today will be acceptable to the House.

Mr. President, I move that the Senate concur in the House amendment with the Senate amendments which I offer today.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Indiana.

The motion was agreed to.

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## SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR ENDING JUNE 30, 1973

The Senate continued with the consideration of the bill (H.R. 7447) making supplemental appropriations for the fiscal year ending June 30, 1973, and for other purposes.

The PRESIDING OFFICER. The question recurs on the last committee amendment. Who yields time?

Mr. MANSFIELD. Mr. President, I think the Senator from Kansas is seeking recognition.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mr. DOLE. Mr. President, I ask unanimous consent that I might offer my amendment to the committee amendment.

The PRESIDING OFFICER. Is there objection?

Mr. MANSFIELD. Mr. President, the Senator is aware of the fact that amendments to the committee amendment are considered in the first degree and that the hour limitation applies.

Mr. DOLE. I am.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. There are 30 minutes to the side on the amendment.

The clerk will report the amendment.

The legislative clerk read as follows:

On page 58, line 14, insert the following: "*Provided, however,* That these restrictions shall be of no force or effect if the President finds and forthwith so reports to the Congress that the Government of North Vietnam is not making an accounting, to the best of its ability, of all missing in action personnel of the United States in Southeast Asia, or is otherwise not complying with the provisions of article 8 of the agreement signed in Paris on January 27, 1973, and article 10 of the protocol to the agreement 'Concerning the Return of Captured Military Personnel and Foreign Civilians and Captured and Detained Vietnamese Civilian Personnel'."

Mr. DOLE. Mr. President, I ask unanimous consent that the names of the following Senators be added as cosponsors of the amendment proposed by myself and the Senator from North Carolina (Mr. HELMS): Mr. BARTLETT, Mr. BELLMON, Mr. BROCK, Mr. BUCKLEY, Mr. CURTIS, Mr. CANNON, Mr. GRIFFIN, Mr. HANSEN, Mr. MCCLURE, Mr. SCOTT of Pennsylvania, Mr. SPARKMAN, Mr. TAFT, Mr. THURMOND, and Mr. TOWER.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, at this time, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. DOLE. Mr. President, I think the basis for the amendment I have offered, stated in its simplest terms, is whether we provide the President any leverage with which to make certain the North Vietnamese are making a responsible effort to account for the Americans missing in action in Cambodia and Laos.

There are still some 1,300 Americans carried as missing in action. Another 1,100 are listed as dead, but their remains have not been recovered.

I do not look upon this vote as simply a money vote, and any assertion that this matter is simply a money matter, going no farther than considerations of the budget, is to my mind a complete fiction.

Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

### REAL QUESTION

Mr. DOLE. Mr. President, the real question before the Senate today is whether the Congress—after many years of unavailing efforts by a minority of its membership—is finally going to throw in the sponge and turn Southeast Asia over to the forces of aggression.

The question is whether—after years of combat, thousands of American and Asian deaths, and billions of dollars—the Congress is going to default on the achievements made possible by these sacrifices.

The question is whether—after years of detailed, intensive and exhaustive negotiations—the Congress is going to allow the solemn obligations which resulted from these negotiations to be openly violated without fear of punishment or sanction.

I, for one, have always been proud that in times of considerable doubt, uncertainty and pessimism throughout the history of the Vietnam conflict, the Congress stood firm and refused to enact measures which would have tied the President's hands, militarily, or would have undercut his position at the negotiating table.

I have been proud that a majority in Congress always resisted the temptation to take the expedient course—to grasp for peace at any price. And as a result of this firmness the President was able to achieve our policy objectives and successfully pursue the negotiations.

### GREAT ACCOMPLISHMENTS

Now we have an agreement for peace—an imperfect and fragile agreement, perhaps—but an honorable agreement nonetheless. All American combat forces have been withdrawn from Vietnam. Our prisoners of war are home.

Everything the critics cried so loudly for and which they would have given anything to achieve has been realized—but with America's honor maintained and our credibility intact.

### CANNOT TURN BACK

But with all these accomplishments, much still remains. And now is not the time to throw away these achievements by relaxing our determination or weakening our commitment to our principles. With so much accomplished, with so much behind us, we must not turn away now when ahead lies the real and realistic opportunity of securing full compliance with the Paris agreements of January 27 and the bright hope of a just and lasting peace in this troubled area.

### ANOTHER END-THE-WAR AMENDMENT

The Congress has contemplated action similar to this amendment many times before. So-called "End-the-war Amendments" are not new to the Congress. Each time before, in times of peril and doubt the amendments have failed. Now, since January 27, since the signing of the agreement to end the war and restore the peace in South Vietnam, we are told that the situation in southeast Asia has changed in its essentials. The change, we are told, now justifies action by the Congress to cut off funds for military operations.

### CLEAR OBLIGATIONS

The situation in Cambodia, particularly, remains essentially unchanged. And as long as it does, the full implementation of the January 27 agreement remains out of reach. Article 20 of that agreement states clearly that foreign countries shall totally withdraw from and refrain from reintroducing into Cambodia, troops, and military personnel. There is no question that North Vietnam and Cambodia are separate countries. But North Vietnamese troops are being maintained in Cambodia, and they are engaging in hostilities against the government of that country and against the governments of neighboring countries including South Vietnam.

Mr. President, let me stress the real purpose of this amendment. I think it is very simple and very clear. Aside from all the emotion, all the arguments, and all the emotional pleas we have heard yesterday and today, there is one factor, in and of itself, that provides all the argument necessary against full implementation of the Eagleton amendment.

We are all aware of the fact that the United States entered into the January 27 agreement in good faith. This agreement, in all of its terms—including article 20—was drafted jointly by the parties to the conflict. It was mutually agreed to and signed. And it was universally hailed as a just and equitable prescription for peace in an area that all agreed had been, for far too long embroiled in war.

The principle agreed to and embodied in article 20 was that there could be no peace in any part of Southeast Asia unless there was peace in all of Southeast Asia. Specifically, article 20 referred to Laos and Cambodia.

In Laos, we have a cease-fire. Like the cease-fire in Vietnam, though, it is endangered by the continuing conflict in Cambodia, and until the Cambodian conflict ends the war and the threat of war to all of Southeast Asia will not end.

### ACCOUNTING FOR THE MISSING IN ACTION

But aside from these elements, another factor in and of itself provides all the argument necessary against the Eagleton amendment. The January 27 agreement clearly calls for certain positive actions by both sides with respect to the return of those held prisoner and an accounting for the missing in action.

Now, as a result in no small way of the Congress' earler refusals to pass such legislation, we have been blessed with the return of more than 500 of our prisoners. We are all grateful for their return. As a Nation we rejoiced with the men and with their families at their homecoming.

But in the midst of our rejoicing we cannot ignore the fact that we still lack a full and satisfactory accounting of our missing in action.

Mr. President, at this point I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks the latest published list of those U.S. military personnel missing in action in Southeast Asia.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

### U.S. MILITARY PERSONNEL UNACCOUNTED FOR IN SOUTHEAST ASIA, AS OF 5 MAY 1973

### PREFACE

This is a listing of U.S. military personnel who are unaccounted for in Southeast Asia in connection with the conflict in Vietnam and have not returned to military control.

The listing, totaling 1,321 names, was prepared from casualty reports received as of 5 May 1973.

The grade shown in many instances reflects promotions that have been made while the military members were in missing or captured status. Likewise, the originally assigned service or file number, in many cases, has been replaced in consonance with the program for using social security account numbers for military personnel.

### NAME, RANK, AND SERVICE OR SOCIAL SECURITY NUMBER

Abbott, John, CAPT., [redacted].
Abrams, Lewis Herbert, LTC., [redacted].
Acalotto, Robert Joseph, SGT. [redacted].
Acosta-Rosario Humberto, SSGT., [redacted].
Adachi, Thomas Yuji, TSGT. [redacted].
Adair, Samuel Young, Jr., CAPT., [redacted].
Adam, John Quincy, TSGT. [redacted].
Adams, John Robert, SSGT. [redacted].
Adams, Samuel, SMS., [redacted].
Adams, Steven Harold, MSGT., [redacted].
Adkins, Charles L., SSGT., [redacted].
Alberton, Bobby Joe, SMS., [redacted].
Albright, John Scott, II, CAPT. [redacted].
Aldern, Donald Deane, CAPT., [redacted].
Alford, Terry Lanier, CWO., [redacted].
Alfred, Gerald Oak, Jr., CAPT., [redacted].
Allard, Richard Michael, SSGT., [redacted].
Allee, Richard Kenneth, MAJ., [redacted].
Allen, Henry Lewis, CAPT., [redacted].
Allen, Thomas Ray, CAPT., [redacted].
Allen, Wayne Clouse, SP5, [redacted].
Alley, Gerald William MAJ, [redacted].
Allinson, David Jay, LTC, [redacted].
Altus, Robert Wayne, CAPT, [redacted].
Alwan Harold Joseph, MAJ, [redacted].
Ammon, Glendon Lee LTC, [redacted].
Amos, Thomas Hugh, CAPT, [redacted].
Anderson, John Steven, CWO, [redacted].
Anderson Robert Dale, LTC, [redacted].
Anderson, Warren Leroy, LTC, [redacted].
Andrews, Stuart Merrill, COL, [redacted].
Andrews William Richard, MAJ, [redacted].
Angstadt, Ralph Harold, LTC, [redacted].
Apodaca, Victor Joe, Jr., MAJ, [redacted].
Appelhans, Richard Duane, MAJ, [redacted].
Appleby, Ivan Dale, LTC, [redacted].
Ard, Randolph Jefferson, CWO, [redacted].
Armitstead, Steven Ray, CAPT, [redacted].
Armstrong John William, COL, [redacted].
Arnold, William Tamm, LCDR, [redacted].
Arroyo-Baez, Gerasimo, SFC, [redacted].
Ashall, Alan Frederick, LT, [redacted].
Ashlock, Carlos, SGT, [redacted].
Asire, Donald Henry, COL, [redacted].
Atterberry, Edwin Lee, MAJ, [redacted].
Austin, Charles David, CAPT, [redacted].
Austin, Ellis Ernest, CDR, [redacted].
Austin, Joseph Clair, COL, [redacted].
Avery, Robert Douglas, CAPT, [redacted].
Ayers, Richard Lee, MAJ, [redacted].
Ayres, Gerald Francis, MAJ, [redacted].
Ayres, James Henry, MAJ, [redacted].
Babula, Robert Leo, SGT, [redacted].
Bacik, Vladimir Henry, MAJ, [redacted].
Backus, Kenneth Frank, CAPT [redacted].
Bader, Arthur Edward, Jr., SSGT, [redacted].
Bailey, John Edward, MAJ, [redacted].
Baker, Arthur Dale, MAJ, [redacted].
Balamoti, Michael Dimitri, MAJ, [redacted].
Balcom, Ralph Carol, LTC, [redacted].
Baldridge, John Robert, Jr., CAPT, [redacted].
Bannon, Paul Wedlake, MAJ, [redacted].
Bare, William Orlan, CAPT, [redacted].
Barnes, Charles Ronald, CAPT, [redacted].
Barnett, Charles Edward, CDR, [redacted].
Barras, Gregory Inman, LTC, [redacted].
Bates, Paul Jennings, Jr., CAPT [redacted].
Batt, Michael Lero, SSGT, [redacted].
Bauder, James Reginald, CDR, [redacted].
Bauer, Richard Gene, SP5, [redacted].
Bauman, Richard Lee, CWO, [redacted].
Bebus, Charles James, SGT, [redacted].
Becerra, Rudy Morales, SP5, [redacted].
Beck, Edward Eugene, Jr., SGT, [redacted].
Bednarek, Jonathan Bruce, 1LT [redacted].
Beecher, Quentin Rippetoe, CWO, [redacted].
Beene, James Alvin, LCDR, [redacted].
Begley, Burriss Nelson, COL, [redacted].
Behnfeldt, Roger Ernest, CAPT, [redacted].
Belcher, Glenn Arthur, CAPT, [redacted].
Bennett, Thomas Waring, Jr., CAPT, [redacted].
Bennett, William George, LTC, [redacted].
Benton, Gregory Rea, Jr., SGT, [redacted].
Bergevin, Charles Lee, CAPT, [redacted].
Bessor, Bruce Carlton, CAPT, [redacted].
Beutel, Robert Donald, CAPT, [redacted].
Beyer, Thomas John, CAPT, [redacted].
Bezold, Steven Neil, CAPT, [redacted].
Biediger, Larry William, LTC, [redacted].
Bifolchi, Charles Lawrence, CAPT, [redacted].
Biggs, Earl Roger, MSGT, [redacted].
Billipp, Norman Karl, CAPT, [redacted].
Bingham, Klaus Yurgen, SSGT, [redacted].
Bishop, Edward James, Jr., SGT, [redacted].
Bisz, Ralph Campion, LT, [redacted].
Bivens, Herndon Arrington, SGT, [redacted].
Blackburn, Harry Lee, Jr., CDR, [redacted].
Blackwood, Gordon Byron, MAJ, [redacted].
Blair, Charles Edward, COL, [redacted].
Blodgett, Douglas Randolph, SSGT, [redacted].
Bloodworth, Donald Bruce, CAPT, [redacted].
Bobe, Raymond Edward, SSGT, [redacted].
Bodahl, Jon Keith, MAJ, [redacted].
Bodden, Timothy Roy, SSGT, [redacted].
Bodenschatz, John Eugen, Jr., SGT, [redacted].

Bogard, Lonnie Pat, CAPT, [redacted].
Boggs, Paschal Glenn, MAJ, [redacted].
Bogiages, Christos C., Jr., LTC, [redacted].
Bolte, Wayne Louis, LTC, [redacted].
Bond, Ronald Leslie, CAPT, [redacted].
Booth, James Ervin, CAPT, [redacted].
Booth, Lawrence Randolph, CAPT, [redacted].
Booze, Delmar George, CAPT, [redacted].
Borah, Daniel Vernon, Jr., LT, [redacted].
Borden, Murray Lyman, CAPT, [redacted].
Boronski, John Arthur, SSGT [redacted].
Bors, Joseph Chester, LTC, [redacted].
Borton, Robert Curtis, Jr., SGT, [redacted].
Bosiljevac, Michael Joseph, CAPT, [redacted].
Bossio, Galileo Fred, COL, [redacted].
Boston, Leo Sydney, MAJ, [redacted].
Bott, Russell Peter, SFC [redacted].
Bouchard, Michael Lora, LCDR, [redacted].
Bowers, Richard Lee, CAPT, [redacted].
Bowling, Roy Howard, CDR, [redacted].
Boyer, Alan Lee, SSGT, [redacted].
Bram, Richard Craig, FSGT, [redacted].
Brand, Joseph William, COL [redacted].
Brashear, William James, MAJ, [redacted].
Brauner, Henry Paul, MAJ [redacted].
Brazik, Richard, CAPT, [redacted].
Brennan, Herbert Owen, COL [redacted].
Brett, Robert Arthur, Jr., 1LT [redacted].
Breuer, Donald Charles, CAPT, [redacted].
Bridges, Jerry Glen, SSGT, [redacted].
Briggs, Ernest Frank, Jr., SSGT [redacted].
Briggs, Ronald Daniel, CAPT, [redacted].
Brinckmann, Robert Edwin, COL, [redacted].
Broms, Edward James, Jr., LT, [redacted].
Brooks, John Henry Ralph, SP5, [redacted].
Brooks, Nicholas George, LT, [redacted].
Brooks, William Leslie, LTC, [redacted].
Brown, Donald Alan, MAJ, [redacted].
Brown, Earl Carlye, CAPT, [redacted].
Brown, George R., MSGT, [redacted].
Brown, Harry Willis, SSGT, [redacted].
Brown, Robert Mack, MAJ, [redacted].
Brown, Wayne Gordon, II, CAPT. [redacted].
Brown, Wilbur Ronald, MAJ, [redacted].
Brown, William Theodore, SSGT, [redacted].
Brownlee, Charles Richard, LTC, [redacted].
Brownlee, Robert Wallac, Jr., COL, [redacted].
Brucher, John Martin, MAJ [redacted].
Buckley, Louis, Jr., SFC, [redacted].
Buell, Kenneth Richard, LCDR, [redacted].
Burdett, Edward Burke, COL, [redacted].
Burkart, Charles Willia, Jr., LTC, [redacted].
Burke, Michael John, SGT, [redacted].
Burnett, Sheldon John, LTC [redacted].
Burnham, Donald Dawson, MAJ [redacted].
Burnham, Mason Irwin, CAPT, [redacted].
Burns, Michael Paul, SSGT, [redacted].
Busch, Jon Thomas, CAPT [redacted].
Bush, Elbert Wayne, SSGT, [redacted].
Bush, John Robert, CAPT, [redacted].
Bush, Robert Edward, LTC, [redacted].
Butler, James Edward, CWO, [redacted].
Butt, Richard Leigh, CAPT, [redacted].
Bynum, Neil Stanley, CAPT, [redacted].
Byrd, Hugh McNeil, Jr., CAPT, [redacted].
Calhoun, Johnny C., SSGT [redacted].
Cameron, Kenneth Robbins, CDR, [redacted].
Cameron, Virgil King, LCDR, [redacted].
Campbell, William Edward, COL, [redacted].
Caniford, James Kenneth, TSGT, [redacted].
Capling, Elwyn Rex, LTC, [redacted].
Cappelli, Charles Edward, LTC, [redacted].
Caras, Franklin Angel, MAJ, [redacted].
Carlton, James Edmund, Jr., CAPT, [redacted].
Carpenter, Nicholas Mallor, LT, [redacted].
Carr, Donald Gene, CAPT, [redacted].
Carrier, Daniel Lewis, CAPT, [redacted].
Carroll, Patrick Henry, CAPT, [redacted].
Carter, Dennis Ray, SGT, [redacted].
Carter, James Louis, COL, [redacted].
Cartwright, Billie Jack, CAPT, [redacted].
Case, Thomas Franklin, LTC, [redacted].
Casey, Donald Francis, COL, [redacted].
Castillo, Richard, MAJ, [redacted].
Castro, Alfonso Roque, CAPT, [redacted].
Cavender, Jim Ray, CWO, [redacted].
Chambers, Jerry Lee, MAJ, [redacted].
Champion, James Albert, SGT, [redacted].
Charvet, Paul Claude, LCDR, [redacted].
Chavez, Gary Anthony, CAPT, [redacted].
Chestnut, Joseph Lyons, LTC, [redacted].
Chiarello, Vincent Augustu, CAPT, [redacted].
Chipman, Ralph Jim, CAPT, [redacted].
Christensen, Allen Duane, SP5, [redacted].
Christensen, John Michael, 1LT, [redacted].
Christensen, William Murre, LCDR, [redacted].
Christiano, Joseph, COL, [redacted].
Christiansen, Eugene F., SP5, [redacted].
Cichon, Walter Alan, SSGT, [redacted].
Claflin, Richard Ames, MAJ, [redacted].
Clapper, Gean Preston, MSGT, [redacted].
Clark, Jerry Prosper, CWO, [redacted].
Clark, John Calvin II, CAPT, [redacted].
Clark, Lawrence, SMS, [redacted].
Clark, Philip Spratt Jr., LT, [redacted].
Clark, Richard Champ, LT, [redacted].
Clark, Robert Alan, LTJG, [redacted].
Clark, Stanley Scott, COL, [redacted].
Clark, Thomas Edward, CAPT, [redacted].
Clarke, Fred Lee, SMS, [redacted].
Clarke, George William, Jr., CAPT, [redacted].
Claxton, Charles Peter, LTC, [redacted].
Cleary, Peter McArthur, CAPT, [redacted].
Clem, Thomas Dean, CAPT, [redacted].
Cline, Curtis Roy, SGT, [redacted].
Clinton, Dean E., CWO, [redacted].
Coady, Robert Franklin, MAJ, [redacted].
Cobeil Earl Glenn, MAJ, [redacted].
Cochrane, Deverton C., SSGT, [redacted].
Coen, Harry Bob, SSGT, [redacted].
Cohron, James Derwin, SFC, [redacted].
Cole, Legrande Ogden, Jr., LCDR, [redacted].
Cole, Richard Milton, Jr., TSGT, [redacted].
Coleman, Jimmy Lee, SGT, [redacted].
Collamore, Allan Philip, Jr., LCDR, [redacted].
Collins, Richard Frank, CDR, [redacted].
Coltman, William Clare, LTC, [redacted].
Colwell, William Kevin, SMS, [redacted].
Condit, Douglas Craig, CAPT, [redacted].
Conger, John Edward, Jr, SGT, [redacted].
Conklin, Bernard, LTC, [redacted].
Conlon, John Francis III, CAPT, [redacted].
Connell, James Joseph, LCDR, [redacted].
Conner, Lorenza, CAPT, [redacted].
Connolly, Vincent John, LTC, [redacted].
Connor, Charles Richard, MAJ, [redacted].
Consolvo, John Wadswort, Jr., CAPT, [redacted].
Cook, Donald Gilbert, MAJ, [redacted].
Cook, Glenn Richard, CAPT, [redacted].
Cook, Kelly Francis, COL, [redacted].
Cook, William Richard, COL, [redacted].
Cooley, David Leo, CDR, [redacted].
Coons, Henry Albert, CDR, [redacted].
Cooper, Richard Waller, Jr., CAPT, [redacted].
Cooper, William Earl, COL, [redacted].
Copak, Joseph Bernard, Jr., 1LT, [redacted].
Copley, William Michael, SSGT, [redacted].
Corbitt, Gilland Wales, COL, [redacted].
Cordova, Sam Gary, CAPT, [redacted].
Cornweil, Leroy Jason III, CAPT, [redacted].
Cozart, Robert Gordon, Jr., CAPT, [redacted].
Craddock, Randall James, CAPT, [redacted].
Craig, Philip Charles, LCDR, [redacted].
Crain, Carroll Owen, Jr., CDR, [redacted].
Cramer, Donald Martin, CWO, [redacted].
Craven, Andrew Johnson, SSGT, [redacted].
Creamer, James Edward, Jr., SP6, [redacted].
Creed, Barton Sheldon, LT, [redacted].
Cressey, Dennis Clarke, CAPT, [redacted].
Crew, James Alan, CAPT, [redacted].
Crews, John Hunter, III, CAPT [redacted].
Cristman, Frederick Lewis, CWO, [redacted].
Crosby, Herbert Charles, CAPT, [redacted].
Crosby, Richard Alexander, SSGT, [redacted].
Cross, Ariel Lindley, CAPT, [redacted].
Crossman, Gregory John, CAPT, [redacted].
Crosson, Gerald Joseph, Jr., CAPT, [redacted].
Cruz, Carlos Rafael, CAPT, [redacted].
Cunningham, Kenneth Leroy, SP5, [redacted].
Curran, Patrick Robert, 1LT, [redacted].
Cushman, Clifton Emmett, MAJ, [redacted].
Cuthbert, Bradley Gene, MAJ, [redacted].
Cuthbert, Stephen Howard, CAPT, [redacted].
Czerwiec, Raymond George, SSGT, [redacted].
Daffron, Thomas Carl, CAPT, [redacted].
Dahill, Douglas Edward, SSGT, [redacted].
Dailey, Douglas Vincent, MSGT, [redacted].
Dale, Charles Alva, MAJ, [redacted].
Danielson, Benjamin Franklin, CAPT, [redacted].
Danielson, Mark Giles, CAPT, [redacted].
Darcy, Edward Joseph, MSGT, [redacted].
Dardeau, Oscar Moise, Jr., COL, [redacted].
Darr, Charles Edward, 1LT, [redacted].
Davies, Joseph Edwin, CAPT, [redacted].
Davis, Brent Eden, CAPT, [redacted].
Davis, Charlie Brown, Jr., COL, [redacted].
Davis, Daniel Richard, CAPT, [redacted].
Davis, Edgar Felton, MAJ, [redacted].
Davis, Francis John, LCDR, [redacted].
Davis, Gene Edmond, SMS, [redacted].
Davis, Ricardo Gonzalez, SFC, [redacted].
Davis, Robert Charles, MAJ, [redacted].
De Soto, Ernest Leo, LTC, [redacted].
Deane, William Lawrence, MAJ, [redacted].
Deichelmann, Samuel Mackal, MAJ, [redacted].
Deitsch, Charles Edward, CWO, [redacted].
Demmon, David Stanley, SSGT, [redacted].
Dennany, James Eugene, LTC, [redacted].
Dennis, William Roy, SSGT, [redacted].
Dennison, James Richard, CDR, [redacted].
Dennison, Terry Arden, CDR, [redacted].
Derrickson, Thomas G. II, MAJ, [redacted].
Deuter, Richard Carl, LT, [redacted].
Dewispelaere, Rexford John, TSGT, [redacted].
Dexter, Bennie Lee, TSGT, [redacted].
Di Tommaso, Robert Joseph, CAPT, [redacted].
Diamond, Stephen Whitman, CAPT, [redacted].
Dickens, Delma Ernest, CAPT, [redacted].
Diehl, William Calvin Jr., LTC, [redacted].
Dingwall, John Francis, MGYS, [redacted].
Dix, Craig Mitchell, SP5, [redacted].
Doby, Herb, MAJ, [redacted].
Dodge, Edward Ray, SMAJ, [redacted].
Dodge, Ronald Wayne, LCDR, [redacted].
Dodge, Ward Kent, COL, [redacted].
Dolan, Thomas Albert, SP5, [redacted].
Donahue, Morgan Jefferson, CAPT, [redacted].
Donnelly, Verne George, CDR, [redacted].
Donovan, Michael Leo, CAPT, [redacted].
Dooley, James Edward, LT, [redacted].
Dotson, Jefferson Scott, CAPT, [redacted].
Douglas, Thomas Evan, SSGT, [redacted].
Downing, Donald William, MAJ, [redacted].
Doyle, Michael William, LCDR, [redacted].
Ducat, Bruce Chalmers, CAPT, [redacted].
Duckett, Thomas Allen, CAPT, [redacted].
Dudash, John Francis, LTC [redacted].
Duy, John Everett, CAPT, [redacted].
Dugan, Thomas Wayne, LTC, [redacted].
Duggan, William Young, MAJ, [redacted].
Duncan, Robert Ray, LT, [redacted].
Dunlap, William Charles, CWO, [redacted].
Dunn, Joseph Patrick, LT, [redacted].
Dunn, Michael Edward, LCDR, [redacted].
Dusing, Charles Gale, SMS, [redacted].
Duvall, Dean Arnold, MSGT, [redacted].
Dyczkowski, Robert Raymond, MAJ, [redacted].
Dye, Melvin Carnills, SSGT, [redacted].
Eads, Dennis Keith, CWO, [redacted].
Earll, David John, MAJ, [redacted].
Eaton, Curtis Abbot, COL, [redacted].
Eaton, Norman Dale, COL, [redacted].
Echanis, Joseph Ygnacio, MAJ, [redacted].
Echevarria, Raymond Louis, SMAJ, [redacted].
Eckley, Wayne Alvin, MSGT, [redacted].
Ecklund, Arthur Gene, CAPT, [redacted].
Edgar, Robert John, CAPT, [redacted].
Edmondson, William Rothroc, CAPT, [redacted].

Edmunds, Robert Clifton, Jr., CAPT, [redacted].
Edwards, Harry Sanford, Jr., LCDR, [redacted].
Egan, James Thomas, Jr., CAPT, [redacted].
Eidsmoe, Norman Edward, CDR, [redacted].
Eilers, Dennis Lee, CAPT, [redacted].
Elkins, Frank Callihan, LCDR, [redacted].
Elliot, Robert Malcolm, MAJ, [redacted].
Elliott, Andrew John, CWO, [redacted].
Elliott, Jerry, W., SSGT, [redacted].
Elliott, Robert Thomas, SGT, [redacted].
Ellis, Billy Joe, SSGT, [redacted].
Ellis, Randall Shelley, SSGT, [redacted].
Ellis, William, Jr., SSGT, [redacted].
Ellison, John Cooley, CDR, [redacted].
Elzinga, Richard Gene, CAPT, [redacted].
Emrich, Roger Gene, LCDR, [redacted].
Engelhard, Erich Carl, LTC, [redacted].
Englander, Lawrence Jesse, SSGT, [redacted].
Entrican, Danny Day, CAPT, [redacted].
Erickson, David Wayne, SGT, [redacted].
Espenshied, John Lee, LTC, [redacted].
Estes, Walter O., II, LT, [redacted].
Estocin, Michael John, CDR, [redacted].
Evans, Cleveland, Jr., SSGT, [redacted].
Evans, James Joseph, CDR, [redacted].
Evert, Lawrence Gerald, MAJ, [redacted].
Fallon, Patrick Martin, COL, [redacted].
Fanning, Hugh Michael, CAPT, [redacted].
Fanning, Joseph Peter, CAPT, [redacted].
Featherston, Fieldin W., III, CAPT, [redacted].
Feldhaus, John Anthony, LCDR, [redacted].
Fellenez, Charles Richard, MSGT, [redacted].
Fellows, Allen Eugene, COL, [redacted].
Fenter, Charles Frederick, SGT, [redacted].
Ferguson, Douglas David, CAPT, [redacted].
Ferguson, Walter, Jr., SSGT, [redacted].
Fickler, Edwin James, CAPT, [redacted].
Fieszel, Clifford Wayne, MAJ, [redacted].
Finley, Dickie Waine, SSGT, [redacted].
Finn, William Robert, 1LT, [redacted].
Finney, Arthur Thomas, COL, [redacted].
Finney, Charles Elbert, CAPT, [redacted].
Fischer, Richard William, SGT, [redacted].
Fisher, Donald Ellis, COL, [redacted].
Fisher, Donald Garth, LTC, [redacted].
Fitton, Crosley James, Jr., LTC, [redacted].
Fitts, Richard Allan, SSGT, [redacted].
Fitzgerald, Joseph Edward, SSGT, [redacted].
Fitzgerald, Paul L., Jr., SSGT, [redacted].
Flanigan, John Norlee, CAPT, [redacted].
Fleming, Horace Higley III, CAPT, [redacted].
Foley, Brendan Patrick, LTC, [redacted].
Forman, William Stannard, LCDR, [redacted].
Forrester, Ronald Wayne, 1LT, [redacted].
Fors, Gary Henry, CAPT, [redacted].
Fortner, Frederick John, LT, [redacted].
Foster, Marvin Lee, LTC, [redacted].
Foster, Paul Leonard, MSGT, [redacted].
Foulks, Ralph Eugene, Jr., LT, [redacted].
Fowler, Donald Randall, SP6, [redacted].
Fowler, James Alan, MAJ, [redacted].
Francisco, San Dewayne, CAPT, [redacted].
Franklin, Charles Edward, LTC, [redacted].
Frawley, William David, LCDR, [redacted].
Frederick, John William, Jr., CWO, [redacted].
Frederick Peter Joseph, COL, [redacted].
Frederick, William V., MAJ, [redacted].
Frenyea, Edmund Henry, AFCM, [redacted].
Fryar, Bruce Carlton, LT, [redacted].
Fullam, Wayne Eugene, LTC, [redacted].
Fuller, James Ray, MSGT, [redacted].
Fuller, William Otis, MAJ, [redacted].
Fullerton, Frank Eugene, CDR, [redacted].
Gage, Robert Hugh, SGT, [redacted].
Galbraith, Russell Dale, CAPT, [redacted].
Gallagher, John Theodore, SSGT, [redacted].
Galvin, Ronald Edmond, ATC, [redacted].
Ganley, Richard Owen, MAJ, [redacted].
Ganoe, Berman Junior, SP5, [redacted].
Garcia, Ricardo Martinez, SP5, [redacted].
Gardner, John Garrett, CAPT, [redacted].
Garwood, Robert Russell, PFC, [redacted].
Gates, James Wayne, MAJ, [redacted].
Gatewood, Charles Hue, SGT, [redacted].
Gatwood, Robin Frederic, Jr., CAPT, [redacted].
Gauthier, Dennis Lee, SGT, [redacted].
Gee, Paul Stuart, CAPT, [redacted].
Geist, Stephen Jonathan, SSGT, [redacted].
Gerstel, Donald Arthur, LCDR, [redacted].
Gervais, Donald Peter, SFC, [redacted].
Getchell, Paul Everett, MAJ, [redacted].
Giammarino, Vincent Frank, SSGT, [redacted].
Giannangeli, Anthony Rober, LTC, [redacted].
Gilbert, Paul Faris, CAPT, [redacted].
Gilchrist, Robert Michael, CAPT, [redacted].
Gillen, Thomas Eldon, LTC, [redacted].
Gist, Tommy Emerson, MAJ, [redacted].
Glasson, William Albert, Jr., LCDR, [redacted].
Glover, Calvin Charles, MSG, [redacted].
Glover, Douglas J., SSGT, [redacted].
Godwin, Solomon Hughey, CWO, [redacted].
Goff, Kenneth B., Jr., CAPT, [redacted].
Golberg, Lawrence Herbert, LTC, [redacted].
Gold, Edward Frank, CDR, [redacted].
Gomez, Robert Arthur, CAPT, [redacted].
Gonzalez, Jesus Armando, SSGT, [redacted].
Goodwin, Charles Bernard, LCDR, [redacted].
Goss, Bernard Joseph, COL, [redacted].
Gould, Frank Alton, MAJ, [redacted].
Gourley, Laurent Lee, CAPT, [redacted].
Govan, Robert Allen, MAJ, [redacted].
Grace, James William, CAPT, [redacted].
Graf, John George, LCDR, [redacted].
Graffe, Paul Leroy, CAPT, [redacted].
Graham, Allen Upton, CAPT, [redacted].
Graham, Dennis Lee, CAPT, [redacted].
Graham, James Scott, LCDR, [redacted].
Graustein, Robert Stewart, LCDR, [redacted].
Graziosi, Francis George, SSGT, [redacted].
Green, Frank Clifford, Jr., CDR, [redacted].
Green, Norman Morgan, COL, [redacted].
Greenwood, Robert Roy, Jr., MAJ, [redacted].
Greer, Robert Lee, SGT, [redacted].
Gregory, Robert Raymond, LTC, [redacted].
Greiling, David Scott, CDR, [redacted].
Grenzebach, Earl Wilfre, Jr., LTC, [redacted].
Grewell, Larry Irwin, MSGT, [redacted].
Griffin, James Lloyd, CDR, [redacted].
Griffin, Rodney Lynn, SGT, [redacted].
Griffith, Robert Smith, SSGT, [redacted].
Grosse, Christopher A., Jr., SSGT, [redacted].
Groth, Wade Lawrence, SSGT, [redacted].
Grubb, Peter Arthur, CAPT, [redacted].
Grubb, Wilmer Newlin, LTC, [redacted].
Guillermin, Louis Fulda, CAPT, [redacted].
Guillet, Andre Roland, MSGT, [redacted].
Guillory, Edward Joseph, SMAJ, [redacted].
Gunn, Alan Wendell, CWO, [redacted].
Hackett, Harley B., III, CAPT, [redacted].
Hagan, John Robert, 1LT, [redacted].
Hagerman, Robert Warren, COL, [redacted].
Haifley, Michael Firestone, LT, [redacted].
Hall, William Warren, MAJ, [redacted].
Hall, Donald Joe, MSGT, [redacted].
Hall, Fredrick Mervyn, CAPT, [redacted].
Hall, Harley Hubert, CDR, [redacted].
Hall, James Shreve, SMS, [redacted].
Hall, James Wayne, LCDR, [redacted].
Hallberg, Roger C., SSGT, [redacted].
Halpin, Richard Conroy, CAPT, [redacted].
Hamilton, Dennis Clark, CWO, [redacted].
Hamilton, Eugene David, LTC, [redacted].
Hamilton, John Smith, LTC, [redacted].
Hamilton, Roger Dale, SGT, [redacted].
Hamm, James Edward, CAPT, [redacted].
Handrahan, Eugene Allen, SSGT, [redacted].
Hanley, Larry James, CAPT, [redacted].
Hanley, Terence Higgins, LT, [redacted].
Hanna, Kenneth, MSGT, [redacted].
Hansen, Lester Alan, CWO, [redacted].
Hanson, Robert Taft, Jr., LCDR, [redacted].
Hanson, Stephen Paul, CAPT, [redacted].
Hanson, Thomas Patterson, CAPT, [redacted].
Harber, Stephen James, SGT, [redacted].
Hardy, Arthur Hans, 1LT, [redacted].
Hardy, John Kay, Jr., CAPT, [redacted].
Hargrove, Olin, Jr., SSGT, [redacted].
Harley, Lee Dufford, MAJ, [redacted].
Harned, Gary Alan, SGT, [redacted].
Harris, Bobby Glenn, SGT, [redacted].
Harris, Cleveland Scott, CAPT, [redacted].
Harris, Gregory John, SSGT, [redacted].
Harris, Jeffrey Lyndol, CAPT, [redacted].
Harris, Reuben Beaumont, ATCS, [redacted].
Harris, Stephen Warren, TSGT, [redacted].
Harrison, Donald Lee, CAPT, [redacted].
Harrison, Robert Heerman, MAJ, [redacted].
Harrold, Patrick Kendal, CAPT, [redacted].
Hart, Thomas Trammell, III, CAPT, [redacted].
Hartman, Richard Danner, CDR, [redacted].
Hartness, Gregg, MAJ, [redacted].
Hartney, James Cuthbert, COL, [redacted].
Harvey, Jack Rockwood, CAPT, [redacted].
Harwood, James Arthur, SGT, [redacted].
Harworth, Elroy Edwin, MSGT, [redacted].
Haselton, John Herbert, 1LT, [redacted].
Hasenbeck, Paul Alfred, SSGT, [redacted].
Hassenger, Arden Keith, SMS, [redacted].
Hastings, Steven Morris, SSGT, [redacted].
Hauer, Leslie John, COL, [redacted].
Hauer, Robert Douglas, CAPT, [redacted].
Hawkins, Edgar Lee, MAJ, [redacted].
Hawthorne, Richard William, MAJ, [redacted].
Heggen, Keith Russell, LTC, [redacted].
Heiskell, Lucius Lamar, CAPT, [redacted].
Heitman, Steven W., SSGT, [redacted].
Helber, Lawrence Neal, CAPT, [redacted].
Held, John Wayne, MAJ, [redacted].
Helmich, Gerald Robert, MAJ, [redacted].
Henderson, William Roy, SFC, [redacted].
Henn, John Robert, Jr., CWO, [redacted].
Henninger, Howard William, LTC, [redacted].
Hensley, Ronnie Lee, TSGT, [redacted].
Hensley, Thomas Truett, CAPT, [redacted].
Herreid, Robert Dale, SSGT, [redacted].
Herrera, Frederick Daniel, SGT, [redacted].
Herrick, James Wayne, Jr., 1LT, [redacted].
Herrin, Henry Howard, Jr., PHCS, [redacted].
Herrold, Ned Raymond, CAPT, [redacted].
Hesford, Peter Dean, CAPT, [redacted].
Hess, Frederick William, Jr., CAPT, [redacted].
Hestle, Roosevelt, Jr., COL, [redacted].
Hewitt, Samuel Eugene, SGT, [redacted].
Hicks, Prentice Wayne, SSGT, [redacted].
Hicks, Terrin Dinsmore, MAJ, [redacted].
Hilbrich, Barry Wayne, CAPT, [redacted].
Hill, Billy David, SSGT, [redacted].
Hill, Gordon Clark, 1LT, [redacted].
Hill, Robert La Verne, SMS, [redacted].
Hockridge, James Alan, CAPT, [redacted].
Hodgson, Cecil J., MSGT, [redacted].
Hoff, Michael George, CDR, [redacted].
Hoff, Sammie Don, CAPT, [redacted].
Hogan, Jerry Franks, LCDR, [redacted].
Holdeman, Robert Eugene, CAPT, [redacted].
Holguin, Luis Gallegos, CWO, [redacted].
Holley, Tilden Stewart, MAJ, [redacted].
Holmes, David Hugh, MAJ, [redacted].
Holmes, Frederick Lee, LCDR, [redacted].
Holmes, Lester Evan, COL, [redacted].
Holt, James William, MSGT, [redacted].
Holton, Robert Edwin, CAPT, [redacted].
Hopper, Earl Pearson, Jr., CAPT, [redacted].
Horne, Stanley Henry, LTC, [redacted].
Hosken, John Charles, CWO, [redacted].
Hoskins, Charles Lee, CAPT, [redacted].
Hoskinson, Robert Eugene, LTC, [redacted].
Housh, Anthony Frank, SP6, [redacted].
Howard, Lewis, Jr., SGT, [redacted].
Howell, Carter Avery, CAPT, [redacted].
Howes, George Andrews, CWO, [redacted].
Hrdlicka, Davis Louis, MAJ, [redacted].
Huard, James Linton, CAPT, [redacted].
Huberth, Eric James, CAPT, [redacted].
Huddleston, Lynn Ragle, CAPT, [redacted].
Hummel, John Floyd, CWO, [redacted].
Huneycutt, Charles J., Jr., CAPT, [redacted].
Hunt, James D., LT, [redacted].
Hunt, Leon Andrew, SSGT, [redacted].
Hunt, Robert William, SFC, [redacted].
Hunt, William Balt, SFC, [redacted].
Hunter, Russell Palmer, Jr., MAJ, [redacted].
Huston, Charles Gregory, SSGT, [redacted].
Ibanez, Di Reyes, SSGT, [redacted].
Innes, Roger Burns, LT, [redacted].
Ireland, Robert Newell, SMS, [redacted].
Irsch, Wayne Charles, CAPT, [redacted].
Irwin, Robert Harry, MAJ, [redacted].
Ivan, Andrew, Jr., CAPT, [redacted].
Jackson, James Wesley, Jr., SGT, [redacted].

Jakovac, John Andrew, SSGT, [redacted].
Jamerson, Larry Carl, SP6, [redacted].
James, Samuel Larry, CAPT, [redacted].
Jarvis, Jeremy Michael, CAPT, [redacted].
Jefferson, James Milton, CAPT, [redacted].
Jefferson, Perry Henry, CAPT, [redacted].
Jeffords, Derrell Blackbur, COL, [redacted].
Jeffs, Clive Garth, CAPT, [redacted].
Jensen, George William, COL, [redacted].
Johns, Paul Frederick, LTC, [redacted].
Johns, Vernon Zigman, SSGT, [redacted].
Johnson, Allen Louis, MAJ, [redacted].
Johnson, Bruce Gardner, MAJ, [redacted].
Johnson, Edward Harvey, MAJ, [redacted].
Johnson, Frankie B., Jr., SP6, [redacted].
Johnson, Guy David, CAPT, [redacted].
Johnson, Randolph Leroy, SP5, [redacted].
Johnson, William Darrell, SSGT, [redacted].
Jones, Bobby Marvin, CAPT, [redacted].
Jones, James E., MSGT, [redacted].
Jones, Louis Farr, COL, [redacted].
Jones, Orvin Clarence, Jr., CAPT, [redacted].
Jones, Wiliam Eugene, CAPT, [redacted].
Jordan, Larry Michael, LCDR, [redacted].
Kahler, Harold, LTC, [redacted].
Kane, Richard Raymond, CAPT, [redacted].
Karins, Joseph John, Jr., MAJ, [redacted].
Karst, Carl Frederick, LTC, [redacted].
Kearns, Joseph Thomas, Jr., MAJ, [redacted].
Keiper, John Charles, SSGT, [redacted].
Keler, Jack Elmer, CAPT, [redacted].
Keller, Wendell Richard, MAJ, [redacted].
Kemmerer, Donald Richard, CAPT, [redacted].
Kennedy, Allan Gordon, SP6, [redacted].
Kennedy, James Edward, SP5, [redacted].
Kennedy, John William, CAPT, [redacted].
Kent, Robert Duane, CAPT, [redacted].
Kerr, Everett Oscar, MAJ, [redacted].
Ketchie, Scott Douglas, 1LT, [redacted].
Ketterer, James Alan, CAPT, [redacted].
Kibbey, Richard Abbott, MAJ, [redacted].
Kiefel, Ernst Philip, Jr., MAJ, [redacted].
Kier, Larry Gene, SGT, [redacted].
Kilcullen, Thomas Michael, CAPT, [redacted].
Killian, Melvin Joseph, COL, [redacted].
Kilpatrick, Larry Ronald, LT, [redacted].
Kimsey, William Arthur, Jr., CWO, [redacted].
King, Charles Douglas, TSGT, [redacted].
King, Donald Lewis, LTC, [redacted].
Kinkade, William Louis, CAPT, [redacted].
Kipina, Marshall Frederick, SSGT, [redacted].
Kirby, Bobby Alexander, MAJ, [redacted].
Klemm, Donald Martin, COL, [redacted].
Klenda, Dean Albert, CAPT, [redacted].
Klenert, William Blue, LT, [redacted].
Klimo, James Robert, SP6, [redacted].
Klinck, Harrison Hoyt, MAJ, [redacted].
Kline, Robert Earl, LTC, [redacted].
Klinke, Donald Herman, TSGT, [redacted].
Knabb, Kenneth Keith, Jr., LCDR, [redacted].
Knapp, Herman Ludwig, COL, [redacted].
Knebel, Thomas Edward, MSGT, [redacted].
Knight, Henry Clay, CWO, [redacted].
Knight, Larry Dale, CAPT, [redacted].
Knight, Roy Abner, Jr., LTC, [redacted].
Knutson Richard Arthur, WO, [redacted].
Kolstad, Thomas Carl, CDR, [redacted].
Kommendant, Aado, CAPT, [redacted].
Koonce, Terry Treloar, MAJ, [redacted].
Koons, Dale Francis, CAPT, [redacted].
Kosko, Walter, MAJ, [redacted].
Kott, Stephen Jay, CAPT, [redacted].
Krausman, Edward L., SGT, [redacted].
Kroboth, Stanley Neal, CAPT, [redacted].
Krommenhoek, Jeffrey Marti, LCDR, [redacted].
Kroske, Harold William Jr., CAPT, [redacted].
Krupa, Frederick, CAPT, [redacted].
Kryszak, Theodore Eugene, LTC, [redacted].
Kuhlman, Robert John, Jr., CAPT, [redacted].
Kwortnik, John Charles, LTC, [redacted].
La Bohn, Gary Russell, SSGT, [redacted].
La Porte, Michael Louis, HMC, [redacted].
Lacey, Richard Joseph, SSGT, [redacted].
Ladewig, Melvin Earl, CAPT, [redacted].
Lafayette, John Wayne, MAJ, [redacted].
Lagerwall, Harry Roy, CAPT, [redacted].
Lancaster, Kenneth Ray, SSGT, [redacted].
Lane, Charles, Jr., CAPT, [redacted].
Lane, Glen Oliver, MSGT, [redacted].
Lane, Mitchell Sim, CAPT, [redacted].
Laney, Billy Ray, MSGT, [redacted].
Lannom, Richard Clive, LT, [redacted].
Latimer, Clarence Albert, SSGT, [redacted].
Lauierio, Manuel Alonzo, SP5, [redacted].
Lawrence, Bruce Edward, CAPT, [redacted].
Lee, Charles Richard, LCDR, [redacted].
Lee, Leonard Murray, CDR, [redacted].
Leeper, Wallace Wilson, CWO, [redacted].
Leet, David Leverett, CAPT, [redacted].
Leetun, Darel Dean, LTC, [redacted].
Lefever, Douglas Paul, CAPT, [redacted].
Lehnhoff, Edward Willia, Jr., MAJ, [redacted].
Lehrke, Stanley Lawrence, SSGT, [redacted].
Lemmons, William E., CAPT, [redacted].
Lemon, Jeffrey Charles, CAPT, [redacted].
Leonor, Leonardo Capistran, CAPT, [redacted].
Lerner, Irwin Stuart, CAPT, [redacted].
Lester, Roderick Barnum, LT, [redacted].
Levis, Charles Allen, LTC, [redacted].
Lewandowski, Leonard J., Jr., SGT, [redacted].
Lewis, James Wimberley, LTC, [redacted].
Lewis, Merrill Raymond, Jr., MAJ, [redacted].
Liles, Robert Leonel, Jr., CAPT, [redacted].
Lillund, William Allan, CAPT, [redacted].
Lilly, Carroll Baxter, MAJ, [redacted].
Lindewald, Charles W., Jr., MSGT, [redacted].
Lindland, Donald Fredrick, LCDR, [redacted].
Lindstrom, Ronnie George, CAPT, [redacted].
Lineberger, Harold Benton, MAJ, [redacted].
Link, Robert Charles, CWO, [redacted].
Lini, Donald Michael, SSGT, [redacted].
Lockhart, George Barry, CAPT, [redacted].
Lodge, Robert Alfred, MAJ, [redacted].
Loheed, Hubert Bradford, CAPT, [redacted].
Long, John Henry Sothorn, CAPT, [redacted].
Lono, Luther Albert, MAJ, [redacted].
Lord, Arthur James, MAJ, [redacted].
Lucki, Albin Earl, CAPT, [redacted].
Lull, Howard Burdette, Jr., SFC, [redacted].
Luna, Carter Purvis, COL, [redacted].
Luna, Donald Alfred, MAJ, [redacted].
Lunsford, Herbert Lamar, COL, [redacted].
Luster, Robert Lee, SGT, [redacted].
Luttrell, James Martin, SFC, [redacted].
Lynn, Robert Ray, CAPT, [redacted].
Lyon, Donavan Loren, MAJ, [redacted].
MacCann, Henry Elmer, LTC, [redacted].
MacDonald, George Duncan, 1LT, [redacted].
MacKedanz, Lyle Everett, SFC, [redacted].
Macko Charles, LTC, [redacted].
Maddox, Notley Gwynn, COL, [redacted].
Madison, William Louis, SMS, [redacted].
Magee, Patrick Joseph, SP6, [redacted].
Mahan, Douglas Frank, CAPT, [redacted].
Mallon, Richard Joseph, CAPT, [redacted].
Malone, Jimmy McDonald, SSGT, [redacted].
Mamiya, John Michio, SMS, [redacted].
Mangino, Thomas Angelo, SSGT, [redacted].
Marik, Charles Weldon, LCDR, [redacted].
Martin, Douglas Kent, CAPT, [redacted].
Martin, John Murray, MAJ, [redacted].
Martin, Larry Eugene, CAPT, [redacted].
Martin, Richard D., SSGT, [redacted].
Martin, Russell Dean, CAPT, [redacted].
Mascari, Phillip Louis, CAPT, [redacted].
Mason, William Henderson, COL, [redacted].
Massucci, Martin John, CAPT, [redacted].
Masterson, Michael John, MAJ, [redacted].
Masuda, Robert Susumu, SSGT, [redacted].
Mateja, Alan Paul, CAPT, [redacted].
Matthes, Peter Richard, CAPT, [redacted].
Mauterer, Oscar, COL, [redacted].
Maxwell, Calvin Walter, CAPT, [redacted].
Maxwell, Samuel Chapman, LTC, [redacted].
May, David Murray, CAPT, [redacted].
Mayer, Roderick Lewis, LCDR, [redacted].
Mayercik, Ronald Michael, CAPT, [redacted].
McCain, Marvin Raymond, Jr., SSGT, [redacted].
McCleary, Georgia Carlton, COL, [redacted].
McCrary, Jack, SMS, [redacted].
McCubrin, Glenn Dewayne, CAPT, [redacted].
McDaniel, Morris L., Jr., LTC, [redacted].
McDonald, Emmett Raymond, MAJ, [redacted].
McDonald, Kurt Casey, MAJ, [redacted].
McDonnell, John Terence, MAJ, [redacted].
McElhanon, Michael Owen, LTC, [redacted].
McGar, Brian Kent, SSGT, [redacted].
McGarvey, James Maurice, MAJ, [redacted].
McGouldrick, Francis J., Jr., LTC, [redacted].
McGrath, William Darrell, CDR, [redacted].
McKenney, Kenneth Dewey, MSGT, [redacted].
McLean, James Henry, SFC, [redacted].
McMahan, Robert Charles, LT, [redacted].
McMurray, Fred Howell, Jr., CAPT, [redacted].
McPhail, William Thomas, CAPT, [redacted].
McPherson, Everett Alvin, CAPT, [redacted].
McCarty, James Lon, CAPT, [redacted].
McCormick, Michael Timothy, LT, [redacted].
McDonald, Joseph William, 1LT, [redacted].
McElvain, James Richard, MAJ, [redacted].
McKittrick, James Clifford, CAPT, [redacted].
McLaughlin, Arthur Vincent, MSGT, [redacted].
Meadows, Eugene Thomas, CAPT, [redacted].
Mearns, Arthur Stewart, COL, [redacted].
Medaris, Rick Eggburtus, SP5, [redacted].
Meder, Paul Oswald, MAJ, [redacted].
Mein, Michael Howard, SSGT, [redacted].
Meldahl, Charles Howard, SSGT, [redacted].
Mellor, Fredric Moore, LTC, [redacted].
Menges, George Bruce, CAPT, [redacted].
Mercer, Jacob Edward, MSGT, [redacted].
Meroney, Virgil Kersh, III, CAPT, [redacted].
Metz, James Hardin, LTC, [redacted].
Meyer, William Michael, MAJ, [redacted].
Midnight, Francis Barnes, CAPT, [redacted].
Milikin, Richard, M., III, CAPT, [redacted].
Milius, Paul Lloyd, CAPT, [redacted].
Millard, Charles Worth, CWO, [redacted].
Miller, Carl Dean, LTC, [redacted].
Miller, Curtis Daniel, CAPT, [redacted].
Miller, Richard Arthur, CAPT, [redacted].
Milliner, William Patrick, CWO, [redacted].
Millner, Michael, SFC, [redacted].
Mills, James Burton, LCDR, [redacted].
Minnich, Richard Willis, Jr., LCDR, [redacted].
Mishuk, Richard Edward, SGT, [redacted].
Mitchell, Albert Cook, LTC, [redacted].
Mitchell, Gilbert Louis, LT, [redacted].
Mitchell, Thomas Barry, CAPT, [redacted].
Monroe, Vincent Duncan, CDR, [redacted].
Moore, Herbert William, Jr., CAPT, [redacted].
Moore, James Rodney, SGT, [redacted].
Moore, Jerry Lawrence, SGT, [redacted].
Moore, Maurice Henry, SSGT, [redacted].
Moore, Thomas, SMS, [redacted].
Moorman, Frank David, SSGT, [redacted].
Moreida, Manuel Jesus, SSGT, [redacted].
Moreland, James Leslie, SSGT, [redacted].
Moreland, William David, CAPT, [redacted].
Morgan, Charles Elzy, MAJ, [redacted].
Morgan, Edwin Everton, SMS, [redacted].
Morgan, James Sheppard, LTC, [redacted].
Morgan, Thomas Raymond, MAJ, [redacted].
Morin, Richard Girard, CAPT, [redacted].
Morley, Charles Frank, CAPT, [redacted].
Morrill, Merwin Lamphrey, MAJ, [redacted].
Morris, George William, Jr., CAPT, [redacted].
Morris, Robert John, Jr., CAPT, [redacted].
Morrison, Glenn Raymond, Jr., MAJ, [redacted].

Morrison, Joseph Castleman, LTC, [redacted].
Morrissey, Robert David, MAJ, [redacted].
Morrow, Larry Kane, SGT, [redacted].
Morrow, Richard David, CDR, [redacted].
Mossman, Harry Seeber, LT, [redacted].
Mullen, William Francis, MAJ, [redacted].
Mullins, Harold Eugene, SMS, [redacted].
Mundt, Henry Gerald, II, CAPT, [redacted].
Munoz, David Louie, SGT, [redacted].
Murphy, Larron David, CAPT, [redacted].
Murray, Patrick Peter, CAPT, [redacted].
Musselman, Stephen Owen, LTJG, [redacted].
Neal, Dennis Paul, CAPT, [redacted].
Neeld, Bobby Gene, LTC, [redacted].
Nellans, William Lee, MAJ, [redacted].
Nelson, James Raymond, SSGT, [redacted].
Nelson, Richard Crawford, LCDR, [redacted].
Nelson, William Humphrey, COL, [redacted].
Netherland, Roger Morton, CAPT, [redacted].
Newman, Larry Jerome, TSGT, [redacted].
Newsom, Benjamin Byrd, COL, [redacted].
Newton, Charles Vernon, SFC, [redacted].
Newton, Donald Stephen, SFC, [redacted].
Newton, Warren Emery, SSGT, [redacted].
Nichols, Hubert Campbel, Jr., COL, [redacted].
Nidds, Daniel Russell, SSGT, [redacted].
Nobert, Craig Roland, CAPT, [redacted].
Nopp, Robert Graham, LTC, [redacted].
Nordahl, Lee Edward, LCDR, [redacted].
Norton, Michael Robert, SGT, [redacted].
Nyhof, Richard E., TSGT, [redacted].
Nystrom, Bruce August, CAPT, [redacted].
O'Brien, Kevin, CAPT, [redacted].
O'Donnell, Michael Davis, CAPT, [redacted].
O'Donnell, Samuel, Jr., CAPT, [redacted].
O'Grady, John Francis, COL, [redacted].
O'Hara, Robert Charles, SP6, [redacted].
Okerland, Thomas Richard, CWO, [redacted].
Olds, Ernest Arthur, LTC, [redacted].
Olsen, Floyd Warren, MAJ, [redacted].
Olson, Barry A., SSGT, [redacted].
Olson, Gerald Everett, CAPT, [redacted].
Omelia, Dennis William, CWO, [redacted].
O'Neill, Douglas Lee, WO, [redacted].
Orell, Quinlan Roberts, CDR, [redacted].
Orr, Warren Robert, Jr., CAPT, [redacted].
Osborne, Edwin Nelms, Jr., MAJ, [redacted].
Ostermeyer, William Henry, CAPT, [redacted].
Ott, William August, MAJ, [redacted].
Overlock, John Francis, MAJ, [redacted].
Owen, Robert Duval, SFC, [redacted].
Owen, Timothy Samuel, SSGT, [redacted].
Owens, Joy Leonard, COL, [redacted].
Pabst, Eugene Matthew, CAPT, [redacted].
Packard, Ronald Lyle, CAPT, [redacted].
Padgett, David Eugene, CAPT, [redacted].
Page, Albert Linwood, Jr., MAJ, [redacted].
Page, Gordon Lee, LTC, [redacted].
Palen, Carl Anthony, SP6, [redacted].
Palenscar, Alexander J., III, LCDR, [redacted].
Palmer, Gilbert Swain, COL, [redacted].
Palmgren, Edwin David, COL, [redacted].
Panek, Robert Joseph, Sr., MAJ, [redacted].
Parker, Frank C., III, CAPT, [redacted].
Parker, Woodrow Wilson, II, CAPT, [redacted].
Parra, Lionel, Jr., CAPT, [redacted].
Parsley, Edward Milton, MSGT, [redacted].
Parsons, Don Brown, Jr., LCDR, [redacted].
Parsons, Donald Eugene, LTC, [redacted].
Parsons, Michael Duane, CAPT, [redacted].
Pasekoff, Robert Edward, LTC, [redacted].
Pate, Gary, MSGT, [redacted].
Patterson, James Kelly, LCDR, [redacted].
Pattillo, Ralph Nathan, MAJ, [redacted].
Patton, Kenneth James, SSGT, [redacted].
Paul, Craig Allan, CAPT, [redacted].
Pauley, Marshall Irvin, MSGT, [redacted].
Paulson, Merlyn Leroy, TSGT, [redacted].
Pawlish, George Francis, LT, [redacted].
Paxton, Donald Elmer, COL, [redacted].
Payne, John Allen, SSGT, [redacted].
Payne, Norman, SFC, [redacted].
Peace, John Darlington, III, CDR, [redacted].
Peacock, John Robert, II, CAPT, [redacted].
Pearce, Edwin Jack, TSGT, [redacted].
Pearson, Robert Harvey, CAPT, [redacted].
Pearson, Wayne Edward, MAJ, [redacted].
Pederson, Joe Palmer, SFC, [redacted].
Pemberton, Gene Thomas, COL, [redacted].
Pender, Orland James, Jr., LT, [redacted].
Perisho, Gordon Samuel, LCDR, [redacted].
Perrinf, Elton Lawrence, MAJ, [redacted].
Perry Randolph Allen, Jr., MAJ, [redacted].
Perry, Ronald Dwight, CAPT, [redacted].
Perry, Thomas Hepburn, SSGT, [redacted].
Petersen, Gaylord Dean, MAJ, [redacted].
Peterson, Delbert Ray, CAPT, [redacted].
Peterson, Mark Allan, 1LT, [redacted].
Phelps, William, 1LT, [redacted].
Phillips, Daniel Raymond, SSGT, [redacted].
Phillips, Robert Paul, SP4, [redacted].
Phipps, James Larry, CWO, [redacted].
Pierson, William C., III, CWO, [redacted].
Pietsch, Robert Edward, MAJ, [redacted].
Piittmann, Alan Dale, MSGT, [redacted].
Pike, Dennis Stanley, LT, [redacted].
Pike, Peter Xavier, CAPT, [redacted].
Pilkington, Thomas Holt, LT, [redacted].
Pirker, Victor John, SSGT, [redacted].
Pitman, Peter Potter, MAJ, [redacted].
Pitt, Albert, MAJ, [redacted].
Pitzen, John Russell, CDR, [redacted].
Plassmeyer, Bernard Herber, 1LT, [redacted].
Platt, Robert Lenwood, Jr., SSGT, [redacted].
Plowman, James Edwin, LT, [redacted].
Pogreba, Dean Andrew, COL, [redacted].
Pollin, George John, CAPT, [redacted].
Polster, Harmon, 1LT, [redacted].
Pool, Jerry Lynn, CAPT, [redacted].
Poole, Charlie Sherman, MSGT, [redacted].
Poor, Russell, Arden, MAJ, [redacted].
Potter, William Joseph, Jr., CAPT, [redacted].
Potter, William Tod, CAPT, [redacted].
Potts, Larry Fletcher, 1LT, [redacted].
Powers Lowell Stephen, CWO, [redacted].
Powers, Trent Richard, CAPT, [redacted].
Preston, James Arthur, SMS, [redacted].
Prevedel Charles Francis, SSGT, [redacted].
Price, Bunyan Durant, Jr., SP5, [redacted].
Price, William Marshall 1LT, [redacted].
Pridemore, Dallas Reese, SFC, [redacted].
Pringle, Joe Harold, MSGT, [redacted].
Puentes, Manuel Rameriz, SGT, [redacted].
Puggi, Joseph David, SSGT, [redacted].
Pugh, Dennis Gerard, CAPT, [redacted].
Pugh, Kenneth Ward, PRCS, [redacted].
Putnam, Charles Lancaster, CAPT, [redacted].
Pyles, Harley Boyd, COL, [redacted].
Quamo, George, MAJ, [redacted].
Quinn, Michael Edward, LCDR, [redacted].
Rackley, Inzar William, Jr., LTC, [redacted].
Ragland, Dayton William, COL, [redacted].
Ralston, Frank Delzell, III, CAPT, [redacted].
Ramos, Rainer Sylvester, CWO, [redacted].
Ramsay, Charles James, MAJ, [redacted].
Ramsower, Irving Burns, II, MAJ, [redacted].
Ransbottom, Frederick Joel, CAPT, [redacted].
Rash, Melvin Douglas, TSGT, [redacted].
Rattin, Dennis Michael, SP5, [redacted].
Ratzel, Wesley Dallas, CAPT, [redacted].
Rausch, Robert Ernest, CAPT, [redacted].
Ravencraft, James A., SSGT, [redacted].
Ravenna, Harry M., III, MAJ, [redacted].
Ray, Ronald Earl, SSGT, [redacted].
Raymond, Paul Darwin, CAPT, [redacted].
Read, Charles Harold W., Jr., COL, [redacted].
Reaid, Rollie Keith, SGT, [redacted].
Reed, James Wilson, CAPT, [redacted].
Rehe, Richard Raymond, SSGT, [redacted].
Reid, Harold Erich, SGT, [redacted].
Reid, Jon Eric, CWO, [redacted].
Reilly, Edward Daniel, Jr., SFC, [redacted].
Reilly, Lavern George, COL, [redacted].
Reitmann, Thomas Edward, MAJ, [redacted].
Renelt, Walter A., COL, [redacted].
Rex, Robert Alan, CAPT, [redacted].
Rexroad, Ronald Reuel, CAPT, [redacted].
Rhodes, Ferris Ansel, Jr., CAPT, [redacted].
Rich, Richard, CDR, [redacted].
Richardson, Dale Wayne, CAPT, [redacted].
Richardson, Floyd Whitley, COL, [redacted].
Richtsteig, David John, CAPT, [redacted].
Rickel, David J., CAPT, [redacted].
Ricker, William Ernest, LCDR, [redacted].
Rickman, Dwight Gray, 1LT, [redacted].
Riggs, Thomas F., CWO, [redacted].
Roach, Marion Lee, SSGT, [redacted].
Roberts, Richard Dean, SGT, [redacted].
Robertson, John Hartley, MSGT, [redacted].
Robertson, John Leighton, LTC, [redacted].
Robertson, Leonard, CAPT, [redacted].
Robinson, Floyd Henry, SSGT, [redacted].
Robinson, Kenneth Dale, MAJ, [redacted].
Roby, Charles Donald, COL, [redacted].
Rockett, Alton Craig, Jr., MAJ, [redacted].
Rodriguez, Albert Eduardo, CAPT, [redacted].
Roe, Jerry Lee, CAPT, [redacted].
Romero, Victor, TSGT, [redacted].
Rose, Luther Lee, SMS, [redacted].
Rosenbach, Robert Page, CAPT, [redacted].
Ross, J. Lynn, Jr., SSGT, [redacted].
Ross, Joseph Shaw, CAPT, [redacted].
Rowley, Charles Stoddard, LTC, [redacted].
Rozo, James Milan, SP5, [redacted].
Ruffin, James Thomas, LCDR, [redacted].
Rusch, Stephen Arthur, CAPT, [redacted].
Russell, Donald Myrick, LTC, [redacted].
Russell, Peter John, CAPT, [redacted].
Ryder, John Leslie, CAPT, [redacted].
Saavedra, Robert, CDR, [redacted].
Sadler, Mitchell Olen, Jr., CAPT, [redacted].
Sale, Harold Reeves, Jr., CAPT, [redacted].
Sanderlin, William Dale, SSGT, [redacted].
Scharf, Charles Joseph, LTC, [redacted].
Schell, Richard John, CAPT, [redacted].
Scherdin, Robert Francis, SSGT, [redacted].
Scheurich, Thomas Edwin, CDR, [redacted].
Schiele, James Francis, SSGT, [redacted].
Schmidt, Norman, COL, [redacted].
Schmidt, Walter Roy, Jr., CAPT, [redacted].
Scholz, Klaus Dieter, SSGT, [redacted].
Schreckengost, Fred Thomas, SGT, [redacted].
Schuler, Robert Harry, Jr., MAJ, [redacted].
Schultz, Ronald James, SP5, [redacted].
Schultz, Sheldon D., CWO, [redacted].
Scott, Dain Vanderlin, LT, [redacted].
Scott, Martin Ronald, LTC, [redacted].
Scott, Mike John, SFC, [redacted].
Scull, Gary Bernard, CAPT, [redacted].
Scungio, Vincent Anthony, MAJ, [redacted].
Scurlock, Lee D., Jr., SFC, [redacted].
Seagroves, Michael Anthony, CAPT, [redacted].
Sennett, Robert Russell, ADCS, [redacted].
Serex, Henry Muir, MAJ, [redacted].
Setterquist, Francis Lesli, CAPT, [redacted].
Seuell, John Wayne, CAPT, [redacted].
Seymour, Leo Earl, SFC, [redacted].
Shafer, Philip Raymond, SP6, [redacted].
Shank, Gary Leslie, LTJG, [redacted].
Shanley, Michael Henry, Jr., SSGT, [redacted].
Shark, Earl Eric, SSGT, [redacted].
Shay, Donald Emerson, Jr., CAPT, [redacted].
Shelton, Charles Ervin, MAJ, [redacted].
Sherman, Peter Woodbury, CAPT, [redacted].
Shine, Anthony Cameron, MAJ, [redacted].
Shingledecker, Armon D., CAPT, [redacted].
Shoneck, John Reginald, MSGT, [redacted].
Shriver, Jerry Michael, SFC, [redacted].
Shue, Donald Monroe, SSGT, [redacted].
Shumway, Geoffrey Raymond, LCDR, [redacted].
Sigafoos, Walter Harri, III, CAPT, [redacted].
Sijan, Lance Peter, CAPT, [redacted].
Silva, Claude Arnold, CAPT, [redacted].
Silver, Edward Dean, MAJ, [redacted].
Simmons, Robert Eugene, SGT, [redacted].
Singer, Donald Maurice, COL, [redacted].
Singleton, Daniel Everett, CAPT, [redacted].
Sisson, Winfield Wade, MAJ, [redacted].
Sittner, Ronald Nicholis, CAPT, [redacted].
Skarman, Orval Harry, SGT, [redacted].
Skinner, Owen George, LTC, [redacted].
Skivington, William E., Jr., SSGT, [redacted].
Small, Burt Chauncy, Jr., SSGT, [redacted].
Smith, David Roscoe, CAPT, [redacted].

Smith, Edward Dewilton, Jr., TSGT, [redacted].
Smith, Gene Albert, CDR, [redacted].
Smith, George Craig, CAPT, [redacted].
Smith, Hallie William, CAPT, [redacted].
Smith, Harding Eugene, Sr., COL, [redacted].
Smith, Harold Victor, LTC [redacted].
Smith, Harry Winfield, CAPT [redacted].
Smith, Herbert Eugene, SMS [redacted].
Smith, Homer Leroy, CAPT, [redacted].
Smith, Howard Horton, LTC [redacted].
Smith, Lewis Philip, II, CAPT [redacted].
Smith, Richard Dean, MAJ [redacted].
Smith, Robert Norman, COL [redacted].
Smith, Victor Arlon, CAPT, [redacted].
Smith, Warren Parker, Jr., LTC [redacted].
Smith, William Arthur, Jr., CWO, [redacted].
Smith, William Mark, SGT [redacted].
Smoot, Curtis Richard, SSGT [redacted].
Soyland, David Pecor, CWO, [redacted].
Sparks, Donald Lee, SGT, [redacted].
Suarks, Jon Michael, CWO, [redacted].
Spencer, Warren Richard, CAPT [redacted].
Spilman, Dyke Augustus, CAPT, [redacted].
Spinelli, Domenick Anthony, LCDR, [redacted].
Sprick, Doyle Robert, MAJ, [redacted].
Springston, Theodore, Jr., LTC [redacted].
St. Pierre, Dean Paul, CAPT, [redacted].
Stacks, Raymond Clark, CAPT, [redacted].
Staehli, Bruce Wayne, SGT, [redacted].
Stamm, Ernest Albert, CDR, [redacted].
Standerwick, Robert L., Sr., LTC, [redacted].
Stanley, Charles Irvin, CWO [redacted].
Stanley, Charles Irvin, CWO, [redacted].
Stanton, Ronald, SSGT [redacted].
Stark, Willie Ernest, SMAJ, [redacted].
Steadman, James Eugene, CAPT [redacted].
Steen, Martin William, MAJ, [redacted].
Stegman, Thomas, LCDR, [redacted].
Stephensen, Mark Lane, LTC [redacted].
Stephenson, Howard David, MAJ, [redacted]
Stevens, Larry James, LT, [redacted].
Stewart, Jack Thomas, MAJ, [redacted].
Stewart, Peter Joseph, COL, [redacted]
Stewart, Robert Allan, LTC [redacted].
Stickney, Philip Joseph, MSGT, [redacted].
Stine, Joseph Millard, LTC, [redacted].
Stinson, William Sherril, SP5 [redacted].
Stolz, Lawrence Gene, CAPT, [redacted].
Stonebraker, Kenneth Arnol, MAJ, [redacted]
Storz, Ronald Edward, LTC, [redacted].
Stowers, Aubrey Eugene, Jr., CAPT, [redacted].
Strait, Douglas, SP5 [redacted].
Strange, Floyd Wayne, CWO, [redacted].
Stratton, Charles Wayne, MAJ [redacted].
Stringer, John Curtis, II, CAPT [redacted].
Strobridge, Rodney Lynn, CAPT, [redacted].
Strohlein, Madison Alexand, SGT, [redacted]
Strong, Henry Hooker, Jr., CDR, [redacted].
Stroven, William Harry, CAPT, [redacted].
Stuart, John Franklin, MAJ [redacted].
Stubberfield, Robert A., LTC [redacted].
Stubbs, William W. W., SSGT, [redacted].
Suber, Randolph Bothwell, SSGT, [redacted]
Sullivan, Farrell Junior, LTC [redacted].
Sullivan, James Edward, LCDR, [redacted].
Sullivan, John Bernard, III, CAPT [redacted].
Sutter, Frederick John, CAPT [redacted].
Swanson, John Willard, Jr., MAJ, [redacted].
Swanson, Roger Wesley, SGT, [redacted].
Swords, Smith, III, MAJ [redacted].
Sykes, Derri, SSGT, [redacted].
Tapp, Marshall Landis, LTC [redacted].
Tatum, Lawrence Byron, COL, [redacted].
Teague, James Erlan, LT, [redacted].
Templin, Erwin Benard, Jr., LCDR, [redacted].
Teran, Refugio Thomas, SGT [redacted].
Terry, Oral Ray, SSGT, [redacted].
Thomas, Daniel Wayne, CAPT, [redacted].
Thomas, James Calven, SGT, [redacted].
Thomas, James Richard, TSGT, [redacted].
Thomas Kenneth Deane, Jr., CAPT, [redacted].
Thomas, Robert James, 1LT, [redacted]
Thompson, Donald Earl, LCDR, [redacted].
Thompson, George Winton, CAPT, [redacted].
Thompson, William James, LTC, [redacted].
Thornton, Larry C., SMS, [redacted].
Tiffin, Rainford, MAJ, [redacted].
Tipping, Henry Albert, COL, [redacted].
Todd, William Anthony, SSGT, [redacted].
Tolbert, Clarence Orfield, LCDR, [redacted].
Toomey, Samuel Kamu, III, MAJ [redacted].
Towlf, John Cline, CAPT, [redacted].
Townsend, Francis Wayne, 1LT, [redacted].
Trampski, Donald Joseph, SGT, [redacted].
Treece, James Allen, MAJ, [redacted].
Trembley, J. Forrest George, LCDR, [redacted].
Trent, Alan Robert, CAPT, [redacted].
Tromp, William Leslie, LCDR, [redacted].
Trujillo, Joseph Felix, SGT, [redacted].
Trujillo, Robert Steven, SSGT [redacted].
Tubbs, Glenn Ernest, SSGT, [redacted].
Tucci, Robert Leon, CAPT, [redacted].
Tucker, Edwin Byron, CDR, [redacted].
Tucker, James Hale, CAPT, [redacted].
Tucker, Timothy Michael, CAPT, [redacted].
Tyler, George Edward, COL, [redacted].
Uhlmansiek, Ralph Edward, SSGT, [redacted].
Underwood, Paul Gerard, COL, [redacted].
Utley, Russell Keith, LTC, [redacted].
Van, Bendegom James Lee, SSGT, [redacted].
Van Buren, Gerald Gordon, MAJ, [redacted].
Van Dyke, Richard Haven, CAPT, [redacted].
Van Renselaar, Larry Jack, LT, [redacted].
Vanden Eykel, Martin D., II, CWO, [redacted].
Vescelus, Milton James, Jr., CDR, [redacted].
Vinson, Bobby Gene, COL, [redacted].
Visconti, Francis Edward, CAPT, [redacted].
Wade, Barton Scott, LCDR, [redacted].
Wald, Gunther Herbert, SSGT, [redacted].
Walker, Bruce Charles, CAPT, [redacted].
Walker, Michael Stephen, CAPT, [redacted].
Walker, Samuel Franklin, Jr., MSGT, [redacted].
Wallace, Hobart McKinle, Jr., LTC, [redacted].
Wallace, Michael John, SFC, [redacted].
Waller, Therman Morris, MSGT, [redacted].
Walling, Charles Milton, MAJ, [redacted].
Walsh, Francis Anthony, Jr., MAJ, [redacted].
Walsh, Richard Ambrose, III, COL, [redacted].
Walters, Donovan Keith, CAPT, [redacted].
Walton, Lewis Clark, SSGT, [redacted].
Wanzel, Charles Joseph, III, CAPT, [redacted].
Ward, Neal Clinton, CAPT, [redacted].
Ward, Ronald Jack, LTC, [redacted].
Ware, John Alan, SP5, [redacted].
Warren, Arthur Leonard, CAPT, [redacted].
Warren, Ervin, SMS, [redacted].
Warren, Gray Dawson, CAPT, [redacted].
Waters, Samuel Edwin, Jr., MAJ, [redacted].
Watson, Jimmy Lee, CWO, [redacted].
Weisner, Franklin Lee, CAPT, [redacted].
Weissmueller, Courtney Edw., MAJ, [redacted].
Welch, Robert John, MAJ, [redacted].
Welsh, Larry Don, SSGT, [redacted].
Welshan, John Thomas, CAPT, [redacted].
Wenaas, Gordon James, MAJ, [redacted].
Werdehoff, Michael Ray, SFC, [redacted].
West, John Thomas, CAPT, [redacted].
Westbrook, Donald Elliot, COL, [redacted].
Wheeler, Eugene Lacey, MAJ, [redacted].
White, Charles Edward, MSGT, [redacted].
White, James Blair, MAJ, [redacted].
Whilford, Lawrence W., Jr., COL, [redacted].
Whitmire, Warren Taylor, Jr., CWO, [redacted].
Widdis, James Wesley, Jr., MAJ, [redacted].
Widner, Danny Lee, SSGT. [redacted].
Wiggins, Wallace Luttrell, CAPT, [redacted].
Wilburn, Woodrow Hoover, COL, [redacted].
Wiles, Marvin Benjamin Chr, LT, [redacted].
Wilke, Robert Frederick, COL, [redacted].
Wilkins, George Henry, CDR, [redacted].
Wilkinson, Dennis Edward, CAPT, [redacted].
Willett, Robert Vincent, Jr., CAPT, [redacted].
Williams, Billie Joe, MAJ, [redacted].
Williams, David Beryl, CAPT, [redacted].
Williams, David Richard, COL, [redacted].
Williams, Eddie Lee, MSGT, [redacted].
Williams, Edward Wayne, SGT, [redacted].
Williams, Howard Keith, MAJ, [redacted].
William, James Ellis, MSGT, [redacted].
Williams, James Randall, MSGT, [redacted].
Williams, Robert John, CAPT, [redacted].
Williams, Roy Charles, SSGT, [redacted].
Wililamson, Don Ira, LTC [redacted].
Williamson, James D., SSGT, [redacted].
Willing, Edward Arle, SGT, [redacted].
Wilson, Gordon Scott, MAJ, [redacted].
Wilson, Mickey Allen, WO, [redacted].
Wilson, Peter Joe, SFC, [redacted].
Wilson, Robert Allan, CAPT, [redacted].
Wilson, Roger Eugene, CAPT, [redacted].
Wilson, Wayne Vaster, SGT, [redacted].
Wimbrow, Nutter Jerome, III, MAJ, [redacted].
Winningham, John Quitman, TSGT, [redacted].
Winston, Charles C, III, MAJ, [redacted].
Winters, David Marshall, SSGT, [redacted].
Wistrand, Robert Carl, LTC [redacted].
Wogan, William Michael, SSGT, [redacted].
Wolfkeil, Wayne Benjamin, LTC, [redacted].
Woloszyk, Donald Joseph, LCDR, [redacted].
Wong, Edward Puck Kow, Jr., SP5, [redacted].
Wood, Don Charles, LTC, [redacted].
Wood, Patrick Hardy, COL, [redacted].
Wood, William Commodore, Jr., CAPT, [redacted].
Worcester, John Bowers, LCDR, [redacted].
Worrell, Paul Laurance, LT, [redacted].
Worth, James Frederick, CPL [redacted].
Wortham, Murray Lamar, CAPT [redacted].
Wozniak, Frederick Joseph, CAPT, [redacted]
Wright, Arthur, SP4, [redacted].
Wright, Donald Lee, MSGT, [redacted].
Wright, Gary Gene, COL, [redacted].
Wright, James Joseph, LCDR, [redacted].
Wright, Jerdy Albert, Jr., LTC [redacted]
Wright, Thomas Thawson, MAJ, [redacted].
Wrobleski, Walter Francis, CWO, [redacted].
Wrye, Blair Charlton, COL, [redacted].
Wynne, Patrick Edward, CAPT, [redacted].
Yarbrough, William P., Jr., CDR, [redacted].
Yonan, Kenneth Joseph, CAPT, [redacted].
Young, Barclay Bingham, CAPT, [redacted].
Young, Charles Luther, SSGT, [redacted].
Zich, Larry Alfred, CWO, [redacted].
Zook, David Hartzler, Jr., COL, [redacted].
Zook, Harold Jacob, CAPT, [redacted].
Zubke, Deland Dwight, SP5, [redacted].
Zukowski, Robert John, CAPT, [redacted].

Mr. DOLE. Assistance in obtaining information for an accounting was clearly and unambiguously included as a mutual commitment in the January 27 agreement. Such assistance has not been forthcoming. On January 27, the Defense Department listed 1,362 Americans in missing status. Today, 4 months later, some 1,284 or more of our men have not yet been accounted for in any manner and as I said earlier, the remains of some 1,120, who have been declared dead, have not been recovered.

### INTERESTS CONTINUE

We are told, Mr. President, that the situation in Southeast Asia has changed. Now that the involvement of American ground troops has been terminated and the prisoners have been returned, some contend we no longer have any proper concern in that area of the world, not even a concern in seeing that the peace agreement is adhered to in respect to our missing men. I cannot accept this contention.

The situation has changed. It has changed immeasurably for the better. But the American stake in securing and solidifying a lasting peace in Southeast Asia has not changed.

If the rights of the South Vietnamese people to peace and self-determination and if the American concern for securing the return of our prisoners and a satisfactory accounting of the missing in action were ever legitimate interests of this country, then they are still legitimate interests.

### IMPATIENCE AND WEARINESS

The country has long since grown weary of war. The country has long since tired of hearing news of American military involvement in Indochina, be it the ground combat of an earlier day or the air operations of today. And, of course, the Congress too, has grown weary of the conflict.

### FIRM COMMITMENT TO GOALS

But if we allow our weariness of the war and our understandable and quite sincere desire to see an end, for all time, of the American military presence in Southeast Asia to lead us to passage of the Eagleton amendment, we would only open up to the North Vietnamese the possibility for continuing their unfettered aggression in the area. And we would quash any hope whatsoever for securing compliance with the peace agreement with respect to our missing men.

Strong action, courage, and commitment to our principles brought about the successful negotiation of the Paris agreements. The same resolve can now secure compliance with those agreements.

I am not prepared to accept the consequences of a legislated abrogation of the Paris agreements. Of course, I am weary of this fighting. I yield to no Member of this body in desiring a peaceful and just solution to the differences which have divided this region for so long.

But we have a responsibility, an obligation to see our policy successfully through to a lasting peace. And we have an obligation to the nearly 1,300 Americans who are missing throughout Southeast Asia—in North and South Vietnam, Laos, and Cambodia.

### LIMITING AMENDMENT

Therefore, I am joining with my colleague from North Carolina (Mr. HELMS) in offering an amendment to limit the effect of the Eagleton amendment to the supplemental appropriations bill as long as the North Vietnamese are not complying with their obligations in regard to our missing men.

There can be no justification or rationalization for defaulting on our obligations to nearly 1,300 Americans and to to their families, loved ones, and friends who wait and wonder at their fates.

It is difficult for those of us who are not directly affected to grasp the agony, the nightmare being lived by the parents, wives, and children of these missing men. They are in a terrible state of suspense. Their lives, their business affairs, their legal and financial status is plagued by uncertainty. They desperately want to know the fate of their husbands, sons, and fathers. And any action which delays or hinders North Vietnamese compliance with the Paris agreements on MIA's also prolongs the uncertainty and doubt of their families.

Mr. President, I wonder how these thousands of American wives, fathers, mothers, and children would vote on a measure which remove and weaken the President's leverage for obtaining information on these men?

Success for our policies and an end to the hostilities are near. Dr. Kissinger returns to Paris next month, and he has expressed confidence in the chances for successfully reaching an agreement with North Vietnam. The Congress cannot now—at this crucial time—place these negotiations in jeopardy by enacting a measure which would reduce our leverage to achieve compliance with the Paris agreements. Neither can it further jeopardize the fate of some 1,300 missing Americans. The amendment I offer with my colleague from North Carolina and the other distinguished Senators who have joined in sponsorship, would remove this jeopardy and would maintain this bit of leverage for the President.

We all want an end to hostilities. But, as I have said so many other times on this floor when we were talking about the American prisoners of war, we can say all we want to, but we still have an obligation to the families of those now listed as missing in action. They want to know. They want verification as to whether their son or husband or father is alive or dead.

So what would we do if the Eagleton amendment is agreed to? We would remove the last bit of leverage that the President has. Why should North Vietnam comply at all?

So I suggest, Mr. President, that we are voting today on whether we want North Vietnam to continue to make a sincere effort to account for and verify the status of some 1,300 Americans.

To me, that is an important obligation.

Mr. President, I ask unanimous consent to have printed in the RECORD the "Agreement Ending the War and Restoring Peace in Vietnam" of January 27, 1973, and the "Protocol to the Agreement Concerning the Return of Captured Military Personnel and Foreign Civilians and Detained Vietnamese Civilian Personnel" ending the war on the same date, and I reserve the remainder of my time.

There being no objection, the agreement and the protocol were ordered to be printed in the RECORD, as follows:

## AGREEMENT ON ENDING THE WAR AND RESTORING PEACE IN VIETNAM

The Parties participating in the Paris Conference on Vietnam,

With a view to ending the war and restoring peace in Vietnam on the basis of respect for the Vietnamese people's fundamental national rights and the South Vietnamese people's right to self-determination, and to contributing to the consolidation of peace in Asia and the world,

Have agreed on the following provisions and undertake to respect and to implement them:

### CHAPTER I

### *The Vietnamese people's fundamental national rights*

### Article 1

The United States and all other countries respect the independence, sovereignty, unity, and territorial integrity of Vietnam as recognized by the 1954 Geneva Agreements on Vietnam.

### CHAPTER II

### *Cessation of hostilities—withdrawal of troops*

### Article 2

A cease-fire shall be observed throughout South Vietnam as of 2400 hours G.M.T., on January 27, 1973.

At the same hour, the United States will stop all its military activities against the territory of the Democratic Republic of Vietnam by ground, air and naval forces, wherever they may be based, and end the mining of the territorial waters, ports, harbors, and waterways of the Democratic Republic of Vietnam. The United States will remove, permanently deactivate or destroy all the mines in the territorial waters, ports, harbors, and waterways of North Vietnam as soon as this Agreement goes into effect.

The complete cessation of hostilities mentioned in this Article shall be durable and without limit of time.

### Article 3

The parties undertake to maintain the cease-fire and to ensure a lasting and stable peace.

As soon as the cease-fire goes into effect:

(a) The United States forces and those of the other foreign countries allied with the United States and the Republic of Vietnam shall remain in-place pending the implementation of the plan of troop withdrawal. The Four-Party Joint Military Commission described in Article 16 shall determine the modalities.

(b) The armed forces of the two South Vietnamese parties shall remain in-place. The Two-Party Joint Military Commission described in Article 17 shall determine the areas controlled by each party and the modalities of stationing.

(c) The regular forces of all services and arms and the irregular forces of the parties in South Vietnam shall stop all offensive activities against each other and shall strictly abide by the following stipulations:

All acts of force on the ground, in the air, and on the sea shall be prohibited;

All hostile acts, terrorism and reprisals by both sides will be banned.

### Article 4

The United States will not continue its military involvement or intervene in the internal affairs of South Vietnam.

### Article 5

Within sixty days of the signing of this Agreement, there will be a total withdrawal from South Vietnam of troops, military advisers, and military personnel, including technical military personnel and military personnel associated with the pacification program, armaments, munitions, and war material of the United States and those of the other foreign countries mentioned in Article 3(a). Advisers from the above-mentioned countries to all paramilitary organizations and the police force will also be withdrawn within the same period of time.

### Article 6

The dismantlement of all military bases in South Vietnam of the United States and of the other foreign countries mentioned in article 3(a) shall be completed within sixty days of the signing of this Agreement.

### Article 7

From the enforcement of the cease-fire to the formation of the government provided for in Articles 9(b) and 14 of this Agreement, the two South Vietnamese parties shall not accept the introduction of troops, military advisers, and military personnel including technical military personnel, armaments, munitions, and war material into South Vietnam.

The two South Vietnamese parties shall be permitted to make periodic replacement of armaments, munitions and war material which have been destroyed, damaged, worn out or used up after the cease-fire, on the basis of piece-for-piece, of the same characteristics and properties, under the supervision of the Joint Military Commission of the two South Vietnamese parties and of the International Commission of Control and Supervision.

### CHAPTER III

### *The return of captured military personnel and foreign civilians, and captured and detained Vietnamese civilian personnel*

#### Article 8

(a) The return of captured military personnel and foreign civilians of the parties shall be carried out simultaneously with and completed not later than the same day as the troop withdrawal mentioned in Article 5. The parties shall exchange complete lists of the above-mentioned captured military personnel and foreign civilians on the day of the signing of this Agreement.

(b) The parties shall help each other to get information about those military personnel and foreign civilians of the parties missing in action, to determine the location and take care of the graves of the dead so as to facilitate the exhumation and repatriation of the remains, and to take any such other measures as may be required to get information about those still considered missing in action.

(c) The question of the return of Vietnamese civilian personnel captured and detained in South Vietnam will be resolved by the two South Vietnamese parties on the basis of the principles of Article 21(b) of the Agreement on the Cessation of Hostilities in Vietnam of July 20, 1954. The two South Vietnamese parties will do so in a spirit of national reconciliation and concord, with a view to ending hatred and enmity, in order to ease suffering and to reunite families. The two South Vietnamese parties will do their utmost to resolve this question within ninety days after the cease-fire comes into effect.

### CHAPTER IV

### *The exercise of the South Vietnamese people's right to self-determination*

#### Article 9

The Government of the United States of America and the Government of the Democratic Republic of Vietnam undertake to respect the following principles for the exercise of the South Vietnamese people's right to self-determination:

(a) The South Vietnamese people's right to self-determination is sacred, inalienable, and shall be respected by all countries.

(b) The South Vietnamese people shall decide themselves the political future of South Vietnam through genuinely free and democratic general elections under international supervision.

(c) Foreign countries shall not impose any political tendency or personality on the South Vietnamese people.

#### Article 10

The two South Vietnamese parties undertake to respect the cease-fire and maintain peace in South Vietnam, settle all matters of contention through negotiations, and avoid all armed conflict.

#### Article 11

Immediately after the cease-fire, the two South Vietnamese parties will:

achieve national reconciliation and concord, end hatred and enmity, prohibit all acts of reprisal and discrimination against individuals or organizations that have collaborated with one side or the other;

ensure the democratic liberties of the people: personal freedom, freedom of speech, freedom of the press, freedom of meeting, freedom of organization, freedom of political activities, freedom of belief, freedom of movement, freedom of residence, freedom of work, right to property ownership, and right to free enterprise.

#### Article 12

(a) Immediately after the cease-fire, the two South Vietnamese parties shall hold consultations in a spirit of national reconciliation and concord, mutual respect, and mutual non-elimination to set up a National Council of National Reconciliation and Concord of three equal segments. The Council shall operate on the principle of unanimity. After the National Council of National Reconciliation and Concord has assumed its functions, the two South Vietnamese parties will consult about the formation of councils at lower levels. The two South Vietnamese parties shall sign an agreement on the internal matters of South Vietnam as soon as possible and do their utmost to accomplish this within ninety days after the cease-fire comes into effect, in keeping with the South Vietnamese people's aspirations for peace, independence and democracy.

(b) The National Council of National Reconciliation and Concord shall have the task of promoting the two South Vietnamese parties' implementation of this Agreement, achievement of national reconciliation and concord and ensurance of democratic liberties. The National Council of National Reconciliation and Concord will organize the free and democratic general elections provided for in Article 9 (b) and decide the procedures and modalities of these general elections. The institutions for which the general elections are to be held will be agreed upon through consultations between the two South Vietnamese parties. The National Council of National Reconciliation and Concord will also decide the procedures and modalities of such local elections as the two South Vietnamese parties agree upon.

#### Article 13

The question of Vietnamese armed forces in South Vietnam shall be settled by the two South Vietnamese parties in a spirit of national reconciliation and concord, equality and mutual respect, without foreign interference, in accordance with the postwar situation. Among the questions to be discussed by the two South Vietnamese parties are steps to reduce their military effectives and to demobilize the troops being reduced. The two South Vietnamese parties will accomplish this as soon as possible.

#### Article 14

South Vietnam will pursue a foreign policy of peace and independence. It will be prepared to establish relations with all countries irrespective of their political and social systems on the basis of mutual respect for independence and sovereignty and accept economic and technical aid from any country with no political conditions attached. The acceptance of military aid by South Vietnam in the future shall come under the authority of the government set up after the general elections in South Vietnam provided for in Article 9(b).

### CHAPTER V

### *The reunification of Vietnam and the relationship between North and South Vietnam*

#### Article 15

The reunification of Vietnam shall be carried out step by step through peaceful means on the basis of discussions and agreements between North and South Vietnam, without coercion or annexation by either party, and without foreign interference. The time for reunification will be agreed upon by North and South Vietnam.

Pending reunification:

(a) The military demarcation line between the two zones at the 17th parallel is only provisional and not a political or territorial boundary, as provided for in paragraph 6 of the Final Declaration of the 1954 Geneva Conference.

(b) North and South Vietnam shall respect the Demilitarized Zone on either side of the Provisional Military Demarcation Line.

(c) North and South Vietnam shall promptly start negotiations with a view to reestablishing normal relations in various fields. Among the questions to be negotiated are the modalities of civilian movement across the Provisional Military Demarcation Line.

(d) North and South Vietnam shall not join any military alliance or military bloc and shall not allow foreign powers to maintain military bases, troops, military advisers, and military personnel on their respective territories, as stipulated in the 1954 Geneva Agreements on Vietnam.

### CHAPTER VI

### *The Joint Military Commissions, the International Commission of Control and Supervision, the International Conference*

#### Article 16

(a) The Parties participating in the Paris Conference on Vietnam shall immediately designate representatives to form a Four-Party Joint Military Commission with the task of ensuring joint action by the parties in implementing the following provisions of this Agreement:

The first paragraph of Article 2, regarding the enforcement of the cease-fire throughout South Vietnam;

Article 3(a), regarding the cease-fire by U.S. forces and those of the other foreign countries referred to in that Article;

Article 3(c), regarding the cease-fire between all parties in South Vietnam;

Article 5, regarding the withdrawal from South Vietnam of U.S. troops and those of the other foreign countries mentioned in Article 3(a);

Article 6, regarding the dismantlement of military bases in South Vietnam of the United States and those of the other foreign countries mentioned in Article 3(a);

Article 8(a), regarding the return of captured military personnel and foreign civilians of the parties;

Article 8(b), regarding the mutual assistance of the parties in getting information about those military personnel and foreign civilians of the parties missing in action.

(b) The Four-Party Joint Military Commission shall operate in accordance with the principle of consultations and unanimity. Disagreements shall be referred to the International Commissions of Control and Supervision.

(c) The Four-Party Joint Military Commission shall begin operating immediately after the signing of this Agreement and end its activities in sixty days, after the completion of the withdrawal of U.S. troops and those of the other foreign countries mentioned in Article 3(a) and the completion of the return of captured military personnel and foreign civilians of the parties.

(d) The four parties shall agree immediately on the organization, the working procedure, means of activity, and expenditures of the Four-Party Joint Military Commission.

#### Article 17

(a) The two South Vietnamese parties shall immediately designate representatives to form a Two-Party Joint Military Commission with the task of ensuring joint action by the two South Vietnamese parties in implementing the following provisions of this Agreement:

The first paragraph of Article 2, regarding the enforcement of the cease-fire throughout South Vietnam, when the Four-Party Joint Military Commission has ended its activities;

Article 3(b), regarding the cease-fire between the two South Vietnamese parties;

Article 3(c), regarding the cease-fire between all parties in South Vietnam, when the Four-Party Joint Military Commission has ended its activities;

Article 7, regarding the prohibition of the introduction of troops into South Vietnam and all other provisions of this article;

Article 8(c), regarding the question of the return of Vietnamese civilian personnel captured and detained in South Vietnam;

Article 13, regarding the reduction of the military effectives of the two South Vietnamese parties and the demobilization of the troops being reduced.

(b) Disagreements shall be referred to the International Commission of Control and Supervision.

(c) After the signing of this Agreement, the Two-Party Joint Military Commission shall agree immediately on the measures and organization aimed at enforcing the cease-fire and preserving peace in South Vietnam.

### Article 18

(a) After the signing of this Agreement, an International Commission of Control and Supervision shall be established immediately.

(b) Until the International Conference provided for in Article 19 makes definite arrangements, the International Commission of Control and Supervision will report to the four parties on matters concerning the control and supervision of the implication of the following provisions of this Agreement:

The first paragraph of Article 2, regarding the enforcement of the cease-fire throughout South Vietnam;

Article 3(a), regarding the cease-fire by U.S. forces and those of the other foreign countries referred to in that Article;

Article 3(c) regarding the cease-fire between all the parties in South Vietnam;

Article 5, regarding the withdrawal from South Vietnam of U.S. troops and those of the other foreign countries mentioned in Article 3(a);

Article 6, regarding the dismantlement of military bases in South Vietnam of the United States and those of the other foreign countries mentioned in Article 3(a);

Article 8(a), regarding the return of captured military personnel and foreign civilians of the parties.

The International Commission of Control and Supervision shall form control teams for carrying out its tasks. The four parties shall agree immediately on the location and operation of these teams. The parties will facilitate their operation.

(c) Until the International Conference makes definitive arrangements, the International Commission of Control and Supervision will report to the two South Vietnamese parties on matters concerning the control and supervision of the implementation of the following provisions of this Agreement;

The first paragraph of Article 2, regarding the enforcement of the cease-fire throughout South Vietnam, when the Four-Party Joint Military Commission has ended its activities;

Article 3(b), regarding the cease-fire between the two South Vietnamese parties;

Article 3(c), regarding the cease-fire between all parties in South Vietnam, when the Four-Party Joint Military Commission has ended its activities.

Article 7, regarding the prohibition of the introduction of troops into South Vietnam and all other provisions of this Article;

Article 8(c), regarding the question of the return of Vietnamese civilian personnel captured and detained in South Vietnam;

Article 9(b), regarding the free and democratic general elections in South Vietnam;

Article 13, regarding the reduction of the military effectives of the two South Vietnamese parties and the demobilization of the troops being reduced.

The International Commission of Control and Supervision shall form control teams for carrying out its tasks. The two South Vietnamese parties shall agree immediately on the location and operation of these teams. The two South Vietnamese parties will facilitate their operation.

(d) The International Commission of Control and Supervision shall be composed of representatives of four countries: Canada, Hungary, Indonesia and Poland. The chairmanship of this Commission will rotate among the members for specific periods to be determined by the Commission.

(e) The International Commission of Control and Supervision shall carry out its tasks in accordance with the principle of respect for the sovereignty of South Vietnam.

(f) The International Commission of Control and Supervision shall operate in accordance with the principle of consultations and unanimity.

(g) The International Commission of Control and Supervision shall begin operating when a cease-fire comes into force in Vietnam. As regards the provisions in Article 18(b) concerning the four parties, the International Commission of Control and Supervision shall end its activities when the Commission's tasks of control and supervision regarding these provisions have been fulfilled. As regards the provisions in Article 18(c) concerning the two South Vietnamese parties, the International Commission of Control and Supervision shall end its activities on the request of the government formed after the general elections in South Vietnam provided for in Article 9(b).

(h) The four parties shall agree immediately on the organization, means of activity, and expenditures of the International Commission of Control and Supervision. The relationship between the International Commission and the International Conference will be agreed upon by the International Commission and the International Conference.

### Article 19

The parties agree on the convening of an International Conference within thirty days of the signing of this Agreement to acknowledge the signed agreements; to guarantee the ending of the war, the maintenance of peace in Vietnam, the respect of the Vietnamese people's fundamental national rights, and the South Vietnamese people's right to self-determination; and to contribute to and guarantee peace in Indochina.

The United States and the Democratic Republic of Vietnam, on behalf of the parties participating in the Paris Conference on Vietnam, will propose to the following parties that they participate in this International Conference: the People's Republic of China, the Republic of France, the Union of Soviet Socialist Republics, the United Kingdom, the four countries of the International Commission of Control and Supervision, and the Secretary General of the United Nations, together with the parties participating in the Paris Conference on Vietnam.

### CHAPTER VII

### *Regarding Cambodia and Laos*

### Article 20

(a) The parties participating in the Paris Conference on Vietnam shall strictly respect the 1954 Geneva Agreements on Cambodia and the 1962 Geneva Agreements on Laos, which recognized the Cambodian and the Lao peoples' fundamental national rights, i.e., the independence, sovereignty, unity, and territorial integrity of these countries. The parties shall respect the neutrality of Cambodia and Laos.

The parties participating in the Paris Conference on Vietnam undertake to refrain from using the territory of Cambodia and the territory of Laos to encroach on the sovereignty and security of one another and of other countries.

(b) Foreign countries shall put an end to all military activities in Cambodia and Laos, totally withdraw from and refrain from reintroducing into these two countries troops, military advisers and military personnel, armaments, munitions and war material.

(c) The internal affairs of Cambodia and Laos shall be settled by the people of each of these countries without foreign interference.

(d) The problems existing between the Indochinese countries shall be settled by the Indochinese parties on the basis of respect for each other's independence, sovereignty, and territorial integrity, and non-interference in each other's internal affairs.

### CHAPTER VIII

### *The relationship between the United States and the Democratic Republic of Vietnam*

### Article 21

The United States anticipates that this Agreement will usher in an era of reconciliation with the Democratic Republic of Vietnam as with all the peoples of Indochina. In pursuance of its traditional policy, the United States will contribute to healing the wounds of war and to postwar reconstruction of the Democratic Republic of Vietnam and throughout Indochina.

### Article 22

The ending of the war, the restoration of peace in Vietnam, and the strict implementation of this Agreement will create conditions for establishing a new, equal and mutually beneficial relationship between the United States and the Democratic Republic of Vietnam on the basis of respect for each other's independence and sovereignty, and non-interference in each other's internal affairs. At the same time this will ensure stable peace in Vietnam and contribute to the preservation of lasting peace in Indochina and Southeast Asia.

### CHAPTER IX

### *Other provisions*

### Article 23

This Agreement shall enter into force upon signature by plenipotentiary representatives of the parties participating in the Paris Conference on Vietnam. All the parties concerned shall strictly implement this Agreement and its Protocols.

Done in Paris this twenty-seventh day of January, One Thousand Nine Hundred and Seventy-Three, in Vietnamese and English. The Vietnamese and English texts are official and equally authentic.

[Separate Numbered Page]

For the Government of the United States of America:

WILLIAM P. ROGERS,
*Secretary of State.*

For the Government of the Republic of Vietnam:

TRAN VAN LAM,
*Minister for Foreign Affairs.*

[Separate Numbered Page]

For the Government of the Democratic Republic of Vietnam:

NGUYEN DUY TRINH,
*Minister for Foreign Affairs.*

For the Provisional Revolutionary Government of the Republic of South Vietnam:

NGUYEN THI BINH,
*Minister for Foreign Affairs.*

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## AGREEMENT ON ENDING THE WAR AND RESTORING PEACE IN VIETNAM

The Government of the United States of America, with the concurrence of the Government of the Republic of Vietnam,

The Government of the Democratic Republic of Vietnam, with the concurrence of the Provisional Revolutionary Government of the Republic of South Vietnam, With a view to ending the war and restoring peace in Vietnam on the basis of respect of the Vietnamese people's fundamental national rights and the South Vietnamese people's right to self-determination, and to contributing to the consolidation of peace in Asia and the world,

Have agreed on the following provisions and undertake to respect and to implement them:

[Text of Agreement Chapters I–VIII Same As Above]

### CHAPTER IX

### *Other provisions*

### Article 23

The Paris Agrement on Ending the War and Restoring Peace in Vietnam shall enter into force upon signature of this document by the Secretary of State of the Government of the United States of America and the Minister for Foreign Affairs of the Government of the Democratic Republic of Vietnam, and upon signature of a document in the same terms by the Secretary of State of the Government of the United States of America, the Minister for Foreign Affairs of the Government of the Republic of Vietnam, the Minister for Foreign Affairs of the Government of the Democratic Republic of Vietnam, and the Minister for Foreign Affairs of the Provisional Revolutionary Government of the Republic of South Vietnam. The Agreement and the protocols to it shall be strictly implemented by all the parties concerned.

Done in Paris this twenty-seventh day of January, One Thousand Nine Hundred and Seventy-Three, in Vietnamese and English. The Vietnamese and English texts are official and equally authentic.

For the Government of the United States of America:

WILLIAM P. ROGERS,
*Secretary of State.*

For the Government of the Democratic Republic of Vietnam:

NGUYEN DUY TRINH,
*Minister for Foreign Affairs.*

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## PROTOCOL TO THE AGREEMENT ON ENDING THE WAR AND RESTORING PEACE IN VIETNAM CONCERNING THE RETURN OF CAPTURED MILITARY PERSONNEL AND FOREIGN CIVILIANS AND CAPTURED AND DETAILED VIETNAMESE CIVILIAN PERSONNEL

The parties participating in the Paris Conference on Vietnam,

In implementation of Article 8 of the Agreement on Ending the War and Restoring Peace in Vietnam signed on this date providing for the return of captured military personnel and foreign civilians, and captured and detained Vietnamese civilian personnel,

Have agreed as follows:

### THE RETURN OF CAPTURED MILITARY PERSONNEL AND FOREIGN CIVILIANS

### *Article 1*

The parties signatory to the Agreement shall return the captured military personnel of the parties mentioned in Article 8(a) of the Agreement as follows:

All captured military personnel of the United States and those of the other foreign countries mentioned in Article 3(a) of the Agreement shall be returned to United States authorities;

All captured Vietnamese military personnel, whether belonging to regular or irregular armed forces, shall be returned to the two South Vietnamese parties; they shall be returned to that South Vietnamese party under whose command they served.

### *Article 2*

All captured civilians who are nationals of the United States or of any other foreign countries mentioned in Article 3(a) of the Agreement shall be returned to United States authorities. All other captured foreign civilians shall be returned to the authorities of their country of nationality by any one of the parties willing and able to do so.

### *Article 3*

The parties shall today exchange complete lists of captured persons mentioned in Articles 1 and 2 of this Protocol.

### *Article 4*

(a) The return of all captured persons mentioned in Articles 1 and 2 of this Protocol shall be completed within sixty days of the signing of the Agreement at a rate no slower than the rate of withdrawal from South Vietnam of United States forces and those of the other foreign countries mentioned in Article 5 of the Agreement.

(b) Persons who are seriously ill, wounded or maimed, old persons and women shall be returned first. The remainder shall be returned either by returning all from one detention place after another or in order of their dates of capture, beginning with those who have been held the longest.

### *Article 5*

The return and reception of the persons mentioned in Articles 1 and 2 of this Protocol shall be carried out at places convenient to the concerned parties. Places of return shall be agreed upon by the Four-Party Joint Military Commission. The parties shall ensure the safety of personnel engaged in the return and reception of those persons.

### *Article 6*

Each party shall return all captured persons mentioned in Articles 1 and 2 of this Protocol without delay and shall facilitate their return and reception. The detaining parties shall not deny or delay their return for any reason, including the fact that captured persons may, on any grounds, have been prosecuted or sentenced.

### THE RETURN OF CAPTURED AND DETAINED VIETNAMESE CIVILIAN PERSONNEL

### *Article 7*

(a) The question of the return of Vietnamese civilian personnel captured and detained in South Vietnam will be resolved by the two South Vietnamese parties on the basis of the principles of Article 21(b) of the Agreement on the Cessation of Hostilities in Vietnam of July 20, 1954, which reads as follows:

"The term 'civilian internees' is understood to mean all persons who, having in any way contributed to the political and armed struggle between the two parties, have been arrested for that reason and have been kept in detention by either party during the period of hostilities."

(b) The two South Vietnamese parties will do so in a spirit of national reconciliation and concord with a view to end hatred and enmity in order to ease suffering and to reunite families. The two South Vietnamese parties will do their utmost to resolve this question within ninety days after the cease-fire comes into effect.

(c) Within fifteen days after the cease-fire comes into effect, the two South Vietnamese parties shall exchange lists of the Vietnamese civilian personnel captured and detained by each party and lists of the places at which they are held.

### TREATMENT OF CAPTURED PERSONS DURING DETENTION

### *Article 8*

(a) All captured military personnel of the parties and captured foreign civilians of the parties shall be treated humanely at all times, and in accordance with international practice.

They shall be protected against all violence to life and person, in particular against murder in any form, mutilation, torture and cruel treatment, and outrages upon personal dignity. These persons shall not be forced to join the armed forces of the detaining party.

They shall be given adequate food, clothing, shelter, and the medical attention required for their state of health. They shall be allowed to exchange post cards and letters with their families and receive parcels.

(b) All Vietnamese civilian personnel captured and detained in South Vietnam shall be treated humanely at all times, and in accordance with international practice.

They shall be protected against all violence to life and person, in particular against murder in any form, mutilation, torture and cruel treatment, and outrages against personal dignity. The detaining parties shall not deny or delay their return for any reason, including the fact that captured persons may, on any grounds, have been prosecuted or sentenced. These persons shall not be forced to join the armed forces of the detaining party.

They shall be given adequate food, clothing, shelter, and the medical attention required for their state of health. They shall be allowed to exchange post cards and letters with their families and receive parcels.

### *Article 9*

(a) To contribute to improving the living conditions of the captured military personnel of the parties and foreign civilians of the parties, the parties shall, within fifteen days after the cease-fire comes into effect, agree upon the designation of two or more national Red Cross societies to visit all places where captured military personnel and foreign civilians are held.

(b) To contribute to improving the living conditions of the captured and detained Vietnamese civilian personnel, the two South Vietnamese parties shall, within fifteen days after the cease-fire comes into effect, agree upon the designation of two or more national Red Cross societies to visit all places where the captured and detained Vietnamese civilian personnel are held.

### WITH REGARD TO DEAD AND MISSING PERSONS

### *Article 10*

(a) The Four-Party Joint Military Commission shall ensure joint action by the parties in implementing Article 8(b) of the Agreement. When the Four-Party Joint Military Commission has ended its activities, a Four-Party Joint Military team shall be maintained to carry on this task.

(b) With regard to Vietnamese civilian personnel dead or missing in South Vietnam, the two South Vietnamese parties shall help each other to obtain information about missing persons, determine the location and take care of the graves of the dead, in a spirit of national reconciliation and concord, in keeping with the people's aspirations.

### OTHER PROVISIONS

### *Article 11*

(a) The Four-Party and Two-Party Joint Military Commissions will have the responsibility of determining immediately the modalities of implementing the provisions of this Protocol consistent with their respective responsibilities under Articles 16(a) and 17 (a) of the Agreement. In case the Joint Military Commissions, when carrying out their tasks, cannot reach agreement on a matter pertaining to the return of captured personnel they shall refer to the International Commission for its assistance.

(b) The Four-Party Joint Military Commission shall form, in addition to the teams established by the Protocol concerning the cease-fire in South Vietnam and the Joint Military Commissions, a subcommission on captured persons and, as required, joint military teams on captured persons to assist the Commission in its tasks.

(c) From the time the cease-fire comes into force to the time when the Two-Party Joint Military Commission becomes operational, the two South Vietnamese parties' delegations to the Four-Party Joint Military Commission shall form a provisional subcommission and provisional joint military teams to carry out its tasks concerning captured and detained Vietnamese civilian personnel.

(d) The Four-Party Joint Military Commission shall send joint military teams to observe the return of the persons mentioned in Articles 1 and 2 of this Protocol at each place in Vietnam where such persons are being returned, and at the last detention places from which these persons will be taken to the places of return. The Two-Party Joint Military Commission shall send joint military teams to observe the return of Vietnamese civilian personnel captured and detained at each place in South Vietnam where such persons are being returned, and at the last detention places from which these persons will be taken to the places of return.

### *Article 12*

In implementation of Articles 18(b) and 18(c) of the Agreement, the International Commission of Control and Supervision shall have the responsibility to control and supervise the observance of Articles 1 through 7 of this Protocol through observation of the return of captured military personnel, foreign civilians and captured and detained Vietnamese civilian personnel at each place in Vietnam where these persons are being returned, and at the last detention places from which these persons will be taken to the places of return, the examination of lists, and the investigation of violations of the provisions of the above-mentioned Articles.

### *Article 13*

Within five days after signature of this Protocol, each party shall publish the text of the Protocol and communicate it to all the captured persons covered by the Protocol and being detained by that party.

### *Article 14*

This Protocol shall come into force upon signature by plenipotentiary representatives of all the parties participating in the Paris Conference on Vietnam. It shall be strictly implemented by all the parties concerned.

Done in Paris this twenty-seventh day of January, One Thousand Nine Hundred and Seventy-Three, in Vietnamese and English. The Vietnamese and English texts are official and equally authentic.

[Separate Numbered Page]

For the Government of the United States of America:

William P. Rogers,
*Secretary of State.*

For the Government of the Republic of Vietnam:

Tran Van Lam,
*Minister for Foreign Affairs.*

[Separate Numbered Page]

For the Government of the Democratic Republic of Vietnam:

Nguyen Duy Trinh,
*Minister for Foreign Affairs.*

For the Provisional Revolutionary Government of the Republic of South Vietnam:

Nguyen Thi Binh,
*Minister for Foreign Affairs.*

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### Protocol to the Agreement on Ending the War and Restoring Peace in Vietnam Concerning the Return of Captured Military Personnel and Foreign Civilians and Captured and Detained Vietnamese Civilian Personnel

The Government of the United States of America, with the concurrence of the Government of the Republic of Vietnam,

The Government of the Democratic Republic of Vietnam, with the concurrence of the Provisional Revolutionary Government of the Republic of South Vietnam,

In implementation of Article 8 of the Agreement on Ending the War and Restoring Peace in Vietnam signed on this date providing for the return of captured military personnel and foreign civilians, and captured and detained Vietnamese civilian personnel,

Have agreed as follows:

[Text of Protocol Articles 1–13 same as above]

### ARTICLE 14

The Protocol to the Paris Agreement on Ending the War and Restoring Peace in Vietnam concerning the Return of Captured Military Personnel and Foreign Civilians and Captured and Detained Vietnamese Civilian Personnel shall enter into force upon signature of this document by the Secretary of State of the Government of the United States of America and the Minister for Foreign Affairs of the Government of the Democratic Republic of Vietnam, and upon signature of a document in the same terms by the Secretary of State of the Government of the United States of America, the Minister for Foreign Affairs of the Government of the Republic of Vietnam, the Minister for Foreign Affairs of the Government of the Democratic Republic of Vietnam, and the Minister for Foreign Affairs of the Provisional Revolutionary Government of the Republic of South Vietnam. The Protocol shall be strictly implemented by all the parties concerned.

Done in Paris this twenty-seventh day of January, One Thousand Nine Hundred and Seventy-Three, in Vietnamese and English. The Vietnamese and English texts are official and equally authentic.

For the Government of the United States of America:

William P. Rogers,
*Secretary of State.*

For the Government of the Democratic Republic of Vietnam:

Nguyen Duy Trinh,
*Minister for Foreign Affairs.*

Mr. DOLE. Mr. President, I yield to the Senator from North Carolina (Mr. Helms) such time as he may require.

Mr. HELMS. Mr. President, I thank my distinguished colleague from Kansas.

The agreement which was signed in Paris on January 27, 1973, provides in article 8 that—

> (b) The parties shall help each other to get information about those military personnel and foreign civilians of the parties missing in action, to determine the location and take care of the graves of the dead so as to facilitate the exhumation and repatriation of the remains, and to take any such other measures as may be required to get information about those still considered missing in action.

In addition, the protocol to the agreement "Concerning the Return of Captured Military Personnel and Foreign Civilians and Captured and Detained Vietnamese Civilian Personnel" states in article 10, "With Regard to Dead and Missing Persons," that—

> (a) The Four-Party Joint Military Commission shall ensure joint action by the parties in implementing Article 8(b) of the Agreement. When the Four-Party Joint Military Commission has ended its activities, a Four-Party Joint Military team shall be maintained to carry on this task.

Furthermore, according to article 17 of the agreement, disagreements will be referred to the International Commission on Control and Supervision.

Mr. President, so far, these provisions have been substantively inoperative. The Four-Party Joint Military Commission has met for its allotted 60 days, and has left Vietnam. The Four-Party Joint Military Team remains. Two visits have been made to Hanoi under very strictly supervised circumstances. But, for the most part, the meetings of the parties have been perfunctory. We are still in the process of negotiating with the North Vietnamese for permission to visit crash sites, and possible graveyards. They have not budged 1 inch to help us substantively to identfy the missing in action.

On January 27, we had 1,929 military personnel officially listed as missing in action. As of May 26, the number is 1,284 throughout Southeast Asia. This decrease has not come about because of any help from the North Vietnamese Communists; it is because some of the MIA's have been identified as returning prisoners of war. Yet we still have the right under the agreement, to remove the remains of those identified, but we have not been granted that permission.

Mr. President, the U.S. Joint Casualty Resolution Center has been established at Nakhon Phanom, Thailand, and is assigned the mission of resolving the status of U.S. missing personnel. They are ready to locate crash sites or grave sites. Their teams are ready. Their identification laboratory is ready. All they are waiting for is permission to go out into the jungles and into the local inhabited areas to make searches and ask questions of the local inhabitants. Yet the permission to do so has not been forthcoming. The Four-Party Military Team does nothing but talk. Why do not the Communists give us the permission they agreed to give us?

A further complication is that a goodly number of these MIA's may be in Cambodia and Laos, with at least 300 in Laos alone. The Khmer Rouge and the Laotian Communists are not parties to the Paris agreement. They are, however, strongly influenced by the presence of the North Vietnamese troops in that area. The only way that we can ever expect the Cambodian and Laotian Communists to give the requisite permission to visit possible sites in those areas is to continue our military operations in those areas. We must not forget that it was the decisive actions of our President that brought the North Vietnamese to enter serious negotiations and forced them to agreement. Similar military activity is the only thing which will force the North Vietnamese to adhere to these agreements to withdraw from Cambodia and force the native Communists to allow us to find our MIA's, dead or alive.

Mr. President, I repeat, the only way to get a satisfactory accounting of our MIA's is to allow the President the discretion to continue air support as necessary, but to continue under the conditions which are specifically stated in our proposed amendment.

I would point out, Mr. President, and emphasize, that this amendment contains a requirement that the President report to Congress.

It is apparent from yesterday's vote that there is sentiment in this body to cut off immediately appropriations for military action in Laos and Cambodia. I disagree with this sentiment. Yet at the same time, I think that my distinguished colleagues will realize the importance of our receiving a full accounting of the MIA's. The amendment which the distinguished Senator from Kansas (Mr. Dole) and I are offering today seeks a reasonable compromise among reasonable men. It would simply withhold the effect of the amendment offered by the junior Senator from Missouri until such time as we received a satisfactory accounting of our MIA's. I am sure that no one in this body would want to be responsible for prolonging such an accounting of our MIA's.

Under the Paris agreement, the four parties are supposed to cooperate in such an accounting. The Communists have not cooperated. At the very least, the Communists are supposed to allow the United States to take the necessary steps to arrive at an accounting. They have not given us the simple permission to make our own searches. Yet at the very moment when we are poised to begin such searches, there are some who would tie the hands of the President and remove from him the only sanctions we have to force Hanoi to comply with the agreement in respect to accounting for MIA's. If there are those who favor the Eagleton amendment, let them at least consider whether its effect should be delayed until there is a demonstration of good faith on the part of the Communists that they are willing to live up to article 8 of the agreement which they signed.

Surely we owe this to the wives and families and other loved ones of the American men who went out there to do their duty for our country—men who are now missing, men whose wives and families still live in the agony of uncertainty.

Mr. President, I reserve the remainder of my time.

Mr. EAGLETON. Mr. President, there is not a Senator in this body who does not want the North Vietnamese to provide a full accounting of our missing in action as is required by the Paris agreement. Many would support diplomatic or economic sanctions against North Vietnam, to force that nation to uphold its obligations under the agreement.

But that is not the issue before us today. The issue is whether the combat activities being conducted in Cambodia by the President of the United States are legal or wise.

As Secretary Richardson has said, a vote to defeat section 305 would be a vote to acquiesce in the air operation. But we are now confronted with an amendment which, if adopted and passed into law along with section 305 would constitute the legal authorization of Congress to continue the bombing until the President decides it should stop. This amendment is dynamite in sheep's clothing, and the Senator from Kansas knows it.

My amendment deals only with Cambodia and Laos, nations whose governments have no obligations under the Paris agreement. North Vietnam is obliged to carry out that agreement, but to link the failure of that country to abide by the provisions of the Paris agreement to a decision to go to war in a nation only incidentally affected by that agreement would be sheer nonsense. Yet, that is what the Dole amendment is asking us to do—to give our legal sanction to the Cambodian war.

The tactic is clear, of course—obscure the central issue with a totally unrelated matter—a matter of great concern to the Members of this body. But we have come too far to be hoodwinked into authorizing a new war in Indochina through the back door. This amendment would not only undercut section 305, it would, in effect, transform it into a declaration of war.

I urge my colleagues, before we take the drastic step the Senator from Kansas is asking us to take, to look at the effort that has been undertaken to date in pursuit of a full accounting of our MIA's.

Before the dissolution of the Four-Party Joint Military Commission on May 28, a Four-Party Joint Team was established as an ongoing adjunct of the original Four Power Commission. This team meets regularly in Saigon and is specifically designated to carry out the portions of the cease-fire agreement on missing in action.

As a result of the continuing meetings between the Four-Party Team, two recent visits took place to North Vietnam for the purpose of identifying and recovering missing in action. On May 11, the team was taken by the North Vietnamese to an empty cemetery where, according to the North Vietnamese, 12 Americans had been buried. One week later, on May 18, the team was taken to a gravesite outside of Hanoi where they inspected 23 gravesites and verified that each contained the remains of Americans previously listed as MIA's.

The Four-Party Team continues to meet in Saigon 2 or 3 times a week and are now discussing methods to repatriate the remains of the American dead. In addition, the team is discussing with the North Vietnamese an inspection schedule whereby the team could travel to known or suspected crash sites in North Vietnam.

According to investigators from the Foreign Relations Committee, military personnel assigned to our Joint Casualty Resolution Center in Thailand have advised that they have no complaints of noncooperation on the part of the North Vietnamese. They indicated that the procedure may be going along slower than we would like; however, there is no indication that our Government is prepared to protest the current level of activity.

Mr. President, what we are asked to do by the Dole amendment, before we have even filed a formal protest with the ICCS, before we even communicate with the North Vietnamese with respect to the recovery of the MIA's, is to declare war in a third nation—Cambodia.

I would like to read from the testimony that is going to be delivered this afternoon by Mr. Frank A. Sieverts, special assistant to the Deputy Secretary of State for Prisoners of War and Men Missing in Action. This testimony will be delivered—perhaps it is being delivered now—before a subcommittee of the House Committee on Foreign Affairs. This is what Mr. Sieverts says about the cooperation we are receiving with respect to the MIA's. I read from page 12:

> We are in direct contact with officials of the communist side. In Saigon, we are proceeding through the Four-Party Joint Military Team, established under the Viet-Nam Agreement. The Team has already made two trips to North Viet-Nam to visit cemeteries where Americans who died in captivity are buried. Communist officials have also acknowledged the existence of additional graves of Americans who died in aircraft crashes or of other causes. Our aim is to arrange the early repatriation of the remains of as many of these persons as possible.
>
> At the same time, we have made clear our urgent interest in receiving information on the missing. Complete lists of our missing personnel have been provided to the Four-Party Team for this purpose.
>
> In Laos, U.S. officials have been in direct contact with representatives of the Lao Patriotic Front (the Pathet Lao) to press for additional information on Americans missing or captured in Laos. We have told the communist side of our concern at the small number of Americans listed as captured in Laos, in view of past hints that a larger number were held by Pathet Lao forces, and in view of evidence that at least two others had been captured in Laos. The communist side has repeatedly told us and has recently stated publicly that there are no more Americans captured or held in Laos. They have also said that further accounting for the missing must await the formation of a coalition government, as specified in the February 21 Laos cease-fire agreement. Our efforts to convince the communist side to proceed with this accounting without waiting for a new government to be formed have thus far been in vain.
>
> * * * * *
>
> We are carrying out our own efforts to search for information on our missing and dead. Specific responsibility for this has been assigned to the Joint Casualty Resolution Center (JCRC), located in Thailand near the Laos and Viet-Nam borders. The JCRC is manned by American military personnel and functions with the close assistance of our embassies and consulates in the area. We have told the communist side about the JCRC, making clear its peaceful, open, and humanitarian purpose. The JCRC already has carried out a number of searches, so far in South Viet-Nam. We plan to work in harmony with local people wherever Americans may be missing or dead, and we hope to have the cooperation of the communist authorities. Our aim is to find the fullest possible information on each missing man. We recognize this is an enormous undertaking, and that we cannot succeed in every case, or even in a majority of cases. But we intend to try.

There are no more tragic victims of war than the families of MIA's. These families are destined to continue their life never fully knowing whether their loved one may still be alive in some faroff corner of the world. The Indochina war is not much different than other wars we have fought in that regard—the tragedy and the sorrow is the same. In World War II the United States had a total of 35,368 missing personnel; 29,151 are now considered dead and 1,754 are still carried in missing status. In the Korean war 5,178 Americans were either missing or captured. A larger percentage of that number were returned by the enemy where they had been held as POW's. But still over 1,000 are listed as missing in action.

So the unfortunate tragedy of the MIA is not unique to our most recent war experience. In every case, the U.S. Government puts forth a maximum effort to obtain a full accounting of its missing in action. But I submit that never in our history have we made the mistake of entering another war before we have exhausted all diplomatic efforts to obtain that full accounting.

Mr. President, I have received letters from the families of our missing in action. It is difficult to give these people even a little hope. Dr. Kissinger and the Defense Department have expressed strong doubts that any are still alive.

I read again from the testimony Mr. Sieverts is submitting this afternoon:

> It should be noted that there is no indication from these debriefings of POW's that any American personnel continue to be held in Indochina. All American prisoners known to any of our returned POW's have either been released or been listed by the communist authorities as having died in captivity. Returnees with whom I have talked, including those who appeared before this Subcommittee May 23, are clear in their belief that no U.S. prisoners continue to be held.

It is a tragic irony that the Defense Department carried no MIA in Cambodia prior to the January 27 cease-fire agreement. Since that agreement, however, two Americans have been lost in bombing operations and are now listed as missing in action. Yet, the Senator from Kansas wants this body to give legal sanction to the combat activity which is adding Americans to the list of MIA's.

No one can return life to those who are dead, but what we can do here today, in our own way, is see to it that no more die and that there are no more missing in action. It is because we should now be well aware of the pain suffered by the families of MIA's that we must reject this amendment.

Mr. SYMINGTON. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The Senator from Missouri has 9 minutes remaining.

Mr. EAGLETON. I yield 8 minutes to the Senator from Missouri.

### BOMBING OF CAMBODIA

Mr. SYMINGTON. Mr. President, in recent days Senators advocating a continuation of the United States bombing of Cambodia have made a series of misstatements of fact in support of their position.

I feel confident, of course, that none of those involved have made these mistaken statements deliberately. Indeed, they appear to have been based on similar misstatements persistently made by executive branch officials in recent months.

Fortunately, in this instance the Senate does not have to rely solely on information provided by the executive branch in considering the Cambodian question. Members of the staff of the Subcommittee on U.S. Security Agreements and Commitments Abroad of the Senate Foreign Relations Committee, which subcommittee I have the honor to chair, spent the month of April in Indochina and have brought back a report which, after review by the executive branch, has been made available to the Senate and the public, and which contradicts the basic premises of the administration's argument in support of the Cambodian bombing.

I wish briefly to note some of the principal errors made by the administration and its supporters in this debate.

It has been claimed, for instance, that:

> We are bombing North Vietnamese troops.

The fact is that the vast majority of our bombing is directed not at the North Vietnamese, but at the troops of the Cambodian faction opposing Lon Nol. In briefings at the Pentagon, at U.S. 7th Air Force Headquarters in Thailand and at the American Embassy in Phnom Penh, our staff was told that the heavy preponderance of forces opposing the Lon Nol forces are Cambodian insurgents.

It has also been claimed that—

> The North Vietnamese are currently maintaining some 40,000 troops in Cambodia. Of this total, some 30,000 are support troops, at least 3,500 are targeted against the Cambodian government forces, and some 30 military advisors per battalion are helping the Cambodian insurgent forces.

As is evident even from the quote itself, it is deceptive to speak of "40,000 North Vietnamese troops in Cambodia" when only a small percentage of these troops are targeted against the forces of the Phnom Penh regime. Furthermore, the number of North Vietnamese engaged against Lon Nol's forces, according to figures given the subcommittee staff as an agreed U.S. intelligence community estimate in early April, was not "at least 3,500" but probably "about 2,000 or at most 3,000." Moreover, the subcommittee staff was told that at most there were three or four advisers attached to some—but not all—insurgent battalions. Cambodian insurgent ralliers with whom our staff was asked to meet by the Cambodian Government said there were no North Vietnamese attached to their former battalions.

One of the most serious misrepresentations is that which involves the alleged North Vietnamese violation of the Vietnamese cease-fire agreement as regards Cambodia. The Administration's supporters have said, for example—

> U.S. air operations were a precise response to the North Vietnamese violation of Article 20 (of the Vietnam ceasefire agreement).

The fact is that there has been no North Vietnamese violation of article 20. According to the State Department, the terms of article 20 are not yet operative and do not require withdrawal until or unless there is a cease-fire agreement in Cambodia. Secretary Rogers himself recently acknowledged in a hearing before the Foreign Relations Committee that the North Vietnamese are not in violation of article 20.

Another erroneous assertion is that which states that—

> When the (Vietnam) cease-fire was signed, the Cambodian Government declared a cease-fire.

In fact, following the Vietnam cease-fire, Lon Nol announced that his troops would suspend offensive operations so that the North Vietnamese could withdraw and Lon Nol warned that if they did not withdraw, his troops would take action against them. This was not a cease-fire offer; it was an ultimatum. Furthermore, Lon Nol's troops did not all suspend operations whereas for several days most of the Cambodian insurgents apparently did.

It has also been said that—

> (U.S.) air strikes are meticulously targeted and controlled to avoid civilian casualties.

Our Air Force, while it undoubtedly does its best to avoid civilian casualties, is unable to do so because our authorities do not have available to them the type of detailed information required to avoid civilian casualties and because the airplanes being used and the manner in which they are employed make it impossible to avoid civilian casualties.

Furthermore, our staff has reported that the procedural safeguards employed in Cambodia are nowhere near as tight as those previously used in Laos where thousands of civilian casualties resulted from our devastation of the Plain of Jars. In fact, local Cambodian commanders are reported to call for air strikes without regard to possible civilian presence and an assistant air attaché in the American Embassy, far from the scene of the fighting, authorizes strikes on behalf of our Ambassador.

Mr. President, these are the facts that these men went out and obtained shortly before this debate started. There are many other misstatements of fact which I could cite that have been made on the floor in an effort to justify this incredible bombing. But those which I have noted should be sufficient to indicate that once again the American people have been given a distorted view of the war in Indochina. What these mistatements amount to is an erroneous picture of who we are fighting, where we are bombing, and a misrepresentation of the basis for our bombing.

As mentioned previously, the legal rationale for the President's authority to continue the bombing as presented by the executive branch is equally invalid.

Mr. DOLE. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Kansas has 9 minutes remaining and the Senator from Missouri has 12 minutes remaining.

Mr. DOLE. Mr. President, I wish to use this time to make as a part of the Record a statement delivered today by Dr. Roger E. Shields, Assistant to the Assistant Secretary of Defense—International Security Affairs—before the Subcommittee on National Security Policy and Scientific Development, of the Foreign Affairs Committee of the House. I would like to make one comment with reference to the paragraph on page 8 where Dr. Shields speaks of the efforts to verify the status of our MIA's and discusses those responsible for the verifications. He states:

> On two occasions, May 11 and 18, the team, along with representatives of the joint casualty resolution center, journeyed to North Vietnam where burial sites, allegedly of American servicemen, were seen. Identification and recovery of remains were not undertaken on these occasions because of

lack of permission from the North Vietnamese.

Mr. President, I ask unanimous consent to have printed in the Record the entire statement made by Dr. Roger E. Shields, Assistant to the Assistant Secretary of Defense, to which I have just referred.

There being no objection, the statement was ordered to be printed in the Record, as follows:

### Statement of Dr. Roger E. Shields

Mr. Chairman, members of the committee: It is a privilege for me to represent the Department of Defense here today. I particularly welcome the opportunity to talk with you because, unlike the last time we met, part of a great effort in behalf of our missing and captured men and their families has reached a heartwarming and satisfying conclusion. I am referring specifically to the return from captivity of 566 American military personnel and 25 U.S. civilians. Nine foreign nationals were also released. I would like to insert in the record at this point a statistical summary of these 591 returned Americans.

As you know, these Americans were taken prisoner while serving in Southeast Asia. Their period of captivity ranged from only a few months to as long as ten years. During this time they faced deprivations and made sacrifices that very few men ever encounter. Here at home the families of our missing and captured endured years of frustration waiting for some word about the condition or status of their men. These families were joined by countless Americans and virtually every government agency in a great national endeavor to obtain a full and accurate accounting of all the men, and better treatment and the ultimate release of those held captive. As I have indicated, only part of our work is finished. About 1300 men still remain unaccounted for and their families continue the seemingly endless vigil in their behalf. I will discuss our current efforts to resolve the perplexing issue of those who did not return in just a moment.

During the months and years preceding the long awaited return of our men, a major part of our work involved detailed planning for their repatriation. Presentations before this and other committees usually centered around the anticipated problems of reception, processing, rehabilitation, and readjustment of the returned prisoners of war. Much of this planning was done in the face of great uncertainty. For example, we did not know how many men would be released, what condition they would be in, or even where they would be returned to us. These uncertainties necessitated planning for a wide range of possibilities with contingency plans ready at our military hospitals in Europe as well as in the Pacific Theater. I can say with considerable satisfaction that our homecoming plans were well-founded. From the moment the first 116 men were released in North Vietnam on February 12, 1973, until the last one was released by the PRG in South Vietnam on April 1, 1973, the return of our men was handled with efficiency, thoroughness, and sensitivity. The initial reception, aeromedical evacuation, enroute medical treatment, and the ultimate family reunions and processing in the United States are a tribute to the outstanding cooperation and mutual support demonstrated by the four military services. We in the Department of Defense received unparalleled cooperation and assistance from agencies in both the Federal and State Governments; especially from the Department of State, the Congress of the United States, and our President.

Our returned men have now completed the homecoming processing events. Most of them are on convalescent leave and are busy getting acquainted with their families and their country once again. Many have already received future assignments and are preparing to resume active military careers. Some are undergoing scheduled treatment to correct physical deficiencies noted during the detailed medical evaluation received overseas and here at home. All of the men have been brought up to date in personnel and financial matters and have been debriefed on their experiences in captivity. The 31 military installations that accomplished the processing in the U.S. remain as headquarters for the men while they are free on convalescent leave and until they actively resume military or civilian professions. All agencies in the Department of Defense stand ready to help the men and their families during this transition period.

In the future, we are prepared to provide whatever assistance is required for as long as may be necessary. For example, the Department of Defense has implemented a program through which returned men who leave the military prior to obtaining retirement eligibility will, along with their families, be authorized to obtain health care in any military medical facility for a period of five years from the date of separation. Near the end of the five year period, each situation will be reevaluated. This program will help guarantee that each returned prisoner of war will receive immediate and long-term medical attention from military medical specialists who are familiar with the Southeast Asia captivity environment, and who have access to complete records and documentation in the military medical archives. For those who elect to leave the military, we are also prepared to provide a full range of job counseling and assistance in cooperation with private industry. For those who remain on active duty, the Services have developed special retraining and familiarization programs. One program, for example, involves two weeks of academic updating on military, national, and international matters.

Much of the credit for the success of homecoming must be given to the men themselves and to their families. They handled the repatriation events and the reunion with families and countrymen with great dignity and patriotism. They have been an inspiration to this country. Based on the accounts of their captivity experiences, I would say that their ability to endure so long under such harsh conditions can be largely attributed to their courage and determination and to their faith in God and country.

While we are grateful for the return of these men, our joy and sense of accomplishment are tempered by the fact that others, listed by our government as missing and captured, did not return. A full accounting for these men is not yet available to us. Some fear that in the wake of homecoming, we will forget those who are unaccounted for and ignore the plight of their families. I want to assure you that this will not happen. The Department of Defense will continue to seek the fullest possible accounting for these men and to provide their families with every possible assistance just as we have in the past. In addition, we will seek to recover the remains of the missing who have died and those who are already listed as killed in action but whose remains have not been recovered.

Before discussing the preparations that we have made and the actions we are now taking to achieve our objectives, I would like to place the problem in perspective by inserting in the Record a statistical breakdown of some 1300 men who remain unaccounted for in Southeast Asia. In addition to this number, there are about 1100 others who have been declared dead by the Services but whose remains have not been recovered.

As the members of the committee know, every possible avenue was explored prior to the release of our men to gain accurate information about those listed as missing or captured. Even while we planned our repatriation activities, we simultaneously prepared for the time when direct action to account for our missing would be possible through negotiation or systematic search. To date, extensive data has been gathered and stored in automated data handling systems for ease in correlation and analysis. This data includes extensive descriptive information on the individuals concerned, such as carefully plotted locations where they were last seen, and eyewitness accounts from our own forces as well as all accessible indigenous residents who were known to possess information about our prisoners or missing. One computerized program that is particularly unique contains information taken from medical records concerning all individual physical characteristics which would, with the aid of advanced technology, help facilitate the prompt and accurate identification of any remains that are recovered.

In order to update members of Congress on efforts being made to resolve the serious problem of accounting for the missing, the Department of Defense submitted a paper to them on February 2, 1973. Before proceeding further, I would like to submit for the record this paper and its memorandum of transmittal.

There are now two primary agencies upon which we are relying heavily to help resolve the status of our missing: The Four-Party Joint Military Team (FPJMT) and the Joint Casualty Resolution Center (JCRC). In accordance with the agreements signed in Paris, the Four-Party Joint Military Team was established after termination of the Four-Party Joint Military Commission expressly for the purpose of arranging for the recovery of remains and exchanging information to help clarify the status of the missing. The Joint Casualty Resolution Center was activated in January of this year in South Vietnam. In February, with approval of the Royal Thai Government, the Joint Nakhon Phanom Royal Thai Air Force Base in northeastern Thailand. Within the limits imposed upon it, the Joint Casualty Resolution Center supervises and conducts search operations designed to resolve the fate of the missing and recover remains wherever possible. The entire operation is peaceful, open, and humanitarian in nature. In its current location, the Joint Casualty Resolution Center is centrally located with regard to all the areas in which American personnel were lost.

The mission of our delegation to the Four-Party Joint Military Team has three primary aspects: (1) To obtain information from the other side about U.S. military and civilian persons who are missing in action; (2) to obtain information about the location of the graves of those persons who died in captivity or were killed in action; and (3) to negotiate entry rights for U.S. search and inspection operations into areas where there are believed to be unrecovered remains or where those still unaccounted for were last believed to be located.

The chief of our delegation, an Army colonel, is responsible through the defense attache office in Saigon and the U.S. support activity group in Thailand to the U.S. commander in chief, Pacific, Admiral Noel Gayler. Our delegation is also responsive to the policy guidance and instructions of the ambassador in Saigon. Since the first meeting of the team on April 4, over twenty sessions have been held. On two occasions, May 11 and 18, the team, along with representatives of the joint casualty resolution center, journeyed to North Vietnam where burial sites, allegedly of American servicemen, were seen. Identification and recovery of remains were not undertaken on these occasions because of lack of permission from the North Vietnamese. We are currently trying to arrange for the exhumation and repatriation of these remains and of any other American dead known to the other side.

Another issue that is of major concern to us is the acquisition of entry rights for our search teams to areas throughout Southeast Asia where our men are missing. The success of the joint casualty resolution center's mission depends heavily on the operating authorities and the cooperation of the countries involved. We believe that our search teams should be given access to all locations where our men are believed to be missing. This is especially true for Laos where only nine Americans were listed for repatriation while over 300 of our men still remain unaccounted for. Our teams possess the great expertise required for this complex and dangerous mission, as well as the motivation to do a complete and thorough job. Nevertheless, we invite and welcome host country participation in the activities of our field teams. Indeed, we feel that host country participation is essential to the safety of our own teams and to the success of the mission.

To give you a better idea of the task facing the joint casualty resolution center and our negotiators, let me turn back to some statistics that I mentioned earlier. As you recall, I said that there are some 1,300 who are unaccounted for in Southeast Asia and some 1,100 others who have been declared officially dead by the services but whose remains have not been recovered. More than 1,900 of the composite 2,400 in these two categories are the result of air crashes. There are more than 1,000 such crash sites involving over 50 different types and models of aircraft. The number varies from nearly 400 in North Vietnam to less than 20 in Cambodia. These crash sites are scattered throughout the rugged terrain in Southeast Asia—on mountains and in dense uninhabited jungles. Approximately 150 of the crashes were at sea. Some 90 percent of the sites are in militarily contested areas or in areas controlled by the other side.

So far, some five crash sites in non-contested areas of South Vietnam have been inspected. The inspection of these sites has allowed refinement of procedures and techniques in preparation for the more complex and hazardous operations to come. Pieces of aircraft wreckage and other materials have been located and are being analyzed for identification purposes. On one of the first search operations, a South Vietnamese soldier was killed by an unexploded booby trap while participating with an advance element that had been sent to clear the area for the main search party. This is a clear indication that the overall effort will be both difficult and dangerous. For the record, I would like to submit a fact sheet on the joint casualty resolution center that explains in greater detail the unit's organizational structure and methods of operation.

I would like to address now the question of the degree of success that we might ultimately achieve and how long this might take. Prior to the repatriation of our prisoners there were high expectations that large numbers of missing in action cases could be resolved from debriefing of the returned men. Unfortunately, this has not been the case. The debriefings have been performed in a professional manner with sensitivity, and the data carefully analyzed and stored for future reference. Nevertheless, it appears that less than 100 status changes will be made on the basis of this information. We are hopeful that a significant number of additional status changes will result from negotiated arrangements for the exchange of information and the return of remains from locations throughout Indochina. How quickly we will achive results from these efforts I cannot say. The four-party joint military team has made some progress in this area, and I am hopeful that our patience and persistence will be rewarded by ultimate success.

Even after all information has been exchanged and all known remains exhumed and repatriated, there will undoubtedly be cases which yet remain to be resolved. Take as an example the case of a missing aircraft which crashed in the sea or uninhabited jungle. It is likely neither side in the recent conflict would know the whereabouts of the wreckage or the fate of the crew. In other cases, even though the locations were once known, it is possible that both wreckage and grave sites may have succumbed to the ravages of time and the havoc of war. It is abundantly clear that the tasks of determining how some of our missing died and the recovery of remains could be prolonged if not impossible.

As for those who are thought to have been captured alive but who have not been returned, let me say that this is perhaps the most agonizing and frustrating issue of all. These are the cases of men who were seen on the ground or whose pictures were released subsequent to capture but who, for one reason or another, have not returned and for whom the other side has yet to provide a satisfactory explanation. We do not consider the lists received so far to be a complete and accurate accounting for our men. We do have, though, an agreement which provides for all actions necessary to account as completely as possible for all who have not returned or are otherwise unaccounted for. We believe that implementation of this agreement will provide the speediest and most satisfactory answers to our questions.

In summary, we are working now to finalize arrangements which will provide for the speedy return of remains of our known dead from locations throughout Southeast Asia, and for the acquisition of clarifying information on any others. On the other hand, the task of inspecting crash sites or locations where the missing were last seen and of finding, exhuming, and identifying remains may be difficult and prolonged, at least over several years, especially if operating limitations remain an obstacle. Some crash sites and graves may never be found.

As for status changes, I want to emphasize that they are not unalterably tied to the inspection of combat sites or to the recovery or remains. We have made changes in status from missing in action or prisoner of war to killed in action throughout the recent conflict. Since March, the services have made about 80 more status changes to killed in action, and we can expect that more will be made on a continuing basis in the future.

The recording and changing of status of the missing are governed by sections 551–558, title 37, United States Code. Under public law, the service secretaries are given responsibility for status changes. To assist him, each secretary calls upon professionals within his organization who conduct an exhaustive study, based on all available information of each individual case. Their task is a painful one requiring countless hours of deliberation and calling ultimately for difficult decisions. The subject of status determinations is not a new one for the services. Those involved in this often unhappy part of the prisoner of war/missing in action issue are experienced and skilled and expert in upholding the public law and at the same time protecting, to the best of their ability, the ultimate interests of the missing men and their families.

In making status determinations, two possibilities exist besides the option of retaining the individual in a missing status. In those cases where information is received which conclusively establishes that the member is dead, then a report of death will be issued. A finding of death, commonly known as a "presumptive finding" is made when circumstances are such that the missing individual cannot reasonably be presumed to be living. An individual who was lost over water and who was not among those released or acknowledged by the other side in any way is a good example of a potential "presumptive finding."

The problems surrounding the question of those not yet accounted for are difficult in every respect. We are prepared to do the job through the machinery that we now have in motion, but we are convinced that the issue will not be resolved quickly or easily. I want to assure you again that we will uphold our responsibilities and our obligations in this matter. We will provide the families of our missing men every possible assistance. And for those who must face a final negative determination, we are prepared to offer complete counseling and guidance to help ease the resulting burdens, as well as heartfelt sympathy.

Mr. Chairman, members of this subcommittee, may I again express the appreciation of the Department of Defense for your kind invitation to appear here today and for your steadfast work in behalf of our men and their families. The opportunity to discuss the current status of our returned men and the issue of our missing is truly welcomed.

REPORTED FOR RELEASE AND RETURNED TO U.S. CONTROL—FEB. 12, —APR. 1, 1973

| Country | USA | USN | USAF | USMC | Civilian | Total |
|---|---|---|---|---|---|---|
| North Vietnam. | 0 | 135 | 312 | 9 | 1 | 457 |
| South Vietnam. | 77 | 1 | 6 | 17 | 21 | 122 |
| Laos | 0 | 1 | 6 | 0 | 2 | 9 |
| China | 0 | 1 | 1 | 0 | 1 | [1]3 |
| Total | 77 | 138 | 325 | 26 | 25 | [2]591 |

[1] Detainees in PRC who were released during the referenced time period and processed through the homecoming system.

[2] Total does not include third country nationals.

RELEASE INCREMENTS AND DATES

| Place | Date—1973 | Military | Civilian |
|---|---|---|---|
| North Vietnam (DRV) | Feb. 12 | 116 | 0 |
| South Vietnam (PRG) | do | 19 | 8 |
| North Vietnam (DRV) | Feb. 18 | 20 | 0 |
| North Vietnam (DRV) | Mar. 4 | 106 | 0 |
| North Vietnam (PRG) | Mar. 5 | 27 | 3 |
| China (PRC) | Mar. 12 | 0 | 1 |
| North Vietnam (DRV) | Mar. 14 | 107 | 1 |
| China (PRC) | Mar. 15 | 2 | 0 |
| North Vietnam (PRG) | Mar. 16 | 27 | 5 |
| North Vietnam (PRG) | Mar. 27 | 27 | 5 |
| North Vietnam (Pathet Lao) | Mar. 28 | 7 | 2 |
| North Vietnam (DRV) | do | 40 | 0 |
| North Vietnam (DRV) | Mar. 29 | 67 | 0 |
| South Vietnam (PRG) | Apr. 1 | 1 | 0 |
| Total | | 566 | 25 |

PERSONNEL UNACCOUNTED FOR IN SOUTHEAST ASIA (AS OF MAY 26, 1973)

| Country | Army | Navy | USMC | USAF | Total |
|---|---|---|---|---|---|
| North Vietnam [1] | 3 | 133 | 25 | 322 | 483 |
| South Vietnam [2] | 329 | 5 | 70 | 89 | 493 |
| Laos | 16 | 13 | 14 | 265 | 308 |
| Total | 348 | 151 | 109 | 676 | 1,284 |

[1] Includes five missing as a result of twoaircraft losses in the vicinity of Hainan Island while in transit to the Tonkin Gulf.

[2] Includes 20 missing in Cambodia as a result of U.S. air losses and operations in enemy sanctuary area along SVN/Cambodian border.

OFFICE OF THE SECRETARY OF DEFENSE,
*Washington, D.C., February 2, 1973.*

MEMORANDUM FOR SENATORS AND MEMBERS OF THE HOUSE OF REPRESENTATIVES

I have prepared the attached information to insure that you are informed concerning the very important and serious problem of accounting for our servicemen who are missing in action in Southeast Asia.

I want to assure you personally that we in the Departemnt of Defense will meticulously explore all avenues and exhaust all clues in our quest to account for each individual lost in Southeast Asia. Also, I want to reaffirm that we consider each of our missing equally as important as our prisoners who are returning.

Your interest and support in our endeavor is appreciated.

Sincerely,

ROGER E. SHIELDS,
*Assistant for PW/MIA Matters.*

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OFFICE OF THE SECRETARY OF DEFENSE,
*Washington, D.C., February 2, 1973.*

### ACCOUNTING FOR MILITARY PERSONNEL WHO ARE LISTED AS MISSING IN ACTION

The purpose of this memorandum is to provide a description of the efforts being made to acquire as full an accounting of our missing in action personnel as possible.

The United States Government will make every possible effort to acquire an accounting for our servicemen missing in action in Southeast Asia.

In this regard, the Agreement which was signed in Paris on January 27, 1973, provides in Article 8 that:

". . . (b) The parties shall help each other to get information about those military personnel and foreign civilians of the parties missing in action, to determine the location and take care of the graves of the dead so as to facilitate the exhumation and repatriation of the remains, and to take any such other measures as may be required to get information about those still considered missing in action."

In addition, the Protocol to the Agreement "Concerning the Return of Captured Military Personnel and Foreign Civilians and Captured and Detained Vietnamese Civilian Personnel" states in Article 10, "With Regard to Dead and Missing Persons" that:

"(a) The Four-Party Joint Military Commission shall ensure joint action by the parties in implementing Article 8(b) of the Agreement. When the Four-Party Joint Military Commission has ended its activities, a Four-Party Joint Military team shall be maintained to carry on this task." Disagreements will be referred to the International Commission on Control and Supervision (Article 17 of the Agreement).

It is reemphasized that the U.S. Government will do everything in its power to insure that all parties adhere to the true sense of the Agreement. To this end, Major General Gilbert H. Woodward, United States Army, has been appointed as the United States Representative on the Four-Party Military Commission which will have representation from the United States, South Vietnam, North Vietnam and the Viet Cong. General Woodward has had extensive experience in negotiations of this type as the Senior Member United Nations Command, Military Armistice Commission, United Nations Command/United States Forces Korea during the period leading up to and at the time of the USS PUEBLO crewmembers' release. The task of the Four-Party Military Commission will be to implement appropriate provisions of the Agreement, including Article 8 quoted above. As the U.S. Representative, General Woodward is responsible for obtaining from other members of the Commission all MIA information held by them, and will coordinate with them the investigations by U.S. teams of incidents surrounding the loss of each of our MIA personnel.

The United States Joint Casualty Resolution Center (JCRC) has been established at Nakhon Phanom (NKP), Thailand and is assigned the mission of resolving the status of U.S. missing personnel. Personnel from the JCRC will locate and investigate crash sites or grave sites throughout Southeast Asia as arranged through the Four-Party Joint Military Commission. The organization of the JCRC will provide the expertise for these investigations, utilizing air search and ground search teams and a central identification laboratory with a pool of specialists to inspect located crash and grave sites and recover remains.

It is expected that endeavors in *remote areas* will normally include air and ground searches for crash sites. U.S.-led teams in conjunction with an air search will thoroughly investigate assigned areas of operation for suspected crash and grave sites. If a crash or grave site is located, personnel from the Central Identification Laboratory (graves registration specialists) and crash site investigators will be utilized for a detailed on-scene investigation.

In the more *inhabited areas*, personal contact with the local people following extensive information programs and coordination will be a primary technique. Grave registration specialists with interpreters, exploiting information gained from all sources and with authority to grant suitable rewards for useful information will conduct the major efforts in those areas where the location of crash or grave sites is more likely to be known and reasonably accessible.

Certain areas require that highly qualified U.S. personnel lead the ground searches because many are in highly remote areas or in the vicinity of roads or trails which are heavily booby trapped and endangered by unexploded ordnance. It is anticipated that recovery detachment teams will include indigenous personnel recruited, trained, and utilized in each country of interest with the cooperation of the host government.

While the Department of Defense will strive to accomplish this massive task of accounting for the missing military personnel in the shortest possible time, it must be realized that it will not be done quickly or easily. For example, in the case of a missing aircraft which crashed in the sea or uninhabited jungle, it is likely neither side in the recent conflict would know the whereabouts of the crash.

The Secretary of Defense and all Defense Department personnel realize and accept the obligation to *do their best* in performing this important task. This we owe to the families of the missing in action personnel. We intend to fulfill that obligation.

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### FACT SHEET: UNITED STATES JOINT CASUALTY RESOLUTION CENTER

The Joint Casualty Resolution Center (JCRC), commanded by Army Brigadier General Robert Kingston, is a joint task force established by and under the command of the Commander in Chief Pacific. The unit is under the operational control of the Commander, United States Support Activities Group (USSAG). The Joint Casualty Resolution Center operates under Joint Chiefs of Staff approved mission and joint table of distribution.

The Joint Casualty Resolution Center is an outgrowth of United States Government efforts to identify, document, and maintain records of known and suspected missing in action and prisoners of war. These records were initially maintained by the Joint Personnel Recovery Center (JPRC), Saigon beginning in 1966. When the JCRC was established in Saigon on 23 January 1973, the records of the JCRC were turned over to the new organization.

The mission of the JCRC is to assist in resolving the status of those U.S. personnel missing in action (MIA) and those personnel declared dead whose bodies were not recovered (BNR), through the provision of information/coordination and/or conduct of operations to locate and investigate crash and grave sites and recover and identify remains throughout Southeast Asia.

In planning for our field operations, we use the following assumptions:

a. All parties concerned will meet their obligations with respect to MIA's and dead assumed under the Vietnam and Lao agreements and will mutually assist in the resolution of such cases.

b. Conditions for coordination with personnel in countries concerned will be provided in accordance with terms of the ceasefire agreements.

c. Coordination of in-country activities in Laos and Cambodia will be accomplished through CINCPAC senior military representatives or designated American Embassy officers.

d. Coordination of in-country activities within North and South Vietnam will be accomplished through negotiations within the Four-Party Joint Military Team.

e. Access to all pertinent areas of Southeast Asia will be sought to allow JCRC teams to conduct casualty resolution operations.

In Saigon, an officer assigned to the Office of the Defense Attache, American Embassy has been designated to act as a channel for direct communications between JCRC Headquarters and the U.S. Delegation to the FPJMT.

The JCRC is organized under a dual deputy system: The Deputy Commander for Staff Operations is responsible for the staff planning and coordination; the Deputy Commander for the Field Operations supervises the field units.

Organizationally, the JCRC staff accomplishes the normal staff functions. Additional comments need to be made on three of the staff elements.

The Public Affairs Officer on the staff provides all available information on JCRC activities to the MACTHAI PAO in Bangkok. A JCRC officer is assigned to that office, where he serves as a casualty resolution point of contact and is in constant contact with the JCRC on all casualty resolution matters.

The Casualty Data Division assembles, correlates, and analyzes information on personnel who are missing in the vicinity of crash and burial sites. The function of this division includes data analysis, automated data processing, photo interpretation of aerial photos of crash sites, crash/grave site identification of areas in which JCRC teams will operate, and the maintaining of casualty records or dossiers on those personnel who have been in a missing in action status at one time or another during the conflict.

The Operations Division directs activities in the areas of operations, plans and communications. It also has a Public Communications Branch which provides staff assistance in the development of public information programs in an effort to obtain additional information concerning crash and burial sites.

The major subordinate elements involved in field operations are two control teams, one oriented toward operations in Vietnam and one toward Laos and Cambodia. These control teams provide command and control of casualty resolution field teams, each comprised of five men, and will have operational command of all special augmentation personnel needed to accomplish the mission. Each control team has the capability of launching, supporting, and extracting the field teams and provides for requisite air, communications, and logistics support.

The field teams which will search for crash or grave sites consist of an officer, a radio operator, a medic, an interviewer, and a general duty assistant to the officer in charge, who are all Special Forces Troops.

Special Forces personnel will be used because they are trained to operate harmoniously with indigenous peoples, are familiar with jungle terrain and survival techniques, and are available for this humanitarian effort with minimum additional training. The field teams will be augmented, as required, by Air Force air crash investigators, ordnance demolition technicians provided to disarm unexpended ordnance and booby traps near crash sites, and by indigenous personnel who will assist in the search and on-site operations. The JCRC has 11 organic field teams, with an augmentation capability of 10 more teams from the 1st Special Forces Group on Okinawa and 16 teams from U.S. Special Forces assets in Thailand.

The Central Identification Laboratory, Thailand (CIL), located at Samae San, between U-tapao and Sattahip in Southeastern Thailand, about 80 miles from Bangkok, is under the operational command of the Joint Casualty Resolution Center. The CIL is organized into an identification laboratory and eight five-man recovery teams which will accompany the casualty resolution field teams.

The field teams will be deployed in various ways. They can be utilized as separate entities in the search operations for selected locations, or they can be deployed in a cluster arrangement. This concept visualizes a number of concurrent and consecutive crash/grave site operations located in one general area. This area would be in the vicinity of a forward operating base which ideally would be adjacent to an air strip that could accommodate arrival, resupply, and departure aircraft. The cluster concept provides a single area to concentrate on, allows for maximum advantage to be taken of predicted climatic and weather cycles, maximizes the use of helicopters by short but frequent missions to support several teams in one area, enhances the command, control, and communications support of a number of field teams from the central operating base, facilitates logistics and reduces the insertion problem of the special augmentation personnel (Explosive Ordnance Disposal [EOD], crash investigators, documentary photographers, and CIL recovery teams).

A review of the steps that would be involved in the recovery process follows. First, the Casualty Resolution Staff develops selected areas for search and investigation based on known crash and grave sites. The detailed planning and coordination effort using all available information culminates in an aerial search of the area, if authorized. This combined research will be followed by insertion of the forward operating base and later the field teams and special augmentation personnel. A detailed search and inspection will follow. The results of these missions will be carefully documented. Upon completion of the search and investigation process, the teams and forward operating base will be extracted. Remains that have been located will be flown to the CIL for identification.

After analysis and recording has been completed, a detailed report will be forwarded to the services to assist in final determination on status of the personnel. Identified remains will be returned to the United States for burial as desired by next of kin.

Mr. DOLE. Mr. President, I would hope that the North Vietnamese would carry out the agreement signed on January 27 with respect to the MIA's, even though they are not carrying out the agreement with reference to military operations in Cambodia.

But I would suggest, as I said before, that I am not attempting to restrict, in effect, the Eagleton amendment in regard to strictly military considerations. The amendment offered by me and by the Senator from North Carolina states:

"*Provided, however*, That these restrictions shall be of no force or effect if the President finds and forthwith so reports to the Congress that the Government of North Vietnam is not making an accounting, to the best of its ability, of all missing in action personnel of the United States in Southeast Asia, or is otherwise not complying with the provisions of article 8 of the agreement signed in Paris on January 27, 1973, and article 10 of the protocol to the agreement 'Concerning the Return of Captured Military Personnel and Foreign Civilians and Captured and Detained Vietnamese Civilian Personnel'."

That is all we suggest by this amendment. That is all we suggested, I might add, in the past 2, 3, or 4 years, with reference to POW's. We had about the same arguments for and the same arguments against. No one questions the motives or patriotism of those who had a different view, but I stand here as one who has worked with families of MIA's and POW's. This is the least we can do.

Yes, we can say the North Vietnamese are going to permit us to do this and that, but what assurance do we have? What are the diplomatic sanctions referred to by the Senator from Missouri that we would impose?

I do not want the bombing of Cambodia to continue, either, but I do not want to take away from the President of the United States whether it is the present President or some other President—that leverage if the North Vietnamese turn their backs and say, "There will be no further investigation with reference to MIA's."

Having talked with some of the wives and some of the families of MIA's since January 27th of this year, I think it is fair to say that the great majority of these people, those directly involved, want to know the status of their sons or husbands. Are they dead or alive?

There was once a great hope that once the POW's came back and were debriefed, the status of many MIA's could be determined or changed, but, as I understand it, only 100 changes were made from "missing in action" to "killed in action."

I happen to believe that we owe the families of these Americans—of course they are not many; there are only 1,300—a quick accounting and a quick verification, so their status will be known.

I really cannot see that it does any great damage to the so-called Eagleton amendment to provide the President this leverage. First, the President must make a finding. Then he must make a report. And then, and only then, could he avoid the restrictions of the Eagleton amendment.

The POW's are home now, and the POW's, as I said, have been welcomed, and we all rejoice in their homecoming. We all are concerned about those who were killed in Southeast Asia, those who remain, and those who are hospitalized. And, yes, we are concerned about the MIA's, who have no voice at all, unless it comes from the Congress.

I am under no illusion. I do not expect this amendment to the Eagleton amendment to prevail. But I would hope those who read the RECORD and those who sit down next year or 20 years from now to read the RECORD, in the event the North Vietnamese do not carry out the agreement, will know there were those of us in the Senate who stood and let our views be known.

There has been reference to where the bombs are going in Southwest Asia. I would like to read from a staff report prepared for the use of the Subcommittee on U.S. Security Agreements and Commitments Abroad of the Committee on Foreign Relations, entitled "U.S. Air Operations in Cambodia: April 1973."

On page 1, subparagraph (b) reads:

> During the last two weeks in March, the U.S. Air Force had flown a daily average of 58 B-52 sorties, 30 F-111 sorties, 11 gunship sorties and 140 other tactical air sorties, more than two times the sortie rate before January 29.

In subparagraph (e), it states:

> (*e*) Only 20 percent of the U.S. air strikes being flown were in support of Cambodian forces while 80 percent were directed at the interdiction of North Vietnamese lines of communication into South Vietnam.

Mr. President, I wish to reserve time for my colleague from North Carolina, but I want to conclude my statement by reading from a letter we sent to every Member of this body.

First, I ask unanimous consent that the entire letter be inserted in the RECORD, at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
*Washington, D.C., May 31, 1973.*

DEAR COLLEAGUE: Today, more than four months since the Paris Peace Agreement on Vietnam was signed, some 1,300 Americans are still missing in Southeast Asia. In spite of specific provisions in Article 8 of the Agreement and its protocols for verification and information on missing men, the North Vietnamese have failed to allow inspection operations to be undertaken or to provide any information concerning the status or fate of these men.

We believe that the Senate must go on record for a clear accounting of all MIA's. We must have a full, complete, and detailed resolution of the status of each man insofar as possible. Every means of securing compliance in this respect must be available to the President. Yet the Eagleton Amendment to H.R. 7447, the Supplemental Appropriations bill, would severely limit the President's efforts to secure compliance.

Therefore, today, we intend to offer an amendment to suspend the restrictions of the Eagleton Amendment if the President finds and so reports to Congress that North Vietnam is not making an accounting as required under the Paris Agreement. Congress needs to know if North Vietnam is not living up to the Paris Agreement; our amendment would encourage the President to keep Congress informed in this respect. At the same time, it would give the President the means to continue whatever pressure is necessary to resolve the status of the MIA's.

If you would care to join us as a co-sponsor, please contact us on the Floor, or call John Smith (ext. 6521) or Jim Lucier (ext. 6342).

Sincerely,

BOB DOLE,
*U.S. Senate.*
JESSE HELMS,
*U.S. Senate.*

Mr. DOLE. Mr. President, let me read a part of that letter:

> We believe that the Senate must go on record for a clear accounting of all MIA's. We must have a full complete, and detailed resolution of the status of each man insofar as possible. Every means of securing compliance in this respect must be available to the President. Yet the Eagleton Amendment to H.R. 7447, the Supplemental Appropriations bill, would severely limit the President's efforts to secure compliance.

Mr. President, that is all we wish to do by offering this amendment. We wish to make certain that we preserve the President's right, the Commander in

Chief's right, to make certain that those who are missing in action are properly accounted for.

The PRESIDING OFFICER. All of the Senator's time has expired.

Mr. EAGLETON. Mr. President, how much time remains to me?

The PRESIDING OFFICER. The Senator has 12 minutes remaining.

Mr. EAGLETON. I yield 6 minutes to the Senator from Montana.

Mr. MANSFIELD. Mr. President, if the amendment offered by the distinguished Senator from Kansas (Mr. DOLE) and the distinguished Senator from North Carolina (Mr. HELMS) is adopted, we can kiss the Eagleton-Brooke-McClellan amendment good-bye. The effect will be to nullify what the Senate Committee on Appropriations did without opposition and what the Senate itself, in effect, did by a vote of 55 to 21 on Tuesday last.

Under the amendment now being considered, the bombing in Cambodia could go on indefinitely, because I note from the news ticker this morning that "the United States is still identifying missing in action from World War II, a quarter-century ago, and it could take months—if not years—for the status of remaining Vietnam MIA's to be settled."

There is no person in this Chamber who is not interested—if not more interested—in the missing in action, just as we were interested in the release of the POW's, the return of the POW's, and the return of U.S. personnel in South Vietnam.

I think we ought to face up to the realities and recognize that our Government has created a joint committee which is now stationed, I believe, in Bangkok for the purpose of finding and identifying some 1,400 or 1,500 personnel still listed as missing in action.

As the distinguished senior Senator from Missouri said, it is a tragic irony that the Department of Defense carried no MIA's in Cambodia prior to the January 27 ceasefire agreement. Since that agreement, however, two Americans have been lost in bombing operations and are now listed as missing in action.

If Senators want to create more missing in action, let them vote to continue the bombing. If they want to acquiesce in the present policy of the administration to continue the bombing, let them vote for this amendment. If they want to get out of Laos and Cambodia, and all of Southeast Asia, on a lock, stock, and barrel basis, they will see to it that the Eagleton-Brooke-McClellan amendment remains intact.

I have received 13 or 14 letters from men stationed at Utapao and Anderson Field in Guam.

Here is the last one:

> DEAR MR. MANSFIELD: At long last, Congress is asserting itself in its opposition to American military involvement in Indochina. It is with deep interest that I have been watching the recent developments in the House and now in the Senate. I have a personal interest in such developments because I am a B-52 copilot currently stationed temporarily on Guam.
>
> Of the several significant reasons which would justify an immediate halt to the bombing of Cambodia, the most significant is the questionable legality of the bombing. The reasoning behind the legality has thus far, at least, been flimsy.
>
> In addition, the tremendous amount of fuel consumed by all of the B-52s in their daily missions contributes dramatically to the severe energy crisis being experienced in the United States. Utilization of B-52s alone, operating out of Guam and Thailand on bombing missions, use up approximately 2½ million gallons of fuel every day.
>
> Also, a most serious concern is the possible loss of planes and men over Cambodia, thus resulting in additional prisoners being taken by the enemy.
>
> The flight crews engaged in these operations are truly being utilized as mercenaries. Apparently all that is required for B-52s and the various other aircraft involved in these operations to conduct their missions is a request by a besieged government for such assistance. It is a frightening thought.

Mr. President, the only way to deal with this situation is to face up to our responsibility. The only way to do it effectively is to cut the purse strings. And that is what the Eagleton amendment does, because it locks off funds from any and all directions and any and all acts so that if the Congress speaks on this basis, it will mean that we will at long last—13 years too late—get out of Southeast Asia all the way. And, as far as the MIA's are concerned, this Government is making every effort, and will continue to do so, to attempt to identify them. But if we want more MIA's, we should vote for the pending amendment and we will get them, just as we are getting them now in Cambodia.

If we want quicker action as far as the MIA's are concerned, we should keep the Eagleton amendment intact.

The PRESIDING OFFICER. Who yields time?

Mr. EAGLETON. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Missouri has 4 minutes remaining.

Mr. EAGLETON. Mr. President, I will be very brief because I could not add to the excellent remarks which the distinguished majority leader has just made on this subject matter.

The Senator from Kansas (Mr. DOLE) said: "This is the least we can do," meaning the Dole-Helms amendment.

Mr. President, I say that this is the worst we could do insofar as this country is concerned. This gives the President the right to continue bombing as long as he sees fit, on and on and on, endlessly, in a new area of warfare.

As the Senator from Montana said, this will not recover the MIA's, and, unquestionably, this will add to the MIA list.

I repeat, in summarizing the testimony being given today by the Assistant Secretary, the administration is in contact with the North Vietnamese, and the effort is going forward insofar as recovering and identifying the MIA's.

Insofar as the Dole amendment enhancing the possibility of peace, I point out that all it would do would be to involve us in another war, but this time it would be called the Cambodian War.

Mr. CHILES. Mr. President, will the Senator yield?

Mr. EAGLETON. I yield.

Mr. CHILES. Mr. President, I wonder if the Senator from Missouri or perhaps the Senator from Kansas could explain the meaning of the amendment to me. I am trying to understand the amendment.

The amendment says:

> These restrictions shall be of no force or effect if the President finds and forthwith so reports to the Congress that the government of North Vietnam is not making an accounting, to the best of its ability, of all missing in action personnel of the United States in Southeast Asia.

That is the language as I read it. What I am trying to understand is, if this amendment is agreed to, would it not be to the advantage of North Vietnam to not make an effort, because if they did not make an effort, the restrictions would not be in effect.

Mr. DOLE. Mr. President, first there must be a finding by the President. Second, there must be a report to the Congress, and after the report is made, we could cut off the action just like that. If we did not cut it off, there would then be the bombing.

Mr. CHILES. Mr. President, would not the North Vietnamese want the restrictions not to be in effect?

Mr. DOLE. They want the Eagleton restrictions to be in effect, because then they could do anything.

All I am saying is that in this one rare instance, in this one small instance, we are talking about American MIA's. Some are from Florida, some from Kansas, and some from Missouri. In that one instance, where there is no effort made for an accounting, if the President so finds and reports to the Congress, we resume the bombing.

Mr. CHILES. Mr. President, it looks to me as this would in no way help the effort. It could confuse the effort, and I would not want to do that.

Mr. DOLE. Mr. President, I want to keep the pressure on.

The PRESIDING OFFICER. Who yields time?

Mr. EAGLETON. Mr. President, I yield back the remainder of my time.

Mr. PERCY. Mr. President, I think it is fair to say that my concern for the fate of Americans unaccounted for in Indochina is as great as any man's. I have supported every responsible effort to achieve the release of prisoners of war and a full accounting of those missing in action. I have conferred at length with the Department of Defense officials whose task is to find the missing Americans in Indochina, and I have told them that we will not be satisfied until the job is done.

However, at this time I cannot justify continued American air combat over Cambodia and Laos in an effort to put greater pressure on North Vietnam to release information about the missing in action. Passage of this amendment, I believe, would bring more American deaths, the taking of more American prisoners, and an increase in the number of Americans missing in action, for this would inevitably be the result of continued American participation in combat.

The PRESIDING OFFICER. All time has expired. The question is on agreeing to the amendment of the Senator from Kansas to the committee amendment. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. STEVENS (after having voted in the affirmative). Mr. President, on this vote I have a pair with the Senator from Connecticut (Mr. Weicker). If he were present and voting, he would vote "nay"; if I were at liberty to vote, I would vote "yea." Therefore, I withdraw my vote.

Mr. ROBERT C. BYRD. I announce that the Senator from Nevada (Mr. Bible), the Senator from Nevada (Mr. Cannon), the Senator from Idaho (Mr. Church), the Senator from North Carolina (Mr. Ervin), the Senator from Connecticut (Mr. Ribicoff), the Senator from Georgia (Mr. Talmadge), and the Senator from Wyoming (Mr. McGee) are necessarily absent.

I further announce that the Senator from Alabama (Mr. Allen), and the Senator from Colorado (Mr. Haskell) are absent on official business.

I also announce that the Senator from Mississippi (Mr. Stennis) is absent because of illness.

I further announce that the Senator from Maine (Mr. Muskie) is absent because of a death in the family.

I further announce that if present and voting, the Senator from Colorado (Mr. Haskell), the Senator from Idaho (Mr. Church), the Senator from Connecticut (Mr. Ribicoff), and the Senator from Nevada (Mr. Bible) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. Baker), the Senator from Utah (Mr. Bennett), the Senator from Colorado (Mr. Dominick), the Senator from Hawaii (Mr. Fong), and the Senator from Connecticut (Mr. Weicker) are necessarily absent.

The Senator from Arizona (Mr. Goldwater) is absent by leave of the Senate on official business.

The Senator from New Hampshire (Mr. Cotton) is absent because of illness in his family.

The pair of the Senator from Connecticut (Mr. Weicker) has been previously announced.

The result was announced—yeas 25, nays 56, as follows:

[No. 161 Leg.]

YEAS—25

Bartlett
Beall
Bellmon
Brock
Buckley
Curtis
Dole
Domenici
Eastland
Fannin
Griffin
Gurney
Hansen
Helms
Hruska
Jackson
Long
McClure
Roth
Scott, Pa.
Scott, Va.
Sparkman
Taft
Thurmond
Tower

NAYS—56

Abourezk
Aiken
Bayh
Bentsen
Biden
Brooke
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Case
Chiles
Clark
Cook
Cranston
Eagleton
Fulbright
Gravel
Hart
Hartke
Hatfield
Hathaway
Hollings
Huddleston
Hughes
Humphrey
Inouye
Javits
Johnston
Kennedy
Magnuson
Mansfield
Mathias
McClellan
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Saxbe
Schweiker
Stafford
Stevenson
Symington
Tunney
Williams
Young

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Stevens, for.

NOT VOTING—18

Allen
Baker
Bennett
Bible
Cannon
Church
Cotton
Dominick
Ervin
Fong
Goldwater
Haskell
McGee
Muskie
Ribicoff
Stennis
Talmadge
Weicker

So Mr. Dole's amendment was rejected.

The PRESIDING OFFICER (Mr. Domenici). The question recurs on agreeing to the committee amendment on page 58.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. Do Senators yield back their time?

Mr. McCLELLAN. Mr. President, I yield back the remainder of my time.

Mr. EAGLETON. Mr. President, 2 days ago, the Senate voted overwhelmingly to support the motion I raised over the germaneness of my amendment, section 305 of this bill. It was only a procedural vote, but the message delivered by the Senate was clear—there is finally a majority in both Houses willing to put an end to our military involvement in Indochina.

A number of the old, familiar arguments were wheeled out by the opposition, but this time it seemed only a faint echo of a distant past. We were told that we must wait to hear the results of the negotiations—that we must maintain the credibility of our Government—that we must help the President maintain "peace with honor" by continuing to wage war.

But this time the majority was marching to another beat—a beat that said that the maintenance of our legal system is more important than a policy devised by the President but never approved by Congress—that America is afraid of reinvolvement in Indochina—that the destruction of an agrarian society is not worth the ambiguous policy goal our bombing is supposed to achieve.

Today we will hear the same opposition voices arguing that Congress should sit on its hands and allow the President to handle the Nation's problems. But I am confident that those voices will again be quieted by the marching beat of a determined majority.

We heard a great deal 2 days ago about the "shattering" of Senate rules. But opponents of my amendment seemed less eager to talk about the shattering of the rule of constitutional law by the President's unilateral decision to conduct combat activities over Cambodia and Laos in the absence of congressional approval.

The administration's rather interesting legal position is that, since the President had authority to conduct combat operations in Indochina prior to January 27, he retains that authority to carry out the provisions of the Paris cease-fire agreement. But as I attempted to demonstrate yesterday, both the administration and Congress were in agreement that the only authority possessed by the President prior to January 27 was the authority to protect American forces.

The administration argument seems to fall heavily on article 20 of the Paris cease-fire agreement. It would, therefore, be instructive to examine that article to see where it pertains to the President's constitutional powers to wage war unilaterally.

The sections of article 20 most often cited by the administration read as follows:

> (b) Foreign countries shall put an end to all military activities in Cambodia and Laos, totally withdraw from and refrain from reintroducing into these two countries troops, military advisers and military personnel, armaments, munitions and war material.
>
> (c) The internal affairs of Cambodia and Laos shall be settled by the people of each of these countries without foreign interference.

Article 20 is, of course, an agreement unilaterally executed by the administration. While it carries obligations to the respective parties under international law, it carries no weight whatsoever under the constitutional law of this Nation. It therefore may be considered a legitimate commitment to withdraw, but it can never constitute legal authority to continue combat activity which, after the total withdrawal of all American forces, can no longer be justified on the basis of unilateral Commander in Chief powers.

It should also be pointed out that article 20 was concluded as part of a peace agreement signed by three Vietnamese parties and the United States. No Cambodian or Laotian elements were represented at the Paris negotiations. It is, therefore, difficult to accept the administration's argument that implementation of article 20 can only be satisfied by a cease-fire agreement among the dissident forces in Cambodia.

Article 20 does not mention the word cease-fire. We are, therefore, technically left with the more amorphous requirement for reciprocal withdrawal. We say the North Vietnamese have not withdrawn, and they say the same about us. And what was probably a purposely ambiguous part of the Paris Agreement becomes, in the administration's mind, a vehicle for an indefinite American commitment.

The President had no statutory authority to initiate combat activities in Cambodia before the cease-fire agreement. Prior to March 28, our air operations were based on the President's claimed authority as Commander in Chief "to protect the lives and security of our men in South Vietnam." The basis of the President's own claim was thus eliminated when the withdrawal of U.S. forces was completed.

But, in a clumsy attempt at legal gymnastics, the administration has chosen the obscure article 20 as its authority. It was as good a choice as any because, short of specific congressional approval, the President's legal position is indefensible.

We also hear the familiar argument that Congress should wait for the results of Dr. Kissinger's negotiations. But even assuming we would agree to ignore the obvious abuse of the Constitution—and I would not—how long would we have to wait?

It had been rumored that a draft protocol on the question of Cambodia had been agreed to. The administration prefered to leave us with the impression that Ambassador Sullivan was simply seeking the expected concurrence of our allies. But now we hear that Sinanouk will not meet with Lon Nol.

Now, Dr. Kissinger admits, under questioning by the press, that there is no tentative agreement on Cambodia. And today it appears that our bombing will continue indefinitely—unless Congress acts to stop it.

Not the least among our considerations is the terrible story of destruction that is told by those who have recently seen Cambodia.

Few American reporters are allowed to see much of Cambodia nowadays, but Sydney Schanberg of the New York Times has, and the story he tells is one of despair. This is his description of Cambodia in the May 27 issue of the Times:

> In the past, when Communist troops entered an area or a village, the worst that would happen would be a brief exchange of fire with the half-hearted Government army. But now when the insurgents arrive, the villagers know that the bombs are not far behind.
>
> "This bombing is a terrible thing," said a Western diplomat here, "not only because of all the villages already destroyed, but because it has terrified all the rest of the villagers, who are moving out of their homes in the thousands to escape. This had swollen the refugee population at a time when food is getting scarcer."

Whether or not we support the objectives of our bombing policy, we must concede that its effect is to render meaningless the phrase "to the victor go the spoils." For if we continue bombing there will be no victor in Cambodia, and there will be no spoils.

The Nation is watching Congress today. And many are wondering if the constitutional prerogatives we have long claimed to be ours will be used to benefit America. Many are wondering if we will perform our duty, or defer our judgment, as we have so often in the past. And many are wondering if those assigned the awesome task of declaring war can also summon the courage to declare peace.

Mr. President, I believe the distinguished Senator from Virginia (Mr. HARRY F. BYRD, JR.) has very brief remarks he wants to make directed to this section of the bill.

Mr. HARRY F. BYRD, JR. Mr. President the issue before the Senate on the question of denying funds for military operations for Cambodia and Laos is whether the Congress shall demand a voice in determining the future role of the United States in Southeast Asia.

If there is a need for further U.S. military activity in Indochina—and I am not prejudging the question—the President should submit the case to the Congress. This is not a time for unilateral action by the executive branch. This is a time for thorough review of our policies in Indochina.

I consistently supported the Commander in Chief, both President Johnson and President Nixon, while U.S. troops were in Vietnam. But now, all such troops are out, and all of our prisoners of war have been returned. The President has stated that our objectives in Indochina have been achieved.

As I see it, if any further military action in Southeast Asia is needed, it must be taken jointly by the Congress and the President, and not by the President alone.

The need for the pending amendment was underscored by the arrogant testimony of then Secretary of Defense Richardson before the Senate Appropriations Committee. Mr. Richardson said that the executive branch would utilize public funds as it wishes in the absence of a clear-cut mandate from the Congress.

This statement shows an attitude which makes it imperative that the Congress assert its constitutional role in determining the basic question of foreign military involvement.

For these reasons, I shall vote in favor of the Eagleton amendment and will keep an open mind in any specific proposal made by the President.

Mr. EAGLETON. Mr. President, I yield briefly to the distinguished Senator from South Carolina (Mr. HOLLINGS).

Mr. HOLLINGS. Mr. President, I want to associate myself with the remarks just made by the distinguished Senator from Virginia (Mr. HARRY F. BYRD, JR.). He and I discussed this issue at length. We have gone over the hearing record that the then Secretary of Defense Richardson made before the Appropriations Committee.

I think that the statement of the Senator from Virginia sums up in capsule form the issue at hand and I join him in support of Senator EAGLETON's amendment.

Mr. BEALL. Mr. President, we were deeply relieved when a cease-fire in the Southeast Asian conflict was negotiated in January. The Paris accords enabled us to withdraw our remaining troops from South Vietnam, recover our known prisoners of war and initiate a cease-fire in North Vietnam, South Vietnam, and shortly thereafter in Laos. The Government of Cambodia declared a unilateral cease-fire but it collapsed in the face of continuing attacks by the Khmer insurgents.

When the Paris agreements went into effect in January, all of us knew that their full implementation would be a difficult task. In spite of the continuing instability in Cambodia, and the threat it poses to the security of South Vietnam, the agreements have gradually taken effect in most of Southeast Asia. Since January 27 the major and minor cease-fire violations in South Vietnam have gradually diminished as have the ARVN's weekly casualties.

In light of the overall progress we have achieved to date, as well as the current round of negotiations designed to tighten up the cease-fire agreement and extend it to Cambodia, I think it would be unwise for the Congress to take unilateral action that would negate these deliberations.

Mr. President, I am as anxious as anyone to see the bombing in Cambodia come to a halt, but I do not believe that the public interest would be served by the Congress pre-empting the current negotiations. If the Kissinger-Tho negotiations do not bring the residual aspects of this conflict to an end, then I believe it would be appropriate for the Congress to set a date certain for the termination of all U.S. military operations in Southeast Asia.

Mr. KENNEDY. Mr. President, we appear today to be near the end of the extended debate over the extended bombing of the land and people of Cambodia.

I rise in support of this amendment, which is a long overdue effort to finally end America's financing of a massive air war over Laos and Cambodia. We can only wonder how this delay in ending the bombing appears to the refugees and civilians in Cambodia—to the women and children sifting through the rubble of their bombed homes—a picture which flashed across our television screens only last night. How must it seem to them to learn that the U.S. Senate, having finally deemed that the American bombing of their homes is a germane issue, is now preoccupied with perfecting amendments to what is to them a tragically imperfect and disastrous bombing war? How they must wonder, Mr. President, when they hear American officials and some Senators say American bombs hit only North Vietnamese and insurgent troops.

Some will debate the reasons for this senseless bombing of Cambodia—reasons so dubious that the administration has constantly changed them, and reasons which have no basis or authority in law—but none can debate the shattering impact the bombing and the war is having on the land and people of Cambodia. Even as we speak today bombs are falling—American bombs dropped by American pilots. And there is violence from all sides. Each day of bombing and war brings another day of human suffering, and tragedy is piled upon tragedy. More civilians become casualties or die. More children are orphaned or maimed. More refugees flee devastated villages and towns.

I think we should condemn the violence from both sides. But the real question that confronts us today is how much longer will we be a part of this violence. There is no question that the North Vietnamese and the Khmer Rouge and the other insurgents are involved in this bloodbath. There is no question that there is terrorism and shelling from all sides. The only question is how much longer will we spend our dollars to fuel this violence—to take part in a continuing civil struggle in Cambodia and Laos.

And make no mistake about it, Mr. President, American bombs are substantially contributing to this violence. American bombs create refugees—they kill and maim civilians—on a scale far greater than low-level terrorism or mining or shelling.

Nowhere is this better documented than in the reports and hearings of the Judiciary Subcommittee on Refugees, which I serve as chairman. Most recently this was underscored in a report prepared by the subcommittee's recent study mission to Indochina. In Cambodia the study mission team found that "bombing is the most pervasive reason for refugee movement."

Visiting the refugee camps around Phnom Penh, and the refugees shantytowns which now surround the city, as well as in the provinces of Svay Rieng, the study mission's interviews with refugees largely confirmed the earlier findings of the General Accounting Office as to the impact of the bombing on civilians. In interviews in 1971, the GAO found that some 60 percent of the refugees cited aerial bombardment as the principal reason for moving, while about 40 percent spoke of artillery fire or actual ground fighting from both sides as the cause. Obviously no scientific surveys have been taken of refugee opinion, but the study mission reported that in their random sample nearly all of the refugees spoke of their homes being destroyed or damaged by bombing or artillery, or burned in the conflict. Several spoke of the brutalities of the Vietnamese—referring to both North and South Vietnamese troops in their country.

Direct statements from the refugees themselves are perhaps more revealing of the impact of the bombing and of the difficulty of life in rural areas because of the extended bombing. As one woman from Kampong Speu Province, now living in a little shack on the edge of Phnom Penh, told the subcommittee study mission:

> My house and all my things were destroyed by the bombs. I don't know why they bombed. I never saw a Vietnamese. My whole village was burned by the bombing.

Another refugee, an older man with a family of six from a village in Kampong Thom Province, said he and his family fled because:

> At first we heard artillery in the distance and then the sound of airplanes. Before we knew it, the airplanes were over us. Many felt danger and left for town. Later the airplanes bombed and the artillery fired.

He did not know which destroyed his house. He said he was surprised because he did not see soldiers of any kind.

According to the study mission's report many Cambodian refugees have had to move two or more times. One woman, who now lives in the Phnom Penh refugee camp at O bek Kaam, told this agonizing story:

> Her family lived in the eastern province of Svay Reing in a village not far from the Vietnamese border. Over the last few years before they moved they had seen Vietnamese, but the Vietnamese had not bothered them or their land. They weren't sure in the beginning if they were North or South Vietnamese. Then the war started and there were Vietnamese all over, some South and some North, they couldn't tell which, and there was fighting and bombing. Her husband and daughter were killed in the bombing—she doesn't know whose airplanes they were. That is when she decided to move into the city of Svay Rieng. She stayed there for two years because they thought it safe to be near the cannons instead of in the fields where they fire. But life was difficult in Svay Rieng: they got no help from anyone and barely made enough to eat. Then conditions this year got worse, and even Svay Rieng did not seem safe. There was fighting nearby and she moved her family to Phnom Penh where she moved into a refugee house of a friend.

Mr. President, over the past 3 years these stories have been repeated countless times. Each day of the war has brought more refugees into constantly smaller areas controlled by the Government, and uncounted numbers in other areas outside of Government control.

As in South Vietnam, most people have crowded into the provincial towns and into the capitol city to avoid the fighting and bombing. Surely, as the refugee woman said "it is better to live near the cannon than out in the field where it fires."

The effect of the war on Cambodia, as in South Vietnam, is to push the countryside into the city. A rural people, once self-sufficient, are being forced into a false urban situation for which they are totally unprepared and where work and food are desperately short. A nation, once self-sufficient in rice production, now faces severe food shortages and the prospect of famine, even though the United States now provides three-fourths of all the rice consumed in Cambodia.

This is what the bombing in Cambodia has produced in human terms. Bombing which is as senseless as it has been brutal. Bombing that is out of proportion to whatever goals we originally sought. And this, Mr. President, is the correct rule of international law—a rule which the administration says is correct, but which it refuses to follow.

It was stated in a letter from the general counsel of the Department of Defense regarding American bombing policy in Indochina:

> The correct rule of international law which has applied in the past and continued to apply to the conduct of our military operations in Southeast Asia is that "the loss of life and damage to property must not be out of proportion to the military advantage to be gained."

I would submit, Mr. President, that by the Department's own rule, the extended bombing in Cambodia long ago became out of proportion. It is time for the Congress to assert its role in defining a new sense of proportion, to vote an end to any further financing of a bombing campaign which has already taken such a massive toll in "life and damage to property." It is time for the Congress to tell the Department of Defense to live by its own rule.

The people of America want peace—not a peace that comes and goes, from day to day and month to month—but a durable peace, so that our Nation can finally turn all its resources to all the other things that command our attention at home and abroad. The time has come for America to stop sending its bombers to produce a war that is called peace, and to end our role in the violence and bloodbath that has engulfed the people of Cambodia.

Nowhere is the issue before us better stated than in letters I have received recently from U.S. Air Force personnel flying B-52 missions over Cambodia from Guam. An Air Force captain writes:

> I am writing to you in regard to the continuing war in Southeast Asia . . . is it moral what we are doing in Cambodia? There is no constitutional justification for our presence in Cambodia.
>
> Those of us that continue to fight a war without purpose look to you and the Congress to put an end to this.

Finally, another Air Force captain eloquently states the urgency of our task today:

> I am a B-52 navigator currently on temporary duty at Andersen AFB, Guam. I am writing this letter to urge you to do your utmost to end our continuing war in Southeast Asia.
>
> We are now no more than a mercenary army fighting solely on the discretion and whims of our President. The people never having their say through Congress as provided for in our Constitution. Under what justification do we bomb a population merely upon the request of another Government? With more POW's sure to follow, can we expect another ten years of war trying to free them, or will Mr. Nixon just forget them? We have no money for social programs at home, but we spend millions to bomb innocent civilians. Many, if not all of the B-52 crew members are tired of killing for no reasons. We think we deserve a chance to patch up the many personal problems we all have that have been created by these many years of war. If Mr. Nixon will not stop this insanity then the people, through Congress, must.

Mr. CHILES. Mr. President, I notice that the distinguished Senator from New York, Senator JAVITS, inserted into the RECORD on May 16 some important documents on the debate concerning the bombing of Cambodia. Senator JAVITS has presented the State Department's 13 page memorandum called "Presidential Authority To Continue United States Air Combat Operations in Cambodia" which is the Government's legal brief justifying the bombing, Senator JAVITS own excellent memo of rebuttal and the text of Judge Wyzanski's opinion in Mitchell versus Laird, a court of appeals case cited in the State Department memo.

For the record I would like to point out that the State Department in their legal brief justifying the bombing, called Mitchell versus Laird, misquoted this case which they relied on for their authority to continue the bombing. That memo says:

> The recent opinion of the *United States Courts of Appeals* for the *District of Columbia Circuit* in *Mitchell* v. *Laird* makes it clear that the President has the constitutional power to pursue all of these purposes. In the words of Judge Wyzanski the President properly acted "with a profound concern for the durable interests of the nation—its defense, its honor, its morality."

In fact this is not what the Court said. The text of Judge Wyzanski's opinion in Mitchell versus Laird actually reads as follows:

> Even if his predecessors had exceeded their constitutional authority, President Nixon's duty did not go beyond trying, in good faith and to the best of his ability, to bring the war to an end as promptly as was consistent with the safety of those fighting and with a profound concern for the durable interests of the nation—its defense, its honor, its morality.
>
> *Whether President Nixon did so proceed is a question which at this stage in history a court is incompetent to answer.*

On this basis the Court dismissed the case.

So the Court did not hold, as cited by the State Department brief, that the President "properly acted with profound concern for the durable interests of the Nation—its defense, its honor, its morality." Rather, the Court held that this was only his duty, having inherted the war. At the moment of history when the Court was asked to rule—with troops in the field and our prisoners still held—the Court also determined that this presented a question on which the Court was incompetent to rule.

This was the only court case cited by the State Department justfying the President's authority to continue the bombing and it in no way can be construed to give the President such authority.

This misquoting of a legal case as part of the State Department's argument to us concerning the President's authority to continue bombing in Cambodia is remarkable considering the importance of this question before us.

The rest of the State Department's memorandum is no more convincing. Much of the memo deals with the foreign policy implications of not continuing to bomb Cambodia. This of course clouds the issue. We are not debatng here a foreign policy question so much as we are debating a constitutional question. We are debating whether the Congress of the United States has any legitimate role at all in deciding major foreign policy questions of this Nation. I believe that the Congress not only does have a vital role to play but must be a participant in these important issues or our whole system of government becomes weakened.

The thing that bothers me most is that the administration is not meeting this issue of consitutional authority head on. They are ducking behind the clouded uncertainties of what will and what will not happen in Cambodia and the rest of Southeast Asia or what will or will not happen in Paris in the discussions between Dr. Kissinger and the North Vietnamese if the Senate votes to stop the bombing. The issue is, Does the President now have the authority to bomb or not?

What is left of the administration's argument is a heavy reliance on article 20 of the Paris Peace Agreement which states that the parties to the agreement should see to it that the hostilities end in Cambodia and Laos and that troops are withdrawn from these two countries.

Now the Paris Peace Agreement is the most important international agreement the United States has entered into in the 1970's. It is in fact a treaty of historic significance. And yet the President chose to negotiate it as an executive agreement not as a treaty, and therefore was not obliged to send it to the Senate for ratification. So the argument is that the President's authority to bomb Cambodia rests on an article to a Presidential agreement which should have been a treaty and should have been ratified by the Senate. So the President has created his own legal basis for justifying actions he wants to take. This just cannot be.

Gentlemen, I think the State Department needs to hire some lawyers to write their briefs. The administration's case is about as weak as can be imagined.

The memo concludes:

> In light of these facts, it seems clear that the argument that the Constitution requires immediate cessation of U.S. air strikes in Cambodia because of the Paris Agreement is, in reality, an argument that the *Constitution which has permitted the United States to negotiate a peace agreement*—a peace that guarantees the right of self-determination to the South Vietnamese people as well as the return of United States prisoners and withdrawal of United States armed forces from Vietnam—is a Constitution that contains an automatic self-destruct mechanism designed to destroy what has been so painfully achieved.

This is nonsense. The Constitution does not "require immediate cessation of U.S. air strikes in Cambodia." The Constitution does not "contain an automatic self-destruct mechanism." The Constitution does set up a system of government based on law with three equal branches of government designed to check and balance each other. There can be no doubt that the Constitution requires the President to seek congressional authority for activities of war. This requirement has been seriously weakened in recent years.

The President has no constitutional or legal authority to bomb Cambodia. He must seek that authority from the Congress.

We must pass the amendment put forward by Senator EAGLETON to cut off funds for military activities in Cambodia and Laos until the President seeks the proper authority from the Congress.

Mr. TUNNEY. Mr. President, on January 27 the signing of the Paris peace accord appeared to signal the end of the longest and costliest war in the Nation's history. It was the hope of us in the Senate that we could put the senseless bloodshed, which cost the lives of 53,000 Americans and countless Vietnamese, behind us and turn our attentions to the pressing needs here at home.

We had reason to believe that the bitter debates which divided our country would end. We thought that as we honored the returning prisoners of war and the thousands of Vietnam veterans who served so courageously, we also were making a solemn pledge to avoid future military involvements in Southeast Asia. We expected the Government to heed the overwhelming desires of the American people and the Congress to withdraw finally, completely, and irrevocably from the quagmire of Indochina, and to devise new and more enlightened policies in dealing with that part of the globe.

Now, hardly 3 months after the ink on the cease-fire agreement has been allowed to dry, the military forces of the United States are engaged in a heavy and expanding aerial bombardment of Laos and Cambodia, in direct contravention of the language and spirit of the ceasefire provisions to which we are sworn parties. Thus, while our nominal policy is disengagement, we pursue an undisguised policy of headlong intervention. While the administration announces its intentions of establishing an enduring peace in Southeast Asia, bombs from American planes continue to rain down on the unprotected villages and innocent civilian populations.

Former Secretary of Defense Elliot Richardson has said the raids are necessary to induce North Vietnamese observance of the peace accords. Thus, we are conducting unrestrained air attacks upon one country as a form of retaliation against another. We are saying in effect, that to enforce the agreements, we must ourselves breach the agreements. This ignores the fact that the ostensible reason for going into Cambodia in the first place was to protect our troops in Vietnam. That justification no longer exists; the troops are out.

Equally troublesome is the Defense Department's argument that the bombing is legal without further specific congressional consent, since the cease-fire has never really gone into effect, and, therefore, the bombing is merely an extension of the existing conflict.

Under such an interpretation, the President, without approval by the Congress, could take any step he considered necessary to widen the war in Southeast Asia, regardless of the opposition of Congress or the American people. If the Senate accepts such a proposition, it ignores its authority, abdicates its responsibilities, and acquieses in a de facto Executive dictatorship in the conduct of the Nation's foreign and military policies.

If the provisions built into the Paris accords are now to be undone by the arbitrary and legally unsupportable acts carried out in open violation of those accords, then this administration will be legitimizing the use of force whenever its diplomacy fails. The way to rebuild the peace and to repair the damage already done to these beleaguered countries is not to wage further war and not to seek refuge in shaky legal doctrine in doing so. If the aftermath of the ceasefire agreement is to be the spilling of more blood, the loss of more American servicemen, the creation of thousands of Cambodian and Laotian refugees, and the poisoning of the climate in which the reconstruction of these countries should begin to take place, then we have accomplished little toward our goal of freedom and security in that part of the world.

It is apparent that the constitutional checks and balances and the weights of public opinion have been ineffective in halting the unilateral warmaking decisions of the executive branch. Despite strong condemnation of the bombing by majorities in both Houses of the Congress, the administration persists in expanding the conflict. The deadly air bombardment going on even as we deliberate here today, imperils the steps toward peace we have already taken, risks more American prisoners and additional casualties.

In pursuing these measures, the President undercuts the very objective of the so-called Nixon doctrine in which he stated:

> The time has passed when America will make every other nation's conflict our own, or make every other nation's future our responsibility, or presume to tell the people of other nations how to manage their own affairs.

The time has come to hold the President to his word.

For too long, the Senate has stood by while its constitutional powers have been eroded by the executive branch. Mr. President, I think this body must now respond to this challenge, and restore to itself its constitutional role in the decisionmaking process. We can no longer tolerate executive abuses of the congressional mandate in this vital area of foreign policy without seriously undermining public confidence in the Congress to curb the executive branch when it advocates measures that may be no longer truly reflective of the national interest.

The spreading involvement of the United States in other areas of Southeast Asia could precipitate a crisis of major proportions between the legislative and executive branches if not dealt with promptly and effectively. The Eagleton amendment forbidding further expenditure of appropriations, either present or past, in support of any combat activities in Cambodia or Laos, compels us to act.

To fail to act would be acquiescing in a policy that violates our desires for peace and peace itself.

Mr. MONTOYA. Mr. President, this is a time when the American people must wonder what to believe—and whom to believe.

What they hear from the administration is in sharp contrast with what they see on their TV screens at night. They have been told that the ugly war in Vietnam is over, that an agreement was signed in Paris in January which finally ended American participation in that war with something called honor. They have heard protestations by the administration that now the troops are home, the POW's are home, and that we are entering into a generation of peace.

Yet every night they still see the pitiful human victims of war in Cambodia and Vietnam, and hear again the frightening reports of American B-52's and fighter-bombers flying unknown numbers of sorties, leaving destruction and death behind.

What are they to believe?

From Washington they hear a babel of voices, statements, arguments about what is true and what is not true, what is constitutional and what is not constitutional, what is necessary and what is not necessary.

Is it any wonder that their confidence in government, their confidence in politicians, their confidence in us as their representatives is shaken?

They want to know how these decisions are made, and who is making them? They want to know how they can begin again to control their own lives and the future of their children? They want to know how many secret agreements have been made, how many shaky governments their sons have been committed to defend, and they want to know why?

I think, Mr. President, that the people are beginning to see us—their representatives—as a last line of defense against a mind-boggling bureaucratic madhouse where the buck never stops and where no one is willing to accept responsibility for representing the people. If they cannot turn to us for a clear statement of responsibility and truth, where can they turn?

They know what they want.

They want American participation in the war ended—in reality, not in rhetoric.

They want U.S. forces out of Southeast Asia—in reality, not in rhetoric.

They want no more American POW's captured or held hostage.

They want no more American soldiers drawn into a conflict thousands of miles away—a conflict which has lost any meaning it ever had for the defense of American interests.

On May 8 of this year Secretary Rogers said:

> We will not slide into another Vietnam. We will not introduce American ground forces. We are not committed to any particular Cambodian government. Our only purpose is to insure that the Paris peace agreement is observed.

I believe the American people want those statements backed up by reality.

There is ample evidence that neither side in Southeast Asia is complying fully with the Paris agreement. That is why Mr. Kissinger is in Paris, and of course we must all hope that he is able to assist in bringing new meaning and honesty to those agreements. But it is not possible for the American people—or for me—to understand how our continuing to participate in the reality of a fighting war, while the administration talks the rhetoric of a nonexistent cease-fire, will bring any meaning to that agreement.

They did not understand the expansion of the war into Cambodia in 1970. They do not understand all the kaleidescope of excuses which have been given by the administration for continuing that expansion. All the original reasons given—protection of our troops, saving American lives, rescuing American POW's—are now "inoperative."

There are no legal treaties which compel, or even permit, us to continue to make war in Cambodia. There is nothing left but the real question which is basic to our decision today.

That question, of course, is: who is responsible for making war in the name of the people of the United States? Who is responsible for appropriating the people's money for war? Who is responsible for declaring this Nation to be at war? Who is responsible for sending American airmen into combat and American planes into conflict?

The people of this country think they are entitled to a clear answer to those questions today. I agree with them. They may not understand all of the legal arguments and historical precedents which will come to this floor, or the serious considerations which must he given to them. They expect us to represent them in those considerations, and properly so.

But the continuation of our form of representative government is dependent upon an understanding by both the people and the various branches of their government about responsibility: who makes the law, who carries out the law, who makes and approves treaties with foreign governments, and who sends our sons to war. The people understand that, and that is what is important about our vote today.

It has taken us a long time to come to this day. Inch by inch, we in the Congress have forfeited our constitutional powers to control warmaking. Whatever our reasons in the past, they are no longer acceptable to the people today. They are asking—they are demanding—that we finally stand as their representatives and use our constitutional powers to fulfill their will.

They know what they want: a government which is constitutional and representative.

We know what they want: representatives who will insist on constiutional action in both war and peace, in our own Nation and in our relations with other nations.

There is no valid legal or constitutional excuse for the continuing combat activities of the U.S. forces in or over Cambodia or Laos. I believe, Mr. President, that the American people know that, and have turned to us as their only hope for a return to the rule of law in this Nation.

I urge your support for the cutoff of all appropriations which could support combat activities in or over Cambodia or Laos by U.S. forces.

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

Mr. MANSFIELD. Mr. President, will the Senator withhold that briefly. Yield back your time.

Mr. EAGLETON. Mr. President, I yield back the remainder of my time.

Mr. SCOTT of Pennsylvania. Mr. President, I yield back the remainder of my time on behalf of all Senators.

Mr. MANSFIELD. This applies only to the committee amendment.

Mr. SCOTT of Pennsylvania. To the committee amendment only, yes.

The PRESIDING OFFICER. That is correct.

The question recurs on agreeing to the committee amendment on page 58.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Montana will state it.

Mr. MANSFIELD. To make the record straight, do I correctly understand that a vote "yea" will be in favor of the Eagleton-McClellan-Brooke amendment and a vote of "nay" will be against it?

The PRESIDING OFFICER. The Senator is correct. It will be on the committee amendment, the so-called Eagleton amendment.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. SPARKMAN (when his name was called). On this vote I have a pair with the Senator from Georgia (Mr. TALMADGE). If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I therefore withhold my vote.

Mr. ROBERT C. BYRD. I announce that the Senator from Nevada (Mr. BIBLE), the Senator from Nevada (Mr. CANNON), the Senator from Idaho (Mr. CHURCH), the Senator from North Carolina (Mr. ERVIN), the Senator from Georgia (Mr. TALMADGE), and the Senator from Wyoming (Mr. MCGEE) are necessarily absent.

I further announce that the Senator from Alabama (Mr. ALLEN) and the Senator from Colorado (Mr. HASKELL) are absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that the Senator from Maine (Mr. MUSKIE) is absent because of death in the family.

I further announce that if present and voting, the Senator from Nevada (Mr. BIBLE), the Senator from Nevada (Mr. CANNON), the Senator from Idaho (Mr. CHURCH), the Senator from North Carolina (Mr. ERVIN), and the Senator from Colorado (Mr. HASKELL) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Utah (Mr. BENNETT), the Senator from Colorado (Mr. DOMINICK), the Senator from Hawaii (Mr. FONG), and the Senator from Connecticut (Mr. Weicker) are necessarily absent.

The Senator from Arizona (Mr. Goldwater) is absent by leave of the Senate on official business.

The Senator from New Hampshire (Mr. Cotton) is absent because of illness in his family.

If present and voting, the Senator from New Hampshire (Mr. Cotton), the Senator from Colorado (Mr. Dominick), and the Senator from Hawaii (Mr. Fong) would vote "yea."

On this vote, the Senator from Connecticut (Mr. Weicker) is paired with the Senator from Arizona (Mr. Goldwater). If present and voting, the Senator from Connecticut would vote "yea" and the Senator from Arizona would vote "nay."

The result was announced—yeas 63, nays 19, as follows:

[No. 162 Leg.]

YEAS—63

Abourezk
Aiken
Bartlett
Bayh
Bellmon
Bentsen
Biden
Brooke
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Case
Chiles
Clark
Cook
Cranston
Domenici
Eagleton
Fulbright
Gravel
Gurney
Hart
Hartke
Hatfield
Hathaway
Hollings
Huddleston
Hughes
Humphrey
Inouye
Javits
Johnston
Kennedy
Magnuson
Mansfield
Mathias
McClellan
McClure
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Saxbe
Schweiker
Stafford
Stevens
Stevenson
Symington
Tunney
Williams
Young

NAYS—19

Beall
Brock
Buckley
Curtis
Dole
Eastland
Fannin
Griffin
Hansen
Helms
Hruska
Jackson
Long
Roth
Scott, Pa.
Scott, Va.
Taft
Thurmond
Tower

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Sparkman, against.

NOT VOTING—17

Allen
Baker
Bennett
Bible
Cannon
Church
Cotton
Dominick
Ervin
Fong
Goldwater
Haskell
McGee
Muskie
Stennis
Talmadge
Weicker

So the committee amendment on page 58 was agreed to.

The PRESIDING OFFICER (Mr. Helms). The next committee amendment will be stated.

The legislative clerk read as follows:

On page 6, line 20, after the word "Cambodia", insert "or in or over Laos".

Mr. McCLELLAN. Mr. President, I yield back my time on the amendment.

Mr. YOUNG. I yield back my time on the amendment.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The next committee amendment will be stated.

The legislative clerk read as follows:

On page 6, after line 21, insert:

Section 735 of the Department of Defense Appropriation Act, 1973, is amended by deleting "$750,000,000" and inserting in lieu thereof "$920,000,000": *Provided*, That on and after the date of enactment of H.R. 7447 of the 93rd Congress (a bill making supplemental appropriations for the fiscal year ending June 30, 1973, and for other purposes), no funds may be transferred under the authority of section 735 of the Department of Defense Appropriation Act, 1973, to support directly or indirectly combat activities in, over or from off the shores of Cambodia or in or over Laos by United States forces.

Mr. McCLELLAN. Mr. President, I yield back my time on the amendment.

Mr. YOUNG. I yield back my time on the amendment.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment.

The amendment was agreed to.

### AMENDMENT NO. 133

Mr. HUMPHREY. Mr. President, I call up my amendment No. 133.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 58, line 14, insert a new section 306:

No part of any appropriation contained in this or any other Act, or of funds available for expenditure by any corporation or agency shall be used, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, radio, television, or film presentation designed to support or defeat legislation pending before the Congress, except in presentation to the Congress itself.

### BATTLE OF BUDGET KIT AMENDMENT

Mr. HUMPHREY. Mr. President, this amendment is similar to section 608(a) last year's Treasury, Post Office, and general Government appropriations bill that prohibited the expenditure of funds for publicity or propaganda purposes.

My amendment would specify what kinds of activities are a legitimate expenditure of public funds for publicity purposes. It also places limits on the kinds of public relations activities that can be undertaken by the executive branch.

It says specifically:

No part of any appropriation contained in this or any other act, or of funds available for expenditure by any corporation or agency shall be used, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, radio, television, or film presentation designed to support or defeat legislation pending before the Congress, except in presentation to the Congress itself.

Mr. President, this amendment has grown out of efforts by Senator Edmund Muskie and myself to call a halt to the distribution and usage of the administration's "battle of the budget kit"—a compilation of one liners, sample speeches, and basic background information.

This battle of the budget kit was, to my mind an illegal use of Government funds. It was an attempt by the Nixon administration to propagandize the American people in favor of or against specific bills pending before the Congress.

When this "kit" first came to my attention, I requested the Comptroller General to undertake an investigation of it. The Comptroller General reported to Senator Muskie and myself that the preparation and use of the kit was illegal.

Mr. President, I previously inserted in the Congressional Record—on May 7, 1973—the report of the Comptroller General. I quote the relevant portion of that report at this time:

It is clear that the kit is part of an effort to defeat the 15 pieces of legislation pending in Congress which the Administration opposes. It explains reasons for the Administration's opposition to the legislation and includes a statement that people could be urged to write their representatives in Congress. In our opinion, this use of appropriated funds violates the provision of section 608 (a) of the Act.

Yet, in spite of the Comptroller General's report, the Nixon administration continued, until May 23, 1973, to utilize the kit.

I have a report, as published in the Washington Post that an article by Secretary Dent of the Commerce Department made extensive use of the "kit." I have written to Secretary Dent, asking that he explain his use of an illegal kit, and requesting that he take appropriate steps to rectify his actions.

As of this date, I have not had a reply to my letter from the Secretary.

Mr. President, I ask unanimous consent that the article and a copy of my letter to the Secretary be printed in the Record, as well as an additional article on the matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibits 1, 2, and 3.)

Mr. HUMPHREY. Mr. President, there should be no need for this amendment. There are laws already on the books—one statute that involves criminal sanctions and another pertaining to the recovery of funds if appropriations are expended improperly.

However, the Nixon administration has made, I believe, my amendment necessary by engaging in propaganda and publicity activities outside the bounds of prudent and proper informational activities. What is more, until the Comptroller General's report that expenditure of funds for the "battle of the budget kit" was illegal, the administration gave every intention of continuing to break the law.

It is my judgment that the normal legislative-executive comity, the normal relationships fully sanctioned by our Constitution have been violated by this administration. As far as the battle of the budget kit is concerned, there seemed to be little recognition that laws were broken. And, even when that recognition was made clear, there was little effort to stop usage of this kit.

It was only when Senator Muskie and I wrote to the Attorney General and asked for an investigation to determine possible criminal liabilities that the White House ceased using this kit and recalled it.

But, simple recall does not absolve the administration from illegality.

And, it surely does not bode well for the future.

That is why I am offering this amendment today—to attempt to spell out what is a legitimate use of public funds for informational purposes.

Under my amendment, normal and recognized legislative executive informational relationships would not be prohibited. There could be, for example, expenditure of funds for legislative liaison, preparation of messages and draft legislation, preparation of legislative support material, and assistance in the preparation of testimony. In addition, if a member of Congress requested the executive branch to do so, there could be the preparation and distribution of fact sheets and so forth, stating administration position on legislation.

The amendment would not prohibit agencies from providing public information, such as through press releases or radio programs, if it is of a general information nature and not an advocacy of legislation pending before the Congress.

Mr. President, I would hope that the Senate would approve this amendment. I believe that the Congress must be constantly on guard over the use of public funds to engage in propaganda or publicity. It must constantly watch over the public relations part of the executive branch. And, it must insist on a strict accounting of public funds used for public information purposes.

Mr. President, this is merely to spell out some of the generalities that were found in section 608(a) of last year's Treasury, Post Office and General Government appropriations bill. This amendment is the result of a study made by the General Accounting Office and the language proposed in the amendment has come to us as a suggestion following a discussion with the General Accounting Office on how we will further implement section 608 of last year's appropriation bill for Treasury, Post Office and the general Government.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. McCLELLAN. I have before me a copy of the Senator's amendment. Underlined are the provisions that point out the Senator's changes to existing law.

Mr. HUMPHREY. That is correct.

Mr. McCLELLAN. I have read it and as I interpret it I have no objection to the additional provision which the Senator is offering.

I do want to make clear for the Record and for the legislative history of these changes that it is not the intention of the author to place any inhibition on departments or agencies testifying before a committee of Congress to submit to that committee any documents, literature, or anything else in support of its request for either appropriations, or for authorizing legislation.

Mr. HUMPHREY. That is correct. This amendment would in no way impede or impair that relationship. In other words, the normal executive-legislative relationship is preserved and obviously left intact.

Mr. McCLELLAN. In other words, what we are saying, as an illustration, particularly the Department of Defense that when it comes before the Committee on Appropriations with any charts, tables, and illustrations in the nature of literature—such presentation would in no way contravene the provisions of this amendment.

Mr. HUMPHREY. Absolutely not. If any Congressman or Senator would ask any department of Government for information, not only would that be provided for under the terms of the amendment, but it would be looked upon as a request of the executive branch to so provide such information.

Mr. McCLELLAN. That was my next question, and I am glad the Senator has clarified this point. It does not prevent any Member of Congress from receiving from an agency or department any document or information it may desire.

Mr. HUMPHREY. No, it does not, but it does prohibit——

Mr. McCLELLAN. This is my final question: Does it prohibit an agency of Government or a representative of an agency of Government from mailing to Senators any information pertinent to any current legislative issue that might be before the Congress or that is contemplated to come before the Congress—in other words, saying, "You cannot contact us unless we contact you?"

Mr. HUMPHREY. Quite to the contrary. This specifically provides that any normal relationship between the executive and the legislative shall be untouched; that the executive branch is at liberty, of course, to forward its recommendations, its bills, and its proposals to Members of Congress.

What it does prohibit is the expenditure of public money to provide literally propaganda, for speeches in the countryside or for radio or television shows that are designed to defeat legislation that is here in the Congress, or designed to influence the general public by the expenditure of public funds.

Mr. McCLELLAN. But it may give that information to a Congressman or a Senator who requested it of the agency?

Mr. HUMPHREY. Yes, and the Senator or Congressman is at liberty to use it.

Mr. McCLELLAN. What the Senator is protecting against is voluntary initiative by an agency in developing propaganda to pass out, and to control in that way, and to influence, the action of the Congress?

Mr. HUMPHREY. The Senator is correct.

Mr. McCLELLAN. But it does not preclude it from being responsive to a Senator or to a Member of Congress or to a committee of Congress in securing information that they may need in the performance of their duties?

Mr. HUMPHREY. In no way would this amendment affect that normal relationship. What it would prevent is the kind of thing that happened in providing a kit for what was called the "battle of the budget," which the Senator from Maine (Mr. Muskie) and his committee looked into, as others did, in which public funds were used in violation of section 608. The Comptroller General felt that that section should have more specificity. The purpose of the amendment is to fortify the language passed a year ago in section 608(a) of the Treasury-Post Office appropriation bill.

Mr. McCLELLAN. I thank the Senator for yielding to me. I thought this history should be made in the Record regarding what this proposal intends to do and what it does not intend to do.

Mr. HUMPHREY. I thank the Senator. I might say that I did mention this matter to the distinguished ranking minority member of the Appropriations Committee, the Senator from North Dakota (Mr. Young) and explained to him what its purpose was. I have discussed it with members of the staff of the Appropriations Committee. I believe it is meritorious legislation that will clarify the law and be of help to us.

Mr. MAGNUSON. Mr. President, if the Senator will yield, I hope the Senator will pursue this also, as we will in the regular appropriation bill, in a short time.

Mr. HUMPHREY. I will do so.

Mr. MAGNUSON. What the Senator from Minnesota has said is correct. There was a kit sent out, I guess on other legislation, but one in particular, telling different people what to say when they went out into the country and made speeches, to the effect that anyone who voted for extra amounts in the HEW appropriation should be labeled as big spenders.

Mr. HUMPHREY. The Senator's recitation of what was in that kit is accurate.

Mr. MAGNUSON. From cabinet officers on down.

Mr. HUMPHREY. Yes.

Mr. President, I ask unanimous consent to have printed in the Record a letter I received from the Comptroller General.

There being no objection, the letter was ordered to be printed in the Record, as follows:

### PRELIMINARY REPORT OF THE GENERAL ACCOUNTING OFFICE—APRIL 30, 1973

This is in response to your letter of April 9, 1973, in which you requested that we conduct an examination into the use of speechmaking guidelines—commonly referred to as the "Battle of the Budget" kit—being used by Federal officials. Enclosed is a complete copy of the kit which was obtained from Mr. Ken Clawson, Deputy Director of Communications for the Executive Branch.

We interviewed Mr. Clawson and Mr. Fred Fielding, Deputy Counsel to the President, on the matter. The results of our interview were as follows:

Question 1—Who prepared the kit titled "Battle of the Budget 1973"?

The "Battle of the Budget" had its origins in a TV speech made by the President during which the need to hold the line on the 1974 budget was emphasized. Following this speech Mr. John Ehrlichman, Assistant to the President for Domestic Affairs, held a press conference and discussed 15 bills under consideration by the Congress which the President intended to veto, if necessary. Fact sheets were passed out giving the administration's rationale.

Most of the substance of the fact sheets was developed by staff of the Domestic Council during preparation of the budget. Later the fact sheets became a part of the "Battle of the Budget."

Assembly of the "Battle of the Budget" was by White House staff writers.

Question 2—How many copies were produced and who received them?

There were two sets of copies prepared. The first set, estimated as numbering 30 to 50 copies, was prepared by the White House and distributed only to presidential appointees of the highest rank, such as cabinet officers, agency heads, and some undersecretaries. The second set, estimated as numbering 120 to 150 copies, was printed by the Republican National Committee and paid for by them. These copies were made available to subcabinet level presidential appointees, such as assistant secretaries, assistant administrators, and public affairs officers.

Question 3—What instructions were given on use of the "Battle of the Budget"?

The "Battle of the Budget" was discussed during routine meetings conducted by the Office of Communications with public affairs directors who were presidential appointees. The Office of Communications is responsible for coordinating and consulting on public affairs information in the executive branch.

The public affairs directors were advised by Mr. Clawson that presidential appointees should talk about the budget, where appropriate, as often as possible to get across the President's position.

Question 4—What were the costs of preparing the "Battle of the Budget" and how were they financed?

As noted earlier, we were informed that the "Battle of the Budget" kit included material developing during formulation of the budget. Inspection of the kit indicates that it is essentially a compilation, consisting largely of speech excerpts, letters, poll results, and fact sheets carrying various dates. Inasmuch as this material appears to have been originally prepared or accumulated by the White House staff for other purposes, its cost is not clearly assignable to the kit. In any event, the accounting records of the White House are not maintained in a manner which permits identification of the cost of any material or work which permits identification to the "Battle of the Budget" kit.

With respect to your question as to whether the "Battle of the Budget" kits violate 18 U.S.C. 1913, lobbying with appropriated moneys, it is our position that in view of the criminal nature of this statute, determinations as to its violation should be made by the Department of Justice. Since 18 U.S.C. 1913 contains fine and imprisonment provisions which may be enforced only through judicial criminal proceedings, it is not within our jurisdiction to determine the statute's applicability in any given circumstances.

However, there is also to be considered Section 608(a) of the Treasury, Post Office, and General Government Appropriations Act of 1973, Public Law 93-351, 86 Stat. 471, which provides that:

No part of any appropriations contained in this or any other Act, or of the funds available for expenditures by any corporation or agency, shall be used for publicity or propaganda purposes designed to support or defeat legislation pending before Congress.

It is clear that the kit is part of an effort to defeat the 15 pieces of legislation pending in Congress which the administration opposes. It explains the reasons for the administration's opposition to the legislation and includes statements that people should be urged to write their representatives in Congress. In our opinion, this use of appropriated funds violates the provisions of section 608 (a) of the act.

However, the action to be taken by our Office with respect to such improper use of appropriated funds is limited to recovery of the amounts improperly expended. Essentially, there is involved the cost of paper and printing and the time of personnel. While appropriated funds apparently were used in preparing the kit, it appears that the amount would be small and comingled with proper expenditures.

We hope that this report will serve your purposes.

Sincerely yours,

ELMER B. STAATS,
*Comptroller General of the United States.*

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EXHIBIT 1

UNITED STATES SENATE,
*Washington, D.C., May 15, 1973.*

Hon. FREDERICK B. DENT,
*Secretary of Commerce,*
*Washington, D.C.*

DEAR MR. SECRETARY: I have read in the Washington Post on Tuesday, May 14, 1973, that the Commerce Department in its "Commerce Daily" magazine published an article under your by-line using materials from the "Battle of the Budget" kit. I understand that the "Commerce Daily" is a taxpayer funded magazine distributed throughout the nation.

As I am certain you are aware, the General Accounting Office has issued a report saying that the use of this "kit" violates section 608 (a) of the Treasury, Post Office, and General Government Appropriations Act of 1973. And, Senator Muskie and I have written to the Attorney General asking him to investigate the preparation and use of this "kit" and take appropriate legal action if criminal statutes were violated.

In view of the finding of this matter by the General Accounting Office, I am puzzled why the Commerce Department would utilize government funds to publish material which is in violation of law. I am even more disturbed by your willingness to utilize material from these illegal kits, almost on a word for word basis, to propagandize the readers of "Commerce Daily." I request that you provide my office with an official explanation. I want to know how much of the taxpayers dollars were expended in the preparation of that article and its publication in your departmental magazine. I also want to know what other articles of this nature have been prepared by your department and where your department is seeking to have them published.

Finally, I want to know specifically Mr. Secretary whether or not in view of the GAO report you are ordering a complete halt to the use of this kit and are taking appropriate steps to end all departmental publicity lobbying on legislation pending before the Congress.

I am referring a copy of this letter to the General Accounting Office and the Attorney General asking that these two agencies as part of their on going investigation of the "Battle of the Budget Kit" examine the activities of the Commerce Department in this regard.

Sincerely,

HUBERT H. HUMPHREY.

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EXHIBIT 2

### COMMERCE IGNORES ANTILOBBYING LAW

(By Mike Causey)

The Commerce Department bent, if it didn't break, a federal antilobbying statute by using the April 16 issue of its taxpayer-financed magazine to knock legislation pending before Congress. By law, federal agencies are barred from lobbying for or against bills in Congress.

Last month, however, "Commerce Daily" which has a circulation of about 20,000 carried a warning that big spenders in Congress are about to enact a package of bills that could boost individual taxes by 15 per cent. The magazine goes to about 10,000 subscribers who pay $33 a year, and to another 10,000 newspapers, libraries and special interest groups on the freebie list.

Anti-congressional material in a by-lined article by Secretary Frederick Dent was lifted straight from a controversial White House kit on how to write speeches and press releases that was handed out to federal agencies in early April. The General Accounting Office has since said that use of the kit by government offices violates an antilobbying law designed to prevent the executive branch from using its resources to battle bills in Congress.

That guide, called The Battle of the Budget—1973, was written at the White House and partially paid for by the Republican National Committee. This column first spotlighted it April 4, noting that copies of the speech kit which contains anti-Congressional jokes, was passed out to federal public relations offices with orders to use it in preparing speeches and press releases for public consumption.

The General Accounting Office, in a report to Sen. Edmund Muskie (D-Me.) and Hubert H. Humphrey (D-Minn.), said the antilobbying law was broken. GAO said it would be up to the Justice Department to take action against persons who devised the kit and ordered federal agencies to use it. Main thrust of the kit is to tell agencies how to attack the "Far Out 15," the White House name for bills it opposes. Federal writers are given key phrases to use, jokes to be inserted into speeches and instructed how best to use "epithets" against the Congress.

In his by-lined piece in the Commerce magazine, Secretary Dent leaned heavily on material in the controversial anti-Congress kit in a one-page story.

Dent wrote that the President is trying to eliminate "wasteful and unproductive uses of the taxpayers money" but that "up to this point, the greatest noise level reaching the Congress is coming from special interest groups whose place at the federal trough would be eliminated if President Nixon's budget cuts stand."

Congress, however, is hearing "not from the poor who are benefitting from the greatest human needs budget in history," Dent wrote, "but from the vast network of poverty bureaucrats and professional grant-grabbers who have made a living out of poverty."

Borrowing a chapter from the White House budget kit called "Horror Stories," Dent lists four job training and community action programs that, the White House says, were losers.

In another line from the speech-kit, Dent says, "If Congress refuses to go along with President Nixon's budget cuts, the American people will be faced with a Hobson's choice of higher taxes, greater inflation, or both."

Congressmen—especially those of the Democratic persuasion—are furious over the bueaucratic assault on programs which they feel, out of politics or compassion, must be saved and expanded. They are also worried that his administration is manipulating the government's massive public relations apparatus to blackmail them back home with the voters.

While some agencies have reduced their efforts to produce material in line with the White House speech-writers kit, Commerce continues to use it for what some employees feel is an unfair, and possibly illegal, propaganda campaign.

How to lobby: National Alliance of Postal and Federal Employees will hold a two-day seminar beginning May 17 at the Sheraton-Park, instructing members how to win friends and influence people on Capitol Hill.

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EXHIBIT 3

### U.S. SPEECH-WRITING KIT IS RECALLED

(By Mike Causey)

The White House is recalling all copies of the controversial speech-writers kit it distributed to federal information offices, telling them how to attack "big spenders" in Congress using the bureaucracy's vast communications machinery.

Cabinet officers and top information specialists in government were given the White House-produced document in early April, and told to use it in preparing speeches and press releases. The kit, called "The Battle of the Budget—1973" was partially paid for by the Republican National Committee and was aimed at whipping up public opposition to 15 spending proposals in Congress.

Public information officers were told to use the kit's "epithets" section to describe spenders in Congress, given a list of "one liners" to insert in speeches, and told to detail "horror stories" which were also supplied to show federal program failures, many in the antipoverty area. Staffs were also told to arrange suitable audiences for bosses at which the speeches could be made.

Democrats in Congress howled when they first read of the speech kits here April 4. Sens. Edmund M. Muskie (D-Maine) and Hubert H. Humphrey (D-Minn.) ordered the General Accounting Office to determine if laws barring federal workers from lobbying had been violated. GAO in its report back, said the laws had been broken, but it would be up to the Justice Department to take action.

Ralph Nader's Public Citizen Litigation Group filed request for a stop order in federal court here, asking that the kits be removed from active federal service. Word now is out that the White House has decided to withdraw the controversial kits and is sending a confirming note to the court.

Pension Bonus: Federal workers who retire by June 30—and the nearly one million already-retired civil servants and their families—will qualify for a record cost-of-living pension bonus of 6.1 per cent.

An estimated 70,000 retired federal and military personnel living in the Washington metro area will benefit from higher annuities which will show up in pension checks mailed out for early August delivery.

The 6.1 percent boost was assured yesterday when the Bureau of Labor Statistics released the April Consumer Price Index 130.7. That was a big jump over March's 129.8 CPI, and translates into an annuity increase for federal-military retirees of 6.1 per cent.

Government officials expect thousands of eligible employees to quit between now and June 30. Last year, an annuity increase of 5.4 per cent triggered a record 80,000 government retirements. Normally about 5,000 employees retire each month.

Former military personnel who retired before the last pay raise will get the full 6.1 per cent. Those who retire this year will get a fraction of the cost-of-living raise, about 2 per cent in most cases. All eligible federal workers who retire by June 30 will qualify for the full 6.1 per cent.

Government-military pensions are tied to the CPI. Under the system used, the CPI must rise three per cent over the level of the last increase to begin a three month count-down. If the CPI remains at or above that three per cent level for three consecutive months, an annuity increase is activated. Because it takes several months for the government to actually get the cost-of-living raise cranked into pension checks, Uncle Sam adds a one per cent sweetener. This means that the actual CPI-measured jump in living costs over last year was 5.1 per cent. The added one per cent from the government will make it 6.1 per cent.

Younger employees, who have no thoughts of retirement, will also benefit from the June 30 bonus cutoff. Thousands of higher grade, senior employees will no doubt leave and this will open up many middle and top grade jobs for promotions.

A big exodus from government could also ease the impact of layoffs in federal agencies, opening up jobs that can be filled by younger workers who are normally the first fired in economy cutbacks.

Federal officials won't hazard a guess at this point as to how many employees will retire by the end of June. But they point out that 80,000 quit last year when the bonus was less generous.

Mr. McCLELLAN. Mr. President, I yield back the remainder of my time.

Mr. HUMPHREY. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Minnesota.

The amendment was agreed to.

Mr. BEALL. Mr. President, I have an amendment at the desk that I would like to call up, on behalf of myself and Senators COTTON, COOK, YOUNG, DOMINICK, DOLE, and TOWER.

The PRESIDING OFFICER. The clerk will read the amendment.

The legislative clerk proceeded to read the amendment.

Mr. BEALL. Mr. President, I ask unanimous consent to dispense with further reading of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 14, between lines 11 and 12, add the following new paragraph:

"For the additional amount for "health

"For the additional amount for "health manpower" to remain available until expended to carry out the Physician Shortage Area Scholarship Program (Subpart III of Part F of Title VII of the Public Health Service Act), $2,000,000."

Mr. BEALL. Mr. President, this amendment authorizes $2 million for the funding of the physician shortage area scholarship program, which I authored along with approximately one-quarter of the Senate in the last Congress, and which was included as part of Public Law 92–157, the Comprehensive Health Manpower Training Act of 1971.

With the strong support of Senators COTTON, MAGNUSON, YOUNG, and other members of the Appropriations Committee, the Congress last year funded this program in the Labor-HEW appropriations measure at the $2 million level. The Labor-HEW bill was subsequently vetoed and since this program represented a new start, it was not funded under the continuing resolution.

Mr. President, the Senate on three separate occasions has voted to fund this program in the supplemental appropriations bill, H.R. 11955, which passed in December 1971, in the Labor-HEW appropriations bill, H.R. 15417, which was vetoed on October 16 of last year and in H.R. 16654, the Congress' second attempt at a Labor-HEW appropriations measure which was also vetoed.

The physician shortage problem is one of the most critical health problems facing countless counties and communities in the country today. I am certain that Members of the Senate have either heard directly from communities in their State or read of efforts by communities to secure a physician through road sign advertisements, pleas to medical societies and to the Federal Government. It is often said that there is a need in the Nation for an additional 50,000 physicians. A 1970 study by the American Medical Association identified 134 counties in the country without a single physician. This is an increase of 36 since 1963.

There are many more communities without a single physician or without an adequate number of doctors. Maryland illustrates this point. While I am pleased that my State's counties are not on the AMA's list, there is no doubt that many Maryland communities are in dire need of physicians. For example, in 1970 an article in the Public Health Report focused on the situation in Baltimore. This article identified 16 census tracks with a population of 174,000 primarily disadvantaged citizens, in the innercity as well as some outlining areas, which were totally lacking in primary care physicians.

To help meet the needs of physician shortage areas, I introduced S. 790 in 1971 and as I previously indicated, the measure was incorporated in the overall health manpower legislation. Basically, this program provides for scholarships of up to $5,000 annually for a young man or woman who agrees to practice primary care in physician shortage areas. A physician shortage area may be a rural community, an innercity area, or among the Nation's migrant farm workers. One year of service is required for each year of the scholarship. If an individual does his residency or internship in a physician shortage area and the training or experience received is designed to prepare him to engage in the practice of primary care, then the service commitment is reduced by 1 year.

A unique system of priority in awarding the scholarships is established which I believe significantly increases the probability that this program will work. Essentially this system gives priority to individuals from physician shortage areas under the theory that such individuals are not only more likely to return to such shortage areas, but also because they are more likely to remain and to continue to serve the citizens of their "home" areas. Since a secondary purpose of the program is to increase the opportunity to lower-income students to attend medical school, priority is also granted to such individuals. Specifically, the priority system for awarding the scholarships is as follows:

The first priority is granted to individuals from lower-income families who live in a physician shortage area and who agree to return and practice in such area.

The second priority goes to individuals, regardless of income, who reside in a physician shortage area who agree to return and practice in such area.

The third priority is allocated to individuals from lower-income families, who although residing in an area where there is not a physician shortage, agree to practice in any physician shortage area.

The final priority would go to individuals, regardless of income, who do not come from any area of physician shortages, but who agree to practice in any physician shortage area.

There are two primary purposes for the system of priorities for selecting eligible students for scholarships and fellowships under the bill. First, the evidence supports, what commonsense tells us, the hypothesis that persons from physician shortage areas are more likely to return and to remain in such areas and practice medicine.

The results of an American Medical Association's survey questioning physicians on the factors that influence their decision to practice in a certain area gives support to the bill's priorities. This survey found that over 45 percent of the physicians indicated that they were practicing in or around the town in which they were raised. The survey also revealed that 49 percent of the physicians raised in small towns were practicing in communities of 2,500 or less. An equal percentage of doctors raised in nonmetropolitan communities of 25,000 or more were practicimg in cities of that size. This AMA survey confirmed previous studies which had indicated the "physicians who practice in small towns are more likely to have a rural than urban background."

The AMA study concluded that—

Physician recruitment for rural areas

> would be enhanced if more young men and women with rural backgrounds were encouraged to enter the medical profession.

Continuing, the report had this to say about the influence of a doctor's origins on his place of practice:

> Physicians who practice in small towns are more likely to have a rural rather than urban backgrounds . . . rural physicians have predominately rural backgrounds and metropolitan physicians generally had urban locations during their youth.

If we can persuade young men and women to practice in physician shortage areas, the evidence indicates that most are likely to remain. The AMA study of this point states that—

> Once a physician establishes a practice he is not likely to move.

Their survey found:

> At least 63 percent of the physicians had not moved from their original practice location. This percentage was consistent regardless of the community size. A more detailed breakdown of the area showed that about one-fourth of the physicians in nonmetropolitan areas had practiced twenty years or more in the same place.

This measure is then drafted to give priorities to lower income individuals from physician shortage areas because it is felt that these individuals are more likely to return and remain in these areas in which they were reared.

The second advantage of the priorities established by the bill would be that it would have the effect of attracting and making it possible for more minority and lower-income individuals to go to medical school. Across the country there has been a concern over the poor representation of the minority groups in our medical schools.

Another important feature of the legislation is that it would encourage students to enter family medicine. In 1931, three out of four of the Nation's doctors were engaged in family practice. In 1967, only one out of five doctors were in general practice. In Baltimore City only 9 percent of the practicing physicians are in family practice. Indications are that this trend toward specialization and away from general practice is continuing. I believe we need more family physicians. My bill would encourage this.

Mr. President, the overall health manpower legislation enacted in the last Congress includes various provisions directed toward the maldistribution problem. The loan forgiveness program under which loans are forgiven for practice in physician shortage areas was liberalized from the former law of 10 percent to 15 percent annual forgiveness up to a maximum of 50 percent for practice in physician shortage areas to 60 percent forgiveness over a 2-year period plus an additional 25 percent for third-year for total forgiveness of 85 percent. In addition, the Congress has enacted Senator MAGNUSON'S National Health Service Corps. These are important programs and they have my unqualified support.

But I believe the physician shortage problem is so critical that it is literally a matter of life or death for some communities and citizens in those communities, that various approaches are desirable. I naturally hope the loan forgiveness program will work, but the evidence to date makes one skeptical as only a few students have taken advantage of the loan forgiveness program since its enactment.

Finally, I want to emphasize the features of my program which I believe increase the probability of its success.

First, an individual would make commitment to serve in a physician shortage area prior to entering medical school rather than as an afterthought to unload a large indebtedness.

Second, the program attempts to attract individuals from physician shortage areas, commonsense, as well as the evidence I cited supports this premise that such students are more likely to return and remain in shortage areas.

Third, the scholarship program is particularly important to lower-income individuals. Many deans advise me that lower-income students are very reluctant to assume indebtedness of the magnitude necessary to complete medical school.

Fourth, the scholarships are only for primary care practice and this will have the desirable effort of encouraging more family physicians which are desperately needed.

Finally, I would point out that if an individual does not carry out the commitment, the scholarship in effect, is converted to a loan which must be repaid with interest within 3 years.

Thus, if the program is successful, I believe my colleagues will agree that it has been a good investment. On the other hand, if it does not work, it will not cost the Government a single cent. It is my understanding that one of the reasons we lost the funding last year was that the House was reluctant to increase scholarship programs. I suspect that there was not a full understanding of the operations of this program and the fact the scholarship is converted to a loan if the student reneges on his commitment. I hope that this will not occur again this year.

Mr. President, I come from an area that frequently experiences physician shortage problems. I am convinced that there are talented and qualified men and women in my home area and other similar areas who will jump at the chance to participate in this program and that these individuals, following graduation, will return to practice medicine and to serve among their friends and neighbors. The Physician Shortage Scholarship program has been endorsed by the American Academy of General Practitioners, the deans of various medical schools, and the National Medical Association.

I strongly urge that the Senate fund this program and hold firm in conference for I am convinced that this program does hold out considerable amount of hope for physicians shortage communities throughout the country.

Mr. YOUNG. Mr. President, I am happy to join as a cosponsor of the amendment. My home county in North Dakota is an example of the need for this amendment. It would help get doctors in physician shortage rural areas. My home county does not have a full-time doctor. A few years ago we had as many as 12, but there is not a full-time doctor in the whole county.

This is a serious problem in all of the United States, and I do not know of a more meritorious proposal than this. It should be more than $2 million, but the amendment will give this worthy program a chance to get started.

The PRESIDING OFFICER. Who yields time?

Mr. McCLELLAN. Mr. President, I yield myself 2 minutes.

The distinguished Senator from Maryland conferred with me about this amendment, and I have agreed to take it to conference and give it further study.

I may say that, if this proposal intends to accomplish what I have been told—the providing of medical services, more doctors, in rural America—then I shall give it my enthusiastic support in conference and try to get it retained in the bill. I do want to study it further, but we have in my State large rural areas, and in some counties they have no doctor at all. It is a very distressing situation.

I do not think we can manufacture doctors by merely providing more appropriations. That is why I want and intend to study it, but if it gives any legitimate promise of helping to get doctors into rural areas. I believe we all want that, and if it will accomplish this, I shall strongly support this additional appropriation.

So I am willing, with this explanation of my position, to take it to conference.

Mr. BEALL. I thank the Senator from Arkansas for his consideration. I feel sure he will find that there are inducements in this proposal that make it very attractive for doctors to go to physician-shortage areas. After he examines the amendment, I think he will find that.

Mr. TOWER. Mr. President, will the Senator yield me 1 minute?

Mr. McCLELLAN. I yield.

Mr. TOWER. I am delighted to be a cosponsor of the amendment. In the State of Texas we have 254 counties. In over 30 of them we have no doctor at all. We certainly need some kind of incentive programs to get doctors to practice in these physician-shortage areas. I certainly hope the distinguished Senator from Arkansas will support this amendment in conference.

Mr. McCLELLAN. Mr. President, I have already stated that after studying the amendment, if it gives promise to give relief to the situation it is intended to remedy, I will certainly support it.

Mr. President, I yield back my time.

Mr. BEALL. Mr. President, I yield back my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment, all time having been yielded back.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. YOUNG. Mr. President, I yield 10 minutes to the Senator from Texas (Mr. TOWER).

Mr. TOWER. Mr. President, I intend to vote against this bill on final passage, because we have included in it the Eagleton amendment. And I express a fervent hope that when this bill reaches conference the Eagleton amendment will not survive the conference.

This is a far-reaching thing we do in adopting this amendment. It has tremendous significance because it marks the placing on the President of a tremendous inhibition in the conduct of foreign relations, in the negotiating of agreements and treaties, and in the implementation and enforcement of those agreements once arrived at.

We have seen how North Vietnam will not live up to its treaty commitments. And North Vietnam has no regard for agreements, but as little more than a convenience. We have seen that North Vietnam intends to do anything it can get away with.

What we have in effect done in the Eagleton amendment is said to them: "You may do whatever you please. Having concluded this agreement, we intend to walk away from it, and we don't care whether you violate those provisions or not."

A great deal is said about the bombing and how it creates the kind of climate in which we cannot have peace. It has been suggested that the bombing serves to prolong and intensify the war. I believe that was said back when the President made the decision during the Christmas season to resume the bombing of North Vietnam. But it was that very thing that brought them to the conference table.

It is a verity in the conduct of this diplomacy that a President or head of state of any country cannot successfully negotiate with foreign powers if he has no military strength. Any such negotiation is a negotiation from weakness. And if we are to negotiate from a posture of inferiority, then we must inevitably concede more than we get.

Mr. President, in tying the President's hands, I think that we have taken a very unusual step. Only the President can be responsible for the conduct of diplomacy. Only the executive branch can formulate foreign policy. We cannot formulate and implement foreign policy in the Congress of the United States. This is a responsibility that is a necessary concomitant of the Presidency.

Obviously 535 men of different and varying views cannot formulate and implement foreign policy. The Congress cannot negotiate agreements. The Congress did not negotiate the agreement with North Vietnam that has resulted in the present agreement which we are today treating like a scrap of paper.

The Vietnamese accord was met with broad acceptance by Members of Congress. It was generally applauded. It was probably the best kind of agreement that the President could have got under the circumstances. It is a great tribute to Mr. Kissinger and to Ambassador Sullivan, and others, who were instrumental in achieving this agreement that we were able to accomplish so much.

But most of the provisions of this agreement have, in some way or another, been violated by North Vietnam. For example, there was no cease-fire in Laos until the United States brought air strikes to bear against the North Vietnamese in their support of the so-called Pathet Lao, which is a paper tiger and is little more than a cosmetic application to the North Vietnamese military. If the Eagleton amendment is allowed to stand, and if in its wake other similar legislation is passed by Congress, then I can say, and I think with certainty, that we are facing the twilight of American influence in this world.

We have the War Powers bill coming along. There is a very exotic flower, indeed. It has attracted widespread support. But I wonder how much thought has been given to the stultifying effect it will have on the President to negotiate with a super power like the Soviet Union.

The Eagleton amendment, the debate that has preceded it, and the action in the Committee on Appropriations have been duly and carefully noted by Hanoi; and Hanoi, I think next week, through Le Duc Tho, will say to Mr. Kissinger that he can go fly a kit, because the United States will no longer—or at least the executive branch will no longer—possess the force which is necessary to bring about a successful implementation of the agreement that we reached last January with North Vietnam.

It has already been pointed out many times in the Senate today that article 20 has been ignored by North Vietnam. They are inblatant and flagrant noncompliance. They have not withdrawn their troops from Laos and Cambodia. They have violated article 7 and are using Laos and Cambodia as lines of communication there. They move supplies to their forces in South Vietnam. Article 7 provides for not only a cessation of hostilities. It provides also that there will be no reinforcements or resupply except on a piece for piece basis. This provision is being flagrantly violated, and we have said to them, "You can continue to do it now unhampered, because we are not going to bomb and are not going to interdict your lines of communication any more. So it is wide open, boys. Send all the equipment, all the troops, all the military hardware and ammunition you want to your troops."

We are saying, in effect, further, "Since you have got yourselves in a logistical position to support a massive invasion, you may do so; we are not going to have anything to say, because we are tired and are quitting."

So to North Vietnam we are saying, "Do as you please."

By this amendment we are not deescalating the war; we are making certain that the war will be of longer and greater duration.

Great concern has been expressed in the Senate today over the plight of Cambodian civilians who have been killed by American bombers. There is no substantial documentary evidence that there have been extensive civilian deaths in Cambodia as a result of our air strikes there. As a matter of fact, there are reporters who have been, according to the news media, running all over that little country, trying to find such evidence, and they have not found any. I have heard no one say much in sympathy for the civilians of Cambodia or Laos or Vietnam who were killed by the daily acts of terrorism of the North Vietnamese. The North Vietnamese wantonly shell residential areas. They shell marketplaces. They slaughter civilians—innocent women and children—by the hundreds—yes, by the thousands—but nobody seems to care.

By encouraging North Vietnam to violate the terms of the treaty accords, we are encouraging them to prolong the war.

The way they wage war is through acts of terrorism. So let us understand that what we are doing here today is encouraging further bloodshed in Indochina. Oh, yes, we are washing our hands of it. We are out of it. We have turned our backs on it, and we are walking away.

But let us not beguile ourselves into thinking we have ended the fighting. Let us not kid ourselves into thinking that lives are going to be spared, because of what we have done here today, because quite the contrary is true.

The United States does not choose to initiate war as an instrument of national policy. We have gone into four wars in this century reluctantly and ill-prepared, and each time we have gone to war, we have gone to war, because somebody else has started it.

We did not start this war. We are not the ones who committed the overt acts of aggression against South Vietnam, against Laos, against Cambodia. It was the Government of North Vietnam. We do not have a first-strike policy. We do not have a first-strike mentality. We do not start wars.

I think reasonable men may argue whether or not we were right in being in Vietnam. I for one am convinced that we made many mistakes that led us there, and should not have been there in the first place. But once we went there, we should have brought about the massive application of military force to bring that war to the earliest possible successful conclusion.

We have certainly learned one thing, and that is that the doctrine of graduated response simply will not work.

Now we have concluded an agreement. But can we believe that the aggressive designs of North Vietnam are any less now than when North Vietnam committed thousands of the flower of its youth to a massive offensive in South Vietnam last year? They have broken virtually every rule in the book. They have initiated military offensives in various parts of South Vietnam, and they now hold more real estate there than they did at the time of the cease-fire—not because the South Vietnamese have abandoned it, but because they have taken it away from them. So be sure that they intend to take over the Government of South Vietnam by any means possible. And their ability to do so is vastly enhanced by a prohibition on our President from conducting any combat activity over Laos or Cambodia.

I think this is going to come home to haunt us for another reason. We are a treaty signatory with Thailand, and we have ample reason to believe that North Vietnam has designs on Thailand. Indeed, the Communist infrastructure in Thailand is not ethnic Thai primarily. In the main it is ethnic Chinese and ethnic North Vietnamese. I suppose a lot of us will stand here and say, if war ever breaks out in Thailand, that it is just a civil war and, therefore, we have no obligation to go to the assistance of the Government of Thailand. But I think ultimately by failing to try to get some assurance of the sanitization of Laos and Cambodia, we may be faced with the choice of either going to the military assistance of Thailand or abrogating our treaty agreement with them, treating it as a scrap of paper, saying we will not honor our commitments—and, of course, when that day comes no one is going to take us seriously any more.

So I hope we will reflect on each and every one of these so-called antiwar amendments that are going to be offered to various pieces of legislation or are already incorporated in them when they come to the Senate floor, because we are gradually going to erode away the power of the President to negotiate, to make policy, and to make it stick.

Historically Congress has always left the conduct of foreign policy to the President. If we want to reclaim power that we have delegated away to the executive branch, why do we not assist in dismantling some of this vast bureaucracy over which we cannot exercise adequate oversight, this bureaucracy to which we have delegated away so much of our legislative power?

We have independent regulatory agencies that have, in their specific areas, more power than Congress, because they not only make the rules, they serve as the prosecution, the jury, and the judge in many instances. I can cite several agencies that have too much power—powers that Congress perhaps did not intend to give them. If we really want to reassert the power of Congress, let us dismantle some of this vast bureaucracy. Let us reclaim some of the legislative authority in domestic affairs that we have steadily delegated away since the 1930's.

In that unhappy era, we virtually made Franklin D. Roosevelt a benevolent dictator. Thank God he was benevolent. He himself said that we were conferring upon him power that, if it ever fell into the wrong hands, would mean the end of American democracy as we know it.

The important thing is that we assert our power, our authority, and our ability on domestic matters, not that we tie the hands of the President in the formulation of foreign policy, the conduct of diplomacy, and the implementation thereof. And you cannot conduct successful diplomatic negotiations these days unless you have military force, unless you have the willingness to use it if necessary, and unless you can use it with some flexibility and some discretion.

So I think we have done a very serious thing here today, a regrettable thing. For that reason I shall vote against the passage of this bill, although it is a meritorious bill from the standpoint of the rest of it. Perhaps there is a little too much money in it, but there are many worthwhile things.

I cannot in good conscience vote for a bill that contains what I consider to be an odious provision.

The PRESIDING OFFICER. Who yields time?

Mr. McCLELLAN. I yield the distinguished Senator from Florida 3 minutes.

Mr. CHILES. Mr. President, I have listened with interest to the statements of the distinguished Senator from Texas. I heard a lot about foreign policy and a lot about power, but what I did not hear anything about was the Constitution of the United States.

In my reading of the Constitution of the United States, it says that the Congress has the power to declare war. What this issue is about, or at least what the junior Senator from Florida thought it was about, is whether Congress is going to follow, finally, the Constitution of the United States, and whether it is going to exercise its duty and its obligation, that it would be the body that would declare war, and the President as the Commander in Chief would make war after that war had been declared by Congress.

We have witnessed two Presidential wars of late times, in Korea and in Vietnam, in both of which Congress did surrender its obligation and its duty, and in both of which we can easily say that the President committed troops and we simply are having to pay the bill.

When I look back over Vietnam and the tragedy that went on there, I cannot find a date at which we can say that the people of the United States, through their elected representatives, said, "The national policy of this country is going to be that we go to war, that we are going to commit young men, their lives, their blood, and the dollars and energy of this country to war," as the Founding Fathers set forth that we would when we sent our people to war. I cannot find a date when we really committed ourselves, over four Presidential terms. I ask my fellow Senators, Can you pick the date that we irrevocably committed ourselves to that war? to that war, and I would like to see it. There never was national debate and therefore, we never had a national unity that would have tied the country together for a purpose. We sent young men off to war who did not know why they were going or what the goal was. We tied their hands behind their backs. There were certain areas into which we could not go.

Then when President Nixon came along, of course, he inherited the war. Then when there was a court test over whether President Nixon had the power, the court said—and the court was right—that he did have a duty as Commander in Chief of an inherited war to try to remove our troops, and to try to get our prisoners of war back. I think he was clothed with that authority when he took over the office of President and the war.

Now that we have done that, removed our troops and returned our prisoners of war home, what kind of shred of power does the President stand on now in any action he takes in bombing Cambodia?

There is no SEATO pact. There is no treaty obligation between Cambodia and the United States. There is nothing, no shred of power that he can hang on, and certainly no congressional authority.

This issue was ably set forth by the distinguished senior Senator from Virginia (Mr. Harry F. Byrd, Jr.), that it is not really a question of whether Congress is now speaking to the merits of what we should be doing in Cambodia, but that we are a country of laws and that we have a Constitution we should operate under. Under that Constitution, Congress does have the authority to declare war. But we have not done it here. There is no authority whatsoever for this action.

So this issue has nothing to do with the foreign policy that we are talking about here. It has to do with whether we will follow and obey the Constitution of the United States.

Mr. HUMPHREY. Mr. President, I greatly appreciate the very knowledgeable and profound remarks of the distinguished Senator from Florida (Mr. Chiles). I thought that his response to the arguments made by the distinguished Senator from Texas (Mr. Tower) was right on target and focuses the attention of the Nation as well as the Senate on the central issue; namely, the constitutionality of the actions taken in the instance of the heavy bombardments in Cambodia.

I have listened with great interest to the distinguished Senator from Texas (Mr. Tower). Much of what he said I can concur in; namely, that North Vietnam has committed atrocities, that the Vietcong have committed unlimited atrocities, and that the North Vietnamese have violated many agreements, and that they have engaged in aggression in the past. These are facts which history will record as being genuine, reliable facts.

I cannot agree, however, with the deduction that the Senator from Texas makes from those facts, as to the role of the United States and particularly in the instance of the bombing of Cambodia.

As was said here, there is no law that grants the President this authority, nor is there anything in article I of the Constitution relating to the executive branch that grants the President this authority.

The Senator from Texas says that only the executive can formulate foreign policy.

That is not true at all.

Foreign policy's conduct is by the executive, but the substance of foreign policy is a joint enterprise between Congress and the President.

The problem we face today is that we have interpreted the words "conduct of foreign policy" to be the substance of foreign policy.

The Executive Officer, the President of the United States, is responsible for the conduct of foreign policy. He is the chief spokesman of this country in the field of foreign policy. He is the chief spokesman for this Nation in the field of national security. But he cannot raise armies and he cannot conscript men without authority of the Congress.

The foreign policy of this country is not something to be handed over to any one man. It is the joint responsibility of the two branches of Government—the executive and the legislative.

That is the issue here.

Again, as was stated by the distinguished Senator from Virginia (Mr. Harry F. Byrd, Jr.), whatever may be the ultimate judgment of Senators as to whether we should be in Cambodia, that judgment must be based on whether the President will come to Congress and ask for the authority to be there.

Today we voted on the question of whether the President was exercising his powers under the duly granted authority given him by Congress.

It is my judgment that the overwhelming majority vote cast today was eminently correct.

One other point which was raised by the Senator from Texas, he spoke to the fact that there is a violation of the agreement, the accords, at Paris. I think this points out something we have noted before, that executive agreements are not subject to congressional ratification—Senate ratification, so that the President always runs the risk when he does not come to Congress with an agreement in the form of a treaty, to get congressional approval—senatorial approval. The Constitution of the United States provides that treaties must be ratified to be effective, in order to become the official law of the land, by a two-thirds vote of the Senate. When we bypass or shortcircuit that process, we run into the dangers we now face. We run into all these hazards.

Thus, I do not believe it is right for us to look at article 20 of the Paris agreement as being binding authority upon Members of Congress of the United States nor, under article 20, to bypass the constitutional provisions.

There is no executive agreement that is over and beyond the Constitution.

Another point the Senator from Texas raised was the treaty with Thailand, that is, what would we do if Thailand were invaded or Thailand had a war, would we declare it a civil war?

First of all, may I say, the treaty with Thailand provides that any response by the U.S. Government shall be taken within the constitutional processes. When that treaty was ratified, when SEATO was ratified, it was explicitly stated on the floor of the Senate—and I was right here as a Member at that time—that we would follow constitutional processes.

Those constitutional processes include the executive branch's coming to Congress not only for appropriations but also for whatever express authority the Congress has to engage American forces in a war.

I do not agree that the executive branch is the only branch that can formulate foreign policy.

I do agree that it is the executive branch which negotiates agreements and treaties. The Constitution provides for their ratification or their rejection right here in the Senate.

Above all, I think it is most important that we take a look at our own national interests. At least in the instance of Vietnam, there was a Gulf of Tonkin resolution, regardless of what people may think of it. That resolution did provide, and we voted on it here in the Senate, that the President could take whatever steps were necessary, including use of the Armed Forces of the United States, for the protection of American forces and for the fulfillment of our responsibilities.

There is no Gulf of Tonkin resolution now. It has been repealed.

There is nothing under the United Nations Charter that affects what is going on in Cambodia now.

At least Mr. Truman could refer, in the instance of Korea in 1950, to our obligations under the United Nations Charter, because we were there as a member of the United Nations, with a responsibility as a member of the United Nations. That charter was a duly ratified treaty by the Senate.

There is no treaty that includes Cambodia. There is no law that relates to Cambodia. There is no power in the Presidency to bomb Cambodia.

It is illegal, unconstitutional, and immoral.

Thank God that the Senate had the courage to stand up and say, "Halt! Stop!"

Mr. President, the Senate has had the good sense to say that if we are going to engage in such a policy, the President should come here and defend it, advocate it, and seek the response of the Senate or the Congress.

That, he has not done.

The Senate has acted wisely.

Mr. JAVITS. Mr. President, I wish to take this time—I have tried to get it as we have gone along, but we have had other things—to comment on a little-noticed aspect of this measure, for which I thank the Appropriations Committee. In particular, I wish to express to the distinguished chairman, and my colleague from North Dakota (Mr. YOUNG), the ranking member, that they are entitled to great credit for the disposition made of the Legal Services item. It is clear by now that one of the most valuable and important developments in respect of the longstanding effort to deal with poverty in this country came out of this Legal Services program, which brings what to most of the poor is even more important than money—dignity.

We were deeply concerned that in being caught in the crack between a corporate organization for the program and the ending of the fiscal year, the program would somehow not be financed, as the administration had not sought financing for it in respect of a proposal for a corporation.

We think, Mr. President, that the Committee on Appropriations has made a splendid disposition of this proposition by affirming its intention that the continuing operation of the program at the level of $71.5 million should be carried on, and that if there was going to be any hiatus, the committee undertook to see that no such hiatus occurred, but that under a continuing resolution, based on existing authority and the present level of funding, the work would go on.

I wish to tell the chairman and the ranking member how important that is to the personnel of the legal services program. These are lawyers. They cannot wait around in great uncertainty until the ax falls. They need to have some sense of assurance that the work will go on and that their compensation will continue to be paid. It certainly is nothing munificent. It is far less than they could earn for comparable work in private law practice.

I think, therefore, that the disposition which was made in lieu of any need to move an amendment to this bill was most satisfactory. Inasmuch as it has not been mentioned in the debate, I wish to express, as I am the ranking member of the committee which traditionally has handled this matter—the Committee on Labor and Public Welfare—my appreciation to the Appropriations Committee and I know the appreciation of hundreds of thousands of poor people who have benefited, and appreciation to the chairman and the ranking member for the way this matter was handled.

Mr. McCLELLAN. Mr. President, I yield to the distinguished majority leader such time as he may require.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the vote on the pending business occur at the hour of 4:30 p.m., and that rule XII be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays on final passage.

The yeas and nays were ordered.

Mr. HELMS. Mr. President, the situation which has developed here on the floor today has left us with no easy choices. Indeed, for things that really matter, all choices are hard choices. On the one hand we are faced with the necessity of passing a second supplemental appropriations bill. Many of the items in this bill are worthy items in themselves. They should be funded by the U.S. Government from the funds provided by the taxpayers. On the other hand, the language inhibiting the actions of the Commander in Chief in Southeast Asia has been left in the bill. If this language goes into law, it can have serious consequences not only for the future of Southeast Asia, but for our own leadership position in the world.

Anyone who looks at a map can see that the geography of Cambodia is vital to the military stability of South Vietnam. Indeed, whoever controls that geography will, in the long run, be in striking range of a complete takeover of South Vietnam, either directly or through subversion. Today, contrary to article 20 of the Paris agreements, North Vietnamese troops continue to be in Cambodia. The sole U.S. objective in Cambodia is to help bring about a cease-fire and withdrawal of foreign troops as agreed upon. I think that the President has amply demonstrated that the only language that the North Vietnamese understand is force, and he should be allowed to use his discretion to finish up the job of negotiating for which he has received almost unanimous acclaim. It should be contradictory to tie his hands at this moment. Moreover, the credibility of any international undertaking we agree to would be in grave jeopardy.

Our national security must be put before domestic considerations and certainly before mere political rivalry. As I pointed out a moment ago, there are many things I agree with in this bill. In particular, I am disappointed that the question of impact aid funds is put before us at the same time that we are asked to approve a momentous national security question. It is a kind of political pressure that is unseemly and prevents rational consideration of important policies. As the Members of this body know, we have already treated the question of impact aid once before this session in the Urgent Supplemental Appropriations Act. In that act we were asked to consider the release of $86 million for aid to schools enrolling so-called A group children, that is, those whose parents live and work on Federal property. I voted for that appropriation for impact aid.

At the present time, we are considering aid to shcools for B children, that is those whose parents work, but do not live on Federal property. This bill merely raises the entitlement level for B children from 54 percent to 68 percent. Although this is a supplemental appropriation bill, it is noteworthy that no new funds are being appropriated for impact aid; the Senate is merely indicating its interest in raising the disbursement level of funds previously appropriated, but partially withheld by HEW for budgetary consideration. Had this issue been presented in isolation, I would have supported it. But I cannot support this bill when it is encumbered with crippling national security policy restrictions.

Mr. HANSEN. Mr. President, I rise to urge full bipartisan support for the $100 million appropriation now contained in H.R. 7447 pending before us, and ask my colleagues to continue this support when this bill goes to conference.

As the second ranking Republican member of the Senate Special Committee on Aging, I am deeply concerned that our elderly will be shortchanged should they not receive the full $100 million we authorized for their nutrition program under title VII of the Older Americans Act. Since full funding for this program has been recommended by President Nixon, the $50 million appropriation provision passed by the House seems inappropriate and inadequate.

Since the passage of Public Law 92-258 on March 22, 1972, authorizing $100 million for a nutrition program for the elderly, no money has been appropriated. After making our older Americans wait this long for funding—it is a cruel and unusual punishment to cut their promised authorization in half.

Back in the 92d Congress, we had the foresight to establish this Nutrition program to help the Nation's elderly in obtaining adequate nutrition. Let us now fulfill our promise to our country's older Americans by appropriating the full $100 million for this program and seeing that this amount is sustained in conference.

### IMPORTANCE OF SENATE HOLDING FIRM ON FUNDING OF PUBLIC LAW 92-541: VA MEDICAL SCHOOL ASSISTANCE AND HEALTH MANPOWER TRAINING ACT OF 1972

Mr. CRANSTON. Mr. President, I am particularly gratified that H.R. 7447, the Second Supplemental Appropriations Act, fiscal year 1973, as reported from the Committee on Appropriations, contains an appropriation of $25 million to carry out the provisions of Public Law 92-541, the Veterans' Administration Medical School Assistance and Health Manpower Training Act of 1972, which I authored in the Senate last Congress as chairman of the Health and Hospitals Subcommittee of the Veterans' Affairs Committee.

I would like to thank the members of the Appropriations Committee for their favorable consideration of the recommendation to add these funds, in which I was joined by both of the distinguished Senators from West Virginia. Senator BYRD and Senator RANDOLPH both worked mightily and enormously effectively in support of this provision.

The bill as reported from committee would provide $25 million to the Veterans' Administration to carry out programs authorized by Public Law 92-541—$15 million for carrying out subchapter I of the new chapter 82 added to title 38 by that public law for assistance in the establishment of new State medical schools, and $10 million for carrying out the full new chapter 82, including subchapter I as well as the subchapters II and III provisions for the expansion of the training capacities of existing medical schools and other health manpower training institutions affiliated with VA medical facilities.

### PURPOSES AND GOALS OF PUBLIC LAW 92-541

In the last Congress, Mr. President, this authorizing legislation was approved unanimously by both Veterans' Affairs Committees. It was approved unanimously by the Senate, and it was approved unanimously by the House of Representatives.

The program it authorizes would benefit every veteran who needs medical care. It would benefit medical care generally in our country, helping bring medical care to communities where there are not enough or in some cases no doctors, and it could benefit every State where there is a VA hospital now operating.

The authorizing legislation provides new authority to the Veterans' Administration to support pilot programs for the establishment of eight new medical schools at State colleges or universities, which schools will be affiliated with a Veterans' Administration hospital—subchapter I. It will also authorize support for the improvement and expansion of the ability to train health care personnel of medical schools, nursing schools, and schools of the health and allied health professions affiliated with Veterans' Administration facilities—subchapters II and III. The Veterans' Administration is also authorized to make expenditures to remodel facilities and allocate funds for the improvement of its own health training programs at VA facilities—subchapter IV.

### SUBCHAPTER I PROGRAM

Mr. President, great interest has been expressed across the country by State colleges and universities in establishing new medical schools which would utilize the Veterans' Administration hospital as their clinical facility. I have personally discussed this interest with many Senators and Congressmen.

An appropriation of funds this fiscal year will enable the Veterans' Administration to begin implementing this new authority immediately. Any school which is able to begin initial organization this year, will be that much further ahead in its ability to recruit students for its first class. Initial estimates are that any school supported by this program would have a small class the first year, limited to perhaps 25 students, while the second year entering class could enroll 50. Thus, the earlier we can start this program, the greater the number of graduates that will be realized sooner.

### SUBCHAPTERS II AND III

Another major new program which this supplemental appropriation would support, Mr. President, is that of aiding existing medical schools, schools of nursing, other health professions schools, and schools of the allied health professions affiliated with VA hospitals in expanding and improving their ability to train health care personnel, and in establishing area health education centers to provide coordination, focus, and stimulation, on a geographical basis, for the training of health care personnel, especially through multidisciplinary and team training techniques and approaches. The Veterans' Administration hospitals are affiliated with 88 medical schools, 57 dental schools, 314 nursing schools, 80 schools of social work, 89 graduate departments of psychology, 45 schools of pharmacy and has 687 affiliations with all other allied health professions and occupations training programs.

These affiliations have been of mutual benefit to both the institution and the Veterans' Administration facility with which they are affiliated. The VA hospital has gained in having the services of faculty members assisting in the treatment of VA patients, providing the hospitalized veteran with the outstanding skills available at major university medical centers. The medical school has gained by its ability to utilize the VA hospital as a training center for its interns and other health care trainees. The Veterans' Administration is also better able to recruit highly skilled professionals as employees at its hospitals where they will have the opportunity to be associated with a medical school and to serve in a faculty capacity at the school, in addition to caring for the veteran patient.

The Veterans' Administration through these affiliations trains approximately one-half of all physicians entering practice each year. Many VA trainees are thereafter recruited for employment in the VA itself.

An untapped potential exists in the VA hospitals which are not now affiliated with medical schools.

In addition, there is considerable room for expansion of training programs in the VA itself and in institutions presently affiliated with the VA.

Well over 62,000 individuals are currently being trained for health care careers each year in VA facilities. The potential exists for doubling this number over the next 5 years.

A survey conducted a little over a year and one-half ago indicated that with additional funds for trainee stipends, instructor salaries, and space modification, some 12,000 additional health professions trainees could be accommodated immediately. The appropriation of the $25 million in the bill before will enable the VA to make a substantial beginning toward this expanded training program. It will also enable the affiliated medical education institution to undertake innovative training programs, and to expand and improve its capacity to train health care manpower jointly with the Veterans' Administration.

### TRAINING VETERANS WITH MILITARY HEALTH CARE EXPERIENCE

Mr. President, a very important dividend which can be realized from implementation of the authorities in Public Law 92-541 and these supplemental funds is the opportunity which will be provided for returning veterans who have been trained in military occupation specialties to participate in education and training programs leading to a civilian career in health.

In the programs which will be supported by this appropriation, the Veterans' Administration has been directed to encourage to the maximum extent the participation of these veterans in those training programs.

A great potential exists Mr. President, in utilizing these veterans who have been highly trained and have experience in performing tasks which normally fall within the responsibility of the physician, to develop new types of health careers in conjunction with medical schools, where they can be trained with other members of the health professions to work together in a team effort to care for the patient.

I believe new types of health careers can provide a large part of the answer to the shortage of physicians, by making available the skills of an individual highly trained in one aspect of care, who can alleviate the burden placed upon the physician, in acting as a physician extender.

### CONCLUSION

In summary, by appropriating $25 million for these authorities—just one-third of the full authorization of $75 million—we will enable the VA to make an early start in developing the new medical schools authorized, to take the necessary steps to provide additional assistance to existing affiliated educational institutions to improve and expand their programs and establish area health education centers, to upgrade and expand the VA's own training programs, and to expand the opportunities for health careers for returning veterans. The greatest single need in health care in the Nation is for more and better trained and more accessible health manpower.

Mr. President, these new programs seek to utilize to the fullest the potential of the Veterans' Administration for the education and training of these vital resources to assist in the care of disabled veterans and to expand the health care capacity of the entire Nation.

### NEED FOR FUNDING

The appropriation of $25 million included in the Second Supplemental Appropriations Act, fiscal year 1973, as reported will be the second time during this fiscal year the Senate will be adding funds to appropriation bills to carry out Public Law 92–541. Last October 12, the Senate adopted my amendment to add $40 million for this purpose to the First Supplemental Appropriation bill, fiscal year 1973, which was enacted as Public Law 92–607 without these funds due to refusal of the other body to accept the Senate amendment.

On April 16 and April 18, Mr. President, the Subcommittee on Health and Hospitals, which I am privileged to chair, of the Veterans' Affairs Committee, held oversight hearings on the impact on Veterans' Administration medical care of the revised fiscal year 1973 and proposed fiscal year 1974 budget requests and the failure to implement Public Law 92–541. At those hearings the Chief Medical Director of the Veterans' Administration stated that the VA had received 62 inquiries about grants under the new chapter from health manpower and other institutions.

Thirteen of these inquiries were regarding subchapter I—"New State Medical Schools"—27 were regarding subchapter II—"Grants to Affiliated Medical Schools," which also generally inquired regarding subchapter III—and 22 were regarding subchapter III—"Assistance to Public and Nonprofit Institutions of Higher Learning, Hospitals, and Other Health Manpower Institutions Affiliated With the Veterans' Administration To Increase the Production of Professional and Other Health Personnel." These inquiries covered the following 31 States: Alabama, Arizona, California, Connecticut, Georgia, Idaho, Illinois, Kansas, Kentucky, Maine, Michigan, Mississippi, Missouri, Nebraska, Nevada, New Hampshire, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Virginia, West Virginia, and Wisconsin.

At the hearings on April 18, Mr. President, the VA indicated that the regulations implementing the new law would be published in the Federal Register in 45 days—in other words, by the end of May.

### HEALTH EDUCATORS CALL FOR FUNDING

The hearings also developed important support for the need to fund the new public law. A number of outstanding leaders in the health education field testified to the importance of affiliations between the health professions schools and VA medical facilities in terms of the beneficial effect on the care provided the veteran as well as the impact on meeting national needs for additional health care personnel. A few quotes from some of these individuals eloquently express the benefits of such affiliations, and the effect of inadequate funding of these programs on the ability of these affiliations to achieve their full potential.

Mr. President, Dr. Dennis, vice president for health sciences at the University of Arkansas Medical Center, said:

> On the basis of information provided to us, our V.A.-Denas Committee Hospital can, with the projected budget for fiscal year 1974 (July 1973–June 1974), expect to be fortunate to maintain operations at the 1973 level yet the service demands will be greater. They can employ no more than the current number of house staff (residents and interns) at a time the medical school enrollments are increasing and the need for an additional ten resident positions are essential. Other deficiencies in the FY 1974 budget include (1) inability to obtain additional staffing that would permit employment ratios of staff to patients equivalent to that of the average private hospital, (2) inability to recruit additional professional and allied health personnel required to serve ever increasing demands, particularly in the outpatient areas, (3) inability to fund the new School of Health Related Professions in order to provide for the students, programs and facilities that would permit even a fraction of the tremendous growth potential in this short supply field of health manpower, and (4) indefinitely delayed are plans, meticulously generated over a period of several years, to activate an innovative, critically needed program for high quality geriatric medical care and a unique program of Geriatric Home Care. These programs were designed to provide the basis for a new medical school department for research and teaching in the field of aging. Neither institution can do this alone. The importance of the intolerable neglect of research, teaching and care for the aged requires no amplification.

Dr. Edmund Pellegrino, vice president for health sciences and director of the Health Sciences Center of the State University of New York, concisely stated the importance of funding Public Law 92–541 to achieving up to date methods of providing quality care to veterans:

> I would like to emphasize that my support for the specific provisions of S. 59 I have discussed and elements of 92–541 now awaiting funding is based on my conviction that they will improve the care of veterans and especially those veterans in the category for which we have the greatest moral responsibility as a nation. These measures if enacted and funded as the case may be—will bring certain aspects of medical care delivered to all veterans closer to optimal than is now the case. Surely, the veteran should not receive inferior care when a comprehensive pattern is available (to the non-veteran) in the community. But these measures will also enable the veterans hospitals to develop and provide improved methods of care. Thus, in selected areas of care, the veterans hospitals can take a role of leadership for the benefit of those they serve and all others, as well.

Dr. Schmidt, vice president for academic affairs and dean of the College of Medicine at the Upstate Medical Center, SUNY-Syracuse, seconded this statement saying:

> The contributions of the Veterans Administration to health science education have been great and have been amply documented by others. Suffice it to state that a very large proportion of practicing health professionals in the United States have had portions of their education and training with Veterans Hospitals. In turn, the partnership between the Veterans Hospitals and Academic Health Science Centers has materially benefited the veteran patient in terms of the quality of his care. Largely because of this partnership, patients in veterans hospitals have had available to them most of the skills and resources that modern scientific medicine and technology can offer. This partnership has not been free of stress or critics and there are admitted points of weakness. In my testimony, however, I would prefer to dwell on opportunities, especially as they concern the three major missions of patient care, education and research. These three are interdependent and no one of them can be of highest quality without each of the others.

And Dr. Stanley S. Bergen, Jr., president of the College of Medicine and Dentistry of New Jersey, gave examples of the benefits to the veterans resulting from an affiliation with the New Jersey Medical School:

> In return, the Veterans Administration Hospital receives numerous advantages as a result of its participation with the medical school. Prior to its affiliation with the College the East Orange Hospital had no intensive care unit, no coronary care unit, no dialysis unit, nor any vascular caterization program. In large part these deficiencies were due to the difficulties experienced by the Hospital in attracting adequately trained staff. Furthermore, the hospital had difficulty attracting sufficient housestaff to meet its needs.
>
> The affiliation with the medical school has substantially altered the picture. The assurance of faculty appointments and the stimulation involved through participation in a teaching environment has greatly enhanced the ability of the Veterans Administration Hospital in East Orange to attract

highly qualified and in some cases nationally known individuals to its staff. It has also been of great assistance in attracting housestaff.

Based on all the information available to the Subcommittee on Health and Hospitals, Mr. President, it is clear to me that, first, implementation of the new law can play a major role both in upgrading care to veterans and assisting the nation to meet its health manpower shortages; second, there is great interest in the public and the health community and enormous capacity and untapped potential to carry out effective programs; and third, the VA will finally—after more than 6 months—be issuing its regulations so that applications can begin to be submitted in June. It is important to stress that under sections 5072(b) and 5082(b) of title 38, sums appropriated for the new chapter 82 remain available until the end of the sixth fiscal year following the final year of appropriation.

I brought these facts to the attention of the distinguished chairman of the Subcommittee on HUD-Space, Science-Veterans Appropriations (Mr. Proxmire) in a letter along with a detailed listing of the inquiries made of the Veterans' Administration by States interested in applying for grants under the provisions of Public Law 92–541. I am very pleased that the full committee took positive action on the recommendation in which I joined with Senators Byrd and Randolph.

Mr. President, I ask unanimous consent, that a copy of my May 9, 1973 letter to Chairman Proxmire as well as the enclosure be printed in the Record at this point.

There being no objection, the letter and enclosure were ordered to be printed in the Record, as follows:

May 9, 1973.

Hon. William Proxmire,
Chairman, HUD-Space, Science-Veterans Subcommittee, Committee on Appropriations, U.S. Senate, Washington, D.C.

Dear Mr. Chairman: I am writing in support of an amendment to the Second Supplemental Appropriations bill, FY 1973, in which I am joining with Senator Byrd of West Virginia to add $25 million to carry out the new chapter 82 (Assistance in Establishing New State Medical Schools; Grants to Affiliated Medical Schools; Assistance to Health Manpower Training Institutions) in title 38; as enacted in P.L. 92–541, the Veterans' Administration Medical School Assistance and Health Manpower Training Act of 1972. Our amendment would fund only one-third of the $75 million FY 1973 authorizations, and under it, $15 million would be to carry out subchapter I (Pilot Program for Assistance in the Establishment of New State Medical Schools) pursuant to section 5072, and $10 million would be to carry out the full chapter (including subchapter I) pursuant to section 5082.

On April 16 and April 18, the Subcommittee on Health and Hospitals, which I am privileged to chair, of the Veterans Affairs Committee, held oversight hearings on the impact on Veterans Administration medical care of the revised FY 1973 and proposed FY 1974 budget requests and the failure to implement P.L. 92–541. At these hearings the Chief Medical Director of the Veterans Administration stated that the VA had received 62 inquiries about grants under the new chapter from health manpower and other institutions. Thirteen of these inquiries were regarding subchapter I (New State Medical Schools), 27 were regarding subchapter II (Grants to Affiliated Medical Schools) (which also generally inquired regarding subchapter III), and 22 were regarding subchapter III (Assistance to Public and Nonprofit Institutions of Higher Learning, Hospitals and other Health Manpower Institutions Affiliated with the Veterans' Administration to Increase the Production of Professional and other Health Personnel). These inquiries covering the following 31 states are detailed in the enclosure: Alabama, Arizona, California, Connecticut, Georgia, Idaho, Illinois, Kansas, Kentucky, Maine, Michigan, Mississippi, Missouri, Nebraska, Nevada, New Hampshire, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Virginia, West Virginia, and Wisconsin.

At the hearings, the VA indicated on April 18 that the regulations implementing the new law would be published in the Federal Register in 45 days—in other words, by the end of May.

The hearings also developed important support for the need to find the new Public Law. A number of outstanding leaders in the health education field testified to the importance of affiliations between the health professions schools and VA medical facilities in terms of the beneficial effect on the care provided the veterans as well as the impact on meeting national needs for additional health care personnel. A few quotes from some of these individuals eloquently express the benefits of such affiliations, and the effect of inadequate funding of these programs on the ability of these affiliations to achieve their full potential.

Dr. Dennis, Vice President for Health Sciences at the University of Arkansas Medical Center, said: "On the basis of information provided to us, our V.A.-Dennis Committee Hospital can, with the projected budget for fiscal year 1974 (July 1973-June 1974), expect to be fortunate to maintain operations at the 1973 level yet the service demands will be greater. They can employ no more than the current number of house staff (residents and interns) at a time the medical school enrollments are increasing and the need for an additional ten resident positions are essential. Other deficiencies in the FY 1974 budget include (1) inability to obtain additional staffing that would permit employment ratios of staff to patients equivalent to that of the average private hospital, (2) inability to recruit additional professional and allied health personnel required to serve ever increasing demands, particularly in the outpatient areas, (3) inability to fund the new School of Health Related Professions in order to provide for the students, programs and facilities that would permit even a fraction of the tremendous growth potential in this short supply field of health manpower, and (4) indefinitely delayed are plans, meticulously generated over a period of several years, to activate an innovative, critically needed program for high quality geriatric medical care and a unique program of Geriatric Home Care. These programs were designed to provide the basis for a new medical school department for research and teaching in the field of aging. Neither institution can do this alone. The importance of the intolerable neglect of research, teaching and care for the aged requires no amplification."

Dr. Edmund Pellegrino, Vice President for Health Sciences and Director of the Health Sciences Center of the State University of New York, concisely stated the importance of funding P.L. 92–541 to achieving up to date methods of providing quality care to veterans: I would like to emphasize that my support for the specific provisions of S. 59 I have discussed and elements of 92–541 now awaiting funding is based on my conviction that they will improve the care of veterans and especially those veterans in the category for which we have the greatest moral responsibility as a nation. These measures if enacted and funded as the case may be—will bring certain aspects of medical care delivered to all veterans closer to optimal than is now the case. Surely, the veteran should not receive inferior care when a comprehensive pattern is available (to the non-veteran) in the community. But these measures will also enable the veterans hospitals to develop and provide improved methods of care. Thus, in selected areas of care, the veterans hospitals can take a role of leadership for the benefit of those, they serve and all others, as well.

Dr. Schmidt, Vice President for Academic Affairs and Dean of the College of Medicine at the Upstate Medical Center SUNY Syracuse, seconded this statement saying: "The contributions of the Veterans Administration to health science education have been great and have been amply documented by others. Suffice it to state that a very large proportion of practicing health professionals in the United States have had portions of their education and training with Veterans Hospitals. In turn, the partnership between the Veterans Hospitals and Academic Health Science Centers has materially benefited the veteran patient in terms of the quality of his care. Largely because of this partnership, patients in veterans hospitals have had available to them most of the skills and resources that modern scientific medicine and technology can offer. This partnership has not been free of stress or critics and there are admitted points of weakness. In my testimony, however, I would prefer to dwell on opportunities, especially as they concern the three major missions of patient care, education and research. These three are interdependent and no one of them can be of highest quality without each of the others."

And Dr. Stanley S. Bergen, Jr., President of the College of Medicine and Dentistry of New Jersey, gave examples of the benefits to the veteran resulting from an affiliation with the New Jersey Medical School: "In return, the Veterans Administration Hospital receives numerous advantages as a result of its participation with the medical school. Prior to its affiliation with the College the East Orange Hospital had no intensive care unit, no coronary care unit, no dialysis unit, nor any vascular caterization program. In large part these deficiencies were due to the difficulties experienced by the Hospital in attracting adequately trained staff. Furthermore, the hospital had difficulty attracting sufficient housestaff to meet its needs.

The affiliation with the medical school has substantially altered the picture. The assurance of faculty appointments and the stimulation involved through participation in a teaching environment has greatly enhanced the ability of the Veterans Administration Hospital in East Orange to attract highly qualified and in some cases nationally known individuals to its staff. It has also been of great assistance in attracting housestaff."

Based on all the information available to the Subcommittee on Health and Hospitals, it is clear to me that (1) implementation of the new law can play a major role both in upgrading care to veterans and assisting the nation to meet its health manpower shortages; (2) there is great interest in the public and the health community and enormous capacity and untapped potential to carry out effective programs; and (3) the VA will finally—after more than 6 months—be issuing its regulations so that applications can begin to be submitted in June. It is important to stress that under sections 5072(b) and 5082 (b) of title 38, sums appropriated for the new chapter 82 remain available until the end of the sixth fiscal year following the final years of appropriation.

Thus, this $25 million can get the program started and avoid the almost inevitable delay, under a continuing resolution for FY 1974, in starting up the program next fiscal year.

In closing, I wish to reiterate my conviction that the money is needed for these programs now and express my opinion that any expression to the contrary by the VA or the administration is dictated by OMB, which strenuously opposed enactment of P.L. 92-541, despite the facts involved. I very much hope you will support the amendment.

I have taken the liberty of sending copies of this letter and the enclosure to Senator Byrd and Chairman McClellan.

With best regards,

Sincerely,

ALAN CRANSTON,
*Chairman,*
*Subcommittee on Health and Hospitals.*

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### EXPRESSIONS OF INTEREST IN THE VETERANS' ADMINISTRATION MEDICAL SCHOOL ASSISTANCE AND HEALTH MANPOWER TRAINING ACT OF 1972, PUBLIC LAW 92-541

#### SUBCHAPTER I

There have been inquiries or statements of interest on behalf of 13 States (Attachment A). This number, and the still lesser number (about seven) which reflect potential immediate eligibility, is probably accounted for on two bases: The Act itself requires that the applicant present reasonable assurance of appropriate accreditation of the new medical schools to be initiated with this assistance (Section 5073b 1 D). Implementing regulations, as presently drafted, would also eliminate from eligibility under this subchapter the "new" schools which are provisionally accredited and receiving Federal assistance under one or more of the authorities contained in the Comprehensive Health Manpower Training Act of 1971 (PL 92-157) administered by the Bureau of Health Manpower, NIH, DHEW. Such schools, if they are presently affiliated with the VA hospitals, would be eligible for assistance under Subchapter II.

#### SUBCHAPTERS II AND III

There have been about 27 inquiries from Medical Schools specifically concerning *Subchapter II*, the majority of these also express interest in Subchapter III in behalf of nursing or other allied health programs conducted either by the School or by other Schools within the academic health center of which they are a part (Attachment B). There have been an additional 22 letters from institutions inquiring specifically about *Subchapter III* (Attachment C). These range from Schools of Allied Health, Schools of Pharmacy, etc. which are components of academic health centers to single programs conducted in community and junior colleges.

Most of these inquiries and statements of interest do not include specific proposals. Although the Act itself is rather explicit in defining eligibility, it is not all specific regarding the kinds of "projects and programs in furtherance of the purposes of the subchapter" (Sections 5083 and 5093) for which grant assistance might be sought. Publication of regulations will undoubtedly elicit more detailed plans.

Letters, submitted directly and through Congressmen, generally express the need for additional clinical experience opportunities for medical students (Subchapter II) and other health professions and occupations students at all levels (Subchapter III), to complement the academic programs in medical schools, schools of nursing, dentistry, pharmacy, and other health-related fields which have been created or significantly expanded in response to recent Federal, State, or local funding initiatives.

#### *General inquiries*

There have been several expressions of general interest from health professions societies, organizations of health professions schools, and others; and inquiries on behalf of "otherwise eligible veterans" (Section 5070e) who are seeking or planning to seek admission to medical schools (Attachment D).

#### (Attachment A)

#### SUBCHAPTER I

#### *State, Institution or Agency, and VA Hospital(s)*

*Alabama*—University of Alabama, Tuscaloosa; Troy State University, Medical District No. 14.

*Arizona*—Navajo Health Authority, Medical District No. 34.

*California*—Charles R. Drew Postgraduate School of Medicine, Sepulveda; San Joaquin Valley Health Consortium, Fresno; San Fernando Valley Health Consortium, Medical District No. 36.

*Georgia*—Georgia State University, Atlanta.

*Idaho*—Medical Education Foundation, Inc., Boise.

*Maine*—University of Maine, Bangor, Togus.

*Mississippi*—Fifth Congressional District of Mississippi, Gulfport/Biloxi.

*New Hampshire*—University of New Hampshire, Manchester.

*Ohio*—Wright State University, Dayton.

*South Carolina*—University of South Carolina, Columbia.

*Tennessee*—East Tennessee State University, Mountain Home.

*Texas*—Texas A&M University System, Temple/Waco/Marlin; Texas College & University System, Medical District No. 26.

*West Virginia*—Marshall University, Huntington.

#### (Attachment B)

#### SUBCHAPTER II (AND SUBCHAPTER III*)

#### *State and Institution or Agency*

*Alabama*—*University of Alabama in Birmingham; University of South Alabama, Mobile.

*California*—*Stanford University Medical Center.

*Kansas*—Wichita State University; College of Health Related Professions.

*Kentucky*—*University of Kentucky Medical Center.

*Louisiana*—*Louisiana State University, Medical Center.

*Massachusetts*—*Boston University; Tufts University School of Medicine.

*Michigan*—University of Michigan School of Medicine.

*Mississippi*—*University of Mississippi Medical Center.

*Nevada*—University of Nevada School of Medical Sciences.

*New York*—*Mt. Sinai Medical Center; *S.U.N.Y. at Stonybrook.

*North Carolina*—*University of North Carolina School of Medicine.

*North Dakota*—University of North Dakota School of Medicine.

*Oklahoma*—*University of Oklahoma Medical Center.

*Oregon*—*University of Oregon Medical Center.

*Rhode Island*—Brown University Division of Biological and Medical Sciences.

*South Carolina*—*Medical University of South Carolina.

*South Dakota*—University of South Dakota School of Medicine.

*Tennessee*—*University of Tennessee Medical Units.

*Texas*—University of Texas Southwestern Medical School of Dallas; *Baylor College of Medicine; *Texas College & University System (all campuses); and Texas Tech. University School of Medicine.

*Virginia*—Eastern Virginia Medical School.

*Wisconsin*—University of Wisconsin (Madison) Medical College of Wisconsin.

#### (Attachment C)

#### SUBCHAPTER III

#### *State and Institution or Agency*

*Alabama*—Tuskegee Health Education Center.

*California*—East Bay Area Health Education Center; De Anza Community College; San Joaquin Valley Health Consortium (Fresno Area Health Education Center).

*Connecticut*—Western Connecticut State College.

*Georgia*—Georgia State University.

*Illinois*—University of Illinois at the Medical Center, School of Allied Health Professions.

*Michigan*—Saginaw Valley Center—Saginaw Area Health Education Center.

*Missouri*—Central Missouri State College.

*Nebraska*—University of Nebraska—Lincoln Area Health Education Center.

*New York*—Consortium of Health and Educational Institutions—Bath, New York; S.U.N.Y.—Downstate Medical Center.

*New Mexico*—University of Albuquerque.

*North Carolina*—Duke University Medical Center—Division of Allied Health, Western Carolina University.

*Ohio*—Wright State University.

#### (Attachment D)

#### GENERAL INQUIRIES

#### *Local Organizations and Groups*

Arkansas—Arkansas State Medical Society; a practicing physician.

Maine—Maine's Regional Medical Program.

New York—29th District of New York (Congressman Stratton) Albany/Schenectady area.

Ohio—"Interested citizens of Ross County" (Chillicothe area).

#### *Associations and Societies*

Association of American Medical Colleges.

Association of Schools of Allied Health.

American Medical Association—Council on Medical Education.

American Podiatric Association.

American Optometric Association.

Association of Colleges of Pharmacy.

#### *Letters in Behalf of Potential Students*

Senator Jacob Javits.

Senator James Buckley.

Senator Bob Packwood.

Congressman Olin Teague.

#### *State and Institution or Agency*

Pennsylvania—St. Francis College, Altoona; Lakes Area Health Education Center.

Tennessee—Vanderbilt University School of Allied Health Professions.

Texas—St. Joseph's Hospital, Houston. Central Texas Regional Medical Education Foundation (Temple Junior College).

Utah—Weber State College.

Washington—City of Seattle—Schools and Colleges.

#### CONCLUSION

Mr. CRANSTON. Mr. President, I am hopeful that this time the House will be willing to accept the Senate amendment to fund these programs. The hearings on that side have developed support for this program and I know that the chairman of the Committee on Veterans' Affairs in that body (Mr. DORN) and the former chairman (Mr. TEAGUE) will strongly urge that the House recede to the Senate provision on this point in conference.

### VETERANS' COST-OF-INSTRUCTION PROGRAM FUNDING

Mr. President, I was delighted to learn that the $25 million which was appropriated in Public Law 92-607 last October for the Veterans' Cost-of-Instruction—VCI—program, which I authored last year in the Education Amendments of 1972, was finally released by the Office of Education on May 21.

I had contacted Senator MAGNUSON, chairman of the Subcommittee on Labor, Health, Education, and Welfare of the Appropriations Committee, in March of this year, urging him and the subcommittee to stand firm and not agree to the administration's proposal that Congress rescind the small amount of funds appropriated for fiscal year 1973 for this program. Chairman MAGNUSON's April 2 response indicated that he was not impressed by HEW's arguments for granting a rescission. I would like to thank Chairman MAGNUSON and the subcommittee for their efforts on behalf of this program and for their decision not to entertain the totally unjustified rescission proposal.

In this connection, the Senate report (No. 93-160) accompanying H.R. 7447, the Second Supplemental Appropriations Act, fiscal year 1973, as reported from the Committee on Appropriations, states that—

> Both the House and Senate reports on this bill indicate the Congress is not concurring in the requested rescissions.

Moreover, Mr. President, I am especially pleased that the bill as reported contains an amendment to make funds available for obligation for the VCI program until September 30, 1973.

Last week, Mr. President, I wrote to Dr. John Ottina, Acting Commissioner of Education, urging, among other things, that the application deadline of June 1 be extended by at least 10 days. In view of the 3-month extension in H.R. 7447 of the date by which funds for the VCI program must be obligated, I have today contacted Commissioner Ottina's office requesting a further extension of the application deadline to at least July 1, 1973.

Mr. President, I ask unanimous consent that the full texts of my March 21, 1973, letter to Senator MAGNUSON, of Senator MAGNUSON's April 2, 1973, response to my letter, and of my May 24, 1973, letter to Commissioner Ottina be set forth in the RECORD at this point.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

COMMITTEE ON VETERANS' AFFAIRS,
*Washington, D.C., March 21, 1973.*

Hon. WARREN G. MAGNUSON,
*Chairman, Subcommittee on Labor-Health, Education and Welfare, U.S. Senate, Washington, D.C.*

DEAR MR. CHAIRMAN: As the Subcommittee considers the Second Supplemental Appropriation bill for fiscal 1973, I am increasingly concerned over prospects for funding the Veteran Cost-of-Instruction (VCI) Program I authored in the 92nd Congress as part of P.L. 92-318.

I applaud again the concern showed by your Subcommittee by appropriating $25 million in the Supplemental Appropriations Act, 1973 (P.L. 92-607) to initiate the VCI program in fiscal 1973, despite adamant Administration opposition. Ever since that Appropriations Act was enacted with the President's signature, the Office of Education—which is responsible for administering the program—has dragged its feet and completely disregarded the wishes of the Congress. Regulations and guidelines have not been published though the program is approaching its first birthday.

Now, the Administration asks the Congress to rescind its VCI appropriation, leaving the program with no funding.

In the past months, I have received numerous letters and phone calls from colleges and veterans groups from all over the country, urging the release of the present appropriated monies and asking additional funds for fiscal year 1974. The 95 community colleges in my state of California, the nine campuses of the University of California, and the California Colleges and Universities have been in close touch with me, stating the concern I find expressed over and over again: the colleges and universities of America, both public and private, recognize the acute needs of the Vietnam veteran in particular, and seek to meet those special needs with the assistance offered by the VCI allowances.

As the Congress recognized in authorizing the VCI program, and your Subcommittee affirmed by approving program initiation monies, the Vietnam veteran has special needs unmet by existing programs, including those of the Veterans Administration. There are significant contrasts between the World War II veteran and today's Indochina veteran. Generally, today's veteran has a lower total level of VA benefits than did the World War II veteran. Veterans of previous wars received full tuition at any college in the country, along with a living allowance that very nearly met the cost of living. The veteran of today studying full-time, however, gets $220 per month in cash, if he is single, from which tuition, fees, books, and all living expenses must be paid. Moreover, studies indicate that a large proportion of Vietnam returnees are from lower-income backgrounds with the attendant hardships of less education and fewer opportunities to enter college or jobs that require specialized training.

Finally, the veteran returning from Vietnam duty faces a different climate of public attitude: for the average veteran, there have been no victory parades, and colleges generally have not geared up to welcome the veteran and help him in the way and to the extent they did after World War II.

The VCI program is designed to encourage institutions of all kinds to provide for specific education or training opportunities for veterans in college, pre-college, and job training; especially for veterans who are educationally disadvantaged and in need of remedial or tutorial assistance. The VCI law specifies that fifty percent of funds paid to any institution under the program is to be used directly for veteran services; and indications are that many colleges would use more than 50 percent. USOE officials who have worked on preliminary planning for the VCI Program say they intend to encourage maximum employment of veterans in the program—in outreach, counselling, tutorial and other services.

The VCI Program would also generate additional allowances for veterans through the greater use of the G.I. bill itself, special tutorial assistance, remedial-refresher veterans programs, and the new veteran-student services programs. Also, a prime function of the program is to inform veterans about specific education and training opportunities; this is not now being done adequately either by the Federal Government or by the colleges and other educational institutions, largely because funds needed to set up necessary outreach programs and machinery are not available in a quantity commensurate with the need.

Mr. Chairman, I applaud the wisdom of your Subcommittee, and the full Appropriations Committee, in affirming the commitment of the Congress to the special needs of the Vietnam era veteran. On behalf of veterans in my state of California and elsewhere, I most strongly urge you to stand firm and not rescind the small amount of funds so far appropriated for FY 1973, as the Administration urges.

In light of current needs, I believe the existence of the VCI Program is even more necessary now than ever before. It surely merits the $25 million funding level, and a substantially increased allocation as we look forward to fiscal year 1974, if we are to fulfill our obligations to our returning veterans.

With best regards,

Sincerely,

ALAN CRANSTON,
*Chairman, Subcommittee on Health and Hospitals, Committee on Veterans' Affairs.*

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COMMITTEE ON APPROPRIATIONS,
*Washington, D.C., April 2, 1973.*

Hon. ALAN CRANSTON,
*U.S. Senate,*
*Washington, D.C.*

DEAR SENATOR CRANSTON: Thank you for your letter of March 25 expressing concern over the proposed rescission of Veterans' cost-of-instruction funds.

Our Subcommittee recently concluded its hearings on Supplemental requests and the proposed rescissions. I, for one, was not impressed by HEW's arguments for granting a rescission. However, I am still very concerned over the fate of this very worthwhile program. Despite the good intentions of Congress, the President may, nevertheless, refuse to spend the $25 million for veterans' payments before the end of this fiscal year. His refusal to date has destroyed the effective timing that the Committee had in mind when it provided this appropriation.

Sincerely,

WARREN G. MAGNUSON,
*Chairman, Subcommittee on Labor-Health, Education and Welfare.*

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COMMITTEE ON LABOR
AND PUBLIC WELFARE,
*Washington, D.C., May 24, 1973.*

Dr. JOHN OTTINA,
*Acting Commissioner of Education, Office of Education, Department of Health, Education, and Welfare, Washington, D.C.*

DEAR DR. OTTINA: I was delighted to learn that the $25 million which were appropriated in P.L. 92-607 last October for the Veterans Cost of Instruction (VCI) program, which I authored last year in the Education Amendments of 1972, were finally released on May 21. I am most disturbed, however, by matters related to this program that have just come to my attention.

It is my understanding that application procedures for the program are being seriously hampered as a result of the direct mailing of application materials to the Presidents of colleges and universities, rather than the Financial Aids Offices. These application materials could easily be overlooked, or at least held up, in the President's office. In fact, we have information that many potentially eligible schools are still totally unaware of the VCI program. As I indicated in my floor statement upon introduction of this amendment (S. 2740 on February 28, 1972), many colleges and universities have been slow in establishing special veterans' programs in the past because they were hindered by a lack of publicity about new programs. I believe such problems with the VCI program could be ameliorated by mailing all application materials directly to the Financial Aids Offices. In view of the proximity of the June 1st deadline for application, I urge you immediately to direct a new mailing of application materials to the Financial Aids Offices, and to extend the June 1st deadline—set forth in Acting Deputy Commissioner Muirhead's April 17th letter to college President's—by at least 10 days.

I recognize that the funds must be obligated by June 30, and that processing the applications in a 20-day period is a difficult task. Nevertheless, I believe that the far too widespread lack of understanding about the program and the recency of the decision to release the funds argues strongly for a new application mailing, and a modest time delay, and justifies any administrative inconveniences these steps might cause.

There are also several other matters regarding the failure of the April 16, 1973, Regulations (38 Fed. Reg. No. 72, page 9472, 45 C.F.R. Part 189) to carry out the law or clear Congressional intent in three major respects. Before discussing these points, I do wish to state very strongly that I believe the Regulations are generally excellent, and I am particularly gratified with the substance of the "Required Services and Uses of Funds" set forth in Subpart B, especially the O.E. adequacy assessment criteria and reporting requirements. These seem to me right in line with the basic purpose of the Congress (there is one point of clarification I suggest under item d. below).

I also wish to apologize for my delay in getting these comments to you after the 30-day comment period, but I am sure you will want to consider them carefully.

a. *Veterans eligible for $150 bonus payment.* Section 189.3(a)(2) defines educationally disadvantaged veteran students (subchapter V or subchapter VI of chapter 34 of title 38) who carry a $150 bonus, as those in attendance on April 16, 1973 "who have, *while attending such institution during the academic year in which such date occurred,* received educational assistance under . . . "those subchapters (Emphasis added). The same language is set forth in your May 7, 1973, Administrative Bulletin #2, under *"Clarification of Category 2 Veterans (Item 11, Part I of the Application),"* which states the following:

"'Category 2' veterans (i.e., 'educationally disadvantaged') are those who are enrolled on a half-time or greater basis and who are receiving or have received *at some time during the current (1972–1973) academic year* educational assistance under one of the following three G.I. Bill programs authorized by Subchapters V and VI of title 38, United States Code. . . ." (Emphasis added.)

I strongly object to the underlined language as inconsistent with the clear language of the law.

As I will attempt to demonstrate, the language of section 420(b)(1)(B) clearly requires that the bonus be paid on behalf of each veteran who has, *at any time,* received G.I. Bill assistance under subchapter V or VI. Subsection (b)(1)(B) of section 420 states:

"The amount of any payment to which any institution is entitled under this section for any fiscal year shall be—

* * * * *

in addition, $150, except in the case of persons on behalf of whom the institution has received a payment in excess of $150 under section 419, for each person *who has been the recipient of educational assistance under subchapter V or subchapter VI of chapter 34 of such title 38,* and who is in attendance at such institution as an undergraduate student during such year." (Emphasis added.)

This clause makes no reference to the receipt of such subchapter assistance in a particular academic year. The language is written entirely in the past tense in contrast to the present tense used in clause (A) to spell out the basic $300 entitlement per "veteran receiving" chapter 31 or 34 assistance. Furthermore, note the comma after "title 38" in clause (B) which totally separates the concluding language ". . . during such year" from the language defining which veterans shall be counted. In short, I find absolutely no basis in the law for the interpretation you have taken and the requirement you have imposed in the regulations. Moreover, as I shall discuss at the end of the letter, this added requirement is itself in violation of section 521(c)(2)(A) of the General Education Provisions Act, as amended by section 302(a) of P.L. 92–318, which I also authored.

In addition to not comporting with the plain language of the law, your additional language violates the expressed Congressional intent. The section-by-section analysis of the amendment, adopted by the Senate on February 28, as set forth at S 2741, explains clause (B)—which was not changed in conference—by reducing it into two separate and distinct conditions of eligibility for the bonus. It states:

"each institution shall be paid $150 for each person who—

"(1) is in attendance at such institution as an undergraduate student; and

"(2) has been the recipient of educational assistance under subchapter V or VI of chapter 34 of such title 38."

And in the Explanatory Statement of the Committee on Conference, it is stated on page 228 of the Conference Report (No. 92–798): "(2) in addition, $150 for each veteran who has participated in one of the special remedial veterans programs." Again, there is no indication of a specified period of time in which the veteran's participation in such a remedial program was required to have occurred.

One of the principal purposes of the VCI Program is to encourage schools to recruit and enroll those educationally disadvantaged students who have participated in PREP or other remedial programs under the G.I. Bill *at any time,* rather than just those students who were enrolled during the current academic year. This philosophy pervades my February 28 floor statement. The intention was to provide a two-pronged incentive to schools with respect to educationally disadvantaged veterans: (1) to recruit and enroll them in pre-college or PREP programs under subchapters V or VI, for which a school would receive $300 per such veteran—and I note with great pleasure how carefully your regulations in the last two parentheticals in section 189.2(b) follow the Congressional intent expressed in the last two sentences of the Explanatory Statement (p. 228) so as to count these veterans for that purpose; and (2) to recruit and enroll in college curricula courses veterans who had received such remedial or preparatory courses and were eligible for admission. In other words, our plan was to try to make maximum use of the successes of PREP and section 1691 college preparatory programs by seeing to it that the veterans so trained had opportunities to pursue a higher education using the preparation they had received.

(I would note that I would not insist on this same analysis with respect to tutorial assistance student recipients under section 1692 of title 38, although the law makes no (and probably does not allow any) such distinction since section 1692 is included within subchapter V of chapter 34. I would not object to paying the bonus on behalf of such a tutorial assistance recipient veteran (who had *not* otherwise participated in a subchapter V or VI program) only if he had received such assistance in the academic year in question. I would be delighted to confer with you and your legislative people to change the law or otherwise clarify it with respect to bonus payments to schools on behalf of tutorial assistance recipients.)

Thus, I think the law and Congressional intent are unmistakeably clear that if a veteran student has, at *any time,* been a participant in a subchapter V or VI preparatory program, the school is to be eligible for the $150 bonus under section 420(b)(1)(B). I urge you to alter the regulations immediately in this respect.

b. *Payment of the full $300 or $450 entitlement per eligible veteran.* Section 420 is clearly written as an entitlement. See the use of "shall be entitled" in subsections (a)(1), (a)(2), and (b)(1), and the use of "entitled" in subsections (a)(2) (twice), (c)(1), and (d). Moreover, and I think this is absolutely conclusive, section 420 contains no pro rata reduction provision of the type contained in section 419(b)(2)(B)(ii) for the comparable "Payments to Institutions of Higher Education" program provisions. Thus, I take strong exception to any O.E. implication of pro rata reductions, such as is contained in regulation section 189.3(b) ("subject to the availability of funds") and in point 2 of Administrative Bulletin No. 2 ("On the basis of the limited appropriation likely to be available . . ." and "If first payments are substantially less . . .").

I think a law suit will clearly lie to compel full payment in installments over the academic year 1973–74, as I discuss in item c. below.

c. *Periodic progress payments.* I have been unable to find any reference in the regulations to the requirement in the second sentence of subsection (d) of section 420, which provides:

"Payments under this subsection shall be made in not less than three installments during each academic year and shall be based on the actual number of persons on behalf of whom such payments are made in attendance at the institution at the time of the payment."

Not only is this language explicit and mandatory in nature, but section 421(c)(2)(B) of the General Education Provisions Act clearly prohibits the distribution of funds appropriated to carry out any applicable program "in any manner or by any method different from that specified in the law authorizing the appropriation."

It seems clear to me that what you must do to follow the law with respect to this point and the entitlement aspect discussed under item b. above, is to pro-rate the *first* payment to each school on the basis of entitlements out of the $25 million appropriation now available and submit to Congress a request either for a Supplemental FY 1973 or for an FY 1974 appropriation necessary to make the remaining two (or more) progress payments, as required by section 420(d), during academic 1973–74. In any event, I will seek such appropriations and ask that you immediately provide me with the information necessary once the first payments have gone forth.

d. *Clarifying language with respect to the $150 bonus and the use of Federal work/study funds to carry out outreach activities.* I suggest two minor clarifications in the regulations. First, in section 189.3(b)(2), strike out "For" and insert in lieu thereof "In addition to the payment under paragraph (a)(1) of this section, for". I trust there is no thought that the $150 is anything other than a bonus or add-on payment and not the full payment on behalf of qualifying educationally disadvantaged students. The law and all the legislative history is totally explicit on this, yet the regulations do not make this explicit.

Second, in section 189.13(b), insert after "programs" at the end of that clause the following: "(particular attention is directed to the new veteran-student services program established in the G.I. Bill by Public Law 92–540 in section 1685 of title 38; consult your VA Regional Office for details)". I think it is very important that schools be made aware of the existence of this new VA work/study entitlement program for which $4 million will be available in FY 1974 ($500,000 has been allocated from the FY 1973 VA readjustment benefits account), and I have urged the VA to target this money more extensively on G.I. Bill trainees carrying out outreach activities at schools and VA regional offices in organized programs.

Finally, I wish to point out that section 421(c)(2)(A) and (B) of the General Education Provisions Act, as added by Section 302(a) of the Education Amendments of 1972 (P.L. 92–318), which I authored, provides:

"(2)(A) No requirement or condition imposed by a law authorizing appropriations for carrying out any applicable program, or controlling the administration thereof, shall be waived or modified, unless such a waiver or modification is expressly authorized by such law or by a provision of this title or by a law expressly limiting the applicability of this paragraph.

"(B) There shall be no limitation on the use of funds appropriated to carry out any applicable program other than limitations imposed by the law authorizing the appropriation or a law controlling the administration of such program; nor shall any funds appropriated to carry out an applicable program be allotted, apportioned, allocated, or otherwise distributed in any manner or by any method different from that specified in the law authorizing the appropriation."

As I have indicated in part above, these provisions require that no requirement or condition imposed by law may be waived or modified, no limitation may be imposed on the use of funds appropriated, and no distribution of funds may be made in a manner or method different from that specified in the authorizing law, except as expressly authorized by law. This provision was written to deal specifically with numerous prior situations in which the Congress found that the provisions of laws it enacted were either not being carried out or were being nullified by additional administrative requirements not expressly authorized by law. Although I do not believe that the situations I have covered above in items a., b., and c. would turn out any differently without these section 421(c) provisions—because I think the command of the law in section 420 is very clear on these points—, these provisions of section 421(c) do, to say the least, strongly bolster my contentions.

I would appreciate your immediate attention to the points I have covered in this letter and look forward to your reply and to appropriate corrective actions vis-a-vis the VCI regulations.

Sincerely,

ALAN CRANSTON.

### IMPACT EDUCATION AID

Mr. CRANSTON. Mr. President, I am extremely pleased to note that both House and Senate Appropriations Committees acted so decisively and responsibly on the issue of impact aid moneys.

As a result of the committees' refusal to sanction the administration's plan to fund category 3(b) students 54 percent of their entitlement, and its decision instead to raise that entitlement to 68 percent, my State of California will recover some $23 million in Federal school funds that would have been denied them under the administration's formula.

We must recognize, however, that most category 3(b) school districts had planned their budgets in expectation of receiving 73 percent of entitlement. That is what the continuing resolution, as passed by the Congress several months ago, provided. But the administration applied a different interpretation to the language of the continuing resolution and set 3(b) payments at 54 percent of entitlement.

The prompt action by the Senate Committee in concert with the House, is important not only in terms of moneys provided to financially hard-pressed school districts in my State. It is important because it illustrates, once again, that the Congress is not going to duck its stated commitment to school districts via the impact aid program—a commitment to compensate districts for the financial impact of the Federal presence there.

Mr. President, the measure before us is good news to the California property taxpayer. The $23 million in Federal school moneys is absolutely essential to keeping many California schools open. Having the amount restored by the Congress means that the outrageously overburdened property taxpayer in California will not have to dip further into his pocket in order to make up for lost Federal funds.

### HEALTH PROGRAM FUNDING AMENDMENTS TO SECOND SUPPLEMENTAL APPROPRIATIONS ACT, FISCAL YEAR 1973

Mr. President, I was pleased to cosponsor the health amendments to the Second Supplemental Appropriations Act, 1973, offered on Tuesday by the distinguished Senator from Massachusetts (Mr. KENNEDY), chairman of the Subcommittee on Health of the Labor and Public Welfare Committee, and adopted by the Senate on a series of roll call votes.

These amendments addressed, on a very selective basis, certain health programs which the administration has proposed to terminate in fiscal year 1974, and which programs, the administration, solely on the basis of that recommendation has moved ahead—without congressional authorization—to begin to phase out immediately in the current fiscal year. These administration phaseout suggestions have not been accepted by Congress, and our amendments generally provide for a continuation of these programs throughout this fiscal year at levels well below those of fiscal year 1972.

In fact, the Senate has passed legislation, S. 1136, the Public Health Service Act Extension of 1973, which would extend these programs through fiscal year 1974 authorizing the same level of funding as authorized for fiscal year 1973. The House has reported comparable legislation from the Committee on Interstate and Foreign Commerce, and it is expected that this legislation will be adopted by the House very soon.

I feel confident Congress will indicate forcefully its desire to retain these programs on the statute books and that these programs will continue to be operating in fiscal year 1974.

These are regional medical programs; the Hill-Burton program; support to all schools of the health professions, except medicine, osteopathy, and dentistry—which the administration does not plan to phase out, at least this year—support to schools of public health, to schools of nursing, and to schools of allied health; and support for research training grants.

In addition, Mr. President, we also sought to add funds for general research support.

### MAINTAINING PROGRAM SUPPORT

Mr. President, I believe it is essential to make these funds available in order to avoid any unnecessary interuption of the activities supported by these legislative authorities.

If the administration's plan is followed to limit funding in the remaining period of fiscal year 1973 to only that amount needed to close down these programs, money will be wasted and efforts will be expended which will very likely have to be undone. The result could well be to require the expenditure in July of funds to reestablish the programs which the administration proceeded to phase out in June.

This is a most uneconomical approach to Federal spending; let alone a confusing and counterproductive method of program administration.

Mr. President, the amendments which were offered by the distinguished Senator from Massachusetts will prevent this waste and inefficiency.

### RMP

They will mean that the tremendous contributions made to improving health care by regional medical programs can be continued. In my State of California, this has been an outstanding program and one which has contributed immensely to the better utilization of health manpower through specialized training programs upgrading nursing skills and the skills of health support personnel, as well as improving the quality of health care generally.

### HILL-BURTON

In the case of the Hill-Burton program, the recommended funds are specifically limited to support of projects for the improvement or expansion of outpatient facilities for the remainder of this fiscal year. Improvement of outpatient facilities is in full keeping with the current trend away from inpatient care to ongoing preventive care provided on an ambulatory basis. Many hospitals, particularly in the urban centers, have faced an escalating demand for outpatient care that has been well beyond their capacity to provide. Assisting communities to render these outpatient services is essential if we are to meet today's priority needs in health care.

### HEALTH PROFESSIONS SCHOOLS

The funding recommended in the amendment for institutional support for the schools of veterinary medicine, optometry, podiatry, and pharmacy, is very moderate. These schools provide the necessary health manpower which can be used most efficiently to meet skilled/ health personnel scarcities and which offers the best means of making health care available to all who need it but do not receive it because of scarcity or maldistribution of traditional health professional, such as the doctor or dentist. The veterinarian has long been a source of outstanding biomedical research-making discoveries which have led to scientific breakthroughs improving treatment procedures for human illness.

### NURSING SCHOOLS

The decision of the administration to terminate support to schools of nursing runs totally contrary to HEW's Division of Nursing's own projection that we will need 1 million additional nurses by 1975. The small amount included in these amendments for schools of nursing will enable these schools to continue their training programs free from the threat of immediate insolvency in fiscal year 1973.

### PUBLIC HEALTH SCHOOLS

Today, Mr. President, the public health specialist is an important element in a community's ability to provide its citizens with the benefits of modern medicine.

Dean Warren Winkelstein of the School of Public Health at the University of California at Berkeley, defined the role of the public health specialist in a succinct and articulate fashion in a published article arguing that the environment plays as important a role in the health status of the population as the quality and quantity of available medical care. He argued that even though certain medical care measures can prevent specific diseases, more attention and resources should be directed to identify the specific components of the environment which promote health. This is the role of the public health specialist trained in the schools of public health. Abrupt termination of traditional Federal support to the schools of public health presents them with an almost insoluble problem if they are to continue to provide professionals with this expertise to the community. The amendments we offered provides a small amount to maintain these schools at a level even below that of fiscal year 1972 through the remainder of this fiscal year.

### ALLIED HEALTH SCHOOLS

The amendment will also permit funding for schools of allied health to be maintained at levels below that of fiscal year 1972. These training programs also are the source of the necessary skilled personnel to provide the backup and the supplemental assistance to the health professional, enabling him or her to make the optimum use of their skills and time in providing specialized skilled care for patients.

### RESEARCH TRAINING

And, Mr. President, the amendment to provide additional funds for research training programs will enable our research institutions to utilize the fine young minds that will belong to the research scientists of tomorrow, to provide these gifted youth the opportunity to pursue scientific leads in an environment which will attract them to a research career. Without this exposure, many will not pursue this career. In a decade, the Nation would begin to feel the impact of this shift. In 20 years, there could well be but a handful of scientific researchers left. The loss to the Nation would be immense, and to the future of medicine, immeasurable.

### GENERAL RESEARCH

Mr. President, in terms of wise investment of scarce Federal dollars, investment in general research support grants is an area of high payoffs. While there is indeed a need for targeted research, the contributions of general medical research today provide the basis for targeted research in the future. Without the broad area of unrestricted basic research in the general medical sciences, too many opportunities may be missed or real breakthroughs overlooked, in the scientist's single-minded pursuit of one goal. The recommendation in our amendment of an additional amount for general research support grants will enable this research to be sustained at the fiscal year 1972 level.

### CONCLUSION

Mr. President, each of these amendments represented a prudent use of limited Federal funds, an investment that will yield a high rate of return in terms of improved medical care, efficient use of health personnel, and optimum utilization of health facilities and resources.

I was very pleased to join with Senator Kennedy in these amendments, and wish to express my admiration for the effective leadership he has provided in advocating these most reasonable amendments.

### INDIAN HEALTH

Mr. President, I would also like to express my support of the action taken by the Appropriations Committees in both Houses in refusing to accept the President's proposed rescissions of other appropriations enacted in fiscal year 1973.

Among these proposed rescissions was almost $5 million for Indian Health Service. From this amount, funds had been allocated for the California Rural Indian Health Board and for the Urban Indian Health Board, Inc., in San Francisco, which would have enabled these organizations to assess Indian health needs in California and develop resources to meet those needs. These two organizations have already made substantial gains in making native Americans more aware of their eligibility to participate in medicaid programs or other services provided in the local communities, and the funds provided from this appropriation will enable them to continue the very promising beginnings that have been made.

The benefits in the long run from such expenditures will be substantial in terms of cost savings to the Federal Government.

Mr. President, in March I exchanged letters with the distinguished chairman of the Appropriations Subcommittee on Interior (Mr. Bible) expressing my concern that this rescission not be agreed to, and I am grateful to him for his leadership and to the subcommittee and full committee for their actions in refusing to agree to the rescission.

Mr. President, I ask unanimous consent that these letters be printed in the Record at this point.

There being no objection, the letters were ordered to be printed in the Record, as follows:

Committee on Labor
and Public Welfare,
*Washington, D.C., March 2, 1973.*

Hon. Alan Bible,
*Chairman, Subcommittee on Interior and Related Agencies, U.S. Senate, Washington, D.C.*

Dear Mr. Chairman: I know you share my concern for the special problems American Indians have in getting into the mainstream of health care. The action taken by your committee last year in recommending substantially increased appropriations over the Administration's request for the Indian Health Service is evidence of your recognition of the needs of native American Indians for health care. The Administration's proposed rescission of these funds is difficult to justify, and I would like to advise you of my opposition to that proposal.

The additional $5 million included in the appropriation would have had a major impact on programs to meet the health needs of native American Indians residing in California.

Included in this amount was $1.1 million allocated for the California Rural Indian Health Board and $450,000 for the Urban Indian Health Board, Inc., in San Francisco, which would have enabled these organizations to assess Indian health needs in California and develop resources to meet those needs. These organizations have already made substantial gains in making native Americans more aware of their eligibility to participate in Medicaid programs or other services provided in the local communities, and the funds provided from this appropriation would have enabled them to continue the very promising beginnings that have been made. The benefits in the long run would be substantial in terms of cost savings to the Federal Government.

The Administration proposal seems to me to be very shortsighted and, if accepted, would result in higher costs to the Federal Government in the long run. I urge your committee to reaffirm its support of these programs and to refuse to accept the proposed rescission.

With best personal regards,

Sincerely,

Alan Cranston.

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Committee on Appropriations,
*Washington, D.C., March 20, 1973.*

Hon. Alan Cranston,
*U.S. Senate,*
*Washington, D.C.*

Dear Alan: This will acknowledge your letter of March 7 in opposition to the Nixon Administration's proposal to rescind, or cancel, $4,700,000 appropriated for the current fiscal year for Indian health activities.

You have made an excellent case in support of retaining these funds, including those for the California Rural Indian Health Board and the Urban Health Board, Inc. The Committee will hear the rescission proposal April 4 in advance of testimony on the regular fiscal 1974 budget estimates of the Indian Health Service. You may be assured your views, together with the stated needs of the Indian health boards in California, will have the Committee's full consideration.

Kindest personal regards.

Cordially,

Alan Bible,
*Chairman, Subcommittee on the Department of Interior and Related Agencies.*

### NEIGHBORHOOD YOUTH CORPS SUMMER JOBS

Mr. CRANSTON. Mr. President, I was pleased to join with Senator Javits again this year in sponsoring an amendment to the second supplemental to add an aggregate of $67,660,011 for the Neighborhood Youth Corps summer jobs program. I have received hundreds of letters from concerned Californians—private citizens, program participants, and elected officials—expressing their deep concern over the effect the reduced administration's NYC summer program proposal would have on communities across California.

The administration has proposed that the counties, cities, and States use as much as $300 million of the $1.25 billion available for Emergency Employment Act public service employment programs to support the 1973 summer jobs program. As an original cosponsor of the EEA legislation during the 91st and 92d Congresses, and as a member of the subcommittee having legislative jurisdiction over the extension of the EEA, I simply cannot fathom the administration's rationale. As Senator Javits stated so well, the administration has proposed that we "fire the fathers to hire the sons."

Senator Javits' amendment reflects the minimum appropriation necessary to meet the summer program needs, as estimated by the National League of Cities/U.S. Conference of Mayors, while preserving the present fiscal year 1973 funding available for the Emergency Employment Act programs.

Mr. President, I have joined in sponsoring similar amendments which have been adopted to increase NYC summer programs each year during my service in the Senate, and would like to express my gratitude to Senator JAVITS for his continued and outstanding leadership on this issue.

Mr. President, I am gratified that the committee has accepted this amendment—as revised to $44.5 million—and pledged its support to attempt to hold onto this amendment at the revised level in conference with the House.

Mr. President, I think it would be very helpful for my colleagues in the Senate to see an analysis I recently received from the Los Angeles County Board of Supervisors on the effects of utilizing EEA money to finance the NYC summer program, and ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

COUNTY OF LOS ANGELES,
*Los Angeles, Calif., May 21, 1973.*

Hon. ALAN CRANSTON,
*Subcommittee on Employment, Poverty and Migratory Labor, Old Senate Office Building, Washington, D.C.*

Attention: Pam Duffy

DEAR SENATOR CRANSTON: The County of Los Angeles Board of Supervisors took action on May 15, 1973 to commit the County to create a Summer Jobs Program for 5,700 poverty youth this summer. They endorsed the efforts of Senator Javits to have the Neighborhood Youth Corps Summer Jobs funds for this summer included in the Second Supplemental Appropriations, Fiscal 1973 bill.

The Board has rejected the Labor Department's suggestion that Public Employment Program (PEP) funds be used for funding a Summer Jobs Program. Attached is a copy of a memorandum that explains the impact of such an action.

Sincerely,

SANTOS ZUNIGA,
*Chief, Manpower Program Division.*

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APRIL 9, 1973.

To: Gordon T. Nesvig.
From: Santos Zuniga.
Subject: Public Employment Program: Preliminary Phase-Out Plans and Impact of Summer Jobs Program.

We now estimate that the County of Los Angeles will be allocated less funds than expected from the Labor Department to provide for an orderly phase-out of PEP by June of 1974. We expect that both Sections 5 and 6 will be reduced 20% and 16.5% respectively from our first year's grant level. Official allocations will be announced on Thursday, April 12, 1973.

The reductions force us to either quickly and substantially accelerate our current rate of hiring of participants, even while taking full advantage of the 13 months of phase-out time, or to face massive layoffs of participants when the money runs out. The first alternative is obviously the one we will pursue.

That approach, however, still includes a risk that many participants may not be hired by June 30, 1974, depending on the response from line departments and subagents during the next few months. Some emergency action will need to be taken to increase hiring of participants including freezing all open competitive examinations for jobs for which PEP participants qualify until PEPs are provided for. We are preparing a PEP Phase-Out Report including recommendations for such actions.

If we decide to create a summer job program from PEP funds, we further increase the risk of layoffs.

The attached charts reflect some alternative approaches for dealing with the phase-out of PEP.

In these charts, we provided for a 5,700 youth jobs program from the combined resources of Sections 5 and 6 for the coming summer.

You should note that every two summer jobs we create from PEP cost us one months funding for an adult job. In other words, 5,700 jobs for youths would deny us about 2,850 man months of PEP jobs for adults.

ATTRITION RATES WITH FUNDING THROUGH JUNE 1974

WITHOUT SUMMER NYC

| | Sec. 5 terminations | Sec. 6 terminations | Combined terminations |
|---|---|---|---|
| June | 68 | 21 | 89 |
| July | 170 | 20 | 190 |
| August | 68 | 19 | 87 |
| September | 68 | 18 | 86 |
| October | 120 | 22 | 142 |
| November | 120 | 21 | 141 |
| December | 120 | 16 | 136 |
| January 1974 | 120 | 39 | 159 |
| February | 120 | 34 | 154 |
| March | 120 | 31 | 151 |
| April | 120 | 90 | 210 |
| May | 318 | 99 | 417 |
| June | 318 | 90 | 408 |
| Total | 1,850 | 520 | 2,370 |

WITH SUMMER NYC

| | Sec. 5 terminations | Sec. 6 terminations | Combined terminations |
|---|---|---|---|
| June | 120 | 34 | 154 |
| July | 170 | 48 | 218 |
| August | 120 | 34 | 154 |
| September | 120 | 34 | 154 |
| October | 120 | 34 | 154 |
| November | 120 | 34 | 154 |
| December | 120 | 34 | 154 |
| January 1974 | 120 | 34 | 154 |
| February | 120 | 34 | 154 |
| March | 120 | 33 | 153 |
| April | 120 | 33 | 153 |
| May | 240 | 67 | 307 |
| June | 240 | 67 | 307 |
| Total | 1,850 | 520 | 2,370 |

PROJECTIONS REFUNDING PEP SECS. 5 AND 6, MAY 1, 1973, TO JUNE 30, 1974

| | Sec. 5 | Sec. 6 |
|---|---|---|
| Original allocation | $16,500,000 | $5,300,000. |
| Tentative allocation | $11,300,000 (less 16.5 percent). | $4,100,000 (less 20 percent). |
| Onboard participants (May 1, 1973). | 1,850 | 502. |
| Current attrition rate (monthly). | 4 percent | 4 percent. |
| Average monthly cost per participant. | $706 | $756. |
| Termination of PEP at current attrition rate. | Mar. 15, 1974, resulting in 1,227 layoffs. | May 30, 1974, resulting in 391 layoffs. |
| Termination of PEP with a summer NYC program at current attrition rate. | Feb. 13, 1974, resulting in 1,278 layoffs. | Jan. 9, 1974, resulting in 391 layoffs. |
| Contribution to fund 5,700 NYC slots at total cost of $2,185,000. | $921,000 | $1,264,000. |

## OLDER AMERICANS VOLUNTEER PROGRAM

Mr. CRANSTON. Mr. President, as chairman of the authorizing subcommittee having jurisdiction over the domestic volunteer programs of the Action Agency—the Special Subcommittee on Human Resources—I am particularly pleased to note the Appropriation Committee's recommendations with regard to the older Americans volunteer programs. Because of a legal technicality, $42 million which had originally been appropriated by the Congress in the first fiscal year 1973 Supplemental Appropriation Act—Public Law 92-607—for older Americans volunteer programs, specifically, the Foster Grandparent program and R.S.V.P., have not been made available for obligation.

The basic problem has arisen because of the veto last Congress of the Comprehensive Older Americans Act Amendments of 1972 including amendments I authored to expand significantly the Foster Grandparent program. The President has recently signed a new measure, containing these amendments, now Public Law 93-29. However, since the first Supplemental Appropriations Act was enacted before the President signed the Older Americans Act amendments under the present appropriations situation the ACTION Agency could not obligate the $42 million appriated in the first supplemental, especially not for any new programs.

As soon as I became aware of this unfortunate combination of circumstances—which would in the end work against the purposes of the Congress in expanding the highly successful FGP program—I talked with Senator MAGNUSON, chairman of the Appropriations Subcommittee which handles the ACTION agency appropriation, and sought his assistance in providing the mechanism whereby these funds could be expended by the Agency and certain amounts continued available for obligation to insure that $25 million would be expended in fiscal years 1973 and 1974 for the traditional Foster Grandparent program as well as $6 million in fiscal year 1974 for the new programs authorized in Public Law 93-29.

The Appropriation Committee has subsequently recommended a transfer of the $42 million in question from the First Supplemental Appropriation Act and the direction that $8 million would remain available until expended. I think it is important to note the committee report language on this, which states:

> Should this provision be enacted, the Committee is hopeful that the Administration will now use this additional authority to implement the new law [P.L. 93-29] to its maximum potential.

As the author of the amendments contained in the Older Americans Act which authorize that expansion, while at the same time insuring the preservation of the traditional Foster Grandparent program, I fully endorse the committee's statement of intent regarding the utilization of these funds.

Mr. President, I would also like to take this opportunity to express my deep appreciation to the distinguished Senator from Washington (Mr. MAGNUSON) for his efforts in enabling this transfer to take place, and for the very helpful staff assistance provided to me by Mr. Harley Dirks of the Appropriations Subcommittee staff.

## CONCLUSION

Mr. President, I urge the conferees on this bill to do all in their power to retain the Senate amendments I have discussed today with respect to the VA for Public Law 92-541, to the Office of Education for the VCI program, to the ACTION Agency for Older Americans Volunteer programs, to the Labor Department for NYC summer jobs, and to H.E.W. for health program funding, as well as the language added on page 16 of the reported bill under "Social and Rehabilitation Services," to correct certain technical deficiencies in language contained in Public Law 92-607 regarding vocational rehabilitation program funds, an effort in which I joined with the distinguished Senator from West Virginia (Mr. RANDOLPH) and others.

Mr. ROBERT C. BYRD. Mr. President, I wish to express my strong support for H.R. 7447, and particularly my amendment included therein which adds $25 million to implement Public Law 92-541, the Veterans' Administration Manpower Training Act of 1972.

Public Law 92-541 authorizes the establishment of up to eight new medical schools in conjunction with ongoing VA hospitals, and staffing and construction grants to existing medical and allied health training institutions. It authorizes $75 million for fiscal year 1973 and $75 million for each fiscal year thereafter for the next 6 fiscal years.

I have consistently supported Public Law 92-541 both prior to, and subsequent to, its enactment. The Senate Appropriations Committee, in its full committee mark-up session, on May 15, 1973, accepted my amendment to include $25 million for the balance of fiscal year 1973 to begin planning of the medical schools. When I first introduced this amendment on January 3, 1973, I requested the full authorized amount of $75 million. On April 30, however, I modified my amendment and reduced it to $25 milion. I took this action because this amount would let the program get started, and at the same, it is a reasonable amount which could be defended on both the Senate floor and in conference with the House of Representatives. My colleague, Senator RANDOLPH, and Senator CRANSTON both wrote letters to the committee supporting my amendment.

Mr. President, there is an urgent need for additional medical personnel, especially in areas such as West Virginia where the physician-patient ratio is 1 doctor per 1,000 potential patients compared with a national average of 1 doctor for every 636 potential patients. The American Association of Medical Colleges believes that this ratio is unsatisfactory and has stated its goal would be to achieve 1 doctor for every 500 potential patients.

I am hopeful that, with the inclusion of my amendment in H.R. 7447, we shall have moved one step closer to the establishment of a VA affiliated medical school at Huntington, W. Va. I believe that the amount included by my amendment will be sufficient to get this program started and to allow VA officials to proceed with criteria development and site selection.

It is unfortunate that the administration has not requested funding for this program, and has left the initiative to Congress. I believe that the existing shortage of physicians throughout the United States is a matter of deep concern to all Americans and I do not think that anything deserves a higher priority.

I wish to again express my thanks to the distinguished chairman of the committee, Mr. MCCLELLAN, for his support of my amendment, and I wish to urge passage of the bill.

### SENATOR RANDOLPH SUPPORTS APPROPRIATION OF $25 MILLION THROUGH AMENDMENT OF SENATOR ROBERT C. BYRD TO FUND MEDICAL SCHOOL PROGRAM

Mr. RANDOLPH. Mr. President, I express my strong support for the amendment of the Appropriations Committee to provide $25 million to begin implementation of Public Law 92-541, the Veterans' Administration Medical School Assistance and Health Manpower Training Act of 1972.

It is my firm conviction that the committee has taken a significant step to set in motion a progressive and innovative program which provides the Veterans' Administration with clear-cut authority to participate in the efforts to solve the health manpower crisis in this country. The amendment in the pending bill was offered by my able and diligent colleague from West Virginia (Mr. ROBERT C. BYRD) who is an effective member of the Appropriations Committee. It was a privilege to join with Senator BYRD in documenting the importance of the $25 million request and in urging its approval. The capable Senator from California (Mr. CRANSTON), the chief sponsor of the authorizing legislation, was an active participant in this effort.

It is my belief, Mr. President, that the effort to more fully utilize the Veterans' Administration facilities and programs and personnel in education and training of health care personnel presents a very unique opportunity to help alleviate the critical shortage in health manpower.

As a member of the Senate Committee on Veterans' Affairs and as an active original sponsor of the authorizing legislation, it is my belief that the program constitutes a significant advancement in improving the capacity of the Veterans' Administration to train needed health care personnel. It will maximize the potential of VA's medical resources to provide leadership to the Nation's medical community in developing health manpower education and training programs. It will not, however, detract from the primary responsibility of the VA to provide services and health care for our veterans.

Rather, I believe that the implementation of this program will lead to improved health care under the VA programs. Our veterans and citizens generally will benefit. The cooperative effort between the VA and institutions of higher learning envisioned in Public Law 92-541 will hopefully lead to the full utilization of VA facilities, personnel, and programs, so that more efficient and effective health manpower education and training efforts will be brought into being.

Mr. President, Public Law 92-541 authorizes $25 million for pilot programs for the establishment of eight new medical schools affiliated with VA faciliites and $50 million to be used for these new schools or to expand and improve programs at existing medical schools or at other health manpower institutions affiliated with VA hospitals.

Our country needs additional physicians, dentists, nurses, other health professionals, allied health professionals and paraprofessionals, and other health manpower, including new types of health-care personnel such as physicians' assistants, dentists' assistants, and nurse practitioners.

To meet these manpower shortages requires the establishment of additional institutions and programs to provide the necessary training and education and innovative leadership. The VA is uniquely qualified to work toward this goal. It has the nationwide network of hospitals, clinics, and extended care facilities and ongoing reputable training and education programs. We are challenging the VA and charging it with the responsibility to be the leader in putting its medical resources to work in meeting the great national need for additional new types of health manpower.

It is my belief that the VA stands ready to meet this challenge and we should give them the funds to begin this vital endeavor.

The amendment which is in the pending bill will allow the VA to move forward with the important planning and implementation process without delay. I recognize that there is no budget proposal on this. But I also recognize that there is the element of urgency and that is the reason for the attempt to move with this initial funding. It was this same sense of urgency and belief in the merits of this new program which prompted the Senator from California (Mr. CRANSTON), who worked so diligently and effectively to bring this program into being, to offer a $40 million funding amendment to the supplemental appropriations bill last year. Our amendment was adopted by the Senate by a vote of 32 to 28. While the House refused to accept that amendment, I believe that our past efforts will help set the stage for success this year.

As the Senator from California (Mr. CRANSTON) has outlined to the Senate, the recent hearings of the Subcommittee on Health and Hospitals of the Senate Veterans' Affairs Committee revealed the strong and important support for this new public law and the urgent need to approve funds for its implementation. During those hearings, outstanding leaders in the health education field submitted comprehensive testimony stressing the importance of affiliations between the health professions schools and VA medical facilities in terms of the beneficial effect on the care provided the veterans as well as the impact on meeting national needs for additional health care personnel.

Additionally, the Veterans' Administration indicated that the implementing regulations for Public Law 92-541 should be published by the end of May and that they had received 62 inquiries about grants under the new chapter from health manpower and other institutions. Thirteen of these inquiries were regarding subchapter II—grants to affiliated medical schools, which also generally inquired regarding subchapter III—and 22 were regarding subchapter III—assistance to public and nonprofit institutions affiliated with the Veterans' Administration to increase the production of professional and other health personnel.

The PRESIDING OFFICER. Who yields time?

Mr. McCLELLAN. Mr. President, if no one else desires to speak, I yield back the remainder of my time on the bill.

Mr. YOUNG. I yield back the remainder of my time.

Mr. McCLELLAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill, as amended.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Pursuant to the previous order, the Senate will now proceed to vote upon the bill (H.R. 7447), as amended. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. MATHIAS. Mr. President, on this vote I have a live pair with the Senator from South Carolina (Mr. Thurmond). If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." Therefore, I withhold my vote.

Mr. TOWER. Mr. President, on this vote I have a live pair with the junior Senator from Connecticut (Mr. Weicker), who is necessarily absent. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." Therefore, I withhold my vote.

Mr. ROBERT C. BYRD. I announce that the Senator from Nevada (Mr. Bible), the Senator from Idaho (Mr. Church), the Senator from North Carolina (Mr. Ervin), the Senator from Georgia (Mr. Talmadge), and the Senator from Nevada (Mr. Cannon) are necessarily absent.

I further announce that the Senator from Alabama (Mr. Allen), the Senator from Colorado (Mr. Haskell), and the Senator from Montana (Mr. Metcalf) are absent on official business.

I also announce that the Senator from Mississippi (Mr. Stennis) is absent because of illness.

I further announce that the Senator from Maine (Mr. Muskie) is absent because of a death in the family.

I further announce that, if present and voting, the Senator from Nevada (Mr. Bible), the Senator from Nevada (Mr. Cannon), the Senator from Idaho (Mr. Church), the Senator from North Carolina (Mr. Ervin), the Senator from Colorado (Mr. Haskell), the Senator from Montana (Mr. Metcalf), and the Senator from Georgia (Mr. Talmadge) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. Baker), the Senator from Utah (Mr. Bennett), the Senator from Colorado (Mr. Dominick), the Senator from Hawaii (Mr. Fong), the Senator from Idaho (Mr. McClure), the Senator from Alaska (Mr. Stevens), the Senator from South Carolina (Mr. Thurmond), and the Senator from Connecticut (Mr. Weicker) are necessarily absent.

The Senator from Arizona (Mr. Goldwater) is absent by leave of the Senate on official business.

The Senator from New Hampshire (Mr. Cotton) is absent because of illness in his family.

If present and voting, the Senator from Colorado (Mr. Dominick) and the Senator from Hawaii (Mr. Fong) would each vote "yea."

The respective pairs of the Senator from South Carolina (Mr. Thurmond) and the Senator from Connecticut (Mr. Weicker) have been previously announced.

The result was announced—yeas 73, nays 5, as follows:

[No. 163 Leg.]

YEAS—73

Abourezk
Aiken
Bartlett
Bayh
Beall
Bellmon
Bentsen
Biden
Brock
Brooke
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Case
Chiles
Clark
Cook
Cranston
Curtis
Dole
Domenici
Eagleton
Eastland
Fulbright
Gravel
Griffin
Gurney
Hansen
Hart
Hartke
Hatfield
Hathaway
Hollings
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
McClellan
McGee
McGovern
McIntyre
Mondale
Montoya
Moss
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Randolph
Ribicoff
Roth
Saxbe
Schweiker
Scott, Pa.
Sparkman
Stafford
Stevenson
Symington
Tunney
Williams
Young

NAYS—5

Fannin
Helms
Proxmire
Scott, Va.
Taft

PRESENT AND GIVING LIVE PAIRS, AS PREVIOUSLY RECORDED—2

Mathias, for.
Tower, against.

NOT VOTING—20

Allen
Baker
Bennett
Bible
Cannon
Church
Cotton
Dominick
Ervin
Fong
Goldwater
Haskell
McClure
Metcalf
Muskie
Stennis
Stevens
Talmadge
Thurmond
Weicker

So the bill (H.R. 7447) was passed.

Mr. McCLELLAN. Mr. President, I move to reconsider the vote by which the bill passed.

Mr. FULBRIGHT. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McCLELLAN. Mr. President, I move that the Senate insist upon its amendments and request a conference with the House, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the the Presiding Officer (Mr. Domenici) appointed Mr. McClellan, Mr. Magnuson, Mr. Pastore, Mr. Bible, Mr. Robert C. Byrd, Mr. McGee, Mr. Proxmire, Mr. Montoya, Mr. Hollings, Mr. Bayh, Mr. Young, Mr. Hruska, Mr. Cotton, Mr. Case, Mr. Fong, and Mr. Stevens conferees on the part of the Senate.

## ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, May 31, 1973, he presented to the President of the United States the enrolled bill (S. 1235) to amend Public Law 50-553 authorizing an additional appropriation for an International Center for Foreign Chanceries.

## CAMBODIAN BOMBING

Mr. SYMINGTON. Mr. President, in the course of the debate today on Cambodian bombing, the Senator from Kansas (Mr. Dole) referred to the report of the staff of the Subcommittee on U.S. Security Agreements and Commitments Abroad which I have the honor to chair. The Senator quoted a section appearing on page 1 of the report which reads as follows:

> (e) Only 20 percent of the U.S. air strikes being flown were in support of Cambodian forces while 80 percent were directed at the interdiction of North Vietnamese lines of communication into South Vietnam.

The Senator apparently cited this passage in the belief that it and the report from which it was taken would substantiate the administration's assertion that U.S. bombing in Cambodia is directed primarily against North Vietnamese forces rather than the Cambodian opponents of Marshal Lon Nol. In citing this passage, however, the Senator failed to tell the Senate that it applied only to bombing prior to April of this year. Perhaps the Senator did not read the preceding paragraphs which made that fact clear.

It also appears that the Senator from Kansas may not have read beyond page 1 of the report. Had he done so, he would have found the following passage on page 8:

> Thus, during the first two and a half weeks in April, the distribution of air strikes was no longer 80 percent against the North Vietnamese and their lines of supply into South Vietnam and 20 percent against the Khmer insurgent forces fighting Cambodian Government troops but close to the reverse as far as B-52 strikes were concerned with a heavy preponderance of tactical air strikes also devoted to helping Cambodian forces rather than to attacking North Vietnamese and Viet Cong units and supply routes.

I am sure it was only the result of an oversight on the Senator's part that he failed to cite this latter portion of the report which was based on information provided the staff by the Pacific Command Headquarters in Hawaii and which directly contradicts the point he was seeking to make.

Mr. HUMPHREY and Mr. MANSFIELD addressed the Chair.

Mr. HUMPHREY. I yield to the majority leader, of course.

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## ALLOCATION OF CRUDE OIL AND REFINED PETROLEUM PRODUCTS

Mr. MANSFIELD. Mr. President, if I may have the attention of the Senate, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 152, S. 1570, so that it may become the pending business.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 1570) to authorize the President of the United States to allocate energy and fuels when he determines and declares that extraordinary shortages or dislocations in the distribution of energy and fuels exist or are imminent and that the public health, safety, or welfare is thereby jeopardized; to provide for the delegation of authority to the Secretary of the Interior; and for other purposes.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

Accordingly, the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with an amendment to strike out all after the enacting clause and insert:

That this Act may be cited as the "Emergency Petroleum Allocation Act of 1973".

### FINDINGS AND PURPOSES

SEC. 101. (a) The Congress hereby determines that extraordinary shortages of crude oil (including natural gas liquids) and refined petroleum products (including liquid petroleum gas), caused by unprecedented demand, inadequate domestic production of crude oil and refined petroleum products, environmental constraints and the unavailability of imports sufficient to satisfy domestic demand, now exist or are imminent. The Congress further determines that such shortages have created or will create severe economic dislocations and hardships, including loss of jobs, closing of factories and businesses, reduction of crop plantings and harvesting, and curtailment of vital public services, including the transportation of food and other essential goods. The Congress further determines that such hardships and dislocations jeopardize the normal flow of commerce and constitute a national energy crisis that is a threat to the public health, safety, and welfare and can only be averted or minimized through prompt action by the executive branch of Government.

(b) The purpose of this Act is to grant to the President of the United States temporary authority to deal with a national energy crisis involving extraordinary shortages of crude oil and petroleum products or dislocations in their national distribution system. The authority granted under this Act shall be exercised for the purpose of dealing with said national energy crisis by minimizing the adverse impacts of such fuel shortages or dislocations on the American people and the domestic economy and achieving the objectives set forth in section 102.

### OBJECTIVES

SEC. 102. In implementing the authority granted under this Act the President shall take such actions as are necessary to achieve the following specific objectives—

(a) protection of public health, safety, and welfare;

(b) maintenance of all public services;

(c) maintenance of essential agricultural operations, including crop plantings, harvesting; and transportation and distribution of food and livestock;

(d) preservation of an economically sound and competitive petroleum industry, including the competitive viability of the independent producing, refining, marketing, distributing, and petrochemical sectors of that industry;

(e) equitable distribution of fuels at equitable prices among all regions and areas of the United States and all classes of consumers;

(f) economic efficiency; and

(g) minimization of economic distortion, inflexibility, and unnecessary interference with market mechanisms.

### AUTHORITY

SEC. 1033. (a) The President may delegate all or any portion of the authority granted under this Act to the Secretary of the Interior or to the head of any other Federal agency he deems appropriate.

(b) The authority granted under this Act shall terminate on September 1, 1974.

### FUELS ALLOCATION

SEC. 104. (a) Within sixty days of the date of enactment of this Act, the President shall cause to be prepared and published, priority schedules, plans, and regulations for the allocation or distribution of crude oil and any refined petroleum product which is or may be in short supply nationally or in any region of the United States in accordance with the objectives of this Act.

(b) In order to accomplish the objectives of section 1102 of this Act, and subject to the provisions thereof, the President is hereby authorized to allocate or distribute or cause to be allocated and distributed, pursuant to the schedules, plans, and regulations required by subsection (a) hereof, any liquid fuel, whether crude or processed, and whether imported or domestically produced, currently or prospectively in extraordinarily short supply nationally or in an a region of the United States.

(c) The regulations required by subsection (a) herein shall include standards and procedures for determining or reviewing prices of fuels allocated by the President under the provisions of this Act to prevent (1) appropriation of private property without due compensation or (2) exorbitant price increases reflecting temporary shortage conditions.

### SALES TO INDEPENDENT REFINERS AND DEALERS

SEC. 105. (a) DEFINITIONS.—For the purpose of this section, (1) the "base period" is the period from July 1, 1971, to June 30, 1972, inclusive; (2) "nonaffiliated" refers to a buyer (seller) who has no substantial financial interest in, is not subject to a substantial common financial interest of, and is not subject to a substantial common financial interest with, the seller (buyer) in question; (3) "independent refiner" means a refiner who produced in the United States less than thirty thousand barrels per day of petroleum products during the base period; (4) "independent dealer" means a terminal operator, jobber, dealer, or distributor, at wholesale or retail, who obtains refined petroleum products either on term contract or in spot markets, and who purchased during the base period at least half of such products from nonaffiliated sellers.

(b) In order to achieve the objectives of this Act, (1) any producer or importer of crude petroleum and/or natural gas liquids who produced in the United States and/or imported more than two hundred thousand barrels per day of crude oil and natural gas liquids during the base period shall sell or exchange to nonaffiliated independent refiners or to any other reasonable and appropriate class of refiners established by regulation, in the aggregate during each quarter during the effective term of this Act a proportion of his domestic production and imports no less than the proportion he sold or exchanged to such refiners during the base period; and (2) any refiner of petroleum products who produced in the United States and/or imported more than two hundred thousand barrels per day of refined petroleum products including residual fuel oil during the base period shall sell or exchange to nonaffiliated independent dealers or to any other reasonable and appropriate class of purchasers established by regulation, in the aggregate in each quarter during the effective term of this Act, a proportion of his refinery production and imports of said products no less than the proportion he sold or exchanged to such dealers during the base period.

(c) The President shall designate an agency to supervise compliance with the requirements of this section and promulgate regulations hereunder. The head of said agency shall have authority to require periodic reports from the producers, importers, refiners, dealers, and all others subject to the requirements of this section in such form as may be necessary to determine whether the requirements of this section have been or are being met.

(d) The head of an agency exercising authority under this section, or his duly authorized agent, shall have authority, for any purpose related to this section, to sign and issue subpenas for the attendance and testimony of witnesses and the production of relevant books, papers, and other documents, and to administer oaths. Witnesses summoned under the provisions of this section shall be paid the same fees and mileage as are paid to witnesses in the courts of the United States. In case of refusal to obey a subpena served upon any person under the provisions of this section, the head of the agency authorizing such subpena, or his delegate, may request the Attorney General to seek the aid of the district court of the United States for any district in which such person is found to compel such person, after notice, to appear and give testimony, or to appear and produce documents before the agency.

(e) Whenever it appears to the head of the agency exercising authority under this section, or to his delegate, that any individual or organization has engaged, is engaged, or is about to engage in any acts or practices constituting a violation of this section, or any order or regulation thereunder, such person may request the Attorney General to bring an action in the appropriate district court of the United States to enjoin such acts or practices, and upon a proper showing a temporary restraining order or a preliminary or permanent injunction shall be granted without bond. Any such court may also issue mandatory injunctions commanding any individual or organization to comply with this section, or any order or regulation thereunder.

### REPORTS TO CONGRESS

SEC. 106. (a) The President shall submit to both Houses of Congress, and cause to be published in the Federal Register any schedules, plans, and regulations promulgated for implementing the provisions of this Act.

(b) The President shall make to the Congress quarterly reports, and upon termination of authority under this Act a final report, including a summary and description of all actions taken under the authority of this Act, an analysis of their impact, and an evaluation of their effectiveness in implementing the objectives of section 102 hereof.

Mr. MANSFIELD. Mr. President, there will be no further votes this evening, and I doubt that there will be any discussion of the pending business.

## ORDER FOR ADJOURNMENT UNTIL 11 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 11 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

## UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that at the conclusion of morning business tomorrow, there be a time limitation of 1 hour on each amendment, the time to be equally divided between the sponsor of the amendment and the manager of the bill, and a time limitation of one-half hour on amendments to the amendment, on the same basis.

Provided further, that this request does not apply to an amendment to be offered, I believe, by the distinguished Senator from Nebraska (Mr. CURTIS) and the distinguished Senator from Georgia (Mr. TALMADGE) on Monday. The time as to that amendment will be worked out in the meantime.

Provided further, that the final vote will occur at the hour of 4 o'clock Tuesday afternoon.

Provided further, that rule XII be waived.

Mr. CURTIS. Mr. President, reserving the right to object, and I shall not object, I just want to have the Record show that I expect to present this matter to the Senator from Georgia (Mr. TALMADGE), but to this point he has not agreed to join me. I shall be offering an amendment.

Mr. MANSFIELD. And that this request be in the regular form.

Mr. SCOTT of Pennsylvania. Mr. President, if the distinguished majority leader will yield, I would like to make the point, on behalf of the managers of the bill on both sides, that they request that Senators make available to them their amendments, even though not offered at the desk, as quickly as possible, and preferably, if it can be done, during tomorrow, so that the managers of the bill may be able to decide whether to accept some of the amendments.

Mr. JACKSON. Mr. President, reserving the right to object, and I shall not object, I would like to emphasize the same point made by the distinguished minority leader. I would hope that all of my colleagues on our side of the aisle and the Senate as a whole will offer and present their amendments or file them tomorrow, so that we can go over those amendments. I believe that some of them may well be accepted, and we can expedite the business of the Senate by having that information in advance. I would hope that would be a part of the unanimous-consent agreement.

Mr. MANSFIELD. Mr. President, I join the distinguished Senators in support of that request.

Mr. PERCY. Mr. President, reserving the right to object, and I do not intend to object, as I have discussed with the distinguished manager of the bill, the Senator from Georgia (Mr. NUNN) and I are conducting official hearings in Atlanta on urgent legislation involving the drug law enforcement portion of Government Reorganization Plan No. 2, and we have a definite time limit on that. On behalf of my colleague, who must also be away tomorrow, we would like to be excused for official business; and secondly, can we be advised in any event of how many votes we may miss, and is there any way that we can determine what amendments might be brought up tomorrow, so that we can at least make known our positions on them?

Mr. SCOTT of Pennsylvania. Will the Senator first address the Chair with his request for leave of absence?

## LEAVE OF ABSENCE

Mr. PERCY. Mr. President, I ask unanimous consent that the senior Senator from Illinois and the junior Senator from Georgia may be absent on official business tomorrow, for the purpose of conducting Senate committee hearings.

The PRESIDING OFFICER. Without objection, it is so ordered.

## UNANIMOUS-CONSENT AGREEMENT—CONTINUED

Mr. JACKSON. Mr. President, may I merely respond to the Senator from Illinois by saying that I would hope that tomorrow we could try to identify the areas on which we can reach agreement without yea-and-nay votes, but I cannot guarantee that there will not be a yea-and-nay vote. If we receive amendments from various Senators who will offer them, then we can go over them and try to reach agreement on those amendments that will be offered. But undoubtedly there will be a yea-and-nay vote or two.

Mr. MANSFIELD. One, not more than two.

Mr. FANNIN. Mr. President, I assure the distinguished Senator from Washington, the chairman of our committee, that we on the minority side will attempt to offer our amendments by tomorrow, but I know that some Senators will not be present, so I cannot assure him that an amendment or two will not be offered later.

Mr. SCOTT of Pennsylvania. Mr. President, I at this time serve notice, with respect to the time allocated to the minority, that I transfer the control of that time to the Senator from Arizona (Mr. FANNIN), who is one of the managers of the bill.

The PRESIDING OFFICER (Mr. DOMENICI). Is there objection to the unanimous-consent request? The Chair hears none, and it is so ordered. The unanimous-consent request will be in the usual form, as requested.

Mr. MANSFIELD subsequently said: Mr. President, I had forgotten, under the unanimous-consent request, which has been agreed to among Senators consulted, to ask that there be 3 hours time on the bill, the time to be equally divided between the Senator from Arizona (Mr. FANNIN) and the Senator from Washington (Mr. JACKSON), the manger of the bill, or whomever they may designate, and I ask unanimous consent for that.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of the unanimous-consent agreement is as follows:

*Ordered*, That, during the consideration of S. 1570, a bill to authorize the President of the United States to allocate energy and fuels when he determines and declares that extraordinary shortages or dislocations in the distribution of energy and fuels exist or are imminent and that the public health, safety, or welfare is thereby jeopardized, debate on any amendment (except the Curtis-Talmadge amendment, on which there is no time limitation) shall be limited to 1 hour, to be equally divided and controlled by the mover and the manager of the bill, and that debate on any amendment in the second degree, debatable motion or appeal shall be limited to ½ hour, to be equally divided and controlled by the mover of such and the manager of the bill: *Provided*, That in the event the manager of the bill is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or his designee: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

*Ordered further*, That on the question of the final passage of the said bill, debate shall be limited to 3 hours, to be equally divided and controlled, respectively, by the Senator from Washington (Mr. JACKSON) and the Senator from Arizona (Mr. FANNIN), or their designees: *Provided*, That the said Senators, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion or appeal.

*Ordered further*, That the vote on final passage of the said bill shall occur at 4 p.m. on Tuesday, June 5, 1973.

### AMENDMENT NO. 159

Mr. MANSFIELD. Mr. President, I ask unanimous consent that it be in order at this time to ask for the yeas and nays on the Moss amendment, which will be called up tomorrow.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, I now ask for the yeas and nays on the Moss amendment.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD subsequently said: Mr. President, at the request of the Senator from Utah (Mr. MOSS), I ask unanimous consent that the Chair lay before the Senate an amendment by Mr. Moss to be proposed to S. 1570. There will be no action on that amendment today, but it will be the pending question tomorrow.

The PRESIDING OFFICER. Without objection, the amendment will be printed in the RECORD.

### AMENDMENT NO. 159

At the end of the bill add three new sections as follows:

"GENERAL PROVISIONS

"SEC. 108. (a) SHORT TITLE.—Sections 108 through 110 may be cited as the 'Fair Marketing of Petroleum Products Act'.

"(b) DEFINITIONS.—As used in this Act—

"(1) 'Commerce' means commerce among the several States or with foreign nations or in any State or between any State and foreign nation.

"(2) 'Base period' means the period from October 1, 1971, to September 30, 1972.

"(3) 'Franchise' means any agreement or contract between a petroleum refiner or a petroleum distributor and a petroleum retailer or between a petroleum refiner and a petroleum distributor under which such retailer or distributor is granted authority to use a trademark, trade name, service mark, or other identifying symbol or name owned by such refiner or distributor, or any agreement or contract between such parties under which such retailer or distributor is granted authority to occupy premises owned, leased, or in any way controlled by a party to such agreement or contract, for the purpose of engaging in the distribution or the sale for purposes other than resale of petroleum products.

"(4) 'Market area' means any State or any area so defined by the Secretary of the Interior.

"(5) 'Notice of intent' means a written statement of the alleged facts which, if true, constitute a violation of section 109 of this Act.

"(6) 'Person' means an individual or a corporation, partnership, joint-stock company, business trust, association, or any organized group of individuals whether or not incorporated.

"(7) 'Petroleum distributor' means any person engaged in commerce in the sale, consignment, or distribution of petroleum products to wholesale or retail outlets whether or not it owns, leases, or in any way controls such outlets.

"(8) 'Petroleum refiner' means any person engaged in the importation or refining of petroleum products.

"(9) 'Petroleum product' means any liquid refined from petroleum and usable as a fuel.

"(10) 'Petroleum retailer' means any person engaged in commerce in the sale of any petroleum product for purposes other than resale in any State, either under a franchise or independent of any franchise or who was so engaged at any time after the start of the base period.

"(11) 'State' means any State, the District of Columbia, the Commonwealth of Puerto Rico, and any organized territory or possession of the United States.

"PROTECTION OF DEALERS

"Sec. 109. (a) Prohibited Conduct.—Except as otherwise provided pursuant to this Act, the following conduct is prohibited:

"(1) A petroleum refiner or a petroleum distributor shall not deliver or tender for delivery in any quarter to any petroleum distributor or petroleum retailer a smaller quanity of petroleum products than the quantity of such products delivered by him or his predecessor or predecessors during the corresponding quarter in the base period, unless he delivers to each petroleum distributor or petroleum retailer doing business in commerce the same percentage of the total amount as is delivered to all such distributors or retailers in the market area who are supplied by such refiner or distributor.

"(2) A petroleum refiner or a petroleum distributor shall not sell petroleum products to a nonfranchised petroleum distributor or petroleum retailer at a price, during any calendar month, which is greater than the price at which such petroleum products are sold to a franchised petroleum distributor or petroleum retailer in the market area except that a reasonable differential which equals the value of the goodwill, trademark, and other protections and benefits which accrue to franchised distributors or retailers is not prohibited.

"(b) Remedy.—(1) If a petroleum refiner or a petroleum distributor engages in prohibited conduct, a petroleum retailer of a petroleum distributor may maintain a suit against such refiner or distributor. A petroleum retailer may maintain such suit against a petroleum distributor whose actions affect commerce and whose products he purchases or has purchased, directly or indirectly, and a petroleum distributor may maintain such suit against a petroleum refiner whose actions affect commerce and whose products he purchases or has purchased.

"(2) The court shall grant such equitable relief as is necessary to remedy the effects of such prohibited conduct, including declaratory judgment and mandatory or prohibitive injunctive relief. The court may grant interim equitable relief, and punitive damages where indicated, in suits under this section, and may, unless such suit is frivolous, direct that costs, including a reasonable attorney's fee, be paid by the defendant.

"(c) Procedure.—A suit under this section may be brought in the district court of the United States for any district in which the petroleum distributor or the petroleum refiner against whom such suit is maintained resides, is found, or is doing business, without regard to the amount in controversy. No such suit shall be brought by any person unless he has furnished notice of intent to file suit by certified mail at least ten days prior thereto with (1) each intended defendant, (2) the attorney general of the State in which the prohibited conduct allegedly occurred, and (3) the Secretary of the Interior.

"PROTECTION OF FRANCHISED DEALERS

"Sec. 110. (a) Prohibited Conduct.—The following conduct is prohibited:

"(1) A petroleum refiner or a petroleum distributor shall not cancel, fail to renew, or otherwise terminate a franchise unless he furnishes prior notification pursuant to this paragraph to each petroleum distributor or petroleum retailer affected. Such notification shall be in writing and shall be accomplished by certified mail to such distributor or retailer, shall be furnished not less than ninety days prior to the date on which such franchise will be canceled, not renewed, or otherwise terminated; and shall contain a statement of intention to cancel, not renew, or to terminate together with the reasons herefor, the date on which such action shall take effect, and a statement of the remedy or remedies available to such distributor or retailer under this Act together with a summary of the provisions of this section.

"(2) A petroleum refiner or a petroleum distributor shall not cancel, fail to renew, or otherwise terminate a franchise unless the petroleum retailer or petroleum distributor whose franchise is terminated failed to comply substantially with essential and reasonable requirements of such franchise or failed to act in good faith in carrying out the terms of such franchise, or unless such refiner or distributor withdraws entirely from the sale of petroleum products in commerce for sale other than resale in the United States.

"(b) Remedy.—(1) If a petroleum refiner or a petroleum distributor engages in prohibited conduct, a petroleum retailer or a petroleum distribtuor may maintain a suit against such refiner or distributor. A petroleum retailer may maintain such suit against a petroleum distributor whose actions affect commerce and whose products he sells or has sold under a franchise and against a petroleum refiner whose actions affect commerce and whose products he sells or has sold, directly or indirectly, under a franchise. A petroleum distributor may maintain such suit against a petroleum refiner whose actions affect commerce and whose products he distributes or has distributed to petroleum retailers.

"(2) The court may grant an award for actual damages resulting from the cancellation, failure to renew, or termination of a franchise together with such equitable relief as is necessary, including declaratory judgments and mandatory or prohibitive injunctive relief. The court may grant interim equitable relief and punitive damages where indicated in suits under this section, and may, unless such suit is frivolous, direct that costs, including a reasonable attorney's fee, be paid by the defendant.

"(c) Procedure.—A suit under this section may be brought in the district court of the United States for any district in which the petroleum distributor or the petroleum refiner against whom such suit is maintained resides, is found, or is doing business, without regard to the amount in controversy. No suit shall be maintained under this section unless commenced within three years after the cancellation, failure to renew, or termination of such franchise or the modification thereof."

Mr. HUMPHREY. Mr. President, it is now understood that we will take up the energy fuels allocation bill, S. 1570, which has been reported from the Committee on Interior and Insular Affairs.

Today, I merely wish to place in the Record some reports that ought to be helpful to Senators as they face the issue of energy allocation and fuel allocation in tomorrow's debate and in our legislative endeavor.

Today, Secretary of Agriculture Butz is in Des Moines, Iowa, at a meeting with officials there, to discuss the fuel shortage situation in the Midwest and other matters relating to the production of food and fiber. I shall read from a dispatch that appeared on our news ticker:

> At a Midwest fuel shortage jawboning meeting today Agricultural Secretary Earl Butz gave farm and trade representatives a severe piece of news—that country elevators, in the face of an expected record crop, may refuse to accept harvested grain unless they have ample storage space.
>
> In remarks prepared for delivery at a Des Moines conference, Butz said some country elevators have already warned farmers there may not be a cash market at harvest time because they will not pile wheat on the ground beside tracks waiting for the end of a car shortage that some grainmen predict could last for up to six months as the U.S. wheat harvest moves northward.
>
> The Secretary explained that country grain handlers have been told by terminal buyers that they will get no advance money until wheat is loaded. They can draw an advance, Butz said, only when the grain is loaded in rail cars or trucked to the terminal and applied to a specific contract.
>
> Warning that the Government and private trade must find solutions to short-run fuel problems "before they jeopardize our prospects for a record harvest this year," Butz told the fuel meeting current gasoline and diesel fuel stocks plus domestic production could meet summer and winter needs, barring extremely cold weather. But, the Secretary added, there are some problems getting the right amounts of fuel produced from the supply and getting them distributed.

I also have a dispatch from the United Press International that reads as follows:

> Officials of the Ohio Farm Bureau said Tuesday that by the end of this week Ohio farmers "could well be without tractor fuel."
>
> "Diesel fuel shortages have reached the critical stage and the Farm Bureau has urged prompt Federal action to get fuel to farmers so food and fiber crops can be planted," the organization said in a statement. "The corn crop's only half in and soybean planting has barely begun."
>
> C. W. Swank, Ohio Farm Bureau executive vice president, said at least a 25-percent increase in fuel supplies was needed.
>
> He said the problem stemmed from fuel allocation on the basis of last year's demands when fall plowing was completed on a near normal pattern. Swank said that "even if the present fuel crisis eases, there will be a greater one at harvest time."

Now, Mr. President, as have noted from California:

> Diesel fuel shortages have reached the critical stage and the Farm Bureau has urged prompt Federal action to get fuel to farm-

> ers so food and fiber crops can be planted," the organization said in a statement, "The corn crop's only half in and soybean planting has barely begun."

There are other reports from around the country.

Those of us from the agricultural producing areas are well aware of the fact that we are facing a critical fuel situation. In some places it is being handled temporarily by action from officials of the Government who are calling up the large petroleum suppliers.

For example, yesterday, I was fortunate enough to be able to get the Amoco Co. to supply diesel fuel to the metropolitan bus system of the Twin Cities. That bus system had requested five million gallons and asked for a contract. Amoco said they could supply 3.7 million gallons. Otherwise, this would mean that the bus system would have to close down on Saturdays, Sundays, or some evenings, or some parts of the mid-day. But because we got good cooperation from the Department of the Interior, Mr. Likens from the Office of the Director of Oils and Fuel, I believe it is called, we were able to get Amoco to come through with the full contract.

But we cannot go around trying to find answers day by day, item by item, company by company, or problem by problem. We must have a better system. Hopefully, the voluntary system could work. But, frankly, it is not. That is why this legislation is before us. We have a system of mandatory allocations. This is not an ordinary matter. The question of availability of food supplies is right on the line.

Yesterday before the Foreign Relations Committee, a distinguished witness testified as to the amount of fuel being used, a certain percentage for home heating, a certain percentage for industrial use, a certain percentage for gasoline for automobiles, a certain percentage for transport—all adding up to 100 percent; but, mind you, Mr. President, this distinguished and able witness did not include fuel supplies for agriculture.

Agriculture is the largest user of petroleum products in the Nation, yet the lead witness forgot even to mention the use of petroleum products for the production of food and fiber, for the distribution of food and fiber, and for the manufacture or processing of food and fiber.

Agriculture seems to be an afterthought around this town, unless there are shortages, unless there are high beef prices—which we now understand are still going up more.

So, Mr. President, I raise my voice tonight on this issue, because we will be deciding tomorrow in this body whether we will have fuel oil in the colder areas of the Nation this coming fall and winter. Because, as surely as I stand behind my desk in the Senate tonight, without mandatory allocations, we will be without adequate fuel oil in the Midwest. As I have said in many a meeting, we cannot depend on the good Lord to provide us with a warm winter. In fact, the Secretary of Agriculture said that if the winter is not too cold, we may get by.

Well, let me say to the Secretary, I have lived in South Dakota and Minnesota all my life and it is cold—plenty cold—in November, December, January, February, and March. It is also cold in Ohio, and in Michigan, and in Wyoming. It may not be cold all over the country but last year the South had the worst weather ever. Temperatures in Georgia, Alabama, and Texas were colder than those in Minnesota. Our turn may come this fall and winter.

Mr. President, I shall stand here today and tomorrow to see that we get some form of allocations that will take what appears to be a shortage of petroleum products and make an equitable distribution of them with priorities.

The first priority must be for the production of food and fiber. Another priority must be our public institutions, our schools and hospitals. Another priority must be to provide an adequate system of motor transport so that we can move our goods. Another priority of need will be for the movement of people such as mass transit systems.

But, for some reason, this city does not quite understand, yet, that we could be facing a major food crisis because, when we talk of the shortage of fuel we are talking about the shortage of food as well.

If we should have a drop of approximately 10 percent in our estimate in the protein crop—that is, soybeans and corn, and feed grains—we will have a major food crisis in the United States. That drop could take place because we do not have the fuel oil or the propane natural gas to dry the corn and the soybeans. Agriculture is a complicated business. It requires large amounts of petroleum products.

I might add that the demand for agricultural products looks like it will be very heavy. I hope that it will be. I notice for example, in looking over some reports that I get daily, that the demand for food seems to be growing in the country as well as throughout the world.

I noted from the same news service of May 30 a headline, "Huge World Wheat Demand."

This is good news for us, if we can deliver.

It reads:

> Eugene Shannon, president of Paramount Citrus in Los Angeles, said despite the Government directives he has received letters from fuel suppliers advising his citrus association that it would be subject to cutbacks in fuel supplies this summer.
>
> Shannon said there is no problem now, but the "worst is yet to come in California because the summer and fall brings the heaviest activity."

Mr. President, we also see, for example, that there is an increasing demand for protein in East and West Europe. The Soviet Union and possibly China, it has been predicted by Mr. J. C. Randag, president of the International Association of Seed Crushers, will make an extra demand again on our protein sources.

We now see, for example, that Argentina, which is a heavy supplier of wheat, today in the news has experienced very heavy rains and floods which have significantly damaged the Argentine grain sorghum crop, and will be probably down 30 to 40 million bushels from the earlier estimate.

All of this is another way of citing what some of us have been trying to tell the Congress and the country; namely, that we have some rough days ahead.

I want to make one or two suggestions.

First, that the Department of Agriculture had better keep a close eye on the board of trade, the commodities market, to see that there is not undue, dangerous speculation. I do not want to have to write a letter to the Department of Agriculture. I want them to look at this Record I am making tonight, as a member of the Committee on Agriculture and Forestry, and as chairman of the Consumer Economics Subcommittee of the Joint Economic Committee. I am hereby formally requesting the Department of Agriculture and the Department of Justice to keep a watchful eye on speculation of commodities, because prices are going out of the roof. The news reports are frightening—"Surging Grain Prices Alarm Government."

A story in the Washington Star on May 30, "Grain Prices Soar as Market Augurs Big Rise in Margin."

These prices have gone up. A year ago, soybeans were $85 a ton, and they are $400 a ton tonight.

Mr. President, that means the dairy farmers are going out of business; that means higher prices, higher beef prices.

I think we have to take a good look at why soybeans are selling for $10 a bushel. There may be a legitimate reason, but I want the Department of Agriculture officials to look at the problem carefully.

I have no evidence that indicates that there is any tampering or fooling with the market. But I think that in this period, in which we see so much speculation on futures, we need to have a constant monitoring of the market in commodities. I think this is one of the ways to prevent investigations later on that may reveal some wrongdoing.

Second, I call upon the Government to examine immediately the storage capacity for our feed grain and wheat farmers. We have had other experiences. I want to remind this administration that Harry Truman was reelected in 1948 primarily by the votes of farmers in the Midwest, from Ohio to the Rockies, from Minnesota down to Texas, because of the lack of adequate storage for their crops. Farmers had to pile their wheat on the ground. Farmers could not harvest their corn. Farmers could not harvest their feed grains. There was no storage, and prices went down. Crops were destroyed.

The Secretary of Agriculture has now said that there is a lack of adequate storage. Grain elevators are jam packed. Farmers cannot borrow any more money.

I know we are all concerned about Watergate, but I suggest that somebody around here had better be concerned about the feedlot and about the wheat fields and about the cornfields and about the soybeans; because if we do not show some concern now, just as surely as this Senate is sitting in session today, we are going to have a big stinkeroo later on, and then everybody is going to want to investigate everybody else. They are going to be looking for scapegoats. All we need to do is take an ounce of prevention right now, and we will not have to look for the pound of cure later on.

Some of us have been around here long enough to know what is happening. I have been interested in the matter of grain storage, commodity movement, and agricultural policy ever since I was a young man, working with my father in South Dakota. It has been our life. One of the reasons why I want to serve on the Committee on Agriculture is that I am interested in the well-being of the American family farmer, the ranchers, and the farmers of this Nation.

I know that unless we have adequate prices for food and fiber, we are not going to have adequate supply. I know that if we do not have adequate transportation, it will not make any difference how much supply we have.

Mr. President, the transportation system is overworked. There is not only a shortage of boxcars; there is a shortage of hopper cars.

Congress passed a resolution calling upon the Government to take immediate action to alleviate this shortage. The shortage is worse today than it was a month ago.

Mr. SAXBE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. SAXBE. I am very interested in what the Senator has to say. I am quite aware of the problem.

Last year, within half a mile of my house, there was a pile of 100,000 bushels of corn on the ground. The wheat harvest is going to start to move within 3 weeks, possibly 2. We already have these boxcars tied up, trying to get the wheat into Houston and other ports for Russia.

What does the Senator suggest that can be done about this boxcar shortage between now and the first of July, and then continuing on through, as the harvest moves North? We cannot build elevator space. I do not see how that would be possible.

Mr. HUMPHREY. First of all, may I say, we can have what we call on-the-farm storage, and we have to encourage that. The Senator may recall the old Butler-type bins, steel bins. They are very good. Many of those have been sold. The Government sold many of them because they said we are not going to need them, and I understand that. I am not going to say that we should have had foresight. The fact is that at the time we did not need them.

All I am asking now, without trying to scold the Secretary—he has enough problems—is that the Department of Agriculture take a good look at the storage picture promptly. They have men in the field. In every State and county are agricultural people, in the agricultural stabilization committees, the old ASC system.

Let us find out what is available now and what we can do to find additional storage in case we need it.

Next, I think it is imperative that somewhere in the executive branch of Government someone be appointed to ride herd on the transportation problem. I mean a boxcar czar, so to speak. Not just boxcars; that is kind of old stuff now. We use hopper cars now. Many of these hopper and boxcars can get caught in the railroad yards of Philadelphia or New York or other large cities, where the railroads do not see the necessity of the rapid turnaround. It is a difficult problem. I am not saying that the railroads are ganging up on us. Sometimes it is just grossly inefficient.

As the Senator has properly remarked, that crop is going to start coming in from Texas and Oklahoma. By the way, they got a bad deal last year in terms of the Russian wheat sale, because it came at a time when the prices were not up, so far as these farmers were concerned. I want to be sure that that crop can move. I do not represent Texas or Oklahoma, except as a U.S. Senator. I want to see them be able to get a cash price for their wheat.

The Secretary of Agriculture has given a warning here, and I thank him for doing it. He said the terminal buyers who work with the country elevators, who make the advance payments to the country elevators, will not have the cash. Those terminal buyers will not give the country elevators the cash to make the purchases of the wheat unless the elevators are full. That means that my friend, Senator BELLMON, who I consider a great friend of the farmers, and other Senators in that part of the country are going to be faced with farmers calling them on the phone and saying, "We can't sell our wheat. We have a double jolt. We got a haymaker last year and now we get a right to the jaw."

Last year they could not get any price, and this year they will not be able to get any cash unless we look at it now.

I do not know what the answer is. I am prepared to cooperate in any way I can, and I know the Senator from Ohio is. I hope we can get a sort of immediate emergency analysis or study made by the Department of Agriculture and have them come to us now, within the next couple of weeks.

Mr. SAXBE. I think that probably they will be able to take care of the winter wheat from down in Oklahoma and Texas and on into Kansas, because it is moving at a time when nothing else is moving except this overseas grain. But what I can foresee as a real difficulty is when it comes into Iowa, Nebraska, and the Dakotas, and we are faced with the problem then of having all the storage and terminal warehouses full, with barges full.

Those country elevators up there, as the Senator knows, are a long way apart, and the reason they are cutting off the country elevators is that it used to be a matter of 3 or 4 days, or perhaps a week or 10 days, in which they could get a car out. But with the national car shortage, they will not advance money for grain that is lying on the ground, and you cannot blame them.

Mr. HUMPHREY. Not at all.

Mr. SAXBE. It seems to me that we have at least 2 months for that harvest. Perhaps some kind of temporary storage can be rigged between now and those 2 months, so that the country elevators can take this. As the Senator knows, the story on wheat is that it usually comes in dry enough that it can be stored anywhere.

Mr. HUMPHREY. That is correct.

Mr. SAXBE. When corn comes in——

Mr. HUMPHREY. It comes in wet.

Mr. SAXBE. It comes in wet. And more and more, soybeans are coming in wet. That has to be dried, and then it has to be stored dry, or you put it back in the condition in which it was when you brought it in.

Perhaps what they should be thinking about—and I, like the Senator, have no specific suggestion—is some kind of temporary arrangement, perhaps using plastic films, by which they can provide temporary storage and get started now and have it ready when the crop comes in in the Middle West.

Mr. HUMPHREY. I thank the Senator from Ohio for his customary practical suggestions. He has cited what could be the possibility. All I am saying is that we should look ahead, because we have gone through a miserable period on the transportation crisis, and every time this happens somebody is involved in something that is not quite right. I think our problems are the result of the mass movement of grains that have glutted our transportation system, but we are going to have more.

The export demand seems to be growing more every day. There is India, Bangladesh, the Argentina crop is off, Eastern Europe is having trouble, the Middle Eastern countries, like Syria and other places have trouble in connection with their big crops. Possibly we could have the greatest amounts of exports in the history of our Nation.

The Agriculture Department requested farmers to plant 45 million more acres in feed grains and wheat. Farmers are responding to that request. That can mean tremendous crops and improvement in our economy if we can move it and if the farmers can get cash for their crops. They cannot afford to leave them on the ground. If they do, they take a terrible loss.

Mr. SAXBE. I do not think the world is aware of the amount of grain we can raise in this country. Agriculture has been changed to a high technology business. We have the ability to raise, I am convinced, 2 million bushels of wheat.

Mr. HUMPHREY. Yes.

Mr. SAXBE. And once we cut loose, as they have done this year, and it was a dangerous thing to do, but once we cut loose on the American farmer so he can produce, he will surprise everyone. If he has the machinery and gets the fuel, he can produce enough to surprise the world. There is no question about it.

Mr. HUMPHREY. I agree. The American agriculture production technology is amazing. It is not only in the realm of probability, but I think 2 million bushels of wheat is more than within the realm of possibility.

We are going to produce 6 million more acres of soybeans this year. We will have a tremendous crop if conditions continue at present, despite the floods in the South.

However, that poses both an opportunity and a problem. The opportunity is for world markets, which I think are going to come. The problem is storage and transportation.

I just raise my voice today in the Senate, not in criticism, but only as a kind of warning: please take a look. Get the Department of Transportation, the Department of Agriculture, and any other department to take a look at what is going on in speculation in futures in the commodity market. Second, what is available storage, and what do we need? Third, what can we do to alleviate the transportation problem?

It will be too late for us if we come back in September and October, because then it will be all over. Farmers will get their crop loans and the Government will have a big investment in crops that have spoiled. Farmers will get less under pending or existing legislation, and it will be a bad thing for the Government, the farmers, the country, and the world.

Mr. President, my interest in this is triggered by what I believe is somewhat a similarity with conditions in my State and the areas of the Nation where I have been privileged to live. I know we will have Members of this body who will try to cooperate in every way. But this is a time when we do not need to argue with the Secretary of Agriculture, but to call upon him to use every facility at his disposal to solve the problems. I think he has been told what the problems are and we must see what we can do to respond promptly to any request that is made.

Mr. President, I ask unanimous consent to have printed in the Record an article from the Washington Post of May 30, 1973, entitled "Grain Prices Soar as Market Orders Big Rise in Margin," an article from the Evening Star and Daily News of May 30, 1973, entitled "Surging Grain Prices Alarm Government," and certain articles from the ticker relating to this matter.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Evening Star and Daily News, May 30, 1973]

### Surging Grain Prices Alarm Government

The government, which promised an end to soaring food costs for the second half of the year, has become alarmed over the unabated surge in prices of soybeans, corn and wheat.

Prices of these key ingredients for tomorrow's meals have been setting highs day after day on the nation's commodities exchanges despite the prospect for record harvests this year.

During the last four weeks, soybean prices have risen more than 45 percent, wheat 22 percent and corn about 30 percent.

Indeed, the alarm in Washington is such that the Commodity Exchange Authority, a little-known regulatory arm of the Agriculture Department, has been holding unusual talks with leaders of the commodity industry to seek ways to cool the markets.

Alex C. Caldwell, the authority's administrator, said yesterday that he and his aides had spent the weekend conferring with officials of the Chicago Board of Trade, the nation's biggest market for grains and soybeans.

"Actually, we can take action only if price manipulation is suspected, which is not the case," Caldwell said. "What we see today is strong cash markets pulling up future prices on the exchanges."

One result of the talks was that the Chicago Board of Trade's directorate met in emergency session before trading started yesterday and raised initial margin requirements for futures trading, effective this morning.

(At another meeting this morning the directors altered the margin requirements relating to spreads which involve the buying of one contract against the sale of another. They were to meet again later this afternoon to see the effect of the latest changes on the market, the Dow Jones News Service reported.)

The huge exchange has raised initial margins—the cash down payment required on futures contract—several times this year on the grains and soybeans without any effect on volume or prices.

Board of Trade officials have also sharply increased the daily permissible price movement in soybeans—the most volatile commodity because of its scarcity—in stages from 10 cents to the present 40 cents a bushel thus far this year. The limits on the quieter wheat and corn futures remain at 10 cents above or below the preceding session's closing price.

Prices of most soybean, soybean meal, wheat and corn futures rose the limits again yesterday.

The talks between the Commodity Exchange Authority and the Chicago Board of Trade over the holiday weekend gave rise to rumors throughout the industry that the government was discussing a suspension of trading. A report to that effect by the Reuters news agency was denied by Caldwell and officials of the Chicago Board of Trade.

Lee B. Stern, a director of the Board of Trade, said: "There is absolutely no truth in the rumors about suspending trading. Such action, except in a national emergency, is unthinkable and could lead to unprecedented turmoil."

One possibility for cooling the frenzied markets, Caldwell hinted, would be to "do something about the hedgers who find themselves locked in as prices sweep ahead."

The plight of those who were or are in a short position in grains and soybeans has become of deep concern to the industry. The capital of several Wall Street brokerage houses has been undermined because they had gone short in the belief that basic foodstuffs would decline in price.

Many grain elevator companies, flour millers and other elements in the commodity industry that are traditionally short as a hedge are also in difficulties.

These hedgers, holding the actual grain, traditionally use the futures markets to protect themselves against the possibility of price drops. But prices have been soaring since the massive grain sale to the Soviet Union last summer.

Since then, wheat has gone from about $1.50 a bushel of 60 pounds to as high as yesterday's close of $3.01 for delivery this July. Corn, which sold last summer at $1.30 a bushel of 56 pounds, closed yesterday at $2.12 for July delivery.

July soybeans closed at $9.78 a bushel of 60 pounds; that contract had sold for $3.27 last summer. Soybean meal has shot up from $102 a hundred tons to $350.

For the consumer, these prices will mean higher prices for food. Soybean meal, for example, is the key feedstuff for cattle, just as corn is for poultry. In fact there is hardly any manufactured food that does not contain soybeans, corn or wheat.

According to commodity brokers, who earn their commissions whether prices go up or down, the government's alarm over soaring prices of grains and soybeans is justified.

True, the winter wheat harvest now under way promises to be a record one, and it normally constitutes two-thirds of the annual crop. But a critical shortage of transport since last summer has all but strangled the movement of grain from farm to elevator to railheads or maritime terminals.

The heavy harvest of winter wheat is aggravating the transport problem. It is also true, the brokers say, that the government has encouraged vastly expanded acreage given over to spring crops—soybeans and corn, for example.

But severe flooding in the Midwest has delayed planting, and every day lost raises the odds that an early autumn frost may reduce yields. Farmers are aware that the last three winters have been relatively mild and that the odds are against another one.

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[From the Washington Post, May 30, 1973]

### Higher Grocery Prices Seen: Grain Prices Soar as Market Orders Big Rise in Margin

(By Jack Egan)

In an extraordinary session on the Chicago Board of Trade yesterday, almost all major grain futures contracts advanced the daily price limit. Buying demand was heavy but sellers were scarce or non-existent.

As a result of the near-paralysis in the trading of many grain contracts, the directors of the Board of Trade, the nation's largest commodity futures market, yesterday announced the second substantial boost in trading margin requirements in less than a week.

The increase in the amount of cash that is needed to cover a futures position goes into effect today. It is meant to loosen trading and bring some order to the surging commodity markets.

Meanwhile, Richard Schnittker, a Washington agriculture consultant, yesterday predicted that retail food prices would increase 15 to 20 per cent this year unless the recent steep climb in grain prices was soon reversed.

The Agriculture Department recently boosted its own 1973 forecast for grocery price increases from 6 to 10 per cent.

The feed grain prices resumed their upward path as soon as the opening bell rang for trading in Chicago.

Yesterday was the first day in which the daily price increase limit was increased on all soybean contracts from 20 to 40 cents a bushel and on soybean meal from $10 a ton to $15, in an effort to let the market find a comfortable price.

On the opening bell all seven future month options increased 40 cents a bushel and the eight meal options went up $15 a ton. Trading virtually halted for a lack of sellers.

At the end of the day, July soybeans were $9.78 a bushel and July meal was $350 a ton. By contrast, only two months ago on March 29, July soybean contracts sold for $5.19 a bushel, and soybean meal for July was $162.20 a ton.

Yesterday was the seventh straight session in which soybeans and meal prices advanced the limit. However corn, wheat and oat futures also moved to their daily limit increase on the opening bell. Although there was some trading in each of these commodities, mainly in new contracts for next December and beyond, they all closed at or very near their high price for the day.

Reasons given for the continuing and unprecedented upward price movements included strong foreign demand and a fear of some export controls being slapped on grains, depleted stocks of old crop grains, bad weather conditions in the Midwest, which have hampered plowing and planting of new crops, and an excess of speculation.

Concern was expressed by commodity brokers that individuals holding short positions, or commitments to sell contracts, were unable either to come up with the commodity or to buy the contract because the limit price prevented trades from taking place. The situation was particularly severe in soybeans and soybean meal.

Alex Caldwell, head of the Agriculture Department's Commodities Exchange Authority, which regulates commodities futures trading, said that he was concerned about both the rising prices and the inability of traders to get in and out of the market.

He said that he had been in telephone contact with directors of the Chicago Board of Trade over the weekend and had suggested that margins should be raised substantially.

He said that he had received suggestions from traders that the futures markets be temporarily closed in order to provide a breathing spell. But he said this would be a very drastic move which "at this point in time I'm not ready to recommend," because it would keep out "legitimate hedgers," such as farmers and grain operators, "who want to get into the market."

Caldwell added that the present situation was "more a supply and demand problem than anything else," reflecting high prices in the cash market, and not just the product of speculation.

The board yesterday raised the initial margin or cash deposit on July, August and September soybeans from 75 cents to $1.50 a bushel, up from only 50 cents last Thursday. The new margin on November and forward contracts is $1.00, up from 60 cents yesterday and 30 cents last week.

The July through October soybean margin is up to $5,000 a ton today from $2,500 yesterday and $1,500 last week. December and forward meal contract margins are raised to $3,000 a ton from $2,500 yesterday.

Corn margins are raised to 25 cents a bushel from 15 cents, and the initial margin for wheat is 35 cents a bushel, up from 25 cents.

Schnittker, who was Undersecretary of Agriculture under President Johnson, saw speculation in old or already harvested crops as a major factor in the current upsurge in prices.

Schnittker said unless grain prices soon get back to the March-April levels, which were ½ to ⅓ lower than at present, the consumer was "in for another round of increases in food prices," with a three to six month lag before they were fully felt.

### INDIAN FOOD SITUATION

NEW DELHI, May 23.—Food production in India this year is inadequate for domestic needs in the face of that country's ever growing population, according to agricultural observers.

Although about three quarters of the spring wheat crop in northern India has already been secured, despite recent erratic weather conditions in that part of the nation, it is felt that imports of two million tons of food grains or more will be necessary to close the looming supply-demand gap, a situation that applies to edible oils as well as to food grains.

### NEAR EAST WHEAT OUTPUT LOWER IN 1973–74

(By Janet Porter)

LONDON, May 23.—Wheat production in some Near East Countries is likely to be only half the level of output 1972–73, as wheat producing areas are still awaiting rains, according to the International Wheat Council (IWC).

Jordan, Israel and Lebanon are still experiencing droughts, although conditions have improved to a certain extent in Syria and Iraq, even so, crops in these countries are still likely to be below average, the IWC says in its latest report on market conditions. Iran has not been affected by droughts, however, and yields close to last season's levels are expected in the 1973–74 season.

Elsewhere, in the world, the USSR had considerable rainfall during the second half of April in the Ukraine and northern Caucasus, but not so much in the Urals and Volga area. Warm weather and sufficient moisture reserves, in most of the European areas of the USSR contributed to crop growth and conditions for field work were generally satisfactory. The long range weather forecast currently indicates that the summer is likely to be somewhat warmer than usual in the USSR, with rainfall about or slightly below normal in some areas.

In western Europe prospects for all grain crops are generally good and crops suffered relatively little damage during the mild winter. In eastern Europe, Bulgaria is planning to harvest some 3m tons of wheat this season, about 0.5m tons less than last year, while Romania is hoping to harvest some 17.3m tons of grain this year, about 4 per cent up on last year.

### IMPACT OF FUEL SHORTAGES ON FARMERS

Eugene Shannon, president of Paramount Citrus in Los Angeles, said despite the Government directives he has received letters from fuel suppliers advising his citrus association that it would be subject to cutbacks in fuel supplies this summer.

Shannon said there is no problem now, but the "worst is yet to come in California bcause the summer and fall brings the heaviest activity."

Dick Mount, former vice president of the Los Angeles Produce Association, agrees with Shannon that the hardest hit would be the purveyors, those who deliver to the retailer, if they don't have the fuel the goods will sit at the warehouse.

Some farmers had to scramble this spring to get enough fuel. So far there have been no reported shutdowns and cutbacks in production.

Some Illinois farmers solved the problem this spring only by using political clout.

Sen. Adlai Stevenson talked Citgo into supplying C. W. Hicks of Roberts, Ill., with enough fuel for the 15,000 farmers he supplies. Hicks and other agri. suppliers testified Tuesday at Stevenson's Senate Consumer Subcommittee in Chicago that most of their gasoline had been cut off April 1, and that the big oil companies were not complying with the guidelines.

Lisle Reed, Deputy Director of the Office of Oil and Gas in the Interior Department said at the hearing that the Government would hold hearings June 11–13 to determine whether the guidelines should be made mandatory.

Agri. Sec. Earl L. Butz opens still another hearing on the matter today in Des Moines, Iowa. He will meet with leaders of farm groups to discuss the impact of fuel shortages on 1973 crops.

Butz said he and his aides plan to "solicit the advice of the Nation's Agri. industry to meet food production needs with foreseeable supplies.

David Handrigan, president of Handrigan Seafoods, Inc., in Judith, R.I., said the "gas shortage has not hurt us so far but it certainly will soon." He said his company uses 588,888 gallons of gas a year, most of it from now to October. This year, he said, the fuel has been alloted over a 12-month period, and he has to use it up one month before getting the full allotment for the next month.

"This represents a cut of about one-half," he said. He said the gas driven lobster boats will be the first to feel the effect, and it likely will affect the price of shellfish. Most other fishing boats use diesel fuel, he said, and other fish prices would not be affected unless there is also a shortage of diesel fuel.

On the Maine coast, 12 of the State's 17 fishing co-ops report they have been promised enough fuel to operate through the summer—but it's costing them three cents a gallon more than it did last year.

## ORDER FOR TRANSACTION OF ROUTINE BUSINESS TOMORROW AND FOR UNFINISHED BUSINESS TO BE LAID BEFORE THE SENATE

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders or their designees have been recognized under the standing order, there be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements limited therein to 3 minutes, at the conclusion of which the Senate resume its consideration of the unfinished business, S. 1570.

The PRESIDING OFFICER. Without objection, it is so ordered.

## LEAVE OF ABSENCE

Mr. GRIFFIN. Mr. President, the distinguished Senator from New Mexico (Mr. DOMENICI) and the distinguished Senator from New York (Mr. BUCKLEY) will be absent tomorrow in connection with a hearing to be held outside the city of Washington. I ask that they may be excused.

The PRESIDING OFFICER. Without objection, it is so ordered.

## PROGRAM

Mr. ROBERT C. BYRD. Mr. President, tomorrow, the Senate will convene at 11 o'clock a.m. After the two leaders or their designees have been recognized under the standing order, there will be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements limited therein to 3 minutes. At the conclusion of morning business, the Chair will lay before the Senate the unfinished business, S. 1570, the fuel and energy allocation bill. There is a time limitation thereon. There will be one or two yea-and-nay votes tomorrow—one for sure on an amendment by the able Senator from Utah (Mr. Moss) on which he has already requested the yeas and nays.

The distinguished majority leader does not anticipate that there will be more than two yea-and-nay votes tomorrow. However, the distinguished manager of the bill, the Senator from Washington (Mr. JACKSON), has expressed the hope that Senators will discuss with him tomorrow any amendments they propose to offer, and perhaps some of those amendments can be adopted tomorrow by voice vote.

Then, the Senate will go over until Monday, with a final vote on the bill to occur at 4 p.m. on Tuesday next.

## ADJOURNMENT UNTIL 11 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 11 o'clock a.m. tomorrow.

The motion was agreed to; and at 5:29 p.m. the Senate adjourned until tomorrow, Friday, June 1, 1973, at 11 a.m.

## CONFIRMATION

Executive nomination confirmed by the Senate May 31, 1973:

### ATOMIC ENERGY COMMISSION

William E. Kriegsman, of Maryland, to be a member of the Atomic Energy Commission for the remainder of the term expiring June 30, 1975.

(The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

# EXTENSIONS OF REMARKS

## FURTHER QUESTIONS AND ANSWERS ON PRESIDENTIAL POWERS IN THE TRADE REFORM ACT OF 1973

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### HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. VANIK. Mr. Speaker, on May 16 and 17, I entered letters in the CONGRESSIONAL RECORD from the General Accounting Office and from the Office of the Special Representative for Trade Negotiations concerning various aspects of H.R. 6767, the Trade Reform Act of 1973.

I would now like to enter in the RECORD a copy of a letter which I sent to the Special Representative for Trade Negotiations on May 7 as well as Ambassador Eberle's reply of May 29.

The thrust of my inquiries in these letters, and in much of my questioning in the Ways and Means Committee, has been an attempt to define exactly what the President's authority in the trade area is and how much additional authority we are giving him. As one can see from the reply to my first question, the President does indeed have wide powers—and the letter still fails to spell out the details of the types of discretionary powers which he has and could employ under H.R. 6767. It is obvious that the Ways and Means Committee—and the entire Congress—are going to have to ask some hard questions to determine exactly what is contemplated under this bill.

The letters follow:

WASHINGTON, D.C.,
*May 7, 1973.*

Hon. WILLIAM D. EBERLE,
*Special Representative for Trade Negotiations, Washington, D.C.*

DEAR MR. EBERLE: During your testimony before the House Ways and Means Committee on H.R. 6767, the Trade Reform Act of 1973, I would appreciate it if you could provide me with some data and answers for the record to the following questions, so that these issues may be explored more fully during the hearings.

(1) In Section 103, the President is provided with authority to remove non-tariff barriers to trade. The Congress is given a veto authority over any such negotiations in 103(e). But in the explanatory notes to this provision of the bill, the following paragraph appears:

"This authority could apply, for example, to new agreements relating to quantitive limitations on imports of agricultural products. However, *it is an optional procedure* [to obtain Congressional approval] since the President can, if he believes it appropriate, use his existing authorities or other constitutional procedures with respect to import limitations or other non-tariff barriers imposed pursuant to domestic laws." [Emphasis added.]

Would you please provide a complete legal description of the "optional" authorities and "other constitutional procedures" which might be used with respect to non-tariff barriers? In which cases does the Administration expect to avoid the Congressional review and potential veto route?

(2) In Section 201, relating to investigations by the Tariff Commission, the explanatory notes again raise some questions. In particular, the notes state—

"Comparable" is intended to be a more narrow category of products than "like or directly competitive articles".

From this note, it appears that it will be more difficult in some cases for American industries to prove "market disruption." Any clarification you can give to this note would be appreciated.

(3) Finally, certain foreign aid assistance may not be provided in violation of 22 U.S.C. 2370(d) which states that—

"No assistance shall be furnished under section 2161 of this title for construction or operation of any productive enterprise in any country where such enterprise will compete with United States enterprise unless such country has agreed that it will establish appropriate procedures to prevent the exportation for use or consumption in the United States of more than twenty per centum of the annual production of such facility during the life of the loan. In case of failure to implement such agreement by the other contracting party, the President is authorized to establish necessary import controls to effectuate the agreement . . ."

How does this section "coordinate" with Title VI. It would seem to me that possible conflicts might arise between the direct foreign aid loan program and Title VI. Has any consideration been given to adjusting this language so that it is consistent—and provides necessary safeguards for the American producer?

Thank you for your assistance in this matter.

Sincerely yours,
CHARLES A. VANIK,
*Member of Congress.*

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OFFICE OF THE
SPECIAL REPRESENTATIVE
FOR TRADE NEGOTIATIONS,
*Washington, D.C., May 29, 1973.*

Hon. CHARLES A. VANIK,
*House of Representatives,*
*Washington, D.C.*

DEAR CONGRESSMAN VANIK: I am supplying the following information in response to the questions raised in your letter to me of May 7, 1973, on the Trade Reform Act (H.R. 6767) for insertion in the record of the Committee on Ways and Means hearings on this legislation as you requested during my testimony on May 10, 1973. I am also including a response to your request during that testimony for a review of the emergency powers of the President under current statutes in relation to provisions proposed in the Trade Reform Act.

Response to Question 1:

The United States currently enters into international obligations in the form of a treaty or an Executive agreement. These documents are given domestic force within the United States by one of several means: action by the Senate in the case of a treaty, enactment of legislation by both Houses of Congress, and the exercise by the President of authorities previously given to him by the Congress or by the Constitution.

The concept of "nontariff barriers and other distortions of trade" covers a very broad area of our domestic statutes and administrative practices. Some, such as those covered by international commodity agreements, are traditionally the subject of treaties and could continue to be handled in this fashion. Other matters, because of their complexity and the far-reaching nature of changes required in domestic law by an international agreement, might best be the subject of new legislation. The third category of authority for domestic implementation—the authority that the President already has—concerns matters such as making arrangements for the establishment of commercial offices within the United States, reducing administrative barriers to trade, and harmonizing United States Government administrative practice with that of foreign governments.

Section 103(d) and (e) of the proposed Trade Reform Act adds a new legislative method, a veto procedure, which can be used in place of legislation or in place of a treaty or action which could have been based solely on Presidential authority.

As under existing practices, the President must choose whether to implement an international agreement by submitting a treaty to the Senate, submitting legislation to the Congress, or utilizing the authority he already has. The choice depends mainly on the subject matter of the agreement. Were the President to act where he did not have authority, our legal system provides for redress in the courts. The new procedure adds another choice of the method for implementing an international agreement at home. It does not change the necessity for Congressional authorization, in any of the forms listed above including the veto procedure, where the President does not have Constitutional or previously delegated powers.

Response to Question 2:

The use of the word "comparable" as a narrower category of products than "like or directly competitive articles" is necessary because price comparisons are more valid when made between similar articles. The term is used to make clear that price comparisons of imports and domestic articles should not be based on an overall average applicable to a broad category of products which may be "like or directly competitive" in their end-use, for example, but on articles within the broader category which are similar in material, style, quality, or other relevant characteristic. This requirement does not imply a greater burden on American firms seeking to show market disruption.

Response to Question 3:

Nothing in the proposed Trade Reform Act of 1973 would change or nullify the provisions of section 620(d) of the Foreign Assistance Act, 22 U.S.C. 2370(d). There have been very few occasions which required the application of this section. In any event, if action were required by the President to establish necessary import controls to effectuate an agreement under this section, the President would have no difficulty in suspending the application of preferential treatment under Title VI of the Trade Reform Act for imports covered under such an agreement. Section 605(a) of the Trade Reform Act would specifically authorize the President to modify, withdraw, suspend or limit the application of the preferential treatment with respect to any article or with respect to any country.

Emergency Powers of the President:

The reference to "emergency powers" was directed to section 318 of the Tariff Act of 1930 (19 U.S.C. 1318) which authorizes the President, during any period of emergency declared by him, to authorize the Secretary of the Treasury to permit duty-free imports of food, clothing, medical, surgical, and other supplies for use in emergency relief work.

No similar authority is contained in the proposed Trade Reform Act nor is it needed in view of the continuing existence of the authority contained in section 318 of the Tariff Act of 1930. There would not appear to be any compelling reason to repeal this section in view of the purposes which it serves which are distinct from the purposes served by Title IV of the Trade Reform Act. Moreover, this provision is relied upon currently for extensions of times within which certain matters of customs administration must be accomplished.

The repeal of section 318 of the Tariff Act of 1930 (19 U.S.C. 1318) would have the effect of revoking Presidential Proclamation No. 2948 of October 12, 1951, issued thereunder, which authorizes extensions of the statutory period in which imported merchandise may be held in a general order or bonded warehouse. The statutory period for merchandise in a general order warehouse is 1 year (19 U.S.C. 1491); for a bonded warehouse, there is a 3-year period (19 U.S.C. 1557 and 1559). By eliminating Customs authority to grant extensions of these periods, Customs recordkeeping responsibilities would be simplified. However, owners of warehoused merchandise could be adversely affected in that merchandise would have to be withdrawn from warehouse and either entered for consumption or exported at the end of the statutory period when it might be economically disadvantageous to do so. To retain the flexibility available under existing law, sections 491, 557, and 559 of the Tariff Act of 1930 (19 U.S.C. 1491, 1557, and 1559) would require amendment to grant the Secretary of the Treasury authority to extend the time periods stated therein.

The "Truman Emergency Proclamation" to which reference was made is the proclamation of December 16, 1950 (no. 2914). That proclamation of national emergency was based on the menace of communist aggression, especially in Korea, and created the legal basis for the imposition of an embargo on trade with Communist China and North Korea (and, subsequently, North Vietnam). President Johnson relied on the Truman proclamation in promulgating the Foreign Direct Investment Regulations on January 1, 1968. President Nixon declared a new balance of payments national emergency on August 15, 1971, in the proclamation establishing the import surcharge.

The request for trade authorities in the Trade Reform Act are entirely separate from the existence of a state of national emergency. Sections 401 and 405 are specifically related, for example, to fighting inflation or protecting the United States balance of payments position. The question of the existence of a national emergency is not relevant to the proposed provisions of the Trade Reform Act.

Sincerely,

William D. Eberle,
*Special Representative.*

## ROBERT E. BAMMER OF LEAVENWORTH, KANS. WINS AWARD

### HON. WILLIAM R. ROY

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. ROY. Mr. Speaker, I am very proud that my constituent, 2d Lt. Robert E. Bammer, USAR, of Leavenworth, Kans., was awarded the George Washington Honor Medal by the Freedoms Foundation at Valley Forge.

His essay, entitled "Freedom Has A Price," is quite original and thought-provoking. I wish to call the attention of my colleagues to the following award-winning essay:

Freedom Has a Price

Accepting freedom is like accepting a coin of great value. This coin has two sides, both being inseparable parts of the whole. On one side is inscribed "freedoms and rights." Seeing this side of the coin, we eagerly grasp it, claiming it for our own.

Upon closer examination of our precious coin, however, we find that the other side reads "duties and responsibilities." This side of the coin must also be wholeheartedly accepted. We receive the freedoms, rights, duties, and responsibilities simultaneously.

Americans have been guaranteed certain freedoms and rights by our Constitution and Bill of Rights. For example, we have the privilege of electing our legislative representatives. Our duty is to vote intelligently and responsibly. In criminal prosecutions we have the right to trial by an impartial jury. Our responsibility is to serve on juries in a fair and non-prejudicial manner.

We also have the freedoms of religion, of speech, and of the press. These carry with them the responsibility to respect our neighbor's rights of worship and lawful expression, and not infringe upon them. A militia and navy have been constitutionally established to protect our freedoms from outside usurpation. It follows that we have a duty to serve in the national defense as necessary. These are but a few examples of the "two-sided coin."

As Americans we can all enjoy the rights and freedoms of our great nation. When we discharge our American responsibilities, we help insure that future generations will receive, untarnished and inviolate, the same precious Constitutional Freedoms and Rights that we hold so dear.

## NIXONOMICS: THE HIGH COST OF EATING

### HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Ms. ABZUG. Mr. Speaker, the evidence that phase III of Mr. Nixon's economic stabilization program is a flop and a fraud continues to mount. Today's papers carry the report that Bureau of Labor Statistics figures show an increase of nearly 12 percent in the cost of food in the New York metropolitan area over the last year.

This administration may be adept at bombing, bugging and burglary, but it rates an "F" in economics. The text of the New York Times story on the BLS report follows:

Food Prices Rose a Record 11.9 Percent in a Year

Retail food prices rose 1.2 per cent in the New York-northeastern New Jersey area from March to April, the Bureau of Labor Statistics reported yesterday, bringing the year's rise from April, 1972, to a record 11.9 per cent.

The previous over-the-year record was set in March of this year, when prices showed an increase of 10.4 per cent over March, 1972.

More than nine-tenths of the April rise was the result of price increases for meat, poultry and fish and fruits and vegetables. The Federal agency noted that the over-all April increase, although sharp, was less than the previous monthly increases recorded this year—2.4 per cent from December to January, 2.2 per cent from January to February and 3.1 per cent from February to March.

Prior to this year, the highest one-year increase for food used in the home—as opposed to food bought in restaurants—was 9.3 per cent, between March, 1957, and March, 1958.

SOME DECLINES

Meat, poultry and fish prices rose 18.5 per cent over last April, while fruits and vegetables rose 16.6 per cent. Among higher meat items were frankfurters, up 3 cents a pound since March to $1.14; pork sausage, up 7 cents to $1.23 a pound, and sirloin and porterhouse steak, each up 8 cents to $1.81 and $2.11, respectively.

In all there were 29 increases, but there were some declines, too. Pork chops were down 9 cents, to $1.54 a pound, and lamb chops dropped 6 cents a pound, to $2.25.

Fruit and vegetable prices were up 2.8 per cent in April, compared with March, reflecting in part increases for bananas, up 2 cents a pound; potatoes, up 7 cents for a 10-pound bag; lettuce, up 8 cents a head, and onions, up 6 cents a pound. In this category, too, there were some lower prices, including asparagus, down 21 cents a pound, and tomatoes, down 3 cents a pound.

## AIRPORT NOISE CURFEW COMMISSION ACT

### HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. ROSENTHAL. Mr. Speaker, the Supreme Court has recently ruled that local governments cannot enact anti-noise curfews on jet aircraft operations at their airports because such regulation of aviation is the exclusive province of the Federal Government.

In light of this decision, I am reintroducing the Airport Noise Curfew Commission Act, which has been referred to your subcommittee. This bill, which has 33 cosponsors, is entirely consistent with the Court's ruling.

Cosponsors are: Bella Abzug, Joseph Addabbo, Frank Annunzio, Herman Badillo, Frank Brasco, George E. Brown, Phillip Burton, Robert Drinan, Don Edwards, Joshua Eilberg, Don Fraser, Ben Gilman, Ella Grasso, Gilbert Gude, Michael Harrington, Ken Hechler, Margaret Heckler, Henry Helstoski, Ed Koch, William Lehman, Robert McClory, Stewart McKinney, William Moorhead, Claude Pepper, Bertram Podell, Charles Rangel, Matthew Rinaldo, Peter Rodino, Fred Rooney, Edward Roybal, Antonio Won Pat, Lester Wolff, and John Wydler.

This bill would not establish curfews itself but would create a nine-member Commission to investigate the question of curfews on aircraft during normal sleeping hours. The Commission would be composed of the Administrators of the Environmental Protection Agency and the Federal Aviation Administration—in whose jurisdiction the Supreme Court ruled this question falls—two representatives of the aviation industry and five public members. The Commission would report its findings and recommendations to the Congress within 6 months of creation and then go out of business.

Not every community may need or want a curfew on its airport, and conditions vary from airport to airport and community to community. The Airport Noise Curfew Commission would be able to take these factors into consideration as well as the need for Federal control in this matter.

A curfew on aircraft operations is not the ultimate solution to the noise pollution problem, but it is a viable short-term answer that will provide immediate relief to millions of persons plagued by the whine, roar, and soot of low-flying planes. The cost of a curfew is minimal, there is no question of compromising safety and no new technology is needed. Curfews may mean some inconvenience for the airlines and an extremely small number of passengers—because most flights during normal sleeping hours contain freight—but that must be weighed against the public's right to domestic tranquility and a decent night's sleep.

The noise impact of a jetliner taking off or landing is 10 times more disturbing during sleeping hours, when it is much more difficult to assimilate sounds, than during the day, according to acoustics experts.

## OEO CUTBACKS HARM FOOD ASSISTANCE PROGRAMS

### HON. THOMAS M. REES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. REES. Mr. Speaker, I am inserting into the RECORD at this time, an article which originally appeared in the May 17, 1973, issue of the Community Nutrition Institute Weekly Report, dealing with the effects of OEO cutbacks in food assistance programs.

The Weekly Report is published here in Washington, and the CNI was, up until very recently, an OEO grantee. Our colleagues may have read about the CNI Weekly Report at the time the OEO Public Affairs Office made an attempt to censor the newsletter. Rather than accept this censorship and harassment from Acting Director Howard Phillips' office, the Community Nutrition Institute Board chose to terminate their grant relationship with OEO.

This has consequences beyond the actual termination; it is, regrettably, part and parcel of the administration's policy of intimidation, bordering on hostility, toward certain social programs of proven quality. By this action, we all suffer.

The article follows:

OEO CUTBACKS WILL HARM FOOD ASSISTANCE

With funding from the Office of Economic Opportunity about to expire, community action agencies (CAAs) throughout the country are preparing to institute massive cutbacks in local food assistance programs for the poor.

A CNI survey of 42 CAAs in 20 states, completed this month, shows that scores of supplemental feeding programs, day care and summer feeding programs, and food stamp and commodity outreach, certification, and transportation programs will be eliminated or drastically cut if Congress does not appropriate funds to save CAA operations. Only one CAA in the survey stated no cutbacks would occur in any of its food assistance programs if OEO funding ends.

OEO supporters are now planning a campaign to rally support in Congress for a new appropriation for the agency or for a continuing resolution to maintain OEO funding until an appropriations bill is readied. However, the struggle to keep OEO alive is considered a very uphill battle at this point (see CNI Vol. III:19).

DAY CARE AFFECTED

CNI found that over half of the CAAs in the survey that operate day care feeding programs plan to eliminate the program upon termination of OEO funding. Every CAA in the survey running supplemental feeding programs would eliminate or cut back these operations.

In addition, 88 percent of the CAAs running food stamp outreach, certification, or transportation programs and 67 percent of the CAAs providing similar services to surplus commodities recipients reported plans to terminate or substantially reduce their programs. The remaining agencies with programs to assist food stamp and commodity recipients replied that they did not know what would become of their programs.

Last year, a study of the Maryland food stamp program conducted by the Maryland Food Committee, a state-wide anti-hunger organization, found that counties with CAA outreach programs had vastly more successful food stamp programs than counties without OEO-funded outreach activity.

SUMMER PROGRAMS HIT

Community action directors also voiced concern about the future of summer feeding programs. While 17 of 26 CAAs reported they would be able to maintain their program this summer, many of these 17 CAAs reported that their funding would run out next fall and that they would be unable to run the program again in 1974.

Of the 42 CAAs, only three day care feeding operations and three summer feeding programs were reported to be secure from cutbacks or termination during the coming fiscal year. Most CAAs stated that no other local agency will pick up the food programs if they end operations.

An earlier Children's Foundation survey focusing on the supplemental food program found that over 40,000 mothers and young children would be eliminated from the program by OEO cutbacks. This figure represents 25 percent of nationwide participation in this program (see CNI Vol. III:12).

In addition, a February survey of OEO Emergency Food and Medical Services (EFMS) grantees in eight states reveals that a variety of other food and nutritional services offered by CAAs have already ended or will end by September. Such services include starting elderly feeding projects, establishing breakfast programs in schools, using food stamp vouchers in emergencies, organizing farming cooperatives and community gardens, and operating nutrition classes.

CAA SURVEY RESULTS

WHAT WILL HAPPEN TO FOOD ASSISTANCE PROGRAMS YOU NOW OPERATE IF YOUR OEO FUNDING ENDS?[1]

| | Eliminate | Cut | Maintain | Don't know | Recipients eliminated |
|---|---|---|---|---|---|
| Day care | 6 | 1 | 3 | 2 | 2,100 |
| Supplemental | 6 | 2 | | | 9,400 |
| Food stamp | 16 | 6 | | 3 | 60,000 |
| Commodity | 5 | 3 | | 4 | 3,000 |
| Summer, 1973 | 3 | 5 | 17 | 1 | 5,300 |
| Summer, 1974 | 5–16 | | 3 | 7 | |

[1] Based on responses from 42 CAA's, about 4.5 percent of CAA's in the Nation.

## FEDERAL GASOLINE TAX INCREASE WILL NOT COOL INFLATIONARY SPIRAL OR CURB AUTO FUEL CONSUMPTION; PROPOSAL IS REGRESSIVE TAX

### HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. BOLAND. Mr. Speaker, I am opposed to any increase in the Federal gasoline tax as a means of raising revenue in an effort to cool spiraling inflation.

Treasury Secretary George P. Shultz has said the administration is considering proposals to increase the Federal gasoline tax. Reports of the boost range from as low as 1 cent to as high as 10 cents per gallon.

Deputy Treasury Secretary William E. Simon, chairman of the President's Oil Policy Committee, has said one reason for the tax increase would be to raise prices in order to keep down demand and consumption during the current gasoline shortage.

I do not think the proposal is justified on either count.

A 1-cent increase in the gasoline tax is estimated to produce an additional $1 billion in Federal revenues.

Raising $5 to $10 billion in additional Federal gasoline taxes is no way to cool off a rapidly expanding and inflationary economy.

Mr. Speaker, this would be a regressive tax. The impact would fall hardest on lower to moderate income persons.

The Federal gasoline tax is now 4 cents per gallon. State and local taxes boost the gallon price of gasoline considerably higher.

Hiking the Federal tax is not going to cut down on gasoline demand and consumption. Most families need the automobile for work and shopping because of inadequate public transportation. Admittedly, there is luxury driving, but increasing the Federal gasoline tax is not going to make the current gasoline shortage less severe.

Drivers have been watching the price of gasoline at the pump creep up for the last several months.

They have heard scare reports of 60 to 70 cents per gallon prices in the future.

Now they hear they may be faced with a 5 to 10 cents Federal tax boost per gallon on gasoline.

If the administration's voluntary petroleum allocation policy is not satisfactory to meet all of the Nation's gasoline demands, boosting the Federal gasoline tax is not going to bring about corrective forces in the production distribution of auto fuel.

## INTRODUCTION OF AN ALL-CHANNEL RADIO BILL

### HON. CLARENCE J. BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. BROWN of Ohio. Mr. Speaker, I am today introducing, with Mr. VAN DEERLIN, a bill to amend section 303 of the Communications Act of 1934 to require that all radio receivers shipped in interstate commerce be technically equipped to receive and amplify both AM and FM broadcast signals.

This bill aids in increasing the diversity, availability, quality, and fidelity of radio programing for listeners throughout the United States.

As the FCC has pointed out, the AM frequency band is, in essence, exhausted, and the public must rely upon FM for additional broadcast service. With a greater number of frequencies available for the average receiver, the listeners will have a greater selection from which to choose. And, with expanded choice available to the listener, we have greater opportunity to achieve the objective of the Communications Act of diversity of voices through our communications system. Listening possibilities can be especially broadened, for example, in auto radio. Of the 110 million vehicles presently on the road, only 4 million have FM capability. Moreover, half of the 4,400 AM stations are daytime-only outlets. Hence, many rural areas lack local service at night. FM has the potential to provide such service.

It should also be noted in furtherance of this diversity that the FCC has already held that jointly owned AM–FM stations in markets of over 100,000 population must program separately in order to provide the public with greater choice and diversity.

In addition to boosting the availability and diversity of radio programing, this bill promises to foster greater competition between stations. Improved radio program content can result.

Furthermore, passage of this legislation can help insure significant expansion of public radio programing. Congress has mandated the Corporation for Public Broadcasting to build a system of general educational, cultural, and informational radio throughout the United States. Considering that 549 of the 571 noncommercial educational radio licensees in the United States are FM, one can see that increased capability to receive such stations will strengthen their impact and expand the scope of their operations, especially in the field of education.

Broadened receiver capability also provides the chance for FM broadcasters, especially the smaller independents, to prosper more equitably.

For example, at the beginning of this decade, radio revenues and profits increased 10.7 percent while the proportion of the independent FM stations sustaining losses was 65.5 percent. This bill would then significantly increase FM broadcasting market potential by making investment in FM stations more worthwhile.

Technical considerations should also be emphasized. FM offers signals not as susceptible to static and other such interference and a medium particularly conducive to high fidelity broadcasting.

In short, passage of this bill offers to the listener greater potential diversity and quality of programing. To the FM broadcasters, it provides the chance for increased economic stability. For public broadcasting, the all channel bill holds tremendous promise for increased effectiveness. I strongly urge consideration and passage of this bill by the Congress.

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## GEN. HARLEY B. WEST SPEAKS ON AMERICAN PATRIOTISM

### HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. COLLINS. Mr. Speaker, in Texas, we are more proud of America today than any time in history. We still have the patriotic conviction that our country is the greatest land in the world.

Every year on Memorial Day we pause in memory and respect of our greatest heroes. These are the men who died for our country. The men who gave their lives so that today we can enjoy the liberty and opportunity of America.

I want to especially voice appreciation to George Young, who directs the program of Restland Memorial and Laurel Land Memorial Cemeteries. George Young keeps the flags flying and arranges an inspiring Memorial Day program at these great parks.

This year the Memorial Day address was given by Maj. Gen. Harley B. West. General West is the national commander of the Military Order of World Wars. General West is a decorated veteran and staunch patriot. I include in the RECORD the high points of his great Memorial Day message:

#### ADDRESS BY GEN. HARLEY B. WEST

This the day we honor those who have given their lives in the Nation's defense. We pay special tribute—on this 105th Memorial Day—to those members of the Armed Forces who made the supreme sacrifice in the cause of freedom.

Let us pause to reflect on their courage and to consider their challenge to us, the living.

These brave men have served their country in a manner beyond our experience. For their selfless dedication, we owe them our lasting gratitude for a heritage of freedom. We can never honor them enough for the price they have paid for this great heritage.

They have crossed many milestones on the long road to freedom: Concord . . . Gettysburg . . . Belleau Wood . . . Normandy . . . Chosin Reservoir . . . and Khe Sanh. They stand tall in history for their efforts in behalf of free men.

Let us never ignore their contributions to our national heritage, for these soldiers have served their fellow man in the fullest sense of that word. It is not their participation in war which we glorify. What we glorify is the dedication to an ideal, to the faith in a living concept of freedom, to the spirit of personal sacrifice for the common good which these brave men so gallantly served. When the Nation needed them, they left their families and homes to meet their responsibilities. They did what needed to be done . . . and more . . . above and beyond the call of duty.

What sustained these courageous men? What is the lesson to be drawn from their noble service?

General George C. Marshall spoke of what sustains the soldier when he said: (Quote)

"The soldier's heart, the soldier's spirit, the soldier's soul are everything. Unless the soldier's soul sustains him, he cannot be relied on and will fail himself and his commander and his country in the end.

"It is not enough to fight. It is the spirit which we bring to the fight that decides the issue. It is morale that wins the victory.

"Morale is a state of mind. It is steadfastness and courage and hope. It is confidence and zeal and loyalty. It is *Elan, espirit de corps* and determination.

"It is staying power, the spirit which endures to the end—and will to win.

"With it all things are possible, without it everything else, planning, preparation, production, count for naught."

During recent weeks the spotlight has been on our recently returned prisoners of war from S.E. Asia—properly so—Dallas, on this coming Friday, Saturday & Sunday (6/1–2–3, 1973) is mounting a Dallas salutes ceremony honoring not only the P.O.W but, all who served in S.E. Asia—it promises to be the largest and most extravagant occasion in the whole United States. 450 POW's have already accepted invitations to attend. The Cotton Bowl will be filled to capacity Saturday night. The M.I.A. and those who served and returned safely will not be forgotten—this is the way Dallas feels!—this is the way Dallas does things!

These POWs maintained the spirit General Marshall spoke about—they kept their spirit, their discipline, their self respect, and their hope despite the worst possible conditions of captivity, including long periods of solitary confinement.

Our hearts swelled with pride and the most hard bitten of us let a tear come to our eyes as each stepped from a plane at Clark Field—saluted their flag—our flag too—and stepped to a microphone to express their gratitude to this country, to its leadership, and to their God.

The men and women we honor today, are not alive to speak for themselves—their deeds speak for them!—just as eloquently—more eloquently than any of us would possibly speak—they spoke with their lives!

These men did not voice tender expressions of idealism, for on the field of battle, actions spoke louder than words.

Then why, we may ask, did these men, as individuals, give so much of themselves.

Those cynics who deride patriotism and faith tell us no. They seek to convince us that these men went blindly and fought blindly while they cursed the impersonal fate which led them inexorably through the darkness of combat.

Today it is sometimes unfashionable to speak of patriotism and idealism, to fly the flag, to proclaim in depth what America stands for and what our freedoms cost us. Nevertheless, we believe in the meaning of all these, and it was this deep belief that motivated those we honor today.

This ceremony here at Laurel Land will soon be over—as will similar observances in thousands of cities across the land—you and I will return to our homes and our regular routines—of course we promise ourselves to return again next year to memorialize our military dead; to place a flower; to say a prayer; and to sound taps.

Let me repeat the lessons our honored dead would tell us if they could speak—

Weakness does not bring peace—it assures war! From the blue ribbon panel's report—

"Among the great Nations, only the strong survive!"

So, on this Memorial Day . . . we pay homage . . . to all . . . fallen comrades—to the strong, the weak, the leaders, the led; the brave, the fearful; to all who perished where only God could witness their charity to their fellow man.

"Proudly—but reverently, sadly—we honor them. We pray they will ever rest in peace."

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## TAX INCREASE: THE ADMINISTRATION'S PROPOSAL TO ENERGY SHORTAGE

### HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. RARICK. Mr. Speaker, after U.S. involvement in Korea, followed by years of military involvement in South Vietnam and Indochina, the American people are now told that they must change their pattern of living because we face a fuel shortage. Reports of the administration's reaction are unbelievable. Any fuel shortage, if it does exist, would certainly not be solved by increasing taxes on the price of gasoline, presumably as a means of deterring gasoline consumption.

It is strange indeed that the same administration, which has been in power for 4 years, waits until the people are threatened with a denial of energy to take any action. And then that action is to further aggravate the situation rather than offer alternatives or solutions.

I do not believe the American people are being fooled by the overnight brainwashing. Nor do I believe that the American people are ready to curtail the high standard of living and affluent living conditions that they have grown accustomed to using, merely to be herded into a public opinion molding crusade for the further manipulation of international schemers.

I include a related newsclipping:

### VARIED TAX PLANS WEIGHED IN GASOLINE CRISIS

The Nixon administration is considering a variety of tax measures designed to reduce fuel consumption by making gasoline more expensive in the face of current and anticipated shortages.

Officials involved in oil policy decisions also are considering meeting with Detroit's big four auto manufacturers to encourage the construction of smaller cars which consume less fuel.

Among the taxes being considered at the Treasury Department are an increase in gasoline levies, an auto weight tax and a horsepower tax.

Each of the taxes have been presented as options in various memoranda presented to the Oil Policy Committee chaired by Deputy Treasury Secretary William E. Simon.

The gasoline tax increase has been the most widely publicized mode so far.

Treasury Secretary George P. Shultz indicated yesterday during an all-day seminar on the economy for the press that this idea "has been around a long while."

He told the seminar the gas tax raise "has some pluses and minuses connected with it."

A five-cent-a-gallon gas tax increase had been included in the first three drafts of President Nixon's energy message to Congress. It was knocked out, however, of the final message by Shultz.

Simon, who appears to be merging as the administration's principal fuel policymaker, yesterday addressed himself to the "pros and cons" of this particular tax. He said the advantages are that it would help as a general anti-inflationary measure and encourage conservation of fuel.

Its disadvantage is, he added, that it is a "regressive" tax—Meaning that the poor will pay proportionately more.

Another administration spokesman pointed out that the tax increase would also be a revenue-raising measure. He estimated that a one-cent a gallon price hike would bring an additional $1 billion into the federal treasury.

The administration in the first draft of the President's energy message had specifically earmarked the additional money for research and development of alternative energy sources. This specification, however, went out early—long before the gasoline tax was scuttled.

The other two kinds of taxes under consideration would bear most directly on fuel shortages.

Under the auto weight tax the government would impose an excise tax on big cars, presumably at the time of purchase.

The horsepower tax would work the same way, with larger cars paying heavier taxes.

Officials are also not ruling out a possibility of combining taxes. For example, Europeans generally pay gasoline as well as horsepower taxes.

An administration energy spokesman said the idea to appeal to Detroit came out of a recent Oil Policy Committee "kitchen cabinet" meeting held by Simon. This smaller working group includes Asst. Treasury Secretary Stephen Wakefield; Duke Ligon, director of the Interior Department's Office of Oil and Gas; Charles DiBona, White House energy policy adviser; and representatives of the Cost of Living Council and the Environmental Protection Agency.

The administration has no power to order the Big Four—Ford, General Motors, American Motors, and Chrysler—to build smaller cars. But it hopes it can "educate" the manufacturers to the merits of smaller autos.

It hopes to learn at such a meeting whether there is any possibility for the auto manufacturers to change their manufacturing processes to smaller models before the three-year lead time normally needed.

At the least, the government officials hope to encourage the manufacturers to advertise their smaller cars now on the assembly line to help get through the fuel shortage.

Other recent developments geared to cutting down the country's fuel consumption include:

Administration energy officials have proposed relaxation of air pollution standards so that more polluting, higher sulfer content oil and coal can be burned at refineries and utility companies. The Oil Policy Committee is currently working with EPA to see if less stringent clean air standards can be worked out.

A survey now being conducted by the Cost of Living Council to determine what will encourage oil companies to import more oil and gasoline now that import quotas have been lifted. Oil companies have been arguing that they need to pass on to the consumers the higher cost of foreign crude oil and gasoline.

The Civil Aeronautics Board yesterday authorized all U.S. scheduled airlines to engage in talks aimed at fuel conservation measures. The authority is for 180 days and subject to filing with the government of any agreement reached.

CAB permission was needed to avoid antitrust action against the airlines.

Airlines report that there are no important shortages at present, but they fear some may develop this fall when the heating season begins. Fuels used by airplanes are closer to heating oil than gasoline.

Standard Oil of New Jersey, the world's largest oil company, selling its gas under the brand name Exxon, has announced that it will begin allocating—or rationing—gasoline to service station retailers and commercial account customers beginning June 1. The move, Exxon said, is to assure "proportionate distribution" of available gasoline supplies among all its customers.

## THE BURKE-HARTKE BILL

## HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. HARRINGTON. Mr. Speaker, the Burke-Hartke bill is based on the premise that industries in New England are gravely affected by unfair import competition. What we rarely hear is the fact that New England is twice as dependent on export production as the Nation as a whole.

Burke-Hartke would impose quotas on imports so that goods could be imported in no greater quantity than they were in 1967. Such a policy would lead other nations to retaliate with similar measures, decreasing our exports.

Granted, import competition is important in certain portions of the shoe, paper, textile, machinery, and jewelry industries. This is a problem we must address, but not in a way that damages the sectors leading our development, such as nonelectrical machinery, transportation equipment, and instruments and related products.

I claim no particular expertise and have no final solutions to what we would agree is a serious problem, but I do think we can see the directions in which we must work.

I will support legislation that will provide the protection workers legitimately need, but with the flexibility Burke-Hartke lacks. Our industries must be protected from nations that have unjustifiable or unreasonable barriers against American goods, or that subsidize their own exports. We also need much simpler procedures to enable domestic industries that claim serious injury from imports to establish their case and obtain relief in the form of import restraints through higher tariffs, countervailing duties, or any of several other devices as well as adjustment assistance.

In addition, the broad industry assistance approach, as outlined by Ambassador Eberle, the President's Special Trade Representative, which would assist companies in their efforts to modernize and upgrade their efficiency, appeals to me at least in its direction of addressing the fundamental competitive problems facing many American firms. It seems to me that the administration's proposal comes closer to meeting these goals than Burke-Hartke, at least as the proposals now stand.

## CIVIC RESPONSIBILITY

## HON. HAROLD V. FROEHLICH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. FROEHLICH. Mr. Speaker, on Saturday evening, May 26, I had the privilege of addressing the graduating seniors of Little Wolf High School in Manawa, Wis. The occasion was an appreciation dinner for the graduates and their parents, sponsored by the Lions Club of Manawa.

The theme of my remarks was civic responsibility. The remarks follow:

### CIVIC RESPONSIBILITY

Graduation from high school is an important event for young people—here in Manawa and throughout America.

For some, it marks the completion of formal education. For others, it means the end of but a segment of the educational process. For all, it signals the beginning of new undertakings and new challenges in a complex and uncertain world.

Graduation from high school is one of the great milestones of life. And it is certainly fitting and proper to celebrate this milestone with banquets like this one and other forms of recognition.

No one has to tell you graduates that you have come a long way down a rough road—and that you have achieved something significant in the process. You know the hard work that high school has been.

I suspect that many of you are glad it's over, glad to get on to something new. But I am equally confident that a great many of you, in time, will look back on high school as a splendid haven of friendship, happiness, security, and reflection.

Some of you may never know a better time.

Graduation is a milestone, an event you will remember all your lives. And that is why a speaker who is privileged to address new graduates strives so hard to impart some thought, some message from his insight and experience, that is worthy of the occasion.

Tonight I would like to share with you a few thoughts on civic responsibility.

Thomas Paine is remembered, among other things, for his remark that, "These are the times that try men's souls."

That quotation is appropriate in our present situation.

Fortunately, you are not leaving high school, as some of your parents and I did, to enter a world at war. Nor are you leaving at a time of severe depression or economic catastrophe.

You are, however, leaving high school at a time when there is a crisis of confidence in the integrity of the national government—and perhaps in the integrity of all government.

For those who read the daily newspapers and watch the hearings on television, following each new disclosure of sordid, unseemly, and illegal conduct by officials in Washington, these are the times that try men's souls and shake one's confidence in our public institutions.

It is hard to conceive of a less auspicious, more ironic moment to appeal to idealistic young people for an intensive interest and an active participation in politics and government.

But, while it may be ironic, such an appeal tonight is not inappropriate, because regardless of what happens in this deplorable Watergate mess, it will pass, and the nation will go on.

I received a letter the other day that contained a rather startling observation.

The writer said, "I think that everybody in Washington, D.C., from the President on down, is a crook and I think there needs to be a good housecleaning."

I interpreted this to mean that the writer was somewhat disenchanted with the government!

But it is also evident—and this is significant—that the writer wanted a house *cleaning*, not a house *burning*.

Government must go on, and government will go on.

And the question tonight is whether you will improve that government and strengthen that government through your interest and participation, or whether you will go through life as a civic dropout.

One of the easiest but most important facets of civic responsibility is regular voting. If we look for a model community in terms of voting participation, we need look no further than the City of De Pere in Brown County.

For a period of more than 20 years, the voters of De Pere have been turning out at record percentages. Last November more than 98 percent of the registered voters in the city exercised their franchise.

This phenomenal turnout is consistent with that city's voting history in Presidential elections since 1952. In two of these six elections, the turnout was better than 99 percent. In all of them, the turnout was better than 95 percent.

These statistics represent an unparalleled civic achievement, fully deserving of national recognition.

But they are statistics that could be equalled or surpassed by voters in Manawa *if you put your minds to it.*

Why is it, when so many voters throughout the country are apparently alienated from the electoral process, believing it to be meaningless, that 98 percent of the voters in De Pere should turn out to vote?

The answer lies in part in the extraordinary sense of "community" that exists in De Pere and in a brilliant organizational effort to get out the vote.

For 20 years, the citizens of De Pere have set as one of their major goals a 100-percent vote in presidential elections.

In 1972, this crusade was organized by the 100 Percent Vote Committee, which was made up of leading members of the Lions, Kiwanis, Rotary, and Optimist Clubs of De Pere. They all worked closely with the city government, the local media, the schools, the churches, and the business community to bring out the vote.

They acquired poll lists of all registered voters. Each service club took one of the city's four wards and made sure that every registered voter received a personal telephone call. Voters who were away from home, at school or in the service, were contacted and sent absentee ballots.

Disabled and elderly voters who could not come to the polls were given the opportunity for a free ride.

The 100 Percent Vote Committee of De Pere proudly notes that every registered voter in the city under the age of 21 went to the polls on November 7. That is a marvelous reflection on De Pere's young people.

De Pere's good citizenship is not something that should be applauded and then forgotten. It is something that should be applauded and then emulated. It should be followed . . . and bettered . . . right here in Manawa.

When it comes to voting, participation is one of the prerequisites of good citizenship. Indifference is a vote against America.

Another aspect of good citizenship that deserves mention tonight is participation in political parties.

I have participated in organized political activity virtually all my adult life. This participation in political party organization is one of the most important ways I know to have a real impact on government.

—You can affect government by voting.

—You can influence government by writing to or conferring with public officials.

—You can help to elect government by contributing financial support to a party or a candidate.

But you can have a *real impact* on government when you invest your time in political organization, working shoulder to shoulder with candidates for office in a cause that is bigger than yourselves. By participating in the nuts and bolts of party organization, you will come to know intimately the people in government, and you will come to understand the policies and principles under which we are governed.

Your assistance, your guidance, and your counsel are greatly desired in political campaigns. Both political parties have an open door to young people, who can be invaluable workers, organizers, and originators of new ideas.

The people who walk through that open door and who commit themselves in the exciting world of politics will be in a far better position to affect the course of government than those who remain aloof and uncommitted on the outside.

Now, third, let me suggest that you carefully consider the possibility of government service in the future—as an employee, a voluntary participant, or a candidate for public office.

I certainly do not mean to lessen the importance of any vocation—be it farmer or businessman or laborer or teacher or engineer—when I say that it is hard to conceive of a calling in life that offers greater potential for solving problems and helping people than public service. It is hard to imagine any line of work that provides a greater challenge and produces a greater sense of satisfaction . . . when things go right . . . than government service.

If you want to help people, if you want to help your community, if you want to secure reforms, if you want to improve the world, government may be your "bag".

Let me assure you, not everyone in Washington is a crook. There are hundreds of thousands of honest, dedicated, hard-working people doing a great job as government employees and public officials.

Government has not corrupted them. It has inspired them, and it has given them a chance to serve the people of our country.

There is ample opportunity for each of you to serve in some governmental capacity at some point in your lives. Local government always needs good people. Close to home there are boards and commissions and councils that could be strengthened by your support and participation.

I hope you will seek out these opportunities. Don't complain about the quality of government, nationally or locally, if you have never stepped forward and offered to serve.

Now let me close with a few additional thoughts on Watergate.

Grover Cleveland was never our most quotable President, but he did say something that people in government, people in public life, should always remember:

"A public office is a public trust."

Without naming names or going into details, it seems apparent that some of the men who were given very important responsibilities in the Federal Government forgot that a public office is a public trust, forgot that they too were bound by the law, forgot that they were subject to scrutiny and accountable to the people.

They became so arrogant about the power they possessed that they decided their unreviewable decisions should be implemented by any means at any cost.

In short, they abused their public trust, and they should be punished accordingly.

The Watergate mess involves appointed officials in the Executive Branch of the government.

But the legislative branch has also had its scandals over the years.

And a federal judge in Chicago was recently convicted of multiple felonies and sentenced to jail, so that the judiciary is not immune to misconduct.

Winston Churchill told us that democracy is the worst form of government—except for the others.

And the basic problem is that government is made up of people—people who can soar to great heights in their dedication to the public interest, or sink to great depths if they forget their public trust.

People are the strength and the weakness of all the institutions in American life.

What we should remember today is that the great institutions of our society will expose the full story of the Watergate situation, that *people* run these institutions, and that *people* will put the government and the Nation back on course.

I hope that as idealistic young people you will recognize the role that is open to you in our country—to keep your government on course and moving forward.

And when you graduate from this life into eternity, I hope you can look back and say, "I did my best."

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## THE BERGEN BULLETIN AND THE PALISADIAN RECEIVE 1973 ALFRED P. SLOAN AWARDS

### HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. HELSTOSKI. Mr. Speaker, it was announced recently that two newspapers in my district, the Bergen Bulletin and the Palisadian of Palisades Park, N.J., have been selected to receive 1973 Alfred P. Sloan Awards for distinguished public service to highway safety.

The Sloan Awards, now in their 25th year, recognize excellence by the broadcast and print media in the continuing campaign to improve safety on the Nation's highways. They are offered by the Highway Users Federation for Safety and Mobility to encourage vigor and innovation in the development of public services programs and activities aimed at the reduction of traffic accidents, injuries and fatalities.

The awards are made in the memory of Alfred P. Sloan, Jr., a former president and chairman of the General Motors Corp. and a pioneer in the organized highway safety movement. Winners of the 1973 Sloan Awards will receive walnut plaques. Other commendable entries will receive certificates of merit.

Mr. Speaker, I am very proud that the Bergen Bulletin and the Palisadian have been so distinguished and honored with Sloan Awards.

The publishers, editors, and staff personnel of these newspapers are to be congratulated for their contribution to highway safety, and for their hard work and excellence in making these awards possible. I am sure my colleagues join with me in extending best wishes to both newspapers.

## WE CANNOT FORGET THE FORT WORTH FIVE

## HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. WOLFF. Mr. Speaker, I have risen many times before to discuss the predicament of five New Yorkers who are incarcerated in Texas and denied bail in violation of their civil rights.

I again direct my colleagues' attention to the Fort Worth Five because the House Judiciary Committee will shortly consider the resolution of inquiry into this case. I am hopeful the committee will provide the entire House the opportunity to consider this matter and its implications. We must act to release these men and return them to their families.

I ask that two items be inserted in the RECORD today. The first is a letter I wrote to Attorney General Richardson the day he was nominated to replace former Attorney General Kleindienst. I am anxiously awaiting his reply.

The second is a brief editorial broadcast by Jimmy Breslin on WNBC-TV in New York. As usual, Mr. Breslin gets right to the heart of the matter:

> When you have corruption of the law—always the ones who get hurt are some poor guys out working for a living.

We cannot forget these men.

The items follow:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
*Washington, D.C., May 11, 1973.*

HON. ELLIOT RICHARDSON,
*Attorney General Designate, Department of Justice, Washington, D.C.*

DEAR MR. ATTORNEY GENERAL: Please accept my best wishes as you take on your new, and extremely grave responsibilities.

I would like to take this opportunity to bring to your attention a situation in which the Justice Department has been involved for the last year in the Northern District of Texas, and which has become an increasing concern to me as the Congressman who represents the district in which one of the parties resides.

The case to which I refer, known generally as the "Fort Worth Five" investigation includes my constituent, Thomas Laffey. He and four other Irish-Americans from the New York area, were called last year to testify before a grand jury sitting in the northern district of Texas, which at the time was investigating possible criminal violations surrounding suspected gun-running to Northern Ireland. According to their sworn statement, none of them had ever been in Texas, nor did they know anyone in Texas. The five men cited their Fifth Amendment privileges and were forthwith incarcerated in the Tarrant County Jail. Although they were recently transferred to the Federal Correctional Institution at Seagoville, Texas, they have still not been charged with any crime.

Furthermore, Assistant Attorney General, A. William Olson testified at a hearing of a Subcommittee of the House Committee on the Judiciary that no further witnesses have been subpoenaed to testify in the investigation being conducted by the grand jury before which these men were called. Therefore, I am urging a prompt and complete review of this case in the hope that you as the new Attorney General and as a fair minded individual will further the basic interest of justice in this case. It is clear that the grand jury retains no further intention of continuing whatever investigation it had begun last year.

I have never taken a position as to the guilt or innocence of any of the prisoners, but I do believe that under our system of justice if charges are not brought against an individual within a reasonable period of time, it is imperative that he not be held in the custody of the state. These men have spent the better part of the last year in prison, and the majority of that time was spent in a county jail under conditions that would horrify most civilized people. Their families have undergone severe hardship separation, and have absorbed enormous financial losses.

There can be no purpose other than punishment and vindictiveness in keeping these men in jail any longer. If charges are to be brought, then so be it; but if they are not to be officially accused of any wrongdoing then they should be released immediately.

I cannot emphasize enough the urgency and importance of this situation. It is our system of justice and our traditions of fairness that are at stake. Every day that these men sit in jail adds to the seriousness of this travesty. I hope that you will see fit to take firm and prompt action that will once and for all end this perversion of justice.

Thank you for your prompt attention to this most critical matter. I anxiously await your reply.

Sincerely,

LESTER L. WOLFF,
*Member of Congress.*

COMMENTARY: JIMMY BRESLIN, SIXTH HOUR NEWS, WNBC-TV, APRIL 26, 1973

Let me show you how this Watergate scandal comes right down to us:

There are at this time five family men from New York who have been in jail in Fort Worth, Texas for most of a year. They could remain in until November.

For no crime. The five refuse to answer questions in a Federal grand jury about arms purchases for Northern Ireland.

The case actually belongs in a traffic court, maybe.

But it is a big deal because it has been in the hands of first Robert Mardian and then A. William Olsen of the Justice Department's Internal Security Division.

Mardian and then Olsen kept saying the case was vital to American security. What they really were doing, they were doing the English a favor. Harassing or arresting people connected with Irish causes here.

When you have corruption of the law, as I'm going to tell you about here, always . . . always . . . the ones who get hurt are some poor guys out working for a living.

When these five men asked for bail, Mardian and his assistant Olsen insisted that the five men might be killed by terrorists in New York.

Now.

We find today that Mardian is mentioned in all the stories about the Watergate mess.

Now we come to Olsen. For months, Olsen never took phone calls at the Justice Department.

The other day, with all this Watergate stuff going on, I decided to give Olsen another call.

Olsen came on the phone himself. When these people are scared, they show it right away.

I asked Olsen where the case in Fort Worth stands. He said, gee, I don't know; it's out of my hands now. I'm leaving Justice in 30 days.

I said to him, what are you in trouble over the Watergate? Are you going to get put in a penitentiary?

And Mr. Olsen said, no, I'm leaving because they abolished my job.

Of course, they're abolishing his job. He's not leaving because of the Watergate scandal. Olsen isn't going on the lam or anything like that.

I then said to Olsen, what about these five guys in prison in Fort Worth?

He said, oh, something will be done about it, I guess.

That was it.

You have five working men in jail. For no crime. Their families around here are without income.

The men are in jail because suspects with badges put them there.

## SUCCESSFUL TOUR

## HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. DERWINSKI. Mr. Speaker, I am pleased to direct to the attention of the Members the report on the successful European concert tour by the Viking Choir of Homewood-Flossmoor High School of Illinois.

This is the second such tour for this outstanding group of young men and women. I am especially pleased that this high school in my district has seen fit to support the development of this outstanding choir.

They appear to be excellent ambassadors as described in the article on the tour carried in the Homewood-Flossmoor Star of May 20, which follows:

SUCCESSFUL TOUR

To the Editor:

Settling back down into the familiar routine of school, the members of the Viking choir of Homewood-Flossmoor high school have had time to evaluate exactly what knowledge and experience they have gained from the April European concert tour.

The choir traveled through Holland, Germany and France, visiting many sites of interest and experiencing a growing rapport and understanding of the people and customs of Europe.

Part of this understanding was gained

from the fact that students were given the choice of either staying with the guides or going out on their own to see and experience the city from the inside. We not only saw the large cities but had our sampling of small villages and towns, which gave us a well-rounded view of Europe.

As a choir, musically we feel that we represented our school and our country to our fullest ability as we received standing ovations after every performance. We couldn't have asked a better reward for our rehearsal and concert schedule than the appreciation and respect we received from our audiences. As choir members, we achieved a unity in sound and spirit which was truly the most unusual experience that we all shared.

One of the high points of the tour was our journey down the Rhine on our cruiser, "The Holland Pearl," passing picturesque castles, towns and vineyards. The three-day cruise, the Keukenhof Tulip Gardens, the Castle Party, shopping in the cities, a visit to Rothenburg (300 AD), the Rijksmuseum with its famous Rembrandts and the experience of singing in the Great European cathedrals is something that will never be forgotten.

But the most touching and possibly the most memorable part of the trip was our visit to the American war cemetery "Magraten" in Holland. The choir sang the national anthem of the United States and the Aaronic Benediction during the ceremony commemorating the loss of 8,000 American soldiers in World War II. The president of the choir then placed a bouquet of flowers on one of the graves, that of an unknown soldier, as a memorial.

Castles, tulips, boats and parties were all a part of the tour. But the true purpose was to achieve a common bond between people of all cultures through the sharing of music. We feel that without a doubt we have attained our goal.

PATTY LUDVIGSON,
*President, Viking Choir.*

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## A NEW MODEL OF MEDICAL CARE

### HON. JOHN J. McFALL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. McFALL. Mr. Speaker, I wish to call attention to an article in the May 7 issue of the Washington Post discussing successful efforts to maintain the solvency of State medicaid programs.

The article details how the State of New Mexico developed a professional service review organization, commonly known as peer review, and thereby brought the medicaid program within the State's budget. This concept was subsequently written into our Federal statutes.

The article gives extensive coverage to our San Joaquin, Calif., County Medical Society and the San Joaquin Foundation for Medical Care. It was the physicians of this county, Mr. Speaker, who in 1954 established peer review as an integral part of the medical care program and it has been used by other programs as a model.

The foundation was established in 1954 when the local physicians offered to provide medical care for the local Longshoremen's Union. Under the plan, the union members would pay a fixed fee and would be allowed to consult with any doctor who belonged to the foundation. In 1973, 96 percent of all of the physicians in the county were members of the foundation program.

Mr. Speaker, we cherish our traditional private doctor-patient relationship in our Nation and we are in a time when the fundamental decisions must be made regarding the delivery of medical care in the United States. Therefore, I believe the Post article will be of interest. It follows:

### NEW MEXICO: SELF-REFORM BY DOCTORS

(By Stuart Auerbach)

ALBUQUERQUE, N. MEX.—Two years ago New Mexico's medicaid program was bankrupt. The legislature threatened to jail the state health and welfare director for exceeding his budget. The doctors were mad because they weren't getting paid, and the patients were mad because they weren't getting treated.

Today New Mexico's program to provide health care to the poor is on firm financial footing. It offers one of the widest ranges of services of any plan in the nation, and most of the state's doctors participate willingly.

But more important, the method used to turn New Mexico's medicaid program around is now considered organized medicine's last chance to preserve the traditional way health care is delivered before the government is forced to step in.

Indeed, New Mexico's method of peer review—using an organization of doctors to monitor the quality and cost of all medicaid services—has been embodied into federal law.

By 1976, doctors throughout the nation will have to set up their own organizations to review all claims for medicaid and medicare—programs which cover one-third of all Americans. If the doctors fail to act, the law says the government must step in.

"The hope of the future is for the American doctor to take the responsibility," says Dr. Charles C. Edwards, HEW assistant secretary for health.

"If he doesn't, someone else will, and that's where the government comes in."

Sen. Wallace F. Bennett (R-Utah), who wrote the amendment mandating that doctors set up professional service review organizations (PSROs) and pushed it through Congress over the opposition of the American Medical Association, acknowledges that he used the New Mexico organization as a model.

#### CHANCE TO REFORM

"It's one of medicine's last chances to reform itself," says Bennett. "That's why we fought to make sure that each doctor has a chance to participate."

Nevertheless, American doctors—especially those who have had no experience with this type of review—are wary. For it is the first time that there has been a systematic effort to look over the shoulders of a doctor practicing in his office to make sure that he is treating his patients properly and not overcharging them.

"We are not telling them how to practice medicine. We just say that we will not pay for bad medical practices," says Dr. Henry E. Simmons, Edwards' top aide in HEW.

In New Mexico and California, where this type of review of medicaid started, doctors were found to be giving unnecessary injections, using the wrong drugs and keeping patients in hospitals longer than necessary.

New Mexico saved $1½ million in one year alone by cutting down on the unneeded injections and overlong hospitalizations.

By all accounts, it was New Mexico's doctors who took the lead in straightening out that state's medicaid mess.

"We thought it was so bad it couldn't get any worse," recalls Dr. George Boyden, who rallied the state's doctors to form the New Mexico Foundation for Medical Care and now serves as its president.

One-fifth of the state's doctors belong, and no doctor, dentist, drug store, hospital or other health care facility can get paid for treatments under medicaid unless their bills are reviewed.

The foundation was given the authority to review medicaid claims by Richard W. Heim, who took over as director of New Mexico's Health and Social Services Department two years ago to find that medicaid was the legislators' chief dislike.

Heim gave the foundation just four months to begin reviewing medicaid claims. At that point claims had not been paid by the state for two months and medicaid was running $5 million over its $19 million budget.

#### REVIEWING SYSTEMATIZED

New Mexico's doctors hired the Dikewood Corp., a defense-oriented computer think tank here, to develop computer programs for the reviewing and paying of medicaid claims.

The doctors drew up guidelines for claims for specific illnesses that people with no medical training could compare with the treatments listed on medicaid bills.

In reality, the doctors found that 200 diagnoses and treatments account for 80 per cent of all medical problems.

The guidelines defined what drugs should be given for specific ailments (the foundation will not pay for any medication that the Food and Drug Administration says is ineffective); do's and don'ts for common diseases such as arthritis, and the tests needed to support diagnoses.

"There ought to be at least a urine test for urinary tract infection or a chest X ray to support pneumonia," says Boyden.

Dr. Donald Harrington of the San Joaquin Foundation for Medical Care in Stockton, Calif., which pioneered reviews of medical care 18 years ago, is now developing the first set of national norms for medical care.

These norms are being programmed into a computer. Currently Harrington and Celia Richards, executive claims officer in Stockton, are feeding dummy claims into the computer to see if the system works.

"We want to set up types of practice commonly used in this country," says Harrington. "The computer will remand any claims that do not meet this pattern."

Working under a federal grant, Harrington spent 2½ years conferring with leaders of clinical medicine in the country to develop these norms.

"Everyone wants it right now," he says. "But we're refusing until we get it tested."

Whether the checks are done by computer or by hand, claims examiners can not refuse to pay a doctor's bill. They can only approve payment if the treatment follows the guidelines or refer it for further checks by reviewing doctors.

In New Mexico, more than 70 doctors, paid $25 an hour, serve as reviewing physicians. About 15 per cent of all claims get reviewed, and half of these reviewed claims are either partially or totally denied. If a doctor doesn't agree with the decision of the reviewing physician, he can appeal to a panel.

Medicaid saved $85,000 in New Mexico, reviewing doctor bills alone.

#### BETTER SERVICE

"We are not saving a whole lot of money," says Dr. Edward Herring, chairman of the review panel subcommittee in New Mexico. "But we think we are getting a better brand of medicine to the people."

Nevertheless, in California average medicaid costs per patient are $52 a day in the area served by the San Joaquin Foundation compared to $63 a day in Ventura County, which is similar in its socio-economic makeup.

Harrington, the San Joaquin medical director, says that cutting doctor bills doesn't save money. What does is cutting out unneeded services.

That was Herring's aim one day recently as he reviewed claims for New Mexico's foundation. A pathologist, he was looking especially hard at questioned claims for lab tests.

He found that one doctor gave every patient—no matter what the symptoms were—the same battery of tests done in his own lab. Because of that practice, all of the doctor's claims were being reviewed. "It looks like a routine to make money in the lab," says Herring. "If that's the way he treats everybody—and we can find out via the computer—we will send a reviewing doctor out to talk to him."

Meanwhile, Herring cut four tests (worth $30) from one claim and two tests from another claim. He said the tests medicaid paid for "are all we do at Presbyterian"—one of the best hospitals in the city.

### TOO MANY INJECTIONS

Boyden said the first thing that became obvious from the medical reviews was that doctors were giving far too many injections. At first, 43 per cent of all medicaid office visits included injections, which are more expensive (and provide more money to the doctor) than prescribing pills.

More important, said Boyden, many doctors were not even injecting the right kinds of medicine.

For example, he said, doctors still used tetracycline, an antibiotic, for strep throat even though most experts feel it does no good. Long-acting penicillin injections or pills are better.

"Tetracycline was thought in the 1950s to be good for everything," says Boyden. "Now we know differently. If a doctor stopped reading about changes in medical practice, he's out of date. But the foundation is raising the issues for him."

California reviewers also found that doctors were giving too many injections, although there the most abused drug was vitamin B-12, which many patients think will cure anything.

The San Joaquin Foundation found that one group of four doctors are giving 65 per cent of all the vitamin B–12 injections in Stockton at a cost of $6.50 a shot.

Dr. Jack Kortzeborn, a claims reviewer in Stockton, notes that some doctors believe "that everything you do for a patient should be shot through their hides. We don't agree. It's more dangerous and more costly."

He questions the use of gamma globulin injections. "Like holy water and chicken soup," he says, "it sure can't hurt. But it doesn't help much either."

The New Mexico doctors also looked at the overuse of expensive hospital beds. They found a wide variation in the length of time different doctors leave patients in the hospital for the same ailment—from 7 to 16 days for a gall bladder operation and from 1 to 10 days for an appendectomy, for examples.

### MIDDLE ROAD BEST

But they also found that the doctors at either extreme were in the minority; most doctors' practice fell in a narrow middle range. This range was adopted as the guidelines for hospital stays.

As a result of the guidelines, says Boyden of the New Mexico Foundation, "we are seeing a marked decrease in the length of hospital stays without any harm to the patients."

State officials estimate the average length of hospital stay has been decreased by a day—saving $500,000 a year on medicaid.

The New Mexico Foundation is now looking to eliminate unnecessary hospitalizations and operations completely by requiring preadmission certifications for all non-emergency cases.

Pennsylvania Insurance Commissioner Herbert S. Denenberg estimates that there are two million unnecessary operations each year in the country—20 per cent of all surgery—that account for about 24,000 deaths a year.

At one meeting of a preadmission panel—where either the doctor's, hospital's or patient's names are known—a panel member was surprised to find that a request for a tonsillectomy for one of his patients was denied.

Boyden quoted the doctor as saying, "My God you're right" after he had reviewed the case.

(One out of every 14 operations in the country is a tonsillectomy, and some doctors feel that many of them are unnecessary.)

Through its preadmission checks on hospitalization, the San Joaquin Foundation also has cut down on hospital use.

It does even more than make pre-admission reviews of hospitalizations; it has nurses checking on patients already in the hospital and arranging for their care after release. By finding less expensive means of treatment than a hospital—nursing homes or home care, for example—officials in Stockton estimate that this program can cut almost $1 million a year on bills run up at an average 300-bed hospital.

Aiming at high drug bills, the San Joaquin Foundation runs computer checks on doctors drug prescription habits.

According to Dr. Robert B. Talley, the foundation checks indicate that 12 per cent of all prescription claims are either duplications or unneeded drugs. Projecting on the nation's $8.5 billion yearly drug bill, he estimates that patients across the country could save more than $1 billion a year if similar checks were instituted nationally.

"If the San Joaquin experience is typical, and I think San Joaquin is a typical community, the national implications are very substantial," says Talley, associate medical director of the San Joaquin Foundation.

These checks are more important than simply saving money—even though medical costs are one of the fastest rising components of the cost of living index.

They are the first steps that government and medicine have taken toward inuring a high quality of health care in the country—an area where doctors feel threatened but where there is an even increasing amount of public pressure based on patients' complaints.

Indeed, a special HEW commission concluded that the increasing number of medical malpractice suits are due in a large part to poor care by doctors.

### AMA WANTS A VOICE

The AMA, which opposed the PSRO legislation in Congress, is now trying to insure that it has a large voice in the review organization that will be springing up across the country.

An AMA survey shows that 36 state medical societies—three-fourths of them—want to be designated the PSRO for their area.

(In Washington, the District Medical Society has formed a foundation so it can be the PSRO for the city. Prince Georges and Montgomery County doctors have also formed foundations.)

### OPPOSITION RISES

Other medical groups to the right of the AMA, however, are attacking the PSRO concept.

The Association of American Physicians and Surgeons says that PSRO stands for "Physicians Should Roll Over." It calls the concept "political medicine (which) is bad medicine," and is collecting money to finance lawsuits against PSROs.

"For myself," says AAPS President Dr. Robert S. Jaggard of Olwein, Iowa, "I cannot conceive of how an ethical doctor would be able to cooperate with a PSRO.

"Sooner or later he would be caught in the cross fire of PSRO insistence that medical care not exceed computerized norms and ethical doctors' insistence that they are going to give their patients the best care possible, come hell or high water."

Nevertheless, medical foundations to do peer review are spreading throughout the country. The San Joaquin Foundation is the guiding light of the foundation movement, and so many doctors visit its headquarters in Stockton that it now charges for briefings.

As a result of the new interest in foundations, Harrington now spends as much time traveling around the country as he does tending to his patients and foundation in Stockton.

He is president of the Stockton-based American Association of Foundations for Medical Care which acts as an education group.

Boyd Thompson, executive director of the association, says there are now 115 foundations in operation or about to start with a membership of 90,000 doctors.

The San Joaquin Foundation launched the movement in 1954 when the longshoremen's union in Stockton, dissatisfied with the medical care its members were receiving, negotiated with the Kaiser-Permenente pre-paid group practice plan to move in.

As a counterproposal, the Stockton doctors formed a foundation and offered to provide medical care for the union, whose members would pay a fixed fee and be able to see any doctor who belonged to the foundation.

In effect, the foundation became a prepaid group practice plan of its own. But instead of having to go to a special clinic for treatment, the longshoremen could go to any doctor who belonged to the foundation. By now, 96 per cent of the doctors in the area belong.

From the years of reviewing doctors' performances, Harrington feels that fees are not the problem in medicine; overutilization of facilities is. Moreover, he says that most doctors want to practice good medicine. A few, though, "are absolute crooks. We stop them on shots and they go into labs."

With only spotty checks on a doctor's practices, a crooked physician can always move on if a foundation makes it hot for him in one city. Harrington tells about one doctor who wanted to sue the foundation for refusing to pay him $22,000 in lab fees. When a lawyer told the doctor that he would lose the suit, Harrington continues, the doctor pulled up stakes and opened an office in the next county.

Such examples would seem to back up Sen. Bennett's contention that PSROs must be spread around the country. The Utah senator also believes that the most important value of PSROs will be their impact in educating doctors in the latest wrinkles of medicine.

In New Mexico, Dr. Wallace Nissen, a former president of the state medical society who now works for the state government as a watchdog over the foundation, says that bad doctors are often placed on review committees "to try to teach them better medicine."

But Harrington feels that sometimes it just teaches bad doctors how to avoid being reviewed.

"I think the PSRO thing is going to be very traumatic for doctors and patients," says Harrington. But if the doctors think with their minds instead of their emotions, it's going to come out all right."

Adds Kortzeborn: "It seems that review upsets some individuals who feel their professional competence has been challenged. Well, they're right. But it's better to guard our own flock than to have it guarded by the wolves."

## SHOULD NATIONS CEDE SOME SOVEREIGNTY TO THE U.N.

### HON. JOHN W. WYDLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. WYDLER. Mr. Speaker, recently a constituent of mine, Mr. Nelson Migdal, who is a political science major at Hofstra University, was honored by the United Nations Association in having been selected as a finalist in the college category competition. The contents of his most interesting paper "Should Nations Cede Some Sovereignty to the U.N.," which merited this recognition, follows:

#### SHOULD NATIONS CEDE SOME SOVEREIGNTY?

In order to effectively answer the question, it is necessary to examine a few basic concepts of the United Nations.

Firstly, the United Nations was not intended to be a world government, but rather an organization of sovereign states. Furthermore, from its very beginning, it accepted the sovereignty of the states as supreme, except when it posed a threat to world peace and security, as provided in Article II, Paragraph Seven, Clause Three of the Charter.

For the United Nations to ask that all nations cede more sovereignty is impossible for two reasons. The first being that there is no absolute "some" in reference to sovereignty. The second being that for the U.N. to demand such a thing is in violation of the Charter!

Reason one: in order for Nations to cede some sovereignty, the United Nations as a whole would have to do many things.

It would have to establish the amount of sovereignty it wants from each nation, and in what form it should be. This level would have to be agreed on by the entire General Assembly. Once that is accomplished, amendments to the Charter providing more power to the U.N. would have to be drawn up, voted on, and executed. To put it into effect, a special task force would have to be created to assure that all nations have, in fact, ceded an equal amount of sovereignty. For as you can imagine, the United States will not want to give up more sovereignty than China or Russia. The problem with this, as you have probably realized by now, is that there is no way of measuring sovereignty. It is not an absolute, one nation's view of sovereignty, and its limits may differ greatly with the view of another. The size, power and interests of a nation play a great role in their view of sovereignty! In all probability it would take a great deal of time just to agree on a working definition of the word. So on the first level of examination, it seems impossible for nations to cede some sovereignty, due to the mechanics of it, as well as a wide range of variables which would have to be considered.

The second reason why nations should not cede some sovereignty is that as stated before, Article II, Paragraph Seven, Clause Three, provides for the sovereignty of the state to be supreme. This part of the Charter is especially important because without it many nations probably never would have joined the United Nations. For a nation to surrender its sovereignty is suicide. All nations must be allowed to pursue their vital interests as long as they do not destroy world peace. The United Nations is a group of sovereign states all of which have their own interests in mind, not a world government in which the interests of the larger, stronger nations can overshadow and hinder the interests of the smaller states. Be aware that if the provisions of the Charter fail to be protected and if the Charter is drastically changed, it would cause the fall of the United Nations and the destruction of whatever peace the world may now have.

In conclusion, although it may seem that the U.N. would function more effectively if it had more power to act in matters deemed to be within the domestic jurisdiction of a state, I do not believe that nations want to cede any sovereignty, and for this to be demanded is both mechanically impossible and in violation of the Charter. Perhaps the U.N. is one of those things which cannot be changed without destroying it and starting again.

## OHIO FEDERATION OF REPUBLICAN WOMEN

### HON. BARRY M. GOLDWATER, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. GOLDWATER. Mr. Speaker, earlier this month, on May 4, I had the privilege to speak before the Ohio Federation of Republican Women's Spring Conference in Columbus.

As I spoke before a roomful of more than 500 women, I realized I was speaking to more than just a roomful of people. There was enthusiasm, exuberance, intelligence, and a keen awareness of the problems that confront our society today. I was proud to be among them, and prouder still when I listened to the prayer written by Mrs. Russell M. Walters, the president of the Mary Todd Lincoln Republican Women's Club. These words set the tone for their spring conference, I am sure, and I have found them inspirational ever since. I would like to share them with my colleagues:

#### PRAYER—OHIO FEDERATION OF REPUBLICAN WOMEN'S CLUB, SPRING CONFERENCE BANQUET, MAY 4, 1973

Almighty God, we pause now, in sincerity and quietness, to acknowledge Thee and to give thanks for the many blessings that Thou hast bestowed on us.

In our hearts we know that the destiny of this great nation is inseparably bound in loyalty to its national heritage and that that heritage is rooted deeply in Thee.

We are glad before Thee, that we are Americans—not glad in a boastful or arrogant manner—but with an appreciation that comes from the gratefulness that is inspired by our thankfullness to Thee.

We are glad that our spirits have been awakened to the realization that our greatest task as Republican women is to interpret for these times, the true meaning of "In God We Trust."

We would not pretend that all is well with our government and its people—but we do rejoice tonight—that after so many social ravages in the past—we can still glory in the fact that we are—still—"One Nation Under God."

Teach us—Oh Lord, to be proud of America and its Past—to have faith and vigilance for the present and to be hopeful for America's future.

Show us that it is more commendable to be respected as a nation and people than it is to be loved.

And Lord, we ask your help so that we may never forget that this nation, inspired by Thee, has been more generous to her enemies, more tolerant of its critics and more gracious to its detractors.

You have given us so much to work for, Lord, and You have blessed each of us with so much to give, that certainly, our life should take on a new meaning and dimension with each new challenge.

God—we ask you again, to bless America, our home sweet home, not at the expense of other nations or for our self indulgence, but for the benefit of all mankind.

We ask these things in your most precious name, not because we deserve them, but knowing that Thou art so good. Amen.

## LOSS OF NUTRITION PROGRAMS BECAUSE OF OEO CUTBACKS

### HON. THOMAS M. REES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. REES. Mr. Speaker, I would like, at this time, to enter into the RECORD an article from the April 1973, issue of Redbook magazine. The article, entitled "How To Save Babies for Two Dimes a Day," describes a successful infant feeding program in Memphis, Tenn.

Special note should be taken of the fact that the U.S. Office of Economic Opportunity, in connection with OEO Emergency Food and Medical Services Program—EFMS—helped to make this program a reality. It is also worth nothing that this program, along with numerous other food and nutrition programs of demonstrated effectiveness, will die, unless the Congress acts now to provide funds for their continuation. As the article indicates, the perpetuation of such programs is an urgent matter.

The article follows:

#### HOW TO SAVE BABIES FOR TWO DIMES A DAY

(By Virginia M. Hardman)

December. A raw day. I am in Tennessee, walking through the South Memphis slum neighborhood. My companion, Mrs. Johnnie Mae Jones, is a member of Memphis Area Project South (MAP-South), a community self-help organization. Working jointly with the St. Jude Children's Research Hospital, of Memphis, women like Mrs. Jones have brought large numbers of undernourished children into a special nutrition program. I have joined her to learn how the program operates.

Mrs. Jones seems to know almost every person, street and house in the area. We wait ten minutes at an unguarded intersection for a freight train to pass. She tells me that a child was killed here. In a half hour's walk, not a bus passes. Finally we reach our destination, a dilapidated frame house. It looks abandoned. Mrs. Jones knocks on the door.

"Come in," says the housewife, Mrs. Henry Trainer, who knows my companion well.

Inside, two little old men are sitting on a broken-down couch; the one sucking on a bottle is Bobby, aged three. He and his four-year-old brother, Ralphy, stare straight ahead. They have the glazed look sometimes seen in the eyes of the aged who have lost interest in life, who expect nothing good ever to happen to them again.

Usually I get along better with children than with adults. Not this time. All my overtures meet with no response, and the children finally retreat to the kitchen, leaning motionless against a table while I talk with their mother.

She tells me that Bobby and Ralphy were born in Memphis, the youngest of nine children, and she tells me a little about her struggle against poverty and despair. Although her husband works, the pay is low and the family so large that it qualifies for food stamps, which are issued by the Tennessee

Department of Public Welfare and bought at special branch offices in slum neighborhoods. Mrs. Trainer spends $49 for food stamps a month. Most months. With the stamps she can buy about $160 worth of food, which works out to less than 50 cents a day per family member.

As we sit there talking the wind blows through the flimsy walls of the five-room house. Mrs. Trainer explains that the family uses only three of the rooms in winter to save on heating. She ignores my next query, on the logistics of bedding down 11 people in three rooms. She has the strength of a countrywoman in imposing her silences. Then she opens a new subject, telling me what I already knew—that Bobby and Ralphy are in the nutrition program.

"They much better than they used to be. Been on it 'most three years. They started giving me extra food for the five youngest all at the same time. Then coupla weeks later they took the older ones too for a while. The older ones don't get it any more. They over six years old and get school lunches instead—'cept these two."

Bobby was three months old and Ralphy 16 months when they came into the program. In Ralphy's case the underdevelopment of his brain, caused by malnutrition, may be permanent.

Only when we are at the door and I call out to the children, "We're going now—come say good-by," do they venture out of the kitchen. Bobby, in a hoarse kind of whisper, seems to be trying to say good-by.

Out in the street with Mrs. Jones, I think about what I have learned so far about the effects of child malnurition and about this nutrition program in Memphis, which has already decreased the yearly infant death rate in one area of the slum from 84 per 1,000 live births to 20 per 1,000, the same as the over-all infant death rate in the United States.

Malnutrition can kill. That is terrible enough. But malnutrition in children who survive it can disable them for life. It not only stunts physical growth and makes its victims sickly, but also its effect on brain-cell development in the first six months of life can be disastrous.

These facts had been given me by Dr. Donald P. Pinkel, medical director of St. Jude Hospital, and his associate, Dr. Paulis Zee, the hospital's nutrition director. It is their concepts in relation to nutrition that are being tested in the remarkable program operated jointly with MAP-South in the effort to save the lives and intelligence of preschool children in this Memphis slum.

The MAP-South project has a history dating to 1964, when the people of the area formed a community organization to find ways of breaking the poverty cycle in their neighborhood. This group evolved, with the support of the U.S. Office of Economic Opportunity, into a highly effective institution that today includes full-time specialists, part-time neighborhood aides (recruited from impoverished families and counseled by professional social workers), as well as VISTA and citizen volunteers from the community at large. In the four years MAP-South has been working with St. Jude's, the program has restored some 4,000 children to health. And it was done by "prescription"—prescription for the only cure and prevention there is for malnutrition: food.

Special "prescriptions," signed by St. Jude physicians or specially trained nurse practitioners, are taken by poor mothers to a warehouse filled with surplus and donated foods and run by MAP-South personnel. There the mothers are given evaporated milk, enriched farina, a corn-syrup blend, canned juice, canned meat or poultry, canned vegetables, milk-beverage mix and instant nonfat dry milk.

And for infants there is Similac, a special formula reinforced with iron and containing protein, lactose, calcium, phosphorous and all the vitamins a baby needs, from A through E. Cost of the proper dosage for a baby? Twenty-one cents a day—$37.80 for each child in the crucial first six months of life—$37.80 to support the brain during its most critical growth period, to assure good physical growth, to prevent anemia and vitamin deficiency. This immensely valuable St. Jude-MAP-South nutrition program is a pilot project, and it may pattern a pioneering new approach to the care and well-being of the infants of this nation.

Mrs. Jones and I continue on our way. Our next stop is the warehouse. I watch as the mothers hand in slips for their months' supplies and sign receipts. Sometimes the process is slow as a name is laboriously printed, or quick when an X is the signature, only a few seem to write with ease. The women wait on a bench while their orders are packed into cartons by two friendly and businesslike men.

"How do they get those heavy cartons home?" I ask.

"We're all apples off the same tree," says one of the men cheerfully. "We help each other manage."

In an adjacent office two women—employees of MAP-South—maintain the records of families with children on the nutrition program. They tell me that about 140 people a day come in for prescribed food. I leaf through a few case histories. I find that in a surprising number of families the husband is employed, but his wages are pitifully low.

There are the Fishers, for example. Mr. Fisher is a day laborer for a large barge company. He earns $2.26 an hour. Mr. and Mrs. Fisher and their eight children occupy a four-room apartment. The eight-year-old twins each are blind in one eye. Both have been hospitalized for pneumonia at St. Jude. The other children have been treated there for an assortment of illnesses, including malnutrition.

Winter is especially hard for the Fishers because it is the off season in Mr. Fisher's work and he gets only two or three days of work a week. Sometimes he's laid off for a week or more. At such times, says Mrs. Fisher, the family would starve if St. Jude and MAP-South did not help with emergency food.

Mrs. Jones and I leave the warehouse and pay a visit to Mrs. Daisy Leonard. Daisy has worked hard most of her life. Her smile and slim body are girlish, but her eyes and hands belong to a woman of 50. In fact, Daisy is 26, and the head of a household of four small children. She has what she calls an "income" of $1,740 a year—just $33.46 a week to house, feed and clothe a family of five.

Daisy's schooling ended with the sixth grade, when she went into the fields and picked cotton with other members of her family, sharecroppers in Arkansas, who worked from dawn to dusk like beasts of burden. Seven years ago an older sister broke away and moved to Memphis, a distance of 150 miles. A year later she sent for Daisy, who was then 20 and the mother of two babies.

"It was another world. We stayed on because we have a better chance in the city. Everything's better here, especially for the kids. I did day work—cleaning houses and going out to chop cotton just over the border, in Mississippi. Me and my sister lived together, took care of each other's kids. But she got married and moved out, so now I can't work. Don't have anyone to mind my little ones."

There are four children now, Letty, Danny, Frankie and Ginny.

What does Daisy want for her children?

"The first thing, I want them to have a good education and stay out of trouble. That's why I scrimped and saved to get this TV; children gotta have something to do. Then I want them to be able to get good jobs and keep them. I want them to be happy. Strong too.

"My two youngest was real sick awhile back. If it wasn't for the hospital, I don't know if Ginny'd be here today. They took care of Frankie too—operated twice for his eyes. They still feeding both children."

The two youngest children seem lively and healthy enough now. But Ginny was an undersized, irritable three-month-old with a swollen belly and spindly legs when a St. Jude nurse first visited the household, three years ago last summer. She was promptly hospitalized for treatment for severe malnutrition. Frankie's malnutrition was less critical. A nourishing high-protein diet with plenty of minerals and vitamins was prescribed for him.

"I knew something was wrong with the baby—she never acted right. Same with Frankie. But I didn't know what to do. Then that hospital came and found us like we were lost. They kept Ginny in St. Jude's awhile. I was scared just thinking about that tiny little baby of mine without her mother. I knew they were good to her. But I missed her. So I used to walk there every day to see her."

Isn't there a bus?

"Costs thirty-five cents. Each way."

So Daisy walked six miles in the blazing heat of a Memphis July to be with her baby. Every day for ten days.

The room in which we are sitting is the only warm one in the ramshackle house. A gas heater is going, and on top of it is a skillet of rice "because the kitchen is too cold to cook in." The stuffing is coming out of the couch, but the bed is carefully made up. The only other furniture in the room are a chair and a TV set.

Mrs. Leonard's monthly income of $145 comes from the Aid to Dependent Children welfare program. She pays $40 a month for rent. Gas and electricity run between $30 and $40 in this unheated place. After rent and utilities are paid, $70 is left. Thirty-six dollars goes for food stamps, with which Mrs. Leonard buys some $115 worth of food each month. With today's high prices, the food is insufficient to feed the family of five. If it were not for the nutrition program, Mrs. Leonard couldn't manage.

While we talk, Ginny and Frankie play cowboys. Daisy interrupts them to give Ginny a spoonful of peanut butter. Frankie claims and gets a spoonful too.

"They eat it like candy," Daisy tells me. "For a while, when we couldn't get it from the warehouse, I had to scrape up the money to buy it because the nurse said the children need it. It makes them grow."

I look at this young mother trying so hard—and alone—to bring up her children and at the roaches boldly crawling along the walls. Suddenly the vermin and the dilapidation sicken me. I want out. Instead I ask, "Wouldn't you like to move?"

"Into what? This here is the best place I ever had. We got our own toilet and running water—they're indoors and just for us. I'm happy here. I'm treated good, especially the children."

Danny Thomas Boulveard connects two worlds, the South Memphis slum and St. Jude, which is at the opposite end of town. The hospital was built in fulfillment of a vow to the patron saint of the hopeless made in 1940 by a young man desparately struggling to break into show business. Many people helped entertainer Danny Thomas build the hospital that is the fulfillment of that vow.

St. Jude Children's Research Hospital opened its door nearly 11 years ago as a research center for catastrophic childhood diseases, including leukemia and other forms of cancer, malnutrition and muscular dystrophy. No fees are charged. Patients come from all over the country, but only on referral by their own doctors. To Danny Thomas, "St. Jude Hospital is what democracy is all about—caring for each other regardless of race or creed, not thinking of pay."

On my second day in Memphis, late on the afternoon, I am in the office of the hospital director, Dr. Pinkel. He is a barrel-chested man in his mid-40s, with blue eyes as inquisitive as a small boy's. He seems like an athlete eager to get back to the game. Despite his courtesy, it's clear that he doesn't enjoy talking to visiting journalists, just as it was clear in the clinic where we've already met that he very much enjoys children. He has nine of his own. After this one item of personal information is elicited from him, Dr. Pinkel takes over the interview, plunging into the subject of our meeting.

"Malnutrition is unconstitutional. It's also unethical and immoral.

"Every American child has a constitutional right to be adequately nourished. Life, liberty and the pursuit of happiness are impossible if you're stunted in infancy, physically and mentally. I don't understand why the American Civil Liberties Union doesn't take this up."

This is no radical firebrand talking, as I already know, but a rather conservative, churchgoing pillar of society with impeccable scientific credentials. Everything about Dr. Pinkel seems conventional except his rage against malnutition and his battle to save the children.

"Adequate diet is more important than compulsory education. For if the brain cells don't develop in the first six months of life, they never will. And without enough brain cells you can't learn. If you're anemic, as almost all malnourished children are, you don't even have the enegry to try. Some folks opposed free schools a hundred and fifty years ago. Today some folks oppose free food for children. Yet an infant's diet determines his life. Poor diet makes for poor people."

How widespread is malnutrition among preschool children?

"Nobody's ever taken a census. But if you consider the number of working poor and welfare families and add to that the unemployed, and allow a margin for poor eating habits in the middle class, you'd get a high estimate."

As high as a million?

"I'd say many millions. There's probably no community in America in which some children are not suffering from malnutrition. It's a disease, a widespread disease. We need state laws guaranteeing every child's nutrition. There's enough inborn, genetic retardation about which nothing *can* be done. But the brain damage caused by poverty is preventable. All it takes is food. There are Federal standards for animal care, none for child care."

How did St. Jude get started on its nutrition program?

"We started by asking the community what was needed and then did a study. Once the facts were clear, we devised a method—food by prescription. We left initiative and control to the MAP-South people. They receive the food and distribute it and they maintain a constant alert for malnourished children. We provide the expertise-medical personnel, nurse practitioners, hospital facilities, medicine, vitamins, infant formula."

Can the Memphis program be duplicated elsewhere?

"Yes. And it should be. We've proved that nutritional needs of a low-income population can be defined and met—and at very low cost—if the community itself is enlisted from the start. Memphis isn't unique. Nor are the affluent immune to the effects of malnutrition, here or anywhere. Many middle-class people don't know the facts about good nutrition. Besides, no matter how far away you move from the source of infection, the economically comfortable family in East Memphis gets sick too, and often from a disease that began in the South Memphis slum. Poverty anywhere is a threat to everybody's children. The point is to go out into the community and do something there, where the trouble starts.

We're dealing with a catastrophic disease. And as we've proved, it costs very little to save the body and mind of a child. Why, it's the bargain of the century! In human terms the social costs of malnutrition are devastating. They're cumulative. If nothing is done, your kids and mine will have to pay the bill."

Dr. Zee, whom I meet next looks like a Dutchman—the lean, intense sort often seen in student cafés near the University of Amsterdam, from which Zee himself was graduated with an M.D. degree in 1954. He then came to the United States, acquired a Ph.D. in biochemistry, specialized in pediatrics and in 1963 became St. Jude's chief of nutrition.

Dr. Zee says that the big push for the nutrition program came after the assassination of the Reverend Dr. Martin Luther King, in 1968.

"We'd been working on the nutrition problem since 1964. But Dr. King's murder right here in our town was a kind of catalyst. People were in a state of shock. Then they said, 'Let's do something.' Med students volunteered. We went into the homes of the people—we were appalled by what we saw. And we started a clinic for poor families.

"Almost half of the kids—forty-four per cent—had vitamin-A deficiency. That can be corrected—we *are* correcting it—for pennies a day. We began in a small way with whatever donated foods we could get. Then in 1969 the U.S. Department of Agriculture supplemental-food program enabled us to start a program for preschool children and for mothers who were nursing their babies. We still get donated food from time to time from private companies.

"Pregnant women began to concern us too, since brain damage can start before birth. We now have an arrangement with St. Joseph Hospital, about two hundred yards from here; they provide the facilities and we provide prenatal care, delivery of the babies and postnatal care.

"Children treated in early infancy do best," Dr. Zee continues. "Two- and three-year-olds, already stunted and debilitated by malnutrition, are difficult to treat and must often be hospitalized for a month or more. Half the indigent babies in the South Memphis area get Similac with iron, which means that anemia could be virtually eradicated in Memphis. It's ironic to be spending sometimes up to a hundred and fifty dollars a day on hospital care for a baby that has been damaged by a disease that can be prevented for a dollar fifty a week.

"It has been proved that with early treatment, two years' catch-up growth can be achieved in one year. But all indications are that if the children are not reached until after infancy, they will require help for five years or more to correct damage often caused by only brief periods of malnutrition. Infants respond rapidly to food; children over three do not.

"Let me show you some slides. You'll see what food can do."

I see and am condemned by what I see. Some of the slides could have been made in Biafra. Through some curious transposition we who eat three meals a day have convinced the hungry that it's shameful to be poor in rich America. Now it's I who am ashamed.

Dr. Zee, misreading my silence, tries to explain to me how it feels to go hungry day after day.

"Believe me, malnutrition is an affliction. I know. It happened to me when I was twelve, in the Second World War, just before the Allied breakthrough at the Ardennes. We lived in Hoorn, north of Amsterdam. My father was a physician, the family well off. We had books, records—Shakespeare, Beethoven, all the classics. But none of us read or listened to music. We sat in gloom, apathy. All we could think of was food, how to steal or beg sometimes to eat."

Dr. Zee abruptly changes the subject. Two years after the event, he is still incensed at the Department of Agriculture for removing peanut butter, scrambled-egg mix and dehydrated potatoes from the supplementary-food program. "That one act took out one third of the proteins and calories."

Peanut butter and scrambled-egg mix have since been restored, but from time to time other crucial foods, such as canned meat, canned vegetables and instant dry milk, disappear from the list.

The regional office of the USDA holds that such items can be purchased with food stamps.

Dr. Zee points out that many mothers can't buy the stamps because their husbands may earn a fraction more than is permitted to qualify for the program, or because they cannot afford to spend for the stamps the minimum number of cash dollars per member of the family required under the program. Many who *can* buy stamps don't know enough about nutrition to buy high-protein foods.

The doctor's argument for education in nutrition as well as for more free, nourishing food for the poor is persuasive, but unfortunately the U.S. Department of Agriculture food program was designed primarily not to feed the hungry but to remove farm surpluses and support farm prices.

The Administration itself has bluntly observed: "Their [surplus foods'] primary thrust is to help balance the agricultural economy. . . ."

In contrast the U.S. Congress has given priority to nutritious food for infants, regardless of farm interests, and there is hope today that at least a beginning can be made to eliminate malnutrition in the children of the poor through projects similar to the St. Jude–MAP-South nutrition experiment. This hope is contingent on new legislation, enacted last fall, which enables local health or welfare agencies and private nonprofit groups to provide food to needy pregnant and lacating women and to infants who are "nutritional risks."

The Department of Agriculture is in charge of the operation, but the new program is not limited to surplus foods. The emphasis rather is on *special* foods that, as defined by the Congressional act, contain "high-quality protein, iron, calcium, vitamin A and vitamin C." Perhaps with reference to such products as Similac, the bill also specifies that at the discretion of the Secretary of Agriculture the program will also include any commercially formulated preparation designed specifically for the nourishment of infants.

Twenty million dollars is authorized for this purpose for each of two years—the fiscal year ending June 30, 1973, and the one ending June 30, 1974. This clearly is insufficient to solve the national problem of malnutrition, which affects millions of our children, but it could be a beginning—the start of what might be a great experiment.

The Department of Agriculture's lack of enthusiasm for this experiment, however, was made evident when by late January of 1973 it had failed to set up the necessary machinery for the special infant-feeding projects.

The success of the program authorized by Congress thus depends heavily on efforts by Americans to bring pressure on the Department of Agriculture; letters should be addressed to Secretary of Agriculture Earl L. Butz, urging an end to delays in feeding hungry children. Americans can also write to the President, their congressmen and senators in support of this special $20-million infant-food legislation, which has bipartisan support. Women can help directly by stimulating the creation of projects similar to the St. Jude—MAP-South effort in their own cities and towns.

If you want to help, send to your congressman for a copy of Public Law 92–433. Read Section 17, entitled "Special Supplemental Food Program." Contact your local health or welfare department or hospital, or other social agency, and urge it to help you begin a community rescue operation in your town.

The legislative go-ahead from Congress is clear; citizen initiative and support can move that act into action. Successful feeding programs this year and next could be the basis for an ongoing national effort to give every baby in the nation a healthful diet.

What a way to celebrate America's upcoming 200th anniversary!

We must see that the tragic reversal of priorities intended in the administration's dismantlement of the OEO, since declared unconstitutional by Superior Court Judge William Jones, is not sustained by this body.

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## AN APPEAL FOR DANIEL TEITELBAUM

### HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. BELL. Mr. Speaker, the plight of Soviet Jews wishing to emigrate to Israel continues today. Despite a suspension of exit fees, it is extremely difficult for Soviet Jews to receive permission from the government to leave Russia. Indeed, those who apply for such permission may well find themselves charged with crimes against the state and placed on trial.

Daniel Teitelbaum, a 34-year-old engineer from Leningrad, has sought permission to join his sister in Israel for over a year. His application has been consistently refused, and his family has just as consistently been harassed by the police.

I am including here the appeal Mr. Teitelbaum's sister has issued for him, and I serve notice on the Soviet Union that any action taken against Daniel Teitelbaum will be broadcast throughout the world.

The appeal follows:

APPEAL FOR DANIEL TEITELBAUM

My name is Gessia Karmeisky. Two years ago I came to Israel from Russia. I have come here to plead for help for my brother, Daniel Teitelbaum, a 34 year old engineer from Leningrad. Daniel Teitelbaum's family consists of a son, Ilya, 6 years old, a girl, Sonya, 4 years old and his wife, Margarita.

It is already two years that Daniel has been asking—asking time after time—for permission to be allowed to leave Russia for Israel, and permission is refused.

I want to say a few words about my brother. He is more than a brother to me. He is like a son to me. In 1941, the Soviet Government banished our family to Siberia. For 14 years we did not see our father. We lived on the Taiga (a word meaning frozen wasteland) under the most rigorous conditions. We suffered hunger and extreme cold. There was always the horrible feeling that we did not know what tomorrow would bring. Our father was in a concentration camp. We children, I was 12 years, Daniel was 3 and my sister was 15½. We, that is, I, my sister and our mother were forced to go into the forest to fell trees. We suffered greatly from hunger and cold. Our mother was very ill. She died in a short while. I raised Daniel. When he did not have the strength to walk for lack of food, I carried him in my arms. When he was 4 years old, he lost his eyesight for a whole winter long, due to the rigorous conditions. Fourteen years later we were rehabilitated, and we lived in Riga. Daniel became part of my family. I married and continued to raise him. He attended school, graduated and then went to Leningrad for higher education.

This is a short biography. When I came to Israel, I immediately sent Daniel an invitation to come to join me. And that is when his troubles began. His wife was forced off her job and he was given refusal after refusal. During his ordeal, he has been refused 12 times. Daniel wrote letters and telegrams. He appealed to Golda Meir, Zalman Shazar, to world opinion, to the American people and to Nixon. Just a few days before President Nixon was due to arrive in Russia, Daniel was summoned to the KBG and was told that if he were quiet and did not organize a protest in Moscow, as he planned to do, he would be granted permission to leave directly after Nixon's visit. May passed, so did June and July. Permission was not granted. In August he was refused again. In September, again. He was continually being put off, from one Friday to the next. In October Daniel, together with a group of Jews from Leningrad, traveled to Moscow to again ask that their papers and matter be reviewed, and they be allowed to leave. The point is that there is no reason why Daniel should not be allowed to leave. He is not connected with any secret work. There are no secrets about his work. He has never signed any documents, and no one ever mentioned to him that he was involved in secret work, work of a governmental nature. Therefore that cannot be the reason. When they arrived in Moscow, they were received at the OVIR office and were promised that in several weeks they would receive a positive answer. A week passed, two, three weeks and then a month. Again, no answer was forthcoming.

Then a group of Leningrad and Riga Jews again left for Moscow. Among them was the wife of Daniel Teitelbaum, Margarita Teitelbaum. She was removed from the train and forced to return to Leningrad. During January, February and March Daniel received no reply. He again wrote to the whole world. He wrote scores of letters to the government officials of Russia, to Brezhnev and Kosygin, and, again, received no reply. I, too, wrote. I wrote to the world, I wrote letters to Russia and got not a single answer.

Then came Purim, and in spite of the fact that a few days earlier Daniel was called to the KBG and had been told he should remain qiuet, otherwise his situation would be made worse, that he should cease his activism and not attend any gatherings. People did gather at his house on Purim, they sang Purim songs, read the Megillah of Esther and sent a telegram to Zalman Shazar. One copy of the telegram they sent officially from Leningrad and a copy of the telegram was transmitted to me over the telephone. The telegram read:

"We greet you, Zalman Shazar, and your people, the Jewish People and Israel, on the beautiful day of Esther, on this beautiful day of Purim. The spirit of this fine holiday is embedded in our hearts. We believe that we will yet meet you in Israel, because Hamans disappear but Am Israel Chai! (The Jewish People live.)"

Several weeks passed and Daniel was again summoned, and his application was denied, denied for a whole year. He was told again that he must remain quiet, desist from any activism. They asked him to sign a document stating that he would, indeed, accede to their demands and if not they told him or, rather, threatened him that if he acted otherwise they would employ means at their command. Daniel, understandably, did not sign the paper, stating that he never did anything against the Soviet Government, never violated the laws of the Soviets, and that the only thing he ever did was to ask that he be allowed to leave Russia to join his people and his sister in Israel.

But truly I am more than a sister to him. The conditions for Daniel and his family are very bad. The conditions for Jews in Leningrad are generally poor, but especally for him it is horrible.

As his sister and more like a mother because I, indeed, raised him like a mother would, I beg you that you help Daniel, that you employ all means that the fate of this person not again be jeopardized. Fourteen years of his life were wasted in Siberia. I appeal to you. Help him. Do whatever is necessary to save this family.

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## THIRD DISTRICT OF TEXAS SPEAKS OUT ON ISSUES

### HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. COLLINS. Mr. Speaker, each spring I send a questionnaire to my constituents in the Third Congressional District. I have always found this one of the best ways for me to get direct feedback of my constituents' views on national issues. This spring in response to my questionnaire I received thousands and thousands of responses which I have tabulated. I am entering the results of this questionnaire into the CONGRESSIONAL RECORD today to officially record the views of the constituents of the Third District of Texas and in the hope that this information will be of value to my colleagues here in the House of Representatives.

Third District residents have clearly gone on record as being opposed to the United States sending money for reparations or any other purposes to North Vietnam. Many comments noted that in light of the torture of our prisoners of war, repeated and serious violations of the peace agreement, and lack of serious commitment, as promised, in the accounting of our missing in action, it would be singularly inappropriate; 90.7 percent of all respondents indicated that no money should be sent to North Vietnam.

In an issue also related to the Vietnam war, 69 percent of those indicated their opposition to the granting of amnesty for draft evaders, 8 percent supported amnesty for all and 23 percent favored amnesty based on certain conditions.

In answer to the question whether news reporters should have the right not to reveal their sources, 71 percent of responding Third District residents said yes.

In light of the recent transition of the U.S. Post Office Department from a Government agency to semi-independent public corporation, it is important to continually monitor the quality of mail service. Only 4.5 percent of Third District residents felt that service had improved since the creation of the U.S. Postal Service, 42 percent felt that mail service had deteriorated and 53.5 percent indicated that their service had remained about the same.

Perhaps the subject on which there is most uanimity in the Third District is capital punishment, 98 percent of those responding indicated that capital punishment is appropriate in certain major crimes.

Also, 79.5 percent approved of the President's decision to phase out the Office of Economic Opportunity—OEO—while 20.5 percent favored its retention.

Most respondents argued that the termination of this program was justified because of severe abuses within this program and duplication of services presently performed by other government departments and agencies.

The dissatisfaction expressed with the poverty program also extended to the present welfare system, 21.7 percent of those responding indicated that a reduction of welfare spending was the most important budget reduction that could be made, 35 percent argued for the elimination of foreign aid spending, and 17.5 percent listed the Federal bureaucracy as most needing reduction. Other budgetary items listed for reduction included farm subsidies and defense.

By a large margin, 31.5 percent, Third District citizens listed inflation as the gravest issue facing America today, and 11.5 percent pointed to a deterioration of the moral fiber of the country, while 8.6 percent listed crime. Many other subjects were mentioned including busing, the Supreme Court, drugs, poverty, and the Vietnam War.

It is with a great deal of gratitude that I thank those of my constituents who completed the questionnaire or sent letters setting forth their views.

Mr. Speaker, I hope that this analysis of the views of the Third District of Texas will prove valuable to all Members of Congress.

## SENATOR EDWARD W. BROOKE SPEAKS AT MONTACHUSETT REGIONAL VOCATIONAL TECHNICAL SCHOOL IN FITCHBURG, MASS.

## HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. DRINAN. Mr. Speaker, on May 6, 1973, dedication ceremonies were held for the Montachusett Regional Vocational Technical School in Fitchburg, Mass. This excellent school serves over 800 students from the cities of Gardner and Fitchburg and the towns of Ashby, Barre, Harvard, Hubbardston, Lunenburg, Royalston, Sterling, and Winchendon.

I would like to share with my colleagues the remarks of Senator Edward W. Brooke at the dedication ceremony. Senator Brooke has presented a compelling case for more schools devoted to vocational and technical education.

I know that my colleagues will want to study Senator Brooke's recommendations carefully:

### Remarks of Senator Edward W. Brooke

Today we honor a dream finally and splendidly accomplished, and we pay tribute to the spirit of co-operation among the towns and cities who in concert have built Montachusett Regional Vocational Technical School. While I understand that almost $1 million in federal aid helped make the school possible, I shall refrain from trying to give the impression that I personally printed each dollar bill, as one Senator reportedly always did on similar occasions.

I have come also to acknowledge a debt. On an ignominious day last fall in Fitchburg, I had to acknowledge that perhaps the candidate himself was not the most essential element in the operation of the Brooke campaign effort. Nothing so deflates a politician as making a dramatic, superbly executed grand exit to a car which refuses to start. My efficient, if irreverent, staff tells me that if it had not been for the successful machinations of two Monty Tech students, Gary Favreaux and Chet Marek, 512 people in this area would have later in the day escaped shaking hands with me for the third time during the course of the campaign and 214 people would have escaped my memorable remarks which (though ranking with the Gettysburg Address) were unfortunately uttered after the deadline for the evening edition and are thus lost to an unsuspecting posterity.

In 1957, the Russian Sputnik challenged American science and technology and gave particular impetus to the thesis that the proper emphasis of our education effort should be to prepare students for college, and increasingly, for graduate study beyond that. The period of the 1960's came to be known as the golden age for higher education, as we lavished our attention and our resources in large measure on that one segment of American education. In the process the myth took hold that a college diploma was the solution—for each individual and the nation.

But in the past two or three years, an awakening has occurred. Increasingly, facts and reality confirmed the warnings and questions which many of us had raised about the wisdom as well as the arrogance of trying to force all young people into the traditional college mold.

The first reality which cannot be ignored is the nature of the job market. In the 1970's only two jobs out of every 10 will require a college education. Yet, one-third of all young people in the 18–21 year old age bracket now go to college—and almost one-half of this age group will attend college for at least a short period. Our national belief in a college degree as a panacea, our mistaken insistence on credentials which are practically irrelevant to the actual performance of a job, is now undergoing a long overdue economic examination.

The second fact which can no longer go unremedied is the bias of our secondary education system. While we have diligently prepared students for our great institutions of higher education, we have all but neglected those who do not wish or cannot afford to attend such institutions. We must remember that at most three high school students out of 10 will go on to receive a college degree. As many as 80% should be receiving career training, yet as few as one-fourth of these students may be engaged in such activity. Hence, the majority of the students who experience some form of secondary education enter the labor market never having been shown the full range of job possibilities available in our complex economy. And they never have been taught a trade or marketable skills.

In earlier periods, a person of 17, 18 or 19 was regarded as an adult, an established wage earner, and possibly the responsible head of a family—with his or her schooling well over and adult life well underway. Today, most young people of this same age group find themselves in a strange, halfway world, neither fish nor fowl, neither child nor adult. Most have spent the required 12 years in a school system which has too often presented them with college preparatory courses in which they have little interest and which too often they correctly perceive as being of little, if any, use to them in life. This sense of frustration and malaise—the complaints that the schoolwork which they are being asked to do is completely irrelevant to the job of living—is far too commonplace today, not only amongst high school students and dropouts, but amongst college students as well.

I believe that the opportunity of a young person with the capability and motivation to attend college should not depend solely upon his family's ability to pay the considerable sums now necessary to pay the costs of a college education. In Congress I have consistently supported federal programs of financial assistance to such students. But I reject the line of thought which holds that the only acceptable goal in educating an American child is the traditional college education. This assumption has cost the great majority of students dearly, for it has forced them into academic training in which they have little interest. And, more importantly, it has caused the interests and futures of what may be the majority of young Americans to be virtually ignored.

In addition to the costs to the individual student, inattention to training students for a career is a luxury which our national economy can no longer tolerate. The price we pay is in the large numbers of students who are turned onto the labor market to drift from one part-time, marginal job to another; the huge costs of manpower training programs which seek to teach a grown man or woman the skills they should have been taught in high school or post-secondary training courses; and in the lack of skilled and semi-skilled workmen and technicians in short supply today.

In the 1970's we must devote to the field of vocational career education, attention and resources similar to those we focused upon higher education in the 1960's. Further development of career education must reflect several considerations.

First, many students choose a career with little awareness of the full range of jobs now available in a modern technological society. Half a century ago, it is said that a "boy might observe the full range of his occupational expectations by walking beside his father at the time of plowing, by watching the farmers, blacksmiths, and tradesmen who did business in his hometown." I might add that a girl might have viewed the occupational choices open to her with even less effort. In modern society, however, over 3,000 new job classifications have been created since 1961. Only our schools can make young people aware of the full choice of job opportunities open to them.

Secondly, the career training taught in our schools must reflect the change in the nature of our economy. The original vocational fields were identified shortly before World War I as agriculture, industry, and homemaking. Yet today less than five per cent of our population is engaged in farming, and jobs in manufacturing are steadily declining, a fact we in Massachusetts are all too familiar with. At present, less than one-fourth of American workers are employed in manufacturing. And the onslaught of automation has not relented. Yet automation, in turn, has created an entirely new field of employment, and attracts an ever larger percentage of persons who must perform a wide variety of services.

This is a reflection of the fact that, in the coming years, many of the emerging new jobs will require more mental ability and less reliance on sheer physical skills. A good example is the dramatic expansion in job opportunities in the field of health. In 1900, there was one health assistant for every doctor, today that ratio is 13 to 1. By the end of the 1970's it may climb to 25 to 1. I am particularly pleased to see that Montachusett has chosen to offer 8 post-high school health career programs in this new and rapidly developing career field.

Third, we must recognize, as Montachusett has, that career training must be made available during the whole course of a person's lifetime. In a fast changing technological society, jobs will become obsolete, and opportunities for retraining in other jobs will become more and more necessary. Students today may have to adjust to two or three occupational changes in their lifetime. Thus, vocational education may have to stretch intermittently over a lifetime; and vocational schools must serve the entire community, not simply isolate and train the young.

Fourth, vocational education must cease to be so male-oriented. Women already compose 40% of the work force. In a very few years, they will represent 50% of the employed. Many vocational programs reflect a subconscious male bias that women are destined by some inviolable law of nature to work in a limited number of occupations, too often at the lower levels, and almost always with the lowest pay.

I would like to close with a discussion of the role of the federal government in the labor market and in the field of vocational education.

At the most concrete level, the United States Office of Education at present spends only about $500 million annually on vocational education. It is estimated that for every $1 Congress has appropriated for vocational education, $14 have been appropriated for higher education. Our national budget must more adequately reflect our national needs.

At another level, we must admit that perhaps the biggest failure of our manpower training programs has been the lack of jobs available at the end of the training period. If an adequate number of jobs paying an adequate salary are unavailable in our economy, manpower and job training programs become in themselves simply a form of make-work, and while preferable to unemployment or welfafe, it may in the end serve only to increase frustration and an individual's doubts about his ability. Historians have said that the Great Depression of the 1930's was the last time that Americans were willing to accept unemployment as a sign of their own personal failure. Since then they have become more knowledgeable about the workings of our extremely inter-related and uncomplex modern economy. It is doubtful, for example, whether the American people will ever again accept a government induced business slowdown with its attendant unemployment as a palliative for inflation. Congress is now beginning to see the need for something more than temporary, piecemeal employment efforts and is beginning to examine the possibility of stimulating a Full Employment Economy.

It is time that the government and the citizens whose taxes subsidize these national programs realize more fully the relationship between our national goals as expressed in government programs, our manpower needs, and the consequent job opportunities which these programs create. Too often, for example, we think of government housing programs for low income families as benefiting only those on, or near, the poverty level. But if we chose to rebuild our decaying cities in the 1970's, full fledged housing programs could create jobs for as many as 10 million persons. Or if we decide to place a high priority on goals in health care in the 1970's, one consequence would be the creation of an estimated 2.3 million jobs performing direct health services.

It became briefly fashionable, a short while ago, to question the need for, and the value of, work. Those who did so failed to understand that the absence of meaningful work can deny a person a sense of purpose. For ability to do useful work—and do it well—can install a sense of worth and pride to a person's life. Today, we gather to dedicate this school which will instill in the lives of thousands of men and women that sense of purpose and dignity which has been the backbone of our nation's character. Not only the men and women who pass through these halls, but the entire nation, will benefit by the talents and skills developed here.

You, here in the Montachusett Region, have done your part. You have recognized an imperative need and have moved to meet that need with imagination, insight and a grasp of the economic, educational and emotional needs of young people.

I congratulate you, I pledge my unstinting efforts to increase Congress' awareness of and participation in this too long neglected area of American education. Our contribution must not start and end with dollars—though I do not minimize the salutary effect which dollars can have.

More research must be undertaken, more pilot and experimental programs launched—above all, we can help to re-orient and re-educate our people so that vocational education receives the respect and honor it deserves.

Then appeared in the Fitchburg Sentinel an article which states that "The construction of Monty Tech has involved about as much inspiration, dedication, perspiration—and exasperation—as the building of the Great Pyramid: In some ways the ancients had it easier since their project took only 20 years. After four decades, Monty Tech is transformed from vision into reality."

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## PERSIAN GULF ARMS RACE

## HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. HAMILTON. Mr. Speaker, newspapers have recently contained confirmed reports about enormous arms agreements the United States is signing or planning to sign with several oil-rich states in the Persian Gulf. The following editorial by Robert E. Hunter which appeared in the May 31, 1973, Washington Post spells out some concerns about our role and involvement in a new and potentially dangerous arms race, and I would like to bring this editorial to the attention of my colleagues:

### PERSIAN GULF ARMS RACE: A THREAT TO PEACE AND OIL

(By Robert E. Hunter)

A new arms race is off and running in the Persian Gulf. Earlier this year, the U.S. government reached agreement with Iran to sell it $2.5 billion worth of arms. Last week negotiations were revealed that would provide $500 million worth of arms each to Kuwait and Saudi Arabia. Britain has also been selling arms to Iran and Saudi Arabia. And the Soviet Union provides arms to Iraq. As a result, the Mideast may be on yet another slippery slope to crisis and conflict, with further dilemmas for U.S. interests and involvement.

For more than three years since Britain began pulling out of the Persian Gulf in 1969, the area had been relatively free of tensions and arms build-ups. American admirals who proclaimed a "vacuum" in the Gulf were overruled, and it was obvious that neither the Soviet Union nor the local states wanted any part of a competition in military presence by outside powers. Saudi Arabia and Iran, the two biggest states on the Gulf, settled down to a watchful concern with each other's actions and intentions, marked by Bahrein's independence, a scuffle over two tiny islands, and overriding interests in pushing up the price of oil through cooperation among producer states.

Then this year Iraq made yet another of its regular diplomatic and military feints toward its tiny but wealthy neighbor, Kuwait, and the issue of Gulf "security" was raised once again. Before the issue is settled, a lot more money will be spent on arms, a lot more will be written and said about Soviet influence and a "hand on the tap," and grave risks will be run with regard both to peace in the area and to the flow of oil.

Typically, the United States seems to be blundering into involvement with the politics of a region that few Americans understand, and where we have compelling reasons to stay out. There has certainly been no public or congressional debate on our new arms policy.

The beliefs behind this policy are obvious ones: First, we must have oil from the Gulf, and can help pay for it with arms thus reducing trouble for our balance of payments. Second, if we don't sell arms—so goes a hackneyed argument borrowed from experience justifying arms sales to Latin America—then the sales will be made by other countries. Third, promoting an arms balance in the region is the best way to promote stability.

The "arms balance" argument is the most difficult to understand. First, there is little reason to fear a Soviet move against oil supplies earmarked for the West. For Moscow to use force against any oil producing state—or even be caught causing trouble—would destroy its relations with every other state in the area. Furthermore, it has every interest in behaving conservatively as a purchaser of oil and natural gas from Iran and Iraq, if it is going to be able to develop energy markets and earn hard currency in the West.

With regard to the local states, themselves, it has rarely proved possible in the developing world to prevent conflict through the supply of arms. The repeated tragedy of India-Pakistan wars should have taught us that lesson. Even where an arms balance has been possible—as in the Arab-Israeli conflict—it has proved precarious, a source of more tension, and dependent upon repeated demonstrations of one country's military superiority over the rest.

The Gulf does not provide the conditions, in terms either of countries or of geography, for an arms balance that can reduce the risks of conflict rather than promote them. It is not possible to argue that arms sales there are essentially "defensive." In the Gulf as in any area of short distances and flat terrain, high-performance weapons like jet aircraft can as easily be used to make war as defend against it. Furthermore, despite assurances to the contrary, it could prove impossible to ensure that arms provided to Gulf Arab states for one purpose would not one day be used for another—namely, in the conflict against Israel, with all the problems this would cause.

To be sure, the United States is selling arms, not giving them away and building up teams of military advisers that could begin our direct involvement in future conflict. Yet this is a distinction without a difference, if we help to bring about conditions that could make trouble for all concerned. To end our programs of grant military assistance, as Sen. J. William Fulbright is advocating strongly this year, would mean very little if we are also willing to sell arms to countries that are rolling in money. Our actions still have consequences—for us as well as others—even if we try to wash our hands of direct responsibility.

It also matters little that countries like Britain would be willing to sell arms even if we weren't. If that would happen, so be it; at least we would not be compromised by our role. We could then try to get agreement to desist among all potential arms suppliers. And we could encourage the states of the Gulf to work out their differences and disputes without first resorting to a risky and dangerous build-up of sophisticated and powerful modern weapons.

None of this is easy to counsel. There are serious problems in the Persian Gulf. Some of these reflect national ambitions and rivalries, and some reflect the continuing struggle between forces that can be loosely classified as "modern" (nominally reformist) and "traditional." It may be that conflict is inevitable, as these forces come into collision, or that the smallest of the Gulf states will some day be absorbed by their larger neighbors, whatever we do. But our only real interest is to promote conditions that will let the oil flow with as little interruption as possible. It is very unlikely that actually increasing the level of arms in the area—and thus the intensity and damage of any fighting that does take place—will help to promote that objective. Certainly, as part of our concern with oil and with reducing Arab hostility over our role in the Arab-Israeli conflict, we will gain little in the long-term from continuing to appear as the enemy of internal change in the Arab world, whatever short-term benefits we might gain, say, in Saudi Arabia.

Thus, to refrain from selling arms to the Gulf states will not end our difficulties in the region, or ensure the flow of oil. But the reverse also promises no lasting solution, and contains far higher risks of open warfare and of our own direct involvement. Whatever benefit we might gain by selling arms to help our balance of payments could be wiped out by the extra trouble we would be buying. At the very least, we should depend on diplomacy, before reflexively reaching once again for military instruments of policy that have served us so poorly in other parts of the developing world.

## DILLON GRAHAM

### HON. LINDY BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mrs. BOGGS. Mr. Speaker, I feel ambivalent about joining my colleagues in paying tribute to Dillon Graham of the Associated Press as he leaves Capitol Hill after 25 years.

We cannot help but feel joy that he is moving to well deserved rest and recreation in Myrtle Beach; but at the same time, we feel a sense of loss at losing someone who has been such an integral part of the Hill scene for a quarter of a century.

His dry wit, his pleasant manner—and primarily, his unflappable demeanor—have added to the professionalism which he brought to every task. He has truly appreciated and practiced the highest tenets of journalism in recording the triumphs and failures of the politicians he covered. Not only have they held him in honor, but he has also held the respect of his fellow journalists who have often referred to him as a "reporter's reporter."

We welcome his successor, Bill Chaze, to the regional staff of the Associated Press on Capitol Hill and hope that Dillon's new spectator sport overlooking the golf course at Myrtle Beach will prove as satisfying as spectating on the workings of Congress.

## CONGRATULATIONS TO WEST HIGH SCHOOL WARRIOR BAND

### HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. BELL. Mr. Speaker, I am proud to announce that the West High School Warrior Band of Torrance, Calif. has been invited by the city of Geneva, Switzerland to be the U.S. representative at the internationally renowned "Fete de Geneve" in August 1973. The Warrior Band received this invitation because of their outstanding achievement in major band reviews and concert work this past year.

The 150 young people in the band will make a concert tour of Europe playing in Lucerne, Innsbruck, Florence, and Paris, in addition to being the only performing group from the Western Hemisphere playing at the silver anniversary of the "Fete de Geneve."

I think that Warrior Band Director, Ron Large, deserves special praise for his efforts. Mr. Speaker, most importantly, I would like to commend the members of the West High School Warrior Band on this great honor and express my heartfelt wishes for their future success.

## DILLON GRAHAM

### HON. BEN B. BLACKBURN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 24, 1973*

Mr. BLACKBURN. Mr. Speaker, today, our friend Dillon Graham will retire from the Associated Press after a 25-year assignment to the Capitol and after 45 years of continuous service with Associated Press.

I would like to take this opportunity to pay personal tribute to Dillon for his outstanding professional performance.

It has been my honor to know and work with Dillon since I first came to the House in 1967. He has always represented the finest aspects of a reporter and has been consistently fair and accurate in his reporting.

Mr. Speaker, I would like to personally congratulate Dillon on his well-earned retirement and wish him and his wife, Gigi, good luck. He will be sorely missed in the legislative branch of the U.S. Government.

## DILLON GRAHAM RETIRES

### HON. JOHN J. DUNCAN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. DUNCAN. Mr. Speaker, today Mr. Dillion Graham, a reporter for the Associated Press, will retire after 25 years of service as a Capitol Hill correspondent. His dedicated years as a member of the Capitol Press Corps has been but a part of 44 years of continuous service with AP.

Dillion Graham certainly will be missed in the House of Representatives, for men with his fine capabilities and his dedication to his work are always needed. I join with my colleagues in wishing Mr. Graham and his wife many happy years of retirement and in thanking him for a job well done.

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# SENATE—*Friday, June 1, 1973*

The Senate met at 11 a.m. and was called to order by Hon. WALTER F. MONDALE, a Senator from the State of Minnesota.

## PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Almighty God, as our fathers trusted in Thee and were not confounded or put to shame, may that faith which supported them in trial and tribulation be sufficient to sustain us in our time of troubles. Grant us the courage to acknowledge and correct our defects. Give us also the grace to cherish and to cultivate the virtues and values tested and confirmed in the crucible of life's daily struggle. Give us a part in the recovery of confidence in the government of free men and in the redemption and renewal of America's moral and spiritual life. Make us fit servants of the common good. By Thy grace enable us hour by hour to make a faithful and heroic effort for a social order of personal discipline, of self-denial, of partnership and cooperation for peace and justice in our time.

Hear us in the name of the Lord of Life. Amen.

## APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The second assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
*Washington, D.C., June 1, 1973.*

*To the Senate:*

Being temporarily absent from the Senate on official duties, I appoint Hon. WALTER F. MONDALE, a Senator from the State of Minnesota, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
*President pro tempore.*

Mr. MONDALE thereupon took the chair as Acting President pro tempore.

## THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, May 31, 1973, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask

unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

### EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the Executive Calendar, under "New Reports."

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nominations on the Executive Calendar, beginning with "New Reports," will be stated.

### DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

The second assistant legislative clerk read the nomination of Gloria E. A. Toote, of New York, to be an Assistant Secretary.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

### DEPARTMENT OF THE TREASURY

The second assistant legislative clerk read the nomination of James E. Smith, of Virginia, to be Comptroller of the Currency.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

### FEDERAL RESERVE SYSTEM

The second assistant legislative clerk read the nomination of Robert C. Holland, of Nebraska, to be a member of the Board of Governors of the Federal Reserve System for the unexpired term of 14 years from February 1, 1964.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

### SECURITIES AND EXCHANGE COMMISSION

The second assistant legislative clerk read the nomination of John R. Evans, of Utah, to be a member of the Securities and Exchange Commission for the term expiring June 5, 1978.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

### FEDERAL HOME LOAN BANK BOARD

The second assistant legislative clerk read the nominations in the Federal Home Loan Bank Board, as follows:

Thomas R. Bomar, of Maryland, to be a member of the Federal Home Loan Bank Board for the remainder of the term expiring June 30, 1974.

Grady Perry, Jr., of Alabama, to be a member of the Federal Home Loan Bank Board for the remainder of the term expiring June 30, 1973, and for the term of 4 years expiring June 30, 1977.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

### DEPARTMENT OF JUSTICE

The second assistant legislative clerk read the nominations in the Department of Justice, as follows:

Harold O. Bullis, of North Dakota, to be U.S. attorney for the district of North Dakota for the term of 4 years.

Brian P. Gettings, of Virginia, to be U.S. attorney for the eastern district of Virginia for the term of 4 years.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

### LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

### THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 167, and then Calendars Nos. 170 through 175.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

### THE U.S. FISHING INDUSTRY

The Senate proceeded to consider the concurrent resolution (S. Con. Res. 11) to express a national policy with respect to support of the U.S. fishing industry, which had been reported from the Committee on Commerce with an amendment, on page 3, at the beginning of line 3, strike out "fishing." and insert "fishing, and further that the Congress is fully prepared to act immediately to provide interim measures to conserve overfished stocks and to protect our domestic fishing industry."

Mr. GRIFFIN. Mr. President, I ask unanimous consent that a statement by the distinguished Senator from Alaska (Mr. STEVENS) be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

### STATEMENT BY SENATOR STEVENS

### U.S. FISHERY NEEDS OUR FULL SUPPORT

Mr. President, as a Congressional advisor to the Law of the Sea Conference, and as a Senator representing a fisheries state, I am deeply troubled by the disintegration of our nation's commercial fisheries effort.

This industry is attempting to withstand adversity on all fronts. Operating costs have compounded; vessels and gear are outmoded; and productivity has lagged. These are economic problems which cannot be solved in one grand gesture, and, the fact is, they cannot be solved at all without the continuing support of Congress when proposed legislative solutions come before us. Senate Concurrent Resolution 11 establishes a conducive climate for such occasions.

Even more immediate and critical, because it threatens the basic resources itself, is the wide-ranging, efficient, growing fishing effort of foreign governments off North American shores. This continuing onslaught creates a serious dilemma for the United States. On the one hand our delegation to the U.N. Law of the Sea Conference is negotiating with over 120 nations, large and small, new and old, in quest of lasting agreements affecting not only fishing but also the numerous other perplexities involved in assuring equitable, intelligent use of that 70% of our planet's surface covered by the ocean. Such matters take time and our negotiators strongly believe U.S. activity in fisheries jurisdiction prior to completion of their work would prove chaotic—particularly if they pick the form of the present dispute off Iceland.

On the other hand, destruction of one or more North American fish species during these years in which the treaties are being ground out is quite possible. Right now, for example, U.S. halibut fishermen who operate in the North Pacific and Bering Sea are witnessing a rapid decline in the resource despite a long-standing international convention intended to provide conservation measures when necessary.

In an attempt to call attention to the urgency of this situation, I recently wired the National Oceanic and Atmospheric Administration asking for immediate high level negotiations to halt the Japanese take of under-sized halibut in the Bering Sea. In part, my wire said "I fully appreciate the importance and sensitivity of Law of the Sea negotiations, but believe you must likewise recognize that depletion of one more species such as the halibut could create overwhelming demands for the strongest of unilateral actions." In other words, I agree that unilateral action should be avoided if at all possible—preferably through international interim agreements—but U.S. unilateral action will be necessarily forced if resources face destruction during the period lasting protective measures are being worked out.

I refer to the halibut problem because it is happening now and because it is closest home to me. However, similar frequent statements by my colleagues from every coastal region of the United States point to excessive foreign fishing activity as an on-going national problem.

Nearly half the members of the Senate have co-sponsored Senate Concurrent Resolution 11. I urge 100% support by my colleagues. This legislation will serve to, at last, help reassure our beleaguered fishing industry that its government cares about what is happening and is ready to assist even to the point of adopting interim protective measures. Simultaneously, Senate Concurrent Resolution 11 relates the same message to our delegation to the Law of the Sea Conference.

The amendment was agreed to.

The concurrent resolution, as amended, was agreed to.

The preamble was amended.

The amended concurrent resolution, with its preamble, as amended, reads as follows:

Whereas the position of the United States in world fisheries has declined from first to seventh place among the major fishing nations;

Whereas there has been a continuing decline in domestic production of food fish and shellish for the last five years;

Whereas our domestic fishing fleet in many areas has become obsolete and inefficient;

Whereas intensive foreign fishing along our coasts has brought about declines in stocks of a number of species with resulting economic hardship to local domestic fishermen dependent upon such stocks;

Whereas rising costs and extremely high insurance rates have made fishing uneconomic in some areas even when stocks of fish and shellfish are at normal levels;

Whereas assistance to fishermen is very limited as contrasted to Federal aid to industrial, commercial, and agricultural interests;

Whereas United States fishermen cannot successfully compete against imported fish products in the market because a number of foreign fishing countries subsidize their fishing industry to a greater extent;

Whereas some 60 per centum of the seafood requirements of the United States is being supplied by imports;

Whereas the United States fisheries and fishing industry is a valuable natural resource supplying employment and income to thousands of people in all of our coastal States;

Whereas international negotiations so far have proved incapable of obtaining timely agreement on the protection of threatened species of fish;

Whereas our fisheries are beset with almost insurmountable production and economic problems; and

Whereas certain of our coastal stocks of fish are being decimated by foreign fishing fleets: Now, therefore, be it

*Resolved by the Senate (the House of Representatives concurring)*. That it is the policy of the Congress that our fishing industry be afforded all support necessary to have it strengthened, and all steps be taken to provide adequate protection for our coastal fisheries against excessive foreign fishing, and further that the Congress is fully prepared to act immediately to provide interim measures to conserve overfished stocks and to protect our domestic fishing industry.

Sec. 2. The Congress also recognizes, encourages, and intends to support the key responsibilities of the several States for conservation and scientific management of fisheries resources within United States territorial waters; and in this context the Congress particularly commends Federal programs designed to improve coordinated protection, enhancement, and scientific management of all United States fisheries, both coastal and distant, including presently successful Federal-aid programs under the Commercial Fisheries Research and Development Act of 1964, and the newly developing Federal-State fisheries management programs.

### REYNALDO CANLAS BAECHER

The bill (S. 67) for the relief of Reynaldo Canlas Baecher, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, for the purposes of sections 203(a)(1) and 204 of the Immigration and Nationality Act, Reynaldo Canlas Baecher shall be held and considered to be the natural-born alien son of Donald Leslie Baecher, a citizen of the United States. The natural parent, brother or sister of the said Reynaldo Canlas Baecher, by virtue of such relationship, shall not be accorded any right, privilege, or status under the Immigration and Nationality Act.

### MICHAEL KWOK-CHOI KAN

The bill (S. 227) for the relief of Michael Kwok-choi Kan, was considered ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, for the purposes of the Immigration and Nationality Act, Michael Kwok-choi Kan shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by one number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas and conditions entries which are made available to natives of the country of the alien's birth under paragraphs (1) through (8) of section 203 (a) of the Immigration and Nationality Act.

### MRS. STEFANIE MIGLIERINI

The bill (S. 339) for the relief of Mrs. Stefanie Miglierini, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, in the administration of the Immigration and Nationality Act, Mrs. Stefanie Miglierini, the widow of Ambrose Miglierini, a citizen of the United States, shall be held and considered to be within the purview of section 201(b) of that Act and the provisions of section 204 of said Act shall not be applicable in this case.

### ROSITA E. HODAS

The Senate proceeded to consider the bill (S. 155) for the relief of Rosita E. Hodas, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and insert:

That, in the administration of the Immigration and Nationality Act, Rosita E. Hodas, the widow of a citizen of the United States, shall be held and considered to be within the purview of section 201(b) of that Act and the provisions of section 204 of such Act shall not be applicable in this case.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

### ELSA BIBIANA PAZ SOLDAU

The Senate proceeded to consider the bill (S. 315) for the relief of Elsa Bibiana Paz Soldau, which had been reported from the Committee on the Judiciary with an amendment on page 1, after line 11, strike out:

Sec. 2. That, in the administration of section 101(b) visas and conditional entries which are made available to natives of the country of the alien's birth under paragraph (1) through (8) of section 203(a) of the Immigration and Nationality Act.

And, in lieu thereof, insert:

Sec. 2. That, in the administration of section 101(b)(1) of the Immigration and Nationality Act, Elsa Bibiana Paz Soldan shall be deemed to be a child.

So as to make the bill read:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, notwithstanding the provisions of section 212 (a)(19) of the Immigration and Nationality Act, Elsa Bibiana Paz Soldan may be issued a visa and be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such Act: *Provided,* That this exemption shall apply to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this Act.

Sec. 2. That, in the administration of section 101(b) visas and conditional entries which are made available to natives of the country of the alien's birth under paragraph (1) through (8) of section 203(a) of the Immigration and Nationality Act.

Sec. 2. That, in the administration of section 101(b)(1) of the Immigration and Nationality Act, Elsa Bibiana Paz Soldan shall be deemed to be a child.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

### MRS. HANG KIN WAH

The Senate proceeded to consider the bill (S. 529) for the relief of Mrs. Hang Kin Wah, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and insert:

That, in the administration of the Immigration and Nationality Act, Mrs. Hang Kin Wah, the widow of a citizen of the United States, shall be held and considered to be within the purview of section 201(b) of that Act, and the provisions of section 204 of such Act shall not be applicable in this case.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, that concludes the call of the calendar.

### OVERSEAS MILITARY BASES

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an article entitled "Bring Our Bases Home," written by the distinguished Senator from Iowa (Mr. Hughes), and published in Progressive magazine for June 1973.

There being no objection, the article was ordered to be printed in the Record, as follows:

#### Bring Our Bases Home

(By Senator Harold Hughes)

Right now, more than one U.S. soldier in every four is still stationed overseas. Over 600,000 men and women in the armed forces, plus about 450,000 of their dependents, are scattered among 322 major bases and over 3,000 minor facilities around the globe.

Yet while the Pentagon slashes at domestic troop levels, it plans to bring home only 4,000 of the 500,000 troops in areas excluding Southeast Asia. Allegedly, these domestic base reductions are being made to save about $400,000,000 per year. If that is the goal, then why don't we bring home and deactivate just one of our divisions in Europe and save $580,000,000 per year? According to official Defense Department figures, the two recent dollar devaluations alone have increased U.S. operating costs by more than the $400,000,000 projected savings from domestic base closings.

Proof that our NATO allies view today's threat differently can be found in the fact that they have never met their assigned quotas for NATO and that they continue to spend only about half as much of their Gross National Product on defense as does the United States.

Costs are a major factor for the United States as well. The direct costs of maintaining 300,000 plus U.S. troops in Europe is over four billion dollars per year. Counting the forces kept in the United States to meet NATO contingencies, the yearly cost of the NATO commitment ranges from an officially-estimated seventeen billion to nearly thirty billion, according to analysts at the Brookings Institution.

Put another way, this thirty billion dollars for the NATO commitment is almost as much as the Federal Government will spend this year on health, education, and manpower. Even the seventeen billion official estimate is more than the President has budgeted for all Federal programs in natural resources and the environment, agriculture and rural development, and community development housing.

Isn't it time we brought our bases home? Not all of them, of course, but a substantial number, in keeping with current threat and our domestic needs. Our improved rapid deployment capability now enables us to transport substantial forces abroad in the event of war in a very short time.

Why should we bear such a heavy burden in Europe when our allies themselves want to ease up? Why do we still need 60,000 troops in strong and self-reliant Japan, or 40,000 in quiet Korea, or 9,000 on Taiwan, a thorn in the side of China? Why should we keep 43,000 troops in Thailand or 15,000 in the Philippines, unless we are willing to be drawn into "another Vietnam" as the insurgencies in those countries grow?

We can meet all our defense objectives and commitments without such reliance on overseas bases.

## BOMBING IN CAMBODIA

Mr. MANSFIELD, Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled "Despite Truce, Agents of United States in Vietnam Help Pick Cambodia Targets," published in the Wall Street Journal of June 1, 1973; and an article entitled "Cambodia Bombing: A Constitutional Expert Calls It a Presidential Power Grab," written by Arthur S. Miller, and published in the Los Angeles Times of June 1, 1973.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, June 1, 1973]

### SPILLING OVER: DESPITE TRUCE, AGENTS OF UNITED STATES IN VIETNAM HELP PICK CAMBODIA TARGETS

(By Peter R. Kann)

SAIGON.—Some American intelligence agents in South Vietnam are involved in the process by which targets are selected for U.S. aircraft that are bombing southeastern border regions of Cambodia.

There is nothing particularly startling about this; indeed, it seems logical that there would be some degree of involvement here. But it does indicate how the continued U.S. military activity in Cambodia tends to spill over into Vietnam, where Americans presumably are no longer supposed to be actively involved in the war. (In Washington yesterday, the Senate voted to deny the administration any further funds for bombing in Cambodia or Laos. See story on page 3.)

The secretiveness of the apparently small-scale American involvement here is something of an irony, given the fact that the three Vietnamese signatories to the Paris peace agreement have been blatantly violating the accord for the past four months.

In general, the Vietnam-based U.S. agents may be acting mainly as conduits, passing military intelligence from the South Vietnamese army on to U.S. military officers at Nakhon Phanom. This is the tightly guarded air base in Thailand that is U.S. Seventh Air Force headquarters for the controversial Cambodian bombing campaign.

#### A MORE ACTIVE ROLE

In other instances, however, American operatives in Vietnam have played a more active role: pressing South Vietnamese officers for potential bombing targets, encouraging South Vietanamese commandos to engage in cross-border intelligence collection, and working closely with South Vietnamese army intelligence officers to try to plot potential cross-border targets. The final targets, of course, are decided at Nakhon Phanom.

The Americans involved are some Central Intelligence Agency operatives working at the regional and provincial level and certain civilians working for the defense attache's office. Some sources say the operatives are working under direct command from U.S. military men in Nakhon Phanom.

In the view of some Western diplomats here, the bombing involvement by Vietnam-based Americans would be contrary to the spirit, if not the letter, of the Paris peace agreement.

The agreement doesn't prohibit U.S. intelligence gathering and doesn't cover the contingency of American civilians working with the South Vietnamese army to expedite the Cambodian air war. Some diplomatic observers, however, contend that the spirit of the agreement clearly rules out active military functions by Americans stationed in Vietnam.

#### AN AMBIGUOUS VIOLATION

In any case, the bombing involvement here appears to be, at worst, a small and ambiguous violation of the spirit of an accord that continues to be openly violated by its other signatories. The Vietcong and the South Vietnamese army are still engaged in considerable combat, and the North Vietnamese continue to move men and supplies into South Vietnam. And in Cambodia, the war isn't over even on paper.

Some sources here thus say that as long as America is bombing Cambodia, the targets should be plotted on the basis of the best intelligence available. And, in the case of Communist staging areas and other sites near the Vietnam border, the best intelligence obviously would be accumulated in Vietnam, with a degree of American participation. (In addition to the intelligence gathered here, the bombing planners at Nakhon Phanom presumably have enemy radio intercepts—picked up in Vietnam and elsewhere—and aerial photographs on which to base their final bombing targets.)

The Washington-Saigon cooperation on target selection appears to be a two-way street. In some cases, the South Vietnamese have been approaching Americans to try to get B52 and F111 air strikes on cross-border enemy concentrations that may pose a threat to South Vietnam.

But in other cases, the impetus has come from the Americans, who have been anxious to protect the Mekong River supply route to Phnom Penh, Cambodia's sporadically besieged capital. Orders from Washington to U.S. officials in Saigon have emphasized that the Mekon convoys must get through.

#### THE U.S. INITIATIVE

In one case, U.S. operatives approached a South Vietnamese general requesting that he agree to an American-inspired operation in which a helicopter, presumably Vietnamese, would cross the border into Cambodia and snatch up some Communist cadre, or perhaps Cambodian civilians, who could then be pumped for timely intelligence for air-strike targets. It isn't known whether the operation went off as planned.

In another case, South Vietnamese army intelligence officers, under pressure from U.S. agents to provide rapidly some potential bombing targets along the Mekong River corridor, warned these Americans that bombing might be risky because of poor intelligence and the bossibility of Cambodian civilians in the area. The Americans contnued to press for some likely target "boxes."

These and other stories indicate that intelligence on Communist concentrations and movements in southeastern Cambodia is surprisingly skimpy. Some sources say that the U.S. lacks any reliable network of local agents in these areas of Cambodia near the Vietnam border. The Cambodian government of Marshal Lon Nol doesn't have any troops in the areas. And the South Vietnamese, who also don't have any troops there, apparently are relying largely on occasional prisoners and defectors for their information. Most prisoner and defector intelligence, however, is a week or more old and is thus of dubious accuracy.

Some sources here say that while the intelligence being passed from Vietnam to Nakhon Phanom is of doubtful quality, it is better than none. Others argue that poor intelligence is worse than none because it gives a false sense of bombing accuracy.

One problem with Washington-Saigon coordination is that each has different priorities. The U.S. is primarily interested in plotting targets to protect the Mekong corridor. The South Vietnamese army is less interested in the corridor and the problems of Phnom Penh than it is in getting air strikes plotted against cross border staging areas endangering Vietnam. Thus, some South Vietnamese target requests have been rejected or ignored.

So was a South Vietnamese request several weeks ago that Saigon units engaged in a major battle with enemy troops around Hong Ngu, a small town near the Cambodian border, be put in direct radio contact with U.S. aircraft, which would bomb enemy troops on the Cambodian side of the border. American officials apparently decided that such a move would constitute a violation of the Paris agreement.

The Cambodian bombing has caused some internal problems for the U.S. mission here. It is understood that at one point, Charles S. Whitehouse, the acting ambassador, cabled Washington requesting that Vietnam visits by ranking U.S. military officers from Thailand should at least be cleared through the U.S. embassy here. There have been a number of such visits by such officers, including at least one general, to consult with South Vietnamese commanders, in part at least about Cambodian bombing. (It is also understood that American officials in Vietnam arranged for several senior South Vietnamese military men to be flown to Nakhon Phanom for consultations involving the Cambodian bombing.)

A further complication here is that it is difficult for anyone, even within the mission, to know who is really working for what agency. The present mission organization includes, among others, regular State Department officers, including some 50 Foreign Service officers doing political reporting in the provinces, and about 50 official military attaches, doing military reporting and directing the activities of some 1,000 Defense Department civilian employes. There are also an unknown number of CIA operatives.

The Defense Department civilians are largely engaged in logistical functions. But certain of these civilians, with military backgrounds, are also engaged in intelligence work, including that relating to the Cambodian bombing. So are some of the CIA agents. And it appears that some Defense Department civilians are working under CIA cover while some CIA agents are working under Defense Department cover.

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[From the Los Angeles Times, June 1, 1973]

### CAMBODIA BOMBING: A CONSTITUTIONAL EXPERT CALLS IT A PRESIDENTIAL POWER GRAB

(By Arthur S. Miller)

In his raw grab for power, President Nixon has been stopped by some lower federal courts on the question of impounding funds appropriated by Congress, and the Watergate scandal has caused him to retreat from his unprecedented assertion of executive power.

But his exercise of power in bombing Cambodia is another and ultimately more crucial matter. Its eventual resolution may settle, once and for all, the question of which branch of government has control over going to war.

The bombing could be stopped. Congress need only order a cutoff of all funds for the Indochina military adventure. The order can be given and, presumably, the President would obey, if Congress has the courage and the staying power to stare down a Chief Executive who is making the most complete grab for the actual power of governance in American history.

Continued bombing in Cambodia simply cannot be legally justified. It is based solely on presidential order and is more an exercise of raw power than legal authority.

Now, emboldened perhaps by Watergate, Congress has begun a reversal of its supine acquiescence in the war by presidential fiat in Vietnam.

Already the House of Representatives has voted against transferring Pentagon funds to pay for the bombing. Thursday the Senate passed an even stronger measure which faces major difficulty when a conference committee tries to blend the House and Senate versions. A probable additional step will be for Congress to prohibit the use of armed force anywhere in Cambodia (and perhaps all of Indochina).

A few weeks ago, Congress finally pried from Secretary of State William P. Rogers two legal "justifications" for the present bombing. First and foremost, Rogers said, the President was justified because he is commander in chief of the armed forces.

Such an assertion is, by any criterion, too weak a reed to uphold the power to bomb Cambodia. The President as commander in chief merely means that he has tactical command of troops in the field—once hostilities have begun. Emphatically, it does not mean that he can declare a war. Bombing Cambodia is really the *beginning* of a new war, not the continuation of an old one.

Even the "old" Vietnam conflict can no longer be legally justified under either constitution or international law. After Congress repealed the Gulf of Tonkin Resolution—the only legal basis for the "war" that was even partially tenable—the only activities the President could legally pursue were to protect troops stationed in Vietnam and to get the prisoners home. Both tasks now having been done, any semblance of constitutional authority has been erased.

The point of all this was succinctly stated by Justice Robert Grier in the *Prize cases* (1863), which upheld President Lincoln's blockade of Southern ports: The President "has no power to initiate or declare a war against a foreign nation or a domestic state . . . If a war is made by invasion of a foreign nation, the President is not only authorized but bound to resist force by force."

That is still the law. Only if there is an actual threat to the physical security of the nation or a threat to its troops can the President act without congressional sanction.

To be sure, the Supreme Court has never directly ruled on the question, although it did outlaw President Truman's seizure of the steel mills during the Korean "war."

Justice Hugo Black said the President's powers, speaking generally, must flow from either the Constitution or a statute—something not present then and something not present now.

There is simply no legislation which could "serve as a valid assent to the (Vietnam) war," the U.S. Court of Appeals for the District of Columbia (next to the Supreme Court, the most important court in the country) said in early 1973. (The court sidestepped ruling on the constitutionality of the Vietnam "war" by calling it a "political question.")

In sum, in order to commit American military forces in situations such as the one in Cambodia, the President, to be constitutionally proper, *must* have express congressional approval.

Rogers' second legal "justification" was Article 20 of the Vietnam "peace" agreement of Jan. 28, 1973. Under it, foreign armed forces must be withdrawn from Laos and Cambodia and their neutrality respected.

That, too, is rather weak as a means of validating the bombing of Cambodia. Nowhere in the agreement is it written that one side (here, the United States) can use violence to enforce the meaning of Article 20. (For that matter, because of widespread secrecy, no one can state definitely that North Vietnamese troops are, in fact, in Cambodia and, if so, what their purposes there are.)

Further, Article 20 states that "foreign countries shall put an end to all military activities in Cambodia and Laos"—precisely what the United States, by bombing, is not doing.

Of even more importance, the Paris agreement is an "executive agreement," not a treaty approved by the Senate. Any first-year law student knows better than to say, as did Secretary Rogers, that the Executive, having done something in the past on his own authority, can now use that action to buttress his legal position for continuing military action. The law simply does not work that way.

If the law does not support the bombing, can such military action be justified as being in the "national interest"? Hardly. Even Rogers did not attempt to make that self-serving argument.

Possibly he avoided making such a statement because he knows that the American people have learned that they have been gulled too long to believe unsupported assertions that armed violence in Indochina is in our national interest.

The incipient recognition of China buries, finally and completely, the notion that the Chinese will tumble the nations of Southeast Asia like a row of dominoes.

For some reason, the President and the Pentagon cannot cut loose from a long and bloody conflict, even though it has brought death to more than 50,000 Americans and several hundred thousand Asians. He continues to bomb part of the region—without legal authority.

For Congress, the American people, this has a portentous meaning. If permitted to continue, it means that Congress cannot stop a rampaging President. Unless and until it halts the growth of executive power, Congress will surely be a poor, pitiful, helpless giant.

## BAD PUN DEPARTMENT

Mr. SCOTT of Pennsylvania. Mr. President, in the bad pun department, I note that the Senate has just confirmed the nomination of Gloria E. A. Toote, of New York, to be an Assistant Secretary of Housing and Urban Development. I suppose the action of the Senate thereby can be called a tout a' fait—we have done the deed.

## A PLEASANT WEEKEND TO ALL

Mr. SCOTT of Pennsylvania. Mr. President, today is Friday. We come near the end of the week, and the sun is shining, for those who have the chance to get outside and see it. We have endured unpleasant weather virtually every weekend, as many of us can remember. Perhaps we will, for the first time in a long while, be able to enjoy a sunny weekend. This will be very pleasant for all of us, because we have evidence, notwithstanding what may be happening on this "rolling ball," that God is in his heaven and all is right with the world, and the Senate has been conducting its business in its usual fashion.

The Government is strong, and the executive and legislative departments are tending to their business. Perhaps the good Lord has thought that by now we deserve pleasant weekends.

So being aware of the evanescence of the weather's condition. I speak chiefly for the purpose of wishing all Members of the Senate a very pleasant, sunny weekend. If this may seem a trivial comment, I think there is a lesson underneath, and that is there are many things we cannot control; and that as to the things we can control we are doing our level best.

## LEAVE OF ABSENCE

Mr. GRIFFIN. Mr. President, the Senator from Wyoming (Mr. HANSEN) will be absent on Monday, and he will be absent from a portion of the session on Tuesday next, because of attendance in committee hearings. I ask unanimous consent that he be granted leave of the Senate on official business during those absences.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## TRANSACTION OF ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements therein limited to 3 minutes each.

Is there morning business?

Mr. SCOTT of Pennsylvania. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## ORDER FOR ADJOURNMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12 o'clock noon on Monday next.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. MONDALE) laid before the Senate the following letters, which were referred as indicated:

SUPPLEMENTAL SUMMARY OF THE BUDGET

A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a supplemental summary of the budget, for the year 1974 (with an accompanying document). Referred to the Committee on Appropriations.

## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. PROXMIRE:

S. 1933. A bill to assist cities and States by amending section 5136 of the Revised Statutes, as amended, with respect to the authority of national banks to underwrite and deal in securities issued by State and local governments, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. PROXMIRE:

S. 1933. A bill to assist cities and States by amending section 5136 of the Revised Statutes, as amended, with respect to the authority of national banks to underwrite and deal in securities issued by State and local governments, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

### BILL TO PERMIT COMMERCIAL BANKS TO UNDERWRITE STATE AND LOCAL REVENUE BONDS

**Mr. PROXMIRE.** Mr. President, I introduce for appropriate referral a bill to permit commercial banks to underwrite and deal in revenue bonds issued by State and local governments. The Glass-Steagall Act prohibits commercial banks from underwriting corporate or foreign securities but does permit banks to underwrite general obligation bonds issued by State and local governments. Specific authority to underwrite revenue bonds was not included since at the time of the Glass-Steagall Act, revenue bonds were rarely used as an instrument of municipal finance.

Since the time of the Glass-Steagall Act, revenue bonds have become a major source of capital for our State and local governments. New municipal bond issues in 1972 totaled approximately $23 billion of which 35 percent or $8.1 billion were revenue bonds. In some years, revenue bonds have accounted for as much as 45 percent of the municipal bond market. Thus, it is clear that the municipal revenue bond market is one of the major money markets in this country.

Congress permitted commercial banks to continue underwriting and dealing in general obligation issues of State and local governments in order to assist these governments in raising capital. There is no evidence that the banks have abused this privilege in the 40 years since the Glass-Steagall Act was originally enacted. The availability of bank underwriting has enabled municipalities to secure the most favorable rate on their general obligation borrowing.

There is no real distinction between revenue bonds and general obligation bonds. Both are issued by State and local governments; both are of roughly comparable quality. General obligation bonds are backed by the full faith and credit of the issuing municipality, whereas revenue bonds are secured by revenues from the project they finance. However, this distinction is of little practical significance, since no municipality can afford to permit a default on its revenue bond issues without seriously jeopardizing its general bond rating. Aside from a few turnpike bonds issued by special authorities, the default rate on revenue bonds issued by municipalities has been practically infinitesimal. Moreover, the legislation I am introducing would apply only to those revenue bonds eligible for direct purchase by commercial banks. Under current bank regulatory procedures, this means the bond must be of Baa quality or better.

By excluding commercial banks from the revenue bond underwriting market, the Glass-Steagall Act stifles competition in this market and causes municipalities to pay a higher rate of interest on their revenue bond issues. Commercial banks compete vigorouly with investment banking firms in underwriting general obligation bonds. This competition is not present in the revenue bond market and, as a result, interest rates paid by municipalities are higher than they otherwise might be.

Various studies prepared for the use of the Senate Banking Committee in 1967 indicated a measurable lack of competition in the revenue bond market:

More than 99 percent of general obligation bonds were awarded through competitive bidding, whereas only 81 percent of revenue bonds were subject to competitive bids;

Revenue bonds awarded through competitive bidding received an average of 1.64 fewer bids than general obligation bonds;

After taking into account differences in investment quality and maturity, revenue bonds still paid an interest rate which was one-tenth of 1 percent higher than the comparable rate paid on general obligation bonds.

A difference of only one-tenth of 1 percent may not sound like much. However, it can cost municipalities as much as $100 million a year by 1975. Some, or all, of this difference could be eliminated if banks were permitted to compete in the revenue bond market the same way they compete in the general obligation bond market.

In 1967 I introduced similar legislation which had the strong support of the National League of Cities. This legislation was approved by the Senate Banking Committee and passed by the full Senate. Unfortunately, no action was taken on the bill by the House Banking Committee. However, the House of Representatives did approve an amendment to the 1968 Housing Act authorizing commercial banks to underwrite and deal in investment quality housing, university, and dormitory revenue bonds. This amendment was accepted by the Senate in conference and was enacted into law. The legislation I am introducing today would build upon this precedent and permit commercial banks to underwrite and deal in all types of revenue bonds regardless of the purpose for which they are issued.

The bill I am introducing also contains various safeguards to guard against any potential conflicts of interest and to prevent any unsound banking practices.

First, the bill permits banks to underwrite and deal only in those revenue bonds which are eligible for purchase by commercial banks. This will preclude banks from dealing in risky or speculative issues:

Second, the bill limits total bank investment in revenue bonds in all of its accounts to not more than 10 percent of its total capital;

Third, the bill prohibits a bank acting as an underwriter or dealer from selling revenue bonds to any of its trust accounts unless lawfully directed by court order;

Fourth, the bill prevents any member of an underwriting syndicate from selling bonds to the trust department of any other bank which is a member of the syndicate until the syndicate has closed;

Fifth, any sales of revenue bonds by a bank to any of its depositors, borrowers or correspondent banks must be accompanied by a statement disclosing the fact that the bank is acting as an underwriter or dealer;

Sixth, banks are prohibited from transferring revenue bonds which it purchased as an underwriter to its investment account during the underwriting period;

Seventh, the authority to underwrite revenue bonds would not be extended to industrial revenue bonds secured by rental payments from a corporate entity. This exclusion is consistent with the philosophy of the Glass-Steagall Act which calls for a strict separation between commercial banking and the underwriting of corporate securities;

Eighth, the legislation calls for annual reports from the Secretary of the Treasury on the distribution of underwriting business in the revenue bond market between commercial banks and investment banking firms.

Mr. President, I am fully aware of the strong opposition to this legislation which may be expected from the investment banking firms. The principal argument advanced to keep commercial banks out of the revenue bond underwriting field is to prevent a conflict of interest from arising. Commercial banks act in a fiduciary capacity in a variety of ways with respect to their depositors, borrowers, trust customers and correspondent banks. It is argued that commercial banks might abuse this position of trust if they are permitted to act as a dealer and underwriter of municipal revenue bonds. According to this argument, it was this type of abuse which led Congress to separate investment banking from commercial banking when it passed the Glass-Steagall Act in 1933.

I believe these arguments will have to be carefully weighed by the Senate Banking Committee when it holds hearings on the legislation and considers the bill. I would only emphasize two points at this time: First, commercial banks have underwritten general obligation bonds for 40 years since the passage of the Glass-Steagall Act and no abuses have been documented—the abuses which led Congress to separate investment banking from commercial banking were primarily in the area of corporate and foreign securities. Second, the bill contains numerous procedural safeguards, which I have already described, to prevent these alleged abuses from occurring.

It is certainly not my intention to put investment banking firms out of business or to increase economic concentration in the banking industry. I do not believe that either of these results will occur if banks are permitted to underwrite municipal revenue bonds. Various studies on State and local capital needs have shown a tremendous demand for capital by state and local governments. This type of borrowing may be expected to expand at a rate much faster than the economy as a whole. Under these circumstances, I do not believe bank entry into the revenue bond underwriting market will unduly jeopardize the existence of investment banking firms. Given the expected growth in the market, there should be enough business for both investment banking firms and commercial banks. I do not believe that competition, in the long run, is harmful to any industry including the investment banking industry.

Whatever impact bank competition may have on the investment banking business, I believe Congress must give primary consideration to the public benefits resulting from increased competition. In this particular case, a persuasive argument was made during the 1967 hearings that bank competition would lower the interest rate on revenue bonds and save municipalities millions of dollars a year in interest payments.

The benefits to municipalities from increased competition seem fairly certain while the alleged adverse effects resulting from a conflict of interest seem speculative, conjectural, and contrary to the experience recorded in the general obligation bond market. For these reasons I believe the entry to banks into the revenue bond underwriting market is in the public interest.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1933

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.* That paragraph Seventh of section 5136 of the Revised Statutes of the United States, as amended (12 U.S.C. 24), is hereby amended by adding the following new sentences at the end of such paragraph: "The limitations and restrictions contained in this paragraph as to dealing in and underwriting investment securities shall not apply to all other nongeneral obligations issued or guaranteed by or on behalf of a State or any political subdivision thereof or agency of a State or any political subdivision thereof (except special assessment obligations and industrial revenue bonds) which are at the time eligible for purchase by a national bank for its own account, except that (1) no association shall hold such obligations of any one obligor or maker as a result of underwriting, dealing, or purchasing for its own account (and for this purpose obligations as to which it is under commitment shall be deemed to be held by it) in a total amount exceeding at any one time 10 per centum of its capital stock actually paid in and unimpaired and 10 per centum of its unimpaired surplus fund, (2) the purchase of such obligations by a national bank as fiduciary from such bank as an underwriter or dealer shall not be permitted unless lawfully directed by court order, (3) no asssociation may purchase such obligations as fiduciary from a member of a syndicate in which such association is participating until the syndicate has closed as to underwriting, (4) any sales of such obligations by an association to any of its depositors or borrowers or to any correspondent bank (whether for such bank's own account or as trustee) must be accompanied by a disclosure in writing to the purchaser that the association is selling as an underwriter or dealer, and (5) the purchase, during the underwriting period, of any such obligations by an association for its own investment account, from such association's own account acting as underwriter, dealer, or trader, or from any entity affiliated with such association within the meaning of subsection (b)(1) of section 2 of the Banking Act of 1933, as amended (12 U.S.C. 221a(b)(1)), shall not be permitted: *Provided,* That this restriction shall not apply to any purchases by an association for its investment account or accounts of any such obligations (A) it alone has underwritten or (B) directly from the underwriting syndicate or member thereof in which it is a participant, or to associations not in the underwriting syndicate. For purposes of this paragraph, the term 'industrial revenue bond' shall mean an obligation, not secured by the full faith and credit of the issuer, payable solely from the rentals received by the issuer from private entities."

SEC. 2. The Secretary of the Treasury shall submit an annual report to the Congress showing the extent to which the business of underwriting and dealing in State and local obligations is being carried on by commercial banks as compared with other banking institutions with a view to determining the effect of the amendment made by the first section of this Act on the institutional distribution of such business. As used herein, the term "State and local obligations" means obligations issued or guaranteed by or on behalf of a State, political subdivision of a State, or an agency of a State or political subdivision thereof.

## ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

### S. 752

At the request of Mr. SCOTT of Pennsylvania, the Senator from New Hampshire (Mr. COTTON) was added as a cosponsor of S. 752, to establish the Pop Warner Little League.

### S. 1475

At the request of Mr. PEARSON, the Senator from Minnesota (Mr. MONDALE) was added as a cosponsor of S. 1475, allowing a double investment credit for property in rural areas providing new employment opportunities.

### SENATE JOINT RESOLUTION 103

At the request of Mr. HUMPHREY, the Senator from Minnesota (Mr. MONDALE) was added as a cosponsor of Senate Joint Resolution 103, to direct the Secretary of Transportation to make an investigation and study of the condition and adequacy of farm-to-market roads, railroad beds, and availability of operational rail lines serving rural areas in the United States.

## EMERGENCY PETROLEUM ALLOCATION ACT OF 1973—AMENDMENTS

### AMENDMENT NO. 166

(Ordered to be printed, and to lie on the table.)

Mr. PEARSON. Mr. President, I submit an amendment to S. 1570 which addresses itself to the specific problem of providing adequate fuel supplies for all farmers and to the special characteristics of the farm fuel supply and distribution system.

Any allocation program should seek to the practical extent possible to assure that all distributors receive a proportionate share of the available fuels, but this must be tempered with the need to meet priority uses. Equal allocation to all distribution points will not assure equal availability to consumers, nor would such an across-the-board allocation meet the special needs of certain sectors of the economy. This is particularly true in regard to farm consumers.

In the Midwest area a major portion of fuels used by farmers are supplied by relatively small independent refiners, both cooperative and privately owned. In Kansas and Nebraska, for example, inland cooperative refineries supply almost 50 percent of the farm fuel needs.

In the past, these inland refiners have had some excess fuel production and this has been sold to unaffiliated jobbers on a nonpermanent contract basis in urban areas, with the product being sold by these distributors to nonfarm customers. This year, however, there is no such excess. Because of greater acreage planted and because of adverse weather conditions, farm demand is up substantially.

On the other hand, the independent inland refiners have suffered a shortage of crude oil and, therefore, have not been able to maintain former production levels. Many of the independent refineries have been running only 70 to 80 percent of capacity. This has been the case, because independent refiners have not been able to trade their import quota tickets with the major oil companies in exchange for domestic crude, as in former years.

Because of this situation, these refineries have, in some instances, had to terminate their sales to unaffiliated jobbers in order to continue to supply their affiliated distributors in the rural areas. Because of this, an allocation program which required them to allocate their limited production to all distributors regardless of market area or type of customer, the supply of refined fuel to farmers would necessarily be diminished even further.

Mr. President, this amendment addresses itself to this particular problem and specifies that refiners first must meet the needs of farm customers prior to any further allocation of supply.

### AMENDMENT NO. 167

(Ordered to be printed, and to lie on the table.)

Mr. BAYH submitted an amendment, intended to be proposed by him, to the bill (S. 1570) to authorize the President of the United States to allocate energy and fuels when he determines and declares that extraordinary shortages or dislocations in the distribution of energy and fuels exist or are imminent and that the public health, safety, or welfare is thereby jeopardized; to provide for the delegation of authority to the Secretary of the Interior; and for other purposes.

### AMENDMENT NO. 168

(Ordered to be printed, and to lie on the table.)

Mr. HUMPHREY (for himself and Mr. JACKSON) submitted an amendment, intended to be proposed by them, jointly, to the amendments in the nature of a substitute proposed by Mr. JACKSON (for himself and Mr. RANDOLPH) to Senate bill 1570, supra.

### AMENDMENTS NOS. 169 THROUGH 171

(Ordered to be printed, and to lie on the table.)

Mr. HUMPHREY submitted three amendments, intended to be proposed by him, to the amendments in the nature of a substitute proposed by Mr. JACKSON (for himself and Mr. RANDOLPH) to Senate bill 1570, supra.

### AMENDMENT NO. 172

(Ordered to be printed, and to lie on the table.)

Mr. BIDEN submitted an amendment, intended to be proposed by him, to the amendment (No. 145), in the nature of a substitute, proposed by Mr. JACKSON (for himself and Mr. RANDOLPH) to Senate bill 1570, supra.

## EXTENSION OF AGRICULTURAL ACT OF 1970—AMENDMENTS

### AMENDMENT NO. 173

(Ordered to be printed and to lie on the table.)

### CONSUMER AND MARKETING RESERVE AMENDMENT TO S. 1888

Mr. HUMPHREY. Mr. President, I am submitting today an amendment to S. 1888, the Agriculture and Consumer Protection Act of 1973, which would establish—as a matter of national policy—a reserve inventory of wheat, feed grains, and soybeans. I am introducing this amendment today so that all members of the Senate will have an opportunity to study and examine it prior to consideration of S. 1888, which I now understand will begin next Tuesday, June 5.

This amendment is designed to protect both the farmers and the consumers of this Nation against severe or total depletion of these commodities.

If anyone had any reservations about the merits of this proposal before, the current supply situation relating to these commodities should certainly remove such doubts. Had we adopted such a proposal earlier, we would not be in the critically short supply situation regarding these commodities that we are in today.

Today, poultry, hog, dairy, and beef producers are paying 3 to 4 times what they were paying last year at this time for their feed rations. Increasingly, many of these producers are finding it impossible to meet their feed needs at any price because effective available supply of these rations is at or near zero. USDA's Commodity Credit Corporation today is completely out of these grains, and of those amounts that are in the hands of producers or the trade much of it is not available for sale because of its location, or the difficulty in getting rail cars to move it where it is needed. Such a situation, of course, is directly related to increasing the costs of livestock producers and subsequently increasing the costs to the American consumer. In short, I believe our National Government—and I include both the Congress and the Executive—has failed to provide adequately supply protection to our own domestic consuming public concerning these essential food and feed grains.

While record harvests of wheat, feed grains, and soybeans are expected this fall, USDA also is projecting record sales of these commodities both here and in foreign markets.

Given the type of marketing and sales system we rely upon in this Nation to market these commodities, our supplies of these can be nearly or totally depleted without any protection for our own domestic users. Furthermore, without such a reserve system of the type I am proposing, major crop failures here or in foreign countries can place our Nation almost overnight in a tight or totally depleted supply situation, thereby sending prices through the roof.

While I will have more to say about my amendment when it is considered during next week's debate on S. 1888, I urge every Member of the Senate in the meantime to carefully study and review it. Adoption of this amendment is not only a responsible action for Congress to take, but also is essential to the future welfare of the 210 million people of this Nation.

Mr. President, I ask unanimous consent that the full text of my amendment be printed at this point in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

On page 46, line 19, strike out "title is" and insert in lieu thereof "titles are".

On page 51, line 15, strike out the quotation marks.

On page 51, between lines 15 and 16, insert the following:

"TITLE XI—CONSUMER AND MARKETING RESERVES

"SEC. 1101. (a) Effective only with respect to the 1974 through 1978 crops of wheat, corn, grain sorghum, barley, oats, rye, and soybeans, the third sentence of section 407 of the Agricultural Act of 1949, as amended, is amended by striking out the third proviso (relating to the minimum price at which certain grains in the stocks of the Commodity Credit Corporation may be sold) and inserting in lieu thereof the following: '*And provided further*, That the Commodity Credit Corporation shall not sell any of its stocks of wheat, corn, grain, sorghum, barley, oats, or rye, respectively, at less than the so-called established price applicable by law to the crop of any such commodity, or any of its stocks of soybeans at less than 150 per centum of the current national average loan rate for such commodity, adjusted (in the case of all such commodities) for such current market differentials reflecting grade, quality, location, and other value factors as the Secretary determines appropriate, if the Secretary determines that the sale of such commodity will (1) cause the estimated carryover of such commodity at the end of the current crop year for such commodity to fall below six hundred million bushels in the case of wheat, forty million tons in the case of corn, grain sorghum, barley, oats, and rye, or one hundred and fifty million bushels in the case of soybeans, or (2) reduce the Corporation's stocks of such commodity below two hundred million bushels in the case of wheat, fifteen million tons in the case of corn, grain sorghum, barley, oats, and rye, or fifty million bushels in the case of soybeans; and in no event may the Corporation sell any of its stocks of any such commodity at less than 115 per centum of the current national average loan rate for the commodity, adjusted for such current market differentials reflecting grade, quality, location, and other value factors as the Secretary determines appropriate plus reasonable carrying charges.'

"(b) Section 407 of such Act is further amended by adding at the end thereof the following: 'In any year in which the Secretary estimates that the carryover stocks of wheat will be less than six hundred million bushels, the carryover stocks of feed grains will be less than forty million tons, or the carryover stocks of soybeans will be less than one hundred and fifty million bushels, the Secretary is authorized and directed, at any time that the market price falls to 125 per centum of the announced nonrecourse loan level for the commodity concerned, to purchase a quantity of such commodity sufficient to bring the total reserve stocks of the commodity to six hundred million bushels in the case of wheat, forty million tons in the case of feed grains, and one hundred and fifty million bushels in the case of soybeans. Notwithstanding any other provision of law, the price support loan on any quantity of wheat, feed grains, or soybeans stored under seal on the farm or in private commercial facilities shall be extended, at the option of the producer, for a period of two years with the condition that any such loan may be called in at any time by the Secretary prior to the expiration of the two-year period if the Secretary determines that the projected carryover stocks of the commodity concerned for the current year will drop below six hundred million bushels in the case of wheat, forty million tons in the case of feed grains, or one hundred and fifty million bushels in the case of soybeans. As used in the two preceding sentences, the term "feed grains" means corn, grain sorghum, barley, oats, and rye."

## ADDITIONAL COSPONSORS OF AN AMENDMENT

### AMENDMENT NO. 158 TO S. 1888

At the request of Mr. HART, the Senator from Pennsylvania (Mr. SCOTT) was added as a cosponsor of amendment No. 158, intended to be proposed by Mr. HART to S. 1888, the Agriculture and Consumer Protection Act of 1973.

## ADDITIONAL STATEMENTS

## CAMPAIGN FINANCING REPORT

Mr. SCOTT of Pennsylvania. Mr. President, the Senate Commerce Committee has ordered reported a bill to set overall spending limits for Federal election campaigns. Attached to that bill is an amendment to create an independent Federal Elections Commission to not only monitor campaign spending, but to enforce the law as well. I am delighted that the text of this amendment substantially tracks the language of my own bill to create such a commission, S. 1094.

WMAL radio, here in Washington, recently endorsed this proposal. I ask unanimous consent to have the editorial printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CAMPAIGN FINANCING REFORM

MAY 9, 1973.

Aroused by the Watergate scandal, Congress appears to be in a mood to enact tougher campaign spending legislation.

A host of reform bills has been introduced. We look with favor on one sponsored by Republican Senators Hugh Scott of Pennsylvania and Charles Mathias of Maryland.

It would create a blue-ribbon federal elections commission empowered to investigate, subpoena, and prosecute. It would also establish a central place where financial campaign disclosure reports could be sent, thus eliminating the present procedure whereby reports can be filed in numerous places.

No one underestimates the difficulties involved in getting campaign reforms instituted.

Indeed, before April 7, 1972, the effective date of a strict new federal law, the only related law on the books was one dating to 1925.

Susan King, of an independent citizens' group that lobbied for three years to get the 1972 reforms enacted, thinks the climate is right this year for further reforms.

She said, "It's discouraging that it takes a scandal to produce reform, but that's a healthy sign—it means the system does react to abuse."

Americans should insist that Congress tighten controls over campaign spending. In so doing, Congress can help mend the fabric of trust in government, which has been so ruthlessly torn by events surrounding Watergate.

## PERSISTENCE OF SOVIET EMIGRATION BARRIERS

Mr. JACKSON. Mr. President, I would like to share with my colleagues a letter to the U.S. Congress from 309 Soviet Jews deprived of their right to emigrate on so-called secrecy grounds. The existence of such a letter addressed both to Representative WILBUR MILLS and to me, as the sponsors of the East-West trade and freedom of emigration amendment in the House and the Senate, was reported by the western press in early March, but it has just reached my office through the National Conference on Soviet Jewry in New York.

Although the letter deals in part with the now-suspended head tax on emigration, it is nevertheless timely because it exposes the sham "secrecy" argument which Soviet authorities have found so convenient an excuse for denying emigration in the absence of the tax. The letter points out that if there are precise regular criteria for determining "secrecy" restrictions, they are themselves secret and can be applied as broadly or as narrowly as the Soviet authorities choose.

The writers' apprehension that "our situation is becoming worse" and that "further repressive measures" might be employed against Soviet Jews has, unfortunately, been proven to be well-founded. In this connection, I would like to call the attention of the Senate to another letter, which was written by an American recently returned from the Soviet Union and which appeared in the New York Times on May 16. The author of the letter stresses the need "to destroy the 'straw dog' of the education tax and to point out that the real issue is that Jews who seek visas to leave the Soviet Union are denied them in most cases."

Mr. President, I ask unanimous consent to print this material in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[Translated from Russian]

*To the Congress of the United States:*

We, the Jews of the USSR fighting for their repatriation to Israel, hereby appeal to the Congress of the USA because in our eyes it is not only the highest legislative organ but also the body expressing public opinion in the country.

The ever growing attention of the public and of the Congress of the USA to the problem of the free choice of one's country of residence and, in particular to the problem of the repatriation of Soviet Jews to Israel testifies to their profound understanding of this question that is of vital importance to us and to their interest in a just and humane solution of the problem.

This is the reason why we would like to make a brief description of the existing situation in the matter of the repatriation of Jews. This is particularly necessary at present because lately unconscientious propaganda has been trying to create the illusion that there has been some sort of a positive progress in the matter. However, nothing like this has been taking place.

What is the aim of our struggle?

We demand the recognized and guaranteed by law right for every Jew who so wishes to go to Israel. The handouts, distributed from case to case in accordance with the political situation, cannot satisfy us, the Jews of the USSR, and they should not mislead our friends. It is this basic right that we are denied. We have only the right to petition for emigration. The decisions of the Authorities remain absolutely arbitrary, but, in order to create an appearance of respectability in the eyes of the public opinion in the West, the refusals are given an imaginary legal basis.

Thus, in the interview given by the Deputy Minister Shumilin, on December 22, 1972, it was stated that the limitations on the right to emigrate are applied only to those who by the character of their activities had been connected with work involving interests of State. On the basis of this provision, the great majority of scientists and qualified specialists in the spheres of physics, chemistry, electronics, calculating machines and other spheres of science and technology, as well as a number of economists, historians, jurists and journalists, who had worked in absolutely open and ordinary establishments, get refusals, which are unlimited by time and which are based on reasons of "having information" or "secrecy".

It should be stressed that the concept of "having information" or of "secrecy" has nothing in common with the concept accepted in the West, where secret work, access to secret information and the obligations undertaken. In connection with this cause a temporary limitation of certain civil rights are clearly defined. In the USSR, however, it is a matter of indefinite regulations, that have not been made public anywhere.

In a country where even access to a number of foreign publications is not open to all citizens, the argument of "secrecy" is very convenient in order to refuse whomever one wants.

In addition, the so-called "registered access" merely means that the person concerned had been checked and can be permitted to read material of confidential nature. This does not mean, however, that he had in fact carried out secret work or that he is informed of State secrets. Quite often, the "secret" work, which serves as an obstacle for emigration, concerns matters that had taken place ten or fifteen years ago, or even during the Second World War. This is in spite of the fact that it is well known that even the gravest secrets are outdated in two or three years. In giving refusals, the Authorities also refer to the presence of "a high informative potential". Nobody knows exactly what this is. Evidently this means having a wide mental outlook, which permits the person detained to judge the standard of science or technology in his sphere.

References are even made to the possession of access to secret information on the part of relatives who remain in the USSR and who have no intention of leaving the country.

In the light of the above it becomes clear that it would be difficult to find a person, working in the sphere of science or of industry, who could not be refused, if so desired, an emigration permit on the basis of one of the points mentioned above. The official and public statement of the Deputy Minister Shumilin to the effect that it is even a secret to explain to the person interested the essence of his "secrecy" and the length of its effectiveness is a good illustration of the atmosphere of arbitrariness that exists in the matter.

The arbitrariness and the groundlessness of these pretexts are clearly demonstrated by the fact that a number of persons, who had allegedly also had high "secrecy" and had had their emigration permits refused for this reason, were suddenly given emigration permits in October 1972.

In addition to the argument of "secrecy", the Soviet Authorities also make use of the prohibitive tax on education for the purpose of limiting the emigration of specialists. Certain persons in the West might get the impression that the new and widely publicized changes in the instructions for exacting payment of the education tax have greatly eased the situation. This would be a great error. In reality, the tax is contrary to Statute 121 of the Constitution of the USSR [which insures "free education in all schools"] and to the Universal Declaration of Human Rights and is applied retroactively to persons who had received their education long before this normative act was adopted. In addition, in the calculation of the sum of this tax, the expenditure for education has been over-estimated to twice its amount and the period of repayment has been made five times as great. Exemption from the tax has been given only to part of the invalids and of the pensioneers, depriving them at the same time of their life-term pension.

However, these changes have had almost no effect on the great majority of persons with higher education (the average age of the repatriates is 27). In the future a young specialist with a university diploma will have to put aside the money for the ransom (with the officially recognized in the USSR rate of savings—6% of the salary) not for 125 years as before, but only for 90.

All the above stated clearly shows that there has been no improvement in the basic two obstacles on the way of the repatriation of the Jews. And, in spite of a certain quantitative growth of the number of repatriates, connected in particular with the increase in the number of persons applying for issue of exit visas, the policy of the Authorities towards those who insist on their right to emigrate, has considerably harshened.

As before, the Jews who have applied for emigration, are forced as a rule to leave their jobs or are dismissed. In such a case a specialist is forced to look for any kind of work, including unqualified physical labour. Frequently he is deprived of that work as well and is afterwards persecuted as an idler.

Cases of judicial and extra-judicial persecution are becoming more frequent and more and more harsh. These cases include prison sentences for collective appeals to Soviet Authorities, arrests of Jews without reason or explanation, etc.

This happened first during President Nixon's visit to Moscow and since then it became a sorry tradition and an integral part of holidays or of solemn occasions in the Soviet capital.

Of particular concern are the unceasing trials of Jews who wish to go to Israel. In 1972 eight persons were convicted. In February of 1973 Lazar Lubarsky was sentenced to four years. Isak Shkolnik is now awaiting trial. [Shkolnik has since been sentenced to 10 years imprisonment.]

This great and tragic subject deserves fuller explanation. Therefore in this letter we shall not dwell on it.

The Amnesty, declared on the occasion of the Fiftieth Anniversary of the USSR, has freed scores of thousands of thieves and hooligans, but it has not touched a single one of the Jews convicted in connection with their desire to go to Israel.

Our situation is becoming worse. Further repressive measures might be taken against us, even though the Authorities know very well that we have no underground activities or secret plans, we have no secret organizations, we have only the desire to go to Israel and the resolve to fight for the realization of this desire.

We think that the public and the Congress of the USA should know the truth about the problem for which they evince interest and understanding.

Signatures: Moscow—115, Kiev—17; Leningrad—34; Riga—57; Kishinev—38; Vilnius—33; Minsk—5; Kharkov—4; Odessa—3; Tbilisi—3.

[From the New York Times, May 16, 1973]

KREMLIN VERSUS JEWS: THE TAX IS NOT ALL

To the EDITOR:

I have just returned from the Soviet Union, where I had the privilege of meeting with many of the activists who are struggling for emigration to Israel. In behalf of these beleaguered people, I urge The Times to destroy the "straw dog" of the education tax and to point out that the real issue is that Jews who seek visas to leave the Soviet Union are denied them in most cases. The lifting of the education tax, be it lasting or not, will in no way ease the obtaining of visas for Soviet Jews.

What is the situation for visa applicants? Needed letters of invitation from relatives in Israel are "lost" by the postal authorities; visa applicants require the consent of parents when the applicant may be old enough to be a parent himself; fellow employes are needed to give character references, exposing the applicant to threats and intimidation because of his "anti-Soviet position"; scientists are told that they are too valuable to the state to be allowed to leave but are fired from their jobs almost immediately upon application for an exit visa; those fired from their jobs are accused of "parasitism" and can be forced to accept manual labor; children of applicants are forced out of school and threatened with the draft; telephones are perfunctorily cut off; homes are searched.

The myth of secret work is being used as a reason for holding many of the scientists. One scientist I met was told by the visa authorities that, although he did not know it, the committee had said that his work had been of a secret nature. He asked to meet with the committee since he knew that his work was not secret. He was told that the membership of the committee was secret and therefore he could not meet with it. He was advised to take other work (he had been fired from his job) for five years and at the end of that time he would be allowed to leave if this new work was not secret. Of course, he would not be advised about the secrecy of the work till the end of the five years. Heller's "Catch-22" and Kafka's "The Trial" come to mind.

The Russians advise us that the number of Jews applying to emigrate to Israel is small. What they neglect to say is that the harassment of those who do apply for exit visas is used as a whip to hold others back.

It is indeed a strange feeling to sit in a living room in Moscow and hear the Jackson amendment spoken of in reverential terms by a group of Soviet Jews. This amendment, which would make tariff concessions conditional on the abolition of all barriers to emigration, is their only hope for exodus to Israel. The abolition of the education tax alone will not help these martyrs in any substantial way. [Editorial May 5.]

GEORGINE SACHS SALOM,
NEW YORK, May 6, 1973.

## ELLSBERG HARDLY A MARTYR

Mr. SCOTT of Pennsylvania. Mr. President, James J. Kilpatrick in the Sunday Philadelphia Bulletin characterizes Daniel Ellsberg as a "bafflegab artist, recently shingled by a second rate school of law." Moreover, Kilpatrick states that despite the fact that his trial was dismissed, "the question of his guilt or innocence remains unanswered." What also remains unanswered by the courts is the question of whether, as Ellsberg asserts, his notion that he was doing the "right" thing in making secret documents public does in fact make the act itself "right." This is a question which each one of us must determine for himself. I commend this article by Mr. Kilpatrick to my colleagues and ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### ELLSBERG HARDLY A MARTYR

(By James J. Kilpatrick)

WASHINGTON.—Daniel Ellsberg, the chief purloiner of the Pentagon Papers, turned up in Washington last Sunday as a guest on "Meet the Press." Carl Stern of NBC and David Kraslow of The Washington Star-News promptly took him over the jumps on the matter of morality, high and low.

It was an interesting exhibition. Mr. Ellsberg repeatedly balked, refused, and ran around the gates. Some of us had come to the studio expecting to encounter a philosopher of noble purpose, a licensed and certified martyr. We left with the impression of a bafflegab artist, recently shingled by a second-rate school of the law.

He would not grapple with the questions that mattered. It was as if the sainted Joan, tied to the stake, had demanded a stay of execution by virtue of the law that prohibits open-air fires before five o'clock.

#### FACTS NOT IN DISPUTE

The essential facts of the Ellsberg case are not in dispute, Ellsberg gained surreptitious access to a set of the famous Pentagon Papers, a top secret study of the U.S. role in Indochina. He sneaked off to a Xerox machine, copied the papers, and two years ago gave them to The New York Times.

Subsequently he was indicted, and after a fiasco of a trial—a trial aborted by the Government's criminal bungling—he went scot free. The question of his guilt or innocence remains unanswered.

What of the moral issue? Ellsberg conceded, in response to a question, that he thought he was breaking a law when he first took the papers and began making copies of them. He then assumed, as almost all of us did at the time, that the U.S. Criminal Code contained some simple statute declaring it a felony to make public, without proper authorization, a top secret document.

#### TRIED FOR ESPIONAGE

It wasn't until later that it turned out, to Ellsberg's relief and the Government's chagrin, that no such law existed. He had to be tried under the old Espionage Act, a gauzy statute with holes as big as barn doors. The important thing is that Ellsberg, in doing "what I thought was right," thought he was doing an unlawful act. He did it anyway, in response to "his own compelling obedience to a higher law."

Stern and Kraslow gave him a hard time. How could an orderly government function, asked Kraslow, if every person with access to top secret documents obeyed the same inner voices? Ellsberg responded irrelevantly that a government that sanctioned the Watergate offenses was disorderly and didn't deserve to operate.

Stern got no better responses.

## PUBLIC FUNDING FOR ELECTION CAMPAIGNS

Mr. HART. Mr. President, on March 6 when I introduced S. 1103, a bill to provide public funding for election campaigns for the Senate and House of Representatives, I was sure that this is the direction in which we should be moving. Even having reached that conclusion last year, I knew there would have to be a great deal of groundwork done before many would support it.

My hunch is that that still is the case. However, with the continuing revelations of laundered money, suitcases bulging with cash, purchase of expensive wiretap equipment—all tumbling out of the Watergate investigations—an ever-growing group of people see the elimination of private fundraising as one answer to needed political reform.

The case for this approach was made by the New York Times on its editorial page May 29, and I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

### DOLLAR-FREE POLITICS

If there is one subject that has been studied, argued and microscopically analyzed for decades, it is the reform of American political campaign financing. It does not need another commission to start from scratch and come up with a report for stimulating Congressional action, especially in the full tide of Watergate.

President Nixon would have the question included on the agenda of a commission he proposes setting up to deal with the whole broad question of electoral reform. But a spate of pertinent bills is already pending in Congress, which rightly show little interest in Mr. Nixon's proposal for a new study group. Three of these measures, introduced jointly by Republican Senators Scott of Pennsylvania and Mathias of Maryland, would centralize administration of the Federal Election Campaign Act of 1971 under an independent commission with full power to investigate and prosecute violations. The bills also would repeal the broadcasting "equal time" requirements, which now seriously inhibit campaign debating by television, and allow candidates several political mailings at reduced postage rates.

Senator Pastore, Democrat of Rhode Island, would make similar changes and extend present limits on campaign spending, now confined to the media, to all forms of campaign expenditure. House bills are similar in nature, some going further to strengthen those disclosure provisions which have already served to trip up leading figures in the Republican Committee for the Re-Election of the President.

All these legislative efforts are commendable as logical extensions of the 1971 law, which went in the right direction if not the necessary distance. But, even without the new rash of scandals, more and more authorities in the field have been approaching the belief that reform cannot be carried much further as long as the electoral system rests on the financial bedrock of private campaign contributions. In its very nature this system breeds the kind of bribery and extortion that flowers in "laundered" money bags, higher milk prices in exchange for financial gifts from dairymen and interventions with regulatory agencies for the benefit of fat-cat contributors.

Senator Hart, Democrat of Michigan, has zeroed in on the subject with a bill that makes precisely this approach to the problem, though regrettably not on the Presidential level. He would try it out first on candidates for Congress. His bill is tentative in other respects as well. It would not preclude private campaign money altogether, but merely give a candidate the option of being financed by the Treasury, on certain conditions, or getting his campaign funded in the traditional manner. Among the stipulations would be an over-all spending ceiling for recipients of Government funds, regardless of whether or not legislation is passed to impose such limits generally.

Despite its modest scope, the measure is highly significant. A tax check-off now permits citizens to direct a tiny fraction of their payment into electoral channels; the Hart bill would guarantee to a candidate, out of public funds, an amount adequate to conduct a full-blown Congressional election campaign. There is need, however, for clearer answers on how to iron out the constitutional problems, not to mention the equities, involved in discriminating between major and minor parties and in fixing standards that candidates would have to meet to qualify for public financing of a primary campaign.

We are convinced, nevertheless, that the hope for a cleaner politics lies in this direction. Presidents since Theodore Roosevelt have endorsed the concept of public subsidies for election campaigns, none more eloquently than Lyndon B. Johnson, who rightly thought the whole sordid process of begging and wooing by would-be Presidents demeaning to the office. Worse than demeaning, it is corrosive, as recent events have all too persuasively demonstrated. Sooner rather than later, American campaigning must be freed from the corrupting influence of private money.

## TOWER PROPOSAL TO PROBE POW TREATMENT COMMENDED

Mr. GRIFFIN. Mr. President, we are all heartened by the return of our prisoners of war, and, I believe, we are all grateful to the President for his courageous and daring actions which resulted in the return of these men. Recently, the senior Senator from Texas (Mr. Tower) introduced a resolution to authorize the Armed Services Committee to investigate their confinement in Indochina. Several newspapers carried stories on the resolution, and I have one of them, an editorial in the May 22 edition of the Abilene Reporter News, that I would commend to the reading of all my colleagues. I ask unanimous consent that the editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

### Tower Proposal To Probe POW Treatment Timely

Senator John Tower has introduced a resolution in the U.S. Senate calling for its Armed Services Committee, of which he is a member, to make a complete investigation of the treatment of American prisoners of war by the North Vietnamese.

He suggests three specific areas of inquiry:

The extent to which North Vietnam violated the terms and provisions of the Geneva Convention on the treatment of POWs.

The effect of visits by American civilians and other non-North Vietnamese on the treatment of prisoners;

The effect of prior survival and other training on the stamina and the will to resist of the prisoners.

The committee also should be left free to look into any other relevant subject directly or indirectly related to the confinement of the POWs, Sen. Tower said.

While various returned prisoners have told their own experiences of torture and abuse connected with visits of U.S. anti-war activists, Tower wants the public fully and officially informed by a Senate hearing.

"I am deeply concerned that the full story of their captivity will not otherwise become a matter of public record, and I feel that it certainly should be," he said.

Tower says he is especially bothered by "what was the real effect on the captives of visits to Hanoi by American civilians and other outsiders . . . I'm convinced that we need an in-depth study of these so-called 'peace' visits to the capital of a hostile country during times of conflict. Is it possible that we need to pass new legislation with regard to such acts in the future?"

He feels "it equally important that the world be informed of the hypocrisy with which the North Vietnamese treated the prisoner of war question."

He questions whether the Hanoi Hilton, which was shown foreign visitors in North Vietnam, was typical of camps in North Vietnam, and whether the condition of its prisoners was typical as well.

"We have been given staged pictures and staged events by the other side," Sen. Tower said. "Behind these, however, lie the beatings, the pain, the anguish inflicted by a cruel and barbarous captor who portrays himself as a liberator from a nation of peace and freedom-loving people."

The investigation Sen. Tower suggests is not only appropriate, but urgent. The men are entitled for their stories to be known, and their bravery appreciated. Hanoi's brutality in the face of the Geneva Convention needs to be bared to the world. And most compelling of all, there should be new legislation passed which will prevent American citizens from aiding and abetting the enemy in any future conflicts.

## RISING FOOD PRICES

Mr. HUMPHREY. Mr. President, the rise in the cost of living is the No. 1 issue amongst the American people. The annual cost of a family food basket is of primary concern. Recent reports demonstrate that the annual cost of a typical family's market basket of food has reached a new high.

I ask unanimous consent that a news article entitled "Market Basket Cost Rises to New Record" be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Washington Post, May 26, 1973]

### Market Basket Cost Rises to New Record

The annual cost of a typical family's market basket of food rose 1.6 per cent to a record $1,480 in April. But the gain, less than half the March rise, was the smallest since the current food price boom began four months ago, an Agriculture Department report showed yesterday.

The report also showed that for the first time in six months, most of the retail price hike was due to higher charges by middlemen rather than farmers, whose returns rose more slowly. Returns to farmers for beef and pork in the market basket fell last month, although higher middleman charges pushed retail beef prices to another new record and left consumers only a fractional drop for pork.

The market basket is a collection of U.S.-raised farm foods needed for a theoretical "average household" of 3.2 persons. Its $1,480 annual rate cost in April was 1.6 per cent, or $22, above the $1,458 rate in March; 10.7 per cent ($142) above last December's rate of $1,338; and 14.3 per cent ($184) above the April, 1972 rate, of $1,298.

The 1.6 per cent April increase compared with gains of 3.5 per cent in March, 2.5 per cent in February and 2.7 per cent in January.

The April slowdown came on the heels of administration claims that a long-predicted levelling off of food prices is now under way.

## CHALLENGE FOR THE AIRLINES

Mr. FANNIN. Mr. President, it is with some regret that I note that air fares are being boosted considerably today for youth and those traveling under family fare discount plans. A year from today, under the ruling by the Civil Aeronautics Board, all such discounts are to be eliminated.

This phaseout starts at an unfortunate time just before the close of the college semester and at the start of the summer vacation season. It also occurs at a time when we have a serious gasoline shortage and we should be encouraging families to use public transportation rather than automobiles, especially on long trips.

There are, however, some encouraging signs.

Airlines are in the process of drawing up new discount programs within CAB guidelines which would provide even more inexpensive air travel than we have had in the past.

Trans World Airlines has announced its demand scheduling for flights between selected cities. It is my understanding that TWA is working on expansion of this program, and that other airlines are seeking new concepts to provide an economical means of air transportation which at the same time will be profitable to the air carriers.

The CAB has ruled that the discount fares now being phased out were discriminatory. The Board said that in effect the full fare passengers were being illegally charged to subsidize lower fares youth and family cut-rate fares.

There has been an understandable outcry by groups who feel that they are being adversely affected by the CAB ruling.

This has led to a drive to pass legislation which would make legal what the CAB has ruled illegal.

It is my conclusion, however, that this would be unwise at this time.

The airline industry has made it clear that innovative programs catering to the economy-minded travelers are being drawn up. The CAB ruling could be a blessing rather than a setback for not only students and families, but for individual travelers of all ages. It all depends on how the airlines move to serve the needs of the public which depends so heavily on this form of transportation in today's America.

The airlines know that the Congress and the public will be watching them closely in the coming months to see how they perform in this regard.

I believe that we should give the industry a chance to show its initiative and devise new programs to serve the needs of our people.

Premature action by Congress could be detrimental to the very people we want to help—those who feel that they cannot afford full fares. Given the incentive of the CAB ruling, these may be the people who will ultimately benefit, and greatly.

If the airlines do not meet this challenge, then Congress may have to act. We should in the meantime give the airlines encouragement and support in their efforts to solve the problem in the best tradition of the free enterprise system.

## POSSIBLE IMPERFECTION OF GENOCIDE CONVENTION IS NO ARGUMENT AGAINST RATIFICATION

Mr. PROXMIRE. Mr. President, the United Nations Convention on Genocide has been the subject of criticism from many sincere men. The late Secretary of State, John Foster Dulles, had grave reservations about the real efficacy of the Convention on Genocide.

I do not dismiss this criticism or skepticism. But if the U.S. Senate waited for the perfect law without any flaw or shortcoming, the legislative record of any Congress would be a total blank. The Genocide Convention is not a perfect document. It is a treaty which like all treaties is not written by our prescription alone but is negotiated. And as negotiated, it reaches a very important concern: the mass extermination of people for their racial, religious, and ethnical views. The final compromise which was reached, while not perfect, imperils nothing which is sacred to the American people. It guarantees and embodies much that we do hold dear, the right to life for all people.

When the Genocide Convention was submitted to the Senate 25 years ago only five nations had ratified it. Since then another 70 nations have ratified the Genocide Convention, but not the United States.

We are conspicuous for our remarkable national record in the struggle for human rights. We are just as conspicuous for our international absence in the ratification of the Genocide Convention. We should resolve without further hesitation or excuse this hypocritical inconsistency between domestic achievement and international indifference. Seventy-five other nations have recognized this elementary fact and have chosen to ratify the Convention on Genocide. I am certain that if these nations had wished they could have found phrases not to their national taste in this document, but they perceived a larger responsibility—a responsibility to mankind—to individually and collectively condemn inhuman barbarism.

Mr. President, the Nixon administration has joined the Johnson, Kennedy, and Truman administrations in calling for ratification of this convention and it seems to me the Senate should perceive that same obligation and move quickly to ratify the Genocide Convention at last.

## CURRENT U.S. POPULATION

Mr. PACKWOOD. Mr. President, I would like to report that, according to current Census Bureau approximations, the total population of the United States as of today, June 1, 1973, is 210,740,591. In spite of the widely publicized reductions in our fertility levels, this represents an increase of 1,582,609 since June 1, 1972. It also represents an increase of 96,171 in just the last month.

Over the year, therefore, we have added enough additional people to fill three cities the size of Seattle, Wash., and in just 1 short month, we have added about the equivalent of Ann Arbor, Mich.

## NAVY TO QUIT USING CULEBRA

Mr. HUMPHREY. Mr. President, recently the outgoing Secretary of Defense Elliot Richardson announced that the United States would halt the use of Culebra, a little island off Puerto Rico, as a Navy firing range. This is a long overdue and welcome decision.

Earlier this year I had joined with Senator Baker in introducing a bill to compel the Navy to quit using the island for a firing range by 1975. That will now be accomplished by the decision of the Department of Defense. I have also introduced legislation cosponsored by Senators Baker, Kennedy, and Jackson authorizing the Navy to prepare an alternative site and to repair whatever damages had been inflicted on Culebra.

I ask unanimous consent to have printed in the Record a recent editorial in the Washington Post entitled "On Culebra, a Promise Redeemed."

There being no objection, the editorial was ordered to be printed in the Record, as follows:

### On Culebra, A Promise Redeemed

In acting to halt the use of Culebra—a little island off Puerto Rico—as a Navy firing range, outgoing Defense Secretary Elliott Richardson has done one of those small and decent but difficult and important things which governments all too often fail to do. In brief, he perceived the wrong in bombing an inhabited island, a part of the American dependency of Puerto Rico, and he perceived the risk that continued bombing and shooting would further exacerbate Puerto Rico-U.S. relations, undercut Puerto Rico moderates, and thereby jeopardize Navy access to *any* Puerto Rican firing range. Mr. Richardson then got a considerable number of bobbing ducks in a row and made his move.

Recall that his Pentagon predecessor, Melvin Laird, had defaulted under Navy pressure last December on an earlier pledge to close the Culebra range by 1975. Instead, said Mr. Laird, the firing would go on until 1985. Understandably enough, the Puerto Ricans went up in smoke. The political atmosphere there had to be calmed before San Juan could take the necessary step of finding a satisfactory alternative range and offering assurances of its permanent use. This has evidently been done. The new range, to be opened in 1975, will be on the *uninhabited* islands of Desecheo and Monito at the opposite (western) end of Puerto Rico.

On its part, the Navy had to reach a better understanding that, while custom and convenience dictated continued use of Culebra, the Navy's own interest in maintaining a Puerto Rican bombing range and the larger American interest in solidifying ties with San Juan made it necessary to stop pounding the island. To its credit, the Navy now does seem prepared to shift to Desecheo and Monito, where, its own studies show, its important operational requirements can adequately be met.

Some members of the House may not yet have seen the advantages of bending to the storm over Culebra. Senator Howard Baker (R-Tenn.) set a powerful and useful example last January, however, by introducing a bill to compel the Navy to quit the island by 1975; a similar bill was entered in the House. Presumably, those legislators who wanted the Navy to stop bombing Culebra will support the modest appropriation needed to prepare Desecheo and Monito as replacements. We hope that Defense Secretary-designate James Schlesinger will want to start his Pentagon term right by speaking out clearly and promptly for the move.

The Baker bill charged the country with "a breach of faith with the people of Puerto Rico." For all that the Navy has done to make its bombing safer for the people of Culebra and to assist them with jobs, water and so on, this is the essence of the matter. The United States promised to stop bombing the island, and it broke its promise. One cannot help thinking that the United States would not so easily have ignored a similar promise to a group or nation considered to have more clout than Puerto Rico, of which Culebra is part. "The decision of Secretary Richardson is warmly welcomed by all Puerto Ricans," the commonwealth's resident commissioner, Jaime Benitez said. "It reinforces our faith in the basic integrity of the American system with its profound commitment to the fulfillment of understandings reached in good faith and in the pursuit of human values."

## SENATOR MONDALE SPEAKS IN SPRINGFIELD, MO.

Mr. EAGLETON. Mr. President, on May 12, 1973, the Democrats of Missouri gathered at Springfield for the annual Jackson Day events. The culmination of the weekend was the banquet on Saturday night at which almost 800 Missourians had the privilege of hearing Senator Walter Mondale, of Minnesota, deliver an inspirational and perceptive speech concerning the basic tenets of our political system.

Because Senator Mondale's comments were so well received and those who heard his speech were so enthusiastic about having the opportunity to hear him, I ask unanimous consent that Senator Mondale's remarks be printed in the Record.

There being no objection, the remarks were ordered to be printed in the Record, as follows:

### Remarks of Senator Walter F. Mondale

Three years from now, we will observe the 200th anniversary of our beloved country. We have every right to use this occasion to celebrate our magnificent national accomplishments. But, if that celebration is to have real meaning, it must be accompanied by a deep concern with where we are heading as a free society. We must use the experience of these 200 years to look at ourselves and our nation to determine—and halt—those dangers which threaten us in a fundamental and even frightening way.

Recently, we have seen these dangers more clearly than ever—dangers which reduce the value of our vote—dangers which undermine our Constitution and system of laws—dangers which threaten to repeal our shared commitment to social justice—dangers to the value of our money—and perhaps most fundamental of all, dangers to our reliance on truth as the foundation of our mutual trust.

The American people sense these dangers. They encounter them almost every day. And as a result, they have expressed a very understandable, but frightening, distrust of their government and its leaders.

In 1964, a cross-section of American voters was asked, "How often can you trust the government?" Two-thirds responded that they could trust the government "most of the time". Last fall—eight years later—the same question was asked again, and this time less than half—only 45%—gave the same response.

And according to a Harris Poll conducted last November, only 27% of the American people have "a great deal of confidence" in the executive branch of the government—a drop from 41% in 1966.

Public trust in government and its free institutions is the most essential ingredient of our democracy. "With public sentiment, nothing can fail," Lincoln said, "without it, nothing can succeed." The less confidence people have in the institutions of government which are supposed to serve them, the more vulnerable those institutions are to demagogues who will try to persuade us to follow some other route.

Most people in this country are very discerning. They understand human nature, and they are not easily fooled or misled. They will draw reasonable inferences from known facts. Not even Madison Avenue—with all of its talents and resources—can for long make the truth out of a lie. People have a sense for the truth in this country, and that is why public trust cannot be bought or swindled—it can only be earned.

The first fundamental reason why public trust in our electoral system is being threatened is because the value of the vote itself is being threatened. It is being eroded and undermined by a massive infusion into our political system of special interest money—money which makes it possible for those with great wealth to lose an election but still own a government.

The average American cannot compete with this Buy America strategy, and he knows it. These special interests are buying favors and influence at his expense, and he knows that, too. This knowledge more than anything else helps explain the growing feeling of powerlessness—and even cynicism—with which many people regard their government. "What difference does it make who wins the election," they may say, or "All politicians are the same, so why bother getting involved in politics". You've heard it all.

It is estimated that in 1972 candidates for public office spent four hundred million dollars on their campaigns. All of that money came from private sources. Most of that money, we hope, was honest money—but too much of it was not. Even when money is given without commitments, however, it creates special advantages for the contributor—even if they are only psychological advantages—and everyone knows it. No one really doubts why ITT and Mr. Vesco contributed so generously.

This situation is not getting any better: It is getting much worse. The four hundred million dollars spent in 1972 was one-third more than the amount spent just four years ago in 1968. The cost of campaigns is rising dramatically and, with it, the cost of buying influence in the government. These high costs have vastly increased the incentives of those in government to compromise their responsibility and the temptation to permit this system to continue.

Don't misunderstand me. I believe most politicians are honest, and I am convinced that the system itself is more honest than many people might believe. But surely the time is overdue for revamping our system of financing our campaigns, to protect the integrity not only of the government but of the political process which makes free government possible. The way to do this in my judgment is to get money off the backs of the American political process and return government to the people where it belongs through public financing of political campaigns.

The value of our vote is in danger of being diminished in another way. It is threatened by the police state tactics which distort truth during the campaign, which disrupt decent condidates in the conduct of their campaigns, and which—through espionage, sabotage and other illegal acts—deprive the American people of an ingredient essential to the value of their votes—a tough, competitive, but fair, campaign.

Stewart Alsop said the other day that the tactics used in 1972 were not the tactics of politics, but the tactics of war . . . and he was right. In fact, many of those techniques—many of them borrowed from the CIA and many of them even carried out by former CIA agents—were carbon copies of Cold War tactics used abroad against countries and political leaders thought to be our enemies. For the first time in American political history, the abilities to sponsor deceit, to create disruption, to spy on one's opponents, and to undertake an assortment of other illegal activities were abilities deliberately sought and employed in a Presidential election.

The second danger we face is that which threatens to undermine respect and obedience for our Constitution and our system of laws. In many ways, that is the most serious threat in the entire Watergate Affair.

When each of us is elected, we must take a solemn oath to obey and uphold the law. The President, too, took this oath. He swore to "faithfully uphold and execute the laws of the land". We found out later that he took the word "execute" literally—he meant to kill. In a cynical and contemptuous manner, the President and his people took the position that they were above the law; that they could readily ignore those laws which they didn't like. There were over 100 of them; programs for rural electrification, programs for highways, programs for disaster loans, education, poverty, health, hospitals, senior citizens, housing—the list goes on. But efforts to point out that he was violating the law were only met with contempt.

He has shown the same kind of contempt for the law in foreign affairs. Even as we meet tonight, the President is carrying on a totally illegal bombing war in Cambodia. Contrary to what this President thinks, the power of the President to conduct war is not personal to him. If the Constitution means anything, it requires that our involvement in war must have a legal basis. The other day, the House of Representatives refused to grant the Administration money to carry on this illegal war. Yet, on the eve of the vote, the Administration had the arrogance to say "We don't care, we will get the money elsewhere".

Both Tom Eagleton and I have spent many years as law enforcement officers. Both of us served as Attorney General of our states and we know there is another way to destroy respect for the law. That is to use the law enforcement machinery for political purposes. People understand how harsh criminal laws are—that is why we have independent judges and citizen juries. But respect for our laws is inevitably diminished when they are used corruptly or politically. No doubt, much of the public's confidence in J. Edgar Hoover stemmed from a feeling of trust that he kept politics out of the FBI.

And, of course, the entire Watergate incident stands in contempt of respect for our laws. We must assume that the President didn't know, but so many around him were engaged in widespread violations of the law—the obstruction of justice—that there had to have been an attitude that the law that applies to most people does not apply to those in power. Of course, if that is correct, then there is no law at all. Our law and our Constitution must be obeyed by *all* people, as the President and his closest associates are now finding out.

The third and perhaps the most immediate danger in our society is that to the value of our money.

If you earned $10,000 twenty years ago . . . or if you had put away $10,000 in your savings account . . . you would need $15,000 today to buy what the $10,000 would have bought you twenty years ago.

And inflation has gotten dramatically worse in the last six months. Prices are now going up at their fastest rate since the Korean War.

This kind of runaway inflation can undermine the very basis of a society. Relationships which depend on trust and confidence and the sense of fairness are eroded. Those who cannot keep up with inflation grow resentful of those who can. Citizen is pitted against citizen as each tries to "beat" inflation at the other's expense. And the trust and confidence of people in their government declines as they see that nothing is being done to halt the inexorable rise in prices.

In the 1930's, Germany faced a runaway inflation which led rapidly to economic chaos and social disintegration. German workers and shopkeepers saw their wages and their businesses and their life savings disappear while the government floundered and did nothing. Out of this chaos and suspicion and mistrust and resentment, Hitler rose to power. Germany was captured by fascism and in a few short years the world was plunged into war. It is a lesson we cannot forget.

President Nixon claims that he is doing everything possible to keep prices under control, yet in his four years in office he has fueled inflation with total budget deficits of nearly eighty billion dollars—higher than all the deficits of Presidents Truman, Eisenhower, Kennedy and Johnson put together. Nearly a quarter of the entire Federal debt has been added during President Nixon's time in office.

Much of that deficit spending is due to the more than ten billion dollars spent each year on foreign aid, and to the nearly thirty billion dollars more spent to support U.S. troops abroad—more than 600,000 of them at 2,000 bases in more than 40 foreign countries.

Inflation here at home and bloated military spending abroad have so undermined the value of the dollar that it has been devalued twice in little more than a year.

This country had its first trade deficit in this century in 1971 and an even bigger one last year—nearly seven billion dollars. We cannot allow this to continue.

We need a tough wage and price control program that applies fairly to everyone. The American people will not and should not tolerate a program that keeps workers' wages down while allowing prices and profits and executive salaries to go soaring through the roof.

And we must put a lid on Federal spending by cutting back on foreign aid to military dictatorships, wasteful military spending, and huge subsidies to big business.

Only in this way can people be assured that government is operating fairly, and honestly, and in their interest. Only in this way can trust and confidence be restored.

Fourth, we are endangered by a threat to the basic standards of truthfulness. What we in Missouri and Minnesota call a lie is known in Washington as a "credibility gap". It would be better if we just called it a lie.

What was said for years to describe our intentions as well as our activities in Vietnam was tainted with dishonesty.

When 8,000 sheep were killed in Idaho by the use of military gas warfare, it took the Pentagon two years to admit it lied to the people.

When we were told the U.S. was not shipping arms to Pakistan for use against the Bangladesh, the government *was* shipping arms, and it knew it.

While we were boasting of our loyal allies in the Vietnam war, our government knew—but wouldn't admit—that many of them were in fact paid mercenaries.

And now, after nearly a year of denials of any wrongdoing by the highest officials in our government concerning the Watergate affair, the American people find that many of them were deeply involved in what the President himself now describes as a "sordid affair".

The public sees all of this. They know when they are being lied to. They realize that too much deceit is being practiced on them and at their expense. They have a right to insist that some old-fashioned principles of basic honesty be restored to American government—to *their* government—and I hope they will insist that it is.

The fifth danger to our society is the new philosophy we hear from this Administration to forget the poor and to diminish our national commitment to opportunity for those who start life's race with unfair and cruel disadvantages.

One of the greatest of all American values has been our shared commitment to human justice. I'm not talking about comforting the lazy—I'm talking about giving people a fair chance to share in the fullness of American life if they want to make the effort—in short, I'm talking about justice.

We have never believed in the caste system in this country; we have never admired the selfish in America. Instead, we have always had a special admiration for those who tried to help others have a fair chance. That is why most of us supported Roosevelt, Truman, Kennedy and Johnson. They asked us to be generous and helpful to those who needed it: To educate our children, to help the handicaped and the ill, to ensure retirement with security and dignity, to provide jobs for those who couldn't get them, to help farmers earn a decent living. This is what the American Dream is all about, in my judgment: It is giving each individual the opportunity to succeed to the extent of his own abilities without being held back by obstacles beyond his control.

But now we are hearing a different philosophy, one which calls for comforting the comfortable. In 1960, John Kennedy asked us to think not of ourselves but of our country. In 1972, Richard Nixon, clearly intending to contrast his views with Kennedy's, asked us to think of what we could do for ourselves.

And he has lived up to his new philosophy. He has sought to undo our housing and urban programs, to eliminate most of our rural programs, to end efforts to reduce poverty, to slash health research, to halt the drive for health insurance and welfare reform, to add one billion dollars for hospital charges under Medicare and Medicaid, to cut education funds, to make it harder for young people to go on to college or vocational school, to end mental health programs, and more . . . much more.

The New York Times in a recent editorial put it this way:

"The tide of reaction that is sweeping across America is more than a Republican effort to cancel out the remnants of Johnsonian egalitarianism. It is rather a break with more than forty years of an essentially liberal momentum, supported by the dominant elements in both parties, that has carried this nation forward to a more just and humane society within the framework of enlightened capitalism."

Another measure of justice in American society is reflected in the fairness of our tax laws. Today those laws reward capital and punish work. We know that we need incentives for investment, but we know also that we need incentives for work. It is increasingly easier in this country for those of great wealth to largely—and in some cases, completely—escape Federal taxes through loopholes—loopholes which simply aren't available to the average worker or farmer.

In 1971, there were 276 individuals in this country who had incomes of over $100,000, but who didn't pay a dime in Federal income taxes. The same year nearly 24,000 Americans received an average of $166,000 each in virtually tax-free income by using special loopholes. That's simply not fair. We all know it's not fair, and yet it continues. It continues because the President has gone out of his way to prevent significant tax reform which would ensure that the average American is asked to pay only his fair share of the burden and is not asked to subsidize those better able to bear the burden. This, too, contributes to a sense of unfairness and injustice in our land.

Americans have always had great affection for their country in large part because of our commitment to justice and opportunity. Everyone in America—regardless of color, wealth, religion or background—was to have the same chance to succeed and was to be treated fairly. Because this was true—and because we all had a real stake in the system—we all pulled together to make it work.

The system *has* worked, but now the foundations of that system are being threatened—the foundations of truth, social and economic justice, the vote, and respect for the law. These foundations together spell trust—public trust—the most indispensable element in the entire system.

But that trust—now more than ever—must be earned. It must be earned by each of us in public office by offering the kind of leadership that the system expects and that the people demand. It must be earned by offering the kind of leadership that is based on a deep respect for our values and a fundamental commitment to a better life for all Americans.

It was Harry Truman who said:

"Men make history and not the other way around. In periods where there is no leadership, society stands still. Progress occurs when courageous, skillful leaders seize the opportunity to change things for the better."

Now is such an opportunity. There has seldom been a greater need for the kind of courageous and skillful leadership that Harry Truman spoke of than there is in 1973. If the American people insist on this kind of leadership—and if they insist on leadership that is based on *mutual* trust—then we can once again hope to change things for the better.

## POSTCARD REGISTRATION OF VOTERS

Mr. HART. Mr. President, one of the concerns expressed frequently in this Chamber, and one that I have heard in Michigan on occasion, as we debated S. 352, which would provide for postcard registration of voters is that it would lead quickly to mass fraud. The distinguished senior Senator from Wyoming explained the safeguards in the bill and they appear to be adequate. Earlier this month we passed S. 352.

But sincere reservations continue: Will voters really try to register from several different addresses and ultimately destroy the political process? I have always doubted that that was a strong argument. And now I find considerable proof that even in a situation that could lend itself to dual voting, it has not happened.

Senator Milton Zaagman, chairman of the Michigan Senate Elections Committee, has reported on an investigation of more than 700 students of Michigan State University who were registered in their college town, East Lansing. Of this group, 52 were registered in their hometown as well as in East Lansing. Not one, Senator Zaagman reports, voted twice.

Some will say this is too limited a test. But it is a straw in the wind.

The report of this investigation was printed in the Flint Michigan Journal of May 4. Mr. President, I ask unanimous consent to have this article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### SENATE PROBERS FAIL TO UNCOVER ANY DUAL VOTING

(By Robert H. Longstaff)

LANSING.—Some university students, who were registered in both their college town and back home, had the chance to vote twice in last year's election—but they didn't.

That is the conclusion of Sen. Milton Zaagman, R-Grand Rapids, chairman of the Senate Elections Committee, after an investigation of alleged dual voting.

The investigation covered 706 students of Michigan State University who lived in voting precincts of Ingham County. Their home towns are scattered through 60 of Michigan's 83 counties. Of the total, 52 persons (7.4 per cent) were registered to vote in two places.

No one was found to have voted twice, Zaagman declared.

Zaagman said the investigation was made because of allegations that many students had been involved in a dual-voting scheme.

"I am delighted and enthused that our results were positive," he said. "My confidence in the electorate and especially the newly enfranchised young people has been reassured."

However, the study did turn up a problem which may require legislation, he said.

The problem is one of "administrative inconsistencies" by city or township clerks in not clearing the rolls when a person changes voter registration to another location.

"These problems are yet to be ironed out," he said, "but I am satisfied that there were no fraudulent irregularities in the election as was suspected."

Examples of the administrative inconsistencies are cases where the clerk failed to notify the election clerk in the person's previous residence or sent the notification to the wrong place.

Zaagman said he is the sponsor of a bill to require a person's social security number be included as part of the information needed to register to vote. The information, he said, would be fed into computers so that dual registration could be identified immediately.

## HILL-BURTON EXTENSION

Mr. HUMPHREY. Mr. President, there has been a great deal of argument pro and con about the President's decision to end the Hill-Burton hospital construction program. As in so many instances, the generalities do not relate to the specifics. A recent editorial in the Minneapolis Tribune of May 20 gives some of the specifics as to the meaning of the ending of Hill-Burton construction funds. It is quite obvious that there is a need for continued funding. The editorial suggests that at least a 1-year extension of Hill-Burton funding should be granted. During this time there could be a complete review of the Hill-Burton program.

I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

### HILL-BURTON EXTENSION

When President Nixon said in his 1974 budget message that the Hill-Burton hospital-construction program is among "sacred cows" that should be dropped because it has fulfilled its purpose of ending the shortage of hospital beds, the explanation was deceptively oversimplified. What Mr. Nixon failed to point out was that only 4 percent of Hill-Burton funds now go to new hospital construction—the rest is for modernization of existing facilities.

As Sen. Mondale said in a letter to the Tribune several weeks ago, the fact that Hill-Burton has achieved its original purpose has "nothing whatever to do with the continuing and serious crisis in obsolete hospitals and in long-term care facilities." He said Minnesota has a backlog of $192 million of hospital needs. Hill-Burton statisticians say the figure is $12.7 billion nationwide.

Hill-Burton is due to end June 30 unless a one-year extension (already approved by the Senate) is passed by Congress and President Nixon does not veto it. Caspar Weinberger, secretary of health, education and welfare, said federal money would still be available for hospital construction and renovation because Medicare and Medicaid reimburse hospitals for depreciation expenses (amounting to $800 million a year) as do insurance companies (another $1 billion).

But Dr. Leo Gehrig, head of the American Hospital Association's Washington office, was quoted by Congressional Quarterly: "We deny that these (reimbursement) funds can be used for generating new capital." He said reimbursement funds are not based on replacement costs and do not provide as much money as hospitals need for renovation. The accuracy of Weinberger's figures also was put into question by a Blue Cross Association spokesman's statement to Congressional Quarterly that the association does not even keep national data on the annual amount its insurers reimburse hospitals for depreciation.

We agree with Mr. Nixon that the need for new hospitals (except in some isolated areas and in some sections of large cities) does not justify continuation of Hill-Burton. But the question of whether hospitals would be able to carry out needed modernization without Hill-Burton seems to us to require more debate. Further, the administration does not seem to have demonstrated that those areas that do need new hospitals would be able to raise needed funds without federal help. The administration may be able to prove its points, but we think they should be thoroughly aired before there is a sudden cutoff of the program on June 30. The one-year extension, during which there would be a complete review of Hill-Burton, seems to be the answer.

## CONCLUSION OF MORNING BUSINESS

Mr. MANSFIELD. Mr. President, is there further morning business?

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

## ALLOCATION OF CRUDE OIL AND REFINED PETROLEUM PRODUCTS

The ACTING PRESIDENT pro tempore. Under the previous order, the Chair lays before the Senate the unfinished business, S. 1570, which will be stated by title.

The legislative clerk read as follows:

A bill (S. 1570) to authorize the President of the United States to allocate energy and fuels when he determines and declares that extraordinary shortages or dislocation in the distribution of energy and fuels exist or are imminent and that the public health, safety, or welfare is thereby jeopardized; to provide for the delegation of authority to the Secretary of the Interior; and for other purposes.

The ACTING PRESIDENT pro tempore. Time for debate on this bill is under control, with 1 hour on amendments, except for the Curtis-Talmadge amendment, on which there is no time limitation; 30 minutes on amendments in the second degree, debatable motions or appeals; 3 hours on the bill, to be equally divided between and controlled by the Senator from Washington (Mr. JACKSON) and the Senator from Arizona (Mr. FANNIN).

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Moss amendment now pending to S. 1570 be withdrawn and that immediately after the Jackson-Randolph substitute amendment is offered to S. 1570, the Moss amendment be immediately offered to S. 1570, the Moss amendment be immediately offered thereto, notwithstanding that the time on the Jackson-Randolph substitute has not expired.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, with the time not taken out of either side, pending the arrival of the distinguished Senator from Washington (Mr. JACKSON), the chairman of the committee, and the distinguished Senator from Arizona (Mr. FANNIN), the ranking Republican member of the committee.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. JACKSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

### AMENDMENT NO. 145

Mr. JACKSON. Mr. President, I call up my amendment No. 145, in the nature of a substitute.

The ACTING PRESIDENT pro tempore. The clerk will state the amendment.

The legislative clerk proceeded to read amendment No. 145.

Mr. JACKSON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection it is so ordered.

Amendment No. 145 is as follows:

On page 1, line 3, strike out all after the enacting clause and insert the following: That this Act may be cited as the "Emergency Petroleum Allocation Act of 1973".

### FINDINGS AND PURPOSES

SEC. 101. (a) The Congress hereby determines that the extraordinary shortages of crude oil (including natural gas liquids) and refined petroleum products (including liquid petroleum gas), caused by unprecedented demand, inadequate domestic production of crude oil and refined petroleum products. Environmental constraints and the unavailability of imports sufficient to satisfy domestic demand, now exist or are imminent. The Congress further determines that such shortages have created or will create severe economic dislocations and hardships, including loss of jobs, closing of factories and businesses, reduction of crop plantings and harvesting, and curtailment of vital public services, including the transportation of food and other essential goods. The Congress further determines that such hardships and dislocations jeopardize the normal flow of commerce and constitute a national energy crisis that is a threat to the public health, safety, and welfare and can only be averted or minimized through prompt action by the executive branch of Government.

(b) The purpose of this Act is to grant to the President of the United States temporary authority to deal with a national energy crisis involving extraordinary shortages of crude oil and petroleum products or dislocations in their national distribution system. The authority granted under this Act shall be exercised for the purpose of dealing with said national energy crisis by minimizing the adverse impacts of such fuel shortages or dislocations on the American people and the domestic economy and achieving the objectives set forth in section 102.

### OBJECTIVES

SEC. 102. In implementing the authority granted under this Act the President shall take such actions as are necessary to achieve the following specific objectives—

(a) protection of public health, safety, and welfare;

(b) maintenance of all public services;

(c) maintenance of essential agricultural operations, including crop plantings, harvesting; and transportation and distribution of food and livestock;

(d) preservation of an economically sound and competitive petroleum industry, including the competitive viability of the independent producing, refining, marketing, distributing, and petrochemical sectors of that industry;

(e) equitable distribution of fuels at equitable prices among all regions and areas of the United States and all classes of consumers;

(f) economic efficiency; and

(g) minimization of economic distortion, inflexibility, and unnecessary interference with market mechanisms.

### AUTHORITY

SEC. 103. (a) The President may delegate all or any portion of the authority granted under this Act to the Secretary of the Interior or to the head of any other Federal agency he deems appropriate.

(b) The authority granted under this Act shall terminate on September 1, 1974.

(c) The President shall designate an agency to supervise compliance with the requirements of this Act and promulgate regulations hereunder. The head of such agency shall have authority to require periodic reports from the producers, importers, refiners, dealers, and all others subject to the requirements of this Act in such form as may be necessary to determine whether the requirements of this Act have been or are being met.

(d) The head of an agency exercising authority under this Act, or his duly authorized agent, shall have authority, for any purpose related to this Act, to sign and issue subpenas for the attendance and testimony of witnesses and the production of relevant books, papers, and other documents, and to administer oaths. Witnesses summoned under the provisions of this Act shall be paid the same fees and mileage as are paid to witnesses in the courts of the United States. In case of refusal to obey a subpena served upon any person under the provisions of this Act, the head of the agency authorizing such subpena, or his delegate, may resuest the Attorney General to seek the aid of the district court of the United States for any district in which such person is found to compel such person, after notice, to appear and give testimony, or to appear and produce documents before the agency.

(e) Whenever it appears to the head of the agency exercising authority under this Act, or to his delegate, that any individual or organization has engaged, is engaged, or is about to engage in any acts or practices constituting a violation of this Act, or any order or regulation thereunder, such person may request the Attorney General to bring an action in the appropriate district court of the United States to enjoin such acts or practices, and upon a proper showing a temporary restraining order or a preliminary or permanent injunction shall be granted without bond. Any such court may also issue mandatory injunctions commanding any individual or organization to comply with this Act, or any order or regulation thereunder.

(f) The provisions of this Act, and the authority granted therein, shall take precedence over any program for the emergency allocation of crude oil or petroleum products established by any State or local government, and any conflict between such a program and any program, plan, regulation, or order established pursuant to this Act shall be resolved in favor of the latter.

### FUELS ALLOCATION

SEC. 104. (a) Within sixty days of the date of enactment of this Act, the President shall after due notice and public hearings cause to be prepared and published, priority schedules, plans, and regulations for the allocation or distribution of crude oil and any refined petroleum product which is or may be in short supply nationally or in any region of the United States in accordance with the objectives of this Act.

(b) In order to accomplish the objectives of section 102 of this Act, and subject to the provisions thereof, the President is hereby authorized to allocate or distribute or cause to be allocated and distributed, pursuant to the schedules, plans, and regulations required by subsection (a) hereof, any liquid fuel, whether crude or processed, and whether imported or domestically produced, currently or prospectively in extraordinarily short supply nationally or in any region of the United States.

(c) The regulations required by subsection (a) herein shall include standards and procedures for determining or reviewing prices of fuels allocated by the President under the provisions of this Act to prevent (1) appropriation of private property without due compensation or (2) exorbitant price increases reflecting temporary shortage conditions.

(d) The President is hereby directed to use his authority under this Act and under existing law to assure that no petroleum refinery in the United States is involuntarily required to operate at less than its normal full capacity because of the unavailability to said refinery of suitable types or grades of crude oil.

### SALES TO INDEPENDENT REFINERS AND DEALERS

SEC. 105. (a) DEFINITIONS.—For the purpose of this section, (1) the "base period" is the period from October 1, 1971, to September 30, 1972, inclusive; (2) "nonaffiliated" refers to a buyer (seller) who has no substantial financial interest in, is not subject to a substantial common financial interest of, and is not subject to a substantial common financial interest with, the seller (buyer) in question; (3) "independent refiner" means a refiner who produced in the United States less than thirty thousand barrels per day of petroleum products during the base period; (4) "independent dealer" means a terminal operator, jobber, dealer, or distributor, at wholesale or retail, who obtains refined petroleum products either on term contract or in spot markets, and who purchased during the base period at least half of such products from nonaffiliated sellers.

(b) In order to achieve the objectives of this Act, (1) any producer or importer of crude petroleum and/or natural gas liquids who produced in the United States and/or imported more than two hundred thousand barrels per day of crude oil and natural gas liquids during the base period shall sell or exchange to nonaffiliated independent refiners or to any other reasonable and appropriate class of refiners established by regulation, in the aggregate during each quarter during the effective term of this Act a proportion of his domestic production and imports no less than the proportion he sold or exchanged to such refiners during the corresponding quarter of the base period; and (2) any refiner of petroleum products who produced in the United States and/or imported more than thirty thousand barrels per day of refined petroleum products including residual fuel oil during the base period shall sell or exchange to nonaffiliated independent dealers or to any other reasonable and appropriate class of purchasers established by regulation, in the aggregate in each quarter during the effective term of this Act, a proportion of his refinery production and imports of said products no less than the proportion he sold or exchanged to such dealers during the corresponding quarter of the base period.

(c) The allocation program established pursuant to this section may be replaced or amended by, or incorporated into, the priority schedules, plans, and regulations promulgated under section 104 hereof.

### REPORTS TO CONGRESS

SEC. 106. (a) The President shall submit to both Houses of Congress, and cause to be published in the Federal Register any schedules, plans, and regulations promulgated for implementing the provisions of this Act.

(b) The President shall make to the Congress quarterly reports, and upon termination of authority under this Act a final report, including a summary and description of all actions taken under the authority of this Act, an analysis of their impact, and an evaluation of their effectiveness in implementing the objectives of section 102 hereof.

SEC. 107. All actions duly taken pursuant to clause (3) of the first sentence of section 203(a) of the Economic Stabilization Act of 1970, as amended, in effect immediately prior to the date of enactment of this Act, shall continue in effect until modified and rescinded by or pursuant to this Act.

**Mr. JACKSON.** Mr. President, I shall defer my opening statement on the bill and the amendment in the nature of a substitute in order that the Senator from Utah (Mr. Moss) can offer his amendment to my amendment in the nature of a substitute.

I yield to the Senator from Arizona (Mr. FANNIN).

**Mr. FANNIN.** Mr. President, I shall defer my opening statement to accommodate the distinguished Senator from Utah and will make my statement later.

**Mr. JACKSON.** Mr. President, I ask unanimous consent that Mr. William Van Ness, Mr. Arlon Tussing, Mr. Grenville Garside, Mr. Jerry Verkler and Ms. Suzanne Reed, professional staff members of the Senate Committee on Interior and Insular Affairs, be granted privilege of the floor during consideration of S. 1570, the "Emergency Petroleum Allocation Act of 1973."

**The ACTING PRESIDENT pro tempore.** Without objection, it is so ordered.

**Mr. FANNIN.** Mr. President, I ask unanimous consent that Mr. Stang and Mr. Jenckes of my office be permitted floor privileges during the debate on the bill as well as when votes occur.

**The ACTING PRESIDENT pro tempore.** Without objection, it is so ordered.

**Mr. MOSS.** Mr. President, I ask unanimous consent that Mr. Edward Merlis and Mr. Henry Lippek of the Commerce Committee staff be granted the privilege of the floor during the consideration and the vote on amendment No. 159.

**The ACTING PRESIDENT pro tempore.** Without objection, it is so ordered.

**Mr. RIBICOFF.** Mr. President, I ask unanimous consent to be able to call up my amendment at the completion of the amendment being offered by the Senator from Utah.

**The ACTING PRESIDENT pro tempore.** Is there objection? Without objection, it is so ordered.

### AMENDMENT NO. 159

**Mr. MOSS.** Mr. President, first I wish to thank the chairman of the Committee on Interior and Insular Affairs and the ranking minority member of that committee for proceeding in the manner they have done here by calling up the substitute and deferring opening statements. Pursuant to the unanimous consent agreement obtained by the majority leader, my amendment to the substitute will be called up now even though the time has not yet run out on that substitute. I think that is the substance or the order.

**The ACTING PRESIDENT pro tempore.** The Senator is correct.

Does the Senator wish his amendment stated at this time?

**Mr. MOSS.** Yes. I call up my amendment No. 159 and ask that it be stated.

**The PRESIDING OFFICER.** The amendment of the Senator from Utah to the amendment of the Senator from Washington in the nature of a substitute will be stated.

The legislative clerk proceeded to read amendment No. 159.

**Mr. MOSS.** Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with, and I will explain it.

**The ACTING PRESIDENT pro tempore.** Without objection, it is so ordered.

Amendment No. 159 to amendment No. 145 in the nature of a substitute is as follows:

At the end of the bill add three new sections as follows:

### GENERAL PROVISIONS

SEC. 108. (a) SHORT TITLE.—Sections 108 through 110 may be cited as the "Fair Marketing of Petroleum Products Act".

(b) DEFINITIONS.—As used in this Act—

(1) "Commerce" means commerce among the several States or with foreign nations or in any State or between any State and foreign nation.

(2) "Base period" means the period from October 1, 1971, to September 30, 1972.

(3) "Franchise" means any agreement or contract between a petroleum refiner or a petroleum distributor and a petroleum retailer or between a petroleum refiner and a petroleum distributor under which such retailer or distributor is granted authority to use a trademark, trade name, service mark, or other identifying symbol or name owned

by such refiner or distributor, or any agreement or contract between such parties under which such retailer or distributor is granted authority to occupy premises owned, leased, or in any way controlled by a party to such agreement or contract, for the purpose of engaging in the distribution or the sale for purposes other than resale of petroleum products.

(4) "Market area" means any State or any area so defined by the Secretary of the Interior.

(5) "Notice of intent" means a written statement of the alleged facts which, if true, constitute a violation of section 109 of this Act.

(6) "Person" means an individual or a corporation, partnership, joint-stock company, business trust, association, or any organized group of individuals whether or not incorporated.

(7) "Petroleum distributor" means any person engaged in commerce in the sale, consignment, or distribution of petroleum products to wholesale or retail outlets whether or not it owns, leases, or in any way controls such outlets.

(8) "Petroleum refiner" means any person engaged in the importation or refining of petroleum products.

(9) "Petroleum product" means any liquid refined from petroleum and usable as a fuel.

(10) "Petroleum retailer" means any person engaged in commerce in the sale of any petroleum product for purposes other than resale in any State, either under a franchise or independent of any franchise or who was so engaged at any time after the start of the base period.

(11) "State" means any State, the District of Columbia, the Commonwealth of Puerto Rico, and any organized territory or possession of the United States.

### PROTECTION OF DEALERS

SEC. 109. (a) PROHIBITED CONDUCT.—Except as otherwise provided pursuant to this Act, the following conduct is prohibited:

(1) A petroleum refiner or a petroleum distributor shall not deliver or tender for delivery in any quarter to any petroleum distributor or petroleum retailer a smaller quantity of petroleum products than the quantity of such products delivered by him or his predecessor or predecessors during the corresponding quarter in the base period, unless he delivers to each petroleum distributor or petroleum retailer doing business in commerce the same percentage of the total amount as is delivered to all such distributors or retailers in the market area who are supplied by such refiner or distributor.

(2) A petroleum refiner or a petroleum distributor shall not sell petroleum products to a nonfranchised petroleum distributor or petroleum retailer at a price, during any calendar month, which is greater than the price at which such petroleum products are sold to a franchised petroleum distributor or petroleum retailer in the market area except that a reasonable differential which equals the value of the goodwill, trademark, and other protections and benefits which accrue to franchised distributors or retailers is not prohibited.

(b) REMEDY.—(1) If a petroleum refiner or a petroleum distributor engages in prohibited conduct, a petroleum retailer of a petroleum distributor may maintain a suit against such refiner or distributor. A petroleum retailer may maintain such suit against a petroleum distributor whose actions affect commerce and whose products he purchases or has purchased, directly or indirectly, and a petroleum distributor may maintain such suit against a petroleum refiner whose actions affect commerce and whose products he purchases or has purchased.

(2) The court shall grant such equitable relief as is necessary to remedy the effects of such prohibited conduct, including declaratory judgment and mandatory or prohibitive injunctive relief. The court may grant interim equitable relief, and punitive damages where indicated, in suits under this section, and may, unless such suit is frivolous, direct that costs, including a reasonable attorney's fee, be paid by the defendant.

(c) PROCEDURE.—A suit under this section may be brought in the district court of the United States for any district in which the petroleum distributor or the petroleum refiner against whom such suit is maintained resides, is found, or is doing business, without regard to the amount in controversy. No such suit shall be brought by any person unless he has furnished notice of intent to file such suit by certified mail at least ten days prior thereto with (1) each intended defendant, (2) the attorney general of the State in which the prohibited conduct allegedly occurred, and (3) the Secretary of the Interior.

### PROTECTION OF FRANCHISED DEALERS

SEC. 110. (a) PROHIBITED CONDUCT.—The following conduct is prohibited:

(1) A petroleum refiner or a petroleum distributor shall not cancel, fail to renew, or otherwise terminate a franchise unless he furnishes prior notification pursuant to this paragraph to each petroleum distributor or petroleum retailer affected. Such notification shall be in writing and shall be accomplished by certified mail to such distributor or retailer; shall be furnished not less than ninety days prior to the date on which such franchise will be canceled, not renewed, or otherwise terminated; and shall contain a statement of intention to cancel, not renew, or to terminate together with the reasons therefor, the date on which such action shall take effect, and a statement of the remedy or remedies available to such distributor or retailer under this Act together with a summary of the provisions of this section.

(2) A petroleum refiner or a petroleum distributor shall not cancel, fail to renew, or otherwise terminate a franchise unless the petroleum retailer or petroleum distributor whose franchise is terminated failed to comply substantially with essential and reasonable requirement of such franchise or failed to act in good faith in carrying out the terms of such franchise, or unless such refiner or distributor withdraws entirely from the sale of petroleum products in commerce for sale other than resale in the United States.

(b) REMEDY.—(1) If a petroleum refiner or a petroleum distributor engages in prohibited conduct, a petroleum retailer or a petroleum distributor may maintain a suit against such refiner or distributor. A petroleum retailer may maintain such suit against a petroleum distributor whose actions affect commerce and whose products he sells or has sold under a franchise and against a petroleum refiner whose actions affect commerce and whose products he sells or has sold, directly or indirectly, under a franchise. A petroleum distributor may maintain such suit against a petroleum refiner whose actions affect commerce and whose products he distributes or has distributed to petroleum retailers.

(2). The court may grant an award for actual damages resulting from the cancellation, failure to renew, or termination of a franchise together with such equitable relief as is necessary, including declaratory judgments and mandatory or prohibitive injunctive relief. The court may grant interim equitable relief and punitive damages where indicated in suits under this section, and may, unless such suit is frivolous, direct that costs, including a reasonable attorney's fee, be paid by the defendant.

(c) PROCEDURE.—A suit under this section may be brought in the district court of the United States for any district in which the petroleum distributor or the petroleum refiner against whom such suit is maintained resides, is found, or is doing business, without regard to the amount in controversy. No suit shall be maintained under this section unless commenced within three years after the cancellation, failure to renew, or termination of such franchise or the modification thereof.

Mr. MOSS. Mr. President, the pending amendment, No. 159, simply stated, is to provide to the people who distribute and sell refined petroleum products the type of insurance which we are offering in other sections of S. 1570 to people who use refined petroleum products.

Joining me as cosponsors of the amendment are Senators KENNEDY, SAXBE, MAGNUSON, PASTORE, CANNON, STEVENSON, and RIBICOFF.

Although S. 1570 establishes a program requiring appropriate action necessary to protect the public health, safety, and welfare and to maintain public services and agricultural operations, by insuring supplies of petroleum products to priority users, additional assistance is needed in this legislation to insure supply to dealers in petroleum products.

The amendment which we offer would do just that. First, I might note that this amendment is an amalgam of three bills, S. 1599, S. 1694, and S. 1723 on which the Senate Commerce Committee has completed 4 days of hearings in Washington and in other cities. Joining as cosponsors of the amendment are Senators KENNEDY and SAXBE, sponsors of two of the bills on which we have held hearings in the Commerce Committee and several other members of the Commerce Committee who have expressed concern about this problem.

The amendement provides that petroleum refiners and petroleum distributors may not deliver or offer for delivery a smaller percentage quantity of petroleum products than the quantity which they delivered in any quarter of the period of October 1, 1971, to September 30, 1972. If it is necessary for a petroleum distributor or petroleum retailer to curtail deliveries due to the unavailability of petroleum products, or other requirements of S. 1570, then he must curtail deliveries by the same percentage to each distributor or retailer. In this time of constraint all marketeers would face the problem equally and none would have an unfair advantage. Additionally, consumer access to products would be widespread, even though the quantity available from each customary source might be somewhat reduced.

It is particularly important that adequate supplies of refined petroleum products be widely distributed to all segments of the marketing community. Consumers having made use of particular dealers for years should not be forced to switch in order to find fuels for their vehicles, for home heating, or for recreational use.

The amendment also provides that during this time of constraint, all sales of fuels be kept on an even level for franchised and nonfranchised dealers alike. There is a proviso, however, that nonfranchised dealers, those who do not have the protection of the good will, trademark and other benefits which accrue to a franchised dealer, may be sold their supplies at a small reduction, the differential being equal to the value of the protection afforded to the franchised dealer through trademark and other rights.

This requirement will serve several objectives. First, it is necessary for a competitive marketplace to exist. If the economies of scale and service can be translated into lower costs for the consumer that option should remain. Additionally, a course of supply for independents is useless if the price charged to independents is excessive. By instituting this control, we will insure that equitable prices exist among all dealers of petroleum products in this time of shortage.

To remedy violations of the amendment, we have provided for suits to be brought against refiners or distributors who engage in the conduct prohibited by the amendment. It is not envisioned that many suits will occur since compliance with this kind of program is usually quite high. However in those cases where there is a lack of compliance, where there is discrimination, the ability of a dealer to bring a suit should serve as a deterrent. Furthermore, the suit itself and the potential for injunctive relief will insure that marketers will remain in business.

Considering that most dealers have very short time fuses on their product supply, it is imperative that immediate action be obtainable, and immediate action can only be obtained through the judicial process.

Several safeguards have been put into the amendment to insure against improper actions. The amendment provides that a notice of intent to file a suit under the provisions of this legislation be sent, at least 10 days prior to the filing of the suit, to the prospective defendants, to the attorney general of the State in which the violation allegedly occurred, and to the Secretary of the Interior. This notice provision, and the 10-day time lapse prior to the filing of a suit should insure that suits will not be brought in cases of inadvertent errors. We firmly believe that this notice provision should eradicate even more the likelihood that suits will arise.

Additionally, damages are not a remedy available for a violation. As a result, the only effect of a suit would be continuation of supply. We would not want people buying up abandoned dealerships for the sole purpose of filing suits and collecting damages. Thus, the injunctive relief remedy is the principle objective if a violation should occur.

In addition to providing for nondiscriminatory treatment to independent dealers, it is necessary to develop protection for branded dealers from arbitrary termination, cancellation, or failure to renew their leases or franchise agreements. Similar protection was provided to automobile dealers more than 16 years ago with the passage by the Congress of automobile dealers day-in-court legislation.

The amendment provides that petroleum distributors and petroleum refiners may not arbitrarily cancel, fail to renew, or terminate a franchise unless several conditions are met. These are: First, that the franchise failed to comply substantially with the essential and reasonable requirements of the franchise; second, that the franchisee failed to act in good faith in carrying out the terms of the franchise; and third, that the franchisor no longer is engaged in the sale of the products in question for resale.

The amendment is not designed, however, to insulate franchises in perpetuity. There are set forth appropriate defenses which will permit the franchisor to terinate the agreement when there is just cause.

Mr. President, the protections which the amendment provides are necessary protections. The hearing record and the experience of each of us is replete with examples of arbitrary cutoffs, unilateral price increases, and terminations of franchises. These problems, at a time of shortage, further compound the problems of the user and makes a difficult situation even worse.

Testimony has been received concerning the plight of the independent marketer. Eight jobbers in the Chicago area told of how they had been cutoff from their supplies. This represented 58,600,000 gallons of gasoline in their marketing area, 4,600,000 gallons of diesel, and 9,700,000 gallons of fuel oil. These jobbers represented more than 100 years of service in the area, 77 service stations, 275 commercial accounts, 611 farm accounts, and 3,500 residential accounts. Everyone of these would be out of business and along with them 286 families directly working for or supplied by these jobbers would be unemployed. These were branded jobbers.

Another situation was presented to the committee by the president of Romaco Petroleum, an independent in Montgomery, Ala. Romaco, by the end of the week will have closed 209 service stations which provides service in a wide ranging area, both urban and rural, in the Southeastern United States; 800 families would find their breadwinners unemployed as a result of the Romaco closing.

The toll in hardship and unemployment which would result were this amendment not adopted is of great magnitude.

While I have already discussed why this amendment would not burden the courts, I would like to specifically review the litigation that has been brought under the "Automobile dealers day in court" legislation which the Congress passed 16 years ago. The National Automobile Dealers Association reports that on the average, 25 cases are reported each year. Considering that there are more than 30,000 auto dealers to whom this legislation applies, it appears that actions are brought in only one-tenth of 1 percent of the eligible cases. This kind of record over a long period of time demonstrates that the remedies proposed in the amendment will not present any burden on the courts.

Mr. President, a vote for this amendment is a vote for continued source of supply for the small businessman, and a vote against discrimination in the marketplace.

Mr. President, I understand, and a folder came to my attention this morning, that some oil industry representatives have prepared arguments concerning the amendment that was offered. Unfortunately, however, they have directed their arguments toward amendment No. 140. The amendment pending before the Senate this morning is amendment No. 159 which has been revised over a period of time in consultation with the chairman of the Interior Committee, with the staff of the Commerce Committee, and the observations and suggestions made have been adopted into the amendment.

As far as I can see, the objections offered have all been remedied in the text that is incorporated into amendment No. 159.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. MOSS. I yield.

Mr. JACKSON. Mr. President, as the Senator from Utah has mentioned, I have been working with him in making certain revisions in the proposed amendment. My staff from the Committee on Interior and Insular Affairs has been working with the Commerce Committee staff on this amendment.

Mr. President, I believe this is a good amendment.

It does get at a very serious problem, and it strengthens the bill, the basic problem being discrimination in the area of supply and price. It helps to protect the branded dealer as well as the independent dealer.

I believe it makes a lot of sense, and I think it should help to bring us through a very difficult period, Mr. President, when we are trying to find equitable and fair ways, in effect, to ration shortages.

The burden under the Moss amendment, of course, runs to the petroleum refiner and the petroleum distributor to insure that the dealers, both the branded and the independent dealers, can get a fair shake on supply and on price.

I believe, Mr. President, that it is most important that we have a strong, viable, and competitive petroleum industry in this country. I, and I know the distinguished Senator from Utah as well, are not trying to work a hardship on any one segment of energy enterprise. I know he wants to be fair, as I want to be fair, to all elements that make up the enormous energy system in this country as it affects petroleum operations. So I compliment the distinguished Senator from Utah, who has been working on consumer problems for a long time, and has been a real leader in the Committee on Commerce and the Senate for what I think is a strengthening of the bill. His effort will make it a better bill.

I strongly support the amendment.

Mr. SAXBE. Mr. President, will the Senator yield?

Mr. MOSS. I will in just a moment.

Mr. President, I compliment my colleague from Washington, the chairman of the Committee on Interior and Insular Affairs. His analysis of the purpose of the amendment is precisely what we are trying to do.

We have built up a great distribution system, over the years, in the petroleum industry. What we are saying is that that system shall remain intact and continue to operate, even though we have switched from a surplus situation to one with shortages; one that does not quite measure up to the amount of supply we had before to meet the demands.

This is all we are trying to accomplish, just to keep the distribution system in business by saying that if there is any shortage, everyone has to share the shortage in proportionate amounts.

I am happy to yield to the Senator from Ohio.

The PRESIDING OFFICER. Who yields time?

Mr. JACKSON. I believe that on the amendment, the time on behalf of the proponent is under the control of the Senator from Utah, and the time in opposition would be under the control of the Senator from Arizona.

The PRESIDING OFFICER. The Senator from Utah has only 1 minute remaining; 11 minutes remain to the other side, in opposition.

Mr. FANNIN. Mr. President, I yield the Senator from Ohio 2 minutes.

Mr. SAXBE. As a cosponsor of this amendment, I wish to state that while it is not entirely in keeping with the bill that I proposed and on which I have some 30 cosponsors, it goes a long way toward satisfying my main point, which is a fair distribution of the available gasoline so that it is not just sent out to the company stations, but will enable the independent jobbers and independent station owners to stay in operation. I think this is extremely important. Supporting this bill today stems from the immediate need to begin finding solutions to our present fuel problems.

I have agreed to combine my bill, S. 1599, with those of Senators Kennedy and Moss because we must begin to conserve and allocate our petroleum products as soon as possible. It is my hope that we shall continue to seek even more effective remedies to our pending energy crises.

This bill would have more teeth if authority was given to the Federal Trade Commission because they are better equipped to enforce any alleged violations. For a refiner to refuse to sell to independent marketers a percentage of his total sales to all retail outlets during a given month would be a prima facie violation of the Federal Trade Commission Act. This measure will prevent the leveling of tremendous pressure, allowing the major companies to do as they will with the market. I believe, and my bill so stated, that the authority should have been under the Federal Trade Commission. This measure does not permit that, but it goes a long way toward giving a right of complaint and action. I am working on an even further development along that line, which would give power to a central agency to control. Allowing a dealer or jobber to seek a remedy in court, including an injunctive relief, may result in increased confusion and impede the effectiveness of the nationally coordinated effort which we seek.

I am sure that the cosponsors of my bill will go along with this amendment. I believe that the amendment does a great deal toward accomplishing what we tried to do. However, there is still more to be done, and I believe that we will have to introduce something to make it even stronger, to put more teeth in it. This is a good attempt, but I am not at all satisfied that it is going to succeed. It will indicate, however, the will of Congress that these independent jobbers and independent station operators be kept in the market.

We have had experiences out in Ohio where as many as 50 out of 80 stations of 1 independent have been closed, and I am sure there are a great many others.

Mr. FANNIN. Mr. President, I yield myself 5 minutes.

I rise in opposition to this amendment because I feel it is inconsistent with section 109 of the Jackson substitute bill.

Section 109, which is designated "Protection of Dealers," requires a petroleum refiner or distributor to deliver in any quarter to a distributor or retail customer a quantity of petroleum products not less than that delivered during the corresponding quarter in the period from October 1, 1971, to September 30, 1972, unless he delivers to each distributor or retailer an equal percentage of the total delivered to all distributors or retailers in the marketing area. This section further provides that sales to unbranded distributors or retailers shall be at a price no greater than the price charged branded distributors or retailers less a reasonable differential for goodwill, trademark, credit card, advertising, and other benefits accrued to branded distributors or retailers.

My comment is that the allocation provisions of section 109 create substantial conflicts with the allocation procedures contemplated in section 105 of the bill—Jackson amendment. The formula for determining the sales price to unbranded accounts is not susceptible to precise quantification and undoubtedly will spawn substantial controversy and litigation. That is what I am most vitally concerned about.

Moreover, it would create a discriminatory preference in favor of unbranded dealers since competitive factors between branded and unbranded dealers will be much different in periods of shortage than was the case in earlier periods.

Section 110, styled "Protection of Franchise Dealers," would create a Federal "dealer's day in court" law which would restrict a supplier's right to cancel, not renew or otherwise terminate a lease or sales agreement unless it could be shown that the retailer or distributor had failed to "comply substantially with essential and reasonable requirements" of the agreement or failed to act in "good faith."

What might be deemed to be the "essential and reasonable" provisions of the franchise agreement is anyone's guess. In any event, distributors and retailers are independent businessmen who are free to conduct their business without their activities being under the direct guidance and control of their supplier. Specific dealer performance standards are not customarily written into the sales or lease agreement. This bill is contrary to the best interests of the U.S. motoring public in that it would prevent a supplier from replacing an inefficient and mediocre dealer who is rendering shoddy service to gasoline consumers. In addition, it is anticompetitive in that it would block new entrants into the service station business—an attractive opportunity for small businessmen with limited capital—by giving the existing group of dealers a permanent hold on existing station sites, regardless of the number of customer complaints which they may generate, petroleum refiners have a strong economic interest in retaining good dealers to protect their service station investments—in many instances in excess of $250,000 per station. Dealers doing a good job in servicing the motoring public need not fear unjust cancellation or termination. Legislation of this type can only push suppliers into directly operating their own stations, thereby reducing opportunities for independent businessmen.

There are also other legal issues. This amendment creates several new causes of action and extends the jurisdiction of Federal district courts by eliminating the amount in controversy requirement.

Accordingly, this legislation should be also considered by the Judiciary Committee.

Moreover, section 110 by granting lessee-dealers what amounts to a right of lifetime tenure and occupancy deprives petroleum companies of an interest in their station properties without compensation and, therefore, results in a denial of due process under the U.S. Constitution.

I feel that this amendment would result in an invasion of the rights of the people involved, and that the amendment would cause considerable unnecessary controversy. Certainly, it is unneeded and would be unfair to our free enterprise system.

Mr. President, I withhold the remainder of my time.

Mr. JACKSON. Mr. President, I ask unanimous consent that the senior Senator from Washington (Mr. Magnuson), and the senior Senator from Connecticut (Mr. Ribicoff) be added as cosponsors to my amendment in the nature of a substitute, No. 145.

The PRESIDING OFFICER (Mr. Johnston). Without objection, it is so ordered.

Mr. MOSS. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. One minute remains to the Senator from Utah.

Mr. MOSS. That is not very much time.

Mr. President, I ask unanimous consent that a section-by-section analysis of my amendment be printed in the Record.

There being no objection, the section-by-section analysis was ordered to be printed in the Record, as follows:

### SECTION-BY-SECTION ANALYSIS

### GENERAL PROVISIONS

Section 108. Subsection (a) provides that the short title of sections 108 through 110 be the "Fair Marketing of Petroleum Products Act."

Subsection (b) establishes the definitions to be used in sections 108 through 110. "Commerce" is defined as meaning commerce among the States, with foreign nations, in any State, or between any State and foreign nation. The broad definition is intended to permit extensive authority to bring actions under this Act. Thus practices which may appear local in character but have an adverse impact upon interstate commerce would be subject to the provisions of the Act.

"Base period" is defined as the period from October 1, 1971 to September 30, 1972. This time period is consistent with the base period.

Used in other sections of S. 1570, "Franchise" is defined as an agreement or contract between a petroleum refiner or a petroleum distributor, under which a retailer or a distributor is granted authority to use the trademark, trade name, service mark or other identifying symbols or name owned by the franchisor. Additionally, a "franchise" would be any type of agreement or contract between or among the aforementioned parties which grants authority to a petroleum retailer or petroleum distributor to occupy premises which are owned, leased, or in any way controlled by the refiner or distributor or other parties to the lease, for the purpose of selling at retail or wholesale the petroleum products produced by the refiner or distributor owning the lease or controlling the property. A franchise would also include a situation whereby a retailer leases to a distributor or refiner space or facilities on the retailers premises to market the petroleum products of the distributor or refiner. This situation exists in a number of locations where chain stores or single unit stores lease to a refiner or distributor. In this situation, the lessor is in reality the retailer and the lessee is the distributor for the purposes of sections 109 and 110.

"Market area" as used in this title means any State or any area defined as a "market area" by the Secretary of the Interior. A "market area" would be a geographic region in which there are smaller marketing characteristics. A "market area" might include the entire area served by one or several petroleum refineries, or, a "market area" might be the geographic region served by a distributor or a number of petroleum distributors headquartered in a metropolitan area.

"Notice of Intent" is defined as a written statement of the alleged facts which, if proven, would constitute a violation of section 109 of the Act.

"Person" is defined in paragraph (7) to mean an individual, corporation, partnership, joint-stock company, business trust, association, or any organized group of individuals whether or not incorporated.

"Petroleum distributor" is defined as being any person engaged in commerce in the sale, consignment, or distribution of petroleum products to wholesale or retail outlets whether or not it owns, leases, or any way controls such outlets. This definition would include, but is not limited to, terminal operators, jobbers, and any other person involved in the distribution of petroleum products who does not sell at retail. It is intended that an inter-refiner exchange be considered as a refiner-distributor transaction.

"Petroleum refiner" is defined as any person engaged in the importation or refining of petroleum products. Neither the definition of "refiner" nor "distributor" is intended to mean that the terms are mutually exclusive. There are refiners who are also engaged in commerce as distributors and would thus be liable to the provisions of the Act at both levels.

"Petroleum product" is defined in paragraph (10) as a liquid refined from petroleum to be used as a fuel. It is the purpose of this definition to preclude other refined petroleum products, such as asphalt, which are not used as a fuel or are not liquid.

"Petroleum retailer" is defined as being any person engaged in commerce in the sale of petroleum products for purposes other than resale in any State. The term is designed to apply to persons both under a franchise agreement or independent of a franchise agreement who were engaged in the sale of petroleum products at any time after October 1, 1971.

"State" as defined in paragraph (12) includes the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, and other territories or possessions of the United States.

Subsection (a) establishes the conduct which is not permitted under this section. There is a condition, however, that conduct which is prohibited by section 109 is permissable if performed in order to fulfill other provisions of the Emergency Petroleum Allocation Act. Thus, a defense of prohibited conduct is that the head of the agency supervising compliance with Emergency Petroleum Allocation Act directed the offending party to commit the prohibited act in order to carry out his responsibilities as enumerated or as directed pursuant to this Act.

Subsection (a) (1) prohibits the delivery or the offering or tendering for delivery of smaller quantities of petroleum products during any quarter, than the quantities of these products delivered by a petroleum refiner or a petroleum distributor during the corresponding quarter of the period October 1, 1971 to September 30, 1972, unless the total amount of petroleum product available for delivery by a petroleum distributor is less than the amount delivered during the base period. If quantities available for delivery are reduced the petroleum refiner or petroleum distributor must deliver or offer for delivery to each petroleum distributor or petroleum retailer doing business in commerce the same percentage of the total amount available as is delivered to all distributors or retailers in the market area who are supplied by the subject refiner or distributor. It is intended that the tendering for delivery of no petroleum product is to be considered the tendering for delivery of a smaller quantity and thus would constitute prohibited conduct.

A petroleum distributor may deliver a smaller quantity of petroleum products to a petroleum retailer if the petroleum distributor similarly delivers the same percentage of the amount that he delivered to all retailers in the market area during the corresponding quarter of the base period, October 1, 1971 to September 30, 1972.

The same obligation to deliver similar percentages holds for deliveries from a petroleum refiner to a petroleum distributor, or in an inter-refinery exchange.

The subsection might operate in this manner: Petroleum refiner A delivered 10 million gallons of gasoline to various petroleum distributors during the first quarter of the base period. Petroleum refiner A have available 8 million gallons of gasoline during the current corresponding quarter. Petroleum refiner A must offer for delivery to each petroleum distributor with whom he has done business in commerce during the first quarter of the base period, 80% of the quantities delivered by him during the corresponding base period quarter. Petroleum refiner A may not offer for delivery less than 80% of the quantity delivered during the base period to any individual distributor.

The subsection does not require adjustments to the quantity offered for delivery if an individual distributor does not take advantage of the tender. For example, petroleum refiner A, having available only 80% of the quantity of gasoline which was available during the corresponding base period quarter must make available to each petroleum distributor with whom he did business during the base period 80% of the amount sold to each petroleum distributor during the corresponding quarter of the base period. If petroleum distributor B decides not to take advantage of this offer, the petroleum refiner may dispose of the allocation offered to petroleum distributor B in a manner of the refiner's choosing.

A similar responsibility holds for the relationship among petroleum distributors and between petroleum distributors and petroleum retailers. Thus petroleum distributor C who has available for delivery 75% of the quantity of gasoline available for delivery in the first quarter of the base period may not make available for delivery to other petroleum distributors or petroleum retailers with whom he has done business during the corresponding quarter of the base period less than 75% of the gasoline which is available during the current corresponding quarter.

In short, subsection (a) (1) requires petroleum refiners and petroleum distributors to make available to petroleum distributors and petroleum retailers the same amount of petroleum products as were delivered during the base period for each corresponding quarter. If it is necessary for a petroleum refiner or a petroleum distributor to make available less of the petroleum product during any corresponding quarter, then he must make available to each petroleum distributor or petroleum retailer the same percentage of the total amount that he delivers to all petroleum distributors or petroleum retailers in the market area. The concept of market area is included in order to enable those engaged in national operations to cope with widespread geographic constraints. For instance, if petroleum refiner C has refineries in two separate market areas and one market area can match the delivery requirements of the base period and the other refinery cannot, then petroleum refiner C must deliver in the former case the same quantity to all distributors in his market area as was delivered during the corresponding base period quarter and must deliver a reduced amount to all petroleum distributors in the market area for which he does not have available product. The reduced amount available for delivery must then be apportioned to all to whom the distributor sold during the corresponding quarter of the base period in a non-discriminatory manner.

Subsection (a) (2) describes conduct concerning price which is prohibited. The subsection prohibits refiners and distributors from selling petroleum products to petroleum distributors or petroleum retailers who are not franchised at a greater price during any calendar month than the refiner or distributor sells to distributors or retailers who operate under his franchise. The subsection also permits petroleum refiners and petroleum distributors to subtract from the price at which petroleum products are offered to petroleum distributors and petroleum retailers operating under franchise, a reasonable differential when offering petroleum products to petroleum distributors and petroleum retailers who are not under franchise. The differential which is subtracted from the price paid by franchised dealers shall be equal to the value of the goodwill, trade mark, and other protections and benefits which accrue to franchised distributors or retailers.

In calculating the differential, refiners and distributors would calculate the benefits of trade mark protection which include in part advertising territorial protection, branded tires, batteries, and accessories, marketing assistance from the franchisor, and credit card rights. The refiner or distributor would then subtract the dollar value of the benefit from the price at which petroleum products are offered to petroleum distributors or petroleum retailers who operate independently of a franchise agreement.

It is intended that price be net price included temporary or permanent competitive allowances, rebates on leases, discounts on branded tires, batteries and accessories which are offered, to the franchised dealer. No subsidy in any form, such as differing payment terms, may be offered in an attempt to alter the actual price which a franchised distributor or retailer pays if when compared with the actual price which the non-franchised distributor or retailer pays, the effect of the subsidy is to reduce the price to the franchised retailer or distributor.

Subsection (b) (1) provides that a petroleum retailer or petroleum distributor may maintain a suit against a petroleum refiner or petroleum distributor who engages in prohibited conduct. A petroleum retailer may maintain such a suit against a petroleum distributor whose actions affect commerce and whose products he purchases or has purchased directly or indirectly. A petroleum distributor may maintain such a suit against a petroleum distributor or a petroleum refiner whose actions affect commerce and whose products he purchases or has purchased. To the extent that a petroleum refiner may also be a petroleum distributor, the language of this subsection is not intended to preclude suits by petroleum retailers against petroleum refiners.

Subsection (b) (2) provides that the court shall grant equitable relief as is necessary to remedy the effects of prohibited conduct. The relief set forth in this subsection is limited to declaratory judgment and mandatory or prohibitive injunctive relief. Additionally, the court is authorized to grant interim equitable relief and punitive damages where indicated in suits arising under Section 109. Unless a suit is frivolous, the court may direct that costs, including reasonable attorney's fees be paid by the defendant. It is the intent of the remedy subsection to maintain supply of refined petroleum products for petroleum distributors and petroleum retailers. Actual damages are not provided for since it is the objective of this section to prevent the prohibited conduct, and where prohibited conduct has taken place, to grant as expeditiously as possible, appropriate relief so that petroleum distributors and petroleum retailers may continue to market petroleum products. Injunctive relief is designed as a remedy which can provide quick relief from prohibited conduct.

Subsection (c) establishes a procedure permitting suits under Section 109 to be brought in the district court of the United States for any district in which the petroleum distributor or the petroleum refiner who is alleged to have engaged in prohibited conduct resides, is found, or is doing business, without regard to the amount in controversy. The subsection further provides that prior to bringing such a suit the person intending to bring the suit must furnish a notice of intent to file the suit by certified mail, at least ten days in advance, with each intended defendant, the Attorney General of the State in which the prohibited conduct allegedly occurred, and the Secretary of the Interior. It is the intention of the notice requirement to forestall, wherever possible, litigation which may arise due to misunderstanding, clerical errors, or inadvertent temporary conditions which may have caused apparent violations of section 109.

### PROTECTION OF FRANCHISED DEALERS—(SECTION 110)

Subsection (a) establishes the conduct which is not permitted under this section.

Subsection (a) (1) prohibits a petroleum distributor or a petroleum refiner from arbitrarily cancelling, failing to renew, or terminating a franchise without having furnished notification in writing, by certified mail to the retailer or distributor operating under a franchise that the franchise will be cancelled, not renewed, or otherwise terminated, at least 90 days prior to the date on which the franchise was or will be cancelled, not renewed, or otherwise terminated. The notification, must include a statement of the intention to cancel, not to renew, or to terminate together with the reasons for such proposed cancellation, failure to renew, or terminate, the date on which this action will take effect and a statement of the remedy available to the retailer or distributor under this Act together with a summary of the provisions of this section. It is envisaged that under these circumstances, there will always be a minimum of 90 days prior to cancellation, termination, or nonrenewal during which the disputes between the parties can be satisfactorily resolved or litigation commenced.

Subsection (a) (2) prohibits the cancellation, failure to renew or otherwise terminate a franchise unless the petroleum distributor or petroleum retailer whose franchise was terminated or will be terminated failed to comply substantially with the essential and reasonable requirements of the franchise or failed to act in good faith in carrying out the terms of the franchise agreement, unless the refiner or distributor has withdrawn or plans to withdraw entirely from the sale of petroleum products in commerce for sale other than resale in the United States.

Subsection (b) provides that a petroleum retailer or a petroleum distributor may maintain a suit against a petroleum refiner or a petroleum distributor who engages in prohibited conduct. A petroleum retailer may bring such a suit against a petroleum distributor whose actions affect commerce and whose products he sells or has sold under franchise and against a petroleum refiner whose actions affect commerce and whose products he sells or has sold. A petroleum distributor may maintain such a suit against a petroleum refiner whose actions affect commerce and whose products he distributes or has distributed to petroleum retailers.

Subsection (b) (2) provides that the court may grant an award for actual damages resulting from the cancellation, failure to renew, or termination of the franchise, together with such equitable relief as is necessary including declaratory judgments and mandatory or prohibitive injunctive relief. The court is authorized to grant interim equitable relief and punitive damages where indicated in suits under this section. The court may, unless the suit is frivolous, direct that costs, including reasonable attorney's fees, be paid by the defendant.

Subsection (c) provides that a suit under this section may be brought in the district court of the United States for any district in which the petroleum distributor or the petroleum refiner against whom the suit is maintained resides, is found, or is doing business, without regard to the amount in controversy. This subsection provides for a statute of limitations of three years. A suit may not be brought under this section unless it is commenced within three years of the cancellation, failure to renew, termination of the franchise, or modification of the franchise agreement. It is intended that renewable franchise agreements be considered as modified, and therefore subject to a suit, with each succeeding renewal. Thus, if a distributor or retailer has held a periodically renewable franchise for the past ten years, a suit may be brought under this section for cancellation, failure to renew or termination of the franchise if the franchise agreement has been modified within three years of the failure to renew, termination or cancellation.

In summary, Section 110 provides that franchises of petroleum distributors or petroleum retailers may not be terminated, not renewed, or cancelled except when appropriate notice is furnished 90 days in advance of the date of the termination, cancellation, or failure to renew, and only if the franchisee has failed to comply substantially with essential and reasonable requirements of the franchise or the franchisee has failed to act in good faith in carrying out the terms of the franchise. A petroleum refiner or a petroleum distributor may cancel, terminate, or fail to renew a franchise if the refiner or distributor withdraws entirely from the sale other than resale of petroleum products in the United States.

If a petroleum distributor or a petroleum refiner fails to fullfill his responsibilities with regard to franchise terminations, then a franchisee may maintain a suit for actual damages and equitable relief as set forth in the section.

Mr. MOSS. Mr. President, what I should like to point out in the time remaining to me is that the dealers day in court is modeled largely on the automobile dealers day in court. As I pointed out before, they have averaged at most 25 cases a year filed. But it is the accessibility of this remedy that causes the dealership business in automobiles to work so well. This is what we are providing here for service stations and jobbers. Already many of them are going out of business. Hundreds have gone out of business in just a short time. I cited other examples of how the squeeze is on.

If we do not have this, or something akin to it, we will have a concentration of dealerships down to those with integrated oil companies and the independent will be gone, the franchisee will be gone, and the distribution system will all be set awry in the country. It would be a damaging thing.

This is in the interest of the consumer. That is how we got hold of it in the first place and began to work on it in committee as a consumer matter, because it affects everyone who uses petroleum products whether or not there is a distribution system in existence that he can use. The independent must be preserved. The franchisee must be preserved. The public still has to have a choice. There must be some measure of competition, even though we have come upon a shortage of supply of petroleum products.

Therefore, Mr. President, I strongly urge that the amendment be adopted.

Mr. FANNIN. Mr. President, there are many problems with this amendment. In trying to solve them, we will be creating new problems. There is nothing in the amendment to prevent the independent dealer from raising prices. If the Senator from Utah says that this will protect the consumer, that would certainly be a consideration, but if we look into all the problems involved, I believe it would be unwise to accept the amendment because it is so much at variance with the pending bill.

I feel confident that when Senators look into what is wrong with the amendment, if it is agreed to, it will far outweigh the benefits that would accrue.

Therefore, Mr. President, I urge rejection of the amendment.

Mr. President, how much time remains to me?

The PRESIDING OFFICER. Two minutes.

Mr. FANNIN. Well then, Mr. President, just to conclude with my objections to the amendment, granting lessee dealerships, what amounts to writing a lifetime tenure for workers, would deprive the companies of an interest in their station properties without compensation. This is unjust. Here we are talking about continuing in one area and cutting off in another. I feel that this denial of due process under the Constitution is absolutely wrong and I trust Senators will consider what is involved.

Mr. MONDALE. Mr. President, in the 3 weeks since the President announced a voluntary allocation plan for gasoline and other petroleum products, we have all hoped that this plan would produce quick results. In spite of the grave reservations which I and others have held regarding the anticompetitive nature of such a voluntary plan, we felt a strong need to get adequate supplies to refiners and dealers and others facing supply problems. We have given this voluntary plan a decent interval during which to prove its worth.

Unfortunately, there are many indications that the voluntary plan simply is not working. In Minnesota, over 150 independent service stations have closed, and the number that have been able to reopen since the voluntary plan went into effect has been small. A significant number of major Minnesota trucking firms have been told that their fuel supply contracts have been terminated, and some of them have been unable to negotiate new contracts. Major oil suppliers, including Gulf and Sun Oil have indicated their desire to pull out of the Minnesota market, and are now staying in the State on only a temporary basis.

But perhaps most damaging, farmers in Minnesota—and elsewhere in the Midwest—simply are not getting the fuel supplies they will need throughout the summer and fall if we are to avert major price increases in food supplies.

Just last week, I received a telegram from the President of Midland Cooperatives, a major farm cooperative organization which serves tens of thousands of farm families throughout the upper Midwest. Midland owns a refinery in Cushing, Okla., which has a crude oil refinery capacity of about 19,000 barrels per day. Yet this refinery for months has been unable to operate at full capacity because of their inability to obtain crude oil. They expected that the voluntary allocation system would help, but thus far it has produced no results.

Mr. President, I ask unanimous consent that the telegram from Mr. Sigved Sampson, president of Midland Cooperatives, be inserted in the RECORD at this point.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

MINNEAPOLIS, MINN., *May 25, 1973.*

Hon. WALTER F. MONDALE,
*Senate Office Building,*
*Washington, D.C.*

I talked with your assistant, Mr. Colloff, this morning and related to him our position on crude oil. We placed a good deal of confidence in Mr. Simon's announcement of May 10 of the voluntary allocation program of petroleum products. We have sent the following telegram to all historic suppliers during the base period: "In accordance with the voluntary allocation program announced May 10th we request a statement from blank on the amount of crude oil we may expect to receive. Our records indicate during the base period of 10-1-71 through 9-30-72 you supplied Midland blank barrels or an average of blank bpd. We are in short supply of crude oil and will be forced to shut our refinery down in early June. We will appreciate receiving a reply on our request as soon as possible."

These historic suppliers are: Kerr-McGee Corporation, Oklahoma City, Okla.; Sun Oil Company, Philadelphia, Pa.; Mobil Oil Corporation, Dallas, Texas; and Continental Oil Company, Houston, Texas.

To date there has been no response in the way of "wet barrels" at our Cushing refinery. We have been getting considerable conversation but no indication that these companies will honor the program, in spite of public announcements by some of the companies to this effect.

We have also applied for Federal royalty oil which was announced to be available to interior refineries in March. We filed our application on 3-15-73. We have been verbally assured that 11,400 barrels a day would be made available to us. There has been one delay after another as far as positive action on this award has been concerned. If our refinery is forced to close because of the lack of crude oil, we will be unable to furnish our members with their product needs this summer and fall.

We appreciate the many efforts you have made in our behalf. We hope the situation will materialize in such a way that we will not have to call upon you so often.

SIGVED SAMPSON,
*President and General Manager.*

Mr. MONDALE. If the voluntary allocation system is to work at all, it should be working for Midland Cooperatives. Here is a supplier of farm families—which, according to the allocation guidelines should be getting top priority—which for 3 weeks has been unable to translate public assurances of support into firm commitments.

This is a situation which must not be allowed to continue. We cannot have farmers, municipal governments, and transit and trucking companies unable to obtain the vital fuels they need to continue operation in our State and other States experiencing supply difficulties.

This problem, of course, is not a new one. As long ago as last September, I wrote to the Office of Emergency Preparedness warning of a shortage in fuel oil during the 1972–73 winter. Their response, as has continually been the case, was to downplay the importance of the situation. Additional letters and telegrams in December and January produced no results. On February 15 I sent a telegram to President Nixon, requesting him in the most urgent terms possible to use the allocation powers which I believe he possesses under the Defense Production Act.

Mr. President, I ask unanimous consent that this telegram be printed in the RECORD at this point.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

FEBRUARY 15, 1973.

Hon. RICHARD M. NIXON,
*President of the United States,*
*The White House, Washington, D.C.*

MR. PRESIDENT: In view of the worsening fuel oil supply situation in the state of Minnesota in the upper Midwest, I urge immediate action on your part to exercise powers available to you under the Defense Production Act.

It is clear that the crisis in Minnesota is on the verge of affecting the national security. When factories employing thousands of workers in production of defense-oriented material are within days of closing, the national defense has clearly been affected, and your power to act under the Defense Production Act is clear.

In particular, I strongly urge you, under authority vested in you by 50 U.S.C. section 2071(a) to take two immediate actions: first, the 60 to 90 day supply of fuel—amounting to hundreds of millions of gallons—which the Defense Department has in storage must be released for civilian use, and a substantial portion of this fuel allocated to those states like Minnesota where the crisis is gravest. If this does not occur, a survey conducted by Minnesota Civil Defense officials indicates that at the end of February we can expect heat to be shut off to 105,000 homes, 18,000 stores, and 540 factories. Clearly, such a development impacts immediately on the national defense, and action must be taken without delay.

Second, under authority of 50 U.S.C. 2071 (a)(1), I urgently request that you shift those contracts which have already been arrived at for allocation of fuel oil and require that those contracts necessary to alleviate the crisis shall take immediate preference over any existing contracts. In particular, I urge you to exercise your statutory power "to require acceptance and performance of such contracts in preference to other contracts" to provide immediate fuel needs in my state.

For example, the government of Minnesota has been unable to attract any bids for fuel for use by the state government on the wholesale contract. The state's current contract expires at the end of February, and should they be unable to secure sources of supply, the entire operation of state government in Minnesota will be threatened. Surely, this also impacts on the national defense in a most dangerous manner.

The power to take these actions is clearly vested in you by statute. I urge you to take these and whatever other actions necessary to head off a major crisis which will cause tragic consequences if it is not corrected immediately.

Senator WALTER F. MONDALE.

Mr. MONDALE. The response to this telegram was perfunctory. As many people predicted, the fuel oil crisis of this past winter quickly began to change into a gasoline crisis this spring. Still, Government and industry officials continued to tell us that there would be no major problems over the course of the spring and summer.

Once again, they have been proven wrong. Once again, we have seen the independent segment of the petroleum industry hit hardest—just as they were last winter. And once again, we should ask why this is being allowed to happen.

As occurred this past winter, the major oil companies have continued to use the shortage situations which they themselves have helped create as the excuse to force the independent segment of the industry to its knees. As the Federal Trade Commission recently stated, there is the strong possibility "that major oil company control of refinery capacity and pipelines has contributed in a major way" to the shortages of gasoline we are now experiencing. To those in the industry, this should come as no great surprise.

And recent figures clearly illustrate that the majors are doing everything in their power to continue the squeeze on independent refiners, wholesalers, and dealers. A special report of the National Petroleum Refiners Association dated May 17, while arguing for relaxation of environmental restrictions on processing of "sour" crude, in fact revealed that there is at the present time 117,000 barrels per day of unused refinery capacity which could be used by smaller, independent refiners if the majors would sell them adequate sweet crude.

These figures are shocking. They clearly reveal that the major oil companies, while continually stating that they are attempting to help the independent refiners, are in fact withholding significant amounts of sweet crude which independents could refine, and in place of which the majors—and only the majors—could refine sour crude with no loss in total crude runs.

In addition, there have been indications in recent weeks that the administration is preparing to relax still further the price controls ostensibly put on the industry in March. Under these controls, oil companies are permitted to raise prices up to an average of 1.5 percent if the increases can be justified on the basis of increased costs.

Yet, under this seemingly stringent guideline, prices for fuel products have soared—and so have oil company profits. In April, wholesale prices for gasoline jumped an incredible 13.8 percent, a yearly rate of increase of 165.6 percent. Also, retail prices of gasoline and motor products rose at an unadjusted rate of 1.5 percent or an annual increase of 18 percent.

Both of these figures are startling. Together, they pose a major problem for the months ahead. These increases were put into effect in spite of the Cost-of-Living Council guidelines. But perhaps most interestingly, the glaring discrepancy between wholesale and retail price increases suggests that the major oil companies which control supply are loading their principal price increases into the wholesale sector, where they affect independents most drastically. While some of the discrepancy between wholesale and retail price increase reflects the usual lag between these two indices, the magnitude of the difference suggests that the majors are attempting to put the bulk of their price increases in that sector of the market which will hurt the independents most severely.

And while these price increases are occurring, oil company profits are soaring. Even before the huge price increases of April, oil industry profits for the first quarter of 1973 rose by almost 30 percent. Some of the individual increases ranged as high as 49 percent and 52 percent.

So the situation we find ourselves in is one in which the independent segment of the industry is being choked, farmers and governmental units are unable to get adequate fuel, and the major oil companies are reporting record profits.

In this context, I heartily endorse the efforts of the Senator from Washington (Mr. JACKSON) in getting Senate consideration of amendment No. 145 to S. 1570. I believe this legislation, as a result of the careful redrafting process which has gone into it, will do much to solve the problems which we have been experiencing. In particular, I am pleased that it gives high priority to "maintenance of essential agricultural operations" and "maintenance of all public services," two areas vitally important to Minnesota and the upper Midwest.

The features which it contains to guard against unwarranted price increases and underutilization of refinery capacity are most welcome. Its requirement of action within 60 days promises quick response from the President to begin to solve this pressing problem—and mandates such action, which seems now to be vitally necessary.

Its provisions to help maintain the independent sector of the industry at the refinery, wholesale and retail level are vitally needed.

In addition, I strongly support the amendment offered by the Senator from Utah (Mr. MOSS). This amendment I believe to be absolutely necessary, and compatible with the essential purposes of amendment No. 145. In this regard, I wish to note the leadership of the Senator from Minnesota (Mr. HUMPHREY) in bringing many of these severe problems into clear focus.

Under the amendment, jobbers, dealers, and terminal operators are provided with allocation formulas for products not allocated under amendment No. 145. This will provide valuable additional protection at the local level. In addition, this amendment gives retailers and distributors recourse in the courts—including injunctive relief—in case of arbitrary lease cancellation or violation of the fuel allocation formula.

Both of these provisions are desperately needed to insure adequate fuel supplies during the coming season.

I hope and believe that the machinery established by the amendment of the Senator from Washington (Mr. JACKSON) and the Senator from Utah (Mr. MOSS) will enable us to turn the corner on the terrible fuel supply problems we have been experiencing, and assure Minnesota and the other States in which these shortages are being felt most drastically of relief over the near term.

The PRESIDING OFFICER. All time on this amendment has now expired.

The question is on agreeing to the amendment of the Senator from Utah (Mr. MOSS), No. 159.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Nevada (Mr. BIBLE), the Senator from North Dakota (Mr. BURDICK), the Senator from Nevada (Mr. CANNON), the Senator from North Carolina (Mr. ERVIN), the Senator from Maine (Mr. HATHAWAY), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Iowa (Mr. HUGHES), the Senator from Hawaii (Mr. INOUYE), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Washington (Mr. MAGNUSON), the Senator from Wisconsin (Mr. NELSON), the Senator from Georgia (Mr. TALMADGE), and the Senator from California (Mr. TUNNEY), are necessarily absent.

I further announce that the Senator from Alabama (Mr. ALLEN), the Senator from Idaho (Mr. CHURCH), the Senator from California (Mr. CRANSTON), the Senator from Colorado (Mr. HASKELL), the Senator from Montana (Mr. METCALF), and the Senator from Georgia (Mr. NUNN) are absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness. The Senator from Maine (Mr. MUSKIE) is absent because of death in family.

I further announce that, if present and voting, the Senator from Nevada (Mr. CANNON), the Senator from Idaho (Mr. CHURCH), the Senator from Washington (Mr. MAGNUSON), the Senator from California (Mr. TUNNEY), and the Senator from Iowa (Mr. HUGHES) would each vote "yea."

Mr. GRIFFIN. I announce that the Senators from Tennessee (Mr. BAKER and Mr. BROCK), the Senators from Oklahoma (Mr. BARTLETT and Mr. BELLMON), the Senators from Maryland (Mr. BEALL and Mr. MATHIAS), the Senator from Utah (Mr. BENNETT), the Senator from Kentucky (Mr. COOK), the Senator from Colorado (Mr. DOMINICK), the Senator from Hawaii (Mr. FONG), the Senator from New York (Mr. JAVITS), the Senator from Idaho (Mr. MCCLURE), the Senator from Vermont (Mr. STAFFORD), the Senator from Ohio (Mr. TAFT), the Senator from Alaska (Mr. STEVENS), the Senator from South Carolina (Mr. THURMOND), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

The Senator from New York (Mr. BUCKLEY) and the Senator from New Mexico (Mr. DOMENICI) are absent by leave of the Senate on official committee business.

The Senator from New Hampshire (Mr. COTTON) is absent because of illness in his family.

The Senator from Illinois (Mr. PERCY) is absent on official committee business.

The Senator from Arizona (Mr. GOLDWATER) is absent by leave of the Senate on official business.

If present and voting, the Senator from South Carolina (Mr. THURMOND) would vote "nay."

The result was announced—yeas 44, nays 12, as follows:

[No. 164 Leg.]

YEAS—44

Abourezk
Aiken
Bayh
Bentsen
Biden
Brooke
Byrd, Robert C.
Case
Chiles
Clark
Dole
Eagleton
Fulbright
Gravel
Griffin
Gurney
Hart
Hartke
Hatfield
Humphrey
Jackson
Mansfield
McClellan
McGee
McGovern
McIntyre
Mondale
Montoya
Moss
Packwood
**Pastore**
**Pearson**
**Pell**
**Proxmire**
**Randolph**
**Ribicoff**
**Roth**
**Saxbe**
**Schweiker**
**Scott, Pa.**
**Sparkman**
**Stevenson**
**Symington**
**Williams**

NAYS—12

Byrd,
Harry F., Jr.
Curtis
Eastland
Fannin
Hansen
Helms
Hruska
Johnston
Long
Scott, Va.
Tower
Young

NOT VOTING—44

Allen
Baker
Bartlett
Beall
Bellmon
Bennett
Bible
Brock
Buckley
Burdick
Cannon
Church
Cook
Cotton
Cranston
Domenici
Dominick
Ervin
Fong
Goldwater
Haskell
Hathaway
Hollings
Huddleston
Hughes
Inouye
Javits
Kennedy
Magnuson
Mathias
McClure
Metcalf
Muskie
Nelson
Nunn
Percy
Stafford
Stennis
Stevens
Taft
Talmadge
Thurmond
Tunney
Weicker

So Mr. Moss' amendment (No. 159) to Mr. JACKSON's amendment (No. 145) in the nature of a substitute, as amended, was agreed to.

Mr. MOSS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JACKSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McINTYRE. Mr. President, I ask unanimous consent that T. J. Oden, a member of my staff, may be permitted the privilege of the floor during the consideration of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIBICOFF. Mr. President, I call up my amendment No. 164 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. RIBICOFF. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, is as follows:

> At the end of section 103 insert following:
>
> "(f) OFFICE OF EMERGENCY FUEL ALLOCATION.—An office shall be established within the Federal agency designated pursuant to section 103(a) to receive complaints from officers of State and local governmental units who cannot obtain supplies of gasoline or fuel oil or whose supplies have been substantially reduced or prices increased in violation of this Act. The Office shall be authorized to act in emergency situations where communities are threatened with the disruption of essential public services. The Office shall be empowered to order that adequate supplies be made available to these communities."
>
> Following subsection (f) add original subsection (f) and change to (g).

Mr. RIBICOFF. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second. The yeas and nays are ordered.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield for a question?

Mr. RIBICOFF. I yield.

Mr. ROBERT C. BYRD. Mr. President, would the distinguished Senator be willing to reduce the time limitation on this amendment so that all Senators will be on notice?

Mr. RIBICOFF. I am willing to reduce the time to 5 minutes on a side. I will take only 3 minutes.

Mr. JACKSON. That is fine with me.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that time on the amendment be limited to 10 minutes, with the time evenly divided as in the original agreement.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIBICOFF. Mr. President, this amendment is designed to insure that cities, towns, counties, and States will be able to get enough gasoline and fuel oil to provide essential services to their citizens.

No fuel allocation program, no matter how skillfully constructed, will be able to take care of all the emergency situations which will inevitably arise when governmental units are unable to obtain gasoline for their ambulances, fire trucks, or police vehicles.

Already last winter schools were closed because of a lack of heating oil. Already cities and towns are finding it difficult to secure dependable sources of gasoline for their official vehicles.

My amendment would create a special Office of Emergency Fuel Allocation within the agency set up under this act. This Office would deal solely with State, municipal, and county officials who cannot obtain enough fuel to provide essential services to their communities.

Recently a number of towns in my own State of Connecticut have been faced with imminent cutoffs of fuel supplies. So far I have been able to be of help to them. But the problem is snowballing and can only get worse.

In the most recent instance, the city manager of the town of Plainville, Conn., informed me that all of its invitations for bids on the town's fuel needs for police, fire, public works and other municipal vehicles had been declined. When its existing supplier also refused to bid, the town asked me if I could help. I was able to enlist the cooperation and speedy action of Mr. William Simon, Deputy Secretary of the Treasury and Chairman of the President's Oil Policy Committee. He contacted the previous supplier and shortly thereafter a new fuel arrangement was negotiated by the town of Plainville.

I realize, however, that Mr. Simon himself cannot deal with all such situations that will arise in Connecticut, much less the entire Nation. Clearly there has to be some entity established to do this with an emphasis on speed and simplicity if similar complaints and emergencies are to be taken care of.

My amendment establishes an office to receive complaints from State and municipal officials whose governmental units cannot obtain sufficient supplies of gasoline or fuel oil, or whose prices have been increased in violation of this act.

Where communities are thus threatened with the disruption of essential public services, this Office will be empowered to order that adequate fuel supplies be made available.

No matter what the reasons for the present shortages, we must not permit schools and hospitals to go without heat and ambulances, and fire trucks to have empty gas tanks. This Office will operate at a level where the need is most immediately felt and bypass the inevitable redtape and bureaucratic delays which the implementation of an allocation program will inevitably produce.

I am particularly pleased that the distinguished chairman of the Interior Committee has indicated his approval of my amendment. His leadership and guidance in all facets of the energy crisis is worthy of the highest commendation.

I urge all of my colleagues to support this needed amendment.

Mr. President, I have discussed this amendment with the Senator from Washington (Mr. JACKSON) and the Senator from Arizona (Mr. FANNIN), who have done outstanding work in their field. They feel that this is a necessary amendment.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. RIBICOFF. I yield.

Mr. JACKSON. Mr. President, I compliment the senior Senator from Connecticut for offering what I think is a highly sensible amendment to the bill, the establishment of an Office of Emergency Fuel Allocation to deal with these special problems affecting State and local governments. I think it is extremely helpful. It strengthens the bill. I commend the Senator, and I urge Senators to support the amendment.

Mr. FANNIN. Mr. President, I, too, would like to commend the distinguished Senator from Connecticut. This amendment is something that strikes at what could be a great problem. I feel the amendment will be beneficial. It provides that our very essential municipal governments will continue to operate and not have these problems.

Mr. RIBICOFF. Mr. President, I ask unanimous consent that the name of the Senator from West Virginia (Mr. RANDOLPH) be added as a cosponsor of the amendment.

The senior Senator from West Virginia, over the years, has consistently exercised a leadership role in the Congress on energy policy issues facing our country. In 1959, he proposed creation of a Joint Committee on Energy. More recently, in 1971, my distinguished colleague authored, with the able Senator from Washington (Mr. JACKSON), Senate Resolution 45 establishing the Senate's national fuels and energy policy study. This study is now being conducted by the Committee on Interior and Insular Affairs, with ex officio members from the Committees on Public Works and Commerce, and the Senate membership of the Joint Committee on Atomic Energy.

I am pleased that my colleague, the Senator from West Virginia (Mr. RANDOLPH), has chosen to cosponsor this amendment with me.

Mr. RANDOLPH. The distinguished senior Senator from Connecticut is generous in his remarks concerning my activities relating to fuels and energy. In 1969, when I proposed a Presidential Commission on Fuels and Energy, he joined me as a cosponsor on that legislation which was turned into Senate Resolution 45 of the 92d Congress.

Over the years, we have demonstrated together a deep awareness of the need for a national energy policy. More recently, he has served a leadership role in dealing with the current fuels situation. Pending energy shortages pose an immediate threat of disruption of essential public services. This concern is reflected in Senator RIBICOFF's amendment 164 to S. 1570. This legislation empowers an Office of Emergency Fuel Allocation to assure adequate energy supplies to communities where essential public services are threatened. The amendment also provides a focal point within the Federal Government for State and local governments to direct complaints when they cannot obtain adequate supplies of gasoline or fuel oil. I commend his interest in and aggressive espousal of these urgently needed provisions.

As the Senator from Connecticut has noted, the maintenance of public services is essential to the operation of State and local communities. For, when such services are threatened, so is the economy of a region.

I am pleased to join the distinguished Senator as a cosponsor of his amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIBICOFF. Mr. President, I yield back the remainder of my time.

Mr. JACKSON. I yield back the remainder of my time.

**Mr. FANNIN.** I yield back the remainder of my time.

**The PRESIDING OFFICER.** All time is yielded back. The question is on agreeing to the amendment of the Senator from Connecticut (Mr. Ribicoff). The yeas and nays have been ordered, and the clerk will call the roll.

**Mr. ROBERT C. BYRD.** I announce that the Senator from Nevada (Mr. Bible), the Senator from North Dakota (Mr. Burdick), the Senator from Nevada (Mr. Cannon), the Senator from North Carolina (Mr. Ervin), the Senator from Arkansas (Mr. Fulbright), the Senator from Maine (Mr. Hathaway), the Senator from South Carolina (Mr. Hollings), the Senator from Kentucky (Mr. Huddleston), the Senator from Iowa (Mr. Hughes), the Senator from Hawaii (Mr. Inouye), the Senator from Massachusetts (Mr. Kennedy), the Senator from Wisconsin (Mr. Nelson), the Senator from Georgia (Mr. Talmadge), and the Senator from California (Mr. Tunney) are necessarily absent.

I further announce that the Senator from Alabama (Mr. Allen), the Senator from Idaho (Mr. Church), the Senator from California (Mr. Cranston), the Senator from Colorado (Mr. Haskell), the Senator from Montana (Mr. Metcalf), and the Senator from Georgia (Mr. Nunn) are absent on official business.

I also announce that the Senator from Mississippi (Mr. Stennis) is absent because of illness. I also announce that the Senator from Maine (Mr. Muskie) is absent because of death in family.

I further announce that, if present and voting, the Senator from Nevada (Mr. Cannon), the Senator from Idaho (Mr. Church), the Senator from California (Mr. Tunney), and the Senator from Iowa (Mr. Hughes) would each vote "yea."

**Mr. GRIFFIN.** I announce that the Senators from Tennessee (Mr. Baker and Mr. Brock), the Senators from Oklahoma (Mr. Bartlett and Mr. Bellmon), the Senators from Maryland (Mr. Beall and Mr. Mathias), the Senator from Utah (Mr. Bennett), the Senator from Kentucky (Mr. Cook), the Senator from Colorado (Mr. Dominick), the Senator from Hawaii (Mr. Fong), the Senator from New York (Mr. Javits), the Senator from Idaho (Mr. McClure), the Senator from Vermont (Mr. Stafford), the Senator from Ohio (Mr. Taft), the Senator from Alaska (Mr. Stevens), the Senator from South Carolina (Mr. Thurmond), and the Senator from Connecticut (Mr. Weicker) are necessarily absent.

The Senator from New York (Mr. Buckley) and the Senator from New Mexico (Mr. Domenici) are absent by leave of the Senate on official committee business.

The Senator from New Hampshire (Mr. Cotton) is absent because of illness in his family.

The Senator from Illinois (Mr. Percy) is absent on official committee business.

The Senator from Arizona (Mr. Goldwater) is absent by leave of the Senate on official business.

If present and voting, the Senator from South Carolina (Mr. Thurmond) would vote "yea."

The result was announced—yeas 56, nays 0, as follows:

[No. 165 Leg.]

YEAS—56

Abourezk
Aiken
Bayh
Bentsen
Biden
Brooke
Byrd, Harry F., Jr.
Byrd, Robert C.
Case
Chiles
Clark
Curtis
Dole
Eagleton
Eastland
Fannin
Gravel
Griffin
Gurney
Hansen
Hart
Hartke
Hatfield
Helms
Hruska
Humphrey
Jackson
Johnston
Long
Magnuson
Mansfield
McClellan
McGee
McGovern
McIntyre
Mondale
Montoya
Moss
Packwood
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Roth
Saxbe
Schweiker
Scott, Pa.
Scott, Va.
Sparkman
Stevenson
Symington
Tower
Williams
Young

NAYS—0

NOT VOTING—44

Allen
Baker
Bartlett
Beall
Bellmon
Bennett
Bible
Brock
Buckley
Burdick
Cannon
Church
Cook
Cotton
Cranston
Domenici
Dominick
Ervin
Fong
Fulbright
Goldwater
Haskell
Hathaway
Hollings
Huddleston
Hughes
Inouye
Javits
Kennedy
Mathias
McClure
Metcalf
Muskie
Nelson
Nunn
Percy
Stafford
Stennis
Stevens
Taft
Talmadge
Thurmond
Tunney
Weicker

So Mr. Ribicoff's amendment to the Jackson amendment in the nature of a substitute, as amended, was agreed to.

**Mr. RIBICOFF.** Mr. President, I move to reconsider the vote by which the amendment was adopted.

**Mr. JACKSON.** Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

**Mr. JACKSON.** Mr. President, I send to the desk two amendments which are technical in nature and ask unanimous consent that they be considered en bloc.

**The PRESIDING OFFICER** (Mr. Fannin). The clerk will report the amendments.

The assistant legislative clerk read as follows:

On page 9, line 18, after the word "modified", delete the word "and" and insert the word "or".

Redesignate subsection 104(d) as subsection 105(a) and redesignate the subsections of section 105 accordingly.

**The PRESIDING OFFICER.** Is there objection to the unanimous-consent request of the Senator from Washington? The Chair hears none, and it is so ordered.

**Mr. JACKSON.** Mr. President, one amendment is to correct a typographical error, and the other is to readjust a section in the bill.

I have taken the amendments up with the distinguished Senator from Arizona and he is in accord.

**Mr. FANNIN.** Mr. President, I have no objection.

**The PRESIDING OFFICER.** The question is on agreeing to the amendments en bloc.

The amendments were agreed to en bloc.

**Mr. HART.** Mr. President, will the Senator from Washington yield for a brief question?

**Mr. JACKSON.** Mr. President, I yield 2 minutes to the Senator from Michigan.

**Mr. HART.** Mr. President, I rise to make an inquiry with respect to the intentions of the Senator from Washington in connection with section 102(b). As I understand it, the grant of power which the Senator proposes to give the President will include action that the President regards as necessary to achieve among other objectives the maintenance of all public services. I am sure it is not unique in Michigan that the taxicab serves a very keen role in many of the regions of the State.

I would assume this is true elsewhere. It serves in the delivery of drugs, and certainly during off-service hours, it is the only vehicle available for public transportation. I need not list the many ways in which the taxicab serves the public.

**Mr. JACKSON.** It also serves as an emergency vehicle in addition.

**Mr. HART.** As the Senator from Washington (Mr. Jackson) no doubt is aware, among those being cut off from their traditional gasoline supply these days are taxi companies. As I understand it, the voluntary program of allocation which the administration has underway does not give a priority ranking to taxi companies so that they may be assured supply.

In many areas of the country—certainly in several parts of Michigan—taxis are not only an alternative means of transportation but for many hours of the day, the only public transportation. In addition to transporting those who need emergency treatment, or to get to employment—which may be essential—they also do such services as deliver whole blood to hospitals.

Is it the purpose of the Senator from Washington that we understand that in section 102(b) the maintenance of all public services is to include the role of the taxicab?

**Mr. JACKSON.** Mr. President, as the author of the pending bill, it is my intent—and I know it is the intent of the committee—that section 102(b), Maintenance of All Public Services, definitely includes taxicab services. I would also say that it is governed in part under section 102(a), Protection of Public Health, Safety, and Welfare, since there are indeed emergency public services performed by the taxicab industry.

I point out that in an effort to cut down on the traffic and the consumption of fuel, one of our policies should and must be the utilization of taxicabs in local transit systems, particularly within our large metropolitan areas. Our experience during taxi strikes tells us that when cabs are not available, many commuters who ordinarily use public transit bring their own cars downtown, increasing both congestion and gasoline demand. Taxicabs supply a very important public service role, as well as a vital role involving the public health, safety, and welfare.

**Mr. HART.** Mr. President, I thank the Senator from Washington. His answer reflects again the thoroughness with which he prepares himself.

Mr. JOHNSTON. Mr. President, will the Senator yield?

Mr. JACKSON. I yield to the Senator from Louisiana.

Mr. JOHNSTON. Mr. President, section 104(b) of the bill as we considered it in the Committee on Interior and Insular Affairs, grants to the President, as I understand it, the discretionary authority to implement and to allocate the schedule which is authorized in section 104(a). That was my understanding in the committee, and I ask the question in view of the fact that the report indicates that the authority of the President to allocate is mandatory, rather than discretionary.

Is it the understanding of the distinguished Senator from Washington that the President's authority in the bill in its present form is discretionary or mandatory?

Mr. JACKSON. Mr. President, I believe that the provision in section 104(b) is ambiguous on this matter. The intent was to make it discretionary.

The Senator from Delaware (Mr. BIDEN) will offer an amendment on Monday to substitute the word "shall" so that on line 14 it would read:

> The President shall allocate or distribute . . .

I would support that amendment, because the objective here should be to make it mandatory.

Mr. JOHNSTON. I understand that that amendment will be introduced, and I can understand the arguments that can be advanced to make it mandatory, but I think the language is rather clear in section 104(b) that the President is authorized to allocate, and not required to do so.

I think the discussion in the committee was rather clearly in favor of giving him that authority, that discretion, and not requiring him to do so. As I recall, that very point came up in the committee; and in discussing the bill yesterday with some of the staff members, it was indicated by the staff that that was their understanding of it, and that the ambiguity was on page 6 of the report, and not in section 104(b) of the bill itself.

This has no reference to whether it is a good idea or not a good idea to make it mandatory, but just a question of what the intent of the committee was and what the intent of the bill itself is.

Mr. JACKSON. The Senator may well be correct as to this particular section. It was my intent, however, that the program should be mandatory, and if, as the Senator says, section 104(b) as it is at the moment leaves it discretionary, I think it would strengthen what we are trying to do to make it mandatory, and that the word "shall" should be substituted instead of "is hereby authorized." That is my personal feeling.

I must say, of course, that I am not sure to what extent constitutionally we can direct the President on some of these things, but it is a matter that I hope can be made clear in conference.

Mr. JOHNSTON. In other words, if the Senate should fail to agree to the Biden amendment, it would be discretionary; so Senators who wish to make it mandatory should vote for the Biden amendment, and Senators who wish to make it discretionary should vote to leave the bill as it is.

Mr. JACKSON. I think that is a fair assessment.

(Mr. JOHNSTON assumed the chair as Presiding Officer at this point.)

Mr. FANNIN. Mr. President, I yield the Senator from Wyoming whatever time he may require.

Mr. HANSEN. Mr. President, I thank my distinguished colleague for yielding me time. I call to the attention of Senators and others who may read the RECORD that I believe the summary at the conclusion of my prepared statement is particularly relevant.

Before proceeding, I ask unanimous consent that the minority views with respect to this bill be printed in the RECORD.

There being no objection, the minority views from the committee report were ordered to be printed in the RECORD, as follows:

MINORITY VIEWS OF SENATORS FANNIN, HANSEN, HATFIELD, BUCKLEY, MCCLURE, AND BARTLETT

### WHY S. 1570 IS UNESSENTIAL

Section 101(a) of the reported bill differs markedly from the bill as introduced. In the original bill, introduced on April 13, 1973, authority was to be delegated to the President to make a finding if he wished to do so "that an extraordinary shortage or dislocation in the distribution of particular fuels exists or is imminent."

Five days later the President in his energy message to the Congress said that:

"* * * we are facing a vitally important energy challenge. If present trends continue unchecked, we could face a genuine energy crisis. But that crisis can and should be averted, for we have the capacity and the resources to meet our energy needs if only we take the proper steps—and take them now."

Yet, scarcely three weeks later section 101 (a) of the bill was amended to include an express finding of an extraordinary shortage. Although the committee has received evidence that gasoline supplies will be unusually tight this summer, it is doubtful that the country is on the verge of such a national emergency as the amended bill would purport to remedy.

We do not question that shortages exist. We question, however, the wisdom of the Congress imposing a hastily and arbitrarily drafted rationing scheme without first adequately ascertaining the extent of the shortage or how the rationing system would operate in practice to provide workable, equitable and effective relief from the current shortages.

Less than three weeks ago the Congress passed the Economic Stabilization Act Amendments of 1973.

In relevant part the Act declares:

"In order to maintain and promote competition in the petroleum industry and assure sufficient supplies of petroleum products to meet the essential needs of various sections of the Nation, it is necessary to provide for the rational and equitable distribution of those products."

It therefore authorized the President to:

"* * * provide after public hearing, conducted with such notice, under such regulations and subject to such review as the exigencies of the case may, in his judgment, make appropriate for the establishment of priorities of use and for systematic allocation of supplies of petroleum products including crude oil in order to meet essential needs of various sections of the Nation and to prevent anticompetitive effects resulting from shortages of such products."

The Administration believes that it has sufficient authority under the above quoted provisions of the Act to deal with the fuel shortage situation and that further legislation is unnecessary.

In fact, the Administration has already implemented a voluntary program that should allow an equitable redistribution of crude oil and products to independent refiners, marketers and priority classes of customers. The Oil Policy Committee will soon initiate hearings, under authority of the above quoted provisions of the Economic Stabilization Act Amendments of 1973, to receive comments on the program and to determine if a mandatory program is required. Thus, if the Administration's voluntary program fails, it will be in a proper position to institute a mandatory compliance program.

In short the machinery to deal with the fuels shortage problem has been initiated by the Administration. The Economic Stabilization Act Amendments provide the Administration with the authority to institute a mandatory allocation program if needed.

To disassemble the system which is now being initiated to provide relief for the nation's fuel shortage and cause it to be reconstituted under the provisions of S. 1570 would only delay implementation of a plan already underway.

For reasons which we outline below, we are persuaded that not only would S. 1570 aggravate present fuel shortages, but it would also impair an effective remedy.

In addition, we note here that the reason minority members agreed to report S. 1570 was to accommodate the Chairman's wish that the bill would receive full discussion on the Senate floor.

### THE PUZZLING LEGISLATIVE HISTORY OF S. 1570

When S. 1570's sponsor introduced the bill, he stated that implementation of the authority granted the President in the bill would be discretionary, and that the specific standards which would constitute any allocation formula would be left to the President to determine. It was then stated that ". . . the President *may* allocate, ration, or distribute a fuel, or any form of energy, which is or may become, in extraordinary short supply . . ."

The bill was clearly intended to give the President broad discretion in establishing standards under the act and broad discretion regarding their implementations. Further, during the hearing Administration witnesses were asked to advise the committee on what allocation standards would be appropriate.

But without further consultation with the Administration, the bill was amended not only to impose arbitrary standards on the President, but to require that their implementation be made mandatory.

The Administration's proposed allocation system was made available to the committee the morning it was released, which was the day the committee met in executive session to consider the bill. No comparison was made of the amendment to the Administration's plan.

### SECTION 105: S. 1570'S FUELS ALLOCATION FORMULA

This amendment which now constitutes section 105, significantly changes the entire thrust of the bill. No hearings were held on it. In fact, the committee's discussion of the amendment in executive session was hurried and vague.

No one knows the total extent of the inequities which could result if the provisions of section 105 became law. Further, it is in conflict with Section 104 as hereinafter discussed.

#### *How section 105 harms American farmers*

The majority report states that the bill especially recognizes the fuel needs of the farmer and contains provisions to ensure his protection.

Activities related to agriculture are singled out . . . because the access by farms and rural areas to gasoline, diesel fuel, heating oil and LPG is among the most vulnerable points in the fuels economy. In view of the crucial role of food prices in accelerating the current inflation, and because of the enormous crop damage in the recent Mississippi basin floods, it is particularly urgent that the nation's farmers and the nation's food supply not suffer the additional handicap of unavailable fuel.

Clearly the intent was to protect farmers. Yet the language of the section 105 amendment in fact discriminates against farmers. Several independent refiners which almost exclusively serve farmers are excluded from the protection of the allocation system contained in section 105. This section defines independent refiners as those "who produced in the United States less than thirty thousand barrels per day of petroleum products during the base period."

Agway, Inc., a farmers' cooperative refinery located in Texas City, Texas has a capacity of 60,000 barrels a day. It would be deprived of the protection of section 105 allocation formula.

Farmland Industries, Inc., which operates farmers' cooperative refineries in Kansas and Nebraska, has a capacity of 55,000 barrels a day. It would be deprived of the protection of section 105 allocation formula.

The National Cooperative Refinery Association, a farmers' cooperative located in Kansas, has a capacity of 46,000 barrels a day. It too would be deprived of the protection of the section 105 allocation formula.[1] Other crude short farmers' cooperatives might be similarly deprived of the protection of the section 105 allocation formula.

Elsewhere in the bill farmers are discriminated against. Section 105(a) (2) defines "non-affiliated" as:

"* * * a buyer (seller) who has no substantial financial interest in, is not subject to a substantial common financial interest of, and is not subject to a substantial common financial interest with, the seller (buyer) in question . . ."

Section 105(a) (4) defines an "independent dealer" as:

"* * * a terminal operator, jobber, dealer, or distributor, at wholesale or retail, who obtains refined petroleum products either on term contract or in spot markets, and who purchased during the base period at least half of such products from non-affiliated seller."

Thus, an independent marketer of gasoline to qualify for product sharing rights under section 105(b) (2) of the bill must fall within the definitions of "non-affiliated" and "independent dealer".

Commissioned distributors, as known in the petroleum industry, are engaged primarily in supplying fuel oil to rural households and farms. Although they usually own their own trucks, hire and fire their own personnel, their accounts receivable are usually handled by their suppliers. This latter arrangement could easily result in the exclusion of the commissioned distributor from the protection afforded "non-affiliated independent dealers." If they are so excluded then the farmers whom they serve would certainly suffer.

Additionally, although the report expresses that "a buyer's assignment of accounts receivable to a seller" is "not in itself a financial interest", it is not clear that commissioned distributors are protected by the bill, or that a court construing the bill would determine that a financial interest does not exist between commissioned distributors and their suppliers.

Thus, the problem of the commissioned distributors provides another example of how section 105 could operate against the best interests of the American farmer.

### *How section 105 protects some oil industry giants and punishes others*

The report language states that independents must be protected from the self-serving practices of the larger companies, because such companies "understandably protect their own interests first."

Yet section 105 as drafted would provide benefits under the allocation scheme to large companies. Total, a U.S. subsidiary of a large multinational French oil company, has a refinery capacity of 29,000 barrels a day. If its imports were less than 1,000 barrels a day, it could demand from its competitor producers that they supply it with crude, without any burden of having to share with small companies the product it refined from the crude.

Dow Chemical, one of the nation's largest petrochemical companies with a refinery capacity of 17,000 barrels a day and imports of 5,000 barrels a day, would be able to claim the same rights without suffering any product sharing burden.

Hunt Oil Company, an aggressive integrated oil company with a 15,000 barrels a day refinery capacity and imports of 6,313 barrels a day, would be able to claim similar benefits and be free of any section 105 product sharing burden.

Swift and Company, a large conglomerate with a subsidiary refinery, Bell Oil & Gas, has a 29,500 barrel a day capacity. If its imports were less than 500 barrels a day, it also would be able to claim benefits without any section 105 product sharing burden.[2]

No one knows how many other large companies could realize windfall gains without suffering any concomitant burden.

With further reference to likely inequities which could result from application of section 105 if enacted as law, several examples present themselves as self-evident.

### *Section 105 crude sharing inequities*

Section 105(b) (1) requires that:

"* * * any producer or importer of crude petroleum and/or natural gas liquids who produced in the United States and/or imported more than two hundred thousand barrels per day of crude oil and natural gas liquids during the base period (i.e., July 1, 1971 to June 30, 1972) shall sell or exchange to non-affiliated independent refiners (refiners whose daily throughput is less than thirty thousand barrels per day) or to any other reasonable and appropriate class of refiners established by regulation, in the aggregate during each quarter during the effective term of this Act a proportion of his domestic production and imports no less than the proportion he sold or exchanged to such refiners during the base period * * *"

Under the provisions of this section the following sixteen companies would be included as producers whose production and imports exceed 200,000 barrels a day: Ashland Oil, Atlantic Richfield, Cities Service, Continental Oil, Exxon, Gulf, Marathon, Mobil, Phillips Petroleum, Shell, Standard Oil of California, Standard Oil (Indiana), Standard Oil (Ohio), Sun Oil, Texaco, and Union Oil of California.

Thus, the entire burden of crude sharing would be placed on these sixteen companies. Nine large companies whose production and imports falls short of 200,000 barrels a day but exceeds 100,000 barrels a day include Amerada Hess (119,204 b/d), American Petrofina (123,409 b/d), Clark Oil (114,084 b/d), Coastal States (139,094 b/d), Crown Central Petroleum (110,197 b/d), Getty Oil (187,705 b/d), Koch Industries (103,854 b/d), Tenneco (111,547 b/d), and Union Pacific Corporation (170,897 b/d).

These companies would not be required under the bill to share their crude with independent refiners.

Many of the independent refiners as defined in the bill, including most farmers' cooperatives, obtain a large portion of their crude not only from the nine companies listed above, but from many other independent producers who, too, are exempted from the duty of sharing their crude. Thus, arbitrarily selecting companies whose crude supply exceeds 200,000 barrels a day would result in less than adequate relief to the independent refiners. To arbitrarily change the crude sharing requirement to a different number of barrels of daily crude supply could lead to similarly undesirable consequences. Thus, these facts underpin the necessity of delegating to the President sufficient authority to determine a practicable system for crude sharing which will in fact provide protection to independent refiners.

### *Section 105 product sharing inequities*

Section 105(b) (2) requires that:

"* * * any refiner of petroleum products who produced (sic) in the United States and/or imported more than two hundred thousand barrels per day of refined petroleum products including residual fuel oil during the base period shall sell or exchange to non-affiliated independent dealers or to any other reasonable and appropriate class of purchasers established by regulation, in the aggregate in each quarter during the effective term of this Act, a proportion of his refinery production and imports of said products no less than the proportion he sold or exchanged to such dealers during the base period."

The seventeen companies falling within the 105(b) (2) include Texaco, Exxon, Shell, Standard of Indiana, Standard of California, Gulf, Mobil, Atlantic Richfield, Sunoco, Union of California, Standard of Ohio, Phillips, Ashland, Continental Oil, Cities Service, Getty, and Marathon.

Excluded from the product sharing requirement of section 105(b) (2) are eleven large companies whose refinery capacity and imports are less than 200,000 b/d but significantly greater than 30,000 b/d. These are: Union Pacific's Champlin Petroleum Company (137,000 b/d), Coastal States (135,000 b/d), American Petroleum (108,500 b/d), Clark Oil (104,500 b/d), Amerada Hess (98,500 b/d), Crown Central (95,000 b/d), Koch Industries (87,900 b/d), Tenneco (87,000 b/d), Monsanto (77,000 b/d), Charter International (70,000 b/d), and Murphy Oil (68,000 b/d).

The independent marketing sector which these eleven companies serve is as nearly dependent upon them for product as they are upon the seventeen companies required under section 105(b) (2) of the bill to share their products.

The independent marketing sector is not only dependent upon the seventeen companies falling within the bill's requirements, and the eleven large companies excluded from the bill's requirements, but also upon smaller refiners whose product also is very much needed by the independent marketers. Approximately one third of U.S. petroleum products are manufactured by companies excluded from the product sharing requirements of section 105(b) (2).

To arbitrarily change the product sharing requirements of the section 105(b) (2) of the bill to a different number of barrels of daily refinery output could lead to similarly undesirable consequences.

Thus, these facts too underpin the necessity of delegating to the President sufficient authority to determine a practicable system for the refinery product sharing which will in fact provide protection to independent marketers.

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[1] Data regarding the refinery capacity of Agway, Farmland, and the National Cooperative Refinery Association was taken from "U.S. Refining Capacity," a report of the National Petroleum Refiners Association, Aug. 7, 1972.

[2] Production, imports and refinery capacity statistics concerning Total, Dow, Hunt, and Swift and other oil companies hereinafter discussed are approximations and were taken from Interior Department Office of Oil and Gas import allocation schedules and from Bureau of Mines refinery capacity data.

The fact that section 105(b) permits alternative categories of producers and importers and refiners to be established by administrative regulation appears to reflect a doubt of the wisdom, usefulness, and viability of the definitions included in the bill. If alternative definitions can be established by regulation, what usefulness does section 105 serve?

### *How section 105 fails to anticipate the evils it could cause*

The amendment appearing as section 105 of the bill leaves many issues unresolved. The bill simply defines who must comply with the allocation formula without any proviso for changes in circumstances involving sale or acquisition of production, refinery, transportation, and marketing facilities during or after the base period. Nor does the bill contain any provisos pertaining to emergencies, accidents, and disasters under which persons subject to the Act would be unable to perform their statutory obligations.

For example, Phillips Petroleum has withdrawn from New England as a marketing area and thus is without facilities to continue supplying customers it supplied during the base period. Is Phillips nevertheless required to serve its former New England customers? Are Phillips' successors in interest to the facilities sold subject to the bill's requirements?

British Petroleum sold its Port Arthur, Texas, refinery to American Petrofina. Petrofina has no historical obligations with respect to the Port Arthur refinery and B.P. has obligations but no Port Arthur facility with which to meet them. Who is liable to whom for what? The bill is silent regarding such transactions.

The Administration is receiving royalty payments from Outer Continental Shelf producers in the form of crude, rather than cash, in order to help supply crude short refiners. The bill is silent as to whether the crude turned over to the government as royalty payments counts a part of their production under the bill or is deducted from it. If the Federal government's receipts of OCS crude exceed 200,000 barrels a day, is it to be considered a producer under the bill?

Several of our nation's refineries are jointly owned. Thus, under the 105(a)(3) definition of "independent refiner" and the 105(b)(2) provision pertaining to refiners "who produced (sic) in the United States and/or imported more than two hundred thousand barrels per day of refined petroleum products" how are the refinery capacity calculations to be tabulated? By the extent of the refinery's throughput? By the extent of the property interest any owner has in a given refinery's throughput?

Under the Administration's voluntary allocation program the base period used is the fourth quarter of 1971 and the first three quarters of 1972. The section 105 base period is the last two quarters of 1971 and the first two quarters of 1972. This discrepancy in the base period could create administrative havoc insofar as calculations of production, imports refinery runs, and other factors are concerned. Furthermore, it could cause allocation awards under the Administration program to be negated or withdrawn and new allocation awards established. In the midst of a fuels shortage such uncertainties should not be risked.

S. 1570 fails to deal with the issue of Federal preemption. Nowhere in its language does it prohibit a state from imposing a contradictory allocation formula on sectors of the petroleum industry located within its jurisdiction.

S. 1570 contains no provision for a public hearing for any regulation to be established under its provisions and therefore is in conflict with the requirements of the Economic Stabilization Act Amendments of 1973.

S. 1570 provides no criteria for finding which fuels are in short supply and which should be regulated.

S. 1570 provides no criteria for finding when allocations are no longer necessary and for removing controls prior to termination of authority in September 1974.

S. 1570 provides no criteria for establishing what constitutes an "exorbitant price increase" which would be unlawful under the bill.

S. 1570 is ambiguous with regard to an effective date. Regulations, plans, and priority schedules must be published within 60 days from enactment of the act. But section 106 (a) states that the schedules, plans, and regulations must be submitted to both houses of Congress. It is unclear whether such a submission is for information purposes only, or whether Congressional approval of the submitted schedules, plans and regulations would be required.

Section 105 is discriminatory since it requires allocation only by large companies supplying in excess of 200,000 barrels per day of fuels. We believe the bill could be challenged in court on this issue resulting in delayed implementation of the bill. The bill is also ambiguous since it specifies two separate programs of allocation. Section 104 grants broad authority to the President to allocate any type fuel under any type allocation scheme, or to any priority customers or class of customers, with no restrictions on the class or size of suppliers to which the allocations may be applied. In contrast, section 105 is a narrow allocation program that specifies allocating supplies on a historical basis from suppliers with volumes exceeding 200,000 barrels per day. The narrow limitations and restrictions of the allocation scheme spelled out in section 105 raise questions concerning the intent of section 104. The inclusion of two separate allocation schemes in the same bill leads to ambiguity that could cause court litigation and delay implementation of the bill.

The specification of the term "extraordinary shortages" in the bill, "crude oil (including natural gas liquids) and refined petroleum products (including liquid petroleum gas)," is inadequate. If this legislation is to be enacted, familiar wording that has been used by the Administration in the past, such as "crude oil, finished products and unfinished oils" should replace the language in the bill in order to establish greater precision about the resources to be allocated.[3]

This bill will allow the modification of existing contracts. The abrogating of contracts, in any way, merits careful consideration. Without the solid base that contracts provide, the availability of financing necessary for most businessmen would become questionable.

All of these issues present serious problems not even contemplated under the bill, let alone resolved.

### CONCLUSION

For the above stated reasons we believe S. 1570 is unnecessary and could cause a worsening of, rather than relief from, the nation's current fuels shortage.

Paul J. Fannin.
Clifford P. Hansen.
Mark O. Hatfield.
James L. Buckley.
James A. McClure.
Dewey Bartlett.

### ADDITIONAL VIEWS OF JAMES L. BUCKLEY

While I have signed, and in general support the Minority Views, I believe one or two additional points should be made.

S. 1570 would serve to increase the power of government to interfere with the mechanisms of the marketplace in the allocation of scarce energy resources. Yet there is ample reason to believe that governmental interference with market forces in the past is in large part responsible for the shortages we now experience.

Evidence presented to this committee suggests, for example, that our inadequate refinery capacity is the result of regulation or disincentives directly related to the import quota system. The shortage of natural gas has been attributed by witnesses before this committee to inappropriate FPC regulation which has kept the price of natural gas artificially low thus inhibiting the development of new sources to meet current shortages. Finally, the shortages of fuel oil last winter reflected the effects on refinery "mix" of the freezing of prices on refinery products at a moment in time when the margin of profit on fuel oils happened to be low.

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[3] Note: For example, under Interior Department oil import regulation the following terms are contained within the definition section:

(A) "Crude Oil" means a mixture of hydrocarbons that existed in the liquid phase in natural underground reservoirs and remains liquid at atmospheric pressure after passing through surface separating processes (and are not natural gas products) and the initial liquid hydrocarbons (at atmospheric conditions) produced from tar sands, gilsonite, and oil shale:

(B) "Finished products" means any one or more of the following petroleum oils, or a mixture or combination of such oils, which are to be used without further processing except blending by mechanical means:

(1) the following liquefied gases, namely ethane, propane, butanes, ethylene, propylene and butylenes, which are derived by refining or other processing of natural gas, crude oil, or unfinished oils;

(2) gasoline—a refined petroleum distillate which, by its composition, is suitable for use as a carburant in internal combustion engines;

(3) jet fuel—a refined petroleum distillate used to fuel jet propulsion engines;

(4) naphtha—a refined petroleum distillate falling within a distillation range overlapping the higher gasoline and the lower kerosenes;

(5) fuel oil—a liquid or liquefiable petroleum product burned for lighting or for the generation of heat or power and derived directly or indirectly from crude oil, such as kerosene, range oil, distillate fuel oils, gas oil, diesel fuel, topped crude oil, residues;

(6) lubricating oil—a refined petroleum distillate or specially treated petroleum residue used to lessen friction between surfaces;

(7) residual fuel oil—(i) topped crude oil or viscous residuum which has a viscosity of not less than 45 seconds Saybolt universal 100°F. and (ii) crude oil which is to be used as fuel without further processing other than by blending by mechanical means.

(8) asphalt—a solid or semi-solid cementitious material which gradually liquefies when heated, in which the predominating constituents are bitumins, and which is obtained in refining crude oil;

(9) natural gas products—means liquids (under atmospheric conditions) including natural gasoline, which are recovered by a process of absorption, adsorption, compression, refrigeration, cycling, or a combination of such processes, from mixtures of hydrocarbons that existed in a vaporous phase in a reservoir and which, when recovered and without processing in a refinery, otherwise fall within any of the definitions of products contained in clauses (2) through (5), inclusive, of this paragraph (g);

(C) "Unfinished oils" means one or more of the petroleum oils listed in paragraph (g) of this section, or a mixture or combination of such oils which are to be further processed other than by blending by mechanical means.

Given this past experience, I think the Congress should be very cautious about imposing still more rigid public controls over the distribution of fuels in the absence of far more compelling reasons than have thus far been presented to this Committee.

JAMES L. BUCKLEY.

### ADDITIONAL VIEWS OF SENATOR JAMES A. M'CLURE

It is with extreme reluctance that I support the reporting of S. 1570, because I do not believe it will solve the immediate or the long range problems of energy supply or distribution. Undoubtedly, immediate action is needed, but all that we can honestly claim for the measure is that without it the intermediate-term problems could be worse. As regards the immediate problems of gasoline shortages, the bill does not provide adequate direction for meeting the needs of farmers, transporters, and other essential users, who are facing curtailment of their operations today. The sixty-day provision precludes any hope of immediate assistance to them from this bill.

Looking ahead, the bill creates a different type of problem for possible future shortages of both gasoline and fuel oil. The bill does not provide adequate protection against the dangers of Government interference in the essential operations of the petroleum industry. The uncertainties and problems of the present voluntary allocation program should serve as an excellent example of the inability of the Federal Government. In this, the Congress must bear an appreciable share of the responsibility. But, as we have seen in the past, the first answer proposed for solving the problems created by misuse of Government authority and control is to give the Government even more authority and control. The result is inevitably a worsening of the problem. The plight of our Nation's railroads stands as just one sorry example.

S. 1570, then, is not an adequate answer to either the immediate shortage of gasoline or to the expected future shortages of gasoline, fuel oil, and other petroleum substances. It does provide, however, for the preparation of priority schedules, plans, and regulations for allocation or distribution. The present situation concerning the voluntary allocation program demonstrates the need for such action. If for no other reason, the preparation will necessitate a thorough, detailed analysis of the intricacies of the petroleum industry in the United States. I am hopeful that this improved understanding will create a more cautious approach by those individuals who urge imposition of the Federal bureaucracy, with all its attendant delays, inefficiencies, and political abuses, onto this complex, vital industry. Simultaneously, this improved understanding could provide the basis for modification of existing Federal and State controls, such as unreasonable fuel sulphur restrictions and price controls, which have contributed to the creation of the national fuels shortage.

There are two areas, however, which cannot wait for a more comprehensive program of action: agriculture and transportation Farmers cannot delay their spring planting, nor will they be able to delay fall harvesting. The Administration's voluntary allocation program has wisely placed agriculture at the top of the priority list. I have been informed that the voluntary program will indeed end fuel shortages presently being experienced by farmers in several states. I do warn, however, that this action must occur within the next few days—not weeks, and certainly not two months, as called for by S. 1570. If the Administration cannot meet the immediate needs of the farmer and the transportation industry, then some type of limited mandatory Federal rationing program will have to be implemented. Due to the built-in delays of the recent amendment to the Economic Stabilization Act, which requires public hearings, such a program would most likely have to be implemented under the Defense Production Act emergency provisions. I hope that such an extreme measure can be avoided. The importance, however, of the nation's agriculture and transportation cannot be overestimated. Nothing less than this degree of national emergency could justify the expropriation of private property or the violation of contractual rights which could be required, if the voluntary program fails.

I have recently received a telegram from Mr. John L. Hampsten, of American Falls, Idaho, expressing his alarm at the possibility of government controls, implied by S. 1570. Mr. Hampsten said "As a small oil jobber I am alarmed at the possibility of government controls such as Senate Bill 1570 over my affairs. Everyone is aware of the fact that we have a fuel shortage, but I don't believe that the free enterprise system and actions of those involved in the oil business is the way to solve the problem." In addition, the President of the National Oil Jobbers Council, Mr. Robert B. Greenes sent me a telegram stating his deep concern, saying: "On behalf of the National Oil Jobbers Council, we wish to express our deep concern over the oil allocation bill, S. 1570, sponsored by Senator Jackson and soon to be considered by the full Senate. While we support much that Senator Jackson espouses, we are worried that Senate approval of the bill, at this time, will create confusion and undercut the commendable efforts of the Deputy Secretary of the Treasury Simon to establish a voluntary fuel allocation system. That system appears to be working. Independents in many regions of the country have, in recent days, received assurances that deliveries of petroleum products will be resumed. Mr. Simon should be given a chance. If this program is not working by June 1, then Congress should act promptly. A further concern about the Jackson bill is that unlike the Simon program and other measures pending in Congress, it does not guarantee a restoration of suppliers to any specific region or to any individual petroleum marketers. Under the Jackson bill, the major oil company suppliers would be free to ignore the essential needs of any region and of any segment of the independent petroleum market.

These two messages reinforce my own belief that the imposition of Federal rationing would create a continuing crisis, of ever-increasing shortages and exorbitant black-market prices. Under the provisions of existing law, the Federal government should work with State and local governments to alleviate the present crisis facing agriculture and transportation, while beginning to remove or change those controls which prevent the necessary increases in supply. The provisions of S. 1570 calling for the preparation of priority schedules, plans, and regulations could help create the basic understanding and knowledge required for major Congressional and Administration action, in order to guarantee that the present energy crisis will not become chronic, nor will spread to other vital segments of our society.

JAMES A. MCCLURE.

Mr. HANSEN. Mr. President, the Senate Interior Committee was authorized in May 1971 by Senate Resolution 45 to conduct a study of national fuels and energy policy. Ex officio members of that study which is continuing at this time are the Joint Committee on Atomic Energy, the Commerce and Public Works Committees.

During the more than 40 days of hearings that have been held pursuant to the study, witnesses representing all segments of the energy industries, consumer groups, environmentalists, universities, independent consultants, economists, professional associations such as the American Association of Petroleum Geologists and others have been heard.

Many volumes of the transcript of those hearings have been printed and others are in the process. A number of staff papers have been published and further hearings are scheduled.

Although only one interim report or recommendation has been approved by the committee, the voluminous testimony suggests that the energy crisis the Nation suddenly finds itself in has been building for at least 10 years and that both the Congress and the executive branch have had warnings and, in fact, a few in both the Congress and the executive branch have not only warned of, but predicted the situation in which the United States now finds itself.

Although S. 1570 addresses itself only to the allocation of crude oil—including natural gas liquids—and refined petroleum products, natural gas which furnishes some 34 percent of the Nation's energy is inextricably interwoven in the Nation's energy picture and the causes for present shortages. S. 1570 does not address the gas supply and allocation problem because of Federal Power Commission jurisdiction under the Natural Gas Act and the oversight responsibility of the Commerce Committee. Also, the Federal Power Commission has published a statement of policy—January 8, 1973—on priorities-of-deliveries by jurisdictional pipeline companies during periods of curtailment such as those experienced last winter. At the same time the Commission issued a notice of proposed policy statement pertaining to the priorities of usage of natural gas supplies.

However, in assessing the causes of the overall energy crisis as mainly exhibited through present shortages of crude oil, natural gas liquids and refined petroleum products, natural gas plays a prominent, if not dominant role. The gas shortage has been in the making for several years. S. 1570 does nothing to rectify this situation.

Since the Supreme Court decision of 1954 that empowered the Federal Power Commission to dictate the price a producer could receive for his gas at the wellhead, the handwriting was on the wall. Exploration for both oil and gas has declined since the peak year of 1956. Additions to gas reserves through new discoveries have been at a far lesser rate for several years than the rate of usage, while demand has continued to rise rapidly. S. 1570 does nothing to rectify this situation.

Natural gas, the least polluting and most convenient of all fuels and the only fuel under price control until phase II price controls, has also been the cheapest on a Btu basis of any fuel and as a consequence has been in high demand for industrial use, particularly as a boiler fuel for the generation of electricity.

Much of the gas burned for such purposes is used in the State in which it is produced and, therefore, not subject to FPC control. An example is one of the Nation's largest gas producing areas, the Permian Basin of west Texas.

In 1966, over 80 percent of new Permian Basin gas was sold to interstate pipelines; by the end of the first 6 months of 1970 the proportion of new gas being committed to interstate as opposed to intrastate markets had been reversed. In the first 6 months of 1970, 90 percent of new Permian Basin gas was being sold to intrastate consumers while less than 10 percent was connected to interstate pipelines. Interestingly enough, the most dramatic change in the pattern of gas commitment took place in 1968 following a Supreme Court decision affirming the FPC's Permian Basin area rate decision.

Although the FPC has done away with the area rate concept and allowed producers and interstate purchasers to negotiate higher rates, interstate natural gas is still priced on the average at about one-third the price of crude oil on a Btu basis. S. 1570 does nothing to rectify this situation.

A recent Federal appeals court decision upheld the FPC's new pricing procedure in Louisiana which produces about one-third of the gas going into interstate pipelines. The court said the higher rates were necessary if Louisiana producers were to continue to supply its share of national gas production, it must have incentives to encourage development of its resources.

The court estimated that the higher producer prices allowed by FPC for Louisiana gas would amount to about 60 cents per month for the average New York City consumer.

Although the average wellhead price of natural gas in 1972 was 21 cents per thousand cubic feet at the wellhead and about 45 cents delivered to the utility gate in New York City, liquified natural gas was being unloaded in New York City at about $1.25 per thousand cubic feet and contracts have been signed by several companies with the Algerian national petroleum company, Sonatrach, for LNG that will cost even more. And there are negotiations under way for Russian LNG at equivalent prices. S. 1570 does nothing to rectify this situation.

It is, however, encouraging to note that exploratory drilling for gas in the fourth quarter of 1972 was up substantially and, hopefully, reflected FPC allowed increases in wellhead prices of up to 26 cents per thousand cubic feet from an average in 1970 of 16 cents. Gas well exploratory footage in the fourth quarter increased over the same period a year earlier by 69 percent and gas wells completed was up by 42 percent. Oil well completions, however, were down by 19 percent. Gasoline is made from oil. Gasoline is in short supply. S. 1570 does nothing to increase gasoline supply.

Exploration for domestic crude oil has followed a similar decline for several years and we have been using crude at a higher rate than the rate of addition to reserves. S. 1570 does nothing to rectify this situation.

Part of the differential in domestic production and consumption was made up by imports under the Mandatory Oil Import program which was initiated in 1959 as a national security measure. As usage increased at a higher rate than added production, what little excess producing capacity remaining in Texas and Louisiana was put on stream more than a year ago and imports have also increased sharply.

We are presently importing about one-third of what we use to fill the domestic production gap. If this trend continues, the National Petroleum Council estimates that U.S. oil imports will increase from a current rate of some 6 million barrels a day to about 19 million barrels in 1985, 60 percent of total usage. At that rate of imports, even at current crude prices, the U.S. balance-of-trade deficit in energy could reach $30 billion a year. S. 1570 does nothing to rectify this situation.

As to the causes of the continuing decline in domestic oil exploration and development, the late Dr. William Pecora testified before this committee and warned that steps must be taken to assure the consumer that adequate domestic oil and gas reserves will be available. Dr. Pecora said that the potential oil and gas resources remaining to be found and developed would meet our 1971 needs almost 100 times over. S. 1570 does nothing to increase oil and gas production.

Last August, the American Association of Petroleum Geologists testified in hearings before the committee on the declining trend in domestic oil and gas exploration.

AAPG President James E. Wilson told the Committee in summary:

> The geologists most familiar with our provinces see a future potential reserve of a magnitude comparable with our known reserves. The industry has technical and operating staff of great skill and know-how. Our technology is of a high order—most promising and still improving. The time lag between initiation of exploration and the availability of significant production—assuming a good degree of luck—is uncomfortably long with respect to increasing demand. An early policy announcement for a schedule of offshore lease sales is imperative. Incentives in the financial realm should be invoked as soon a possible. It is difficult to visualize this country again self-sufficient in petroleum in view of the greatly increasing demand. But it is within our technical capabilty to explore and develop a very subtantial part of our resource base provided incentives commensurate with the cost and uncertainties are made available.

S. 1570 does nothing to increase energy production.

Another major cause of our energy dilemma is environmental restraints.

Not only have Federal, State and local air and water quality laws added to powerplant and refinery siting problems as well as construction of deep sea ports necessary to accommodate the more economical super-tankers, but the restriction on the use of coal has resulted in conversion to natural gas and low sulfur residual oil, both in short supply. S. 1570 does nothing to provide relief from the excesses of environmentalists.

Even the supply problem of distillates such as No. 2 home heating oil and diesel fuel have been aggravated by the use of No. 2 oil to blend down high sulfur residual oil to acceptable standards. S. 1570 does nothing to rectify this situation.

According to the Independent Refiners Association, there is now a deficit of over 300,000 barrels a day of sweet crude for inland refiners because a number of large coastal refiners are not able because of State air quality laws to use sour crude They have the capability of using sour crude but most inland refiners do not. S. 1570 does nothing to rectify this situtaion.

This shortfall could be more than made up if the coastal refiners were allowed to use sour crude and make the sweet crude available to those refineries that are running under capacity. S. 1570, however, would not permit this.

Gen. George Lincoln, formerly director of the Office of Emergency Preparedness, testified before this committee last January 10 that present auto emission standards probably cost us 300,000 barrels of crude oil daily and will probably cost 2 million barrels daily by 1980. That is the eventual capacity of the Alaska pipeline. S. 1570 provides no help here, either.

And, of course, the proposed Alaska pipeline is a classic example of environmental constraint. Five years after discovery of the largest single oil discovery in the United States, not a drop of oil has been moved from the giant field nor will it be, even if approved this year, for at least another 3 years. The potential 2 million barrels a day from Alaska could reduce U.S. imports by that amount and lessen our dependence on foreign sources.

Deferment of secondary air quality standards until stack gas cleaning technology is perfected on a commercial scale could save electric utilities much wasted capital, bolster coal production, and lessen oil import requirements. S. 1570 provides no relief here, either.

The failure of nuclear power to live up to earlier expectations as a major supplier of electrical energy is not altogether the result of environmental constraints, but siting problems both for nuclear power plants and refineries have also contributed to delays. Nuclear energy now contributes but 1 percent of total energy requirements and only about 4 percent of total electrical energy.

Inadequate refinery capacity is the result of nearsighted oil import policy as well as opposition by environmentalists to location of new or expanded refinery capacity on the east coast where it is needed most, as are deep-water ports to accommodate the mounting flood of imported oil. East coast States have been opposed to such ports as well as offshore exploration of areas considered by the U.S. Geological Survey as likely to yield oil and/or gas. S. 1570 provides no help to solve this problem.

These and other factors, including a reduction in oil and gas depletion allowance from 27½ percent to 22 percent by the Tax Reform Act of 1969, have discouraged investments in high-risk exploration for oil and gas, a business that has become more and more expensive as such ventures went deeper and into even more costly offshore and Arctic operations. S. 1570 is also silent on this issue.

The price of crude oil and refined products have lagged behind the general commodity index as inflation drove up prices and costs. During the last decade the average price of a barrel of crude oil at the wellhead rose about 50 cents or just over 17 percent. During the same period, cost of drilling rose at more than double the increase in crude prices. Also during the past 10 years, the U.S. consumer use of energy increased by 50 percent. S. 1570 does not rectify this situation. Worse yet, amendments proposed would further exacerbate the problem.

In summary, the principal causes of the energy gap are:

First. Federal control of natural gas producers.

Second. Overly optimistic predictions made in the 1960's of nuclear power and the resultant retrenchment in the coal industry.

Third. Environmental constraints on the use of high-sulfur fuels, automobile emission controls and powerplant, refinery and pipeline siting restraints and environmental opposition to offshore drilling.

Fourth. Increasing costs and taxes on the petroleum industry.

Fifth. Inadequate return on investment and consequent reduction of investment incentives.

The purpose of S. 1570 is to grant the President additional temporary authority to allocate the extraordinary shortages of crude oil and petroleum products. S. 1570 does not increase supply. It merely spreads the shortage around.

The point I am making and will repeat for emphasis' sake is that regulatory rationing of short supplies of fuels is not a cure. It only spreads the pain around.

The cure lies in increasing supplies. The cure lies in recognizing the causes of the shortages.

The cure lies in removing the obstacles which prevent supply from increasing.

The cure lies in admitting that increased production of energy will be necessary.

The cure lies in realizing that increased energy production requires digging holes in the ground for oil and gas and geothermal steam; strip mining coal; digging for oil shale; building refineries; constructing new powerplants; laying pipelines.

The cure lies in prices high enough to encourage the industry to go do the job and high enough to encourage the consumer to use less energy, to eliminate waste and maximize the efficient use of energy.

Mr. President, these areas are those within which lies the cure. S. 1570 presents the illusion of cure but in reality would insure the dissemination of pain.

Mr. President, fuels rationing legislation is only necessary because none of us are brave enough to vote, instead, for a cure.

I thank my distinguished colleague for yielding to me.

Mr. JACKSON. I yield myself such time as I may require.

Mr. President, the Committee on Interior and Insular Affairs on May 17 reported S. 1570, the Emergency Petroleum Allocation Act of 1973. This is an emergency measure to deal with an urgent problem to which Members of the Senate need no introduction.

Every day we are receiving phone calls, telegrams, letters, and personal visits from those directly affected by fuel shortages. We are hearing from farmers, builders, city officials, independent refiners, and marketers of petroleum products.

It is increasingly clear that we are no longer dealing with the isolated, spot shortages predicted by some earlier this year. What we are confronting is the prospect of serious, prolonged and widespread shortages which are beginning to have a real impact on our economy and the standard of living enjoyed by many Americans.

When cities cannot get bids on fuel contracts for vital public services, when independent gas stations are closing by the hundreds, when major oil companies start rationing supplies to their own outlets, when crop planting and food distributors are threatened by fuel shortages, then there can be no doubt that our national fuel distribution system has stopped functioning effectively.

Congress recognized this fact when it authorized the President in the Economic Stabilization Act amendments to establish priorities of use and provide for the allocation of crude oil and petroleum products to meet essential needs and prevent anticompetitive effects resulting from shortages.

S. 1570 goes beyond this discretionary authority and mandates action—both by the executive branch and by private industry—to assure the equitable distribution of fuels in short supply.

This act requires the President to prepare and publish priority schedules and plans for the allocation and distribution of fuels which are or may be in short supply. The President is to allocate or distribute such fuels pursuant to these schedules and plans if necessary to achieve the objectives of the act.

The President's authority is to be exercised generally to minimize the impact of fuel shortages or dislocations in the fuel distribution system. More specifically he is required, in implementing his authority under the act, to take such actions as are necessary to protect the public health, safety, and welfare; to maintain public services and essential agricultural operations; to preserve an economically sound and competitive petroleum industry; to provide for equitable distribution of fuels at equitable prices among all regions and areas of the United States and all classes of consumers; to achieve economic efficiency and minimize economic distortion, inflexibility and unnecessary interference with market mechanisms.

One of the most troublesome aspects of our present fuel problems is the plight of the independent refiners and marketers of petroleum products. Their inability to secure adequate supplies of crude oil and petroleum products has created serious hardship and economic dislocations. Accordingly, the Act also requires that sales to independents be maintained in proportions equal to sales to such independents during a specified base period for the brief duration of the act.

This provision has been subject to some criticism because, as reported by the committee, it would exempt some from its burdens and others from its benefits. It is my view that further refinement of its definitions is required to insure equal application. The basic thrust of the section to preserve the independent sector remains an essential ingredient of any fuel allocation program.

It is interesting, Mr. President, that many of those who opposed including a discretionary fuel allocation authority in the Economic Stabilization Act amendments 2 months ago are also opposing S. 1570 today. They are now arguing that the authority they opposed in March is good authority in May.

Much of the opposition to S. 1570 is based on the grounds either that it gives the President too much authority or too little flexibility. I submit, Mr. President, that the authority conferred by S. 1570 is both precise and flexible enough to be administratively workable. The heart of the objections to this act is that it mandates action to allocate scarce fuels.

This administration, Mr. President, needs a mandate from Congress on this subject.

This is the administration whose management of the oil import program last summer played a major role in creating the shortages experienced last winter and the more serious shortages we now face.

This is the administration which has consistently minimized the prospect of shortages and the need for any allocation system.

This is the administration which conceded it had inadequate authority to allocate scarce fuels but would not ask Congress to grant such authority.

This is the administration which took the position, after Congress conferred discretionary allocation authority, that it preferred an "incentives" approach.

This is the administration which rushed out voluntary allocation plans to forestall congressional action on this and other pending bills.

Even as the administration attempts to make its voluntary program work, the drawbacks of this approach are increasingly clear. Let me emphasize why a voluntary program is doomed to failure.

First, adherence to a voluntary program is certain to be uneven and to be limited by its cost or inconvenience to individual companies. The more serious fuel shortages become, the greater the possible gains to a particular producer or refiner from noncompliance.

Second, a voluntary allocation program penalizes cooperation and favors noncooperators. Its cost will be greatest to the most public-spirited—or public relations-sensitive—firms.

Third, a voluntary allocation program is unlikely to provide an equitable geographic distribution. Unless allocation policies are binding upon producers and refiners, the structure of the existing distribution system and the allocation policies of States self-sufficient in petroleum will only aggravate imbalances in supply.

Fourth, the administration's voluntary

allocation program does not address or deal with the question of preemption. As a result, any company or person who attempts to comply with the provisions of the administration's voluntary program may find that compliance with the Federal program conflicts with or is contrary to the requirements of fuel allocation programs established by State or local government. Further, if the Federal Government fails to establish effective regional or national allocation plans, we will invite piecemeal action by the States. Our fuel shortage problems are national problems: they must be recognized and resolved at the Federal level.

Fifth, an allocation program that depends for its implementation upcn the private decisions of the major oil companies and which is adhered to selectively according to their respective convenience, will not generate maximum public confidence, but will exacerbate the inevitable public resentment over whatever distribution of shortages may result from the program.

Sixth, a voluntary program cannot by definition supersede existing contracts. Any allocation program which cannot touch the large volume of crude oil and petroleum products covered by existing contracts is doomed to failure at the start. Because of this, any voluntary program can be effectively dismantled by the oil companies if they simply commit available petroleum to contract. Further, I am informed that legal counsel to many companies engaged in production, refining and marketing of petroleum products are advising their clients that any effort to modify contracts under a "voluntary" program to deal with the current fuel shortages will be found to be a breach of contract and will lead to confusion, uncertainty, delay and protracted litigation for money damages or to enforce contract terms.

Finally, a voluntary program creates serious legal problems by encouraging the kind of cooperation and coordination which violates the antitrust laws. The administration plan permits and requires, if it is to be effective, the allocation of customers and market areas among refiners. Quite aside from the anticompetitive effects of this conduct, it exposes both the cooperating companies and the program itself to civil and criminal lawsuits. The mere fact that the actions are pursuant to Government request does not confer immunity from the antitrust laws.

Mr. President, there has been a great deal of action on this issue in the past few weeks. Experience has been gained through the attempts to implement the voluntary allocation program, the physical facts of the shortages are becoming more predictable, and above all, the industry and government at all levels have belatedly begun to focus on the specific dimensions of the problem. We have been receiving helpful comments and suggestions from many sources, including other committees, and Members of the Senate concerned with the fuel shortage problem. As a result of this review, on May 23 I proposed an amendment in the nature of a substitute to strengthen and clarify some of the provisions of S. 1570 as reported by the committee.

In brief, my proposed amendment No. 145 would require public hearings before final promulgation of allocation plans; would change the base period to conform to the base period now being used by the administration in the voluntary program; would direct the President to use his authority to assure adequate crude oil supplies to all refineries; would make clear that Federal allocation programs preempt State and local action; would extend mandatory apportionment to all refineries with runs of more than 30,000 barrels a day; and would make clear that S. 1570 does not automatically repeal the authority granted under the Economic Stabilization Act or programs established thereunder.

This amendment also makes clear that the mandatory allocation program authorized by section 105 of S. 1570 may be replaced or amended by an exercise of the authority conferred by section 104.

Mr. President, I urge favorable Senate action on S. 1570, the Emergency Petroleum Allocation Act of 1973. Adoption of this measure will result in the establishment of a mandatory allocation plan which will insure that independent sectors of the petroleum industry are not destroyed; that farmers will have the fuel to plant and harvest crops; that all essential public services are performed; and that the American consumer will be able to get needed fuels at reasonable cost.

I reserve the remainder of my time.

Mr. FANNIN. Mr. President, during this crisis of energy shortages it has become popular for elected officials to search for scapegoats rather than face the facts. The oil companies and the administration head the list of scapegoats.

Mr. President, today I would hope we can focus on the real causes of the fuels shortage rather than search for scapegoats. Additionally, I would suggest that the shortage is such a complicated problem that there are no "easy answers"—a fact fully confirmed by the thousands of pages of testimony presented during nearly 40 days of hearings the Senate Interior Committee has held to date on the energy crisis.

Why were we short of natural gas and fuel oil this winter? Why are we short of gasoline this summer? To find the answer we must turn the clock back a decade or so to the decision of the Federal Power Commission to impose an area rate basis for the regulation of the wellhead prices of natural gas. This action followed the Supreme Court decision in the Phillips case to regulate sales of gas between producers and interstate pipelines. The result of these decisions has been a decline in exploration and development activities for new gas with most of what new gas has been found sold in intrastate rather than interstate markets. About a decade ago the reserve to production ratio for natural gas was 20 to 1. Due to the decline in exploratory activity, it has now dwindled to about 10 to 1. Because of the artificially low gas prices demand for this premium fuel concomitantly has accelerated at the rate of about 10 percent a year. The interstate pipelines are now curtailing gas—mainly to interruptible customers. I will return to the extent and consequences of the gas curtailments after first examining other developments which cumulatively have contributed to the fuel shortages.

The reduction in percentage depletion following the Tax Reform Act of 1969 has added about $500 million annually to the industry's tax bill—enough to drill about 5,000 new wells.

Price controls over the past 18 months added to rising costs have squeezed profits and limited expansion of exploration and development activities, as well as placing economic constraints on the amount of distillates produced by our refineries.

The new consciousness about cleaning up the environment and a host of policy decisions responding to this consciousness has placed an additional burden on efforts to supply adequate energy to meet growing demands.

The cancellation of the December 1971 Outer Continental Shelf lease sale, which threw the Interior Department's 5-year leasing schedule out of kilter, was caused by litigation brought by environmentalists.

The failure to begin construction of the trans-Alaska pipeline, and the recent court ruling on right of way, resulted from litigation brought by environmentalists.

The failure to construct many new nuclear power plants on schedule resulted in part from litigation brought by environmentalists and by others concerned with plant safety. Other factors, too, caused additional delays.

Air pollution legislation, coal mine health and safety legislation on the Federal level and other environmental legislation at the State level has severely restricted the growth of coal in meeting our national energy requirements and forced greater reliance on oil and gas. Yet coal is our most abundant indigenous source of energy.

Environmentalist resistance to new refinery construction plus exemption of residual fuel oil from the Mandatory Oil Import program contributed to the export of domestic refinery capacity.

Clean air requirements for automobile fuel usage have lowered the mileage on gasoline and placed an added demand for 12 million additional gallons per day.

Mr. President, in connection with this I would like to call attention to a full-page advertisement by Mobil Oil Co. in a recent Washington Post. The ad is headlined: "The $66 billion mistake." Experts employed by Mobil estimate that the costs of meeting the auto emission standards set by Congress will be $100 billion for the decade beginning in 1976. If these standards were reduced to a more realistic level, such as those which were proposed by the State of California, the cost for the decade would be $34 billion. So we will be spending an estimated $66 billion to attain only a relatively small reduction in emission levels.

Mobil says that cars built to Federal standards could consume as much as 15 percent more gasoline per mile than cars built to California standards. This 15 percent would require refining an extra 30 million barrels of crude oil in 1976 and an extra 150 million barrels a year by 1980.

Already we are hearing from car owners who say their 1973 models are getting 6 to 8 miles per gallon of gas. There is speculation that under 1976 standards cars may get 3 to 5 miles per gallon.

Mr. President, I cannot vouch for the validity of the figures worked up by Mobil, but it does seem to me that such data should be evaluated. When a gasoline company suggests ways of cutting gasoline consumption, it should be heard.

Now let me return to the situation which led to the curtailment of natural gas delivery last winter.

Low wellhead prices caused, by the end of last winter, the curtailment of nearly 500 billion cubic feet of natural gas by interstate pipelines. As I earlier indicated, most persons affected by the curtailments are known as interruptible customers, those who can either do without gas for much of the duration of the winter months or who are able to switch to distillate heating oil, or both.

On a Btu equivalent basis, in order to replace with oil the amount of gas—500 billion cubic feet—curtailed last winter, it would take about 83 million barrels of oil.

Thus, it is understandable that OEP testified that the demand for distillates in the fourth quarter of 1972 was 13 percent above the previous year and that demand for distillates in the first quarter of 1973 will be about 9 percent above last year's first quarter.

Even with restrictions on No. 2 heating oil imports temporarily lifted, it will still be difficult to find enough on the world market to supplement our domestic refinery outputs. And for that matter a domestic and worldwide crude oil shortage places limits on the amount of heating oil and other distillates our refineries can produce this coming winter.

Causing further demands for fuel and thus compounding the shortage of fuels have been:

An unpredictably cold winter, 12 percent more severe than the 30-year normal; the Midwestern crop drying problem caused by a late harvest due to unusually damp weather and late planting due to severe floods this spring; a 6 to 10-percent rise in the consumption of diesel fuel by railroads, barges and trucks;

And an upswing in economic activity, causing even greater demands for fuel including increased demands due to record automobile product.

The list could go on—but what must be remembered is that many factors have contributed to the fuel shortage and that any attempt to attribute the cause to any single event, person, or policy not only reflects a lack of understanding of the problem but tends to further confuse the issue.

Having now woven our way through the labyrinth of contributory factors resulting in the present fuel shortage, it logically follows that we must avoid the temptation to seek simple solutions. No single Government policy—no single stroke of the President's pen can cure our national fuel deficiency.

Today we are considering a bill which will make no positive contribution to increasing fuel supply. S. 1570 merely seeks to impose upon the President the duty to institute a mandatory system of fuels allocation. I repeat, this bill does not increase supply—it merely spreads existing supplies around.

Mr. President, the administration has proposed legislation to increase supplies; namely a bill to help cure the cause of the energy crisis: A shortage of natural gas. The bill would stimulate the production of natural gas. To date the bill has received no action. It has not even been introduced.

Today we are attempting to create petroleum supply out of thin air by regulating that it will exist. Increased regulation of the energy industry without provision for any incentive to increase the production of energy will not solve the energy crisis but merely allocate it.

Until it is recognized that expanded development of our Nation's energy resources must be encouraged under conditions conducive to investment, we are only kidding ourselves about solution by regulation.

Mr. President, S. 1570 as reported is not only an example of an attempt at solution by regulation, but further, an example of solution by bad regulation. The reported bill would harm American farmers by its section 105 provision which discriminates against three important refineries which serve American farmers. These are Agway, Inc.; Farmland Industries, Inc.; and the National Cooperative Refinery Association. How the reported bill harms American farmers is further detailed on pages 75 and 76 of the committee's report on the bill.

Section 105 of the bill as reported also would protect some oil industry giants and punish others. The detailel analysis of these gross inequities is spelled out on pages 76 and 77 of the committee report.

Section 105 of the reported bill would also place a burden on 16 large oil companies regarding distribution of their crude production and crude imports, yet exempt 9 other large companies from having to share their crude with anyone. Further description of the companies involved in such an arrangement is discussed on pages 77 and 78 of the committee's report on the bill.

Section 105 of the reported bill also provides for an inequitable distribution of petroleum products by requiring 17 large companies to share their product but excluding 11 other large companies from having to share their product. Further description of the companies involved in such an arrangement is discussed on pages 78 and 79 of the committee's report on the bill.

S. 1570 as reported also fails to anticipate the many evils it could cause.

S. 1570 as reported established a base period for fuel allocation purposes inconsistent with the base period prescribed under the administrations' fuels allocation program now in existence.

S. 1570 as reported failed to deal with the issue of Federal preemption.

S. 1570 contained no provision for a public hearing and was therefore inconsistent with the requirements of the Economic Stabilization Act Amendments of 1973.

S. 1570 as reported provided for no criteria for establishing what constitutes an exhorbitant price increase.

S. 1570 as reported had two conflicting sections—sections 104 and 105.

For these and other reasons Senator HANSEN, Senator HATFIELD, Senator BUCKLEY, Senator MCCLURE, Senator BARTLETT and I concluded that "S. 1570 is unnecessary and would cause a worsening of, rather than relief from, the Nation's current fuel shortage."

Mr. President, many developments have taken place since the bill was reported. One such development is an amendment in the form of a substitute proposed by Senator JACKSON and Senator RANDOLPH. I am very pleased to note that amendment No. 45 rectifies many of the problems posed by the reported version of S. 1570. Amendment 145 changes the base period to conform to that of the system presently being administered by the administration, thereby eliminating a potential administrative nightmare.

Amendment 145 deals squarely with the issue of Federal preemption.

Amendment 145 contains a provision requiring a public hearing prior to establishment of regulations and is now therefore no longer in conflict with the Economic Stabilization Act Amendments of 1973.

By means of an amendment we will propose today, the problem of massive lawsuits potentially posed by the absence of a definition for "an exhorbitant price increase" will be eliminated.

Amendments 145 now clarifies and overcomes the conflict between sections 105 and 105 of the reported bill.

Amendment 145 also removes those provisions in the reported bill which discriminate against the American farmer. It should be noted, however, that amendment 145 does little in the way of insuring positive action in the way of preferential treatment for the American farmer. I understand that an amendment will be proposed to amendment 145 which will provide positive protection for the American farmer in securing his fuel needs.

In short, many of the problems posed by S. 1570 as reported which I have discussed have been rectified by amendment No. 145.

The remaining issue to be discussed is the major substantive effect of amendment 145. The Economic Stabilization Act Amendments of 1973 authorized the President to allocate fuels. Amendment 145 to S. 1570 would require a mandatory fuels allocation program, thereby going beyond the administration's voluntary program now in effect. I understand that the administration will be conducting hearings on June 11, 12, and 13 to evaluate how well its voluntary system is working and whether a mandatory system will be required. There is reason to believe that the administration may conclude that a mandatory system is required and then proceed to implement a system under the authority of the Economic Stabilization Act Amendments of

1973. It is entirely possible that such a result could come to pass before S. 1570 or any other allocation bill could reach the President's desk.

Nevertheless, amendment 145 could provide the President with additonal authority he may need to insure that any mandatory system will be workable.

Mr. President, I know that this matter will be discussed by others. I feel that amendments can be offered and will be offered that will take care of this particular problem. Many developments have taken place since the bill was reported. I commend the distinguished Senator from Washington (Mr. JACKSON) for the new proposals he has in the form of his substitute. It does go a long way toward overcoming many of the problems confronting us.

We are going to face many problems in the next few months and the years ahead and it will not be easy to solve them. But I feel that if we approach them with an open mind and a cooperative attitude, much can be done to alleviate the situation we face so far as energy is concerned.

I yield the floor.

**Mr. HUMPHREY.** Mr. President, will the Senator from Washington yield to me, first for a few questions and then so that I may make my statement?

**Mr. JACKSON.** How much time does the Senator want?

**Mr. HUMPHREY.** I want to ask the manager of the bill a few questions in reference to the bill, and then I wish to make a statement in my own right on the bill. How much time do we have on it?

**Mr. JACKSON.** Mr. President, how much time do I have remaining?

**The PRESIDING OFFICER** (Mr. BIDEN). On the amendment the Senator from Washington has 19 minutes. On the bill itself, 1 hour and a half.

**Mr. JACKSON.** That is to be equally divided.

**The PRESIDING OFFICER.** Yes. Three hours, to be equally divided on the bill, with 1 hour and a half to the Senator from Washington.

**Mr. JACKSON.** How many minutes do I have remaining on my amendment?

**The PRESIDING OFFICER.** Nineteen minutes.

**Mr. JACKSON.** I thank the Chair. Then I will yield on my amendment in the nature of a substitute 5 minutes to the Senator from Minnesota, and then for his statement such time as may be necessary.

**The PRESIDING OFFICER.** The Senator from Minnesota is recognized.

**Mr. HUMPHREY.** Mr. President, let me ask the chairman a question with reference to section 102 of the bill, on page 6:

> In implementing the authority granted under this Act the President shall take such actions as are necessary to achieve the following specific objectives—
>
> (a) protection of public health, safety, and welfare;

In that area, does the chairman interpret those words to mean within what we call the police power of the State and, therefore, it would cover the heating of homes, for example, and schools and public institutions—but particularly home heating because, as the Senator knows, some of our communities have a little more difficult weather than others.

**Mr. JACKSON.** Mr. President, the Senator from Minnesota is correct in his interpretation. Section 102(a), to which he refers, is the classic police power definition. It would most certainly and positively include the protection of the health of the people, which means adequacy of supplies for home use. This is of the highest priority and by its very nature would also include hospitals, schools, and so forth. That is the committee's intention.

**Mr. HUMPHREY.** I thank the Senator. Before I proceed further, I ask unanimous consent that a member of my staff, Wendy Ross, be accorded the privilege of the floor.

**The PRESIDING OFFICER** (Mr. BIDEN). Without objection, it is so ordered.

**Mr. HUMPHREY.** Mr. President, regarding section (b) of section 102, "maintenance of all public services," I have received letters, telegrams, and phone calls from trucking companies and airport officials who are very much concerned about the fuel shortage. For example, in St. Cloud, Minn., they are facing an almost impossible situation and I want to make sure that the provision includes, in "maintenance of all public services," the maintenance of vital means of transportation.

What exactly does that provision mean, in terms of the author of the bill, as the Senator understands it?

**Mr. JACKSON.** It would be my judgment, and it is the committee's intent, to include under public services, regulated transportation, but not only regulated transportation. The trucking industry, the railroads, the airlines and private trucking are all involved.

Take food distribution. In order to move food from its place of origin to the supermarkets, fuel is necessary. We have had reports of instances where the food industry has been cut back on diesel fuel. This is part of the area of public service, vital things that relate to requirements of maintaining everyday life. The specific area to which the Senator refers, the trucking industry, definitely is included in the bill's definition of public service, together with all the other areas of public service.

**Mr. RANDOLPH.** Mr. President, if I may add to this colloquy between the two able Senators, it would be to draw attention to another facet of this problem—namely, the contracting industry, which is having difficuly in securing diesel fuel for trucks and heavy equipment.

To give an illustration, I have had contact with a firm that is to do a very substantial body of construction on an interstate and an Appalachian highway in the State of West Virginia. That company, which is based in another State, has inquired—and has inquired, I am sure, of other Senators as well:

> What are we going to do to move ahead on this contract, an important highway building program, and others similar to it, when we cannot have diesel fuel for our trucks and other equipment necessary to be used in the construction of this particular road and other important projects?

This is magnified hundreds of times, no doubt, throughout the United States; and I think it might be helpful to have comment from the able chairman.

**Mr. JACKSON.** I will be glad to comment.

Certainly, construction activity that relates to public services, that relates to the protection of public health, safety, and welfare, comes in that priority status, and the construction of highways obviously is within that category.

If it were fuel to be utilized, say, for construction of a resort facility, it would not be in the same category as the requirements for construction of a public highway definitely involving areas of public service.

But to respond specifically: Clearly it is my intent, as the author of this bill, to include the area discussed by the able and distinguished Senator from West Virginia, the chairman of the Committee on Public Works, which has to deal with these problems constantly.

**Mr. RANDOLPH.** I thank the chairman.

**The PRESIDING OFFICER.** The Senator's 5 minutes have expired.

**Mr. JACKSON.** Mr. President, I yield additional time to the Senator out of my time on the bill.

**Mr. HUMPHREY.** I just wanted to repeat, for the purpose of clarification and accuracy: The chairman has indicated that even though there may be privately owned activities and services that serve the public at large, under the terms of priorities in this bill, they should be considered public services.

**Mr. JACKSON.** That is right. I cited the example of the food industry, which has its own supporting trucking activity as a part of its logistic system. In the terms of the bill, public services do not necessarily have to be regulated industries or regulated utilities. The test, I would say, would be the overall end result that it involved.

**Mr. HUMPHREY.** Then, city bus systems that are privately owned, trucking companies necessary to transport the Nation's goods, even parochial or private schools which, although privately owned, serve the public at large, are all covered.

I note that in some of the voluntary allocation programs are mentioned public passenger transportation, including buses, rail, intercity mass transit systems. They are included as priority customers.

**Mr. JACKSON.** Very definitely.

**Mr. HUMPHREY.** And aircraft.

**Mr. JACKSON.** And aircraft.

Mr. President, at this point I ask unanimous consent to have printed in the RECORD a statement by Paul R. Ignatius, president of the Air Transport Association of America, before the Senate Committee on Banking, Housing and Urban Affairs. He deals specifically with the air transport issue.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

### STATEMENT OF PAUL R. IGNATIUS

My name is Paul R. Ignatius. I am President of the Air Transport Association, which represents virtually all of the scheduled, certificated airlines of the United States.

I appreciate this opportunity to appear before you to present our preliminary views on the fuel problem, how it affects the airlines, and what additional steps the airlines and the government might take to meet this challenge. In preparing this testimony, I have been guided by the letter from the Committee dated April 25, 1973 which outlined the questions the Committee intended to pursue in this hearing.

Before proceeding further, I want to say that I believe that the recently enacted amendment to the Economic Stabilization Act which authorizes the establishment of a priorities and allocations program is an important achievement. I am mindful, of course, that this much needed amendment was enacted at the instigation of this Committee.

Hopefully, it will not be necessary to put into effect a priorities and allocations program for fuel. But certainly it is wise and prudent to have made provisions for such a program should circumstances require this type of control. I was pleased to learn that development of such a plan already has begun, and I hope that this contingency planning is pursued on a priority basis.

I am certain that these hearings which are being held by the Senate Committee on Banking, Housing and Urban Affairs will contribute much useful information that will help to insure that the priorities and allocations contingency plan is equitable and effective.

This hearing comes at a most opportune time. We are grateful that the Committee has moved promptly to assure that vital functions, including transportation, will have adequate fuel supplies in the event that critical supply problems develop.

Let me turn now specifically to air transportation and how the fuel situation looks to us in the airline industry.

### SCOPE OF AIR TRANSPORTATION

The commercial airlines are the predominant common-carrier of people in intercity service. About 75 percent of the passenger miles of domestic intercity travel aboard common carriers—planes, buses and trains—are by air. In overseas travel, airlines account for more than 90 percent.

More than 200 million passengers will be carried by the scheduled airlines of the United States in 1973, and that service will grow significantly in the years immediately ahead.

In their landings and takeoffs at more than 525 airports serving citizens in thousands of cities, large and small, the airlines are providing scheduled passenger, freight, and mail service through some 13,800 flights a day, operating around the clock. We estimate that in 1973 the scheduled airlines will carry about 1.4 billion letters and more than 200 million packages.

To get these tasks done, the airlines employ about 300,000 men and women and count heavily on the work of scores of thousands of other employees whose jobs are dependent on scheduled airline operations.

I present these capsule statistics to indicate that air transportation is a vital and pervasive system, essential to the functioning and well being of the United States economy through the safe, rapid and reliable movement in a dynamic society of people and goods.

### FUEL NEEDS

Substantial quantities of petroleum fuel are necessary to operate this national air transport system. Transportation as a whole in the United States consumes about 25 per cent of available energy, and roughly 53 per cent of the total domestic use of petroleum. This comes to 2.9 billion barrels of petroleum products, whose use is broken down by transportation modes for civilian purposes as follows:

| Highway: | *Percent* |
|---|---|
| Automobile | 55 |
| Other | 29 |
| Total highway | 84 |
| Airlines | 9 |
| Water | 4 |
| Railroad | 3 |

The scheduled airlines consumed 242 million barrels (10.2 billion gallons) in 1971, the last year for which full year precise data is currently available. This fuel cost the airlines $1.2 billion, the highest element of cost except for labor in the airline operations.

Since the commercial airline fleet has converted almost entirely to jet powered aircraft the fuel we use is jet fuel, a middle distillate akin to kerosene.

It is important to note that the airlines and indeed almost all of the transportation industry is dependent on petroleum—there is no alternative energy source. This point needs to be kept in mind as longer range plans for dealing with the energy problem are considered, and new action programs are implemented. A greater use of coal energy, for example, on the part of the electric utility industry could free up great quantities of petroleum energy for use by transportation.

### FUEL AVAILABILITY

The airlines have not as yet encountered any widespread fuel supply problems which we have not been able to handle by prompt management action, but we have had some serious warning signals and we must anticipate more trouble ahead.

In the early part of this year, several airlines were faced with local shortages, particularly in the eastern part of the United States. These problems were met principally by ferrying fuel from one location to another, at an additional cost to the airlines and some inconvenience to our passengers. We were determined to maintain service for our passengers and shippers, and we were able to avoid having to cancel flights.

Our best information is that we can expect similar problems throughout the summer and later. We are told by government and oil industry officials that our supply situation will be tight, but that we should expect local or spot shortages rather than any general run-out. I see no reason for believing that the problem will not continue for a period of time and can only hope that it will not become worse.

Accordingly, it is most important, as I have said, that responsible government officials develop contingency plans for dealing with the fuel problems should the need arise. We must have assurance that our vital needs will be met until the longer-run solutions to the energy problem have taken effect.

Thus, our immediate outlook is for spot or occasional shortages. For example, a refinery shut-down resulting from equipment malfunction could cause a temporary problem of some magnitude. The government and the airlines must be prepared to meet these problems promptly.

I suggest that several steps would be helpful, including the following:

(1) An early warning system—fuel advisories, if you will—that will let us know when and where trouble can be expected. This may give us time to take remedial action in something less than a crisis atmosphere.

(2) Release of in-bond aviation fuel for domestic consumption to meet spot shortages. Such fuel is located at 27 airports and is normally available for use in international flights. The Air Transport Association has asked the responsible government officials if this fuel could be released from bond to meet spot domestic needs, hopefully on a basis of pre-delegated authority, so that decision time can be reduced to a minimum. We are pleased that our suggestion is being reviewed.

(3) The world-wide availability of distillate fuels, including jet fuels, is, we are told, somewhat more favorable than the availability of gasoline. We understand that there may even be some surplus of distillate fuels as a result of European refinery production. If so, we hope that under the new policies affecting imports of petroleum, the oil companies will be able to take advantage of the situation to assure that our needs will be met.

While I have, of course, concentrated on fuel for aircraft operations, it is important to note that the air transport industry also requires large quantities of gasoline for ground vehicles that service flight operations. These needs must also be taken into account in the contingency plans the government is developing.

### CONSERVATION MEASURES

For a long time the airlines have practiced fuel conservation measures, not only to save fuel, but also to reduce costs. For example, they make wide use of simulators for the training of air crews that would otherwise require actual flights. The fuel savings resulting from this practice amounted to 30 million gallons in 1971.

Fuel savings resulting from operational practices are also being achieved. I am pleased to report that the Air Transport Association's Operations Committee, consisting of top executives from the operations side of the industry, are studying ways to increase present fuel-saving measures and to identify new fuel-saving opportunities. These measures include shutting off one or more engines during taxiing operations, reduction of idling time on the ground, and reduction of cruise speed with consequent fuel savings. Of course, measures of this kind must always be evaluated in terms of safety and other operational requirements.

The Civil Aeronautics Board, recognizing the need to conserve fuel, has recently authorized discussions that would permit the continuance of capacity reductions on certain transcontinental flights. The CAB chairman has called attention to the possibility of additional fuel savings that would result from capacity reductions on routes other than the transcontinental routes in question. The airlines have not as yet had time to respond to these suggestions from the CAB. Some airlines view capacity reductions of this type with concern because they feel such reductions could affect the overall operational and competitive framework of our air transportation system. This is a challenging problem for which there are no easy answers, but I am certain that all views will be given careful consideration in any actions the Civil Aeronautics Board may consider taking as related to fuel conservation.

I should also note that the Civil Aeronautics Board has asked the airlines to propose plans for meeting any fuel shortages that may develop at any of the 22 major airport hub city airports throughout the United States.

### FUEL COSTS

I have already indicated that fuel costs represent the largest category of costs except for labor in airline operations. Accordingly, we are hopeful that jet fuel costs will not rise significantly. Some recently concluded fuel contracts reported by several airlines give us some basis for concern and apprehension.

Some of these cost increases undoubtedly reflect the higher costs that the oil companies must pay for crude. We are hopeful, however, that the oil companies will make every reasonable effort not only to assure availability of jet fuel but also to hold the line on price. In this connection, I was pleased to see in a recent news article that one of the major oil companies had reduced the price of one of its products, heavy fuel oil. While it may be unrealistic to expect that the price of jet fuel will be reduced, we nevertheless hope that it will not increase significantly. As a regulated industry, it is not possible for the airlines to obtain immediate relief for cost increases. Moreover, a significant cost increase ultimately reflected in higher air fares would have a widespread effect on individual passengers and shippers and overall living costs, in view of the pervasive nature of our national air transportation system.

Having said this, I want also to point out that the petroleum industry has always recognized the vital role of the airlines and has done much through research and development, as well as through supply and distribution, to help the airlines to do the job. We have had our differences, to be sure, but these have been resolved, with rare exception, in an equitable manner. I look forward to a continuation of this relationship, and to working together, with assistance from the government, as necessary, to assure adequate fuel supplies at fair and reasonable prices.

### CONCLUSION

Let me conclude, Mr. Chairman, by expressing once again my appreciation for the interest this Committee is showing in the fuel problem and by quickly summarizing my remarks.

First, we expect spot fuel shortages in the coming months and greater difficulties as time goes by until long run steps to remedy the situation have had time to take effect. Accordingly, we believe the government should develop contingency plans to assure that transportation and other vital needs will be met. In addition, arrangements should be made to deal promptly with spot shortages, including consideration of the several suggestions I have made today.

Secondly, transportation for the foreseeable future must depend upon petroleum as its energy source. If industries that have available alternative energy sources can use less petroleum, the transportation sector will be benefitted.

Thirdly, transportation, like all segments of the economy must seek and practice opportunities to conserve scarce fuel. The airlines are already doing this and hope to extend the fuel savings they are already making.

Fourth, fuel is a major element in our cost structure and we are anxious to avoid significant cost increases.

Finally, the energy problem confronts all of us—the Congress, the Executive agencies, industry, and the American public. All of us must do our part to insure that our needs are met with the least possible dislocation to economic activity, environmental objectives, and our balance of payments needs. The scheduled airline industry is prepared to asssist the effort until such time as our energy problems are surmounted.

I will now be pleased to address any questions that you may wish to direct to my attention.

Mr. HUMPHREY. I invite the attention of the Senator to section 104(a) of the bill, which reads:

> Within sixty days of the date of enactment of this Act, the President shall cause to be prepared and published, priority schedules, plans, and regulations for the allocation or distribution of crude oil . . .

My point is, what is meant by "priority schedules"? It is not clear to me what priorities are meant in this section. Does it refer back to section 102, which we have just discussed? If so, perhaps it would be helpful if the chairman would once again specify to us.

Mr. JACKSON. Yes. An example of a priority schedule would be what the administration has already proposed under the heading, "Guidelines for Allocation of Crude Oil and Refinery Products," under item (d) of the statement on page 3. I will incorporate the entire Administration proposal as a reference, if there is no objection.

The PRESIDING OFFICER. Without objection it is so ordered.

[Department of the Interior, Office of Oil and Gas]

## GUIDELINES FOR ALLOCATION OF CRUDE OIL AND REFINERY PRODUCTS

A voluntary program for allocation of crude oil and refinery products was announced by the Honorable William E. Simon, Deputy Secretary of the Treasury, in testimony before the Senate Committee on Banking, Housing and Urban Affairs on May 10, 1973. This program will be voluntary and will be backed up by (1) guidelines established by the Federal Government; (2) a mechanism for providing continuing scrutiny of compliance with the guidelines; and (3) the authority for imposition of mandatory allocation if necesary. General policy direction will be vested in the Oil Policy Committee; day-to-day administration of the program has been assigned to the Office of Oil and Gas, Department of the Interior. This program calls for suppliers to make available to each of their customers the same percentages of their total supply of crude oil and products that they provided during the corresponding quarter in a base period. It also provides that suppliers of priority customers unable to obtain needed supplies under their allocations by their suppliers may apply to the Office of Oil and Gas for assistance in obtaining supplies. The following guidelines have been established by the Office of Oil and Gas for the administration of the program for allocation of crude oil and refinery products. Comments on these guidelines may be submitted in conjunction with the hearings to be held by the Oil Policy Committee (see Section 8 below, "Changes in Program").

### 1. AGREEMENTS

#### *a. From whom*

Agreements by each producer, crude oil buyer, gas plant operator, refiner, marketer, jobber and distributor are assumed unless the Office of Oil and Gas is notified to the contrary.

#### *b. Implied content of agreements*

That they will make available in each State to each of their customers (including those purchasers in the spot market) the same percentage of amount of their total supply of crude oil, natural gas liquids, liquified petroleum gases, and petroleum products that they provided during the corresponding quarter of the base period (fourth quarter of 1971 and first three quarters of 1972), whichever is lower. This program is not intended to obligate a supplier beyond the extent of his base period supplies to a customer, nor is it intended to limit the supplies to the obligated amounts. A customer is defined as any person who purchased crude oil or petroleum products from the supplier during the base period.

### 2. ALLOCATION BY SUPPLIERS

#### *a. Voluntary allocations*

In establishing total supply for allocation, it is not intended that any supply be withheld for possible allocation by the Office of Oil and Gas to meet priority needs. Rather, up to ten percent (10%) of production might be distributed to meet the needs of customers. Suppliers may voluntarliy supply priority needs and follow up with documentation to the Office of Oil and Gas for credit in supplying their share of priority needs in relation to Section 3 below.

#### *b. New customers*

All suppliers are urged to continue to supply customers that they have added since the base case period and to provide a listing of such customers and supplemental supply commitments to the Office of Oil and Gas for consideration in the assigning of supplies under Section 3.

### 3. ALLOCATION BY GOVERNMENT

#### *a. Who may request Government assistance*

Suppliers of priority customers (see Section 3(e)) unable to obtain needed supplies under allocations by their suppliers as discussed in Sections 1(b) and 2(a) may apply to the Office of Oil and Gas for assistance in obtaining supplies. Requests for assistance to priority customers made directly to oil companies by responsible Federal, state or local government officials may be honored by those oil companies. The Office of Oil and Gas should be notified of the assistance so provided, the source of the request for assistance and the percent of quarterly supply involved. If a supplier provides assistance to priority customers without an official request, that supplier may request that the Office of Oil and Gas include that assistance as a part of his share of supplying priority needs.

Non-priority customers who do not have a supplier with a supply obligation may apply to the Office of Oil and Gas for assistance on the basis that they are not otherwise covered by the program.

#### *b. Allocation by the Office of Oil and Gas*

The Office of Oil and Gas may request each producer, crude oil buyer, gas plant operator, refiner, marketer, jobber and distributor to provide allocations for priority customers still unable to obtain needed supplies of crude oil and products. The Office of Oil and Gas will request allocations for those not otherwise covered by the program.

#### *c. Basis*

This request by the Office of Oil and Gas must be based on demonstrated need. The basic purpose of priority allocations must be to assure adequate supplies of crude oil and products to priority users who are not well served under the proportional allocation program described in Sections 1(b) and 2(a) above. Supplier assignments also shall be made to fulfill the needs of new customers who have entered the marketplace since the base periods.

#### *d. Priority*

Priority will be given by the Office of Oil and Gas to supplying the following activities or to independent marketers, jobbers and refiners who supply the following activities:

(1) Farming, ranching, dairy and fishing activities and services directly related to the cultivation, production and preservation of food.

(2) Food processing and distribution services.

(3) Health, medical, dental, nursing and supporting services except commercial health and recreational activities.

(4) Police, fire fighting and emergency aid services.

(5) Public passenger transportation, including school buses and other buses, rail intercity and mass transit systems, but excluding tour and excursion services.

(6) Rail, highway, sea and air freight transportation services, and transportation and warehousing services not elsewhere specified.

(7) Other state and local government activities.

(8) The fuel needs of residents in states or parts of states unable to obtain sufficient crude oil or products.

(9) Difficulties caused by natural disasters.

(10) Public utilities.

(11) Telecommunications.

Whenever possible without detriment to the above priorities, preference shall be given to independent refiners and marketers (1) in the carrying out of such priorities, and (2) in other cases where all other conditions are equal and a choice must be made between allocation of supplies to an independent or to a major company.

*e. Where to request assistance*

Requests for assistance should be sent to the appropriate regional office of the Office of Oil and Gas, or to the Office of Oil and Gas representative at the regional office of the Office of Emergency Preparedness with a copy to the Director, Office of Oil and Gas, Department of the Interior, Washington, D.C. 20240. Appendix A provides addresses of these regional offices and the states covered by each office.

4. COMPLAINTS

The Office of Oil and Gas will receive complaints from anyone who feels he is not receiving a proper allocation of supplies. Complaints should be made in writing, documenting the basis for the complaint, to the addresses in Appendix A to be considered officially. Suppliers are requested to provide each regional office with the appropriate contracts to facilitate informal review and resolution of problems by mutual consent.

If it deems it necessary, the Office of Oil and Gas may require a public hearing and submission of date, by suppliers, on their 1971 and 1972 exchanges and/or sales of crude oil, unfinished oil and products. These data will include the names and addresses of customers, the amounts of crude oil and products sold to them, the legal relationship between major oil companies and customers, and whatever other information the Office of Oil and Gas believes necessary to conduct the hearing. The Office of Oil and Gas will then verify the accuracy of complaints against a supplier and, if justified, impose mandatory allocation on the supplier.

5. PRICE

*a. Products*

The price at which petroleum products (including liquified petroleum gases) shall be sold by refiners and wholesale distributors to independent marketers, wholesale distributors, and other unaffiliated customers shall not exceed normal refinery or terminal rack prices, or normal delivered domestic contract barge or cargo prices charged by major companies.

*b. Crude Oil*

The price at which major oil companies shall sell crude oil to independent refiners shall not exceed the posted crude oil prices at the time of sale, plus an applicable pipeline transportation charge.

*c. Limitation*

No price controls are contemplated in this program other than those promulgated by the Cost of Living Council.

6. PRE-EMPTION

For the allocation program to be successful it is imperative that supplies of crude oil and refined products be made on a coordinated national basis. Accordingly, the states should refrain from adopting independent allocation programs which would obstruct the smooth and equitable functioning of the national program. To the fullest extent legally permissible under the authority granted by the Economic Stabilization Act Amendments of 1973, it is the intent of this program to federally pre-empt the states from entering the field of allocation of crude oil and refinery products.

7. EXCEPTIONS

The intent of this program is to assure adequate supplies for essential needs and provide an equitable basis for assuring that independent members of all segments of the industry obtain sufficient supplies to meet their customer's needs. If the results of some aspects of the program are contrary to this intent, the supplier affected may request that the Office of Oil and Gas grant an exception on the basis of unintended results.

8. CHANGES IN PROGRAM

*a. Revisions*

Immediately following the initiation of this program, the Oil Policy Committee shall begin hearings to determine any changes that may be required to make the program equitable to all classes of suppliers and purchasers, and whether the program should be made mandatory. The Chairman of the Oil Policy Committee will designate an ad hoc board to conduct such hearings and report its findings to the Oil Policy Committee. The board shall be composed of representatives of the Interior, Treasury, Justice, and Commerce Departments, GSA/OEP, and any other representatives as the Chairman of the Oil Policy Committee may feel appropriate. The Chairman of the Oil Policy Committee shall designate the Chairman of the board.

Supplemental guidelines and procedures published by the Office of Oil and Gas may be issued as appropriate.

*b. Additional Measures*

The Oil Policy Committee will also investigate and recommend additional measures that should be undertaken to encourage allocations by major suppliers.

(Sgd.) DUKE R. LIGON,
*D. R. Ligon, Director.*

May 21, 1973.

Mr. JACKSON. The administration lists the priority items in their own voluntary program. The schedule starts with farming, ranching, and food processing. No. 3 is health and medical; four, police and firefighting. It is this kind of promulgation that we have in mind, if that is responsive to the question the Senator has raised regarding section 104(a).

Mr. HUMPHREY. I invite the Senator's attention to the language in section 104(b).

My question relates to section 104(b) where the President is directed to use his authority under this act and existing law to assure that no petroleum refinery in the United States is required to operate at less than normal full capacity. Do I correctly understand that that is to be implemented at once, with the passage of this act?

Mr. JACKSON. The answer is yes—forthwith.

Mr. HUMPHREY. In other words, the 60-day provision does not apply there?

Mr. JACKSON. That is right. In fact, the 60-day period we may want to amend to 30 days.

Mr. HUMPHREY. I have an amendment at the desk for that. I understand that we might call it up on Monday.

Mr. JACKSON. That is correct.

Mr. HUMPHREY. I thank the chairman for his cooperation on these matters.

Mr. President, if the Senator will yield me further time on the bill, I have a statement I wish to run through rather quickly. Could I have 15 minutes?

Mr. JACKSON. Mr. President, I yield to the Senator from Minnesota 15 minutes on the bill.

First, Mr. President, I have a unanimous-consent request.

There is an excellent article in the Los Angeles Times of today, June 1, by Ernest Conine, entitled "Why Pick One Pipeline Route When We Really Need Both?" I ask unanimous consent to have this article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### WHY PICK ONE PIPELINE WHEN WE REALLY NEED BOTH?

(By Ernest Conine)

In a playful bit of muscle-flexing, four Arab nations briefly stopped pumping oil a few days ago to demonstrate their ability to shut off vitally needed energy supplies if the United States and other oil importing countries don't behave to suit them. At about the same time, Sen. J. William Fulbright (D-Ark.) seriously suggested that a growing dependence on Middle Eastern oil may lead the United States or its "surrogates" to take over the Arab oil fields by military force.

With all this going on, the continued delay in construction of the trans-Alaska oil pipeline is incredible. More than that, it is a national stupidity for which Americans may pay dearly in the years ahead.

As practically everybody knows by now, this country no longer produces anywhere near enough petroleum to meet demand. We are already importing a third of our needs. If things continue on their present course, half or more of our oil supplies will be coming from foreign sources by 1980—a staggering 4.4 billion barrels. Most of these imports will come from the politically volatile Middle East.

Leaving aside the very real political and national security considerations, the economic implications are staggering. Oil imports would constitute roughly a $16 billion drain on the U.S. balance of payments. It is hard to see how deficits of that magnitude could be offset unless the government, at great expense to the taxpayers, pumped massive subsidies into such export industries as aerospace and agriculture.

Enter Alaskan oil.

The largest oil discovery ever made on the North American continent was made five years ago on Alaska's North Slope. Its proven reserves are estimated conservatively at about 10 billion barrels—25% of total U.S. domestic reserves. The actual figure may be eight or ten times that much.

In 1969 a group of oil companies sought a permit to build a pipeline to carry the oil 789 miles southward across Alaska to the port of Valdez for tanker shipment to Los Angeles, San Francisco and Seattle.

Then came the environmentalists, protesting that the project would do irreparable damage to the permafrost, imperil wildlife and pose a danger of serious spills from oil tankers. If the North Slope oil is to be tapped at all, they say, it should be transported via a pipeline across Canada to the Middle West.

The latest court ruling has made it clear that the trans-Alaska pipeline cannot be built without an act of Congress—and even then more lawsuits by the environmentalists could delay construction indefinitely. That is where things stand.

No one should imagine, of course, that Alaskan oil will eliminate the need for oil imports. But as Interior Secretary Rogers C. B. Morton has pointed out, "Every barrel of oil we can deliver and produce domestically means one less barrel we must import."

Adds William E. Simon, deputy secretary of the treasury:

"The significance of our North Slope energy potential," he told a Senate committee, "is not just the 2 million barrels per day that could someday be delivered through the Alaska pipeline. Nor is it the

10 billion-barrel proven reserves in the Prudhoe Bay field.

"Projections indicate that the North Slope has potential reserves of as much as 80 billion barrels. Thus, we might someday achieve an Alaska production of 5 to 8 million barrels per day.

"This, in turn, could reduce our first-round balance-of-trade outflows by $7 billion to $12 billion per year. Production at maximum rates would also materially strengthen our bargaining position with producing countries and increase our ability to meet any surplus disruptions with minimum adverse economic consequences . . . But to obtain the North Slope's full potential during the critical period of the 1980s, we must begin development now."

There is no question that environmental dangers are involved, nor is there any doubt that a good case can be made for a trans-Canada pipeline carrying Alaskan oil into the American heartland. As arguments against going ahead with the trans-Alaskan pipeline, however, they don't hold water.

If Alaskan oil doesn't come down to the U.S. West Coast, the area will have to depend all the more on foreign oil—oil that will move in tankers not subject to the special environmental safeguards decreed by the Interior Department for tankers from Alaska. Double tanker bottoms, for example.

As for the alternative route across Canada, it would pose environmental hazards of its own.

Also, the longer that the Alaskan pipeline is postponed, the greater will be the pressure to open the spill-prone Santa Barbara Channel to full-scale drilling. Then there is the question of jobs.

As Morton puts it, "Building the Alaska line would create 26,000 construction jobs, at peak, for American workers, plus 73,000 man-years of tanker construction, and 770 man-years of work for U.S. maritime crews and maintenance. These jobs would be lost if the pipeline goes through Canada, because the Canadian government has said it will give preference to Canadians."

Finally there is the time factor.

If legal obstacles to the Alaskan pipeline can be overcome by 1974, construction can be completed by 1977 or 1978 because the engineering has been done and the pipe is already on hand. The Canadian route would take an estimated five years longer—every year of which would represent a massive, unnecessary drain on the U.S. balance of payments.

The fact is that both pipelines are needed. The sensible thing is to go ahead, as Sen. Henry M. Jackson (D-Wash.) has suggested, with the trans-Alaska pipeline while opening negotiations with the Canadians.

Jackson is pushing a bill, which cleared the Senate Interior Committee this week, to proceed on that basis. Its fate depends on whether Congress knows the difference between environmental caution and environmental extremism.

Mr. HUMPHREY. Mr. President, for the information of the Senate, I have placed at the desk, and will call up in due time on Monday or Tuesday, amendments which relate to shortening the period of time for the promulgation of rules and regulations under the authority of this act; second, an amendment that will redefine what we mean by an independent small refinery; third, an amendment that deals with the antitrust provisions.

It is the judgment of the Senator from Minnesota, after conducting some hearings in the Joint Economic Committee, that there needs to be a good, hard look at the practices in the petroleum industry, to make sure that under this pressure of scarcity, there is no violation of the antitrust laws. I will be prepared on Monday to discuss these amendments and, hopefully, to gain their acceptance.

Mr. President, I commend the Senator from Washington for his splendid leadership in bringing this bill to the Senate; because the bill before us, S. 1570, is the product of many weeks of hearings and a great deal of good work on the part of the chairman and the entire committee. The committee has performed a very valuable service for us.

The entire Nation has been concerned, as is, indeed, the entire world, about what we call the energy crisis. A number of committees in Congress have been spending their time looking into this problem. It is a complex problem. It is not easy to deal with and there are no simple and immediate answers.

Therefore, we are attempting to approach it on the basis of an emergency, on the one hand. We passed a bill here the other day, about a week ago, that establishes a National Energy Council to coordinate the program of the Government. There will be other measures that flow from the President's Energy Message to Congress, particularly in the field of research.

I refer specifically to research that applies to our vast resources of coal that will make possible the conversion of that coal into a relatively pollution free fuel.

All of these things are going on. The executive branch has been reorganizing some of the agencies and the respective departments to do a better job. It is fair to say that this energy crisis came upon us primarily because of the lack of planning throughout the entire Government structure and the national economy, but many factors lend themselves to this problem today.

Last night at a Republican dinner Vice President AGNEW charged the Democratic Congress is spending too much time on Watergate and not enough on other matters. He specifically indicted Congress for not moving in the energy crisis. I wish to read the wire service report. It is an AP dispatch out of Cleveland, Ohio, and it states:

> CLEVELAND, OHIO.—Vice President Spiro T. Agnew says Congressmen should be worrying less about Watergate and working more on the energy crisis.
>
> "It might be a good idea for some members of Congress to think a little bit about the amount of time they're devoting to speculations over what might eventually emerge from the Watergate investigation," he told a crowd of 1,500 at a $150-a-plate Republican fund-raising dinner Thursday night.

Mr. President, I mentioned this not to indulge in conversation or talk of Watergate. In fact, there has not been much of that here, except within the confines of the Ervin committee. That committee has conducted itself responsibly and on a bipartisan basis and it has given the American people a good impression of the Senate. I commend the committee. But the Vice President made his speech at the very time that this Emergency Petroleum Allocation Act is coming before us. This legislation is not the product of a hasty endeavor. It is the product of thoughtful in-depth hearings. This legislation before us is but a part of a much broader program. Congress has been at work on the energy crisis and, frankly, I think we need a little less of this kind of squabbling and a little more cooperation by both branches of Government.

I know that Mr. William Simon of the Treasury Department is working very closely with the committees of Congress. I thank him. I have had the privilege of discussing the energy emergency situation with him on many occasions. Also, Mr. Duke Ligon of the Department of Interior's Office of Oil and Gas has been very helpful.

Our job here is not to get into an argument or contest or rhetoric on who is doing what, but to face up to the fact that the Nation faces a very serious energy crisis and that this serious energy crisis will be with us for many months and possibly years ahead.

Mr. JACKSON. Mr. President, will the Senator yield at that point?

Mr. HUMPHREY. I yield.

Mr. JACKSON. Mr. President, I wish to take this opportunity to express my complete agreement with what the Senator had to say about the unfortunate remarks of the Vice President of the United States yesterday in Ohio. We have been working on a bipartisan basis in our committee for 2 years on the energy problem.

Three years ago we had before our committee the setting up of a Commission on Fuel Energy, which the administration opposed. That was 3 years ago. I point out that we waited very patiently. The Vice President probably was not around, but we waited until April 27 for the energy message to come from the White House. It was supposed to have come in January; it was supposed to have come in February; then it was supposed to have come in March. Finally it arrived the latter part of April.

The fact is that the study we have been undertaking, as I said, has been going forward on a completely bipartisan basis. It was underway long before the administration started to move. We have yet to hear from the administration on many important areas of the fuel and energy crisis.

I point out that we have yet to get the administration's views on establishment of a strategic reserve.

We do not have an adequate reserve supply of petroleum in the United States. The maximum is 5 days according to our estimate. We have a 5-day supply, and that only if we pump out the tanks and the pipelines. The committee started hearings on establishing a 90-day strategic reserve, involving 3 billion barrels, which afford us some credibility in negotiations with the producing countries.

The administration has yet to come up with a program. I wonder what the Vice President was talking about. Maybe he ought to get a new speechwriter.

Mr. HUMPHREY. Mr. President, the country is indebted to the Senator from Washington for the leadership he has taken on the energy matter. I have had the privilege of discussing with him the energy question, specifically as it relates to gasoline, and fuel oils. It has been a special delight for me to be able to work with him and his staff, and the staff members of the committee. He has tried to give us some sense of direction.

Mr. President, I strongly support S. 1570, the Emergency Petroleum Allocation Act of 1973. The legislation is designed to deal with the urgent problem of the first peacetime fuel shortages in American history.

The purpose of S. 1570 is to minimize the impact of shortages of crude oil and petroleum products by mandating the allocation or distribution of fuels in short supply. The act requires that the President use his authority to achieve certain specified objectives, including the maintenance of public services, essential agricultural operations, and an economically sound and competitive petroleum industry, as we have described them here today.

Mr. President, I wish to underscore, as I did yesterday in the Senate, the importance of fuel to our producers of food and fiber. In the proposed legislation for emergency petroleum allocation, a high priority is given to the American agricultural sector, because it is that sector or portion of our economy that is going to require an adequate and continuing supply of petroleum products.

Mr. President, one of the most serious deficiencies of the President's recent energy message and the administration's entire energy policy is that they made no provision for a fair and dependable method of allocating fuels that are in short supply. For this reason the Congress adopted the Eagleton amendment to the Economic Stabilization Act. The amendment, as enacted, authorizes the President to prevent anticompetitive practices in the petroleum industry. After Congress expressed deepening concern, the executive branch, on May 10, finally adopted a voluntary allocation plan.

I would note again, in answer to the Vice President, that the Eagleton amendment was adopted by Congress more than a month ago, so that was another effort made by Congress to get at the problem of a very dangerous fuel shortage.

The plan, known as the voluntary allocation plan, is a step in the right direction, but I have serious questions about its effectiveness.

From reports I have received, some independents have received assurances of services from the major oil companies, but very few have actually received gasoline.

Nor do my fears rest solely on the gasoline supply situation. If we look just a few short months ahead, we find the frightening possibility of an inadequate and inequitably allocated heating oil supply, for, as we all know, the supply of gasoline is closely intertwined with the supply of heating oil. Both of these products come from the same barrel of crude.

In fact, refineries are now producing at their maximum capacity for gasoline. It seems they are not building up reserves that are going to be needed this fall and winter for heating fuel.

Last winter we in the Midwest were saved from catastrophe because we had an unusually mild winter. But we cannot depend on the compassionate hand of the Lord again this winter. We must make sure we have adequate supplies of heating oil for the coming fall and winter months.

Mr. President, it is not clear what the shortage actually is with respect to petroleum products. Administration officials in Des Moines yesterday said that the "excess demand of petroleum products" is 2 to 3 percent nationwide. But this conceals far greater shortages in certain individual products such as gasoline and propane, and it also conceals regional disparity.

By the way, the figure of 2 or 3 percent shortfall is not actually an accurate one. It runs anywhere from 2 to 5 percent, according to the most objective analysis, and some people feel it is more.

From the information which comes to me, there clearly is a serious shortage in gasoline and fuel. And all indications are it will get progressively worse in the near future.

Let me cite a few examples I have culled from testimony and from communications that have come to my office.

A rural gasoline dealer, who privately supplies local farmers and commercial fishermen in Sebastian, Fla., is being cut today by Texaco from 47,000 gallons of gasoline to 14,000 gallons. He will be forced to close his business if he cannot get more gas immediately.

Ellsworth, Minn., is faced with a real emergency due to the closing of the Skelly Oil Co. there. According to the mayor and town council, there is an acute gas and fuel shortage in the community with at least 50 farmers already without gas, terribly short on fuel, and with no other source of supply available.

Farmland Industries, a large farmer cooperative in Missouri with its own refining facilities, just cannot get crude oil. It has no inventories from which to produce fuels for Midwest farmers.

The Minneapolis Transit Commission asked for bids to supply diesel gasoline for its buses and had only one company respond. It was only willing to provide 75 percent of the transit authority's needs and this at a 25-percent higher price than paid last year. Fortunately the company has been persuaded to provide all the gas the transit system needs, but we came very close to having to substantially cut back this vital public service.

A common carrier of foodstuffs between St. Paul and Chicago, that has dealt with Mobil Oil Co. for 25 years, and consumed 150,000 gallons of diesel truck fuel annually, suddenly received a letter from Mobil telling that—

> Because of our current conditions in your area we find that we will no longer be in a position to supply your needs.

The president of this concern informs me that a business of 30 years and 35 employees must be closed as a result of Mobil's decision.

Texaco has refused to supply the Budget Rent a Car Co. of Minnesota with the gasoline it desperately needs. Despite the fact that they bought over 1 million gallons from October 1971 to September 1972, their 8,000-gallon order on May 16 has not been filled. Rather it has been "referred to the Chicago regional office," of Texaco, "for advisement."

The Shamla Oil Co. has furnished aviation fuel to the Silver Lake, Minn., airport for the past 26 years. Union 76 Oil Co. of Minneapolis provided Shamla with this fuel. However, Union 76 has now decided to cut off its aviation fuel sales and there is no alternative source of supply. As a result, the crop dusters who use this airport are unable to spray the crops.

Reports from Indiana indicate that propane gas, obtained specifically for emergency crop drying, was directed to other uses. This misallocation indicates the problem of equitable distribution of scarce fuel supplies.

Some farmers who are out of fuel are questioning how automobile drivers obtain fuels to drive at high speeds on highways by their farms. In Michigan, 6,000 farmers are out of fuel, according to USDA. In addition, other Michigan distributors servicing approximately 20,000 farmers in the southern part of the state are either nearly out or have been drastically cut by their suppliers.

In Michigan and other parts of the Midwest, private construction contractors are known to be hoarding 3 months or more supply of fuels, depriving urgent needs of our farmers.

The Midland Cooperatives, Inc., in Minneapolis, informs me that—

> While some major oil companies have given lipservice to the voluntary allocation program, we have seen very little or no evidence of it.

Midland recently telegramed its traditional suppliers of crude oil informing them of the desperate supply situation and the likelihood of a refinery shutdown in early June if additional supplies were not made available. Despite considerable talk, to date there has been no response in terms of "wet barrels" delivered to Midland's refinery.

Last night's Washington Star reported on the various rationing policies of the Texaco and Shell Oil Co. It seems terribly unfair to me that toll roads in some States—New York, Ohio, Florida, and so forth, must strictly limit sales, while motorists in other parts of the country can buy all they want, without any limit. This just is not equitable.

Mr. President, the U.S. Department of Agriculture in its latest weekly report to the Office of Emergency Planning revealed the following startling statistics. There are crucial farm fuel shortages in 23 States covering 127 fuel distributors. This is up from 21 States and 94 distributors only 5 days ago. The Midwestern States seem to be hardest hit.

I ask unanimous consent that this USDA report be inserted at this point in the Record.

There being no objection, the report was ordered to be printed in the Record, as follows:

### USDA Weekly Report to OEP—Relating to the Fuel Situation

1. *Farmwork Progress.* Farmwork was slowed somewhat the past week because of rain over much of the country. Corn is now about eighty percent planted. Cotton planting is also about eighty percent completed in the south and virtually completed in Arizona and California. Soybean planting increased but continues to lag much behind normal. Grain sorghum planting also lags except in the southwest.

2. *Farm Fuel Availability.* See attached report dated May 30.

3. *LP and Natural Gas.* Farmer supply problems and expected problems with LP gas have been appearing in some State reports during recent weeks. This week, USDA asked its State offices to report on potential shortages of both LP and natural gas for *crop drying* purposes. The report was based on information readily available from the USDA monitoring program. A copy of the U.S. summary is attached.

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### FARM FUEL SITUATION AS MAY 30, 1973

1. *Crucial Shortages.* Active cases in 23 States covering 127 fuel distributors (up from 21 States and 94 distributors five days ago). These distributors are concentrated in Iowa and Nebraska. Solutions continue to be slow and sometimes frustrating, but a total of 24 have been resolved since the Office of Oil and Gas began working on them about ten days ago. Indications are that others will be resolved soon. With June 1 at hand, the June fuel allocation will be available to some of these distributors.

A few scattered farmers are reported to be out of fuel but the number appears to be down from the past two weeks.

2. *General Farm Fuel Availability.* Supply continues tight to very tight in most States. Allocations for May generally used up with many distributors already dipping into June allocations. Some distributors and most farmers who encounter supply difficulties seem to be able to locate supplies "at a price." Price is reported to be up 50 percent in one case (Nebraska) and as much as ten cents per gallon in several cases. There are concerns over section fuel requirements such as for vegetable and small grain harvest and for irrigation.

3. *Voluntary Fuel Allocation Program.* It is understood that most major oil companies have agreed to cooperate. There were indications in a few State reports that farmers are being given priority in the distribution of fuels. This is an improvement over recent weeks.

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### POTENTIAL SHORTAGES IN LP AND NATURAL GAS FOR CROP DRYING PURPOSES

Inquiry made today, May 30, in each State except Hawaii and Alaska.

#### LP GAS FOR CROP DRYING PURPOSES

26 States report significant use of LP gas for crop drying purposes.

4 States anticipated no significant shortage for crop drying.

12 States indicated minor shortages.

10 States or 39% of those States using LP gas for drying anticipated critical shortages.

The Midwest Region indicated substantial critical shortages. All but one State anticipated critical shortages of LP gas for crop drying purposes.

#### NATURAL GAS FOR CROP DRYING PURPOSES

20 States report significant use of natural gas for crop drying purposes.

4 States anticipated no significant shortage for crop drying.

7 States indicated minor shortages.

9 States or 45% of those States using natural gas for drying anticipated critical shortages.

The Midwest Region again was most significant with all of the States anticipating critical shortages of natural gas for crop drying purposes. There were essentially no anticipated problems in the SW Region, with only minor anticipated shortages in the SE, NE, and NW Regions.

TOTAL FOR THE NATION

| | States using gas | | Shortages in States using LP gas | | | Shortages in States using natural gas | | |
|---|---|---|---|---|---|---|---|---|
| | LP | Natural | No significant | Minor | Critical | No significant | Minor | Critical |
| All regions (percent) | 54 | 42 | 15 | 46 | 39 | 20 | 35 | 45 |
| All regions (number of States) | 26 | 20 | 4 | 12 | 10 | 4 | 7 | 9 |

The PRESIDING OFFICER. The Senator's 15 minutes have expired.

Mr. HUMPHREY. Mr. President, if I may conclude, the evidence I have cited for the RECORD as examples is a matter of official notification, and those examples go to the question of shortage, primarily, but also to the question of poor allocation or distribution. When it comes to the question of poor allocation, I have all kinds of information which shows we have a poor system of allocation, and it is to that very problem that the bill sponsored by the Senator from Washington addresses itself.

A voluntary allocation plan, I regret to say, with all of its good intentions on the part of its sponsors, will not do the job. On April 18 I introduced a joint resolution which has as its purpose the taking of the immediate mandatory action in allocating fuel supplies. My bill would provide for the establishment of priorities. In recent days, I and my staff, working with the distinguished Senator from Washington and his committee and staff, have arrived at a proposal which provides for action by the Government and private industry to assure equitable distribution of fuel supplies.

I urge its adoption.

Mr. JACKSON. Mr. President, I want to express my deep appreciation for the tremendous help given by the able Senator from Minnesota. We have been working together on a good many amendments. A major amendment will be offered next week by the Senator from Minnesota, who has been extremely helpful in strengthening the bill.

Mr. President, the growing shortage of petroleum products has become a national problem of crisis proportions. Strict gas rationing and spectacular price increases have befallen retail and wholesale consumers throughout the country. Those people and institutions that depend on a ready supply of gasoline are under severe economic hardship. The question is not limited to the inflationary price of gasoline—it is a question of availability at any price.

The effects of this shortage are being felt in every section of the country. Major oil companies, including Standard Oil of California, Amoco, Union, Sun, Phillips, and Texaco, are rationing gasoline supplies among retail and wholesale outlets. Thousands of independent service stations have been forced to close. The cities of New York, Boston, Detroit, Pittsburgh, and Washington are either unable to buy the gas necessary to provide essential municipal services or have been forced to accept short-term supply commitments with massive price increases. Domestic airline service is threatened due to aviation fuel shortages; crops are going unplanted as farm equipment stands idle awaiting gas supplies; barge, motor freight, and rail transport are struggling to secure needed fuel supplies on a day-to-day basis. Finally, the fuel shortage has caused price increases that may dampen the automobile tourist industry while contributing to the national inflationary spiral.

Texaco, the Nation's largest gasoline retailer, began rationing on March 28 in Los Angeles. Sun Oil Co. announced gas rationing in the D.C. area on April 18, and Union Oil soon followed suit in the Far West. Beginning in early May, Phillips Petroleum cut sales to all of its customers east of the Rocky Mountains by 10 percent. In Illinois, the Amoco Oil Co. began limiting sales to about a half-tank per car. Standard Oil of California was rationing gas in the Western States by early May.

This unprecedented peacetime gas rationing has caused the closing of hundreds, perhaps thousands, of independent retail outlets that have traditionally relied on major oil company surpluses for their gasoline supply. Since April, more than five stations per week have closed in both Connecticut and Massachusetts. In the Washington area more than 24 stations have had to shut their doors due to product shortages. A chain of 25 independent stations has been closed in Baltimore. Berkley, Mich., and Minneapolis, Minn., have lost similarly large numbers of independent outlets. Closed gasoline stations in Atlanta, Ga., and Whittier, Calif., illustrate that the phenomena is not limited to the East and Midwest. Many hundreds of stations have simply run out of gas and many thousands of other independents are still threatened. The potential economic impact on all areas of the Nation and on competition in the oil industry cannot be exaggerated.

The gasoline shortage is causing drastic price increases and threatening the fuel supply required to operate municipal services in many large cities. Major oil companies are reluctant to take contracts for bulk gas sales when all available supplies can be sold at a greater profit through company-owned service stations. Consequently, many cities are facing the specter of paying nearly the full retail price for gasoline and reducing consumption by cutting back on municipal services. Boston, Detroit, New York, Pittsburgh, and Washington have either been unable to buy the necessary gas or have been forced to accept major price increases. Washington's municipal busline provides a specific example of the problem. The Metro received only 1 bid after sending requests to 14 major oil companies. Eventually, a contract was signed that resulted in a $400,000 increase in annual fuel costs.

Industries utilizing petroleum fuels are threatened by the gasoline shortages. Other fuels such as kerosene-type aircraft fuel and common heating oil compete with gasoline for refining capacity. When gasoline is at a premium the oil companies concentrate on its production while decreasing production of the other less profitable fuels. This situation may lead to a shortage of aircraft fuel and a subsequent curtailing of airline service. Trans World Airlines, United Air Lines, and American Airlines have already established a mutual capacity agreement to limit certain transcontinental flights in an effort to preserve strained fuel supplies. Curtailed airline service and heating oil shortages next winter are a certainty.

Vital agricultural production may be limited by the gasoline shortage. It has been reported that a 10-percent shortage of farm fuel will strike Schenectady County, N.Y., about June 1. Widespread agricultural fuel shortages could have a crippling effect on national production. The potential for gasoline shortages is increased because peak agricultural demands coincide with peak travel demands.

Mr. President, I ask unanimous consent that I may place in the RECORD at this point a number of news articles relating to the gasoline and petroleum shortage throughout the country.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, Apr. 17, 1973]

### A GROWING SHORTAGE OF GASOLINE IN U.S. THREATENS VACATIONERS AND INDEPENDENT SERVICE STATION OPERATORS

Glen Hatcher, who has kept his Atlanta area gasoline stations open around the clock for nearly 20 years, went out last week to buy some locks for the doors.

A gasoline shortage is forcing him to close his stations at night.

"It's a sorry situation," Mr. Hatcher said. "We just never had any need for the locks before. Now I'm afraid we may even have to shut down for good."

Mr. Hatcher's stations are supplied by the Crown Central Petroleum Corporation, which cut off gasoline to about 100 stations in the Southeast last week. "We just don't have the crude oil to work with," said Robert K. Cavanagh, Crown Central's Southeast regional manager.

Mr. Hatcher's plight is shared by other independent station operators around the country. The shortage of gasoline has already forced many station operators to close, and many others feel they will have to close in the next few weeks, when the spring and summer travel season begins.

#### IMPACT ON PRICES

There are more than 210,000 gasoline stations in the United States, and those in the process of closing represent a tiny percentage. But many of the stations caught in the squeeze are discount stations that sell gasoline for a few cents a gallon under the price of the brand name stations, which means that Americans are already feeling the impact of the shortage on prices.

"Bargain prices are over with," says Richard Small, president of the Checker Oil Company in Chicago, operator of 240 discount stations in the Middle West.

Gasoline prices in the United States range from 30 to 45 cents a gallon, and station operators are talking about the prospect of selling gasoline for 50 or 60 cents a gallon. In nearly every part of the country, the typical motorist already is paying 2 to 5 cents more per gallon than he was a few months ago.

The failure of gasoline production to keep pace with demand is attributed to several factors—a shortage of refining capacity in the United States, problems in obtaining foreign crude oil, the inability of many American refineries to process some available foreign crude oil because its content corrodes their facilities, and a fall and winter shortage of heating fuels that caused refineries to concentrate on this area at the expense of gasoline.

#### A LACK OF BIDDING

The shortage is also being felt by municipal governments and other volume purchasers of gasoline. They find oil companies are not bidding for their business any more. Or if they are, the oil companies have raised the price 2 cents to 5 cents a gallon and do not want long-term contracts.

The Boston area has been particularly hard hit by gasoline shortages. Last Friday, the city of Boston learned for the second time in recent weeks that it had received no bids for its annual gasoline contract for municipal vehicles. Moreover, a joint bid by the suburban communities of Belmont, Brookline, Newton, Waltham and Watertown also went begging.

Independent gasoline stations are shutting down all over New England. A survey by The Boston Globe last Sunday disclosed that 12 of the 50 stations run by the Sure Oil Company of Worcester, Mass., had closed. The Gibbs Oil Company has shut its pumps at 15 stations and says 21 more may soon be affected.

In Vermont, there were no bids for next year's state gasoline contract.

In Miami, Ray Goode, the Dade County Manager, said the county's supplies might be rationed by its supplier because of shortages.

#### PROBLEM IN DETROIT

Detroit officials have been unable to get any bids on contracts due to expire April 30. Detroit uses 7 million gallons of gasoline a year, and officials say fire trucks and police cars may have to pull up at corner service stations when city tanks run dry.

The Checker Cab Company in Detroit says it has not had any bids for its annual 4-million gallon contract, which expires June 1. Edwin Sarah, president of Checker in Detroit, said 25 other cab fleets in the nation were having similar problems.

Only one bid was received last Friday by the state of Maine for its gasoline contract and it is expected that officials in Augusta, Me., will accept the offer by Gulf even though it means paying 6 cents a gallon more and will cost the state an extra $500,000.

"We were lucky to get even one bid," said Linwood F. Ross, the state purchasing agent.

#### LESS DRIVING URGED

Boston officials have asked their employes to drive less to conserve gasoline supplies. Officials in Dade County, Florida, have ordered division chiefs to curtail vehicle use except for urgent needs; they hope to cut gasoline consumption by 10 per cent.

There are fears in New England and the Middle West that reports of gasoline shortages will hurt the tourist business, a major part of the economy in those regions.

Robert S. Kretschmer, general manager of the Massachusetts Division of the American Automobile Association, said that if there was a decline in the $1-billion tourist industry in New England, it "could create a depression for the area." He added that "85 per cent of all vacationers come here by auto, and no man in his right mind will start out on a long vacation trip if he has the feeling he might not be able to get gas along the way."

Charles E. Shipley, executive director of the Retail Gasoline Dealers Association of Michigan, said the shortage "is going to have an effect on tourism" in that state. But he said the shortage was "evident in price more than in the lack of fuel."

Gasoline distributors fall into three categories—the 29 major companies, which are all refiners; about 275 independent marketers, a few of whom have refineries, and 12,000 independent jobbers who buy gasoline from one of the major companies and distribute it to local service stations.

The independent marketers, who have their own chains of stations, are the first to feel a shortage. The jobbers have somewhat more protection because their stations often carry the brand name of a major refiner.

Among the independents, a spokesman for the Urich Oil Company of Whittier, Calif., said the company would padlock some stations this month because of gasoline shortages.

In Baltimore, nine of 25 Midway stations have been closed. James Griffiths, the company's general manager, said he had raised gasoline prices from 32.9 to 35.9 cents a gallon at Midway's other stations.

In Chicago, gasoline prices have increased an average of 3 cents a gallon since Jan. 1.

In Florida, the price of gasoline at independent stations has risen by 4 cents since last December.

Richard Bartless, executive director of the Colorado Petroleum Marketers Association, said it might be necessary to impose some rationing on retail sales this summer, perhaps 10 gallons instead of a full tank.

Sears, Roebuck & Co., which owns more than 30 service stations between North Palm Beach and Key West, Fla., has started to limit each customer to 10 gallons of gasoline because its supplier, the Marathon Oil Company, has cut deliveries.

A Sears spokesman in St. Louis said two of the company's stations in that area were shortening hours becouse of dwindling supplies, and added that one might have to close. Walter Wiegand, executive secretary of the Mid-American Gasoline Marketers Association in St. Louis, said, "I guess the major oil companies consider the independents expendable."

Some oil companies, such as Cities Service, which has adopted the quota system, say they expect the gasoline shortage will end in two or three months. They also deny accusations by some stations owners that the shortage has been contrived to put pressure on the Government to ease restrictions on oil import quotas and to build pipelines and refineries.

Texaco issued a statement, however, saying it hoped that "Government import policy would facilitate access to crude oil supplies" needed to fill refinery pipelines. It also said it hoped the Government would approve higher prices for gasoline made from more costly imported crude oil.

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### JACKSON URGES ACTION

WASHINGTON, April 16.—Senator Henry M. Jackson, chairman of the Senate Interior Committee, called on the oil industry and the White House today to make sure that independent gasoline stations do not run out of gasoline.

Senator Jackson, a Democrat from the state of Washington, said "there ought to be an arrangement by which independents can stay in business" even if it means a diversion of some gasoline from service stations of the major oil companies.

The Senator said at a news conference that he introduced a bill last Friday that would authorize the President to allocate supplies of liquid fuels and natural gas if he finds that shortages "exist or are imminent."

Today, Senator Jackson introduced a bill designed to create a strategic reserve of oil to protect the United States if a Middle East oil-producing state "should shut off our oil supply either to influence U.S. foreign policy or to drive up the price of petroleum."

Mr. Jackson proposed that a "strategic reserve" equivalent to 90 days' imports include crude oil stored in underground salt domes and in tanks to be built on the surface; so-called reserve-producing capacity of wells on Federal lands and offshore, to be prescribed by the Interior Department, and oil that may lie in the Navy's petroleum reserves, particularly in northern Alaska near the Prudhoe Bay oil fields.

Under current law, the President cannot intervene in distribution of oil and gasoline supplies unless he finds that there is a threat to the national security. Administration officials have said that the present situation falls short of satisfying that standard.

Senator Jackson's bill would authorize intervention, including rationing the amounts that motorists may buy, where actual or imminent shortages jeopardize "the public health, safety or welfare."

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[From the New York Times, May 9, 1973]

## A Lag Is Reported in Bidding on Gas—Concern on Supply Voiced by City and County Aides

(By David Bird)

Government purchasing officials in the metropolitan area and in other parts of the country have begun to look into contingency plans for rationing gasoline for official cars because oil companies have not been eager to bid on contracts for future gasoline supplies.

New York City's Municipal Service Administrator, Milton Musicus, said there "was no shortage of gasoline yet." "But," he added, "I have grave concern as to whether we're going to get firm commitments and at what price."

Mr. Musicus said that many of the city contracts expired June 30 and that so far no one had bid on next year's supply whereas normally at this time there would have been several bidders competing.

In Nassau County, James E. Baker, the deputy commissioner of purchase and supply, said that while the county's gasoline purchase contracts did not expire until Dec. 31 the uncertain situation now could mean rationing of gasoline for less-essential vehicles after the end of the year.

### BID ACCEPTED

In New Jersey, Administrator Richard Nelson of Bergen County said that while bids to supply gasoline usually came in without any urging, this year the county had had to solicit bids publicly twice and had received only one bid.

"We accepted it because we were getting worried," he said.

But the new contract, to go into effect in several weeks, has sharp price increases, Mr. Nelson said. Under the old contract, Bergen County paid 12.5 cents a gallon for regular gasoline and 14.5 cents for premium. Under the new contract, it's 18.2 cents for regular and 20.7 cents for premium.

Major oil companies confirmed that they were not bidding on municipal contracts because there was not enough extra gasoline to go around after the cut-price contracts. Thus, while municipal vehicles may not have to be laid up for lack of gasoline they may be forced into restricted use because local governments cannot afford to allow the uncontrolled purchase of gasoline on the open market, where it costs about twice as much.

Many major oil companies are assuring motorists that they can maintain usual supplies at the pumps unless conditions worsen but some have started actual cutbacks.

Sunoco, for example, has cut back its distributors to 90 per cent of their normal supply. But Bud Davis, a spokesman in Sunoco's Philadelphia headquarters, said that essential-use customers such as police and fire departments and public transit would be exempt from the reduction.

Mr. Davis said that one reason Sunoco had to cut back was that it did not have an assured supply of crude oil for its refineries. This meant, he said, that it had to buy about half its supply on the open market while other refiners could rely on their own wells.

### DOMINO EFFECT

Some major oil companies have not had any trouble yet in keeping up with the public demand but they say they are worried about the domino effect if other oil companies can't supply the demand for their regular customers.

"If their customers start coming to us," said Retha Odom, a Shell spokesman in New York, "we're going to be in trouble. We're not looking for more customers and we're not bidding on municipal contracts."

Getty says it had to reduce its supplies to distributors by 8 per cent because breakdown at its Wilmington, Del., refinery had intensified the shortage.

Miss Muriel Havens, a spokesman for Getty, said that, with the limited supply, some stations had been keeping shorter hours and that some station operators were raising prices—although, she said, Getty has not raised the wholesale price in six and a half years.

Such companies as Amoco, Mobil and Texaco have been restricting deliveries to last year's levels. But this, in effect, is a cutback because gasoline demand has been increasing some 6 per cent a year as a result of higher gasoline consumption by cars and a larger number of cars on the road.

Despite the concern over future supplies, the American Petroleum Institute is reporting a narrowing of the gap between supply and demand in the last month.

Ronald Streets said from the institute's Washington office that there was, indeed, a shortage because while the country's stocks of gasoline at this time of year normally would be 225 million barrels they now stood at only 205 million barrels.

Mr. Streets said the gap was narrowing at the rate of about a million barrels a week, which could mean only a 5 per cent shortage by the time of the peak driving season this summer.

"But they could be upset very easily—it depends on what people do," noting that recreational driving was a major factor.

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[From the Washington Post, Apr. 7, 1973]

## Oil Scarcity, Refinery Closings Cause Gasoline Shortages

(By Thomas O'Toole)

A worldwide scarcity of crude oil and a spate of refinery shutdowns on the Gulf Coast of Texas have triggered local shortages of gasoline in at least eight states.

The White House Office of Emergency Preparedness said yesterday that gasoline inventories were *down almost 25 per cent from year-ago levels in Oklahoma, Kansas and Missouri.* The OEP said that shortages had forced the closing of some small independent gas stations in *California, Florida, Massachusetts, Pennsylvania, Oregon, Washington, Minnesota and Nebraska.*

"These are almost all self-service stations that sell discount gasoline," an OEP spokesman said. "They're the stations that buy spot gas [not contracted for in advance] at distress prices, but in most regions of the country there isn't any of that gas to buy."

Acting OEP Director Darrell M. Trent said nationwide gasoline inventories were down to 212 million barrels, their lowest so far this year and only 12 million barrels above last year's July-August low at the peak of the driving season.

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At least three refineries on the Texas Gulf Coast were closed down. Fire shut a Texaco refinery at Port Authur, while maintenance problems closed an Exxon refinery at Baytown and a Standard Oil of Ohio plant at Port Arthur. Shell Oil Co. was running all its Texas refiners with supervisory personnel because of a strike.

Industry sources also claimed that many refineries are down for minor repairs at this time of year, just after the home heating oil season ends and just before the spring motorist season begins.

"A lot of U.S. refineries are getting old," one said, "and this is the only time of the year repairs can be made to keep them running."

Some industry sources claimed that a worldwide shortage of crude oil is also helping to keep refinery capacity below 90 per cent. These sources said that shortages were worst in "sweet crude," the oil that is lowest in sulfur that most American refineries are built to handle.

"The average American refinery can't cope with more than 10 per cent of its run in high sulfur oil," one source said. "Unfortunately, this is the oil that can be imported from Venezuela and the Middle East and even that is running short."

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[From the Washington Star-News, May 8, 1973]

## Tollway Gas Rationed

(By Roberta Hornig)

The Amoco Oil Co. has announced it will limit gasoline sales to about a half tank per car at its stations on the Illinois Tollway system, because of fuel shortages.

In another move reflecting worsening fuel supplies, the Continental Oil Co. today asked the Cost of Living Council to let it raise prices of all its products, from crude oil to gasoline and heating fuels.

The company asked for a 9.57 percent price increase on gasoline and heating fuels and for a 6.229 percent on crude oil sales to other companies.

A Continental spokesman said the increases were requested to reflect higher domestic and foreign crude oil prices.

An Amoco spokesman said yesterday that beginning at 7 a.m. tomorrow, Amoco stations will "temporarily" limit gasoline sales to 10 gallons per passenger car and 35 gallons of diesel fuel per truck.

The announcement of the direct rationing of gas to motorists by Amoco follows the firm's "allocation" program to all its gas stations that went into effect May 1.

Amoco Oil Co. is a subsidiary of Standard Oil of Indiana.

Standard Oil Co. of California announced yesterday that it is limiting gasoline supplies to its service stations because of "exceeding high demands."

Several other oil companies also plan to allocate gas to their stations but Amoco's move is the first time a major oil company has ordered its stations to ration gas to motorists.

Amoco has gasoline concessions on the Tollway system, which includes several toll roads with several offshoots running from the Chicago area to the Wisconsin-Indiana State Toll Highway Authority, which approved the rationing plan, said it did so reluctantly, but that "it seemed to be the best alternative to assure equitable distribution of available supplies to all motorists."

An Amoco spokesman said that if the company had not initiated its nationwide allocation program to gas stations "a supply-demand imbalance would have almost certainly led to widespread run-outs of gasoline and diesel fuels this summer."

Amoco decided to directly ration motorists on the Illinois road because, under its contract with the state, it is committed to keep its stations open 24 hours a day seven days a week.

Stations that come under the general allocation rules will have the option of keeping shorter hours or closing one day a week if their fuel-supplies run dry, the spokesman said.

The spokesman added that gasoline is scarce even with the recent lifting of the oil import quotas. One reason the lifting of the quotas has not brought in enough oil is a scramble for Middle East oil by several American companies and the Europeans and Japanese.

In another energy development, 35 senators sent a letter to President Nixon yesterday urging him to start allocating petroleum products instead of leaving it up to oil companies.

While administration energy experts are still claiming only "spot shortages" of fuel, several transportation industry officials yesterday told the Senate Banking Committee fuel shortages appear to be fairly widespread and worsening.

The bleak energy picture was given by representatives of the bus, inland waterway, airline and railroad industries and the farmers.

Some of the key points:

A vice president of Greyhound Lines, Inc., said fuel shortages "have already had an effect on Greyhound's operations and represent a serious potential threat to the nation's transportation system."

Paul R. Ignatius, president of the Air Transport Association, said fuel shortages have already occurred at some airports and his organization has asked the federal government to release aviation fuel bonded for international flights for domestic consumption.

James R. Smith, president of the American Waterways Operators, Inc., a national trade association of transport towboats, tugboats and barges said diesel fuel shortages have so far been spotty except in the Midwest where some towboats traveling north on the Mississippi River from the Gulf Coast have been stranded in the St. Louis area because they were unable to buy fuel there.

A spokesman for the National Farmers Union said farmers are concerned about getting enough fuel for running their tractors. Two factors are at play in the Midwest: a Nixon administration request to farm 50 million more acres to bring down food prices and an extremely late planting due to the Mississippi floods. Because of the delay farmers have to work longer hours later this month and early in June to get their crops in the ground, and therefore will require more fuel faster, the spokesman said.

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[From the Washington Post, Apr. 19, 1973]

### FUEL SHORTAGE SEEN CURTAILING AIRLINE SERVICE

(By Jack Egan)

The growing nationwide fuel shortage may lead to curtailed airline service later this year and may require restrictions—voluntary or regulatory—on the number of flights over certain routes, airline industry sources indicated yesterday.

Whitney Gillilland, vice chairman of the Civil Aeronautics Board, said on Tuesday that there is a possibility that some flights would have to be diverted because of fuel shortages, that the CAB may reverse its policy of "excessive" route awards because of the situation, and that airline growth might be at an end.

Gillilland was speaking at the McDonnell Douglas Corp. assembly plant in Long Beach, Calif.

"The air transport situation can become particularly serious as the energy crisis deepens because the air carriers—unlike most other industries—are limited to the use of kerosene-type fuels in their jet aircraft," Gillilland said.

He added that kerosene competes with gasoline and heating oil production for refinery capacity, but is less profitable for the oil companies.

In January, a three-day fuel shortage by one supplier, Texaco, at Kennedy International Airport in New York, caused two transcontinental airlines to make non-scheduled fuel stops because they couldn't get enough fuel at the airport to make it across the country.

"We feel at some point that we may have more localized shortages similar to the one at Kennedy," a spokesman for the Air Transport Association said. "These may well be the tip of the iceberg."

He also stressed the long-term fuel problem for the airlines because there is no presently available energy alternative, and advocated increased government research into new modes of airplane propulsion.

A Trans World Airlines spokesman noted that a mutual capacity agreement between TWA, United Air Lines and American Airlines to limit the number of flights over four transcontinental routes has yielded a 120-million-gallon fuel savings during the last 12 months.

The capacity agreement is due to expire at the end of April, and the airlines have asked the CAB for permission to extend it indefinitely. He estimated that if such capacity agreements had been adopted on an industry-wide basis, about 800 million gallons of the approximately 10.5 billion gallons of jet fuel consumed last year would have been saved.

Meanwhile, continuing short supplies of gasoline threatened more independent gas stations with closings, and prices felt more upward pressure.

The Oil Daily's weekly survey of 100 cities last week showed the average price for a gallon of major brand gasoline was 26 cents before taxes, compared with 22½ cents a year ago.

While the major companies said that they don't expect shortages for their own dealers, there were charges that independent stations were having to close because the majors were hoarding their supplies.

The Georgia Independent Oilmen's Association estimated that by this weekend, more than 100 of the state's 1,800 independent stations will have to close because of a lack of fuel.

The director of the Mid-America Gasoline Marketers Association estimated that 30 per cent of the independent stations in the St. Louis area would soon have to close.

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[From the New York Times, May 5, 1973]

### SHORTAGE FEARED IN FARMERS' FUEL SURVEYS UPSTATE INDICATE 10-PERCENT DEFICIT BY JUNE 1

ALBANY, May 4—A 10 per cent shortage of farm fuel could strike Schenectady County at about June 1, according to a survey by the county's Agricultural Stabilization and Conservation Committee.

A similar survey in Columbia County of farm fuel, both diesel and gasoline, is already down 10 per cent, according to Craig Earl, executive director of a similar committee in that county.

Ethel Specht, executive director of the Schenectady County committee, said that last year's fuel consumption totaled about 75,000 gallons of diesel oil and 150,000 gallons of gasoline. She said she expected farmers to use 90,000 and 210,000 gallons, respectively, this year.

Mrs. Specht said her survey of four suppliers—Agway, Atlantic Richfield, Sunoco and British Petroleum—indicated the possibility of a 10 per cent shortage at the end of this month. The companies reported, she said, that they were being limited to the same amounts of fuel they sold last year.

Mr. Earl said his survey of the same four sources indicated that while farmers were not yet feeling a bind, they might if the shortage ocntinues.

The situation is aggravated by the fact that this year's planting is running two to three weeks earlier than last year's on gravel and sandy soil, Mr. Earl said.

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[From the New York Times, May 3, 1973]

### CABS THREATENED BY "GAS" SHORTAGE—TAXI FLEETS MAY BE FORCED TO HALT 800 CARS HERE

(By Rank J. Prial)

The current shortage of gasoline could force a cut-off of bulk sales to New York's taxi fleets and force 800 or more cabs off the city's streets next month, a spokesman for the taxi industry said yesterday.

The spokesman, Arthur Gore, said the Mobil Oil Corporation, had informed the taxi industry that it would end all bulk sales to the industry as of June 1. Mr. Gore said that the up to 15 per cent of the 6,500 fleet-owned cabs could be put out of business if the owners had to buy fuel at regular retail prices.

"For fleets that are only marginally profitable, it would be cheaper to leave cabs in the garage," Mr. Gore said. He explained that such move could put 3,500 employees in the industry out of work.

#### ACTION DENOUNCED

A spokesman for Mobil said that it supplied gasoline to three groups of fleet owners and that it had elected "not to rebid" on its contract with one of the groups, which ran out in February. Mobil said its contract with the other two groups were still in effect.

"We have been supplying that group on a month-to-month basis," said the Mobil spoksman, Jack Gillespie, "to give them time to find another supplier." That arrangement expires June 1, Mr. Gillespie said.

Joseph A. Acierno, president of the Metropolitan Taxicab Board of Trade, which represents the 70 taxi fleets, denounced the Mobil action as a move to divert gasoline formerly supplied to bulk customers to its own gasoline stations, where the mark-up is higher.

#### OPERATING COSTS RISE

The bulk rate for the fleets has been "around 15 cents a gallon," according to Mr. Gore. He said it had jumped about 5.4 cents a gallon in the last three or four months.

A spokesman for Gulf Oil Company, another supplier to the taxi industry here, said it had just signed a one-year contract through April 30, 1974, for three million gallons with a broker who sells to the fleets at 16.3 cents a gallon. The previous contract was for 12.3 cents a gallon. It also was for three million gallons.

Mr. Gore said that the rises to date in gasoline prices had increased fuel costs for the fleets to from 22 to 26 per cent of their operating costs, compared with around 19 per cent a year ago.

Mr. Gore said that forcing the fleets to buy at retail rates would mean a 75 per cent increase in the cost of gasoline. The fleet spokesman said the owners would seek tax relief both in Congress and the State Legislature to counteract the price increases.

He also charged that the price increase contravened the directives of the Cost of Living Council, which limited the oil companies to an increase of 1 per cent, except in "cost-justified" cases, where the increase could be 1.5 per cent.

Texaco, another major supplier of gasoline to the taxi industry, declined to comment on the Taxi Board of Trade's charges, but other fuel-industry figures said they doubted the crisis was as serious as the taxi industry portrayed it.

The Attorney General, Louis J. Lefkowitz, noted that "at least 20" independent gasoline stations in the state had been forced to close in recent weeks because the major oil companies had refused to sell them gasoline.

"Preliminary investigation by my office to date has raised a serious question as to whether this shortage as claimed by the oil companies, is sufficiently serious to warrant . . . cutting off supplies to the independents," Mr. Lefkowitz said.

The Attorney General said he was proposing a bill to insure that independent dealers would not have contracts canceled and to insure that whatever gasoline was available was allocated on a "fair and equitable" basis among all purchasers.

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[From the Washington Star-News, Apr. 19, 1973]

### METRO OK'S DEAL ON FUEL

Metro today tentatively approved new fuel oil contracts for its fleet of 1,764 buses which will cost the system approximately $400,000 more than last year's.

Metro officials, who had been caught in the current fuel shortage earlier sent out requests to 14 major oil companies asking them to bid on Metro's fuel oil requirements.

Last week Metro General manager Jackson Graham said no responsive bids were received and he charged "possibly collusive practices were used by the major oil companies in not bidding."

The Metro board then authorized the staff to confer with the Department of Justice to investigate the oil firms' lack of response. Metro officials said today they have had conversations with Justice Department officials.

The board today left the door open for negotiating an even lower contract if one can be found. Metro is still talking with one oil company in hopes of finding a lower diesel fuel contract than the one tentatively approved with Sun Oil, which would provide 15 million gallons of fuel at 15.39 cents a gallon.

Last year the former D.C. Transit and WV&M bus companies spent approximately $1.2 million for diesel fuel. The WMA bus company had a separate contract with Mobil Oil and paid approximately $250,000 last year for diesel fuel.

Metro's current fuel oil contract expires April 30, but with the unanimous vote today, Metro officials said they will be able to keep all buses running.

Metro's former contract was with Exxon at 11.85 cents a gallon, but Exxon officials refused to negotiate a new contract even at a higher price.

Ralph Wood, chief of Metro bus operations said, "I'm pleased that we now have an avenue to stay in operation."

He said it was essential that the contract be tentatively awarded today so Sun Oil would have time to set up provisions to supply the fuel.

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[From the New York Times, Apr. 22, 1973]

### PITTSBURGH AIDES FEAR FUEL SHORTAGE

PITTSBURGH, April 21.—Municipal and transit officials in the Pittsburgh district displayed concern last week over the possibility that they might be without adequate fuel supplies because of the energy crisis.

An official of Gulf Oil Corporation, which is based in Pittsburgh, said, "We are not bidding on municipal contracts at present." Representatives of other major fuel companies made similar statements.

The potential crisis first became apparent when officials of Ohio Township reported that they had advertised for gasoline bids and that there were no takers. One township officer said that if no bid were received, township vehicles would simply have to drive up to the nearest service station and fill up.

Township officials reported that Quaker State Oil Company, which holds the contract for providing gasoline, had refused to submit a bid because a performance bond was required and the company felt the penalty for not being able to deliver gasoline was too severe.

The Gulf Oil official said that supplying fuel to municipalities was not as profitable as supplying private users.

Other municipal officials expressed concern that police cars and other emergency vehicles might feel the pinch, but an oil company representative said that producers would have to make fuel available to them.

Officials of Gulf and Exxon said that they could meet demands of their present municipal customers, but that they were not looking for new customers.

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[From the Washington Post, Apr. 19, 1973]

### GAS FOR $1 A GALLON PREDICTED BY 1975

VIRGINIA BEACH.—If the nation's energy crisis continues, by 1975 we'll be paying $1 a gallon for gasoline and $100 a month home electric bills, air pollution technical experts were told here yesterday.

William F. Cantieri, vice chairman of the power division of the American Society of Mechanical Engineers, made the predictions at the annual meeting of the technical advisory committee to the State Air Pollution Control Board.

Cantieri said the energy crisis is the result of poor foresight and bad decisions made decades ago. The fuel shortage, he said, will result in a "financial crisis" as the United States seeks to make up for domestic oil shortages by importing petroleum from Russia and the Mideast.

Increased importation, he said, will further contribute to the country's balance of payment deficit and contribute to a weakening of the dollar.

Cantieri said delays in construction of nuclear power plants means that the equivalent of 60 large nuclear power plants won't be ready by 1980 as originally planned, and this in turn will require the importation of an additional 100 million barrels of oil.

Mr. JACKSON. Mr President, I yield 7 minutes to the distinguished Senator from Illinois (Mr. STEVENSON).

Mr. STEVENSON. Mr. President, I thank the Senator from Washington for yielding to me. I also want to commend the Senator for bringing this important matter to the attention of the Senate.

This bill, with the amendment as amended now by the amendment offered by the Senator from Utah (Mr. MOSS), will not end the energy crisis. It is at most a temporary answer to an increasingly critical shortage of petroleum products.

Last fall when I and other Members of this body first pointed with alarm to the danger of a fuel shortage and pleaded with the Office of Emergency Preparedness, the Interior Department, and the President for a suspension of oil import quotas, we were told that no such danger existed. The major oil companies conceded no danger of an imminent shortage. They failed to support a suspension of the quotas. They have failed to build refining capacity equal to the Nation's needs. They have, it seems, failed, despite their tax advantages, to develop sufficient domestic and foreign sources of crude oil and to help develop adequate pipeline capacity. Now, having helped create a shortage of crude oil and refined product, they exploit the shortage. The major oil companies are cutting off the flow of crude oil to independent refineries and the flow of refined product to the independent jobbers and dealers.

The major oil companies already control about 90 percent of the refining capacity in the country. Now they seek to drive their competition out of the business of distributing petroleum products. If permitted to do so, they will control that phase of the petroleum industry, too, and the Nation will quite literally be at their mercies.

On April 30, 1973, the Congress extended the Economic Stabilization Act with an amendment which gave the President power to allocate petroleum products to regions threatened by a shortage, such as the Midwest, to industries threatened, like farming, and to the independents. The President and the major oil companies first opposed the so-called Eagleton amendment. Now the President refuses to use it.

The Justice Department has received complaints of apparent violations of the antitrust laws but has refused to act. On May 11 I wrote the Attorney General requesting a Justice Department investigation of possible violations of the antitrust laws by the major oil companies. It was not until May 25 that I received the first indication that the Department has commenced an investigation. There still is no indication when, if at all, the Justice Department will act.

The Federal Trade Commission commenced an investigation in 1971 at the request of the Senate Antitrust Subcommittee. But it has not acted. At a hearing on Wednesday before the Consumer Subcommittee of the Commerce Committee the Federal Trade Commission staff indicated that a staff recommendation to the Commission was still 2 months away. Even then it will be some time before the Commission will act upon the recommendations of its staff, if at all.

In short, the public has nowhere to turn. Its Federal Government is not acting. And so far as I can tell the State governments are not acting either. The farmers in Illinois may have sufficient gas and diesel fuel with which to get the crops in, though that is in doubt. They have no assurance tha they will have sufficient fuel with which to get the crops out in the fall. And if they fail, the administration, which seeks greater farm production, will have lowered farm production, and the consumer will be faced with still higher food prices. Motorists, police forces, hospitals, the trucking industry, and many others face fuel shortages—and higher prices. In the end the Nation faces a monopoly of the petroleum refining and distribution system by about 23 major companies never noted for their charitable instincts.

The Sherman Antitrust Act was enacted largely in response to the predatory practices of the Standard Oil Co. The Federal Government responded then. It is not doing so today. It has responded with a weak-kneed voluntary allocation program which, reduced to its essentials, simply exhorts the majors to be nice to the minors and to the farmers and the Midwest. The majors have every economic incentive to use the shortage they helped to create to drive their competition out of the marketplace. They are acting as might be expected, ruthlessly, to exterminate their competition—and with apparent impunity. Already some 190 independent gasoline dealers have been forced to close their doors in Illinois. Some 1,000 independent stations have closed their doors this year in the Nation.

We cannot wait for the voluntary program to work. We cannot safely assume this administration even wants it to work. Representatives of the Office of Oil and Gas which administers the program can cite few instances where the major oil companies have complied with the allocation guidelines, though they admit receiving over 2,000 complaints and some 868 actual requests for allocations of petroleum products under the voluntary guidelines. After 2½ weeks of the program, the Office of Oil and Gas had only 20 employees in its Washington office for the entire Nation. On May 23 the Office of Oil and Gas regionalized the administration of the program. In Chicago the Office of Oil and Gas had one representative with plans to expand its staff to five for the entire six-State midwestern region. It has, so far as I can tell, provided no relief in Illinois, except to one independent, Hicks Oil Co. in Roberts, Ill.—and in that case only after my personal intervention. The aggrieved farmer, independent dealer, and supplier, desperate for help from his Government, telephones the Office of Oil and Gas and typically is answered with a busy signal. Maybe it will change, but the Congress cannot afford to take the chance it will not. The time to act is now, and the instrument of action is the Jackson bill as amended by Senator Moss, an amendment I have the satisfaction of having helped draft and am cosponsoring. If the Congress acts now some competition may be preserved in the oil industry.

I would hope that in enacting this bill the Congress will not be lulled into a false sense of security. The crisis will be with us still. All we will have done is to bring relief to individuals, industries and regions in great need of fuel. We will have also gained a little time with which to develop alternative sources of energy, particularly coal, for the mounting energy requirements of the Nation.

I urge my colleagues to approve this legislation and without delay.

Mr. JACKSON. Mr. President, I take this opportunity to commend the distinguished Senator from Illinois for his early leadership in connection with what is now referred to as the energy crisis. He has held hearings in his State and has given us invaluable data on which we were able to prepare the pending legislation. He has taken a keen interest in the utilization of coal as a replacement for petroleum and natural gas. We have in coal, both in his State and elsewhere in the Nation, tremendous reserves for the proposed development program. Senator STEVENSON is the coauthor of the research and development bill which provides for the creation of alternative sources of energy. We should move, and move without delay, on this matter.

Mr. President, I want the RECORD to show the tremendous interest, assistance, support, and leadership of the Senator from Illinois in this area.

### QUORUM CALL

Mr. JACKSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JACKSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

### UNANIMOUS-CONSENT AGREEMENT

Mr. JACKSON. Mr. President, I ask unanimous consent that the time taken today on quorum calls, including this one, not be taken out of the time allowed on either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

### QUORUM CALL

Mr. JACKSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

### MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had passed the following bills, each with amendments, in which it requested the concurrence of the Senate:

S. 504. An act to amend the Public Health Service Act to provide assistance and encouragement for the development of comprehensive area emergency medical services systems; and

S. 1136. An act to extend the expiring authorities in the Public Health Service Act and the Community Mental Health Centers Act.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 7317. An act to authorize the U.S. Postal Service to continue to receive the fee of $2 for execution of an application for a passport;

H.R. 7357. An act to amend section 5(1) (1) of the Railroad Retirement Act of 1937 to simplify administration of the act; and to amend section 226(e) of the Social Security Act to extend kidney disease medicare coverage to railroad employees, their spouses, and their dependent children; and for other purposes; and

H.R. 7724. An act to amend the Public Health Service Act to establish a national program of biomedical research fellowship, traineeships, and training to assure the continued excellence of biomedical research in the United States, and for other purposes.

### HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred, as indicated:

H.R. 7317. An act to authorize the U.S. Postal Service to continue to receive the fee of $2 for execution of an application for a passport. Referred to the Committee on Foreign Relations.

H.R. 7357. An act to amend section 5(1) (1) of the Railroad Retirement Act of 1937 to simplify administration of the act; and to amend section 226(e) of the Social Security Act to extend kidney disease medicare coverage to railroad employees, their spouses, and their dependent children; and for other purposes. Referred to the Committees on Labor and Public Welfare and Finance, by unanimous consent order.

H.R. 7724. An act to amend the Public Health Service Act to establish a national program of biomedical research fellowship, traineeships, and training to assure the continued excellence of biomedical research in the United States, and for other purposes. Referred to the Committee on Labor and Public Welfare.

### ORDER FOR JOINT REFERRAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that a bill which has come over today from the House of Representatives, H.R. 7357, be jointly referred to the Committee on Labor and Public Welfare and the Committee on Finance. It is my understanding that this request has been cleared all around.

The PRESIDING OFFICER (Mr. JOHNSTON). Without objection, it is so ordered.

### ORDER FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS ON MONDAY NEXT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Monday next, after the two leaders or their designees have been recognized under the standing order, there be a period for the transaction of routine morning business for not to exceed 30 minutes with statements therein limited to 3 minutes, but that the period for the transaction of routine morning business follow an order for the special recognition of the Senator from Michigan (Mr. GRIFFIN) for not to exceed 15 minutes, to be followed by a special order for the recognition of the junior Senator from West Virginia (Mr. ROBERT C. BYRD), for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

### REFERRAL OF S. 1636, AMENDMENT TO THE INTERNATIONAL ECONOMIC POLICY ACT OF 1972

Mr. ROBERT C. BYRD. Mr. President, on behalf of the Senator from Illinois (Mr. STEVENSON), in accordance with previous agreements made by the chairman of the Banking, Housing and Urban Affairs Committee with the chairmen of the Finance and Foreign Relations Committees, I ask unanimous consent that, when reported by the Committee on Banking, Housing and Urban Affairs, S. 1636, a bill to amend the International Economic Policy Act of 1972, be referred to the Finance Committee and Foreign Relations Committee for those committees' consideration of the measure.

In accordance with the agreements to which I have referred, I ask unanimous consent that such referral not extend beyond June 20, 1973.

The PRESIDING OFFICER. Without objection, it is so ordered.

### ORDER FOR CONSIDERATION OF UNFINISHED BUSINESS, S. 1570, ON MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Monday, next, after the transaction of routine morning business, the Chair lay before the Senate the unfinished business, S. 1570.

The PRESIDING OFFICER. Without objection, it is so ordered.

### ORDER ON LIMITATION OF TIME ON PENDING BILL

Mr. ROBERT C. BYRD. Mr. President, how much time has been used on the pending bill thus far?

The PRESIDING OFFICER. Thirty minutes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time charged thus far be forgiven and that the full 3 hours allotted in the agreement remain on the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

## QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene at 12 o'clock noon on Monday next.

After the two leaders or their designees have been recognized under the standing order, the distinguished assistant Republican leader, the Senator from Michigan (Mr. GRIFFIN), will be recognized for not to exceed 15 minutes, after which the junior Senator from West Virginia (Mr. ROBERT C. BYRD) will be recognized for not to exceed 15 minutes.

There will then be a period for the transaction of routine morning business for not to exceed 30 minutes with statements limited therein to 3 minutes.

After the conclusion of the period for the transaction of routine morning business, the Chair will lay before the Senate S. 1570, the allocation of crude oil and refined petroleum products bill. The unanimous-consent agreement entered into thereon will continue in effect. There will be yea-and-nay votes thereon on Monday afternoon. I venture to say that there will be no rollcall votes on Monday prior to the hour of 2:30 p.m. The final vote will occur at 4 p.m. on Tuesday next.

## ADJOURNMENT TO MONDAY, JUNE 4, 1973

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move in accordance with the previous order that the Senate stand in adjournment until 12 o'clock noon on Monday next.

The motion was agreed to; and at 1:50 p.m. the Senate adjourned until Monday, June 4, 1973, at 12 noon.

## CONFIRMATIONS—JUNE 1, 1973

Executive nominations confirmed by the Senate June 1, 1973:

### DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Gloria E. A. Toote, of New York, to be an Assistant Secretary of Housing and Urban Development.

### DEPARTMENT OF THE TREASURY

James E. Smith, of Virginia, to be Comptroller of the Currency.

### FEDERAL RESERVE SYSTEM

Robert C. Holland, of Nebraska, to be a member of the Board of Governors of the Federal Reserve System for the unexpired term of 14 years from February 1, 1964.

### SECURITIES AND EXCHANGE COMMISSION

John R. Evans, of Utah, to be a member of the Securities and Exchange Commission for the term expiring June 5, 1978.

### FEDERAL HOME LOAN BANK BOARD

Thomas R. Bomer, of Maryland, to be a member of the Federal Home Loan Bank Board for the remainder of the term expiring June 30, 1974.

Grady Perry, Jr., of Alabama, to be a member of the Federal Home Loan Bank Board for the remainder of the term expiring June 30, 1973, and for the term of four years expiring June 30, 1977.

### DEPARTMENT OF JUSTICE

Harold O. Bullis, of North Dakota, to be U.S. attorney for the district of North Dakota for a term of 4 years.

Brian P. Gettings, of Virginia, to be U.S. attorney for the eastern district of Virginia for the term of 4 years.

(The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

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# EXTENSIONS OF REMARKS

## PENSION REFORM LEGISLATION

### HON. ROBERT P. GRIFFIN

OF MICHIGAN

IN THE SENATE OF THE UNITED STATES

*Friday, June 1, 1973*

Mr. GRIFFIN. Mr. President, a very important debate concerning pension reform legislation will soon be scheduled in the Senate. Many of my constituents have registered strong interest in this subject by writing to me.

Recently, an article appeared in the Michigan Booth Newspapers, written by Robert Lewis, which contains an excellent analysis of the several approaches to pension reform that are under consideration.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### PENSION REFORM PROPOSALS

(By Robert Lewis)

WASHINGTON.—Responding to the growing clamor over lost benefits and broken commitments, Congress is moving toward passage of the first comprehensive pension controls since company-financed retirement plans appeared 96 years ago.

After years of debating the need for pension reform, Senate and House committees are drafting bills that will affect millions of workers and place restrictions on $150 billion in pension fund assets, now the largest source of unregulated capital in the country.

Thirty-three million employes are enrolled in 34,000 private pension plans, but up to one-half will never collect benefits because of job changes, business failures or company mergers.

#### TWO MAJOR BILLS

There are two major bills, one proposed by President Nixon and a more sweeping measure sponsored by Sen. Harrison A. Williams, the New Jersey Democrat who is chairman of the Senate Labor Committee, and Sen. Jacob J. Javits of New York, ranking Republican on that committee.

Sen. Robert P. Griffin, R-Mich., is the author of a third measure which, he says, goes beyond both the Nixon and Javits-Williams proposals. Griffin's bill, however, lacks the support lined up behind the other two, and it doesn't stand much chance of winning approval in a committee headed by Williams and Javits.

Ralph Nader also is advocating a sweeping overhaul of private pension systems, but his ideas have won few followers in Congress.

Private pensions have come a long way since the American Express Co. startled the business world by offering long-term workers retirement pay of up to $500 a year.

#### PRINCIPLE STILL HOLDS

In the 1920s Congress granted tax advantages to encourage private pensions and the principle enunciated then still holds: Company or employe pension contributions are not taxed at the time they are made, only when the benefits are paid.

Pension systems grew rapidly during the 1950s and 1960s, unfettered for the most part by state or federal regulations. Then in 1963 Studebaker closed its South Bend auto plant and 4,500 workers with vested pensions were paid benefits of 15 cents on the dollar. Many others collected nothing. The cries of outrage were heard in Washington.

Some of the worst horror stories have come out of Michigan and involved plants that moved to the South to take advantage of low operating costs.

Debate over the shape of new pension legislation revolves around five issues: vesting of pension rights, funding of pension systems, pension portability, insurance against pension bankruptcies and fiduciary standards.

Sen. Griffin's bill has the strongest vesting requirement of the major proposals. Workers would have an irrevocable right to benefits after 10 years in a company's pension plan.

The Javits-Williams bill provides 30 per cent vesting after eight years and 100 per cent after 15 years.

President Nixon has proposed the "rule of 50," meaning a worker would be 50 per cent vested when his age plus years of pension coverage totaled 50. He would be 100 per cent vested after another five years.

Thus, an employe who entered a pension plan at age 40 would be 40 per cent vested at age 45 and 100 per cent vested at age 50. The White House approach would minimize employer vesting costs but still give older workers guaranteed pensions.

#### MAJOR DIFFERENCE

The administration plan applies only to benefits earned after enactment of pension reform legislation, and consequently its costs would be modest.

The benefits in Griffin's bill apply retroactively and it would cost employers substantially more than the White House version. So would the Javits-Williams bill, which was recently amended by the Senate Labor and Public Welfare Committee to include retroactive benefits.

The Internal Revenue Code requires pension systems to meet minimum funding standards to qualify for tax exemptions. However, companies need not maintain pension funds at levels high enough to pay all claims in case of merger, business failure or plant relocation.

The Griffin, Javits-Williams and administration bills would require full funding of future pension obligations and the gradual funding of past benefits.

Whether to provide federal insurance against the loss of pension benefits because of business failures or other reasons is a major difference in the bills.

The Griffin and Javits-Williams proposals would establish a federal agency to guarantee retirement benefits. A Labor Department study showed that about 500 pension plans covering 25,000 workers cease to operate each year.

However, Nixon said the problem is not that severe and his bill does not call for plan-termination insurance. A White House survey showed that for the first seven months of 1972, about 3,100 retired or vested workers lost $10 million in pension benefits because of terminations.

"To put them in perspective, these losses should be compared with the more than $10 billion in benefits paid annually," Nixon said.

He said it would be difficult to devise an insurance plan that would not make the government liable for employer-employe pension agreements without intruding on collective bargaining practices.

Some critics say workers should be able to transfer their vested pension rights from one employer to another.

The Javits-Williams bill would establish a government clearinghouse to accomplish this, but leaves the "portability" decision up to each individual plan.

Griffin says the administration bill is a step in the right direction, "but it doesn't go as far as I would like to see it." He is chagrined by organized labor's support of the Javits-Williams bill, which he considers inferior to his own.

### WOULD MAKE PRIVATE

Nader would take employe pension funds out of the hands of corporations and unions and give the job to a limited number of private, federally licensed institutions. Workers could choose which institutions would control their pension assets and they would have a say in investing the money.

In a separate bill, the Employe Benefits Protection Act, President Nixon would crack down on what he called careless or unscrupulous administration of pension funds.

Federal law already prohibits kickbacks, embezzlement and other criminal acts but there are no legal remedies against squandering of assets or irresponsible investments.

The bill, for example, would regulate the practice of companies or unions dipping into pension funds for loans.

"Most pension plans are carefully managed by responsible people," said Nixon, "but too many workers have too much at stake for the government simply to assume that all fund management will automatically meet a high fiduciary standard."

### BANKS OPPOSE REFORM

Opposition to pension reform comes from the National Association of Manufacturers, Chamber of Commerce of the United States, American Bankers Association (banks and trust companies held $97 billion in pension funds at the end of 1970) and other business groups. However, their positions have become more flexible in the last two years.

The Life Insurance Association of America supports pension reform, fearing that in the absence of reform, the Social Security System might eventually take over the entire retirement role.

"The only way we can preserve the private pension system is to ensure some mandatory vesting and funding standards," an insurance industry official testified at Senate hearings.

The final bill that emerges in coming months undoubtedly will reflect the views of all sides—management, labor and retired workers. And it probably won't go as far as some pension critics would like, for a good reason.

No law requires private employers to offer pension benefits on top of Social Security taxes which, by law, they must pay. So a sweeping pension reform bill could lead some companies to drastically reduce benefits to employees, or even discontinue pension plans.

### A GLOSSARY OF PENSION TERMS

WASHINGTON.—Here is a glossary of terms in the pension reform debate:

Vesting entitles a worker to reduced pension benefits if he leaves or loses his job before reaching retirement age. Under many plans, a worker loses all benefits if he quits, is fired, the plant closes, or the company is merged.

Full funding requires a company to set aside sufficient money to pay all benefits promised workers.

Portability allows accumulated pension credits to follow a worker when he changes jobs.

Plan-termination insurance would guarantee pensions to vested workers in event of inadequate funding or a business failure.

Fiduciary standards would prohibit questionable investments and require companies to administer pension funds in the interest of employees.

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## POLISH CONSTITUTION DAY

## HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. DERWINSKI. Mr. Speaker, it is both a pleasure and privilege to insert in the RECORD an address made by Aloysius A. Mazewski, president of the Polish National Alliance, at the Polish Constitution Day held at Humboldt Park in Chicago on May 6, 1973.

This annual observation is one of the largest, most dramatic programs covered by Polish-Americans anywhere in the country.

In view of the role of leadership, Mr. Mazewski holds, it gives me a great deal of pleasure to insert this speech into the RECORD:

### SPEECH OF ALOYSIUS A. MAZEWSKI

For Americans of Polish heritage and origin and for their friends and compatriots of different ethnic background, this observance has a three-fold significance.

Traditionally, we mark the anniversary of Poland's May 3rd Constitution of 1791, the first truly democratic legislation in the history of Europe, and the second in the history of the world, closely following the footsteps of the United States Declaration of Independence of 1776 and Constitution of 1787.

The May 3rd Constitution of Poland has been the fountainhead of national spirations for Poles in their homeland and abroad.

This year, however, marks another milestone in the history not only of Poland but of the entire Europe as well.

It is the bicentennial of Poland's Commission of National Education—the first Ministry of Public Instructions in the annals of man.

The National Commission of Education laid the groundwork for public educational programs which kept the elementary, intermediate and higher instructions developing during the most trying period when Poland has been partitioned by Russia, Prussia and Austria. Due to the seed of the National Commission of Education, the Polish nation was well prepared to accept the responsibilities of sovereignty and statehood, when Poland emerged free and independent from the ashes of World War One.

Towering above the 182nd anniversary of the May 3rd Constitution and the bicentennial of the National Commission of Education, is the quinque-centennial of the birth of Mikolaj Kopernik, better known in the West under his latinized name of Nicolaus Copernicus.

The reverence and acknowledgment Kopernik enjoys in the United States was eloquently expressed by President Richard Nixon, when calling Kopernik "the brilliant son of Poland", he proclaimed the week of April 22 as the Nicolaus Copernicus Week in our land.

These three anniversaries stand as testimonies to Poland's participation in the political and intellectual development of Europe—a fact often minimized in American textbooks on history.

The May 3rd Constitution did not just happen on the spur of historical moment. It is an outgrowth and flowering of political philosophy and parliamentary system which took substantive form in Poland at the turn of the 15th Century.

The National Commission of Education sprang from the intellectual traditions which began with the founding of the Krakow University in 1364.

And it was the intellectual climate of Krakow that propelled Kopernik toward his epoch-making discoveries.

Anniversaries, however, no matter how great they are and what important events they signify, should not be observed for the sole purpose of remembrance. History is not a conglomeration of separate events. It is the marking of special events on the continuous web of time.

To us in America, at this moment, Poland's May 3rd Constitution has a special relevancy, message and warning.

May 3rd Constitution was, in fact, a revolution in reverse.

The 18th Century Poland found itself on the brink of anarchy and civic irresponsibility, which resulted from the freedom gone wild.

May 3rd Constitution put a stop to this degenerative process. It issued a call for national unity. It subjugated the excessive and wildly used freedom and permissiveness to national stability. It gave the people new dimensions of national purposes and placed on the citizens the responsibility for orderly processes of law and order.

As a revolution in reverse, the May 3rd Constitution was a certificate of rebirth for the Republic of Poland, that withstood one century of partition and persecution and became an Act of Restoration in 1918 when Poland again became a sovereign state.

Today, Poland constitutes a geographic and demographic entity within historic boundaries, internationally accepted.

But is not a free and independent state.

It lives in the shadow of Soviet dominance, ever mindful of what happened to Hungary and Czechoslovakia when they reached for a measure of internal freedom.

Of course, there are some overly pragmatic observers among us who state that in terms of economic values—Poland is better off today than ever before.

This may be partially true.

At the same time it is too materialistic to accept as the only viability for the nation.

Man does not live by bread alone.

The entire history of Poland, and particularly the May 3rd Constitution, stand as incontrovertible testimony to the fact that Poles have always loved freedom more than material gains under subjugation. Thus the most precious value and meaning of their existence had again been denied to them in our times.

And it is our duty, both as Americans and as heirs to the millennial legacy of Poland, to keep the hope of freedom alive in the hearts of brothers living in our ancestral home.

Freedom is indivisible.

The world half free and half enslaved is mankind's house divided against itself.

And when we support freedom for Poland, as our historic obligation, we support the fundamentals and ideals of freedom everywhere.

And it is our solemn duty to support cultural and evolutionary forces, still incipient or dormant, which in proper international climate will lift the Polish nation to the plateau of true freedom and its concomitant—the right of self-determination.

This is the message which should reach our hearts through the corridors of time from the era of May 3rd Constitution.

And it has a special significance to us as Americans of Polish heritage, as citizens of this Great Republic deeply involved in its viability.

Here, too, we now encounter too many instances of freedom grown wild, of excessive permissiveness, of growing disrespect for authority. These were the shortcomings that precipitated the downfall of Poland in the 18th Century.

We see civic and social irresponsibility manifest itself—not always openly but too often insiduously in many areas of our national life.

And the time has come to reverse the trend.

As active participators in the mainstream of American life, we must realize that the time has come to adhere to President Nixon's principle which states that the country is willing to help those who are sincerely trying to help themselves.

His call for return to law and order is not some high sounding political rhetoric. It is the call for a return to the values and virtues of Middle America, the backbone of our nation.

Like in the 18th Century Poland, the time has come in the United States to put restraints and socio-civic responsibility on freedom gone wild and on excessive permissiveness.

The reforms of May 3rd Constitution came too late to save Poland from a century of subjugation.

Let us not wait in America until it is too late to return to the path of truly patriotic living, deeply felt in our hearts and uppermost in our minds.

## DAVID EDWARD MARK—YOUTH AMBASSADOR TO ISRAEL

### HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. FISH. Mr. Speaker, David Mark, together with other selected entering freshmen at Virginia Wesleyan, will spend this summer in the college's Israel Summer Institute. He will live 1 month in Kibbutz Mishmarot, 30 miles south of Haifa, followed by travel and study in Jerusalem, Mount Massada, Bethlehem, and Galilee.

A popular, attractive 18-year-old with demonstrated leadership qualities, David would be a splendid representative of the Hudson Valley in Israel, in this its 25th anniversary year. On Saturday morning, June 2, 1973, the Honorable William Bartles, county executive of Dutchess County, will designate David Edward Mark, "Youth Ambassador to Israel From Dutchess County, New York."

Few young men, by the end of their high school years, have contributed as much to their community as has David. He was one of the first youth members of the Dutchess County Youth Board, appointed by the county executive and elected by his school student body to be the first member of the junior board of representatives. He was nominated by his school faculty at Roosevelt High School outstanding teenage young man to compete in a Jaycee selection.

The respect of his peers was shown by David's selection as president of the senior class at Roosevelt High School, Hyde Park, N.Y. Athletic, he has played basketball and participated in the fine rowing tradition of his school by rowing on its crew for 2 years. Adults are impressed with him, and his principal, William Spendley, has sought his advice and judgment regarding matters of school government. The Poughkeepsie, N.Y., Rotary is contributing to his travel.

David Mark journeys to Israel with excellent credentials. Jacob Mark, the father of David's stepfather, Raphael Mark, was a founder of the Israel Institute of Technology at Haifa—Technion. He has been given introductions by a friend of the family, David Rose of Mount Kisco, also a founder of Technion, as well as a supporter of Haifa's Rambam Hospital, and a trustee of the Hebrew University at Jerusalem.

We wish David Mark well this summer—a credit to our community, who will make a fine ambassador.

## OHSA ORDER FORCES RESIGNATION OF DR. F. S. ARANT

### HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. SYMMS. Mr. Speaker, most of us here in the Congress are only too aware that on June 18, the Occupational Safety and Health Administration will begin enforcing emergency temporary standards for exposure to organophosphorous pesticides. I use the term "enforce" very loosely. Nothing short of a Federal marshal stationed in each and every field will force America's farmers into compliance.

My colleagues in the House and in the other body are already aware of my own feelings about the OSHA order. I have asked for their help repeatedly in convincing OSHA that the emergency standard is both unnecessary and excessive. What is needed is a constructive, sensible effort to draw up permanent standards which afford necessary protection to farmworkers. But our farmers must be given a voice in drafting these permanent standards if we are to insure the safety of workers without causing grave economic impact on the agricultural community—an impact that will drive the price of food sky high. OSHA did not allow that kind of input in this emergency measure. Bureaucrats at OSHA apparently do not like to be confused with the facts.

I would like to share with my colleagues today one of the immediate and sorry effects of this emergency order—the resignation as a Federal advisor of a man who knows more about organophosphorous pesticides than anyone in America—Dr. F. S. Arant of Auburn University.

When bureaucratic zealots finally succeed in driving out all men of Dr. Arant's stature and expertise from every phase of government, America will have reached the end of the road, gentlemen.

Dr. Arant's letter follows:

AUBURN UNIVERSITY,
*Auburn, Ala., May 9, 1973.*

Secretary JOHN STENDER,
*Assistant Secretary of Labor, U.S. Department of Labor, Washington, D.C.*

DEAR SECRETARY STENDER: I was shocked to learn of the Emergency Temporary Standard for Exposure to Organophosphorous Pesticides, published in the Federal Register, May 1, 1973. The Advisory Subcommittee on Pesticides worked many hours and conferred with leading scientists throughout the United States during the past 9 months assisting OSHA in developing a realistic reentry standard to protect employees from hazards from certain organophosphorous insecticides. We considered many controversial aspects of the problems associated with exposure to pesticides and encountered some that were so controversial that agreement was difficult to reach. However, there was no disagreement in the Subcommittee regarding the absence of any need for an emergency standard. Its enactment has created unnecessary problems.

In the preamble to the emergency standard, an official of the Department of Health, Education and Welfare was quoted as estimating 800 persons are killed and another 800,000 injured each year with pesticides. We would like to see the proof of this "estimate." A diligent search by the Subcommittee revealed that relatively few deaths in the United States could be attributed to pesticides and those that did occur resulted primarily from persons drinking the chemical through accident or suicide. The number of pesticide related deaths was much smaller than for household chemicals and non-prescription drugs. The emergency standard deals with employees reentering treated orchards or fields. The subcommittee was unable to find a single authentic record of a fatality resulting from a person entering or working a field treated with a pesticide.

Workmen have become ill from exposure to certain organophosphorous insecticides, principally parathion on citrus and peaches in arid areas of one state (California). Many of these workers had been in contact with treated foliage in harvest operations for long periods of time, some six or seven days a week for 10 to 14 weeks or longer. The state took prompt action and the situation is now under control. A survey of pesticide safety specialists at all the Land-Grant universities revealed that no problems had arisen from workmen entering pesticide treated fields in a majority of the states and only minor problems in others.

The Subcommittee on Pesticides was unanimous in its recommendation that no emergency existed and that there was no justification for emergency standards. This recommendation was made verbally at several Subcommittee meetings and adopted unanimously as a written resolution at the Iowa City meetings on December 19 and 20, 1972. The resolution was also adopted unanimously by the entire Advisory Committee on Occupational Safety and Health in Agriculture at the same meeting. Despite the recommendations of these advisory committees, the emergency temporary standard was issued and this is a standard without recourse. No hearings are permitted.

Some items in the standard are in reasonable agreement with recommendations of the Subcommittee; others ignore the recommendations or are directly opposed to them. Examples are given below.

The Subcommittee recommended by a vote of 3 to 1 that any standard proposed would limit coverage to highly toxic organophosphorous compounds with dermal LD 50s below 250 mg/kg. The Committee as a whole adopted this recommendation as a formal resolution in Iowa City. The draft of the proposed standard prepared by OSHA and approved by the Committee as a whole, March 15, 1973 in Denver, Colorado, excluded those insecticides having dermal LD 50s above 250 mg/kg. The emergency standard covers all organophosphorous materials used on apples, oranges, lemons, grapefruit, grapes, peaches and tobacco, including such low toxicity materials as malathion (dermal LD 50 of 4,400 mg/kg.). It includes a total of 9 low or moderate-toxicity materials that were excluded from coverage in the Advisory Committee's recommended list.

Malathion is of about the same order of toxicity as aspirin. Against rats, the acute oral LD 50 of malathion is 1,375 mg/kg, and in some tests against mice it has been as high as 4,000. The LD 50 of aspirin to rats is 1750 mg/kg. Farmers and ranchers can and do apply malathion legally to the skin of pets and livestock to control ectoparasites. They and many other homeowners also apply this insecticide in their kitchens, family rooms, bedrooms, and other areas of their dwellings for control of household pests. The family, including children, lives in the closed dwelling during and following application without ill effects. Yet, if the same farmers or ranchers apply the same low-toxicity insecticide to their fruit trees in the open, they are required by the emergency standard to erect signs around the orchard warning all employees in one or more languages to keep out. Each sign must include the words "Danger—Do Not Enter." If an employee is sent into the orchard without protective clothing prior to the end of the reentry period, the employer is subject to penalty—and it can be severe. The irony of this contradictory situation would be laughable if it were not so serious. It results from the failure of OSHA to take the recommendations of its Advisory Committee.

The emergency standard requires that durable signs, readable 25 feet away, be erected at the "usual points of entrance" of each treated field and posted on a bulletin board at a place where workmen assemble. The signs will warn employees not to enter, and they will be in English and any other languages necessary to communicate. The posting of signs around the field creates an unworkable situation in many instances. Peaches will be used as an example, but it applies to other crops. Several different varieties are grown in different rows in the same orchard (field). The different varieties ripen at different times from May until September. To protect the crop, a grower must spray X number of rows of variety A with an organophosphorus insecticide today, and in order to save the ripe fruit, he must harvest Y number of rows of variety B today and/or tomorrow in the same orchard. If the field (orchard) is posted at points of entrance, the workmen cannot enter to harvest the ripe fruit, although it has not been sprayed—or else they must wear protective clothing, unbearably hot in summer weather. This is only one example, but there are many other situations of this type that make posting of fields unworkable. Yet, the emergency standard is without recourse. Had the recommendations of the Advisory Committee been accepted, these potentially disastrous situations would have been avoided.

It is often necessary for workmen to enter a field to perform essential work before the end of the reentry period. The Advisory Committee recommended protective clothing for any employee entering fields within 24 hours after treatment with highly toxic organophosphorous insecticides. Thereafter, no protective clothing was required for limited reentry work operations involving little or no contact with treated foliage. The terms of the emergency standard are a bit ambiguous, but apparently they require protective clothing for all limited reentry into any of 7 crops treated with any organophosphorous insecticide. If this is true it works unnecessary hardships on employer and employee. Clarification of this point is needed, but unfortunately the emergency standard offers little opportunity for such clarification.

The Subcommittee on Pesticides recommended much shorter reentry periods for areas of high humidity and rainfall than for desert areas where rainfall is sparse and humidity is very low. Organophosphorous insecticides hydrolize in the presence of moisture and are washed off treated foliage by rainfall. Thus, the residue is reduced rapidly in humid areas, whereas in dry areas degradation is slow. The two types of areas were designated as "wet" and "dry" by the Subcommittee. The emergency standard used the "wet" and "dry" designations, but completely changed the meaning as used by the Subcommittee. In the standard, wet appears to mean any area that receives rain (or wash) after the pesticide is applied; dry, any area not receiving rain after application.

These designations in the standard will cause unnecessary hardship in areas of high humidity and rainfall. High humidity and formation of dew are probably as important in degrading residues of organophosphorous insecticides as rainfall. In humid areas, frequent spraying and frequent checking of results are essential to protect the crop. Enforcement of a long reentry period, intended to protect workmen in arid areas, could be disastrous in humid areas.

It is essential that employees be protected against exposure to highly toxic materials, but this should and can be done without eliminating the agricultural enterprise and the associated jobs.

It is obvious from the above discussion that many recommendations of the Advisory Committee have been totally ignored in the standard issued. It is also obvious that the advice of the Subcommittee is not valued highly by the Department of Labor. For these reasons I have no choice but to tender herewith my resignation as Chairman of the Subcommittee on Pesticides and as a member of the Advisory Committee on Occupational Health and Safety in Agriculture.

Very truly yours,

F. S. ARANT,

*Chairman, Subcommittee on Pesticides and Head, Department of Zoology-Entomology.*

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## JIM FARLEY

## HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. PEPPER. Mr. Speaker, it is a proud privilege for me to attest the warmest tribute to Jim Farley. He is one of the men of this period who has left a deep imprint upon his country and his time. His political genius in securing the nomination for Franklin D. Roosevelt and in leading Roosevelt to successive election paved the way for a new era in American political, economic, and social life.

The New Deal will always be a landmark in American history. It marked a turning point in service to the people by the Government of the United States. Immeasurable credit for all that the New Deal embraced and has meant to America and will mean in the years ahead is due to Jim Farley.

Jim Farley will always stand out as the master political technician of our country's history. He had a photostatic memory for names and faces. He had a genius for political organization. He had an extraordinary capacity to mobilize and to lead people into effective political action. He had imagination and courage. But he also had something that ought to be emphasized about Jim Farley and the commendable type of political technician—he had character. Jim Farley played the game according to the rules. He was a man who respected not only the law but the principles of loyalty and ethics; and he lived and fought and won by them. He proved that you did not have to be dishonest or immoral or unethical to be successful in politics. Let us hope that Jim Farley's excellence of character will be not only an inspiration but a guide for young men and women who are coming into political life, either directly or as managers for others.

Jim Farley was above all a great, noble, gracious, Christian gentleman, ever sensitive to human needs and interests, ever humble before his God in the service of his fellowman. Therefore, as he comes to another great milestone in a noble life, my wife and I, who have long enjoyed the rich blessing of Jim Farley's friendship, join in heartfelt tribute to this eminent American, with best wishes to him for many more years of rich and meaningful life.

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## ROGERS LAUDS LATINS WHILE TERRORISTS SHAKEDOWN FORD

## HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. RARICK. Mr. Speaker, while our neighbors to the south, namely, Cuba, Chile, Panama, Peru, Ecuador, and Argentina go Communist, many Americans were aghast at the report of our Secretary of State upon his return from his Latin American junket.

Reportedly, Secretary Rogers indicated that the new Communist emergence in Latin America does not "cause any difficulty for the United States, and there is no reason why we cannot cooperate with each nation consistent with its policies." He continued that if foreign aid assistance is sought, the United States will consider it, and that the United States will not direct investment, but will encourage it.

Such was the glowing report of the U.S. Secretary of State following the blackmail shakedown of the Ford Motor Co. in the Argentine Republic. Ford has decided to pay $1 million to Communist guerrillas in Argentina as a protection payoff to prevent violence to its employees and property.

This action came at the same time that Argentina's new Peronist President, Hector Campora, restored diplomatic relations with Communist Cuba and announced he would establish relations with the Communist governments of East Germany and North Korea.

The related newsclippings follow:

[From the Evening Star and Daily News, May 30, 1973]

ROGERS PRAISES LATINS

(By Jeremiah O'Leary)

Secretary of State William P. Rogers, reporting on his recent Latin American trip, yesterday said the United States welcomes the new nationalism in the Western Hemisphere and strongly supports it.

He spoke at State Department ceremonies at which career diplomat Jack Kubisch was sworn in as the new assistant secretary of State for Inter-American affairs, a couple of hours after giving a private report to President Nixon on his eight-nation visit.

None of the nationalistic aims he perceived in Latin America "cause any difficulty for the United States and there is no reason why we cannot cooperate with each nation consistent with its policies," Rogers told an audience of Latin and U.S. diplomats.

He said that if assistance is sought, the United States will consider it. If it is not, he said, the United States will understand that, too.

Rogers pointed out that capital will flow to where the best opportunities lie. This requires stability and rules for investment that are adhered to. But he emphasized that the investors will decide where their money is going. The United States will not direct investment but will encourage it, he said.

"We have some irritants with some countries," Rogers said. "We'll try for negotiation, not confrontation. The problems are not very significant but they assume significance because of public debate."

Some observers wondered whether Peru, Panama, Chile, Ecuador, Argentina, Cuba and other Latin nations would agree that the problems they have with the United States are minor. But officials said they thought Rogers meant that none of the problems was insoluble.

"There are 23 nations and we need 23 policies, treating each country as a separate unit," Rogers said. "But we also need a Latin policy as a whole and in connection with the rest of the world.

Rogers appeared pleased with his trip, the first he has ever taken to South America. He emphasized that he encountered no antagonism toward the United States and no attempts at violence connected with his trip.

The Latin diplomats appeared to be pleased by Rogers' evident enjoyment of his trip and his talks with Latin leaders, including President Salvador Allende of Chile. He referred to a number of initiatives the United States will take to try to improve the negative balance of payments Latin America has in its trade with the United States and promised to try to change this.

[From the Evening Star and Daily News, May 29, 1973]

PAYOFF IN ARGENTINA: FORD DISTRIBUTES FOOD

BUENOS AIRES.—Residents of a Buenos Aires shantytown line up today to receive 3,000 food packages from the Ford Motor Co.'s Argentine subsidiary.

The packages, delivered yesterday to the local church, were part of the first installment of Ford's million-dollar protection payoff to the People's Revolutionary Army, whose guerrillas wounded two employes of the company during a kidnap attempt last week.

The company also delivered $400,000 to two children's hospitals. It also has promised to hand over 22 ambulances, a total of $180,000 worth of food for slum dwellers and $300,000 in school supplies for shantytowns.

Some Peronist youths opposed accepting the first food packages since they came from terrorist activities. But the leader of a liberal religious movement, the Rev. Carlos Mujica, told them:

"Now is not the time to quarrel about ideologies. Let's get this food to the people. At least the children will have tasted milk and cocoa once in their lives."

Meanwhile, Argentina's New Peronist president, Hector Campora, restored diplomatic relations with Cuba after an 11-year break and announced he would establish relations with the Communist governments of East Germany and North Korea.

"A new era has begun," Campora declared after emerging arm-in-arm from an hour's talk with Cuban President Osvaldo Dorticos, who came to Buenos Aires for Campora's inauguration Friday.

Argentina is the seventh of the 25 members of the Organization of American States to establish relations with the Castro government in defiance of the OAS ban voted in 1964. Mexico never broke relations.

## DELAWARE NEEDS AIR SERVICE

## HON. PIERRE S. (PETE) du PONT

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. DU PONT. Mr. Speaker, presently pending before the Civil Aeronautics Board in Washington is a proceeding to eliminate all certified air service into and out of the State of Delaware. This will make Delaware the only State in the Nation without commercial air service. For 30 years, the CAB has acknowledged Delaware's need for better air service and repeatedly denied petitions by the airlines to terminate service.

In response to this most recent petition, Mr. Speaker, the 127th General Assembly of the State of Delaware has unanimously passed Senate Joint Resolution 19, opposing the petition of the airlines. Delaware, Mr. Speaker, needs more service, not less. With the continuing congestion of major airports such as Philadelphia International, cities such as Wilmington offer real hope for quick, efficient service for thousands of people. In addition, it is imperative for Delaware's economy, welfare, and future development that the service be continued.

Mr. Speaker, I insert a copy of Senate Joint Resolution 19 of the 127th General Assembly of the State of Delaware in the RECORD at this point:

SENATE JOINT RESOLUTION NO. 19

Voicing the opposition of the 127th General Assembly of the State of Delaware and the citizens of Delaware to the termination of certificated air service in the State of Delaware by the Civil Aeronautics Board

Whereas, there is presently pending before the Civil Aeronautics Board in Washington a proceeding captioned "Wilmington Service Investigation", initiated by the Board which has as its stated purpose the elimination of all certificated air service into and out of the State of Delaware which will make Delaware the only state in the fifty states without such service; and

Whereas, for nearly thirty years the Civil Aeronautics Board affirmatively acknowledged Delaware's need for more and better commercial air service and repeatedly denied petitions by airlines to terminate service, the most recent denial of which was 1970; and

Whereas, the airlines presently obligated to service Delaware have unilaterally discontinued certain service in violation of orders of the Civil Aeronautics Board and purposefully downgraded and rendered inadequate service and now use those created conditions in the attempt to justify an economic need to terminate all service; and

Whereas, in the face of a gasoline energy crisis, with our highways already over-burgeoned with traffic, with the attempt of the bankrupt railroads to discontinue rail service in the entire Northeast, it is imperative to Delaware's economy, future development and the welfare of her people that she retain and upgrade commercial airline service; and

Whereas, the Governor of Delaware has ordered that the State of Delaware be added as a party to and join in the proceedings before the Civil Aeronautics Board, now, therefore,

Be it resolved by the Senate of the 127th General Assembly of the State of Delaware, the House of Representatives concurring therein, that the Delaware Congressional delegation be advised of the opposition of the members of the Delaware General Assembly and the Citizens of Delaware to the proposed elimination of commercial air service in this State.

Be it further resolved, that the 127th General Assembly of the State of Delaware go on record as vigorously opposing the cessation of commercial air service and recommend and request that the Civil Aeronautics Board consider the public need and not merely acquiesce to the airline lobby.

Be it further resolved, that the text of this resolution be spread upon the Journals of the Delaware Senate and House of Representatives, and copies of this resolution be forwarded to all members of the Delaware Congressional delegation, U.S. Senator William V. Roth, Jr., U.S. Senator Joseph R. Biden, Jr., and U.S. Representative Pierre S. du Pont IV, with the request that it be incorporated into the Congressional Record.

## AMERICA'S IMAGE ABROAD

## HON. HOWARD W. ROBISON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. ROBISON of New York. Mr. Speaker, even before Watergate came along to capture such a large share of our attention and cast such a pall on our collective abilities to grapple successfully with our manifold problems, Americans, of nearly every age and economic bracket had adopted an uncharacteristic—for us—attitude of self-criticism and introspection. Whether this manifested merely the aftermath of Vietnam or a growing realization that the challenges we face on nearly every hand were of such magnitude as to appear to threaten to engulf us is unclear. Whatever the event, hand in hand with this mood came an obviously declining interest on the part of our citizenry in world problems. "We have had enough of world problems and of trying to solve the problems of other people," our constituents seemed to be now telling us, "let us now look, instead, to our own needs."

No one can be sure how deep this tide of public opinion runs, nor of how long it may continue. Of one thing we can be sure, however, and that is that this mood cannot help—if representative democracy still works—but be reflected there in Congress as, indeed, it already has.

Clearly, then, our ongoing efforts to provide economic assistance to the developing countries of this world are in trouble here at home. The same have fewer supporters than they used to and fewer voices raised in their behalf here in Congress than before.

Why should such efforts be continued?

Let us listen, now, Mr. Speaker, to the answer to that question as offered by one who is working abroad in an important area of that effort; Reginald K. Ingram, Sr., with antecedents in my hometown of Oswego, N.Y., who now serves us as deputy mission director of the USAID mission in Ghana, West Africa. Mr. Ingram's remarks were delivered at a briefing and reception at his residence, in Accra, on last May 15, and should be of interest to us all:

### THE U.S. DEVELOPMENT ASSISTANCE PROGRAM

#### THE CHALLENGE

Why should the U.S. continue to provide economic assistance to the developing countries of the world? After so much expenditure of funds, and so many years of effort, why do we persist?

We persist for two basic reasons. Our self-interest requires it. Our ideals compel it.

The future of the United States cannot be separated from the future of the world. Recognition of this basic truth is essential to achievement of a new more stable structure of peace.

Important progress has been made toward this fundamental goal. The basic character of the relations between the world's three most powerful nations has turned from confrontation to negotiation, as our contacts with the USSR and the People's Republic of China enter a new, less sterile phase. Promising steps are underway to reduce the threat of nuclear war. Association with traditional allies and trading partners is being re-invigorated. Despite current frustrations, we are closer to a settlement in Indochina than previously.

Encouraging as these developments are with the industrialized and powerful nations, they cannot obscure the condition or importance of the poor and struggling ones, countries which now contain 70 percent of the world's population and whose numbers are growing. These developing countries occupy two-thirds of the earth's land surface and control vast amounts of its natural resources. Their predominant feature is poverty.

It is true, and encouraging, that some of them have made significant economic progress in recent years. Yet these gains have been unevenly realized, poorly distributed, and too often overwhelmed by unchecked population growth. Thus the enormous gap between those small groups of their citizens who have benefited from modernization and the much larger groups who remain entrapped in conditions of severe deprivation continues, in most cases, to grow. Serious social and political problems result. Mass unemployment faces the flood of young workers entering the job markets. In some countries, more than one-half of all children die before they reach the age of six from malnutrition and related diseases. Few of those who survive can aspire to more than rudimentary education. For more than 300 million of them there are no schools at all. For one-half of all mankind there is no health care. Unless further substantial and more equally distributed progress takes place—through efforts by developed and developing nations alike—such grinding deprivation in the lives of these hundreds of millions will continue.

This situation appeals starkly to traditional American sympathies. But it is more than a moral dilemma. It is a major determinant of the kind of world future in which the United States must seek its own destiny. Peace cannot be sustained in conditions of social upheaval or a growing confrontation between rich and poor.

Equally important in this perspective of self-interest, the United States and the other industrial countries are linked to the developing countries by considerations of trade, investment, and critical resource needs. We share with them a common interest in an open international economic system in which all nations benefit from an increased flow of goods and services.

For example, U.S. imports of energy fuels and minerals are expected to increase from $8 billion in 1970 to more than $31 billion by 1985—a fourfold increase in only 13 years. By then, half or more of our petroleum imports may need to come from a dozen traditionally poor and undeveloped countries. The known reserves of many minerals are largely located in the developing countries. Chile, Peru, Zambia and Zaire supply most of the world's exportable copper. Malaysia, Bolivia, and Thailand account for 70 percent of the tin in international trade.

On the other side of the trade ledger, the developing countries are becoming increasingly important as markets for U.S. exports and investments. In 1970, they accounted for 30 percent of all U.S. exports. The investments of U.S. corporations in the developing countries presently total some $30 billion, and are growing at about ten percent a year.

The developing countries have an equal, perhaps even greater stake in trade with the industrialized nations, since export earnings account for nearly four-fifths of their total foreign exchange availabilities. The inclusion of nine developing countries on the Committee of Twenty, charged with world monetary reform and related trade problems, is recognition of their importance in the consideration of these issues.

Finally, solution of such world problems as environmental pollution, narcotics control, and security of travel requires broad international cooperation, including participation by the developing countries.

For all the economic, political, and moral reasons outlined above, a continuing U.S. response to the challenge of underdevelopment is as much in our own interest as it is in that of the developing nations. It is a major requisite to an expanding international economy and a more stable international order.

#### THE RESPONSE

The appropriate response to this challenge is a system of technical, institutional, and economic relationships—between the industrial and the poor countries—which enhances the ability of the poor countries to mobilize their own energies and determination for development, and to make better use of their own resources. Much of the machinery for this joint and systematic attack by the rich and poor countries on the problem of world poverty is in place. The U.S. international development assistance program is a key element of this system, and bilateral assistance is the prime mover of U.S. development policies.

This system has been building since the early 1960s. Other developed countries have been encouraged to join in the effort and, over the years, have continually increased their contributions. Today, the United States is still the largest single donor, but no longer provides the bulk of assistance. Measuring officially recognized development assistance as a percentage of GNP, the United States now ranks twelfth among the sixteen major aid-giving countries, behind Portugal, France, the Netherlands, Australia, Japan, Canada, Belgium, West Germany, the United Kingdom, Sweden, and Denmark.

New international institutions—the World Bank, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank—have come into being and are now well established. The UN agencies also play important roles.

Over the past decade, U.S. participation in the multilateral development institutions has been a significant factor in their continuing development and, together, they now handle nearly 25 percent of the total of aid flows from all donor countries. We should continue to provide our fair share of the support costs of these institutions.

At the same time, the U.S. must continue its bilateral program. Both bilateral and multilateral aid are needed now, and both will continue to be needed, in careful coordination, for the foreseeable future. This fact is reflected in the development assistance policies of all major donor countries.

The U.S. bilateral aid program can meet unique U.S. purposes more directly, more quickly, and more effectively than can assistance through other mechanisms. It has an organizational discipline that provides a flexible and innovative tool for carrying out U.S. national policy in countries or geographic areas of particular U.S. interest. It can apply special American techniques and expertise, largely drawn from the private sector, more effectively to development problems. It provides a channel for U.S. leadership, and a clear identification of U.S. participation and a visible demonstration of U.S. constancy in the sum of world development efforts that cannot be accomplished in other ways.

For reasons noted hereunder, U.S. bilateral development assistance will focus over the next few years on the following priorities:

1. *Food and Nutrition:* At present population growth rates, world food production will have to double by the end of the century just to maintain current inadequate levels of diet, and will have to increase by two and one-half times to provide adequate diets. Since there is little arable land not already in use, this increase must be achieved by break-throughs in agricultural productivity and technology—an area in which American know-how is pre-eminent. A dynamic agriculture is a prime requisite for energizing the whole process of development. In most developing countries agriculture must be looked to not only for food, but also for a major assist in providing jobs for the unemployed—a need which must be taken into account in all our assistance activities.

2. *Family Planning and Health:* At the base of virtually all development problems in the poor countries is run-away population growth. These countries account for about ninety percent of the annual world population growth. India, for example, despite government programs to reduce population growth, is increasing by about one million people per month. Family size in the developing countries now averages about six children per family. At this fertility level, world population will grow from today's 3.7 billion to about 7.5 billion by the end of this century. If it continues at this rate thereafter, total world population could reach 12 to 15 billion people in the next fifty years.

The population boom is perhaps the most intractable problem facing the developing countries today. Curbing it is only partly a matter of national family planning programs. High birth rates are inextricably linked to problems of poor health and poverty. Where family income is inadequate and the only security for old age is in surviving children, families will not stop having them if half of those born die before they reach the age of six.

3. *Education and Human Resource Development:* Developing countries have doubled and tripled the size of their school systems in the past ten years, but there are more children out of school than there were ten years ago. Rapid population growth has outrun system expansion.

For a country with per capta GNP of $200 per year or less, it is futile to attempt univeral education in Western type schools, with individual class rooms with 30 students per room, teachers with graduate degrees, visual aids, and all the rest. There must be developed by those countries nontraditional, low-cost systems of education if the tide of illiteracy is to be rolled back and people are to approach a quality of life they rightly expect as human beings.

4. *Reconstruction and Relief Assistance:* Rehabilitation and reconstruction in the

countries of Indochina will be an important foreign assistance obligation of the United States over the next few years. But the task of relief and reconstruction will not be confined solely to Indochina. U.S. assistance also will be needed to provide relief and reconstruction to other areas torn by man-made or natural disasters, such as the typhoons and civil disturbances in Bangladesh, the floods in the Philippines, and the recent earthquake in Nicaragua.

We have no alternative but to join with the other developed nations of the world in a common effort to do our fair share to help the peoples of those poor countries who seek to help themselves in more effectively harnessing their resources to improve their lives.

Human problems do not stay bottled up behind national borders. Diseases ignore national boundaries. Polluted air and polluted waters flow freely across national boundaries. The impact of uncontrolled human reproduction vitally affects the well-being of all nations.

Our children and our grandchildren must live in the same world with the children and grandchildren of the peoples of the rest of the world, all continents, all races, all creeds. The kind of lives our children and their children after them will live, and the kind of world they will live in tomorrow, depends on whether we do our part to help today.

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## SUPPORT GROWS FOR CUYAHOGA VALLEY NATIONAL PARK

## HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. VANIK. Mr. Speaker, I take great pleasure in submitting to the RECORD resolutions adopted by the Cuyahoga Valley Association, the Shaker Heights Ohio, City Council, and the board of trustees of the Summit-Portage County Comprehensive Health Planning Agency in support of a national park for the Cuyahoga River Valley. Congressman SEIBERLING, Congressman REGULA, and I have introduced legislation (H.R. 7077 and 7167) with the support of 45 of our colleagues to create the Cuyahoga National Park and Recreation Area.

The resolutions follow:

RESOLUTION OF THE CUYAHOGA VALLEY ASSOCIATION

Whereas, the stated purpose of the Cuyahoga Valley Association is to preserve and protect the natural beauty of the Cuyahoga Valley between Cleveland and Akron, and

Whereas, the pressures of industrial, commercial and residential development constitute an ever-increasing threat to the accomplishment of this purpose, and

Whereas, the perservation of the valley in its present condition would provide highly desirable open space and recreation facilities within an hour's access of four million people, and

Whereas, Congressmen Seiberling, Vanik and Regula, with the support of many of their colleagues, have introduced in the House of Representatives a bill to provide for the establishment of the Cuyahoga Valley National Historical Park and Recreation Area (H.R. 7077).

Now, therefore, be it resolved: That the Cuyahoga Valley Association, by action of the Board of Trustees, goes on record as strongly supporting this bill and urging its early approval, with necessary appropriations, so that this unique area may be preserved for the benefit and enjoyment of the American people.

Attest:

JAMES S. JACKSON,
*President.*
MILDRED A. MOLLI,
*Secretary.*

APRIL 30, 1973.

RESOLUTION OF THE SHAKER HEIGHTS CITY COUNCIL

A resolution supporting the establishment of a national park in the Cuyahoga Valley.

Whereas, most national parks are remote from the centers of concentrated population in the United States, and

Whereas, it is urgently necessary that areas of undeveloped scenic land close to centers of population be preserved and protected before the scenic beauty, the open space, natural woodlands and native plant and animal life are lost forever, and

Whereas, the Cuyahoga Valley between the Cities of Akron and Cleveland is one of the few areas of scenic beauty largely undeveloped and appropriate for park purposes close to heavy concentrations of population, and

Whereas, Congressmen Vanik, Seiberling, and Regula have introduced a bill in the Congress of the United States to provide for the establishment of a national park in the Cuyahoga Valley, and

Whereas, the State of Ohio, the Cleveland Metropolitan Park Board and the Akron Metropolitan Park Board are supporting the proposal to establish a national park in the Cuyahoga Valley;

Now, therefore, be it resolved by the Council of the City of Shaker Heights, County of Cuyahoga, State of Ohio, that:

Section 1. This Council endorses and supports the legislation referred to above providing for the establishment of a national park in the Cuyahoga Valley for the preservation and protection of the unique scenic assets and natural resources in that area for the use and enjoyment of future generations.

Section 2. The Congress of the United States is further urged to appropriate sufficient funds to provide for the acquisition of land, scenic easements or protection easements in order to implement the establishment of said national park and to preserve the land in its present condition.

Section 3. The Clerk of Council is directed to forward copies of this resolution to the Congressmen of this area and to the appropriate committees of Congress considering the said act.

Adopted April 23, 1973.

Approved this 24th day of April, 1973.

WALTER C. KELLEY,
*Mayor.*

Attest:

WILLIAM J. SCHUCHART,
*Clerk of Council.*

RESOLUTION OF THE SUMMIT-PORTAGE COUNTY COMPREHENSIVE HEALTH PLANNING AGENCY

Whereas, on November 23, 1971, the Summit-Portage County (Ohio) Comprehensive Health Planning Agency Board of Trustees commented favorably upon the Cuyahoga River Valley Land Acquisition application, and

Whereas, on November 28, 1972, the SPCCHPA Board of Trustees accepted the Department of Interior's Environmental Impact Statement on the Cuyahoga River Valley Land Acquisition, and

Whereas, a park in the Cuyahoga Valley would protect the only historic, scenic, and undeveloped land in the United States on the periphery of two large urban centers—Akron and Cleveland, and

Whereas, Ohio, the sixth most populous state, has no national parks or recreation areas, and

Whereas, the National Parks Service has given this Cleveland-Akron Park its second priority

Therefore let it be resolved: That the Summit-Portage County (Ohio) Comprehensive Health Planning Agency urge:

1. That the Department of the Interior approve and recommend passage of this bill to the House Committee on the Interior and the subcommittee on recreation and parks.

2. That the Congress of the United States act favorably upon the redrafted bill introduced by John Seiberling (D-Akron), Charles Vanik (D-Cleveland), and Ralph Regula (R-Canton) to create the proposed $40-million national recreation area.

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## TWO YOUNGSTOWN, OHIO, CHURCHES CELEBRATE JUBILEE

## HON. CHARLES J. CARNEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. CARNEY of Ohio. Mr. Speaker, recently both St. John's Episcopal Church and St. Dominic's Catholic Church, Youngstown Ohio, began their jubilee celebrations. For St. John's Episcopal Church, located at 323 Wick Avenue in Youngstown, May marks the beginning of the 75th anniversary celebration. Dr. Gabriel DeCicco, senior warden of the church, proclaimed the diamond jubilee as an extended period of celebration lasting until June 14, 1975.

In response to the proclamation, Reverend John W. Wigle of St. John's Episcopal Church observed that—

> This celebration is a creative way of remembering that draws on the richest traditions of the past and inspires us to accept the challenges of today. This way of remembering does not draw our attention from the realities we are now facing, but taps the past as a resource of strength with which to meet them. This way of remembering elicits from the past, not wistful yearnings, but living hope.

At the same time that St. John's Episcopal Church began celebrating its diamond jubilee, St. Dominic's Catholic Church, located at 77 East Lucius Avenue in Youngstown, began celebrating its golden jubilee. The Most Reverend James W. Malone, bishop of Youngstown and a graduate of St. Dominic School in 1933, was the principal celebrant of a Mass of Thanksgiving in St. Dominic Church on Sunday, May 20, 1973. Bishop Malone compared the parish to the "Kingdom of God not yet," and said that "our eyesight is pointed toward Heaven, the Kingdom of God to come." He praised the parish, its school, its support for Cardinal Mooney High School, and the wonderful community spirit among the parishioners and the priests assigned to them.

The Very Reverend Carl J. Breitfeller, O.P., Pastor of St. Dominic Church, noted that the other priests who gave their lives for the parish in the past should have the honor of celebrating the golden jubilee Mass. Reverend Breitfeller spoke of the sacrifices made by the members of the parish over the past half century and described the parish as "a marvelous chuch, a beautiful Communion of saints from God's own Son to the youngest son of the parish." The Reverend Monsignor William A. Hughes, vicar general of the diocese, several diocesan priests and Dominican fathers assigned to St. Dominic's were among the concelebrants.

Mr. Speaker, I would like to take this opportunity to congratulate St. John's Episcopal Church and St. Dominic's Catholic Church for their long and devoted service to God and our community, and to wish both of them many more years of faithful service.

Mr. Speaker, I insert in the RECORD an editorial about these two churches which appeared in the Youngstown Vindicator on Tuesday, May 22, 1973. The editorial follows:

TWO JUBILEES

Two major Youngstown churches have just begun jubilee celebrations. St. John's Episcopal Church is observing the diamond jubilee of the dedication of its present edifice, which has been a landmark on Wick Avenue for 75 years. St. Dominic Church is marking the golden anniversary of its establishment.

The history of St. John's congregation dates from 1859, although Episcopalians were among the early settlers of the Mahoning Valley, and Boardman had St. James' Church as early as 1807. Like many other young congregations, St. John's worshiped in a school or in other churches until its first church was completed in 1863 at the southwest corner of Wood and Champion streets. This served for more than 30 years; then a fire stimulated the effort for a new church. The present Norman Gothic building was dedicated May 22, 1898.

When St. Dominic's was established, it was serving a "remote" area of the South Side—a few years later a flying field was operating at Midlothian and Market, and could have been located in any of a dozen places in the area. The parish had its first services in a store room at Market and Ravenwood, but in a few years it had a school built, with a church attached. The congregation's need outgrew both; now the old school is still in use, along with a much larger, new one. A new church, convent and priory also have been built.

Both churches have made important contributions to the community. Many of the people who built and supported St. John's were the ones who, in the same years, were building Youngstown into a major industrial center. Out of St. Dominic's have come business men, civic and political leaders, educators, and the bishop who has headed this diocese for seven years.

Youngstown has good reason to congratulate both congregations.

## A NEWSMAN'S NEWSMAN

### HON. WILLIAM S. COHEN

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. COHEN. Mr. Speaker, one of Maine's outstanding journalists, William C. Langzettel, is retiring from a long and distinguished career with the Associated Press. Bill Langzettel has provided the people of Maine with a quality and depth of reporting that will be long remembered.

On behalf of the State of Maine I would like to extend congratulations to Bill Langzettel for completing such a fine record of service. I believe the following editorial from the Waterville, Maine, Morning Sentinel, May 18, is a fitting tribute to this truly professional newsman:

WCL—NEWSMAN'S NEWSMAN

If you mentioned William C. Langzettel's name to most people in Maine, their response would probably be a puzzled "who"?

He's one of those people who labor capably but largely unsung to keep our system operating. You find them in every profession, trade and business.

Bill Langzettel happens to be a newsman—or should we say person?—who has spent all of his working life making sure that there is a free flow of truthful information moving to the people of Maine.

For a good many years his job has been running the Maine operation of The Associated Press. It hasn't been a glamor job providing him with many "by-lines" and that's why you probably don't remember hearing of him.

But he's the one that has been responsible for The AP's Maine report and the high quality and depth of that report is an enduring memorial to his working life.

Bill is retiring from the world of chasing down stories and beating deadlines and those who have worked with him and know him best will gather this Saturday in Portland to pay him deserving tribute.

In the news business we hesitate to talk much about our own. We pontificate a lot about the importance of the free press but we don't talk as much as we should about the people like Bill Langzettel who make the theories of the free press work in practice.

The free press isn't just an ivory towered theory. It's honest, hardworking shirt-sleeved guys like Bill Langzettel and he didn't win the sobriquet "a newsman's newsman" for nothing.

## SECOND ANNUAL CENTENARIANS REUNION IN LOUISVILLE, KY.

### HON. GENE SNYDER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. SNYDER. Mr. Speaker, the First Church of the Nazarene in Louisville, Ky., was recently the site for the second annual National Centenarians Reunion and Kentucky Old-Timers' Day.

This was a special occasion in itself—but it was made extraordinary by the fact that there were present at the reunion no less than nine centenarians. I list them, with their ages and places of residence, below:

Charlie Smith, 130, Bartow, Fla.

Dan Lee Keener, 104, Elkton, Ky.

Mrs. Elizabeth Ellis, 104, Louisville, Ky.

Mrs. Amanda Ross, 105, New Albany, Ind.

Mrs. Minnie Miller, 107, Louisville, Ky.

Mrs. Matilda Bottoms, 107, Louisville, Ky.

Mr. Harry Lee Harris, 102, Louisville, Ky.

Mr. Abraham Zimmerman, 100, Louisville, Ky.

Mrs. Edmonia Duckwall, 100, Louisville, Ky.

I am told that this is the record for the number of centenarians assembled under one roof.

I believe that official record should be made of this heartwarming and unusual event—and that congratulations are in order for the Reverend Hadley Hall, pastor of the First Church of the Nazarene and organizer of the reunion.

## DISTURBING QUESTION OF NATIONAL SECURITY

### HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. ANDERSON of Illinois. Mr. Speaker, I wish to call to the attention of my colleagues a newspaper column written by Mr. Frank Starr in the Chicago Tribune this past Sunday, May 27, 1973. Headlined the "Disturbing Question of National Security," the column helps us distinguish in the light of recent developments two perennial questions with troubling ramifications for a democracy: First, who is to be entrusted—in terms of national policy—to decide what constitutes the national security, and second, what measures are permissible to protect the national security once defined?

As Mr. Starr recounts, two secret intelligence organizations were established within the White House to investigate national security matters, and the most secret one—the special Investigations Unit—included among its members now convicted Watergate Burglars Mr. E. Howard Hunt and Mr. G. Gordon Liddy. It has been alleged that Mr. Hunt, in the name of national security, recruited another convicted Watergate burglar, Mr. Bernard Barker, and led him and others in a burglary of the office of a psychiatrist who once treated Mr. Daniel Ellsberg.

It will take years for us to know for certain whether there was anything in the office of Mr. Ellsberg's psychiatrist that bore on national security, but from what we know today—and it is considerable—there is more than enough reason to conclude that there was not. We are left then with the disturbing question of how in the world employees of the White House could conceive and execute such a bizaare plan under the imprimatur of national security.

My answer, in part, would be that we in Congress have relinquished to the White House far too much of the responsibility for deciding what the national security is and the measures required to protect it. If we are to protect against future abuses of the nature I have just cited, I believe we in Congress must aggressively reassert our constitutional duty to set national policy—the most crucial components of which obviously involve national security.

Mr. Speaker, with this introduction I recommend to my colleagues the reading of the full text of Mr. Starr's column which follows:

DISTURBING QUESTION OF NATIONAL SECURITY

(By Frank Starr)

WASHINGTON.—President Nixon raised a disturbing question this week—one which has a major impact on the kind of society Americans will live in perhaps for the rest of this century.

What violations of domestic law by their government are Americans prepared to countenance in the name of national security?

And therefore what constitutes national security? How is it distinguished from what happened in what is now known as the Watergate case?

The latter question the President declared it was his purpose to address in his 4,000-word statement last week, but he did not provide an answer. Nonetheless he did provide some startling evidence of hitherto-secret centralization of intelligence operations in the White House when his designs were frustrated by the government's conventional intelligence apparatus.

More specifically, he revealed that he approved burglary "in certain specific situations related to national security." He proposed reinstatement of "certain types" of intelligence gathering activities which he said had been in general use before 1966, but the late FBI director, J. Edgar Hoover, balked.

To help remedy this, Nixon said, he created in the White House a secret Intelligence Evaluation Committee. Additionally he created an even more secret Special Investigations Unit in the White House to stop leaks of security information and to "investigate other sensitive security matters." Members in this exceedingly small and secret group included E. Howard Hunt and G. Gordon Liddy.

The President denies that he authorized or knew of any illegal activity by either organization, but "I did impress upon Mr. [Egil] Krogh [who headed the Special Investigations Unit] the vital importance to the national security of his assignment."

Since one of the units was formed "to help remedy" a situation which had frustrated the President's authorization of burglary "in specified situations," and he does not tell us specifically that burglary was not authorized for that unit, we might assume that it was.

Apparently he did not consider "surreptitious entry—breaking and entering, in effect," as he calls it, illegal under the circumstances in which he proposed it.

The next question is what constituted national security and whether it was clearly differentiated from domestic security. The President's statement recognizes a distinction but does not define it. Neither does it offer a definition of national security.

Since, because of the Pentagon Papers, the Daniel Ellsberg case was, Nixon tells us, a national security case, those who burglarized Ellsberg's psychiatirst's office and subsequently the Watergate might be forgiven for believing they were acting in the national security.

In fact one man, Bernard Barker, who worked for Hunt, specifically said that was his understanding when he broke into both places.

Against the background of bombings, arson, gunfights with guerrilla groups, and general violent unrest during 1969–70 there are undobutedly many Americans who would agree that such tactics are altogether appropriate in the name of domestic security.

The key question is, "Who is to be trusted to decide where national security or domestic security stops?" In an atmosphere of secrecy and suspicion governments have started quietly and moved quickly to startling proportions of crime against its citizens in Germany, Italy, and Vichy France as recently as 30 years ago. Usually in the name of national security.

## KEEPING THEM INDEPENDENT

## HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. GAYDOS. Mr. Speaker, the Justice Department has acted properly in my opinion in filing a proposed consent judgment prohibiting Standard Oil Co. of Ohio from fixing prices for its independent dealers.

Under the judgment which already has been accepted, according to the Wall Street Journal, by "Sohio," free enterprise will not be hindered among the independents and at a very important time in the gasoline business—a time of developing shortages.

It has been the custom among independents, so the Justice Department was informed, to keep their prices for gasoline and other products and for services as competitive as possible in the local markets in which they operate. Thus the motorist at times gets a break. Indeed, the proposed consent judgment is to terminate a civil antitrust suit filed in 1970 which charged Sohio with seeking to set prices above going local levels.

The coming gasoline crisis we are warned, will require strict measures by the oil firms to keep the Nation generally supplied. Such measures, of course, could lead to higher prices and poorer service for the public unless the right of the independent to compete as he sees fit is protected fully. By being independent, he can serve as a brake on excesses.

The Justice Department's action in the Sohio case recognizes the need for this and the principle which it sets up must be made applicable to all companies supplying stations which are owned or leased by independent operators. We need to keep the independent businessman independent and I am glad to see this idea furthered.

## DONALD J. STRAIT, HAP ARNOLD'S MAN OF THE YEAR

## HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. WOLFF. Mr. Speaker, late last month I had the privilege of presenting the H. H. Arnold Chapter of the Air Force Association's Man of the Year award to Mr. Donald J. Strait, vice president and general manager of Fairchild's Republic Division, at the chapter's annual Man of the Year banquet on April 26.

The Hap Arnold Chapter, in Long Island, N.Y., made a wise selection. Don Strait served this country with great credit in World War II, the Korean conflict, and during both the Berlin and Cuban crises. A biography of this fine man follows my remarks. My congratulations to him:

### BIOGRAPHICAL SKETCH—DONALD J. STRAIT

Donald J. Strait, vice president and general manager of Fairchild's Republic Division, has been with the company since 1967.

Prior to joining Republic, Don Strait was with the State of New Jersey in the Department of Defense. A major general in the New Jersey Air National Guard, he served as the assistant chief of staff for air in the New Jersey Department of Defense. As such he was responsible to the department's chief of staff for all tactical fighter, airlift and supporting units of the New Jersey Air National Guard. He retired from that post in July, 1971.

During World War II Don Strait served with the 8th Air Force in the European theater and flew 122 combat missions during which he was credited with knocking down 13½ enemy aircraft. His decorations include the Silver Star, Distinguished Flying Cross with two Oak Leaf Clusters. After the war, Strait served in the New Jersey Air National Guard and was recalled to active duty during the Korean War and Berlin and Cuban crises. From December, 1952, to June, 1965, excluding time spent on active duty, Strait served as commander of the 108th Tactical Fighter Wing, New Jersey Air National Guard. From February, 1956, to August, 1957, he was deputy assistant secretary of the Air Force for reserve and ROTC affairs and was awarded the exceptional civilian service award. He has approximately 25 years of flying experience in propeller driven and jet fighter aircraft, including the F–105.

Don Strait, active in the Air Force Association, National Guard Association, Fighter Aces Association, the Thunderbolt P–47 Pilot's Association and Boy Scout programs, lives with his wife, the former Louise Lyon, in Babylon, L.I., N.Y. They have three children.

## NO-CHA SUIT IS A PUBLIC SERVICE

## HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. HANRAHAN. Mr. Speaker, the question of public housing is a very serious one in the Third Congressional District. Because of the 235 housing projects and other similar efforts many of the local schools have been overcrowded and property values severely damaged. The question is not public housing as such but rather the way in which these projects are conducted.

Local residents have not had an opportunity to have a voice in the decision-making process for projects which will effect them. I commend the President for establishing a moratorium on 235 housing.

Recently an editorial on the subject of public housing appeared in the Southtown Economist Newspaper. Their views are shared by many in the Third Congressional District with respect to public housing. I would like to offer it for my colleagues information.

### NO-CHA SUIT IS A PUBLIC SERVICE

The lawsuit of the local group No-CHA began before the federal court last week after several months of preparation and delay. No-CHA is contesting the federal government's long-established policies on the placement of public housing. The Southwest Side citizens group claims that housing for low-income families, scattered in middle class neighborhoods, is detrimental to the neighborhoods. It is also claimed that public housing agencies, specifically the Chicago Housing authority, have not done adequate planning to determine the effects of housing to the environment and well-being of existing residents.

With the first week of the trial over, it is becoming obvious that testimony and hearings on the issue will be lengthy before any decision is reached by Judge Julius Hoffman.

What seems to be distinguishing this trial from many others is the low key of the first sessions filled with expert testimony.

One of the outstanding witnesses who appeared before the judge last week at the request of the homeowners group, Father Thomas Gannon, a sociologist, may well have set the tone of the hearings.

Father Gannon, in a day-long testimony presented the results of a recent study concluding there is a correlation between crime rates and low income groups. He also proposed that a full inventory of the socio-economic needs of low income groups be studied before they are assigned to scattered public housing.

Regardless of anyone's attitudes toward public housing and its construction in middle-income neighborhoods, there is a great deal of good that will result from the court hearings, whatever the outcome of the trial.

For many years, advanced planning and community participation have been given a secondary role in government attempts to meet the immediate housing and economic needs of the have-nots in the American society.

Father Gannon's testimony will be scrutinized by government officials this week. We hope that in this particular case as well as forthcoming hearings expert witnesses will present a full airing of the residents objections to the housing.

It is to the credit of the Southwest Side organizations that comprise No-CHA that they have moved in the forefront of this controversy.

So far, the citizens case has been financed through individual contributions. No-CHA members have gone from door-to-door raising funds to pay for legal fees and attorneys expenses.

But it is doubtful whether local groups will be able to raise enough money to carry on a long legal battle.

We do not see this legal test as a danger to the concept of public housing which in general is assistance of the federal government to low-income groups. This trial is a case that will help explore and clarify the problems of present housing practices. It will hopefully help bring about some changes if it is shown that they are needed.

For this reason, not just private citizens but the government itself should help finance the trial to its conclusion. It is a public service that could result in better service to the people as well as clear cut legal guidelines to the public agencies that have to administer the housing programs.

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## EBONY FREEDOM SINGERS ARRIVE IN WASHINGTON

## HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. DULSKI. Mr. Speaker, this morning we had the pleasure of hearing the Ebony Freedom Singers from Fosdick-Masten Vocational High School in Buffalo, N.Y., in a short, inspiring concert on the House steps of the Capitol.

This is an outstanding chorus of 60 girls, making their first concert tour in Washington this week, under the direction of Mrs. Marie Carmichael.

Last fall the girls began planning to raise money for the trip. Their first event, "The Sounds and Soul of Gospel," played to a standing room only audience and was televised in the Buffalo area, enabling them to buy the lovely red blazers they wear in concert. In March the second event was equally popular, and their reputation was established.

Tonight the girls will sing at the Fort Meade Service Club. Their schedule includes performances at two public schools as well as a feature spot in the Festival of High School and Church Choirs of Washington. Between these engagements, visits to Washington sights are planned.

Congressmen, staff, and visitors today greatly enjoyed their excellent repertoire samples of "God Gave Me a Song," "Ooh Child," "He Ain't Heavy, He's My Brother," and "To Be Young, Gifted and Black." Soloists Sherry Steward and Anita Trotter sang beautifully with the chorus, while Student Director Diane Spiller shared duties with Music Director Mrs. Carmichael in a most professional manner. Credit should also be awarded to the fine chaperons who are accompanying the group.

The Ebony Freedom Singers is an outstanding and talented group of young women. It is a privilege to have them here, to listen to their singing, and to be their Congressman. May they continue to gain well-earned recognition in the music world.

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## FIGHT FOR TRADE IN VITAL AREA

## HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. DERWINSKI. Mr. Speaker, on May 29, I submitted an article entitled "World Powers Jockey To Fill Vacuum" written by Ray McHugh, the distinguished Washington bureau chief of the Copley News Service. As a matter of special interest, I include in today's RECORD additional comments by Mr. McHugh which I believe properly describe the great significance of the fight for trade in the Indian Ocean. I feel Mr. McHugh's views offer a very objective commentary on the subject and believe this to be of a timely nature. Therefore, as a matter of further interest, I submit the remaining report on Ray McHugh's article which follows:

The American in the doubleknit gray suit is replacing the man in uniform on the front line in Southeast Asia.

U.S. bombs are still crashing down on Communist positions in Cambodia, and week ending Air Force families in Singapore's lavish big hotels are reminders of B-52 and fighter-bomber bases in Thailand to the north. But the nature of the struggle is changing.

Nowhere is it more dramatic than in this island city-state that is the "gate" between the Indian and Pacific Oceans and that was once a symbol of British naval and economic supremacy over one-fifth of the world's people and resources.

Today's modern, high-rise Singapore counts 8,000 American residents, 400 U.S. businesses—100 of them among the nation's largest—and 40 American manufacturing plants.

In fact, there are so many Americans that the American community recently was able to stage a professional-caliber production of the musical comedy "Music Man" that packed Singapore's Victoria Theater for four nights and provided an estimated $20,000 to the city's Malay-Chinese charities.

But the men in uniform are not far over the horizon. And that's the way leaders in Singapore, Malaysia and Indonesia prefer it. The powerful U.S. 7th Fleet still prowls the South China Sea and the Formosa Strait and occasionally sends units through the Strait of Malacca into the Indian Ocean.

Giant American carriers sometimes pause at Singapore long enough to permit crews to taste the exotic variety of a city that is a curious blend of Chinese, Malay, Indian and European cultures set against an increasingly 20th Century American backdrop.

A homesick sailor can even find a familiar 5 o'clock traffic jam.

Other American ships have limped, less conspicuously, into Sembawang shipyard for maintenance, supplies and sometimes to repair battle damage suffered along the hostile coast of North Vietnam.

The carrier Ticonderoga called at Sembawang and used the giant facilities Britain built in the 1930s for ships like the ill-fated Prince of Wales and Repulse that were sunk in the opening days of the war with Japan. U.S. Navy business accounts for about 8 per cent of Sembawang's $75 million a year gross, says manager Ralph Butler.

The shipyard also plays host to the tiny ANZUK (Australian-New Zealand-United Kingdom) force of about 5,000 men, a last remnant of British power.

But Western warships are dwarfed at Sembawang by huge 200,000-ton oil tankers under a dozen flags, that, too, is the way Singapore prefers it.

This city-country was built 154 years ago to the proposition that business and commerce are all-important.

Singapore's Premier Lee Kuan Yew and its founder, Sir Thomas Stamford Raffles, secretary of the East India Company, wouldn't argue on that score. Raffles Hotel and Raffles Place, in the center of the city's bustling waterfront, are daily tributes to an English colonist's foresight.

But the once pervasive English commercial influence in Singapore is giving way to Americans, Japanese, Western Europeans and new nationalists from Malaysia, Australia, South Africa, Indonesia, India and other Indian Ocean countries.

Americans are finding Southeast Asia a remarkably fertile area, particularly if they are willing to establish multinational production facilities.

"The Southeast Asians talk about a common market approach, but first priority goes to their own national interests and employment," says James Robertson, vice president of First National Bank of Chicago and former president of the American Club in Singapore.

Robertson and Vic Buhler of Singer Sewing Machine, who is current club president, both agreed with the general thrust of President Nixon's new trade proposals to Congress.

"If we are going to improve our commercial status out here—and the opportunities are enormous—we must be given the tools to compete with other countries," said Buhler. "It isn't just a matter of selling goods made in the U.S.A. There must be recognition of the special problems of American firms or multinationals producing abroad. For example, they definitely need special interpretation of antitrust laws."

The opportunities for U.S. firms is dramatized by Horace Mathis, manager and the only American in the Carrier Corp. air-conditioning plant at Kuala Lumpur, Malaysia.

Carrier currently commands some 40 per cent of the area market and does over $10 million a year business, using about 50 per cent of U.S.-made parts.

"By 1980, our distributors estimate this will be a $100 million a year market," Mathis said.

While Japanese banks and trading companies pursue aggressive policies in Southeast Asia, American businessmen find themselves in strong competitive positions. Memories of Japan's conquest of these countries during World War II are still vivid. A memorial to the victims of Japanese air raids in December of 1941 and January of 1942 dominates the Singapore waterfront.

"There is an instinctive fear among all of us that Japan might some day try to establish another 'co-prosperity sphere,'" said one Malaysian government minister. "We had one taste of that. It was enough."

American import emphasis veers to heavier, more sophisticated equipment.

A recent $3 million U.S. Department of Commerce trade show in Singapore stressed computers, automated factory equipment, construction machinery and huge cranes and vehicles designed for the oil and lumber industries. A Portland, Oreg., bank was on hand representing 20 of that state's lumber-related industries.

"We are concentrating on areas where we have a clear lead over other countries," said a Commerce Department spokesman. "We're opening a permanent trade center in Singapore and we hope that it will attract a wide variety of firms, but right now the electronics and heavy industry people have the lead."

The American-Japanese trade offensive is already cutting deep into old British markets.

"Over the last two years the imports of Hong Kong and Singapore have risen about 25 per cent, yet the rise in British exports to both markets is only a fraction of that," admitted Peter Walker, British secretary of state for trade, who also was touring Southeast Asia.

The two markets alone purchased $8 billion worth of goods abroad in 1972, he said.

Business reports also indicate that Hong Kong is losing out to Singapore in the race to be South Asia's No. 1 commercial center. Soaring land values, labor costs and rents are pushing more and more firms to Singapore, Kuala Lumpur, and Penang in Malaysia, Bangkok in Thailand and to Jakarta and other Indonesian cities.

The miles of yellow lights and the flickering gas flares that deny night to Abadan and the world's largest refinery signify more than a hungry world's appetite for oil.

They signify, too, a shah's appetite for the glories that once were Persia's.

Nowhere on the sweeping littoral of the Indian Ocean is one nation pouring so much into its own development. Not even giant India can match Iran's determined effort to establish itself as a local power in an area that has become a geopolitical vacuum and a world question mark.

The shah of Iran and his government cannot be accused of hoarding oil and gas dollars for speculation in international money markets.

"Iran spends every penny before the ink is dry on the checks," said an American diplomat in Tehran. "Sometimes you have to wonder if the shah can keep pace with the expectations he has aroused in these people, or the role he wants them to play."

Military analyses of the Indian Ocean usually begin and end with the United States and the USSR, the two powers that boast the naval and nuclear strength to "police" the area. But it would be wrong to overlook Iran.

No tears were shed in Tehran when Britain finally was forced to withdraw from the Persian Gulf and its old bases "east of Suez." For two hundred years London had practiced what former U.S. Ambassador Douglas MacArthur III called "plate glass diplomacy."

"It was as if the British built a glass wall around the area," MacArthur once told the writer. "It was a true Victorian concept. If anyone dared throw a rock at the wall, from inside or out, he immediately felt the full weight of the British empire".

"As long as that power was available, the countries around the Persian Gulf were cowed. Once that power was gone, they suddenly had to search their hearts for their own real identity and aspirations."

Iran's reaction to the British withdrawal is remarkably similar to that in the Malay Peninsula and in the countries of East Africa. The first impulse is to continue close contacts with London, but as time passes Britain is seen more realistically as a comparatively small island nation that no longer possesses the resources to help ambitious independent states reach full development.

Iran was introduced to American technology and military might during World War II when it was the "back-door" route for supplies to the Soviet Union.

It has moved close to Washington.

The shah has built a potent military machine with U.S. help and has just negotiated to buy $4 billion in British and American ships, planes and weapons to modernize his forces. Britain is building a destroyer and four frigates that will be the core of Iran's Persian Gulf fleet. U.S. sales include sophisticated helicopter gun-ships and even guided "smart bombs."

When the shah's program is completed in 1977, Iran will rank second only to Russian-equipped India as a local Indian Ocean power. According to Iran's Washington ambassador, former foreign minister and former son-in-law, Abashir Zahedi, the shah hopes to match India's overwhelming presence with a special Indian Ocean arrangement with South Africa, Australia and Japan.

Japan, in particular, has a vested interest in the Persian Gulf. More than 80 per cent of its oil supplies originate here. Iran is the world's No. 1 oil-exporting nation and may rank No. 1 in natural gas reserves.

As Iran looks at the world, it is literally threatened on four sides. Despite polite relations with Moscow and a commercial agreement that pipes a billion cubic feet of natural gas into the Crimea every day in return for Soviet steel mills and other heavy industry, Tehran maintains a "profound distrust" of the Russians.

It has not forgotten Soviet attempts to claim Iran's northernmost provinces after World War II. Any appearance of Russian naval squadrons near the Persian Gulf sets off talk of a Soviet "pincers" movement.

"We want NO foreign presence in the gulf," the shah has warned.

Iran also has a running dispute with Iraq over navigable waters that mark the two countries' frontier. It is angry over radio Baghdad's attempts to fan rebellion in Baluchistan near the Pakistan border and it is keenly aware of Moscow's arms shipments to Iraq's radical Baathist regime.

Even more immediate is concern about India's pressures against Pakistan. There is real fear in Tehran that the forces set in motion by Pakistan's December, 1971, defeat by India during the Bangladesh war can literally tear Pakistan apart. Russian, Afghani and Indian agents are allegedly working inside Pakistan to incite minorities against President Ali Bhutto. Bhutto is a frequent visitor in Tehran and he and the shah are described as "in full agreement."

In recent interviews with Western newsmen, the shah has warned that Iran will not stand idly by if Pakistan is threatened with another partition or civil war. He has hinted strongly that his army would move swiftly to annex Baluchi areas in south Pakistan. Such a move would bring the Iranians face to face with India.

There is little concern shown in Tehran about Communist China, despite Peking's attempts to stir unrest in tiny, feudal oil states along the gulf.

Instead, China is looked upon as the major Asian balancing factor that can blunt both Soviet and Indain ambitions. But Peking's inaction during the 1971 India-Pakistan war also is noted.

"In a crisis," said one official, "we must look first to the United States. The CENTO agreement (Central Treaty Organization) is meaningless, but the United States has clear national interests in Iran. No president could ignore them."

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## JIM FARLEY'S 85TH BIRTHDAY

### HON. JAMES J. DELANEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. DELANEY. Mr. Speaker, to all of us, birthdays have always been very special occasions, and today one of America's most distinguished statesman, Jim Farley, chairman of the board of the Coca-Cola Export Corp., is celebrating his 85th.

It has been my privilege to personally know Jim Farley and watch the legend grow. He is a vibrant, active leader who has given our Nation more than 60 years of faithful dedication to both politics and to business. A top executive for the world's largest soft drink manufacturer since 1941, Jim Farley is a blue chip ambassador of good will to foreign countries all over the globe.

In politics, this hardnosed Democrat is best known for his wizardlike management of F.D.R.'s successful Presidential campaigns of 1932 and 1936, and his service as U.S. Postmaster General and National Democratic Committee chairman during the same period.

I wish to congratulate an outstanding gentleman who has devoted his entire life to the needs of the country, its political process, and most of all to his many, many friends. Best wishes and a most happy birthday, Jim Farley.

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## THE EPA'S PRELIMINARY REPORT ON WASTE OIL

### HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. VANIK. Mr. Speaker, last week the Environmental Protection Agency issued its preliminary report on waste oil recovery. The report is required under section 104(m)(2) of the Water Pollution Control Act Amendments of 1972. This section of the law requires the Administrator of the EPA to conduct an extensive analysis of the technological, biological, economic, and legal obstacles to the effective recovery of waste oil.

Each year in this country we dispose of over 1.1 billion gallons of used oil in ways which present serious hazards to our environment. Conventional dumping of used oil runs the tremendous risk of fouling our waterways. Burning of the oil as fuel can release toxic oxides into the air. Recycling technologies do exist, but they need improvement. More importantly, an effective method of collection of used oil presents the major obstacle to effective waste oil recovery.

This preliminary report establishes a good groundwork. In outlining the dimensions of the problem, the study relies heavily on work done for the EPA by Environmental Quality Systems, Inc. This report was submitted to the EPA and the State of Maryland last December. From this analysis it is clear that the waste oil problem is likely not only to be persistent but also growing.

Of all the lubricants purchased in the United States, approximately one-half is consumed in use. The remaining half is waste oil. In 1969 domestic consumption of lubricating materials was 2.29 billion gallons. By 1975, the EPA projects, consumption will be as high as 2.42 billion gallons. This total translates into over 1.2 billion gallons of used oil each year.

Having outlined the extent of the waste oil problem, the EPA study turns to its other facets. Time limitations force most of the conclusions to be considered as "tentative." However, these are some disturbing lapses in the report. For example, in the discussion of the long-range biological effects of waste oil, the report complains of the lack of data on these impacts—

> . . . the effects of waste oil can only be addressed in the most general terms. In fact, it must be pointed out that, until specific data are generated specifically on waste oil effects we will not know even if we are in the right ball park as to recommendations.

This is a curious statement. In a later section, the report details the highly toxic effects of waste oil in a number of pollution incidents. In short, there is ample evidence to suggest that oil, released in freshwater as well as marine environments, has serious implications for a wide range of animal and plant life. To quote from this later section of the report which discusses marine pollution—

> When an oil spill occurs near shore or when an oil slick is brought to the intertidal zone and beaches, extensive mortality of marine organisms occurs.

In light of these conclusions—tentative and incomplete as they may be—it is hard to understand the allusion to being in the wrong "ball park." Although measuring the toxicity of oil is undoubtedly a difficult task, we must not allow gaps in our knowledge to serve as a justification for inaction. There remains significant areas in which informed action is possible. Unfortunately, the EPA report tends to underplay any possible course of action which can be taken now.

In this regard, the section on current methods of collection and disposal of waste oil presents the second disappointment in the EPA report. It is clear that the Federal Government has, through its own ignorance and neglect, constructed a number of barriers to the re-refining of used oil.

For example, up to 1965, re-refiners were exempt from a 6-cent-per-gallon tax on lubricating oil to be paid by the first user of that oil. Adverse rulings by the Internal Revenue Service in 1965 changed this picture dramatically. The IRS, using the justification that excise tax revenues were to be dedicated to the highway trust fund, allowed an offhighway exemption on oil. As the result, the competitive advantage of re-refined oil in the offhighway market—chiefly farm vehicles—evaporated. A second ruling in the same year held that re-refiners could not claim a similar exemption on new oil which is necessary in the industrial process to re-refine and purify their used oil. In short, a new cost was added to the re-refiner.

On a second front, the Federal Trade Commission ruled that all containers of re-refined products must be labeled "previously used." The impact of this ruling has been to impose an unnecessary discrimination on the product.

It is unfortunate that the EPA made little effort to describe in greater depth the consequences of years of neglect on the Federal level in dealing with the difficult problem of waste oil. While it is true that the re-refining of used oil still poses many economic and environmental problems, these hazards are not commensurate with the unsatisfactory alternative methods of disposal available to us. I am disappointed that the EPA did did not take a more activist stance in exploring the avenues of informed action that are now open to us.

Earlier this session I introduced the National Oil Recycling Act of 1973 (H.R. 5902). I do not assume that this legislation offers the complete solution to the waste oil problem. But it offers a constructive start. Later this week I will invite my colleagues to join in cosponsoring this legislation. I encourage the EPA to continue its excellent leadership in this area. Very real problems remain before we can be confident of any solution. Nonetheless, positive steps can be taken now to prepare for the more sweeping changes that must come in the future.

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## EVERYONE WILLING TO HELP, WILLING TO HELP EVERYONE—KOCH CLUB OF QUINCY, MASS.

### HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. BURKE of Massachusetts. Mr. Speaker, I would like to bring to the attention of my colleagues the occasion of the 25th anniversary of the Koch Club of Quincy, Mass.

The Koch Club, founded in 1948 by its present director, Richard Koch, has sponsored athletic and recreational activities for over 40,000 boys and girls in the Quincy area.

Richard Koch, recognizing a need for an organization where all members of families could participate in activities together, has given unselfishly of his time and efforts to organize such a group. With Richard Koch's dedication and the cooperation of his associates, the Koch Club has developed into a very vital element of the Quincy community, where the members practice the Koch Club motto, "Everyone willing to help, willing to help everyone."

The following is a history of this fine organization:

HISTORY OF THE KOCH CLUB OF QUINCY

EARLY YEARS

The Koch Club of Quincy was founded in May of 1948, when thirty men in their early twenties and some older, formed a recreational group consisting of two and four teams of friends playing softball every Saturday and Sunday at Cavanagh Stadium on Birch Street, North Quincy. It was an intramural activity with the emphasis on enjoyment rather than competition which is a philosophy that is still maintained today in all Koch Club endeavors.

Today the Koch Club's various districts and divisions reach out to provide recreational and athletic activities annually for some 3,000 persons of all ages throughout the City and neighboring communities.

Founded by its present director, Richard J. Koch, the Koch Club, in its twenty-five year history, estimates that a total of 40,000 boys and girls have participated in its many and varied activities and that approximately 10,000 adults have also enjoyed social and recreational programs sponsored by the Club.

An estimated $150,000 has been expended by all groups of the Koch Club to provide athletic equipment, trophies, banquets, uniforms, prizes, charitable donations and scholarships. All the funds provided are appropriated by the membership of the organization for the activity they enjoy the most and there has been no financial assistance from any governmental agency. The Koch Club membership is obligated to support the activity they choose and enjoy and is not committed to assist in other phases of the Club unless they desire to do so.

In 1949 the original group added a basketball team that participated in the former City League and this program advanced to a semipro basketball team led by District Attorney George G. Burke that provided one of the outstanding teams in the State winning two state-wide semipro basketball tournaments in 1959.

Perhaps the most progressive section of the Koch Club is the Junior Baseball League which was founded in 1951. The league was formed to provide baseball playing opportunities for youngsters of the community who were too young or not quite ready for Little League ball.

The participants of the league are under the guidance of adults, many of whom have children playing in the league, who give freely of their time to help instruct the youngsters in playing baseball. The Club takes a great deal of pride in the fact that despite the large number of children involved in the leagues, not one is denied the opportunity to play because he lacks equipment or talent.

The prime purpose of the Koch Club Boys Baseball and Girls Softball Leagues is to provide an enjoyable activity for as many boys and girls as possible, regardless of skill or athletic prowess. Enjoyment is first, competition second, in Koch Club.

The tremendous amount of equipment required to maintain a league of such proportions is provided through contributions of residents of the City and from fund-raising projects of the Club. The expenses of the Junior Baseball League and Girls Softball League, along with the Boys and the Girls Basketball Leagues totals in the thousands of dollars annually.

On the social side, the Club holds annual family outings when both parents and children can take part in games and contests, gauged at various age levels.

In cooperation with the Quincy Red Cross Chapter, the Club established a Blood Bank in 1950. Over 200 pints of blood have been donated since the program began.

Each year during the holiday season, many activities are undertaken by the Club. A Christmas Party for smaller chidlren of the area is held, a practice since 1948 when the first party took place. Each year, the party attracts more youngsters than the previous year.

A Christmas Basket Fund is also sponsored by the organization each year. Food baskets are distributed to needy families through Koch Club members and a local charitable organization. The Club's charity work now totals over $7,000 since it was founded in 1948. One large amount was $1,000 donated to the Jimmy Fund in 1962.

Santa Claus' visit to shut-in children is another fast growing holiday activity. Once limited to visiting children in the northern section of Quincy, Santa Claus now, upon request, will visit children anywhere on the South Shore bringing with him, candy and toys for each and lists their Christmas wants.

The Club is nonsectarian and charges no dues. Any person interested can join a particular activity and is not obligated to support other phases of the Club's work.

The Koch Club is a family organization, providing activity for all ages in the family, thus resulting in a common interest among all members of the family and bringing about a closer relationship.

### YOUTH ACTIVITIES

Koch Club Youth Activities were started in May, 1951 with the North Quincy District forming a baseball league with 55 boys. Last season, North Quincy District had 600 boys and 200 girls registered in the baseball and softball programs. The North Quincy District has 125 boys and 40 girls enjoying the weekly basketball programs at North Quincy and Atlantic Junior High School gyms on Thursday evenings.

The first girls softball team was formed by the Koch Club in 1952 by Mrs. Simone Koch with 14 girls. Last year there were 600 girls.

The Broadmeadows District was started in May of 1962 by its present director, Anthony T. Delmonico, with 125 boys and they were registered for the baseball leagues. Last year, 325 boys and 200 girls participated in the baseball and softball programs. The Broadmeadows District Basketball program is conducted each Monday evening at the Broadmeadows Junior High School gym with 100 boys and 30 girls participating.

On December 13, 1967, the Houghs Neck District of the Koch Club was officially formed by Bernard P. Cotter and 200 boys from ages 7 through 15 registered and participated each Wednesday evening at Atherton Hough School gym and St. Thomas gym. This program only lasted for two years as the volunteers were unable to give more time.

In 1969 the Montclair District of the Koch Club was formed by Peter D. Cappola with a boys baseball program consisting of boys 5 through 8 years with 150 boys in 1970 and 9 and 10 year old boys were added and 200 boys enjoyed the summer program. In 1971 a girls softball program was added under the direction of Mrs. Janet Crowley and 175 girls participated last summer. Since 1969 a basketball program has also been conducted in the Montclair District with 100 boys participating this year. Mr. Cappola has resigned as district director and Howard Crowley is now serving in the capacity.

The West Quincy Twi-League Board of Director voted to join the Koch Club as the West Quincy District in 1972 with 175 boys of ages 8 through 14 annually participating. David J. Donaghue is the West Quincy district director responsible for the operation.

### KOCH CLUB BOWLING LEAGUES

The men's bowling league is one of the oldest divisions of the Koch Club and the senior group of the Club's 10 bowling leagues. Founded in 1950 with 30 bowlers, the league has 50 men participating this year who bowl every Tuesday evening at 7:00 p.m. at the Merrymount Daylight Alleys. In 1955, a women's league was formed with 40 women bowling each Wednesday evening at 8:00 p.m. at the Norfolk Downs Alleys.

The league continues in its 18th year and is one of the outstanding groups supporting the Club's charitable endeavors. Two married couples bowling leagues were formed in 1957, the Koch Club Couples and the Co-Weds, both with 25 couples in each league. The program was so successful and enjoyable that two more couples leagues have been added in the past several years; the Koch Club Co-Eds and Tri S Couples leagues with 30 couples in each league.

In 1963 Anthony T. Delmonico formed the Koch Club boys bowling league at the Merrymount Daylight Alleys with 48 boys participating. The late Roy Remier was assigned to direct the league for the first two years. The league quickly expanded and continued to expand in the 1973 season. 100 boys bowled in the Junior League and 24 in the Young Men's division. Gary DeMole now directs the league.

During the ten years of boys bowling, approximately 800 boys have participated in the program. The leagues bowl every Saturday morning at the Merrymount Daylight Alleys.

Mrs. Marilyn Nestor organized the girls bowling program in 1964 and in that year 48 girls started bowling at the Norfolk Downs Alleys on Saturday mornings at 9:30 a.m. Two years later, because of an increase of bowlers, the league transferred to the Wollaston Boulevard Bowladrome. Each year the league increased and in 1969, the league was divided to give more girls an opportunity to bowl.

There are now 200 girls bowling. The Termites, grades 4 through 6 bowl Tuesday afternoon at 1:00 p.m. The Seniors, grades 7 and up bowl Saturday morning at 9:30 a.m. During the 9 years that the girls bowling league has been active, approximately 850 girls have been involved and have enjoyed 45,000 hours of competition and pleasure.

Five of our senior bowlers; Carol Morris, Ronnie Wier, Jeanne Rathgeb, Marie Nestor and Joanne Flynn won the right to appear on Winning Pins on Channel 5 T.V. A team of 5 bowlers (Milan Nestor, Ronnier Wier, Maureen Batts, Joanne Flynn and Denise Bereszniewicz) were entered in the Natick Tournament and took second place in the Senior Division.

### BOWLING TOURNAMENTS

The Koch Club, for the past 20 years, has annually sponsored the Greater Quincy Men's Candlepin Bowling Tourney at the Merrymount Daylight Alleys on Sunday afternoons in January and February. Twenty-eight teams representing the five top bowlers from each league entered this year. One hundred and forty bowlers or the best of 1400 bowlers competed for trophies and prizes.

Each February and March, the Koch Club sponsors the South Shore Women's Candlepin Bowling Tourney for the top five bowlers of each amateur league to meet in competition for team awards and individual honors. Twenty-four representing twelve hundred women participated this year, the 18th year of annual sponsorship by the Koch Club. The Tourney, although competitive, is of great enjoyment to the men and women participating.

### KOCH CLUB SCHOLARSHIP FUND

Since 1959, the Koch Club of Quincy has presented $5,000 in scholarship awards and the 1973 25th Anniversary Year Awards will bring the total to $5,500.

The purpose of establishing the Scholarship Fund was twofold, first to impress on each boy and girl in Koch Club the importance of his or her education, and have them realize, although the organization is primarily engaged in athletic and recreational activities, the Club is greatly interested in their education. The Koch Club is equally concerned with the active and wholesome use of mind and body of youth. Secondly, the Koch Club wishes to have youth realize that athletic progress is limited by time, but education and learning will remain throughout their lives.

In 1959, the Scholarship Fund was founded in the North Quincy District and a $100 scholarship, each was awarded to a boy or girl graduate of North Quincy High School. Mr. Robert J. Weafer was chairman of the Awards Committee, and Mr. and Mrs. Clifford Benoit were co-chairman of the Awards Committee and the Scholarship Fund. The Lambert Brothers; Paul, George, Bill and Fern have been of great assistance to the Scholarship Fund.

The Broadmeadows District of the Koch Club expanded the Scholarship Awards in 1964, by presenting a $100 scholarship, each, to a boy and girl graduate of Quincy High School.

Commemorating its 20th Anniversary the Koch Club increased the Scholarship Awards to include a $50 Scholarship Award to a boy graduate of the Vocational-Technical School recognizing the importance of the trade and technical type of training.

Mr. Anthony T. Delmonico is Chairman of the Scholarship Committee. Other members include: Mrs. Anthony T. Delmonico; Miss Ruth Scanlan, Quincy School Committeewoman and former recipient; and Richard J. Koch, Executive Director of the Koch Club; Howard Crowley; Mrs. Simone Koch; and Thomas F. Nestor.

The proceeds from the 25th Anniversary Dinner and Dance and souvenir program will be invested into a trust and on the 50th year or Golden Anniversary of the Koch Club, the interest from the fund will be used annually for the Scholarship Awards resulting in perpetuating the goals of the Koch Club.

### WAYS AND MEANS

For continued assistance on the Ways and Means Committee of the Scholarship and Christmas Basket Fund, we wish to extend the gratitude of our organization to the following: Paul Lambert of Rainbow Fruit and his brothers Fern, George and William. They have contributed $800 including donations to the Scholarship Fund and also provided the fruits and vegetables for the Christmas baskets. Karl Koch has also been extremely generous in Koch Club projects at Christmas.

### MUNICIPAL SERVICE

The Koch Club gratefully acknowledges the cooperation of the following during the years of growth and expansion: The Quincy Police Department, The Park and Recreation Board, and the Quincy School Committee.

### NEWS MEDIAS

The following deserve special commendation from the Koch Club for their many features, notices and news relative to Koch Club activities: The Patriot Ledger, Radio Station WJDA, The Boston Globe, The Boston Herald American and The Quincy Sun. This service is most important to any organization.

### SPECIAL THANKS

On behalf of the members of the Koch Club boys baseball leagues and the girls softball leagues, a special thanks to Cornelius V. and Edward Keohane of the Keohane Funeral Home for annually laminating the achievement certificates for the leagues which transforms the presentations from a piece of paper into a handsome award.

### THANKS

A sincere appreciation to the Flag Day Parade Committee. Each year, they donate over 1,200 U.S. flags for the boys and girls of the baseball and softball leagues to carry in the Flag Day Parade. This group also provides the coffee and doughnuts collection for coaches and umpires following the Flag Day ceremonies. The committee includes: Thomas F. Nestor, Chairman; Richard M. Morrissey; Thomas N. Byrnes; Philip Garcia; Joseph L. Donovan; Thomas R. Burke and Paul P. Nestor.

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## A BILL TO CORRECT AN INJUSTICE TO SOME CITIZENS OF THE MIDDLE RIO GRANDE CONSERVANCY DISTRICT IN NEW MEXICO

## HON. MANUEL LUJAN, JR.

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. LUJAN. Mr. Speaker, today I am introducing a bill to correct an injustice to some of the citizens of the Middle Rio Grande Conservancy District in my congressional district.

In the summer of 1966, the board of directors of this conservancy district were informed by the Bureau of Land Management, U.S. Department of the Interior, that the Bureau intended to offer for public sale certain small tracts of land which had been considered privately owned by the State of New Mexico and the Middle Rio Grande Conservancy District at the time of its formation in 1927. On many of these tracts private citizens have been assessed for taxes for many years and the Middle Rio Grande Conservancy District had, since its formation, levied assessments against their property. The records of the district, on its organization in the middle twenties, including the maps which were prepared, identified practically all of these tracts as privately owned. The private parties occupying the land also believed that they owned the land and sold and traded the same.

Because of existing legislation, the Bureau of Land Management cannot convey title directly to the people now occupying the land. But the district, as a political subdivision of the State, can acquire this under a congressional act as a conduit for the title to the individual property owners. The bill includes the sum of $5,626.45 to pay for the administrative work involved and it would be paid by the property owners themselves. Any substantial charge would be a bitter pill for the various landowners or occupants of this land to swallow when they believed they have owned this land all these years.

Therefore, I recommend that this bill be given early consideration and that these citizens be allowed to have clear title to the land they have always believed was theirs.

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## SUN AS AN ENERGY SOURCE

## HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. HOWARD. Mr. Speaker, the "energy crisis" is continuing to receive a great deal of publicity. Unfortunately, much of the discussion seems intended to arouse public panic and pessimism. There is little doubt that we are faced with a problem and that we are not as resource-wealthy as we once were. However, occasionally we read of positive and thoughtful action being taken to solve this problem. An article in the May 19, 1973, issue of Business Week, entitled "The Sun Breaks Through as an Energy Source," contains an avenue for action that merits attention.

Several companies and research organizations are seriously exploring the development of a commercial market for solar energy in as little as three years. Realizing that the use of solar energy to produce electricity is years off, these companies are hoping to develop a new industry in which solar energy would be used to supply a substantial amount of the Nation's heating and cooling load.

Countries such as Japan, Australia, and Israel have been using solar heaters for several years. We do not lack the technology to develop such an industry. It is suggested by Erich Farber, director of the University of Florida's solar energy laboratory, that—

> Ignorance is the major reason solar heating systems aren't on the market. Most manufacturers don't know it can be done.

I would like to commend these companies for their foresight and initiative at a time when it is most urgently needed, and I would like to share this piece of good news with my colleagues:

[From Business Week, May 19, 1973]

### THE SUN BREAKS THROUGH AS AN ENERGY SOURCE

Freeman A. Ford gets impatient when people talk wistfully about harnessing the bountiful energy of the sun. "There's been a great deal said about solar energy, but very little action," he says. So, last year, Ford set up Fafco, Inc., in Atherton, Calif., to sell sun-powered heating systems for swimming pools. Since then, some 40 pool owners in California and Florida have shelled out anywhere from $200 to $2,000 for his black plastic panels that take the chill out of pools for nothing but the cost of pumping the water through them. Beams Ford: "We've identified a need, and we've filled it."

Experts have long predicted wide use of solar energy as a source of electric power in the 21st Century. But the looming energy crisis has prompted researchers and businessmen alike to take a closer look at the sun's potential. Their startling conclusion: Solar energy may blossom into a significant commercial market in as little as three years.

Although systems that convert sunlight to electricity are not likely to reach the commercial stage for some time, the experts expect solar energy to start assuming a substantial share of the nation's heating and cooling load, which accounts for about 20% of total energy consumption. "What's going on right now is rather skimpy," says James A. Eibling, Battelle Memorial Institute's director of solar energy work, "but you'll be overwhelmed with how much will be going on a year from now."

#### A NEW INDUSTRY

As if to underscore this prediction, Arthur D. Little, Inc., the Cambridge (Mass.) research and consulting company, last week announced a major program to cultivate "a solar climate-control industry." ADL has signed up 18 companies already, including such giants as Corning Glass, Du Pont, Ashland Oil, and Honeywell, who are paying $15,000 each to support a study of short-range markets. "This is no research project," insists ADL Vice-President Peter E. Glaser, "but a program to develop a new industry." Glaser hopes for a total of 40 clients before he begins a hardware-evaluation phase next year.

Several years ago, Glaser attracted worldwide attention when he came up with an intriguing Space Age approach to solar power. Instead of depending on sprawling "solar farms" that could be blanketed by rain and haze, he proposed huge power-generating satellites that would convert sunlight to electricity in orbit and relay the power to earth over microwave beams. However, like other schemes for central power stations fueled by the sun, Glaser's satellite system is decades away, at best. Today, even earthbound solar stations are prohibitively expensive, mainly because solar cells or other devices needed for the conversion step are so inefficient.

Using solar heat directly is another matter. For years, the Japanese have warmed their bath water with solar heaters. Rooftop solar water heaters are also common in Latin America, India, and the Middle East. In Australia, they are found on schools, hospitals, and banks as well as private homes.

A few companies make solar water heaters even in the U.S. Before natural gas became widely available in Florida, for instance, Solar Water Heater Co. in Miami sold more than 60,000 units. "There's still a good market," says President Walter Morrow. "I get a dozen or so requests each day. If the people want to make their own, I sell them plans and materials." Across the continent, California Institute of Technology, under contract to Southern California Gas Co., is developing advanced solar water heaters that could supplement conventional gas and electric units.

#### PRESSING NEED

Why, then, has it taken so long for Americans to take solar energy seriously? One reason is that the benefits have always seemed to be marginal. "Energy has been so inexpensive to us," Battelle's Eibling points out. Arthur D. Little's Glaser notes, too, the problem of breaking into the fragmented and tradition-bound housing industry. Erich Farber, director of the University of Florida's solar energy laboratory, puts it more bluntly: "Ignorance is the major reason solar heating systems aren't on the market. Most manufacturers don't know it can be done."

But now, says Farber, the squeeze on oil and natural gas will force manufacturers, builders, and homebuyers to consider solar water heaters. Rising fuel costs are also beginning to make solar energy feasible for space heating. Already it is cheaper than electric heating in many areas (map). Farber admits that installation cost may run eight times as high as for electric systems and about twice as much as for gas. But, he says, "it pays for itself in seven or eight years."

A joint panel of solar energy experts, formed by the National Science Foundation and the National Aeronautics & Space Administration, recently concluded that solar climate-control systems might be included in 10% of all new buildings by 1985. Arthur D. Little says that by then the solar equipment market should reach $1-billion a year.

#### ALREADY WORKING

Today, a score of homes in the U.S. get at least part of their heat from do-it-yourself solar systems. George Lof, a civil engineering professor at Colorado State University, says that the sun has supplied at least 25% of the heat for his Denver home during the past 15 years. On the roof of his house are two rows of solar panels propped up to catch the sun. The panels are nothing more than shallow glass boxes, with several layers of transparent glass covering a black-coated one. As in a greenhouse, the clear glass traps most of the sun's heat-bearing waves; the black surface absorbs them, raising its own temperature to well over 200 F.

All day long, air flows through the panels to pick up this heat. If the heat is needed immediately, the air travels through conventional forced-air ducts and returns to the panels. Otherwise it circulates around the base of two gravel-filled cylinders that rise like miniature silos from the basement to the roof of the two-story house. The gravel stores enough heat to warm the house during the evening hours. After that, Lof depends on his gas furnace, as he also must do during extended periods of cloudiness. Still, Lof figures that his jury-rigged solar "furnace" shaves $150 a year from his heating bill.

Lof has worked with Richard A. Tybout, an economics professor at Ohio State University, on an extensive cost analysis of solar climate control in eight U.S. cities. His conclusion: "Heating *and* cooling is the way to get an early solar payoff." That is because the same equipment could be used all year long at very little extra cost. In the summer, solar heat could power an absorption cooling system like the kind found in gas refrigerators. Lof hopes to land an NSF grant to build a house at Colorado State with both solar heating and cooling. He plans to use a hot water system instead of a hot air system such as the one in his home. Hot water tanks, rather than gravel-filled cylinders, will store the heat.

Lof stresses that solar systems would only complement, not replace, conventional heating and cooling units. A backup system is needed anyway for bad weather, so it makes little economic sense to design a solar system big enough to handle the entire load if it is to be used for only a few days of the year.

### COMMERCIAL BUILDINGS

Office buildings are especially suited for solar heating and cooling, because peak occupancy is usually during daylight hours. Gershon Meckler, a Washington (D.C.) engineering consultant, has developed and patented several solar energy systems and is working on 10 different designs for apartment and office buildings. One of his projects, a small office building in Denver designed for Financial Programs, Inc., is in its fifth year of operation.

This building has banks of skylights that let in sunshine to reduce the need for electric lighting. The skylights are also equipped with heat-exchanger louvers containing circulating water that carries away the heat generated by the sun's rays. Photocells control the movement of the louvers, keeping them pointed toward the sun. In winter, the hot water collected by the louvers circulates through the building's radiators. In summer, Meckler says, the heat exchanger also cuts the building's air-conditioning needs in half.

More advanced systems are on the way. Frederick Dubin, a New York architect, is designing solar heating systems for two office buildings that the federal government will put up in Saginaw, Mich., and Manchester, N.H. One private demonstration project is already at the construction stage: the three-story Massachusetts Audubon Society building in Lincoln, Mass., which is scheduled for occupancy by 1976. Solar collectors on its roof will produce hot water for heating and cooling, and the system may handle as much as 75% of the total load. "This building will be a demonstration of solar energy technology here and now," says Alan H. Morgan, executive vice-president of the society.

### SOLAR CELLS NEXT

Eventually, if the price of photovoltaic cells drops far enough, thermal systems based on solar energy may have to make way for electric systems. Central power stations based on solar cells may be a long way off, but researchers are hopeful that solar-cell-powered buildings will be appearing in the 1980s.

The first house with solar cells on its roof will soon be ready for experiments at the University of Delaware. Next month, Karl Boer, director of the school's Institute of Energy Conversion, will throw a switch to activate lights and appliances, all powered by the sun. For a year or so, a computer will turn equipment on and off to simulate family use.

Boer says that none of the solar equipment is based on new technology. The cadmium sulfide solar cells, for example, were first developed by the government for the space program. The two-bedroom house will have three power systems: the rooftop solar cells, an array of thermal collectors mounted beneath the cells to trap the sun's heat for climate control, and a conventional hookup to a power grid. Batteries will store excess power from the solar cells, and special salts that are formulated to retain large amounts of heat in a small space will store the thermal energy from the collectors.

### THE ECONOMICS

While the technology may not be innovative, the financing arrangements definitely are. If the electric utilities get a piece of the action, Boer seriously believes that every new dwelling could be equipped with solar cells by the end of this decade. So he brought in Delmarva Power & Light Co., which is paying for 30% of the $125,000 project. Every Friday, Boer's architects, sociologists, and engineers report to a Delmarva official. The utility is studying the feasibility of supplying solar panels to customers just as phone companies supply telephones to their subscribers. Delmarva would then sell electricity for peak demand and for backup systems.

Pettinaro Construction Co. of Wilmington, Del., is building the house. Project manager Richard Butler asserts that a four-bedroom solar house of similar design could be built right now for $50,000 to $70,000, roughly 40% more than comparable homes cost in the area. Boer is even more optimistic. Solar power would add no more than 15% to cost, he says, and mass production would cut that amount in half. The amortized cost, he insists, would be about $1.50 per million Btu and 2.7¢ per kilowatt-hour. "It compares favorably with the average price of energy in Delaware," he says.

Not all experts agree with Boer's sunny outlook for solar cells. But just about everyone working in the field is pleased that his sort of experimentation is finally here. "The sun is all energy source that we are just beginning to think about in the right terms," says ADL's Glaser. "Anyone can tap it. We will no longer be competing for limited resources. And it will mean dollars to those who are the most clever in gadgeteering."

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## TWENTY-SEVENTH ANNIVERSARY OF ITALIAN NATIONAL DAY

## HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. ANNUNZIO. Mr. Speaker, I am pleased to bring to the attention of my colleagues the anniversary of the Republic of Italy which will be observed on June 2.

It was 27 years ago on this day that the Italian people voted to plebiscite to end their constitutional monarchy and establish a republic. By replacing the Italian monarchy with a republican form of government, Italy began her return to the cultural and political prominence she had long enjoyed. Italy's contribution to Western civilization in such diverse fields as art, letters, religion, science, and philosophy has been enormous, and many of the greatest names in the history of Western man have been Italian.

From Giotto and Cimabue in the 13th century, through Da Vinci and Raphael and Titian and Michelangelo, Italian artists ranked second to none. The musical staff was established by an Italian, Guido d'Arezzo, while Palestrina, Monteverdi, Corelli, and Vivaldi left a renowned musical legacy.

Verdi and Paganini and Donizetti helped to make the 19th century the great age of opera. Puccini and Leoncavallo were more recent operatic composers, who helped to assure that the language of music was Italian. Italian operatic singer Enrico Caruso was a legend in his time and Arturo Toscanini was generally regarded as the greatest operatic and orchestral conductor among all his contemporaries. Antonio Stradivari and Giuseppe Guarneri have bequeathed to us the beauty of their musical instruments, and Italian Bartolomeo was the inventor of the piano forte.

Italian writers have ranked among the world's greats and include Dante and Petrarch, Nobel prizewinner Luigi Pirandello wrote plays that still serve as models to budding playwrights. Novelists Ignazio Silone and Alberto Moravia are widely read and have inspired successful motion pictures. Michelangelo Antonioni, an Italian filmmaker, has directly influenced the films Americans see today, and Federico Fellini and Vittorio de Sica produced movies no one else can hope to emulate.

Italy has produced many renowned figures in the fields of philosophy and statesmanship as well, such as Lorenzo di Medici and Giuseppe Mazzini, statesmen Camillo di Cavour and Giuseppe Garibaldi. Ranking Italian scientists include Galileo, Guglielmo Marconi, and Enrico Fermi, while our Nation can never repay its debt to Christopher Columbus and Amerigo Vespucci.

Obviously, the contributions of the above-named Italians have made our world a better place to live. Moreover, emergence of modern Western man would not have had as much impact or influence as it did, if it were not for the Italian contribution.

In light of all that the great nation of Italy has offered to the world, it is most appropriate that we pay homage today to the important anniversary of its birth as a republic. Let us not forget, moreover, that Italy has not only provided us with many of our citizenry as well.

It is with great personal pleasure that I extend my greetings and best wishes to the people of the Italian Republic, their distinguished Ambassador here in Washington, His Excellency Egidio Ortona, as well as to the Italian Americans in my own 11th Congressional District of Illinois and throughout our country, who are joining in this 27th anniversary celebration.

May the Republic of Italy continue to experience peace, prosperity and progress in the years ahead and continue to work with our allies in NATO to bring about better undrestanding and mutual solutions to the economic ills that plague us at this time.

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## JAMES BARRY COUGHLIN

## HON. WILLIAM S. COHEN

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. COHEN. Mr. Speaker, recently a young man from Rumford, Maine, died while on a trip through Morocco. I believe that the assistance offered to the family of the young man by the Office of the American Consul is worthy of special notice and praise.

The late James Barry Coughlin grew up in Rumford, attended Rumford schools, and went on to graduate from the University of Vermont. He was drafted and served in Vietnam.

While on his trip through Morocco, Barry became very ill from eating local mushrooms. He died in Rabat, Morocco, on April 13, 1973, at the age of 26. Before his death, however, Barry's family was able to make the journey to Rabat to see him.

Vice Consul Robert Henry Cayer had phoned the family of Barry's condition and aided them from that time until 7 days later when they returned home upon Barry's death. Mr. Cayer's calming helpfulness smoothed a very rough road of communication and decisionmaking for the family during this tragic situation. Mr. Cayer's helpfulness went beyond his high professional competence to a thoughtful personal concern.

On behalf of Barry's family, to whom we extend our deepest sympathy, I want to thank Mr. Cayer for such dedication and compassion. His performance during this difficult time is a great credit to the Department of State.

## TRIBUTE TO JOHN SCHIAVENZA

## HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. ANDERSON of California. Mr. Speaker, on June 27, the City of Hope Medical Center in San Francisco, Calif., is honoring Mr. John Schiavenza with the "Spirit of Life" Award for his devotion to the improvement, refinement, and enhancement of the conditions which face mankind.

His service in behalf of his fellow man began in 1937 as a leader in the labor movement. To improve the conditions in the work place and to gain adequate wages, Mr. Schiavenza—at the age of 21—was instrumental in organizing the employees of Marchant Calculators and became a charter member of local 1566.

In 1946, his leadership and his interest in the union led to his election as business manager of the local. In this position, the abilities of John Schiavenza were even more pronounced as he worked to promote the economic status of those he so ably represented.

To broaden the scope of his activities and, thus, bring his concern and expertise to an even larger segment of the labor movement, Mr. Schiavenza was selected in 1953 to serve as part-time secretary-treasurer of the California State Conference of Machinists. In 1971, this culminated with his election to the position of executive secretary-treasurer of the conference.

In addition, John Schiavenza is currently secretary-treasurer of California Machinists Non-Partisan Political League, and legislative advocate, for both the conference and the league.

He is also a trustee of CMTA-IAM pension plan and a trustee of CMTA-IAM health and welfare trust.

His work in behalf of the community, however, is not limited to his union activities. He is presently a member of the San Leandro Service Center, and a member of the board of directors of International Guiding Eyes, Inc.

As a concerned citizen, John Schiavenza served on the Alameda County Grand Jury in 1963. He also serves on the California attorney general's advisory committee, and the advisory committee of Senator John Holmdahl.

Mr. Speaker, I am proud to know John Schiavenza—not only as a dedicated individual, concerned for his community, his country, and his fellow man, but also as a personal friend.

Knowing the City of Hope and its outstanding service to humanity through pioneering programs designed to control and eliminate the diseases which plague mankind, I think it is truly fitting that this organization honor Mr. John Schiavenza for his civic and philanthropic activities throughout the community.

Of course, without the guidance and understanding of his charming and lovely wife of over 30 years, Bernice, John Schiavenza would not have made the many contributions to our society that he has. Through her help, and that of their two children, Mrs. Judy Madigan of Loyalton, Calif., and James, a student at San Jose State, Mr. Schiavenza has become a great labor leader, an outstanding pillar of the community, and a faithful humanitarian who has dedicated his life to the elimination of the problems which plague mankind.

It gives me great pleasure to join with John's many friends in paying tribute to this outstanding gentleman who richly deserves the distinction of being selected as a recipient of the City of Hope "Spirit of Life" Award.

## SAMUEL HUGH ERVIN

## HON. EDWARD YOUNG

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. YOUNG of South Carolina. Mr. Speaker, the Sixth Congressional District of South Carolina lost one of its most beloved citizens recently in the passing of Samuel Hugh Ervin. The Florence Morning News of May 25, 1973, printed an outstanding editorial tribute to this wonderful gentleman. I share with the editor of the Florence Morning News his feeling of great honor to have been included among the myriad friends of Hugh Ervin:

### HUGH ERVIN: GENTLE PATRIARCH

Ninety-four-year-old Samuel Hugh Ervin was no ordinary person. He was a man of gentle breeding whose loyalty to proven values of home, family, personal, business, and community interests was deeply embedded in him as a constant factor.

By occupation he was a farmer who knew and loved the land with something of a passion—especially that part of it in the Back Swamp-Black Creek area where his life was spent.

But he was also a woodsman who could "walk timber" with an innate sense of accuracy normally confined to the surveyor's craft. Woods and fields were to him a natural habitat for the well-bred, and gentle country living was his life-style.

Yet he had a remarkable capacity for forming friendships without regard to economic or social setting. He could bridge barriers of age to form a special camaraderie with those much younger than himself.

For 39 years we had known him, and in every contact the same quiet and composed manner, the same gentle and deep character, and the same warmth of person never failed to show.

He found it difficult to accept some of the changes which have come with later years. But by effort he did so with a grace and resignation befitting a person born and bred to a tradition bespoken by his birth year in the next to the last decade of the 19th Century.

His family connections were many and his friends myriad in both Florence and Darlington counties. We felt honored to be included among the latter.

## ARBITRATION IN THE NFL: THE COMMISSIONER FORM OF SELF-GOVERNMENT

## HON. FRANK THOMPSON, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. THOMPSON of New Jersey. Mr. Speaker, our much esteemed former colleague, Emanuel Celler, has recently brought to my attention a speech by Edward R. Garvey, executive director of the National Football League Players Association. Since my subcommittee, the Special Subcommittee on Labor, held hearings on labor-management relations in the 92d Congress, I had a keen interest in what Mr. Garvey had to say.

I think Mr. Garvey's speech succinctly outlines some of the serious problems confronting professional football players—and professional sports—today. The following remarks deserve the widest possible audience:

### ARBITRATION IN THE NFL: THE COMMISSIONER FORM OF SELF-GOVERNMENT

I am honored by your invitation to appear here today and am extremely pleased that the National Academy has decided to look into the subject of arbitration in professional sports. Believe me, it cries out for examination.

First, allow me to give you some background. The National Football League is a monopoly. An unregulated monopoly. It has exclusive control of the product of professional football as well as the labor market. If a talented player decides to play football for pay in this country, he must do so under the rules established by the twenty-six team owners and their commissioner. In order to make the grade in pro football, he must be among the most talented players in the country. The player was a high school sensation and a stand-out performer in college. He prepares for his profession for at least eight difficult years and he looks forward to the day when he can play professional football.

When he graduates from college he finds that he has been drafted by one of twenty-six NFL teams. He suddenly finds that he has no say in the matter of where he is to live or where he is to work. He cannot go elsewhere. He is told that the common draft is designed to bring about competitive balance within the League. He is not told that the primary purpose of the draft is to hold player salaries down.

"Competitive balance" has almost nothing to do with the common draft. Nor does anyone explain to him why only gifted athletes in our society are denied their freedom of choice in selecting an employer.

He then learns that if he wants to play professional football, he must sign an NFL Standard Player Contract. If he has a lawyer, his lawyer will tell him that the Standard Player Contract is the most ridiculously one-sided agreement that he has ever seen. He will attempt, but fail, to change that contract in negotiations with the club. His lawyer tells him that his Standard Player Contract incorporates the NFL Constitution and Bylaws and all future amendments to that document, and further that the owners exercise exclusive control over the provisions of the Constitution and Bylaws. He will certainly tell the player that he will gain few if any rights under the Standard Player Contract and that the club will have almost total control over him once he signs that agreement. Nevertheless, he has no choice but to sign if he wants to play professional football—and he does.

Soon thereafter he is told that if he has a dispute with his club or with the League, the commissioner of the National Football League will decide that dispute. He reads paragraph 4 of the Standard Player Contract, which says:

"The Player agrees at all times to comply with and be bound by; the Constitution and Bylaws, rules and regulations of the League, of the club, and the decisions of the commissioner of the League, which shall be final, conclusive, and unappealable."

The only exception to the rule is that if the player is injured and the club refuses to pay him, the dispute will be settled, *not* by the commissioner, but by an impartial arbitrator under the Collective Bargaining Agreement. (Several Academy members are now serving as impartial arbitrators under the injury grievance procedure and it is working quite well.)

The player soon learns from his fellow players that there is no practical difference between the option clause in football and the reserve clause in baseball. In other words, once a team drafts him, he will be their property unless and until the club decides to release him, trade him or sell him. He has no choice in the matter and so he finds himself in a system, at age twenty-one or twenty-two, where after eight years of preparation, he is playing for a team that happened to select him, whether he likes it or not, under rules and regulations developed by the employer and incorporated into his contract with one of their employees settling all disputes. He wonders what the union is doing.

The union is the NFL Players Association. We are a certified union and the only one of professional athletes. We filed a certification petition with the NLRB in 1970 when the owners refused to sign a volunteer recognition agreement unless we agreed to waive *in perpetuity* our right to negotiate pre-season pay.

We negotiated a four-year contract with the owners in 1970. While we tried during those negotiations to replace the commissioner with a neutral arbitrator, we were only successful in removing him as the arbitrator of injury grievances.

He remains as the final arbitrator of disputes arising out of our Retirement Board and as the arbitrator in non-injury grievance cases. While we were somewhat successful in reducing his role as the arbitrator in non-injury grievances, by limiting the definition of a grievance, nevertheless, in practically every instance where a player has been mistreated by a club or the League, we are forced to appeal the matter to the commissioner for decision.

In my view, we were able to remove him from injury grievances because the clubs were mildly upset over a few injury grievance decisions against them and the commissioner preferred to avoid any further aggravation of his employers. The process was also time consuming for him. Finally, the injury grievances are less important to the League. The system cannot be changed through an injury grievance—it can be through a non-injury grievance. The owners gave up that position without a fight; but, when we suggested that he be replaced with a neutral for non-injury grievances, we soon learned what a refusal to bargain is all about.

Some of you may be wondering how a man becomes commissioner. After all, the lofty title of "commissioner" implies governmental sanction. That power was not given to him by the Congress of the United States when they exempted the AFL-NFL merger from federal antitrust laws, nor is he a Presidential appointee. The owners of the twenty-six teams gave him the power and the title 50 years ago.

The League Constitution and Bylaws states in Article 8.1:

"The League shall select and employ a person of unquestioned integrity to serve as commissioner of the League, and shall determine the period and fix the compensation of his employment."

That document goes on to say that the commissioner may suspend a player; fine a player in the amount of $5,000; *cancel any contract that he has with the League or the club;* award the player to another club; bar a player from the League for life, or impose such other or additional punishment or discipline as the commissioner may decide. Not bad for openers.

The commissioner is paid exclusively by the owners and is paid almost as much as the President of the United States. He is the chief executive officer of the League, he chairs most of the owners' meetings, consults with the owners daily, relies on their counsel, offers rule changes for their consideration, and actively participates in the drafting of League rules and regulations governing player conduct. When he is all finished, he then finds himself as the arbitrator of any dispute relating to the rules and regulations which he has proposed, drafted or approved.

A cynic might conclude, based on these facts, that the commissioner is not a classic study of impartiality. He is an employee of the League, plain and simple. He must answer to their desires or find himself unemployed.

Not so, say the owners: "He is not our employee, he is *The* Commissioner—and we have the 'Commissioner form of self-government' ". The implication being that by granting him the title, the facts change by some magic. Not so, says the commissioner: "I speak for the owners, players and fans. I am in the middle". Not so, says the executive director of the Management Council, who was recently quoted in the *Los Angeles Times* as saying: "We *pay* him to be impartial." And, we will have the pleasure of hearing from Mr. Kheel today, who has before now, skirted the issue of impartiality and simply argued that football is such a unique industry that no arbitrator other than the commissioner could possibly understand its complexities and its subtleties. Besides, there was a baseball scandal 54 years ago and we need a commissioner with these vast powers to avoid a football scandal. (I wonder what system he would devise to eliminate further Watergate incidents.) Never mind that he is hired by the owners; never mind that he is interpreting his own rules, never mind that he attends the owners caucuses in collective bargaining and chairs their meetings—"remember the baseball scandal of 54 years ago". Due process has its place—but not in sports.

I want to return, for just a moment, to the question of the power of the commissioner over the individual player. Let us remember that the player is tied for his professional life to the club which drafts him and, further, that the commissioner must approve any contract that the player enters into with a club.

The commissioner can, therefore, not only regulate the conduct of the player during the regular season, but can oversee his off-the-field activities as well as his business ventures. If he does not like what the player is doing, he simply orders him to stop. The player has no choice but to obey the directive of the commissioner because of the power to expel him from the industry through disapproval of his contract. That is power.

He can and has forced players to sell their interest in business ventures; he can and has fined players without notice or hearing; he can and has forced players to go to other teams; and he can and has suspended players from the League. With an annual public relations expenditure of nearly $300,000, he can and has convinced many writers and most fans that all of this power is needed to "protect the sport". We dissent.

Now that you understand the system, let me give you a few examples of why we consider the system of so-called arbitration in the NFL to be an outrage. Let us begin with Joe Kapp.

Joe Kapp was signed to a three-year guaranteed contract by the New England Patriots in 1970. The Patriots contend that the contract was merely a memorandum of agreement, but whatever the case, Joe played under that agreement in the 1970 season. The agreement was not disapproved by the commissioner. Immediately before the start of the 1971 training period, however, the commissioner decided that Joe must sign the Standard Player Contract—he could no longer perform under the contract signed in 1970.

When Joe refused to sign the Standard Contract, the commissioner ordered the Patriots to stop paying him and to expel him from training camp. He then publicly justified his position by saying that all other players had to sign it, why not Joe? He quietly went about convincing the sports writers that he was right, and Joe Kapp was wrong.

The pre-season moved along quickly and Joe continued in his refusal despite tremendous pressure to sign the Standard Player Contract. Then counsel for the owners had a thought—"Let's file a grievance against Joe Kapp and the NFL Players Association for Joe's refusal to sign the Standard Player Contract." Now, if you will, place yourself in Joe's position and in mine. We were asked to go before "Arbitrator" Rozelle, the employee of the Patriots and the other club owners, to argue that "Commissioner" Rozelle was wrong in ordering Joe out of the Patriots camp and in ordering the Patriots to stop paying him. We refused to participate, but did receive the transcript of the hearing which went on despite our refusal to be present. After carefully considering the matter, "Arbitrator" Rozelle, acting with, as Mark Twain described it, "The calm confidence of a Christian holding four aces", surprisingly found that "Commissioner" Rozelle had been absolutely correct in ordering Joe to leave professional football.

Joe Kapp is out of football today and probably for life because the commissioner decided to protect the system devised and developed by the owners to take from the player all rights and to grant to the League and the club unbridled power to fine, suspend, expel, fire, trade, cut, or sell a player without notice, consultation or a fair hearing. That is what the Standard Player Contract allows, and that is what Mr. Rozelle as commissioner and as arbitrator was protecting in the Kapp case.

A second matter that we recently took up involved a rather minor matter of $13.00 per diem in expense payments to hospitalized players. The owners believe that a player in the hospital from a football injury does not have any expenses and therefore is not entitled to the amount set forth in the Collective Bargaining Agreement. In the course of presenting our case before "Arbitrator" Rozelle, it became necessary to call him as a witness since he was intimately involved in the collective bargaining process on behalf of the owners in 1970. The scene became comical when counsel for the owners objected to one of my questions put to "witness" Rozelle. Since the "arbitrator" was now the "witness" there was, in our view, no one present to rule on the objection. It is almost imperative to call him as a witness in every grievance that is held before him because of his intimate involvement in the drafting and previous interpretations (not available to the union) of the rules and regulations that are being contested and because of his role in the collective bargaining process.

Imagine the absurdity of sitting as the arbitrator and having the union call you as a witness to find out the extent of your involvement in the collective bargaining process. It is offensive and yet that is the situation in which we find ourselves by having the most highly paid employee in the National Football League as our arbitrator.

Ah, says Mr. Kheel, before 1970 and before the Players Association became a "union", and before Mr. Garvey became associated with the player, there were no problems. In fact, the commissioner ruled for the players eight times and never for the owners. Doesn't that prove neutrality? And, presumably, since we no longer fare so well before Mr. Rozelle, it also proves that we made a mistake by becoming a certified union. Well, interestingly enough, I have asked for a copy of those decisions from the League office, only to learn that those decisions were never put in writing. Our current "arbitrator" has been the commissioner for thirteen years and yet only one decision prior to 1970 was ever reduced to writing. I would think that that would put the union at a rather distinct disadvantage in trying to gauge the probable results of an arbitration proceeding in the National Football League which, you may recall, is so unique and so complex and so subtle that no one, other than the commissioner, could possibly serve as the arbitrator. Eight grievances in eleven years. Think about that. Since the commissioner has been replaced in injury grievances with impartial arbitrators, 65–70 grievances have been filed in less than three years.

Grievances arise out of an interpretation of the NFL Constitution and Bylaws and the Standard Player Contract. The commissioner interprets those documents; he and his staff draft the amendments of those documents; he is paid to enforce those provisions. Therefore, we find ourselves arguing before the draftsman that his amendment or his interpretation is not only wrong but has worked a hardship on an individual player. If he upholds the player he is admitting to his employers that he made a mistake by initially suggesting the rule. If the dispute arises under a provision of the Collective Bargaining Agreement affecting an individual player, we are then arguing before the man who works for the owners and who is paid to uphold management prerogatives. What could be more absurd? Yet, if we turn to the NLRB, we are told by the owners that *Collyer* should apply! The owners suggest that the "arbitrator" should settle our contractual disputes. Everything should, presumably, be channelled to the commissioner.

The frustration felt by the union is total. Ninety-four percent of the players want an impartial arbitrator to replace the commissioner. I find it almost impossible to honestly advise a player to file a grievance when the end result is that the commissioner will decide the case. When I tell him that the commissioner will decide it, his normal response is, "Forget it—why waste the money".

I need not lecture this distinguished group on the values of impartial arbitration. The NFL system stands as a mockery of your diligent work in seeking honest answers to complex industrial problems through the arbitration machinery. The NFL system stands for the proposition that impartiality is unnecessary and irrelevant so long as one side has the power to impose its will on the other. It would be funny, if the system did not end careers, deny players help when they need it, and destroy confidence in arbitration as you know it. Normally, we look to arbitration as a method for resolving disputes. In the NFL, arbitration is the source of the dispute between labor and management. It must be changed.

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## RISKY QUIBBLING OVER OIL

## HON. JAMES R. JONES

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. JONES of Oklahoma. Mr. Speaker, the ever-widening energy shortage in America is touching the lives of all of our citizens. We, in Congress, and every official of the executive branch, have a special responsibility to put aside partisan and parochial considerations in an effort to expeditiously develop solutions to the energy problem.

One of those solutions will be to proceed ahead with legislation which will enable the construction of the Alaska pipeline.

The Washington Star editorial of May 30 succinctly spells out the need for building the Alaska pipeline. I insert this Star editorial in the RECORD and I commend its contents to every Member of Congress:

RISKY QUIBBLING OVER OIL

Petroleum may well be running a close second to Watergate as a national obsession before this year ends. Already the gasoline shortage is causing some people to trim their summer travel plans, and a fuel-oil crunch may be on the way. This whole problem could become a full-blown crisis, because the supply simply isn't there any more to meet the demand. And against such an ominous background, we find it incredible that a sizable segment of Congress, largely from the Middle West, is raising a parochial obstruction to the trans-Alaska oil pipeline.

This huge petroleum artery is ready to be built. The pipe that would extend almost 800 miles across Alaska, from the northern Arctic rim to the warmwater port of Valdez on the southern shore, already is on the ground. On that North Slope, untapped, is the largest oil pool ever discovered on this continent, which can come flowing down the line at a rate of 2 million barrels a day. And most importantly, this would be a domestic source, reducing the nation's costly and risky dependence on foreign oil imports. Those will rise to about 5 million barrels a day this year, and drastically increase until, in the 1980's, the dollar outflow may strike a severe blow at the American economy.

So the Alaskan oil is absolutely essential. Right now the $3 billion pipeline project is stalled, however, by a Supreme Court ruling on a question of corridor width across federal lands. Congress could, and should, remove this obstacle in short order by amending an old right-of-way law. But as that attempt gets underway, some lawmakers—in both the House and Senate—have launched a counter effort. They argue that the trans-Alaska line should be scrapped in favor of a route across Canada. That way, the oil would enter the petroleum-hungry Midwest which, they contend, will pay a cost penalty if shipment is down the West Coast in accordance with present plans.

There are some good points in this argument, but they have been raised much too late to justify any interference with the trans-Alaska plans. Shifting to a Canadian route could mean a five-year postponement in gaining access to North Slope oil, according to Interior Secretary Morton. If Congress forces such a delay, either by action or inaction, it will face a furious populace in the Midwest and everywhere else in the event of a crippling oil emergency. It should, as President Nixon recommends, get the Alaskan project unjammed, while the government begins negotiations for another pipeline across Canada. For this country will need every drop of oil it can get from both lines, and then some.

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## LEGAL SERVICES PROGRAM SHOULD BE ABOLISHED

## HON. BEN B. BLACKBURN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. BLACKBURN. Mr. Speaker, the OEO-funded legal services program has done far more harm than good and ought to be completely abolished.

Last year over $70,000,000 of the taxpayer's money was spent by a national network of 260 projects with roughly 2,200 lawyers in about 850 locations. Most of this money was not spent to help individual needy people with legal problems. Most of this vast sum was spent as a political war chest to further various radical movements. Most of the lawyers spent their time on such activities as draft counseling, promoting more freedom for criminals in prisons, suing various government agencies, promoting bus ing, et cetera, et cetera.

Worse than even these activities, however, were the many cases of outright unethical and illegal conduct on the part of many of the employees of this program.

In Redwood City, Calif., an attorney for Angela Davis embezzled $10,000 from the local legal services program. This must be one of the lowest forms of human activity—stealing funds meant for the poor.

In Connecticut, Governor Meskill charged that legal services attorneys spent much of their time in political activity campaigning to defeat local officials who had criticized welfare chiselers.

In Dallas, legal services attorneys represented the publisher of an underground newspaper—a man not without funds of his own—who was being prosecuted for pornography and obscenity.

There seems little doubt, Mr. Speaker, that this program has failed to do what it was intended to do because it has been allowed to fall into the hands of radical activists concerned with using the poor as guinea pigs to try out their favorite theories of social experimentation.

The administration has sent us a bill which has a few safeguards—these have been eliminated in committee—but I must insist Mr. Speaker that the entire concept of Government funded legal services is wrong, has not worked and will not work.

The administration, I might add, has taken its supporters for granted for too long. It is time those of us who believe in limited government and local autonomy stood up for our beliefs and rejected radical schemes no matter from which source they have come. The administration should be put on notice that we will not in the future go along with every compromise the White House might think politic to make with radicals and pressure groups.

## THE HISTORIC FREDERICKSBURG GEORGE WASHINGTON FESTIVAL

### HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. WHITEHURST. Mr. Speaker, I am proud to bring to my colleagues attention an event in Virginia, the mother of Presidents, that honors the first President, George Washington.

The second annual Historic Fredericksburg George Washington Festival was held Saturday, May 19. The day was set aside to pay tribute to Washington. It is fitting the event is held in Fredericksburg. It was in that most historic of American cities that Washington grew to manhood. His home for 17 years was the Washington Rappahannock Ferry Farm, directly across the Rappahannock River from Fredericksburg.

The farm site is significant. It was there he learned the values of life and the principles of freedom that were later to guide this young Nation. It was on this farm, tradition says, that he chopped down the cherry tree, where he threw a Spanish piece-of-eight across the Rappahannock, and where he studied his surveying trade, and established friendships that would help him in the Revolutionary War and operation of the National Government.

This bit of land has significance to all Americans. However, I am sad to report that the remaining 94 acres of the original 600-acre farm are not open to the public. Housing subdivisions and highways have taken much of the old farm, leaving less than 100 acres along the banks of the river.

The Washington Rappahannock Ferry Farm is a "missing link" in the chain of locations important to Washington's life which are open to the public. The present owners are not tourist promoters. They have indicated to me that land was bought to keep it from developers. But one cannot indefinitely tie up thousands of dollars, and requests to allow utilization of the land become more appealing every year. It has been zoned commercial. Located on the Rappahannock River, near a major highway and the downtown area the land is desirable for commercial use. Several businesses have expressed interest, including real estate developers and manufacturing concerns.

This national heritage is in danger of being lost.

Mr. Speaker, I am a cosponsor with the other members of the Virginia delegation to the House of Representatives and the Honorable JOHN P. SAYLOR, of Pennsylvania, of legislation to establish the George Washington Boyhood Home National Historic Site. The bill, H.R. 1919, authorizes the Secretary of Interior to institute a program to preserve and interpret the land for the benefit of present and future generations. Introduced last January 11, shortly after Congress convened, the bill has been referred to the Committee on Interior and Insular Affairs.

As a member of the American Revolution Bicentennial Commission, one of four Members appointed by the Speaker, I have had a similar program designed to save the land for all people presented to the Commission. The main feature of the project would be an opportunity for the American public to participate in helping save the farm land as a bicentennial program. Washington spent his youth at the farm. The program would provide an opportunity for the Nation's youth, indeed the youth of the world and any person to help in preserving the site. I have suggested an opening date of 1976, our Nation's 200th anniversary. No final decision has been made on my suggestion presented in October of 1971.

Mr. Speaker, the citizens of Fredericksburg are justifiably proud of their heritage. The region is full of history important to the development of the United States in both Colonial and Civil War periods. I am pleased to note that however much history they possess, they pay honor to a Virginian who belongs to every citizen of the United States, our first President, George Washington.

The Festival received attention across the State. I insert an article appearing in the Free Lance-Star, a leading newspaper in Virginia, at this point in the RECORD. The article follows:

#### A COLONIAL ATMOSPHERE PREVAILED

George Washington would have felt right at home amid the colonial atmosphere that surrounded the streets of his boyhood home Saturday.

Little girls in long, brightly colored dresses and numerous "young George's" were spotted everywhere along the route of the second annual George Washington Festival—from the opening event at City Dock to the late afternoon activities on the Washington Avenue Mall.

Added to the costumed participants in the festival were displays of colonial handicrafts including quilts, homemade dolls and toys, and a pair of wooden ice skates.

A Girl Scout display on the mall featured a house with open walls. Girls inside were crocheting, knitting quilting and making colonial objects dressed in colonial outfits complete with ruffled hats.

Kicking off the events was a dollar throw with more than 20 Boy Scouts from Virginia and Maryland trying to match the feat attributed to George—throwing a silver dollar across the river.

Using washers instead of dollars, three scouts managed to make throws that landed across the river. Winning with a throw of 327 feet was Keith Burton, 15, of Falmouth, who represented Troop 842. His other two throws got across too, with distances of 299 feet and 315 feet. He won $50 for himself and $50 for his troop.

Coming in second was last year's winner, David Onderdonk of Troop 171, who threw the washer 301 feet. Third place went to Lee McConnell of Troop 171 with 299 feet. They each won $25 and a replica of a Spanish piece of eight, said to be used by Washington.

The grand parade attracted thousands of tourists and area residents who lined Caroline and Amelia streets right up to the parade's end at the mall area. Sitting on porches, curbs or stone walls, youngsters from just a few months old to adults watching their offspring marching with batons or riding floats thrilled to the bands, floats and marching units. "Yes, I saw him," a friend told a proud mother standing near the judges' stand.

Dressed in their school colors of blue and gold, the Stafford High School band marched proudly to capture first place among the seven bands in the parade.

The official Young George, Rodney Gallahan of Spotsylvania Senior High School, rode in the back of a cart pulled by two ponies.

The Colonial Heritage Girl Scouts, who were told they could not participate in the dollar throw, decided to make a little protest themselves, and designed a float about the women in George Washington's life. They showed his mother, his wife and his sister on a float that had 5,000 paper flowers attached to float category.

As temperatures rose to the upper 70s the festival activities moved to the mall, where Fredericksburg Mayor Edward H. Cann gave a welcoming speech and a short historical sketch of the city.

Rep. J. Kenneth Robinson of the 7th District told the crowd Virginia "has great responsibilities, as well as great opportunities, in planning its observance of the bicentennial of American independence."

## ENERGY CRISIS AND DEVALUATION PORTEND INTERNAL DISRUPTIONS

### HON. RICHARD T. HANNA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. HANNA. Mr. Speaker, we have been reminding Members of the House of ancillary problems attending fuel shortage that affect agricultural, contractor, city services and other bulk users. This is a dual problem of availability and price. The seriousness and depth of this problem was not predicted or, so far as is evident planned for by the administration.

Another aspect of the domino effects of the dual events of crude oil shortage and domestic escalation of prices, that is, price tied to imports, is the threat to many enterprises dependent on the oil industry for not only energy but for basic products which result as residuals from cracking plants and refineries. An article in a recent Wall Street Journal gives us a disturbing look at a tip of the iceberg.

It is my contention that the increase in fuel prices which will affect all industries and the increase in all products associated with basic imports will have two disturbing but predictable outcomes. The inflationary impact will be stronger than the food price increase insofar as the cost of living index is concerned. Substantial unemployment will occur in those marginal operations to which price and costs structures are critical. Cotton and wool for instance may look far more competitive than in the past with dacron and rayon which are due for sizable cost advances. It may be that our Japanese friends have already seen this, explaining the recent heavy purchases of Australian wool.

Mr. Speaker, the devaluation plus the price push of shortage in so many basic products such as minerals, petroleum, lumber, and certain foods will teach us harsh lessons of dependency we have never before faced. An increase overall of 30 percent import prices, arising out of two devaluations for a total of 18.56 percent plus the competitive bidding for short supplies, is not out of the ball park. If this does not create trauma of sizable nature in many select segments of our economy, I miss the mark considerably.

What really concerns me is that this administration has little or no visible preparation or planning for the kind of impact I think is foreseeable. Can we here in Congress help the American people and their economic activities withstand this assault?

Can we help forge a positive program of exports to recoup the balance we are about to lose?

These are the critical questions.

I ask unanimous consent that the Wall Street Journal article alluded to be made a part of my remarks.

The article follows:

### PETROCHEMICAL FIRMS SAY PRICE INCREASES, SHORTAGES LIKELY AS ENERGY WOES MOUNT

(By Jeffrey A. Perlman)

Save your plastic bags. They may be collector's items before long.

Plastic bags, along with floor tiles, synthetic fibers and hundreds of other products derived from petrochemicals, may eventually be priced off the market if something isn't done about the energy crisis.

That's the gloomy warning from chemical industries executives, who say the heavy worldwide demand for fossil fuels is hitting them with a double whammy. Like everyone else, chemical companies are paying more for fuel to power their plants. But since so many of their products are derived from these same petroleum-based fuels, chemical manufacturers are also faced with unprecedented shortages and rising costs of raw materials.

"It isn't even a question of how much housewives will have to pay for Glad bags," says Richard C. Perry, chairman of Union Carbide Corp.'s energy task force. "There's a serious question of whether Glad bags will even be available." At the very least, he predicts, the dual squeeze on energy is likely to cause scattered plant closedowns, layoffs and rising consumer prices.

#### SUPPLY AND DEMAND

The reasons are purely economic. Natural-gas prices in the Gulf Coast area, where much of the country's fuel supply originates, have doubled in the past two years, and the rise shows no sign of slowing. And the price of coal has risen 40% in the same period. Meanwhile, the chemical industry's demand for its increasingly expensive energy is expected to more than quadruple by 1980 to about 68 quadrillion BTU's, or units of heat. This is nearly as much energy as will be used by the entire nation this year.

Gerald L. Decker, Dow Chemical Co.'s energy specialist, says that by 1980 it will cost 32% more to make polyvinyl chloride, a major plastic used in products such as bowling balls and floor tiles. Moreover, he anticipates a 29% rise in the cost of producing polyethylene, used to make plastic bags, dishes and bottles. And ethylene glycol, used in antifreeze, polyester fibers and plastics, should cost 8% more to produce by 1980, he says. The list goes on and on.

#### FROM SODA ASH TO SEAT BELTS

Wherever possible, chemical makers hope to recover these extra costs with price increases. Indeed, the rising cost of energy is already being blamed for recent price rises on a number of major plastics, including polyethylene, which is in very short supply.

In certain product lines, raw-material shortages have created almost black market conditions. Both polystyrene and styrene, are in extremely short supply due to the scarcity of benzene, a petroleum product from which both are derived. Because of shortages, the prices small distributors are charging for the two plastics are going through the roof.

Dow, a major producer of the plastics, acknowledges that a black market of sorts exists but claims it involves only a tiny fraction of the total market. Only a few middlemen who sell to manufacturers are taking unfair advantage of the situation, a Dow spokesman says.

Morton Levine, president of Amberlite Plastics Corp., a Leominster, Mass., comb manufacturer, says he can't get enough polystyrene, the raw material for his combs. While he once paid 15 cents a pound, he now is charged 23 cents a pound—provided he can get someone to sell him the stuff. By contrast, Dow says it is currently selling the plastic to distributors for 13 to 13½ cents a pound. Distributors normally charge an extra two cents a pound to their customers, Dow says. Mr. Levine worries about getting enough polystyrene to keep his plant operating and his 40 employes on the payroll. He can't buy from a major producer, he says, because they sell only to long-standing customers. With small distributors running out of the material, he says, "I'm left out in the cold."

Although the real crunch is expected several years hence, energy problems are already beginning to reshape the chemical business. For one thing, chemical markets are all closed to new entrants. "If you aren't already in the business, you might as well forget it," says J. Peter Grace, chairman of W. R. Grace & Co., a diversified chemicals and consumer-products concern.

What's more, many chemical companies have begun to alter their product mix as a result of fuel shortages. Allied Chemical Corp., for example, has diverted capital spending away from its traditional chemicals business into products less dependent on large amounts of energy, such as automobile seat belts. And about half the company's $180 million capital budget this year is earmarked for oil and gas exploration.

The need for energy is also changing marketing strategy. "Energy is quickly replacing gold as the standard of value in commerce," Mr. Decker observes. With energy prices rising so fast, suppliers of chemicals requiring a lot of energy to produce are loath to sign long-term contracts with their customers. If they do, they are demanding increasingly that customers sweeten the deal by paying in energy as well as cash. Dow Chemical and Shell Oil Co. have reportedly signed such an agreement, in which Dow will supply chlorine in return for Shell's ethylene, a petroleum raw material vital to the chemical industry. Customers unable to come up with energy payments are forced to buy certain chemicals under more expensive short-term contracts.

Despite the worrying, however, industry profits have been unaffected by the crisis. This year's first quarter earnings were the highest on record, and chemical stocks have held up reasonably well in the recent market decline. "It's a very healthy industry at the moment," declares one securities analyst who follows chemical concerns.

Such optimism, according to experts within the industry, is based on the conviction that somehow the energy problem will go away. But "that's an assumption that nobody ought to be making," warns Mr. Perry of Union Carbide.

#### A HOLDING ACTION

Nevertheless, to help delay the day of reckoning, the Manufacturing Chemists Association and the Petrochemical Energy Group, two trade associations, have mounted a massive lobbying effort in which they charge that the nation's energy policies favor big oil companies at the chemical industry's expense. They say U.S. chemical concerns are at a competitive disadvantage because overseas producers have ready access to low-cost foreign gas. The U.S. companies complain they must pay domestic refineries about 60% more for the same raw materials.

To ease this situation, U.S. chemical producers are asking the government to lift import restrictions on natural gas and allow additional oil imports so that U.S. refineries can produce more low-sulphur fuel. This, they reason, should take some of the supply-and-demand pressure off natural gas. They'd also like to see economic incentives for other industrial and utility users to switch away from natural gas to alternate fuels.

In the meantime, chemical companies are seeking ways to save energy. Dow, for example, was able to cut energy consumption 20% last winter at its latex-manufacturing operation in Midland, Mich. The facility was a major steam user, and Dow found that heating waste tars instead of water provided the same amount of heat using less energy. With the energy it saved, Dow estimates, New York City could operate its subway system for two years.

#### A GLIMPSE OF THE FUTURE?

Some concerns have already seen grim previews of fuel shortages likely to come. In recent weeks, for example, both Union Carbide and PPG Industries Inc. have been beset by power blackouts at some of their Puerto Rican facilities. And difficulties in obtaining hydrocarbon raw materials have disrupted production for the past six weeks at Puerto Rican Olefins Co., jointly owned by PPG and Commonwealth Oil Refining Co.

Such delays can have a ripple effect, as when fuel shortages in the Pacific Northwest recently forced Union Carbide to cut deliveries of calcium carbide, a basic raw material used in making cleaning solvents. Because of Union Carbide's action, Hooker Chemical Corp. claims it had to close permanently its cleaning-solvents operation in Tacoma.

Production curtailments will be more frequent as time goes by, industry officials predict, because chemical companies for the first time are being forced to compete with other major users for available energy. Already, federal and state regulatory agencies have begun to assign priorities for deliveries of natural gas, the fuel most in demand, in the event of severe shortages. And, generally speaking, chemical companies are winding up third in line, behind public utilities, and residential users.

Right now, Union Carbide and a dozen other chemical concerns are battling Houston Light & Power Co. over who will get first crack at natural gas supplied to the Houston area by Pennzoil Co. Texas regulatory officials are expected to hand down a decision soon.

#### A SCRAMBLE FOR CLEAN FUEL

The chemical companies contend they should be given top priority because most of their plants are built to use only natural gas. Utilities, they claim, can convert to alternate fuels at less cost, because their plants are designed to use more than one type of fuel. The utilities argue that clean, low-sulphur oil—the only other type of fuel that would enable them to meet federal pollution standards—is just as scarce as natural gas.

Officials within the chemical industry recognize they are waging an unpopular battle. Asks one: "How do you tell your wife she can't heat the apartment because the fuel is needed to employ thousands of people who make products like polyethlene?"

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## RETIREMENT TRIBUTE TO DILLON GRAHAM

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### HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 24, 1973*

Mr. YOUNG of Florida. Mr. Speaker, today marks the close of the long and distinguished career of Associated Press reporter Dillon Graham. After 44 years with the Associated Press, 25 of them as correspondent at the U.S. Capitol, Dillon is retiring and we will miss him greatly.

Though I have been in the Congress but a relatively short time, and therefore have not had the privilege of knowing Dillon as long as many of my distinguished colleagues, I share their very high regard for him and am proud to call him friend. He exemplifies the highest attributes of the American free press and has always brought to his job the dedication, responsibility, fairness, and personal integrity that have become the hallmark of his career.

The House press gallery will feel the lack of Dillon's presence—as will the House itself. His perceptive and accurate observations on the workings of this Chamber have always served a dual function of informing the American people while providing us with a constructive mirror of our own values and priorities.

I am sure that my colleagues join me in wishing Dillon and his wife Gigi the many years of happy and fulfilling retirement he has so thoroughly earned in the service of American journalism.

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## OSHA-CRATS TIGHTENING THE NOOSE

## HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. SYMMS. Mr. Speaker, on May 1 of this year there appeared in the Federal Register an announcement that the OSHA-Crats are tightening the noose another notch. This time the victim is the farmer. Being in the business of raising fruit, I know first hand that the American farmers do not need a bunch of bureaucrats in Washington to tell them when it is safe for them to enter their fields. The extreme hardship imposed on the farmers by this ridiculous regulation is clearly illustrated in a letter I recently received from my neighbor and business competitor Ernest Falen of the Falen Fruit Ranch in Idaho. So that my colleagues in the Congress can hear firsthand from one of the victims of the OSHA-Crats I am enclosing the text of Mr. Falen's letter in my remarks. The letter reads as follows:

FALEN FRUIT RANCH,
*Caldwell, Idaho, May 12, 1973.*

Hon. STEVEN SYMMS,
*House of Representatives,*
*Washington, D.C.*

DEAR MR. SYMMS: I would like to use this opportunity to voice my objections to the emergency ruling by OSHA entered into the Federal Register May 1, and with the enforcement date of June 18.

In regards to the handling and use of pesticides re-entry days, the posting, clothing to be worn, cleaning and Doctor exams, this ruling seems to have been made without much knowledge of the operation of a farm. In the first place the clothing worn by an applicator for instance who is out in the field when the mist from the spray is present and the trees are wet with spray would be far different from the man doing the irrigating when the trees are dry and no mist in the air. It would be impossible to put up signs up and down as fast as the spray programs are used and when re-entry is safe.

We in the orchard business have always followed the spray recommendations and crews are never used in the orchard following spraying until it is safe to do so. The irrigators and some tractor men who are not brushing the trees and are working in the open may have to go in sooner than the crews would. Our own families work in these orchards spraying and doing all the jobs necessary for their full life time, which would be for a longer time than hired help ordinary works.

In our opinions no emergency exists on this issue in Idaho as we do not know of a pesticide death in the last 25 years and do not believe there is any more absenteeism from work in the orchards in Idaho than there is off of any other industrial job. Now there may be such a thing, as in a few instances, where someone had an accident and became saturated with spray material that they might have to get some medical help. We have in some cases in using a new material sent some of our employees in for Doctor's exams to be sure they are not getting a building up of some kind. So far they have all been in the negative. I object to this ruling being put in on an emergency basis and I would hope that its enforcement could be stayed until a reasonable study is completed and things put in proper perspective.

Also, on the economics of the situation any and all rulings put into effect to increase the cost to farm operations and to discourage the farmers themselves, unless they are needed, only tend to shorten farm production and raise our cost of living.

As far as we can find out there are no records anyplace to prove OSHA statement that pesticide exposure causes 800 deaths and 80,000 injuries each year. This appears to be a statement made by someone without anything to prove their point and is absolute falsehood.

I again add that anything as serious as this subject is to everyone in the United States, workers, employers, and consumers that a stay of enforcement should be enacted until a competent study is completed.

Respectively,

ERNEST A. FALEN.

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## THE LATE HONORABLE WILLIAM O. MILLS

## HON. WILLIAM S. COHEN

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. COHEN. Mr. Speaker, I join with my colleagues today to express my shock and deep sense of loss at the tragic news of Mr. Mills' passing. I had the honor and privilege of serving with Bill in committee; I had the distinction of knowing his kind humor and warm friendship which he gave so generously to this entire body.

To Bill's family I extend my sorrow and sympathy. Life has never equipped us adequately to deal with such events.

Bill had only been a Member for a few years, but in a sense he has long been a part of Congress. His record and service with former Representative Rogers C. B. Morton are well known. Mr. Mills has left his mark on this institution.

The hand of death always seems to strike without warning. However, we should not let it obscure the man himself, his good works, the love of his family, the respect of his friends, or the support he enjoyed from his constituents. It is deeply troubling that we have lost this man.

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## ENVIRONMENT AND THE TRANS-ALASKA PIPELINE

## HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. YOUNG. of Alaska. Mr. Speaker, the fuel shortages which have been occurring around the country make it ever more important that the 10 billion barrels of Alaskan North Slope oil reach the markets in the "lower 48" as soon as a pipeline can be safely constructed.

The House Public Lands Subcommittee chaired by Congressman JOHN MELCHER is presently holding hearings on several bills which involve: First, further study on pipeline routes before congressional action is taken; second, limited right-of-way amendments; third, and my bill, H.R. 6756, which addresses both the rights-of-way issue and the environmental issue and if passed, would result in the immediate construction of a trans-Alaska line. If Congress takes action this summer on H.R. 6756, construction crews can begin within 90 days and we will have an oil flow to the "lower 48" within 3 years along with a flow of natural gas to the Midwest shortly thereafter.

On the Senate side, Senator JACKSON's Interior Committee has recently reported out a broad rights-of-way bill, S. 1081, which will probably reach the floor of the Senate next week. Passage of this bill would eliminate further right-of-way delays, but would not resolve the environmental issue. The environmental issue would once again return to the courts where litigation would tie up a decision on the pipeline possibly for 2 more years or longer.

However, the U.S. District Court for the District of Columbia has already ruled that the Secretary of the Interior had reasonably met all requirements of the National Environmental Policy Act after a six volume Environmental Impact Statement at a cost exceeding $9 million had been examined by the court.

The question now is whether Congress should decide that it is satisfied with the environmental impact. The Young bill, H.R. 6756, will give Congress the opportunity to vote on this question. Any other legislation would result in a timely delay either in the courts or in preparation of an alternative route proposal such as a trans-Canada line.

For this reason, I bring to my colleagues' attention an excerpt from a report submitted to the Subcommittee on Public Lands by Sohio. This excerpt outlines the environmental safeguards provided for the trans-Alaska pipeline system:

### ENVIRONMENTAL ISSUES

A persistent contention of the advocates for a Trans-Canadian pipeline is that such a line would be environmentally superior to TAPS because it would avoid the use of tankers and further, it would avoid earthquake and avalanche areas in southern Alaska. These differences do exist and they present problems which must be carefully considered and compensated for in designing, engineering and operating the system. However, the question of environmental superiority should turn on the potential for environmental disruption net of the safeguards provided rather than on a comparison of hazards to be encountered without due consideration of the technological capability to overcome them.

### TANKERS

Bearing in mind the criteria for evaluating the environmental characteristics of alternatives, consider the following tanker design criteria established by system planners, the Interior Department and the Transportation Department to insure that the maritime segment of TAPS will have a minimal impact on the environment.

1. *Segregated Ballast Systems.* A portion of each tanker's capacity will be segregated and permanently dedicated to ballast water. Consequently, the ballast water in these compartments will not be contaminated with crude oil. If it becomes necessary during severe storms to take on additional ballast water into empty cargo tanks, this ballast water, along with any ballast discharge, will be proceeded through water treatment facilities at Valdez for purification prior to discharge into Prince William Sound.

2. *Sophisticated Navigational Equipment.* Each tanker will be equipped with modern navigation systems and all tanker traffic in the Prince William Sound and Valdez Harbor will be monitored by a traffic control system similar in concept to airport control systems.

3. *Automatic Loading and Discharge Control Systems.* On-board control systems will be utilized to reduce the risk of spills from overfilling tanks during loading and discharge operations.

4. *Contingency Plans.* Newly developed oil spill booms and skimming equipment will be readily available to put contingency clean-up plans immediately into effect in the event of an oil spill.

### EARTHQUAKES

Neither TAPS nor the Trans-Canadian route is free from potential seismic disturbance, but the route to be followed by TAPS has a recent history of more frequently and more severe seismic activity. However, the same criteria of judging environmental characteristics after due consideration for safeguards should be applied to potential environmental hazards from earthquakes.

Earthquakes could have a number of adverse effects on the pipeline. Earthquake ground motion could induce additional stress in the pipe. Also, fault slippage on the surface could impose bending and shearing stresses in buried pipe. Finally, ground motion could cause liquefaction of high water content materials. In order to minimize potential damage to the system from these effects, the world's foremost seismic design engineers and seismologists devised design and construction criteria for TAPS sufficient to eliminate serious concern over earthquake damage. Two classes of earthquakes were utilized by the experts for this purpose:

1. *Contingency Plan Earthquake:* The Richter magnitudes of contingency plan earthquakes are equal to or greater than any known historical earthquake which has occurred within a distance of 100 miles of the pipeline. The pipeline will be designed so that in the event of a contingency plan earthquake, the line might experience deformation but the chances are only 3 in 1,000,000 that it would reach the point of failure, and only 2 in 10,000 that the pipeline would require maintenance (the estimate of probability was supplied by Dr. Nathan Newmark, University of Illinois, who made substantial contributions to the seismic design). Monitoring equipment will signal for an immediate shutdown and closing of blockvalves when an earthquake of this magnitude is recorded.

2. *Operating Earthquakes.* These earthquakes will induce accelerations at the pipeline of one half of those resulting from the contingency plan earthquakes. TAPS will be designed to remain operational during such earthquakes.

### STRESS TESTS

In order to withstand the various forces and climate conditions to which the pipeline will be exposed, pipe specifications were developed to insure adequate levels of toughness, ductility and weldability at extremely low temperatures. Stress tests conducted at the Structural Research Laboratory at the University of California, Berkeley, confirmed that the steel pipe purchased for TAPS will retain its integrity under the most severe combination of all potential stresses including seismic stress. To illustrate, a representative specimen of pipe that was tested formed an initial wrinkle with an internal pressure of 25 pounds per square inch, an axial force of 1.92 million pounds and a lateral or bending load of 750,000 pounds. At this time the 31.5 foot long specimen had a bending deflection of 1.2 inches at midlength. Bending was continued, with the internal pressure increased to 932 pounds per square inch and the axial force increased to 2.55 million pounds. The .562 inch wall pipe retained its integrity even though in the plastic range and did not rupture when deflected 36 inches. The .462 inch wall pipe developed a small hairline crack at 33 inch deflection.

### PERMAFROST

Another environmental hazard which must be carefully considered and compensated for in designing, engineering and operating the system is permafrost. Permafrost is generally defined as any earth material—soil, rock, gravel or peat, for example—which remains continuously below the freezing point. Crude oil comes out of the ground at temperatures up to 170° F. and will enter the pipeline at about 140° F. A maximum throughput hydraulic friction in the pipeline will keep the oil hot as it is pumped from Prudhoe Bay to Valdez. Without proper precaution, the hot oil could melt the permafrost which might cause differential settlement and soil instability with possible deformation of the pipe. Settlement can change surface water drainage which may lead to soil erosion and settlement might also cause pipe displacement. Three construction modes have been developed to be used in various segments of the pipeline depending upon the suitability of the soil, particularly with respect to permafrost. These three construction modes are:

1. *Above Ground Construction.* In most areas where melting of the permafrost might cause excessive deformation of the buried pipe or difficult soil stability conditions, the line will be put above ground. All sections of the above ground pipeline will be thermally insulated to prevent the oil from becoming too cold during periods of low flow rates and to slow the rate of cooling in the event of a winter shutdown.

2. *Special Buried Construction.* Various combinations of ice-rich soils, steep slopes and the possibility of substantial earthquake effects may require special buried construction. The objective of special buried construction is to limit or prevent permafrost thaw around the pipe. Pipe buried in the special mode is insulated in order to greatly reduce the heat flowing from the warm oil to the soil. Insulation alone can be adequate in some situations to limit the effects of permafrost thaw so that the pipe can be safely buried. Adverse effects of thawing can be further reduced by mechanical refrigeration if conditions dictate.

3. *Conventional Buried Construction.* Generally the safest and most desirable method of construction involves conventional burial of the line wherever adequate soil conditions exist. A prime determinant of the route alignment for TAPS was the suitability of the ground for conventional burial. The criteria provide for burial in areas where the soil is either bedrock, well drained gravel or thawed soil, or where the results of a detailed field exploration program and soil analysis demonstrate that settlement or instability resulting from thawing of the ground would not cause unacceptable forces to be placed upon the pipe or unacceptable terrain disruption through hydraulic or thermal erosion, slump or creep. To insure that the pipeline will remain operational and failures will not occur, the buried pipeline must satisfy established criteria which lay out conditions that must be fulfilled with regard to internal pressure, temperature differentials, differential settlement, earthquake effects and other conditions. Special monitoring devices will alert operators to developing conditions which might require maintenance.

Although the Trans-Canadian route would traverse twice the amount of continuous and discontinuous permafrost as would TAPS, proper application of the various construction modes, design criteria and pipe specifications would minimize the exposure and, on balance, assuming that the necessary expenditures will be made to provide the same protection planned for TAPS, the Trans-Canadian route would prove only marginally inferior to TAPS on the issue of permafrost.

### FISH AND WILDLIFE

Another environmental characteristic to be compared is the impact of construction and operation of the pipeline segment upon the fish and wildlife. Although the Trans-Canadian line is four times longer than TAPS and there are many more rivers and streams to cross, and spawning, nesting, feeding and range areas to pass through, either system with careful planning and due consideration for the wildlife could be built with minimum disruption and without endangering the fish, waterfowl, caribou, dall sheep, muskrat, beaver, moose, grizzly bear, bird species and numerous other animals whose habitat is located along the pipeline right-of-way.

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## AMERICA'S REMAINING PRISONERS OF WAR

## HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. BROWN of California. Mr. Speaker, America's POW's have returned home. They have been given a hero's welcome not seen in this country since Douglas MacArthur's return from Korea. They have been wined and dined by everyone from industrialists to the President. They have been entertained, finally, by Bob Hope. They have become a unifying force in America. All this is fine and healthy.

But they have also been sold to the American people as a cure-all tonic for the aches and pains still in our system. And they are being used by Mr. Nixon to focus our attention away from the present situation in Vietnam.

This is a great disservice to these men who have served their Commander in Chief so well. But it is more than that. It is a calculated and dangerous attempt by Mr. Nixon to make Americans think that our Vietnamese experience is over. Sadly this is not the fact.

There were other American prisoners incarcerated in Vietnam. Only these men, women, and children have not come home. These people are the political prisoners of President Thieu. But they are American prisoners. They are in prisons built with American dollars by American technicians and with American material. Prisons that continue to exist only because of American tax dollars, and because of the wishes of America's leaders.

These people are prisoners because they advocated neutralism, which under South Vietnamese law means communism. They are prisoners because they advocated pacifism, which under South Vietnamese law also means communism. They are prisoners because they advocated anticommunism, but wanted to vote for an anti-Communist candidate other than Thieu. These people are political prisoners in the truest sense, and there are tens of thousands of them.

President Nixon would like the American people to think that they do not exist. He would like to parade our returned prisoners as proof that all is done. But just as I will continue to wear the MIA bracelet of Capt. Alfonzo Castro, as yet unaccounted for, I will continue to urge the administration to inform President Thieu in the strongest possible terms that he must release his political prisoners as a condition for our continued aid.

I would like to read a partial list of prisoners arrested for political reasons, presently incarcerated in room 3FI, compound FG, of Chi Hoa Prison: Nguyen Van Hien, Nguyen Hien, Lam Ha Tich Le The Phan, Cong Van Tho, Dyau, Le Phuoc Dao, Le Van Luong, Nguyen Van Quen, Tran Van Bon, Nguyen Van Dat, Nguyen Huu Toan, Nguyen Huu Cam Pham Trun, Truong Duc Dieu, Tran Que, Pham Van Thong, Nguyen Cu, Le Nha, Ghim, Pham Xo, Tran Van Hoanh, Lam van Hai, and Tran Van Dung.

This is the most partial and incomplete of lists. I will continue throughout the year to bring these prisoners to the attention of the administration. On April 2 of this year, when President Thieu came to this country for money I said:

> If we give him this money without a demand that his Stalinist style politics halt, we will become accessories once again to this man's crimes.

The situation has only worsened since then. As Americans we cannot allow ourselves to be fooled again by one president into thinking all is well in Vietnam. In the past this brought tragedy to the American people. Now it will bring tragedy to the Vietnamese. We must continue to demand that the truth be bared.

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## JAMES FARLEY

### HON. LINDY BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mrs. BOGGS. Mr. Speaker, it gives me great pleasure to join so many of my colleagues in saluting the grand old man of the Democratic Party and the most respected professional politician of our day, James Farley.

He has always set a high standard both of proficiency and morality. All those who have been privileged to work with him have grown in stature through the experience. The goals he has set for others he has exceeded himself and has always been tireless in working for the programs and the people he supported.

The image of Jim Farley, the professional politician of stature—respected by friend and foe alike—is in contrast with the commentaries heard all too often today about the lack of ethics in politics. During the 60 years that Jim Farley has practiced politics on every level and has brought glory to it as a respected profession, never were his standards, his honesty, or his ethics questioned.

His counsel and friendship have been most meaningful to Hale and to me over the years. I pray that he will be dispensing his invaluable wisdom to his army of friends, to his party, and to his country for many years to come.

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## EFFECT OF ABORTION ON THE MEDICAL PROFESSION

### HON. LAWRENCE J. HOGAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. HOGAN. Mr. Speaker, on considering the horrible realities of abortion, we often overlook the effect of abortion on the medical profession. Abortion as a major factor in American life is a new phenomenon; however, there is evidence demonstrating that abortion is causing heavy drinking by doctors who perform abortions.

Japan's top medical journal carried a chilling tale supposedly related by a doctor who stopped medical practice because of regret about abortions which he had performed. The story is presented here in abbreviated form because of its significance as a sign of the times. (The Journal of the Japan Medical Association, March 1969, pages 69–70.)

#### A TALE OF THE LAMENTATION OF A FETUS

(By C. Tamagawa)

#### INTRODUCTION

Here is a tale communicated to me by a friend. He used to practice obstetrics for many years. But after the incident which is related here he stopped medical practice completely, and returned to his home town. Now he raises livestock and chickens.

It happened some fifteen years ago. I had been taking it easy for some time to restore my energies. The fall festivals were already over, and winter was coming down from the distant Alpine Mountains. It occurred in the late afternoon of one of those autumn days.

I was walking along the river, passing through the woods of a local shrine. I went up the hill, following the woodcutter's path, until I came to a small shrine dedicated to the Warrior-Buddha. Now it was completely dark, except for the starlight which sifted through the trees. Suddenly I felt that someone was approaching from behind. I hid behind the cedar trees.

A woman with long hair appeared, preceded by a man holding a candle light. She was followed by little monsters with strange dresses; I learned later that these were aborted fetuses. The woman sat with her back to the statue of the Warrior-Buddha, and the five little creatures formed a half circle around her.

I was shocked by their weird look. The woman's face seemed somehow familiar. One of the little fetuses then began to talk with a low husky voice, at the suggestion of the woman.

#### THE TALE

"I was killed at a hospital in Yokosuka. I have no mother, if the word mother means someone who cared lovingly for a defenseless child. I should call her my landlady, because I stayed in her for some time. The landlady was a prostitute living with an American soldier."

"I was three months old then. I was able to move about, and waiting eagerly for the happy day when I would be able to extricate myself from this narrow place. Sometimes I made a violent movement, and the landlady quietly and lovingly restrained me with her hand."

"Then my fortune took a tragic turn. It was decided that I should be pulled out. The sudden return of the American soldier to his country caused all this."

"O mother! How I wanted to enter into this splendid world at all costs. I could not accept the fate of being killed for such an accidental reason."

"The hospital where I was aborted was run by a widow after her husband had died of a strange accident three years before. The deceased doctor was a miser, killing many of my fellows. Now he cut a three months old fetus into pieces and put them down the drain; then he would throw out a seven months old fetus to its death. He multiplied such extremely inhuman acts, until finally the day of the judgement came."

"It happened when the doctor was in the bath tub. His wife was putting coals into the fire. After some time she noticed a strange silence in the bathroom. She called her husband, but received no answer. She rushed into the bathroom, only to find her naked husband dead in the tub."

"The skin and muscles were completely cooked, like those of a boiled fish. His posture was exactly like ours when we were in the womb: the head was nodded on the breast, the knees were bent against the stomach, the hands folded before his breast. They say he died of a heart attack. But I am sure that the aborted fetuses killed him. Their hatred added fuel to the coal fire."

"The doctor who operated on me was just out of his internship and working at that hospital to make some money on the side. He was quite skilled in the *A*us (abortion operation). During his internship he worked very hard to perfect his operating skill. His was an intensive but morbid activity."

"Two men pulled on me. How could I resist the combined power of two men. As I jumped out, the two men fell back on their behinds, one on the other."

The woman who was addressed as "mother" smiled faintly.

#### LAMENTATION

"Mother, I was not allowed to live in this world. I was buried away from dark to dark, from past to past. If I were given the chance to live in this world, I could have contributed more than those who are living. I hate the selfishness of people who just dispose of us at their will."

"After they pulled me out, they cut me into pieces, and wrapped them in old newspapers. Then they poured on kerosene, and burned it in the bathroom boiler."

"Mother, I was innocent, and yet they eliminated me from this world. I had every possibility of growing up just like any other human being."

"Doctors who boast of themselves as saviors of life, are disposing of numerous fetuses at their will with the medical skill which is supposed to save life."

"They hold, once every year, what they call a memorial service for the fetuses, and listen to a Buddhist sermon. How can they believe that such a service can console our souls? Do they think that their sins are blotted out by such hypocrisy?"

"They are getting rich at our expense. To me the towering hospital building looks like a heap of dead fetuses, and on top of it, I see a cross trembling like a phantom."

The soul of the fetus cried bitterly. His cry of lamentation seemed to know no end. The woman who was addressed as "mother" softly embraced him with a look of sympathy.

END OF THE STORY

The morning was already there. When the birds' singing brought me back to myself, there was no sight of the woman and the five fetuses. The valley was filled with cool morning air.

Thus ended my friend's story. All during its telling, I could almost hear the lamentation of fetuses. Abortion should never be undertaken lightly. Such superficiality can become the source of men's corruption, self-centered avarice, loss of a sense of guilt, and the disregard of the dignity of human life.

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## NATIONAL REFERENDUM DAY

## HON. PAUL N. McCLOSKEY, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. McCLOSKEY. Mr. Speaker, in light of recent events, I would like to insert this letter from one of my constituents as it is a novel and perhaps very appropriate contribution to the national dialog on the future course of American governmental action. In essence the letter suggests the validity of one aspect of the British parliamentary system of government, the vote of confidence in a seriously challenged administration. The letter reads:

SERVICE EMPLOYEES UNION,
LOCAL NUMBER 77.

DEAR CONGRESSMAN MCCLOSKEY, JR.: Request Bill be introduced and passed by Congress declaring that July 3, 1973 be declared National Referendum Day and all registered voters in the United States of America be allowed to vote yes or no to the following question:

Shall President Nixon and Vice President Agnew serve the duration of their terms to 1976?

COMMENTS

1. While the presumption of innocence prevails until otherwise known, it seems unlikely that the present government can continue to function unless a mandate by the people by means of a yes vote is given.

2. If a no vote from the people is given, then it should be so deemed that an interim President be installed according to the Constitution and a national election be set for November, 1973 to elect a new President and continue the work to be done.

3. A rider should be attached to the bill limiting all campaign contributions to 50 dollars (recorded by Social Security Number) and placed in a general campaign fund to be distributed equally among parties.

Sincerely,

JULIAN GUTIERREZ,
*Secretary-Treasurer.*

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## JAMES A. FARLEY

## HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. BINGHAM. Mr. Speaker, I am glad to join in the tributes being paid today to that grand old gentleman of American politics, the Honorable James A. Farley, on the occasion of his 85th birthday.

We have reason to salute Jim Farley for many things. First of all, let us never forget what a key role he played in helping to obtain the nomination and then the election of Franklin D. Roosevelt as President of the United States.

Over the years Jim Farley has responded to innumerable calls for help from the Democratic Party and from Democratic candidates across the country. He has kept in touch with thousands of us, particularly through the medium of those famous letters signed in green ink.

In these days when lawlessness and immorality in high places have produced cynicism and a widespread feeling that "all politics is rotten," it is comforting to think of such a man as Jim Farley who has been himself a symbol of honor and integrity and who has lived by the principle that politics is, or should be, an honorable profession.

I am sure that Americans everywhere, and especially Democrats, join in congratulating the former Postmaster General on his 85th birthday and in wishing him many happy returns.

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## WHAT'S WRONG WITH THE LEGAL SERVICES PROGRAM

## HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. CRANE. Mr. Speaker, I should like to commend to my colleagues a most thoughtful and informed article by the Vice President of the United States which was published in the September, 1972 issue of the American Bar Association Journal. In this essay, entitled "What's Wrong With the Legal Services Program," the Vice President very cogently points out that the bar must lead a searching reexamination of the philosophical underpinnings of the national legal services program. Instead of ministering to the legal needs of their clients, legal services attorneys are seeking law reform and advancing their own social, economic and political theories. The legal services program, the Vice President concludes, was not created to give lawyers a chance to be social engineers on a grand scale.

I must add in candor, Mr. Speaker, that in my own view any form of federally funded legal services program for noncriminal cases is both unnecessary and inappropriate. I believe, however, that although the Vice President accepts the need for some such program, which I do not, his article raises very clearly the sort of issues that all citizens concerned with this problem should be examining. At the very least, there seems little doubt, that this program must be very carefully reconsidered.

The article follows:

### WHAT'S WRONG WITH THE LEGAL SERVICES PROGRAM

(By Vice President AGNEW)

Since the inception of the national legal services program, most members of the American Bar have demonstrated their continued and steadfast support for it. In a variety of ways, our profession has proved its sincere interest in providing legal assistance to the poor. This is indeed commendable.

The legal services program has done a great deal of good by furnishing poor people with legal counsel and effective access to the courts. The lawyers in the program generally have reflected great credit on our profession through their dedication to the concept of justice and their willingness to sacrifice self-interest in order to help poor people.

I want to emphasize that I am very much in favor of providing legal services for the poor. Inability to afford counsel should not and must not affect one's right to justice. I am not opposed to suits against government to redress grievances. Anyone with a legitimate grievance against a governmental agency or instrumentality should have the opportunity to obtain a resolution of that grievance.

But throughout this program's existence there has been little serious examination of its philosophical underpinnings. We have tended to focus on the delivery systems—whether to praise or criticize them—and we have lost sight of the larger implications. We have been, in other words, more occupied with mechanics than with policy—more concerned with tactics than with strategy. In fact, some ideologues, who seem to challenge every thread of our social fabric from the past, regard this program as too sacrosanct even to discuss, much less to question.

As a starting place, we might look to the President's repeated belief that the paramount goal of legal services should be to respond to the needs of individual clients. When the President vetoed the proposal to establish a legal services corporation last year, he asked Congress to create an agency "which places the needs of low-income clients first, before the political concerns of either legal services attorneys or elected officials." This scope and definition of service to the client is perhaps the most important and pervasive issue within the legal services program today.

The legal services program was conceived as an arm of the war on poverty. Initially, there was no statutory provision in the Economic Opportunity Act dealing specifically with such a program. Its statutory base was added later by Congress as one of the "national emphasis" programs of the community action program, along with the Headstart project, comprehensive health services and certain others. Because the program is not clearly defined, some visualize it as a program for social action, while others see it as a modern federally funded legal aid program. This ambiguity has been well documented. As a result, the legal services program has gone way beyond the idea of a governmentally funded program to make legal remedies available to the indigent and now expends much of its resources on efforts to change the law on behalf of one social class—the poor. We are not discussing merely reforming the law to rectify old injustices or correcting the law where it has been allowed to be weighted against the poor. We are dealing, in large part, with a systematic effort to redistribute societal advantages and disadvantages, penalties and rewards, rights and resources. As one distinguished commentator on the legal services program has stated: "This is not simply related to politics; it is politics."

To the extent that this is true, what we have is the Federal Government funding a program designed to effectuate major political changes. What we may be on the way to creating is a federally funded system manned by ideological vigilantes, who owe their allegiance not to a client, not to the citizens of a particular state or locality and not to the elected representatives of the people, but only to a concept of social reform.

The law reform efforts of the legal services program may also be the undertaking of a change in the nature of the legal system itself. Through the imaginative use of ever-expanding constitutional concepts, the legal services program has seized upon the idea of the law and the lawsuit as an offensive weapon to redress an alleged imbalance created by the political processes. While we must do everything we can to protect every American's constitutional rights, we must ask ourselves this: Isn't it possible that we have gone too far when the Federal Government constructs a program which encourages individual lawyers to test at public expense their own individual theories of how society should be structured and how the resources, rights and benefits of that society should be distributed among the population?

### STRETCHING THE ATTORNEY-CLIENT RELATIONSHIP TOO FAR

A second major problem area in the legal services program is that it fundamentally alters the nature of the lawyer-client relationship.

We lawyers are justifiably concerned with preserving the privilege of the attorney-client relationship. It is indeed one of the cornerstones of our legal system. But in trying to protect the privacy of this relationship, must we be prohibited from inquiring into the bona fides of actions by federally funded attorneys—actions that in many cases bear little relevance to the client's interest but much pertinence to the attorney's ambitions?

It is incumbent on us as lawyers to resolve the dilemma created by conflict between the privacy of the attorney-client relationship on the one hand, and the intrusion of outside forces, such as federal funding and direction, on the other. And this resolution is unlikely if we rigidly insist that the attorney-client relationship is so absolute that no goals or directions can be set by the Congress.

There are two major differences between the attorney-client relationship as it exists in the legal services program and as it exists elsewhere. First, there is the question of who is in fundamental control, the attorney or the client. Second, there is the difference in representation that results from the changed nature of the attorney-client relationship.

In the private attorney-client relationship, it is generally accepted that the client is in control. He comes to the attorney with his problem, and the attorney lays out for him the strengths and weaknesses of the alternative courses of action open to him. The attorney then usually recommends a particular course of action—normally the simplest one that meets the client's objectives. But it is the client who makes the decision. And the decision usually will be based on the alternative most likely to accomplish the desired end with the least expendtiure of money and in the shortest possible time.

### ATTORNEY-CLIENT RELATIONSHIP IS TURNED UPSIDE DOWN

The law reform aspect of legal services, however, threatens to turn the relationship upside down. If a client with a problem comes to a legal services lawyer who is imbued with law reforming zeal, the lawyer sees a great deal more than the client's problem in the matter and often expands the case into the broadest legal principle supportive to his social philosophy it will sustain—a sort of Parkinsonian corollary. Instead of resolving the case at the lowest level and earliest opportunity satisfactory to the client, this legal services lawyer is inclined to take it to the highest level possible to win the legal issue and implant the empathic legal principle he has perceived to be involved. In certain circumstances, this zeal is not only acceptable but commendable. However, it is naive not to consider the attendant consequences of this practice.

The whole law reform aspect of legal services is oriented toward the attorney's taking the initiative. The attorney often starts with a preconceived notion of how the society should be structured and identifies those qualities of the community in which he is practicing that do not fit his beliefs. In an attempt—basically a political action—to change the law and alter the existing allocation of resources, he may be instrumental in forming a group of poor people—and perhaps not so poor—to bring pressure to bear in the community on a particular problem.

Is this simple advocacy? Or is it social engineering on a grand scale and without accountability to anyone? Because of the Code of Professional Responsibility, any efforts to control or restrict the activities of individual lawyers would be, and have been, vigorously opposed. But without some form of control at the top, you have a Federal Government project using public monies purportedly for public purposes but actually for whatever purpose the individual lawyer deems worthwhile. As it operates now, it is a public project but without public direction or public accountability.

This tax-funded social activism transfers great power in community affairs from elected officials to self-appointed ones.

### PROGRAM ATTORNEYS FEEL THEY CAN TAKE ANY CASE

There is considerable evidence that this social orientation has led to a widespread attitude on the part of numerous program attorneys that they can take any action regardless of its relationship to the eradication of poverty. As a consequence, program attorneys are and have been heavily involved in every social issue of the day. In Evanston, Illinois, it's draft counseling; in Texas, California, Colorado, Florida and other places, it's underground newspapers; in Boston, it's women's rights; in California, it's the rights of penitentiary inmates; in numerous other places, it's students' rights, anti-war protests, free-speech movements. The list of causes is endless.

But the important thing to note is that they have little or nothing to do with poverty and the problems peculiar to the poor. And equally important, while most programs now turn away individual poor clients with routine legal problems, many nevertheless find time to engage in practically every *cause celebre* that comes along.

Is that right? Is this what legal service was meant to do? Did Congress in its enactment or the Bar in its support contemplate a program where a destitute mother of five can't get legal help with an eviction notice but a middle-class drop-out can get legal counseling in setting up his underground newspaper? Proponents of this activity by legal services attorneys suggest that these endeavors in fact do serve the interests of the poor in a larger sense. I submit that the conclusion is open to serious doubt.

Another problem with the legal services program is that it has had little or no central direction and no firmly established policies and procedures. Hence, the responsibility for directing and controlling projects is left to the local board of directors and the project director. Unfortunately, in too many cases, they either cannot or will not exercise the control over the project's policies and attorneys that is necessary to ensure that the program's goals and not necessarily the individual attorney's are being pursued.

I have outlined what I perceive to be some of the problems with the legal services program. I am disturbed that the recent Congressional debate surrounding the creation of a legal services corporation failed to examine fully or resolve the fundamental questions underlying this program. The Nixon Administration favors a responsibly structured corporation, but the problems and importance of legal services are such that this whole issue deserves far greater attention and discussion by the Bar and other interested parties than it has received. If I can get the organized Bar's support merely for the proposition that there are some problems, I think we will have taken a giant step toward resolving them.

### WHAT MUST BE DONE TO RESOLVE THE PROBLEMS

I offer these suggestions, which I believe are essential to resolving the problems.

First, for the attorneys in the neighborhood law offices, law reform should be the by-product of their legal assistance to the poor, not the major goal. Their clients should be individual poor people and legitimate, self-organized groups—not the poor as a class—and they should take the cases the people bring to them, not search for clients to fit a legal cause. Law reform as a specific goal should be the province of the national office and the various backup centers. It should be pursued through responsible professional representation before legislatures and governmental agencies and through amicus curiae briefs or intervention in existing cases, not through demonstrations or other high-pressure tactics.

Second, legal services headquarters should establish policies and priorities applicable to all projects, including regulations on attorneys' private political activities, group representation and soliciting clients. The Bar could assist by taking a harder look at how the Code of Professional Responsibility applies to legal services attorneys. I suggest that the professional independence of the lawyer necessarily conflicts at points with the requirements of a federally funded social program that must be responsible and accountable to the public. Furthermore, legal services lawyers operating without the normal economic restraints and with the enormous resources of the federal treasury must be better supervised by the bar associations and held to a very high standard of conduct.

Third, we should insist upon professional control and discipline at the individual project level.

Finally, basic attitudes, within this program should be changed. So long as individual attorneys conceive their role to be that of social engineers, they will continue to exacerbate community tensions and undermine the very purposes they were hired to accomplish.

A more carefully defined legal services program could help immeasurably in realizing the objective of furthering economic opportunity and guaranteeing justice for all.

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## DILLON GRAHAM

## HON. IKE F. ANDREWS

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 24, 1973*

Mr. ANDREWS of North Carolina. Mr. Speaker, I am pleased to join my colleagues in paying tribute to Dillon Graham as he begins his well-deserved retirement after 44 years of continuous service with the Associated Press.

Mr. Graham's distinguished career includes 4 years as chief of the Associated Press bureau in Charlotte, N.C. There he was responsible for news coverage in the Carolinas, and it is to the Carolinas that he and Mrs. Graham are now returning in retirement.

I salute Mr. Graham on the monumental contributions he has made as an accurate, effective, and courteous journalist in covering the legislative branch of the U.S. Government and heartily endorse his decision to return to the Carolinas to live in retirement.

## AN EYE WITNESS ACCOUNT OF PROJECT RIO BLANCO

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## HON. MANUEL LUJAN, JR.

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. LUJAN. Mr. Speaker, as a member of the Joint Committee on Atomic Energy, I had been briefed on a number of occasions on the objectives and design of the Plowshare program's nuclear explosive experiment for stimulation of natural gas wells, named Rio Blanco. However, I had not participated or witnessed any previous nuclear test so was unable to visualize what a test site might look like.

The morning of May 17 in Grand Junction, Colo., was a typically beautiful Western day with scattered high clouds and a warm bright sun with a very light southwesterly breeze. After an early breakfast, I met with the other members of the party: Governor Love of Colorado, Congressman RONCALIO of Wyoming, Senator DOMINICK of Colorado, and Dr. Ray, Chairman of the U.S. Atomic Energy Commission. We assembled at the airport in Grand Junction where we boarded a helicopter from which we were to witness the test. We took off at 8:30 a.m., and spent the next 1½ hours flying over the area.

The beautiful plateau country is characterized by green valleys in which cattle and sheep were grazing, scattered corrals and farm houses. Looking down on this scene it was difficult to believe a major nuclear gas stimulation experiment was to take place in the next hour. We flew over the well in which the explosives had been lowered some days before. All we could see was a small gas wellhead. An acre or so had been cleared and graded and there were three or four small temporary buildings and trailers. We flew over the roadblocks which were established to control travel in the local area; we passed over the firing control trailer and the official observer area which were some 11 miles away from the well.

As the time for the explosive detonation approached we flew back to the test area and began to circle the wellhead. Our prescribed position was at an altitude of 2,500 feet above the ground surface and at radius of 6,000 feet from the well. We continued to circle 15 minutes prior to the shot, which was scheduled for 10 a.m. I must say that as the detonation time approached I had some qualms about being so close, but I had greater reservations about expressing my concerns, as no one else in the helicopter seemed to share them. However, I could not help reflecting that buried over a mile underground were three nuclear explosives, each equal to 30,000 tons of TNT.

Over the radio link with the control point, we began to receive the countdown. At zero time we all saw a bright flash and for a moment thought something unforeseen had occurred. This turned out to be an electrical flash bulb on the top of the wellhead to provide a visual signal for the recording cameras. Immediately after the flash we saw the ripple from the shockwave move out around the well. I got the impression that something was coming right at us. Then dust began to lift from the surface. We then felt a thump on the helicopter and heard a dull, muffled rumble. These were the only immediate indications anything had happened. Then a few moments later we began to see small puffs of dust appearing along the hillsides from rocks, which had been dislodged here and there. As we continued to circle the wellhead area we could see a few rocks on the roads but no real damage to the road cuts. The cattle that we saw grazing about a mile and a half away seemed unaffected and as contented as before the explosion.

We continued to circle the area for 15 or 20 minutes and then we flew to the firing control point. Everyone was jubilant; all parts of the experiment seemed to have worked perfectly and on schedule. We entered the trailer in which scientific measurements were being taken of the effects of the explosion, by geophones and remote area monitoring systems. The geophones were recording the formation of the "nuclear chimney," a cylinder filled with broken rock some miles beneath the surface. The monitors reported there was no release of radioactivity anywhere from the shot and all readings were no higher than normal background. We were told that each explosive performed as programed and went off as planned. The experiment seemed to be a success in every respect from an operational and technical point of view. The early reports of damage to structures and facilities were much less than anticipated. We left the firing point to visit the official observer area about three-quarters of a mile away. The observers were a little disappointed that they did not have a bigger show and feel the ground move more than the little it did. Some reported that they heard nothing. All reported seeing the dust rise in the valleys and drift away.

At about noon we reboarded the helicopter and flew back to the wellsite, where we landed. All the dust had settled. No significant effects were apparent at the wellhead. In fact there was a simple wood frame structure built around the wellpit which was unaffected; nails were not pulled out or boards loosened. A small weather station with a wind gage was still operating. There were also two electric generators about 100 feet away that were still running. When we arrived at the wellhead, the technical groups were already beginning their preliminary checks, but to my eyes it looked as if nothing had happened.

As we were about to leave the wellsite Mr. William Brennan and his wife, owners of a ranch 6½ miles away, drove up in the pickup truck. They had already inspected their home and reported that they had observed no damage. Mr. Brennan was very pleased with the results of the shot and felt the expectations and beliefs he had presented to the Public Land Subcommittee of the Senate Committee on Interior and Insular Affairs had been verified.

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## THE CAPITAL GAINS TAX

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## HON. DAVID W. DENNIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. DENNIS. Mr. Speaker, during the last campaign I heard much talk—some of it pretty demagogic—about tax reform. Less has been heard since; but there are still many people around who have no liking for nor any understanding of our free enterprise system.

As a worthwhile contribution to such understanding I insert in the RECORD and call to the attention of my colleagues the following on the subject of the capital gains tax, from the October 27, 1972, Value Line Investment Survey;

### THE CAPITAL GAINS TAX

The election campaign focused largely on wealth redistribution, a heavily loaded issue, capable of bringing down big game, as Huey Long proved more than once. One of the major targets was, and still is, the capital gains tax. It is alleged to be one great big "loophole," which permits "money earned by money to be taxed at lower rates than money earned by people." In 1969, President Nixon signed a tax reform bill that raised the capital gains tax rate ceiling from 25% to 35% on gains in excess of $50,000. Some political leaders would like to see it raised to the equivalent of the individual's highest tax bracket.

We submit that the time has come to give construction to repealing the tax altogether. It is unjust. It impairs the efficiency of the capital market. It is economically counterproductive. And as a revenue producer it is virtually useless.

### UNFAIRNESS OF THE TAX

Consider Mr. A and Mr. B, two men who worked hard all their lives to put something by for a rainy day. Mr. A saved $20,000. He invested his savings in a house about 10 years ago. He now finds it advisable or necessary to move. He sells his house for $40,000. (Prices have gone up.) But he finds he must pay $40,000 for someone else's $20,000 house if he is to have the same kind of roof over his head in a new location. What has he gained? Nothing. The tax law recognizes this. It absolves Mr. A of any capital gains tax liability on the sale of his house provided he buys another house for the same amount or more than the proceeds of the first within one year. Fair enough.

Mr. B also saved up $20,000 but he did not invest his $20,000 savings in a house. He invested it in a stock which has gone up in price. It now has a market value of $40,000. It was fortunate for Mr. B that his stock did well because he depended upon the return on his stock to pay rent for the roof over his head (and rents have gone up too). What has Mr. B gained from the rise in his stock, which matched the increase in his cost of renting? Nothing.

Now Mr. B, having come to a time of life when security appears to him more important than the possibility of further gain on his investment, decides to sell his stock in order to buy a Government bond. Should he make that exchange, he would find his Government stepping in to take away from him anywhere between $3,000 and $7,000 of his life savings. Therefore, if he sells his stock he will not be able to buy $40,000 worth of Government bonds to pay his rent in the future.

The man who invested his savings in shelter for himself was better off than the man who became a partner in industry, took the risks implicit in such a position, and succeeded to the same extent as the man who invested in real estate.

One saver has a portion of his capital confiscated while the other is free to exchange without tax. Where is the fairness in that?

### MONKEY WRENCH

One of the causes of the overvaluation of stocks during the Sixties was that owners of appreciated stocks, even those who recognized that their stocks were too high, were discouraged from switching into short term bonds by the capital gains tax. They felt locked in. The result: an inflationary premium on stock prices. Today, when any number of stocks are dirt cheap, investors are pressured by the capital gains tax to sell those that are down the most in order to get the benefit of a tax loss deduction. At neither end could investors act solely on the basis of their judgment of relative values. They had to take into consideration also the powerful influence of a tax liability that reflected only the accident of their acquisition prices and dates.

The effect of the capital gains tax is and must be to encourage overvaluation of securities during rising markets and to aggravate their undervaluation during falling markets. To the extent the investor's judgment of relative values is based on factors other than his judgment of value, the efficiency of the capital markets is impaired. The American economy relies upon the capital markets to direct the flow of its resources into the channels of greatest economic need. With a monkey wrench thrown into this mechanism, the free-market economy cannot possibly function as it should. The economic loss is hard to quantify, but it is certainly enormous.

### COUNTERPRODUCTIVE

The United States income tax structure is steeply graduated. The top bracket can run as high as 80%, including state and city income taxes. Under such taxation not enough money can be saved out of "money earned by people" to supply the high risk capital required to keep at least 96% of the growing population of employable people in jobs. High risk money cannot and should not be obtained from the savings of moderate income earners. It must come from those able to face up to the possibility of total loss for the possibility of large gain. As long as the capital gains tax remained at 25% maximum and management men were allowed to participate in stock option plans that gave them a shot at the big target, there were enough willing to take the large financial and coronary risks to keep the nation on an upward curve of competitive strength. But now that the rate is 35%, and options for management men have been severely restricted, the entrepreneurial effort is already on the wane. Young college graduates, for example, see small percentage in taking the hard road of a business career.

One hears of no humanitarian populist urging the taxes on capital gains be counterbalanced by subsidy rebates for capital losses. True, an entrepreneur can offset his capital losses against capital gains, if any. But if he has no capital gains in his experience to match his losses, he will note that any possible future success will be heavily taxed, while equally possible future loss will be paid for entirely by himself. The odds being so heavily stacked against him, he quits or slows down.

The United States no longer has what it takes to compete in foreign markets and provide for a rising standard of living at home at the same time. If the tax rates on individual incomes remain as high as they are and the capital gains tax rate is to be raised or maintained, the result can be predicted. The United States will suffer a further decline of its industrial and financial leadership and will be forced to turn more and more toward a socialist organization of its economy.

The socialist state offers two prospects highly alluring to some: more power to the politicians and less discontent to the "little men," who have so many votes. Under the socialist state the capital required by industry would be provided by the state, which would get it from all the taxpayers. Its failures would be on a vast scale but would hurt nobody in particular, just everybody in general. And the successes would benefit everybody in general, but nobody in particular. Result: fewer ulcers and coronaries and less envy; also less growth, less dynamism, more mediocrity.

Political hay can be made by pandering to mob envy—envy the "average" man feels for those few who have been conspicuously successful. Examples of conspicuous escalation of living standards can easily be spotted. What is not so easily understood is that in the aggregate the entrepreneurial sector of the economy takes a relatively small share of the whole pie.

What is a fair share anyhow? Is 4½% a fair share? That is the level to which corporate profits after tax have fallen in relation to the total gross national product. Of that 4½%, almost two-thirds are paid out in dividends which in turn are taxed at anywhere from 14% to 80%. The net then for the whole investing class is below 3.8%. Then when the investor dies, a larger percentage of even that net will be taken away from his heirs in death taxes. Yet the breast-beating and maudlin appeal to envy go on.

Because of the mass myopia and the demagoguery that breeds in its shadow, the United States is face to face with a fatal decision: either to step into socialism as rationally as possible or return to a free-market economy, which allows opportunity for the bold and the hard working.

Capital gains possibility, without penalty of tax, would be one of the few channels open for capital creation under a highly progressive income tax structure like ours. Ironically, the channel, already clogged, is now in danger of being further shut off on the specious grounds that it is not a channel at all but a "loophole." And this at a time when America is short of both capital and enterprise.

### LITTLE REVENUE

It is not easy to get accurate numbers on the revenues produced for the Government by the capital gains tax. What numbers our economists and tax people have been able to put together indicate that during the last seven years of the great bull market (to about 1967), the "take" amounted to a little under 2% of all Federal tax revenues. During the bear market, the return was probably less. Indeed it could even have resulted in net loss to the Government as taxpayers took losses and claimed the limited deduction the law allows. As a device for raising money, the tax is of no significant use.

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## EPA EMPLOYEES COMMUTE BY BUS

### HON. GILBERT GUDE

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. GUDE. Mr. Speaker, 47 Environmental Protection Agency employees from Montgomery County practice every day what their Agency preaches.

Several weeks ago, when faced with a move from the Parklawn Building in Rockville, Md., to Waterside Mall in Southwest Washington, a group comprising about 50 percent of the EPA's Office of Radiation Programs, decided to charter a bus at their own expense and leave the driving to a bus company. Originating at Walnut Hills Shopping Center near Gaithersburg, the bus service makes a second stop at E. J. Korvettes in Rockville where free fringe parking has been provided. Riders of the "Radiation Express" have found that commuting time is not increased substantially over that required by car and do not have to contend with the usual traffic aggravations.

This is believed to be the first commuter bus to be chartered by EPA employees in Metropolitan Washington. The commuters state that the cost of the service is commensurate with the cost of operating a four-man carpool over a similar distance. It is hoped that other Federal employees commuting from the suburbs into the District would adopt charter bus commuting to ease the critical parking situation, conserve gasoline, and combat air pollution.

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## IMPLICATIONS OF MOST-FAVORED-NATION STATUS TO POLAND

### HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. RARICK. Mr. Speaker, now that Red Poland enjoys "most-favored-nation" credit terms with the United States we hear of unprecedented sales agreements between the power structure of that nation and American firms.

While the American people are being led to believe that this is good for our economy, they are not reminded that Poland is the base for the Warsaw Pact military forces, the Soviet military arm of East Germany which is used as a lever to justify millions of U.S. taxpayers' dollars to maintain NATO forces in Western Europe.

To supply Communist Poland with foundry equipment for machine tools to develop its Red Army, while at the same time bleeding American taxpayers to maintain NATO, as well as supplying hundreds of thousands of American young men in West Germany is a cruel hoax on the American people.

And it was only the first of this year that David Rockefeller, of the Chase Manhattan Bank of New York, announced the proposal of substantial credit to the Polish Government by his bank. The same bank has also announced establishment of a bank in Moscow. We now learn that the Bank of America, founded by Mr. A. P. Giannini, who will be honored on a U.S. postage stamp to be issued June 27, has also been granted permission for a bank in Moscow.

In the meantime, Japanese businessmen are being urged to invest in the U.S. market to take up the slack caused by U.S. capital moving out.

I insert the related news clippings in the RECORD:

[From the Washington Post, May 25, 1973]

### POLAND CONTRACT

WARSAW, May 24.—Swindell-Dressler company of Pittsburgh, a subsidiary of Pullman, said today it has reached basic agreement in its talks here on a $48 million contract with Poland to supply foundary equipment for machine tools. It would be the largest contract between Poland and an American firm.

[From the Washington (D.C.), Star and News, May 30, 1973]

### Moscow OK'd for Bank of America

Moscow.—The Bank of America, the world's largest commercial bank, has received permission from Soviet authorities to open a representation office in Moscow.

The announcement was made yesterday by A. W. Clausen, the bank's president, who told a news conference he looked forward to facilitating investments in the Soviet Union by his bank's clients.

The Bank of America is the second U.S. bank, following Chase Manhattan, to open an office in Moscow. Two West German banks and a French bank also have offices here, established since the first part of the year in a developing rush to take advantage of apparently rising Soviet willingness to do business with the West.

Clausen, who predicted "bigger things to come," said that for the first time economic relations between the Soviet Union and the West are reaching a tempo similar to scientific and cultural relations.

Clausen said he joined the Russians in hoping the U.S. Congress would approve President Nixon's trade bill calling for most-favored-nation treatment for the Soviet Union. But he said passage of the most-favored-nation part of the bill would be a "sticky wicket."

Opposition has developed in Congress because of the Soviet Union's restrictive policies on emigration, particularly of Jews desiring to go to Israel.

[From the Washington (D.C.) Evening Star and Daily News, May 30, 1973]

### Japanese Urged To Invest in United States

Tokyo.—The United States is bidding for a share of an outpouring of Japanese overseas investment which could exceed $20 billion in the next eight years.

American Ambassador Robert S. Ingersoll yesterday welcomed executives of Japanese companies to a U.S. government backed "Invest in USA" seminar at Tokyo's Keio Plaza Hotel.

Representatives of 34 American states and Puerto Rico were present to brief Japanese industrialists on the advantages of setting up factories on American soil.

"The United States sees Japanese investment as a way of bringing our international payments into a more balanced position, especially in the short run," Ingelsoll said.

"According to the Japan External Trade Organization, Japan had $6.2 billion invested or approved abroad at the end of 1972," the ambassador said.

"By 1980 it will be the second largest investing nation in the world, with an investment outflow of $2.5 billion to $3 billion at an annual rate, and totaling between $25 billion and $30 billion."

Ingersoll read a message from President Nixon saying that "expanded Japanese investment in the United States can have far-reaching benefits for the alliance that ties us together. It can contribute to peace and stability in the Pacific."

For the two-day seminar the United States gathered a team of economists, international lawyers and representatives of American state governments to advise Japanese on techniques of going into business in the United States.

Tetsuzo Mizukami, president of the Japan Foreign Trade Council, said Japan's rate of overseas investment has been rising rapidly, and Japanese firms now have about $1 billion invested in the United States.

Mizukami said Japanese investments in Alaskan timber resources now are among the largest of his country's overseas ventures.

Yoskhizane Iwasa, chairman of the Fuji Bank, Japan's largest, said Japanese manufacturers have been hesitant in the past to go into the United States because of unfamiliarity with its system of law and management-employe relations.

Charles A. O'Rourke, director of International Finance and Investment for the U.S. Department of Commerce, told Japanese executives that direct investment will be the best way in the future to keep a share of the American market.

O'Rourke said costs of land and natural resources are cheap, and that although wages are high, America is free from the complicated fringe benefits found in Japan.

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## PITTSBURGH HIGH SCHOOLS GRADUATE 4,515

## HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, a recent article in the Brookline Journal, published in the Brookline section of Pittsburgh, reminded me that the Pittsburgh public schools will graduate 4,515 senior high school students this June.

I have met and talked with many of these young people during my high school speaking schedule. Each year I try to visit as many of the high schools as possible, talking with the students about our political system and processes and trying to bring government a bit closer to each of them.

In the first 5 months of 1973, I spoke at nine Pittsburgh high schools.

I found the students very receptive to my visits and quite determined to pick my brain about all the vagaries of government, Federal, State, and local.

I was impressed with their general grasp and interest in current events and the insight of their questions. The students I spoke with displayed little reluctance to put me on the spot and ask what I planned to do about every problem from the Watergate to infrequent garbage pickups. I hope they enjoyed our dialog and found them as interesting as I.

I would like to include the article from the May 31, 1973, Brookline Journal in the Record at this point and wish every June 1973 graduate of the Pittsburgh Public Schools good luck and success.

### City High School To Graduate Total of 4,515 Students in June

The Pittsburgh Public Schools will graduate 4,515 students from thirteen high schools in the month of June.

Commencement exercises begin with Schenley and Allerdice high schools on Sunday, June 3, and conclude with Gladstone High School on Friday, June 8.

Among the citywide graduates are 312 students who attained high honor grades and an additional 639 who will graduate with honor.

Allerdice High with 676 will have the largest number of graduates, followed by South Hills with 642 and Peabody with 563. Graduation programs for these three schools plus Schenley and Carrick will be held at the Civil Arena.

Speakers for the graduation exercises will be members of the administrative staff.

At South Hills High there will be 318 boys and 324 girls in the graduating class; 12 boys with high honor and 34 girls. Honor students total 35 boys and 59 girls.

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## HOUSEBOYS AND PLUSH PLANES

## HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. GAYDOS. Mr. Speaker, we are in an era when the U.S. Military Establishment should be doing everything within its power to heighten the public respect which, in most cases, it deserves.

The antimilitarism engendered by the hated Vietnam war lingers in our society and especially among those too young to have personally experienced past times of American military glory.

In view of this and realizing, as most concerned citizens do, that we must maintain strong and publicly supported Armed Forces, I am disturbed by disclosures of special privileges taken among the top military brass.

One is the matter of the $21.7 million annual cost of the practice of providing enlisted men as house and yard boys for generals, admirals, and some Navy captains. I appreciate that large numbers of men in standby units must be kept busy. But is this the way to have some of them do so? I need not describe to you the effect of this kind of report on the taxpayer who enjoys no privileges and must hire his own choreboys and lawn mowers if indeed he can afford such assistance after settling his bill with Uncle Sam.

Another is the matter of Senator William Proxmire's allegation that $430,000 is being spent to remodel one Air Force plane used by a general and the Senator's request that congressional auditors check out reports that other U.S. aircraft are being turned into "flying playboy penthouses at taxpayers' expense." The Air Force objects, according to the United Press International, to the Senator's use of the "playboy" word—saying the plane in question will have a standard galley, and no bar. However, this kind of tax-money spending and thoughts of high military men soaring around in high splendor are distasteful and irritating.

What, I ask, has happened to the military when it permits itself, even by the license of a few of its top officers, to be placed in positions when it can receive publicity of this derogatory kind? Has it lost its feel for good public relations? Or have the billions showered upon it, and usually on its own accounting of its needs, warped its sense of propriety as regards the people who have to ante up this money?

We need a strong military, as I have said. But we need one too whose conduct in both war and peace is such as to merit in all instances the esteem of those it supposedly serves. Austerity rather then privilege should be its watchword. I agree with Chairman George H. Mahon of the House Defense Appropriations Subcommittee that we are paying our high-ranking military officers at such a rate that they ought to hire their own help like the rest of us.

## OMB VETO

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## HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. STUDDS. Mr. Speaker, on May 23, of this year, the House failed, by a vote of 236 to 178, to obtain the two-thirds majority needed to override the President's veto of a bill that would have given the Senate the authority to "advise and consent" on the President's nomination of Director and Deputy-director of the Office of Management and Budget.

I was deeply disappointed that despite the enormous power of these two positions, a majority of the House failed to insist on its constitutional authority in this key issue which would have done much to restore the proper balance between the executive and legislative branches.

Our failure to stand on our own constitutional feet has not escaped the attention of the people we represent at home. For the further information of my colleagues I offer the following lead editorial from the "Cape Cod Standard Times" of May 26, 1973.

The editorial follows:

IN OUR OPINION: CONGRESS DUCKS AGAIN

The U.S. House of Representatives is the despair of those both in and out of Congress who fervently hope that the Congress can regain the power it once had in national affairs.

Since the Presidency, like an octopus run amuck in a school of fish, began drawing in power from the Congress until that branch has become little more than a rubber stamp, the House has been the body that has foiled efforts of the Senate to regain some dominance in national affairs.

The latest episode came when the House failed to override the President's veto of a bill requiring Senate confirmation of the director and deputy-director of the Office of Management and Budget. The Senate voted 62 to 22 to override but the House declined to follow suit by a vote of 236 to 178, far short of the two-thirds required.

The House action means that the President can continue to name his own men to these two top positions in the OMB without asking for the consent of the Senate.

For those who ask what difference it makes, we must point out that the director of the Office of Management and Budget has the power of life and death over many vital programs. He determines in almost all instances which programs get appropriated money to operate and which must die on the vine.

Such a director is, in fact, as is frequently pointed out, probably the most powerful man in government besides the President himself, as far as the general public is concerned. Yet he is a man over whom the Congress has no control whatsoever.

Many Government positions, including Cabinet posts, require Senate confirmation. The Congress, however, has no say in the selection of the director of the OMB, a man who is far more important than most Cabinet members.

It doesn't seem to make sense, now, does it?

Rep. Gerry Studds, D-Mass. 12th District, who represents the Cape, says the failure of the House to override the President's veto is another tragic indication that the Congress is still not ready to reassert its own Constitutional authority. We couldn't agree more.

## THE DEATH OF NIER?

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## HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. ANDERSON of Illinois. Mr. Speaker, on April 28, 1973, the President signed into law the First Supplemental Appropriations Act of 1973—Public Law 93-25—which included $1.8 million for the General Services Administration to reactivate the National Industrial Equipment Reserve—NIER—and its valuable program of loaning reserve machine tools to schools for vocational training purposes. On May 24, 1973, the Office of Management and Budget sent a directive to the Department of Defense ordering a dismantlement of NIER, and a letter to me euphemistically referring to the OMB abolition of NIER as "program redirection." A more accurate assessment of that OMB decision is that we have witnessed another in a series of a "policy impoundments," clearly flouting the mandate of the Congress and the legally prescribed procedures for disposing of NIER machinery under the National Industrial Reserve Act of 1948.

As the author of the NIER Urgent Supplemental Appropriation Act of 1973, I feel obliged to call this matter to the attention of the over 80 House cosponsors of my amendment as well as the appropriate committees of the House. You will recall that NIER was not funded under fiscal 1973 because of a difference between the administration and the Congress as to whether it should be retained under the GSA budget or shifted to that of DOD. Lacking funds, GSA was forced late last year to close down its two main storage facilities and to freeze pending "tools for schools" loan applications. In adopting the NIER amendment to the first supplemental appropriations bill on April 12 in this body, we were attempting to rectify this situation and provide funds to reopen those storage facilities and reactivate the school loan program.

Referring to the NIER tools in storage back on December 13, 1972, then Deputy Defense Secretary Kenneth Rush, in a letter to Chairman MAHON, wrote:

> Based on a survey of defense requirements, we believe that it is necessary that all or substantially all of these tools be available for defense production requirements when needed.

And yet, 5 short months later OMB was informing the Secretary of Defense:

> The NIER program today does not serve as critical a defense need as it did in 1948. Continuation of the program in its current form does not seem necessary. . . .

I have yet to receive any indication that the Office of Management and Budget has conducted a thorough assessment of our defense emergency production needs which would contradict the results of that DOD survey. The original NIER Act, which is still on the books, does require that a National Industrial Reserve Review Committee be established to conduct just such a review of our changing defense needs. But this committee has been defunct for several years now. That same act requires that the Secretary of Defense, on the basis of the advice and findings of the review committee, determine which machinery is no longer essential to our defense needs. There is nothing in the law which permits other officials of Government to make this determination for him. That original NIER Act also requires that a NIER report be submitted to the Congress by April 1 of each year. This year's report contains no indication that NIER is now obsolete and makes no recommendation that any of the machinery should be disposed of. To the contrary, the report makes very favorable reference to the success of the tools for schools program:

> Reports by educational institutions and training schools indicate beneficial effects upon the economy of the communities in which NIER equipments is being used. Skilled labor shortages for defense and civilian industries are reduced through student training on Government-furnished equipment. An estimated 90-95 percent of the trainees who have successfully completed their training under the "tools for schools" program obtain employment in industry. (An estimated 38,000 students are currently receiving training under the program).
>
> Benefits accruing to the Government from this program include a reserve of skilled manpower as an essential part of industrial preparedness. In addition, the tools are maintained without cost to the Government during the period of the loan while continuing to be available to meet emergency defense needs.

Mr. Speaker, in conclusion let me say that there may be a case to be made for eliminating NIER, but I do not think OMB has adequately made this case, nor do I think that OMB has the authority under law to take the action it has in directing DOD to dispose of this machinery. This decision should be made after the appropriate committees of the Congress and a reactivated national industrial reserve review committee have carefully evaluated the relation between NIER and our future defense emergency production needs. In the meantime, the NIER program should be continued in fiscal 1974.

I am, therefore, calling upon our Appropriations and Armed Services Committees to exercise their oversight responsibilities in this matter and to conduct the necessary review. I would also urge that funds be provided for NIER under GSA in our fiscal 1974 appropriations with a mandatory requirement that the program be continued.

At this point in the RECORD, Mr. Speaker, I include my most recent exchange of correspondence with OMB:

HOUSE OF REPRESENTATIVES,
*Washington, D.C., April 30, 1973.*

Mr. ROY L. ASH,
*Director, Office of Management and Budget,*
*Washington, D.C.*

DEAR ROY: I am writing to you concerning the future of the National Industrial Equipment Reserve (NIER). As you know, this machine tool reserve which is under the Department of Defense and managed by the General Services Administration, received no funds in fiscal 1973 due to a difference between the Administration and the Congress as to whether it should be retained under the GSA budget or incorporated into the General Industrial Equipment Reserve of DoD and shifted to that budget.

On April 12, 1973, the House adopted my amendment to the urgent supplemental appropriations bill (H.J. Res. 496) to restore $1.8 million for NIER (the amendment had over 80 House cosponsors). That provision was retained in the Senate and in conference, and is a part of the bill signed into law by the President last Saturday, April 28.

I had been informed that OMB had decided not to expend any of the NIER funds contained in the supplemental, and instead had decided to abolish NIER, terminate the popular and successful "tools for schools" loan program, and dispose of all NIER tools currently held in reserve by declaring them surplus. I greatly appreciate the fact that my request was honored not to make any reference to this decision in the supplemental signing statement.

I would like to request that a decision as to the final disposition of NIER be suspended pending a more thorough, in-depth review and evaluation of NIER by the Department of Defense and the Congress. I am especially concerned that terminating NIER at this time might be interpreted as a "line-item veto" and a "policy impoundment." The "National Industrial Reserve Act of 1948" specifically provides for the appointment of a National Industrial Reserve Review Committee in DoD to annually review the justification for the retention of property in NIER and to make recommendations to the Secretary for its disposal if it is no longer essential to the national security. The same Act also provides for and requires an annual report by DoD to the Congress on NIER. The most recent report, dated April 4, 1973, contains very favorable references to the NIER school loan program and no suggestion that NIER is either wasteful or no longer necessary, and certainly no recommendation to the Congress that NIER be abolished.

If OMB has detailed information or a report indicating that NIER machinery is no longer essential to our defense needs, I would appreciate receiving a copy of that report. But on December 29, 1972, in a letter to Chairman George Mahon on NIER, then Deputy Defense Secretary Kenneth Rush wrote:

"Based on a recent survey of defense requirements, we believe that it is necessary that all or substantially all of these tools be available for Defense production requirements when needed."

He was referring to the 4,100 tools in the GSA NIER storage facilities which had been closed down on December 31, 1972, and have since that time been left unattended and are now in imminent danger of substantial damage.

I would therefore suggest that funds for NIER appropriated in the fiscal 1973 urgent supplemental appropriations act be immediately released for the protection and maintenance of the tools being stored in the Terre Haute, Ind., and Burlington, N.J., facilities, and that the "tools for schools" loan program also be continued, all pending the final outcome of a further study into the value of NIER.

I have written to the Secretary of Defense urging the reactivation of the National Industrial Reserve Review Committee for the specific purpose of conducting a comprehensive evaluation of NIER, and have suggested that its final recommendations he included in the next annual report on April 1, 1974, in time for our fiscal 1975 budget decision. This would also mean continuing NIER through fiscal 1974.

I think the Congress, in the meantime, can and should conduct its own study of NIER, possibly in conjunction with its consideration of legislation to dispose of certain materials in the strategic stockpile.

In conclusion, I urge your serious consideration of this compromise or alternative approach to the NIER question. It seems to me that such a joint cooperative approach to the review of such a program can be the most constructive and least subject to charges of arbitrary, executive program termination once a decision has been reached.

With warm personal regards, I am

Very truly yours,

JOHN B. ANDERSON,
*Members of Congress.*

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OFFICE OF MANAGEMENT AND BUDGET,
*Washington, D.C., May 24, 1973.*

Hon. JOHN B. ANDERSON,
*House of Representatives,*
*Washington, D.C.*

DEAR MR. ANDERSON: Thank you for your letter of April 30 concerning the "National Industrial Equipment Reserve (NIER). We have carefully reviewed the points made in your letter, but still feel that program redirection is necessary. We do not consider this to be a "policy impoundment" since our decision recognizes the vocational educational benefits of the program and also the concern expressed by others that tools in the NIER be kept available for Defense production requirements when needed. In reaching our decision, we consulted with both the Department of Defense and the General Services Administration.

As you know, Congressman Mahon has expressed the view that the NIER program appears to be based more on vocational training objectives than on defense requirements. Further, most of the concern expressed in Congress over the NIER relates to the training aspects of the program. We feel that the educational objectives of the NIER can best be served by donating the tools to educational institutions under GSA/HEW's existing donation program. Such action would not place a significant additional burden on the donation program and would not require additional Federal funds. This would not be a one time action but would allow a continual flow of machine tools no longer needed for Defense contracts to be donated, rather than loaned, to the many schools which can use such tools for vocational training.

With regard to the concern that the tools in the NIER be available for Defense production requirements when needed, we feel that such mobilization needs can be met by putting a national security clause on the tools channeled through GSA's disposal program. Such a clause could require that the tools be kept in good operating condition and made available for Defense production requirements when needed for national security reasons. In an emergency situation, the mobilization of NIER tools would augment tools made available by the President's authority under Title I of the Defense Production Act to take tools off production lines if a shortage should jeopardize defense production priorities.

I hope that this letter has helped to clarify our position on the NIER. We are asking the General Services Administration to cooperate with the Defense Department in making the NIER tools available to schools for vocational training purposes.

Sincerely,

FREDERIC V. MALEK,
*Deputy Director.*

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OFFICE OF MANAGEMENT AND BUDGET,
*Washington, D.C., May 24, 1973.*

Memorandum for Elliot L. Richardson.
Subject: National Industrial Equipment Reserve (NIER).

As you know, no funds were included in the President's budget for fiscal 1973 for operation of the NIER program. Congressional interest in the vocational education loan aspect of the program resulted in a supplemental appropriation of $1.8 million for the reinstatement of the NIER program.

The NIER program today does not serve as critical a defense need as it did in 1948. Continuation of the program in its current form does not seem necessary since:

The number of tools in the reserve is insignificant to the total inventory of machine tools in the general economy—less than one-half percent.

Hardly any of the reserve tools have been mobilized since GSA assumed operating responsibility for the program (an annual average of 218 items for the 1961–1971 period and 383 items for the Vietnam build-up period of 1964–1968 were transferred to defense contractors in support of military contract requirements). Other sources probably would have been used if the tools had not been available in the reserve inventory.

The tools could be excessed with a national security clause which would permit effective recall in a national emergency. Further, under Title I of the Defense Production Act the President has the authority to take machine tools off production lines if shortages should jeopardize defense production priorities.

Manpower training objectives would be met if the tools were surplused since they could then be donated on a priority basis to educational institutions.

Alternatives to the present NIER program have been given careful consideration and were subsequently reviewed in light of the Congressional action on the 1973 supplemental appropriation. As discussed with members of your staff, we have determined that, rather than reactivate the NIER program, the tools should be declared excess so that they might be donated to schools for vocational training purposes. If appropriate, a national security clause should be placed on the excessed tools as a contingency for effective recall in time of emergency. Furthermore, if in your judgment some of these tools are required for defense purposes, they can be transferred to the Defense General Industrial Reserve.

In order to assure early delivery of these tools to the schools, immediate steps should be taken to declare the tools excess and work out arrangements with the General Services Administration to assure an effective and orderly transition. Such arrangements should provide for Government disinvestment of the tools now in reserve as well as those in the future which would otherwise be added to the NIER inventory.

FREDERIC V. MALEK,
*Deputy Director.*

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## AN EXERCISE OF A RIGHT

## HON. EDWARD MEZVINSKY

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. MEZVINSKY. Mr. Speaker, one of my constituents, George T. Nickolas of Davenport, Iowa, has been awarded his third Freedom Foundation Award in 6 years. The following, an excerpt from his winning essay, "An Exercise of a Right," explains the benefits of being a citizen:

You have the right to think as your conscience permits. . . . You have the right to vote in free public election and thereby select public officials who will represent you and your interests in city, county, state and national affairs. You have the right to select the type of work or profession to which your education, talents, experience and physical ability will permit you to successfully pursue . . . you have the right to legal counsel and a prompt trial by jury. You have the right to seek . . . equity when you have been wronged. You have the privilege of sharing in the benefits of the many natural resources of your country . . .

## RARICK REPORTS TO HIS PEOPLE: GOVERNMENT TAKES AN INTEREST IN OLDER AMERICANS

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### HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. RARICK. Mr. Speaker, during this period of rising living costs and rampant inflation, everyone feels the economic pressure. But few are as directly affected, and to such a degree as those people on fixed incomes—such as retired people and the elderly. In the past, these people have often been overlooked by government at all levels in an attempt to court the younger, more vocal voters. But today much is being done to provide financial assistance to our senior citizens and to help them enjoy the benefits of the country they helped to build.

In the time we have today, I thought we could discuss some of the problems facing older Americans, and what is being done on a national level to help correct them. The problems of the aged and aging are as diverse as those facing all of modern society. But to a large extent the problems affecting younger people are magnified and hurt older people even greater.

This country owes much to our senior citizens. They saw it through the depression, suffered through the wars, paid the taxes, and provided the leadership and the muscle to build the economy and to create a better life for those that followed. Today's older Americans have made their mark on the recent history of the Nation, and the contributions they may continue to make will undoubtedly be important if we make use of their experience. For what our older citizens may lack in formal education, they make up for in experience.

The number of persons over age 65 is the fastest growing segment of the population. It has grown at a rate three times that of the rest of the population. There are presently some 21 million people in this country over age 65, and they represent one-tenth of the total U.S. population. The experts estimate that by the year 2000 elderly citizens in this country will number about 30 million. These senior citizens constitute a wealth of natural resources, by virtue of their maturity, experience and talents. Yet the potential contributions that this large segment of Americans can make to this Nation is often unfortunately neglected.

Last month Congress approved and sent to the White House a bill that would extend for 3 years a series of programs to aid the elderly. The measure calls for $543 million to be authorized for a wide range of programs including: low-fare transportation, assistance in the home, multipurpose centers for the elderly and continuation of the foster-grandparents program. Most of the money will be spent in the first year.

It should be pointed out that this large amount of funds for senior citizens is still more than $10 million less than the amount the Federal Government gave away in military assistance to foreign countries during 1972. It is lower than the amount we lavished in grants, low-interest loans, and guaranties last year individually on Brazil, the Republic of China, Korea, Spain, and Japan. Foreign-aid giveaways last year alone were more than three times the amount that Congress appropriated for the elderly in this country. Perhaps "giveaways" is the wrong word—"takeaways" would be more appropriate. They take away from programs that would aid our own people, and they take away, in the form of taxes, money that our citizens need just to make ends meet.

These foreign assistance schemes and other inflationary spending policies of the Federal Government have done much to bring about the primary problem affecting older Americans—inflation. The retired person cannot look forward to increases in his wages, yet the prices he pays for food, housing, clothing and taxes continue to eat into his income. The money that he put aside for his retirement is today worth less than when it was originally put into the bank or retirement plan. Many older people are finding it increasingly difficult to get by on reduced incomes during retirement.

In Louisiana, the majority of the more than 279,000 people over the age of 65 rely almost exclusively on old age assistance and social security for their entire incomes. A smaller portion have some sort of retirement payments from private sources such as company pensions or savings. Many of the retired people today do not benefit from private pensions, because they stopped working before the widespread use of company retirement programs came into being. Familiar statistics indicate that about 5 million of the 21 million elderly are below the recognized poverty level. We can see what a serious problem faces the large number of our senior citizens, when we realize that the average health costs for elderly people are more than triple those of people under age 65.

Taxes take a big bite from the income of retired people, and reduce even further their spendable income. These people, who have paid taxes to support their country during their working years deserve consideration and tax relief during their retirement. Rather than providing some form of guaranteed annual income, as some groups have suggested, we should first try to ease the tax burden of the elderly, and thus, in effect, increase their usable income. This would not cost the public any additional financial outlay, but it would provide much needed financial assistance to those who desperately need it.

For these reasons I have reintroduced legislation to allow retired individuals having an annual gross income of $10,000 or less, not to file Federal income tax returns. If one-half a person's income comes from pensions or annuities from any public or private retirement system, under my proposal, his income under $10,000 would be tax-free. This would be a considerable savings for many people over age 65.

Along these same lines of tax relief that would benefit the elderly, I have introduced a bill that would more than double the personal income tax exemption to $1,800. This measure would also result in providing more income to those people whose fixed incomes are eroded by income taxes.

As I mentioned earlier, our senior citizens still have much to offer this country in the area of experienced manpower. Studies in Louisiana indicate that most older people wish to continue working as long as they are physically able, even though they may have passed the customary retirement age. As much as the need for additional income, many older people feel that working permits them to remain active, to be a part of something worthwhile, to stay in the mainstream of things, and, perhaps most important, to remain independent. Unfortunately, a significant proportion of those able and wishing to work express concern that employment income might interfere with the social security and old age assistance payments.

Great variance in physical, emotional, and mental capacities exist at every age. And chronological age is no real measure of a person's ability to perform work. If a person should decide to continue to work after age 65 and to be productive, it does not seem fair to penalize him for his initiative.

Under the new bill passed by Congress and signed by the President, funds are authorized to create jobs for the elderly. About 60,000 added jobs are expected to be created for persons 55 years of age and older. Much of the work will be part-time, in such areas as tree planting, stream cleaning, library staffing, and teacher assistance. Contracts with State and other nonprofit agencies to help pay for the new jobs will be signed soon by the Secretary of Labor. Over the next 2 years, a total of $160 million has been authorized, mainly geared toward the unemployed.

Another area where a great deal of money—$233.6 million—will be spent in the next 2 years is in programs designed primarily to help elderly people continue to live in their own homes. Most older people in Louisiana live in their own homes and most of them indicate that they prefer this arrangement. A majority of older Americans live with their families. The stereotype of older persons being abandoned by their families is not borne out by the facts. In Louisiana about 85 percent of older people own the home or apartment where they live, in most cases with the mortgage paid up. But spiraling property taxes and higher living costs have forced many older people to give up the homes that they have spent their lifetimes paying for. Inflation and higher taxes continue to plague our senior citizens on limited fixed incomes, even more than the younger working people.

Government at all levels is beginning to realize the social and economic importance of older people and is doing more for them. Under the new bill, Federal grants will be made to assist cities in acquiring and staffing facilities where older people can gather for recreation. Card games, movies, lectures, reading material, medical information, instruction in arts and crafts, and hot meals are to be made available. In some cases, employment will be available for senior citizens at these centers.

The multipurpose centers will serve as a drawing card and help people to meet other people, to get services that they may not otherwise know about, and to help them stay in the mainstream of an active life.

Federal funds will also be used in awarding contracts to transport the elderly to jobs, to the centers I referred to, and on pleasure trips.

More money will be spent on programs for our senior citizens within the next few years than in any other period of our country's history. By 1974, outlays for the elderly will take nearly a fourth—24 cents out of each dollar—of all Federal spending.

Government is taking a sincere interest in the problems of our older citizens, and is finally doing something about them.

## CANISIUS COLLEGE COMMENCEMENT ADDRESS IS FOOD FOR THOUGHT

## HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. DULSKI. Mr. Speaker, last Saturday, May 26, 1973, I attended the 107th commencement exercises at my alma mater, Canisius College, at Buffalo, N.Y.

Dr. George E. Schreiner, class of 1943, one of four recipients of honorary degrees conferred by the Very Reverend James M. Demske, S.J., president of Canisius, was the speaker.

As part of my remarks, I would like to insert the citation for the conferral of the honorary degree of doctor of human letters upon Dr. Schreiner:

### CITATION FOR THE CONFERRAL OF THE HONORARY DEGREE OF DOCTOR OF HUMANE LETTERS UPON GEORGE E. SCHREINER

Scientist. Physician. Humanitarian.

George E. Schreiner is these and more.

As scientist he is inquisitive about man and explores the very foundations of life's processes.

As physician he seeks to cure disease, and he seeks to prevent the diseases he is called upon to cure.

As humanitarian he is concerned for his fellow men, that they lead healthy, productice lives with dignity.

George Schreiner received a Bachelor of Arts degree *magna cum laude* from Canisius College in 1943. Three years later, Georgetown University School of Medicine awarded him an M.D. degree *cum laude*.

After serving in Boston and New York, Dr. Schreiner returned to Washington, D.C., in 1950. The following year, he renewed his association with Georgetown University School of Medicine, an association that finds him today professor of medicine and director of the University Hospital's Nephrology Division.

In the thirty years since his graduation day at Canisius College, Dr. Schreiner has become a noted authority on kidney disorders, medical consultant to prestigious institutions, author and editor, and attending physician to a white tiger.

A member of forty medical and professional societies, Dr. Schreiner has held important offices and chairmanships in them. He served as president of the American Society for Artificial Internal Organs (1959–60), American Federation of Clinical Research (1962–63), National Kidney Foundation (1969–70), and the American Society of Nephrology (1970–71).

In 1963 he was chairman of the Nephrology Panel of the American Medical Association, and from 1964 until 1966 he was secretary-general of the III International Congress of the International Society of Nephrology.

In 1971 he was appointed by the Secretary of Health, Education and Welfare to the National Advisory Council on Regional Medical Programs of the Health Services and Mental Health Administration. That same year he served on the Ad Hoc Panel on Cardiovascular-Metabolic Effects of Spaceflight.

Dr. Schreiner is consultant to Walter Reed Army Medical Center, Mount Alto Veterans Administration Hospital, and Andrews Air Force Base in Washington, D.C., and the National Institutes of Health and National Naval Medical Center, Bethesda, Maryland.

Since 1963 he has been editor-in-chief of *Nephron* and since 1965 of *Transactions* of the American Society of Artificial Internal Organs. He has been consulting editor since 1968 of *Biomedical Measurements* and since 1969 of *Modern Medicine*. He continues to serve on the editorial board of the *American Journal of Medicine*, a position he accepted in 1960.

Dr. Schreiner is the author or co-author of well over 200 articles, abstracts, and papers that have appeared in such professional publications as the *Journal of the American Medical Association, Journal of the American Pharmaceutical Association*, and the *Annals of Internal Medicine*.

Probably his most unusual medical experience came in 1967, when the National Zoological Park called upon him to treat a kidney disorder in Samson, a genetic white tiger and original father of the clan of white tigers at the Park. The treatment consisted of a dialysis procedure, which involved inserting a large container of fluid into the animal. In Dr. Schreiner's words, that "may be the first time anyone ever put a tank into a tiger."

Canisius College is proud to call Dr. George E. Schreiner alumnus and to bestow upon him the additional degree of Doctor of Humane Letters, *honoris causa*.

One Hundred and Seventh Commencement Exercise, May 26, 1973, Very Reverend James M. Demske, S.J., President of Canisius College.

The commencement address was one of the most thoughtful and succinct speeches I have ever heard.

The application of Dr. Schreiner's message transcends the bounds of Canisius College graduates. He discusses a widening weakness in our national fiber and offers us individual tools for mending. Recalling a Greek motto often repeated by one of his mentors, he suggests personal adoption of its principle as a healthy goal for us all.

Mr. Speaker, I would like to share his noteworthy speech with my colleagues, and offer it now for reflection:

107th Annual Commencement
Canisius College
Memorial Auditorium, Buffalo, New York
May 26, 1973

### COMMENCEMENT ADDRESS

(By George E. Schreiner, A.B., M.D.)

Reverend President, Members of the Faculty, fellow graduates, parents, and friends.

It is a special kind of accolade to receive an honorary degree from one's Alma Mater. But honor is too cold a word for my feelings at this moment, for Canisius was more than a school to me. It was an extension of my home. I walked across the campus every day on my way to St. Vincent's Grammar School. I played sand-lot football on the rocky field which ultimately became the site of the old gymnasium, and now a resident Hall. I was one of Father John P. Delaney's kids who changed paper on the seismograph and occasionally left a warm bed for a wet walk in the snow to witness first-hand the wild squiggles of a great earthquake. I made a pinhole camera with him and ate up many a fascinating Friday afternoon in the Physics Lab, as he reworked old equipment for the next week's laboratory sessions.

Some of your finest buildings are named for the great men who may seem distant to you, but who were not remote figures to me. They were congenial and warm friends and often only semi-appreciated intellectual giants. More importantly, they were their own men, heroes, individuals of great intellectual integrity. Father Bouwhuis made learning in the library a pleasure long before he had a beautiful building named in his honor. Father John Frisch and his paramecia were our friends. He introduced me to the splendors of Comparative Anatomy which became a continuing interest that turned later into a deep feeling for Comparative Physiology, and for one of its most elegant examples, the evolution of the mammalian nephron. I walked across the street on cold mornings to serve Father Jack Shea's Mass and I often retraced the path home chatting philosophy with Father Clayton Murray, your Archivist, who still teaches after 38 years. I wielded a hammer and saw to build Buffalo's first arena stage with Porter White, then a scholastic and now Chancellor of the Baltimore Diocese. Canisius was my school and in every sense a true extension of my home. What suitable message could I bring today to the 107th Annual Commencement.

Oddly, it is a message which would have been dear to the heart of that jolly little Spaniard, Father Raymond Bosch. St. Augustine once asked, "but why did I so much hate the Greek". I would have to ask why did I so much love the Greek; and the answer would be Father Bosch who made it come to life.

I can see him now drawn up into his pint-size height, wiggling a pudgy finger and pronouncing Achilles motto trippingly on the tongue.

Ai ai aristu ein, kai upairakon emmanai allown. Freely translated it means always be a hero, a leader, and hold yourself an individual among men.

Ai ai aristu ein, kai upairakon emmanai allown.

If I were to pick out a basic sadness of our day, it would be the step by step, progressive homogenization which has marked the 3 decades since I left Canisius.

A single room factory in North Carolina weaves a million blue jeans a week and fails to meet the demand, and we move steadily toward a national uniform not philosophically so different from the cotton-quilted Chinese. Plywood boxes spread along square streets eating up the farm land around virtually every one of our cities. The once proud Pierce Arrow and Model T's and A's have blended into the boxy teardrop as if all the assembly lines of the world were converging toward a final common pathway, and the only mild protest is a reissue of the Model A with a new motor for those who are both nostalgic and practical. Each airport looks like another and shortly after completion is immediately under reconstruction with more pods shooting out more dendrites to more pods for parking more planes. Only Dulles International Airport, the legacy of a great Finnish architect, Eeero Saarinen, gives the beholder a breath of change and a unique beauty against the sameness.

We sleep in the same franchised hotel room, eat virtually from the same menu, read from the top ten novels, listen to the top 20 records, watch the same TV programs, and all too often think the same franchised thoughts.

Lots of pretty words, many brush strokes and much money are spent on Madison Avenue techniques to help us delude ourselves into feeling that we are eating with

Colonel Harlan Sanders, Howard Johnson, Minnie Pearl, Roy Rogers, Gino or Jack-in-the-Box, but it is still the same sterile chicken whose feet never touched the ground, raised on a wire mesh under ever-burning fluorescent lights, dipped in cotton seed oil and buried in a plain white cardboard box.

Yes, there is a sadness in homogenization and the sadness is not new to mankind. Gilbert put it "When everyone is somebody then no one's anybody." Walter Lippmann expressed it "When all think alike, no one thinks very much." Joubert, more cynical, expressed it "Mediocrity is merit to the mediocre", Dr. Lawrence Peter, author of the Peter Principle, dramatized the sadness with his tales of the processionary puppet proceeding through his fractionalized schooling to prepare for a mechanistic role in the Mediocracy.

Yes, in thinking about homogenization our problem is not in finding good examples but rather to choose from the many at hand, for as we look around, we are startled to find sameness, everywhere about us.

No example of homogenization is so damning, perhaps, as is the current Greek tragedy unfolding before us in Washington. In Watergate, we see no pattern of variance, no abberration which could be laid to the door of a particular subculture, a school, a region or a religion. Here were our fellow Americans, both young and aging, bright and dull, from the West and from the East, products of some of our finest schools, lawyers, accountants, ad men, managers, heads of staff, Cabinet officers, the very warp and woof of our most treasured institutions.

Yet, nowhere in this vast array of talented human beings was there one with the courage or the integrity to blow the whistle. Such whistling as was done came from an $80 a week janitor. Frank Wills, who like a modern day doubting Thomas had to see the tape on the door twice to believe it.

Where, we cry out in disappointment and anguish, oh where was our leadership?

My fellow graduates, do not fall into the comforting delusion that Watergate was an evil that could happen only in Washington; that there is something specially corrupting in the halls of National power. O No, my friends—look hard—look in the areas which at this moment touch upon your own lives. If you look hard enough, you will cry in anguish once again; "Where are our leaders?"

Well, you say it is not enough to cite and deplore; it is not enough to describe problems in the world around us. You are the doctor, if the disease is homogenization what is the treatment, what is the prevention, what is the cure?

With some humility and much brevity, I can offer two small bits of therapeutic advice. The first is to take this solemn occasion to turn ourselves toward the long view. Integrity takes its worst beating when it is caught in a storm of short-term goals. A "now" people are well on their way to becoming a lost people. Mindless escalation, epitomized in the Watergate episode, flourishes nowhere as well as in the press for the fast decision, the quick victory, the instant solution, the ready answer, and the fast buck. Expediency is the true practical enemy of morality. By the time a man of responsible competence truly comprehends the here and now it is already a then.

Think ahead, think long ahead, and think very lengthy thoughts. The future is an engine that can pull the wagon of the present at a level of speed, comfort, and efficiency unobtainable by those who hitch their personal wagons to the motors of the now. This is the day to fix on the stars and draw strength from the spiritual roots of the institution which has honored us both with its degrees.

My second prescription is a simple one. Go back with me to Father Bosch, wagging his pudgy finger and reciting the motto of Achilles, ai ai aristu ein, kai upairakon emmanai allown, Always be a hero and stand as an individual, head and shoulders above the sameness. The world and our entire country cry out for leadership. We don't need just another crop of graduates. We don't in fact need a crop of anything, conformists or conforming non-conformists. We need leaders; leaders of integrity and foresight, leaders with spiritual as well as intellectual strngth.

Whence is that leadesrhip coming?

Ai ai aristu ein, kai upairakon emmanai allown.—Always be a hero.

From where shall our leaders come—Why not from Canisius?

Who shall our leaders be?—Why not *you?*

Thank you very much.

## UNION TOWNSHIP, N.J., HONORS FIVE RETIRING POLICEMEN

### HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. RINALDO. Mr. Speaker, tonight, Local 69 of the Policemen's Benevolent Association in Union Township, N.J. is honoring five men who have retired after having served more than 150 years as police officers.

I believe it is reassuring to know that we still have dedicated men like these who can and do devote their lives to the cause of law enforcement.

These five men—Sgt. Edwin Ulbricht, Detective Joseph Spies, and Officers Thomas Howe, Al Dehmar, and Charles Sickinger—have earned the appreciation of the residents of Union Township for their more than 30 years each of service to the community.

And I believe that we in Congress should also join in saluting them and wishing them a long and happy retirement.

## DILLON GRAHAM

### HON. W. S. (BILL) STUCKEY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 24, 1973*

Mr. STUCKEY. Mr. Speaker, I would like to join other Members of the House in saluting Associated Press Newsman Dillon Graham who is retiring after a 25-year assignment to the Capitol and 44-years of continuous service with the Associated Press.

In recent years Mr. Graham covered the Southeastern States of our country and it is through that that I became acquainted with him.

The Associated Press has a reputation for choosing only top newsmen and Mr. Graham certainly lived up to that reputation. He performed a great service to the people of Georgia by keeping them informed of activities on Capitol Hill in a fair, complete, and accurate way.

His writing expertise is also well illustrated by the fact that he was a top-notch writer in the sports field before receiving his Capitol assignment.

I would like to thank Mr. Graham for his excellent news coverage and wish him and his wife well as they move to Myrtle Beach, S.C.

## TRIBUTE TO DILLON GRAHAM

### HON. JAMES A. HALEY

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 24, 1973*

Mr. HALEY. Mr. Speaker, it is a pleasure to join my colleagues in paying tribute to my friend and constituent, Mr. Dillon Graham, who is retiring from the Associated Press after 44 years of continuous service, the past 25 of which were spent on Capitol Hill.

Mr. Graham has served his profession and the Nation well. By reporting the news accurately and objectively, he has efficiently performed the vital task of informing the public about the workings of their Government. In so doing he has served not only the American people, but the Congress as well, and deserves our appreciation and thanks.

I regret to see Mr. Graham leave the Washington press corps, but his retirement is well deserved, and I wish both Dillon and his charming wife Gilbert many happy retirement years.

## FOOT-IN-MOUTH EPIDEMIC HITS ICELAND

### HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. BROWN of California. Mr. Speaker, there is great worry that the Watergate affair will hamper Mr. Nixon's attempts at foreign policy. An article in the Washington Post makes me think the President is doing fine on his own. The article follows:

NIXON REMARK MIFFS ICELANDERS

REYKJAVIK. May 31.—President Nixon's reminiscences about his first visit to Iceland in 1956 have irritated some Icelandic officials.

During his flight here Wednesday, Mr. Nixon said that in 1956 American servicemen gave him a warm welcome at Keflavik Air Base—"that, if you'll pardon the expression, god-forsaken place."

"If the President thinks God has forsaken Keflavik," an Icelandic official said yesterday, "he won't be surprised if Icelanders feel the United States also should forsake the base by pulling out its military force."

The Icelandic government spokesman, Hannes Jonnson said only: "Mr. Nixon's idea of God is very limited."

## DISTRICT OF COLUMBIA LEGISLATION

### HON. JOEL PRITCHARD

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. PRITCHARD. Mr. Speaker, on April 9, 1973, I was unavoidably detained in my district on official business. Unfortunately, I was unable to be present on the floor for passage of the bill—H.R. 4586—to incorporate the National Inconvenienced Sportsmen Association, and for passage of the bill—H.R. 342—to authorize the District of Columbia to enter into the Interstate Agreement on Qualification of Education Personnel. Had I been present, I would have voted for passage of both bills.

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## BASEBALL TEAM RETURNING

## HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. BROWN of California. Mr. Speaker, major league baseball is coming to Washington again, but we will have to wait a while until it gets here. In the meantime I would like to call your attention to the baseball that is being played by our staffs on the Hill.

So often when a new sports season comes along it means we just stop watching one sport and start watching another. But to some people a new season means the chance to take an active part. That is what spring has meant to the softball players on Capitol Hill.

One of the last teams to get started is the team of the Legislative Counsel, but they have started on the right foot. Calling themselves the Legal Eagles they were victorious in their first outing, defeating a spirited team from Congressman Pritchard's office. It is not so important that the Legal Eagles, David Harris, Bonnie Lyons, Phillip Miller, Tom Quinn, Carol Scheer, Jeff Seivers, Ron Silver, Paul Toulouse, Pete Train, Helen Urban, and Joe Urban won. What is important is that they, like the other congressional teams, are doing, not sitting.

I am as happy as anyone else that major league baseball is coming back to Washington. But I am pleased more when I see people following one of the dreams of John Kennedy by finding enjoyment and health in sports.

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# HOUSE OF REPRESENTATIVES—*Monday, June 4, 1973*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

*Lift up your heads, O ye gates; and be ye lifted up, ye everlasting doors; and the King of glory shall come in.*—Psalms 24: 7.

Help us to lift up our minds and to open the door of our hearts that the King of glory whose spirit ever shines upon us may dwell in us giving us confidence to render a faithful service to our country and courage to stand for what is right and good and true.

To this end bless our President, our Speaker, and the Members of Congress. May they be ambassadors of good will who with strength of character, sympathetic understanding, and an outreaching concern for the welfare of others seek to meet the challenging needs of our day. Give them and give to all of us the insight that lights the way to brotherhood and the inspiration that leads us to become brothers.

In the spirit of Him, where life is the light of men, we pray. Amen.

## THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 7447. An act making supplemental appropriations for the fiscal year ending June 30, 1973, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 7447) entitled "An act making supplemental appropriations for the fiscal year ending June 30, 1973, and for other purposes, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. McClellan, Mr. Magnuson, Mr. Pastore, Mr. Bible, Mr. Robert C. Byrd, Mr. McGee, Mr. Proxmire, Mr. Montoya, Mr. Hollings, Mr. Bayh, Mr. Young, Mr. Hruska, Mr. Cotton, Mr. Case, Mr. Fong, and Mr. Stevens to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title with amendments in which concurrence of the House is requested.

S. 49. An act to amend title 38 of the United States Code in order to establish a National Cemetery System within the Veterans' Administration, and for other purposes.

The message also announced that the Senate had passed bills and concurrent resolutions of the following titles, in which the concurrence of the House is requested:

S. 67. An act for the relief of Reynaldo Canlas Baecher;

S. 155. An act for the relief of Rosita E. Hodas;

S. 227. An act for the relief of Michael Kwok-choi Kan;

S. 315. An act for the relief of Elsa Bibiana Paz Soldan;

S. 339. An act for the relief of Mrs. Stefanie Miglierini;

S. 529. An act for the relief of Mrs. Hang Kiu Wah;

S. Con. Res. 11. Concurrent resolution to express a national policy with respect to support of the U.S. fishing industry; and

S. Con. Res. 27. Concurrent resolution to observe a period of 21 days to honor America.

## UNITED STATES NO LONGER "NO. 1" IN COMMERCIAL AVIATION: THE STORY OF THE TU-144

(Mr. STRATTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STRATTON. Mr. Speaker, I returned on yesterday from the Paris Air Show. While there I had the opportunity to inspect in detail the TU-144 which crashed yesterday and to confer with the crew, some of whom were unfortunately lost in the crash.

I do want to extend my sympathy and my regrets over this tragedy, Mr. Speaker, as one who had the opportunity to visit with the crew and to see the plane, to the families of these people and to the Soviet aviation authorities.

I also wish to report to the House that, in spite of the crash, this TU-144 is a very remarkable plane and represents very remarkable technical progress. In fact, the industry representatives and pilots with whom I spoke all shared that view.

Yes, we in this country must reassess our current position in the field of commercial aviation. In spite of this crash I believe it is still likely that the TU-144 will be flying commercially, as scheduled, by 1975.

One comes back from the air show, Mr. Speaker, feeling very strongly that the United States is no longer "No. 1" in the field of international commercial aviation. We in this Congress need to be apprised of that fact and to recognize that we have to do something about it.

## PERSONAL EXPLANATION

Mr. KASTENMEIER. Mr. Speaker, because of official business, due to my appointment by the Speaker of the House as a member of the American delegation to the draft Trademark Registration Treaty Conference, I was necessarily absent from the House on May 29 and 30.

Had I been present, I would have voted as follows:

On rollcall No. 160, "yea."
On rollcall No. 161, "no."
On rollcall No. 162, "no."
On rollcall No. 163, "yea."
On rollcall No. 166, "yea."
And on rollcall No. 167, "yea."

## FILLING VACANCY OF FBI DIRECTOR

(Mr. DANIELSON asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. DANIELSON. Mr. Speaker, J. Edgar Hoover died on May 2, 1972. Thirteen months have now gone by, and we still do not have a Director of the FBI. I recognize that the administration is having problems in the filling of vacancies in the administration, but this one has gone on far too long.

Mr. Speaker, the people of America are

entitled to and need a Director of the FBI. This problem will not go away.

The Society of Former Agents has offered to assist the President in selecting a suitable candidate for this responsible office.

Mr. Speaker, I urge that the President meet this responsibilfty as soon as possible.

## CALL OF THE HOUSE

Mr. SCHERLE. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McFALL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 173]

Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Armstrong
Ashbrook
Ashley
Badillo
Barrett
Bergland
Biaggi
Blatnik
Bowen
Brasco
Brinkley
Brooks
Broyhill, Va.
Burke, Calif.
Burke, Fla.
Burleson, Tex.
Carey, N.Y.
Carter
Casey, Tex.
Chisholm
Clark
Cleveland
Cohen
Conte
Conyers
Corman
Cotter
Crane
Culver
Daniels, Dominick V.
Davis, Ga.
Delaney
Dellums
Dennis
Diggs
Dohohue
Dorn
Dulski
du Pont
Eckhardt
Edwards, Ala.
Eilberg
Erlenborn
Eshleman
Fish
Fisher
Flood
Flowers
Flynt
Foley
Fountain
Frelinghuysen
Fulton
Grasso
Gray
Green, Oreg.
Green, Pa.
Gubser
Harrington
Hastings
Hébert
Heinz
Helstoski
Hinshaw
Holtzman
Hudnut
Jones, Okla.
Keating
Kemp
Kluczynski
Koch
Landrum
Long, La.
McEwen
McSpadden
Macdonald
Mailliard
Maraziti
Mayne
Meeds
Melcher
Metcalfe
Minish
Mink
Minshall, Ohio
Moss
Murphy, Ill.
Murphy, N.Y.
Nedzi
Nichols
Nix
O'Neill
Owens
Passman
Patman
Pepper
Peyser
Pike
Podell
Pritchard
Quie
Railsback
Rangel
Reid
Reuss
Riegle
Rodino
Rooney, N.Y.
Rostenkowski
Roy
Roybal
Runnels
Ruppe
Ryan
St Germain
Sandman
Sarasin
Satterfield
Schroeder
Shoup
Sikes
Smith, N.Y.
Staggers
Steiger, Wis.
Stokes
Taylor, Mo.
Teague, Tex.
Thompson, N.J.
Udall
Walsh
Ware
Whalen
Widnall
Wilson, Bob
Wolff
Wydler
Yatron
Young, Ga.
Young, Ill.
Young, S.C.

The SPEAKER. On this rollcall 289 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

## REQUEST FOR CONFERENCE ON H.R. 7447, MAKING FURTHER SUPPLEMENTAL APPROPRIATIONS

Mr. MAHON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 7447) making further supplemental appropriations for the fiscal year ending June 30, 1973, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference requested by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. GIAIMO. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

## CONSENT CALENDAR RULES OF OPERATION

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and to include extraneous matter.)

Mr. ALEXANDER. Mr. Speaker, prior to the call of the Consent Calendar I will advise the membership that the rules of procedure for the Consent Calendar have been agreed to by the official objectors.

Mr. Speaker, I include a copy of the rules of procedure at this point in the RECORD.

The matter is as follows:

### CONSENT CALENDAR: RULES OF OPERATION

The Majority and Minority Floor Leaders have appointed their respective personnel of the Consent Calendar objectors committees; the gentleman from Oklahoma, Mr. Albert, appointed three members of his party and the gentleman from Michigan, Mr. Ford, appointed three members of his party. The objectors committees are unofficial committees of the House of Representatives, existing at the request and at the pleasure of the respective floor leaders of the two parties, who, in order to facilitate the proper screening of legislation which may be placed on the Consent Calendar, designate members of each side of the aisle charged with the specific responsibility of seeing to it that legislation passing by such procedure is in the interest of good government. The rule which is applicable to Consent Calendar procedure is clause 4 of Rule XIII, found in Section 746 of the Rules of the House of Representatives.

For several sessions now objectors on both sides of the aisle have followed certain rules for consideration of Consent Calendar bills which they have made known to the Members at the beginning of a session. These rules are not publicized at this time to establish hard-and-fast procedure but rather to advise the Members of the House as to the manner in which the Committee plans to operate throughout the 93rd Congress.

The Members of the Committee have agreed, for the 93rd Congress, upon the following policies and procedures (1) Generally, no legislation should pass by unanimous consent which involves an aggregate expenditure of more than $1 million; (2) no bill which changes national policy or international policy should be permitted to pass on the Consent Calendar but rather should be afforded the opportunity of open and extended debate; (3) any bill which appears on the Consent Calendar, even though it does not change national or international policy, or does not call for an expenditure of more than $1 million, should not be approved without the membership being fully informed of its contents, if it is a measure that would apply to the districts of a majority of the Members of the House of Representatives, in which case the minimum amount of consideration that should be given such a bill would be clearance by the leadership of both parties before being brought before the House on the Consent Calendar. Such a bill will be put over without prejudice one or more times to give an opportunity to the Members to become fully informed as to the contents of the bill.

The members of the Consent Calendar objectors committees also feel it fair to state to the membership that it is not their purpose to obstruct legislation or to object to bills or pass them over without prejudice because of any personal objection to said bill or bills by any one member or all of the members of the Consent Calendar objectors committees but rather that their real purpose, in addition to expediting legislation, is to protect the membership against having bills passed by unanimous consent which, in the opinion of the objectors, any Member of the House might have objection to.

The Members of the Consent Calendar objectors committees earnestly request that the chairman of the standing committees of the House having the responsibility for bringing legislation before the House take into account the contents of this statement before placing bills on the Consent Calendar. While it is not absolutely necessary that the sponsors of bills appearing on the Consent Calendar contact the various members of the Consent Calendar objectors committees, nevertheless, in the interest of saving time and avoiding the possibility of having bills put over unnecessarily, it is good practice to do so; and the objectors welcome the practice of getting in touch with them at least 24 hours in advance of the time the legislation is called up under the regular Consent Calendar procedure. In many instances such thoughtfulness on the part of the sponsors will clear away questions which the objectors have and consequently will make for the expeditious handling of legislation.

BILL ALEXANDER, Chairman; TENO RONCALIO; CHARLES ROSE; ALBERT W. JOHNSON; LOUIS FREY, JR.; WILLIAM J. KEATING.

## CONSENT CALENDAR

The SPEAKER. This is the day for the call of the Consent Calendar. The Clerk will call the bill on the Consent Calendar.

## INSURANCE COVERAGE FOR U.S. NATIONALS EMPLOYED BY FEDERAL GOVERNMENT

The Clerk called the bill (H.R. 3801) to extend civil service Federal employees group life insurance and Federal employees health benefits coverage to U.S. nationals employed by the Federal Government.

There being no objection, the Clerk read the bill as follows:

H.R. 3801

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) section 8701(a)(B) of title 5, United States Code, is amended to read as follows:

"(B) an employee who is not a citizen or national of the United States and whose permanent duty station is outside the United States and the Panama Canal Zone; or"

(b) Section 8901(1)(ii) of title 5, United States Code, is amended to read as follows

"(ii) an employee who is not a citizen or national of the United States and whose permanent duty station is outside the United States and the Panama Canal Zone;".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## SUPERVISORY POSITIONS, U.S. CAPITOL POLICE FORCE, HOUSE OF REPRESENTATIVES

Mr. HAYS. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 398) providing for the promotions to positions of a supervisory capacity on the U.S. Capitol Police force authorized for duty under the House of Representatives, to reduce by 15 positions the total number of positions on such force under the House, and for other purposes.

The Clerk read as follows:

H. RES. 398

*Resolved*, That (a) in addition to promotions to position of the United States Capitol Police force for duty under the House of Representatives authorized to be made immediately before the date of adoption of this resolution, the Capitol Police Board is hereby authorized to make promotions of qualified personnel on the United States Capitol Police force to positions on such force for duty under the House of Representatives, as follows:

(1) two new positions of the new rank of inspector, with the single per annum gross rate of pay of $22,304 for each such position;

(2) three additional positions of captain, with the single per annum gross rate of pay for each such additional position equal to the per annum gross rate of pay of each position of captain existing immediately before the adoption of this resolution;

(3) three additional positions of lieutenant, with the single per annum gross rate of pay for each such additional position equal to the per annum gross rate of pay of each position of lieutenant existing immediately before the adoption of this resolution;

(4) twenty additional positions of sergeant, with the single per annum gross rate of pay for each such additional position equal to the per annum rate of pay of each position of sergeant existing immediately before the adoption of this resolution; and

(5) four new positions of the new rank of detective, with the single per annum gross rate of pay of $11,968 for each such position.

(b) Each appointment to a position authorized by subsection (c) of this section shall be made by the Capitol Police Board, subject to prior approval of the Committee on House Administration, without regard to political affiliation and solely on the basis of fitness to perform the duties of the position. Each person appointed to any such position shall have, prior to such appointment, at least one year of police experience or of equivalent experience.

(c) There are hereby authorized to be established on the United States Capitol Police force for duty under the House of Representatives the supervisory positions, and pay rates applicable thereto, described in subsection (a) of this section.

SEC. 2. (a) The initial appointments of individuals to the positions authorized by subsection (c) of the first section of this resolution shall be made from among qualified personnel on the United States Capitol Police force under the House of Representatives. Such initial appointments of qualified personnel, and such other appointments of other persons on the United States Capitol Police force as may be made to fill vacancies in any positions on the force left vacant because of such initial appointments of qualified personnel who were incumbents of such positions, shall be made—

(1) not later than the close of the sixtieth day after the date of adoption of this resolution; and

(2) in such manner as to insure that, on the date on or by which all such initial and other appointments have been made, there will remain thirty-two vacant and unfilled positions of private on the United States Capitol Police force authorized for duty under the House of Representatives before the date of adoption of this resolution to which appointments are made without regard to political affiliation and solely on the basis of fitness to perform the duties of the position,

Such vacant and unfilled positions of private referred to in subparagraph (2) of this subsection shall not thereafter be filled in the Ninety-third Congress.

(b) Fifteen positions of private on the United States Capitol Police force authorized for duty under the House of Representatives under H. Res. 648, Eighty-eighth Congress, adopted June 2, 1964, and enacted as permanent law by the Legislative Branch Appropriation Act, 1972 (85 Stat. 144; Public Law 92–51), before the date of adoption of this resolution but vacant and unfilled on such date shall not be filled in the Ninety-third Congress on and after such date.

(c) Section 3 of H. Res. 449, Ninety-second Congress, adopted June 2, 1971, and enacted as permanent law by the Supplemental Appropriations Act, 1972 (85 Stat. 636; Public Law 92–184), relating to overtime pay for officers and members of the United States Capitol Police force under the House of Representatives, shall apply in the Ninety-third Congress on and after the date of adoption of the resolution to—

(1) persons holding the new position of detective who, if entitled to overtime pay under such section 3, shall be paid such pay under subparagraph (A) of such section; and

(2) persons holding the new position of inspector who, if entitled to overtime pay under such section 3, shall be paid such pay under subparagraph (B) of such section.

SEC. 3. Effective on the date of enactment of the provisions of this resolution as permanent (except section 2 which applies only in the Ninety-third Congress to the extent not superseded by other authority)—

(1) the thirty-two positions of private described in section 2(a)(2), and the fifteen positions of private described in section 2(b), of this resolution are abolished; and

(2) section 3 of H. Res. 449, Ninety-second Congress, adopted June 2, 1971, and enacted as permanent law by the Supplemental Appropriations Act, 1972 (85 Stat. 636; Public Law 92–184), relating to overtime pay for officers and members of the United States Capitol Police force under the House of Representatives (is amended—

(A) by inserting "detective;" immediately after "sergeant;" in subparagraph (A) of such section; and

(B) by striking out "lieutenant or captain" in subparagraph (B) of such section and inserting in lieu thereof "lieutenant, captain, or inspector".

SEC. 4. Until otherwise provided by law, there shall be paid out of the contingent fund of the House of Representatives such sums as may be necessary to pay the rates of pay (including overtime pay) and the costs of uniforms and equipment, and to cover other necessary expenses, incident to carrying out the purposes of this resolution.

The SPEAKER. Is a second demanded?

Mr. GROSS. Mr. Speaker, I demand a second. I would like to have some explanation of this legislation.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. HAYS. Mr. Speaker, this is a resolution that came out of the House Administration Committee and was handled by the gentleman from Illinois (Mr. GRAY) and the Subcommittee on Police. Unfortunately the gentleman from Illinois (Mr. GRAY) called me over the weekend and said he would be unable to get back to Washington today and asked me if I would handle this on the floor. I did not sit in on the hearings and I am not as well acquainted with the bill as the author of the bill but I can give a brief explanation.

This provides for promotion of 32 individuals in the Capitol Police to positions of inspector, captain, lieutenant, sergeant, and detective. The new positions are as follows: Two new positions of inspectors, three of captain, three of lieutenant, 20 of sergeant, and four of detective.

Sections 2 and 3 provide that when the promotions are completed there would be left vacant a total of 47 positions of private, which positions are then abolished when the resolution is enacted into law.

Sections 2 and 3 also contain technical provisions that overtime pay authority applicable to House positions applies to positions of detective and inspector, and section 4 makes clear the contingent fund is available to carry out the resolution.

I would like to point out, Mr. Speaker, that the Park Police which have fewer men than the Capitol Police, have in all categories more officers than the Capitol Police will have if this is passed. For example, they have 112 sergeants whereas the Capitol Police would have 93; they have 33 lieutenants whereas we would have 27; and they have 13 captains whereas we would have 10; and they have 7 inspectors whereas we would have 4; and they would have 2 deputy chiefs whereas we would have none. We will have an authorized strength of 885, when this passes, and the Park Police have an authorized strength of 805.

If there are any questions anyone has I will be glad to try to answer them.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. HAYS. Yes, I yield to the gentleman from Iowa.

Mr. GROSS. This provides that 47 positions of private would be left vacant. Is that correct?

Mr. HAYS. They would be abolished, as a matter of fact.

Mr. GROSS. By this resolution?

Mr. HAYS. Yes.

Mr. GROSS. Or by later legislation?

Mr. HAYS. By this resolution.

Mr. GROSS. What is the total private strength of the Capitol Police Force now?

Mr. HAYS. Under the proposed legislation there would be 791 privates.

Mr. GROSS. I wonder how that compares with and can the gentleman make a comparison with the Park Police?

Mr. HAYS. The Park Police has a total 805 of which 546 are privates. We would have authorized a total of 885, of which 791 are privates.

Mr. GROSS. In the Capitol Police Force?

Mr. HAYS. That is correct. This is an extremely favorable comparison as far as we are concerned.

I asked the question in the full committee, I might say to the gentleman: Will we get too many chiefs for the number of Indians? They provided me with this chart and it shows that, for example, the Metropolitan Police has a total of 4,893 people of which 1,200 are officers, which means that over 25 percent are officers, and the Executive Protection Agency has a similar imbalance with privates and officers. They have a lot of what are called technicians, whatever they are.

Mr. GROSS. If the gentleman will yield further, I am not too sure, in view of the statement and the comparison made by the gentleman from Ohio with the Park Police, that someone ought not to take a look at the structure of the Park Police staff. It seems to me that they are rather on the heavy side with chiefs as compared to Indians.

Let me ask the gentleman from Ohio this question: Who determines overtime for the Capitol Police?

Mr. HAYS. The chief would determine that. He assigns them if there is any emergency. When we had all these demonstrations a year or two ago, there was a great deal of overtime. People were called in on double shifts, extra half shifts. He determines that.

Mr. GROSS. Who approves the overtime?

Mr. HAYS. The overtime ultimately is approved by the Committee on House Administration.

Mr. GROSS. Mr. Speaker, I thank the gentleman.

Mr. HUNT. Mr. Speaker, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from New Jersey (Mr. HUNT).

Mr. HUNT. Mr. Speaker, may I ask my colleague, Does this not streamline and put into effect the table of organization of the Capitol Police that has been long overdue?

Mr. HAYS. That was the thinking of the committee and the request of the chief and police board.

Mr. Speaker, I might say that I did not get a chance to say to the gentleman from Iowa (Mr. GROSS) that these promotions will be made on a point system by the police board, which is cleared by the Committee on House Administration and consists of the Architect, the Sergeant at Arms of the Senate, the Sergeant at Arms of the House and the chief.

Mr. HUNT. We for a long time have been discussing the proper structure of the Capitol Police, and this bill does just exactly that. It also takes into consideration some of those inequities which have existed in the promotional steps. Therefore, I wish to associate myself with the gentleman from Ohio and recommend that our colleagues support the bill. It is a good bill.

Mr. HAYS. I thank the gentleman from New Jersey very much.

Mr. DICKINSON. Mr. Speaker, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Alabama (Mr. DICKINSON).

Mr. DICKINSON. Mr. Speaker, as I understand the gentleman from Ohio, this bill not only does not cost anything additional, but there will be a net savings.

Mr. HAYS. By abolishing these positions and with the promotions, the people promoted will increase, but by the net abolition of the positions, there will be a net savings. It is a small one of $14,416.

Mr. DICKINSON. Mr. Speaker, if the gentleman will yield further, of course serving on the committee I have been very interested for several years in building toward a professional and very competent Capitol Hill police force.

Can the gentleman from Ohio tell us now what the proportion of patronage slots to professional policemen is? What is it now and what is the trend?

Mr. HAYS. Mr. Speaker, I cannot give the gentleman the percentage. I am not able to do that, but the trend is toward a professional force altogether. Even though some are appointed as students, they still have to go to the police school and have to have a six weeks training course and have some professional ability before they can serve.

Mr. DICKINSON. And be physically able?

Mr. HAYS. And pass physical examinations and be checked out to see if they have any record. If a man has anything more than a traffic offense against him, he is very unlikely to be considered at all.

Mr. DICKINSON. Mr. Speaker, do I understand that this makes no substantial difference in the way the police are presently paid from the way they were paid before?

Mr. HAYS. I believe it does, yes.

Mr. DICKINSON. It does make a change?

Mr. HAYS. I think they are paid—of course, they have had increases the same as everybody else. I think the police wage scale compares fairly favorably with other wage scales in the city.

Mr. DICKINSON. Mr. Speaker, I thank the gentleman.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Iowa (Mr. GROSS).

Mr. GROSS. Mr. Speaker, do I understand that the promotions to be made under the terms of this resolution will be without regard to political patronage?

Mr. HAYS. That is exactly right. It will be on a point basis.

Mr. MATSUNAGA. Mr. Speaker, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Hawaii.

Mr. MATSUNAGA. Mr. Speaker, no jobs presently held by any member of the force will be eliminated?

Mr. HAYS. No, there will be no jobs eliminated. There are some vacancies, and they have purposely not been filled so that if this resolution passes, they can be implemented without any attrition to anybody who is on the force.

Mr. MATSUNAGA. So nobody will be released?

Mr. HAYS. No. There is still some recruiting to be done, actually, after this passes. Nobody will be released.

Mr. DICKINSON. Mr. Speaker, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Alabama.

Mr. DICKINSON. It is my understanding and recollection from the testimony taken before the committee that there is to be a merit promotion board set up within the police structure of the Capitol. I wonder whether or not the gentleman can tell us if this has been done and if this will be the manner for the selection?

Mr. HAYS. Yes. The board was set up earlier. As I said, perhaps in answer to a question by the gentleman from Iowa, and I will repeat, this board will be the Architect of the Capitol, the Sergeant at Arms of the Senate, the Sergeant at Arms of the House, and the Chief of Police. They have been already constituted.

The SPEAKER. The question is on the motion offered by the gentleman from Ohio (Mr. HAYS), that the House suspend the rules and agree to House Resolution 398.

The question was taken.

Mr. HUNT. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 299, nays 0, not voting 133, as follows:

[Roll No. 174]

YEAS—299

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Annunzio
Archer
Arends
Ashley
Aspin
Bafalis
Baker
Beard
Bell
Bennett
Bevill
Biester
Bingham
Blackburn
Boggs
Boland
Bolling
Brademas
Bray
Breaux
Breckinridge
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Buchanan
Burgener
Burke, Mass.
Burlison, Mo.
Burton
Butler
Byron
Camp
Carney, Ohio
Cederberg
Chamberlain
Chappell
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clay
Cochran
Collier
Collins
Conable
Conlan
Coughlin
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Danielson
Davis, S.C.
Davis, Wis.
de la Garza
Dellenback
Dellums
Denholm
Dent
Derwinski
Devine
Dickinson
Dingell
Downing
Drinan
Duncan
Edwards, Calif.
Esch
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fisher
Flynt
Ford, Gerald R.
Ford, William D.
Forsythe
Fountain
Fraser
Frenzel
Frey
Froehlich
Fuqua
Gaydos
Gettys
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Griffiths
Gross
Grover
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harsha
Harvey
Hawkins
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Henderson
Hicks
Hillis
Hogan
Holifield
Holt
Horton
Hosmer
Howard
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Ketchum
King
Kuykendall
Kyros
Landgrebe
Latta
Leggett
Lehman
Lent
Litton
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McCormack
McDade
McFall
McKay
McKinney
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mazzoli
Mezvinsky
Michel
Milford
Miller
Mills, Ark.
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Myers
Natcher
Nedzi
Nelsen
Obey
O'Brien
O'Hara
Parris
Patten
Perkins
Pettis
Pickle
Poage
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Quie
Quillen
Railsback
Randall
Rarick

Rees
Regula
Rhodes
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Roush
Rousselot
Ruth
Sarbanes
Saylor
Scherle
Schneebeli
Sebelius
Seiberling
Shriver
Shuster
Sisk
Skubitz
Slack
Smith, Iowa
Snyder
Spence
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Ariz.
Stephens
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Symington
Symms
Talcott
Taylor, N.C.
Teague, Calif.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Ullman
Van Deerlin
Vander Jagt
Vanik
Veysey
Vigorito
Waggonner
Waldie
Wampler
White
Whitehurst
Whitten
Wiggins
Williams
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wright
Wyatt
Wylie
Wyman
Yates
Young, Alaska
Young, Fla.
Young, Ill.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—0

NOT VOTING—133

Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Armstrong
Ashbrook
Badillo
Barrett
Bergland
Biaggi
Blatnik
Bowen
Brasco
Brinkley
Broyhill, Va.
Burke, Calif.
Burke, Fla.
Burleson, Tex.
Carey, N.Y.
Carter
Casey, Tex.
Chisholm
Cleveland
Cohen
Conte
Conyers
Corman
Cotter
Crane
Culver
Daniels, Dominick V.
Davis, Ga.
Delaney
Dennis
Diggs
Donohue
Dorn
Dulski
du Pont
Eckhardt
Edwards, Ala.
Eilberg
Erlenborn
Eshleman
Fish
Flood
Flowers
Foley
Frelinghuysen
Fulton
Giaimo
Grasso
Gray
Green, Oreg.
Green, Pa.
Gubser
Hanna
Harrington
Hastings
Heinz
Helstoski
Hinshaw
Holtzman
Jones, Okla.
Keating
Kemp
Kluczynski
Koch
Landrum
Long, La.
McEwen
McSpadden
Mailliard
Maraziti
Mayne
Meeds
Melcher
Metcalfe
Minish
Mink
Minshall, Ohio
Moss
Murphy, Ill.
Murphy, N.Y.
Nichols
Nix
O'Neill
Owens
Passman
Patman
Pepper
Peyser
Pike
Podell
Pritchard
Rangel
Reid
Reuss
Riegle
Rodino
Rooney, N.Y.
Rostenkowski
Roy
Roybal
Runnels
Ruppe
Ryan
St Germain
Sandman
Sarasin
Satterfield
Schroeder
Shipley
Shoup
Sikes
Smith, N.Y.
Staggers
Steiger, Wis.
Stokes
Taylor, Mo.
Teague, Tex.
Thompson, N.J.
Treen
Udall
Walsh
Ware
Whalen
Widnall
Wilson, Bob
Wolff
Wydler
Yatron
Young, Ga.
Young, S.C.

So (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Thompson of New Jersey with Mr. Frelinghuysen.

Mr. Rooney of New York with Mr. Kemp.

Mr. Nichols with Mr. Andrews of North Carolina.

Mr. O'Neill with Mr. Conte.

Mr. Rostenkowski with Mr. Anderson of Illinois.

Mr. Rodino with Mr. Widnall.

Mr. Gray with Mr. Crane.

Mr. Barrett with Mr. Ware.

Mr. Blatnik with Mr. Andrews of North Dakota.

Mr. Brasco with Mr. Hastings.

Mr. Burleson of Texas with Mr. Shoup.

Mrs. Chisholm with Mr. McSpadden.

Mr. Daniels of New Jersey with Mr. Minshall of Ohio.

Mr. Donohue with Mr. Smith of New York.

Mr. Eilberg with Mr. Pritchard.

Mr. Flood with Mr. Heinz.

Mr. Giaimo with Mr. Cohen.

Mr. Green of Pennsylvania with Mr. Eshleman.

Mr. Helstoski with Mr. Sandman.

Mr. Kluczynski with Mr. Ruppe.

Mr. Long of Louisiana with Mr. Treen.

Mr. Minish with Mr. Maraziti.

Mr. Murphy of New York with Mr. Fish.

Mr. Podell with Mr. Peyser.

Mr. Rangel with Mr. Steiger of Wisconsin.

Mr. Satterfield with Mr. Burke of Florida.

Mr. Shipley with Mr. Erlenborn.

Mr. Sikes with Mr. Dennis.

Mr. Staggers with Mr. Carter.

Mr. Teague of Texas with Mr. Keating.

Mr. Wolff with Mr. Cleveland.

Mr. Yatron with Mr. du Pont.

Mr. Brinkley with Mr. Mayne.

Mrs. Burke of California with Mr. Gubser.

Mr. Carey of New York with Mr. McEwen.

Mr. Cotter with Mr. Sarasin.

Mr. Nix with Mr. Biaggi.

Mr. Young of Georgia with Mr. Dulski.

Mr. St Germain with Mr. Conyers.

Mr. Roybal with Mr. Bob Wilson.

Mr. Roy with Mr. Bowen.

Mr. Koch with Mr. Eckhardt.

Mr. Corman with Mr. Harrington.

Mr. Casey of Texas with Mr. Ashbrook.

Mr. Culver with Ms. Holtzman.

Mr. Davis of Georgia with Mr. Passman.

Mr. Diggs with Mr. Badillo.

Mr. Dorn with Mr. Broyhill of Virginia.

Mr. Flowers with Mr. Edwards of Alabama.

Mr. Foley with Mr. Patman.

Mr. Fulton with Mr. Taylor of Missouri.

Mrs. Grasso with Mr. Wydler.

Mrs. Green of Oregon with Mr. Pepper.

Mr. Reuss with Mr. Metcalfe.

Mr. Pike with Mr. Walsh.

Mr. Hanna with Mr. Hinshaw.

Mr. Jones of Oklahoma with Mr. Owens.

Mr. Landrum with Mr. Young of South Carolina.

Mr. Meeds with Mr. Riegle.

Mr. Melcher with Mr. Ryan.

Mrs. Mink with Mrs. Schroeder.

Mr. Moss with Mr. Mailliard.

Mr. Murphy of Illinois with Mr. Delaney.

Mr. Udall with Mr. Runnels.

Mr. Stokes with Mr. Whalen.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## PERSONAL ANNOUNCEMENT

Mr. DANIELSON. Mr. Speaker, with respect to H.R. 6717 which amends the Flood Control Act of 1968 concerning facilities that are subject to user fees at Corps of Engineers' projects, I was not able to be in the House at the time of the rollcall. If I had been present, I would have voted "yea" on rollcall No. 152, May 22, 1973.

## AMERICA CANNOT AFFORD A ONE-TERM, 6-YEAR PRESIDENT

(Mr. OBEY asked and was given permission to address the House for 1 minute, and to revise and extend his remarks and include extraneous matter.)

Mr. OBEY. Mr. Speaker, one of the smoke screens blown up by "Watergate" has been the renewal of the suggestion by President Nixon and others that we amend the Constitution to provide for a 6-year Presidential term and prohibit any President from running for reelection.

That suggestion would saddle us with a poor President for 2 years more than we would want, and give us 2 years less leadership from the good President we might need.

Even more serious, it makes official what I think is the dangerous belief that what we need in this country is a Chief Executive free from the pressures of politics and public opinion.

That is exactly what we do not need.

God save the country, and the Congress, from self-styled political "statesmen" who no longer feel the need to respond to the public's emotions, pressures and concerns with which mere mortal politicians must grapple. Politicians who no longer are forced to deal with the pressures that make up public opinion will sooner or later lose their understanding of those pressures—and Presidents are no execption.

Mr. Speaker, at this point I would like to insert in the RECORD a column on this subject by Clayton Fritchey and a May 27, 1973, editorial from the Milwaukee Journal:

[From the Washington Post, May 26, 1973]

### THE FALLACY OF THE 6-YEAR TERM

(By Clayton Fritchey)

Reacting to the Watergate expose, Mr. Nixon has called for serious consideration of a constitutional amendment limiting Presidents to a single 6-year term. But Watergate will also be the death of the idea.

The prospects for congressional approval of such legislation may momentarily look bright, since the Democratic majority leader, Sen. Mike Mansfield, immediately introduced an amendment to carry out the Nixon proposal. Yet the chances for final passage are slim.

Sen. Mansfield acted promptly because he and a senior Republican leader, Sen. George Aiken of Vermont, have for years been advocating a single 6-year term amendment. Despite their great influence, it has made little progress. This year, owing to the White House scandals, the climate is even worse for it.

Mr. Nixon made his suggestion while calling on Congress to create a nonpartisan study commission to recommend electoral reforms. No study is needed, however, to see that the lesson of Watergate is that nothing could be more dangerous than an extended 6-year term in the event of a presidency turning sour.

If, for instance, the proposed amendment were already in effect, Mr. Nixon would now be at the start of a term lasting until Jan. 20, 1979. If Watergate further discredits and disables him, it will be difficult for the country to survive the last 3 years of his incumbency, let alone 5 to 6 years, had the extended term been operative.

Older Americans know from experience the agony of a prolonged failure in the White House. During the Great Depression, the country went from bad to worse for more than 3 years as a bewildered and panicky pilot (former Presiden Herbert Hoover) let the ship of state sink almost to the bottom. When Hoover left office, anarchy and revolution were in the air. It is doubtful the United States could have survived another 2 years under the hapless Hoover.

Andrew Jackson was the only incumbent President other than Mr. Nixon to advance the one-term idea, although the architects of the Constitution considered it before settling on a 4-year term with no limitation on reelection. Although more than 150 years of experience confirmed the wisdom of the Founding Fathers, Congress nevertheless has continued to tinker with suggestions for change.

In the last 50 years, 40 proposals for six-year terms have been introduced in Congress, and once (in 1913) the Senate, but not the House, passed such a bill. Finally, in 1947, "in a posthumous revenge" against four-term winner Franklin Roosevelt, a Republican Congress passed the 22d Amendment limiting the presidency to two terms.

Up to now the only effect of this was to keep Gen. Dwight D. Eisenhower from a possible third term. Considering what has happened since he retired, the country might have been better off if he had continued in office. So, if the present Congress wants to do something useful in this area, it could repeal the 22d Amendment and go back to the original Constitution.

The spurious logic of the one-term limitation is that if a President cannot succeed himself he will be "above politics," and presumably a better Chief Executive. In practice, though, all of our Presidents, especially the great ones, have made their reputations in their first terms, which may be why nearly all the great ones were re-elected.

The reason the Founding Fathers decided against a one-term limitation is that it was saying, in effect, that the democratic process could not be trusted, and that future generations could not be counted on to decide for themselves whether or not a President should be retained.

It is, fundamentally, a condescending notion and, happily, one that has been disproved. On the whole, there could hardly be a better testimonial to popular judgment than the Presidents who have been re-elected, such as Washington, Jefferson, Lincoln and, in this century, Wilson, Franklin Roosevelt and Eisenhower. Perhaps the only better testimonial is the Presidents who have not been re-elected.

Sens. Mansfield and Aiken are attracted to the one-term limitation for the same reason. Says Aiken: "A single term would allow a President to wear at all times his presidential hat and forget for a while that he also owns a politician's hat." Says Mansfield: "We want to help the President to be President of all the people all the time, politics apart."

The best short answer I know to this comes from Clark Clifford, an adviser to several Chief Executives. He says: "A President immunized from political considerations is a President who need not listen to the people, respond to majority sentiment, or pay attention to the views that may be diverse, intense, and perhaps at variance with his own." And Arthur Schlesinger Jr. adds, "The idea of a President 'above politics' is hostile to the genius of democracy."

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[From the Milwaukee Journal, May 27, 1973]

### SINGLE PRESIDENTIAL TERM UNDESIRABLE

There is little merit in a single six-year term for presidents. President Nixon says the concept deserves serious consideration by an election reform commisison he has hastily proposed, and some leading members of Congress favor the change. But right now the idea simply diverts attention from the paramount task of cleansing our foul system of campaign financing.

Beyond that, there is the fundamental drawback of being stuck six long years with an incomptent president or one crippled by lame duck status from the moment of his swearing in. Granted, it is theorized that this one term limit would allow a president to make decisions free of political expediency. But is that true? He would still be titular head of his party and would probably get involved in some fierce struggling over his successor. Even if he were able to operate in a political void there is ample reason to doubt that it would be such a good thing.

Indeed, a persuasive argument can be made for abolishing even the present limit of two four-year terms so a sitting president will always be under the threat of defeat at the polls if he misbehaves. As political scientist James MacGregor Burns notes: "I would not want all or most presidents to seek a third term, but I would want all presidents in their second term to recognize that they might want to seek a third term."

Many worry that the presidency has become too swollen with power in recent decades. In a sense that certainly is true. But the best remedy is not a single six-year term. Rather it lies in strengthening political controls on the office and reinvigorating the competing institutions, most notably Congress, that give our political system balance.

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## MISSING SERVICEMEN IN SOUTHEAST ASIA

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. MONTGOMERY. Mr. Speaker, Sunday afternoon I had the privilege to attend and speak to a rally at the Lincoln Memorial in the interest of the some 1,300 American servicemen still listed as missing in action in Southeast Asia. Over 200 loved ones of the MIA's were in attendance.

Our Government definitely has an obligation to obtain a complete accounting of these servicemen. Several of the parents and wives of the MIA's came up to me yesterday and said, "Please get as much information as possible on our son or husband because the suspense of not knowing whether he is alive or dead is almost too much to take." Another obligation we have is to properly identify the servicemen we find in any graves in Southeast Asia and return the bodies for proper burial in the United States.

Mr. Speaker, in Laos alone, some 311 men were shot down, but we have received only 7 prisoners from the Communists in Laos. The law of averages tells us that many more of these men should still be alive.

I commend my colleague, Chairman ZABLOCKI and the members of his subcommittee for the hearings they have been holding the last 2 weeks. Hopefully these hearings will develop ways we in the legislative branch can be of assistance in determining the fate of our missing in action. The name of the game is a full accounting and we cannot allow our happiness over the return of the known prisoners of war to blunt our desire to obtain information on the servicemen missing.

Mr. Speaker, in my opinion, it is time to push the Watergate off the front pages of the American newspapers and start focusing our attention on the plight of these 1,300 American servicemen. I also believe it is time for Members of Congress to stop trying to make political points out of Watergate and turn their attention to the humane task of finding information on our fellow Americans missing in Southeast Asia. Our time will be much better spent working on behalf of these men rather than becoming self-appointed prosecutors in a case that properly belongs within the jurisdiction of the Department of Justice.

## LAWYERS RAKING OFF EXORBITANT FEES IN BLACK LUNG CASES

(Mr. HECHLER of West Virginia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HECHLER of West Virginia. Mr. Speaker, Shakespeare has a line in King Henry VI which goes like this:

> The first thing we do, let's kill all the lawyers.

Apparently, many lawyers have made a big financial killing as a result of the Federal "black lung" program which was designed to make payments to coal miners and their widows suffering from pneumoconiosis. In addition attorneys are making killings under the State workmen's compensation black lung programs and this should be investigated, too. William Greider in an account in the Washington Post states that one lawyer, Kelsey Friend of Pikeville, Ky., "has collected more than $2.4 million in legal fees from black lung claims in the past 28 months." Greider also states:

> Another busy lawyer from Paintsville, Kentucky, G. C. Perry, collected $810,000 from black lung cases in 1972 alone.

While these attorney fees are awarded under State workmen's compensation the money is coming from the Federal Government.

Mr. Speaker, the black lung program is intended to help coal miners and their families, and it is outrageous that it is turning into a bonanza for lawyers who are soaking coal miners with fat fees for very little work. I am introducing legislation which will set up an Office of Ombudsman staffed with lawyers within the Social Security Administration, and requiring that every applicant for black lung be counseled that he does not need to go out and hire an outside lawyer to obtain the assistance which is his by right.

Mr. Speaker, I am also disturbed by reports that many coal miners bring to me that there are also fraudulent awards of black lung payments to those who have never worked in the mines, and who through possible collusion among the applicant, doctor, and lawyer are awarded payments through fraud. I am asking the Social Security Administration to launch an immediate and thorough investigation of these reports of fraud. I also feel that the appropriate congressional committee investigate the entire question of lawyer fees and fraud in awarding of black lung claims.

Tens of thousands of honest coal miners, their widows and families who have earned their payments as their legal right should not have to suffer or see this worthwhile program blackened by the fraud and avarice of a few. Related newspaper articles follow:

[From the Washington Post, June 2, 1973]

### THE "BLACK LUNG" WINDFALL—LAWYERS PROSPER FROM U.S. AID TO DISABLED MINERS

(By William Greider)

The federal "black lung" program, which was intended to help thousands of disabled coal miners, is also making some new millionaires in the impoverished mountains of Eastern Kentucky.

They are lawyers. The "black lung" business has been good to them.

One of them, a state senator named Kelsey Friend from Pikeville, Ky., has collected more than $2.4 million in legal fees from black-lung claims in the last 28 months.

Another busy lawyer from Paintsville, Ky., G. C. Perry, collected $810,000 from black-lung cases in 1972 alone.

At least three coal country lawyers have topped the $1 million mark in the last two and one-half years. At least 11 lawyers exceeded $100,000 in 1972 and several of them are already over that total in 1973.

James R. Yocom, Kentucky's labor commissioner, observed: "These fellas are collecting on a bonanza that just happened to hit and they were in a position to cash in on it. We have to do something to tighten up."

Rep. John Erlenborn (R-Ill), who has frequently criticized other excesses of the federal "black lung" program, put it more strongly.

"It's absolute highway robbery," the congressman said. "They're allowing those fees well aware that the miner isn't paying for them. The state of Kentucky isn't paying for them. Uncle Sam—Uncle Sucker—is paying for them."

Technically, the big money for handling the black-lung claims has been awarded to lawyers under Kentucky's workmen's compensation program. But, practically speaking, the gravy is coming from the federal treasury. Under the federal law for "black lung" benefits the Social Security Administration makes up the difference whenever state aid programs fall short of the federal benefits level. That includes any money deducted for lawyers who prepared the miner's claim.

In Kentucky, the state workmen's compensation board has routinely granted the maximum 20 per cent from the legal fees in the overwhelming majority of the cases. That means as much as $5,100 per case. That money comes off the miner's state benefits checks—but it is made up by the "offset" from the federal program.

In the mountain coal counties, where thousands are receiving the disability benefits of $81 a week, some of the lawyers routinely handle hundreds of cases. Some have set up efficient operations to scour the countryside for potential black-lung applicants—men who once worked in the mines and contracted the coal-dust disease. Then the paperwork, the medical exams and application form are processed simultaneously for the state program and the federal program.

Yocom, whose department has been investigating the lawyers' bonanza, was asked how much legal work is generally required for a miner to collect his benefits.

"In most black-lung cases," the labor commissioner said, "they do hardly much more than you would filing an income tax return. In some cases, I doubt if it amounts to that much."

In Kentucky last year, a total of $6 million was awarded in lawyers' fees. But nearly two-thirds of that money was divided among only 11 lawyers working in coal towns like Prestonburg, Harlan, Somerset, Hyden, and Pineville. Their extraordinary earnings were first revealed by Kyle Vance, a reporter for the Courier-Journal in Louisville, who tabulated the state records of who was making what from the black-lung business.

At this point, federal officials do not believe that similar bonanzas by lawyers are being collected in other coal states, at least not on a scale rivaling the Kentucky situation. However, the disclosure has clouded the future of the program.

Some of the Kentucky lawyers are from the mountain district represented by Rep. Carl Perkins (D-Ky.) chairman of the House Education and Labor Committee and one of the original advocates of the black-lung program. Perkins refused to comment on the attorneys' fees, though he said the matter will be explored in field hearings that his committee expects to hold in Eastern Kentucky this summer.

But Perkins acknowledged considerable concern among his congressional colleagues and said the issue of the lawyers is hindering his proposal to extend the federal program for a least another year or two.

The Federal applications are supposed to close July 1 and all future applicants would have to apply through the state programs. Congress postposed the state takeover once before on the grounds that the states were not yet prepared to operate adequate programs, a step which also postponed the day when the coal companies would have to bear the cost directly.

"It would appear," said Perkins, "that this has made it more difficult to postpone the state takeover."

Erlenborn, among others, is drafting legislation to curb the size of the fees. His idea is to prohibit any federal "offset" for legal fees that exceeds the federal standards for what a lawyer can collect under the federal claims program.

Any legislative limitation, however, may turn off the spigot too late to make much difference. If the federal program closes off its applications in July as scheduled, that will automatically end the Federal support for new applicants, who will be solely a state responsibility.

Under the present arrangement, a lawyer could theoretically collect two fees—one for his work in collecting a state claim and another for work to collect the federal claim, which would supplement the miner's check from the state.

Officials of the United Mine Workers Union suspect that lawyers in other coal states have reaped their own bonanzas from the federal program, though not as rich as the Kentucky fees.

Rick Bank, administrative assistant to UMW President Arnold Miller, said the union has no evidence to document this. But, speaking from his own experience as a lawyer in West Virginia, he said, "I'm certain there are lawyers making $80,000 or $90,000 off 'black lung' down there."

Bank, who practiced in Charleston, described the situation this way:

"Say I'm a country lawyer. Black-lung benefits are the biggest thing that's happened down there in a coal town. So I get my friends to hustle cases for me. Lawyers can amass 400 or 500 cases in a matter of weeks easily."

Officials of the Social Security Administration, however, insist that they have strictly regulated attorneys' fees, at least since the law was amended last year to authorize federal control over how much a lawyer could collect. Before that, it was a private matter between lawyer and client and federal officials acknowledge that legal fees were probably much higher.

According to SSA statistics, the average fee approved under the new regulations has been only $384—less than half the average fee requested by the attorneys. Further, the agency says fees were approved in only 1,212 cases out of some 85,143 claims processed from November of last year to March of this year.

Bank, however, said the Social Security Administration has routinely withheld up to 25 per cent of a miner's benefits pending the disposition of the lawyer's fee. In many cases, he said, the disabled miner originally filed for black-lung benefits back in 1969 and was rejected when the federal program began with stringent eligibility rules. After Congress liberalized the requirements in 1972, thousands of these old claims were automatically reviewed by SSA and many of them were accepted for aid.

Bank said lawyers are collecting fees from these old cases even though they may not have done much work on them for three or four years.

According to Karen Davis, regional SSA official in Atlanta, these old claims have been scrutinized as closely as the new ones. Total legal fees authorized from last summer to March were $465,000, she said.

"We've had some attorneys displeased," she said, "because we cut the fee they requested."

A lawyer in Beckley, W.Va., filed a federal court suit recently against the Social Security Administration charging that his rights as a lawyer to make a contract with his client had been violated by the SSA regulations limiting attorney fees.

The maximum fee in the SSA regulations is 25 per cent, but Davis said, "I don't think we ever go over 10 per cent on the big, big checks and this would be where the attorney really has had to work."

In Kentucky, where lawyers in most cases have collected 20 per cent fees, members of the state workmen's compensation board have defended the awarding of fees as justified by the work required to present the claims, which often involve disputed medical evidence.

But Fred W. Luigart Jr., president of the Kentucky Coal Association, which represents the coal companies, is skeptical.

"I think," said Luigart, "they looked at the thickness of the file folder and decided the fee."

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[From the Louisville Courier-Journal]
June 3, 1973]

## KENTUCKY ISN'T PLANNING BLACK-LUNG PROSECUTIONS

(By Kyle Vance)

FRANKFORT, KY.—The state has decided not to pursue an announced plan to seek criminal prosecution of persons suspected of fraud in the black-lung program, according to Labor Commissioner James R. Yocom.

Yocom said in an interview that he had been informed by Robert D. Hawkins, department attorney, that there was "not sufficient evidence" to support a crackdown.

Yocom and Hawkins reported jointly in March that an investigation indicated that about 15 per cent of claims filed for black lung benefits over a four-year period involved fraud.

Yocom said he remains convinced that discrepancies are involved in a large number of claims, but that to prove them might be difficult.

"We don't want to prosecute or impugn anybody's name unless we are sure," he said. "We will continue to carefully examine the claims, but we have no plans now to go to court."

The earlier announcement, based on a preliminary investigation, promised a searching look at the entire black lung program, with prospects that many claimants and, in some cases, their attorneys would be challenged on suspect claims.

The announcement cited evidence of perjury in the examination of claimants, multiple claims in the names of some individuals, claims by some non-miners, and questionable practices by some attorneys.

The fraud estmate of 15 per cent would produce 1,380 faulty claims—of 5,600 involved—and $20.5 million of misused funds.

Hawkins, chief counsel of the department's Special Fund, said later that he and his investigators had developed seemingly conclusive evidence of guilt in about 15 cases. More recently, Hawkins has referred questions about the investigation to Yocom.

The Special Fund is a fiscal account used to clear benefit payments to victims of black-lung and other occupational diseases awarded by the state Workmen's Compensation Board. Payments from the fund, including attorney fees, exceeded $26 million last year.

QUOTATIONS TERMED CORRECT

Hawkins' enthusiasm for the investigation seems to have softened since he was admonished in April by the president of the Kentucky State Bar Association to substantiate his charges as they related to black-lung attorneys.

William E. Rummage, Owensboro, whose term as association president has since expired, wrote Hawkins that he should either support his charges printed March 4 in The Courier-Journal or, if he had been misquoted, as reported, direct the paper to "correct their misquotation."

In response, Hawkins wrote Rummage that he had been correctly quoted and that his investigators were then looking into "numerous rumors as to attorney misconduct." He added that "no definite proof has been obtained."

As a matter of policy, the association encourages attorney members to refer misconduct allegations to the association for possible disciplinary action instead of publicly airing grievances against other attorneys.

Replying to questions at a recent meeting of coal operators in Lexington, Hawkins said fewer questionable claims had been received "the last five or six weeks," or since the fraud investigation was publicized.

Yocom agreed in Thursday's interview. He added that he was "less worried" about abuses in the black lung program since the Special Fund started using Labor Department investigators for field work related to claims.

He said another reason for calling off the fraud inquiry was a fear that it might hinder a current campaign to sign up large numbers of potential eligible black lung claimants before a federal program to help pay benefits expires June 30.

NO PROGRESS REPORTS

"I would imagine that some persons might be reluctant to sign up if they knew an investigation was going on," he said.

Yocom said he had received no progress reports on the campaign.

"The coal people (operators) are behind it," he said, "and it stands to reason that they are working hard at it. They have more to lose than anybody else."

All or portions of claims approved now by the Social Security Administration are paid with federal tax revenue. Starting July 1, a greater share of the burden will be passed back to operators—all of it if only a federal claim is involved and 25 per cent, plus higher workmen's compensation insurance rates, if only a state claim is involved.

Yocom said he had heard through Washington sources that there is "a glimmer of hope" that the Social Security participation will be extended to Jan. 1, 1974.

## RAILROAD PASSENGER SERVICE—DEPLORABLE

(Mr. MADDEN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. MADDEN. Mr. Speaker, I, along with other Members of Congress, have received many complaints over the years concerning the deplorable lack of service and lack of courtesy on the part of patrons who ride the railroad passenger train accommodations. The general comment throughout the country is that the officials of the American railroads intentionally make no effort to improve or expand passenger service to the American public.

The unreasonable increase in railroad passenger service cost, coupled with the poor accommodations and service rendered, is one of the reasons why the railroads of the Nation are constantly in financial trouble.

They have also contributed much to the increase in the congestion of automobile and truck service on our highways. In my congressional district, the Indiana industrial area of Gary-Hammond-East Chicago-Whiting, the traffic conditions are triply congested on account of long freight trains blocking crossings with unreasonable delays and further contributing to the dreadful urban traffic congestion.

Some trains going into the Chicago area through the Indiana-Calumet region have as high as 200 cars. These trains sometime stand waiting for other trains to pass or to switch cars and block crossings for as much as 20 minutes or half an hour.

The railroad executives seem to disregard the public convenience completely and make no effort to cooperate with America's traffic problem in urban areas.

I include a letter which I received from Mr. D. E. Bambrough, general chairman, Brotherhood of Locomotive Engineers, Gary, Ind., whihc is merely a sample of hundreds of complaints coming into the offices of Members of Congress:

BROTHERHOOD OF
LOCOMOTIVE ENGINEERS,
*May 29, 1973.*

Hon. RAY J. MADDEN,
*U.S. House of Representatives,*
*Washington, D.C.*

DEAR SIR: Would you please advise me who the proper person would be to address a complaint about the atrocious service and conditions of Amtrack trains?

My daughter just had occasion to ride a train to Johnstown, Pa. with two small children and had to stand up for over a 100 miles and then found a seat in the women's room and didn't obtain a decent seat until the train reached Lima, Ohio.

The train continued to pick up passengers, added no more coaches and typified the "public be damned" attitude that the old Pennsylvania Railroad was famous for.

It may seem odd that a railroader would be loud in protest about rail service, but I like to see passenger trains continue in this country and they can never succeed if they can not or will not provide service, adequate equipment and some courtesy.

I will be deeply appreciative of anything you can do to help.

Sincerely yours,
D. E. BAMBROUGH,
*General Chairman.*

## ARTICLE SUPPORTS CONGRESSIONAL HEALTH LEGISLATION

(Mr. WON PAT asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. WON PAT. Mr. Speaker, I, and many of my colleagues, have joined Congressman CRAIG HOSMER in cosponsoring legislation to prevent the Food and Drug Administration from arbitrarily blocking the sale of harmless vitamins and food supplements. There is a growing segment of our population that is becoming aware of the value of using vitamins, minerals, and food supplements to restore the vital nutrition which is lacking in so much of the processed food we consume in this country. Despite the acknowledged need to replace natural vitamins and minerals in our diets, however, the FDA has taken it upon itself to issue regulations controlling and regulating the sale of such items.

Congressman CRAIG HOSMER, the principal sponsor of H.R. 643, and my fellow supporters of this legislation feel that the American consumer has a right to purchase whatever form of vitamins or food supplements they want, in the lack of any medical proof indicating possible danger to the users. There is a tendency in this country to go overboard in controlling things which are better left to the commonsense judgment of the public. It would be better for us all if the FDA would instead concentrate its efforts on tightening and enforcing its regulations governing the processing of food items so we can be certain that all we are eating is pure food and healthful, not some other undesirable items which seem to creep into our packaged foods.

In the thought that some of my colleagues in the House might be interested in why many Congressmen wholeheartedly support H.R. 643, I ask unanimous consent to include at this time the text of a recent article which appeared in Prevention magazine. The story outlines the views of a number of Members on this vital issue, and will make interesting reading for those who are concerned about maintaining their health in the face of increasingly unhealthy dietary practices.

### SEVENTY-THREE ANGRY CONGRESSMEN: U.S. LAWMAKERS TELL WHY THEY'RE FIGHTING FOR PASSAGE OF CALIFORNIA CRAIG HOSMER'S BILL TO PRESERVE OUR DIETARY CHOICE

(By Linda Cressman)

Legislation which would prevent the Food and Drug Administration from mandating the diets of 209 million Americans is rapidly gathering support in Congress.

Known as the Hosmer Bill—H.R. 643—this legislation basically provides that the FDA "shall not limit the potency, number, combination, amount, or variety of any synthetic or natural vitamin, mineral, substance, or ingredient of any food supplement unless such article is intrinsically injurious to health in the recommended dosage."

Actually, the Hosmer Bill is not going to bring about anything new. Rather, it reaffirms the dietary freedoms which Americans enjoyed prior to the last few years, when the FDA arbitrarily, and in the face of massive public opposition, decided that we need the FDA to tell us what kind of food supplements we may or may not take, and how much of them are good for us.

As Prevention went to press for this issue, there were 73 members of the House of Representatives who had expressed support for the Hosmer Bill by becoming cosponsors, or introducing identical bills of their own. Prevention asked these legislators to explain why they were backing the Hosmer Bill. Here, in brief form, is a representative selection of the answers we received.

Rep. Jerome R. Waldie (California): "I strongly believe that it is not within the Government's right to limit the amount of vitamins and food supplements that a person takes. Do you think that an individual should be required to have a prescription in order to take 5 mg. or 50 mg. or 500 mg. of vitamin C? Is it not his right, as he sees fit as long as the product itself is not harmful, and as long as the product label accurately reflects the contents? We should have this right, and the Government should not be allowed to infringe upon it."

Rep. Hamilton Fish, Jr. (New York): "Although I have been reluctant in the past to take this extreme position, recent FDA rulings concerning control over vitamin and mineral food supplements are driving me into the camp of the extremists.

"Vitamins and minerals are essential foods which everyone needs. They are not foreign substances like drugs, and any 'potential toxicity' is identical to the same potential toxicity which can occur in the overindulgence in any food. What the FDA is attempting to do by this ruling is to outlaw the growing American conviction that food in this country is not what it should be and in many instances does not provide an adequate diet without additional food supplements.

"As the late Justice Brandeis once wisely stated: 'The greatest dangers to liberty lurk in insidious encroachment by men of zeal, well-meaning, but without understanding.' With those words the Justice pretty well describes what I feel the FDA is doing in the guise of protecting the public from itself."

Rep. Bob Wilson (California): "Vitamins and food supplements have become a healthy way of life for millions of Americans. The paternalistic attitude of the FDA in trying to restrict free use of such supplements and vitamins is an insult to the intelligence of health-minded people everywhere."

Hon. Antonio Borja Won Pat (Delegate, Guam): "I have taken natural vitamins and food supplements for many years and know the salutary effects of getting adequate amounts of these items in the daily diet. I am deeply concerned with the recent orders from the Food and Drug Administration to ban the sale of a wide selection of nutrients . . . such high-handed action should not be condoned. I believe that more Americans are becoming aware of the important place that food supplements have in their daily diet. To discourage the use of essential food supplements and kill off the industry at a time when our food has little or no nutritional value is foolhardy and damaging to the well-being of our people."

Rep. Leo J. Ryan (California): "I feel that the use of food supplements and natural foods is of great value in maintaining good health. My day begins with a mixture of vitamins and juices and in several years since beginning that practice, I have never had a serious cold or any major ailment. While there may be no necessary connection between good health and natural foods, I prefer to believe otherwise."

Rep. J. Herbert Burke (Florida): "I am concerned with the growing feeling of our federal bureaucracy that it has become the sole responsibility of the czars thereof to regulate the lives of all American people. It is my opinion that the average American is quite capable of deciding for himself what vitamin and mineral food supplements are harmful to him if they are truthfully labeled. I believe there are times when regulations are necessary but I consider over-regulation improper, because I do not believe that the head of any bureau should attempt to be the Godfather of all the people."

Rep. Harold R. Collier (Illinois): "The most recent regulation issued by Commissioner Edwards demands that the Congress remind the Food and Drug Administration that it is a creation of the Congress, and as such it should exercise such authority as Congress intended in consumer safety and protection without dictatorial regulations which forbid any processor to suggest or imply that a diet of ordinary foods cannot supply adequate amounts of nutrients."

Rep. Richard T. Hanna (California): "FDA has, with its proposed ruling on vitamin content, seriously overstepped its bounds of legal authority. The mission of FDA is to protect the consumer from fraud, false advertising, and proven harmful or dangerous products. What they have in effect done is attempted to dictate the diet of the consumer and eliminate the consumer's right to decide what he or she wants to buy."

Rep. John E. Hunt (New Jersey): "The bill would prevent the FDA from an attempt to dictate the diets of American consumers for reasons other than safety or fraud. There is a great urgency to pass this measure as the FDA's deadline for new label compliance has been set at the end of the year."

Rep. Spark M. Matsunaga (Hawaii): "In spite of the fact that thousands of consumers have protested the imposition of such restrictions, the FDA recently announced that its new regulations governing the sale of vitamin and mineral food supplements would take effect at the end of this year without public hearings or comment.

"The FDA's views have provoked sharp controversy in scientific circles. Many well-known scientists and nutritionists disagree with the findings of the Federal agency. Under the provisions of our bill, consumers who wish to purchase and use food supplements would be able to do so without interference from the FDA. The bill's provisions, however, would not prevent the FDA from taking appropriate action in cases involving fraudulent labeling of food supplements or the sale of products that are proven to be injurious to health."

Rep. Henry Helstoski (New Jersey): "I support this legislation because I believe that the Food and Drug Administration was organized to protect the American consumer from fraud and/or contamination of products. This does not mean that the FDA can dictate diet to consumers. The proposed legislation would curb what could easily become bureaucratic excess."

Rep. David G. Towell (Nevada): "I am supporting this amendment, not only in light of the many urgings of my Nevada constituents, but also because of a personal conviction that the Federal Government should not attempt to involve itself in every single aspect of the personal lives of our citizenry. This amendment is, particularly, so that Americans can decide for themselves what is best for them as individuals."

Rep. Bob Casey (Texas): "This bill would define food supplements as a separate category, not to be lumped with drugs, and would limit the possibilities of executive action in unilaterally restricting food supplements, vitamins, and minerals . . . There is no reason why safety should be incompatible with the greatest possible choice for the American public."

Rep. Benjamin Rosenthal (New York): "Under the new scheme, a food supplement of vitamin C, for example, cannot contain more than 90 mg. per tablet despite the fact that many authorities such as Dr. Linus Pauling recommend a cumulative daily intake of 3,000 mg. Rather, the FDA tells us it will allow—at its own whim—such supplements to be sold as either over-the-counter or prescription drugs.

FDA's proposed vitamin regulations are just the opposite of what they are touted to be (an aid to consumers) . . . The ultimate choice of what one eats *should* and *must* be left to individual discretion."

Other Congressional cosponsors of the Hosmer Bill are, from California: Jerry L. Pettis, Charles H. Wilson, Clair W. Burgener, Del Clawson, Barry W. Goldwater, Jr., Charles S. Gubser, A. F. Hawkins, William H. Ketcham, Robert L. Leggett, Carlos J. Moorhead, Thomas M. Rees, B. F. Sisk, Burt Talcott, and Charles M. Teague.

From Indiana, William G. Bray, John T. Myers, Roger H. Zion, and William H. Hudnut. From Michigan, Garry Brown, Elford A. Cederberg, Charles E. Chamberlain, and Edward Hutchinson. From Pennsylvania, Frank M. Clark, George A. Goodling, John H. Ware, and John P. Saylor.

From Florida, Claude Pepper and C. W. Young. From New Jersey, Edwin B. Forsythe and Robert A. Roe. From Ohio, William E. Minshall and Donald D. Clancy. From Oregon, John Dellenback and Wendell Wyatt. From Tennessee, Dan H. Kuykendall and John J. Duncan. New York supporters are Thaddeus Dulski and Frank Horton.

Texas supporters include Bill Archer, James M. Collins, O. C. Fisher, and Jim Wright. From Arizona, John B. Colan, John J. Rhodes, and Sam Steiger. From Illinois, Philip M. Crane, Tom Railsback, and John B. Anderson.

Other supporters include Don Young of Alaska; John P. Hammerschmidt of Arkansas; William J. Randall of Missouri; Richard G. Shoup of Montana; Charles Thone of Nebraska; Louis C. Wyman of New Hampshire; Garner E. Shriver of Kansas; John R. Rarick of Louisiana; John A. Blatnik of Minnesota; Joel T. Broyhill of Virginia, and Floyd V. Hicks in Washington.

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## PROTEST OF PROPOSED SALE OF PHANTOM JET AIRCRAFT TO SAUDI ARABIA AND KUWAIT

(Mr. YATES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. YATES. Mr. Speaker, I take the floor today to express my very deep concern over the administration's announced intention to sell Phantom jet aircraft to the governments of Saudi Arabia and Kuwait.

Mr. Speaker, does this announcement signal a change in America's support for the continued existence and strength of Israel? Unfortunately, it will have that interpretation in the Middle East because the Phantom is the symbol of that support in the Middle East. Even if such a sale does not go through now—and I hope it does not—some damage will have been done because the announcement itself will raise questions.

Saudi Arabia and Kuwait are two of Israel's most hostile enemies. With the long-range Phantom aircraft at their command, Saudi Arabian forces could bomb any city in Israel and return to their bases, even in that nation's remote areas.

Making the Phantoms available to Israel's enemies would drastically change the balance of power in the Middle East. It would set off a new round of major arms buildups and would evolve into a new arms race. Is this what the administration wants?

The announcement is most poorly timed, coming as it does when Egyptian President Sadat is threatening to go to war again with Israel. Does it make sense to encourage such belligerency by promising to provide these superlative aircraft to Sadat's allies, allies who are one with him in their hatred of Israel? Again, Mr. Speaker, let me say that it is not necessary for the deal to go through to strike a spark to the tinderbox in the Middle East. It needs only that the question be raised as to whether the U.S. support to Israel is weakening.

It is argued, however, that these planes will not be transferred to Egypt in the event of war, that this is assured in the sales agreement.

We cannot be expected to accept such a naive promise, Mr. Speaker, because it is bound to be broken as soon as it is given. The French were given such a guarantee when they sold the Mirage aircraft to the government of Libya. Only a few months went by before Libya transferred some of the Mirages to Egypt.

And such a promise was given by the government of Jordan when the United States gave it tanks in 1966. The tanks so given were those captured by Israel in the 1967 war, and they were not captured in Jordan.

I would urge the Committee on Foreign Affairs to look into this question very carefully. I would urge the administration to review its decision and to announce that it was holding up the sale of the Phantom.

## HOLDING THE LINE ON GASOLINE PRICES

(Mr. VAN DEERLIN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. VAN DEERLIN. Mr. Speaker, the signs are everywhere we can longer take gasoline for granted. Our constituents are paying more for this product, and today they cannot buy it so readily or in such abundance as they could a week or two ago.

In my own area, San Diego, consumers are paying as much as 4 to 6 cents more for a gallon of gas than they did a month ago.

More than that, they are concerned that new taxes or rationing might be imposed to further limit public access to this essential product.

I am certain that we are going to be hearing some urgent appeals that we "do something" to alleviate this apparent shortage, without unduly penalizing the consumer. One problem is that at this point no one knows for sure whether oil companies or consumers are to blame for the cycle of events which is inflating the price of gasoline; in trying to come to the aid of our constituents, we are so far engaged in a losing war against an enemy we cannot easily identify.

Long-range solutions may be elusive. Nevertheless, Congress can and should get started by asserting some control over the distribution of gasoline and other products by the big oil companies and their affiliated refineries.

The Senate is moving toward enactment of a fuel allocations bill. Here in the House our colleague Congressman MACDONALD has introduced two measures that would establish mandatory controls for the distribution of gasoline and other refined petroleum products. Violators would face revocation of their federally issued petroleum import licenses.

Mr. MACDONALD's proposal, in which 37 of our colleagues have joined as cosponsors, would assure that a fair share of finished gasoline would go to the independent retailers who provide the only real price competition for the retail outlets operated by producing companies.

If the squeeze comes today for independent dealers, it follows that the consumer will be hit doubly hard tomorrow—and he is not exactly getting kid glove treatment now.

I am hopeful that Congress will be able to complete action at an early date on this relief legislation. Among other benefits, it should help us to ascertain whether there really is a petroleum products "crisis"—or is this instead a fabricated "emergency."

Other possible remedies, all of them much discussed of late, could include direct rationing or new taxes on gasoline or the owners of more than one car.

A new levy on gas has its undeniable attractions, chiefly as a deterrent to the pollution and congestion associated with excessive use of the automobile. I am not, however, yet convinced that the advantages of such a surcharge would outweigh its most obvious shortcoming: putting the greatest burden on people least able to afford it.

A fairer answer might be a progressive tax on those owning two or more vehicles. Some nonessential driving might be discouraged, and gasoline saved; and those most responsible for creating the problem would bear the heaviest liability.

Further down the road, and even less desirable, would be the rationing of gasoline, as was done in World War II—a desperation measure which I would support only if it were shown to be both absolutely necessary and absolutely equitable.

None of these distasteful options should be exercised, in my view, until the Macdonald plan has been given a fair test. At the very least, it will help us determine just how severe the gasoline shortage is, and what if any additional steps will be needed to assure an adequate and reasonably priced supply of this fuel.

## A COMPELLING CASE FOR DRUG ENFORCEMENT REORGANIZATION NOW

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. HORTON) is recognized for 15 minutes.

Mr. HORTON. Mr. Speaker, on Thursday, the House of Representatives will be called upon to make a decision which could well determine whether or not this Nation makes any further inroads into the illegal importation, sale, and distribution of heroin and other hard drugs to American addicts and drug abusers.

As the crackdown on drug trafficking which began in the summer of 1971 moved forward, serious administrative and jurisdictional conflicts were noted by the administration, by GAO, and by several Congressmen and Senators. In particular, the unhealthy rivalry and lack of coordination between the principal drug enforcement agency, the Bureau of Narcotics and Dangerous Drugs, and the Customs Bureau have resulted in many missed enforcement opportunities, more than a few fouled-up investigations, and a general state of low morale among drug enforcement agents in both BNDD and Customs, as well as in the Office of Drug Abuse Law Enforcement.

In short, Reorganization Plan No. 2 of 1973 would correct these administrative conflicts and problems and house the entire drug enforcement effort within a new investigative arm of the Department of Justice—the Drug Enforcement Administration. This move is being complemented by the creation of a new prosecution division within Justice, the Narcotics Division, to be headed by an Assistant Attorney General.

If the House defeats the disapproval resolution on Thursday, the conflicts and inefficiencies, as well as the morale problems which presently exist can be corrected beginning July 1, when the plan would go into effect. No disapproval resolution has been submitted in the Senate. However, if we pass the disapproval resolution on Thursday, thus, blocking the plan, at least 6 to 18 months will be lost in the battle against drugs—assuming Congress is even able to pass legislation to reorganize the drug enforcement machinery of the Federal Government in this Congress.

While there would certainly be an opportunity for Congress to embellish and add new policy directives to drug enforcement in later legislation once the plan is adopted, there is absolutely nothing to be gained, and much to be lost, if the Reorganization Plan is not permitted to go into effect now. Virtually everyone knowledgeable about our drug abuse problem—there are now about 500,000 heroin addicts—and the drug enforcement jurisdictional struggle has agreed that consolidation is needed. There is strong agreement that the creation of a consolidated enforcement agency in the Justice Department is the answer to the problem.

Curiously, however, for the past several weeks, the public discussion about this plan has virtually ignored the problem of effective enforcement of our drug laws. Debate has centered instead on a much less significant side-issue, which I consider to be a tempest in a teapot, compared with the core issue—the fate of the effectiveness of our drug enforcement operations.

In an effort to address the attention of our colleagues to the central drug abuse aspects of this plan—which now are the only aspects involved—I would like to state the facts regarding the consideration of the plan by our Committee on Government Operations, the original and subsequently withdrawn opposition of organized labor groups to section 2 of the plan, and regarding the negotiations and agreement between the administration and these labor groups concerning section 2 of the plan.

Sometime after the Legislation and Military Operations Subcommittee of Government Operations voted for the plan by reporting the disapproval resolution unfavorably by a vote of 9–1–1, concern began to grow within our committee about the charges by organized labor that section 2 of the plan, which would transfer some 900 Immigration and Naturalization Service employees to the Customs Bureau, would threaten our already weakened enforcement capability against the entry of illegal aliens, many of whom obtain jobs which should be held by American citizens. At the insistence of members of our committee, the Office of Management and Budget had earlier begun negotiations with the American Federation of Government Employees and the AFL–CIO over section 2 of the plan. When the full committee first met to consider the disapproval resolution, a motion to report the resolution unfavorably to the floor failed by a tie vote of 18 to 18. At that meeting, it was reported that these negotiations were underway, but had not yet succeeded in satisfying the objections of labor.

A few days later, although some members of the committee virtually shouted me down when I attempted to detail the latest status of these negotiations, the committee voted 23 to 17 to report the disapproval resolution favorably to the House floor.

While there were other issues raised, at that point in time, the obvious center of opposition to the plan grew around the concerns of labor, and the concerns about the future effectiveness of our ability to prevent the entry of illegal aliens.

What has occurred since that committee vote is well known. First, the administration and the labor groups which were opposed to the plan successfully completed their negotiations. Labor agreed to withdraw completely from its opposition to the plan, and in fact stated that they felt there should be no delay in improving our drug law enforcement machinery. The administration agreed to join labor in seeking the repeal by legislation of section 2 of the plan, relating to illegal aliens and ports-of-entry inspection authority, and to in any event delay the implementation of section 2 if the repealer legislation did not pass prior to the effective date of the plan.

Legislation to repeal section 2 has already been introduced in the House and Senate in a good-faith attempt to produce a drug law enforcement program reorganization acceptable to all parties.

I have been involved in the consideration and negotiation of several reorganization plans, Mr. Speaker, and I can state flatly that there is abundant precedent for side agreements, sometimes resulting in supplemental or corrective legislation to permit the passage of plans—which, as we know, are not amendable under the terms of the Executive Reorganization Act.

Whenever there is a problem in the language or provisions of a Reorganization Plan, we are faced with four options.

The first is to defeat the plan and let the reorganization die. This we cannot do, because this reorganization is too necessary. We cannot afford any further delay in ending the serious and blatant conflicts and inefficiencies involved in the overlapping jurisdictions of Customs and the Justice Department—conflicts which have already resulted in fouling up a number of crucial drug enforcement investigations and enforcement actions. The second option is to defeat the plan and have substituted another revised plan. This cannot be done, because the Executive Reorganization Authority, under which plans are submitted, expired on March 31. The third option is to defeat the plan and pass regular legislation incorporating the desirable features of the plan. In my opinion, and in the opinion of many others, legislation would take an unconscionable long time, given the urgent need for this reorganization. The fourth option, the one settled on in this case, was to seek approval of the plan and then to support legislation which would amend the plan as necessary. This carries some risks for those who wish to have the amendments, but when a reorganization is urgently needed, it is really the only responsible course. Clyde Webber, the president of the American Federation of Government Employees, has said that it is necessary to avoid any prolonged delay in the fight against illicit drug traffic.

There is nothing unusual about agreements such as this being reached regarding the implementation or content of a reorganization plan. Reorganization plans are transfers or abolishments of authority with a mainly administrative impact. To the extent there is congressional concern about portions of a reorganization, and particularly about minor provisions, then agreements are made with the administration to settle the disputes. In most cases, the disagreements have involved the implementation of the plan or administrative actions after the reorganization takes effect. For instance in 1965, when the Bureau of Customs was being reorganized under Plan No. 1 of 1965, various agreements were reached on the boundaries of Customs regions before the plan was approved. In 1970, the representation of the OMB and the Council of Economic Advisers on the Domestic Council was worked out in advance of House consideration of Reorganization Plan No. 2 of 1970. In 1968, when the Bureau of Narcotics and Dangerous Drugs was established by Reorganization Plan No. 1 of 1968, it was agreed that certain functions should stay in HEW. In 1971, the continuation of the existing volunteer programs was agreed to in advance of the consideration of Plan No. 1 of 1971. On this reorganization plan, we have reached agreement on just what will be transferred from Customs to the new Drug Enforcement Administration.

And it is not uncommon for subsequent legislation to be considered as part of an amendment process to a reorganization plan. Some are very simple such as Public Law 83–13, which provided that Reorganization Plan No. 1 of 1953 should have a different effective date, or the legislation (Public Law 85–763, August 26, 1958) which changed the name of the Office of Defense and Civilian Mobilization, set up by Reorganization Plan No. 1 of 1958. Other changes were of a more significant nature. In 1971, legislation giving organizational emphasis to domestic volunteer programs was discussed and agreed to during the consideration of Reorganization Plan No. 1 of 1971 and later passed by the Congress and approved by the President.

In truth, then, there is nothing unusual about such agreements: They are an often-used technique for modifying reorganization plans which we are prohibited from formally amending.

There was nothing secret about these negotiations or the agreements. The negotiations were discussed at the subcommittee meeting which supported the plan by voting to recommend that the disapproval resolution not be adopted—the vote was 9–1–1. They were discussed at the first full committee meeting at which the disapproval resolution was discussed. Unfortunately, they were not fully discussed at the second full committee meeting, because some members felt it unnecessary for the status report on the negotiations to be read, and stopped me when I attempted to detail the status of the talks between OMB and the labor groups. In any case, the information was available in written form for all committee members at that meeting. When the agreement was reached, Chairman HOLIFIELD and I immediately sent the relevant documents to Members of the House and they were placed in the CONGRESSIONAL RECORD.

I want to explain for the record exactly what the legal effects of the agreement are. Under the terms of the reorganization plan, authority for primary document inspection will transfer from INS to Customs on July 1, 1973, if the plan takes effect. The agreement in no way affects that transfer. The only way it can be changed is for the Congress to repeal section 2 of the plan, at which time that authority would revert back to the Immigration and Naturalization Service. The agreement states that all parties will work for the repeal of section 2; in the House that means support of H.R. 8245, introduced by Chairman HOLIFIELD, Mr. FUQUA, and myself. The agreement also states that OMB will not implement section 2 immediately; that it will wait for Congress to have a reasonable chance to act on the repealing legislation. The Reorganization Plan contains language granting the OMB Director authority to implement the plan, and under this authority, he has said he will delay implementing the transfer while the repealing legislation is being considered.

Of course, this is not a certain procedure for avoiding the transfer for those opposed to it. If Congress does not pass legislation repealing section 2, then that transfer will have to be implemented. I think it speaks well of the unselfishness of the AFGE and the AFL–CIO, that it should accept this risk in order to speed this necessary consolidation of the drug programs.

Finally, I want to address myself to the question of whether this agreement somehow limits the authority of the Congress. I believe this question stems from the fact that there was a written and signed agreement between the AFGE and the administration. It is unfortunate that this agreement was written and signed as though it has some legal effect; of course, it has none. But I can understand the desire of those two parties to make sure each other fully understood what they were agreeing to. The House should remember, however, that these negotiations leading to the agreement were insisted upon by your Committee on Government Operations, because it felt the illegal alien enforcement issues could and should be resolved. You should also remember that the committee was fully informed on the negotiations and every Member of this House has been informed of the agreement. Nothing has been done to compromise the freedom of action of this House. We have been given a Reorganization Plan to consider, and a disposition of the plan is proposed. The House is free to accept or reject our proposal that the plan be approved and that section 2 be repealed by separate legislation.

Despite ample precedent, and despite the fact that both the negotiations and the subsequent agreement were arrived at in the full light of day, we now find that many of the same Members who opposed the plan initially and who expressed concerns about the lack of a satisfactory resolution to the illegal alien problem, are now citing the successful resolution of these same problems—which includes an administration commitment to bolster even further the Immigration Services resources—as a reason to oppose the plan. They have cited the agreement as being unusual, which it is not; and they have cited it as encroaching on the prerogatives of the Congress, which it does not.

I urge you most strongly to accept this plan of action, because consolidation of the drug law enforcement programs is urgently needed. Let me cite the following. Quinn Tamm, the executive director of the International Association of Chiefs of Police urges support for the plan. The National Commission on Marihuana and Drug Abuse urges support for the plan. Harvard Prof. James Q. Wilson, chairman of the congressionally created National Advisory Council for Drug Abuse Prevention urges support for the plan.

We must not miss this opportunity to greatly strengthen our programs to combat one of the most serious menaces we face, the drug problem.

## A TAX CREDIT FOR HIGHER EDUCATION

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. BLACKBURN) is recognized for 10 minutes.

Mr. **BLACKBURN**. Mr. Speaker, the foundation of all great republics is the quality of the people who inhabit that nation. America has always been a great nation because its leaders and people have been progressive, honest, and educated. In our rapidly changing world, the need for a highly educated populous is becoming more urgent and apparent. However, as this need is increasing so is the cost involved in providing higher education for our people.

One of the hallmarks of American culture is the reliance of the individual on providing for his own needs. In the past, American students have both worked and attended school at the same time. However, this era is quickly passing. Because of the academic community's increasing demand on the student's time and the skyrocketing cost of education, the burden of financing the higher education of our youth has fallen on the parents, the university, and the Government. I believe that when one spends such a large sum to provide oneself or one's children with a higher education, that person is spending money in the national interest and it is only fair that the Nation try to ease his burden through our tax laws.

I am well aware that many of our graduating high school seniors are not going to college but plan to attend postsecondary schools such as business, trade, technical, and other vocational institutions.

The bill I am introducing today is a tax credit for higher education. It will apply to all those who attend an institution of higher learning, be it college, vocational school, or business school.

The tax credit will be available to anyone who pays the specific expenses of an individual to obtain a higher education. It will be available to students trying to put themselves through school. It will be available to parents trying to help their children through college and it will be available to anyone who contributes additional financial aid. Thus, this measure would help to create individual scholarships where the donor would receive a tax credit. Colleges and universities could encourage their alumni to give scholarships to deserving students.

The basic provisions of my bill are a 100-percent tax credit on the first $200 spent on the cost of higher education; 75 percent tax credit on the next $300; 25 percent on the next $1,000. In order to help equalize the benefits among different tax brackets, I am providing for a 1-percent reduction from the tax credit for those earning an adjusted gross income in excess of $25,000. Thus, as an individual reaches a higher tax bracket, the tax credit will be smaller for him than for an individual in a lower tax bracket.

Mr. Speaker, the Members who are cosponsoring this bill with me represent a wide variety of political philosophies. I am heartened by this broad-based support and urge early consideration of my bill.

## REPORT ON MASS TRANSIT SURVEY

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KOCH) is recognized for 5 minutes.

Mr. **KOCH**. Mr. Speaker, in March I conducted a survey of the conditions people found in riding New York City's buses and subways. I now have the results of this survey which provided both statistical material and numerous comments and suggestions by the respondents.

Several thousand questionnaires were distributed at subway stations and bus stops; the survey also appeared in a local newspaper, Manhattan East. Over 400 persons responded. Although this is a small portion of the ridership, the consistency of the comments found on the returns suggests the conditions experienced by the respondents were typical.

At the onset it is pertinent to note that more than one-third of the respondents spend over 40 minutes in making the one-way trip to work, and more than one-quarter spend over 50 minutes, or nearly 2 hours or more in the day's round trip. This makes the conditions under which New Yorkers travel especially important.

Another factor of major importance to any travel is its cost. The transit fare in New York City is 35 cents but many have to pay double and triple fares to get to work. Among the respondents to my questionnaire, nearly a third live in a two-fare zone and so their present fare to and from work is $1.40; this comes to approximately $350 a year, a cost which is not tax deductible. Of this group paying a double fare, over 80 percent earn less than $12,000 a year, and 45 percent less than $8,000 a year. Some of these indicated they were college students. Perhaps rightly, these college students feel they should have the same no-fare privilege given to high school students.

In addition to questions on travel time and fares, the survey attempted to ascertain the number of occurrences of breakdowns, the seriousness of crowded conditions and a ranking of possible concerns. Although there were riders who felt New York's mass transportation system is excellent, most riders were unhappy with at least some aspects of the system.

The question on breakdowns revealed a mixed picture. Over a quarter of the respondents said that they almost never experience breakdowns. About one-half noted breakdowns once or twice a week, the remainder more often.

There were a number of indications from the survey that the most serious concern of respondents was the crowded conditions of subway cars and buses, particularly with regard to subways. Over 75 percent of the respondents said that they let a bus or subway go by at least once a week because it was too crowded to board. One-quarter of the respondents found this happening five or more times per week.

Looking at the "crowding question" in another dimension, it was ranked higher than any other problem related to subways. The respondents were given a list of possible problems which included service breakdowns, crowded conditions, service irregularities, slow trains, noise, potential muggings, dirt and graffiti and other. They were asked to rank those items which bothered them. Thirty-four percent ranked crowded conditions on subways as their No. 1 complaint—this was considerably higher than any other item—24 percent considered crowding second, and 18 percent mentioned it third. Next highest for the No. 1 ranking was service breakdowns, 19 percent. Service irregularities also ranked high for subways. For buses, service irregularities had the highest ranking—44 percent as one, 26 percent as two. For buses crowded conditions was the next most important problem followed closely by "slowness."

The problem of bus service irregularity was cited not only in this ranking as particularly important but also it was one of the most frequently mentioned factors under recommendations for improvement. Numerous respondents were upset by a long wait for a bus and then "buses appearing in herds." Other primary concerns regarding subway and bus transportation were the need for more frequent scheduling, the need for new trains and buses, air-conditioning not available or not working, and other maintenance problems such as breakdowns and doors not shutting properly.

Still of importance, but less frequently mentioned were a number of other problems and recommendations. These are:

More efficient scheduling;

Station cleanliness/ventilation—suggest more trash cans in stations, et cetera;

More seats in station—suggest long benches;

Better information regarding breakdowns or delays—suggest repair of loudspeaker system, better communication from engineers;

Availability of maps and timetables;

Bus shelters;

Better lighting;

More clearly marked station stops;

Notation by vendors, museums, galleries, and so forth, of the appropriate public transportation stop when they issue press releases or advertise;

Pollution control devices on city buses and on express buses to outlying areas;

Staggered working hours to reduce crowding;

Exact fare rather than tokens for turnstiles in subways;

Strong consumer representation for MTA board; and

Safer platforms.

On a larger scale, there was an appeal for corrections that would require major funding such as more bus and subway lines and remodeling of subway stations. Presently, a multimillion-dollar construction program is underway in the New York metropolitan area to meet the region's present and prospective transit needs.

The following are the computations from the responses to the questionnaire:

*1. Commuting Time*

| Minutes: | Percent |
|---|---|
| 1–10 | 5 |
| 11–20 | 16 |
| 21–30 | 19 |
| 31–40 | 14 |
| 41–50 | 19 |
| 51–60 | 13 |
| Over an hour | 14 |
| | 100 |

*2. Respondents living in 2-fare zones*

| | Percent |
|---|---|
| No | 68 |
| Yes | 32 |
| | 100 |

*3. Income of those respondents living in 2-fare zones*

| | Percent |
|---|---|
| Below $5,000 | 16 |
| $5,001–$8,000 | 29 |
| $8,001–$12,000 | 37 |
| Over $12,000 | 18 |
| | 100 |

*4. Waiting time for bus and/or subway*

| Minutes: | Percent |
|---|---|
| 1–5 | 32 |
| 6–10 | 34 |
| 11–15 | 18 |
| 15–20 | 10 |
| Over 20 minutes | 6 |
| | 100 |

(Some distortion is produced by the fact that for some respondents waiting time is for bus only, some for subway only, and for some, both.)

*5. Occurrence of subway/bus breakdowns*

| | Percent |
|---|---|
| Seldom or never | 27 |
| Once a week | 30 |
| Twice a week | 23 |
| Three times a week | 15 |
| Four times a week | 2 |
| Five or more times | 3 |
| | 100 |

*6. Frequency of bus or subway being too crowded to board*

| | Percent |
|---|---|
| Seldom or never | 24 |
| Once a week | 12 |
| Twice a week | 17 |
| Three times a week | 15 |
| Four times a week | 7 |
| Five or more times | 25 |
| | 100 |

7. MOST SERIOUS ANNOYANCES ABOUT SUBWAYS (PERCENT)

| | Ranked 1 | Ranked 2 | Ranked 3 |
|---|---|---|---|
| Service breakdowns | 19 | 15 | 15 |
| Crowded conditions | 34 | 24 | 18 |
| Service irregularities | 12 | 19 | 20 |
| Slow trains | 6 | 15 | 17 |
| Noise | 9 | 7 | 8 |
| Potential muggings | 9 | 9 | 8 |
| Dirt | 11 | 11 | 14 |
| Total | 100 | 100 | 100 |

8. MOST SERIOUS ANNOYANCES ABOUT BUSES (PERCENT)

| | | | |
|---|---|---|---|
| Service breakdowns | 3 | 6 | 14 |
| Crowded conditions | 26 | 24 | 23 |
| Service irregularities | 44 | 26 | 15 |
| Slow buses | 20 | 28 | 27 |
| Noise | 3 | 6 | 7 |
| Potential muggings | 3 | ---------- | 4 |
| Dirt | 1 | 10 | 10 |
| Total | 100 | 100 | 100 |

Mr. Speaker, the major reason for my conducting this survey was the consideration the House is currently giving to proposals for an expanded mass transit program. Indeed, the House and Senate conferees are presently meeting on whether the highway trust fund should be opened to limited mass transit expenditures. Another question is whether the Federal Government should provide local transit systems with operating subsidies. I believe the answer to both questions is "yes." People in our cities want and need better mass transit; furthermore, costs of operating transit systems today demand revenues in addition to those provided by the farebox. Public transit must be reasonably priced; persons of low and moderate income should not be paying $1.40 a day to get to work and home again. Furthermore, New York is now threatened by a further fare increase to 60 cents. This would set the cost of getting to work and home at $2.40 a day. This is intolerable.

Reasonably priced public transportation is a basic element in employability. If people cannot get to and from work, they cannot work. This is a choice that some have had to make. This Administration has talked a lot about putting people to work. It is time that it comes to grips with the essential relationship between reasonably priced public transportation and employability and supports the $400 million mass transit operating assistance program that I and others have proposed.

The problem of high operating costs has been compounded by the years of neglect of transit facilities. Timely capital improvements have not been made and too often the most obvious of services have been eliminated. This, in turn, has contributed to the decline in ridership. Many of the concerns of the subway and bus riders surveyed could be relieved with relatively minimal expenditures and better management: improved information on service delays, the availability of maps and timetables, clearer station signs and directional signs within the stations, and cleaner stations. People complained about buses coming in "herds" leaving long lapses between the next "herd," missed connections between locals and express trains, and discourteous bus drivers.

With operating assistance, the Federal Government would not only assist in meeting the immediate problem of covering costs, but also provide local transit systems with an incentive to improve service. The provisions of the operating assistance program now under consideration requires the submission of a service improvement plan by a transit authority wishing to receive Federal assistance. Furthermore, a factor of the distribution formula for the $400 million authorization is the number of revenue passengers service by a transit system. This has a built-in incentive for transit systems to increase their ridership so as to receive a larger portion of the $400 million pie.

Mr. Speaker, some of the conditions of New York's transit system may be peculiar to that city, but its need for expanded mass transit capital assistance and a new source of operating assistance is typical of many cities around the country. I hope that the response to my questionnaire can lend some perspective for our colleagues on the magnitude of the problems of the Nation's transit systems and the importance of public transportation to a city's people. And, I hope that the Congress will move ahead in meeting the transit needs of the cities.

## SPORTS IS UNFAIR TO WOMEN

(Mrs. GRIFFITHS asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Mrs. GRIFFITHS. Mr. Speaker, in watching the Margaret Court-Bobby Riggs tennis match on television several weeks ago, I was amused by the buttons worn by a number of those in attendance, reading "Bobby Riggs—Bleah." After reflecting upon the various issues that entered into the formation of this match, however, I realized that these buttons signified more than a disdainful view of the personality of a semiretired sports handicapper. What I believe these buttons represented was an expression of opposition to the low value, both in monetary and competitive terms, that has been assigned to women's sports.

In sports, the funds, facilities, coaching, rewards, and honors allotted to women are grossly inferior to those granted men. In 1971, Billy Jean King, to whom the original Bobby Riggs "Battle of the Sexes" challenge was issued, became the first woman athlete to win over $100,000 in a year. That same year, Rod Laver was the leading money winner on the men's tennis circuit, collected $29,000. To reach her goal, however, Mrs. King was required to win three times as many tournaments as Laver.

This problem is no different at the amateur level. In 1969, a Syracuse, N.Y., school board budgeted $90,000 for extracurricular sports for boys; $200 was set aside for girls. In 1970, the board cut back on the athletic budget, trimming the boys program to $87,000. Funds for the girls interscholastic program were simply eliminated.

When Knute Rockne was winning national championships with Notre Dame football teams, he offered comment on the general nature of his job:

> When we are winning, I am a great football coach, and when we lose, I can always say that I am building character.

Women are never granted the assumption that they may be having their character built through their participation in sports. In fact, when a woman dons an athletic uniform, she is flaunting tradition. She is flaunting tradition by merely trying to get out of the kitchen, according to some sports enthusiasts, let alone beyond the sidelines and onto the field.

If winning is not everything, as many of my colleagues no doubt have informed their children after an excruciating loss in an athletic contest, and if sports really do help build character as well as sound minds and bodies, then why should men have a monopoly on our athletic facilities and resources? In my opinion, they should not.

At this time, I include in the RECORD an article from the May 28 edition of Sports Illustrated, entitled "Sports Is Unfair to Women." This excellent article by Bil Gilbert and Nancy Williamson characterizes the present state of sex discrimination in sports as well as the need for and the possibility of change.

The article follows:

### SPORTS IS UNFAIR TO WOMEN

(By Bil Gilbert and Nancy Williamson)

There may be worse (more socially serious) forms of prejudice in the United States, but there is no sharper example of discrimination today than that which operates against girls and women who take part in competitive sports, wish to take part, or might wish to if society did not scorn such endeavors. No matter what her age, education, race, talent, residence or riches, the female's right to play is severely restricted. The funds, facilities, coaching, rewards and honors allotted women are grossly inferior to those granted men. In many places absolutely no support is given to women's athletics, and females are barred by law, regulation, tradition or the hostility of males from sharing athletic resources and pleasures. A female who persists in her athletic interests, despite the handicaps and discouragements, is not likely to be congratulated on her sporting desire or grit. She is more apt to be subjected to social and psychological pressures, the effect of which is to cast doubt on her morals, sanity and womanhood.

As things stand, any female—the 11-year-old who is prohibited from being a Little League shortstop by Act of Congress; the coed basketball player who cannot practice in her university's multimillion-dollar gymnasium; the professional sportswoman who can earn only one-quarter what her male counterpart receives for trying to do the same work—has ample reasons for believing that the American system of athletics is sexist and hypocritical. There is a publicly announced, publicly supported notion that sports are good for people, that they develop better citizens, build vigorous minds and bodies and promote a better society. Yet when it comes to the practice of what is preached, females—half this country's population—find that this credo does not apply to them. Sports may be good for people, but they are considered a lot gooder for male people than for female people.

Opportunities for women are so limited that it is a cop-out to designate females as second-class citizens of the American sports world. "Most of us feel that being second-class citizens would be a great advance," says Doris Brown. A faculty member at Seattle Pacific College, Brown has devoted 15 years to becoming the best U.S. female distance runner. She has been on two Olympic teams, won six national and five world cross-country championships and set a variety of national and international records in distances from a mile up. Despite her talent and success she has had to pay for nearly all her training and, until recently, all her travel expenses. She was forced to resign from a job at a junior high school because the principal did not believe in women teachers devoting a lot of time to outside athletic participation. She has received far less recognition than male runners who cannot match her record of accomplishment. "Second-class citizenship sounds good," says Brown, when you are accustomed to being regarded as fifth-class." This is not the whine of a disgrunted individual but an accurate description of the state of things in sports. To document the situation, consider the following:

#### MONEY TALKS

In 1969 a Syracuse, N.Y. school board budgeted $90,000 for extracurricular sports for boys; $200 was set aside for girls. In 1970 the board cut back on the athletic budget, trimming the boy's program to $87,000. Funds for the girls' interscholastic program were simply eliminated.

New Brunswick (N.J.) Senior High School offered 10 sports for boys and three for girls in 1972, with the split in funds being $25,575 to $2,250 in favor of the boys. The boys' track team was allowed $3,700 last spring, while the girls' squad received $1,000. This might be considered a better-than-average division of money except that 70 New Brunswick students competed on the girls' team and only 20 on the boys'.

The Fairfield area school district in rural south-central Pennsylvania is small: 800 students are enrolled from kindergarten through 12th grade. Nevertheless, in 1972–73 the school district budgeted $19,880 for interscholastic athletics. Of this $460 was actually spent on girls' sports, $300 of it on a "play day" in the area and $160 on a volleyball team, which had a one-month season. Boys in the school district are introduced to competitive sport as early as the fifth grade with the organization of soccer and basketball teams that are coached by members of the high school athletic staff.

In New York a woman officiating a girls' high school basketball game is paid $10.50, a man receives $21 for a boys' game. Throughout the country and with few exceptions, women who coach girls' sports in secondary schools receive between one-third and one-half the salary of men who coach comparable sports for boys. The woman coach often is expected to supervise candy sales, cooking contests and raffles to raise money to purchase the girls' uniforms and pay travel expenses.

There are many communities where tax-supported school systems offer absolutely no athletic programs for girls. In fact, until recently no money was spent for girls' interscholastic sports in two entire states—Utah and Nevada.

In colleges the disparity between men's and women's athletics is even greater than it is in the secondary schools. At the University of Washington, 41.4% of the 26,464 undergraduate students enrolled are women. However, when it comes to athletics women get only nine-tenths of 1% of the $2 million the university spends annually on sports. The women's intercollegiate budget is $18,000 a year, while the men have $1.3 million to spend over and above the income-producing sports of football and basketball. Despite the enormous discrepancy, the situation at Washington has markedly improved. In 1957 there were no women's intercollegiate atheltics at the university. Dr. Joseph Kearney, director of sports at Washington, says, "We want to develop the women's programs that are now in an evolutionary stage." Evolutionary is a clinically accurate term. if the current rate of progress were maintained, women would reach financial parity with men in the year 2320.

Things are better at Vassar, but hardly as good as one might expect, considering the college's pioneer role in women's education and rights. In 1968 Vassar admitted male students for the first time. There are now 1,400 girls and 700 boys enrolled. Vassar men compete in five sports and have an annual budget of $4,750. The women have three sports and $2,060 to spend.

Since its organization in 1910 the National Collegiate Athletic Association has governed men's collegiate athletics. The NCAA now has an annual operating budget of $1.5 million and 42 full-time employees. The female counterpart of the NCAA is the Association for Intercollegiate Athletics for Women. It was established only in 1971. Prior to that, there seemed little need for an organization because there were so few intercollegiate women's programs. The AIAW operates on $24,000 a year and employs one executive (who works part-time) and one assistant.

In five major collegiate athletic conferences—Southeastern, Big Ten, Big Eight, Southwest and PAC 8—there are 5,000 students on football scholarships alone. These legitimate scholarships (to say nothing of any under-the-table goodies) are worth some $10 million a year to their recipients. Women are almost totally excluded, from the scholarship system which, whatever its deficiencies, is the one used to develop most of our first-class athletes. As many as 50,000 men a year earn a college education by playing games. Figures are hard to come by, but it is likely that less than 50 American women hold athletic scholarships and enjoy the benefits—financial, educational, sporting—that these grants provide.

Whatever the small total of women scholarship holders is, it was reduced by one in January 1973 when Cathy Carr, a swimmer who had won two gold medals at the Munich Olympics, had to resign the four-year grant she had been awarded by the University of New Mexico. The reason: she and the astonished university discovered that a woman holding an athletic scholarship was barred from competing in women's intercollegiate events by, of all things, the AIAW.

Recently, Mary Rekstad, the AIAW's lone executive, explained the Alice in Wonderland regulation. "When the AIAW was formed many men told us that scholarships were a bad influence on collegiate sports, that we should avoid making the mistakes they had made and stay out of the mess." On the surface the concern of the admittedly corrupt men for the purity of their female counterparts seems more hilarious than touching—something like a confirmed alcoholic guzzling all the booze at a party to protect the other guests from the evils of drink.

"It might seem that the men were motivated by self-interest," said Rekstad. "But we did not think so. We wanted to protect girls from the excesses of recruiting and exploitation." Last month the AIAW reassessed the situation and decided to drop the regulation. Now women on athletic scholarships can take part in events it sanctions.

When it comes to pay-for-play situations, unequal scales are established for men and women. As a small but instructive example, one of the leading events of the Northern California tennis circuit is held each May in Mountain View. This tournament is open to men and women and each entrant, regardless of sex, must pay an $8 fee. About an equal number of men and women complete. However, when it comes to prize money, sex raises its miserly head. At Mountain View the men's singles winner receives $1,000, the runner-up $500, the semifinal losers $150 each, quarter-final losers $75 each, and the round of 16 losers $25 each. On the other hand, the women's singles winner receives $150, and the runner-up $50. The women receive no other money prizes. There also is a doubles competition for men, but not for women. In all, though they have put up the same entry fee, $3,000 is paid to men while the women play for $200. In monetary terms, the Mountain View tournament considers women 15th-class citizens.

In 1971 Billie Jean King became the first woman athlete to win $100,000 in a year. During the same year Rod Laver was the leading winner on the men's tennis circuit, collecting $290,000. To reach her total King won three times as many tournaments as Laver. Last year King captured the U.S. Open at Forest Hills and collected $10,000. Ilie Nastase was the men's winner and earned $25,000. At Wimbledon Stan Smith collected $12,150 for the men's title while King picked up only $4,830 for the women's. At Forest Hills and Wimbledon the women often draw as many spectators, and sometimes more than the men.

In 1972 on the Ladies Professional Golf tour Kathy Whitworth was the leading money-winner, collecting $65,063 in 29 tournaments. In the same year Jack Nicklaus was the biggest moneymaker among the men pros, winning $320,542 in 19 tournaments. The discrepancy between men and women professionals is even more notable among lesser competitors. The 15th leading money-winner on the women's tour in 1972 was Jo-Anne Carner, who made $18,901. The 15th-place finisher among the men, Jim Jamieson, collected $109,532. Admittedly, the women's tour arouses less interest than the men's, and sponsors feel they receive a better return for their money backing men's events.

In the Roller Derby it is the women, more than the men, who attract fans and generate publicity. The female star of the Derby is Joan Weston, a superior athlete. She makes between $25,000 and $30,000 a year. There are six men on the Derby tour who play the same game in front of the same crowds as Weston, all of whom earn larger salaries. Charlie O'Connell, the leading male performer, is paid twice as much as Weston. When they join the Derby tour, men and women are paid about $85 a week plus travel expenses. But men's salaries increase more rapidly than women's, and once established a man will receive between $200 and $250 a week, while a woman of equal talent makes only $150.

### BIG BROTHER

Dr. Katherine Ley, a full professor and chairman of the women's physical education department of the State University College of New York at Cortland, is one of the country's leading physical educators. She long has sought better opportunities for women in sports. At Dr. Ley's university (men's budget $84,000 a year; women's $18,000) the situation could hardly be described as one of sweetness, light and equality. For example, the Cortland women's basketball team cannot practice regularly in the main gymnasium, but it is permitted to play varsity games there. Recently one such game ran overtime whereupon, according to Dr. Ley, the men's basketball coach stormed into the gym and told the girls to get off the court because the boys had to practice. The women's coach asked if he couldn't use the field house, explaining that her team was in the middle of a game and had reserved the space. He said he was in a hurry because he had to leave shortly to scout another team. He told the women it was silly to finish; the score was lopsided and it was not even a game. The women docilely left the game unfinished and withdrew.

The Mission Conference, an eight-team league of California junior colleges, agreed not long ago that women could compete in varsity sports with and against men. Last February in a game against San Diego City College, Ray Blake, the basketball coach of San Bernardino Valley College, took advantage of the new ruling. Leading 114 to 85 with three minutes and 12 seconds to play, Blake sent in a substitute, Sue Palmer. The San Diego coach, Bill Standly, responded by calling time and asking his men. "Do you want to be humiliated any further by playing against a girl? The team, to a man, said no, and San Diego walked off the court.

At a parochial high school in Maryland, a girls' basketball team was playing a varsity rival. The game was officiated by the man who serves as athletic director of the host school. As the contest drew toward a close, the A.D., bored and feeling that he could spend his time better elsewhere, turned to the timekeeper and, in something less than a whisper, suggested that the clock not be stopped for time outs, that it be kept running until the game ended. One of the players overheard the conversation and said, "That's unfair." "That, young lady, is a technical foul on you," said the athletic director, ending the argument.

### THE FEMININE MYSTIQUE

Ron Wied is the football coach at coed Pieu XI in Milwaukee, the largest Catholic high school in the state. Wied says, "There is cause for concern among our male coaching staff over the pressure for girls' sports. Facilities are a problem. We've got a boys' gym and a girls' gym. Before, we could use the girls' gym for wrestling and B team basketball a lot more than we can now. I think girls have a right to participate but to a lesser degree than boys. If they go too far with the competitive stuff they lose their femininity. I guess if I had my choice, I'd like to keep boys' teams going up in importance and let the girls stay about where they are now."

Jack Short is the director of physical education for the State of Georgia school system. Speaking of the physical education program there, Short commented, "I don't think the idea is to get girls interested in interscholastic competition. I don't think the phys ed program on any level should be directed toward making an athlete of a girl."

At the Munich Games, Olga Connolly, a female discus thrower, was selected to carry the U.S. flag at the opening ceremonies. Upon learning that Connolly would be the American color-bearer, Russell Knipp, a weight lifter, said, "The flag-bearer ought to be a man, a strong man, a warrior. A woman's place is in the home."

At Trenton (N.J.) State College the usual man-woman inequality exists, with $70,000 budgeted for men and only $15,687 for women. Joyce Countiss, the women's basketball coach, is paid considerably less than her male counterpart, but as far as she is concerned, the day-to-day discriminations are as humiliating as the monetary inequality. "We aren't supposed to sweat," says Countiss fiercely. "The men's uniforms are laundered by the school, but if we want ours clean we wash them ourselves. We have no athletic trainer; the men have one who even travels with the teams. The school has a training room with whirlpool baths, heat treatments, etc., but women get to use the facilities only in emergencies. The weight room is located in the men's locker room, so naturally we have no access to it. The list goes on and on, but most places are much worse off than we are."

Susan Hollander is a student at Hamden (Conn.) High School. She had sufficient talent to be a member of her school's varsity cross-country and indoor track teams. There was no girls' team, and she was prohibited by a state regulation from participating on the boys' team. Backed by her parents, she brought suit against the Connecticut Interscholastic Athletic Conference. The case was heard on March 29, 1971 in the Superior Court of New Haven and Judge John Clark FitgGerald ruled against Hollander. In giving his decision Judge FitzGerald stated, "The present generation of our younger male population has not become so decadent that boys will experience a thrill in defeating girls in running contests, whether the girls be members of their own team or of an adversary team. It could well be that many boys would feel compelled to forgo entering track events if they were required to compete with girls on their own teams or on adversary teams. With boys vying with girls . . . the challenge to win, and the glory of achievement, at least for many boys, would lose incentive and become nullified. Athletic competition builds character in our boys. We do not need that kind of character in our girls."

John Roberts, the executive secretary of the Wisconsin Interscholastic Athletic Association, says many coaches of boys' teams in his state are worried about the increased interest in girls' sports. "The facilities thing will get worse," says one of Roberts' colleagues. "Girls haven't figured out yet how to use the urinals."

### THE DOUBLE STANDARD

Last summer a steward at Ellis Park in Kentucky sought to suspend Jockey Mary Bacon for cursing in the paddock after a losing ride. Said Bacon, "They expect a girl to get off a horse and say 'Nice horsey, nice horsey,' like in *National Velvet*. Well, I get mad like everyone else. If I lost a race and didn't cuss, then the stewards might have something to worry about."

When asked why only women were permitted to coach girls' teams, Ada Mae Warrington, director of physical education for women in the Prince George's County (Md.) school system, said, "We have had several instances of a girl assaulting a man. We are trying to protect our coaches."

In 1971, after a lengthy argument with the New York State Education Department, Katy Schilly was permitted to run on the Paul V. Moore High School cross-country team. After the decision was made, an elaborate security system was set up to protect her. Among other things, a woman had to be present whenever the runner was in her locker room. "Maybe they're afraid I'll slip on a bar of soap in the shower," said Schilly.

Prudery is a major factor contributing to the present low estate of women's sports. This hangup cannot be blamed on our Victorian or Puritan ancestors. Early in this century there was widespread participation by girls in competitive athletics. Baseball, bike racing and track and field were popular pastimes for girls. Basketball was played extensively, and often girls' games were scheduled as doubleheaders with boys' contests. Then in 1923, a national committee of women headed by Mrs. Herbert Hoover was formed to investigate the practice of holding such doubleheaders. The committee was shocked to find girls wearing athletic costumes performing before crowds that included men. Mrs. Hoover and her friends believed the girls were being used as a come-on and that the practice was disgraceful and should be stopped. State after state followed the advice and either abolished all girls' sports or made them so genteel as to be almost unrecognizable as athletic contests.

"When I went to college in the '30s, we were taught that competition was dirty," recalls Betty Desch, head of the women's physical education department of the State University of New York at Stony Brook. Those states that had retained any girls' athletic programs declared that teams should be coached only by women, or else who knows what might transpire. The requirement, still in effect in many states, has stifled the development of competent female athletic programs. While there is no evidence that women cannot be as good coaches as men, it is a fact that there are very few good women coaches. There are obvious reasons for this. Few girls in high school or college have had the same competitive opportunities as men, so they are seldom inspired to take up coaching as a career.

Also, few colleges allow girls to take courses in coaching techniques and theory. Where they can attend such classes, there has been little point in doing so, since once a girl graduates she finds few coaching jobs available, and those that are available pay poorly or not at all. When a school needs a coach for a girls' team, the usual practice is to draft a woman from the physical education department for the job. Through no fault of her own, she rarely has much expertise or enthusiasm for coaching competitive athletics. In consequence, girls in her charge do not learn fundamental techniques, skills and seldom become excited about athletics. Thus the vicious circle is continued.

### THE SAME OLD STORY

The following letter appeared not long ago in The Washington Post:

"Your editorial, 'Growing Up by the Book' (Dec. 1), revealed the harmful effects of stereotyped sex roles in childrden's books and toys. But it seems that The Washington Post is extending this same discrimination to its sports pages.

"Our specific complaint is that girls' high school basketball scores are completely ignored in your paper while boys' high school basketball is given 500-word articles. There are numerous active, aggressive teams from all-girls' schools as well as public schools. Girls' basketball is not a farce; it is an exciting spectator sport with a four-month season that is of interest to thousands of Washington-area students, including boys.

"We suggest that you 'practice what you preach' and print reports on a sport where girls are anything but passive."

The amount of coverage given to women's athletics is meager and the quality is atrocious. Most of the stories that do appear are generally in the man-bites-dog journalistic tradition, the gist of them being that here is an unusual and mildly humorous happening—a girl playing games. Rather than describing how well or badly the athlete performed or even how the contest turned out, writers tend to concentrate on the color of the hair and eyes, and the shape of the legs or the busts of the women. The best-looking girls (by male standards) are singled out for attention, no matter how little their sporting talent may be. Women athletes are bothered by this, since the insinuation is "at least some of them look normal." It is comparable to a third-string defensive back being featured on a college football program cover because of the length of his eyelashes or the symmetry of his profile.

A fine (in the sense of being typical) example of women's sports journalism appeared in the Aug. 23, 1971 issue of SPORTS ILLUSTRATED: "A cool, braided California blonde named Laura Baugh made quite a splash . . . her perfectly tanned, well-formed legs swinging jauntily. The hair on her tapered arms was bleached absolutely white against a milk-chocolate tan. Her platinum hair was pulled smartly back in a Viking-maiden braid. . . ." The account had to do with a women's golf tournament. The difference in reporting men's and women's sporting events is obvious.

Between August 1972 and September 1973 NBC will televise 366 hours of "live" sport. Only one hour of this (the finals at Wimbledon) will be devoted to women. Til Ferdenzi, manager of sports publicity for NBC, says, "Egad, I never thought about it before. I guess it's not fair." Bill Brendle, his counterpart at CBS, says, "We don't know if women draw an audience—they might not be saleable." During the coming year CBS will televise some 260 hours of men's sports and 10 hours of women's sports. ABC does not know how its time is divided between men and women athletes, but ABC's Irv Brodsky says defensively, "Women don't play sports."

The paucity and peculiarity of sporting news about females have two effects, both discriminatory. First, girls at all levels of play are deprived of the genuine and harmless satisfaction of seeing their athletic accomplishments publicized. Because the feats of outstanding women athletes are briefly and bizarrely reported, there are few sporting heroines. Boys are bombarded with daily stories about how much fun male athletes are having, how important, dashing and rich they are. The suggestion is made that getting out and playing games—and playing them well—is an exciting and constructive thing to do. Girls have few such models and seldom receive such subliminal messages advertising athletics.

In an informal survey taken for the purposes of this report, nearly all of some 100 high school girls scattered across the country could name 10 male athletes in college or professional sports whom they admired—or at least whose names they knew. But not a single girl to whom the question was put could name 10 prominent women athletes. The sportswoman most often identified by the high school girls was not an American but Olga Korbut, the 17-year-old Russian gymnast (SI cover, Mar. 19) who appeared prominently on television during the 1972 Olympics.

As bad as it is, conventional discrimination has perhaps had less influence on women's position in the sporting world than has another phenomenon that ranges even further. It might be called psychological warfare; its purpose is to convince girls who show an inclination for athletics that their interest is impractical and unnatural. The campaign to frighten girls into accepting notions about their athletic role begins early.

Carol is 12, an eighth-grade student at a parochial grammar school in Maryland. She is one of the best athletes, regardless of sex, in the school. Last year she was ranked by the AAU among the 15 best high jumpers of her age in the country. She comes by her athletic interests and talents naturally. Her father was a professional basketball player and now is a college coach. In her family, playing games is a way of life. But Carol is discovering that elsewhere sports are not regarded as suitable for girls. And it makes her angry. "At recess," Carol says, "the boys get the softball and kickball fields. The girls have a parking lot and part of a field with holes in it. Sometimes we don't even get that field because Sister keeps us in to wash off tables. She says that is girls' work.

C.M. Russell High School in Great Falls, Mont. has 2,040 students and an excellent girls' athletic program ($15,000 a year for girls; $35,000 for boys). Yet even there, the members of a six-girl panel discussing sports were aware of forces putting them in their athletic place.

"There's one thing that really doesn't have anything to do with school," said one girl. "If you've got a brother and he's playing football or basketball your folks are going to drive him back and forth to practice and change dinner hours for him. But if you're a girl, your mother says, 'Be home at 5 to set the table.' "

Early on, girls learn to expect and put up with parental edicts and insinuations that the games they play are unimportant. When she is 15 or 16 the campaign against a girl's athletic interest takes an uglier turn, being directed against her appearance and sexuality. The six C.M. Russell girls were attractive teen-agers. Most of them dated boys who were athletes. "The guys on the teams tease us about being jocks," said a tiny lithe gymnast, "but they are just having fun. They know we work hard and I think they are proud of what we do."

"The mean ones," said a basketball player, "are those who aren't in sports themselves. They don't want to see a girl play because it makes them look bad. They want her to sit in the stands with them. So they try to put us down. They'll come up in the hall and give you an elbow and say, 'Hey, stud.' "

"Some girls are bad, too," a hurdler noted. "They'll say, 'Aren't you afraid you'll get ugly muscles in your legs?' "

"Girls in sports are more careful about how they look," said the gymnast. "We wear skirts more than other girls because we are worried about being feminine."

Some authorities consider the word "feminine" a derogatory term. "When we say 'feminine,' " says Dr. David Auxter of Slippery Rock State College, "we mean submissive, a nonparticipant, an underachiever, a person who lacks a strong sense of self-identity, who has weak life goals and ambitions."

Grosse Point (Mich.) North High School has a far different and lesser girls' sports program than that of C. M. Russell in Montana. There are two officials girls' interscholastic sports, gymnastics and track. These are financed by a $2,200, hopefully annual, grant from a local boosters club. In contrast, boys receive about $20,000 in school funds. But in at least one respect girl athletes are treated better at Grosse Pointe than in many other places. Girls are awarded school letters that they may wear on a sweater. In many other localities, players are rewarded with inconspicuous pins, printed certificates, or nothing. In practice, winning and being able to wear a letter sweater is an empty honor for Grosse Pointe girls. "Not very many girls wear their letters," says Pam Candler, a senior who is the Michigan girls' trampoline champion and was runner-up last spring in the state tennis championships. "Mostly only freshmen or sophomores—because they don't know what the score is."

What is the score?

"Well, a lot of people think it is freakish for a girl to wear a letter sweater. Like she's a jock. I'm kind of proud of the girls who have enough courage to wear them, but I don't. It would make me feel funny. I guess I've been brainwashed."

"I don't like to think that there are male chauvinists, but I guess there are," says Jan Charvat, another gymnast. "It is degrading that we have to act in a certain way just because we're in sports. A girl ought to be free to be what she is, without people cutting her up."

So far as the "social" acceptability of girls' sports at Grosse Point, Candler says, "If a girl is great looking, then maybe the guy she is going with likes to see her in sports. If she isn't good looking and popular, sports are not going to help her. In fact they will do the opposite."

Bruce Feighner, the principal of Grosse Pointe North, is not proud of the weakness of his girls' athletic program. However, like so many of his colleagues, he cites the lack of funds as a major reason for the inequality: "Here and in many other communities in Michigan, taxpayer revolts are brewing. It is hard to establish new programs. This admittedly is unjust, but the fault is not entirely or perhaps even principally with the school. The role of girls in sport is determined by society, and until now that role has been an inferior one. There's another practical side to the matter. Grosse Pointe is a very affluent community. If a girl is interested in athletics, the conventional way of developing her skill is to marry a man who has enough money to belong to a country club, a tennis or yacht club."

Feighner's comment may seem cynical, but it is perceptive. Except occasionally in track (where the leading female performers are developed in private AAU clubs) the only women's sports in which the U.S. record is respectable, occasionally outstanding, are tennis, golf, skating, skiing and swimming, essentially country-club sports and ones that are considered "ladylike." For the girl who lacks country-club opportunities and inclinations, yet somehow has kept her interest in athletics through high school, the question of what to do next is perplexing. For men, the next stage in the American athletic progression is college, where sporting skills are polished and reputations made. However, college sports presently have little attraction or value for good female athletes.

The woman athlete at the university is made to feel unwelcome and an oddity. Beth Miller is a tall, graceful 21-year-old, by any standards a figure pleasing to the eye. She is also one of the best female athletes in the country, having been the National Junior Women's pentathlon and shotput champion, a standout performer on her Lock Haven (Pa.) State College basketball team, a swimmer, softball player and spelunker. On one weekend last winter, Miller led her basketball team to victory and then hurried to Baltimore where she won the shotput and placed third in the high jump at an AAU indoor meet. Word of her accomplishments was received by a Lock Haven radio sportscaster. The commentator spent maybe 20 seconds describing what Miller had done and ended with the comment, "What an animal she must be."

If a talented woman withstands these pressures and decides to become a serious athlete, she often has to cope not just with insinuations but with slanderous gossip. Jo Ann Prentice is a sharp-tongued, sharp-minded woman who has earned her living for 17 years on the LPGA tour. Asked about the "social" life on the tour, Prentice replied to the euphemistic question in her soft Alabama drawl. "This is kind of how it is. If you get into town at the beginning of the week and you meet some guy whose company you enjoy and have dinner with him once or twice, the gossips start asking what kind of tramps are these babes on the tour. If you stay at the motel where everybody else on the tour has checked in, then the question is what are those girls doing back in those rooms alone."

The vicious paradox that Prentice outlines—women athletes are either heterosexual wantons or homosexual perverts or, simultaneously, both—is the culmination of all the jokes and warnings that began when an 11-year-old wanted to play sandlot football with her brothers and was teased, in good fun, about being a tomboy.

As a result, a great many girls simply avoid sports completely. Others try to compromise, accommodating their athletic desires to the attitudes of society. They continue to play games, but play them nervously and timidly, attempting to avoid appearances and enthusiasms that might be construed as unladylike.

The few women who survive the pressure may be scarred in various ways, but there are compensations. Jack Griffin, though he has worked for 25 years in relative obscurity, is regarded by many who know of him as one of the most distinguished athletic coaches in the nation. He has coached boys and girls, from grade-schoolers to post-collegians, in swimming, track, basketball and football. Working only with the youth of the small Maryland city, Frederick, he has helped to develop an inordinate number of national and international class athletes. He has been an Olympic coach and is currently a member of the Olympic Women's Track and Field Committee. "I enjoy coaching both sexes," says Griffin, "but strictly from a coaching standpoint, I have noted one important difference between them. Desire is an intangible quality which you like to see in any athlete. Coaches of men's teams often single out an individual athlete and say his most valuable characteristic is his desire. You seldom hear girls' coaches make this sort of comment. The reason, I think, is that *any* girl or woman who is very much involved in athletics tends to have an extraordinary amount of desire, not only to excel in her sport but to excel as a person. It is so common with the girls that we tend to overlook it, accepting it as normal. I suppose in a sense it is normal for them. The way things are in this country, any girl who perseveres in sport has to be not only an exceptional athlete but an exceptional human being."

## TRIBUTE TO JIM FARLEY

(Mr. HANLEY asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HANLEY. Mr. Speaker, a few days ago, one of America's most distinguished citizens, and certainly one of the greatest Democrats of all time, Jim Farley, celebrated his 85th birthday. Statesman, businessman, politician, author, and gentleman of international renown, Jim Farley is a legend in his own time.

I consider it a distinct privilege to call Jim Farley my friend. We correspond regularly, and I have frequent occasion to chat with him on the telephone. His perceptive mind remains clear, and his intimate knowledge and understanding of contemporary issues would make many a younger man sit up and take note.

One of the cherished relationships I have with Jim Farley is the fact that, in a sense, we are fraternity brothers. We were both recipients of the treasured Tipp-Off Award presented by the Tipperary Hill Post of the American Legion in Syracuse, N.Y. Only 25 individuals have been so honored.

Jim Farley's accomplishments would fill a book. His political craftsmanship remains unparalleled in modern America, and his record of achievement in the international business world is an enviable one.

Mr. Speaker, I know my colleagues in the House join me in wishing Jim Farley a hearty and warm birthday. I ask them also to join me in praying that Mr. Democrat will continue to have an abundance of good health and happiness for many years to come.

## DISASTER ON HORIZON FOR AREA FARMERS

(Mr. HANLEY asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HANLEY. Mr. Speaker, an article in the Sunday Press, in Binghamton, N.Y., sounded a quiet warning for the dairy industry in New York State. I will include the brief article at the end of my remarks.

All of us are hoping and praying for good crops this year, but I believe that the Department of Agriculture should be prepared to assist in the event that our hopes are not fulfilled.

At this point, the Department is involved in an effort to dismantle the professional staffs of the Agricultural Stabilization and Conservation Service county offices. These are the dedicated men and women who helped to make the emergency livestock feed program work in New York. Who will make it work if it is needed again, and they are gone?

The article follows:

### DISASTER ON HORIZON FOR AREA FARMERS

Nationally rising feed prices have forced at least one Broome County dairy farm out of business and are making it increasingly difficult for others to make ends meet. Some local farmers and feed dealers predict the situation will be worse if not disastrous for many if weather does not improve in the next few weeks.

Probably the only weather the LaBarre Brothers of Conklin are worried about is the weather at their own farm. The LaBarre Brothers Dairy Farm is owned by brothers, Robert, David and LaValle. They recently auctioned almost their entire 254-head herd—149 milking cows and 105 heifers—because they were barely breaking even. They kept five calves and sold the rest for an average of $600 apiece.

Left of a $75,000 equipment investment are an empty double-six milker, a cow barn, a new milkhouse and a lot of silence. The brothers plan to keep farming their 350 acres and possibly get part-time jobs.

Last summer's wet, cool weather made it nearly impossible for the LaBarres, like many farmers, to raise adequate homegrown feed for their own herds, David LaBarre said. Thus they began feeding the cattle more expensive commercial feed.

Feed prices remained fairly stable throughout the summer, according to Earle Welch, public relations director for the Dairylea Cooperative, Inc., but they began rising quickly in the fall and winter.

"What has happened to the businessmen is being repeated in many places around the country, not as a result of natural attrition through healthy competition, but rather because of economic forces beyond their abilities to overcome," Welch said.

"Feed prices were climbing to where you'd have to put everything made from the milk back into feed," Robert LaBarre said. "Farmers can't pay for feed with what they're getting for milk," he added.

April farm milk prices varied from 16.9 to 11.9 cents a quart depending on the class of milk.

This is not the first time rising feed prices have made dairying difficult for LaBarre in the years he has been farming since 1944, he said. However, prices are the highest and this is the worst it has ever been for him, he said.

For example, according to David LaBarre, they usually plant about 140 acres in corn. Last summer they were only able to get in about 80 acres, he said, and only about half of that came up.

This spring's weather so far has not allowed much planting. It could take two to three weeks for some fields to dry out enough to be planted, said Ronald Schultz, president of Broome County Farm Bureau, Inc. Some corn planting schedules are already two to three weeks behind.

"We need about three weeks," he said, and there might be a chance to recover this summer. But time is running out, he added, and he indicated it would take about two years of two good crops for a national recovery.

Schultz and County Extension place a lot of blame on worldwide weather.

If the Russians had had good weather they would not have purchased U.S. grain. If the Peruvians had had good weather their fish catch would have produced enough fishmeal protein for European livestock. However, a poor fish catch thrust European countries into the U.S. protein market.

Both factors boosted U.S. prices. U.S. protein supplements are produced mainly from soybeans.

U.S. farmers also entered the competition when weather forced them to buy supplementary feed normally homegrown.

Governmental grain stockpiles were released last year and sold to Broome County farmers at prices lower than market prices, said George Traptel, Broome County extension agent. However, this year the reserves are very low as a result of last year's subsidies and Russian grain sales, he said. No government financial subsidies are presently available, he said.

Most of Broome County's protein feed grain comes from the midwest, Traptel said. Some farmers, feed dealers and Welch blame lack of availability of midwestern grain on a shortage of railroad cars. They claim railroads instead are carrying grain to docks for Russian shipment.

"We're having a terrible time getting feed," Dorothy Williams, manager of R. H. Whiting & Son, Binghamton, feed dealers, said. She said she has been ordering two months ahead of time.

Endicott Agway Farm and Home Store according to manager, Robert Stikane, has had no problem getting feed to customers.

This time last year most protein supplements were about $125 to $130 a ton, Traptel said. This year it's almost impossible to get a definite price quotation, but estimates vary from $275 to $300 a ton, he said.

A ton sounds like a lot, but cows eat a lot. The LaBarres spent $2,600 a month on dairy feed concentrates. Kent Chapman, a Whitney Point dairy farmer, said he uses about three-fourths to one ton of commercial feed a day, plus homegrown feed. It now costs William Kappler, dairy farmer of only one year, twice as much a week to feed his 30-head herd.

Kappler, who has a $60,000 investment and is still making payments on his investments, said, "We're still in the black, but not in the profit margin we'd like to see." He added it is difficult to make payments now.

The outlook is not good if it keeps raining. Hopefully the weather will improve, Traptel said, to prevent more of Broome County's 300 dairy farmers from folding.

## THE GOVERNMENTAL PROTECTION AGENCY AGREES THAT FISH AND WILDLIFE COORDINATION ACT IS APPLICABLE TO ALL PERMITS ISSUED UNDER PUBLIC LAW 92-500

(Mr. DINGELL asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. DINGELL. Mr. Speaker, last December Congressmen Henry S. Reuss, chairman of the House Conservation and Natural Resources Subcommittee and Guy Vander Jagt, the subcommittee's ranking minority member, and I joined in a letter to the then Administrator of the Environmental Protection Agency, Mr. Ruckelshaus, requesting that EPA comply with the requirements of the Fish and Wildlife Coordination Act with regard to the issuance of permits under title IV of Public Law 92-500 enacted October 18, 1972. Section 2(a) of the Coordination Act requires that whenever a waterway is "proposed or authorized to be impounded, diverted, the channel deepened, or the stream or other body of water otherwise controlled or modified for any purpose whatever . . . by any public or private agency under Federal permit or license, such agency first shall consult" with Interior's Bureau of Sport Fisheries and Wildlife, the National Oceanic and Atmospheric Administration, and the appropriate State fish and game agency.

Prior to our letter, EPA had published proposed guidelines pursuant to Public Law 92-500 for the issuance of discharge permits by the States pursuant to a program approved by EPA. The guidelines, which were finally promulgated on December 22, 1972 (37 F.R. 28390), did not require that the States "consult" with the Bureau of Sport Fisheries and Wildlife and with NOAA and the State fish and game departments before a permit was issued, to determine what effect, if any, the discharge would have on valuable fish and wildlife resources. EPA had also circulated a draft of proposed regulations for issuance of permits by EPA in which EPA provided that the Coordination Act would apply only in a limited number of circumstances to be determined by EPA and not by the fish and wildlife agencies. The EPA-proposed regulations, which were published on January 11, 1973 (38 F.R. 1362), have not yet been adopted. We were convinced then and now that EPA's interpretation of the Coordination Act was an erroneous one and that the Coordination Act did apply to these permits.

In December, we also urged the Interior Department and NOAA to meet with Mr. Ruckelshaus to resolve this issue.

In February we were informed by the Interior Department that EPA refused to change these guidelines and regulations so as to make the Coordination Act applicable to the permit program. Indeed, EPA had decided to refer the matter to the Justice Department for resolution.

On February 12, 1973, we wrote to the Chairman of the Council on Environmental Quality and urged that the administration halt its attempts to emasculate the Coordination Act and begin now to comply with the law and thereby prevent any further delay in implementing the important water quality permit program. We said:

> The Coordination Act clearly applies to all discharges for which a permit is required under sections 402 and 405 of Public Law 92-500. This was made even more certain by our efforts last year on the water bill. We, along with more than forty other House Members, sponsored an amendment in March of 1972 to the House version of the Water Pollution legislation which would delete language in that bill which was designed to make the Coordination Act inapplicable to the new permit program. The House Public Works Committee accepted our amendment without the necessity of a vote, and this undesirable provision was deleted from the bill. The joint Senate-House Conference Committee also deleted a similar provision in the Senate version of the Water Pollution legislation. What more does EPA want?
>
> We request that you take this matter up with the Administrator of the Environmental Protection Agency, Assistant Secretary Reed and Administrator White, with a view toward revising EPA's proposed regulations to make it clear that the Coordination Act does in fact apply to all discharge permits issued by EPA or the States under section 402 and 405, without referring the matter to the Justice Department. If, despite our request, EPA does refer the matter to the Attorney General, please notify us.

Unfortunately, some administration officials were not sympathetic to this approach. They were at that time, bent on a confrontation, rather than seeking ways to resolve the problem. Thus, on February 16, CEQ's Chairman Train advised us that EPA had "referred" the matter to Justice "for a legal opinion."

Although somewhat heartened to learn from Mr. Train that CEQ would hold discussions with EPA, Interior, and NOAA to determine what progress can be made in resolving the issues involved, I nevertheless then insisted that the legal memorandums of EPA, Interior, and NOAA be provided to us. I also requested that the Justice Department afford our Subcommittee on Fisheries and Wildlife Conservation and the Environment of the House Committee on Merchant Marine and Fisheries, from which the Coordination Act originates, an opportunity to study the memorandums and to comment on them by May 11, 1973.

A few days ago, on May 9, 1973, I submitted to the Justice Department a letter outlining the reasons why I believe that the position of the Environmental Protection Agency concerning the applicability of the Coordination Act to the permit program was erroneous and contrary to the public interest.

Today, Mr. Speaker, I am able to inform the Members of this House that the Environmental Protection Agency, NOAA, and the Interior Department, in a meeting last week, finally resolved this matter. NOAA's Deputy Administrator, Howard W. Pollock, in a May 9 letter to Congressmen Reuss and Vander Jagt and myself, which we received on May 11, said:

> At a meeeting in the Old Executive Office Building today between OMB, EPA, Justice, Interior and Commerce/NOAA, it was agreed that the provisions of the Fish and Wildlife Coordination Act do indeed apply, and that both Interior and Commerce/NOAA will have an opportunity to review and comment on all applications for permits under the Federal Water Pollution Control Act Amendments of 1972 (PL 92-500). The EPA regulations on the new program will be appropriately amended to require notice and consultation.
>
> It was agreed that Interior and Commerce/NOAA would have thirty days in the normal course of events to review and comment on the applications to EPA under the Act, and that if there were no response within that time it would be assumed as a responsibility of Interior or Commerce/NOAA that no comment was forthcoming. It was further agreed that appeal to the EPA Regional Administrator would be made for any extension of this thirty-day comment period, and the Regional Administrator would determine if the extension was warranted.
>
> It was further determined that after delegation of authority to the States under permit guidelines promulgated by EPA, Interior and Commerce/NOAA would be entitled to comment through EPA on permits proposed to be issued by States during the period EPA has to review a proposed State permit.
>
> The net effect of this determination within the Administration is that while Interior and Commerce/NOAA will have no right of veto on a permit application, we will nevertheless have the same rights with relation to EPA as we had with the Corps of Engineers under the regulations which were promulgated to carry out the refuse dumping program under the Rivers and Habors Act of 1899.
>
> We are pleased, as we know you must be, that EPA has agreed to revise the proposed regulations to ensure that our responsibilities under the Coordination Act will be met.

Mr. Speaker, we are, of course, quite pleased with the resolution of this important environmental issue without the need for an informal Justice Department opinion. We think that each of the agencies has acted in the public interest in resolving this controversy. We commend EPA for taking this step. We particularly commend Interior Department and NOAA officials for the efforts they have made in convincing EPA and other administration officials that their position was not only legally sound, but environmentally right.

It is our understanding that Interior and NOAA have agreed to expedite their review of about 200 proposed EPA permits so that the EPA permit program can get under way. I think this is appropriate. But I caution each agency, especially EPA, not to act in haste. The Congress is not interested in how many permits are issued by EPA and the States. Rather, we are interested in the quality of the permits which will be issued for up to 5 years. Certainly, EPA should not issue any permit until its January regulations are finally promulgated.

Congressman REUSS' subcommittee and mine will be following closely the performance of each of these agencies in this regard. We expect that Interior and NOAA will utilize all their resources and expertise in reviewing and commenting on permit applications under sections 402, 404, and 405 of Public Law 92-500 and will promptly seek additional funds and personnel to carry out their responsibilities.

At this point in the RECORD, I insert pertinent correspondence concerning this matter for your review:

U.S. DEPARTMENT OF COMMERCE,
NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION,
*Washington, D.C., May 9, 1973.*

Hon. JOHN D. DINGELL,
*Chairman, Subcommittee on Fish and Wildlife Conservation and the Environment, Committee on Merchant Marine and Fisheries, Longworth House Office Building, Washington, D.C.*

DEAR MR. CHAIRMAN: We are pleased to advise that the issue of whether the provisions of the Fish and Wildlife Coordination Act apply to pollutant discharge permits issued by EPA under Section 402 of the Federal Water Pollution Control Act Amendments of 1972 has been satisfactorily resolved between the appropriate departments and agencies of the Executive Branch. At a meeting in the Old Executive Office Building today between OMB, EPA, Justice, Interior and Commerce/NOAA, it was agreed that the provisions of the Fish and Wildlife Coordination Act do indeed apply, and that both Interior and Commerce/NOAA will have an opportunity to review and comment on all applications for permits under the Federal Water Pollution Control Act Amendments of 1972 (PL 92-500). The EPA regulations on the new program will be appropriately amended to require notice and consultation.

We were advised by EPA of the staggering backlog of approximately 30,000 applications requiring action under the Act, and the enormous workload which this portends for Interior and NOAA. EPA was particularly concerned about some 200 applications for which they have already issued public notice. Both Interior and NOAA have agreed to have our regional directors in the field review these 200 or so applications and determine by the close of business on Friday of next week, 18 May, which of these applications will require additional review and comment time by us.

It was agreed that Interior and Commerce/NOAA would have thirty days in the normal course of events to review and comment on the applications to EPA under the Act, and that if there were no response within that time it would be assumed as a responsibility of Interior or Commerce/NOAA that no comment was forthcoming. It was further agreed that appeal to the EPA Regional Administrator would be made for any extension of this thirty-day comment period, and the Regional Administrator would determine if the extension was warranted.

It was further determined that after delegation of authority to the States under permit guidelines promulgated by EPA, Interior and Commerce/NOAA would be entitled to comment through EPA on permits proposed to be issued by States during the period EPA has to review a proposed State permit.

The net effect of this determination within the Administration is that while Interior and Commerce/NOAA will have no right of veto on a permit application, we will nevertheless have the same rights with relation to EPA as we had with the Corps of Engineers under the regulations which were promulgated to carry out the refuse dumping program under the Rivers and Harbors Act of 1899.

We are pleased, as we know you must be, that EPA has agreed to revise the proposed regulations to ensure that our responsibilities under the Coordination Act will be met.

Cordially,

HOWARD W. POLLOCK,
*NOAA Deputy Administrator.*

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HOUES OF REPRESENTATIVES,
COMMITTEE ON
MERCHANT MARINE AND FISHERIES,
*Washington, D.C., May 9, 1973.*

Hon. JOSEPH T. SNEED,
*Deputy Attorney General,*
*U.S. Department of Justice,*
*Washington, D.C.*

DEAR MR. SNEED: Thank you for your April 26, 1973, letter allowing our Subcommittee to express our views on the Environmental Protection Agency's contention that the Fish and Wildlife Coordination Act (16 U.S.C. 661, *et. seq.*) is not applicable to all permits issued under section 402 of the Federal Water Pollution Control Act (Public Law 92-500). This contention is set forth in the February 14 memorandum by EPA's Associate General Counsel, Mr. Robert V. Zenner; in a February 16 letter to your Department from EPA's General Counsel, Mr. John R. Quarles, Jr., requesting an "informal" opinion from your Office of Legal Counsel on this matter; and in the March 21 letter from EPA's General Counsel to us.

The dispute arises because on January 11, 1973, EPA published for public comment thereon its proposed regulations (38 F.R. 1362) to provide for the issuance of EPA permits authorizing the discharge of pollutants into navigable waters pursuant to section 402 of Public Law 92-500. That section, according to the report of the House-Senate Conferees (H. Rept. 92-1465; Sept. 28, 1972; p. 138), "transfers the 1899 Refuse Act permit program from the Corps of Engineers to the Administrator" of EPA. Section 125.14(f) of the proposed regulations provides:

"(f) Whenever the provisions of the Fish and Wildlife Coordination Act . . . apply, Regional Administrators shall consult with appropriate officials of the U.S. Department of the Interior and the U.S. Department of Commerce, and with the head of the agency exercising administration over the wildlife resources of the State in which the discharge will occur."

The foregoing provision implies that the Coordination Act may not apply to some EPA-issued permits under section 402 of the Act. Furthermore, it leaves it to EPA's Regional Administrators to make this determination.

The dispute also arises from the fact that EPA's guidelines of December 22, 1972 (37 F.R. 28390) concerning permits issued by the States pursuant to section 402 of Public Law 92-500 are silent on the question of whether or not the Coordination Act applies to such State-issued permits.

EPA's February 16 letter concludes:

"In my opinion, the requirement in the Fish and Wildlife Coordination Act for consultation with the Department of the Interior applies to Federal permit issuance under section 402 of the FWPCA *only in those cases where the permitted discharge could accumulate and block a watercourse, or where the discharge is of such high velocity that it would result in a dredging or gouging out of a streambed.* Additionally, it is my opinion that the consultation requirement of the Fish and Wildlife Coordination Act *has no applicability* to issuance of permits by the various States under State permit programs approved by the Administrator pursuant to section 402(b) of the FWPCA." (Italic supplied.)

However, the Interior Department, in a March 9 memorandum by its Deputy Solicitor, Mr. Raymond Coulter, and the Commerce Department's General Counsel, Mr. William Letson, in an April 17 letter to your Department, expressed disagreement with the above contention. The Environmental Defense Fund, in an April 25, 1973 letter to the Justice Department, concluded "that the position of the Department of the Interior is correct."

I. The administration's action in seeking to weaken and, in effect, scuttle the fish and wildlife coordination act is inconsistent with the purpose of Congress and the National Environmental Policy Act.

Since 1934, the Fish and Wildlife Coordination Act has been broadly attacked by developers, dredgers, and others who assign a low priority to fish and wildlife. Indeed, in 1958 when the law was last overhauled, some interests stressed protection of wildlife if consistent with development. For example, the American Pulpwood Association, in a July 8, 1958 letter to the House Merchant Marine and Fisheries Committee, said (Hearings, Coordination Act Amendments (June 27, 1958), p. 44): [1]

"The competitive demands for land and water in our rapidly expanding economy will no longer permit the development of fish and wildlife resources being given priority over the development of other resources, although we agree that fish and wildlife resources should be protected and enhanced whenever this will be consistent with well-balanced, multiple use development."

But due to the tenacity of Congress, the U.S. Fish and Wildlife Service, environmentally concerned citizens, and the courts, such attacks have always been beaten back. The public interest in protecting and enhancing this valuable resource has prevailed.

Today the law is faced with a new attack, not by its traditional opponents, but by the bureaucracy in EPA that seeks to weaken and scuttle this law under the guise of "abating water pollution." I think EPA's attack is not only deplorable, but also inconsistent with the directive of section 102(1) of the National Environmental Policy Act of 1969 (42 U.S. Code 4332(1)) which states that "the policies, regulations, and public laws of the United States shall be interpreted and administered in accordance with the policies set forth in" NEPA. EPA's interpretation of the Coordination Act does violence to that congressional directive.

II. Each amendment to the Coordination Act was designed to broaden the scope of the law, not restrict it.

On March 10, 1934, the 73rd Congress enacted the first verison of today's Coordination Act for the purpose of promoting "the conservation of wildlife, fish and game" (48 Stat. 401). Section 3(b) of the 1934 Act provided:

". . . whenever any dam is authorized to be constructed, either by the Federal Government itself or by any private agency under Government permit, the Bureau of Fisheries shall be consulted . . ."

Thus, the first statute clearly required consultation with the then Bureau of Fisheries *only* when a "dam is authorized to be constructed."

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Footnotes at end of article.

Later, on August 14, 1946, the earlier law was repealed and a new law enacted by the 79th Congress (60 Stat. 1080). Section 2 of of the 1946 law provided:

"*Whenever the waters of any stream or other body of water are authorized to be impounded, diverted, or otherwise controlled for any purpose whatever by any department or agency of the United States, or by any public or private agency under Federal permit,* such department or agency *first shall consult* with the Fish and Wildlife Service and the head of the agency exercising administration over the wildlife resources of the State wherein the impoundment, diversion, or other control facility is to be constructed with a view to preventing loss of and damage to wildlife resources, and the reports and recommendations of the Secretary of the Interior and of the head of the agency exercising administration over the wildlife resources of the State, based on surveys and investigations conducted by the Fish and Wildlife Service and by the said head of the agency exercising administration over the wildlife resources of the State, for the purpose of determining the possible damage to wildlife resources and of the means and measures that should be adopted to prevent loss of and damage to wildlife resources, shall be made an integral part of any report submitted by any agency of the Federal Government responsible for engineering surveys and construction of such projects."[2] (Italic supplied.)

Congress thus expanded the scope of the Act to insure that more than just dams or impoundments would be subject to the consultation provisions of the law. The House Committee on Agriculture, in its report on the bill (H.R. 6097) which was finally enacted, said (H. Rept. No. 1944, 79th Cong., 2nd Sess., April 17, 1946, p. 1):

"The proposed bill would place in effect a much-needed program and facilities for the effectual planning, maintenance, and coordination of wildlife conservation, management, and rehabilitation. Although such a program was contemplated by the Act of March 10, 1934 (48 Stat. 401), that legislation has proved to be inadequate in many respects and it now is proposed that it be amended to provide for more adequate procedures."

In 1958, Congress revisited the law and amended it, including section 2 of the 1946 statute, because Congress found that the results under the 1946 law "have fallen far short of the results anticipated by the conservationists who sponsored the 1946 law" (S. Rept. 85-1981; July 28, 1958, p. 4). The objective this time, just as in 1946, was to broaden the scope of the law. Section 2(a), therefore, was amended to read as follows:

"Except as hereafter stated in subsection (h) of this section, *whenever the waters of any stream or other body of water are proposed or authorized to be impounded, diverted, the channel deepened, or the stream or other body of water otherwise controlled or modified for any purpose whatever, including navigation and drainage, by any department or agency of the United States, or by any public or private agency under Federal permit or license,* such department or agency *first shall consult* with the United States Fish and Wildlife Service, Department of the Interior, and with the head of the agency exercising administration over the wildlife resources of the particular State wherein the impoundment, diversion, or other control facility is to be constructed, with a view to the conservation of wildlife resources by preventing loss of and damage to such resources as well as providing for the development and improvement thereof in connection with such water-resource development." (Italic supplied.)

EPA's Associate General Counsel contends that:

"It is clear that the *intent* of this section is to require such consultation only by Federal agencies with responsibility over water resource projects in which actual dredging, filling, stream channelization, or other direct modification of water courses is carried out.

"The *plain language* of the statute applies only to 'water resource development' . . ." (Italic supplied.)

Both of these contentions smack of off-the-cuff comments based on a hip-pocket analysis of the statute.

*First,* EPA makes no effort to support its assertion concerning the "intent" of section 2 of the Coordination Act, and there is no shred of evidence to support it.

*Second,* EPA's assertion about the "plain language" of the law is totally indefensible. EPA grasps the term "water resource development" at the end of section 2(a) of the 1958 amendment and distorts it into a limitation on the scope of the section to include such diverse activities as dredging, filling, channelization and impoundments, but nothing else.

However, Congress did not define the term "water resource development." Nor is it a term which means what EPA said it means. Indeed, Congress did not use the term as a term of art. This is shown by the fact that in section 2(c) of the Act, Congress used a different term ("water-control projects") instead of "water resource development" to convey a similar meaning. Surely, the Corps of Engineers and the Bureau of Reclamation would not interpret "water-control projects" any differently than they would the term "water-resource development."

Furthermore, the legislative history shows that the term "water-resource development" does not have the precision EPA ascribes to it.

The 1958 Act got its start when the International Association of Game, Fish, and Conservation Commissioners adopted a resolution in 1956 urging the U.S. Fish and Wildlife Service and the Interior Department to prepare legislation "to strengthen . . . [the Coordination Act] and to bring the conservation of fish and wildlife resources to full equal partnership with water control for other purposes such as irrigation, flood control, hydroelectric power, and navigation" (Hearings, *supra*, p. 12). At the June 28, 1958 hearings on the Coordination Act Amendments, Interior's then Under Secretary, Mr. Hatfield Chilson, testified (Hearings, *supra*, p. 12) that "the Department of the Interior prepared such a draft bill and submitted it for review and comment to the Governor of each State in January 1957. H.R. 8631 is identical to the draft prepared by our Department"

In its report (H. Rept. 85-1185; Aug. 16, 1957) entitled "Army-Interior Reservoir Land Acquisition Policy," the House Committee on Government Operations stated (pp. 31-32):

"The committee believes that the public interest in wise conservation of our national fish and wildlife resources requires . . . the strengthening of the Coordination Act. The committee is gratified that a draft of amendments to the Coordination Act prepared by the Interior Department has been endorsed by all 48 States and has already been introduced in the 85th Congress by Congressman Henry S. Reuss of Wisconsin (H.R. 8747) and Congressman Lee Metcalf of Montana (H.R. 8631). These amendments would permit the Fish and Wildlife Service to accept donations of land and funds; would broaden its authority to consult with respect to proposed as well as authorized projects and also those receiving Federal financial or technical assistance; would provide for the development and improvement of wildlife resources, as well as mitigation of losses thereof; would authorize acquisition of lands for such purposes by Federal construction agencies; and would make other important improvements in the Coordination Act. The committee believes the basic objectives of these amendments are in the public interest and recommends their favorable consideration by the legislative committees of Congress which will deal with them."

Following the solicitation of State views on the draft bill, Interior prepared a new draft which was introduced as H.R. 12371. This bill was identical to H.R. 13138 which was finally enacted in 1958 by Congress.[3]

Interior's draft, H.R. 12371, like the present Act, contained both the term "water-resource development," and the term "water-control projects." It appears that Interior used these terms interchangeably. There is nothing in the hearings on the legislation or the Committee reports to support the contention that Interior, as drafters of the legislation, intended either term as a limiting one, as EPA suggests.

On the contrary, the Department, pursuant to my request to Under Secretary Chilson, prepared a section-by-section analysis. That analysis (Hearings, *supra*, pp. 25-26) confirmed that the amendments to section 2 were intended to:

"*Broaden the range of water activities to which the act would apply;* spell out clearly the authority to provide for the *improvement and enhancement of fish and wildlife resources as well as mitigation of damages to those resources;* make the act applicable to projects already authorized; establish specific procedures for the reporting on water-use projects by construction agencies and fish and wildlife agencies; and provide that more orderly consideration be given by construction to conservation recommendations (Italic supplied.)

It is thus evident that the 1958 Amendments were broadly conceived for the purpose of protecting fish and wildlife values. The requirement that the licensing or permitting agency "consult" with fish and wildlife agencies whenever "a stream or other body of water" is "modified for any purpose whatever" was phrased equally broadly to apply to any kind of modification, including the modification of water quality resulting from discharges of industrial and municipal wastes, that would or might adversely affect fish and wildlife values. As I will show below, those who administered this Act for over a dozen years since this amendment adhered to this purpose.

Absent a clear statutory provision limiting the scope of the law, I think there is no basis for EPA to manufacture one, particularly since the Coordination Act must be viewed in a manner which will help effectuate the "policies" of the National Environmental Policy Act of 1969.

III. When Congress considered the 1958 Coordination Act amendments, the Corps of Engineers was issuing permits which covered discharges of refuse into navigable waters.

In March, 1970, the House Committee on Government Operations, in a report (H. Rept. 91-917) entitled "Our Waters and Wetlands: How the Corps of Engineers Can Help Prevent Their Destruction and Pollution," said (pp. 14-15):

"Section 13 of the River and Harbor Act of 1899 (30 Stat. 1151, 33 U.S.C. 407), although enacted nearly three quarters of a century ago, constitutes a potentially powerful, but only sporadically used, weapon for combatting the pollution of our Nation's navigable waters."

This report set off a series of events that revolutionized and streamlined the Federal Government's anti-pollution effort, including the announcement by the Corps of Engineers in July 1970—70 years after enactment of the 1899 law—it would establish a formal Refuse Act permit program.

However, the Corps had for many years issued permits which authorized the discharge of industrial and other wastes into navigable waters. This is disclosed in two lists prepared at the request of the House Conservation and Natural Resources Subcommittee shortly before March 1970. One list (Table A) showed "existing" permits issued since 1899 by the Corps "to any person for the purpose of discharging industrial

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Footnotes at end of article.

Wastes into navigable waters within or bordering any state." The other (Table B) showed existing permits issued since 1965 by the Corps "to any person for the purpose of discharging Dredged Material into navigable waters."[4] When the tables were completed in June 1970, they showed that although no permits existed in 22 States covering discharges of industrial wastes, there were a number of such permits in other States. These tables cited either section 10 or both sections 10 and 13 of the River and Harbor Act of 1899, and included a number of permits issued after 1958. Several of these permits also pre-date the 1958 amendments to the Coordination Act, such as one issued in 1954 to the DuPont Company of Delaware for the discharge of chemicals. They covered discharges of all types of refuse such as pulp and paper, synthetic fibers, chemicals, petroleum products, toxic wastes, heated water, sanitary sewage, and sulphite liquor.

Thus, the Corps, at least until recently, made no distinction in its permit system between activities authorized under section 10 of the 1899 law and those authorized under section 13 of that law. This was true both in 1970 and in 1958 when Congress amended the Coordination Act. The deficiencies in the Corps program that were criticized by the Government Operations Subcommittee in 1970 were its failures to enforce the Refuse Act vigorously against industrial polluters, and to establish a nationwide permit program to control these wastes under the Refuse Act in all States.

IV. Even since the enactment of the 1958 amendments to the Coordination Act the Corps construed it as being applicable to permits issued under the River and Harbor Act of 1899, including those covering waste discharges.

On September 30, 1959, the Corps issued a Manual (EM 1165–2–104) prescribing the "policies for the consideration and inclusion of fish and wildlife conservation" in matters under the Corps' jurisdiction. Section 4(b) of that manual specified that the Coordination Act is "applicable to permit applications involving impoundments, diversion, dredging, filling, or *other work in navigable waters affecting fish and wildlife conservation.*" (Italic supplied.)

On May 8, 1970, the Corps' Assistant General Counsel, Mr. J. J. Lankhorst, testified before a Senate subcommittee that the Coordination Act applies to discharge permits issued by the Corps under the 1899 Act. He said:

"At first the Refuse Act was enforced with a view only toward the effect a deposit or discharge would have on the navigable capacity of a waterway. Later the Refuse Act was used to supplement the Oil Pollution Act of 1924 so as to control oil discharges from shore facilities and discharges into nontidal waters, two situations not covered by the Oil Pollution Act of 1924. *Following enactment of the Fish and Wildlife Coordination Act of 1958, consideration of permit applications was broadened to include the effects of any proposed discharge on fish and wildlife.* As water pollution became a matter of increasing awareness, the public interest in water quality also became a significant factor in evaluation permit applications. *Today, the regulations of the Corps of Engineers require specific evaluation of the effects of a proposed discharge on navigation, fish and wildlife, water quality, conservation, esthetics, ecology, and other environmental factors.*"[5] (Italic supplied.)

Thus, for over 15 years, the Corps treated the permits it issued under sections 10 and 13 of the 1899 Act as covering polluting refuse from industrial outfalls, as well as dredged and fill material, and construed the Coordination Act to apply to these permit applications.

EPA's Associate General Counsel gives no recognition to this long adopted administrative construction. Instead, he seems to contend that, in effect, the Corps acted erroneously all these years because, he states, the "plain language" of the Coordination Act "applies only to 'water resource development' and not to discharge permits under the Refuse Act of 1899." I think that such a conclusion is unwarranted.

The language of the Coordination Act is not "plain" on this matter. As we have previously shown, there is nothing in the statute or the legislative history thereof to support the contention that the term "water resource development" was intended as limitation on the scope of the Act. The operative words of section 2(a) are "whenever . . . the stream or other body of water [are proposed or authorized to be] otherwise . . . modified for any purpose whatever . . . by any public or private agency under Federal permit or license." These are not words of limitation. Absent clear legislative history and past administrative practice showing that they have been viewed narrowly, there is no basis for applying a narrow construction today merely to accommodate EPA's desire to operate its permit program free of the Coordination Act's consultation requirement.

V. In December 1970, the corps published, pursuant to executive order 11574, proposed regulations to implement a nationwide refuse act permit program. The executive order, and later the Corps' proposed regulations, erroneously paraphrased the coordination act so as to limit its application in regard to refuse discharges. EPA now seeks to resurrect that discredited interpretation of the coordination act.

On July 30, 1970, the Corps announced new permit requirements under the Refuse Act of 1899 (33 U.S. Code 407) "concerning all discharges into navigable waters."[6] The announcement provided that no longer would such discharges be covered under section 10 of the 1899 Act. To discharge, polluters would be required to obtain a permit specifically under section 13 (the Refuse Act).

The Corps, however, delayed issuance of implementing regulations until after the President issued Executive Order 11574 on December 23, 1970 (35 F.R. 19627).

Section 2(a)(3) of the Executive Order directed the Secretary of the Army to consult with the Interior and Commerce Departments "regarding effects on fish and wildlife which are not reflected in water quality considerations, where the discharge for which a permit is sought impounds, diverts deepens the channel, or otherwise controls or *similarly* modifies the stream or body of water into which the discharge is made." (Italic supplied.) The Corps proposed regulations, issued a few days later, contained a similar statement.

In a December 23, 1970 letter to the Corps, the House Subcommittee on Conservation and Natural Resources called to the Corps' attention the above quoted statement and called it an "inaccurate paraphrase" of section 2(a) of the Coordination Act. The Subcommittee noted that the word "similarly" (italic above) does *not* appear in the statute.

In his January 19, 1971 reply, the then General Counsel of the Army, Mr. Robert E. Jordan, III, said:[7]

"In view of the legislative history of the Act and, indeed, the language of section 2(a) of the Act (16 U.S.C. 662(a)), there is considerable doubt that the Act was intended to apply to a discharge from a private facility which does not impound, divert, deepen the channel, or otherwise control or similarly modify the stream or body of water into which the discharge is made. This view was reflected in the drafting of section 2(B)(3) of Executive Order 11574. . . . The Corps' regulations are worded as they are to conform with this section of Executive Order 11574."

It seemed very strange that, after a dozen years of applying a different interpretation of the law, the Corps would suddenly dream up a new interpretation. Therefore, both Congressman Reuss' Subcommittee and mine sent separate letters to the Council on Environmental Quality on February 4, 1971, concerning this unfortunate and detrimental interpretation of the Coordination Act.

The Conservation and Natural Resources Subcommittee, in a letter signed by Chairman Reuss and Ranking Minority Member Vander Jagt, said:

"Although the foregoing quoted language purports to state section 2 of the Fish and Wildlife Coordination Act (16 U.S. Code 662), as amended by the National Environmental Policy Act of 1969 (Public Law 91–190), it inaccurately paraphrases that section. The underlined clauses of the quoted language improperly limit the scope of the Coordination Act, and thus amend it by administrative rather than legislative action.

"If not corrected, these amendments will have disastrous consequences to the environment. Further, they will reduce substantially the public benefits we all expect will flow from the new 1899 permit program.

"The Act clearly applies to both (a) permits which authorize impoundments, diversions, or channel deepening of a waterway, and (b) permits which authorize activities resulting in a waterway being 'otherwise controlled or modified.' The Act does not contain the limiting word 'similarly' (referring back to impoundments, etc.) before the word 'modified.' Yet the Executive Order does contain that limiting word and thus amends the statute without authority from Congress.

"The statute is plain. It needs no interpretation—certainly, not one that would limit to its application only to Federal permits and licenses which authorize a facility which impounds, diverts, or deepens a channel or involves some other construction activity in a navigable waterway.

"We are unaware of any basis in the Coordination Act or its legislative history for this 'doubt' that Mr. Jordan speaks of. To our knowledge, no other Federal agency has raised this doubt. Certainly, the Interior Department which administers the Coordination Act has not told Congress that this 'doubt' exists.

"Why then should the Corps, whose sole responsibility under the Act is to 'consult' with the U.S. Fish and Wildlife Service and the State fish and game agencies and to consider the recommendations of those agencies, cloud this important environmental statute with this 'doubt?' Congress, in section 102 (1) of the National Environmental Policy Act of 1969, directed that the 'public laws of the United States shall be interpreted' by all Federal agencies and 'administered in accordance with the policies set forth in this Act.' The Corps' narrow interpretation, based merely on a 'doubt' of the Coordination Act, hardly conforms to this mandate of Congress.

"It was the Corps that also had a 'doubt' that the 1899 Refuse Act prohibited the discharge or deposit of refuse material into a waterway from industrial polluters unless that discharge or deposit impeded or obstructed navigation too. But the Corps finally resolved its 'doubt' in favor of a broader view of the 1899 law espoused by the Court of Appeals in Zabel 1. Tabb, 430 F. 2d 199 (1970) by this subcommittee, and by the President in ordering establishment of the Refuse Act permit program."[8]

The Fisheries and Wildlife Subcommittee, in a letter which I signed, said:

"Thus, the Coordination Act applies to both (a) permits which authorize impoundments, diversions, or channel deepening of a waterway, and (b) permits which authorize activities resulting in a waterway being 'otherwise controlled or modified'. Unfortunately, the Executive Order might be considered to introduce a limitation on the application of the Coordination Act by using the word 'similarly' immediately before the word 'modified' so that the latter word could

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Footnotes at end of article.

be thought to refer to activities which are similar to impoundments, diversions, or channel deepenings, and thus to exclude other kinds of activities which modify waters, such as the dumping of liquid chemicals which alter the waters but do not necessarily affect the depth or the course of the channel.

"When an industrial polluter discharges or deposits wastes of any kind or description, he is modifying the waterway in a manner that may be detrimental to our environment whether or not a construction activity is involved. It is this very modification which could affect the conservation of our Nation's fish and wildlife resources that is subject to scrutiny under the Coordination Act by the Agencies with the technical and scientific expertise in this area, namely the U.S. Fish and Wildlife Service and the State fish and game agencies." [9]

In his reply of February 17, 1971, CEQ's General Counsel, Mr. Timothy Atkeson, said: [10]

"You have raised a question about the Executive Order's characterization of the Fish and Wildlife Coordination Act as being applicable 'where the discharge for which a permit is sought impounds, diverts, deepens the channel, or otherwise controls or similarly modifies the stream or body of water into which the discharge is made.' *This was not intended as anything more than a paraphrase of the statute as written.* Since you raised this question we have undertaken a reexamination of the statute and its legislative history and will undertake to resolve the question in the course of working out in the regulations Interior's and NOAA's detailed relation to the permit program. (Italic supplied.)

This matter was further discussed by Mr. Jordan on February 18–19, 1971 at Joint hearings of the House Conservation and Natural Resources Subcommittee and the then Senate Subcommittee on the Environment as follows (pp. 21–22):

"Mr. Reuss. As to the third heading of the section you are talking about, little 'd' little '2', that one refers to the Fish and Wildlife Coordination Act, and as you have it written in your newly proposed regulation, it seems to me it vitiates the Fish and Wildlife Coordination Act. There the Congress said 'the Corps shall consult with the Bureau of Fisheries and Wildlife in the Department of Interior on a whole range of problems. Will discharges into the water hurt swimmers, fishermen, marine life, the whole business. Here, however, it seems to me you have narrowed that and [admit] the Fish and Wildlife Coordination Act only where somebody is modifying the channel, doing a big dredging job.

"I will admit it applies there too, but I think the mistake was made when you apparently ruled it out for the ordinary discharging of these toxins, poisons, oxygen-demanding refuse, and all the other things which are the subject of the Refuse Act. In this case I think that you draftsmen in the Department of the Army were the victims of an ineptly drafted Executive Order of the President which used this same language. I am wondering if this is not serious enough so that it would not be worthwhile going back to the Chief Executive and pointing out this, I think, inadvertent error and then correcting this part of your proposed regulation. I have written you on this, and you did not deal with it in your testimony this morning.

"Mr. Jordan. You are not the only one who raised that question. We have had people in the fish and wildlife business who have raised it. *I think part of the problem is that the Executive order language is sort of paraphrase of the Fish and Wildlife Act.*

Mr. Reuss. The trouble is they threw in 'similarly.' The 'similarly' makes it look as though they are talking about big dredging channel improving operations, and the act did not have that word in it.

"Mr. Jordan. *I realize that, and the act talks about modifying for any purpose whatsoever which is pretty broad.* We have been looking at the legislative history of that act, and it is not particularly revealing. *There is not a lot in the reports or in the hearings that gives us much help.* We recognize that this question is one of the major issues that we will have to resolve in the final rounds on these regulations.

"Mr. Reuss. I hope when you do that you will take account of the fact that 'similarly' is just not in the statute and it somehow slipped in. I am sure the President, if asked by the Department of the Army, would be happy to clarify his Executive order. I think the whole thing was inadvertent, really, but it could cause trouble and now is the time to fix it up.

"Mr. Jordan. We are going to try to fix it up in a way satisfactory to everybody and we are talking to Interior and the NOAA people." (Italic supplied.)

The "re-examination" promised by Mr. Atkeson did result, as Mr. Jordan stated, in the Corps' regulations being revised so as "to fix it up in a way satisfactory to everybody," by eliminating the unfortunate paraphrase. Despite this history, EPA has resurrected essentially the same arguments all over again in its February 14, memorandum, EPA states:

"The regulations under which the Corps of Engineers formerly operated the permit program, however, went beyond the requirements of the Executive Order. They required consultation with NOAA and Interior with respect to all permits, whether or not meeting the requirements of the Executive Order. Furthermore, regional representatives of NOAA or Interior could by objecting block issuance of any permit at the regional level, and force the matter to headquarters for resolution." (Footnotes omitted.)

The Corps' regulations "went beyond the requirements of the Executive Order" because the Executive Order was inconsistent with the statute. It was, as Messrs. Atkeson and Jordan emphasized, a mere "paraphrase" of the statute that turned out to be wrong. Once that fact became apparent the Corps and the CEQ quite properly revised the regulations to correct the situation. This apparently was easier than asking the President to revise the Executive Order which now, with the enactment of Public Law 92–500, has no status, except that of a historic document.

VI. The Senate version of the 1972 amendments to the Federal Water Pollution Control Act expressly provided that the Coordination Act shall not apply to EPA's permit program. The House of Representatives, however, rejected this limitation on the Coordination Act.

EPA's March 21 letter to me acknowledged that the "regulations under which the Corps of Engineers formerly operated the permit program . . . required consultation with NOAA and Interior with respect to all permits. . . ." But that letter asserts that the legislative history accompanying the amendment to section 511(b) of the FWPC Act supports the proposition that the Coordination Act would be "applicable to the issuance of Federal permits under Section 402 of the FWPC Act only in those cases" involving permits for discharges resulting in impoundment, diversion, or dredging of a streambed.

Once again EPA has taken a broad swipe at a problem and reached an unsupportable conclusion. Nothing in the legislative history of this provision supports EPA's contention.

When the Senate on Nov. 4, 1971, adopted S. 2770, it included section 511(b), as follows:

"(b) The consultation and coordination requirements of the Act of March 10, 1934, as amended (16 U.S.C. 661, *et. seq.*), shall apply under this Act only to the provisions of (1) section 306 of this Act; (2) the publication of information under section 304 of this Act; and (3) the establishment of guidelines under section 403 of this Act."

The Senate report (S. Rept. 92–414, Oct. 28, 1971), in explaining this section, states (p. 86) "that the consultation and coordination requirements" of the Coordination Act "shall apply only" to three identified sections of S. 2770. None of these sections included the permit sections of the bill.

The House Committee on Public Works adopted this same provision in reporting out a companion measure, H.R. 11896, on Mar. 11, 1972. The Committee report (H. Rept. 92–911, Mar. 11, 1972) discussed the amendment as follows (p. 137):

"The Committee does not intend by this provision to decrease or limit the consideration of fish and wildlife which must be accorded each and every action taken under the Federal Water Pollution Control Act."

Just prior to this, ten Members of Congress and myself, in a February 24, 1972 letter to the House Committee, said:

"Section 511(b) of H.R. 11896 makes the Coordination Act specifically applicable to the sections of the bill on national standards of performance, the publication of information and guidelines regarding water quality, and the establishment of ocean discharge criteria. We support this broadened application of that Act. But, in broadening the Act, the bill also weakens the Coordination Act by making it inapplicable to the new permit program established under section 402 of the bill.

"We urge that section 511(b) of H.R. 11896 be amended so that the Coordination Act is applicable to the new permit program. This will insure that State fish and game agencies, NOAA, the Fish and Wildlife Service will have the same opportunity to review and comment on these permit applications as they now have in the case of *all* permit applications filed under the River and Harbor Act of 1899.

"We think that such review and comment by these agencies is essential for the protection of the Nation's fish and wildlife resources."

Two Members of the House Committee, Representatives Abzug and Rangel, also disagreed with the Committee's action in adopting the Senate provision. In their "Additional Views" (H. Rept., *supra*, pp. 393, 409–410) they said:

"Section 511(b) of the bill with one stroke of the pen broadens the scope of the Fish and Wildlife Coordination Act and with another drastically restricts that law.

"The bill specifically establishes that the policies and requirements of the Fish and Wildlife Coordination Act 'shall apply only to the provisions' of the bill relating to (a) national standards of performance (sec. 306), (b) the publication of information (sec. 304), and (c) the establishment of guidelines (sec. 403). It will not apply to:

(a) permits issued by EPA under section 402 of the bill; or

(b) permits issued by the Corps for dredged or fill material.

With this amendment, the Interior Department's Bureau of Sport Fisheries and Wildlife and the State fish and game agencies will no longer have statutory authority to review and comment on permit applications to discharge wastes or dredge and fill materials into the navigable waterways. There is no justification for eliminating such review and comment by these agencies.

"We recommend the deletion of the word 'only' in section 511(b). *With this change, the Coordination Act will apply, as it does today, to those permits.*" (Italics supplied.)

All these arguments of Representatives Abzug and Rangel were fresh in the minds of the Members of Congress when more than 40 cosponsors joined me in support of an amend-

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ment to leave the Coordination Act applicable to the whole bill, and we announced that we would offer it on the House floor. It was, however, not necessary to offer it, because Congressman Wright, one of the Committee Floor Managers of the bill, offered an amendment "in the nature of a Committee amendment" to strike section 511(b) from the House bill. In doing so, Congressman Wright entered into the following colloquy with me: [11]

"Mr. Wright. Mr. Chairman, this, too, is a corrective amendment which I understand has been cleared on both sides of the aisle. It would make the Fish and Wildlife Act applicable in every respect that it applies by its own terms to all sections of the bill. There was an inadvertence by which this particular section was put in the bill that renders the Fish and Wildlife Act inapplicable in certain instances. This was not the intention of the committee to do this.

"Mr. Dingell. This is one of the amendments my colleagues and I were going to offer although in slightly different form. It is eminently satisfactory to us. I thank the committee and commend them for it and rise in support of it.

"Mr. Harsha. Mr. Chairman, I join with the distinguished gentleman from Texas in urging the adoption of this amendment. We on this side of the aisle support it wholeheartedly."

The amendment was agreed to and later it was accepted by the Senate conferees (H. Rept. 92–1464, Sept. 28, 1972, p. 149). I pointed out on the House floor on Oct. 4, 1972 that the conferees accepted "the elimination of any amendment restricting the Fish and Wildlife Coordination Act." [12]

Congressman Wright's floor remarks, contrary to EPA's contention, *are not* "consistent" with EPA's "view" that the Coordination Act "would not apply to Subsection 402 permits." Once section 511(b) was eliminated, the Coordination Act, as I have shown, would by its own terms apply to these permits.

VII. The coordination act applies to permits issued by the States under section 402 of Public Law 92–500, as well as those issued by EPA.

EPA's February 14 memorandum contends that the Coordination Act does not apply to permits issued by a State pursuant to section 402 of Public Law 92–500, because, EPA says, (a) "the States receive no authorization, by permit, license, or otherwise, from the Federal Government to carry out a permit program"; (b) Public Law 92–500 "simply requires" the EPA Administrator "to suspend the issuance of permits"; and (c) the "only change effected" by Public Law 92–500, insofar as the States are concerned, is that "if a State's program meets certain requirements, dischargers receiving permits from the State will be insulated from Federal enforcement action." We disagree.

EPA's Associate General Counsel stresses that the States receive "no authorization" from EPA to carry out the program. But he fails to explain the significance of this statement in regard to whether or not the Coordination Act applies to State issued permits. Furthermore, there is, indeed, no significance to this assertion, because the Federal Water Pollution Control Act specifies that no State program may operate under the Act without EPA approval.

It is true that section 402(c)(1) requires EPA to "suspend" issuance of a permit within 90 days after a State submits a permit program. But first EPA must "approve" the program under section 402(b).

EPA's February 14 memorandum simply gives no attention to section 402(b) of Public Law 92–500, which specifies that *before* a State can administer its own permit program in lieu of EPA's program under section 402(a), the State must first *"submit"* to EPA "a full and complete description" of the proposed program, and EPA's Administrator must then *"approve"* it, if, in the judgment of EPA's Administrator, such program complies with the statute and EPA's guidelines. (Italic supplied.) The Senate report (S. Rept. 92–414; Oct. 28, 1971) on S. 2770, in commenting on this provision, states (p. 70):

"Any State may create its own permit system, following Section 304 guidelines. The Administrator shall approve the State permit program and delegate authority to the State, unless the State program fails to have adequate authority to carry out several specified functions."

The conference report (H. Rept. 92–1465, Sept. 28, 1972) in describing the Senate bill, states that "the Administrator can delegate permit authority to a State if the State program is adequate." The report then states that the "conference substitute [for section 402] is basically the same as the Senate bill as revised by the House amendment." The House amendment did not affect the provisions in the Senate bill for approval fo a State program.

EPA has made it clear that such approval will not be *pro forma*. On February 9, 1973, the then Administrator, Mr. William Ruckelshaus, assured the House Conservation and Natural Resources Subcommittee that:

"EPA procedures for approval of State programs are outside the scope of guidelines specifying the elements of those programs. We do intend, however, to provide full opportunity for public participation in the approval of State programs. We will make copies of each State program submission available to the public for inspection and copying. We expect to hold public hearings on State program submissions prior to the making of a final determination. Public comments and suggestions will be solicited throughout the approval process. We will make public our policies and procedures with respect to State program approvals prior to approving any such programs under section 402 of the Act."

Assuming that there is any significance to the concept of "authorization" stressed in EPA's February 14 memorandum, we think that the statutory requirement that EPA must give its approval to a proposed State permit before that program is operative under the law is clearly tantamount to an "authorization" of the program by EPA. If EPA's Administrator "determines" that a State lacks "adequate" authority to carry out the program, he cannot approve it. In such case, the State program is not authorized.

EPA's February 14 memorandum also stresses that, prior to Public Law 92–500, "States were free to enact laws requiring discharge permits". That is true, but wholly irrelevant. What we are here discussing is not a State permit program for exclusively State purposes, but rather a State program approved by EPA and administered pursuant to the Federal Water Pollution Control Act for purposes of the Federal law.

Under its EPA-approved permit program, the State must act within Federal law and regulations, and, in fact, deal directly on most permit applications with EPA. For example, the State must send to EPA a copy of "each permit application" and "provide notice" to EPA "of every action related to the consideration" of such application (Sec. 402 (d)(1)). Finally, EPA has up to 90 days to "object in writing to the issuance" of a permit.

The State permits are treated by the law as equivalent to EPA permits. They are "deemed" to be permits issued under the Refuse Act, as well as section 402. (See Sec. 402(a)(4).)

A polluter provided a State-issued permit (under an EPA-approved State program) or an EPA-issued permit is never "insulated" from Federal enforcement action. The issuance of a permit by a State does not preclude Federal enforcement against the permittee where a violation occurs, nor does it preclude Federal enforcement under the "emergency powers" provisions of the law (sec. 504). EPA's February 14 memorandum is clearly erroneous on this issue.

Equally irrelevant is EPA's quotation of Congressman Wright's floor remarks (Cong. Rec. (Vol. 118, pt. XXV, pg. 33761) when he said:

"[The] States, under State law, could issue State discharge permits. These would be State, not Federal, actions, and thus, whether for existing or new sources under section 306, such permits would not require environmental impact statements."

Congressman Wright was dealing only with the effect of NEPA on a State permit program. Section 511(c)(1) of the Federal Water Pollution Control Act specifically states that, with but two exceptions, "no action of the Administrator" under the FWPC Act shall be deemed "a major federal action" for purposes of filing an environmental impact statement under NEPA. Congressman Wright's point about the State not having to file environmental impact statements under NEPA was made because section 511(c)(1) dealt only with the "actions of the Administrator", not actions of the States. EPA's February 14 memorandum errs egregiously in drawing from his remarks the wholly different conclusion that "other Federal statutes would not be applicable to State discharge permits because they were to be issued under State not Federal law". If EPA is correct, then, for example, the Federal civil rights laws would also "not be applicable" to these permits.

Congress never intended such a result. There is nothing in either the specific provisions of section 511(c)(1) of the Act, or in Congressman Wright's quoted remarks, which deals with the issue of whether the Coordination Act applies to permits issued by a State under section 402(b) of the law.

VIII. EPA's contention that under its proposed regulations Interior and NOAA still have an opportunity, like the public in general, to comment on each permit application ignores the purpose of the Fish and Wildlife Coordination Act.

EPA's February 14 memorandum concludes (p. 6):

"Regardless of the applicability of the Fish and Wildlife Coordination act, the applications for permits under Section 402 are public in all cases, and our permit program procedures require opportunity for public comment. Accordingly, there will be ample opportunity for the expression of views of the Department of the Interior with respect to the issuance of all permits."

In its March 21 letter to me, EPA's General Counsel, Mr. Quarles, stressed this point. He said:

"I am at a loss to understand the basis for the objections which you have raised concerning this matter. If your primary concern is to ensure that the Bureau of Sport Fisheries and Wildlife and the National Oceanic and Atmospheric Administration will be given an opportunity to comment and provide advice on proposed permit issuance actions, I would like to assure you that ample opportunity will be provided for such comment and advice by our regulations for the National Pollutant Discharge Elimination System (NPDES). Our regional personnel will be directed to provide permit application forms to Interior and NOAA upon request, and will be authorized to include in permits conditions recommended by those agencies as necessary to avoid substantial impairment of fish, shellfish, or wildlife resources."

However, the "basis" for Interior, Commerce, EDF, and our Subcommittee to raise "objections" to the course of action EPA seeks to follow is set forth in his same letter to me, where he says:

"It may be necessary, where abatement of pollution is of particular urgency, to issue a permit after providing a relatively short

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time for receiving comments from other Federal agencies and the public. If one of the agencies with which consultation is required by the Fish and Wildlife Coordination Act had, in such a case, failed to provide comments in time, an action might lie against the Agency where an interested person alleged that we had failed to 'consult', as required by that Act. Thus polluters might utilize that Act to delay needed clean-up measures."

The Coordination Act places the burden on EPA to "consult" with Interior and NOAA. EPA's regulations shift that burden to Interior and NOAA. Instead of the greyhound pursuing the rabbit, the rabbit would be required to pursue the greyhound. Experience shows that this is not an even match.

In this connection, I call your attention to the comments of the House Committee on Government Operations in its report (H. Rept. 92–1401, Sept. 18, 1972) entitled "Protecting America's Estuaries: Puget Sound and the Straits of Georgia and Juan de Fuca" (copy enclosed). The Committee said (p. 19):

"The committee commends the Corps for amending its procedure to make it consistent with the Fish and Wildlife Coordination Act which places a duty on the Corps to 'consult' with the Fish and Wildlife Service. The mere issuance of a general public notice certainly is not sufficient to meet this statutory obligation. To comply with the law, the Corps has an obligation to seek the Service's formal comments on each permit application or determine that the Service has none to make."

These comments apply with equal force to section 402 permits.

I want to emphasize that this is not an unreasonable burden on EPA. A table provided to the House Conservation and Natural Resources Subcommittee by the Interior Department on February 5, 1973, shows that the Department does not comment on all permit applications. The Department noted "that many of the applications made to the Corps for permits have little or no impact on fish and wildlife and that we do not report to the Corps in these cases. Formal reports are filed when the resources would be adversely affected and substantive comments are to be made." [13] I feel certain that this will occur in the case of EPA permits also.

### IX. CONCLUSION

I believe EPA errs in contending that the Coordination Act does not apply to *all* permits issued under section 402 of Public Law 92–500. Its conclusions are unsupported by law, legislative history, or long administrative practice. I urge that they be rejected.

I thoroughly disagree with Mr. Quarles' statement in his March 21 letter to me:

"In light of our commitments regarding review and comment by affected Federal agencies, including the Department of the Interior and NOAA, it does not seem likely that the environment would be better served by applying the Fish and Wildlife Coordination Act to NPDES permits."

The Coordination Act was passed because many citizens believed that fish and wildlife resources were not being adequately protected and preserved by the Federal agencies which issue permits to construct or discharge into navigable waters. They did not feel confident that the permitting agencies gave sufficient consideration to the fish and wildlife values. They believed that the Government's fish and wildlife experts would do a better job. I share that belief.

I have great praise for EPA. But it, too, makes mistakes. When other Federal agencies with expertise and the public scrutinize EPA's efforts, I will feel more confident that these mistakes will be fewer.

EPA's 402 proposed regulations and final guidelines should be revised immediately to provide that:

(a) the Coordination Act shall apply to *all* permits issued thereunder by EPA and the States;

(b) a copy of the permit application shall immediately, upon receipt by EPA, be sent to the BSF&W and NOAA and the appropriate State fish and game agency for review and comment; and

(c) like the Corps of Engineers, these agencies will be given "a stated number of days to" respond (which "normally" will be 30 days), but where more time is needed, "more time will be granted where it appears that the public interest warrants such extension" (See 38 F.R. 1365, sec. 125.14(b)).

I emphasize also that the Coordination Act applies to *all* permits issued by EPA under Public Law 92–500, such as those issued under section 404.

### X. ADDITIONAL MATTER

Your April 26 letter to me notes that an "order" issued by the Attorney General directs the Office of Legal Counsel to (a) "prepare the formal opinions of the Attorney General" issued pursuant to 28 U.S. Code 511 and 512, and (b) to "render informal opinions and legal advice" to Executive branch agencies.

I am familiar with this order, but I point out that such an "order" is only as good as the foundation upon which it is based. As to that part of the "order" relating to "formal" Attorney General opinions, there is unquestionably a firm statutory basis. But none exists for that part of the "order" authorizing the Office of Legal Counsel to provide to Federal agencies the legal service of rendering "informal" opinions. Such a service is undoubtedly useful, but, when rendering such opinions, the Department should caution such agencies, including EPA, that such opinions lack the weight of an Attorney General opinion, and, of course, will not preclude anyone from filing a suit alleging that EPA has failed to comply with the "consultation" requirements of the Coordination Act.

Finally, I note your statement that if EPA "wishes to obtain a formal opinion from the Attorney General, it must ask the President to request it". I think this is archaic. I fail to see why, in the twentieth century, only a Cabinet level agency can ask for such opinions, and other agencies cannot. If true, your Department is derelict in not long ago recommending to Congress that the new law be amended to allow *all* Federal agencies to ask for such opinions directly, rather than burden the President with such matters. I request that you promptly provide to me, as a drafting service, an amendment that will authorize such direct requests for Attorney General opinions.

Sincerely,

John D. Dingell,
*Chairman, Subcommittee on Fisheries and Wildlife Conservation and the Environment.*

### FOOTNOTES

[1] The Interior Deputy Solicitor's memorandum of Mar. 9, 1973 erroneously states (in footnote 1) that there was "no floor debate on the measure and no recorded hearing" concerning the 1958 Coordination Act Amendments. There were both recorded hearings and a brief floor debate.

[2] In adopting the 1946 amendments, Congress also provided in sec. 5 that the Fish and Wildlife Service should investigate the effects of sewage and industrial wastes on fish and wildlife. This function remains in effect today. (16 U.S. Code 665).

[3] At the hearing, there was the following colloquy between, Cong. Miller and Secretary Chilson (Hearings, *supra*, pp. 18–19):

"Mr. Miller. It is generally a courtesy that you pass out a bill of the Chairman of the Committee and that you pass out a bill of a member of the committee rather than that of a non-member of the committee. At the proper time I am going to move the adoption of H.R. 13138.

"I want the record to show that we are not trying to cross you up."

"Mr. Chilson. We want the record to show that our remarks go to H.R. 13138, it being identical to H.R. 12371."

(Note.—H.R. 13138 was introduced by the Subcommittee Chairman, Congressman Frank W Boykin.)

[4] The tables are printed in full in the Hearings of the Subcommittee on Energy, Natural Resources and the Environment of the Senate Committee on Commerce, entitled "Effects of Mercury on Man and the Environment," Part 2, Table A at p. 133; Table B at p. 246.

[5] Mr. Lankhorst's prepared statement is printed at pp. 172, 173 of the Hearing of the Subcommittee on Conservation and Natural Resources of the House Committee on Government Operations, entitled: "The Establishment of A National Industrial Wastes Inventory", Sept. 13, 1970.

[6] Hearings, "Mercury Pollution and Enforcement of the Refuse Act of 1899," Part 1, p. 462.

[7] Mercury Hearings, *supra*, p. 524, 528–529.

[8] Mercury Hearings, *supra*, pp. 538–539.

[9] Mercury Hearings, *supra*, p. 545–546.

[10] Mercury Hearings, *supra*, p. 543.

[11] Committee Print "A Legislative History of the Water Pollution Control Act Amendments of 1972" (p. 651).

[12] Committee Print, *supra*, p. 248.

[13] The Interior table is as follows:

| Year | Number of applications | Number of reports prepared |
|---|---|---|
| 1962 calendar year | 552 | 66 |
| 1963 calendar year | 1,926 | 69 |
| 1964 calendar year | 1,186 | 101 |
| 1965 calendar year | 1,324 | 77 |
| 1966 calendar year | 1,539 | 87 |
| 1967 calendar year | (1) | (1) |
| 1968 calendar year | 5,146 | 355 |
| 1969 calendar year | 5,122 | 413 |
| 1970 fiscal year | 5,042 | 470 |
| 1971 fiscal year | 5,659 | 658 |
| 1972 fiscal year | 6,272 | 1,181 |

[1] Data missing.

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## WATERGATE BYPRODUCTS

(Mr. DEVINE asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. DEVINE. Mr. Speaker, among the endless numbers of articles, editorials, commentaries, et cetera, arising out of "Watergate" it was interesting to read King Features syndicated Jeffrey Hart the other day; particularly where he suggested a look at the Justice Department files concerning bugging activities during previous administrations.

The article follows:

### Inner GOP Factions at Work in Vicious Watergate Phase

(By Jeffrey Hart)

We now move into a particularly vicious phase of the Watergate affair, in which a variety of groups and by no means only President Nixon's liberal enemies, are trying to plunge their daggers into the long-contemplated backs. Some of the roughest stuff, indeed, is coming from vengeful factions inside the Republican party, for the hapless H.R. (Bob) Haldeman and John Ehrlichman managed to consolidate at least two groups of powerful enemies within the party.

Back in 1969, when Mr. Nixon's campaign entourage was being transformed into a government, the Haldeman-Ehrlichman faction won out in a power struggle with the John Mitchell coterie. About all the Mitchellites ended up with was the Justice Department.

The Haldemanites occupied the center of power at the White House and increasingly dominated the power structure of the Nixon administration.

As Mr. Haldeman somewhat inelegantly remarked at the beginning of the struggle, his faction would win because he "had the body." Mr. Haldeman, that is, had the readiest access to Mr. Nixon.

Today, though their former chief is in deep trouble, the Mitchellites within the administration and outside of it are gleefully plunging the knife into Mr. Haldeman and his faction.

To each other, to almost anyone, and especially to any reporter who will listen, they will denounce Mr. Haldeman and his faction as mere ad men, fools and incompetents, bug-bomb salesmen, French's mustard flacks and so on.

Another Republican faction is equally gleeful over the debacle at the White House. During the 1972 campaign, the decision was made by the White House to concentrate all resources on the presidential election. Congressional candidates and Republicans running in state elections got no funds to speak of and no support from the presidential people.

Understandably enough, bitterness over this is intense. The White House, say these party workers and functionaries, was willing to ignore the race of a man like Sen. Gordon Allott of Colorado, who went down to defeat, in order to drive Mr. Nixon's winning margin up by a decimal point or two.

Republicans associated with the congressional wing of the party thus are shedding no tears for the fallen Haldemanites and Mitchellites.

Reams of prose is pouring out, inspired by the congressional Republicans, denouncing the White House types as parvenues, hacks, Sammy Glicks. The atmosphere is acrid.

And, of course, the liberals are wielding daggers of their own. A campaign is on via stories in the press to destroy middle-level administration office holders who have not in fact been shown to be guilty of anything in the scandals.

What is emerging here, moreover, is not only the incredible self-destructiveness of the Republicans but their naivete. The administration could do much to get itself off the defensive in this affair if Attorney General Elliot Richardson privately intimated to key Democratic leaders that he planned to make public Justice Department files concerning bugging activities during the John F. Kennedy and Lyndon B. Johnson administrations, both Robert Kennedy and Mr. Johnson having been, virtually, walking pieces of electronic equipment.

If Mr. Richardson dropped a few hints in that direction, restraint would suddenly descend upon the liberal Democrats.

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## MINIMUM WAGE: THE RURAL URBAN

(Mr. THOMSON of Wisconsin asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. THOMSON of Wisconsin. Mr. Speaker, later this week the House will consider the important question of increasing the Federal minimum wage. I have no doubt that many arguments will be raised and debated on all sides of this emotional issue, but I am just as positive that the one that will be both most ignored and least understood will be that outlining the rural impact of the proposed increase.

My appointment to the Small Business Committee at the beginning of the 93d Congress has given me the opportunity to study this problem more closely, and, while I do not assume to be an expert on minimum wage legislation, certain conclusions are apparent. Since this is such an important issue for rural small businessmen and their employees, I would like to share some of the conclusions with you before they are distorted by the heat of debate.

Unlike its urban counterpart which has an industrial base, rural small business is tied either to an agricultural or semiagricultural economy. Being tied to an agricultural or semiagricultural base where income has not risen as rapidly as that of wage earners across the Nation, rural small business must take care not to outprice consumers in the local economic environment.

Generally speaking, rural firms are smaller and more numerous than their metropolitan neighbors. While less than 30 percent of the Nation's total population lives in the countryside, almost 65 percent of all the firms listed by Dun & Bradstreet are located there. Clearly, rural America is highly dependent upon small business for goods, services, and nonagricultural jobs.

Within the rural small business community there is a heavy concentration of retail and service establishments. These firms are labor intensive, making them much more sensitive to Federal legislation. This is especially true when this legislation sets arbitrary and artificial wage levels.

All of the above tend to emphasize the marginal nature of rural small business. In fact, they underline the reason why it was no mere quirk of fate that nearly 73 percent of all business failures in the United States during 1970 occurred in nonmetropolitan areas.

While it is obvious that the operation of a rural small business is not easy, it is equally obvious that living and working in rural America has its advantages. One of the most important of these is the lower cost of living. This lower cost of living substantially reduces the poverty level for a rural family of four.

It has long been argued by those of us who represent predominantly rural districts that these were valid reasons for the constant and sincere opposition of our small businessmen to federally dictated increases in the minimum wage. But until recently, there was little or no empirical evidence to back the position. This is no longer the case.

A team of economists and statistical experts from the University of California-Berkeley and Stanford University have recently completed a special survey of small business for the National Federation of Independent Business. According to their results an increase in the present minimum wage to $2.20 per hour would have a severe and totally disproportionate impact upon the economy of rural America.

The NFIB survey was conducted among some 10,000 randomly sampled member firms. They represented a cross section of the federation's membership of 344,000, but, more importantly, they also "would characterize any similar group of firms in the economy, whether or not they were members of the federation."

According to the data gathered by the federation's special survey, raising the minimum wage to $2.20 per hour would have a disproportionate and adverse effect upon the rural work force. Metropolitan small businessmen report that two-thirds of their employees already receive $2.20 per hour or more; another 9 percent are paid between $2 and $2.19 per hour. In contrast, slightly over 50 percent of the rural small business employees make $2.20 per hour or more with another 16 percent between $2 and $2.19.

Sixty-five percent of this Nation's 5.5 million small businesses are located in America's small towns and villages. Based on this figure and NFIB survey results, one discovers that the absolute number of small business employees affected by a raise in the minimum wage is greater in rural America—approximately 825,000 employees—than in urban America—approximately 750,000 employees. This fact is shocking particularly considering the vast majority of this Nation's labor force reside in the cities and their suburbs.

In effect, by raising the minimum wage to $2.20 per hour, the Congress is demanding that our rural areas absorb the major brunt of the increase. The Congress is telling rural America to make major adjustments in its economy, while requiring much smaller ones in the cities. Further, there is no manner to compensate those directly injured from the severe adjustment.

These data also shows that raising the minimum wage to anywhere near $2.20 per hour would have a serious and harmful effect upon the very people I feel it should be aimed at helping—the working heads of rural families. According to the Berkeley-Stanford survey, this is the group that would have to bear the brunt of the belt tightening needed to offset the increase. They report that almost 22 percent of all those that would have to be released in rural America would be from this employee category.

On the other hand, metropolitan firms report that young adults and teenagers would be their most affected employes, with breadwinners coming a distant third. So, again, rural families will be asked to shoulder an unfair share of the burden.

At a time when Congress is finally beginning to realize that one of the Nation's most pressing needs is a realistic rural development policy, the implications of the information contained in the NFIB survey is distressing. If it is accurate, and there is every indication that it is, an increase in the Federal minimum wage to $2.20 per hour would pose a serious threat to the future of balanced rural development.

In view of these facts, and in view of the concern of millions of rural small businessmen across the United States, I urge you to approach this vote with the utmost caution. The future of rural America may hang in the balance.

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## LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BURKE of Florida (at the request of Mr. ARENDS), on account of serious illness in family.

Mr. Satterfield (at the request of Mr. O'Neill), for today, on account of illness.

## SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Young of Florida) and to revise and extend their remarks and include extraneous matter:)

Mr. Horton, for 15 minutes, today.

Mr. Blackburn, for 10 minutes, today.

Mr. McCloskey, for 60 minutes, on Wednesday, June 6.

(The following Members (at the request of Mr. Moakley) and to revise and extend their remarks and include extraneous matter:)

Mr. Flood, for 5 minutes, today.

Mr. Rooney of Pennsylvania, for 5 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Koch, for 5 minutes, today.

Mr. Dent, for 60 minutes, on June 6.

## EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mrs. Griffiths and to include extraneous matter in the body of the Record notwithstanding the fact that it exceeds 3½ pages at an estimated cost of $595.

Mr. Dingell and to include extraneous matter notwithstanding the fact that it exceeds six pages of the Record and is estimated by the Public Printer to cost $1,020.

Mr. Davis of Wisconsin in two instances.

(The following Members (at the request of Mr. Young of Florida) and to revise and extend their remarks:)

Mr. Young of South Carolina in two instances.

Mr. Derwinski in two instances.

Mr. Young of Florida in five instances.

Mr. Cederberg.

Mr. Froehlich.

Mr. Treen in two instances.

Mr. Zwach.

Mr. Rhodes in five instances.

(The following Members (at the request of Mr. Moakley) and to revise and extend their remarks and include extraneous matter:)

Mr. Reuss in six instances.

Mr. de la Garza in 10 instances.

Mr. Long of Maryland in 10 instances.

Mr. Gonzalez in three instances.

Mr. Rarick in three instances.

Mrs. Schroeder.

Mr. Helstoski in 10 instances.

Mr. Bingham in three instances.

Mrs. Grasso in 10 instances.

Mr. Wright.

Mr. Harrington in 10 instances.

Mr. Hungate in two instances.

Mr. de Lugo.

## SENATE BILLS AND CONCURRENT RESOLUTIONS REFERRED

Bills and concurrent resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 67. An act for the relief of Reynaldo Canlas Baecher; to the Committee on the Judiciary.

S. 155. An act for the relief of Rosita E. Hodas; to the Committee on the Judiciary.

S. 227. An act for the relief of Michael Kwok-choi Kan; to the Committee on the Judiciary.

S. 315. An act for the relief of Elsa Bibiana Paz Soldan; to the Committee on the Judiciary.

S. 339. An act for the relief of Mrs. Stefanie Miglierini; to the Committee on the Judiciary.

S. 529. An act for the relief of Mrs. Hang Kin Wah; to the Committee on the Judiciary.

S. Con. Res. 11. Concurrent resolution to express a national policy with respect to support of the U.S. fishing industry; to the Committee on Merchant Marine and Fisheries.

S. Con. Res. 27. Concurrent resolution to observe a period of 21 days to honor America; to the Committee on the Judiciary.

## ADJOURNMENT

Mr. MOAKLEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock p.m.), the House adjourned until tomorrow, Tuesday, June 5, 1973 at 12 o'clock noon.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

987. A letter from the Under Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Watershed Protection and Flood Prevention Act, as amended; to the Committee on Agriculture.

988. A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting the supplemental summary of the fiscal year 1974 budget required by section 221(b) of Public Law 91–510 (H. Doc. No. 93–110); to the Committee on Appropriations and ordered to be printed.

989. A letter from the Acting Assistant Secretary of Defense (Comptroller), transmitting reports on transfers of funds under the Department of Defense Appropriations Act, 1973, pursuant to section 735 of the act; to the Committee on Appropriations.

990. A letter from the Chief of Legislative Affairs, Department of the Navy, transmitting notice of the proposed donation of a diesel switch engine, Navy serial No. 65–00217, to the Blackberry Creek Railway and Historical Society, Jacksonville, Fla., pursuant to 10 U.S.C. 7545; to the Committee on Armed Services.

991. A letter from the Chief of Legislative Affairs, Department of the Navy, transmitting notice of the proposed donation of four surplus wooden chart cases to the city of Norfolk, Va., pursuant to 10 U.S.C. 7545; to the Committee on Armed Services.

992. A letter from the Acting Administrator of General Services, transmitting a draft of proposed legislation to amend the Defense Production Act of 1950, as amended; to the Committee on Banking and Currency.

993. A letter from the Acting Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in the cases of certain aliens found admissible to the United States, pursuant to section 212(a) (28) (I) (ii) of the Immigration and Nationality Act, as amended [8 U.S.C. 1182 (a) (28) (I) (ii) (b) ]; to the Committee on the Judiciary.

994. A letter from the Acting Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation, together with a list of the persons involved, pursuant to section 244(a) (1) of the Immigration and Nationality Act, as amended [8 U.S.C. 1254 (c) (1) ]; to the Committee on the Judiciary.

995. A letter from the Senior Commissioner, Securities and Exchange Commission, transmitting a draft of proposed legislation to amend subsection (g) of section 1407, chapter 87, of title 28 of the United States Code to exempt actions brought by the Securities and Exchange Commission under the Federal securities laws from the operation of said section; to the Committee on the Judiciary.

996. A letter from the Secretary of Commerce, transmitting the Annual Report of the Economic Development Administration for fiscal year 1972, pursuant to Public Law 89–136; to the Committee on Public Works.

997. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting a work plan involving a single structure which provides more than 4,000 acre-feet of total capacity for the Banklick Creek Watershed, Ky., pursuant to 16 U.S.C. 1005; to the Committee on Public Works.

### RECEIVED FROM THE COMPTROLLER GENERAL

998. A letter from the Comptroller General of the United States, transmitting a report on an analysis of cost estimates for the Space Shuttle and two alternate programs of the National Aeronautics and Space Administration; to the Committee on Government Operations.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PERKINS: Committee on Education and Labor. H.R. 8070. A bill to authorize grants for vocational rehabilitation services, and for other purposes; with amendment (Rept. No. 93–244). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOLIFIELD: Committee on Government Operations. Report on market promotion activity of foreign agricultural service (fourth review); (Rept. No. 93–245). Referred to the Committee of the Whole House on the State of the Union.

Mr. WHITE: Committee on Post Office and Civil Service. H.R. 7762. A bill to amend title 13, United States Code, to assure confidentiality of information furnished in response to questionnaires, inquiries, and other requests of the Bureau of the Census, to provide for a mid-decade sample survey of population, and for other purposes; with amendment (Rept. No. 93–246). Referred to the Committee of the Whole House on the State of the Union.

Mr. HAWKINS: Committee on Education and Labor. H.R. 7824. A bill to establish a Legal Services Corporation, and for other purposes; with amendment (Rept. No. 93–247). Referred to the Committee of the Whole House on the State of the Union.

Mr. ICHORD: Committee on Internal Security. H..R 8023. A bill to amend section 4 of the Internal Security Act of 1950; (Rept. No. 93–248). Referred to the Committee of the Whole House on the State of the Union.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARRETT:

H.R. 8324. A bill to amend the Lead Based Paint Poisoning Prevention Act, and for other purposes; to the Committee on Banking and Currency.

By Mr. BLACKBURN:

H.R. 8325. A bill to amend the Interstate Commerce Act and the Harter Act in order to provide a more effective remedy for owners, shippers, and receivers of property transported in interstate or foreign commerce to recover from surface transporttaion companies subject to the former act, damages sustained as the result of loss, damage, injury, or delay in transit to such property; to the Committee on Interstate and Foreign Commerce.

H.R. 8326. A bill to amend the Interstate Commerce Act by adding thereto provisions authorizing the Interstate Commerce Commission, in its discretion and under such rules and regulations as it shall from time to time prescribe, to establish minimum requirements with respect to security for the protection of the public for loss of or damage to property transported by carriers subject to parts I and III of the act; to the Committee on Interstate and Foreign Commerce.

By Mr. BLACKBURN (for himself, Mr. Won Pat, Mr. Collins, Mr. Lott, Mr. Roncallo of New York, Mr. Podell, Mr. Walsh, Mr. Hawkins, Mr. Riegle, Mr. Yatron, Mr. Spence, Mr. Baker, Mr. Michel, Mr. Rousselot, Mr. Bob Wilson, Mr. Rarick, Mr. Derwinski, Mr. Mathis of Georgia, Mr. Davis of Georgia, Mr. Tiernan, Mr. Denholm, Mr. Cederberg, Mr. Snyder, Mr. Davis of South Carolina, and Mr. Bevill):

H.R. 8327. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. BLACKBURN (for himself, Mr. Shoup, Mr. Brasco, Mr. Cleveland, Mr. Huber, Mr. Goodling, Mr. Dan Daniel, Mr. Shriver, Mr. Harvey, Mr. Mann, Mr. Moakley, Mrs. Chisholm, Mrs. Heckler of Massachusetts, Mr. Pickle, Mr. Hinshaw, Mr. Abdnor, and Mr. Harrington:)

H.R. 8328. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. BRASCO:

H.R. 8329. A bill to establish a U.S. Fire Administration and a National Fire Academy in the Department of Housing and Urban Development, to assist State and local government in reducing the incidence of death, personal injury, and property damage from fire, to increase the effectiveness and coordination of fire prevention and control agencies at all levels of government, and for other purposes; to the Committee on Science and Astronautics.

By Mr. BREAUX (for himself, Ms. Abzug, Mr. Alexander, Mrs. Boggs, Mr. Bowen, Mr. Brown of California, Mrs. Chisholm, Mr. Cleveland, Mr. Cochran, Mr. Davis of South Carolina, Mr. de Lugo, Mr. Denholm, Mr. Drinan, Mr. Fauntroy, Mr. Froehlich, Mrs. Grasso, Mr. Harrington, Mr. Harvey, Mr. Horton, Mr. Ketchum, Mr. Lehman, Mr. Long of Louisiana, Mr. Moakley, Mr. Moss, and Mr. Pepper):

H.R. 8330. A bill to amend title 38 of the United States Code to remove the time limitation within which programs of education for veterans must be completed; to the Committee on Veterans' Affairs.

By Mr. BREAUX (for himself, Ms. Abzug, Mr. Alexander, Mrs. Boggs, Mr. Bowen, Mr. Brown of California, Mrs. Chisholm, Mr. Cleveland, Mr. Cochran, Mr. Davis of South Carolina, Mr. de Lugo, Mr. Denholm, Mr. Derwinski, Mr. Drinan, Mr. Fish, Mr. Froehlich, Mrs. Grasso, Mr. Harrington, Mr. Harvey, Mr. Horton, Mr. Kemp, Mr. Ketchum, Mr. Lehman, Mr. Long of Louisiana, and Mr. Moakley):

H.R. 8331. A bill to amend title 38 of the United States Code to clarify the circumstances under which the Administrator of Veterans' Affairs may pay for care and treatment rendered to veterans by private hospitals in emergencies; to the Committee on Veterans' Affairs.

By Mr. BREAUX (for himself, Mr. Moss, Mr. Pepper, Mr. Podell, Mr. Rarick, Mr. Reuss, Mr. Studds, Mr. Thone, Mr. Tiernan, Mr. Treen, Mr. Whitehurst, and Mr. Won Pat):

H.R. 8332. A bill to amend title 38 of the United States Code to clarify the circumstances under which the Administrator of Veterans' Affairs may pay for care and treatment rendered to veterans by private hospitals in emergencies; to the Committee on Veterans' Affairs.

By Mr. BREAUX (for himself, Mr. Podell, Mr. Rarick, Mr. Studds, Mr. Thone, Mr. Tiernan, Mr. Whitehurst, Mr. Won Pat, and Mr. Wyatt):

H.R. 8333. A bill to amend title 38 of the United States Code to remove the time limitation within which programs of education for veterans must be completed; to the Committee on Veterans' Affairs.

By Mr. BROOMFIELD:

H.R. 8334. A bill to improve the coordination of Federal reporting services; to the Committee on Government Operations.

By Mr. CRONIN:

H.R. 8335. A bill to amend chapter 34 of title 38, United States Code, to provide additional educational benefits to Vietnam era veterans; to the Committee on Veterans' Affairs.

H.R. 8336. A bill to amend chapter 34 of title 38, United States Code, to permit eligible veterans pursuing full-time programs of education to receive increased monthly educational assistance allowances and have their period of entitlement reduced proportionally; to the Committee on Veterans' Affairs.

By Mr. DICKINSON:

H.R. 8337. A bill to amend the Federal Food, Drug, and Cosmetic Act to repeal the regulatory authority under that act respecting effectiveness of drugs; to the Committee on Interstate and Foreign Commerce.

By Mr. DICKINSON (for himself, Mr. Talcott, Mr. Landgrebe, and Mr. Winn):

H.R. 8338. A bill to amend the Food Stamp Act of 1964, to exclude from coverage by the act every household which has a member who is on strike, and for other purposes; to the Committee on Agriculture.

By Mr. DORN:

H.R. 8339. A bill to amend section 1903 of the Social Security Act to remove limits on payments for skilled nursing homes and intermediate care facilities; to the Committee on Ways and Means.

By Mr. EVINS of Tennessee:

H.R. 8340. A bill to amend the Tennessee Valley Authority Act of 1933, as amended, (16 U.S.C. Ch. 12A) to provide that costs incurred to comply with environmental laws and regulations shall not be included as costs of the electric power program, and for other purposes; to the Committee on Public Works.

By Mr. GERALD R. FORD:

H.R. 8341. A bill to provide for the continued supply of petroleum products to independent oil marketers; to the Committee on Interstate and Foreign Commerce.

By Mr. GUDE:

H.R. 8342. A bill to repeal the provisions of law which prohibit the transfer of certain lands located in the District of Columbia; to the Committee on Armed Services.

By Mr. HARVEY:

H.R. 8343. A bill to amend section 403(b) of the Federal Aviation Act of 1958 to permit the continuation of family fares and to authorize reduced-rate transportation for young people and for elderly people on a space-available basis; to the Committee on Interstate and Foreign Commerce.

H.R. 8344. A bill to amend the Internal Revenue Code of 1954 to designate the home of a State legislator for income tax purposes; to the Committee on Ways and Means.

By Mr. MALLARY:

H.R. 8345. A bill to improve the conduct and regulation of Federal election campaign activities and to provide public financing for such campaigns; to the Committee on House Administration.

By Mr. MOORHEAD of Pennsylvania:

H.R. 8346. A bill to amend the Housing and Urban Development Act of 1970 to provide a more effective approach to the problem of developing and maintaining a rational relationship between building codes and related regulatory requirements and building technology in the United States, and to facilitate urgently needed cost-saving innovations in the building industry, through the establishment of an appropriate nongovernmental instrument which can make definitive technical findings, insure that the findings are made available to all sectors of the economy, public and private, and provide an effective method for encouraging and facilitating Federal, State, and local acceptance and use of such findings; to the Committee on Banking and Currency.

By Mr. PETTIS:

H.R. 8347. A bill to amend section 1326 of the Civil Rights Act of April 11, 1968 (82 Stat. 80; Public Law 90-284) relating to State civil jurisdiction in actions to which Indians are parties, and State jurisdiction over offenses committed by or against Indians in Indian country; to the Committee on Interior and Insular Affairs.

By Mr. PICKLE:

H.R. 8348. A bill to authorize the National Science Foundation to designate certain institutions of higher education as national energy research centers; to the Committee on Science and Astronautics.

By Mr. ROYBAL (for himself, Mr. Edwards of California, Ms. Abzug, Mr. Anderson of California, Mr. Badillo, Mr. Benitez, Mr. Bingham, Mr. Brown of California, Ms. Burke of California, Mr. Carey of New York, Ms. Chisholm, Mr. Corman, Mr. Dellums, Mr. Drinan, Mr. Fauntroy, Mr. Fraser, Mr. Gilman, Mr. Harrington, Mr. Hawkins, Ms. Heckler of Massachusetts, Mr. Hinshaw, Ms. Jordan, Mr. Lehman, Mr. Moakley, and Mr. Moss):

H.R. 8349. A bill to amend title 28, United States Code, to provide more effectively for bilingual proceedings in certain district courts of the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. ROYBAL (for himself, Mr. Edwards of California, Mr. Podell, Mr. Rees, Mr. Riegle, Mr. Rooney of Pennsylvania, Mr. Rosenthal, Mr. Stark, Mr. Stokes, and Mr. Waldie):

H.R. 8350. A bill to amend title 28, United States Code, to provide more effectively for bilingual proceedings in certain district courts of the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. STAGGERS (for himself and Mr. Devine):

H.R. 8351. A bill to amend the Rail Passenger Service Act of 1970, as amended, to provide financial assistance to the National Railroad Passenger Corporation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. WYATT:

H.R. 8352. A bill to establish the Cascade Head Scenic-Research Area in the State of Oregon, and for other purposes; to the Com-

By Mr. BRASCO:

mittee on Interior and Insular Affairs.

H.J. Res. 594. Joint resolution to authorize the President to issue annually a proclamation designating the month of May in each year as "National Arthritis Month"; to the Committee on the Judiciary.

By Mr. GERALD R. FORD:

H.J. Res. 595. Joint resolution providing for the orderly review of fee-paid oil import licenses; to the Committee on Ways and Means.

By Mr. CARNEY of Ohio:

H. Res. 421. Resolution expressing the sense of the House that the President exercise his authority under the Economic Stabilization Act of 1970 by freezing retail food prices and that the President establish a commission to investigate the cost and availability of food; to the Committee on Banking and Currency.

By Mr. GERALD R. FORD:

H. Res. 422. Resolution authorizing the President to proclaim June 3, 1973, as "National MIA-POW Day"; to the Committee on the Judiciary.

## MEMORIALS

Under clause 4 of rule XXII,

230. The SPEAKER presented a memorial of the Legislature of the State of South Carolina, relative to inequities and discrimination in the Social Security Act; to the Committee on Ways and Means.

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# SENATE—*Monday, June 4, 1973*

The Senate met at 12 o'clock noon and was called to order by the President pro tempore (Mr. EASTLAND).

## PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O Thou Light of the World, shine upon us with the light of Thy truth to illuminate and make clear the course of our actions in this new week. We lay before Thee our need of Thee and Thy continued presence—the light of the transcendent upon the transient, the eternal upon the temporal. Show us the way of servanthood which sanctifies every labor done in Thy name. While we work at tasks great or small, exposed or obscure, help us to keep ever before us the vision of the people we serve, the better world for which all men of good will long, and for which we strive in this place. Whatever our lot in life, make us sure of Thee, O God, our life, our hope, our strength. Amen.

## MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

## EXECUTIVE MESSAGES REFERRED

As in executive session, the President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations and withdrawing the nomination of Robert L. DuPont, of Maryland, to be Deputy Director of the Special Action Office for Drug Abuse Prevention, which nominating messages were referred to the appropriate committees.

(The nominations received today are printed at the end of Senate proceedings.)

## THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Friday, June 1, 1973, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

## COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

## HOUSE JOINT RESOLUTION 296—AUTHORIZING THE PRESIDENT TO PROCLAIM THE LAST WEEK OF JUNE 1973 AS "NATIONAL AUTISTIC CHILDREN'S WEEK"

Mr. MANSFIELD. Mr. President, I ask the Chair to lay before the Senate a message from the House on House Joint Resolution 296.

The PRESIDENT pro tempore laid before the Senate House Joint Resolution 296, to authorize the President to proclaim the last week of June 1973 as "National Autistic Children's Week," which was read twice by its title.

Mr. MANSFIELD. Mr. President, I ask unanimous consent for the immediate consideration of the joint resolution.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Montana? The Chair hears none, and the Senate will proceed to the consideration of the joint resolution.

Mr. MANSFIELD. Mr. President, in support of this resolution, the distinguished Senator from California (Mr. TUNNEY) has prepared some remarks. As Senator TUNNEY, by necessity, is occupied away from the Senate Chamber today, I ask unanimous consent that his statement be printed at this point in the RECORD.

The PRESIDENT pro tempore. Without objection, it is so ordered.

### STATEMENT BY SENATOR TUNNEY

Last week, on May 17, 1973, I asked to have held at the desk Congressman Waldie's resolution, H.J. Res. 296, which would proclaim the last week of June of each year as "National Autistic Children's Week."

On February 5, 1973, I introduced S.J. Res. 50, which contained the same provisions as H.J. Res. 296. My Resolution is pending before the Senate Subcommittee on Federal Charters, Holidays and Celebrations. I feel the House resolution is adequate and I see no need to await hearings on S.J. Res. 50.

Immediate action on this piece of legislation would benefit so many deserving people. The observance of National Autistic Children's Week would aid in increasing public awareness of the needs of these children and would offer new hope to thousands of parents of autistic children throughout the country.

I urge that this resolution be adopted.

The joint resolution (H.J. Res. 296) was passed.

## WAIVER OF THE CALL OF THE CALENDAR

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the call of the legislative calendar, under rules VII and VIII, be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ORDER OF BUSINESS

The PRESIDING OFFICER (Mr. JOHNSTON). The distinguished minority leader is now recognized.

Mr. SCOTT of Pennsylvania. Mr. President, I think I will waive my time. This is Monday. This is the day the Lord hath made and I do not want to do anything to mess it up. [Laughter.]

## ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I am informed that the distinguished Republican leader is willing to yield his time to Senators on this side of the aisle today. May I ask the distinguished Senator from Maryland if that is true?

Mr. BEALL. Yes. The distinguished acting majority leader understands correctly that we are happy to yield our time.

Mr. ROBERT C. BYRD. I wish to express to the distinguished acting Republican leader our thanks for his usual courtesy.

Mr. President, I ask unanimous consent that the time previously allotted to the Senator from Michigan (Mr. GRIFFIN) under the order be allotted to the Senator from Wisconsin (Mr. PROXMIRE).

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks Senator PROXMIRE made at this point on the introduction of S. 1935, dealing with a review of intelligence operations, are printed in the RECORD under Statements on Introduced Bills and Joint Resolutions.)

## ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I yield my remaining time to the Senator from Massachusetts (Mr. KENNEDY).

Mr. KENNEDY. I thank the Senator.

## PRISONS AND POLITICAL PRISONERS IN SOUTH VIETNAM

Mr. KENNEDY. Mr. President, a few weeks ago a study mission representing the Judiciary Subcommittee on Refugees, which I serve as chairman, returned from visiting the countries of Indochina. The purpose of the study mission was to review people problems and humanitarian needs in the war-affected areas—and to contribute responsibly to public discussion over our country's obligations to rehabilitate war victims and help heal the wounds of conflict. To this end, the subcommittee began a series of hearings in April, and a detailed report of the study mission's findings and recommendations will be filed with the Senate in the weeks ahead.

Among the people problems pursued by members of the study mission, who visited South Vietnam, was the plight of civilian detainees and political prisoners. And it is this issue that I wish to discuss today.

In pursuing this issue, members of the study mission talked with a broad representation of Vietnamese and Americans in the field. They were concerned about the number of political prisoners, their treatment and places of detention, and their current status under the ceasefire agreement. They were also concerned about American involvement in this issue, the official policy of our Government toward the plight of political prisoners, and the long-standing question of international inspection of detention facilities.

For too many years, Mr. President, the issue of political prisoners has been the object of coverup—from both Washington and Saigon. For too many years the issue has been swept under the rug by our Government—as if we were not involved, or the issue did not exist. Again and again our Government has sought to whitewash the issue—and in response to congressional and other inquiries has all but pleaded ignorance to the existence and plight of political prisoners in South Vietnam. That this situation continues, is distressing to me—as I know it is to other Members of Congress and millions of Americans.

What really prompts my comments today, however, is not first of all, this sorry record—but the administration's latest coverup—involving its budget request for Indochina Post-War Reconstruction Assistance and other aid to the countries of Indochina.

In reporting some findings of the Subcommittee's Study Mission, and some additional information, I wish to comment briefly on several items—first, the existence and number of political prisoners; second, their condition and treatment; third, the status of political prisoners under the ceasefire agreement; and finally, American involvement in this issue.

### NUMBER OF POLITICAL PRISONERS

Mr. President, a statistics on the number of political prisoners held in a closed society are always difficult to obtain—whether for South Vietnam—or the Soviet Union, or Greece, or Brazil, or elsewhere. In fact, for South Vietnam, Saigon insists that it holds no political prisoners.

In early April—during his visit to the Vatican, and following Pope Paul VI's eloquent appeal in behalf of civilian detainees in Vietnam—President Thieu said:

> There are no political prisoners in South Vietnam.

He went on to say:

> There are only two kinds of prisoners"—those of "common law," who number some 21,000—and "communist criminals," who number close to 6,000.

The Thieu government may choose any label it desires for civilians detained for political reasons. But by every international standard, what are commonly called "political prisoners" exist in South Vietnam today.

According to most official estimates given the study mission in field conversations, and in a letter from a U.S. Embassy official in Saigon (see exhibit A) at least some 20,000 South Vietnamese civilians are currently detained under indictments or sentences relating to political activities and the war. Additionally, thousands of other civilians—at least 20,000—are prisoners in "common criminal status" for thievery, smuggling and the like.

According to the Embassy's letter, the first category of prisoners—the political category—includes—

> Those held because they committed politically motivated acts ranging from murder to printing anti-GVN propaganda, or belonged to organizations the GVN considers subversive.

The letter goes on to say that this political category of prisoners—

> Is further divided into those detained because of communist-related activities and all others.

Until recently, Mr. President, those detained because of Communist-related activities—the bulk of the political prisoners—were divided into "Communist criminals" and "An Tri detainees." According to the Embassy—

> Communist criminals are those who have been convicted by military courts of specific criminal acts, such as terrorism, assassination, extortion of "taxes", etc. . . . An Tri detainees are persons detained because they are "considered dangerous to national defense, national security, and public order."

The Embassy letter says that the—

> An Tri detainees are incarcerated on the order of the Prime Minister after passing through nonjudicial administrative process—An Tri detainees, the letter goes on "need not be accused of committing a specific criminal act.

In addition to civilians being detained for alleged Communist-related activities—according to the Embassy's letter, the political category of prisoners also includes "non-Communist dissidents," "various student leaders," and what the letter calls "sentenced common criminals."

As I suggested earlier, accurate statistics on the number of political prisoners in South Vietnam are difficult to obtain, and even official American estimates will vary. But several things about this issue are clear.

First, there are thousands of political prisoners in South Vietnam, despite the semantics of the Thieu government.

Second, these prisoners include not only civilians detained as "Communist criminals"—but many others from across the political spectrum.

Third, estimates on political prisoners vary. President Thieu cities nearly 6,000 "Communist criminal." The U.S. Embassy, in extrapolations from a statistical jungle, usually estimates some 20,000 political prisoners, of whom up to 1,000 are "non-Communist dissidents." Still other sources, including the Provisional Revolutionary Government—PRG—go as high as 200,000.

Fourth, according to some American officials, the Thieu government's use of "Communist-related activities," as a cause for detention, has a broad interpretation and is sometimes used as a cover to detain most any civilian.

Fifth, political prisoners are held by the PRG, as well as the Thieu government. Here, again, the estimates vary. According to the U.S. Embassy, the PRG apparently admits to some 200 political prisoners. The Thieu government claims that close to 60,000 civilians have been abducted by PRG forces.

Sixth, as Washington and Saigon have regularly done in lowering the number of civilian war casualties or refugees on official rolls—the Thieu government has also done in lowering the numbers of political prisoners in official estimates. This lowering of numbers to disguise the facts, is done by shifting people from one category to another. According to the Embassy's letter, the Thieu government has systematically changed the status of some political prisoners, by shifting their category to "common criminal status." Specifically, the Embassy says, that:

> **Before and since the ceasefire, the GVN has been converting—detainees to common criminal status by the expedient of convicting them of ID card violations or draft-dodging.**

Presumably, this expedient applies to both the Communist criminal as well as the non-Communist dissident categories.

Seventh, from information available to the study mission, estimates on political prisoners by Vietnamese and U.S. officials apparently only include hard-core or long-term prisoners, who are usually held in primary detention centers such as Con Son or the Chi Hoa prison in Saigon. Hundreds of other civilians, however, are regularly detained for political reasons, and usually on a temporary basis—at dozens of local interrogation or correction centers throughout the country. Current estimates on these detainees are unavailable. But if history of the Vietnam war is at all relevant, the number of such detainees probably adds significantly to the U.S. Embassy's estimate of some 20,000 political prisoners.

And finally, the history of political prisoners in South Vietnam is at least as long as the war. As the Embassy's letter points out, "during the long course of the Vietnam conflict, people from every area of the country have been arrested." How many, Mr. President, is unknown; but the record would suggest that the cumulative total of civilian detainees numbers in the hundreds of thousands. By official count, since 1968 at least 100,000 persons were detained under the American sponsored Phoenix program alone. Moreover, throughout the war, each escalation of military activity, and each move toward peace, usually brought with it a heavy wave of arrests by the Saigon government—and a sharp increase in abductions by PRG forces. Developments during the military escalation and the so-called October "peace scare" of 1972 provide a clear illustration of the pattern—at least as it affected the actions of the Thieu government in Saigon.

According to the American Consul General in Danang, an estimated 15,000 civilians were arrested for political reasons in April and May of last year in Hue and the province of Thua Thien. Another estimated 2,500 civilians were arrested in the four other provinces of Military Region 1 during the same period. Most of these detainees were processed through local interrogation centers. Some, apparently, were released. Some were sent, probably on a temporary basis, to local jails. But an estimated 14,000 were sent south to Con Son prison. The number who remain there today is unknown.

Several months later, during the peace moves in October, a second major round-up of civilians occurred in Military Region 1. According to American officials in Danang, some 5,000 persons were arrested during this period in Military Region 1 alone. And since then, arrests have continued, in various degrees, throughout the country.

### THE CONDITION AND TREATMENT OF POLITICAL PRISONERS

Mr. President, in a March 19 letter from Ambassador Ellsworth Bunker to a staff member of the subcommittee—and for the usual bureaucratic reasons—the subcommittee's study mission to South Vietnam was officially denied permission to inspect civilian prison facilities. Because of this denial—and past denial to representatives of the subcommittee—the study mission is not in a position to make any direct judgment, on the condition or treatment of political prisoners. But the mere fact that members of the study mission—along with many others—have been repeatedly denied access to prison facilities and conversations with detainees, is cause enough for serious concern.

Subcommittee representatives had a similar experience in Greece a couple of years ago. But we know from the record that no coverup in Greece can fully hide the fact that Greek political prisoners have been mistreated, often brutally—as political prisoners are in other closed societies around the world. In South Vietnam, we need only recall the tiger cage incidents, the treatment of former presidential candidate, Truong Dinh Dzu, and similar past events. And even today, concern over the condition and treatment of detainees in South Vietnam continues to arise from a wide variety of sources—including official sources and released prisoners. Various reports and materials, including photographic evidence of alleged mistreatment, appears from time to time in the press—and is also available from respected private organizations such as Amnesty International, the American Friends Service Committee—see exhibit 8—and others. Additionally, the American Embassy in Saigon has so far denied the study mission's request for official reports on the condition and treatment of prisoners—but in the written response to study mission inquiries, an American official candidly stated:

> We cannot disprove that mistreatment of inmates has occurred; some with little doubt has.

All of this raises troubling questions over the condition and treatment of political prisoners in South Vietnam—despite Saigon's statement that all is well. But I feel that perhaps the most serious indictment of Saigon's position is found in the shabby treatment accorded the International Committee of the Red Cross—ICRC—by the Thieu government.

Under the Geneva Conventions of 1949, the ICRC is charged with various humanitarian activities for the protection of war victims and civilian populations in areas of conflict. It is apparently debatable as to whether or not concern for political prisoners in South Vietnam falls under the Geneva Convention and the humanitarian activities of the ICRC. But the fact remains that there is a record of ICRC involvement in this issue, which the Thieu government has cruelly exploited. In its own defense against charges of inhumane treatment of civilian detainees, the Thieu government has repeatedly suggested ICRC approval of its prison system and treatment of political prisoners. The Thieu government issued such a statement through its representative in Paris on March 14. To set the record straight, the ICRC issued a statement on March 21, which was amplified to members of the subcommittee's study mission by Red Cross officials in subsequent discussions in Geneva. The ICRC statement reads as follows:

> According to press reports on 14 March, the delegation of the Republic of Vietnam in Paris, replying to a communication from the "Communaute' Vietnamienne" mentioning ill-treatment in Con Son prison, said that "the South Vietnam detention camps, including Con Son, had been visited by international humanitarian organizations, international Red Cross".
>
> The International Committee of the Red Cross would make it clearly understood that the last time its delegates inspected Con Son prison was on 11 January, 1969. Since then they have been several times to Con Son but were allowed to see only several dozen prisoners of war, not the civilian detainees who constituted the immense majority of the inmates.
>
> The ICRC repeats its earlier statements that it was precisely because of the restrictions imposed by the South Vietnam Government—particularly the prohibition of private talks with detainees—that in March 1972, it discontinued visits to interned civilians.

Mr. President, the available evidence strongly suggests that there is good cause for American and international concern over the condition and treatment of political prisoners in South Vietnam. Some observers—including American officials—apparently take comfort in the suggestion that whatever mistreatment exists is not applied generally and systematically to all prisoners. But the general and systematic denial of information—by Washington and Saigon—to those legitimately concerned over the situation, is a matter of record. And in light of the international controversey over the condition and treatment of political prisoners, this can only lead to one question—if there is nothing to hide, why does not the Thieu government admit impartial observers to inspect the prisons? And why is not the administration carrying this message to Saigon?

### THE STATUS OF POLITICAL PRISONERS UNDER THE CEASE-FIRE AGREEMENT

Mr. President, although the Thieu government has released or returned to PRG custody a number of detainees in recent weeks and months—in the main, the resolution of this issue depends for some prisoners on the implementation of the cease-fire agreement and the prisoners protocol—and for other prisoners on the Thieu government's adherence to basic human rights.

As the Embassy's letter to the study mission correctly implies, the United States carries no direct obligation for the release or return of any prisoner held in South Vietnam. In the case of the former group—those labeled as "Communist criminals"—the Embassy's letter states that "the return of civilian detainees is a matter to be negotiated by the GVN and the NLF. Return of the civilian prisoners held by the GVN of Communist persuasion will then occur only after the two South Vietnamese parties have agreed to the modalities."

Regrettably, the negotiations between the Thieu government and the PRG to accomplish this end have so far failed.

But what about the other group of prisoners—those who are not "of Communist persuasion"—and even those among them who are falsely labeled as being "of Communist persuasion?" What about those who are not specifically covered by the cease-fire agreement—and whose future depends solely on the Thieu goverment's adherence to basic human rights? What about the so-called "non-Communist dissidents"—persons like Mrs. Ngo Ba Thanh, various student leaders, journalists, and hundreds of others whose only crime may have the exercise of free speech in the interest of reconciliation and peace?

The Thieu government has no answers to these questions, because they do not admit holding political prisoners. American officials, in response to inquiries, admit the prisoners are there—but they also say we are not involved. The issue of political prisoners, they suggest, is an internal matter for South Vietnam.

This American position is truly incredible. After years of heavy American involvement in every aspect of Vietnamese life—after years of sponsoring the Phoenix program and public safety projects throughout the country—after years of building prisons and supporting the police who detain civilians—we cannot now pretend that political prisoners are purely an internal matter for South Vietnam. The administration's reasoning on this issue defies commonsense—let alone the peace with honor we are trying to bring to South Vietnam. And this leads to some brief comments on our continuing involvement in the police and prison systems of South Vietnam.

### CONTINUING U.S. INVOLVEMENT IN THE POLICIES AND PRISON SYSTEM OF SOUTH VIETNAM

Mr. President, contrary to what the administration would have us believe, over the years the United States has been very heavily involved with substantial sums of money and energy in supporting the police and prison system of South Vietnam. A significant share of this support has been direct dollar costs channeled through the controversial Public Safety Division and other sections of AID. Additional support has been channeled through the Department of Defense and other agencies of our Government. And supplementing all this, has been what our Embassy in Saigon calls "a substantial amount of piaster funding" out of the American Aid Chapter Piaster Support for Saigon's national budget.

The cumulative total since 1955 of U.S. funding for police and prisons is unavailable. But the bulk of AID and part of Defense Department funding is a matter of record, at least since 1967 and 1969—the fiscal year of initial obligation for current projects assisting the police and prison system of South Vietnam. As of June 30, known AID dollar expenditures will total some $83,700,000. Known Department of Defense dollar expenditures will total an estimated $48,000,000. The combined total of both expenditures is $131,700,000.

The administration's fiscal year 1974 presentation to Congress on Indochina postwar reconstruction assistance, notes that AID public safety programs in South Vietnam will be terminated this fiscal year. The presentation categorically states that:

> In keeping with the articles of the cease-fire agreement AID has terminated its assistance to the National Police and to the Vietnamese Corrections System.

But a closer look at the presentation, and additional information, reveals that the administration is covering-up its true intentions, and deceiving Congress and the American people.

For what do we find? We find, Mr. President, that AID's Public Safety Division in Saigon is abolished—but that its programs and funding continue. We find that public safety is now called technical support, public administration and public works.

According to the administration's presentation on Indochina assistance, fiscal year 1974 requests include at least the following: $869,000 for police computer training under technical support; $256,000 for direct police training under public administration; and $1,505,000 for police telecommunications under public works.

Additionally, the presentation notes that, as of June 30, the following unliquidated obligations remain available until expended: $1,285,000 from public safety telecommunications; $2 472,000 from national police support; and $30,000 from corrections system support.

Substantial sums for public safety purposes are also requested in at least one other presentation. According to AID officials, an estimated $8,800,000 for public safety supplies is found in the fiscal year 1974 budget request of the Department of Defense.

The figures I have cited are a matter of record. They total some $15,217,000 for public safety purposes in South Vietnam—and presumably there is more buried elsewhere—including the American piaster support for Saigon's national budget. The piaster support has already been used for public safety purposes since the cease-fire agreement. On February 21, for example, the U.S. Embassy in Saigon obligated piasters valued at more than $100,000 for prison support.

The administration's coverup and deception on continuing support of the police and prison system in South Vietnam defies understanding. Clearly, it is not in our national interest. Clearly, it is not in keeping with the spirit, if not the letter, of the cease-fire agreement. And clearly, it dramatizes, again, the administration's warped sense of national priorities in helping to heal the wounds of war.

The administration moves easily in building prisons and supporting police. But why cannot our Government ask the hard questions about the prisoners? The administration moves easily in putting together many programs for public safety. But why cannot our Government do the same for the young war victims crying out for help—for the many thousands of Vietnamese children who are fathered by Americans—and the hundreds of thousands more who are maimed or orphaned or abandoned or simply disadvantaged from the war? Why must we continue building up the police, when the Ministry of Social Welfare really needs our help?

Nothing will undermine more the future of South Vietnam and Indochina—and our country's future relations with that area—than our repeating the mistakes and failures of the past. I submit that our continuing involvement in the police and prison system of South Vietnam—and our turning away from the plight of political prisoners—is a repetition of the past. It is not a building block toward healing the wounds of war.

Mr. President, the record is clear that political prisoners exist in South Vietnam. And the record is clear that the Thieu government is thwarting a resolution of the prisoners' plight. But the complicity of our own Government in this abuse of justice and fairplay is also clear. And this should outrage the conscience of all Americans.

I yield to no one in condemning the abductions and cruelty to civilians by the PRG and the other side. But what they do cannot relieve our side's responsibility to minimize and remedy the hardship and distress of civilians—including political prisoners. The American people expect this of their Government. And our traditions as a nation, and our commitment to help heal the wounds of war, demand it.

To this end I would like to make the following recommendations:

First, the President should immediately terminate all American sponsored public safety oriented programs in South Vietnam—and immediately withdraw all current funding and new money requests for such purposes.

Second, the United States should make immediate and strong diplomatic representations to the Thieu government in behalf of the humane and just treatment of all civilians detained for political reasons. Specifically, the United States should firmly counsel the Thieu government to sort out its political prisoners and rectify the rolls in all categories—to invite a full inspection of prison facilities under the auspices of the International Committee of the Red Cross—and to provide for the orderly due process for release of those prisoners not covered by the repatriation and return provisions in the prisoner protocol of the cease-fire agreement.

Third, the United States should make diplomatic representations—through various channels and in cooperation with other governments concerned over the future of South Vietnam—to encourage and facilitate negotiations between the Thieu government and the PRG, as provided for in the cease-fire agreement, for the repatriation and return of those political prisoners on both sides covered by the agreement.

And fourth, in the current international discussions over the anticipated revisions of the Geneva Conventions of 1949, the United States should actively encourage and support reasonable initiatives to strengthen and better facilitate the protection of civilian detainees in areas of conflict and war.

Mr. President, there are no easy solutions to the people problems of Indochina—and this includes the problem of political prisoners in South Vietnam. But we must not rest, in frustration or comfort, where we are. There is much to be done—and there is much more that our country can do.

Finally, Mr. President, let me say again that I hold no brief for those who have truly violated the laws and committed criminal acts of terrorism and violence in South Vietnam. Obviously, all of us respect the right of a sovereign government to deal with those particular questions and issues. But unquestionably there are hundreds and thousands of political prisoners in South Vietnam. There are students, journalists, and young political leaders in detention, whose only crime was to speak for peace or accommodation or a political settlement of the conflict in Indochina. And the United States has been giving millions of dollars in supplying training for individuals who continue to deter people, whose only crime has been that they were in disagreement with the policy of the South Vietnam Government. We have supplied millions of dollars to build the prisons. We have supplied money to train individuals to keep these prisons. And I feel that we have at least the responsibility to make sure that those whose only crime has been of a political nature, are going to be given the kinds of protections which civilized and humane nations of the world have recognized under the Geneva Accords.

Finally, I think the United States ought to be out of the business of either training or supplying equipment for individuals whose only purpose is to detain political prisoners. This is something which we in our country abhor. We like to think that people are not held in prisons in this country solely because of their beliefs or their ideas or their thoughts. As we are trying to see to an adjustment and conclusion of the conflict in Southeast Asia, and as we are trying to see that country brought to a period of peace and stability, police and prison support is a feature of our policy which deserve considerable attention.

Mr. President, I ask unanimous consent to have exhibits A, B, and C printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

### EXHIBIT A: TEXT OF THE U.S. EMBASSY'S LETTER

EMBASSY OF THE
UNITED STATES OF AMERICA,
*Saigon, Vietnam, April 3, 1973.*

Mr. JERRY M. TINKER,
*Staff Consultant, Subcommittee on Refugees, Office of Senator Edward M. Kennedy, U.S. Senate, Washington, D.C.*

DEAR MR. TINKER: The Ambassador has asked me to reply to the request for information contained in your letter to him of March 15, 1973.

Before going into the specific areas you refer to, I would like to point out that under the Paris Agreement the "return" of civilian detainees is a matter to be negotiated by the GVN and the NLF. Return of the civilian prisoners held by the GVN of communist persuasion will then occur only after the two South Vietnamese parties have agreed to the modalities. Though the Agreement expresses the hope that agreement on this matter will be reached within ninety days after the ceasefire date, no absolute time limit is imposed. I think it is important to note that a substantial number of civilians loyal to the GVN are detained by the communists, though they admit only 200. The question of the return or accounting for these people is therefore linked with the release of communist prisoners now held in GVN jails.

You express the fear that conversion of civilian detainees to common criminal status will exclude them from coverage under the agreement. The Prisoner Protocol, however, clearly states in Article 8(b) that "The detaining parties shall not cause their return to be denied or delayed for any reason, including the fact that captured persons may, on any grounds, have been prosecuted or sentenced. Though it will of course be more difficult to identify persons covered by the agreement if they are mixed in with common criminals, their legal status under the agreement is not affected. The GVN has offered to release any civilian detainee the communists name as belonging to their movement.

Your letter also asks for information in two broad areas: the prisoners themselves and the GVN's prison system. I will address the first question in this letter. I have attached a memo from USAID which was written in response to my request which covers the second area in great detail. You might also contact the staff of Congressman Morehead's Subcommittee of the Government Operations Committee for information concerning these problems. That Subcommittee conducted hearings on this subject, I believe, in 1970.

Drawing on official GVN statistics and conversations with various GVN officials who are responsible for the prison system and internal security problems, the Embassy estimates that there are at present no more than 22,000 civilians of all types being held. This includes two broad categories: common criminals (thieves, smugglers, etc.) and those held because they committed politically motivated acts ranging from murder to printing anti-GVN propaganda, or belonged to organizations the GVN considers subversive. This second category is further divided into those detained because of communist-related activities and all others. Though we do not have precise figures, we estimate that the GVN now detains at least 12,000 civilians sentenced or ordered detained because of communist-related activities, somewhere between 500 and 1,000 non-communist dissidents, such as Madame Ngo Ba Thanh and her group and various student leaders, and around 4,000 sentenced common criminals.

The approximately 12,000 communist-related detainees were, until recently, divided into "communist criminals" and "An Tri detainees." Communist criminals are those who have been convicted by military courts of specific criminal acts, such as terrorism, assassination, extortion of "taxes", etc., committed as a part of their participation in the NLF's struggle to overthrow the GVN. There were 4,088 "communist criminals" on the GVN rolls as of December 31, 1972. "An Tri detainees" are persons detained because they are "considered dangerous to national defense, national security and public order" (Decree Law 004 1966 and Decree Law 020 1972). An Tri detainees are incarcerated on the order of the Prime Minister after passing through a non-judicial administrative process wherein both the burden of proof and the procedural safeguards are somewhat less than those which obtain in the military courts. On the other hand, the penalties imposed are generally less severe. An Tri detainees need not be accused of committing a specific criminal act, evidence of participation in the Viet Cong Infrastructure, or of actively supporting the Viet Cong being sufficient.

Before and since the ceasfire, the GVN has been converting A and B category "An Tri" detainees to common criminal status by the expedient of convicting them of ID card violations or draft-dodging. Categories A and B are those detainees whom, according to the GVN, held important positions in the Viet Cong Infrastructure down to hamlet level. All the C level detainees, who are considered "low level supporters" have been released since Tet. These numbered around 5,000. The number of A and B level detainees as of December 31, 1972 was 9,316.

During the long course of the Vietnam conflict, people from every area of the country have been arrested. The ratio of persons detained from any particular province to that province's population varies with the average level of NFL political-terrorist activity and the vigor of the GVN local government's security activities. Neither we nor the GVN have kept records that would allow such a ratio to be computed. According to the latest complete figures (December 72) available to the Embassy, 19,156 persons were being held at Provincial Correction Centers, and 20,501 at the five National Correction Centers at Con Son, Chi Hoa (Saigon), Tan Hiep, Thu Duc and Dalat (juveniles). These figures include 5,777 military prisoners, 3,877 unsentenced communist suspects, and 7,918 unsentenced common criminal suspects. This reflects the situation prior to the release of 5,680 "convicts" at Tet, and the release of 1,193 prisoners on Farmer's Day, March 26.

The physical condition of prisoners varies, of course, from individual to individual. As you can see from the attached memo from USAID, much of our assistance to the correctional system has gone into improvements in medical and sanitation facilities. According to the final reports submitted to the Public Safety Division by its provincial safety advisors before it was disbanded, the medical and sanitation situation in all the GVN's correctional institutions is now adequate to preserve the health of the inmates.

You may be particularly interested in the question of deliberate mistreatment of inmates, especially in light of recent press accounts concerning the crippled prisoners who were recently released by the GVN. We cannot disprove that mistreatment of inmates has occurred; some with little doubt has. However, our coverage of the correctional system over the past several years has been comprehensive enough to enable us to say with some certainty that there is no widespread or systematic mistreatment of inmates. The simultaneous existence of a very low ratio of guards to inmates, comparatively insecure prisons, and the low escape rate would seem to indicate this. With regard to the crippled prisoners, we have a very detailed report on their history compiled by Dr. Brown who formerly served as medical advisor to the GVN Corrections Directorate.

We will be happy to forward a copy to you if you feel it would be of use to the Committee.

I hope this information provided by this letter, and the attached memo, will be of use to you. If you have any further questions, or want us to expand upon or to clarify any of the points included, please write me directly. I shall do all I can to be of service.

Sincerely,
RAY A. MEYER, *Second Secretary.*

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DATE: 22 MAR. 73.
To: Mr. Ray Meyer, Embassy POL/MIL.
Thru: Mr. H. E. Kosters, USAID/ADCCA.
From: Robert B. Brougham, SA/ADCCA.
Subject: Enquiry on USAID/CORDS Support of GVN Civilian Prison System.

As requested in on page two of Mr. Tinker's letter of 15 Mar. to Ambassador Bunker, there follows a brief summary of that support which USAID and MACV/CORDS have provided to the Directorate of Corrections. Inasmuch as it appears that Mr. Tinker was after specifics of the involvement in construction of facilities, details of AAC and AIK funding have been listed. If additional information is required, please let me know.

### BACKGROUND

The Directorate General of Corrections was first organized on January 13, 1960, and then changed to the Directorate of Corrections (DOC) on July 25, 1966. U.S. advisory assistance to DOC began in 1961 with the part time services of one Public Safety advisor from USAID. From this time until early 1967 when the function became a part of Civil Operations and Rural Development Support (CORDS), MACV, as a result of a general reorganization of the US effort, support to the DOC was minimal. The present Corrections Centers Project was established in FY 67. The project was introduced not only to assist the DOC to develop an effective corrections system but because of USG interest with respect to prisoners of war captured by US forces and turned over to the GVN for confinement.

### U.S. ADVISORS

In FY 67 one full time advisor was provided under this new project. In FY 68 the advisory staff was increased to two advisors, which level was maintained through FY 72. In FY 73, one full time advisor was present up to the signing of the cease-fire agreement in January 1973. The Corrections Center direct hire staff was augmented by Public Safety Detentions Advisors on detail from the National Police Support Project. Advisory duties performed by this staff included those associated with regular prison operation as well as such specifications as fishing, agronomy, animal husbandry and medical welfare.

Programs of vocational training, recreation and industries also were developed.

The last direct hire advisor, a medical doctor who for the past two years had served as medical advisor to the DOC in matters of health, sanitation, humanitarian care and welfare of prisoners, discontinued his visits to the prisons to observe conditions at the time of cease-fire agreements when advisory services were halted.

In FY 72 a six-man team from the US Bureau of Prisons was brought aboard under a PASA to assist in all aspects of penology and rehabilitation, including vocational training, records, identification of prisoners, etc. This team was reduced to three members and ultimately phased out after the cease-fire agreement was signed in January 1973.

### PARTICIPANT TRAINING

Participant training for DOC personnel was provided as follows: one in FY 68, six in FY 70, twenty in FY 71, and twelve in FY 72.

### COMMODITY SUPPORT

Dollar funding was provided through the Corrections Centers Project for commodities as follows:

FY 67 $62,000; FY 68 $676,000; FY 69 $690,000; FY 70 $41,000; FY 71 $17,000; and FY 72 $107,000.

Additionally, excess equipment was transferred from RMK-BRJ plant at Con Son Island to the Con Son Correctional Center. This was generally heavy duty equipment (crawlers, dump trucks, etc.). The value of this equipment was $852,550 (original acquisition value).

### AMERICAN AID CHAPTER (AAC) PIASTER BUDGET SUPPORT

A substantial amount of piaster funding has been provided as supplemental support to the DOC through the AAC of the national budget. Principally these funds were used in maintenance, repair, renovation, and construction of facilities as well as certain operating supplies and services. A summary of the funding for each year and identification of the major items which it provided is listed below.

| | |
|---|---|
| CY 67 VN $30,000,000 (revised) | |
| Construction vocational training shop, Tan Hiep | 500,000 |
| Construction kitchen & vocational shop, Thu Duc | 2,500,000 |
| Construction Phan Thiet Prison | 7,000,000 |
| Construction Dalat Prison | 10,000,000 |
| Construction Dinh Tuong Prison | 1,000,000 |
| Construction Hospital, Chi Hoa | 3,000,000 |
| Locally manufactured vocational training equipment | 4,800,000 |
| CY 68: VN$116,000,000 (Revised): | |
| Operating supplies and services | 1,754,000 |
| Construct replacement kitchens at: | |
| Chi Hoa | 5,000,000 |
| Phong Dinh | 4,000,000 |
| Replace hospital/dispensary/patient wards at: | |
| Chi Hoa | 9,120,000 |
| Quang Tin | 1,500,000 |
| Quang Tri | 1,250,000 |
| Darlac | 1,500,000 |
| Ninh Thuan | 1,360,000 |
| Phong Dinh | 1,736,000 |
| Bac Lieu | 1,500,000 |
| An Xuyen | 1,017,000 |
| Quang Nam | 270,000 |
| Kontum | 336,000 |
| Darlac | 400,000 |
| Dalat | 4,000,000 |
| Renovate prison centers at: | |
| DOC Headquarters | 226,000 |
| Chi Hoa | 2,000,000 |
| Con Son | 350,000 |
| Quang Tin | 350,000 |
| Binh Thuan | 545,000 |
| Pleiku | 488,000 |
| Phu Yen | 322,580 |
| Ba Xuyen | 289,000 |
| Bac Lieu | 316,000 |
| Chau Doc | 350,000 |
| Kien Giang | 476,000 |
| Quang Ngai (kitchen, housing quarters, vocational shop, defense system, general repairs) | 6,300,000 |
| Gia Dinh (Adm Office, repair housing quarters) | 3,750,000 |
| Construct re-education center Binh Thuan | 5,500,000 |
| Contruct nursery Thu Duc | 1,000,000 |
| Construct housing quarters at: | |
| Tan Hiep | 4,400,000 |
| Quang Tri | 1,721,000 |
| Thua Thien | 3,880,000 |
| Quang Nam | 3,819,000 |
| Quang Tin | 2,248,000 |
| Binh Tuy | 1,800,000 |
| Long An (housing quarters, patient wards, dispensary) | 3,217,000 |
| Kien Hoa | 390,000 |
| Thu Duc (cell B) | 4,000,000 |
| Construct work shops at: | |
| Thu Duc | 1,040,000 |
| Quang Tin | 500,000 |
| Binh Dinh | 650,000 |
| Darlac | 500,000 |
| Ninh Thuan | 646,000 |
| Tay Ninh | 444,000 |
| Binh Long | 483,000 |
| Binh Tuy | 417,000 |
| Kien Tuong | 580,000 |
| An Xuyen | 497,300 |
| Bac Lieu | 494,300 |
| Vinh Long | 543,000 |
| Chau Doc | 498,000 |
| Kien Giang | 425,000 |
| An Giang | 550,000 |
| Dalat Reformatory | 9,557,000 |
| Miscellaneous construction: | |
| Walls at DOC Headquarters | 247,000 |
| Watchtowers at Con Son | 135,000 |
| Defense system at Ninh Thuan | 200,000 |
| Defense system at Kien Tuong (phase I and II) | 639,000 |
| Guard house at An Xuyen | 188,000 |
| Defense system at Bac Lieu | 197,000 |
| Defense system at Chau Doc | 200,000 |
| Latrine at Khanh Hoa | 500,000 |
| Latrine at Darlac | 190,000 |
| Pilot center at Dalat | 633,000 |
| Additional construction costs Dinh Tuong Prison | 56,000 |
| Additional construction costs Phan Thiet Prison | 1,273,000 |
| Equipment for vocational training and industrial arts | 11,265,000 |
| CY 69: VN$40,000,000 (revised): | |
| Operating services and supplies | 2,200,000 |
| Construct kitchen and renovation, Long An | 1,100,000 |
| Construct kitchen and renovation, Tay Ninh | 1,736,000 |
| Construct kitchen and wall, renovation, An Giang | 3,319,000 |
| Construct dispensary and renovation, Ba Xuyen | 2,500,000 |
| Construct prisoner quarter, bathroom, kitchen and sewerage system, and renovation, Bac Lieu | 4,830,000 |
| Construct dispensary and renovation, Go Gong | 1,500,000 |
| Renovation Vinh Long | 479,000 |
| Construct dispensary Vinh Long | 979,000 |
| Construct kitchen, Bien Hoa | 2,580,000 |
| Construct kitchen, Kien Giang | 973,000 |
| Construct warehouse, Quang Nam | 246,000 |
| Renovate defense system, Quang Nam | 262,000 |
| Construct compound walls, Kien Giang | 376,000 |
| Renovate blockhouses, Vinh Long | 357,000 |
| Tools for carpenter shop, tailor shop, nursery and metal shop at provincial correction centers | 6,195,000 |
| Generators | 2,985,000 |
| Blankets and mats for national and Provincial centers | 6,720,000 |
| Beds, mosquito nets and mattresses for dispensaries at Ninh Thuan, Bac Lieu and Phong Dinh | 105,000 |
| Medicine chests at national and provincial centers | 36,000 |
| CY 70: VN$27,000,000 (programed): | |
| Operating supplies and services | 3,000,000 |
| Educational materials (books, paper, pencils) | 2,010,000 |
| Handicraft supplies and materials | 1,960,000 |
| Vehicle accessories for automotive vocational shops | 1,000,000 |
| Paint | 1,000,000 |
| Equipment and material for Dalat Juvenile Reformatory (cool weather uniforms, sneakers, books, toys and sporting equipment) | 8,400,000 |
| Vocational hand tools | 1,730,000 |
| Kerosene stoves for 41 centers | 5,000,000 |
| Beds, mattresses and mosquito nets for 20 dispensaries | 2,000,000 |
| Equipment for prisoner motivation research and development (PA system, protections equipment, cameras and film) | 900,000 |
| CY 71: VN$25,000,000 (programed): | |
| Educational materials for national & provincial centers | 2,000,000 |
| Handicraft training materials for national and provincial centers | 1,960,000 |
| Clothing for detainees at Dalat Juvenile Reformatory | 2,300,000 |
| Clothing for detainees at Tan Hiep Special Center | 800,000 |
| Blankets, sleeping mats and raincoats at: | |
| Dalat | 356,000 |
| Tan Hiep | 250,000 |
| Paints | 400,000 |
| Contract services for maintaining electrical systems, water pumps, generators and vehicles | 2,558,000 |
| Books, magazines and leaflets for the increased correctional effectiveness program (ICE) | 500,000 |
| Playground equipment, Dalat | 40,000 |
| Materials for musical program development for ICE | 600,000 |
| Training aids, other support requirements | 2,880,000 |
| Materials for educational/vocational training, Tan Hiep | 110,000 |
| Equipment for vocational training at national & provincial centers | 1,792,000 |
| Equipment for vocational training, Tan Hiep | 40,000 |
| Dental equipment, national centers | 1,600,000 |
| Instruments for musical program development for civil education program | 2,000,000 |
| Generators, Dalat | 30,000 |
| Projectors/screens, Dalat and Tan Hiep | 130,000 |
| Recreation equipment, Dalat and Tan Hiep | 172,000 |
| TV set, amplifiers and wire broadcasting systems at: | |
| Dalat | 80,000 |
| Tan Hiep | 180,000 |

| | |
|---|---|
| National and provincial centers | 2,782,000 |
| Construction materials/equipment for waiting house, Chi Hoa | 1,440,000 |
| CY 72: VN$69,000,000 (programmed): | |
| Recreational/educational aids/materials for vocational training | 4,125,000 |
| Blankets, mats, raincoats for inmates | 9,880,000 |
| Repair & maintenance, POL and transportation | 15,070,000 |
| Materials to increase the correctional effect program | 1,790,000 |
| Animal husbandry program | 1,105,000 |
| Training | 3,600,000 |
| Construction materials, Saigon Correction Center Hospital | 3,000,000 |
| Repair materials (cement, rebar, tile, etc.) | 9,000,000 |
| Support materials for psywar battalion program Con Son | 4,000,000 |
| Water system Con Son | 2,000,000 |
| Purchase seeds for agronomy program at centers | 300,000 |
| Tools, handicrafts projects | 4,100,000 |
| Tools, Bang Son program | 4,130,000 |
| TV sets and broadcasting system | 2,000,000 |
| Tools, automotive shops | 500,000 |
| Electric fans for prisoners | 500,000 |
| Tools for support psywar battalion program | 2,000,000 |
| Boats engines for Con Son | 1,200,000 |
| Tools for agronomy program | 700,000 |

CY 73: VN$50,000,000 (programed):

These funds were obligated 21 February 1973 and are committed to be expended for the purposes outlined in the GVN National Budget for CY 1973, Title 34, Chapter 511, Project No. 710–353.

### ASSISTANCE-IN-KIND (AIK) FUNDS

In addition to the AAC funds detailed above, AIK funds have been used in the Corrections Centers Project. Most significant use of these funds was in 1971 for the following:

| | |
|---|---|
| Construction of three 96-cell isolation units, Con Son | 47,200,000 |
| Goats for animal husbandry program, Con Son | 2,900,000 |
| Renovation and construction of isolation cells, Thu Duc | 687,000 |

Total since 1967: $6.5 million just for prisons.

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### EXHIBIT B: REPORTS AND LETTERS FROM THE QUAKER TEAM IN QUANG NGAI PROVINCE, VIETNAM, 1972

Since 1968 the Quaker Service Team in Quang Ngai Province of South Vietnam has paid frequent visits to the local prison and the prison ward of the province hospital. Besides attending urgent medical needs, they have distributed medicines regularly to patients with long term problems and provided an infant feeding program (canned milk, soup, vitamins) for children jailed with their mothers. In July, 1970 Dr. Marjorie Nelson gave testimony to the House Sub-Committee on Government Operations of the evidence of maltreatment and torture she and other members of the Team had observed. In July, 1972 Marge Nelson is remembered by a 35-year old woman in the hospital ward; a Team member observes: "Marge goes home and testifies before Congress about the torturing she witnessed at the prison, but the same woman who was tortured four years ago is still in prison and still being tortured and no one has done a damned thing about it." For years the Team has witnessed first-hand the effects of torture, and more recently, an increase in its use. In August, 1972, one member of the Team wrote to the home office of the AFSC in Philadelphia, "the police repression due to the new martial law and the mass numbers of people being arrested and tortured is at an all time high in Vietnam" and urged, "We should report truthfully and in detail what we know about this situation in the same manner we report civilian war casualties."

The main job of the Quaker Team has been to operate since 1967 a Rehabilitation Center, which is supported by the American Friends Service Committee. Free medical and nursing care, physical therapy and artificial limbs are provided each year to over 800 people, without regard to religion, political views or income, though the Center accepts only civilians for treatment. Soldiers and veterans are given priority at other rehabilitation centers. About 80% of the patients treated at the Center are old men, and women and children.

Two themes especially have filled the letters from the Quaker Team in Quang Ngai to the Philadelphia office: anguish at the U.S. government's insistence in pursing the war and prolonging the suffering , and admiration for the courage, spirit and ingenuity of the patients and staff at the Center. About three-quarters of the patients have war-caused injuries. In 1971 the Team issued a statistical summary which reported, "Of those patients willing to state clearly which party in the war caused their injury 69% placed responsibility with the Allied forces (U.S. and ARVN) and 31% indicated that the NLF caused their injuries."

With similar care the Team has recorded their experiences with the prison: To report truthfully. Following are reports of the Quaker Team of their recent (1972) knowledge of treatment of prisoners. Some of the letters discuss the difficulties the Team have encountered in their dealings with prison authorities, both Vietnamese and American. In April Team visits to the province prison were stopped. In August the Team received a letter from a province official expressing some regret that he could no longer approve of work which served only to heal the enemy.

Correspondence and reports from Quang Ngai are dated and numbered according to the Philadelphia AFSC office filing system. To protect people who might suffer retaliation from the authorities, names are changed.

The first document was prepared in October, 172 by Jane and David Barton, Field Directors, Quaker Service, Quang Ngai, and is "an overall impression" from the AFSC staff and medical personnel who have examined prisoners. Following this summary, reports and quotes from letters are presented in chronological order. To protect people who might suffer retaliation from the authorities patient/prisoner names are changed.

For the past five years the American Friends Service Committee doctors and team members in Quang Ngai have made medical visits to the Quang Ngai Prison. There has also been a diet supplement program for women being detained with their young children. Medical visits have also been carried out at the prison ward of the Quang Ngai Province Hospital. At the same time many prisoners requiring surgery, protheses, and physical therapy have been referred to our Rehabilitation Center for treatment. Due to this involvement with the prison situation in Quang Ngai, American Friends Service Committee team members have been able to gather many first-hand accounts from Vietnamese people who have been confined, interrogated, and tortured. American Friends Service Committee doctors and medical personnel have examined many patient/prisoners whose injuries appear to be directly related to the tortures they describe.

The following information was gathered from first-hand reports of prisoners and from observations made by AFSC staff in Quang Ngai concerning conditions of confinement, interrogation, and torture at the Province Interrogation Center, the Quang Ngai Prison, and the prison ward of the Quang Ngai Province Hospital:

1. Prisoners explained that during interrogation they were forced to drink large amounts of water mixed with whitewash (lime), soap, or salty fish sauce. When their stomachs became bloated, the interrogator jumped on their stomachs. One AFSC doctor examined several patients who had "petit mal" seizures and memory lapses. He felt this was due to brain damage caused by the drinking of such toxic material.

2. Prisoners also told an AFSC doctor that they were forced to lie on a table and if a prisoner didn't respond to questioning properly, the interrogator would reach underneath his rib-cage and crack or break the prisoner's ribs. This same doctor examined and had X-ray evidence of several prisoner/patients with cracked or broken ribs.

3. AFSC doctors have examined many prisoners who have complained of internal aches and pains. These prisoners often had black and blue marks, open wounds, and raw skin showing on their bodies. The prisoners claimed the injuries were caused by general beatings to their bodies—especially to the back of their necks, bottoms of their feet, and chest—with club-like sticks. For instance, on two occasions an AFSC doctor examined prisoners with chest injuries. The prison officials claimed these two prisoners had fallen down a well, but the prisoners told our doctor that they had in fact been beaten.

4. AFSC doctors have witnessed prisoners, as many as fifteen women, having emotional fits or seizures. The prisoners convulse violently, froth at the mouth, and have muscle spasms. Other prisoners try to tie their arms and legs to some stable object and hold the convulsing prisoners down so that they won't hurt themselves. One doctor witnessed as many as five prisoners convulsing, thrashing, and yelling at the same time. These fits or seizures greatly puzzled AFSC doctors who had never seen similar seizures in the United States. AFSC doctors suspected that these prisoners had experienced emotional trauma and that these seizures were either an emotional release or a subconscious attempt to avoid further interrogation and torture. Two AFSC doctors have witnessed prisoners having hysterical reactions when electric lights were turned on in the room where they were allowed to examine the prisoners. Later it was reported that these prisoners had been tortured with electricity.

5. Prisoners have claimed that during interrogation police have molested them and hit them when they would not respond to questioning. One such case is that of Nguyen thi Lang* who was interrogated for nine hours before losing consciousness. When she regained consciousness her vagina was bleeding and continued to do so for several days. Afterwards, our medical staff treated her for hysterical fits. Then she was taken from the prison ward at the hospital back to the Interrogation Center where she says the interrogators banged her head repeatedly against a wall. Examination later of her x-ray by our medical staff showed a skull fracture and brain hemorrhage. As a result, John Talmadge diagnosed that this prisoner "suffers from persistent right-sided hemiplegia and, in addition, she manifests symptoms of a complex neurological disorder." He requested that this prisoner be transferred from the prison to the hospital for treatment but no action has been taken by the prison authorities.

6. As a result of confinement, many prisoners have contracted tuberculosis. These prisoners are rarely given any medical care. In fact, our doctors have seen many cases which

they were not allowed to treat. The doctors have also noted that these prisoners were not isolated from the others, so that there was and still is much communication of TB among the prisoners.

7. The medical care given to prisoners at the Quang Ngai Interrogation Center, Quang Ngai Prison, and prison ward of the Quang Ngai Province Hospital is almost non-existent. No Vietnamese doctor or trained medical person sees any of the prisoners and there are few medicines stronger than aspirin available. In the past the AFSC doctor was allowed to make weekly visits to the Quang Ngai Prison but could examine only those patients the prison officials wished the doctor to see. The AFSC has never been allowed to visit any prisoners at the Province Interrogation Center but patient/prisoners from the Interrogation Center have been treated when they come to the prison ward of the hospital. Our doctors have had no control over the patient/prisoner's length of stay in the prison ward and many of them have been returned for further interrogation even though they were still diagnosed as seriously ill and under treatment. One example is that of Pham thi Tho, whom our medical staff discovered had a "definite and unmistakable irregularity in the rhythm of her heart" which was symptomatic of a cardiovascular problem of potentially serious consequences. In addition the patient had a three-month old fractured femur due to a bullet wound and thus was unable to walk. Our medical staff wanted to remove the bullet from this prisoner's leg and to evaluate properly the cause of her serious heart condition, but the prisoner was returned to the prison and he was unable to treat her. In efforts to treat patients at the Province Interrogation Center, Quang Ngai Prison, and the prison ward of the hospital, the AFSC staff has continually been thwarted by a lack of cooperation and humanitarian concern on the part of the Saigon government and the American advisors.

8. Prisoners who are at the Quang Ngai Province Hospital for treatment are chained to their beds by prison guards regardless of their injury. In the prison ward of the hospital patients are chained two together as well as to the bed. There they are released twice daily to hobble together to the bathroom. Three patients receiving treatment at the AFSC's Rehabilitation Center—a paraplegic, an above-knee amputee, and a fractured femur case—were all handcuffed to their beds for periods of a year and a half to two years without knowing why nor by whom they were being held captive. They had never been to the Province Interrogation Center nor to the Quang Ngai Prison. The history of their arrivals at the hospital followed a similar pattern. They were all injured in "insecure" areas, taken to the American military hospital at ChuLai for emergency treatment, then moved to the Quang Ngai Province Hospital at which time they were immediately chained or handcuffed to their beds and never questioned by police or government personnel. Proper medical care, physical therapy, and prosthetic care for these prisoner/patients were severely hindered and their recovery prolonged by this practice of handcuffing and chaining them to their beds.

The Province Interrogation Center is located in Quang Ngai city but is a seperate facility from the Quang Ngai Prison. There are always several hundred men and women prisoners at the Interrogation Center and well over a thousand at the Quang Ngai Prison. A safe estimate is that 90% of the prisoners in Quang Ngai are being held for political reasons. The severe interrogating and torturing takes place at the Interrogation Center. Most prisoners do not know the charges against them; they haven't had a trial; and they have no knowledge of the length of their jail sentence. CIA personnel in Quang Ngai have been observed frequently visiting the Interrogation Center and it is believed that they provide support and assistance to the Interrogation Center.

From numerous accounts one can conclude that the conditions of confinement, interrogation, and torture in Quang Ngai are repressive and harsh. Whereas much attention and concern has been focused on American Prisoners of War being held in North and South Vietnam, there has been relatively no interest in alleviating the suffering of the many thousands of political prisoners being held by the Saigon government. The United States must assume the major responsibility for these conditions since for many years now the United States has been financing and advising the Vietnamese institutions and personnel running the prison system for the Saigon government.

DAVID AND JANE BARTON.

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LETTER FROM THE FIELD CO-DIRECTOR, QUAKER SERVICE, QUANG NGAI TO THE COMMANDER OF NATIONAL POLICE, QUANG NGAI, MARCH 21, 1972

MARCH 21, 1972.

To: Commander of National Police, Quang Ngai.

Copies to: Senior Province Advisor, National Police Advisor.

From: Field Director, Quaker Service Rehabilitation Center, Quang Ngai.

DEAR SIR: This letter is written to inform you of a problem which makes our work at the Quaker Rehabilitation Center difficult. The American Friends Service Committee has a Rehabilitation Center in Quang Ngai in order to provide medical care, physical therapy, and artificial limbs to war-injured civilians regardless of their race, religion, or political views. Currently at our Center we are treating three patients who are handcuffed to their beds. The fact that these three patients are handcuffed to their beds and only released for short periods of time complicates our medical treatment of these patients, prolongs their recovery, and makes their living conditions disagreeable.

The most critical case concerns Tran, a paraplegic, who has been handcuffed to his bed on the Orthopaedic Ward of the Quang Ngai Hospital for 15 months. Because Tran is paralyed from the waist down he has no control over his urinary and bowel functions. This incontinent problem is obviously complicated by his being handcuffed to his bed. Also as a paraplegic patient Tran has been trained to continually change his body position while lying in bed otherwise he is likely to develop bed sores which are quite susceptible to serious infections. Such bed sores are a common cause of death among paraplegic patients. Being handcuffed to his hospital bed severely inhibits his ability to continually change positions thus increasing the likelihood of bed sores. A paraplegic patient should also exercise several times daily with his braces in our Physical Therapy Department if there is to be any progress in increasing the patient's chances for a longer, healthier life. Currently, he is only released for one or two short periods of time a day during the week to come to our Center for physical therapy. This is insufficient. Because of his paralysis Tran faces a daily struggle to survive and improve his chances for a longer, healthier life. For medical reasons and for reasons of human concern this man should not be handcuffed to his bed. Ever since arriving at the hospital, 15 months ago, he has been handcuffed to his bed not knowing why nor by whom he was being held captive.

This is the same case as with the other two patients who have also been handcuffed to their beds ever since arriving at the Quang Ngai Hospital. Both Le and PCT do not know why nor by whom they are being held. Le has had his left leg amputated above the knee and half his right foot amputated. He has been handcuffed to his bed for 11 months. He is staying at the Quaker Hostel. At the Rehabilitation Center he has been fitted for his artificial leg and he is now gait training before the leg is finished. PCT has been handcuffed to his bed on Ward C of the Quang Ngai Hospital for 13 months. He is currently receiving physical therapy at our Center because of the severe fractures to his leg and the resulting fixed knee. These two patients, Le and PCT, are also not released frequently enough to allow for proper medical, physical therapy, and prosthetic care. Because they are handcuffed to their beds except for the one or two brief periods they are released daily during the week their living conditions are uncomfortable and difficult.

As I think you can realize from these brief descriptions, the practice of handcuffing or chaining patients to their beds for long periods of time without their knowing why nor by whom they are being held causes many serious problems. I would like to respectfully request that this practice be discontinued immediately. I am most willing to be consulted and questioned further as to possible solutions to this problem.

DAVID PAUL BARTON.

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REPORT FROM THE FIELD CO-DIRECTOR, QUAKER SERVICE, QUANG NGAI, JULY 30, 1971—WOMEN IN PRISON, QUANG NGAI, VIETNAM

Recently I have been making daily visits to the prison-ward at the Quang Ngai Province Hospital with AFSC medical staff. The ward is a small room where prisoners are brought from the prison or interrogation center. The selection of those prisoners who are allowed to go to the hospital seems to be entirely arbitrary. Some prisoners are gravely ill while others have minor complaints. "Important" or "dangerous" prisoners can never go to the hospital no matter how serious their illness or injury. There are over two thousand political prisoners currently being held in Quang Ngai, but there are only eight beds in the prison ward. At two bodies a bed, that means only sixteen of these prisoners can be in the hospital at the same time. Even then they don't get treated. No doctor is assigned to or visits the ward. The nurse does change their bandages every few days, but the only medicine the prisoners are ever given is aspirin.

Many people who visit our rehabilitation center empathize with the leg-less children, but I identify most with women of my own age. I've felt particularly troubled at seeing the many young women prisoners at the hospital. These women are chained to their beds and chained together in pairs. Twice a day they are unlocked and released in order to go to the bathroom, but their ankle chains are not undone, so two of them must hobble and awkwardly drag their chains around together. Since I act as the doctor's interpreter, I talk with all the patients as we treat them. Some of the youngest women seem so sweet and naive; they even giggle and laugh a bit. Others are quiet and strong and a few look at me with hostility and hate. One young girl is now on the prison ward at the hospital because she rejected an ARVN officer. This ex-boyfriend had police friends and, in revenge, he told the police that the girl was a "VC." She was taken to the prison where they beat her and repeatedly banged her head against the wall. Later she was given electric shocks under her fingernails. She often blanked out and once when she awoke, she found blood coming from her vagina. Sometime during the torturing, she received nerve damage and she is now a hemiplegic; meaning that half of her body, the left half, is completely paralyzed from the neck down. Also, she has repeated seizures or fits during which she thrashes and convulses, foams at the mouth, and yells the things she must have told the police while she was tortured, such as, "I'm innocent. Ask my villagers, I'm not a VC." I've witnessed several of these seizures. The other prisoners seem to know when they are beginning and tie her leg and arms to the bed with soft bandages. The person who is chained to her tries to move away and someone else keeps the girl from swallowing her tongue. No one says anything. Nor is there a change in anyone's expression in the room. It seems as if the prisoners look on dispassionately, but I'm sure every scene like this increases the other prisoners' bitterness and resolve to struggle. It's well known that the best revolutionaries are made in prison.

Another woman on the ward can't lift her head. She was beaten all over her back and neck. The entire area is exposed raw skin and muscles and in some places the lacerations were so deep, they had to be stitched. Whenever I saw her, she was in a seated position with her head hung down. It wasn't until I saw her lying down that I noticed she was very pregnant; six and a half months she says. I wonder if the baby is alive.

An older woman on the ward called me over to look at herself and a fifteen year old girl. The young girl was totally vacant. She didn't hear or say anything. I kept looking at a necklace she was wearing made of round white stones. It's rare to see Vietnamese women in Quang Ngai with jewelry and it seemed particularly ironic that the police would beat this girl into a coma-like state without stealing or ripping off her necklace. She was a delicate girl in her white blouse and necklace and her hair tied back with a length of hospital gauze. The hot, soapy water the girl had been forced to drink was a toxic which has probably caused brain damage and memory lapses.

The thirty-five year old woman chained to this younger girl had also been beaten and tortured, but she was an oldtimer. She even knew Mac Si Mai (Marge Nelson, former team member/doctor) when Marge used to visit the prison. I thought, my god, Marge goes home and testifies before congress about the torturing she witnessed at the prison, but the same woman who was tortured four years ago is still in prison and still being tortured and no one has done a damned thing about it. I thought, too, about the years this woman has been in jail. Marge has returned to the US, married, finished a master's degree in public health, practiced medicine, had a baby, and talked and traveled in many countries. This woman hasn't gone anywhere or done anything. She says she has been a political prisoner for six years.

Somehow these women persevere, but I wonder if they can do it indefinitely. A Quang Ngai police official told a reporter friend of mine that the police are beginning a special campaign to pick up more women. They suspect that more women than ever are indirectly or directly working to oppose the Thieu government. I imagine that the torture and suffering we've seen at the prison and the prison hospital ward over the last five years is just a glimpse of a new era of struggle for the women of Vietnam.

JANE LEIDA G. BARTON.

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### LETTER FROM THE QUAKER TEAM IN QUANG NGAI, TO PHILADELPHIA AFSC, AUGUST 3, 1972

John, Phan and I have been visiting the prison ward at the hospital as a temporary alternative to our visiting the prison itself. There is no doubt that many of the prisoners have received cruel and inhumane treatment. Severe beatings or the forced drinking of soapy or white-wash water are the most frequent tortures. Presently we are treating a number of patients such as those I described in the article. Plus there are patients such as a woman who was shot through the chest and now has a lung abscess. Another girl had her leg set so badly, one leg is several inches shorter than the other. She now can't move the leg and thus could really benefit from physical therapy. The bullet which caused her injury is, of course, still in her leg. But worse, the young woman has a severe cardiac problem and without treatment may not have a long time to live. Because returning to prison or another beating might be fatal, we are trying to get her released though our hopes aren't high. Today we saw a new patient — a chained female prisoner who was crazy, reduced to nonsensical, bizarre behavior. The policeman-guard at the ward ridiculed and laughed at her, sarcastically asking us if we could help her. I suggested to him that she might be better if she had her freedom.

* * * * *

I think our visits to the ward have been "successful." The prisoners are interested in us and pleased we como. The most frustrating and sad aspect is that the prisoners come and go so quickly. One day we will see someone (such as a guy with pneumonia or bad case of TB) and arrive the next day with medicine, but the patient will be gone. Several of the women I wrote about have already been returned to the interrogation center. I felt fond of some and anticipated seeing them, but suddenly they disappear—their bed empty or replaced with a new prisoner.

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### LETTER FROM THE QUAKER TEAM IN QUANG NGAI TO PHILADELPHIA AFSC, AUGUST 27, 1972

Prison Program Quang Ngai: A little history. In April we received a letter from the head of the prison saying we were not allowed to visit the prison anymore for "special reasons" which we assumed, and were also informed, was the result of general tightening of security. Then in June when we returned to Quang Ngai we inquired about the reasons for not continuing our work at the prison and wrote an official letter to the Province Chief. In the meantime John Talmadge and I began making visits to the prison ward at the hospital. As I've already written, we treated a lot of mighty sick people, none of whom were being seen by a doctor.

Torturing: While examining prisoners John and I were convinced that we saw what were the results of torturing. (1) John could not determine some of this through physical examination. (2) On occasion John was able to get x-rays to confirm certain injuries such as skull fractures, cracked ribs, etc. (3) This was corroborated with direct information from the prisoners who seemed very free to tell us about the treatment of the police, especially since there wasn't a policeman/guard around a lot of the time. Naturally, the team was most disturbed and angry over the entire situation—being kicked out of the prison, the total lack of medical treatment available to the prisoners, but most of all the torturing we felt the prisoners had suffered. We decided as a team to take whatever cautious steps we could in Quang Ngai to try to correct the situation.

August 1: John, David Paul and I made a visit to see McBride, the Deputy Province Senior Advisor. We stated that the purpose of our visit was to inform him that in our work at the hospital we were seeing prisoners who we felt had been inhumanely treated and wished to bring these facts to his attention. We explained that in our work we prefer to work through Vietnamese channels and planned to see the Province Chief, but wanted the Americans to be aware of our dissatisfaction and intentions. In addition, we made sure that McBride understood the delicacy of our situation since we want to return to the prison and continue to work at the hospital. We told him not to speak to anyone on our behalf. McBride didn't have much of a response except to talk about the cruelty of Orientals. He said torturing "comes to them naturally. They're just not my kind of people." McBride assured us he would relay our conversation to Colonel Boman, the PSA.

August 9: The nurse and I were on our way to visit the prison ward when we were met by two policemen—one from the prison, the other from the interrogation center. They told us that the Quakers were not allowed to visit the prison ward at the hospital anymore. The reason was that since we no longer could see prisoners at the prison, the authorities felt we shouldn't be allowed to treat prisoners at the hospital either. One policeman said that the police and prison officials don't have "confidence" in the Quakers. He also mumbled something about not wanting the prisoners to talk to us. I didn't say much to the policemen at the time since I wanted to talk to the team first and felt, too, that the police were only conveying orders from "higher" up.

August 10: David Paul went to the Province Headquarters to try again to make an appointment with the Province Chief. They met in the hall and David said that we wanted to talk to him, Colonel Loi, about the prison situation. In essence, Colonel Loi's response was that he'd already written us a letter saying the Quakers could not continue to work at the prison "forever". Although David was polite and tried to get Colonel Loi to give him the reasons for his actions, Loi was gruff and curt with David. Loi also refused to meet us to discuss the matter personally.

That afternoon, after checking with the police-guards, John, David and I went to the prison ward at the hospital and spoke publicly to all the prisoners telling them that we were told we could no longer visit the prison ward. We said we were sorry we had to interrupt our medical treatments since we knew many of them were badly in need of medicine, but that we would try our hardest to persuade the authorities to let us continue our work. We were cautious and non-accusatory in what we said, but felt we owed an explanation to the prisoners as to why we'd suddenly terminated our daily medical visits.

August 11: Meeting with Boman: John, David and I met with Colonel Boman, the new PSA, to discuss three problems: (1) our desire to resume our medical visits to the prison, (2) our interest in continuing to work at the prison ward at the hospital, (3) the results of torturing we'd felt we'd witnessed. Colonel Boman spent a lot of time running down all the reasons why the Americans are ignorant of what is going on at the detention center and prison and why they can't change the Vietnamese system very much since the Americans are only advisors and must stay on good terms with their counterparts. Among our rebuttals was the comment that we felt that any country which could wage a war of the magnitude America has in Vietnam surely has the power and resources to change a local prison system. When we didn't seem to be getting anywhere with Colonel Boman, David Paul said that we were trying to work through the Americans and Vietnamese in Quang Ngai, but that if that didn't produce any results, we knew that the press would be interested in the problem and that we would also inform members of Congress. Colonel Boman winced a little and asked David if we were trying to scare him. David replied that we weren't. Quakers worked in the open and we did not want to do anything behind his back. We therefore were informing both the Americans and the Vietnamese about our observations about the treatment of prisoners, but that we were very disturbed over the situation so that if the Americans and Vietnamese couldn't do anything, we would act in ways we felt necessary to correct the situation as we saw it.

Letter from the Province Chief: We received the promised letter from Colonel Loi which thanked us for our past work "in this savage time of war which the communists have brought upon us." The letter went on to say, "We admire your concern for serving the people of Vietnam regardless of their color, race, religion, or politics" (a quote from our letter to him), "but those evil people who kill innocent people yesterday and today, who are treated by your organization, do not change their cruel attitude. I can not grant your request to return to work in the prison." The translation sounds a bit awkward, but even Vietnamese who read the letter were surprised at the bluntness of the implication made in the letter that by giving medical help to prisoners we were helping the communists.

*Response from Colonel Boman*: Late in the afternoon David Paul spoke to Boman again. Boman said (1) the Quaker prison program was definitely terminated (2) we would be allowed to make visits to the prison ward at the hospital (3) there would be an investigation by the Americans and the Vietnamese about our accusations that some prisoners are being tortured (4) that a Vietnamese doctor would begin making visits to the prison (the same way they do at the hospital, we thought). Colonel Boman elaborated on what Colonel Loi had given as reasons for our not continuing our work at the prison which basically focused on Loi's not liking the Quaker philosophy/politics. Boman quoted Loi as saying we spoke against the Saigon government. Colonel Loi also told Boman that he didn't understand why we wanted to visit the prison when our purpose for being in Vietnam was to do "orthopedic work." The only specific incident Loi mentioned to Boman was that once a Quaker worker told a prisoner that the VC had taken control of areas south of town and cut the highway so the hospital truck with medicines for the prisoners couldn't get through. David responded tactfully and fully to these accusations. For the second time, David explained to Boman the purposes of our work in Quang Ngai and the work of AFSC and Quakers in general. Colonel Boman listened and seemed somewhat understanding, though not in agreement, with our ideas. He had also done a little research of his own and mentioned reading a file on Marge [Dr. Nelson] and some of her testimony. "She really criticised Quang Ngai up one side and down the other, but of course, when the Americans checked into her accusations, they were all found to be untrue."

*August 12*: John and I visited the prison ward at the hospital to find that at least a third of the patients had been removed, especially the most seriously sick patients. In fact, only one prisoner who was really in need of treatment was left on the ward. The other prisoners all had minor ailments—"winds in their chests, heat in the stomach, etc." We were especially concerned to discover the two most seriously ill prisoners were no longer there—a woman with a serious heart problem and bullet in her leg and a young hemiplegic woman with a fractured skull. The police said that both these women, along with the other sick prisoners, were taken back for "further interrogation." Ironically, we had just written letters with John's signature, to the province Chief and head of the Interrogation Center asking for these two women to be released for medical treatment and that "further imprisonment will constitute a definite threat to their life and health." It seemed obvious that now that the Quakers were allowed to visit the prison ward again the police had removed all the very sick patients, particularly those whom we might suspect had been tortured. We wondered if in the future the police would "screen" (more than they do already) those prisoners who would be allowed to go to the hospital and prevent many of those who needed medical help from seeing us.

*August 14:* David Paul and I confronted Colonel Boman once again to say that we'd felt "double-crossed." Once the Quakers were let back onto the prison ward at the hospital, all of the seriously ill prisoners were removed. We gave him copies in English of the two letters we'd written about the two women prisoners who we felt were currently in danger by being back in the detention center due to their medical conditions. Boman did not make any promises to ensure that the police would not prohibit prisoners who need medical help from coming to the prison, but he did say he would check to see what the Vietnamese were doing about our requests of release of the two prisoners.

*Presently*: Colonel Boman is currently on vacation, so we've not had further word from him nor have we gotten a response to the letters about the women prisoners from the Americans or Vietnamese. Caroline or I have continued to visit the prison ward with the nurse since John's departure, but the prisoners allowed on the ward continue to only be those with minor complaints.

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## Report From the Field Codirector, Quaker Service, Quang Ngai

### NOTES ON SOME PRISONERS TREATED IN THE PRISON WARD, QUANG NGAI PROVINCE HOSPITAL DURING AUGUST, 1972

Pham thi Tho: (See following statement) 18 year old woman. Wounded in Mo Duc. Shot in the thigh and the bullet is still lodged in her leg. Her leg was set at the prison. A cast was on the leg for three months but there was a malunion so that one leg is two inches shorter than the other. While examining the patient, John Talmadge, the AFSC medical staff there, discovered that she had a very irregular heart beat, in John's words "a cardiovascular problem of potentially serious consequence." This patient was in the prison-ward with a temperature for six days, also suffered from nausea, stomach ache, and back pains. She went back to the Province Interrogation Center once for three days but returned with fever and nausea. John Talmadge felt that some of these symptoms might be related to a mild heart attack. This prisoner had also lost muscle control of her foot and leg thus finding it difficult to walk. The AFSC physical therapist, Caroline Elliot, did exercise with the patient on the prison-ward. A bracemaker measured her foot and made her special surgical shoes, but they have never been able to deliver them because the prisoner was removed from the ward. A Doctor An signed the hospital release form for this patient/prisoner but to our knowledge this doctor never visited the prison ward and never examined the patient. On the day our surgical nurse went to prepare this patient for an operation to remove the bullet from her leg, we were told we could no longer visit the prison ward at the hospital. Three days later after we lodged a protest, we were allowed back on the prison-ward of the hospital but this particular prisoner had been sent back to the Interrogation Center in spite of John Talmadge's letter fully explaining his evaluation of this patient's medical condition. Copies of this letter were sent to Colonel Boman, the Senior Province Advisor, and Ken Burns, advisor to the National Police and Vietnamese officials. Thus, they are aware of this prisoner's weakened medical condition. The guards at the prison-ward told us that this patient was a "prisoner-of-war" and had to go back to the Interrogation Center for further questioning.

Nguyen thi Lang: (See following statement) John Talmadge first saw this woman prisoner before visiting the prison ward. A physical therapist found out about the prisoner and brought her to the Center since the prisoner was continually having "fits." One of her complaints was of bleeding from her vagina. A vaginal examination was performed. Then the patient was returned to the prison. Later she was seen again on the prison-ward and she was still continuing to have "fits," as many as ten during the day and night. She was unable to move the right side of her body. Examination showed swelling on the top of her head because, she said, the police had banged her head against a wall. An x-ray was taken and confirmed that she had suffered a skull fracture with resulting paralysis to the right side of her body.

Young boy, 17 years old: Arrived at the prison ward from the Interrogation Center during the time we were not allowed to visit the ward. The boy's father came to the Rehabilitation Center to ask us to help because he had heard the Quakers were "kind." We went to the ward and the police guards were so afraid that the young boy was going to die that they let us in the ward. The boy had not gone to the bathroom for four days (urinated) and was in extreme pain. John Talmadge thought it was a block in the urinary tract but he wanted someone else's assistance on the problem, so Dr. Khai came and assisted in administering medication. Later, we were told that the young boy prisoner had been tortured with electricity attached to his penis.

Two young boys in same bed: One with a mine injury to his foot, one with a lower leg wound. Both were treated with penicillin and given crutches.

Woman six months pregnant, 34 years old: Neck and back injuries attributed to beatings received at Interrogation Center. Also said she was forced to drink soapy (lime) water solution. On the prison ward for three days then returned to the Interrogation Center.

Woman, 32 years old: Bullet wound piercing her chest and lung. X-ray showed abscess on her lung from bullet wound. We treated with penicillin but the patient was returned to the Interrogation Center before recovery.

Old, wrinkled, skinny man: Extremely swollen neck. John Talmadge diagnosed it as a glandular infection/fever. Forced to return to the Interrogation Center because the police did not have enough handcuffs to lock him to a bed on the ward. We were able to give him a shot of Bicillin, a long-acting penicillin, ordered by John Ferger. We requested that this old man be returned to the hospital for treatment. We never saw him again.

Another old man with a strange paralysis: Unable to raise or move his arms; his legs were also partially paralyzed. Prisoner kept trying to move. Other prisoners on the ward fed and cared for him. Doctor and Physical Therapist puzzled by this paralysis and its cause. In about three days this man was able to stand and he gradually improved.

Man with TB: Deep cough, spitting up blood—tuberculosis. Suggested that this man go to the public health TB clinic for tests and treatment. He remained on prison ward for six days with the above patients before being taken for tests; then he was returned to the prison.

Young man, age 23: High fever and sweating. Doctor listened to him breathe and thought this prisoner had either TB or pneumonia. The doctor saw the patient at 5:00 PM but the next morning when the doctor returned to see the patient and give some medication the prisoner had been returned to the Interrogation Center. We requested that the prisoner return for treatment to the hospital but there was no response and the prisoner was never seen again.

Young girl with white-stone necklace: She had "petit mal" seizures and stared into space. She exhibited symptoms of loss of memory. She said she had been forced to drink a white-wash, soapy solution many times while being interrogated.

Young boy, age 19: He had been shot thru the palm of his hand which had become very infected and swollen. The prison guard brought this prisoner to the Rehabilitation Center three times for cleansing and treatment of the wound. Bicillin was injected and the infection cleared up thus saving his hand which otherwise would have had to be amputated because of the worsening infection.

Young girl with grey blouse: This prisoner said she had been forced to drink water mixed with a lime/whitewash solution after which the guards jumped on her bloated stomach. She said she had also been beaten with a heavy club. She complained of pain in her chest and stomach. On three occasions this prisoner was observed having fits.

Two young girls: General complaints of aches and chest pains. They had bruises. Both had several fits.

Strong, large woman, age 45: Also complained of chest pains. Among other tortures she specifically mentioned electricity. This woman had the most dramatic "fits" or "seizures" of all the prisoners. She would thrash violently, yelling, and crying. Her entire body would rise in the air, her back arched, she would then come crashing down on her bed, sometimes causing the bed to move several feet with each violent heave. This woman's seizures would last approximately fifteen minutes.

Another older woman: This woman was chained to the above mentioned woman. This woman said she had been beaten with a club on her chest, neck, and face. Upon examination the doctor observed that her face was severely swollen, her chest and neck were bruised, and her chest x-ray showed cracked ribs. She also related that she had been forced to drink water with lime. This prisoner was unable to walk and had to be helped by other prisoners in order to go to the bathroom. This prisoner also related that she had known Doctor Marge Nelson when Doctor Nelson visited the Quang Ngai prison some fours years ago.

Man who never said anything: This prisoner's expressionless, apathetic behavior was explained by other prisoners who said that he had been tortured and beaten so long and so many times that now he didn't know anything and was always in this semiconscious state.

Crazy woman: A fairly young woman with close cropped hair. Totally nonsensical behavior, unaware of her surroundings. She moaned, moved her body rhythmically, chanted, smiled, and talked to no one. Other prisoners said she hadn't been crazy before she was put in prison. Upon examination she seemed to have nothing medically wrong with her.

Jane Leida G. Barton.

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Chi Hoa, *June 12, 1972.*

## Exhibit C: The Torture of University and High School Students

(Text of a letter of Father Chan Tin, Vice-Chairman of the Committee Campaigning for Improvement of the Prison Regime in South Vietnam presented to the Study Mission in Saigon.)

Dear Father: Up to this afternoon, the total of university and high school students arrested is more than a hundred and among them we know about 70 by name. The majority are still held at the Headquarters of the Municipal Police. All have been savagely tortured. All have had to be carried on stretchers to their cells after interrogation. Electric torture, forced drinking of soapy water, the implanting of needles in the tips of ten fingers—these are the current methods. The condition of the students now at the Headquarters of the Municipal Police is scarcely different to that of the students at the National Institute of Agronomy two years ago. Miss Nguyen Thi Yen, after a night of torture on June 9, 1972, lay unconscious. The student, Trinh Dinh Banh could neither walk, nor eat. The police had to spill milk on him forcing open his mouth. The student Vo Thi Bach Tuyet had small mice and lizards dropped on her body. All this has been reported by students who saw these deeds with their own eyes and who have just been transferred from the Municipal Police Headquarters to Chi Hoa. Taking advantage of the confusion due to the military situation and, in consequence, of the present absence of public interest in the student problems, the government has increased its arrests, its repression and its more and more savage torture.

So far as the 30 university and high school students at Chi Hoa are concerned, the government intends to deport them to the prison island of Con Son. Not long ago, the Venerable Nguyen Van Nai, one of the students arrested during the campaign against the election of the single candidate Nguyen Van Thieu was deported to Con Son without any trial.

We know that there will be university and high school students on the next boat leaving for the island. Even the families of imprisoned students have suffered repression. On the morning of June 9, 1972, two relatives coming to see students were arrested at the prison gate and imprisoned. It was even a security officer of the prison who provided that information and perhaps in a few days we will have more details.

Faced with these repressive measures, with imprisonment and with torture, we entreat you to ask leaders of the churches to intervene, if possible, by raising their voices, in the hope of being able to restrain the acts of the government. We ask you to protest in the press, and to ask other priests and teachers, especially Professor Trung and Father Can to write articles in our defence. Because of our difficult circumstances, we cannot write to all our teachers, and if you are able to see them, please give them our greetings. We hope with all our hearts that you will do everything possible at this time to help us. As for the future, shall we be still at Chi Hoa, able to write to you occasionally? Or shall we lie in the tiger cages of Con Son listening to the howling of the waves and seeing only four walls of the prison, imagining that they are the walls of our Faculty lecture rooms?

Dear Father, accept our warmest wishes for your good health.

(Name and signature omitted).

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[From the New York Times, March 3, 1973]

## Four South Vietnamese Describe Torture in Prison Tiger Cage

(By Sylvan Fox)

Saigon, South Vietnam, March 2.—A group of recently released political prisoners, reportedly spirited into Saigon secretly, described today how they were beaten, tortured and ultimately crippled during years of confinement at the Government's island prison on Con Son.

One of them, a young man, in describing his year-long detention in the tiny cells that have come to be known as tiger cages, said:

"During that time not a single day passed that we were not beaten at least once. They would open the cages and they would use wooden sticks to beat us from above. They would drag us out and beat us until we lost consciousness."

The prisoners' stories, told in a hospital room to which they had been brought by friends and relatives, reflected the plight of thousands of political prisoners held by the Saigon Government who have become the forgotten people of the Vietnam cease-fire agreement.

While the accord provides for the exchange of a small number of political prisoners identifiable as belonging to one side or the other, no provision is made for the thousands of non-Communist, anti-Government prisoners held by Saigon because it considers them politically dangerous.

No one is certain how many the Government holds. Some estimates put the figure at 20,000 to 30,000; others go as high as 200,000.

Saigon says it holds only about 5,000 "political prisoners," who, as captured Communist civil servants, come under the provisions of the Paris agreement on the return of civilian detainees. The Communists say they hold only 200 such prisoners. Each side disputes the other's contention.

No provision of the accord appears to cover those held by Saigon who are non-Communist and anti-Government and who do not want to be handed to the other side but merely want their freedom.

The four former prisoners interviewed today said they were members of a group of 124 released on Feb. 16 from Con Son, which is about 60 miles off the southern coast.

### CENTER OF CONTROVERSY

The island became a center of controversy in 1970 when two American Congressmen revealed the existence of the tiger cages, small concrete trenches with bars on top in which five to seven prisoners were cramped in a space about five feet wide, six feet long and six feet deep.

The former prisoners said they were flown to Bien Hoa, about 15 miles northwest of Saigon, and held in a police station there until Feb. 21, when they were released with orders not to go to Saigon. However, at least 11 were brought here by friends and family and deposited in the relative—if temporary—safety of a Saigon hospital.

Those interviewed assumed they had been released because they were disabled and sick; all said they were convinced they would soon be rearrested.

A Government spokesman, told of the interviews, said he could not comment without knowing the identities of those involved. He said he did not know of any recently released political prisoners.

According to the former prisoners, they had each spent about five years in custody without being tried or granted a hearing.

They denied they were Communists, although two said they were supporters of the Communist-led National Liberation Front.

One who said he was neither a Communist nor a supporter of the front was a slightly built, round-faced man, aged 23, who described himself as a Buddhist activist. He said he was a student at the Hung Dao high school in Saigon at the time of his arrest in December, 1967.

He said he was picked up by the police along with friends who, like him, had been active in what he called the anti-Government "Buddhist struggle movement."

Asserting that he was unable to walk as a result of his treatment while in custody, he related that after his arrest he was taken to the national police headquarters in Saigon and "beaten and tortured on and off for a whole year."

He described the torture as being beaten with sticks "until I vomited blood or until the blood came out of my eyes or ears," having soapy water forced into his nose and mouth, and being subjected to electric shock.

His torturers accused him of participating in anti-Government activities, he added, and "said they tortured us to punish us."

### MANACLED AND SUSPENDED

Another form of torture employed by the police, the young man said, was to manacle prisoners' hands behind their backs, then hang them from the ceiling by the manacles until they lost consciousness.

After a year in custody in Saigon, he said, he was taken to the Chi Hoa Prison in Saigon and installed in what was known as "the movie house" because it was "like a big box and it was dark like a movie theater."

"There they chained our feet and attached the chains to a pole," he continued. "There were between 50 and 100 prisoners. We had nothing to lie on, and it was filthy and dirty and cold. Every day they would open the door and send in a bunch of common criminals who would beat us with sticks and kick us."

Describing life in the tiger cages, the young man said that several prisoners died but he could identify only one by name.

A week after the Congressmen went to Con Son, he said, the inmates were put in what he called the stables—a row of structures that had housed water buffalo.

"During the time we were kept in the stables they continued to beat us viciously," he said. "One of my friends, Tran Van Tu, suffered a broken arm. Another man, Nguyen Ngo Thuong, was ferociously beaten on the head."

In December, 1970, the former prisoner related, he and about 80 other sick and disabled prisoners were flown back to Chi Hoa. "I guess I was going crazy at that time," he added, saying that he was also paralyzed.

He remained in Chi Hoa until June, 1971. The treatment there was better at that time, he said, though "once in a while they would beat us just a little."

In June, 1971, he and others at Chi Hoa were informed that they were being returned to Con Son.

"We tried to resist," he said, "saying we were still sick and needed more time to recover. We told them many of us still could not walk and many were still very sick."

But, according to his account, the jailers responded by bringing in the policemen and common criminals who threw teargas grenades into the cells. "We all choked and lost consciousness," he said.

They were put on a ship to Con Son. By then the old tiger cages had been replaced by new ones built by an American contractor and paid for by the United States.

The former prisoner said that while the cages were about the same size as the old ones, each cage housed only one person. As a result, he added, "the jailers would not beat us from above but would open the steel bars, jump in and beat us."

### DIET: RICE AND WATER

Throughout 1972 and in the first two months of this year, he said, his daily food ration consisted of "a few spoonsful of rice and a little water."

The most recent beating took place last Jan. 6 in Row A and B of the tiger cages," he said. "About 70 prisoners were seriously injured then." He explained that the beatings occurred "because we asked for more food and more water."

According to the former prisoner, a man named Le Van An was beaten to death in one of the mass beatings last May. He also asserted that in the beating Jan. 6 a Buddhist monk named Thich Hanh Tue was beaten almost to death.

"The prisoners asked that the monk be given treatment," he said, "but they ignored the request and a few days later he died."

When he and the others were released, the young man related, most were transported to various parts of the country, but 25, including him, were kept at Bien Hoa.

Other prisoners at the Saigon hospital corroborated the account with only minor personal differences. All told of torture, beatings and malnutrition.

"Each of us went thorugh a similar ordeal," a 38-year-old former prisoner commented.

## PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed 30 minutes, with statements therein limited to 3 minutes.

The Senator from Illinois is recognized.

(The remarks Senator Percy made at this point on the introduction of S. 1936, the Campaign Finance Reform Act, are printed in the Record under Statements on Introduced Bills and Joint Resolutions.)

## NONHOSTILE DEATHS

Mr. MANSFIELD. Mr. President, the distinguished assistant majority leader, the Senator from West Virginia (Mr. Robert C. Byrd), on February 13 of this year, called on the Department of Defense to investigate the high number of nonhostile deaths that occurred among American servicemen in Southeast Asia. These deaths represent a special kind of tragedy, insofar as one cannot avoid the feeling that something could have been done to prevent them.

The Department has completed its report, which shows that 10,303 Americans died not as a result of combat. It has also provided Senator Byrd with a table on the incidents of indiscipline in the Armed Forces from fiscal year 1968 through fiscal year 1972. The report was prepared under the direction of Lt. Gen. Leo E. Benade, Deputy Assistant Secretary of Defense.

Mr. President, I ask unanimous consent that an explanatory letter from General Benade, along with six tables giving the breakdown of nonhostile deaths and incidents of indiscipline, be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

### Letter From Lt. Gen. Leo E. Benade, Deputy Assistant Secretary of Defense to Senator Robert C. Byrd, May 23, 1973

Dear Senator Byrd: This is in further reply to your letter of February 13, 1973, to the Secretary of Defense concerning the number and causes of non-hostile deaths among U.S. service members in Vietnam.

As was indicated in my interim response of February 23, 1973, each Military Department was asked to review the non-hostile mortality rate in Southeast Asia and to report on their investigatory process and on their efforts to incorporate lessons learned into preventive and safety programs. After examination of these reports, I am satisfied that each of the Departments has fully recognized the seriousness of the non-hostile mortality rate and has taken significant steps to reduce those rates not only in Southeast Asia but throughout the world. In every case of non-hostile fatality resulting from other than natural causes a minimum of one thorough investigation is made to determine the cause and circumstances of the death. The information obtained serves as the basis for regular and on-going programs in the areas of: accident prevention, crime prevention, alcohol and drug abuse treatment, and mental health care. Both the number and rate of fatalities in Southeast Asia began to decline in 1970 and substantial improvements were noted in 1972. This reflects, at least in part, the success of programs instituted during earlier periods.

The attached Discussion Sheet addresses the general subject of investigative and follow-up programs for prevention of the various causes of non-hostile casualties and provides a summary of the actions taken by the Military Departments. It also specifically addresses the problems of suicide, drug-related deaths and homicide by "fragging" which have been of special concern in recent years.

On the basis of the review conducted by the Military Departments and the investigations and follow-up action already accomplished in each fatality case, I have concluded that further investigation which would entail the retrieval, reopening and re-evaluation of many thousands of individual personnel and medical records and investigative reports would not produce any significant information which is not already available.

As you have surmised, several of the categories of non-hostile deaths, especially those of "fragging" and accidental homicide (generally by accidental discharge of weapons), have been phenomena of the conflict in Southeast Asia and have abated dramatically as the Vietnam troop withdrawl proceeded toward completion.

I'm convinced that the continuing efforts of the Military Departments to prevent fatalities by accident, suicide, and homicide will be successful in further reducing the number of such deaths, and that the experience of recent years will not have an adverse effect on the development of the all-volunteer force.

Your letter also indicates a general concern for the state of discipline in the Armed Forces. In recent years the Armed Forces have experienced a difficult period with respect to the state of morale and discipline. The Services have had to contend with the same social problems which have confronted American society as a whole. Rising crime rates, drug and alcohol abuse, racial unrest and violence, as well as dissident and protest activities have all been reflected within the military community and have undeniably had some adverse effect on the state of discipline within the Armed Forces. You may be assured, however, that the state of discipline has been a matter of continuing concern to the Department of Defense.

The degree of discipline is a reflection of the collective state of mind of the members of the Armed Services and is, therefore, perceived differently by different observers. Considering the difficulties faced and the less than unanimous public support of the Department of Defense mission in recent years, the state of discipline remained generally satisfactory and never declined to the degree that alarmists have asserted.

The magnitude of the problem is not easily susceptible to quantification. There are, however, several traditional indicators which are considered pertinent and which do permit the evaluation of trends.

The number of courts-martial and non-judicial punishments indicate that such incidents of indiscipline, which had been rising steadily, peaked during Fiscal Years 1969 and 1970 and are now on a downward trend. This is true in both absolute numbers and in relation to the declining strength of the Armed Services. Absenteeism and desertion, the historical banes of military organizations, continued to rise through Fiscal Year 1971, but the trends have now been reversed. The pertinent statistics are attached for your information.

The rates of both disciplinary action and absenteeism remain unacceptably high, but the turn-around is very encouraging. Preliminary indications are that this downward trend is continuing in the current Fiscal Year. The improved situation is undoubtedly a combination of many factors, not the least of which has been the initiation of numerous programs designed to improve the quality of life for the individual service member, provide real equality in opportunity for advancement, enhance job satisfaction, and inculcate a sense of professionalism and pride in service. In addition, improved control methods in personnel acquisition and management have permitted the Services to obtain and retain higher quality personnel in terms of individual skills and motivation.

Some of the innovative programs that have accompanied the movement to an all-volunteer armed force have been criticized as indicative of an atmosphere of general permissiveness and lack of discipline. This is not accurate. The changes that have been made are intended to recognize the fact that our service personnel do not live in a vacuum and should, consistent with their discipline, health, morale and welfare, be able to enjoy the various recreational activities and outside interests available to their civilian counter-parts. During the transitional period, it is expected that these policies will continue to be closely scrutinized and will be the subject of continuing debate.

The effort to make service life more attractive and to eliminate valid sources of dissatisfaction has been coupled with a renewed emphasis on the traditional military values of professionalism, dynamic leadership and reliance on the chain of command. The emphasis is reflected in a decentralization of control which requires the non-commissioned officer corps to fulfill its traditional role as the backbone of the Armed Forces.

The maintenance of morale and discipline in the Armed Forces is of paramount importance to the Department of Defense. With the stabilization of the military establishment, it is confidently expected that the status of discipline will continue to improve and will ultimately be reflected in the creation of the finest all-volunteer armed force in the world.

It is hoped that the information provided will prove helpful to you. Your concern in this matter is shared by the Department of Defense and your continued interest in the well being of the men and women of the Armed Services and in matters of national defense is very much appreciated.

DEPARTMENT OF DEFENSE—NUMBER OF CASUALTIES INCURRED BY U.S. MILITARY PERSONNEL IN CONNECTION WITH THE CONFLICT IN VIETNAM, JAN. 1, 1961 THROUGH MAR. 31, 1973

| | 1961–62 | 1963 | 1964 | 1965 | 1966 | 1967 | 1968 | 1969 | 1970 | 1971 | 1972 | 1973 to date | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| A—CASUALTIES RESULTING FROM ACTIONS BY HOSTILE FORCES | | | | | | | | | | | | | |
| 1. Killed | 20 | 53 | 114 | 1,115 | 4,122 | 7,492 | 12,628 | 8,126 | 3,483 | 1,087 | 193 | 11 | 38,444 |
| 2. Wounded or injured: | | | | | | | | | | | | | |
| (a) Died of wounds | 1 | 5 | 4 | 103 | 576 | 978 | 1,594 | 1,164 | 552 | 160 | 23 | 3 | 5,161 |
| (b) Nonfatal wounds: | | | | | | | | | | | | | |
| Hospital care required | 43 | 218 | 522 | 3,308 | 16,526 | 32,370 | 46,799 | 32,940 | 15,211 | 4,767 | 587 | 21 | 153,312 |
| Hospital care not required | 38 | 193 | 517 | 2,086 | 13,567 | 29,654 | 46,021 | 37,276 | 15,432 | 4,169 | 634 | 34 | 150,341 |
| 3. Missing: | | | | | | | | | | | | | |
| (a) Died while missing | 20 | 20 | 28 | 150 | 307 | 904 | 368 | 118 | 184 | 132 | 83 | 16 | 2,330 |
| (b) Returned to control | 2 | 2 | 1 | 10 | 19 | 11 | 21 | 7 | 1 | 8 | 14 | | 96 |
| (c) Current missing | | | | | | | | | | | | | 1,166 |
| 4. Captured or interned: | | | | | | | | | | | | | |
| (a) Died while captured or interned | 1 | | 1 | 1 | 3 | 4 | 1 | 6 | 2 | 1 | 1 | | 21 |
| (b) Returned to control | 6 | 1 | 1 | 6 | 3 | 8 | 37 | 17 | 1 | 1 | 3 | 564 | 648 |
| (c) Current captured or interned | | | | | | | | | | | | | 81 |
| 5. Deaths: | | | | | | | | | | | | | |
| (a) From aircraft accidents/incidents: | | | | | | | | | | | | | |
| Fixed wing | 24 | 23 | 39 | 111 | 168 | 173 | 250 | 165 | 88 | 47 | 66 | 23 | 1,177 |
| Helicopter | 7 | 35 | 38 | 88 | 185 | 287 | 631 | 638 | 610 | 314 | 128 | 3 | 2,964 |
| (b) From ground action | 11 | 20 | 70 | 1,170 | 4,655 | 8,918 | 13,710 | 8,611 | 3,523 | 1,019 | 106 | 4 | 41,817 |
| Total deaths [1] | 42 | 78 | 147 | 1,369 | 5,008 | 9,378 | 14,591 | 9,414 | 4,221 | 1,380 | 300 | 30 | 45,958 |
| B—CASUALTIES NOT THE RESULT OF ACTIONS BY HOSTILE FORCES | | | | | | | | | | | | | |
| 6. Current missing | | | | | | | | | | | | | 117 |
| 7. Deaths: | | | | | | | | | | | | | |
| (a) From aircraft accidents/incidents: | | | | | | | | | | | | | |
| Fixed wing | 5 | 3 | 11 | 41 | 140 | 178 | 120 | 106 | 118 | 32 | 34 | 6 | 794 |
| Helicopter | 5 | 5 | 11 | 50 | 177 | 384 | 360 | 461 | 426 | 228 | 84 | | 2,191 |
| (b) From other causes | 13 | 28 | 26 | 268 | 728 | 1,118 | 1,439 | 1,546 | 1,300 | 708 | 136 | 8 | 7,318 |
| Total deaths | 23 | 36 | 48 | 359 | 1,045 | 1,680 | 1,919 | 2,113 | 1,844 | 968 | 254 | 14 | 10,303 |

[1] Sum of lines 1, 2a, 3a and 4a.

Source: Department of Defense OASD (Comptroller) Directorate for Information Operations, Apr. 4, 1973.

### DEATHS ATTRIBUTABLE TO DRUG ABUSE—VIETNAM

| | *DOD Number* |
|---|---|
| 1970: | |
| August | 8 |
| September | 7 |
| October | 9 |
| November | 15 |
| December | 10 |
| 1971: | |
| January | 9 |
| February | 10 |
| March | 2 |
| April | 3 |
| May | 4 |
| June | 1 |
| July | 2 |
| August | 3 |
| September | 0 |
| October | 0 |
| November (4 Heroin; 1 Chloroquine) | 5 |
| December (Heroin) | 2 |
| 1972: | |
| January (Heroin) | 1 |
| February (Heroin) | 1 |
| March (Heroin) | 1 |
| April (Heroin) | 3 |
| May (Heroin) | 2 |
| June (Heroin) | 3 |
| July (Heroin) | 1 |
| August. | |
| September. | |
| October. | |
| November. | |
| December. | |
| 1973: | |
| January. | |
| February. | |
| March. | |

U.S. ARMY VIETNAM, ASSAULTS WITH EXPLOSIVE DEVICES

| | Actual assaults | Possible assaults | Total | Fatalities |
|---|---|---|---|---|
| Calendar year: | | | | |
| 1969 | 96 | 30 | 126 | 37 |
| 1970 | 209 | 62 | 271 | 34 |
| 1971 | 222 | 111 | 333 | 12 |
| 1972 | 27 | 31 | 58 | 3 |

### ACTIONS TAKEN TO REDUCE INCIDENTS

(a) Limiting the access to grenades and similar explosives to personnel in a combat environment who have a definite need for them.

(b) Tightening accountability procedures.

(c) Using announced and unannounced inspections.

(d) Improving security procedures for storage.

(e) Opening and improving existing channels of communication between officers/NCOs and EM.

(f) Encouraging use of existing outlets for expression of grievances, e.g., IG, open door policy, human relations council, etc.

(g) Intensifying training on the lethal nature of grenades and other similar explosives to assure full understanding of their destructive potential.

NONHOSTILE CASUALTIES IN SOUTHEAST ASIA, BY CAUSE OF CASUALTY AND MILITARY SERVICE

| | Nonhostile | | | | | |
|---|---|---|---|---|---|---|
| | USA | USN | USCG | USMC | USAF | Total |
| All deaths through March 1973; cause of casualty: | | | | | | |
| Aircraft loss/crash at sea | 48 | 169 | 0 | 65 | 27 | 309 |
| Aircraft loss/crash not at sea | 2,156 | 91 | 0 | 228 | 276 | 2,751 |
| Vehicle loss/crash | 836 | 37 | 0 | 148 | 54 | 1,075 |
| Drowned/suffocated | 633 | 190 | 0 | 168 | 24 | 1,015 |
| Burns | 96 | 13 | 0 | 31 | 7 | 147 |
| Illness/OT malaria-hepatitis | 359 | 27 | 0 | 54 | 40 | 480 |
| Malaria | 75 | 2 | 0 | 40 | 0 | 117 |
| Hepatitis | 17 | 0 | 0 | 4 | 1 | 22 |
| Heart attack | 175 | 22 | 0 | 23 | 48 | 268 |
| Stroke | 33 | 2 | 0 | 5 | 2 | 42 |
| Suicide | 353 | 0 | 0 | 22 | 4 | 379 |
| Accidental self-destruction | 632 | 5 | 0 | 131 | 25 | 793 |
| Intentional homicide | 159 | 4 | 0 | 22 | 5 | 190 |
| Accidental homicide | 581 | 59 | 0 | 312 | 21 | 973 |
| Other accident | 867 | 95 | 2 | 402 | 54 | 1,420 |
| Other causes | 96 | 154 | 0 | 22 | 5 | 277 |
| Unknown or not reported | 31 | 10 | 0 | 4 | 0 | 45 |
| Total casualties | 7,147 | 880 | 2 | 1,681 | 593 | 10,303 |

INCIDENTS OF INDISCIPLINE

| | Fiscal year— | | | | |
|---|---|---|---|---|---|
| | 1968 | 1969 | 1970 | 1971 | 1972 |
| Number of courts-martial: | | | | | |
| DOD total | 89,649 | 109,355 | 91,587 | 72,376 | 52,814 |
| Rate per 1,000 | 25.2 | 31.5 | 29.8 | 25.0 | 21.0 |
| Number of nonjudicial punishments (article 15, UCMJ): | | | | | |
| DOD total | 427,142 | 459,324 | 481,885 | 419,521 | 362,736 |
| Rate per 1,000 | 120.4 | 132.6 | 157.2 | 145.1 | 144.5 |
| Number of AWOL incidents, 30 days or less: | | | | | |
| DOD total | 131,536 | 162,632 | 228,797 | 242,896 | 188,193 |
| Rate per 1,000 | 38.2 | 46.9 | 69.4 | 84.0 | 74.9 |
| Number of desertion incidents, over 30 days AWOL: | | | | | |
| DOD total | 53,667 | 73,121 | 89,088 | 98,059 | 69,260 |
| Rate per 1,000 | 15.6 | 21.1 | 27.0 | 33.9 | 27.5 |

ACCIDENTAL

ARMY FATALITY RATES

| | Fiscal year— | | | | | |
|---|---|---|---|---|---|---|
| | 1968 | 1969 | 1970 | 1971 | 1972 | 1st half, 1972 |
| Army aircraft:[1] | | | | | | |
| Worldwide (less Vietnam) | 2.18 | 2.24 | 1.22 | 2.18 | 3.95 | 2.09 |
| Vietnam | 12.66 | 10.27 | 9.82 | 10.70 | 13.46 | 2.63 |
| Army motor vehicle:[2] | | | | | | |
| Worldwide (less Vietnam) | 6.28 | 6.36 | 7.92 | 7.55 | 4.57 | 7.19 |
| Vietnam | 18.98 | 30.71 | 23.37 | 26.41 | 14.87 | 10.77 |
| Drownings:[3] | | | | | | |
| Worldwide (less Vietnam) | .18 | .17 | .19 | .20 | .19 | .22 |
| Vietnam | .79 | .77 | .85 | .99 | .44 | 0 |
| Weapons:[3] | | | | | | |
| Worldwide (less Vietnam) | .10 | .11 | .08 | .08 | .06 | 0.09 |
| Vietnam | 1.72 | 1.33 | 2.37 | 2.28 | 1.18 | .26 |
| Other:[3,4] | | | | | | |
| Worldwide (less Vietnam) | .29 | .25 | .25 | .31 | .28 | .19 |
| Vietnam | .95 | 1.11 | 1.50 | 1.28 | .74 | 1.29 |
| All categories: | | | | | | |
| Worldwide (less Vietnam)[5] | .92 | .90 | .80 | .92 | .86 | .83 |
| Vietnam | 7.26 | 6.48 | 9.04 | 8.88 | 7.48 | 3.61 |

[1] Rates based on 100,000 flight hours.

[2] Rates per 100,000 milies.

[3] Rates per million man-days.

[4] Other includes such accidental deaths as: struck by lightening, asphyxiation, burns, falls, and shop accidents.

[5] Rates based on million man-days with POV fatalities excluded from worldwide rates.

Fatality source: AR 600-10 CAS report.

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## QUORUM CALL

**Mr. MANSFIELD.** Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

**Mr. ROBERT C. BYRD.** Mr. President, I ask unanimous consent that the order for the quorum call be withdrawn.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

## ORDER FOR ADJOURNMENT

**Mr. ROBERT C. BYRD.** Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12 o'clock noon tomorrow.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

## ORDERS FOR RECOGNITION OF SENATORS, TRANSACTION OF ROUTINE MORNING BUSINESS, AND CONSIDERATION OF THE UNFINISHED BUSINESS TOMORROW

**Mr. ROBERT C. BYRD.** Mr. President, I ask unanimous consent that on tomorrow, after the two leaders or their designees have been recognized under the standing order, the distinguished assistant Republican leader, the Senator from Michigan (Mr. GRIFFIN) be recognized for not to exceed 15 minutes and that he be followed by the Senator from West Virginia (Mr. ROBERT C. BYRD) for a period not to exceed 15 minutes, after which there be a period for the transaction of routine morning business not to exceed 15 minutes with statements therein limited to 3 minutes, and at the conclusion of which the Senate return to the consideration of the unfinished business.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

## EXECUTIVE SESSION

**Mr. ROBERT C. BYRD.** Mr. President, I ask unanimous consent that the Senate go into executive session for action on nominations.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

## NOMINATIONS ON THE SECRETARY'S DESK

**Mr. SYMINGTON.** Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of the nominations reported by me and ordered to lie on the Secretary's desk.

The **PRESIDING OFFICER.** Is there objection to the request of the Senator from Missouri? Without objection, it is so ordered, and the clerk will state the first nomination.

The legislative clerk proceeded to read the nominations.

**Mr. SYMINGTON.** I ask unanimous consent that the nominations be considered en bloc.

The **PRESIDING OFFICER.** Without objection, the nominations are considered and confirmed en bloc.

**Mr. SYMINGTON.** I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

## LEGISLATIVE SESSION

**Mr. ROBERT C. BYRD.** Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

## QUORUM CALL

The PRESIDING OFFICER. Is there further morning business?

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the PRESIDENT pro tempore:

A concurrent resolution of the Legislature of the State of New Hampshire. Referred to the Committee on Veterans' Affairs:

"SENATE CONCURRENT RESOLUTION No. 4

"Resolution relative to the national service life insurance for veterans

"Whereas, The New Hampshire Legislature is concerned with the rights and benefits to which veterans of this state are and should be entitled; and

"Whereas, Any attempt to deny or curtail such rights and benefits that may have been granted is not looked upon in favor; now, therefore, be it

"Resolved by the Senate and House of Representatives concurring:

"That this legislative body desires the repealing or amending of Public Law 92-188, and other corresponding laws as enacted by the United States Senate and House of Representatives;

"Be it further Resolved, That the New Hampshire Legislature favors granting to all veterans holding an honorable discharge the privilege to reinstate their National Service Life Insurance regardless of their age or present health;

"And be it further Resolved, That the following amendments be included with any pending or future federal legislation concerning the National Service Life Insurance:

"I. That the limits of such National Service Life Insurance be increased from the present limit to the policy face value of twenty-five thousand dollars.

"II. That at no time may the value of said policy be reduced to less than twelve thousand five hundred dollars.

"III. That current dividends will be retained and applied into the rating as determined by the Veterans Administration.

"IV. That all premium costs will be adjusted into five-year periods of the age of policyholders.

"V. That it shall be optional for the policyholder to include his spouse in the amount of five thousand dollars as an insured.

"VI. That all beneficiaries must be legally notified when a request for a change of beneficiary is requested by the principal before such change is honored by the administrator.

"VII. That a reduction of premiums on existing policies be granted when the principal insured attains retirement at ages sixty-two and/or sixty-five.

"VIII. That a reduction of premiums is to be applied when the principal is required to retire due to total disability prior to ages sixty-two and/or sixty-five, as is now permitted under social security.

"IX. That it shall be permissible for any veteran to reinstate his or her National Service Life Insurance policy within two years after date of discharge from the armed forces or following the passage of the necessary legislation.

"X. That upon the expiration of the principal, a maximum sum of two thousand five hundred dollars will be allotted and made payable to the funeral director upon receipt of a bill of expenses and a copy of a death certificate.

"XI. That the balance of the face value of the policy will be payable in monthly allotments according to the age of the beneficiary and subsequent dependants until such payments exhaust the total of the remainder of the face value of the insurance.

"XII. That suicide should not be an exclusion.

"Now be it further Resolved, That certified copies of this concurrent resolution be forwarded by the secretary of state to members of the United States Senatorial and Congressional delegation from New Hampshire, the Clerk of the United States Senate, the Clerk of the United States House of Representatives, and to the President of the United States of America."

A resolution adopted by the City Council of Malden, Massachusetts, praying that the President prevent the closing of the Boston Naval Shipyard. Referred to the Committee on Armed Services.

A resolution adopted by the Sacramento County Central Committee of the American Independent Party, Sacramento, California, praying for an amendment to the election laws. Referred to the Committee on Rules and Administration.

By Mr. PASTORE (for himself and Mr. PELL):

A resolution of the Senate of the State of Rhode Island and Providence Plantations. Referred to the Committee on Agriculture and Forestry:

"S. 611

"Senate resolution memorializing Congress to review thoroughly and completely and hopefully phase out any farm price support program that might be contributing to rising food prices

"Resolved, That the members of congress of the United States be and they are hereby respectfully requested to review thoroughly and completely and hopefully phase out any farm price support program that might be contributing to rising food prices; and be it further

"Resolved, That the secretary of state be and he is hereby authorized and directed to transmit duly certified copies of this resolution to the Rhode Island delegation in congress."

A resolution of the General Assembly of the State of Rhode Island and Providence Plantations. Referred to the Committee on Armed Services:

"H. 5865

"Resolution requesting the United States Department of Defense to designate Rhode Island waters as the Atlantic Fleet home port for the Trident class submarines

"Whereas, The United States Navy will implement the Trident class submarine as a major component in the United States Atlantic Fleet anti-submarine defense; and

"Whereas, The United States Atlantic Fleet has the heavy responsibility of preventing intrusion on our eastern boundary, protecting the shipping lanes to our European allies and supplying both the United States and NATO forces with oil, weapons and expendable supplies; and

"Whereas, Rhode Island waters and Naval installations play a significant role in the operations of the Atlantic Fleet; now, therefore, be it

"Resolved, That the General Assembly of the State of Rhode Island and Providence Plantations hereby requests the United States Department of Defense to designate Rhode Island waters as the Atlantic Fleet home port for the Trident class submarines; and be it further

"Resolved, That the secretary of state be and he is hereby authorized and directed to transmit duly certified copies of this Resolution to the Secretary of the United States Navy, the Chief of Naval Operations and to the Rhode Island U.S. Senators and U.S. Representatives in Congress."

A resolution of the General Assembly of the State of Rhode Island and Providence Plantations. Referred to the Committee on Commerce:

"H. 5419

"Resolution memorializing the Congress of the United States to enact appropriate legislation for the uniform and coordinated observance of a year-round system of daylight saving time

"Whereas, A uniform and coordinated system of reckoning time throughout the several states is convenient and necessary for the proper and efficient carrying on of interstate commerce; and

"Whereas, By the 'Uniform time act of 1966' (P.L. 89-387; U.S.C. 15 section 260 et seq.), Congress provided for such a uniform and coordinated system, including the observance of Daylight Saving Time (except in those states which by law omit such observance) during the summer months, from 2:00 A.M. on the last Sunday of April until 2:00 A.M. on the last Sunday of October of each year; and

"Whereas, The benefits of Daylight Saving Time, in providing an extension of natural light into the evening hours, have been almost universally acknowledged, not only in the United States, but also in many foreign nations, some of which currently observe it on a year-round basis; and

"Whereas, The return each fall to Standard Time, whereby winter sunset occurs at 5:00 P.M. and earlier in most latitudes of the United States, causes an undesirable encroachment of darkness upon the latter part of the active day, requiring an unnecessary and undesirable drain upon valuable and increasingly scarce power resources to supply artificial light, creating conditions hazardous to vehicular and pedestrian traffic during a peak travel period, and offering unduly propitious conditions for violent and predatory criminal acts upon the streets and thoroughfares of many urban areas; and

"Whereas, The value of Daylight Saving Time as a conservation measure, reducing the consumption of fuel for power generation (and the concomitant effusion of pollutants), was recognized by the Congress in providing for year-'round observance of this time reckoning during the war emergency period from February, 1942, to October, 1945; and

"Whereas, Urgent current needs for conservation of energy sources, control of pollution, deterrence of street crime and reduction of the human suffering and property damage due to accidents combine to support the advisability of a permanent year-'round advance in the system of time reckoning; and

"Whereas, Resolutions substantially identical to this have been submitted for the consideration of the Legislatures of the several states comprised, in whole or in part, in the Eastern Time Zone, for the purpose of permitting and encouraging a uniform expression and representation to the Congress by the said states acting in concert; now, therefore, be it

"Resolved, That the house of representatives memorializes congress to enact appropriate legislation for the uniform and coordinated observance of a year-'round system of Daylight Saving Time; and be it further

"Resolved, That the secretary of state be and he hereby is authorized and directed to transmit a duly certified copy of this resolution to the members of the Rhode Island delegation in the congress of the United States, the vice president of the United States and the speaker of the house of representatives of the United States."

A resolution of the Senate of the State of

Rhode Island and Providence Plantations. Referred to the Committee on Finance:

"S. 347

"Senate resolution memorializing Congress to grant all veterans early retirement under our social security laws in accordance with their numbers of years of military service

"Whereas, Manuel Cabral, Jr., a resident of East Providence, Rhode Island has urged our congressional delegation to sponsor legislation authorizing all veterans to retire early under our social security laws in accordance with their numbers of years of military service, and

"Whereas, such plan would in a small way restore the years that these veterans spent in military service and give them an opportunity to pursue their own activities during an early retirement.

"Resolved, that this Senate memorialize congress to grant all veterans early retirement under our social security laws in accordance with their numbers of years of military service.

"Resolved, further that copies of this resolution be sent to our Congressional Delegation in Washington, D.C."

A resolution of the State of Rhode Island and Providence Plantations. Referred to the Committee on Finance:

"H. 5150, SUBSTITUTE A

"Resolution memorializing Congress to enact legislation which would exempt certain amounts of income received from pensions from the Federal income tax

"Resolved, That the members of congress of the United States be and they are hereby respectfully requested to enact legislation which would exempt up to $5,000.00 of the income received from pensions from the Federal Income Tax. This exemption is to apply only to those persons whose entire income is derived solely from pension funds; and be it further

"Resolved, That the secretary of state be and he is hereby authorized and directed to transmit duly certified copies of this resolution to the senators and representatives from Rhode Island in the congress of the United States."

A resolution of the State of Rhode Island and Providence Plantations. Referred to the Committee on Finance:

"H. 5761

"Resolution memorializing the Rhode Island delegation in Congress to support legislation which grants a Federal income tax credit to homeowners or renters who are 62 years of age or older and who earn $5,000 a year or less

"Resolved, That the Rhode Island delegation in Congress support legislation which grants a federal income tax credit to homeowners or renters who are 62 years of age or older and who earn $5,000 a year or less; and be it further

"Resolved, That the secretary of state be and he hereby is authorized and directed to transmit a duly certified copy of this resolution to the Rhode Island delegation in Congress."

A resolution of the General Assembly of the State of Rhode Island and Providence Plantations. Referred to the Committee on Finance:

"S. 219

"Resolution memorializing Congress to enact the Mills' bill which provides for a $200 tax credit to parents who have children in private schools

"Resolved, That the general assembly of the State of Rhode Island and Providence Plantations hereby memorializes the Congress of the United States to enact the Mills bill which provides for a $200.00 tax credit to parents who have children in private schools; and be it further

"Resolved, That the Secretary of State be and he hereby is authorized and directed to transmit a duly certified copy of this resolution to the members of Congress from Rhode Island."

A resolution of the State of Rhode Island and Providence Plantations. Referred to the Committee on Foreign Relations:

"S. 265

"Resolution memorializing Congress to extend the off-shore twelve-mile limit to two hundred miles

"Resolved, That the members of Congress of the United States be and they are hereby respectfully requested to enact such legislation to extend the off-shore twelve-mile limit, so-called, to two hundred (200) miles from the continental coast surrounding this nation; and be it further

"Resolved, That the secretary of state be and he hereby is respectfully requested to transmit to the senators and representatives from Rhode Island in the Congress of the United States duly certified copies of this resolution in the hope that they will exert every effort to effect its purpose."

A resolution of the State of Rhode Island and Providence Plantations. Referred to the Committee on Foreign Relations:

"H. 5323

"Resolution memorializing Congress to extend the off shore twelve mile limit to two hundred miles

"Resolved, That the members of Congress of the United States be and they are hereby respectfully requested to enact such legislation to extend the off shore twelve mile limit, so called, to two hundred (200) miles from the continental coast surrounding this nation; and be it further

"Resolved, That the secretary of state be and he hereby is respectfully requested to transmit to the senators and representatives from Rhode Island in the Congress of the United States duly certified copies of this resolution in the hope that they will exert every effort to effect its purpose."

A resolution the General Assembly of the State of Rhode Island and Providence Plantations. Referred to the Committee on Interior and Insular Affairs:

"S. 337

"Resolution memorializing the Congress and the President of the United States to establish a National Energy Commission

"Whereas, The recent curtailment of available public energy in Rhode Island serves to illustrate again the immediate need for the United States to set up a workable energy policy; and

"Whereas, There has been much lip-service given to the concept, and many have used its proposed development as a way of not facing the difficulties associated with the production, use and abuse of energy in our country; and

"Whereas, Here in the northeastern region of the United States, and specifically in Rhode Island, we cannot afford the luxury of waiting for these rational policies any longer; and

"Whereas, It is time some policies were established which would enable the general public to better understand the role of energy in their lives and the policy open to us; and

"Whereas, We need to know the probable trend of future energy prices, including the impact of this trend on the individual and on industry. We need to know the differences between resources in the ground and productive capacity and what it will take in capital, management, labor, and environmental costs to provide the desired capacity; and

"Whereas, We need to have the facts separated from the myths of the energy 'crisis'. For instance, will electricity really be in short supply in fifteen years? In five years? Will some sections of the country continue to experience heating-oil and gas shortages? Can the demand for energy be reduced? What solutions are available to us on a short-term basis—on a long-term basis? And

"Whereas, In brief, we need a well thought out, easily stated plan and policy for the production and use of energy. We do not have one now, at least not one that is readily defined and discussed, and we need one; now therefore be it

"Resolved, That this General Assembly of the state of Rhode Island hereby recognizes the need for this vital national energy policy; and be it further

"Resolved, That this general assembly respectfully requests and urges the President of the United States, the Congress and all other official bodies charged with the responsibility of determining one's needs to adopt such a policy as soon as possible; and be it further

"Resolved, That the secretary of state be and he hereby is authorized and directed to transmit duly certified copies of this resolution to the President of the United States and the members of Congress from Rhode Island."

A resolution of the State of Rhode Island and Providence Plantations. Referred to the Committee on the Judiciary:

"H. 5824

"Resolution memorializing the congress of the United States to repeal the public law which makes the reading and writing of English a prerequisite to obtaining American citizenship and substituting in its place an oral examination

"Resolved, That the members of Congress of the United States be and they are hereby respectfully requested to repeal the public law which makes the reading and writing of English a prerequisite to obtaining American citizenship and substituting in its place an oral examination; and be it further

"Resolved, That the secretary of state be and he is hereby respectfully directed to transmit duly certified copies of this resolution to the senators and representatives from Rhode Island in congress of the United States."

A resolution of the State of Rhode Island and Providence Plantations. Referred to the Committee on Labor and Public Welfare:

"H. 5669

"Resolution memorializing Congress to provide funds for the construction of schools of nursing

"Whereas, Year after year the burden on Rhode Island's already overtaxed health care systems has increased; and

"Whereas, Because of this increase it is imperative that the State of Rhode Island be in a position to insure to the people of this state that an adequate number of properly trained nurses be available to serve those hospitalized; and

"Whereas, Congress has had the foresight to make matching funds available for the construction of new schools of nursing; and

"Whereas, Through the diligent efforts of the Statewide Community Planning Committee for the Study of Nursing and Nursing Education in Rhode Island, the Board of Regents for Education has approved the construction of a school of nursing at the University of Rhode Island; now, therefore, be it

"Resolved, That congress be memorialized and respectfully requested to make matching funds available for the construction of a school of nursing at the University of Rhode Island; and be it further

"Resolved, That the secretary of state be and he is hereby respectfully requested to transmit duly certified copies of this resolution to the senators and representatives from Rhode Island in the congress of the United States."

A resolution of the State of Rhode Island and Providence Plantations. Referred to the Committee on Post Office and Civil Service:

"S. 421

"Resolution memorializing Congress to issue a stamp with the new Slater Mill Complex of Pawtucket, Rhode Island, on the Stamp

"Whereas, The evolution of the mill Samuel Slater built in 1793 marks an important era in American history; and

"Whereas, The birth of the industrial revolution in America which reshaped the face and fabric of the entire world took place at the Old Slater Mill; and

"Whereas, The Old Slater Mill is the first factory in the United States to use industrial machinery successfully; and

"Whereas, The New Slater Mill Complex has been expanded to include the Sylvanus Brown House, an urban textile worker's home which was carefully reconstructed; and

"Whereas, The Oziel Wilkinson Mill is scheduled to open next June with a replication of a 19th-century machine shop and blacksmith shop; now, therefore, be it

"Resolved, That the members of the Congress of the United States be and they are hereby respectfully requested to authorize the issuance of a stamp with the New Slater Mill Complex of Pawtucket, Rhode Island on the stamp; and be it further

"Resolved, That the secretary of state be and he hereby is authorized and directed to transmit a duly certified copy of this resolution to the senators and representatives from Rhode Island in Congress of the United States."

A resolution of the State of Rhode Island and Providence Plantations. Referred to the Committee on Public Works:

"H. 5427

"Resolution memorializing Congress to study the feasibility of providing Federal funding for solid waste disposal projects

"Resolved, That the members of Congress of the United States are hereby respectfully requested to study the feasibility of providing federal funding for solid waste disposal projects; and be it further

"Resolved, That the secretary of state be and he hereby is authorized and directed to transmit duly certified copies of this resolution to the senators and representatives from Rhode Island in the Congress of the United States."

## REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

S. 978. A bill to amend the Federal Trade Commission Act (15 U.S.C. 45) to provide that under certain circumstances exclusive territorial arrangements shall not be deemed unlawful (Rept. No. 93–188).

By Mr. FULBRIGHT, from the Committee on Foreign Relations, with amendments:

S. 1443. A bill to authorize the furnishing of defense articles and services to foreign countries and international organizations (Rept. No. 93–189), together with minority views.

By Mr. SPARKMAN (for Mr. STEVENSON) from the Committee on Banking, Housing and Urban Affairs, with an amendment:

S. 1636. A bill to amend the International Economic Policy Act of 1972 (Rept. No. 93–190). Referred to the Committees on Finance and Foreign Relations for a period not to extend beyond June 20, 1973.

By Mr. BAYH, from the Committee on the Judiciary, with an amendment:

S. 1115. A bill to amend the Controlled Substances Act to provide for the registration of practitioners conducting narcotic treatment programs (Rept. No. 93–192).

By Mr. BAYH, from the Committee on the Judiciary, with amendments.

S. 645. A bill to strengthen interstate reporting and interstate services for parents of runaway children; to conduct research on the size of the runaway youth population; for the establishment, maintenance, and operation of temporary housing and counseling services for transient youth, and for other purposes (Rept. No. 93–191), together with additional views.

Mr. MAGNUSON, from the Committee on Commerce, without amendment:

S. Res. 108. Resolution authorizing additional expenditures by the Committee on Commerce for inquiries and investigations. Referred to the Committee on Rules and Administration.

## EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

David H. Popper, of New York, a Foreign Service officer of the class of Career Minister, to be Assistant Secretary of State;

Gerald F. Tape, of Maryland, to be the representative of the United States of America to the International Atomic Energy Agency, with the rank of Ambassador;

Matthew J. Harvey, of Maryland, to be an Assistant Administrator of the Agency for International Development;

Kenneth A. Guenther, of Maryland, to be Alternate Executive Director of the Inter-American Development Bank;

William B. Dale, of Maryland, to be U.S. Executive Director of the International Monetary Fund;

Charles R. Harley, of Maryland, to be U.S. Alternate Executive Director of the International Monetary Fund;

Hobart Lewis, of New York, to be a member of the U.S. Advisory Commission on Information; and

J. Leonard Reinsch, of Georgia, to be a member of the U.S. Advisory Commission on Information.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. SYMINGTON. Mr. President, as in executive session, from the Committee on Armed Services, I report favorably the nominations of 868 in the grade of captain and below—822 permanent Regular Navy—748 of which are midshipmen—Naval Academy; 33 temporary Regular Navy; 5 permanent Reserves and 8 temporary Reserves, and in the Army, 244 appointments in the grade of major and below—includes distinguished military students; scholarship students and cadets graduating class of 1973 U.S. Military Academy.

Since these names have already appeared in the CONGRESSIONAL RECORD and to save the expense of printing on the Executive Calendar, I ask unanimous consent that they be ordered to lie on the Secretary's desk for the information of any Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. JOHNSTON (by request):

S. 1934. A bill to promote economic development of the territory of American Samoa. Referred to the Committee on Interior and Insular Affairs.

By Mr. PROXMIRE:

S. 1935. A bill to amend section 102 of the National Security Act of 1947 to prohibit certain activities by the Central Intelligence Agency and to limit certain other activities by such agency. Referred to the Committee on Armed Services.

By Mr. PERCY:

S. 1936. A bill to provide for better control and reporting of political contributions and expenditures in Federal elections. Referred to the Committee on Rules and Administration.

By Mr. FANNIN:

S. 1937. A bill to amend the act of September 22, 1961 (75 Stat. 577), so as to authorize the Secretary of the Interior to contract for the sale, operation, maintenance, repair, or relocation of certain Government-owned electric utility systems constructed and operated as a part of any irrigation system. Referred to the Committee on Interior and Insular Affairs.

By Mr. DOLE (for himself, Mr. CURTIS, Mr. YOUNG, and Mr. BELLMON):

S. 1938. A bill to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning July 1, 1974. Referred to the Committee on Agriculture and Forestry.

By Mr. MONDALE:

S. 1939. A bill to prohibit pyramid sales transactions, and for other purposes. Referred to the Committee on Commerce.

By Mr. ERVIN (by request):

S. 1940. A bill to establish a fund for activating authorized agencies, and for other purposes. Referred to the Committee on Government Operations.

By Mr. TOWER:

S. 1941. A bill to foster and promote the establishment, preservation, and strengthening of minority business enterprise. Referred to the Committee on Banking, Housing and Urban Affairs; and, if and when reported by that committee, to the Committee on Labor and Public Welfare, by unanimous-consent order entered May 23, 1972.

By Mr. FULBRIGHT (by request):

S. 1942. A bill to enable the United States to contribute its share of the expenses of the International Commission of Control and Supervision as provided in article 14 of the Protocol concerning the said Commission to the Agreement on Ending the War and Restoring Peace in Vietnam. Referred to the Committee on Foreign Relations.

By Mr. PACKWOOD:

S. 1943. A bill to establish the Cascade Head Scenic-Research Area in the State of Oregon, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. PROXMIRE:

S. 1935. A bill to amend section 102 of the National Security Act of 1947 to prohibit certain activities by the Central Intelligence Agency and to limit certain other activities by such Agency. Referred to the Committee on Armed Services.

### TIME FOR REVIEW OF INTELLIGENCE OPERATIONS

Mr. PROXMIRE. Mr. President, on April 10, I first spoke about the role of the U.S. intelligence community in our Government and domestic life. At that time I talked about the historical need for intelligence to overcome the barriers nations erect to the free flow of ideas and technology. I discussed the National Security Act of 1947 to determine just what Congress had in mind when this broad legislation was enacted. And then I went into the question of possible "spillover" effects coming from the use of clandestine techniques overseas. In recent days, the Watergate story has unfolded in sufficient detail to shake all of us into concern about the dangerous consequences of domestic intelligence operations for political purposes.

My original speech also detailed the composition of the intelligence community and made certain recommendations regarding more efficient practices.

Let us now take a close look at what has become the most alarming aspects of the intelligence process—domestic and foreign programs that are called covert operations or "dirty tricks" and include espionage and subversion of foreign governments.

Nothing in this speech comes from classified sources. I have pieced together my information from public documents and open conversations with Government officials.

Since a great deal of the following analysis hinges on drawing distinctions between various activities, I must rely to some degree on language that has precise meaning within the intelligence community. Wherever used I will attempt to clarify the meanings of such terms as covert action or intelligence collection.

### THE STRUCTURE OF THE CLANDESTINE SERVICES

The Central Intelligence Agency is divided into Directorates by function. Until recently, these were called the Directorate of Plans, the Directorate of Intelligence, the Directorate of Support and the Directorate of Science and Technology, or as abbreviated: DD/P, DD/I, DD/S, and DD/S. & T. standing for the four Deputy Directors serving under the Director of Central Intelligence and his Deputy Director. For the purposes of this speech, I will concentrate mainly on the DDP, that is, Directorate of Plans now renamed DD/O for Directorate of Operations.

Thus the CIA is several organizations under one roof. The DD/I—Intelligence—and DD/S. & T.—Science and Technology—deal with intelligence collection as opposed to intelligence operations. The DD/O—Operations—and its support elements in DD/S—Support—carry out covert action programs. There has been a great deal of discussion about the propriety of this arrangement linking the analysis and covert activities and I will deal with the arguments later.

Authority for approving and continuing programs and other activities that are sensitive—meaning the potentiality of embarrassment or compromise—rests with a Cabinet-level committee composed of representatives of the Department of Defense, Department of State, White House National Security Adviser, Joint Chiefs of Staff, and the Director of Central Intelligence. This informal committee which meets several times a month has been called by many names including the 54/12 Group, Special Group, the 303 Committee—named after a room number in the Executive Office Building—and more currently the 40 Committee after a national security decision memorandum with the same numerical designation.

In theory, proposals for covert action programs are presented to the 40 Committee after being worked out by the participating agencies at a lower level. Then the 40 Committee gives its approval or rejects the concept or requires modifications in the original plan. Most projects, however are well coordinated by the time they get to the 40 Committee.

The primary need for the 40 Committee and its authority to initiate covert action programs is the stated requirement to provide the President with methods of accomplishing foreign policy objectives without attribution to the United States.

We have come a long way from Secretary of State Stimson's comment that gentlemen do not read other peoples's mail. The modern world is far more complex now. More barriers to the flow of information have been erected. I believe that there are occasions when this Government must for its own protection use techniques that are by domestic U.S. standards extra-legal. But there must be adequate control over the exercise of these aspects of our foreign policy or we will find ourselves gripped in an interminable cycle of false information and foreign intervention. These controls have been painfully inadequate. For this reason it is necessary to take a hard look at what distinctions can be drawn between activities that are necessary for national security and also productive and those that create situations that actually erode our national security.

In practice, it appears that the 40 Committee mainly approves activities coordinated at lower levels. If a promising operation can be coordinated at a working level where the concept originates, it often rises through the intelligence community with little critical challenge until it arrives at the 40 Committee. There because it has been reviewed by the "experts" it is frequently approved. Result: a serious effect on U.S. policy.

Having the 40 Committee consist of high level officials is supposed to be a safeguard against the initiation of activities actually detrimental to the national interest. It is presumed but never stated that major decisions of the 40 Committee are then checked with the President. The reason for the lack of substantiation of this latter point is clear. The President is insulated from any direct association from such illegal activities so that in time of crisis such as a "blown"—exposed—mission, he can deny knowledge of the entire affair. Again and again this is the most important point of many covert action programs—the insistence that the President be insulated from any damaging effect, regardless of his prior knowledge or role in the command process. Thus when a crisis occurs, say with the U-2 affair, the President has the option of denying the whole thing and preserving his innocence by placing the blame on others. President Eisenhower chose to take responsibility for the U-2 incident, a move that many intelligence specialists criticized as unnecessary and a bad precedent. In my view, as I will develop later, President Eisenhower was absolutely right.

Once a decision is reached and approved by the 40 Committee and White House, the resources of the DDO or as it is sometimes called the Clandestine Services—CS—are put into action. These resources are enormous and consist of worldwide depots of equipment and arms, numerous communications networks, arrangements with front organizations for providing support, working associations with the military departments which can supply men, material, and the normal complement of case officers—the designation for DDO professional personnel as opposed to agents which are those recruited by case officers.

It can be said that the Agency—CIA—probably can carry out a middle- or low-level operation with more skill and speed than any other arm of the Government. There is less bureaucratic interference and the lines of communication are much quicker. With regard to high level operations of the size of an invasion, the CIA's record is marginal. But, paramilitary activities are a distinct part of the Agency's resources.

There is far less command and control of covert operations than should be the case.

Here is why:

First. The 40 Committee's control is only absolute in the sense of a final decision but not in the shaping of policies regarding the initiation of such activities or for that matter how they will affect the long-range interests of the country.

Second. There is a tendency for those in the business to fall into the mental state of acquiesence in the propriety and necessity of such operations and thus provide no effective restraint.

Third. In all of this, Congress plays absolutely no role. While Congress may be funding a certain international program, the 40 Committee could be deciding to impede that same program in a certain country for other reasons.

Fourth. Small operations have a way of becoming major operations even without 40 Committee oversight.

### JUDGING THE RELATIVE IMPORTANCE OF INTELLIGENCE COLLECTION PROGRAMS

Intelligence comes from varied sources. It can be categorized in the following manner:

First. Open sources such as newspapers, periodicals, translated foreign literature, and radio broadcasts;

Second. Satellite derived intelligence used for mapping, targeting observation of military construction, industrial capacity communications, and military deployments;

Third. Technical collection techniques—intercept of signals, electronic emissions, communcations, and radar data;

Fourth. Human resources such as defectors, agents in place, interviews with selected travelers, immigrants, and foreign government officials.

It is often stated that the bulk of all intelligence comes from open sources that are refined and analyzed. In terms of quantity this probably is true. The really significant intelligence, however, now comes from satellites and technical collection devices.

Reconnaissance activities provide high confidence data about military and economic questions of the highest importance such as missile deployments, submarine development or industrial construction. By far and away this is the most important category of intelligence information.

Somewhat below this in importance are the other technical programs which provide scientific data of interest for specialized purposes. Interrogating radar systems would be one example. Other signals might give information about missile characteristics or ABM developments. Intercept of communications, part of a category of intelligence referred to as Comint or Communications Intelligence, once was a very important source of information but with the countermeasures now available such as land lines and encoding devices, Comint is more difficult to obtain and process.

Human resources comprise this last category. Human resources refers to any traditional spy activities that involve the direct use of human beings as opposed to technical devices. The recruitment of foreign government officials, the espionage of military secrets by travelers, the forced entry into offices to obtain data, the establishment of spy rings, all are examples of human resource programs.

By any measure of cost effectiveness, human resources simply do not produce the quantity and quality of reliable data necessary for their justification. About 60 percent of the CIA budget continues to go into human resource programs.

The argument has been made that even though human resources provide little information of value compared to technical and satellite data, what they do provide in a few instances might be of the most significant and valuable of all—that of political or military intentions. Hardward programs can be observed by reconnaissance but a camera cannot look into a man's mind.

But factual data about intentions is so illusive and fragmentary that it is almost nonexistent. Knowledge of adversary intentions requires a source of reliable information at the highest levels of a foreign government such as the U.S.S.R. or People's Republic of China. Human resources of this quality and rank are rare indeed. We have heard about Colonel Penkovsky and certain other defectors and agents in place, but it is the consensus of many experts that high level human resources are few and far between, and provide a pathetically inadequate payoff.

### DRAWING A DISTINCTION BETWEEN COVERT ACTION PROGRAMS AND INTELLIGENCE COLLECTION PROGRAMS

What is the difference between intelligence collection and covert action "cloak and dagger" programs? At times the distinction may be hazy. Both are done within the intelligence community but Congress can act to separate and define the two areas of activity.

Intelligence collected by covert means including the satellite, technical devices and human resources mentioned above qualifies as intelligence collection. It involves the acquisition by open and extralegal means of information determined necessary to national security. Requirements are established to guide this type of collection within given priorities.

The following are examples of selected information acquired by intelligence collection:

Photography, space and missile signals, economic data, power elite and political party data;

Military construction, deployments, research and development, troop movements;

Industrial capacity, communications capabilities, food production; scientific information; mapping, geological, climatic data.

In short the collection of all information that could possibly be useful to policymakers. The means of collection might be covert "cloak-and-dagger."

One distinction: With intelligence collection there is a conscious decision to obtain the information without influencing the source or its content. Such is not necessarily the case with covert action programs.

Covert action involves a more intrusive role than the passive acquisition of science or economic data or even the information supplied by agents in place. Covert action could involve any of the following types of activities:

Paramilitary operations in support of foreign governments or dissident forces; financial support for individuals, governments, unions, political parties or other internal organizations;

Operations in support of political allies such as acquiring politically damaging information or the creation of such information or the supplying of internal security techniques and equipment;

Exchange programs for social, economic or long term political reasons; economic manipulations of companies, governments, commodity supplies.

One characterization of all covert action programs is their deniability. They must be clearly separable from official U.S. Government sanction. Instead of pure collection of information, covert action programs are designed to influence future events or alter the expected course of events in foreign countries to the benefit of the United States.

### ACCOUNTABILITY: ASSET OR LIABILITY?

The principle of a plausible deniability is critical to any covert operation. I relate to the capability of our Government to know what the CIA has been doing. If it were not a problem then operations could be carried out in the open. But since many operations would be considered either illegal, immoral, hostile, or be greatly embarrassing in the target country, they must be done without overt relationship to the U.S. Government.

There are certain "backstops" built into a covert operation. An American presence is kept at a low level.

Native personnel are used where possible. Third countries may be co-opted to participate and other devices used so as to preclude any tie in with the United States.

In the event that an operation is blown and it becomes known that some American has participated, there are two further ploys to use. First, the U.S. Government can disassociate itself from the blown operation by stating that it was not sanctioned. Arrangements then would have to made to see that the U.S. personnel involved could be provided assistance. In the meantime, all affiliation with the CIA would be denied. Such was the case with John Downey and Richard Fecteau held captive by the People's Republic of China since the 1950's.

As a second fall back position, in an extremely serious case, it may be necessary to admit U.S. responsibility but deny that the President had anything to do with it, thereby attempting to salvage his prestige and reputation. The choice then is up to the President whether he wants to admit responsibility or continue to bluff his way through the crisis. This situation occurred with President Eisenhowever and the U-2 affair.

I think the whole notion of deniability should be reconsidered very carefully by Congress and all our Government. It is one that could get us into the deepest kind of trouble.

President Eisenhower, to his enduring credit, flatly refused the deniability option and manfully assumed responsibility for the U-2 flights, although in doing so he endangered vital negotiations at that time with the U.S.S.R.

This brings up the critical point. Should there be clear accountability by the President? Mechanisms have been established for foreign operations which protect the President from failures and embarrassment. He can shift the blame to other people or organizations. The CIA for example, has long been known as an organization willing to assume the public blame for operations approved by the President that ended in failure.

In this Senator's view there is never justification for a lie by anyone including, and I might say especially by, the President of the United States. Such deliberate, planned "official" lies undermine the credibility of the Government. The coverup becomes a way of life. It is a corroding compromise with integrity.

What is more, it is stupid because it frequently does not work. It is not believed and when it is exposed as a lie, the loss of faith in government is far greater then any gain.

In domestic affairs the use of "plausible denial" could be a most insidious antidemocratic political device. As in so many other areas of covert activities, the major fear is that a commonly accepted technique used abroad will become so successful that it is only an easy moral judgment away from application in the United States.

Six men sitting around a table week in and week out discuss various covert foreign operations. They are masters at the techniques of deception, intrigue, espionage, covert action. One day they receive a suggestion, couched in terms of national security that involves the use of these same techniques domestically. The suggestion comes from the White House, maybe even the President. They have all served the White House, regardless of its occupant for their entire lives. It is the center of power from which they draw their authority. It is the justification of their lives. How do they answer?

This fictionalized portrayal is not intended to be taken literally. But it makes the point. There are vast unrestrained powers within the executive department that may someday threaten more than some foreign nation.

One additional aspect of accountability needs to be explored.

It may be possible that the delegation of authority in such matters as intelligence collection and covert action programs has gone so far down from the President that he has no functional control over many of these programs. In the delegation of authority rests an immense commitment of trust. If subordinates are trusted and events seem to be moving well, a President could be insulated from those decisions taken in his name that have widespread and damaging consequences. I do not think this is a very realistic situation but it is an outside possibility.

I think we should be aware of this, because too few of us appreciate how very busy the President is, how involved he is in many areas, how distraught any President must become because the demands on his interest and his time are so enormous.

Congress has no way of knowing any of these things because Congress never has exercised any real control over the intelligence community. We have all thought that this was an area in which national security interests naturally limited congressional participation. We have left it to the experts. We have handled it with informal relationships and secret meetings and inadequate staff work. We have looked the other way. And we have paid the price.

We agonize over an appropriation of $1 million, and I do that as much as any. But we calmly let $4, $5, or $6 billion slip through our fingers without so much as one critical question on the floor of the Senate.

There are certain matters that pertain to the intelligence community that cannot ever be made public for to do so would be to endanger sources of information or techniques of collecting that information. Our potential adversaries could deny us that information if they became aware of its value to us. We must also protect the lives of the Americans serving overseas and their families from hostile retaliation.

The intelligence budget is not such a case. There is no sound reason why this budget must remain hidden from the public in aggregate terms.

There would be no security risk in letting the world know that the United States spends $5 or $6 billion on intelligence. It is a form of deterrence. It would tell our adversaries that we intend to find out the truth about any potential hostile actions on their part and that we are willing to spend great resources to do so.

Just as it was deemed important to let the U.S.S.R. and China know of our military strength as a deterrent to a surprise attack, so would it be prudent to tell them that we have other capabilities to guard our Nation. We need not say more than the size and general distribution of the intelligence budget by agency. We need not speak of missions or other sensitive matters. But we must reestablish the responsibility that Congress has in the formation and funding of foreign policy and above all else we must protect our domestic freedoms from any bureaucratic challenge from within the executive department. The danger is here. We cannot refuse to act.

### THE NATIONAL SECURITY ACT OF 1947

### WHAT DOES IT ALLOW

The first thing to be noted about the establishment of the CIA is that it is a part of the Executive Office of the President and as such reports directly to the President through the National Security Council and the Director of Central Intelligence which is a cabinet level post. Under the National Security Act of 1947, the CIA was given the duty of advising and making recommendations to the National Security Council and of correlating and evaluating intelligence relating to the national security and providing for appropriate dissemination. All of these duties are relatively passive. In no way can they be interpreted as authority for engagement in domestic operations or foreign operations. That is clear.

Further on in the same section, the act specifically states that the CIA shall have no "police, subpena, law-enforcement powers, or internal security functions." This is a broad and widespread prohibition. The meaning of "no internal security functions" is a blanket disapproval for any active domestic police-type functions.

After that prohibition, however, come three statements which are oblique by nature and subject to various interpretations. They need to be quoted in full for they constitute a possible justification for both domestic functions and foreign covert activities.

> And provided further, that the Director of Central Intelligence shall be responsible for protecting intelligence sources and methods from unauthorized disclosure;
>
> To perform, for the benefit of the existing intelligence agencies, such additional services of common concern as the National Security Council determines can be more efficiently accomplished centrally;
>
> To perform such other functions and duties related to intelligence affecting the national security as the National Security Council may from time to time direct.

The first statement could be cited for justifying operations domestically and the following two could be used for justifying foreign operations or even domestic operations.

### THE MISSING CHARTER

It is not possible to state with authority what interpretation the executive department has placed on these particular sections of the National Security Act of 1947 because subsequent interpretations have been done in secret. In fact, the CIA charter is not fully contained in the National Security Act of 1947 but is extrapolated from the act by a series of National Security Council intelligence directives after the passage of the act. These were, and remain, classified. Thus we are faced with a highly unusual situation. Congress has enacted a law with a set of prescribed relationships and duties for the CIA. And the executive department through the National Security Council has interpreted this law in secret. Whether this subsequent secret interpretation is allowed by the original act is in doubt. Whether the procedure of allowing secret interpretations and extensions of authority upon a congressional act is in doubt.

This can only be resolved by a court test, a review by the enacting committees and bodies of Congress of the original intent of the legislation, or by amending the 1947 National Security Act to prohibit extraneous interpretations or extensions.

It would be best for all concerned if the charter for the CIA was distinctly agreed upon by Congress and the executive department and at least in general language made public.

### AN AMENDMENT TO THE NATIONAL SECURITY ACT OF 1947

In order to initiate a full examination of the proper role of the intelligence community in foreign affairs as well as domestic affairs, I now introduce a bill as an amendment to the National Security Act of 1947.

Mr. President, I ask unanimous consent that this be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1935

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.* That section 102 of the National Security Act of 1947, as amended (50 U.S.C. 403), is amended by adding at the end thereof a new subsection as follows:

"(g) (1) Nothing in this or any other Act shall be construed as authorizing the Central Intelligence Agency to—

"(A) carry out, directly or indirectly, within the United States, either on its own or in cooperation or conjunction with any other department, agency, organization, or individual any police or police-type operation or activity, any law enforcement operation or activity, or any internal security operation or activity;

"(B) provide assistance of any kind, directly or indirectly, to any other department or agency of the Federal Government, to any department or agency of any State or local government, or to any officer or employee of any such department or agency engaged in police or police-type operations or activities, law enforcement operations or activities, or internal security operations or activities within the United States unless such assistance is provided with the prior, specific written approval of the CIA Oversight Subcommittees of the Committees on Appropriations and the Committees on Armed Services of the Senate and the House of Representatives;

"(C) participate, directly or indirectly, in any illegal activity within the United States; or

"(D) engage in any covert action in any foreign country unless such action has been specifically approved in writing by the CIA Oversight Subcommittees of the Committees on Appropriations and the Committees on Armed Services of the Senate and the House of Representatives.

"(2) As used in paragraph (1) (D) of this subsection, the term 'covert action' means covert action as defined by the National Security Council based on the commonly accepted understanding of that term within the intelligence community of the Federal Government and the practices of the intelligence community of the Federal Government during the period 1950 through 1970."

Mr. PROXMIRE. Mr. President, this amendment is designed to clarify the role of the CIA with regard to domestic activities. It has four provisions. First, it makes it clear that the National Security Act of 1947 itself or any subsequent interpretations of the act by the executive branch, be they classified or unclassified, shall not authorize the CIA to engage in police, law enforcement, and internal security functions by itself or in conjunction with other organizations. Although there is a similar provision in the National Security Act, subsequent interpretations of that act by the National Securtiy Council intelligence directives or other more loosely worded language in the National Security Act itself requires a reaffirmation—and I mean a public reaffirmation—of congressional intent.

A second provision would prohibit the CIA from providing assistance to other Government organizations engaged in police, law enforcement, or internal security activities. The obvious question to be dealt with here is the problem of normal, routine coordination between CIA and the FBI. This type of activity would be expressly approved on an ongoing basis but within distinct limitations by the CIA oversight committees of both houses.

The third provision of this amendment expressly prohibits the CIA from participating in any illegal activity within the United States, either directly or indirectly.

The fourth provision deals with the foreign activities of the CIA. It is remarkable that nothing in the National Security Act of 1947 directly authorizes the CIA to engage in covert foreign operations. Subsequent interpretations of the act have empowered the CIA to conduct such activities but the act itself is not explicit. The hidden charter for CIA is far more important in this regard than the National Security Act. But due to the classified nature of the hidden charter, Congress has not participated in the interpretation of the law it approved. Therefore, it is now necessary to define just what is the congressional intent of the act.

My fourth provision draws a distinction between the normal activity of intelligence collection and covert action programs. It would prohibit the CIA from engaging in any covert foreign action programs without the written prior approval of the CIA oversight committees of the House and Senate. The pattern for prior approval, for example, could be based on techniques worked out between the executive department and Congress such as exist for reprogramming authority. I would also recommend that both Houses of Congress form one body with responsibility for CIA oversight.

### WHY IS THE AMENDMENT NEEDED?

This amendment is necessary for the national security. I do not say this lightly. The purpose of the intelligence community is to insure that the highest policymakers have the knowledge and means to protect this country. It is a vital line of defense. But is there a possibility that the very instruments established to guarantee our national security could be used to subvert it?

Mr. President, this is the most chilling message of Watergate. The activities we engage in overseas have come home to roost. The techniques, the organization, the personnel, the equipment, the power to obtain information and influence foreign events have been turned to use domestically. Nothing could be more dangerous. Are we successful in rigging a few elections? In supporting a few friendly organizations? Bribing officials? Pressuring governments? Maybe, maybe not. But it is not worth the price if the same techniques become a more likely threat to our freedoms than any invasion.

Without proper controls we are in danger of falling prey to our own national security mechanism.

Is it far fetched to contemplate the illegal use of the FBI, CIA and the rest of the intelligence community against political opponents or any other faction within the United States? That is exactly what has been attempted. The FBI and CIA have wavered under the pressure. This is the most serious aspect of the Watergate crisis. It has gone so deep into the fabric of the Federal bureaucracy that even the untouchable agencies have been tarnished.

Fantastic? No, indeed, it is real and it is happening today. Firm steps must be taken to reestablish the confidence that should reside in the CIA and to eliminate the nightmare that someday as Sinclair Lewis wrote of the prospect of an American Hitler "It can happen here."

I have great admiration for the CIA and its Directors. It appears that they have resisted pressures of great intensity from the White House itself. That took a great deal of courage. It is for the sake of the CIA as well as the American people that I offer this amendment.

In closing, I would like to quote two remarks by former U.S. Presidents, each from a different era but both endowed with the insight that comes from a keen mind and a sense of American democracy.

On May 13, 1798, James Madison wrote to Thomas Jefferson stating—

> Perhaps it is a universal truth that the loss of liberty at home is to be charged to provisions against danger, real or pretended, from abroad.

On hundred sixty-five years later another great President, Harry Truman, reflected on his administration:

> For some time I have been disturbed by the way the CIA has been diverted from its original assignment. It has become an operational and at times a policy-making arm of the government. I never had any thought that when I set up the CIA that it would be injected into peacetime cloak-and-dagger operations. Some of the complications and embarrassment that I think we have experienced are in part attributable to the fact that this quiet intelligence arm of the President has been so much removed from its intended role that it is being interpreted as a symbol of sinister and mysterious foreign intrigue and a subject for cold war enemy propaganda.

Mr. President, nothing that I have said here today should be interpreted as condemnation of the CIA. The CIA has been under the direction of several Presidents. In many ways, the CIA has performed an invaluable service to our Government that could not have been done by any other agency. In its testimony before Congress on foreign weapons programs and in its estimates of capabilities and intentions, the CIA has presented remarkable unbiased analysis of the highest quality. This is an essential role.

But the CIA now must be protected from the executive department and our democracy must be protected from any directed misuse of the CIA.

To do less is to risk our heritage.

Mr. President, I am confident if my amendment becomes law we will provide that protection for the CIA and, more importantly, for our form of government.

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By Mr. PERCY:

S. 1936. A bill to provide for better control and reporting of political contributions and expenditures in Federal elections. Referred to the Committee on Rules and Administration.

### FEDERAL ELECTIVE OFFICE CAMPAIGN ACT

Mr. PERCY. Mr. President, the most tragic consequence of the recent disclosures of political corruption in Washington is the erosion of public confidence in elected officials and in the two-party system. Public trust in government has been seriously undermined.

It is, of course, vital to uncover all of the facts in the Watergate case and to have swift and impartial prosecution of the accused. But even after all this has been accomplished, our task will be far from completed. We will have to move to eliminate public cynicism about the political process.

One of the major problems at the heart of the Watergate scandal is big money in politics. We must revise and rework regulations governing campaign spending, as well as reexamine proposals that would require full disclosure of personal finances of public officials.

We are all familiar with the alleged abuses of campaign financing in 1972. Stories about suitcases full of money coming to Washington and funds filtering through foreign banks have been widely reported. We are also familiar with reports of the questionable use of funds by persons who openly attempted to interfere with campaign activities.

It is estimated that as much as $400 million was spent in all elections in 1972. up from $300 million in 1968 and $200 million in 1964. We must reduce the amount of money spent in elections and make the process more open to public scrutiny.

The Congress made a start in this direction in 1971 with passage of the Federal Election Campaign Act. It placed a limit of 10 cents per eligible voter on the amount that could be spent on media advertising and also required that contributions of more than $100 be made public. But, obviously, a great deal more remains to be done.

Therefore, Mr. President, I am today introducing legislation to further control campaign financing. The legislation I am introducing today would do seven things:

First. It would eliminate the proliferation of campaign committees by allowing only one fundraising committee per candidate. All contributions and disbursements would flow through the one committee. This would simplify the procedures for tracing contributions and expenditures.

Second. Any contributions or disbursements in excess of $10 to or from a fundraising committee would have to be made by check. This would prevent untraceable cash from flowing through the political process.

Third. All contributions would have to be identified with the name, address, and social security number of the donor. This would make the task of identification of donors clear and precise.

Fourth. The fundraising committee would be required to regularly publish throughout the course of the campaign, the names and addresses of the donor and the amount contributed, as well as the names of those to whom funds are disbursed and the purpose of the expenditure. This would present for public scrutiny all sources of campaign funds and the uses to which they are put.

Fifth. An overall limitation on campaign spending of 20 cents per eligible voter would be fixed. Current law sets a 10-cent per eligible voter limit on media spending, but sets no limit on overall spending.

Sixth. A limit of $5,000 on individual contributions to a single candidate would be established. There should no longer even be the suspicion of big contributions influencing political decisions. This limitation would help to assure that no one individual would be the principal source of support to a candidate.

Seventh. To encourage contributions from a broader segment of the public, the tax credit for political contributions of $12.50 for a single person and $25 per couple in the current law would be raised to $25 for an individual and $50 for a couple.

In addition to submitting my own bill for consideration at this time, I would also like to take this opportunity to go on record as heartily endorsing other campaign reform proposals already introduced by my colleagues:

First. I endorse and support Senator CASE's financial disclosure bill which would require full financial disclosure by all Members of Congress, candidates for Congress, and congressional officials and staff receiving $22,000 or more per year.

Second. I urge passage of Senator SCOTT's bill calling for an independent Federal Elections Commission with responsibility for monitoring campaigns. Such a commission would have full power and authority to investigate and prosecute financial misconduct in Federal campaigns.

It is important that all Federal campaign reporting be under the jurisdiction of a single agency, rather than continuing the current, fragmented system under which reports of House, Senate, and Presidential campaigns go to separate bodies. There should be one independent body with overall authority to monitor and investigate all campaign spending in all campaigns.

Mr. President, if provisions such as these are enacted into law, we will have gone a long way toward insuring honesty and accountability in our political processes. We may also help to restore public faith in our public officials.

I am delighted that the Senate Committee on Rules and Administration will begin hearings on Wednesday on the whole subject of campaign finance reform. It is my hope that we will seize the moment created by the abuses of the 1972 campaign and move swiftly in the Senate to enact strong reform legislation.

Mr. President, I ask unanimous consent that the legislation referred to above be printed in full at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

### S. 1936

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Federal Elective Office Campaign Act".

### SINGLE CAMPAIGN COMMITTEE; CONTRIBUTIONS OF MONEY

SEC. 2. (a) Title III of the Federal Election Campaign Act of 1971 is amended by redesignating sections 308 through 311 as sections 310 through 313, respectively, and by inserting after section 307 the following new sections:

### "SINGLE CAMPAIGN COMMITTEE

"SEC. 308. (a) No person shall make any contribution to or for the benefit of any candidate except by making that contribution to a political committee authorized by that candidate to receive contributions on his behalf.

"(b) No political committee shall receive any contribution or make any expenditure on behalf of a candidate unless it is authorized in writing by that candidate to do so.

"(c) No candidate shall authorize more than one political committee to receive contributions or make expenditures in connection with his campaign for nomination for election, or for election, to Federal office.

### "CONTRIBUTIONS OF MONEY

"SEC. 309. No political committee shall receive a contribution, or contributions in the aggregate, from any person in excess of $10 other than in the form of a check drawn on the account of the person making the contribution. No political committee shall make any expenditure in excess of $10 other than by check drawn on the account of that committee and signed by the treasurer of the committee."

### IDENTIFICATION OF CONTRIBUTORS AND RECIPIENTS OF EXPENDITURES

SEC. 3. (a) Section 301 of the Federal Election Campaign Act of 1971 is amended by—

(1) striking "and" at the end of subsection (h),

(2) striking the period at the end of subsection (i) and inserting in lieu thereof "; and," and

(3) adding at the end thereof the following new subsection:

"(j) 'identification' means the name, address, and—

"(1) in the case of an individual, his social security number, and

"(2) in the case of a person (other than an individual) the business and principal place of business."

(b)(1) Section 302(b) of that Act is amended by striking ", the name and address (occupation and principal place of business, if any)" and inserting "of the contribution and the identification".

(2) Section 302(c) of that Act is amended by striking "full name and mailing address (occupation and the principal place of business, if any)" in paragraphs (2) and (4) and inserting in each such paragraph "identification".

(3) Section 304(b) of that Act is amended by striking "full name and mailing address (occupation and the principal place of business, if any) in paragraphs (2), (9), and (10) and inserting in each such paragraph: "identification".

### REPORTING REQUIREMENTS

SEC. 4. (a) The second sentence of section 304(a) of the Federal Election Campaign Act of 1971 is amended to read as follows: "Such reports shall be filed on the first day of January, April, July, September, and October in each year, on the tenth day before the date on which any election is held and on the fifth day following that date."

(b) Section 304(b) of such Act is amended by—

(1) striking out "and" at the end of paragraph (12),

(2) redesignating paragraph (13) as (15), and

(3) inserting after paragraph (12) the following new paragraphs:

"(13) the identification of any individual who performs any service for the committee without compensation, together with his regular place of employment when not performing services for the committee, and a description of the services performed by him for the committee;

"(14) the identification of any individual who is employed by the committee or who, as a consultant or otherwise, performs services for the committee for compensation, together with the amounts received by that individual as salary, reimbursement of expenses, or other compensation, and that individual's next previous place of employment and his regular occupation; and".

### LIMITATION ON EXPENDITURES

SEC. 5. (a) Chapter 29 of title 18, United States Code, is amended by adding at the end thereof the following new section:

"§ 614. Limitation on expenditures

"(a)(1) Except to the extent such amounts are increased under subsection (d)(2), no candidate (other than a candidate for presidential nomination) may make expenditures in connection with his campaign for nomination for election, or election, to Federal office in excess of the greater of 20 cents multiplied by the voting age population (as certified under subsection (e)) of the geographical area in which the election for such office is held.

"(2) The limitation on expenditures imposed by this subsection shall apply separately to each primary, primary runoff, general, and special election campaign in which a candidate participates.

"(b) No candidate for presidential nomination may make expenditures in any State in connection with his campaign for such nomination in excess of the amount which a candidate for nomination for election as United States Senator from that State (or for election as Delegate, in the case of the District of Columbia) might expend within the State in connection with his campaign for that nomination. For purposes of this subsection, an individual is a candidate for presidential nomination if he makes (or any other person makes on his behalf) an expenditure on behalf of his candidacy for any political party's nomination for election to the office of President. He shall be considered to be such a candidate during the period—

"(1) beginning on the date on which he (or such other person) first makes an expenditure (or, if later, on January 1 of the year in which the election for the office of President is held), and

"(2) ending on the date on which such political party nominates a candidate for the office of President.

"(c)(1) Expenditures made on behalf of any candidate shall, for the purpose of this section, be deemed to have been expended by such candidate.

"(2) Expenditures made by or on behalf of any candidate for the office of Vice President of the United States shall, for the purpose of this section, be deemed to have been made by the candidate for the office of President of the United States with whom he is running.

"(3) For purposes of this subsection, an expenditure shall be held and considered to have been made on behalf of a candidate if it was made by—

"(A) an agent of the candidate for the purpose of making any campaign expediture,

"(B) a political committee registered under section 303 of the Federal Election Campaign Act of 1971, the statement of organization of which sets forth the name of that candidate.

"(C) a member of the candidate's immediate family (within the meaning of section 608 (a) (2)),

"(D) any person authorized in writing by the candidate to make expenditures on his behalf, or

"(E) any other person, if the candidate knew, or had reason to know, that such person was making expenditures on his behalf.

"(d)(1) For purposes of paragraph (2):

"(A) The term 'price index' means the average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics.

"(B) The term 'base period' means the calendar year 1972.

"(2) At the beginning of each calendar year (commencing in 1974), as there becomes available necessary data from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall certify to the Attorney General and publish in the Federal Register the per centum difference between the price index for the twelve months preceding the beginning of such calendar year and the price index for the base period. Each amount determined under subsection (a) (1) shall be increased by such per centum difference. Each amount so increased shall be the amount in effect for such calendar year.

"(e) Within sixty days after the date of enactment of the Federal Elective Office Campaign Act, and during the first week of January 1974, and every subsequent year, the Secretary of Commerce shall certify to the Comptroller General and publish in the Federal Register an estimate of the voting age population of each State and congressional district as of the 1st day of June next preceding the date of certification.

"(f) No person shall make any charge for services or products furnished to, or for the benefit of, any candidate in connection with his campaign for nomination for election, or election, in an amount in excess of $100 unless the candidate (or a person specifically authorized by the candidate in writing to do so) certifies in writing to the person making the charge that the payment of that charge will not exceed the expenditure limitations set forth in this section.

"(g) The Comptroller General shall prescribe regulations under which any expenditure by a candidate for presidential nomination for the use in two or more States shall be attributed to such candidate's expenditure limitation in each such State, based on the number of persons in such State who can reasonably be expected to be reached by such expenditure.

"(h) Any person who knowingly or willingly violates the provisions of this section shall be subject to a fine of $10,000 or to imprisonment for a period of not more than 1 year, or both."

(b) Section 591 of title 18, United States Code, is amended by striking out "and 611" and inserting "611, and 614."

(c) The table of sections for chapter 29 of such title is amended by adding at the end thereof the following new item:

"614. Limitation on expenditures."

### LIMITATION ON CONTRIBUTIONS BY INDIVIDUALS

SEC. 6. Section 608(a) of title 18, United States Code, is amended by redesignating paragraph (2) as (4), and by inserting after paragraph (1) the following new paragraphs:

"(2) No individual shall make contributions in excess, in the aggregate, of $5,000 to any candidate or to the political committee authorized by the candidate to receive contributions for him, or otherwise for the benefit of that candidate in connection with any of his campaigns.

"(3) The limitation on expenditures imposed by this subsection shall apply separately to each primary, primary runoff, general, and special election campaign in which a candidate participates."

### INCREASE IN TAX CREDIT FOR POLITICAL CONTRIBUTIONS

SEC. 7. (a) Section 41(b)(1) of the Internal Revenue Code of 1954 (relating to maximum credit) is amended by striking out "$12.50 ($25 in the case of a joint return under section 6013)" and inserting "$25 ($50 in the case of a joint return under section 6013)".

(b) The amendment made by subsection (a) shall apply to contributions the payment of which is made in taxable years ending after the date of enactment of this Act."

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### By Mr. DOLE (for himself, Mr. CURTIS, Mr. YOUNG, and Mr. BELLMON):

S. 1938. A bill to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning July 1, 1974. Referred to the Committee on Agriculture and Forestry.

Mr. DOLE. Mr. President, the Agricultural Adjustment Act of 1938, as amended, requires the Secretary of Agriculture to conduct a referendum prior to August 1 of wheat producers as to whether they favor or oppose the wheat marketing qota he has proclaimed for the coming year.

The Department of Agriculture informed me this week that they will commence the printing of the ballots for this referendum soon. After due consideration that the Senate will take up the Agriculture and Consumer Protection Act of 1973 (S. 1888) next week, and that this program would suspend the requirement for this wheat referendum for 5 years, I am introducing, with the cosponsorship of Senators CURTIS, YOUNG, and BELLMON, a bill that will allow the Secretary of Agriculture to conduct this referendum at a later date. In the event a farm bill is not passed, a referendum is still required by October 15 or within 30 days after adjournment sine die.

The need for urgent action is obvious, and I shall urge prompt committee action so that this legislation may be returned to the floor next week for passage.

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### By Mr. MONDALE.

S. 1939. A bill to prohibit pyramid sales transactions, and for other purposes. Referred to the Committee on Commerce.

Mr. MONDALE. Mr. President, today I am introducing legislation designed to protect the consumer public from what is rapidly becoming the "consumer fraud of the 1970's"—the pyramid sales operation.

Last year, I introduced similar legislation, aimed at ending these fast-growing practices. Since then, I have consulted extensively with a variety of Government and industry groups, in particular with the National Association of Attorneys-General. In my own State of Minnesota, Attorney General Warren Spannaus has been a leader in the crackdown against fraudulent pyramid sales operations. His leadership—and the need which he and many others have expressed for strong Federal legislation to aid them in their struggle against pyramid sales schemes—has been vital in this field.

In the world of consumer fraud, the faces change but the vice remains the same. The Wisconsin Supreme Court has accurately described today's pyramid sales operation:

> However long the scheme lasts, it will infallibly leave a greater or lesser crowd of dupes at the end with no opportunity to recoup their losses because the bubble has at last burst. It contemplates an endless chain of purchasers, or, rather, a series of constantly multiplying endless chains with nothing but fading rainbows as the reward of those who are unfortunate enough to become purchasers the moment before the collapse of the scheme. While contemplating large gains to the original promoters and early purchasers it necessarily contemplates losses to the later purchasers; losses increasing in number with the greater success of the scheme. . . .

That description of chain selling was made in 1906. Nearly 70 years later, we find ourselves in the midst of an epidemic of vicious chain selling enterprises, which William J. Casey, former Chairman of the Securities and Exchange Commission, estimated last fall had taken over $300 million in investment money from the American public.

The operation of pyramid selling schemes has many, often complex variations. However, the basic scheme follows a recognizable general pattern.

The organization through which pyramid selling operates is composed of a number of different marketing levels. Consumers make an initial investment in one of the lower levels in the organization. For the money paid, they are given an inventory of the product which the organization is ostensibly organized to promote. The retail value of this initial inventory is usually considerably below the cost of the investment required.

These initial recruitments are made at promotional meetings, which are themselves an objectionable feature of these schemes. A wide variety of deceptive, high-pressure sales techniques are used to recruit new investors, including the planting of shills in the audience, who prominently display wads of large bills and promise the potential investor that the road to easy riches is at hand.

In one pyramid sales operation, those trying to recruit new members are advised to "buy a Cadillac, assure everybody you're making a fortune, hand out big checks at opportunity meetings, advise people they better get in fast because only a few slots are left." Prospective investors are bombarded with professionally staged selling talks from these shills, with the result that potential investors cannot make a rational choice.

Once the initial investment is made, the investor is encouraged to move up along the various marketing levels of the company—investing more money at each step—on the promise that he will be able to share in the allegedly lucrative amounts of money to be earned through the recruitment of still others to join the scheme. In the pyramid sales operations, it is made clear at the promotional meetings that the real "opportunity for riches" comes not from selling the product or service ostensibly promoted by the operation, but rather from inducing others to join.

As the Securities and Exchange Commission states in its complaint against "Dare To Be Great," one of a number of pyramid selling operations promoted by Mr. Glenn W. Turner:

> As part of said scheme the defendants through Dare To Be Great purport to market a series of tape recorded, self-improvement courses, which are designated "Adventures" I, II, III, and IV. The Marketing of said courses is but the vehicle by which defendants involve the purchasers therein in their centrally directed, nationwide, pyramid-selling scheme, whereby said investors are induced by the promise and expectation of fantastic income to invest their money for the right to introduce others who will in turn be similarly induced by the defendants to invest and bring still other investors into the pyramid . . .
>
> An investor at the Adventure III level is induced to pay an aggregate of $2,000 primarily upon the promise of an opportunity to share in profits derived from his introduction of other investors that the defendants recruit either at the Adventure I, Adventure II, or Adventure III level. An investor at the Adventure IV level is induced to pay an aggregate of $5,000 primarily upon the promise of an opportunity to share in profits derived from his introduction of investors that the defendants recruit at any Adventure level.

In this operation, an investor who wishes to rise to the top marketing level must pay an aggregate of $5.000. Of that amount, a total of $3,800 goes to previous investors who are paid huge fees for recruiting others to their ranks. In another similar operation—Holiday Magic—a person wishing to attain the top marketing rank—"general distributor"—must pay $4,000, of which $3,000 goes to the previous "general distributor" who "sponsors" the new person wishing to attain this rank.

The motivation all along the chain, therefore, becomes that of recruiting new bodies to join the chain, thereby reaping the large amounts of money supposedly to be derived from this recruitment of those further along the chain.

As with any chain selling device, however, promise and performance are usually very different. Although a certain number of individuals who are into the chain at an early stage do make money—occasionally large amounts of money—the essential vice of these operations is that of any chain referral scheme: There are simply not enough bodies to keep the chain in motion.

Thus, if one person recruited six "friends" into his scheme, and if this friend obtained six more friends, and if this process were repeated for a total of nine times, the number of people in the chain would total 10,077,696. Obviously, this is a process which cannot be sustained. Unfortunately, however, those who enter this operation after the first few steps in the chain find that out only after a substantial investment of money.

There is no doubt that the net effect of these types of promotions results in large losses to the consumer public. The Pennsylvania Bureau of Consumer Protection obtained information from Dare To Be Great, Inc., concerning their operation in Pennsylvania. They concluded that only 26 percent of the money invested in Dare To Be Great by Pennsylvania residents had been recouped by investors—only $356,700 out of $1,358,300. In addition, a New York deputy attorney general who investigated Koscot International, another one of Mr. Turner's enterprises, reported that of 1,604 distributors and subdistributors in New York State, only 79 had earned more than $5,000 during the year under study and only 10 had earned more than $20,000. This was in an operation in which every investor was promised—before he invested—that he would make at least $100,000 per year.

The investigator in New York reported that if all the people in the New York program were to make the promised $100,000 per year, "at the end of the first year at least 150,000 new distributorships would have to be created and at the end of the second year New York alone would have to have 150 million distributors."

These pyramid sales operations are a major consumer problem which largely remains unsolved today. The vice chairman of the Consumer Protection Committee of the National Association of Attorneys General, in a letter to me, called these operations "perhaps the most serious pending consumer fraud problem." Bruce Craig, assistant attorney general in Wisconsin, stated in a letter to me that—

> It has been by personal experience, gained from contacts with many other attorneys general of their assistants, that these chain schemes have caused more concern among state enforcement officials than any other form of white collar offense.

At both the State and Federal levels, there have been significant steps taken to combat the problem.

Indeed, the operations of Glenn Turner—once the largest and most "successful" of the pyramid sales operators—have largely been halted as a result of a recent settlement of claims arising against his corporations. Under this settlement, 75,000 claimants would divide about $3 million, after Mr. Turner had turned his existing assets into cash.

However, the terms of this settlement were the results of complex negotiations and lawsuits which may prejudice the rights of many people defrauded by Mr. Turner to the full amounts which they deserve.

In addition, for each Glenn Turner whose operations are halted as a result of long and complex litigation or other proceedings, other pyramid sales operations appear which are equally vicious and which together are taking an ever-increasing toll on the American consuming public.

Federal Trade Commission action against William Penn Patrick, whose "Holiday Magic" group of companies is now the largest operating pyramid sales scheme, has consumed 3 years with no final resolution yet achieved. The complexities of this litigation point to the need for a clear, prohibitory Federal statute to help eradicate the pyramid sales problem.

While Federal agencies have pursued actions against the major pyramid operations with diligence, the statutes under which they operate often preclude swift, effective action to eliminate the pyramid sales device and provide full individual recovery.

In addition, State attorneys general have begun vigorous enforcement against some of these pyramid operations. Approximately 20 States currently have laws dealing with the pyramid sales problem, and 42 States have begun some legal action against one or another of Mr. Turner's enterprises. Over half a dozen States have legal action pending against the "Holiday Magic" group of companies, which is now the largest pyramid sales scheme currently transacting business in the United States.

In Minnesota, Attorney General Warren Spannaus has vigorously pursued pyramid sales companies which have taken approximately $4 million from Minnesotans since 1970. Last fall, the attorney general obtained convictions against Holiday Magic and two of its local distributors in the first criminal case which has proceeded to trial.

Yet, despite his success in obtaining injunctions and criminal convictions, Attorney General Spannaus has written me of the need for Federal action:

> Although we have been highly successful, the efforts of this office have not eradicated the pyramid sales problem in Minnesota. Bordering states have different types of multi-level and pyramid sales regulations or prohibitions, and in some cases, have no legislation at all. The companies we have stopped in Minnesota move to North Dakota, or some other neighboring state, and lure our citizens across the border. To fully protect the Minnesota investor, Federal action is necessary . . . Each month new pyramid sales and multi-level distribution schemes are developed. Unquestionably, there is a need for uniform Federal legislation which will protect all consumers from the evils of pyramid sales distribution. I consider the need for this legislation to be immediate.

This percent need for Federal action is shared by others who have been active in fighting pyramid sales organizations.

Dean W. Determan, vice president for

Government and Legal Affairs for the Council of Better Business Bureaus, stated in a letter to me that—

> While the Federal Trade Commission and the Securities and Exchange Commission are both taking actions in this sphere of business activity, their rules and orders are directed against individual companies and promoters, and each action takes a long time to accomplish.

And Douglas R. Carlson, assistant attorney general in Iowa, has written me that—

> As soon as a company is run out of one state it then increases its activities in other states and may even form an additional corporation and go back into the state banned in, forcing that state to bring additional litigation against each new corporation brought into existence. This type of individual state attack has also resulted in a situation where such companies are now concentrating their activities in states which have no prohibitory legislation against their activities. Many companies are now conducting heavy drives to fly, but or otherwise induce residents of other states to travel into states their activities are not prohibited in, there to be given the company's sales pitch.

There exists a definite need for effective Federal legislation to alleviate this problem.

Any such Federal legislation, however, must be aimed squarely at the fraudulent pyramid sales operation, and not the many legitimate corporations which sell products or services using commissions, door-to-door selling techniques, or legitimate franchise arrangements.

The Council of Better Business Bureaus has developed a number of yardsticks by which to separate the legitimate from the fraudulent multilevel sales corporation.

Among these are whether the company promotes retail sale of its product, or whether it stresses unending recruitment of distributors; whether there are promises of high potential earnings made; whether the company requires more than a minimal initial inventory at relatively low cost to become a distributor; and whether the firm will guarantee in writing that any products ordered but not sold will be bought back by the company within a reasonable period of time for a certain percentage of the price paid.

The basic vice of the fraudulent pyramid sales device is the combination of limited or minimal emphasis given to sales of products or services to the consuming public—as distinguished from resale between various levels of the pyramid sales operation—and the heavy emphasis on the alleged profitability to be derived from recruitment of other "bodies" to join the endless chain.

The legislation which I am introducing today imposes criminal and civil penalties on those fraudulent pyramid sales operators who prey on the public with unfounded presentations of future earnings through endless chain promotions.

This legislation would provide for a fine of up to $10,000 or imprisonment for up to 5 years, or both, for those selling or attempting to sell a participation in a pyramid sales scheme.

In addition, any person who induces another person to participate in such a scheme shall be liable to that person for twice the amount of the consideration paid, and recovery of court costs and reasonable attorney's fees.

Pyramid sales schemes are defined by the proposed legislation as including any plan or operation for the sale or distribution of goods, services, or other property which contains any provision for increasing participation in the plan, through a chain process. This chain process is further defined to include payment of valuable consideration for the right or opportunity to either receive compensation for introducing one or more additional persons into participation in the plan—each of whom receives the same or a similar right or opportunity—or to receive compensation when a person introduced by the participant introduces one or more additional persons into participation in the plan—each of whom receives the same or a similiar right or opportunity. In this definition, payments based on sales at retail to ultimate consumers are specifically excluded from coverage as an illegal activity.

This language seeks to isolate out the fraudulent pyramid sales operation, while not affecting the hundreds of legitimate corporations which do business using commission arrangments or franchise organizations, in which the primary aim is sales to the consuming public, rather than recruitment of additional persons into an endless chain system.

The proposed legislation also provides that either the Department of Justice or the chief law enforcement officer of any State in which an illegal pyramid sales practice has occurred may seek injunctive relief in the U.S. district courts.

This combination of remedies—prosecution by the Department of Justice of criminal violations, action by an aggrieved person to recover double damages plus costs and legal fees, and suits brought by either Federal or State authorities to gain injunctive relief—affords the variety of procedures needed to protect the consumer public and offer relief to those who have been defrauded.

The injunctive relief provisions are particularly important in view of the tendency of many pyramid sales operations to deluge a State with a quick, massive sales attack. Unless State or Federal officials can gain quick injunctive relief, consumers will be defrauded of millions of dollars before the plan can be forced to stop operating in that State.

The legislation I am offering today meets the need for a tough but flexible statute to end these practices which take millions of dolars from American consumers each month. By providing a variety of remedies, and by defining pyramid sales schemes to prohibit only those operations which use fraudulent or improper practices, it offers hope of a quick end to this recurring national consumer fraud problem.

Mr. President, I ask unanimous consent that the text of this legislation be printed in the Record.

I also ask unanimous consent that a number of recent articles on pyramid sales operations be inserted at this point in the Record.

There being no objection, the bill and articles were ordered to be printed in the Record, as follows:

S. 1939

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

Section 1. As used in this Act—

(a) The term "sale or distribution" includes the acts of leasing, renting, or consigning.

(b) The term "goods" includes any personal property, tangible or intangible, real property, or any combination thereof.

(c) The term "other property" includes a franchise, license, distributorship, or other similar right, privilege, or interest.

(d)(1) The term "pyramid sales scheme" includes any plan or operation for the sales or distribution of goods, services, or other property which contains any provision for increasing participation in the plan through a chain process, whereby a participant pays a valuable consideration for the right, privilege, license, chance, or opportunity—

(A) to receive compensation for introducing one or more additional persons into participation in the plan, each of whom receives the same or a similar right, privilege, license, chance, or opportunity; or

(B) to receive compensation when a person introduced by the participant introduces one or more additional persons into participation in the plan, each of whom receives the same or similar right, privilege, license, chance, or opportunity.

(2) The fact that the number of persons who may participate may be limited, or that there may be conditions affecting eligibility in the plan, does not change the identity of the plan as a pyramid sales scheme.

(e) The term "compensation" includes payments based on sales, when such sales are made to persons who are also participants in a pyramid sales scheme or are purchasing to become participants in such a scheme, but does not include payments based on sales at retail to ultimate consumers.

Sec. 2. Whoever, in connection with the sale or distribution of goods, services, or other property by the use of any means or instrumentalities of transportation or communication in interstate or foreign commerce or by use of the mails, knowingly sells or offers or attempts to sell a participation or the right to participate in a pyramid sales scheme shall be fined not more than $10,000 or imprisoned for not more than five years, or both.

Sec. 3. (a) Any contract made in violation of section 2 of this Act is void and any person or persons who knowingly induce another person to participate in a pyramid sales scheme shall be jointly and severably liable to that other person in an amount equal to the sum of —

(1) twice the amount of consideration paid; and

(2) in the case of any successful action to enforce such liability, the costs of the action together with a reasonable attorney's fee, as determined by the court.

The district courts of the United States shall have original jurisdiction of any action brought under this section. An action under this section may be brought within two years from the date on which such consideration was paid.

(b) In any case where two or more persons induce another person to participate in a pyramid sales scheme and thereby incur a liability under this section, the amount which such other person may recover from any or all such persons is limited to the amount referred to in subsection (a).

Sec. 4. Whenever it appears that any person is engaged or is about to engage in any act or practice which constitutes a pyramid sales scheme, the Attorney General of the United States or the chief law enforcement officer of the State in which the act or practice occurred may bring an action in the appropriate United States district court to enjoin such act or practice. The district courts of the United States shall have original jurisdiction of such actions and shall provide appropriate relief. Upon a proper showing, the district court shall grant a temporary restraining order, or a preliminary or permanent injunction without bond.

SEC. 5. Payments for sales demonstration equipment and materials furnished at cost for use in making sales and not for resale, provided that the total cost thereof does not exceed $100, shall not be prohibited by this Act.

SEC. 6. This Act does not annul, alter, or affect the scope or applicability of the laws of any State relating to pyramid sales schemes or similar distribution systems except to the extent that such laws are inconsistent with the provisions of this Act, as determined by the Attorney General of the United States.

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## Pyramid Sales Are Now Chief Consumer Fraud Here

(By Grace Lichtenstein)

James Green is an energetic black civil servant in his 40's who signed on with a sales outfit called the P.R.I.C.E. Club in July, 1971. He had visions of finally making "big money." Today, James Green is $5,000 in debt and his life savings are gone. He is another victim of the pyramid sales scheme.

Pyramid sales—those get-rich-quick business propositions that work on the chain-letter principle, involving an ever-increasing number of participants—are currently the number one consumer fraud in the metropolitan area.

Consumer protection officials in New York, New Jersey and Connecticut say that despite mounting adverse publicity in dozens of states, including a $3.5-million suit here against a company called Holiday Magic, the schemes are simply too alluring for hundreds of gullible investors to resist.

"We explain to people that it's a fraud, that they'll probably lose money, that they'll wind up cheating their friends, and then we get all through, they still say, "I'm going to try it," says Howard J. Rubin, staff attorney for the New York City Consumers Affairs Department.

The department has identified at least 19 companies now allegedly involved in pyramiding here in the city. "There's a new name every week," declared Bruce C. Ratner, the department's law-enforcement chief. "Nearly a third of our staff is bogged down with this."

And in Connecticut and New Jersey, officials also report a growing pyramiding problem. Last month New Jersey obtained $696,700 in restitution for residents who lost money in Glenn W. Turner's "Dare To Be Great" program, a motivational course. Mr. Turner also created Koscot Interplanetary, a cosmetics company like Holiday Magic.

Furthermore, the experts say that the pyramiding companies, having been hurt among white middle-class potential investors by bad publicity, are now concentrating with great success on blue-collar and white-collar blacks and Puerto Ricans.

In several of the operations, investigations have turned up alleged frauds-within-frauds, involving, among other things multiple bank loans and planned bankruptcies.

The story of the P.R.I.C.E. Club is, in some ways, typical of many unpublicized pyramiding companies.

The club was formed in Massachusetts in 1970 as a discount buying club, offering $10 yearly memberships that supposedly would entitle consumers to fat discounts on merchandise in selected stores.

Under this scheme, potential investors are told they can make huge sums of money for an initial investment of up to $5,000. They buy "distributorships"; to make back their investment, they must each sign up still lower-level distributors, and so on. At the bottom of this infinite pyramid are the salesmen selling membership cards in the club (or in the case of other pyramid schemes, cosmetics, gasoline additives, clothing, wigs, etc.).

The basic pyramid scheme has been labeled inherently fraudulent by almost every consumer protection official in the country. Virginia H. Knauer, the White House consumer adviser, explained why in a recent speech:

"The bubble bursts just like the old chain letter. The problem is that within a short period of time mathematically one runs out of people [to sign up]. Two [original distributors] carried to the 29th power equals the approximate population of the United States."

In Massachusetts, P.R.I.C.E. Club quickly came under surveillance by the Attorney General. But before any legal action could be taken, the club declared bankruptcy in March, 1971, and left the state.

That same summer, P.R.I.C.E. Club Inc. headed by a Long Island entrepreneur named Roy Jaeger, became active in New York, working in almost the same way as the Massachusetts club.

Potential investors like James Green were invited to "opportunity meetings"—sales sessions, usually held in respectable hotels, in which frantic pitchmen described the pot of gold awaiting distributors.

James Green (that is not his real name) said he was told he could make $4,000 in three months for an initial investment of $105 just for selling membership cards. Soon, he was lured into a bigger investment for a distributorship.

Mr. Green did not have the required $2,500 in his savings account. That was no problem, the club officers told him, because First National City Bank was writing personal loans for just such investments.

In fact, the August, 1971, club newsletter advertised such loans saying that "after thorough investigation" the bank had found the club to have "definite value." City-bank loan applications were prominently displayed at "opportunity meetings."

Mr. Green and at least 17 others got Citybank loans. Last week, a bank spokesman said that the bank "didn't know" the club was involved in pyramid sales. "We did not know it was a fraud. Should we investigate the proceeds of every loan?" the spokesman asked. He added that the club had been recommended to the bank as a good outlet for loans by one of the bank's "good customers."

With his loan, and subsequent loans, Mr. Green and other distributors enthusiastically went about luring friends, relatives and colleagues into investments. They also tried to line up additional stores at which members could get discounts. They were promised a cut of all commissions paid by the store to the club on member sales.

According to Mr. Green and other distributors, all of whom asked to remain anonymous because of their embarrassing financial predicament, a black man named Arthur Moore, the club's sales manager, played a major role in lining up investors, about 80 per cent of whom were black.

By January, 1972, the club was having difficulties. Members complained that the discounts they were getting were tiny; distributors were not getting their commissions.

In June, 1972, the club filed a Chapter XI petition in bankruptcy court, a procedure that allows a debtor to retain possession of his company. By this time, according to John Snyder, a Brooklyn man who is president of the distributors' association, there were about 700 major and minor investors in the scheme.

At the same time, Mr. Jaeger's lawyer, William J. Henry, negotiated a deal turning over operations of the old club to a new, separate one, P.R.I.C.E. Club Ltd., headed by William J. Peters.

Thus, the new club was able to continue to solicit without paying renewals and collect commissions from stores without paying anything to the distributors, whose contracts were with the old club. The old club was finally adjudicated bankrupt last November.

The distributors attempted to get help from the bankruptcy referee, Edward J. Ryan, and from consumer agencies by charging in person and in letters that the bankruptcy had been planned all along, just as it had been in Massachusetts, that Mr. Jaeger and others had somehow made $600,000 in funds disappear, that the new P.R.I.C.E. Club was swindling them out of commissions and that the old club had used a false business address.

The letters to Mr. Ryan were never answered, according to Mr. Snyder.

### QUESTION OF JURISDICTION

Consumer protection agencies offered the distributors little relief, saying they were not sure they had jurisdiction over the case. When the distributors complained to Attorney General Louis J. Lefkowitz, they were told to try District Attorney Frank S. Hogan. Mr. Hogan's office told them to try United States Attorney Whitney North Seymour Jr. Mr. Seymour's office told them to try the Federal Bureau of Investigation. The F.B.I. is now looking into the case.

The city's Consumer Affairs Department sent form-letter replies to two letters. Mr. Ratner, the law-enforcement chief, explained that the department felt it would have only a slim chance of getting refunds from a bankrupt company.

"Our strategy was to get the biggest [pyramider] and make an example of it," he said, referring to the city's suit against Holiday Magic.

Roy Jaeger, the old club's president, now lives in Florida. Attempts to find him there were unsuccessful and his lawyer, Mr. Henry, was unavailable.

The old club apparently did list a false address on its court papers—320 East 23d Street. Neither Mr. Jaeger nor the club is listed as a tenant in the modern high-rise apartment building now, and the managing agent, Goodstein Building Corporation, said the building has never had such tenants.

### NEW CLUB'S STAND

Mr. Peters, head of the new club, says multilevel distributionships no longer are being sold. He says the old club's distributors could start selling memberships again if they wanted to, but have instead made an attempt in the bankruptcy court to get their money back. The distributors say Mr. Peters will not honor their cards unless they sign a new agreement with him.

"I have no legal obligation to them," Mr. Peters said in a telephone interview.

Mr. Moore, the old club's sales manager, is now president and a major stockholder in a new discount buying outfit, the Diamond Club, that says it does not use multilevel sales. Mr. Moore says he personally lost $18,000 in the P.R.I.C.E. Club. But he added, "It's a tax loss." He has $60,000 invested in the Diamond Club.

As for James Green, there no longer seems a pot of gold at the end of the pyramid rainbow. "We thought it would work." he says now. "We were so naive. We were so gullible."

Alexander H. Rockmore, lawyer for the bankruptcy trustee, summed up the entire bankruptcy case by saying, "The whole thing smells."

Mr. Rockmore said that the bankruptcy court could have done hardly anything to help the distributors because, along with other creditors, "under the Bankruptcy Act, they're all equally stuck." The court, "should have gone deeper" in investigating the deal that turned operations from the old club over to Mr. Peter's new club, he said.

Of the victims, Mr. Rockmore concluded sorrowfully: "Unfortunately, the world is full of saps."

### City Studies Complaints

The New York City Department of Consumer Affairs is investigating complaints about the following companies allegedly using pyramid sales:

Action Industries (fuel additive), Alexander Taylor (clothes), Amperiprise (home cleaning products), Bestline (soap products) Bob Cummings Inc. (vitamins), Cash-chek (buying club), Dare To Be Great (motivation course), Futuristic Foods, Galaxy Foods, Golden Products (household items), Guardiante (fire and burglar alarms), Holiday Magic (cosmetics), Koscot (cosmetics), P.R.I.C.E. Club (buying club), Princess Club of America (hosiery and cosmetics), Regency Ltd., Sta-Power (fuel additive) and Steel (fuel additive).

According to the department, one parent company, U.S. Universal Inc., owns Holidays Magic, Ameriprise, Sta-Power, Alexander Taylor and Bob Cummings. Koscot and Dare To Be Great are both Glen W. Turner enterprises.

### Money Games in Washington

(By Rudy Maxa)

Getting rich, a sweet and ageless topic, was the subject of J. C. Sorrell's oratory one night last month. Speaking to an Arlington motel meeting room filled with people, pudgy, bubbly J. C. brought his listeners to their feet, chanting and screeching for all the money they could make by playing the game J. C.'s way. The next day I called Sorrell and asked him to elaborate on his business, him being a lecturer on getting rich and all.

"Business?" asked a surprised-sounding Sorrell. "I'm a self-employed air conditioning repairman."

Was he talking about air conditioning repair the night before at the Arlington motel meeting room? (J. C.'s kind loves to speak in motel meeting rooms.)

"Let me put you on hold for a minute," Sorrell said, sounding a little edgy.

Then a woman came on the line and asked if Mr. Sorrell could return the call because he would be on another line "for a couple of hours."

J. C. Sorrell forgot to return the call. J. C.'s kind often forgets to return calls when uncontrolled publicity threatens.

The get-rich-quick urge is alive and doing quite well in America thank you. Perhaps it is the none-too-subtle message of our advertising which says you can (and should) have everything immediately—and you only have to pay for it in parts. Perhaps it is the peculiar American impatience with having to wait for anything be it a fine dinner or the next flight. Maybe it is feeling that so many people have so much . . . except you hamstrung by inflation, taxes and grubby necessities.

Whatever the reason, an on-the-run way of doing business has emerged to cater to anyone—undereducated or overeducated, financially desperate or financially comfortable—who feels that some fast money would sure make things better. This method of doing business is called pyramiding: an individual invests in a company that grants him the right to recruit more people into the company. For his recruiting he then collects a fat reward.

Most companies that have the look of a pyramid about them work out of area motels. Company names can be changed without having to repaint a sign on an office door, rent is paid only as space is needed, no listed phone is required. And mobility is no problem for these men in flashy, double-knit suits, unborn-calfskin boots and bejeweled hands which weave dreams of easy money.

Favorite targets of pyramid hustlers are:

Warehousemen from Beltsville who have found that a high school diploma doesn't go far.

Young marrieds from the inner city who want a larger, safer apartment for their children.

Arlington computer programers who have decided the future is not in instructing machines.

But Bethesda GS–16s have been snagged, too, and consumer agencies' files bulge with tales of little folks on fixed incomes who borrowed, invested and lost big money on a passel of promises and glorious predictions.

The problem is national, and now even international. The Department of Consumer Affairs in New York City says pyramid schemes are the No. 1 consumer fraud in the city's metropolitan area.

Forty eight state attorneys general have done battle with one pyramid company or another. But the frays have been frustrating ones for the prosecutors while the nationwide take for the pyramiders runs well into the hundreds of millions of dollars.

The reason few pyramid companies have ever been once-and-for-all closed down is that most states (and federal agencies) are not equipped—either with enough manpower or specific laws—to deal with pyramids' outlandish ways of doing business. And it is difficult to prosecute companies that can change their names and officers like restaurants changing tablecloths.

The son of a South Carolina sharecropper is generally acknowledged as the person who raised pyramiding to the level of a worldwide art. His name is Glenn W. Turner and he likes hamburgers. He also likes to tell people that he is a millionaire and, heck, with his harelip, perforated eardrum, flat feet, false teeth and toupee, if he can make it . . . no reason you can't.

Close to 75,000 people agreed with him and invested millions in his two major companies, Koscot and Dare To Be Great. The Securities and Exchange Commission closed down DTBG and various state courts whittled away at Koscot.

But it is a comment on the universal lure of the pyramid to note that Dare To Be Great is perking along like a good multinational in Europe and in South America. Turner now rents a ballroom in the Caracas Hilton, hires a translator and tells crowds south of the border about the good, moneyed life. Australia, which has welcomed other pyramiders, beckons.

Back home in the States, Turner is in more than a bit of legal difficulty, but he is still organizing and inspiring companies, promising he will not pyramid, only retail products. His latest sally is called "Welcome To Our World," a nationalwide chain of "mind spas." Similar in concept to health spas, these establishments try to rejuvenate the mind, for a yearly fee, naturally—and may make Glenn W. the Vic Tanny of right-thinking.

The story of another Turner-inspired company operating locally, and the stories of other games in town that have offered so much to so many, are still being played out in motel meeting rooms across the country. You have to be there to learn of them; J. C. Sorrell, and others who play by his rules, don't often return your calls.

### Bestline's Line

(By Rex Rhein)

I met a young man at a party who tried to convince me I could double my income with "part-time" work. My new friend was a staff scientist at the Smithsonian Institution—with a Ph.D.—and it was a physicist who had originally interested him in this "amazing deal," he said, where one "makes money by making other people successful."

The financial possibilities are so unbelievable, he told me, that he was considering giving up his current position at the museum to work on it full time.

It sounded a lot like Glenn Turner's "Dare To Be Great" self-improvement plan. My new friend had even printed on his calling card: "Greatness consists in trying to be great" (—Albert Camus). But he assured me it wasn't Dare To Be Great." This was a company called Bestline, and its genius was Bill Bailey, who wasn't at all like Turner. Bailey had even won the Horatio Alger Award. (People like Bob Hope and Norman Vincent Peale have won this award," he said to my blank stare. "It goes to people who foster enterprise.")

A doctor at the party said he could use an outside source of income "if times get tough" (I wondered when times got tough for a radiologist) and both of us were invited to a meeting at the Ramada Inn in Bethesda the following weekend to learn all about it.

There were more than 100 people in the crowded room when I arrived that Friday night, a mix so varied it even included one man with a beard wearing a turban.

Inside, a slide show was beginning, interspersed with lectures on Bestline—a company based in San Jose, Calif., that makes and sells cleaning products.

Bill Bailey's fleshy face flashed at us from the screen. His voice, sounding like someone chewing bubble gum, told us that "We need hundreds of thousands of people to sell products to millions of people who need them."

They seemed like good products—phosphate-free and biodegradable. But why was my host so enthusiastic about them? Then Bailey told us that people no better than we "actually earn $2,000 to $3,000 a month" as Bestline distributors.

Selling soap? Would a scientist think of dropping his life's work to sell soap?

He might if the price was right and I learned, when the lights went on, that there were brainy guys all over the room who thought it was. One was a former teacher and principal, who told us he had earned $24,000 a year in bonuses alone, for better than $175,000 worth of retail sales. It didn't even count his commission on all those sales, which could run as high as 60 per cent if he sold it himself, or as little as 8 per cent if his "organization" did all the work. But that's at least $14,000; maybe a lot more.

We learned there was a dentist in Baltimore who had earned a $30,000 bonus. (That's for $200,000 in sales, earning commissions of at least $16,000.)

Suddenly there were people popping up all over the room telling about the bonuses they'd made. I could feel the impact on the crowd: Wow! They can do it! We can make it too!

I almost didn't hear one of the area coordinators tell us, offhandedly, "I don't want to give the false impression that everyone in this room will earn a $30,000 bonus. . . ." No. Mostly, I heard their enthusiastic exclamations of how good it is to have a lot of money. One of them told us how he'd sent his aged mother to Italy last summer.

My host turned to us after the show ended and said excitedly: "See what I mean? Listen, the best part is the management and executives' meeting at nine tomorrow morning. That's when they really explain how you make money." The doctor and I promised to be there.

The Ramada Inn had a deserted look when I arrived at 9:15 the next morning. Saturday morning. Only about half of those who'd been to the previous evening's session had showed up, I noticed, as I quietly took a seat in the rear of the room. Chuck Ferrarese, the area coordinator for Maryland and D.C., was drawing on the blackboard with a piece of chalk, explaining how we could earn $17,000 a year for "one or two nights a week" work.

We had to invest money to become Bestline "distributors." We bring people to meetings like these (for "one to two nights' " work). Enough "join the company" that we recoup our investment. Then we continue to earn money from the recruiting efforts of the ones we had sponsored, who recoup their investment by bringing people in, etc., etc., etc.

The investment was $3,700, and we were encouraged to borrow it. About 90 per cent of Bestline's distributors borrow the money to "come in" to the company, Chuck said.

Wait a minute, I thought. Isn't it illegal to borrow investment capital? Well, yes it is, on stocks and bonds and down payment loans. But I learned it isn't illegal to borrow to "buy business inventory." In fact, the laws encourage you to borrow money to start a "business" by giving you tax breaks on interest. The government itself even makes "small-business loans" for such purposes.

The "inventory" is soap, of course. Bestline products. Soap, waxes, household and industrial cleansers, even some cosmetics. But it won't take up much space, Chuck told us. The entire $3,700 shipment "takes up the space of a Volkswagen bus."

Payments would amount to $100 to $140 a month, he said. We weren't to let that worry us. Being in debt would only spur us on to working harder to build up our "organizations" and pay it off. He said he paid his off in only six months.

When I expressed my misgivings about the whole thing to my "sponsor," he seemed genuinely puzzled by my failure to grasp the simple arithmetic involved.

"Listen," he said, "everyone can make it. Dodo Joe—with bad teeth and bad breath—can make it. All he has to do is bring down enough people to these meetings. The presentation sells them." I said I'd be ashamed to bring friends and acquaintances, to such meetings. They'd likely lose their $3,700 and wind up with a Volkswagen bus full of soap they couldn't sell because they had trusted me.

Chuck was offended at my thinking. Bestline wasn't a pyramid, he told me, because it limits the number of active distributors it will authorize to one for each 5,000 population by state. (That's very roughly about 40,000 Bestline distributors in the U.S. Tupperware, by comparison, has only about 250).

Eventually, I pointed out, the field would be saturated with Bestline distributors and the last ones to come in wouldn't recoup their investments.

"We can't bring in enough people faster than the population is exploding," he assured me.

The unlucky ones at the bottom of the chain would just have to learn to sell soap. But the field hasn't begun to fill up yet, they both emphasized. I wouldn't have to learn the soap business.

Last year the company boasted $100 million worth of sales, and it's only eight years old.

Its investors are essentially promised they won't have to get their hands dirty (if that's the right expression for selling soap). Their "organizations" will endlessly enhance their earnings.

But the basic pitch is the same as it is in all pyramids: the lure of large incomes for very little effort. Easy money.

On Monday I checked the Better Business Bureau of Washington's file on Bestline. Sure enough, the Federal Trade Commission had ordered Bill Bailey and the other officers of the company to "cease and desist" their marketing program in 1971.

FTC's complaint said the program was based on "the exploitation of others who have virtually no chance of receiving a return on their investment and who have been induced to participate by misrepresentations as to potential earnings." This was a violation of the FTC Act.

Rather than face the charges in court, Bailey and the other Bestline officers agreed to the FTC's "consent" order. The order doesn't require them to admit they did anything wrong. It says stop doing it in the future. If they didn't, they were liable to a $5,000 fine for each violation.

Well, I wondered, why was Bestline still marketing its soap with the pyramid technique? Why had the FTC failed to follow up its consent order with legal action against the company?

The FTC has, indeed, followed Bestline's compliance, I learned. In the process, to date, the company has been given every break.

The commission has "monitored" Bestline in the last two years by getting a copy of the "opportunity meeting script" along with all promotional films and literature and judging whether these were in compliance with the FTC consent order.

FTC's judgment, rendered in late February of this year, was that Bestline's current marketing program fails to comply with the order.

The next step is for FTC to put manpower into finding specific violations. Since the agency has been "inundated with complaints" about Bestline lately, these should not be hard to find.

The reason FTC's compliance section has not done this before is that it has been waiting for the commission's verdict on the marketing program. Now, Bestline has been warned twice, and presumably is in a weaker position, legally, if a case goes to court.

The last I heard from my "sponsor" was a call some weeks later with the news that his friend, the radiologist, had joined Bestline as a distributor. "He's so turned on it's not even funny."

I didn't think it was funny either.

### AMERIPRISE SURPRISE: ALL WAS NOT AS IT SEEMED

There is a photograph of local university professor Alfred Hoyte and his wife Marie in the November issue of Ameripress, the slick, in-house publication of the Ameriprise company. They are standing together, clean cut, smiling hesitantly, under a headline which reads "Top Ten Distributors—1972." They are listed among the company's top money makers.

But now, a few months later, the Hoytes speak bitterly of their involvement in Ameriprise, a company whose distributors are supposed to sell home cleaning products and whose vice president is actor Bob Cummings.

In the begats of the pyramid business, Ameriprise is out of U.S. Universal ("The sun never sets on U.S. Universal," I was told), one of the oldest companies that can apparently thank the pyramid way of doing business for its existence.

Its nationwide cosmetic firm, Holiday Magic, is now eight years old and is the company Glenn Turner worked for before beginning his own wildly successful cosmetic pyramid company, Koscot, in 1967.

"If Turner had stayed with us, he wouldn't be in trouble now," said a U.S. Universal employee recently, a dubious assumption at best, since, in a January, 1971, complaint, the FTC held that Holiday Magic "operates in the nature of a lottery, engages in false, misleading and deceptive practices including misrepresentation of earning potential."

The Hoytes' experience with Universal's newer company, Ameriprise, was that the selling of home cleaning products was secondary to recruiting new investors. As the business was outlined to them, an individual could become a master distributor for $3,000, receiving in return $4,500 in retail products and a 50 per cent buying discount on products.

The top level of the pyramid is that of general distributor. To become a general, and thereby be permitted to bring in other generals for almost a $4,000 commission, a master must attend two training schools ($400) and submit a $3,000 check to be held in escrow until he has replaced himself with another master.

It is a complicated system, but one that can make almost anyone rich, according to Lillian Wheatle, a company trainer who told me I could work only 15 hours a week and bring in three generals to earn $10,000 a year. Or I could recruit six generals and make $22,000. Or I could quit my job, recruit full-time and bring in one head a month for an annual income of $44,000. Plus I would then have 12 masters who would want to become generals and would have to pay me for the privilege. Oh, yes, there's the commissions from retail sales by my recruits, too.

"It just goes on and on and on," Lillian Wheatle told me brightly.

It did not go on and on for the Hoytes, who realized six months after they had joined Ameriprise that all was not as it had seemed.

"The essential misrepresentation is that you're told you can make $5,000 a month selling retail but there's really no chance to do that," Hoyte says. "There's a meeting every night in which your instructor general whips you into bringing other people in. You have to answer to him if you don't."

Besides investing several thousand dollars to have the right to sell home care products, the Hoytes were convinced by Ameriprise to establish a regional training center, at the suggestion of Ameriprise. They spent $12,000 refinishing the top floor of a downtown office building with the verbal understanding they would receive one per cent of all D.C. sales and that the company would soon buy the facility from them.

Hoyte says he received several hundred dollars in commissions but he still has a year's lease on the offices to pay off. Training goes on in area motels, without benefit of the Hoytes, who are now out of Ameriprise but in debt.

"My mistake was when I looked at the thing it looked quite logical and quite fair on paper," Hoyte remembers regretfully. "But it's not like it is on paper. The people don't really make the money."

### CAMELON—FAR FROM CAMELOT

Glenn W. Turner has news for those business magazines that called him the "pyramid king:" he is going straight, no more head-hunting businesses.

The sharecropper's son has traveled a rocky road since his first company appeared in 1967. Then, the flagship company of Turner Enterprises was Koscot, a cosmetic company that let an investor sell cosmetics and, mostly, recruit other salesmen for a healthy fee.

In 1970, Koscot was overshadowed by Dare To Be Great, the motivation course. By the time DTBG was closed down in the summer of 1972, Turner's followers had come to know the pyramid game the same way some truck drivers know the interstate highway system: by heart.

It didn't matter that Koscot and Dare To Be Great were on the decline, it didn't matter that Turner was beleaguered with lawsuits, just give a pyramid player a marketing plan and a company name and he'd run with it.

In a dizzying series of diversifications, Turner's chief lieutenants in the field set up companies that obtained their products and recruiting impetus from Corporate Consulting Services, a Florida company headed by Turner's brother. Another company hired Turner to consult the splinter companies across the nation. In that way he neatly excluded his new offspring from the legal problems, while assuring himself of an income from consulting his former employees.

Now those splinter companies have disbanded and the Turner family is coming together under one name again. The company is Camelon and its regional vice president is Dave Sullivan. Both Sullivan and one of Turner's closest corporate advisors say Camelon is finally what Turner has worked for all along: a legitimate, honest-to-goodness, this-is-the-real-thing . . . retail sales organization. No headhunting, no pyramiding, jut an efficient retail sales company with Glenn Turner as inspiration.

Camelon is headed by Harry Atkinson, a weather-beaten, pot-bellied former career sailor called "Uncle Harry" by Turner's home office crew in Orlando because he is Turner's uncle. Turner does not own a share of the stock in Camelon, a company representative says, though he is expected to consult and encourage Camelon's growth.

"There's nothing colorful about this company, nothing you could write to make people want to turn the page," says Sullivan, a handsome, tight-lipped fellow who is in charge of recruiting a sales force in Delaware, Maryland, D.C. and Pennsylvania. "Our company is based on truth and honesty."

Sullivan is sitting in a dimly-lit, bordello-red suite at Arlington's Hospitality House motel. He says he used to be a beer-drinking railroad worker in Ohio before someone introduced him to Dare To Be Great. When the operation was shut down in Ohio, Sullivan moved eastward and helped recruit in Baltimore. When DTBG was put out of business nationwide, he ran his own company which was connected to the company run by Glenn Turner's brother.

"When I was in the railroad I never stayed in a motel, let alone a suite," Sullivan says with a trace of Buckeye awe.

He begins to explain Camelon to this reporter who in the past has been skeptical of some of Sullivan's business dealings. He wants to make the reporter understand that Camelon could give people a real chance to make that long leap to wealth and happiness.

Sullivan says Camelon markets cosmetics, fire alarms, cookware, vitamins, home cleaning products and mink accessories door-to-door or through home party presentations. Products are sold through three levels, beginning with the position of a salesman, who receives a 25 per cent buying discount and is usually hired by a sales representative.

A sales representative enjoys a 30 per cent buying discount on products. For this right he pays Camelon $600. About half of that total covers sales training in Washington, the other half covers the cost to the company to keep the sales rep on the books. Nobody, Sullivan says repeatedly, receives a fee for bringing a sales rep into Camelon.

The third and highest level in Camelon is that of a senior sales rep, who pays another $600 (for a total investment of $1,200) and enjoys a 40 per cent discount in buying products from the company. The $600 covers a week of training in Florida, Sullivan says, all expenses paid except transportation.

A senior sales rep must also replace himself (by bringing in another sales rep for no commission), Sullivan says, though one of Turner's legal advisors who is familiar with the Camelon marketing program disputes that point. The replacement factor is not a requirement, he says. Further, a sales rep can move up to the position of senior rep by generating a $4,800 volume in retail sales, thereby obviating the additional $600 charge.

Currently Sullivan and his associates (such as air conditioning repairman J. C. Sorrell) are recruiting salespersons in the same high pressure weekend meetings that characterized previous Turner-controlled or Turner-inspired ventures. But it is too soon to tell if Turner has succeeded in setting his course for retail waters or whether the legal sins of his old companies will be visited on Camelon; recruiting has just begun. Sullivan assures critics that soon all the current recruiters will be out on the street selling door-to-door, just like the recruits.

One attorney who has had extensive dealings in litigation against Turner says he is wary: "It looks to me like Camelon is a short form for chameleon which is the same old Turner just turned another color," comments James Joseph.

But Turner's supporters say if Camelon is given a chance to get off the ground its detractors will see that it is strictly a retail sales organization on par with, say, Avon or Tupperware. If that is so, and if Turner brings his tremendous ability to persuade people to follow him to bear on Camelon, any Turner disciple will tell you it will be the fastest growing company in America.

### Doc Promises Spec-31 Can Make You Rich

Not all of Turner's disciples are still plugged into his corporate world in Orlando as Sullivan of Camelon is. Some, like thin-haired, but handsome "Doc" Holiday, left Turner and his legal problems and are now trying to play the pyramid game without invoking Turner's name or spirit.

A year ago, Doc, aka Robert Holondak, Richard Holliday or Charles Hallenack, according to court records, held crowds of thousands in his hands at Washington's Sheraton Park Hotel as he preached Dare To Be Great to audiences culled from a five-state area. He was one of the best crowd managers Dare To Be Great had, and Doc was often saved for the all-important "close" part of the program, that time when a sponsor would ask his guest to write out that hefty check.

Now Doc Holiday is co-owner of Spec-31, a young firm that claims to be operating in 10 states. Nine people attended a recent meeting at the Hospitality House motel in Arlington. Four were brought there after answering "yes" to the same question Doc used to ask strangers in the old days: "How would you like to be rich?"

Doc talks in spurts. He machine guns phrases such as "makingmoneyquick" and he pauses, not at the end of sentences, but between challenges, as in: "Can you?" "Make the kind of income you've only dreamed about?" His patter is smooth, but a bit too well-rehearsed, an observation heightened by watching a man who once would not consider a room of only nine people worth his time; his presentation is geared toward large crowds, not modest gatherings.

Spec-31, the guests learned, stood for Security and Protection for Everyone in the Community, the 31 represented 31 good reasons why everyone should buy the Spec-31, a box that looked like a small stereo receiver with an antenna protruding from the center of the top.

When switched on, Spec-31 senses movement of a mass within a pre-adjusted radius, as wall as the presence of smoke and heat. The burglar alarm (sensing movement of mass) relies on radar; the fire alarm (sensing smoke and heat) relies on a heat-sensitive device separate from the main unit.

Burglars and fires are dealt with in the same way: a loud siren blast. Options include a device that can dial a pre-programmed telephone number and report trouble.

Following a film detailing the anatomy of a typical home fire—in which a handsome couple and their two children burn as effortlessly as bacon—Doc explained the business. For an investment of $3,000 an individual receives a demonstration unit and a two-day sales training course. Following completion of the course, the investor becomes a "sales consultant" with the right to sell a Spec-31 retail for $880, earning a commission of $200.

But why do all the work youself? Doc asked. Hire a few salesmen and consider the possibilities: a salesman sells one Spec-31 per week and you split the $200 commission. Hire four salesmen and you take home $400 weekly. Hire 10 and you pull down $48,000 a year. What could be easier?

And one more thing. Apparently Doc is not yet convinced there is no future in selling the right to sell. As a bona fide Spec-31 sales consultant, you can earn a "finder's fee" for bringing in other investors. That fee is $1,200—or the equivalent commission for selling six Spec-31 units door-to-door. As any pyramid veteran worth his training knows, that's something to think about.

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By Mr. ERVIN (by request):

S. 1940. A bill to establish a fund for activating authorized agencies, and for other purposes. Referred to the Committee on Government Operations.

### ESTABLISHING A FUND FOR ACTIVATING AUTHORIZED AGENCIES

Mr. ERVIN. Mr. President, I introduce, by request, a bill to establish a fund for activating authorized agencies, and for other purposes.

This legislation was requested by the General Services Administration and I ask unanimous consent to have inserted in the Record a letter from the Aging Administrator of the General Services Administration explaining the need for its consideration and enactment.

There being no objection, the letter was ordered to be printed in the Record, as follows:

General Services Administration,
*Washington, D.C., April 5, 1973.*

Hon. Spiro T. Agnew,
*President of the Senate,*
*Washington, D.C.*

Dear Mr. President: There is transmitted herewith, for referral to the appropriate committee, a draft of legislation "To establish a fund for activating authorized agencies, and for other purposes." A similar proposal, submitted to the 92nd Congress on November 24, 1971, was introduced by Senator McClellan on December 15, 1971, as S. 3026.

The General Services Administration provides, on a reimbursable basis, administrative support services to a continually changing roster of newly established commissions, committees, task forces, boards, and small agencies, the funding of which is not otherwise provided for.

The experience of GSA with these entities reveals a recurring problem—a lack of access to an initial fund source to enable them, during the interim period immediately following their authorization and the time their appropriations become available, to begin carrying out their assigned missions. The hiatus problem with which these bodies are now obliged to cope, arises from the delay inherent in the budget and appropriation processes. However caused, time is lost to the point of jeopardizing in some instances the meeting of prescribed time limitations. We cite as a recent example of crippling delay the establishment of the Aviation Advisory Commission (P.L. 91-258, approved May 21, 1970), required to present its report and recommendations by not later than January 1, 1972. Appropriations were not enacted for the funding of this Commission until May 25. 1971.

"We believe it desirable to remedy by legislation the funding dilemma which confronts these types of organizations in their early stages. The draft bill submitted herewith would achieve the needed result by authorizing the establishment of a fund for activating authorized agencies. The fund would be administered by GSA which currently performs administrative support services for more than 40 small commissions and committees. Advances from the fund would be subject to approval by the Director of the Office of Management and Budget.

So as not to authorize advance funding of a newly created organization for an indefinite period, the draft bill includes a provision not contained in S. 3026, 92nd Congress, limiting the period for advance funding to one year, and prohibiting advances to any organization for which the Congress has denied funds.

The draft bill is by no means intended to encourage the proliferation of small boards, commissions, and other Federal organizations, but merely to alleviate a difficult funding situation which arises when such a new organization is legally established.

We urge prompt introduction and enactment of the draft bill.

The Office of Management and Budget has advised that there is no objection to the submission of this proposed legislation to the Congress, and its enactment would be in accord with the program of the President.

Sincerely,

ARTHUR F. SAMPSON,
*Acting Administrator.*

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By Mr. FULBRIGHT (by request):

S. 1942. A bill to enable the United States to contribute its share of the expenses of the International Commission of Control and Supervision as provided in article 14 of the Protocol concerning the said Commission to the Agreement on Ending the War and Restoring Peace in Vietnam. Referred to the Committee on Foreign Relations.

Mr. FULBRIGHT. Mr. President, by request, I introduce for appropriate reference a bill to enable the United States to contribute its share of expenses of the International Commission of Control and Supervision in Vietnam.

The bill has been requested by the Department of State and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the RECORD at this point, together with the letter from the Acting Assistant Secretary of State to the President of the Senate dated May 18, 1973.

There being no objection, the bill and letter were ordered to be printed in the RECORD, as follows:

S. 1942

*Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled,* That there is hereby authorized to be appropriated to the Department of State such sums as may be necessary from time to time for the payment by the United States of its share of the expenses of the International Commission of Control and Supervision as provided in article 14 of the protocol concerning the said Commission to the Agreement on Ending the War and Restoring Peace in Vietnam dated January 27, 1973.

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DEPARTMENT OF STATE,
*Washington, D.C., May 18, 1973.*

Hon. SPIRO T. AGNEW,
*President of the Senate,*
*U.S. Senate,*
*Washington, D.C.*

DEAR MR. PRESIDENT: There is transmitted herewith for consideration by the Congress a draft bill to enable the United States to contribute its share of the expenses of the International Commission of Control and Supervision in Vietnam.

The proposed legislation would implement the Agreement of January 27, 1973 on Ending the War and Restoring Peace in Vietnam Article 18 of that Agreement established an International Commission, composed of representatives of Canada, Hungary, Indonesia and Poland, and imposed significant responsibilities upon that Commission for supervision of many important aspects of the Agreement, including the ceasefire, the return of prisoners, and the conduct of elections. A protocol to the Agreement specifies that each of the four parties to the Agreement will defray twenty-three per cent of the Commission's costs and that each of the four Commission members will contribute two per cent.

The enclosed draft bill would authorize the appropriation to the Department of State of such funds as may be necessary to pay the United States' share of the Commission's expenses under the formula contained in the relevant protocol to the Paris Agreement. The proposed legislation is virtually identical to Public Law 88-468, which authorized appropriations for United States contributions to the International Commission for Supervision and Control in Laos. Because the U.S. financial responsibility under the Agreement is expressed as a percentage of an unknown total, it would not be practicable to specify a dollar amount in the proposed legislation. It is estimated, however, that United States contributions to the Commission during the fiscal year 1974 will not exceed $4,800,000. After enactment of the bill it is our plan to seek 1974 apppropriations for U.S. contributions to the Commission under the Department of State Appropriations Act heading "Contributions to International Organizations," which is applicable to organizations for which contributions have been authorized by treaty or Act of Congress.

The strengthening of the role of the International Commission of Control and Supervision and the assurance that it would have sufficient personnel to perform its functions were major objectives of the United States in the final round of negotiations leading to the January 27 Agreement. Our continued commitment to an effective international commission will be an essential ingredient in the realization of a lasting peace in Indochina. Accordingly, we urge that the Congress give the proposed legislation early and favorable consideration.

The Office of Management and Budget advises that enactment of the enclosed draft bill would be in accord with the President's program.

Sincerely,

MARSHALL WRIGHT,
*Acting Assistant Secretary for Congressional Relations.*

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By Mr. PACKWOOD:

S. 1943. A bill to establish the Cascade Head Scenic-Research Area in the State of Oregon, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

CASCADE HEAD SCENIC RESEARCH AREA

Mr. PACKWOOD. Mr. President, I rise today to introduce legislation to establish the Cascade Head Scenic-Research Area. This legislation proposed to extend the boundaries of the existing Siuslaw National Forest to encompass what is known as the Cascade Head-Salmon River area.

On the Oregon coast lies a very unique and scenic ecosystem, an area relatively untrammeled by man, where scenic and esthetic values have been maintained. This is known as the Cascade Head-Salmon River area, a delicate ecosystem, which if it is not saved, may readily become just another overdeveloped area, devoid of animal and marine life and the unequaled pristine and natural state which has thus far been left intact. This is the only remaining estuary on the Oregon coast which has not yet been subjected to the ravages of our highly mobilized and industrial society. Here remains a land yet untouched by the scourges of civilization, still free of the commotion of the masses. There is danger, however, that the area may not be maintained much longer in its present state of relatively pristine beauty. Increasing pressure for residential and commercial development have brought to the attention of growing numbers of citizens the necessity for preserving this area in its present state, of maintaining values which are becoming increasingly lost to the mechanization, industrialization, and commercialization of our society.

Under this bill, the area known as Cascade Head and the Salmon River estuary and associated wetlands would be managed under a comprehensive management plan developed by the Secretary of Agriculture, a plan which would involve the public in the planning process. The area would be designated a scenic-research area and would have, as the name implies, the objective of preservation of scenic, scientific, historic, and educational values. Another very important aspect of the bill is the citizen's advisory council which would be established by the Secretary of Agriculture. The Secretary of Agriculture would consult regularly with the council as well as cooperate with State and local agencies concerning the responsibilities for zoning, planning, wildlife management, et cetera. Because of the importance of citizen involvement, I feel this council to be a significant part of the bill as relates to any management decisions the Secretary of Agriculture may make.

There are special subareas designated in the legislation. These subareas would have specific management provisions and are broken down into six separate but interrelated biological units. They are known as estuarial and associated wetlands, lower slope, timberlands, headlands, the coastline, and sand dune and spit, and will be managed according to the needs and objectives which will best enhance the respective areas. Cascade Head itself projects out into the Pacific Ocean, a huge promontory nestling in the ocean mist on a day "socked in" with fog, and basking in the sunshine on those rarer days when the Oregon coast enjoys a gentler season. The Headland is 1,600 feet high, the highest point in the area, and the mouth of the Salmon River, at sea level, is the lowest point. The total acreage of what is to be designated the Cascade Head Scenic-Research Area is approximately 8,500 acres. The topography ranges from tidal marsh to the typical rugged characteristics of the coast range.

What makes this legislation particularly different from other protective measures is that this bill allows man and nature to coexist; this bill is precedent-setting in that it would insure the preservation of the area and at the same time allow man a unique place in the ecosystem. Within the measure is provision for management of the various subareas insuring the compatible existence of special scenic and scientific values and wildlife with human use and occupancy. Attempt is made to further a more sensitive relationship between man and his adjacent environment, an objective not specifically given reference in other bills of similar nature which come before the Congress.

We seek to show that in fact man need not desecrate his surrounding environment by virtue of his being a part of it. Rather, he can enjoy the ocean headlands, rivers, streams, estuaries, forested areas, recreational and scientific facilities, and at the same time lend himself to enhancement of these parts. The protection we seek for Cascade Head does not preclude man, but rather offers him a role, one which will involve him in the decisionmaking processes for management of the area and will offer man a chance to increase his understanding of the very sensitive balance between estuarial and surrounding lands.

Another point of interest in this legislation is that the Secretary of Agriculture may acquire the estuarial lands and associated wetlands which are so inherently necessary to the balance of the ecosystem. Action to acquire these lands would, however, be taken only following public hearings. Additional subareas would be managed with careful regard to their biological content and would be acquired only with the consent of the respective owners; however, specific provision is made that there shall be no changes in use of those subareas outside the estuary which would substantially alter the manner in which the lands were used and maintained on June 1, 1973. In this manner, we seek to provide the necessary care and protection for the area and avoid any upset of the sensitive biological interchange of the estuary. It is imperative that adequate thought be given the natural integrity of the areas in question and the way in which man is to fit into that environment. This bill addresses that immediate problem. Again, the uniqueness of the "scenic research" designation lies in the special attempt made to involve the public, to provide for public research and education of the public about the ecological resources and values of a natural area.

An identical bill is being introduced in the House by Congressman WYATT, and I am hopeful that both the House and the Senate will see fit to move expeditiously to enact this precedent-setting legislation to insure the proper management of this area. It goes without saying that the Cascade Head-Salmon River area is worthy of the best protection we can offer it.

Mr. President, I ask unanimous consent that the legislation I am introducing today be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

### S. 1943

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That in order to provide for the public outdoor recreation use and enjoyment of certain ocean headlands, rivers, streams, estuaries, forested areas, recreational and research-scientific facilities and areas in the State of Oregon by present and future generations and the conservation and study of scenic, scientific, historic and other values contributing to public awareness and appreciation of such areas, and to promote a more sensitive relationship between man and his adjacent environment, there is hereby established, subject to valid existing rights, the Cascade Head Scenic-Research Area (hereinafter referred to as "the Area").

SEC. 2. The administration, protection, development and regulation of use of the Area shall be by the Secretary of Agriculture (hereinafter called the "Secretary") in accordance with the laws, rules, and regulations applicable to national forests, in such manner as in his judgment will best contribute to attainment of the purposes set forth in this Act.

SEC. 3. (a) The boundaries of the Area, and the boundaries of the sub-areas included therein, shall be those shown on the map entitled "Proposed Cascade Head Scenic-Research Area" dated June 1973, which is on file and available for public inspection in the Office of the Chief, Forest Service, United States Department of Agriculture: *Provided,* That, from time to time, the Secretary may, after public hearing or other appropriate means for public participation, make adjustments in the boundaries of sub-areas to reflect changing natural conditions or to provide for more effective management for the purposes of this Act.

(b) As soon as practicable after the enactment of this Act, the Secretary shall, with provision for appropriate public participation in the planning process, develop a comprehensive management plan for the Area. Said plan shall prescribe specific management objectives and management controls necessary for the protection, management, and development of the Area and each of the sub-areas: *Provided,* That within the Area, the following sub-areas shall be established and shall be managed in accord with the following primary management objectives which shall be supplemental to the general management objectives applicable to the entire Area:

(1) Estuary and Associated Wetlands Sub-area: An area managed to protect and perpetuate the fish and wildlife, scenic, and research-education values, while allowing dispersed recreation use, such as sport fishing, non-motorized pleasure boating, water fowl hunting, and other uses which the Secretary determines are compatible with the protection and perpetuation of the unique natural values of the sub-area. After appropriate study, breaching of existing dikes may be permitted within the area.

(2) Lower Slope-dispersed Residential Sub-area: An area managed to maintain the scenic, soil and watershed, and fish and wildlife values, while allowing dispersed residential occupancy, intensive recreation use, and agricultural use.

(3) and (4) Upper Timbered Slope, and Headlands Subareas:
Areas managed to protect the scenic, soil and watershed, and fish and wildlife values while allowing extensive recreation and research-educational activities and timber harvesting activity and associated road development which does not significantly interfere with the purposes of the area.

(5) and (6) Coastline, and Sand Dune-Spit Subareas:
Areas managed to protect and maintain the scenic and wildlife values while allowing extensive recreation and research-educational activities.

SEC. 4. The boundaries of the Siuslaw National Forest are hereby extended to include all of the lands not presently within the national forest boundaries lying within the area as described in accordance with section 3 of this Act.

Notwithstanding any other provision of law, any Federal property located within the area added to the Siuslaw National Forest by this Act may, with the concurrence of the agency having custody thereof, be transferred without consideration to the administrative jurisdiction of the Secretary of Agriculture. Any lands so transferred shall become part of the Siuslaw National Forest.

SEC. 5. (a) Subject to the provisions of subsection (b) of this section, the Secretary is authorized to acquire lands, waters or interests therein wtihin the area by donation, purchase, exchange, or otherwise.

(b) Within all subareas of the area except the estuary and associated wetlands subarea, the Secretary may acquire lands and interests only with the consent of the owner so long as the owner uses the land for substantially the same purposes and in the same manner as the lands were used and maintained on June 1, 1973. The Secretary shall publish, within 90 days of the enactment of this Act, guidelines which shall be used by him to determine what constitutes a substantial change in land use or maintenance for the nonfederally owned lands within the area. Within the estuary and associated wetlands subarea the Secretary may acquire lands and interests without the consent of the owner at any time, after public hearing.

SEC. 6. Notwithstanding the provisions of subsection 6(a)(1) of the Land and Water Conservation Fund Act of 1965 (78 Stat. 903, 16 U.S.C. 4601-9(a)(1) moneys appropriated from the Land and Water Conservation Fund shall be available for the acquisition of any lands, waters, or interests therein within the area added to the Siuslaw National Forest by this Act.

SEC. 7. The lands within the area, subject to valid existing rights, are hereby withdrawn from location, entry and patent under the United States Mining Laws and from disposition under all laws pertaining to mineral leasing and all amendments thereto.

SEC. 8. (a) The Secretary shall establish an advisory council for the Area, and shall consult on a periodic and regular basis with such council with respect to matters relating to management of the Area. The members of the advisory council, who shall not exceed eleven in number, shall serve for the individual staggered terms of three (3) years each and shall be appointed by the Secretary as follows:

(i) A member to represent each county in which a portion of the Area is located, each such appointee to be designated by the respective governing body of the county involved;

(ii) A member appointed to represent the State of Oregon, who shall be designated by the Governor of Oregon;

(iii) Not to exceed eight members appointed by the Secretary from among persons who, individually or through association with national or local organizations, have an interest in the administration of the Area; and

(iv) The Secretary shall designate one member to be chairman and shall fill vacancies in the same manner as the original appointment.

(b) The members shall not receive any compensation for their services as members of the council, but they shall be reimbursed for travel expenses and shall be allowed, as appropriate, per diem or actual subsistence expenses.

(c) The Secretary shall, in addition to his consultation with the advisory council, seek the views of other private groups, individuals, and the public, and shall seek the views and assistance of, and cooperate with all other Federal, State, and local agencies with responsibilities for zoning, planning, migratory fish, waterfowl, and marine animals, water and natural resources, and all non-profit agencies and organizations which may contribute information or expertise about the resources or management of the Area or its resources, in order that the knowledge, expertise and views of all agencies and groups may contribute affirmatively to the most sensitive utilization of the Area and its various sub-areas, for the benefit of the public, now and in the future.

Sec. 9. The Secretary shall cooperate with the State of Oregon and political subdivisions thereof in the administration of the Area and in the administration and protection of lands within or adjacent to the recreation area owned or controlled by the State or political subdivisions thereof. Nothing in this Act shall deprive the State of Oregon or any political subdivision thereof of its rights to exercise civil and criminal jurisdiction within the Area consistent with the provisions of this Act, or of its right to tax persons, corporations, franchises or other non-Federal property, in or on the lands or waters within the Area.

## ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

### S. 40

At the request of Mr. Brock, the Senator from Tennessee (Mr. Baker), the Senator from Florida (Mr. Chiles), the Senator from Kentucky (Mr. Cook), the Senator from Nebraska (Mr. Curtis), the Senator from New Mexico (Mr. Domenici), the Senator from Colorado (Mr. Dominick), the Senator from Mississippi (Mr. Eastland), the Senator from North Carolina (Mr. Ervin), the Senator from Arizona (Mr. Goldwater), the Senator from North Carolina (Mr. Helms), the Senator from Montana (Mr. Metcalf), the Senator from Georgia (Mr. Nunn), the Senator from Wisconsin (Mr. Proxmire), the Senator from Virginia (Mr. Scott), and the Senator from South Carolina (Mr. Thurmond) were added as cosponsors of S. 40, a bill to reform the legislative budgetmaking process.

### S. 268

At the request of Mr. Jackson, the Senator from South Dakota (Mr. Abourezk) was added as a cosponsor of S. 268, the Land Use Policy and Planning and Assistance Act of 1973.

### S. 978

At the request of Mr. Eastland, the Senator from Minnesota (Mr. Humphrey) and the Senator from Maryland (Mr. Mathias) were added as cosponsors of S. 978, to amend the Federal Trade Commission Act (15 U.S.C. 45) to provide that under certain circumstances exclusive territorial arrangements shall not be deemed unlawful.

### S. 1147

At the request of Mr. Dominick, the Senator from Maryland (Mr. Beall), the Senator from Oklahoma (Mr. Bellmon), and the Senator from Florida (Mr. Gurney) were added as cosponsors of S. 1147, to amend the Occupational Safety and Health Act of 1970.

### S. 1326

At the request of Mr. Williams, the Senator from Iowa (Mr. Hughes), the Senator from Minnesota (Mr. Mondale), the Senator from Nevada (Mr. Bible), the Senator from West Virginia (Mr. Randolph), the Senator from Wyoming (Mr. McGee), the Senator from Rhode Island (Mr. Pastore), the Senator from Michigan (Mr. Hart), the Senator from Minnesota (Mr. Humphrey), the Senator from California (Mr. Cranston), the Senator from Pennsylvania (Mr. Schweiker), and the Senator from New Mexico (Mr. Montoya) were added as cosponsors of S. 1326, the Hemophilia Act of 1973.

### S. 1604

At the request of Mr. Brock, the Senator from Nevada (Mr. Bible), the Senator from Kansas (Mr. Dole), the Senator from New Mexico (Mr. Domenici), the Senator from Alaska (Mr. Gravel), the Senator from South Carolina (Mr. Hollings), the Senator from South Dakota (Mr. McGovern), the Senator from Montana (Mr. Metcalf), the Senator from Utah (Mr. Moss), the Senator from Illinois (Mr. Percy), and the Senator from Alaska (Mr. Stevens) were added as cosponsors of S. 1604, a bill to prevent discrimination on the basis of sex in housing.

### S. 1605

At the request of Mr. Brock, the Senator from Utah (Mr. Bennett), the Senator from Nevada (Mr. Bible), the Senator from Kansas (Mr. Dole), the Senator from Alaska (Mr. Gravel), the Senator from Florida (Mr. Gurney), the Senator from South Dakota (Mr. McGovern), and the Senator from Illinois (Mr. Stevenson) were added as cosponsors of S. 1605, a bill to amend the Truth in Lending Act to prohibit discrimination on account of sex or marital status against individuals seeking credit.

### S. 1749

At the request of Mr. Mondale, the Senator from Minnesota (Mr. Humphrey) was added as a cosponsor of S. 1749, to provide continued rail transportation in rural America.

### S. 1816

At the request of Mr. Pastore, the Senator from Texas (Mr. Tower) was added as a cosponsor of S. 1816, to amend the Wool Labeling Act of 1939.

### SENATE JOINT RESOLUTION 70

At the request of Mr. Williams, the Senator from New Hampshire (Mr. McIntyre) was added as a cosponsor of Senate Joint Resolution 70, to authorize the President to proclaim annually the last Friday in April as "National Arbor Day."

## APPOINTMENT OF ADDITIONAL CONFEREE

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the Senator from Missouri (Mr. Eagleton) be appointed as an additional conferee on the part of the Senate on the committee of conference to be held on the bill (H.R. 7447) the Second Supplemental Act, 1973.

The PRESIDING OFFICER. Without objection, it is so ordered.

## SENATE CONCURRENT RESOLUTION 28—SUBMISSION OF A CONCURRENT RESOLUTION CALLING FOR A MORATORIUM ON RAILWAY ABANDONMENTS

(Referred to the Committee on Commerce.)

Mr. HUMPHREY (for himself and Mr. Mondale) submitted the following concurrent resolution:

### S. Con. Res. 28

Whereas the American people, in the early days of our Nation's history, made generous grants of land, including the mineral rights of such land, to American railroad companies in order to stimulate the growth and development of the then unsettled rural parts of our Nation; and

Whereas the pursuit of a more balanced national growth and development pattern in the United States has been declared by the Congress as a matter of the highest priority; and

Whereas the President and Executive branch of the Federal Government has indicated concurrence in the pursuit of this goal; and

Whereas it has been acknowledged by both the Legislative and Executive branches of Government that revitalization of rural America and our Nation's smaller communities is essential to the successful attainment of this goal; and

Whereas the continued availability of rail transportation services and facilities within rural America today are absolutely essential to the continued economic and social viability of those communities and industries located within this part of our Nation; and

Whereas wholesale abandonments of rail service are being permitted within rural areas, which is causing major disruptions in the commerce and movement of goods and services produced and required in such areas; and

Whereas little is known about the overall impact that these abandonments are having on future growth and development of such areas: Now, therefore, be it

*Resolved by the Senate (the House of Representatives concurring)*, That it is the sense of the Congress that the Federal Interstate Commerce Commission, in cooperation with the United States Department of Transportation and other appropriate departments and agencies of Federal and State governments, declare a moratorium on all further abandonment of rail service or railways until such time as appropriate studies and analysis can be made concerning the adverse impact that such abandonments are having on the areas and commmunities served by rail transportation. As a part of these studies and analysis, recommendations should be submitted to the Congress, the executive branch, and to the Interstate Commerce Commission regarding what actions might be taken to continue such rail service where it is essential to the continued growth and development of the regions and communities largely dependent upon such service.

### SENATOR HUMPHREY CALLS FOR MORATORIUM ON RAILWAY ABANDONMENTS UNTIL JUNE 30, 1974

Mr. HUMPHREY. Mr. President, I am today submitting a concurrent resolution on behalf of myself and my colleague from Minnesota, Senator Mondale, expressing the sense of the Congress that a moratorium be declared on any further abandonment of rail services or facilities within the rural and metropolitan regions of the United States until at least June 30, 1974, in order to provide time for appropriate investigations to be conducted to determine what might be done to continue such transportation services, where needed.

As was pointed out in the report of the Senate Committee on Commerce on "The Surface Transportation Act of 1972":

The rail industry currently has made line abandonments one of its major tools to cut

> its costs. . . . However, a line's contribution to a railroad's profits should not be the only test by which to justify the line's continued existence.
>
> The same considerations that led the Federal government, as well as state and local governments, to aid in the initial construction of the Nation's rail system apply today and must be kept in mind. To stop the vital flow of commerce by cutting off transportation may spell the death of the affected communities. From the government's point of view, the social and economic costs and benefits to those dependent on the railroads must be brought into the calculation of whether or not to continue rail services.

Mr. President, since 1920 the Interstate Commerce Commission has permitted over 60,000 miles of railway to be abandoned. Almost 14,000 miles of trackage has been abandoned in the last 10 years alone.

Rail transportation for many of our Nation's smaller communities and industries located in rural areas is the only mode of bulk transportation available. Discontinuance of this service to these communities means their certain demise.

If we are serious in our commitment to pursuing a more balanced national growth strategy in this country and in revitalizing our Nation's rural areas and smaller communities as a part of such a strategy, then we must take a closer look at the importance of continued rail transportation to their future growth and development.

Mr. President, this is just one more example of how this Nation has failed to analyze the total effect of various policies on the overall balanced growth and development of the country and failed to plan with these interrelationships clearly in mind.

We now have several Federal programs to provide assistance in expanding jobs and industry in rural areas and in our smaller communities. Many more have been proposed. Yet, in other parts of our Government we not only permit, but also encourage abandonment of rail service, which often is vital to the successful operation of the very businesses that we are trying to help with other Federal programs.

Such inconsistencies in purpose are too often found within our public and private decisionmaking process and steps should be taken to minimize such conflicts.

Mr. President, abandonment of railway trackage is creating serious economic and social problems for many Minnesota communities. If a moratorium can be declared on these abandonments, ways and means might be found to continue rail service to them. We need time to study these questions including possible subsidies to the railroads themselves in order to continue service where needed.

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## SENATE RESOLUTION 123—SUBMISSION OF A RESOLUTION TO AMEND THE STANDING RULES OF THE SENATE

(Referred to the Committee on Rules and Administration.)

Mr. MONDALE. Mr. President, events of recent months have highlighted perhaps more starkly than ever before the dangers of the widening gulf between the executive branch and the legislative branch. Faced with unprecedented Presidential use of impoundment and claims of Executive privilege, we in Congress have often found ourselves unable to obtain the vital information we need on a wide variety of policies affecting the Nation.

We have been faced with continued attempts by the Executive to usurp power from the legislative branch and increasing inability to effectively focus public attention on the dangers of the usurpation of our congressional prerogatives. In addition we have seen that, even within the executive branch, Cabinet and executive agency officers face an increasing inability to make and coordinate within their own jurisdictions.

The events surrounding the Watergate affair have revealed the dangers inherent in the ability of a few men on the White House staff—responsible to no one, mostly without the sobering experience of electoral politics, and beyond the reach of Congress—to control policy. Hopefully, these events will lead to a rethinking of the respective roles of the legislative and the executive branches.

As part of this rethinking, we should attempt in as many ways as possible to increase Congress' ability to conduct meaningful dialogue with those officials in the executive branch in whose offices responsibility for policymaking decisions should rest. This attempt should focus on keeping both Congress and the Cabinet officers and agency heads in better touch with each other.

By making those executive branch figures whose confirmation by the Senate is required by law more accountable to the people—through the Congress—we will enable the balance of power to shift away from a White House staff of a few unelected and unresponsive men and reassert the proper role of the Congress and the Cabinet officers.

As a first step in this direction, I am submitting today a Senate resolution to provide for the establishment of a "Question and Report Period," somewhat analogous to that in use in many Parliamentary systems around the world.

This is neither a new or a radical idea. It was given notice by the first Congress, which in creating the Office of Secretary of the Treasury, declared that "he shall make report and give information to either branch of the legislature either in person or in writing" as either House might require. Indeed, during this first Congress, Cabinet officers appeared before the House 8 times, and before the Senate 14 times.

In 1864, a select committee of the House and in 1881, a select committee of the Senate recommended the right to the floor of both Houses for Cabinet officers both to answer questions and to participate in debate. In 1912, President Taft, in a message to Congress, made virtually the same recommendation. And throughout the 1940's and 1950's, Senator Estes Kefauver championed the idea of a "question hour" and first introduced legislation of the type I am introducing today.

Nor does this proposal affect the constitutional doctrine of separation of powers. The Constitution clearly gives the President the power to "require the opinion in writing of the principal officer in each of the executive departments upon any subject appertaining to the duties of their respective offices." This proposal would not diminish this right in the slightest. It merely would allow the legislative branch the ability to add an additional dimension to the role of these executive officers—that of spirited and productive dialog with members of the legislative branch.

The proposal does not call for the subpenaing of Executive officers to appear before the Senate. It is framed in terms of "requests" to appear, because the central thrust of this proposal is to increase—rather than decrease—the dialog between and mutual responsibilities of Cabinet-level officers and the Senate.

Under terms of this proposal, the heads of executive departments and agencies would be requested to answer orally, both written and oral questions propounded by Members of the Senate. Such a question period would occur at least once every week when the Senate is in session, and would last for no more than 2 hours. Senators would submit written questions to the committee having jurisdiction over the subject matter of the question, and if the committee approves the question, it would be transmitted to the head of the department or agency involved, with an invitation to appear before the Senate.

The Committee on Rules and Administration would also receive a copy of the question, along with a request for allotment of time in a question period to provide for the answering of the question. The Rules Committee will determine the dates and length of time of each question period, and will allot the time in such period to the department or agency head who has indicated his readiness to answer. To conserve time and consolidate questioning in subject-matter areas, any one question period shall be taken up by questions approved by one committee.

In the latter half of each question period, oral questions may be asked, but they must be germane to the subject matter of the written questions. The time in this latter hour will be equally controlled by the chairman and ranking minority member of the committee which has approved the questions.

Senators will be given advance notice at least 2 days before the question period by printing of the time of each question period and the written questions to be answered in the RECORD, and the proceedings of the question period will be printed in the RECORD.

In addition, the resolution provides that question period proceedings may be televised and broadcast on radio live. In an era of mass communication, it is important to provide for both print and electronic media coverage to insure wide dissemination of the proceedings conducted under provisions of this resolution.

During the early 1940's, Walter Lippmann noted that—

> The two branches of Government (executive and legislative) will quarrel endlessly at the expense of the Nation, depriving it of the unity it needs and the collective wisdom

it should have, as long as the responsible men at both ends of Pennsylvania Avenue deal with one another suspiciously and at arm's length.

Never has that remark been more true than today. And never has there been the need for a regularized procedure during which Congress can question the policies of the executive branch, and the executive branch's responsible officers can defend their proposals and actions. Essential to this process is its openness. In contrast to congressional investigative committees, the entire Senate—not just a few Senators—will be able to question and hear the executive branch's defense.

Hopefully, this system of close questioning of Cabinet-level officers will result in Cabinet posts being filled with men and women whose responsibility for defending articulately the proposals or actions of an administration will lead to a greater involvement for those individuals in formulating the policies and actions of their departments.

Most importantly, this resolution will enable Congress and the people to secure the Nation's right to have free and open debate on the central policies guiding our Nation.

Perhaps President Nixon best described both the aura and the importance of the question period device, after he had witnessed the British House of Commons Question Hour in 1969:

> It was an inspiring and compelling experience, one for which I am deeply grateful. And it was an experience in which I came away with a deep appreciation and respect for the ability of the British parliamentarian to stand up during the Question period and answer so effectively. I believe that your Question period is much more of an ordeal than our press conference.

Whether or not such a procedure is an ordeal, it is without doubt a most effective means of visible communication between the executive and legislative branches. My proposal will not—and was not designed to—replace or supplant any of the valuable committee procedures now available to this body. In fact, the proposal, as I have outlined it, specifically preserves for committees the right to approve questions before they are brought to the attention of the Executive officer whose answer is requested by a Senator.

Rather, this proposal is designed to give the Congress—and the American people—the right to information concerning important policies and actions of the executive branch, in a forum carefully controlled by time and germaneness so as to insure that productive questioning results.

When Senator Kefauver proposed question-period legislation in the mid-1940's, the support of the American people for this idea was clearly evident. A Gallup poll conducted in the fall of 1943 showed 72 percent in favor of the proposal, and only 7 percent opposed.

Clearly, this idea has new and more crucial relevance today. The faith of the American people in their Government has fallen steadily. According to a Harris poll conducted last November, only 27 percent of the American people have "a great deal of confidence" in the executive branch of the Government—a drop from 41 percent in 1966.

We must stop this decline of trust in Government. We must, at this crucial juncture in relations between the executive and legislative branch, attempt to restore both Congress' power to know and the power of Cabinet officers—rather than White House staff—to formulate policy and publicly defend that policy.

The resolution which I am introducing today is certainly not the entire solution to this monumental problem. But without it, the trust of the American people in their Government may continue to erode. And as the late Adlai Stevenson noted:

> Public confidence in the integrity of the government is indispensible to faith in democracy; and when we lose faith in the system we have lost faith in everything we fight for.

We must begin restoration of this public trust in Government. And, as a select committee of the Senate noted in 1881, the question period may enable us to begin this task:

> This system will require the selection of the stongest men to be heads of departments, and will require them to be well equipped with the knowledge of their offices. It will also require the strongest men to be the leaders of Congress and participate in debate. It will bring these strong men in contact, perhaps into conflict, to advance the public weal, and thus stimulate their abilities and their efforts and will thus assuredly result in the good of the country.

Mr President, I ask unanimous consent that the text of this resolution be printed in the RECORD at the conclusion of my remarks.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

S. RES. 123

*Resolved*, That Rule X of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

"3. There shall be held in the Senate, on at least one day in any one calendar week in which the Senate is in session a question and report period, which shall not consume more than two hours, during which heads of executive departments and agencies are requested to answer orally, written and oral questions propounded by Members of the Senate. Each written question shall be submitted in triplicate to the committee having jurisdiction of the subject matter of such question, and, if approved by such committee, one copy shall be transmitted to the head of the department or agency concerned, with an invitation to appear before the Senate, and one copy to the Committee on Rules and Administration with a request for allotment of time in a question period to answer such question. Subject to the limitations prescribed in this paragraph, the Committee on Rules and Administration shall determine the date for, and the length of time of, each question period and shall allot the time in each question period to the head of a department or independent agency who has indicated to the committee his readiness to deliver oral answers to the questions transmitted to him. All written questions propounded in any one question period shall be approved by one committee. The latter half of each question period shall be reserved for oral questions which shall be germane to the subject matter of the written questions by Members of the Senate, one-half of such time to be controlled by the chairman of the committee which has approved the written questions propounded in such question period and one-half by the ranking minority member of such committee. The time of each question period and the written questions to be answered in such period shall be printed in two daily editions of the Record appearing before the day on which such question periods is to be held, and the proceedings during the question period shall be printed in the Record for such day. Live television and radio coverage of proceedings authorized under this paragraph shall be permitted. The Committee on Rules and Administration shall make all appropriate arrangements and establish appropriate procedures for providing such coverage."

## AMENDMENT OF AGRICULTURAL ACT OF 1970—AMENDMENTS

### AMENDMENT NO. 174

(Ordered to be printed, and to lie on the table.)

Mr. BUCKLEY submitted amendments, intended to be proposed by him, to the bill (S. 1888) to extend and amend the Agricultural Act of 1970 for the purpose of assuring consumers of plentiful supplies of food and fiber at reasonable prices.

### AMENDMENT NO. 175

(Ordered to be printed, and to lie on the table.)

Mr. CASE (for himself and Mr. KENNEDY) submitted an amendment intended to be proposed by them, jointly, to Senate bill 1888, supra.

### AMENDMENT NO. 176

(Ordered to be printed, and to lie on the table.)

Mr. KENNEDY (for himself and Mr. CASE) submitted an amendment, intended to be proposed by them, jointly, to Senate bill 1888, supra.

### AMENDMENT NO. 178

(Ordered to be printed, and to lie on the table.)

Mr. MONDALE. Mr. President, I am today submitting an amendment to S. 1888, the Agriculture and Consumer Protection Act of 1973.

The purpose of my amendment is to provide for an advance payment to producers in the event that market prices fall below "target" prices established under the new farm bill. It would authorize the Secretary of Agriculture to advance to producers, as soon as practicable after the beginning of the second month of the marketing season for wheat, feed grains, and cotton, an amount equal to 65 percent of the Secretary's estimate of total payments, if any, necessary to meet the requirements of the target price guarantees for each commodity.

Under the 1970 Agricultural Act, producer receive preliminary payments after July 1 of each year. However, under the proposed farm bill, farmers would not receive payments if market prices are low, in the case of wheat until December, in the case of corn until the following March, and in the case of cotton until the following January.

The purpose of S. 1888 is to assure the production of adequate supplies of food and fiber to consumers by insuring producers against losses if their expanded production results in prices below the target prices set forth in the bill. If market prices rise above the target prices, the cost to the Government will be nothing. If prices fall below the target prices, the consumer will reap the advantage; and the persons meeting the consumer's needs for food and fiber will have been protected against the price effects of excess production.

I fully agree with this approach, and I believe that S. 1888 is a legislative achievement which can benefit farmers and consumers while reducing the costs of Federal agricultural programs to the Treasury.

In the event that farm prices fall well below target levels, however, I am concerned that the delay in providing payments to producers could result in unnecessary costs to farmers.

My amendment would enable farmers to receive 4 months earlier 65 percent of the estimated total payments they are entitled to under the committee bill. This advance, in the event market prices drop, would permit farmers to obtain credit on more reasonable terms, repay loans earlier, and save on interest costs. Thus the amendment is fully consistent with the target price concept embodied in S. 1888 in that it does not guarantee any payments to producers apart from the difference between market and target prices. It would not incur additional costs to the Treasury, and would help to encourage expanded production for consumers.

In summary, I believe inclusion of this amendment in S. 1888 would help to strengthen the effectiveness of the bill and would benefit both farmers and consumers.

Mr. President, I ask unanimous consent that the full text of my amendment be printed at this point in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

### AMENDMENTS NO. 178

On page 13, line 15, insert "(1)" immediately after "(c)".

On page 14, line 15, strike out the quotation marks.

On page 14, between lines 15 and 16, insert the following:

"(2) The Secretary shall advance to producers, as soon as practicable after the end of the first month of the marketing year for the commodity, an amount equal to 65 per centum of the Secretary's estimate of the amount, if any, that will be paid under paragraph (1) of this subsection as production incentive payments and the amount that will be paid as resource adjustment payments. In any year in which the advance payment made to a producer exceeds the amount in production incentive payments to which the producer was entitled, if any, and the amount of resource adjustment payments to which the producer was entitled, the producer will be required to repay to the Secretary an amount equal to the difference between (A) the amount of such advance payment and (B) the total amount of such production incentive payments (if any) and resource adjustment payments."

On page 24, between lines 24 and 25, insert the following:

"'(2) The Secretary shall advance to producers, as soon as practicable after the end of the first month of the marketing year for the commodity, an amount equal to 65 per centum of the Secretary's estimate of the amount, if any, that will be paid under paragraph (1) of this subsection as production incentive payments and the amount that will be paid as resource adjustment payments. In any year in which the advance payment made to a producer exceeds the amount in production incentive payments to which the producer was entitled, if any, and the amount of resource adjustment payments to which the producer was entitled, the producer shall be required to repay to the Secretary an amount equal to the difference between (A) the amount of such advance payment and (B) the total amount of such production incentive payments (if any) and resource adjustment payments.

On page 24, line 25, strike out "(2)" and insert in lieu thereof "(3)".

On page 26, line 4, strike out "(3)" and insert in lieu thereof "(4)".

On page 31, line 10, strike out the quotation marks and insert in lieu thereof the following: "The Secretary shall advance to producers, as soon as practicable after the end of the first month of the marketing year for the commodity, an amount equal to 65 per centum of the Secretary's estimate of the amount, if any, that will be paid under the foregoing provisions of this paragraph as production incentive payments and the amount that will be paid as resource adjustment payments. In any year in which the advance payment made to a producer exceeds the amount in production incentive payments to which the producer was entitled, if any, and the amount of resource adjustment payments to which the producer was entitled, the producer shall be required to repay to the Secretary an amount equal to the difference between (A) the amount of such advance payment and (B) the total amount of such production incentive payments (if any) and resource adjustment payments.'"

### AMENDMENT NO. 179

(Ordered to be printed, and to lie on the table.)

Mr. PEARSON. Mr. President, I am today submitting an amendment to S. 1888 which will restore the grant programs for rural water systems operated under the authority of the Farmer's Home Administration. I am fully aware that we have traveled this road within the past few weeks. I believe, however, that this amendment meets many of the administration's objections, will continue the Senate's position of fiscal restraint, and at the same time meet the unique and pressing needs for water systems in rural America.

This amendment very simply changes the language of the Consolidated Farm and Rural Development Act dealing with grant authority for rural water and waste facility construction and planning. It authorizes and directs the Secretary to make grants for waterworks and comprehensive planning for water systems. The language referring to water systems is mandatory and does not permit discretion on the part of the Secretary. At the same time, the authority to make grants for waste treatment construction and planning is continued, but is in the form of authorizing language and is not necessarily mandatory.

In addition to this change in the language, the amendment reduces the total authorization for water and waste facilities grants from $300 million to $50 million, and for comprehensive planning from $30 million to $5 million. In terms of mechanics, the amendment adds a new section numbered 818, and in no way affects or alters any other provisions of S. 1888.

On April 5 of this year, the President vetoed H.R. 3298 which would have required the restoration of rural water and sewer grant programs. His veto was upheld by the House of Representatives. In his veto message, the President emphasized several aspects of that bill which he found unacceptable. Among these were the excessive level of the authorization, the fragmented administrative structure of Federal sewage programs, and the congressional mandate imposed upon the Executive.

My amendment modifies the programs in several respects and meets most of these objections. First, it substantially reduces the total authorization from $330 million to $55 million. This reduced authorization should also be compared with last year's total appropriation for water and sewer grants which was $150 million. Enactment of this measure will recognize the importance of fiscal restraint, and presents the administration with an extremely realistic figure. The authorizations are, in fact, designed to closely parallel the actual spending levels for water system grants over the past few fiscal years. Total grants for water, waste, and combined water waste systems were approximately $44 million in fiscal year 1972. Prior to the termination of the grant program in fiscal year 1973, nearly $30 million had been obligated. Actual expenditures for water systems alone was slightly more than $20 million per year during fiscal year 1970–72. These figures are indicative of the realistic nature of the amendment. Some room is allowed for future growth, but on the whole, the authorization is a bare bones figure designed to provide for existing needs.

A second objection of the administration to the previous bill, the duplication in administration of sewer programs, is also met by my amendment. The administration contends that the Water Pollution Control Amendments of 1972 contain sufficient authority to cover the needs of waste treatment in rural areas. Now that the courts have provided the money for the implementation of this act, I am willing to accept the argument. Administrative coordination and planning probably should be consolidated in a single agency. Although it might be necessary to mandate the expenditure of sufficient funds in rural areas by the EPA, that agency seems to me to be the appropriate means for administering waste treatment programs. As a result, my amendment does not direct the expenditure of funds for waste treatment or construction. It does retain authorizing language, however, in order to provide sufficient flexibility in the case of future needs.

Mr. President, the long and often tortuous battle which we fought on H.R. 3298 requires strong justification for covering some of the same ground again. Let me review the reasons why it is imperative for Congress to continue support for rural water system grants under the authority of the Farmers Home Administration.

The Aiken-Poage Act of 1965 established a program within the Farmers

Home Administration which provided grants and loans to rural communities for planning and development of water and sewer systems. The rural water district program is operated in the open country and in some cases in unincorporated towns. It provides improved water service to farmers, other rural residents and rural schools. In many States such as my State of Kansas, the program has been used very successfully in parts of the State where farmers have difficulty developing their own water supplies because of poor water quality or scarcity of water sources.

These programs have made effective use of both loans and grants from the Federal Government. Loans are helpful, but cannot bear the burden alone. Grants are uniquely essential for rural water districts and must be continued. First, rural water districts have abnormally high costs in relation to the number of customers served. In other words, because there are relatively few people in a given water district, it is virtually impossible to pay for the cost of developing the district through user fee charges. Moreover, a district will often exclude those who live in geographically remote areas because of the cost of extending lines to their homes. The district often views the return on the investment as insufficient to cover the pay back requirements of the loans. This means that exclusive reliance on loans will often lead to programs designed to meet financial requirements, but which exclude coverage for those who need help the most.

The need for additional financing was recognized by the administration in the President's veto message. Moreover, help for sewer programs is provided under the Water Pollution Control Act. The administration stated that grants for high priority projects in rural areas would be given special attention. Accepting this statement, the administration is telling us that sewer systems may have Federal grants but water systems may not. No justification is ever given for this inconsistency.

Grants, then, are essential for water programs as well as sewer programs. Provisions are made for waste treatment grants in the Environmental Protection Agency, and I believe that provisions should likewise be made for water systems in the Farmers Home Administration. Farmers Home is particularly well suited to continue its administration of this program. The administrative structure, which includes an agent in most counties in rural areas, is well established to provide necessary technical expertise and advice. The unique local nature of water districts can benefit from the administrative structure of this Federal agency. Local-Federal cooperation is, then, provided by the local water district, which plans and works with Federal officials who are on the spot and capable of giving necessary direction.

The administration, however, in opposing H.R. 3298, stated that rural water and sewer programs are a local responsibility. I find the argument particularly unacceptable since the Aiken-Poage Act was the statement of a specific congressional intent that these programs, because of the extreme need, were in fact national responsibilities which had to be attacked from a national perspective.

Finally, the administration has suggested that general revenue sharing is available as an alternative means of financing rural water and sewer grants. I believe that we all have considerable difficulty in accepting this argument. Revenue sharing was not envisioned by Congress as a substitute for existing programs. It was widely hailed by the President, among others, as a means of reducing existing local financial pressures. This will not be true if the Federal Government continually abandons programs for which it has been picking up the tab and in turn suggests that the States use revenue sharing funds.

It is possible that general revenue sharing can be used to pick up some of the slack from these programs. Local counties, cities, and townships, however, simply do not receive enough funds through revenue sharing to meet the existing needs for water systems. Some States can conceivably use revenue sharing for this purpose. My State of Kansas this year, in fact, deemed rural water systems of such vital importance that the legislature apportioned $750,000 out of the general fund for rural water districts. It would be very shortsighted, however, to assume that this will continue indefinitely in the future. We cannot assume that States will continue to bear this financial burden in the future. The provision of funds in Kansas, for example, was viewed as strictly an emergency measure designed to meet temporary needs.

Mr. President, rural water systems remain in dire need, and no immediate help appears available. I believe that with this amendment the Senate can continue to express its position that grants are essential and do so within the confines of administration objections to our previous efforts.

AMENDMENT NO. 185

(Ordered to be printed, and to lie on the table.)

Mr. BUCKLEY submitted amendments intended to be proposed by him, to Senate bill 1888, supra.

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## ESTABLISHMENT OF A FEDERAL FINANCING BANK

AMENDMENT NO. 177

(Ordered to be printed, and to lie on the table.)

CONGRESS SHOULD ACT ON PRICE FREEZE IF ADMINISTRATION WILL NOT

Mr. MONDALE. Mr. President, I am today introducing an amendment which I intend to add to the first appropriate bill coming before the Senate.

The amendment would impose a 90-day across-the-board freeze on all prices, rents, and consumer interest rates, and direct the President to use the time to develop and implement a long-term program to control inflation.

The phase III program of voluntary controls has clearly been a colossal failure. Yet Watergate has apparently so paralyzed the administration that it is unable or unwilling to admit its error and tighten up controls. If the President will not act, Congress must step in. We cannot continue to tolerate inflation rates of 10 to 20 percent and more.

Wholesale prices in the first quarter of this year increased at an annual rate of 21.1 percent, while consumer prices rose 8.6 percent—the highest rate of inflation in 22 years. During the same period, corporate profits reached their highest level in history, increasing by 25.9 percent over last year's first quarter mark.

I shall seek to attach this freeze amendment to a bill now pending on the Senate Calendar setting up a Federal Financing Bank (S. 925), and to legislation increasing the ceiling on the Federal debt. The debt ceiling bill must be passed by Congress and signed by the President by June 30, when the present temporary debt ceiling expires.

The amendment would not freeze wages and salaries. However, the present 5.5 percent guideline for wage increases would continue to apply, and the President would retain full authority under the Economic Stabilization Act to enforce this standard on a mandatory basis during the freeze period.

Salaries of working men and women have borne the brunt of the administration's inflation control program, while prices and corporate profits have skyrocketed at a record rate.

Over the last 6 months average real weekly earnings have actually gone down. First-year wage increases in labor contracts negotiated in the first quarter of this year averaged only 5.3 percent—below the 5.5 percent phase III standard.

In my opinion it would be unfair to force working Americans to remain behind in the race against inflation, and therefore I believe that moderate wage increases must be permitted simply to keep pace.

The distinguished chairman of the House Ways and Means Committee (Mr. MILLS) and the distinguished Senate majority leader (Mr. MANSFIELD) both called for tighter wage and price controls in speeches last week. My amendment is intended to serve as a vehicle for the kind of action they and many others in the Congress believe is absolutely necessary.

It is true that a freeze imposed by Congress would be a blunt instrument, and that the executive branch might be able to impose controls more effectively. However, the administration has lacked the will to take effective action. At the very least, a vote to impose a freeze in the Senate may prod the administration into taking effective action on its own.

The text of the amendment I shall offer to S. 925 follows. If the debt ceiling bill comes up first, the amendment will be submitted again as an amendment to that bill. The amendment follows:

AMENDMENT No. 177

At the end of the bill insert the following:

SEC. 20. The Economic Stabilization Act of 1970 is amended by inserting after section 203 the following new section:

"§ 203A. Freeze on prices, rents, and consumer interest rates

"(a) Notwithstanding any other provision of this title, all prices, rents, and consumer interest rates are hereby frozen at levels no higher than those prevailing on June 4, 1973. The President may, by written order stating in full the considerations for his actions, make adjustments with respect to prices, rents, and consumer interest rates, in order to correct gross inequities.

"(b) The President shall, not later than 90 days after the enactment of this section, and after consultation with the Congress and with representatives of labor, business, farmers (including family farmers), and consumers, issue orders and regulations replacing the freeze with a firm, fair, and equitable long-run control program to—

"(1) stabilize prices, rents, wages and salaries in order to reduce inflation; and

"(2) stabilize interest rates and corporate dividends and similar transfers at levels consistent with orderly economic growth."

## EMERGENCY PETROLEUM ALLOCATION ACT OF 1973—AMENDMENTS

### AMENDMENT NO. 180

(Ordered to be printed, and to lie on the table.)

Mr. PEARSON submitted an amendment, intended to be proposed by him, to the amendments in the nature of a substitute, proposed by Mr. Jackson (for himself and Mr. Randolph) to the bill (S. 1570) to authorize the President of the United States to allocate energy and fuels when he determines and declares that extraordinary shortages or dislocations in the distribution of energy and fuels exist or are imminent and that the public health, safety, or welfare is thereby jeopardized; to provide for the delegation of authority to the Secretary of the Interior; and for other purposes.

### AMENDMENTS NOS. 181 THROUGH 183

(Ordered to be printed, and to lie on the table.)

Mr. BARTLETT submitted three amendments, intended to be proposed by him, to the amendment No. 145, proposed by Mr. Jackson (for himself and Mr. Randolph) to Senate bill 1570, supra.

### AMENDMENT NO. 184

(Ordered to be printed, and to lie on the table.)

Mr. BELLMON submitted amendments, intended to be proposed by him, to Senate bill 1570, supra.

## ADDITIONAL COSPONSORS OF AMENDMENTS

### AMENDMENT NO. 127 TO S. 1248

Mr. CHURCH. Mr. President, I ask unanimous consent that the name of the distinguished Senator from West Virginia, (Mr. Robert Byrd) be added to the long list of those cosponsoring amendment No. 127, the so-called Case-Church amendment requiring congressional authorization for the involvement of American Forces in further hostilities in Indochina, and for extending assistance to North Vietnam, to S. 1248, a bill to authorize appropriations for the Department of State, and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHURCH. Mr. President, I ask unanimous consent that the name of the distinguished senior Senator from New Mexico (Mr. Montoya) be added to those cosponsoring amendment No. 127, the so-called Case-Church amendment requiring congressional authorization for the involvement of American Forces in further hostilities in Indochina, and for extending assistance to North Vietnam, to S. 1248, a bill to authorize appropriations for the Department of State, and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

### AMENDMENT NO. 155 TO S. 1888

At the request of Mr. Bayh, the Senator from Delaware (Mr. Roth), the Senator from Ohio (Mr. Taft), the Senator from Pennsylvania (Mr. Scott), the Senator from Florida (Mr. Gurney), the Senator from New York (Mr. Javits), the Senators from West Virginia (Messrs. Randolph and Robert C. Byrd), the Senator from New Hampshire (Mr. McIntyre), the Senator from Michigan (Mr. Hart), and the Senators from Illinois (Messrs. Percy and Stevenson) were added as cosponsors of amendment No. 155, intended to be proposed by Mr. Bayh to S. 1888, The Agriculture and Consumer Protection Act of 1973.

### AMENDMENT NO. 163 TO S. 1888

At the request of Mr. Bayh, the Senator from Delaware (Mr. Roth) and the Senator from New Hampshire (Mr. (McIntyre) were added as cosponsors of amendment No. 163, intended to be proposed by Mr. Bayh to S. 1888, The Agriculture and Consumer Protection Act of 1973.

## NOTICE OF HEARINGS ON BILLS TO CODIFY, REVISE, AND REFORM THE FEDERAL CRIMINAL LAWS

Mr. McCLELLAN. Mr. President, I wish to announce for the information of the Members and the public that the Subcommittee on Criminal Laws and Procedures will hold open hearings on June 12, 13, and 14, 1973, to continue our project on bills to codify, revise, and reform the Federal criminal laws. The hearings will commence each day at 10 a.m. in room 2228, Dirksen Senate Office Building. Areas to be covered in this series include national security, general codification, Indian law, jurisdictional concepts, insanity defense, and obscenity provisions.

Additional information on these and further hearings is available from the subcommittee in room 2204, Dirksen Senate Office Building, telephone 202-225-3281.

## ANNOUNCEMENT OF OPEN HEARINGS BY SUBCOMMITTEE ON PARKS AND RECREATION, SENATE INTERIOR AND INSULAR AFFAIRS COMMITTEE

Mr. BIBLE. Mr. President, I wish to announce for the information of the Senate and the public that open hearings have been scheduled by the Subcommittee on Parks and Recreation at 10 a.m. on June 20, 1973, in room 3110, Dirksen Senate Office Building, on the following bill:

S. 1296, to further protect the outstanding scenic, natural, and scientific values of the Grand Canyon by enlarging the Grand Canyon National Park in the State of Arizona, and for other purposes.

## NOTICE OF HEARINGS ON S. 1083—EXEMPTING BLACK POWDER FROM LICENSING AND PERMIT PROVISIONS OF THE ORGANIZED CRIME CONTROL ACT

Mr. BAYH. Mr. President, I wish to announce that the Judiciary Committee will hold hearings on S. 1083, a bill to exempt black powder from the licensing and permit provisions of title XI of the Organized Crime Control Act. This bill would remove restrictions on commercially manufactured black powder intended to be used for sporting purposes in antique firearms. S. 1083 would not affect the strict existing criminal penalties for the misuse of explosives, including black powder and igniters, adopted by Congress in 1970.

This hearing, which I will chair, will be held on June 12, 1973, at 9:30 a.m. in room 4200, Dirksen Senate Office Building. Witnesses invited to testify include representatives of the Justice and Treasury Departments; Hon. Gary Butler, State representative, Lawrenceburg, Ind.; Lt. Col. Vaughn K. Goodwin, president, National Muzzle Loaders Association; Richard Corrigan, president, North South Skirmish Association; Dr. C. R. Gutermuth, president, National Rifle Association; and J. Paul Barnett, northern vice president, and Al Cors, Jr., southern vice president, Indiana Sportsmen's Council, South Bend, Ind.

Any person who wishes to submit a statement for the record should notify Mathea Falco, staff director and chief counsel of the Juvenile Delinquency Subcommittee at 225-2951.

## NOTICE OF HEARINGS ON S. 821—THE JUVENILE JUSTICE AND DELINQUENCY PREVENTION ACT OF 1973

Mr. BAYH. Mr. President, I wish to announce that the Subcommittee on Juvenile Delinquency of the Committee on the Judiciary is continuing its hearings on S. 821, the Juvenile Justice and Delinquency Prevention Act of 1973. Last year, the subcommittee held 4 days of hearings on S. 3148, which I introduced in the 92d Congress. In this session, we have held 3 days of hearings on S. 821, a slightly revised version of S. 3148, which I introduced on February 8, 1973.

S. 821 is designed to improve the quality of juvenile justice in the United States and to provide a comprehensive, coordinated approach to the problems of juvenile delinquency.

The hearings, originally scheduled for May 14 and 15, have now been scheduled for June 8 and June 26, 1973. The June 8 hearing will be held in room 2228, Dirksen Senate Office Building, at 9:30 a.m.; the June 26 hearing will be held in room 1318, Dirksen Senate Office Building, at 10 a.m.

Witnesses scheduled to testify on June 8 are: Richard Velde, Associate Administrator, Law Enforcement Assistance Administration; Stanley B. Thomas, Acting Assistant Secretary for Human Development, Department of Health, Education, and Welfare; and Justus Freimund, Director of the National Capitol Office, National Council on Crime and Delinquency. Witnesses scheduled to testify on June 26 are: Jerry Wurf, international president, American Federation of State, County, and Municipal Employees, Washington, D.C.; Hon. Richard Hatcher, mayor, city of Gary, Ind.; Hon. Jerry J. Miller, mayor, city of South Bend, Ind., accompanied by Patrick Gallagher, director, Department of Public Safety, South Bend; Hon. Robert Pastrick, mayor, city of East Chicago, Ind.; William E. Aull, president, YMCA of Honolulu, Hawaii; and Dr. Cecily C. Selby, national executive director, Girl Scouts of America, New York, N.Y.

Any person who wishes to submit a statement for the record should notify Mathea Falco, staff director and chief counsel of the subcommittee at 225-2951.

## NOTICE OF HEARINGS ON VETERANS' PENSIONS

Mr. HARTKE. Mr. President, I would like to announce that the Veterans' Affairs Subcommittee on Compensation and Pensions chaired by the distinguished Senator from Georgia (Mr. TALMADGE) will hold hearings on veterans' non-service-connected pensions commencing at 10 a.m. on Monday, June 18 in room 412 of the Russell Senate Office Building.

The hearings will cover the effect on veterans' non-service-connected pensions of social security legislation enacted last year, the adequacy of the current assistance levels as well as administration proposals. Specific legislation which will be considered by the subcommittee includes S. 275, which would increase the maximum income levels and provide a general 8 percent increase in the pension program which would have the effect of offsetting pension decreases suffered by veterans as a result of last year's social security legislation. My colleagues will recall that a virtually identical bill, S. 4006, was passed by the Senate unanimously on October 11, 1972, but was not acted upon by the House of Representatives. Additional bills which will be considered by the subcommittee are S. 176, S. 1574, and S. 1915. Any person wishing to appear or submit a statement for the RECORD should contact Guy H. McMichael III, general counsel of the Veterans' Affairs Committee.

## NOTICE OF HEARING ON S. 422, S. 1141, S. 1901, S. 1927, AND S. 1928

Mr. HATHAWAY. Mr. President, the Subcommittee on Coinage and Minting of the Committee on Banking, Housing and Urban Affairs will commence hearings on S. 422, S. 1141, S. 1901, S. 1927, and S. 1928 at 2 p.m. on June 6 in room 5302, Dirksen Senate Office Building.

All persons wishing to testify should contact Mr. Edward A. Sokol, room 5300, Dirksen Senate Office Building; telephone 225-7391.

## NOTICE OF HEARINGS ON COAL POLICY ISSUES

Mr. JACKSON. Mr. President, on June 6, 7, and 8, 1973, the Senate Interior Committee will hold hearings on coal policy issues. These hearings, previously announced on May 7, are to be chaired by Senator JENNINGS RANDOLPH, Democrat, of West Virginia, an ex officio member for the Senate's national fuels and energy policy study.

Domestic coal-based energy supplies are an essential and critical element of a national energy policy for the United States. Coal and synthetic fuels from coal represent long-term alternatives to oil and gas imports.

Progress toward the goal of national energy self-sufficiency will depend on our ability to extract and use our vast coal resources in environmentally acceptable ways. However, to no small extent, this objective can only be achieved by a planned and specific national strategy designed to enable coal to achieve a greater role in meeting our country's future energy needs.

The witnesses expected to appear at these hearings are:

WEDNESDAY, JUNE 6—10 A.M.

The Honorable ROBERT C. BYRD, U.S. Senator from West Virginia; and Dr. Ralph E. Lapp, Quadri Sciences.

2 P.M.

Arnold Miller, president, United Mine Workers of America; and John Kilcullen, National Independent Coal Operators Association.

THURSDAY, JUNE 7—9:30 A.M.

Dr. Joseph M. Marchello, chairman, Department of Chemical Engineering, University of Maryland; and the Honorable Robert Fri, Acting Administrator, Environmental Protection Agency.

1:30 P.M.

Edison Electric Institute Panel: D. Bruce Mansfield, president, Ohio-Edison Co.; Dr. John Craig, Southern Services, Inc.; Manard Smith, president, Smith, Zinger Meteorologic Services, Inc.; and John McCormack, Environmental Policy Center, Washington, D.C.

FRIDAY, JUNE 8—9:30 A.M.

Panel: National Coal Association—American Mining Congress—John Phillips, president, Eastern Gas & Fuel; E. W. Littlefield, president, Utah International; Edwin R. Phelps, president, Peabody Coal Co.; Edward P. Leach, Bethlehem Steel Co.; and John Corcoran, president, Consolidation Coal Co.

FRIDAY 11 A.M.

The Honorable Stephen A. Wakefield, Assistant Secretary for Energy and Minerals, Department of the Interior.

These hearings are being held as part of the Senate's National Fuels and Energy Policy Study. They will be convened in room 3110 of the Dirksen Senate Office Building at the indicated times. Interested or affected parties desiring to file statements for the record are requested to structure their submissions to be responsive to the committee's question and issue list which is attached. Submissions must be transmitted to the committee, in 10 copies, by June 30, 1973.

Mr. President, I ask unanimous consent that a background paper and policy issues regarding these hearings be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BACKGROUND PAPER AND POLICY ISSUES—HEARINGS ON THE FACTORS AFFECTING THE USE OF COAL IN PRESENT AND FUTURE ENERGY MARKETS

(National Fuels and Energy Policy Study, Committee on Interior and Insular Affairs, United States Senate, June 6, 7 and 8, 1973)

On Monday, May 7, 1973, Senator Henry M. Jackson released a background paper, prepared by the Congressional Research Service, entitled, "Factors Affecting the Use of Coal in Present and Future Energy Markets." This Committee Print (Serial No. 93-9) is to serve as the basis for hearings of the Senate's National Fuels and Energy Policy Study, being conducted by the Committee on Interior and Insular Affairs, pursuant to S. Res. 45 (92nd Congress). In the Chairman's memorandum of transmittal, the Chairman stated:

"Coal, to a greater extent than any other domestic energy resource, has felt the impact of economic, social, and political change in the past quarter century. The fortunes of coal have been affected by such diverse factors as the dieselization of railroads, the advent of nuclear power, the incidence of black lung disease and the Federal management of the Mandatory Oil Import Program. More recently, expanded concern for the quality of our environment has confronted coal with a series of new and difficult challenges.

"Despite a history of uncertainty coal remains an increasingly critical element in our national energy picture. The fact that the United States has a three hundred year reserve of coal at today's rates of consumption is particularly ironic because the role of coal in our energy supply system is actually declining. If coal is in fact our most abundant energy resource, why has it played a diminishing role in meeting our energy needs? What can be done to use more coal, thereby relieving some of the pressures on other energy sources?

"It seems clear that a concerted effort by both the Congress and the Executive Branch is required if coal is to meet more of our growing energy needs in environmentally acceptable ways. There are serious public policy issues affecting coal's future which must be resolved, and sooner rather than later. The purpose of this report is to identify these issues, to describe the impact of present and proposed public policies on coal's economic position as an energy source, and to suggest the potential of coal in meeting our energy needs."

Hearings are tentatively scheduled to commence on June 6, 1973. Witnesses, and individuals submitting statements for the record, are requested to organize their statements according to the following general questions and specific policy issues. Witnesses are requested to respond to the indicated general questions, at the time of their appearance, and file detailed responses to the other questions and issues, for the record. Other interested or affected parties desiring to make their views known, are requested to file their statements, in 10 copies, for the record, by June 29, 1973.

GENERAL QUESTIONS

1. What is a realistic role for coal as a domestic energy supply, including its potential availability, under various assumptions, through the year 2000?

2. In the formulation of a National Energy Policy (to achieve the objectives enunciated in response to question 1), what are the general policy questions and issues that should be addressed, and what specific policy changes would you recommend for their resolution, with regard to—

a. coal reserves, including their location, quality, and availability;

b. Federal leasing policies (also, see question 3);

c. coal production practices and regulations (also, see question 4);

d. coal transportation practices, including freight rates and the availability of freight cars;

e. coal utilization (also, see question 5);

f. manpower requirements, including sources of manpower and productivity;

g. economic factors, such as tax and pricing policies and capital requirements (also, see question 7);

h. Federal research programs and priorities (also, see question 6); and

i. other areas of concern?

3. What *specific* policy issues are associated with current Federal policies governing the leasing of coal resources on the public lands, under such statutes as the Mineral Leasing Act of 1920? What specific action might be undertaken for their resolution?

4. What are the *specific* policy issues arising from implementation of the Federal Coal Mine Health and Safety Act, as amended? What specific action might be undertaken for their resolution?

5. With regard to implementation of the Clean Air Amendments of 1970—

a. What strategies are available to the Federal government, generally, and EPA, specifically, for achieving the air pollution control requirements established by the States to achieve the national primary (health) and secondary (welfare) ambient air quality standards on the prescribed time schedules?

b. What are the implications and policy issues resulting from enforcement of the time schedules in the State plans of implementation and the Federal new source performance standards for available energy supplies, generally, and coal, specifically? What specific actions might be undertaken to mitigate any resultant economic disruption, while still achieving timely implementation of the Clean Air Act, as amended?

6. From the standpoint of the future use of coal in an environmentally acceptable way and in increased quantities, as an alternative to oil imports—

a. What should be the national priorities on coal related energy technologies and where are the opportunities to accelerate current research activities?

b. Considering both government and industry activities, what should be their respective roles in order to assure the timely development of new energy technologies?

c. What institutional arrangements and Federal policy changes are needed to achieve the objectives stated in response to questions "a" and "b"?

7. With respect to economic factors affecting coal, what problems and issues stem from current Federal economic policies and practices? What specific actions might be undertaken for their resolution?

## ADDITIONAL STATEMENTS

## ECONOMIC STRENGTH AND NATIONAL SECURITY

Mr. GOLDWATER. Mr. President, on the steps of the Archives Building is this inscription: "What is past is prologue, study the past." Ret. Gen. Ira Eaker has drawn upon his knowledge of the past to write a very provocative column which I ask unanimous consent to be printed in the RECORD. I do this because sometimes it is difficult for us to remember that everything that is going on today has gone on before. Times change, but men do not. We should study the past.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### ECONOMIC STRENGTH AND NATIONAL SECURITY

(By Ira C. Eaker)

There is a definite relation between the economic well being of a nation and its national security. There is no better modern example of this than Great Britain. In the first half of this century she controlled the balance of power in the world, as she demonstrated in two World Wars.

After World War II, as the Empire broke up, as she became a welfare state, when London no longer was the financial center of the free world, reliance for British security passed to NATO and the strategic-nuclear umbrella of the U.S. When the British pound was no longer the stable, controlling currency in the world, Britain had to rely upon allies for her security.

It may be well, therefore, in fact it may be imperative, that we examine the status of the economy of the United States in relation to its security. Only a facist or communist state can dictate the portion of its national resources which will be allocated to its military strength. In a free society, only a stable economy will long support a strong military posture.

Economically, there is one favorable index for the U.S. Currently its gross national product exceeds that of the other economic power centers in the world. The GNP of the U.S., at the end of last year, was slightly more than a trillion dollars. The GNP of the Soviet Bloc (Warsaw Pact) countries was $645 billion. That of Western Europe was $640 billion; Japan's was $200 billion and Red China's was $120 billion. This tremendous lead in productivity accounted for the fact that the standard of living in the U.S. was the highest in the world by a wide margin. The U.S. has, however, elected to spend its superior wealth on the welfare of its people instead of maintaining superior military strength. The proposed '74 budget allocates 48% of the national budget to welfare programs; while but 28% is for defense.

If the GNP of Western Europe and the Soviet Bloc were combined, it would exceed that of the U.S. by 25%. That may have been what Khrushchev had in mind when he boasted that the USSR would bury the U.S. economically. That combination of Soviet and Western European economies could be accomplished by "Finlandization," or threat of nuclear blackmail. Military conquest would not be necessary.

There are some disturbing signs that the economic superiority of the U.S. may soon cease. Foreign trade represents a danger signal. Ten years ago we had a favorable balance of foreign trade by about $10 billion. Now, our foreign trade balance shows a deficit of more than $12 billion.

Our greatest present danger economically, however, lies in the depletion of our natural resources. At the turn of the century we were self-sufficient in most strategic materials. In the intervening years the profligate, spendthrift use of these resources in a rapidly expanding industrial economy, plus two World Wars, have largely exhausted our surplus strategic materials. Today, we must import 67 of the 72 strategic materials required for defense weapons and to support a war economy.

Oil represents the most critical strategic item now in short supply and the deficit is rapidly growing worse. In 1973 our oil imports will cost $6 billion and it is estimated that it will reach $30 billion by 1985.

The Arab countries and Iran possess 45% of current oil production in the world and 60% of the oil reserves. The U.S. uses 40% of the world's production of petroleum. The USSR is self-sufficient in oil and all strategic materials.

It is ominously significant that Russia now controls, through its alliance with the Arab states, two-thirds of the oil requirements of Western Europe, nine-tenths of Japan's needs and 25% of U.S. requirements. When she gains dominance of the sea lanes by 1975, as she will if current rates continue, she can control this vital oil supply not only at its sources, but its distribution as well.

## NO GOOGOL DOLLAR BUDGET

Mr. PROXMIRE. Mr. President, once in a while we—the Government, all of us who are part of it—should stand back to see what we have spent. That might make us think twice even when authorizing necessary expenditures.

Someone who has done that for us is a free-lance writer, Frank L. Remington. In a piece published by the Milwaukee Journal on May 25, Mr. Remington takes dead aim by helping us visualize a million dollars, a billion dollars, a trillion dollars.

I would not spoil the piece by reciting its salient points, but this one fact ought to whet our appetites—to read it, not to spend it. He writes that:

> In the first 150 years of its existence [that is until 1939], the federal government spent only $157 billion.

Need I even say that the Congress put a limit on this coming year's spending of $268 billion?

It is very simple to make mistakes when handling gigantic figures. Mr. Remington, a distinguished writer, proves my point when he writes:

> Let's be fanciful and suppose that every man, woman and child in the United States and Canada is a millionaire with an income of $100,000 a week or considerably more than $5 million apiece a year. The combined annual income of the population of the two countries at this fantastic rate would total about $1 trillion.

To come up with that total, the annual income of each person in the two countries would have to be $5,000 a year, not $5 million. But what is a thousandfold error among friends?

We should think twice here in Congress to avoid three-zero errors that can cost all of us taxpayers through the nose.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### WHAT'S IN A NUMBER? QUITE A BIT IN A BILLION

(By Frank L. Remington)

President Richard M. Nixon will probably go down in history as the first "trillion dollar" president. In eight years Nixon and his government will probably spend considerably more than a trillion dollars. Nixon is the 37th chief executive. It is estimated that his administration will spend as much in one year as the first 30 presidents combined. In eight years in office, George Washington's expenditures amounted to less than enough to operate the 1973 government for less than half a day.

Now that our Gross National Product has

surpassed the $1 trillion a year mark, many of us might be wondering if we are about to run out of numbers. Not at all. Although we now operate in the trillion dollar class, we have barely scratched the surface so far as numbers are concerned.

Most of us find that amount of money to be beyond the realm of our imagination. Indeed, the majority of us find it difficult enough to grasp the significance of a mere $1 million.

Just how much is a million (1 followed by 6 zeros)? It looks like this: 1,000,000. Since our government speaks mostly in billions these days a mere million must be insignificant, indeed. Yet, only about three-quarters of a million days have elapsed since Julius Caesar ruled the Roman Empire.

### SEVEN WEEKS TO FINISH JOB

Try counting a million $1 dollar bills and you'll really appreciate what a huge chunk of cash it is. Counting at the rate of 60 bills a minute for a full eight hour day, five days a week, it will take you almost seven weeks to complete the task. Just half a million automobiles lined up bumper to bumper would extend from Boston, Mass., to Miami, Fla.

Now, how much is a billion, or a billion dollars, in familiar terms? First, a billion is one thousand million. Our national debt right now is more than $400 billion. At $100 a week, a man working 192,307 years could accumulate a billion dollars—before taxes!

Or look at it this way. If you'd started in business in the year A.D. 1 with $1 billion capital, and if you had managed your business so poorly that you lost $1,000 each day, in 1972 you still would have enough capital left out of the original billion to continue in business, losing $1,000 a day for about another 770 years, or around the year 2745. And our government owes more than 400 times that amount!

Suppose you have acquired $1 billion, and take it in $1 bills so you can fondle it and count it. If you were 40 years old when you started to count, and assuming that it was possible for you to be so occupied 24 hours a day, seven days a week, you would be about 72 years old by the time you completed the task—counting at the rate of one bill a second.

### A STACK OF BILLS 125 MILES HIGH

Of course, accumulating a billion $1 bills in one place would be quite a feat in itself. If laid end to end, a billion $1 bills would encircle the earth nearly four times. Or if you'd prefer to stack them one on top of the other, they'd make a pile about 125 miles high!

Let's approach the visualization of a billion from a different angle, forgetting money for a moment. Suppose you take a billion kitchen matches and lay them side by side. How far would they stretch? A mile or two? No, indeed. They'd stretch from Nashville, Tenn., to San Francisco, Calif., or roughly 2,500 miles.

Now that we have a hazy conception of a billion, we might try to take on a trillion. How much is a trillion dollars? It looks like this in figures: $1,000,000,000,000, and consists of a thousand billion.

From the time of George Washington's first presidential inaugural in 1789 through 166 years to the spring of 1955, the United States Government spent about $1 trillion—most of it in the last 16 years of the period. Indeed, in the first 150 years of its existence, the federal government spent only $157 billion, and in the next 16 years expended $843 billion.

How can we possibly imagine a trillion dollars? Suppose we look at it from the standpoint of $1,000 bills. A million dollars in crisp new $1,000 bills laid one on top of the other would make a stack eight inches tall. A billion dollars worth of $1,000 bills would stack up into the sky 110 feet higher than the Washington Monument. And a trillion dollars worth of the same $1,000 bills would stretch 125 miles into the air.

Let's be fanciful and suppose that every man, woman and child in the United States and Canada is a millionaire with an income of $100,000 a week, or considerably more than $5 million apiece each year. The combined annual income of the population of the two countries at this fantastic rate would total about $1 trillion.

In inches, how far is it around the earth at the equator? A trillion inches? Not nearly. In fact, if you traveled to the moon and back 30 times, the distance you'd cover would just about add up to one trillion inches.

### DIFFICULT CONCEPT FOR MOST OF US

Yes, a trillion of anything is pretty difficult concept for most of us to grasp. But a trillion is nothing compared to a quadrillion (1 followed by 15 zeros). Since man first began to talk, it is estimated that he has spoken about a quintillion 1 followed by 18 zeros) words. That includes all filibusters, campaign gobbledygook, baby talk and the ravings of such persons as Adolf Hitler and Howard Cosell.

It is estimated that there are close to a sextillion (1 followed by 21 zeros) grains of sand on an average beach. How many electrons there may be in the universe is anyone's guess, though it might be a quindecillion (1 followed 48 zeros), a vigintillion (1 followed by 63 zeros) or even a googol (1 followed by 100 zeros).

The term "googol" was coined by Edward Kasner, an eminent American mathematician. One day he said to his 9 year old nephew: "Give me the first word you can think of for the largest number you can possibly thing of." Without a moment's hesitation, the youngster replied, "A googol." Since then the word has become standard in modern mathematics.

### A GOOGOLPLEX IS LARGER STILL

Possibly the number of raindrops that have fallen since the earth began does not even approach a googol. Maybe a million years in the future, a googol raindrops will have fallen. Nobody knows. One thing is certain, though: A googol is trivial indeed compared to a googolplex, which is 1 followed by a googol of zeros.

Now, a googolplex is estimated . . . but let's not go into that. A googol and a googolplex are beyond our comprehension. Most of us have a hard enough time trying to envision a billion and a trillion.

Politicians, however, have little trouble spending billions of dollars, though it is hoped they won't run the national debt up to a trillion dollars. Perhaps the reason they spend so much is that they don't comprehend big figures. A billion dollars more or less probably doesn't faze them, especially in an election year when they orate several billion words around the country.

If big numbers, particularly in regard to the national debt, worry us too much, perhaps our solution would be to make a safari to Africa and maybe take up residence with the Hottentots. Their vocabulary doesn't include words for numbers higher than three. Ask a Hottentot how many fingers he has and he'll answer "many." It's much simpler that way—and there are no worries about googols and googolplexes.

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## SOME PERSPECTIVE ON WATERGATE

Mr. SCOTT of Pennsylvania. JOHN J. RHODES, Republican Congressman from Arizona, writing in Friday's New York Times, puts Watergate in perspective. He says succinctly and eloquently that all Republicans should not be condemned for the actions of a few persons not elected to public office. This is true. What is also true, as Congressman RHODES points out, is that "for every person in the Republican organization who had anything to do with Watergate, there were literally thousands who worked tirelessly and honestly to reelect the President and elect Republican candidates." I ask unanimous consent that this excellent article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### SOME PERSPECTIVE ON WATERGATE

(By John J. Rhodes)

WASHINGTON.—It began slowly and built into a crescendo which has consumed the attention of virtually everyone in Washington and millions of Americans around the country. At first, it was dismissed as a petty burglary, an isolated incident. Now, it is a raging controversy which has threatened to paralyze the normal machinery of Government.

I am referring to Watergate—the illegal entry last fall of seven individuals, among them employes of the Committee for the Re-Election of the President, into the headquarters of the Democratic National Committee. This incident has blossomed into a full-scale scandal, complete with charges and countercharges. And as the President himself admitted, "The inevitable result of these charges has been to raise serious questions about the integrity of the White House itself."

Of course, the only responsible position to take, regardless of party affiliation, is unequivocally to reject the attitude which led to the Watergate break-in. Over the past several weeks, many leading Republicans in the Congress and around the country have urged an immediate and full investigation of the facts. The 1972 Democratic Presidential candidate, Senator George McGovern, has publicly stated, "Republicans have been among the most effective voices calling for full disclosure of all the facts."

Watergate must be resolved without delay. Far too much time has been spent on this senseless crime at the expense of the normal business of Government. That has been, in my judgment, the real tragedy of Watergate: It has distracted us from many of the important issues which face our country. We must get on with the vital work before us.

Watergate must be resolved, but it must also be placed in some sort of a realistic perspective. Watergate was, as the President has said, "a series of illegal acts and bad judgments by a number of individuals." This should not mean condemnation of the political system. "It was the system," the President said, "that has brought the facts to light and that will bring the guilty to justice." I, for one, believe this.

All those who had anything to do with Watergate—regardless of their position—must be fully prosecuted and, if found guilty, punished as reqired by law. Future generations must know that we cannot condone this type of senseless and reprehensible activity.

The process is now under way which will result in full disclosure if it is scrupulously followed. We must see to it that this process proceeds unhampered. But now we must move on to other matters—vital matters of great importance to our people and to the world, whose consideration cannot longer be postponed.

Politics is full of good and honest men and women. For every person in the Republican organization who had anything to do with Watergate, there were literally thousands who worked tirelessly and honestly to reelect the President and elect Republican candidates. No one party holds a monopoly on integrity, no entire party should be penalized by the actions of one group of individuals. There has never been any allegation that the Republican National Committee or any of its functionaries were involved in any way in Watergate.

Similarly, there is no evidence at this point to directly implicate President Nixon in the series of Watergate wrongdoings. In lieu of evidence, it is unfair to condemn the President, or his entire Administration. As Senator William Proxmire recently asked on the floor of the Senate: "Does not the President have the same simple right that every other American has to be innocent until proven guilty?"

I am proud to be a Republican because I believe in the principles of the Republican party. One of these principles was handed down by Abraham Lincoln, the first Republican President. President Lincoln said over a hundred years ago: "Let the people know the facts and the country will be saved."

The facts of Watergate will be displayed to the people of America. And America, once again, will have been saved, by the good judgment of an informed people.

## PERMANENT EMERGENCY

Mr. CHURCH. Mr. President, Justice Jackson wrote in the 1952 steel seizure case that:

> Power to legislate for emergencies belongs in the hands of Congress, but only Congress itself can prevent power from slipping through its fingers.

The United States has been in a state of emergency since 1933; it is time that Congress retrieved those powers that slipped away over the last 40 years; it is time to end outdated emergency rule. That is what the bipartisan Special Senate Committee on the Termination of the National Emergency is investigating.

An excellent article on the work of the special committee appears in the May 19 issue of the New Republic. In order that other Senators may have the opportunity to read it, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### PERMANENT EMERGENCY

Of a recent issue, a congressman, trying to drum up alarm in the House, said, "This is no ordinary crisis." How could it be? The country has been in a state of emergency since at least 1933, beginning with FDR. President Truman declared another emergency in 1950 (still with us) and signed the National Defense Production Act, which kept the economy on quasi-war footing. Then Mr. Nixon in 1971 was forced by declining monetary reserves and an unfavorable balance of trade to declare a third emergency, which justified his putting a surcharge on imports. Congress never approved or removed it.

The Special Committee on the Termination of the National Emergency which the Senate set up last year to look into this historic accumulation is finding that the deeper it digs, the larger the doubt that *it* can be terminated. Committee aides have found hundreds of extant extraordinary powers that Congress has yielded, but never codified, for times of war or national emergency. An air force computer bank, probably the one the government has programed for Apocalypse, has scanned the US code and turned up 580 special powers.

For instance during any national emergency the President may take over the airwaves. The Communications Act of 1934 does not describe the kind of emergency this has to be or how long it may last; nevertheless, every station license can be waived or revoked.

"When he considers it in the national interest," the President may also send members of the armed forces to any republic (it doesn't *have* to be a republic) in North, Central or South America (or, under certain conditions, any other country) "to assist in military matters." By executive order, moreover, any populated area in the US may be declared a military zone under martial law. Intended for use in World War II, this statute could be used to revive the Emergency Detention Act, which Congress thought it abolished two years ago.

Under the National Defense Production Act, due to expire in 1974, the President can "allocate materials," which in practice has meant stockpiling strategic metals each year. In the last quarter of 1966, as Vietnam heated up, President Johnson was requiring steel producers to set aside for defense six percent of their output, copper producers 18 percent, and aluminum producers 13 percent. But the President is empowered also to take over industrial plants to assure needed supplies and munitions, and he can fine businessmen up to $10,000 and jail them for a year.

Then there is the loan guarantee program, based on a 1959 executive order which in turn derived its authority from the national state of emergency declared in the Korean war. In the last 15 years, *The New York Times* recently reported, the Pentagon has used this executive order to make $85.9 million in outright grants to defense contractors, without the approval or knowledge of the secretary of Defense. That amount does not include an early 1971 bail-out of Lockheed (which Congress did *not* know about)—a $1 billion boost of contract prices of the C–5A and the Cheyenne programs. The government has also bought stock in some defense companies.

The President need not declare a new national emergency with each new executive order; he need only refer to an earlier one or make reference to some antique war-time statute like the Trading With the Enemy Act of 1917—the law invoked by President Johnson in 1968 when he put emergency restrictions on overseas investments.

The 580 ways to deal with emergencies that criss-cross the US code ought to be sorted out as quickly as possible. But as the current debate on the President's war powers makes clear, the problem is not wholly legal. Politics abhors a vacuum, a point that was made by Justice Jackson in the steel seizure cases of 1952: "A crisis that challenges the President, equally, or perhaps primarily, challenges Congress . . . We may say that power to legislate for emergencies belongs in the hands of Congress, but only Congress itself can prevent power from slipping through its fingers."

## ONE SPECIES, MANY CULTURES

Mr. PERCY. Mr. President, the Ninth International Congress of Anthropological and Ethnological Sciences will be held in Chicago from August 28 through September 8, 1973. As many as 3,000 scholars from more than 100 countries are expected to participate in this major intellectual event. Already 85 sessions have been scheduled and more than 1,000 papers received.

The theme of the Congress is "One Species, Many Cultures," and is based on the thesis that the well-being of mankind depends upon recognition and respect for group differences. In pursuance of this theme, there will be a number of cultural events including a specially commissioned opera by Gian Carlo Menotti, an ingenious presentation of the main musical styles of various regions of the world, an American folk concert sponsored by the Smithsonian Institution, a major new film entitled "The Ethnography of World Dance," exhibits of paintings and photographs from around the world, an anthropological film festival, an arts and crafts fair featuring work of U.S. and Canadian Indians, and an anthropology book fair.

There will also be a "Study of American Culture" conducted during the Congress by a commission of scholars from every part of the world. The study will be conducted in 20 Chicago ethnic communities which are preparing for it by developing documentary videotapes about themselves and their problems with the cooperation of University of Illinois Chicago Circle faculty members and students. After viewing these documentaries, the scholars will go into the communities for public meetings with the local people to discuss the community situation in its broadest perspective.

Dr. Sol Tax, the distinguished anthropologist of the University of Chicago, has spent over 2 years organizing the Congress and has developed new approaches which are unique to congresses of scholars and which are designed to make participation in the Congress more meaningful and useful than is often the case. For example, he has scheduled precongress conferences in Chicago and other American cities to increase interchange among scholars of particular discipline. Human biologists and physical anthropologists will gather at Wayne State University in Detroit, ethnologists and museologists in Milwaukee, social anthropologists in Oshkosh, and so forth.

Another precongress conference will bring together 15- to 18-year-olds from all parts of the world to explore youth's role in the world. Educational and social activities are planned to develop a sense of community and friendship, to gain knowledge and respect for other cultures, and to share ideas on contemporary issues in relation to the future of the species.

To enhance the value of the Congress to participants, papers and astracts are already being made available to attendees and participants in advance of the meetings. Therefore, sessions will be devoted solely to discussion. Mutual exchange will be further enhanced by a simultaneous translation system from and into English, French, German, Russian, and Spanish, supplemented by a secondary translation system to assist those who know none of these five languages. Translation will be provided by wireless headsets, and there will be no loudspeaker system so that, with the headset in place, one can hear one's own language without the distraction of loudspeaker noise.

Another innovation is a major publishing effort which will produce as many as 100 books of the papers and discussions which will in fact "update" anthropology and which will be repeated in future congresses at 5-year intervals.

The Ninth International Congress of Anthropological and Ethnological Sciences will be a major event for scholars. I believe it will set a new standard and establish a new style for international congresses.

## WHY IS PHASE III SUCH A FAILURE?

**Mr. PROXMIRE.** Mr. President, the fact that phase III is a dismal failure is obvious. The question is why. There are many reasons, including the incredibly timed change in policy last January and the undue permissiveness of the regulations. A further reason, which has not received enough attention, is the abysmally poor administration of the program. No program will work unless those who administer the program are seriously trying to make it work. Conversely, even a poorly designed program such as phase III can be made at least partially effective through competent and vigorous administration.

Two recent newspaper articles, one by Art Pine in the Baltimore Sun and the other by James Gannon in the Wall Street Journal have now exposed the administrative problems associated with phase III. I ask unanimous consent that these articles be printed in the RECORD at the conclusion of my remarks.

**The PRESIDING OFFICER.** Without objection it is so ordered.

(See exhibit A.)

**Mr. PROXMIRE.** Both articles stress that the much publicized "stick in the closet" with which Secretary Shultz repeatedly promised to "clobber" those who failed to comply with phase III has remained in the closet. There has been not one single significant action under phase III to roll back an excessive price or wage increase. I repeat, not one single significant action.

At one point during phase II the Price Commission was ordering price rollbacks at a rate of three or four each week. Under phase III there have been none. The professional staff of the Cost of Living Council is demoralized and the enforcement personnel supplied by the Internal Revenue Service are frustrated. Staff efforts to conscientiously conduct a successful program are being ignored or vetoed by those in charge.

A new and crucial test of phase III presently faces the Cost of Living Council. The steel industry has announced plans for a 5-percent price increase this month. Steel is the classic example of an oligopolistic, administered price industry. This is the type of situation in which Government action to hold down prices is most needed. If phase III fails this test we can abandon all hope for progress in reducing inflation.

### EXHIBIT A

[From the Wall Street Journal, May 30, 1973]

### PHASE III UNUSED STICK IN THE CLOSET

(By James P. Gannon)

WASHINGTON.—Somewhere in the White House, there is supposed to be a closet with a stick in it.

The "Stick in the Closet" is the Nixon administration's catch-phrase for the standby powers it has to hit unions and companies which flagrantly violate the quasi-voluntary Phase 3 wage and price controls.

Treasury Secretary George P. Shultz first referred to the stick on Jan. 11, in unveiling the change from the mandatory Phase 2 controls to what he called the "voluntary" Phase 3 curbs. Seeking to distinguish the revamped Phase 3 controls from the voluntary wage and price guidelines of the Kennedy-Johnson years, Mr. Shultz conjured up the "stick in the closet" image and warned that "people who don't comply voluntarily are going to get clobbered."

Inasmuch as this is a time of feverish searching into White House closets, which contain plenty of skeletons if nothing else, it seems timely to ask: Whatever became of the stick?

What seems clear now, after more than four months of the Phase 3 program, is that the stick is more a rhetorical tool than a practical anti-inflation weapon. Nixon administration economic policy-makers, led by Mr. Shultz, believe strongly in basic supply-and-demand strategies to control inflation, rather than in any selective punishing of scapegoats who sin against the wage-price commandments. The mere existence of Mr. Shultz's shillelagh apparently was meant to serve as a deterrent to a possible widespread surge of follow-the-leader type price increases that might follow the expiration of Phase 2 controls.

To be sure, the Phase 3 stick has been rhetorically brandished by Nixon administration economic officials with great vigor and frequency. Alarmed by the widespread reaction that the switch to Phase 3 was actually an abandonment of meaningful controls, Mr. Shultz and his cohorts verbally swing the stick in an effort to restore some of the controls program's damaged credibility.

#### MR. SHULTZ' WARNINGS

Only a day after he unveiled the Phase 3 program, Mr. Shultz, who didn't like newspaper headlines that said the White House had "scrapped" controls, summoned a small group of newsmen to his Treasury office to say that the Phase 3 closet contained not only a stick, but a shotgun, a baseball bat and an arsenal of other weapons. And the government wouldn't hesitate to use them, Mr. Nixon's economic policy architect warned.

In the days that followed, as price indexes began ringing inflationary alarms, the administration kept talking a tough controls strategy. William Simon, the new No. 2 man at the Treasury, warned that "Phase 3 is going to get tough if toughness is warranted." Mr. Shultz even strode into that corporate lions' den, the prestigious Business Council, to warn that "someone will get clobbered" if the price and wage rules are broken. "If any of you want to offer yourselves up as that juicy target," the Cabinet officer told the businessmen, "we'll be delighted to clobber you."

So, much has been heard of the stick in the closet. But very little—almost nothing—has been seen of it.

That's not because everything on the inflation front is going swimmingly, of course. As everyone from housewives to purchasing agents knows, the pace of price increases since the Phase 3 program began has been the worst since the Korean war inflation of 1951.

Wholesale prices in the first three months of Phase 3 soared at a seasonally-adjusted annual rate of 21.2%. Forget for a moment the stunning 37.3% annual rate of gain in prices of farm products, processed foods and feeds, and look just at that segment of the economy that ought to be most susceptible to persuasion by the "stick in the closet"—industrial prices. In that three-month period, wholesale quotes of industrial goods zoomed at an annual rate approaching 15%, the steepest in 22 years.

The industrial price escalation reflects sizable markups on steel, nonferrous metals, oil, coal, gasoline, textiles, machinery and many other basic goods. The price of lumber has gone up so much under Phase 3 that, if the White House had to go out today and buy a new stick to put in the closet, it would cost nearly 23% more than in January.

But who has been "clobbered"? Despite the price outbreak, there hasn't been a single case of a company feeling the whack of the Phase 3 stick. The general level of wage settlements under Phase 3 has been much more stable than prices; still, there have been numerous settlements exceeding the admittedly fuzzy 5.5% wage standard, but not disciplining of Labor chieftains, either.

Administration men cite various moves as evidence that there really is a stick, but the evidence isn't very persuasive. In March, reacting to climbing fuel prices, the Cost of Living Council reimposed limited mandatory price controls on 23 oil companies. But it has already begun relaxing these in the face of shortages that the companies contend are worsened by the price curbs.

Under political pressures that included a march on Washington by homebuilders, the Cost of Living Council seven weeks ago held public hearings on the soaring price of lumber. Despite the implication that it would stiffen lumber price controls, the Council hasn't followed the hearings with any such action; it is still studying the situation.

As pot roast became a luxury and housewives began boycotting the butcher, the White House took another action that's more symbolic than real; placing price ceilings on beef, pork and lamb at a time when those prices were at historic highs. By locking the barn after the inflationary stampede, the administration again demonstrated its reluctance to tighten controls in any way that really puts the squeeze on anyone.

Currently, the administration faces what may be the crucial test of the whole stick-in-the-closet idea. In the midst of the worst industrial price inflation in two decades, the steel industry, led by U.S. Steel Corp., has served up a 4.8% price hike, effective June 15, on about 45% of the industry product line, principally sheet and strip. Now the ball is in the Cost of Living Council's court, where officials are studying the situation.

In the Kennedy-Johnson era, steel price hikes prompted anti-inflationary sticks to emerge from the White House closet even though there wasn't any direct price-control program. Several times during the 1960s, steelmakers trooped down to the White House to have their allegedly greedy knuckles rapped by wrathful Presidents. It became a sort of ritual dance in which the steelmakers stuck their necks out, took a couple of licks, then retreated halfway, leaving everybody with the feeling that something had been accomplished.

There's no way to predict how the Cost of Living Council will handle the steel-price bid. But it's fair to say that if it doesn't do anything to forestall or reduce a price hike that's bound to ripple throughout the economy in coming months, the stick in the closet can be put down as a myth.

#### A DEBATABLE ISSUE

There's room for debate over whether the stick really ought to be wielded with force and frequency, of course. A case can be made that now is the crucial time for the administration to demonstrate that it won't allow inflation to get out of hand and that it's willing to whack a few scapegoats. This might restore public confidence.

Administration men argue another case: that beating the lumber industry, oil men or farmers over the head with a price stick isn't going to solve supply tightness in lumber, oil or meat. The administration's anti-inflationary strategy is to find ways to boost production or imports of products that are under heavy demand pressure.

The administration, in fact, seems ready to accept a considerable degree of price upturn in a period of strong demand, such as the present. Prices, Mr. Shultz likes to tell listeners, have an essential rationing function to perform by allocating scarce supplies among those willing to pay what the traffic allows.

Thus, classic supply-demand economics is dominating the administration's policy today and probably will as long as Mr. Shultz, an ardent free-market disciple, remains in charge. It's difficult to fit a punitive stick into that philosophical closet. After all, if a businessman is only helping to ration a scarce commodity among all those customers lined up at his door, should he be walloped for it?

Maybe the administration economists are right in their judgment that a general demand-pull inflation can't be effectively and equitably controlled by application of the stick. But if the stick is any more than a rhetorical wand, now's the time to prove it. If not, they ought to quit kidding everybody about the contents of that closet.

(NOTE.—Mr. Gannon, a member of the Journal's Washington bureau, covers economic affairs.)

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[From the Baltimore Sun]

## DESPITE RAGING INFLATION, STICK IS STILL IN THE CLOSET

(By Art Pine)

WASHINGTON.—Phase 3 of President Nixon's economic controls program is heading toward its fifth month of operation with no sign of serious enforcement, and strong evidence of bureaucratic disarray.

Despite soaring industrial prices, with inflation raging at a 22-year record pace, the administration has yet to use the so-called "stick in the closet" that it earlier said was essential to give the program teeth.

There is widespread agreement, both by outside economists and by many officials within the program itself, that the overall administration of the controls has been too lax to enable the effort to be effective.

A series of interviews, involving outside analysts, government officials and others closely associated with the administration's controls effort shows that:

Although inflation has reaccelerated to an extraordinary pace in recent months, the Cost of Living Council still has not taken a single significant action under Phase 3 regulations to roll back prices or wages.

### IRS FRUSTRATED

The Internal Revenue Service, which is charged with enforcing the program, feels frustrated by restrictions and unable to act effectively. Officials say its reports of apparent violations have gone largely unheeded.

The Phase 3 regulations, both those issued originally and others drafted since January 11, are regarded by authorities as so weak and ambiguously worded that they contribute to making enforcement more difficult.

The Cost of Living Council during Phase 3 has been rife with indecision and bureaucratic delays. Insiders now report a huge backlog of wage cases, with files actually "lost" in the overall mix-up.

The lax administration has seriously damaged morale within the Phase 3 staff. As a result, many experienced officials either have resigned or are seeking new jobs—leaving junior, untrained staff members in their place.

These developments are denied by officials in charge of the Cost of Living Council, who insist that administration of the program under Phase 3 is just as aggressive and effective as it was under Phase 2.

John T. Dunlop, the council's director since the start of Phase 3, told a Senate subcommittee hearing last week that the administration was operating "as vigorous an enforcement program as I know how."

However, knowledgeable sources within the operating sections of the Phase 3 program, as well as others with insights into the controls effort, say the enforcement program is so weak that it effectively is non-existent.

These sources view the situation as undermining the entire anti-inflation program. "There is no doubt," asserts one knowledgeable analyst, "that a more vigorous enforcement would have resulted in a lower rate of inflation."

The visible deterioration from Phase 2, which was universally acclaimed as a model for any wage-price program, is widely being attributed to two distinct, but closely related factors:

### SHULTZ' UNWILLINGNESS

First, the ideological conviction of the Nixon administration that controls are harmful to the economy—and the unwillingness of George P. Shultz, the Secretary of the Treasury, to continue them with any vigor.

Second, the outlook and policies of Dr. Dunlop, who openly opposes stringent enforcement of specific wage-price standards in favor of heavier reliance on more traditional anti-inflation remedies.

Dr. Dunlop, who is widely recognized as an expert labor mediator, appears to have had some success so far this year in persuading large unions to moderate their wage demands despite new pocketbook pressures from rising rices.

However, those who are familiar with his work as director of the Cost of Living Council say his interest in labor problems has proved to be a virtual preoccupation, leaving him little time to spend on the price side of the program.

A frequently heard assessment from knowledgeable sources is that "John wants to run the labor side out of his back pocket—without any interference. But as for prices, he either doesn't understand them or isn't interested."

The absence of vigor in the overall enforcement program comes in the face of an extraordinary resurgence of inflation in recent months—not just in farm prices, which are not under controls, but in industrial prices as well.

In the three months following the start of Phase 3, wholesale industrial prices soared at a staggering annual rate of 14.8 per cent—their sharpest rise since Korean war days. Retail prices of non-food items also have spiraled.

The impression given by the administration last January—and welcomed by most outside analysts—was that the government would move promptly to wield its enforcement "stick," if only to maintain credibility in the program.

Key officials have insisted repeatedly that Phase 3 is no weaker than Phase 2, despite outsiders' impression. Dr. Shultz has warned many times that if companies raise prices excessively, "They are going to get clobbered."

### VIOLATIONS OCCURRING

There is general agreement among outside analysts that some violations have occurred. While no one outside the council has specific pricing figures for individual companies, price rises in many industries have far outstripped costs.

However, council records show that despite the surge in price increases, the administration has not ordered the rollback of a single major price rise under Phase 3 regulations. Virtually all actions so far have been leftovers from Phase 2.

Yet Internal Revenue Service officials say they have submitted dozens of cases of specific violations of Phase 3 regulations which apparently have gone unheeded. Agents cite some 35 to 40 cases involving major companies.

### CHALLENGED ONLY ONE

Council action on the wage side has been scarcely more vigorous. Apart from Mr. Dunlop's personal jawboning on wage contracts, the administration has formally challenged only one settlement—and still has not acted finally on it.

Those familiar with the program say action on other cases has been bogged down by inefficiency and delay, which have resulted in large backlogs. Insiders report at one point some 400 pay cases were "lost" from computer files.

And wage settlements outside the unionized sector of the economy reportedly have gone virtually unmonitored.

By contrast, during the height of Phase 2 the Price Commission was ordering rollbacks at a rate of three or four a week—with a substantially lower rate of inflation—while the Pay Board pared back hundreds of big wage boosts.

Those in charge of the Phase 3 program insist that price increases have not yet been severe enough to justify any rollbacks, and even maintain that any more stringent enforcement would only exacerbate the supply shortages throughout the country.

Mr. Dunlop told a Senate subcommittee last week that price rises at the wholesale level so far have been "totally within the bounds allowed by the economic stabilization program."

And Roy L. Ash, director of the Office of Management and Budget, insisted recently that recent price increases have been so moderate, in aggregate, that had Phase 2 remained in effect prices still would be able to rise by another full 1 per cent before bumping into restraints.

These contentions, however, are dismissed as "ridiculous" by outside analysts familiar with the problem. Private economists also say the supply problem has not been nearly so widespread as to preclude stricter enforcement.

Even apart from the number of rollbacks and other actions, however, there is evidence that the administration has limited the scope of the enforcement program by narrowing its policing efforts as well as its requirements.

Sources in the Internal Revenue Service say their agency's manpower has been channeled by the council primarily toward making surveys of overall industries, with little emphasis on tracking down specific violations.

Of the five sectors of the economy still technically under mandatory controls—food, construction, petroleum, health services and red meats—authorities concede that all but the last two have received only scant attention.

### TOKEN ACTIONS

The Internal Revenue Service has made extensive checks of meat-price compliance and hospital fee increases. However, the meat-price checks have produced only a few token actions, and hospital cases have been settled informally.

According to enforcement officials, those sectors of the economy not under formal controls—which the White House said originally would be spot-checked for "voluntary" compliance—have been largely ignored.

To many outside observers, a significant part of the overall enforcement problem lies in the wording of the Phase 3 regulations, which analysts say is so weak and ambiguous that it makes policing that much more difficult.

The administration recently made a show, for example, of imposing new regulations requiring large corporations to notify the government in advance whenever a price rise would push the companywide average 1.5 per cent over base.

### HAS LOOPHOLE

Unlike similar long-term pricing agreements during Phase 2, the new regulations place no limit on price increases for individual products—a loophole that many economists charge gives big companies virtual free rein.

Robert F. Lanzillotti, a member of the Price Commission during Phase 2, says the new measure provides "so much latitude that it's going to be hard, unless there's something flagrant, to find a violation."

Similarly, the restrictions imposed on petroleum companies this past spring were so liberal and weak-worded that analysts generally dismissed them as little more than "cosmetic" action.

And the ceilings placed on red meat prices last March were imposed at a level where the prices reached their peak. With normal changes in supply and demand, sellers have had wide latitude here, too.

Even more fundamentally, however, authorities both in and outside government say the wording of individual regulations is ambiguous—a factor they say makes it difficult to nail violators except in the most flagrant cases.

Internal Revenue Service officials agree. "The vagueness of many of the regulations makes them hard to enforce," says one well-placed official in the agency's enforcement branch.

Revenue service authorities say the ambiguity in the language is so serious that it often leaves field agents foiled. "If a company challenges us now," one admits, "we often are unable to respond to them with any real certainty."

Council sources say Edward F. Preston, chief of the revenue service compliance effort, has repeatedly complained to Dr. Dunlop, both about the problem with the regulations and the lack of follow-up by the council.

### TO NO AVAIL

However, his efforts apparently have been to no avail.

To many observers, however, the lack of vigorous enforcement of the wage-price regulations is merely one facet of a broader reality—that the administration simply does not want a tough controls program at all.

Despite numerous staff proposals whenever new problems arise, insiders say council higher-ups repeatedly have rebuffed most suggestions for toughening the program, and delayed others until it was too late.

### USUALLY TOO LATE

"Our entire attitude seems to be to wait long enough and see if the problem goes away," complains one frustrated Cost of Living Council staff member. "Whenever we do finally take action, it's usually too little and too late."

The council hierarchy, for example, flatly rejected efforts by the agency's Office of Price Compliance to stiffen the quarterly reporting form on which industries submit their cost-pricing data, even though it could aid enforcement.

"Every time we suggested making it tougher, we lost," laments one key official. As it turned out, the Phase 3 version of the form was delayed until the middle of this month—too late to update first-quarter information.

### UNTIL LAST MOMENT

The council held off until the very last moment before moving to impose meat-price ceilings—a delay which many economists felt made the action an ineffective one.

Action reimposing prenotification requirements on large companies was delayed almost until after the recent industrial price spurt had peaked—and then was taken primarily to head off speculation that the administration was about to impose a freeze.

Despite skyrocketing lumber prices early last February, the council never did impose price restraints on the forest products industry (although prices have begun declining in recent weeks).

### BELATED EFFORTS

And the administration's belated efforts to unsnarl the critical boxcar tangle have been criticized as too late and ineffective.

Indeed, critics note correctly that many steps announced at the beginning of the program have been either carried out half heartedly or delayed beyond most reasonable expectations.

The administration's highly-touted "advisory" committees on labor-management problems and food industry pricing have met only infrequently at best, with their actions kept secret, despite stiff laws requiring full disclosure.

And the special Health Advisory Committee that was have been set up at the start of Phase 3 to monitor medical cost trends still has not even been appointed, despite continuing inflation in that sector.

The combination of deliberate unaggressiveness and bureaucratic chaos reportedly has seriously eroded morale within the council—prompting several key officials to begin seeking jobs elsewhere.

The downgrading was bad enough last January, when middle-level officials of the Cost of Living Council (which before then had been primarily a coordinating group) systematically pushed out old Pay Board and Price Commission staff members.

But sources familiar with the program say the deterioration has been exacerbated by the promotion of largely inexperienced "Yes-men" into key slots within the council—further weakening the agency's aggressiveness.

### ALMOST NOBODY LEFT

"The guys who were GS–14 staff aides last year are running the program now," says one outsider with close contacts within the council. "There's almost nobody left to challenge anything, to push for any new idea."

Along with the other problems, critics point to another factor in the apparent misfortunes of the Phase 3 wage-price program—the inexperience of Dr. Dunlop in conducting any kind of public policy.

The council director, a long-time labor mediator accustomed primarily to backroom union bargaining, has virtually closed the Phase 3 program off to the public and members of Congress, refusing to reveal key policies and actions.

### SHUNS PUBLIC APPEARANCES

Unlike his predecessor, C. Jackson Grayson, former chairman of the Price Commission, Dr. Dunlop shuns most public appearances—a trait not generally regarded as a plus in a program that depends so much on public support.

However, what disturbs many critics more profoundly is Dr. Dunlop's often-stated belief that he is free to take virtually any action he wants to without accountability to the public.

The council director recently told a group of reporters that he deliberately allowed the railroad unions to misrepresent the size of the wage settlement they agreed to in order to help them sell it to the rank and file.

### FELT NO OBLIGATION

He said he felt no obligation as a public official to disclose the correct wage figure even now, as long as continuing the misrepresentation would contribute to labor peace.

Such untraditional views on policymaking—along with often-cited instances in which Dr. Dunlop has berated audiences as being unlikely to be able to grasp what he was saying—have effectively deprived the program of a needed selling force.

In fact, the director's treatment of outsiders interested in information about the program has sparked repeated criticism from many senators and congressmen. The situation is said to be viewed s a "major problem" by Dr. Dunlop's public affairs aides.

The haphazard administration of the Phase 3 program has prompted widespread complaints from the business community, which has criticized the new regulations as so vague that they effectively are confusing.

### CONSUMER LESS SECURE

Consumers also apparently feel less secure under Phase 3 than they did under the Phase 2 program. A Gallup poll last week showed that Americans still view inflation as the No. 1 problem, despite the Watergate.

More importantly, in the wake of the recent deterioration of the controls program, many analysts now are apprehensive about the outlook for inflation, which they say has started to spiral again in part because of Phase 3.

For one thing, the recent refusal of B. F. Goodrich rubber workers to accept contract terms agreed to by Goodyear labor leaders has cast new doubt on Mr. Dunlop's personal ability to hold down wages by individual jawboning.

For another, the increase in business activity to the point where many industries are pushing close to capacity has brought new concern about demand-pull inflation—a development which the controls will be powerless to hold.

### LAST OPPORTUNITY

To many economists and wage-price analysts, the administration will have one last opportunity to regain some of its credibility in the program—by rolling back part of the 4.8 per cent price increase just announced by steel firms.

Council officials insist that the agency will pick up some of its enforcement after the filing of the second-quarter pricing reports, and that some additional actions may be taken as meat-price violations show up.

John B. Connally, the former secretary of the Treasury who is now a special adviser to the President, is said to be pushing for a visible tightening of the Phase 3 controls in an effort to bail out the anti-inflation program. It is not yet clear whether he will succeed in that behind-the-scenes fight.

However, most outside analysts predict that barring another policy reversal by the administration, there probably will be no major change in the tone and tenor of Phase 3—that the program will continue essentially as is.

Meanwhile, analysts say, the program is deteriorating and the administration's options in the wage-price field are becoming more and more limited. And if prices are not held down, labor may not sit still.

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## CRIME AND VIOLENCE IN THE BUILDING TRADES UNIONS

**Mr. FANNIN.** Mr. President, in this Congress and preceding Congresses, I have sponsored and cosponsored various amendments which would have the effect of limiting the power of labor leaders over their members and the general public. Those amendments are referred to the Senate Labor Committee where they are permitted to die without even the benefit of hearings. It is only those bills supported by organized labor which reach the floor.

Our fundamental labor laws favor the building trades unions and further legislation commonly known as common situs picketing is now in the mill.

The current issue of Reader's Digest contains the first of a series of articles on crime and violence in the building trades unions.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### THE TYRANNY OF TERRORISM IN THE BUILDING TRADES

(By Charles Stevenson)

At 6:40 p.m. last September 20, in suburban Miami, a fusillade of bullets splintered the doorway of the Upthegrove family's heavy-construction business. "Oh, God, don't move, anybody!" screamed office manager

Yvonne Upthegrove. Under fire were her husband, Lingo, and his brother Howard.

The family had been victims of a campaign of terror for nearly a year, ever since setting up their operation independent of the union. On Thanksgiving Day, 1971, the brakes of a huge crane were mysteriously tampered with, and its 3,000-pound boom dropped 30 feet, fracturing Lingo's skull. He was unconscious for a week. Next month the boom fell again, requiring costly repairs. Someone had poured acid on its brake bands. One incident followed another. Shortly after the family borrowed to buy a used $85,000 truck crane, a grinding compound was poured into one of its engines. Damage, nearly $6,000. The same thing was done to the firm's floating pile driver. Another crane was firebombed and a security guard's car burned up. Threatening phone calls have come night after night.

After the office was shot up, local police called in the FBI, but federal officials decided it was outside their jurisdiction. So life goes on, precariously. "We're not giving in," says Yvonne Upthegrove. "We work hard and pray we'll survive."

The chilling fact is that case histories of similar terrorism are being recorded in city after city across our land. Today, many building-trade unions are getting away with wholesale shakedowns of contractors, while stealing from and cheating their own members. And as these labor bosses carry out a cost-kiting methodology of featherbedding, slowdown, strike and more-pay-for-less-work, they are pricing their unions out of business. Yet companies who offer workers open-shop competition are subjected to strong-arm treatment. It is often difficult to know where the drive for closed-shop unionism ends and the shakedown begins. In either case, hidden costs are added to the construction industry's already unconscionable cost inflation.

The violence has reached epidemic proportions because our laws—both unenforced and inadequate—allow terrorists and racketeers to hide out in unions, engaging in "legitimate" labor disputes.

Look what has transpired in this one state of Florida.

Get the Word. Five years ago, Joseph Georgianni, a college student, died after a bomb exploded under a crane he was guarding at a Miami Beach building site where non-union men were working. But to date, the case remains an "open homicide" and no one has been charged with the crime. In fact, through all the years of intensifying violence, seldom has any culprit gone to jail.

Across Florida, at Marco Island on the west coast, 75 to 100 union hoodlums ganged up on seven non-union men digging trenches at a condominium construction site in May 1972. They grabbed a deputy sheriff's gun and struck him on the head with a foot-long pipe wrench. They also beat the workers, injuring one man severely. They broke three of his ribs, poured steel shavings into his eyes, and made threats to "cut off his hands and put them in his back pockets." His name was withheld from news accounts for fear of reprisal.

Twenty-six attackers were arrested, but none has been prosecuted, and only 12 will be brought to trial. According to one law-enforcement officer, it is just another incident in a continuous stream of violence at Marco Island. The union "claims" the island and, in the past two years, there have been 15 to 20 instances of non-union construction equipment being damaged or destroyed.

Why such brutality? Simply "to give the man the word," say federal investigators. Some contractors "get the word" in a hurry.

In Miami, for example, builder Maurice G. Bellows basked in labor peace without employing a single union worker—after he agreed to contribute $150 a week to Joseph John Fischetti, who, with Teamster big shot Donald F. Gillette, arranged to obtain a $12,000 payoff from him.

It is quite another matter for those who fail "to get the word."

In 1969, R. Pete Mathews, president of Mathews Corporation, tried to have his own non-union crew erect a hangar at the Fort Lauderdale International Airport. A gang of 30 to 40 men pulled Mathews' crane operator from his machine, injuring him. When Mathews went to the operator's aid, he was himself beaten up. John W. Lloyd, a trade-association director who photographed the action, was also beaten and had to be hospitalized. Only by hiring his own guards and equipping them with dogs was Mathews able to complete the job.

"Despite witnesses, photographs of assailants and a list of their auto licenses," he says, "I could get no action out of local authorities. They shrugged it off as just another labor dispute in which they did not want to become involved."

All too often, officials throughout Florida are reluctant to tangle with powerful union bosses. And federal lawmen find it extremely difficult to halt violence, even when they are sure it is being used as a device to extort.

"Our problem is that violence alone, however heinous, is not now a federal offense," says Dougald D. McMillan, chief of the U.S. Department of Justice Strike Force against organized crime in Florida. "To make a federal case we must prove an actual payoff or payoff demand—and the labor racketeers are smart enough to seldom demand; they just lay on the pressure until the contractor comes across. Of course, some contractors are as willing to buy 'sweetheart deals' as union racketeers are to sell them."

Even when extortion and bribery are proved, penalties may be light. After convictions were brought in in the case of Bellows, the Miami apartment builder, the federal court fined the men only $4000, and sentenced them to six months. In another case the judge imposed a one-year sentence, then immediately suspended it. Many contractors thus find it more expedient to pay off than to fight. Those who resist do so at grave risk.

### TRAVELING STRONG-ARMS

In Broward County, Fla., Richard Nell, a twice-convicted felon, operates Local 675 of the International Union of Operating Engineers. Its 2000 members average $15,000 a year. Nell receives a salary and allowances of more than $50,000, a Cadillac, a European vacation for himself and his wife. In addition, for $2, he got union real estate currently valued at more than $20,000.

None of the union rank-and-filers can solicit his own work or even change jobs without Nell's permission, and those who fail to do Nell's bidding may find living hard. Sworn testimony attests to cruel beatings, threatening phone calls, shotgun blasts fired into one worker's home, physical attacks on employes of nonunion companies, and damage and destruction of expensive equipment. When the wife of one of Nell's thugs agreed to tell a grand jury what she knew about beatings and sabotage, a savage pummeling changed her mind.

At least five times in two years, judges across the state have ordered Local 675 to abstain from violence—ineffectually. On Lincoln's Birthday in 1970, several hundred of Nell's strong-arm men squared off against employes of L. E. Meyers & Co. at a construction site in Hallandale, just south of Fort Lauderdale. Nell insisted that *his* men—not Meyers' men, members of another local—should be digging the trenches for electrical conduits. A guard was holding the intruders at bay with a gun when four policemen arrived and ordered him to put his gun away. Whereupon the job superintendent was beaten, rocks were showered on workmen and police alike, equipment was set afire and autos were overturned. Before police reinforcements arrived, the crowd had dispersed but the contractor had suffered some $50,000 worth of damages.

Thirteen persons were injured, including four severely beaten policemen. Yet not one arrest was made by the local police despite the fact that injured officers were able to clearly describe some of their assailants. A state attorney's investigation resulted in indictments against five persons, but no convictions were obtained.

As the mob quit Hallandale, further instructions sent them racing that same day over to Fort Myers. There at the site of a $1.4-million public-housing apartment project, they staged a repeat performance. They wrecked the construction office, firebombed a crane, and lashed the construction superintendent with a chain so that he ended up a hospital case. Amid threats of further violence, Nell brought in pickets. The purpose was to force the local open-shop prime contractor, Cassius Peacock, to fire his own steadily employed workers and hire union men instead.

The labor boss warned everyone away from the Peacock job so no one, union or non-union, dared touch it. But Paul Prendergast, a union-shop engineering contractor headquartered in Fort Lauderdale who had been driving the pilings for these apartments, was determined to complete his subcontract. So he asked his own field superintendent, 44-year-old Earl Lassitter, to operate the machinery and finish the work. Result: when Lassitter showed up at next work site—on the Fort Lauderdale beach—one of Nell's goons gave him such a going-over with leather gloves that he suffered a permanent hearing loss, and since has had to wear a hearing aid.

When Edward Deeson, a member of Nell's union for 19 years, was subpoenaed to give eyewitness testimony of the beating, he was fined $450 by the local (later rescinded by the International Union of Operating Engineers) for not "cooperating" in discussing his testimony beforehand with Nell and the union.

"What do I have to do for some labor peace?" Prendergast implored Nell. The answer: fire Lassitter and Deeson. When Prendergast refused to, he was harassed and sabotaged that he had to close his main yard at Fort Lauderdale, hide his machinery, and stop contracting in any area where Nell's thugs are in control.

These facts are on record, from a civil suit brought last year against Nell's union by Lassitter. The jury warded Lassitter $1.25 million damages, but none of this has fazed Nell. His local has appealed the decision.

### AX AND TORCH

One of the most flagrant cases of terrorism involves Richard Spreen. He wanted to construct a large new facility adjacent to his Volkswagen dealership in West Palm Beach, but when union bids far exceeded his budget, he went ahead with mostly nonunion men. In retaliation, union bosses mobilized some 1500 men to march on his project. Although warned of a planned confrontation, the sheriff and his deputies were unprepared for a mob of that size.

As one wave of men flattened a high chain fence, another poured onto the metal roof of the new structure and ripped it with axes seized from construction equipment. Other platoons used heavy girders as battering rams against concrete walls. Bands of men set fire to construction trailers and trucks. Then they swept into the enclosure, where Spreen had parked rows of brand-new VWs and Audis to protect them when he had learned of the demonstration. They used sledgehammers first, then gasoline, then the torch. An hour and a half later nothing was left but the smoking remains of 60 automobiles—12 of them destroyed completely.

When a grand jury began looking into the holocaust, intimidation and threats were so blatant that the National Guard was called up. The boss of a union involved, Joey Giardiello, was indicted for conspiracy to bring about the riot. As witnesses were subpoenaed for pre-trial examination, Giardiello and other union men sat outside the prosecutor's courthouse office and intercepted them. "Where the hell you think you're going?" he called. "Come over here and sit down a minute."

At his trial, Giardiello was acquitted by the jury. Of course 50 people arrested, many were freed because witnesses failed to make identification. Others pleaded guilty to lesser charges and were given fines or probation. Of the 12 convictions in the hard-core cases, all are free pending appeal.

There was an uproar in the press. Businessmen, contractors and nonunion workers journeyed to the state capital to plead for laws to make such violence a criminal act, and to enforce the clause in the state constitution which guarantees the right of a man to work whether he belongs to a union or not. But the legislature, in the face of a powerful union lobby—in one instance 300 labor officials at a hearing—refused to act, as it has time and again.

This mockery of law and order is a death knell to the cause of free men—union members or not—who are trying to earn a living. "For three months after the riot, customers were afraid even to bring a car in for repairs," Spreen says. "My working capital was so reduced that I felt it best to sell the business and get out."

Florida is not the only state affected. How many businessmen and contractors will be forced to sell out in cities across the country? How much more property must be destroyed in Ohio and Michigan and Colorado? How many more people shot at, beaten or maimed, before public outrage demands that union terrorists be brought to justice?

Clearly, in the face of weak and ineffective state law and local enforcement, the federal government must be permitted to step in and protect contractors and their employes from the abuses of unbridled union power. Declares Florida Sen. Edward Gurney: "What has happened in my state and elsewhere indicates a need for protection from hoodlums, arsonists and killers. It is time for Congress to consider legislation which will stop such actions, so as to help responsible union leaders, and to preserve the rights of contractors and their employes, both union and non-union."

## SOUTHEAST ASIA'S FUTURE

Mr. CHURCH. Mr. President, I ask unanimous consent that Ambassador Charles W. Yost's pertinent article on the future of Southeast Asia, recently published in the Christian Science Monitor, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### THE FUTURE OF SOUTHEAST ASIA

(By Charles W. Yost)

NEW YORK.—The United States now has been involved in Southeast Asia for almost 20 years, ever since it moved in to replace the French in 1954. In this prolonged involvement on the mainland of Asia, nearly 50,000 American lives have been lost and well over $100 billion dollars have been spent.

Yet the three peoples the U.S. moved in to protect, the South Vietnamese, Laotians, and Cambodians, are today in a far greater state of turbulence, division, anguish, and insecurity than they were in 1954. And the U.S. whose involvement was motivated by fear of Chinese Communist takeover, is now on excellent terms with the People's Republic, which shows no sign of any intention to expand southward.

Henry Kissinger is meeting in Paris this week with Hanoi's Le Duc Tho in an effort to firm up the agreements concluded there in January. It is probable that their conversation, though no doubt of a highly civilized character, will be more or less a dialogue of the deaf, in which each will be talking past the other.

The conception each side has of the Paris agreements is radically different from that of the other. It was of course only on the basis of that ambiguity that the accords could be concluded.

All that was really agreed was that U.S. troops be withdrawn and U.S. prisoners released. As for the rest, Hanoi continues to be determined to take over the South and to control parts of Laos and Cambodia, until that end is achieved. The U.S. Government, on the contrary, still seems determined to prevent the ouster of the present rulers of these countries.

Before the U.S. addresses any further ultimata to Hanoi, either during this week's conversations in Paris or subsequently, it would be well to rethink once again what its real interests in Indo-China are in 1973.

The Nixon doctrine, though vague in its provisions, seemed to provide that the U.S. would not henceforth intervene directly in combat in east Asia unless its friends were attacked or threatened with attack by a major power, presumably China. Yet it is obvious the U.S. does not expect any such attack to occur in Indo-China in the foreseeable future.

The rationale of "Vietnamization" and of the January Paris agreements was that the Saigon government, after 19 years of U.S. aid and eight years of U.S. combat support, should now be able to hold its own, if it is ever to do so.

The Paris agreements have been violated from the first day of both North and South Vietnam, and will no doubt continue to be. The agreements do not contain, however, any mandate to the U.S. or anyone else to enforce them unilaterally.

These reflections might lead Americans of simple minds to conclude that the U.S. no longer has any overriding national interest in remaining militarily in Indo-China, that it does remain primarily because of emotional hang-ups on the part of its leaders, and that if it tries to enforce the Paris agreements militarily it may reinvolve itself in Indo-China for another period of years. This is the last thing the American people want.

The House of Representatives has just voted to cut off funds for bombing in Cambodia, America's most conspicuous present military involvement, and the Senate is expected to follow suit. A just-published Gallup poll reports that 57 percent of those asked disapproved of the U.S. bombing in Cambodia and Laos, that 59 percent thought that such bombing would lead to America's getting involved again with U.S. troops, and that 76 percent thought that any further U.S. military action in Southeast Asia should be subject to congressional approval.

As one who has been concerned with Southeast Asia off and on since 1945, it would in my judgment be overwhelmingly in the interests of the U.S. and of the three Indo-China states that the U.S. immediately cease and henceforth refrain from any military action in their territories.

The ultimate decision in Vietnam, whatever it may be, will not affect America's vital interests. It has long since overpaid any debt of "honor" it may have had to Saigon.

The Laotians, in their inimitable way, which might be described as government by anticlimax seem about to sort out their own affairs quietly. Whatever happens to the Lon Nol government, the tormented Cambodian people will profit by the prompt restoration of peace.

The pro-American ex-Foreign Minister of Thailand, Thanat Khoman, has said publicly that it would be in the interest of both Thailand and the U.S. that the U.S. air bases there be closed down.

The future of Southeast Asia should be a Southeast Asian future. If the U.S. would at long last complete its withdrawal, there would be no serious external danger in the foreseeable future—neither from China, the Soviet Union, nor anyone else. The North Vietnamese, after 30 years of war and their continued obsession with the South, will not long be able to dominate other parts of that peninsula.

What will emerge will, from the U.S. point of view, be untidy, odd and Asian, but it will in no real sense threaten U.S. security.

## SPECIAL EDUCATION: A NEW STORM CENTER

Mr. DOLE. Mr. President, in the past several years there has been increasing emphasis on equality of educational opportunity for all children. National attention has been focused on improving the education of the Nation's more than 7 million handicapped children. In referring to handicapped children I mean hard of hearing, deaf, visually handicapped, speech impaired, mentally retarded, seriously emotionally disturbed, crippled, or other health impairments, realizing that children with any of these problems require special education and related services.

Even though a growing number of State legislatures have subsidized programs for handicapped children in public and private schools, the shortage of qualified personnel to provide special education services has made it difficult for schools to establish or expand programs for handicapped children.

In looking at the accomplishments made possible in my own State of Kansas I cosponsored the "Education of the Handicapped Amendments of 1973" as Kansas needs our continued commitment to educational opportunity for handicapped children. This act, which has brought together Federal programs of assistance for the education of handicapped children, has served our Nation well.

Much has been done in the area of special education—much has been written and said on this subject, but after reading an article that was recently brought to my attention it is clear that we need assurance that performance will not lag behind concepts, resolutions, and legislation.

The following article, "Special Education: A New Storm Center" by Bart and Andrew Barnes printed in the May 29, 1973, issue of the Washington Post, is a clear example of problems still faced by handicapped children and their families. I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### SPECIAL EDUCATION: A NEW STORM CENTER

(By Bart Barnes and Andrew Barnes)

For 13-year-old Kenny, his early years in the public schools of Prince Georges County were successful, despite a visual handicap that made it hard for him to see anything at a distance or outdoors in daylight.

There were times when his vision problem made it difficult for him to keep up with the rest of the class, particularly when blackboard instruction was being used. But overall his grades were satisfactory. School officials assured his parents that he was a bright child.

That was until a year ago this month. In May 1972, a school psychologist, the director of special education for the Prince George's schools and the director of pupil placement called Kenny's parents in for a conference.

They were terribly sorry, they said, but Kenny's handicap was such that he could not benefit any more from the public schools of Prince George's County.

No longer would there be a place for Kenny in the school he'd been attending and there was no program of special education that he could benefit from. Kenny's parents were told to send him to a private school, but he was denied admission at the two Virginia schools to which he'd been referred. One said it had no program suitable for him and the other said it could not assure his safety.

For the last year, Kenny has remained at home and has received no formal education at all.

Throughout the United States, there are an estimated 1 million children of school age, who, like Kenny, have been excluded from the public schools because of a physical, emotional or mental handicap.

They are among an estimated 7 million handicapped children of school age in the United States, one in every 10. They suffer from impairments ranging from profound mental retardation to minimal learning disabilities.

It's estimated that to educate all of them to their fullest potential would cost up to $10 billion a year for highly specialized teachers, equipment and programs.

Yet in courthouses and statehouses across the nation, it is being argued increasingly that America's handicapped children are entitled, as a matter of basic constitutional right, to just such an education. In a landmark decision, a federal judge in the District of Columbia has ruled precisely that. There is similar litigation pending in at least 20 states.

Educators say the impact of that decision and of legislation at the federal and state level affecting handicapped children is potentially as great as the Supreme Court's 1954 decision outlawing school segregation.

Of America's 7 million handicapped children, an estimated 40 per cent are now receiving some form of specialized educational service; the remaining 60 per cent are not, according to Alan R. Abeson, of the nonprofit Council for Exceptional Children.

Hundreds of thousands of them are confined to institutions where they receive little or no training, not even in such basic functions as feeding and clothing themselves.

There are people like Milbert, 16, confined at Rosewood State Hospital outside of Baltimore since he was 10 years old, the victim of minimal brain damage at birth, deafness and hyperactivity.

At the age of 6, he was classified as "educable" at the University of Maryland Hospital. For one academic year, the Baltimore public schools sent a teacher to his home periodically for tutoring. But after a year, the teacher decided that Milbert was "not ready to be taught" and stopped coming.

Over the next few years, Milbert's mother was able to teach her son to print his name, address and telephone number, but because of a family crisis the boy was sent to Rosewood in 1966.

After one term at the school there, he was ruled "disruptive" and once again "not ready to be taught . . ."

His parents were informed that he would receive no further instruction. Three years later, his mother took leave without pay from her job to visit Milbert on a daily basis at Rosewood to try to teach him herself. She found he had regressed substantially, could no longer write at all and, despite repeated efforts, she was unable to teach him.

There are people like Andy Corwin, 23, with a keen mind, but afflicted by a condition of cerebral palsy that makes it almost impossible to control the muscles in his right hand and arm. Corwin is a college graduate but he remembers others he went to school with at a school for the handicapped in Massachusetts who simply withdrew, as he says, "into the world of the crippled."

"Handicapped" can mean a variety of things: blindness, withered limbs, emotionally disturbed to the point where a child is unable to function in a normal classroom. It can mean an inability to communicate or to understand and carry out directions for reasons ranging from an organic defect to brain damage at birth.

It can mean mental retardation, so profound that a child has no measurable intelligence quotient and is barely able to lift his head, or so slight that with extra help at school a child can be taught to be a functioning and contributing member of society.

But no matter how severe or slight the handicap, it's the opinion of the people like Abeson and the Council for Exceptional Children that all people with handicaps are entitled as a matter of right to whatever education will best equip them to cope with their environment. That can mean, Abeson says, learning how to read or learning how to feed yourself—but whatever it is, it must be provided at public expense.

"We hold," says Abeson "that there is no such thing as an ineducable child."

For Kenny of Prince George's, who suffers from cataracts in both eyes, and Milbert of Baltimore, the issue is heading towards a resolution in federal court. They and 18 other handicapped children are asking the court to order the state to provide them at public expense with an education suited to their needs.

In his decision in Washington last August, U.S. District Judge Joseph C. Waddy bluntly informed the D.C. School Board that lack of money was not an excuse for failing to provide special education for any child needing it.

"The inadequacies of the District of Columbia public school system," the judge said "whether occasioned by insufficient funding or administrative inefficiency cannot be permitted to bear more heavily on the exceptional or handicapped child than on the normal child."

In addition to the lawsuits on behalf of the handicapped pending throughout the nation, there were 800 bills introduced in state legislatures during 1971–72 dealing with education for handicapped children.

Approximately 250 of those measures were enacted.

At the federal level, legislation is pending in both the House and Senate to require the federal government to underwrite 75 per cent of what it costs to educate a handicapped child over and above the cost of educating a nonhandicapped child.

What it boils down to, said August W. Steinhilber, director of Federal and Congressional Relations for the National Association of School Boards, a group that looks after local school interests at the federal level, is that the "local schools boards could have the legal obligation to provide specialized services for children based on their needs."

This, he said, would be a substantial departure from the basic philosophy, underlying most school systems today. That philosophy, he said, has been "you teach to the mean, to the median of the class; you're teaching to the average student. But as part of your regular program you don't necessarily provide specialized services."

Traditionally, says the Council for Exceptional Children's Fred Weintraub, "schools have been for those students who fit in. The ones who don't fit in have to fend for themselves."

It was in 1969, 15 years after the Supreme Court decision outlawing racial segregation in the public schools, that the parents of two retarded children in Utah took the state to court when it refused to provide a public education for them.

In handing down his decision, Judge D. Frank Wilkins adopted language virtually identical to that used by the Supreme Court in Brown vs. Board of Education.

"Today it is doubtful that any child may reasonably be expected to succeed in life if he is denied the right and opportunity of an education."

Segregating the two retarded children from Utah's system of public education, the judge said, "can be and usually is interpreted as denoting their inferiority, unusualness and incompetency. A sense of inferiority and not belonging affects the motivation of a child to learn. Segregation, even though perhaps well intentioned, under the apparent sanction of law and state authority has a tendency to retard the educational, emotional and mental development of children.

There have been similar outcomes in lawsuits in Pennsylvania and Michigan as well as the Waddy decision last summer in Washington.

In Pennsylvania, the state agreed to a court order in the fall of 1971 stipulating that no laws would be applied "which would postpone, terminate or deny mentally retarded children access to a publicly supported education, including a public school."

That order followed the filing of a suit by the state's Association for Retarded Children and a trial before a three judge panel.

Central to the argument at the trial was the contention that education "must be seen as the continuous process by which individuals learn to cope and function within their environment. Thus, for children to learn to clothe and feed themselves is a legitimate outcome achievable through an educational program."

Last October in Michigan, others amounted to denial of "equal protection" under the 14th amendment.

Children with learning, social, mental or physical handicaps, he said, have a right to a public education.

Partially for children who are poor and black, the consequences of being misdiagnosed as retarded or handicapped when they are not can be as severe as being excluded from school, says Stanley Herr, the lawyer who argued the suit against the D.C. School Board that resulted in Judge Waddy's decree last summer.

Cultural biases built into standardized testing and unilateral on-the-spot diagnoses by teachers have, in part, been the causes of such misdiagnoses, Herr argued. The result is that children who are not retarded are assigned to "inferior special education programs which tend to propel children toward the self-fulfilling prophecies of failure."

Under Judge Waddy's decision of last summer, children who are assigned to special education classes are now entitled to certain procedural safeguards, including independent testing and a hearing.

There are other children, argues the Council for Exceptional Children's Weinraub, who do have learning disabilities that could be corrected. The problem is they are never diagnosed.

"You remember the kid in school you knew wasn't dumb but somehow couldn't learn to read?" Weintraub said. "He was one of the gang in the first grade. By the third grade he was a little bit behind everybody else. By the fourth grade, he was getting into trouble and by seventh grade, he was spending most of his time in the principal's office. It could be a learning disability, maybe one that reverses the letters 'b' and 'd' or one where he sees a five-letter-word as five separate letters, not a single word. But a kid like that needs help, not necessarily for all 12 years, maybe only for two years or six months."

And, says Herr, there have been others in Washington and elsewhere who are simply diagnosed as handicapped and excluded from school because they are discipline problems. (Under the Waddy decree, such children are entitled to a hearing and due process before being excluded.)

It was just such a child, an 11-year-old named Gregory that got Herr into the case in the first place. When Herr first met him, Gregory had been out of school for three years, expelled by his principal for throwing spitballs. He had an IQ of only 39, the principal said. He could come back to school only when he behaved himself—and when there was a class small enough to accommodate him.

For the next three years, Gregory's mother heard from the school once. A secretary called to announce Gregory would be graduating next week from sixth grade. Wouldn't his mother like to come? After informing the secretary that Gregory had not been attending classes for three years, she didn't hear from the school again.

"I began to wonder just how retarded he really was when he could take three buses across town to get to my office," Herr said. "So I had him tested. He was reading at his grade level."

Gregory is now back in school.

## GENOCIDE: THE SUPPRESSION OF HOPE

Mr. PROXMIRE. Mr. President, the crime of genocide is linked to the suppression of hope. Hope is essential for any kind of corrective action. Without hope of success, change for the better, a man might believe that there is no use for him to seek help. Despair feeds upon itself. If a man feels that a situation is hopeless, it subsequently could become hopeless.

Consider this description of the situation confronting prisoners in a concentration camp. The novelist, Elie Wiesel, describes a group of Jews who had just arrived the previous day, but had already witnessed and heard about the unbelievable acts of atrocity which took place there.

What is meant by the word "unbelievable"? If an act seems unbelievable, then one is forced to choose between believing it or closing one's eyes to reality. Wiesel describes the choice facing the prisoners:

> Those absent no longer touched even the surface of our memories. We still spoke of them—"Who knows what may have become of them?"—but we had little concern for their fate. We were incapable of thinking of anything at all. Our senses were blunted; everything was blurred as in a fog. It was no longer possible to grasp anything. The instincts of self-preservation, of self-defense, of pride, had all deserted us. In one ultimate moment of lucidity it seemed to me that we were damned souls wandering in the half-world, souls condemned to wander through space till the generations of man came to an end, seeking their redemption, seeking oblivion—without hope of finding it.

Mr. President, I urge the Senate to ratify the Genocide Convention soon. This act would give hope to the people of this Nation and the world that the United States will rise to stand with the 75 other nations which have vowed to protect man's dignity against the crime of genocide. If the United States rises up against this crime, no future historian shall charge us with expedient evasion of the issue. Future generations will point at U.S. ratification and say that we still spoke of the past victims of genocide—"Who knows what may have become of them?"—and that we showed our concern for future victims by ratifying the Genocide Convention.

## WATERGATE

Mr. PEARSON. Mr. President, Mr. Alf Landon was recently interviewed by the U.S. News and World Report on the subject of Watergate and its impact on the Presidency and the American political system. Mr. Landon's comments were most perceptive and I thought extremely valuable. Therefore, I ask unanimous consent that this copyrighted interview, published May 21, 1973, be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

### Watergate: "The Stability of Our System Will Not Be Affected"

(Interview with Alf M. Landon, Former Presidential candidate)

One of the nation's elder statesmen—a student of the Presidency—sizes up the Watergate case in its historical perspective. Mr. Landon was interviewed by "U.S. News & World Report" in his office in the capital city of Kansas.

Alf M. Landon, of Kansas, was the only Republican Governor to win re-election in 1934, when Franklin D. Roosevelt and the "New Deal" were at a peak of popularity. In 1936, Mr. Landon was the Republican nominee for President. He lost to Mr. Roosevelt—carrying only two States. Since then, he has been active and highly respected in State and national politics. Today, at age 85, he is busy directing his radio stations and oil properties—and keeping close tabs on national affairs. He rides horseback almost every day.

At Topeka, Kansas—

Q. Governor Landon, what do you think will be the impact of the Watergate scandal on the office of the Presidency?

A. I don't think it will have any impact on future Presidents. A recent corollary of what's happening now was President Lyndon Johnson's withdrawal as a candidate for re-election because of his lack of credibility on the Vietnam-war issue. It had no crippling effect on the next President.

I think history shows that what happens in one Presidency does not affect the office of the President itself.

Q. Has the Presidency ever passed through a crisis of this magnitude before?

A. I think you'd have to go back to the impeachment proceedings against President Andrew Johnson by the House of Representatives a century ago, and the failure of the Senate—by one vote—to convict him. That probably was the peak of crises involving the President.

Q. Was Andrew Johnson able to govern effectively in what was left of his term thereafter?

A. No, I think he was not.

Of course, other factors were very definitely involved there. Primarily there was the fact that he was following the policies of President Lincoln in trying to heal the wounds of the Civil War. This didn't suit the anti-South radicals in the Senate—the extreme Republicans who wanted to punish the South and were not willing to settle along the broad outlines of the Lincoln policy for reconciliation, as Andrew Johnson was trying to do.

Q. Would you say that the present Administration is going to face a problem of this sort, even after the Watergate scandal has passed out of the news?

A. I don't think so. It depends entirely, however, on the results of the investigation which the President has initiated and the legal steps he vigorously supports. The ultimate verdict on how the Presidency is affected will rest on how thoroughly this sordid affair has been explored and the guilty ones prosecuted. So far, there has been no proof that the President was personally involved.

There are no issues involving national unity or national purpose in the Watergate case or its ramifications. The issues there involve law and order and moral standards. Americans are not divided on maintaining those. They are divided on whom to trust and who let down whom. That is temporarily elusive. But the facts are in the process of being clearly established by our customary judicial processes and a senatorial investigating committee.

### EARLIER SCANDALS: "MORE PERSONAL"

Q. Did scandals of the past such as those in the Administrations of Warren G. Harding in the 1920s and Ulysses S. Grant in the 1870s prove to be serious in their impact?

A. Not on succeeding Presidents. And, of course, those involved entirely different factors than Watergate does—a more personal kind of corruption, crookedness and loot.

Q. The Gallup Poll results suggest that a majority of Americans apparently feel that scandals such as Watergate are going to happen no matter which party occupies the White House. Does this indicate cynicism on the part of the American people in their regard for the Presidency?

A. Yes, I think that has to be conceded. There is a growing cynicism toward the Presidency, just as there's a growing cynicism toward business leadership and what is called the "Eastern establishment" in government and business.

Q. Do you feel that the mass impact of press and television could endanger public confidence in the Presidency?

A. No, I think the impact comes more quickly and goes more quickly than before. Instead of waiting for the revelations of future historians, the news media concentrate on what is current—so it comes and goes more quickly.

Q. Will Watergate reinforce demands for curbing some of the presidential powers that have accumulated in recent years?

A. Well, that would call for a complete reversal of the trend that started back during the "New Deal," based on the philosophy that the best government is the one that governs the most. It continued under the so-called "Fair Deal" and the "New Frontier" and the "Great Society."

That's how this centralization of power in the Presidency developed, with Congress repeatedly delegating its authority to the President not only in domestic but in foreign affairs.

Q. Do you think that the willingness of Congress to relinquish authority is changing?

A. Yes. Even those "liberals" who advocated centralization of power are now seeing the end result. In 1936, I pointed out exactly what was going to occur when I talked about the centralization of power in Washington—the short-circuiting of the State governments by encouraging municipalities to deal directly with the Federal Government in Washington.

Now this long march of what was called "liberal" legislation is reaching a point which appalls some of those who advocated that kind of legislation, and they're beginning to call for a reversal. They see how far the Congress has gone in yielding power, not only in permitting a planned economy by the Federal Government but things such as the Gulf of Tonkin Resolution which President Johnson interpreted as giving him a free hand to assume the guardianship of all Asia.

What we have today as a result of that trend of the last 40 years are big government, big business and big labor—and individuals don't count for much.

### I HOPE CONGRESS ASSERTS ITS ROLE

Q. Does Congress have the power to reverse that trend?

A. To reverse that whole process is going to be quite a problem, but I hope the Congress does assert its constitutional role and does act responsibly to begin the process of reversal.

This is a real opportunity to begin such a reversal, because we have now a President who is himself committed to a decentralization of power that has too long accumulated in Washington. Mr. Nixon's so-called "New Federalism" is an encouraging move toward returning more authority and responsibility to State and local governments.

Q. What are the primary lessons to be learned from the Watergate scandal?

A. The primary lesson, I guess, is how presidential arrogance rises as power accumulates. Certainly Frankin D. Roosevelt showed that arrogance, and so did Lyndon Johnson.

Q. Can a President hope to keep a rein on the people who are working directly for him as the executive branch keeps growing continually in size and power?

A. Certainly not. The Government becomes so large that it is impossible for a President to have the time and the means to look into the activities of the men who are supposed to carry out his policy.

What has happened is that we have followed a philosophy of centralizing power in the Government for the last 40 years. In doing that we have eliminated the checks and balances between Congress and the President and between Government and the people.

We have reached the point where people are being ruled by decisions made by the President and enforced by Government bureaucrats. And his decision becomes the economic policy that rules our country and individuals.

Q. With all of this, does there remain a basic faith in our system of government among the American people? Will it survive this crisis?

A. Yes, it will survive in the long run—very definitely. What has happened may have some adverse effect on immediate attitudes, until there is a final verdict from a complete and thorough and satisfactory investigation.

This spectacular drama of personal power changing hands because of lawless acts and plain dumb campaign tactics—in the midst of a highly successful national Administration—is so extraordinary that it has a plain meaning: That sort of thing is always counterproductive in any form of human endeavor.

However, once again, the stability of our political system is demonstrated. And, in the end, that stability will not be affected.

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## CONGRESS AWAKENS

Mr. CHURCH. Mr. President, over the last week or two, the legislative branch of Government has awakened from its long sleep, and has begun to realize that its rightful constitutional role in formulating national policy, whether it be foreign-security or domestic, is essential and necessary if this country is to function with wisdom and foresight and compassion. Not only wisdom, but a revival to our whole system of government is long overdue. As the New York Times editorialized, "The revival of the constitutional system checks and balances through an awakened Congress offers hope for ultimate restoration of the Nation's damaged political health."

I ask unanimous consent that the New York Times editorial of May 20 be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

### Congress Awakens

Although the worst may be yet to come in the Watergate crisis, the news from Washington is not all bad. While the Executive slips into deeper disarray, a rejuvenated Congress has begun to move with remarkable determination and unity of purpose to restore the balance of power that the Founding Fathers had perceptively prescribed to check excesses of any branch of the Federal Government.

The turnabout began week before last, when a heretofore acquiescent House voted 219 to 188 to forbid the transfer of defense funds to finance the bombing of Cambodia, refusing—in the words of the measure's sponsor, Representative Addabbo of New York—to be "the rubber stamp of legitimacy the President has asked us to be."

Three days later, a Senate Appropriations subcommittee endorsed the same ban, extending its restrictions to Laos as well as Cambodia. On the same day, the Foreign Relations Committee added an amendment by Senators Case and Church to a State Department authorization bill that would forbid the use of funds for United States military involvement anywhere in Indochina without specific prior Congressional authorization.

The sweeping prohibitions of the Case-Church amendment were then in effect inserted into the fund transfer measure by the full Senate Appropriations Committee in a unanimous vote which saw perennial supporters of the President's Indochina policies swing to the opposition.

Finally, the Foreign Relations Committee voted 15 to 0 for a war powers bill that would forbid the President to wage undeclared war anywhere for more than thirty days without Congressional approval.

Responding to the shopworn plea that Congressional action threatened to undermine the American position in renewed negotiations in Paris, the Republican leadership apparently has been successful in delaying final Senate action barring the use of funds for the Cambodian bombing. But Mr. Nixon and his chief foreign policy adviser have been put on unmistakable notice that the time is fast running out when the President will be able to commit this country to hostilities in Indochina or anywhere else without consulting Congress.

The revival of the constitutional system of checks and balances through an awakened Congress offers hope for ultimate restoration of the nation's damaged political health.

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## A JOINT RESOLUTION PASSED BY THE UTAH STATE LEGISLATURE

Mr. BENNETT. Mr. President, I ask unanimous consent to have printed in the Record a joint resolution dealing with the development of southern Utah.

There being no objection, the joint resolution was ordered to be printed in the Record, as follows:

### House Joint Resolution No. 11

A joint resolution of the 40th legislature of the State of Utah, memorializing the President of the United States, the Secretary of the Interior, and the Congress of the United States to promote and facilitate the development of southern Utah

*Be it resolved by the Legislature of the State of Utah:*

Whereas, the development of the Kaiparowits Coal Project and the Lake Powell Recreation Area are important elements in the economic growth of Utah and Southern Utah in particular; and

Whereas, the counties of Southern Utah directly affected by these developments have been declared by the Federal Government to be economically depressed areas (with a 14% unemployment factor); and

Whereas, the Federal Government has already studied the feasibility of full development in this area and found it economically sound; and

Whereas, private enterprise has signed contracts and is ready to develop the area as soon as the Federal Government and the Secretary of the Interior in particular permit; and

Whereas, in the past numerous promises have been given regarding Federal permission and assistance in the development of these two areas of Southern Utah; and

Whereas, at the present time, many Kane County residents have to travel an unnecessarily long route of over 400 miles to the county seat because of non-existent or inadequate roads; and

Whereas, the American people are traveling more and overcrowding the existing accessible national parks and recreation areas; and

Whereas, tourism is a major factor in Utah's economy, demanding proper facilities and accessibility for our scenic attractions; and

Whereas, ninety percent of Lake Powell is in Utah with less than ten percent of accessibility from Utah.

Now, therefore, be it resolved, by the Legislature of the State of Utah that we call upon the President of the United States, the Secretary of the Interior, and the Congress of the United States to honor past commitments made, to take a positive view toward the future, and to further and to assist in the development of this potentially rich, economically depressed area.

Be it further resolved, that the Legislature of the State of Utah call upon the Congressional Delegation from the State of Utah to work avidly for the implementation of this resolution.

Be it further resolved, that the Secretary of State of Utah, be, and is hereby, directed to send copies of this resolution to the President of the United States, the Secretary of the Interior, to the Senate and House of Representatives of the United States and to the Senators and Representatives representing the State of Utah in Congress.

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## SOUTH VIETNAM'S CIVILIAN PRISON SYSTEM

Mr. KENNEDY. Mr. President, I ask unanimous consent to include at this point in the Record the American embassy's letter to the study mission, an attached memorandum on American support of South Vietnam's civilian prison system, recent articles from the New York Times, and the Washington Post, a letter on the torture of university and high school students in South Vietnam, and some recent reports on political prisoners prepared by the American Friends Service Committee.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EMBASSY OF THE
UNITED STATES OF AMERICA,
*Saigon, Vietnam, April 3, 1973.*

Mr. JERRY M. TINKER,
*Staff Consultant, Subcommittee on Refugees, Office of Senator Edward M. Kennedy, U.S. Senate, Washington, D.C.*

DEAR MR. TINKER: The Ambassador has asked me to reply to the request for information contained in your letter to him of March 15, 1973.

Before going into the specific areas you refer to, I would like to point out that under the Paris Agreement the "return" of civilian detainees is a matter to be negotiated by the GVN and the NLF. Return of the civilian prisoners held by the GVN of communist persuasion will then occur only after the two South Vietnamese parties have agreed to the modalities. Though the Agreement expresses the hope that agreement on this matter will be reached within ninety days after the ceasefire date, no absolute time limit is imposed. I think it is important to note that a substantial number of civilians loyal to the GVN are detained by the communists, though they admit only 200. The question of the return or accounting for these people is therefore linked with the release of communist prisoners now held in GVN jails.

You express the fear that conversion of civilian detainees to common criminal status will exclude them from coverage under the agreement. The Prisoner Protocol, however, clearly states in Article 8(b) that "The detaining parties shall not cause their return to be denied or delayed for any reason, including the fact that captured persons may on any grounds, have been prosecuted or sentenced." Though it will of course be more difficult to identify persons covered by the agreement if they are mixed in with common criminals, their legal status under the agreement is not affected. The GVN has offered to release any civilian detainee the communists name as belonging to their movement.

Your letter also asks for information in two broad areas: the prisoners themselves and the GVN's prison system. I will address the first question in this letter. I have attached a memo from USAID which was written in response to my request which covers the second area in great detail. You might also contact the staff of Congressman Moorhead's Subcommittee of the Government Operations Committee for information concerning these problems. That Subcommittee conducted hearings on this subject, I believe, in 1970.

Drawing on official GVN statistics and conversations with various GVN officials who are responsible for the prison system and internal security problems, the Embassy estimates that there are at present no more than 22,000 civilians of all types being held. This includes two broad categories: common criminals (thieves, smugglers, etc.) and those held because they committed politically motivated acts ranging from murder to printing anti-GVN propaganda, or belonged to organizations the GVN considers subversive. This second category is further divided into those detained because of communist-related activities and all others. Though we do not have precise figures, we estimate that the GVN now detains at least 12,000 civilians sentenced or ordered detained because of communist-related activities, somewhere between 500 and 1,000 noncommunist dissidents, such as Madame Ngo Ba Thanh and her group and various student leaders, and around 4,000 sentenced common criminals.

The approximately 12,000 communist-related detainees were, until recently, divided into "communist criminals" and "An Tri detainees." Communist criminals are those who have been convicted by military courts of specific criminal acts, such as terrorism, assassination, extortion of "taxes", etc., committed as a part of their participation in the NLF's struggle to overthrow the GVN. There were 4,088 "communist criminals" on the GVN rolls as of December 31, 1972. "An Tri detainees" are persons detained because they are "considered dangerous to national defense, national security and police order" (Decree Law 004 1966 and Decree Law 020 1972). An Tri detainees are incarcerated on the order of the Prime Minister after passing through a non-judicial administrative process wherein both the burden of proof and the procedural safeguards are somewhat less than those which obtain in the military courts.

On the other hand, the penalties imposed are generally less severe. An Tri detainees need not be accused of committing a specific criminal act, evidence of participation in the Viet Cong infrastructure, or of actively supporting the Viet Cong being sufficient.

Before and since the ceasefire, the GVN has been converting A and B category "An Tri" detainees to common criminal status by the expedient of convicting them of ID card violations or draft-dodging. Categories A and B are those detainees whom, according to the GVN, held important positions in the Viet Cong Infrastructure down to hamlet level. All the C level detainees, who are considered "low level supporters" have been released since Tet. These numbered around 5,000. The number of A and B level detainees as of December 31, 1972 was 9,316.

During the long course of the Vietnam conflict, people from every area of the country have been arrested. The ratio of persons detained from any particular province to that province's population varies with the average level of NLF political-terrorist activity and the vigor of the GVN local government's security activities. Neither we nor the GVN have kept records that would allow such a ratio to be computed. According to the latest complete figures (December 72) available to the Embassy, 19,156 persons were being held at Provincial Correction Centers, and 20,501 at the five National Correction Centers at Con Son, Chi Hoa (Saigon), Tan Hiep, Thu Duc and Dalat (juveniles). These figures include 5,777 military prisoners, 3,877 unsentenced communist suspects, and 7,918 unsentenced common criminal suspects. This reflects the situation prior to the release of 5,680 convicts at Tet, and the release of 1,193 prisoners on Farmer's Day, March 26.

The physical condition of prisoners varies, of course, from individual to individual. As you can see from the attached memo from USAID, much of our assistance to the correctional system has gone into improvements in medical and sanitation facilities. According to the final reports submitted to the Public Safety Division by its provincial public safety advisors before it was disbanded, the medical and sanitation situation in all the GVN's correctional institutions is now adequate to preserve the health of the inmates.

You may be particularly interested in the question of deliberate mistreatment of inmates, especially in light of recent press accounts concerning the crippled prisoners who were recently released by the GVN. We cannot disprove that mistreatment of inmates has occurred; some with little doubt has. However, our coverage of the correctional system over the past several years has been comprehensive enough to enable us to say with some certainty that there is no widespread or systematic mistreatment of inmates. The simultaneous existence of a very low ratio of guards to inmates, comparatively insecure prisons, and the low escape rate would seem to indicate this. With regard to the crippled prisoners, we have a very detailed report on their history compiled by Dr. Brown who formerly served as medical advisor to the GVN Corrections Directorate.

We will be happy to forward a copy to you if you feel it would be of use to the Committee.

I hope this information provided by this letter, and the attached memo, will be of use to you. If you have any further questions, or want us to expand upon or to clarify any of the points included, please write me directly. I shall do all I can to be of service.

Sincerely,

RAY A. MEYER,
*Second Secretary.*

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EXHIBIT 2

MARCH 22, 1973.

To: Mr. Ray Meyer, Embassy POL/MIL
Thru: Mr. H. E. Kosters, USAID/ADCCA
From: Robert B. Brougham, SA/ADCCA
Subject: Enquiry on USAID/CORDS Support of GVN Civilian Prison System.

As requested on page two of Mr. Tinker's letter of 15 Mar to Ambassador Bunker, there follows a brief summary of that support which USAID and MACV/CORDS have provided to the Directorate of Corrections. Inasmuch as it appears that Mr. Tinker was after specifics of the involvement in construction of facilities, details of AAC and AIK funding have been listed. If additional information is required, please let me know.

### BACKGROUND

The Directorate General of Corrections was first organized on January 13, 1960, and then changed to the Directorate of Corrections (DOC) on July 25, 1966. U.S. advisory assistance to DOC began in 1961 with the part time services of one Public Safety advisor from USAID. From this time until early 1967 when the function became a part of Civil Operations and Rural Development Support (CORDS), MACV, as a result of a general reorganization of the US effort, support to the DOC was minimal. The present Corrections Centers Project was established in FY 67. The project was introduced not only to assist the DOC to develop an effective corrections system but because of USG interest with respect to prisoners of war captured by US forces and turned over to the GVN for confinement.

### U.S. ADVISERS

In FY 67 one full time advisor was provided under this new project. In FY 68 the advisory staff was increased to two advisors, which level was maintained through FY 72. In FY 73, one full time advisor was present up to the signing of the cease-fire agreement in January 1973. The Corrections Centers direct hire staff was augmented by Public Safety Detentions Advisors on detail from the National Police Support Project. Advisory duties performed by this staff included those associated with regular prison operation as well as such specializations as fishing, agronomy, animal husbandry and medical welfare.

Programs of vocational training, recreation and industries also were developed.

The last direct hire advisor, a medical doctor who for the past two years had served as medical advisor to the DOC in matters of health, sanitation, humanitarian care and welfare of prisoners, discontinued his visits to the prisons to observe conditions at the time of cease-fire agreement when advisory services were halted.

In FY 72 a six-man team from the US Bureau of Prisons was brought aboard under a PASA to assist in all aspects of penology and rehabilitation, including vocational training, records, identification of prisoners, etc. This team was reduced to three members and ultimately phased out after the cease-fire agreement was signed in January 1973.

### PARTICIPANT TRAINING

Participating training for DOC personnel was provided as follows: one in FY 68, six in FY 70, twenty in FY 71, and twelve in FY 72.

### COMMODITY SUPPORT

Dollar funding provided through the Corrections Centers Project for commodities as follows:

FY 67 $62,000; FY 68 $676,000; FY 69 $690,000; FY 70 $41,000; FY 71 $17,000; and FY 72 $107,000.

Additionally, excess equipment was transferred from RMK–BRJ plant at Con Son Island to the Con Son Correctional Center. This was generally heavy duty equipment (crawlers, dump trucks, etc.). The value of this equipment was $852,000 (original acquisition value).

### AMERICAN AID CHAPTER (AAC) PIASTER BUDGET SUPPORT

A substantial amount of piaster funding has been provided as supplemental support to the DOC through the AAC of the national budget. Principally these funds were used in maintenance, repair, renovation, and construction of facilities as well as certain operating supplies and services. A summary of the funding for each year and identification of the major items which it provided is listed below.

### CY 67 VN$30,000,000 (REVISED)

| | |
|---|---|
| Construction vocational training shop, Tan Hiep | $500,000 |
| Construction kitchen & vocational shop, Thu Duc | 2,500,000 |
| Construction Phan Thiet Prison | 7,000,000 |
| Construction Dalat Prison | 10,000,000 |
| Construction Dinh Tuong Prison | 1,000,000 |
| Construction Hospital, Chi Hoa | 3,000,000 |
| Locally manufactured vocational training equipment | 4,800,000 |

### CY 68: VN$116,000,000 (REVISED)

| | |
|---|---|
| Operating supplies and services | 1,754,000 |
| Construct replacement kitchens at: | |
| Chi Hoa | 5,000,000 |
| Phong Dinh | 4,000,000 |
| Replace hospital/dispensary/patient wards at: | |
| Chi Hoa | 9,120,000 |
| Quang Tin | 1,500,000 |
| Quang Tri | 1,250,000 |
| Darlac | 1,500,000 |
| Ninh Thuan | 1,360,000 |
| Phong Dinh | 1,736,000 |
| Bac Lieu | 1,500,000 |
| An Xuyen | 1,017,000 |
| Quang Nam | 270,000 |
| Kontum | 336,000 |
| Darlac | 400,000 |
| Dalat | 4,000,000 |
| Renovate prison centers at: | |
| DOC Headquarters | 226,000 |
| Chi Hoa | 2,000,000 |
| Con Son | 350,000 |
| Quang Tin | 350,000 |
| Binh Thuan | 545,000 |
| Pleiku | 488,000 |
| Phu Yen | 322,580 |
| Ba Xuyen | 289,000 |
| Bac Lieu | 316,000 |
| Chau Doc | 350,000 |
| Kien Giang | 476,000 |
| Quang Ngai (kitchen, housing quarters, vocational shop, defense system, general repairs) | 6,300,000 |
| Gia Dinh (Adm. Office, repair housing quarters) | 3,750,000 |
| Construct re-education center Binh Thuan | 5,500,000 |
| Construct nursery Thu Duc | $1,000,000 |
| Construct housing quarters at: | |
| Tan Hiep | 4,400,000 |
| Quang Tri | 1,721,000 |
| Thau Thien | 3,880,000 |
| Quang Nam | 3,819,000 |
| Quang Tin | 2,248,000 |
| Binh Tuy | 1,800,000 |
| Long An (housing quarters, patient wards, dispensary) | 3,217,000 |
| Kien Hoa | 390,000 |
| Thu Duc (Cell B) | 4,000,000 |
| Construct work shops at: | |
| Thu Duc | 1,040,000 |
| Quang Tin | 500,000 |
| Binh Dinh | 650,000 |
| Darlac | 500,000 |
| Ninh Thuan | 646,000 |
| Tay Ninh | 444,000 |
| Binh Long | 483,000 |
| Binh Tuy | 417,000 |
| Kien Tuong | 580,000 |
| An Xuyen | 497,300 |
| Bac Lieu | 494,300 |
| Vinh Long | 543,000 |
| Chau Doc | 498,000 |
| Kien Giang | 425,000 |
| An Giang | 550,000 |
| Dalat Reformatory | 9,557,000 |
| Miscellaneous construction: | |
| Walls at DOC Headquarters | 247,000 |
| Watchtowers at Con Son | 135,000 |
| Defense system at Ninh Thuan | 200,000 |
| Defense system at Kien Tuong (Phase I&II) | 639,000 |
| Guard house at An Xuyen | 188,000 |
| Defense system at Bac Lieu | 197,000 |
| Defense system at Chau Doc | 200,000 |
| Latrine at Khanh Hoa | 500,000 |
| Latrine at Darlac | 190,000 |
| Pilot center at Dalat | 633,000 |
| Additional construction costs Dinh Tuong Prison | 56,000 |
| Additional construction costs Phan Thiet Prison | 1,273,000 |
| Equipment for vocational training and industrial arts | 11,265,000 |

### CY 69: VN$40,000,000 (REVISED)

| | |
|---|---|
| Operating services and supplies | $2,200,000 |
| Construct kitchen and renovation, Long An | 1,100,000 |
| Construct kitchen and renovation, Tay Ninh | 1,736,000 |
| Construct kitchen and wall, renovation, An Giang | 3,319,000 |
| Construct dispensary and renovation, Ba Xuyen | 2,500,000 |
| Construct prisoner quarter, bathroom, kitchen and sewerage system, and renovation, Bac Lieu | 4,830,000 |
| Construct dispensary and renovation, Go Cong | 1,500,000 |
| Renovation Vinh Long | 479,000 |
| Construct dispensary Vinh Long | 979,000 |
| Construct kitchen, Bien Hoa | 2,580,000 |
| Construct kitchen, Kien Giang | 973,000 |
| Construct warehouse, Quang Nam | 246,000 |
| Renovate defense system, Quang Nam | 262,000 |
| Construct compound walls, Kien Giang | 376,000 |
| Renovate blockhouses, Vinh Long | 357,000 |
| Tools for carpenter shop, tailor shop, nursery and metal shop at provincial correction centers | 6,195,000 |
| Generators | 2,985,000 |
| Blankets & mats for national & Provincial centers | 6,720,000 |
| Beds, mosquito nets and mattresses for dispensaries at Ninh Thuan, Bac Lieu and and Phong Dinh | 105,000 |
| Medicine chests at national & provincial centers | 36,000 |

### CY 1970: VN$27,000,000 (PROGRAMED)

| | |
|---|---|
| Operating supplies and services | $3,000,000 |
| Educational materials (books, paper, pencils) | 2,010,000 |
| Handicraft supplies and materials | 1,960,000 |
| Vehicle accessories for automotive vocational shops | 1,000,000 |
| Paint | 1,000,000 |
| Equipment and material for Dalat Juvenile Reformatory (cool weather uniforms, sneakers, books, toys and sporting equipment) | 8,400,000 |
| Vocational hand tools | 1,730,000 |
| Kerosene stoves for 41 centers | 5,000,000 |
| Beds, mattresses and mosquito nets for 20 dispensaries | 2,000,000 |
| Equipment for prisoner motivation research and development (PA system, protections equipment, cameras and film) | 900,000 |

### CY 71: VN$25,000,000 (PROGRAMED)

| | |
|---|---|
| Educational materials for national & provincial centers | 2,000,000 |
| Handicraft training materials for national and provincial centers | 1,960,000 |
| Clothing for detainees at Dalat Juvenile Reformatory | 2,300,000 |
| Clothing for detainees at Tan Hiep Special Center | 800,000 |
| Blankets, sleeping mats and raincoats at: | |
| Dalat | 356,000 |
| Tan Hiep | 250,000 |
| Paints | 400,000 |
| Contract services for maintaining electrical systems, water pumps, generators & vehicles | 2,558,000 |
| Books, magazines and leaflets for the Increased Correctional Effectiveness Program (ICE) | 500,000 |
| Playground equipment, Dalat | 40,000 |
| Materials for musical program development for ICE | 600,000 |
| Training aids, other support requirements | 2,880,000 |
| Materials for educational/vocational training, Tan Hiep | 110,000 |
| Equipment for vocational training at national & provincial centers | 1,792,000 |
| Equipment for vocational training, Tan Hiep | 40,000 |
| Dental equipment, national centers | 1,600,000 |
| Instruments for musical program development for civil education program | 2,000,000 |
| Generators, Dalat | 30,000 |
| Projectors/screens, Dalat and Tan Hiep | 130,000 |
| Recreation equipment, Dalat and Tan Hiep | 172,000 |
| TV set, amplifiers and wire broadcasting systems at: | |
| Dalat | 80,000 |
| Tan Hiep | 180,000 |
| National and provincial centers | 2,782,000 |
| Construction materials/equipment for waiting house, Chi Hoa | 1,440,000 |

### CY 72: VN$69,000,000 (PROGRAMED)

| | |
|---|---|
| Recreational/educational aids/materials for vocational training | $4,125,000 |
| Blankets, mats raincoats for inmates | 9,880,000 |
| Repair and maintenance, POL and transportation | 15,070,000 |
| Materials to increase the correctional offset program | 1,790,000 |
| Animal husbandry program | 1,105,000 |
| Training | 3,600,000 |

| | |
|---|---|
| Construction materials, Saigon Correction Center Hospital | $3,000,000 |
| Repair materials (cement, rebar, tile, etc.) | 9,000,000 |
| Support materials for psywar battalion program Con Son | 4,000,000 |
| Water system, Con Son | 2,000,000 |
| Purchase seeds for agronomy program at centers | 300,000 |
| Tools, handicrafts projects | 4,100,000 |
| Tools, Bang Son program | 4,130,000 |
| TV sets and broadcasting system | 2,000,000 |
| Tools, automotive shops | 500,000 |
| Electric fans for prisoners | 500,000 |
| Tools for support psywar battalion program | 2,000,000 |
| Boat engines for Con Son | 1,200,000 |
| Tools for agronomy program | 700,000 |

### CY 73: VN$50,000,000 (PROGRAMMED)

These funds were obligated February 21, 1973, and are committed to be expended for the purposes outlined in the GVN National Budget for CY 1973, Title 34, Chapter 511, Project No. 710–353.

### ASSISTANCE-IN-KIND (AIK) FUNDS

In addition to the AAC funds detailed above, AIK funds have been used in the Corrections Centers Project. Most significant use of these funds was in 1971 for the following:

| | |
|---|---|
| Construction of three 96-cell isolation units, Con Son | $47,200,000 |
| Goats for animal husbandry program, Con Son | 2,900,000 |
| Renovation and construction of isolation cells, Thu Duc | 687,000 |

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## EXHIBIT 3

[From the New York Times, Mar. 3, 1973]

## FOUR SOUTH VIETNAMESE DESCRIBE TORTURE IN PRISON'S TIGER CAGE

(By Sylvan Fox)

SAIGON, SOUTH VIETNAM, March 2.—A group of recently released political prisoners, reportedly spirited into Saigon secretly, described today how they were beaten, tortured and ultimately crippled during years of confinement at the Government's island prison on Con Son.

One of them, a young man, in describing his year-long detention in the tiny cells that have come to be known as tiger cages, said:

"During that time not a single day passed that we were not beaten at least once. They would open the cages and they would use wooden sticks to beat us from above. They would drag us out and beat us until we lost consciousness."

The prisoners' stories, told in a hospital room to which they had been brought by friends and relatives, reflected the plight of thousands of political prisoners held by the Saigon Government who have become the forgotten people of the Vietnam cease-fire agreement.

### LARGE GROUP UNAFFECTED

While the accord provides for the exchange of a small number of political prisoners identifiable as belonging to one side or the other, no provision is made for the thousands of non-Communist, anti-Government prisoners held by Saigon because it considers them politically dangerous.

No one is certain how many the Government holds. Some estimates put the figure at 20,000 to 30,000; others go as high as 200,000.

Saigon says it holds only about 5,000 "political prisoners," who, as captured Communist civil servants, come under the provisions of the Paris agreement on the return of civilian detainees. The Communists say they hold only 200 such prisoners. Each side disputes the other's contention.

No provision of the accord appears to cover those held by Saigon who are non-Communist and anti-Government and who do not want to be handed to the other side but merely want their freedom.

The four former prisoners interviewed today said they were members of a group of 124 released on Feb. 16 from Con Son, which is about 60 miles off the Southern coast.

### CENTER OF CONTROVERSY

The island became a center of controversy in 1970 when two American congressmen revealed the existence of the tiger cages, small concrete trenches with bars on top, in which five to seven prisoners were cramped in a space about five feet wide, six feet long and six feet deep.

The former prisoners said they were flown to Bien Hoa, about 15 miles northwest of Saigon, and held in a police station there until Feb. 21, when they were released with orders not to go to Saigon. However, at least 11 were brought here by friends and family and deposited in the relative—if temporary—safety of a Saigon hospital.

Those interviewed assumed they had been released because they were disabled and sick; all said they were convinced they would soon be rearrested.

A Government spokesman, told of the interviews, said he could not comment without knowing the identities of those involved. He said he did not know of any recently released political prisoners.

According to the former prisoners, they had each spent about five years in custody without being tried or granted a hearing.

They denied they were Communists, although two said they were supporters of the Communist-led National Liberation Front.

One who said he was neither a Communist nor a supporter of the front was a slightly built, round-faced man aged 23 who described himself as a Buddhist activist. He said he was a student at the Hung Dao high school in Saigon at the time of his arrest in December, 1967.

He said he was picked up by the police along with friends who, like him, had been active in what he called the anti-Government "Buddhist struggle movement."

Asserting that he was unable to walk as a result of his treatment while in custody, he related that after his arrest he was taken to the national police headquarters in Saigon and "beaten and tortured on and off for a whole year."

He described the torture as being beaten with sticks "until I vomited blood or until the blood came out of my eyes or ears," having soapy water forced into his nose and mouth, and being subjected to electric shock.

His torturers accused him of participating in anti-Government activities, he added, and "said they tortured us to punish us."

### MANACLED AND SUSPENDED

Another form of torture employed by the police, the young man said, was to manacle prisoners' hands behind their backs, then hang them from the ceiling by the manacles until they lost consciousness.

After a year in custody in Saigon, he said, he was taken to the Chi Hoa Prison in Saigon and installed in what was known as "the movie house" because it was "like a big box and it was dark like a movie theater."

"There they chained our feet and attached the chains to a pole," he continued. "There were between 50 and 100 prisoners. We had nothing to lie on, and it was filthy and dirty and cold. Every day they would open the door and send in a bunch of common criminals who would beat us with sticks and kick us."

Describing life in the tiger cages, the young man said that several prisoners died but he could identify only one by name.

A week after the Congressmen went to Con Son, he said, the inmates were put in what he called the stables—a row of structures that had housed water buffalo.

"During the time we were kept in the stables they continued to beat us viciously," he said. "One of my friends, Tran Van Tu, suffered a broken arm. Another man, Nguyen Ngo Thuong, was ferociously beaten on the head."

In December, 1970, the former prisoner related, he and about 80 other sick and disabled prisoners were flown back to Chi Hoa. "I guess I was going crazy at that time," he added, saying that he was also paralyzed.

He remained in Chi Hoa until June, 1971. The treatment, there was better at that time, he said, though "once in a while they would beat us just a little."

In June, 1971, he and others at Chi Hoa were informed that they were being returned to Con Son.

"We tried to resist," he said, "saying we were still sick and needed more time to recover. We told them many of us still could not walk and many were still very sick."

But, according to his account, the jailers responded by bringing in the policemen and common criminals who threw teargas grenades into the cells. "We all choked and lost consciousness," he said.

They were put on a ship to Con Son. By then the old tiger cages had been replaced by new ones built by an American contractor and paid for by the United States.

The former prisoner said that while the cages were about the same size as the old ones, each cage housed only one person. As a result, he added, "the jailers would not beat us from above but would open the steel bars, jump in and beat us."

### DIET: RICE AND WATER

Throughout 1972 and in the first two months of this year, he said, his daily food ration consisted of "a few spoonsful of rice and a little water."

"The most recent beating took place last Jan. 6 in Row A and B of the tiger cages," he said. "About 70 prisoners were seriously injured then." He explained that the beatings occurred "because we asked for more food and more water."

According to the former prisoner, a man named Le Van An was beaten to death in one of the mass beatings last May. He also asserted that in the beating Jan. 6 a Buddhist monk named Thich Hanh Tue was beaten almost to death.

"The prisoners asked that the monk be given treatment," he said, "but they ignored the request and a few days later he died."

When he and the others were released, the young man related, most were transported to various parts of the country, but 25, including him, were kept at Bien Hoa.

Other prisoners at the Saigon hospital corroborated the account with only minor personal differences. All told of torture, beatings and malnutrition.

"Each of us went through a similar ordeal," a 38-year-old former prisoner commented.

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[From the Washington Post, Jan. 18, 1973]

## POLITICAL ARRESTS EXPECTED

(By Peter Osnos)

SAIGON, January 17.—President Thieu has given his province chiefs wide latitude to make political arrests after the coming cease-fire and has also empowered them to "shoot troublemakers" on the spot, reliable South Vietnamese sources said today.

Wherever possible, American sources added, those arrested are to be charged with common crimes instead of political ones because, it is acknowledged, the prisoners are easier to deal with that way. The Communist demand for release of all political prisoners has been a sticking point in the Paris negotiations and the government's intention, sources said, is to keep the number of prisoners down, at least on paper.

Thieu's hard line is in keeping with his conviction that, after the cease-fire, his government will remain at war with the Communists by all means short of big-unit firepower. "The Communists are preparing to destroy the cease-fire," a Thieu aide warned a gathering at Kientuong Province yesterday.

Government officials in the provinces say they have been told the Communists will violate the cease-fire with terrorism and assassinations and they must be ready to protect themselves.

Thieu's response to this danger is evidently to harass and intimidate known and suspected Communist sympathizers, as they have been for years.

The province chiefs have been instructed, South Vietnam sources said, that the only condition of the arrests is that local prosecutors be informed within 24 hours. Once that is done, the sources said, the suspects can be detained for as much as six months.

Because of the vagueness of the way it is worded and the uncertainty of how the situation after the cease-fire will develop, South Vietnamese officials have no clear idea of how the authority to "shoot troublemakers" will be interpreted.

During his one-man presidential campaign in 1971, Thieu gave police officials permission to shoot anyone causing a "disturbance," but the threat was never carried out. Recently, Thieu authorized police to shoot thieves caught in the act, but that, too, has never been done, as far as is known.

The broad arrest powers given to province chiefs apparently differ from past practice in that there is to be no direct coordination from Saigon, as was the case, for example, with the campaign of arrests after last spring's Communist offensive. Top-level American officials, who say they are informed even on the most sensitive aspects of Thieu's preparations for the period after the post cease-fire, insist that there is no similar national plan for widespread political arrests.

They did acknowledge, however, the existence of a plan called F-6 that went into effect after the start of North Vietnam's Easter offensive and was again carried out when a cease-fire appeared immiment in October. They said the plan finally expired just before Christmas.

The number of civilians arrested in organized, military-style sweeps was 26,000, according to one senior U.S. intelligence source, of whom 14,000 have been released.

What set F-6 apart from routine political arrests was its scope and the change in the standing practice that had required three separate accusations of a suspect before he was picked up. Under F-6, now ended, only one accusation—a casual denunciation by an aggrieved neighbor, for instance—was all that was needed for an arrest.

Government critics have charged that the arrests were often used as a means of extortion by police, who then sold the prisoners their freedom. There are also recurring substantiated reports of harsh interrogations and even torture.

Phoenix, which was revised by the Central Intelligence Agency in 1967 and is now under the direction of the Vietnamese police Special Branch, will apparently continue unchanged after the cease-fire.

It is not known as yet whether province chiefs will again have to obtain three accusations of Communist links before arresting civilians, but Vietnamese sources believe there will be virtually no restrictions placed on what is done in the name of political security.

The number of political prisoners at present is thought to be around 30,000. The Communists say there are several hundred thousand.

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EXHIBIT 4

### THE TORTURE OF UNIVERSITY AND HIGH SCHOOL STUDENTS

(NOTE.—The following is a text of a letter to Father Chan Tim, Vice-Chairman of the Committee Campaigning for Improvement of the Prison Regime in South Vietnam, with whom the Subcommittee on Refugees Study Mission conferred in March.)

CHI HOA,
*June 12, 1972.*

DEAR FATHER: Up to this afternoon, the total of university and high school students arrested is more than a hundred and among them we know about 70 by name. The majority are still held at the Headquarters of the Municipal Police. All have been savagely tortured. All have had to be carried on stretchers to their cells after interrogation. Electric torture, forced drinking of soapy water, the implanting on needles in the tips of ten fingers—these are the current methods. The condition of the students now at the Headquarters of the Municipal Police is scarcely different to that of the students at the National Institute of Agronomy two years ago. Miss Nguyen Thi Yen, after a night of torture on June 9, 1972, lay unconscious. The student, Trinh Dinh Banh could neither walk, nor eat. The police had to spill milk on him forcing open his mouth. The student Vo Thi Bach Tuyet had small mice and lizards dropped on her body. All this has been reported by students who saw these deeds with their own eyes and who have just been transferred from the Municipal Police Headquarters to Chi Hoa. Taking advantage of the confusion due to the military situation and, in consequence, of the present absence of public interest in the student problems, the government has increased its arrests, its repression and its more and more savage torture.

So far as the 30 university and high school students at Chi Hoa are concerned, the government intends to report them to the prison island of Con Son. Not long ago, the Venerable Nguyen Van Nai, one of the students arrested during the campaign against the election of the single candidate Nguyen Van Thieu was reported to Con Son without any trial.

We know that there will be university and high school students on the next boat leaving for the island. Even the families of imprisoned students have suffered repression. On the morning of June 9, 1972, two relatives coming to see students were arrested at the prison gate and imprisoned. It was even a security officer of the prison who provided that information and perhaps in a few days we will have more details.

Faced with these repressive measures, with imprisonment and with torture, we entreat you to ask leaders of the churches to intervene, if possible, by raising their voices, in the hope of being able to restrain the acts of the government. We ask you to protest in the press, and to ask other priests and teachers, especially Professor Trung and Father Can to write articles in our defence. Because of our difficult circumstances, we cannot write to all our teachers, and if you are able to see them, please give them our greetings. We hope with all our hearts that you will do everything possible at this time to help us. As for the future, shall we be still at Chi Hoa, able to write to you occasionally. Or shall we lie in the tiger cages of Con Son listening to the howling of the waves and seeing only four walls of the prison, imagining that they are the walls of our Faculty lecture rooms?

Dear Father, accept our warmest wishes for your good health.

(Name and signature omitted.)

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EXHIBIT 5

### REPORTS AND LETTERS FROM THE QUAKER TEAM IN QUANG NGAI PROVINCE, VIETNAM, 1972

Since 1968 the Quaker Service Team in Quang Ngai Province of South Vietnam has paid frequent visits to the local prison and the prison ward of the province hospital. Besides attending urgent medical needs, they have distributed medicines regularly to patients with long term problems and provided an infant feeding program (canned milk, soap, vitamins) for children jailed with their mothers. In July, 1970 Dr. Marjorie Nelson gave testimony to the House Sub-Committee on Government Operations of the evidence of maltreatment and torture she and other members of the Team had observed. In July, 1972 Marge Nelson is remembered by a 35-year-old woman in the hospital ward; a Team member observes: "Marge goes home and testifies before Congress about the torturing she witnessed at the prison, but the same woman who was tortured four years ago is still in prison and still being tortured and no one has done a damned thing about it." For years the Team has witnessed first-hand the effects of torture, and more recently, an increase in its use. In August, 1972, one member of the Team wrote to the home office of the AFSC in Philadelphia, "the police repression due to the new martial law and the mass numbers of people being arrested and tortured is at an all time high in Vietnam" and urged, "We should report truthfully and in detail what we know about this situation in the same manner we report civilian war casualties."

The main job of the Quaker Team has been to operate since 1967 a Rehabilitation Center, which is supported by the American Friends Service Committee. Free medical and nursing care, physical therapy and artificial limbs are provided each year to over 800 people, without regard to religion, political views or income, though the Center accepts only civilians for treatment. Soldiers and veterans are given priority at other rehabilitation centers. About 80% of the patients treated at the Center are old men, women and children.

Two themes especially have filled the letters from the Quaker Team in Quang Ngai to the Philadelphia office: anguish at the U.S. government's insistence in pursuing the war and prolonging the suffering, and admiration for the courage, spirit and ingenuity of the patients and staff at the Center. About three-quarters of the patients have war-caused injuries. In 1971 the Team issued a statistical summary which reported, "Of those patients willing to state clearly which party in the war caused their injury 69% placed responsibility with the Allied forces (U.S. and ARVN) and 31% indicated that the NLF caused their injuries."

With similar care the Team has recorded their experiences with the prison: To report truthfully. Following are reports of the Quaker Team of their recent (1972) knowledge of treatment of prisoners. Some of the letters discuss the difficulties the Team have encountered in their dealings with prison authorities, both Vietnamese and American. In April Team visits to the province prison were stopped. In August the Team received a letter from a province official expressing some regret that he could no longer approve of work which served only to heal the enemy.

Correspondence and reports from Quang Ngai are dated and numbered according to the Philadelphia AFSC office filing system. To protect people who might suffer retaliation from the authorities, names are changed.

The first document was prepared in October, 1972 by Jane and David Barton, Field Directors, Quaker Service, Quang Ngai, and is "an overall impression" from the AFSC staff and medical personnel who have examined prisoners. Following this summary, reports and quotes from letters are presented in chronological order. To protect people who might suffer retaliation from the authorities, patient/prisoner names are changed.

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### REPORT FROM THE FIELD DIRECTORS, QUAKER SERVICE, QUANG NGAI: PRISON CONDITIONS, QUANG NGAI, VIETNAM, OCTOBER 1972

For the past five years the American Friends Service Committee doctors and team members in Quang Ngai have made medical visits to the Quang Ngai Prison. There has also been a diet supplement program for women being detained with their young children. Medical visits have also been carried out at the prison ward of the Quang Ngai Province Hospital. At the same time many prisoners requiring surgery, prostheses, and physical therapy have been referred to our Rehabilitation Center for treatment. Due to this involvement with the prison situation in Quang Ngai, American Friends Service Committee team members have been able to gather many first-hand accounts from Vietnamese people who have been confined, interrogated, and tortured. American Friends Service Committee doctors and medical personnel have examined many patient/prisoners whose injuries appear to be directly related to the tortures they describe.

The following information was gathered from first-hand reports of prisoners and from observations made by AFSC staff in Quang Ngai concerning conditions of confinement, interrogation, and torture at the Province Interrogation Center, the Quang Ngai Prison, and the prison ward of the Quang Ngai Province Hospital:

1. Prisoners explained that during interrogation they were forced to drink large amounts of water mixed with whitewash (lime), soap, or salty fish sauce. When their stomachs became bloated, the interrogator jumped on their stomachs. One AFSC doctor examined several patients who had "petit mal" seizures and memory lapses. He felt this was due to brain damage caused by the drinking of such toxic material.

2. Prisoners also told an AFSC doctor that they were often forced to lie on a table and if a prisoner didn't respond to questioning properly, the interrogator would reach underneath his rib-cage and crack or break the prisoner's ribs. This same doctor examined and had X-ray evidence of several prisoner/patients with cracked or broken ribs.

3. AFSC doctors have examined any prisoners who have complained of internal aches and pains. These prisoners often had black and blue marks, open wounds, and raw skin showing on their bodies. The prisoners claimed the injuries were caused by general beatings to their bodies—especially to the back of their necks, bottoms of their feet, and chest—with club-like sticks. For instance, on two occasions an AFSC doctor examined prisoners with chest injuries. The prison officials claimed these two prisoners has fallen down a well, but the prisoners told our doctor that they had in fact been beaten.

4. AFSC doctors have witnessed prisoners, as many as fifteen women, having emotional fits or seizures. The prisoners convulse violently, froth at the mouth, and have muscle spasms. Other prisoners try to tie their arms and legs to some stable object and hold the convulsing prisoners down so that they won't hurt themselves. One doctor witnessed as many as five prisoners convulsing, thrashing, and yelling at the same time. These fits or seizures greatly puzzled AFSC doctors who had never seen similar seizures in the United States. AFSC doctors suspected that these prisoners had experienced emotional trauma and that these seizures were either an emotional release or a subconscious attempt to avoid further interrogation and torture. Two AFSC doctors have witnessed prisoners having hysterical reactions when electric lights were turned on in the room where they were allowed to examine the prisoners. Later it was reported that these prisoners had been tortured with electricity.

5. Prisoners have claimed that during interrogation police have molested them and hit them when they would not respond to questioning. One such case is that of Nguyen thi Lang* who was interrogated for nine hours before losing consciousness. When she regained consciousness her vagina was bleeding and continued to do so for several days. Afterwards, our medical staff treated her for hysterical fits. Then she was taken from the prison ward at the hospital back to the Interrogation Center where she says the interrogators banged her head repeatedly against a wall. Examination later of her X-ray by our medical staff showed a skull fracture and brain hemorrhage. As a result, John Talmadge diagnosed that this prisoner "suffers from persistent right-sided hemiplegia and, in addition, she manifests symptoms of a complex neurological disorder." He requested that this prisoner be transferred from the prison to the hospital for treatment but no action has been taken by the prison authorities.

6. As a result of confinement, many prisoners have contracted tuberculosis. These prisoners are rarely given any medical care. In fact, our doctors have seen many cases which they were not allowed to treat. The doctors have also noted that these prisoners were not isolated from the others, so that there was and still is much communication of TB among the prisoners.

7. The medical care given to prisoners at the Quang Ngai Interrogation Center, Quang Ngai Prison, and prison ward of the Quang Ngai Province Hospital is almost non-existent. No Vietnamese doctor or trained medical person sees any of the prisoners and there are few medicines stronger than aspirin available. In the past the AFSC doctor was allowed to make weekly visits to the Quang Ngai Prison but could examine only those patients the prison officials wished the doctor to see. The AFSC has never been allowed to visit any prisoners at the Province Interrogation Center but patient/prisoners from the Interrogation Center have been treated when they come to the prison ward of the hospital. Our doctors have had no control over the patient/prisoner's length of stay in the prison ward and many of them have been returned for further interrogation even though they were still diagnosed as seriously ill and under treatment. One example is that of Pham thi Tho*, whom our medical staff discovered had a "definite and unmistakable irregularity in the rhythm of her heart" which was symptomatic of a cardiovascular problem of potentially serious consequences. In addition the patient had a three-month old fractured femur due to a bullet wound and thus was unable to walk. Our medical staff wanted to remove the bullet from this prisoner's leg and to evaluate properly the cause of her serious heart condition, but the prisoner was returned to the prison and he was unable to treat her. In efforts to treat patients at the Province Interrogation Center, Quang Ngai Prison, and the prison ward of the hospital, the AFSC staff has continually been thwarted by a lack of cooperation and humanitarian concern on the part of the Saigon government and the American advisors.

8. Prisoners who are at the Quang Ngai Province Hospital for treatment are chained to their beds by prison guards regardless of their injury. In the prison ward of the hospital patients are chained two together as well as to the bed. There they are released twice daily to hobble together to the bathroom. Three patients receiving treatment at the AFSC's Rehabilitation Center—a paraplegic, an above-knee amputee, and a fractured femur case—were all handcuffed to their beds for periods of a year and a half to two years without knowing why nor by whom they were being held captive. They had never been to the Province Interrogation Center nor to the Quang Ngai Prison. The history of their arrivals at the hospital followed a similar pattern. They were all injured in "insecure" areas, taken to the American military hospital at ChuLai for emergency treatment, then moved to the Quang Ngai Province Hospital at which time they were immediately chained or handcuffed to their beds and never questioned by police or government personnel. Proper medical care, physical therapy, and prosthetic care for these prisoner/patients were severely hindered and their recovery prolonged by this practice of handcuffing and chaining them to their beds.

The Province Interrogation Center is located in Quang Ngai city but is a separate facility from the Quang Ngai Prison. There are always several hundred men and women prisoners at the Interrogation Center and well over a thousand at the Quang Ngai Prison. A safe estimate is that 90% of the prisoners in Quang Ngai are being held for political reasons. The severe interrogating and torturing takes place at the Interrogation Center. Most prisoners do not know the charges against them; they haven't had a trial; and they have no knowledge of the length of their jail sentence. CIA personnel in Quang Ngai have been observed frequently visiting the Interrogation Center and it is believed that they provide support and assistance to the Interrogation Center.

From numerous accounts one can conclude that the conditions of confinement, interrogation, and torture in Quang Ngai are repressive and harsh. Whereas much attention and concern has been focused on American Prisoners of War being held in North and South Vietnam, there has been relatively no interest in alleviating the suffering of the many thousands of political prisoners being held by the Saigon government. The United States must assume the major responsibility for these conditions since for many years now the United States has been financing and advising the Vietnamese institutions and personnel running the prison system for the Saigon government.

DAVID and JANE BARTON.

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### LETTER FROM THE FIELD CODIRECTOR, QUAKER SERVICE, QUANG NGAI, TO THE COMMANDER OF NATIONAL POLICE, QUANG NGAI, MARCH 21, 1972

To Commander of National Police, Quang Ngai.

Copies to Senior Province Advisor, National Police Advisor.

From Field Director, Quaker Service Rehabilitation Center, Quang Ngai.

DEAR SIR: This letter is written to inform you of a problem which makes our work at the Quaker Rehabilitation Center difficult. The American Friends Service Committee has a Rehabilitation Center in Quang Ngai in order to provide medical care, physical therapy, and artificial limbs to war-injured civilians regardless of their race, religion, or political views. Currently at our Center we are treating three patients who are handcuffed to their beds. The fact that these three patients are handcuffed to their beds and only released for short periods of time complicates our medical treatment of these patients, prolongs their recovery, and makes their living conditions disagreeable.

The most critical case concerns Tran, a paraplegic, who has been handcuffed to his bed on the Orthopaedic Ward of the Quang Ngai Hospital for 15 months. Because Tran is paralyzed from the waist down he has no control over his urinary and bowel functions. This incontinent problem is obviously

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*See *Notes on Some Prisoners Treated* . . . for more information and statement of medical staff.

complicated by his being handcuffed to his bed. Also as a paraplegic patient Tran has been trained to continually change his body position while lying in bed; otherwise he is likely to develop bed sores which are quite susceptible to serious infection. Such bed sores are a common cause of death among paraplegic patients. Being handcuffed to his hospital bed severely inhibits his ability to continually change positions thus increasing the likelihood of bed sores. A paraplegic patient should also exercise several times daily with his braces in our Physical Therapy Department if there is to be any progress in increasing the patient's chances for a longer, healthier life. Currently, he is only released for one or two short periods of time a day during the week to come to our Center for physical therapy. This is insufficient. Because of his paralysis Tran faces a daily struggle to survive and improve his chances for a longer, healthier life. For medical reasons and for reasons of human concern this man should not be handcuffed to his bed. Ever since arriving at the hospital, 15 months ago, he has been handcuffed to his bed not knowing why nor by whom he was being held captive.

This is the same case as with the other two patients who have also been handcuffed to their beds ever since arriving at the Quang Ngai Hospital. Both Le and PCT do not know why nor by whom they are being held. Le has had his left leg amputated above the knee and half his right foot amputated. He has been handcuffed to his bed for 11 months. He is staying at the Quaker Hostel. At the Rehabilitation Center he has been fitted for his artificial leg and he is now gait training before the leg is finished. PCT has been handcuffed to his bed on Ward C of the Quang Ngai Hospital for 13 months. He is currently receiving physical therapy at our Center because of the severe fractures to his leg and the resulting fixed knee. These two patients, Le and PCT, are also not released frequently enough to allow for proper medical, physical therapy, and prosthetic care. Because they are handcuffed to their beds except for the one or two brief periods they are released daily during the week their living conditions are uncomfortable and difficult.

As I think you can realize from these brief descriptions, the practice of handcuffing or chaining patients to their beds for long periods of time without their knowing why nor by whom they are being held causes many serious problems. I would like to respectfully request that this practice be discontinued immediately. I am most willing to be consulted and questioned further as to possible solutions to this problem.

David Paul Barton.

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### Report From the Field Co-Director, Quaker Service, Quang Ngai, July 30, 1972: Women in Prison, Quang Ngai, Vietnam

Recently I have been making daily visits to the prison-ward at the Quang Ngai Province Hospital with AFSC medical staff. The ward is a small room where prisoners are brought from the prison or interrogation center. The selection of those prisoners who are allowed to go to the hospital seems to be entirely arbitrary. Some prisoners are gravely ill while others have minor complaints. "Important" or "dangerous" prisoners can never go to the hospital no matter how serious their illness or injury is. There are over two thousand political prisoners currently being held in Quang Ngai, but there are only eight beds in the prison ward. At two bodies a bed, that means only sixteen of these prisoners can be in the hospital at the same time. Even then they don't get treated. No doctor is assigned to or visits the ward. The nurse does change their bandages every few days, but the only medicine the prisoners are ever given is aspirin.

Many people who visit our rehabilitation center empathize with the legless children, but I identify most with women of my own age. I've felt particularly troubled at seeing the many young women prisoners at the hospital. These women are chained to their beds and chained together in pairs. Twice a day they are unlocked and released in order to go to the bathroom, but their ankle chains are not undone, so two of them must hobble and awkwardly drag their chains around together. Since I act as the doctor's interpreter, I talk with all the patients as we treat them. Some of the youngest women seem so sweet and naive; they even giggle and laugh a bit. Others are quiet and strong and a few look at me with hostility and hate. One young girl is now on the prison ward at the hospital because she rejected an ARVN officer. This ex-boyfriend had police friends and, in revenge, he told the police that the girl was a "VC." She was taken to the prison where they beat her and repeatedly banged her head against the wall. Later she was given electric shocks under her fingernails. She often blanked out and once when she awoke, she found blood coming from her vagina. Sometime during the torturing, she received nerve damage and she is now a hemiplegic; meaning that half of her body, the left half, is completely paralyzed from the neck down. Also, she has repeated seizures or fits during which she thrashes and convulses, foams at the mouth, and yells the things she must have told the police while she was tortured, such as, "I'm innocent. Ask my villagers, I'm not a VC." I've witnessed several of these seizures. The other prisoners seem to know when they are beginning and tie her legs and arms to the bed with soft bandages. The person who is chained to her tries to move away and someone else keeps the girl from swallowing her tongue. No one says anything. Nor is there a change in anyone's expression in the room. It seems as if the prisoners look on dispassionately, but I'm sure every scene like this increases the other prisoners' bitterness and resolve to struggle, It's well known that the best revolutionaries are made in prison.

Another woman on the ward can't lift her head. She was beaten all over her back and neck. The entire area is exposed raw skin and muscles and in some places the lacerations were so deep, they had to be stitched. Whenever I saw her, she was in a seated position with her head hung down. It wasn't until I saw her lying down that I noticed she was very pregnant; six and a half months she says. I wonder if the baby is alive.

An older woman on the ward called me over to look at herself and a fifteen year old girl. The young girl was totally vacant. She didn't hear or say anything. I kept looking at a necklace she was wearing made of round white stones. It's rare to see Vietnamese women in Quang Ngai with jewelry and it seemed particularly ironic that the police would beat this girl into a coma-like state without stealing or ripping off her necklace. She was a delicate girl in her white blouse and necklace and her hair tied back with a length of hospital gauze. The hot, soapy water the girl had been forced to drink was a toxic which has probably caused brain damage and memory lapses.

The thirty-five year old woman chained to this younger girl had also been beaten and tortured, but she was an oldtimer. She even knew Bac Si Mai (Marge Nelson, former team member/doctor) when Marge used to visit the prison. I thought, my God, Marge goes home and testifies before Congress about the torturing she witnessed at the prison, but the same woman who was tortured four years ago is still in prison and still being tortured and no one has done a damned thing about it. I thought, too, about the years this woman has been in jail. Marge has returned to the U.S., married, finished a master's degree in public health, practiced medicine, had a baby, and talked and traveled in many countries. This woman hasn't gone anywhere or done anything. She says she has been a political prisoner for six years.

Somehow these women persevere, but I wonder if they can do it indefinitely. A Quang Ngai police official told a reporter friend of mine that the police are beginning a special campaign to pick up more women. They suspect that more women than ever are indirectly or directly working to oppose the Thieu government. I imagine that the torture and suffering we've seen at the prison and the prison hospital ward over the last five years is just a glimpse of a new era of struggle for the women of Vietnam.

Jane Leida G. Barton.

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### Letter From the Quaker Team in Quang Ngai, to Philadelphia AFSC, August 3, 1972

John, Phan and I have been visiting the prison ward at the hospital as a temporary alternative to our visiting the prison itself. There is no doubt that many of the prisoners have received cruel and inhumane treatment. Severe beatings or the forced drinking of soapy or white-wash water are the most frequent tortures. Presently we are treating a number of patients such as those I described in the article. Plus there are patients such as a woman who was shot through the chest and now has a lung abscess. Another girl had her leg set so badly, one leg is several inches shorter than the other. She now can't move the leg and thus could really benefit from physical therapy. The bullet which caused her injury is, of course, still in her leg. But worse, the young woman has a severe cardiac problem and without treatment may not have a long time to live. Because returning to prison or another beating might be fatal, we are trying to get her released though our hopes aren't high. Today we saw a new patient—a chained female prisoner who was crazy, reduced to nonsensical, bizarre behavior. The policeman-guard at the ward ridiculed and laughed at her, sarcastically asking us if we could help her. I suggested to him that she might be better if she had her freedom.

I think our visits to the ward have been "successful." The prisoners are interested in us and pleased we come. The most frustrating and sad aspect is that the prisoners come and go so quickly. One day we will see someone (such as a guy with pneumonia or bad case of TB) and arrive the next day with medicine, but the patient will be gone. Several of the women I wrote about have already been returned to the interrogation center. I felt fond of some and anticipated seeing them, but suddenly they disappear—their bed empty or replaced with a new prisoner.

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### Letter From the Quaker Team in Quang Ngai, to Philadelphia AFSC, August 27, 1972

Prison Program Quang Ngai: A little history. In April we received a letter from the head of the prison saying we were not allowed to visit the prison anymore for "special reasons" which we assumed, and were also informed, was the result of general tightening of security. Then in June when we returned to Quang Ngai we inquired about the reasons for not continuing our work at the prison and wrote an official letter to the Province Chief. In the meantime John Talmadge and I began making visits to the prison ward at the hospital. As I've already written, we treated a lot of mighty sick people, none of whom were being seen by a doctor.

Torturing: While examining prisoners John and I were convinced that we saw what were the results of torturing. (1) John could determine some of this through physical examination. (2) On occasion John was able to get x-rays to confirm certain injuries such as skull fractures, cracked ribs, etc. (3) This was corroborated with direct information from the prisoners who seemed very free to tell us about the treatment of the police, especially since there wasn't a policeman/guard around a lot of the time. Naturally, the team was most disturbed and angry over the entire situation—being kicked out of the prison, the total lack of medical treatment available to the prisoners, but most of all the torturing we felt the prisoner's had suffered. We decided as a team to take whatever cautious steps we could in Quang Ngai to try to correct the situation.

August 1: John, David Paul and I made a visit to see McBride, the Deputy Province Senior Advisor. We stated that the purpose of our visit was to inform him that in our work at the hospital we were seeing prisoners who we felt had been inhumanely treated and wished to bring these facts to his attention. We explained that in our work we prefer to work through Vietnamese channels and planned to see the Province Chief, but wanted the Americans to be aware of our dissatisfaction and intentions. In addition, we made sure that McBride understood the delicacy of our situation since we want to return to the prison and continue to work at the hospital. We told him not to speak to anyone on our behalf. McBride didn't have much of a response except to talk about the cruelty of Orientals. He said torturing "comes to them naturally. They're just not my kind of people." McBride assured us he would relay our conversation to Colonel Boman, the PSA.

August 9: The nurse and I were on our way to visit the prison ward when we were met by two policemen—one from the prison, the other from the interrogation center. They told us that the Quakers were not allowed to visit the prison ward at the hospital anymore. The reason was that since we no longer could see prisoners at the prison, the authorities felt we shouldn't be allowed to treat prisoners at the hospital either. One policeman said that the police and prison officials don't have "confidence" in the Quakers. He also mumbled something about not wanting the prisoners to talk to us. I didn't say much to the policemen at the time since I wanted to talk to the team first and felt, too, that the police were only conveying orders from "higher" up.

August 10: David Paul went to the Province Headquarters to try again to make an appointment with the Province Chief. They met in the hall and David said that we wanted to talk to him, Colonel Loi, about the prison situation. In essence, Colonel Loi's response was that he'd already written us a letter saying the Quakers could not continue to work at the prison "forever." Although David was polite and tried to get Colonel Loi to give him the reasons for his actions, Loi was gruff and curt with David. Loi also refused to meet us to discuss the matter personally.

That afternoon, after checking with the police-guards, John, David and I went to the prison ward at the hospital and spoke publicly to all the prisoners telling them that we were told we could no longer visit the prison ward. We said we were sorry we had to interrupt our medical treatments since we knew many of them were badly in need of medicine, but that we would try our hardest to persuade the authorities to let us continue our work. We were cautious and non-accusatory in what we said, but felt we owed an explanation to the prisoners as to why we'd suddenly terminated our daily medical visits.

August 11: Meeting with Boman: John, David and I met with Colonel Boman, the new PSA, to discuss three problems: (1) our desire to resume our medical visits to the prison, (2) our interest in continuing to work at the prison ward at the hospital, (3) the results of torturing we'd felt we'd witnessed. Colonel Boman spent a lot of time running down all the reasons why the Americans are ignorant of what is going on at the detention center and prison and why they can't change the Vietnamese system very much since the Americans are only advisors and must stay on good terms with their counterparts. Among our rebuttals was the comment that we felt that any country which could wage a war of the magnitude America has in Vietnam surely has the power and resources to change a local prison system. When we didn't seem to be getting anywhere with Colonel Boman, David Paul said that we were trying to work through the Americans and Vietnamese in Quang Ngai, but that if that didn't produce any results, we knew that the press would be interested in the problem and that we would also inform members of Congress. Colonel Boman winced a little and asked David if we were trying to scare him. David replied that we weren't. Quakers worked in the open and we did not want to do anything behind his back. We therefore were informing both the Americans and the Vietnamese about our observations about the treatment of prisoners, but that we were very disturbed over the situation so that if the Americans and Vietnamese couldn't do anything, we would act in ways we felt necessary to correct the situation as we saw it.

Letter from the Province Chief: We received the promised letter from Colonel Loi which thanked us for our past work "in this savage time of war which the communists have brought upon us." The letter went on to say, "We admire your concern for serving the people of Vietnam regardless of their color, race, religion, or politics" (a quote from our letter to him), "but those evil people who killed innocent people yesterday and today, who are treated by your organization, do not change their cruel attitude. I can not grant your request to return to work in the prison." The translation sounds a bit awkward, but even Vietnamese who read the letter were surprised at the bluntness of the implication made in the letter that by giving medical help to prisoners we were helping the communists.

Response from Colonel Boman: Late in the afternoon David Paul spoke to Boman again. Boman said (1) the Quaker prison program was definitely terminated (2) we would be allowed to make visits to the prison ward at the hospital (3) there would be an investigation by the Americans and the Vietnamese about our accusations that some prisoners are being tortured (4) that a Vietnamese doctor would begin making visits to the prison (the same way they do at the hospital, we thought). Colonel Boman elaborated on what Colonel Loi had given as reasons for our not continuing our work at the prison which basically focused on Loi's not liking the Quaker philosophy/politics. Boman quoted Loi as saying we spoke against the Saigon government. Colonel Loi also told Boman that he didn't understand why we wanted to visit the prison when our purpose for being in Vietnam was to do "orthopedic work." The only specific incident Loi mentioned to Boman was that once a Quaker worker told a prisoner that the VC had taken control of areas south of town and cut the highway so the hospital truck with medicines for the prisoners couldn't get through. David responded tactfully and fully to these accusations. For the second time. David explained to Boman the purposes of our work in Quang Ngai and the work of AFSC and Quakers in general. Colonel Boman listened and seemed somewhat understanding though not in agreement, with our ideas. He had also done a little research of his own and mentioned reading a file on Marge [Dr. Nelson] and some of her testimony. "She really criticized Quang Ngai up one side and down the other, but of course, when the Americans checked into her accusations they were all found to be untrue."

August 12: John and I visited the prison ward at the hospital to find that at least a third of the patients had been removed, especially the most seriously sick patients. In fact, only one prisoner who was really in need of treatment was left on the ward. The other prisoners all had minor ailments—"winds in their chests, heat in the stomach, etc." We were especially concerned to discover the two most seriously ill prisoners were no longer there—a woman with a serious heart problem and bullet in her leg and a young hemiplegic woman with a fractured skull. The police said that both these women, along with the other sick prisoners, were taken back for "further interrogation." Ironically, we had just written letters with John's signature, to the province Chief and head of the Interrogation Center asking for these two women to be released for medical treatment and that "further imprisonment will constitute a definite threat to their life and healh." It seemed obvious that now that the Quakers were allowed to visit the prison ward again the police had removed all the very sick patients. particularly those whom we might suspect had been tortured. We wondered if in the future the police would "screen" (more than they do already) those prisoners who would be allowed to go to the hospital and prevent many of those who needed medical help from seeing us.

August 14: David Paul and I confronted Boman once again to say that we'd felt "double-crossed." Once the Quakers were let back onto the prison ward at the hospital ward at the hospital, all of the seriously ill prisoners were removed. We gave him copies in English of the two letters we'd written about the two women prisoners who we felt were currently in danger by being back in the detention center due to their medical conditions. Boman did not make any promises to ensure that the police would not prohibit prisoners who need medical help from coming to the prison, but he did say he would check to see what the Vietnamese were doing about our requests of release of the two prisoners.

Presently: Colonel Boman is currently on vacation, so we've not had further word from him nor have we gotten a response to the letters about the women prisoners from the American or Vietnamese. Caroline or I have continued to visit the prison ward with the nurse since John's departure, but the prisoners allowed on the ward continue to only be those with minor complaints.

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### Report From the Field Codirector, Quaker Service, Quang Ngai: Notes on Some Prisoners Treated in the Prison Ward, Quang Ngai Province Hospital During August 1972

Pham thi Tho: (See following statement) 18 year old woman. Wounded in Mo Duc. Shot in the thigh and the bullet is still lodged in her leg. Her leg was set at the prison. A cast was on the leg for three months but there was a malunion so that one leg is two inches shorter than the other. While examining the patient, John Talmadge, of the AFSC medical staff there, discovered that she had a very irregular heart beat, in John's words "a cardiovascular problem of potentially serious consequence." This patient was in the prison-ward with a temperature for six days, also suffered from nausea, stomach ache, and back pains. She went back to the Province Interrogation Center once for three days but returned with fever and nausea. John Talmadge felt that some of these symptoms might be related to a mild heart attack. This prisoner had also lost muscle control of her foot and leg thus finding it difficult to walk. The AFSC physical therapist, Caroline Elliot, did exercises with the patient on the prison-ward. A bracemaker measured her foot and made her special surgical shoes, but they have never been able to deliver them because the prisoner was removed from the ward. A Doctor An signed the hospital release form for this patient/prisoner but to our knowledge this doctor never visited the prison ward and never examined the patient. On the day our surgical nurse went to prepare this patient for an operation to remove the bullet from her leg, we were told we could no longer visit the prison ward at the hospital. Three days later after we lodged a protest, we were allowed back on the prison-ward of the hospital but this particular prisoner had been sent back to the Interrogation Center in spite of John Talmadge's letter fully explaining his evaluation of this patient's medical condition. Copies of this letter were sent to Colonel Boman, the Senior Province Advisor, and Ken Burns, advisor to the National Police and Vietnamese officials. Thus, they are aware of this prisoner's weakened medical condition. The guards at the prison-ward told us that this patient was a "prisoner-of-war" and had to go back to the Interrogation Center for further questioning.

Nguyen thi Lang: (See following statement) John Talmadge first saw this woman prisoner before visiting the prison ward. A physical therapist found out about the prisoner and brought her to the Center since the prisoner was continually having "fits." One of her complaints was of bleeding from her vagina. A vaginal examination was performed. Then the patient was returned to the prison. Later she was seen again on the prison-ward and she was still continuing to have "fits," as many as ten during the day and night. She was unable to move the right side of her body. Examination showed swelling on the top of her head because, she said, the police had banged her head against a wall. An x-ray was taken and confirmed that she had suffered a skull fracture with resulting paralysis to the right side of her body.

Young boy, 17 years old: Arrived at the prison ward from the Interrogation Center during the time we were not allowed to visit the ward. The boy's father came to the Rehabilitation Center to ask us to help because he had heard the Quakers were "kind." We went to the ward and the police guards were so afraid that the young boy was going to die that they let us in the ward. The boy had not gone to the bathroom for four days (urinated) and was in extreme pain. John Talmadge thought it was a block in the urinary tract but he wanted someone else's assistance on the problem, so Dr. Khai came and assisted in administering medication. Later, we were told that the young boy prisoner had been tortured with electricity attached to his penis.

Two young boys in same bed: One with a mine injury to his foot,[1] one with a lower leg wound. Both were treated with penicillin and given crutches.

Woman six months pregnant, 34 years old: Neck and back injuries attributed to beatings received at Interrogation Center. Also said she was forced to drink soapy (lime) water solution. On the prison ward for three days then returned to the Interrogation Center.

Woman, 32 years old: Bullet wound piercing her chest and lung. X-ray showed abscess on her lung from bullet wound. We treated with penicillin but the patient was returned to the Interrogation Center before recovery.

Old, wrinkled, skinny man: Extremely swollen neck. John Talmadge diagnosed it as a glandular infection/fever. Forced to return to the Interrogation Center because the police did not have enough handcuffs to lock him to a bed on the ward. We were able to give him a shot of Bicillin, a long-acting penicillin, ordered by John Ferger. We requested that this old man be returned to the hospital for treatment. We never saw him again.

Another old man with a strange paralysis: Unable to raise or move his arms; his legs were also partially paralyzed. Prisoner kept trying to move. Other prisoners on the ward fed and cared for him. Doctor and Physical Therapist puzzled by this paralysis and its cause. In about three days this man was able to stand and he gradually improved.

Man with TB: Deep cough, spitting up blood—tuberculosis. Suggested that this man go to the public health TB clinic for tests and treatment. He remained on prison ward for six days with the above patients before being taken for tests; then he was returned to the prison.

Young man, age 23: High fever and sweating. Doctor listened to him breathe and thought this prisoner had either TB or pneumonia. The doctor saw the patient at 5:00 PM but the next morning when the doctor returned to see the patient and give some medication the prisoner had been returned to the Interrogation Center. We requested that the prisoner return for treatment to the hospital but there was no response and the prisoner was never seen age.

Young girl with white-stone necklace: She had "petit mal" seizures and stared into space. She exhibited symptoms of loss of memory. She said she had been forced to drink a white-wash, soapy solution many times while being interrogated.

Young boy,[2] age 19: He had been shot through the palm of his hand which had become very infected and swollen. The prison guard brought the prisoner to the Rehabilitation Center three times for cleansing and treatment of the wound. Bicillin was injected and the infection cleared up thus saving his hand which otherwise would have had to be amputated because of the worsening infection.

Young girl with grey blouse: This prisoner said she had been forced to drink water mixed with lime/white wash solution after which the guards jumped on her bloated stomach. She said she had also been beaten with a heavy club. She complained of pain in her chest and stomach. On three occasions this prisoner was observed having fits.

Two young girls: General complaints of aches and chest pains. They had bruises. Both had several fits.

Strong, large woman, age 45: Also complained of chest pains. Among other tortures she specifically mentioned electricity. This woman had the most dramatic "fits" or "seizures" of all the prisoners. She would thrash violently, yelling and crying. Her entire body would rise in the air, her back arched, she would then come crashing down on her bed, sometimes causing the bed to move several feet with each violent heave. This woman's seizures would last approximately fifteen minutes.

Another older woman: This woman was chained to the above mentioned woman. This woman said she had been beaten with a club on her chest, neck, and face. Upon examination the doctor observed that her face was severely swollen, her chest and neck were bruised, and her chest x-ray showed cracked ribs. She also related that she had been forced to drink water with lime. This prisoner was unable to walk and had to be helped by other prisoners in order to go to the bathroom. This prisoner also related that she had known Doctor Marge Nelson when Doctor Nelson visited the Quang Ngai prison some four years ago.

Man who never said anything. This prisoner's expressionless, apathetic behavior was explained by other prisoners who said that he had been tortured and beaten so long and so many times that now he didn't know anything and was always in this semi-conscious state.

Crazy Woman: A fairly young woman with closely cropped hair. Totally nonsensical behavior, unaware of her surroundings. She moaned, moved her body rhythmically, chanted, smiled, and talked to no one. Other prisoners said she hadn't been crazy before she was put in prison. Upon examination she seemed to have nothing medically wrong with her.

JANE LEIDA G. BARTON.

## BUDGETARY REFORM

Mr. BROCK. Mr. President, one of the most important issues facing this Congress is the question of budgetary reform.

I have been pleasantly surprised at the remarkable public interest in this subject, which might, on the face of it, be thought too dry and technical to interest very many people. Such is not the case. I have travelled into all sections of the country in recent months, and nowhere do I go without finding a high degree of awareness of the issue, and sophistication in understanding it.

The people do care about budget reform. They want, indeed, they demand, the Congress to exercise its rightful and proper authority over their tax dollars and how they are spent.

Several major pieces of legislation have been introduced, by myself, and by Senator ERVIN, and by Senator SPARKMAN, among others, and the Committee on Government Operations has been holding hearings in the hope of coming up with a comprehensive bill that will work.

Concurrent with this legislative activity, there has been a high degree of activity among the public.

The U.S. Chamber of Commerce, for example, has undertaken an extensive public information campaign on this subject, and has done a superb job in enlisting public support for new budget laws.

I was also interested to note that the Chairman of the Board of Governors of the Federal Reserve System, Arthur F. Burns, chose the topic of budgetary reform as the subject for the commencement address he delivered at the George Washington University last month.

Because of this eminence in the field of economics, his remarkable expertise on governmental budgetary matters, and even more importantly the cogency of his remarks on that occasion, I believe it would be beneficial to this body and to the people if his address were printed in the RECORD.

I ask unanimous consent that it be so printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

### REFORM OF THE BUDGET

I deeply appreciate the privilege of addressing this graduating class, for—despite the difference in our ages—I feel that we have much in common. Both you and I have spent some years in the lively atmosphere of a university. Both you and I have been concerned with problems of economics, finance, and administration. Both you and I, as residents of this fascinating city, have had the opportunity of observing at close range the understanding, selflessness, and compassion that government officials usually bring to their daily tasks; but we have also had the disquieting experience of witnessing some abuses of governmental power.

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[1] See letter of August 3, 1972 for more thoughts about this woman and Doctor Nelson.

[2] The prisoners with the asterisks by their descriptions were the only two prisoners remaining on the prison-ward of the hospital when the AFSC Team in Quang Ngai was allowed back on the prison-ward.

As graduates of this School of Government and Business Administration, you are embarking on your careers at a moment in history that is fortunate in numerous respects. Our nation is again at peace, the economy is again prospering, the number of good jobs is expanding rapidly, industrial strife is at a minimum, and civil order is returning to our schools and cities. By every reasonable criterion, so it would seem, you can—and should—look forward with confidence to the future of our country and its economy. And yet, if I read the nation's mood correctly, a spirit of unease and even frustration is now widespread.

There are numerous causes of the concern and skepticism with which many Americans, especially young men and women, now view the contemporary scene. But I believe that most of these causes can be captured in two broad generalizations. First, the American people have come to feel that their lives, their fortunes, and their opportunities are increasingly beyond their control, and that they are in large part being shaped for them by their government. Second, more and more Americans have also come to feel that their government lacks either the knowledge or the competence to make good on the promises that it holds out to the people.

It is this simultaneous dependence on government and diminishing confidence in government that is at the heart of the disquiet that so many Americans are experiencing. I wish I could say that this mood will pass quickly, but I cannot do so. Building confidence in social and political institutions is inevitably a long process, and it can only be accomplished if thoughtful citizens are willing to devote their minds and energy to the task.

When I was your age, the problem that particularly concerned university students was the periodic recurrence of economic depressions that wiped out business profits, caused widespread bankruptcy, and brought mass unemployment to wage-earners. This problem no longer afflicts our society on anything like its earlier scale; and we have made even more marvelous advances in conquering disease, prolonging human life, and reducing the drudgery of physical labor. We have made progress in these fields by diligent application of thought and reason—that is, by identifying each problem, diagnosing its causes, and seeking constructive solutions. It took the best effort of many thoughtful and earnest men to solve the problems that stirred social and political unrest in the past. And it will likewise require much thoughtful and earnest effort to regain the confidence in government which is so essential to our own and our country's future.

In my own profession of economics I have seen large advances in knowledge and also substantial improvements in the application of this knowledge to public policy. I can assure you that those who participated in these developments have found the experience richly rewarding. And it is precisely because you graduates may be able to contribute to the improvement of our political processes that I want to discuss with you today one of the issues that has brought us much trouble and agony in recent years—namely, the need to achieve rational control over the Federal budget.

Those who administer the affairs of government share a common problem with business executives: no private enterprise and no government can do everything at once. Both must choose among many desirable objectives, and the degree to which their efforts prove successful depends largely on their skill in concentrating available resources on those objectives that matter most. That is the very purpose of budgets. The fact that the Federal budget has in recent years gotten out of control should therefore be a matter of concern to all of us. Indeed, I believe that budgetary reform has become essential to the resurgence of our democracy.

Fortunately, political leaders of every persuasion are by now convinced that Congress must change its procedures if it is to exercise effective control over the Government's domestic and international policies. The old debate between free-spending "liberals" and tight-fisted "conservatives" is dying away. For the most part, liberals as well as conservatives realize that the level of Federal spending, and whether it is financed by taxes or by borrowing, have a powerful effect on jobs, prices, and interest rates.

In the Employment Act of 1946 Congress declared it to be the responsibility of the Federal Government to "promote maximum employment, production, and purchasing power." The authors of this legislation were well aware that a stimulative fiscal policy can be useful in taking up slack in the economy, and that a restrictive fiscal policy can help to cool an economy that is overheating. Yet, despite the prosperity that our nation has generally experienced since the enactment of that statute, budget deficits have greatly outnumbered surpluses. Experience has thus demonstrated that failure to attend properly to governmental priorities leads to excessive fiscal stimulus, and that this in turn is more apt to produce inflation than jobs.

Recognizing this fact, the Congress is now seeking a way to determine an overall limit on Federal outlays that will be rationally related both to expected revenues and to economic conditions. This is essential not only to achieve overall stabilization objectives, but also to enable Congress to play its expected role in determining national priorities. Early in this session of Congress, Senator Mansfield disclosed that all of the newly elected Senators had written to him and to Senator Scott urging reform of the budgetary process because "Congress has the obligation to set priorities . . . and present procedures do not in fact achieve that aim." Their unanimous conclusion was that the "first step toward establishing priorities has to be setting a ceiling on appropriations and expenditures;" and that unless this is done at an early stage of each session, the Congress is "not really budgeting at all."

The budget that the President recommends to Congress at the beginning of each session is the product of a systematic process aiming to establish an overall limit on outlays and to determine priorities within that limit. This process, however, has no counterpart in the Congress. Instead, Congressional decisions that determine the ultimate shape of the budget are taken by acting separately—or at times by taking no action—on a hundred or more entirely independent measures. It is only after separate votes have been taken on housing, education, defense, welfare, and whatnot that we can put the pieces together and discover what kind of a budget has emerged.

Thus, members of Congress now vote for or against cleaner air, for or against better schools, and for or against a host of other good things that Government can help to provide. But they have no opportunity to vote on what total outlays should be, or whether an appropriation for a particular purpose is needed badly enough to raise taxes or to make offsetting reductions in other appropriations. Yet choices of this type are far more important to the electorate as a whole than the single proposals on which Congressional voting takes place.

This fragmented consideration of the elements that make up the budget is largely responsible for an almost uninterrupted succession of deficits. Since 1960, we have had a deficit in every year except 1969. Some of these deficits have occurred because of efforts to use the Federal budget as a means of stimulating a lagging economy, but for the most part we have allowed deficits to happen without plan or purpose.

Both the Legislative and Executive Branches of the Government have from time to time recognized the need for reform. In 1946, for example, Congress included provisions for better budget control in the Legislative Reorganization Act, but the experiment was abandoned after a brief trial. Expenditure ceilings enacted for fiscal years 1969 and 1970 again proved ineffective since they could be readily adjusted to accommodate increases in spending. These rubbery ceilings did, however, help to prepare the ground for more meaningful reform. When the President called for a rigid limit of $250 billion on outlays for fiscal 1973, both the House and the Senate accepted the expenditure ceiling. But they were unable to agree on a method for reducing the previously enacted spending authority so that the $250 billion limit could in fact be realized.

Actions subsequently taken by the President to hold outlays for fiscal 1973 to $250 billion have been criticized on the ground that impounding of funds enables the Administration to substitute its priorities for those established by the Congress. Concern over possible usurpation of Congressional prerogatives is entirely understandable. However, this controversy should not divert our attention from the broad political consensus that has already emerged on the need to limit outlays. If the Congress does the job itself, there will be no occasion in the future for the Administration to cut billions out of authorized outlays in order to achieve the overall level of spending that Congress agrees is appropriate.

Although last year's efforts to impose a legislative budget ceiling proved disappointing, they did prompt the Congress to ponder closely the need for budgetary reform and to create a Joint Study Committee on Budget Control.

This Committee has made excellent use of the brief time it has been in existence. In a recently released report, it recommends specific and practical procedures by which Congress could control the level of Federal outlays, the priorities among programs, and the size of any deficit or surplus. Bills to carry out these recommendations have now been introduced in both the House and Senate, with support from all members of the Joint Committee, as well as others in the Congress.

It would seem, therefore, that prospects for meaningful budget reform are now very good, perhaps better than at any time since the Budget and Accounting Act of 1921. I find the Joint Study Committee's recommendations most encouraging, but I also think that they need to be supplemented with systematic and frequent review of the effectiveness of Federal programs.

Traditionally, officials in charge of an established program have not been required to make a case for their entire appropriation request each year. Instead, they have had to justify only the increase they seek above last year's level. Substantial savings could undoubtedly be realized by zero-base budgeting, that, is by treating each appropriation request as if it were for a new program. Such budgeting will be difficult to achieve, not only because of opposition from those who fear that it would mean loss of benefits they now enjoy, but also because it would add heavily to the burdens of budget-making. It may be, therefore, that Congress will rely initially on procedures that ensure reappraisal of each program only every two or three years. But whatever form it takes, a method must be found for screening out programs whose costs clearly exceed their benefits, while assuring a satisfactory level of performance for programs that contribute significantly to the general welfare.

The day is past—if indeed, it ever really existed—when only the well-to-do need concern themselves with economy in government. Perhaps there was a time when those who benefited from the status quo could block social reform by inveighing against governmental spending. But today Big Government is no longer a slogan for appealing to some and frightening others. For better or worse, it has become part of our lives. And those who would use government as an instrument of reform have perhaps a larger stake in eliminating wasteful programs than those who resist change.

We have passed the point where new programs can be added to old ones and paid for by heavier borrowing. With the economy expanding vigorously, with inflation persisting stubbornly, with our balance of payments in serious trouble, with two devaluations of the dollar just behind us, we clearly cannot afford to continue large budget deficits, it is sobering to reflect that in spite of the President's determined efforts to hold down Federal spending, the budget he orginally presented for this fiscal year called for outlays that exceeded estimated receipts by about $25 billion.

In principle, taxes can always be raised to pay for more public services, but the resistance to heavier taxation has become enormous. If we count outlays by all governments, State and local as well as Federal, we find an increasingly large fraction of the wealth our citizens produce being devoted to the support of government. In 1929, total government spending came to about 10 per cent of the dollar value of our national output. Since then the figure has risen to 20 per cent in 1940, 30 per cent in 1965, and 35 per cent in 1972. I believe that most citizens feel that one-third of our national output is quite enough for the tax collector, particularly since the expansion in government outlays has not produced the kind of benefits they have a right to expect.

The key to rebuilding confidence in government is improved performance by government, and budgetary reform can move us powerfully toward this goal. Rational control of the budget by the Congress should improve our economic stabilization policies. It should facilitate judicious choice among governmental activities. It should improve evaluation of governmental performance. It should help us avoid abuses of power—whether they arise in the world of business, or labor, or government itself. And it should restore to the Congress some of the prestige that it has lost as a result of many years of neglect.

I trust that the members of this graduating class will join other citizens throughout the country to see to it that budgetary reform is carried out with the promptness and on the scale that this nation's interests require. Let us always remember that budgets are a means for promoting national objectives. For those of you who enter public service, better budgeting can offer more meaningful and rewarding careers. For all Americans, it can mean a rejuvenation of spirit as government becomes more responsive to our aspirations and more effective in fulfilling them.

## MEAT PRICES, BOYCOTTS, ET CETERA

Mr. METCALF. Mr. President, at the end of April I received a letter from a valued constituent and friend who is a rancher in Montana. I have watched the protest against the escalating prices of beef and observed the inflationary rises in other products and would like to interject another eloquent statement from a beef producer. The letter came to every member of the Montana congressional delegation. It is a typical protest from the beef producers of Montana who are helping to supply meat to the American consumer. This is both an understanding and sympathetic approach to the problems of the consumer housewife and a plea for similar understanding and sympathy for the Montana rancher who raises the beef that eventually arrives on the tables of American consumers. As we proceed in the wilderness of phase III and the unfortunate price rises that have been permitted by this phase of Operation Phase Out, the plea of the farmer and the producer should at least be heard, and hopefully, heeded in the land.

I ask unanimous consent that the letter from the Keating Charolais Ranch be printed in the Record.

There being no objection, the letter was ordered to printed in the Record, as follows:

Keating Charolais Ranch,
*Molt, Mont., April 27, 1973.*

Senator Lee Metcalf,

Dear Lee: There is a blizzard outside, drifts four feet and deeper everywhere. All of our vehicles are stopped and it is impossible to walk in it very far. We will probably lose many calves, but there is nothing that I can do about that until the storm abates and it does give me an opportunity to write to you about meat prices, boycotts, etc. I'm sure you are getting plenty mail on this.

It seems to me that those of us that are making our living from producing food don't make the right attack when we present our side of this issue. We admit that meat prices are high but rebut that other prices are correspondingly high or higher. We point out that the American consumer pays a smaller percent of his income for food than anywhere else in the world. We add that it is only fair that we should receive as much for our labor, capital and management as other businesses and craftsmen and that we are far behind them at even the present (high?) prices. At the end of our argument we point out how fickle prices and nature are and we need a reserve to withstand the disasters like what is going on outside right now. If Mrs. Boycotter was looking out my window right now she just might have some compassion for my problems but, it isn't likely.

However, she isn't looking out my window at a blizzard. She has her own problems. She may have no income except relief or a small fixed income. When prices go up it may be a real crisis for her. Other boycotters have good income by rancher standards but their standard of living as they see it, is threatened. Because food prices have stayed relatively low for so many years they have assumed that they always would and have committed themselves. Many things that we use to think as luxuries such as good houses with air conditioning, color TV, new cars, swimming pools, boats or campers, etc. they now consider as necessities. When their income went up, these are the things that they expected to buy with the additional money and they resent the fact that they might have to spend part of the increase for such a basic thing as food.

I feel that these two groups probably make up about 99% of the meat boycotters. They couldn't care less that my costs are going up, that a blizzard is killing my calves or that they already have lower food prces than anywhere else in the world. All that they know or care is that an unexpected food price increase has put a strain on their welfare and they don't like it. They want to strike back and a boycott that the news media has fostered seems like a good way to do it and get the lower prices back.

Now out part comes in. We've got to make these people understand that a boycott is against their own interests. This is the only way that we can reach them and I'm not sure how to do this. They mostly understand the law of supply and demand but it never worked very well for food production in the past, why should it now? We've got to get across to these people that agriculture now is in a whole new ball game. Demand and production are very close together and the producer is no longer at the mercy of the consumer for very long. World demand is up. Food prices lagged behind other production costs in the past because our efficiency went up but that will stable if it hasn't already. The thinking of the farmer-rancher has changed from the passive to the active. If the consumer isn't willing to pay enough for her food so that we can make a decent living compared to other segments of our society, for the first time we feel that we can and will change the supply of foodstuffs so that the law of supply and demand will work for us as well as against us. Let me illustrate with my own example.

Two partners and I bought and leased about 6,000 acres in John's [Cong. Melcher's] home area of Forsyth. When we bought it, it was developed enough so that we could run about 200 cows. With no bad luck we could wean about 180 calves that would weigh around 400 lbs. in the fall. We would have to sell these then as there was no feed to fatten them. The annual production would be 72,000 lbs. If we had felt that the price of calves would stay below 30c/lb we would have kept this program. However, at that time as we looked into the future we could see good demand, no price ceilings, or boycotts, so we decided to increase production. We installed a major irrigation system, bought a lot of fertilizer, a lot of big equipment and started an intensive cropping operation to raise feed and grain for cows. On this same place, with this system we feel that we can have enough cows to raise 2,000 calves and still have enough feed to fatten them to 11,000 lbs. We can raise production from 72,000 to 2,200,000 pounds or 30.55 times, provided that the price is right.

We are not committed to a cow-calf fattening operation yet and even if we were, we could always change if it looked like beef wasn't going to be profitable. I've jokingly told my partners that we ought to raise Christmas trees. No one could call them a necessity so we could charge what the market would stand, government wouldn't interfere, and consumers wouldn't boycott. Alternatives like malting barley interest us.

If Mrs. Boycotter tries she can drive the price down for a while. Supply will go up as we won't be buying breeding heifers for breeding stock. This will not last long. There will be no getting around it, eventually if she wants to eat meat she will have to pay for it. If she would rather spend her money for Christmas trees or drink beer, we will probably be able to accommodate her there too.

If one ranch has the ability to raise either 72,000 lbs. of beef, 2,200,000 lbs. or none and you multiply this times the millions of farmers and ranchers that have a new determination, it is easy to see that we really do have a new ball game.

One last point. Why am I writing this to you gentlemen? By your past actions you have shown that you understand what I have written and to at least a great extent, agree with it. I want to get a concrete example to you of an actual ranch that can raise a lot of beef, but doesn't have to. I want to get to you an example for the changing thinking that now is common in agriculture from one of the farmer-ranchers. I feel that real life examples may be more valuable to you in your interchange with other influencial leaders, the city press, etc. than piles of papers with abstract theory. They should have some warning of what could happen to their food supply if they try to bend agriculture too far.

I want to thank you for reading so far and apologize for making this so long.

Sincerely,

TED KEATING.

## KNOX COLLEGE COMMENCEMENT ADDRESS

Mr. PERCY. Mr. President, on June 2, 1973 I had the privilege of addressing the graduating class at Knox College in Galesburg, Ill.

After talking to representatives of the graduating class faculty, administration, and alumni, I found that the subject most on their minds was the same one that has absorbed official Washington for months—Watergate. Consequently, I devoted almost all of my speech to this overriding national concern.

In order that I might share with my colleagues my views on the Watergate matter and stress again the need for full disclosure of the facts in this case, I ask unanimous consent that the text of my address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

### COMMENCEMENT ADDRESS BY SENATOR CHARLES A. PERCY

I appreciate your invitation to return to Knox, although I am saddened on this occasion because of the recent passing of your distinguished president, Dr. Sharvy Umbeck. As the 13th chief executive of Knox, Dr. Umbeck deservedly achieved national renown. Perhaps the best assessment of his impact on your college during his 24-year tenure was offered by Dr. Hermann Muelder of your faculty, during the remarks he made at a memorial service for Dr. Umbeck. He said of Dr. Umbeck:

"No other president of Knox, certainly not in more than a hundred years, became so truly a national educational leader. That office in Old Main became one of the nerve centers connecting colleges and universities of this nation. There are numerous councils, associations, commissions, institutes, foundations, that could on this occasion testify to the important offices and services which he performed. But in such detailing we might lose our perception of his truly great academic statesmanship during that period in our history when the United States first made education a major federal responsibility. . . .

"A synopsis of the broad accomplishments of a man so important as Dr. Umbeck is almost certain to sound like the profile of an institution."

The evidences of Dr. Umbeck's leadership are all around us today, in the buildings, in the programs, and, most of all, in the people—a faculty and student body of unsurpassed quality in your history.

It is the subject of leadership upon which I wish to focus my remarks today. The members of this graduating class have devoted four years to developing the skills and the mental discipline that will eventually bring many of you into leadership positions in business, the arts and sciences, government and the professions. In Washington, where I work, the office of the President is the embodiment of leadership for the entire nation. It is the position to which our country—and often the world—turns for guidance in times of crisis.

It is no overstatement to suggest that the Watergate scandal that envelops us today represents a crisis of unparalleled proportions. It has eroded the confidence of the people in their governmental system, diminished the image of politics as a profession and crippled the executive arm of the government.

There is only one antidote for this poisonous situation—massive doses of the truth.

None of us is anxious to learn that our national ideals have been muddied and betrayed. But I believe we are strong enough to survive even the most chilling truths, and wise enough to learn from them. National pride and national unity will be hollow indeed if they are preserved only by shutting our eyes to the truth.

It would be best—for the nation and for the future of this Administration—if the leadership in the effort to get at the truth came from the top, from the White House, rather than being dragged out piecemeal by investigatory bodies or the press.

The President's 4,000-word statement of early last week is a step in that direction. It raises some new and profoundly disturbing questions, particularly those involving the use of national security as a justification for illegal government behavior. But it also appears to recognize the paramount need for full disclosure of the facts, and consequently it is welcome. I would strongly urge the President to supplement it with a further recounting of whatever additional knowledge he may possess of any aspect of Watergate.

Senator Barry Goldwater has forcefully suggested that unless the President leads the way on the Watergate matter, he will find it exceedingly difficult to provide meaningful leadership in other areas of national concern. I would certainly concur. For the stark facts about the President's position with respect to Watergate would seem to be these: Either he was completely unaware of activities being carried out in his name and ostensibly directed by some of his closest subordinates, or else he knew about them and at least did not express his disapproval.

Neither of these choices can be contemplated without dismay. But if there is a logical alternative, it is the President's responsibility to make it known to us. We must know the whole truth about Watergate and its allied abuses. Nothing less will do if we are to be successful in restoring confidence in our governmental system and in purifying our political system.

If Vietnam—and now Cambodia—have taught us nothing else, surely they have taught us that the price of national self-deception is high. When we ignore reality, however harsh, we do so ultimately at our own peril and expense.

But now, more than ever, we can ill afford to put our heads in the sand. The way in which we resolve our present crisis will define the depth of our commitment to ideals for which we often congratulate ourselves.

The shattering events and disclosures of recent weeks have dismayed all Americans, but they have been especially painful to those of us who call the Republican Party our political home.

It is not pleasant to discuss them. But I think it is time for both our party and our country to confront the unhappy truths of the connecting offenses that we call Watergate.

The first realities we must face are the dimensions of the Watergate crisis. Let us not deceive ourselves. This is not just another Washington scandal, or "just politics." Watergate is not a question of a White House aide accepting a vicuna coat or a deep freeze. It is not even comparable to the scandals of the Grant Administration a hundred years ago, or to Teapot Dome 50 years ago, which resulted in a single Cabinet officer being sent to prison.

Rather, Watergate represents a pervasive, unprecedented pattern of misconduct, impropriety and deceit throughout the highest reaches of government.

Even before the coming criminal trials have opened, before the Ervin Committee has heard a dozen witnesses, we have learned enough to know that Watergate is a national tragedy and a national disgrace. The onrush of revelations has included the following items:

The President's first Attorney General, who was also his re-election campaign manager and one of his closest advisers, has been indicted on criminal charges, including conspiracy to defraud the United States and to obstruct justice.

The President's first Commerce Secretary, who was also his chief fund raiser in four campaigns, has been similarly indicted on criminal charges. In the history of the Republic, only two other Cabinet officers have ever been indicted for a crime.

The President's second Attorney General, not sufficiently insulated from the Watergate revelations, felt compelled to resign.

The President's two closest White House aides have been forced to resign.

The President's White House Counsel, who supposedly conducted a presidential investigation of Watergate, has been forced to resign.

The President's hand-picked acting FBI director has admitted destroying evidence at the suggestion of the White House, and has resigned.

Last summer's break-in of Democratic National Committee headquarters was planned and partially executed by men associated with the White House and with the President's re-election committee.

White House personnel appear to have helped plan an elaborate espionage and sabotage campaign against Democratic presidential candidates during last year's primaries in order to influence their primary and convention selection processes.

The deputy director of the CIA has sworn that senior White House officials urged the Agency to assist in covering up the Watergate scandal over an eight-month period.

All charges in the Pentagon Papers trial have been dismissed because of unparalleled government misconduct, much of it originating in the White House. The burglary of Daniel Ellsberg's psychiatrist's office was engineered by White House personnel. A former top Presidential assistant has admitted his failure to report the crime.

At the request of the White House, high CIA officials provided technical assistance to the burglars, activity which seemingly went beyond the Agency's statutory authority.

In the midst of the government's prosecution of Daniel Ellsberg, the President met with the presiding judge in the trial, and had a subordinate offer him the directorship of the FBI.

A former White House official, using White House facilities, has admitted forging State Department documents in an attempt to defame a former President.

The former acting FBI director says that he warned the President last summer that top White House officials might be interfering with the Watergate investigation, a warning which the President has acknowledged receiving.

This is only a partial list, some say only the tip of the iceberg. But it tells enough to know that we are not dealing here with "corruption as usual." It tells us that we are confronted with the darkest scandal in American political history.

At first, last summer, most of us simply ignored the implications of the early Watergate disclosures. The White House strenuously denied the few initial indications that

Watergate was something more than an isolated, unauthorized incident. We believed these denials, perhaps partly because we so much wanted to believe them. By last fall, however, I had become sufficiently concerned to call for the appointment of an independent, "blue-ribbon" commission to investigate Watergate.

Then, this spring, as the evidence of high-level wrongdoing began to mount, we told ourselves that the President had been ill-served by some of his top appointees and closest advisers—men whose zeal and loyalty to the President apparently outweighed their judgment.

But now we know that it is much, much more than an isolated incident motivated by misplaced zeal. What has been happening behind the closed doors of the White House goes beyond "zeal," beyond "well-intentioned people falling into shady tactics," beyond "improper actions."

What has been revealed to us in recent weeks is that certain high officials have repeatedly demonstrated a contemptuous disregard for the law, for simple decency, and for the trust of the American people.

From within the White House itself, there has been a concerted assault on the most basic assumptions of democratic government. When it suited their purposes, some of the President's top appointees and advisers have felt free to bypass our judicial and electoral processes. They have made a mockery of the words "liberty and justice for all," and too often they have ignored the Constitution they swore to defend. Throughout it all, certain White House spokesmen have lied and misled us so often that now we are incredulous only when they tell the truth.

A great many of the President's personal appointees have misused the powers of his office, usually in his behalf. Acting in his name and with his authority, they have abused and deeply compromised not only the Presidency itself, but the Justice Department, the State Department, the Federal Bureau of Investigation, the Central Intelligence Agency, the Securities and Exchange Commission and the independent judiciary.

They have betrayed their fellow members of this administration—men like William Rogers, Henry Kissinger, Melvin Laird, George Shultz, Joe Sisco, your own trustee, and many others, who have labored long and hard in the best tradition of public service.

They have betrayed all those Americans who in 1968 and 1972 voted for Richard Nixon because he convincingly promised them vigilant adherence to a rule of law.

They have betrayed the millions of loyal Republicans to whom "integrity in government" is a cherished goal—Republicans who three times gave Richard Nixon their highest honor, and who gave his administration their faith and their untiring support.

They have betrayed our trust, our ideals and our heritage.

So it is not enough for the President simply to accept "responsibility" in the broadest, most imprecise sense of that word. It is not enough to lament the fact that crimes were committed in the name of a noble goal—protecting national security. As a number of American public opinion polls indicate, the President has not yet erased the confusion in the minds of most Americans as to how such widespread, serious misconduct—often on the part of his immediate subordinates—could have escaped his attention for most of a year. The nation can not turn away from such grotesque perversion of power until we understand how it could have happened, and, specifically, how it could have happened so close to the President of the United States. Until we do understand these things, we shall have little assurance that we can prevent future Watergates.

In 1968, Mr. Nixon promised an administration "open in its communications with the people." Now, more than ever, it is time to redeem that pledge. The President owes it to his country, his party and himself to continue to provide detailed explanations not only of what went wrong, and why, but how he could have remained oblivious to that which apparently was known to so many of the men closest to him.

There are many disturbing questions which only he can answer and which, until they are answered, will leave the White House and his entire administration under a darkening cloud of suspicion. He should be doing everything in his power to expedite full disclosure of every facet of Watergate. If each kernel of truth must be torn away from those who are hiding it, the effort to redeem our national honor could take years. And, in the meantime, it will be increasingly difficult to prevent paralysis from overcoming the government.

The Nixon administration has been badly scarred by the Watergate scandals, but Watergate need not immobilize it for the next three and a half years. The President clearly has the competence, the experience and the vision to accomplish much that is good, much that men everywhere yearn for. As proof of this fact, it is only necessary to remind ourselves of his bold and imaginative overtures to Russia and China, the SALT agreements, the withdrawal of American ground forces from South Vietnam, the return of our POW's, the settlement of the Berlin crisis, the peacemaking efforts in the Middle East and the end of conscription in this country.

The hour is late, but it is not too late for the President to regain the momentum he has lost and to fashion his place in history. He has recovered from adversity in the past, and he can do so again. But until he reestablishes the credibility and moral authority of his office, his capacity to lead, to persuade and to inspire will remain sharply impaired, both here and abroad.

The President can restore the faith of the American people in government, in his administration, and in himself—but only by being completely candid with them. He can secure the nation's trust if only he now will trust the nation with the whole truth.

Watergate is a searing chapter in our history, revealing as it does the distressing fallibility of men in positions of trust. But as this grisly story has unfolded, it has brought with it some reassuring message that we can usefully ponder today.

We have witnessed a demonstration of the fundamental strength of our institutions, which have shown their vigor and adaptability in the face of unprecedented attacks.

Our system of justice has proven itself flexible enough to resist efforts to subvert it. The principle that no individual is above the law has been tested and reaffirmed.

The American press corps has responded to threats to its freedom with a performance that embellishes its proud history.

The flow of excessive power to the executive branch has been reversed and Congress is beginning to regain its rightful place as a co-equal member of our tripartite system of government.

In essence, Watergate has taught us that the arrogant misuse of power will not go unchecked in a democratic system as carefully structured as ours.

That is a heartening thought for each of you to carry with you as you leave Knox. Few other societies in history have been able to make such a claim.

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## JOHN PAUL JONES, AMERICA'S FOREMOST NAVAL HERO

Mr. ERVIN. Mr. President, on April 28, 1973, Mr. and Mrs. John R. Parker, of Charlotte, N.C., presented to the State of North Carolina, at Raleigh, N.C., a replica of the bust of John Paul Jones by the famous French sculptor, Jean Antoine Houdon.

Colorful presentation ceremonies were held at the archives and history, State library building. The U.S. Navy honor and color guards presented and retired the colors. The U.S. Marine Corps Band played the National Anthem and the Navy hymn, "Eternal Father Strong To Save."

T. Harry Gatton, chairman, executive board, State department of archives and and history, presided; the Reverend B. Daniel Sapp, rector, Christ Church, Episcopal, of Raleigh pronounced the invocation; State Senator Julian R. Allsbrook, of Halifax County, read the joint resolution of the North Carolina General Assembly authorizing the Governor to accept the bust on behalf of the State of North Carolina; Armistead J. Maupin, president general, the Society of the Cincinnati of Raleigh, presented me; I made an address entitled "John Paul Jones—The Sailor Whom England Feared"; Thomas W. Alexander, president, North Carolina Society of the Cincinnati of Raleigh, introduced the donors, Mr. and Mrs. John R. Parker; John R. Parker, a lineal descendant of Willie Jones and a collateral descendant of Col. Robert Burton, presented the replica of the Houdon bust of John Paul Jones on behalf of himself and Mrs. Parker with some well-chosen words; Mrs. William Stanley and Miss Terry Long, Great-G-G-G-G-Granddaughters of Willie Jones, unveiled the bust; Gov. James E. Holshouser, Jr., accepted the bust on behalf of the State of North Carolina in appropriate remarks; and T. Harry Gatton accepted the custody of the bust on behalf of the North Carolina Department of Archives and History.

The grand master of the Free Masons in North Carolina and the worshipful master of the Royal White Lodge of Halifax, N.C., attended the meeting to honor John Paul Jones, who was made a Free Mason in St. Bernard's Lodge, Kilwinning No. 122, Kirkcudbright, Scotland, November 27, 1770; and the president general of the Society of the Cincinnati and other members of that society participated in the ceremony in honor of John Paul Jones, who was an original member of the Pennsylvania Society, and whose certificate of membership was signed by George Washington and countersigned by H. Knox on October 31, 1785.

The committee on arrangements for the meeting was composed of Superior Court Judge Francis O. Clarkson, general chairman, and the following additional members; Dr. H. G. Jones, State historian/administrator, office of archives and history; Mrs. Joye E. Jordan, assistant administrator, office of archives and history; Mr. Thomas W. Alexander, president, North Carolina Society of the Cincinnati; Mr. George London, the North Carolina Society of the Cincinnati; Mrs. Charles Hinton Silver, North Carolina Society of Colonial Dames; and Mr. Ray Wilkinson, chairman, Historic Halifax Restoration Association.

The sponsors of the meeting consisted of the following list of distinguished citizens:

The Honorable James E. Holshouser, Governor of North Carolina.

Mr. Thomas W. Alexander, President, North Carolina Society of the Cincinnati.

The Honorable Julian R. Allsbrook, Senator, Halifax County.

The Honorable Joseph Branch, Associate Justice, Supreme Court of North Carolina.

Miss Gertrude Carraway, Executive Board, State Dept. of Archives and History.

The Honorable Francis O. Clarkson, Judge of Superior Court.

Mrs. W. Dillon Chambers, State Regent, Daughters of the American Revolution.

Dr. D. W. Colvard, Chancellor, University of North Carolina at Charlotte.

The Honorable J. William Copeland, Judge of Superior Court.

Dr. Lyman Cotten, University of North Carolina.

Mrs. Elizabeth Henderson Cotten, Historian.

Mr. Jonathan Daniels, Editor and Historian.

Mrs. Chester Davidson.

Dr. Gordon S. Dugger, Executive Board, State Dept. of Archives and History.

Rear Admiral E. M. Eller, (U.S. Navy Ret.)

Mr. Joseph T. Fraser, Jr., Director, Pennsylvania Academy of Fine Arts.

Mr. Wilbur A. Garner, Master, Royal White Lodge, Halifax, N.C.

Mr. T. Harry Gatton, Chairman, Executive Board, State Dept. of Archives and History.

Mr. Rupert Gillett, Editor.

Mrs. Rupert Gillett, Author.

Dr. Fletcher Green, Executive Board, State Dept. of Archives and History.

Mr. Thorne Gregory, President, Branch Banking & Trust Co.

Mrs. J. Carter Goldsborough, Vice Pres. General, Daughters of the American Revolution.

Mr. Dennis H. Holliday, President, The Halifax County Historical Association.

Mr. Josh L. Horn, Chairman Emeritus, Executive Bd., State Dept. of Archives and History.

Mrs. Ernest Ives, Historian and Writer.

Mrs. Sallie Long Jarman.

Dr. H. G. Jones, State Historian/Administrator, Office of Archives and History.

Mrs. Joye E. Jordan, Assistant Administrator, Office of Archives and History.

The Honorable C. Kitchin Josey, Representative, Halifax County.

Mr. Berl M. Kahn, Grand Master of Masons in North Carolina.

Rear Admiral Herman J. Kossler, Commandant, 6th Naval District.

Dr. Hugh T. Lefler, Executive Board, State Department of Archives and History.

Mrs. Kauno Lehto, President, Colonial Dames in North Carolina.

Mr. George E. London, North Carolina Society of the Cincinnati.

Mr. Willie Jones Long, "Longview", Garysburg, N.C.

Mr. Hector MacLean, Chairman, North Carolina Bicentennial Committee.

Mr. Armistead J. Maupin, President General, The Society of the Cincinnati.

The Honorable Milton J. Read, Mayor, Town of Halifax, N.C.

The Honorable Dan K. Moore, Associate Justice, Supreme Court.

Mr. Edward W. Phifer, Jr., Executive Board, State Dept. of Archives and History.

Dr. Ralph Hardee Rives, Pres. N.C. Sons of the Amer. Rev. and Pres. Soc. War of 1812.

Mrs. Horace Robinson, Ex-President, N.C. Society for the Preservation of Antiquities.

Mrs. Mary Alston Rush.

Mrs. W. P. Sellers, III.

Mrs. Frank M. Shannonhouse, Jr.

Mrs. Charles Hinton Silver, Colonial Dames.

Mr. E. Frank Stephenson, Jr., Pres., The Murfreesboro Historical Association.

Mr. John Tyler.

Mr. Ray Wilkinson, President, Historic Halifax Restoration Association.

The program of the meeting contained an article entitled "Highlights of the Life of John Paul Jones," which was written by Mrs. Francis O. Clarkson, and which constitutes, in my judgment, the most accurate and excellent short statement of the career of this distinguished sailor.

I ask unanimous consent that a copy of the remarks of John P. Parker, Mrs. Clarkson's "Highlights of the Life of John Paul Jones," and my address be printed in the body of the RECORD.

There being no objection, the remarks, article, and address were ordered to be printed in the RECORD, as follows:

### REMARKS BY JOHN R. PARKER

This is a momentous occasion for me. Seventy-odd years ago I first heard the name "John Paul Jones." And that has been a long time—in fact it was before I ever went to school and long before I ever studied history. I heard it first from my own Grandmother, Mrs. Mary Burton Alston, who was born at her Grandfather's home, "The Grove" in Halifax, N.C. in 1822, who heard it from her Grandmother, Mrs. Willie Jones, in whose home John Paul spent approximately twenty months prior to entering the Continental Navy.

When my Grandmother was left a widow, she came to live with my Mother in Smithfield, Virginia. I do not know when, for she was here when I was born and lived with us during the last fifteen years of her life. It was from her lips that I first heard of the long visit made by John Paul to her Grandfather's home. In fact, instead of telling us the traditional bed-time stories, she would often tell us of the events, still vivid in her mind, that happened at "The Grove"; of how John Paul received the name "Jones" from her Grandfather, and many other fascinating happenings, all of which were told her by her Mother, Sallie Welch Jones Burton and her Grandmother, Mrs. Willie Jones—truths handed down from Grandmother to Granddaughter and from Granddaughter to Grandson. I continued to hear them from the time I sat on her lap until she passed away in 1909. This truth has endured in my family for six generations, and is as strongly believed today as it was 200 years ago.

For as long as my Grandmother lived, she maintained a keen interest in, and admiration for our greatest Naval hero, and in 1905, at the age of 83, insisted upon accompanying the family to Cape Henry, Virginia, to watch from the Old Lighthouse the procession of ships pass, bringing the body of her favorite hero back to the United States, the country of his adoption, for re-interment at the Naval Academy.

Now, after a life-time of having heard these truths—nothing added; nothing deleted—it is with great pride and pleasure that Mrs. Parker and I present to the great State of North Carolina, a replica of the original Houdon bust of Captain John Paul Jones, replacing the one requested from Jones by my great-great uncle, Col. Robert Burton, member of the Continental Congress from North Carolina, as a gift to the State, alleged to have been destroyed when the State Capitol was burned in 1831.

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### HIGHLIGHTS OF THE LIFE OF JOHN PAUL JONES

(By Cama B. Clarkson)

The sun was about to set on September 12, 1779, as the *Bonhomme Richard* came down the Eastern coast of England. Young Captain John Paul Jones must have felt discouraged. From the beginning it has been one disappointment after another. Instead of the promised warship, he had been presented only an old French merchant ship to be outfitted by his efforts, even most of the crew itself picked up here and there. Of the seven ships with which he had set out from France about a month ago, all but two had deserted. And now, after sailing all around the British Isles with some successful skirmishes but never meeting the expected fleet of merchantmen, he was preparing to rendezvous in the waters off Flamborough Head before heading back to France.

Suddenly, around the promontory, he sighted the superior British frigate *Serapis* convoying a fleet of 41 merchant ships. With his inferior equipment, quick action was his only chance, so he began maneuvering his ship as close as possible to her. Of course, she opened fire and shelling began. Finally the *Bonhomme Richard* was completely crippled, her hold filled with water, half of her crew killed or wounded, almost all of her guns out of action and fires raging. British Captain Pearson called out: "Do you now surrender?" Captain Jones, as he began a last desperate effort, leading a boarding force shouted back: "I have not yet begun to fight."

After severe hand-to-hand combat it ended, a glorious victory, Captain Jones in charge of the *Serapis*, whose Captain and remaining crew were all now prisoners. His ship was sinking but her flag was still flying. So ended the most glorious sea battle of the Revolution, hailed all over Europe as one of the greatest single-ship actions in all history; its leader recognized everywhere as a naval genius and a man of unconquerable courage.

Who was this Captain? Born to Scotch people of little means, John Paul grew up on the Solway Firth, always yearning for a life at sea. Finally, at the age of twelve, as an apprentice, he sailed, first, to America where he saw his older brother, a tailor in Fredericksburg, Virginia. Then began a series of sea adventures in which he early exhibited his ability but which ended in December 1773 just off Tobago with a disastrous mutiny of his crew in which he killed the leader in self-defense. With local feeling high, he was advised to leave his ship and the islands.

Information of him during the next two years is largely by word-of-mouth. We know that his brother in Fredericksburg died in 1774. However, Paul had a friend, Robert Smith, living in Edenton, N.C. from the same part of Scotland, whose brother had presented John Paul for membership in the Masonic Order. Young Smith was a partner of Joseph Hewes, shipowner, merchant and Statesman, a man of influence in his state and country. Perhaps it was Hewes who advised the young man to go to Halifax, a small town up the Roanoke River, with some shipping but not like the international trade at Edenton—a good place to remain out of the public eye. Also, in Halifax lived Joseph Montfort, first and only Grand Master of Masons in America; one to whom a young Mason in distress could turn. What a low point this must have been for this young man—his career on the sea broken, if not destroyed; his name blackened by the accusation of murder.

It was then that he came into the warm friendship of Willie and Allen Jones, brothers, whose hospitality over the years was shared with many young people. These well-to-do planters of Halifax had studied at Eton and traveled abroad. In their homes young Paul met leaders of the Colonies. There he, too, became so aroused by that keen desire for the freedom of this country that in 1775 we find him applying, through Joseph Hewes, a North Carolina delegate to the Continental Congress and a member of the Marine Commission, for a Naval appointment, which was received in 1775.

There is an account of young Paul's leave-taking after a ball at "The Grove", the beautiful new home of Willie Jones. When the latter asked him if he could be of further service to him, John Paul replied that there was only one favor he wished to ask, that he might be allowed to bear the name "Jones", promising to wear it with dignity and honor. Moved by this, his host removed his sword and gave it to him. It is believed that this is the service sword of John Paul Jones which bears the signs of much hand-to-hand combat. He never sailed in a worthy man of war, but, as he once said, "Men mean more than guns in the rating of ships." So, even with these inferior ships he managed to capture some sixty vessels from the greatest Navy of the world without once lowering his own flag.

His Naval success, especially the spectacular victory of the *Bonhomme Richard* over the *Serapis*, won for him honors at home and abroad. A letter from Franklin, our Minister to France, told him that all Paris and Versailles was praising his victory. When he visited Paris the next spring, there was a festival in his honor by the Masonic Lodge of the Nine Sisters and its members ordered a bust of Jones to be made by the famous Sculptor, Jean Antoine Houdon. King Louis XVI awarded him the Order of Military Merit, and in July, at the Court of Versailles, presented him with a gold sword. He received a letter of congratulations from General Washington for his brilliant victory, and Congress passed resolutions of appreciation and later ordered a gold medal to be made for him.

Following the end of the war and the dissolution of our Navy, he spent most of his time in Paris as U.S. Prize Agent in Europe. The fighting sailor had become the suave diplomat, conversing in their own tongue with the courtiers of France and Spain; at home in the drawing rooms of the nobility everywhere. About this time, he was pleased to receive a certificate of membership in The Society of the Cincinnati, which certificate, signed by George Washington, is now in his crypt at the Naval Academy in Annapolis.

But, he never lost his boyhood love of action at sea. When asked by Catherine of Russia to serve in her Navy, he consented, on advice of Jefferson, then Minister in Paris. For his victory over the Turks, Catherine created him Admiral and conferred on him the Order of St. Anne. However, his active service ended a little over a year later, due to intrigue and rumors spread against him by jealous officers of the Russian Navy. But, worse than this, his health was permanently undermined due to the severe exposure in the North Sea.

On his return to Paris he continued negotiations in the Capitals of Europe. He wrote several pamphlets—one in French—on the state of the French Navy, which Napoleon later considered so good that he had it reprinted. He wrote Jefferson and other leaders, urging a show-down with the Barbary pirates and relief for their American prisoners. Finally, an Act of Congress in 1792, authorizing him to deal with the Dey of Algiers, arrived in Paris, but too late.

He had died on the eve of July 18, 1792 at the age of 45. Just exactly a week before, he had attended a meeting of the National Assembly but his physical condition forced him to refuse their invitation to speak at length on the needs of the French Navy. That night, he had attended a dinner at the Cafe Timon where he had been toasted as "the coming Admiral of France." A full account of his last days was given to his sister in a letter from a friend, Col. Samuel Blackden, a planter of North Carolina, who, in Paris on business at this time, had been visiting him every day.

The American Minister to France, Gouveneur Morris, ordered that he be buried in the most private manner and at the least possible expense. M. Simonneau, the commissary, expressed his astonishment and said that a man who had rendered such signal services to France and America ought to have a public burial, adding that if America would not pay the expense he would pay it. This was done, as we can read today in the French Archives, in a most generous manner. The body was put into a lead coffin, as befitted a hero, carefully packed and sealed, ready for shipment at the request of the United States. The National Assembly appointed a delegation to attend the burial. Among the Americans was, of course, Col. Blackden, a pallbearer, but the American Minister was not present.

The period following his death is to us today hard to understand—the silence and inaction on the part of the United States. Though John Paul Jones had served the country of his adoption well, being the first to hoist Old Glory upon an American man-of-war, the first to receive a salute to it from a foreign power and the first to raise it upon a foreign ship of superior strength captured in battle; though he wrote in later years that he could never renounce "the glorious title of a citizen of the United States," this country seemed to have forgotten him. The only explanation is the critical condition of our Government at that time.

It was 1825 before a really factual biography was published by Col. J. H. Sherburne. He also uncovered the large unpaid balance in the United States Treasury due Jones and his men.

Years went by. The cemetery where Jones was supposed to have been buried was obliterated and it was not until 1899 that an intensive search began under Gen. Horace Porter, U.S. Ambassador to France, who wrote: "I felt a deep sense of humiliation as an American citizen in realizing that our first and most fascinating Naval hero had been lying for more than a century in an unknown and forgotten grave, and that no serious attempt had ever been made to recover his remains and give him an appropriate burial in the land upon whose history he had shed so much luster. Knowing that he had been buried in Paris I was resolved to undertake, personally, a systematic and exhaustive search for the body."

This search took five years and $35,000.00, a sum for which Col. Porter refused reimbursement. The account of the difficulties, frustrations and surprising discoveries which he encountered reads like a detective story. The extensive search of records finally located the cemetery, and with the assistance of the French officials, all was in readiness for the excavations. On April 7, 1905, the only lead coffin found without an inscription plate was opened. Thanks to M. Simmoneau's generosity, his hero's body had been well preserved in alcohol in the sealed casket. The body was taken to the School of Medicine, where examination by top scientists found that the outer measurements corresponded to the life-size bust by Houdon and the autopsy revealed the disease from which he had been known to suffer. All led to their conclusion: "Without forgetting that doubt is the first quality of all investigators . . . the body examined is that of Admiral John Paul Jones."

So, it was replaced, carefully, and carried to the American Church of the Holy Trinity. There it was kept until a squadron of American ships had arrived. A service was held on July 6, John Paul Jones' birthday, the church overflowing with leaders of many nations. Crowds lined the route of the procession afterwards to the railroad station, all heads bared in honor, not only of the French and American flags, but of the great hero who had loved and served both. French as well as American sailors bore his body to its resting place at Annapolis.

It is appropriate that we in North Carolina are today celebrating the reception of this bust of John Paul Jones, because in his lifetime, our bonds with him were very close. Men of North Carolina were there to help in times of need. When he came as a fugitive to our area he was given hospitality. When he, a newcomer to this country, wished to share in its fight for freedom, it was through the endorsement of a North Carolinan that he received his Naval appointment. And, in the last weeks of his life it was a North Carolinian who stayed by him to comfort and advise.

During his lifetime many prominent friends in America and abroad had asked him for copies of the bust by Houdon for themselves. But in 1789, Col. Robert Burton, a former member of the Continental Congress from North Carolina, requested one, not to keep, but to give to the State. This bust was sent by John Paul Jones. It was probably destroyed in June 1831, along with Canova's statue of Washington when the North Carolina capitol was burned. So, it is fitting that another North Carolinian, Col. Robert Burton's great grand nephew, has finally secured a copy of Houdon's bust, not for himself but to present to the State today.

### JOHN PAUL JONES—THE SAILOR WHOM ENGLAND FEARED

(Remarks of Senator Sam J. Ervin, Jr.)

The adventuresome career of America's most renowned naval hero, John Paul Jones, was the stuff of which legends are made.

His real name was John Paul. Born in Kirkcudbrightshire, Scotland, in 1747 of the marriage of John Paul, a Scottish landscape gardner, and a Highland lass, Jean Macduff, he was apprenticed to a shipmaster, and went to sea at the age of twelve.

From that time until shortly before 1774, John Paul followed the sea, making many voyages on trading ships between British ports and the American colonies and the West Indies, and several voyages on slave ships between the west coast of Africa and the islands of the Caribbean. For a brief interlude he served as a midshipman in the British Royal Navy.

During this period, owners of the ships on which he sailed imposed on John Paul constantly increasing responsibilities, and be acquired a profound knowledge of the wonders of the deep and an uncanny capacity to inspire and lead the strange breed of men who go down to the sea in ships.

After years in the employment of others as shipmaster, supercargo, first mate and captain, John Paul decided to go into business for himself. Having purchased the "Betsy" in England, he proceeded with her to Tobago, an island in the Atlantic off Venezuela, with which previous voyages had made him familiar. Here he expended the remainder of his meager resources for cargo for the "Betsy" and prepared to sail for England, where he expected to sell his cargo and pay the wages of his crew from its proceeds.

However, his crew mutinied. He killed their ringleader and abandoned the "Betsy". Being unwilling to languish for an indefinite period in prison while awaiting the convening of a court of admiralty to try him, he fled Tobago. A period of obscurity ensued in which he is reputed to have lived incognito in various places, including North Carolina and Virginia.

Be this as it may, Dr. Archibald Henderson asserts with positiveness in his history of North Carolina that about 1774 John Paul appeared at the headquarters of the mercantile and shipping firm of Joseph Hewes and Robert Smith in Edenton, North Carolina; that he convinced Hewes and Smith he had once been a shipmate of Smith's brother; that Hewes became interested in John Paul's story and probably elicited from him his identity; and that a sympathetic friendship ensued between Hewes, who was soon chosen to represent North Carolina in the Continental Congress and destined to sign the Declaration of Independence on her behalf, and John Paul, which, as we shall see, was determinative of the latter's future career.

About this time John Paul became acquainted with Willie Jones, a wealthy planter, of Halifax, North Carolina, who afterwards became the leader of the followers of Thomas Jefferson in the state. A strong attachment ensued between the two men, and John Paul spent much time as a guest in the home of Willie Jones. Partly out of affection for Willie Jones and partly out of a desire to conceal his identity as the slayer of the ringleader of the mutineers on the "Betsy", John Paul chose the surname of Willie Jones to be his own, and was thenceforth known among men as John Paul Jones.[1]

After his election to the Continental Congress in 1774, Joseph Hewes became chairman of the committee on naval affairs, and in that capacity performed duties similar to those which devolved upon the Secretary of the Navy subsequent to the ratification of the Constitution. As a consequence, Hewes had much to do with the organizaton of the new Continental Navy, and his friend, John Paul Jones, appeared in Philadelphia in 1775 with a commission as a senior lieutenant in that Navy, which Hewes had procured for him.[2]

About this time Willie Jones presented John Paul Jones a sword, which Josephus Daniels informs us was in the custody of the Department of the Navy while he was serving as Secretary of the Navy under President Woodrow Wilson.[3]

In his new employment, John Paul Jones, who was soon promoted to a captaincy, commanded the "Alfred" and the "Providence". With these ships, he sacked British shore installations from Nova Scotia to the Bahamas, and harried British naval and commercial shipping throughout the western Atlantic, capturing or destroying many transports and other vessels. He was especially adept in eluding British men-of-war when he convoyed ships transporting supplies for the defense of New York or took the prizes he captured to American ports.

During this period, Captain John Paul Jones sometimes paid the crews of the "Alfred" and the "Providence" out of his own pockets, and was not reimbursed for so doing by the Continental Congress until after the Revolution.

On November 1, 1777, Captain Jones sailed for France as the Commander of the "Ranger", and on his arrival at Quiberon Bay, near St. Nazaire, the "Ranger" received a nine gun salute from Admiral La Motte Picquit, Commander of the French fleet. This was the first salute received by the American flag from a foreign power.[4]

During many months next succeeding his arrival at Quiberon Bay, John Paul Jones was authorized to employ the "Ranger" and other vessels assigned to him in any way he judged most likely to distress the enemies of the United States. Acting under this authority, he frightened England, which called him a pirate, by making daring raids upon British shore installations, and by harassing British men-of-war, privateers, and commercial ships off the coasts of France and the British Isles.

He took many prizes into French ports. The most famous of these was the British sloop-of-war "Drake", a vessel superior in fighting ability to the "Ranger", which he captured near Belfast, and compelled to accompany him to France.

Subsequent to this exploit, which made John Paul Jones a hero in France, Benjamin Franklin, the American representative in Paris, procured a dilapidated East India merchantman, which Jones renovated, armed with 42 guns, and renamed the "Bonhomme Richard" in honor of the pseudonym used by Benjamin Franklin as author of "Poor Richard's Almanack."

On September 21, 1779, the "Bonhomme Richard" overtook the British man-of-war "Serapis", a vastly superior vessel in fighting power, which was commended by British Captain Pearson, and which was convoying a fleet of about 40 commercial ships. Notwithstanding the disparity in the fighting strength of the two ships, John Paul Jones attacked the "Serapis" and one of the most famous sea fights in the annals of the world ensued.

The battle took place in the moonlight and lasted 3½ hours. The guns of the "Serapis" silenced the heaviest battery of the "Bonhomme Richard", and Captain Pearson asked if the "Bonhomme Richard" was surrendering. John Paul Jones replied: "No, I have not yet begun to fight."

John Paul Jones lashed the two ships together; led by him his crew boarded the "Serapis" and after a fierce hand-to-hand conflict, the "Serapis" struck its colors and surrendered.

The "Bonhomme Richard", which had been heavily damaged by the guns of the "Serapis", sank the following day, and Jones and his crew took the "Serapis" to France.

In recognition of his magnificent exploits, King Louis XVI of France gave John Paul Jones a gold-hilted sword, and decorated him with the Cross of the Institution of Military Merit, the first time it had been awarded to a non-Frenchman.

Subsequently, Congress authorized John Paul Jones to wear the French decoration, and bestowed upon him a gold medal of its own.

During 1780, Jones spent much time in Paris in an endeavor to have the "Serapis" refitted for sea duty. His effort proved unavailing, and he saw no more active duty during the Revolution.

In 1781, Catherine the Great of Russia invited John Paul Jones to aid her in the renovation of the Russian Navy, and pursuant to advice given him by Thomas Jefferson, Jones accepted the invitation, went to Russia and served for a time with the Russian fleet in its campaign against the Turks in the Black Sea.

Catherine the Great recalled him to St. Petersburg, and decorated him with the Order of St. Ann. After a time, he became ill, fell from Catherine's good graces, and went to Paris where he lived in retirement until 1792 when he died at the age of 45 years, and was buried in the St. Louis Cemetery for foreign Protestants.

The only friends who stood by him during his last illness were Jean-Baptiste Beaupoil, a former aide-de-camp to Lafayette, and a North Carolinian, Samuel Blackden, a retired Colonel of Dragoons.

His place of burial was forgotten for more than a century. At long last, however, his grave was discovered, his mortal remains were disinterred, escorted to America by a fleet of warships, and placed in a crypt in the Chapel at the Naval Academy in Annapolis.

It is almost 200 years since the North Carolina patriot, Joseph Hewes, procured a commission in the Continental Navy for America's greatest naval hero, John Paul Jones. Hence it is altogether fitting that on the eve of our nation's bicentennial, we honor him by presenting this bronze replica of the famous Houdon bust to the State of North Carolina. The original of this bust of John Paul Jones was modeled by Houdon in the spring of the year 1780, and was so dated under Houdon's signature. At that time, John Paul Jones was in his 33rd year, and the laurels he had won in the battle of the "Bonhomme Richard" against the "Serapis" were still green.

The bust was regarded by Jones' contemporaries as a good likeness. Madison wrote: "His bust by Houdon is an exact likeness, portraying well the characteristic features stamped on the countenance of the original"; and Jefferson noted that "Houdon's bust of him is an excellent likeness."

In January of 1789, Colonel Robert Burton, a former member of Congress from North Carolina, wrote to Governor Johnston, "As those men who have fought and bled for us in the late contest cannot be held in too high esteem, and as John Paul Jones is among the foremost who derived their appointment from this State who deserves to be held in remembrance to the latest Ages, I take the liberty of offering to the State, as a present, through you, its Chief Magistrate, the Bust of that great man and good soldier to perpetuate his memory. If you do me the honor to accept it, you will please send me a line."

To this the Governor replied, "I have had the pleasure of receiving your letter of the 28th of January, respecting the bust of John Paul Jones. I will readily accept it on behalf of the State, and will communicate your letter to the next Assembly, that they make such order as they think proper."

The North Carolina General Assembly does not appear to have taken action in respect to Colonel Burton's offer. Sometime in late 1790 or early 1791, Burton evidently wrote to John Paul Jones in Paris requesting that the bust be sent to him for presentation to the State of North Carolina.

Writing to Thomas Jefferson from Paris on March 20, 1791, Jones says: "You will observe that the Empress of Russia has decorated me with the great Order of St. Ann; and I have appeared with that order ever since. I must beg the favor of you to obtain and transmit to me, as soon as possible, the proper authority of the United States for my retaining the honor. . . . I am much obliged by the trouble you took in forwarding, before you left Europe, the busts I had promised to different gentlemen in America. Having lately received a letter from Mr. Burton, a former member of Congress, with whom I had the honor of being acquainted at New York, requesting my bust in behalf of the State of North Carolina, I have ordered Mr. Houdon to prepare and forward it by the first ship from Harve-de-Grace for Philadelphia; and as that bust will be decorated with the Order of St. Ann on the American uniform, this is one reason why I wish to be authorized by the United States to wear that order. I shall take the liberty of addressing the bust to you, to deliver it to the North Carolina delegates, who will be so good as to forward it to the Governor of that State."

There seems to be no record which makes it absolutely certain that the bust mentioned in Jones' letter to Jefferson and decorated with the Order of St. Ann, was ever forwarded to this country or presented to North Carolina. Circumstances strongly indicate, however, that Houdon's bust of John Paul Jones was presented to North Carolina, and that it perished in the flames on June 21, 1831, when the North Carolina Capitol at Raleigh was destroyed by fire.

The late Admiral Samuel Eliot Morison, of Harvard and the United States Navy, wrote that Jones had been "a young lieutenant with neither pull nor public, who rose to the top through sheer grit, guts, and merit. And he is justly considered our greatest naval hero of the American Revolution because, in addition to the battles that he won and the prizes that he took, he had correct views of naval strategy and foretold the day when the United States Navy would be the strongest in the world."

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[1] Archibald Henderson: North Carolina, the Old North State and the New, Vol. I, 356. See, also R. D. W. Conner: North Carolina, Rebuilding An Ancient Commonwealth, Vol. I, 319; and North Carolina Manual, 1913.

[2] Archibald Henderson: North Carolina, The Old North State and the New, Vol. I, 356, and Vol. II, 64.

[3] Josephus Daniels: The Wilson Era, 1910–1917, page 121, and The Wilson Era, 1917–1923, page 27.

[4] Josephus Daniels: The Wilson Era, 1917–1923, pages 121, 390.

Even in our day of ballistic missiles and nuclear fission, what John Paul Jones wrote to Robert Morris, so long ago in 1776, is still true: "Without a Respectable Navy—alas America."

## THE EXCELLENT MILITARY-CIVILIAN COOPERATION AT FORT CAMPBELL, KY.

Mr. COOK. Mr. President, during the recent Memorial Day recess Congressman FRANK STUBBLEFIELD and I, accompanied by the Under Secretary of the Army, the Honorable Kenneth Belieu, visited Fort Campbell, Ky. We were all most impressed by the leadership exhibited by Maj. Gen. J. H. Cushman and his staff as well as the enthusiasm and dedication of all civilian and military personnel of this important military establishment. We are equally proud of their accomplishments.

When the announcement was made last year that Fort Campbell had been selected as the permanent home of the 101st Airborne Division—Air Mobile, I visited this post with my good friend Senator HOWARD BAKER and was briefed on the construction program designed to provide the required facilities. We urged the Senate to authorize and appropriate the funds for the fiscal year 1973 military construction projects requested for Fort Campbell as well as those required for the design of a modern hospital and adequate family housing.

The Congress did well by Fort Campbell and I am pleased to report that Fort Campbell is doing well by the Congress.

A real start has been made on the construction of a permanent home for the 101st. Recruiting has gone well and I was assured that the division will be trained and ready on the date which has been scheduled by the Department of the Army.

In addition to these dynamic construction, recruiting, and training programs, I was introduced to a most effective civilian-military cooperation program. The Lower Cumberland Cooperative Improvement Council—LCCIC—as it is called, in a unique example of the cooperation that can be achieved within a regional grouping of political entities which cross county, State, and Federal boundaries. Membership includes Trigg and Christian Counties in Kentucky, Stewart and Montgomery Counties in Tennessee, and Fort Campbell, Ky. The main purpose of the LCCIC is to work toward an improved quality of life for its residents. The council has the enthusiastic support of its members and is making significant progress in its endeavors.

The LCCIC evolved directly from the close spirit of cooperation and good community relations that has always existed between Fort Campbell and the surrounding communities. Discussions on the formulation of the council began in the summer of 1972 when it became obvious that joint programs and discussions of regional problems would be mutually beneficial to the residents of the member communities. In addition, the impact of the rapid buildup of the 101st Airborne Division at Fort Campbell, beginning in April 1972, was of particular interest to the governing bodies surrounding the installation.

On September 15, 1972, a joint declaration was signed establishing the Lower Cumberland Cooperative Improvement Council. The 10 council members are the judges of the 4 counties and mayors of the 5 cities surrounding Fort Campbell, and the commanding general of Fort Campbell. A secretariat was also established, composed of designated representatives of each member, as the working body of the LCCIC.

The stated objectives of the LCCIC involve recreation, conservation, beautification, and cooperative solution of common problems. Specific areas of interest are:

First. Solid waste disposal.

Second. Outdoor recreation.

Third. Cleaning up the countryside.

Fourth. Community relations.

Fifth. Cooperative traffic control and safety.

Sixth. Medical cooperation.

Seventh. Human relations.

A significant problem throughout the LCCIC region is solid waste management. The elimination of open dumping, burning, and effective solid waste disposal has been a major problem. The LCCIC, with the assistance of the environmental Protection Agency, has adopted a long range cooperative program to systematically solve this problem. Implementation of the first phase is now underway.

The council has undertaken an "abandoned vehicle removal campaign" throughout the region. Cooperation is continuing between 4–H clubs, local organizations, and Fort Campbell to remove and dispose of all abandoned vehicles in the area. Over 3,000 vehicles have been removed from the LCCIC region in the last 8 months.

Trash cleanup campaigns have been underway in cooperation with local groups. The LCCIC recently participated in "Operation Concern" of the Five Rivers Resource, Conservation, and Development Association. A week-long cleanup in Stewart County—land between the lakes and Dover area—resulted in over 800 bags of trash and 111 automobiles being collected.

Fort Campbell has kept the LCCIC informed of field exercises in which off-post maneuver areas are used. This program has greatly assisted in keeping local citizens informed of the necessity for the exercises and has kept complaints—such as helicopter noise—to a minimum.

On June 13, 1973, the LCCIC will sponsor a meeting on the "economic impact of Fort Campbell on local communities." The LCCIC feels that such a meeting is desirable for businessmen and bankers to make them aware of the influence that Fort Campbell and the reconstituted 101st Airborne Division will have on their enterprises. Such information will allow them to better plan their future endeavors.

A plan for the exchange of information on recreational facilities and activities is being formulated. This program will make all residents fully aware of the recreation opportunities available throughout the region.

Meetings will be held to discuss methods of relieving traffic congestion throughout the LCCIC region. This problem has become especially acute in some areas due to the large number of personnel assigned to Fort Campbell and living off post.

Fort Campbell is about to embark on a recycling program of normally wasted materials—cardboard, newspapers, glass, cans. The LCCIC will be kept informed of the progress of these programs in order to identify potential programs which might be applicable in the local communities.

The LCCIC has been well received by both the civilian and military communities. The mutual benefits that can be derived by such a council are significant. It is anticipated that the LCCIC will greatly assist in maintaining good community relations between Fort Campbell and the local communities and greatly improve the quality of life for both groups.

In discussing the LCCIC with the Under Secretary of the Army, he shared my enthusiasm for the positive approach of the program. During our visit, he was pleased to note this new initiative in implementing a long-established army objective to "be a good neighbor" to surrounding communities. He informed me that the activities of the LCCIC are consistent with fostering the kind of relationships required to support our all volunteer army program. He noted particularly the council's efforts to enhance respect and cooperation between the Army and the civilian sector as well as their efforts to establish priorities for meeting mutual local needs. The Under Secretary of the Army also commented favorably on the apparent well-defined channels and communications established by LCCIC, and noted that the mutual goals established by this group appeared suitable for application in other locales.

Mr. President, the Congress has directed the military to develop an all-volunteer force. I am convinced that the military has launched a vigorous campaign to achieve this objective. In order to recruit this desired force, the military must be able to offer the individual modern housing, more privacy, as well as adequate recreational, medical, and commissary facilities for himself and when authorized for his dependents. We can all be proud of the excellent progress we find at Fort Campbell. It is up to us to see that the program continues on schedule.

I urge that the authorization and appropriation of funds for the fiscal year 1974 MCA projects requested for Fort Campbell be approved.

## CUTOFF OF FUNDS TO CHANGE BOUNDARIES OF ANY REGION OR ABOLISH ANY REGION OF THE NATIONAL FOREST SYSTEM

Mr. MONTOYA. Mr. President, I wish to thank my colleagues for supporting Senator MANSFIELD, Senator Moss, and me in our efforts to cut off funds for changing the boundaries of any region or abolishing any region of the National Forest System of the Forest Service at this time.

The planned transfer of the Regional Office of the Forest Service from Albuquerque to Atlanta, consolidating the regions involved, shocked citizens in my State of New Mexico and aroused strong objections from conservation groups in the entire southwestern area of the United States.

This original plan was apparently made without thought or intelligent consideration of the real needs of forest conservation or resource preservation in the southwestern part of the Nation. With five national forests, New Mexico's problems of timber management, grazing permits, and recreational facilities are unique and are completely different from those of the southeastern region. The Albuquerque Regional Office is essential to effective service for forest needs in New Mexico.

I notified Chief John R. McGuire of my strong objections to this move immediately, informing him that I considered it both illogical and ill advised.

The Department's response to me indicated "savings" as a primary rationale for the plan. Any attempt to effect savings in the operation of our national forests should be made only after serious and professional consideration of the viewpoints of all those who are directly concerned, and only upon the presentation of compelling evidence that the savings would be real and not another example of penny-wise and pound-foolish government.

I am convinced that regional consolidation of the Forest Service is a highly dubious method of saving, especially when the consolidation itself would require the expenditure of an estimated $2 million.

The cutoff of funds for making this move was necessary at this time. I trust it will be retained in conference. I urge the Senate conferees to stand firm in retaining the Senate prohibition against the use of these funds for abolishing or changing the boundaries of any region in our National Forest System.

## THE RIGHT TO KNOW

Mr. PERCY. Mr. President, on May 31 Mr. HUMPHREY and I, together with cosponsors Mr. JAVITS, Mr. BUCKLEY, Mr. MATHIAS, Mr. STEVENS, and Mr. BROOKE, introduced a bill, S. 1914, which would authorize the continuation of Federal assistance to Radio Free Europe and Radio Liberty and would establish a Board for International Broadcasting to administer that assistance.

Our bill is based on the recommendations of the Presidential Study Commission on International Radio Broadcasting, a distinguished panel of academicians and public figures appointed by President Nixon on August 9, 1972, to review the Government's methods and mechanisms for providing support to the two radio stations. Charged with the task of submitting its recommendations on a priority basis in order to permit the drafting of appropriate authorizing legislation as early as possible in the present session of Congress, the study Commission vigorously pursued and completed its work ahead of schedule under the very able direction of its Chairman, the Honorable Milton S. Eisenhower, president emeritus of Johns Hopkins University.

The Commission's recommendations are based on the fundamental principle that all peoples have "the right to know" and on the assumption that genuine human understanding among all the peoples of the world is essential for peace. The Commission concluded that Radio Free Europe and Radio Liberty, by providing a flow of free and uncensored information to peoples deprived of it, can contribute significantly to a climate of détente between East and West.

I believe that the Commission report, which has been published under the title of "The Right to Know," merits reading by every Member of Congress and by a wide public. The Senate Foreign Relations Committee has scheduled hearings on S. 1914 for June 12. In the days remaining before these hearings, it is my intention to insert into the RECORD sections of the Commission's report.

Without objection, I will submit for the RECORD at this time the summary of the report followed by Commission comments on the ideal and the reality of free movement of information and ideas.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

### SUMMARY OF THE REPORT

### THE RIGHT TO KNOW

The Universal Declaration of Human Rights and the Constitution of the United Nations Educational, Scientific and Cultural Organization—subscribed to by many nations, including the Soviet Union and the United States—proclaim as a universal human right *the right to know*. The assumption in these international compacts is that one indispensable ingredient in a comprehensive program for peace is genuine human understanding among all the peoples of the world.

This noble philosophic concept is, however, not a reality. Two-thirds of the peoples of the world are denied the right to know—almost completely in some nations, less stringently in others. While we are concerned that all peoples should possess the privilege of complete and truthful information, the problem is acutely important in the Soviet Union and its area of hegemony, not only because censorship and other information controls are severe and unremitting, but also because that area represents one of the two great power centers of the world.

### INTERNATIONAL BROADCASTING IN THE WORLD TODAY

International shortwave broadcasting is a medium of great and growing importance. It is the only means of communicating with large numbers of people without regard to borders; in the last two decades, worldwide shortwave broadcasting has increased fourfold.

The larger share of the increase has occurred in the communist world, despite the fact that in open societies such as the United States, Soviet and other communist information, news, representations and misrepresentations are amply available in the uncontrolled and free mass media.

Nevertheless, the Soviet Union, by the use of powerful transmitters, has increased its broadcasts not only to areas of the world under "censorship" but also to the free world, including the United States. Most broadcasts are official. Some purport to be "independent." Together, Soviet broadcasts alone are on the air in 84 languages for a total of approximately 1,900 program hours each week. The Eastern European allies of the Soviet Union also carry on a major effort by radio.

Because of the narrow limits within which the communist governments permit the introduction of foreign printed matter, films, and other information materials, the United States, the United Kingdom, France, Germany, and other Western nations must rely on radio broadcasting to Eastern Europe and the Soviet Union as virtually the only effective means of reaching the peoples there. Official foreign broadcasts, such as those of the Voice of America, are valuable in reporting international news and explaining official governmental positions. These broadcasts serve important purposes and should be continued.

### THE SPECIAL ROLE OF RADIO FREE EUROPE AND RADIO LIBERTY

Radio Free Europe and Radio Liberty are unique in the entire spectrum of international broadcasting. They differ substantially from the official broadcasts of the United States and Western European nations. They operate essentially as a free press does in the United States. They too bring world news and interpretation into the Soviet sphere, but they devote a substantial portion of their broadcasts to news and essential background information about internal developments in and among the communist states. They correct misinformation or partial information offered by the internal mass media of the Soviet Union and Eastern European countries. Recently the phenomenon known as *samizdat*—typescript circulation of uncensored manuscripts—has added an important new dimension to the work of Radio Liberty (and also Radio Free Europe), which now diffuse these "self-published" materials widely to their listeners.

The stations are listened to regularly and appreciatively in the six countries under consideration: the Soviet Union, Czechoslovakia, Romania, Hungary, Poland and Bulgaria.

The Commission is convinced that Radio Free Europe and Radio Liberty, by providing a flow of free and uncensored information to peoples deprived of it, actually contribute to a climate to détente rather than detract from it. Experience in the last few months has shown that "relaxation of tensions" on the government level does not necessarily lead to a relaxation of internal controls. In fact, since the summer of 1972, quite the contrary has occurred.

We therefore recommend that the stations be continued until the governments of the countries to which the stations are broadcasting permit a free flow of information and ideas, both internally and between the East and West.

### ORGANIZATIONAL STRUCTURE

One of the main concerns of the Commission was to propose an organizational structure that would preserve the professional independence of the stations, while assuring that they do not operate in a manner inconsistent with United States foreign policy objectives. Such a structure should be strong and flexible enough to serve for the next decade, since it is unlikely that the free movement of information in the Soviet sphere will become a reality any time soon. When it does occur it will be time to consider termination of the stations.

The Commission recommends the creation by Congressional action of a *Board for International Broadcasting* as a public institution to receive appropriated funds for allocation to Radio Free Europe and Radio Liberty. The Board would in effect serve as a nexus between the public, Congress, the Executive Branch, and the stations.

The Commission considered and rejected several alternatives: administration of grants by the Department of State; administration of grants by the USIA; merger of the stations with the Voice of America; and conversion of the stations into a single Federal agency. The Commission does not believe the stations could maintain their professional independence if directly linked to the Department of State or USIA. A merger with the Voice of America would practically eliminate the stations; and an agency status would likewise endanger their independence while eradicating their corporate identity and thus threatening their license agreements.

The Board for International Broadcasting as proposed by the Commission would include the following features:

The Board would receive Congressional appropriations and make grants to RFE and RL.

The Board would be responsible for assuring that the stations do not operate in a manner inconsistent with broad United States foreign policy objectives.

The Board would be vigilant on behalf of the professional independence of the stations, whose primary function is to promote a free flow of relevant information and interpretation to the Soviet Union and the nations of Eastern Europe.

The Board would be responsible for assuring that adequate fiscal controls are maintained and that funds are used in an effective and efficient manner for the purposes intended.

There would be seven directors of the new Board; five, including the Chairman, would be appointed by the President with the advice and consent of the Senate from Americans distinguished in such fields as foreign policy and mass communication. The other directors would be the chief operating executive of Radio Free Europe, Inc. and the chief operating executive of the Radio Liberty Commitee. They would be *ex officio*, nonvoting members.

The Board would have a minimum staff, drawing on the stations for much of its administrative support.

Headquarters of the new Board and the executive staffs of both stations should be located in contiguous space, preferably in the Washington, D.C., area.

### POSSIBLE IMPROVEMENTS AND ECONOMIES

The Commission recommends continuing efforts by the new Board and the two private corporations to develop consolidations and improved cooperation at every point where this is feasible.

A potential area of consolidation is related to the urgent need of the stations for renovation and modernization of their facilities. This need is so critical that a start should be made at the earliest feasible time. But the Commission also urges that as soon as possible there be a comprehensive technical study of the feasibility of using joint broadcasting facilities designed to meet the needs of all broadcasting supported by the United States. The possibility of joint use of transmission facilities of VOA and the stations should be seriously considered, even though the functional integration of the stations with VOA should be rejected.

Long-range economies and efficiencies might also accrue from consolidating functions and space in Munich as well as at other locations where the stations have personnel and facilities.

### FINANCING THE STATIONS

Radio Free Europe and Radio Liberty have, from their beginnings, been essentially American undertakings. Although many West European governments and leaders have widely endorsed the broadcasts of the two radios, direct public support of broadcasting operations by European governments could lead to confusion in *operational* policies. This could ultimately impair the effectiveness of the stations as free and responsible information media within the context of United States foreign policy objectives. The Commission therefore believe that the stations must continue to be financed mainly by United States appropriated funds.

There is, however, room for new or increased outside contributions, both American and non-American. Both stations conduct research which is the best of its kind available; it is of value to Western governments, universities and scholars. European governments should be solicited, therefore, to help support the research activities of both stations since such support would be separate from daily broadcast operations of the stations and would not lead to confusion in management and operation.

Private European contributions for all purposes should be sought vigorously. The Commission discussed this problem with the Chairman of the West European Advisory Committee for a Free Flow of Information (formerly West European Advisory Committee to Radio Free Europe). There are favorable prospects of some private financial help from European businesses and individuals but it would be unrealistic to assume that major sums will be collected.

If the principles affirmed in this report find support by the President, the Congress, and the people, the stations will be opening a new chapter in their mission and the episode of covert financing will have been put behind us. In these circumstances we think it possible that solicitation of private funds in the United States can be vigorously revived and broadened. This effort should be carried out by both radios jointly. We believe this task should now focus on a capital fund drive designed to underwrite the long-overdue program mentioned above for modernizing the technical equipment of the two radios. We strongly recommend that the President take the lead in a proposed capital fund drive by recommending an appropriation to provide the first 50 percent of the required capital fund and calling upon private citizens and the business community to match that grant over a three-year period.

The two radio corporations from the very beginning were largely financed by United States Government funds (through the CIA) and operated in the United States interest. Accordingly, the Commission strongly recommends an official United States Government recognition now of its obligation to assume the costs of the liquidation of the stations if the political situation at an undetermined date in the future would permit the discontinuation of their operations.

The ideal of free movement of information and ideas is firmly incorporated in recent pages of history documenting human progress. In America, in particular, belief in the right of man to know—to be adequately informed—is as basic as our belief in the right to self-government. A people can deal effectively with its common problems only if it is able, through a free, open, collective dialogue, to articulate crucial issues and to make decisions for their resolution. Similarly, in interstate relations, any opportunity to harmonize differences that arise among nations must be based on an initial understanding that human aspirations are not changed by dotted lines on a map. There are indeed differences in emphasis from people to people, but there are certain essentials that transcend national or ideological frontiers. For one, it is clear that a people uninformed or misinformed is a danger to itself and a potential threat to its neighbors. Thus, a precondition for world peace is international freedom of information.

These noble concepts, regrettably, are far from realization in large areas of the world. Poverty and ignorance alone substantially deny many peoples their right to knowledge. But others are robbed of this right by interference, more or less stringent, practiced by their governments—governments which plainly believe that a free flow of information and ideas among their peoples could lead to criticism and calls for internal reform.

The Commission believes that no free people can be indifferent to any restrictions on the right to know, wherever they may exist. We are convinced that responsible, peaceful action by Americans or others to convey truthful information to people living under various forms of information control, wherever they exist, should be encouraged.

Limitations on freedom of information existing in the Soviet Union and its area of political and military hegemony, however, merit extraordinary concern. The Soviet sphere constitutes one of the two great power centers of the world. The peoples of the Western Hemisphere and Western Europe have long and deep traditions of cultural and ethnic identity with most peoples of this area. Furthermore, this area is relatively well developed, composed of societies that have attained high educational and cultural levels and that possess advanced technical skills. They are, thus, naturally concerned and intensely interested in political as well as other important developments and issues, both in their own countries and worldwide. Yet today and for decades past they have suffered under pervasive systems of information control erected by their governments to deny them the most rudimentary access to "unauthorized" information and opinion. These systems apply to the domestic affairs of each country in the Soviet sphere, to the affairs of other communist countries, and to the affairs of the noncommunist world.

The visit of President Nixon to the Soviet Union in May 1972 symbolized a commendable improvement in official relations between East and West. Unfortunately, however, Soviet and other East European leaders have repeatedly stated that the principles of coexistence to not "offer possibilities of relaxing the ideological struggle."

Mikhail Suslov, the foremost ideologist of the Soviet Party Politburo, on June 20, 1972, announced a new ideological campaign within the USSR, emphasizing that in the present period of international detente and in anticipation of the Conference on Security and Cooperation in Europe intensified efforts must be made to prevent erosion of Soviet control over information. In his words:

> In all our ideological work any relaxation of the struggle against reactionary bourgeois ideology is inadmissible. . . . The struggle precisely in the field of ideology, the field where there is not and cannot be any peaceful coexistence, has been sharpened considerably.

What is the practical impact of this campaign and countless earlier ones upon the Soviet and Eastern European peoples? Freedom to travel abroad continues, in most countries, to be rigidly controlled. Emigration, save for a few, is denied as a matter of principle by most of these governments. The most striking aspect of the current emigration of some Soviet Jewish citizens is not that there have been obstacles but that it has been permitted at all. Constitutionally established rights to free expression— that is, those rights guaranteed in the Soviet Constitution and the similar constitutions of the other communist states—continue to be rendered meaningless by the suppression of virtually every effort to exercise them outside the narrow limits dictated by the communist parties. Arrests, denials of employment, incarceration in mental institutions, exile, and even removal of citizenship are among the techniques of intimidation and repression employed. The citizenery is discouraged from contact with foreign visitors. Foreign news and other informational materials are largely excluded; even the West European communist press is sometimes confiscated because of its treatment of so-called "complicated" issues—unduly candid descriptions of economic conditions in the Soviet sphere, complaints about continuing political trials in Czechoslovakia, or other deviations from Soviet foreign policy positions.

In many of the countries of the Soviet sphere, Radio Free Europe and Radio Liberty broadcasts are heavily jammed, although with only limited success. The Soviet government as well as some other East European governments also jam other foreign broadcasts, including the local language transmissions of the Voice of America. Jamming is, of course, contrary to international law. The Montreux International Telecommunications Convention, to which the USSR is a signatory, clearly prohibits such interference with international radio broadcasts.

We are pleased that this generally bleak picture has a few brighter spots. Dogged persistence has won for the populace some modest successes in their struggle for more information.

Since the late 1960's, circulation of what is called *samizdat* (self-published materials) has become a significant phenomenon in the USSR. Writing of all kinds—but especially that providing political and social information and opinion which the government will not permit to appear in print—circulates in handwritten or typescript copies. A persistent theme in these documents is the right and the need of Soviet citizens to debate freely their national problems, and the documents suggest a wide range of solutions. There is evidence that extensive reading of *samizdat* materials over the Radio Liberty network has attracted considerable audience interest.

In East Europe, some peoples have now achieved marginally greater freedom to travel abroad, to express new or unorthodox points of view about social, economic or political problems faced by their societies, and to read non-communist publications. And two governments, Hungary and Romania, no longer jam any foreign broadcasts.

More detailed descriptions of the impediments to the free flow of information and ideas to and within the Soviet Union and Eastern European countries are contained in two papers submitted at our request by the research staffs of Radio Liberty and Radio Free Europe, which the Commission believes merit attachment to this report (Appendix C). We asked the Department of State to review these papers. The Department found them to be compatible with its own observations.

Governments in Eastern Europe and the Soviet Union continue to enforce a substantial denial of the free circulation of ideas and information; and yet there remains a need—indeed, a great thirst—among the peoples of these countries for these precious commodities. Thus, the continuation of credible international radio broadcasting, the only means of communication that penetrates government censorship, remains as critical today as it has been in the past.

## SHOULD WE HAVE A NATIONAL PRESS COUNCIL?

Mr. ERVIN. Mr. President, when Vice President Agnew issued his stinging criticism of the press a few years ago, he precipitated a wide-ranging debate on the proper role of the press, its responsibility and objectivity, and its relationship to Government. Since that time, the administration has been involved in a number of controversial and sometimes unprecedented acts which have been viewed as part of a deliberate and well-orchestrated plan designated to intimidate the press and destroy its credibility. Hearings before the Constitutional Rights Subcommittee in the fall of 1971 and early 1972 were designed as an effort to review press-governmental relations over the past few years. In part, they document the charges that have been leveled against the administration and its attitudes toward an independent and critical press. They also illustrate widespread public criticism and discontent over the way the press has been fulfilling its tasks.

While the conflict between the administration and the press has received great public attention, the press has also been devoting considerable attention to self-criticism. Whether prompted by the Vice President and other administration critics, or by widespread public dissatisfaction, or by internal forces, nonetheless the fourth estate has over the past few years been taking a good hard look at itself. This ferment has taken place largely outside the public eye. It has been marked by the establishment of journalism reviews, by the creation of "ombudsmen" such as Robert Maynard of the Washington Post, and by a great increase in debate wherever representatives of the press congregate with one another. While the press has been nearly unanimous in defending itself against administration critics, among themselves they are anything but united.

This is a healthy development. The first amendment imposes a great responsibility on the press to inform, to probe and to criticize government. If the press loses the confidence of the public, if it becomes weak and flaccid, a mere conduit for public relations handouts, an apologist for government, then it fails to discharge an essential role in the operation of our democracy.

One recent development which is designed to restore public confidence and improve press performance is the idea of a national news council recently proposed by a distinguished body gathered together under the auspices of the 20th Century Fund. The council, formally titled "Council on Press Responsibility and Press Freedom," will consist of nine public members and six representatives of the press. It will be chaired by Roger Traynor, former Chief Justice of the California Supreme Court.

The Council's responsibility is "to receive, to examine, and to report on complaints concerning the accuracy and fairness of news reporting in the United States, as well as to initiate studies and reports on issues involving the freedom of the press," to quote the report on the council by the 20th Century Fund. It will be entirely voluntary, and will have no formal enforcement powers. Its only function is to receive complaints, investigate them, and report its findings.

Mr. President, I ask unanimous consent that the full text of the report be printed in the Record at the conclusion of my remarks.

There being no objection, the report was ordered to be printed in the Record, as follows:

### A Free and Responsive Press

(The Twentieth Century Fund Task Force Report for a National News Council)

The United States is now passing through an era marked by divisive, often bitter, social conflict. New groups have coalesced to assault the privileges of the established; new ideas have arisen to challenge the validity of the old. Stridency and partisanship, militancy and defiance are in the air.

Reporting the news has always meant telling people things they may not want to hear. In times of social conflict, this task is all the more difficult. Skepticism turns to cynicism. Detachment is too often perceived as hostility. The clamor to "tell it like it is" too often carries with it the threat to "tell it like we see it, or else." The Greeks were not alone in wanting to condemn the bearer of bad tidings.

Disaffection with existing institutions, prevalent in every sector of society, has spread to the media of public information—newspapers and magazines, radio and television. Their accuracy, fairness, and responsibility have come under challenge. The media have found their credibility questioned, their freedom threatened, by public officials whose own credibility depends on the very media they attack and by citizens whose own freedom depends on the very institutions they threaten.

A free society cannot endure without a free press, and the freedom of the press ultimately rests on public understanding of, and trust in, its work.

The public as well as the press has a vital interest in enhancing the credibility of the media and in protecting their freedom of expression. One barrier to credibility is the absence in this country of any established national and independent mechanism for hearing complaints about the media or for examining issues concerning freedom of the press. Accordingly, this Task Force proposes:

That an independent and private national news council be established to receive, to examine, and to report on complaints concerning the accuracy and fairness of news reporting in the United States, as well as to initiate studies and report on issues involving the freedom of the press. The council shall limit its investigations to the principal national suppliers of news—the major wire services, the largest "supplemental" news services, the national weekly news magazines, national newspaper syndicates, national daily newspapers, and the nationwide broadcasting networks.

As a result of economic changes and technological advances, these few giant news organizations, with their unprecedented news gathering resources, now provide the majority of Americans with most of their national and international news. The Associated Press and United Press International, the two principal wire services, supply material to 99 percent of all daily newspapers as well as to most radio and television stations. Complementing these facilities are the major nationwide radio-television networks the national weekly news magazines, national newspaper syndicates, nationwide daily newspapers (the *Wall Street Journal* and the *Christian Science Monitor*), and the "supplemental" news services, increasingly comprehensive wire services sold to large and small newspapers by organizations such as *The New York Times* and jointly, *The Washington Post* and *The Los Angeles Times*.

This concentration of nationwide news organizations—like other large institutions—has grown increasingly remote from and unresponsive to the popular constituencies on which they depend and which depend on them. The national media council proposed by this Task Force will serve its purpose most effectively by focusing on the major national suppliers.

Publishers and broadcasters are justifiably suspicious of any proposal—no matter how well intended—that might compromise editorial independence, appear to substitute an outsider's judgment for that of responsible editors, ensnare newsmen in time-consuming explanations, or lend itself to the long-term undermining of press freedom. The press of the United States is among the best in the world and still improving, but it fails to meet some of the standards of its critics, among them, journalists. Moreover, a democratic society has a legitimate and fundamental interest in the quality of information available to it. Until now, the citizen who was without benefit of special office, organization, or resources had no place to bring his complaints. Until now, neither the public nor the national news media have been able to obtain detached and independent appraisals when fairness and representativeness were questioned. The proposed council is intended to provide this recourse for both the public and the media.

The Council is not a panacea for the ills of the press or a court weighing complaints about the responsibility of the press. With its limited scope and lack of coercive power, the Council will merely provide an independent forum for public and press discussion of important issues affecting the flow of information.

Editors and publishers may fear that a media council will stimulate public hostility; some even suspect that it might curtail rather than preserve their freedom. The core of the media council idea, however, is the effort to make press freedom more secure by providing an independent forum for debate about media responsibility and performance, so that such debate need not take place in government hearing rooms or on the political campaign trail. The Task Force unanimously believes that government should not be involved in the evaluation of press practices. The Task Force also recognizes that there is concern about the relationship of press council procedures to the confidentiality of news sources. It is convinced that the founders must address themselves to the issue of confidentiality in the charter and the Council must respect and uphold essential First Amendment rights by maintaining confidentiality of news sources and of material gathered in news production in its proceedings.*

The idea of a national council is not new. Sweden and Great Britain have had press councils for many years and one recently was set up in New Zealand. Britain's council, composed of private citizens and journalists, most closely resembles what the Task Force proposes.† Although the British council has not achieved all of its objectives in the past decade it has won substantial acceptance.

In the United States, a number of communities and one state—Minnesota—have in recent years established press councils. Some are no longer active; all appear to have been constructive regardless of their longevity, and experience has brought increasing accomplishment and decreasing mortality.

Significantly, the most recent and ambitious undertaking, Minnesota's, was initiated by a newspaper association. This development suggests that, as in Britain, opposition may be converted to neutrality and even support, as experience and objective observation dispel myths about the aims and operations of press councils.

Although the American Society of Newspaper Editors and other associations have failed to implement proposals for journalistic "ethics" or "grievance" machinery, investigations by this Task Force indicate that a substantial number of editors, publishers, and broadcasters will participate in a council experiment. As an editorial in the November 28, 1970, issue of *Editor and Publisher* observed: "Newspaper editors and publishers will never stand in the way of organizing such councils, but very few of them will be prime movers in setting them up."

The most frequently advanced proposal—a comprehensive nationwide press council on the British model—is impractical, if not undesirable, in the United States. The vastness and regional diversity of the United States, the number of individual publications and broadcasting stations, and problems of logistics and expense all militate against the formation of a comprehensive nationwide council. The weighing of one journalistic practice in New England against another in Arizona would present an impossible task. Nevertheless, individual newspapers and radio-television stations may find it useful to participate in regional, state, or local councils that are either now in existence or yet to be formed. This Task Force encourages the establishment of such councils. Several authorities have suggested that if such a comprehensive council eventually is formed, it will most likely evolve "from the ground up," possibly as a federation of local or regional councils. We urge that such councils be formed.

Accordingly, the Task Force makes the following recommendations for the establishment of a national council:

1. The body shall be called the Council on Press Responsibility and Press Freedom.

2. The Council's function shall be to receive, to examine, and to report on complaints concerning the accuracy and fairness of news coverage in the United States as well as to study and to report on issues involving freedom of the press. The Council shall limit its review to news reporting by the principal national suppliers of news. Specifically identified editorial comment is excluded.

3. The principal national suppliers of news shall be defined as the nationwide wire services, the major "supplemental" wire services, the national weekly news magazines, national newspaper syndicates, national daily newspapers, nationwide commercial and noncommercial broadcast networks.

4. The Council shall consist of fifteen members, drawn from both the public and the journalism profession, but always with a public chairman. Both print and broadcast media shall be represented. No member shall be affiliated with the principal nationwide suppliers of news.*

5. A grievance committee, a subcommittee of the Council, will meet between eight and twelve times a year to screen public complaints. When appropriate, the committee and Council staff will engage teams of experts to investigate complaints.

6. The Council shall meet regularly and at such special meetings as shall be required. Its findings shall be released to the public in reports and press releases. Routine activities will be handled by a permanent staff, consisting of an Executive Director and professional assistants. The Executive Director should have significant journalistic experience.

7. Complaints about coverage by the designated national suppliers of news shall be handled according to procedures similar to those of the British and Minnesota press councils. Thus, the procedures will include a requirement that any complainant try to resolve his grievance with the media organization involved before the Council may initiate action on a complaint. Complainants will be required to waive the right to legal proceedings in court on any matter taken up in Council proceedings. It is expected that most complaints will be settled without recourse to formal Council action.*

8. Individuals and organizations may bring complaints to the Council. The Council may initiate inquiry into any situation where governmental action threatens freedom of the press.

9. Action by the Council will be limited to the public reporting of Council decisions. The Council will have no enforcement powers.

10. Where extensive field investigation is required, the Council may appoint fact-finding task forces.

11. The Council's executive offices shall be at a location designated by its members. Regardless of the ultimate location, the Council shall consider emphasizing its national character by scheduling at least some meetings on a rotating basis throughout the country.

12. The Task Force shall appoint a founding committee which will select the Council's original members, incorporate the Council, adopt its constitution, and establish the initial budget.

13. Terms of office shall be three years (with terms of charter members to be staggered on the basis of a drawing of lots); members shall be limited to two consecutive terms. Members must resign from the Council if they leave the vocational category which was the basis for their selection. On retirement of a Council member, the Council shall appoint a nominating committee made up of representatives from foundations, the media, and the public. The Council shall make the final selection from the choices presented to it.

14. The founding committee shall incorporate the Council and establish the initial budget for a minimum of three to six years. It is suggested that the annual budget will be approximately $400,000.*

15. The Task Force appoints Justice Roger Traynor, former chief justice of California, head of the founding committee and chairman of the Council.

16. The Council's processes, findings, and conclusions should not be employed by government agencies, specifically the Federal Communications Commission, in its deci-

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*Hereafter asterisk indicates point on which Richard Salant abstains.

† Immediately after World War II, Britain was shaken by political and social dissonance similar to that of the United States today. Press mergers, closings, and allegations of sensationalism and slanting of news generated public concern and debate in and out of Parliament. The result of this debate was a Royal Commission investigation. The report of the commission recommended, among other measures, the creation of a private press council, to hear and act on complaints about the press and to speak in defense of press freedom when appropriate. Broadcasting (then only the government-sponsored BBC) was excluded from the recommendation.

Newspaper proprietors deliberated at length and delayed action for months; then agreed to a council with no public members. In 1963, after further Parliamentary threats and another Royal Commission report, the present successful citizen-journalist council was established.

Twenty of the Council's twenty-five members are chosen by eight publisher and journalistic staff organizations; the remaining five are public members elected for fixed terms by the Council. The chairman is also a public member. (Lord Devlin, one of Britain's most prominent judges was the Council's first public chairman). The secretariat is composed of three professional journalists. The Council's only power lies in the publicity given its findings. Its expenses—slightly more than $70,000 a year—are borne entirely by national press organizations.

"Foreigners who study the British Press Council usually come away in a mixed mood of admiration and bafflement," according to Vincent S. Jones, former executive editor of the Gannet Newspaper Editors. "It ought not to work, they feel, but somehow it does."

sions on broadcast license renewals. Failure to observe this recommendation would discourage broadcasters from supporting or cooperating with the Council.

The national media council proposed here will not resolve all the problems facing the print and broadcast media, nor will it answer all of the criticisms voiced by the public and by the politicians. It will, however, be an independent body to which the public can take its complains about press coverage. It will act as a strong defender of press freedom. It will attempt to make the media accountable to the public and to lessen the tensions between the press and the government.

Any independent mechanism that might contribute to better public understanding of the media and that will foster accurate and fair reporting and public accountability of the press must not be discouraged or ignored. The national media council is one such mechanism that must be established now.

Mr. ERVIN. Mr. President, the proposal for a press council has provoked widespread debate within the press community. Those who support the idea argue that under the first amendment the responsibility for maintaining a fair, honest, and credible press belongs to the press itself, and not to any official governmental body. The great advantage of a council is to provide a disinterested forum within which to present and evaluate complaints about the press. This forum, armed only with the moral force of its own integrity, will go far to eliminate unjustified criticism, and to repair the damage done when reporting is shown to have been irresponsible. It is far better, supporters argue, to have a nongovernmental body do this than to permit pressures to grow for official oversight.

In opposition, many have argued that it is almost as bad to have private censorship as to have the Government engaged in press review. They see the council as an ill-disguised surrender to the demands of administration spokesmen who have been attacking the press, not for bias and lack of objectivity, but for disagreeing with the administration or not swallowing its statements uncritically. They argue that the press is not deficient in objectivity, but in zeal; that it has not played enough of an independent, critical role in reporting on Government. And they also deny that any group of men, no matter how prestigious, can be truly nonpartisan or objective when so much of the criticism of the press stems from disagreements provoked by the major controversies of our time. As George Reedy suggests, the only truly objective council can be one which is composed solely of people who agree with him—a council he concedes no one else will favor.

I sympathize with Mr. Reedy's position. I long have deplored the fact that my fellow Senators do not share my own sound views on all subjects. Such, however, is always the case in a society which prides itself on diversity and independent thinking. We would have it no other way.

Whatever one's views on the desirability of the news council, we can all support the fact that whether or not to have a press council is not a decision which is any of government's business. It is a matter left to the press and the public. But, under the first amendment, all citizens, even Congressmen and Senators may have views on the issue. I, for one, believe that despite the high motives of those who sponsor the creation of a press council, it is a bad idea. In my view, any inhibition on an individual's right to express himself is an infringement of the first amendment. No group of men, no matter how lofty and dignified, should be put in a position where they presume to pass judgment on how wisely or foolishly another has exercised his right to speak. The first amendment contemplates a welter of information and opinion, but no umpire to call fouls, and impose penalties; even moral ones. Free, open, robust, controversial debate is what the first amendment calls for. Even if it were possible to gather a group of totally objective, absolutely unbiased unswayable men—which it is not—we would not want such "philosopher kings."

Mr. President, for the further information of all who read the Record, I ask unanimous consent that a variety of articles commenting on the idea of a press council be reprinted in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

### Birth of A Media Council: "Monitoring" National News Suppliers—2. Questions and Answers

(Note.—The National News Council proposal was discussed at a press conference accompanying release of the Report. Excerpts appear below.)

Lucy Benson. As must be obvious, we all came together because of our deep belief in the free press' being the basic foundation of a free society, and in the public's understanding and trust in a free press and a free society being very necessary. We believe that the press and the public both have a very vital interest in establishing and maintaining the credibility of the press and in protecting the freedom of the press. We came to the conclusion that what was lacking in this country, among other things, in this particular instance, was some kind of national and independent mechanism or institution for examining issues concerning freedom of the press and for hearing complaints from the public about the media.

Our purpose in proposing the establishment of a media council—a press council—is to help make press freedom more secure by providing an independent forum for debate about the responsibility of the press, and the freedom of the press. It is very limited in scope. It applies only to the national suppliers of news: the major networks, the wire services, those newspapers which have news services which are widely used throughout the country, the two daily national newspapers—the listing of national suppliers in our Report. Furthermore, the Council is limited by the fact that it has no coercive power.

At first it seemed that the whole country is so big and so diverse—unlike Great Britain, which really in many ways is a homogeneous country—that we couldn't see how we could manage to deal with the entire print press and other media throughout the country. We came up with the idea of putting emphasis on the national suppliers. Once we had gotten through this thinking process, things fell into line much more easily. Details about the nature of the Council are in the Report.

Q. The press release says you urge the formation of this Council, but the impression is this is a definite intention. Is it?

M. J. Rorrant. The Task Force proposed a working (founding) committee, made up of some members of the Task Force and some foundation representatives. They are engaged in implementing the Task Force report. The next stage is the establishment of a council.

Q. Will this be funded entirely by the Twentieth Century Fund?

Rossant. No, there will be a consortium of foundations.

Q. Have you gotten enough commitments to be absolutely sure that you can go ahead?

Rossant. I would say so, yes.

Q. Has the Ford Foundation, which you asked for money, agreed to give you money?

Rossant. They're considering it.

Q. The press release says that this is going to be in operation in early 1973. Will it?

Rossant. I hope so. The working committee received the report of this Task Force well over a month ago, and it has been in operation ever since. But this Task Force report does stand on its own.

Q. How do you propose to air the conclusion of this Council when it is set up? Will you call press conferences to announce that so and so article contained errors?

Benson. The procedures for the Press Council will have to be worked out, of course, by both the founding committee and by the Press Council itself in operation. But, it is intended that the Council will issue reports from time to time, and especially will issue an annual report. And, the findings of the Council will be published.

Q. Has the Council taken into account that many of the media will not choose to publish these recommendations? How will they get aired?

Benson. We expect that will be the case. But eventually we expect that more and more members of the media will publish our reports, and news releases the Council wishes to issue.

Hodding Carter III. In any case, considering that we're dealing with the national suppliers, while supplier A may not publicize what has been done about him, supplier B and C certainly will.

Q. In your discussions, I assume that you talked with a great many editors and other journalists who are not on the Task Force. What kind of response did you get?

Benson. It was very mixed—some very positive, some very questioning, some not very positive, but there was great interest, certainly. It was encouraging.

Salant. I think I ought to emphasize that when we all first met, there was great skepticism among us, too. It's one of those things that you must think about before you come to any final conclusions.

Q. Do you think there are any risks inherent in the idea?

Carter. Yes. One, and only one. There's no risk to freedom of the press; there's no risk in terms of what it may do. There is always the risk in a venture like this that it will just fail, that it won't be utilized by the public, and that it will die of apathy. This is an obvious risk. Other than that, I don't see a risk that either the public or the media have to fear.

Q. How do you keep it free of government control or media influences?

Robert Chandler. We started out by limiting its financing to organizations which are free from both influences.

Q. Who will police the Council? If, for example, you had too many people of one political persuasion, how would you maintain balance?

Benson. Of course, this will be another kind of risk. If the Council does not conduct itself in a thoroughly credible manner itself, it will not have credibility. It won't need to be policed—members of the press, you know, are our biggest critics. The biggest critics of the report that we have put together are going to be the American press itself.

We are very interested, in our Report, in seeing that this Council is representative, is literally a national council, not made up of people from one part of the country or people from one part of the country or people of very similar backgrounds, and we have provided for a council of fifteen, to have both public and private members—the exact proportion to be worked out by the founding committee. The chairman, we have said, must always be a public member, and I think if the Council is a responsible institution, as we expect it to be, it will see that it does not become overweighted in one or another direction, politically, geographically, occupationally, or whatever.

Q. How will the selection process take place?

BENSON. The founding committee is working on this and is very anxious to have input from anybody or everybody—private citizens, representatives of institutions, from the press. The founding committee would welcome suggestions, for people to serve on this Council.

SALANT. I think it's very important to emphasize that the people who are under the jurisdiction of the Council—that is, the national suppliers—have nothing to do with the funding and nothing to do with the selection of the members. This is a sharp departure from the British Press Council, which is made up in part of members who represent the people who are being investigated. That doesn't hold here at all.

Q. Mr. Salant, there are some asterisks in the report, where you have abstained on several points. Do you have a minority report?

SALANT. No. I abstained because those were proposals that were made for reconsideration by a foundation before whom applications for funding were pending. I thought it was a mistake to consider anything from anyone from whom we were begging. My asterisks have nothing to do with whether I agree or disagree. In fact, I agreed with almost all of them. I just don't like to do it while I'm waiting for some money.

Q. Point No. 16 raises a question which is in all of our minds: that is, the Council resisting attempts by the FCC or other government agencies to use its findings in any way. Does that extend also to subpoenas?

BENSON. Yes.

Q. Is Judge Traynor willing to defy his former colleagues on the bench and be in contempt of court?

BENSON. More than willing; he has seen the Report. It's a big problem, and one that concerns all of you. It is one that concerned us. Obviously, the actual operating relationships will have to be worked out in practice, but Justice Traynor has said on several occasions that he will not allow the Council to be used either for fishing expeditions or for cosmetic or any other ulterior purposes; and I think all of us feel quite confident that if there's anybody who's going to see a fishing expedition down the turnpike, it will be Justice Traynor. We don't think the FCC has any business in this, and I think that there's not going to be any problem there because of Justice Traynor, among others.

HARTFORD N. GUNN, JR. Wouldn't it be fair to say that one of the ways in which this Council could fail would be if it becomes an instrument of punishment? The objective the most of us had in mind was that this is an instrument for education—education of the public, education of the press, and, one would hope, education of government.

Q. Will the Council itself initiate complaints?

BENSON. Yes.

Q. Is it conceivable that some of these provisions might be altered by the foundations from which you are seeking money?

ROSSANT. I don't think that any financial supporters of this proposed Council can dictate or bring about changes, but it is possible that in deciding how best to implement the Council, and make it work, that there will be some modifications in the proposals made by the Task Force. They won't be modifications that were brought about through any sort of financial pressure.

BENSON. We decided a long time ago that we would set a limit, a percentage of the total amount of funding we needed to establish this Council—25 per cent—so that no funding organization, be it a foundation or some private person even, could provide more than that.

Q. What are you seeking—$400,000?

BENSON. In annual operating expenses, we are thinking of a three- to five-year experiment.

Q. Will the Council have a headquarters someplace?

BENSON. It will have to have a headquarters, but its location has been, as you can see in the Report, unspecified. We're leaving that up to the Council. Or, the working committee.

Q. Whose decision was it to go ahead and establish a working committee?

BENSON. We recommend the appointment of the founding committee but it would not have gone forward if The Twentieth Century Fund had not carried forward the idea.

SALANT. You may be seeing history made. All these foundations and lovely reports always come out and then nothing happens. More than half the time, they're right; the recommendations are good. This time there was an effort to combine, at least to some degree, a report and recommendations and implementations. That's very unusual. It's an experiment. I think it's a noble experiment.

Q. The Council only has one member right now, is that right?

BENSON. That's right; Justice Roger Traynor.

Q. Recommendation No. 12 says, "The Task Force shall appoint a founding committee which will select the Council's original members. . . ." Who is on the committee?

ROSSANT. I can name the Task Force members on it. Barry Bingham, Lucy Benson, Robert Chandler, Prof. Ithiel de Sola Pool, Louis Martin, and Justice C. Donald Peterson, who is also chairman of the Minnesota Press Council. There are also foundation representatives: the Twentieth Century Fund, the John and Mary R. Markle Foundation, the Benton Foundation; Sen. William Benton has been named consultant to the working committee.

Q. Could you give a specific example of how you might take action on a newspaper or broadcast story that you felt needed action?

BENSON. We are in the process of working on the procedures. But in general either the Council itself, or someone on the outside, would bring a complaint of one kind or another. The first thing that would be done would be to try to get the complainer to settle face to face with the newspaper, or whatever it was, that he had a complaint against—to try to get this adjudicated outside of making a formal complaint. The experience of the British Press Council is that they receive many, many more complaints than they actually formally hear or adjudicate. If it were, however, taken up to be adjudicated, the Council would investigate the charge and hold hearings and talk with people and release its report.

Q. Mr. Salant, if a press council like this were to have come to you at the time of *The Selling of the Pentagon* flap, and said, "We think you did something wrong, let's sit down and talk," what would have been your initial reaction?

SALANT. As a matter of fact, it was *The Selling of the Pentagon* experience that turned me toward this council. I just wished that there had been somebody there—nonpolitical, professional, systematic—to whom I could say, "Here, this is what they're saying, and this is what we say, and—you tell us; you tell the public." I would have appreciated it very much. It would have been an important service to me, and to my associates who worked on it, and all the rest who had spent so much time on it. More important, it would have been an important service to the public, had somebody impartial—not Cong. Hébert—had a look at it and decided. Not Cong. Hébert, and not me.

Q. Mr. Salant, would you be willing to turn over your outtakes to such a press council?

SALANT. If I understand what the connotation of our Report is, they couldn't demand the outtakes. Certainly, I would have turned over the outtakes on the main issue about editing. That is, the Dan Henken interview, because under our procedures, the man who is interviewed can always request a transcript of his own interview. Henken had done that, and so he had submitted it and it had been printed in the *Congressional Record*. I think that I would have to judge that on a case-to-case basis where the outtakes involved some sort of information that is confidential or were believed by the interviewee to be confidential, and where the purpose clearly is not for some government agency to second-guess us on an editing judgment, I think I would.

BENSON. We recommend that the Council protect the confidentiality of sources in every way possible.

Q. How would the Council approach a politician whose speeches may or may not be indicated as an infringement upon the press?

CARTER. The one thing the Council is not going to do is to sit around protecting the press from being criticized. Criticism, I trust, is a function which belongs to the public as well as to the press. What we would do, however, is what the British Press Council is interested in doing in areas in which government itself is taking action in an institutional way. As we envision it, the Council would try to speak directly to that question, in any way that it could.

Q. Wouldn't you have to go farther in, for example, broadcasting, when the threat of action is almost as effective as action in the licensing arrangements?

SALANT. The Council is going to have to decide what it does and what it doesn't do, and certainly we who are the potential defendants can't decide for them. But I certainly hope that one of the first things it takes up, after a newsman's privilege and a few things like that, is the whole question of the Government using its licensing power as a means to bring us to heel. I think that is the largest fundamental issue, and that issue still exists today.

Q. Has there been unanimous approval of the idea from the national suppliers?

BENSON. Well, there is a mixture of reactions.

BARRY BINGHAM, SR. I don't think we require approval, in that sense, from the national suppliers.

BENSON. No, we didn't ask for approval.

Q. Something like 99 per cent of all daily newspapers gets some news from the two major wire services, so might not a member of the Council be asked to consider something that has appeared in his own paper?

BENSON. That is quite true, but what we are saying is that the membership of the Council will not be open to those who are employed by, or associated with in a very direct sense, the AP, or UPI, or one of the other national suppliers of news. If they happen to be editor or reporter on a newspaper which subscribes to the AP or the UPI or both, that's really not relevant.

Salant. I don't think that creates the kind of a conflict that you contemplate, because when you take something from the wire services you don't really make any independent check on its completeness or accuracy, so you're not casting judgment on yourself. If you could make that kind of check you wouldn't need the wire services.

Carter. To turn it around, from something I know unfortunately only too well, I would be very happy if there was some way that occasionally I could deal with some of our suppliers in terms of what I publish and the kind of hell it caught.

Q. Quite a few journalism reviews across the country have tried to monitor the media and criticize them. How does your goal differ from or overlap theirs?

Chandler. It's a difference of approach, I think, largely because the journalism reviews, in many cases at least, started out in some fashion like a beginning course in journalism school—Beat the Press. We look upon this Council as a source of unbiased and responsible examination of two facets of the performance of the news media. One is fairness, which we don't define very well, and one is accuracy—and we carefully limit the Council to the reporting of news and the fairness and the accuracy thereof.

Bingham. I think that some of the journalism reviews are doing a fine job, but they are very limited in circulation, and their circulation is confined almost entirely to the profession. We hope that the findings of the press council will be very generally disseminated, and be of interest to a very broad. public.

Salant. Let me add to that, because I feel very strongly about that. I do think that they're supplementary, that there is an overlap. I think that one of our difficulties has been that there hasn't been enough systematic, professional examination of what we do. The more journalism reviews there are, and indeed, the more the press itself examines not only itself, but its constituency the happier I am. I think it's good for us, to take it out of the hands of the people who have an ax to grind and put it in the hands of systematic, professional examination.

Benson. It isn't that the press council would be more impartial or more fair or more accurate in its work than a journalism reviews; it performs, or is being set up to perform, a much broader function. And it is an operating independent organization, whereas a journalism review is a part of the print press. The press council will investigate and hear and discuss and make the best decision it can and announce it—so it's a different function.

Carter. I can't remember if we specifically encouraged journalism reviews, but we certainly encouraged local press councils and the like. A number of us came into this believing that the only way we could go at it was to insist on the establishment of a great variety of local councils, or state, regional, whatever. But we decided that was impractical. We couldn't come out of this committee having established twenty-five regional press councils, but we're very much in favor on the whole proliferation of this, in any way it wants to go.

Q. How will the Council investigate a complaint if one party refuses to cooperate?

Benson: There will be a professional staff, who will, when it is necessary, appoint additional committees to look into something. We are proposing a director and two other professional members of the staff, and they would be people of wide experience in the journalistic field.

Rossant: What is envisioned here is a new, independent institution which will have its own staff, its own headquarters, and will have to make its own way.

### BIRTH OF A MEDIA COUNCIL: "MONITORING" NATIONAL NEWS SUPPLIERS—3. COVERAGE UNEVEN; OPINION MIXED

(By Laurence I. Barrett*)

(Note.—"Among newspapers, magazines, and networks that would be affected, there was a large volume of quiet. For the press council, no news is bad news indeed.")

It is easy to understand why any news executive might resent creation of a vigorous press council intended to monitor the accuracy and fairness of the national media. Even back in the good old days, when Spiro Agnew barely had household name status in Maryland, the idea was far from popular. Now our woods are alive with outside agitators of diverse motive. Press criticism-cum-commentary has become a growth industry. The subpoena threat keeps everyone's nerves ajangle. The prospect of having another kibbitzer lurking behind you—even a well-intentioned one who might lend some class to the game—is upsetting.

This was the frame of mind in which many broadcasters, publishers, and editors received the announcement on Nov. 30 that a committee set up by the Twentieth Century Fund was organizing a press council. Therefore it was hardly surprising that nays studded the initial reaction. What did snap the head a bit was the nature of the news coverage and editorial-page debate that followed.

A sampling of two dozen papers and the news magazines showed a decided pattern. Newspapers such as the St. Louis *Post-Dispatch*, Philadelphia *Inquirer*, Houston *Chronicle* and some others outside of New York and Washington gave the news story relatively better play than did the Eastern Establishment types. Editorially, the New York *Daily News*, Miami *Herald*, Spokane *Spokesman-Review*, Detroit *News*, St. Louis *Globe-Democrat*, and others argued the negative side; the Denver *Post*, Lincoln *Star*, Des Moines *Register*, Louisville *Courier-Journal*, Milwaukee *Journal*, Cleveland *Plain Dealer*, and others voted aye with varying enthusiasm.

It did not take too much sampling to realize that many editors, regardless of their views, were treating the issue as one that deserves serious attention and discussion. By and large, these represented organizations that would not be directly affected by the new council because they are not national news outlets and do not sell a national news service to others.

Among newspapers, magazines, and networks that would be affected, there was a large volume of quiet. For the press council, no news is bad news indeed. Lacking any kind of police power or institutional status, it can succeed only if it builds some moral authority, as its British model has done. And that can happen only if the organizations covered give it some degree of recognition, even if the recognition is in some cases hostile. Clearly, that is not what is happening.

The main NBC and ABC TV news programs ignored the story altogether the evening that it broke. CBS's Walter Cronkite mentioned it briefly on TV, and on Dec. 5 Roger Mudd revisited the subject at length in a CBS radio network piece. CBS News President Richard Salant, it should be noted, was a member of the Task Force that proposed the press council and has spoken out in its support. NBC and ABC executives oppose it.

It would be unfair, of course, to equate opposition with the silence on the air. Richard Richter, co-producer of ABC's *Evening News*, recalls that he sent a reporter to the Twentieth Century Fund press conference. But it was rather late in the day for film, he says, and there was other news.

Among the news magazines, *Time* devoted two-and-a-half columns of its four-column PRESS section that week to the Task Force report; *Newsweek* and *U.S. News & World Report* did not cover the announcement. *Newsweek* senior editor Russell Watson, who edits the MEDIA section, points out that the news broke with no advance notice on a Thursday afternoon. That is late for the back-of-the-book cycle, as any news magazine veteran can attest, and Watson's initial reaction was, "Let's wait until it does something." Now, he says, he regrets that decision. At *W.S. News*, executive vice president Ben Grant says that it was simply a news judgment. "The fact that we ignored the story," he says, "does not imply a position on our part. It was not our kind of story. We have no press or media section. People read our magazine for reports on national and international affairs."

Among four of the newspapers that would be specifically affected by the press council—the Wall Street *Journal*, the Washington *Post*, the New York *Times*, and the Los Angeles *Times*—treatment of the story varied somewhat. On Dec. 1, the *Journal* gave the story eleven lines in its page 1 WHAT'S NEWS column. The *Post* ran a five-and-a-half-inch story in the AROUND THE NATION column on page 14 of its second section. The Los Angeles *Times* carried a longer piece under the byline of its New York correspondent, John J. Goldman. Ten days later it published an editorial in opposition. Neither the *Post* nor the *Times* said explicitly that it would be one of the few papers covered by the press council's limited self-drawn jurisdiction.

The New York *Times* did make that point. It also gave the story more space than the *Journal*, *Post*, and Los Angeles *Times* combined—19 inches, on page 53. The article started with a brief summary of the council's goals and mechanics, followed by a passage reporting negative or skeptical reaction from three sources: the American Society of Newspaper Editors, *Times* publisher Arthur Ochs Sulzberger, and Washington *Post* editor Benjamin Bradlee. Then came two short quotes of support from two members of the task force.

The ASNE reference was to a "recent questionnaire sent to 700 members" that produced a 3-to-1 vote "against such a council." These survey results were attributed to William B. Dickinson, executive editor of the Philadelphia *Bulletin* and chairman of the ASNE's ethics committee. One had to read the United Press International dispatch to learn 1) that 405 ASNE members, not the full roster, had replied to the poll; 2) that those responding were not necessarily aware of the specifics of the then-unreleased committee report; and 3) that Dickinson himself personally favors the council idea and "would like very much to see it tried." And one had to read the January, 1973, *Bulletin* of the American Society of Newspaper Editors to learn that the 3-to-1 vote referred to a specific question about ASNE grievance machinery; the vote on a specific question about a grievance apparatus established outside the ASNE was 106 for, 257 against.

Sulzberger's opposition had been stated the previous May in a commencement speech. The Dec. 1 *Times* story recalled those remarks and indicated that the publisher had been speaking in general about press councils. Reporter David K. Shipler recalls that, in quest of an institutional comment, he had consulted managing editor A. M. Rosenthal, who referred him to Sulzberger's statement. An aide to the publisher told me later that

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*Laurence I. Barrett is a senior editor of Time. Among the sections he heads is Press.

Sulzberger had been away from the office because of an ear ailment. Had Sulzberger seen a draft of the specific council proposal at the time of the May speech? No, the aide said, but he was aware of what was coming and, in fact, the purpose of the address was to "forestall" the project.

When that effort failed, one might have expected the *Times* to state its opposition on the editorial page. Yet during the seven weeks following publication of the Task Force Report, there was no editorial. One obvious reason for this strange silence was the disagreement between Sulzberger and Editorial Page Editor John B. Oakes, who was a member of the Twentieth Century Fund Task Force. This made for some awkwardness within the family, to be sure. It would have been something of a slap at Oakes to make him run an editorial attacking a project that he had worked on.

*Times* readers, however, could not be expected to know about that peculiar circumstance. To them, and to a good many other readers and TV news watchers, the press council had been relegated to the status of a nonissue. This odd situation apparently left *Times* executives uneasy. Sometime in December, it was decided that the paper would have to say something more on the question. After a few weeks of drafting, the message emerged in a strange medium: a Sulzberger memorandum to the staff declaring that the *Times* would not cooperate with the press council and explaining why. Excerpts appeared in a news story on Jan. 16.

The full text ran four pages. ". . . We will not be a party to Council investigations," Sulzberger said. "We will not furnish information or explanations to the Council. In our coverage, we will treat the Council as we treat any other organization: we will report their activities when they are newsworthy." Sulzberger went on to identify the "real threat to a free press" not as journalism's own failures, but rather the now-familiar pattern of Government hostility and pressure. "The presence of the Council is not materially going to help us meet these real threats," he said. "Indeed, we are convinced that the operation of the Council will only serve to divert attention from them."

The Council would lack "due process," Sulzberger also argued, in that the organization "would function as investigator, prosecutor, and judge rolled into one." The publisher apparently found it no contradiction to argue a few paragraphs later that individual newspapers can and should be the judges of complaints against them.

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### THE NATIONAL NEWS COUNCIL: A SAMPLING OF COMMENT

#### IN FAVOR

Some professionals of the news media may be alarmed by the recent proposal made by a citizens task force that a national press council be established. We are not. Far from being inimical to the freedom of the press—as some newspaper executives have contended for years—a public (as opposed to a governmental) body charged with evaluating press performance and threats to free expression can be a further bulwark of freedom.—Denver *Post*.

Members of a Twentieth Century Fund task force think that readers, listeners, and viewers will have more confidence in national news media if an independent, nonpolitical council is formed to hear complaints and publicize proved violations of fairness and accuracy. . . . We're inclined to agree with the idea. It is worth a try on the national level after several local and one statewide experiment (the latter in Minnesota). We have reservations about details, but we have enough confidence in the strength and flexibility of our profession to believe that it can only profit from informed criticism.—Cleveland *Plain Dealer*.

The mass media need to experiment with new ways in which their performance as a major social institution can be evaluated and audience grievances can be heard. . . . The new national council . . . seems prudently conceived. . . . It adds up to an interesting and needed experiment.—Milwaukee *Journal*.

No one likes a critic watching over his shoulder, but the *Journal* finds no compelling reason to oppose this particular effort. . . . The council cannot hope to prevent or solve all disagreements among the press, the public and the government. But if it works to keep press freedom at a maximum and misuse of it at a minimum, it can make a worthwhile contribution to American life.—Lincoln, Neb., *Journal*.

This projected press council, careful as its planning has been and will be, is very much experimental. . . . But on all scores it is certainly worth trying, with all parties, public included, remembering that the council is wholly advisory and educational, with publicity and persuasion its only powers for influence.—Riverside, Calif., *Press*.

Most news organizations attempt to respond to complaints, but the complainant has no recourse short of a libel suit if he is dissatisfied with the response. . . . The communications media have nothing to fear from independent, responsible evaluation of their performance. If the planned press council lives up to the standards set for it in the task force report, formation of the council will be in the interests of a free and responsible press.—Des Moines *Register*.

This newspaper has always believed in the principle of accountability, and we have never believed that the press should be immune to criticism. . . . Whether the council convened by the Twentieth Century Fund ever goes beyond the rather limited function immediately planned, the communication industry and each member of it need to be sensitive to the idea of responsibility and accountability. By doing so they will be in a stronger position to resist threats to their freedoms.—Portland, Ore., *Journal*.

Up to now, a citizen or group treated unfairly by a national news organization has been almost powerless to lodge an effective complaint. . . . This is one of the unfortunate results of that bigness that now characterizes so much of our society. . . . If [the council] lives up to its mission as "an instrument of education, education of the public . . . education of the press," it will perform an assential service for us all.—Louisville *Courier-Journal*.

No human institution, including the press, is so infallible or so punctilious in dealing with complaints that it should be immune from institutionalized investigation and criticism. . . . As a powerful force in public affairs, the press itself should be subject to the educational check and balance of an agency which would both help to redress grievances and vindicate the media when they are unfairly castigated.—St. Louis *Post-Dispatch*.

Some news people may not like it, but the press council that the Twentieth Century Fund is establishing is a good idea. In fact, the real shortcoming of this arrangement is that there aren't more press councils to study complaints, monitor news gathering performance, and defend the press against threats to its freedom.—Dayton, O., *News*.

We like the task force's proposal. Not only should the press be chastened for irresponsibility, laziness, and just plain dullness, but it should be given support when threatened by repressive bureaucracy, as it is now. No institution is its own best defender and it certainly is its own worst critic.—Salem, Ore., *Journal*.

#### OPPOSED

The proposed council, scheduled to begin operation early next year, threatens public censorship of the press in a move that could imperil the press of the country with an arbitrary straitjacket. Under the Constitution of the United States it is, of course, possible for anyone or any group to criticize the way newspaper, magazines, and the electronic media function. But this council's design could erode freedom of the press and the spoken word by the weight of endowed propaganda.—St. Louis *Globe-Democrat*.

Establishing oneself as the judge of the performance of the news media seems to us to be presumptuous, if not downright arrogant. In a free society, the people themselves can and do pass judgment on the news media's performance, as the folding of Life magazine illustrates.—Milwaukee Sentinel.

A single national press council would be like a single national newspaper, forming its own judgments as to how all newspapers and broadcast media should operate. It no doubt would accommodate a certain amount of diversity, but only a certain amount. Those of the press council who admire the New York Times would tend to want to take that as the example of what newspapers should be. Those who deplore that paper, or any other, could be expected to work for a degree of conformity in the other direction. We do not suggest that establishing a press council would lead to a dictatorship in this country, but it would be a dilution of freedom of information and opinion. . . .—Spokane, Wash., Spokesman-Review.

If a group wants to establish itself as a more formal agent of critical judgment—leaving aside the important question of its qualifications—OK. . . . But it does seem unreasonable to expect the press to join in. For by joining, a newspaper would in effect agree in advance to abide by the group's judgments. Looking at it pragmatically, there is no way this could fail to affect future decisions on what to publish and what not to publish. . . . So such a council, however well motivated, inevitably would further restrict the flow of information from an already intimidated press. The loser, as we keep saying in the face of some skepticism, is always the public.—Los Angeles Times.

But the promoters of the proposed council want "unbiased criticism" and to "put it into the hands of systematic, independent investigators." The extent of their objectivity can be seen in the makeup of the task force. . . . The ideological thrust seeps. . . . "It'll be an interesting experiment and I don't think it'll work," said Ben Bradlee, executive editor of the Washington Post. We would paraphrase that: "It will be an uninteresting experience and it won't work."—Ft. Wayne, Ind., Sentinel.

Our favorite monitor, and one who does enjoy coercive power, is the reader of this newspaper. If he does not like what he sees he can tell us. If our response is unsatisfactory he can punish us by dropping the Herald. It's been done. But not often enough to affect the readership of a newspaper which has the largest circulation south of a line between Los Angeles and Washington. The Herald submits itself every day to the monitor it treasures most. It does not propose to submit to any other.—Miami Herald.

The press is not above reproach or immune from criticism, but we oppose such a council because it is unnecessary, could become a political weapon, and would be a form of intimidation smacking of censorship. . . . Who, we'd like to know, is going to monitor the press council? . . . Who will keep it from playing the role of censor and holding a club over writers and editors as they seek to exercise their rights under the first Amendment?—Detroit News.

The work of such a council might be of assistance to the media, which are right now undergoing more than a bit of soul-searching (and it's about time). But its usefulness to the public is more doubtful, for much criticism directed at the media is actually directed at the (bad) news the media offers. The executive editor of the Washington *Post,* Benjamin C. Bradlee may have put it best when he remarked, "It'll be an interesting experiment, and I don't think it'll work."—Wilmington, Del., *Journal.*

How can any group of fifteen men and women, presumably top-flight personnel with their own professions to keep them busy, handle the volume of complaints that can be expected from so wide and tempting a target? If all complaints are not at least acknowledged, how can the council preserve its own credibility, when it acts on singled-out charges? Singled out by whom? Since the council will have no power to enforce its findings, it must depend on public opinion for support. Yet it is on public opinion that responsible newspapers depend in the first instance. If they fail to meet their responsibilities, all the press councils in the world will not give them credibility. If they continue the unending effort to meet their responsibilities, a national press council is not needed.—Providence, R.I. *Journal.*

We don't care how much the [Twentieth Century] Fund prates about its virtuous intentions. This is a sneak attempt at press regulation, a bid for a role as unofficial news censor. The best way to preserve a free press is to permit it to continue policing its own ethics—something it does with a rigor, frequency, and effectiveness seldom shown by other enterprises, including foundations.—New York *Daily News.*

Many of the council's opinions will no doubt be helpful and fair. Some will deserve to be followed. So who, you may ask, will be unhappy with such a plan? We'll tell you who: The many people who resent the power of the press. . . . Whoever they are, they will look upon the council as a step toward the control they covet, and will seize every opportunity to discredit the council as being too weak. And so there will be constant pressure to turn the council into precisely what it is being established to guard against, an agency which assumes the right to tell newspapers and broadcasters what they can or cannot print or broadcast. Perhaps it will be able to withstand this pressure. Perhaps it will earn the respect of the entire press simply by virtue of the fairness and good sense with which it exercises the rights that it already has. If so, its influence will grow. . . . [But] the new council must not count on the support of the press. This is something it will have to prove that it deserves.—Chicago *Tribune.*

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[From the Christian Science Monitor,
Mar. 16, 1973]

### A Press Council? Why Not?

Why shouldn't the United States finally see whether a national press council works?

Specifically, what's wrong with trying the proposal of a Twentieth Century Fund task force to set up an independent, privately financed council to watchdog the freedom of the national news media and review complaints about their accuracy and fairness?

Press councils have been discussed in the United States at least since the '30's. The Hutchins Commission on Freedom of the Press drew national attention to the subject—and to the opposition to it within the press itself—in 1947. In more recent years, councils have made strides in Honolulu, Minnesota, and elsewhere—enough to provide the material for a small book by a team of scholars:

Now it is time to go ahead on a national scale. Assuming that the planned council is as well staffed and workable as its auspices promise it to be, this newspaper stands ready to cooperate.

In this decision we are mindful of the success of the somewhat different but closest model for the American council—the British Press Council. It has proved itself over two decades, especially since the healthy step 10 years ago of including lay as well as press members. Recent figures show a decline in number of complaints—"an indication, no doubt, of lessened causes for complaint about newspapers," wrote the late George Murray, Daily Mail editorial writer and one of the British council's first chairmen.

Meanwhile, rightly or wrongly, a feeling has grown in the United States that there is increased cause for complaint about newspapers and their magazine and broadcasting fellows. While fostering this feeling, the administration has also darkened the climate for freedom of the press.

The prime responsibility for maintaining credibility belongs to the press itself. The prime responsibility for maintaining freedom belongs jointly to the press, government, and public.

Vigorous pursuit of these responsibilities ought to be sufficient, and nothing more is apparently needed in the eyes of the New York Times, Time, NBC and other major news suppliers that do not support the press council. Their arguments include opposition to "regulation" by an independent body, as well as by government, and concern over giving an impression that the press could speak with an institutional voice or be authoritatively judged by a single group.

A number of commentators have said that the media are continually being evaluated by the sternest judges of all, the public. And we feel that the news media on the whole have performed very well under this scrutiny.

Yet some readers tell us how difficult they have sometimes found it to get satisfaction on complaints to the media. And the media might find it a distinct advantage to let an independent body serve the best interests of both sides in such cases.

The key lies in the double duty indicated by the full title of the proposed Council on Press Responsibility and Press Freedom. As we see it, it would not impose "regulation"—it has no powers of enforcement. It would be as zealous in examining threats to the freedom of the press as in evaluating complaints about it.

There could thus be a valuable tempering effect in a time symbolized by the statement on the cover of the current Atlantic: "It is now possible to fool all of the people all of the time. . . ." Inside, attorney Charles Rembar makes this pertinent comment: "In centuries past, the facts were decently apparent; what was needed, and what the government opposed, was comment on the facts. Now we are free to comment, but the facts are hard to find."

Government and other institutions withhold, obscure, and sometimes even falsify the facts. This is where the public's right to know and the press's right to freedom converge. Accuracy depends not only on a newspaper's care and honestly but on the candor of its sources and its freedom to pursue them.

The whole uneasy situation could be tempered by the concerned but detached gaze of an independent body. It would certainly do no harm to try it.

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### The National News Council: Its Virtues and Its Flaws

(By Robert C. Maynard)

It is ingrained in the conventional wisdom of these times to characterize this as a largely apathetic society of silent souls. That notion might be convenient for politicians but it hardly suffices for the Ombudsman who wrote of the return of the POWs that it was a staged affair, "down to the last 'God Bless America.'" For such a man, this is hardly a silent age—or a dull one.

Even though I mostly enjoyed the spirited response in the mail and on the telephone, I should have thought it would have been clearer that my complaint was hardly with the POWs, but with the Pentagon. I never doubted the sincerity of the returned prisoners, but long experience has taught me to suspect public relations men who envelop their clients to the point where reporters can't speak with them directly and spontaneously.

Nonetheless, the complaint of many of the readers, that I impugned, the sincerity of the "God Bless America" statements, is well taken. That was a rhetorical flourish which overstepped the limits of the known facts.

Since that point was amply made by the returned prisoners and by numerous letters to this newspaper and to myself, I raise it here because it helps shed light on another controversy surrounding the news business.

Last year, a task force of the Twentieth Century Fund, a New York foundation, after extensive study and deliberation, concluded that what the United States very much needs is a national news council. "Until now," the task force said, "the citizen who was without benefit of special office, organization or resources had no place to bring his complaints. Until now, neither the public nor the national news media have been able to obtain detached and independent appraisals when fairness and representativeness were questioned. The proposed council is intended to provide this recourse for both the public and the media."

The council would hold a quasi-judicial hearing on complaints and dispatch teams of investigators to examine the background of complaints. To pursue a complaint with the council, an injured party would first waive his right to later bring legal action against the offending journal or broadcast outlet. The council would concern itself only with the national purveyors of news—the wire services, the broadcast networks, supplemental news services such as those operated by The New York Times, the Los Angeles Times and The Washington Post, and those newspapers themselves.

The council was also envisaged by the task force as serving another crucial function, that of guardian of the interests of the free press against governmental incursion. "The core of the media council idea . . . is the effort to make press freedom more secure by providing an independent forum for debate about media responsibility and performance, so that such debate need not take place in government hearing rooms or on the political campaign trail," the task force report said.

In support of the idea of a media council, the task force also argued that such councils exist in countries such as Britain and Sweden and in the state of Minnesota. Councils also have existed in several small communities around the country.

Those who favor the idea of press councils—and many thoughtful journalists and media consumers do—see them as the means by which the press can become more democratized. They feel that the news media now reflect the views mostly of their owners or their editors, that much therefore is left out of the press or, when included, is distorted.

The ideological and social range of persons who hold a suspicious view of the press is as wide as America itself. Getting agreement on the ailments of the media is not difficult; arriving at agreement on solutions clearly is.

The reason I think the reaction of the Pentagon and many readers to my article on the POWs is germane to this discussion is that it illustrates what might be a fallacious view held by some proponents of the idea of a news council. That notion is that truth needs an organized referee in the marketplace of ideas. Aryeh Neier, executive director of the American Civil Liberties Union, ridiculed the press council as a "consumers' union" of ideas, giving out a rating on the good ones and the poor ones.

No one who read my column criticizing the Pentagon's handling of the prisoner return was without ample opportunity to hear dissenting material from the prisoners, from the military and ordinary citizens.

Essentially in response to the one phrase, "down to the last 'God bless America'," The Washington Post printed a 51-inch story which began with a 2-column picture on Page 1 of the Feb. 24 editions, quoting the returned prisoners as saying they were not coached. In addition, we carried 10 letters to the editor, taking up 40 inches of space on the second editorial page of March 3. Columns and commentary appeared elsewhere in the country.

We were not lacking in that controversy for available views on the subject. Interestingly enough, one of the older examples of the way in which a press council might have been helpful to sort out the truth also involves the Pentagon. The example proponents of the council offer is the CBS News documentary, "The Selling of the Pentagon." The argument is that it could have been submitted to a press council which could have picked it apart and offered a rendering on whether it was a fair or unfair piece of journalism.

In the aftermath of that controversy, this was one of the newspapers which took CBS News to task for some of its production practices. There followed an extensive exchange of letters and editorials on the subject between The Washington Post and various interested parties in and around the broadcast industry. What both of these incidents illustrate is that there might be less demand for a press council if media outlets became less timid about commenting on each other's efforts.

Ideas are not like machines or detergents. Facts can't be weighed quite like potatoes or bacon. A country blessed with a First Amendment, I fear, must be about a different business from Britain or Sweden. It is true that the First Amendment was framed when the penny press abounded and the framers didn't anticipate a day when only one morning newspaper would serve Washington and only two would serve the millions of New York City.

Still, the idea of a free press will have to withstand those changes, too. Instead of an arbiter among those large suppliers of news and ideas, we need more outlets. For sure, we need more media reviews, some of them with broad-based community constituencies. Certainly we need to foster more criticism of the media from within and without. But a single arbiter of taste and integrity for the media of the nation seems profoundly inconsistent with the goals of pluralism of expression. And that, I think, is what the framers had in mind for us.

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[From the New York Daily News, Dec. 2, 1972]

### Who Needs Them?

Having presumably solved mankind's other vexing problems, the Twentieth Century Fund has bowed graciously to the wishes of its own hand-picked panel and set up shop as guardian of the morals and ethics of the nation's news media.

The Fund plans to establish a national press council next year and already has latched onto Roger Traynor, former chief justice of the California Supreme Court, as head man.

It will, in the foundation's pious words, "promote freedom of the press" by investigating public complaints of unfairness, error, bias or prejudice and publishing their findings.

The latter, we assume, will carry written guarantees that this panel of Paul Prys is itself 100% free of bias and prejudice.

We don't care how much the Fund prates about its virtuous intentions. This is a sneak attempt at press regulation, a bid for a role as unofficial news censor.

The best way to preserve a free press is to permit it to continue policing its own ethics—something it does with a rigor, frequency and effectiveness seldom shown by other enterprises, including foundations.

As for the Fund's feeble attempt to deodorize this scheme by nominating the council to defend the news media from outside threats, we say: Thanks a lot, but no thanks.

Newspapermen have fought their own battles—and done a damn good job of it—for years without the aid of self-appointed meddlers.

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[From the Miami (Fla.) News, Feb. 7, 1973]

### The Attack on the Media

(By Harry Ashmore)

The Nixon Administration's attack on the national communications media is seen by the TV networks, which are currently bearing the brunt, as an attempt at censorship through the implied threat of invoking the government's licensing power against their economic interests.

That view seems to me to be sustained by the evidence and arguments offered at a recent conference at the Center for the Study of Democratic Institutions which brought together a fair sampling of the parties involved in the mounting controversy. But what also emerged was the fact that the media, while properly rejecting official control of their vital function, are no less adamant against any organized effort to appraise their performance in terms of the public interest.

Among the major broadcast media only CBS has indicated support for a new Press Council organized by the Twentieth Century Fund to hear public grievances against the national suppliers of news, investigate and make public its findings. Wholly unofficial, without any recourse to law, the council is modeled on a similar body that has functioned effectively for some years in England.

On the print side, the New York Times and The Washington Post, leading targets of President Nixon's vendetta, have indicated that they will not co-operate with the council. Members of the American Society of Newspaper Editors have voted disapproval by a margin of four to one.

All of which suggests institutionalized paranoia on both sides of the central issue.

I find it difficult, for example, to take seriously the contention of the Nixon Administration that it has been victimized by a media conspiracy when it has just been returned to office by the second highest majority on record.

This is matched by the media's contention that only journalists, necessarily weighed down by the inhibitions of their medium's special interests, are qualified to pass judgment on whether the news is being handled in the public interest.

Yet the situation is undoubtedly grave. If the immediate attack upon the media is seen as symptomatic of a broader effort to curtail or ignore all constitutional projections of dissent, the threat to our civil liberties may be far more serious than anything experienced in this century.

In the McCarthy era the crippling pressures toward conformity were generated primarily by a single rambunctious demagogue with only limited access to the effective centers of power—and when he exceeded the establishment's toleration there were entrenched forces capable of bringing him down in short order.

The current assault on the media is being planned and directed from the White House itself at a time when the executive branch is successfully strengthening its own position at the expense of the Congress and imposing its ideological stamp upon the Supreme Court. Add to this the fact that the stresses of the long, bitter Vietnamese war have left public opinion in a state of near-disorientation, and it is hard to see where effective support for constitutional freedoms can come from.

We can no longer avoid giving serious consideration to the possibility that the Nixon Administration will succeed in making its implicit case that the First Amendment is obsolete. It is not an answer to argue that if our mass communications system is inadequate to our needs it is still better than any alternative that embodies government control.

Even if the contention is perfectly true, as I believe it to be, it constitutes a dead end if in fact the communications system now sheltered by the Constitution is incapable of responding to the legitimate complaints of the popular majority—which must somehow be enlisted in the cause if there is to be any hope of holding the line anywhere near where the founding fathers first drew it.

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[From the New York Times, Jan. 16, 1973]

### The Times Bars Support to Panel for Monitoring News Media

(By David Shifler)

Arthur Ochs Sulzberger, publisher of The New York Times, announced yesterday that The Times would refuse to cooperate with the press council being set up by the Twentieth Century Fund to monitor the performance of the national news media.

The council—to consist of 15 members—would accept complaints from the public about inaccurate or unfair news coverage, investigate the complaints and issue findings. It would have no coercive power.

"As we view it, we are being asked to accept what we regard as a form of voluntary regulation in the name of enhancing press freedom," Mr. Sulzberger wrote in a memorandum to the staff.

"We respect the good intentions of the fund and its task force. We believe, however, that the operation of such a council will not only fail to achieve its purposes but could actually harm the cause of press freedom in the United States.

"Accordingly, we have decided not to participate in the work of the council. This means that we will not be a party to council investigations. We will not furnish information or explanations to the council. In our coverage, we will treat the council as we treat any other organization: We will report their activities when they are newsworthy."

#### PREMISE IS QUESTIONED

Mr. Sulzberger questioned the premise for the formation of the council—that a free press is threatened by its failure to be fair and accurate.

"The real threat to a free press comes from people who are attempting to intimidate or to use the press for their own ends," he said, citing subpoenas issued against reporters, investigations of newsmen by government and threats by government against the broadcast media.

"The presence of the council is not materially going to help us meet these real threats," Mr. Sulzberger declared. "Indeed, we are convinced that the operation of the council will only serve to divert attention from them."

The formation of a council was recommended by a task force, most of whose members were journalists, including Richard Salant, president of C.B.S. News; Richard Harwood, assistant managing editor of The Washington Post; John B. Oakes, editorial page editor of The New York Times; Barry Bingham Sr., chairman of the board of The Louisville Courier Journal, and Hodding Carter 3d, editor of The Delta Democrat Times of Greenville, Miss. Their work on the task force was performed not as company spokesmen but as individuals.

Eight foundations have offered to finance the council's work, and about two-thirds of the money needed for three to five years of operation has been pledged, according to M. J. Rossant, director of the Twentieth Century Fund. The Ford Foundation, among others, has decided not to contribute funds to the council.

In reply to Mr. Sulzberger's statement yesterday, Mr. Rossant said: "I much regret that The Times will not cooperate, because I think it is the most responsible and best, and therefore should have nothing to fear from cooperation. I am surprised that the council is condemned before its members are known or it has had a chance to prove itself."

Mr. Rossant added that he expected the council to investigate news organizations even when they refused cooperation.

In his memorandum, Mr. Sulzberger said that such a council, and similar organizations on local levels, would pose "the risk that such machinery would be used by special-interest groups with causes to espouse."

### "APPROACH IS DANGEROUS"

"And while the council, as proposed, is nongovernmental and would not have any enforcement powers beyond publication of its findings," he said, "we fear that it would encourage an atmosphere of regulation in which government intervention might gain public acceptance. This whole approach is dangerous, and we believe that we must resist it."

Mr. Sulzberger also questioned some proposed operating methods of the council, criticizing what he said was "a procedure so lacking in due process that one organization would function as investigator, prosecutor and judge rolled into one."

He said that reporters might be asked to disclose confidential sources to the council, which they could not do. But Mr. Rossant countered that "there will be no attempt to see confidential information."

Mr. Sulzberger added that people had ample opportunity to criticize the press through letters and public statements. "The press, virtually alone among American institutions, disseminates criticism of itself," he said.

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[From the New York Times, Jan. 28, 1973]

## Cooperation Seen With Press Panel—Help of Half of Major U.S. News Groups Expected

(By David K. Shipler)

The privately financed press council being set up to monitor the national news media appears likely to receive the cooperation of at least half of the major news organizations.

A number of editors and news executives interviewed recently voiced strong opposition to the council, but also said they had decided to respond to the panel's inquiries. Some other organizations—the three news magazines and two of the broadcasting networks—have not yet made firm decisions on whether to cooperate.

The council will be composed of 15 members, drawn from both journalism and the public, who will entertain complaints about unfair or inaccurate news coverage, then investigate and issue findings.

It will be financed by a group of foundations led by the Twentieth Century Fund, and although it will have no coercive power, the idea of such a council has provoked sharp controversy among newsmen.

### CONCERN ON REGULATION

Most of the members of the task force that recommended the establishment of the council were journalists, but many editors and publishers have expressed the fear that such a body would legitimatize the regulation of the press.

"A public body overseeing the news, however well intentioned, is itself subject to dangers of partisanship," said Wes Gallagher, president of The Associated Press. "At the least, it is likely to introduce extraneous values and individual biases into the process or professional news judgment."

Nevertheless, Mr. Gallagher said that The A.P. "as a matter of long-standing policy responds to all questions raised about its news report by any responsible source," and would do so with the press council.

Several other news executives took the same stand. R. W. Beaton, president of United Press International, said, "We really don't see that there's any great purpose to be served by a national news council," but added, "We have never hesitated to answer legitimate complaints in any part of the world, and we fully intend to continue to do so."

"We are something less than enthusiastic about the idea," said Benjamin C. Bradlee, executive editor of The Washington Post. "But we will answer questions put to us by them [the press council] as we would answer questions put to us by Newsweek and Time and (More)."

### "CASE-BY-CASE BASIS"

Warren H. Phillips, editorial director of Dow Jones & Co., which publishes The Wall Street Journal, said, "We will cooperate experimentally on a case-by-case basis." However, he added that "public bodies set up as watchdogs over the press carry the potential for censorship or intimidation over the long run."

By contrast, John Hughes, editor of The Christian Science Monitor, voiced support for the council, and said, "I think that probably newspapers are going to come out of such hearings much better than many people believe."

The council is to monitor only the 'national suppliers of news," meaning the wire services, the networks, the news magazines, nationally published newspapers such as The Wall Street Journal and The Christian Science Monitor, and newspaper wire services, such as those operated by The New York Times and The Los Angeles Times-Washington Post.

To date, cooperation has been pledged by The A.P., U.P.I., the Columbia Broadcasting System, The Washington Post, The Christian Science Monitor and The Wall Street Journal.

No decision has yet been reached by the National Broadcasting Company, the American Broadcasting Company, Newsweek, Time and U.S. News and World Report.

The New York Times has said it will refuse to answer inquiries from the council about news coverage.

'We are being asked to accept what we regard as a form of voluntary regulation in the name of enhancing press freedom," said Arthur Ochs Sulzberger, publisher of The Times, in a recent statement.

He expressed the fear that the council "would encourage an atmosphere of regulation in which government intervention might gain public acceptance."

On the other side of the issue is Richard Salant, president of C.B.S. News, who served on the task force that proposed the council. "There hasn't been enough examination of what we do," he said.

The other two networks have opposed the council, but have not decided whether they would cooperate with it.

"I'm against the idea," said Elmer W. Lower, president of A.B.C. News. He explained that A.B.C. had three outside journalism professors do quarterly analyses of balance and fairness in the network's news. The council, he felt, would be superfluous.

Richard C. Wald, president of N.B.C. News, said: "We feel that it is necessary. We already apply critical standards of self-examination to our own performance."

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[From the Cleveland Press, Feb. 5, 1973]

## Proposed Council To Monitor Press Draws Divided Opinions

The proposed creation of a National News Council to investigate public complaints against the press has resulted in a sharp division of opinion in the news industry.

A UPI survey revealed today that the two major wire services said they would not refuse to answer legitimate complaints: Two of the major networks voiced opposition and the third approval, and a majority of the major members of the news media were against the proposal.

The New York-based Twentieth Century Fund has announced plans to create a 15-member council to monitor the performance of the national news media and investigate public complaints. The council, set to begin operations early in 1973 will have no coercive power and will focus on the major news suppliers and not local press.

It will be "an independent body to which the public can take its complaints about press coverage. It will act as a strong defender of press freedom. It will attempt to make the media accountable to the public and to lessen the tensions between the press and government," said a fund report.

H. L. Stevenson, editor-in-chief and vice president of UPI, said:

"United Press International feels that its more than 6000 subscribers around the world have been the sternest judges of our day-to-day accuracy and fairness. We have never hesitated to answer legitimate complaints, in any part of the world, and we fully intend to continue to do so."

Louis Boccardi, managing editor of Associated Press, said, "We have always answered legitimate questions about the AP news report and will continue to do so."

At the television networks, ABC and NBC attacked the idea, while CBS, whose news president is on the advisory board of the fund, approved it.

"There hasn't been enough examination of what we do," said CBS news chief Richard Salant. "Take it out of the hands of the people who have an ax to grind, put it into the hands of systematic, independent investigators."

Said NBC: "The press already has too many people looking over its shoulder. On balance, we feel that the negative aspects of this kind of 'watchdog' council outweigh the potential benefits."

Elmer W. Lower, ABC news president, said: "At a time when newsmen are going to jail for practicing their craft, the establishment of yet another self-appointed monitoring organization is an unnecessary irony."

A spokesman for the New York Times said the newspaper's president and publisher, Arthur Ochs Sulzberger, was against the creation of a press council.

The spokesman referred to a speech by Sulzberger May 19 when he warned against the dangers of government regulation of the press and said press councils "would simply be regulation in another form."

But John Hughes, editor of the Christian Scientist Monitor, disagreed. "I welcome the formation of a National Press Council by the Twentieth Century Fund as an interesting experiment. Though countries elsewhere have such councils, American editors have long been arguing the merits of such institutions." The experiment, he said, "may help us to resolve these arguments by showing how such an institution would operate under American conditions.

Warren Phillips, president of Dow Jones, publisher of the Wall Street Journal, the National Observer, Dow Jones News Service and the Overseas Ap-Dow Jones News Service, said: "We think that our record over many years demonstrates that we do not require help from a self-appointed, quasi-public committee to continue to do this job and to serve the public interest."

Edward Murray, associate editor of the Detroit Free Press and president of the American Society of Newspaper Editors (ASNE), voiced approval of the council.

"Although the members of ASNE have repeatedly gone on record opposing any kind of Press Council . . . I personally have not been against the principle of Press Councils. It seems to me the Twentieth Century Fund undertaking is an extremely ambitious one and I hope it will not be prejudged until it's had a chance to show what it can do. I also hope it will not attempt to bring any pressures on the individual editor which would result in a weakening of the First Amendment."

But Murray's boss, Mark Ethridge, Jr., Free Press editor, was against the idea. "The papers which might benefit from an outside council are those which will ignore it and those that would be sensitive to it don't need it. I certainly will not voluntarily submit this paper to the dictates of any outside body."

A spokesman for the Washington Post said the newspaper's executives were discussing the issue and would release its opinion when a conclusion was reached.

William B. Dickinson, executive editor of the Philadelphia Bulletin and chairman of the ASNE Ethics Committee, said, "Personally I'm in favor of it. I would like very much to see it tried."

A survey conducted by ASNE of its 744 members, with 405 replies, ran 4-to-1 against a Press Council.

"Basically they don't want anybody touching their newspapers. They think they can take care of their own business," said Dickinson.

He said the survey was taken before the council was announced but "I would assume opposition would be generally the same."

Ralph Otwell, managing editor of the Chicago Sun Times and an executive of Sigma Delta Chi, the national journalism society, said, "Speaking primarily for myself and as first vice president of Sigma Delta Chi I feel that a National Press Council is certainly worth an attempt."

But Clayton Kirkpatrick, editor of the Chicago Tribune stood on the other side of the issue.

"I don't care how much they talk as long as they don't give any orders," he said.

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[From the New York Times, Jan. 30, 1973]

### PUBLISH, AND BE DAMNED

(By Tom Wicker)

Self-censorship may well be a graver threat to a free press in America than anything the Government is able to do. That is the trouble with the Twentieth Century Fund's well-intentioned plan to establish a press council to monitor the performance of national news organizations.

The New York Times has announced that it will not cooperate with the council, and there are some other major holdouts; but enough others have agreed to participate—most of them reluctantly—so that the council probably will get off the ground. Probably nothing could please the Administration's press watchdogs more.

It is true that, with their well-known hostility toward at least the "Eastern liberal press," and given a re-elected President's hard-nosed new attitudes, the Nixon men pose a substantial threat. But in trying to act through official means to cripple the press, they will encounter constitutional barriers, Congressional resistance and perhaps even some public hostility.

Congress and the legislatures, for example, have the power to undo much of the damage done to a free press by the Supreme Court's decision restricting a reporter's right to protect the confidentiality of his sources. Nor does Congress have to pass the Administration's so-called Whitehead bill, which would set local stations to do the censor's work on network news broadcasts. And it is by no means clear that the courts ultimately will tolerate the Government's novel interpretation of the espionage statutes, amounting to establishment of an official secrets act, under which Dan Ellsberg and Anthony Russo are being tried in the Pentagon Papers case.

But one thing is perfectly clear about these developments, as well as the Administration's attempted prior restraint on publication of the Pentagon Papers, and the various strictures on the press periodically voiced by Mr. Nixon and Vice President Agnew. It is that they have planted the fear of retribution in any number of publishers, editors and broadcasters.

It is precisely that fear that underlies the plan for a private press council; the basic idea, however sugarcoated, is to clean up the press before the Government comes in to do the job. That, not so incidentally, is what such friends of the press as Herbert Klein and Pat Buchanan are forever urging the press to do.

Thus, much of the press is now moving—through the press council idea—toward precisely the self-censorship that, in all probability, the Administration has been hoping for all along. This is not to argue that there is anything wrong with self-scrutiny and a sensible effort to correct errors and maintain a scrupulous fairness. The danger is in institutionalizing that self-scrutiny in a press council or any other such instrument.

For one vital thing, that would concede the point that such a watchdog body is needed—when the fact is that the American press does not really need self-censorship, particularly in reporting on the Government. It needs, instead, a vigorous new spirit of inquiry, a bold new determination to make its commitment to truth as it can be perceived, rather than to any Administration, any ideology or any Government-defined statement of the national interest.

The press council idea pre-supposes, for another thing, that the council itself will be altogether objective and unbiased (even as some suppose the press itself should be), when no one can be. As Wes Gallagher of the Associated Press has pointed out, the press council will be as subject to partisanship as any other group.

It is well-known, for one example, that numerous responsible, honorable and fair-minded persons disagreed with The Times' decision to publish the Pentagon Papers. That did not make them right. It is entirely conceivable that a press council numbering such men or women among its members could have either condemned that publication, or at least issued a divided report. That would have had great public weight. Can the American press, with its constitutional responsibilities, really cooperate in such a potential limitation upon its right to publish, and upon its willingness to do so fearlessly and powerfully?

Apparently much of it can; and so the likelihood is that once the council is established and issuing its reports, editors, publishers and broadcasters will begin to seek its favor—at least to avoid its disfavor, which might produce that of the public. Since no one can say in advance precisely what the dominant influences and prevailing attitudes of such a council will be, the process of pleasing it or not distressing it could become a dangerous form of self-censorship.

That the press council would aim to keep the press "free" by making it more "responsible" is a contradiction in terms. If the press is truly free, it follows that it will not always be "responsible ; and anything that tends to *enforce* its "responsibility" necessarily makes it less than free.

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[From Progressive Monthly, February, 1973]

### MONITORING MEDIA—HOW TO KILL A WATCHDOG

(By William L. Rivers)

(NOTE.—*William L. Rivers, a communications expert now at Stanford, has had wide experience as a Washington correspondent, editorial writer, editor, columnist, and radio and television news analyst. He wrote "The Opinionmakers" and "The Adversaries: Politics and the Press," and he is one of the authors of "Backtalk: Press Councils in America," published last year by Canfield Press.*)

What could be more predictable than the angry reaction of much of the press to the establishment of a national press council? In December, the Twentieth Century Fund, the widely respected New York foundation, announced that a consortium of foundations will finance a Council on Press Responsibility and Press Freedom that will both investigate public complaints against the principal U.S. suppliers of news and defend freedom of the press. Nine of the fourteen members of the Twentieth Century Fund Task Force who unanimously recommended establishing the Council are respected editors, publishers, and broadcasters. The Council will have no coercive power, no relationship to government. To consider this a threat to freedom is absurd, and yet the ultra sensitivity of so much of the press made acid reaction entirely predictable. Two weeks after the announcement, I had collected enough savage editorials about the Council to paper the walls of my office.

A prominent place on one wall should surely go to a cartoon that appeared in the *New York Daily News*, the nation's largest circulation newspaper, titled "Endangering Freedom of the Press," which pictures a black glob labeled "Meddling Monitors" looming over a reporter. The accompanying editorial, "Who Needs Them?" is written with the charm of expression for which the *Daily News* is so noted:

"Having presumably solved mankind's other vexing problems, the Twentieth Century Fund has bowed graciously to the wishes of its own hand-picked panel and set up shop as guardian of the morals and ethics of the nation's news media.

". . . [The Council] will, in the foundation's pious words, 'promote freedom of the press' by investigating public complaints of unfairness, error, bias or prejudice and publishing their findings.

"The latter, we assume, will carry written guarantees that this panel of Paul Prys is itself 100 per cent free of bias and prejudice.

"We don't care how much the Fund prates its virtuous intentions. This is a sneak attempt at press regulation, a bid for a role as unofficial news censor. . . ."

The *Chicago Tribune* reflected in an editorial that trying to monitor the press without jeopardizing its freedom is "a little like trying to lasso a steer by mental telepathy." In Providence, Rhode Island, where editorial writers have no stockyards to lend their metaphors a comparable flavor, the *Journal* argued that "the rhetoric of high purpose in which the effort is being wrapped masks basic flaws." An NBC spokesman held that "the press already has too many people looking over its shoulders." Abe Rosenthal, Managing Editor of *The New York Times*, expressed the fear that the Council will endanger press freedom, focus attention unduly on the shortcoming of the media, and become a loudspeaker for pressure groups "skilled in the methods of political propaganda."

A few media spokesmen do favor the Council. Barry Bingham of the *Louisville Courier-Journal*, who was a member of the Twentieth

Century Fund Task Force, has long urged newspapers to encourage local press councils to assess their performance. The *Courier-Journal* said of the national Council: "Up to now, a citizen or group treated unfairly by a national news organization has been almost powerless to lodge an effective complaint. . . . If the unfair story originated with a wire service or a network, the ill-treated person's chances of getting to those really responsible are pretty slim." If the Council lives up to its mission, the *Courier-Journal* held, "it will perform an essential service for us all."

Robert Chandler, former president of the national journalism fraternity Sigma Delta Chi and a member of the Task Force, has benefited from a local advisory council for his Bend, Oregon, *Bulletin* since 1967. He remarked that he has become a kind of missionary for press councils. CBS News President Richard Salant, who was also a member of the Task Force, said, "There hasn't been enough independent examination of what we do. Take it out of the hands of people who have an ax to grind—put it into the hands of systematic, independent investigators."

But there is no doubt that most of the news media oppose the Council. Almost simultaneously with the announcement of the new body, the American Society of Newspaper Editors (ASNE) completed a poll of 740 of its members. The 405 editors who returned questionnaires were opposed, three to one, to ASNE itself establishing a similar council. They were opposed, *four* to one, to a council established by any other organization.

For all its predictability, this hostile reaction is bewildering. Where have these editors been during the past decade of rapidly deteriorating esteem for the mass media? Don't they know that a Harris Poll that surveyed public confidence in the leaders of American institutions in 1966 gave the print media a confidence vote of only twenty-nine per cent, television a confidence vote of twenty-five per cent, and advertising twenty-one per cent? Are they aware that in November, 1972, the same survey showed that the print media had only eighteen per cent confidence, television only seventeen per cent, and advertising only twelve?

To rationalize, as many media spokesmen do, that the mass media are merely suffering from the general decline of confidence in all social institutions is nonsense. The Harris Poll surveyed attitudes toward sixteen institutions. Only organized labor and advertising ranked lower than the print media and television.

To explain away public disaffection by arguing that in troubled times messengers are blamed for the messages they bring is nonsense. The runner of old suffered when he reported that the Romans would sack the city unless it surrendered. Modern messengers are not so innocent. In gathering and reporting the news of the day, the media cut it, splice it, condense it, and shape it, usually with laudable expertise, but sometimes erroneously.

The avenue open to any newsmaker injured in this process is narrow and forbidding. He can protect—but seldom with real hope that his complaint will be heeded and his grievance redressed. Editors are quite naturally skeptical of anyone who speaks in his own cause. Made brusque by frequent encounters with the self-serving, they are right in being skeptical—and *usually* right in doubting that a particular complaint is justified. But when they are wrong, what then?

The *Chicago Tribune* editorial cited earlier is a case in point. In arguing against the Twentieth Century Fund Council, the *Tribune* said of a commission headed by Robert M. Hutchins, which attempted twenty-five years ago to promote a national council somewhat like the one that is now being formed:

"The Hutchins report fell flat because it seemed to assume that the press was not responsible and should not be free. It tipped its hand by calling for the establishment of a Press Council to act 'directly on the press and not through government channels' but at the same time warning that if the press didn't dance to the commission's tune, 'the power of the government will be used as a last resort to force it' to do so."

To put it delicately, this is misleading—an excellent example of the cutting and splicing that gives facts a cruel twist. The Hutchins Commission actually did nothing more revolutionary than hold that the press should provide (1) a truthful, comprehensive, and intelligent account of the day's events in a context which gives them meaning; (2) a forum for the exchange of comment and criticism; (3) the projection of a representative picture of the constituent groups in the society; (4) the presentation and clarification of the goals and values of the society; and (5) full access to the day's intelligence.

The Hutchins Commission recommended that a national press council be established, and it warned that "those who direct the machinery of the press have engaged from time to time in practices which the society condemns and which, if continued, it will inevitably undertake to regulate or control." I search vainly in the 133-page Commission report for any hint that "if the press didn't dance to the commission's tune, 'the power of the government will be used to force it' to do so."

The result of distortions, inaccuracies—and, yes, the irrational fears among millions of Americans that the media are awesomely powerful—is the public condemnation the Hutchins Commission foresaw and the Harris Poll depicts. Distortions and inaccuracies are not limited to the *Chicago Tribune* and its like, nor are the fears of the public, else Vice President Spiro Agnew would never have attacked the media. Like the Harris Poll, Agnew's success suggests how deeply many Americans are dissatisfied. A Demagogue does not create public disaffection. He feeds on it.

Certain official actions indicate that the Hutchins Commission was correct, too, in predicting efforts to regulate the media. Officials have always sought to control, subtly or baldly, but now the depth of public disenchantment with the media has encouraged strong action. Among the many regulatory bills in Congress is a criminal code prepared by the staff of Senator John McClellan's Subcommittee on Criminal Law. Jack Landau of Newhouse National News Service found in analyzing it that Federal authorities would be given broad new powers to prosecute journalists for revealing "national security" or classified information. It authorizes criminal prosecutions against any person "who knowingly communicate or otherwise makes available to any unauthorized person classified information." As Landau pointed out, the litigation in the Pentagon Papers case demonstrated that the State and Defense Departments have classified millions of documents "containing newsworthy information whose publication could not pose any reasonable danger to the national security."

Perhaps more ominuously, Clay Whitehead, director of the White House Office of Telecommunications Policy, the ranking Presidential adviser on broadcasting, openly threatened in December that broadcast stations which do not, in effect, censor network news may find their licenses in jeopardy. (Networks are not directly regulated by the FCC; local stations are.) How else can one interpret the words with which Whitehead condemned what he called "ideological plugola"?

"When there are only a few sources of national news on television, as we now have," said Whitehead, "editorial responsibility must be exercised more effectively by local broadcasters and by network management. Station managers and network officials who fail to act to correct imbalance or consistent bias in the networks—or who acquiesce by silence—can only be considered willing participants, to be held fully accountable . . . at license renewal time. Who else but management can or should correct so-called professionals who confuse sensationalism with sense and who dispense elitist gossip in the guise of news analysis?"

Those words and the proposed legislation are threats. There is crushing reality in the number of journalists who have gone to jail in recent months—five at this writing—for refusing to disclose names or information given them by confidential sources.

In the face of all the evidence that the media are deeply in trouble, how can they rationally oppose the coming of a council that may help them recover the public confidence on which their freedom depends? They should ponder the British experience.

The British Press Council was born as the result of a threat which surfaced in 1946. The House of Commons voted to appoint a Royal Commission to investigate the finances, control, management, and ownership of the press in order "to further the free expression of opinion through the press and the greatest practicable accuracy in the presentation of news." Significantly, the motion was moved and seconded by two *journalist* members of the Commons who feared that the growth of newspaper chains and the advent of big business into newspapers were inhibiting freedom of the press.

Journalism, the Commission decided, is a profession grafted to an industry, one that tries to reconcile the claims of society with the claims of commerce. The Commission recommended establishing a General Council of the Press to maintain standards of professional responsibility and integrity.

Various British press organizations discussed the council idea, and approved it in general, but as H. Phillip Levy notes in his book *The Press Council*, "The truth is that there was no real enthusiasm in press circles for a press council." In November, 1952, a bill was introduced in the Commons to legislate the press council into existence. This pushed the press into action, and by February, 1953, a joint committee of press organizations had agreed on a draft constitution. Although the Royal Commission had recommended that laymen be included, the council was made up entirely of twenty-five journalists—ten from the management level, fifteen from editorial staffs. The Council was later reconstituted, reducing by five the number of professional members and taking in five lay members, including a lay chairman, Lord Devlin.

The complaints were varied. Some argued that if the newspapers had been open to their ideas for universal peace, the two World Wars never would have occurred; others urged the Council to investigate incidents that were decades old. But many complaints were more immediate and worth investigating. A noted critic, for instance, complained that he had been invited by *The Daily Sketch* to write a series of reviews, but the first one had been twisted by the editors to give another view, though the critic's by-line had remained on the article. The Press Council censured the *Sketch*—and it and other papers printed the Council's statement.

Others complained about the extravagant attention the newspapers gave to the Kinsey Report, a study of sex mores. The Council issued a widely publicized statement holding that "this Council, while defending the right of the Press in the contemporary world to deal in an adult manner with matters of sex, is deeply concerned by the unwholesome exploitation of sex by certain newspapers and periodicals."

The British Press Council praised newspapers for such actions as the publicity given to studies showing a relationship between tobacco and lung cancer, and attacked them for individual and collective violations of good taste. The most frequent complaints received by the Council were for invasion of privacy, violations of good taste, and emphasis on sex.

Any citizen may complain. Many complaints are rejected because the aggrieved person has not first sought redress from the editor of the paper. The Council also will not consider a complaint if legal action is filed or threatened, until proceedings have been concluded or abandoned.

An aggrieved person who fails to receive satisfaction from an editor must state his complaint in a letter to the Council and enclose copies of any correspondence with the editor and a copy of the newspaper of the relevant date. He is asked also to give the names and addresses of any witnesses.

The Council informs the editor and invites his response. Then the Complaints Committee investigates, usually drawing its conclusions from written statements. On occasion, however, the parties concerned are asked to appear before the Council. A complete dossier on the matter is then prepared for each member of the Council and sent to him before the next meeting. Only the Council members attend the decision-making meeting. On a few occasions, the Council has reversed the recommendations of the Complaints Committee.

Finally, the Council releases a summary of the facts and its decisions. Although the editor is held responsible for anything appearing in his paper, individual journalists are sometimes blamed as well. The Council issues two kinds of judgments when it finds a newspaper at fault: admonition or, in serious cases, censure. In one three-year period, there were only two recorded cases in which offending newspapers failed to publish Council statements critical of their conduct.

When the Twentieth Century Fund convened its Task Force nearly two years ago to study the feasibility of a U.S. council, most of the members were doubtful that anything like the British model could work here. Because of the relatively small size of Great Britain, the London press is, in large effect, the national press. But the vastness and diversity of the United States, and the number of publications and broadcasting stations, make it impractical, the Task Force decided, to establish a national council on the British model.

I argued in these pages (*The Progressive*, September, 1971) that a national council could be established in the United States and could cope with the flood of complaints as the British Press Council did in its earliest days, rejecting nonsense out of hand and focusing first on pivotal cases. The Task Force found a better way. Salant of CBS News suggested that a U.S. council could limit its focus to the "wholesalers" of news, such major national suppliers as the networks and the Associated Press and United Press International, which supply news and features to ninety-nine per cent of U.S. dailies and to most radio and television stations. This proved to be the key.

The Task Force Report proposed that "an independent and private national news council be established to receive, to examine, and to report on complaints concerning the accuracy and fairness of news reporting in the United States, as well as to initiate studies and report on issues involving the freedom of the press. The council shall limit its investigations to the principal national suppliers of news—the major wire services, the largest 'supplemental' news services, the national weekly news magazines, national newspaper syndicates, national daily newspapers, and the nation-wide broadcasting networks."

The more detailed recommendations of the Task Force were adopted by the Twentieth Century Fund and other foundations which are supporting the Council on Press Responsibility and Press Freedom and which will provide its estimated budget of $400,000 a year. The plan is for the Council to receive, examine, and report on complaints concerning the accuracy and fairness of news coverage (not editorials) and report on issues involving freedom of the press. The fifteen-member Council is to be made up of nine public members, one of whom will be the chairman, and six journalist members from the publications and broadcast fields, excluding those affiliated with the principal suppliers of news. A subcommittee will meet eight to twelve times a year to screen complaints. Individuals and organizations with grievances must first try to resolve them with the media organization involved and must waive the right to legal action before the Council will initiate action.

Routine work will be handled by a permanent staff operating under the Council. Teams of outside experts may be retained to investigate complaints. The Council may initiate inquiries into government actions that threaten freedom of the press, appoint fact-finding tasks forces, and issue reports and press releases. That is the limit of Council decisions and actions. It has no enforcement powers.

Roger Traynor, the highly respected former Chief Justice of California, was appointed Council chairman and head of the founding committee that will select the rest of the Council and employ a staff. The Council is expected to begin operations shortly.

Instead of arousing opposition and indictment, this Council should excite fervent support among the media. Even as they have become larger institutions, the media have become more distant from their audiences. In treading on individuals and clashing with government, they are at least seemingly more arrogant and inhuman. As Douglass Cater, an authority on journalism, has remarked, "How the news is managed has been kept in dark mystery even as the press strives to throw the fierce light of publicity on decision-making elsewhere. It would be refreshing for the public to know that the collecting, processing, and distributing of news requires judgments all along the line. Human judgments."

Unfortunately, too many media spokesmen echo the point made by Elmer Lower, president of ABC News: "At a time when newsmen are going to jail for practicing their craft, the appointment of yet another self-appointed monitoring organization is an unnecessary irony." The fact that newsmen *are* going to jail is one of the best reasons for establishing this Council. A public that fears or distrusts the media does not protest when they are brought to heel by government. The fearful applaud. Moreover, a council that calls the media to account, as this one plans to do, can also speak forcefully *for* the media. When the American Society of Newspaper Editors speaks for freedom of the press, a wounded and skeptical public suspects self-interest. When a council that has demonstrated its concern for the public interest speaks for freedom of the press, its words are far more likely to be heeded.

The Council on Press Responsibility and Press Freedom, I believe, will become such a force, if the media do not kill it in infancy. This they can do quite simply, first by refusing to respond to investigative inquiries, second by ignoring its findings. The Council is like most other organizations in depending upon the media to give it a strong voice, unlike most others in depending upon the media for existence.

To ask that the media support a council that investigates the media themselves may seem to be asking too much. But better than any other institutions of the American society, the media should know the value of a watchdog. If they do not, they should consider the changing attitudes of British editors to the British Press Council.

Professor Donald E. Brown of Arizona State University reported in 1971 that the scoffing, disdain, and contempt that were so common among editors during the early years of the Press Council have almost disappeared. "Antipathy has been replaced by respect and by a realization that the Council's accomplishments have considerably outweighed its shortcomings," Brown wrote. A prime example is Hugh Cudlipp, who was long the editor of the *Daily Mirror*, the splashy tabloid that has the largest circulation in Britain. Cudlipp wrote a book in 1962 that carried eight references to the Council, all critical. Now the chairman of the International Publishing Corporation, Cudlipp asserts that he and his huge company are "totally in favor of the Press Council." The hard-hitting *Daily Express* snapped in an editorial in 1949, "The proposal for a Press Council is the futile outcome of a phony agitation." But after the Council had been operating for several years, the *Express* held: "It is proper that the watchdogs should themselves have watchdogs."

Citing a study that showed that by 1967, eighty-six per cent of the British editors were favorable, Brown wrote that his observations and interviews indicated that the percentage has increased since then. In fact, the major flaw most editors see in the British Press Council is that it does not assess the performance of radio and television as well as newspapers. Late in 1971, the British Broadcasting Corporation (BBC) set up a commission to review complaints from those who thought they were unfairly treated on radio or television.

The British journalists' applause is not the result of their being treated favorably by the Council. Of the 446 complaints adjudicated during the past six years, the Council upheld the readers and criticized the news papers in 247 cases. Although the Council has no legal power, it has succeeded because it has used wisely a weapon the press has learned to respect: publicity.

Given a proper chance, the U.S. Council on Press Responsibility and Press Freedom will earn not only the respect of the media but their gratitude as well.

The media are facing a mounting campaign of repression and harassment by a hostile government. Their greatest potential ally in resisting this pressure is the public, but a public that expresses only eighteen per cent confidence in the media does not promise much support. An independent council that would help the media keep their own house in order could go far to restore public confidence and give the media the ally they need to combat government repression.

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[From the Progressive Monthly, March 1973]

### Watchdog, Stay Away From My Door

(Note.—In the February issue of The Progressive, William L. Rivers, who has had wide experience in journalism and is now professor of communication at Stanford University, strongly advocated media and public support for the Council on Press Responsibility and Press Freedom that is being financed by the Twentieth Century Fund and other foundations.

(In his article, "How to Kill a Watchdog," Rivers took sharp issue with some of the media spokesmen who greeted announcement of the Press Council as a danger to press freedom. He described the workings of the successful British Press Council established a generation ago and the proposed operation of the American version which would have no power other than to make public its findings on complaints brought against national news organizations, and also report on issues involving freedom of the press. "The Council will have no coercive power, no relationship to government," he emphasized.

(Rivers pointed out that in the face of "a mounting campaign of repression and harassment by a hostile government," the media needed to regain the public's confidence, now down to eighteen per cent. "An independent council that would help the media keep their own house in order," he wrote, "could go far to restore public confidence and give the media the ally they need to combat government repression."

(The Progressive invited a small but representative group of media executives and other seasoned observers of American journalism to evaluate Professor Rivers' strong advocacy of the Press Council. Nearly all responded—most of them with sharp criticism of Rivers' "Watchdog" concept. But their responses in the pages that follow are not quite so representative as we had hoped because at the last moment several supporters of the Press Council were unable to meet our deadline.—The Editors)

### AN IDEA THAT WORKS

(By Robert W. Chandler)

Editors are happy to nominate their newspapers for state or national journalism awards every time they find—or think they have found—someone in public life acting criminally or stupidly. Some of them win those prizes.

Some of the same editors, however, are unhappy (to say the least) at the thought of their own performance or that of members of their staffs being examined by someone else.

It was no surprise to members of the Task Force gathered by the Twentieth Century Fund that their proposal for a National Press Council was not greeted with universal praise. It was a surprise, to some of us at least, to find the idea had more widespread acceptance than expected.

Press clipping services never provide a 100 per cent accurate survey, but one must expect them to err equally; they will miss favorable comment as frequently as they fail to uncover unfavorable comment. One such service found a roughly fifty-fifty ratio for and against the Press Council suggestion.

The proposal itself is quite a modest one. Power of the Council would be limited to issuing reports of its findings. (Those reports would not likely result in the withdrawal of second class mailing privileges of *The New York Times*. The FCC could hardly use them as the sole—or even a major—reason for denying licenses to network-owned television or radio stations.)

The Council would not hear a case unless the aggrieved party (or the party who considered himself aggrieved, usually the same thing) had first tried to resolve his differences with the wire service or network involved. Charges, then, never would be a surprise to the party accused of offense; there would be adequate time to prepare a defense if one is necessary.

William Rivers obviously feels opposition to the Task Force proposal is almost universal. From that vantage point he assumes media criticism is almost universally rejected by the media. I disagree.

Few businesses or professions are as self-critical as the news business. Most American newspapers study their own products, daily, very critically. Television people do not keep all those videotapes solely for defense against libel suits; they study them so they can improve their own performance.

It is true that a large number of newsmen or some knowledgeable, independent person or group hanging over their shoulder, and making their criticisms public. This attitude is not confined to those in the news business. There are few—if any—non-lawyers on Bar Association grievance committees. Police reject the idea of public review boards. Few hospitals have laymen on committees which review hospital and medical practices.

But those of us who have tried to operate in the environs of a press council have not found the experience fatal, or even seriously frightening. Councils have, I am convinced, improved our performance. They have done so by making us even more aware than before of the reader, the guy at the final end of our involved process. Those of my colleagues who have made efforts to find out how the press council business works have not been among those with knee-jerk reactions against the Task Force proposal.

(Mr. Chandler is editor of the Bend, Oregon, Bulletin, and was a member of the Twentieth Century Fund Task Force that proposed the National Press Council.)

### PRESS TOO TIMID NOW

(By Miles McMillin)

Anyone reading, in *Columbia Journalism Review*, Ben Bagdikian's indictment of the press for its irresponsible handling of the Watergate scandal would be tempted to cry out for the establishment of the watchdog William Rivers wants. However, as one who has agonized for years over the sins of commission and omission of my brothers I find it hard to get excited about their failings at this critical juncture. It is difficult to understand the agitation for unofficial curbs on the press when the fight to prevent official curbs is occupying so much effort.

What bothers me about the watchdog is its breed. It is most likely to be made up of the prissy type who constitute the high priests of the Pulitzer procedures who had so many sticky reservations about awards in journalism for reporting on the Pentagon Papers and ITT landmarks. American journalism does not need this kind of watchdog. Ninety per cent of its editors and publishers are too timid now. As Lord Francis Williams said of the U.S. press: "It is the bland leading the bland."

My feeling is that the watchdog would be a restraint on militancy which is already overrestrained. It has been my experience that in the really worthwhile campaigns that *The Capital Times* has waged—opposition to McCarthyism, for example—the people who would most likely sit as watchdogs objected as much to the militancy as the people whose ox was being gored.

As a publisher of a small, military newspaper I already find my days far too short to publish the kind of paper I'd like, while hours are devoured with union problems, business planning, mountainous government regulations on the local, state, and national levels, participation in local civic activities, and more. Where will the time come from to deal with watchdog procedures as envisioned by the Twentieth Century Fund? It will be the more militant newspapers that will get the watchdog's attention.

*The Capial Times* has traditionally given space to anyone who has a complaint about its conduct. What more could the watchdog do for the complainant?

What is needed is more self criticism within the ranks of the press. Newspaper publishers should stop acting as though criticism of each other's foibles is blasphemy. There has to be an end to the unwritten rule that news about newspapers is not worth publication and that no sin is greater than for one paper to point out the failings of another.

(Mr. McMillin is editor and publisher of The Capital Times of Madison, Wisconsin.)

### WHAT THE PRESS NEEDS

(By Richard Pollak)

I should be heartened by all the heavy opposition to the National Press Council noted by William L. Rivers, I suppose, but I am not. For however valid some of it may be, none of it stems from any real concern for fundamental reform in American journalism. That can only come from *inside* the profession. Specifically, from a radical redistribution of power that kills once and for all the bankrupt notion that the decision-making process at a news organization is the exclusive preserve of ownership.

In all the high-sounding prose I have read about press councils lately, this issue of power has not been raised even tangentially by either the attackers or the defenders. The former, of course, because the idea of opening up the decision-making process to the men and women in the newsroom is more an anthema than the press council itself. The latter, because they are committed to that classic American problem-dodging technique, the elite committee that issues reports.

Advocates of press councils point unknowingly to the "success" of the National Press Council in Great Britain and of local ones in Minnesota or Bend, Oregon. But that success is a matter of processed individual grievances, not reform. England's Council, which has been operating in its present form since 1964, doubtless embarrasses Fleet Street now and again, but British journalism is basically no different today from what it was nine years ago. Ditto Minnesota and Bend, Oregon.

The newsrooms of the United States are full of journalists with good ideas about how to create a more responsible and responsive press. If they had the power they deserve, the fact of journalism in this country might change markedly—far more than it ever will under periodic hot compresses ministered by a national press council.

As an example of the kind of practice that might cease under a more equitable distribution of power, consider the following: John Oakes is editor of *The New York Times* editorial page. But his cousin, Arthur Ochs Sulzberger, is the boss. So even though Oakes is a member of the Twentieth Century Fund Task Force that proposed the National Press Council, he is not likely to write an editorial favoring it on the page he supposedly runs. Even when it's all in the family, money decides.

(Richard Pollak, formerly an associate editor of Newsweek in charge of media coverage, is the editor of [MORE], the national journalism review.)

### A HERRING LAID TO REST

(By Alfred Balk)

William L. Rivers' article was a useful contribution to the dialogue about the National Press Council.

For the record, you might be interested to know that—media preoccupation with *The New York Times'* opposition to the Council notwithstanding—a number of important newspapers are editorially on record as favoring the Council. As noted in the March/April issue of *Columbia Journalism Review*, these include: the *Denver Post*, Cleveland *Plain Dealer*, *Milwaukee Journal*, *Lincoln* (Nebraska) *Journal*, *Des Moines Register*, *Louisville Courier-Journal*, Portland, Oregon, *Journal*, *St. Louis Post-Dispatch*, and *Dayton* (Ohio) *News*. In fact, editorial comment to date has fallen almost evenly pro and con.

The news media are not a monolith; *The New York Times* is not a monolith (a number of prominent staff members favor the Council); the national news suppliers are not a monolith (though the *Times'* statement obviously was an attempt to influence others to take a like stand, several have said they will wait and judge the Council on its merits). In any event, there is a question whether the Council need be completely impotent even if all the suppliers balk; our bimonthly journalism review was not founded on a premise of media "cooperation" or sufferance, and our circulation (and, we are told, our influence) continues to rise.

Also for the record, you may wish to lay to rest the Council-endangers-confidentiality herring. It was stressed at the press conference announcing the Council that it specifically was precluded from inquiring into confidential sources; for its own reasons, however, *The Times'* policy statement and its report of the press conference omitted that.

(Mr. Balk is editor of the Columbia Journalism Review.)

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### THE POWER OF EXPOSURE

(By Ron Dorfman)

It is somehow comforting to know that a quarter of a century after the Hutchins Commission report our publishers and broadcasters display exactly the same characteristics they did then: "In words both few and short," Robert M. Hutchins told the nation's editorial writers after they had misrepresented the Commission's findings and slandered him and his associates, "you are guilty of inveteracy and recidivism."

The National Press Council—assuming that its membership is broadly representative and that it hires a staff of competent reporters—will be as well or better off without the "cooperation" of the publishers and broadcasters. Since it has never been contemplated that the Council will be able to impose any sanctions, the only power it can have is the power of exposure, to embarrass those news organizations which have done wrong and to vindicate those news organizations which have done their jobs well; in both cases, hopefully, to stimulate better performance.

The only cooperation the Council needs from the media is publicity for its reports. Arthur Sulzberger has indicated he is willing to have *The New York Times* treat the Council's activities as it would any other news event, and barring a conspiracy of silence—highly unlikely with these particular publishers and broadcasters—that is all that will be necessary, or desirable.

It should be pointed out, however, that the end result of this activity is, in substance, nothing more than a journalism review which reaches a (hopefully) larger audience than any of the existing vehicles. The Council's membership may be prestigious, but it is unlikely to be much more so than the chairman and board of advisory editors of the *Columbia Journalism Review*. Its staff may be excellent, but it is unlikely to be more capable than the groups of reporters who produce (MORE) or the *Chicago Journalism Review*. No single report by the Council is likely to be a better piece of work than *The New Yorker's* dissection of the police-Black Panther body count stories.

In the past decade, there has been a massive outpouring of analysis and criticism of the media, mostly initiated by concerned journalists themselves. For the record, Spiro Agnew is a Johnny-come-lately to this field. But the mass media have only sporadically chosen to let the readers and viewers in on this internal debate, and so they have allowed the enemies of a free and vigorous press to set the parameters of public discussion.

The one respect in which the National Press Council can be really useful is its presumptive visibility. The great newspapers, press services, newsmagazines, and broadcasting networks owe it to themselves and to our common interest in preservation of the First Amendment to see that the Council gets that visibility.

(Mr. Dorfman is editor of the Chicago Journalism Review.)

### THE PRICE IS TOO HIGH

(By Clayton Kirkpatrick)

The price of press councils is too high. The evidence that they are needed is too subjective.

Inevitably the press councils must set up universal standards. If they an efficacy at all the result must be conformity. Out go the rebels, the undergrounders, the angry, daring, and uncouth. America would be the poorer for that. Maybe the press would be more respectable, but not so exciting or effective.

Is credibility at a crisis with disaster just around the corner? All the surveys in the Harris and Gallup lockers cannot prove it. What was the credibility rating in 1861 when we had a "Copperhead" press? What was it in 1898 when we had a "yellow" press? Does not the attrition trend (with very few exceptions) support the inverse Gresham theory that good newspapers drive out bad?

Is there a lack of agencies to appraise the performance of newspapers or to supply standards by which to judge them? Well, there are fifteen journalism reviews dedicate to analyzing the press. There are 1,749 daily newspapers, 8,682 weeklies, 904 television stations, and 8,035 radio stations engaged in reporting the news in ways that put restraints on each. Many of them are openly critiquing each other.

Journalism schools, professional societies such as Sigma Delta Chi, the American Society of Newspaper Editors, the Associated Press Managing Editors Association, even the American Newspaper Publishers Association, are all involved in analyzing the performance of the press. Readers, too. If a paper has 100,000 readers there are 99,999 ready to correct the reporting when it strays.

The press council is not needed to instruct, sensitize, or reproach. This field is already crowded. It cannot inspire affection for the press that would protect it from government interference. Reporters step on too many sensitive toes to inspire sweeping affection. The job of protecting the press from government cannot be delegated to press councils.

(Mr. Kirkpatrick is the editor of the Chicago Tribune.)

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### THE REAL THREAT

(By Arthur Ochs Sulzberger)

As we view the Twentieth Century Fund proposal, we are being asked to accept what we regard as a form of voluntary regulation in the name of enhancing press freedom. We respect the good intentions of the Fund and its Task Force. We believe, however, that the operation of the proposed Council will not only fail to achieve it purposes, but could actually harm the cause of press freedom in the United States.

Accordingly, *The New York Times* has decided not to participate in the work of the Council. This means that we will not be a party to Council investigations. We will not furnish information or explanations to the Council. In our coverage, we will treat the Council as we treat any other organization: We will report their activities when they are newsworthy.

We do not think that the real threat to a free press in the United States arises from a failing of the press to be fair and accurate. The real threat comes from people who are attempting to intimidate or to use the press of their own ends.

The most serious recent threats have been:

The imprisonment of reporters who have refused to comply with court orders to divulge the identity of sources to whom the reporters have pledged anonymity.

The increase in the number of subpoenas for reporters notes, tapes, and testimony. This is an effort to turn us into government investigators—a corruption of our proper and historic function.

The Administration's effort to prevent publication of the Pentagon Papers—briefly successful in the first such instance of prior restraint on publication in our nation's history.

Attacks on the media—particularly the broadcast media—carrying the threat of reprisals from the Government if the media do not dance to the Administration's tune.

Investigations of reporters by government agencies.

The presence of the Council is not materially going to help us meet these real threats. Indeed, we are convinced that the operation of the Council will only serve to divert attention from them. The real threats will be met only by a determined and direct defense of our own freedoms. Such a defense does not begin with an unjustified confession that our own shortcomings are such that we need monitoring by a press council.

What would be at issue in proceedings before the Council would be the very thing that is most precious to us—our credibility. We do not want such crucial judgments made under a procedure so lacking in due process that one organization would function as investigator, prosecutor, and judge rolled into one.

We do not object to criticism of our performance. In fact, we do not object to criticism in the very forums—in political campaigns and governent hearing rooms—from which the Council would hope to insulate us. The press plays a central part in the political life of the country in reporting and commenting on political events. It seems unrealistic to us to try to immunize the press from criticism by politicians. I expect also that we are going to have to be heard in government hearing rooms. Adverse court decisions may have left legislation as the only way open to us to preserve the confidentiality of our sources without risk of imprisoment.

Just as we believe that the Council will not be of help, we believe that it could do much harm.

In sitting in judgment on the accuracy and fairness of news reporting, the Council will have to devise standards against which to make its determinations. We do not think this is possible to do or advisable to try.

There is no such thing as a monolithic American press. Its strength is in its diversity. What is right for The Times and its News Service may not be for a wire service or a television network or a magazine. We do not wish anyone to impose standards on us. Nor do we wish to impose standards on anyone else.

We believe that we have standards of fairness, reliability, accuracy, and thoroughness. These standards are the result of a subtle interaction among our traditions, experience, staff beliefs, our perception of our mission and our audience. Our readers in the end must judge whether these standards suit them.

While the present Council would limit its investigations to "the principal national suppliers of news," the report encourages establishment of local, state, and regional groups to monitor press performance. This would geometrically compound the risk that such machinery would be used by special interest groups with causes to espouse. And while the Council as proposed is nongovernmental and would not have any enforcement powers beyond publication of its findings, we fear that it would encourage an atmosphere of regulation in which government intervention might gain public acceptance. This whole approach is dangerous and we believe that we must resist it.

A base assumption of the Fund's report is that the public now has no place to go with complaints about press performance. This simply is not the case.

Press performance is constantly analyzed, criticized, and attacked outright and the press reports these attacks on itself. The press virtually alone among American institutions disseminates criticism of itself. Letters in opposition to a newspaper's opinions or contradicting its stories are printed by virtually every newspaper. Many papers seek outside writers to oppose their own viewpoints. Most newspapers take seriously complaints that they are inaccurate or unfair and they publish corrections.

We follow a policy of investigating reader complaints and publishing corrections where fairness dictates. We will continue to do so. And we will continue to be monitored and judged by those whose criticisms are vital to us—our readers in the case of The Times and our clients in the case of the News Service. We must earn their trust every day.

(Arthur Ochs Sulzberger is the publisher of The New York Times. His commentary is adapted from a memorandum he prepared for his own staff.)

### Who Needs It?

(By Erwin Knoll)

William L. Rivers tells us that the new Council on Press Responsibility and Press Freedom was announced by the "widely respected" Twentieth Century Fund; that it was proposed by a committee of "respected editors, publishers, and broadcasters"; that it will be headed by the "highly respected formed Chief Justice of California." Oh, so much respectability!

I'm afraid I simply don't understand how this self-appointed, self-perpetuating, self-important segment of the American Establishment is going to help restore the people's "rapidly deteriorating esteem for the mass media," which Bill Rivers views with such profound alarm, or—more to the point—how it will help shore up the crumbling bulwarks of the First Amendment. The Council's self-designated title, which puts "press responsibility" ahead of "press freedom," affords a disquieting clue to its priorities.

My own esteem for the mass media began deteriorating long ago, because I found them altogether too responsible and respectable—altogether too prone, that is, to reflect the interests of those who wield economic, political, and social power in this country. These are, unfortunately, precisely the interests that dominate the new Press Council.

We need a free and irresponsible press in America—a press that will alert its public to such catastrophes as the Indochina war before they are consummated rather than after; a press that will relentlessly examine the decision-making process—and the decisions arrived at—in corporate boardrooms and political backrooms; a press that will even probe the policies of "widely respected" foundations, publishers, and public officials. What we need most of all in the press is diversity of the kind provided, on a regrettably modest scale, by The Progressive.

As I contemplate the origins, composition, and stated aims of the new Press Council, I do not see how it will foster such diversity. Its thrust will be to promote conformity, responsibility, respectability. Who needs it?

(Mr. Knoll, a former White House correspondent, is Washington Editor of The Progressive.)

[From the Arkansas Democrat, Feb. 9, 1973]

### Dear Abby for Journalists

Newspapers are among the most thin-skinned of American institutions. So their reaction to the *Twentieth Century Fund's* proposal for a press council was not surprising, although, from our viewpoint, it was unfortunate.

The big papers were quick to denounce it. The New York Daily News (the biggest), the New York Times, the Knight newspaper chain and others were sharply critical, as were two of the three networks. So it's no wonder that the trade journals are now speculating that the council may never get off the ground.

This would be too bad, because many professional journalists are for it. This indicates that individual journalists see more clearly than institutions. Individual journalists are bothered about the fact that a half-dozen of their colleagues have been jailed in the last few weeks for not revealing their sources . . . about the fact that in public opinion polls journalists rank just above used car salesmen in believability . . . about the fact that only 25 per cent of the graduates of journalism schools go into newspaper and broadcast journalism . . . about the fact that people like Vice President Agnew can lambast journalists, with or without justification, and the public merely says amen.

* * * * *

Ignoring it, denying it with slogans ("no one likes bearers of bad news"), or jumping behind the First Amendment and telling everyone else to go to hell is not the way to improve it. The press council might be. It has worked very well in Great Britain as sort of an appeals court, or, more precisely, a Dear Abby. If a doctor treats you unfairly, you can complain to the medical society; the medical society might not do anything about it but it will make you feel better to get it off your chest. Many Americans resent the fact that there is no place even to take a complaint about the press.

The Twentieth Century Fund's council would be such a place. It would have nine public members and six journalists. They would examine complaints sent to it by persons or organizations who think they have been treated unfairly by wire services, networks, syndicates, and weekly news-magazines—not individual newspapers or stations, in other words, but the organizations that wholesale the news to them. Ground rules provide that no complaint will be considered (1) if any legal action is contemplated, or (2) the complainant has not first tried and failed to get a correction from the media. After consulting both sides, the council would release its decision, which, hopefully, would be published and broadcast throughout the country. There's no hint at punishment, which, of course, is plainly barred by the Constitution. Voluntary publication would be the council's only weapon. However, if Columnist Wrack Rumorson was found guilty several times of unethical practices, it could have an economic impact because conscientious newspapers would stop buying his column.

The British Press Council considered 446 complaints in the last six years, but found only 247 of them to be justified. This is important to us, because just as the press often deserves criticism, it also needs vindication. The council would be a way to get it.

Also, it would help the press fight government encroachment. Its full name would be the Council on Press Responsibility and Press Freedom, which means it would look into issues involving suppression of the news. And when an impartial press council denounces the sending of reporters to jail as a violation of the First Amendment, it will carry more weight with the public than if it were said by the American Society of Newspaper Editors.

A press council can help the conscientious American journalist. It can, that is, if some prima donnas don't kill it with their arrogance.

## THE SYSTEM CONTINUES TO WORK

Mr. HATHAWAY. Mr. President, at a time when we have been inundated with reports that the public has lost confidence in its Government and our public servants, I would like to bring to the attention of my colleagues here in the Senate proof that our system continues to work and that we still have throughout the world devoted and dedicated public servants.

I present here a letter I received from Mr. Eugene C. Coughlin of Rumford, Maine, whose son, Barry, recently died in Rabat, Morocco. Mr. Coughlin's letter is filled with praise for the Vice Consul in Rabat, Mr. Robert Henry Cayer, a career Foreign Service officer. I commend this letter to your attention, and I ask unanimous consent that it be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Rumford, Maine,
*May 22, 1973.*

Hon. William Hathaway,
*U.S. Senate,*
*Washington, D.C.*

Sir: It is the sincere hope of the family of the late James Barry Coughlin that you will personally read this letter.

Barry grew up in Rumford, attended Rumford schools and went on to graduate from the University of Vermont. He was drafted and served in Vietnam.

Earlier this year while on a trip through Morocco, he became very ill from eating local mushrooms. Barry died in Rabat, Morocco, on April 13 at the age of 26. Before his death we were able to make the journey to Rabat to see him. His family will never be able to express in words the depth of generosity and thoughtfulness extended to them by Vice Consul Mr. Robert Henry Cayer and his staff during their brief and trying time in this unfamiliar environment.

From the time Mr. Cayer phoned Rumford to advise us of Barry's critical condition until seven days later when he put us aboard a plane in Casablanca to return home from this sad journey, his calming helpfulness smoothed a very rough road of communications and decision making during a most tragic situation. Mr. Cayer's helpfulness went beyond his high professional competence to a thoughtful personal concern.

It is our urgent wish that recognition of Mr. Cayer's ability and sincerity be placed in the Congressional Record and that the Department of State be informed of the immense and comprehensive service he is giving to the citizens of this country.

Very truly yours,

Eugene C. Coughlin.

## SOCIAL SERVICES FOR THE ELDERLY

Mr. EAGLETON. Mr. President, on May 3 I called to the attention of the Senate a provision of the final social services regulations issued by the Department of Health, Education, and Welfare which had the effect of denying social services to any elderly person not receiving public assistance.

Under the new regulations, services may be provided only to support the attainment of one of two goals—self-support or self-sufficiency.

The self-support goal is made inapplicable to the elderly.

Under the proposed regulations published in February, the self-sufficiency goal was defined as applying to the aged, blind, disabled, and families, without regard to whether they were current, former or potential public assistance recipients.

However, under the final regulations published on May 1, the self-sufficiency goal was redefined to apply to "applicants for or recipients of assistance under the blind, aged, disabled, and family programs."

As a result, although an elderly person might qualify as a potential recipient, under the regulations there were no services that could be made available to that elderly person.

On May 8, I was informed by officials of the Department of Health, Education, and Welfare that the regulations would be modified in this respect.

I am pleased to report that on June 1 the necessary amendment of the regulations was published in the Federal Register.

Under the amended regulations, the self-sufficiency goal applies "in the case of recipients of financial assistance under title IV–A and all eligible individuals under the adult services program."

This amendment means that all aged, blind, and disabled persons who qualify as either current, former or potential public assistance recipients may receive those services designed to enable them to achieve and maintain self-sufficiency and avoid dependence on institutional care.

Mr. President, I want to make it clear that I believe the new social services regulations are still excessively restrictive both in terms of eligibility requirements and the range of services to be made available to the elderly. And I hope Congress will take such action as may be necessary to permit and encourage the States to provide important social services to all of our elderly citizens who need and can benefit from them.

However, I did want at this time to call attention to the amendment of the regulations published on June 1 and commend HEW for taking this corrective action.

## FUEL SHORTAGE

Mr. ABOUREZK. Mr. President, on May 25, at the request of Senator HENRY M. JACKSON, I conducted a hearing of the Senate Interior Committee in Sioux Falls on the critical problem of fuel for farmers and ranchers. It was my pleasure on that occasion to be joined by my distinguished colleague, Senator GEORGE McGOVERN, a ranking member of the Senate Agriculture committee, who assisted me with this hearing. Because of his long experience as a member of the Interior committee and his special knowledge of the problems of farmers and ranchers, his assistance was most valuable in the conduct of this hearing. On that occasion, Senator McGOVERN provided a detailed analysis of the potential effect of a fuel shortage on a wide range of businesses and industries of our State. I request unanimous consent that the statement of Senator McGOVERN on that occasion be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

### STATEMENT OF SENATOR GEORGE McGOVERN

The Senate Committee on Interior and Insular Affairs and my colleague Senator James Abourezk are to be congratulated for holding this hearing in South Dakota. The Committee recognizes that the very real threat of a critical fuel shortage this summer is a threat to the agricultural heartland of America.

The fuel crisis is not just around the corner. For millions of Americans, it is already here. A few short months ago, we heard of scattered shortages of heating fuel. Today we hear of widespread shortages of gasoline, diesel fuel and other petroleum products.

Two and a half years ago, I addressed the Mid-West Electric Consumers Association's convention in Denver, and stated that, "despite unparalleled technology, this Nation has blundered into the worst fuel and energy crisis in its history." I asked then, why should it happen? And I ask again today, why can it happen?

To come up with any answer at all, we first must look at the dimensions of the fuel problem we face today, and look for its causes. We must seek ways to do something about our immediate needs, and then give a searching look for a long-range answer which will prevent a recurrence of the inexcusable situation in which we find ourselves in the spring of 1973.

A great deal of my time and attention during the past three months has been focused on the fuel needs of South Dakota—especially those of agriculture and tourism. Two weeks ago I met with the chairman of the Industry's Oil Policy Committee, which was in the process of developing an allocation program to insure that priority customers were provided adequate fuel supplies. Two days after that meeting, at which Senator Curtis and I insisted that agriculture be accorded high priority, the Administration announced its voluntary allocation program. The first of eight priority assignments is farming, dairy and fishing operations and services directly related to the cultivation, production and preservation of food.

The present allocation program, with which most of the petroleum industry says it agrees, provides that all producers make available in each state to each of its customers (including independent spot-market purchasers) the same percentage of its total supply that it provided during each quarter of the base period. The base period is the last quarter of 1971 and the first three quarters of 1972.

The allocation program was announced two weeks ago yesterday. Although it is too early to deliver a final verdict, the program does seem to have solved at least a few problems. The Department of Agriculture, for instance, has concluded that during the first week of the allocation program, the supply of gasoline and diesel fuel for agriculture, on a national level, fell short only slightly from meeting the full demand. Compared with a year ago, gasoline stocks were, at the end of last week, down 9 per cent. Diesel fuel stocks were 11 per cent above last year's.

Another benefit of the program is the apparent reversal, at least for the time being, of plans of major fuel suppliers who had announced in February that they were pulling out of South Dakota. We heard several protests when it became known that Sun Oil Company, which operates in South Dakota under the trade name of D–X Sunray, was planning to close its South Dakota operations this summer. I have had considerable correspondence with T. A. Burtis, a vice president of Sun Oil. On Wednesday of this week, I received a letter from him which announced:

"We plan to supply our customers (in South Dakota) in accordance with the provisions of the Federal program, which calls for supplying designated priority customers first and then dividing the remaining product among customers in the same proportion as during the specified base period. Since farmers are the Number One priority customers, Sun is currently supplying South Dakota farm customers in excess of 100 per cent of average 1972 sales. Throughout South Dakota, we are currently allocating 91.5 per cent of 1972 monthly gasoline sales."

Nevertheless, the situation for agriculture is potentially critical, in an industry where fuel shortage can be little short of complete disaster. If a farmer should be unable to get fuel for planting within the next few days, he will be unable to plant at all. That would not only be a terrific blow to him and to his income, if the situation is widespread at all, it would seriously retard the ability of the Nation's farmers to increase production to meet growing demand. And reduced productive capacity on the farm today means one thing—shorter supplies and higher prices.

As of the first day of May, the Agriculture Department reported a shortage of farm gasoline in the Northern plains states of 14.1 million gallons, about 5 per cent of the estimated needs through July 1. Unless that shortage is made up, it is not unreasonable to assume that we could end up with 5 per cent fewer harvested acres this fall, at a time when we are seeking to expand production to meet increased food demands both at home and abroad.

### EFFECT ON TOURIST INDUSTRY

The South Dakota economy is heavily dependent on agriculture. Last year, total farm income was well over $1 billion. Second in importance is the tourist industry, which last year took in an estimated $168 million from out-of-state travelers.

The State Highway Department estimates that 9.6 million travelers visited South Dakota from other states in 1972, spending an average of $62.75 per tourist party. Fully three-fourths of all out-of-state travelers into South Dakota last year were tourists or people on leisure visits. Fortunately, to date there is no hard evidence that lack of available fuel has retarded travel into South Dakota, but we will have to keep a close watch on the situation.

The crucial dependence of our State's tourist economy on fuel availability is demonstrated by the volume of sales of gasoline in South Dakota. Last year, according to Highway Department figures, cars, trucks and buses traveled 5.038 billion vehicle-miles. They consumed 477,098,729 gallons of gasoline and diesel fuel. Of that, 10,492,691 was for off-road, farm use; 44,040,142 gallons was for diesel-burning vehicles, and the great bulk, 449,955,885 gallons, was for general automoblie consumption.

If, for example, the shortage of gasoline should cause a 10 per cent reduction in tourist travel, it would mean a net loss of income in South Dakota of a minimum of $16.8 million. Should the shortage force a cut of 20 per cent in non-resident tourists coming to South Dakota, it would mean a drop of $33.6 million in income to the people of our State.

Fortunately, as I said, there is yet no evidence that the shortage will be so severe. Preliminary evidence may suggest that people are traveling early, to avoid a potentially worse shortage next year. Visitors at Mount Rushmore already are up 15 per cent from the same time last year, and one major motel in the Rapid City area has advance reservations nearly 50 per cent greater than at the same point last year.

But the warning is clear: the Administration must remain diligent in monitoring the situation and assuring that its voluntary program works, and that states such as South Dakota receive their fair share of the available fuel. If not, Congress is poised to step in and require action. This Committee is about ready to report legislation which would require mandatory allocation, and a host of other bills have been introduced to deal with the situation—many of them to assure that the independent segment of the petroleum marketing industry gets a just share of fuel.

### THE PRICE THREAT

Just as there is a supply crisis today, there may be a price crisis tomorrow. An unidentified service station manager told the Huron Daily Plainsman last week:

"In fact, it's so much of a problem that I think there will be a five cent increase in refined products within the next few months."

I am at a complete loss to understand the logic of many spokesmen for the major oil companies who tell us that, as if by magic, there will be adequate fuel supplies if prices are jacked up substantially. I do not yet have hard evidence that the fuel shortage is a manufactured crisis, with major oil companies conspiring to keep supplies off the market until they blackmail the country and the Congress into giving them what they want. But that is the tone of a great deal of the mail I have received in recent weeks. This suspicion should be carefully evaluated.

We should also consider the impact of continued bombing in Cambodia on our fuel situation. Each bomber consumes 50,000 gallons of fuel on each mission. That is enough to drive a car a million miles. And those bombers have been out across Indo China 200 strong for 8 years.

A 5-cent per gallon increase would be about 12 per cent from a 40-cent per gallon base. I am at a loss to understand how the major oil producers can justify a 12 per cent increase when they are supposedly limited by the Cost of Living Council to a 1 per cent price increase. According to the Consumer Price Index, the price of oil and gasoline increased 2.1 per cent for last month only. It is difficult to see how the Cost of Living Council can justify such increases.

Apparently a number of others are baffled too, because they have asked the Cost of Living Council to produce data which would justify such price increases. The Council has, I am told, declined to release its information, and serious thought is being given to a lawsuit under the Freedom of Information Act to require disclosure.

The Cost of Living Council's guidelines for price increases appear to have had little effect during the first quarter of this year. The 32 major oil companies increased their profits in January, February and March from the same period last year by an average of 28.2 per cent, for a total profit in the first quarter of $1.98 billion.

One indicator of price is the price of barge oil arriving at the Port of New York. As of May 21, the price of regular gasoline on barges in New York Harbor was 25 cents a gallon, up 113 per cent from 11.75 cents a year ago. The price of premium gasoline on barges at New York was 26.5 cents per gallon, up 96 per cent from 13.5 cents a year earlier. A doubling in price is hardly consistent with economic control guidelines.

### THE IMPACT ON SOUTH DAKOTA

It is clear that the fuel crisis already has had an impact on South Dakota. The task before us is to see that it does not grow worse, and possibly to improve the situation. It is the responsibility of the Administration to use the authority which it now has, under the Defense Production Act and the Economic Stabilization Act, to assure adequate supplies of fuel at reasonable prices.

If the Administration does not, it means millions of dollars in lost income in South Dakota, and thousands of jobs eliminated. Hardest hit, obviously, will be the farm, tourist, construction and transportation industries.

The Administration must assure that fuel is allocated fairly to priority customers and others. It must assure that independents and brand name dealers both obtain reasonable and fair treatment. It must assure that the price remains reasonable.

Over the long term, this society must reexamine its entire concept of energy consumption. It is sheer folly to continue a pattern of energy consumption which finds 6 per cent of the world's population in the U.S. consuming more than a third of the world's energy resources.

We are using up our finite petroleum and coal reserves at a staggering rate. We need to invest far more heavily in clean, renewable energy sources, such as solar energy, nuclear fusion and wind power. At the same time, we must not relax our determination to have *clean* energy. I cannot accept the argument of the big oil companies that environmental opposition has created the shortage.

It would do us little good to have ample energy to drive around in 450-horsepower automobiles if we choke to death in the process. We need to develop efficient uses of energy; a 200-horsepower automobile uses far less gasoline and moves people just as well. Efficient bus and rail systems in our major cities will move people with far less energy use than the private auto.

As David Freeman, director of the Ford Foundation's Energy Policy Project, is fond of saying: "The energy joyride is over." We are going to have to make some hard choices. The hidden benefit of today's crisis may be that it forces us to determine, finally, a rational, national energy policy which will consider the interests of people—their jobs, their environment, and their well-being. Nothing less is acceptable.

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## FOREIGN AID WITHOUT AID

Mr. FULBRIGHT. Mr. President, yesterday's Washington Post contained a provocative article by William C. Paddock entitled "Foreign Aid Without AID." Mr. Paddock's article challenges many of the justifications advanced in support of the foreign aid program and comes to the conclusion that, as he puts it, "the time has come to let the developing world fish for itself." He concludes that—

> The hungry nations must be helped by not helping them, by letting them know they must solve their own problems and that the only way they can do this is with their own energies and motivation. Most of the developing world knows what needs to be done. We must let them do it.

Mr. Paddock's article is especially timely since both the Senate and the House will soon be confronted again with the perennial question of what to do about the foreign aid program. I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### FOREIGN AID WITHOUT AID

(By William C. Paddock)

The American bald eagle is a remarkable bird. For 83 days the parents feed their young. Then, realizing that the eaglets will never fly without drastic action, the parents fly overhead with a fish, land nearby in sight—but out of reach—of the eaglets and eat the fish themselves. The eaglets are finally starved into leaving the safety of the nest to go out and fish for themselves.

It is a practice we would do well to keep in mind in pondering our foreign economic aid program, run by the Agency for International Development, which expires this month unless Congress, as it has in the past, grudging renews it.

For more than 25 years, the American people have been carrying out a sometimes charitable and sometimes self-serving crusade against hunger and poverty in the developing world. The crusade employs thousands of Americans overseas and has cost us more than $150 billion. While the majority of those who have studied this crusade are hard put to find concrete proof that the money has been well spent, most internationally minded Americans still advocate a continued flow of such aid. But the time has come to let the developing world fish for itself.

### A PREPOSTEROUS PROMISE

For more than 25 years the hungry nations of Asia, Africa and Latin America have heard of the miracles that American technical know-how, Yankee ingenuity and U.S. dollars can produce in a backward, hungry, tradition-bound nation. It is not surprising that these hungry nations have come to place a degree of faith for solving their problems on U.S. help.

No better example of this can be found than in the "green revolution," a name coined by a former AID head. The "wonder" wheat and "miracle" rice developed by the Rockefeller Foundation were "seeds of change" which gave Congress hope that the war on hunger not only could be won but was truly being won. The developing nations believed these florid statements.

Thus, after a couple of good crop years those countries credited their increased yields to new technology rather than to good rainfall. By 1970 Indonesia, the Philippines, Pakistan, India and others were talking confidently about soon being self-sufficient in food. The chairman of the Nobel Peace Prize committee, in announcing that the 1970 prize was going to Dr. Norman Borlaug, developer of the "wonder" wheat, summed up the euphoria by saying that, because of the "Green revolution," "we do not any longer have to be pessimistic about the economic future of the developing countries."

How could the world be so misled? One reason was the flourishing public relations work of AID and the foundations. Another reason can be found in a book written in the early 1950s which noted that "when a white-coated scientist, looking up from his microscope, makes a pronouncement for the public, he may not be understood but he is certain to be believed. No one doubts a scientist." The book's title, "Science is a Sacred Cow," is appropriate when one remembers that the "green revolution" was promoted by the scientific branch of the developing community.

For instance, Dr. Borlaug said, "You have to be brutally frank with some governments; you have to push them into using (the new technology) . . . it doesn't do any good to get 10 or 15 per cent yield increases, they won't listen to you. You have to throw the long bomb. You have to make a 100 or 200 per cent gain to change their old worn-out practices." Dr. D. S. Athwahl, Associate Director of the foundation-financed International Rice Research Institute (IRRI), where the "miracle" rice was developed, says, "What we are saying is either you apply the new technology or you starve."

I remember well a photograph of President Johnson visiting IRRI, a science showcase in the Far East, and listening spell-bound to the gesticulating director, Dr. Robert F

Chandler, in front of a large billboard which blazoned the message, "Newly Developed Rice Selections . . . Produce Up To 400% More Rice, Make Rice Growing Profitable."

The American Association for the Advancement of Science advertises one of its publications by saying, "New methods and techniques will make it possible to meet the food needs of the world's rapidly increasing population throughout the 21st Century." It is a preposterous promise, for at current rates the world's population will have grown from today's 3.5 billion and 3.7 billion by the end of the next century.

### BREATHTAKING HOPE

The truth is that, while the new wheat and rice varieties are excellent high yielders under certain specialized conditions (controlled irrigation, high fertilization), they have done little to overcome the biological limits of the average farm. The hungry nations of Asia, Africa and Latin America are hungry because they have a poor piece of agricultural real estate, and no one should delude them into believing that some sort of technological wizardry can nullify the consequences of too many people on too little arable land.

But if AID officials and their supporters were to admit this to Congress, they would destroy a major argument for more money. For instance, in the 1973 congressional presentation of its program, AID said, "Significant and even exciting technological gains have been made in important food crops . . . . Keeping up the pace of this progress will be a difficult though *far from impossible* task" (italics mine).

The hope held out to Congress is breathtaking. For example, research in agricultural problems in Latin America, AID says, "has resulted, where the improved management practices have been adopted, in yields of 200 bushels per acre of corn where 80-bushel crop were the usual production. The long time effect of this research should result in yields increases on the nearly 300 million acres of land cultivated in Latin America . . . research in arid and subhumid lands in Asia has demonstrated that, in India and Pakistan alone, yields in the existing 100 million acres of irrigated land can be more than doubled by the application of modern irrigation practices . . ."

Where is the congressman who would vote against such a program? And if Congress takes hope, think what visions of sugarplum fairies dance before the eyes of the hungry nations. Why should they not feel that AID's technology will eliminate their problems, or at least materially reduce them?

### THE ONLY HOPE

Yet if one looks at some of the characteristics which developing nations hold in common, it is clear the only hope to solve their food problems lies in extreme action of such gargantuan dimensions that they dwarf any help our dollars or technology can offer: 85 per cent of their people depend on agriculture for a living, though 25 percent of the labor force is either unemployed or underemployed; they grow a narrow range of crops which are excessively susceptible to both pests and market fluctuations; most of their land is broken, mountainous, swampy or desert, with water the most critical factor affecting production. Malnutrition is rampant.

With enough capital some of these problems could be remedied, but this none of the hungry countries have, and few have much credit left. Of the $59 billion they have borrowed from the industrialized world, $33 billion falls due in the five-year period 1970–75.

Yet we hear of much progress in these nations, of how the poorest countries in the world (with a per-capita gross national product of less than $200 and containing 67 per cent of the developing nation's population) have been growing economically at nearly 4 per cent a year for 10 years—a rate faster than their population. This sounds fine, but in general it has meant that their rich have gotten richer while their poor have either remained the same or are, indeed, poorer. More people, not fewer, are worse off today than 10 years ago.

"When you rip aside the confusing figures on growth rates," says Pakistan economist Mahbub ul Haq, "you find that for about two-thirds of humanity the increase in per capita income has been less than one dollar a year for the last 20 years."

### THE POPULATION CRUNCH

American presidents have told us AID is necessary because "the wealthy nations cannot survive as islands of abundance in a world of hunger, sickness and despair." This is utter nonsense, for we are doing so now, like it or not, and we are going to continue to do so, like it or not.

Every day the gap widens and at an accelerating pace. In 1960 the per capita GNP gap between the rich and poor countries was $2,000; today it is $3,000. World Bank President Robert S. McNamara says, "Projected to the end of the century . . . the people of the developed countries will be enjoying per capita incomes, in 1972 prices, of more than $8,000 a year, while the masses of the poor . . . will on average receive less than $200 per capita, and some 800 million of these will receive less than $100. . . . "

While some countries have doubled and tripled the size of their school systems during the past 10 years, each year there are more illiterates. The trouble, of course, is that even before they are started, development efforts are defeated by the steady, uncontrolled growth in population. Development experts once thought the millennium had arrived when India produced a record 95 million tons of food grains in 1967–68. Today, however, the experts refer to the projected 1972–73 Indian crop of 100 million tons as a '"critically low figure." The reason: This year's crop must feed 70 million more Indians than it did in 1967.

Mexico is often cited as one of the world's best agricultural success stories. It was there that Dr. Borlaug of the Rockefeller Foundation developed his "wonder" wheat. Congressional committees and others have often heard that since the Rockefeller Foundation scientists began working there, Mexico no longer has to import wheat and corn. This supposed self-sufficiency, unfortunately, has been greatly exaggerated. Mexican price supports or cost of production or both have priced corn and wheat out of reach of a large percentage of Mexicans. Malnutrition is a major problem in Mexico—clear evidence that Mexico's agriculture does not produce the food her people need.

Speaking of this, a former U.S. ambassador to Mexico once told me, "We can't convince the Mexican government that a population problem exists; as long as agricultral production is growing as fast as the population, they don't think there is anything to be concerned about."

Since World War II Mexico, like most of the developing world, has been able to increase its agricultural production primarily by putting new land into production, not through new technology. But now, like the rest of the hungry world, it is harder and harder to find new land to develop. If its population continues to grow at the present rate, the next 40 years will see Mexico's population mushroom from 50 million to 200 million, a number beyond the capabilities of her limited farm land to feed.

### WHAT IS SELF-HELP

Throughout the history of our aid program, Congress has been told that all the United States wants to do is help those people who will help themselves. Thus President Truman said our aim was to "help the free peoples of the world through their own efforts," and President Johnson said, "The key to victory is self-help." Today's AID administrator, John Hannah, says, "We recognize that the developing countries are responsible for their own development. . . ."

Such statements seem clear when made, but what is "self-help"? The concept offers no guidelines for the expenditure of our aid money because no country intentionally tries self-harm. They are all making an effort to improve their lot. And "self-help" is just as confusing to the recipient nation. A friend in the Dominican Republic once told me that his concept of "self-help" was that of a U.S. supermarket where a developing nation strolls along the AID shelves and helps itself to what it wants: a power plant here, a road there, and next an irrigation canal.

The United States has made a noble effort to help the developing world solve its problems. In doing so, however, we have given a false hope that we really can develop these regions—if the world would only listen to us and Congress would only be more generous with dollars. The resulting confidence has let the hungry nations concentrate on programs often completely unrelated to their basic problem: the population-food crunch.

Virtually every knowledgeable authority agrees that drastic action must be taken if the crunch is not to become catastrophic. "To delay progress toward full self-regulation of population size is to play 'Russian roulette' with the future of man," says a National Academy of Sciences report. Yet nowhere has the necessary extreme action been under taken, nor will it be until the developing world realizes that there is nothing the industrialized nations can do, in the form of foreign aid, about the population problem.

Cruel though the statement might sound, India would be a more viable nation today if in 1965 the United States had not shipped a fifth of its wheat crop to that sub-continent, thereby averting a famine and saving perhaps 30 million or more Indian lives (President Johnson put the figure at 60 million). The catastrophic shock of so many deaths in 1965–66 probably would have shaken India's political structure to the core and slowed down or stopped entirely its nationalist aspirations, such as needless expenditures on flag-carrying airlines and military operations against neighbors. Its agriculture would surely be receiving a greater percentage of the national budget, and we could expect the citizenry to be far more responsive to government efforts to control births (the Indian government might not have to report, as it did this year, that "Thus far, the rate of population growth has shown no declining tendency"). Nor would we have seen India relax into euphoric talk about food self-sufficiency, as it did in 1971 after having a couple of good monsoons—which led to further dallying with its problems.

### AID WITHOUT AID

One reason why no drastic action is being taken in the world against the population-food crunch is the false hope that foreign aid provides. So long as there is such false hope, governments will not initiate the action most needed. The time has come then, for aid without AID.

The hungary nations must be helped by not helping them, by letting them know they must solve their own problems and that the only way they can do this is with their own energies and motivation. Most of the developing world knows what needs to be done. We must let them do it.

No new scientific gismo needs to be invented to control runaway population growth. Birth control techniques already exist. What does not exist is the motivation to use them. If the leaders of the hungry nations—Mrs. Gandhi, Gen. Suharto, President Marcos and others—could be convinced that so long as present trends continue famine is inevitable, they may well stop following their politically "safe" but dawdling courses. They would have to stop spending so much money on such things as elaborate road systems, military establishments and petrochemical industries that not only produce needed fertilizer but a hundred other less crucial "national" products.

The hungry nations of Africa, Asia and Latin America spend $26 billion annually on armaments—three times what they receive in official development assistance. If this $26 billion, or a large part of it, were spent on tube wells, irrigation ditches, fertilizer and agricultural research, it might become possible to head toward a true "green revolution." If, simultaneously, the nations' communications industries focused on teaching the perils of a six-child (and even a three-child) family, and if economic rewards went to those who practiced what the nation preached, a significant birth-rate drop might be possible. Then, indeed, famine would not be inevitable.

## NEIGHBORHOOD YOUTH CORPS PROGRAM

Mr. MONDALE. Mr. President, the Neighborhood Youth Corps program has in the past provided employment opportunities for thousands of young people who would otherwise have no chance of finding jobs during the summer months. Last year in Minnesota alone, 10,000 youths found employment through the NYC program.

This year, despite continued high unemployment, the administration has decided against allocating necessary funding for the NYC summer program. I feel this decision would seriously aggravate the desperate shortage of work opportunities for young people. Ultimately, I believe it would be extremely wasteful in terms of America's greatest resource, the ability and potential of our youth.

I am hopeful that the Congress will adopt legislation to assure essential funds for the summer NYC program, and I will strongly support such action in the Senate.

As evidence of the intense concern for continuation of the program at the State level, I hope that my colleagues in the Senate will read the following letter which I recently received from Minnesota's Gov. Wendell R. Anderson.

Mr. President, I ask unanimous consent that the full text of Governor Anderson's letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

ST. PAUL, MINN.,
*May 18, 1973.*

Hon. WALTER F. MONDALE,
*U.S. Senate,*
*Washington, D.C.*

DEAR FRITZ: Last year, 10,000 of our youth obtained summer employment from a $4.5 million Neighborhood Youth Corp program. The national administration has decided not to allocate any summer funds to the program this year. The result will be that 10,000 youths who otherwise would have needed employment will be without jobs.

The administration has suggested that other alternatives are available. Without going into a discussion of them, I can assure you that none of them will provide anywhere near the level of funding necessary for a meaningful program.

Last summer, even with the summer NYC program, youth unemployment was a serious problem in many parts of our state. We have no reason to expect that the situation will be substantially different this summer. The absence of the summer program thus further aggravates what already is a grave problem.

I am writing at this time because I recently was told that Senator Javits is considering an appropriation bill amendment to provide funds for a summer NYC program. I wanted you to know how strongly I feel regarding the need for such legislation. I know that you are aware of the need and that you share my concern.

Please let me know if there is any way that I can assist in the passage of this legislation.

With warmest regards.
Sincerely,
WENDELL R. ANDERSON.

## NURSING THREATENED BY NIXON BUDGET PROPOSALS

Mr. BAYH. Mr. President, the national health community will be dealt a near-fatal blow in its attempts to improve the Nation's health if the Congress supports President Nixon's health budget proposals. The Nixon amended 1973 budget offering set a new low for health funding. This administration has slashed over $500 million from the 1973 health budget in its amended budget. Their 1974 budget proposes that financial aid to community mental health centers, regional medicaid programs, research training grants for young scientists, and Hill-Burton hospital facilities construction and modernization programs be terminated and that funding for many other programs be drastically reduced.

The health manpower budget will be reduced by $58 million. Federal funding for nurse training, institutional support to schools of public and allied health, and capitation payments to many educational institutions will be eliminated.

I am particularly distressed that at a time when nursing should have an ever-increasing role in the delivery of health care Federal support for nursing education has been targeted for virtual elimination by fiscal year 1974.

The health care of the people of this country requires the availability of competent, soundly educated nurses. Federal support for nursing has helped to increase the nurse supply and broaden and modernize the scope of nursing education. In the 10-year period, 1960–70, the registered nurse population grew by 43 percent while the U.S. population increased 2.95 percent. Much of the increase can be attributed to the Federal investment in nursing.

In 1971, recognizing that nurses are among our Nation's most valuable resources, the Congress—by a vote of 81 to 0 in the Senate, and a vote of 324 to 0 in the House—reaffirmed its commitment to deal with the critical shortage of nurses and to excellence in nursing and nursing education by passing the Nurse Training Act.

Through this act Congress sought to increase the numbers of practicing registered nurses in the United States to 1.1 million by 1980. The act provided funds for construction grants to nursing schools and loan guarantees and interest subsidies to encourage nursing schools to expand their facilities; financial incentives for many schools to increase their enrollment and expand their curriculums; and incentives for schools that developed programs to identify, enroll, and assist needy persons with a potential for training in nursing. In short, it provided a wide range of financial assistance to nursing schools and students.

Since the passage of the act considerable progress has been made. In 1971, when the Nurse Training Act was passed, there were 353 registered nurses per 100,000 population, or 723,000. In October 1972, the ratio had increased to 361 registered nurses per 100,000 and, as of January 1973, there were reportedly 776,000 registered nurses.

Total admissions to schools of nursing for 1972 show an approximate increase of 17 percent over the previous year's admissions. Enrollments are up 23,849 from the 1971 level of 187,551, and graduations increased by 3,899 in 1972 from the previous year. The Nurse Training Act, designed to correct an inequity in the level of Federal support for nursing, has provided a vital boost for the often ignored, but vitally important field of nursing.

Indeed progress is being made, but by no means is the job done. The projected need for registered nurses by 1975 is 1 million.

In his 1972 health message President Nixon emphasized the importance of Federal support for nursing:

> The Comprehensive Health Manpower Training Act of 1971 and the Nurse Training Act of 1971 which I signed last November will spur the greatest effort in our history to expand the supply of health personnel. Additionally and importantly, it will attract them to the areas of health care shortages, helping to close one of the most glaring gaps in our present system.

In view of their 1973–74 health budget proposals and other recent developments, I believe it is instructive to recall former Attorney General Mitchell's enjoinder regarding this Administration. He cautioned the Nation to watch what this administration does; not what its representatives say.

What have they done for—to—nursing education and nursing?

Emily Holmquist, president of the Indiana State Nurses Association and executive director of the American Association of Colleges of Nursing, has directed my attention to a most impressive documentation of the impact of the proposed health budget. It is entitled, "Analysis of President's Budget, Fiscal Year 1974, National Institutes of Health, Health Services and Mental Health Administration and Related Areas, Spring 1973." It was prepared by the Coalition for Health Funding and I recommend it to my colleagues in the Senate.

The coalition's critique of the administration's fiscal year 1974 proposed budget for nursing is informative as well as alarming. Mr. President, I ask unanimous consent that it and a table be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

### NURSE TRAINING ACT OF 1971

The Administration's budget for FY '74 virtually wipes out Federal aid to nursing education, and will have a devastating effect on schools of nursing and our nurse supply if allowed to stand.

Since the Nurse Training Act of 1971, schools have made every effort to expand enrollments and prepare numbers of nurses needed. Admissions jumped by more than 17% in 1972.

With an abrupt cutoff of support, schools will not only be unable to continue expansion programs but will face severe financial difficulties because of commitments made in anticipation of Federal grants.

The President's budget would eliminate capitation support, financial distress grants and start-up grants for new schools. The only kind of assistance retained for them would be money for special project grants to improve nursing education programs, help prepare disadvantaged inner city students for nursing careers and special projects. But amounts for this would drop from $19 to $15 million, so new projects will be out of the question.

The President proposes to delete all traineeships for nurses seeking advanced preparation and to lower amount for scholarships from $19.5 to $11 million, Traineeship Programs in public health, NIMH and the Nurse Traineeship Program have been most effective in preparing teachers, nursing service administrators and clinical specialists. Without such aid, existing shortages would be even worse than they are. Part time study will replace full time preparation.

Many nursing students require financial assistance. Most from low income families need substantial aid if they are to matriculate at all. Schools report they will simply have to drop out if aid is cut off. Others will be precluded from even attempting to enter nursing careers. Recruitment projects undertaken to increase numbers of minority groups in nursing will be cut off. Those ready to enter will find no scholarship aid available.

From the start the Administration has opposed capitation grants for nursing schools. School reports, however, indicate these funds have been invaluable. Last year, enrollments in schools receiving such help increased by more than 9500.

There is no money for research or research training in the proposed budget. This means serious curtailment of research aimed at improvement of patient care and development of nurse researchers. The latter, although meagerly supported, have made substantial contributions to health care. One study, for example, has been instrumental in reducing in-hospital deaths from heart attacks. Tens of thousands of nurses have been trained in coronary care, using procedures developed in the study, making it possible for community hospitals to provide effective care.

Envisioned cutbacks will have serious adverse effects on health care delivery for years to come. The nursing shortage will probably worsen rather than get worse. Enrollments will be cut and some graduate and undergraduate private programs will be closed. All this is in stark contrast to the words of former HEW Secretary Richardson, who stated in an HEW paper on the expanded role of the nurse:

> "The nursing profession can and must occupy a larger and more effective place in the delivery of health services. While the number of nurses will have to increase substantially to catch up and keep pace with the expanding demand for nursing services, it will be necessary at the same time to enable professional nurses to extend the range and scope of their contribution to health care."

NURSE TRAINING ACT APPROPRIATIONS FOR FISCAL YEAR 1974 (JULY 1, 1973–JUNE 30, 1974)

| Nurse Training Act of 1971 | Authorized fiscal year 1973[1] | Request fiscal year 1973 | Vetoed bill (H.R. 15417) fiscal year 1973 | Vetoed bill (H.R. 16654) (House bill) fiscal year 1973 | Authorized fiscal year 1974 | Revised request fiscal year 1973 | Request fiscal year 1974 |
|---|---|---|---|---|---|---|---|
| Institutional support: | | | | | | | |
| Capitation | $31,500,000 | $33,500,000 | $50,500,000 | $37,875,000 | $88,000,000 | $16,800,000 | 0 |
| Special project (G. & C.) | 19,000,000 | 19,000,000 | 25,000,000 | 24,250,000 | 35,000,000 | 14,830,000 | $15,000,00 |
| Financial distress | 10,000,000 | 2,000,000 | 10,000,000 | 9,000,000 | 5,000,000 | 170,000 | 0 |
| Start-up grants for new schools | 0 | 2,000,000 | 2,000,000 | 2,000,000 | 12,000,000 | 0 | 0 |
| Student assistance: | | | | | | | |
| Direct loans | 21,000,000 | 21,000,000 | 24,000,000 | 23,625,000 | 35,000,000 | 21,000,000 | 21,000,000 |
| Scholarships | 19,500,000 | 19,500,000 | 30,000,000 | 21,250,000 | 59,000,000 | 19,500,000 | 11,000,000 |
| Traineeships | 11,470,000 | 11,500,000 | 15,000,000 | 12,375,000 | 24,000,000 | 11,500,000 | 0 |
| Construction: | | | | | | | |
| Grants | 19,500,000 | (2) | 30,000,000 | 17,500,000 | 45,000,000 | 0 | 0 |
| Loan guarantees and interest subsidies | 200,000 | 1,000,000 | 1,000,000 | 1,000,000 | 4,000,000 | 1,000,000 | 1,000,000 |
| Educational grants and contracts and direct operations: | | | | | | | |
| Recruitment (G. & C.) | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | [3] 6,500,000 | 5,665,000 | 0 |
| Grants and contracts | 3,805,000 | 4,105,000 | 4,105,000 | 4,105,000 | | | |
| Direct operations | 6,915,000 | 7,329,000 | 7,829,000 | 7,766,500 | | 4,119,000 | 3,348,000 |
| Total | 144,890,000 | 122,934,000 | 201,434,000 | 162,747,000 | 313,500,000 | 94,584,000 | 51,348,000 |

[1] See previous chart for fiscal year 1972 level of appropriations.

[2] None (carryover $9,500,000).

[3] Includes only recruitment grants and contracts.

Mr. BAYH. Mr. President, the fiscal year 1974 proposed budget of $51,348,000 is only 16.3 percent of the moneys we authorized for nursing during fiscal year 1974.

In my State of Indiana, the Nixon budget spells disaster for the 26 nursing schools, the faculty and their nearly 5,000 students. During fiscal year 1972, 19 schools received a total of $1,010,180 in capitation grants. These moneys are eliminated in the 1974 Nixon budget. The loss of capitation moneys to assist Indiana nursing schools with their increased enrollments, a criterion for obtaining such funds, forces an undue financial burden on already overburdened educational facilities. These schools were deliberately encouraged to increase enrollments and just as they did the administration proposed to withdraw financial support. Schools will be forced to curtail enrollments or actually close as a result of this proposal. Nursing schools in Indiana received $1,143,330 during fiscal year 1972 for construction, expansion, replacement, or renovation of facilities for nurse training programs. These moneys are eliminated in the 1974 Nixon budget. Five Indiana nursing schools received traineeship support totaling $240,364 during fiscal year 1972. In most schools a majority of the faculty employed as teachers for the nursing courses participated in the traineeship program. Without such assistance fewer qualified instructors would be available. These moneys have been eliminated in the 1974 Nixon budget. Indiana will also feel the impact of drastic reductions in support for special project grants, student loans, scholarships, and recruitment grants. Fifty percent of the students going into nursing come from families with annual gross incomes of $10,000 or less. These reductions will create unnecessarily harsh, if not prohibitive, burdens on individuals wanting to become nurses.

The administration's health budget affects health programs which were passed in some of the finest hours of the Congress, and with the full and active support of past Presidents. But now we are confronted with a President who would turn away from the good we have accomplished and who would withdraw the gains we have made.

Congress is not taking these proposals lightly. In March of this year, by a vote of 72 to 19, the Senate passed the Health Extension Act, and last Thursday the House, by a vote of 372 to 1, approved a similar bill. These measures extend the expiring health programs, including the five programs which this administration is determined to eliminate. I proudly supported the Senate bill.

I am supportive of a frugal but comprehensive health budget. As a member of the Senate Appropriations Committee, I will strive to secure full and continued funding for vitally important programs such as those we authorized in the Nurse Training Act of 1971.

Professional nursing services are a fundamental foundation in the health care delivery system. To realize the achievements of a national goal of making health care accessible to all without insurmountable barriers, the contributions of nursing must be recognized and supported.

## COMMUNITY MENTAL HEALTH CENTERS

Mr. HARTKE. Mr. President, the Community Mental Health Act, originally passed in 1963, has resulted in the funding of some 500 new mental health centers which have had a profound effect on the delivery of mental health services in this country.

In Indiana, statistics reflect a movement of mental health services away from inpatient service toward a community base of operation. There are further indications of movement toward emergency service, crisis intervention, and rehabilitation services as options, in addition to more traditional outpatient psychotherapy or counseling sessions. This suggests that people are coming for services at an earlier time and tend to receive more rehabilitative services after the immediate precipitating crisis. Much of this progress in Indiana mental health services will be severely hindered, if not halted, unless Congress considers the Community Mental Health Act which is due to expire on June 30, 1973. Concern has been rightly expressed by the Indiana Legislature.

Mr. President, I ask unanimous consent that the text of their resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION

A Senate concurrent resolution memorializing Congress to continue its support of the community comprehensive mental health centers program in order that Indiana's network of thirty-two community comprehensive mental health centers may be completed

Whereas, In 1955 President Dwight David Eisenhower appointed the Joint Commission on Mental Illness and Health to study the problems of this nation's mentally ill; and

Whereas, The Joint Commission of Mental Illness and Health in its report to the President in 1961 recommended, among other things, the creation of community comprehensive mental health centers to provide treatment facilities for this nation's mentally ill in close-to-home treatment facilities; and

Whereas, In 1963 Congress passed the Community Mental Health Centers Act implementing the Joint Commission on Mental Illness and Health report and authorized federal dollars to assist the several states in providing its network of community comprehensive mental health centers; and

Whereas, Congress committed itself to becoming a full partner with the several states and local communities in initial construction cost and staffing cost; and

Whereas, The Indiana General Assembly and the several counties of this state enacted legislation and provided the state's and local government share to create a network of thirty-two community comprehensive mental health centers for the citizens of the state of Indiana; and

Whereas, Ten centers are presently in operation in Indiana, five more will be operational within the next two-year period and the remaining seventeen centers will be operational by 1980; and

Whereas, The state of Indiana and local county governments have kept their pledge to the mentally ill of this state by enacting the necessary legislation and providing funds to complete the network of thirty-two community comprehensive mental health centers; Therefore

Be it resolved by the Senate of the General Assembly of the State of Indiana, the House of Representatives concurring:

Section 1. That the General Assembly hereby memoralizes the Indiana Congressional delegation, the Federal administration and the Congress to renew the Community Mental Health Centers Act to permit the continuation and completion of the plan to provide community comprehensive mental health centers for all this nation's mentally ill and to authorize and appropriate the federal funds necessary to keep the national commitment as a full partner in combating mental illness.

Section 2. The Secretary of the Senate is hereby directed to forward copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives of the Congress of the United States, and to all the members of Congress from the state of Indiana.

Adopted by Voice Vote this 13th of April, 1973.

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## LEGAL SERVICES AND THE ELDERLY

Mr. WILLIAMS. Mr. President, concern about legal problems of the poor increased dramatically with the establishment of the legal services program.

However, the elderly have received only a tiny fraction of the representation under this program.

A study conducted by the Office of Legal Services in the early 1970's revealed that older Americans constituted only about 5 percent of all clients in the legal services program.

Yet, persons 60 and over represented one-third of the entire poverty population at that time.

In most cases older Americans have had little contact with governmental agencies during their preretirement years, except to pay taxes or to perform their military obligations.

But with advancing age they frequently find themselves involved in complicated—and sometimes baffling—encounters with Federal programs.

Their inability to understand the nuances of the medicare law can cost them precious dollars. Failure to act in a timely fashion to correct an error in their social security earnings statement can result in a permanent loss of benefits. And completing the retirement income schedule for their Federal income tax return can be too complicated for the unsuspecting elderly. In fact, some leading organizations in the field of aging estimate that nearly one-half of their members, who are eligible for the retirement credit, do not take advantage of this tax savings because of the complexities involved in computing it.

Despite their urgent needs, many older Americans are still forced to shift for themselves when confronted with a legal problem—whether it involves litigation, planning their personal affairs, or just understanding the technicalities of Federal programs.

Large numbers are now denied precious benefits simply because they are unaware that injustice exists. Others accept injustice because of frustrating experiences in dealing with imperial institutions.

But an effective and comprehensive legal services program can help protect the elderly poor who suffer needless anxiety and deprivation because they are unaware of available help.

One of the major issues to be considered during this Congress concerns various alternatives for establishing an independent legal services corporation. Equally important are these fundamental questions:

How should the legal services program be structured?

Should law reform be an integral part of legal services for the poor?

Or, should our approach be legal service on a case-by-case basis?

As the former chairman of the Senate Committee on Aging and now the chairman of the Labor and Public Welfare Committee, I am especially concerned that appropriate attention be given to the needs of the elderly poor—whatever proposal is approved during this Congress.

Recently the National Senior Citizen Law Center prepared a paper on "Law Reform and the Elderly Poor."

During its brief existence the National Senior Citizens Law Center has helped to sensitize legal services lawyers and private attorneys about the need for improved and increased representation for the aged poor. For this reason I am hopeful that steps will be taken to continue the National Senior Citizens Law Center and to provide for its orderly transfer to the Legal Services Corporation.

Mr. President, I commend the article by the National Senior Citizens Law Center on "Law Reform and the Elderly Poor" to my colleagues, and ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LAW REFORM AND THE ELDERLY POOR

Bettering the plight of the elderly poor has clearly been a major governmental concern for the last forty years, commencing with the initial Social Security Act. During this period, the main foacus has been on the legislative arena with such results as increases in the level of Social Security benefits, medical assistance legislation, the Food Stamp Act, nutrition programs and most recently, the Supplemental Security Income Program which became law in 1972. Although these legislative efforts have received a large amount of publicity, remedies gained through a separate forum, the courts, are less well known.

The method of expanding the rights and benefits of the poor through the utilization of litigation is most popularly referred to as law reform litigation. Law reform litigation is an attempt to reform the substance of the law while serving the needs of an individual client. This litigation can take many diverse forms. One method involves challenging the underpinnings of an entrenched legal doctrine which has resulted in unfair treatment of the impoverished. For example, it was a long-standing doctrine that a landlord could require full rent from his tenant while at the same time not fulfilling his obligations under the lease. Through numerous cases brought by tenants this doctrine is quickly becoming extinct and is being replaced by a doctrine which requires mutual responsibilities on the part of landlord and tenant. In addition, this litigation has acted as a catalyst for legislation embodying this principle.

Another type of law reform litigation is that in which a specific or federal statute or administrative regulation operates to deprive an individual of certain rights guaranteed by the Constitution. To further his client's claim, the lawyer challenges the constitutionality of the statute or regulation involved. If the challenge is successful, the benefit inures not only to his client but also to the entire class of individuals who were similarly negatively affected by the continuing viability of the unconstitutional statute or regulation.

The same effect is produced by valid challenges to state statutes or administrative regulations which conflict with the governing federal law. With the existence of such a broad range of federal benefit programs to serve the poor, litigation of this type has been an invaluable tool for insuring that the purpose of federal legislation is not frustrated by improper state and local administration of federal monies.

Closely allied to the concept of law reform litigation, though technically not encompassed by its definition, is the utilization of litigation to force both federal and state administrative agencies to administer a law in compliance with their own regulations. The most prevalent example is where state administrative departments have established the right to a hearing prior to an elimination of benefits and then proceed to summarily cut-off such benefits. Frequently, such monitoring litigation has even greater actual impact on the day-to-day lives of the poor than does new legislation or more doctrine oriented law reform litigation.

A final characteristic of law reform litigation which needs to be accented is its inherent economies. Whenever one legal case provides a legal solution for a large number of individuals, it relieves the potential strain on all aspects of the legal system, particularly the courts, which would result from a large number of identical cases brought by different but similarly affected individuals seeking relief. Therefore, law reform litigation has the capability of promoting in a much quicker and effective way the legal interests of the poor while relieving the congestion that so threatens the continued viability of our legal system.

In applying this legal tool to the continuing struggle for improvement in the lives of the elderly poor, its value soon becomes obvious. First, no definable group is affected by more federal legislative programs than the elderly poor. A list of just a few of these programs would include Social Security, Medicare and Medicaid, Housing for the Elderly, Food Stamps, and Supplemental Security Income. Therefore, law reform litigation is a necessary compliment to this legislation in order to insure that the body of laws and regulations promulgated to implement these programs do not infringe upon any constitutional guarantees afforded eligible recipients. For example, a suit which challenged the constitutionality of a unilateral determination by HEW, without any proper hearing, that a Social Security beneficiary was senile and unable to manage her affairs which suspended her benefits until a "representative payee" was selected, caused HEW to issue regulations requiring a prior hearing and reasonable proof before cancelling benefits and appointing another payee.

Another safeguard afforded by this litigation is that the essential purpose of these benefit programs are not thwarted by overly restrictive federal administrative regulations, state statutes, or state and local administrative rulings. A case clearly illustrating this need was a successful challenge of California Medicaid regulations which limited the use of Medicaid in the state only to emergency and near-emergency treatment and which eliminated diagnostic and preventive services. Under regulations and statutes which are definitively legal, there still remains the need for legal action to displace official noncompliance which operates to deny the eligible elderly the benefits due them.

Other areas of the law affecting the elderly poor such as guardianships, conservatorships, pensions, commitment procedures for mental institutions and age discrimination remain largely unchartered seas open to the need for creative law reform litigation. As an example, numerous suits are now being litigated to challenge the involuntary commitment of allegedly senile individuals to mental hospitals without any opportunity for a hearing. Also laws which allow the appointment of others to manage an individual's financial affairs without a prior hearing have been ruled unconstitutional. In the pension area, suits are under way challenging numerous procedures and criteria which are utilized in pension plans with the goal of establishing a more just set of standards and proceedings. While this is merely a sampling of the substantive matters in which law reform litigation on behalf of the elderly poor is taking place, the illustrations of this approach clearly evidences the efficacy and potential which law reform litigation presents in the struggle for the betterment of everyday life for an impoverished minority—the elderly—whose cause deserves our greatest sense of urgency.

The following is a list of additional cases which further show the values of law reform litigation.

MANDINA V. ROMNEY (DIST. COURT)

The court issued an injunction enjoining minimum income tests for eligibility for Section 236 housing.

DILS V. GEDULDIG (CAL. DISTRICT COURT)

In this class action, the court held that California social security recipients who had lost Medicaid eligibility solely due to increases in social security benefits must have these benefits restored to them, and issued a writ of mandamus to compel state officials to comply with the applicable federal law.

JORDAN V. WEAVER (U.S. COURT OF APPEALS)

The Court ordered defendent Illinois welfare officials to release retroactive benefit payments to persons whose applications for Aid to the Aged, Blind and Disabled had not been processed within the time limits prescribed by federal regulations. In addition, it granted a permanent injunction requiring compliance with federal regulations requiring that eligibility determinations and payments on applications for assistance for the aged be made within thirty days.

CUK V. BRIEN (U.S. DIST. COURT)

A 3-judge court has declared unconstitutional the California law conditioning eligibility for health and medical care upon being a United States citizen, having applied for citizenship, or having been legally present in the United States for a period of five years.

903 PARK AVENUE V. CITY RENT AGENCY (N.Y. APPELLATE DIV.)

Upheld statute which allowed senior citizens exemptions from rent increases.

CRAMNER V. COMMONWEALTH OF PENNSYLVANIA (PA. SUPREME COURT)

This case held that an individual who was in the categorically needy Medicaid classification because he received some public assistance payment and was then placed in a medically needy classification due to the fact that increases in OASDI payments eliminated his public assistance payment, only had to spend down, through payments for drugs and medical expenses, to the public assistance standard instead of the much lower medically needy standard before he could become eligible for the medical assistance program.

BAKER V. RICHARDSON (U.S. COURT OF APPEALS)

The court held that the suspension of Social Security benefits requires notice and hearings.

WYATT V. STICKNEY (U.S. DISTRICT COURT)

Persons involuntarily committed through non-criminal procedures to state institutions for the mentally retarded were held to have a constitutional right to receive such individual treatment as would give each of them the opportunity to lead a more useful and meaningful life and to return to society.

LESSARD V. SCHMIDT (U.S. DISTRICT COURT)

This case established due process guidelines for involuntary commitment.

GREDIT V. WEAVER (U.S. DISTRICT COURT)

The Illinois Department of Public Aid has been enjoined from terminating food stamp benefits for recipients of public aid who also receive Social Security benefits and who will no longer be eligible for categorical assistance because of an increase in Social Security benefits.

BERMUDEZ V. U.S. DEPT. OF AGRICULTURE (U.S. DISTRICT COURT)

The court held that retroactive food stamps must be issued to households wrongly denied stamps due to administrative errors.

YUET YEE WONG V. BRIAN (CAL. APPELLATE)

Invalidated, as in conflict with Federal regulations, the California welfare regulations, establishing a personal property resources limitation as condition of eligibility for the medical assistance program.

ALLEN V. OMAHA TRANSIT CO. (NEB. SUP. COURT)

The court reversed a summary denial by a state railway commission of an application for reduced rate transportation for elderly persons and ordered that a full open hearing must be held on the matter.

MASSZONIA V. WASHINGTON (U.S. DISTRICT COURT)

Where low income tenants, many of whom were elderly, were threatened with the loss of essential utility services because of the landlord's failure to pay for such services, the District of Columbia was held to have the duty to provide such services on a temporary and emergency basis.

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## IMPACT OF FISCAL YEAR 1974 HEALTH BUDGET CUTS ON THE STATES

Mr. HUMPHREY. Mr. President, recently the Senate has taken decisive actions, which I have strongly supported, to instruct the administration to abandon its ill-conceived plan to cut back on terminate Federal assistance for programs to sustain biomedical research, to increase health manpower resources, to expand and improve hospital facilities, and to continue various health care programs of crucial importance to our communities.

In passing S. 1136, to extend authorizations for Federal funding of a number of health programs for 1 year, and H.R. 7447, the supplemental appropriations measure amended to add further funds to enable such programs to continue to operate through the current fiscal year, the Senate has made clear its firm belief that the vital health needs of our citizens must be a priority concern of the Federal Government.

I urge Congress to complete action on these bills without delay to prevent the wholesale abandonment or substantial set-back of many of these programs which have no adequate alternative financial resources.

Mr. President, I have received information spelling out the impact upon the several States of the severe reductions in Federal assistance for health care research and services that have been proposed by the administration.

This is a listing of the health programs that the administration would allow to expire, showing the Federal outlays to the States under these programs in fiscal year 1972, as compiled by the Office of Economic Opportunity.

Mr. President, I ask unanimous consent that these tables be printed in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

HEALTH PROGRAMS WHICH WOULD EXPIRE UNDER ADMINISTRATION PLANS—FISCAL YEAR 1972, STATE-BY-STATE FEDERAL OUTLAY FOR HEALTH PROGRAMS

| State | Comprehensive health planning and services | Community mental health centers | Health manpower (mental health, allied health, public health) | Regional medical programs | CHP partnership for health planning, formula and projects grants, health services | Crippled childrens services and developmental disability | Construction/Hill-Burton | Maternal and child health services (including family planning) | Migrant health | (Expiring programs) Federal funds to State 1972, total |
|---|---|---|---|---|---|---|---|---|---|---|
| Alabama | 857, 663 | 3, 685, 093 | 7, 680, 483 | 2, 567, 897 | 5, 984, 659 | 1, 941, 906 | 6, 449, 101 | 6, 486, 471 | 1, 652, 806 | 37, 306, 076 |
| Alaska | 1, 900, 421 | 602, 482 | 129, 377 | ---------- | 2, 719, 771 | 615, 203 | 125, 000 | 365, 591 | ---------- | 6, 457, 845 |
| Arizona | 122, 624 | 5, 013, 866 | 3, 192, 995 | 1, 972, 835 | 3, 239, 789 | 940, 312 | 348, 613 | 1, 806, 030 | 1, 022, 500 | 17, 659, 564 |
| Arkansas | 20, 917 | 4, 240, 585 | 1, 961, 031 | 2, 337, 600 | 3, 003, 569 | 905, 300 | 454, 778 | 2, 101, 998 | 283, 308 | 15, 309, 086 |
| California | 15, 995, 714 | 40, 212, 419 | 33, 802, 946 | 17, 740, 163 | 33, 727, 557 | 7, 548, 140 | 12, 381, 111 | 15, 728, 934 | 5, 078, 887 | 182, 214, 760 |
| Colorado | 1, 468, 430 | 7, 189, 064 | 5, 484, 451 | 2, 495, 660 | 10, 299, 869 | 1, 812, 827 | 591, 914 | 4, 821, 986 | 2, 181, 771 | 36, 345, 972 |
| Connecticut | 690, 033 | 5, 290, 461 | 6, 198, 597 | 3, 300, 786 | 2, 631, 831 | 1, 736, 490 | 1, 283, 949 | 2, 184, 267 | 125, 481 | 23, 441, 895 |
| Delaware | 80, 804 | 1, 620, 553 | 445, 454 | 200, 000 | 745, 344 | 622, 102 | 20, 584 | 649, 655 | ---------- | 4, 424, 496 |
| District of Columbia | 3, 777, 934 | 7, 810, 318 | 9, 551, 155 | 4, 427, 859 | 12, 797, 689 | 1, 374, 827 | 3, 120, 202 | 9, 354, 054 | 5, 022, 234 | 53, 249, 397 |
| Florida | 2, 293, 785 | 12, 951, 674 | 7, 029, 185 | 2, 669, 853 | 8, 547, 106 | 5, 365, 029 | 1, 307, 002 | 10, 398, 226 | 2, 587, 537 | 57, 236, 272 |
| Georgia | 65, 461, 072 | 5, 542, 115 | 5, 753, 584 | 3, 742, 723 | 9, 677, 973 | 3, 823, 361 | 1, 946, 045 | 7, 700, 573 | 300, 007 | 103, 948, 453 |
| Hawaii | 1, 697, 874 | 1, 040, 665 | 1, 737, 005 | 3, 207, 820 | 2, 577, 720 | 873, 004 | 1, 017, 237 | 1, 418, 151 | ---------- | 13, 569, 476 |
| Idaho | 106, 549 | 1, 498, 940 | 485, 683 | ---------- | 809, 283 | 698, 924 | 302, 912 | 487, 114 | ---------- | 4, 389, 405 |
| Illinois | 3, 564, 327 | 12, 090, 401 | 5, 068, 676 | 29, 444 | 10, 678, 565 | 2, 700, 498 | 5, 279, 138 | 6, 851, 844 | 827, 116 | 47, 090, 009 |
| Indiana | 51, 928 | 5, 693, 515 | 8, 235, 545 | 1, 602, 797 | 5, 378, 164 | 2, 837, 778 | 3, 065, 451 | 1, 302, 136 | 382, 037 | 27, 549, 351 |
| Iowa | 463, 347 | 1, 478, 223 | 5, 843, 670 | 1, 418, 103 | 2, 078, 167 | 2, 136, 790 | 815, 298 | 1, 463, 236 | 135, 000 | 15, 831, 834 |
| Kansas | 56, 936 | 3, 721, 809 | 3, 865, 783 | 2, 013, 709 | 1, 620, 628 | 1, 364, 624 | 1, 103, 142 | 1, 973, 341 | 81, 000 | 15, 800, 972 |
| Kentucky | 224, 149 | 21, 958, 055 | 6, 869, 597 | 2, 758, 071 | 6, 298, 327 | 2, 862, 750 | 916, 237 | 3, 720, 356 | ---------- | 45, 597, 542 |
| Louisiana | 14, 454, 427 | 3, 617, 749 | 6, 862, 718 | 1, 965, 362 | 2, 898, 342 | 3, 038, 165 | 3, 586, 506 | 6, 486, 691 | ---------- | 42, 909, 960 |
| Maine | 196, 297 | 3, 663, 528 | 550, 539 | 2, 869, 678 | 601, 907 | 780, 320 | 748, 241 | 803, 003 | ---------- | 10, 213, 513 |
| Maryland | 29, 890, 121 | 50, 204, 511 | 25, 399, 900 | 6, 101, 790 | 10, 282, 640 | 3, 314, 448 | 20, 738, 816 | 13, 587, 427 | 3, 990 | 159, 523, 643 |
| Massachusetts | 6, 533, 955 | 15, 312, 617 | 17, 019, 752 | 23, 961 | 5, 648, 848 | 2, 603, 936 | 7, 057, 794 | 8, 287, 655 | 262, 433 | 62, 750, 951 |
| Michigan | 1, 694, 984 | 10, 972, 636 | 15, 049, 479 | 50, 000 | 9, 335, 785 | 5, 203, 745 | 3, 072, 269 | 9, 387, 214 | 1, 214, 381 | 55, 980, 593 |
| Minnesota | 707, 852 | 4, 980, 287 | 7, 936, 705 | 86, 000 | 4, 259, 965 | 2, 601, 392 | 3, 469, 345 | 4, 087, 627 | 95, 000 | 28, 224, 173 |
| Mississippi | 74, 498 | 2, 137, 854 | 2, 596, 430 | 507, 711 | 5, 829, 353 | 2, 621, 911 | 87, 110 | 2, 690, 099 | 900, 000 | 17, 444, 966 |
| Missouri | 1, 766, 089 | 7, 273, 391 | 11, 981, 001 | 942, 830 | 12, 231, 797 | 2, 828, 640 | 2, 962, 723 | 6, 188, 537 | 660, 000 | 46, 835, 008 |
| Montana | 3, 624 | 1, 011, 757 | 1, 590, 774 | ---------- | 919, 273 | 582, 016 | 40, 305 | 1, 305, 978 | ---------- | 5, 453, 727 |
| Nebraska | 64, 737 | 1, 420, 167 | 5, 099, 479 | 212, 097 | 1, 233, 329 | 1, 041, 218 | 2, 052, 301 | 2, 816, 261 | 286, 189 | 14, 225, 778 |
| Nevada | 67, 597 | 366, 507 | 617, 921 | ---------- | 807, 582 | 615, 311 | 135, 072 | 553, 018 | 58, 542 | 3, 221, 550 |
| New Hampshire | 23, 045 | 940, 382 | 948, 453 | 217, 511 | 1, 198, 886 | 998, 999 | 100, 000 | 594, 971 | ---------- | 5, 022, 247 |
| New Jersey | 512, 531 | 13, 507, 180 | 4, 756, 668 | 2, 722, 869 | 8, 531, 701 | 2, 990, 903 | 1, 485, 634 | 4, 146, 358 | 334, 994 | 38, 988, 837 |
| New Mexico | 76, 782 | 3, 078, 599 | 1, 568, 802 | 3, 009, 072 | 2, 217, 258 | 888, 834 | 4, 349, 460 | 2, 059, 691 | 1, 846, 612 | 19, 095, 110 |
| New York | 21, 312, 566 | 44, 497, 204 | 41, 540, 502 | 90, 462 | 44, 108, 570 | 6, 933, 246 | 21, 027, 443 | 25, 339, 378 | 439, 551 | 205, 288, 922 |
| North Carolina | 535, 823 | 7, 684, 755 | 10, 184, 588 | 378, 276 | 9, 902, 541 | 4, 590, 998 | 5, 663, 099 | 4, 440, 445 | 2, 654, 828 | 40, 169, 212 |
| North Dakota | 29, 431 | 1, 288, 112 | 1, 455, 368 | 553, 953 | 1, 604, 395 | 575, 270 | 250, 455 | 690, 768 | ---------- | 7, 447, 752 |
| Ohio | 12, 693, 261 | 10, 487, 350 | 14, 208, 861 | 3, 624, 658 | 20, 932, 257 | 4, 329, 441 | 3, 281, 936 | 10, 677, 955 | 254, 921 | 80, 490, 640 |
| Oklahoma | 244, 247 | 4, 273, 973 | 4, 069, 594 | 33, 132 | 4, 457, 856 | 1, 608, 142 | 897, 439 | 2, 586, 274 | 148, 415 | 18, 319, 072 |
| Oregon | 345, 108 | 4, 780, 754 | 4, 374, 658 | 55, 531 | 3, 979, 805 | 1, 568, 733 | 1, 523, 348 | 2, 460, 656 | 904, 000 | 19, 992, 593 |
| Pennsylvania | 4, 830, 856 | 29, 035, 540 | 24, 999, 008 | 1, 871, 785 | 21, 216, 150 | 7, 083, 445 | 10, 093, 562 | 11, 976, 900 | 294, 715 | 111, 401, 871 |
| Rhode Island | 10, 540 | 3, 016, 970 | 863, 325 | ---------- | 1, 008, 297 | 716, 803 | 673, 925 | 788, 024 | ---------- | 7, 077, 884 |
| South Carolina | 544, 016 | 2, 988, 697 | 4, 807, 071 | 2, 467, 146 | 6, 923, 601 | 2, 657, 662 | 1, 143, 527 | 1, 981, 761 | 100, 000 | 23, 623, 481 |
| South Dakota | 113, 670 | 906, 225 | 1, 025, 960 | 288, 844 | 2, 252, 425 | 565, 107 | 1, 032, 664 | 2, 435, 817 | ---------- | 8, 620, 712 |
| Tennessee | 834, 658 | 4, 719, 602 | 8, 139, 226 | 6, 126, 226 | 8, 104, 925 | 642, 431 | 2, 726, 663 | 1, 659, 263 | 330, 172 | 33, 283, 166 |
| Texas | 6, 405, 272 | 18, 108, 379 | 12, 934, 423 | 29, 269 | 12, 359, 252 | 8, 351, 456 | 5, 296, 721 | 14, 575, 732 | 4, 795, 052 | 82, 855, 556 |
| Utah | 909, 401 | 2, 377, 849 | 2, 209, 670 | 3, 801, 194 | 3, 445, 503 | 1, 076, 778 | 839, 574 | 187, 400 | 242, 794 | 15, 090, 163 |
| Vermont | 8, 779 | 1, 134, 218 | 965, 132 | 100, 000 | 607, 205 | 467, 632 | 657, 295 | 175, 000 | ---------- | 4, 115, 261 |
| Virginia | 5, 140, 887 | 3, 447, 719 | 5, 273, 119 | 1, 714, 282 | 5, 758, 883 | 3, 237, 092 | 6, 834, 877 | 3, 317, 167 | ---------- | 34, 724, 026 |
| Washington | 9, 642, 205 | 5, 280, 993 | 6, 267, 653 | 21, 651 | 7, 539, 447 | 302, 475 | 844, 834 | 7, 220, 409 | 958, 712 | 38, 096, 277 |
| West Virginia | 2, 343, 722 | 3, 152, 835 | 2, 061, 634 | 972, 575 | 4, 494, 237 | 909, 988 | 165, 681 | 1, 934, 842 | ---------- | 16, 035, 514 |
| Wisconsin | 957, 546 | 1, 902, 402 | 6, 688, 962 | 3, 776, 181 | 3, 803, 685 | 1, 362, 744 | 3, 615, 614 | 1, 072, 492 | 833, 619 | 23, 013, 245 |
| Wyoming | ---------- | 764, 316 | 331, 391 | ---------- | 706, 593 | 463, 633 | 337, 637 | 269, 538 | ---------- | 2, 873, 108 |

Source: "Federal Outlays in Summary, A Report of the Federal Government's Impact by State, County and Large City, Fiscal Year 1972," compiled for the Executive Office.

### DEFINITIONS OF COLUMN HEADINGS

### STATE-BY-STATE FEDERAL OUTLAY FOR HEALTH PROGRAMS

*Column 1. Comprehensive health planning and services*

Comprehensive Health Planning and Services.

Disease Control.

Patient Care and Special Health Services.

Communicable Diseases Grants.

*Column 2. Community mental health centers*

Mental Health.

Health Alcoholic Counseling.

Institute Mental Health Community Narcotic and Alcohol Rehabilitation.

National Institute Mental Health Narcotic Addiction Treatment.

National Institute Mental Health Staff Community Health Center.

Mental Health Research Grants.

*Column 3. Health manpower, (mental health, allied health, public health)*

Health Manpower.

National Institute Mental Health Manpower Development.

Health Professions Education Improvement Grants.

Health Professions Facilities Construction.

*Column 4. Regional medical programs*

Regional Medical Programs Technical Assistance and Disease Control.

Regional Medical Programs Grants, Planning, Development and Projects.

*Column 5. CHP partnership for health planning, formula and projects grants, health services*

CHP Partnership for Health Planning Grants.

CHP Partnership for Health Formula Grants.

CHP Partnership for Health Project Grants.

Comprehensive Health Services.

*Column 6. Crippled childrens services and developmental disability*

Crippled Childrens Services.

Formula Grants for the Developmentally Disabled.

*Column 7. Construction/Hill-Burton*

Construction Diagnostic and Treatment Center.

Construction Long-Term Care Facilities.

Construction Facilities.

Construction Grants and Contracts.

Health Care Facilities Service Modernization.

*Column 8. Maternal and child health services (including family planning)*

Maternal and Child Health Services.

Maternal and Child Health Research and Training.

Maternal and Child Health Project Grants.

Health Family Planning.

Maternal and Child Health Family Planning.

*Column 9. Migrant health*

Assistance for Migrants.

Source: "Federal Outlays in Summary, A report of the Federal Government's impact by State, County and Large City, Fiscal Year 1972," Compiled for the Executive Office of the President By the Office of Economic Opportunity.

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## ADDRESS BY ARTHUR R. TAYLOR, PRESIDENT, COLUMBIA BROADCASTING SYSTEM

Mr. BAKER. Mr. President, on May 23, 1973, Mr. Arthur R. Taylor, successor to Dr. Frank Stanton as president of the Columbia Broadcasting System, delivered a thoughtful speech to the Federal Communications Bar Association here in Washington that clearly indicates the depth of his commitment to the opportunities and responsibilities of the broadcasting industry. I am sure his remarks will be of interest to all Senators and therefore I ask unanimous consent that his speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

### REMARKS OF ARTHUR R. TAYLOR

I am delighted to be with you today and to have this opportunity to share with you some views regarding our common interest—the healthy, vigorous and free flow of broadcast communications in America.

It is a particular honor to talk to this Association. Since the founding of our nation, your profession has been in close and constructive league with those of us who maintain our right of freedom of expression in this country. There has been a mutual recognition that, without a strong and high-principled legal system to safeguard it, "freedom of communication" would be merely an empty phrase and that, without a real and uncompromised free press, our legal system would be in constant jeopardy. It has been a long and effective alliance.

I recognize that to lawyers it must also have been, at times, a somewhat trying alliance. The processes of the law are necessarily deliberate and guarded. The processes of expression are frequently spontaneous and relaxed. The distinction may sound less significant than it is. Perhaps it can best be illustrated by a story Mark Twain used to tell. When he was a fledgling reporter for a Missouri newspaper, he was severely lectured by a proprietor of the paper who was also a lawyer. The lawyer sternly warned him that he must never report anything as a fact unless he had absolute knowledge it *was* a fact; otherwise, he must use qualifying language. It fell to Twain that very day to report a tea party given by the lawyer's wife. Faithful to his directions, he wrote: "A woman, giving the name of Mrs. James Jones, who is reported to be one of the society leaders of this city, is said to have given a party yesterday for a number of alleged ladies. The hostess claims to be the wife of a so-called attorney, presumably practicing law in this community."

I wish that the distinction I want to discuss with you briefly today could be illustrated by a device as simple as Mark Twain's judicious and mischievous use of qualified phrasing. But I am afraid that it can't be. I refer to the distinction that exists between the judgemental responsibility that all broadcasters, editors, publishers and the managers of other institutions of communications must assume for what goes out through their media, and the imposition of suppression or controls by external authorities, whether direct or indirect, that constitutes censorship.

A thorough understanding of this distinction seems to me essential in the hard-fought but never wholly won battle of all media for freedom from censorship—particularly for us in broadcasting, because of the licensing factor. It seems essential also to the preservation of the invigorating and nutritious ferment resulting from the freedom of thousands of entities in all the media to set their own standards of content and style as to what they will or—equally important—what they will not disseminate.

For it seems to me freedom from being forced to broadcast, to publish or otherwise to present what goes against the grain of one's standards or principles, or the concept of responsibility to one's audience, is no less vital than the freedom from prior restraint. When the conscionable exercise of the duty to decide what one will not disseminate is confused with censorship, whether carelessly in the heat of discussion or as a weapon intended to coerce, a great disservice is done to the whole atmosphere of freedom that must imbue our media.

The management of every broadcasting, publishing and production organization is confronted with a great mass of material, ideas and proposals—some commissioned and some unsolicited—from which it must choose what it will convey to its audiences. The responsibility is an eclectic one: what among this enormous mass of material best meets its audience's varied interests and needs. The insight, the consistency and the standards of quality with which that basic function is carried out give any communications organization its essential character, its degree of acceptance by the people and its viability, whether in broadcasting, publishing or theatrical or film production. No management will be right all the time. Certainly no management will please everybody any of the time. But a responsible management wil be right, not in absolute terms but in terms of the context in which it must function, more often than it is wrong; and it will keep in tune with its audience more often than it will fail to do so.

This quantitative factor in broadcasting makes for a gargantuan appetite for material—particularly in entertainment broadcasting. And an enormous amount of our resources, in terms both of energy and of money, goes into exploring sources of future programming and developing new programs. Many ideas, which sound first-rate on paper, just do not work out in actual production. Accordingly, far more pilot programs are produced every year at considerable expense than ever see the air.

The point is that to be assured of sufficient programs that interest a large enough audience to make their way, a huge volume of material must constantly be sought and developed.

The vast quantitative aspects of broadcast programming compound, but cannot take priority over, the difficulties encountered in making qualitative judgments. This latter area, involving as it does subjective values not measurable in precise terms, calls for the most conscientious exercise of our responsibility as to what goes out over the network.

Networks in the exercise of this responsibility have been subjected—sometimes from quarters that should know better—to charges of engaging in censorship or, in the instance of a New York Times commentator, in "self-censorship," a totally vacuous concept that reduces a word of gravest importance to an absurdity.

Such irresponsible charges and loose terminology could eventually so weaken or distort the very essential opposition of a free people to *real* censorship as to undo the work of nearly two centuries of our national experience in effectively combating both the idea of censorship and the practice of it, whether overt or covert.

The members of this able and distinguished Association, many of whom have been on the firing line for years in this constant battle, need no long discussion of censorship. I think that we all agree that it is prior restraint exercised by an external authority, capable of punitive action if resisted, and that its effect and intent is to forbid dissemination of materials arbitrarily found by this external authority—not by either the disseminator or his audience—to be unsuitable for public consumption.

Now this seems to me a far cry from—in fact, the very antithesis of—the often prolonged and agonized processes, by which those responsible for a medium of communication decide what they should or should not broadcast, publish or otherwise circulate. Does a magazine, publishing perhaps one-tenth of the material submitted to it or commissioned by it, by such editorial discrimination, "censor" the other nine-tenths? Does a book publishing house, publishing only 500 books a year out of the 5,000 manuscripts it reads, by making such judgments, "censor" the other 4,500? Does a cinema, booking only three or four films a month out of the hundreds in distribution, by that selective process, "censor" all the others? Does a play producer, choosing only one or two plays a year to produce, by making such choices, "censor" the scores of others that will never see the boards? We know that any such charge is nonsense. In each case, the institution is carrying out a responsibility that inheres in its very nature and purpose—an unavoidable responsibility owed to its audiences.

A broadcasting network audience is necessarily inclusive, and our responsibility to it cannot be met unless that inclusiveness is respected. Network programming, therefore, cannot be esoteric or over-specialized. A style, however exciting to an avant garde medium with a small audience of devotees or to a highly selective audience, may be completely elusive to an audience numbering in the millions. Techniques wholly experimental in nature, necessary as they may be to the growth of any medium, cannot be forced-fed to a primetime network audience before they have survived the tests of smaller crucibles.

On substantive grounds—the contents of the program—on which most programming decisions must be made, we are dealing almost always not in black and white but in shades of gray. Aside from such obviously unuseable material as the obscene or libelous, there are few constants and no absolutes in this forever changing and never rigid area. This is not a matter merely of estimating audience ratings. If that were so, it would be much easier. Such non-tangibles as taste, timeliness and the context in which it is shown enter deeply into our decisions. It was such factors as these which, after some of the most sober and earnest discussions I have ever participated in, led us at CBS to decide not to put on the air, as scheduled, a television version of a Broadway play, "Sticks and Bones," dealing with the plight of a blinded veteran returning to a family that rejected him. We made no secret of our reasons for taking this action.

In a statement sent to our affiliates and made public, we said:

"Most of us agree that the production is a serious, concerned and powerful tragedy of some of the uglier aspects of human nature as revealed in a highly imaginative contemporary story. In light of recent developments, however, many of us both at the Network and among the stations are now convinced that its presentation on the air at this time might be unnecessarily abrasive to the feelings of millions of Americans whose lives or attention are at the moment emotionally dominated by the returning P.O.W.s and other veterans who have suffered the ravages of war."

When this decision was announced, CBS was immediately accused by the ill-informed or the misinformed of yielding to White House pressure and of yielding to the Vice President's past aspersions, and finally, with a reckless disregard for accuracy or even common sense, of engaging in "censorship" or so-called "self-censorship." We were doing none of these things. Those who have taken the trouble to follow CBS's history know very well that we have resisted political pressures and will continue to do so. Finally, anyone informed as to the content, the history and the application of the First Amendment with its implicit definition of censorship as banning by government authority, knows that no issue of censorship was involved or could be involved—anymore than it is when the *New York Times* decides to publish one story and not another.

In the case of "Sticks and Bones" we made a perfectly normal though tough programming judgment. Because "Sticks and Bones" was an exceptional production in terms of its impact and in terms of the publicity it had generated, we made a particular effort to show the program to the press and to civic leaders. We urged our affiliates to do so in their communities through closed circuit broadcasts. We were endeavoring to get a better feel for the mood of the nation to confirm or refute our feel for the sensitivities which this program might arouse. In the end it was, as always, our decision as to what good taste and responsible programming judgment dictated, within the context of the particular time.

We must be constantly aware that television has virtually unrestricted access to 67 million American homes. No effort, such as going to a magazine stand or theatre, is necessary to turn on a receiving set. No expenditure of money is required to see or listen to a program. No requirement as to age and no qualification as to educational background are or can be involved in either who is admitted or who is attracted to a given program. Though this situation has given broadcasting an unprecedented opportunity, it has also imposed upon it an unprecedented responsibility.

If we are not true to that responsibility, no theoretical claim to freedom can save any broadcast endeavor. If we are true to that responsibility, no threat to such freedom can ever succeed.

## CONCLUSION OF MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, is there further morning business?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

## ALLOCATION OF CRUDE OIL AND REFINED PETROLEUM PRODUCTS

The PRESIDING OFFICER (Mr. Johnston). Under the previous order, the Chair lays before the Senate the unfinished business, which the clerk will state.

The legislative clerk read as follows:

A bill (S. 1570) to authorize the President of the United States to allocate energy and fuels when he determines and declares that extraordinary shortages or dislocations in the distribution of energy and fuels exist or are imminent and that the public health, safety, or welfare is thereby jeopardized; to provide for the delegation of authority to the Secretary of the Interior; and for other purposes.

The Senate proceeded to consider the bill.

The PRESIDING OFFICER. Under the previous order, there is a time limitation agreement on this measure.

## RECESS

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in recess until the hour of 1:30 p.m. today, and that the time for the recess not be charged against either side on the bill.

The motion was agreed to; and at 12:57 p.m. the Senate took a recess until 1:30 p.m.; whereupon the Senate reassembled when called to order by the Presiding Officer (Mr. Huddleston).

## ALLOCATION OF CRUDE OIL AND REFINED PETROLEUM PRODUCTS

The Senate continued with the consideration of the bill (S. 1570) to authorize the President of the United States to allocate energy and fuels when he determines and declares that extraordinary shortages or disclocations in the distribution of energy and fuels exist or are imminent and that the public health, safety, or welfare is thereby jeopardized; to provide for the delegation of authority to the Secretary of the Interior; and for other purposes.

## QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time not be charged against either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, on behalf of the Senator from Washington (Mr. Jackson), I yield two minutes on the bill to the distinguished Senator from Wyoming (Mr. McGee).

The PRESIDING OFFICER. Without objection, it is so ordered.

## IMMEDIATE RETIREMENT OF CERTAIN FEDERAL EMPLOYEES

Mr. McGEE. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 6077.

The PRESIDING OFFICER. (Mr. Huddleston) laid before the Senate the amendment of the House of Representatives to the amendments of the Senate to the bill (H.R. 6077) to permit immediate retirement of certain Federal employees, which was to strike out all of section 2 of the Senate-engrossed amendment.

And, that the House disagree to the Senate amendment to the title of the bill.

Mr. McGEE. Mr. President, I move that the Senate concur in the amendment of the House and that the Senate recede from its amendment to the title of the bill.

The motion was agreed to.

## ALLOCATION OF CRUDE OIL AND REFINED PETROLEUM PRODUCTS

The Senate continued with the consideration of the bill (S. 1570) to authorize the President of the United States to allocate energy and fuels when he determines and declares that extraordinary shortages or dislocations in the distribution of energy and fuels exist or are imminent and that the public health, safety, or welfare is thereby jeopardized; to provide for the delegation of authority to the Secretary of the Interior; and for other purposes.

### QUORUM CALL

Mr. McGEE. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time not be charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

Mr. KENNEDY. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The time is under control, by unanimous consent. Who yields time?

Mr. JACKSON. Mr. President, this is time on the amendment.

Mr. KENNEDY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KENNEDY. Is there a time limitation on an amendment?

THE PRESIDING OFFICER. The Chair is advised that until time has expired on the Jackson amendment, no amendments can be presented, except by unanimous consent.

Mr. KENNEDY. Mr. President, I ask unanimous consent to call up this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the Record.

The amendment is as follows:

Substitute the following for section 102 (e):

"(e) equitable distribution of fuels at equitable prices among all regions and areas of the United States and all classes of consumers: *Provided*, That priority shall be given to supplying essential activities in the public interest and to independent marketers, jobbers, and refiners who supply those priorities. Whenever possible, preference shall be given to independent refiners and marketers (1) in the carrying out of such priorities, and (2) in other cases where all other conditions are equal and a choice must be made between allocation of supplies to an independent or to a major company;".

In section 105(b) (1) after the word "regulation" add "in accordance with the objectives and priorities established under section 102(e) of this Act."

In section 105(b) (2) after the word "regulation," add "in accordance with the objectives and priorities established under section 102(e) of this Act,".

Mr. KENNEDY. I yield myself 6 minutes.

Mr. President, the amendment attempts to further the intent of the proposed legislation now before the Senate. It has the concurrence of the Senator from Washington (Mr. Jackson), who has joined with me in cosponsoring this measure. I ask unanimous consent that the Senator from Connecticut (Mr. Ribicoff) be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. I wish at this time to commend the chairman of the Committee on Interior and Insular Affairs, for his active leadership in this field and for his willingness to incorporate the suggestions of his colleagues in fashioning this legislation.

The Emergency Petroleum Allocation Act of 1973 will insure that the allocation of existing supplies of petroleum and petroleum products will be distributed on a fair and equitable basis. The amendment introduced by the Senator from Utah (Mr. Moss), which was adopted on Friday and which I was pleased to cosponsor, will enforce that fairness.

The amendment that I am offering today has a twofold purpose:

First, it provides for priority to be given to meeting essential public needs in the establishment of allocation regulations.

Second, it provides that the independents, both wholesale and retail, will be given preference in serving those needs, as so many of them have done in the past.

Essentially, the amendment will incorporate in the bill the intent of section "D" of the guidelines issued by the Department of the Interior, Office of Oil and Gas. It would make clear that such services as farm operations related to food production, hospitals and health services, police, firefighting and emergency aid, public passenger and essential freight transportation, home and hospital heating, and State and municipal facilities will not go without fuel.

These services in the public interest will be given a priority in receiving allocations under this program. However, rather than list these priorities in the legislation, we are indicating the kind of priorities through the legislative history, as was done partially in the colloquy last week between the distinguished Senator from Minnesota (Mr. HUMPHREY) and the chairman. During the hearing process provided for in this proposed legislation, it will be possible to develop a comprehensive listing of priority public service needs.

Thus, we will avoid the difficulty encountered in the original regulations issued by the administration in its voluntary program where rail and bus transportation and air freight were included, but air passenger service inadvertently was left out.

The kind of activities I am referring to include:

First. Farming directly related to food production including fishing;

Second. Food processing and transportation;

Third. Health activities;

Fourth. Police, firefighting and emergency aid services;

Fifth. Public passenger transportation, schoolbuses;

Sixth. Rail highway, sea and air freight transportation of essential goods;

Seventh. Other State and local government activities;

Eighth. Fuel needs of residents in States unable to obtain sufficient crude oil or products;

Ninth. Difficulties caused by natural disasters;

Tenth. Public utilities;

Eleventh. Telecommunications;

Twelfth. Home heating; and

Thirteenth. Heating of schools, hospitals, and public institutions.

This amendment will reemphasize this bill's intent of providing priority consideration for public service needs in regulations issued under the authority provided by this act.

At the same time, we feel that this objective should not provide the means by which major producers and refiners could continue to discriminate against independents.

As an example, in my own State of Massachusetts, major refiners supply independent terminal operators and jobbers, who in turn supply several small towns with gasoline, and hospitals and homes with heating oil. If there were to be no protection for the independent, the major company simply could, as it is doing now, cut off its supplies to the independent and force the town or the hospital to deal directly with it.

This amendment provides, therefore, for the independents to be protected and given preference in the supplying of essential public service agencies. Once again, this makes mandatory an aspect of the Government's voluntary program.

For those of us who have witnessed the events over the past several months in the petroleum marketing arena, it is evident that the protection afforded to the independents by this amendment is essential if they are to survive.

We are convinced, as hearings by the Senate Antitrust Subcommittee have confirmed, that the independent marketer and the independent retail station in the gasoline market, and the independent fuel oil dealer in the home heating oil market, are basic competitive forces within the industry. As the competitive catalysts, their existence is a constant pressure for lower consumer prices and for better consumer service. For those reasons, we believe it is in the public interest to prevent their destruction.

The past 3 months now prove beyond any possible doubt that the current shortage has been used, and will continue to be used, by the majors to force those independents out of business unless the law prohibits them from doing so.

The Interior Committee, the Consumer Subcommittee of the Senator from Utah (Mr. MOSS), the Small Business Subcommittee presided over by the Senator from New Hampshire (Mr. MCINTYRE), and the Joint Economic Subcommittee, of which the Senator from Minnesota (Mr. HUMPHREY) is the chairman, have heard a parade of witnesses, all with vast expertise and years of experience in the oil industry.

Nationwide, the Office of Emergency Preparedness has reported that over 800 independent gasoline stations have closed during the past several months. Another 1,800 stations are threatened with closing, they say. In New England, more than 100 stations are reported to have closed, according to the Independent Oil Men's Association of New England, the largest percentage in my own State.

Nationwide also, the National League of Mayors have reported that many of the 15,000 municipalities across the country are finding their requests for bids to supply police cars with gasoline and public transit with diesel fuel going unanswered. In Massachusetts, a State survey reported that some 40 communities recently saw the final date for bids come and go without a whisper of an offer.

Rockport is a case in point. Bids went out for gasoline for the coming year for city services, including police and fire departments. No bids were received.

Rockport was forced to send its fire trucks into local gas stations because it could not obtain contracts from anyone. The town only has seven stations, four of which refused to sell to the city, which means that the community's emergency services now rest on the continued existence of three gas stations whose own supply is by no means assured throughout the summer.

This situation must not be permitted to continue. Thus, I felt it was desirable both to restate the priority of public services over private and to insure that in achieving one objective, we did not inadvertently endanger our second objective, the protection of the independent sector of the oil industry.

This amendment clearly is in keeping with the basic philosophy of the bill before us today and merely attempts to further insure that its twin objectives are realized.

The PRESIDING OFFICER. The Senator's 6 minutes have expired.

Mr. KENNEDY. Mr. President, I yield myself 2 additional minutes.

Mr. President, for the benefit of Senators, the point is that while the national average is that some 22 percent of the gas sold in this country, is sold by independents, in Massachusetts it is 33 percent, and that is generally true throughout New England. We have to rely on independents to maintain a competitive balance in the gasoline industry and in the home heating oil industry. In New England, about 85 percent of the homes are heated by home heating oil, and 85 percent of that demand is provided by independents.

So the purpose of the amendment is to preserve and protect the role of independents as distributors in the petroleum industry. We feel that the independents have served well the consumers of New England. We find they are the ones most heavily threatened in the current situation. It is hoped that with the adoption of this amendment their position will be further strengthened and that they will be able to play an important role in continuing to provide the oil and gasoline to the consumers of our section of the country.

For those reasons, as well as those identified in the statement, I have offered the amendment.

Mr. JACKSON. Mr. President, I yield myself 1 minute on the amendment.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. JACKSON. Mr. President, I rise to support the amendment of the distinguished senior Senator from Massachusetts. In my judgment, it strengthens the provision in section 102(e) by recognizing the special problem that exists as far as the independents are concerned.

I believe that it will help the bill and for that reason I am pleased to support the amendment.

Mr. FANNIN. Mr. President, I would like to ask the distinguished Senator from Massachusetts about this amendment.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. FANNIN. Mr. President, as I understand it, this amendment protects independent marketers from competition from major companies. Is that the intent?

Mr. KENNEDY. Not competition but the threat of predatory practices. It is to maintain the competitiveness by assuming independents an adequate supply which would permit them to compete.

Mr. FANNIN. But what effect would the Senator's amendment have on consumer prices charged by independents protected by the Senator's amendment?

Mr. KENNEDY. It would be difficult, if not impossible, at this time to predict what the price structure for gas or home heating oil for the next few months or next winter will be. What we have seen already is prices rising for heating oil, prices rising for gasoline and profits rising for oil companies.

Whatever further increases which may take place because of the more restricted sources of supply, I am sure that the increases would be a good deal less if we maintain the competitive viability of the independents in New England. This has been the traditional, historical record, even though it is more difficult and more expensive to do business in our part of the country.

I can safely predict that with the protection of the competitive situation for the small independents, the consumer will benefit from the price competition which will be stimulated if this amendment is agreed to, but which would not be possible if the majors were allowed to freeze the independents out of business.

Mr. FANNIN. I just wish to ask the distinguished Senator, in trying to protect the consumer, which we are all trying to do, is not the Senator's amendment silent on price restrictions by independents?

Mr. KENNEDY. There is no statement about price limitations or restrictions. This measure does not deal with prices other than to repeat the portion of section 102(e) reported by the committee and calling in heating oil, 85 percent is supplied by independents, for equitable prices. The new language reselects the same approach as the administration with regard to protecting essential public activities and strengthens the preference given independents in supplying those activities. We do not differ substantially from the administration approach except that we are mandating the preference.

Mr. FANNIN. All I am saying is that the amendment is silent on price increases. I wish to call attention to the fact that this is something, whether the administration has acted on it or not, that is of great importance. The amendment does nothing to protect the consumer.

Mr. KENNEDY. The Senator is correct. We are talking about the element of supply in the competitive balance.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. PASTORE. Is not the purpose of this amendment to make sure that the large producers do not swallow up the independents? Is that correct?

Mr. KENNEDY. The Senator is correct.

Mr. PASTORE. The Senator does not direct his amendment to the question of equitable distribution. That is within the framework of the law suggested by the committee.

Mr. KENNEDY. The Senator is correct.

Mr. PASTORE. All the Senator is doing is to make sure that a preferential treatment will be given to independents who are small, on a competitive basis. For instance, if an independent has as a customer a hospital, the Senator does not want the big distributor to come in and suffocate the independent so that he can get the business of the hospital. Is that the purpose of the amendment?

Mr. KENNEDY. The Senator is correct.

Mr. PASTORE. I do not see how anyone has trouble with it.

Mr. FANNIN. Mr. President, if the Senator will yield, in the question I asked, I said this amendment is intended to protect the independent from competition of major companies. He said that was not the intent.

Mr. KENNEDY. There is an entire structure that exists within the Economic Stabilization Act to establish guidelines and ceilings on prices of various products. Although it has not always been satisfactory, that is where that power and authority exists. I think all of us are going to try to review those decisions that have an impact on the consumer in oil and gas.

What we are dealing with here in this amendment is supply. Here we are dealing with a preference to independents in terms of supplying vital public services.

Mr. FANNIN. I will say to the distinguished Senator that I was not trying to establish other than what the intent of the amendment is, as stated. So I have my answer, but the first answer was not the same as the later answer.

Mr. JACKSON. Mr. President, I think the amendment has been sufficiently discussed. I can only say the language, on page 2 of the Kennedy amendment, starting on line 1 with the word "Whenever," and down through line 6, is exactly the language as contained in the directives by the Department of the Interior in connection with the guidelines for allocation of crude oil and refinery products, as I understand the situation, and is merely codifying the language contained in those regulations by the Department of the Interior.

So, Mr. President, I support the amendment and am pleased to accept it.

The PRESIDING OFFICER. Is all time yielded back?

Mr. JACKSON. Mr. President, can we get to a vote on the amendment? I yield back whatever time I may have.

Mr. KENNEDY. Mr. President, I yield back my time.

Mr. JOHNSTON. Mr. President, will the Senator yield?

Mr. JACKSON. On this amendment?

Mr. JOHNSTON. Yes.

Mr. KENNEDY. I yield.

Mr. JOHNSTON. I am a little confused as to what is meant by giving preference to independent refiners and marketers. Does that go further than, in the first instance, giving them a proportion of what they were given during the base period, and providing that supplies be given to independents based on the supplies they received during that period?

The PRESIDING OFFICER. Who yields time?

Mr. JACKSON. Mr. President, I have time.

The PRESIDING OFFICER. The Senator has time on the bill.

Mr. JACKSON. I yield 2 minutes to the Senator.

Mr. KENNEDY. And will the Senator yield 2 minutes to me?

Mr. JACKSON. And 2 minutes to the Senator from Massachusetts.

Mr. JOHNSTON. My question is, does this amendment go further than provide that they be given the proportion they were given during the base period?

Mr. KENNEDY. All it would be doing is insure that this language is interpreted to permit the independents themselves to also arrange to contract to meet various emergency service needs. The amendment would permit the independents to arrange contracts with hospitals or for agriculture related to food production or other essential public service activities such as those which have been listed in section "d" or the voluntary guidelines. As the floor manager of the bill pointed out, the extent of this list would be subject to additional administrative regulations following hearings. The amendment is offered for the purpose of protecting the ability of independents to compete in that area as well. It is to indicate a preference where they have been functioning and working. This act will not be used nor will that particular provision to preserve public services be used as a means of eliminating the independent. That is all we are really trying to do.

Mr. JOHNSTON. I thank the Senator.

My second question is that on the first page of the amendment, second line, it refers to "equitable distribution of fuels at equitable prices." Does the amendment call for any more of a price fixing regulation than the original bill did? I ask that question in the context that the original bill, as I read it, does not mandate fixed prices, but merely gives to the President the power to prevent price gouging in temporary shortage situations.

Mr. KENNEDY. This amendment does nothing in the area of price fixing or price setting whatsoever. It just extracts the language from the bill reported by the committee and then adds to it the proviso giving priority to public service activities and preference to independents in supplying those activities.

Mr. JACKSON. Mr. President, I am ready to vote. I do not need to yield back the time.

Mr. FANNIN. Mr. President, I yield back my time.

Mr. JACKSON. Mr. President, I ask unanimous consent at this time that amendments to the Jackson amendment, which is No. 145, in the nature of a substitute, may be taken up and allotted time pursuant to the order which permits 1 hour on each amendment, without requiring unanimous consent.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JACKSON. Mr. President, I am ready to vote on the Kennedy amendment.

The PRESIDING OFFICER. All remaining time having been yielded back, the question now is on agreeing to the amendment of the Senator from Massachusetts (Mr. KENNEDY) to the Jackson amendment.

The amendment was agreed to.

Mr. RANDOLPH. Mr. President, I have sent to the desk an amendment to the Jackson amendment. I ask that it be read.

The PRESIDING OFFICER. The amendment will be read.

The assistant legislative clerk read the amendment, as follows:

Insert the following new section at the end thereof:

"HIGHWAY SPEED REDUCTIONS TO CONSERVE GASOLINE

"SEC. —. It is the sense of the Congress that, in order to conserve gasoline supplies which in some areas of the Nation are approaching critical shortages—

"(1) speed limits for motor vehicles traveling on Federal-aid highways presently at or in excess of 55 miles per hour should be reduced immediately to 55 miles per hour, or 10 miles per hour lower than the speed limit posted on the affected portion of such Federal-aid highway prior to the enactment of this section, whichever is the greater.

"(2) Federal, State, and local governmental agencies should take appropriate actions to achieve and enforce such reductions in vehicle speed; and

"(3) Federal, State, and local governmental agencies should take such actions as may be necessary to increase public awareness of the need to conserve gasoline and the means for doing so, including the connection between decreasing gasoline consumption and decreasing vehicle speed, excessive idling, unnecessary travel, and abrupt acceleration and deceleration."

Mr. RANDOLPH. Mr. President, I wish to make a very abrupt statement, but it is the truth.

The problems we address in the bill now under consideration are not new problems. While the fuel shortage has only recently become a matter of serious public attention, we have been building toward this day for several years.

The present gasoline shortage and the prospects for an even more severe shortage in the months immediately ahead has brought the seriousness of the situation home to virtually every American. The reality of gasoline shortages and the prospect of rationing emphasize more than ever before the need for a rational policy to govern the production and use of energy.

Today is the 4th of June. We are entering the summer season when many Americans take to the road for holiday travel. Gasoline consumption is at a peak during these months. This year the shortage of fuel also will be at a peak.

The amendment I offer to the Jackson amendment is intended to at least partially alleviate the shortage of gasoline. If enacted and applied, its provisions would have immediate effect on the type that does not require lengthy planning or the establishment of new programs. I think this is important to emphasize—no lengthy plan, no establishment of new programs.

My amendment reflects the concern of the Congress with the fuel situation by expressing the sense of Congress that action should be taken at once to reduce speed limits on Federal-aid highways.

I wish to indicate that the Federal highway systems in this instance include the Interstate System and also the primary and secondary road systems.

As proposed, this amendment urges the States to lower speed limits on Federal-aid highways that are now in excess of 55 miles by 10 miles per hour or to 55, whichever is greater.

This amendment also calls on Government agencies at all levels to do what is necessary to increase public awareness of the need for conserving gasoline.

Mr. President, I had originally intended to offer this proposal to the conference committee which is now considering the Federal-Aid Highway Act of 1973. That conference, I am frank to say, is working hard and we are starting tomorrow on our 22d session of that conference, trying to resolve several difficult and controversial questions. It is unlikely however, that it will be concluded immediately. Therefore, I offer this amendment to S. 1570, a measure that is moving quickly through the legislative process.

The shortage of gasoline affects all segments of American society. In taking steps to assure that fuel will be available when needed, we must give high priority to the maintenance of essential public services, particularly truck and bus operations. Commerce relies heavily on motor vehicles to move products throughout the country. Similarly, there is a new interest in public transportation services as an alternative to individual cars. It is vital that fuel supplies be available for public transportation, particularly if there are shortages that restrict the use of private automobiles.

The nonavailability of gasoline is a challenge to the American people that all of us must share. It is convenient and comfortable to be able to use our cars indiscriminately whenever we want and as often as we want. The current situation, however, demands that all of us make some sacrifices.

The speed with which we are accustomed to traveling on today's highways is a sacrifice we can readily make. It is one which will produce substantial and immediate benefits. For instance, it is estimated that on interstate highways a reduction in speed from 70 to 60 will result in a fuel savings of 10 to 11 percent.

Testimony was received last week by our Subcommittee on Air and Water Pollution that for the average medium-size car, a speed reduction from 70 to 50 increases efficiency by about 2 miles per gallon. Smaller cars will benefit by an even greater savings. Speed reduction from 70 to 40 increases efficiency by 4½ miles per gallon. These are substantial savings, and with today's tight fuel supply they are meaningful.

There are many other ways in which every motorist can save fuel. Obviously, if we use our car less—at whatever speed—we will burn less gasoline. More descretion in the use of automobile air conditioning provides further benefits. Perhaps less widely known is the fact that substantial amounts of gasoline are wasted by idling. The average car wastes 1 gallon of fuel each hour it idles.

Mr. President, I was gratified that last week the Postal Service of the United States brought to our attention the savings which were realized in the operation of its cars, trucks, and other motor vehicles. The Postmaster General spoke of 7,000 facilities which have vehicles in which the need for fuel conservation is emphasized. In the bulletin which I read and had printed in the RECORD on May 30, there was an outline of the steps to follow in seeking a reduction of 1 percent on the 85,701,821 gallons of gasoline and other petroleum products used by the Postal Service in fiscal year 1972.

Utilizing this plan on the 100,000 vehicles and accomplishing a 1-percent reduction would mean a savings of more than 850,000 gallons of fuel.

I thank Postmaster General Klassen again, as I did last week, upon this accomplishment.

Mr. President, by instituting such relatively small measures as these, we can substantially reduce the impact of this summer's gasoline shortage. Nationally this shortage is expected to be about 3 percent of our country's needs. In percentage terms, this sounds small, but it is large in numbers of gallons. The shortage is not equally severe throughout the country. The Midwest, for instance, is likely to be hardest hit with supplies falling to 10 percent short of need.

There is at least one important side benefit from less driving and slower driving. Tire use would drop and, since synthetic rubber is a petrochemical product, oil use for this purpose would be lower.

Another auxiliary result would certainly be an improvement in the safety record of our highways. High speed is a major contributor to highway accidents, and the encouragement of sensible driving at sensible speeds is an important goal of programs of highway safety. Even though the immediate purpose of this amendment is to conserve fuel, lower speed limits would also serve to make motorists aware of speed and thereby reduce accidents.

I want to point out to the Senator from Washington (Mr. JACKSON), the Senator from Arizona (Mr. FANNIN), and the other Senators on the floor that this is a realistic amendment in that it is not mandatory. It expresses the sense of the Congress, and we believe that it can be implemented by the States, by the counties, and by the cities and those political subdivisions which have jurisdiction over the operation of cars and the enforcement of speed laws.

I believe there is interest shown by the people in the conservation of fuel. I believe that it would be very important if we could act in this way now and subsequently implement what is being done through the national fuel and energy policy study, in which the chairman of the committee, the Senator from Washington, was extremely active, as was the Senator from Arizona (Mr. FANNIN).

Mr. President, the provisions of my amendment are realistic, both in terms of result and of implementation. Virtually all highways now have speed limits so their reduction would mean that simply enforcement would be at different levels than at present. The great interest in the gasoline shortage and the fact that it affects all of us has made us increasingly aware of the advantages of traveling slower. I believe that the speed limit proposals in the amendment are not excessive to the point that they would cause serious problems for commercial vehicles operations. Indeed, I would imagine that necessary adjustments would be vastly preferable to running out of fuel.

Mr. President, the fuel shortage is with us now. Through the national fuel and energy policy study, which was established by legislation I sponsored, the Senate is attempting to establish the direction for the future production and use of energy. The present situation, however, requires immediate attention and I am convinced that the provisions of this amendment will be of great value in easing the fuel shortage.

Mr. President, I prepared and sponsored the national fuel and energy policy study 2 years ago. Through that study we come to grips with many of these problems.

The present situation, however, is something that needs immediate attention. I am convinced that the provisions of this amendment, which is not mandatory, but call for implementation by individual subdivisions, would help very much to meet the goal we seek.

Mr. JACKSON. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Washington is recognized for 2 minutes.

Mr. JACKSON. Mr. President, I compliment the distinguished Senator from West Virginia, who is the author of the Senate's special national fuel and energy policy study for offering this amendment.

It is obvious to us all that we have reached the point where we must do something about conserving energy in all forms, whether it relates to electricity, automobiles, or whatever the use might be.

I believe, Mr. President, that this amendment is a good beginning and that it will give us an opportunity to look at certain mandatory moves that will have to be made.

As the Senator from West Virginia knows, we have the proposed national policy for energy conservation bill pending in committee. There are many areas that we can look into as to the possibility of making some real energy savings.

I might point out that it is clear that one necessary thing—and I do not know just how to go about it—is that we will need to limit the total weight and amount of horsepower to be permitted in new automobiles. We must determine whether there ought to be a tax or an overall limit. The question is a difficult one, but we ought to start looking into these things now.

The Senator from West Virginia has made an excellent beginning. I compliment him. And I am pleased to accept the amendment.

Mr. GOLDWATER. Mr. President, will the Senator from Washington yield?

Mr. JACKSON. Mr. President, I yield to the Senator from Arizona.

Mr. GOLDWATER. Mr. President, I join with the Senator from Washington in his compliments to the Senator from West Virginia. I think it would be a very logical step to take, even if we were not faced with a zero surplus. What we are really talking about here is a more sensible form of driving, one which will result in fewer accidents, I believe.

I have just been figuring out here roughly that if I drove 200 miles, which is about what you can get on a tank of gasoline if you have a car that came out before the new conservation measures were applied, it would take you about 3.5 hours to go 200 miles at 60 miles an hour. If you drive at 50 miles an hour, it will take about 4 hours. But you spend the resulting half-hour saved refueling, eating, and so forth, so really you do not save anything. This has been amply demonstrated time and time again by people in the field of safety, who have tried to show American drivers that driving an extra 10, 15, or 20 miles an hour really does not save them any time, it endangers their lives and costs them money.

I think it is a very fine approach. I agree with the Senator from Washington that Congress will have to take further steps to effectuate a change in displacement of our engines and the resulting aggravation of the fuel shortage, but I wholeheartedly approve this measure.

Mr. RANDOLPH. Mr. President, I respond not only to say to the Senator that I am appreciative of his kind remarks with reference to the amendment, but I think he speaks in reasoned terms about the larger elements involved, now and in the years ahead.

I do appreciate what the Senator has said with reference to the amendment.

Mr. FANNIN. Mr. President, I yield myself 2 minutes.

I commend the distinguished Senator from West Virginia for this sense of Congress resolution. I believe it is very important, both from the standpoint of conservation of fuel and the standpoint of safety. I know that the Senator is particularly interested in safety, and appreciates that this is also a factor in safety. The Senator has been working with our highway departments for years, and has contributed greatly in that respect.

I would ask the distinguished Senator from West Virginia, as far as this resolution is concerned, whether it would affect the schedules of buses or their regular activities. Of course, perhaps over a period of time it would result in their wishing to slow down so as to be in compliance with other vehicles traveling the highways, but as I understand the Senator's proposal, it would have no effect on bus schedules or traveling buses.

Mr. RANDOLPH. It would only be, of course, as it is implemented by the jurisdictional bodies of the States, counties, or cities. There might be some adjustments to be made. But here we do not speak in terms of mandatory legislation, only the sense of Congress calling on political subdivisions to work with the individual driver, with the bus company, and with the trucking company in an effort to bring about a realistic approach to lower speeds. This is in the interest of safety, as stressed by the Senator's colleague from Arizona, and would also have the result of a very important saving in the supplies of fuel.

Mr. JACKSON. Mr. President, I am ready to yield back the remainder of my time on this amendment.

Mr. DOMENICI. Mr. President, will the Senator from Arizona yield to me?

Mr. FANNIN. I yield 2 minutes to the Senator from New Mexico.

Mr. DOMENICI. Mr. President, I, too, want to commend the Senator from West Virginia on his very appropriate amendment, and also to comment on the proposition that there is another factor involved in using our automobiles that seems to be of considerable importance, and that is carpooling.

I know that the distinguished Senator from West Virginia is a sponsor of a proposed resolution, together with its author, who is present in the Chamber today, the distinguished Senator from Oklahoma (Mr. BARTLETT), which would ask the President of the United States to promote carpooling as a means of conserving gasoline.

I am sure that the Senator from West Virginia concurs that this, too, would be a step forward at this very critical time. I hope that the Senator from Oklahoma will ask that his resolution, which is presently pending before the Committee on Commerce, be added to this bill as a further means of expressing the Senate's concern in urging the reasonableness of putting two people instead of one in a car as they go to work.

I am sure the Senator is aware of my interest in the great highway system of this country. I do not want to see this crisis used to its perpetual detriment, because I think it offers a great opportunity to all Americans to be independent and free, and see this great land. So I hope we will promote commonsense on the part of the American people during these next 2 to 5 years. I hope the Senator from Oklahoma will ask that his proposed resolution on car pooling be added to this measure.

The PRESIDING OFFICER. Is all remaining time yielded back?

Mr. BARTLETT. Mr. President, will the Senator from Arizona yield?

Mr. FANNIN. I yield 2 minutes to the Senator from Oklahoma.

Mr. BARTLETT. Mr. President, I ask unanimous consent that Mr. Ron Frank and Mr. David Russell of my staff be accorded the privileges of the floor during the debate on this measure, S. 1570.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BARTLETT. I would like to respond to the comments by the Senator from New Mexico that I do plan to offer the resolution on car pooling as a part of this bill. I believe that the possible savings here are very far reaching, because it has been shown that if the number of passengers in a car is increased from 1.4, which is the average in a commuter car today, to 2, there would be a saving of about 1.8 million barrels of oil per day. Also, that would provide the cheapest form of mass transit—cheaper than any of the other ways.

So I do plan to request that that provision be made a part of this bill, and I shall offer it very soon.

The PRESIDING OFFICER. Is time on the amendment yielded back?

Mr. JACKSON. I yield back the remainder of my time.

Mr. RANDOLPH. I yield back the remainder of my time.

The PRESIDING OFFICER. All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from West Virginia (Mr. RANDOLPH).

The amendment was agreed to.

Mr. FANNIN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. FANNIN. Mr. President, I ask

unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FANNIN's amendment is as follows:

> On page 3, line 4, following the words "in section 102." add the words:
>
> "No allocation plan, regulation or order, nor mandatory price, price ceiling or restraint, shall be promulgated pursuant to this Act, whose net effect would be a substantial reduction of the total supply of crude oil or refined petroleum products available in or to markets in the United States."

Mr. FANNIN. Mr. President, my amendment is intended to insure that the allocation system established pursuant to this act will in no way jeopardize the supply of crude or refined petroleum products. It therefore provides that—

> No allocation plan, regulation or order, nor mandatory price, price ceiling or restraint, shall be promulgated pursuant to this Act, whose net effect would be a substantial reduction of the total supply of crude oil or refined petroleum products available in or to markets in the United States.

It is designed to stimulate production rather than discourage production. Without increased production, as I pointed out in my opening statement, allocation of fuels will only spread the shortage around.

Mr. JACKSON. Mr. President, I think this is a very helpful clarifying amendment, and I am pleased to support it. I am prepared to yield back the remainder of my time.

Mr. FANNIN. I yield back the remainder of my time.

The PRESIDING OFFICER. All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Arizona (Mr. FANNIN).

The amendment was agreed to.

Mr. HOLLINGS. Mr. President, I am pleased to rise as a cosponsor of S. 1570 as reported to the Senate. The Emergency Petroleum Allocation Act as designed—as its name implies—as an emergency measure to deal with an immediate and urgent problem—namely, the first peacetime fuel shortage in our Nation's history.

On April 30 of this year, President Nixon signed the Economic Stabilization Act, which included the authority to establish a voluntary system of fuel allocation. We had recognized at the time that the fuel situation required a system of allocation. The guidelines under which this system is to operate were published on May 23.

The legislation before us today supplements these guidelines and the previous authority granted the President—for even as the administration begins to put the voluntary program into effect, we are able to see the drawbacks of this approach.

For example, voluntary allocation penalizes those public-spirited companies who cooperate at the same time that it favors those who refuse to go along.

Second, voluntary allocation raises serious antitrust questions, in that it asks oil companies to exchange supply obligations—a clear violation of our antitrust statutes.

In addition, under a voluntary approach, a company is forced to honor contractual obligations, regardless of shortage or priority considerations.

Further, since the question of preemption is not addressed in the voluntary program, a company that complies with the Federal program may find itself in conflict with the fuel allocation requirements established by State or local governments.

None has to be told that we are in the midst of a serious and fast deteriorating fuel shortage. It is clear that while we are beginning to experience some inconveniences now, the problem is going to worsen in the months ahead. Now is the time for us to establish a firm, fair, workable system which will accomplish allocation of fuels, at reasonable prices, to those people who need it.

I am pleased that with S. 1570 a system of priorities is set up. Included within the list of priority uses are public health, safety and welfare activities, public service activities, and—most importantly—agricultural operations.

Top priority in the present energy crisis must go to our farmers. In my State, and all across the Nation, farmers are unable to get enough gasoline to run their tractors and other farm equipment. If we do not take immediate action, much of their output will go unharvested, and the prices of food will skyrocket even further.

S. 1570 establishes a fair system of allocation which will preserve an economically sound and independent oil industry. We are not attempting to put the Government into the energy business, but rather to guarantee the preservation of this free enterprise industry.

The crisis with which we are faced demands congressional and Presidential action, and S. 1570 will give the President the tools he needs to deal with this crisis. I urge the Senate's prompt and favorable consideration of the bill.

### AMENDMENT NO. 151

Mr. McINTYRE. Mr. President, I call up my amendment No. 151.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. McINTYRE. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McINTYRE's amendment (No. 151) is as follows:

> At the end of the bill, insert the following new section:
>
> COMPETITION
>
> SEC. In order to assure that crude oil and petroleum product shortages do not result in a substantial lessening of competition within the various sectors of the petroleum industry, but particularly with regard to petroleum marketers and retailers, the President shall instruct the appropriate agency to closely monitor the marketing practices engaged in by refiners, as defined in section 105(b)(2) of this Act, to assure compliance with Federal antitrust laws and take such action as is necessary or appropriate to assure such compliance.

Mr. McINTYRE. Mr. President, as Members of the Senate know, a number of hearings have been recently held by several committees of both the Senate and the House on our present fuel supply situation.

A recurrent theme voiced by a substantial number of witnesses appearing at these various hearings has been the concern that petroleum product shortages could well have a serious damaging effect on competition within the various sectors of the petroleum industry.

During recent hearings that I chaired on the Senate Banking Committee on this question of product shortages and their impact on the national economy, a number of witnesses specifically urged that the Federal agencies responsible for our Federal antitrust policy make a concerted effort at assuring that a meaningful level of competition be maintained.

During the hearings the committee received testimony from the Federal Trade Commission regarding the energy study that that agency has been conducting since October 1970.

I specifically asked the witnesses appearing on behalf of the Federal Trade Commission if they had established a monitoring procedure during the shortage period to assure that during this difficult period that a meaningful level of competition would be maintained and that the shortages would not be used as a tool to drive a significant part of the marketing segment of the oil industry out of business.

The Federal Trade Commission indicated, however, that they did not have such a procedure. Because of this, I introduced an amendment to S. 1570 calling on the President to have the Antitrust Division of the Justice Department to monitor the marketing practices in the industry to assure compliance with the Federal antitrust laws.

Mr. President if we do not take appropriate action immediately and if Congress does not make it clear of its intent to assure that during this shortage period every reasonable action must be taken to maintain competition, thousands of small business marketers face the clear threat of being forced out of business and the consumer will be the ultimate victim.

The competitive history of the oil industry clearly shows that the major companies have the economic power to make the life-and-death decision over the existence of the independent marketing segment of the industry and shortages of petroleum products greatly enhance this power.

Congress must make it absolutely clear from the legislation that we are presently considering that the Federal Government will not tolerate or allow our established antitrust policies to be either ignored, abridged, or violated.

Since the introduction of my amendment, another amendment has been offered by Senators HUMPHREY and JACKSON designed not only to accomplish the same results as my amendment No. 151 but which also deals with other sensitive antitrust areas.

If I may invite the attention of the manager of the bill, the sponsor, the distinguished Senator from Washington (Mr. JACKSON), do I correctly understand that this amendment of the Senator from Washington and the Senator from Minnesota (Mr. HUMPHREY) goes to communication among oil companies concerning allocations, and that the Justice Department representative must be present and a transcript of the meeting made public? Does that sound about right?

Mr. JACKSON. The Senator is correct.

Mr. McINTYRE. Do I also correctly understand that the Senators' amendment would have the Federal Trade Commission undertake a 6-month report on the causes of the present shortages and would also study the structure of the oil industry?

Mr. JACKSON. The Senator is correct.

Mr. McINTYRE. Well, in view of the fact that the amendment of Senators JACKSON, and HUMPHREY is of a broader scope than my own, I will withdraw my amendment at this time and would like to be added as a cosponsor of the amendment of my distinguished colleagues from Minnesota and Washington.

Mr. JACKSON. Mr. President, may I first compliment the distinguished Senator from New Hampshire for a very fine statement in connection with his amendment. I know that he has been holding hearings and taking an active and keen interest in this whole area of antitrust laws and in assuring proper and effective competition. I believe that the amendment which the Senator from Minnesota and I are about to offer will include the area that the Senator from New Hampshire has addressed. I hope that the overall amendment, of which he is about to be a cosponsor, will be approved by the Senate.

Mr. McINTYRE. Mr. President, I thank my good friend from Washington. During the course of this debate, I hope to be able to ask a few questions of the manager and principal sponsor of the bill concerning the allocations as I have seen them working in the market area in New Hampshire. Several things have come to my attention that are disturbing but I am sure my fears will be allayed when the facts are explained here.

Mr. President, at this time, I withdraw my amendment.

The PRESIDING OFFICER (Mr. DOMENICI). The amendment is withdrawn.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the name of the distinguished Senator from New Hampshire (Mr. McINTYRE) be added as a cosponsor of Amendment No. 168.

The PRESIDING OFFICER. Without objection, it is so ordered.

### AMENDMENT NO. 168

Mr. HUMPHREY. Mr. President, I call up amendment No. 168 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and the amendment will be printed in the RECORD at this point.

The text of amendment No. 168 is as follows:

On page 9, after line 19, insert the following:

SEC. 108. (a) Except as specifically provided herein, no provision of this Act shall be deemed to convey to any individual, corporation, or other business organization subject thereto immunity from civil or criminal liability or to create defenses to actions under the antitrust laws.

(b) As used in this section, the term "antitrust laws" includes the Act of July 2, 1890 (ch. 647, 26 Stat. 209), as amended; the Act of October 15, 1914 (ch. 323, 38 Stat. 730), as amended; the Federal Trade Commission Act (38 Stat. 717), as amended; sections 73 and 74 of the Act of August 27, 1894 (28 Stat. 570), as amended; the Act of June 19, 1936 (ch. 592, 49 Stat. 1526), as amended.

(c) Any priority schedule, plan, regulation, or allocation program proposed pursuant to section 104(a) hereof shall be forwarded to the Attorney General and to the Federal Trade Commission, who shall be given a reasonable opportunity of not less than seven days before such schedule, plan, regulation, or allocation program takes effect to comment as to whether it would tend to create or maintain anticompetitive practices or situations inconsistent with the antitrust laws, and to propose an alternative or alternatives which would avoid or overcome such effects while achieving the purposes of this Act.

(d) Whenever it is necessary, in order to execute the provisions of this Act or of plans, regulations, or orders issued pursuant thereto, for owners, officers, agents, or representatives of two or more producers, importers, refiners, or resellers of crude oil or refined petroleum products subject to this Act to meet, confer, or communicate in such a fashion and to such ends that might otherwise be construed to constitute a violation of the antitrust laws, they may do so only upon an order of the agency designated by the President to administer the provisions of this Act specifying and limiting the subject matter and objectives of such meeting, conference, or communication. Moreover, such meeting, conference, or communication shall take place only in the presence of a representative of the Antitrust Division of the Department of Justice, and a verbatim transcript of such meeting, conference, or communication shall be taken and deposited with the Attorney General and the Federal Trade Commission, where it shall be made available for public inspection.

(e) There shall be available as a defense to any section brought under the antitrust laws or comparable State pricing or restraint of trade statutes, or for breach of contract in any Federal or State court arising out of delay or failure to provide, sell, or offer for sale or exchange crude oil or refined petroleum products, that such delay or failure was caused solely by compliance with the provisions of this Act or with mandatory priority schedules, regulations, or orders issued pursuant to this Act.

(f) There shall be available as a defense to any action brought under the antitrust laws or comparable State pricing or restraint of trade statutes arising from any meeting, conference, or communication or agreement resulting therefrom, held or made solely for the purpose of executing the provisions of this Act or of plans, regulations, or orders issued pursuant thereto, that such meeting, conference, communication, or agreement was carried out or made in accordance with the requirements of subsection (d) hereof.

(g) The Attorney General and the Federal Trade Commission shall monitor the actions taken pursuant to this Act by the agency designated to administer the provisions thereof and by persons subject to the provisions thereof, and shall report to the President and to the Congress any provision of this Act, action taken pursuant thereto, or condition created thereby, which would tend to create or maintain anticompetitive practices or situations inconsistent with the antitrust laws or have a lasting adverse impact upon competition or upon any of the objectives set forth in section 102(d), (f), or (g) of this Act.

(h) The Federal Trade Commission shall prepare and transmit to the Congress, no later than six months from the date of enactment hereof—

(1) a report on the relationship between the structure, behavior, and operational characteristics of the petroleum industry (including the vertical integration of production, transportation, refining, and marketing; and joint ventures among petroleum companies) and the causes of the present shortages of crude oil and refined petroleum products; and

(2) a report on petroleum industry practices and trends in the marketing of gasoline and other petroleum products including the use of credit cards, the promotion of second and third brand name products, the terms and conditions of franchise agreements and the protection they afford the franchise and the role of the independent retailer.

(i) The Federal Trade Commission shall have the authority, notwithstanding the exceptions in section 6 (a) and (b) of the Federal Trade Commission Act (ch. 311, 38 Stat. 721), to gather and compile such information concerning, and to require the furnishing of such information by, all corporations including common carriers subject to the Act, as may be required to implement the provisions of this section.

Mr. HUMPHREY. Mr. President, how much time is there on each amendment?

The PRESIDING OFFICER. One hour.

Mr. HUMPHREY. I thank the Presiding Officer. I yield myself such time as may be necessary to explain the amendment.

Mr. President, many of the provisions of this amendment have already been discussed by the distinguished Senator from New Hampshire (Mr. McINTYRE). Also, much of the body of the amendment has been discussed in considerable detail by the manager of the bill the Senator from Washington (Mr. JACKSON).

The whole purpose of the amendment is to prevent any form of collusion or conspiracy among the majors in the oil industry, thereby resulting in any unfair competitive practices for monopolization of the manufacture, distribution, or retailing of petroleum supplies.

Second, the amendment would make it clear that the provisions of the Jackson bill now before us should not be considered as in any way jeopardizing the actions of companies who comply with the requirements of S. 1570. In other words, the provisions of S. 1570, when complied with by the major oil companies, would mean that the companies were not in any violation of any antitrust laws but, rather, were cooperating under the terms of the new statute.

Finally, amendment No. 168 would require a report on the total structure and operation of the petroleum industry from the crude oil, the well, through the distribution and refinery system, all the way to the consumer market. Such a report can be made available to Congress not later than 6 months after the enactment of the law.

I might add that there has been no real updating of the structural organization of the oil industry since way back in the 1930's with the temporary National Economic Committee report of that period. It is surely needed so that we can know much more about this fabulous industry because of its tremendous impact on the total economy of the country.

Mr. President, this is just a brief, thumbnail sketch of what the amendment would do.

Let me take some time now to tell

about a 1-day hearing that was just completed in the city of Minneapolis this past Saturday. As chairman of the Consumer Economic Subcommittee of the Joint Economic Committee, we went to Minneapolis, Minn., so that we could obtain some grassroots information on the impact of the causes of the fuel shortage, as well as subjecting my amendments to S. 1570 to some hard grassroots scrutiny by those who are operative in the field of distribution and the wholesaling of petroleum supplies.

We heard from about 15 such witnesses, from both the supplier and the user point of view, such as the Association of Petroleum Dealers, petroleum distributors, refiners such as the Midland Cooperative, representatives from bus and truck lines, representatives of trade unions and airport operators, as well as municipal officials.

From the hearings, the subcommittee learned first that the fuel shortage in Minnesota is too serious to be left to any hit or miss voluntary allocation system.

In fact, every witness, whether the witness was from a petroleum refinery, or a distributor, or a wholesaler, or a retailer, or a user advocated mandatory allocations. Many of them were hoping that such would not be necessary; but they had come to the conclusion that as between a choice of the voluntary program and the mandatory, they had to support, out of sheer necessity, a mandatory allocation system. The voluntary system was reported to us as not having provided adequate protection so far, although the Office of Oil and Gas has been responsive and helpful.

I will have more to say about the inadequacies of the system before we vote on S. 1570 tomorrow.

Mr. President, I ask unanimous consent that a member of my staff, Miss Ross, and a member of the staff of the Joint Economic Committee, Mr. Cox, be given the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I have referred to some of the testimony that was obtained during the past weekend. The hearing, by the way, was very timely and informative. The witnesses present at that hearing were deeply concerned about the possibility of monopolization of the oil industry and the effects they believe this is having on the current fuel shortages.

Some of the witnesses expressed the belief that the majors were actually using what appears to be a shortage in order to gain full control over the market distribution system. Considerable evidence was brought to our attention on this point. Some witnesses doubted there was even a shortage. But I think that, in general, most of the witnesses recognized that there was a shortage, that there is greater use of petroleum products in 1973 than in 1972 or 1971.

Many of the witnesses brought to our attention that if we base legislation even on a period of what we would call more normal use—1972—this still would leave us in a very precarious situation.

For example, the agricultural representatives who appeared before the subcommittee cited the need for additional fuel supplies over and beyond 1972. Why? This is something that has almost gone unnoticed in the executive branch of the Government or in Congress.

We are asking the farmers of America to open up 45 million acres of new lands, additional acreage, in order to expand production. Those 45 million acres are for wheat, corn, and soybeans. At least two of those commodities will require substantial amounts of petroleum—fuel oil, natural gas, or propane—to permit drying, drying being necessary to have a good product that has any nutritional value. It was noted that if there is any interruption in the drying process, even as long as 2 days, the grain that is being dried spoils, and for all practical purposes is worthless.

The point was emphasized as to the absolute necessity of a continuous, steady supply of petroleum products for our agricultural sector. This goes all the way from the planting to the harvesting to the drying to the transporting to the processing and to the ultimate distribution of the finished product.

Very powerful testimony was given to us, and I believe that Members of the Senate would be well advised to keep in mind that even if the farm segment of our economy were able to get as much petroleum as they were able to receive last year, this would be approximately 10 percent short of what is needed for crop year 1973.

We had other testimony from witnesses who have been longtime customers of some of the major oil companies only to find that in recent days the oil companies have cut off their supply—and have done so, may I say, without even very much advance notice. I have a letter, for example, from Mrs. Lester C. Ripley of Luverne, Minn., who says:

> My husband has been an operator of an independent service station for over 20 years and is being forced to close because of his inability to purchase gasoline.
>
> Can you give us some forthright answers to why we are being pushed out of the market? Why wasn't this situation foreseen if there really is a shortage? If we are using more than can be produced what will happen in the future?

Many others in my State believe they know the answer to Mrs. Ripley's question. It is that the major oil firms have irresponsibly abused their market power.

Mr. Wayne Comstock, a representative of the Minnesota Association of Petroleum Retailers, made this case very forcefully to the subcommittee. He said:

> If we are to solve this problem we must prohibit oil companies from further monopolizing of the retailing of gasoline—no matter which subterfuge or device they utilize to do so—gasoline shortage included.

Mr. President, as I will develop in the course of my discussion in favor of this amendment, I believe there are many reasons why we must halt the monopolization of the petroleum industry by the giant petroleum corporations. We must halt any further market domination and control. Discussion of whether this is an explicit conspiracy, as important as that may be, is not as important as the fact that the giant petroleum corporations are by some means able to gain control over the entire petroleum industry, from the crude oil product, whether it is domestically produced or imported, to the point where it reaches the gas station and the bulk station in one's own community. It is an implicit abuse of market power that is evident here.

S. 1570 and the amendment sponsored by myself, the Senator from Washington, and the Senator from New Hampshire will provide some of the protection we need. Moreover, it will develop the information that is necessary to develop proper further policy in this area.

### QUESTIONS RAISED ABOUT MAJOR OIL COMPANIES

There are a great many questions on the position and behavior of the major oil companies.

First, the major oil companies are more prosperous and profitable now than they have been in a long time, and at the same time the independent firms are suffering great financial difficulty—greater than they have suffered at any time in their existence.

Some interesting facts: The earnings of the five biggest oil companies jumped by 26 percent between the first quarter of 1972 and 1973. The earnings of Exxon, the largest oil company in the United States, jumped by 43 percent over the same period. The earnings of the next 27 oil companies jumped by 32 percent over the same period. So we see a situation in which earnings—and these are net earnings, not gross—are going up and up at the same time there is a market squeeze, and at a time when independent operators are being forced out of business by the hundreds.

Second, it is strange that the major oil companies would be pulling out of so many markets in the country at a time when they are, in fact, so prosperous. Prosperity should be a time for expansion. Yet Gulf is withdrawing in Maryland, Michigan, Iowa, Wisconsin, Delaware, Minnesota, North Dakota, South Dakota, Kansas, Nebraska, Montana, Wyoming, Washington, Oregon, Idaho, Utah, Nevada, and northern California. Here is a company whose profits are going up at a very rapid rate, and sales are going up. Its net income is going up. And it is withdrawing its operations in 18 States. Exxon, Phillips, British Petroleum, Atlantic Richfield, Amoco, Sunoco, and other firms are withdrawing in similar patterns from major sections of the country.

There seems to be almost a sort of division of labor here. Some companies are withdrawing from certain States; other companies are withdrawing from other States, kind of leaving the country regionalized for certain marketing operations. The argument that the firms use to withdraw is uneconomic. I would like to know when the State of Minnesota became "uneconomic" to Gulf. They have been there for years, in good times and bad times, and at a time when the profits are higher than ever they say they are going to withdraw. Yet as they withdraw Exxon comes in and moves in harder with more stations.

Mr. President, the term "uneconomic," of course goes to the question of how large the major oil companies believe their profit should be. The profits of a competitive industry are not the same as the profits of the monopolistic industry. And of course typical behavior for a monopolistic industry is to withdraw from markets, restrain trade, and raise prices.

This may well be what the major oil firms are doing in view of the petroleum product price increases we found during our hearings in Minnesota on Saturday. Although the Economic Stabilization Act requires that petroleum prices for the 23 major firms be held to no more than 1.5 percent, for an average of all petroleum product prices for the year, we found numerous examples of product price increases going up to 50 percent.

Prices are going up. The testimony in my State from every segment of our economy from bankers to retail operators to wholesalers to jobbers to refineries shows an unbelievable increase in the price of fuel, gasoline, petroleum products. There is only one product in the entire petroleum industry that has shown any possible restraint and that is residual oil. Other than that, whether it is diesel fuel, grease, gasoline for the motor, fuel for the home, or jet fuel for the airplane, prices have gone up and up and up.

It was interesting to note that many of these price increases are far beyond what the cost-of-living standard of 1.5 percent for the entire industry would permit.

Mr. Ross Thorffinnson, chairman of the board of National Car Rental System, said that his firm has experienced price increases of 30 to 50 percent bulk fuel purchases for 1973.

Louis B. Olsen, assistant general manager of the Twin Cities Metropolitan Transit Commission, said that his firm has experienced a 25-percent price increase for diesel fuel in their 1973 fuel contract, purchased from a major oil company.

In addition to the 25-percent increase in diesel fuel costs, bids for petroleum products for the Metropolitan Transit Commission, resulted in the following price increases:

| Product: | Percent increase |
|---|---|
| No. 30 H.D. Motor Oil—60,000 gallons | 40 |
| Hydraulic Transmission Fluid—12,000 Gallons | 20 |
| No. 2 Lithium Grease—10,000 lbs | 28 |
| No. 140 Gear Lubricant—19,000 lbs | 13 |

In still another example, Mr. A. C. Hillman, owner of United Van Bus Delivery too, told the subcommittee that, since the beginning of 1973, his gasoline prices have increased by 30 percent and that his diesel prices by 18 percent.

Mr. President, as my colleagues can see, these prices are outrageous and appear to violate the Economic Stabilization Act and the rules and regulations promulgated by the Cost of Living Council. I am therefore writing Mr. John Dunlop, Director of the Cost of Living Council and asking him to investigate these and other prices in the oil industry.

Interestingly enough the men who testified are representatives of national organizations. They were asked, Do these price increases reflect a pattern across the Nation? They all said yes. These are not a bunch of people prone to complain about the economy; these are businessmen who first of all want a product, and second, want it so much they are willing to pay almost any price to get it.

### THE SQUEEZE ON THE INDEPENDENTS

At the same time the majors are engaged in this withdrawal from many regional markets, independent refiners, distributors and dealers find their supply sources drying up and are forced out of business. The Office of Emergency Preparedness has already indicated that probably more than 880 independent gasoline stations are no longer in existence that were in existence only a short time ago, and that 1900 additional stations are suffering financial difficulties.

The difficulties facing independent distributors are also great—and the implication of jobbers closing is that it dries up the source of supply for many of the retail dealers. Mr. Jerry Everett, executive director of the Northeast Petroleum Association, provided the subcommittee with dozens of cases in Minnesota alone where the majors are squeezing out the independent jobbers, such as the following:

> From Wadena, Minnesota: "Our company has been in business since 1931. Our supplier has cancelled our contract as of June 1, 1973. After that date, we have 4 dealers, 400 fuel oil customers and 150 gasoline customers that we can no longer supply."
>
> From Kent, Minnesota: "This is the worst condition that we have ever been in. It wasn't this bad during the war time. Hope we can keep the business going. If this keeps up, the small business is finished. We haul gasoline and diesel fuel to 112 farmers that farm around 70 sections of land. They grow wheat, barley, corn, soybeans, sugar beets, and sunflowers. We need around 60,000 gallons of diesel fuel and will need 250,000 gallons of gasoline."
>
> From St. Martin, Minnesota: "I have been a jobber since March 6, 1956, and have been asked to sign a mutual contract cancellation. The reason given to me was my operation does not show enough net as I do not sell TBA. I have not signed this, as they did not approach me until two weeks before contract automatic renewal date. I have not been able to locate another supplier. Number One: What will happen to my farm and fuel accounts as I am the only supplier out of this village? Number Two: What will my bulk plant that I have worked for all these years be worth once I'm phased out??"
>
> From Cloquet, Minnesota: "I am most concerned now about the complete cancellation effective June 30, 1973. They worked hard to get us to sign with them a year ago and at the time we switched two stations to them. Now they want to pull out and leave us without gasoline or fuel oil. We think this is wrong for them to leave us now. This leaves us without approximately 500,000 gallons of gasoline and 100,000 gallons of fuel oil that we badly need and counted on them for. Can you help us????"

Last but not least, the majors have used their market power to control the supply of crude oil to independent refiners. Just last week, the Director of the Federal Trade Commission's Bureau of Competition, James Halverson, told a congressional committee how this power had had significant anticompetitive effects. He said:

> Our investigation also suggests that activities by the major integrated petroleum companies have had significant anti-competitive effects. Their control of refinery capacity and pipelines constitutes a significant competitive problem in the oil industry and contributes to the independents' present difficulty.

Thus, the problem of the independents is not just a few marginal gasoline stations. We are talking about the viability of the whole system of importers, refiners, distributors, and retailers that are now owned by the 23 giant oil companies.

Mr. President, I submit that something is not right when the Department of Agriculture and the Department of Transportation of the U.S. Government can say there is only a 2-percent short fall in our supply, nationwide. Yet we see price increases that represent a market afflicted with scarcity, almost to the point of serious calamity. Something is wrong, and everybody seems to know it except the Government.

The Senator from Illinois (Mr. STEVENSON), holding hearings in his own State of Illinois, came forth with information that showed price gouging, market control. That is all a part of the record of the hearings that relate to this legislation. The squeeze on the independents is documented all over the country. I will not go into the large number of cases we heard from. I will simply say that the problem of the independents is not that of just a few marginal gasoline stations. We are talking about the viability of the whole system of importers, refiners, distributors, and retailers that are owned by the 23 giant oil companies.

It also needs to be stressed that the independent sector of the oil industry is more significant in its contribution to competition than even its numbers might indicate. The independent marketers have been a significant source of price competition and creative new techniques for efficiency. We badly need these segments of the industry.

They are being ripped out all over the country, slowly but surely, and in some places not so slowly. We have lost more than 200 of them in my own State of Minnesota, and only because we made personal, direct appeals to the Sun Oil Co. were we able to permit our DX stations to survive for the remainder of the year.

Testimony taken in my own State on Saturday indicated that in many rural areas, one filling station after another is being closed.

For the last 20, 30, or 40 years school districts have contracted with big companies like Standard Oil for fuel oil. Now, in every instance where they have sought bids to maintain their contracts, they are unable to do so. In school district after school district, in Minnesota, we cannot get bids on fuel oil for this winter.

In city after city—St. Cloud and Buffalo and Luverne—in community after community, where for years we have had contracts with the major oil companies or with independent oil companies, we can get no bids, no guarantee of delivery. But we have got to have fuel. We cannot go through what we went through last year, when we had to go to Regina, Saskatchewan, for it. We mobilized a fleet of trucks under emergency orders from the Governor and added 31 cents a gallon to the cost of the fuel. We had to bring in supplies to prevent the closing of schools and hospitals in our State—and, by the way, we had the warmest winter we have had in 30 years. We are in a situation that does not permit any kind of easy approach to winter. It is cold in the upper Midwest in the winter, and we have got to have fuel oil.

I am concerned about the gasoline problem this summer. I am more concerned about running short of fuel oil. There are no reserves of fuel oil for utilities, for hospitals, for schools, or for our industries.

How does all this relate to the attitude of the major oil companies? We asked the major oil companies to send representatives to appear at our meetings, because we had representatives from other segments of our economy—the Governor's office, the legislature, metropolitan commissions, petroleum refineries, petroleum distributors, petroleum retailers, farmers, trade unions, banks, filling station operators, municipalities. They were all there.

We said, "Would you please send a representative from some of the majors?" Not one turned up—not one. This is characteristic. They did not come there any more than they would come before the Minnesota State Legislature. They instructed their own representative not to appear before our legislature, and they did not appear before the duly constituted committee of the Senate in a subcommittee hearing that was officially and fully authorized.

### THE ATTITUDE OF THE MAJOR OIL COMPANIES

In addition to the actions of the major oil firms to withdraw from markets, restrict trade to independents, and increase prices, the attitude of the major oil companies toward the independents and the public reflects an abuse of power. In my mind, the attitude of a group may be more important than its actions because it reflects the motivations and values of the group. Let me give you some examples of the attitude of at least some of the major oil companies.

In Senate hearings last week, Mr. Lee White described a conversation with a top oil executive on why the majors were pulling out of markets and raising prices during this current period of hardship. The executive replied in quite a straightforward way:

> These companies that you are talking about are part of the private enterprise system. We are sellers, and in a sellers market, and we have no obligation to the public in any form of the legal sense. Certainly, insofar as our having to supply independent refiners and marketers, there is nothing that I have seen anywhere that says it is incumbent upon us to keep our competition in business.

I am appalled by this callous indifference but we must realize that it accurately reflects the attitude of many in the oil industry.

Another example of attitude is the way the major oil companies mislead the Federal Government about the extent of the shortage last summer. We now know that last July Texaco's chairman of the board wrote General Lincoln, then the Director of the Office of Emergency Preparedness, objecting to the granting of more import quotas for finished products and stating that there is "sufficient refining capacity available in the U.S. to meet anticipated demand for clean products over the balance of this year."

The president of Humble Oil—now Exxon, U.S.A.—also assured General Lincoln in September that:

> Humble could not speak for the remainder of the industry but felt in a tight situation the industry would do its best including going beyond its contract commitments if it were capable of doing so.

Now all we hear from the major oil companies is the seriousness of the fuel shortage.

Finally, the major oil companies are often arrogant about cooperating with Congress. They are not all that way—and Texaco has cooperated with my committee—but I could not get any of the major oil companies to testify at the hearings I held in Minnesota. This puts Congress in the untenable position of being forced to rely upon the oil industry for its information and not getting the industry's cooperation.

### VERTICAL INTEGRATION MONOPOLY

It seems to me that both the attitude and the actions of the majors are leading inevitably to an elimination of the independent sector of the petroleum market, which will wipe out competition and rip off the consumer with higher prices. The most perceptive analysis of this came again in my hearings this weekend. Mr. Wayne Comstock described the situation this way:

> Major refineries are moving downstream to retailing as a source of profit rather than seeking their profits primarily at the production and refining level. This change in concept is producing an upheaval in the marketing of gasoline. Among other things it means the following: First, the independent, nonbranded distributor and dealer is no longer needed as he was in the past to dump the cheap incremental barrels from refineries. Second, the jobbers-agents-gasoline brokers both branded and unbranded are now expendable. Third; we believe refiners will integrate forward into the retail market with new brands and self operation of their choice locations.
>
> The result, of course, will be complete control of gasoline from wellhead to nozzle. Once the majors take over the retailing function, price competition for all practical purposes insofar as the consumer-motorist is concerned will be at an end.

In other words, we face a situation where the majors will be able to use their market power to take over the entire fuel product industry. Discussion of whether this is an explicit conspiracy among the majors, as important as that may be, is not as important as the fact that the petroleum industry is being consolidated under the control of the majors, competition is being decreased, and petroleum prices are shooting up.

I have therefore introduced an antitrust amendment with Senator Jackson which, in conjunction with other amendments and the original bill, aim at protecting the competitive sector of the petroleum industry and investigating and monitoring the behavior of the majors. The implementation of section 105 of the bill will make it illegal for the majors to use price and output discrimination against the independents. Senator Moss' amendment also provides the independents with protection from price and output discrimination.

The Humphrey-Jackson amendment will further protect the independents and develop the facts necessary for the Congress to formulate policy to preserve competition in the petroleum industry. The amendment is somewhat complex because we face difficult issues trying to balance our concern with competition with our need to mandate the allocation of fuel shortages. But I believe that the amendment meets those complex requirements.

I want to thank Senator Jackson and the staff of the Senate Interior Committee for their assistance in preparing this amendment. My personal staff, the Joint Economic Committee staff, and the Senate Interior Committee staff have worked hard to develop a tough but fair antitrust amendment.

The Humphrey-Jackson antitrust amendment does the following things:

a. It requests that the implementation of mandatory fuel allocations be reviewed by the Attorney General and the Federal Trade Commission to insure that the act itself does not decrease competition in the petroleum industry.

b. It requires full public disclosure of all meetings and communications between firms in the petroleum industry, insofar as such communications are related to the execution of S-1570. We need this to prevent backroom deals that might reduce competition.

c. It provides a defense against any antitrust prosecution, either Federal or State, arising out of any action by a firm caused solely by compliance with the provisions of S-1570. We need this provision to be sure firms are not unfairly prosecuted for complying with S-1570.

d. It requires that Federal Trade Commission shall within 6 months provide the Congress with a thorough report on the relationships between the structure and behavior of the petroleum industry—particularly the 23 majors—and present shortages of petroleum products, as well as other petroleum industry practices. I shall amend this section to require that the Federal Trade Commission transmit an interim report on these matters to Congress within 30 days.

I now send up my modification to my amendment No. 168. The modification is as follows:

> On page 4, line 17, strike the remainder of line after "no later" thru "hereof," and substituting the following:
>
> "not later than 30 days after the enactment of this section an interim report on the following, and not later than 6 months after such date—

The PRESIDING OFFICER. The Senator has a right to modify his amendment, and it is so modified.

Mr. HUMPHREY. Mr. President, the whole purpose of this final provision is in many ways the most important part of the amendment, because, as has been said by the Senator from New Hampshire and the Senator from Washington, it mandates both an interim and a long-run FTC study of the petroleum industry. From what we already know, the majors are consolidating the industry and raising prices to levels that do not appear justified. But we need much more information on what is happening to petroleum output, a determination of what is meant by the majors' statement that certain markets are "uneconomic," what are the justifications for the price increases, why the majors are opening up outlets in new areas, closing them down in other areas, opening up stations in communities where they have already canceled out supplies to independents. We have a whole series of questions which the hearings before the Interior Committee and the Joint Economic Committee have raised, and there is a whole series of these questions that need to be answered.

Most significantly, we want to make sure that in any program of allocation there is not a conspiracy to rig the market, control the flow of commerce, and be able to raise prices and declare shortages at will.

This amendment is a consumer protection amendment. It is an independent business protection amendment. It will enforce the antitrust laws in this critical time of shortage.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. FANNIN. Mr. President, I would like to make a point of order.

A previous amendment adopted added new sections 108, 109, and 110. The present amendment, No. 168, would also establish a section 108. Thus, it would seem the author of the amendment would want to change the designation to a new section, from 108 to 111.

Mr. HUMPHREY. Mr. President, will the Senator yield? Will the Senator repeat that?

Mr. FANNIN. I am suggesting that the Senator should change the number.

Mr. HUMPHREY. A technical change?

Mr. FANNIN. Yes. The Moss amendment covered sections 108, 109, and 110. So the amendment of the Senator from Minnesota, No. 168, would be a second section 108.

Mr. HUMPHREY. That is correct. I would want to change it accordingly.

Mr. FANNIN. The Senator would make it section 111?

Mr. HUMPHREY. Yes, I modify my amendment to make it section 111.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

Mr. FANNIN. Mr. President, with regard to this amendment, which I support in principle, I would like the record to show that the major companies in 1972 lost ground to the independents. Thus, I have doubts of any so-called conspiracy to freeze independent marketers out of the market. I request unanimous consent that an article entitled "Majors' Slice of U.S. Gasoline Pie Shrank in 1972" be reprinted in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE TOP 10 STANDINGS

[Percent of U.S. gasoline market]

| Rank and company name | 1972 | 1971 | 1970 | 1969 | 1968 |
|---|---|---|---|---|---|
| 1. Texaco | 8.1 | 8.4 | 8.1 | 8.3 | 8.5 |
| 2. Shell | 7.1 | 7.3 | 7.9 | 8.2 | 8.3 |
| 3. American | 6.9 | 7.0 | 7.3 | 7.5 | 7.6 |
| 4. Exxon | 6.9 | 7.1 | 7.4 | 7.6 | 8.0 |
| 5. Gulf | 6.5 | 6.7 | 7.1 | 7.6 | 7.5 |
| 6. Mobil | 6.4 | 6.4 | 6.6 | 6.7 | 6.7 |
| 7. ARCO | 4.9 | 5.5 | 5.5 | 5.7 | 5.8 |
| 8. Socal | 4.7 | 4.7 | 5.0 | 5.2 | 5.3 |
| 9. Phillips | 4.1 | 3.9 | 4.0 | 4.0 | 4.0 |
| 10. Sun | 3.9 | 4.1 | 4.1 | 4.3 | 4.4 |

### MAJORS' SLICE OF U.S. GASOLINE PIE SHRANK IN 1972

Major companies continued to lose ground last year to independent retail gasoline marketers.

But total sales swept through the 100-billion-gal mark for the first time in history, rising 6.85% above 1971.

Of the actual total of 100,615,862,000 gal sold in 1972, 20 major companies accounted for 74.4% and the independent marketers 25.6%.

This was an increase of 2.07% in the share-of-market sales by the independents over 1971 when the sales total was 94.2 billion gal.

The marketing statistics were released by the Lundberg Co., North Hollywood, Calif., which makes a state-by-state compilation of retail sales throughout the year.

The trend toward increased share-of-market for independents may end this year, according to some market experts, because of the inability of some refiners to buy enough crude to run at capacity and also the reluctance of major refiners to sell to independent markets at a time when their own outlets may run short.

The extent to which this occurs—barring government action which would forestall such a development—will be reflected in the Lundberg Survey statistics a year from now.

The leaders. Nearly all the major marketers lost ground last year in their share of the market (table), and several even sold less gasoline during 1972 than they did in 1971.

The top seven were all down in share-of-market by small fractions, although all except Atlantic Richfield Co. showed healthy gains in total gallonage.

Texaco Inc. remained on top with 8.13% of the market, down 0.22% from the year before. But Texaco's gallonage jumped nearly 4% to 8.2 billion gal.

Shell Oil Co. held onto the No. 2 spot with 7.14% while Exxon U.S.A. lost its third place ranking to American Oil Co.

Gulf Oil Corp., Mobil Oil Corp., Atlantic Richfield, and Standard Oil Co. of California maintained their positions, fifth through eighth respectively. Arco, however, was the only company in the top ten to sell less gasoline than the year before. This was because of the company's decision to dispose of part of its marketing outlets in the Southeast during the year.

Socal managed to maintain its share-of-market position at 4.7% and had a healthy 6.97% growth in gallonage.

Phillips Petroleum Co. knocked Sun Oil Co. out of ninth place and was the only top-ten company to increase its share-of-market, up 0.17% to 4.11%. Its gallonage increase of 11.28% was attributed partly to its decision to convert a substantial number of its stations to secondary brands and thus sell higher volumes at independent prices.

Others. Union Oil Co. of California suffered a slight drop in total gallonage for the year but maintained its No. 11 position.

Ashland Oil Inc. was a huge gainer. Its volume jumped 14.74%, and its position among marketers rose from 17th to 15th.

Standard Oil Co. (Ohio) and BP Oil Corp., a subsidiary of Sohio, are listed separately by the Lundberg Survey in 16th and 17th places. If the two were combined, they would be in 12th place. Both companies, however, sold less in 1972 than they did in 1971.

The only company in the top 25 of last year not appearing this year is Kerr-McGee Corp., which was 19th in 1971. Reason for the disappearance is that the Lundberg Survey this year lists Kermac's largest marketing arm, Triangle Refineries Inc., separately. Triangle, however, had a 19% gain in gallonage and, on its own, landed in the No. 21 spot.

A number of other independent marketers had big years. Clark Oil & Refining Co. had a gallonage gain of 22.94%—up 147 million gal to a total of 700 million and rising from 22nd to 19th in list of marketers. Powerine Oil Co., Santa Fe Springs, Calif., jumped 38.5% and increased its gallonage by 64 million to a total of 231 million.

Two smaller marketers which acquired new outlets during the year, Toscopetro Corp. and Pet Marketing, had much bigger percentage increases. Tosco was up 167.68%, increasing its gallonage from 54 million to 145 million. Pet was up 181.24%, increasing from 49 million to 137 million.

How they're listed. The Lundberg Survey lists 20 companies as majors and the rest as independents. The independents in the top 25 are Clark Oil & Refining Corp., Amerada Hess Corp. (Hess), Murphy Oil Corp., American Petrofina Inc., and Triangle. All the majors made the top 25.

Lundberg, however, is now developing a new functional classification of gasoline marketers which may more correctly describe the nature of the company operations. Statistics on a few states already have been prepared under these classifications, and by next year statistics for the nation should be available.

Under the new system 17 majors would be classified as integrated marketers with a house brand in 24 or more states. Some 25 or 30 companies would be classified as semi-integrated with a house brand in at least one state.

The current majors which would be transferred to the semi-integrated category are Tenneco, Ashland, and Amerada Hess.

A third category would be suppliers—small refiners which market gasoline. The fourth category would be marketers—small jobbers and distributors. Cooperatives would be listed in a fifth category. Unclassified marketers, such as a research company or natural-gas producer, would be listed in the sixth category, miscellaneous.

*The big marketers in the top 25 gasoline-consuming states*

CALIFORNIA

(9,991,889,000 gal)

| Rank, company: | *Percent, market* |
|---|---|
| 1. Socal | 16.38 |
| 2. Shell | 14.01 |
| 3. ARCO | 10.55 |
| 4. Union | 9.07 |
| 5. Mobil | 8.91 |
| 6. Texaco | 8.62 |
| 7. Gulf | 5.02 |
| 8. Phillips | 5.02 |
| 9. Exxon | 3.74 |
| 10. Douglas | 3.34 |

TEXAS

(6,355,842,000 gal)

| Rank, company: | *Percent, market* |
|---|---|
| 1. Texaco | 14.43 |
| 2. Exxon | 14.27 |
| 3. Gulf | 9.43 |
| 4. Mobil | 7.44 |
| 5. Shamrock | 6.05 |
| 6. Petrofina | 4.67 |
| 7. Shell | 3.66 |
| 8. Phillips | 3.64 |
| 9. Continental | 3.41 |
| 10. Sun | 3.18 |

NEW YORK

(5,801,769,000 gal)

| Rank, company: | *Percent, market* |
|---|---|
| 1. Mobil | 18.65 |
| 2. Texaco | 11.11 |
| 3. Shell | 8.98 |
| 4. Exxon | 8.44 |
| 5. Gulf | 6.89 |
| 6. Sun | 6.57 |
| 7. American | 5.17 |
| 8. ARCO | 4.10 |
| 9. Getty | 3.38 |
| 10. Cities | 1.89 |

ILLINOIS

(5,186,726,000 gal)

| Rank, company: | *Percent, market* |
|---|---|
| 1. American | 19.32 |
| 2. Shell | 9.92 |
| 3. Texaco | 6.70 |
| 4. Clark | 6.04 |
| 5. Mobil | 5.53 |
| 6. ARCO | 5.52 |
| 7. Phillips | 4.11 |
| 8. Sun | 3.58 |
| 9. Marathon | 3.28 |
| 10. Gulf | 3.26 |

### OHIO

(4,931,772,000 gal)

| | |
|---|---|
| 1. Sohio | 24.70 |
| 2. Marathon | 8.98 |
| 3. Sun | 7.80 |
| 4. Ashland | 7.57 |
| 5. Shell | 7.42 |
| 6. Gulf | 6.02 |
| 7. Texaco | 4.25 |
| 8. Union | 3.93 |
| 9. ARCO | 3.76 |
| 10. Clark | 3.21 |

### PENNSYLVANIA

(4,714,826,000 gal)

| | |
|---|---|
| 1. ARCO | 15.82 |
| 2. Exxon | 10.65 |
| 3. Sun | 10.19 |
| 4. Gulf | 8.19 |
| 5. Texaco | 7.94 |
| 6. Mobil | 7.61 |
| 7. American | 5.98 |
| 8. Phillips | 2.06 |
| 9. BP Oil | 1.30 |
| 10. Getty | 1.28 |

### MICHIGAN

(4,423,083,000 gal)

| | |
|---|---|
| 1. American | 14.22 |
| 2. Shell | 9.74 |
| 3. Mobil | 8.65 |
| 4. Gulf | 7.02 |
| 5. Sun | 5.98 |
| 6. Marathan | 5.93 |
| 7. Texaco | 5.50 |
| 8. Leonard | 3.17 |
| 9. Union | 2.76 |
| 10. ARCO | 2.62 |

### FLORIDA

(3,883,909,000 gal)

| | |
|---|---|
| 1. Socal | 11.90 |
| 2. Gulf | 9.20 |
| 3. Shell | 8.19 |
| 4. Phillips | 7.75 |
| 5. American | 7.28 |
| 6. Texaco | 7.21 |
| 7. Marathan | 5.21 |
| 8. Exxon | 5.11 |
| 9. Tenneco | 4.52 |
| 10. Union | 4.41 |

### NEW JERSEY

(3,237,864,000 gal)

| | |
|---|---|
| 1. Exxon | 16.69 |
| 2. Hess | 9.32 |
| 3. Sun | 9.20 |
| 4. Gulf | 7.15 |
| 5. Mobil | 6.92 |
| 6. Shell | 6.90 |
| 7. American | 5.47 |
| 8. Texaco | 4.77 |
| 9. Cities | 4.76 |
| 10. Getty | 4.07 |

### GEORGIA

(2,871,957,000 gal)

| | |
|---|---|
| 1. Socal | 13.08 |
| 2. Gulf | 11.80 |
| 3. Texaco | 7.08 |
| 4. American | 7.04 |
| 5. Shell | 5.95 |
| 6. Union | 5.45 |
| 7. Tenneco | 5.29 |
| 8. BP Oil | 5.19 |
| 9. Exxon | 4.98 |
| 10. Phillips | 3.60 |

### INDIANA

(2,682,475,000 gal)

| | |
|---|---|
| 1. American | 13.82 |
| 2. Marathon | 11.02 |
| 3. Rock Island | 8.79 |
| 4. Shell | 8.73 |
| 5. Sun | 6.51 |
| 6. Clark | 5.50 |
| 7. Ashland | 5.08 |
| 8. Texaco | 4.98 |
| 9. Phillips | 4.70 |
| 10. Gulf | 4.29 |

### NORTH CAROLINA

(2,619,936,000 gal)

| | |
|---|---|
| 1. Exxon | 14.14 |
| 2. Gulf | 8.05 |
| 3. Texaco | 7.90 |
| 4. Shell | 6.55 |
| 5. American | 6.53 |
| 6. Phillips | 5.49 |
| 7. Union | 4.74 |
| 8. Service Dist. | 2.35 |
| 9. Cities | 2.26 |
| 10. Sun | 2.04 |

### MISSOURI

(2,568,805,000 gal)

| | |
|---|---|
| 1. American | 15.05 |
| 2. Phillips | 8.68 |
| 3. Shell | 5.35 |
| 4. ARCO | 5.34 |
| 5. Mobil | 4.64 |
| 6. Texaco | 4.17 |
| 7. Skelly | 4.01 |
| 8. Sun | 3.95 |
| 9. Gulf | 3.56 |
| 10. MFA | 2.88 |

### VIRGINIA

(2,354,216,000 gal)

| | |
|---|---|
| 1. Exxon | 17.15 |
| 2. Texaco | 11.66 |
| 3. Gulf | 8.66 |
| 4. Shell | 7.37 |
| 5. Cities | 6.54 |
| 6. American | 6.42 |
| 7. Sun | 3.97 |
| 8. Union | 3.94 |
| 9. Continental | 3.52 |
| 10. ARCO | 3.45 |

### MASSACHUSETTS

(2,276,122,000 gal)

| | |
|---|---|
| 1. Mobil | 14.13 |
| 2. BP Oil | 10.11 |
| 3. Texaco | 9.57 |
| 4. Shell | 8.98 |
| 5. Gulf | 7.32 |
| 6. Exxon | 7.24 |
| 7. Sun | 6.02 |
| 8. Cities | 5.49 |
| 9. ARCO | 5.26 |
| 10. Northeast | 5.02 |

### TENNESSEE

(2,154,456,000 gal)

| | |
|---|---|
| 1. Exxon | 13.36 |
| 2. Gulf | 9.51 |
| 3. Cities | 8.33 |
| 4. American | 7.66 |
| 5. Texaco | 7.53 |
| 6. Shell | 7.40 |
| 7. Continental | 4.81 |
| 8. Tenneco | 4.69 |
| 9. Monsanto | 4.07 |
| 10. Triangle | 3.87 |

### MINNESOTA

(2,130,646,000 gal)

| | |
|---|---|
| 1. American | 16.51 |
| 2. Mobil | 8.41 |
| 3. North Western | 8.12 |
| 4. Phillips | 6.41 |
| 5. Continental | 5.09 |
| 6. Gulf | 4.97 |
| 7. Union | 4.12 |
| 8. Skelly | 4.10 |
| 9. Texaco | 4.04 |
| 10. Shell | 3.38 |

### WISCONSIN

(2,115,547,000 gal)

| | |
|---|---|
| 1. American | 14.24 |
| 2. Mobil | 8.43 |
| 3. Texaco | 5.49 |
| 4. Murphy | 5.40 |
| 5. Cities | 4.65 |
| 6. ARCO | 3.90 |
| 7. Phillips | 3.23 |
| 8. Union | 3.09 |
| 9. Shell | 3.05 |
| 10. Farmers Union | 2.94 |

### MARYLAND

(1,778,458,000 gal)

| | |
|---|---|
| 1. Exxon | 17.42 |
| 2. American | 10.28 |
| 3. Shell | 9.12 |
| 4. Texaco | 8.17 |
| 5. Gulf | 7.56 |
| 6. BP Oil | 7.48 |
| 7. Sun | 5.88 |
| 8. Crown Central | 4.03 |
| 9. Ashland | 3.91 |
| 10. Cities | 3.81 |

### ALABAMA

(1,777,295,000 gal)

| | |
|---|---|
| 1. Socal | 13.44 |
| 2. Gulf | 8.69 |
| 3. Shell | 7.51 |
| 4. Texaco | 6.79 |
| 5. Triangle | 6.01 |
| 6. American | 5.80 |
| 7. Exxon | 5.17 |
| 8. Union | 4.80 |
| 9. Cities | 3.99 |
| 10. Murphy | 3.51 |

### LOUISIANA

(1,771,955,000 gal)

| | |
|---|---|
| 1. Exxon | 19.73 |
| 2. Texaco | 10.75 |
| 3. Gulf | 10.67 |
| 4. Continental | 8.17 |
| 5. Shell | 7.51 |
| 6. Tenneco | 6.10 |
| 7. Atlas | 5.34 |
| 8. Murphy | 3.73 |
| 9. Mobil | 3.01 |
| 10. Phillips | 2.71 |

### IOWA

(1,676,145,000 gal)

| | |
|---|---|
| 1. American | 16.72 |
| 2. Sun | 8.38 |
| 3. Phillips | 5.74 |
| 4. Texaco | 3.67 |
| 5. Skelly | 3.61 |
| 6. Derby | 3.56 |
| 7. Continental | 3.53 |
| 8. Mobil | 3.46 |
| 9. Gulf | 3.24 |
| 10. ARCO | 2.73 |

### WASHINGTON

(1,644,760,000 gal)

| | |
|---|---|
| 1. Socal | 14.72 |
| 2. ARCO | 12.36 |
| 3. Texaco | 11.59 |
| 4. Shell | 10.96 |
| 5. Union | 8.34 |
| 6. Mobil | 6.89 |
| 7 Phillips | 6.03 |
| 8. Exxon | 5.98 |
| 9. Time | 3.72 |
| 10. Gulf | 3.57 |

### KENTUCKY

(1,592,334,000 gal)

| | |
|---|---|
| 1. Socal | 16.62 |
| 2. Ashland | 14.29 |
| 3. Gulf | 9.90 |
| 4. Texaco | 7.48 |
| 5. Shell | 7.04 |
| 6. Sun | 5.52 |
| 7. Exxon | 4.21 |
| 8. Marathon | 3.67 |
| 9. ARCO | 3.06 |
| 10. Phillips | 1.83 |

### MISSISSIPPI

(1,551,440,000 gal)

| | |
|---|---|
| 1. Socal | 12.57 |
| 2. Cities | 9.54 |
| 3. Gulf | 7.96 |
| 4. Texaco | 6.95 |
| 5. Union | 6.36 |
| 6. Exxon | 6.04 |
| 7. American | 5.57 |
| 8. Shell | 5.42 |
| 9. Signal | 5.25 |
| 10. Sun | 4.26 |

HOW THE TOP 25 MARKETERS COMPARE

| Rank and company | Percent United States, 1972 | Percent United States, change | Thousands of gallons |  | Percent gallonage change |
|---|---|---|---|---|---|
|  |  |  | Gallonage, 1972 | Gallonage, change |  |
| 1. Texaco | 8.13 | −0.22 | 8,178,205 | +313,250 | +3.98 |
| 2. Shell | 7.14 | −.22 | 7,187,789 | +257,337 | +3.71 |
| 3. American | 6.93 | −.14 | 6,971,708 | +317,494 | +4.77 |
| 4. Exxon | 6.85 | −.20 | 6,890,766 | +249,825 | +3.76 |
| 5. Gulf | 6.53 | −.15 | 6,570,751 | +284,112 | +4.52 |
| 6. Mobil | 6.36 | −.04 | 6,396,341 | +372,846 | +6.19 |
| 7. ARCO | 4.94 | −.54 | 4,967,184 | −193,228 | −3.74 |
| 8. Socal | 4.70 | .00 | 4,733,919 | +308,454 | +6.97 |
| 9. Phillips | 4.11 | +.17 | 4,131,554 | +418,758 | +11.28 |
| 10. Sun | 3.85 | −.23 | 3,869,725 | +30,000 | +.78 |
| 11. Union | 2.96 | −.21 | 2,973,719 | −11,558 | −.39 |
| 12. Continental | 2.28 | −.05 | 2,292,065 | +93,642 | +4.26 |
| 13. Cities | 1.94 | −.04 | 1,955,187 | +90,838 | +4.87 |
| 14. Marathon | 1.73 | −.03 | 1,739,600 | +85,620 | +5.18 |
| 15. Ashland | 1.43 | +.10 | 1,440,283 | +185,058 | +14.74 |
| 16. Sohio | 1.21 | −.11 | 1,218,324 | −20,548 | −1.66 |
| 17. BP Oil | 1.15 | −.21 | 1,153,411 | −125,602 | −9.82 |
| 18. Tenreco | .88 | +.06 | 881,505 | +109,881 | +14.24 |
| 19. Clark | .78 | +.10 | 789,719 | +147,344 | +22.94 |
| 20. Hess | .70 | +.03 | 707,299 | +75,773 | +12.00 |
| 21. Triangle | 0.68 | +.07 | 687,307 | +109,334 | +18.92 |
| 22. Getty | .67 | +.02 | 674,199 | +60,882 | +9.93 |
| 23. Murphy | .64 | −.01 | 644,236 | +28,724 | +4.67 |
| 24. American Petrofina | .63 | −.07 | 633,749 | −27,506 | −4.16 |
| 25. Skelly | .63 | −.01 | 629,076 | +23,075 | +3.81 |

Source: Lundberg Survey Inc., 12041 Strathern St., North Hollywood, Calif. 91605.

Mr. FANNIN. Mr. President, second, traditionally major companies have lost money in marketing and made it in production. With higher world crude prices coupled with participation agreements forced on the companies by OPEC, the companies will have severe restraints placed upon them in earning profits at the production end. Profits will have to start coming from the downstream end of the business. This means higher prices for petroleum products and does not necessarily mean at all that higher prices are anticompetitive. The major companies will be forced to sell at higher prices, therefore, if their profit picture is to improve it will be difficult to undercut the independent by selling at lower prices.

I am talking about this matter because we face a very serious situation. I am sure the Senator from Minnesota realizes we must have more in the way of exploration, development, and production of petroleum fuels. We must import more oil and we have little control over the prices we pay for that oil. We must try to increase our exports of other products to pay for those imports.

We want U.S. companies to improve their position so they will be able to export more of their products.

I made a statement on Friday, which appears in the CONGRESSIONAL RECORD at pages 17764 to 17766, on the subject of what is going to be needed in the future in the way of improved petroleum production. That statement points out how we have lost out on North Slope production due to the Alaskan pipeline delay. The delay has been very expensive to many companies.

The Outer Continental Shelf hold-up on leases and drilling has also reduced expenditures considerably and therefore slowed down production.

I think we have to look at this problem from a broader point of view. Certainly we are concerned about excess profits. Certainly we are concerned about competition. We want competition, and we do not want any action by the majors which would force independents out of business. I trust Congress will consider the overall problem we have, because there is not a simple solution. It is a very complex situation. I think we should take all that into consideration.

I certainly am not opposing the amendment in principle. However, I think that we should clarify the situation.

Mr. JACKSON. Mr. President, will the Senator from Arizona yield me 5 minutes?

Mr. FANNIN. Mr. President, I yield 5 minutes to the Senator from Washington.

The PRESIDING OFFICER (Mr. HELMS). The Senator from Washington is recognized for 5 minutes.

Mr. JACKSON. Mr. President, I shall speak very briefly. I thank the Senator from Arizona. He has made a very important point in connection with the change that is taking place in the international oil business.

Let us go back a moment, because this is a related part of the problem we have today. What has been happening in recent years is that the international oil companies, the American oil companies, have been going abroad to do most of their drilling, exploration, and production.

We were told over the years, Mr. President, that with a good depletion allowance, they would do their drilling here. Let me point out, however, why they have gone abroad.

In the Persian Gulf, the major oil companies can find and produce new oil supplies at a cost of somewhere between 8 cents and 20 cents a barrel. In the United States, the finding and producing costs per barrel in recent years have been in the order of $2. Perhaps the per barrel cost is somewhat less—exclusive of bonuses—on the Outer Continental Shelf.

It is very expensive to drill offshore. However, because the average well is much more prolific, the cost per barrel tends to be less than it is onshore, on the mainland.

The economics of the situation has been such that the American oil companies have been doing their drilling abroad and we have not developed our domestic oil supplies. It is not all a one-way street in this matter, Mr. President. The American companies, the British companies, and the Dutch companies overseas are finding themselves in a period of transition, because what is happening is something that I have warned would happen for many years. That is the nationalization of producing oil interests abroad. We were told this would not happen. However, it is already happening. Colonel Quadiffi in Libya has now demanded a 100 percent nationalization of oil companies. That means nationalization of all of the companies.

Mr. President, in 1952 all oil concessions in Iran were nationalized—that is, the fields themselves. Earlier this year the Shah of Iran finalized that act by nationalizing the entire production facilities as well as the oil in the ground. And national taxes on oil produced by the international majors in the OPEC countries has about tripled in the last 2 years

So, what the Senator from Arizona has mentioned is true. There is a real problem that is going to develop. And it is something that we have to look into, because the American companies that have been taking the bulk of their profits abroad and are now going to have to make their profits out of refining operations and domestic marketing in the United States.

The oil companies will have to make their profits at the distribution end. That is the economics of the situation, simply stated.

In the meantime, we have a very large independent oil distribution business. We have independent refiners. We have the independent jobbers, and the independent dealers. Some of them have hundreds of stations. Some of them have only one station.

The amendment in which the Senator from Minnesota (Mr. HUMPHREY), the Senator from New Hampshire (Mr. MCINTYRE), and I have joined on is simply to maintain a proper competitive system.

I think this is a fair amendment. I think it is an honest amendment. I do not think it is a punitive amendment. It gives an opportunity for all elements in the free competitive process to be treated fairly, justly, and honestly.

Mr. President, we are not out to get anyone. We are only out to get the facts.

Mr. President, I sent a letter to the Federal Trade Commission on May 31 of this year. I ask unanimous consent that that letter be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. JACKSON. Mr. President, in this letter I asked the Federal Trade Commission, which has been involved now for many months in an investigation of all sorts of allegations that have been made about practices within the oil industry, to give us a report in 30 days. The bill says not less than 6 months. I say let us get the facts. Then, if the report shows there is a need for legislation in order to strengthen the free competitive enterprise system that we cherish we will be in a position to act.

I know that allegations have been made that are very serious. I am not alleging anything. As the chairman of the committee that has been looking into this problem, my own interest has been to be judicial about this matter.

Mr. President, I get concerned, however, when responsible officials make statements and allegations of a serious nature, the question of monopoly, the question of unfair trade practices, and so on.

I think that Congress has the duty to get the facts. I am not trying anyone. I just want to see that this entire matter is handled in a fair and judicious manner.

The amendment, Mr. President, provides the policing authority for this bill, in effect. That is in the first section, subsection (a). Then it requires that the Attorney General review the various programs that are undertaken and the regulations issued prior to the implementation of the regulations pursuant to the amendment.

The amendment also provides for a limited defense which can be exercised by the oil companies to an action under the antitrust laws when they are required to meet together to work out certain allocation problems. We provide for a defense in those situations. We also require the presence of a representative of the Attorney General and the monitoring of any action taken by the Federal Trade Commission.

Finally there is a provision for reporting back by the Federal Trade Commission in 6 months on the results of the study.

Mr. President, I think it is a fair amendment. I think that it will help to resolve a lot of the charges that have been made. I think that it is fair to the large companies. I think that it is fair to the small companies. This is an effort simply to get at the truth.

Mr. President, I thank the Senator from Arizona for yielding.

EXHIBIT 1

U.S. SENATE, COMMITTEE ON
INTERSTATE AND INSULAR AFFAIRS,
*Washington, D.C., May 31, 1973.*

HON. LEWIS A. ENGMAN,
*Chairman,*
*Federal Trade Commission,*
*Washington, D.C.*

DEAR MR. CHAIRMAN: Over the past six months every section of the nation has experienced serious shortages of heating oil, gasoline, diesel fuel and propane. These shortages—especially gasoline and diesel shortages—threaten to become critical within the next few months. Shortages of fuel oil next fall and winter are certain. They may be the most serious ever experienced in this country.

You are undoubtedly aware of the growing and increasingly widespread conviction that the fuel shortage is a *deliberate, conscious contrivance* of the major integrated petroleum companies to destroy the independent refiners and marketers, to capture new markets, to increase gasoline prices, and to obtain the repeal of environmental protection legislation. Allegations and some circumstantial evidence of this sort are coming increasingly from oil independents, consumer organizations, students of the industry, Members of Congress, and from the chief legal officers of local and State governments.

As Chairman of the National Fuels and Energy Policy Study authorized by S. Res. 45, I recognize that the origins of the current fuels shortages are complex. They involve, among other things, stringent environmental regulations, a lack of refining capacity, an incentive system that is not producing desired results, the need for deep-water port facilities, and many other factors.

One major cause of the shortage which should not be overlooked or minimized is the present Administration's incomprehensible and foolish reliance last summer on the clearly incorrect and self-serving recommendations of major oil companies that import controls should be maintained; that refined products should not be imported; and the assurance that refinery capacity would be adequate to meet all demands for petroleum products over the next year.

We know, for example, that Texaco's Chairman of the Board wrote General Lincoln, then the Director of the Office of Emergency Preparedness, last July objecting to the granting of more import quotas for finished products and stating that there is "sufficient refining capacity available in the U.S. to meet anticipated demand for clean products over the balance of this year." We know that the President of Humble Oil (now Exxon, U.S.A.) assured General Lincoln in September that "Humble could not speak for the remainder of the industry but felt in a tight situation the industry would do its best including going beyond its contract commitments if it were capable of doing so . . ."

While I am not yet ready to definitely conclude that the current crisis can be fully explained in terms of "conspiracies" between or "excessive market power" exercised by a relatively few oil companies this does pose a major question of public policy which deserves careful review and analysis. The very fact that the so-called "conspiracy theory" is supported by circumstantial evidence and that it does have credibility among knowledgeable observers of the industry makes an in-depth investigation mandatory. If investigation shows that the current shortages have been calculated and engineered for private profit or advantage, legislation will be required to effectuate fundamental changes in the structure and operation of the petroleum industry.

Later in this letter I will be requesting the Federal Trade Commission to undertake an investigation of this matter.

Whatever the ultimate cause or causes of the shortages it is indisputable that they threaten to extinguish viable competitive force in the petroleum industry. It is furthermore a fact that retail gasoline and fuel prices—the price consumers pay—have risen drastically and will continue to rise. At the same time, the earnings of the five biggest oil companies jumped by 26 percent between the first quarters of 1972 and 1973.

The earnings of Exxon, the largest oil company in the United States, jumped by an amazing 43 percent. The earnings for 27 smaller oil companies jumped by 32.1 percent during the same period.

The fact that oil company earnings show startling increases during a period of time when the companies are under price controls, when independents are being put out of business, and when the American consumer cannot get gasoline also raises fundamental questions of public policy. This is particularly true in view of the disturbing signs that the present shortages are being accompanied and perhaps caused by major structural changes in petroleum marketing which could seriously limit competition.

The strength, efficiency, and economy of America's oil industry has been based on the high degree of competition at the retail level afforded by numerous companies supplying the same market. It is a classical first step of any small group of companies who wish to restrain trade and raise prices to first centralize their marketing areas so as to reduce competion. Indeed it is the purpose of the Federal Antitrust Laws to assure that there is adequate competition. Some of the disquieting market limiting instances—all within the past few months—are as follows:

Gulf is withdrawing in Michigan, Maryland, Iowa, Wisconsin, Delaware, Minnesota, North Dakota, South Dakota, Idaho, Utah, Nevada and Northern California. They are just getting out of those areas and have a $250,000,000 withdrawal program under way.

Exxon is selling 150 retail service stations in Indiana, Illinois, Wisconsin and Michigan and possibly an additional 250 stations.

Phillips by October 1, 1973, is withdrawing from New England all the way as far south as Maryland and Northern Virgina.

British Petroleum has sold its New York State marketing network to United Refinery. West of Hudson, New York, it is giving no new supplies to its jobbers. BP has notified its jobbers in New Jersey, Rhode Island and part of Massachusetts that their contracts will soon be cancelled.

Atlantic Richfield Company is selling its terminal and bulk plant in Mississippi. ARCO is also divesting itself of a 32,000 barrel a day refinery in Sinclair, Wyoming. It is dropping 2,400 retail outlets in Colorado, Idaho, Wyoming, North Dakota, South Dakota, Nebraska, Kansas, Minnesota, Iowa, Missouri and parts of Louisiana, Alabama and Oklahoma.

Amoco, according to trade reports, plans to pull out of the Western United States with the exception of Washington and Oregon.

Sunoco is withdrawing from North Dakota, South Dakota, Nebraska, Wisconsin, Minnesota, Kansas, Tennessee and the Metropolitan Chicago area. However, it is excluding certain other metropolitan areas such as Omaha, Eastern Kansas, Memphis and its Interstate Highway outlets.

Fina will purchase the BP marketing properties in Georgia and Florida and part of those in North Carolina and South Carolina.

There are instances of other oil companies which are abandoning certain "uneconomical" areas. Moreover, many of these and other major oil companies are apparently terminating existing dealer franchises and, *at the same time,* establishing new chains of dealerships under new second and third name "fighting brands."

It is highly suggestive to those who have studied the dynamics and structure of the national and international oil corporations which dominate the industry and the patterns of marketing that all of these factors and results are *not* happenstance. In major respects they may represent conscious, knowing decisions to shift traditional profit centers from "production" in historically, low cost, profitable Mid-east sources to the downstream sources of "refining" and "marketing" both in the United States and Europe. This shift in profit taking sources was compelled by the nationalistic attitude of Mid-East nations to control their own resources and to maximize host government revenues. On the basis of available evidence I do not charge or allege conspiracy; I do, however, charge that corporate self-interest, acting in response to friendly, timid and often incompetent Administration policy, has led to a situation in which oil industry corporate managers—without meeting, without collusion, without conspiracy—are led, invited, and encouraged: (1) to squeeze out the independents; and (2) to force the price of gasoline and other petroleum products up and up.

It is not clear to me or to other Members of Congress what all of these fast moving events and changes mean, nor what relationship they bear to the shortages of crude oil and petroleum products. The sole purpose of this letter is to get a detailed, objective, and judicial judgment on the issues which have been raised in connection with the current fuels crisis. It is in the national interest to have a strong, viable and competitive industry that is privately owned and has the confidence of the public.

I am hereby requesting the Federal Trade Commission to prepare a report within thirty days regarding the relationship between the structure of the petroleum industry and related industries and the current and prospective shortages of petroleum products. This report should be accompanied by such staff reports, investigations and documentary materials as the Commission may have made or obtained which are relevant to comprehension of this issue by the Congress.

Later today, Senator Humphrey and I will be introducing an amendment to S. 1570, the "Emergency Petroleum Allocation Act of 1973," which will authorize and direct a more detailed six-month study by the Federal Trade Commission of this and other important questions concerning the petroleum industry, its changing structure and operation, and the causes of the current shortages. I am enclosing a copy of the amendment and a table from the May 14, 1973 *Oil and Gas Journal*, showing earnings and profit performance of 32 oil companies in the first quarter of 1973.

Sincerely yours,

HENRY M. JACKSON,
*Chairman, Senate Study of A National Fuels and Energy Policy.*

HOW 32 COMPANIES PERFORMED IN THE 1ST QUARTER

| Company | Net profit[1] ($1,000) 1st quarter 1973 | Net profit[1] ($1,000) Percent change from 1972 |
|---|---|---|
| Exxon | 508, 000 | +43. 1 |
| Texaco | 264, 016 | +14. 8 |
| Gulf | 165, 000 | +18. 7 |
| Mobil | 155, 800 | +10. 1 |
| California Standard | 152, 800 | +24. 2 |
| Subtotal | 1, 245, 616 | +26. 0 |
| Indiana Standard | 121, 100 | +21. 5 |
| Shell | 80, 233 | +49. 2 |
| Tenneco | 53, 413 | +14. 4 |
| ARCO | 50, 303 | +52. 2 |
| Sun | 49, 146 | +42. 3 |
| Conoco | 47, 500 | +11. 5 |
| Phillips | 43, 448 | +22. 1 |
| Union | 38, 300 | +28. 1 |
| Amerada Hess | 36, 706 | +25. 1 |
| Cities Service | 34, 400 | +17. 4 |
| Getty[2] | 27, 006 | +20. 6 |
| Marathon | 24, 165 | +49. 6 |
| Pennzoil | 19, 624 | +23. 9 |
| Sohio | 17, 500 | +48. 5 |
| Signal | 16, 202 | +28. 8 |
| Ashland | 15, 900 | +40. 7 |
| Kerr McGee | 11, 876 | +20. 8 |
| Skelly | 9, 961 | +2. 6 |
| Occidental | 8, 934 | +57. 8 |
| Murphy | 6, 452 | +57. 7 |
| Clark | 4, 846 | +502. 0 |
| American Petrofina | 4, 735 | +105. 1 |
| Tesoro | 4, 271 | +86. 8 |
| Quaker State | 3, 604 | +6. 2 |
| Kewanee | 3, 017 | +6. 9 |
| Corco | 2, 806 | +13. 4 |
| Apco | 889 | −34. 0 |
| Subtotal | 736, 337 | +32. 1 |
| Total | 1, 981, 953 | +28. 2 |

[1] Excludes extraordinary items.

[2] Includes Getty's share of Mission Corp. and Skelly Oil Co.

Mr. FANNIN. Mr. President, I thank the chairman of the committee for his statement. I agree with him. I voted for the amendment. I think it is a good amendment. However, I think that the problem we have must be recognized.

We need the support of the major companies, the independents, and all of the others if we are to get this matter corrected.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. FANNIN I yield.

Mr. HUMPHREY. Mr. President, I have listened very carefully to the statement of the Senator from Arizona in his discussion of the amendment and his discussion of some of the economic problems confronting the industry. I do not argue with that.

As the Senator from Washington has said, the purpose of the amendment is not to accuse. It is merely to try to make sure that the bill pending before us, if enacted into law, will be properly policed in terms of its regulation, and that the attorney general will make sure that the antitrust laws of the Federal Government are properly enforced and that we really get the machinery we need for constructive legislation.

Mr. FANNIN. Mr. President, I agree with the Senator. However, I do want to make it very clear that we must have the cooperation of these companies. I do not feel that we can do this without the full support of everyone in the whole program.

Mr. HUMPHREY. Absolutely. We do have to have their cooperation because they are in charge of the product we need.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. FANNIN. I yield.

Mr. JACKSON. Mr. President, what we are really trying to do is just make the system work better. It is obvious that with all the complaints we have from all over the country, with people going out of business and running into trouble, as they say up in the Northwest, "There is something rotten in Denmark."

All I am suggesting is that we get at the facts and not prejudge these matters. I agree with the statement the Senator made that we need the big companies, small companies, and the whole operation, the whole oil industry, just to work together a little better, in a critical period when we are dealing with shortages. And when you are rationing shortages, Mr. President, you are not going to make a lot of people very happy.

Mr. HUMPHREY. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. McINTYRE. Mr. President, what is the time situation? Could I have 2 or 3 minutes on the bill?

Mr. JACKSON. We have time remaining on the amendment.

Mr. FANNIN. I yield the Senator 3 or 4 minutes, whatever he wishes.

Mr. McINTYRE. Mr. President, during the course of our hearings, the Federal Trade Commission appeared before us and indicated that they had been studying the problem that the amendment would deal with since October of 1970. So, hopefully, acting a chairman of the committee, I said, "Well, what did you find out?"

They said, "Well, we have not come to any conclusions yet. We hope to have something for you by December of this year."

Mr. President, I hope that this amendment, which we hope will pass this body, will have some strength in it, because I find—and I realize this is a somewhat murky field of law—that when the Federal Trade Commission puts out subpenas to the major oil companies, asking them to come in, sit down, and testify at a hearing, the major oil companies have ignored those subpenas.

Mr. JACKSON. Mr. President, will the Senator yield right there?

Mr. McINTYRE. Well, I just want to make sure that I make it clear that apparently this is a procedural detail that involves the Department of Justice, but they have stalled on dead center.

I think when the Senator from Arizona says we need the cooperation of the major oil companies, he is very, very correct. But I hope this amendment will put some teeth into the Federal Trade Commission's efforts to monitor these shortages and competition.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. McINTYRE. I yield.

Mr. JACKSON. I yield myself 2 minutes to respond. On page 4 of the amendment, beginning on line 16, it reads:

> (h) The Federal Trade Commission shall prepare and transmit to the Congress, no later than six months from the date of enactment hereof—

And then it lists the report and the other requirements.

This is a mandatory requirement. I point out further that the Federal Trade Commission needs additional funds to prosecute the efforts they are now involved in. When the Independent Offices appropriation bill comes up, it behooves all of us to see to it that there are adequate funds available for this purpose.

I might also point out that the last paragraph in the amendment—that is on page 5—has this added provision, starting on line 8:

> (i) The Federal Trade Commission shall have the authority, notwithstanding the exceptions in section 6 (a) and (b) of the Federal Trade Commission Act (ch. 311, 38 Stat. 721), to gather and compile such information concerning, and to require the furnishing of such information by, all corporations including common carriers subject to the Act, as may be required to implement the provisions of this section.

Mr. McINTYRE. I am glad to see that sort of language.

Mr. JACKSON. These are the "teeth" I think the Senator was referring to earlier.

Mr. McINTYRE. That is right.

Mr. JACKSON. It is in keeping with the Senator's suggestion.

Mr. McINTYRE. I hope we will keep after it, too.

I want to state just one other thought. Representing a consumer State—I am not so sure about the Senator from Washington——

Mr. JACKSON. We do not produce a drop of oil in the State of Washington. We consume it.

Mr. McINTYRE. In trying to find the answer, for years, one of the things that has been just paralyzing is to find that our Government depends upon the oil companies of America to furnish information regarding the industry. We are completely at their mercy.

Mr. JACKSON. Mr. President, will the Senator yield on that point?

Mr. McINTYRE. I yield.

Mr. JACKSON. I think the able Senator from New Hampshire has put his finger on a very important point. We need to have the kind of information available in the petroleum and energy areas that we have in the economic area through the Bureau of Labor Statistics, which has reached that level of professional standing where economists, whether they are from academia or from the business world, can rely on the integrity of their figures.

I could not agree with the Senator more as to the ridiculous situation we find ourselves in, in which the Government of the United States does not have the figures, but has to go all over the country to try to obtain them from the private companies. May I say it is not even fair to the private companies to have to supply the information, because if they make a mistake, they can be accused of doing it on a premeditated basis.

We are considering legislation now, and I hope we will have something introduced shortly, probably giving this authority to collect the data to the General Accounting Office, to marshal all the facts and the information so that we can get it on the basis of sound data, of objective facts.

Mr. McINTYRE. I agree.

Mr. JACKSON. That is a part of our trouble with the studies, and I assure the Senator we hope to move without delay on it.

Mr. McINTYRE. I hope so.

Mr. DOMINICK. Mr. President, will the Senator from Arizona or the Senator from Minnesota yield to me? I do not care which.

Mr. FANNIN. I yield 2 minutes to the distinguished Senator from Colorado.

Mr. DOMINICK. I have been listening to this debate with interest, and I think the Senator from Minnesota is trying to get something accomplished which probably should be accomplished. But I have some questions as to whether it is going to work, in the system that he is outlining, and therefore I wanted to ask these questions:

In the substitute bill as proposed by the Senator from Washington, as I understand it, they have 6 months to develop a plan.

Mr. President, you cannot develop a plan out of an agency down here without having the cooperation, it seems to me, of those people who are involved in producing the oil, gas, and other things we need.

My question is, Is the Senator's amendment designed to stop those consultations? Because if it is, then we have really got problems.

Mr. HUMPHREY. Mr. President, if I may respond, it is not. This is an entirely separate operation, the Federal Trade Commission study.

Mr. DOMINICK. The Senator's amendment, however, if I may say so, starts out by saying that everybody is going to be subject to a civil or other penalty if they are restricted under any antitrust law, but it indicates to me that in some cases the Senator is trying to stretch the antitrust law. Perhaps he is not, but I just wanted to be sure, for the record, that we are not, because if we do not have the cooperation of the oil and gas industry, we are never going to get enough oil to be able to allocate it to anyone. That is my problem, and the only one I have.

Mr. HUMPHREY. Mr. President, may I assure the Senator from Colorado that in the section we have to appropriately renumber in the bill because of the amendments, known as subtitle (a), what it really calls for there is very careful supervision on the part of the appropriate agencies of Government, to make sure that during this period of shortage and scarcity, as the Senator from Washington has said, where there is a difficult problem of allocations and supply, that no violations of the antitrust laws take place, and that the Department of Justice make sure, by constant monitoring or following of the situation, that there is not any violation of the antitrust laws.

That is what the first section does, in substance. Then after that, it requires that any priority schedule, plan, regulation, or allocation program proposed pursuant to this bill shall be forwarded to the Attorney General and to the Federal Trade Commission, who shall be given a reasonable opportunity of not less than 7 days before such schedule, et cetera, would take effect. In other words, because the provisions of this act all call for mandatory allocations. The reason for that is, to make sure that the companies do not get into trouble. Has the Senator got my point? To be sure that the companies can comply and do not get into trouble.

Mr. DOMINICK. The thing that bothers me, I guess, is subsection (d) on page 2 and the top of page 3 of the amendment. What I am concerned about is that it will be construed by someone that if the oil companies get together even for a luncheon meeting, they will have an antitrust suit filed against them because they are not doing it subject to an order from the agency. That is the problem that bothers me.

What I am saying is that we do not want antitrust suits any more than you do, but we do not want to stretch the laws by this bill in an effort, so-called, to try to help out. I think we make it worse than better.

Mr. HUMPHREY. May I say most respectfully to the Senator from Colorado that the conditions we are dealing with here concern the scarcity of supply and the inequities in allocations, which lend themselves to temptation on the part of the marketplace to take advantage of it. We should recognize that.

The purpose of subsection (d), to which the Senator refers on pages 2 and 3 of the amendment, is to make sure that there is constant supervision of the operations of the companies in terms of meeting the allocation requirements. It spells it out so that there is no hunting license here to get someone in trouble.

Mr. DOMINICK. I understand the Senator. The problem is, it will mean that we cannot have any meetings or any discussions on any type of plan unless the Justice Department and 150 lawyers are sitting in from the Antitrust Department on every single meeting they have.

Mr. HUMPHREY. May I say to the Senator that I do not think it will require 150 lawyers. I think all it will require is a fair sense of balance, recognizing the critical situation, that this is a question of scarcity. It is a preventive provision. The whole purpose of subsection (d) on pages 2 and 3 of the amendment is to prevent any possibility of any violation of the antitrust laws. This merely says here—

> * * * such meeting, conference, or communication shall take place only in the presence of a representative of the Antitrust Division of the Department of Justice, and a verbatim transcript of such meeting, conference, or communication shall be taken and deposited with the Attorney General and the Federal Trade Commission, where it shall be made available for public inspection.

Why? Because, in order to comply with the terms of the statute, there will be meetings, and there will have to be meetings——

Mr. DOMINICK. That is what I am saying——

Mr. HUMPHREY. Simply because they are producers.

Mr. JACKSON. I yield myself 1 minute on the bill——

Mr. DOMINICK. Let me just make the record clear, first, that in order to have a workable plan, we will have to have the cooperation of the oil and gas industry. If we are going to say that every time they sit down on any meeting or on any plan, they are going to have to have antitrust personnel in there, according to subsection (d), we are going to scare the life out of everyone. That is the problem, as I see it.

Mr. JACKSON. The reason the voluntary program is in trouble is that the oil companies legally cannot sit down with the other companies, and with the Government, and work out a system of allocations. The lawyers for the companies know this. This amendment would make this possible, and it sets out specifically that there will be a limited defense to an antitrust action where these steps are taken. One of the things of concern to the major oil companies is that once they start to look at this carefully, that is, the Administration's voluntary program 2 years from now they might be hailed into court, indicted, or slapped with a treble damage suit. That is the trouble, because there is no specific provision in the law covering these meetings insofar as they relate to the antitrust laws. That is why it is in there—in the Humphrey-McIntyre-Jackson amendment.

Mr. DOMINICK. What the Senator is doing is setting up a defense, but what the Senator is asking us, is to say that we cannot meet on anything, even if it has nothing to do with price. They may be talking about oil and its production, but they cannot meet.

Mr. JACKSON. If the Senator will look at subsection (d), line 19 of the amendment, it says:

> (d) Whenever it is necessary, in order to execute the provisions of this Act or of plans, regulations, or orders issued pursuant thereto, for owners, officers, agents, or representatives of two or more producers, importers, refiners, or resellers of crude oil or refined petroleum products subject to this Act to meet, confer, or communicate in such a fashion and to such ends that might otherwise be construed to constitute a violation of the antitrust laws, they may do so only upon an order of the agency designated by the President to administer the provisions of this Act specifying . . .

Mr. DOMINICK. It is the word "only" that bothers me. That means that they cannot get together anywhere without having a member of the Antitrust Division there. I do not know how many lawyers that would mean——

Mr. JACKSON. As it relates to this act.

Mr. DOMINICK. Suppose they were talking about reserves? You have to know what the reserves are in order to make a plan.

Mr. JACKSON. Is that not a lot better than it is right now, where they cannot get together at all? We have specified specifically——

Mr. DOMINICK. It may be. What I am saying is, Why use the word "only"?

Mr. HUMPHREY. There is a reason for it, because if we do not use that word—if we take out the word "only", we are, in other words, opening up the whole of the antitrust laws to all sorts of escapes. This is pertinent to the act we have before us. It says that we cannot have the meetings because it will be necessary for the purpose of allocation of shortages conducted only upon order of the agency designated by the President to administer an act, and so forth. This relates to a specific set of circumstances; namely, scarcity, a program of mandatory allocations. If we start opening it up, we will start, for all practical purposes, vitiating and weakening all the antitrust laws of the country. This provision is sufficiently specific to protect the consumer, the producer, the refiner, the wholesaler, the jobber, and the retailer. That is what this is all designed to do.

Mr. DOMINICK. If I may say so, I am not trying to get into a speech-making contest with the distinguished Senator from Minnesota. I know that he is too good for me.

Mr. HUMPHREY. I thank the Senator.

Mr. DOMINICK. The Senator has been making lots of speeches that way.

Mr. HUMPHREY. And I am making sense today. [Laughter.]

Mr. DOMINICK. What I am trying to do is to be legalistic, and not trying to make speeches. What I am saying is that there are a number of different types of meetings that go on, which meetings may or may not have a bearing on what a plan might be. I just say that no such meeting of any kind is going to be valid unless the antitrust person is there. So that what we are saying is that they will all have to be held in Washington and that meetings of any other people, anywhere else, without that, will be immediately an indication, at least, that someone may have a suit against him. That is what I am saying. It is the word "only" that I am worried about, that word "only."

Mr. HUMPHREY. I am going to let my "district attorney" answer the Senator here because the Senator from Colorado obviously does not want a speech. The Senator wants someone to give him the law, even if a speech would make more sense, much more than I could give one, trying to define the fine hairs of the law. Go ahead, "attorney." [Laughter.]

Mr. JACKSON. Mr. President, I shall be very brief. I think it has been amply discussed. The point is that at least we have made a breakthrough here, in which we have designed a system under which the oil companies can get together and help carry out the provisions of this act without being in violation of the antitrust laws.

Mr. DOMINICK. Then the Senator will agree with me that we do not want to extend the antitrust laws.

Mr. JACKSON. No. We are not extending or limiting the antitrust laws at all.

Mr. DOMINICK. That is fine. Let us leave the record that way.

Mr. JACKSON. That is what I have been trying to say. We are in the ridiculous situation where the administration has a voluntary program and where the key people in the Department of Justice have told us that if the oil companies do get together to carry out the voluntary program of the administration, the Department of Justice could go after them. The oil companies well remember the Madison case in 1939, where the Justice Department got convictions against companies that cooperated in a voluntary gasoline allocation program sponsored by the Interior Department.

Does not the Senator think that ought to be clarified?

Mr. DOMINICK. Yes, very definitely.

Mr. JACKSON. That is exactly what we have done. That is all I have to say.

Mr. HUMPHREY. I thank my attorney.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Minnesota, as amended. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Florida (Mr. Chiles), the Senator from California (Mr. Cranston), the Senator from Colorado (Mr. Haskell), the Senator from Iowa (Mr. Hughes), the Senator from Hawaii (Mr. Inouye), the Senator from Utah (Mr. Moss), the Senator from Illinois (Mr. Stevenson), the Senator from West Virginia (Mr. Randolph), the Senator from Alaska (Mr. Gravel), the Senator from California (Mr. Tunney) are necessarily absent.

I further announce that the Senator from Maine (Mr. Muskie) is absent on official business.

I also announce that the Senator from Mississippi (Mr. Stennis) is absent because of illness.

I further announce that, if present and voting, the Senator from Illinois (Mr. Stevenson), the Senator from Colorado (Mr. Haskell), the Senator from California (Mr. Tunney), the Senator from West Virginia (Mr. Randolph), and the Senator from Iowa (Mr. Hughes), would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from New Hampshire (Mr. Cotton) is absent because of illness in his family.

The Senator from Wyoming (Mr. Hansen) is absent by leave of the Senate on official committee business.

The Senator from Oregon (Mr. Hatfield), the Senator from Idaho (Mr. McClure), the Senator from New York (Mr. Javits), the Senator from Vermont (Mr. Stafford), and the Senator from Ohio (Mr. Taft) are necessarily absent.

The Senator from Ohio (Mr. Saxbe) is detained on official business.

The result was announced—yeas 80, nays 0, as follows:

[No. 166 Leg.]

YEAS—80

Abourezk
Aiken
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bennett
Bentsen
Bible
Biden
Brock
Brooke
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Church
Clark
Cook
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Ervin
Fannin
Fong
Fulbright
Goldwater
Griffin
Gurney
Hart
Hartke
Hathaway
Helms
Hollings
Hruska
Huddleston
Humphrey
Jackson
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Ribicoff
Roth
Schweiker
Scott, Pa.
Scott, Va.
Sparkman
Stevens
Symington
Talmadge
Thurmond
Tower
Weicker
Williams
Young

NAYS—0

NOT VOTING—20

Chiles
Cotton
Cranston
Gravel
Hansen
Haskell
Hatfield
Hughes
Inouye
Javits
McClure
Moss
Muskie
Randolph
Saxbe
Stafford
Stennis
Stevenson
Taft
Tunney

So Mr. Humphrey's amendment (No. 168), as modified, was agreed to.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PASTORE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. EASTLAND. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. EASTLAND. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the Record.

The amendment, ordered to be printed in the Record, is as follows:

At the end of Amendment No. 145, add a new section:

NATIONAL VOLUNTARY ENERGY CONSERVATION PROGRAM

Sec. —. In order to more effectively carry out the purpose of this Act to solve a national energy crisis the President shall (1) develop a National Voluntary Energy Conservation Program calling for and suggesting means of terminating unnecessary use of energy for power or lighting, and (2) call upon State and local officials, public and private entities, and the public generally, by means of television, radio, newspaper, and other appropriate manner, to cooperate in promoting and carrying out such Program.

Mr. PASTORE. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. EASTLAND. Mr. President, this is a simple amendment. In order to avert an energy crisis the amendment provides that the President shall develop a national voluntary energy conservation program calling for and suggesting means of terminating unnecessary use of energy for power or lighting. It would save and conserve fuel in this country. It would help our balance of payments. It is strictly voluntary.

I do not see how there could be any objection to it.

Mr. JACKSON. Mr. President, I commend the distinguished Senator from Mississippi for the amendment. It is a sensible amendment. It calls upon the President, as I understand it, to undertake a conservation program in order to conserve the needed petroleum resources of the Nation. I am pleased to accept the amendment.

Mr. FANNIN. Mr. President, I commend the distinguished Senator for the excellent amendment. I believe the amendment will be very helpful and I support it.

The PRESIDING OFFICER. Is all time yielded back?

Mr. JACKSON. I yield back the remainder of my time.

Mr. EASTLAND. I yield back my time.

Mr. FANNIN. I yield back my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BARTLETT. Mr. President, I call up an amendment I have at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

Insert the following new section at the end thereof:

That, as an example to the rest of our Nation's automobile users, the President of the United States is requested to take such action as is necessary to require all agencies of Government, where practical, to use economy model automobiles, pickups, and trucks; and

That the President take action to require that no Federal official or employer below the level of cabinet officer be furnished a limousine because such automobiles are particularly expensive, gas consuming and pollution producing; and

That the President is requested to take such action as is necessary to begin a national program of public information to inform the commuter of the benefits of carpools and economy cars and that the President report to Congress on legislative incentives to promote such a program.

Mr. BARTLETT. Mr. President, this amendment is similar to the amendment of the Senator from West Virginia who is interested in conserving energy by reducing the speed of vehicles on the highways. This amendment recognizes that the United States is the biggest user of automobiles, trucks, and pickups. By using more economy cars, by using more economy trucks there will be substantial savings.

By the use of economy cars, we can save as much as 1.8 million barrels of oil a day, it would substantially reduce imports and the balance of payments deficit.

I think it emphasizes, by doing away with many limousines, that we are leaving the era of plentiful, cheap energy and entering another era of expensive energy, and dropping some expensive habits fast.

Mr. President, I move the adoption of the amendment.

The PRESIDING OFFICER. Is all time on the amendment yielded back?

Mr. JACKSON. Mr. President, I want to commend my good friend from Oklahoma for the proposal that he has made. The problem is that if we are going to start itemizing all of the various areas of conservation that we should cover by legislation, we are going to get ourselves in a very difficult position. I suppose we ought to start out by saying that all public, especially elected, officials should use only public transportation in order to save energy. Where do we draw the line on this?

I am not going to object to the amendment, but I only point out that the list is long, and the amendment, worthy as it is in its objective, is totally incomplete. We would have a very, very long bill, Mr. President, if we had attempted to set out a bill of particulars as to the areas in which we can conserve energy.

I believe that the Eastland amendment does lay the foundation for the kind of conservation effort that should be undertaken nationally in all areas where there are feasible opportunities to do so, and I think that is what we want to do. But I shall not object to the amendment.

Mr. FANNIN. Mr. President, I do not object to the amendment. I know the intent of the distinguished Senator from Oklahoma is to conserve energy and to conserve fuel, and that is always a very commendable desire and goal to have.

I am just wondering, in specifying the utilization of certain types of vehicles, what he intends in that amendment. I hope he is not saying we should concentrate on any of the foreign vehicles that happen to come into this country in large numbers.

Mr. BARTLETT. The purpose is very simple, and that is to reduce the size of vehicles to save gasoline. I think it is important in the bill we are considering. The Star Saturday night said that the Senate was acting in its first congressional action aimed at alleviating a nationwide fuel shortage. Of course, we know this does not alleviate the shortage. It merely allocates the shortage in a fair and equitable fashion.

So the purpose of this amendment is to bring attention to several areas where there can be some small reduction in the energy consumed in this country and people can begin to make a contribution toward providing a small step, even though many big steps are necessary, to alleviate the shortage.

Mr. FANNIN. I thank the Senator from Oklahoma. I trust the wording of the amendment will be such that it will not in any way interfere with the proper utilization of motoring equipment and will not designate that certain types of motoring equipment should be purchased. I understand the amendment is general in scope and not specific. Is that right?

Mr. BARTLETT. This is not mandatory. It says where practical it should be done.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. JACKSON. I yield to the Senator from Rhode Island.

Mr. PASTORE. I think there is a great deal that can be said about this amendment. I would like to see the amendment more as a rebuke for the extravagant use not only of automobiles but also of airplanes. We had the situation here not too long ago where a nominated member of the Cabinet flew out to California to be sworn in. It cost the taxpayers of this country $6,000 for the trip.

Just imagine the amount of gasoline that could have been saved. I think such extravagant practices ought to be stopped. I have noticed a great many vehicles move in and out of the White House grounds and into and out of the various Government departments every day. Sometimes so many cars are operating that it is not possible to keep accurate records of them. These practices ought to be stopped.

This is a good amendment in that it points up at this time the fact that there is extravagant us of gasoline in the country. The Government of the United States ought to set an example in any conservation programs we have.

I think this is a good amendment; we ought to adopt it.

The PRESIDING OFFICER. Is all remaining time yielded back?

Mr. JACKSON. Mr. President, I yield back the remainder of my time.

Mr. FANNIN. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oklahoma.

The amendment was agreed to.

### AMENDMENT NO. 170

Mr. HUMPHREY. Mr. President, I call up my amendment No. 170 and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 6, line 4, in lieu of "sixty days" insert "thirty days".

Mr. HUMPHREY. Mr. President, section 104, to which this amendment applies, deals with the heart of the matter we need to address: The proper allocation of fuels among its users; that is, among the people who make or grow the goods we need in daily life and who provide the everyday transportation, health, and other services on which the continuation of our economy and society depend. It also seeks to assure that the brunt of the shortage is not borne unduly by certain areas of the country merely because of their locations or their lack of adequate local crude oil and refinery capacity.

The need for quick action is amply clear. Hearings I held in Minneapolis last weekend drove this fact home. Those hearings established the fact that the upper Midwest faces the prospect of a major loss of agricultural production due to diesel fuel shortages this July and August and a breakdown of the transportation system, which already is severely taxed. The scramble for fuel to keep these vital sectors going threatens to leave a disastrous deficiency of heating oil for the coming winter. Already suppliers are borrowing furiously from reserves and from future fuel allocations. This cannot go on much longer. One witness we heard on Saturday, Mr. Cy Carpenter of the Minnesota Farmers Union, referred to "a fuel shortage time bomb" that may exploded this fall. In this situation, we do not have 60 days to lose before taking effective action.

I should not need to convince anyone that this is not just a section plea, however, because the shortage is still somewhat less severe in some other parts of the country. A great many people do not realize just how close to disaster we really are, nor how rapidly the consequences of a really critical fuel shortage in one part of the country would spread to others.

In any event, there is absolutely no reason to delay for 60 days in putting the mandatory system fully into place. After all, a great deal of thought already has been given to the user priorities enunciated in the existing voluntary allocation guidelines, and some experience in their implementation is now available. Extensive hearings on the workings of this system already are scheduled to begin next week. Therefore, 30 days from enactment of this bill should be adequate from the point of view of information gathering and administration. In closing, I appeal to you not to let this time bomb tick 1 day longer than necessary.

Mr. President, the amendment merely speeds up the application of the act. The present language provides that "within 60 days of the date of enactment, the President shall, after due notice and public hearings, cause to be prepared and published," and so forth. My amendment would change the time to 30 days.

I believe we are considering a matter of sufficient importance as to advance the time of effectiveness.

Mr. JACKSON. Mr. President, I concur in the statement of the Senator from Minnesota. The Senator from Arizona (Mr. FANNIN) joins me in agreeing to change the time from 60 days to 30 days.

I am ready to yield back the remainder of my time.

Mr. FANNIN. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All remaining time has been yielded back. The question is on agreeing to the amendment of the Senator from Minnesota.

The amendment was agreed to.

### AMENDMENT NO. 171

Mr. HUMPHREY. Mr. President, I have another amendment at the desk, No. 171.

The PRESIDING OFFICER. Amendment No. 171 will be stated.

The assistant legislative clerk read as follows:

> On page 7, line 18, in lieu of "thirty thousand" insert "one hundred thousand".

Mr. HUMPHREY. Mr. President, this amendment is offered in the belief that allocation only for refiners of less than 30,000 barrels per day may well not be adequate to keep our existing refining capacity operating during the period until Presidential directives to supply all refineries with adequate crude are issued and implemented.

There are 10 or more refiners in this country with capacities between 31,000 and 87,000 barrels of crude per day that are not affiliated with any major crude producer. Of these, two are in Kansas, one in Arkansas, one in Minnesota—Koch's—one in Wyoming, and four in Texas. Altogether they have the capacity to refine about 500,000 barrels per day within the midcontinent area. This is a quite significant amount.

At hearings held on Saturday before my subcommittee of the Joint Economic Committee in Minneapolis, we were told in no uncertain terms that the administrations' new energy program has not done one bit of good for independent refiners in the midcontinent area. This goes for the import tickets under the new import program, for the proposal to make available so-callel royalty oil from Federal lands, and all the rest of it. Despite the best efforts of the Oil Policy Committee and the Office of Oil and Gas, an estimated 300,000 barrels of refinery capacity already are out of commission for lack of crude and have been so for some time. The representative at the hearing from the Office of Oil and Gas had absolutely no comfort to offer in response to these facts. Meanwhile, oil produced and purchased by the major oil companies in the midwest is being shipped to coastal refineries at which imported oil could very well be used.

Even in cases in which the medium-sized independent refineries encompassed in this amendment are not yet short of crude, their suppliers may well come under pressure to divert their raw materials away from them to the major companies or to smaller independent refiners covered by this bill. This may happen particularly if the stringency in the market for crude oil increases. This could happen even as a result of the allocation provisions already in this bill. The amendment also would place these medium-sized independent refiners under the protection from price abuses embodied in this bill.

This amendment should not take oil away from other parts of the country. It should have the effect of obliging the major integrated companies to import more oil for themselves and to share their domestic crude oil with refiners whose location does not permit them to import. At present this is not happening to an adequate extent.

The figure "thirty-thousand" on page 7, line 18, relates to the definition of an independent refiner. The bill provides that an independent refiner is one who produces in the United States less than 30,000 barrels per day during the base period.

In examining into this point, I have found that there are 10 or more refineries in this country having a capacity of between 31,000 and 87,000 barrels of crude per day that are not affiliated with any major crude producer. Of these, two are in Kansas, one in Arkansas, one in Minnesota, one in Wyoming, and four in Texas. These are truly to be classified as independent refiners.

My amendment more accurately defines what we mean by an "independent."

Mr. JACKSON. Mr. President, I concur in the amendment offered by the Senator from Minnesota. I think that the change in the definition of an independent refiner from one who produces less than 30,000 barrels a day is more in keeping with the intent of the bill.

Mr. BELLMON. Mr. President, I have drawn an amendment that I hope will not be precluded by what we are now doing. I am concerned that there will be refiners who will produce products until a shortage develops, and then be able to sell their products at a higher price.

It would cover all refiners, regardless of their capacity.

I cannot see how an allocations program can work if we have a substantial number of refiners in the country able to go ahead and refine products and withhold them from the market until a shortage develops and then come along and sell the products at a prime price.

Mr. President, I reserve the right to offer my amendment at a later time.

Mr. HUMPHREY. Mr. President, I do not believe that amendment would be in conflict with my amendment.

If the Senator from Oklahoma would be kind enough to withhold his amendment, until we dispose of the pending amendment, I am sure that it will be satisfactory.

Mr. BELLMON. Mr. President, all I want to do is to be sure that my amendment is not precluded.

Mr. JACKSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JACKSON. Mr. President, in order to be sure that the amendment of the Senator from Oklahoma which is to be offered is protected, would that amendment, if offered after the Humphrey amendment is agreed to, be out of order?

The PRESIDING OFFICER. Does the amendment of the Senator from Oklahoma strike more than the phrase "30,000"?

Mr. BELLMON. Mr. President, in the Jackson substitute, my amendment after the word "Products" would strike the language on page 8, line 13, beginning with the word "who" through the word "period" in line 16. It would apply to all refining.

The PRESIDING OFFICER. The amendment would not be precluded.

Mr. HUMPHREY. Mr. President, I yield back the remainder of my time.

Mr. FANNIN. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Minnesota (putting the question.)

The amendment was agreed to.

Mr. BIDEN. Mr. President, I call up my amendment No. 172 and ask that it be stated.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

> On page 6, line 14, delete the words "is hereby authorized to" and insert the word "shall".

Mr. BIDEN. Mr. President, I would like to announce that Senators ABOUREZK, CANNON, CLARK, CURTIS, JACKSON, MCGOVERN, PACKWOOD, RANDOLPH, HUMPHREY, and MCINTYRE have joined as cosponsors. I appreciate their support very much.

Mr. President, I commend the distinguished Senator from the State of Washington (Mr. JACKSON) for a sound and persuasive argument he has made for implementation of a mandatory fuel allocation program. His efforts deserve praise.

Although the bill before us mandates the formulation of plans for allocation, it does not, however, require their implementation. The purpose of my amendment (No. 172) is to insure that our common goal of effective and equitable fuel allocation is achieved through the requirement that the President implement the allocation program called for in the act.

In the issue before us, it is the role of the Congress to determine whether our Nation shall have an effective fuel allocation program and to establish the broad objectives for it. In fact, if the Congress had the resources, the Congress, not the Executive, would be the appropriate body to formulate the allocation program. Even under the present circumstances, the proper role of the Executive Branch should be limited to the implementation of the results of our deliberations. Thus, we should not leave to the Executive the discretion as to whether the allocation program will or will not be implemented. This responsibility should be that of the Congress. We should exercise it.

In order to evaluate the merits of my amendment, we should consider the strong arguments in favor of having a mandatory program in effect.

Through the many hours of Senate hearings and consultations with our constituents, we have learned the need for an effective allocation program. Some may suggest, however, that we should not exercise our responsibility but instead leave full discretion to the President and allow him to continue his voluntary program in accordance with his own evaluation of our Nation's needs.

Indeed, if S. 1570 is passed without my amendment, I am not sure that we would have a more effective instrument for the equitable distribution of fuel than that currently authorized under the authority of the Economic Stabilization Act.

As matters now stand, the administration's voluntary allocation program has serious limitations which limit its effectiveness. While the Department of Interior's Office of Oil and Gas has made a sincere attempt to implement the voluntary program, it has been confronted with substantive problems which are beyond its power to resolve.

As you know under the current program, the Federal Government's directives are not binding on oil companies. The severe shortages farmers and critical public services face, continue, and, even giving further time for executive "jaw-boning" to take effect, we cannot be certain that priority needs will be met.

Furthermore, in asking the oil companies to allocate their crude oil and products on a voluntary basis, we are pushing them into questionable market practices which have serious antitrust implications. In essence, the administration is requesting the companies to meet together to divide their markets and allocate their supplies. A mandatory program, however, would have the Federal Government oversee and direct the allocation process. This step would remove both the obstacles to equitable allocation and the hazard of unrestrained intercorporate dealing.

Finally, and most ironically, much of the clout the Federal Government has had with the oil companies is the threat of a mandatory fuel allocation program—the proverbial "stick in the closet." I know from some of the experiences of my constituents in Delaware, however, that this is a very short stick that gathers dust. In one case, for example, it has gained only a 1-month extension of the fuel supply to the farmers in the southern part of my State. The reports I have read of the plight of my fellow Americans throughout the country indicate they have had similar or even more depressing results under the ineffectual voluntary program.

Frankly, I do not understand how the administration intends to increase farm production if the farmers cannot get the fuel they need now to plant their crops and are uncertain if they will have adequate supplies to harvest their crops several months from now. Similarly, the administration encourages motorists to slow down and conserve gasoline, but the voluntary program cannot insure adequate supplies to the mass transit system which could carry the commuters and travelers with less expenditure of fuel.

The inconsistencies between the administration's policies and the reality of the critical fuel shortages cannot be resolved by pointing to a stick in the closet.

In fact, I am concerned that if we do not pass my amendment, we will be giving the oil companies a signal that the stick in the closet will not be used. I think that it is time that we bring the stick out of the closet.

Now, let me also comment on the petroleum industry's supposed opposition to mandatory allocation. On May 10, the day the administration's voluntary allocation program was announced in the hearings I attended of the Banking, Housing and Urban Affairs Committee, I met with Delaware State officials and distributors of the major oil companies to discuss the shortages we face and the means of dealing with them. They expressed a critical view of the voluntary program's ability to equitably allocate our limited fuel supplies.

Contrary to the administration's contention that fuel distributors oppose a mandatory allocation program, many of these owners of fuel distribution companies urged the implementation of a mandatory program. They told me that the voluntary program did not give them any certainty of supplies and lacked sufficient direction for them to meet the vital needs of their communities. And, of course, from the perspective of the over 1,400 independent refiners, distributors, and marketers on the brink of going out of business, a mandatory program is essential now if they are to stay alive. Thus, in addition to the public need for a mandatory allocation program, many sectors of the petroleum industry desire one as well.

In summary, Mr. President, I submit that our Nation's economic and social welfare require that there be not only plans for allocating our limited petroleum resources and products, but also—and this is the crucial point—the implementation of the plans. My amendment would require that an active and effective mandatory fuel allocation program be put into effect. I urge adoption of my amendment.

Mr. JOHNSTON. Mr. President, if the Senator would yield, I have some questions to propound which would help to clear this matter up in the minds of people concerned.

Frankly, there is a tremendous concern that the bill would create a new power situation in which the allocations will be regulated so as to create shortages and hold down prices. I understand from my colleagues that that is not the intent. I would like to get this information on the RECORD, so that we can show the intent precisely.

First of all, once these regulations are promulgated by the President within the 30-day period, may he then amend or change the regulations or are they final regulations at that point? And this question is addressed to either the Senator from Washington or the Senator from Delaware.

Mr. JACKSON. Mr. President, first off, it is clear that the President under section 104 would have authority to change the regulations. What we are saying here in effect is that it is mandatory that they go ahead with the program. However, every detail does not have to be set in concrete. The energy economics of this country are such that legislatively we cannot set out in detail by statute all of those provisions. So the President does have the regulatory authority to change any of them pursuant to section 104.

Mr. BIDEN. Mr. President, in further response to the Senator from Louisiana, I point out that it was not my intent in substituting the word "shall" to in any way alter the President's ability to change the plans as he goes along.

I would think that we are going to have to make changes as we go along. And the administration will probably find that they will have to refine their plans as they are initially implemented and as time goes on.

Mr. JOHNSTON. Mr. President, section 101(a) contains a congressional determination that the shortages now exist or are imminent. And section 104(b), if the amendment is agreed to, mandates the President to allocate and distribute those fuels which are in short supply.

Does the President have any authority or right to determine that certain fuels are not in short supply? In other words, can he come back and change the allocation by saying that certain fuels are not in short supply, or does the congressional mandate contained in section 101 require that he allocate those fuels?

This question is for either the Senator from Washington or the Senator from Delaware.

Mr. BIDEN. Mr. President, it is my understanding that it does give the President the right to say that a fuel is no longer in short supply. I think it would be more appropriate for the major sponsor of the bill to respond.

Mr. JACKSON. Mr. President, I think it is clear that, under the bill, the President would have the authority to determine whether some forms of oil supplies or product are adequate and sufficient and that others are in short supply. The President would have the authority to make that determination.

Mr. JOHNSTON. Mr. President, he could make that determination at any time during the life of this law?

Mr. JACKSON. The Senator is correct.

Mr. JOHNSTON. Mr. President, my last question is perhaps the most important one. It relates to what the people fear is a price-fixing power contained in section 104. Is it the intent of the bill to give the President the power or to mandate that he fix prices or, on the other hand, is it simply the intent of the bill to have price fixing only in very limited situations involving a situation in which a private stock of petroleum is in effect allocated to another source, or when there exists a temporary shortage as, for example, a temporary shortage in one particular city? Are the last two instances the only instances in which the price-fixing powers are intended to be used, or is it rather the intent to create a whole price-fixing apparatus to affect the price on petroleum products?

Mr. JACKSON. Mr. President, it is not the intent under 104(c)—I believe the Senator is referring to 104(c)—to change existing law. The whole question of prices, of course, is governed by the Economic Stabilization Act. Nor does the bill attempt to change whatever authority the Federal Power Commission may have.

The thrust of it is to deal with the question of blackmail or gouging, as we understand those terms. But I want to reiterate that the provision does not change, enlarge, or diminish existing law as it pertains to the setting of prices, either by the Federal Power Commission or by the Cost of Living Council.

Mr. JOHNSTON. I understand the Cost of Living Council, of course, does have that power to fix prices, but they are not exercising it.

Mr. JACKSON. We are not adding to that authority, and we are not detracting from it.

Mr. JOHNSTON. But we are requiring that the President promulgate regulations, and then, by this amendment, we would require that those regulations be implemented, regulations regarding price. So I am trying to determine how far we are requiring that he exercise his price-fixing power.

Mr. FANNIN. Mr. President, will the Senator yield?

Mr. JOHNSTON. I yield.

Mr. FANNIN. An amendment I offered in this regard, which has been adopted by the Senate, reads as follows:

> No allocation plan, regulation or order, nor mandatory price, price ceiling or restraint, shall be promulgated pursuant to this Act, whose net effect would be a substantial reduction of the total supply of crude oil or refined petroleum products available in or to markets in the United States.

Is that what the Senator is concerned about?

Mr. JOHNSTON. Well, I think if it is interpreted as I would interpret it, it might have a helpful effect. However, we are mandating that regulations be promulgated and that regulations be enforced, relative to price.

Mr. FANNIN. Well, the express purpose of that amendment is to prevent price control regulations such as the Senator is concerned about. I will say to the Senator from Louisiana that that is the very purpose of it, and I trust my amendment will accomplish that objective.

Mr. JOHNSTON. Let me state the question this way, and I ask my distinguished colleague from Washington if he would agree with the following interpretation of section 104(c):

Section 104(c) does not mandate a price-fixing structure, but rather mandates price-fixing regulations only in the very narrow situation where a private stock of petroleum is, in effect, seized by the Government and allocated to another source.

Mr. JACKSON. And to adjust those prices.

Mr. JOHNSTON. To adjust those prices.

Mr. JACKSON. Right; I agree thus for.

Mr. JOHNSTON. And second, in periods of temporary shortage. We are not talking about the nationwide shortage and nationwide energy crisis, but rather localized temporary shortages you might find in one city on 1 weekend, for example. Is that the kind of narrow situation?

Mr. JACKSON. The Senator is correct, because otherwise it would deny what I said earlier, that it is not an attempt to provide for price setting by the Federal Government on a national basis.

Mr. JOHNSTON. I thank the Senator.

Mr. BIDEN. Mr. President, I yield 5 minutes on the amendment to the Senator from New Hampshire.

Mr. McINTYRE. I thank my able friend. I support this amendment; do I understand I am now a cosponsor?

Mr. BIDEN. That is correct.

Mr. McINTYRE. Mr. President, the amendment of the Senator from Delaware is of crucial importance to this legislation. While there is language in Senator JACKSON's substitute contained in section 101(b) indicating an intent that the authority granted in this act shall be mandatory by stating that—

> The authority granted under this act shall be exercised for the purpose of dealing with said energy crisis . . ."

The language contained in section 104(b) authorizing the President to allocate may well be interpreted as "discretionary" rather than "mandatory" in nature.

If the intent of the Congress is to pass a mandatory bill, then we must make it clear that Congress is calling on the President to take the actions referred to in the legislation rather than authorizing such activity. The thrust of this legislation is clear and the Senate must make sure that there is no ambiguity in interpreting the Senate's intent.

So I am delighted to be a cosponsor of the amendment, and urge its adoption.

The PRESIDING OFFICER. Is the remaining time on the amendment yielded back?

Mr. BIDEN. Mr. President, I yield the Senator from South Dakota such time as he may require on the amendment.

Mr. ABOUREZK. Mr. President, I was authorized a couple of weeks ago by the chairman of the full committee (Mr. JACKSON), who is the principal sponsor of S. 1570, to hold hearings in my State of South Dakota to get some testimony from people who are actually being directly affected by the fuel shortage we have heard so much about.

I want to report that today there is an existing fuel shortage, and also an imminent one in other areas of fuel supply, namely, heating fuel, and I want to say that if this continues as I see it will until such time as a mandatory allocation system is put into effect, we are going to see the breadbasket of the United States, that is, the Great Plains in the Midwest, running out of fuel for farming operations for agricultural production, and we are going to see crops lying rotting in the fields, simply for the reason that people who undertake custom combining—and this came out in testimony during the hearings—are not going to travel northward this year following the harvest, and there is not enough harvesting equipment in any one State, without these traveling harvesters, to take the crop out of the field and put it into the American economy.

When we see that happen, we are going to see a food crisis as well as a fuel crisis nationwide, that will not only bring about a shortage of food, but high, skyrocketing prices. I think that in comparison Wounded Knee is going to look like some kind of Sunday school picnic, if that sort of thing happens this fall.

As I say, Mr. President, a serious fuel supply situation for farmers and ranchers and related businesses and industries threatens the food supply of the Nation. Allowed to continue for only a few critical weeks during the coming months, and especially during the harvest season, a disastrous shortage of food is imminent. Such a shortage with the high prices for food that would accompany it would be a national disaster for the people of this Nation.

I am equally convinced, Mr. President, after conducting a hearing of the Senate Interior Committee on this subject in Sioux Falls, May 25, that this disaster will occur if the administration continues or is allowed to continue its present voluntary program. It has failed miserably to the detriment of the Nation.

I am equally convinced that this situation need not exist, that there are sufficient oil supplies available to this industry so that independent dealers need not be forced out of business—and that the present restrictions on marketing of petroleum products are being used as a device by the major oil companies to unjustifiably increase their prices and profits by forcing these independent dealers out of business.

Independent marketers of oil products have traditionally supplied a substantial part of the fuel for the farmers and ranchers of the Midwestern States. A large part of the fuel shortage for these States is occurring because the supply to these independent dealers has been cut off.

Threatened by not only a fuel shortage, but a food shortage as well, the higher prices and profits demanded by the major oil companies become much easier to extract from the American public.

While the shortage of fuel for agricultural production is the major concern of the midwestern States, many other of our businesses and industries are as severely threatened—if not even more so.

Construction projects are being stopped in my State. The trucking industry has only a portion of its fuel requirements. The tourist industry, our second largest industry, can be in serious trouble. Schools, cities, and other public bodies are experiencing shortages of fuel or fuel supplies.

Mr. President, I support S. 1570 and the pending amendment. While it will not cure all of the ills of the petroleum industry nor solve all of our energy problems, it is a most important step to meeting the current crisis.

Therefore, I think it is essential that not only this amendment, but S. 1570, the bill itself, be enacted by Congress as soon as possible. It is obvious that even though the President has the authority to make mandatory allocations, he has not seen fit to do so, and it is up to Congress, I think, to act, even though the process is somewhat slower than an order that could immediately be signed by the President.

So I urge the enactment of the amendment, as well as the bill itself. I thank the Senator for yielding.

The PRESIDING OFFICER. Is time on the amendment yielded back?

Mr. FANNIN. Mr. President, I yield myself such time as I may require.

Mr. President, much has been alleged about how the administration's voluntary allocation program is not working. I would like to set the record straight in this regard. The following are some examples of how the administration's program is doing the jobs.

These 23 examples illustrate the positive results of the administration's voluntary program.

### SOME RESULTS OF THE ALLOCATION PROGRAM

First. George Vaun, attorney for Walters Small Oil Co., Kentland, Ind., reported that his client, who was supplied by Phillips, needs an average of 45,000–60,000 gallons gasoline per month for his farm customers. He had already gotten 55,000 in May, apparently his allocation, but last year was not typical. Jack Lubbers, district manager in Indianapolis for Phillips, was contacted and agreed to make June allocation available immediately. If he runs out in June, they will advance July allocation. Phillips prefers to do this rather than send a priority shipment so Walters will not take on new accounts with the extra gasoline.

Second. Mayor Gene Peters, of Scranton, Pa., reported that the city had gone out for bids on gasoline and received no responses. Supplier in 1971–72 was Arco; in 1972–73, Agway. Mr. Piasecki, department of purchasing for the city, was contacted. He reported he was getting some results: Exxon has promised a short-term supply and he feels Texaco, Arco, and/or Agway may come through. Two days later, he reported that Hawk Oil Co., Arco distributor, will supply gasoline until contracts are made. Bids for contracts for a shorter period—3 months—will be opened June 1.

Third. Mayor Hutchins, Havre de Grace, Md., reported that the city had been allocated 2,000 gallons of gasoline for June and that normal use was 4,000 gallons per month. The city had an inventory of 400–500 gallons, but was hampered because it could store only 1,000 gallons. BP was supplier last year; Gulf in 1971–72. BP was contacted and agreed to supply the gasoline.

Fourth. Daly Oil Co., Peoria, Ill., reported that he had been supplied gasoline by Marathon and Clark. He used an average 97,000 gallons per month during first 3 quarters 1972, and 118,000 gallons per month during last quarter of 1971. He serves motorists, trucking and construction industries. He reported that Marathon had cut him to 56,000 gallons per month, and Clark had cut him off completely. Marathon, when contacted, stated that Daly had had a contract dating from 1962, breached the contract in September 1972, and came back and purchased in December 1972. Daly estimated he would need 56,000 gallons per month during 1973, and Daly is now getting 56,000 gallons per month from Marathon, who promises to increase his allocation.

Clark said that Daly bought nothing during the base period and only 32,000 gallons in 3d quarter 1972. Since some of Clark's contracts expire within 90 days he will be able to make more available after June 1.

Fifth. Eugene Pauley, who operates a gasoline station in Easton, Kans.—the only gasoline station in 25 miles, he says—had been supplied by BP/Sinclair, part of whose business was bought out by Pasco Oil Co. in that area. Pasco, a new company in the area, started supplying Pauley in January 1973 but canceled his contract on April 30. Pasco is evaluating its own supply situation and, within a week or 10 days, will know how much it can allocate and will reinstate Pauley, if possible. In the meantime, they have been trying to find a supplier for him. OOG contacted Pauley on May 24. He said he formerly received 3,000-3,500 gallons of gas per week from Pasco. He is now getting 2,500 gallons per week from Mobil and Phillips.

This has been one of the most time-consuming cases OOG has followed.

Sixth. Landmark, Inc., Columbus, Ohio, operating 70 bulk plants and supplying 30,000 farmers with diesel fuel, reported they had been cut off by Ashland, Marathon, Union, and Clark and were completely out of fuel. Calls by OOG to these suppliers revealed the following information:

Marathon stated that Landmark had purchased above its allotment in May. Would continue to supply beginning June 1, and would call Landmark to discuss what they can do.

Union checked with regional office and reported that the Landmark case is being reviewed, could give no positive action at this time and felt that Union may not go along with all the guidelines.

Clark intends to supply Landmark with most of his contractual obligation beginning June 1. They have not cut him off, are still delivering to him. However, Landmark has received more fuel oil already in May than he estimated earlier he needed. Clark will compute Landmark's allocation for June based on the Government guidelines and will contact Landmark.

Ashland has not cut Landmark off completely but had stopped deliveries to his terminals at Canton, Columbus, Niles, and Findlay because he had already exceeded his May allotment. Ashland reported to OOG later the same day that they would apply 2½ million gallons against the June quota and had suggested to Mr. Hobson of Landmark that he drop his commercial and home heating accounts through June.

There seemed to be general consensus among all these suppliers that Landmark had expanded his business somewhat to include commercial accounts and that this was causing his supply problems. This is very likely true with many of the critical cases OOG has been trying to solve lately and there is no way to know exactly what the situation is.

Seventh. Tar Heel Oil Co., Statesville, N.C., who had been supplied gasoline by Crown Central, was cut off April 30. When contacted by OOG, Crown Central stated that the court, in response to an injunction brought by Tar Heel, ordered Crown Central to supply Tar Heel 300,000 gallons per month until September 1973, at which time a hearing will be held. Crown Central will obtain the gasoline by cutting off its own stations and by cutting off other customers with whom it has contracts.

Crown Central's refinery is operating at 60 percent capacity, but gets only 30 percent since other 30 percent belongs to others due to processing agreement. Crown Central cannot get additional crude as yet.

Eighth. Eugene Farmer's Creamery, a producer's cooperative, in Eugene, Oreg., had been supplied by Texaco. Contract expired on April 30 and no suggestion of renewal. A call to Texaco resulted in assurance that supply would be continued.

Ninth. Carson Oil Co., Los Angeles, Calif., reported that it had been supplied crude oil by Shell, Signal, Arco, and Douglas. It was running at 50 percent capacity and had import tickets it could not exchange. Carson called back next day to say its problem was solved and requested that OOG take no action.

Tenth. Nelson Evans Oil Co., Oakland, Calif., reported that it had been cut off by Texaco and would be out of oil in a day. Case was referred to OOG office in San Francisco which advised that Texaco had agreed to supply Mr. Nelson.

Eleventh. Smith Oil Co., Lamar, Colo., a Mobil distributor, received notice that his contract would not be renewed when it expired on July 6, 1973. Mobil, when contacted by OOG, said that the district manager in Denver would make a satisfactory arrangement with Smith by May 25.

Twelfth. Gratiat Farmers Supply, Alma, Mich., supplied by Total, had received its May allowance and needed at least 300,000 gallons of gasoline for May. When contacted by OOG, Total reported that Gratiat would be supplied without limit and that they would advise Gratiat. Gratiat agreed to discontinue retail sales to other than farmers.

Thirteenth. Farmer's Petroleum Co-op, Inc., Lansing, Mich. had received 80 per cent of their 1972 allocation from Total. Total reported they would supply Farmers without limit, now that Farmers has discontinued sales to nonagricultural users.

Fourteenth. Tri-America Oil Co., Argo, Ill. had been cut off by Clark. Clark, contacted by OOG, stated that Tri-America is now getting 300,000 gallons gasoline per month through court restraining order. Clark will supply because Clark has contracts that expire within 90 days. Some of this gasoline will also be made available to Midland Co-op.

Fifteenth. National Asphalt Pavement Association, Riverdale, Md. will need 300,000 gallons of fuel oil during the summer months. Metropolitan Petroleum Co., the supplier, is conducting a "holding action" with their customers until they determine what their own position will be with their customers, but is confident that NAPA will be satisfied.

Sixteenth. Florence Ice and Fuel Co., Florence, S.C., a Union 76 jobber, has purchased a company and cannot get fuel allocation for new company. Union has responded that Florence Ice and Fuel Co. will probably have their contract reinstated.

Seventeenth. The Virginian Texaco Truck Center, Toms Brook, Va., supplied by Texaco, asserts that his supply has been cut. OOG contacted Texaco and learned that the Truck Center had received 9.5 percent more in May 1973 than it had received in May 1972. For June 1973, Texaco will allocate no less than they sold the customer in June 1972. Texaco believes that the Truck Center will have to allocate supplies to his truckers. However, Mr. McCay, vice president of Texaco, says that the case will be investigated further.

Eighteenth. Available Jones, Burnt Hills, N.J., who is supplied by Texaco, says that May and June, 1972 are not representative of his needs since his business grew considerably during the last half of 1972. According to Texaco, Jones had sold 50 percent more in May 1973, which is what he requested and equals the amount he—Jones—was buying during last half of 1972. Texaco feels that this volume is representative and is a fair and equitable allocation. However, the case will be investigated further.

Nineteenth. General Gas and Oil Co., Chicago, Ill., has been notified by Texaco that, under the guidelines, their deliveries of gasoline and diesel fuel would be limited to the amount delivered in the corresponding month of 1972. This volume does not take into account additional business obtained during last nine months of 1972 and first 3 months of 1973. When contacted by OOG, Texaco said they would deliver in June 1973 the same amount delivered in June 1972 but stoutly denied that they had given approval and "clearance" for any additional business. However, Texaco will investigate further.

Twentieth. A call from a producer in Tribune, Kans., to Congressman SEBELIUS' office concerning five suppliers was investigated. None of the distributors called appeared to have any problems.

Twenty-first. Leathers Oil Co., Gresham, Ore., had been supplied by Gulf Oil Co., an independent distributor in Seattle supplied by Texaco. OOG contacted Gull's attorney and explained that although Gull had acquired its own retail station during 1972, it was nevertheless obligated to supply Leather Oil a percentage of its sales based on the comparable quarter of 1972. Gull appears to understand and will probably comply. He is waiting for publication of guidelines in the Federal Register.

Twenty-second. Phoenix Transit, Phoenix, Ariz. had been supplied by Union but the contract had expired. The OOG office in San Francisco solved this case satisfactorily.

Twenty-third. Collins, Aurora, Ill., supplied by Hicks Oil Co., who is supplied by Cities Service has obtained its supply through negotiations with Cities Service.

Mr. CURTIS. Mr. President, will the Senator yield for an observation

Mr. BIDEN. I yield.

Mr. CURTIS. Mr. President, there are many problems involved with the voluntary allocation of petroleum products. I shall not take time to enumerate them, but a mandatory program is necessary. I think that Congress should assume that responsibility and, therefore, I am happy to join as a cosponsor of the distinguished Senator's amendment and urge its adoption. I thank the Senator.

Mr. BIDEN. Mr. President, I have just two comments to make. Contrary to the administration's interpretation, the fuel distributors are not opposed to mandatory controls and I would like to cite the experience of those fuel distributors in my own State, at least, those who have been referred to as the big distributors. They came in, about eight in number, representing all the major fuel distributors in the southern part of my State, and they not only were in favor of the program but also asked that I strongly urge there be a mandatory program because they were concerned that the only way we could meet the crisis would be with a mandatory program.

Granted, that is the experience in my State, but I am sure it is probably also true in other States regarding this particular amendment. I submit that other Senators will find the same kind of feedback from their own States.

It comes down to the simple question of, are we, in fact, going to tell the President that he must do what we see needs to be done, or are we going to leave it to his discretion to determine whether he does what we know must be done?

I yield back the remainder of my time.

### PROTECTING FUEL SUPPLIES FOR FARMERS AND OTHERS

Mr. McGOVERN. Mr. President, disturbing evidence that the present shortage of petroleum products may be contrived by the energy companies rather than legitimate has been presented to the President by my colleague, the distinguished Senator from South Dakota (Mr. ABOUREZK).

One June 1, Senator ABOUREZK sent the President a lengthy and detailed letter pointing out how the giants of the energy industry have squeezed the small—the cooperatives, the independents—and how the giants stand to benefit as a result.

For some time, I have been troubled by the growing weight of evidence which would suggest this is so.

Three years ago, the Subcommittee on Antitrust and Monopoly Legislation, chaired by the distinguished Senator from Michigan (Mr. HART) conducted hearings into the growing control of competing forms of energy by what had previously been known as oil companies.

The subcommittee heard testimony that showed the major oil companies, throughout the 1960's, had acquired substantial, and possible controlling, interest in competing fuels—coal, natural gas, and uranium. The phrase "energy companies" has become more accurately descriptive of these corporations than the previous phrase, "oil companies."

Indeed, the "energy companies" have consolidated their grip on competing fuels. No action has forced divestiture.

Given that measure of oligopolistic control over a basic commodity, the implications of the present "fuel shortage" and the possibility that it is contrived, are further cause for grave concern.

Both Senator ABOUREZK and I are receiving numerous calls and letters, and learning in personal visits with our constituents, that South Dakotans are seriously troubled by the possibility that the 'energy crisis" is being used by the giants of the industry to persuade the public and the Congress to allow them immense price increases and other inducements, such as the trans-Alaska pipeline.

Two weeks ago, we listened to the pleas of independent oil marketers and dealers in South Dakota who have been forced to close by the refusal of the major oil companies to supply them as they did in past years. We heard from farmers who have been customers of independent oil men, who now fear they will be unable to get adequate fuel for their farm operations this year.

In addition to my long-term concern over the possible monopoly of the energy industry, I have great concerns that the short-term problem will be solved by the administration's voluntary fuel allocation program.

All the available evidence seems to suggest that fuel supplies are not being made available to agriculture in the quantity required by the voluntary allocation program and at a reasonable price.

Many farmers have dealt with independent dealers, who no longer have a source of supply. And the distributors of branded products are precluded from taking on new customers. So we face a situation in which some farmers have fuel and others do not, depending on their past sources of supply.

The administration has the authority

to make its allocation program mandatory, and has the authority to see that available fuel stocks are distributed equitably to all users. It has the authority to see that farmers obtain preference for fuel during planting and harvest seasons. Rhetoric and persuasion will not put fuel in the tanks of farm tractors, trucks, and other equipment. We need an identifiable policy that will get the fuel to the farms where it is most needed.

The fuel program must be made mandatory. The President should make it mandatory, because he can do it with the stroke of a pen. But Congress must also act, to insure that the administration acts vigorously and equitably. That is the purpose of the Biden amendment, number 172, which I am pleased to cosponsor.

Beyond the short term, however, we need very badly to determine whether the preponderance of evidence, which now exists, is enough to conclude that monopoly power has been used to create the situation which now finds fuel supplies shrinking and fuel prices soaring.

Mr. President, I ask unanimous consent to insert at this point in the Record three documents: Senator Abourezk's letter to the President, Senator Abourezk's press release, and the statement of Erhard Pfingsten, special assistant to the president of the National Farmers Organization.

There being no objection, the material was ordered to be printed in the Record, as follows:

June 1, 1973.

The Honorable Richard M. Nixon,
*The President, The White House, Washington, D.C.*

Dear Mr. President: Our energy "crisis," I believe, is deliberately contrived by the major oil companies to achieve a number of objectives which they are seeking:

1. To achieve total control of the oil industry by driving the independent sector out of business.
2. To increase their prices and their profits.
3. To obtain Congressional approval of the Alaskan pipeline.
4. To obtain Congressional approval of additional tax benefits.
5. Relaxation of environmental standards.

They have been able to create the current shortage of gasoline and oil (for all but themselves) primarily because your administration has developed no rational policy, and more specifically, because no real effort has been made to apply the anti-trust laws to the major oil companies.

I recently held hearings in South Dakota on the problems farmers and ranchers are having obtaining gasoline and diesel fuel to plant and harvest their crops. These hearings of the Senate Interior Committee were undertaken at the specific request of the Committee Chairman, Senator Henry Jackson.

Your Administration has asked farmers to increase their production by 50,000,000 acres, but under your "voluntary program" of providing oil and gasoline to do so, there is not enough fuel to maintain the level of production of 1972.

If you are serious about food production and cost, then you must take immediate action to assure that additional fuel is available for farmers, or crops are going to rot in the field and food shortages and prices this Fall and Winter will be a national disaster.

I am convinced, Mr. President, that there are sufficient oil supplies available to the oil industry so that there need be no serious shortage of gasoline or any petroleum product for any purpose in this nation. I don't know if a conspiracy exists or if there was concerted action by leaders of the oil industry to create this shortage or increase prices. There need have been no specific meetings among the major international companies to create so intense a national shortage because, rather than enforcing the laws of free enterprise, your Administration has actively encouraged these giants to collude in foreign production operations, in oil exploration, development and production in Alaska and domestic offshore areas, and in the pipeline transportation and distribution of both crude oil and petroleum products within the United States.

These are the tools which Administration policy has given them, which they use to manipulate shortages to their own advantage, to drive out what little competition remains, to force already high prices upward, and to increase their real profits far beyond the limits allowed for any other industry. Unless drastic action is taken immediately to end present policy fueling inflationary fires in the oil sector, consumers and indeed this nation's entire economy will suffer even more intensely from inflationary pressures.

The few general statistics which can be found about the major oil companies' control over all forms of energy raise serious anti-trust questions: the major oil companies now control 72 per cent of our natural gas reserves and production, 30 per cent of coal production, and over 50 per cent of uranium reserves. They control 97 per cent of the oil flowing from offshore drilling and about 84 per cent of our refining capacity. Yet, despite numerous entreaties from consumer groups and members of Congress, little has been done to gather the necessary data to determine what action the government should take, let alone take that long overdue action. The only information we have about our energy reserves in this country is unaudited and unreliable industry data.

The major oil companies, needless to say, have refused to cooperate in producing needed data and no effort is being made to secure this data. They have refused to produce the data on gasoline prices promised to the Bureau of Labor Statistics. The Federal Trade Commission is being forced to subpoena even the minimal data it asked for. The Justice Department noted that the largest percentage of identical bids for government purchases in 1971 came from the oil industry but did not think that worthy of investigation. Nor, despite numerous staff memoranda, has the Justice Department undertaken any serious inquiry into the joint ownership of pipelines which enable the majors to manipulate the supply of oil and oil products.

The one time that the Justice Department did act, it issued a secret business review letter allowing the major oil companies to re-establish their international cartel to negotiate on a unified basis with the OPEC countries. The result of two cartels negotiating was foreseeable: the consumers were thrown to the wolves and international prices have sky-rocketed. As Professor Adelman has pointed out, if the State Department had shown some concern for the consumers, this would not have happened because in a free market the enormous surplus of available world crude oil would have forced prices down, not up.

The Cost of Living Council heard testimony from the majors that all their refineries were operating at full capacity, but still granted them a one per cent price increase which is apparently honored more in the breach than by its observance. The gasoline and oil segment of the consumer price index last month went up over 13 per cent at the wholesale level and 2.1 per cent at the retail level. The profits of the thirty-two oil companies surveyed by the Oil and Gas Journal increased by an average of 28.2 per cent from the first quarter of 1972 to the first quarter of 1973—a profit increase of more than $1.98 billion in the first quarter!

When consumers organizations requested just the aggregate data that the Cost of Living Council was using to determine whether the major oil companies were observing their price rule, the Cost of Living Council reluctantly agreed to provide the data but over a month later has yet to produce that data. This is no isolated incident. When Congress passed the Hathaway Amendment requiring companies and the Cost of Living Council to make public certain price data when price increases of over 1.5 per cent were requested, the Cost of Living Council is trying to gut the provision by requiring the companies to provide only "name, rank and serial number." The only conclusion that can be reached is that either the Cost of Living Council has not gotten the data it needs and thus cannot regulate the major companies as it is required to do or thinks it is supposed to protect the companies from the consumers, presumably for political reasons.

At these Cost of Living Council hearings, testimony was presented showing that every major oil company with one exception in reports to the Texas Railroad Commission desired lower stocks of home heating oil in August 1972 than it did in 1971, despite a growth in demand of at least 7 per cent. That and other evidence presented to Secretary Shultz clearly indicated there might be a conspiracy to create the shortage of home heating oil to get higher prices. The Justice Department has failed to investigate and now the major oil companies are apparently using the same tactic of creating artificial shortages of gasoline to create a "crisis" justifying further subsidies to them.

The voluntary allocation program which was announced as a savior of the independent segments of the oil industry is a charade which will postpone needed action until it is too late. Already more than 880 independent service stations have closed and 1,400 more are threatened with closing. The voluntary allocation program allows the majors to carve up the market to suit their needs and no one will ever know, since no one has the data needed to stop them. The only remedy under the program to the independents who have been injured by the major oil companies is a complaint filed with the Office of Oil and Gas which have produced no real relief for more than 600 which have done so.

The independent refineries are operating at least 322,000 barrels a day below capacity, most of them located in the Midwest farm area where the greatest gasoline and diesel fuel shortages are occurring. The reason given for the inability of these independent refineries to get necessary crude is a supposed shortage of low-sulfur crude oil which is the only type of crude they can use. Yet, according to a May 17, 1973, report of the National Petroleum Refiners Association, there are at least 117,000 barrels a day more of low-sulfur crude than we need, and the American Petroleum Institute reports that crude stocks have dramatically increased in the past month. The conclusion is obvious: the major oil companies are not selling the necessary low-sulfur crude to the independents who so desperately need it. These facts certainly indicate anti-competitive behavior that the Justice Department should investigate immediately.

Our tax policies are encouraging foreign, not domestic, exploration. According to an analysis of American Petroleum Institute of statistics done by "Taxation with Representation," a public interest tax group, the largest single tax subsidy we give to the oil industry is the ability to claim disguised royalty payments to foreign governments as tax credits. This means that the American taxpayers are paying 50 cents of every dollar that the multinational oil companies pay to the oil producing countries. Indeed, the recent proposed oil tax "reforms" proposed by Secretary Shultz would have wiped out the remnants of the independent domestic oil industry but would not have affected the multinational oil companies one iota. Isn't it time we re-evaluated tax subsidies claimed by the Treasury Department in 1969 that cost the American taxpayers almost $10 for every $1 of additional oil discovered?

Now there are reports that your Administration may propose an increase in the gasoline taxes as a means of holding down demand. This is economic folly. It is extremely regressive. Any economist will verify that there is almost no elasticity of demand in gasoline purchases and that the lower income people must spend a greater percentage of their income for gasoline than do the higher income people. In effect, any tax increase on gasoline will hit hardest the people least able to afford additional taxes without significantly lowering the demand for gasoline.

Mr. President, this is an all-too-brief summary of the problems caused by your Administration's failure to develop a rational, national energy policy which must deal with the oligopoly of major oil companies that has been formed under the umbrella of presumably well-meaning but ineffectual government policies. We cannot allow our wheat to rot in our fields or inflation to destroy the fabric of our economy because major oil companies want even more profits. Profits are necessary to insure a healthy economy, but we need at the very least a semblance of a free market—something that will not prevail so long as your Administration continues to permit the major oil companies, consciously or unconsciously, to manipulate oil markets to their advantage, to the disadvantage of consumers, and at the jeopardy of the stability of a deeply troubled economy.

Sincerely,

JAMES ABOUREZK,
*U.S. Senator.*

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## PRESS RELEASE OF SENATOR ABOUREZK, JUNE 4, 1973

WASHINGTON, D.C.—South Dakota Senator Jim Abourezk, in a letter to President Nixon today, called for an immediate investigation by the Justice Department of "an apparent anti-trust violation in connection with the present oil and gas shortage and skyrocketing of prices and profits of the major oil companies."

The South Dakota Senator said that published data of the petroleum industry makes it clear that the shortage of fuel for the Midwestern agricultural states is occurring primarily because the major oil companies are withholding crude oil supplies from Midwestern independent refineries.

He said this information also shows that the crude oil is available, and that for the major companies to continue to withhold their supply seriously threatens both the availability and cost of food for the entire nation.

"I am convinced that the present shortage of fuel supply for the Midwest is artificially contrived to force the independent sector of the industry out of business and to get a price increase, just as I am sure the shortage of fuel oil this past winter was contrived."

"The independent refineries are operating at least 322,000 barrels a day below capacity, most being located in the Midwest where the greatest gasoline and diesel fuel shortages are occurring."

"The reason given for the inability of these independent refiners to get necessary crude is a shortage of low sulfur crude oil. Yet, according to a May 17, 1973 report of the National Petroleum Refiners Association, there are at least 117,000 barrels a day more of low sulfur crude than we need, and the American Petroleum Institute reports that crude stocks have drastically increased."

"The conclusion is obvious. The majors are not selling the necessary low sulfur crude to the independents who so desperately need it. As a matter of fact there is some indication that the majors for some reason have been building up their stocks of crude oil at a time when the independents are crying for crude. This certainly signals anticompetitive behavior that the Justice Department should investigate immediately."

"At the Cost of Living Council hearings last year testimony showed that all the major oil companies desired lower stocks of home heating oil in 1972 than they did in 1971, despite a growth in demand of about 7%. That and other evidence presented to Secretary Shultz clearly indicated that there might be a conspiracy to create the shortage of home heating oil to get higher prices, but the Justice Department has failed to investigate. The Majors are apparently using the same tactic of creating artificial shortages this year to force the independent dealers out of business. Already over 880 stations have been closed and 1400 more are threatened with closing."

These two developments, by themselves, should warrant "an immediate investigation of the major oil companies by the Justice Department."

Abourezk said that there have been numerous instances in which the major oil companies have flagrantly ignored Federal agency attempts to secure data and clear indications of anti-competitive behavior:

They have refused to produce the data they promised on gasoline prices to the Bureau of Labor Statistics.

They ignored subpoenas of the Federal Trade Commission to produce data on natural gas supplies.

The Justice Department noted that the largest percentage of identical bids for government purchases in 1971 came from the oil industry. No investigation has been conducted.

The Justice Department has not undertaken any serious inquiry into the joint ownership of pipelines which enable the majors to manipulate the markets more easily.

The Cost of Living Council heard testimony from the major oil companies that all of their refineries were operating at full capacity but still granted them in February a one percent price increase. Despite this limit on their price increases, gasoline and oil segment of the consumer price index last month went up over 13 percent at the wholesale level and 2.1 percent at the retail level.

Profits of the 32 oil companies surveyed by the Oil and Gas Journal increased by an average of 28.2 per cent from the first quarter of 1972 to the first quarter of 1973.

In the one case in which the Justice Department did act, it issued a secret business review letter allowing the major oil companies to establish their international cartel to negotiate on a unified basis with the oil exporting countries. The result was that rather than forcing prices down because of availability of an enormous amount of crude oil, prices skyrocketed.

"We cannot allow our wheat to rot in the fields or inflation to destroy the fabric of our economy because the major oil companies want even more profits."

"We need something resembling a free market—something that will not prevail so long as the Administration allows the major oil companies to manipulate oil markets by not enforcing the antitrust provision of the law."

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## FUEL SQUEEZE—A MONOPOLY SCARE TO UNBRIDLED PROFITS

(Statement by E. Pfingsten)

Secretary Butz, we appreciate the opportunity to be able to talk to someone in Government concerned with the welfare of the people in this Nation about the threat of a shortage of fuel supplies for America's farmers, and, therefore, a threat to our food supplies.

The National Farmers Organization is convinced that the United States is in a squeeze, alright, but not a squeeze for petroleum products. It is a squeeze for outrageously high profits for the giant energy conglomerates that are now in all kinds of fuel—coal, oil and atoms—so they can control the availability of energy in any and every form.

These people are old hands at maneuvering shortages to increase their profits, and even at using the Government to assist them.

Between the wars, when petroleum was in excessive supply, they put over the Interstate Oil Compact Commission to regulate flows in the name of conservation—actually to prevent surpluses, competition between the petroleum giants, low prices and low profits.

They used government to achieve what they could not do themselves under the anti-trust laws. They also demonstrated their political power by putting across and keeping in our tax laws the oil depletion allowance.

After World War II, they threatened the Nation with electric energy shortages until they got Congress to provide accelerated amortization, accelerated depreciation and other Federal tax subsidies to build electric generating stations—a multi-billion dollar "heist" from the American people.

Their demands for decontrol of natural gas, gasoline, and diesel fuel prices at this time are blatant. Only this week the companies of Austin, Texas, cracked down on the people of that city with a ⅔ reduction in natural gas supply for their electric generating plant. What did they get out of it? They got the President of the company on the national TV network and in the other media telling the people of the Nation in solemn terms that the solution to the whole national energy problem is higher prices—just let the prices go up, new petroleum resources will be discovered and the whole nightmare will vanish.

The alleged shortage today is being used to blackmail the nation, to highjack the Congress, and to consolidate their control of all retail energy outlets and double their profits.

Why did they pick Austin, Texas, for this week's big showoff? Because the media would all be startled by this striking evidence of the shortage out in the middle of the oil and gas fields. It was a natural.

Why are they putting the pinch on farmers?

Because shortages of farm fuel this summer mean shortages of food next fall. There is nothing better to scare the hell out of the people than propective food shortages, and this little ploy can be engineered at minimum cost with maximum effect.

The Department of Agriculture tells that we have a 1½% shortage of gasoline and fuel oil (diesel) in the country.

Farms use 3% of the national supply.

Farmers are out at the end of the distribution lines. Out in the rural areas, at the end of the supply line, the business is also the least profitable because of the transportation cost and volume per customer.

Furthermore, out there the business has been left to independents and farm co-ops—the big companies don't build their own chains of stations way out in the country for the farm trade.

So, threatening the farmers not only creates maximum alarm with relatively small cutbacks in supply, it will actually help the big companies consolidate their monopoly in a previously neglected area.

The Department of Agriculture says it has set up a voluntary system of getting gasoline and fuel oil into rural areas speedily that is working well. County ASCS Committees report shortages and threaten shortages daily. They feed this data into the Office of Emergency Preparedness computer twice a day. The OEP immediately advises the Oil and Gas Board at the Department of Interior. They advise the states and an Industry Advisory Board. They call the companies, and the companies squeeze out another quart or two—voluntarily—like noblemen—for the Board of Prairie Farmers, making sure that the farmers don't get enough to reduce the tension and the national alarm about short food supplies next fall and winter.

It is time to quit fooling around, Mr. Secretary. There are many people who wonder whether the energy companies or our government is the most powerful.

We need a legally enacted fuel allocation system which is mandatory and which will guarantee the independent distributors who serve the farmers all the gasoline and diesel fuel they need to meet farm production requirements.

If anyone has to go without gasoline or diesel fuel temporarily, let's start cutting off the yachts starting with the 5 million dollar vessels that the oil tycoons use and moving down from there to the out-board motors some of the rest of us can afford. Cut out power for the casinos in Las Vegas. You can certainly legislate a 2% or 3% reduction in energy consumption without keeping a tractor out of the corn field, or a combine out of the wheat field.

Second, we need an investigation of the energy business in the United States twice as thorough as the investigation of the Watergate episode. Monopoly is rampant. Violation of our anti-trust laws is standard business operating procedure. Congress needs to assemble staff of the finest analysts—a dozen Archibald Coxes of the anti-trust field, give them whatever millions are necessary for staff—and really expose and lay out how the energy monopoly is taking this country by the throat—and I mean that almost literally.

You are out here today because our energy companies are deliberately maneuvering a food scare, threatening the food that enters our gullets, to strengthen their crusade for totally controlled prices and profits. We need a counter attack from the Congress of the United States.

This hearing is an excellent starting point. But it compares as a tiny pine seed to a massive redwood, and we don't have 500 years to wait for it to grow.

The people of this nation are crying for their Government to protect them against the powerful forces which seek to seize both total political power and total economic power over the people of this nation.

Mr. JACKSON. Mr. President, before I yield back my time, I want to commend the able and distinguished Senator from Delaware for the very fine amendment which I believe helps to clarify the ambiguity, strengthen the bill, and leave no doubt about the fact that this is a mandatory bill. I commend him most heartily for his help.

Mr. President, I am prepared to yield back the remainder of my time.

The PRESIDING OFFICER (Mr. HELMS). All time on this amendment has now been yielded back.

The question is on agreeing to the amendment of the Senator from Delaware.

The amendment was agreed to.

Mr. CURTIS. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 3, strike all of line 8 and insert the following: "to insure the attainment of the following specific objectives—"

On page 3, line 11 through 13, delete all of subsection (c) and insert a new subsection as follows:

"(c) maintenance of all essential agricultural operations, including farming, ranching, dairy and fishing activities and services directly related to the cultivation, production and preservation of food."

On page 6, line 11, after the word "Act." add a new sentence as follows: *"Provided*, That should the President find that on either a nationwide or regional basis a shortage has reached, or may imminently reach, emergency proportions, he may order temporary allocations as necessary to accomplish the objectives of this section, pending promulgation of priority schedules, plans and regulations as otherwise required by this Act."

Mr. CURTIS. Mr. President, I was very much in favor of the Biden amendment which was just adopted. The needs of agriculture are so great that they cannot be met without a mandatory allocation of petroleum products.

This amendment of mine which is now under consideration, its first two parts, would strengthen, in my opinion, the language which gives a clear priority to agriculture, because the production of food is highly important. The amendment would also strengthen the language to require that it shall insure the attainment of the objective of maintaining our agricultural industry.

The last part of the amendment provides that while the publication notice is taking place and the promulgating of the regulations is taking place, where necessary, when there is an emergency situation, a temporary allocation of petroleum products can be made.

Mr. President, I could spend considerable time citing instances of the dire need for tractor fuel, gasoline, diesel fuel, propane and other petroleum products in the agricultural areas. It is acute. My amendment will strengthen it.

I reserve the remainder of my time.

Mr. JACKSON. Mr. President, I merely want to say that the amendment of the Senator from Nebraska strengthens what we are endeavoring to do and makes the intent clear. It is a good amendment, and I am prepared to accept it.

Mr. FANNIN. Mr. President, I commend the Senator from Nebraska, and I agree with the distinguished chairman of the committee that it is a good amendment. It brings into proper focus the tremendous need we have in this country for giving our agricultural operations top priority. I feel that the amendment will be an improvement in the bill. It will also provide that the President will have the alternative of acting in case of emergency operations, whereby he can order temporary allocations. So it is flexible in that regard. I commend the distinguished Senator from Nebraska.

Mr. BELLMON. Mr. President, I should like to commend the Senator from Nebraska for bringing up this amendment.

There is one problem in the bill that I was hoping to correct, and would like to ask the Senator from Nebraska if he feels that his amendment would answer the objective.

On page 9, lines 3 and 4 of the bill, the language states:

> * * * no less than the proportion he sold or exchanged to such refiners during the base period; * * *

The problem in my State is that last year was an extremely dry year. In very large areas, literally nothing was raised. As a result, there was no harvest and no need for fuel. For instance, one petroleum products dealer called me saying that last year, during the harvest season, he used less than 100,000 gallons of gasoline but this year he anticipates his needs will be 300,000 gallons of gasoline.

If we set up this allocation system, based strictly on the same quarter as last year, here is an area where this year's plans are for an abundant crop of wheat but they will not have enough fuel to harvest that crop.

Under the Senator's amendment, I take it, the maintenance of such essential agricultural products such as wheat could be met, even though it took more fuel this year than it took in the corresponding quarter last year; is that not correct?

Mr. CURTIS. That is the intention of the amendment. The amendment does that, on page 3, lines 11 through 13, but I think in a little clearer fashion, as well as the fact that we change line 8.

I would call attention to the fact that under section 102, the only industry outside the petroleum industry that is mentioned is agriculture in its broader sense. It is the intention of this amendment, now that it follows the Biden amendment, that all the needs of agriculture are to be met. That that is the mandate of this legislation; because, as the Senator well knows, not only do we have circumstances such as he described, causing the greater need for fuel reserves than this but the policy of our Government is that it is asking for the planting of a good many million more acres in the late spring, and that means it will require more fuel, so that the needs of agriculture are going to be greater this year than last year.

The intention of my amendment, in light of the mandatory requirements, is that all the needs of agriculture will be met, even though they may far exceed last year's requirements.

Mr. BELLMON. The Senator from Nebraska will realize that last year we had a very wet harvest season throughout much of the cornbelt. In my State of Oklahoma, where most of the farm homes are heated with propane or butane, a great deal of that fuel was taken away from them in order to heat the corn and help to dry the crop.

In the coming year, if we have a normal harvest, there will be a demand for the liquefied petroleum products. Does this mean, as it now stands, under the terms of this bill, that the dealers will not get so much as they did last year to dry their crops—although this will not affect my State this year—or that they will still be able to go ahead and get the same allocation?

Mr. CURTIS. That is outside the scope

of the amendment. That would relate to another section of the bill and I would prefer that that question be submitted to the distinguished chairman of the committee.

Mr. BELLMON. I will ask that question of the chairman, and I thank the Senator from Nebraska.

Mr. CURTIS. Mr. President, I am ready to yield back the remainder of my time.

Mr. JACKSON. Mr. President, I yield back the remainder of my time.

Mr. FANNIN. I yield back the remainder of my time.

Mr. JACKSON. I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. CURTIS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JACKSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CURTIS. Mr. President, I move to reconsider the vote by which the Biden amendment, No. 172, was agreed to.

Mr. FANNIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

### AMENDMENT NO. 152

Mr. McINTYRE. Mr. President, I call up my amendment No. 152 to the fuel allocation bill, as an amendment to the Jackson amendment.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. McINTYRE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

### PETROLEUM PRICE CONTROLS

SEC. . (a) The Congress finds and declares that, notwithstanding the imposition of mandatory controls by the Cost of Living Council on March 6, 1973, on the prices of crude oil and petroleum products, such prices have increased and are continuing to increase at an excessive rate.

(b) In order to control inflation, promote a sound economy, and carry out the objectives of this Act as stated in section 102, the Congress urges the President immediately to take such further action as may be necessary to stabilize effectively the prices of crude oil and petroleum products.

Mr. McINTYRE. Mr. President, I ask unanimous consent that the name of the Senator from Missouri (Mr. EAGLETON) be added as a cosponsor of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McINTYRE. Mr. President, since the termination of phase II of price and wage controls in January of this year, the consuming public in this country has experienced severe price increases on gasoline, home heating oil, and a variety of other petroleum products.

As soon as the President announced the termination of mandatory price controls as contained in phase II, a number of major oil companies announced substantial increases in a variety of products. Because of the indication that without some form of mandatory price controls, the oil industry would use home heating oil and gasoline shortages as justification for substantial price increases, the President's Cost of Living Council on March 6, 1973, placed the major 23 companies in the oil industry back under mandatory price controls.

Under the procedure established by the Cost of Living Council, these major companies could increase their aggregate prices by no more than 1½ percent this year without receiving prior approval from the Federal Government. These controls apparently, however, have had little effect on individual product prices.

At the end of the bill, insert the following new section:

I am sure there is no need for me to tell any Member of this body that gasoline prices have increased substantially over the last several weeks. Newspaper stories have carried articles almost daily indicating that in the near future prices will go even higher. An article appearing in last Tuesday's Washington Post quotes the president of American Oil Co., Mr. Wayne Yarrington, as saying:

> There is no question that the consumer is going to have to pay a substantially higher price.

The article continues to state that Mr. Yarrington said it will soon reach 50 cents a gallon for gasoline.

Mr. President, I request unanimous consent that the article I referred to be printed at this point in the RECORD, together with two items published in Oil Daily.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

### HOLIDAY GAS SHORTAGE NOT AS BAD AS EXPECTED

(By William Claiborne)

Most Memorial Day motorists found the gasoline they needed, providing they wheeled into service stations at the right place and the right time.

The gloomy predictions of a holiday crisis failed to materialize, for the most part. Automobiles didn't gasp and die on the nation's thoroughfares for lack of subsistence; panic didn't grip the motorized nomads on their lemming-like courses to the beaches and the country.

But the demand audaciously challenged the supply, and the close calls in some parts of the country may be a harbinger of widespread rationing later this summer.

They also suggested sharp increases in the price of gasoline, perhaps reaching 50 cents a gallon by the July 4 holiday, according to some oil industry sources.

In the midst of the weekend pinch, the Illinois attorney general's office in Chicago announced it was about to issue subpoenas to officials of major oil companies in connection with an antitrust investigation prompted by the shortage.

Attorney General William Scott said his staff has been investigating closures of independent service stations normally supplied by the large oil firms. "We're hoping that individuals who feel they've been victimized will come forward," Scott said.

The most noticeable effect of the widening shortage of petroleum on homeward-bound motorists late yesterday was the sight of "closed" signs hanging on service stations that would normally be primed for a bonanza of trade on one of the busiest tourist weekends of the year.

"Sell it while you got it and go fishing when you run out," said Mick Eiffert, proprietor of Mick's Mobil in Twisp, Wash., at the terminal of the recently opened North Cascade Highway.

In a more authoritative vein, Gordon Larkin of the California Emergency Services Department warned: "Don't assume there will be gasoline available."

A Washington Post spot survey of 10 states indicated that California's experience yesterday was typical: gasoline was informally rationed across the state, but without any discernible pattern. An Arco station in Sacramento limited customers to 10 gallons apiece, but another Arco station two blocks away was doing a booming business with no limit at all.

Many stations in Oklahoma City and Tulsa and smaller towns across the state were closed on Sunday and yesterday because the biggest suppliers have curtailed wholesale deliveries to last year's maximum consumptions.

There were 10-gallon rations imposed on motorists on the Oklahoma turnpike between Oklahoma City and the southwestern portions of the state, but the allotments appeared to be sufficient to get the travelers to their destinations.

Some service stations in Iowa resort areas ran out of gasoline on Sunday, while many more in northern Iowa reported rationing fuel or cutting back on their hours of business.

Service station operators along busy Interstate 80 in Iowa said they had enough gasoline to meet the demands of holiday motorists.

In New England, branches of the American Automobile Association said they received no reports of stranded drivers. Service station operators in the greater Boston area said that while supplies were not as plentiful as they would like, they were able to meet the demand.

An official of the Port Oil Co., which distributes Mobil Oil supplies throughout New England under the Port brand name, said 80 per cent of its stations are "closed, finished, out of business." The major oil companies have their outlets in the region on quotas ranging from 80 to 95 per cent of the 1972 shipments.

Independent dealers elsewhere in the nation have also felt the pinch the hardest, causing some to charge that the shortage has been artificially controlled by the big oil firms to drive the independents out of business.

However, outlets of the major franchisers were also complaining. Dean Powell, operator of a Standard station in Omaha, Neb., said he closed his business on Memorial Day for the first time in the 11 years he has been in business.

An Omaha Phillips 66 dealer, Les Kardell, said, "A lot of stations will be closed until Tuesday. It doesn't look good for the rest of the summer."

The basic problem is that the demand for gasoline has outstripped the supplies of crude oil and the capacity of refineries to produce.

Amoco, for example, anticipates a 6½ per cent demand increase this summer and a 4½ per cent increase in production, according to its president, Wayne Yarrington.

In an interview with The Washington Post, Yarrington predicted: "There is no question that the consumer is going to have to pay a substantially higher price." He said it will soon reach 50 cents per gallon.

According to the Treasury Department, American motorists have been using 47 million barrels of gas a week, and the figure is expected to go to 49 million barrels weekly this summer. Average weekly refinery production is 45 million barrels.

[From the Oil Daily, June 1, 1973]

### Sixty Cent Gasoline

Some West Coast gasoline dealers may have taken advantage of heavy Memorial Day weekend traffic by hiking their gasoline prices.

Oil Daily's Bill Gregg, Los Angeles bureau chief, said prices of 59.9 cents a gallon for premium grade gasoline were spot reported between Los Angeles and San Francisco over the long weekend. The average reference price for premium in that area is 43.9 cents, Gregg said. The price increase was purely a dealer action, and not due to company-wide moves.

[From the Oil Daily, June 1, 1973]

### Gasoline Price Freeze Asked by Los Angeles

Los Angeles.—The Los Angeles county board of supervisors adopted a resolution urging President Nixon to freeze gasoline prices immediately at levels prevailing on April 1 or "before the recent gasoline shortage scare."

The board also created a country emergency conservation committee, charged with responsibility for studying energy saving proposals ranging from free bus passes for county employees to purchase of smaller cars.

Simultaneously, the Los Angeles City Council called on the Federal Trade Commission to launch an immediate investigation of "possible" price fixing and limitation of competition in the oil industry.

The City Council also asked Gov. Ronald Reagan and the state legislature to consider, promptly, the formation of a California Office of gasoline "production" and planning.

The council acted after Warren Lintz, municipal purchasing agent, said he was at a loss to know what will happen when the city's current gasoline supply contract expires June 30.

Mr. McINTYRE. Mr. President, the amendment I am offering today is in the form of a congressional finding which, in my opinion, simply states the obvious fact that even though price controls have been placed on crude oil and petroleum products that these prices have increased and are continuing to increase at an excessive rate.

The amendment urges the President to immediately take such further action as is necessary to effectively stabilize prices on crude oil and products.

Mr. President, the Senate Banking, Housing and Urban Affairs Committee completed hearings on May 11 on the impact of petroleum product shortages on the national economy, and, during those hearings, testimony was received from a number of witnesses representing large users of petroleum products. As an example of the type of testimony received on price increases, the witness at the hearings representing the American Transit Association gave some examples of the size of price increases on contracts between last year and this year: Cleveland, Ohio, 37 percent increase; Atlanta, Ga., 20 percent increase; Boston, Mass., 53 percent increase; Washington, D.C., 30 percent increase.

With price increases of this magnitude taking place, it is obvious to me that either the industry is failing to comply with the mandatory price guidelines established by the Cost of Living Council or the Council itself has not taken the steps necessary to prevent the enormous price increases that we are presently experiencing.

So, Mr. President, I respectfully urge the Senate to adopt this amendment, which is a new section to the bill and which is really an admonition to the President to keep a sharp eye.

I realize as well as everyone else that the simple law of economics governs when supply and demand get out of juxtaposition. Nevertheless, it seems to me that the price increases we have been experiencing and will experience in the future demand that some sort of close supervision be maintained.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. FANNIN. I yield myself 5 minutes.

I ask the distinguished Senator from New Hampshire just what can be done. We are all hopeful that prices can be controlled, that we can keep prices down to protect the consumer. I would like to know how we can possibly control the prices from the standpoint of imports from foreign countries. OPEC operates as it desires. We have little control over what OPEC may decide to do. Can the Senator tell me what can be done in that regard?

Mr. McINTYRE. First, I think I should make clear that the purpose of the amendment is to redefine and reestablish the commitments Congress and the Federal Government have in controlling prices and inflation. I realize that price is a substantial component in the economic supply and demand equation and that shortages of any product result in upward price pressures.

If price increases on petroleum products are necessary, I feel that it is incumbent upon the Cost of Living Council to carefully balance the objectives of the so-called phase III procedure of wage and price controls with the impact that the price increases have on supply.

So that the sense of the amendment I am offering is that every effort must be made to hold down price increases if we are going to meet our commitment to restrain inflation. This is the thrust of the amendment.

I certainly recognize that if we come to the point where the oil industry is bringing in a supply from the world market and they are going to be forced, say, under a controlled system to buy this refined product and sell it at a loss, this does not make very much sense to me or to the oil industry. I am just saying that this is an industry of great importance, a basic supplier of energy.

We are in a shortage situation that none of us likes, that some of us thought we foresaw, but the oil industry did not help much in foreseeing it. I am not very happy about the way the Cost of Living Council has allowed the prices on some of these products to increase.

While we have this forum and are passing this piece of legislation, I want to make sure that every avenue and every agency we have will keep the lid on, so that runaway prices of gasoline and home heating oil do not result. I am willing to join in the conservation aspect and everything else that goes with this problem, but I do not want to see the major oil companies stacking up the sort of profits they made in the first quarter of this year. The distinguished Senator from Arizona knows that the majors never had it as good as they did in the first quarter of 1973.

Mr. President, I ask unanimous consent to have printed in the Record a list of the increases in net income that the majors have reaped in the first quarter of 1973, which appeared in "U.S. Oil Week," dated April 30, 1973.

There being no objection, the list was ordered to be printed in the Record, as follows:

### Majors Reap Shortage Gains

Major oil company profits zoomed ahead in the first quarter as shortages allowed them to charge prices beyond their wildest dreams.

Exxon, the world's largest oil company typically has posted gains from about 3% to 7%, but now its profit has jumped 43% to $508 million.

Only a few of the small refiners took it on the chin as they couldn't get the crude to make out the way their big competitors have.

Here are the ones so far reported:

| Net income: | Percent gain |
|---|---|
| Amerada Hess, $36,706,000 | +25 |
| American Petrofina, $4,735,000 | +105 |
| Amoco, $121,100,000 | +21 |
| Apco, $889,000 | −47 |
| Ashland,[1] $38,500,000 | +25 |
| Arco, $50,300,000 | +52 |
| Citgo, $34,400,000 | +17.4 |
| Conoco, $47,500,000 | +11.5 |
| Crown, $302,938 | +34 |
| Exxon, $508,000,000 | +43 |
| Gulf, $165,000,000 | +18.7 |
| Marathon, $24,165,000 | +49.6 |
| Mobil, $155,800,000 | +10 |
| Murphy, $1,900,000 | −1.6 |
| Occidental, $8,934,000 | +58 |
| Pennzoil, $19,624,000 | +24 |
| Phillips, $43,448,000 | +22 |
| Shell, $80,200,000 | +49 |
| Skelly, $9,961,000 | +2.5 |
| Std. (Calif.), $152,800,000 | +24 |
| Std. (Ohio), $17,500,000 | +48.3 |
| Sun, $49,000,000 | +40 |
| Tenneco, $53,413,000 | +14.4 |
| Texaco, $264,016,000 | +14.8 |

[1] 1st fiscal half.

Source: U.S. Oil Week, April 30, 1973.

Mr. McINTYRE. These profits' are staggering.

But, basically, I am not asking anybody in the oil industry to buy gasoline at a price higher than he is being required to sell it. I am saying to everyone concerned with the consumer and with keeping a lid on inflation that we should make sure that the oil industry must publicly demonstrate the need to increase prices.

Mr. FANNIN. I think the Senator will agree that we have been in a period of change, certainly with the shortages that have existed. The article I inserted in the Record earlier today illustrates that the oil company profits have not been inconsistent with the past, and the profits have not been exorbitant in the past or in the present when one takes all matters into consideration. Oil companies are not drilling to the extent they should on the Continental Shelf. They are not building the Alaskan pipeline. These delays adversely affect their profits.

Mr. NUNN. Mr. President, will the Senator yield for a question?

Mr. McINTYRE. I will be happy to yield in just a moment.

This amendment does not legislate price controls. We are not legislating control over prices. This is not a freeze. It is a strong admonition to the President to keep a watchful eye.

Mr. JACKSON. Mr. President, I am fully in accord with what the Senator from New Hampshire proposes. It is a statement of policy on the part of Congress. It is not a mandatory price-setting measure. What he is saying, in effect, I think is that when you get a tight demand-supply situation you have real pressure on prices. This is what we are talking about.

Second, one-third of the oil that will come in this year will be from OPEC countries. They are engaged in price fixing. They have the world's greatest cartel. Let us not kid ourselves. The producers in the United States are in a different category. It seems to me only common sense that one look at the mix. One looks at the cost of petroleum coming in and the cost of petroleum being produced here to find out whether prices are within reason. Obviously, with the companies that have a very large import factor with the price going up and up on the part of the OPEC countries, this does create some special problems. From what I understand the Senator said he recognizes that. But I think he is saying he recognizes there is a very tight demand situation which, in itself, if nothing is done about it, can result in some exorbitant increases which we want to avoid.

That applies not only to the oil industry but to a long list of things. It happened in my home State with respect to lumber, which is a big industry in my State. Because of enormous demand and limited supply prices have gone up. These are things that we as Senators have to look at in a responsible way.

I believe this is what the Senator is endeavoring to do by his amendment. I commend him for that.

Mr. NUNN. Mr. President, will the Senator yield?

Mr. FANNIN. I will yield, but if I may complete my statement, I would like to make clear that this is contrary and inconsistent with the amendment we adopted earlier this afternoon, which I offered. It states:

> No allocation plan, regulation or order, nor mandatory price, price ceiling or restraint shall be promulgated pursuant to this Act, whose net effect would be a substantial reduction of the total supply of crude oil or refined petroleum products available in or to markets in the United States.

I am very concerned about this matter. I do wish we could do something about these OPEC countries by a formula, but I am doutbful that we can. I feel that the procedure the Senator is advocating would be impossible to implement because of worldwide crude price increases. In other words, we do not have any controls. How can we control what foreign countries charge us for their crude?

We talk about the profits, but let us look at the profits over the last few years and the rates of return on investments of U.S. oil companies. I can go down the list, if the Senator wishes. The percentage rate of return for U.S. oil companies, as compared to all manufacturing, was as follows:

| | *Oil companies* | *All manufacturing* |
|---|---|---|
| 1960 | 8.8 | 9.2 |
| 1961 | 8.7 | 8.9 |
| 1962 | 8.8 | 9.8 |
| 1963 | 9.8 | 10.3 |
| 1964 | 10.1 | 11.6 |
| 1965 | 11.3 | 13.0 |
| 1966 | 12.3 | 13.4 |
| 1967 | 12.6 | 11.7 |
| 1968 | 12.2 | 12.1 |
| 1969 | 10.9 | 11.5 |
| 1970 | 9.9 | 9.3 |
| 1971 | 9.3 | 9.7 |

These figures reveal that most of the time the oil companies realize a lower rate of return then all manufacturing. So we have not seen evidence of exorbitant returns on the investment for oil companies. Oil companies have not profiteered. I am not suggesting that the oil companies are not making a profit. I want them to make a profit. I wish they could make more of a profit, so they can do more exploration work, and to make it possible for us to avoid fuel shortages.

The McIntyre amendment would try to freeze profits. If such should come to pass, supply shortages, now critical, would get worse.

Mr. McINTYRE. There is no conflict in my amendment and the amendment the Senator offered which was adopted. This is not legislating any price control. As my good friend, the Senator from Arizona knows, inflation is a problem that abounds in this country today and even surmounts the difficulties we experienced with shortages of crude oil, and refinery products. In this bill we have set up mandatory controls in this area. We do not like to do that to any industry, but in offering this amendment I am trying to emphasize that inflation is our biggest enemy, that the oil industry is a massive industry; it affects everyone. It affects those who live in New England in the winter; it affects those who live in the Middle West in the summer; it affects tourism and everything that goes with it. So the effect of gasoline price increases or fuel oil increases is tremendous. I say let us run a tight ship. I want to be fair, but let us run a tight ship. Let us not let the oil industry buffalo us, and let us be fair to them.

Mr. FANNIN. I agree with the goals the Senator presented. However, the amendment would be impossible to implement because of worldwide crude oil price increases. Foreign prices for crude oil and products have become so high that the administration had to change its Cost of Living Council regulations to prevent a 5 cent loss per gallon. I ask unanimous consent to have printed in the RECORD the regulations to which I have referred.

There being no objection, the regulations were ordered to be printed in the RECORD, as follows:

### Title 6—Economic Stabilization—Chapter I—Cost of Living Council

### PART 130—COST OF LIVING COUNCIL

### PHASE III REGULATIONS

### SPECIAL RULE NO. 1

Special rule No. 1 in appendix I of subpart K of part 130 of title 6 of the Code of Federal Regulations is hereby amended in paragraph 2.

Paragraph 2 is amended to modify the definition of "base price," and to add definitions for "class of purchasers," "current sales at base price," "deductible exchange revenues," "equal exchange of crude petroleum," and "weighted annual average price increase for the control year."

Paragraph 2 is being amended to modify the definition of base price of products subject to a term limit pricing authorization of January 10, 1973. Prior to this amendment the base price of such a product was the price charged on January 10, 1973. As amended, base price for a TLP product with regard to a class of purchasers is the highest price at or above which 10 percent of the product was sold in transactions with the class of customers concerned during the 30 days prior to January 10, 1973.

The base price of covered products other than products subject to a term limit pricing authorization on January 10, 1973, purchased and resold without substantial change in form or quality is defined as the price that could have lawfully been charged pursuant to 6 CFR 300.13 (the phase II markup rules for wholesalers and retailers) had that provision not been superseded by the Cost of Living Council's Phase III regulations. Pursuant to this amendment the base price of each non-TLP covered product purchased and resold without substantial change in form must be computed for each sale since January 10, 1973. Moreover, the base price changes each time the cost to the seller increases. The purpose of this amendment to the definition of base price is to allow a wholesaler or retailer of covered products to pass through increased costs which he has incurred and over which he has no control, and to exclude, with certain limitations, the resulting price increases in computing the "weighted annual average price increase for the control year" for purposes of paragraph 4. The portion of revenues derived from a sale at a price which exceeds that permitted pursuant to 6 CFR 300.13 is included in total revenues and volume for purposes of computing the weighted annual average price increase. This definition applies only to products which are purchased and resold without substantial change in form or quality. Such products may be commingled with similar products manufactured by the firm if the firm is able to account for the amount of sales attributable to products which were purchased and resold without substantial change in form or quality in accordance with generally accepted accounting principles and its historical practices.

The definition does not apply to the wholesale or retail distribution of products manufactured by a firm subject to special rule No. 1.

The base price for non-TLP products manufactured by the firm means the price determined under the provisions of subpart F of 6 CFR, part 300, which were in effect on January 10, 1973. This definition also applies to products manufactured by the firm which are commingled with similar products purchased and resold by the firm without substantial change in form or quality.

A definition of "current sales at base price" is added for purposes of computing the weighted annual average price increase. It represents the amount of revenues that would have been derived if every sale made since January 11, 1973, had been made at base price.

Paragraph 2 is further amended to add a definition of "weighted annual average price increase for the control year" for purposes of paragraph 4. A person computes "weighted annual average price increase for the control year" by subtracting from total revenues derived from the sale of covered products since January 11, 1973, revenues received from equal exchanges of crude petroleum and current sales at base price; dividing the difference by current sales at base price; and multiplying the quotient by 100. This computation is illustrated by the following equation:

$$\frac{\text{Total revenues from covered products} - \text{Deductible exchange revenues} - \text{Current sales average price}}{\text{Current sales at base price}} \times 100 = \text{Weighted annual average price increase for the control year}$$

The computation of weighted annual average price increase is based upon total volume sold between January 11, 1973, and the date on which the average is being computed. If for one fiscal quarter the aggregate price increase computed is less than 1 percent, the difference between the increase computed and 1 percent may not be lost to the extent it may be accounted for by volume in the next calendar quarter.

This method of control, therefore, constitutes a cumulative quarterly measurement of average price increases weighted by cumulative volume.

It is different from the method used to calculate and report "weighted average price adjustments" (WAPA) under the general pricing rule applicable to the voluntary sector. The essential difference is that under the general rule the average price adjustment for each quarter is weighted by the volume in that quarter only. Therefore, there is no carryover of unused increase from quarter to quarter. Each quarterly report represents a separate calculation controlled by the prices and volume in that quarter.

Exchanges (i.e. swaps, barters, trades) of crude petroleum are frequently made between firms to accommodate their immediate local refinery needs for a particular type and quantity of crude. These changes (sale with reciprocal purchase) are made at posted prices, plus transportation and other costs. When the posted price of crude in an exchange is above its base price, the revenues received by a firm from the sale portion of such an exchange would be considered derived from a price increase under special rule No. 1 even though the same firm would also be purchasing other crude at a posted price that might also be above its base price. The Council has determined that to the extent crude exchanges are for equal dollar value, the revenues derived from the sale portion of those exchanges should not be included in a firm's total revenues when computing its weighted annual average price increase. Accordingly, definitions are being added to special rule No. 1 to describe what the Council regards to be an equal exchange of crude petroleum and deductible revenues from such an exchange.

The cost justification requirement of subparagraph 4(b) becomes effective at such time as the firm's "weighted annual average price increase for the control year" exceeds 1 percent. Similarly if the weighted annual average price increase exceeds 1.5 percent, the prenotification and profit margin limitations of subparagraph 4(c) become operative. If at the end of a reporting period during which a firm was subject to either subparagraph 4(b) or 4(c), the "weighted annual average price increase for the control year" decreases to less than 1 percent or less than 1.5 percent the firm once again becomes subject to subparagraph 4(a) or 4(b) respectively.

Because these amendments provide immediate guidance and information for the effective implementation of the economic stabilization program, the Director has found that notice and public procedure thereon is impracticable and good cause exists for making them effective in less than 30 days after publication in the FEDERAL REGISTER. Interested persons may submit written comments regarding the above amendments. Communications should be addressed to the Office of General Counsel, Cost of Living Council, 2000 M Street NW., Washington, D.C. 20508.

In consideration of the foregoing, subpart K of part 130 or title 6 of the Code of Federal Regulations is amended as set forth below, effective March 6, 1973.

Issued in Washington, D.C., on May 11, 1973.

WILLIAM N. WALKER,
*Acting Deputy Director,*
*Cost of Living Council.*

(Economic Stabilization Act of 1970, as amended, Public Law 92-210, 85 Stat. 743; Public Law 93-28, 87 Stat. 27; Executive Order 11695, 38 FR 1473; Cost of Living Council Order No. 14, 38 FR 1489.)

Special rule No. 1 in appendix I of subpart K of part 130 of title 6 of the Code of Federal Regulations is amended as follows:

Paragraph 2 is amended to modify the definition of "base price," and to add definitions for "class of purchasers," "current sales at base price," "deductible exchange revenues," "equal exchange of crude petroleum," and "weighted annual average price increase for the control year" to read as follows:

"2. *Definitions.*—"Base price" means:

"(a) in the case of a product subject to a term limit pricing (TLP authorizatiton on January 10, 1973, the highest price at or above which at least 10 percent of the product was priced by the seller in transactions with the class of purchasers concerned during the 30 days prior to January 10, 1973.

"(b) in the case of a product (i) not subject to a TLP authorization on January 10, 1973, and which (ii) was purchased and resold without substantial change in form or quality, the price that could have been lawfully charged the class of purchasers concerned on each day since January 10, 1973, as if the pricing rule set forth in 6 CFR 300.13 and in effect on January 10, 1973, had not been superseded. Such products may be commingled with similar products manufactured by the firm if the firm is able to account for the amount of sales attributable to products which were purchased and resold without substantial change in form or quality in accordance with generally accepted accounting principles and its historical practices.

"(c) in the case of any other product, including those commingled with products described in (b) the price determined under the provisions of subpart F of 6 CFR part 300, which were in effect on January 10, 1973.

"Class of purchasers" means purchasers to whom a person has charged a comparable price for comparable property or service pursuant to a price distinction between those purchasers and other purchasers, where such price distinctions are based on a discount allowance, add-on, premium, or an extra based on a difference in volume, grade, quality, or location or type of purchaser, or a term or condition of sale or delivery.

* * * * *

"Current sales at base price" means an amount equal to the sum of each base price of each product times the volume of each product sold to each class of purchasers since January 11, 1973.

"Deductible exchange revenues" means revenues derived from equal exchange of crude petroleum less revenue that would have been derived from those exchanges if the transactions had been made at base prices.

"Equal exchange of crude petroleum" means a consummated sale and reciprocal purchase of corresponding dollar value of crude petroleum.

"Weighted annual average price increase for the control year" for purposes of paragraph 4 means the total revenues derived from the sale of covered products since January 11, 1973, less deductible exchange revenues and less current sales at base price divided by current sales at base price multiplied by 100 and expressed as a percent. This computation may be illustrated by use of the following equation:

$$\frac{\text{Total revenues from covered products} - \text{Deductible exchange revenues} - \text{Current sales average price}}{\text{Current sales at base price}} \times 100 = \text{Weighted annual average price increase for the control year}$$

Mr. FANNIN. Mr. President, foreign prices are beyond our control and they are impossible to stabilize, I am sorry to say.

Mr. NUNN. Mr. President, would the Senator yield

Mr. FANNIN. I yield.

Mr NUNN. Does the Senator from Arizona know that in phase III we are talking about consumers? Does the Senator know whether there is any regulation on the retail sale of gasoline or are we talking about distributors and major oil companies.

Mr. FANNIN. No. To my knowledge there is none.

Mr. NUNN. The regulation is strictly on the distribution level in this period. Is that correct?

Mr. FANNIN. That is my understanding.

Mr. NUNN. The Senator from New Hampshire has observed that the price is going up. But is it not being raised at the retail level and is not this aimed at the retail level or distribution level?

Mr. McINTYRE. I do not want to get into the question of whether the retailer in New England or Georgia is increasing the price on an unwarranted basis. I am saying the ultimate price to the consumer is the one I am concerned with, but I want to be fair all down the line. This amendment which calls attention to price control is an admonition. It says we are in a period of inflation and I want the Council to do its job. When the oil industry comes in they should make their case in black and white.

I happen to think that too many times in the past they have not made their case; but once they have made their case and justified their price increases the public interest has been served.

Mr. NUNN. My question is, assuming, as was stated in an article I read the other day, a local filling station had a limited supply of gasoline and was raising its price to 80 or 90 cents a gallon because he knew he was going to sell all he had, and the producer was not raising the price, and the consumer was paying 80 or 90 cents a gallon, would this have any effect on the consumer if this amendment goes only to the distribution level, or are we going to have to get to the retail level?

Mr. McINTYRE. I do not know if somebody is pirating or black marketing or taking advantage of the situation. There are always one or two taking advantage, but I cannot imagine a responsible wholesaler or retailer, under the constraints, taking someone in the back and saying, "Yes, I have plenty of gas, but at this price." That would be illegal.

Mr. NUNN. He was putting the price on the meter, because he knew he would be able to sell all the gasoline he had. Is this proposal effective on the retail level, or is it restricted to the major oil companies? Suppose the major oil companies are not charging that, but the retailer is raising the price.

Mr. McINTYRE. All I can say if somebody up our way is going to charge 90 cents for a gallon and somebody else is selling it for 45 cents. I am not going to buy it at 90 cents.

Mr. NUNN. But we are in a shortage situation, where anybody selling it is going to be able to sell all the gasoline he wants to. I am not arguing against the amendment, but I wonder if we are getting at the heart of the problem, or are we going to have trouble at the retail level?

Mr. McINTYRE. I would hope, if the amendment does not deal with the retailer or wholesaler that is taking advantage of the situation to feather his nest, so to speak, we would put something in the law to take care of that. I am as strongly against that kind of operation as I am against the oil companies not making a case, which has been done in the past so easily.

Mr. NUNN. So the Senator thinks the Cost of Living Council should address itself to that situation if the problem is at the retail level?

Mr. McINTYRE. The Cost of Living Council probably has enough to do to keep itself busy, but in the process of trying to make sure that everybody is treated equitably, if we have somebody who is trying to take advantage of the situation and trying to make an unconscionable profit, I would hope we would put something in the law, if need be, that would take him into court, and quickly.

The PRESIDING OFFICER. Who yields time?

Mr. JACKSON. Mr. President, I am prepared to yield back the remainder of my time.

Mr. BARTLETT. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator yield back his remaining time?

Mr. BARTLETT. Mr. President, will the Senator from Arizona yield me time?

Mr. FANNIN. Mr. President, how much time does the Senator from Oklahoma desire?

Mr. BARTLETT. Five minutes.

Mr. FANNIN. I yield five minutes to the Senator from Oklahoma.

Mr. BARTLETT. I would like to ask the Senator from New Hampshire a question.

There are a number of independent producers of crude oil who are currently receiving over what is called the posted price of crude oil. Would the Senator's amendment reduce the amount that they are now receiving?

Mr. McINTYRE. The Senator will have to state again for me the price he is talking about. Is he talking about some of the independent refiners or producers?

Mr. BARTLETT. Some of the independent producers of crude oil are now receiving over and above the posted price. The point is, they are not restricted. Would this amendment in any way restrict the amount they are now receiving?

Mr. McINTYRE. I would not think it would have any effect on them, no.

Mr. BARTLETT. As the Senator knows, the independents produce on leases that are called stripper leases. A stripper well is a well producing 10 barrels a day or less. Would the Senator see this amendment in any way as restricting that production so that it would have to be plugged or not produced at a later time?

Mr. McINTYRE. No, I would not see the amendment as affecting that. I would remind the Senator from Oklahoma again that we are not trying to freeze the price of gasoline or the price of crude oil. We are not trying to legislate price. So I do not see why it would affect the situation the Senator describes at all.

Mr. BARTLETT. I would like to say to the good Senator from New Hampshire that I think it would have a deterrent effect so that there would be great difficulty for the free marketplace to take effect to provide the necessary additional exploration and production. We had reports before the committee studying the fuel shortage that there needs to be an increase of three times as much investment in dollars in the exploration, drilling, and production of oil to reach a proper level to safeguard the industry.

I am just asking the Senator from New Hampshire how we can obtain sufficient capital in order to find the production that is necessary at a time of such a severe shortage.

Mr. McINTYRE. The amendment, of course, makes specific reference to the action of the Cost of Living Council on March 6 of this year, which placed under restraint the 23 large major companies. The Cost of Living Council restraints have no effect whatsoever on independents that were smaller than the major ones. They had no effect on anyone who did not fall within the classification of major oil company.

Mr. BARTLETT. So the whole purpose of the Senator's amendment is not to affect the smaller producer of crude oil, the independent, but to permit the free marketplace to have its effect as far as price is concerned?

Mr. McINTYRE. The 23 majors are under the Cost of Living Council restraints. The Cost of Living Council has power, if it sees fit, to put the smaller independents of the type we are discussing under the same restraints. It would have the power to do that if they thought a hardship was being worked or to take action to have the independents get a fair price.

Mr. BARTLETT. Does the Senator intend this amendment to put any additional restraints or constraints on the independent producer?

Mr. McINTYRE. No. that is not the intent.

Mr. FANNIN. Mr. President, I yield back the remainder of my time.

Mr. JACKSON. Mr. President, I yield back the remainder of my time.

Mr. McINTYRE. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All remaining time on the amendment is yielded back.

The question is on agreeing to the amendment of the Senator from New Hampshire (putting the question).

The noes appear to have it.

Mr. McINTYRE. Mr. President, I ask for the yeas and nays.

Mr. JACKSON. Mr. President, we do not have a sufficient number here. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JACKSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JACKSON. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. JACKSON. Mr. President, I ask unanimous consent that the rollcall vote be taken on tomorrow after the conclusion of the morning business and that there be 5 minutes to the side prior to the vote.

The PRESIDING OFFICER (Mr. CLARK). Without objection, it is so ordered.

## QUORUM CALL

Mr. JACKSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ORDER FOR ADJOURNMENT TO 11:30 A.M. TUESDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 11:30 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

### ORDER FOR CONSIDERATION OF S. 1888 TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I am authorized by the distinguished majority leader to propound the following unanimous consent agreement:

I ask unanimous consent that upon the disposition of S. 1570, the unfinished business, the Chair lay before the Senate Calendar No. 165, S. 1888, a bill to extend and amend the Agricultural Act of 1970.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time for debate on S. 1888 be limited to four hours, to be equally divided and controlled by the distinguished Senator from Georgia (Mr. Talmadge) and the distinguished Senator from Nebraska (Mr. Curtis); that time on any amendment thereto be limited to 1 hour, with the exception of an amendment by the Senator from Maryland (Mr. Mathias) and an amendment by the Senator from New York (Mr. Buckley), on each of which there will be 3 hours; and with the further exception that on a second amendment by the Senator from New York (Mr. Buckley) there be a limitation of 2 hours; provided further, that time on any amendment, debatable motion, or appeal there be a limitation of 30 minutes, and that the agreement be in the usual form; with the further proviso that three amendments by the Senator from Indiana (Mr. Bayh), which were offered in committee, and which we think are germane, but regardless of whether they are germane, in view of the fact that they were offered in committee, and also in view of the fact that they have been discussed on the floor of the Senate today with the Senator from Nebraska (Mr. Curtis) and not challenged, be in order.

Mr. BUCKLEY. Mr. President, reserving the right to object—and I shall not object if one modification can be made—I now have a third amendment, on which I should like to have 2 hours.

Mr. ROBERT C. BYRD. Very well.

Mr. President, I ask unanimous consent that on a third amendment by the Senator from New York (Mr. Buckley) there be a 2-hour limitation; and that the agreement, as I have already stated, be in the usual form.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

### ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, what is the pending question before the Senate?

The PRESIDING OFFICER. The pending question is on agreeing to the amendment offered by the Senator from New Hampshire (Mr. McIntyre), No. 152, amending S. 1570.

Mr. ROBERT C. BYRD. I thank the Chair.

### PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate tomorrow will convene at the hour of 11:30 a.m. After the two leaders or their designees have been recognized under the standing order, the distinguished assistant Republican leader (Mr. Griffin) will be recognized for not to exceed 15 minutes, after which the junior Senator from West Virginia (Mr. Robert C. Byrd) will be recognized for not to exceed 15 minutes, after which there will be a period for the transaction of routine morning business of not to exceed 15 minutes with statements therein limited to 3 minutes, at the conclusion of which the Senate will resume its consideration of S. 1570, the unfinished business, the energy and fuels allocation bill.

The question at that time will be on agreeing to amendment No. 152, offered by the Senator from New Hampshire (Mr. McIntyre), on which the yeas and nays have been ordered.

I would assume that morning business will be concluded by 12 o'clock to 12:15 p.m., tomorrow, and, in accordance with the previous order, there will be 10 minutes of debate, to be equally divided, on the amendment by Mr. McIntyre, at the conclusion of which 10 minutes the yea-and-nay vote will occur.

Consequently, Senators are alerted to the fact that there will be a yea-and-nay vote on the amendment by Mr. McIntyre around 12 o'clock noon or 12:15 p.m., somewhere along there, tomorrow. There will be other yea-and-nay votes during the day. The final vote on passage of the bill will occur at 4 p.m.

After the vote on passage, the Senate will take up the so-called farm bill, on which there is a time limitation agreement. There will be no yea-and-nay votes thereon tomorrow. The Senator from Georgia (Mr. Talmadge) and the Senator from Nebraska (Mr. Curtis) will make their opening statements, they being the managers of the bill, and other Senators, of course, may also wish to speak thereon.

### ADJOURNMENT UNTIL 11:30 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 11:30 a.m. tomorrow.

The motion was agreed to; and (at 5:52 p.m.) the Senate adjourned until tomorrow, Tuesday, June 5, 1973, at 11:30 a.m.

### NOMINATIONS

Executive nominations received by the Senate June 4, 1973:

#### Department of Defense

Arthur I. Mendolia, of Delaware, to be an Assistant Secretary of Defense, vice Barry James Shillito, resigned.

#### Special Action Office for Drug Abuse Prevention

Robert L. DuPont, of Maryland, to be Director of the Special Action Office for Drug Abuse Prevention, vice Dr. Jerome H. Jaffe.

### CONFIRMATIONS

Executive nominations confirmed by the Senate June 4, 1973:

#### In the Army

Army nominations beginning David J. Deka, to be captain, and ending Brian E. Rasmussen, to be second lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on May 25, 1973.

#### In the Navy

Navy nominations beginning Rex. T. Aaron, to be ensign, and ending Capt. Ross B. Moquin, to be a permanent commander and temporary captain, which nominations were received by the Senate and appeared in the Congressional Record in May 11, 1973.

### WITHDRAWAL

Executive nomination withdrawn from the Senate June 4, 1973:

Robert L. DuPont, of Maryland, to be Deputy Director of the Special Action Office for Drug Abuse Prevention, vice Paul Louis Perito, resigned, which was sent to the Senate on May 1, 1973.

# EXTENSIONS OF REMARKS

## THE 25TH ANNIVERSARY OF THE STATE OF ISRAEL

### HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, June 4, 1973*

Mr. MURPHY of New York. Mr. Speaker, recently we celebrated the 25th anniversary of the establishment of the State of Israel. The citizens of Israel and the people of the world who made the creation of this state possible should feel proud to look back over the years of struggle Israel has faced as a nation and the success she has had in facing the tremendous odds against such a venture.

Israel has developed a democratic government, has an expanding economy, a stable society, and has become a model of growth and achievement for many emerging nations. In meeting the challenges of a harsh, underdeveloped land, the Israelis have demonstrated an initiative and determination often characterized as the epitome of the pioneering spirit of the 20th century. Israel's progress has been recorded by economic indicators, growth rates, and production figures, but these sometimes sterile numbers cannot describe the pride, the perseverance, or the sacrifices that have contributed to the making of Israel.

Let it be said that Israel's future is dimmed by uncertainty and danger. The war with the Arab States continues, and even when a settlement is found, it will take a long time to erase the hate, distrust, and shame generated by the dispute. But let it also be said that the United States of America is committed to the continued existence and sovereignty of Israel. It is my conviction that a permanent peace in the Middle East can be achieved only if the sovereignty of Israel is acknowledged by the Arab nations. And we must accomplish this by face-to-face negotiations with the Arab nations to secure their agreement on and future acknowledgement of the boundaries of Israel.

It has always been my position that Egyptian leaders, Soviet leaders, and indeed the leaders of the entire Arab world should know that we do not intend to abandon Israel by default; that this country will maintain Israel's deterrent strength even while we negotiate; that the American Government and the American people are committed to this course of action, and, to assume anything less would be a fatal miscalculation on their part.

If we are to achieve the goals of peace in the Middle East we must demonstrate to the Arabs and the Soviet Union the danger of armed aggression and the futility of hoping to overwhelm Israel by brute force. We must demonstrate to them that the necessary course—the inevitable course—is a negotiated settlement recognizing the rights of Israel. And the way to do this is to make it clear beyond doubt that there can be no quick military victory over Israel, that any such action would be met with not only the same fury and the same resolve as in 1967, but with the military muscle needed to guarantee a mortal blow to the aggressor.

That is why I have always urged the Congress to make clear to the world in no uncertain terms this country's support for maintaining a balance of firepower in the Middle East and an unequivocal commitment to not only the spirit but the letter of the U.N. Security Council Resolution 242 of November 1967.

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## A GROCER WHO CARES

## HON. FRANK CHURCH

OF IDAHO

IN THE SENATE OF THE UNITED STATES

*Monday, June 4, 1973*

Mr. CHURCH. Mr. President, there recently appeared in the Intermountain Observer of Boise, Idaho, an article on a very unique grocer who operates a store in Sandpoint, Idaho.

The article describes the efforts of Larry Inks to insure that his customers obtain the best possible buys—even if it means recommending that they shop elsewhere.

Written by Ken Miller, the article notes that:

> Normally, people like Larry Inks go broke or get into social work, but he feels that the basic premise of honest retailing can pay off in return business and trust in his store's integrity.

Larry Inks, in short, is a remarkable businessman. I only wish there were more like him.

I ask unanimous consent, Mr. President, that this article be printed in the Extensions of Remarks. I believe Senators will find it of refreshing interest.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Intermountain Observer,
May 12, 1973]

### LARRY THE GIANT KILLER—SANDPOINT GROCER TELLS IT LIKE IT IS

(By Ken Miller)

If a customer asks Larry Inks, owner of Inks Thrift Store in Sandpoint, if a certain can of corn is a good buy at the price, he might be answered with, "No, that's a low-quality product, I'd advise you buy this other brand" (sometimes at less money) or the incredible, "There's a sale on at Safeway, across town, and I can't beat their price on that item; maybe you'd do better buying it there."

A pair of hippies from a commune-type settlement several miles out of town came into Larry's store with a list which totalled $800, only to have him ask to go over the list with them before they started filling their carts. He crossed off several items which he didn't carry, were cheaper at another store in town, or could be purchased cheaper in bulk form by ordering and waiting a week for delivery. The bewildered long-haired young man said to him before leaving, "I didn't think people like you were part of the establishment."

Normally, people like Larry Inks go broke or get into social work, but he feels that the basic premise of honest retailing can pay off in return business and trust in his store's integrity.

About a year ago, Inks was "fed up" with phony advertising claims and false and misleading labeling of canned foods, so he started his now "famous" (or infamous, depending on who signs your paycheck) "Consumer Seminars," at ladies' clubs and civic organization meetings in the area. His favorite attention-getter is to perform a "cutting," in front of 100 or more shoppers. A "cutting," in trade jargon, is the breaking open of several cans or jars of a similar product and actually counting chunks of meat, beans, kernels of corn, or thickness of syrup, etc. He enjoys bursting the bubble on highly-touted, nationally-advertised products which he considers "rip-offs," much to the chagrin of the product sales representatives.

Recently, he exploded the myth that Heinz is the "Slowest Catsup in the West," by turning a bottle of the famed catsup upside-down and then repeating the process with another, cheaper brand. He went through seven bottles of quick-flowing Heinz Catsup before getting an inkling of a flow from the lower-priced product. Although Inks repeatedly invites sales representatives from all the major manufacturers to attend his open seminars, they never show up, for obvious reasons. One product rep told him "they'd murder me if they started on my products." So Inks faces the consumer alone, but lays the blame for mislabeling and fraudulent marketing where it belongs. "I call a spade a spade . . ." he says smiling.

The Nalley's Sales representative told Inks that he intended to turn one of his "Consumer Corner" columns over to the company's legal department because in his weekly column Inks had told local consumers that Nalley's made Western Family (Private Label) chile and pancake syrup, among other items, and that the items were identical except for price. Nalley's denies that the items are identical, but another grocer supports Inks' claim, admitting that he has seen the pancake syrup flow into identical bottles from the same spigot and only later being affixed with the different labels.

"I told him I'd be glad to communicate with his firm's legal department, but these communications would appear in print in my column in the paper . . . I haven't heard from them since that." The Nalley's salesman also denied the chile and syrup were the same product, saying that the chile had "more beef in it" than the Western Family label. "After this statement," Inks said, "I invited him to my next consumer education seminar at the Sandpoint Community Hall, and I'd have 100 consumers taste the syrup and count the number of beans and chunks of beef. He never showed up . . ."

The vice president of Del Monte products wrote Inks a letter after one of his now-famous seminars where a group of consumers had found Del Monte corn and beans of poor quality. The letter said the executive "would look into the matter." The firm's Veep then flew to URM headquarters in Spokane and held a "cutting" to convince the wholesaler that Del Monte products were excellent quality. Inks says, "The point is that the consumer found Del Monte's products inferior, not me! Yet Del Monte's man refuses to attend a consumer 'cutting' of his own product."

"I think the consumer is tired of being 'snowed' by false and misleading advertising," he explained. "He simply wants to receive fair value for his shopping dollar." The Sandpoint "giant killer" himself stocks old-fashioned barrels of bulk wheat (8-cents a pound), salt (4-cents), oats, soya beans, white and brown rice and Corona Grinders for the thrifty bulk buyer. "I encourage them to buy these bulk items and save their shopping dollars, even though I sell most of the bulk foods at my cost." He believes that this type of "corney, old-fashioned honesty" pays off in the fact that shoppers come back to buy where they know they can trust the man behind the store.

Another example of Inks' weird way of running a food market is epitomized by his meat manager Don Morton. Morton refuses to sell beef by the half and whole beef as "locker" meat if the customer is buying it this way to save money. "This isn't saving money," Morton explains, "it's only for convenience. The way to save money on meat purchases is to shop the specials and compare prices." Inks chuckles and gets mad simultaneously when he reads the ads of his competitors. "Best Service in town," "Tenderest Beef," "Lowest Prices," etc. "Hell, everybody can't be the best or honestly claim all those things, so why snow the customer or insult his intelligence with that kind of carnival advertising?"

Since he started writing his "Consumer Corner" column about seven months ago, shopper response has been more than he had hoped for. "It takes about a month for them to get used to reading an editorial column in an ad space, but once they started following the column, response has been fantastic," he says. "When I offered the option of stamps or a 2 per cent cash discount, I was flooded with calls and congratulations," he said. "That's when I realized they were reading . . . I mean *really* reading my column, and that's when I knew this whole thing of trying to educate them was worth the effort and all the homework I'd been doing."

Reading the shopping ad in the paper isn't the same in Sandpoint any more, and most of the town's citizens are glad. It's fun having a grocer to rap with who tells the big boys to go to hell when they threaten him and who lets the customer know who's ripping off whom. It also proves the point that the little guy, armed with facts and a thorough knowledge of his chosen line of business, can keep the corporate machines honest, or at least inform his buying public when they're not. Product manufacturers may not like Larry Inks, but they're staying out of his way.

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## POST CARD REGISTRATION INVITES FRAUD

## HON. ROBERT P. GRIFFIN

OF MICHIGAN

IN THE SENATE OF THE UNITED STATES

*Monday, June 4, 1973*

Mr. GRIFFIN. Mr. President, the Senate passed and sent to the House a bill to allow voter registration by post card. I opposed the measure and remain opposed to it.

Recently the Oakland, Mich., Press published a very perceptive editorial by Basil Stevens on the subject. It should be must reading for Members of the House of Representatives who will soon be voting on the issue.

Mr. President I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Oakland Press, May 26, 1973]

### FEDERAL REGISTRATION BY MAIL TO LEAD TO CONFUSION, FRAUD

(By Basil Stevens)

In an effort to increase the number of voters in federal elections, the U.S. Senate has approved and sent to the House of Representatives a measure to allow registration by postcard.

While the bill applies only to elections for the presidency and both houses of Congress, encouragement was given to seek similar registration in state and local elections.

The proposal calls for postcards to be mailed from Washington, D.C., to millions of addresses around the country. Recipients would only have to fill out the cards and return them to state and local registrars for processing no later than 30 days prior to the election.

The pitch made by sponsors of the bill was the need to make easier the registration process for those persons unable to get to the county courthouse, usually due to working hour conflicts, or whose belonging to a minority group hampers their ability to register.

Some 44 per cent of the adult Americans—68 million persons—failed to vote in last November's presidential election. Conversely, of those actually registered, 87 per cent went to the polls.

While the idea behind the measure is good, enactment of the bill would create more trouble than the mythical opening of Pandora's box.

Use of the postcard system would cause numerous duplications of voter names, a situation that already has been experienced in Michigan since Secretary of State Richard Austin instituted a registration process at his department's various branch offices.

Clerks of the various communities—both city and township—in Wayne County recently were unanimous in denouncing the removal of the registration process from their offices.

Duplication, greater inaccuracy and higher cost of processing registrations from elsewhere and a lack of clerical control while having to retain responsibility were the most frequent criticisms by clerks of the new Michigan procedure.

As far as Wayne County clerks were concerned, the system simply wouldn't work.

In addition, setting up another registration procedure would probably require another federal bureau to handle the huge task. Cost estimates of a federal registration have run as high as $75 million.

Even with such a costly federal bureaucratic procedure, how would the proposed system deal with persons owning more than one home—thus having more than one mailing address?

Also, how would it keep up in this mobile society of ours with those persons frequently moving from one area of the country to another? Or how many postcards would the government send to each household?

One of those in opposition to the measure is Sen. Sam Ervin, D-N.C.—better known now for heading the Senate committee investigating the Watergate affair.

Ervin feels the measure would offer "an open invitation to people who are willing to do so to steal the election of the President of the United States and senators and congressmen. It would," Ervin goes on, "encourage registration of people who don't exist . . . or are sleeping in cemeteries."

Finally, the proposal is contrary to the U.S. Constitution, which reserves to the individual states the authority to establish qualifications of people who may vote for members of Congress. It also would make presidential elections federal in nature rather than state, also bypassing the Constitution.

Everyone eligible by law to vote should be provided an opportunity to do so and every effort should be made to register as many citizens as possible. However, the registration should be done as it is now—locally.

It's difficult to believe that anyone wanting to register isn't able to do so. In southeastern Michigan, at least, a person almost had to lock himself in his cellar for the several months preceding last November's election not to be approached by someone representing one special group or another trying to register potential voters.

Residents could have registered at any of numerous shopping centers or supermarkets, college campuses or even at their own doorsteps.

There seems little need to throw in the confusion—and potential fraud—that would be caused by registering by mail.

And who's to guarantee that the postcard would ever reach its destination?

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## U.S.S.R.—AN EMERGING NATION

## HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Monday, June 4, 1973*

Mr. RARICK. Mr. Speaker, while Americans experience an ever increasing shortage of credit, that is, 6½ percent to Federal Reserve member banks and 8 percent to nonmember banks as of May 11, we now learn that the U.S. Export-Import Bank has extended credits of $180 million to the Soviet Union. Apparently the United States taxpayers' loan to the Soviets was to induce the Soviets to enter into an $8 billion, 20-year fertilizer deal which is expected to be followed by an agreement for further importation of Soviet natural gas into the United States over the next 25 years.

Apparently the administration feels it is so fully in control of the Congress ratifying its deals that it did not feel it necessary to wait for Congress to designate the Soviet Union as a "most-favored-nation."

In fact, to make our two countries—the Soviet Union and the United States—more compatible, we now learn that NBC and the state-controlled radio and television networks of the Soviets are to exchange programs. It must be obvious that in merging a free people and free economic system with a slave state, all of the compromising and giving will come from the American people.

One of the first such exchanges of ideology via the mass media is the possibility that Communist Party Boss Brezhnev may address the Nation by television. It should be noted that he plans to avoid press conferences where questions could be asked.

At the same time we are advised that the Vietcong are ready to follow the lead of their master, the Soviet Union, as they announce that they are ready to receive foreign aid "without any political conditions attached."

Who knows how long it will be before even North Vietnam, North Korea, and Cuba will be given "most-favored-nation" cheap credit to buy American food and goods.

This is truly the story of the emerging, underdeveloped nations taking advantage of an industrialized, developed nation, and educated populace.

I include related newsclippings:

[From the Washington Post, June 2, 1973]

### UNITED STATES ENDORSES TRADE DEAL WITH SOVIETS

(By Dusko Doder)

The Nixon administration yesterday formally endorsed an $8 billion, 20-year fertilizer deal between the Soviet Union and Occidental Petroleum Corp. It is the biggest Soviet-American trade pact in history.

The endorsement followed an agreement in principle to extend $180 million in U.S. Export-Import Bank credits to the Soviet government. The amount is to be matched by commercial loans from a consortium of banks and will be used for purchases of U.S. industrial equipment.

Both accords were concluded by Vladimir S. Alkhimov, deputy Soviet foreign trade minister, who has been here since May 10 to negotiate with U.S. officials. Sources close to these negotiations said Washington and Moscow were "awfully close" to reaching an agreement in principle on a multibillion dollar deal to import Soviet natural gas to the United States.

Alkhimov indicated in an interview yesterday that the Soviet Union may be forced to purchase more American grain this year, particularly if the harvest in the "virgin lands" of southern Siberia fails to meet Moscow's projections.

But he emphasized that the level of grain imports would be substantially less than in 1972, when the calamitous harvest forced the Soviet Union to import 28 million tons of grains.

The endorsement of the fertilizer deal was accomplished yesterday afternoon through an exchange of letters by Alkhimov and Secretary of Commerce Frederick B. Dent.

The letters, which state that the fertilizer deal conforms to principles of the Soviet-American summit in May, 1972, and that the U.S. government sees no impediments to it, are said to be the first such endorsement of a transaction not arranged by the U.S. government.

The Soviet Union had insisted on Washington's written endorsement of the fertilizer deal. Moscow was said to have been unpleasantly surprised last December when an agreement with American natural gas companies to export liquified gas from Siberia fell through after the White House said it should await completion of a study on U.S. energy needs.

Six U.S. companies had already announced that they expected to sign the agreement by the end of December. They envisioned more than $40 billion worth of Soviet gas to be delivered to the United States over 25 years. The agreement also called for investments totaling nearly $13 billion in plants and pipelines in the Soviet Union and construction of tankers for shipments of liquified gas.

According to well-informed sources, Alkhimov and U.S. officials have discussed the natural gas deal during the past three weeks and are close to an agreement. But these sources said that any such massive project would have to be agreed on by President Nixon and Soviet leader Leonid I. Brezhnev during their scheduled summit here June 18 to 26.

According to the sources, Communist Party chief Brezhnev and President Nixon may agree on a protocol that would involve both governments and the interested companies. But this protocol would only state U.S. intentions to buy Soviet natural gas, with details of the complicated venture to be worked out later, the sources said.

While he was not willing to disclose any details, Alkhimov said yesterday that the Soviet Union was willing to permit independent testing of Siberian gas reesrves. Moscow's refusal last year to permit American engineers to inspect Siberian gas fields was one of the objections that led the administration to discourage the companies.

Alkhimov said the fertilizer deal would involve about $500 million in capital investments of which $400 million would be spent in the United States for 10 plants to process ammonia.

Under the preliminary agreement reached with the Russians by Dr. Armand Hammer, Occidental's chairman, Occidental would provide technical help in building a fertilizer complex in the Soviet Union. Occidental would then buy about $200 million annually in ammonia, urea and potash from the complex and would sell $200 million in superphosphoric acid from its Florida plant.

After the signing ceremony yesterday, Alkhimov said that "this is really the first big transaction, it's a good start."

In addition to the $180 million Export-Import Bank credit, which is to be signed next week, three U.S. commercial banks led by the Bank of America are to provide the remaining $180 million in commercial loans. The Soviet Union's contribution to the initial investment will be $40 million.

In discussing possible Soviet Union grain imports this year, Alkhimov said that it was too early to predict the amount prior to the fall harvest.

But, he said, "when you have had a bad harvest as we did in 1972, it is not easy to overcome that immediately."

Soviet Union grain purchases last year put heavy pressure on world grain markets, resulting in higher grain prices.

The skyrocketing prices prompted a wave of criticism in the United States, including charges of price rigging and conflict of interests in the period the Russians did their buying. Sen. Henry M. Jackson's permanent investigations subcommittee is conducting an inquiry into the matter.

Yesterday, the commodity exchange authority confirmed that it has asked the Justice Department to take over an investigation into alleged price rigging on the Kansas City commodity market.

Kansas City is the world's largest market for hard winter wheat, the only kind bought by the Soviet Union.

[From the Washington Sunday Star, June 3, 1973]

### Russian Bond Holders Seek Congress Aid

Holders of czarist Russia government bonds urged Congress yesterday not to kill their chances to collect on them when setting up new trade relations with the Soviet Union.

The Russian Dollar Bondholders Committee of the U.S.A. called on the House Ways and Means Committee to reject a proposal in the pending trade bill that would repeal a ban on borrowing in this country by countries in default on earlier debts.

President Nixon has proposed extending to the Soviet Union most-favored-nation treatment in trade matters and facilitating sales of U.S. goods through credit arrangements.

The Soviet Union has agreed to negotiate U.S. claims for repayment of lend-lease assistance extended by this country during World War II.

But the claims pressed by Hubert Park Beck, chairman of the bondholders' committee, go back to World War I, when the czar's government in its final months raised $75 million by selling bonds to private investors in this country.

Beck said in written testimony about 3,000 U.S. residents still hold the bonds, and their claims have been swelled by unpaid interest.

[From the Washington Post, June 1, 1973]

### NBC-U.S.S.R. Exchange Pact

New York.—The National Broadcasting Co. announced yesterday that it had signed a "wide-ranging, long-term agreement" with the Soviet Union to exchange television and radio programs and cooperate in other broadcast-related activities.

The agreement was signed by NBC President Julian Goodman; Sergei G. Lapin, chairman of the State Committee of TV Broadcasting of the Soviet Council of Ministers, and other members of both groups.

The agreement, said Thomas McManus, president of NBC International Ltd., followed four years of discussion and negotiation.

He said its main purpose is "to enhance the cooperation and understanding between the people of the United States and the U.S.S.R. through the exchange of radio and television programs."

News specials and documentaries that show life in the respective countries will be among the programs exchanged. Also included will be "pure entertainment" shows of music and variety.

The announcement did not say what specific entertainment programs might be swapped.

[From the Washington Post, June 2, 1973]

### Brezhnev May Speak on U.S. TV

Soviet Communist Party leader Leonid Brezhnev will arrive in the United States two weeks from Sunday for eight days of talks with President Nixon and a trip that will take him to Houston, San Clemente, Calif., and perhaps two or three other American cities.

While the final schedule has not been completed officials said yesterday that Brezhnev is expected to address the American people by television. But he does not plan to hold a news conference or to speak at the National Press Club, where questions would be asked.

His predecessor, Nikita Khrushchev, spoke at the Press Club in 1959 and fielded some tough questions, including a few that aroused his anger.

The Brezhnev visit is described as a working one, with little time for sightseeing or public appearances. Most of his time will be spent in Washington or at Camp David, Md., where Khrushchev also visited when he was President Eisenhower's guest nearly 14 years ago.

The tentative plan is for the President and Brezhnev to meet first in Washington on June 18 and confer either at the White House or at Camp David through Thursday. On Friday, June 22, they plan to fly to Houston to visit the space center there and then go on the same day to San Clemente.

Brezhnev is expected to remain over that weekend in San Clemente, leaving Sunday night or Monday morning. He then may visit San Francisco, Detroit and New York, as well as the Soviet Embassy's country house in Maryland for a brief rest. But the final decisions on the last few days of the visit have not been made, officials said.

Mr. Nixon will say goodbye to Brezhnev when he leaves California.

[From the Washington Post, June 4, 1973]

### Vietcong Reported Ready To Take Aid

Hong Kong, June 4.—The Vietcong's National Liberation Front has expressed readiness to receive foreign economic and technical aid and without any political conditions, the North Vietnam News Agency reported today.

Nguyen Huu Tho, president of the NLF Central Committee, was quoted as telling a Hanoi newspaper that the Front and its Provisional Revolutionary Government "encourage Vietnamese overseas to invest their capital in order to rebuild the country. . . ."

The Vietcong "stand for the establishment of normal economic relations between North and South, increased trade and scientific and technological cooperation with foreign countries, and receipt of economic and technical aid from all countries without any political conditions attached," he said.

The agency said he gave the interview on the occasion of the Front's fourth anniversary, but did not mention where it took place.

## A ONE-ROOM SCHOOL

## HON. FRANK CHURCH

OF IDAHO

IN THE SENATE OF THE UNITED STATES

*Monday, June 4, 1973*

Mr. CHURCH. Mr. President, there are very few one-room schools left in the United States; most of them have been victims of urbanization and school consolidations.

Idaho, however, has a few one-room schools still operating, one of them in the little mountain community of Yellow Pine.

Recently, the Associated Press carried a lengthy feature article on the school at Yellow Pine. In reading it, I am led to wonder if perhaps our large, modern school systems do not have a thing or two to learn of the experience of this tiny school with seven students and one teacher.

I commend this article to my colleagues, and ask unanimous consent that it be printed in the Extensions of Remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Lewiston (Idaho) Morning Tribune, May 27, 1973

### Yellow Pine's One-Room School Clings to Survival

(Editor's Note: As you deal daily with the hustle and hassle of modern living, you may lose hope of ever again sampling the simpler life of days gone by. But symbols of the simpler life still exist, and among them is the one-room school.)

(By Meredith Motson)

Yellow Pine, Idaho.—In these days when machines, computers, and electronic wizardry race to keep up with the needs of the classroom, it is understandable that some look back on the old one-room schoolhouse with genuine longing.

. . . A longing for a morning of crisp air, deer tracks beside the cabin, and a sudden race down the hill because the school bell was ringing and you had been gazing at the tracks too long. And there are your six school mates, laughing because they watched your canter down the mountain.

#### A TEACHER . . . AND A FRIEND

And there is your schoolteacher, whom you call by his first name because he is so much more than your schoolteacher.

This is the Yellow Pine School, one of the few one-room schools still operating in Idaho. But its future seems uncertain, and it may be in its final school year.

Isolated from the world by a ring of ragged mountains, the school stands in the tiny pocket that is Yellow Pine Basin. Named for the native tamarack, which turns gold and sheds its leaves in autumn, the town stands just inside the Idaho Primitive Area.

Snowbound most winters and accessible

only by a rugged mountain road in the summer, this is still the chosen home of an average 35 people, among them, the seven students and teacher of the Yellow Pine School.

Someone has scrawled "University of Yellow Pine" on the old wooden fences surrounding the school yard, and though the building is old and the playground equipment worn, something about that fence tells you, "Here is something special."

Inside, everyone is studying.

"Time for science lectures," announces the teacher, Jeff Fee. And you note they call him "Jeff" as he vacates his desk and goes to sit among them.

First to speak is Patsy Fullenwidner. She is an 8th grader and has a report on meteorites. Though shy in front of you, the stranger, she still keeps her tone conversational, explaining rather than reading her report, showing pictures from the book, and graciously showing them to you, too.

Other reports follow. Amy Montgomery, a 7th grader, has one on the nervous system. Ruth Underwood, a senior, speaks on biological stability.

### THE 3 R'S AND TIME TO THINK

The two boys, Doug Christianson, a senior, and Clark Goodwin, a freshman, ply the girls with questions on their reports. The girls in turn test the boys to see how well they listened. Little Roxy Alexander, the first grader, sits attentive at her desk, appearing to absorb all this quite matter-of-factly.

Time for a test. Roxy goes out to play and the room falls silent.

"You see, I try to have them teach me," Fee explains. "Generally, I find they do better when they have to present their work to the class. They have to read the material to organize it, and then express it orally. And this way everybody gets an idea of what everybody else is reading.

"We generally take one or two subjects a day," he says. "Sometimes we have science all day. At first I started out on a regular day, but just when they were really getting into a subject they liked, we'd have to give it up and go on to the next thing. They felt like something was missing."

So, the Yellow Pine School has evolved that same sort of intensified subject matter, that some metropolitan schools are struggling to institute.

"Every Friday we take a field trip," says Fee. "We'll go look at an elk, or go up the river to the beaver pond, or just go out to the frog pond with a microscope. I really try to take advantage of this area."

Raised in McCall as the son of a forest ranger, Fee grew up with a sense of the wilderness. Spending every summer in the old mining town of Warren and getting to know the ways of the old timers, the animals, and the woods, he later became a licensed packer and guide in the Idaho Primitive Area.

Though he later went on to major in sociology at Weber State College in Ogden, Utah, he always managed to return to the Idaho wilderness.

Last fall, when he returned to live in the teacher's cabin beside the Yellow Pine School, it was with his wife, Carmen, and their little boy, Shane.

"It was like coming home," says Mrs. Fee who had spent one previous summer in Yellow Pine, when Fee worked for the Idaho Fish & Game Department.

Teaching in a one-room schoolhouse seems to come naturally to Fee, having also taught in a similar school in Warren and on Indian reservations.

He says, "Here I feel students really have to learn a close respect for one another. Out there in the city they get many friends, but here they enter much deeper relations."

Ruth Underwood, one of the school's two seniors, echoes his feelings.

"I like it up here; it's so sociable," she says, on her way home to lunch. "Up here you know everybody and you're so much at home. Last year I went to school in Redwood (Calif.) with 4,000."

As the others go off to lunch, Fee explains that, like Ruth, students are not usually at the Yellow Pine School for more than a few years before their parents move on. For this reason, he feels that although their books and studies are quite up to date, their greatest education comes from the experience of living in Yellow Pine.

Every so often he brings older people of the community in "to tell what it was like in the old days," so that his students can "get a sense of history" and learn to respect values which grew out of rougher times than their own.

During the lunch hour, the two boys go fishing, coming back empty handed, but with a snapshot of two deer they spotted just across the river.

Classes resume for the afternoon with English lessons and P.E. When weather permits, they run up the old mining roads or down the forest trails. When indoors, Jeff gives them karate lessons. "And every afternoon now," he adds, "we run up to the top of a hill and just sit down and think for five minutes."

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## MINIMUM WAGE

## HON. TOM RAILSBACK

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Monday, June 4, 1973*

Mr. RAILSBACK. Mr. Speaker, the House will consider legislation this week to increase the minimum wage to $2.20 an hour. It is my opinion—as well as the opinions of hundreds of my constituents—that the House would do well to approach this issue with careful deliberation. In order to be completely objective in evaluating a proposed increase, it is necessary that we examine it on its own merits.

One area of concern which I think we should study particularly carefully is the impact an increase to $2.20 would have upon small and independent business—and thus to the economy in general.

If the small businessmen and women in my district are any barometer, many of them will be forced to cutback on their number of employees if a higher minimum wage were enacted. They explain it quite simply—they cannot get by financially should they have to pay higher wage rates. They operate on a small profit-loss margin, and many report they are already facing a very tight economic squeeze.

This problem is not unique, nor is it limited to my congressional district.

A recent survey by a team of economists from the University of California at Berkeley conducted for the National Federation of Independent Business revealed that 37 percent of all respondents in a random sample of some 10,000-member firms indicated that their major response to an increase in the minimum wage would be forced reduction in their labor force, or in the number of hours their employees worked.

According to the survey, which was conducted among a representative cross section of NFIB's membership, the group most affected would be teenagers, with heads of families a close second. Single adults, 18 years of age and over, ranked third.

This cutback in work force, or in hours worked, would be done not because the small business employer wanted to do so. The cutback would be a forced one—implemented by the employer only in order to survive.

Mr. Speaker, in light of the findings of this survey, I urge that careful consideration and deliberation be given to any immediate increase in the minimum wage at his point. As you may recall, in the last Congress, I supported an effort to "stretch out" any increase. I thought this would insure employees that their salaries would keep pace with the cost of living without having a serious inflationary effect. Although that minimum wage legislation was never enacted, it is my hope that this year we will balance all aspects in approving a minimum wage bill.

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## REMARKABLE WOMAN TEACHER IN WELLESLEY, MASS.

## HON. MARGARET M. HECKLER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Monday, June 4, 1973*

Mrs. HECKLER of Massachusetts. Mr. Speaker, the outstanding efforts and accomplishments of one of my constituents have recently been brought to my attention. The remarkable performance of Mrs. Kerr is worthy of the highest commendation, and I would like to take this opportunity to share the following letter from Mrs. Eleanor Evans of Wellesley, Mass., with my colleagues by inserting it in the RECORD:

WELLESLEY, MASS.,
*April 28, 1973.*

Hon. MARGARET M. HECKLER,
*Wellesley Hills, Mass.*

DEAR MRS. HECKLER: At Hardy School on Weston Road, Wellesley, we have a 5th grade teacher, Mrs. Kerr, who is incredible to say the least. This year, Mrs. Kerr is hoping and working towards taking her 5th grade class to Mt. Rushmore in South Dakota for two weeks in June. The rental of the air conditioned bus for two weeks is over $3,000. This teacher, a human dynamo, has raised $2,300 and more coming. She is very humble and gives all the credit to her students and their parents. As of now the money is in the bank gaining interest. This 5th grade class has had two flea markets, a food sale, a car wash, 2 film festivals, a Western Trading Post and a supper at the ranch. Mrs. Kerr wouldn't want this known, but she prepared at home beef stew and fed 279 people at Hardy School totaling a profit of $800 that day alone. Incredible, no?

Mrs. Kerr's main love in teaching is history. Every year for 13 years, she has put on an historical play to culminatae what the children have learned all year.

As of now, the children have been raising in the classroom, pepper and tomato plants from seed which alone is an education and they will sell them with the money going towards funds for the trip.

I just might add that among her many credits, Mrs. Kerr is also an ordained minister. Also this year for the first time, she has undertaken another big task. She is presenting her historical play at the Wellesley Junior High School on May 4th and charging a small admission fee to raise money for her class trip.

Some of us former mothers have been soliciting Mrs. Kerr's former students for a donation and the play will be sponsored by these former students. The response has been fantastic.

Is it any wonder I call this remarkable woman (teacher) to your attention?

Very sincerely yours,
(Mrs.) ELEANOR EVANS.

## LIBRARY SERVICES CUT AND INDIANA

## HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Monday, June 4, 1973*

Mr. BRADEMAS. Mr. Speaker, the President's budget proposals for fiscal year 1974 provide no funds for our Nation's public, school, or university libraries.

If we accept the President's plan, Mr. Speaker, all existing Federal aid to libraries, amounting this year to $90 million for elementary and secondary schools, almost $33 million for public libraries, and $15 million for colleges and universities, will be terminated on July 1.

Recently, Mr. Speaker, the Indiana State Library analyzed the library needs in our State, as well as what Hoosier citizens have been able to accomplish as a result of the Library Services and Construction Act.

The State library found:

That 45 percent of the 241 public libraries in Indiana are located in buildings that are 40 years or more old.

That since 1961, when Indiana first accepted LSCA funds, 11 new library buildings have been completed, and 5 remodeled, at a cost of just over $11 million, of which the Federal Government contributed only 27 percent.

That older libraries are now serving far more people, with far more books, than they were when built. In my own Third District, for example, the two libraries in Michigan City and New Carlisle are serving three times the number of people they served when first opened, and their collections have multiplied eightfold.

That the TWX teletype network, linking 21 public center libraries, 160 satellite libraries, and 4 State universities, will be drastically curtailed, if not completely eliminated if the President's budget proposals are accepted.

That since 1961 over 350,000 Hoosiers have been introduced to library services by 18 LSCA-funded bookmobile demonstration projects.

So that my colleagues, Mr. Speaker, may see the impact on just one State if we cut public libraries out of our Federal budget, I insert at this point several of the analyses completed by the Indiana State Library:

I. INDIANA LIBRARY CONSTRUCTION NEEDS

Of the 241 public libraries in the State of Indiana, 45% are located in buildings that are 40 or more years old. These 108 libraries are serving 2.5 times as many people today as when they were first opened and contain approximately 6.4 times as many volumes.

| Libraries | Population served when opened | Population served now | Number of volumes when opened | Number of volumes now |
|---|---|---|---|---|
| Over 60 years old | 255,364 | 616,421 | 208,984 | 1,296,340 |
| 40 to 59 years old | 545,278 | 1,415,167 | 431,990 | 2,773,865 |
| Total | 800,642 | 2,031,588 | 640,974 | 4,070,205 |

Faced with a burgeoning population, the explosive increase of human knowledge and the inadequacy of space to handle both, many library boards were stymied. Fortunately, (1) the decision by the Indiana State Supreme Court that library boards were autonomous political corporations with the authority to issue bonds for construction purposes and (2) the availability of matching federal funds in Title II of the Library Services and Construction Act (LSCA) made it possible for many boards to find a way out of this dilemma. Colleges and universities benefited from the tax exemptions granted to individuals and foundations for gifts to institutions of higher learning as well as from federal funds authorized for library construction under the Higher Education Facilities Act.

Since the initiation of the LSCA program, eleven new library buildings have been constructed, four have built additions and one library has been remodeled. Total costs for all of these projects are:

| | |
|---|---|
| Total federal money (27.2%) | $2,998,312 |
| Total local money | 8,023,867 |
| Total | $11,022,179 |

During the past six months, seven libraries have indicated an interest in construction and twelve additional preliminary applications are on file.

CONGRESSIONAL DISTRICT BREAKDOWN OF OLDER LIBRARIES

DISTRICT I.—LIBRARY BUILDINGS OVER 40 YEARS OLD

| Library | Population served when opened | Population served now | Number of volumes when opened | Number of volumes now |
|---|---|---|---|---|
| Whiting | 7,000 | 7,247 | 3,576 | [1] 54,675 |

[1] An increase of 15.29 times as many volumes.

DISTRICT II.—LIBRARY BUILDINGS OVER 40 YEARS OLD

| Library | Population served when opened | Population served now | Number of volumes when opened | Number of volumes now |
|---|---|---|---|---|
| Boswell | 814 | 1,391 | 849 | 13,741 |
| Brookston | 2,181 | 2,180 | 1,084 | 11,221 |
| Crown Point [1] | 2,500 | 23,277 | 1,850 | 30,865 |
| Culver | 2,464 | 3,563 | 1,281 | 12,867 |
| Earl Park | 609 | 867 | 1,272 | 11,060 |
| Francesville | 1,625 | 1,853 | 951 | 12,784 |
| Goodland | 1,595 | 1,570 | 4,363 | 17,080 |
| Hebron | 2,166 | 3,501 | 1,604 | 11,018 |
| Kentland | 1,209 | 2,294 | 1,661 | 15,803 |
| Lafayette | 22,486 | 44,955 | 45,486 | 100,475 |
| Milford | 3,100 | 3,142 | 2,548 | 13,336 |
| Monterey | 1,383 | 920 | 1,172 | 11,458 |
| North Judson | 2,105 | 4,140 | 963 | 15,463 |
| North Manchester | 2,428 | 8,015 | 1,794 | 19,412 |
| Oxford | 1,600 | 1,629 | 1,939 | 16,355 |
| Pierceton | 1,817 | 3,175 | 755 | 10,584 |
| Plymouth | 3,838 | 12,384 | 2,742 | 30,725 |
| Royal Center | 1,082 | 1,698 | 1,106 | 8,869 |
| Valparaiso | 7,971 | 70,747 | 7,856 | 79,140 |
| Winamac | 2,861 | 9,761 | 4,150 | 26,118 |
| Total | 66,374 | 201,062 | 85,426 | 468,374 |

[1] Crown Point's new library opened the first of 1973.

Note: From these figures, you can see, the libraries in your district are serving 3 times as many people as they did when they first opened and have 5.48 times as many volumes.

DISTRICT III.—LIBRARY BUILDINGS OVER 40 YEARS OLD

| Library | Population served when opened | Population served now | Number of volumes when opened | Number of volumes now |
|---|---|---|---|---|
| Michigan City | 14,850 | 45,064 | 8,699 | 67,163 |
| New Carlisle | 1,836 | 3,383 | 2,131 | 18,356 |
| Total | 16,686 | 48,447 | 10,830 | 85,519 |

Note: As you can see, these libraries are serving almost 3 times as many people as when their present buildings were first opened and contain almost 8 times as many volumes.

DISTRICT IV

LIBRARY BUILDINGS OVER 40 YEARS OLD

| Library | Population served when opened | Popula- served now | Number of volumes when, opened | Number of volumes now |
|---|---|---|---|---|
| Andrews | 954 | 1,207 | 1,322 | 6,012 |
| Angola | 2,610 | 7,804 | 3,072 | 13,989 |
| Butler | 4,381 | 3,964 | 3,806 | 13,008 |
| Fremont | 729 | 1,543 | 775 | 8,820 |
| Garrett | 4,149 | 7,430 | 1,485 | 17,343 |
| Huntington | 10,000 | 16,217 | 15,000 | 48,822 |
| LaGrange | 3,700 | 20,890 | 2,701 | 39,925 |
| Orland | 500 | 1,083 | 1,779 | 7,615 |
| Roann | 1,800 | 1,616 | 1,548 | 8,007 |
| Wabash [1] | 8,618 | 13,379 | 5,299 | 33,016 |
| Waterloo | 1,704 | 2,534 | 1,305 | 14,365 |
| Total | 39,145 | 77,667 | 38,092 | 210,922 |

[1] New addition built in 1972.

Note: As you can see from the above, these libraries serve almost 2 times as many people as they did when their buildings were first opened and contain more than 5½ times as many volumes as they did then.

DISTRICT V.—LIBRARY BUILDINGS OVER 40 YEARS OLD

| Library | Population served when opened | Population served now | Number of volumes when opened | Number of volumes now |
|---|---|---|---|---|
| Akron | 2,754 | 3,770 | 1,515 | 17,813 |
| Atlanta | 3,175 | 5,411 | 1,560 | 19,911 |
| Converse | 2,400 | 2,333 | 2,565 | 21,217 |
| Farimount | 2,056 | 3,427 | 3,392 | 7,009 |
| Gas City | 6,028 | 9,427 | 1,989 | 14,113 |
| Kewanna | 1,826 | 1,363 | 3,150 | 10,149 |
| Rochester | 4,000 | 13,034 | 2,162 | 43,572 |
| Tipton | 5,000 | 16,650 | 5,023 | 38,884 |
| Van Buren | 1,989 | 2,134 | 930 | 15,617 |
| Walton | 1,975 | 2,390 | 1,876 | 15,119 |
| Total | 31,203 | 59,939 | 24,162 | 203,404 |

Note: As you can see from the figures above, these libraries serve almost 2 times as many people as they did when their buildings were first opened and contain more than 8 times as many volumes.

DISTRICT VI.—LIBRARY BUILDINGS OVER 40 YEARS OLD

| Library | Population served when opened | Population served now | Number of volumes when opened | Number of volumes now |
|---|---|---|---|---|
| Brownsburg | 2,465 | 12,602 | 1,775 | 18,375 |
| Danville | 2,000 | 5,819 | 2,500 | 23,199 |
| Martinsville | 5,000 | 12,746 | 2,604 | 26,416 |
| Total | 9,465 | 31,167 | 6,879 | 67,990 |

Note: As you can see from the figures above, these libraries are now serving more than 3 times as many people as they did when their buildings were first opened and contain almost 10 times as many volumes.

DISTRICT VII.—LIBRARY BUILDINGS OVER 40 YEARS OLD

| Library | Population served when opened | Population served now | Number of volumes when opened | Number of volumes now |
|---|---|---|---|---|
| Attica | 3,000 | 4,831 | 2,771 | 18,153 |
| Bloomfield | 2,069 | 4,336 | 3,300 | 15,941 |

### DISTRICT VII. LIBRARY BUILDINGS OVER 40 YEARS OLD—Continued

| Library | Population served when opened | Population served now | Number of volumes when opened | Number of volumes now |
|---|---|---|---|---|
| Brazil | 10,000 | 8,678 | 5,000 | (1) |
| Clinton | 6,229 | 9,084 | 3,133 | 42,971 |
| Colfax | 1,860 | 1,312 | 1,213 | 8,320 |
| Darlington | 1,928 | 1,982 | 905 | 8,413 |
| Flora | 3,000 | 2,724 | 1,717 | 18,404 |
| Frankfort | 7,100 | 16,853 | 4,500 | 44,694 |
| Greencastle | 3,661 | 25,220 | 8,019 | 79,343 |
| Kingman | 1,987 | 1,348 | 677 | 6,376 |
| Kirklin | 1,774 | 1,377 | 633 | 14,344 |
| Linden | 1,244 | 1,220 | 797 | 8,392 |
| Linton | 5,906 | 7,383 | 2,147 | 23,909 |
| Roachdale | 849 | 1,712 | 1,751 | 8,793 |
| Rockville | 3,360 | 4,161 | 2,274 | 22,149 |
| Sheridan | 1,768 | 5,304 | 1,423 | 15,343 |
| Spencer | 2,150 | 6,336 | 3,095 | 21,980 |
| Sullivan | 3,118 | 19,889 | 2,091 | 70,682 |
| Thorntown | 2,499 | 2,111 | 4,674 | 10,882 |
| Waveland | 1,948 | 1,603 | 1,482 | 11,659 |
| Westfield | 700 | 4,789 | 2,254 | 14,432 |
| West Lebanon | 1,039 | 1,266 | 1,674 | 7,050 |
| Williamsport | 1,632 | 2,075 | 2,131 | 22,986 |
| Worthington | 2,677 | 2,116 | 3,294 | 13,538 |
| Total | 71,498 | 137,710 | 60,955 | 508,754 |

[1] Unavailable.

Note.—As can be seen from these figures, these libraries serve almost 2 times as many people as when they first opened their buildings and have more than 8 times as many volumes.

### DISTRICT VIII.—LIBRARY BUILDINGS OVER 40 YEARS OLD

| Library | Population served when opened | Population served now | Number of volumes when opened | Number of volumes now |
|---|---|---|---|---|
| Bedford | 7,500 | 30,648 | 8,000 | 41,298 |
| Evansville-Willard | 70,000 | 138,764 | 30,000 | 70,282 |
| Evansville-Vanderburg County | 69,647 | 168,772 | 9,935 | 444,629 |
| Fort Branch | 2,507 | 3,788 | 880 | 12,735 |
| Grandview | 2,634 | 1,535 | 1,298 | 5,561 |
| Mitchell | 6,482 | 7,390 | 1,929 | 14,382 |
| Newburgh | 3,510 | 10,696 | 3,240 | 13,526 |
| Owensville | 4,279 | 2,760 | 1,615 | 14,305 |
| Paoli | 2,785 | 7,369 | 1,063 | 16,397 |
| Poseyville | 800 | 2,551 | 600 | 10,203 |
| Princeton | 6,041 | 11,206 | 7,400 | 41,393 |
| Rockport | 5,281 | 15,599 | 2,683 | 29,387 |
| Shoals | 3,485 | 3,339 | 1,787 | 10,220 |
| Vincennes | 19,300 | 35,506 | 13,518 | 79,285 |
| Washington | 8,000 | 15,860 | 5,537 | 23,178 |
| Total | 212,251 | 455,783 | 88,485 | 826,781 |

Note: As you can see, these libraries are serving 2 times as many people as they did when their buildings were first opened and they contain more than 9 times as many volumes.

### DISTRICT IX.—LIBRARY BUILDINGS OVER 40 YEARS OLD

| Library | Population served when opened | Population now served | Number of volumes when opened | Number of volumes now |
|---|---|---|---|---|
| Aurora | 4,410 | 5,196 | 4,486 | 17,126 |
| Brookville | 2,169 | 6,563 | 903 | 26,429 |
| Connersville | 8,000 | 26,216 | 4,324 | 55,097 |
| Corydon | 1,703 | 6,241 | 1,203 | 12,956 |
| North Vernon | 13,280 | 19,454 | 3,218 | 29,584 |
| Osgood | 2,024 | 2,248 | 805 | 9,528 |
| Rising Sun | 2,812 | 4,289 | 1,301 | 17,498 |
| Salem | 2,400 | 8,025 | 3,000 | 16,721 |
| Scottsburg | 7,424 | 17,144 | 4,453 | 32,874 |
| Seymour [1] | 8,364 | 27,266 | 14,309 | 67,453 |
| Vevay | 9,950 | 6,306 | 4,653 | 21,980 |
| Total | 62,536 | 128,948 | 42,655 | 307,246 |

[1] Figures used are those obtained after the library was remodeled in 1928. When first opened, the library served 6,445 people and contained 2,509 volumes.

Note: As you can see from the figures above, these libraries are now serving 2 times as many people as they did when their buildings were first opened and contain 7 times as many volumes.

### DISTRICT X.—LIBRARY BUILDINGS OVER 40 YEARS OLD

| Library | Population served when opened | Population served now | Number of volumes when opened | Number of volumes now |
|---|---|---|---|---|
| Bluffton | 5,000 | 23,644 | 7,001 | 65,870 |
| Carthage | 1,100 | 1,998 | 3,924 | 9,454 |
| Fortville | 2,773 | 5,034 | 1,386 | 24,196 |
| Hartford City | 8,000 | 10,013 | 2,849 | 22,605 |
| Knightstown | 2,008 | 2,456 | 4,151 | 10,793 |
| Liberty | 2,961 | 6,582 | 2,703 | 14,757 |
| Montpelier | 3,500 | 3,115 | 3,917 | 12,014 |
| Richmond | 18,226 | 51,104 | 34,149 | 95,371 |
| Union City | 3,000 | 5,339 | 2,700 | 25,001 |
| Winchester | 4,266 | 9,631 | 5,167 | 16,370 |
| Total | 50,834 | 118,916 | 67,947 | 296,431 |

Note: As you can see from these figures, these libraries serve more than 2 times as many people as they did when their buildings were first opened and contain more than 4 times as many volumes.

### DISTRICT XI

### LIBRARY BUILDINGS OVER 40 YEARS OLD

| Library | Population served when opened | Population served now | Number of volumes when opened | Number of volumes now [1] |
|---|---|---|---|---|
| Indianapolis [2] | 233,650 | 764,702 | 211,967 | 1,040,109 |

[1] Based on 1971 Statistics of Indiana Libraries.

[2] Addition built in 1964.

Note: As you can see, the Indianapolis-Marion County Public Library now serves more than 3 times as many people as it did when its building was first opened and it contains almost 5 times as many volumes.

### II. TWX TELETYPE NETWORK AND LSCA

"The TWX network has become the mainstay of our interlibrary loan operation." "We find the TWX to be a necessary factor in giving all our patrons good service."

These are but two of many favorable comments librarians have made about the Indiana teletype network—a Library Services and Construction Act project. Through the teletype network, 21 public "center" libraries, 4 state universities, and 160 "satellite" libraries share their collections—thereby allowing each to economize on book purchases and virtually eliminate duplication of materials.

Requests come from many people . . . doctors, students, teachers, businessmen, and the general public . . . and cover a wide variety of subjects. During National Library Week in 1971, the Columbus paper carried the following paragraph:

"If you were a reference librarian and a charming little girl asked you for information about the Great Molasses Flood, what would you do? Our first reaction was that we had misunderstood the question. But upon being assured that it really was "molasses", we began looking for clues. After such obvious resources as encyclopedias, fact books, histories, and periodical indexes failed to yield results, we turned to our ally, the teletype . . . the librarian at Terre Haute teletyped us that he remembered having seen an article about the Great Molasses Flood in the June, 1968, issue of "True" magazine. Another reference tool listed the Fort Wayne Library as subscribing to "True" so the trusty TWX was put to use again to request a copy of the article. Fort Wayne answered that the article was not in "True" but in the December, 1968, issue of the "American Legion Magazine", and the next mail brought us a photocopy of the article. One delighted little girl and one amazed but proud reference librarian will never forget this particular answer."

The TWX network also enables businessmen to get information to help them in their operations; students and teachers can obtain books and information on research subjects; and doctors can get vital facts quickly confirmed. One Bloomington doctor found the answer to his problem by using the TWX. He had a patient who suffered fractures about every month. The doctor contacted his local library who, in turn, sent a message to the Indiana University Medical Library and soon the doctor received case histories of the rare disease and the names of other doctors who had treated it and their success. (If the I.U. Medical Library had not had the information, they could've contacted several other medical libraries in the country through the same special wire.)

Since the project first began in 1965, its use has increased greatly. The number of requests sent by the public libraries has risen almost 60%; while, for the four state universities and the State Library, they have increased 66%.

| | Number of requests | |
|---|---|---|
| | 1965–66 | 1971–72 |
| Public libraries | 5,243 | 13,266 |
| 4 State universities and the State library | 6,247 | 18,195 |
| Total | 11,490 | 31,461 |

If the President's proposed budget is approved, this vital teletype network, as well as many other LSCA projects, will be drastically curtailed if not completely eliminated due to stringent local budgets. Library Services and Construction Act funds provide libraries with the opportunity to grow and provide essential information to all citizens of the state through the use of many libraries' resources.

### III. LSCA AND BOOKMOBILES

Indiana first accepted LSCA funds in 1961. Therefore 1961 has been used as the base year in the following analysis of the impact of LSCA bookmobile demonstration projects on Indiana library development.

Since 1961, 355,276 Hoosiers have been introduced to library service by eighteen (18) LSCA-funded bookmobile demonstration projects. These eighteen bookmobile projects have affected twenty-six (26) of the ninety-two (92) Indiana counties.

Of the eighteen bookmobile demonstration projects, *thirteen* (13) of them succeeded when county officials approved local tax support for them and they were taken over on full local funding. Since seven of these were multi-county projects, this resulted in *seventeen* (17) county library districts being formed. In addition, seven (7) branch libraries have been established. Attached is a list of the counties in Indiana which have participated in LSCA-funded bookmobile projects. Counties in your district which have been affected by bookmobile projects are underlined.

The seventeen county library districts formed now serve a total of 316,440 people. This number represents *69.15%* of the total *increase* in the number of people (457,615) receiving library service since 1961.

LSCA funding of bookmobile demonstration projects in Indiana since 1961 has totaled $2,109,185. This is an average annual expenditure of $191,744 of LSCA funds for bookmobile projects. Compared to this average annual federal expenditure of funds is $749,741 of local tax funds appropriated during 1972 for support of the county library districts established with LSCA funds.

LSCA BOOKMOBILE PROJECTS IN INDIANA

| County | Timespan of project | Amount of LSCA grant | Population formerly unserved | Did project succeed? | Current population (1972) | Local receipts (1972) | Number of branches established |
|---|---|---|---|---|---|---|---|
| Franklin | 1962 to 1964 | $63,386 | 12,260 | No | | | |
| Newton | 1962 to 1965 | 102,823 | 4,682 | Yes | 4,591 | $17,220 | 1 |
| Jasper | | | 10,177 | Yes | 13,976 | 33,802 | 1 |
| Starke | 1962 to 1964 | 86,893 | 5,674 | Yes | 13,824 | 43,221 | 2 |
| Marshall | | | 7,804 | No | | | |
| Sullivan | 1962 to 1965 | 88,880 | 7,863 | Yes | 12,075 | 71,815 | 1 |
| Knox | | | 17,059 | Yes | 15,639 | 25,625 | |
| Perry | 1962 to 1965 | 46,607 | 8,794 | Yes | 8,862 | 10,617 | |
| Spencer | | | 10,333 | Yes | 13,034 | 12,992 | |
| Delaware | 1963 to 1964 | 77,798 | 28,712 | No | | | |
| Jackson | 1964 to 1966 | 41,527 | 6,696 | Yes | 13,914 | 45,706 | |
| Dubois | 1964 to 1967 | 109,690 | 12,352 | Yes | 16,080 | 32,635 | 1 |
| Pike | | | 9,858 | Yes | 9,584 | 20,408 | |
| Porter | 1965 to 1967 | 80,670 | 27,650 | Yes | 50,727 | 180,084 | 1 |
| Johnson | 1965 to 1968 | $167,305 | 18,065 | Yes | 33,797 | $53,206 | |
| Daviess | 1966 to 1969 | 140,616 | 8,460 | No | | | |
| Martin | | | 1,398 | No | | | |
| Green | | | 10,368 | No | | | |
| Shelby | 1967 to 1971 | 110,135 | 22,703 | Yes | 22,703 | 33,991 | |
| Miami | 1968 to 1970 | 124,034 | 18,659 | No | | | |
| Morgan | 1968 to 1972 | 195,668 | 25,849 | Yes | 25,849 | 53,672 | |
| Warrick | 1968 to 1971 | 70,116 | 6,191 | Yes | 6,191 | 18,054 | |
| Wayne | 1968 to 1972 | 164,035 | 10,328 | Yes | 10,328 | 33,585 | |
| Wabash | 1968 to 1972 | 162,489 | 12,543 | No | | | |
| Tippecanoe | 1968 to 1972 | 276,513 | 45,266 | Yes | 45,266 | 63,108 | |
| Montgomery | | | 5,532 | No | | | |
| Total | | 2,109,185 | 355,276 | | 316,440 | 749,741 | 7 |

IV.—ANALYSIS OF BUDGET, DIVISION FOR THE PHYSICALLY HANDICAPPED INDIANA STATE LIBRARY

| Fiscal year | Total budget | State funds | | LSCA funds | | Distribution LSCA funds | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | | State library | | Subregionals | |
| | | Amount | Percent of budget | Amount | Percent of budget | Amount | Percent | Amount | Percent |
| 1968 | $49,255 | $20,820 | 42.3 | $28,435 | 57.7 | $4,685 | 16.5 | $23,750 | 83.5 |
| 1969 | 47,076 | 22,737 | 48.3 | 24,339 | 51.7 | 9,345 | 38.4 | 14,994 | 61.6 |
| 1970 | 58,444 | 24,246 | 41.4 | 34,198 | 58.6 | 9,785 | 28.6 | 24,413 | 71.4 |
| 1971 | 82,761 | 24,174 | 29.2 | 58,587 | 70.8 | 10,553 | 18.0 | 48,034 | 82.0 |
| 1972 | 104,825 | 27,085 | 25.8 | 77,740 | 74.2 | 14,300 | 18.4 | 63,440 | 81.6 |
| 1973 | 94,037 | 23,407 | 24.9 | 70,630 | 75.1 | 13,870 | 19.6 | 56,760 | 80.4 |

## REMEMBERS MIA'S

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## HON. WILLIAM S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Monday, June 4, 1973*

Mr. BROOMFIELD. Mr. Speaker, yesterday, June 3, the people of Michigan observed "Remember Our Missing in Action Day" by planting a freedom tree on the grounds of the State capitol. The tree was dedicated in honor of our returned prisoners of war and the 51 Michigan servicemen who are still missing in action and unaccounted for.

I rise to commend the people of Michigan, Governor Milliken, and the Prisoner of War Committee of Michigan for their determination and resolve to remember the more than 1,300 American servicemen who are missing in Southeast Asia. Clearly, until there is a full accounting of the whereabouts of these men, there will never be a complete peace. This is especially true for the thousands of relatives and loved ones of these men. For them, the war continues as a very real and personal tragedy.

The doubts, the uncertainties, the unanswered questions are crosses that must be borne by us all.

Mr. Speaker, we always will be grateful to those who served in Vietnam, to those who endured the hardships of captivity and especially to those who gave their lives in service to our Nation. Fortunately, thanks to the efforts of the people of Michigan and other concerned Americans our missing in action will not be forgotten.

I would like to express my respect and admiration to all those who participated in Michigan's freedom tree planting ceremony. I hope that Congress will follow the example of Michigan and other States who have seen fit to remember our MIA's by setting aside a national day of honor on their behalf.

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## CRIME IN NEW YORK

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## HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, June 4, 1973*

Mr. RANGEL. Mr. Speaker, the New York Post, one of the three major newspapers in New York City, has just concluded a series of articles concerning the state of the city. Some of the areas dealt with were housing, welfare, drugs, traffic, parks, and energy. Another particularly important subject covered was crime.

Under the leadership of Patrick V. Murphy, important inroads have been made in reducing crime and police corruption in our city. I applaud Mr. Murphy for doing an extraordinary job in an extraordinarily difficult position. I also wish the new commissioner, Donald F. Cawley, much success in the days ahead.

Further, I commend the New York Post for its continued service to our community, particularly in this, an election year.

The text of the Post article on crime is now submitted for the interest of this body:

### THE STATE OF THE CITY—CRIME: BEYOND THE FIGURES

(By Carl J. Pelleck)

(What kind of problems will the next City Hall administration inherit? What progress has New York made in the last 12 months in the major areas of city life—jobs, crime, housing, education and the rest? A task force of Post reporters has compiled the answers and presents its findings, in Q. and A. form.)

ARTICLE III

Q. How serious is New York City's crime problem?

A. The answer gets complicated. First, crime statistics must be measured against the city's situation in previous years. Second, they must be weighed against the figures for other cities. And third, they must be considered along with the more intangible emotional and psychological aspects which make up the quality of life in the city: how much do people *fear* crime, and how much does that fear affect the way we live?

As for the figures, they indicate some crime decline in the last year, and while our record is not the best in the nation, it's far from the worst. But the streets are still far from totally safe after dark.

Q. How much difference can a good police force make?

A. The city is not overstaffed with police. In fact, the force is 2000 below its authorized strength. But there has been a determined effort by former Commissioner Murphy and his successor, Donald F. Cawley (Murphy's Chief of Patrol), to give the 29,000-man force a new image and new purpose. Two years ago, corruption was rampant. Much has been rooted out, although no one would seriously claim, entirely. But an honest, efficient and high-morale Police Dept. could conceivably go a long way toward ridding the city of most crime.

Q. How does New York compare with other big cities on crime?

A. Last year we were ninth among U. S. cities in per capita crime. Our worst rating is in robberies. We were fourth among the 25 most populous cities (based on number of crimes per 100,000 persons), below only Detroit, Baltimore and Washington for the most robberies committed. According to the same figures, derived from answers to FBI questionnaires on the seven major crimes, robberies declined by 30 per cent in Washington, 12 per cent here, last year.

Q. How reliable are crime statistics?

A. They're useful as a barometer, but wariness is recommended. For instance, if in 1973, a police department reports 10,000 fewer robberies than the previous year, does this mean that crime declines or, for whatever reason, the police made fewer arrests? And if the number of convictions similarly declines, does this mean that the courts are soft on criminals, the DAs prosecuted poorly, or that the police arrested innocent people whose cases were dismissed?

Q. Have muggings declined in number?

A. There is no separate category for muggings. There isn't really even a precise definition of a mugging or exact distinction between a holdup in which the victim is grabbed and one in which he's knocked to the ground. In any case, Murphy was of the opinion that muggings belong in the robbery statistics. Despite the imprecision, some experts believe muggings—holdups accompanied by some violence—have declined.

Q. What crime showed the greatest increase in New York?

A. Undoubtedly, rape. The incidence of rape rose by 11 percent nationally, but by 35.4 percent here. Washington had the worst record, New York was eighth among the top 10 cit.es. It is not entirely clear whether there has been a sudden, alarming jump in rape cases or whether the militancy of Women's Liberation groups has led both to more cases reported by previously reticent women and more accurate police record-keeping.

Q. What are the top police brass doing to cope with crime and do the police feel responsible for the failure?

A. The top police brass is certainly realistic. "We are encouraged by these statistics," Murphy said recently in announcing the 1972 crime figures, "but the fact remains that there is too much crime in New York City. Too many people are suffering loss of life, serious injury and loss of property . . ."

Q. Why do the police feel they lack public support?

A. Probably because, in many ways, they do. The people in the ghettos are often anti-police because they continue to see narcotics sold openly, gambling ignored and crime more rampant than anywhere else.

Q. But how about the rest of the city?

A. There, too, sympathy and support for the cops have drastically eroded. People remember that the police, supposed to represent law and order, went on strike in 1971 for wage parity. Murphy thinks that strike was the most serious mistake the cops ever made here.

The Knapp Commission's televised revelations of police corruption and the disappearance of millions of dollars worth of heroin from Police Dept. custody have left the cops with little to hold their heads high about. Still, many cops feel that they are unfairly maligned, that many are blamed for the faults of a few. Some, of course, think it's all a plot by cop-haters.

Q. What is being done to improve police efficiency

A. Police Commissioner Cawley and Murphy before him are both insistent upon cops being dedicated and productive, earning their pay. And Cawley is a spit-and-polish administrator who wants cops' jackets buttoned, hair neat and short, shoes shined. There is great emphasis on internal affairs units throughout the force, working constantly to eliminate corruption. Top officers feel that the cops are getting the message, that corruption is on the decline, that many no longer are willing to ignore wrongdoing by their fellows.

A general overhaul of the organizational structure of the department is under way. A new emphasis on specializaion, professionalism and accountability is being sought.

Q. What is being gained by the changes?

A. For example, the Neighborhood Police Team concept has been found more effective than the solo cop who is a "generalist." A cop working in his own neighborhood really begins to care and the people of the neighborhood begin to care about the cop. Recently detectives were assigned directly to teams to improve their operations.

Anti-crime teams were tried and they apparently worked well. Cops with long hair, dressed in mufti, roam the city's streets day and night, in search of crime.

Murphy credits the teams with the better part of the overall 18 per cent drop in major crimes here last year. The concept is being expanded.

Q. In that case, why aren't policemen satisfied with their accomplishments?

A. They get discouraged by the revolving door nature of their job and complain that the criminal they arrest is frequently back on the street before the cop gets back to his precinct. Too lenient courts, plea bargaining, jails which fail to rehabiliate, all feed the cop's sense of futility.

Q. Why is it that 25 years ago, when there were half as many cops, it seemed there was always one on the street where you could find him?

A. The cop of that era worked a 48-hour week with few days off. Occasionally, for a good arrest, he would get a day off for the extra time he spent in court. Today the cop is highly unionized, with a unique contract offering many advantages not usual in private industry. Cops get liberal vacations, sick leave and days off for time spent in court or for other special duty. They have a 40-hour work week now.

The cop today is much more mobile and doesn't necessarily have to pound his beat to cover his territory. Much of his beat is now in high-rise apartment and office buildings which take him off the street.

Q. So, are the cops doing an adequate job here?

A. That depends on whom you ask. There are people who call for help and get the cops in minutes and then there are those who die an hour after they call for help and nobody shows up.

The system is overtaxed. There is more work than the police can handle and despite City Hall's bragging about the Sprint communication system, it is, too often, barely adequate.

Cops tell how they get to a call location within minutes of receiving instructions from headquarters only to be berated by a citizen because he called for help more than 30 minutes earlier. Obviously the problem is at headquarters, where they had to wait for an available unit.

Some police experts criticize the use of trainees to process public calls because they are slow to grasp true emergencies. Also, too often when there is no car available in one precinct, a car from a neighboring precinct is not called. The system needs much improvement.

Q. How important is public participation in the fight against crime?

A. The police have instituted blockwatcher programs and have been trying to get more people into the auxiliary police. Both programs don't necessarily mean that citizens will have to capture criminals, but they do help by having people on the lookout for something wrong. Putting people on the streets so they aren't always deserted helps, too.

Recently City Hall announced funds would be made available for capital improvements to individual blocks based on matching funds put up by the people on the block. The funds may be used for improved street lighting and for public security systems.

It isn't the solution for ending crime but it does help by making life for the criminals more difficult.

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## FBI STATISTICS—A DETECTIVE STORY

## HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

*Monday, June 4, 1973*

Mr. HUNGATE. Mr. Speaker, an article in the May 1973 American Bar Association Journal throws an interesting light on the problem of the courts and crime:

### FBI STATISTICS—A DETECTIVE STORY

(By Hans Zeisel [1])

(The FBI for years has blamed a "lenient" judiciary for part of the increase in crime, and it even had its own convenient statistics to prove it. The "Careers in Crime" section of the annual crime reports showed that as many as 92 per cent of persons "acquitted or dismissed" through the federal judicial system were rearrested. But now the statistics have been shown to be a giant yet persistently maintained hoax.)

For many years, until the investigations that led to this article began, a section entitled "Careers in Crime" appeared in the uniform crime reports published annually by the Federal Bureau of Investigation. The section always culminated in an intriguing graph, of which the following, from the 1969 uniform crime reports is an example.

(Note.—Not shown in this reprint.)

The numbers on top of each bar grew slightly from year to year because, as more time elapsed since the year of release, more of these people would be arrested. But the over-all shape of the graph remained remarkably stable. One bar stuck out especially in this remarkable piece of FBI statistics, like a sore thumb, reminding everybody that measured by the number of crimes committed since their release, the "acquitted or dismissed" persons were the worst group of criminals allowed to go free. This prize statistic now turns out to have been a hoax.

It all began with the thoroughly laudable idea that it would be interesting to learn more about the aftermath of federal law enforcement, so as to gain a better insight into its long-range effectiveness. Accordingly, the FBI decided to follow up the criminal aftermath of all persons released to the community in a certain year. The year was 1963.

The federal system releases persons to the community either from its prisons or its courts. A prisoner is released mandatorily after having served his sentence or through parole before his time is up. A defendant in the courts is released unless convicted and sentenced to prison. He will be released in spite of being found guilty if he is but sentenced to a fine or if he is given probation or a suspended sentence. Finally, the courts release defendants whose cases are dismissed or who are acquitted after trial. The follow-up study of the FBI counted the proportion of persons who in the interval between the release year and the reporting year had been rearrested for a new crime.

#### FBI HAS DOUBLE ROLE

The terminology in this study reflected the peculiar double role of the F.B.I. as custodian of crime statistics and as principal law enforcement agency. The report called all persons released from the system "offenders" even if their cases had been dismissed by the court or if they had been acquitted, and it called everybody rearrested a "repeater," although he may not have been convicted of a crime even once.

But since the arrest yardstick, whatever its obvious shortcomings, was applied to all released persons without distinction, arguably it could serve as a crude index for comparing the actual criminality of those coming from the various release channels. Thus the interesting point of this release statistic, and the one always prominently mentioned in the accompanying F.B.I. text, was the peak rearrest rate among those the courts let go free. This result served to buttress the perennial F.B.I. complaint over the softness of the courts. As far back as 1966, the uniform crime report summarily labelled as "Leniency" (page 32) all dispositions involving probation, suspended sentence, parole, or conditional release. And in what must have been J. Edgar Hoover's last congressional testimony in April of 1972, he returned to the theme: "I think the leniency some courts have shown is responsible for some of our difficulties." And there it was, the 92 per cent rearrest rate of those the system let go free, powerfully supporting the F.B.I.'s contention. But the figure was not exactly easy to explain, and altogether perhaps a bit too powerful.

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[1] Hans Zeisel is a professor of law and sociology at the University of Chicago and the author of a statistics textbook.

The first man to suspect it was an Australian scholar, Paul Ward, senior lecturer in criminal statistics at the University of Sydney. He was struck by the fact that the slight annual additions to the group under study were overwhelmingly persons who had been rearrested in the meantime. In a paper he called "Careers in Crime: The F.B.I. Story," published in 1970 in the *Journal of Research in Crime and Delinquency*, Professor Ward ventured the suspicion that the F.B.I. hiked the rearrest rates in the control group by adding only people who had been rearrested and disregarding those who had not been rearrested. When the F.B.I. denied this, Mr. Ward admitted error but added that doubts continued to exist in his mind. I came across the data and the controversy in the course of my work for the President's Commission on Federal Statistics, which had asked me to study the statistical problems of crime and law enforcement. At that time I could only pay passing attention to this piece of F.B.I. statistics and remarked in my section of the commission's report, ""The Future of Law Enforcement Statistics," "An interesting result if true. . . . But since it is a highly self-serving statistic from the F.B.I.'s point of view, on a controversial point, its presentation and analysis merit somewhat more care."

### ANOTHER MINOR INCONSISTENCY

Later on, I found time to look more closely, and it was first another minor inconsistency in the year-to-year growth that caught my eye. There was also a second, if less tangible, ground for my search. I have long learned to be wary of near-perfect scores in the realm of human conduct, where the unending multiplicity of causes tends toward imperfection. Any 92 per cent figure, so close to the 100 per cent perfection level, merits suspicion.

TABLE 1

| Release channel | FBI data base | Count by the Administrative Office of the U.S. Courts | FBI base as percent of actual count |
|---|---|---|---|
| From the courts: | | | |
| Fine only | 1,790 | 2,797 | 64 |
| Probation, including fine and probation | 8,393 | 12,082 | 70 |
| Dismissed and acquitted | 1,190 | 4,974 | 24 |
| From the prisons: | | | |
| Mandatory release | 3,145 | 3,441 | 91 |
| Parole | 4,049 | 5,289 | 77 |
| Total released | 18,567 | 28,583 | 65 |

Note: The FBI data base is from the uniform crime reports for 1969, the year the base reached its maximum. The count by the Administrative Office is the mean of figures for fiscal years 1963 and 1964.

It occurred to me that another branch of the federal government, the Administrative Office of the United States Courts, should have an accurate count of the released persons who formed the basis of the F.B.I. statistics. And so it had, and when the number of persons released in 1963 from the federal system was compared with the F.B.I. data base, a curious picture, shown in Table 1, emerged.

For the first time, it became apparent that the F.B.I. base did not include all persons released in 1963. The F.B.I. had collected data for only a fraction of all persons released by each channel. For those mandatorily released from prison after having served their sentence, the fraction was large—91 per cent. But for the crucial group whose cases had ended in dismissal or acquittal, the fraction was very small: the F.B.I. had lost 76 per cent of all cases in this group.

Yet in all these years of publishing the uniform crime reports, the F.B.I. never as much as hinted at the existence of a potential sampling problem that could distort the results of these statistics.

### FBI DOCUMENTS FAULTY DATA BASE

When confronted with the discrepancy, the F.B.I. at first was not responsive, but later it not only admitted but also documented that its data base indeed was faulty. The documentation came in a table that revealed the F.B.I. base as a severely biased sample. It contained too many persons in the crime groups for which rearrest rates were high, and too few of those for which the rearrest rates were low. For instance, of the three crimes with the high rearrest rate of 81 per cent, the F.B.I. group had almost three times the proportion of cases it ought to have had; and of the three crimes with the low rearrest rate of 47 per cent, it had only one fourteenth of the amount it should have had, as shown by Table 2.

TABLE 2

[In percent]

| Originally charged with | Average arrest rate for persons dismissed or acquitted on these charges | Share of these crimes | |
|---|---|---|---|
| | | Among all acquitted and dismissed | In the FBI group |
| Auto theft, burglary, assault | 81 | 10.6 | 27.6 |
| Fraud, liquor law violations, embezzlement | 47 | 27.6 | 1.0 |

Correcting for this error alone would have brought down the rearrest rate for those "dismissed or acquitted" from 92 per cent to 78 per cent. But it is by no means certain that this was the only error the F.B.I. committed. As a matter of fact, it is most unlikely that this accidentally documented anomaly was the only error. Once it is established that the cases used by the F.B.I. were but a small fraction of the total "dismissed or acquitted" group, and once it is established that this fraction is anything but a probability sample of the total group, the credibility of all statistics based on this fraction is destroyed.

This discovery raised the other urgent and last question. What was the cause of this elementary sampling error committed by the F.B.I.? The search led to a cause so gross and so simple that there could be no possible excuse for committing the error in the first place, and even less for not correcting it throughout these many years of misuse. It turned out that the F.B.I.'s data were not based on all persons "dismissed or acquitted" or on a representative sample of these persons. Rather the F.B.I. had concentrated primarily on its own cases, that is, on the cases its agents had brought into the system and about which they wanted to learn whether they had "won" them or "lost." The cases that came into the system through other agencies—the Bureau of Narcotics, the Secret Service, the Treasury, the Postal Inspector, the Customs Office, and the United States attorneys' offices—received less or no attention. Not to disclose this fact and deal with its consequences, probably not even to be aware of it, is unpardonable.

On August 29, 1972, the F.B.I. released the uniform crime reports for 1971. As usual it contained the "Careers in Crime" section, albeit on a changed but again doubtful data basis. All the traditional statistics are there, all, that is, but one: the graph and table comparing rearrest rates by channel of release are missing.

Yet the story of the F.B.I.'s wagging finger is but a paradigm. With all, that 92 per cent figure has probably done little harm in the real world. Yet, the persistent failure of the F.B.I. to investigate its statistical prize, in spite of many warnings, rounds out the picture. F.B.I. statistics emerge by no means as villain, merely as an operation with low professional standards, lacking sensitivity or even curiosity, especially when it comes to figures that please. In the last analysis, it is the unnatural administrative combination of police work and statistics that is to blame.

The accurate measure of crime is becoming an ever more important indicator of the country's social health or sickness. It is high time that this difficult and important task be removed from the hands of an organization with vested interests in the results of the statistics it gathers and be entrusted to a group of specialists whose career interests are in objectivity and accuracy. The creation of a Bureau of Criminal Statistics within the Department of Justice would help to accomplish this. The removal of this responsibility from the F.B.I. should in no way hamper its law enforcement activities. On the contrary, all its energies could then be devoted to what has always been its primary and would then become its sole task.

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## THE DANGER OF A NEW McCARTHY ERA

## HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

*Monday, June 4, 1973*

Mr. RHODES. Mr. Speaker, what is most important with regard to any issue is to achieve and maintain realistic perspective. This is especially true in light of Watergate. With an issue as complex as this, it is easy to be overwhelmed by the charges and countercharges. We need to scrupulously follow the procedure which will lead to full discosure of the facts, so that we can move on to many of the important issues facing our country. Above all, we must be able to view Watergate as it truly is: a series of illegal acts by a number of individuals which will be remedied by law.

One way to maintain useful perspective is through a consideration of international comment. I recently came across an editorial in the London Daily Mail on May 11, 1973, which provides, I believe, an indication of what some of our neighbors across the sea think of Watergate. Mr. Speaker, I respectfully request that this editorial be placed in the RECORD.

### THE DANGER OF A NEW MCCARTHY ERA

When the Americans start mudslinging, they really let fly. They have given their own grim name to the wholehearted enthusiasm with which they pursue a cause, whatever damage it does. They call it 'overkill.'

The U.S. newspapers have scored a great triumph in exposing the Watergate scandal. But they don't know when to stop. Now they are printing everything—rumours and innuendoes, secret evidence, unproven allegations, old scandals reheated, wild irrelevancies . . . anything that could damage their President.

They have old scores to settle with Mr. Nixon. There is something almost gloating about the way they are now taking their chances, regarding of the consequences for their country.

The American public and their Senators and Congressmen are much less enthusiastic. They find sinister echoes of the McCarthy witch-hunts in this orgy of allegation.

As always, a witch-hunt demands a nonstop supply of witches. And if there aren't enough, they have to be invented. The innocent are dragged to the stake along with the guilty.

The newspapers themselyves are not exactly beyond reproach. The New York Times didn't mind Mr. Ellsberg stealing the Pentagon Papers, but is outraged by the alleged theft of the Ellsberg Papers.

Very few Americans want the office of the Presidency to be damaged. Even thoughtful Democrats do not want Mr. Nixon to be rendered powerless for the rest of his term, let alone impeached.

For this would strike at the stability of the whole system of American government and its enormous impact on world affairs.

Certainly, American political life needs to be thoroughly cleaned up.

But the Presidency of the United States is too important to be destroyed by a personal witch-hunt.

## PHILLIP'S LAST STAND AGAINST LEGAL SERVICES

### HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

*Monday, June 4, 1973*

Mrs. SCHROEDER. Mr. Speaker, although thwarted in his attempts to completely dismantle the legal services program, Office of Economic Opportunity Acting Director Howard Phillips is still doing his best to see that the existing program is well crippled before its hopeful transition into an independent Legal Services Corporation at the end of next month. On May 25 and again on May 30 Mr. Phillips proposed major new regulations to become effective on June 25 and June 29, respectively. Mr. Phillip's tenure as Acting Director ends on June 30.

The first of these proposals, printed in Volume 38, No. 101 of the Federal Register at page 13745, would do away with the established goals of the program which were officially promulgated in 1968 and have been in effect since that time. These current program objectives are service to individual clients, law reform, group representation, community education, and economic development. Mr. Phillips would make a last-minute recission of these goals of comprehensive legal services for the poor. His new policy as set forth in the proposed regulations sounds commendable and is in fact the primary goal of the current legal services program: Service to individual clients. However, by doing away with the related and necessary goals of law reform, group representation, community education and economic development, the new regulations would take away from the program the invaluable resources provided by the backup centers and law reform units and the tools of class action and test litigation. By seeming coincidence, the law reform and group representation aspects of the current program are those that helped give it its effectiveness and most often brought it into conflict with local politicians and other vested interests.

Mr. Phillip's second regulation, found on pages 14170–14172 of volume 38, No. 103 of the Federal Register, would further restrict group representation activities, hamper staff attorneys by requiring the maintenance of an overly detailed log of morning, afternoon, and evening activities, and make it impossible for local programs to attract top graduating law students or experienced attorneys from other States by requiring that all staff attorneys be admitted to practice in the State in which they are employed. Although it is certainly the goal and practice of most of the current programs to have their staff attorneys become members of the State bar, exceptions must be made for persons in special programs and those who are involved in the sometimes lengthy procedure of admittance to a State bar. The administration's legal services bill as originally introduced contained a similar provision, but opposition from members of both parties led to its deletion in committee.

It would seem that instead of allowing the Congress to give careful consideration to the establishment of a viable independent Legal Services Corporation, Mr. Phillips is trying to restructure the program by fiat, hoping that his last-minute changes will bind the future corporation. Although the legislation creating the new corporation will repeal the old OEO legislation and empower the corporation to set its own rules and regulations, there is a danger that Mr. Phillips' latest actions will cast a shadow on future policies.

## FOOD A BARGAIN

### HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Monday, June 4, 1973*

Mr. ZWACH. Mr. Speaker, today, I would like to insert into the RECORD another editorial opinion from our Minnesota Sixth Congressional District on food prices.

In his editorial, Dave Gallagher, editorial writer for the Montevideo American News aptly says:

> Food is still a bargain in our country. In many ways, in light of the facts, it is difficult to understand why people have become so enraged with food prices only, for there are many other areas where prices have gone up proportionally higher than food.

I most sincerely commend the reading of this editorial to my colleagues:

FOOD A BARGAIN

Whether you have thrown yourself heart and soul into the meat boycott or not, food is still a bargain in our country. In many ways, in light of the facts, it is difficult to understand why people have become so enraged with food prices only. For there are many other areas where prices have gone up proportionately higher than food.

An hour's work in 1971 bought almost twice the amount of goods, speaking now of food only, as it did in 1939 and a significantly high percentage of food than one could have purchased with an hour's wages in 1959.

While the amount of goods we can purchase has gone up, the amount of money Americans spend on food had steadily decreased. In 1930, Americans spent roughly 24 per cent of their income. In 1972, they spent only 16 per cent.

The American farmer's record of efficiency is also a marvel. In 1950, one farmer produced enough food to feed 20 people. In 1960, his efficiency had increased to the point that one farmer fed 27 people. In 1972, one farmer produced enough food to feed a miraculous 52 folks.

While all of this has taken place, the price the farmer has received for his product has diminished. In 1950, a farmer could sell a bushel of wheat for roughly $2. In 1971, he received $1.31 for that same bushel of wheat.

Corn sold for $1.52 a bushel in 1950 and in 1971 the farmer received only $1.08. Hogs have dropped 50 cents per hundredweight between 1950–1971 and yet no one would pretend to suppose his costs have decreased proportionately. Only the price of beef has risen, from $29.35 per cwt. in 1950 to $33.12 per cwt. in 1971.

The facts, then, appear to speak for themselves. An hour's labor buys more food than it ever has before and yet Americans are spending less and less on food. That, in spite of the fact that we are the best fed peoples in the world.

The meat boycott had a purpose. More meatless days have been proposed. But in many areas, the price of beef has not dropped significantly. Perhaps should other boycotts be attempted, and should those boycotts bring more participants, a drop in prices could occur.

But why don't Americans protest other price increases as vigorously? The price of almost everything we buy has risen drastically over the past few years. Some items have doubled, even tripled in price and yet we do not protest such increases.

To protest the price of beef and to suppose that the American farmer is reaping huge profits is to grossly misconstrue the facts. The American farmer, the large feedlot owner is not getting any fatter selling beef than the grain farmers got when the United States swung a big grain deal with Russia.

It was not the farmer who reaped huge profits from those transactions, because most of them had already sold their grain at substantially lower prices. Big business reaped the profits, as it is now; that is what we should be protesting.

And not just with regard to food, but with regard to every aspect of our economic lives; whether it be when purchasing a pound of hamburger at the supermarket or closing tax loopholes for the super-rich. Unless we get ourselves out of the economic doldrums and plant our feet firmly on the ground, such boycotts and protests will become a way of life with us.

It should not be so.—Dave Gallagher.

## THANKS TO THE COMMITTEE FOR ITS FINE JOB

### HON. GOODLOE E. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Monday, June 4, 1973*

Mr. BYRON. Mr. Speaker, I want to take this opportunity to recognize the innovative pilot study recently completed by the Joint Committee on Congressional Operations. The daily summary of House proceedings and debate has been most useful to my staff as a supplementary tool in reviewing the day's floor activities. I know many Members join me in extending thanks to the committee for its fine job and I, for one, hope that the final evaluation will deem the project feasible for future use.

## THE WELFARE MESS

## HON. HAROLD V. FROEHLICH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

*Monday, June 4, 1973*

Mr. FROEHLICH. Mr. Speaker, Congress must act positively to revise and tighten our present welfare laws. There is no doubt that there are many needy and deserving individuals and families now receiving aid, but, at the same time, there is an overabundance of abuse and misuse of welfare funds.

I call to the attention of my colleagues the following article which appeared in the Appleton Post-Crescent. This article provides another example of the injustices which will continue to occur unless Congress takes corrective action and takes it soon.

The article follows:

### MENASHA MAN ORDERED TO MAKE BACK PAYMENTS

A 30-year-old unemployed Menasha man was ordered last week to start making $30 per week child support payments or face a jail term, despite the man's contention that his ex-wife and her new husband started receiving Aid to Dependent Children benefits shortly after they moved into a $36,000 house on Appleton's east side.

Clifford G. Engel, 919 Meadowview Drive, appeared before Judge Urban P. Van Susteren in Outagamie County Court Branch 1, where the defendant was accused of being $550 in arrears.

Engel, who admitted being in arrears because he receives only $90 per week for unemployment compensation and is going to school while supporting a wife and two children, was directed to make the payments for the support of two daughters, ages 5 and 7, from a previous marriage to Barbara H. Beyer, 28, 1024 N. Bay Ridge Road.

Non-payment of the support money, which goes to the county welfare department to help offset the ADC payments to Mrs. Beyer, would result in Engel's being jailed for contempt of court.

Mrs. Beyer told Van Susteren that she and her husband Douglas receive $233 per month in ADC benefits under the Step Parent Assistance program, since Meyer has not adopted the two children. She applied for those benefits 13 days after the couple purchased the $36,000 home in the Colony Oaks section on March 23. They previously had lived in an $18,000 home on the city's south side.

Mrs. Beyer told the judge that the mortgage payments on the new house amount to $230 per month, leading Van Susteren to comment that the government is, in effect paying for the couple's new home.

The Beyers' county social worker refused to discuss their application for assistance, stressing the confidentiality of the matter. But she did indicate that from the information she received, the couple's application was in order and their receipt of the $233 per month from ADC perfectly legal.

Because Beyer is not the legal father of the two girls, the application for ADC could not take into account his $9,000 per year earnings, but only his wife's income. She is unemployed.

Family Court Commissioner James R. Long said the Beyers' financial position should in no way affect the case against Engel, since the hearing was an order to show cause against Engel for non-payment of the support money.

Long maintained that Engel, who earned nearly $14,000 per year as a drug store manager, could get a job if he wanted. Engel told the court he is studying for a real estate broker's license.

Mrs. Beyer was granted a divorce from Engel by Van Susteren on July 5, 1971, on grounds of cruel and inhuman treatment. At that time, Engel was ordered to pay $100 per month in support payments. Those payments were later increased to $160 and subsequently cut to $130.

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## MILESTONE, 1,000

## HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, June 4, 1973*

Mr. WOLFF. Mr. Speaker, it is with great pride that I rise today to bring to the attention of my colleagues a truly wonderful accomplishment by the Queens-Village-Hollis-Bellerose Volunteer Ambulance Corps. Last month, the corps answered its 1,000th call. The volunteer corps has become a major unit in part of my congressional district. Its ability to save lives and assist injured citizens has been proven over and over, and in marking this occasion we express our thanks to the dedicated citzens who have made the corps what it is. In the near future, we will all again join in honoring the corps when it dedicates its new, permanent headquarters. At this point, I insert in the RECORD an article on the thousandth call which appeared recently in the Queens County Times.

The article follows:

### MILESTONE, 1,000

They say the first 1-thousand are always the hardest. Not so, in the case of the QV-H-B Corps.

It was Sunday, May 6th, and 6 pm when the 6–12 midnight crew came on to relieve the 2–6 crew. They were informed that the next call would be No. 999. At 6:50 pm that call came via the emergency 464–2424, a young woman had suffered an internal neck injury.

Having completed that run by 7:10 pm, the stage was set for call One Thousand.

But when and what crew would get the honor of handling that milestone? Seven-thirty. Eight, eight-thirty, and then nine o'clock had pased. Attendant Peter Kane was asked if the crew was getting restless. Who, us, he replied. We were too busy eating sandwiches and watching television. Then, at 9:31 the phone rang . . . the crew looked at one another as if to say "is this it?" As dispatcher Mary Rasulis copied down the information, it was obvious, this was it.

Driver John Davis started up the ambulance while attendants Pete Kane, Al Rasulis waited for the fourth member, Nancy Romanowski to climb aboard with the address and patient need, they rolled off on the 1000th call since inauguration of service last August 25th.

Within minutes the crew was at the scene in Hollis where a 2-year-old, Christopher Dreher, who had fallen and received laceration of the face was bundled off to Long Island Jewish-Hillside Medical Center emergency room for attention.

Other Corps members had heard the siren off in the distance and by ten-thirty, the headquarter's phone was ringing with congratulations with vice-presidents John Mitchell and Ed Tureck among the first to call.

Two patrolmen from the 105th Police Precinct stopped in and hung a congratulations card on the bulletin board. Pictures were being taken when President Herb Lippold came in to offer a "well done" to crew members. PS—The crew never got to see the end of the movie they were watching.

Congratulations to all who have played a part in these 1000 volunteer efforts to aid a fellow human in a time of distress.

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## TIME TO STAY HOME

## HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, June 4, 1973*

Mr. GAYDOS. Mr. Speaker, news dispatches from abroad tell of hotel proprietors, restaurant owners, tour operators, and merchants generally writing up their price tickets at a merry rate for the expected hordes of American tourists this coming summer.

CBS recently aired a report from Rome to the effect that hotel and tour rates there have been boosted 6 percent and more over what prevailed a year ago. Other Italian prices are up by the same proportions.

Scripps Howard, in a story from Paris, warned Americans the other day to skip the principal cities of Belgium, Denmark, France, West Germany, Switzerland, and Japan. It said a new United Nations cost-of-living schedule shows these places at the top of the price scale—bad news indeed for the tourist seeking to stretch his funds.

In some countries, we are informed, price hiking is not the result alone of the devaluations of the U.S. dollar. New value added taxes have been slapped on for the vacationers, too, thus adding to the game of gouging. And what can be done about it?

The answer, of course, is easy enough. Americans can stay at home and spend their vacation money in seeing the sights and participating in the recreation facilities of their own country. By doing so they can avoid worsening the balance-of-payments deficit and instead use their dollars to accelerate the domestic economy.

It need not be said again that this country has much more to see and to enjoy than vacation lands overseas. Every section of America has special attractions. I think of my State of Pennsylvania with Philadelphia and the halls there in which our Nation was born, the Poconos, the Laurel Mountains, the Lake Erie resorts and all the other interesting places which are too many in number to list here.

Why then, in view of all we have in this country, should Americans by the scores of thousands go trooping off to faraway points this summer to be taken by the price boosters—those abroad who so delight in grabbing every dollar they can from the trusting tourist? It behooves our people to do their sightseeing and their vacation playing here. All kinds of American tours are available at every travel agent's office. It is to the American's advantage, both as a vacationer and as a concerned citizen, to take them.

## THE BLACK MIDDLE-CLASS "MAJORITY": IS IT ENOUGH?

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### HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, June 4, 1973*

Mr. RANGEL. Mr. Speaker, the Joint Center for Political Studies, sponsored by Howard University and the Metropolitan Applied Research Center, is a private, nonprofit organization that provides research, education, technical assistance, and information for the Nation's minority elected officials on a nonpartisan basis. Under the leadership of Mr. Eddie N. Williams, they have done outstanding work in raising the level of dialog and understanding for minority leaders in government.

An article particularly relevant to the needs of minority elected officials appears in the May issue of the center's magazine. The article responds to the recently stated hypothesis that a majority of blacks in the United States now qualify to be called middle class. I now submit the article, entitled "The Black Middle-Class 'Majority': Is It Enough?" and applaud the outstanding work of the center:

THE BLACK MIDDLE-CLASS "MAJORITY": IS IT ENOUGH?

(EDITOR'S NOTE: Are most blacks in the United States now members of the "middle class?" An article by Ben J. Wattenberg and Richard M. Scammon, suggesting that a majority of blacks in the United States now qualify to be called middle class, has caused considerable controversy since it appeared in the April issue of Commentary magazine, under the title, "Black Progress and Liberal Rhetoric."

Scammon was director of the U.S. Census Bureau from 1961 to 1965 and is now director of the Elections Research Center in Washington. Wattenberg was an aide to President Johnson, and has also been on the staffs of Sens. Hubert Humphrey (D-Minn.) and Henry Jackson (D-Wash.).

They do not deny that many blacks have been "left behind" in poverty. But they contend that liberals and black leaders have too often ignored the progress of the majority of blacks into "good" jobs and incomes in the "middle" range, which they define as above $8,000 in the North, and above $6,000 in the less affluent South (they do not specify a ceiling on their "middle" range). They argue that liberals should "latch on to the affirmative," as the song goes, and take some credit for giving a hand to black progress through Great Society legislation of the Sixties.

The point of debate revolves around whether or not blacks have really progressed far enough to warrant their conclusion. In the following article, JCPS Director of Research Herrington J. Bryce questions the logic and the integrity of data offered as fact by Scammon and Wattenberg in their article.

Scammon and Wattenberg claim to have discovered a "remarkable development" which they say has "taken place in America over the last dozen years." During that time, they contend, those American blacks who have moved into the middle class have come to "add up to a majority of black Americans—a slender majority (they later set it at 52 per cent), but a majority nevertheless."

They then examine a number of ways in which status is measured: income; level of unemployment; numbers of workers at each job level; level of education; and numbers on public welfare rolls. By each index, they say, the majority of blacks have attained that degree of comfort, security, and self-improvement that confers upon them the status of middle class.

The first thing to be said about this idea, of course, is that if you define "middle class" as broadly as they do, just about anybody can get in. About the only ones who can't be defined as "middle class" under their scheme are the professionals ("doctors, lawyers, and businessmen with cabin cruisers," in their own words) and the unemployed.

But even if one accepts their broad definition, he still has to examine closely the figures they use. As they themselves state, "The first and most basic index of status in American life is money."

Scammon and Wattenberg do a good deal of fine slicing to find a group of blacks they can call completely equal to whites. First, they eliminate all families in which only one parent is present; then, they slice off families where the husband is over 35 years old finally, they chop off the South. When they're finished they trumpet the news: "The median income of black husband-wife families, in the North and West, with the head of the family under 35 years of age, rose from 78 per cent of white income in 1959 to 96 per cent in 1970. And they add, black families in this category, where both parents work, actually earn a little more, on the average, than white families in identical circumstances.

But by the time Scammon and Wattenberg have defined this black group which has achieved "parity" with their white counterparts, they are left with only 16 per cent of the black husband-wife families in the nation. And the young black husbands who, according to Scammon and Wattenberg, have incomes nearly equal to white men the same age are a mere seven per cent of the black male population.

In reality, few blacks reach income parity with whites, and those that do generally must run faster and harder to get there—usually thanks to a wife who works at a full-time job all year, as opposed to white wives who often work only part-time, or not at all.

For truly disturbing facts on black income, however, consider this: Between 1947 and 1971, the gap between incomes of black families, as a whole, and white families grew from $2,500 to about $4,000.

Moreover, the median income of black families, reported by the Census Bureau in 1971, is $6,440. For Spanish American families, it is $7,548. For white families, it is $10,672.

There's more: Nearly 40 per cent of black families earn less than $5,000 a year. Only 30 per cent of Spanish American families are below that figure, and only 16 per cent of white families are so impoverished.

Statistically, there was a gain in black income levels (though the black-white gap remains large). But how was it achieved? Much of it was merely a gain on paper, caused in large part by migration. Many blacks, especially the younger ones, moved out of the South and got jobs in the North, where wages are higher—along with living costs. Only 3.9 million blacks remain in the rural South, making it unlikely there will be many more rising to higher income levels through migration in future years.

Another major reason for gain in income was the economy boom of the Sixties, when urban blacks took advantage of the heavy demand for labor. But black unemployment has been at near depression levels since then; today, we are right back where we started, with two blacks unemployed for every white. Scammon and Wattenberg pay attention only to jobs held by black living with wives. Although it is true that in this very restricted category, black unemployment is closer to white unemployment than it was before, the category leaves out many people, surely employment of teenagers and single women is extremely important in lifting blacks out of poverty and among those groups, blacks are far behind whites.

Scammon and Wattenberg point out that many blacks have entered "white-collar" jobs—for example, those in offices. This is true. But the jump (a percentage increase of 76 per cent between 1960 and 1970) is not hard to understand if one remembers simple arithmetic: If you start with one apple and add another, you've made a 100 per cent increase. The increase is "big" because the starting point was small. Moreover, most of the new jobs for blacks in this area were clerical jobs—not the kinds of jobs whites are likely to be eager to obtain.

The fact stands that there are still few blacks in all high-wage occupations, compared to the number of blacks in the total population. At present, blacks have 70 per cent fewer managerial jobs and 30 per cent fewer craft jobs than they would have if they were fairly represented in these occupations, according to calculations based on the 1973 Manpower Report of the President.

Scammon and Wattenberg cite meaningless figures to note that blacks are somewhat more likely than white to be union members. Blacks have been union members for a very long time, especially in segregated, industrial locals. This does not necessarily mean that jobs held by blacks are getting "better," as they imply; it simply means that the jobs in which blacks are concentrated are much more likely to be subject to unionization. During the 1960s, blacks struggled with limited success to enter craft unions that exact high wages for their members. Today, blacks constitute only five per cent of the journeymen in the craft unions. It's progress—but is it enough?

Finally, Scammon and Wattenberg note that more blacks than before receive welfare, generally from the Aid to Families with Dependent Children (AFDC) program. They note a "concomitant" rise in the number of black families without fathers present. They manage to extract a nugget of consolation from what they admit is an otherwise "deplorable" situation. At least, they say, it is better that "poor blacks are now getting welfare, whereas at an earlier time they were getting nothing at all."

All things are relative, of course. But it should be noted that the increase in black families on welfare is due not only to the increase in female-headed households, but also to the boost in black unemployment (especially as the economy slowed in 1969–70) to the withdrawal of discouraged black males from the labor force after they were unable to find jobs over long periods, to the court-ordered end of unconstitutional and inhumane restrictions on who was eligible for welfare; and to the vigorous efforts of public interest groups to get eligible blacks and other poor families on the rolls.

These have been some of the misinterpretations Scammon and Wattenberg made in dealing with the data they present. There are also several indicators of relative status that they failed to mention at all. For example:

Today, as in 1960, 30 per cent of all homes with inadequate plumbing are occupied by blacks.

Today, as in 1960, blacks who are now between 25 and 55 years old can expect to live shorter lives than whites the same ages. In fact, the gap has widened slightly.

The suicide rate among young black men and women has gone up sharply—surely a telling blow to Scammon and Wattenberg's claim of increasing black satisfaction.

These and many other figures point to areas in which blacks are still far from parity with whites, even though gains may have been made in recent years.

It is similar in other fields, such as participation in the political process. The Joint Center for Political Studies makes an annual headcount of black elected officials, and between 1969 and 1973, the number rose from 1,231 to almost 2,600. Yet, this number still represents less than one-half of one per cent of all elected officials in the nation. It is encouraging to see how far blacks have come; it is sobering to see how far they must go.

How can further progress be achieved? Scammon and Wattenberg acknowledged that the Great Society programs of the Sixties "accomplished a great deal," and that "their curtailment," as proposed in President Nixon's budget, "would probably be sufficient to prevent . . . steady progress, . . . yet probably not sufficient to insure . . . total stasis . . . ."

They charge that white liberals and black civil rights leaders have "elected to mute any public acknowledgment or celebration of black accomplishments in order to maintain moral and political pressure on the administration and on public opinion." Instead, they urge, these leaders should be advertising the progress that the Great Society programs helped bring.

They should realize that the "death knell" of the programs of the Sixties will not logically come because black leaders are "mute"—if, indeed, they are mute. It seems more likely to come from the empowerment of a conservative force which fundamentally opposes the programs, and from many "cost-benefit" and other supposedly "hard-nosed" evaluation studies. These concentrate so single-mindedly on questions that can be answered with numbers that they miss many of the most important benefits of these programs. It is these narrow studies which provide the ammunition, under the guise of "science" being used to shoot down social programs.

In any case, the job of defending all Great Society programs does not belong exclusively to blacks. While blacks were the main beneficiaries of some programs, especially, in the areas of voting rights and public accommodations, they were neither the primary nor the sole beneficiaries of many others. Clearly, they did not get the best and highest paying jobs in any of the program administrations.

In a dynamic society where most things are "progressing," it borders on banality to cheer progress. What is important is the work left to be done. Perhaps Scammon and Wattenberg would agree.

## FROM CRISIS TO REFORM

### HON. MARGARET M. HECKLER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Monday, June 4, 1973*

Mrs. HECKLER of Massachusetts. Mr. Speaker, I am entering into the RECORD the following editorial entitled "From Crisis to Reform," which was recently broadcast by WBZ–TV and radio in Boston.

I wholeheartedly concur with this statement. It is most obvious that steps must be taken now to initiate electoral reforms.

The editorial follows:

FROM CRISIS TO REFORM

(Delivered by Winthrop P. Baker, general manager, WBZ–TV, Sy Yanoff, general manager, radio)

Our system of government seems to require a crisis to spur real public interest in reform. So in the long run the Watergate mess may turn out to be far more of a benefit to the system than it appears in this mudbath period. Certainly Watergate has given a much needed boost to proposed changes in our basic election process. We started talking about that issue right after the windup of the 1972 campaign last Fall. It was hard stirring reaction then, but not anymore. Now almost everyone wants to get in the act.

We see two separate phases to the reform drive. One is immediate action to strengthen campaign financing laws. That doesn't require long, agonizing study by that special Commission the President has proposed. It requires prompt deliberation and action on existing proposals. A lot of our present laws on campaign spending and disclosure are good. Obviously they can be tightened and revised some more. But the prime need now is a solid, effective mechanism for control and enforcement. To us that means a permanent, independent election commission, with power to go after violators and bring them to justice. Plans of this sort have been proposed by John Gardner of Common Cause and members of Congress. Let's get that type of law on the books promptly before the reform spirit dies down.

But there is also need for a special study commission such as the President proposed for the second part of the job—looking at more complex questions on election procedures and government structure. There must be a better way to nominate presidential candidates. The electoral college procedure obviously needs overhauling. The single, six-year term for President deserves a lot more attention than it's had to date. The four-year term for Congress is long overdue. So are other Congressional reforms to reverse the long decline of the Legislative branch. We'll do what we can to keep the public discussion on these issues going. And we'll welcome your ideas for our own information or use right on the air.

## SMALL BUSINESS TAX RELIEF BILL

### HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Monday, June 4, 1973*

Mr. DE LA GARZA. Mr. Speaker, the existing tax system places a severe burden on small business enterprises. Big business pays a lower rate of taxes than small business. Small and medium-sized businesses pay at a rate of about 50 or 51 percent of their income while the largest firms pay at about 35 percent, according to U.S. Government figures.

This is not a healthy situation. Small business concerns are the heart of our free enterprise system. If this inequitable tax system continues unchanged for any length of time, I am afraid that thousands of long-existing firms will be forced to go out of business and thousands of potential new enterprises will never be born.

These considerations have led me to introduce a bill—H.R. 8002—to provide income tax simplification, reform, and relief for small business.

In brief, my bill provides for:

Permanent Government and small business advisory machinery for simplifying tax laws and tax forms;

Lower tax rates for smaller business, and particularly for new business;

Promoting the growth of new and small firms by liberalizing first-year depreciation and increasing permissible accumulation of earnings;

Easing the raising of capital by providing more equitable treatment for possible losses through loans or stock purchases, and allowing tax benefits for the floating of securities issues;

Encouraging the continued independence of family-owned firms by making it easier to pay estate taxes based on business interests over a 10-year period.

I make no claim that my proposal will cure all the problems of small businesses. But it would make a strong start toward easing the disproportionate burden placed on these concerns by the present tax system. It provides a basic framework for building toward tax reform that would affect nearly 12 million small business owners, their families, and their employees.

We need to make that start and provide that framework now.

## VIBA: A PROMISING DEVELOPMENT

### HON. RON DE LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

*Monday, June 4, 1973*

Mr. DE LUGO. Mr. Speaker, when reflecting upon the prospects for community harmony we are often moved to pessimism. Senseless acts of violence, racial tensions, class conflicts and governmental incompetence, among other tragedies, have conditioned too many of our citizens into expecting the worst. We have become too familiar with the sensational negative aspects of modern life. There is a tendency to overlook the more promising developments.

Less than 1 year ago, a group of residents of the island of St. Croix decided to band together and constructively deal with some of the disturbing effects of life on the island. They grouped together under the banner of VIBA, the Virgin Islands Businessmen's Association. Their stated purpose was to assure that all Virgin Islanders share in and benefit from the development of their community.

In the year of its infancy VIBA has shown great maturity and made significant progress. Its auspicious efforts to help Virgin Islanders understand one another has earned VIBA widespread and warranted respect.

On July 3, VIBA will celebrate its first anniversary. The date chosen is a notable one in Virgin Islands history, reflecting the particular character of this organization. July 3, 1973, will be the 125th anniversary of the emancipation of the slaves in what was then the Danish West Indies, now the U.S. Virgin Islands.

That proclamation was in important step toward recognition of universal equality in our territory. Its spirit, and that of the later guarantees of liberty in the U.S. Constitution, was at the fundamental core of Virgin Islands life for many years. Rapid, uncontrolled growth over the past 2 decades, however, has stirred a few citizens to stray away from our precious heritage of tolerance and love. It has also pointed up certain inequities in our community.

VIBA has worked admirably to combat these two problems and thus solidify the spirit of brotherhood in our Virgin Islands. I take great pride in saluting its goals, its efforts and all of its membership as July 3 approaches.

## CRUDE REGULATIONS FOR CRUDE OIL

## HON. RICHARD T. HANNA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, June 4, 1973*

Mr. HANNA. Mr. Speaker, on two occasions last month I called to the attention of the House the very immediate aspect of the energy crisis—the fact of severe fuel shortages for large volume uses. I called for the administration to establish allocation controls for fuels to guarantee supply to essential sectors of the economy, both public and private.

On May 21, Members of the House received from the Department of the Interior an outline of their "Voluntary Program for Allocation of Crude Oil and Refinery Products." The policy statement has much the same hollow ring of the administration's "Voluntary—but" phase III program to control inflation. We can only hope that this program has a better track record than phase III but as yet we have no evidence in hand of a commitment that matches the severity of the problem.

The allocation policy is said to aim at insuring adequate levels of supply for the food production, processing and distribution, health services, police, fire and emergency services, the various transportation modes, and residences in certain conditions.

While the breadth of coverage may be cause for cheer, the depth is lacking. By the time a shortage in these areas is sufficiently proved to the crude oil allocation bureaucracy, serious damage to the public interest will already have taken place. The threat of mandatory allocation is held out in the Department's announcement, but given the administration's unwillingness to use the dusty "club behind the door" on wages and prices, one is forced to wonder how seriously the major crude oil suppliers are going to take this warning.

I include the Interior Department's outline to be made a part of my remarks at this point in the RECORD:

### ALLOCATION OF CRUDE OIL AND REFINERY PRODUCTS

The program for allocation of crude oil and refinery products will be voluntary and (1) backed up by guidelines established by the Government; (2) a mechanism for providing continuing scrutiny of compliance with these guidelines; and (3) the threat of imposition of more stringent regulations requiring reallocating crude oil and products should this program fail. General policy direction will be vested in the Oil Policy Committee; day-to-day administration of the program, in the Office of Oil and Gas (OOG). An oil allocation section shall be established in OOG to administer the program.

Under the program, each producer, refiner, marketer, jobber and distributor will agree to make available in each state to each of its customers (including those purchasers in the spot market) the same percentage of its total supply of crude oil and products that it provided during each quarter of a base period (defined as the fourth quarter of 1971 and the first three quarters of 1972).

Under the program, OOG may assign to each producer, refiner, marketer, jobber and distributor allocations for priority customers still unable to obtain needed supplies of crude oil and products, not to exceed 10% of any supplier's total sales of crude oil and products during the base period. This assignment by OOG will be based upon demonstrated need. The basic purpose of the assignment is to assure adequate supplies of crude oil and products to priority users who, for some reason, are not well served under the proportional allocation program. It will be particularly important for fulfilling the needs of new customers that have entered the marketplace since 1971–72.

In distributing the oil for OOG allocation, priority will be given to supplying the following activities or to independent marketers, jobbers, and refiners who supply the following activities:

1. Farming, dairy and fishing activities and services directly related to the cultivation, production and preservation of food.

2. Food processing and distribution services.

3. Health, medical, dental, nursing and supporting services except commercial health and recreational activities.

4. Police, fire fighting and emergency aid services.

5. Public passenger transportation, including buses, rail, intercity and mass transit systems, but excluding tour and excursion services.

6. Rail, highway, sea and air freight transportation services, and transportation and warehousing services not elsewhere specified.

7. Other state and local government activities.

8. The fuel needs of residents in states or parts of states not well served by major oil companies and unable to obtain sufficient crude oil or products.

Wholesale and retail marketers of gasoline shall not be deemed priority customers unless they supply a substantial proportion of their product to these priority users.

When convenient, various companies may exchange supply obligations incurred under this program in order to simplify distribution problems.

The Office of Oil and Gas will receive complaints from anyone who feels he is not receiving a proper allocation of supplies. If it deems it necessary, OOG may require a public hearing and submission of data, by suppliers, on their 1971 and 1972 exchanges and/or sales of crude oil, unfinished oils and products. These data will include the names and addresses of customers, the amount of crude oil and products sold to them, the legal relationship between major oil companies and customers, and whatever other information OOG believes necessary to conduct the hearing. The OOG will then verify the accuracy of complaints against a supplier and, if justified, impose mandatory allocation on the supplier.

The price at which petroleum products shall be sold to independent marketers, wholesale distributors, and other unaffiliated customers shall not exceed normal refinery rack prices charged by major companies to new contract customers. The price which wholesale distributors may charge independent marketers shall not exceed normal wholesale prices, or normal refinery rack prices plus a normal wholesale markup.

Where independent refiners have previously received domestic crude oil in exchange for import tickets, the independent refiners will be required to surrender license fee exempt quotas in return for receiving the privilege of purchasing crude oil under the program. Where the independent refiners previously purchased crude oil without surrendering import tickets, no license fee exempt quotas will have to be surrendered. The price at which crude oil shall be sold to independent refiners shall not exceed posted crude oil prices plus an applicable pipeline transportation charge except, however, where crude oil is sold as required based upon previous exchanges of import tickets for domestic oil, the major companies may charge a price equivalent to the average landed cost of any oil imported to replace the oil sold under the provisions of this program.

Immediately following the initiation of this program, the Oil Policy Committee shall begin hearings to determine any changes that may be required to make the program equitable to all classes of suppliers and purchasers, and whether the program should be made mandatory. The Chairman of the Oil Policy Committee will designate an ad hoc board to conduct such hearings and report its findings to the Oil Policy Committee. The board shall be composed of representatives of the Interior, Treasury, and Commerce Departments, GSA/OEP, and any other representatives as the Chairman of the Oil Policy Committee may feel appropriate. The Chairman of the Oil Policy Committee shall designate the Chairman of this board.

The Oil Policy Committee will also investigate and recommend additional measures that should be undertaken to encourage allocations by major suppliers. For example, it will investigate changes in Cost of Living Council rules and environmental standards and regulations that seem necessary to assure efficient utilization and equitable distribution of crude oil and products.

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## CONGRESS NEEDS BUDGET OVERVIEW

## HON. GLENN R. DAVIS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

*Monday, June 4, 1973*

Mr. DAVIS of Wisconsin. Mr. Speaker, most of us agree that our present congressional budgetary practices are inadequate, to say the least. Now there is legislation before us that would put an end to the longstanding congressional practice of considering appropriations and other authorizations for spending as a series of unrelated bills, without priorities or limits on Federal spending. H.R. 7130 is sorely needed, for the Congress must regain effective control of the Federal purse strings.

The Milwaukee Journal in a recent editorial concurs with the recommendations made by our Joint Study Committee on Budget Control. I urge my colleagues to apply its advice.

The editorial follows:

### CONGRESS NEEDS BUDGET OVERVIEW

Until the roof of Watergate collapsed on the president, all the notches were on his gun in the battle between the executive and Congress over governmental powers. More than once the president succeeded without a fight, over issues of impoundment or economic controls, as the legislative branch proved to be unable to protect its powers. Even now, with presidential authority at its nadir, Congress may again show that it has not learned its lesson.

A case in point is the congressional effort to reform the legislative branch's handling of the federal budget. Archaic practices currently allow the executive almost completely to pre-empt Congress in establishing fiscal policy and national spending priorities. Congress never looks at the budget as a whole but divides it up into small chunks that are then independently shaped by various special committees that normally are oblivious to all but their parochial views.

A joint committee on budget control recommended a basically sound mechanism for retaining the necessary overview of the budget as it passes through the two legislative houses. Total spending ceilings could be set, priorities established. The plan offered Congress an opportunity to regain a sense of fiscal responsibility that has been sadly lacking.

The proposal almost immediately attracted widespread applause. But now congressional liberals are having second thoughts because they fear the control process would be dominated by traditionalists and conservatives. This is a legitimate concern. However, the liberal burden remains to produce a workable alternative. There is a real danger that internal squabbling such as this will leave Congress with no reform procedure whatsoever, a situation that has prevailed too often in the past.

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## CAMBRIDGE BUDGET HEARINGS

## HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 31, 1973*

Mr. HARRINGTON. Mr. Speaker, Congressman THOMAS P. O'NEILL, JR., and I, as chairman of the Ad Hoc Committee on the Budget, announced that cities and towns in the Eighth Congressional District of Massachusetts stand to lose close to $30 million if the Nixon budget for 1974 is accepted.

Information must be brought to the people so that the true effects of the budget cuts can be known and understood. No realistic decision can be made about the budget until we all understand what termination of these programs will mean to the cities and towns and all of the people of the Commonwealth. Massive amounts of federal aid come to every locality in the form of categorical grants. We seldom realize how much we are enabled to provide services to our citizens only because of this governmental help. Municipalities will either have to lose vital services or increase their tax rates by tremendous amounts.

The Eighth District hearing focused on the impact of the proposed budget on all aspects of housing. Witnesses from throughout the Eighth District, representing various organizations concerned with housing problems, testified before Congressman O'NEILL and myself.

The following persons representing many aspects of the impact of the proposed budget in the area of housing will testify.

Mayor Barbara Ackerman, of Cambridge.

Mary Castriotta, chairman, Cambridge Housing Authority.

Gordon Gottsch, administrator of Wellington-Harrington project representing Cambridge Redevelopment Authority.

Richard M. Brescia, president, board of directors, Cambridge Economic Opportunity Committee, Inc.

Saundra Graham, chairwoman, Cambridge City Council Committee on Housing representing Cambridge Model Cities.

Mayor S. Lester Ralph, of Somerville.

Cornelius Connors, administrator, Boston Housing Authority.

Oliver Brooks, president, Citizens Housing and Planning Association.

Ann Bromer, member of management department, MHFA, founder and past chairman of Watertown Fair Housing Committee.

Frank Manning, president, Massachusetts Association for Older Americans.

Harry MaCabe, Arlington Board of Selectmen.

The effects of the budget cuts will be severely felt by local cities and towns particularly in the area of education. The following programs, which exist in many cities and towns, are funded by the Federal Government. These will be terminated under the proposed Nixon budget for fiscal year 1974.

Title I—Aid to the disadvantaged has provided moneys to improve educational programs to meet the needs of educationally disadvantaged children in low-income areas.

Title II—Library resources: Nearly all public school systems in the area and the State have received funds for library media resources every year since 1966.

Title III—Aid to innovative education: This program is designed to create innovative models supplementing the regular school curriculum, and has had a great deal of success throughout the State.

Title VI B—Education for the handicapped includes two programs which are designed to provide handicapped children with special tools of learning so that they can successfully participate in school programs.

Nutrition and health, drug abuse education, occupational, vocational, and adult education, aid to State departments of education, environmental education, and NDEA audiovisual equipment all receive 0 dollars in the Nixon budget, while bilingual education and dropout prevention, though not terminated, are severely cut.

Titles I, II, and III of the Library Services and Construction Act provide extension of library services to areas without developed libraries, strengthen regional resource centers, provide for construction of new libraries or renovation or remodeling, and help provide interlibrary cooperation. Despite remarkable gain and benefits in all these areas, these programs are terminated in the Nixon budget.

Massachusetts received $3,582,471 under the special milk program in fiscal year 1973 to help pay the cost of milk for schoolchildren. The Nixon budget terminates this program in all schools except those not having hot lunch programs.

School assistance in federally impacted areas has been terminated for category "B" students whose parents do not live on Federal property, depriving local school districts of a substantial amount of money.

Federal programs including manpower development training assistance, the Neighborhood Youth Corps, and the emergency employment program have provided important and worthwhile work to many of the citizens of the Eighth Congressional District. These programs are being terminated or severely cut back.

Not only will this mean an increase in the already too high unemployment rate of the area, but services that are necessary to cities and towns will be lost or municipalities will have to increase their budgets in order to continue these programs.

Under the emergency employment program vital services were provided to towns and cities. In some areas this meant increased police protection, rehabilitation of public buildings, improvement of park areas. These are jobs that cities and towns had not been able to afford on their own.

People employed under EEA were often those members of our society who have the most difficult time finding work; Vietnam veterans, people over 45 and those under 22.

### CAMBRIDGE

The information contained in this packet does not include the huge amounts of funds that will be lost because of cutbacks in higher education, medical research and health care delivery. Harvard, MIT, Boston University and the numerous other schools of higher education and their co-op medical schools and teaching hospitals have been the recipients of Federal grants that have made it possible for cities and towns to accomplish complex tasks and have meant jobs and services to the people of the Greater Boston area and indeed the entire Commonwealth.

Statistics were compiled with the assistance of Cambridge Model Cities Agencies' "Impact Report—An Analysis of the Impact of the Reordering of Federal Budgeting Priorities on the City of Cambridge." In a forthcoming report, the Cambridge Model Cities Agency will examine in depth other aspects of the impact of the budget cuts.

I would now like to outline the specifics of the statistics:

### TOTAL STATISTICS

Social service programs in Cambridge operate on a total budget of $11,517,592: of which $4,565,109 is used for personnel. Four hundred six full-time jobs and 267 part-time jobs are generated out of this amount with Cambridge residents holding 307 full-time and 173 part-time positions.

Of this total social service budget, about 62 percent—$7,162,870—is provided by the Federal Government, 23 percent—$2,644,031.58—by private sources, 8 percent—$884,394.98—by the city and 7 percent—$817,905—by the State.

Upon examination of Federal budget cuts and their direct and "ripple" effects on Cambridge it can be predicted that the city will receive only about half this total amount in the future. The Federal Government is reducing its commitment by at least 57 percent, directly affecting $491,436—in city matching or supportive funds—about 56 percent of the city's total contribution to nonmunicipal social service delivery. The State and private sources can be expected to reduce their Cambridge contributions by at least $29,400—and $609,150, respectively.

Total employment in nonmunicipal social service delivery will be cut by at least 48 percent—affecting a minimum of 323 people—260 of them—80 percent—Cambridge residents. Total payroll loss can be expected to run to at least $2,142,906—$1,693,985, 78 percent, to Cambridge residents alone.

### HEALTH AND SOCIAL SERVICES

Health: The hospital has lost a $40,000 Public Health Service grant for nursing training. The director feels that the patients will have to absorb the cost of nursing education rather than cut back on the size of the school.

Crime and juvenile delinquency: Youth Resources Bureau—Youth Resources Bureau, Inc.—K. Saravelas, director.

The Youth Resources Bureau works to reduce the rate of delinquency in Cambridge through both prevention and rehabilitation services. It is not known yet whether a $87,000 LEAA grant will be renewed. If it is not, this funding cut will reduce the level of activity in the Junior Advocate program, as well as the amount of program development and will wipe out the in-house evaluation capability. The Bureau does not see much opportunity to generate Federal funds to maintain or increase their services. Rather, they see this objective being met by the assumption by the YRB of expanded responsibility for youth programming within the city.

### EDUCATION AND MANPOWER SUMMARY

Information was collected on 22 Education—including child care—and manpower programs which have a cumulative budget of $4,100,093. These funds have generated 311 jobs, of which 234 are filled by Cambridge residents. Roughly 75 percent of these funds come from the Federal Government, from the Departments of HEW and DOL. About one-third of the Federal funds will be lost in 1974 due principally to terminations in manpower and the remedial education programs. Relatively few State and private funds seem to be in jeopardy. However, in child care, the Odd Hour program will terminate unless alternate funding can be found, while other programs are suffering from a tightening of regulations and eligibility criteria. In terms of positions, many of them are from Cambridge.

Several of the agencies are looking toward the foundation to provide alternate funding, and several more have applied to other State and Federal sources. The manpower and training programs have been particularly hard hit as the Public Service Careers programs—and the Neighborhood Youth Corps—are going to be terminated, and the Neighborhood Youth Corps has lost over two-thirds of its funding.

### EDUCATION

Remedial programs: Development in reading efficiency, DIRE, Cambridge School Department, Dr. John P. Sennott, director.

The DIRE program provides remedial reading instruction based on an individualized approach for students in grades 1 through 4; 400 children from 14 schools participate in the program. The $261,762.92 that the program operates on is provided by HEW—Title I, PL 89-10 ESEA. Thirty full-time people are employed by the program, 20 of them are Cambridge residents. At this time, the program director, Dr. John Sennott, does not expect a substantial decrease in amount of funding.

Follow-through program, Cambridge School Department, Dr. Hugh Corbin, director.

This project offers coordinated social, psychological, health and nutritional services to 300 children from the Fitzgerald, Roberts and Harrington school districts. Dr. Corbin expects that $14,752 will be lost from Follow-through funds and that $46,200 could be lost from title I ESEA funds. The results of these cuts will mean: cutting entirely their contract with Family Counseling to families with problem children; eliminating travel funds that enabled staff to visit the Bank St. College of Education for training; cutting back in their ability to deliver dentist's care to children and eliminating the medical consultant; cutting 75 percent of the food services budget to children; and reducing to a minimum the amount of instructional supplies for the classrooms. The program has requested funds from the school department as well as from local foundations and corporations.

Curriculum development: The multiethnic program, Cambridge School Department, Dr. Powers and Dr. Boyce, directors.

This demonstration program was responsible for introducing special multiethnic units into the regular social studies curricula of the School Department. The Model Cities Agency funded the program as a 1-year demonstration project and the school department is assuming it as a regular part of their educational planning and development.

The instructional aides program, Cambridge School Department.

The School Department has assumed increasing responsibility for this program which provides 22 teacher aides to 4 Model Neighborhood Schools; the Roberts, the Fletcher, the Harrington, and the Longfellow. The School Department now pays 65 percent of the cost of the program and could be expected to assume the remainder if MCA funds were lost.

### ADULT EDUCATION

Cambridge Center for Adult Education, Ms. A. O'Laughlin.

The Center offers approximately 350 noncredit courses, 4 times a year in a wide range of subjects. It does not receive funds other than private grants and gifts.

Community Learning Center, Cambridge Public Library, Ms. J. Costa, director.

The CLC is designed to serve adults who need basic educational skills or job-related college training. The target population can be described as the 68 percent of MNA adults who have not completed high school and the 30 to 40 percent non-English speaking MNA residents. The loss of Model Cities funding will wipe out most of the CLC program. At the present time the only funding the program is relatively certain of is the VISTA money. If they lose HEW and MCA funds only the teacher trainees paid for through VISTA will remain. Nine employees would lose their jobs, all of them Cambridge residents. The Massachusetts Department of Education and the HEW-Bureau of Adult Vocational and Technical Education are possible funding sources.

### CHILD CARE PROGRAMS

Model Cities Day Care Program, Cambridge Headstart, Inc., Ms. Claire Mason, director.

The Model Cities Program which provides full day care for 60 children from the MNA is primarily funded by the State Department of Public Welfare. While funding itself is not in jeopardy—except for the $30,000 of MCA funds that will be lost—new eligibility and financial accountability regulations may mean that the program could lose some of its allocated slots and a consequent reduction in number of staff.

### MANPOWER

Public Service Careers, MCA, W. Lirby, director.

The Model Cities' administered PSC program provided educational and vocational training opportunities for 88 low-income individuals employed in the public sector. Additionally, it worked toward the relaxation of existing civil service barriers against the employment of low-income people. The termination of the Public Service Careers program by the Department of Labor ended this program on April 28.

Public Service Careers, CEOC, Dolores Mendelson, director.

The Public Service Careers program provides low-income employees of CEOC—and five other CAP agencies—with educational opportunities, skill training and necessary supportive services to aid them in advancing into careers in the human services field. The termination of the PSC by the Department of Labor will eliminate service delivery to 150 clients.

Neighborhood Youth Corps, Franklin Wright, director.

The Neighborhood Youth Corps, funded by the Department of Labor and administered through CEOC, provides youth—through in-school, out-of-school and summer components—with an opportunity for paid work experience, meaningful job training and additional supportive services. Budgetary cuts in this program will eliminate approximately 900 jobs for young people.

The Free Employment Office, City Department of Budget and Personnel, James Mulcahy, director.

This program funds the employment of 52 Cambridge residents in public sector jobs throughout the city. For example, 6 positions were filled at the Cambridge Public Library from Emergency Employment Act funds. While the funding for Free Employment Office has been extended for an additional 15 months, it appears that the moneys will not be sufficient to continue the program at its present level of 52 slots. At the library the loss of the six FEEA funded positions will mean that outreach service will be terminated at the branch libraries, drop-in centers, day care centers and community schools. Bookmobile service will be cutback and off the road during illness and vacations.

### RECREATION

Cambridge Community Schools Recreational Services, Cambridge Commuity Schools, Barbara Hansel, director.

The Recreational Services program provides a wide variety of recreational services to model neighborhood area residents; particularly the children. Programs operated include two preteen centers, a year-round after-school program and an intensive schedule of summer events. Programs that address the special needs of the elderly, adults, and families are also operated.

The Recreational Services component of Community Schools is completely funded by the Model Cities Agency. In the absence of replacement funding, the program would be discontinued.

### ADVOCACY

Advocacy programs or agencies are defined, for purposes of this study, as those programs or agencies which assist any specific and predetermined segment of the general populace in organizing desires and positions to those segments of general society, government, and private enterprise which affect their state of well-being, and in asserting more control over their environment in general. Advocacy is also defined as individual assistance granted to members of a predefined group in any phase of their dealings with social, private or governmental institutions beyond the group.

Of the 15 advocacy programs surveyed, 12 relied wholly or predominantly upon Federal funding to meet operational costs. All twelve responded that they would be affected adversely by Federal cutbacks. Ten face certain termination of operation; one faces a certain 80-percent cutback in service delivery and likely termination; another faces a 5- to 10-percent cutback in service delivery. Of the $1,670,200 received by the 12 last year from the Federal Government, $1,346,450 will not be renewed. This means 124 people—97 of them Cambridge residents—will lose their jobs—for a total payroll loss of $974,724—$767,125 of which went to Cambridge residents.

COPA relies on a Model Cities funding of $31,000 for basic operational costs, without which it will be unable to continue staffed operations. This, in turn, will be the result in the termination of various grants and inkind matching having an annual total dollar value of $56,050 and complete suspension of all ongoing programs and services.

Cambridge Spanish Council, Spanish Council, Inc., Natalie S. O'Connor, director.

The Spanish Council provides a broad range of social services to the Cambridge Hispanic community including referral and in the areas of education, health, recreation, housing, employment, legal assistance, immigration and naturalization assistance, and homemaking instruction.

Loss of Model Cities core moneys of $31,000 and OEO inkind contributions amounting to $7,500 will result in program termination in the absence replacement funding from other sources. OEO presently funds a proposal writer whose services are shared with COPA and who is engaged in a full-time effort to locate such funding in both the public and private sectors.

Concerned Black Parents, Concerned Black Parents, Inc., Octavia Hudson, director.

Concerned Black Parents work to improve the quality of education in Cambridge by working on a day-to-day basis with the school administration. It also supports a scholarship fund for deserving high school seniors in the public schools.

Model Cities provides $31,000 for staffings of Concerned Black Parents. Removal of this funding will result in discontinuance of staffed operations.

Cambridge Civic Committee, Cambridge City Government, Clorae Evereteze, director.

The Civic Unity Committee studies existing educational practices within the city and works with the Department of Education to formulate and encourage educational policies and practices calculated to increase the educational opportunities of Cambridge citizens. The committee also works toward the elimination of discrimination in housing, toward better police-community relations, and toward improved medical and health care within the Cambridge community.

The Civic Unity Committee is completely funded by the city of Cambridge and expects no drastic revision of its budget.

Cambridge Council on Aging, Cambridge City Government, Charles Moore, chairman.

It is difficult to assess the impact of loss of full-time staff on the continued operation of advocacy organizations. No doubt most will continue to exist in some form, but their ability to provide individuals services and referrals will obviously suffer badly. In some cases the possibility of alternative funding exists, but most programs seem pessimistic about successfully procuring it.

### ADVOCACY

Model Cities Administration, MCA, James L. Farrell, director.

The Model Cities Administration monitors the operation of 11 contracting agencies in the areas of health and social services, housing, manpower, education, and recreation as well as engaging in planning and evaluation activities within the model neighborhood and the city as a whole.

Suspension of HUD funding of Cambridge Model Cities at the end of the 4th action year on December 31, 1973, will result in the termination of the program as it is now constituted.

Cambridge Economic Opportunity Committee, Inc. Administration, CEOC, David Entin, director.

CEOC operates and/or sponsors 12 program components providing services in the area of community organization, manpower, housing, health, youth, elderly, and education.

Defunding of the Office of Economic Opportunity will end direct service program, support for neighborhood-based groups and organizations, and the capability to provide administrative, fiscal, and community planning services. Unless Federal court suits halt the dismantling to OEO at the Federal level or the State appropriates funds for community action agencies in Massachusetts; CEOC can only hope to continue to exist in a minimal survival budget.

Cambridge Organization of Portuguese Americans, COPA, Aurelio Torres, director.

COPA is a multiservice agency dealing primarily, but not exclusively with those of Portuguese descent. Its role in the community focuses on advocacy, referrals, and information in such areas as child care, housing, legal affairs, employment, welfare, health, education, language, and immigration.

The Council on Aging attempts to determine the needs of the Cambridge elderly community and develop plans to satisfy these needs.

The council presently receives $10,684,98 from the city to carry out its mandate and expects this funding will not be diminished.

CEOC Elderly Services Committee of Elders, CEOC, Robert Wheatly, coordinator.

Elderly Services had two main goals: To maintain and strengthen the organization of senior citizens through the Committee of Elders, and to coordinate with community agencies to insure the development and effective operation of programs to serve the elderly citizens of Cambridge.

Termination of CEOC funding will deprive the Committee of Elders of community organizers and technical assistance.

CEOC Youth Development program Youth Councils, CEOC, Howard Stickler, coordinator.

The Youth Development program assists the activities of the Youth Councils within the six CEOC Planning Team neighborhoods. The councils identify their own particular needs and work with other resident groups, agencies, and institutions to involve youth in community issues, especially those affecting the lives of young people.

Termination of CEOC funding will deprive the Youth Councils of staff community organizers and technical assistance.

CEOC Community Relations and Service, CEOC, Dan Harkins, director.

Community Relations and Services supports the participation of neighborhood residents in defining neighborhood needs, identifying resources and assisting Neighborhood Planning teams in carrying out neighborhood development programs. The major purpose of the project is to support and strengthen the citizen participatory structure of the Planning Teams, the Board of Directors, and the Task Forces. The project aims at having a major impact on the attitudes and resource allocation of the community to resolve the problems of poverty.

Termination of CEOC funding will result in cessation of activities.

City Demonstration Agency, Inc., CDA, Inc., Frank Fraumeni, interim director.

CDA, Inc. attempts to organize interested residents into planning councils in the areas of housing, recreation, education, manpower, health and social services and municipal and environmental affairs to make recommendations to the CDA/Model Cities Neighborhood Board on the needs and requirements of the community. CDA staff also provides a liaison with other agencies and departments operating in the community.

CDA, Inc. is completely funded by the Model Cities Agency and would terminate staff operations in the absence of such funding.

Urban Planning Aid, Urban Planning Aid, Inc., James S. Turner, director.

Urban Planning Aid assists all people the low-income community and workplace groups with problems in housing, transportation, and industrial health and safety.

UPA expects to lose $219,000 of a $286,000 OEO grant and will be forced to discontinue almost all ongoing programs and reduce clientele service by 80 percent.

Tenant Senate, Tenant Senate, Inc.

The Tenant Senate attempts to reduce the number of physical, social and economic problems in public housing projects and provides information to tenants regarding housing policy which may affect them. The Tenant Senate staff also seeks to facilitate tenants' relationships with the Housing Authority.

The Tenant Senate is totally funded by the Model Cities Agency and will be forced to cease staffed operations in the absence of MCA funding.

### HOUSING AND PHYSICAL DEVELOPMENT

The complexity of the issue of the status of Housing and Physical Development in Cambridge in light of apparent new Federal directions, dictates that consideration of the issue be divided according to the scale and relative impact of the service providers.

As can be seen, the four programs surveyed are dependent upon Federal funding for their total operating expenses. While $984,526 in city and private moneys is involved, this funding is conditional in each case upon an initial Federal commitment. It is reasonably certain, therefore, that with the withdrawal of this Federal support of all four programs, with an aggregate budget of $1,707,653, will be forced to suspend operations, laying off nine employees—seven of whom are Cambridge residents— with a total payroll loss to Cambridge residents of $74,500.

Statistics follow:

### PART A.—HOUSING AND PHYSICAL DEVELOPMENT

Home Improvement Program:
Total Budget: $208,200 [1].
Personnel Budget: $14,000.
Number of Employees: 1.
Number of Clients: 92 [2].

Work Equity Program:
Total Budget: $466,200 [3].
Personnel Budget: $31,500.
Number of Employees: 2 (1) *.
Number of Cambridge Resident Employees: 2 (1).
Number of Clients: 35 [4].

Open Space Program:
Total Budget: $956,253.

C.E.O.C. Housing Development:
Total Budget: $77,000.
Personnel Budget: $57,000.
Number of Employees: 3 (2).
Number of Cambridge resident Employees: 2 (2).
Number of Clients: 3,000.

*Totals*

Total Budget: $1,707,653.
Personnel Budget: $102,500.
Number of Employees: 6 (3).
Number of Cambridge Resident Employees: 4 (3).

### PART B—HOUSING AND PHYSICAL DEVELOPMENT

Home Improvement Program:
Federal: Money Received: $63,000. Money Lost: $63,000.
Private: Money Received: $145,200. Money Lost: $144,000.[5]
Total Budget: $208,200.
Total Loss: $207,000.

Work Equity Program:
Federal: Money Received: $105,000. Money Lost: $105,000.
Private: Money Received: $361,200. Money Lost: $360,000.[6]
Total Budget: $466,200.
Total Loss: $465,000.

Open Space Program:
Federal: Money Received, $478,127. Money Lost: $478,127.
City: Money Received: $478,126. Money Lost: $478,126.
Total Budget: $956,253.
Total Loss: $956,253.

C.E.O.C. Housing Development:
Federal: Money Received: $77,000. Money Lost: $77,000.
Total Budget: $77,000.
Total Loss: $77,000.

Federal:
Total Received: $723,127. Total Lost: $723,127.
City:
Total Received: $478,126. Total Lost: $478,126.
Private:
Total Received: $506,400. Total Lost: $504,000.
Total Budget:
Total Received: $1,707,653.
Total Loss:
Total Lost: $1,705,253.

### PART C—HOUSING AND PHYSICAL DEVELOPMENT

Home and Improvement Program:
Personnel Cut: Total: 1.
Payrolls Loss: Total: $14,000.
Reduction in Service Delivery: Complete.
Availability of Alternative Funding: Unclear.

Work Equity Program:
Personnel Cuts: Total: 2(1) *. Cambridge Residents: $2 (1).
Payroll Loss: Total: $31,500. Cambridge Residents: $31,500.
Reduction in Service Delivery: Complete.
Availability of Alternative Funding: Unclear.

Open Space Program:
Reduction in Service Delivery: Complete.
Availability of Alternative Funding: No.

C.E.O.C. Housing Development:
Personnel Cuts: Total: 3 (2). Cambridge Residents: 2 (2). Cambridge Residents: $43,000 [7].
Payroll Loss: Total: $57,000.
Reduction in Service Delivery: Complete.
Availability of Alternative Funding: Unclear.

Totals:
Personnel Cuts: Total: 6 (3). Cambridge Residents: 4 (3).
Payroll Loss: Total: $102,500. Cambridge Residents: $74,500.

### SOMERVILLE

The figures contained in the following information are minimal amounts and it is to be noted that there are other areas which will be adversely affected.

Statistics were compiled with the assistance of Mayor S. Lester Ralph, and Carl B. Johnston, Mayor's Funding and Development Coordinator's "Effect of Federal Budget Cuts on Somerville:"

### PROPOSED FEDERAL BUDGET LOSS

*City*

1. Program: Emergency Employment.
Federal Fund Source: Department of Labor.
F.Y. 1973: $736,359.
F.Y. 1974: 0.
Job Loss: 85 full time and 40 summer youth.
Service Loss: 2 drop-in centers for elderly, gone; food delivery to 700 elderly and infirm, gone; 3 street workers for delinquent teens, gone; 4 community school workers, gone, program eliminated; public housing maintenance, cut back; renovation staff for century old school buildings, gone; highway department, cut back; code enforcement, cut back by ⅓ and 90% housing predates 1930; funding and development arm of Executive Department cut by ½, cut back.

*Schools*

2. Program: Educationally disadvantaged.
Federal Fund Source: HEW Title I, PL 89-10.
F.Y. 1973: $572,000.
F.Y. 1974: likely out.
Job Loss: 250.
Service Loss: 3400 educationally deprived children lose opportunity for special assistance.

3. Program: School Libraries.
Federal Fund Source: HEW Title II.
F.Y. 1973: $20,710.
F.Y. 1974: likely out by 1975.
Job Loss: 1.
Service Loss: Century old schools without libraries lose opportunity for this equipment to children.

4. Program: Innovative Education.
Federal Fund Source: HEW—Title III.
F.Y. 1973: $15,000.
F.Y. 1974: likely out.
Job Loss: none.
Service Loss: Old system and old curriculum loses opportunity to develop new programs common to new systems.

5. Program: Handicapped.
Federal Fund Source: HEW—Title VI B.
F.Y. 1973: $12,000.
F.Y. 1974: likely out.
Job Loss: 1.
Service Loss: Loss of opportunity for handicapped and retarded.

6. Program: Adult Basic Education.
Federal Fund Source: HEW—ABE.
F.Y. 1973: $15,000.
F.Y. 1974: likely out.
Job Loss: as many as 100 trained for new jobs.
Service Loss: Literacy training and high-school equivalency for adults in city with median of 11th grade.

7. Program: Aide for children of military.
Federal Fund Source: PL 874.
F.Y. 1973: $61,000.
F.Y. 1974: 0.
Job Loss: none.
Service Loss: Extra burden to city for children here due to federal projects but not living on military bases.

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*Figures in parentheses indicate part-time employees.

[1] Includes $144,000 anticipated in loans through private lending institutions.

[2] In 1971–1972.

[3] Includes $360,000 anticipated in loans through private lending institutions.

[4] Anticipated clients in 1973–74.

[5] Includes anticipated loss of $144,000 in loans from private lending institutions.

[6] Includes anticipated loss of $360,000 in loans from private lending institutions.

[7] Approximate figure.

* Figures in Parentheses indicate part-time employees.

8. Program: Leased Housing.

F.Y. 1974: 100 units planned are eliminated (new units)—$250,000.

9. Program: New scattered site housing.

F.Y. 1974: $750,000 for 20 new units approved for families—approval rescinded.

I LOSS

*Somerville Hospital*

1. Program: Nursing Student Scholarships.

Federal Fund Source: HEW.

F.Y. 1973: $85,561.

F.Y. 1974: 0.

Job Loss: 30 nursing student grants.

Service Loss: Career training, student nurses in hospital, increased expense to families of students.

2. Program: Neighborhood Health Centers.

Federal Fund Source: OEO via EMOC.

F.Y. 1973: $9,080.

F.Y. 1974: 0.

Job Loss: Pediatrician time.

Service Loss: Health services to about 3,000 low income people.

3. Program: Hospital and health center building.

Federal Fund Source: HEW Hill-Burton.

F.Y. 1973: $200,000.

Job Loss: 30 construction.

Service Loss: New facility for community without easy access to other hospitals.

*Neighborhood Youth Corps*

Federal Fund Source: Department of Labor—EMOC.

F.Y. 1973: $238,000.

F.Y. 1974: 0.

Job Loss: 407 summer youth; 35 year round; 12 staff.

Service Loss: Park renovation for teens and environmental education, audio-visual training, arts training, tutorial, experience in Columbia, South America journalism training, early childhood training.

*Somerville Anti-Poverty Project-EMOC*

1. Program: Somerville Services; 2 Health Centers; 2 Elderly Drop-In Centers; Food Delivery to Elderly and Infirm; Mystic Learning Center; Alternative High School; and Food Coop.

Federal Fund Source: OEO.

F.Y. 1973: $103,000.

F.Y. 1974: 0.

Job Loss: 14.

Service Loss: Services listed would need to close and cut service mostly for children and elderly.

2. Program: Planning and Administration.

Federal Fund Source: OEO.

F.Y. 1973: $40,000.

F.Y. 1974: 0.

Job Loss: 3.

Service Loss: Coordination for above services.

3. Program: Headstart—Day Care. Federal Fund Source: HER IV A. F.Y. 1973: $280,000. F.Y. 1974: about $200,000 (loss of about $80,000). Job loss: 10.

Service Loss: 2 classrooms of children.

*Cambridge/Somerville Legal Services*

Federal Fund Source: OEO. F.Y. 1973: $122,000 for Somerville. F.Y. 1974: could be totally out. Job Loss: 6.

Service Loss: legal services to hundreds of people.

EFFECTS OF FEDERAL CUTS ON INDIVIDUALS IN SOMERVILLE

GAIN

This is obviously a very difficult area to give a dollar value. Presumably if through general revenue sharing it is possible to keep property taxes from escalating the individual taxpayer has more dollars to spend.

LOSS

However, more expensive medical costs, especially, for elderly—due to hospital research cuts, Hill-Burton and medicare formula changes for elderly, et cetera—will result in higher fees to individual taxpayers. Reduction in grants for college students—NSF, NIH, Work Study, Nursing Student Scholarships, et cetera—will mean the blue collar family trying to educate their sons and daughters will have an even harder time succeeding in financing this opportunity for a professional career. Veterans, a group which has large representation in Somerville, will find expenses increasing because of proposed Federal budget cuts—veteran disability benefit, insured and guaranteed loans. Housing shortages are severe with a less than 1 percent vacancy rate and loss of new private housing development—two Somerville projects specifically cut by HUD—will cost the citizen in tax revenue to the city available housing and jobs.

LOSS IN NEW PROJECTS

This also is difficult to attach a dollar value to since it is projects which the city planned to process but was told by HUD and others not to bother to submit.

Somerville had submitted preliminary material for a $300,000 neighborhood facility in an isolated section of the city and had started work on a $400,000 concentrated code proposal. These were scrapped.

Somerville was told to cut their title I higher education CATV proposal $40,000 due to fund cuts.

Somerville lost two private housing developments because HUD told developers they could not continue even though both projects were well into application stage—one had been granted a go-ahead—later rescinded.

Somerville was told not to submit a $150,000 park-in-cities proposal last fall which was part of a comprehensive park improvement project in this city with 22,000 people per square mile.

HIGHER EDUCATION—STUDENT AID

Approximately 1,200 local students received some form of Federal financial aid while attending Tufts University in 1973. It is estimated that as many as half of these tsudents would not be able to attend college without financial aid.

The three basic programs of financial aid are the Educational Opportunity Grants, the National Direct Student Loan—formerly National Defense Loans—and the Work-Study program. The Nixon budget terminates the first two programs and weakens the third.

Educational Opportunity Grants would be ended and replaced by the Basic Opportunity Grant for which most students whose families earned between $7,000 and $12,000 a year would not be eligible.

National Direct Student Loans are made to students through their schools. The President proposes replacing this with the guaranteed loan program. However, past experience has shown that students with proven need have the most difficult time obtaining such loans from commercial banks.

Many schools had hoped to expand their Work-Study programs. However, serious changes under the programs will mean that more students will be able to work fewer hours and earn less money.

*Tufts University, 1973*

| | |
|---|---|
| Educational Opportunity Grants, 250 students | $310,000 |
| National Defense Student Loans, 900–1,000 students | 625,000 |
| Work Study program, 350 students | 220,000 |
| Total | 1,155,000 |

ARLINGTON

Total School Enrollment: 9,186.

Title I—Educationally Deprived Children: fiscal year 1973, $187,200; 320 student served; eight full-time emlpoyees; seven part-time employees.

Anticipated in fiscal year 1974: $76,084.

Title II—Library Resources: fiscal year, $14,443. Anticipated in fiscal year 1974: $14,600.

Title I—Vocational Education: fiscal year 1973, $32,704; 100 students served; three full-time employees; two part-time employees.

Anticipated in fiscal year 1974: $32,704.

Title I, part H, Vocational Education; work study: fiscal year 1973, $1,000; five students served; one full-time employee.

School Assistance in Federally Impacted Areas: fiscal year 1973, $140,959.

Special Milk Program: fiscal year 1973, $20,000 to $25,000; 5,000 students served.

Emergency Employment Act: Peak employment under EEA, July 1972; 19 persons. Weekly payroll: $2,747.

BELMONT

Total school enrollment: 5,048.

Title I—Educationally deprived children: fiscal year 1973, $28,037; 148 students served; 2 full-time employees; 6 part-time employees.

Anticipated in fiscal year 1974: $36,409.

Estimated income of families of children served by title I is below $3,000 yearly.

Title II—Library resources: fiscal year 1973, $5,564. Anticipated in fiscal year 1974, $5,565.

Title VI—Handicapped: anticipated in fiscal year 1974: VI–D, $29,200; VI–B, $16,000; total: $45,000.

Nutrition and health: fiscal year 1973, estimated $38,951; approximately 1,670 students served.

Anticipated in fiscal year 1974, $50,600.

Title I—Vocational education: fiscal year 1973, $10,025; 20 students served; 1 employee.

Anticipated in fiscal year 1974, $5,000.

Title I—part H, vocational education—work study: fiscal year 1973, $10,447; 29 students served; 1 employee.

Anticipated in fiscal year 1974, $5,223.

School assistance in federally impacted areas: fiscal year 1973, $67,141; 157 students served.

Special milk program: fiscal year 1973, estimated $10,659. Anticipated in fiscal year 1974, $9,800.

ELDERLY

Programs that have been terminated that affect the elderly include many of the housing programs such as rent subsidies, nonprofit sponsor housing which allowed nonprofit organizations to build housing for low-income groups including the elderly, and rent supplements. More important may be the loss of various social services provided by community action agencies and model cities agencies; these include senior citizens hot meal programs, legal services, and others.

One of the most severe changes that will increase the costs to the elderly is the proposed Nixon change in the deductible under medicare. The amount that elderly will have to pay to supplement medicare hospital and physician payments will rise appreciably.

HOSPITAL CARE

At present: For the first 60 days $72 deductible; 61st to 90th hospital day $18 per day deductible.

Nixon plan: Full cost of first hospital day, average $90; 10 percent of full cost of each hospital day after the first—average $15 per day.

A 2-week hospitalization would cost an elderly person a minimum of $300.

PHYSICIANS' COST

At present: Physicians average, $600. Medicare patient pays $168.

Nixon plan: Physicians average, $600. Medicare patient pays $214.

For those people on medicaid, all dental care has been eliminated.

## PEDAL POWER: POLITICAL SOLUTION TO THE GASOLINE SHORTAGE

## HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Monday, June 4, 1973*

Mr. RARICK. Mr. Speaker, a recent press release from the Department of the Interior indicates the extents to which some administration officials will go "in a conscientious effort to conserve gasoline."

It seems that the Secretary of the Interior, Rogers C. B. Morton, has forsaken his Cadillac limousine as "an example for all Americans to follow," favoring instead a Plymouth Fury sedan "to accommodate his official transportation needs." Such self-sacrifice should certainly not go unheralded.

It should be noted that the Secretary's limousine has not been sidelined completely, however. Use of the Cadillac has been restricted to hauling "foreign and other dignitaries during State and similar functions."

If the Secretary wanted to go a bit further in setting the example for all Americans, he might follow the lead of the enterprising city officials of Scottsdale, Ariz. The city has rented a number of bicycles for use by municipal employees to replace automobiles on trips within a mile of city offices.

Certainly, Mr. Morton would have to make modifications in the Scottsdale pedal power plan. For instance, he would need a bicycle built for two to accommodate his chauffeur. A deluxe model bicycle may be needed to pedal the foreign dignitaries around Washington—just to show them that the gasoline situation in this country is indeed serious.

Mr. Rogers will surely have more success pedaling a bicycle than peddling his ideas for a technological halt as an answer to the energy crisis.

## HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Monday, June 4, 1973*

Mr. DERWINSKI. Mr. Speaker, the 15th observance of Captive Nations Week will be held both here and abroad this July 15–21. This annual observance is based on Public Law 86–90 which in July 1959, Congress legislated and President Eisenhower signed into law. It cannot be too strongly emphasized that despite all sorts of changes in foreign policy and objective circumstances abroad, the captive nations in Eurasia and Cuba still remain very much captive. Developing a captive nations analysis of global affairs over the years, Dr. Lev E. Dobriansky of Georgetown University, who is also the chairman of the National Captive Nations Committee and president of the Ukrainian Congress Committee of America, brings this out in a challenging article titled "On the Threshold of New Captive Nations," which appears in the summer issue of the internationally renowned periodical The Ukrainian Quarterly. On this 15th observance I urge every American to read carefully the sobering analysis contained in the article:

### ON THE THRESHOLD OF NEW CAPTIVE NATIONS

(By Lev E. Dobriansky)

If there is one broad and firm constant in the whole diverse sphere of global affairs today, it is unquestionably the continuing stark reality of the captive nations. Yet, curiously enough but with explicative reasons, this fixed reality receives minimal and passing attention as our involvements, both domestic and international, cause us to lose sight of this constant of one billion people in communist captivity and its long-run importance and significance to our free national survival. Indeed, so deeply involved are we with immediate concerns, ranging from inflation and energy shortages to trade and cultural opportunities with the Soviet Union and mainland China, that few of us are even aware of the fact that we stand today on the threshold of new captive nations. Should this threshold be crossed in the near future, its widespread consequences and negative impact for the Free World, and American leadership in particular, would be grave, to say the least.

The time to re-think and reflect on this basic issue and its fundamental relevance to our national security and free future is annually provided by Captive Nations Week. In accordance with Public Law 86–90, which Congress passed and President lEsenhower signed in July 1959, the 1973 Week will be observed both here and abroad during July 15–21. This will be the 15th Observance.

For several years now communist capitals have assumed the stance that Captive Nations Week is a thing of the Cold War past, despite the empirical realities of the Brezhnev doctrine, the captive status of the underlying populations, and the totalitarian power wielded over these peoples. For example, last year Radio Moscow described "Captive Nations Week as a completely outdated affair."[1] Obviously the wish of the totalitarian communist regimes is that it would be so, and they are banking heavily on elements of ignorance and indifference in the West to make the wish true.

During last year's observance the public question raised was "How well do you know the captive nations?"[2] Advanced on a spot-check basis at various rallies and ceremonies across the country, the question was answered in a variety of inaccurate ways, ranging from the non-existence of captive nations to the few in Central Europe. The more numerous in the Soviet Union, in Asia and even Cuba were scarcely recognized as such. It is this type of popular unfamiliarity with the essential facts of global life that Moscow and to some extent Peking are banking on in the execution of their long-range plans. If our indicators are correct, there is not only the pressing need for popular information on this score but even the greater need for leadership on the part of our inform-opinion makers in government, the press, academia and other sectors to have these essential facts become generally known so that, as the President has recently stressed, we can seek "the philosophical, as well as the practical, reorientation of our foreign policy. This is the primary challenge of a radically different world. If America is to provide the leadership that only it can, Americans must identify with new visions and purposes."[3]

Regrettably, one finds shortcomings of thought even among those who devoted some study to certain parts of the world. For example, in his recent memoirs a former ambassador to the Soviet Union writes with reference to the Captive Nations Week as follows: "This resolution committed the United States, insofar as Congress had the power to do so, to the 'liberation' of twenty-two 'nations,' two of which had never had any real existence, and the name of one of which appears to have been invented in the Nazi propaganda ministry during the recent war."[4] What most seems to bother the writer are the listings of Cossackia and Idel-Ural. Neither term was the creation of any Nazi ministry—the first recorded as far back as the 18th century and the latter referring to an attempted independent state in 1917–20—and each applies to specific captive peoples in the USSR with a distinctive consciousness that far exceeds that of many inhabitants in the newly-founded states of Africa.

THOSE FREE NATIONS ON THE THRESHOLD

With the course of events moving swiftly since the President initiated what has come to be known as the Nixon Doctrine, it is well for us to become aware of the historical domino fact of captive nations since 1920. Despite geographical distances, what has been in process in Asia cannot rationally be divorced from earlier communist takeovers in Eastern Europe. Thus, as we consider those on the threshold of new captive nations, it is necessary for one's overall perspective to review the scorecard of captive nations:

| People or nation: | *Year of Communist domination* |
|---|---|
| Armenia | 1920 |
| Azerbaijan | 1920 |
| Byelorussia | 1920 |
| Cossackia | 1920 |
| Georgia | 1920 |
| Idel-Ural | 1920 |
| North Caucasia | 1920 |
| Ukraine | 1920 |
| Far Eastern Republic | 1922 |
| Turkestan | 1922 |
| Mongolian People's Republic | 1924 |
| Estonia | 1940 |
| Latvia | 1940 |
| Lithuania | 1940 |
| Albania | 1946 |
| Bulgaria | 1946 |
| Serbia, Croatia, Slovenia, et cetera, in Yugoslavia | 1946 |
| Poland | 1947 |
| Rumania | 1947 |
| Czecho-Slovakia | 1948 |
| North Korea | 1948 |
| Hungary | 1949 |
| East Germany | 1949 |
| Mainland China | 1949 |
| Tibet | 1951 |
| North Vietnam | 1954 |
| Cuba | 1960 |

Except for the 30's, there isn't a decade

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Footnotes at end of article.

in which communist aggression, spurred on primarily by Moscow, hasn't succeeded in acquiring another captive nation. For the decade of the 70's the dominant question is "Who's Next?" Laos, Cambodia, South Vietnam, the Republic of China? When the President spoke before the South Carolina legislature and stated our goal in Vietnam, he very simply was determined to answer this question in the negative. He said, "It was, very simply, to prevent the imposition by force of a Communist government on the 17 million people of South Vietnam. That was our goal and we achieved that goal and we can be proud we stuck it out until we did reach that goal."[5] It is too late now to recount our cumulative errors in Vietnam, particularly our early inability to recognize the type of revolutionary warfare, and it is also too late to argue about an Asianization policy there as an alternative to Vietnamization, one that could have been instituted as late as 1969.[6]

The extremely tenuous fabric of deals with Peiping and Moscow, agreements with Hanoi, and dependence on bombing retaliation, economic aid, and domestic compliances cast a dark shadow over the future of the nations in Indo-China as well as the Republic of China. All current, substantial evidence points to the eventual outcome of new captive nations. Evidently with implicit faith in Hanoi's strategy to envelope South Vietnam from Laos and Cambodia and to capitalize on the marked territorial and political concessions given to it in the south, Peiping continues with its program of subversion aimed at Thailand, Burma and other Asia neighbors. On more than one occasion Brezhnev and the Kremlin have pledged continued support to Hanoi and the Vietcong and expressed faith in the "ultimate triumph of their cause."[7] The multiple violations of the accord by Hanoi, as seen in the infiltration of hundreds of Soviet and Chinese tanks, missiles and other material into the south, have all the earmarks of a build-up for protracted warfare of calculated intensity in the south. Ideology may be rhetorically brushed aside, but when a Le Duc Tho openly states at a press conference—"I am a Communist and according to Marxist-Leninist theory, so long as imperialism exists there will be war"—you had better believe him.

It cannot be too strongly emphasized that with regard to any of the partitioned states the wars conducted are essentially international and not civil. This old communist technique was used as far back as 1918 in Georgia, Ukraine and other nations before they became captive. So in Vietnam, China and Korea. The recent slip by Dr. Kissinger about a "painful process of negotiation after 10 years of civil war" tends to indicate a perspectival shortcoming of basic importance. As a matter of fact his observation last year that the U.S. favored the peaceful resolution of disagreements between Peiping and Taipei, as though this were solely a civil war case, is being used by Peiping in its present psychological warfare against Taipei. As an old defector to Mao, Fu Tso-yi, put it, "It is very obvious. How long can Taiwan rely on the United States? Absolutely not long."

### THE RESOLUTION AND AMERICA'S COURSE

With all the complexities involved, the dynamic foreign policy course pursued by the President is firmly directed toward the insurance of world peace and rests on the fundamental assumption that communist adversaries will honor all consummated agreements. This is undoubtedly a challenging course and has reaped substantial results, so far. What is a period of negotiations, not confrontation is really a period of the confrontation of negotiations. Though there are certain psycho-political costs sustained in this course of action, such as cloaking despotic regimes with respectability and even equality, dampening anti-communist actions, and discouraging the hopes of the captive peoples, the course taken is fundamentally a courageous challenge to the totalitarian regimes in Moscow, Peiping and elsewhere that in the period ahead will determine whether they are willing to work for world peace in a genuine sense, and all that this entails politically, culturally and economically, or they are tactically seizing this respite to shore up for future aggressions in Vietnam, Free China, Free Korea, the Mideast and elsewhere.

Now, how does the Captive Nations Week Resolution fit into this process. At a White House assembly last year the popular Miami radio commentator Alan Courtney raised this very question to Dr. Kissinger. The somewhat ambiguous response was: "We, of course, support the right of nations everywhere, including Eastern Europe, to determine their own fate. But obviously, circumstances have changed since the period when these resolutions were first introduced and when there was an expectation that there could be violent upheavals or peaceful changes of the government rapidly into a different form of government. I think a realistic expectation now has to be that while these governments may move in a more democratic direction over a period of time, the sort of transformation that was foreseen in the 50's, the violent transformation have failed disastrously in Hungary and Czechoslovakia. That sort of transformation is less likely under current conditions, not because of the policy of this Administration, but because of the way the international situation has generally evolved since the end of the war."[8]

From this one wonders whether Dr. Kissinger ever read the Captive Nations Week Resolution. For one, the resolution is not restricted to Eastern Europe inasmuch as the concept it embraces has accommodated a captive nations analysis that now applies poignantly to Vietnam and other Asian countries. Second, the resolution was never predicated on any exclusive expectation of violent upheaval or rapid, peaceful changes in the Red regimes. The contingency of mundane existence applies to governments and nations as it does to individuals, and the nature and tone of the resolution are equally compatible to violent overturns and evolutionary processes where they point to the expansion of freedom. A careful reading of the resolution will show that its two sole bases are a dedication to expansive global freedom and a fixed politico-moral commitment to one billion souls in eventual liberation and freedom. And on the point of changed conditions, except for a relatively weaker America because of our failures since World War II, the essential conditions of Soviet Russian imperio-colonialism (as exemplified by the Brezhnev Doctrine) Communist Party totalitarianism, and Moscow's and Peiping's aggressive designs and paramilitary involvements have not substantially changed.

In short, the resolution is as applicable now as it was in the late 50's, and should the threshold be crossed in the period ahead, it and its genetic analysis would be more than ever impressive. The patent fact is that, contrary to the notions of Dr. Kissinger and others, there is no contradiction whatsoever between the contents of the resolution and the instrumentalist policy of the Administration. Many supporters of Captive Nations Week even go beyond the pragmatics of the Administration in advocating direct diplomatic relations with communist capitals in the various republics in the U.S.S.R.

For instance, it is clearly stated that "Detente does not mean the end of danger . . . Nothing would be more dangerous than to assume prematurely that dangers have disappeared."[9] Another example, concerning the balance of power, the classical concept entailing "continual maneuvering for marginal advantages over others" is plainly rejected as being "both unrealistic and dangerous" in the nuclear age. These and others are principled statements, but their real empirical tests are in the offing somewhere along the line of inevitable developments. Thus, practically speaking, should the President's leverage of bombing to enforce Hanoi's treaty commitments be eliminated by Congress and Laos, Cambodia and South Vietnam become new captive nations, would this be construed as a marginal advantage redounding to the benefit of the communist enterprise?

Without in any substantial way undermining the principles of the resolution, the major thrust of Nixon's foreign policy is instrumentalist, concerned with means designed to structure more or less stable relationships allowing for peaceful intercourse and hopefully for the flow of historical processes leading to the realization of the more ultimate goals enunciated in the resolution. As many other elements, involved here is the old notion of peaceful evolution whereby the means, including economic interdependence, would somehow predetermine the ends sought. The fundamental question in such a calculus is just how far do you extend the means without sacrificing basic principles? So far our principles have not been tarnished in Southeast Asia, Free China and in the Mideast, but will we be able to uphold them when the real counter-challenges arise?

### THE DOMINANT CHALLENGE OF MOSCOW'S TROIKA POLICY

Despite the current prattle on power multipolarity—with Western Europe desperate for the continuance of our armed presence there, Red China a massive underdeveloped state and Japan in the throes of anxious indecision—the chief enemy and danger to U.S. national interests is the USSR and its Russian-controlled base. Referring to this base, one European analyst stresses that "ideological changes in Russia, resulting in Russian nationalism, are actually more dangerous to us than communism already is."[10] Captive nations analysis has long emphasized the basic force of Soviet Russian imperio-colonialism, so well demonstrated by the captivity of non-Russian nations within the USSR and the Brezhnev doctrine without, and it is becoming increasingly ironical that the Maoist faction in Peiping now clings to a Russian social imperialism explanation which is only one step removed from our thesis.

Following traditional lines of imperialist Russian policy, which Marx himself noted a century ago, Moscow races its troika now as always before. The troika consists of (1) a steady, totalitarian and imperialist consolidation within its domain of power (2) a divide and subvert process directed at the West, especially the dismantling of NATO and (3) a progressive infiltration and undermining of the less developed areas of the world. Notable current expressions of this race of three abreast policy are its economic regionalization, widespread Russification in the non-Russian republics, mass arrests of Ukrainian, Russian and other intellectuals, and steady subservience of the economies and states of Central Europe; its diplomacy and extensive espionage, particularly through satellite embassies, in Western Europe and in the Americas, with the Brezhnev trips highlighting this part of the race; and its intense and deep involvements in the Mideast, the Indian Ocean, Cuba, Chile and elsewhere. Significantly, the recent Politburo promotions are catapults of expert jockeys for each horse of the troika: the head of the Russian KGB, Yuri Andropov, for the first; the skilled diplomat of deception, Andrei A. Gromyko, for the second; and Andrei A. Grechko, the defense minister concerned with the shipment of arms and stationing of Soviet forces, for the third.

When all the essential aspects of this firm

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and dynamic troika policy are carefully evaluated, the overriding question becomes one of "Who is challenging Whom?" At some cost, ideological differences may be set aside as a predeterminant of USSR-USA relations, but the means sought to realize immediate rather than ultimate goals of peace, involved proliferating negotiations, and vested interests in mutual restraint have been substantially and largely those advocated by Moscow itself since Krushchev's time and with the same troika bent and ultimate objective of prime global power. Long before misleading concepts of multipolarity and interdependency emerged, Moscow's troika was racing for peaceful coexistence, cultural exchanges, liberalized trade, an all-European security conference, reduction of forces in Europe and forms of disarmament and arms restrictions. The dominant problem in this hot politics of challenge and counter-challenge is that in contrast to totalitarian powers democracies are at some political disadvantage in their open vulnerability to damaging euphoria, political irrationality, subversion and other disarraying influences.

### TRADE, THE NON-RUSSIAN PEOPLES AND A NEW ATLANTIC CHARTER

After reducing the current situation to the foregoing basic perspective and analysis, it should be evident that a very fundamental question exists as to how much Moscow will be permitted to gain in political, technological and economic benefits to strengthen and fortify both its empire reins and undoubted bid for global supremacy. Politically, guarantees for the territorial integrity of its empire, non-interference in its internal imperial affairs, and empirically unjustified equality cannot but have a negative effect on all the captive peoples yearning for freedom. As Senator Javits recently observed. "The heinous acts of the past and especially the repressions of the present—such as the suppression, arrest, and trial of Ukrainian intellectuals and the ransoming of Soviet Jews wishing to emigrate—cannot be overlooked in an overall 'bargain of convenience' with the Soviet Union. To do so would be a betrayal of ourselves and the freedom for which men and women have fought and suffered for centuries and which is the base of our own freedom."[11] The essence of this applies equally to similar cases among other captive peoples and nations.

In the hope of forging a material interdependence and thus a vested interest in both mutual advantage and restraint, the President has emphasized the point on linking "the expansion of economic relations with improved political relations."[12] Essentially what has come to be known as the poltrade advocacy, this was first elaborated in the mould of a captive nations analysis in 1965.[13] The poltrade concept adjusts economic trade to political considerations and concessions. As the present, outstanding example, the price for our honorable ground withdrawal from Vietnam is Moscow's acquisition of much-needed grains and technology. The pressing question underlying continued trade with the USSR is how great a price will be caused to pay as Moscow bolsters its sagging economy at little comparative cost to its unrelenting military build-up and diverse intrigues and entanglements in every quarter of the Free World. It must be strongly emphasized that this is not our first experience in trade with the USSR, to which we contributed heavily in technology and knowhow in the 20's and 30's. Also, to entertain the misleading notion of progressive economic interdependence suggests a grave misreading of the nature and structure of the USSR economy and its extensions in Central Europe.

With part of the Russian troika racing into Western Europe, designed for the dismantling of NATO, trade wars and currency crises, and deepened division among the democracies, there is now more than ever the need for a new Atlantic Charter. But if it is to equal the theoretic quality and substance of the 1941 one, it, too, must give top and high expression to the right of all peoples to national self-determination and self-government. What broader field of hopeful application and relevancy could these top-priority points have than that in the captive nations from the Danube to the Pacific and into the Caribbean? What more pointed reference could such a new charter enjoy than in the direction of the numerous captive non-Russian nations in the Soviet Union itself? To stave off tragic results for American leadership, such a charter cannot avoid in any realistic sense the growing potentiality of new captive nations in Asia. Anything less than all this would produce only a second round of world cynicism and betrayal for those who cherish freedom on both sides of the still existing curtains.

FOOTNOTES

[1] "Chronology of Soviet Media Output" *Radio Liberty Dispatch*, July 26–August 1, 1972, New York, p. 1.

[2] Lev E. Dobriansky, *Do You Know the Captive Nations?, Congressional Record* reprint, USGPO, p. 1.

[3] *United States Foreign Policy For The 1970's.* A Report by President Richard Nixon to the Congress, May 1973, p. 230.

[4] George F. Kennan. *Memoirs*, 1950–1963, Vol. II, p. 99.

[5] "Nixon, in S.C. Talk, Defends Viet Policy," *The Washington Post*, February 21, 1973, p. A15.

[6] See "Asianization-Not Vietnamization—Is The Winning Concept," *Congressional Record*, July 15, 1970, pp. H6771–73.

[7] "Soviet Hails Vietcong Leaders and Sees Ultimate Triumph of Their Cause," *The New York Times*, January 28, 1973.

[8] *Briefing*. TV, Radio Anchormen and Featured Commentators, June 27, 1972.

[9] Ibid. p. 231.

[10] Ferdinand O. Miksche. "Cold War or Hot Politics?" *East Europe Monographs*, College Park, Mo., 1972, p. 58.

[11] Senator Jacob K. Javits. Message to Rally on the 40th Anniversary of Stalin's Man-Made Famine in Ukraine. The Shevchenko Statue, Washington, D.C., May 26, 1973.

[12] *United States Foreign Policy For The 1970's*, p. 33.

[13] See testimony on *East-West Trade*. Hearings, Committee on Foreign Relations, U.S. Senate, Part II, pp. 94–104.

## THE ENERGY PROBLEM

## HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

*Monday, June 4, 1973*

Mr. ALEXANDER. Mr. Speaker, there has been much discussion lately about the energy problem. I recently received a letter from an Arkansas State Representative who makes certain comments and recommendations for the alleviating of the situation as it now exists. At this point in the RECORD, I would like to share his thoughts with my colleagues.

The letter follows:

LITTLE ROCK, ARK., *May 17, 1973.*

Hon. BILL ALEXANDER,
*U.S. Representative, House Office Building, Washington, D.C.*

DEAR BILL: The energy crisis is in Arkansas! We have been told by Gulf Oil Company that they don't think they will be able to supply us with the propane that we need for the year. This came as a shock to us. We always pay our gas bills within ten days and have been a branded Gulf dealer for over five years. We think that Gulf prizes our business, I honestly feel that at this time they just don't have the gas. We have contacted several other gas companies and they all say they are not taking on additional customers.

Bill, I am writing you in the hope that Congress or the President will act on this matter immediately. If they don't we are going to have some cold homes, schools and churches in Arkansas this winter. The Federal Government needs to put the same priorities on LP Gas that is on natural gas. That is that the domestic user is satisfied before industry.

The problem started last fall when the Government would not let the major oil companies increase their prices. The smaller independent firms and industry came into the market and bid on the product at a higher price than the major companies were selling it for. As you can see, this caused many of the major companies to lose their production. Much of this bid production has gone into the industrial market rather than staying in the residential market.

Can not Congress help us in this by either saying all domestic users must have propane or establishing quotas on last winters purchasers.

We have tried to buy additional propane from every propane supplier that we could contact. They all say the same thing, they have no propane to sell at any price.

I think that the President's energy message allows some hope. I know that if the well head price of natural gas is increased this has to help. The Government should allow major oil companies to increase their prices so that they can bid on product as it becomes available.

I hope that you can do something to help the propane user and independent propane dealers in Arkansas.

Thank you for your attention.

Sincerely,

ERNEST CUNNINGHAM.

## POSTAL SERVICE EFFICIENCY

## HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, June 4, 1973*

Mr. LENT. Mr. Speaker, I noted with interest a recent letter to the editor of the Levittown Tribune, by Levittown Postmaster Paul Armstrong, Jr. Mr. Armstrong revealed the results of a nationwide survey of postal customers which indicated their views on postal service.

The survey revealed, for example, that 82 percent of mailers indicated that they felt that service was good to excellent and that a majority would prefer consistency to speed in delivery of mail—55 percent of those polled indicated that they made purchases as a result of advertisements received in the mail and that this percentage was much higher when the figures included magazine and catalog purchases. A great majority indicated that window service personnel were friendly and helpful.

Locally, Mr. Armstrong noted that a higher percentage of customers than the national average know their own ZIP code and use ZIP codes regularly. Nationwide, only about 9 of 10 people know their own ZIP code and about 88 percent use ZIP codes in their mailing.

I would like to bring Mr. Armstrong's letter to the attention of my colleagues and insert it in its entirety in the RECORD.

The letter follows:

MAYBE OUR POSTAL SERVICE ISN'T TOO BAD

DEAR EDITOR: A few weeks ago, the Levittown Tribune ran an article castigating the U.S. Postal Service.

It is felt that that article did not reflect the true opinion of the majority of the people. Substantation of my statement is shown by the following Postal Service canvass.

The overwhelming majority of Americans feel that their mail service is good to excellent, according to a survey of public attitudes conducted by the prestigious Opinion Research Corp., and released April 26 by the Postal Service.

The study revealed that 85 percent of the over 10,000 householders interviewed believed that mail delivery service was good to excellent. About one customer in ten rated it as fair and about three out of a hundred called it poor.

Asked about service as senders of mail, 82 percent gave a positive rating of good to excellent, with 4 percent stating it was poor. 8 percent said the service was fair.

When asked whether they would prefer the quickest possible service (which sometimes failed) or a reliably consistent service, 56 percent of the householders indicated a preference for consistent service. 23 percent opted for the quickest possible service, 18 percent said it made no difference.

The study indicated a wide lack of knowledge of existing postal rates. Of the people surveyed, 36 percent did not know the airmail rate (11 cents); 74 percent did not know the charge for special delivery letter (60 cents); and 51 percent did not know the correct charge for a two ounce regular mail letter (16 cents).

There was substantial agreement that it was reasonable to be able to send a letter anywhere in the country for eight cents. Many householders said, however, that it was not reasonable to charge the same to send a letter across the country as it does to send one across the street.

The study revealed that a substantial majority of customers read at least some of their third-class mail. Four in ten can cite types of third-class mail that they especially like to receive: sales announcements, store advertisements, coupons, and catalogs. Fifty-five percent of the customers indicated they made purchases as a result of having received advertising mail: when magazine and catalog offered purchases are included, the figure goes up to 76 percent.

Airmail and airmail special delivery were seen as the fastest means of sending mail over a substantial distance, but there was found to be little demand from household customers for such speed. Many customers believe that regular mail is as fast as airmail. Most customers were not familiar with the white top collection boxes used by the Postal Service for airmail letters, not used in Levittown.

Window service clerks were found to be friendly and helpful by 70 percent of the people, with 5 percent feeling they were unfriendly.

The study confirmed the increasing mobility of the American public. Forty-one percent of respondents have moved in the past five years, many, more than one time. Little problem was cited with having mail forwarded among that 83 percent who notified the Postal Service that they were moving.

Only 9 in 10 people knew their correct Zip Code, confirming Postal Service findings that only about 88 percent of the population uses the Zip Code in mailing letters. Lack of a Zip Code is a contributing factor in the delay of mail.

Levittown's percentage of Zip Code users is substantially higher than the survey and very few of our customers don't know their Zip Codes.

Maybe our Postal Service isn't too bad after all.

PAUL ARMSTRONG, JR.,
*Postmaster, Levittown P.O.*

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# RESOLUTION ON CONSOLIDATION OF FEDERAL RADIATION AGENCIES

## HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

*Monday, June 4, 1973*

Mr. HUNGATE. Mr. Speaker, the enclosed resolution of the Missouri Conference of Radiation Control Program Directors, is respectfully directed to the attention of Congress, executive and administrative officials for consideration of consolidation of Federal radiation agencies:

RESOLUTION NO. 3

Whereas the responsibility for the protection of the public and worker from exposure to radiation has been significantly fragmented at the Federal level; and

Whereas this fragmentation of responsibility is divided among the Atomic Energy Commission, the Food and Drug Administration, the Environmental Protection Agency, the Department of Transportation, the Department of Labor, the Office of Emergency Preparedness; and

Whereas this fragmentation if further exhibited between regional offices and headquarter offices with certain of these Federal agencies; and

Whereas this fragmentation results in duplication, inefficiency, contradictions, and complexities in communication: Therefore● be it

Resolved, That the Conference of Radiation Control Program Directors, urge the Congress of the United States to consider this serious problem of fragmentation and take the necessary legislative action to consolidate the various Federal responsibilities relating to radiation protection of the public and worker within one agency.

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# THE BOSTON TEA PARTY

## HON. WILLIAM G. BRAY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Monday, June 4, 1973*

Mr. BRAY. Mr. Speaker, December 16, 1973, will mark the 200th anniversary of what historians consider one of the most fateful days in all American history.

"The boldest stroke which had yet been struck in America," it is called. The dispute between the Colonies and England erupted into violence, when 342 chests of tea were seized from three ships and dumped into Boston harbor. The events that took place in 3 hours on that cold December night—known to posterity as The Boston Tea Party—started a chain reaction that led, almost without interruption, straight to the Declaration of Independence.

In the Amoy dialect of China, it was called t'e, or "tay." In Cantonese, it was ch'a, or "chah." The English tea—first pronounced "tay" and later "tee"—was derived from the Dutch, who brought the word to Europe through Java. Tea does not appear in any publication in English before the latter half of the 17th century.

The first newspaper ad for tea was in Mercurius Politicus, in London, in 1658:

> That excellent and by all Physitians approved China drink, called by the Chineans Tcha, by other nations, Tay, alias Tee, is sold at the Sultaness Head Cophee House in Sweetings Rents, by the Royal Exchange, London.

Samuel Pepys had his first cup of tea in 1660 and found the event important enough to enter in his famous diary:

> I did send for a cup of tee (a China drink) of which I never had drank before.

By 1757 it had become an institution in England; Samuel Johnson described himself that year as:

> A hardened and shameless Tea-drinker, who has for twenty years diluted his meals with only the infusion of this fascinating plant; whose kettle has scarcely time to cool, who with Tea amuses the evening, with Tea solaces the midnight, and with Tea welcomes the morning.

The first Europeans to drink tea were probably the Portuguese. There was no regular import into Europe until 1610, when the Dutch East India Co. sent in a shipment. For half a century the Dutch had the trade to themselves. Then, in 1667, the English East India Co.—John Co., as it was known—started on the road that led it to be the world's greatest tea monopoly. By 1687 John Co. was in the business for all it could get. The Dutch got their tea from Chinese junks that sailed to Batavia. John Co. outflanked them, and cut their costs, by going straight to Canton.

About one-third of Chinese export for the tea trade was green tea, from Chekiang and Anhwei Provinces. The best of all was green Hyson, made from the first gathering of the tenderest leaves. The second-best was Singlo, which leaves were picked two or three times a year.

Most of the tea that went into Europe during the 18th century was black, from the Bohea mountains in Fukien Province. The best of the black teas, Souchong, came from the first gatherings. Congo tea was less choice. The most common and plentiful that went to Europe in the 18th century was Bohea—dusty, hastily cured and packed—but cheap enough that almost anyone could enjoy it.

John Co.'s profits soared. By 1770 it was selling 4 million pounds of tea annually at a 500-percent markup from the price paid the Chinese. Even after shipping and other costs were deducted, the profits were handsome. But there was a problem.

The British Government saw the tea trade as a prime source of revenue. Duty was added on duty until the inevitable happened: tea smuggling, from the Continent. Literally hundreds of Englishmen went to France, Holland and Scandinavia, loaded up with tea, and ran their cargoes into isolated coves and harbors all up and down England's eastern coast. By the 1770's, Englishmen were consuming 13,000,000 pounds of tea a year. One authority estimated a staggering 7,500,000 pounds of this were smuggled.

Tea-drinking in America got off to a slow start, but by the 1760's consumption was over 1 million pounds a year. After 1720 colonists could import it only from England—legally—but probably less than one quarter of total consumption came in that way. The rest was smuggled, primarily from Holland.

Smuggling was common knowledge. In 1757 John Kidd of Philadelphia told his London associates that around 400 chests of tea had come into Philadelphia the previous 2 years. Sixteen of these were legal imports.

John Co. was aware of this. In 1767 Parliament acted. Legislation cut duties on tea and finally an American importer could buy tea in London for the same price as smuggled tea from Holland, without running any risk of breaking the law. For awhile, legal imports soared. Then Parliament passed another law late in June of 1767 which wrecked it all. The Townshend Act put a duty of three pence per pound on all tea imported into the colonies, along with duties on glass, paper, lead and painter's colors. It was the last of various attempts by Parliament to raise revenue from the colonies, and for England it was disastrous.

Protests against the Townshend Act combined with a general feeling that the colonists should be more frugal. After all, there were depressed times and a shortage of money. English tea was a natural target. It was the most common article taxed by the law and the patriots of America exhorted their countrymen to give it up. In its place, they proposed Labradore tea, known also as Hyperion, made from the red-root bush found in abundance in swamps along most New England Rivers.

Taste was questionable. However, one Englishman, trying a sample, said it had "a very physical taste." The Americans running the antitea campaign argued, however, that Labradore tea was safe to drink, whereas English Bohea caused almost every ailment known to man, ranging from stomach upsets to nervous disorders.

A general movement against importation of foreign goods began, and tea was the prime target. The antitea campaign picked up steam; if Americans drank dutied tea, then the whole cause of nonimportation was bound to failure. The duty was only 3 pence per pound, but if Americans felt Parliament could put on this tax, then what was there to keep Parliament from raising it? One writer:

> Can the spirit of man submit to the insolence of a crew of little dirty tyrants? Let us abjure the poisonous baneful plant and its odious infusion—poisonous and odious, I mean, not on account of its physical qualities but on account of the political diseases and death that are connected with every particle of it.

Another, signing himself a countryman, began by recounting the tale of a family he knew that ate so much butter with their tea biscuits that there was not any left over for market. As for his own family, well:

> There is my daughters Jemma and Keziah, two hearty trollups as any in town, forenoon and afternoon eat almost a peck of toast with their tea, and they have learned me and their mother to join them, and as for Jeremiah, he can hardly live without it, a booby.

It did not last. During 1769 one colonist wrote to his English friend:

> As to our people's quitting the use of tea, it is really a joke. It would be full as reasonable to imagine they will cease to drink New England Rum or Cyder.

The worst offender against the antitea movement was—Boston. There was good reason for this. The rest of the colonies depended primarily on smuggled tea. They could piously refuse English tea, and the tax thereon, while still enjoying it from their prime source of supply. Boston had no such way out.

In April 1769 some American sympathizers in Parliament moved that the Townshend Act be repealed. In February 1770 English merchants active in colonial trade petitioned Parliament in support of repeal, citing the damage it was doing to their business. Total abolition failed. The tax on tea remained; it was a good source of revenue, and also it would remind the colonists that there was a right of the Crown to tax them.

By 1773 smuggling had almost become a way of life for a good many colonial merchants—a minority, but still quite a few. It was, to be blunt about it, more profitable. In 1769 one writer even went so far as to say that repeal of the tea tax would have made no difference in smuggling. Tea from Holland was cheaper; also, there were better markets in Holland for American exports.

Parliament began to get tougher in cracking down. This moved smuggling from the merely profitable to the patriotic. After all, was it not another part of the fight for freedom? There was little resembling law and order along American waterfronts in 1773, and some were ready and waiting to use the situation to force a showdown. It was not long in coming.

Not only did the tea duty remain, but on May 10, 1773, Parliament drove in the final nail. The Tea Act of that date was aimed at helping John Co. get out of financial trouble. It lifted duty on tea entering England, and let John Co. be its own exporter to the colonies, eliminating middlemen. It actually removed one duty—and if enforced John Co. could have undersold the smugglers, meaning cheaper tea for the colonies.

Not until early October did the colonists really get a clear picture of what was coming. Opposition was on two themes: First, give in to a tax on tea and other taxes will follow; second, John Co. was getting a monopoly on one item; how long before it monopolized all the colonies' foreign commerce?

On October 7, 1773, the first handbills of protest appeared in New York. Eleven days later, on October 18, the winds shifted at Deal, on the English Channel. The ships *Dartmouth, Eleanor, Beaver* and *William* headed for Boston; *London* had papers for Charleston; *Polly* was destined for Philadelphia, and *Nancy* was almost ready to leave for New York.

The northwest wind was what they had been waiting for. One by one, holds full of tea, they headed out into the Atlantic.

They began to arrive in the colonies in December. At Charleston, the tea was unloaded, but put into a damp warehouse, under bond, where it rotted. At Philadelphia and New York, the masters of the ships, sensing the temper of the times, thought better of it and turned back. For Boston, it was to be a different matter. Nettled by a remark heard by Josiah Quincy in the South, that "Bostonians are better at resolving what to do than doing what they resolved," they felt they could make a better accounting.

John Adams' wife Abigail wrote to her friend Mercy Otis Warren on December 5, 1773; prodigious letterwriter that she was, there had been a sad neglect of the spellingbook somewhere along the way:

> The Tea that bainfull Weed is arrived. Great and I hope Effectual opposition has been made to the landing of it. To the publick papers I must refer you for perticuliars. You will there find that the proceedings of our Citizens have been United, Spirited and firm. The flame is kindled and like Lightning it catches from Soul to Soul. Great will be the devastation if not timely quenched or allayed by some more Lenient Measures.
>
> Altho the mind is shocked at the Thought of sheding Humane Blood, more Especially the Blood of our Countrymen, and a civil War is of all Wars, the most dreadfull Such is the present Spirit that prevails, that if once they are made desperate Many, very Many of our Heroes will spend their lives in the cause, With the Speach of Cato in their Mouths, "What a pitty it is, that we can dye but once to save our Country."

If the Bostonians were determined to do something more spectacular than merely turning ships back or letting it land and then rot, there was also the other side of the quarrel being just as stubborn.

For one thing, Thomas Hutchinson, the Royal Governor, differed from his contemporaries; he supported the plans of John Co., where some Governors did not. He had good reason: Two of his sons were agents of the company, and one was married to the daughter of one of Boston's leading tea importers, who stood to get a large share of the consignment now on the way.

Hutchinson thought he had enough troops, warships and other support in Boston to handle any trouble. There was also the matter of his past relationship with the patriots. His house had been plundered during the Stamp Act crisis. While he was lieutenant-governor, Sam Adams and others had constantly pestered and harrassed him. Not too long ago some of his private correspondence had been stolen and published, in an attempt to smear him. And the general court had just petitioned the privy council in London to impeach him and get him out of Boston.

Hutchinson had been under fire almost constantly since 1765 and his request for a leave of absence had been granted, much to his relief. But he did not want to make it look as if he were running away and quitting under fire.

Bostonian moods were turning ugly. The main target of attacks, all verbal, were the men to whom the tea was consigned. In early November it erupted. On Wednesday, November 3, around 500 persons collected around the Liberty Tree, on summons of the town crier and church bells. Sam Adams, Joseph Warren, John Hancock, the Boston selectmen and other patriot leaders attended, but the consignees did not, although they had been requested to do so.

A delegation headed out to find them and tell them their refusal was an affront and they should resign. Found conferring in Clarke's store, they yelled through an open door that they would not honor the requests of an illegal mob.

The mob began to break up, when, suddenly, some of them spun around, stormed the building, wrenching doors off their hinges, and broke in, throwing stones and mud. The consignees took refuge on the second floor, in the counting-room, and the door there was too stout to break down. After milling about an hour or so, the mob broke up. It was the first time a mob had arisen, and the precedent was grim.

The first tea-ship—*Dartmouth*—arrived in Boston Harbor on Sunday, November 28. Boston was determined the tea would not be landed, and it would be sent back to England. But it was not that easy. Tea, once exported, could not be returned or it would be confiscated. Storage in a government warehouse in Boston was turned down. After all, Governor Hutchinson or the customs officers might well turn it over to the consignees. The tea supply in Boston was already running low and the price was rising. John Co.'s cheap Bohea would almost certainly find a market.

The ship *Eleanor* came in on December 2; she tied up at Griffin's Wharf, alongside *Dartmouth. Beaver* arrived off Boston on December 7 but had to wait outside the port, as there was smallpox aboard and an intensive cleaning-up process was necessary. On December 15 *Beaver* came in, too. The fourth, *William*, had wrecked off Cape Cod but the cargo of tea was salvaged.

The maneuvering of the next few days was complicated, but it boiled down to basically one issue: the demands of the Bostonians that the ships be cleared and sent back, and Governor Hutchinson's refusal to do so. There were involved rules concerning customs and the like, Hutchinson was in no mood to make any sort of compromise.

On December 16 he flatly refused to give *Dartmouth* a pass so she could sail. The ship had not been properly cleared by the customs officials, and allowing it to sail would mean a violation of the acts of trade.

The *Dartmouth*'s owner, Rotch, had honestly worked with the patriotic faction in an effort to find some way out of the mess. He himself appeared at the mass meeting that evening to tell them the pass was refused. When asked if he would order his ship back anyway, he said he could not; it would mean his financial ruin. Well, then, did he plan to unload the tea? Only if the authorities ordered him to, he replied, and then only to protect himself.

At this point, Sam Adams arose. He said:

> This meeting can do nothing more to save the country.

Historians think this may possibly have been a prearranged signal. At any rate, there was a war-whoop from the gallery, answered by a group at the doorway already in Indian costume. In later years witnesses remembered some of the shouts that arose: "Boston Harbor a teapot tonight!" "Hurrah for Griffin's Wharf!" "The Mohawks are come!" "Every man to his tent!"

Three blocks away, a merchant, John Andrews, was quietly sipping a cup of tea, and the racket startled him. He headed down the street but could not get through the crowd. Just then the meeting broke up and as the meeting hall emptied the din rose to a pitch. "You'd have thought that the inhabitants of the infernal regions had broken loose," Andrews recalled later. He headed home to finish his tea. The crowd headed for the harbor.

Who really went aboard the ships still remains, by and large, a mystery. John Adams was to write, 50 years later, that he did not know the name of one single person. There was considerable secrecy as to identity—naturally—and that also led to a large number of claims as participants by those who may not have really been there after all. One list was supplied by an alleged participant when he was 93; another when the man was 113.

Armed bands drawn from various patriotic groups had been guarding the ships to prevent their being unloaded. Some were from John Hancock's Corps of Cadets and Hancock himself had carried out a brief inspection tour on one of the vessels in early December. There were Masons; a lodge meeting scheduled for that evening, December 16, adjourned at once "on account of the few members in attendance." However, most "Indians" were members of the Sons of Liberty, Some, it seems, did not know about plans to destroy the tea. They came along for a variety of reasons—sincere patriotism or excitement.

At any rate, they began to assemble along the Boston waterfront. Small groups of men, with semblances of Indian disguises, led the way. Why they took this costume, and why they called themselves Mohawks, is still unclear. Paul Revere was among them. Sam Adams, John Hancock, and Joseph Warren, though, did not go aboard the ships. Their work was done; they had set it all in motion.

And someone had done a lot of planning. The next day, merchant Henry Broomfield observed that:

> People of sense and more discernment than the vulgar (must have been) among the Actors.

A rain had stopped; the moon was up and some people brought out lanterns. Many of the "Indians" had hatchets. There were somewhere between 30 and 60 men, all together, and divided into three groups, each with a leader.

Two groups went on *Dartmouth* and *Eleanor*, tied up at the wharf. *Beaver*, anchored off the wharf, was pulled alongside. Customs officers on the vessels were shoved aside. Block and tackle was wrapped around the chests, they were pulled up on deck, there broken open, and the tea shoveled over the rail.

This was a time of low tide, and the water was only 2 or 3 feet deep. Before long the tea piled up to where it almost spilled back into the ships.

A large crowd watched from the wharf, the only sound over all being the constant whack-whack-whack of hatchets as the chests were broken apart. It only took 3 hours; by 9 o'clock, it was all over.

There had never been a move by governmental authorities to interrupt. A regiment of troops was in Boston; they were not called. A squadron of warships was at anchor in the harbor, a few hundred yards away. Their commander, Admiral Montagu, saw the whole business from a house at the foot of the wharf. The next day he wrote a report, and noted in it:

> I could easily have prevented the Execution of this Plan but must have endangered the Lives of many innocent People by firing upon the Town.

By tradition, Admiral Montagu called to the crowd from a window after they had finished and proceeded to march away:

> Well, boys, you've had a fine, pleasant evening for your Indian caper, haven't you? But mind you have got to pay the fiddler yet!

To this, a man named Pitts responded:

> Oh, never mind! never mind, squire! just come out here, if you please, and we'll settle the bill in two minutes.

The crowd yelled; a fifer, along for the the evening, blew away on his fife and the procession moved on.

The "Indians" took great pains to make sure no one took any tea away with them. One, Charles O'Connor, was found filling his pockets and the lining of his clothes with it, while helping throw broken chests overboard. He was stripped naked on the spot, and kicked off the ship.

A few days later another man was found in South Boston, with an entire chest of tea that he had carried away. He had sold some. He was forced to give up the money, then, the crowd, taking what was left, made a bonfire out of it in front of John Hancock's home.

The next morning John Adams sat down to write in his diary:

> Last Night 3 Cargoes of Bohea Tea were emptied into the Sea. This morning a Man of War sails.
>
> This is the most magnificent Movement of all. There is a Dignity, a Majesty, a Sublimity, in this last Effort of the Patriots, that I greatly admire. The People should never rise, without doing something to be remembered—something notable. And striking. This Destruction of the Tea is so bold, so daring, so firm, intrepid and inflexible, and it must have so important Consequences, and so lasting, that I cant but consider it as an Epocha in History.

Which it was.

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## COMBAT CREWS PRAISE F-111 AS "ONE SMART AIRPLANE"

### HON. JIM WRIGHT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Monday, June 4, 1973*

Mr. WRIGHT. Mr. Speaker, for almost a decade, the Air Force F-111 aircraft, built by General Dynamics Corp. in Fort Worth, has been a favorite whipping boy for critics.

The F-111 has been held up by its critics, not all of whom were competent to judge, as a technical failure with a grisly crash record—the latter allegation despite the fact that the F-111's record has proved it safer than any other high-performance fighter during both development and testing cycles.

The proof of any weapon system lies in the test of combat. In September 1972, the 474th Tactical Fighter Wing, which is equipped with F-111's, was sent to Southeast Asia. From that time until the cease-fire was negotiated in January 1973, the wing's F-111's flew nearly 3,500 sorties—most of them at night, in bad weather, and at very low altitudes. Many of these flights were into the most heavily defended areas in the history of aerial warfare—to targets in and around Hanoi and Haiphong.

In this very difficult combat environment, the F-111's successfully completed missions, day after day, that could not have been flown by any other aircraft in the world. Their bombing effectiveness was better than any other aircraft in Southeast Asia, and their combat loss ratio by far the lowest. This extraordinary record is virtually unknown to the public, since little of it was reported—except for the 6 losses in 3,500 sorties.

During the height of the F-111's combat action in Southeast Asia, Wayne Thomis, then aviation editor of the Chicago Tribune, went to Thailand to observe F-111 operations and talk with the crews. His report on the superlative performance of the F-111 appears in the June issue of Air Force magazine. I commend it to all who would make an objective appraisal of the value of this unique aircraft, and ask that it be entered into the RECORD:

### WHISPERING DEATH: THE F-111 IN SOUTHEAST ASIA

(By Wayne Thomis)

When the 474th Tactical Fighter Wing brought its swingwing F-111A twin jets to Takhli Air Base 130 miles north of Bangkok, Thailand, last September, a Seventh Air Force operations officer, part of the teams controlling air combat over Southeast Asia, asked:

"Do you people have smart bombs?"

The reply, verging on the flippant, was: "No, but we've got smart airplanes."

And the 474th proved its claim. The F-111s, flown by two squadrons (the 429th and 430th) of gung ho aircrews and maintained by dedicated, hard-working maintenance people "cut a new groove" in aerial fighting. They demonstrated in the crucible of battle—final test of any weapon or military theory—that the low-level, high-speed penetration of even the most sophisticated defenses is the right way to go.

The Vietnam performance of the 474 TFW's forty-eight aircraft speaks for itself. Here is a brief summary of these operations:

Sorties flown: Approaching 3,500 at the time of cease-fire.

Bombing effectiveness: Rated by Seventh Air Force analysts as very close to accuracies achieved by the guided bombs (smart bombs). In the case of the 474th, targets were not hit by single bomb drops, but rather by salvos of twelve to sixteen iron bombs on each sortie. At the end of the fighting, strike planners were sending single F-111s to hit an airfield, attack a SAM site, or a railroad yard—with the certainty that the target would be hit by that single-plane mission, flown at night, in bad weather, against the toughest ground defenses in the history of air warfare. Never, before the guided bombs or the F-111s, could single-plane missions be launched with foreknowledge that the strike would be effective.

Mission aborts: Less than one percent. No other equipment in the inventory had a lower abort rate, even though the F-111s were in their first full-scale combat assignment. Weather scrubbed missions only once, according to wing operations records, and that at the height of the year's worst monsoon rains.

Plane losses: An astonishingly low total of only six. This represents a combat loss ratio of one-sixth of one percent of the aircraft exposed to enemy fire. No other units engaged in Southeast Asia (F-4s, A-7s, B-52s, A-6s) proved so survivable—a fact apparently overlooked by correspondents who reported the final days of the air war, which intensified right up to the cease-fire.

"We certainly expected more losses," reported the F-111 crews who were rotated back to the 474th Wing home base at Nellis AFB, Nev., in late January.

#### TFR: MAKING BELIEVERS

"We gradually gained great confidence in our planes, our navigation and bombing equipment, and that fantastic, really unbelievable TFR (terrain-following radar). All this special electronics enabled us to go in at very low altitudes. We went on mission after mission (crews average forty-five to fifty-three sorties) without taking a hit," an aircrew member of the 429th told this writer.

"By actual count, there were less than ten hits taken by 474th aircraft up to the time we left about January 20. We know that one of the planes that didn't return took SAM hits. The crew so reported as they punched out. Those boys are coming home as prisoners—their names are on published lists—so we'll get the full account later.

"There was only one precautionary landing away from Takhli because of damage. That was at Udorn in north Thailand. Inspection on the ground showed half a dozen small holes near the tail. The skin inspection plates were opened up and routes of the flak traced. Fortunately the shrapnel cut no lines and the plane was flown to Takhli with only tape across the entry holes."

Do not assume however that the F-111 crews took combat lightheartedly. Moments of terror, hours of sober consideration of tactics and flight planning long hours of energy-absorbing concentration while flights were in progress are acknowledged by all. Penetrations of the Hanoi/Haiphong defenses and the Red River delta with its SAMs and AAA demanded the highest sort of courage and self-control.

"We were always nervous no matter where we were targeted because flying as low as we did and as fast is inherently dangerous.

"You are only a quarter of a second—at 500 miles an hour—from hitting the ground if anything goes wrong," explained Lt. Steve Glass, Weapons Systems Officer.

"Think about flying around in daylight and good weather only 200 feet above the ground and going up and down over hills and into valleys, keeping this height," said Capt. Jackie Crouch, former F-105 pilot with two earlier SEA tours.

"Now do this at night, in mountains and in heavy cloud when you can't see anything outside the cockpit. That is really, really exciting, even without the enemy threat.

"It takes real discipline to come up over these mountains, as we did at night, out on top of the cloud layer in the moonlight. We'd see those jagged peaks all round us poking through the cloud tops, and we'd have to put the nose down back into that mist. And as we went down, the moonlight would fade, and the cloud get darker, and we'd know we were descending below those peaks and were depending on our radars and our autopilots—and with Hanoi coming up. . . .

"I won't say that I wasn't worried.

"One night when the weather was *very* bad, I was in cloud for the last eleven minutes before bombs away—and that means at the lowest levels of the whole flight, going up and down hills and keeping our clearance still at 200 to 250 feet above these obstructions.

"We didn't see a thing outside the cockpit, not even after the bombs left us. For me, this thing was really remarkable. Even now I can't explain how fantastic it was, what extraordinary instrumentation we have, what systems—I find it hard to comprehend even now.

"The confidence I gained in the airplane—it made a believer out of me. I'll tell anyone in the Air Force that, given a choice on a night strike of going in high or going in low, I'll go in low every time. And I'll go anywhere in the F-111."

The crews had the highest possible praise for their TFRs—the terrain-following radar that electronically observes their height above ground and directs the autopilot during final phases of all strike missions. The crews could pick the height they wanted to maintain above obstructions, and the TFR plus the autopilot provided the control inputs to give it to them, regardless of hills, mountains, trees, valleys, or other ground irregularities.

Confident though they were, the crews are overwhelmingly aware of the proximity of the ground during bombing runs. An indication of this is a notice they posted on the bulletin board in the Takhli officers' club. It said:

"Effectiveness of SAMs is less than fifteen percent for all firings.

"Effectiveness of Triple A is less than five percent, day or night.

"But—Effectiveness of the ground remains 100 percent. Don't let it hit you."

#### HEADLINES THE HARD WAY

The 474th was a bit shaken when one of the first two planes launched, within three hours after the long ferry flight from Nevada, failed to return. Its fate and that of its crew remain a mystery even today. In the weeks of combat that followed, five other F-111s also were lost. Of these, four were 430th aircraft, and two were from the 429th. The sixth and last was hit by ground fire over Hanoi. The crew was able to make a radio report before they punched out in the capsule. Both men made it safely to the ground, but were captured.

During the first weeks of combat, the F-111 crews maintained radio silence following takeoff as a security measure. This contributed to the mystery of the early losses. Investigators had no clues, or virtually none, on which to base investigations. By early November, Seventh Air Force changed the rules. Pilots had to make a brief radio check at course change points to high-flying radio-relay planes. "We've got to have some line on the F-111s," headquarters said.

"But this wasn't everything they'd hoped for," Captain Crouch said. "We were expected to make those calls when we were busiest. I got so I just let them go, once I was down low in final stages of a strike."

Maj. Carlos Higgins, another F-111 left-seater with the 429th, said: "Once you were low, you had to monitor everything; you had to be thinking and looking—by radar—as far ahead as possible so you would know what the terrain was like, and you had to count on this information from your right-seat man whose radar is better than the small vertical indicator scope on the pilot side. You count on your right-seat man to keep giving you word on obstructions so you could be sure the autopilot was obeying the TFR.

"But, if you missed making a position report by five minutes, they would call you. Often I'd come back with, 'Jumbo Two Four, still alive,' and let it go at that."

F-111 crews never could understand why Seventh Air Force and PACAF Headquarters got so excited over F-111 combat losses. Other types of plane were lost daily, inevitably, in the hazards of a bitter war. Such plane and crew casualties were routinely reported and routinely accepted. But not so with the F-111s. Captain Crouch voiced the 429th attitude:

"We never could figure why the generals went straight up when an F-111 failed to return. Navy could lose an A-6, which was just as expensive and almost as sophisticated in navigation, radar, and bomb delivery as we are, yet nothing was said.

"The same attitudes were evident when Air Force or Navy F-4s went down, almost every day. Even with the B-52s, when they began hitting Hanoi—those shoot-downs were more or less accepted. But let an F-111 be lost and everybody seemed to go right through the roof. It wasn't realistic."

"Certainly we ourselves had expected to lose more than we did," said Capt. Paul Sperry, right-seater for Major Higgins.

"Look how the airplane performed in battle," Major Higgins said. "We couldn't understand all the bad publicity it received during development. But once in battle, its performance was ignored, or the publicity referred only to losses. The F-111 played a major role in the resumed bombing pressures on Hanoi and did great work that was never acknowledged."

### CLOSE, BUT NO CIGAR

The North Vietnamese, the Major said, respected the F111s. They called the plane "Whispering Death" in propaganda broadcasts. This, the 429th crews agreed, is a good description of the only warning sounds of an F-111 in a high-speed, very-low-level bombing approach.

"This kind of a name indicates the surprise with which we hit them," he said. "When we bombed in bad weather or rain, we wondered whether they could hear us in advance at all. They must have been surprised when the bombs flashed on impact in downpours, as they often did. We thought the bomb flashes were often the first clue—other than their radar—of where we were."

North Vietnamese radar coverage was "unbelievable." all agreed. "There was no such thing as coming in under it in the Red River delta," Major Higgins said. "The place is so small, so heavily defended, so flat, that they are looking in all directions for attacks all the time.

"Once you came skiing over the mountains [crews called their ground-hugging tactics "skiing"], you found yourself within their radar energy outputs. There was no escaping this," he continued.

"Of course, we never were sure what return they were getting—whether they actually could track us against the ground. Our onboard countermeasures equipment told us they were looking. But ground fire—triple A—seemed to be rather indiscriminate. Once there was firing along your track, the guns ahead would shoot straight up with everything available, hoping, we thought, that we would fly into the barrage.

"We were all surprised how readily and repeatedly we went in and came out despite the defenses, the knowledge by the ground crews that we were coming back night after night, the certainty of the targets we would hit. And those gunners—they've had more practice in the last five years than any gun or missile crews in history."

"You must remember that Hanoi/Haiphong is a little bitty place—it only took us five to six minutes to fly across it," said Captain Crouch. "With all that lead we saw floating around, we expected hits, but we kept coming back without a scratch. Lots of it come so close we could hear the supersonic 'whack' as it went by."

"One night, five rounds went by so close we felt the passage and heard it," said Lieutenant Glass. "We thought we'd been hit. But we looked over the panel and nothing flickered. When we got home, inspection turned up nothing."

The 474th crews saw some "really unusual sights," they said, during their dusk-to-dawn sorties SAMs are "very visible," the fireball at the tail being easily followed from the moment of ignition on launching rails "until they go by you." As for triple A—it comes in all colors, sizes, and trajectories, and at night "really catches your eye as it surrounds you."

### ZAPPING THE SAMS

"SAM gunners tried for us," said Captain Crouch. "Their equipment let them guide the SAMs—if their radar could track us. They tried often enough. The hits we did take usually were SAM shrapnel."

The 474th had a special feeling for SAMs, anyhow. They were turned loose by Seventh Air Force to attack SAM sites on December 21. They recall that, during the nights of the eighteenth through the twentieth of December, Air Force electronic countermeasures planes and crews flying high above the battle reported eighty to 120 SAM firings, mostly at the B-52s operating at 28,000- to 35,000-foot levels. The Air Force count on expenditure of SAMs in this period, by day and night, totaled 600 firings.

"On those nights, we saw plenty of SAM fireballs," said Lieutenant Glass. "After 'bombs away,' I looked back once and saw four rising together, a salvo. And over the common radio frequency we all monitored, the countermeasures watch never stopped talking, reporting SAM tracks. I heard him call at least fifty before we were out of range."

"The North had accumulated quite a stockpile before December," Captain Crouch said. "Their radars were peaked up, and triple A had plenty of ammo. They'd not been using it while we kept the bombing below the twentieth parallel.

"When we came back to renew the Hanoi assault, they were ready. Hits on the B-52s and others were sufficiently damaging that Seventh Air Force sent us against the SAM sites after the third night. And a SAM site, usually a big star with launchers at the points and radar and control trailers at the center, is a good target for us."

"If you'd like a good figure for comparison, after we went to work," interjected Captain Sperry, "the firings dropped way down immediately. We got counts of eighty to 120 firings during each of the early nights; they dropped to twenty-eight on December 21, and to eighteen on December 22."

"There were nights after that," concluded Captain Crouch, "when not a single SAM was fired."

### FASTER THAN LIGHTS OUT

"I think we convinced Seventh Air Force of our accuracy and our value after those four tough days."

The two squadrons never will forget other experiences during that bombing renewal. Maj. Jack Funke, Captain Crouch, and Major Higgins recall vividly the earliest sorties flown the night of December 18.

"The delta weather was way down, ceiling 200 feet or thereabouts, and cloud piled up to 28,000 feet," Lieutenant Glass remembered. "Talking it over later, we agreed the North Vietnamese, who long ago had turned the clock around, working at night and resting by day because of the day attacks never expected anybody to hit them in such weather conditions."

"We came skiing down the mountains and plunged out into the open under the lower edge of the overcast, and it seemed to us the entire Hanoi valley was lighted up like Las Vegas," said Captain Crouch. "Hanoi was bright with neon and street lights, and the port was aglow in the distance. On the roads leading out of town and on the mountain switchbacks to the south, truck headlights were blazing like strings of pearls."

"We happened to arrive about ten minutes to eight in the evening, Hanoi time," said Lieutenant Glass. "We were coming so fast, we were almost on release point before any of those lights started going out. Sections of the town blacked out one at a time, and we knew sirens were screaming and somebody down there was pulling master switches, even as the bombs left us."

Captain Crouch and his rightseater, on December 19, in very poor weather, had the unusual experience of bombing Yen Bai airfield while the runway lights were still on.

"The field is one of Hanoi's fighter defense bases," he recalled in a slow drawl. "At 300 feet we were running in and out of ragged mist, but five miles out I could see the runway lights. I couldn't believe it.

"Geary's steering directions from our equipment pointed right at them, though. I thought either they decided nobody could go bombing in this weather and were working on the lights, or they had some MIGs out and were trying to recover them. Either way, I thought, it's fine for us.

"Still, we bombed on our own radar. Looking down, after bomb release, I saw the runway and some blobs of building near it. No planes; they keep their fighters at the ends of five-mile taxiways, or taxi-tracks, and operations must be buried somewhere nearby."

The night attacks served to keep Hanoi's technical-warfare people on twenty-four-hour alert and contributed to a general fatigue factor that could have had great importance in breaking down the defenses. The defenses had "failed," in the view of the 474th crews, as bombing was resumed on December 26, following a thirty-six-hour Christmas pause at President Nixon's order.

### CONCLUSION: ONE SMART AIRPLANE

The F-111 is demanding of its pilots; all low-level operations are energy-draining. Men and equipment are cranked to peak performance in these phases, matched by no other combat airplanes, the crews said.

"You are really busy, monitoring everything, once you get well into a mission," said Major Higgins. "Things are happening so fast that you have to stay well ahead, just to keep up. Chances are the equipment is so good it would get you where you want to go, if you just sat back. But nobody can do that once in a combat area.

"Our F-111s are not fighters—they're bombers. Demanding as it is, the airplane will deliver an attack in weather and against defenses that are the very best the enemy has shown at any time. And do it over and over again. It's got capabilities no other aircraft in the inventory can match."

The crews agreed: "We always planned our missions so we could bomb manually and make a return to base without our computer, more or less by dead reckoning. But we never did either of these things. That speaks for the equipment reliability."

This writer was told by Seventh Air Force operations officers that the F-111 had "really come out smelling like a rose." They said earlier doubts based on its rather unsuccessful 1967 appearance in Southeast Asia—long before the developmental period was concluded—and upon a somewhat cool attitude toward F-11s held by Pentagon brass "were completely dispelled."

"It's a great airplane, and it does a job like nothing else can in darkness and bad weather," I was told. "We had crews from Strategic Air Command out here seeing how the TAC outfit flew. We had TAC F-11 crews from England, and from the US-based F-111 outfits. And we had more than our share of congressmen and senators from Washington to observe the F-111 in battle.

"They saw the birds going out of Takhli, one by one—the crews briefed, flight planned, rested, rebriefed on weather and the strike areas, and then sent off on their solitary missions. Some two and a half hours later when our men and their birds were back, the observers had the chance at the club to sit and talk to the people who had been over Hanoi that night.

"Our conclusion is that we need more F-111s. It's going to be a long time before we get anything else that will come close to this aircraft and its systems—nothing at all before 1980 when the B-1 now is scheduled."

True cost-effectiveness of the F-111 in battle is only appreciated by the combat planners, said a Seventh Air Force operations officer while Linebacker II, the December 1972 campaign against military targets in the Hanoi/Haiphong area, was going on.

When 500 planes fly strikes against Hanoi—from Navy, Marine, and Air Force sources—there are another 500 planes supporting them. These supporting aircraft are around and above the battle, but don't make the strikes. There are the F-4 combat air patrols, and the tankers that must maintain position for F-4s, A-7s, A-4s, and A—6s to get a drink of fuel if they need it. And there are the electronic counter measures birds, the traffic controllers, the communications relayers, and the heavy commitment of those great air rescue crews and copters.

"The F-111s don't need this support armada. They can come into an area, fuel and arm at their home base, then go out and bomb and return with no support from anybody else. Their low-level speed is as great or greater than enemy fighters, and their legs are long enough to bypass the tankers. All this adds up to savings that are dramatically in favor of the low-level swingwingers—the F-111s."

Like the crews say, it's one smart airplane.

## THE BEAUTIFUL AMERICAN

### HON. HENRY B. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Monday, June 4, 1973*

Mr. GONZALEZ. Mr. Speaker, there are far too many instances when American business interests have been cited with multiple bad deeds in foreign countries.

It is, therefore, gratifying to learn of the reverse of this type of situation. Unfortunately, too often, as in other of life's instances, we are unaware of the full worth of the good deeds of these "Beautiful Americans" until they are gone.

Such an American was Norvell E. Surbaugh, president of Sears, Roebuck & Co., in Mexico City, whose passing was marked by an editorial entitled "The Beautiful American" in the News, Mexico's English-language newspaper. I would like to share with you and my other colleagues the text of this editorial and Mr. Surbaugh's obituary:

### Norvell Surbaugh Dies

Norvell E. Surbaugh, prominent civic leader here and president of Sears Roebuck de Mexico, died at the ABC Hospital Monday afternoon after a brief illness.

Funeral services will take place Thursday at the ABC chapel, business associates announced.

Surbaugh, 62 years old, and active in community affairs since his arrival here 10 years ago, came to Mexico from Bogota, Colombia. There he had headed the Sears organization.

He was at the time of his death co-chairman of the 1973 United Community Fund drive which was launched last week.

Among posts he held were: president of the American Chamber of Commerce in Mexico in 1970-71; member of the chamber board; also of the board of the American Society, the Salvation Army, the Mexican Red Cross and the University Club.

He was a member of the Annezeh Temple, Shriners, in Mexico City.

Surbaugh is survived by his wife in Mexico City.

He was born near Folsom, Calif., and was a graduate of the school of languages at the Universidad de Los Andes in Bogota. He served in the U.S. Army infantry in World War II.

For Sears he served in Oakland, San Bernardino, Salinas, and Los Angeles, Calif., and after five years in Colombia he was transferred to Chicago in the International Division, whence he came to Mexico.

Surbaugh was also an enthusiastic music lover, and was adept at playing the vibraphone and the piano. He was an active golfer, and belonged to Mexico City's Churubusco Country Club, as well as to the University Club.

In his youth, he played professional baseball for a Sacramento ball club.

### Note

CIA. Simmons, S. A. de C. V., deeply regrets the death of their friend Norvell E. Surbaugh, president of Sears Roebuck de Mexico.

### The Beautiful American: An Editorial

Like the still waters he ran deep. His quiet demeanor told little of his great concern for the important things of life. The death of Norvell Surbaugh is a loss not only to his family, his friends and his business associates. The community he served in so many ways will find him hard to replace. And beyond the immediate circle he influenced, the loss is that of the United States and of Mexico.

Surbaugh was the antithesis of the type publicized so much as The Ugly American. He might well have been described as The Beautiful American. He was a man of confidence and love and joy, for himself and for all around him.

He was living proof that the much maligned business man too often has not been seen in his full dimension. He believes in preserving the dignity of the individual. His philosophy found some immediate satisfaction in his calling as a merchant. As such he tried to give the consumer as much as possible for his money. If money is seen as a symbol of labor, this could be interpreted as implementation of democracy. In action, more than in words.

Surbaugh was a leader in pioneering a revolution in merchandising in Mexico. One in which the consumer became the boss. His firm, Sears Roebuck de Mexico, created thousands of new jobs by building a demand for made-in-Mexico goods.

He was a staunch believer in private enterprise and its lifeblood, competition. At a recent luncheon with the editor of The News the conversation turned to the new federal laws here affecting foreign investment. Would Sears pull out? He laughed, and said: "We have heard of some who changed their minds about investing here. But when we came to Mexico, we cast our lot with Mexico. We are not leaving, we are expanding, for what is good for Mexico is good for Sears."

He spoke of the benefits to business of increased mass purchasing power, of the new needs developed by education and higher standards of living. How different from the image being created of the "multinational" enterprise. Certainly it was inconceivable that Novell Surbaugh could ever do anything that would harm Mexico. He was a man dedicated to improving the lot of his fellowman. All will agree that his time on earth was far too brief. His tall and unforgettable image must remain with us: The Beautiful American.

## NIH POSITION ON HUMAN FETUS RESEARCH

### HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Monday, June 4, 1973*

Mr. ROGERS. Mr. Speaker, on May 31, 1973, the House of Representatives passed H.R. 7724, the National Biomedical Research Fellowship, Traineeship, and Training Act of 1973, after adopting an amendment by Mr. Roncallo of New York which would prohibit the Secretary of Health, Education, and Welfare from conducting or supporting research on human fetuses.

During the debate on this issue, in a colloquy with Mr. Mazzoli, I advised the Members of the House that it is the existing policy of the National Institutes of Health that such research not be supported. I refer my colleagues to page 17474 of the Congressional Record for May 31, 1973. During the colloquy, I advised Mr. Mazzoli that I would be glad to submit a statement by the National Institutes of Health with respect to their position on this matter. The statement follows:

### NIH Positive on Human Fetus Research

(Statement by Dr. Robert Berliner, Deputy Director for Science National Institutes of Health)

The National Institutes of Health has always been concerned with the ethical implications of biomedical research. NIH officials have consulted with lawyers, ethicists, clergy, and research administrators about the issues surrounding research involving human subjects including the issues regarding research on live human fetuses.

The NIH does not now support research on live aborted human fetuses and does not contemplate approving the support of such research. We know of no circumstances at present or in the foreseeable future which would justify NIH support of research on live aborted human fetuses.

The National Institute of Child Health and Human Development's National Advisory Council recommended to NIH in March of 1972 that certain guidelines be followed in review of research grant applications concerning the human fetus in the general context of studies concerned with the health of the mother and her unborn child.

In December 1972, a committee was formed by the Director of NIH to make a thorough review of all aspects of NIH policies regarding the use of human subjects in research. The committee is headed by Dr. Ronald Lamont-Havers and is engaged in suggesting specific guidelines for such research, particularly related to mothers and children, institutionalized individuals (such as prisoners, the mentally ill and the mentally retarded), the fetus, and the abortus.

This committee is examining current NIH guidelines to determine whether they are adequate and to make recommendations for modification where necessary. Current NIH guidelines insist that each institution applying for NIH support of research involving human subjects establish a responsible committee which adheres strictly to three basic criteria:

1. Protection of the rights and welfare of the subjects;
2. Weighing of the risks against benefits; and
3. Determination that informed consent is to be obtained by methods that are adequate, appropriate, and consistent with local statutes.

April 12, 1973.

## JOB TRAINING FOR SPANISH SPEAKING

### HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Monday, June 4, 1973*

Mr. de la GARZA. Mr. Speaker, the district I represent, the 15th District of

Texas, contains a large number of people of limited English-speaking ability. Their primary language is Spanish.

Their basic educational background is less than the national norm.

An outgrowth of this fact—and the connection is inescapable—the average median income of Spanish-speaking families is nearly $3,000 below the average for the rest of the U.S. population. And the unemployment rate in all fields among Spanish-speaking Americans is well above the national average.

The various manpower training programs provided by the Federal Government have not met the needs of individuals with limited ability in dealing with the English language. They are penalized in the areas of job counseling, job referral, institutional training, and many other basic ingredients of existing manpower programs.

It is true that a number of vocational training institutions in my State have successfully conducted programs with the aim of providing skills for persons with Spanish-speaking backgrounds. But these programs, almost without exception, are limited to a preliminary basic education program, perhaps followed by a prevocational program.

Something more is needed.

A long step toward meeting this need would be taken by congressional enactment of a bill—H.R. 8001—I have introduced to provide increased job training opportunities for these neglected individuals. The legislation is designed to make it possible for all types of individuals, institutions, and organizations to participate in needed programs.

The bill provides for Federal assistance to States, local educational institutions, and certain private nonprofit organizations to enable them to conduct bilingual training programs primarily in language other than English.

Also, grants would be made to State and educational institutions so that they could provide training for teachers and related educational personnel to enable them to participate in bilingual job training. This type of training is badly needed.

Further, this legislation provides for the development of instructional materials such as textbooks and audiovisual teaching aids. This kind of research and development is necessary in order to keep abreast of our complex and changing technology and occupational needs.

Mr. Speaker, my proposal not only would equip our Spanish-speaking people to get more and better jobs but also would allow the individual participant to utilize his cultural experience instead of sacrificing it.

In all candor, I believe this legislation represents an investment in the future of many of our citizens who, through no fault of their own, suffer from a lack of adequate employment opportunities. They have much to offer our country and we should do everything possible to make full use of their capabilities. I believe that any programs that help in making a person able to work and take care of his family are at least worth a try.

## ITALIAN NATIONAL DAY—1973

## HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Monday, June 4, 1973*

Mr. RODINO. Mr. Speaker, it is with fondness and profound respect that I bring to the attention of the House that June 2, 1973, marks the observance of Italian National Day. It has been 27 years since the green, white, and red flag-symbols of democracy, independence, and unity, first flew freely and proudly across this struggling land. With affection we join in rejoicing with our Italian friends in remembering this momentous occasion. For on June 2, 1946, the Italian people went to the polls and democratically elected a government dedicated to the ideals of freedom and justice. This was a catharsis, a rebirth—a new foundation devoted to eradicating the poverty, disease, and destruction so brutally perpetrated by fascist incompetence during the war ravaged years.

Italy has become a strong and vital nation with tenacity and will that has permitted her to rebuild and revitalize her social, political, and economic structures. The devastation that pervaded the land following World War II has been nourished and replaced by a courageous spirit that enabled this country to fulfill its dream of national self-sufficiency. Out of disaster emerged a prominent republic whose achievements in artistic, scientific, and cultural endeavors are boundless and invaluable. The versatile accomplishments of this gerat nation, as we well know, are to be highly commended and deeply admired.

Italy now ranks as a respected world leader. This dynamic country continues to support Western ideals by maintaining membership in the North Atlantic Treaty Organization and by expressing a firm commitment to peace and freedom.

I am proud of the warm friendship that has endured between the United States and Italy. As the Italian Premier Giulio Andreotti stated recently, this is "a friendship of peoples that no event can jeopardize." Through mutual exchange of esthetic and intellectual ideas, both countries have benefited enormously. It is with high esteem that I extend my heartfelt congratulations to our Italian friends and my fervent wish for continued prosperity and happiness.

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## THE BUDGET AND THE CONGRESS

## HON. ELFORD A. CEDERBERG

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Monday, June 4, 1973*

Mr. CEDERBERG. Mr. Speaker, as we are all aware, for some time now there has been a lively discussion in this body of the need for the Congress to exercise its predominant role in the Federal budget-making process. At the end of the 92d Congress we established the Joint Committee on the Budget for the purpose of reviewing congressional budget procedures and recommending such adjustments as may be necessary to make a concerted effort to control spending and maintain our traditional legislative power to establish priorities. That committee has submitted its report and legislation which would effect its recommendations has been introduced by the committee members.

Recently an address by Dr. Arthur Burns, distinguished Chairman of the Board of Governors of the Federal Reserve, addressed the Federal budget problem in a way which I think recommends his remarks to our attention. The budget process and the control of Federal spending is a complex problem and I believe that Dr. Burns' comments deserve our attention as we prepare for this year's appropriations process and look to the consideration of the legislation which has been introduced to deal with the situation. I heartily recommend the following remarks to my colleagues' attention:

### REFORM OF THE FEDERAL BUDGET

(Address by Arthur F. Burns)

I deeply appreciate the privilege of addressing this graduating class, for—despite the difference in our ages—I feel that we have much in common. Both you and I have spent some years in the lively atmosphere of a university. Both you and I have been concerned with problems of economics, finance, and administration. Both you and I, as residents of this fascinating city, have also had the opportunity of observing at close range the understanding, selflessness, and compassion that government officials usually bring to their daily tasks; but we have also had the disquieting experience of witnessing some abuses of governmental power.

As graduates of this School of Government and Business Administration, you are embarking on your careers at a moment in history that is fortunate in numerous respects. Our nation is again at peace, the economy is again prospering, the number of good jobs is expanding rapidly, industrial strife is at a minimum, and civil order is returning to our schools and cities. By every reasonable criterion, so it would seem, you can—and should—look forward with confidence to the future of our country and its economy. And yet, if I read the nation's mood correctly, a spirit of unease and even frustration is now widespread.

There are numerous causes of the concern and skepticism with which many Americans, especially young men and women, now view the contemporary scene. But I believe that most of these causes can be captured in two broad generalizations. First, the American people have come to feel that their lives, their fortunes, and their opportunities are increasingly beyond their control, and that they are in large part being shaped for them by their government. Second, more and more Americans have also come to feel that their government lacks either the knowledge or the competence to make good on the promises that it holds out to the people.

It is this simultaneous dependence on government and diminishing confidence in government that is at the heart of the disquiet that so many Americans are experiencing. I wish I could say that this mood will pass quickly, but I cannot do so. Building confidence in social and political institutions is inevitably a long process, and it can only be accomplished if thoughtful citizens are willing to devote their minds and energy to the task.

When I was your age, the problem that particularly concerned university students was the periodic recurrence of economic depressions that wiped out business profits, caused widespread bankruptcy, and brought mass unemployment to wage-earners.

This problem no longer afflicts our society on anything like its earlier scale; and we have made even more marvelous advances in conquering disease, prolonging human life, and reducing the drudgery of physical labor. We have made progress in these fields by diligent application of thought and reason—that is, by identifying each problem, diagnosing its causes, and seeking constructive solutions. It took the best effort of many thoughtful and earnest men to solve the problems that stirred social and political unrest in the past. And it will likewise require much thoughtful and earnest effort to regain the confidence in government which is so essential to our own and our country's future.

In my own profession of economics I have seen large advances in knowledge and also substantial improvements in the application of this knowledge to public policy. I can assure you that those who participated in these developments have found the experience richly rewarding. And it is precisely because you graduates may be able to contribute to the improvement of our political processes that I want to discuss with you today one of the issues that has brought us much trouble and agony in recent years—namely, the need to achieve rational control over the Federal budget.

Those who administer the affairs of government share a common problem with business executives: no private enterprise and no government can do everything at once. Both must choose among many desirable objectives, and the degree to which their efforts prove successful depends largely on their skill in concentrating available resources on those objectives that matter most. That is the very purpose of budgets. The fact that the Federal budget has in recent years gotten out of control should be a matter of concern to all of us. Indeed, I believe that budgetary reform has become essential to the resurgence of our democracy.

Fortunately, political leaders of every persuasion are by now convinced that Congress must change its procedures if it is to exercise effective control over the Government's domestic and international policies. The old debate between free-spending "liberals" and tight-fisted "conservatives" is dying away. For the most part, liberals as well as conservatives realize that the level of Federal spending, and whether it is financed by taxes or by borrowing, have a powerful effect on jobs, prices, and interest rates.

In the Employment Act of 1946 Congress declared it to be the responsibility of the Federal Government to "promote maximum employment, production, and purchasing power." The authors of this legislation were well aware that a stimulative fiscal policy can be useful in taking up slack in the economy, and that a restrictive fiscal policy can help to cool an economy that is overheating. Yet, despite the prosperity that our nation has generally experienced since the enactment of that statute, budget deficits have greatly outnumbered surpluses. Experience has thus demonstrated that failure to attend properly to governmental priorities leads to excessive fiscal stimulus, and that this in turn is more apt to produce inflation than jobs.

Recognizing this fact, the Congress is now seeking a way to determine an overall limit on Federal outlays that will be rationally related both to expected revenues and to economic conditions. This is essential not only to achieve overall stabilization objectives, but also to enable Congress to play its expected role in determining national priorities. Early in this session of Congress, Senator Mansfield disclosed that all of the newly elected Senators had written to him and to Senator Scott urging reform of the budgetary process because "Congress has the obligation to set priorities . . . and present procedures do not in fact achieve that aim." Their unanimous conclusion was that the "first step toward establishing priorities has to be setting a ceiling on appropriations and expenditures;" and that unless this is done at an early stage of each session, the Congress is "not really budgeting at all."

The budget that the President recommends to Congress at the beginning of each session is the product of a systematic process aiming to establish an overall limit on outlays and to determine priorities within that limit. This process, however, has no counterpart in the Congress. Instead, Congressional decisions that determine the ultimate shape of the budget are taken by acting separately—or at times by taking no action—on a hundred or more entirely independent measures. It is only after separate votes have been taken on housing, education, defense, welfare, and whatnot that we can put the pieces together and discover what kind of a budget has emerged.

Thus, members of Congress now vote for or against cleaner air, for or against better schools, and for or against a host of other good things that Government can help to provide. But they have no opportunity to vote on what total outlays should be, or whether an appropriation for a particular purpose is needed badly enough to raise taxes or to make offsetting reductions in other appropriations. Yet choices of this type are far more important to the electorate as a whole than the single proposals on which Congressional voting takes place.

This fragmented consideration of the elements that make up the budget is largely responsible for an almost uninterrupted succession of deficits. Since 1960, we have had a deficit in every year except 1969. Some of these deficits have occurred because of efforts to use the Federal budget as a means of stimulating a lagging economy, but for the most part we have allowed deficits to happen without plan or purpose.

Both the Legislative and Executive Branches of the Government have from time to time recognized the need for reform. In 1946, for example, Congress included provisions for better budget control in the Legislative Reorganization Act, but the experiment was abandoned after a brief trial. Expenditure ceilings enacted for fiscal years 1969 and 1970 again proved ineffective since they could be readily adjusted to accommodate increases in spending. These rubbery ceilings did, however, help to prepare the ground for more meaningful reform. When the President called for a rigid limit of $250 billion on outlays for fiscal 1973, both the House and the Senate accepted the expenditure ceiling. But they were unable to agree on a method for reducing the previously enacted spending authority so that the $250 billion limit could in fact be realized.

Actions subsequently taken by the President to hold outlays for fiscal 1973 to $250 billion have been criticized on the ground that impounding of funds enables the Administration to substitute its priorities for those established by the Congress. Concern over possible usurpation of Congressional prerogatives is entirely understandable. However, this controversy should not divert our attention from the broad political consensus that has already emerged on the need to limit outlays. If the Congress does the job itself, there will be no occasion in the future for the Administration to cut billions out of authorized outlays in order to achieve the overall level of spending that Congress agrees is appropriate.

Although last year's efforts to impose a legislative budget ceiling proved disappointing, they did prompt the Congress to ponder closely the need for budgetary reform and to create a Joint Study Committee on Budget Control.

This Committee has made excellent use of the brief time it has been in existence. In a recently released report, it recommends specific and practical procedures by which Congress could control the level of Federal outlays, the priorities among programs, and the size of any deficit or surplus. Bills to carry out these recommendations have now been introduced in both the House and Senate, with support from all members of the Joint Committee, as well as others in the Congress.

It would seem, therefore, that prospects for meaningful budget reform are now very good, perhaps better than at any time since the Budget and Accounting Act of 1921. I find the Joint Study Committee's recommendations most encouraging, but I also think that they need to be supplemented with systematic and frequent review of the effectiveness of Federal programs.

Traditionally, officials in charge of an established program have not been required to make a case for their entire appropriation request each year. Instead, they have had to justify only the increase they seek above last year's level. Substantial savings could undoubtedly be realized by zero-base budgeting, that is, by treating each appropriation request as if it were for a new program. Such budgeting will be difficult to achieve, not only because of opposition from those who fear that it would mean loss of benefits they now enjoy, but also because it would add heavily to the burdens of budget-making. It may be, therefore, that Congress will rely initially on procedures that ensure reappraisal of each program only every two or three years. But whatever form it takes, a method must be found for screening out programs whose costs clearly exceed their benefits, while assuring a satisfactory level of performance for programs that contribute significantly to the general welfare.

The day is past—if indeed, it ever really existed—when only the well-to-do need concern themselves with economy in government. Perhaps there was a time when those who benefited from the status quo could block social reform by inveighing against governmental spending. But today Big Government is no longer a slogan for appealing to some and frightening others. For better or worse, it has become part of our lives. And those who would use government as an instrument of reform have perhaps a larger stake in eliminating wasteful programs than those who resist change.

We have passed the point where new programs can be added to old ones and paid for by heavier borrowing. With the economy expanding vigorously, with inflation persisting stubbornly, with our balance of payments in serious trouble, with two devaluations of the dollar just behind us, we clearly cannot afford to continue large budget deficits. It is sobering to reflect that in spite of the President's determined efforts to hold down Federal spending, the budget he originally presented for this fiscal year called for outlays that exceeded estimated receipts by about $25 billion.

In principle, taxes can always be raised to pay for more public services, but the resistance to heavier taxation has become enormous. If we count outlays by all governments, State and local as well as Federal, we find an increasingly large fraction of the wealth our citizens produce being devoted to the support of government. In 1929, total government spending came to about 10 per cent of the dollar value of our national output. Since then the figure has risen to 20 per cent in 1940, 30 per cent in 1965, and 35 per cent in 1972. I believe that most citizens feel that one-third of our national output is quite enough for the tax collector, particularly since the expansion in government outlays has not produced the kind of benefits they have a right to expect.

The key to rebuilding confidence in government is improved performance by government, and budgetary reform can move us powerfully toward this goal. Rational control of the budget by the Congress should improve our economic stabilization policies. It should facilitate judicious choice among governmental activities. It should improve evaluation of governmental performance. It should help us avoid abuses of power—whether they arise in the world of business, or labor. or government itself. And it should restore to the Congress some of the prestige that it has lost as a result of many years of neglect.

I trust that the members of this graduating class will join other citizens throughout the country to see to it that budgetary reform is carried out with the promptness and on the scale that this nation's interests require. Let us always remember that budgets are a means for promoting national objectives. For those of you who enter public service, better budgeting can offer more meaningful and rewarding careers. For all Americans, it can mean a rejuvenation of spirit as government becomes more responsive to our aspirations and more effective in fulfilling them.

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## CHEVROLET PLANT IN BUFFALO MARKS 50TH ANNIVERSARY

## HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, June 4, 1973*

Mr. DULSKI. Mr. Speaker, this week marks the 50th anniversary of the opening in Buffalo of the East Delavan Avenue plant of the Chevrolet motor division of the General Motors Corp.

This plant, in the heart of my congressional district, is an integral part of both the company and our business community.

Opened in 1923 as one of Chevrolet's early car and truck assembly plants, it turned out thousands of vehicles before being converted to production of major automobile parts just before World War II.

When the United States was plunged into the war in 1941, the plant immediately changed over to war production. Its 6,000 employees turned out components for more than 60,000 Pratt & Whitney 1300-W military aircraft engines.

After the war, the plant was converted to the machining and assembly of Chevrolet front and rear axles, later expanding to other parts.

During the Korean conflict, the plant again arose to meet defense needs by retooling some facilities for the manufacture of R-3350 Wright aircraft engine parts and CD-500 tank transmission gears.

Since it was established in 1923, the plant has more than doubled in size, now providing a million square feet of floor space on a site of nearly 50 acres.

The plant makes a major contribution to the Buffalo area economy. Its $42 million annual payroll is augmented by purchases of some $13 million from 1,200 local suppliers.

The employees have excellent records of production and participated in developing the pride of workmanship program which was one of Chevrolet's early employee motivation efforts.

The plant was one of the first to use the small group meeting concept in employee-management communications.

During 3 of the past 5 years, the plant has received the Chevrolet Safety Award and in 1968 received a special award from General Motors for working more than 6 million man-hours without a lost-time accident.

Mr. Speaker, it is interesting to note that the Buffalo plant also has contributed to top management in the company.

I refer in particular to James W. McLernon, manufacturing manager of Chevrolet Motor Division. A native of Kenmore, N.Y., he joined the company as an hourly rate employee in 1949 and worked his way up the line, including management assignments in the Buffalo plant.

Gerald H. Hilbers, Jr., the Buffalo plant manager since 1970, has been on the Buffalo scene with Chevrolet since 1952.

A search of plant records shows that there are at least 10 original employees of the Buffalo plant, all now retired, who reside in the Buffalo area. They are: James P. Monester, Helmer H. Danielson, Roy Charlesworth, George Ford, John W. Thuerck, all of Buffalo; Marvin C. Yocum of Clarence; Joseph J. Lovas of Kenmore; William F. Bommer of West Seneca; Chester R. Halm of Getzville; and Andrew D. Martin of Fort Erie, Ontario.

Mr. Speaker, this is a proud occasion not only for the company and its thousands of present and former employees, but also for the entire community.

As a part of my remarks, I include the text of the 50th anniversary announcement by Mr. McLernon, a Buffalo plant alumnus now in top management:

### Remarks by James W. McLernon on Chevrolet's 50th Anniversary in Buffalo

Fifty years ago—which is a period longer than most of us have spent on earth—the Chevrolet Buffalo plant went into production.

It was built on the site of a former city dump. We have proof of this as several times when additions were made to the plant, our contractors found evidence of the dump as they dug. We uncovered old bottles, furniture and items that today would be classified as antiques.

When the construction work was completed in the summer of 1923, the plant had 400,000 square feet of floor space on a 31-acre plot. Today, the Buffalo plant has one-million square feet of floor space—more than double the original plant—and we have expanded to 50 acres in size.

Originally, Chevrolet Buffalo was an assembly plant and we assembled the first car in August, 1923. The initial production capacity was approximately 200 units a day, or about 4,000 a month. When the plant phased out auto production in 1941, prior to the second World War, we were producing 8,000 vehicles a month. During the 1923-1941 period, the plant produced approximately one-million vehicles.

During the 1941-1945 period, we produced Pratt & Whitney engine components—which were shipped across town to the Tonawanda plant for assembly. Since 1946, the Chevrolet Buffalo plant has been in the axle and steering linkage manufacturing business. The plant produced 635,000 Chevelle axles, 405,000 Vega axles and 3,470,000 steering linkages last year.

#### PLANT EMPLOYS OVER 3,300

Employment in 1923 averaged 600 employes with a payroll of $358,677 that year. Today, the plant has over 3,300 employes and the payroll in 1972 was nearly $43 million. If my division is correct, the average employe in 1923 received almost $598 annually, while last year the average hourly employe's gross earnings were more than $12,000—and that does not include substantial additional employe benefits, including life insurance, Blue Cross-Blue Shield, retirement program . . . to name a few.

With the strong demand for our products in 1973, I am sure a new payroll record will be established. This is predicated on the fact that the national economy maintains its present level, and I am confident that we can negotiate a new contract with the United Auto Workers without any interruption in production.

The Chevrolet plants in the Buffalo area have a long history of being able to resolve any differencs between labor and management at local levels and this is the way it should be.

Chevrolet Buffalo has been a key factor in the economy of the Niagara Frontier for all these fifty years. Aside from the wages paid to Chevrolet employes, we make purchases from more than 1,200 local suppliers and paid nearly $13 million for these items in 1972.

The plant operations consume more than 3¾ million gallons of fuel oil, use nearly 90 million kilowatt hours of electricity, use and purify more than 260 million gallons of water and over 200 million cubic feet of gas each year.

#### EXPANSION FOR AXLES

Displaying its faith in the Buffalo area, the Division added 37,000 square feet of floor space to the east side of the main plant to provide space for the machining and assembly of axles for the Chevelle line, which was introduced during the 1964 model year. Additional facilities added since then include:

1965—A 147,000 square foot addition to plant 3 to expand steering linkage production; a 49,000 square foot addition for material storage and garage facilities; an oil-fired power plant was built to replace the former coal burning facility; 16 acres of additional property was acquired to provide ample parking space for employes.

1967—We constructed a new heat treat building of 47,000 square feet, and a 58,000 square foot marshalling building.

I told you, when I worked at Buffalo in 1967, that we were stepping ahead on our own to construct a new waste water treatment facility that clarifies water used in manufacturing processes prior to discharge into the public sewer system. Water used in manufacturing processes is discharged from the plant virtually as clean as it arrives.

Although the waste treatment's main purpose is to purify outgoing water, the facilitiy also plays an important role in air pollution control. Air leaving the plant is scrubbed in an air washing process to prevent objectionable vapors and particules from being discharged into the atmosphere.

In the people area, Chevrolet and Trico Products share the top spot in industrial employment in Buffalo. Incidentally, we are proud to be one of Trico's largest customers for wiper assemblies and other products. Both businesses employ over 3,300 people.

As an area employer, including Tonawanda and our zone offices, Chevrolet employes over 15,000 people. Buffalo is a major plant city, not only in Chevrolet but also General Motors planning.

#### OVER HALF LIVE IN CITY

More than half of our employees—55%—live in the city of Buffalo. The remaining 45% reside in the communities surround- the city in Erie and Niagara County.

Our people, all members of the Buffalo No. 1 Team, are the best employees anywhere and graciously share their time and talents in community activities. Through Chevrolet, our employees are our greatest asset.

One of Chevrolet's early motivation programs was developed here at the Buffalo plant in 1961 when "Pride of Workmanship" was introduced. This program gives individual recognition to employes by providing them with a personal "Pride of Workmanship" chart on which to plot the quality of their work.

It also provides the employe with a means of direct communication with management regarding any problems being encountered with materials, tools, equipment or anything else related to the job.

Today, the success or failure of any business, your own included, is directly related to the "Pride of Workmanship" of every employe and the desire to "do the job right the first time."

Employe cooperation and participation in Chevrolet programs have generated a "team spirit" and esprit de corps at Buffalo that is envied throughout the industry.

### BUFFALO PLANT WINS HONORS

During three of the past five years, the plant has earned the Chevrolet Safety Award for attaining an accident frequency and severity rate lower than the average of the rest of the heavy machining industry. Buffalo and Tonawanda plants are four of our safest plants.

Employee participation in the payroll savings plan is among the highest in General Motors plants. During 1972 the U.S. Savings Bond campaign participation rate was 99.3%. Employe contribtuions to the local United Fund approximate $120,000 annually with per capita giving being among the highest in the large industries division.

A high percentage of plant employes participate in the employee suggestion plan on a regular basis. During 1972, awards totaling $72,550 were made to employes for their accepted ideas. A single award of $10,000 was inluded in this total. Chevrolet Buffalo employes are proud of this record. The community should be too.

Training opportunities are afforded employees to prepare themselves for advancement through the Tuition Refund program, apprenticeship and employee-in-training programs.

I have said many times, "In Chevrolet, our employes are our greatest asset." This is doubly true in Buffalo where we have been residents for so many years. We are proud of our employes and they have made this is a key facility in our business.

As we approach the Golden Anniversary of this plant, we salute the men and women of Chevrolet Buffalo who have done so much to make their plant an outstanding industrial center in the industry.

I know the citizens of Buffalo are as proud of Chevrolet as we, the present and past employes are. We have great confidence in the future of this plant and the future of this fine city.

## DILLON GRAHAM

## HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 24, 1973*

Mr. BENNETT. Mr. Speaker, I wish to associate myself with the remarks of the Representative from Georgia, Mr. FLYNT, on the retirement of Dillon Graham as Associated Press newsman for Capitol Hill during the past 25 years.

This culminates an outstanding 44-year career of Mr. Graham with Associated Press. He epitomizes the very best in the newspaper profession. He is always fair, always objective and accurate, and has a "nose for news" that puts him at the top of the profession. I am grateful that I have had the chance through the years to visit with him often and grateful that he chose to use his great talents for the benefit of our country always. I wish for him every happiness in his retirement.

## PMA'S MEDICARE DRUG PROPOSAL IS NO PROPOSAL AT ALL

## HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

*Monday, June 4, 1973*

Mr. OBEY. Mr. Speaker, it looks as if the drug industry wants to write a blank check to itself, drawn on the Treasury of the United States.

The background is that there is broad support in Congress for legislation to provide out-of-the-hospital prescription drug coverage under medicare for those who suffer from the most common or life-threatening chronic diseases of the elderly. My bill—H.R. 878—is cosponsored by 110 other Members, while in the other body a companion bill—S. 174—introduced by Senators JOSEPH MONTOYA, RUSSELL LONG, and ABRAHAM RIBICOFF has 29 additional cosponsors.

This maintenance drug coverage would target the medicare dollar toward patients with chronic diseases who need drugs on a continuing basis for a lengthy time. The legislation set up a formulary committee to select the specific drugs to be covered and require a $1 copayment by the medicare patient for each prescription. Ordinarily, $1 would be the full cost to the medicare patient, and he would not have to pay a monthly premium, keep records or file claims.

Evidently the drug industry finds this legislation a bitter pill to swallow, for it is readying a counterproposal. The May bulletin of the Pharmaceutical Manufacturers Association outlines it in a report on a panel discussion held at PMA's annual meeting. The participants were the association's five division directors, including Bruce J. Brennan, vice president and general counsel, and the moderator was PMA President C. Joseph Stetler.

This is the lead paragraph of the report:

> The pharmaceutical industry and the PMA navigated successfully through a legislative and regulatory thicket during the past year, and the Association's docket of activities now in progress is designed to anticipate needs of the industry and the public before problems arise.

Later, the report says:

> On another legislative front, PMA has initiated action along with the National Association of Retail Druggists and the American Medical Association on a proposal for Medicare outpatient drug benefits. Bruce Brennan described the program, which would be voluntary, in response to a question. Under the proposal, he said, Medicare recipients would pay a monthly premium of about $5 and a copayment of $1 on each prescription.
>
> There will be no formulary and there will be first dollar coverage; that is, no deductible is anticipated, Brennan explained. The program would cover all prescription drugs, and prices would be based on usual or customary charges. Brennan said that the proposal should be introduced before the end of June.

Mr. Speaker, the PMA opposes the formulary concept embodied in H.R. 878, and now wishes to make its opposition explicit in the form of rival legislation. I suggest that the PMA proposal outlined above—a voluntary program, with a monthly premium of about $5 and no formulary—is really no proposal at all.

It is nothing more than a cleverly cosmetic request to the Congress to gloss over the two major questions involved in a medicare drug benefit: How to provide life-sustaining prescription drugs to elderly citizens who cannot afford them, and how to avoid socking the Government for high-priced drugs when safe and effective versions of those drugs are available at moderate prices.

## AMENDED ACT FOR ELDERLY: SIGNIFICANT

## HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Monday, June 4, 1973*

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent to insert in the RECORD the text of an article describing the recent amendments to the Older Americans Act as "significant steps forward for older Americans."

The author of the article, which appeared in the June 1973 issue of the AARP News Bulletin, is John B. Martin, the distinguished former Commissioner of the Administration on Aging in the Department of Health, Education, and Welfare, who is now a special consultant to the National Retired Teachers Association and the American Association of Retired Persons.

Mr. Martin's article follows:

### AMENDED ACT FOR ELDERLY: 'SIGNIFICANT'

(By John B. Martin)

The amendments to the Older Americans Act recently passed by the Congress and signed by the President are significant steps forward for older Americans.

These amendments, the product of a bipartisan Congressional compromise which alleviated the threat of a second presidential veto (President Nixon vetoed a stronger version of this legislation last year), represent the thinking of both parties in Congress after extensive hearings as to the best means of strengthening the Administration on Aging (AoA) and getting more and better services for older citizens who need them.

The legislation incorporates the Administration's recommendations for unifying the planning and delivery of services at state and local levels. It is largely based on the recommendations of the 1971 White House Conference on Aging, and it thus represents also the judgment of the 3,000 conference delegates from throughout the nation who came to Washington representing nearly 21 million older Americans.

Several features of the original measure which NRTA–AARP strongly supported were eliminated or altered in the final bill to prevent another veto by President Nixon. The three-year funding authorization was reduced from $1½ billion to $543 million, but appropriation of "such funds as may be necessary" was fortunately approved for those portions of the Act where dollar authorizations are not specified. A title of the bill providing for the training of middle-aged and older workers was eliminated.

On the other hand, Title IX of the bill, providing for public service employment of a limited number of low-income older workers who would not otherwise be employed, was retained. Title IX broadens a proven pilot program—Operation Mainstream—which is designed to provide useful public service work at a minimum wage for low-income older workers who are ready, willing and able to work but are unable to compete in the regular job market. This program reflects the fact that there are many important community jobs that need to be done but which private industry, concerned with profits, will not do. It also emphasizes the fact that for many older workers, the government must be the "employer of last resort" if these older citizens are ever again to find gainful work.

Despite the Administration's vocal support of the "work ethic," it originally opposed this program on the grounds that it was "categorical." Had this opposition prevailed, many low-income older workers would have been consigned to permanent unemployment and possible dependence upon welfare assistance. It is clearly better to encourage the desire to be independent and self-supporting by the payment of a small wage for needed community service work rather than pursuing a policy which would lead to further dependency and Federal "hand-outs."

The new legislation has a number of other important goals. It would seek to:

Develop the role of the AoA as a focal point of Federal action on aging and to upgrade its status within HEW.

Create a Federal Council on Aging with broad powers to advise the President on matters affecting older Americans. The council would have authority to study interrelationships of Federal, state and local benefit programs, to study the impact of taxes on the elderly, and to examine the effects of allotment formulae for area planning and social service programs.

Strengthen state and area agencies on aging to enable them to provide comprehensive coordinated services for the elderly at local levels.

Create a long-needed national information and resource clearinghouse for the aging to make possible the spread of knowledge and techniques developed by research.

Expand research, demonstration and training programs.

Expand volunteer service programs for the elderly—Foster Grandparent and Retired Senior Volunteer Programs.

Provide for special demonstration projects in areas of transportation, housing, education, employment and pre-retirement.

Amend various Acts to provide greater opportunities for continuing education for older people.

Provide community service jobs for low-income persons, 55 and older, in the fields of education, social services, recreation services, conservation, environmental restoration and economic development.

These amendments do not constitute a random "grab-bag" of services for the elderly. They are priority objectives selected from among the many recommendations of the White House Conference on Aging.

Participants in that historic conference were—and still are—seeking positive results. They remember the President's pledge that their recommendations would be acted upon and not allowed to "gather dust" on a shelf. They have been heartened by the recent increase in Social Security benefits, the provision for automatic cost-of-living increases in benefits, the increase in the amount which older persons may earn without loss of Social Security benefits, and the provision for a federally guaranteed minimum income for all older persons. These are important advances. Particularly in the field of services for the elderly, however, much remains to be done and the new amendments to the Older Americans Act represent a much-needed move in that direction.

The fact that an acceptable compromise between Congress and the Administration was reached in this matter is a credit to both and a happy ending to a most unproductive conflict.

## MALCOLM X REMEMBERED

## HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, June 4, 1973*

Mr. RANGEL. Mr. Speaker, El Hajj Malik El Shabazz, known to most of us as Malcolm X, meant much to black America.

The deep and profound feelings for Malcolm were no more eloquently expressed than by Actor-Producer Ossie Davis at the time of Malcolm's death.

The following article appeared in the May 19 edition of the New York Amsterdam News, the community newspaper of Harlem. I commend it to the attention of my colleagues:

### IN MEMORY OF MALCOLM X

This week marks the birthday anniversary of Malcolm X, known to many as El Hajj Malik El Shabazz.

We can think of no higher tribute to Malcolm X than to reprint a portion of the eloquent tribute paid him at his death by actor-producer Ossie Davis.

On that day, Ossie Davis said in part. . . .

"There are those who will consider it their duty, as friends of the Negro people, to tell us to revile him, to flee, even from the presence of his memory, to save ourselves by writing him out of the history of our turbulent times.

"Many will ask what Harlem finds to honor in this stormy, controversial and bold young captain—and we will smile.

"Many will say turn away! away from this man, for he is not a man but a demon, a monster, a subverter and an enemy of the Black man—and we will smile.

"They will say that he is of hate—a fanatic, a fascist—who can only bring evil to the cause for which you struggle!

"And we will answer and say unto them: Did you ever talk to Brother Malcolm? Did you ever touch him, or have him smile at you? Did you ever really listen to him? Did he ever do a mean thing? Was he ever himself associated with violence or any public disturbance? For if you did you would know him."

"And if you knew him you would know why we must honor him: Malcolm was our manhood, our living, Black manhood! This was his meaning to his people. And, in honoring him, we honor the best in ourselves.

"Last year, from Africa, he wrote these words to a friend: 'My journey' he says, 'is almost ended, and I have a much broader scope than when I started out, which I believe will add new life and dimension to our struggle for freedom and honor, and dignity in the States.'

" 'I'm writing these things so that you will know for a fact the tremendous sympathy and support we have among the African States for our Human Rights struggle.' "

### UNITED FRONT

" 'The main thing is that we keep a United Front where-in our most valuable time and energy will not be wasted fighting each other.'

"However much we may have differed with him—or with each other about him and his value as a man, let his going from us serve only to bring us together, now. Consigning these mortal remains to earth, the common mother of all, secure in the knowledge that what we place in the ground is no more now a man—but a seed—which after the winter of our discontent—will come forth again to meet us. And we will know him then for what he was and is—a Prince our own Black shining Prince!—who didn't hesitate to die, because he loved us so."

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# SENATE—*Tuesday, June 5, 1973*

The Senate met at 11:30 a.m. and was called to order by the President pro tempore (Mr. EASTLAND).

### PRAYER

Dr. Karl Bennet Justus, executive director, Military Chaplains Association, offered the following prayer:

Eternal God and Father of us all, whose word hath told us that Thou art "our refuge and strength, a very present help in trouble" extend Thy hand of benediction over this great land in the midst of turmoil and strife currently afflicting the Nation. Undergird us with Thine everlasting arms of strength; grant us wisdom and courage for the facing of these days so that we shall be free from fear "though the Earth be shaken and the mountains be cast into the midst of the sea."

Bless the President of our Nation and every member of our Government as they daily confront the myriad problems within and without our borders.

Thou hast said "The truth shall make you free." Help us to put a premium on truth and justice, integrity and honor, that we may be free, indeed. Renew and buttress the moral and spiritual foundations that made and hath kept America a great nation, never forgetting that "where there is no vision the people perish."

May we chart a course in which truth and righteousness shall prevail over innuendo and rumor. And from the depth of our souls we pray "God bless America—from sea to shining sea."

In Thy holy name, we pray. Amen.

### MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had passed a bill (H.R. 3801) to extend civil service Federal employees group life insurance and Federal employees health benefits coverage to U.S. nationals employed by the Federal Government, in which it requested the concurrence of the Senate.

## HOUSE BILL REFERRED

The bill (H.R. 3801) to extend civil service Federal employees group life insurance and Federal employees health benefits coverage to U.S. nationals employed by the Federal Government, was read twice by its title and referred to the Committee on Post Office and Civil Service.

## ENROLLED BILL AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bill and joint resolution:

H.R. 6077. An act to permit immediate retirement of certain Federal employees; and

H.J. Res. 296. Joint resolution to authorize the President to proclaim the last week of June 1973, as "National Autistic Children's Week."

The enrolled bill and joint resolution were subsequently signed by the President pro tempore.

## THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Monday, June 4, 1973, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

## COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

## RESOLUTION ON ECONOMIC STABILIZATION ADOPTED BY DEMOCRATIC CONFERENCE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a resolution proposed in the Democratic conference on yesterday by the Senator from Minnesota (Mr. MONDALE) and cosponsored by the Senator from Wisconsin (Mr. PROXMIRE), and agreed to unanimously by the Democratic conference, be inserted at this point in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION ON ECONOMIC STABILIZATION

Whereas, prices are now rising at the fastest rate in 22 years—wholesale prices at an annual rate of 21.1 percent in the first quarter, and consumer prices at an annual rate of 8.6 percent;

Whereas, corporate profits in the first quarter soared 25.9 percent above those in the comparable period last year;

Whereas, executive compensation rose by 13.5 percent in 1972;

Whereas, workers' real wages—after inflation and taxes—are lower now than they were six months ago;

Whereas, Phase III has been an unmitigated failure;

Whereas, the Administration has failed to take effective action to control runaway prices and profits;

Now therefore be it resolved by the Democratic Majority of the Senate that:

(1) An amendment imposing a 90-day freeze on prices, profits, rents, wages and salaries, and consumer interest rates should be attached to the first appropriate bill coming before the Senate.

(2) This amendment should direct the President to use the 90 days to establish—in consultation with Congress, labor, farmers, business, and consumers—a long-run program to control inflation that is firm, fair and equitable and takes into account the fact that workers' wages have fallen behind in the inflationary cycle.

## ARMS AND ARROGANCE: THE UNITED STATES IN ASIA

Mr. MANSFIELD. Mr. President, I ask unanimous consent that an editorial from the Los Angeles Times for January 5, 1973, entitled "Arms and Arrogance: the United States in Asia," be incorporated in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ARMS AND ARROGANCE: THE UNITED STATES IN ASIA

In a recent four-day encounter in Vietnam between Communist and South Vietnamese forces, the Communists fired 896 mortar rounds and 10 artillery shells, the South Vietnamese 6,074 artillery shells. And this was just one incident in a growing record of the disproportionate use of firepower by the Saigon forces.

So it is not surprising that reporters in South Vietnam now report a cutback of one-third in the flow of artillery and heavy weapons ammunition from the United States. First indications are that the cutback is producing a decline in the level of fighting.

The development makes two things clear: The cease-fire has not ended hostilities. And the level of hostilities remains directly proportional to the flow of arms and supplies from outside.

Whether the cease-fire is to work better may depend to a major degree on the renewed conversations in Paris Wednesday between Henry A. Kissinger and Le Duc Tho. But the experience with the ammunition supply suggests that supply restraint may be of equal importance. Some military officials now concede that a total cutoff of American military aid would make a major contribution to the diminution of battle without forcing defeat on Saigon.

The difficulty in controlling the American military on such matters has been illustrated, however, by the revelation of a new violation of the law in the Pentagon.

Fund transfer regulations were suspended by the Defense Department last November under provisions that require immediate notification of Congress. The notification came four months later, long after the funds had been spent on stepped-up military activities that included the massive bombing of North and South Vietnam by the Americans.

It was an "administrative oversight," the Pentagon said, while acknowledging that deficit spending is continuing in Southeast Asia.

It seems more likely to us that it was "administrative arrogance"—more of the same Pentagon-knows-best and President-knows-best business that has violated the constitutional limits on warmaking and prolonged the error of America's military intervention in Indochina.

Whatever it was, it makes all the more urgent approval by Congress of the strict congressional controls over all aspects of American military action in Indochina.

## ORDER OF BUSINESS

The PRESIDENT pro tempore. Does the acting minority leader desire recognition?

Mr. GRIFFIN. No, Mr. President.

The PRESIDENT pro tempore. Under the previous order, the Senator from Michigan (Mr. GRIFFIN) is recognized for not to exceed 15 minutes.

Mr. GRIFFIN. Mr. President, I yield such time as he may desire to the Senator from Ohio (Mr. SAXBE).

## THE ENERGY SHORTAGE

Mr. SAXBE. Mr. President, I take the floor at this time to comment on the pending legislation because there seems to be some misconception about what we hope to achieve by this proposal. The present bill is filled with good wishes for all concerned relating to the energy shortage.

It is a bill that I find has very little power to help those who are at present suffering from the energy shortage. I have had the experience in my State within the last few days of people coming in and saying, "We have taken care of the taxi fleet in Cleveland, and we have 2½ million gallons of gasoline for the farmers." In other words, we have no priorities in the present energy shortage. As a result, it would seem that out of the goodness of their hearts, the oil companies are taking care of some of the people who need the gasoline production in this country. At the same time, we have an unlimited supply of gasoline for recreational use—boats and pleasure vehicles—and for all kinds of activities of a frivolous nature. But the farmers are getting their supplies on a day-to-day basis, even though they are under considerable pressure to get their crops in.

What this points up to me is that the present bill, with its good wishes, is not going to do the job. Sooner or later we are going to have to come to grips with priorities for the use of gasoline during the present short supply of energy. It will come as a shock to many people. We cannot take care of many of the frivolous things during the present energy shortage. It seems to me the first thing we have to do is insure that those who are producing wealth in this country have the first access. I do not mean just the farmers, because if we get into an argument as to who is entitled to the most gasoline, whether it be industry or whether it be the farmer, the debate will be pointless.

What I mean to say is that there is a large percentage of gasoline that is wasted in this country. But there are people who need not only gasoline but diesel fuel and the lubricants that are necessary if we are going to continue in the business of producing wealth and to stay in competition with the rest of the world, because the balance of payments depends on our production of wealth in this country.

Also, it is rather disconcerting to me to find people talking about increasing the tax on gasoline as a method of holding down the consumption of gasoline. That is a nonproductive type of thing. It seems to me we are loading it onto the working man who needs his car to get to work. We are loading it onto people who are transporting the products of manufacture. But we are not recognizing the fact that that is not going to deter those who can afford to spend as high as 50 cents a gallon to run their boats and to do the things which are not directly connected to the production of wealth to keep our business enterprise in our country going.

So while we pass the bill today with the good wishes of Congress to demonstrate that we are interested, it will be just a prelude to what must come in the form of establishing priorities.

## POLLUTION OF LAKE SUPERIOR BY RESERVE MINING CO.

Mr. GRIFFIN. Mr. President, along with others in positions of public responsibility. I have been vigorously pressing for action to stop the Reserve Mining Co. of Silver Bay, Minn., from polluting Lake Superior—the greatest of the Great Lakes.

Each day the Reserve Mining Co. dumps 67,000 tons of finely ground iron ore wastes, known as taconite tailings, into Lake Superior. In terms of volume, that is roughly equivalent to dumping 50,000 junk cars each day into the world's largest fresh water lake.

In 1971, responding to repeated complaints by the Governor of Michigan, as well as other Governors and Members of Congress representing Great Lakes States, the Environmental Protection Agency served a 180-day notice upon the Reserve Mining Co. This notice was a necessary procedural step before court action can be initiated.

Since then, the Department of Justice has filed a law suit in Federal district court—a case which will be heard, I understand, in Duluth or Minneapolis beginning in July.

As part of the pleadings in the case, the Justice Department prepared and recently filed a document entitled, "Specification of Scientific Charges" against Reserve Mining Co. Some of the facts alleged are particularly shocking. For example:

The Justice Department says that the taconite tailings being dumped by Reserve Mining into Lake Superior contain 35 chemical materials, including arsenic, beryllium, cadmium, chromium, cobalt, copper, lead, mercury, nickel, selenium, and thallium—all toxic materials.

In addition to the taconite tailings, Reserve also discharges approximately 750 million gallons of fluid each day, which adds an average of more than 60,000 pounds of dissolved solids to the lake. This discharge solids contains 39 chemical elements, many of them also toxic.

Because of its taconite waste discharges, Reserve Mining has reduced the clarity of the Lake Superior water by 25 percent or more over an area greater than 600 square miles, according to the Justice Department. In addition, its pollutants are spread over several thousand square miles of Lake Superior, at all depths, and have even spread into lakes other than Superior.

In its specification, the Justice Department alleges that the discharge of taconite tailings by Reserve Mining Co. is the cause of what has become known as "the green water phenomenon." The suspension of tailings in the water reflects a murky or muddy shade of green which damages the esthetic value of the lake.

I believe the Justice Department and the Environmental Protection Agency are to be commended for the careful research that is apparent from a reading of this document. Needless to say, along with many millions of others, I fervently hope that the United States will be successful in the lawsuit so that this pollution of Lake Superior can finally be stopped.

Mr. President, I ask unanimous consent that the text of the pleading entitled "Specification of Scientific Charges" filed by the Department of Justice on behalf of the United States be printed in the RECORD.

There being no objection, the text of the pleading was ordered to be printed in the RECORD, as follows:

[In the U.S. District Court for the District of Minnesota, Fifth Division]

### SPECIFICATION OF SCIENTIFIC CHARGES

United States of America, et al., Plaintiffs, v. Reserve Mining Company, et al., Defendants. Filed May 2, 1973. Civil Action No. 5-72, Civil 1.

The Plaintiffs, United States of America, State of Michigan, State of Minnesota, State of Wisconsin and private environmental groups charge that the discharge of taconite tailings by Reserve Mining Company has the following physical, chemical and biological characteristics and effect upon Lake Superior:

1. Reserve Mining Company discharges taconite tailings into Lake Superior at an approximate rate of 67,000 tons daily on a continuous basis. The constituents of this material are primarily quartz and iron-magnesium silicates and more specifically are:

a. Aluminum
b. Arsenic
c. Barium
d. Beryllium
e. Boron
f. Cadmium
g. Calcium
h. Carbon
i. Chromium
j. Cobalt
k. Copper
l. Cummingtonite
m. Hydrogen
n. Iron.
o. Lead
p. Magnetite
q. Magnesium
r. Manganese
s. Mercury
t. Molybdenum
u. Nickel
v. Oxygen
w. Phosphorous
x. Potassium
f. Selenium
z. Silica
aa. Sodium
bb. Sulfur
cc. Suspended Solids
dd. Thallium
ee. Tin
ff. Titanium
gg. Turbidity
hh. Vanadium
ii. Zinc

2. In addition to the discharge of taconite tailings into Lake Superior, Reserve discharges approximately 750 million gallons of water each day which adds an average of more than 60,000 pounds of dissolved solids to the lake at point of discharge daily. The nature of these substances is:

a. Alkalinity
b. Ammonia
c. Arsenic
d. Bacteria, Fecal Streptococci
e. Bacteria, Fecal Coliform
f. Barium
g. Beryllium
h. Boron
i. BOD
j. Cadmium
k. Calcium
l. Chloride
m. Chromium
n. Cobalt
o. Copper
p. COD
q. Dissolved Solids
r. Iron
s. Kjeldahl Nitrogen
t. Lead
u. Magnesium
v. Manganese
w. Mercury
x. Molybdenum
y. Nickel
z. Nitrate-N
aa. Nitrite-N
bb. pH increase
cc. Phosphorous
dd. Potassium
ee. Selenium
ff. Silica
gg. Sodium
hh. Sulfate
ii. Thallium
jj. Tin
kk. Titanium
ll. Zinc
mm. Hydrocarbons

3. Total dissolved solids exceeding 100,000 pounds daily are released from the tailings after discharge into Lake Superior. These substances include, but are not limited to, the following:

a. Silica
b. Calcium
c. Copper
d. Magnesium
e. Manganese
f. Mercury
g. Potassium
h. Sodium

4. Materials leached from Reserve's tailings are contributed to the interstitial waters by tailings in measurable amounts. These substances move from the interstitial waters and go into the bulk waters of Lake Superior.

5. Although much of Reserve's discharge settles out within an area of several hundred square miles by reason of the operation of a turbidity current, small sized particles remain in suspension for long periods of time.

6. Tailings discharged by Reserve Mining Company reduce water clarity 25% or more over an area greater than 600 square miles adjacent to and down current of the discharge.

7. Tailings are spread over several thousand square miles of Lake Superior at all depths. This has been determined by the use of x-ray diffraction techniques which identify the presence of cummingtonite, cummingtonite being a unique tracer for Reserve's tailings.

8. Daily examination of the Duluth water supply and the National Water Quality Laboratory water supply shows that tailings are present each and every day, and fluctuate according to the time of year and weather.

9. Tailings discharged by Reserve are carried into the waters of Michigan.

10. Tailings discharged by Reserve are carried into Wisconsin waters and are deposited upon the bottom of Lake Superior in Wisconsin waters.

11. The manner in which small particles remain in suspension is fivefold: (1) Material is carried to the bottom of the lake by the operation of the turbidity current but thereafter accumulates in lenses several hundred feet thick and several hundred square miles in area and is swept slowly toward Duluth and other points in the lake and lifted into the surface layers at various times and places by upwellings and normal current patterns. (2) Material is sheared or stripped off at the thermocline and remains in suspension in the shallow waters of the lake, being swept toward Duluth and other points in the lake by the normal lake currents. (3) Seasonal turnovers of the top and bottom waters and upwellings caused by offshore wind-driven currents cause both a lifting of tailings in the lenses near the bottom of the lake, and shearing of tailings from the turbidity current at various depths. (4) The tailings delta is continually eroded by storms and currents creating a separate discharge of tailings not subject to any turbidity current. (5) Density variations which cause a turbidity current at certain times of the year, diminish at times when the plant's discharge water is warmer than the lake water into which it is discharged.

12. The mechanisms outlined in 11 above cause the green water phenomenon. Green water is caused by tailings in suspension at a depth and particle size which causes them to reflect a murky or muddy shade of green.

13. The green water caused by Reserve damages the aesthetic value of Lake Superior. It is also a positive sign that tailings remain in suspension and do not all settle to the bottom as claimed by Reserve.

14. Tailings increase the suspended solids concentrations of Lake Superior for an area of several thousand square miles.

15. The smaller a tailings particle the greater is its tendency to leach the chemicals and substances of which it is composed into Lake Superior.

16. It is probable that many of these very small tailings particles dissolve into the waters of the lake rather than settle to the bottom.

17. It is significant that tailings are carried in suspension throughout the lake because they are not inert and do have a chemical and biological effect.

18. Tailings prolong the life of viruses.

19. Tailings prolong the life of bacteria.

20. Tailings have been shown to stimulate algae in laboratory experiments.

21. Tailings stimulate the growth of periphyton on the north shore between the plant and Duluth.

22. The substances in tailings are available and taken up by the fish community.

23. Tailings have caused a decrease in pontoporiea, a vital link in the food chain, in the "effect" area of the tailings.

24. Tailings have caused a shift in the benthic populations in the "effect" area of the tailings.

25. Tailings have further affected the food chain in the vicinity of the discharge by altering the eating habits of the 4-horned sculpin and slimy sculpin. These fish are key organisms in judging the health of the lake.

26. Tailings exert chemical oxygen demand in the lake.

27. Tailings measurably alter the chemistry of the interstitial waters in "effect" areas.

28. Reserve's discharge is many times greater than that of all the streams which enter Lake Superior, in terms of sediment load.

29. These sediments leach substances into the lake more rapidly than do natural sediments.

30. Lake Superior barely holds its own against the natural forces of eutrophication, and is not at this time in equilibrium, even when Reserve's discharge is excluded.

31. Although one would not expect a single discharge to cause measurable changes in lake water chemistry in a lake the size of Superior, nevertheless, such changes caused by Reserve are apparent.

32. Although it appears that tailings have a negative effect on life in the area of the discharge it is probable that they have an additive effect in producing growth of algae in the lake when outside of the area of their greatest turbidity and when mixed with other nutrients added to the lake in Duluth.

33. Although Lake Superior is generally regarded as phosphorous limited in the growth of algae, there is evidence that it is also manganese limited. Reserve's tailings contain almost as much phosphorous as natural sediments, and leach into the lake significant quantities of manganese.

34. Lake water in contact with sediments discharged by Reserve contains measurable concentrations of dissolved chemicals in amounts which have been shown to be toxic to aquatic organisms.

35. Reserve's discharge, diluted to 1/10 of its original concentration, has been found to be lethal to Lake Trout sac fry and Rainbow Trout sac fry. Lake Trout spawn in the waters of the north shore.

36. Observations of mutant synedra indicate a viable hypothesis that such are the result of a persistent pollutant such as Reserve's discharge.

37. Reserve has also been discharging into Lake Superior significant quantities of acutely toxic amines and flocculants.

38. Reserve discharges each winter significant quantities of calcium chloride.

39. Reserve discharges various oils and hydrocarbons into Lake Superior in amounts measurable in its discharge.

40. The flushing rate of Lake Superior is very slow and it purges itself only once every 500 years. Because of this, changes and additions made by Reserve's discharge will be persistent.

41. Tailings contain large amounts of silica, which substance is necessary to diatoms as shell building material. To the extent that this substance is a limiting factor to growth of diatoms in Lake Superior, tailings remove this limitation.

42. Lake Superior, although presently under pollutional stress, is one of the few remaining major lakes in the world which still has the pure clear waters which characterize an oligotrophic state.

43. Lake Superior is entitled to special protection as a body of water because of its size, purity, aesthetic appeal and value to scientists studying bodies of water.

44. Lake Superior is presently undergoing changes such as those which preceded the visible damage to Lakes Erie, Ontario, and Michigan.

45. The first signs of eutrophication of a body of water appear at its arm and embayments.

46. Reserve's discharge, which contributes significant amounts of manganese and other nutrients, could constitute the difference between the lake remaining free of nuisance algal blooms, and experiencing them as does Lake Michigan.

47. Reserve Mining's discharge is accelerating the process which has damaged the other Great Lakes.

48. The States of Minnesota, Wisconsin and Michigan share a common Lake Superior water ecology because materials and waters are moved from State to State by lake currents, damage to one State thereby constituting damage to the others.

The above specification of scientific charges is in addition to those charges made in the report of Donald I. Mount, dated April 1973, entitled "A Summary of the Studies Regarding the Effect of the Reserve Mining Company Discharge on Lake Superior," and the scientific charges made in documents of the parties plaintiff filed and to be filed with the Central Record Depository.

United States of America,
By John P. Hills.
*Attorney, Department of Justice.*
Washington, D.C.

### CERTIFICATE OF SERVICE

The undersigned hereby certifies that the above Specification of Scientific Charges was served by mailing copies thereof to Edward T. Fride, Esquire, Attorney at Law, Sullivan, Hanft, Hastings, Fride and O'Brien, 1200 Alworth Building, Duluth, Minnesota 55802; Robert J. Sheran, Esquire, Attorney at Law, Lindquist and Vennum, 4200 IDS Building, Minneapolis, Minnesota 55402; John Kofron, Esquire, Assistant Attorney General, 114 East State Capitol, Madison, Wisconsin 53702; Francis J. Carrier, Esquire, 630 Seven Story Office Building, Lansing, Michigan 48913; Howard J. Vogel, Esquire, 814 Flour Exchange Building, Minneapolis, Minnesota 55415; Wayne G. Johnson, Esquire, Attorney at Law, Johnson & Thomas, Norshor Building, Silver Bay, Minnesota 55614; Jonathan H. Morgan, Esquire, Solicitor General, State of Minnesota, 160 State Office Building, St. Paul, Minnesota 55155; and Byron E. Starns, Esquire, Deputy Attorney General, Minnesota Pollution Control Agency, 717 Delaware Street, S.E., Minneapolis, Minnesota 55440 this —— day of May, 1973.

John P. Hills,
*Attorney, Department of Justice.*
Washington, DC.

## ORDER OF BUSINESS

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, has my time expired?

The PRESIDENT pro tempore. The Senator from Michigan has 4½ minutes remaining.

Mr. GRIFFIN. Mr. President, I yield to the Senator from Arizona.

## PRIVILEGE OF THE FLOOR

Mr. FANNIN. Mr. President, I ask unanimous consent that Mr. Fred Craft and Mr. Harrison Loesch, minority staff members of the Committee on Interior and Insular Affairs be permitted the privilege of the floor during the debate and votes on S. 1570, the unfinished business.

The PRESIDENT pro tempore. Without objection, it is so ordered.

## QUORUM CALL

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Under the previous order, the Senator from West Virginia (Mr. ROBERT C. BYRD) is recognized for not to exceed 15 minutes.

### ORDER FOR RECOGNITION OF SENATORS JAVITS, GRIFFIN, AND ROBERT C. BYRD TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that tomorrow, after the two leaders or their designees have been recognized under the standing order, the distinguished Senator from New York (Mr. JAVITS) be recognized for not to exceed 15 minutes, that he be followed by the distinguished assistant Republican leader (Mr. GRIFFIN) for not to exceed 15 minutes, and that he be followed by the junior Senator from West Virginia (Mr. ROBERT C. BYRD) for not to exceed 15 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

### TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. I ask unanimous consent that at the completion of the orders for recognition of Senators tomorrow, there be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 3 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

### ORDER FOR TAKING UP THE UNFINISHED BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the conclusion of routine morning business tomorrow, the Chair lay before the Senate the then unfinished business, which will be S. 1888, to extend and amend the Agricultural Act of 1970.

The PRESIDENT pro tempore. Without objection, it is so ordered.

### QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time for the quorum call be charged against the time allotted to me.

The PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

### ORDER FOR ADJOURNMENT UNTIL NOON TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12 o'clock noon tomorrow.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(Later in the day, this order was changed to provide for the Senate to convene at 10:45 a.m. tomorrow.)

Mr. ROBERT C. BYRD. Mr. President, I yield back the remainder of my time.

### TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements therein limited to 3 minutes.

### REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 802. A bill for the relief of Ronald K. Downie (Rept. No. 93–193).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 71. A bill for the relief of Uhel D. Polly (Rept. No. 93–194).

By Mr. INOUYE, from the Committee on Commerce, with amendments:

S. 1747. A bill to amend the International Travel Act of 1961 with respect to fees and charges for travel exhibits and publication and authorizations of appropriations (Rept. No. 93–195).

By Mr. PELL, from the Committee on Foreign Relations, with an amendment:

H.R. 6768. An act to provide for participation by the United States in the United Nations environment program (Rept. No. 93–196).

### EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. WILLIAMS, from the Committee on Labor and Public Welfare:

James S. Coleman, of Maryland, and sundry other persons, to be members of the National Council on Educational Research;

David H. Stowe, of Maryland, to be a member of the National Mediation Board;

Robert L. DuPont, of Maryland, to be Director of the Special Action Office for Drug Abuse Prevention; and

Carmen Maymi, of the District of Columbia, to be Director of the Women's Bureau, Department of Labor.

The above nominations were reported with the recommendation that they be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

Mr. MAGNUSON. Mr. President, from the Committee on Commerce, I report favorably sundry nominations in the National Oceanic and Atmospheric Administration and the Coast Guard which have previously appeared in the CONGRESSIONAL RECORD and, to save the expense of printing them on the Executive Calendar, I ask unanimous consent that they lie on the Secretary's desk for the information of Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations are as follows:

Philip C. Johnson, and sundry other persons, for permanent appointment in the National Oceanic and Atmospheric Administration; and

David E. Hagberg, and sundry other officers, from promotion in the Coast Guard.

### RE-REFERRAL OF BILL TO COMMITTEE ON FINANCE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a bill introduced yesterday by the Senator from Illinois (Mr. PERCY), S. 1936, the Federal Elective Office Campaign Act, which was referred to the Committee on Rules and Administration, be rereferred to the Committee on Finance, if and when it should be reported by the Committee on Rules and Administration, for its consideration of section 7, amending the Revenue Code relative to tax credit, a matter which falls within the jurisdiction of the Committee on Finance.

The PRESIDENT pro tempore. Without objection it is so ordered.

### INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. SPARKMAN:

S. 1944. A bill for the relief of Linda Da Silva. Referred to the Committee on the Judiciary.

By Mr. CHILES:

S. 1945. A bill to amend the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, so as to authorize certain grapefruit marketing orders which provide for an assessment against handlers for the purpose of financing a marketing promotion program to also provide for a credit against such assessment in the case of handlers who expend directly for marketing promotion. Referred to the Committee on Agriculture and Forestry.

S. 1946. A bill to assist in the rehabilitation of certain individuals convicted of a Federal offense by removing certain disqualifications which serve only to impede such rehabilitation. Referred to the Committee on the Judiciary.

S. 1947. A bill to provide for the issuance of a commemorative postage stamp in honor of the veterans of the Spanish American War. Referred to the Committee on Post Office and Civil Service.

By Mr. INOUYE:

S. 1948. A bill for the relief of Mrs. Eufemia Clemente. Referred to the Committee on the Judiciary.

By Mr. TUNNEY (for himself, Mr. GRAVEL, Mr. PASTORE, Mr. MANSFIELD, Mr. INOUYE, Mr. PERCY, Mr. HUMPHREY, Mr. STEVENS, and Mr. HUGHES):

S. 1949. A bill to amend the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 to expand the definition of "developmental disability" to include autism. Referred to the Committee on Labor and Public Welfare.

By Mr. HARTKE (for himself and Mr. PASTORE):

S. 1950. A bill to provide for the licensing of motor vehicle repair shops and damage appraisers, and for other purposes. Referred to the Committee on Commerce.

By Mr. BAKER:

S.J. Res. 120. Joint resolution to designate June 5 as "World Environment Day." Referred to the Committee on the Judiciary.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CHILES:

S. 1945. A bill to amend the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, so as to authorize certain grapefruit marketing orders which provide for an assessment against handlers for the purpose of financing a marketing promotion program to also provide for a credit against such assessment in the case of handlers who expend directly for marketing promotion. Referred to the Committee on Agriculture and Forestry.

Mr. CHILES. Mr. President, I am introducing a bill today which passed the Senate last year, S. 1058. This measure would amend the Agricultural Adjustment Act to authorize grapefruit marketing orders.

It is a relatively simple proposal, enabling grapefruit growers who assess handlers for the purpose of financing a marketing promotion program to also provide for a credit against such assessment in the case of handlers who expend directly for marketing promotion. It would encourage handlers of Florida Indian River grapefruit to maintain or develop their own promotions, including paid advertising, by crediting a handler's assessment obligation with the amount of his direct promotion expenditures as authorized in the Indian River grapefruit marketing order.

This is a noncontroversial bill, wholeheartedly supported by the Indian River Citrus League, which represents the vast majority of Indian River citrus growers. The legislation is enabling only and it will be up to the Indian River grapefruit industry to accept or reject any specific program.

There are growers in this area who have market promotion programs featuring the words, "Indian River" predominantly, alongside their own brand name—such as "florigold," and under any industrywide market promotion program for Indian River grapefruit these individual shippers naturally want to receive some credit against their assessment for their own market promotion. To do this, however, the Marketing Agreement Act of 1937 needs to specifically permit such an assessment credit for Indian River grapefruit.

Put more directly, for promotion purposes the individual growers are assessed so much per box of fruit to promote Indian River fruit. But if individual growers in the promotion of their own brand also use the words, "Indian River," they ought to get some credit toward their assessment for promoting the fruit of the entire district. This legislation would allow them to do that.

I request permission at this point to have the entire text of the bill printed in the RECORD—as well as a copy of the letter, dated January 27, 1972, from the Department of Agriculture to Chairman TALMADGE recommending that the bill be passed.

There being no objection, the bill and letter were ordered to be printed in the RECORD, as follows:

S. 1946

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 8c(6) (I) of the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937 and subsequent legislation, is further amended by inserting in the first proviso "and Florida Indian River grapefruit" immediately after "with respect to almonds".

DEPARTMENT OF AGRICULTURE,
*Washington, D.C., January 27, 1972.*

Hon. HERMAN E. TALMADGE,
*Chairman, Committee on Agriculture and Forestry, U.S. Senate.*

DEAR MR. CHAIRMAN: This is in reply to your request of March 5, 1971, for a report on S. 1058. This bill would amend the Agricultural Marketing Agreement Act of 1937, as amended, to permit the marketing order for Florida Indian River grapefruit to include provisions for crediting the assessment obligation of each handler, assessed under such order to finance a promotion program, with all or any portion of his direct expenditures for marketing promotion, including paid advertising, as may be authorized by the marketing order. Current provisions of the act permit marketing promotion, including paid advertising, for citrus fruits under marketing orders.

The Department recommends that S. 1058 be passed.

The proposed amendment would encourage handlers of Florida Indian River grapefruit to maintain or develop their own promotions, including paid advertising, by crediting a handler's assessment obligation with such of his direct promotion expenditures as are authorized in the Indian River grapefruit marketing order. This bill provides essentially the same authorization as that provided for almonds in P.L. 91–522, approved November 25, 1970.

Implementation of this legislation would be accomplished by amending the Indian River grapefruit marketing order. Any promotion projects carried out under the marketing order would be subject to continuing review by the Secretary to insure compliance with the statute and to protect the public interest.

Florida Indian River grapefruit are produced in the "Indian River District," which is defined in the marketing order. For purposes of advertising and promotion it is important to note that the product is easily distinguishable because individual fruits are commonly labeled (stamped) with the words "Indian River" at the packinghouse.

The potential marketing problems for fresh Indian River grapefruit are accentuated by the existence of a relatively large acreage of young, non-bearing trees. In 1969, the most recent year for which data are available, Indian River grapefruit acreage totaled 56,220. Of this total, 16,455 acres were non-bearing. Assuming that such acreage will produce an average per-acre yield equal to that of the acreage now bearing, the potential exists for average crops approximately one-third larger than those presently produced. Furthermore, fresh shipments of Indian River grapefruit have, except for annual fluctuations, remained practically unchanged.

The additional activity caused this Department by enactment of the proposed legislation would be absorbed within existing expenditures for marketing order programs except that the order amendment cost, if separate from other amendments, could approximate $7,500.

Enactment of S. 1058 would have no significant impact on the environment.

The Office of Management and Budget advises that there is no objection, from the standpoint of the Administration's program, to the presentation of this report.

Sincerely,

J. PHIL CAMPBELL,
*Under Secretary.*

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By Mr. CHILES:

S. 1946. A bill to assist in the rehabilitation of certain individuals convicted of a Federal offense by removing certain disqualifications which serve only to impede such rehabilitation. Referred to the Committee on the Judiciary.

Mr. CHILES. Mr. President, we have long characterized our prisons as reformatories because the object of imprisoning our criminal offender is not only to punish him but also to rehabilitate him—to offer him an opportunity to reform his life and values so as to return to society as a useful, or at least, law-abiding citizen. While the tragic riots at Attica, demonstrations in the District of Columbia's jails, at Lorton and elsewhere, have shown that our prison system is greatly in need of reform, much of the problem lies beyond the prisons. An ex-convict may often return to a career of crime because of the barriers society places in his path when he seeks a second chance.

The concept of providing continuing civil penalties for persons convicted of crimes even after criminal penalties are completed, has its origins in the Roman heritage of English law. Fortunately, many of the harsher forms of punishments such at attainder, forfeiture of estates and corruption of blood have been eliminated, but the concept of "civil death," which stems from this same heritage, still remains in some States.

Barriers such as licensing or loss of right to serve on a jury or voting further remind the ex-convict of his second-class citizenship and prevent him from assuming his role in society as a responsible citizen. Such prohibitions may even create a danger for all society since they might lead to a lowering of the individual's respect for a society in which he has no part.

As our technology has increasingly demanded professional skills, the employment picture today is characterized by increasing requirements fo rlicensing; in California alone, more than 60 occupations require State licenses. While licensing procedure protects the public from unqualified or unskilled persons, it also provides a means by which a person's record can be scrutinized. An ex-convict, even though fully trained and qualified for a career in one of the licensed professions, may not even be able to apply for a license.

Today, in most States, a person convicted of a felony loses the right to vote, hold public office and may not serve on a jury. To restore any of his lost civil rights an individual must follow an involved procedure. In Florida, for example, he may apply to the State pardon board for restoration of his rights, even though his conviction may have been in Federal court. He may also apply for a Presidential pardon through the pardon attorney in the Department of Justice in Washington, D.C. For many persons, however, filling out the applications—whether

State or Federal—is a most difficult task due to their limited education.

This structure of statutory and regulatory disabilities adversely affects the rehabilitation of the offender both during his time in prison and, perhaps more cruelly, after his release. Our neglect in rehabilitating convicted offenders is especially evident today because many convicted criminals are young offenders being punished for their encounters with drugs, civil rights, or the military.

I am introducing a bill today to assist in the rehabilitation of certain individuals convicted of a Federal offense by removing certain disqualifications which serve only to impede that rehabilitation. My bill provides that anyone otherwise qualified to vote in a Federal election will be restored that right to vote if it had been denied him solely because he was once convicted of a Federal offense. That is, first offenders of Federal felonies would not be deprived of their right to vote, as well as their right to hold any office or honor, trust or profit under the United States, to serve as a juror on any Federal grand jury or in any Federal court, to appear and give testimony in any Federal court in connection with any other Federal proceeding, to obtain and utilize a license or other paper, document, or item necessary to operate a motor vehicle, to contract, or obtain and hold Federal employment if he has satisfied any fine, completed his period of imprisonment and successfully completed any probation or parole period attached to his conviction.

The President's Commission on Law Enforcement and the Administration of Justice has recognized that civil disabilities of the nature I have described are harmful to society at large when it declared:

> There has been little effort to evaluate the whole system of disabilities and disqualifications that has grown up. As a result, convicted persons are generally subjected to numerous disabilities which have little relation to the crime committed, the person committing it or, consequently, the protection of society. They are often harsh out of all proportion to the crime committed (Task Force Report: Corrections 88(1967).)

Mr. President we expect a person who has served his time to return to his community and continue his life as if he had only been away on a long trip, and yet our laws make it impossible for him to remove the scars of conviction. If we continue to treat the ex-convict as less than a citizen long after his debt to society has been paid, we can expect him to act accordingly and often return to a life of crime.

I ask unanimous consent that my bill be printed in the Record at this point in my remarks.

There being no objection, the bill was ordered to be printed in the Record, as follows:

### S. 1946

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) notwithstanding any other provision of law (including the laws of any State), no citizen of the United States who is otherwise qualified to vote in a Federal election shall be denied the right to register and vote in any such election solely because he has been convicted of a Federal offense in any court of the United States, if he has, in connection with any sentence imposed on him by reason of such conviction, satisfied any fine, completed any period of incarceration, and successfully completed any probation or parole period, resulting therefrom, or has been pardoned with respect to such conviction.

(b) As used in this section, the term "Federal election" means a primary, general or special election held to vote for electors for President or Vice President, or both, Members of Congress, or Delegate or Resident Commissioner to the Congress.

Sec. 2. Notwithstanding any other provision of law (including the law of any State), no citizen of the United States who is otherwise qualified shall be denied the privilege or right to hold (whether by election or appointment) any Federal office of honor, trust or profit under the United States, to serve as a juror on any Federal grand jury or in any Federal court, to appear and give testimony in any Federal court or in connection with any other Federal proceeding, to obtain and utilize a license or other paper, document or item necesary to operate a motor vehicle, to contract or to obtain and hold Federal employment, solely because he has been convicted of a Federal offense in any court of the United States, if he has, in connection with any sentence imposed on him by reason of such conviction, satisfied any fine, completed any period of incarceration, and successfully completed any probation or parole period, resulting therefrom, or has been pardoned with respect to such conviction.

Sec. 3. As used in this Act, the term "State" means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, or any political subdivision thereof.

Sec. 4. Whoever shall deprive or attempt to deprive any person of any right or privilege secured by this Act shall be fined not more than $5,000, or imprisoned not more than five years, or both.

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By Mr. CHILES:

S. 1947. A bill to provide for the issuance of a commemorative postage stamp in honor of the veterans of the Spanish-American War. Referred to the Committee on Post Office and Civil Service.

Mr. CHILES. Mr. President, today I am introducing a bill to provide for the issuance of a commemorative postage stamp in honor of the veterans of the Spanish-American War.

For many years the United Spanish War Veterans have been trying to get the Post Office Department to authorize a stamp for this purpose, and each time the Department has said that it would study the matter. Unfortunately, nothing further has developed.

It now appears that in order to get a stamp honoring the veterans of 1898, the only hope is to get legislation through the Congress to direct the Post Office Department to issue a Spanish War stamp.

I believe Senators will be interested in reading the article which appeared in the June 29, 1972, issue of the Stars and Stripes entitled, "VFW Resents Shabby Deal to Men of 1898," and I hope you will join me in supporting this bill to see that these veterans are honored by the issuance of this commemorative stamp. I ask unanimous consent that this article be printed in the Record at the completion of my remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

### VFW Resents Shabby Deal to Men of 1898

Apprised of the Post Office Departments apparent permanent unconcern with the pleas of Spanish War veterans for a stamp in their memory, a strong arm of the Veterans of Foreign Wars recently moved to do something about the matter. The District of Columbia Department of the VFW, at its convention in Washington, recently passed a sharp resolution calling for a stamp honoring the dwindling band of veterans of 1898. The resolution will be carried to the National convention of the organization at Minneapolis in August.

Judging by the indignation shown by the District of Columbia Department over the shabby manner in which the Spanish War veterans have been treated on the subject, it is a safe bet that the National organization will approve the idea of taking steps to get action. The VFW is highly regarded by members of Congress generally, and has many close friends in key posts.

There are only about 2,700 men left of the volunteer army of some 400,000 men in 1898. In a few years they will all be gone, just as the Grand Army of the Republic vanished. Over recent years veterans of the Spanish War who have labored for the small item of an honoring stamp have received only stereotyped responses that the matter is under consideration. Nothing further happens. Yet, the Postal Service can turn out stamps on African elephants, crocodiles and miscellaneous subjects including the recently established Wolf Trap Farm theater of the Filene Center. But the men of 1898 get nothing but stalling letters. The committee that decides on stamps for the Postal Services apparently does not think the disappearing Spanish-American War veterans rate any such attention.

The VFW has other views. Also, we have good reason to believe that AMVETS and the American Legion among others will take up the subject at their 1972 conventions. Their demands for a bit of justice and recognition for the men of '98 would likely shift the thinking of the postage stamp creators.

The aging veterans who are asking for nothing except a postage stamp, in the opinion of Stars and Stripes-The National Tribune, have had a shameful deal.

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By Mr. TUNNEY (for himself, Mr. Gravel, Mr. Pastore, Mr. Mansfield, Mr. Inouye, Mr. Percy, Mr. Humphrey, Mr. Stevens, and Mr. Hughes):

S. 1949. A bill to amend the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 to expand the definition of "developmental disability" to include autism. Referred to the Committee on Labor and Public Welfare.

### FEDERAL AID TO AUTISTIC CHILDREN

Mr. TUNNEY. Mr. President, today I am introducing legislation to provide Federal assistance to autistic children.

On January 14, 1973, a working definition of autistic children was adopted by the National Society for Autistic Children Board and approved by the NSAC Professional Advisory Board. I ask unanimous consent to insert the definition in the Record at this point.

There being no objection, the definition was ordered to be printed in the Record, as follows:

### WORKING DEFINITION* OF AUTISTIC CHILDREN AS ADOPTED BY THE NATIONAL SOCIETY FOR AUTISTIC CHILDREN BOARD AND APPROVED BY THE NSAC PROFESSIONAL ADVISORY BOARD, JANUARY 14, 1973

#### GENERAL DEFINITION

The term "autistic children" as used by the National Society for Autistic Children shall include persons, regardless of age, with severe disorders of communication and behavior whose disability became manifest during the early developmental stages of childhood. "Austistic children" includes, but is not limited to, those afflicted with infantile autism (Kanner's syndrome), profound aphasia, childhood psychosis, or any other condition characterized by severe deficits in language ability and behavior and by the lack of ability to relate appropriately to others. The autistic child appears to suffer primarily from a pervasive impairment of his cognitive and/or perceptual functioning, the consequences of which are manifested by limited ability to understand, communicate, learn, and participate in social relationships.

#### SPECIFIC CHARACTERISTICS

Such children are typically multihandicapped in their abilities to receive and communicate information, resulting in behavior inappropriate to physical and social demands of their environment. As in aphasia, the dominant communication disorder or learning disability appears to result from the inability to use and to understand language appropriately. The difficulty is often accompanied by impairment in motor, visual, and auditory perception. The behavior of an autistic child is typically improved by the application of appropriate educational procedures. A combination of some or all of the following behaviors characterize the autistic child. These behaviors vary from child to child and time to time in severity and manner.

1. Severely impaired speech or complete lack of speech.
2. Impaired or complete lack of relatedness and social inaccessibility to children, parents, and adults.
3. Extreme distress for no discernible reason due to minor changes in the environment.
4. Lack of intellectual development or retardation in certain areas, sometimes accompanied by normal or superior abilities in other areas.
5. Repetitive and peculiar use of toys and objects in an inappropriate manner, and/or similar repetitive and peculiar body motions, such as incessant rocking.
6. Unusual reaction to perceptual stimuli, such as seeming not to hear certain sounds and over-reacting to others (e.g., holding hands over ears) or "looking-through" objects, poor eye contact, or unable to perform certain gross and/or fine motor activities (walking with peculiar gait, limpness in fingers, inability to hold a pencil appropriately).
7. Onset of disorder at birth or apparent normal early development followed by deterioration in functioning.
8. Hyperactivity or passivity.
9. Apparent insensitivity to pain.

Mr. TUNNEY. On June 23, 1972, I directed a letter to the Honorable Elliot L. Richardson, then Secretary of the Department of Health, Education, and Welfare, requesting that he include in the Developmental Disabilities Services and Facilities Construction Act of 1970, "autism," which, by definition, closely alines itself with the definition of "developmental disability" already established in this act. That definition is, for the purposes of the legislation, as follows:

> A disability attributable to mental retardation, cerebral palsy, epilepsy, or another neurological condition of an individual found by the Secretary to be closely related to mental retardation or to require treatment similar to that required for mentally retarded individuals. The disability must have originated before the age of eighteen and have continued or be expected to continue indefinitely and must constitute a substantial handicap to the individual in question.

It was my understanding, at the time I approached Secretary Richardson, that during the 2 years since the enactment of this law, that no "other neurological condition" had been included in the coverage of this law despite the clear intent of the language that such inclusions be made. The definition of autism clearly coincides with the definition of "developmental disability" in the act. The autistic child is being excluded from the benefits provided for under this law despite their tremendous need for those benefits. The Secretary did not expand the legislation to include autism and it is because of that decision that I am introducing this legislation today.

There are 80,000 classic cases of autism in the United States. The plight of the autistic child is a history of tragic neglect by public authorities and I believe it is time something be done about this neglect. It is my intention in attempting to amend that act that the autistic child finally be given the full consideration he rightfully deserves as a developmentally disabled child. The National Society for Autistic Children supports me in this effort to amend the law. Hopefully, by including autism in the act, the autistic child will receive the advantages provided for under this law for research and eventual diagnosis of this disorder.

I ask unanimous consent to include in the RECORD at this time, an article written by Dr. Donald J. Cohen, M.D., of the department of pediatrics and psychiatry at Yale University School of Medicine and the Yale Child Study Center. The article, "Medical Care of Autistic Children," appeared in the journal Pediatrics—volume 51, No. 8, February 1973. Dr. Cohen, an expert in his field, has been a tremendous help to me in researching "autism."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### THE MEDICAL CARE OF AUTISTIC CHILDREN

Childhood autism is the most overwhelming psychiatric disturbance of childhood. Announcing its presence during the first year or two of life, its natural history is often a profound, life-long developmental disability affecting every sphere of social, emotional, and intellectual functioning. Kanner's[1] classic description of children who have difficulty in relating to people and things from the beginning of life has been followed by an abundance of studies expanding our knowledge of the clinical features of autism. Children with autism have been found to present a variety of disturbances in language, perception, neurophysiological organization, and emotional and behavioral control.[2-5] Unfortunately, epidemiologic, genetic, and metabolic investigations are limited, as they are for all serious psychiatric disturbances in childhood. However, from the available evidence one is led to suspect that disturbances in central nervous system functioning, and perhaps specific metabolic abnormalities, underlie the vulnerability to this syndrome.[6-13]

In spite of three decades of clinical study, basic issues and controversies about the etiology, diagnosis, and treatment of childhood autism are far from resolution.[14-16] For most children with autism, judicious clinicians and parents are left with little choice but to try a combination of ameliorative approaches to care; thoughtful psychotherapy; special education; behavior modification; and, occasionally, tranquilizing medication.[17-19] In a very few, such management and—of particular importance—continued family support, offer the hope of at least some future independence. But, clearly, new biological knowledge will be needed to relieve the therapeutic doldrums, a fact repeatedly emphasized by the National Society for Autistic Children.

The medical care of autistic and other seriously handicapped children is of particular concern to pediatricians. Because of their severe language disabilities, fearfulness, limited social relations, and generally high anxiety, children with childhood autism are challenging patients. Any physician who has cared for an autistic child is aware of the trauma often inflicted on both child and family when there is need for even routine medical care, such as periodic examinations, immunization, and throat culture. Diagnostic lumbar punctures, X-rays, and other procedures frequently lead to battle, fought to a draw, between medical forces and the child. Because of such difficulties, the medical care of such children is often far from adequate; for example, many children suffer serious dental decay because of diets containing soft and odd foods and the problems involved in providing dental prophylaxis and treatment.

Preparation of psychologically healthy children for hospitalization and their care during confinement have received detailed and sensitive study. Surprisingly, child psychiatrists and other mental health professionals have appeared to focus less attention on the hospitalization experiences of their own patients. Yet, while going to the hospital is difficult for any child, it must be incomparably more difficult for a child suffering from profound disabilities who depends on stability in the outside world to maintain inner order and comfort.

Gabriel and Gluck's clinical presentation[20] adds to our knowledge about the surgical care of autistic children. They stress the importance of carefully planning for the child's hospitalization, including orientation visits before hospitalization, for the child and family and clear definition and preparation of the professional team which will be responsible for the child. During hospitalization, the goal is to provide the child with predictable and consistent experiences. This is achieved by explaining, as well as one can, what is occurring and what to expect and by keeping the child occupied in familiar activities. In addition, one of the most important and difficult aspects of optimal management is providing the child with *continuity of care* offered by a trustworthy professional team of a primary physician and one nurse for each shift. On an active surgical service, with a variety of technicians, aides, nurses, physicians, and students busily and episodically relating to a patient, this prescription for rational hospital care is not easy to fill.

Gabriel and Gluck's case raises its own particular questions—about the child's diagnosis, the timing of surgery, and the drugs used in his management, among others. It will require considerably more experience in such situations to evaluate the use of morphine and chlordiazepoxide (Librium) in the postsurgical management of severely disturbed children. Other experienced clinicians

See footnotes at end of article.

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*It is anticipated that this working definition of autism will be changed and made more specific with new research knowledge.

might have made quite different choices, and even Gabriel and Gluck wonder if Librium was needed. The other aspects of their careful management seem much more powerful. Also, until there is more experience in this area, when it is planned to use psychopharmacological agents postoperatively, it might be worthwhile to conduct a brief drug trial before hospitalization to assess a child's response to the new medications and the possibility of any type of adverse reaction.

Physicians and nurses concerned with the general medical care of children with childhood autism will be interested in Dr. Wing's new guide for parents and professionals.[21] She correctly emphasizes that when an autistic child is hospitalized, his mother can play a vital role. In addition to providing support for the child, the mother is often the only person who can interpret the child's needs to the staff and the staff's intentions to the child. While Gabriel and Gluck's patient was capable of limited language use, the constant presence of his mother was no doubt of major importance in his smooth recovery. Thus, for autistic children in the hospital, as well as in other aspects of their care, physicians have come to recognize the need for parents as active collaborators. This is a cheering sign of progress.[22]

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FOOTNOTES

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By Mr. HARTKE (for himself and Mr. PASTORE):

S. 1950. A bill to provide for the licensing of motor vehicle repair shops and damage appraisers, and for other purposes. Referred to the Committee on Commerce.

### MOTOR VEHICLE REPAIR INDUSTRY LICENSING ACT

Mr. HARTKE. Mr. President, in recent years the motoring public has been expressing dissatisfaction with the quality of motor vehicle repairs. Over 80 million automobiles now operate on the streets and highways of the Nation. A motor vehicle is almost a necessity to meet the need of mobility, not only for business and industry but for modern family life. The Congress has, on many occasions, indicated its interest in advancing motor vehicle safety, in increasing the availability of transportation facilities and in reducing the economic cost of motor vehicle transportation. The National Traffic and Motor Vehicle Safety Act of 1966, and the Highway Safety Act of 1966 are two great landmarks of Federal legislation. Last year, Congress passed legislation regarding the design of motor vehicle standards in order to reduce economic loss which stems from motor vehicle collisions. Further, various committees of the Congress have been considering legislation regarding motor vehicle insurance in order to reduce costs and to speed payment of benefits to those who have suffered either personal bodily injury or motor vehicle damage.

Each of these pieces of legislation—those enacted and those now under consideration—meet certain specific needs of the motoring public.

There is also another basic area, however, which is in need of legislation and today I am introducing the Motor Vehicle Repair Industry Licensing Act. This bill will encourage each of the States to provide a procedure for the licensing of all motor vehicle repair shops and all individuals who are engaged in the business of appraising the extent of collision damage to motor vehicles. Therefore, we are involving not only the automotive repair industry, but the many insurance companies which sell insurance to the motoring public and who pay either the cost of repair of the insured's damaged vehicle or assume the liability that the insured may incur when his vehicle damages other property, especially other motor vehicles.

Over the years, there has been considerable controversy regarding procedures followed by the insurance companies settling claims for damage to motor vehicles. In hearings held in 1969 and 1970, before the Subcommittee on Antitrust and Monopoly of the Senate Judiciary Committee, representatives of the insurance industry set forth many charges regarding the rapid increase in the cost of repair of motor vehicles. At the same hearings, representatives of the independent garage industry have expressed their dissatisfaction with the insurance companies regarding the appraisal methods and techniques used for the determination of payments for the repair of motor vehicles. There is no need to recite the details of charge and countercharge because it is evident that the victims of these continued, unsettled controversies are the vehicle owners who have paid the insurance companies premiums for financial protection and must drive the vehicles after they have been repaired by motor vehicle repair shops. The bill I am introducing is designed to establish a greater responsibility not only for motor vehicle repair shops but also for appraisers who assess damages. The time is long past due for Congress to legislate in this area. Studies of problems in the auto repair industry have been conducted by the Federal Trade Commission and the Department of Justice, but no administrative or regulatory resolution by these agencies is in sight.

There are approximately 400,000 establishments in the United States which service and repair motor vehicles. These shops are classified in the following categories: franchised new car dealers, service stations, general garages, autobody shops, auto paint shops, and specialty shops.

### LICENSING OF AUTO REPAIR SHOPS

The bill provides that each State require the licensing of any business entity which is engaged in business for profit in the repair of motor vehicles including repair as the result of collision or accident, major overhaul, repairs to drive train, brakes, steering and suspension systems, straightening frames, and similar work which is related to either safety or to the proper functioning of the engine and its exhaust systems.

Thus, the bill would require the licensing of all body repair shops, general garages, and many specialty shops including paint shops, transmission shops, exhaust and muffler shops, and brake shops. Auto service stations which go beyond ordinary maintenance and engage in such work as brake linings, front-end alinements, and similar safety related activities, would be licensed under this bill.

Congress has also enacted significant legislation regarding pollution by motor vehicles. Up to the present, most attention has centered on standards for new cars requiring manufacturers of motor vehicles to certify that their products meet the requirements of the Environmental Protection Administration regarding the emission of visible smoke, nitrous oxides, carbon monoxide, and hydrocarbons. While motor vehicle manufacturers are required to warrant that their vehicles will meet such standards for a term of 5 years or 50,000 miles, whichever occurs the earliest, the motor vehicle owner is called upon to exercise proper maintenance. In addition, the States will be called upon to establish pollution-testing stations in order that those vehicles which, either through failure of design or through improper maintenance, are emitting pollutants above the level allowed, may be corrected. It is very important to the motorist to know that the correction of such defects can be made in shops that are licensed by the several States.

### LICENSING OF MOTOR VEHICLE DAMAGE APPRAISERS

Despite all efforts to reduce the number of collisions on our streets and highways, there is still a vast number of collisions every day. The repair of most damaged motor vehicles is paid for through insurance. Upon having an accident, the policy holder calls his insurance company and arrangements are made for the damage of the vehicle to be appraised. Some insurance companies employ their own appraisers, while others use the services of individual appraisers or appraisal companies. Most often, arrangements are made for personal inspection of the automobile, but some appraisals are made through photographs and other methods not involving personal inspection of the damaged vehicle. Some insurance companies operate "drive-ins" where the vehicle, if in operating condition, is driven to a business location of the insurance company, where the appraisal is made, a check is given to the insured, and the insured in turn signs a release relieving the insurance company of any further liability regarding the damaged property. These appraisals are made, and these payments are given without any reference to any garage as to whether the vehicle can be repaired for the amount given to the insured. When such payments are inadequate, the insured is required to accept either incomplete repairs or pay the difference out of his own pocket.

The garage industry itself has long claimed that three or four insurance companies dominate vehicle insurance in each geographical area of the country. They have also asserted that these few dominant companies, which may control as much as 80 to 90 percent of the autobody repair work in a particular locality, are arbitrary in establishing the cost of repair and do not permit true competition among members of the industry in order to establish rates. The garagemen report that the insurance companies place their charges on a take-it-or-leave-it basis. On the other hand, the insurance companies have complained that some members of the garage industry have been engaged in efforts which restrain competition and increase prices.

In my view, there are three parties of interest in the repair of a damaged motor vehicle which is covered by insurance and all three parties deserve to be treated fairly and squarely. First, there is the motorist who has paid his premiums as established by State insurance commissioners or boards, who deserves as a result of his payments to have his vehicle restored to the condition which existed prior to the collision. Second, there is the insurance company, which has the responsibility for paying for the damages and such payments should be fair and just. Third, there is the motor vehicle repair shop, usually a body repair shop or a franchised dealer repair shop, which must perform the repair work for the insured motorist but which is paid for by the insurance company. A high level of competence is required to restore the motor vehicle to safe operating condition. Further, the repair garages should not be returning cars to the road until they have been restored to a safe operating condition. They, too, must have their standards of competence and of safety.

Therefore, I view the motor vehicle damage appraiser in the role of impartial umpire and, as such, he has responsibilities to the three parties of interest in the dispute. At the present time, several States have licensed motor vehicle damage appraisers. They are: Connecticut, Delaware, Massachusetts, South Carolina, Minnesota, and Pennsylvania. Some of these States' laws require an appraiser to give a copy of his appraisal to the repair shop which makes the repairs, and to the insured. This appraisal must give an outline listing all of the damages and specify those parts to be replaced or repaired. The Delaware law states:

> Because an appraiser is charged with a high degree of regard for the public safety, the operational safety of the vehicle shall be paramount in considering the specification of new parts. This consideration is vitally important where the parts involved pertain to the drive train, steering gear, suspension units, brake systems, or tires.

The Connecticut law, enacted in 1970, requires that—

> Each appraiser shall (1) conduct this in such a manner as to inspire public confidence by fair and honorable dealings, (2) approach the appraisal of damaged property without prejudice against or favoritism toward any party involved, in order to make an impartial appraisal, (3) disregard any efforts on the part of others to influence his judgment in the interest of the parties involved, (4) prepare an independent appraisal of damage.

My bill defines a motor vehicle damage appraiser as "any person who appraises damaged motor vehicles or estimates damages to motor vehicles and who is in business for profit." Under the licensing system each State would require motor vehicle damage appraisers to furnish to the State agency or authority his name, address, educational background or training, the number of years of experience as a motor vehicle damage appraiser, and any commercial relationship with any motor vehicle repair shop. Further, it would require the damage appraisers to provide a written estimate of cost and services to any person to whom they furnish services.

It is my hope that this bill will establish new standards of responsibility for motor vehicle damage appraisers. While each State regulates insurance, there is relatively little regulation of claim settlements. The motoring public needs the very valuable services of the insurance companies and of the motor vehicle repair shops. Congressional establishment of the concept of public service of damage appraisers will go a long way to remove the misunderstanding between the insurance industry and the repair industry—misunderstandings which only hurt the motorist in the final analysis.

Mr. President, a recent study indicating that during a driving lifetime the average motorist will have at least one accident. If this be the case, the Motor Vehicle Repair Industry Licensing Act is designed to assure that the motorist has his car repaired by a reputable shop, that he pays a fair price, and that the repairs are performed in a safe and proper manner. It seeks to insure the maintenance of high industry standards, thus promoting greater public trust. It strives to put an end to the disreputable appraisal practices of some insurance companies. Above all, this legislation will mean the savings of tens of millions of dollars which are now being misspent, because of faulty repairs or inaccurate appraisals.

Mr. President, I ask unanimous consent that the text of my bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1950

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

That this Act may be cited as the "Motor Vehicle Repair Industry Licensing Act".

SEC. 2. It is the purpose of this Act to encourage the States to provide a procedure for the licensing of shops which are involved in the repair of motor vehicles and of individuals who are engaged in the business of appraising the extent of damage to motor vehicles.

SEC. 3. (a) As used in this Act—

(1) The term "motor vehicle repair shop" means any business entity which is engaged in business for profit in maintaining or repairing motor vehicles, including repairs as a result of a collision or accident, major motor overhaul, repairs to drive train, straightening frames and similar work.

(2) The term "motor vehicle repair shop" includes the business of doing repair work or the adding of parts thereto for compensation; except that tire changing, tire repairing, lamp globe changing, fan belt changing, the changing or charging of batteries, changing or installing of ornamental accessories and lubricating motor vehicles and such activity as is incident to the business of selling motor fuel or ornamental accessories shall not be deemed to be engaging in the motor vehicle repair shop business.

(3) the term "motor vehicle damage appraiser" means any person who appraises damaged motor vehicles or estimates damages to motor vehicles and who is in business for profit;

(4) the term "Secretary" means the Secretary of Transportation; and

(5) the term "State" means the several States of the United States and the District of Columbia.

(b) Nothing in this Act applies to—

(1) any individual who is an employee of a motor vehicle repair shop;

(2) any person who is engaged in the busi-

ness of maintaining or repairing the motor vehicles of a single commercial or governmental entity or two or more such entities which are related by common ownership, affiliation, control, or otherwise.

SEC. 4. The Secretary is authorized to furnish financial assistance to any State if he determines that such State has adopted and is carrying out a program for the licensing of motor vehicle repair shops and motor vehicle damage appraisers which meets the requirements of section 5 of this Act. Upon the approval of any application by the Secretary, the Secretary may pay to the State an amount not to exceed 80 per centum of the cost, as determined by him, of such State in any fiscal year in carrying out the program. Payments under this section may be in advance or by way of reimbursement.

SEC. 5. To be eligible for assistance under this Act, a State shall adopt a program which—

(1) establishes a State agency or authority responsible for the licensing of motor vehicle repair shops and motor vehicle damage appraisers, for annual renewals of licenses, and for the investigation and processing of complaints concerning the performance of activities subject to the program by persons licensed;

(2) requires each motor vehicle repair shop doing business in that State to furnish annually to the State agency or authority the name and address of the owner of the shop, the address of each location at which the repair shop does business, the number of employees, and the type and volume of work performed at each location during the preceding year;

(3) requires each motor vehicle damage appraiser doing business in that State to furnish the State agency or authority with his name, address, educational background or training, number of years experience as a motor vehicle damage appraiser, and any commercial relationship with any motor vehicle repair shop;

(4) requires motor vehicle repair shops and motor vehicle damage appraisers to provide a written estimate cost of services to any person to whom they furnish services;

(5) requires each motor vehicle repair shop to secure written authorization for the performance of all repairs or maintenance if the estimated cost of such repairs or maintenance exceeds $25;

(6) requires each motor vehicle repair shop to prepare and maintain at the place of business, records of every motor vehicle repair job. Such records shall be available for inspection by authorized persons for a minimum period of one year and shall include such information as the Secretary shall require; and

(7) provides for appropriate sanctions and penalties, including license suspension or revocation, for any person who fails to comply with the requirements of the program.

SEC. 6. (a) The Secretary shall prescribe regulations to carry out the provisions of this Act not later than January 1, 1975.

(b) On July 1, 1976, the Secretary of Transportation shall reduce by 10 percent the amount available for expenditure from the Highway Trust Fund for highway construction in any State which has not adopted a program which meets the requirements of section 5 of this Act. Any reduction under this subsection shall be in addition to any other reduction or limitation provided for by law.

SEC. 7. The Secretary, after consultation with the Secretary of Labor, is authorized to furnish technical and other assistance to encourage the States to establish and conduct manpower training programs for persons engaged in activities subject to this Act, and notwithstanding section 4(b) (1), for the employees of such persons, in order to assure the availability of qualified personnel to facilitate the application of advanced technology to the motor vehicle repair industry.

SEC. 8. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

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By Mr. BAKER:

Senate Joint Resolution 120. Joint resolution to designate June 5 as "World Environment Day." Referred to the Committee on the Judiciary.

Mr. BAKER. Mr. President, 1 year ago today, delegates from 113 nations met in Stockholm, Sweden, to begin the United Nations Conference on the Human Environment. That gathering represented the first major international attempt to come to grips with the very basic question of human survival in a common environment.

Despite the commonality of the problem, however, there were vast differences in perspective which led many of the less developed countries to threaten a boycott of the conference. But under the very able and conciliatory leadership of Mr. Maurice Strong, the Secretary-General of the conference, the fears of the developing nations were quickly dispelled, and an "action" agenda was formulated prior to the opening of the conference. That agenda included recommendations in six basic areas. Those areas included:

First. Planning and management of human settlements for environmental quality;

Second. Environmental aspects of natural resource management;

Third. Control of pollutants of broad international significance;

Fourth. Educational, informational, social, and cultural aspects of environmental issues;

Fifth. Development and the environment; and

Sixth. Institutional arrangements.

As the conference progressed, 109 such recommendations were agreed to by a majority of the delegates and by the end of the 10-day affair, the stage was set for an ambitious effort to restore, preserve, and protect the world's environment.

Moreover, in the year since Stockholm, a number of developments have taken place which further illustrate global willingness to confront this awesome challenge. The United Nations Environmental Secretariat, headed by Mr. Strong, has been set up in Nairobi, Kenya, to administer and coordinate the U.N. environmental program. The United Nations General Assembly overwhelmingly adopted the recommendations agreed to at Stockholm.

An Ocean Dumping Convention to ban all further dumping of toxic wastes, except by permit, has been signed and implemented. An international agreement to create a World Heritage Trust has been signed as well as one to regulate the trading of certain species of wild fauna and flora. And the U.N. Environmental Secretariat has prepared a document entitled, "Action Plan for the Human Environment: Programme Development and Priorities" which it circulated to governments for comments and consideration at the first meeting of the 58-Nation Governing Council for Environment Programs, to begin shortly in Geneva.

Mr. President, in view of the significance of the Stockholm conference and the developments which have taken place since then, I introduce a joint resolution to hereafter celebrate June 5 as "World Environment Day."

The President has already designated today as "World Environment Day" by proclamation; but in order to commemorate June 5 annually, I recommend adoption of my joint resolution.

I request unanimous consent that a copy of that resolution be printed in the RECORD at the end of my remarks.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 120

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,*

Whereas the peoples of the world have from time immemorial sought to improve their general well-being to the common detriment of the environment;

Whereas this degradation of the environment has resulted in deteriorating air and water and depleted natural resources;

Whereas the lack of collective action on the behalf of the environment has resulted in a challenge to all nations for human survival;

Whereas the nations of the world accepted that challenge and convened the United Nations Conference on the Human Environment in Stockholm, Sweden, June 5, 1972;

Whereas that historic gathering was a landmark in achievement and shall be commemorated annually by nations of the world; and

Whereas the President proclaimed June 5, 1973, "World Environment Day": Now, therefore, be it

*Resolved by the Senate (the House of Representatives concurring)*, That June 5 shall be designated hereafter as "World Environment Day" and that the President shall declare such fact by proclamation.

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## ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

### S. 433

At the request of the Senator from Washington (Mr. MAGNUSON), the Senator from New Jersey (Mr. CASE) was added as a cosponsor of S. 433, to assure that the public is provided with an adequate quantity of safe drinking water, and for other purposes.

### S. 520

At the request of Mr. CRANSTON, the Senator from Oregon (Mr. HATFIELD) was added as a cosponsor of S. 520, to establish Capitol Hill as an historic district.

### S. 817 AND S. 818

At the request of Mr. GURNEY, the Senator from Kansas (Mr. DOLE) was added as cosponsor to S. 817, a bill to remove the limitation upon the amount of outside income which an individual may earn while receiving social security benefits; and S. 818, to provide that, in the case of an individual who after attainment of age 65 is entitled to widow's or widower's benefits under social security, no reduction in such benefits shall be made because such individual had received such benefits prior to attaining such age.

### S. 821

At the request of Mr. BAYH, the Senator from New Mexico (Mr. MONTOYA) was added as a cosponsor of S. 821, a bill to improve the quality of juvenile justice in the United States and to provide a comprehensive, coordinated approach to the problems of juvenile delinquency, and for other purposes.

### S. 907

At the request of Mr. Stevens, the Senator from New Mexico (Mr. Domenici) was added as a cosponsor of S. 907, to assist in financing the arctic winter games to be held in the State of Alaska in 1974.

### S. 991

At the request of Mr. Griffin, the Senator from Connecticut (Mr. Ribicoff), and the Senator from Maryland (Mr. Beall) were added as cosponsors of S. 991, to amend the Federal Meat Inspection Act.

### S. 1146

At the request of Mr. Weicker, the Senator from Missouri (Mr. Eagleton), the Senator from Washington (Mr. Magnuson), the Senator from Kansas (Mr. Dole), and the Senator from Michigan (Mr. Hart) were added as cosponsors of S. 1146, a bill to provide for repayment of certain sums advanced to providers of services under title XVIII of the Social Security Act.

### S. 1252

At the request of Mr. Bayh, the Senator from California (Mr. Cranston) was added as a cosponsor of S. 1252, a bill to amend the Controlled Substances Act to establish effective controls, including production quotas, stricter distribution and storage security, and more stringent import and export standards, against diversion and abuse of methaqualone, by placing his depressant substance on schedule II of such act.

### S. 1535

At the request of Mr. Bellmon, the Senator from Maryland (Mr. Beall) was added as a cosponsor of S. 1535, to amend the Internal Revenue Code of 1954 to provide for the recovery of reasonable attorneys' fees, as a part of court costs, in civil cases involving the internal revenue laws.

### S. 1570

Mr. HOLLINGS. Mr. President, I understood that I was a cosponsor of S. 1570, a bill to authorize the President to deal with emergency shortages of petroleum products.

I ask unanimous consent that my name in fact be added as a cosponsor to S. 1570.

The PRESIDING OFFICER. Without objection, it is so ordered.

### S. 1812

At the request of Mr. McIntyre, the Senator from South Dakota (Mr. Abourezk), the Senator from Maine (Mr. Hathaway), the Senator from Minnesota (Mr. Humphrey), the Senator from Hawaii (Mr. Inouye), the Senator from New York (Mr. Javits), the Senator from Wyoming (Mr. McGee), the Senator from South Dakota (Mr. McGovern), the Senator from Minnesota (Mr. Mondale), the Senator from Georgia (Mr. Nunn), and the Senator from Rhode Island (Mr. Pastore) were added as cosponsors of S. 1812, a bill to improve the coordination of Federal reporting services.

### S. 1818

At the request of Mr. Gurney, the Senator from Idaho (Mr. McClure), and the Senator from Nevada (Mr. Bible), were added as cosponsors of S. 1818, to amend the Land and Water Conservation Fund Act of 1965, to authorize the Secretary of the Interior to issue a "Meritorious Service Passport" to our Nation's returning prisoners of war so as to permit them free access and use to this Nation's National Park System and all of our national recreation areas.

### S. 1845

At the request of Mr. Bayh, the Senator from North Dakota (Mr. Young), the Senator from Wyoming (Mr. McGee), the Senator from Rhode Island (Mr. Pastore), the Senator from South Dakota (Mr. McGovern), the Senator from Minnesota (Mr. Humphrey), the Senator from New Jersey (Mr. Case), the Senator from Utah (Mr. Moss), the Senator from Minnesota (Mr. Mondale), the Senator from Hawaii (Mr. Inouye), the Senator from Michigan (Mr. Hart), the Senator from Maine (Mr. Hathaway), and the Senator from South Dakota (Mr. Abourezk) were added as cosponsors of S. 1845, a bill to authorize the Secretary of Health, Education, and Welfare to make grants to conduct special educational programs and activities concerning the use of drugs and for other related educational purposes.

### S. 1865

At the request of Mr. Bellmon, the Senator from Minnesota (Mr. Humphrey) was added as a cosponsor of S. 1865, the Environmental Centers Act.

### SENATE JOINT RESOLUTION 54

At the request of Mr. Hatfield, the Senator from Iowa (Mr. Hughes), and the Senator from Indiana (Mr. Bayh) were added as cosponsors of Senate Joint Resolution 54, to repeal the Military Selective Service Act.

## EXTENSION OF AGRICULTURAL ACT OF 1970—AMENDMENT

### AMENDMENT NO. 186

(Ordered to be printed, and to lie on the table.)

Mr. DOLE submitted an amendment, intended to be proposed by him, to the bill (S. 1888) to extend and amend the Agricultural Act of 1970 for the purpose of assuring consumers of plentiful supplies of food and fiber at reasonable prices.

### AMENDMENT NO. 187

(Ordered to be printed, and to lie on the table.)

Mr. TOWER. Mr. President, the amendment which I offer to S. 1888, the Agriculture and Consumer Protection Act of 1973 will simply add a representative of the beef industry to the National Agricultural Transportation Committee which is authorized by this bill.

Livestock is responsible for approximately 25 percent of the agriculture income in the United States. Texas leads the Nation in beef production and is a tremendous boost to the entire economy. Livestock production from the live animal through the processed carcass ready for consumption, relies heavily on transportation of all types for movement of their product. Livestock interests are found in and are important to all of our 50 States.

All segments of agriculture should be represented on this committee and as the bill is written, the livestock industry which plays a most important role in agriculture, definitely should have representation on such an important committee—important to the transportation industry, important to the consumer, and important to the livestock industry. I urge my colleagues to support this amendment.

### AMENDMENT NO. 188

(Ordered to be printed, and to lie on the table.)

Mr. BUCKLEY submitted amendments, intended to be proposed by him, to Senate bill 1888, supra.

### AMENDMENT NO. 189

(Ordered to be printed, and to lie on the table.)

Mr. BELLMON submitted amendments, intended to be proposed by him, to Senate bill 1888, supra.

### AMENDMENTS NOS. 190 THROUGH 192

(Ordered to be printed, and to lie on the table.)

Mr. PERCY submitted three amendments, intended to be proposed by him, to Senate bill 1888, supra.

### AMENDMENT NO. 193

(Ordered to be printed, and to lie on the table.)

Mr. SCHWEIKER submitted an amendment, intended to be proposed by him, to Senate bill 1888, supra.

### AMENDMENTS NOS. 194 AND 195

(Ordered to be printed, and to lie on the table.)

Mr. SAXBE submitted two amendments, intended to be proposed by him, to Senate bill 1888, supra.

### AMENDMENT NO. 196

(Ordered to be printed, and to lie on the table.)

Mr. HUMPHREY. Mr. President, I am today introducing on behalf of myself, Senators Kennedy, Case, and McGovern an amendment to S. 1888 to guarantee the nutritional integrity of the Federal surplus commodity program.

In recent years, Mr. President, the food stamp program has continued to grow at a rapid rate, and is today clearly the major family food program in this country. Perhaps for this reason, all too little attention has been directed toward the commodity distribution program. Yet there are today over 2.5 million Americans who still rely upon this program as their only source of food. When this program was initiated, its sole goal was to provide outlets for farm production. Throughout the course of years it seems clear that the goal has at least become twofold: to provide outlets for farm surpluses, but also to provide the recipients of commodities the tools necessary for a nutritionally adequate diet.

Although the commodity distribution program has succeeded in its first goal, it has failed miserably in its second. The list of approved commodities is long but the list of commodities actually being delivered is growing shorter by the day.

In the last 18 months, many commodity programs have been unable to deliver vegetables, juices, fortified macaroni, and other foods. Senate hearings have revealed the unavailability of those commodities necessary to provide a nutritionally adequate diet. It is obvious that something needs to be done to guarantee the availability of these foods to persons dependent on them for their sole source of nutrition.

For that reason, I am introducing this legislation, which authorizes the Secretary of Agriculture to purchase commodities in the private market and make them available, along with existing commodities, to eligible recipients. The Secretary shall make such purchases when sufficient surpluses do not exist to guarantee the recipients of the program a nutritionally adequate diet. This bill attempts to expand and improve the present commodity distribution program so that it is of sufficient quantity and variety to constitute a nutritionally adequate diet as prepared and served.

Mr. President, I ask unanimous consent to have the text of the amendment printed at this point in my remarks.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

### AMENDMENT No. 196

On page 46, between lines 17 and 18 insert the following:

"SEC. 818. The Secretary of Agriculture shall use funds appropriated by section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), section 709 of the Food and Agriculture Act of 1965, to purchase in the private market those commodities unavailable to the federal commodity distribution program under such section 32, section 416 of the Agricultural Act of 1949 and similar labor which are necessary to provide recipient households with 125 per centum of their daily nutritional requirements as established by the recommended daily allowances of the Food and Nutrition Board, National Academy of Sciences—National Research Council.

### AMENDMENT NO. 197

(Ordered to be printed, and to lie on the table.)

### VEGETATIVE COVER FOR MULTIYEAR SET-ASIDE ACREAGE

Mr. HUMPHREY. Mr. President, I am today submitting an amendment to S. 1888, on behalf of myself and the following additional Senators: Senators EASTLAND, CURTIS, MCGOVERN, YOUNG, ALLEN, DOLE, HUDDLESTON, BELLMON, CLARK, HELMS, ABOUREZK, MONDALE, and NELSON. This amendment to the proposed Agriculture and Consumer Protection Act of 1973 would provide for protective vegetative cover to be planted on set-aside acreage under multiyear contracts to prevent severe soil losses, water sedimentation and loss of wildlife. Under this amendment the Secretary of Agriculture would be authorized to initiate multiyear contracts relating to acreage set-aside or diverted to conserving uses under the wheat feed grain and cotton programs. Whenever the Secretary initiates such a program he would be required to cost-share with producers desiring to participate as it relates to the cost of purchasing and planting perennial vegetative cover.

This subject was a matter of much discussion in our public hearings on this legislation. However, the language finally approved by the committee which is now contained in S. 1888 simply does not meet the basic objectives that many of us had in mind in addressing this subject. However, the amendment that I am introducing today for myself and the other Senators that I have mentioned does.

Mr. President, I ask unanimous consent that the text of our amendment be printed at this point in the RECORD followed by the testimony presented in our hearings by Mr. Maynard Nelson of the Minnesota Department of Natural Resources and Mr. Chester A. McConnell on behalf of the Tennessee Game and Fish Commission.

Their views are shared by most State Departments of Natural Resources and Conservation throughout the country along with the National Wildlife Federation and others.

There being no objection, the amendment and statements were ordered to be printed in the RECORD, as follows:

### AMENDMENT No. 197

On page 15, beginning with line 23, strike out all down through line 3 on page 16.

On page 27, line 22, strike out the comma after "(g)" and insert in lieu thereof a period.

On page 27, beginning with line 23, strike out all down through line 3 on page 28.

On page 31, line 18, strike out the semicolon and insert in lieu thereof a period.

On page 31, strike out lines 19 through 24.

On page 46, line 17, strike out the double quotation marks.

On page 46, between lines 17 and 18, insert the following:

"Sec. 818. (a) The Secretary of Agriculture (hereinafter in this section referred to as the 'Secretary') may enter into multi-year set-aside contracts for a period not to extend beyond the 1978 crop. Such contracts may be entered into only as a part of the programs in effect for wheat, feed grains, and cotton for the years 1974 through 1978, and producers participating in one or more of such programs shall be eligible to contract with the Secretary under this section. Any producer entering into a multi-year set-aside agreement shall be required to devote specified acreage on the farm to a vegetative cover that is capable of maintaining itself throughout the contract period and providing soil protection, water quality enhancement, wildlife production, and natural beauty.

"(b) The Secretary shall provide cost-sharing incentives to farm operators for such cover establishment on all or a portion of the set-aside base whenever a multi-year contract is entered into as provided in subsection (a).

"(c) (1) The Secretary shall appoint an advisory board in each State to advise the State committee of that State (established under section 8(b) of the Soil Conservation and Domestic Allotment Act) regarding the types of conservation measures that should be approved for purposes of subsections (a) and (b). The Secretary shall appoint at least six individuals to the advisory board of each State who are especially qualified by reason of education, training, and experience in the fields of agriculture, soil, water, wildlife, fish, and forest management. The advisory board appointed for any State shall meet at least once each calendar year.

"(2) The Secretary, through the establishment of a National Advisory Board to be named by him in consultation with the Secretary of Interior, shall seek the advice and assistance of the appropriate officials of the several States in developing the wildlife phases of the program provided for under this subsection, especially in developing guidelines for (A) providing technical assistance for wildlife habitat improvement practices, (B) evaluating effects on surrounding areas, (C) considering aesthetic values, (D) checking compliance by cooperators, and (E) carrying out programs of wildlife management on the acreage set aside.

"(d) The eighteenth sentence of section 8(b) of the Soil Conservation and Domestic Allotment Act is amended to read as follows: 'The State director of the Agricultural Extension Service and the State Director of Wildlife Resources (or comparable officer), or his designee, shall be ex officio members of such State Committee.'"

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### THE IMPACT OF CROPLAND DIVERSION ON SOIL AND WILDLIFE RESOURCES

(By Maynard M. Nelson)

#### ABSTRACT

Forty to 60 million acres have been diverted each year since 1961 under the USDA's cropland diversion programs. About 55 percent of this has been in the midwest. A lack of protective cover on over half of the diverted acres has caused severe soil losses and water sedimentation in many areas of the midwest. In addition, pheasants and other farm wildlife have declined by about 70 percent since the early 1940's because of habitat losses. Protective cover could be provided on diverted cropland at little or no added cost. This minor change would provide substantial public benefits, thereby broadening the base of public support for essential farm programs.

In the next few moments, I want to share with you some of my experiences during the past 20 years as they relate to cropland diversion programs.

From 1954 to 1966 I conducted detailed studies of farm wildlife on private farmland in southern Minnesota emphasizing the effects of agricultural land use upon the pheasant. Since that time, I have served as supervisor of wildlife research in the central office of our Minnesota Department of Natural Resources. Throughout this time, and particularly during the past seven years, I have worked closely with the Minnesota state and county ASCS offices in coordinating programs of mutual interest.

As part of these activities, I have supervised and assisted in the gathering of detailed field data on cover management on diverted acres in Minnesota. During 1972, I have also worked closely with 12 other north central states in compiling similar information. These states are Colorado, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Nebraska, North Dakota, Ohio, South Dakota, Pennsylvania and Wisconsin. They have joined together in a group called the Farm Programs Committee to: (1) document the history and impact of federal land retirement programs on our natural resources and (2) use this information to maximize public benefits from these programs.

About 55 percent of the nation's 438 million acres of cropland lie in these 13 states, as does 55 percent of the cropland diverted from production. In 1972, wildlife biologists checked approximately 121,000 acres of diverted cropland on 3,543 farms in the 13 states. Field checks were conducted in both June and July to evaluate cover conditions during the growing season, and in November or December to determine the amount and quality of cover carried over winter.

Data for the 13 states showed distinct similarities to findings in Minnesota during previous years. Fifty-seven (57) percent of the acreage surveyed was unseeded, most of which was summer fallowed. (The percentage unseeded in individual states ranged from 5 percent unseeded in Iowa to 95 percent in North Dakota.) Of the 43 percent in seeded cover, 20 percent was newly seeded; often with small grains. The remaining 23 percent was in established grass-legume mixtures or grasses from previous growing seasons.

Unfortunately, cover was eliminated by mowing and/or plowing at a rapid rate on those acreages having new or established seedings. Over 25 percent was destroyed by July 15th, and by December 1 the acreage destroyed rose to 85 percent. Thus, retired acres were conspicuous by their barren appearance. Most of them received inadequate protection from the elements and were subjected to wind and water erosion—the majority for the entire year, and the rest for at least nine months.

Consequently, these acres typically provided very poor cover for wildlife, even during the growing season. The exception was the 23 percent in established seedings, which afforded good to excellent cover.

While this situation has existed, populations of pheasants in the midwest have declined to fewer than one-third the number there were 30 years ago. I use the pheasant to illustrate my point primarily because it is a species for which we have accurate census data: It is also a species whose future as a game bird is in serious jeopardy in several states due to the loss of habitat. But, waterfowl, rabbits, prairie grouse, quail and numerous other game and non-game species of wildlife have suffered a similar fate.

The adverse environmental effects of wind and water erosion on diverted lands continue today, even though the Soil Conservation Service has identified soil erosion as the most pressing soil conservation problem on the nation's cropland. Equally relevant is the fact that the SCS has indicated that protective cover crops, terracing, and water diversions are needed to prevent soil erosion on 64 percent of our nation's cropland and to retard sedimentation which is filling lakes and streams. Add to this the fact that the diverted acres typically are of little or no value to wildlife and they detract from the aesthetics of the rural landscape, and it becomes apparent that changes are in order.

While annual diversion programs typically result in poor cover conditions, the costs of these programs are high. In fact, payments to farm operators for cropland diversion are astronomical compared to the budgets of wildlife agencies. For example, in 1970, farm operators received $3.4 billion for diverting 57 million acres of cropland. During the same year, the nation's game and fish agencies had available to them only $114 million for programs to manage wildlife.

Congress, in its wisdom, has a unique opportunity in the new farm program, not only to reduce crop surpluses, but also to protect our basic resource—the land. The logical means of accomplishing this is through the use of protective cover crops.

The opportunity now exists to develop a new program which will embrace the best features of past programs which emphasized either long-term retirement of whole farms or annual retirement of parts of farms. The best choice would appear to be a combination of the two—emphasizing long-term retirement of partial farms. Such a program should incorporate the following features:

1. *Perennial cover should be provided on most retired acres for a minimum of three but, preferably, five years.* Alfalfa or clover in combination with perennial grasses are favored by midwestern farmers. Fortunately, such plantings are less costly to maintain than seedings of annuals, and they provide excellent soil protection and habitat for wildlife.

2. *Annual cover crops should be planted on lands which must be retired under one year contracts to provide for year to year changes in crop production, in the market places, and in the weather.* It would not be practical to seed perennial cover on these acres. Here an annual cover crop, such as cats or rye, should be required unless the farm operator has cover from the previous year on cropland which he elects to enroll in the program.

3. *Contracts for 10 or more years should be available to landowners so that scattered tracts up to 10 acres in size could be developed for wildlife protection and the preservation of natural beauty.* Several such tracts might be provided in each township of the midwest. Incentives should be provided for long-term cover improvement, including (a) the establishment of trees and shrubs and (b) water impoundments and developments. The establishment of single or multiple-row windbreaks and water impoundments on former cropland should qualify under this provision for continuing participation in cropland diversion programs, unlike the present situation wherein such lands no longer qualify as cropland under land diversion programs.

4. *An advisory committee similar to that which has functioned under the Rural Environmental Assistance Program (REAP) and the Waterback Program should be established in each state.* Its primary purpose should be to provide recommendations to the state ASCS Committee for cover management on the diverted cropland. Such a committee would be representative of agricultural, soil and water conservation, wildlife, and forestry interests.

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### Statement of Chester A. McConnell on Behalf of the Tennessee Game and Fish Commission and the Farm Game Committee

Mr. Chairman and members of the committee, I am pleased to have the opportunity to discuss our views concerning agriculture programs and their effect on the farmer, the land and on wildlife. I am a Wildlife Biologist with the Tennessee Game and Fish Commission and Chairman of the Farm Game Committee. The Farm Game Committee jointly serves the Southeastern Section of the Wildlife Society and the Southeastern Association of Game and Fish Commissioners. The committee is composed of wildlife biologists from sixteen southeastern states.

This nation's agricultural system has been governed by farm programs developed by Congress and administered by the U.S. Department of Agriculture for many years. The programs have generally served their intended purpose well. Each new Agricultural Act which has been developed has been modified in an attempt to better serve the national needs, the needs of the farmer and to coincide with the ever changing farming system. The citizens of the nation and the individual farmers have fared well under the various Agriculture Acts. This nation now has a tremendous amount of experience in farm programs and another Agriculture Act is being prepared. We trust that this Congress will use its wisdom and past experiences to prepare the best Agriculture Act in history. We sincerely hope that the new act will be broad and consider the total needs of agriculture and the agricultural community.

One very important part of the agriculture community that has received very little meaningful attention in past farm programs is our farm wildlife. This is one renewable natural resource that has an increasing demand while the supply is declining. The vast majority of our farm wildlife populations are produced on private lands. During the past two decades, there has been an almost continual declining trend of farm wildlife. Both quail and rabbit populations annually number an estimated 8 to 12 million individuals less than they did 20 years previously in the southeast. This decline has been caused primarily by a loss of quality and quantity of wildlife habitat. The habitat loss is primarily due to changing land use and modern agriculture practices. Much of the habitat loss can be redeveloped with modifications in the new farm bill. The most promising approach to wildlife management is to provide and maintain the proper environment for wildlife to express its own reproductive potential. Farm pattern manipulation and food and cover establishments are the most important management techniques in providing proper environment.

The drastic decline in farm wildlife evidenced in the past could have been avoided. We can easily have an abundance of wildlife and agriculture production on the same lands. Farm wildlife and good agricultural practices are compatible. The decline in farm wildlife has caused tremendous concern to sportsmen, wildlife agencies and many businesses which receive much of their income from hunting activities.

The tremendous economic value of wildlife is unknown to many. In 1970 hunters spent over $2 billion on their sport. About half of this sum was spent by small game hunters who hunted primarily on private farm lands.

Approximately 12 million small game hunters spent an average of $81 each and enjoyed over 124 million recreation days afield. This does not include monies spent or recreation enjoyed by approximately 40 million bird watchers, wildlife photographers and other nature enthusiasts. Expenditures made by sportsmen and others were primarily for hunting equipment, transportation, food, lodging and auxiliary equipment such as binoculars, tents and hunting clothes. There is no way to accurately measure the most important values of our farm wildlife which include aesthetic values and the role they play in the balance of nature. These values alone, if measurable, would probably be worth billions of dollars.

Indeed, we are also concerned with the loss of a basic resource, our soil. The adverse effects to our wildlife and soil can be reversed if some of our agricultural programs are modified. We feel that soil and wildlife needs should be considered in all farm programs. Soil is a resource which is only slowly replaced and farm wildlife is primarily a by-product of agriculture. The land retirement programs have a tremendous potential for soil and wildlife conservation purposes and these benefits could be extended to consider both urban and rural people at little or no added cost. We hope that both these valuable resources will receive every consideration in future program development.

The primary agricultural programs and practices causing adverse effects on our farm wildlife and soil are listed:

1. Short term land diversion or set-aside programs. Farmers are unable to plan ahead under annual programs. In many cases they improperly manage their set-aside acreage and millions of acres are subject to wind and water erosion. This lack of proper management depletes the soil as well as making this acreage totally useless and harmful to wildlife. The eroded soil also fills wetlands, lakes, creeks and rivers with sediment, thereby degrading the quality of our environment and damaging or destroying aquatic life. Erosion has also been a primary cause for the necessity of some of the drainage projects to prevent flooding of farm lands.

2. Clearing and drainage practices funded by federal programs. Upland wildlife habitat destroyed and wetlands drained under these practices have eliminated millions of acres of prime farm wildlife and waterfowl habitat. Additional surplus farm land was also created by many of these projects. These practices may benefit farmers but are detrimental to wildlife.

3. Planting non-subsidy crops on set-aside acreage. Crops planted and harvested on set-aside acreage often leave the acreage devoid of vegetative cover. The value of wildlife habitat decreases when the crops are harvested and the land is left bare. Often the cultivation and harvest practices on the set-aside acreage is also damaging to wildlife habitat.

4. Regulations requiring clipping of native grasses, weeds and shrubs. These regulations have caused considerable damage to wildlife populations primarily by destroying nest and young animals in addition to damaging valuable food and cover. These clipping requirements are harmful to wildlife; and it is doubtful that they serve their intended purpose.

5. Livestock grazing on set-aside acreage. In many cases destruction of wildlife food and cover and resulting decline of wildlife population has been caused by grazing on set-aside acreage. The practice may be useful to the landowner but often proves havoc to wildlife.

6. Destruction of brushy vegetative cover. Many thousands of acres of valuable brush cover have been destroyed by landowners as direct or indirect results of farm programs and practices. Some farm programs have actually paid landowners to destroy brushy cover. Agricultural employees have also encouraged removal of brushy cover for so-called beautification and insect control projects. Enlargement of farms and the need for larger fields for economic reasons have caused destruction of thousands of miles of valuable fence rows. The destruction of this brushy cover has been especially harmful to wildlife habitat and wildlife populations although in some cases it may have made farming operations more practical.

We would agree that some of these factors which have been so detrimental to wildlife may have been necessary for our modern agricultural systems. Needless to say, many of the harmful effects could have been avoided with more adequate planning by persons knowledgeable and interested in multiple uses of our agricultural lands.

We have prepared four proposals which we feel would have tremendously beneficial effects on our farm wildlife if they are included as amendments to the Agricultural Act of 1973. These proposals are broad so as to be applicable on a nation-wide basis. These proposals which would benefit our soil resource as well as the wildlife resource are listed:

1. The Secretary of Agriculture, after consultation with the Secretary of the Interior, will appoint an Advisory Board consisting of citizens knowledgeable in the fields of agriculture and wildlife. Within the several states, the State ASCS Committee will establish an Advisory Board consisting of citizens, state agriculture and wildlife agencies, and conservation organizations knowledgeable in agriculture and wildlife. The various agencies and organizations will appoint members to serve on the board. The State Advisory Board shall determine the guidelines for land use on set-aside acreages.

2. The Secretary of Agriculture will administer a land retirement program which requires vegetative cover to be established on most retired acreage. Such retired land will be retired by the Secretary by entering into 5-year contracts with landowners and/or operators. The land use of such lands shall be determined by the State Advisory Board; but in every case will (1) be devoted to a vegetative cover crop capable of maintaining itself for the length of the contract and (2) not be hayed, grazed, or otherwise harvested.

3. The Secretary of Agriculture may enter into annual contracts with landowners and/or operators to set-aside additional acreages of wheat, feed grains and cotton if he determines that the total supply of such commodities will, in the absence of such set-aside, be excessive; taking into account the need for an adequate carryover to maintain reasonable and stable supplies and prices and to meet a national emergency. Such set-aside acreage shall be devoted to an approved conserving use as determined by the State Advisory Board.

4. The Secretary of Agriculture shall make available to landowners and/or operators optional 10 year contracts on tracts of land up to 10 acres in size or up to two percent of the landowner and/or operator's domestic wheat allotment, feed grain base, or cotton base acreage allotment, whichever is larger, for wildlife production and natural beauty. Such tracts shall (1) be approved as to size, shape, distribution, and rates of cost-sharing by the State Advisory Board (2) be restricted to water developments and vegetative cover, and (3) included as a part of the acreage as specified in amendment 2. Such lands will not be deleted from the landowner's wheat, feed grain or cotton base acreages.

Much study and thought has gone into these four proposals as a cooperative effort by wildlife biologist and agricultural workers from 29 states. As we pointed out earlier, these proposals would benefit the soil, the farmer and urban residents in addition to creating improved conditions for the wildlife resource.

The actual needs of farm wildlife are minimal. Due to the biological characteristics of several major species, these animals will not tolerate crowded conditions. Many acres of space are required but only small amounts of wildlife food and cover are necessary. The real need is for small amounts of habitat development on thousands of farms. This could easily be accomplished by emphasizing long-term retirement of partial farms and minimal habitat development projects.

I thank you for the opportunity to explain our views. We request that you allow us to assist you when programs effecting wildlife are being developed.

### AMENDMENT NO. 198

(Ordered to be printed, and to lie on the table.)

Mr. CURTIS (for himself, Mr. Dole, Mr. Clark, Mr. Bellmon, Mr. Aiken, Mr. Young, and Mr. Humphrey) submitted amendments, intended to be proposed by them, jointly, to Senate bill 1888, supra.

## ADDITIONAL COSPONSORS OF AMENDMENTS

### AMENDMENT NO. 155

At the request of Mr. Weicker, the Senator from Maryland (Mr. Beall), the Senator from Tennessee (Mr. Brock), the Senator from Massachusetts (Mr. Brooke), the Senator from Arizona (Mr. Goldwater), the Senator from Alabama (Mr. Sparkman), and the Senator from Vermont (Mr. Stafford), were added as cosponsors of Amendment No. 155, intended to be proposed by Mr. Weicker and the Senator from Indiana (Mr. Bayh) to S. 1888, the Agriculture and Consumer Protection Act of 1973.

### AMENDMENT NO. 178 TO S. 1888

At the request of Mr. Mondale, the Senator from South Dakota (Mr. Abourezk), and the Senator from Iowa (Mr. Clark) were added as cosponsors of Amendment No. 178, to S. 1888, the Agriculture and Consumer Protection Act of 1973.

## NOTICE OF HEARINGS ON FOREIGN ECONOMIC ASSISTANCE LEGISLATION

Mr. FULBRIGHT. Mr. President, the Committee on Foreign Relations will hold hearings on foreign economic assistance legislation on June 26 and 27 at 10 a.m. and 2:30 p.m. each day in room 4221 of the Dirksen Office Building.

Anyone wishing to testify on the above should contact the chief clerk of the committee.

## NOTICE OF HEARINGS ON NATIONAL MUSEUMS ACT

Mr. PELL. Mr. President, on the 18th and 19th of July, in room 4232 of the New Senate Office Building, the Subcommittee on the Smithsonian of the Senate Committee on Rules and Administration and the Special Subcommittee on Arts and Humanities of the Senate Committee on Labor and Public Welfare will conduct hearings on various pieces of legislation touching upon the National Museums Act and a proposed museum services bill, with particular emphasis being given to the conservation of art and artifacts. Those individuals or organizations who wish to file statements for the hearing record should contact Mr. Livingston Biddle at 225-4642.

## SUBCOMMITTEE ON OCEANS AND INTERNATIONAL ENVIRONMENT, NOTICE OF HEARINGS ON EXECUTIVES C, D, F, H, AND I

Mr. PELL. Mr. President, I wish to announce that on June 13, 1973, the Subcommittee on Oceans and International Environment will conduct public hearings on the following arrangements: The Convention on the Prevention of Marine Pollution by Dumping of Wastes (Executive C, 93-1); the Amendments to the International Convention on Load Lines (Executive D, 93-1); the Convention Concerning the Protection of the World Cultural and Natural Heritage (Executive F, 93-1); the Convention on International Trade in Endangered Species of Wild Fauna and Flora (Executive H, 93-1); and Six Amendments to the Convention for the Safety of Life at Sea, 1960 Executive I, 93-1).

The hearings will be held in room 4221, in the Dirksen Senate Office Building, beginning at 10 a.m. At that time, the subcommittee expects to hear executive branch witnesses and other interested individuals.

Persons wishing to testify should immediately notify the subcommittee.

## ADDITIONAL STATEMENTS

## RETIREMENT OF COLONEL DALFERES

Mr. MANSFIELD. Mr. President, in 1965, several Members of the Senate joined me in a study mission to Southeast Asia for President Johnson. Our military escort included Col. George L. J. Dalferes of the Air Force. During that mission, Colonel Dalferes served with dedication, deftness and diplomacy. His alertness to the needs of the situations which confronted us abroad was outstanding and his reactions were sharp and usually tinged with a gentle sense of humor. I came to know him and regard him very highly in consequence of that experience.

Over the years since 1965, my admiration for Colonel Dalferes' competence and character have increased. For much of that time, he has been a Deputy Assistant Secretary of Defense for Legislative Affairs. May I say that he knows the Defense Department and he knows the Hill. He has served both with honesty, integrity and with a devotion to duty which is in the best tradition of the military service of the United States.

I want to take the occasion of his retirement to wish the best to Col. George Dalferes. He has served with distinction and deserves the gratitude of his Government.

## WATERGATE AND NATIONAL SECURITY

Mr. GOLDWATER. Mr. President, more and more in the discussion of the Watergate affair and related matters, we find disturbing references to the term "national security" and some suggestion that no such thing ever existed. The downgrading of the term as well as the concept of national security seems to hinge almost entirely upon President Nixon's statement that many of the actions in the Watergate affair were dictated by a concern for national security.

My fear, Mr. President, is that in the haste which some segments of the media are exhibiting in their efforts to belittle the President much more than the prestige and credibility of the Chief Executive might be lost.

While this is in no way meant to be a defense or a justification for unlawful acts committed in the Watergate affair and the Ellsberg security trial, it is a very determined attempt to safeguard the idea and the concept of confidentiality in the operation of the Government.

Mr. President, I am justifiably concerned over the unlawful events which occurred in the Watergate bugging and in the Ellsberg case. But I am also deeply concerned over a growing tendency on the part of leftwing writers and Nixon critics to claim that there is absolutely no need for classifying any Government documents or activities. This, of course, is not a new theme. It is a theme raised repeatedly in the past by radicals and others whose activities have been the subject of security investigations. It should not be necessary to repeat here and now what we all know and what we have all known for many years—that it is a fine dream to hold that in a democracy all people should have a right to know all that goes on in their Government at all times. But it is a dream and that is all it is. Experience has taught us that giving lip service to this kind of an idea is both impractical and dangerous. As President Nixon has rightly stated, we must have secret communication in the conduct of the U.S. Government if those in charge of that Government are to meet their responsibilities and protect the national interest of the United States.

Mr. President, the whole idea that national security might have been compromised and endangered by the theft and publication of classified materials in the Ellsberg case was largely discounted by the individuals and publications who benefited from it in terms of increased circulation and the receipt of Pulitzer Prizes. And now we are told by the Washington Post that the Soviet Embassy in Washington obtained what Federal authorities believed to have been a complete set of the top secret Pentagon Papers during June of 1971. The newspaper did not seem much concerned about the fact that the secret papers were delivered to a foreign embassy by a man who used an alias and has been sought unsuccessfully for almost 2 years. Rather, the Post was most impressed with the fact that the Soviet Embassy was presented with the top secret papers at a time when the Justice Department was in court fighting to cut off newspaper publication of articles based on those documents.

I have no intention of defending the misconduct of Government officials in the burglarizing of the office of a doctor who had treated Daniel Ellsberg. I believe the action was stupid, ill-advised and thoroughly reprehensible. But that does not obscure or diminish my concern as an American citizen and a U.S. Senator that the classified information which Mr. Ellsberg was supplying to American newspapers happened to be delivered to the Embassy of a foreign government about the same time.

It would seem to me that the two activities—the distribution of classified information to American newspapers and the delivery of the same material to the Soviet Embassy—must have had some kind of a concerted motivation. In other words, I believe we need to know a lot more, about the Pentagon Papers case than we do at present. And if Government officials broke the law and engaged in questionable conduct in the name of national security, I say it in no way diminishes the need for continued vigilance. In other words, we might consider the circumstances—such as those in the Ellsberg case—which so alarmed officials in the executive branch that some of them erroneously felt they were drastic enough to warrant breaking the law.

Mr. President, I repeat, it is impossible to conduct the affairs of government in the window of Macy's Department Store. And it is a frightening thing to attend, as I did on one occasion, a meeting of top officials in the White House and read all about it in the morning paper the next day. I am not talking about just any meeting. I am talking about a meeting which I felt was confidential enough that I did not even discuss it with members of my staff. Yet, the next day I found a completely accurate account of that meeting printed in the newspaper. It was so accurate that even the words I spoke were correctly attributed.

Mr. President, you almost have to have it happen to you to understand the feeling such an experience gives you. I was sufficiently alarmed that I called the President and suggested that something would have to be done to seal off the leaks of information from the executive branch.

In this connection, Mr. President, and in the atmosphere which existed about the time the Pentagon Papers were being supplied to the New York Times, the Washington Post and Columnist Jack Anderson, the President may have been entirely justified in establishing an intelligence unit in his own office which he felt he could trust absolutely. Where the trouble came in, as I see it, was in the zeal and the lack of judgment and lack of respect for the law which members of the unit brought to the tasks assigned to them. There is no excuse for such actions, nor do I cite any.

Now, Mr. President, so long as we are discussing the national security and the President's contention that there is a need for secrecy at some times, it might be well to go back and examine the position taken by the major publications in the Pentagon Papers case in previous instances.

For example, I am reminded of a time when the New York Times and the Washington Post were suddenly scooped by the Saturday Evening Post in December of 1962 on a story related to the Russian missile crisis. To remind my colleagues, let me explain that the story in the Saturday Evening Post was written by Stewart Alsop and Charles Bartlett and it discussed what went on in a National Security Council meeting during the period of the crisis. Now, even though the magazine article contained no work from any NSC report or any other secret document—unlike the Pentagon Papers published by the Times and the Post—the Times waxed indignant. It ran an editorial entitled "Breach of Security" and declared that the "secrecy of one of the highest organs of the U.S. Government has been seriously breached."

The Times editorial went on to ask the following questions:

> How can advisors to the President expect to give advice freely and easily and at all times honestly and with complete integrity if they have to worry about what their arguments will look like in print a few weeks later?
>
> What kind of advice can the President expect to get under such circumstances? How can there be any real freedom of discussion or dissent; how can anyone be expected to advance positions that may be politically unpopular or unprofitable . . . ?

Then, of course, the Washington Post had entirely different ideas about secrecy when it involved Otto Otepka, a State Department security officer who furnished a Senate subcommittee with classified documents during a capitol investigation. The Post, when it was freely publishing the classified material supplied by Ellsberg, apparently did not remember that they labeled what Otepka did as "unlawful" and "unconscionable." The Post at that time—the year was 1963—had this to say about Otepka's action:

> He gave classified information to someone not authorized to receive it . . . he had no authority to give it . . . if any underling in the State Department were free at his own discretion to disclose confidential cables or

if any agent of the FBI could leak the content of secret files whenever he felt like it, the Executive Branch of the government would have no security at all.

One wonders why Ellsberg, who was not an employee of the Government and was not assisting a duly authorized Senate subcommittee was so blameless while Otepka was so lawless, in the opinion of the Post.

There seems little doubt that as far as the New York Times and the Washington Post are concerned there are different kinds of security leaks. Some security leaks appear to be good while other security leaks appear to be bad. Where the Times and the Post are concerned, it is a question of who is leaking what to whom.

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## A DELIGHTFUL AND REFRESHING MOTION PICTURE—"TOM SAWYER," A FINE FILM FOR THE WHOLE FAMILY

Mr. SYMINGTON. Mr. President, moviegoers, particularly those parents who have been frustrated by the scarcity of quality films suitable for a family visit to the local theater, now have an excellent reason to rejoice.

Thanks to the collaboration of Reader's Digest, United Artists Corp. and producer Arthur P. Jacobs, a new motion picture is now available for audiences from 8 to 80. It is a musical adaptation of "Tom Sawyer" based on the beloved Mark Twain classic of American boyhood.

As Members of the U.S. Senate from Missouri, Senator Eagleton and I were cohosts Sunday at a Missouri-style picnic at L'Enfant Plaza followed by a special showing of the movie at L'Enfant theater. We were particularly gratified by this film.

Samuel Clemens, known throughout the world as Mark Twain, is one of Missouri's most distinguished native sons. Born at Florida, Mo., in Monroe County, his family lived at Hannibal on the Mississippi River during most of his boyhood.

Twain's "Adventures of Tom Sawyer" was written just about a century ago. It re-created the author's fondest childhood memories of life in Hannibal at a time when America was still thrilled by river boats and had not yet been changed by the industrial revolution, urbanization or the realization that our natural resources are not inexhaustible.

We were especially pleased that producer Jacobs filmed "Tom Sawyer" in Missouri in and near the equally historic Missouri River village of Arrow Rock, a village that he believes most closely resembles the Hannibal of Mark Twain's youth. In this way today's movie-goers are being given an opportunity to see what many river towns of the United States looked like 135 years ago. At least they can participate in America's heritage vicariously.

The cast gave superb performances: Johnny Whitaker is near perfect as Tom Sawyer; the incomparable Celeste Holm, one of our all time favorite actresses, delivers a memorable perfomance as Aunt Polly; and we of Missouri are especially proud of Jeff East, a lively teenager from Kansas City who makes his acting debut in the role of Huckleberry Finn, and Warren Oates, one of Hollywood's finest actors, is most entertaining as Muff Potter.

An important element in evoking the spirit of Tom Sawyer and his time is the delightful music—and lyrics—by Richard M. Sherman and Robert B. Sherman, who also wrote the screenplay. They are the same brother team who wrote the music for "Mary Poppins." In creating musical nostalgia the Shermans not only establish contact with the older generation of movie-goers, but also with the youth of today who are showing an increasing interest in the country music so closely associated with America's rural past.

We believe that "Tom Sawyer" will go a long way in bringing people back to the movies by demonstrating once again that Hollywood can provide excellent, wholesome entertainment for the entire family.

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## OUR GOVERNMENTAL SYSTEM DOES WORK

Mr. BEALL. Mr. President, one of the recurring myths we all hear is that our form of Government is unresponsive and ineffective at solving the problems which are facing our Nation. Granted, we do not have a perfect system, either, and I doubt that anyone would try to make that claim. It does function slowly at times, and especially when we are supporting a worthy cause, things like Government redtape can take on the appearance of insurmountable obstacles.

Our system can certainly stand improvements at all levels—Federal, State and local—to increase its efficiency and to eliminate duplicated, and sometimes conflicting efforts. But it is based on institutions that have proven to be strong enough to stand the test of time and meet the challenges of a changing world.

It is unfortunate, however, that many of our citizens—and especially the younger Americans—find it easier to give up on the system by accepting the myth of ineffectiveness. Some just turn their backs on everything, while others embrace a doctrine of violent change.

But our system does work, and I think we must demonstrate, especially to our young people, that it works best on reason and logic, not shouts and intimidation.

Recently, I received in the mail about 50 letters which were written by a fourth grade class of Mrs. Margaret Davis at Burning Tree Elementary School in Montgomery County, Md. The pupils were asking for help in saving a giant tree on Maryland's Eastern Shore. The 200-year-old tree, believed to be the largest and oldest swamp white oak in the United States, would perish if the State carried out its plan to flood the area as part of a park project.

The pupils asked if there wasn't some way to save the tree because of its significance and its value as a local landmark. They wondered why the tree could not be spared by relocating the dam on Tuckahoe Creek or by not flooding as much land. In short, they wanted their Government to know that they were concerned about what seemed to be a poorly thought out plan for a park.

I inquired about this situation with the appropriate State park and water resource officials in Maryland, and I was pleased to find out that, in fact, a decision had already been made to relocate the dam and save the tree. Since that time, there have also been stories in the newspapers about how the tree was saved because of opposition to the original plan.

I think there is a lesson here for us all, and especially for the pupils who took the time to write us. That lesson is that our system of government will respond when it hears the voice of the people, and our citizens must participate in our form of government to make it work.

I have written back to these fourth graders and told them that the tree will be saved because of efforts like theirs.

Mr. President, at this time I would like to insert a sampling of the letters I received in the Record, along with several newspaper reports of the decision to save the giant swamp oak of Tuckahoe Creek.

There being no objection, the material was ordered to be printed in the Record, as follows:

Dear Senator Beall: I think you should try to prevent the Swamp White Oak tree from dying. I think that it must be at least 200 years old and the people would rather see a tree than a pond I think it is a great tree and should stay there like it is.

Sincerely,

Ted Vassallo.

Dear Senator Glenn Beall: Please do not let them kill the Swamp White Oak tree. I do not think you will find a tree in Maryland like that again.

Sincerely,

Wendy Fenton.

Dear Senator Glenn Beall: I wish you could save that giant Swamp White Oak tree by preventing the dam where they are planing to put it. Maybe they could put the dam farther back than they are planning to put it. If it is the biggest Swamp White Oak tree, then I think you could plan to do something else than flood the tree.

Sincerely,

Sally Dailey.

Dear Senator Beall: I heard about the giant Swamp White Oak tree. I hope it lasts very long. Flooding it, it will start to die. Please help the tree.

Sincerely yours,

Denise Hannan.

Dear Senator Beall: I would like to save the Swamp White Oak in Tuckahoe Creek, Md. But, unfortunately, the state legislature wants to dam the creek up. If the creek is dammed, the tree will die and a refuge for wild animals will be ruined. The reason I want to save the tree is because it is the largest Swamp White Oak in the United States. It is 118 feet high, and five feet across at the base. Could you save this great and stately tree?

Sincerely,

Daniel Sherer.

Dear Senator Beall: I think that the Tuckahoe dam should be built further away from the Swamp White Oak tree. Since this valuable Swamp White Oak tree is the largest one in our state. I think it should be saved.

Sincerely yours,
VICKI DEJTER.

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DEAR SENATOR BEALL: I would like to save the Giant Swamp White Oak of Maryland. The reason is because it's one of the biggest trees and they are going to kill it by putting the water five feet high. So would you help me save it, please?

Sincerely yours,
BIRGITTA DEPREE.

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DEAR SENATOR GLENN BEALL: I would like you to save the giant Swamp White Oak. The tree is located in Tuckahoe State Park. Can you keep it the way it is? Please do not build a dam.

Thank you!
KAREN GLASOE.

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DEAR SENATOR BEALL: Our class found out about the government putting a dam up near that giant Swamp White Oak. They say it's the largest of its kind in the country. If you put the dam where it is planned to be, you will kill it. I think it is too valuable to be killed, so I think the government should either move the dam back or forget the whole thing. Tell the government to get on the ball!

Yours truly,
JOHN YERRICK.

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DEAR SENATOR BEALL: I'm concerned about the Swamp White Oak tree. Please move the dam back a little, because this is the biggest of its kind. So be kind and save our Swamp White Oak.

Yours truly,
BILLY HOFFMAN.

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DEAR SENATOR GLENN BEALL: I have a suggestion about the big Swamp White Oak tree. Instead of damming it up so close, dam it up farther back or not at all.

I've read stories about how men let the big redwoods grow, and now they're some of the most famous trees in the world.

Since this tree is the largest one in the State, I think the tree should stay alive.

Please do what you can to save this tree.

Respectfully yours,
KRISTIN YUNG.

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DEAR SENATOR BEALL: I think you should save the giant Swamp White Oak in Tuckahoe Creek, Maryland. You should try to move the dam back so that it might keep the water from coming so high.

Sincerely,
ROBERT KLUG.

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DEAR SENATOR BEALL: Please help save a record tree, a record Swamp White Oak. The oak is 21 feet, 5 inches in diameter, and 118 feet high. They want to build a dam in Tuckahoe Creek. It will flood the tree up to 5 feet. At least, stop them from making the water 5 feet deep. The tree will still live with 3 feet of water.

Your admirer,
LORI R. MILSTEIN.

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DEAR SENATOR BEALL: I want to tell you about the Giant Swamp White Oak tree. You shouldn't wreck it. It is the biggest tree in Maryland and its nature's creation. Please don't wreck it.

Yours truly,
JONATHAN EDENBAUM.

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DEAR SENATOR BEALL: My opinion on the Giant Swamp White Oak is that it should be kept. It is the nation's largest Swamp White Oak.

If a dam is built, it should be small one.

Yours truly,
SANDY ISRAEL.

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[From the Baltimore Sun, June 1, 1973]

### REVISED TUCKAHOE FARK PLANS SPARE A GIANT OAK AND REVIVE A GRIST MILL

(By Mary Corddry)

HILLSBORO.—A giant swamp white oak here that recently was named a national champion of its species is no longer threatened by an impounded lake planned by the state for the new Tuckahoe State Park.

Herbert M. Sachs, chief of the state water resources administration, announced this week that his agency had issued a revised permit for construction of a dam on Tuckahoe Creek that would create a smaller lake than the one originallay planned for the park.

#### TO REVIVE GRIST MILL

The new lake, Mr. Sachs said, "will come nowhere near the giant swamp oak."

The revised plans for the Tuckahoe Lake will reduce its size from 360 acres to 120 acres but provide for deeper water than would have existed in the larger lake.

However, the most imaginative part of the new plan is the restoration of an old grist mill at the site of the new lake. The new plan would put back into operation the old horizontally moving grinding wheels of Crouse's Mill.

A lock is also planned to permit the passage of canoes from downriver and, in the spring of the year, anadromous fish on their way upstream to spawning grounds.

The larger lake originally planned by the state would have covered 360 acres of wooded swampland along Tuckahoe Creek. It was to have been the chief attraction in the new Tuckahoe State Park, with camp sites, boat launches and a beach on its edges.

This April a group of Caroline county individuals and statewide conservation organizations appealed the approval of the lake by the Water Resources Administration. The conservations argued in their appeal that the lake would destroy a valuable natural habitat for fish and wildlife and that its shallow depth would make it so warm and prone to pollution that it would not be the recreational asset its proponents believed.

However, as it turned out, the most effective argument of the conservationists was the threat of the lake to the Tuckahoe Oak, a giant standing 116 feet high with a circumference of 21 feet 5 inches at 4½ feet from the ground.

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[From the Annapolis Evening Capital, May 30, 1973]

### TUCKAHOE LAKE CUT BY STATE

Responding to a storm of criticism, the state has trimmed by two-thirds the size of a proposed lake in Tuckahoe State Park.

Herbert M. Sachs, chief of the Water Resources Administration, said today a revised permit will require building of a dam downstream from the original site.

As a result, the lake will cover 120 acres instead of 380 acres.

One side benefit will be protection of a giant swamp oak listed as the national champion of its kind by the American Forestry Association. The huge tree would have been flooded and killed if the dam had been built at the site proposed originally.

The lake has been under consideration for about four years, and the permit to build the dam was granted March 19.

But the decision was appealed by the Maryland Conservation Council and citizens groups in Queen Annes and Caroline counties, where the park is located.

Although the lake will be smaller than proposed, it will be deeper, Sachs said.

He said relocation also will make it possible to reconstruct an old grist mill and its unique mechanism of horizontally moving grinding wheels.

## PRESERVATION OF YELLOWSTONE NATIONAL PARK

Mr. McGEE. Mr. President, one of the major tourist attractions in Wyoming is Yellowstone National Park, located in the northwest corner of the State. Yellowstone is the world's first national park—now in its 101st year—and is expected to attract a record number of 2.5 million visitors this year.

In order to preserve the integrity of the Yellowstone area, Park Superintendent Jack Anderson and his rangers have had to devise innovative means to minimize the tourist impact on this majestic area.

In Sunday, June 3, Washington Post, there appeared an article by George C. Wilson recording interviews with Anderson and other park rangers. The article deals with the National Park Service's efforts to control the influx of automobiles, campers, and trailers into the park while at the same time easing into a system which allows for a balance between tourism and need to maintain the environmental system of the park.

I believe the efforts by Superintendent Anderson and the Park Service employees under his command are very farsighted and commendable. Such efforts will guarantee that Yellowstone National Park and all its landmarks will be enjoyed by Americans for generations to come.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### YELLOWSTONE: HERE COME THE TOURISTS

(By George C. Wilson)

YELLOWSTONE PARK, WYO.—The bears have been taken off welfare, the cars have been segregated and some early-bird campers already are being turned away with the explanation that money is too short to open up enough campsites for them.

This is how the start of the vacation season finds the world's first national park—a park, like so many others, braced for the biggest visitor invasion of its history this summer.

The challenge facing Yellowstone in its 101st year—a challenge familiar to planners from Fairfax County to California—is how to control the explosion of growth before it ruins the land.

The bears, it turned out, were the easiest things of all to handle as Yellowstone authorities wrestled with the growth problems of the park.

Incorrigible panhandlers among the bear population—the ones which stood along the roads of Yellowstone and demanded handouts from human passersby day after day—were shipped out to the boondocks. If they kept coming back to beg from the tourists, they were killed. Stiff fines were imposed on people who fed the animals.

Finally the begging bears went back to work in the woods—making them less visible but also less bothersome.

This is bad news for tourists who hope to snap pictures of grizzlies from their cars, but it is good news for park wildlife managers determined to keep Yellowstone in its natural state. This philosophy also lies behind Yellowstone's refusal to stock its breathtakingly beautiful lakes and streams with hatchery fish. Instead, the native fish are preserved by regulating the human pressure on them—such as restricting a day's catch to two fish and periodically putting heavily fished areas off limits to fishermen.

### ZONING OUT CARS

Cars have proved harder to handle than the bears, although Yellowstone authorities believe they have found some answers here which may be used with profit elsewhere in the country. Yellowstone has embarked on a containment strategy for wheeled vehicles—zoning them into areas away from the monuments people come to see.

"Roads for cars went where the stage coaches used to travel," says Yellowstone National Park superintendent Jack K. Anderson. In the early days, the government was trying to entice people into visiting the park, so it put the stage roads right next to such features as the Old Faithful geyser.

But once automobiles began streaming into the parks by the thousands, traffic jammed up the narrow roads leading into such sites as Old Faithful. Park authorities, starting in 1970, put more space between the monuments and the cars.

People have to walk rather than ride to the attractions. It is like parking cars at the far end of Washington's reflecting pool and requiring sightseers to walk to the Lincoln Memorial.

This simple strategy has worked wonders, according to Anderson.

"People can both see and hear Faithful now," he says. "We have taken away a lot of the noise pollution of motorcycles starting up and cars running. We're backing the cars away from the fragile zone. People get a walking experience. Most of them ask us why we didn't do this long ago.

"Before the bypass roads and walkways from parking lots," Anderson says, "it was an eyeball-out-of-a-windshield kind of thing. But people really do want to walk. They really don't want to stay in their cars.

"This is true of most of the old people, too. We've undersold our older generation. They want it quiet. They want to view the park on their terms. They want to walk."

### NEXT: MASS TRANSIT

At Old Faithful, a group of overnight cabins was torn down to make room for a big parking lot. This signified a trend expected to accelerate over the next few years at Yellowstone and other parks as they cope with the people invasion.

The master plan, as described by rangers at Yellowstone, is to accept the fact that most Americans want to get a quick look at an attraction like Old Faithful and then leave. They do not want to spend the whole day and night contemplating such natural wonders. One answer, then, is to keep the flow of people moving smoothly with some kind of mass transit system.

Ironically, mass transit thus may supplant the family car in the wilderness, where the animals breathe most of the air, before it happens in the cities packed with people. The park-and-walk system is already operating at three tourist attractions in Yellowstone.

In the politically sensitive job of park superintendent, Anderson, 56, cannot comfortably talk about banning the private automobile from Yellowstone. He stresses that the private car is not on the verge of being banned here, that mass transit is still in the study phase.

But younger park rangers, especially those who previously served near the large cities, dare to talk about the day when cars and mobile trailers will have to be tightly controlled or banned outright to save the beauties that drew 2.35 million visitors to Yellowstone last year. About 2.5 million are expected this year.

Some of the rangers also believe the day is coming when overnight accommodations will have to be pushed outside the park to protect the natural life chain from being broken by pollution. And they think people would opt for this choice.

"When people have to make a little effort," said one of these young rangers, "like walking instead of riding, like camping on the ground instead of living inside their trailers, why, they get a sense of ownership about the parks. They are less likely to throw beer cans and bottles into the pools or write their names on the algae. Just since we pushed the roads back from Old Faithful area, there has been fabulous recovery in Morning Glory Pool."

Rolling into a campground in a just-like-home trailer—with heat, cooking and plumbing facilities right inside—is a relatively new form of people pressure hitting Yellowstone and other parks. The automotive industry has a vested interest in keeping the parks open to such vehicles.

"They've got a pretty good lobby," said one ranger. "It will be hard to keep them out of the national parks."

Yellowstone Park figures show that the number of trailers visiting here has nearly doubled—from 27,983 to 50,106—and the number of campers atop pickup trucks more than doubled—from 26,849 to 67,654—just between 1965 and 1970.

### PEOPLE WANT PEOPLE

The biggest frustration of all for Yellowstone managers is the "togetherness in the wilderness" nesting instinct of the visitors.

"People want to be with people," superintendent Anderson asserts, declaring that 92 per cent of Yellowstone is wilderness little used. He tells of directing a group of visitors to a sparsely settled campsite in the hills one day only to have them come down a short time later, exclaiming: "Hey, that's wild up there, where's some people?"

Anderson and his colleagues hope to find a way to persuade more of Yellowstone's visitors to move off the well-worn paths and discover the wilderness. News stories focusing on the crowds at Yellowstone fail to note, he says, that there is plenty of elbow room in the 2,221,773-acre park—an area larger than Delaware, Rhode Island and the District of Columbia combined. But how do you disperse the visitors?

"We're dealing with a guy who comes off the blacktop—the urban environment," Anderson concedes. "The park is a totally foreign climate for most of the people who come in here from the cities." Acclimating these visitors gradually—perhaps by giving them some bird's-eye views by monorail or other mass transit—might be the way to start them out, he suggests. Thus emboldened, the visitors might push into the less populated areas of Yellowstone.

At a designated—and crowded—campsite at the park's Madison Junction, Wade Giuliana, a husky 25-year-old from San Diego, scoffs at the idea of venturing into the wild parts of Yellowstone: "No man, for that you've got to be in shape. Besides, if we left this campsite we'd miss a lot. It's such a groove here."

Giuliana came to Yellowstone for relief from the pressures of his job at a mental hospital. "When I get up on a mountain round here and look at the majesty and vastness, I get my head back together," he says. "I'll go back to my job after this and nothing will bother me."

His camping partner, John Larsen, a San Diego carpet layer, agrees: "People aren't made to live cooped up in cities. They'd blow up if there weren't places like this."

Some city problems do come into the park with the visitors. But Superintendent Anderson says the drug problem has all but disappeared since 1970, when one youth took his trip on LSD stark naked across the park's Fishing Bridge.

### NOT ENOUGH CAMPSITES

Most of the people here say they came to Yellowstone so early in the season in hopes of beating the crowds. Bruce and Renee Winters, a young couple from Ann Arbor, Mich., are typical in their disappointment.

When they arrived at the Madison campsite, Winters said, they were told they would have to find a place to stay outside the park, even though half of the 292 sites at Madison were unoccupied. Rangers explained that Yellowstone had been cut back on funds, and there was not enough maintenance money to open up the remaining sites so early in the year.

"We were really bitter after driving all that way," says Winters, a folder in a bookbinding firm. "We had bought the Golden Eagle pass [a $10 ticket covering admission to all national parks] and had come early to beat the mob. Then they tell us we can't stay."

Because of the crowding, Yellowstone for the first time is allowing campers to reserve sites for periods of up to two weeks at the Madison and Bridge Bay campgrounds during the summer season that opens June 25. The reservations are being made through American Express and park officials say they're going fast.

Anderson says it's difficult to persuade the public that in a park as big as Yellowstone there are still just so many campsites to go around. "It's like a football stadium where once all the seats are sold, that's it."

Should more campgrounds be built even if it means cutting into primitive areas? So far, the official view has been negative—prompting commercial operators to open campgrounds outside the park as more and more Americans seek solace in the relatively unspoiled parts of the nation.

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## THE WOLF IS HERE

Mr. STEVENS. Mr. President, on May 13, in Hearst newspapers in a number of cities, Editor William Randolph Hearst, Jr., wrote an editorial entitled "The Wolf Is Here." This editorial was prompted by a visit to Mr. Hearst's staff by the Lieutenant Governor of Alaska, H. A. "Red" Boucher, and myself. Mr. Hearst had for several years strongly supported the trans-Alaska pipeline. It was our feeling that the present delays in the pipeline's construction necessitated a special urgency. As the summer progresses and fuel shortages become ever more acute, the urgency of the situation will only increase.

Mr. Hearst is correct. Further delay in building the trans-Alaska pipeline is unconscionable.

He is also right that the trans-Canada pipeline is, indeed, a "red hearing." If congressional approval for a trans-Alaska pipeline is denied, and if a trans-Canada route results, the outcome will only be further delayed.

Our entire economy will be adversely affected. The Nation cannot stop for want of fuel. Congress must not let this Nation grind to a halt because we have not developed our domestic fuel sources.

I ask unanimous consent that the editorial reprinted from pages 1 and 2 of the Baltimore News American of May 13, be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

### Editor's Report—The Wolf Is Here

(By William Randolph Hearst, Jr.)

New York.—Three long years ago—on June 25, 1970, to be exact—this column was devoted to a call for urgent action on a matter whose importance was described as involving nothing less than "the well-being of the entire United States."

Those words, which struck some of my readers as exaggeration, were written in a report sent from Fairbanks, Alaska. It told how a group of conservation extremists and government indecision were blocking the 800-mile pipeline needed to tap the ocean of oil discovered in 1968 under Prudhoe Bay, off Alaska's ice-bound North Slope.

If the pipeline had been built as originally planned, two million gallons of American oil now would be flowing our fuel-hungry way today—every day—through the ice-free port of Valdez in southern Alaska.

Instead, significantly, the United States today is already being compelled to import far more than that amount from other countries—or about 32 per cent of our total supply—at increasingly great and dangerous detriment to our already sick balance of payments position.

Words fail me in describing the monumental stupidity of not pushing ahead with the original plans. Yet what is far worse is the fact that even to date not a single inch of the vitally needed trans-Alaskan pipeline has been built. And for the same reasons.

Readers who three years ago thought it necessary to declare that the nation's well-being was involved in the Alaskan oil impasse are invited to reconsider. They can best start by thinking of our now ominous general shortage of power—half of which comes from oil—and of the gasoline shortage which already is closing stations, raising prices and threatening drivers with nation-wide gas rationing.

Our whole national life-style is being menaced by America's lack of adequate domestic oil supplies. Yet we continue to keep in an Alaskan deep freeze what has been called "one of the largest petroleum accumulations known to the world today"—at least is and possibly 40 billion gallons of precious oil, plus over 25 trillion cubic feet of natural gas.

Other nations regard the situation as all but incredible, and so do I. Only I add stupid, inexcusable and downright tragic.

Thanks to the group of well-meaning but shortsighted and stubborn environmentalists, and thanks to government indecision and red tape, it now will be at least another three years before we can even start pumping out our vast treasure.

Even if the project got an official green light tomorrow, that's the length of lost time it would take to build the necessary pipeline.

What got me riled up on the subject all over again for the umpteenth time was a visit made to my office this week by two of Alaska's most distinguished citizens—Lieutenant Governor M. A. (Red) Boucher and U. S. Senator Ted Stevens, who came to talk about it with some of our editors and columnist Bob Considine.

Bob and I had first met Red Boucher in 1967 when he was mayor of Fairbanks, managing the local ball club from the dugout.

We saw him again three years ago when Bob, Joe Kingsbury-Smith and I stopped off to inspect the progress on the North Slope and, incidentally, to take in a baseball game played from 11 p.m. to 1 a.m. without the benefit of arc lights on the longest day of the year. It was Red who loaned us a plane so that we could see at firsthand the activities and development on the North Slope and get back the same long day.

The glow of renewing a warm relationship soon turned to the heat of impassioned concern as my two callers expounded at length on the basic theme of their visit—how important it is for the American public to realize and start adjusting to the unaccustomed belt-tightening they face in the years immediately ahead.

Here's how Red summed it up:

"If people only knew the tremendous reversal of attitudes and behavior that they and this nation will be forced to undergo starting right now, they never would have permitted the folly of our Alaskan pipeline delay.

"Today's energy crisis, with its power blackouts and all the rest, is only a foretaste of what is coming and has been coming ever since the late 1960s. That's when America suddenly ceased being self-sufficient in energy.

"It seems almost impossible for our people to grasp what this means. They think of their country as a land of boundless riches, which it never was, and think they can go right on living the good life of creature comforts made possible by their cars, air conditioners, adjustable heat, and all those gizmos from waffle irons to automatic tooth brushes.

"What made us a powerful super-state, with the highest living standard in the world, was the cheap domestic energy supply we have been squandering. Energy and the oil which gives most of it is the very life blood of our civilization. Now we are no longer self-sufficient and the price will be going up and up from now on.

"It is not exaggerating to say that the energy problem already has become the most difficult one now confronting our nation, and not only domestically but internationally as well. For the first time in our history the wolf is at our own door, and he won't go away."

The energy crisis is too complicated a subject to be explored here. As a sample, however, it is expected that the nation's gas and oil needs will be doubled by 1985. Even before that, by 1980, experts expect that 50 percent of such supplies will have to be bought from foreign sources.

Stewart L. Udall, former secretary of the interior, notes that many economists believe that only a few years from now we will be spending up to $30 billion a year for the imports—a situation which will lead to disastrous devaluation of the dollar."

This, of course, translates into widespread unemployment and a radical lowering of general living conditions at home. Internationally it will compel all sorts of diplomatic readjustments as we compete with others for basic needs.

The most obvious example of the latter is our all but vital need to assure continued supplies from Arab countries which resent our support for Israel. By 1980, it is estimated, we will be relying on such countries for 35 per cent of our oil—oil which would be denied us as it was briefly during the six-day Arab-Israel war of 1967.

Any way you look at it all, there is nothing but trouble ahead for us so far as our energy needs are concerned.

The bleak picture painted by Lt. Gov. Boucher and Sen. Stevens should give you a pretty good idea why further delay in building the trans-Alaskan pipeline is unconscionable. The oil it can provide us by no means will solve our problems, but getting at it is the most expedient step we can and must take.

At the moment, the pipeline is being delayed while Congress considers a bill to permit an essential broadening of right-of-way limits set by an outmoded 1926 law. Discussion of the measure is expected within two weeks. Favorable action is foreseen despite some midwestern lawmakers who would like a proposed alternate pipeline through Canada to their region.

Passage of the right-of-way bill, unfortunately, will end only the latest in the interminable series of hurdles placed in the way of the oil companies in their struggle to build the trans-Alaskan route.

As next step, the matter will go back to the federal courts where the conservationists are challenging an environmental statement of the oil companies. The challengers can be relied on to drag the proceedings out as long as possible by demanding further study of the proposed trans-Canadian pipeline.

This is a beauty of a red herring. Even if the alternate line were found to be practical, it would take four or five years to settle native land claims alone—not to mention years more to construct it.

The trans-Alaskan line has been researched every which way. Its potential danger to wildlife or the environment would be absolutely negligible. And we simply cannot afford to wait 10 years or so for oil we need right now.

What can you do about it? If you feel as I do, at the very least you can write to your favorite lawmaker in Washington and tell him.

## BEATITUDES FOR BUSINESSMEN

Mr. YOUNG. Mr. President, I recently read an article entitled "Beatitudes for Businessmen" which was authored by Rev. Harry E. Olson, Jr., senior pastor of the Messiah Lutheran Church in Fargo, N. Dak.

This short article by Reverend Olson is not only beautifully written and very expressive, but I feel it is also quite appropriate for these times.

Mr. President, I ask unanimous consent that this article be printed in the RECORD as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### BEATITUDES FOR BUSINESSMEN

(By Harry E. Olson, Jr.)

Blessed will be the man who will trust other men.

Blessed will be the man who is determined to control himself.

Blessed will be the man who not only counts his blessings but makes his blessings count.

Blessed will be the man who can turn his barricades into bridges.

Blessed will be the man who works hard but does not press.

Blessed will be the man who does not demand achievement but deserves it.

Blessed will be the man who is willing not only to improve his circumstances but more willing to improve himself.

## CAN NIXON STILL GOVERN?

Mr. McGEE. Mr. President, in Sunday's June 3, Washington Post there appeared a very thoughtful column written by Joseph Kraft on whether the issue of Watergate has incapacitated the President's ability to govern.

Mr. Kraft offers some helpful suggestions as to how the President can be effective, in spite of the obstacle Watergate poses. As Mr. Kraft notes:

> The model on the big issues should be the sharing of power with the Congress which President Dwight Eisenhower arranged with Lyndon Johnson and Sam Rayburn during the last two years of his administration.

First, however, the columnist warns that the President could govern despite Watergate "if he stops dreaming of heroic achievements redounding to his personal glory."

The point is that the Nation is confronted with severe economic problems and it would behoove the President to begin working closely with Congress in seeking resolution of these problems. Congressional cries for at least a temporary freeze on wages and prices is a constructive plea to the President which which he should heed.

There are many areas of international and domestic concern with which the President and Congress can work together on in an effort to resolve many problem areas. But it is going to take an about-face by the President in his relations with Congress if this is to transpire.

I ask unanimous consent that Mr. Kraft's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### CAN MR. NIXON STILL GOVERN?

(By Joseph Kraft)

Can the President govern despite Watergate? The answer seems to be yes, if he stops dreaming of heroic achievements redounding to his personal glory. The model on the big issues should be the sharing of power with the Congress which President Dwight Eisenhower arranged with Lyndon Johnson and Sam Rayburn during the last two years of his administration.

Consider first the economy.

Mr. Nixon, working through the medium of Secretary of the Treasury George Shultz, has tried to apply his own personal patented political medicine. That is, unrestrained consumer spending for the silent majority; tight restraints on parts of the federal budget that help Democratic clients; and an absolute minimum of controls on prices and wages. As a result, wholesale and retail prices have gone out of sight. It is only a matter of time before wages follow. When they do, the boom will topple over into a serious recession.

Nobody can be certain about the right cure for all these troubles—particularly at a time of Watergate jitters. But the right first step is to apply a temporary freeze on wages and prices. Two of the most thoughtful congressional Democrats—Sen. Mike Mansfield of Montana and Rep. Wilbur Mills of Arkansas—suggested precisely that last week, and if the President only accepts their formula, he will be on top of a problem that could become truly dangerous.

Consider next the matter of dealing with friends and allies which found expression last week in Mr. Nixon's meeting with French President Georges Pompidou in Iceland.

Mr. Nixon's chief foreign policy adviser, Henry Kissinger, has been talking about a new Atlantic charter which would link the United States, Japan and the countries of Western Europe in a big deal to end all big deals. The only trouble is that the material for a big deal isn't there. Nobody has figured out how to take the Japanese into the club, and the Europeans are at odds as to how to manage their own defense and economic problems.

So the best approach would be to let matters follow their present course. Various secretaries of defense would get together and modernize security arrangements. Various secretaries of the treasury would work out plans for a new monetary system. Trade negotiations would go forward after the Congress passes a new trade bill. Various people, in other words, would make music without any Toscanini trying to orchestrate a supreme symphony from the White House.

Lastly, there is the issue of dealing with the Communists which comes to a head when Leonid Brezhnev of the Soviet Union visits the United States this month. Mr. Brezhnev is hungry for American capital, know-how, machinery and grain.

In the past, Mr. Nixon and Dr. Kissinger have wrung from Mr. Brezhnev various trades of special uses to their clients. In particular, they have used Mr. Brezhnev's appetite for American favor to make a deal that improves the survivability of the South Vietnamese regime of President Nguyen Van Thieu. Apparently they have some other complicated arrangement in mind for the Brezhnev trip.

But with Mr. Nixon in a vulnerable position because of Watergate, the sensible thing for him is to return to basics. What this country, and indeed the whole world, wants out of Moscow is the beginning of a withdrawal of Soviet troops from central Europe which will permit the United States to thin out its commitments in Europe. The Congress and especially Mansfield have been pushing for that all along. So by associating himself with the congressional leaders, the President will be in potent position to wring from the Russians what we should have been seeking all along as a first priority—arrangements for a mutual troop withdrawal from Europe.

In sum, the President can continue to govern while the Watergate investigation goes forward. And there is no need to sprint through the hearings, as now argued by those who used to favor a total cover-up.

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## THE ENERGY CRISIS

Mr. STEVENS. Mr. President, many Americans believe that the "Energy Crisis" is in fact just one problem. Unfortunately, this is not the case. The "energy crisis" represents a number of severe problems that are affecting many parts of this country in many different ways.

Recently the important petrochemical industry has been stricken by this Nation's energy shortage.

Mr. President, the petrochemical industry is a vital industry to America. Petrochemicals are used in the composition of literally thousands of products that are necessary in our day to day living.

The Wall Street Journal reported on May 29 that many of the Nation's petrochemical firms are now facing closedowns, layoffs, and that consumers can look forward to rising prices.

Mr. President, immediate construction of the Trans-Alaska pipeline could help alleviate this problem by providing the energy necessary to help keep this Nation's petrochemical industry on stream and conversely assuring the American people that the products they need will in fact be available.

I commend this article to my colleagues who are concerned over ramifications of this Nation's energy shortage and ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### PETROCHEMICAL FIRMS SAY PRICE INCREASES, SHORTAGES LIKELY AS ENERGY WOES MOUNT

(By Jeffrey A. Perlman)

Save your plastic bags. They may be collector's items before long.

Plastic bags, along with floor tiles, synthetic fibers and hundreds of other products derived from petrochemicals, may eventually be priced off the market if something isn't done about the energy crisis.

That's the gloomy warning from chemical industries executives, who say the heavy world-wide demand for fossil fuels is hitting them with a double whammy. Like everyone else, chemical companies are paying more for fuel to power their plants. But since so many of their products are derived from these same petroleum-based fuels, chemical manufacturers are also faced with unprecedented shortages and rising costs of raw materials.

"It isn't even a question of how much housewives will have to pay for Glad bags," says Richard C. Perry, chairman of Union Carbide Corp.'s energy task force. "There's a serious question of whether Glad bags will even be available." At the very least, he predicts, the dual squeeze on energy is likely to cause scattered plant closedowns, layoffs and rising consumer prices.

#### SUPPLY AND DEMAND

The reasons are purely economic. Natural-gas prices in the Gulf Coast area, where much of the country's fuel supply originates, have doubled in the past two years, and the rise shows no sign of slowing. And the price of coal has risen 40% in the same period. Meanwhile, the chemical industry's demand for its increasingly expensive energy is expected to more than quadruple by 1980 to about 68 quadrillion BTUs, or units of heat. This is nearly as much energy as will be used by the entire nation this year.

Gerald L. Decker, Dow Chemical Co.'s energy specialist, says that by 1980 it will cost 32% more to make polyvinyl chloride, a major plastic used in products such as bowling balls and floor tiles. Moreover, he anticipates a 23% rise in the cost of producing polyethylene, used to make plastic bags, dishes and bottles. And ethylene glycol, used in antifreeze, polyester fibers and plastics, should cost 8% more to produce by 1980, he says. The list goes on and on.

#### FROM SODA ASH TO SEAT BELTS

Wherever possible, chemical makers hope to recover these extra costs with price increases. Indeed, the rising cost of energy is already bting blamed for recent price rises on a number of major plastics, including polyethylene, which is in very short supply.

In certain product lines, raw-material shortages have created almost black market conditions. Both polystyrene and styrene, are in extremely short supply due to the scarcity of benzene, a petroleum product from which both are derived. Because of shortages, the prices small distributors are charging for the two plastics are going through the roof.

Dow, a major producer of the plastics, acknowledges that a black market of sorts exists but claims it involves only a tiny fraction of the total market. Only a few middlemen who sell to manufacturers are taking unfair advantage of the situation, a Dow spokesman says.

Morton Levine, president of Amberlite Plastics Corp., a Leominster, Mass., comb manufacturer, says he can't get enough polystyrene, the raw material for his combs. While he once paid 15 cents a pound, he now is charged 23 cents a pound—provided he can get someone to sell him the stuff. By contrast, Dow says it is currently selling the plastic to distributors for 13 to 13½ cents a pound. Distributors normally charge an extra two cents a pound to their customers, Dow says. Mr. Levine worries about getting enough polystyrene to keep his plant operating and his 40 employes on the payroll. He can't buy from a major producer, he says, because they sell only to long-standing customers. With small distributors running out of the material, he says, "I'm left out in the cold."

Although the real crunch is expected several years hence, energy problems are already beginning to reshape the chemical business. For one thing, chemical markets are all closed to new entrants. "If you aren't already in the business, you might as well forget it," says J. Peter Grace, chairman of W. R. Grace & Co., a diversified chemicals and consumer-products concern.

What's more, many chemical companies have begun to alter their product mix as a result of fuel shortages. Allied Chemical Corp., for example, has diverted capital spending away from its traditional chemicals business into products less dependent on large amounts of energy, such as automobile seat belts. And about half the company's $180 million capital budget this year is earmarked for oil and gas exploration.

The need for energy is also changing marketing strategy. "Energy is quickly replacing gold as the standard of value in commerce," Mr. Decker observes. With energy prices rising so fast, suppliers of chemicals requiring a lot of energy to produce are loath to sign long-term contracts with their customers. If they do, they are demanding increasingly that customers sweeten the deal by paying in energy as well as cash. Dow Chemical and Shell Oil Co. have reportedly signed such an agreement, in which Dow will supply chlorine in return for Shell's ethylene, a petroleum raw material vital to the chemical industry. Customers unable to come up with energy payments are forced to buy certain chemicals under more expensive short-term contracts.

### A GLIMPSE OF THE FUTURE?

Some concerns have already seen grim previews of fuel shortages likely to come. In recent weeks, for example, both Union Carbide and PPG Industries Inc. have been beset by power blackouts at some of their Puerto Rican facilities. And difficulties in obtaining hydrocarbon raw materials have disrupted production for the past six weeks at Puerto Rican Olefins Co., jointly owned by PPG and Commonwealth Oil Refining Co.

Such delays can have a ripple effect, as when fuel shortages in the Pacific Northwest recently forced Union Carbide to cut deliveries of calcium carbide, a basic raw material used in making cleaning solvents. Because of Union Carbide's action, Hooker Chemical Corp. claims it had to close permanently its cleaning-solvents operation in Tacoma.

Production curtailments will be more frequent as time goes by, industry officials predict, because chemical companies for the first time are being forced to compete with other major users for available energy. Already, federal and state regulatory agencies have begun to assign priorities for deliveries of natural gas, the fuel most in demand, in the event of severe shortages. And, generally speaking, chemical companies are winding up third in line, behind public utilities and residential users.

Right now, Union Carbide and a dozen other chemical concerns are battling Houston Light & Power Co. over who will get first crack at natural gas supplied to the Houston area by Pennzoil Co. Texas regulatory officials are expected to hand down a decision soon.

### A SCRAMBLE FOR CLEAN FUEL

The chemical companies contend they should be given top priority because most of their plants are built to use only natural gas. Utilities, they claim, can convert to alternate fuels at less cost, because their plants are designed to use more than one type of fuel. The utilities argue that clean, low-sulphur oil—the only other type of fuel that would enable them to meet federal pollution standards—is just as scarce as natural gas.

Officials within the chemical industry recognize they are waging an unpopular battle. Asks one: "How do you tell your wife she can't heat the apartment because the fuel is needed to employ thousands of people who make products like polyethylene?"

Despite the worrying, however, industry profits have been unaffected by the crisis. This year's first quarter earnings were the highest on record, and chemical stocks have held up reasonably well in the recent market decline. "It's a very healthy industry at the moment," declares one securities analyst who follows chemical concerns.

Such optimism, according to experts within the industry, is based on the conviction that somehow the energy problem will go away. But "that's an assumption that nobody ought to be making," warns Mr. Perry of Union Carbide.

### A HOLDING ACTION

Nevertheless, to help delay the day of reckoning, the Manufacuring Chemists Association and the Petrochemical Energy Group, two trade associations, have mounted a massive lobbying effort in which they charge that the nation's energy policies favor big oil companies at the chemical industry's expense. They say U.S. chemical concerns are at a competitive disadvanatge because overseas producers have ready access to low-cost foreign gas. The U.S. companies complain they must pay domestic refineries about 60% more for the same raw materials.

To ease this situation, U.S. chemical producers are asking the government to lift import restrictions on natural gas and allow additional oil imports so that U.S. refineries can produce more low-sulphur fuel. This, they reason, should take some of the supply-and-demand pressure off natural gas. They'd also like to see economic incentives for other industrial and utility users to switch away from natural gas to alternate fuels.

In the meantime, chemical companies are seeking ways to save energy. Dow, for example, was able to cut energy consumption 20% last winter at its latex-manufacturing operation in Midland, Mich. The facility was a major steam user, and Dow found that heating waste tars instead of water provided the same amount of heat using less energy. With the energy it saved, Dow estimates, New York City could operate its subway system for two years.

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## AGRICULTURE NEEDS A CHANGE

Mr. HARTKE. Mr. President, the American people have lately become acutely aware of the deficiencies of the administration's agricultural policies. For the consumer, these policies have brought higher prices; for the farmer, they have failed to bring adequate incomes.

We need new directions in our attitude toward agriculture, but the administration shows little sign of giving us any fresh thinking.

Mr. President, I ask unanimous consent that a recent Business Week editorial on this subject be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

### AGRICULTURE NEEDS A CHANGE

There is a sort of rough justice in the fact that the Agriculture Dept. this week drew the painful task of telling the American public that the cost of food to the average family went up 2.4% between January and February. The Administration has blamed bad luck and bad weather for the climb in food prices. But the main reason is bad management. And the Secretary of Agriculture, Earl Butz, has been primarily responsible for the management mistakes.

Under Butz, the Agriculture Dept. has acted as though inflation and wage-price controls were the problems of some other country. It has plugged away single-mindedly with policies designed to limit crops and raise farm incomes by raising farm prices.

It slept quietly through the negotiations with the Russians for huge grain purchases last year. And though it is supposed to employ some of the most expert agricultural forecasters in the world, it did not anticipate the impact of the purchase program on world markets. When the prices of wheat and feed grains skyrocketed, no one was more surprised than Agriculture, which found itself obligated to pay $100-million export subsidies on the Russian purchases.

Nor has the department shown any capacity to learn from its mistakes. When it set up crop targets last fall, it still was thinking of limiting output. And more recently, it programmed a cutback in turkey production to keep prices up.

Butz's scornful opposition to farm price controls has made it all but impossible for the Administration to give this crucial question serious consideration. And since he ranks as a super-Cabinet official, his public comments have undermined confidence overseas in the willingness of the Administration to do anything effective about inflation.

When the most productive agricultural country in the world finds itself facing runaway prices and food shortages, it needs a new policy and new people to administer the policy. The only way President Nixon can now do what must be done with prices is to overhaul the Agriculture Dept., beginning with the replacement of Secretary Butz.

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## THE GENOCIDE CONVENTION AND DOUBLE JEOPARDY

Mr. PROXMIRE. Mr. President, one argument has been made against the Genocide Convention that its ratification would make American citizens vulnerable to situations of double jeopardy, or two prosecutions for one crime. They argue that an American, tried and acquitted of crimes by an American court, might conceivably be retried for genocide by any international tribunal.

If this were the case we would have cause to worry. Fortunately it is not. Ratification of the convention would not change our existing treaties. In the United States, no citizen can be extradited for a crime for which he has already been tried and acquitted. Thus, under the Genocide Convention no citizen would run the risk of double jeopardy.

It seems to me that the United States has nothing to lose and much to gain by ratifying the Genocide Convention. We would still be protected from unjust prosecution and would enhance our position of world leadership by emphatically endorsing this worthy humanitarian treaty.

Once again I urge the Senate to decisively ratify the Genocide Convention and thereby join an overwhelming number of our allies in this statement against world violence.

## AN ADEQUATE UNDERSTANDING OF THE CAUSES AND EFFECTS OF THE "WATERGATE TRAGEDY"

Mr. HATFIELD. Mr. President, it is important that all Americans seek and obtain an adequate understanding of the causes and effects of what is commonly being termed the "Watergate Tragedy." In this regard, I would like to call the attention of the Senate to a perceptive speech by the distinguished junior Senator from Massachusetts given at the recent Temple University commencement. Senator BROOKE clearly delineates several weaknesses in our present governmental system that made possible the occurrence of the present tragedy. He also suggests why it is important to maintain a balanced perspective as we attempt to reconcile our ideals with the realities of political life.

Mr. President, I ask unanimous consent to have Senator BROOKE's remarks printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

### SPEECH BY SENATOR BROOKE

When I accepted your gracious invitation, I hoped that disquieting national events would not once again intrude upon the commencement season as they have for a period stretching back into the childhood of many of you who graduate today.

In that period we have witnessed the assassination of our national leaders, and assassination or the threat thereof has haunted our national elections.

An American President, elected by the greatest margin in the nation's history, found himself by the end of his term unable to move among the people.

A war thousands of miles away in Southeast Asia has bitterly divided us, and, as was said about the War Between the States, "It is over, but they will not let it be over."

Public opinion polls have shown a growing distrust of the American people of their government itself—not only of its competency, but of its very honesty.

And now we suffer an attempted subversion of our most important institutions, including the electoral process itself, not by a foreign power as we for so long feared, but allegedly by some of the highest officials in our government.

Therefore, I find it difficult, if not impossible, in this confused and ailing time in our history to ignore in my remarks the intentions and implications of Watergate, or to try to suggest they are of but minor or passing interest.

Oh, I know that Watergate is painful to the American people and that many wish that it would just go away. But most painful national events do not readily disappear. And it is more likely that we will have to live with Watergate, its investigations, its indictments, its trials, its appeals and many of its by-product legislation for years to come.

For a long time, many of you and I have agonized over how and why "Vietnam". Today, we ask the same questions about Watergate—how and why? Were we victims of well-intentioned but dangerously misguided policies and assumptions? Had we become so preoccupied with national security that we neglected to recognize other grave dangers? Had we failed to see that once set into motion, actions and men become subject to dynamics and temptations which have a way and a course of their own?

Many have come to realize that Vietnam was more than the result of men committed to the wrong ideals. And I believe that we will find the same to be true of Watergate.

There can be no excuse for the men involved in Watergate who betrayed the trust of the American people.

It is true, as some have said, that the system is now working to bring out the truth and bring the guilty to justice. But, we cannot forget that the whole web of intrigue was originally discovered and unravelled through a fragile combination of circumstances and luck.

It is wrong to say that sabotage and espionage are political facts of life. Nor is it right to portray the men involved as merely over-zealous in their loyalty to a cause in which they believed.

While we make no excuses for the individual perpetrators of "Watergate," we should make no assumption that their prosecution and possible conviction will be sufficient remedies.

Far greater questions must be resolved than the guilt or innocence of the persons involved.

Were Vietnam and Watergate but isolated aberrations in our system of government and policy making, we might feel safe—simply by removing the men whose policies or actions we reject. Or is it possible that both Vietnam and Watergate warn us in vivid terms that we have allowed the type of government to develop which those who framed the Constitution and founded the government so thoughtfully sought to prevent.

The men who structured our government understood that "power is of an encroaching nature, and that it ought to be effectually restrained from passing the limits assigned to it." "It may be a reflection on human nature," they wrote in the Federalist Papers: "that such devices should be necessary to control the abuses of government. But what is government itself but the greatest of all reflections on human nature. . . . In framing a government which is to be administered by men over men, the great difficulty lies in this: you must first enable the government to control the governed; and in the next place oblige it to control itself. A dependence on the people is, no doubt, the primary control on the government, but experience has taught mankind the necessity of auxiliary precautions."

The Constitution therefore seeks to divide and balance the powers of government among its branches to prevent any one branch from exceeding its defined and safe limits. Should any one of the three branches of the Federal government lose its sense of restraint, its ambitions should be stayed by the deterrent power of the other two branches.

There were complementary advantages inherent in a legislative and an executive branch which would not only benefit the nation, but also effectively check the possible abuses of power by either. "Vigor and expedition" were the qualities of the Executive.

In contrast to the role of the hare, the Congress was valued for being a plodding tortoise. "In the legislature, promptitude of decision is oftener an evil than a benefit. The differences of opinion and the jarrings of parties in that department of the government, though they may sometimes obstruct salutary plans, yet often promote deliberations and circumspection, and serve to check excesses in the majority."

But we Americans have always prided ourselves on being a "can do" people. And it was this impatient attitude perhaps as much as specific exigencies that lured us from the wisdom and safety of a balanced government. We increasingly valued efficient government over representative and deliberative government—over the need for thought, the questioning of power, and the vigorous representation of all groups and opinions. We came to judge the government by its ability to get things done, and thus we not only tolerated but encouraged ascent of the Presidency and the decline of the Congress.

The New Deal spurred this trend. In World War II Congress delegated the Presidency extraordinary powers traditionally and necessarily granted to a President in times of war. And after that war, as we geared our institutions to our Cold War fears, the ability to act swiftly in response to a possible nuclear attack seemed the primary defense necessity. The Presidency had the ability to act quickly and decisively. The Congress, the deliberative body, did not. Thus, presidential power continued to grow, as did the view that Congress was an obstructionist relic in the nuclear age. The Founding Fathers had been well meaning, we were told, but they could not, of course, have understood the needs of the Twentieth Century.

And so, the powers they allowed the President in time of war or in case of emergency, came to be regarded as inherent and necessary powers of the Presidency. Even in normal circumstances, we came to allow the President to act virtually at will in any situation he and he alone declared vital to national security. And the powers we allowed him in foreign policy were gradually used also in domestic policy.

But, the growth of presidential power was not simply a result of executive encroachment. We cannot ignore congressional acquiescence or excuse Congressional lethargy. Not until recent months did Congress become fully aware of its own responsibility for its eclipse. When it tried this year to reconstruct what had happened, it required several computers simply to track down all the emergency powers, domestic and foreign, important and trivial, which Congress over the years had granted the Presidency. At last count, Congress had delegated through existing law over 580 different emergency powers to the Executive. There were no provisions requiring close consultation with the Congress over the use of those delegated powers. There were no stipulations for congressional review to determine if the emergency in question still existed, or if the power delegated was still relevant to the situation.

In addition to the loss of congressional power, informal counterbalances to the unchecked power of the Presidency also passed away, unnoticed and unmourned. Particularly with the advent of television, the President was increasingly able to bypass the leaders of his political party and go straight to the voters. Thus party checks upon a President's power were also weakened. Cabinet posts and the Vice-presidency no longer had to be offered to people with strong, independent political bases of their own. Posts around the President could be filled by men whose primary qualification was their loyalty to the President or by experts and intellectuals, who were knowledgeable in their fields but were in no political position to deflect a determined President and his aides from a chosen course.

Over the years, this combination of circumstances and misconceptions came to change the Presidency, not only in the quantity of its power but also in its quality. A certain mystique evolved around the Presidency. The man who held it soon came to symbolize the entire nation, what Rousseau called, "the general will."

It was argued that the President alone is elected by all the people, though in the 1960 and 1968 elections, the victor won with less than a majority of the popular votes cast.

It was held that the President alone spoke for the nation and consequently that any check on the President was depicted as a check on the nation, and any threat to the President's interest came to be seen as a threat to the nation's interest—indeed its security.

The media gave more and more exposure to the presidential personality. Psychologically the nation became more and more dependent upon one man for its sense of direction and purpose. The White House was even expected to be the embodiment and standard for national taste and style. The stock market could fluctuate with the rise and fall of the presidential temperature. We looked with amused tolerance at societies that elevated their leaders to the status of god-king, oblivious to the dangerous burdens and temptations we ourselves were placing not only upon the President himself, but also upon his White House assistants. And many of these assistants, accountable solely to the President, had more power at their disposal than most Congressmen and Senators elected by the people.

Having given the Presidency such tremendous power, the possibility that a President might be wrong about a major policy matter became a truly dreadful prospect. For the corrective mechanism in our system of government had atrophied to the point of near impotence.

And it was because of the war in Indochina that many Americans first came face to face with this frustrating reality. And it was during this period, therefore, that we first began seriously to doubt the lesson so unquestioningly taught by the recent generation of scholars—that our presidents are judged to be active or passive, strong or weak, great or mediocre, almost in direct correlation with their ability to alter the consitutional balance of power by expanding presidential power at the expense of congressional rights.

Regarding both Vietnam and the Watergate, is it true—as someone has written:

> Thus the world we made
> Pays back what we paid
> Thus the dark descends
> On our means become our ends.

Watergate was, I believe, not a mark of desperation, but a mark of the ultimate arrogance of power.

If Vietnam was the logical extension of a too powerful Presidency in foreign affairs, in policy terms—Watergate may well be its logical extension at home, in institutional terms.

In Watergate, we may find it distressing that so many of our highest officials felt no sense of restraint.

But we must also ask ourselves why they seemingly feared no effective checks upon their abuse of power. And perhaps, we should not be surprised that the men involved apparently acted, not out of party fervor or desire for personal gain—but out of personal loyalty to the President, whose interests they were unable to distinguish from those of the country itself. And they apparently acted out of the rationalization that those who opposed him somehow threatened the very security of the nation.

After living through Vietnam and Watergate, will any of us really feel secure simply by the removal of the men involved? I think not.

We dare not ignore the basic danger any longer. We must reverse the erosion of constitutional safeguards to restore the system of checks and balances. If Watergate educates the public and thus encourages the Congress to reassert its powers and reassume its responsibilities, its effects may *in the end* be healthy. If both people and Congress are forced to think more for themselves, rather than acquiescing in the judgments of the person who occupies the White House, that too is a *desirable* result.

I shall not pretend, however, that the restoration of congressional powers and the reduction of presidential powers to more modest proportions is a complete or an easily achieved solution.

In order to responsibly fulfill its duties, Congress must reform its own procedures and organization. We must be politically courageous in insisting upon congressional staff and resources adequate to discharge congressional responsibilities.

We must not again cite the need for deliberation as an excuse for not being responsive to very real and immediate needs. And perhaps above all, Congress must first find the will to insure that it regains and retains its constitutional powers.

To be sure, the President will still have to retain great powers. But these powers should be carefully proscribed, and procedures for consultation with Congress regularized.

These proposals for the future still leave us with the uncertainties of the present. Many seem to have a paralyzing fear, not of the act of Watergate, but of our ability as a people to accept and survive the total truth. We even hear cries that perhaps we must veil the truth, if necessary, to save the Presidency. I ask you to reject that thesis. We must never fear the truth! Let us learn from the truth in order to strengthen our form of government.

I do not minimize the costs of Watergate, particularly in terms of public trust. I recognize some of the potential dangers in regard to foreign policy. However, the right of the people to know, cannot be subordinated to any other interests. To do so is to take the first long step down a path which inevitably leads to totalitarianism. And nothing could do more to cause a further loss of public trust in government than the suspicion that facts are still being withheld—or that any person, however highly placed, is above the law.

I believe that this nation as a whole is stronger than any single man or any single institution. Jefferson wrote: ". . . that even when the government of the people's choice shall manifest a tendency to degeneracy, we are not at once to despair but that the will and watchfulness of its sounder parts will reform its aberrations, recall it to original and legitimate principles, and restrain it within the rightful limits of self-government."

Shall we succumb to despair or shall we confirm Jefferson's trust in us?

You have been the most politically active generation within memory, perhaps in our history. But the test of your commitment and concern will not be its depth, but its perseverance.

It may be that some of you, in the words of Sartre, "Like all dreamers . . . confused disenchantment with truth?" Many of you have despised compromise in politics without distinguishing between compromise of conscience and compromise of necessity. But we would be wise to remember the description of the Southern lawyer in the novel *To Kill a Mockingbird:* a man who had to do "our unpleasant things for us." In the difficult choices which must be made in national policy you must not make politicians simply your mercenaries—rewarding them for agreeing with you, for patronizing you with painless answers—leaving the honest ones with the unpleasant and thankless tasks of reconciling your desires with reality.

I believe I know the depth of your disillusionment with those of us who govern—of how bitter the revelation that the storybook vision of your country has turned out flawed.

But as William Faulkner once wrote of the South, "I think that one never loves a land *because*—you love *despite*, not for the virtues, but despite the faults." If you can accept the fact that *your* solutions too will be incomplete, and yet not let that possibility—that fear—paralyze you into inaction and indifference you may be able to achieve a safer and a better, if a still imperfect world.

That is a far more modest wish than the traditional command of a commencement orator to go out and save the world. But, it is my wish for you, and—*it is an honest one!*

## CAL-STATE, NORTHRIDGE PROGRAM FOR THE DEAF

Mr. CRANSTON. Mr. President, during commencement exercises at California State University, Northridge, on June 9, two milestones in the university's history will be noted: successful completion of a decade of educating deaf college students alongside hearing students and awarding of the 100th master's degree earned by a deaf person.

Deaf persons have participated in the university's program to train teachers of the deaf, in adult education classes, and in short-term workshops, since 1964. In addition, the university has trained parents of the deaf, student interpreters, and professional interpreters for work in religious, rehabilitation, legal, and educational fields.

Today 120 deaf students pursue liberal arts studies on the Northridge campus. More deaf students are currently enrolled in graduate studies at CSUN than at any other university in the world.

Deaf students are integrated with hearing sudents in the mainstream of university life because they are provided with support services—interpreting, note-taking, tutoring and counseling.

The program is national in scope. Every State of the union has sent representatives for training in various aspects of deafness.

To meet the growing demand for services for the deaf, the university has formed a comprehensive center on deafness. The California legislature and the State College and University Board of Trustees have designated this university as the one institution in the State system of higher education to serve deaf residents seeking liberal arts education.

Deaf graduates of CSUN are employed in 23 States and the District of Columbia as teachers, as administrators in day and residential school programs for the deaf, in postsecondary programs serving the deaf and in rehabilitation agencies at the local and State levels.

The center is funded cooperatively by the university and the California State Department of Rehabilitation.

## RESOLUTIONS OF THE MARYLAND GENERAL ASSEMBLY

Mr. BEALL. Mr. President, the recently concluded session of the Maryland General Assembly passed several resolutions which relate to issues confronting the Federal Government. The Maryland House of Delegates passed Resolution No. 55 which expressed their firm opposition to granting amnesty for draft dodgers and deserters. The State Senate passed Resolution No. 23 which urged the Congress to enact changes in the Federal tax structure exempting the families of men missing in action who are subsequently proven to be dead from paying back taxes on the salaries they have received while their servicemen were classified as POW's or MIA's.

Mr. President, because these resolutions address themselves to national issues, I ask unanimous consent that the text of the Maryland House of Delegates Resolution No. 55 and the State Senate Resolution No. 23 be printed in the Record at the conclusion of my remarks.

There being no objection, the resolutions were ordered to be printed in the Record, as follows:

### Senate Resolution No. 23

Senate Resolution urging the Congress of the United States to revise the Internal Revenue Code so that the families of men, who had been in a status of Prisoner of War or Missing in Action in Southeast Asia, and are subsequently declared to be legally dead, would not be required to pay back taxes on the salaries paid to them while their servicemen relatives were classified as POW's or MIA's

Whereas, Under existing law the Internal Revenue Service is required to collect back taxes on the salaries paid to widows and relatives of servicemen who had been in the status of Prisoners of War or Missing in Action and are subsequently declared to be legally dead; and

Whereas, This present U.S. tax policy threatens to deliver a cruel blow to the families of U.S. Servicemen who had been in the status of POW–MIA in Southeast Asia by requiring the collection of these back taxes; and

Whereas, This body believes that it is morally unjust to attempt to collect back taxes on the salaries of men who have given their lives for their country; and

Whereas, If enforced this tax policy will have a crushing impact on all those whose loved ones had been declared legally dead after being in the status of POW–MIA in Southeast Asia; now, therefore be it

Resolved by the Senate of Maryland, That the United States Congress is requested to act to end this inequity to the survivors of U.S. servicemen, who have been declared legally dead after serving in the capacity of POW–MIA in Southeast Asia by enacting legislation revising the existing tax policy; and be it further

Resolved, That the Secretary of the Senate forward copies of this Resolution to Senator Charles McC. Mathias, Jr., Senator J, Glenn Beall, Jr., Senate Office Building, Washington, D.C. 20510 and Congressman William O. Mills, Clarence D. Long, Paul Sarbanes, Lawrence J. Hogan, Goodloe E. Byron, Parren J. Mitchell, Gilbert Gude and Congresswoman Marjorie S. Holt, House Office Building, Washington, D.C. 20515.

### House Resolution No. 55

House resolution expressing approval and commendation of President Nixon's firm and courageous stand in refusing to consider amenesty for those who deserted their country in its hour of need

Whereas, For the past eleven years the validity of America's commitment to protect world peace and support her allies in their efforts to avoid communist domination has been tested by fire; and

Whereas, Every citizen has been called upon to make sacrifices to bring the war in Southeast Asia to a just conclusion and to bring about an honorable peace; and

Whereas, It is to the credit of the great majority of Americans that they did not fail to come to the aid of their Country, even at the cost of great personal tragedy in many cases; and

Whereas, It would be a betrayal of all those who fought and died; all those who will spend the remainder of their lives disabled or as invalids because of wounds sustained in the fighting; all those families who will never again see their loved ones; and all those who have waited patiently, having trust and faith in their Government to do what is best for America, if those few who clamored for a premature peace and, being called upon to serve, instead deserted and ran, were to be granted forgiveness and a release from all penalties for their actions; now, therefore, be it

Resolved by the House of Delegates of Maryland, That this Body approves and commends our President's firm and courageous stand in refusing to consider amnesty for those who deserted their Country during the Vietnam War.

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## CONTINUING DEBATE ON TRUCK SAFETY

Mr. HUGHES. Mr. President, on March 6 I placed in the Record a report on truck safety and the working conditions of truckdrivers which had been prepared by the Professional Drivers Council for Safety and Health—PROD. At that time I also promised to refer that report to the Department of Transportation for consideration and comment.

Having now received a reply from the Department of Transportation, plus additional comments from PROD, I want to bring them to the attention of the Senate.

Secretary Brinegar lists many of the actions taken by the Department of Transportation to investigate and then solve problems relating to driver fatigue and vehicle safety. He notes that the Department is working hard to enforce existing safety rules and to study any necessary changes.

On behalf of PROD, Director Arthur Fox takes issue with some of the statistical evidence cited by Secretary Brinegar and stresses the problems which remain to be solved.

This debate is healthy, in my view, in fostering greater public and governmental attention to the problem of truck safety and the related concern of the working conditions of drivers. I ask unanimous consent that the two letters from Secretary Brinegar and Mr. Fox be printed in the Record.

There being no objection, the letters were ordered to be printed in the Record, as follows:

The Secretary of Transportation,
*Washington, D.C., May 8, 1973.*

Hon. Harold E. Hughes,
*U.S. Senate,*
*Washington, D.C.*

Dear Senator Hughes: Thank you for your letter of March 7, 1973 (acknowledged on March 9 by our Executive Secretary, A. B. Virkler Legate), which furnished us with a copy of a report on "Safety Hazards for Professional Drivers," prepared by an organization known as the Professional Drivers Council for Safety and Health (PROD). Your letter seeks the Department's comments on the report.

At the outset, we fully share your concern, and that of PROD, about safety of operation of large commercial motor vehicles and particularly about the role that driver fatigue plays in accidents that involve those vehicles. The Department's Bureau of Motor Carrier Safety has been working vigorously on a number of fronts to isolate the causes of excessive driver fatigue, to change the Motor Carrier Safety Regulations to eliminate the causes of excessive driver fatigue, and to enforce the existing rules on the subject. What we have done thus far tends to indicate that the PROD analysis suffers from a number of defects, defects which stem from the fact that it has attempted to oversimplify a very complex problem based upon insufficient information and research.

It begins by saying that the Bureau's [r]ecently published . . . statistics for the year 1970 disclose that . . . 76% of the accidents involving interstate commercial carriers where the driver's physical condition was involved, were caused by fatigue." The data to which the report refers show that there were approximately 52,100 accidents during 1970 involving interstate for-hire motor carriers; of these accidents, 400 (or .767%) were attributed to drivers' physical condition. Of the physical-condition accidents, 303 (76%) involved driver fatigue as the ascribed cause. Thus, driver fatigue is listed as the cause of less than 0.6% of all reported accidents. What are we to make of these figures? On the one hand, we can sensationalize about them, as the PROD report has done. Or, we can speculate, equally validly, that the regulatory scheme has reduced the level of accidents caused by driver fatigue to a praiseworthy low level.

The most productive course of action, we believe, is to refrain from making *a priori* judgments and to obtain the facts. We are taking steps to do exactly that. The Bureau of Motor Carrier Safety, having come to the conclusion that the existing hours-of-service rules could beneficially be amended, issued a $363,000 contract for a study of the relationships between fatigue and hours of service. The study has been completed and is now being analyzed. On a preliminary basis, it seems to indicate that the factors that induce driver fatigue are very complex, and that a great many factors, such as the type of service in which the driver is engaged, the age of the driver, the type of equipment he operates, and the nature of the duties (other than driving) he performs, play a part in determining how much fatigue he incurs within a given period of time. As we continue to work towards the institution of formal rulemaking proceedings, it is becoming very clear that abstract generalizations about the validity of the current 15-hour and 10-hour rules are likely to be incorrect.

There are about 5,000,000 drivers of commercial motor vehicles who are subject to the Motor Carrier Safety Regulations. The PROD membership, and hence its sources of information, consists, virtually in entirety, of drivers employed, or formerly employed, by for-hire certificated common carriers. The working conditions they describe simply do not exist in the vast majority of cases: there are only 500,000 drivers in the certificated for-hire segment of the industry, and less than one percent of them belong to PROD.

This is not to say that the PROD report is totally in error. There are undoubtedly cases in which carriers compel their drivers to work for excessive hours, to operate unsafe equipment, and to work under unhealthful conditions. It is equally true, however, that drivers themselves are frequently the guilty parties in abusive and unsafe practices, such as the use of alcohol and drugs. Through our regulatory and enforcement programs, we try to prevent these practices and to prosecute, on an evenhanded basis, the parties who are responsible. For example, the Bureau has laboriously checked out numerous complaints that carriers have been dispatching runs that are too long to be completed within the drivers' available hours of service. We have been instrumental in having the runs discontinued or modified when the complaint was found to be justified. However, there are at least an equal number of cases in which the complaint was found to lack merit; in some instances it was lodged only because drivers sought to retain desirable relay stations when the carrier exercised its right to relocate those stations.

The PROD report says that the cab of a truck is not an optimum work environment. We agree. The Bureau is now engaged in rulemaking proceedings with a view towards establishing mandatory maximum levels of in-cab noise that commercial vehicles may produce. We are also conducting research on other sources of driver stress, such as heat, vibration, and glare. We expect to initiate new rules on many of these matters.

We have also begun rulemaking proceedings on the subject of vehicle maintenance. The Director of the Bureau of Motor Carrier Safety has announced that he intends to overhaul the existing regulations in this area and has solicited comments from the public on the form that the new rules should take. One of the factors that caused the Bureau to begin this proceeding was a petition from PROD which suggested several candidate areas for rule changes. In view of the fact that PROD has been participating in this proceeding, we are surprised to find its report stating that existing rules do not require carriers to repair defects that drivers report. The rules do impose that requirement: section 396.7 of the Regulations requires the carrier to examine the driver's report and to check all defects reported; section 393.1(a) forbids the dispatch of a motor vehicle that fails to comply with our regulations on parts and accessories; and section 396.4 forbids the dispatch of a vehicle that is in a hazardous condition.

We do not, however, believe that our current regulations are perfect. As mentioned above, we are working hard to improve them in many areas, and we are trying as best we can to enforce the rules now on the books. In assessing the virtues and deficiencies of what we are doing, it is important to bear in mind that the motor carrier industry is extremely diverse and is more difficult to regulate effectively from a safety standpoint than other industries. This is the case not only because truck drivers spend much of their working time without effective supervision but also because our national transportation system cannot function unless trucks are on the highway around-the-clock and on irregular schedules. Driving a truck for a living will never be as comfortable as working an 8-hour day in an office. The best that we can expect is that it will be at least as safe. We are working to that end as diligently as possible.

Sincerely,

Claude S. Brinegar.

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Professional Drivers Safety &
Health Organization,
*Washington, D.C., May 24, 1973.*

Hon. Harold E. Hughes,
*U.S. Senate,*
*Washington, D.C.*

Dear Senator Hughes: I feel compelled to reply to Secretary Brinegar's comments on the PROD report published in the March 6th Congressional Record. Basically, the Secretary would have us believe that the Department of Transportation is doing a perfectly fine, if not laudable job of promulgating and enforcing safety regulations covering interstate motor carrier vehicles and their operation.

First of all, the Secretary points to the fact that a figure cited by PROD representing accidents caused by fatigue was based upon a small base (400 accidents), and he suggests, without offering any supporting data, that the Department of Transportation (DOT) "has reduced the level of accidents caused by driver fatigue to a praiseworthy low level." While it is quite true that the DOT's records show that only 1 percent of all commercial vehicle accidents were caused by the driver's physical condition, its records also reveal that no more than 4 percent of all accidents were caused by vehicle defects despite the fact that some 23 percent of the trucks and 12 percent of the buses spot-checked that year by DOT investigators were found to be in imminently hazardous mechanical condition.

There is no mystery behind the fact that the DOT's statistics are so uninformative. It is the carrier that submits the reports upon which the statistics are based, and the carrier is naturally reluctant to assess itself at fault or to suggest that driver fatigue was a causative factor since the economic consequences would be decidedly adverse. Carriers currently benefit from the DOT regulations which allow them to require their drivers to work unmercifully long hours, a fact the Secretary does not dispute. The carriers would, therefore, have us believe in effect that 95 percent of their accidents result from causes beyond their control. Their representations simply cannot provide a stable foundation to support the Secretary's hypothesis that fatigue is not a significant factor. Indeed, one must read between the lines and glean whatever he can from these accident reports and the DOT's statistical compilations.

Looking therefore to other data, we learn for example that of the 221 accident investigations conducted by impartial, trained DOT inspectors during 1970, the commercial vehicle driver was described as "inattentive, dozing, or asleep" at the time of the accident in 94 cases. In other words, it may be said that the drivers of the commercial vehicles were suffering from fatigue in 42.5 percent of these accidents which incidentally resulted from the full range of causative factors including the negligence of other drivers. Another collection of data relevant to large carriers of property discloses that 40 percent of the total commercial driver fatalities during 1970 resulted from "ran-off-roadway" accidents where fatigue was very probably the underlying cause. And, while the DOT's analysis of this data states that 32 percent of the accidents were "preventable", that word is defined to mean "collisions with fixed objects, and non-collision overturns or running off the road" where fatigue may also have been a factor. Thus, the DOT statistics, to the extent they are useful, do clearly reveal that fatigue is a major cause of commercial vehicle accidents and fatalities. Moreover, the private research organization commissioned by the DOT to study the relationship between its "Hours of Service" regulations and driver fatigue has concluded that driver performance errors increase significantly within the current 10-hour limit and that accident frequency increases disproportionately after the 7th hour of driving. It is therefore no "abstract generalization" to suggest that the DOT's regulations are the permissive cause of many commercial vehicle accidents and that these regulations are in need of immediate and substantial reform. The DOT has had ample notice of the problem and it has had the above mentioned "fatigue study" in its possession since early December 1972, yet no rule making has been undertaken to date.

Concerning the present hours of service regulations, the DOT has been taking a dangerous hands-off attitude toward enforcement of a most frequently violated provision, Section 392.3 (49 C.F.R.) which states that "a motor carrier shall not require or permit a driver to operate a motor vehicle, while the driver's ability or alertness is so impaired, or so likely to become impaired, through fatigue, illness, or any other cause as to make it unsafe for him to begin or continue to operate the motor vehicle." Since Section 395.3 permits carriers to dispatch drivers at any time after they have been off duty 8 hours, regardless of the hour of the day or of their previous rest, it frequently occurs that drivers are told to report for duty when they are fatigued or are likely to become tired rather soon. Nonetheless, in a recent case where a driver declined to accept a dispatch due to illness, his company sent him a "final warning" letter and later refused to retract it despite a lengthy hospital confinement. Fully apprised of the facts, DOT refused to "intervene" in what its chief of compliance characterized as a "labor-management dispute". In fact, the DOT official volunteered in his letter to the driver that "the warning letter was issued because you had not maintained yourself in condition to work." This type of gratuitous advice gives one the distinct impression that the Bureau of Motor Carrier Safety is in fact operating as a bureau of motor carriers. The official went on to explain that "a violation of Section 392.3 occurs only when a vehicle is actually operated by a driver in an ill or fatigued condition." While PROD has protested and repeatedly demanded a formal legal construction of the provision together with an explanation of past policy, DOT officials have repeatedly refused to honor the request. Their attitude toward this serious problem does not encourage much confidence in their willingness to aggressively enforce their regulations on motor carriers and to protect drivers and the public.

On the other hand, as the Secretary points out, the DOT has on PROD's insistence commenced rule making proceedings to revise the wholly inadequate "Maintenance and Inspection" regulations. The Secretary expresses surprise that PROD should criticize the DOT for inaction in this area, but the fact is that our criticism was launched prior to the DOT's March 16 notice in the Federal Register. Moreover, the Secretary contends that the DOT does currently require the repair of driver reported defects. As a practical matter, this statement is simply incorrect. In the first place, the DOT has only 103 field investigators on its payroll and it maintains that its jurisdiction only reaches vehicles which are "in interstate commerce", excluding those sitting on a company lot about to be dispatched despite uncorrected driver-reported defects. Because of staff limitations, when a DOT investigator does discover a vehicle to be seriously defective at a roadside weigh station where he has jurisdiction, he will rarely, if ever, travel to the carrier's terminal and check to see if the vehicle had previously been "written up" by another driver. And, under existing law a carrier cannot be legally disciplined or fined for dispatching a dangerous truck unless the DOT can develop sufficient evidence to enable the Department of Justice to prosecute the carrier and prove "beyond reasonable doubt" that it had knowledge of the vehicle's dangerous condition and intended to violate a regulation. During 1971 there were a scant 207 such prosecutions brought by the Department of Justice despite the fact tens of thousands of vehicles were found to be dangerously defective. Moreover, while the DOT's regulations do require carriers to examine drivers' "vehicle condition reports" and to refrain from dispatching dangerous vehicles, the regulations leave a tremendous gray area and safety disputes between frightened drivers and economically motivated dispatchers are generally resolved by mechanically unqualified persons whose job it is to "move freight". The fact that nearly one quarter of the trucks inspected by the DOT while in transit are found to be in imminently hazardous mechanical condition bears silent testimony to the inadequacy of the DOT maintenance and inspection regulations and their enforcement.

Finally, it is suggested that since PROD, as a public interest membership organization, receives financial support from only a small percentatge of the total driver community, its representations should not be fully credited. The fact is that PROD receives information from many non-member drivers and members of the public at large as well. Because only one driver in a hundred may be a dues paying member does not stand for the proposition that he cannot describe conditions affecting all one hundred. While it is true that most of the PROD complaints have been directed toward the DOT and common carriers which employ a minority of the total number of drivers subject to DOT jurisdiction, inadequate regulations, unsafe and illegal carrier practices, and accidents and fatalities are just that, and they become no less significant because another class of carriers may be more safety conscious.

Sincerely,

Arthur L. Fox II.

## HOMICIDE IS A COMMUNITY PROBLEM

Mr. THURMOND. Mr. President, the Greenville News of Greenville, S.C., has been involved in an in-depth study of homicide in the area. The study provided many valuable insights into the reasons behind homicides and what can be done to prevent them.

The investigative reporting also uncovered many disturbing facts. Perhaps the most astounding fact is that the homicide rate of the Greenville area averages out to one killing a week. The timeliness of this study was brutally underlined as Greenville County Coroner Mercer Brissey was slain recently.

A concluding editorial which appeared in the newspaper accurately and poignantly points out the tremendous problem facing not only the county, but the entire Nation. It also makes some valid observations about steps which should be taken to stem the homicide rate.

Mr. President, I ask unanimous consent that the editorial entitled "Homicide Is Community Problem," which appeared in the Greenville News, May 28, 1973, be printed in the Record at the end of my remarks.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

### Homicide Is Community Problem

The Greenville area's high homicide rate—an average of a killing a week for more than three years—is rightly a matter for community concern. A serious problem definitely exists, but finding a solution is a complicated and controversial task.

For the past few weeks this newspaper has been asking the question, "Why So Much Killing?" in an extensive series of articles. The answers have been as varied as the individuals interviewed. Some themes have appeared, however, again and again throughout the series. It is these common threads, rather than differences of opinion among various authorities, which the community should focus on in seeking to reduce the homicide rate.

Who does all this killing which has made Greenville one of the nation's leading homicide centers? The facts indicate that criminals, in the true sense of the word, account for only a small percentage of the violent deaths. Most of the recorded homicides do not happen in the course of armed robberies and other overt criminal acts. The majority are, instead, the result of personal acts of violence, based primarily on emotions.

Circuit Solicitor Thomas W. Greene blames the bulk of the area's shootings and knifings on "beer joints" and unfaithful husbands and wives. This may be a simplification of the problem, but it is an opinion shared by many law enforcement officers and others who must deal with homicides on a daily basis.

"Crimes of passion" is Greenville County Public Defender H. F. "Pete" Partee's tag for the majority of the area's violent killings. He makes the point, echoed by others knowledgeable about the problem, that local homicides center around low income and poverty segments of the population, where violence is an acceptable method of settling an argument.

Mr. Partee believes that acts of violence will not be curbed until the objectives and life styles of these lower income individuals are raised. All the evidence supports his belief.

The ultimate answer probably lies in a greater effort by our social institutions, such as church and school, and government, to change the life patterns and raise the living standards of those in our population who are bred on violence. But, as important as this is, it is a slow process that is unlikely to show meaningful results for several generations.

There are, however, steps that can and must be taken now to at least restrict the number of homicides. Tighter gun control is not one of them. More prohibitions on the purchase of firearms would do little except make it more difficult for the average citizen to purchase a weapon for the protection of his family and home.

Criminals who want guns are going to get them, regardless of any laws to the contrary. A waiting period for a gun purchase, which is being advocated by some members of the General Assembly, would do little to check Greenville's crimes of passion. Most people involved in such crimes already have their weapon in hand.

It would be just as effective, and probably more practical, for law enforcement to make routine checks of gun purchases to insure that gun ownership laws are not being violated. The truth is that registration of guns is already a law and that strong enforcement of existing laws should be attempted before new regulations are added.

The immediate burden for homicide prevention lies with law enforcement and the court system. Rather than trying to stop the killing by slowing the sale of guns, the legislature should be working on producing stiffer penalities for law violations involving guns and other weapons.

The Greenville-Pickens area abounds with "dives" and "bloody buckets" which have histories of serving as battlegrounds for murder. Carrying a gun into one of these establishments, or any other place where alcohol is available, should be an automatic prison offense. Too often in the past law officers have just patted "good old John," with his gun in his jacket, on the back and told him to go on home and sleep it off. Too often "old John" has staggered back in for one more beer and killed a friend in a drunken brawl.

Local governments have an obligation to provide enough law enforcement officers to effectively patrol places of potential violence. And these officers have a public obligation to realize that no matter how friendly the drunk, having a gun in a beer joint is a criminal act.

The penalty for carrying a concealed weapon needs to be strengthened and enforced. The most a person can get now in South Carolina for this practice is $100 or 30 days in jail. Any unauthorized individual who carries a gun, outside his home, hidden on his person is a walking bomb and should be put away long enough for him to have plenty of time to meditate on his mistake.

The courts should follow the example of Pickens County Judge John Gentry who recently sentenced a man to 10 years in prison for involvement in knifing in a bar. Such sentences, handed out on a consistent and fair basis, would make many people think twice before they whip out a gun or a knife in a public place.

People who use guns, knives or any other method to abuse their fellow men deserve a hard measure of justice. The tendency to label such abuse as a "personal matter" has contributed to the feeling by a large part of our population that violence is as natural as breathing.

"Why so much killing?" There is no single answer or pat solution. But community awareness and public pressure on those charged with upholding the law to treat all violence with the gravity it warrants may be a place to start.

The high homicide rate is a blot on our entire community. Lowering that rate will not be easy, but every attempt must be made unless we want Greenville to continue to be recognized nationwide as "the place where they have so much killing."

## MINNESOTA: VACATIONERS' EDEN

Mr. MONDALE. Mr. President, I would like to call to the attention of my colleagues an editorial, which recently appeared in the Minneapolis Tribune, describing the outstanding recreational and scenic attractions of the State of Minnesota.

It is with great pride that Minnesotans reflect upon the richness and diversity of our natural heritage—of our lakes, wildlife, rivers, and forests. These assets have brought family vacationers from many parts of the Midwest; and according to surveys, visitors having come once are likely to return again and again.

While Minnesota is gifted with unusual natural wealth, we must take care to preserve the quality of our air, our water, and our forests.

These thoughts are eloquently expressed in the editorial, "Minnesota: Vacationers' Eden," which appeared on May 20 in the Minneapolis Tribune. This editorial suggests that the spring and summer of 1973 should be a time when Minnesotans rededicate themselves to the preservation of what we have for future generations to enjoy. I wholeheartedly agree with this suggestion, and I feel it merits the attention of my colleagues in other States as well as that of the people of Minnesota.

Mr. President, I ask unanimous consent that the editorial be printed in full in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

### MINNESOTA: VACATIONERS' EDEN

With the countryside, yards and parks in the full bloom of late spring, our thoughts these days turn pleasantly to long weekends and vacations. We Minnesotans need look no farther than our own state for rest and relaxation. In fact, at least half of us take our annual vacations within the state's borders, and with good reason.

Consider the richness and diversity Minnesota offers vacation-goers: In the north, gigantic Lake of the Woods and its surrounding fenland. The magnificent sweep of canoeing and camping country of the island-dotted Rainy River area and the brooding, virgin Superior National Forest. The beauty of Lake Superior's North Shore. The Iron Range. The crusty, broad-shouldered, inland-port city of Duluth.

The pine-scented forestland of Bemidji, Walker, Park Rapids, where deep, blue lakes crouch off in the trees around the curve of almost every road. The peaceful little lakes nestled in the rolling farmland of southwestern Minnesota—a region that includes Pipestone and a locality rich in Indian lore. The southeast, where the Mississippi River begins to stretch wide and hint at its mighty destiny; down the river past Hastings and its apple orchards; past Red Wing and Winona with a river landscape of steep, craggy, wooded bluffs.

And—as a part of the vacation scene for many—the Twin Cities and their prosperous, pretty suburbs, a metropolitan center brimming with night life, theaters, art centers, stores of every description.

The Capitol in St. Paul. And St. Paul itself, which Mark Twain once viewed and called a queen among cities. And our own lake-encrusted Minneapolis, on any list one of America's most attractive cities.

Orvin Olson, director of research for the Minnesota Department of Economic Development, says about $940 million will be spent this year by travelers in Minnesota. Much of that will, of course, be merely a redistribution of wealth among its citizens. The department recently conducted an eight-state advertising campaign for tourists. Of those responding and seeking more information, 34 percent were from Minnesota, 22 percent were from Illinois (Minnesota is a favorite for many Chicago residents), 10 percent each from Michigan and Ohio, 8 percent from Wisconsin, 7 percent from Indiana, 6 percent from Iowa and 3 percent from Missouri.

An average group vacationing in Minnesota has four people, compared with 2.5 nationally, indicating that families vacation here. A private firm spot-checked travelers in Duluth recently and found that 56 percent of the visitors to northern Minnesota had been there before and that they had made an average of four visits. So those who come seem to like what they see and come again and again.

Minnesota is unusually blessed. But it's worth reflecting again that our water, our air and our forests can be destroyed by man's greed and carelessness. This spring and summer of 1973 is a good time for all Minnesotans to rededicate themselves to the preservation of what we have for future generations to enjoy.

## UNUSED VETERANS' BENEFITS

Mr. DOLE. Mr. President, millions of Americans have served in our Armed Forces since the end of the Korean war, and in response to their service and the contributions they have made to our Nation, Congress has passed a broad series of laws providing special veterans' benefits. But unfortunately it appears many of these benefits are not being fully utilized.

Recently, Donald Johnson, Administrator of Veterans' Affairs, pointed out that only a third of the 4,100,000 veterans eligible for educational benefits have used all or part of their benefits.

I fear a large portion of the veterans who have not taken advantage of the educational benefits simply are not aware of these programs and the opportunities they provide. These men and women richly deserve the benefits they have earned by their service in the Armed Forces, and I believe every effort should be made to give them the greatest possible chance to participate while the programs are still available.

Therefore, I ask unanimous consent to have printed in the RECORD a VA announcement on Mr. Johnson's statement which clarifies the availability of benefits for veterans discharged since January 31, 1955.

There being no objection, the announcement was ordered to be printed in the RECORD, as follows:

### UNUSED VETERANS' BENEFITS

Altough G.I. Bill education benefits for thousands of Vietnam Era veterans will expire May 31, 1974, the Veterans Administration emphasized today the May 1974 expiration date does not affect G.I. Bill job or farm cooperative training, apprenticeship or flight training benefits for these veterans.

This clarification was made by Administrator of Veterans Affairs Donald E. Johnson. He pointed out that most education benefits for those discharged prior to June 1, 1966, would expire on May 31, 1974, the eighth anniversary of the current G.I. Bill.

The 1966 law allows each veteran eight years to complete his training. The time is computed from the individual's date of discharge or from the date of the law, whichever is later.

Johnson explained that the original bill did not include flight, apprenticeship, on-the-job and farm-cooperative training, so eligibility for these benefits will not expire for Post Korean veterans until August 30, 1975, which is eight years after the date they were authorized by law.

The Administrator noted that 1.4 million, or 33 percent, of 4.1 million veterans made eligible by the 1966 law have used all or part of their education benefits.

The current G.I. Bill provided eligibility to all veterans discharged since January 31, 1955, many of whom had been out of service several years before they became eligible, the VA chief pointed out.

The overall participation rate for Vietnam era veterans is about 46 percent.

VA pays veterans (with no dependents) $220 monthly if they are full-time trainees, with higher rates for those with dependents. On-job trainees with no dependents are paid a starting allowance of $160 monthly—larger checks go to those with dependents. Employers also pay the veteran-trainee wages, which are increased on a regular schedule during the training period.

Veterans whose benefits may soon expire, or any eligible veteran interested in G.I. Bill benefits, are urged to contact any VA office or representatives of local veterans service organizations.

## RISKY QUIBBLING OVER OIL

Mr. GRAVEL. Mr. President, my colleagues have heard many appeals from me—and more will come—for their urgently needed help in removing the roadblocks to get construction underway for the trans-Alaska pipeline.

The May 30 issue of the Washington Star carried an editorial with the appropriate title "Risky Quibbling Over Oil." That is exactly what the Congress is doing—"quibbling."

And while the Congress is quibbling, construction of the trans-Alaska pipeline is delayed, and we are increasing our costly and risky dependence upon foreign imports. There is no doubt in my mind but what the trans-Alaska pipeline will become a reality. It will become a reality for the simple reason that Alaska's North Slope oil is absolutely essential to the security and well-being of this Nation. The sooner the line is constructed, the sooner this critically needed resource will flow to the Lower 48.

Mr. President, I would like to share this very timely editorial with my colleagues and ask unanimous consent to have it printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

### RISKY QUIBBLING OVER OIL

Petroleum may well be running a close second to Watergate as a national obsession before this year ends. Already the gasoline shortage is causing some people to trim their summer travel plans, and a fuel-oil crunch may be on the way. This whole problem could become a full-blown crisis, because the supply simply isn't there any more to meet the demand. And against such an ominous background, we find it incredible that a sizable segment of Congress, largely from the Middle West, is raising a parochial obstruction to the trans-Alaska oil pipeline.

This huge petroleum artery is ready to be built. The pipe that would extend almost 800 miles across Alaska, from the northern Arctic rim to the warm-water port of Valdez on the southern shore, already is on the ground. On that North Slope, untapped, is the largest oil pool ever discovered on this continent, which can come flowing down the line at a rate of 2 million barrels a day. And most importantly, this would be a domestic source, reducing the nation's costly and risky dependence on foreign oil imports. Those will rise to about 5 million barrels a day this year, and drastically increase until, in the 1980s, the dollar outflow may strike a severe blow at the American economy.

So the Alaskan oil is absolutely essential. Right now the $3 billion pipeline project is stalled, however, by a Supreme Court ruling on a question of corridor width across federal lands. Congress could, and should, remove this obstacle in short order by amending an old right-of-way law. But as that attempt gets underway, some lawmakers—in both the House and Senate—have launched a counter effort. They argue that the trans-Alaska line should be scrapped in favor of a route across Canada. That way, the oil would enter the petroleum-hungry Midwest which, they contend, will pay a cost penalty if shipment is down the West Coast in accordance with present plans.

There are some good points in this argument, but they have been raised much too late to justify any interference with the trans-Alaska plans. Shifting to a Canadian route could mean a five-year postponement in gaining access to North Slope oil, according to Interior Secretary Morton. If Congress forces such a delay, either by action or inaction, it will face a furious populace in the Midwest and everywhere else in the event of a crippling oil emergency. It should, as President Nixon recommends, get the Alaskan project unjammed, while the government begins negotiations for another pipeline across Canada. For this country will need every drop of oil it can get from both lines, and then some.

## THE MILITARY AND THE DRAFT

Mr. THURMOND. Mr. President, a recent broadcast on WSOC television in Charlotte, N.C., dealt with the subject of the military and the draft.

Now that the draft has ended, it might be well for my colleagues to peruse this sound editorial. Mr. President, I ask unanimous consent that the editorial which was broadcast on WSOC television May 23, 1973, be printed in the RECORD at the end of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

### THE MILITARY AND THE DRAFT

We don't see any great rush to the recruiting office to join an army that has no strong national calling. With the draft in limbo, the military has gone on a bidding kick for new recruits, waving high pay and big bonuses in front of eligible young men. But, perhaps somewhere along the way we have lost sight of what an army really is. An army, as most people see it, is a force of men gathered into a disciplined organization whose primary purpose is to defend its country. Yet, there's still something missing. Let's call it "desire." When this country was winning wars it was doing so with an army that would have fought for nothing, and practically did. But they had a cause, a purpose. When the war was over they returned to civilian life. They weren't soldiers, they were patriots. A loyal army comes to arms for a cause. Mercenaries come to arms for money.

## SUPPORT FOR INTERSTATE RECYCLING EXPANSION ACT OF 1973

Mr. GURNEY. Mr. President, I have cosponsored legislation, S. 1122, the "Interstate Recycling Expansion Act of 1973," introduced by my distinguished colleague Senator COOK this past March. today I would like to take the opportunity to discuss my reasons for supporting this legislation and why I feel the bill will do much to alleviate the solid waste problem our country now faces.

We are faced with a solid waste problem of immense proportions. Our "throw-away" culture accumulates waste at a rate of 4.45 billion tons per year—a rate which has increased by 1 billion tons a year since 1967. The United States spends $4.5 billion yearly on disposal of this waste. If we could salvage it through recycling it could be worth over $5 billion in renewed resources. As the situation now stands this mounting pile of garbage represents only a complete and total waste of many reuseable materials. To cope with this situation we need a strong Federal commitment to a coordinated recycling program. Therefore, I have cosponsored Senator COOK's bill, S. 1122.

Only by understanding the incredible demand we place upon our resources can one understand the importance of this legislation. In 1971, the United States economy used 5.8 billion tons of materials—an average of 28 tons per person. Of this amount, 10 percent came from food and forest products, 34 percent from fuel, and 55 percent from the mineral industries. But that is not all. Our material usage rate grows 4–5 percent a year and current estimates show an expected doubling of U.S. production by 1985. In the face of these statistics we must consider the ability of our natural resources to meet such a demand.

No one doubts that it is possible to ease the demand on our natural resources by recycling more of those resources than we do today. That fact makes it even more appalling that we currently recycle only 1 percent of the total material requirements of the Nation. Of the total 191.22 million tons of paper, metal, glass textile, and rubber consumed annually, only 48.108 million tons are recycled. Only 25.2 percent of the total consumption of these materials is recycled.

The dumps of our cities contain an enormous recyclable potential. The typical percentage content of an open dump by weight consists of 50 percent paper waste, 10 percent metal, 20 percent food waste, 10 percent glass, 3 percent yard waste, 2 percent plastics, 1 percent cloth and rubber and 3 percent ash. Through efficient recycling, much of this waste could be turned into valuable new raw materials.

There is one statistic which is a vivid demonstration to me of the wisdom of using recycling in our production methods. The present rate of recycling paper is approximately 17.89 percent—12 million tons a year. This represents a preservation of some 200 million trees a year.

We face a pollution crisis in this country. On this point, it is interesting to note that the Environmental Protection Agency has conducted a study which indicates that the amount of air and water pollution effluents and other wastes which are a direct result of production systems is considerably less for systems which utilize recyclable materials than for those which employ virgin materials.

In sum, successful, increased recycling would conserve our rapidly diminishing supply of natural resources, and eliminate disposal of much solid waste. It might also help us to decrease our energy requirements.

For instance, a recent Environmental Protection Agency study compared two industrial systems, each of which produced 1,000 tons of steel products—one which utilized 100 percent waste steel input and the other which used exclusively virgin metal. They found that the system utilizing 100 percent steel waste used 90 percent less nonsteel virgin materials and 40 percent less water in production. Furthermore, they found that in the system using 100 percent waste steel there was a 74 percent decrease in energy consumption, 80 percent less air pollution effluents, 76 percent less water pollution effluents, and 97 percent less mining wastes.

Unfortunately, there remain many impediments to successfully increasing recycling, including discriminatory ocean and freight rates, increased production costs when industries utilized recyclables in lieu of virgin materials, lack of markets for recycled materials, and federally erected economic barriers such as inequitable taxes.

For example, another EPA study demonstrates the increased operating cost for systems utilizing waste materials. It compares the economics of paper manufacturing for companies which utilized paper waste in production to those which used virgin pulpwood. They found that the companies which used the paper waste as an input showed an increased operating cost for the recyclable fiber of $3.75 per ton for linerboard, $2.50 per ton for corrugating medium, and $20 to $30 per ton for writing paper.

In the steel industry, the cost of scrap metal ready for charging a basic oxygen furnace is $6.5 per ton greater than using the hot metal derived directly from the virgin one.

Discriminatory transportation and ocean freight rates are a significant cost factor in the distribution of recycled materials to prospective markets. These rates are sometimes as much as 50 percent greater for recycled commodities than for their virgin counterparts—they place recycled materials in an unfavorable competitive position to primary materials. These discriminating rates are basically a carryover of Government policies designed to encourage the development of our natural resources at a time when our Nation was just developing. In many instances, recycled materials cannot now be shipped economically to compete with virgin materials.

On this point, S. 1122 would direct the ICC and the FMC to investigate, identify, and eliminate any ocean or freight rates which are found to be discriminating against recycled materials. This would be a major step toward eliminating the present economic discrimination between recyclables and virgin materials.

Another factor frustrating the acceptance of recycled materials is a lack of markets. Successful recycling is dependent on demand for the recycled products. One way to increase the demand for these products is through Federal purchasing power. Efforts in the direction of Federal procurement of recycled materials and products have already been made, yet they have been ineffective or have tended to discriminate against recycled materials, in favor of virgin materials.

Congress has tried to widen the market for recycled materials by the passage of at least 10 bills which established recycled material content regulation standards for products procured by executive agencies and other departments of the Federal Government. We have also passed at least three bills directing GSA and other environmental agencies to conduct studies of the uses of recycled materials in the manufacture of such bills. Yet, increased recycling is still frustrated by lack of markets; demand for secondary materials is still limited. The Federal Government must take the lead in the utilization of recycled materials, S. 1122 calls for more aggressive Federal procurement in the use of recycled materials and products.

Mr. President, in view of the rapidly mounting solid waste problem, I feel the Congress must act immediately to remove economic barriers and other impediments to increased recycling. Obviously, there still remain other obstacles to the increased use of recycling as a means of alleviating our solid waste problem, but S. 1122 is a positive, needed step toward that goal.

## REMARKS BY ARTHUR J. GOLDBERG BEFORE THE AMERICAN ISRAEL PUBLIC AFFAIRS COMMITTEE

Mr. MONDALE. Mr. President, former United Nations Ambassador and U.S. Supreme Court Justice Arthur J. Goldberg recently reviewed United Nation action in the Middle East before the 14th Annual Policy Conference of the American Israel Public Affairs Committee which was held in Washington on May 7–8.

I believe that Justice Goldberg's remarks will be of interest to my colleagues. Focusing upon the language and legislative history of UN Security Council Resolution 242 of November 22, 1967, which represented the UN's blueprint for a settlement following the 6-day war, Justice Goldberg pointed out that Resolution 242 simply "endorses the principle" of Israel withdrawal "from territories occupied in the recent conflict" without "defining the extent of withdrawal." He also said:

> The notable presence of the words 'secure and recognized boundaries,' by implication, contemplates that parties could make territorial adjustments in their peace settlement.

We can all agree with Justice Goldberg that the concept of a just and lasting peace accepted and agreed upon by both parties is the essence of Resolution 242.

Mr. President, I ask unanimous consent that Justice Goldberg's speech be included in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

### REMARKS RY THE HONORABLE ARTHUR J. GOLDBERG

Eight years ago, on May 3, 1965, during my tenure on the Supreme Court, I addressed the American Israel Public Affairs Committee at a dinner celebrating Israel's 17th anniversary. In this address I said:

"The leaders of Israel on every occasion have proclaimed their earnest desire to negotiate a just and lasting peace with their Arab neighbors and a willingness to cooperate with them in the development of the resources of the area for the benefit of all its inhabitants. The direct negotiation of an Arab-Israel permanent peace treaty to replace the present unsatisfactory armistice is a goal of American foreign policy just as it is the Israeli goal . . .

"Neither America nor Israel welcomes an arms race in the Middle East. Both seek peace, but the cause of peace . . . will not be served . . . by permitting those whose security is imperiled to be the victims of an imbalance of arms . . . Israel deplores, as we do, the wastefulness of armaments . . . in an area which loudly calls for social and economic development."

As the French say, the more things change, the more they are the same.

The record shows that even before the Six Day War the Arab States were opposed, as they are now, to direct negotiations with Israel to settle their differences and to conclude a peace agreement.

Today, this unwillingness to engage in direct negotiations is explained on the ground that Israel is in occupation of Arab territories. A commitment by Israel for total withdrawal is insisted upon by Egypt, in particular, as a pre-condition to any form of negotiation—direct or indirect.

It is a simple fact of international life, however, that a refusal to negotiate on this ground is unprecedented and contrary to international custom and usage. But Egypt thus far has been adamant on this critical point.

In light of this unswerving position by Egypt and of recent events which have tended to add tension to the area, it may seem academic to discuss the prospects of peace in the Middle East. Present circumstances are hardly propitious for negotiations and settlement.

Yet, the goal of peace must never be forsaken and must be constantly pursued.

It is a natural temptation for one who, as United States Ambassador to the United Nations, for three years played a key role in the debates and negotiations involving conflict and peace in the Middle East to offer his personal blueprint of how peace can best be achieved.

I do not propose to yield to this temptation. If anything, Israel and the Arab States have had too much advice as to how to settle the dispute between them.

It is one thing to express concern about the situation in the Middle East and to voice the fervent hope that a peace treaty between Israel and the Arab states will be achieved—better sooner than later. It is quite another thing to profess a monopoly on the prescription which thus far has eluded Israel, the Arab states, the United Nations and governments, including our own, for attaining a peace agreement.

But, in lieu of a blueprint, I wish to offer some general observations about the road to peace in the Middle East.

Perhaps the best way to start is to recall the principle that guided the United States and many other governments at the U.N. during the long period of debate and negotiations following the Six Day War and culminating in the unanimous adoption of the critically important Resolution 242 by the Security Council on 22 November 1967. This principle was often stated by me, for our government, in these words: "To return to the situation as it was on June 4, 1967 is not a prescription for peace, but for renewed hostilities."

This principle was based on the realistic recognition that that situation had been tried twice—in 1948, after the War of Independence, and in 1957, after the Siani War. In both these instances, the prescription was: Let's have an armistice and the armistice, as its terms indicated, would inevitably lead to peace. This did not turn out to be the case. The armistice, which was intended to be temporary, solidified into a situation where it neither kept the peace nor led to it.

I believe that this principle was accurate then. I believe it is accurate now. And, I express the fervent hope and expectation that our government will remain faithful to this principle.

I think it is appropriate to recall also what our governemnt, immediately after the June war, said about the nature of a peace settlement in the Middle East:

"But who will make this peace where all others have failed for 20 years or more? Clearly the parties to the conflict must be the parties to the peace. Sooner or later, it is they who must make a settlement in the area. . . . The main responsibility for the peace of the region depends upon its own peoples and its own leaders. What will be truly decisive in the Middle East will be what is said and what is done by those who live in the Middle East. . . . The nations of the region have had only fragile and violated truce lines for 20 years. What they now need are recognized boundaries and other arrangements that will give them security against terror, destruction and war."

Again, I believe that this insight was true then. I believe it is right now. I again express the fervent hope and expectation that our government will be faithful to this insight.

We might also recall another principle insisted upon by our government in 1967, namely, that others can and should help, but their contribution should be "to promote agreement and assist efforts to achieve a peaceful and accepted settlement." In other words, an agreement is not to be imposed. That is the exact language of Resolution 242 of 22 November 1967.

I have discovered that people have forgotten what transpired in 1967, and I have also discovered a rather widespread attempt to forget the circumstances which led to the Six Day War. Sometimes this forgetfulness extends to people in very high places indeed.

Resolution 242 was not adopted in a vacuum. It was the product of months of debate and negotiation at the United Nations extending from May 1967, before the war actually broke out, until November 22 of the same year, the date of its adoption.

Let us together recall the incontrovertible facts of what occurred.

In May of 1967, the late President Nasser moved substantial Egyptian forces into the Sinai, ejected the U.N. peacekeeping forces, reoccupied the strategic and previously demilitarized Sharm-el Sheik, and proclaimed a blockade of the Straits of Tiran. In so doing, President Nasser disrupted the status quo in the area which had prevailed since the war of 1956–57. He also violated an understanding with the United States. President Eisenhower had negotiated with Dag

Hammarskjold and President Nasser terms which were very simple—and which are in the files of the State Department. President Nasser agreed not to remove the UN forces until their mission of achieving permanent peace in the area was accomplished.

These were ominous measures. Israel, which under American pressure had withdrawn its forces from Saini and Sharm-el-Sheik in 1957, had consistently affirmed that a blockade of its ships and cargoes seeking to pass through the Straits of Tiran would be a causus bellum. Moreover, faced with divisional forces of well-armed Egyptian troops on its borders and increasingly provocative statements by Nasser and other Arab leaders, Israel had little choice but to order mobilization of its largely civilian army. Tension in the area became increasingly acute.

It was justified concern which, therefore, prompted the Western powers, including the United States, to take the initiative in convoking the United Nations Security Council in an attempt to settle the conflict by diplomatic means.

It is interesting to recall the Soviet and Arab response. They answered that we were over-dramatizing the situation. If we were over-dramatizing the situation, then no drama, including Shakespeare, was ever a true drama.

When the war did break out on June 5, 1967, the United States took the initiative in attempting to arrange for an immediate cease-fire—before Israeli troops took Sharm-el-Sheik, before the fight in Jerusalem, before King Hussein got very much involved. Whether because of faulty intelligence or prideful unwillingness to face the facts, the Arab states supported by the Soviet Union refused to permit a cease-fire resolution to be voted on the first day of the war, even though this was obviously to their advantage. It will be recalled that in the first few hours of the fighting, the Egyptian air force was effectively destroyed and the fate of the war thereby determined.

It was only on the second day of the war, after it became publicly apparent to all that Israel for all practical purposes had already won the war, that agreement was reached in the Security Council on a simple resolution calling for a cease-fire. And even then, it took several days to get acceptance from Jordan, and even more time to obtain Syrian acquiescence to a cease-fire although Israeli forces were advancing on their fronts.

The cease-fire resolutions which were ultimately adopted during and following the Six Day War differed dramatically, however, from previous resolutions of the Council in the Israeli-Arab wars of the preceding nineteen years. In the earlier resolutions, the call for a cease-fire was usually accompanied by a demand for a withdrawal of troops to the positions held before the conflicts erupted. In June of 1967, however, no withdrawal provisions were incorporated as part of the cease-fire resolutions. This was not by accident but rather as a result of the reaction by a majority of the Security Council to what had occurred.

As the debates revealed, the Council was unwilling to vote forthwith withdrawal of Israeli forces because of the conviction of a substantial number of the members of the Council that to return to the prior armistice regime would not serve the goal of a just and lasting peace between the parties. Proof that this was so is provided by the action of the Security Council with respect to a resolution pressed at the time by the Soviet Union. The Soviet delegate offered a specific resolution not only reaffirming the Councils' call for a cease-fire, but, additionally, condemning Israel as the aggressor and demanding a withdrawal of its forces to the positions held on June 5, 1967, before the conflict erupted. But this resolution of the Soviet Union, although put to a vote, did not command the support of the requisite nine members of the Security Council.

Israel was not condemned as an aggressor because of the conviction of a majority of the Security Council, shared by world opinion, that President Nasser's actions had brought about the war, regardless of who fired the first shot.

The Soviet Union did not allow the matter to rest with its defeat in the Security Council. It called for a special session of the General Assembly which convened on June 17, 1967. It is important to recall that the General Assembly also refused to adopt by the requisite ⅔ majority a resolution and several other members and supported by the Soviet Union and the Arab states, differing somewhat in tone but not in substance from the prior Soviet resolution.

With the adjournment of the Special Session of the General Assembly in September 1967, the matter once again reverted to the Security Council and again became the subject of further public debate as well as intensive private negotiations. These finally culminated in the November 22 Resolution 242.

The Resolution offered by the British Representative, Lord Caradon, stemmed in substantial degree from a General Assembly resolution of the Latin Americans and a United States resolution offered to the resumed Security Council meeting. The unanimous support for Resolution 242 was the product in considerable measure of intensive diplomatic activity by the United States both at the United Nations and in foreign capitals throughout the world. This is not to say that Great Britain, the various Latin American countries, India and others were not actively engaged in the negotiations and diplomatic activity, but it cannot be gainsaid that the United States took the primary role in the adoption of the November 22 Resolution.

The United States went all out diplomatically because we still hoped, first, to get a resolution and second, to have all parties pursuant to the resolution negotiate an agreed and accepted settlement before positions congealed.

I always read with great interest what appears as the description of Resolution 242. I constantly read that the Arab states have accepted the resolution but that Israel has not, thus proving that Israel is inflexible, warlike, hawkish, etc. This simply is not true. The Arab states have accepted the resolution, and Israel has accepted the resolution. It is true that their interpretations differ. It is only natural that the parties should place their own interpretations on the resolution. But the fact of the matter is that both parties have accepted it.

I also see in comment even by very eminent political scientists that Egypt has said that all Israel has to do is accept and implement the resolution, and then there can be peace in the Middle East. But the resolution was designed so that it cannot be self-implementing. The goal of the resolution is an accepted and agreed settlement. There must be two parties to an agreement, and thus far the Arab states have not been willing to make an "accepted and agreed-upon settlement."

The third thing I constantly see in the press is that the resolution calls for complete Israeli withdrawal. It does not. Resolution 242, in dealing with the withdrawal of Israel's forces, does not explicitly require that Israel withdraw to the lines occupied by it on June 5, 1967, before the outbreak of the war. The Arab states urged such language; the Soviet Union, as I have already mentioned, proposed this at the Security Council, and Yugoslavia and some other nations at the Special Session of the General Assembly. But such withdrawal language did not receive the requisite support either in the Security Council or in the Assembly. Indeed, Resolution 242 simply endorses the principle of "withdrawal of Israel's armed forces from territories occupied in the recent conflict," and interrelates this with the principle that every state in the area is entitled to live in peace within "secure and recognized boundaries."

The notable omissions—which were not accidental—in regard to withdrawal are the words *the* or *all* and the *June 5, 1967 lines*. In other words, there is lacking a declaration requiring Israel to withdraw from *the* or *all* the territories occupied by it on and after *June 5, 1967*. Rather, the Resolution speaks of withdrawal from occupied territories without defining the extent of withdrawal. And the notable presence of the words "secure and recognized boundaries," by implication, contemplates that the parties could make territorial adjustments in their peace settlement encompassing less than a complete withdrawal of Israeli forces from occupied territories, inasmuch as Israel's prior frontiers had proved to be notably insecure.

The Resolution, however, does not reiterate the language of prior U.N. resolutions calling for total repatriation or optional compensation for refugees, a concept long resisted by Israel. Rather it implicitly recognizes that all must participate in solving this problem—Israel by a more generous policy of repatriation and compensation, the Arab states by ceasing to utilize refugees as political pawns and their camps as breeding grounds for hate and despair, and the world community both by more generous financial assistance and liberal immigration policies. The debates at the U.N. on this point support this interpretation of the Resolution.

Jerusalem is a very emotional issue, but here, too, the resolution offers some guidance. There was no reference in the resolution reaffirming prior UN resolutions calling for the internationalization of Jerusalem. It was recognized at the UN that these resolutions were a dead letter and that the question of Jerusalem had to be part of the overall settlement in a peace agreement.

Unless recent occurrences have changed his position, President Sadat has declared that Egypt is willing to sign a peace agreement with Israel, although this offer is conditioned with reservations not embodied in Resolution 242, principally an Israeli prior commitment to complete withdrawal. King Hussein of Jordan has long been anxious to make peace if freed from the restraints of his Arab partners. And Prime Minister Meir has frequently expressed Israel's willingness to negotiate without prior conditions to the end of a just and lasting treaty of peace.

But, notwithstanding, an impasse exists and may continue for some period to come. Indeed, a further military confrontation cannot be excluded. The time seems hardly propitious for a settlement. I would like, however, to emphasize, at this point, the value of patience and restraint in the resolution of grave diplomatic dilemmas such as this. Patience and restraint can bring their own rewards. For example, who, just a few years ago, could have predicted the recent agreements relating to Berlin and Germany, so long the most acute cause of international tension?

Our government must exercise patience, too, although it should always stand ready to use its good offices for peace. In this connection, I welcome the ongoing assurance of the Administration that Israel will not be pressured in the search for a just, lasting and agreed-upon peace which will serve the interests of Israel and its Arab neighbors alike. The role of the United States has been defined to be an "honest broker" seeking to bring the parties to negotiations. This is the appropriate role for the United States rather than what was attempted in the ill-fated Rogers Plan.

I know there are still some who dream of an international utopia in which a few "civilized" states would use their power to settle the affairs of the world, much as the major powers of Europe did in the century after the Congress of Vienna. But we should remember that when the rule of the Concert of Europe finally fell apart world war ensued.

The time has long passed when great powers can or should impose their views on small states. Greatness alone does not assure a monopoly on wisdom. Rather, all powers and people genuinely interested in a settlement in the Middle East should lend their influence in support of a negotiated peace treaty between the parties to the 1967 conflict. In this uncertain world, no one can guarantee that anything done today will endure forever. But I am strongly of the conviction that there is no other way to lasting peace in the Middle East than the way in which nations throughout history made peace which lasts—through negotiated agreements between the affected parties reflecting both magnaminity and a true and realistic recognition of the needs and interests of those directly concerned.

It seems scarcely necessary to emphasize how profoundly all the parties would benefit by a peaceful and accepted settlement.

The cost on both sides of the continuing conflict has been far greater than the world generally realizes. From the 1948 war to the present, Israel has suffered more than 8,500 persons killed, both military and civilian, and a much larger number wounded. In proportion to population, this toll is greater than that suffered by the United States in World War II. In the Six Day War in 1967 alone, Israel's casualties in relative terms were more than twice as high as all the casualties the United States has suffered in the years of fighting in Vietnam. On the Arab side, it is evident from published estimates that losses in this prolonged conflict have likewise been numbered in the many thousands, and relatively and absolutely have been most grave and tragic.

In addition, there is the economic burden. Israel's defense-related expenditures constitute a staggering weight on an economy striving to expand. Israel is the most highly taxed country in the world. The dead weight of the arms burden on the Arab side is equally to be deplored.

Thus, both the responsibility and the overwhelming interest of the parties is for peace.

Israel cannot make peace alone, just as it cannot disarm alone. It is necessary that a corresponding will and commitment to peace and disarmament should exist also on the Arab side. And it is necessary that both parties be willing to make sacrifices and compromises in the interest of peace.

The making of peace requires no less courage—sometimes greater courage—than the making of war.

That a shared desire for peace and a realistic approach to negotiations and a peace treaty may emerge is my profoundest hope, for common interest dictates its necessity. But peace will not come into existence of its own accord. For, although we all acknowledge peace as the will of God, yet, it remains true, as President Kennedy said, "that here on earth God's will must truly be our own."

## U.S. POLICY TOWARD GREECE

Mr. PELL. Mr. President, the shortsightedness and failure of U.S. policy toward the Greek junta have never been more apparent than they are today. In the aftermath of the junta's abolition of the monarchy and its proclamation of a pseudo republic, it is clear that the time has come for the administration—or the Congress if the administration is unwilling—to undertake a thorough review of U.S. policy toward Greece.

By the extra-legal actions in abolishing the monarchy and proclaiming into existence a "presidential parliamentary republic" the Greek colonels, who have never been noted for respecting the law, demonstrated their unwillingness to be bound even by the provisions of a constitution which they themselves wrote. Indeed it appears that the junta's members will stop at nothing in their effort to eliminate any and all possible avenues of return to a free political system.

Because of the prominent expressions of approval which high U.S. officials have repeatedly bestowed upon Colonel Papadopoulos the administration must accept a large measure of responsibility for his arrogant behavior. It is clearly evident that the policy of "quiet persuasion" which the administration has claimed to have pursued in Athens has been a total failure. Thus far it has failed to produce even the slightest prospect that the Greek people will ever have an opportunity to freely determine their political future. Indeed it may well be that the administration's acceptance of the junta's brutal repression of unrest in Greek universities and its failure to react to the most recent wave of political arrests led the colonels to believe that the administration would condone any steps which the junta might take to maintain itself in power so long as such actions do not directly jeopardize the ostensible benefits to the United States of United States-Greek military cooperation. We must now ask ourselves, however, whether this extremely narrow military justification of the administration's support for the junta is not open to serious question.

The repressive behavior of the Athens regime, which long ago made it a political outcast in the European community seems now to have affected the Greek Armed Forces in a manner which gives rise to serious concern over whether they are capable of fulfilling their responsibility to the Atlantic Alliance. It is evident that the junta does not consider its own naval forces politically reliable and there are reports that the air force is not fully trusted. According to news reports, important segments of the commandos and the marine corps are engaged in guarding navy and air force installations with the main units of the navy locked in Salamis Bay and those of the air force grounded in central Greece. And for the last 6 years much of the army has been employed in enforcing the junta's control over the civilian populace. These circumstances make a farce of the ability of Greece to make an effective contribution to the defense of NATO's southern flank. Moreover, the long-term viability of Greece as a suitable homeport for the 6th Fleet is a matter which should be closely examined. In fact, the detachment of destroyers from my home city of Newport to Athens seems more reprehensible than ever in the light of last week's events.

It is a bitter irony that the junta's first public commitment to hold parliamentary elections by a fixed date should have come as part of an announcement which eliminated the last impediment, symbolic though it may have been to perpetual totalitarian rule by the junta. Unfortunately, there is no reason to expect that even this promise will be honored any more than were the junta's earlier promises to implement those articles of their own constitution which theoretically guarantee individual liberties.

It is indeed unfortunate that we have yet to hear any expression of concern from the administration over these recent actions of the junta. It is for this reason that I have today written to the Secretary of State to urge that the administration review its existing policy toward Greece—a policy which was once described in a report to the Committee on Foreign Relations as one which "has strengthened the position of the regime in Greece and at the same time has reduced the incentives for a return to democratic order." That description of the administration's policy unfortunately appears as valid today as it was when it was written over 2 years ago.

## PRESERVATION OF ESSENTIAL MUNICIPAL SERVICES

Mr. RIBICOFF. Mr. President, following passage last Friday of my amendment to S. 1570, The Emergency Petroleum Allocation Act of 1973, I received a letter from the National League of Cities and the U.S. Conference of Mayors.

This letter from Mr. Allen E. Pritchard, Jr., executive vice president, National League of Cities and Mr. John J Gunther, executive director, U.S. Conference of Mayors, on behalf of 15,000 municipalities throughout the Nation, expressed support for my amendment. They set out the grave dangers posed to our Nation's cities by the growing fuel shortages and included a number of specific instances of municipal fuel crises.

In my remarks on the floor prior to passage of my amendment, I had cited the situations in Plainville and Norwich, Conn. My amendment is intended to deal exactly with these shortages and those facing municipalities everywhere. I am hopeful that in its consideration of this legislation by the other body, the same or a similar provision will be included.

I ask unanimous consent that the text of the letter and the memorandum on a number of municipal fuel crises be printed in the RECORD.

There being no objection, the letter and memorandum were ordered to be printed in the RECORD, as follows:

NATIONAL LEAGUE OF CITIES,
U.S. CONFERENCE OF MAYORS,
*June 4, 1973.*

Hon. ABRAHAM RIBICOFF,
*U.S. Senate,*
*Senate Office Building,*
*Washington, D.C.*

DEAR SENATOR RIBICOFF: The National League of Cities and the U.S. Conference of Mayors, on behalf of over 15,000 municipalities throughout the nation, wish to express support for your amendment to S. 1570, the Emergency Petroleum Allocation Act of 1973. This amendment, adopted by the Senate on June 1, would create an Office of Emergency Fuel Allocation to assure State and local governments will have adequate supplies of fuel.

Unless the urgent fuel needs of the nation's cities are immediately met, cities will be unable to perform their essential governmental functions and services. The fuel shortage has forced cities to curtail or eliminate such vital city services as police and fire protection, ambulance and other emergency services, and public mass transportation. This is an intolerable situation for public officials charged with protecting the public's health, safety, and welfare.

Moreover, the uncertainty cities face over availability and price of fuel disrupts a city's budgetary process, increasing overall costs and lowering governmental efficiency. Escalating prices in this sellers' market is also highly inflationary, and substantially increases the cost which must be borne by the local taxpayer, either in higher taxes or reduced services, or both.

This crisis is not just a situation of isolated shortages. Attached is a brief summary of the difficulties cities throughout the nation are experiencing now.

We emphasize that any scheme to "share the shortage," particularly through a voluntary allocation mechanism, ignores the basic fact that city governmental functions and services must be continued and must be given the highest priority in the allocation of energy supplies. The amendment that you introduced and which was adopted by the Senate on June 1 would establish a more satisfactory means whereby cities would be assured of their needed fuel supplies under a mandatory national fuel allocation program.

We would caution, however, that cities face problems because of the uncertainty of supply and price over time, as well as the absolutes of no petroleum supplies or excessive price increases. The Office of Emergency Fuel Allocation should also take into consideration the duration for which petroleum is supplied, so that cities may count on a known supply of fuel at a known price. In addition, States and local governments must be fully consulted and involved in the operations and policy decisions of the Office, and also in the general application of the Act to the present fuel shortage.

We are also enclosing copies of the relevant energy policy positions of the National League of Cities and the U.S. Conference of Mayors. We feel that will be useful to you and your colleagues as you continue action toward resolving the energy crisis.

Sincerely,

ALLEN E. PRITCHARD, Jr.,
*Executive Vice President,*
*National League of Cities.*
JOHN J. GUNTHER,
*Executive Director,*
*U.S. Conference of Mayors.*

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### SUMMARY OF MUNICIPAL FUEL CRISIS

Based on checks conducted by NLC/USCM, newspaper stories, and other sources, the following are specific instances of cities adversely affected by the nationwide fuel shortage:

#### CLEVELAND, OHIO

Officials were able to acquire bids for only 28 percent of the city's fuel oil needs. They have been operating on an interim short-term contract which expired in May. A second round of bidding began on May 31.

#### CHICAGO, ILL.

The city has an annual need of 13 million gallons of gasoline. During the first round of bidding earlier this year, 10 million gallons were committed. During the second bidding, no bids were required. The problem was temporarily resolved as the original supplier agreed to furnish an additional 3 million gallons, but only at an increased cost of 6 cents per gallon. Recently the city opened bidding for fuel heating oil and received no bids.

#### LAKEWOOD, COLO.

This community of 93,000 thought its fuel needs were accounted for as a one-year gasoline contract was signed with Gulf Oil Company in June of 1972. In November, Gulf informed the city that it was pulling out of its contract and that "if you don't like it you can sue us." Repeated attempts to acquire bids have proved unsuccessful and the city's police cruisers must go to area filling stations for gasoline, at an increased cost per gallon of over 100 percent.

#### DULUTH, MINN.

The Duluth, Minnesota, City Purchasing Agent has said that "things will be tough" when the current gasoline contract expires at the end of July. It is anticipated that any new contract will be based on last year's deliveries or less. The Duluth Transit Authority has not received bids on the contract that expires June 30.

#### LOS ANGELES, CALIF.

The City of Los Angeles reports that their annual requirements contract expires June 30, 1973, and that the current contractor has declined to bid on future needs of the City. The City said that the reason no firm offers of petroleum supplies have not been received, even under the scheme of voluntary allocations promulgated by the Oil Policy Committee, is that the City's present supplier was not among those companies which furnished the City's fuel requirements during the base period.

#### DETROIT, MICH.

The City of Detroit spent $74,615.07 for gasoline purchased during May 1972. The cost for May 1973, will be $109,638.52. This represents a cost increase of 47 percent. In March, 1973, the City of Detroit advertised bids for gasoline at which time the City failed to receive any offers from any gasoline supplier. In April, a request for bids was advertised a second time and the City received an offer from Amoco to supply 25 percent of the city's requirements. Through negotiation, the City was able to cover the balance of their needs for May. As of the end of May, only 75 percent of the June requirements were covered, and the City has developed an emergency plan to divert city vehicles to retail stations.

#### INDIANAPOLIS, IND.

The City's contract for gasoline expired March 30, 1973. Nine suppliers were asked to bid on a new, one-year contract to supply 4 million gallons of petroleum. Only one contractor submitted a bid, which was rejected because it contained a price escalator clause, prohibited by State law. An agreement was subsequently negotiated for a base price at a four cent increase over the 1972–3 contract price. In addition, the actual cost of petroleum delivered at any given time will be subject to change upward from the base price in relation to current Chicago wholesale prices. Orders are issued monthly, with the delivery price already one cent over the base price. The Company has guaranteed its intention to supply all gasoline requirements for one year by delivery of a performance bond to the City. But the supplier has agreed to operate only on the basis of a price floor with no ceiling and no supplier is willing to submit a flat price bid. The effect will be to increase the cost of gasoline to the City by at least $200,000. This represents a significant, unanticipated budgetary impact at the time when other operating costs also are increasing.

#### MARSHFIELD, WIS.

Marshfield, Wisconsin, is a city of over 15,000 population. For the first half of the year, the city received only one bid; in the last half of 1972 they had five. The city received no bids at all on diesel fuel. If the City receives bids for the second half of the year, it is expected that the price will go higher than current levels, which are the highest since 1959.

#### OKLAHOMA CITY, OKLA.

The City will pay 27 cents a gallon for gasoline, an increase from the present 17 cents a gallon when their contract expires.

#### CINCINNATI, OHIO

Cincinnati has received only one bid to supply gasoline, at a 40% price increase. Diesel fuel price will be based on an escalator clause at the time of delivery.

#### LYNCHBURG, VA.

The City has been unsuccessful in soliciting any bids for No. 2 diesel fuel. Also, dwindling gasoline supplies and the inability to obtain a long-term cost-specific contract is forcing the City to pay as much as 20 cents per gallon of gasoline, up from 12 cents per gallon.

#### DENVER, COLO.

Bids were sent out in February, 1973, for No. 2 fuel heating oil contracts. The existing contract expired March 31, 1973. No bids were received and the City is forced to meet its needs on monthly allotments made available to them by their original supplier. However, the cost of this additional allotment has now increased by over 2 cents a gallon.

#### SEATTLE, WASH.

The Municipality of Metropolitan Seattle (METRO), which has responsibility for metropolitan transportation, put our requests in February for bids for diesel fuel for their bus fleets. With the assistance of the Office of Emergency Preparedness, METRO was able to get one bid. METRO contracted for a year's supply of diesel fuel at a price increase from 11 cents a gallon for No. 2 grade to 16 cents a gallon, without any guarantees that it be No. 2 grade.

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## NIXON ECONOMIC POLICIES COULD LEAD TO A RECESSION

Mr. HUMPHREY. Mr. President, it is a matter of deep concern that the Nixon administration does not move immediately to reverse the skyrocketing inflation so obviously damaging the economic health of this country.

But the real problem is not just action—but the right kind of action.

The Nixon administration's action is generally kind to big business and hard on the average working family. And, if the past is any predicator of the future, the next phase of the Nixon policy will be to cause such a slowdown in the economy that a recession develops and millions more Americans are thrown out of work.

In fact, millions of Americans are still paying with their jobs for the Nixon administration's disastrous economic policies.

Geoffrey H. Moore, former head of the Bureau of Labor Statistics, for example, says that there is clear evidence that a mild recession may lie ahead.

The plain fact is, Mr. President, there is no confidence in the Nixon administration's economic policies. From the large corporate suites to the bank economists on Wall Street, to the average man in the street—there is no confidence that the Nixon administration will demonstrate the kind of thinking and leadership so necessary to stop the rising inflation without increasing unemployment.

Mr. President, I ask unanimous consent that Hobart Rowen's recent column, "Is Mr. Nixon Programing another Recession?" the Wall Street Journal article, "Signs of Future Slump Show Up in Indicators, Some Analysts Warn," and Thomas Mullaney's "Will There Be a Recession?" be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

### IS MR. NIXON PROGRAMING ANOTHER RECESSION?

(By Hobart Rowen)

It is rather ironic that as the United States is at the very peak of an unparalleled economic boom, talk grows apace about the prospect of a recession within the next year.

To some, this is an unhealthy—even an unpatriotic—topic of discussion. Those who worry about their investments in Wall Street would often rather not know the truth (or at least, would like to have the truth concealed from the general public).

This, of course, betrays a lack of sophistication about Wall Street. As New York analyst and Nixon administration adviser Alan Greenspan points out, "stock prices behave best when the economy is sluggish, when change is slow, and the longer-term is more credibly viewed as an extension of the recent past."

Thus, the weakness in stock prices since the Nixon re-election is not a forecast of a recession (although Greenspan happens to believe one is likely in 1974) but reflects uncertainty arising from a spectacular inflation in prices, in the gold market—and the trauma connected with the Watergate scandal.

If those underlying forces creating uncertainty should stabilize, therefore, it is possible to visualize a stronger stock market in 1974, even if the economy should be receding, or actually in recession.

What are the actual prospects for a recession in 1974? And first of all, what is the definition of a recession?

The accepted rule of thumb, first popularized by economist Arthur M. Okun, is that we enter a recession when the *real* growth of the economy (as distinguished from the *dollar* growth) shows an actual decline for a period of six months.

Geoffrey H. Moore, the distinguished economist who heads the business-cycle staff at the National Bureau of Economic Research (and who was unceremoniously canned by Nixon after 4 years as head of the Bureau of Labor Statistics) says there is "clear evidence" that a mild recession may lie ahead.

That would mean that the economy, which showed a *real* growth rate of better than 8 per cent in the first quarter of 1973 would gradually slow down, and finally show a minus number for two consecutive quarters.

Lots of respectable economists disagree. Almost to a man, economists expect to see that 8 per cent growth rate come down.

But an impressive number argue, instead, that an apparent decision by the Federal Research Board to pursue a monetary growth goal of at least 6 per cent will produce a real growth rate next year of about 4 per cent. (A few call that pattern a "growth recession").

Economist Don R. Conlan, associated with one major New York brokerage house, has a more precise scenario: by the end of the year, real growth will have dropped from the spectacular first quarter rate of 8 per cent to 2 per cent.

Then, during the first half of 1974, the growth rate slips further, to a range of something like plus-2 per cent to minus-2 per cent. This is followed by a rapid expansion, say by 5 to 6 per cent, for a full year gain of 1.5 to 3 per cent. Description of the Conlan scenario: "mini-recession."

But why, one asks, must there be a declining cycle, whether it is a slowdown, "growth recession," mini-recession, or full-fledged recession?

The argument is that one way or another, the current boom is so out-size, that it will collapse of internal pressures. The slowdown, moreover, will be enhanced by governmental restraining policies on the fiscal, and monetary side, aided by price controls that will begin to bite as companies run into profit margin limitations.

But beyond that, many feel that the boom would never have gotten so unmanageable if Mr. Nixon hadn't pulled the plug on Phase II last Jan. 11. "The shift from Phase II to Phase III was timed about as badly as a wild inflationist would seek," says economist Robert R. Nathan.

"The administration economists are on the brink of programming another recession which will also prove to be a failure in achieving relative price stability."

The skyrocketing of prices has stimulated a wave of consumer buying unparalleled in history. The binge has been heavily financed by excessive consumer credit, which the Federal Reserve should attempt to reduce.

Economists debating the prospects, while generally agreed on the potential for a boom-bust cycle, are far apart on what might be done now to soften the blow. Some Democrats, like Okun, would try not only tougher wage-price controls, but risk a tightening of the money screws. In a sense he's saying that if we prevent the economy from climbing too high, any fall from the top will be less precipitate.

Treasury Secretary George Shultz, at the moment, calling the shots, says no, obviously convinced that inflation is at or approaching its peak.

Only time will tell who's right. But if there *is* a recession in 1974, with an inevitable further increase in the unemployment rate, the voters in the congressional elections will no doubt register their unhappiness with the "in party," whether or not Wall Street shows a perverse kind of strength.

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### DANGER AHEAD?—SIGNS OF FUTURE SLUMP SHOW UP IN INDICATORS, SOME ANALYSTS WARN

(By Alfred L. Malabre Jr.)

For months business forecasters have been worrying about a recession down the road.

And for months so-called leading indicators that economists peruse for an early warning of trouble have been signaling only expansion and more expansion.

So where's that recession?

It's just beginning to come into view.

At least that's the cautious report of some analysts who specialize in deciphering economic statistics that normally foreshadow business slumps. The report that red lights will soon be flashing emanates especially from analysts at the National Bureau of Economic Research, the nonprofit organization that keeps official track of recession and expansion periods in the U.S. And evidence of a recession ahead also is being reported by an increasing number of independent forecasters who keep a close tab on early-warning statistics.

#### NO SIGN YET FROM THE "LEADERS"

The recession that economists at the National Bureau and elsewhere see on the horizon doesn't register yet in the widely followed index of 12 key leading indicators that the Commerce Department issues monthly. In March, the latest month for which figures are available, this composite yardstick stood at a record 161.1% of the 1967 base of 100. The March gain over the February level, the previous record, was a healthy 1.4%. In the first quarter as a whole, the index spurted 4.6%, one of the sharpest three-month jumps in post-World War II history.

But recession signs do already show up in some other unpublished data that, in the view of National Bureau analysts, "lead" the leading indicators.

Geoffrey H. Moore, former U.S. commissioner of labor statistics who heads business-cycle research at the National Bureau, summarizes his group's view. "We now see clear evidence that a slowdown, and very possibly a full-fledged recession, lies ahead," the economist says. "It should begin to show up in the index of leading indicators before many more months."

The indicator that Mr. Moore and his colleagues at the National Bureau are paying particular attention to right now is an obscure index that is, in fact, a ratio of two other economic indexes—one measuring the movement of so-called coincident indicators, which tend to move concurrently with general business, and another measuring so-called lagging indicators, which, as the name implies, tend to lag behind the general business trend.

This ratio of coincident to lagging indicators, Mr. Moore says, has recently been dropping quite sharply. Indeed, he reports, in the years since World War II the ratio hasn't ever dropped so sharply for so long—seven months now—without the economy subsequently entering either a pronounced slowdown or an all-out recession.

When, by this yardstick, might a recession hit?

On average, the ratio begins to drop about 13 months before a recession sets in, National Bureau calculations show. Thus, if past patterns prevail, a slump could occur within six months.

This lead time is close to three months longer than the average warning given by the much-publicized index of 12 leading indicators during the postwar era. Occasionally, and some analysts say this may be such a moment, the ratio signals trouble six months or more before warnings are seen in the index of the 12 indicators.

#### WATCHING THE "LAGGARDS"

National Bureau economists aren't at all surprised that the coincident-lagging ratio has so consistently presaged the movement of the leading indicators and the general business trend. Essentially, they explain, the ratio provides forecasters a measure of how rapidly, in relation to general economic activity, lagging indicators of business activity are rising. Since these laggards generally represent facets of economic activity that tend to inhibit further growth—such as labor costs and interest rates—their rapid rise would signal business difficulties, analysts explain.

Still another unpublicized "leading" leading indicator of business trends has recently begun flashing red, according to National Bureau economists. This is an index that measures the ratio of changes in business sales to changes in business inventories with certain adjustments made in the inventory figures to take into account the fact that, in Mr. Moore's words, "inventory changes tend to occur more sluggishly than changes in sales."

This obscure, rather complicated yardstick, which is followed closely at the National Bureau, has been falling since January. The record book shows that it, too, has tended to turn down several months before the index of key leading indicators points to trouble.

While it continues to set records each month, the behavior of the leading-indicator index itself is beginning to disturb some economists.

### EXPECTING A DECLINE

Leonard H. Lempert, a private economist based in North Egremont, Mass., has long specialized in interpreting the behavior of the leading indicators. At present, he detects "what may be the first signs of weaknesses" in their performance. Although the composite index has continued to climb briskly, he says, several "particularly important" indicators among the dozen followed are beginning to point down. These include the stock market, new home starts and an "inverted" index showing initial claims for unemployment insurance. The economist guesses that when the composite index for April is published, around the end of this month, it well may show a drop.

A similar forecast comes from A. Gary Shilling, chief economist of White Weld & Co., the large New York-based securities concern. Mr. Shilling believes a full-fledged recession will be under way by early next year.

Analysts note that some of the key leading indicators still on the rise are inflation-related. At a time when inflation is causing so much concern, it's claimed, strength among such yardsticks is hardly reason for economic optimism.

One such inflation-related index is a statistical series that records price changes of various industrial raw materials found to be especially sensitive to price pressures. Another is a ratio of prices to unit labor costs. The latter is among leading indicators that analysts say could rapidly change direction if labor costs, a lagging indicator, should begin to rise more sharply in coming months.

In an effort to improve the forecasting accuracy of the key leading indicators, and to try to make them warn sooner about coming recessions, the Commerce Department recently signed a contract with the National Bureau to have the research group revamp the list. Mr. Moore, in charge of the work, reports that "no decisions have been made yet." But he adds that some familiar indicators will probably be eliminated and some others, such as the coincident-lagging ratio, will probably be added.

Whatever the makeup of the new official list, Mr. Moore cautions that "judgment will still have to be used in assessing the behavior of the indicators." For example, he says, the devalution of the dollar has tended to push up the raw-materials index at a rate that reflects more than simply U.S. economic expansion.

The economist also doubts that a revamping of the composite list of leading indicators can bring much improvement in forecasting how severe a coming slump might be. "There's just no sure way of telling how bad a recession is going to be until you're into it," Mr. Moore asserts.

Accordingly, he will venture no guess as to how sharp a slowdown may lie ahead now. It could be merely a "growth recession," he says, in which the rate of business expansion—after eliminating "growth" reflecting merely price increases—slows sharply. Or it could be a bona fide recession, such as the 1969–70 slump, in which general economic activity, measured in terms of "real" gross national product, actually does contract.

Either development, of course, would represent a dramatic change from recent months. In the first quarter of this year, "real" GNP rose at an annual rate of about 8%, the sharpest climb in 18 years.

Mr. Lempert of North Egremont agrees that the indcators can't foretell the severity of a recession. In the present situation, nonetheless, the economist feels that "any recession could become severe." He bases this opinion in large part on what he terms "frightening" rates of increase in recent months in various forms of credit. He notes, for instance, that in March, the latest month for which figures are available, consumer credit expanded at a near-record pace and the rise in installment debt set a record for the third month in a row.

"There's no question about the very large quantity of credit outstanding in the economy," he remarks. "But it's hard to tell much about the quality of the loans that have been made." He adds: "What may seem a perfectly sound loan during a period of business expansion, such as now, could quickly turn out to be not so sound when economic growth slows down."

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### WILL THERE BE A RECESSION?

(By Thomas E. Mullaney)

In meetings of leading private economists these days, the most absorbing topic of conversation continues to be the question of whether or not the American economy is careening along a course leading to another recession.

Somewhat surprisingly, the private world of forecasters is fairly evenly divided, it seems, on the answer—with only the slightest margin on the optimistic side, that is, that there will not be an outright decline in total business activity for at least two consecutive quarters next year, even though there may well be a significant slowdown in the rate of expansion.

Two months ago, a top level group of economists from the banking and business world in New York expressed views on the recession question, and the result was an 8-to-7 vote that there would not be a recession in 1974. Last week, with a few more in attendance at the group's bimonthly meeting, the vote was 10 to 8 that a recession was not coming, but the minority was much more vociferous in defending its position.

In this corner, there is a strong inclination—at the moment—to side with the majority. The case for the no-recession view seems much more compelling, though it does appear rather certain that an economic slowdown in the offing for the second half of this year lasting through the first six months of 1974. There better be.

To avert a boom-and-bust cycle, however, the time has arrived for the Nixon Administration to distract itself from its political problems and unveil a new game plan in the effort to stabilize the soaring economy—or at least to modify the design drafted last January when Phase 3 was introduced with precipitate haste.

It is true, of course, that there have been some encouraging signs in recent weeks that the superboom of the first quarter is abating, but there are legitimate doubts whether enough cooling is under way and whether it will be effective soon enough to escape the dire consequences of an unchecked economic surge.

In any event, it appears that some additional interim fiscal and wage-price control measures may be needed to bridge the gap between the excessive expansion of the first three months this year, when the economy grew at a roaring 15.2 per cent pace, and the slower growth that clearly seems in prospect for the latter part of the year.

So far the most significant indication that the boom may be starting to taper off is shown by the performance of the housing industry. In April, housing starts were down for the third consecutive month (6.4 per cent), as were the permits issued for future building. This carries with it the likelihood of lower consumer spending, since so much of the appliance and furnishings boom is related to the surge in new-housing activity.

The prolonged and unprecedented auto boom has not receded yet, as evidenced by the big 11.8 per cent sales gain in the first 10 days of May. Neither has the course of the nation's industrial production, which showed another big 1 per cent rise in April. But both auto volume and industrial output may be at, or close to, their peaks. One straw in the wind may be the recent consumer surveys, which have detected a notable deterioration of public spending intentions for autos, new homes and durable goods.

While these developments seem to signal a slower general business trend ahead, they do not spell recession. They will be offset by the continued strength of capital spending, inventory buying and the nation's growing balance in its net export trade.

Recent actions on the monetary front also augur a reduced pace for business. The Federal Reserve has clamped a taut rein on monetary expansion this year and the central bank last week took a significant step to restrict bank lending activity by requiring greater reserves for the issuance of large certificates of deposit and suspending interest-rate ceilings on such deposits.

The need to curb the nation's roaring business expansion may be great, as it surely is, but a more insistent problem is the necessity of reducing the untenable rate of inflation.

In the Government's upward revision of the gross national product figures for the first quarter, issued last week, the most startling change was the adjustment of the price component, which now shows a 6.6 per cent inflation rate, instead of the 6 per cent figure previously reported.

The startling inflation figure has been responsible for much of the malaise prevailing in the financial markets and among the public this year. And, if not checked and reduced soon, it may well make labor less restrained than it has been so far in settling new wage contracts in the key negotiations still ahead.

Without doubt, too, the inflation problem was a major factor in the latest turmoil in the international gold and currency markets, when the price of the precious metal bolted well above the $100-an-ounce level for the first time as the dollar showed weakness for the first time since last February's 10 per cent devaluation.

Inflation has also been a major factor in the stock market's continued—and puzzling—decline in the face of so much favorable economic and business news. Last week, the Dow-Jones industrial average dropped below the 900 level for the first time in more than 15 months in its steady erosion from the historic high of 1,051 only last January.

Neither the gold flurry nor the stock market's decline were justified by economic realities in the American economy, but they happened and they may recur because of the lack of confidence in United States economic policies—and because many observers continued to look backward to past statistics on the state of the economy, inflation and the nation's international payments position.

A prominent top-level New York banker, who returned last week from a series of meetings with key bankers and industrialists in London, Amsterdam, Zurich and Stockholm, said he was not surprised—nor greatly concerned—with the recent flare-up in the gold and international currency markets.

"It reflected the numerous concerns they have on the Continent these days over their own problems as well as ours," he said.

"Foreign investors," the banker added, "are bothered by the high level of inflation throughout Europe, the trend toward leftist Governments, the future of the profits system and the uncertainty of the stock market in this country.

"As a result, they are sitting with a lot of cash but unwilling to put it into the stock market anywhere. Instead, they are rushing into gold, farm lands or other real estate ventures, while waiting for the stock market atmosphere to clear, particularly in this country."

The Watergate disclosures, he indicated, were at the root of the foreign nervousness and the Continent's reluctance to invest here—not on moral grounds but because it was feared that the United States Government would be afflicted with a paralysis seriously affecting its ability to deal forcefully with inflationary problems and to bargain effectively with the rest of the world, particularly the Soviet Union, on trade and other matters.

Another respected international economic authority, Robert V. Roosa of Brown Brothers Harriman, who is a former Under Secretary of the Treasury, attributed a large part of the recent unrest in the gold and currency markets to a misunderstanding abroad about the implications of the Watergate disclosures for the United States Government.

"As a result of Watergate," he said, "many people abroad thought our Government must fall, causing a weakness in our currency, not realizing that we do not have a parliamentary system like theirs. But now they realize that impeachment of a President would be a horrendous and difficult task and that there may be weakness in our Government but no likelihood of a fall.

"Thus, there was an initial bout of speculation in the gold market, but the foreign-exchange markets behaved very well and the central banks have kept things cool. The foreigners began to look through all of this to the continued strength of the United States economy, and the speculation died down. But we may have to go through a tougher test than this."

In every assessment of the gold fever, the currency turmoil and the status of the American economy, analysts are unanimous in stressing the urgent need for controlling inflation in this country. There must be emphatic actions to convince foreigners that the United States is serious about putting a lid on inflationary pressures if it hopes to avoid future upheavals in the gold and currency markets of the world.

Evidence that a handle is being obtained on the inflation problem would also be a great tonic for the depressed stock market and the hordes of disillusioned small investors.

## ON NOMINATION OF ROBERT MORRIS

**Mr. STEVENSON.** Mr. President, on May 21 I reluctantly voted against the confirmation of William Springer of Illinois to the Federal Power Commission. The issue was not William Springer, but the philosophy of appointees to the regulatory agencies. I voted against a nominee whose record gave every indication of upholding industry's interests over the consumer's interest in matters before the FPC. I will continue to do so.

I intend to vote to confirm the nomination of Robert Morris to the FPC. As with Mr. Springer, the issue is not the character or integrity of the nominee. They are both beyond reproach.

Like Mr. Springer, Mr. Morris has been characterized as proindustry—and therefore anticonsumer. Mr. Morris is characterized as such because of his work as an attorney in a large law firm which represented Standard Oil of California. That work included some work before the FPC. As a good lawyer, he put his client's best foot forward, and in some instances that meant opposing FPC policies and decisions. It cannot be inferred that because he represented Standard as a lawyer he was opposed to the consumer's interests. To draw that conclusion is to find him guilty by association and suggest that lawyers cannot represent industrial clients and later be expected to serve with impartiality. Congressman Springer's proindustry record was made, not as a lawyer, but as a public servant. It was clear from Mr. Springers' voting record that he consistently took industry's views for his own.

We ought not to look to the clients of Mr. Morris' large law firm, but to the testimony he gave before the Commerce Committee. From this testimony and conversations I have had with Mr. Morris, I conclude that Mr. Morris is not "proindustry" and "anticonsumer." The opposite is more likely. Mr. Morris intends to be his own man and vote in the public's interest as he sees it.

On the key issue of the deregulation of the wellhead price of natural gas, Mr. Morris clearly indicated that he was not an advocate of deregulation. He said that cost-based pricing of the interstate sale of natural gas had been a failure in the past. He also said that:

> If we are able to revise the pricing standard under the Natural Gas Act as it exists today so that we have got a more stable and farseeing pricing standard than we now have, then we could and should have effective regulation for both inter- and intrastate gas.

He opposed deregulation because there was no effective competition in the energy industry.

To quote Mr. Morris further on this issue, he stated:

> All I am trying to say is that I think five years ago we thought of price very myopically, and at that point in time a pro-industry or a pro-consumer label meant something, because the only job that regulation was attempting to do then was to save pennies per month or dollars per month or millions of dollars per year for consumers. Price was thought of only in terms of price savings.
>
> I think the lesson we are beginning to learn out of our shortage is that price has other facets to it.
>
> Promotion of energy efficiency, environmental protection, depression of demand. It is a resource-allocated matter. I think it is very difficult to say what a pro-industry or a pro-consumer view is any more, because the parties who were traditionally considered pro-consumer in the past are beginning to say that prices must go up.

Mr. Morris stated his belief that the standard as to price in the present law was "too vague," and that as long as no change is made in the statute "regulatory policies are going to change every time you get a change in the makeup of the Commission." He said it was up to Congress to make the change by substituting a "new set of words"—to choose a specific standard rather than relying on a vague term which may have worked for most utilities but not in gas production.

I do not believe this viewpoint is anticonsumer or proindustry. In fact, it seems to me a rather farsighted view that reconciles both the consumer's viewpoint and the need for an effective long-range energy policy.

Mr. Morris said he had no objection to the creation of a Consumer Protection Agency, that he favored legislation directing the FPC to make continuous independent studies of reserves and production of natural gas and that he favored experimenting with an inverted natural gas rate structure—one in which the larger natural gas consumers in industry paid more per unit of natural gas the more they used, rather than less. In addition to favoring an inverted rate structure, he favored other conservation-oriented measures. His nomination is supported by organizations unassociated with industry, such as the Sierra Club.

The record before the Commerce Committee indicates that Mr. Morris would be an able commissioner. It would be ironic if the Senate approved Mr. Springer, whose public record gives every indication of upholding industry over the consumer's interests, and then in the name of consumer welfare disapproved Mr. Morris whose views reflect a keen commitment to consumer welfare..

I urge the Senate to confirm the nomination of Robert Morris.

## POLITICAL FREEDOM IN SOUTH VIETNAM

**Mr. KENNEDY.** Mr. President, I reported at length yesterday the findings of a recent study mission sent to South Vietnam by the Judiciary Subcommittee on Refugees regarding the plight of civilians held as political prisoners by the government of President Thieu.

As I noted yesterday, the root cause of the problem are the repressive laws that the Thieu government has decreed. These so-called laws—really nothing more than the decrees of a dictatorship—have served to jail tens of thousands of civilians whose only crime has been to exercise free speech in the interest of reconciliation and peace—although not the reconciliation or the peace that Thieu seeks. Yesterday, a former Chief of State of South Vietnam, Gen. Duong Van Minh, urged that Thieu repeal these laws which have imprisoned so many innocent students and others, and to release political prisoners not explicitly covered by the cease-fire agreement.

I would hope, Mr. President, that our Embassy in Saigon would actively support the proposals offered by General Minh. I would hope that this will be the message our Ambassador carries to President Thieu, echoing the eloquent plea of Pope Paul IV when he appealed in April for President Thieu to treat humanely and to release civilian political prisoners.

I ask unanimous consent that two news dispatches relating to this issue be printed in the RECORD.

There being no objection, the news dispatches were ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 5, 1973]

### MINH CALLS FOR END TO RESTRAINTS

SAIGON, June 4.—Former chief of state Duong Van (Big) Minh urged the Thieu government today to repeal laws aimed at "intimidating and restraining" the non-Communist opposition. He also called for the immediate release by both Saigon and the Vietcong of all political prisoners.

Minh, one of the leaders of the junta that took power after the killing of President Ngo Dinh Diem in 1963, said that the people of South Vietnam are setting their hopes on secret talks between U.S. presidential adviser Henry A. Kissinger and Hanoi's Le Duc Tho which begin Wednesday in Paris.

But Minh said that even if these talks are successful "the correct implementation of the Paris agreement, in practice, depends nevertheless on the goodwill of the two opposing sides of South Vietnam."

Minh, who reportedly is hoping to make a political comeback, said: "If the two sides of South Vietnam wish to see the people begin to acknowledge their goodwill, they must take the following steps immediately.

"Abolish all laws and measures infringing the basic freedoms of man . . .

Set free immediately the political prisoners, especially university and high school students and those who have struggled for democracy, for peace, so that they may return early to their families without being forced to go where they do not wish to go."

Minh's statement on political prisoners drew a denial from a Saigon government official that there are any political prisoners, but at the same time the official acknowledged that individual liberties have been restricted.

In defending this, the Saigon official said that despite the four-month old cease-fire, "the country of Vietnam is now in a war status.

"Therefore, fundamental liberties must be limited. As soon as the Communists stop violating the agreement, as soon as there are no longer any threats to the nation resulting from the other side's violations, the government will immediately delete laws and regulations that are now limiting the people's fundamental liberties."

A government spokesman, meanwhile, said today that Columbia University should forward its offer of a faculty post for Mrs. Ngo Ba Thanh to either North Vietnam or the Vietcong because she will be released to the Communists "in the near future."

Mrs. Thanh was arrested while demonstrating against the one-man election of President Thieu in October 1971. A government spokesman last month said evidence had been found that she had "close liaison with the Communists."

Columbia University last week offered Mrs. Thanh an appointment to teach international law.

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[From the New York Times, Apr. 10, 1973]

### THIEU VISITS POPE, WHO BIDS HIM FREE POLITICAL PRISONERS

ROME, April 9.—While policemen and leftist demonstrators battled near St. Peter's Square, Pope Paul VI met President Nguyen Van Thieu of South Vietnam here today and urged him to release political prisoners.

The audience lasted an hour, and a Vatican communique issued later said that the Pope "wanted to call to the special attention of the guest the human problem of political prisoners of both sides in Vietnam" and that "the President gave detailed information and explanations on this subject."

What he told the Pope, Mr. Thieu said at a news conference later, was that there were no political prisoners in South Vietnam and that such reports were "only gross Communist propaganda."

"There are no political prisoners in South Vietnam," said Mr. Thieu, a Roman Catholic, in response to a question. "There are only two kinds of prisoners: 21,007 of common law and 5,081 Communist criminals."

The Communist prisoners, he said, are civilian terrorists.

Several hours before the papal audience leftist youths who have been demonstrating against Mr. Thieu since he arrived in Rome yesterday began assembling for another protest. They carried posters reading "Down with Thieu" and "Thieu Assassin."

Dozens fought to break through hundreds of policemen who cordoned off all entrances to the Vatican. Brief clashes erupted and four youths were arrested.

Mr. Thieu has avoided appearing in public here. He rode by helicopter between the Vatican and the villa where he is staying as a guest of the Italian Government. He also went by helicopter to meet President Giovanni Leone of Italy at Mr. Leone's summer residence.

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## THE GOVERNOR OF FLORIDA SPEAKS ON WORLD TRADE

Mr. CHILES. Mr. President, the distinguished and outstanding Governor of my State, Reubin Askew, convened last month Florida's first Governors' Conference on World Trade. In these days of concern for our balance-of-trade and payments deficits, I take pride in pointing out that Florida is the only State in the Union with a balance-of-trade surplus for 1972.

The Nation as a whole is looking toward increasing possibilities for export. The Governor of Florida is making a commendable effort in leadership by State government to collaborate with businessmen in the State in promoting Florida's great trading and investment potential with the rest of the world. The Governor has recently formed a Council of International Development made up of distinguished citizens of Florida to advise him on State policy on international economic matters. The State Department of Commerce, under the leadership of Secretary Don Spicer, is becoming increasingly active in promoting the State's trade interests.

Florida is a natural gateway to the Americas and the world. I am happy to see the State government and business community taking on together an active, collaborative effort to realize the great trade potential of the State. For the RECORD, I would like to call attention to this effort by asking unanimous consent to insert the speech by Governor Askew which opened Florida's first Governors' Conference on World Trade.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

### REMARKS OF REUBIN O'D. ASKEW, GOVERNOR OF FLORIDA

It is indeed a pleasure to extend this welcome to our panel of distinguished speakers, to the members of the Florida Council of International Development/Coordinating this conference, and to the leaders of Florida's international business community assembled here this evening.

This conference is symbolic of a growing awareness in Florida of the importance of world trade to our continued economic prosperity.

When I speak of world trade, I speak of a diversity of opportunities—including international commerce, international tourism, international investment and international education, all of which are represented at this conference.

I include all four of these enterprises under the broad category of world trade because they represent the commodities most in demand in the world today. Each represents an opportunity for international exchange.

International tourism offers an exchange of cultures between America and its visitors from abroad.

International commerce offers the exchange of goods and services between nations and is a measure of world economic strength. It also offers the rewards of business and finance on the greatest possible scale, as well as open competition among nations in world markets.

International investment offers an exchange of economic opportunities for the mutual benefit of two or more nations. It provides a vehicle for international economic cooperation among developed and developing nations.

And, finally, international education offers the exchange of mankind's most precious resource . . . knowledge. It is a tool of economic progress and an investment in the future of the world.

The United States today finds itself in an unfamiliar and uncomfortable situation. It has failed to concentrate as it should on developing these cooperative exchanges with the world and its stature as a world economic leader has slipped as a result.

So perhaps we should begin this conference by considering the benefits of world trade, its advantages in Florida, and the prerequisites for renewed economic strength for our nation abroad.

Since the Florida economy is dominated by the tourist industry, let us first consider international tourism. Our state is keenly aware of the economic value of international tourism. Its well-developed tourist attractions and climate and natural resources are as valuable to the national economy as any export commodity.

They attract foreign money for domestic goods and services. They add to our tax base.

And they expand existing services, which serves commerce as well as tourism.

Yet even in Florida we are not geared to the needs of the international tourist. Our most valuable visitor is not catered to in the same manner as the domestic tourist, and we lose for this oversight.

As tourism in the United States becomes more economically practical for foreign vacationers, we must prepare for them, and market our attractions accordingly. A dollar spent by a international visitor is like a dollar generated by export.

No conference on world trade would be complete, therefore, without a thorough examination of the part that tourism can and does play in that trade.

The benefits of international commerce, meanwhile, are more familiar to the American public and to American businessmen.

It is estimated that each billion dollars in exports supports 110,000 workers in the United States. The U.S. Bureau of Labor statistics estimates that export industries pay wages approximately 9 to 10 per cent higher than non-export industries.

The lure of more jobs and higher wages has prompted major efforts by State and Federal agencies to encourage export expansion in our Nation.

Yet we must also consider the advantages of imports in any serious discussion of world trade. With the debate over protectionism sounding once again in the halls of Congress, it's imperative that we not allow the benefits of importing to be overlooked.

Like exporting, it produces jobs. Jobs in shipping, handling, marketing, processing and sales that play a valuable role in our Nation's employment picture, and must be considered a significant contribution to our economy.

Of equal consequence is the effect of imports on domestic prices, particularly in the food and fuel industries. Competitive foreign products, while often decreasing the demand for domestic goods, provide savings for the American consumer and increase his or her overall buying power.

In a period of concern over mounting inflation, we are all witnesses to the benefits of imported commodities in our national economy.

In another area, we stand to benefit from recent monetary realignments which have made foreign investment into the United States more practical.

Florida is actively soliciting this reverse investment by foreign firms in our State, because of the solid economic contributions to be derived.

Besides creating new jobs for Americans, reverse investment contributes to the local tax base, and to economic diversification.

Interrelated to the other three aspects of world trade is the field of international education. Each of the other three ventures relies on skilled and educated leadership, the product of years of expert preparation. This aspect of world trade represents a hope for our future, new jobs for our young people, and the prospect of progress and understanding throughout the world.

All segments of our State economy stand to benefit from Florida's growing role in world trade, and all are committed to a cooperative effort to foster this growth.

The benefits of increased world trade to Florida are varied and diverse. Increases in tourism, exports, imports, foreign investment and cultural contact mean many things in a State facing the challenges of rapid growth and economic expansion.

The mean *economic* growth without significant *population* growth. They mean new, non-polluting industry and better job opportunities for Floridians.

They mean diversification of our tourist-oriented economy, expansion of our financial community, and better use of our natural resources, our ports and our schools.

A key to renewed United States competition abroad is an educated and dynamic domestic business community, trained to engage foreign competition and attract sales and business for our Nation in the international marketplace.

We in Florida are in the position to train the skilled men and women needed by American industry to meet this challenge. Our excellent universities are gearing programs to the sophisticated needs of the multinational corporation, the international bank and the export-import industry.

As more Florida firms accept the challenge of world trade, as more multinational corporations move hemispheric headquarters to Florida, and as our financial community finance, the job opportunities and the educational system will grow together.

Florida's Latin community has given our State an international flavor, and we've become a center for cultural contact and technical interchange with our southern neighbors. Many of our workers are bilingual and capable of handling transactions with Latin customers.

Our task now is to draw together our people, give them the skills required to support world trade, and encourage our business community to take advantage of the opportunities available.

The key to Florida's future in world trade is cooperation:

Cooperation with our economic allies to serve the needs of our people in the best possible manner.

Cooperation between business, labor and government to create a strong national economy.

Cooperation between business and education to prepare our young people for the challenges of international commerce.

Cooperation between State and Federal agencies dealing with world trade to avoid duplication of efforts and ensure a wide range of services to domestic firms entering the competitive marketplace.

Cooperation between our Nation and the rest of the world to ensure free trade, equal opportunity and economic progress for all.

We must reassess and reorder our national priorities to strengthen our economy and forge a new, strong and dynamic approach to foreign trade.

Florida has been at the forefront of man's greatest adventure, the exploration of space. We have been leaders in the world entertainment industry, serving more than 25 million tourists annually.

Now is the time for Florida to look ahead to its own destiny, to attempt to foresee its problems and its potentials, to solve its problems and take advantage of new opportunities.

For if present trends are indicative of the future, Florida will truly become a gateway to the Americans and the world.

We must be prepared to work together if we are to realize the economic potential we face today, if we are to help our state and our nation once more play a vital leadership role in the world economy.

I can see the airlines and ships of the world plying the paths of commerce and channeling their commodities and services through Florida. I can see the bankers of our state underwriting the costs and sharing in the gains of world commerce.

And I can see the people of our state reaping the benefits of a strong, vital economy, and playing an active role in the progress of the world.

The future is in our hands. Let us build it together with a common commitment to the progress and betterment of mankind.

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## NEEDS OF VIETNAMESE ORPHANS AND CHILDREN

Mr. KENNEDY. Mr. President, the Judiciary Subcommittee on Refugees, which I serve as chairman, has received recent testimony and reports that raise troubling questions as to our Government's policy and sense of priority toward meeting the urgent needs of orphans and children in Vietnam.

On May 22, I addressed a letter to Secretary of State William P. Rogers requesting the Department to review the status of American aid programs for children in Vietnam and to respond to a series of important recommendations made by the subcommittee's recent study mission to Vietnam. In light of the continuing congressional and public concern over this issue, I ask unanimous consent to have printed in the RECORD a recent statement reflecting the subcommittee's concern, as well as the text of the letter to Secretary Rogers.

There being no objection, the statement and letter were ordered to be printed in the RECORD, as follows:

### SENATOR KENNEDY APPEALS TO ADMINISTRATION ON VIETNAMESE ORPHANS AND CHILDREN

Senator Edward M. Kennedy, Chairman of the Judiciary Subcommittee on Refugees, said today that "the Nixon Administration is pursuing a policy of tokenism and lip-service towards helping the children of Vietnam", and charged that high officials in the U.S. Embassy in Saigon and the Department of State "with undermining the legitimate efforts of other American officials to upgrade our country's priorities in helping the youngest victims of the Indochina War. After many months—and even years—of promises and commitments by our government to move on helping the children of Vietnam, we find that precious little progress has really been made."

"High officials in our government put off decisions for helping these children. Humanitarian appeals for help by the Vietnamese Ministry of Social Welfare are referred for study. Token funds set aside for child welfare are not always used. Commitments to support voluntary agency programs in the field are bogged down in red-tape and not being fulfilled. Offers of international humanitarian assistance are all but ignored. And reasonable suggestions for action from Congressional committees and other go unanswered."

Senator Kennedy said that "our country's heavy backlog of responsibilities in helping the many thousands of Vietnamese children who are fathered by Americans—and the hundreds of thousands more who are maimed or orphaned or abandoned or simply disadvantaged from the war—grows and grows with each passing day.

"This appalling record of neglect—and the urgency of humanitarian needs among the children of Vietnam—demands the immediate concern and active intervention by the highest officials in our government. Congress and millions of Americans expect nothing less. And I urge the Administration to respond in helping to heal the wounds of conflict among the youngest victims of the war."

Senator Kennedy made his comments in releasing the text of a May 22 letter to Secretary of State William P. Rogers. The letter to Secretary Rogers followed the return of the Subcommittee's Study Mission to Indochina, and Subcommittee hearings early in May on the humanitarian needs of children in Vietnam. Several Study Mission recommendations to energize American policy on this issue are currently under review in AID and the Dept. of State.

In his letter to Secretary Rogers, Senator Kennedy said: "Study Mission findings, supported by internal memoranda of the U.S. Mission and conversations in the field, strongly suggest that legitimate efforts by some American officials to upgrade our country's long-term policy and program priorities, have been repeatedly undermined by higher officials in the U.S. Mission, especially those representing the Department of State. Such conditions are distressing to me, as I know they are to others in the Congress and to many Americans.

"As I recently wrote to the President, there are no easy solutions to the many people problems that beset South Vietnam and all of Indochina. But few of these problems evoke more public compassion, and concern, and have greater significance for the future, than the special problems and needs of children, who represent at least fifty percent of South Vietnam's population. I share the view of many Americans that our country should do a great deal more to help these young war victims. But unless some greater measure of priority is attached to this task by our Ambassador in Saigon and other officials within our government, and unless some impediments in our bureaucracy are removed, the crisis of children in South Vietnam and other war-affected areas of Indochina will continue.

There follows a summary of the internal memoranda mentioned above, the text of Senator Kennedy's letter to Secretary Rogers, and a summary of the Study Mission recommendations.

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### SUMMARY OF INTERNAL MEMORANDA OF U.S. MISSION/SAIGON TOWARD ADOPTIONS AND CHILD WELFARE PROGRAMS IN SOUTH VIETNAM

1. On March 8, 1973, an internal USAID/S memorandum was prepared by USAID officials responsible for adoption and child welfare programs in South Vietnam. The memorandum contained a number of recommendations, and was, in the main, urging that the GVN M/SW "be given the most vigorous support from the highest levels of the U.S. Mission". The memo was forwarded to the USAID director for transmittal to Deputy Ambassador Charles Whitehouse. The memo was never transmitted, but suppressed.

2. According to the memo, early in 1973 USAID officials responsible for adoption and child welfare programs, requested "an audience with the Deputy Ambassador to enlist his intercesssion with the [GVN] Prime Minister to urge action" on overseas adoptions and the strengthening of the GVN M/SW, in the context of meeting "the needs of all children disadvantaged by the war." The audience was denied by Deputy Ambassador Whitehouse.

3. According to the memo, on February 26, however, Whitehouse, "at the request of the Embassy Public Affairs Officer," called a meeting "to discuss Mission participation in an hour long documentary by NBC . . . on the 'plight of the GI-fathered child' left behind in Vietnam."

4. According to a March 4, Whitehouse memo on the Feb. 26 meeting, sudden urgency was put on the adoption and child welfare issue for a number of reasons, "including public and Congressional pressures from America".

5. Among other things the Whitehouse memo took note of the fact "that for years prior to last summer, for various reasons, mainly bureaucratic ineptitude and sluggishness, the number of Vietnamese orphans eligible for overseas adoption was very small." The memo clearly implied that an increase in the number of adoptions would meet "public and Congressional pressures", and no concern was expressed for the broader humanitarian issue of child welfare and the long term rehabilitation of all children disadvantaged by the war.

6. The suppressed March 8 USAID memo mentioned above was prepared in response to the Whitehouse memo of March 4. The USAID memo, in addition to urging "the most vigorous support from the highest levels of the U.S. Mission" for the GVN M/SW, also made these points:

(a) "USAID finds the statement of U.S. Mission policy pertaining to the adoption by American adoptive parents of orphans and mixed blood children in Vietnam to be completely unacceptable."

(b) "The U.S. Mission must not undermine the confidence and integrity of the Ministry of Social Welfare at this critical juncture where the Ministry is beginning to exercise leadership. . . ."

(c) "Increased funding by the Mission of Ministry of Social Welfare child welfare activities will provide only short-term benefits unless the Ministry is fully supported in its efforts to upgrade orphanages and day care services as well as monitor intercountry adoption."

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### TEXT OF LETTER TO SECRETARY OF STATE WILLIAM P. ROGERS BY SENATOR EDWARD M. KENNEDY, CHAIRMAN OF THE JUDICIARY SUBCOMMITTEE ON REFUGEES

MAY 22, 1973.

Hon. WILLIAM P. ROGERS,
*Secretary of State,*
*Department of State.*

DEAR MR. SECRETARY: As you may know, following the return of its Study Missions to Indochina, in mid-April the Judiciary Subcommittee on Refugees began a series of public hearings on humanitarian needs resulting from the war and the kinds of additional effort our country could make in helping to meet these needs. In light of the very high percentage of children in the population of the war-affected areas, and the special problems the conflict has brought to young people, on May 11 the Subcommittee held a hearing on the children of Indochina, especially those in South Vietnam. Witnesses before the Subcommittee included Mr. Robert Nooter, Assistant Administrator for Supporting Assistance in the Agency for International Development (AID), and two members of the Study Mission—Dr. James Dumpson, Dean, School of Social Service, Fordham University, and Mr. Wells Klein, Executive Director, American Council for Nationalities Services.

With regard to the situation in South Vietnam, the hearing record and Study Mission findings clearly establish that, until recent months, the special problems of children, including those fathered by Americans, received scant attention in official quarters; and, because of this, both our own government and the Government of South Vietnam have a backlog of responsibility in meeting child welfare needs. The hearing record and Study Mission findings also suggest that one of the continuing impediments to more meaningful progress in this area—especially as it concerns long-term rehabilitation goals—relates to conflicting assessments within the U.S. Mission in Saigon, over such matters as the urgency and scope of child welfare needs, the degree of priority our government should attach to these needs, and the kind of commitment our government should make to encourage and support the long-term efforts of the South Vietnamese Ministry of Social Welfare, the voluntary agencies and others, in restoring the lives and spirit of the youngster war victims.

Study Mission findings, supported by internal memoranda of the U.S. Mission and conversations in the field, strongly suggest that legitimate efforts by some American officials to upgrade our country's long-term policy and program priorities have been repeatedly undermined by higher officials in the U.S. Mission, especially those representing the Department of State. Such conditions are distressing to me, as I know they are to others in the Congress and to many Americans.

As I recently wrote to the President, there are no easy solutions to the many people problems that beset South Vietnam, and all of Indochina. But few of these problems evoke more public compassion and concern, and have greater significance for the future, than the special problems and needs of children, who represent at least fifty percent of South Vietnam's population. I share the view of many Americans that our country should do a great deal more to help these young war victims. But unless some greater measure of priority is attached to this task by our Ambassador in Saigon and other officials within our government, and unless some impediments in our bureaucracy are removed, the crisis of children in South Vietnam and other war-affected areas of Indochina will continue.

In the hearing on May 11, Dean Dumpson and Mr. Klein submitted a number of recommendations to energize American policy towards the special problems and needs of children in South Vietnam. Enclosed are excerpts from their testimony, which, in consultation with members of the Study Mission and representatives of interested voluntary agencies, are currently under review by officials in AID.

Hopefully, our government will take immediate steps along the lines recommended by the Study Mission, and I look forward to getting your comments on American policy toward helping the youngest war victims in South Vietnam and the other countries in the area. Many thanks for your consideration and best wishes.

Sincerely,

EDWARD M. KENNEDY.

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### SUMMARY OF STUDY MISSION RECOMMENDATIONS CURRENTLY UNDER REVIEW BY THE AGENCY FOR INTERNATIONAL DEVELOPMENT AND THE DEPARTMENT OF STATE

1. Invite the establishment of, and fund, a consortium of experienced and professional competent voluntary agencies to facilitate and expedite inter-country adoption of Vietnamese children for whom adoption is legally possible and clearly the best plan. Particular priority should be given to the racially mixed child. The primary bottleneck with regard to inter-country adoption at present is the lack of adequate services and staff in Vietnam. We view this recommendation as an urgent requirement, though we recognize that adoption must still be handled on a case by case basis to protect all parties concerned. The expensive services for the few at the expense of the many is unconscionable. Therefore, the consortium must equally concern itself with providing counselling services to mothers who may be considering abandoning their children, and with the immediate

up-grading and improvement of child care services and institutions in Vietnam.

2. Expedite the inter-country adoption process by assigning one additional officer to the INS regional office in Hong Kong so that U.S. government formalities will not represent a bottleneck as they have, on occasion, in the past. INS is planning to transfer 1,000 inspectors to the U.S. Customs Bureau in the near future. We ask that one of these be diverted to Hong Kong.

3. The U.S. Government, through its Embassy in Saigon, should urge the Government of Vietnam to expedite passage, or interim implementation by decree, of sound adoption legislation which, we understand, is presently in draft form,

4. The Government of the United States should formally transmit to the Government of Vietnam a clear statement of intent of support for programs designed to assure the welfare of children in Vietnam. This recommendation will have the duel effect of indicating American commitment particularly in terms of funds on a more than a year to year basis, and of stimulating the Government of Vietnam to give its own child welfare programs and Ministry of Social Welfare reasonable support and priority. One of the persistent problems is that U.S. funding is only available on a year to year basis. The Vietnamese, understandable, are reluctant to commit themselves to long range programs with only a few months of funding in sight.

5. The U.S. Government should strongly urge the Vietnamese Government to lift its present restriction on hiring new personnel within the Ministry of Social Welfare. At present, the Ministry does not have adequate personnel, in terms of numbers of professional competence, to supply many of the child welfare services needed.

6. AID should be authorized to proceed with direct hire from outside its own personnel resources in order to replace departing child welfare personnel in Vietnam and expand the AID child welfare advisory and support program by several additional positions.

7. The Subcommittee on Refugees should review the various pieces of legislation addressed to the needs of children of Vietnam which have been introduced over the past two years to determine whether modification of previously proposed legislation, or new legislation, is warranted to ensure that we can and will continue to exercise our responsibilities to the children of Vietnam.

8. The appropriate Subcommittee of the Judiciary Committee should be asked to explore some modification of our present Immigration and Nationality Act in order to enable American fathered children in Vietnam to obtain American citizenship, if they so wish, upon reaching their majority.

9. Until such time as multi-lateral mechanisms can be determined and utilized, the Agency for International Development should continue to work with the Government of Vietnam, particularly the Ministry of Social Welfare, in an advisory and supporting role, to assist that government in carrying out its responsibility to the children of Vietnam, responsibilities which we share. After many years of inaction, AID has initiated a well-thought out program of child welfare assistance in Vietnam. The AID continuing effort should be encouraged and supported by this Subcommittee and by the Administration.

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## EIGHTY-FIFTH BIRTHDAY OF JAMES A. FARLEY

Mr. NUNN. Mr. President, I ask unanimous consent to have printed in the Record two excellent editorials about one of America's finest citizens, Mr. James A. Farley.

Mr. Farley celebrated his 85th birthday on March 30, 1973, and these well written editorials by his friend of many years, Maynard R. Ashworth, are a fitting tribute to his lifetime of contributions to his State and Nation.

I am certain all of my colleagues in the Senate join me in wishing this distinguished American a very happy birthday.

There being no objection, the editorials were ordered to be printed in the Record, as follows:

[From the Columbus (Ga.) Enquirer, May 30, 1973]

### James A. Farley

Diogenes never met James Aloysius Farley.

But in all fairness to the ancient Greek philosopher, the grave cut short Diogenes' search for an honest man long before "Gentleman Jim" Farley burst onto the scene.

Farley, who more than any other single person spearheaded Franklin Delano Roosevelt's 1932 and 1936 presidential victories, is 85 years young today. Although slowed by a heart attack a little over a year ago, Farley is still going strong.

#### RECENTLY RETIRED

He recently retired as chairman of the Board of Coca-Cola Export Corp. becoming honorary chairman. In a personal note to Ledger-Enquirer Publisher Maynard Ashworth, Farley pooh-poohs the thought of his retiring:

"Many of the newspapers indicated that it meant my retirement, but as I am sure you know, it doesn't. I am going to continue to carry on as I have in the past 33 years that I have been with the company."

Although Farley's beacon shone brightest during the 1930s, as mastermind of FDR's first two campaigns and as his postmaster general from 1933 to 1940, his light has dimmed only slightly these past 33 years. He is still referred to as "Mr. Democrat," and his advice and counsel are sought by persons at all levels, including the presidency.

#### FATE AND FIR

Had fate and FDR not intervened, Farley might have succeeded Roosevelt as president in 1940. He expected FDR to support him for the presidency. Instead, FDR sought, and won, an unprecedented third term.

Upset with the President for going against tradition by seeking a third term, Farley resigned as postmaster general and launched his 33-year career with Coca-Cola. To this day Farley harbors no bitterness toward FDR. Quite the contrary. He considers FDR among our "great Presidents."

At home now in New York City, Farley came up during trying times at the turn of the century. Truly a self-made man, he went to work in 1906 after graduating from high school as a bookkeeper in a paper company in his native New York, making $8 a week.

He became a success in the building supply business, organizing his own company in 1926.

#### INTEREST IN POLITICS

From his earliest recollections "Gentleman Jim" was deeply interested in politics. He was elected town clerk at Stony Point, N.Y., in 1912, county supervisor in 1919 and New York state assemblyman in 1923.

He was elected secretary of the New York Democratic State Committee in 1928 and two years later began 14 years as chairman. He was elected Democratic National Committee chairman in 1932, resigning in 1940.

It would take a thick book to chronicle Jim Farley's accomplishments. He has been referred to frequently as a legend in his own time, and rightly so.

He has to be one of the most avid Democrats who ever lived, unwaveringly supporting every Democratic President from FDR on. But the label "Democrat" did not assure Farley's blessings. He was down on Adlai Stevenson, playing an instrumental role in squashing Stevenson's 1960 nomination hopes. Bobby Kennedy was not one of Farley's favorite people, at least partially because of Kennedy's dovish stand on Vietnam.

#### BACKED BY L. B. J.

A dove Farley is not. He has been a strong advocate of fighting to win. He stood behind President Lyndon Johnson's escalation of the Vietnam War and felt that with public support LBJ's war policy would have worked.

What kind of man is Jim Farley? A 100 per cent patriotic American with a zest for life and freedom. He told a great deal about himself in a speech he made at St. Mary's University (Texas) commencement in 1961:

"Let us stand by our principles though the heavens fall. No man and no nation ever compromises an eternal principle; it only succeeds in compromising itself . . . the path of duty is the path of hardship and sacrifice, but it is the only path to both safety and honor . . . those sacred bloody footprints in the snow of Valley Forge (cannot) be eradicated from the sands of time by an uncultivated, barefoot barbarian pounding his shoes on the table at the United Nations . . . if the crisis is great, the American tradition that the crisis will produce the man is true . . ."

#### FORMULA FOR LIFE

To what does Farley owe his long, illustrious life? In part, to staying busy. After a full day of work, he would "listen to the 11 p.m. news, say my prayers and go to bed," always awaking refreshed because, "I always tell the truth."

Jim Farley has been able to retain his remarkable enthusiasm for life because he likes what he's doing—dealing with people.

A man with a remarkable memory for names, Farley has multitudes of friends nationwide, including several here in Columbus. He was here in 1962 to address the Columbus Rotary Club.

#### NO DOUBLEDEALING

James A. Farley, as one writer noted some years ago, has never been charged with even one piece of doubledealing, of betrayal of a friend, or any of the other unsavory things politics breeds.

He has earned the respect and admiration of millions, a particularly noteworthy quality in this day of suspicion and distrust in our politicians and political structure.

We could stand a lot more Jim Farleys.

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### Jim Farley Steps Down

James A. Farley is a big, cheerful man with a grin in his voice. He is also the man whom it is said had more to do with making Franklin D. Roosevelt president than any other man, including Mr. Roosevelt himself.

We noticed the other day that Jim Farley, once a frequent visitor to Columbus, had retired as chairman of the Coca-Cola Export Corporation and became its honorary chairman.

Jim Farley is truly one of the great human beings of our times. He possesses a magnetic personality and a flair for personal contact which captivates those who come under its influence.

He is one of those rare souls who by their very presence in a room seem to fill it with optimism, pride of country and deep abiding conviction that Americanism is not only the best philosophy of government and society, but the strongest.

Jim Farley, who was Postmaster General in the Roosevelt cabinet, but broke with FDR over the third term issue, has come through many political ordeals with the reputation of being an unusual politician who is unable to compromise with his moral principles.

It was not too long ago that he expressed concern over the "word" of many people in politics in general. "The word of some of those in the party is not as good as in earlier years," he said. "If someone told you something back then you could go to bed and know that that word would still be the same the next morning."

But Jim Farley's word is still "good." He has strong and firm convictions and doesn't hesitate to express them. As we said, he has been a man both in politics and business who has been unable to compromise with his moral principles.

We wish him well in his years of retirement, with the hope he can visit Columbus again.

## FURTHER STUDY OF TRANS-CANADIAN PIPELINE IS VITAL TO OUR NATIONAL INTERESTS

Mr. PROXMIRE. Mr. President, at a hearing of the House Interior Committee on May 17 a statement was presented by Dr. Charles J. Cicchetti, former research associate for Resources for the Future, concerning the superiority of a trans-Canadian route for transporting Alaskan oil into the American market.

Dr. Cicchetti's remarks are based upon 2 years' research in which he studied the environmental and economic aspects of the proposed trans-Alaskan pipeline and several alternative overland routes across Canada. This research was published in 1972 under the title "Alaskan Oil: Alternative Routes and Markets." In his analysis Dr. Cicchetti concluded that the trans-Alaskan pipeline was environmentally and economically inferior to a trans-Canadian alternative.

His testimony before the House Interior Committee updates this earlier study in light of the President's Energy Proclamation of April 18, 1973. In response to critics who have charged that the elimination of the oil import quota program invalidates his conclusions, Dr. Cicchetti shows that, on the contrary, his earlier arguments against the trans-Alaskan pipeline are even more compelling. Other developments since the publishing of his book make an even stronger case for the trans-Canadian route.

Mr. President, I believe that my colleagues in the Senate will find Dr. Cicchetti's statement helpful in their deliberations on the present controversy surrounding this important issue. I therefore ask unanimous consent that the statement be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

### TESTIMONY OF DR. CHARLES J. CICCHETTI

My name is Dr. Charles J. Cicchetti, I reside at 1930 Regent Street, Madison, Wisconsin. I am a Visiting Associate Professor of Economics and Environmental Studies at the University of Wisconsin, Madison.

Prior to my present position I was a Research Associate at Resources for the Future in the Natural Environments Program. While in that program I spent nearly two years studying the economic and environmental aspects of the proposed Trans Alaska Pipeline and several alternative overland pipeline routes through Canada. I have written a book entitled: "Alaskan Oil: Alternative Routes and Markets" (Johns Hopkins Press for Resources for the Future, 1973), several articles on these issues and I co-authored public statements with Dr. John V. Krutilla on both the Draft and Final Environmental Impact Statements of the U.S. Department of Interior on the proposed Trans Alaska Pipeline.

In my analysis I concluded that the Trans Alaska Pipeline was environmentally and economically inferior to either a Mackenzie Valley Pipeline or an Alaskan Highway pipeline. Both routes would avoid the most serious seismic and avalanche areas of southern Alaska and the marine pollution associated with tanker traffic and terminal facilities. Both routes would deliver oil to the midwest and east coast rather than the west coast. These non oil producing states east of the Rockies are presently in greatest need of oil and the price of oil is higher there than any other place in the world. Additionally, most concede that a natural gas pipeline will be constructed in the future and that there are substantial economic and environmental savings, if both a crude oil pipeline and natural gas pipeline are built in the same corridor. Since natural gas is most needed in the mid-continent markets and an all land system is the only economically feasible alternative, these advantages only add to the desirability of an all land transportation system across Alaska and Canada. Canada has not only expressed a strong interest in such a joint oil and natural gas transportation system, the Honorable Donald MacDonald has even offered to supply the United States with oil during any planning and construction periods, thus greatly reducing the often stated early delivery advantage of TAPS.

While the midwest and east coast of the United States need the entire throughput of a Trans Alaska-Canada Pipeline now, the west coast of the United States would be oversupplied with oil for a considerable length of time. My analysis showed this excess supply would last between 5 and 15 years depending upon the oil import quota system used on the west coast, if TAPS is built. Excess supply during our present energy crisis is mind boggling. Several intricate plans to deal with this situation were uncovered during my research. These included: (1) selling the oil to Japan in exchange for additional imports on the east coast with the exporting company reaping super normal profits by avoiding the Mandatory Oil Import Quota Restrictions, (2) shipping oil to the Virgin Islands via a new Central American pipeline in non U.S. built owned and operated tankers, thus avoiding the Jones Act and (3) backing out present imports to the west coast with the affected company being compensated by being granted import quota tickets on the east coast.

The conclusion of my analysis was that the environmentally and economically superior route would cross Alaska and Canada and bring oil to the midwest and east coast. On the other hand by taking advantage of the market restrictions imposed by the Mandatory Oil Import Quota Program the decision was made to develop the Trans Alaska Pipeline thus reaping the greatest possible profits by sacrificing the interests of all the other concerned parties. The state of Alaska responded by imposing a minimum well head price of $2.65 per barrel for the purpose of collecting taxes and to protect itself from the expected losses that would be generated from the oil companies intricate international marketing schemes.

### A. SOME RECENT CONFUSION IN THE ECONOMIC COMPARISONS OF TAP AND ALL LAND SYSTEMS ACROSS CANADA

Recently there has been considerable attention given to my economic analysis and I'd like to review that for this committee. In my analysis of the Trans Alaska Pipeline I compared its economic value with that of the Trans Canadian Pipeline. I considered two different cases. One in which the price of oil in each part of the country would be based upon world prices; that is the Middle East price (including taxes) plus transportation costs would be the price in all parts of the United States. The second case that I considered was based upon an assumption that the domestic pattern of prices and costs that presently exists will continue in the future in the United States.

Proponents of TAP have focused on the first approach. If foreign oil is the price setter then east coast, gulf coast and west coast prices would be equal and prices in the midwest would be the highest in the nation about 25c to 30c per barrel greater than all other regions.

Most estimates of the cost of TAP and the cost of TCP put the two systems within about 10c to 20c of one another even when delays of two years for TCP are considered. When the lowest estimates of TAP's cost per barrel are compared with the highest estimates of TCP's cost per barrel the difference will be approximately equal or less than the higher price of foreign crude oil in the midwest. TAP proponents, therefore, incorrectly conclude that the two routes are economically equivalent and if delays for TCP are greater than two years TAP is superior to TCP. The first thing wrong with such a biased comparison is that it assumes all high estimates of the cost of TCP are accurate at the same time all low estimates of the cost of TAP are accurate. Second, it ignores any economic savings from constructing a natural gas and perhaps a second oil pipeline in the same corridor. Third, it ignores the admission of oil companies, findings of the Department of Interior, my own findings and recent substantiating information that shows the west coast will not need large quantities of the North Slope oil that would flow through TAP. On the other hand the midwest and east coast needs that Alaskan oil now. Over time the shortage in the midwest and on the east coast will become even greater. Since excess west coast supplies will either increase cost or further increase the inequity in relative prices in different regions of the country, ignoring these regional supply and demand imbalances incorrectly biases the comparison heavily in favor of TAP.

If these qualifying factors are not convincing enough in and of themselves let me remind you that this is the case that TAP pipeline proponents find most useful to use to promote their decision to push TAP. If present price patterns in the United States continue the case in favor of a Canadian route is unbeatable. First, it should be pointed out that given the characteristics of North Slope Crude it is better suited for refineries that produce a greater mix of light and heavy refinery products as are found in the midwest and on the east coast. At the time I completed my analysis very light crude oils were priced at about 30c per barrel greater in the midwest and 60c per barrel greater on the east coast than similar crudes on the west coast, North Slope quality oil was priced at about 64c more per barrel in the midwest and 90c more per barrel on the east coast than similar crude oil on the west coast.

The theory put forward by Mr. Simon of the State Department, the Standard Oil Company (Ohio) and Governor Egan of the state of Alaska is that these price differences will disappear in the future given the president's new oil policy. The first question that should be directed to these gentlemen is whether they think west coast prices are to rise to east coast levels (a price increase of about 30%) or should east coast consumers, contrary to all oil company advertising, expect a price decline to west coast levels (a price decrease of about 25%). They will probably answer such a question by stating the period of cheap foreign oil has passed and repeat industry claims that at the present time some foreign oil is being delivered to the United States at prices higher than domestic oil prices.

If this is their collective response a second question must be asked. At the present time the Japanese are paying more than $1.50 less per barrel of oil with qualities similar to North Slope crude (see Appendix A for a recent comparison of lighter crudes). The Japanese are being supplied with low cost Middle East oil, while the largest oil producing and consuming country, the United States, has higher domestic prices and many government and industry spokesmen soon predict we will be paying more for imported crude oil than these high domestic prices. I suggest we learn a lesson from the Japanese and start requiring our oil companies to bargain with producing countries for lower prices and stop the foolish practice of having our domestic oil companies serve as tax collectors for producing nations by ending the foreign tax credit on royalty and severance.

I stated earlier that the prices that existed at the time that I undertook my analysis were such that the midwest price was about 65¢ (and the east coast 90¢) more per barrel than the west coast for oil similar in quality to North Slope oil. In the few weeks since the President's energy message prices have been changing in this nation. They are not changing in the direction predicted by Mr. Simon, Mr. Egan or SOHIO, however. Instead as the recent issues of the Oil and Gas Journal, week after week (especially the April 30 edition), point out prices in the east of the Rockies market have been increasing by between 25¢ and 50¢ per barrel, while west coast prices did not show any movements until this past week, when a 25¢ per barrel increase was announced. This means that relative prices have either not changed or have increased to the detriment of midwest and east coast consumers, who now may be paying as much as 90¢ per barrel more in the midwest and $1.15 per barrel more on the east coast.

West coast oversupply and lower prices make the selection of TAP over TCP a very poor choice for midwest and east coast consumers. Finally, I would like to comment on a related aspect that has been raised by my critics, who have recently questioned my own objectivity for using a 50–50 mix of domestic and foreign crude oil in the midwest and a 17–83 mix on the west coast. For those who take the time to read my book, they will realize that it was not my biases that were behind these different percentages. Instead, the more than 15 years of bias in national policy that resulted in much higher prices for midwest and east coast oil was the bias that was being computed. The bias that these percentages were reflecting was similar to that the New England Governor's and recently the Governor of my own state, Wisconsin, were opposed to when they challenged the use of a different import quota system east of the Rockies than on the west coast. The bias that prevented the development of Canadian tarsands and which placed a limit on other Canadian oil coming into the midwest is another type of bias, that these calculations were meant to reflect.

When the new data are examined it seems that the economic case against TAP is greater than ever. The final fall back of TAP's proponents may be that prices don't matter, it is resource costs that are the key. This would only be true for those who do not think that vastly different prices and security of supply of oil in different parts of the country do not matter. I do not think this Congress should be so callous and narrow minded.

### B. THE PRESIDENT'S ENERGY MESSAGE

Last month the President issued executive proclamation 3279, which ended direct quantity controls. This change has an important impact on the selection of the optimal transportation system for Alaskan oil. By ending direct quality controls the financial advantage for the import for export sale of oil to Japan and the Virgin Islands—Central American Pipeline plans are virtually eliminated. (Note some avoidance of the import license fee may still be possible.) As a result all three measures of comparison: economic, environmental and oil company profits now point to the Trans Canadian routes as superior to the Alaskan-tanker system.

New information on a second factor has recently come to light. It is related to regional supply-demand imbalance in the future in the United States. The President proposed a speedy increase in oil leasing in off shore areas. Two of these areas, the Gulf of Alaska and California, if developed will only compound the present regional imbalances in domestic oil supply and demand. In addition oil production in the areas of Western South America and South East Asia would benefit the west coast. A recent study prepared by the State Resources Agency of California indicates that even without any North Slope or Gulf of Alaska oil. PADV, the west coast, could be "essentially independent from unstable foreign supplies through 1985."

By following a proposal similar to the president's the report concluded California production would exceed two million barrels per day by 1985. The midwest and east coast on the other hand have no alternative but to become heavily dependent on these same so-called "unstable foreign supplies" unless Alaskan and Canadian oil and gas are brought into these regions in increasing quantities.

It is important to consider other aspects of the President's energy message. In it were two major proposals, western coal and oil shale, for domestic energy self-sufficiency. Both are located in the Rocky Mountain region of the nation. Technology to convert these resources either to oil or gas has been given some priority. However, a very important limitation on these developments is the availability of sufficient quantities of water. It is simply impossible to expect a full development of such resources without Canadian-U.S. cooperation.

The need for a North American Energy Policy has never been greater. The economic and environmental benefits to the U.S. and Canada will be maximized only by cooperating and engaging in long run planning. Developing tarsands in Alberta, locating electric plants on the Great Lakes, developing western coal and oil shale are very much interrelated to one another as well as to Arctic oil and gas development. There is probably no better way to scuttle a North American energy policy before it even begins than to allow a single private concern like the cash flow of two U.S. and one British oil company to dominate such a major international and domestic decision. Quite simply Canada cannot be expected to be ignored on the initial Arctic oil transportation system decision and then be expected to cooperate on future energy developments.

### APPENDIX A

### RECENT JAPANESE VERSUS NEW YORK PRICES

FOB price Abu Dhabi crude (Mar. 19, 1973) OGJ)=

$2.38 (to Japan)
12.3c less markup over other Japanese imports (it is also typical for discounts on FOB to Japan).
$2.26

Tanker rate range .27¢ to 43.5¢ per barrel:

| | | High | Low | |
|---|---|---|---|---|
| Landed prices | $2.26 | $2.38 | $2.26 | $2.38 |
| | .43 | .43 | .27 | .27 |
| | 2.69 | 2.81 | 2.53 | 2.65 |

$4.13 New York 32° API price.
+.25 Plus price increase Spring 1973.
$4.38 New York price at present.

Current New York and Tokyo price differences:

$4.38 $4.38
−2.81 −2.53
(Low) $1.57 (High) $1.85

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## DISCLOSURE OF FINANCIAL INTERESTS BY SENATOR AND MRS. MATHIAS

Mr. MATHIAS. Mr. President, I ask unanimous consent to have printed in the RECORD a statement of disclosure of the financial interests of Mrs. Mathias and myself and a letter of transmittal to the Honorable JOHN STENNIS, chairman of the Select Committee on Standards and Conduct.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

### DISCLOSURE OF FINANCIAL INTERESTS

### ASSETS

Equity in Federal Retirement System.
Life Insurance.
Livestock and Farm Machinery.
Real Estate

House: RFD #2, New Design Road, Frederick, Maryland, Liber 623, Folio 80, Frederick County.

House: 3808 Leland Street, Chevy Chase, Maryland, Liber 3328, Folio 060, Montgomery County.

Half interest in Farm: 41.66 acres, Frederick Election District, Liber 587, Folio 339, Frederick County.

Half interest in House: 306 Redwood Avenue, Frederick, Maryland, Liber 577, Folio 489, Frederick County.

Lease and option in Farm: 370 acres, Kabletown District, Jefferson County, West Virginia, Liber 196, Folio 337, Jefferson County.

SHARES OF STOCK

| | |
|---|---|
| Farmers & Mechanics National Bank | 1034 |
| Capitol Hill Associates | 4 |
| Citizens Bank of Maryland | 16 |
| Frederick Medical Arts | 15 |
| G. D. Searle & Co | 30 |
| First Pennsylvania Corporation—common | 135 |
| First Pennsylvania Corporation—preferred | 2 |
| Massachusetts Investors Growth | 131.985 |
| The Detour Bank | 7 |
| The Great Atlantic & Pacific Tea Company | 6 |
| Warner Lambert Pharmaceutical Company | 76 |
| Maryland National Corporation | 129 |

LIABILITIES

Debts due on mortgage, collateral and personal notes to:

Farmers & Mechanics National Bank, Frederick, Maryland: $40,880.96.

First National Bank of Maryland, Baltimore, Maryland: $38,000.00.

Frederick, County National Bank, Frederick, Maryland: $3,250.17.

Walker & Dunlop, mortgage 5/1/73: $26,901.20, 3808 Leland Street, Chevy Chase, Maryland.

Walker & Dunlop, mortgage: $1,799.79, 306 Redwood Avenue, Frederick, Maryland.

Total interest paid: $6,886.18.

INTEREST IN TRUSTS OR REMINDERS

Trust established under the Will of Grace Winebrener Trail, Circuit Court for Frederick County, Maryland, Equity No. 7707.

Trust established under the will of Charles McC. Mathias, Sr., Orphans Court, Frederick County, Maryland, Estate No. 8983.

Trust established under the will of Ganny Gore Cutler, Suffolk County Court, Boston, Massachusetts, No. 046024572.

For year 1972: Investment Income, $1,905.93; Interest, $198.47; Honorariums, $4,475.00; and Net Rents, $912.81.

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MAY 15, 1973.

Hon. JOHN STENNIS,
*Chairman, Select Committee on Standards and Conduct, U.S. Senate, Washington, D.C.*

DEAR MR. CHAIRMAN: Pursuant to Senate Rules 42 and 44, I have submitted the information required.

In addition to that disclosure, Mrs. Mathias and I wish to follow the practice that we have established and to make a listing of our assets, our liabilities and our income over and above Congressional pay and allowances. A copy of this voluntary report is enclosed for your information and additional copies will be submitted to the Congressional Record.

Sincerely yours,
CHARLES MCC. MATHIAS, Jr.,
*U.S. Senator.*

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## WHO SPEAKS FOR CONSUMERS?

**Mr. RIBICOFF.** Mr. President, in recent testimony on the Consumer Protection Agency legislation, Mr. Reuben Robertson, former Chairman of the Consumer Affairs Advisory Committee of the Civil Aeronautics Board and founder of the Aviation Consumer Action Project discussed airline fare overcharges. In his testimony, Mr. Roberston pointed out that over the years airlines have repeatedly been accused of overcharging their customers on a widespread basis, yet for years the Civil Aeronautics Board, which has jurisdiction over such problems, has failed to take any action. He urged the creation of a consumer advocate agency with authority to investigate and publicize the prevalance of such practices and to inform consumers how to avoid them.

Following his testimony, Mr. Robertson has written me further documenting the need for such an agency. In his letter Mr. Robertson criticizes the results of a recent CAB investigation or airline overcharging, which showed overcharges. To check the accuracy of the CAB report, the Aviation Consumer Action Project, a voluntary, nonprofit group advocating safety and consumer interests in the aviation industry, studied a random sample of tickets found by the CAB to contain no overcharges. In contrast to the CAB, it found that 70 percent of the tickets actually contained overcharges of $6 to $38 each. Mr. Robertson has asked that the CAB explain the discrepancies and its policies with regard to the elimination of overcharges. I have sent a letter to Mr. Robert D. Timm, Chairman of the Civil Aeronautics Board, asking him to respond to the specific questions posed by Mr. Robertson.

Mr. Robertson's letter points up again the inadequacy of our present regulatory system and the need for a Consumer Protection Agency which can represent consumer interests at formal and informal agency proceedings and can provide a continuing monitor of agency investigations and enforcement proceedings.

Mr. President, I ask unanimous consent that Mr. Robertson's letter to me be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AVIATION CONSUMER ACTION PROJECT,
*Washington, D.C., May 9, 1973.*

Hon. ABRAHAM RIBICOFF,
*Committee on Government Operations, U.S. Senate, Washington, D.C.*

DEAR SENATOR RIBICOFF: As you are chairing the joint hearings of the Senate Government Operations and Commerce Committees considering the need for institutionalized independent consumer advocacy before the federal regulatory agencies, I would like to bring to your attention the following information.

A study printed in the May 1972 issue of *Consumer Reports* disclosed substantial and widespread patterns of consumer overcharging by airlines, particularly on certain joint fares involving more than one airline, where no through fare has been established. The Consumers Union report disclosed that its researchers had been overcharged on 20 out of 31 such tickets they purchased, almost 70 percent. CBS News reported similar results in its own investigation of airline ticketing practices.

Overcharging for an airline ticket, of course, is a direct violation of the Federal Aviation Act, under the enforcement responsibility of the Civil Aeronautics Board. While many millions of dollars were being illegally and unfairly extracted by such practices for years the agency did nothing.

After disclosure of these charges by CU, the CAB's Bureau of Enforcement conducted an abbreviated audit of interline ticket coupons at Washington's National Airport. As a result of that audit the Board issued a press release acknowledging that patterns of overcharging had been substantiated, but substantially differing with the Consumers Union study as to the frequency. The Board released statistics, purportedly based on its own study, showing that 25 out of 171 tickets analyzed contained improperly computed fares. According to the Board, 20 of these were overcharges, while 5 were undercharges. Thus the Board's release suggested that overcharges had occurred only in slightly more than 11 percent of the sample it studied (by no means a negligible figure).

To check on the accuracy of the Bureau of Enforcement study, researchers for Consumers Union and the Aviation Consumer Action Project then sought access to examine the ticket coupons the Bureau had analyzed. After considerable delay and negotiation, we were finally permitted to inspect first the coupons found by the Bureau to have been in error and then those found to have been correctly computed. We thereupon conducted a limited re-audit of a random sample of the 146 tickets said by the CAB auditors to be correct.

Ten coupons selected at random from the CAB checked tickets were analyzed by the CU–ACAP researchers. Of these, we found that seven actually contained errors in the fare computation, based on the tariffs in effect at the time of issuance. Each error was in the airline's favor, ranging from $6 to $38 in overcharges. The total overcollection on the seven tickets was $109.50. These, it should be emphasized, were in tickets which the CAB assured the public were correct.

For your reference a summary of our analysis of the overcharged tickets is enclosed.

It is hard for us to comprehend how the Bureau of Enforcement could itself have been wrong in 70 percent of the sample of audited tickets which we checked. If our computations are correct, either the Bureau was intentionally trying to deceive the public as to the frequency of airline overcharges, or it is simply incompetent to determine the proper fares from the applicable CAB-approved tariffs. In either case this situation demonstrates the urgent need for an independent agency to participate as a consumer advocate in all levels of activity, both formal and informal, at the CAB. The Consumer Protection Agency will be able to participate on a coninuing basis in tariff matters, to resist the acceptance of tariffs that are excessively complex or incomplete and make accurate ticketing (or even auditing) a difficult if not unattainable skill. Moreover, the agency should have the right to look over the CAB's shoulder in enforcement cases and special investigations to make sure the work is being done accurately and completely, and that existing consumer problems are not being deliberately downplayed. Without a continuing monitor which has the basic right to inspect agency records, there is no particular reason to believe the attitudes of the regulatory agencies toward consumer interests will change.

It would be useful, we feel, to have the responsible CAB officials explain for the record, either by testimony or correspondence, the problems they face and their views concerning an independent consumer protection agency. Some areas of inquiry that might be fruitfully explored are:

1—What is the Bureau's and the Board's explanation for failing to find overcharges in seven of ten tickets that were reaudited?

2—Don't the carriers have internal audit procedures to identify patterns of overcharging or undercharging on passenger tickets? If not, shouldn't this be required?

3—In light of the apparently widespread patterns of overcharging on interline connection tickets, shouldn't the CAB specifically require the carriers to audit their records of such tickets issued in the past in order to identify passengers who were required to pay too much? If not, why not?

4—What steps, if any, have been taken by the Board to assure that anyone found to have been illegally overcharged by an airline will receive an appropriate refund of his money? If the Board has done nothing in this respect, what is its explanation? If the Board believes it lacks the authority to order refunds of illegal overcharges, are legislative changes needed?

5—Were a number of passengers forced to pay additional amounts for their tickets last summer, as a result of spotchecks by Bureau of Enforcement officials at Kennedy airport, which disclosed some undercollections for transatlantic flights?

6—The extreme complexity of the fare structure and the inaccessibility of applicable tariffs appear to aggravate the situation and contribute to the difficulty of determining proper fares. What steps has the CAB taken to improve their clarity and accessibility? Why can't all the tariffs be put into a computer system so that the proper rates can be made instantly available to any ticketing agency?

Please let me know if we can be of any further assistance to you in this matter.

Sincerely,

REUBEN B. ROBERTSON III.

ANALYSIS OF TICKETS FOUND TO BE INCORRECT BY ACAP AND CU

| Issuing carrier and coupon number | Routing | Amount charged | Correct fare | Overcharge | Explanation |
|---|---|---|---|---|---|
| Trans-World 015-398-816-024 | Washington-Columbus-Cincinnati-Washington | $113.00 | $98 | $15.00 | Failure to use through fare on a direct connection. |
| Allegheny 037-4410-131-073 | Providence-Charlottesville via Washington (round trip). | 114.00 | 104 | 10.00 | Boston and Lynchburg, Va., further points. |
| Allegheny 037-4410-131-074 | do | 85.50 | 78 | 7.50 | Same (discount fare). |
| Northwest 012-440-988-355 | Detroit-Greensboro via Washington (round trip) | 130.00 | 112 | 18.00 | Charleston, S.C., further point. |
| American 001-471-671-980 | Boston-Staunton, Va., via Washington (round trip) | 114.00 | 108 | 6.00 | Greensboro, N.C. further point. |
| Allegheny 037-4410-162-123 | Providence-Washington-Hot Springs-Charlottesville-New York-Providence. | 141.00 | 126 | 15.00 | Roanoke further point; failure to use through fare. (Conjunction ticket not attached; if NYC is a through connection the correct fare is 120. Also dependent tickets missing.) |
| American 001-475-425-971 | Chicago-Roanoke via Washington (round trip) | 156.00 | 118 | 38.00 | Fayetteville, N.C. further point. |

## RESOLUTIONS PASSED BY THE UTAH STATE LEGISLATURE

Mr. BENNETT. Mr. President, I ask unanimous consent to have printed in the RECORD two resolutions passed by the Utah State Legislature, dealing with railroad retirement and the aviation trust fund.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

### HOUSE JOINT RESOLUTION NO. 16

A Joint Resolution of the 40th Legislature of the State of Utah memorializing the Congress of the United States to support efforts to increase the adequacy of the Railroad Retirement System through the ton-mile tax.

*Be it resolved by the Legislature of the State of Utah:*

Whereas, new approaches are needed to the problem of financing the Railroad Retirement System to protect the pensions of members of the system as well as all other railroad employees;

Whereas, the present Railroad Retirement System is not in the position of guaranteeing a continuation of all present benefits or to provide necessary financing to insure a reduction in retirement age;

Whereas, a method of insuring a sound retirement system for present and future pensions is needed without interference from regulatory agencies; and

Whereas, the "Ton-Mile Tax" would be an equitable method of insuring the financial soundness of the Railroad Retirement System;

Now, therefore, be it resolved, that the 40th Legislature of the State of Utah memorialize the Congress of the United States to pass the "Ton-Mile Tax" in order to insure the financial independence of the Railroad Retirement System.

Be it further resolved, that the Congressional delegation from the State of Utah use their efforts to support this concept.

Be it further resolved, that the Secretary of the State of Utah send copies of this resolution to the Senate and House of Representatives of the United States and to each Senator and Representative from the State of Utah.

### HOUSE JOINT RESOLUTION NO. 26

A joint resolution of the 40th Legislature of the State of Utah, requesting the Congress of the United States to pass legislation to return to the States a portion of the Federal user charges flowing into the aviation trust fund

*Be it resolved by the Legislature of the State of Utah:*

Whereas, the federal government has a vital interest in the development of a national air transportation system and to this end has concentrated its efforts in airport development in the major metropolitan areas of our nation, which airports serve the national and international traveler;

Whereas, state government has a major responsibility for developing a state system of multi-sized airports which will complement and include the national system and bring air service to all citizens of our nation;

Whereas, the federal government has levied user taxes of such magnitude on the aviation public as to preempt the field in taxation; and

Whereas, the national policy has been established as being one to encourage the development of the small cities and towns of this nation and to avoid the problems associated with continued urban concentration.

Now, therefore, be it resolved, by the legislature of the State of Utah that Congress is requested to find the proper avenue and pass the necessary legislation to assure that the funds amassed by aviation user taxes on the federal level be returned in part to the state on an equitable and proportionate basis so as to allow the states themselves to provide and maintain their share of the total air transportation system.

Be it further resolved, that the Secretary of State of Utah send copies of this resolution to the Senate and House of Representatives of the United States and to each Senator and Representatives from the State of Utah.

## SENATOR RANDOLPH DISCUSSES ALLOCATION OF EDUCATIONAL FUNDS—WEST VIRGINIA AND THE OTHER STATES SUFFER

Mr. RANDOLPH. Mr. President, I have become increasingly concerned about reports from education officials in West Virginia concerning substantial reductions in funds allocated under part A, title I of the Elementary and Secondary Education Act for fiscal year 1973. I have subsequently learned that our State is not the only one which is losing Federal support for disadvantaged children under part A, title I. In fact, there are 32 States which received less money under allocations for fiscal 1973 than in 1972.

The loss of receipts by these 32 States stems from the administration's spending position on the continuing resolution—Public Law 92-534—which provided funds for this program. Funds were released at the level recommended in the 1973 budget which called for $1.58 billion for part A, title I. However, the intent of the Congress was explicit in requiring that programs under the continuing resolution not be funded at the level provided for in the 1973 budget. The spending level was to be determined by the lesser of the two amounts in the appropriation of last June—the Senate item or the House item. The figure contained in both bills was the same—$1.81 billion. The intent of Congress was made clear during the debate on the continuing resolution. On February 20, 1973, a colloquy took place between the distinguished chairman of the Appropriations Committee, Senator MCCLELLAN and the senior Senator from Minnesota, Senator MONDALE which described congressional intent. I quote from the official debate contained in the CONGRESSIONAL RECORD:

> Mr. MONDALE. As I understand it, reference is to be made only to the House and Senate bills of last June, and no reference is to be made to either the appropriations for fiscal 1972 or to the administration's budget request for fiscal 1973.
>
> Mr. MCCLELLAN. The Senator is correct. The controlling factor is the lower of the two amounts—the amount of the House item and the amount of the Senate item in the appropriation.

The administration disregarded the intent of Congress, however, and funds under the 1973 continuing resolution have been released at the rate of 1973 budget request. The difference between the funds released is $225 million—a substantial sum of money to be used for the education of disadvantaged children.

The reduced amount of funds received in these 32 States is due in part to the expiration of the floor previously required in section 144(1)(B) of ESEA until the appropriation reached $1.5 billion for part A of title I. Because the appropriation reached that level, the amount available to local educational agencies within each State was recalculated and redistributed among the States, resulting in losses to 32 States. The $1.81 billion appropriated by the Congress insured that no States would receive a lesser amount in 1973 than they received in 1972.

In our State of West Virginia local educational agencies received $20.5 million in 1972. The total received in 1973 was $17.3 million. This represents a net loss of approximately $3.2 million.

Because of this loss public school employees are being released from their positions and programs are being cut back. I am sure that this same situation is prevalent in many other States.

If we are to continue our commitment to providing quality education for our children of all backgrounds, we cannot allow this type of situation to occur. I am disappointed in the action that the administration has taken.

In the 1974 budget the President has requested no funds for this program.

As the Congress considers the 1974 appropriation in the near future, we must maintain the high priority that we have placed on the education of all children including children from low-income families by requiring specific amounts in the 1974 appropriations to insure a high level of continuation of this program and others.

I ask unanimous consent to have printed in the RECORD tables reflecting the distribution of funds under part A. title I of the Elementary and Secondary Education Act for fiscal years 1972 and 1973.

There being no objection the tables were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

OFFICE OF EDUCATION, ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965, PUBLIC LAW 89-10 AS AMENDED—TITLE I, ASSISTANCE FOR EDUCATIONALLY DEPRIVED CHILDREN, ALLOTMENTS FOR FISCAL YEAR 1973

| | Local educational agencies | Handicapped children (State agencies) | Juvenile delinquents in institutions (State agencies) | Dependent and neglected children in institutions (State agencies) | Migratory children (State agency) | Administration | Total |
|---|---|---|---|---|---|---|---|
| Total | $1,362,172,431 | $75,962,098 | $18,553,231 | $2,151,293 | $72,772,187 | $17,105,195 | $1,548,716,435 |
| 50 States and District of Columbia | 1,316,037,468 | 75,390,278 | 18,048,482 | 2,151,293 | 72,772,187 | 16,715,886 | 1,501,115,594 |
| Alabama | 34,549,166 | 645,770 | 186,164 | | 660,388 | 360,415 | 36,401,903 |
| Alaska | 2,415,064 | 1,071,782 | 96,577 | | | 150,000 | 3,733,423 |
| Arizona | 8,134,242 | 426,071 | 332,774 | | 1,953,647 | 150,000 | 10,996,734 |
| Arkansas | 20,963,618 | 936,409 | 252,805 | | 697,793 | 228,506 | 23,079,131 |
| California | 111,618,375 | 1,770,923 | 1,666,018 | | 9,355,494 | 1,244,108 | 125,654,918 |
| Colorado | 10,237,378 | 1,232,208 | 153,059 | 16,768 | 1,414,503 | 150,000 | 13,203,916 |
| Connecticut | 11,747,931 | 1,388,035 | 94,891 | 51,483 | 650,105 | 150,000 | 14,082,445 |
| Delaware | 2,323,748 | 571,945 | 146,474 | | 300,919 | 150,000 | 3,493,086 |
| Florida | 24,111,072 | 1,552,513 | 641,900 | | 10,349,516 | 366,550 | 37,021,551 |
| Georgia | 40,573,812 | 654,369 | 484,972 | | 499,160 | 422,123 | 42,634,436 |
| Hawaii | 3,715,263 | 242,984 | 21,642 | 7,870 | | 150,000 | 4,137,759 |
| Idaho | 2,719,220 | 160,368 | 69,650 | | 844,402 | 150,000 | 3,943,640 |
| Illinois | 69,554,901 | 4,065,275 | 600,535 | 148,397 | 704,760 | 750,739 | 75,824,607 |
| Indiana | 18,773,439 | 1,999,221 | 306,547 | 165,097 | 677,585 | 219,219 | 22,141,108 |
| Iowa | 14,601,661 | 650,792 | 124,537 | 83,457 | 92,538 | 155,530 | 15,708,515 |
| Kansas | 9,147,430 | 1,105,376 | 127,262 | | 600,196 | 150,000 | 11,130,264 |
| Kentucky | 32,212,788 | 603,205 | | | 82,548 | 328,985 | 33,227,526 |
| Louisiana | 31,322,489 | 2,038,346 | 409,733 | | 453,587 | 342,242 | 34,566,397 |
| Maine | 5,633,673 | 539,575 | 117,804 | 12,038 | 60,192 | 150,000 | 6,513,282 |
| Maryland | 19,380,669 | 1,243,727 | 552,384 | | 872,185 | 220,490 | 22,269,455 |
| Massachusetts | 24,893,505 | 3,193,707 | 282,126 | | 279,444 | 286,488 | 28,935,270 |
| Michigan | 51,768,916 | 4,869,149 | 429,659 | 13,123 | 3,983,098 | 610,639 | 61,674,584 |
| Minnesota | 20,897,155 | 967,695 | 320,888 | | 418,966 | 226,047 | 22,830,751 |
| Mississippi | 35,922,629 | 420,051 | 221,419 | | 966,075 | 375,302 | 37,905,476 |
| Missouri | 23,367,302 | 1,763,614 | 391,245 | | 431,660 | 259,538 | 26,213,359 |
| Montana | 2,865,542 | 268,712 | 87,708 | 46,863 | 810,007 | 150,000 | 4,228,832 |
| Mebraska | 7,187,530 | 319,015 | 87,278 | 29,236 | 268,712 | 150,000 | 8,041,771 |
| Nevada | 923,899 | 99,746 | 104,045 | | 36,115 | 150,000 | 1,313,805 |
| New Hampshire | 2,007,413 | 327,184 | 77,389 | | 22,357 | 150,000 | 2,584,343 |
| New Jersey | 44,232,287 | 3,873,507 | 752,677 | | 2,096,825 | 509,553 | 51,464,849 |
| New Mexico | 7,393,185 | 327,185 | 130,272 | | 944,148 | 150,000 | 8,944,790 |
| New York | 196,835,764 | 9,337,521 | 1,810,093 | | 2,825,202 | 2,108,086 | 212,916,666 |
| North Carolina | 51,556,663 | 2,079,619 | 830,214 | | 1,435,140 | 559,016 | 56,460,652 |
| North Dakota | 4,101,267 | 253,234 | 52,453 | | 708,111 | 150,000 | 5,265,065 |
| Ohio | 42,248,122 | 4,560,804 | 931,250 | 141,880 | 1,408,054 | 492,901 | 49,783,011 |
| Oklahoma | 16,649,246 | 621,693 | 173,266 | 208,951 | 718,000 | 183,712 | 18,554,868 |
| Oregon | 8,421,321 | 1,163,858 | 241,673 | | 1,799,386 | 150,000 | 11,776,238 |
| Pennsylvania | 64,998,125 | 5,055,335 | 633,963 | 227,390 | 558,925 | 714,737 | 72,188,475 |
| Rhode Island | 4,873,849 | 484,021 | 31,411 | 30,460 | 2,856 | 150,000 | 5,572,597 |
| South Carolina | 29,853,231 | 1,033,576 | 288,060 | 72,230 | 598,047 | 318,451 | 32,163,595 |
| South Dakota | 5,470,551 | 349,541 | 61,051 | | 34,825 | 150,000 | 6,065,968 |
| Tennessee | 31,273,191 | 801,408 | 532,696 | 312,996 | 299,238 | 332,195 | 33,551,724 |
| Texas | 67,675,754 | 3,387,497 | 992,302 | 305,687 | 18,044,582 | 904,058 | 91,309,880 |
| Utah | 3,894,921 | 377,487 | 117,804 | | 245,066 | 150,000 | 4,785,278 |
| Vermont | 2,093,957 | 659,528 | 77,819 | | 6,019 | 150,000 | 2,987,323 |
| Virginia | 31,522,692 | 1,230,488 | 590,308 | | 723,159 | 340,666 | 34,407,313 |
| Washington | 13,445,639 | 1,279,703 | 356,243 | | 1,981,909 | 170,635 | 17,234,129 |
| West Virginia | 17,319,813 | 449,717 | 210,671 | 25,796 | 194,333 | 182,003 | 18,382,333 |
| Wisconsin | 17,340,875 | 1,931,063 | 490,014 | 43,726 | 489,538 | 202,952 | 20,498,168 |
| Wyoming | 1,170,817 | 168,021 | 50,715 | 26,901 | 172,872 | 150,000 | 1,739,326 |
| District of Columbia | 10,096,368 | 837,705 | 306,042 | 180,944 | | 150,000 | 11,571,059 |
| American Samoa | 331,987 | | | | | 25,000 | 356,987 |
| Guam | 878,527 | 48,153 | | | | 25,000 | 951,680 |
| Puerto Rico | 27,916,250 | 523,667 | 490,991 | | | 289,309 | 29,220,217 |
| Trust Territories | 1,062,419 | | | | | 25,000 | 1,087,419 |
| Virgin Islands | 561,023 | | 13,758 | | | 25,000 | 599,781 |
| Department of the Interior, BIA | 15,384,757 | | | | | | 15,384,757 |

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[1] $725,000 to be withheld for migrant record transfer system.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE, OFFICE OF EDUCATION—ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965, PUBLIC LAW 89-10 AS AMENDED: TITLE I, ASSISTANCE FOR EDUCATIONALLY DEPRIVED CHILDREN

[Allotments for fiscal year 1972; amounts in dollars]

| | Part A | | | | | | | Part B | Part C | | | Grand total | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | Special grants for urban and rural school districts | | | | |
| | Local educational agencies | Handicapped children (State agencies) | Juvenile delinquents in institutions (State agencies) | Dependent and neglected children in institutions (State agencies) | Migratory children (State Agency) | Administration | Part A, total | Special incentive grants | Local educational agencies | Administration | Part C, total | State administration | 1972 total, title I allotment |
| Total | 1,406,615,985 | 56,380,937 | 18,044,820 | 2,167,846 | [1] 64,822,926 | 17,307,969 | 1,565,415,210 | 7,280,737 | 24,572,538 | 231,515 | 24,804,053 | 17,539,211 | 1,597,500,000 |
| 50 States and District of Columbia | 1,364,707,215 | 55,978,666 | 17,705,057 | 2,167,846 | 64,822,926 | 16,935,605 | 1,522,317,315 | 7,280,737 | 24,572,538 | 231,515 | 24,804,053 | 17,167,120 | 1,554,402,105 |
| Alabama | 40,257,135 | 560,648 | 279,173 | | 589,025 | 416,860 | 42,102,840 | | 1,003,889 | 9,729 | 1,013,618 | 426,589 | 43,116,458 |
| Alaska | 2,054,974 | | 77,447 | | | 150,000 | 2,282,421 | 42,739 | 31,991 | | 31,991 | 150,000 | 2,357,151 |
| Arizona | 8,648,415 | 373,893 | 286,460 | | 1,742,533 | 150,000 | 11,201,301 | | 95,202 | | 95,202 | 150,000 | 11,296,503 |
| Arkansas | 24,214,456 | 906,163 | 232,005 | | 622,388 | 259,750 | 26,234,762 | | 555,693 | 5,557 | 561,250 | 265,307 | 26,796,012 |
| California | 122,028,439 | 1,477,445 | 1,847,592 | | 8,541,235 | 1,338,947 | 135 233,658 | | 1,780,269 | 17,803 | 1,798,072 | 1,356,750 | 137,031,730 |
| Colorado | 10,100,532 | 1,146,605 | 153,775 | 30,678 | 1,261,649 | 150,000 | 12,843,239 | 116,611 | 119,467 | | 119,467 | 150,000 | 13,079,317 |
| Connecticut | 11,813,005 | 1,220,152 | 122,610 | 44,835 | 589,260 | 150,000 | 13,939,862 | | 144,993 | | 144,993 | 150,000 | 14,084,855 |
| Delaware | 2,242,296 | 577,485 | 102,083 | | 254,785 | 150,000 | 3,326,649 | 20,500 | | | | 150,000 | 3,347,149 |
| Florida | 26,445,029 | 1,322,239 | 470,913 | | 9,231,131 | 374,693 | 37,844,005 | | 487,793 | 4,878 | 492,671 | 379,571 | 38,336,676 |
| Georgia | 39,947,788 | 474,365 | 401,887 | | 445,220 | 412,693 | 41,681,953 | | 893,376 | 8,934 | 902,310 | 421,627 | 42,584,263 |
| Hawaii | 3,250,669 | 212,443 | 19,572 | 6,116 | | 150,000 | 3,638,800 | | 88,039 | | 88,039 | 150,000 | 3,726,839 |
| Idaho | 2,730,118 | 137,286 | 77,079 | | 753,155 | 150,000 | 3,847,638 | 15,356 | | | | 150,000 | 3,862,994 |
| Illinois | 63,243,090 | 3,065,108 | 921,814 | 129,870 | 623,025 | 679,829 | 68,662,736 | | 1,096,384 | 10,964 | 1,107,348 | 690,793 | 69,770,084 |
| Indiana | 16,999,801 | 1,766,309 | 310,619 | 154,159 | 604,364 | 198,353 | 20,033,605 | | 98,733 | 987 | 99,720 | 199,340 | 20,133,325 |
| Iowa | 15,464,659 | 634,115 | 120,127 | 113,826 | 84,286 | 164,170 | 16,581,183 | 665,366 | 63,398 | 580 | 63,978 | 164,750 | 17,310,527 |
| Kansas | 10,427,273 | 866,665 | 126,165 | | 535,338 | 150,000 | 12,105,441 | | 102,522 | | 102,522 | 150,000 | 12,207,963 |
| Kentucky | 37,131,906 | 455,958 | 45,634 | | 73,628 | 377,071 | 38,084,197 | | 852,374 | 8,475 | 860,849 | 385,546 | 38,945,046 |
| Louisiana | 34,683,312 | 1,344,864 | 375,810 | | 404,571 | 368,086 | 37,176,643 | | 732,285 | 6,659 | 738,944 | 374,745 | 37,915,587 |
| Maine | 5,607,754 | 452,890 | 114,277 | | 53,687 | 150,000 | 6,378,608 | 165,950 | 34,208 | | 34,208 | 150,000 | 6,578,766 |
| Maryland | 19,423,141 | 589,707 | 507,148 | | 510,643 | 210,306 | 21,240,945 | 10,853 | 309,946 | 3,100 | 313,046 | 213,406 | 21,564,844 |
| Massachusetts | 23,858,101 | 2,504,434 | 244,833 | | 245,225 | 268,526 | 27,121,119 | | 273,767 | 2,738 | 276,505 | 271,264 | 27,397,624 |
| Michigan | 47,708,517 | 2,841,841 | 501,373 | 9,633 | 3,588,427 | 546,498 | 55,196,289 | 1,092,111 | 620,287 | 6,204 | 626,591 | 552,702 | 56,914,991 |
| Minnesota | 21,120,043 | 890,344 | 325,834 | | 372,318 | 227,085 | 22,935,624 | 1,092,111 | 338,559 | 3,386 | 341,945 | 230,471 | 24,369,680 |
| Mississippi | 42,074,152 | 302,182 | 229,321 | | 861,680 | 434,673 | 43,902,008 | | 1,098,387 | 10,911 | 1,109,298 | 445,584 | 45,011,306 |
| Missouri | 25,579,100 | 1,602,563 | 359,321 | | 385,014 | 279,260 | 28,205,258 | | 462,652 | 4,627 | 467,279 | 283,887 | 28,672,537 |
| Montana | 3,013,338 | 202,861 | 85,516 | 42,950 | 722,476 | 150,000 | 4,217,141 | 249,587 | 4,479 | | 4,479 | 150,000 | 4,471,207 |
| Nebraska | 7,523,056 | 289,527 | 101,239 | 34,897 | 239,675 | 150,000 | 8,338,394 | | 67,546 | | 67,546 | 150,000 | 8,405,940 |
| Nevada | 883,771 | 115,044 | 92,802 | | 32,212 | 150,000 | 1,273,829 | | | | | 150,000 | 1,273,829 |
| New Hampshire | 1,908,409 | 243,510 | 71,711 | | 19,941 | 150,000 | 2,393,571 | | 1,026 | | 1,026 | 150,000 | 2,394,597 |
| New Jersey | 44,860,594 | 3,340,931 | 602,577 | | 1,830,525 | 506,346 | 51,140,973 | 44,974 | 805,184 | 7,870 | 813,054 | 514,216 | 51,999,001 |
| New Mexico | 9,629,504 | 298,731 | 105,457 | | 842,122 | 150,000 | 11,025,814 | 327,240 | 173,918 | | 173,918 | 150,000 | 11,526,972 |
| New York | 193,459,929 | 7,253,392 | 1,849,722 | 22,774 | 2,403,247 | 2,049,891 | 207,038,955 | 1,092,111 | 4,156,486 | 41,406 | 4,197,892 | 2,091,297 | 212,328,968 |
| North Carolina | 56,260,988 | 1,870,999 | 819,113 | | 1,280,056 | 602,312 | 60,833,468 | | 1,247,117 | 12,471 | 1,259,588 | 614,783 | 62,093,05 |
| North Dakota | 4,271,181 | 312,536 | 51,770 | | 631,592 | 150,000 | 5,417,079 | 146,676 | | | | 150,000 | 5,563,755 |
| Ohio | 41,269,978 | 638,494 | 851,709 | 129,616 | 1,255,897 | 441,457 | 44,587,151 | | 609,843 | 6,098 | 615,941 | 447,555 | 45,203,092 |
| Oklahoma | 18,199,914 | 497,757 | 144,188 | 141,888 | 640,412 | 196,242 | 19,820,401 | | 385,907 | 3,835 | 389,742 | 200,077 | 20,210,143 |
| Oregon | 9,382,231 | 854,152 | 239,617 | | 1,641,090 | 150,000 | 12,267,090 | 481,829 | 70,652 | | 70,652 | 150,000 | 12,819,571 |
| Pennsylvania | 67,113,702 | 4,575,784 | 769,672 | 219,608 | 514,091 | 731,929 | 73,924,786 | | 1,055,355 | 10,545 | 1,065,900 | 742,474 | 74,990,686 |
| Rhode Island | 5,189,238 | 402,390 | 20,120 | 81,372 | 2,683 | 150,000 | 5,845,803 | | 54,942 | | 54,942 | 150,000 | 5,900,745 |
| South Carolina | 34,313,120 | 824,482 | 264,218 | 61,357 | 533,421 | 359,966 | 36,356,564 | | 822,963 | 8,230 | 831,193 | 368,196 | 37,187,757 |
| South Dakota | 6,266,048 | 190,973 | 44,484 | | 31,062 | 150,000 | 6,682,567 | 165,602 | 21,942 | | 21,942 | 150,000 | 6,870,111 |
| Tennessee | 36,288,395 | 633,892 | 461,326 | 233,156 | 266,902 | 378,837 | 38,262,508 | | 846,777 | 8,468 | 855,245 | 387,305 | 39,117,753 |
| Texas | 69,566,731 | 2,243,741 | 821,414 | 475,132 | 16,094,656 | 892,017 | 90,093,691 | | 1,359,839 | 13,598 | 1,373,437 | 905,615 | 91,467,128 |
| Utah | 3,593,198 | 317,521 | 100,472 | | 218,584 | 150,000 | 4,379,775 | 163,540 | 21,287 | | 21,287 | 150,000 | 4,564,602 |
| Vermont | 2,107,682 | 291,828 | 65,959 | | 5,369 | 150,000 | 2,620,838 | 111,020 | 11,893 | | 11,893 | 150,000 | 2,743,751 |
| Virginia | 33,803,541 | 735,515 | 585,574 | | 645,013 | 357,696 | 36,127,339 | | 657,543 | 6,575 | 664,118 | 364,271 | 36,791,457 |
| Washington | 12,255,022 | 1,278,421 | 419,218 | | 1,833,149 | 157,948 | 15,952,758 | 502,187 | 144,348 | 1,413 | 142,761 | 159,361 | 16,597,706 |
| West Virginia | 20,524,496 | 379,645 | 187,905 | 23,009 | 165,663 | 212,807 | 21,493,525 | 69,084 | 409,497 | 4,095 | 413,592 | 216,902 | 21,976,201 |
| Wisconsin | 16,546,374 | 1,730,025 | 381,517 | 39,174 | 438,574 | 191,357 | 19,327,021 | 585,239 | 138,766 | 1,379 | 140,145 | 192,736 | 20,052,405 |
| Wyoming | 1,235,793 | 167,297 | 61,549 | 33,459 | 161,927 | 150,000 | 1,810,025 | 120,051 | 2,174 | | 2,174 | 150,000 | 1,932,250 |
| District of Columbia | 8,187,278 | 554,514 | 253,336 | 140,337 | | 150,000 | 9,285,465 | | 221,740 | | 221,740 | 150,000 | 9,507,205 |
| American Samoa | 333,046 | | | | | 25,000 | 358,046 | | | | | 25,000 | 358,046 |
| Guam | 902,004 | 43,717 | | | | 25,000 | 970,721 | | | | | 25,000 | 970,721 |
| Puerto Rico | 26,521,556 | 358,554 | 329,062 | | | 272,091 | 27,481,227 | | | | | 272,091 | 27,481,227 |
| Trust Territories | 1,049,404 | | | | | 25,000 | 1,074,404 | | | | | 25,000 | 1,074,404 |
| Virgin Islands | 523,392 | | 10,737 | | | 25,000 | 559,129 | | | | | 25,000 | 559,129 |
| Department of Interior, BIA | 12,477,000 | | | | | | 12,477,000 | | | | | | 12,477,000 |
| Unallotted | 102,368 | | | | | | 102,368 | | | | | | 102,368 |
| National Advisory Council on Education of Disadvantaged | | | | | | | 75,000 | | | | | | 75,000 |

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[1] $1,900,000 of this amount reserved for the migrant student record transfer system.

## REPORT TO THE SENATE ON CONFERENCE WITH CANADIAN OFFICIALS

Mr. STEVENS. Mr. President, I have just returned from Ottawa, Canada, where I joined six other Members of Congress in participating in a meeting organized by the Canadian Parliamentary Center for Foreign Affairs and Trade. This is a private Canadian organization, partially funded by the Parliament of Canada.

During this meeting, it was a privilege to meet with the Honorable Donald Macdonald, Minister of Energy, Mines and Resources, and the Honorable Jean Chrétien, Minister of Indian Affairs and Northern Development. We also met with Canadian officials who deal with Canada's National Energy policies and the problems of Canada's energy supplies. In addition, we met with Canadian newsmen and leaders of Canadian industry. I have attached a list of those with whom we met to this statement—the list is not all inclusive because we met additional Canadian officials—from Parliament and the Federal Government—and other distinguished Canadians at social gatherings hosted by Adolph Schmidt, American Ambassador to Canada and Mr. William H. Johnson, Deputy Chief of the U.S. Mission of the U.S. Embassy in Ottawa.

Mr. President, I ask unanimous consent that the list be printed at this point in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

### CANADIAN PARLIAMENTARY CENTER FOR FOREIGN AFFAIRS AND TRADE

*In Attendance—June 1, 1973*

CANADA

A. Brown—Coal Section, Energy Development Sector, Department of Energy, Mines and Resources, Ottawa.

J. Read—Coal Section, Energy Development Sector, Department of Energy, Mines and Resources, Ottawa.

O. J. C. Runnalls—Senior Adviser, Uranium and Nuclear Energy, Department of Energy, Mines and Resources.

W. H. Hopper—Director, Energy Policy, Department of Energy, Mines and Resources.

Wm. A. Scotland—Senior Adviser Oil & Gas—Canada-U.S., Department of Energy, Mines and Resources.

R. B. Toombs—Senior Advisor, Oil & Gas—Canada, Department of Energy, Mines and Resources.

G. M. MacNabb—Senior Assistant Deputy Minister, Department of Energy, Mines and Resources.

Douglas M. Fraser—Vice-Chairman, National Energy Board.

R. Priddle—Director, Oil Policy Branch, National Energy Board.

A. Boyd Gilmour—Assistant Director, Economics, National Energy Board.

R. L. Borden—Chief, International Resources, Industry, Trade and Commerce.

D. W. Fulford—Director, Transport, Communications Division, Department of External Affairs.

R. G. Blackburn—First Secretary, Canadian Embassy, Washington.

E. W. Humphrys—Senior Electrical Advisor, Energy, Department of Energy, Mines and Resources.

Peter Dobell—Parliamentary Centre, Ottawa.

Mr. STEVENS. Mr. President, no formal statements were made in those meetings, and again I emphasize they were organized by the center under the guidance of Peter Dobell, a distinguished former member of the Canadian Foreign Service. However, I have decided to set forth for the Senate my impressions of these meetings and my conclusions based upon them. Obviously, these meetings were important to our future deliberations regarding pipelines and transportation of oil or gas from the Alaskan Arctic to markets in the "South 48."

At the outset let me state that the most important consideration in the determination of the merits of the Alaskan route for the pipeline as compared to the Canadian route is time, and, as a result of this meeting, it is clear to me that Canadian officials agree with Secretary Morton that it will take 3–5 years longer to construct an oil pipeline through Canada than it will through Alaska.

This conclusion is inescapable from the following minimum timetable the Canadian officials outlined for the oil pipeline:

First, the National Energy Board of Canada will be prepared to accept applications for a pipeline at the end of this year.

Second, it would take Canadian industry about 1 to 2 years to prepare an application for the Canadian right-of-way and a certificate of convenience and necessity. The right-of-way application is filed with the department of Indian affairs and northern development; the certificate of convenience and necessity must be obtained from the national energy board—there would also have to be an application to the U.S. Department of the Interior for the portion of the right-of-way in Alaska and an application to the Federal Power Commission in the United States. It was repeatedly emphasized that nothing could be done by Canadian officials until such an application was filed.

Third. The NEB would take from 1 to 2 years to review any applications filed with it—and would, in all probability, have public hearings on such an application. The Department of Indian Affairs and Northern Development would probably appoint a three man commission to review any application for a pipeline right-of-way—this would take at least 1 year.

Fourth. Highly important in this problem of delay if the Canadian route were selected for the pipeline is the issue of Canadian native claims. Canadian natives have claimed that two treaties dealing with their rights are invalid. In addition, we were informed that Canadian Eskimos have not been the beneficiaries of any treaty; consequently, Canadian Eskimos most certainly have claims that must be dealt with.

Industry representatives told us that no corporation would proceed with a pipeline until the Canadian natives' claims were resolved by the House of Commons—and in doing so, they emphasized that the question goes beyond the validity of any right of way, it also goes to the validity of the oil and gas leases issued to the industry in the Northern Territories.

In other words, the 3 to 5 year delay in the time to obtain authorization of the Canadian oil pipeline right of way and certificate of necessity does not include any of the unforeseeable delays in the processing of the two applications—and, in particular, it assumes that there will be no extraordinary delay in the processing of the Canadian native claims. The United States experience does not support the conclusion that this is either rational or reasonable. As one who was deeply involved in the Alaska Native claims issue I feel that the progress which is being made in Canada on this issue, despite the assurances of the Minister of Indian Affairs and Northern Development, does not warrant a conclusion that the Canadian native claims will be disposed of peremptorily. And, attached to this statement is an excerpt from the testimony I gave to the Senate Interior Committee on this subject on May 2, 1973 and the statement I made to the Joint Economic Committee on June 22, 1972.

Mr. President, I ask unanimous consent that the excerpts be printed in the RECORD at this point.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

### EXCERPT FROM STATEMENT OF SENATOR TED STEVENS BEFORE THE JOINT ECONOMIC COMMITTEE ON JUNE 22, 1972.

One of the most important developments which would likely delay any proposed trans-Canada oil pipeline is the land claims of Canada's Native population. In recent years the northern Natives of Canada have organized to press for settlement of their treaty and aboriginal rights, much as Alaska Natives did in the recent past.

In 1968, Canada's Indian population numbered over 237,000, although most of this number have assimilated into Canadian life and live in the more urban provinces. Nevertheless, many groups still have outstanding land claims with the federal government. In 1899 and 1921, Treaties 8 and 11 were negotiated with the Indians of the MacKenzie District in the Northwest Territories, but were never enacted. With other Indians no treaties were ever enacted at all. Finally, with a third group of Indians, no treaties were entered into, in spite of understandings that such treaties would be negotiated. In 1912 complementary federal and Quebec statutes effected a northern extension of the boundaries of the Quebec province. However, although provisions in both statutes record Quebec's recognition of the rights of the Indian inhabitants of the region and its pledge to obtain surrender of such claims by some kind of settlement, no settlement was ever negotiated.

Thus, the claims of the various groups of Canadian Natives vary considerably. The judicial success of Canadian Indians whose ancestors were promised a settlement but which was never negotiated has been very slim. (See MacGuigan, Mark R., "Human Rights and the Native Peoples of Canada" 46 CANADA BAR REVIEW 695–711 (1968)).

The treaties signed in 1899 and 1921 with the Indians of the MacKenzie District of the Northwest Territories (the area, it should be noted, through which the proposed oil and gas lines would travel) granted the Indians one square mile of land for each family of five. However, these obligations were never fulfilled. A large part of the 8,000 or so Indian population in the Northwest Territories is covered by these two treaties.

In 1959 a Royal Commission was appointed by the federal government which recommended an alternative to granting the land in the form of the payment of $25 million, plus the annual payment of one-half of one percent of any revenues received by the Crown for mineral, gas, and oil reserves in the area of the treaties. This recommendation also was never implemented.

Finally, other Indians are expected to seek settlements on the basis of aboriginal rights, the foundation for the claims of Alaska's Natives. This would include the Eskimos of the Arctic regions and the Indians of the northern Yukon, particularly those in the path of the proposed pipelines from Prudhoe Bay. Most of Canada's present Eskimo population of 15,000 resides in the Northwest Territories and possesses only aboriginal claims.

By legislation enacted in 1965, the Department of Indian Affairs and Northern Development was formed on the federal level with the responsibility of administering Indian Affairs.

The Northern Natives of Canada have at present organized three groups to settle treaty and aboriginal rights. The largest and best organized group is the Indian Brotherhood of the Northwest Territories. The

Brotherhood is composed of Treaty Indians who presently live on reservations and receive a stipend from the government.

The second group is the Inuit Tapirisat which consists of Eskimos and also receives governmental assistance.

The third group is the Committee for Original Peoples Entitlement (COPE) consisting of Eskimos, Metis (part Native, part white), and non-treaty Indians (i.e., Indians who have left the reservation and no longer receive governmental funds).

The Canadian government has not taken a positive position toward the various treaty and aboriginal claims of Canada's Indians. Prime Minister Pierre Trudeau is on record as stating that the Indians' claims should be dealt with on their legal and not on a basis of moral rights—a statement indicating that he is prepared to deal wtih the treaty Indians, but not the non-treaty ones—the Eskimos and the Metis. (Oilweek, April 10, 1972).

Moreover, Jean Chretien, Minister of Indian Affairs and Northern Development, in a May 18, 1972 apparance before the House of Commons declared that his government was "prepared to abide by the treaties and we have offered two options to the Indians: either their lands or a compensatiton. They have not made a choice." (House of Commons Debates, 4th Session, 28th Parliament, May 18, 1972, Vol. 116, P. 2384). Thus, it seems obvious that the Canadian Government is not willing to go beyond its original 1899 and 1921 treaty obligations concerning land allotments, or the settlement figure of $25 million proposed in 1959.

Likewise, Mr. Chretien, in another dialogue this very month (June 5, 1972) in the House of Commons with Robert Stanfield, leader of the Opposition, declared that, although his government was prepared at any time to fulfill its treaties with the Indians of the Northwest Territories, that it intended to proceed with its plans for the development of the North without any effort to settle the question of aboriginal rights. Mr. Chretien declared that only if the Supreme Court of Canada gives a ruling directly with regard to aboriginal rights would the government "take the situation in hand and decide what ought to be done." (House of Commons Debates, 4th Session, 28th Parliament, June 5, 1972, Vol. 116, p. 2836).

The activities of the three Indian groups, however, indicate that they will not accept the present offers of the government, but will press for a settlement to include compensation for their aboriginal claims. Indeed, all of the various chapters of the Indian Brotherhood have refused to meet with the Indian Claims Commissioner regarding settlement of their treaty rights.

The successful efforts of the Alaska Federation of Natives in obtaining a generous settlement of 40 million acres of land, $500 million in cash, and gas and oil royalty payments up to another $500 million have served as a highly instructive model for the Canadian Indian groups.

The declared aim of all three Indian groups is at presnt "no settlement, no pipeline!" (*The Financial Post*, Toronto, April 15, 1972), referring to the proposed oil and gas pipelines down the MacKenzie Valley. The groups plan to go to court to halt construction of any such pipelines if they begin before the Natives have received the kind of settlements they are seeking to both their treaty and aboriginal claims. Thus, obstructing law suits are planned to block any such projects, much as the law suit filed in April, 1970, by five Alaskan Native villages resulting in an injunction barring the Secretary of the Interior from issuing a pipeline permit.

It can be expected that the legal battles involved with any such litigation could reach to the Canadian Supreme Court. At present, lawyers for the groups representing treaty Indians are researching the expectations and understandings of the Indians who signed the 1899 and 1921 treaties to portray their belief that the wording of the treaties might not have represented what the signing chiefs thought they were approving. The non-treaty Indians, on the other hand, are trying to win acknowledgement that their aboriginal claims are indeed valid. The fact that the U.S. Congress explicitly acknowledged the validity of similar claims by its passage of the Alaskan Native Claims Settlement Act last December should provide important legal precedent in this regard.

Also it should be noted that concern has grown greatly in this country with the manner in which our Indian population was treated in past eras. This growing sentiment can be seen visibly by comparing the generous settlement terms which the U.S. Congress finally accepted as part of Alaskan Native Claims Settlement Act and the provisions of a similar bill in the 91st Congress which passed the Senate but not the House of Representatives. That bill passed only 16 months earlier, offered the Alaskan Natives only 11 to 15 million acres of land and $1 billion compared to the 40 million acres and $1 billion agreed to 16 months later. In short, although the Canadian government may not now be prepared to accept the validity of the aboriginal claims of its Natives, political reality and public opinion may force it at a later date to accept these claims at a much higher, more costly settlement figure than it could now negotiate.

In summation, the Native groups of Canada are now organizing to press for the settlement of their treaty and aboriginal claims. Whether they can build up sufficient public support and develop the legal arguments necessary for blocking a trans-Canada pipeline until their claims are settled to their satisfaction is impossible to forecast. However, it does seem plain that Canada's Natives, drawing upon the experience of Alaskan Natives, should be able to significantly delay the construction of any pipeline through Canada, be it oil or natural gas.

### EXCERPT FROM STATEMENT OF SENATOR TED STEVENS

Recent reports confirm the seriousness of the Canadian Land Claims. It is now apparent that Canada's northern natives have launched an all out drive to establish their right to land. The key element of this drive is native opposition to government approval of construction of a MacKenzie Valley pipeline. With the cry of "no settlement, no pipeline" (The Financial Post, Toronto, April 15, 1972) Canada's natives have raised this issue, which the United States has just taken 15 years to resolve. The Prime Minister of Canada has recently agreed to negotiate treaty claims with the Indians for a cash land settlement, including perpetual royalties on natural resources. However, Mr. Trudeau at the same time refused to say definitely that aboriginal rights existed legally. These treaties involve nearly 7,000 Indians in the territories. 13,000 Eskimos have no treaties, nor do 5,000 Metis, living side by side with the Indians in the MacKenzie area. In any event, the Indians want to do more than just negotiate their treaty claims, and rightfully so. They are organizing with the Eskimos and Metis to settle their aboriginal land claims. It took this country five years to settle Alaska's native claims. The natives of Canada have watched Alaska's 60,000 natives win a 962.5 million dollar cash and royalty payments settlement plus title to 40 million acres of land. Any major proposed trans-Canada pipeline from Alaska to the Lower 48 would have international repercussions that the Canadian Natives could rightfully use to gain additional leverage. By the same token, such Canadian native land claims would doubtless delay the construction of any trans-Canada pipeline.

Another potentially serious setback for the pipeline is court action recently taken by the Northwest Territories Indian Brotherhood that has imposed a temporary land freeze on the thousands of square miles of treaty lands there. The Indians sought an injunction against any land disposal in the 400,000 square miles area until their land claims settlement is reached. The territorial Supreme Court imposed a three month land freeze until a ruling on the injunction can be handed down. This lawsuit is breaking new legal ground and is apparently an issue of first impression in that jurisdiction. But if the injunction is issued by the Supreme Court of the Northwest Territory, a long term land freeze will probably result.

In his testimony before the Joint Economic Committee, Mr. Donald Wright, the President of the Alaska Federation of Natives, stated:

"We have learned from hard experience that it is imperative to settle the question of aboriginal land rights prior to the construction of any pipeline. The resolution of this issue in Canada is still in its early stages and nothing should be done to undermine its opportunity for successful resolution. To advocate a trans-Canada pipeline must include as its premise a fair settlement of Canadian Indian land claims prior to any construction taking place. Based on our experience in the United States, this will require a number of years of careful and thorough negotiation, perhaps even litigation."

And this is only one major delay. A trans-Canada pipeline would raise significant environmental issues where there is currently no established form for dealing with them and could involve regulatory and jurisdictional delays beyond any reliable estimate. Recently Canadian Arctic Gas Limited President Vernon L. Horte expressed confusion on Canadian federal hearing procedures for the construction application.

The Northwest Territories Minister of Indian Affairs and Northern Development, Jean Chretien, stated that his department will require a separate hearing from that of the National Energy Board. In his speech of March 15, Mr. Chretien stated:

"The Council of the Northwest Territories has formally given its support to the construction of a systems corridor—including a pipeline through the Mackenzie Valley, provided there is involvement of the N.W.T. Government, optimum employment of northerners, compensation to anyone adversely affected and adequate protection of the environment. . . .

"I have decided that public hearings will be held under the Territorial Lands Act at an appropriate time after the Department receives an application for a pipeline right-of-way covering Crown lands which are within the Territories and under my administraton as Minister of the Department of Indian Affairs and Northern Development.

"The purpose of this enquiry will be to assess the regional, socio-economic and environmental implications arising out of the construction and operation of a major pipeline in the Territories.

"These hearings will be held in addition to those required by law under the National Energy Board Act subsequent to an application of the NEB for a Certificate of Public Convenience and Necessity . . .

". . . any application to my Department for a pipeline right-of-way must be based on a viable project proposal and must further be accompanied by detailed documentation of research pertaining to those areas of social and environmental concern enunciated in the Government's Guidelines for Northern Pipelines.

". . . It is my intention to ensure that any hearings under the Territorial Lands Act are structured in such a manner that all those interested in the project at the time would have an adequate opportunity to be represented and to make their views known. In order to ensure that northern residents, especially the native people, can make a contribution, I would expect that the hearings would be held in part at least in northern centres particularly those closest to the proposed pipeline routes."

A national energy policy for Canada, which may come within the next few months, must be determined before any hearings on the pipeline project will be scheduled. In fact, Mr. Horte, the President of Canadian Arctic Gas Limited, expressed concern that the trans-Canada project might be delayed long enough to require North Slope natural gas to be shipped down through Alaska!

Mr. STEVENS. Mr. President, it is important, I feel, to try to interpret the statements and actions of our Canadian friends and neighbors from their point of view. In the first place, Canada has sufficient oil reserves to meet her future demand. Canada has at least 10 billion barrels of known petroleum reserves and an estimated potential of 120 billion barrels. Canada produced 493 million barrels in 1971 and exported 308 million barrels to the United States in that year. Canada's natural gas reserves indicate a more positive picture. Canada estimates proved reserve at 53 trillion cubic feet, with potential reserves at 725 trillion cubic feet of gas. Canada produced only 2.5 trillion cubic feet of natural gas in 1971 and exported 0.9 trillion cubic feet of natural gas to the United States in that period.

No significant oil discoveries have been made in Canada's McKenzie River area—on the contrary, significant gas discoveries, not included in Canada's gas potential of 725 trillion cubic feet of gas, have been made in the McKenzie River area. Clearly, the Canadian national interest lies in the transportation of natural gas—not petroleum.

The major national issue involved in the Canadian appraisal of the Alaskan pipeline is the potential tanker traffic to the Puget Sound with Alaska crude for refineries in Washington State. It was made very plain to me that the Canadian National Government was prepared to commit western Canadian, low sulfur—sweet—crude oil to the Puget Sound to obtain an agreement from the United States that supertankers would not serve Puget Sound. This is an offer we may not be able to refuse.

It is clear that tanker traffic is now a potential political hazard for the Trudeau government. Canada has indicated it will send a note to the United States protesting the proposed tanker traffic to serve the Eastport, Maine, refinery.

This proposed tanker traffic and that proposed for the Puget Sound appears to me to be more of a political reality than a potential environmental risk—and, we should not ignore the implications in such a political risk.

Most significantly, the Canadian Government has enunciated another problem with political and economic considerations. It is apparent that the Canadian Government would not permit an oil pipeline and a gas pipeline to be constructed simultaneously through Canada to transport Alaskan oil and gas to U.S. markets. It was pointed out to us that if both pipelines were constructed simultaneously there would be a severe drain on available Canadian manpower. In addition, challenge has been made to Canada's ability to finance a gas pipeline—let alone a gas pipeline and an oil pipeline at the same time. Canada is also moving forward with other public works projects, such as the James Bay hydroelectric project which will require $6 billion in financing and 6,500 workers per year for 12 years. It is not possible for Canada to finance projects such as James Bay hydro and both pipelines in the decade ahead. This, as I said, most significant decision means that if it was determined that Alaskan oil should go through Canada it would be at least until 1979 before construction of a gas pipeline could be commenced. Obviously, the people of the Midwest cannot wait 10 years to receive any further increment in natural gas supplies. The one great hope that the United States Midwest has for additional natural gas supply lies in the pipeline to tap Alaskan and Mackenzie River reserves for export to the South 48.

Canada is ready to proceed to process a gas pipeline application. Canadian Gas Arctic Study Ltd. and Alaskan Arctic Gas Study Co. have spent about $30 million for research on the Canadian gas pipeline. It is anticipated that this study, which has taken 3 years to date, will be reviewed for about 18 months, and that the gas line could be constructed in about 3 years. In other words, if the Alaska pipeline is started in 1974 and the application for the Canadian gas line is filed in 1974, it is anticipated that the gas line will be completed sometime in late 1978—just in time to commence deliveries of North Slope natural gas—and at least 5 years before gas could be delivered if both the oil and gas lines are required to be located in Canada. Moreover, it is entirely possible that Mackenzie River gas will be exported to U.S. consumers as soon as the gas pipeline reaches the Mackenzie River—2 years after the Alaskan pipeline commences. This would make additional gas supplies available to the U.S. Midwest by 1975.

Canadian needs for a gasline are great—the Mackenzie River discoveries can support about 1 billion feet per day production—but at least 4 billion feet per day is required to support the trans-Canada gas pipeline of 48 inches. This additional supply can come only from Prudhoe Bay gas reserves. Furthermore, while Canada has no immediate need for Mackenzie River natural gas, it is clear that in about 10 years the Mackenzie River deposits will be needed to fulfill Canadian needs. Natural gas production in the meantime would probably be available for export to the United States—thereby augmenting Midwest supplies and actually providing needed hydrocarbon fossil fuel to the Midwest and East of the United States at least 5 to 8 years earlier than it could delivered if both pipelines are built through Canada.

There are other delay factors—for instance, Canada will not license any pipeline which will disturb gravity flows of rivers crossed by a pipeline. This stipulation alone will require significant research and design of engineering features to prevent disturbance of gravity flow. Furthermore, it was seriously questioned whether Canada has available, without significant environmental damage, enough gravel to supply a footing for two pipelines in Canada and, in my opinion, proponents of the Canadian oil pipeline have ignored completely the warnings being issued by responsible Canadian officials concerning the problems the Canadian gasline will face.

Mr. President, the Toronto Globe and Mail has reported the controversy concerning the problems of financing the gas pipeline and has editorially suggested that even the gas pipeline should be reviewed by the House of Commons. I ask unanimous consent that both the article of Terrance Wills and the Globe and Mail editorial on this subject be printed at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. STEVENS. Mr. President, let me summarize the results of the meetings we held in Canada last week:

First, it will take at least 3 to 5 years longer to construct an oil pipeline through Canada.

Second, Canadian Native claims are a significant cloud on all oil company activity in the Mackenzie River area and these claims must be honorably settled if a gasline is to proceed. If both lines were to be proposed for the Canadian right-of-way, the delay would be even more serious, because it is obvious to me that the Canadian Government is apprehensive about Canadian Native claims.

Third, Puget Sound tanker traffic is a real—political—obstacle to the Alaskan pipeline proposal.

Fourth, the Canadian Government's opposition to constructing both the oil and gas pipelines simultaneously can only increase the delay in making available Alaska natural gas supplies to the U.S. Midwest.

Mr. President, the Alaskan pipeline route has been thoroughly studied. An application has been filed for the appropriate right-of-way.

No delay is necessary for the Alaskan Native claims—we have solved that problem already. And, there is no question that the U.S. capital market could support the Alaskan oil line even while the Canadian capital market financed the gas line. Above all, Mr. President, there is no additional delay to examine the route involved and no question about support from all Alaskans—Native and nonnative—for the Alaskan pipeline.

I am grateful to the Canadian officials who met with us and to Peter Dobell and his staff for organizing the conference. I will be expounding at other times on the need for Alaskan oil now—if it had not been delayed we would not have any shortages today—but this is an issue for another occasion to address the Senate. Suffice it to say for now that Alaskan oil and Alaskan gas will reach U.S. markets sooner, and with less expense in the long run, if this Congress enacts legislation to modify the 1920 Mineral Leasing Act right-of-way limitations and takes action to assure that the Alaskan pipeline proceeds without further delay.

I urge my colleagues in the Congress to study this issue carefully—at question is the basic issue of whether we will act to alleviate shortages here at home by utilizing U.S. reserves or whether a small group of people who do not want any development of our Arctic oil and gas resources will dominate this question. Congress cannot afford to leave 25 percent of the known U.S. reserves of oil and 40 percent of the gas reserves untapped while we dance a jig to the extremists' fiddle.

We must produce Alaska's vast resources to preserve the integrity of our foreign policy and to try to restore the value of our currency.

EXHIBIT 1

### PIPELINE PLAN PROVIDES LITTLE ECONOMIC BENEFIT, REPORT SAYS PIPELINE UNHELPFUL TO ECONOMY

(By Terrance Wills)

OTTAWA.—The proposed Mackenzie Valley natural gas pipeline will provide relatively little employment and revenue for Canadians while pushing up interest rates, energy prices, and the exchange rate of the Canadian dollar.

"A northern pipeline will not make a major long-term contribution to the Canadian economy in terms of employment of personal incomes," says a confidential intragovernment report prepared by the Economic Impact Committee of the Task Force on Northern Oil Development.

"Even with the most favorable impact on employment, the direct and indirect pipeline labor requirements represent only 1 to 1½ per cent of the estimated Canadian labor force (10,000,000) during the years of construction," says the report, which is dated Oct. 6, 1972.

"Under existing tax regulations, returns to the federal Treasury will be minimal (in the order of $73 million), and substantially less than the Alaska Government expects to realize from the operation of the Alyeska (trans-Alaska) oil pipeline ($300 million)," says the main body of the report. A footnote to one of the tables appended goes even farther:

"Income tax revenues as a result of the pipeline might therefore actually decline substantially, thereby increasing the difficulties of Government finance, and resulting in up to $10 million per year in higher Government interest costs."

Canadian Arctic Gas Study Ltd., a consortium of oil and gas and transportation companies, the majority U.S.-controlled, seeks to build the line to carry gas from Prudhoe Bay in Alaska and the Mackenzie Delta.

"Most if not all of the natural gas transported by the pipeline will be marketed in the U.S.," says the report of the committee, whose chairman is H. G. P. Taylor, director of resource programs in the Department of Finance.

The committee is one of five set up by the Government's task force, which itself comprises four deputy ministers and the chairman of the National Energy Board.

The report also says: "The potential costs of pipeline operations include a continuous upward pressure of up to $183 million per year on the Canadian dollar, making it more difficult for other, more labor-intensive, exports to be sold abroad; and a potentially serious upward pressure on the level of Canadian energy prices.

The net increase in demand for the Canadian dollar during the construction of the pipeline could be up to $600-million a year over three years, it says. "This $600-million would represent a significant source of upward pressure on the Canadian dollar."

The higher the value of the Canadian dollar in relation to the U.S. dollar, the more difficult it is for Canadian manufacturers to sell their goods in the United States.

It concludes that the pipeline would be "a mixed blessing" for Canada.

The construction of the pipeline—the consortium wants to build it over the period 1975–78—would generate at the greatest possible maximum, employment for 105,000 each year. "Unless other projects requiring similar labor skills were developed at an appropriate time, construction of the pipeline could have a destablizing effect on employment trends in the economy," the report says.

The Canadian portion of the pipeline is estimated to cost $4.5-billion. It is in the financing of the pipeline, and the corollary issue of control, that the report points to some of the largest difficulties.

"Once an application for the pipeline is approved, control of its timing will largely move out of Government hands. At that point it will be difficult, if not impossible, to adjust the timing to accommodate other major capital projects which may be desirable in the same time frame," it says.

"The financing of the $4.5-billion Canadian portion of the pipeline, especially if it coincides with other large resource projects in Canada and abroad, will inevitably put some strain on Canadian and world financial markets. The increased demand for investment funds could push up interest rates in Canada—particularly if one of the conditions imposed by the Government on the pipeline is majority Canadian ownership."

Energy Minister Donald Macdonald has said repeatedly that the Government will insist on majority Canadian ownership—but the report says that this in itself will not guarantee Canadian financial control.

"Financial control of the pipeline by Canadians would tend to ensure additional benefits to Canada. Such additional benefits would not likely be forthcoming if Canadians were simply to achieve majority ownership, since this would not guarantee financial control by Canadians.

"The likelihood of financial control relates to the question of probable shareholder behavior, since normally only a small proportion of total shareholders control corporate policies.

"In contrast to the possible behavior of Canadian investors in the pipeline most foreign investors (especially the American-controlled members of the pipeline consortium) will be interested in controlling the management of the pipeline.

"It is evident, therefore, that something beyond majority ownership by Canadians would be needed to guarantee financial control of the pipeline."

The report recommends that the Government require that a majority of the directors be Canadian, that the executive officers be Canadian, and that the Government be able to appoint a director who would also be a member of the executive committee.

The report estimates that from $250-million to $750-million could be raised in Canadian equity financing for the line. The portion of the cost to be raised in equity capital would be about $1-billion, leaving $3.5-billion to be raised in debt financing.

The Canadian content of pipeline inputs is estimated to lie within a range of from $1.8-billion to $2.9-billion.

The extent of Canadian financing and of Canadian-made materials in the pipeline will, along with the timing in raising the capital, be the important factors governing the behavior of the exchange rate of the Canadian dollar.

That is, the more money raised in Canada and the less spent in Canada on materials for the pipeline, the less the upward pressure on the Canadian dollar. Conversely, the more money raised in the United States and spent in Canada on materials, the greater the upward pressure on the Canadian dollar in terms of the U.S. dollar. And too, the greater the inflationary pressure within Canada.

There will at least be localized inflationary pressures, as the economy attempts to produce the $3.4-billion to $5.3-billion in goods and services that is estimated to be the total Canadian income directly and indirectly related to the construction of the line.

"The rate of inflation would be made even worse if an attempt were made to absorb any increased foreign demand for the Canadian dollar by means of an expanded domestic money supply," the report says.

"In the absence of such offsetting Government intervention, any increase in demand for the Canadian dollar would tend to push up its value—resulting in higher imports and lower exports.

"The ensuing net shift in the balance of trade could be as much as $1.6-billion over three years.

"In addition to these difficulties stemming from a higher value of the Canadian dollar, the problems of Canadian exporters would be compounded by any further increase in the rate of domestic inflation."

The report urges changes in legislation to gain more revenues from the natural gas and its transportation for the public Treasury. (Mr. Macdonald has said he supports gaining increased revenues from resources.)

There will be no income tax revenues from the line for its first 10 years of operation through tax deferral provisions, the report says, and adds: "TransCanada Pipelines Ltd., the largest gas pipeline in Canada, has not paid any income tax since it began operations in 1958."

The report says that increasing revenues for the federal Treasury by higher royalties on gas would apply only to the Mackenzie Delta gas and not to the Prudhoe Bay gas that the line would carry.

It recommends a throughput levy to tax "the legitimate source of revenue" provided by the transportation of the Alaskan gas. A throughput tax of 10 cents per thousand cubic feet on a throughput of 1.2 trillion cubic feet per year would yield revenues of $125-million and increase costs to the U.S. consumers by 12 per cent.

"What is clear is that for Canada to accept anything less than the maximum possible return would be to subsidize the U.S. user at the expense of the Canadian taxpayers," the report says.

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### A MATTER FOR THE HOUSE

A confidential report prepared by an internal Government committee suggests that the proposed Mackenzie Valley natural gas pipeline would produce few benefits for Canada and would damage the country in a number of important ways.

The report is dated October 6, 1972. It was prepared by the Economic Impact Committee of the Task Force on Northern Oil Development. The task force is made up of four deputy ministers and the chairman of the National Energy Board; and the economic committee is headed by H. G. P. Taylor, director of resource programs in the Department of Finance. The committee report was released unofficially at the weekend. It is, in other words, one of those papers which the Government, under its secrecy guidelines, would treat as not for public consumption.

Yet it is a report in which the public interest is deeply concerned.

The report finds that the pipeline would provide, either directly or indirectly, relatively few jobs for Canadians ("only 1 to

1½ per cent of the estimated Canadian labor force"). Because these jobs would be temporary, lasting about three years, they "could have a destabilizing effect on unemployment trends in the economy".

Tax returns to the federal Treasury would be minimal (TransCanada Pipelines Ltd., to give a precedent, "has not paid any income tax since it began operations in 1958"). The pipeline might even result in declining tax revenues, "resulting in up to $10-million per year in higher Government interest costs".

"Most if not all of the natural gas transported by the pipeline will be marketed in the United States," says the committee. This would not only give to the United States a limited Canadian resource that is likely soon to be in short supply but, by introducing U.S. competition, elevate the cost of Canadian energy resources about what they need be.

The capital costs of the project would be huge and probably beyond the capacity of Canadian capital markets. Getting the money, both at home and abroad, could have several bad effects. It would increase inflation. It would put upward pressure on the value of the Canadian dollar, cutting Canadian exports of more job-intensive goods. It would play hob with the Canadian balance of payments.

We would be cutting our power to export the goods that create jobs and which we want to export, in order to make it possible to increase our exports of something—natural gas—which it may not be prudent to export.

Shortly before the last federal election Dr. J. Tuzo Wilson, principal of Erindale College of the University of Toronto and a world-famous geophysicist, talked about that prudence to a federal seminar on scientific activities in Northern Canada. Dr. Wilson, quoting a barrage of experts, indicated that Canada itself was going to need all its proven and unproved petroleum resources.

"Surely," he said, "a cautious individual would be concerned to husband his resources lest he soon be left without . . . The only conclusion I can draw from this is that we should sell nothing abroad, but proceed very slowly and cautiously to develop supplies to meet our own needs. This will give us time to do the research required (to find in usable form the other sources of energy that in the lifetimes of some now living will be absolutely imperative)."

The election threw Dr. Wilson's statements into obscurity, but we suggested at the time that they should be studied seriously after the election. They should be studied now, in conjunction with this secret report.

Prime Minister Pierre Trudeau told the Commons yesterday that the report was an early draft; that is, not worth considering. Energy Minister Donald Macdonald said it was "negated in committee discussions". He told Opposition Leader Robert Stanfield the decision on a pipeline would be made after public hearings by the National Energy Board.

This is not good enough. If the findings of the committee have been negated, then the public is entitled to know by whom and with what facts; and the NEB is not a suitable instrument for the examination. It cannot assess how the pipeline would relate to employment, inflation, a dollar forced upwards and making our exports uncompetitive, our balance of payments, Government revenues.

Mr. Stanfield asked that the whole question, with all pertinent reports, be referred to a committee of the House. The New Democrats made similar requests. Mr. Macdonald's suggestion, that to take the matter out of the hands of the NEB would be unlawful, was the sort of arrogant nonsense which we had hoped the Government had put behind it.

A pipeline would touch on too many facets of national life for NEB competence. Examination of the projects, and decisions about it, belong to the Government, Parliament and people.

## QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HUDDLESTON). Without objection, it is so ordered.

## CONCLUSION OF MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, is there further morning business?

The PRESIDING OFFICER (Mr. HUDDLESTON). Is there further morning business? If not, morning business is concluded.

## ALLOCATION OF CRUDE OIL AND REFINED PETROLEUM PRODUCTS

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of the unfinished business, S. 1570, which the clerk will state.

The assistant legislative clerk read as follows:

S. 1570, to authorize the President of the United States to allocate energy and fuels when he determines and declares that extraordinary shortages or dislocations in the distribution of energy and fuels exist or are imminent and that the public health, safety, or welfare is thereby jeopardized; to provide for the delegation of authority to the Secretary of the Interior; and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 152 of the Senator from New Hampshire (Mr. MCINTYRE).

The text of the amendment (No. 152) is as follows:

### PETROLEUM PRICE CONTROLS

SEC. —. (a) The Congress finds and declares that, notwithstanding the imposition of mandatory controls by the Cost of Living Council on March 6, 1973, on the prices of crude oil and petroleum products, such prices have increased and are continuing to increase at an excessive rate.

(b) In order to control inflation, promote a sound economy, and carry out the objectives of this Act as stated in section 102, the Congress urges the President immediately to take such further action as may be necessary to stabilize effectively the prices of crude oil and petroleum products.

### QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time not be charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered, and the clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. JACKSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JACKSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JACKSON. What is the pending business?

The PRESIDING OFFICER. The pending question is on the adoption of the amendment by the Senator from New Hampshire, on which the yeas and nays have been ordered. Ten minutes of debate remain, to be equally divided between and controlled by the distinguished Senator from New Hampshire and the Senator from Washington.

Mr. McINTYRE. I yield myself 4 or 5 minutes.

Mr. President, the amendment before the Senate this morning concerns itself with the significant price increases on petroleum products that we have been experiencing in the past few months.

The amendment is not—and I repeat, is not—mandatory in nature but urges the President to immediately take whatever action is necessary to effectively stabilize prices on crude oil and petroleum products.

At the present time, the 23 largest companies in the oil industry are under mandatory price controls. This control program allows these 23 companies to incease their aggregate prices by not more than 1½ percent this year without receiving prior approval from the Federal Government. It is obvious, however, that the present price procedure has had little effect on individual product prices.

Mr. President, it is only too clear to every Member of this body that one of the primary problems facing this country today is inflation. The exchange value for the dollar as measured against the West German mark fell to an alltime low yesterday while, at the same time, the price of gold rose to a record level of $123.50 an ounce on the London market.

Unemployment nationally has remained constant since November of 1972 at or around 5 percent. The wholesale price index and the consumer price index have both risen at alarming rates. The cost of crude oil and petroleum products have a substantial impact on our economy. This year it is estimated that we will be using approximately 18 million barrels daily. At a time when we are experiencing severe supply problems, it is essential that Congress make clear its determination to actively restrain price increases.

This amendment specifically does not call for decreases of petroleum prices, increases in petroleum prices or a freeze on petroleum prices, but it does make it clear that Congress is extremely concerned over the recent excessive price increases of petroleum products. It does urge the President to take whatever action is necessary to stabilize prices on crude oil and petroleum products.

Mr. President, the underlying issue in considering this amendment is the extent of the commitment that the Senate has to control inflation and stabilize prices. No one can question the necessity for acting swiftly to stabilize our economy. What we are considering today is a bill recognizing the fact that the Federal Government must establish mandatory allocation procedures to assure that shortages of petroleum products do not cause serious damage to our economy. But there is another side to this question, and that is, that shortages also tend to be reflected through price increases. Under normal economic conditions, this economic interplay, although distasteful, would be expected. However, the fact is that there are controls on wages and prices; and the fact is that we must control inflation; the fact is also that petroleum product prices and crude oil prices are increasing tremendously. We must make sure during this crucial period that those increases that the consuming public are called on to bear must have justification above and beyond the question of supply. This amendment recognizes that fact. I urge its adoption.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. McINTYRE. I am happy to yield.

Mr. JACKSON. Mr. President, I again commend the Senator from New Hampshire for the amendment. It is a very sensible amendment. It is advisory in nature and it simply pinpoints the tremendous pressure on prices in this area of supply. I believe it is important as far as the cost of living is concerned. I commend the Senator for offering the amendment and I urge its adoption.

Mr. President, under the announcement of the Chair, one-half of the time is allotted to me. I am in favor of the amendment and support it. I will allocate my time to the distinguished Senator from Arizona (Mr. Fannin), the ranking minority member of the committee.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. FANNIN. Mr. President, I express my thanks to the distinguished chairman of the committee for giving me this time.

Mr. President, good politics, including good legislation, must have some correspondence with reality. That is to say, when the Congress calls upon the President to do something it is prudent that the request be capable of attainment.

To request the President to stabilize petroleum prices is a request not capable of attainment. It is to ask him to do the impossible.

Let me go into the reasons why.

First, the so-called OPEC agreements forced upon the oil companies all contain clauses which escalate prices. Each new agreement raises prices even further. Other OPEC related activities have resulted in participation agreements which call for 51 percent OPEC control over oil company equity interest by 1983. Some OPEC countries have followed the nationalization route. Libya has recently demanded 100 percent control of oil company interests located in that country. Short of almost impossible negotiations with Middle East oil producing countries the President can do very little, if anything, to stabilize prices of foreign oil.

Second, Mr. President, there is no way to prevent price increases for oil produced in the United States. Here are the reasons why. Nearly all the easy oil has been found and produced. All that is left onshore are marginal reserves which are very expensive to produce. By comparison, Middle East oil wells produce several thousand barrels a day. Only natural pressures are used to "lift" that oil. Thus, the production cost per barrel is only about 20 cents.

By contrast, U.S. onshore production costs about $2 a barrel. The average U.S. onshore well produces less than 5 barrels a day and requires the use of sucker pumps and other expensive equipment employed in secondary and tertiary recovery. As the onshore oil gets scarcer the costs of producing it will continue to rise.

Next, Outer Continental Shelf production is terribly expensive and gets more expensive the deeper we drill and the deeper the water becomes in which we drill. Offshore wells cost over a million dollars a copy. There is no way to prevent costs from increasing in offshore drilling.

Next, Alaskan oil will be expensive not only to produce but also to transport. There is no way to prevent Alaskan oil from being expensive.

Mr. President, Middle East oil, U.S. onshore and offshore oil will become more expensive for the reasons I stated. I did not include the factor of inflation which will add even more to costs and therefore to price.

Third, to try to stabilize prices of oil will result in the short supply situation becoming progressively worse. Let us not forget that the reason we have oil shortages today is because of the natural gas shortage. And the reason we have a natural gas shortage is because the FPC tried to stabilize natural gas prices. The FPC did, indeed, stabilize natural gas prices. They did a beautiful job, so beautiful that the exploration rate for gas dropped so dramatically that last winter the Nation was 500 billion cubic feet short. That amounts to about 83 million barrels of oil.

Now if we can achieve the same wonderful result by stabilizing oil prices, in a few years we can manage to slow down oil production to about zero.

That leaves us coal to burn. Now due to coal mine health and safety restraints and air quality regulations we have only limited opportunity to produce and burn coal.

Mr. President, what I am saying is that if we direct the President to stabilize oil prices we will end up with a shining atmosphere in the daytime but no shining lights at night.

The Senator from New Hampshire recognizes that New England runs on oil. In fact, New England runs mainly on foreign oil, the price of which the Senator recognizes the President cannot control.

Thus, it would seem by his amendment the Senator is either asking the President to do something he is incapable of doing or he is asking the President to insure that the people of New England and elsewhere will not have oil.

Mr. President, no matter how politically creative the Senator's amendment may appear to be at first blush, I would like the Record to show that it is impossible to implement; and even if it were possible to implement, its result would be a severely worsened shortage of oil.

I am hopeful that my colleagues will bear these few inescapable points in mind before they cast their votes on the Senator's amendment.

I appreciate the goal of the Senator, but I know that it is not attainable.

Mr. BUCKLEY. Mr. President, I would like to make just two or three observations on why the McIntyre amendment should be defeated.

First of all, we are dealing with commodities that are in short supply. Experience has demonstrated time and again that the one way to make scarce commodities scarcer still is to start tinkering with market forces that tend to eliminate shortages by allowing prices to rise to a point where production is encouraged. The controls imposed by the FPC on the wellhead price of natural gas committed to interstate markets and preconsequent shortage is a case tellingly in point.

Second, the price mechanism, in a competitive market, is one of the best means of assuring that commodities will reach their highest and most efficient economic uses. An attempt to fix prices will, in other words, make more difficult the very difficult job of allocation by governmental edict that this act seeks to mandate.

Finally, unless the Congress is prepared to authorize the dispatch of gunboats to make sure that the OPEC countries do not once again raise the price of the crude oil we must continue to import, we may soon find our refiners squeezed between rising crude prices and the ceilings imposed on refined products. This will inhibit the building of new refinery capacity. It will also further encourage the kind of adjustments in refinery mix in response to price controls that were in large part responsible for last winter's fuel oil shortages.

If the McIntyre amendment is adopted, Mr. President, the inevitable results will be hoarding, black markets, growing shortages in those products which prove least profitable, and a discouragement of exploration—all to the detriment of the very consumer the amendment seeks to protect.

Mr. JACKSON. Mr. President, I yield back the remainder of my time.

Mr. McIntyre. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has expired on the amendment. The question is on agreeing to the amendment of the Senator from New Hampshire. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Alabama (Mr.

ALLEN) and the Senator from Utah (Mr. MOSS) are necessarily absent.

I further announce that the Senator from Maine (Mr. MUSKIE), is absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS), is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from New Hampshire (Mr. COTTON) is absent because of illness in his family.

The Senator from Wyoming (Mr. HANSEN) is absent by leave of the Senate on official committee business.

The Senator from Idaho (Mr. McCLURE) is necessarily absent.

The Senator from Massachusetts (Mr. BROCKE), the Senator from New York (Mr. JAVITS), and the Senator from Ohio (Mr. TAFT) are detained on official business.

The result was announced—yeas 63, nays 27, as follows:

[No. 167 Leg.]

YEAS—63

Abourezk
Bayh
Beall
Bible
Biden
Brock
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Domenici
Dominick
Eagleton
Ervin
Fong
Fulbright
Gurney
Hart
Hartke
Haskell
Hathaway
Hollings
Hughes
Humphrey
Inouye
Jackson
Kennedy
Magnuson
Mansfield
Mathias
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Nelson
Nunn
Packwood
Pastore
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Saxbe
Schweiker
Sparkman
Stafford
Stevenson
Symington
Talmadge
Tunney
Weicker
Williams
Young

NAYS—27

Aiken
Baker
Bartlett
Bellmon
Bennett
Bentsen
Buckley
Cook
Curtis
Dole
Eastland
Fannin
Goldwater
Gravel
Griffin
Hatfield
Helms
Hruska
Huddleston
Johnston
Long
Pearson
Scott, Pa.
Scott, Va.
Stevens
Thurmond
Tower

NOT VOTING—10

Allen
Brooke
Cotton
Hansen
Javits
McClure
Moss
Muskie
Stennis
Taft

So Mr. McINTYRE's amendment (No. 152) was agreed to.

Mr. JACKSON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MANSFIELD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

## ORDER OF BUSINESS

Mr. JACKSON. Mr. President, I ask unanimous consent that the Senator from Nevada (Mr. CANNON) may have 3 minutes not to be taken out of the time of either side to take up a conference report.

The PRESIDING OFFICER (Mr. HUDDLESTON). Is there objection? The Chair hears none, and it is so ordered.

## AIRPORT DEVELOPMENT ACCELERATION ACT OF 1973—CONFERENCE REPORT

Mr. CANNON. Mr. President, I submit a report of the committee of conference on S. 38, and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. HUDDLESTON). The report will be stated by title.

The assistant legislative clerk read as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 38) to amend the Airport and Airway Development Act of 1970, as amended, to increase the U.S. share of allowable project costs under such Act, to amend the Federal Aviation Act of 1958, as amended, to prohibit certain State taxation of persons in air commerce, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of May 24, 1973, at page 16891.)

Mr. CANNON. Mr. President, it is with pleasure that I call up before the Senate the conference report on S. 38, the Airport Development Acceleration Act of 1973.

Recently in a conference with our colleagues from the other body, we reached agreement on a compromise bill which I believe will satisfy the Senate and will provide a strengthened Federal program to assist airport development throughout the United States. The House has recently approved the conference report, and I am sure that Senators will also want to endorse it unanimously.

I will place in the RECORD at the conclusion of my remarks the joint explanatory statement of the committee of conference in S. 38 as passed by the Senate and the House, respectively, and the conference substitute. But, first I would like to briefly outline the provisions of the conference report which is before us.

First, the bill will increase the share of the U.S. assistance to airport development projects from the present 50–50 ratio to 75-to-25 at all airports except the Nation's 22 largest. Second, it will provide Federal grants to airport owners to meet up to 82 percent of their costs for installing equipment and for development work related to antihijacking and airport certification programs. In order to fund this increased Federal assistance, we have increased the minimum annual funding level for airport development grants from $280 million to $310 million. Finally, our bill prohibits discriminatory State and local taxation on airline passengers and on the gross receipts derived from air transportation.

Mr. President, this is a good bill. A similar bill was vetoed last year by the President on the grounds that it was inflationary. We have made a concession to the President by cutting the funding level in this bill back to $310 million per year rather than the $350 million per year provided in the bill which was vetoed. The funds to pay for this program do not come out of general tax revenues; the program is funded entirely by user charges resulting from taxes on users which are kept in trust in the airport and airway trust fund. Therefore, we strongly believe the President should support this additional funding.

Mr. President, I urge Senators to give this improved and expanded airport development program a vote of support. We have every hope that this year the President will approve the enactment of this much needed new program.

Mr. President, I ask unanimous consent that the joint explanatory statement of the committee of conference, to which I have previously referred, be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

### JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill S. 38 to amend the Airport and Airway Development Act of 1970, as amended, to increase the United States share of allowable project costs under such Act, to amend the Federal Aviation Act of 1958, as amended, to prohibit certain State taxation of persons in air commerce, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report.

The House amendment struck out all of the Senate bill after the enacting clause and inserted a substitute text and the Senate disagreed to the House amendment.

The committee of conference recommends that the Senate recede from its disagreement to the amendment of the House, with an amendment which is a substitute for both the Senate bill and the House amendment.

The differences between the Senate bill, the House amendment, and the substitute agreed to in conference are noted below.

Unless otherwise indicated, references to provisions of "existing law" contained in this joint statement refer to provisions of the Airport and Airway Development Act of 1970.

#### STATE TAXATION OF AIR COMMERCE

#### *Senate bill*

Section 7 of the Senate bill provided for a permanent prohibition against the levy or collection of a tax or other charge on persons traveling in air commerce, or on the carriage of persons so traveling, or on the sale of air transportation or on the gross receipts derived therefrom, by any State or political subdivision thereof (including the Commonwealth of Puerto Rico, the Virgin Islands, Guam, the District of Columbia, the territories or possessions of the United States, or political agencies of two or more States). There were two exemptions from this prohibition.

First, any State which levied such charges before May 21, 1970, would be exempt from the prohibition until *July 1, 1973*.

Second, any airport operating authority which (1) has an outstanding obligation to repay money borrowed and expended for airport improvements, (2) has collected a head tax on air passengers, without carrier assistance, for the use of its facilities, and (3) has no authority to collect any other type of tax to repay the loan, would be exempt from the prohibition until *July 1, 1973*.

The Senate bill also provided that the prohibition would not extend to the levy or collection of other taxes, such as property taxes, net income taxes, franchise taxes, and sales or use taxes, nor to the levy or collection of other charges such as reasonable rental charges, landing fees, and other service charges from aircraft operators for the use of airport facilities.

#### *House amendment*

The House amendment was substantially the same as the Senate bill, except that the exemptions from the prohibition against the levy and collection of the so-called airline passenger head taxes was extended from July 1, 1973, to December 31, 1973, and the exemption with respect to jurisdictitons which impose such charges before May 21, 1970, was limited to those which *levied and collected* such charges rather than those which merely *levied* such charges.

#### *Conference substitute*

The conference substitute follows the House amendment in extending to December 31, 1973, the exemptions from the prohibition against the levy and collection of the so-called airline passenger head taxes, and follows the Senate bill in extending the exemptions to jurisdictions which *levied* such taxes before May 21, 1970, rather than limiting the exemptions to those which *levied and collected* such taxes before such date.

### AIRPORT AND AIRWAY DEVELOPMENT PROGRAM

### ANNUAL AUTHORIZATIONS FOR AIRPORT DEVELOPMENT GRANTS

#### *Senate bill*

Section 3(a) of the Senate bill amended section 14(a) of existing law—

(1) to increase the minimum annual authorization for airport development grants to air carrier and reliever airports fom $250 million per year to $375 million per year for each of the fiscal years 1974 and 1975; and

(2) to increase the minimum annual authorization for airport development grants to general aviation airports from $30 million per year to $45 million per year for each of the fiscal years 1974 and 1975.

#### *House amendment*

No provision. Existing law contains minimum annual authorizations for each fiscal year 1974 and 1975 of $250 million per year for air carrier and reliever airports and $30 million per year for general aviation airports.

#### *Conference substitute*

The conference substitute follows the Senate bill except that—

(1) the minimum annual authorization for airport development grants to air carrier and reliever airports is increased from $250 million per year to $275 million per year for each of the fiscal years 1974 and 1975; and

(2) the minimum annual authorization for airport development grants to general aviation airports is increased from $30 million per year to $35 million per year for each of the fiscal years 1974 and 1975.

### OBLIGATIONAL AUTHORITY FOR AIRPORT DEVELOPMENT GRANTS

#### *Senate bill*

Section 3(b) of the Senate bill amended section 14(b) of existing law—

(1) to increase from $840 million to $1.68 billion the authority of the Secretary of Transportation to incur obligations to make airport development grants;

(2) to provide a corresponding increase from $840 million to $1.68 billion in the authority of the Secretary to liquidate such obligations and provide that not more than $1.26 billion in such obligations could be liquidated before June 30, 1974, and not more than $1.68 billion in such obligations could be liquidated before June 30, 1975; and

(3) to extend from June 30, 1975, to June 30, 1978, the authority of the Secretary to liquidate obligations incurred before July 1, 1975.

#### *House amendment*

The House amendment was substantially the same as the Senate bill, except that—

(1) the authority of the Secretary to incur obligations was increased from $840 million to $1.4 billion;

(2) the authority to liquidate obligations was increased by a similar amount, from $840 million to $1.4 billion, with the limitation that not more than $1.12 billion in such obligations could be liquidated before June 30, 1974, and not more than $1.4 billion in such obligations could be liquidated before June 30, 1975; and

(3) there was no extension of authority to liquidate obligations after June 30, 1975.

#### *Conference substitute*

The conference substitute amends section 14(b) of existing law—

(1) to increase from $840 million to $1.46 billion the authority of the Secretary of Transportation to incur obligations to make airport development grants;

(2) to provide a corresponding increase from $840 million to $1.46 billion in the authority of the Secretary to liquidate such obligations and provide that not more than $1.15 billion in such obligations can be liquidated before June 30, 1974, and not more than $1.46 billion in such obligations can be liquidated before June 30, 1975; and

(3) to extend from June 30, 1975, to June 30, 1978, the authority of the Secretary to liquidate obligations incurred before July 1, 1975.

### UNITED STATES SHARE OF PROJECT COSTS

### IN GENERAL

#### *Senate bill*

Paragraph (1) of section 5 of the Senate bill amended section 17(a) of existing law to provide that the United States share of allowable project costs of any approved project *shall be*—

(1) 50 percent for sponsors whose airports enplane not less than one percent of the annual total of passengers enplaned by all certificated air carriers (large hubs); and

(2) 75 percent for sponsors whose airports enplane less than one percent of the annual total of passengers enplaned by all certificated air carriers (medium hubs, small hubs, non-hubs, and general aviation airports).

Under existing law, the United States share *may not exceed* 50 percent, regardless of the passenger enplanements.

#### *House amendment*

Section 5 of the House amendment was substantially the same as the Senate bill except that—

(1) the Federal share *may not exceed* 50 percent with respect to airports classified as large hubs and *may not exceed* 75 percent for smaller airports, and

(2) the language relating to the Federal share allowable on account of any approved airport development project was modified to make it clear that the amount allowable for a project would be determined by the number of passengers enplaned at the airport with respect to which the grant is made.

Under the Senate bill, the Federal share would be determined by the total number of passengers enplaned for all airports operated by the same sponsor.

#### *Conference substitute*

The conference substitute follows the House amendment in providing that the Federal share of allowable project costs *may not exceed* 50 or 75 percent, as the case may be with respect to any given airport development grant.

The conference substitute follows the Senate bill in providing that the Federal share will be determined by the total number of passengers enplaned for all airports operated by the same sponsor, except that the language of the Senate bill was modified to make it clear that the Federal share allowable for a project would be determined by the total number of passengers enplaned for all *air carrier* airports operated by the same sponsor and that sponsors of general aviation or reliever airports (which have no passenger enplanements by certificated air carriers) will be eligible to receive a Federal share of 75 percent without regard to the number of such passenger enplanements at *air carrier* airports operated by the same sponsor.

### EQUIPMENT FOR SAFETY CERTIFICATION AND SECURITY EQUIPMENT

#### *Senate bill*

Paragraph (2) of section 5 of the Senate bill added a new subsection (e) to section 17 of existing law to provide that the United States share of allowable project costs of an approved project *shall be*—

(1) 82 percent of that portion which represents the cost of safety equipment required for airport certification under section 612 of the Federal Aviation Act of 1958 and incurred under a grant agreement entered into after May 10, 1971; and

(2) 82 percent of that portion which represents the cost of security equipment required by rule or regulation of the Secretary of Transportation and incurred under a grant agreement entered into after September 28, 1971.

Under existing law, such costs would be governed by the general provision that the United States may not exceed 50 percent.

Section 2 of the Senate bill also amended section 11(2) of existing law, relating to the definition of "airport development", to specify that required security equipment is a part of airport development.

#### *House amendment*

The House amendment was the same as the Senate bill except that it provided that the Federal share may not exceed 82 percent of the allowable costs of safety equipment required for airport certification and 82 percent of the costs of security equipment.

#### *Conference substitute*

The conference substitute is the same as the House amendment.

### TERMINAL FACILITIES

#### *Senate bill*

The Senate bill contained three provisions designed to make airport terminal facilities eligible for Federal financial assistance. These provisions amended section 11(2) of existing law (relating to the definition of "airport development"), section 17 (relating to United States share of project costs), and section 20(b) (relating to costs not allowed).

Under these provisions, airport development would include the construction, alteration, repair, or acquisition of airport passenger terminal buildings or facilities directly related to the handling of passengers or their baggage at the airport and the United States share would be 50 percent of the allowable cost thereof.

Under existing law such facilities are not eligible for Federal financial assistance.

#### *House amendment*

No provision.

#### *Conference substitute*

The provisions of the Senate bill relating to terminal facilities are omitted from the conference substitute.

### AIRPORT DEVELOPMENT

#### *Senate bill*

Section 2 of the Senate bill amended the definition of the term "airport development" contained in section 11(2) of existing law to include language relating to the construction of terminal facilities and to security equipment required by rule or regulation for the safety and security of persons and property on the airport, discussed above in this joint statement.

It also added language providing that the acquisition, removal, improvement, or repair of navigation facilities at airports would be a part of "airport development" and thus eligible for Federal aid.

In addition, this section revised the language of the definition to make several technical changes designed to clarify existing law consistent with current practices under the airport development program. In doing so, however, the Senate bill inadvertently omitted language contained in existing law under which the United States could furnish financial assistance for the acquisition of land for future airport development.

*House amendment*

The only change in the definition of "airport development" contained in existing law made by the House amendment was to add language relating to security equipment required by rule or regulation for the safety and security of persons and property on the airport.

*Conference substitute*

The conference substitute is the same as the House amendment.

IMPOUNDMENT OF FUNDS

*Senate bill*

Section 9 of the Senate bill stated the sense of the Congress that no funds authorized to be appropriated for expenditures under this legislation should be subject to impoundment by any officer or employee in the executive branch of the Government. This section further provided that, for purposes of this legislation, impoundment included withholding or delaying the expenditure or obligation of funds and any time of executive action would preclude the obligation or expenditure of funds.

*House amendment*

No provision.

*Conference substitute*

The provisions of the Senate bill relating to the impoundment of funds are omitted from the conference substitute.

Harley O. Staggers,
John Jarman,
Brock Adams,
Dan Kuykendall,
Dick Shoup,
*Managers on the Part of the House.*

Warren G. Magnuson,
Howard W. Cannon,
Phillip A. Hart,
Norris Cotton,
James B. Pearson,
*Managers on the Part of the Senate.*

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

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## ALLOCATION OF CRUDE OIL AND REFINED PETROLEUM PRODUCTS

The Senate continued with the consideration of the bill (S. 1570) to authorize the President of the United States to allocate energy and fuels when he determines and declares that extraordinary shortages or dislocations in the distribution of energy and fuels exist or are imminent and that the public health, safety, or welfare is thereby jeopardized; to provide for the delegation of authority to the Secretary of the Interior; and for other purposes.

Mr. TOWER. Mr. President, when S. 1570, the emergency fuel allocation bill, is presented to the Senate for final passage today, I shall reluctantly vote for the measure. I do so, because I recognize the importance of allocations. It is clear that there are numerous vital consumers in this Nation that must be supplied with fuel. Farmers must be able to plant, harvest, and process their produce. We have already seen what the tremendous increase in demand for wheat has done, in part, to the price of wheat domestically. Evidence is growing that the farms of the Nation will be blessed with bumper crops this year. But this will be of no avail should fuels for harvesting and processing these crops and for transporting them to ports or markets be unavailable. Lack of fuel for planting will aggravate future farm produce prices. In order to avoid rapid increases in the prices of agricultural products, I supported the Curtis amendment.

There are additional consumers of fuel that deserve special attention in any system of allocation priorities. Prime among these are the men who produce our energy. It should be indeed ironic should the very group which holds the promise of our salvation from future energy shortages, be denied the fuels with which to carry out the expensive and risky exploration for, and development of our energy resources.

There are the public service sectors, particularly State and local governments, which will deserve special attention. We cannot afford to reduce police patrols, or to ration fuels for our fire departments. Ambulances must be given adequate service as well, even though, in many instances, these are privately owned.

The list could be extended. But, despite the fact that there may be disagreements between my colleagues on the importance of particular sectors in this ranking, the basic need for some system of allocations becomes clear.

I am voting for S. 1570 with some reservations, however. Prime among these is that this legislation is repetitive. It provides the President with no additional authority over the Eagleton amendment to the Economic Stabilization Act. It in fact forces the President, because of the Biden amendment, to make allocations mandatory. There is some considerable question in my mind whether Congress has the constitutional power to force the President to do this. Irrespective of questions of constitutionality, the question remains whether it is useful to pass legislation that is redundant and possibly restrictive of the Executive's power.

On this latter point, I would simply mention that it is my philosophical preference to have a voluntary system of allocations. Despite some claims of noncompliance, I believe we should give this system a chance to work. The administration will be holding hearings on whether to move to a mandatory system of allocations. But until that verdict is in, I believe it is unwise to prejudge whether any noncompliance associated with a voluntary system warrants the "risks" involved in having a mandatory system.

I would, in fact, prefer that we have no need for an allocation system at all, for traditionally the free enterprise system has been the best system for allocating goods and services among the various sectors of the economy. And I would urge that the President move away from these allocations at the earliest practicable date.

My reluctance to vote for S. 1570 is compounded by the fact that the bill does nothing to end the energy crisis or to avert a worsening of it. S. 1570 does not deregulate the price of natural gas sold in interstate commerce. S. 1570 does not provide an investment tax credit for exploration and development of petroleum resources. It does not facilitate the construction of offshore terminals to help unload the foreign petroleum upon which this Nation is becoming dangerously dependent. The bill does not help the exploration for a development of offshore Continental Shelf resources on the Atlantic coast. S. 1570 in no way speeds petroleum from the North Slope of Alaska to Chicago, Los Angeles, or any other city. It does not ease construction of nuclear generating plants.

In short, this legislation does virtually nothing to help solve or ease the energy problems facing this country. S. 1570 is a "business as usual" bill. The simple fact is that America can no longer afford to conduct business as usual. Every remedy to the energy crisis facing us is long-term answer, requiring years before the energy is actually available. And I realize the need to insure certain sectors of the Nation with adequate fuel supplies during this crisis. But, I am afraid people, including legislators, will view this bill as a solution, rather than an interim measure.

Spreading the pain around to everyone is not the way to solve the energy crisis. Its solution requires immediate, concrete action on a wide variety of issues. But other than steps outlined in the President's energy message, we have seen no action toward increasing the supply of, or decreasing the demand on our energy resources.

I will vote for S. 1570. But I would ask the distinguished Senator from Washington, and indeed all Americans. When will we take steps toward solving our energy crisis?

AMENDMENT NO. 167

Mr. BAYH. Mr. President, I call up my amendment No. 167 and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> On page 4, line 7 of amendment No. 145, strike "September 1, 1974." and insert in lieu thereof "March 1, 1975."

Mr. BAYH. Mr. President, the able chairman of the Committee on Interior and Insular Affairs deserves our appreciation and respect for the speed with which he has brought this thorough and important legislation to the floor of the Senate. Once again he has demonstrated the attention and concern about our energy shortage for which he is becoming increasingly distinguished.

My amendment is simple—to change the expiration date of the Emergency Petroleum Allocation Act from September 1, 1974, to March 1, 1975.

If we permit the allocation authority to lapse on September 1, we run the risk of causing serious disruption of fuel supply patterns at a crucial time of the year. Such a disruption could cause farmers to find themselves without needed fuel near harvest time. It might also work severe hardships on truckers during one of their busier times of the year. Moreover, a September expiration could play havoc with the distribution patterns of home heating oil at the outset of the winter season.

On the other hand, if the expiration date is fixed at March 1, we will find energy demand at a relatively low level.

At that time, farmers will be between the fall harvest and the spring planting. Truckers will be in the midst of their slower winter schedule. The peak purchasing period for home heating oil will have passed. And we will not be confronting the increased demand for gasoline which comes in the spring and summer.

The transition from the allocation system to uncontrolled distribution will be smoothest at this time of the year.

Moreover, should the 94th Congress, having studied the effectiveness of the allocation program and the situation at that time, want to extend the authority under this act there would be an opportunity to do so after that Congress convened.

I understand and appreciate the desire of the Interior Committee not to extend the allocation authority for too long a period. However, I think we all recognize that the problems which prompt this legislation will not be resolved within the next 18 months and, therefore, an extension of the expiration date to March 1, 1975, will not impose allocation rules beyond the time when they will be needed.

A word is in order, Mr. President, regarding the overall necessity of this legislation. When we as a nation face fuel shortages, as now is the case, we must never let those shortages fall inequitably on any region of this country or any sector of our economy. Yet, even under the existing voluntary allocation program, this is precisely the situation that confronts us.

Farmers must have fuel during the short planting season, or face economic ruin. Not only would this be a disaster for our farming population; all Americans would suffer in the form of higher prices in the supermarket. While the current voluntary allocation program has helped farmers, their difficulties are not resolved. This bill would resolve the situation by affording farmers the priority consideration they need on a seasonal basis.

Another sector of the economy—independent oil refineries, jobbers, and service station operators—has also been made to bear an unfair burden during the current shortage. The bill would assure these valued independent businessmen, thousands of whom are struggling to operate small businesses, a proportionate share of available crude and refined oil.

Looking to the regional problem, existing delivery patterns have worked severe hardships on the Midwest which has suffered greater shortages than other parts of the country. Once again, the bill would solve this problem through its system of proportionate distribution.

Mr. President, I am pleased to support the Emergency Petroleum Allocation Act, and I hope the Senate will adopt this amendment extending the expiration date to a more appropriate time.

Mr. President, the amendment pretty well speaks for itself. It simply changes the effective date of the Emergency Petroleum Allocation Act from September 1, 1974, to March 1, 1975. I have spoken with the manager of the bill, and I think he is prepared to accept the amendment.

The reason for the change is that we feel that March 1 is a date on which there is much less demand for petroleum commodities than September 1. Thus, the consideration of the extension at that time can be done in a more dispassionate and studied manner.

Mr. JACKSON. Mr. President, we have cleared the amendment on both sides of the aisle. It is a worthwhile, constructive amendment. I urge that the Senate adopt it.

Mr. FANNIN. Mr. President, the amendment would provide additional time to operate an allocation program. I certainly support the amendment.

The PRESIDING OFFICER. Do the Senators yield back the remainder of their time?

Mr. JACKSON. I yield back the remainder of my time.

Mr. FANNIN. I yield back the rest of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Indiana.

The amendment was agreed to.

Mr. HUMPHREY. Mr. President, I send to the desk an amendment and ask that it be read, and I also ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated

The assistant legislative clerk read as follows:

At the end of the bill insert a new section as follows:

ESTABLISHMENT OF STATE FUELS AND ENERGY CONSERVATION OFFICES

SEC. —. It is the sense of the Congress that each Governor of each State is requested to establish a State Office of Fuels and Energy Conservation, such Office immediately to develop and promulgate a program to encourage voluntary conservation of gasoline, diesel oil, heating oil, natural gas, propane, other fuels, and electrical energy.

Mr. HUMPHREY. Mr. President, the amendment is very simple. It asks for cooperation at the State level. I have visited with the Governor of the State of Minnesota and discussed this particular amendment with him. He believes there is great merit to asking each of the Governors to establish an appropriate board, commission, or office to act in a voluntary manner so as to encourage voluntary compliance. I know that this amendment could be of some help in providing for the conservation of our fuel resources.

Mr. JACKSON. Mr. President, again, I wish to say that this is a most helpful amendment. We want as many of the States as we can to go along with conservation practices That is the whole purpose of the Humphrey amendment.

I think it is a very helpful and very constructive amendment, and urge its adoption.

Mr. FANNIN. Mr. President, I support the amendment, but I had just one question about the voluntary programs. It is not the intent to interfere in any way with any of the Federal programs, which under this bill would preempt State programs is it?

Mr. HUMPHREY. Mr. President, I appreciate the question. Absolutely not. The mandatory allocation is entirely different. This is strictly a policy program that relates to recommendations to the Governors.

Mr. JACKSON. This is a supplementary program.

Mr. HUMPHREY. It is supplemental.

Mr. President, as I have stated my amendment urges the Nation's Governors set up offices in their States for fuels and energy conservation.

The purpose of such offices would be to immediately develop and promulgate a program to encourage voluntary conservation of gasoline, diesel oil, heating oil, natural gas, propane, other fuels, and electrical energy.

In my estimation, such offices are urgently needed as an important tool in blunting the energy crisis. These offices would have the responsibility for studying and putting into effect voluntary energy conservation measures which could go a long way to help alleviate the current gasoline and fuel oil shortages.

Mr. President, we must realize that the era of cheap and plentiful supplies of energy is over, and we must all realize that we are entering an era where energy conservation is a necessity. An Office of Fuels and Energy Conservation in each State would help to promote ways to conserve energy and to use available supplies efficiently.

In recent weeks I have been holding hearings on gasoline and fuel oil shortages before the Consumer Economics Subcommittee of the Joint Economic Committee. Many of the witnesses at these hearings testified regarding the urgent need for energy conservation measures, especially as it relates to gasoline.

For example, Mr. Wayne Anderson, an automotive specialist and member of a Department of Transportation Fuel Economy Panel, stated that it may be possible to alter the conventional type of automobile within the next 5 years in ways that could save 30 percent on gas consumption.

He said that introduction of steel belted radial tires will yield 10 percent more gas mileage by reducing rolling resistance. Mr. Anderson also had a number of other suggestions for large gas savings, such as the use of smaller cars and engines.

Mr. President, it is my view that we must now get serious about gasoline economy. Transportation—moving people and freight—accounts for about 25 percent of the energy consumed in the United States. I contend that Americans can move in reasonable comfort with far less fuel than is burned today if they are made aware of the problem and take a few simple, voluntary measures.

According to the Automobile Manufacturers Association, about 56 percent of the cars on the road contain only the driver. The underutilization of cars can be reduced in many cases, especially in metropolitan areas. Car pools and public transportation should be substituted when possible for single occupant cars.

Other measures that could be introduced include reducing the use of automobile air conditioning, keeping tires properly inflated, cutting off motors when stalled in traffic and reducing speed on the highway. Statstics show that the average car driven between 75 and 80 miles per hour will consume almost twice as much fuel as the car driven at 50 miles an hour.

Mr. President, I have only enumerated possible conservation measures in one field, that of transportation. Naturally, the same sort of measures must be taken in the heating and cooling of homes, and in the use of household appliances. Through energy conservation we can help to remove the unhappy consequences of the present fuel shortages.

Conservation is one of our most important tools for alleviating the energy problem. My amendment will encourage voluntary State action to promote it.

Mr. JACKSON. I yield back the remainder of my time.

Mr. HUMPHREY. I yield back the remainder of my time.

The PRESIDING OFFICER. All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Minnesota.

The amendment was agreed to.

Mr. PEARSON and Mr. BARTLETT addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

### AMENDMENT NO. 183

Mr. BARTLETT. Mr. President, I call up my amendment No. 183 and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

Section 104 is amended by adding the following new subsection:

(e) In recognition of the vital role small producers perform in the exploration and development of new reserves of crude oil and in order (1) to promote the conservation of petroleum through abatement of the abandonment of stripper wells and the crude oil reserves thereunder, (2) to encourage expanded exploration and development activity by small producers in search for new reserves, and (3) to reduce the cost and facilitate the administration of this Act; those oil leases whose daily average production per well is not greater than a stripper well of not more than ten barrels per day and small producers of crude oil who produce not more than the average of three thousand five hundred barrels per day shall be exempt from any allocation or price restraints established by or pursuant to this Act.

Mr. BARTLETT. Mr. President, I ask for the yeas and nays on amendment No. 183.

The yeas and nays were ordered.

Mr. BARTLETT. Mr. President, I yield myself such time as I may require.

We have heard a great deal in the last several days about the plight of the small businessman, the independent, particularly the independent who operates a filling station or the one who is an oil jobber, or the independent refiner.

We have heard practically nothing about the independent oil producer. To satisfy the needs of the independent jobber, refiner, and service station man, we have used allocation proposals. This, of course, means that there would be a specific amount of oil, hopefully, available to every jobber and every refiner, and then the products available to the jobbers and service station operators.

I am proposing to exempt the independents who produce 3,500 barrels or less from the allocation formula, to permit the free enterprise system to operate fully for the independent.

The independents only 15 years ago numbered about 20,000. Today there are only 10,000. They have had tremendous difficulty in staying viable and being competitive. In 1957, there were 2,429 rigs operating. Today there are only 1,107, less than half the number. In wildcats drilled, of which the independents drilled many of them, there were in 1957 14,000-plus, and now there are about half that number, 7,587.

The independent oil producer has been the explorer for oil. He has been the finder; 75 percent of new reserves have been credited to independents.

Mr. President, we have a choice today. We are going to pay more in either case, but we are either going to import more oil and have more shortages and pay foreigners for that oil, or we are going to have a stronger domestic industry and pay more for oil in this country.

The domestic reserves and production of oil need to be strengthened. We have been producing much more gas than we have been finding, and we now find ourselves in a position where oil is dropping back, and we are producing less each year than the year before.

Let me state an example of how I think the mechanism of this allocation bill might work if there were not the possibility for a free enterprise aspect, I think we can look at what has happened to natural gas. I realize that natural gas is not a part of this bill, but natural gas, in Oklahoma, Louisiana, and Texas sells for about 19.5 cents per thousand cubic-feet. If it is shipped interstate to the East or elsewhere, then perhaps 35 cents is added for transportation. But in our State, the price we pay ourselves is 60 cents. So the market for intrastate gas in Oklahoma is three times that charged the people elsewhere.

Surely I think the people in the Southwest want to share their energy, but they would also like to share the price that others pay for that energy.

Mr. JOHNSTON. Mr. President, will the Senator yield?

Mr. BARTLETT. I am glad to yield to my friend from Louisiana.

Mr. JOHNSTON. I congratulate the Senator from Oklahoma on this proposal.

Many Members of this body are probably not familiar with the problems of the small oil producers, the producers who sometimes do not get more than two or three barrels a day from a well.

My part of the country lies in an area that used to be very rich in oil production. Now its fields, for the most part, are drying up.

For example, we have one formerly high producing field, known as the Caddo-Pine Island field, that now produces only one to three barrels of oil a day per well. It is expensive to extract oil in such a marginal field. If there is anything that we can do for those people in Caddo-Pine Island and other areas like that around my State and the Southwest, we ought to do it.

If they can make a deal with the refiner to get a little higher price and thereby be able to produce that oil, we ought to let them do it, because if we do not do something for these small producers, they are not going to be able to stay in business.

We have a formation characteristic to our part of the South called Travis Peak, which has a relatively small amount of oil and gas in it. Under present conditions, it is not economical to explore and develop many Travis Peak formations because it costs about as much money, under the present system, to get the oil out of the ground as you can sell the oil for. The only way they are going to be able to produce those Travis Peak formations in most areas is to have a little bit of a rise in price.

All we are saying by this amendment is that if you are one of these small producers, if you do not produce any more than 10 barrels a day from your particular oil well, or, in the aggregate, no more than 3,500 barrels on the average, you are a small producer, and if you can get a little better price and help this country by producing the marginal oil wells in marginal formations and marginal areas, we are saying you ought to be able to do it. We can safely take these small people, a decided minority, exempt them from the act, and not do any violence to the regulatory scheme as set out in the act. We can thereby actually help America conquer its energy shortage.

I am very hopeful that the distinguished chairman of the Committee on Interior and Insular Affairs will see the merits of this amendment and will accept it. I congratulate my colleague from Oklahoma on his amendment.

Mr. BARTLETT. Mr. President, if I may continue—I thank the Senator from Louisiana for his explanation of how the amendment would be of benefit—I was pointing out the problem created by price controls for gas. We now have in the bill the McIntyre amendment, which would require a strict review of prices. This would have a very depressant effect on the mechanism of the marketplace.

Without a viable industry, or the opportunity for a viable industry, we are going to be in a position where we will be subjecting ourselves to political and economic blackmail. We need strong national security, and that will be dependent, not upon an import program, but upon a strong domestic energy industry.

Today the drilling of wells is costing more. The people are going deeper and farther offshore. Artificial lift methods and secondary and tertiary recovery are the tools of the industry that are costly. The independent is finding it continually harder and harder to play his very important role. This bill if a plan was devised where all the crude oil production was allocated, would then have a depressing effect on the marketplace because there would be no incentive whatsoever for a crude oil purchaser or refiner to make any extra effort to raise the price he pays for crude, or to provide any extra incentive for exploration or drilling.

So, we find this bill is not only a bill to allocate shortages, but a bill to perpetuate and to increase shortages on the American people and not to provide an element of dealing with the shortages.

We find that this amendment would eliminate some 10,000 small producers from consideration by the administration in dealing with this problem because it exempts——

Mr. BUCKLEY. Mr. President, will the Senator from Oklahoma yield to me for one or two minutes?

Mr. BARTLETT. I am happy to yield to the Senator from New York.

Mr. BUCKLEY. I do want to make a couple of comments. The Senator from Oklahoma represents a producing State, as does the Senator from Louisiana who has just finished speaking. I represent a consumer State.

I want to emphasize that what the Senator is saying is something that is not for the parochial benefit of the people in Oklahoma or in Texas or the Rocky Mountain region but, rather, the Senator hits right at the heart of what we must do to encourage continued exploration; to continue to take economic high risks for the benefit of all Americans.

In my State, we rely heavily on foreign crude oil. In my State, we are paying among the highest prices for energy in the United States. It is therefore in the interest of my constituents, especially the small independent operator who has historically been the most aggressive and venturesome explorer, that he be able to secure the financing required to enable him to continue to carry on that essential risk-taking. We know that, because of the economics of drilling these days, and the more difficult the oil deposits are to be uncovered, the greater the economic return required justify the risk. In other words, the rewards must be higher commensurate with higher risks. I know of no mechanism more flexible to keep prices at a minimum level to the consumer than to encourage the risk-taking in the marketplace.

Much of the impetus behind this legislation has been the fear that a handful of large corporations who effectively control the great bulk of the distribution of petroleum products, could, in effect, be working against market forces. But, surely, this cannot be said of those individuals, those small firms, which would be affected by the exemption which the Senator from Oklahoma would provide in his amendment.

There is another factor, and that is that the system of national allocation for fuel resources as the governmental mechanism to cope with the fuel shortage whereby the Government seeks to direct every single barrel of oil, every single barrel of refined petroleum product across the country. Without the "lubricant" of the price system, we will inevitably find shortages arising, because the most sophisticated and fair-minded planners cannot anticipate all the conditions which operate in the marketplace.

It occurs to me, and I believe it is one of the strengths of the amendment of the Senator from Oklahoma, the fact that it would exempt a significant portion of our total production now in the hands of the smallest producers which would then be available to shift towards the area of greatest need in accordance with the stimuli of the marketplace.

I therefore thank the distinguished Senator for introducing his amendment, and I certainly will be voting in favor of it.

Mr. BARTLETT. I thank my distinguished colleague from New York for his objective and enlightened remarks. It is important to realize the impact that this would have not only on the producing States but also on the consumer States. It is interesting right now to reflect on the Libyan sweet crude price of $5.35, on the Arabian sweet crude of $5.51, and the Louisiana sweet crude of $4.56. What we are seeing there is that the cheap crude is the domestic crude oil. We certainly want to keep it that way.

This bill would, as the Senator from New York has just said, and the Senator from Louisiana has just said, exempt the stripper well production.

The stripper well is a small marginal well, just above the breakeven point, economically, that averages 10 barrels per day or less. These wells provide 1.25 million barrels of oil per day. Eliminating the stripper well would eliminate a substantial part of our producible reserves. Stripper well production accounts for 8.3 percent of our current consumption. The amount of oil that is produced by the independents, of 3,500 barrels or less per day amounts to 24.5 percent of our total consumption. Much of this oil, particularly that in the stripper category, is not going to be allocated from one area to another. I realize that. But having it subject to allocation, stymies the independent from the free marketplace to do the job he knows needs to be done to alleviate the shortages.

In 1972, a 25-cent-a-barrel increase in the price of crude oil would have continued 15,000 wells in production that were plugged because of cost, because they were losing money producing the oil. This would have meant that the wells, had they continued, would have produced an extra 235 million barrels of oil, I say to the Senator from Louisiana.

In 1972, this was the equivalent of two major oil fields which we would like to find in the United States today and which we are not finding because we are not having sufficient exploration.

This amendment would permit 24½ percent of the demand to be free of price and allocation restraints; otherwise, in allocating the fuels, we will not only be allocating the shortages but perpetuating them and increasing them.

This amendment is a small step in the direction of free enterprise, a small step in the direction of a stronger American oil industry.

Mr. LONG. Mr. President, will the Senator from Oklahoma yield?

Mr. BARTLETT. I yield.

Mr LONG. If we pass the bill as proposed, do I correctly understand the Senator that the bill would give the power of allocation over where this small producer would sell his oil, so that if he is a small independent, just barely managing to pay expenses and maybe making a small, minuscule profit, then this bill could allocate it all, is that correct?

Mr. BARTLETT. Under the bill, without this amendment, the production of the small producer could be allocated and there could be price restraints affecting that production. The purpose of this amendment is to exempt that small producer, the marginal producer, the one who finds 3,500 barrels of oil, from the restraints of allocation, from the restraints of any price effect in the bill.

Mr. LONG. What I had in mind was that, as it stands now, as I understand it, this Government has no power to control the price of foreign oil. If we do this, the foreign nations like Saudi Arabia, Kuwait, Iran, and Iraq, will boycott us or sell us no oil. So we do not have any power to control the price of oil production in Nigeria or Venezuela or in the Near East or any of those places. I would assume that the price control amendment proposed by the Senator from New Hampshire (Mr. McIntyre) could be applied so that the refiners would be permitted to advance the price enough to cushion the oil price of Arabian or Venezuelan oil that we would have to pay. That would be implicit in the price controls. Without the Senator's amendment, would it not be true that there would be no way they could pay a small independent any more for his oil than they were paying all the majors for their oil?

Mr. BARTLETT. There are small independents today—I imagine in the Senator's State as well as other States—who are receiving more than the posted price. In this way, some of the small refiners have satisfied their needs, or a substantial part of their needs, by paying more for oil and encouraging that much more exploration. This is operating today because they are not coming under the price control mechanism of the Federal Government.

The point I am trying to make here is that there is a very active depressing effect to the allocations if all the crude oil is allocated, because then every purchaser of crude oil is allocated, because then every purchaser of crude oil or refiner is going to be relatively satisfied that he is having his share of the crude oil available. These will be no incentive for him to encourage small independents to look for, to find, and to produce more oil.

So it is going to have a depressant effect on the oil available. It is going to do just as the matter of price control in gas has done. In the State of the Senator from Louisiana, people probably are paying as much for gas as we are—60 cents a thousand—but they are selling it to Washington, D.C., for one-third of that. I do not think this is fair. I think we should have a mechanism in this bill which would permit the marketplace to take effect. If we do not have this, then it is going to be just down the hill very quickly in allocating shortages and perpetuating shortages.

Mr. LONG. My impression is that the way the average independent decides whether to cap his well and pour concrete into the pipe and be done with it is to see how much it cost him last time he reworked his well and how much money he has made since that time.

For example, let us assume that the last time he cleaned out the well, cleaned out the sand and the paraffin so the well could produce efficiently, it cost him $5,000 to rework his well, and the well has made $5,000 of income since that time. Then,. if the question is, should he rework the well, the answer at that point would be no, because the chances are that he will not make $5,000. Since the last time he worked it, he would not make enough money to justify cleaning out that well, clearing out the sand at the bottom, cleaning out the paraffin lining the pipes. So it would be better to leave the oil in the ground and forget about it. So the well is taken out of production. It is not reworked, and it produces nothing.

If we are paying—I am told we are—for Near East oil in some places as much as $6 a barrel, does it make any great amount of sense to take out of production American wells which cannot produce at $3 or $4 but could at $5? Would it not make better sense to permit these American wells to continue to produce and rework them and operate them efficiently rather than to take them off stream? The answer is obvious. What point is there to close down American production, to cap over a well and cement a well out of production? If you permit them to charge the same price the Arabians are getting for their oil, these wells would be adding to the strength of the country.

Mr. BARTLETT. The Senator makes a good point.

This amendment would permit the independent who has a marginal well, who might be operating at a small loss and is going to plug it or abandon it, to seek out a refiner and ask him, "Are you willing to pay me a little additional to have this extra amount of oil? Is it worth it to you?" If he can do this, he is going to make available additional oil that would otherwise have to be offset and replaced by foreign oil. We would be paying foreigners for this oil, helping their industry, not helping ours.

I believe this amendment is very important to continue just a small segment of free enterprise, to have it in existence in the oil industry. That is all this amendment would do. It would be a small step in the right direction, not a big one.

Mr. LONG. This bill tends to create a shortage and to place a price control on something we will not have.

It is something like the story about the lady who went to buy tomatoes. She asked the grocer how much the tomatoes would cost; and he said, "30 cents a pound."

She said, "Schultz, down the street, sells them for 20 cents a pound."

He said, "Why don't you buy them from Schultz?"

She said, "Schultz doesn't have any tomatoes."

He said, "If I didn't have any tomatoes, I would sell them for 10 cents a pound."

Taken with the McIntyre amendment, this would give us a very cheap price for oil that would not exist. I think it is far better to let the public have some fuel and pay a little more for it, if need be, and obtain it, rather than put people out of business and let the consumers think you are doing them a big favor by providing cheap fuel when they cannot get it.

An example of this is where a lot of cars are bunched up in town and cannot go to the next county seat because no oil is available, because we provide them with a very cheap price for something they cannot get.

Mr. BENTSEN. Mr. President, will the Senator yield?

Mr. BARTLETT. I yield.

Mr. BENTSEN. Mr. President, I wish to say a few brief words in behalf of the amendment offered by the Senator from Oklahoma.

I am deeply concerned about the problems faced by independent marketers of gasoline and distributors of fuel oil and other petroleum products. I voted for the language in the Economic Stabilization Act to allow the President to make allocations of petroleum products to prevent regional shortages and anticompetitive practices.

I voted for the Moss amendment to insure that independent distributors and retailers are supplied.

But I am also deeply concerned about the independent petroleum producer. In Washington, when the oil industry is discussed, too often the important role of small independent producers is ignored. Last year these small independent producers drilled more than 70 percent of new exploratory wells. They are also involved with keeping the old margin wells in operation—wells which major companies would otherwise abandon. These independents are important to the producing industry. Just as independents are important to the marketing and distribution industry.

This amendment would exempt from allocation these small producers but still keep 75 percent of available oil subject to allocation. This would provide sufficient crude oil to keep the inland refineries at full capacity. But it would also insure that there would be no need for the President to concern himself with allocating production of approximately 10,000 small producers. I think this amendment makes sense in terms of the administrative burden resulting from this legislation as well as preserving as much freedom in the market as possible and still meeting the goals of this bill.

I am pleased to support the amendment, and I hope it is agreed to by the Senate.

The PRESIDING OFFICER. Who yields time?

Mr. JACKSON. Mr. President, how much time remains to the proponents of the amendment?

The PRESIDING OFFICER. The proponents have 5 minutes, and the opposition has 30 minutes.

Mr. JACKSON. First, I should like to propound a unanimous-consent request which would be applicable after the conclusion of action of the Senate on the pending amendment.

I ask unanimous consent that the unanimous-consent order previously entered into be modified as follows: that all amendments to the Jackson amendment in the nature of a substitute be limited to 15 minutes.

The PRESIDING OFFICER. To each side?

Mr. JACKSON. Fifteen minutes total.

Mr. LONG. Mr. President, I object.

Mr. JACKSON. Mr. President, may I point out to the Senate, in the interest of fairness, that we have some 15 amendments pending. We are going to be in a difficult parliamentary situation. We are going to vote at 4 p.m. Amendments simply will be offered, and there will be no discussion because we have all these amendments pending.

Mr. LONG. Mr. President, will the Senator yield?

Mr. JACKSON. I yield.

Mr. LONG. My objection was directed to the fact that only a few Senators are in the Chamber, and there may be someone who wants more time on an amendment.

If the Senator would offer his proposal after the next rollcall vote, I would not object.

Mr. JACKSON. Very well, I will propound it after the rollcall vote on the pending amendment.

Mr. President, I am going to be very brief. This amendment sounds like motherhood. Everyone is for small business. We want to help the small producer. I want to help the small producer. The whole thrust of this legislation is to help the independent operator, the refiner, the distributor, the retailer. We want to help small enterprise, but let us face the facts. What are we talking about when we read section (3) of the Bartlett amendment on page 2:

> (3) To reduce the cost and facilitate the administration of this Act; those oil leases whose daily average production per well is not greater than a stripper well of not more than ten barrels per day and small producers of crude oil who produce not more than the average of three thousand five hundred barrels per day shall be exempt from any allocation or price restraints established by or pursuant to this Act.

First of all, there are no price restraints in this act. We are only talking about allocation. But how much are we talking about when we are talking about exempting the small producer? Here are the facts. We are talking about one-third of all the production of petroleum in the United States. Now, are we going to have an allocation bill exempt that one-third? This is the issue before the Senate. I think I can see a loophole when it is presented, and if this is not a loophole in the allocation system, I do not know what it is.

I would point out, as far as price is concerned, and I am sympathetic with the problems of the little fellow in this game, I think this is one of the big issues facing the country: How to protect the little fellow and free competitive enterprise.

Mr. JOHNSTON. Mr. President, will the Senator yield?

Mr. JACKSON. I shall yield to the Senator in just a minute.

As far as the price problem is concerned, we faced that in the Fannin amendment. Here is what it stated, and that amendment was agreed to by the Senate yesterday:

> "No allocation plan, regulation or order, nor mandatory price, price ceiling or restraint, shall be promulgated pursuant to this Act, whose net effect would be a substantial reduction of the total supply of crude oil or refined petroleum products available in or to markets in the United States."

Presently under this bill the President is given the authority to handle the problem of the smaller producers. It is not mandatory that he ignore this problem. He has a discretion. But is anyone going to say that we have a mandatory fuel allocations bill when you turn around, Mr. President, and exempt one-third of all the oil produced in the United States from the regulation? It is all cloaked in the language I just mentioned, under the guise of taking care of the stripper, who does not produce more than 10 barrels a day, and the small producer who produces not more than 3,500 barrels a day.

I like those figures. Do Senators know what I like about them? It shows that one-third of the oil produced in the United States is produced by the little fellow, but just because he is a little fellow does not mean that he should be exempt from the laws of the United States. I want to be sure that one-third increases so that we will have more independents, but to turn around and grant a loophole, an exemption from any allocation system—this is what we are talking about—would make a mockery of what we are trying to do and any Senator concerned about getting oil to the outlets throughout the country on an equitable basis would have to recognize that we would not be doing the job, we would go up the hill and then go down the hill with this kind of amendment.

Mr. President, when you exempt one-third of the production, you might as well forget about passing any bill that would be meaningful.

I am glad to yield to the junior Senator from Louisiana.

Mr. JOHNSTON. Mr. President, I would like to ask my distinguished colleague if it is not a fact that this bill already makes exemptions for small refiners, those who refine less than 30,000 barrels a day.

Mr. JACKSON. Will the Senator restate his question?

Mr. JOHNSTON. Is it not a fact that we already have allowed an exemption in the case of refiners, those who refine less than 30,000 barrels a day? Do they not have an exemption?

Mr. JACKSON. They represent 4 to 6 percent of the refining capacity of the United States.

Mr. JOHNSTON. But they are exempted.

Mr. JACKSON. Yes, but only from section 105.

Mr. JOHNSTON. But also small dealers are exempt.

Mr. JACKSON. No, they are not.

Mr. JOHNSTON. Did not the Senator from Massachusetts (Mr. KENNEDY) have an exemption for small dealers?

Mr. JACKSON. Mr. President, in response to the question propounded by the junior Senator from Louisiana, the Kennedy amendment did not exempt the retailers, as I understand the amendment.

Mr. President, I reserve the remainder of my time. I am prepared to yield back the time.

Mr. LONG. Mr. President, will the Senator yield?

Mr. JACKSON. I yield.

Mr. LONG. Mr. President, I wish to ask the Senator if he would feel more kindly to this proposal if the proposal of 3,500 barrels were changed to 1,500 barrels. I would like to ask for the assistance of the Senator's staff in preparing the amendment to the amendment because he has the technicians. It did not seem to this Senator that we were talking about exempting as much production as the Senator seems to feel is involved. I was under the impression that only 25 percent of present production would be involved, but even that is large for the producer producing 3,500 barrels a day.

I do not feel the Senator would feel so strongly about this matter if we amended it to make it a mere 1,500 barrels a day. I would like to ask the Senator if he would find more appeal in that proposal?

Mr. JACKSON. May I say to the Senator, on the figures, that I was busy yesterday and I asked the Senator from Oklahoma to get from the Department figures on the impact on the bill. I will ask the Senator from Oklahoma to give the figures and I will give the industry figures.

We have the total from the industry this morning. I will ask the Senator from Oklahoma what he found from his source as to the impact of this bill on total consumption.

I think the information is that the production of those who produce 3,500 barrels or less is 24 percent of the total consumption of the United States. Total consumption last year in the United States was 6 billion barrels, so 24 percent is 1.5 billion barrels. In terms of production in the United States it is over one-third.

But I wish to ask the Senator what the figure was on stripper production.

Mr. BARTLETT. 8.3 percent. The figure for producers of 3,500 barrels or less is 24.5 percent of consumption. On the strippers, it is 8.3 percent of consumption. I would like to point out that all of this is not subject to allocation.

It would not be allocated because it occurs in such small amounts. So the amount that would actually be available would be a much smaller amount.

I appreciate the Senator's concern over the small independent businessman, and I think this measure aims at reaching some of the problems that he experiences, particularly if he is a refiner or if he is a jobber or if he is an operator of a filling station; but it does not direct itself at all to the problems of an independent producer.

There are going to be some 10,000 producers whose records would have to be kept by the Government and who would have to keep records themselves in this allocation. I think that is going to be an undue burden. I believe this proposal would provide the semblance of a free enterprise system which would work to the betterment of this country, because this measure is going to be counterproductive when it comes to solving or alleviating the energy crisis and the shortage.

I do not think our goal is to perpetuate or increase the shortages, but, hopefully, to solve some of the shortages. That is the purpose of the amendment.

Mr. JACKSON. If the Senator will look at line 7 on page 2 of his amendment—I will ask him for his interpretation—it says "those oil leases whose daily average production per well is not greater than," and so on. Those oil leases, if I read the law correctly, can be oil leases that would be held by the largest American companies. These are large strippers. This is not even confined to the small operator, because the big oil companies are in the stripping business. They also have small operations. And, under the Senator's amendment, he has exempted them. It is very clear.

Mr. BARTLETT. I would like to point out that those stripper leases are strippers regardless of who owns them. They are marginal leases that are going to be plugged out, in many cases, unless there is relief. If we do not have relief for this kind of production, then we are going to have replacement by foreign production when they are plugged out.

Mr. JACKSON. May I ask the Senator—and I respect his judgment, because I do not know anything about the production of oil; I have not been exposed to it except in the course of the energy study—what percentage of the leases referred to in his amendment, in his judgment, are held by major oil companies as compared with the little fellow.

Mr. BARTLETT. I would like to inform the Senator that I do not know, but I would also like to inform him that——

Mr. JACKSON. That is very important.

Mr. BARTLETT. Often oil wells are produced into a common tank battery on a leasehold, and it is useless to have separate provision for that. It cannot be done by the Senator's amendment. So the purpose of the amendment is to have leases reduced to tank batteries of wells that are in a stripper category.

Mr. JACKSON. First, I think it is quite clear that the bill as drafted covers a big operator as well as a small, although it is alleged to help the smaller strippers. The oil leases in line 7 referred to all who hold leases. That is very clear. And it is clear that it is an attempt to exempt from the authority to allocate, during a time of shortages, one-third of all petroleum produced in the United States.

Second, and I want to emphasize this again, the language as it stands does not mandate the President to make the allocations. He is given the power to do it, but we have not mandated it. If there is a hardship, it can be dealt with.

If we are going to have an effective allocation system, we ought not to manufacture here on the floor one of the biggest loopholes that we could possibly put in a bill designed to bring about the equitable allocation of petroleum products to meet the needs of this Nation.

I reserve the remainder of my time.

Mr. LONG. Mr. President, will the Senator from Oklahoma yield to me?

Mr. BARTLETT. I yield.

Mr. LONG. It seems to me when the Senator places a cutoff at 3,500 barrels a day, that could conceivably be a substantial producer. In other words, I calculate it to be approximately $4 million gross value of oil. It seems to me it would be a better amendment if the Senator would limit his proposal to producers who produce 1,500 barrels of oil a day. That translates down to about $1 million gross value of oil, which would mean somebody making about $100,000 a year, which, after tax on the income, would be about $50,000.

I wonder if the Senator would be willing to either accept or vote for an amendment to limit the size to 1,500 rather than 3,500, because I would like to suggest such an amendment. In fact, I had one of the technicians draft it so it could be considered.

Mr. BARTLETT. I would like to thank the Senator from Louisiana. I find that to be an amendment I can accept. It provides for 1,500 barrels a day, which I assume would occur on page 2, line 10, by changing "3,500" to "1,500." That change would be acceptable.

Mr. LONG. Mr. President, since the yeas and nays have been ordered, it would be necessary to ask unanimous consent to have the modification accepted.

Mr. President, I ask unanimous consent that it be in order to so modify the amendment.

The PRESIDING OFFICER. Is there objection? Without objection, the modification is accepted.

Mr. LONG. I thank the Senator. It seems to me that carries out the Senator's desire to limit this to those who are clearly small independents and it takes out those that could be described as "large independents." I think the small independents, who are going out of business in droves, should be preserved in this competitive system of ours so that they can add the oil they produce to the production of the country, rather than liquidate them, as they are being liquidated, all to the detriment of this country.

I shall certainly vote for the Senator's amendment.

Mr. FANNIN. Mr. President, how much time is there remaining? The Senator from Louisiana said he would yield an amount of time necessary.

The PRESIDING OFFICER. The Senator from Oklahoma has used up all his time, and the Senator from Arizona, in opposition, has 12 minutes.

Mr. FANNIN. 12 minutes?

The PRESIDING OFFICER. Yes.

Mr. FANNIN. I thank the Senator.

I support the amendment by the Senator from Oklahoma.

The amendment is designed to promote the conservation of petroleum through abatement of the abandonment of stripper wells and the crude oil reserves thereunder. Second, it is to encourage expanded exploration and development activity by small producers in search for new reserves. Third, it is to reduce the cost and facilitate the administration of this act.

I realize there are some complexities to this particular amendment, but let us look at what we are trying to do.

This amendment would protect the small producers, as other amendments, already adopted, protect the small refiner and marketer. I think this is important. We are seeking expanded petroleum exploration. We are seeking new drilling. We are trying to develop increased domestic fuels production in our country.

What has happened over the years as far as exploration is concerned?

If we look back to the year 1952, there were 8,923 geophysical crew months worked in that year. In 1953 there were 8,675 crew months worked. If we go down to 1960, we find the crew months worked had dropped to 5,207.

So we see that the trend is downward. It is important that we stop that trend, and that we increase the drilling rate and increase exploration in the continental United States.

In 1965, there were 4,471 geophyscial crew months worked. In 1967, there were 3,496. The trend was continuing downward. In 1968, there were 3,390. There were 3,259 in 1969. There were 2,521 in 1970. There was just a small increase in 1971, to 2,760.

We must realize that the number has gone down from nearly 9,000 in 1952 to 2,760 in 1971. There just has not been the incentive to go out and look for oil.

Let us look at the drilling, rotary rigs active and total well completions. That bears on the situation.

The number of such wells in 1953 was 2,613. In 1960, it was 1,746. In 1968 it was 1,170.

If we continue down through the years we see that this has been this downward trend portended of the shortages we have today.

Mr. President, I realize that many of these rigs have gone overseas. But we are now trying to stimulate drilling done here in the continental United States.

We are in a very serious shortage insofar as our petroleum production is concerned. Those opposing the Bartlett amendment would seem to favor not giving every incentive possible to the industry for a stepped-up exploration program.

I hope that we will take the broader view and realize that we want to do everything we can to increase exploration. Incentives must be provided as the distinguished chairman of the committee has brought out, for the major companies and the small companies.

I trust that the Senate will support the amendment.

Mr. JACKSON. Mr. President, I shall just detain the Senate for a moment.

Mr. President, the distinguished senior Senator from Louisiana has offered a modification which has been agreed to unanimously to change the exemption figure to 1,500 barrels a day instead of 3,500 barrels.

Mr. President, with this kind of proposal, I do not know how much of the total will be exempted by the amendment. This is not a way to legislate. And it may still be a substantial part of the total production exempted.

I want to emphasize again, Mr. President, that the President of the United States under the pending bill has the authority to provide for the small operators whom we all want to encourage. I want to see the total production by small strippers increased. The amendment appears to be of assistance to the little fellow. However, it also includes the big ones. It would have exempted one-third of the production of the United States. We have now cut that figure down in terms of the exemption from 3,500 barrels to 1,500 barrels. I do not know whether that is 35 percent or 25 percent of the total production. However, if there is to be equity, I want to emphasize again that the President of the United States has the authority to deal with these special problems and to help the smaller operators.

I want to see the kind of environment in the energy industry so that the small operator can grow and prosper and be able to become a larger part of the total.

The amendment does violence to the effort we are trying to make to provide for a fair and equitable allocation of fuels in short supply.

I hope that the amendment will be rejected.

Mr. FANNIN. Mr. President, the distinguished Senator from Washington mentioned what he thought his bill would achieve. I have a letter that was sent to me from the Deputy Secretary of the Treasury concerning the position of the administration on this bill.

Mr. President, I will read its entire text in order to reveal to my colleagues the well considered views of the administration:

> We have a number of comments on the Amendments to S. 1570, "The Emergency Petroleum Allocation Act of 1973," proposed by Senator Jackson. We are opposed to the Act, as amended, for the following reasons:
>
> (1) It is not necessary. The authority to require allocation of petroleum and petroleum products already exists.
>
> (2) It is ambiguous, which could complicate implementation and could lead to delaying law suits.
>
> (3) It provides the Administration with less flexibility than may be necessary to equitably allocate future supplies.
>
> (4) It would require a mandatory allocation system before it is determined that the voluntary program will not work.
>
> The Administration believes that it has adequate authority to allocate petroleum and petroleum products under the Eagleton Amendment to the Economic Stabilization Act and further legislation is unnecessary. We have already implemented a voluntary program that we believe will allow an equitable redistribution of crude oil and products to independent refiners, marketers, and priority classes of customers. The Oil Policy Committee will hold public hearings June 11–13 to determine whether the voluntary program is effective and whether a mandatory program is required.
>
> I have the following specific comments about the proposed bill, as amended:
>
> (1) Section 102(f) should be deleted. The term "economic efficiency" adds ambiguity to the objectives and possibly conflicts with objectives 102(a), (b), and (c).
>
> (2) Section 104(a) requires "due notice and public hearing" at least "within sixty days" of the enactment of the Act. We have already published notice and will hold a public hearing on the need for a mandatory allocation plan under the authority granted by the Economic Stabilization Act. If S. 1570 is enacted after the date of such hearing, then the inclusion of the above added clause in the Act would necessitate repeating the hearing. Such repetition is neither desirable nor necessary.
>
> (3) Also, Section 104(a) is ambiguous with regard to what finding is necessary, if any, to declare a product in short supply and with regard to which products should be allocated.
>
> (4) Section 104(c) lacks a definition of what constitutes an "exorbitant price." The following sentence should be added to Section 104(c). "Price increases representing increasing costs, or reflecting operating costs plus a normal operating profit, shall not be deemed exorbitant."
>
> (5) Section 104(d) is a new provision in the Act. The section directs the President to "use his authority under the Act and under existing law to assure that no petroleum refinery in the United States is involuntarily required to operate at less than its normal full capacity because of the unavailability to said refinery of suitable types of grades of crude oil."

The PRESIDING OFFICER. Time on the amendment has expired.

Mr. FANNIN. I yield myself 5 additional minutes on the bill.

The letter continues:

> Because of the shortage of low sulfur crude oil, the only way to assure that all refineries can run at full capacity with suitable types of crude oil is to relax environmental emissions standards and sulfur restrictions on petroleum products. Consequently, Section 104(d) could lead to a conflict with the Clean Air Act and National Environmental Protection Act. Any attempt to utilize Section 104(d) will almost certainly lead to litigation.
>
> (6) Section 105(b), subparagraph 2 is applicable to any refiner of petroleum products who refined in the United States and/or imported more than 30,000 barrels per day (rather than 200,000 barrels per day as in the previous draft of the Act). This change eliminates some but not all of the objections to Section 105. It should cover all refiners.
>
> (7) Section 105(b), subparagraph 1 covers oil producers producing or importing more than 200,000 barrels per day. This does not cover many large producers and should be changed to cover all producers.
>
> (8) Section 105(c) assures that Section 104 takes precedence over Section 105. It would be better if all of Section 105 were deleted. It is not necessary and leads to ambiguity. One further objection to Section 105 was pointed out in my letter to you of May 16, 1973.
>
> While S. 1570 as amended represents an improvement, the Act still is not necessary. It provides for authority already existing under the Economic Stabilization Act of 1973 and would require a mandatory allocation program which may not be desirable. Further, the proposed Act still has many failings and is ambiguous concerning many details. For instance:
>
> (1) It contains no provision or criteria for finding which fuels are in short supply and which should be regulated.
>
> (2) It provides no provision or criteria for finding when allocations are no longer necessary and for removing controls, prior to termination of authority in September 1974.
>
> (3) It provides no criteria for establishing what constitutes an exorbitant price increase which would be unlawful under the bill.
>
> (4) It will cause duplication of hearings previously held under the Economic Stabilization Act for the same purpose.
>
> (5) It is unclear whether the submission to Congress specified in Section 106(a) is primarily for Congressional oversight or is a requirement prior to implementing any allocations under the Act.
>
> (6) Section 105 is unnecessary and its inclusion will cause ambiguity in interpreting the meaning in Section 104.
>
> We feel that S. 1570 should not be passed. However, if such an Act is deemed necessary, we feel it should take the form of the suggested revisions contained in my letter to you dated May 16, 1973, a copy of which is enclosed, plus changes suggested in this letter.
>
> Sincerely yours,
>
> WILLIAM E. SIMON,
> *Deputy Secretary of the Treasury.*

Mr. President, I realize that amendments have been made to this bill since this letter was written, so all of its recommendations would not necessarily apply. But at the same time, Mr. President, there are the objections that I have stated, and I trust that the Senate will take into consideration the recommendations of the administration.

How much time remains of the 5 minutes?

The PRESIDING OFFICER. The Senator has a minute and a half remaining.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. FANNIN. I am pleased to yield to the manager of the bill.

Mr. JACKSON. Who is the author of that letter?

Mr. FANNIN. Mr. William E. Simon.

Mr. JACKSON. I was interested in one comment he made. He did not want any exemption for refineries. I wonder what his position is on exemptions for strippers and people with low production rates. If he is following that policy and is consistent, I assume he is opened to the Bartlett amendment. He does not want any exemptions.

Mr. FANNIN. I would just say to the distinguished chairman of the committee, the floor manager of the bill, that perhaps he did not have the evidence that he would need to consider the Bartlett amendment. But I know that the administration is interested in more exploration and in additional drilling, and that we do whatever is necessary that is within reason and that is economically sound to go forward with a vigorous and ambitious exploration and development program.

I think, evidently, he did not have the instant amendment available to him at the time the letter was written. It would be difficult to surmise what position he would have taken otherwise.

Mr. JACKSON. Mr. President, I have a high personal regard for Bill Simon. He is a top-flight investment banker, but he is caught up in a difficult situation at the moment.

It is not easy to manage this situation, but I am confident that Bill Simon, smart as he is, knows that there will have to be mandatory allocations. How can oil be moved from one group to another by contract except by action at the Federal level? The Federal Government does have power to affect existing contracts in this situation with a mandatory allocation system. I would point out that that is why the current program is in deep trouble because it is not mandatory. There must be a mandatory program to be effective.

I would point out further that without the antitrust provisions in the bill before the Senate, the oil companies cannot get together to work out a proper allocation of petroleum. Any oil company that has good legal counsel is not going to listen to some administrator who tells it to get together voluntarily with other companies and do this. If they got together voluntarily to do this, they could be indicted.

The PRESIDING OFFICER. The time on the amendment has expired.

Mr. JACKSON. I will yield myself a couple of minutes on the bill. However I have time on the amendment, do I not?

The PRESIDING OFFICER. The Senator yielded it to the Senator from Arizona.

Mr. JACKSON. Then I yield myself a couple of minutes on the bill.

I point out the nonsense of talking about voluntary allocations. Surely the oil companies know that if they sit down to work out a scheme to allocate their products voluntarily, they are subject to the antitrust laws. The fact that the President asks them to do it, the fact that an administrator of an agency asks them to do it, does not change the situation. They can be indicted subsequently for such conduct; and it is no defense, obviously, that some Government officials asked them to do it. We deal with that problem in the bill, and do it fairly and objectively. We set forth mandatory provisions in the bill so that throughout the country there will not be unnecessary rationing.

So I simply hope that the sooner we face up to the reality of the situation, the sooner we will be able to get some action.

Mr. President, I have nothing further to say.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oklahoma. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Utah (Mr. MOSS) is necessarily absent.

I further announce that the Senator from Maine (Mr. MUSKIE) is absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from New Hampshire (Mr. COTTON) is absent because of illness in his family.

The Senator from Wyoming (Mr. HANSEN) is absent by leave of the Senate on official committee business.

The Senator from Idaho (Mr. MCCLURE) is necessarily absent.

The Senator from Ohio (Mr. TAFT) is detained on official business.

The result was announced—yeas 42, nays 51, as follows:

[No. 168 Leg.]

YEAS—42

Allen
Baker
Bartlett
Beall
Bellmon
Bennett
Bentsen
Brock
Buckley
Burdick
Byrd,
Harry F., Jr.
Byrd, Robert C.
Cook
Curtis
Dole
Domenici
Dominick
Eastland
Fannin
Fong
Fulbright
Goldwater
Griffin
Gurney
Helms
Hruska
Johnston
Long
Mansfield
Mathias
McClellan
McGee
Packwood
Pearson
Percy
Randolph
Roth
Scott, Pa.
Scott, Va.
Thurmond
Tower
Young

NAYS—51

Abourezk
Aiken
Bayh
Bible
Biden
Brooke
Cannon
Case
Chiles
Church
Clark
Cranston
Eagleton
Ervin
Gravel
Hart
Hartke
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Kennedy
Magnuson
McGovern
McIntyre
Metcalf
Mondale
Montoya
Nelson
Nunn
Pastore
Pell
Proxmire
Ribicoff
Saxbe
Schweiker
Sparkman
Stafford
Stevens
Stevenson
Symington
Talmadge
Tunney
Weicker
Williams

NOT VOTING—7

Cotton
Hansen
McClure
Moss
Muskie
Stennis
Taft

So Mr. BARTLETT's amendment (No. 168) as modified was rejected.

## MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

## EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer (Mr. HUDDLESTON) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of Senate proceedings.)

## MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the amendment of the House to the bill (S. 49) to amend title 38 of the United States Code in order to establish a National Cemetery System within the Veterans' Administration, and for other purposes.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 7447) making supplemental appropriations for the fiscal year ending June 30, 1973, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MAHON, Mr. WHITTEN, Mr. EVINS of Tennessee, Mr. NATCHER, Mr. FLOOD, Mr. STEED, Mr. SLACK, Mrs. HANSEN of Washington, Mr. MCFALL, Mr. CEDERBERG, Mr. RHODES, Mr. MICHEL, Mr. WYMAN, Mr. TALCOTT, and Mr. MCEWEN were appointed managers on the part of the House at the conference.

## ALLOCATION OF CRUDE OIL AND REFINED PETROLEUM PRODUCTS

The Senate continued with the consideration of the bill (S. 1570) to authorize the President of the United States to allocate energy and fuels when he determines and declares that extraordinary shortages or dislocations in the distribution of energy and fuels exist or are imminent and that the public health, safety, or welfare is thereby jeopardized; to provide for the delegation of authority to the Secretary of the Interior; and for other purposes.

Mr. JACKSON. Mr. President, I ask unanimous consent that the previous unanimous-consent order limiting amendments to the Jackson amendment to 1 hour be modified so that such amendments be limited to a total of 15 minutes, the time to be equally divided between and controlled by the mover and the opponent.

I make this request in light of the fact that we have quite a number of amendments pending and we have 1 hour and 45 minutes remaining until the final vote, which is mandatory, at 4 o'clock. It is in the interest of fairness that I propound this unanimous-consent request, and I hope it will be agreed to.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The bill is open to further amendment.

### AMENDMENT NO. 180

Mr. PEARSON. Mr. President, I call up my amendment No. 180, as modified.

The PRESIDING OFFICER. The amendment will be stated.

The amendment, as modified, was read, as follows:

On page 7, after line 2, add the following subsection:

(d) The President is hereby directed to use his authority under this Act and under existing law to assure that petroleum and petroleum products are allocated in such a manner as to assure adequate production, processing, and distribution of food and fiber.

Mr. PEARSON. I yield myself 3 minutes.

Mr. President, I ask unanimous consent that the names of the distinguished Senators from Oklahoma (Mr. BELLMON and Mr. BARTLETT) and the distinguished Senator from Nebraska (Mr. CURTIS) be added as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PEARSON. Mr. President, it is increasingly clear that the President's voluntary fuel allocation program is inadequate to meet the problems at hand. The fuel shortage is of such magnitude and such complexity and the economic interests affected are so intense that a voluntary schedule regardless of how well conceived and intentioned, simply is not going to do the job.

On the other hand, it is clear as the debate on S. 1570 has demonstrated, that it is extremely difficult to design and administer an equitable allocation program. Certainly it is imperative that any allocation program will have a clear sense of priority needs. In a scarcity situation, we have to be frank and recognize that a consumer who buys fuel for pleasure boating cannot be placed in the same category as a city fire department.

To say that we must identify priority users is easier said than done because, in the process, almost every consumer group tends to become a priority user. However, I want to address myself to what I consider to be the single most important class of priority users—that being those who produce, process, and distribute our food supplies. And it seems to me that it is absolutely essential that any allocation program assign to agriculture the highest of priority.

To make such an argument is not a special plea for favored treatment for farmers. Rather, it is an argument that if farm production is in any way crippled because of inadequate fuel supplies the Nation as a whole suffers. A reduction in food production or an inability to process and distribute that food to our supermarkets will dramatically affect all Americans because it will certainly mean sharply higher food prices. The American consumer already complains of high food prices and consumer boycotts have been initiated. Over the past few months, increases in food prices have been a major factor in the spiraling inflation.

Thus, at the very time when it is to the interests of all Americans that our farmers increase food production, we run the danger of curtailing production because of inadequate fuel supplies. I would add that any significant crippling of our food production and distribution system would not only mean higher supermarket prices but may very well mean actual shortages in food—thus raising the specter of food rationing. This can and must be avoided.

However, we are very likely to see such a development if we do not design our fuel allocation program in such a way so as to assure adequate supplies to the agricultural industry. Farmers in Kansas and throughout the great food producing areas of the middle west are already at this date running desperately short of gasoline, diesel, and LP gas. A number of farmers have had to temporarily cease their field work because they can obtain no fuel. In the next 2 months unless something is done this is going to get significantly worse.

The agricultural situation is complicated by the nature of the farm fuel distribution system. In the city if a particular station runs out of gasoline, the driver can go on to the next block or so and have an alternate source of supply. This is not the case in rural areas. Only relatively few of the oil companies have bulk delivery systems to farmers. If a particular farm distributor runs out of fuel the farmers have limited opportunities to find an alternative source. So even under the best of conditions, shortages by only one dealer may have extremely adverse consequences. But this is particularly true at this time and because of the overall shortage none of the dealers in rural areas are able to take on new customers.

Mr. President, for all these reasons it seems to me that it is essential that there is no higher priority use than agriculture. No other set of producers are so vital to the well-being of the Nation. We cannot afford to cripple food production. Indeed, national interest requires that we increase it. To do this, we simply must have an allocation program that assures that the farmer and those who distribute his products receive adequate fuel.

Mr. President, this amendment gives direct attention to the needed priority for agricultural production today. I have discussed the amendment with the distinguished manager of the bill, the Senator from Washington (Mr. JACKSON), and the distinguished Senator from Arizona (Mr. FANNIN). They find themselves in agreement with the amendment, and I think they will accept it.

Mr. JACKSON. Mr. President, I am pleased to support the amendment offered by the distinguished Senator from Kansas. It was our endeavor to do what he seeks to do in this amendment. I think his amendment further clarifies and strengthens the objective of dealing with the special problem we face in connection with food and fiber.

I strongly urge that the amendment be accepted by the Senate.

Mr. PEARSON. Mr. President, I yield back the remainder of my time.

Mr. JACKSON. I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back. The question is on agreeing to the amendment of the Senator from Kansas, as modified.

The amendment, as modified, was agreed to.

Mr. NUNN. Mr. President, I ask unanimous consent that a technical amendment to the Moss amendment be in order at this time, that it be in order to offer this amendment at this time.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. NUNN. The amendment is at the desk. It is a technical amendment.

The PRESIDING OFFICER. The amendment will be stated.

The amendment was read, as follows:

On page 4, line 11, after the word "a", insert the phrase, "similarly situated".

On page 4, line 12, after the word "retailer", insert the phrase "on the same level of commerce (wholesale or retail)".

Mr. NUNN. Mr. President, I have talked to the manager of the bill, the Senator from Washington (Mr. JACKSON), and the Senater from Arizona (Mr. FANNIN) about this amendment. It is a technical amendment and simply makes clearer the language in the Moss amendment by specifically setting forth that it deals with similar levels of distribution; that we are not talking about apples and oranges but about apples and apples and oranges and oranges. I think it really makes that point clear.

Mr. JACKSON. Mr. President, I think the amendment does clarify what the Moss amendment intended to do.

There is a special relationship between the retailer and the wholesaler, and as the bill now stands, there may be some confusion as to the requirements imposed on each. Therefore, I am very pleased to accept the amendment, and I yield back the remainder of my time.

Mr. NUNN. I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back. The question is on agreeing to the amendment of the Senator from Georgia.

The amendment was agreed to.

### AMENDMENT NO. 184

Mr. BELLMON. Mr. President, I have an amendment at the desk, No. 184, as modified.

The PRESIDING OFFICER. The amendment, as modified, will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. BELLMON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered and, without objection, the amendment, as modified, will be printed in the RECORD.

The amendment, as modified, is as follows:

On page 8, line 13, of Amendment No. 145, after the word "products" strike the language beginning with the word "who" through the word "period" in line 16.

In line 12, page 8, change the word "any" to "all", change "refiner" to "refiners", and insert "or importers" after the word "refiners".

Mr. BELLMON. Mr. President, the purpose of this amendment is very simple. The bill as now drawn would allocate the production of refined products from the major refineries, but the bill would exempt the production from a large number of refineries which collectively produce a great deal of the products that are used by the people of this country.

In my opinion, the bill as now drawn is an open invitation to these refiners to hold back their products from the market in order to store them up and, whether intentionally or inadvertently, to add to the seriousness of the energy crisis we face in many parts of the country and then to be in a position to market those products to customers who would be desperate, and receive a higher price for them than the going market price.

The PRESIDING OFFICER. The Chair would ask that Senators who wish to converse retire to the cloakroom. The Senator is entitled to be heard.

The Senator may proceed.

Mr. BELLMON. Mr. President, it seems to me if this bill is going to accomplish the objectives the Senator has in mind we should amend it so we will allocate all across the board, so that all products from all refiners will be sold under the same regulations.

The bill has a second purpose, which I believe was dealt with by the amendment just adopted, which was proposed by my distinguished colleague from Kansas.

The problem here is that line 22 relates to a base period and requires that dealers be furnished the same amount of products in the quarter of 1973 as used in the same quarter of the base period. The problem is that in my State and in many other parts of the country we had serious droughts that reduced the production of agricultural products which, therefore, reduced the fuel the farmer needed for harvest and for transportation of his products. This year we have had fine weather in my State and we are looking forward to one of the largest wheat harvests in our history.

If this bill limits agriculture to the same amount received last year it means there will not be enough for the farmers. I believe the amendment of the Senator from Kansas takes care of the problem but we want to be certain there will be enough flexibility so that the needs of agriculture can be met even though they are not the same as they were during the base period.

My amendment was discussed with the author of the bill. I believe he is in general agreement that the bill would be strengthened by the adoption of this language.

Mr. JACKSON. Mr. President, I believe the Senator has stated the purpose of the amendment very well. What he is saying is that all refiners or importers shall sell or exchange to nonaffiliated independent dealers, and so on, as provided in the bill. His concern is there could be a situation in which a definer could withhold from the marketplace supplies that are sorely needed. I believe this amendment deals with that potential problem. I support the amendment. I am prepared to yield back my time.

Mr. FANNIN. Mr. President, I commend the distinguished Senator from Oklahoma. I believe his amendment is beneficial and that it deserves support. I am pleased to do so.

Mr. BELLMON. Mr. President, I yield back the remainder of my time.

Mr. JACKSON. I yield back the remainder of my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment of the Senator from Oklahoma.

The amendment was agreed to.

Mr. STEVENS. Mr. President, I send to the desk an amendment.

The PRESIDING OFFICER. The amendment will be stated.

The amendment was read as follows:

> Page 3, line 10; strike Section 102(b) and substitute: "(b) Maintenance of all public services, including also private air transportation in areas in which there is no public air transportation available;"

Mr. STEVENS. Mr. President, I understand we have 7½ minutes.

The PRESIDING OFFICER. The Senator is correct.

Mr. STEVENS. Mr. President, I yield such time as the Senator from Oregon may need for a clarification, not related to this amendment.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. HATFIELD. Mr. President, I thank the Senator from Alaska for yielding.

Mr. President, I wish at this time to seek clarification of one of the specific objectives in the legislation pending before us today.

Section 102(c) of S. 1570 declares the "maintenance of essential agricultural operations, including crop plantings, harvesting; and transportation and distribution," a stated goal of the legislation.

I want to insure, Mr. President, that the intent of this language is to retain timber harvesting activities as "other essential agricultural operations."

I know that the Senator from Washington is well aware of the timber supply crisis we are facing. Diesel fuel is necessary to operate logging equipment and logging is the first step in supplying timber to meet domestic needs. Inadequate fuel supplies for such a basic industry would exacerbate the timber supply crisis and compound the problems the Congress is grappling with in seeking solutions.

Forest fires must also be considered in this light. They sometimes require a great deal of energy in their suppression and the forest fire season is already approaching. Many areas of western forests are suffering from unusually dry conditions.

Provisions should be made for adequate amounts of fuel, not only to meet fire emergencies, but to provide reserves in the area to meet other energy requirements that would be drained for fighting fires.

Therefore, I request the Senator from Washington's clarification on this matter. It is my view that "essential agricultural operations" would include timber harvest and protection. Is this also his interpretation of the language?

Mr. JACKSON. The Senator is correct. There is no doubt that the harvesting of timber comes within the scope and responsibility, of course, of the Department of Agriculture. We have adopted the Pearson amendment which related to food and fiber. As the Senator knows, fiber also is based primarily on the timber industry—the fiber that is available from timber products. So in my opinion it is included within the section the Senator referred to.

Mr. HATFIELD. I thank the Senator from Washington. I also express my gratitude to the Senator from Alaska.

Mr. STEVENS. Mr. President, the amendment I have sent to the desk includes private air transportation in areas in which there is no public air transportation as a priority objective.

This is extremely important in remote areas of the United States, such as portions of Alaska. Bush line operators have already indicated they are faced with potential problems, especially with new lines which were not operating prior to this year. Private pilots will have much greater difficulties. Physicians and dentists must often travel by a private plane. The bishop of Alaska utilizes a private plan to minister to rural communities. Trappers and guides, governmental officials, and policemen also use private planes. In many areas of Alaska, the only way in or out is by private plane. These parts of the State will be cut off from the outside world if private pilots cannot obtain fuel on a priority basis. Oil companies have already indicated they can make no provision for increased equipment or emergency fuel needs. With many areas of interior Alaska just now opening up and with the prospect of increased geologic exploration and development, the economic and sociological development of interior Alaska is vitally dependent upon private air transportation. Many parts of southeast Alaska and coastal Alaska are also equally dependent upon air transportation.

Increased FAA safety requirements also may require additional fuel. Lives can be saved if our pilots can obtain the fuel they need. Private pilots as well as public airlines should have access on a priority basis.

As the Senator knows, I am trying to make a record that there is something involved beyond purely public carriers in a certificated sense. We are dealing with areas where there are no roads, buses, or scheduled airlines, and it is through the utilization of private planes that we maintain a transportation system in an area which is one-fifth the size of the United States.

Mr. JACKSON. Mr. President, it is the intent of the legislation to include within that section of the bill which refers to "Maintenance of all public services" private air transportation in areas in which there is no public air transportation available.

I am fully conversant with the tremendous transportation problems that exist today in Alaska. Previously on this floor I responded to a question relating to whether or not private taxicabs are covered. The answer is yes, because they provide a public service. They meet the convenience and the necessity of the public. The argument can be made that it helps conserve energy by having those services available. In Alaska where there are private aircraft to move people around, it is much more economical than to use a large system to meet the requirements of the public.

In my judgment, the language of the amendment offered by the Senator from Alaska is already included in that category which I referred to, namely, the maintenance of all public services.

Mr. STEVENS. I thank my good friend from Washington.

Mr. President, I withdraw that amendment and offer another amendment, in view of the statement made by the Senator from Washington.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. FANNIN. Mr. President, I just want to commend the Senator from Alaska for his explanation of this amendment and to concur with the distinguished manager of the bill. At the same time, I think it is very wise that the Senator withdraws his amendment because the bill provides for the contingences concerning which the Senator from Alaska is concerned.

The PRESIDING OFFICER. The next amendment of the Senator from Alaska will be stated.

The assistant legislative clerk read the amendment, as follows:

> Page 3, line 18, strike the semi-colon and substitute: ", and including also the fuel needs of energy producing areas;"

Mr. STEVENS. Mr. President, the recent priority list of the Office of Oil and Gas embodied in the new regulations states that allocations are to be made based upon historical consumption patterns. In many areas of the country, particularly new fuel-producing areas, it is impossible to establish a historical pattern. For example in Alaska, regardless of whether a trans-Alaska pipeline, or a trans-Canada pipeline, or both are built, fuel needs will multiply many times in a number of new communities along the right-of-way. Fuel needs in present communities will also expand greatly. It is impossible to predict the extent of such expansion now, although it has been estimated that nearly 30,000 persons and up to 10,000 families will be coming to Alaska to assist in the construction and maintenance of the trans-Alaska pipeline.

These people will need fuel for transportation, heating, and the other necessities of life.

My amendment specifically states that it is an objective of this act to provide for the fuel needs of energy-producing areas such as Alaska.

The rest of the United States will

suffer greatly if it cannot obtain fuel from domestic oil-producing areas. My amendment will permit citizens in these parts of the country to survive and provide fuel for the rest of the country.

Mr. JACKSON. May I say that, in my judgment, section 102(d) does include those areas where the fuel needs exist in energy-producing States.

Again, I am familiar with the situation in Alaska. It is a new area, but it does come, in my judgment, within that category of subsection (d), and I see no need for the amendment, because the fuel needs of energy-producing areas are included already within the language of 102(d).

Mr. STEVENS. I thank the Senator from Washington for that explanation. I think it is necessary to make a clear record on this subject, however, because of the action of the Office of Oil and Gas in the past in basing the voluntary system upon a history of consumption of particular areas of this country in the past.

We have had very little oil and gas consumption in northern Alaska to date, but certainly, with people moving in to construct either of these pipelines—and of course I am an advocate of the Alaskan pipeline, but in the case of either line—it is going to require a tremendous amount of energy. They have moved into the State in order that we may tap the North Slope reserves.

It is true, as the Senator from Washington has said, that section 102(d) includes the language "preservation of an economically sound and competitive petroleum industry." I think it is necessary to read into that the necessity to ignore historical use patterns where it is necessary to give an area the ability to expand its capability of producing energy supplies for the rest of the country.

With the statement of the Senator from Washington, I withdraw that amendment also, and would like to send to the desk a third amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

The clerk will read the third amendment by the Senator from Alaska.

The assistant legislative clerk read the amendment, as follows:

Page 3, line 9; strike Section 102(a) and substitute: "(a) Protection of public health, safety, and welfare, and the national defense;"

Mr. STEVENS. Mr. President, this is an amendment to add an additional objective to the bill—national defense.

It may be, as the Senator from Washington has pointed out to me privately in conversation here, that this is an intent of the bill, but I think it is necessary to have the objective of national defense spelled out in this fuel allocation bill.

I have been informed by a number of different sources that this is a particular problem, especially in Alaska.

Four mine sweepers will not be able to refuel in Juneau this summer, since they did not put in to that port to refuel in 1972.

The first line of defense for the North American Continent is triggered by a number of remote radar outposts. These form the DEW line system—distant early warning line. Many DEW line stations are scattered throughout Alaska. A number are on the coast. These are supplied by barge in the summer. The barges, towed by large oceangoing tugs, come up from Seattle. Their supplies and servicing are absolutely vital for the national defense. Without these barges, it would be extremely difficult and more costly, requiring much greater amounts of fuel. This summer, for the first time, a number of tug operators have informed me they have been unable to secure the fuel to transport these barges to the DEW line stations without a great deal of difficulty. One operator, Alaska Hydro-Train, required 500,000 gallons for two tugs for the trip. They were only able to obtain adequate supplies by depleting their entire Seattle allocation for 5 months for one tug and 3 months for the second tug.

These are but two examples. I understand that the President already has authority to allocate fuel for the national defense under existing Federal statutes. In order, however, to insure there is no question or any suggestion of a conflict, I believe this requirement should be spelled out in S. 1570. I understand it will not change existing statutory authority, and it is intended solely to clarify the situation. This bill does not change existing Presidential authority in this respect. It is the intent of Congress merely to reaffirm that authority.

I request unanimous consent to insert in the CONGRESSIONAL RECORD at this point my telegram of May 17 to Deputy Secretary of the Treasury, William Simon, urging that the Oil Policy Committee's priority list be amended to provide a special priority category for industries serving the national defense. This telegram was also sent to the Office of Oil and Gas.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

MAY 17, 1973.

Mr. WILLIAM SIMON,
*Chairman, Oil Policy Committee, Deputy Secretary of the Treasury, U.S. Department of the Treasury, Washington, D.C.:*

Oil Policy Committee's eight category priority list for Office of Oil and Gas oil distribution causes two serious problems for Alaska.

First, there is no priority category for industries serving the national defense. Category six covers certain freight transporters. Category seven covers state and local government activities. Tug and barge operators servicing Delo Line activities in Alaska are having difficulty obtaining diesel fuel. The national defense requires they be given priority.

Second, category five covers certain surface land transportation systems—bus, rail, and mass transit.

Air and sea public transportation systems should also be included. Air transportation is the only means to travel in much of Alaska. If public air carriers cannot receive fuel on a priority basis, much of Alaska will be completely cut off. All, repeat all, other cities and towns in Alaska are also dependent on air carriers for passenger transportation. Sea passenger transportation, such as State of Alaska ferry system is also essential, especially in Southeastern and Southcentral Alaska. Category six should be amended by adding "air, sea," after the word buses.

The list of priorities does not indicate whether there are priorities within the list—for example whether category five is prior to category six. Could you please clarify this?

TED STEVENS,
*U.S. Senator for Alaska.*

Mr. STEVENS. I think it is important, as we look at the bill that has been brought before this body—and I think it is a bill of very great national importance—that we make certain that national defense is of the same standing, as far as the objectives that are set forth in section 102(a) are concerned, as is the protection of public health, safety, and welfare. Perhaps the term "safety" would include national defense, but I think it is important to make that clear.

I was informed, for example, that a barge that had pulled into Seattle to load fuel for installations on the Aleutian chain had to go to three separate places to get a full load of fuel oil in order to leave for the Aleutian chain because there was some question as to the use to which the oil was sought to be put, and whether it was of a priority nature. As far as the voluntary system was concerned, they were trying to insure that the barges that took oil to our distant early warning stations in Alaska could only take the same amount of oil or fuel this year that they took last year within the same base period.

This is quite similar to the situation raised in the other amendment, but I think the Senator from Washington will realize that this one is a much more difficult problem for our State than it is for any other State.

Mr. JACKSON. Mr. President, the position taken by the Senator from Alaska is a sound one. Again, I am familiar with the special problems, particularly in the logistics-supply area in Alaska. It seems to me that his amendment is a helpful one. Rather than try to handle it another way, I think the Senate should adopt the amendment, and I am prepared to accept the amendment offered by the able Senator.

Mr. FANNIN. Mr. President, I concur in the statement of the distinguished floor manager and feel that the amendment is a necessary one. I think it provides a protection that is needed. I am very pleased to concur in the statement and support the amendment.

Mr. STEVENS. Mr. President, I thank both the Senator from Washington and the Senator from Arizona not only for clarifying the record with regard to the past two amendments but in connection also with this amendment, which vitally affects the national defense effort in my State.

I move the adoption of the amendment, and I yield back my time.

Mr. JACKSON. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time on the amendment having been yielded back, the question is on agreeing to the amendment of the Senator from Alaska.

The amendment was agreed to.

Mr. BARTLETT. Mr. President, I call up my amendment No. 182.

The PRESIDING OFFICER. The amendment will be read.

The assistant legislative clerk read the amendment (No. 182) as follows:

> On page 7, line 1, amend section 104(c) (1) by striking the word "or" and adding "which compensation shall be not less than the price obtained or lawfully obtainable in a free competitive market".

Mr. BARTLETT. Mr. President, this amends section 104(c) so that it will read:

> The regulations required by subsection (a) herein shall include standards and procedures for determining or reviewing prices of fuels allocated by the President under the provisions of this Act to prevent (1) appropriation of private property without due compensation which compensation shall be not less than the price obtained or lawfully obtainable in a free competitive market or (2) exorbitant price increases reflecting temporary shortage conditions.

Mr. President, the manager of the bill, the chairman of the committee, has indicated earlier that there are no price restraints in the bill. I hope that is correct.

I have concern that the prior amendment would provide a price review which would be a restraint.

I also have concern that the allocations that could be provided under the pending bill with respect to the allocation of crude oil could have a depressing effect on the market and prevent the supply and demand mechanism in the market from working to provide a sufficient supply.

So this amendment clearly states that there is not or should not be any restraint of price and that due compensation would be that price which had been obtainable or was lawfully obtainable in a free competitive market.

If we do not have an unrestrained price, then we are going to see the whole purpose of the bill, which is the allocation of shortages, become a bill which will definitely perpetuate and increase those shortages.

I am hopeful that the amendment will be agreed to.

Mr. JACKSON. Mr. President, as I interpret the Senator's amendment, it would take the companies that are now under Cost of Living Council regulation right out from under it, because the amendment as I read it says:

> which compensation shall not be less than the price obtained or lawfully obtainable in a free competitive market.

That last part, of course, if I read the language correctly, is simply saying that any kind of price restraint which now applies to 23 major oil companies will be removed and they will be exempt. Obviously, when we put in the language "lawfully obtainable in a free competitive market", we have changed the law, because the free competitive market is not working in this particular area at this time. There are price ceilings in effect pursuant to the law we passed authorizing the President to do this.

Under the circumstances, I think that I have to advise my colleagues that this amendment would take those companies out from under the price controls. If that is what the Senator wants to do, fine. However, I do not think that is what the Senate wants to do.

In effect, the amendment would amend the Economic Stabilization Act—that we have already passed—in a most indirect manner.

I would hope that we do not back away from this problem and that, on the contrary, we try to maintain some sensible price restraint.

I think what is happening in the world today ought to be sufficient warning to everyone. Gold today reached the price of $126 an ounce.

Mr. President, it is clear that what is happening to the dollar is that our friends abroad, who hold some $82 billion in Eurodollars, are saying that the United States is not going to get tough on inflation. And with the problems we face in a very tight market, a tight market that will exist for at least 3 years, I think it would be fundamentally unsound to talk about cutting back on existing price restraints by adopting this amendment.

I regret that I will have to oppose the amendment.

Mr. BARTLETT. Mr. President, the amendment provides that just compensation shall be that compensation which shall not be less than the price obtained or lawfully obtainable in a free competitive market.

The chairman mentioned that there are and could be in the proposal restraint upon prices. This is what I am attempting to avoid. I think it is obvious that we cannot have our cake and eat it, too. If we are going to have any mechanism at all working in the marketplace, it is going to have to work in a way to increase the price. If we are going to have to pay high prices for energy when we are living in an era with high-powered cars and want to go to an area of high availability of energy at high costs, it is a question of whether we pay foreigners for the extra energy or whether we pay ourselves and whether we strengthen our domestic industry or weaken it and become beholden to the small countries in the Mideast who can blackmail us and harm our economy.

The chairman mentioned the high value of the dollar today. This becomes aggravated with more and more purchases of foreign crude and provides additional problems for us.

So, Mr. President, I move the adoption of the amendment.

I yield back the remainder of my time.

Mr. JACKSON. Mr. President, I just reiterate my serious concern over this amendment. It is an indirect attempt to decontrol the price controls imposed by the President's Cost of Living Council on petroleum products. And that is the basic question before the Senate. I do not know whether there is going to be a rollcall vote on this amendment or a voice vote.

Mr. President, I suggest the absence of a quorum, and I am prepared to yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JACKSON. Mr. President, before yielding, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. JACKSON. I now yield 5 minutes on the bill to the Senator from Louisiana.

Mr. JOHNSTON. I thank the distinguished floor manager of the bill.

Mr. President, I have been concerned about the absence in this bill of any provision for an appeal; that is to say, when someone is aggrieved, under the administrative proceeding taken under the provisions of the bill, it concerned me that there was no provision for appeal from that decision.

Accordingly, I had drafted a provision which would guarantee an appellate proceeding, and I am prepared to offer that amendment to the bill. However, after discussions with the distinguished floor manager and with the staff, it appears that there are in fact provisions in the bill, or implicit in the bill, for the right of appeal pursuant to the Administrative Procedures Act, and I would like to ask the distinguished floor manager if that is a correct understanding.

Mr. JACKSON. The Senator is correct. It is the judgment of the junior Senator from Washington that the Administrative Procedure Act does apply to this bill.

Therefore, I see no need for a special section on appellate review. If there is any misunderstanding about the matter, I assure the Senator further that in conference we will make sure that it is clarified. But it is my judgment that the regular provisions of the Administrative Procedure Act apply fully to all aspects of the pending bill.

Mr. JOHNSTON. I thank the distinguished Senator. With that understanding, I shall not offer my amendment.

Mr. JACKSON. I thank the Senator from Louisiana.

The PRESIDING OFFICER (Mr. Scott of Virginia). All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Oklahoma (Mr. Bartlett). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. Fulbright) and the Senator from Utah (Mr. Moss) are necessarily absent.

I further announce that the Senator from Maine (Mr. Muskie) is absent on official business.

I also announce that the Senator from Mississippi (Mr. Stennis) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from New Hampshire (Mr. Cotton) is absent because of illness in his family.

The Senator from Wyoming (Mr. Hansen) is absent by leave of the Senate on official committee business.

The Senator from Idaho (Mr. McClure) is necessarily absent.

The result was announced—yeas 21, nays 72, as follows:

[No. 169 Leg.]

YEAS—21

Baker
Bartlett
Bellmon
Bennett
Brock
Buckley
Cook
Curtis
Dole
Domenici
Dominick
Eastland
Fannin
Goldwater
Helms
Hruska
Scott, Va.
Taft
Thurmond
Tower
Young

NAYS—72

Abourezk
Aiken
Allen
Bayh
Beall
Bentsen
Bible
Biden
Brooke
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Eagleton
Ervin
Fong
Gravel
Griffin
Gurney
Hart
Hartke
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Saxbe
Schweiker
Scott, Pa.
Sparkman
Stafford
Stevens
Stevenson
Symington
Talmadge
Tunney
Weicker
Williams

NOT VOTING—7

Cotton
Fulbright
Hansen
McClure
Moss
Muskie
Stennis

So Mr. Bartlett's amendment was rejected.

Mr. KENNEDY. Mr. President, I call up my amendment.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the Record.

The amendment is as follows:

> In section 105(b) (1) after the words "the corresponding quarter of the base period;" add:
>
> "Provided that, to the extent practicable, all such refiners previously supplied by such producer or importer shall continue to be supplied on an equitable basis taking into consideration past supply relationships and unused refinery capacity.
>
> In section 105(b) (2) after the words "the corresponding quarter of the base period;" add:
>
> "Provided that, to the extent practicable, all such dealers previously supplied by such refiner shall continue to be supplied on an equitable basis taking into consideration past supply relationships."

Mr. KENNEDY. Mr. President, the amendment I am now proposing seeks merely to underscore a basic thrust of the legislation before us which is to promote equity in the distribution of scarce petroleum products.

Section 105 of the Emergency Petroleum Allocation Act seeks to restrain major companies from denying supplies to the independent sector of the industry.

I have no quarrel with the section as it now stands except to suggest that in its consideration of independents as a class it may fail to carry out the legislation's intent to protect individual independent companies.

While recognizing that there have been administrative difficulties raised to establishing a rigid firm-to-firm standard, I believe that my amendment will retain the necessary administrative flexibility while protecting individual independent companies at the same time.

Thus, the amendment states that "to the extent practicable" all previous refiners should be assured continued supplies of crude oil on an equitable basis taking account of historical supply relationships and unused refinery capacity and all dealers "to the extent practicable" should be assured continued supplies from refiners on the same basis.

In this way, I believe we can further the purpose of the legislation.

A case in point is New England where there are now only seven independent terminal operators in business. At one point prior to the imposition of the import quota system there were 24. In the intervening years, 17 have been swallowed up by the majors.

Under the current language, a major supplier who traditionally has supplied 20 or 30 percent of the supply of each of the seven terminal operators could provide the same total amount of petroleum and petroleum products to only one of the seven, thereby killing six competitors and creating a virtual hostage out of the remaining independent.

It is to avoid this situation and the inequity it represents that I have offered the pending amendment.

I would hope that it could be accepted.

Mr. President, let me underline why I believe the inevitable result of failure to protect the individual companies will produce a serious inequity.

I have received today questionnaires sent out to members of the New England Fuel Institute, all independent home heating oil suppliers.

Although we only have a partial reply thus far, a summary indicates how serious the situation is going to be next winter.

In Vermont, 2 dealers have had their contracts totally canceled.

In Rhode Island, 11 dealers have had their contracts totally canceled.

In Connecticut, 11 dealers have had their contracts totally canceled.

In Maine, 10 dealers have had their contracts totally canceled.

And in my own State, 17 dealers have had their contracts totally canceled.

A substantial number of the remaining several hundred dealers who have replied have had their supplies reduced or have been told to expect reduced supplies.

Taking into account the contracts totally canceled alone, this means a loss of 76 million gallons of heating oil to New England residents.

And these are companies which have been in business, serving New England towns and communities, for 20, 30, and 40 years.

My concern in reading section 105 is that perhaps the majors would be able to fulfill the mandate of that provision by making available to a single independent the total requirement that the major had previously supplied to other independents; and rather than distributing equitably to each one, they could distribute all their oil to one independent. In this way, they could use this device as a whipsaw to play one independent against another.

I have here a questionnaire filled out by the Marinelli Fuel Co., Roslindale, Mass., which has been in business for 28 years and has been supplied approximately 410,000 gallons of oil from Mobil Oil and Atlantic Richfield. This is what Mr. Joseph Marinelli writes to me:

> Sometime in March, Atlantic Richfield Company notified me via registered mail that my contract would terminate on May 31, 1973. It was a 60-day notice before the contract ran out.

That is a family company. It has been in operation for 28 years.

Here is what another company said. This is from the Blue Flame Oil Service, Somerville, Mass. It has been in business for 43 years. In the period from 1972 to 1973 it has distributed 3 million gallons of heating oil. This is what they state to me:

> After my father was doing business with Gulf for 15 years, they walked into my office to tell me that all inland terminals are closed. That the deal with Gulf was off as of May 1973; that any oil that I have picked up at the waterfront is good for next year. That was 4,000 gallons. So what a hell of a thing for Gulf to do to everyone.

Gulf had been supplying them with 600,000 gallons and now they are being cut off.

I have received a number of such questionnaires.

What we want to make sure of is that the small independents that have been doing business for 40 or 50 years are not destroyed. One company, the Buckingham Co., of Southport, Conn., has been in business for 81 years and they were canceled by all suppliers. That is why we are writing into this bill a protection for individual companies while we have avoided a rigid, firm-to-firm standard. We have written into the bill practical protection. It would give protection to the independents and would alleviate the serious situation which these questionnaires reveal.

More than 85 percent of the home heating oil is distributed by independent outlets. We want to make certain that they receive an adequate supply of oil.

That is the only purpose of the amendment. I am hopeful that it will be accepted by the manager of the bill.

Mr. JACKSON. Mr. President, I am in full accord with the objective outlined by the able Senator from Massachusetts. What he is trying to do is, I think, most commendable. I think the amendment will be helpful. It is intended to preserve the historical relationships that have existed among producer-refiner and marketer and distributor, right down to the retail outlet.

I have discussed the amendment with the distinguished senior Senator from Arizona, and we are both in accord with the belief that the amendment will strengthen the bill. I urge the adoption of the Kennedy amendment.

I am prepared to yield back the remainder of my time.

Mr. FANNIN. I am prepared to yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Massachusetts.

The amendment was agreed to.

Mr. JACKSON. Mr. President, I know of no further amendments to the pending amendment. I move that the Jackson amendment in the nature of a substitute together with the amendments thereto be agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the amendment of the Senator from Washington (Mr. JACKSON), as amended.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

Mr. BUCKLEY. Mr. President, the Emergency Petroleum Allocation Act of 1973 (S. 1570) is a response to the possibility that the United States will experience a serious shortage of petroleum products in the next few months; a shortage so serious that a drastic "emergency" bill is required. Moreover, there have been persistent problems of the supply of petroleum products to our independent refiners and marketers. The question at hand is, whether or not S. 1570 represents an appropriate response to the serious problems at hand, and whether or not the implementation of S. 1570 will make matters better or worse. It is my view that the bill is not needed, and if implemented will exacerbate fuel shortages and result in hurting many of those independent refiners and marketers the bill is designed to help.

The Committee on Interior and Insular Affairs of which I am a member took evidence that the fuel supply would be extremely tight this summer. No evidence was presented to the committee, however, that would justify the notion "than an extraordinary shortage in the distribution of particular fuels exists or is imminent" as the drafters of the bill suggest. No evidence was presented which suggested the nature of possible shortages so that an appropriate congressional response could be framed.

In fact, the administration has argued that the authority provided for in the Economic Stabilization Act of 1973 was entirely adequate to cope with a fuel shortage, should such a shortage arise. One of the amendments passed by the Congress authorized the President to:

> Provide after public hearing, conducted with such notice, under such regulations and subject to such review as the exigencies of the case may, in his judgment, make appropriate for the establishment of priorities of use and for systematic allocation of supplies of petroleum products including crude oil in order to meet the essential needs of various sections of the Nation and to prevent anticompetitive effects from resulting from shortages of such products.

The administration has already initiated a voluntary program, and has adequate legal authority to institute a mandatory program if one should be required. The Oil Policy Committee will begin taking testimony shortly on the extent to which the present voluntary program should be supplemented with mandatory controls. Adequate machinery already exists to insure that the intrusion of the Federal Government into the allocation process for fuel need be no larger than necessary. S. 1570 would substitute a discriminate mechanism allowing for wide interference in private decision-making with a meat-ax form of Government controls that would be likely to deprive some users of fuels for the benefit of others with no mechanism to assure equity in the rationing process.

The bill is fraught with built-in arbitrary distribution schemes which would deprive many consumers of gasoline and other petroleum products while allowing other users to bask in lush supplies. For example, the bill provides that independent refiners shall be defined as those who produce less than 30,000 barrels of petroleum products per day, and further provides that producers of more than 200,000 barrels of petroleum products must provide their independent refiners with no less crude oil than they did during the July 1, 1971–June 30, 1972 base period.

Sixteen large oil companies produce more than 200,000 barrels per day, but nine large producers fall in the 100–200,000 barrels per day category. The latter group, so important in the northeastern and midwestern portions of the country, would not be required to share their crude oil with independent producers. Thus, those consumers who are fortunate to live in an area served by independent producers supplied by a major oil company whose production exceeds 200,000 barrels per day will be supplied with petroleum, those who are served by the nine smaller producers are simply out of luck.

A similar arbitrary distribution scheme exists between refiners of crude oil and independent dealers. The bill provides that refiners who produce more than 200,000 barrels of refined petroleum products per day must not supply less refined products to their independent dealers than they did during the base period. Seventeen large refiners produce more than 200,000 barrels per day, but 11 produce between 30,000 and 200,000 barrels per day. Once again, consumers who depend on the 11 smaller producers could be cut off.

The utterly arbitrary and capricious character of the allocation formula imposed on the petroleum industry will hurt the consumers who do not happen to fall within one of the arbitrary categories established by the bill. I should think the Congress would not want to repeat the experience of arbitrary government controls and the disastrous effects such controls can have on consumers that we experienced with phase I of wage price controls. It was those controls, so arbitrary in their impact, that to a large extent caused the shortage of heating oil we experienced in the Northeast and Midwest last year, entirely because arbitrary price controls made it impossible for petroleum refiners to allocate sufficient resources to the production of heating oil. As a result, the Nation was awash in gasoline and desperately short of heating oil last winter. If the provisions of S. 1570 are implemented, the Nation may again have to suffer the consequences of ill-conceived and arbitrary attempts at congressional rulemaking.

S. 1570 will hurt producers and consumers alike, and make less likely the early resolution of any energy shortage which may develop this summer. I urge that the Senate reject the bill.

### PRIMARY (OR HEALTH) AMBIENT AIR QUALITY STANDARDS MUST BE MAINTAINED AS WE STRIVE TO COPE WITH FUEL SHORTAGES

Mr. RANDOLPH. Mr. President, over the last 2 years, the Senate's National Fuels and Energy Policy Study has been extensively involved in evaluating the status of our national quest for sufficient energy supplies to meet our country's economic requirement—consistent with Federal and State environmental policies.

Throughout this investigation, the issue has been raised of the adequacy of the commitment by Government, industry, and the public toward simultaneous achievement of environmental and energy goals. However, today we find ourselves in a situation where national environmental policies could be jeopardized because of inadequate energy supplies, generally, as well as inadequate environmentally acceptable energy supplies.

Admittedly, we in the United States, have not done well in finding a suitable or equitable balance between energy and the environment. There is blame on all sides. However, there also has been a failure by both Government and industry to assure our country adequate energy supplies, even should environmental policies be modified. In other words, the long-term success of Federal environmental policies is threatened. Equally, the vital energy base of our economy and our security—our national security—is seriously endangered.

At this time, we must be cautious not to overreact to the current energy crisis to the extent that we unduly jeopardize the long-term success of environmental policies. The overriding concern must be finding a suitable and equitable balance between energy and the environment.

Reading from S. 1570, the first objective to assure the "protection of public health, safety and welfare." The protection of public health also is the primary objective of the Federal Clean Air Act, as amended, which the Congress, enacted in 1970. In the 1970 amendments the Congress also proposed that the States provide for the protection of public welfare at a reasonable time after 1975 to 1977. However, the majority of the States interpreted this to mean the same time schedule for achievement of secondary ambient air quality standards.

The impact of this action by the States to also protect public welfare, in their aggregate, has noticably complicated our energy supply problem; however, I repeat, it did not cause the problem.

This in reality was the subject of my April 4 speech before the First Government Affairs Seminar of the Air Pollution Control Association, meeting in Washington, D.C. In his April 18 message concerning energy resources, the President also commented on this situation, stating:

> The Clean Air Act of 1970, as amended, requires that primary air quality standards—those related to health—must be met by 1975, while more stringent secondary standards—those related to the "general welfare"—must be met within a reasonable period. The States are moving very effectively to meet primary standards established by the Clean Air Act, and I am encouraged by their efforts.
>
> At the same time, our concern for the "general welfare" or national interest should take into account considerations of national security and economic prosperity, as well as our environment.
>
> If we insisted upon meeting both primary and secondary clean air standards by 1975, we could prevent the use of up to 155 million tons of coal per year. This would force an increase in demand for oil of 1.6 million barrels per day. This oil would have to be imported, with an adverse effect on our balance of payments of some $1.5 billion or more a year. Such a development would also threaten the loss of an estimated 26,000 coal mining jobs.
>
> If, on the other hand, we carry out the provisions of the Clean Air Act in a judicious manner, carefully meeting the primary, health-related standards, but not moving in a precipitous way toward meeting the secondary standards, then we should be able to use virtually all of that coal which would otherwise go unused.
>
> The Environmental Protection Agency has indicated that the reasonable time allowed by the Clean Air Act for meeting secondary standards could extend beyond 1975. Last year, the Administrator of the Environmental Protection Agency sent to all State governors a letter explaining that during the current period of shortages in low-sulphur fuel, the States should not require the burning of such fuels except where necessary to meet the primary standards for the protection of health. This action by the States should permit the desirable substitution of coal for low-sulphur fuel in many instances. I strongly support this policy.

However, this viewpoint requires voluntary action by the States, which has not been forthcoming.

Under S. 1570 the President, in an extreme situation, may have sufficient authority to grant variances to secondary ambient air quality standards. Extension of the time schedules for compliance with secondary ambient air quality standards would provide considerable improvement in making available increased energy supplies. However, this can be accomplished under existing law at the request of a Governor.

The Subcommittee on Air and Water Pollution is currently undertaking oversight hearings on the Clean Air Amendments of 1970. Consideration will be given to the impact of State implementation of both primary and secondary ambient air quality standards on available fuel supplies. Should Federal authority be needed to extend the secondary ambient air quality standards such legislation should be enacted as an amendment to the Clean Air Act. The authority contained in S. 1570 is of an interim nature, expiring on September 1, 1974.

Mr. President, it is my belief that the legislation before us should be passed, and become law. We must, however, realize that there is a real relationship between energy problems and the programs intended to alleviate air pollution in our country.

### FUEL PRIORITY FOR AGRICULTURE

Mr. DOLE. Mr. President, in considering all the discussion and concern expressed over the fuel crisis, I believe it is of the utmost importance to keep two basic factors clearly in mind. First, we must understand which uses of energy are absolutely essential to the well-being of the country. Second, we must take the necessary steps to assure the energy supplies for these essential activities.

### MANY IMPORTANT USES

Of course, many industrial, commercial, and public service operations are important. Most of them use energy in some form, and taken together they use it in huge quantities. The great majority take it from a primary source such as coal, natural gas, or oil. A smaller number rely on electricity generated by one of these other sources. But, out of all these activities—certain ones must be recognized as more important than others.

But the point is clear: some things in this country's usage of energy are more important—to everyone—than others. And if we are to devise an effective policy to meet the present fuel shortages these most important activities should be identified and singled out for the priority consideration so we can avoid the already serious impact of fuel shortages from taking on disasterous proportions.

### AGRICULTURE IS THE MOST IMPORTANT

As I indicated a number of fuel uses are important. Emergency services, activities to assure health, safety and communications, the production of energy itself. But, to my mind, one sector stands out above all others—not only in its importance to the Nation—but in terms of its complete dependence on having fuels at the exact times they are needed. Of course, I am speaking of American agriculture.

### UNIQUE REQUIREMENTS

Unlike a regular business or industrial user of fuel and energy, the agricultural sector of our economy is uniquely tied to strict schedules set by climate, rainfall, sunlight and temperature.

Agricultural operations—planting, plowing, fertilizing, harvesting—must be carried out according to nature's timetable, not man's. They cannot be put off to suit a farmer's convenience or to compensate for outside circumstances. There is no flexibility or room for corrective action.

And this is the danger of the present fuel situation. The summer wheat harvest is under way in Texas and will start in Kansas in a few days. Custom harvesters must have fuel to transport their equipment to the fields. When the grain is ready, the tractors must roll and operations must begin.

If fuel shortages keep the tractors and combines from running, there will be no crops harvested. Farmers cannot wait a week or two weeks to receive their fuel. They must have it when they need it, or it is of no use to them.

And if farmers cannot plant their crops or if the harvest is not completed, then we will face a monumental crisis in America. As just one example, a short corn and feed grain crop brought about by fuel shortages at either planting or harvest time will send meat prices soaring beyond the worst nightmares of today's shoppers.

### NATIONAL PROBLEM

This is not simply a regional problem or a situation facing one sector of the economy. It is a problem which concerns every American—from the farmer in Kansas who wants to plant and harvest his crops to the housewife in New York City who wants a variety of products and reasonable prices at the supermarket.

### VOLUNTARY ALLOCATION PROGRAM

A program for the allocation of crude oil and refinery products on a voluntary basis has been in effect for approximately 4 weeks. So far the results have been better than I had expected. But I feel this program falls far short of meeting the full impact of fuel shortages which appear to be in prospect for the end of June and early July. At that time—with the wheat harvest being completed and planting operations moving into full sway—a tremendous agricultural fuel demand will be created. In addition the anticipated recreation and vacation demands of mid-summer will create even stronger competition with agricultural requirements. And under such circumstances, I fear a voluntary allocation system simply cannot assure the availability of fuels farmers must have.

The farmers of America cannot burn voluntary guidelines and suggested priorities in their tractors. They must have fuel—gasoline, diesel oil, and LP gas—and they must have it at the right time. I cannot place much faith in bureaucratic assurances—even if made in the utmost good faith.

Voluntary guidelines and the threat of more stringent measures cannot guarantee the fuel our farmers need. A Washington bureaucracy cannot know from hour to hour whether farmers are receiving the supplies they need when they need them. And even if violations of the voluntary guidelines were to be detected, I do not see how remedial action could come in time to do any good.

America's food supplies are too important to depend on a voluntary fuel allocation plan. This plan requires strong teeth to assure compliance.

### MANDATORY CONTROLS REQUIRED

Congress has provided the authority for these controls in legislation passed earlier this year, but to date this authority has only been exercised to establish the voluntary program.

Therefore I support the provision of the bill which would place the allocation program on a mandatory basis.

As a matter of general principle, I do not believe the Federal Government should intrude too deeply into the private economic affairs of the Nation. However, in this case the stakes are too high to take a chance that farmers—and other important economic sectors as well—will be guaranteed the fuel supplies they need.

As I said, laws now on the books do provide the authority to establish a mandatory system for fuel allocations, but they have not been utilized. Thus, the time has come—while it is still not too late—to require the establishment of a strong, mandatory and effective fuel allocation program. Congress has a real responsibility to act in this matter, and I urge that it fulfill its responsibility in passing this act.

Mr. KENNEDY. Mr. President, I rise to speak in favor of S. 1570, as amended, and to urge its immediate adoption by the Senate in the face of the current crisis.

The fact of a crisis is unavoidable. Yesterday's Oil Daily carried the following stories: the President of the National Jobbers Council predicted a shortage of diesel and fuel oil of "gargantuan proportions next winter." The Associated General Contractors stated that construction work would be halted in 30 to 60 days by the lack of diesel fuel.

These headlines merely add currency to the testimony that the Senate Interior Committee, the Commerce Committee, the Small Business Committee, and the Joint Economic Committee have heard in recent weeks. They reflect as well continued warnings by the Office of Emergency Preparedness of a decreasing gasoline stockpile and refineries failing to keep pace with rising demand.

They also reflect the warnings that Members of the Senate issued not only a few months ago but as far back as last September when the current crisis was set in motion by the administration's feeble decisions affecting the import quota system. Unwilling at that time to recognize the pending shortage, and relying totally on the major companies' assurances of an adequate supply, the administration's actions worked to insure first a home heating oil shortage last winter and today a gasoline shortage.

The latest figures show that our stockpile of gasoline has dropped 3 million barrels as of May 25 from what it was a week earlier and now is some 19 million barrels below the 4-week average of a year ago.

The results of this shortage are seen in the closed doors of independent service stations and in the list of independents whose contracts have been canceled or whose future supply has been cut drastically by the major companies. It is seen too in the continuing refusals of suppliers to bid on year-long contracts for gasoline and heating oil with cities, for States, with school districts and with other vital public facilities.

When a town in my State must send its firetrucks into a local gas station to fill its tanks because no oil marketer will provide city pumps with gasoline, then the situation is critical and congressional action is essential.

The bill before us responds to that crisis. It represents the end product of a legislative process which has had the benefit of lengthy hearings by four committees. The amendments accepted and supported by the chairman on the floor reflect improvements in the legislation based on testimony before other Senate committees.

I am particularly pleased that the chariman endorsed the amendment I introduced which assures preference to those independents supplying essential public services and a priority to those public services themselves.

The Moss amendment, which I was pleased to cosponsor, and which represented an amalgam of Senator Moss' bill, S. 1694, Senator SAXBE's bill, S. 1599, and my bill, S. 1723, also was a crucial addition. It now assures individual companies the right to go directly to court to obtain immediate injunctive release against a supplier who attempts to deny access to an adequate supply of oil.

The bill also now contains a comprehensive antitrust provision which will insure both short-term and long-term monitoring of possible violations of antitrust laws by the actions of the major oil companies. The Senate Antitrust Subcommittee also has announced hearings into this subject.

But the responsibility for the basic legislation before us rests with the chairman and the Interior Committee. It will insure that within 30 days a comprehensive and mandatory system of allocation will be established to insure the equitable distribution of crude oil and petroleum products in the public interest. Independent refiners will be assured an adequate suply of crude oil and independent marketers and dealers on the wholesale and retail levels will be assured the supply of products they need to stay in business.

Clear from the outset, and now strengthened by the amendment of the Senator from Delaware, this measure will not rest on the whim of the major oil companies or the jawboning of the administration. It will have the force of law.

When independent refiners and marketers are threatened with extinction, when the retail prices to the consumers are rising, when essential activities in the public interest are jeopardized and when the earnings of the major oil companies rise over 25 percent in a single quarter, then it seems clear that a voluntary system of correction is doomed to inadequacy.

A voluntary system insures an uneven result in which some participate and some decline.

A voluntary system insures that the final decisionmaking power resides not with responsible public leaders, but with private interests.

A voluntary system insures conflicts with local and State mandatory allocation plans.

Ultimately, therefore, if the Congress is to fulfill its responsibilities to assure vital public services with adequate fuel and if it is going to act to prevent the elimination of the independent fuel market, it is going to have to require the establishment of a mandatory program.

I believe the legislation before us establishes an equitable and workable mandatory program which will achieve those objectives, and I urge its adoption by the Senate.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

Mr. JACKSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, will the distinguished Senator from Washington yield to me for 1 minute?

Mr. JACKSON. I yield 1 minute to the Senator from West Virginia on the bill.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. ROBERT C. BYRD. Do I understand from the distinguished manager of the bill (Mr. JACKSON) and the distinguished ranking member, the Senator from Arizona (Mr. FANNIN) that they are prepared to have a vote on final passage at this time?

Mr. FANNIN. Mr. President, I would object to a vote at this time. I will try to work out a time for the vote.

Mr. JACKSON. I understand one Senator relied on the 4 o'clock time previously agreed to. He may arrive prior to 4 o'clock and that is being checked now.

Mr. FANNIN. The Senator is correct. I hope we can vote prior to 4 o'clock. I would reserve the right to object unless that stipulation is agreed to.

Mr. ROBERT C. BYRD. I understand. I suggest that the respective cloakrooms send a message out on their telephones to all Senators, inquiring whether or not there is any objection by any Senator to voting on final passage of the pending bill prior to 4 o'clock, as previously agreed to.

Mr. JACKSON. Mr. President, I suggest the absence of a quorum, on my time.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, the staffs of both cloakrooms having telephoned all Senators, alerting their offices to the effect that a vote on final passage may occur prior to the 4 o'clock time which was specified by the agreement, and no objection having been returned, I ask unanimous consent that the vote on passage of the bill occur within 1 minute from now and that rule XII be waived.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. JACKSON. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

## UNANIMOUS-CONSENT AGREEMENT ON S. 1136

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, immediately following the vote on final passage, the Senate proceed to the consideration of the message from the House of Representatives on S. 1136; that there be a time limitation thereon of 10 minutes, to be equally divided between the Senator from New York (Mr. JAVITS) and the Senator from Massachusetts (Mr. KENNEDY); and that time on any amendment be limited to 10 minutes, to be equally divided between the mover of such and the manager of the bill.

Mr. JAVITS. Mr. President, does that include amendments to amendments?

Mr. ROBERT C. BYRD. Yes, amendments to amendments.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that time on any additional rollcall today be limited to 10 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

## ALLOCATION OF CRUDE OIL AND REFINED PETROLEUM PRODUCTS

The Senate continued with the consideration of the bill (S. 1570) to authorize the President of the United States to allocate energy and fuels when he determines and declares that extraordinary shortages or dislocations in the distribution of energy and fuels exist or are imminent and that the public health, safety, or welfare is thereby jeopardized; to provide for the delegation of authority to the Secretary of the Interior; and for other purposes.

THE PRESIDING OFFICER. The question now occurs on passage of the bill. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Utah (Mr. Moss) is necessarily absent.

I further announce that the Senator from Maine (Mr. MUSKIE) is absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Utah (Mr. Moss) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from New Hampshire (Mr. COTTON) is absent because of illness in his family.

The Senator from Idaho (Mr. MCCLURE) is necessarily absent.

The result was announced—yeas 85, nays 10, as follows:

[No. 170 Leg.]

YEAS—85

Abourezk
Aiken
Allen
Baker
Bayh
Beall
Bellmon
Bennett
Bentsen
Bible
Biden
Brooke
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cranston
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Ervin
Fong
Griffin
Gurney
Hart
Hartke
Haskell
Hatfield
Hathaway
Hollings
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Saxbe
Schweiker
Scott, Pa.
Sparkman
Stafford
Stevens
Stevenson
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—10

Bartlett
Brock
Buckley
Fannin
Fulbright
Goldwater
Gravel
Hansen
Helms
Scott, Va.

NOT VOTING—5

Cotton
McClure
Moss
Muskie
Stennis

So the bill (S. 1570), was passed, as follows:

### S. 1570

An act to authorize the President of the United States to allocate crude oil and refined petroleum products to deal with existing or imminent shortages and dislocations in the national distribution system which jeopardize the public health, safety, or welfare; to provide for the delegation of authority to the Secretary of the Interior; and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Emergency Petroleum Allocation Act of 1973".

#### FINDINGS AND PURPOSES

SEC. 101. (a) The Congress hereby determines that extraordinary shortages of crude oil (including natural gas liquids) and refined petroleum products (including liquid petroleum gas), caused by unprecedented demand, inadequate domestic production of crude oil and refined petroleum products, environmental constraints and the unavailability of imports sufficient to satisfy domestic demand, now exist or are imminent. The Congress further determines that such shortages have created or will create severe economic dislocations and hardships, including loss of jobs, closing of factories and businesses, reduction of crop plantings and harvesting, and curtailment of vital public services, including the transportation of food and other essential goods. The Congress further determines that such hardships and dislocations jeopardize the normal flow of commerce and constitute a national energy crisis that is a threat to the public health, safety, and welfare and can only be averted or minimized through prompt action by the executive branch of Government.

(b) The purpose of this Act is to grant to the President of the United States temporary authority to deal with a national energy crisis involving extraordinary shortage of crude oil and petroleum products or dislocations in their national distribution system. The authority granted under this Act shall be exercised for the purpose of dealing with said national energy crisis by minimizing the adverse impacts of such fuel shortages or dislocations on the American people and the domestic economy and achieving the objectives set forth in section 102. No allocation plan, regulation or order, nor mandatory price, price ceiling or restraint, shall be promulgated pursuant to this Act, whose net effect would be a substantial reduction of the total supply of crude oil or refined petroleum products available in or to markets in the United States.

#### OBJECTIVES

SEC. 102. In implementing the authority granted under this Act the President shall take such actions as are necessary to insure the attainment of the following specific objectives—

(a) protection of public health, safety, and welfare, and the national defense;

(b) maintenance of all public services;

(c) maintenance of all essential agricultural operations including farming, ranching, dairy and fishing activities and services directly related to the cultivation, production and preservation of food;

(d) preservation of an economically sound and competitive petroleum industry, including the competitive viability of the independent producing, refining, marketing, distributing, and petrochemical sectors of that industry;

(e) equitable distribution of fuels at equitable prices among all regions and areas of the United States and all classes of consumers: *Provided,* That priority shall be given to supplying essential activities in the public interest and to independent marketers, jobbers, and refiners who supply those priorities. Whenever possible, preference shall be given to independent refiners and marketers (1) in the carrying out of such priorities, and (2) in other cases where all other conditions are equal and a choice must be made between allocation of supplies to an independent or to a major company;

(f) economic efficiency; and

(g) minimization of economic distortion, inflexibility, and unnecessary interference with market mechanisms.

#### AUTHORITY

SEC. 103. (a) The President may delegate all or any portion of the authority granted under this Act to the Secretary of the Interior or to the head of any other Federal agency he deems appropriate.

(b) The authority granted under this Act shall terminate on March 1, 1975.

(c) The President shall designate an agency to supervise compliance with the requirements of this Act and promulgate regulations hereunder. The head of said agency shall have authority to require periodic reports from the producers, importers, refiners, dealers, and all others subject to the requirements of this Act in such form as may be necessary to determine whether the requirements of this Act have been or are being met.

(d) The head of an agency exercising authority under this Act, or his duly authorized agent, shall have authority, for any purpose related to this Act, to sign and issue subpenas for the attendance and testimony of witnesses and the production of relevant books, papers, and other documents, and to administer oaths. Witnesses summoned under the provisions of this Act shall be paid the same fees and mileage as are paid to witnesses in the courts of the United States. In case of refusal to obey a subpena served upon any person under the provisions of this Act, the head of the agency authorizing such subpena, or his delegate, may request the Attorney General to seek the aid of the district court of the United States for any district in which such person is found to compel such person, after notice, to appear and give testimony, or to appear and produce documents before the agency.

(e) Whenever it appears to the head of the agency exercising authority under this Act, or to his delegate, that any individual or organization has engaged, is engaged, or is about to engage in any acts or practices constituting a violation of this Act, or any order or regulation thereunder, such person may request the Attorney General to bring an action in the appropriate district court of the United States to enjoin such acts or practices, and upon a proper showing a temporary restraining order or a preliminary or permanent injunction shall be granted without bond. Any such court may also issue mandatory injunctions commanding any individual or organization to comply with this Act, or any order or regulation thereunder.

(f) Office of Emergency Fuel Allocation.—An office shall be established within the Federal agency designated pursuant to section 103(a) to receive complaints from officers of State and local governmental units who cannot obtain supplies of gasoline or fuel oil or whose supplies have been substantially reduced or prices increased in violation of this Act. The Office shall be authorized to act in emergency situations where communities are threatened with the disruption of essential public services. The Office shall be empowered to order that adequate supplies be made available to these communities.

(g) The provisions of this Act, and the authority granted therein, shall take precedence over any program for the emergency allocation of crude oil or petroleum products established by any State or local government, and any conflict between such a program and any program, plan, regulation, or order established pursuant to this Act shall be resolved in favor of the latter.

### FUELS ALLOCATION

Sec. 104. (a) Within thirty days of the date of enactment of this Act, the President shall after due notice and public hearings cause to be prepared and published, priority schedules, plans, and regulations for the allocation or distribution of crude oil and any refined petroleum product which is or may be in short supply nationally or in any region of the United States in accordance with the objectives of this Act: *Provided*, That should the President find that on either a nationwide or regional basis a shortage has reached, or may imminently reach, emergency proportions, he may order temporary allocations as necessary to accomplish the objectives of this section, pending promulgation of priority schedules, plans and regulations as otherwise required by this Act.

(b) In order to accomplish the objectives of section 102 of this Act, and subject to the provisions thereof, the President shall allocate or distribute or cause to be allocated and distributed, pursuant to the schedules, plans, and regulations required by subsection (a) hereof, any liquid fuel, whether crude or processed, and whether imported or domestically produced, currently or prospectively in extraordinarily short supply nationally or in any region of the United States.

(c) The regulations required by subsection (a) herein shall include standards and procedures for determining or reviewing prices of fuels allocated by the President under the provisions of this Act to prevent (1) appropriation of private property without due compensation or (2) exorbitant price increases reflecting temporary shortage conditions.

(d) President is hereby directed to use his authority under this Act and under existing law to assure that petroleum and petroleum products are allocated in such a manner as to assure adequate production, processing, and distribution of food and fiber.

### SALES TO INDEPENDENT REFINERS AND DEALERS

Sec. 105. (a) The President is hereby directed to use his authority under this Act and under existing law to assure that no petroleum refinery in the United States is involuntarily required to operate at less than its normal full capacity because of the unavailability to said refinery of suitable types or grades of crude oil.

(b) Definitions.—For the purpose of this section, (1) the "base period" is the period from October 1, 1971, to September 30, 1972, inclusive; (2) "nonaffiliated" refers to a buyer (seller) who has no substantial financial interest in, is not subject to a substantial common financial interest of, and is not subject to a substantial common financial interest with, the seller (buyer) in question; (3) "independent refiner" means a refiner who produced in the United States less than one hundred thousand barrels per day of petroleum products during the base period; (4) "independent dealer" means a terminal operator, jobber, dealer, or distributor, at wholesale or retail, who obtains refined petroleum products either on term contract or in spot markets, and who purchased during the base period at least half of such products from nonaffiliated sellers.

(c) In order to achieve the objectives of this Act, (1) any producer or importer of crude petroleum and/or natural gas liquids who produced in the United States and/or imported more than two hundred thousand barrels per day of crude oil and natural gas liquids during the base period shall sell or exchange to nonaffiliated independent refiners or to any other reasonable and appropriate class of refiners established by regulation, in accordance with the objectives and priorities established under section 102(e) of this Act, in the aggregate during each quarter during the effective term of this Act a proportion of his domestic production and imports no less than the proportion he sold or exchanged to such refiners during the corresponding quarter of the base period; *Provided*, That, to the extent practicable, all such refined previously supplied by such producer or importer shall continue to be supplied on an equitable basis taking into consideration past supply relationships and unused refinery capacity; and (2) all refiners or importers of petroleum products shall sell or exchange to nonaffiliated independent dealers or to any other reasonable and appropriate class of purchasers established by regulation, in accordance with the objectives and priorities established under section 102(e) of this Act, in the aggregate in each quarter during the effective term of this Act, a proportion of his refinery production and imports of said products no less than the proportion he sold or exchanged to such dealers during the corresponding quarter of the base period: *Provided*, That, to the extent practicable, all such dealers previously supplied by such refiner shall continue to be supplied on an equitable basis taking into consideration past supply relationships.

(d) The allocation program established pursuant to this section may be replaced or amended by, or incorporated into, the priority schedules, plans, and regulations promulgated under section 104 hereof.

### REPORTS TO CONGRESS

Sec. 106. (a) The President shall submit to both Houses of Congress, and cause to be published in the Federal Register any schedules, plans, and regulations promulgated for implementing the provisions of this Act.

(b) The President shall make to the Congress quarterly reports, and upon termination of authority under this Act a final report, including a summary and description of all actions taken under the authority of this Act, an analysis of their impact, and an evaluation of their effectiveness in implementing the objectives of section 102 hereof.

### ACTIONS TAKEN UNDER THE ECONOMIC STABILIZATION ACT

Sec. 107. All actions duly taken pursuant to clause (3) of the first sentence of section 203(a) of the Economic Stabilization Act of 1970, as amended, in effect immediately prior to the date of enactment of this Act, shall continue in effect until modified or rescinded by or pursuant to this Act.

### FAIR MARKETING OF PETROLEUM PRODUCTS

### GENERAL PROVISIONS

Sec. 108. (a) Short Title.—Sections 108 through 110 may be cited as the "Fair Marketing of Petroleum Products Act".

(b) Definitions.—As used in this Act—

(1) "Commerce" means commerce among the several States or with foreign nations or in any State or between any State and foreign nation.

(2) "Base period" means the period from October 1, 1971, to September 30, 1972.

(3) "Franchise" means any agreement or contract between a petroleum refiner or a petroleum distributor and a petroleum retailer or between a petroleum refiner and a petroleum distributor under which such retailer or distributor is granted authority to use a trademark, trade name, service mark, or other identifying symbol or name owned by such refiner or distributor, or any agreement or contract between such parties under which such retailer or distributor is granted authority to occupy premises owned, leased, or in any way controlled by a party to such agreement or contract, for the purpose of engaging in the distribution or the sale for purposes other than resale of petroleum products.

(4) "Market area" means any State or any area so defined by the Secretary of the Interior.

(5) "Notice of intent" means a written statement of the alleged facts which, if true, constitute a violation of section 109 of this Act.

(6) "Person" means an individual or a corporation, partnership, joint-stock company, business trust, association, or any organized group of individuals whether or not incorporated.

(7) "Petroleum distributor" means any person engaged in commerce in the sale, consignment, or distribution of petroleum products to wholesale or retail outlets whether or not it owns, leases, or in any way controls such outlets.

(8) "Petroleum refiner" means any person engaged in the importation or refining of petroleum products.

(9) "Petroleum product" means any liquid refined from petroleum and usable as a fuel.

(10) "Petroleum retailer" means any person engaged in commerce in the sale of any petroleum product for purposes other than resale in any State, either under a franchise or independent of any franchise or who was so engaged at any time after the start of the base period.

(11) "State" means any State, the District of Columbia, the Commonwealth of Puerto Rico, and any organized territory or possession of the United States.

### PROTECTION OF DEALERS

Sec. 109. (a) Prohibited Conduct.—Except as otherwise provided pursuant to this Act, the following conduct is prohibited:

(1) A petroleum refiner or a petroleum distributor shall not deliver or tender for delivery in any quarter to any petroleum distributor or petroleum retailer a smaller quantity of petroleum products than the quantity of such products delivered by him or his predecessor or predecessors during the corresponding quarter in the base period, unless he delivers to each petroleum distributor or petroleum retailer doing business in commerce the same percentage of the total amount as is delivered to all such distributors or retailers in the market area who are supplied by such refiner or distributor.

(2) A petroleum refiner or a petroleum distributor shall not sell petroleum products to a nonfranchised petroleum distributor or petroleum retailer at a price, during any cal-

endar month, which is greater than the price at which such petroleum products are sold to a similarly situated franchised petroleum distributor or petroleum retailer on the same level of commerce (wholesale or retail) in the market area except that a reasonable differential which equals the value of the goodwill, trademark, and other protections and benefits which accrue to franchised distributors or retailers is not prohibited.

(b) REMEDY.—(1) If a petroleum refiner or a petroleum distributor engages in prohibited conduct, a petroleum retailer of a petroleum distributor may maintain a suit against such refiner or distributor. A petroleum retailer may maintain such suit against a petroleum distributor whose actions affect commerce and whose products he purchases or has purchased, directly or indirectly, and a petroleum distributor may maintain such suit against a petroleum refiner whose actions affect commerce and whose products he purchases or has purchased.

(2) The court shall grant such equitable relief as is necessary to remedy the effects of such prohibited conduct, including declaratory judgment and mandatory or prohibitive injunctive relief. The court may grant interim equitable relief, and punitive damages where indicated, in suits under this section, and may, unless such suit is frivolous, direct that costs, including a reasonable attorney's fee, be paid by the defendant.

(c) PROCEDURE.—A suit under this section may be brought in the district court of the United States for any district in which the petroleum distributor or the petroleum refiner against whom such suit is maintained resides, is found, or is doing business, without regard to the amount in controversy. No such suit shall be brought by any person unless he has furnished notice of intent to file such suit by certified mail at least ten days prior thereto with (1) each intended defendant, (2) the attorney general of the State in which the prohibited conduct allegedly occurred, and (3) the Secretary of the Interior.

### PROTECTION OF FRANCHISED DEALERS

SEC. 110. (a) PROHIBITED CONDUCT.—The following conduct is prohibited:

(1) A petroleum refiner or a petroleum distributor shall not cancel, fail to renew, or otherwise terminate a franchise unless he furnishes prior notification pursuant to this paragraph to each petroleum distributor or petroleum retailer affected. Such notification shall be in writing and shall be accomplished by certified mail to such distributor or retailer; shall be furnished not less than ninety days prior to the date on which such franchise will be canceled, not renewed, or otherwise terminated; and shall contain a statement of intention to cancel, not renew, or to terminate together with the reasons therefor, the date on which such action shall take effect, and a statement of the remedy or remedies available to such distributor or retailer under this Act together with a summary of the provisions of this section.

(2) A petroleum refiner or a petroleum distributor shall not cancel, fail to renew, or otherwise terminate a franchise unless the petroleum retailer or petroleum distributor whose franchise is terminated failed to comply substantially with essential and reasonable requirement of such franchise or failed to act in good faith in carrying out the terms of such franchise, or unless such refiner or distributor withdraws entirely from the sale of petroleum products in commerce for sale other than resale in the United States.

(b) REMEDY.—(1) If a petroleum refiner or a petroleum distributor engages in prohibited conduct, a petroleum retailer or a petroleum distributor may maintain a suit against such refiner or distributor. A petroleum retailer may maintain such suit against a petroleum distributor whose actions affect commerce and whose products he sells or has sold under a franchise and against a petroleum refiner whose actions affect commerce and whose products he sells or has sold, directly or indirectly, under a franchise. A petroleum distributor may maintain such suit against a petroleum refiner whose actions affect commerce and whose products he distributes or has distributed to petroleum retailers.

(2) The court may grant an award for actual damages resulting from the cancellation, failure to renew, or termination of a franchise together with such equitable relief as is necessary, including declaratory judgments and mandatory or prohibitive injunctive relief. The court may grant interim equitable relief and punitive damages where indicated in suits under this section, and may, unless such suit is frivolous, direct that costs, including a reasonable attorney's fee, be paid by the defendant.

(c) PROCEDURE.—A suit under this section may be brought in the district court of the United States for any district in which the petroleum distributor or the petroleum refiner against whom such suit is maintained resides, is found, or is doing business, without regard to the amount in controversy. No suit shall be maintained under this section unless commenced within three years after the cancellation, failure to renew, or termination of such franchise or the modification thereof.

### HIGHWAY SPEED REDUCTIONS TO CONSERVE GASOLINE

SEC. 111. It is the sense of the Congress that, in order to conserve gasoline supplies which in some areas of the Nation are approaching critical shortages—

(1) speed limits for motor vehicles traveling on Federal-aid highways presently at or in excess of fifty-five miles per hour should be reduced immediately to fifty-five miles per hour, or ten miles per hour lower than the speed limit posted on the affected portion of such Federal-aid highway prior to the enactment of this section, whichever is the greater;

(2) Federal, State, and local governmental agencies should take appropriate actions to achieve and enforce such reductions in vehicle speed; and

(3) Federal, State, and local governmental agencies should take such actions as may be necessary to increase public awareness of the need to conserve gasoline and the means for doing so, including the connection between decreasing gasoline consumption and decreasing vehicle speed, excessive idling, unnecessary travel, and abrupt acceleration and deceleration.

### PREVENTION OF UNFAIR COMPETITIVE PRACTICES IN THE PETROLEUM INDUSTRY

SEC. 112. (a) Except as specifically provided herein, no provision of this Act shall be deemed to convey to any individual, corporation, or other business organization subject thereto immunity from civil or criminal liability or to create defenses to actions under the antitrust laws.

(b) As used in this section, the term "antitrust laws" includes the Act of July 2, 1890 (ch. 647, 26 Stat. 209), as amended; the Act of October 15, 1914 (ch. 323, 38 Stat. 730), as amended; the Federal Trade Commission Act (38 Stat. 717), as amended; sections 73 and 74 of the Act of August 27, 1894 (28 Stat. 570), as amended; the Act of June 19, 1936 (ch. 592, 49 Stat. 1526), as amended.

(c) Any priority schedule, plan, regulation, or allocation program proposed pursuant to section 104(a) hereof shall be forwarded to the Attorney General and to the Federal Trade Commission, who shall be given a reasonable opportunity of not less than seven days before such schedule, plan, regulation, or allocation program takes effect to comment as to whether it would tend to create or maintain anticompetitive practices or situations inconsistent with the antitrust laws, and to propose an alternative or alternatives which would avoid or overcome such effects while achieving the purposes of this Act.

(d) Whenever it is necessary, in order to execute the provisions of this Act or of plans, regulations, or orders issued pursuant thereto, for owners, officers, agents, or representatives of two or more producers, importers, refiners, or resellers of crude oil or refined petroleum products subject to this Act to meet, confer, or communicate in such a fashion and to such ends that might otherwise be construed to constitute a violation of the antitrust laws, they may do so only upon an order of the agency designated by the President to administer the provisions of this Act specifying and limiting the subject matter and objectives of such meeting, conference, or communication. Moreover, such meeting, conference, or communication shall take place only in the presence of a representative of the Antitrust Division of the Department of Justice, and a verbatim transcript of such meeting, conference, or communication shall be taken and deposited with the Attorney General and the Federal Trade Commission, where it shall be made available for public inspection.

(e) There shall be available as a defense to any section brought under the antitrust laws or comparable State pricing or restraint of trade statutes, or for breach of contract in any Federal or State court arising out of delay or failure to provide, sell, or offer for sale or exchange crude oil or refined petroleum products, that such delay or failure was caused solely by compliance with the provisions of this Act or with mandatory priority schedules, regulations, or orders issued pursuant to this Act.

(f) There shall be available as a defense to any action brought under the antitrust laws or comparable State pricing or restraint of trade statutes arising from any meeting, conference, or communication or agreement resulting therefrom, held or made solely for the purpose of executing the provisions of this Act or of plans, regulations, or orders issued pursuant thereto, that such meeting, conference, communication, or agreement was carried out or made in accordance with the requirements of subsection (d) hereof.

(g) The Attorney General and the Federal Trade Commission shall monitor the actions taken pursuant to this Act by the agency designated to administer the provisions thereof and by persons subject to the provisions thereof, and shall report to the President and to the Congress any provision of this Act, action taken pursuant thereto, or condition created thereby, which would tend to create or maintain anticompetitive practices or situations inconsistent with the antitrust laws or have a lasting adverse impact upon competition or upon any of the objectives set forth in section 102 (d), (f), or (g) of this Act.

(h) The Federal Trade Commission shall prepare and transmit to the Congress, not later than 30 days after the enactment of this section an interim report on the following, and not later than 6 months after such date—

(1) a report on the relationship between the structure, behavior, and operational characteristics of the petroleum industry (including the vertical integration of production, transportation, refining, and marketing; and joint ventures among petroleum companies) and the causes of the present shortages of crude oil and refined petroleum products; and

(2) a report on petroleum industry practices and trends in the marketing of gasoline and other petroleum products including the use of credit cards, the promotion of second and third brand name products, the terms and conditions of franchise agreements and the protection they afford the franchisee, and the role of the independent retailer.

(i) The Federal Trade Commission shall

have the authority, notwithstanding the exceptions in section 6 (a) and (b) of the Federal Trade Commission Act (ch. 311, 38 Stat. 721), to gather and compile such information concerning, and to require the furnishing of such information by, all corporations including common carriers subject to the Act, as may be required to implement the provisions of this section.

### NATIONAL VOLUNTARY ENERGY CONSERVATION PROGRAM

Sec. 113. In order to more effectively carry out the purpose of this Act to solve a national energy crisis the President shall (1) develop a National Voluntary Energy Conservation Program calling for and suggesting means of terminating unnecessary use of energy for power or lighting, and (2) call upon State and local officials, public and private entities, and the public generally, by means of television, radio, newspaper, and other appropriate manner, to cooperate in promoting and carrying out such program.

### GOVERNMENT USE OF ECONOMY CARS AND LIMOUSINES; PROMOTION OF CARPOOLS

Sec. 114. (a) That, as an example to the rest of our Nation's automobile users, the President of the United States is requested to take such action as is necessary to require all agencies of Government, where practical, to use economy model, automobiles, pickups, and trucks.

(b) That the President take action to require that no Federal official or employee below the level of cabinet officer be furnished a limousine because such automobiles are particularly expensive, gas consuming and pollution producing.

(c) That the President is requested to take such action as is necessary to begin a national program of public information to inform the commuter of the benefits of carpools and economy cars and that the President report to Congress on legislative incentives to promote such a program.

### ESTABLISHMENT OF STATE FUELS AND ENERGY CONSERVATION OFFICES

Sec. 115. It is the sense of the Congress that each Governor of each State is requested to establish a State Office of Fuels and Energy Conservation, such office immediately to develop and promulgate a program to encourage voluntary conservation of gasoline, diesel oil, heating oil, natural gas, propane, other fuels, and electrical energy.

### PETROLEUM PRICE CONTROLS

Sec. 116. (a) The Congress finds and declares that, notwithstanding the imposition of mandatory controls by the Cost of Living Council on March 6, 1973, on the prices of crude oil and petroleum products, such prices have increased and are continuing to increase at an excessive rate.

(b) In order to control inflation, promote a sound economy, and carry out the objectives of this Act as stated in section 102, the Congress urges the President immediately to take such further action as may be necessary to stabilize effectively the prices of crude oil and petroleum products.

The title was amended, so as to read: "A bill to authorize the President of the United States to allocate crude oil and refined petroleum products to deal with existing or imminent shortages and dislocations in the national distribution system which jeopardize the public health, safety, or welfare; to provide for the delegation of authority to the Secretary of the Interior; and for other purposes."

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which S. 1570 was passed.

Mr. GRIFFIN. I move to lay the motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that S. 1570 be printed as it passed the Senate, and that the Secretary of the Senate be authorized to make technical and clerical corrections in the engrossed copy of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

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## HEALTH PROGRAMS EXTENSION ACT OF 1973

The PRESIDING OFFICER (Mr. Scott of Virginia). Under the previous order, the Chair lays before the Senate a message from the House of Representatives on S. 1136.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 1136) to extend the expiring authorities in the Public Health Service Act and the Community Mental Health Centers Act which were to strike out all after the enacting clause, and insert:

### SHORT TITLE

Section 1. This Act may be cited as the "Health Programs Extension Act of 1973".

### TITLE I—AMENDMENTS TO PUBLIC HEALTH SERVICE ACT

### REFERENCES TO ACT

Sec. 101. Whenever in this title an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

### HEALTH SERVICES RESEARCH AND DEVELOPMENT

Sec. 102. Section 304(c)(1) is amended (1) by striking out "and" after "1972,", and (2) by inserting before the period at the end thereof a comma and the following: "and $42,617,000 for the fiscal year ending June 30, 1974".

### NATIONAL HEALTH SURVEYS AND STUDIES

Sec. 103. Section 305(d) is amended (1) by striking out "and" after "1972," and (2) by striking out the period and inserting in lieu thereof a comma and the following: "and $14.518,000 for the fiscal year ending June 30, 1974".

### PUBLIC HEALTH TRAINING

Sec. 104. (a) Section 306(a) is amended (1) by striking out "and" after "1972,", and (2) by inserting after "1973" the following: ", and $10,300,000 for the fiscal year ending June 30, 1974,".

(b) Section 309(a) is amended (1) by striking out "and" after "1972,", and (2) by inserting after "1973" the following ", and $6.500,000 for the fiscal year ending June 30, 1974".

(c) Section 309(c) is amended (1) by striking out "and" after "1972,", and (2) by inserting after "1973" the following: ", and $6,500,000 for the fiscal year ending June 30, 1974".

### MIGRANT HEALTH

Sec. 105. Section 310 is amended (1) by striking out "and" after "1972,", and (2) by inserting after "1973" the following: ", and $26,750,000 for the fiscal year ending June 30, 1974".

### COMPREHENSIVE HEALTH PLANNING SERVICES

Sec. 106. (a)(1) Section 314(a)(1) is amended (A) by striking out "and" after "1972,", and (B) by inserting after "1973" the following: ", and $10,000,000 for the fiscal year ending June 30, 1974".

(2) Section 314(b)(1)(A) is amended (A) by striking out "and" after "1972,", and (B) by inserting after "1973" the following: ", and $25,100,000 for the fiscal year ending June 30, 1974".

(3) Section 314(c) is amended (A) by striking out "and" after "1972,", and (B) by inserting after "1973" the following: ", and $4,700,000 for the fiscal year ending June 30, 1974".

(4) Section 314(d)(1) is amended (A) by striking out "and" after "1972,", and (B) by inserting after "1973" the following: ", and $90,000,000 for the fiscal year ending June 30, 1974".

(5) Section 314(e) is amended (A) by striking out "and" after "1972,", (B) by inserting "and $230,700,000 for the fiscal year ending June 30, 1974," after "1973,", and (C) by adding at the end thereof the following: "No grant may be made under this subsection for the fiscal year ending June 30, 1974, to cover the cost of services described in clause (1) or (2) of the first sentence if a grant or contract to cover the cost of such services may be made or entered into from funds authorized to be appropriated for such fiscal year under an authorization of appropriations in any provision of this Act (other than this subsection) amended by title I of the Health Programs Extension Act of 1973."

(b) The first sentences of sections 314(b)(1)(A) and 314(c) are each amended by striking out "and ending June 30, 1973" and inserting in lieu thereof "and ending June 30, 1974".

### ASSISTANCE TO MEDICAL LIBRARIES

Sec. 107. (a) Section 394(a) is amended (1) by striking out "and" after "1972,", and (2) by inserting after "1973" the following: ", and $1,500,000 for the fiscal year ending June 30, 1974".

(b) Section 395(a) is amended by inserting after the first sentence the following new sentence: "To enable the Secretary to carry out such purposes, there is authorized to be appropriated $95,000 for the fiscal year ending June 30, 1974."

(c) Section 395(b) is amended by inserting after the first sentence the following new sentence: "To enable the Secretary to carry out such purposes, there is authorized to be appropriated $900,000 for the fiscal year ending June 30, 1974."

(d) Section 396(a) is amended (1) by strikin "and" after "1972,", and (2) by inserting after "1973" the following: ", and $2,705,000 for the fiscal year ending June 30, 1974".

(e) Section 397(a) is amended (1) by striking out "and" after "1972,", and (2) by inserting after "1973" the following: ", and $2,902,000 for the fiscal year ending June 30, 1974".

(f) Section 398(a) is amended by inserting after the first sentence the following new sentence: "To enable the Secretary to carry out such purposes, there is authorized to be appropriated $340,000 for the fiscal year ending June 30, 1974.".

### HILL-BURTON PROGRAMS

Sec. 108. (a)(1) Section 601(a) is amended to read as follows:

"(a) for the fiscal year ending June 30, 1974—

"(1) $20,800,000 for grants for the construction of public or other nonprofit facilities for long-term care;

"(2) $70,000,000 for grants for the construction of public or other nonprofit outpatient facilities;

"(3) $15,000,000 for grants for the construction of public or other nonprofit rehabilitation facilities;".

(2) Section 601(b) is amended (A) by striking out "and" after "1972,", and (B) by inserting after "1973" the following: ", and $41,400,000 for the fiscal year ending June 30, 1974".

(3) Section 601(c) is amended (A) by striking out "and" after "1972,", and (B) by inserting after "1973" the following: ", and $50,000,000 for the final year ending June 30, 1974".

(b)(1) Section 621(a) is amended by striking out "through June 30, 1973" in paragraphs (1) and (2) and inserting in lieu thereof "through June 30, 1974".

(2) Section 625(2) is amended by striking out "for the fiscal year ending June 30, 1973" and inserting in lieu thereof "for each of the fiscal years ending June 30, 1973, and June 30, 1974".

### TRAINING IN THE ALLIED HEALTH PROFESSIONS

SEC. 109. (a) Section 792(b) is amended (1) by striking out "and" after "1972,", and (2) by inserting after "1973" the following: ", and $20,000,000 for the fiscal year ending June 30, 1974".

(b) Section 792(c)(1) is amended (1) by striking out "and" after "1972,", and (2) by inserting after "1973" the following: ", and $18,245,000 for the fiscal year ending June 30, 1974".

(c) Section 793(a) is amended (1) by striking out "and" after "1972;", and (2) by inserting after "1973" the following: "; and $6,000,000 for the fiscal year ending June 30, 1974".

(d) Section 794A(b) is amended (1) by striking out "and" after "1972;", and (2) by inserting after "1973" the following: "; and $100,000 for the fiscal year ending June 30, 1974".

### REGIONAL MEDICAL PROGRAMS

SEC. 110. Section 901(a) is amended (1) by striking out "and" after "1972,", and (2) by inserting after "1973" the following: ", and $159,000,000 for the fiscal year ending June 30, 1974,".

### POPULATION RESEARCH AND FAMILY PLANNING

SEC. 111. (a) Section 1001(c) is amended (1) by striking out "and" after "1972;", and (2) by inserting after "1973" the following: ", and $111,500,000 for the fiscal year ending June 30, 1974".

(b) Section 1003(b) is amended (1) by striking out "and" after "1972;", and (2) by inserting after "1973" the following: "; and $3,000,000 for the fiscal year ending June 30, 1974".

(c) Section 1004(b) is amended (1) by striking out "and" after "1972;", and (2) by inserting after "1973" the following: "; and $2,615,000 for the fiscal year ending June 30, 1974".

(d) Section 1005(b) is amended (1) by striking out "and" after "1972;", and (2) by inserting after "1973" the following: "; and $909,000 for the fiscal year ending June 30, 1974".

## TITLE II—AMENDMENTS TO THE COMMUNITY MENTAL HEALTH CENTERS ACT

### REFERENCES TO ACT

SEC. 201. Whenever in this title an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to a section or other provision of the Community Mental Health Centers Act.

### CONSTRUCTION ASSISTANCE FOR MENTAL HEALTH CENTERS

SEC. 202. (a) Section 201(a) is amended (1) by striking out "and" after "1972,", and (2) by inserting after "1973" the following: ", and $20,000,000 for the fiscal year ending June 30, 1974".

(b) Section 207 is amended by striking out "1973" and inserting in lieu thereof "1974".

### STAFFING ASSISTANCE FOR MENTAL HEALTH CENTERS

SEC. 203. (a) Section 221(b) is amended by striking out "1973" each place it occurs and inserting in lieu thereof "1974".

(b) Section 224(a) is amended (1) by striking out "and" after "1972,", (2) by inserting after "1973" the following: ", and $49,131,000 for the fiscal year ending June 30, 1974", and (3) by striking out "thirteen succeeding years" and inserting in lieu thereof "fourteen succeeding years".

### ALCOHOLISM PROGRAMS

SEC. 204. (a) Section 246 is amended by striking out "1973" and inserting in lieu thereof "1974".

(b) Section 247(d) is amended by striking out "for the fiscal year ending June 30, 1973" and inserting in lieu thereof "for each of the fiscal years ending June 30, 1973, and June 30, 1974".

### DRUG ABUSE PROGRAMS

SEC. 205. (a) Section 252 is amended by striking out "1973" and inserting in lieu thereof "1974".

(b) Section 253(d) is amended (1) by striking out "and" after "1972,", and (2) by inserting after "1973" the following: ", and $1,700,000 for the fiscal year ending June 30, 1974".

(c) Section 256(e) is amended by striking out "$75,000,000" and inserting in lieu thereof "$60,000,000".

### OTHER AUTHORIZATIONS FOR ALCOHOLISM AND DRUG ABUSE PROGRAMS

SEC. 206. (a) Section 261(a) is amended (1) by striking out "and" after "1972,", and (2) by inserting after "1973" the following: ", and $36,774,000 for the fiscal year ending June 30, 1974".

(b) Section 261(b) is amended (1) by striking out "nine fiscal years" and inserting in lieu thereof "ten fiscal years", and (2) by striking out "1973" and inserting in lieu thereof "1974".

### MENTAL HEALTH OF CHILDREN

SEC. 207. (a) Section 271(d)(1) is amended (1) by striking out "and" after "1972,", and (2) by inserting after "1973" the following: ", and $16,515,000 for the fiscal year ending June 30, 1974".

(b) Section 271(d)(2) is amended (A) by striking out "eight fiscal years" and inserting in lieu thereof "nine fiscal years", and (B) by striking out "1973" and inserting in lieu thereof "1974".

## TITLE III—AMENDMENTS TO THE DEVELOPMENTAL DISABILITIES SERVICES AND FACILITIES CONSTRUCTION ACT

### AUTHORIZATION OF APPROPRIATIONS FOR SERVICES AND PLANNING

SEC. 301. (a) Section 122(b), of the Developmental Disabilities Services and Facilities Constructon Act is amended (1) by striking out "and" after "1972;", and (2) by inserting after "1973" the following: "; and $9,250,000 for the fiscal year ending June 30, 1974".

(b) Section 131 of such Act is amended (1) by striking out "and" after "1972,", and (2) by inserting after "1973" the following: ", and $32,500,000 for the fiscal year ending June 30, 1974".

(c) Section 137(b)(1) is amended by striking out "the fiscal year ending June 30, 1973" and inserting in lieu thereof "each of the fiscal years ending June 30, 1973, and June 30, 1974".

## TITLE IV—MISCELLANEOUS

### MISCELLANEOUS

SEC. 401. (a) Section 601 of the Medical Facilities Construction and Modernization Amendments of 1970 is amended by striking out "1973" and inserting in lieu thereof "1974".

(b) The receipt of any grant, contract, loan, or loan guarantee under the Public Health Service Act, the Community Mental Health Centers Act, or the Developmental Disabilities Services and Facilities Construction Act by any individual or entity does not authorize any court or any public official or other public authority to require—

(1) such individual to perform or assist in the performance of any sterilization procedure or abortion if his performance or assistance in the performance of such procedure or abortion would be contrary to his religious beliefs or moral convictions; or

(2) such entity to—

(A) make its facilities available for the performance of any sterilization procedure or abortion if the performance of such procedure or abortion in such facilities is prohibited by the entity on the basis of religious beliefs or moral convictions, or

(B) provide any personnel for the performance or assistance in the performance of any sterilization procedure or abortion if the performance or assistance in the performance of such procedure or abortion by such personnel would be contrary to the religious beliefs or moral convictions of such personnel.

(c) No entity which receives a grant, contract, loan, or loan guarantee under the Public Health Service Act, the Community Mental Health Centers Act, or the Developmental Disabilities Services and Facilities Construction Act after the date of enactment of this Act may—

(1) discriminate in the employment, promotion, or termination of employment of any physician or other health care personnel, or

(2) discriminate in the extension of staff or other privileges to any physician or other health care personnel,

because he performed or assisted in the performance of a lawful sterilization procedure or abortion, because he refused to perform or assist in the performance of such a procedure or abortion on the grounds that his performance or assistance in the performance of the procedure or abortion would be contrary to his religious beliefs or moral convictions, or because of his religious beliefs or moral convictions respecting sterilization procedures or abortions.

And amend the title so as to read: "An act to extend through fiscal year 1974 certain expiring appropriations authorizations in the Public Health Service Act, the Community Mental Health Centers Act, and the Developmental Disabilities Services and Facilities Construction Act, and for other purposes."

The PRESIDING OFFICER. In accordance with the unanimous-consent agreement, there will be 10 minutes of debate, to be equally divided between the Senator from New York (Mr. JAVITS) and the Senator from Massachusetts (Mr. KENNEDY). Who yields time?

Mr. KENNEDY. Mr. President, I yield myself 5 minutes. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KENNEDY. What is the matter before the Senate?

The PRESIDING OFFICER. The message from the House of Representatives has been laid before the Senate. The Chair assumes that a motion will be made to concur in the House amendments.

Mr. KENNEDY. That is S. 1136?

The PRESIDING OFFICER. The Senator is correct.

Mr. KENNEDY. I ask unanimous consent that Mr. Lee Goldman, Mr. John Steinberg, Ms. Louise Ringwalt, and Mr. Jay Cutler be permitted to be present in the Chamber during the course of the debate on this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, today the Senate has the opportunity to take final action on the bill which will extend for 1 year all of the expiring provisions of the Public Health Service Act, the Community Mental Health Centers Act, and the Developmental Disabilities Act. You will recall that the programs contained within these acts include health services research and development, health statistics, public health training, migrant health, comprehensive health planning, medical libraries, Hill-Burton, allied health training, regional medical programs, family planning, mental health centers, and developmental disabilities.

The Senate Health Subcommittee, which I chair, has been engaged in an effort to completely rewrite, restructure, and simplify these authorities. This is a very large and complicated undertaking. And it cannot be reasonably completed by the time the act expires on June 30, 1973. Therein lies the rationale for the simple 1-year extension bill. If the Congress is to carry out its constitutionally guaranteed function with regard to legislation, there must be sufficient time to permit that effort to be conducted responsibly. This requirement is all the more pressing given the fact that the administration has recommended that five of these programs be terminated and that others of them be fundamentally altered.

S. 1136, Mr. President, was introduced in March with bipartisan cosponsorship which included 15 of the 16 members of the Senate Committee on Labor and Public Welfare. After public hearings on the bill in which more than 34 groups testified in strong support of the bill—except the administration—the committee ordered the bill reported to the Senate by a vote of 15 to 1. And on March 27, 1973, the Senate passed the bill by a vote of 72 to 19.

Companion legislation has now emerged from the House of Representatives. In the House the bill was supported unanimously by the Members of the House Committee on Interstate and Foreign Commerce. And last week the House approved the bill by a vote of 372 to 1.

Mr. President, there are a few differences between the Senate and House bills. And I want to now describe for my colleagues those differences. While I believe that the bill that passed the Senate is preferable, I also believe that it is essential that this legislation be expedited and that a lengthy conference between the Senate and the House be avoided. Since none of the differences between the two bills does irreparable violence to the basic purpose the Congress seeks to achieve; namely, the extension of the act, I am recommending that the Senate concur in the House Amendment to S. 1136. There are three differences between the bills. The first is in respect to the overall cost of the bill. The Senate bill used as its guidepost the 1973 authorization levels for the programs. This resulted in a bill with an overall cost of $2.28 billion. The House used as its guidepost the program levels contained within the second 1973 HEW appropriations bill. This produced a bill whose overall cost was $1.27 billion. Therefore by concurring in the House amendment we are reducing the cost of the legislation by about $1 billion.

Second, the Senate bill made no substantive changes whatever in the programs covered by the bill. The House amendment makes one substantive and beneficial substantive change. It restricts the use of the project grants for health services under section 314(e) of the PHS Act to programs respecting neighborhood health centers, family health centers, lead-based paint poisoning prevention, and rodent control.

Ideally, Mr. President, the Congress should not be forced to legislate in this manner. But it has become necessary, given the flagrant disregard of congressional intent regarding health programs by the current administration. Third, the House amendment has modified the language respecting the conscience amendment which was added to the Senate bill on the floor by my friend and colleague from Idaho, Senator CHURCH. The House modification restricts the applicability of the Church amendment, as modified by the Javits amendment, to the receipt of Federal assistance under the PHS Act, the Mental Health Act or the Developmental Disabilities Act. This modification was necessary under the germaneness rules of the House of Representatives. In addition, the House amendment provides that no court or public official is authorized, based upon the receipt of funds under the acts mentioned above, to require health personnel or health entities to require abortion or sterilization services if such services are contrary to the persons' or entities' religious or moral beliefs. I believe the House amendment is satisfactory. In addition I have been advised that the language of the House amendment is also satisfactory to the author of the amendment in the Senate, Mr. CHURCH, and to the U.S. Catholic conference.

Mr. President, by concurring in the House amendment, we can be assured that this legislation will go to the President with sufficient time for him to sign it into law or for the Congress to override a veto prior to the expiration of the act on June 30. I am hopeful that it will not be necessary for the Congress to have to override a veto. I am hopeful that with the clear, unmistakable, and overwhelming view of the Congress regarding this legislation that the President will promptly sign it into law. And I am hopeful that, as my committee proceeds over the next several months with the effort to restructure the act, that the committee will have the cooperation of the Department of Health, Education, and Welfare.

Mr. President, I urge the Senate to support this urgently needed health legislation.

In summary, I would just explain to the Members of the Senate that the action we are taking here this afternoon is to extend the Public Health Service Act for 1 additional year. This legislation has been accepted by the Senate 2 months ago, by a 72 to 19 vote.

Mr. CHURCH. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. CHURCH. This conference report includes under the general title of the Public Health Service Act migrant health, comprehensive health planning services, assistance for medical libraries, Hill-Burton programs, regional medical programs, population research and family planning, as well as construction assistance for mental health centers, alcoholism programs, drug abuse programs, other authorizations for alcoholism and drug abuse programs, mental health of children, authorization of appropriations for services and planning—all of these various programs come within the scope of the legislation; is that correct?

Mr. KENNEDY. The Senator is correct.

Mr. CHURCH. And the amendment which I sponsored earlier in the Senate, which passed with only one dissenting vote, would be applicable to all of these Federal medical programs, including the Hill-Burton program which has been so important in connection with the construction, expansion, and modernization of hospitals throughout the country; is that correct?

Mr. KENNEDY. The Senator is correct.

Mr. CHURCH. So the abortion provision contained in my amendment would apply in connection with all of these programs; the only two that have been excluded would be medicare and medicaid, and that was because of the procedural problems that the House of Representatives faced had those two items been included as well?

Mr. KENNEDY. The Senator would be correct, with the addition of the Department of Defense and the VA medical care programs.

The PRESIDING OFFICER. The time of the Senator has expired. All time of the Senator from Massachusetts has expired. The Senator from New York has 5 minutes.

Mr. KENNEDY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KENNEDY. I thought I had 10 minutes, and I had yielded myself 5.

The PRESIDING OFFICER. Five minutes to each side.

Mr. KENNEDY. Five minutes to each side?

Mr. JAVITS. Mr. President, I ask unanimous consent, with Senator BYRD's approval, that each side have 5 minutes more, because we could file an amendment to the amendment.

Mr. President, I withdraw the request, and yield 1 minute to the Senator from Massachusetts.

Mr. KENNEDY. With the DOD and VA programs, the Senator would be correct. The DOD, the VA, medicare, and medicaid.

Mr. CHURCH. I understand the procedural problem faced in the House of Representatives. I just want to say I think at an appropriate time a similar provision should be added to the law in connection with those medical programs that do not come within the scope of this legislation, and I shall offer amendments as appropriate legislation comes before this body.

Mr. JAVITS. Mr. President, I yield myself 3 minutes.

I agree with the Senator from Massachusetts (Mr. KENNEDY) that the Senate should accept the House amendments. I might point out that this is not a conference report. The bill will not and should not go to conference, in view of our substantial agreement.

Mr. President, the bill now under consideration—the omnibus 1 year extension of the expiring appropriation authorizations of the Public Health Service Act, the Community Mental Health Centers Act, and the Developmental Disabilities Services and Facilities Construction Act, as amended by the House—is an essential bill and has one purpose: Executive budget action, which has certain health programs wither, vanish, or be effectively terminated by lack of adequate funding, is not the appropriate mechanism to determine the fate of vital substantive health programs affecting millions of Americans.

The essential differences between the bill, as amended by the House, and as it passed the Senate are:

First. The total authorization would be $1,270,566,000—the funding level contained in the second vetoed, fiscal year 1973 HEW appropriations bill—rather than $2,228,000,000, which were the fiscal year 1973 authorizations extended for 1 year.

Second. It restricts the authorization under section 314(e) of the PHS Act to support of programs for which no other authority is provided by the bill. When I first spoke on the Senate floor in support of this measure I expressed my deep concern that the Executive determination to utilize expiring section 314(e) of the Public Health Service Act for funding programs the Executive chooses to support has failed to recognize what Congress has made crystal clear in regard to such proposed action—its opposition. Only last year the Congress passed and the President signed into law, Public Law 92–449. The legislative history of section 314(e) is enunciated in Senate Report 92–285, where in discussing this section of the law it cites the House Committee on Interstate and Foreign Commerce in its report on the Communicable Disease Control Amendments of 1970:

> In each of its budget presentations each year since the enactment of section 314(e), the Department of Health, Education, and Welfare has earmarked specific amounts of the 314(e) fund request for specific programs for the coming year. In other words, the categorical grant approach has continued since the enactment of Public Law 98–749, except that instead of the Congress setting the categories, the categories have been set by the Department of HEW.

This provision will restore control to Congress of the categories of health programs for which project grant funds are to be made available.

Third. The "conscience amendment," offered by Senator Church on the floor of the Senate and modified by me, now prohibits any court or public official from using receipt of assistance under the laws amended by the bill—as a basis from requiring an individual or institution to perform or assist in the performance of sterilization procedures or abortions, if such action would be contrary to religious beliefs or moral convictions—rather than any federally financed program. Also, I am pleased that my modification—that institutions may not discriminate against those who participate in such procedures—was accepted as an amendment by Congressman Heinz on the floor of the House.

The Department of Health, Education, and Welfare's legislative proposals or lack of proposals—which would redirect Federal efforts in the health area and have serious implications for the health needs of millions of Americans—deserve careful and complete congressional consideration. The passage of this bill insures the time necessary for Congress to review the complex issues involved in these health programs, and to consider thoroughly the administration's proposed new departure for Federal health efforts. Then the programs that Congress agrees are no longer necessary or appropriate or have failed may be phased out or restructured, while any programs necessary may be continued, revitalized or supported with increased resources.

Congress should pass this bill and preserve its prerogatives and priorities rather than permit Executive action alone to be the determining factor.

In closing, Mr. President, I should like to assure concerned citizens that the 1-year extension of the Developmental Disabilities Services and Facilities Construction Act is in no way an indication of my support for the existing law's definition of "developmental disabilities." My commitment to broadening the definition—as I indicated during hearings on that measure and the introduction of S. 1654—has not abated. Nor, does my support of this measure mean I will in any way diminish my efforts and work to establish a national commitment for a bill of rights for the mentally retarded." I feel strongly that the bill of rights for the mentally retarded should be enacted into law this year.

I hope that the President will sign the bill as it goes to him tonight and that the Senate will sustain us in accepting the amendment.

Does the Senator want another minute: I have 1 minute left.

Mr. President, I yield back the remainder of my time.

Mr. KENNEDY. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. SCHWEIKER. Mr. President, the action taken by this body in the initial passage of S. 1136 and the subsequent passage of the bill with amendments by the House, in my judgement, was absolutely necessary. This legislation provides only for the extension of the authorities for a variety of health programs scheduled to expire on June 30, 1973. These programs include community mental health centers, Hill-Burton, allied health regional medical programs and public health training, all of which the administration seeks to terminate. Also included, but recommended to be continued either under other authority or in a modified form are health services research, health statistics, migrant health, comprehensive health planning, medical libraries, family planning, and developmental disabilities.

Many of the programs I refer to have been successful and have contributed a great deal to the overall improvement in this Nation's ability to meet the health needs of its citizens. Some perhaps have outlived their usefulness and properly should be curtailed or revised. In any event, a thorough examination of all these programs is absolutely necessary and inevitable.

Several months ago at the hearing of the Committee on Labor and Public Welfare on S. 1136, I made the comment that I was disturbed that these programs are being either eliminated or altered unilaterally by the administration by its funding, or the lack of it. Congress did not appear to be a partner in this process. Orderly legislative and executive consideration of these programs was being disregarded. I viewed this turn of events as most unfortunate. The phase out of many of these programs by the administration prior to congressional consideration of their renewal and funding consistent with the fiscal 1973 budget is in my judgement a serious mistake. It represents a major decline in our national commitment to health priorities.

It is appropriate and necessary that Congress extend the authority for these programs for 1 year without substantive change so that we can properly and carefully evaluate the programs and consider the entire Public Health Service Act which has become a collection of categorical programs, with duplicative authorities. Such a process will take time and it would be a mistake to allow many of these programs to simply expire in the interim.

I urged the administration to join with the Congress to review and evaluate all of these programs. Certainly we stand to benefit from its experience in administering the programs and its recommendations. This can be done in an orderly fashion within a reasonable length of time without the sacrifice of good programs and without serious injury to the budget and the policy decisions already made by the administration.

This process has begun. We have already received several legislative recommendations and HEW Secretary Caspar Weinberger has stated quite plainly the administration's view with respect to many of these programs in his testimony on this bill. We must now hear from the public.

Nevertheless, the decisions of public policy on these and other health programs are decisions to be made by the Congress and the Congress has yet to act. This legislation, in addition to tentatively continuing these programs, represents a clear and unmistakable statement that the Congress will determine health policy for the Nation.

Mr. President, the House amendments to the Senate bill should be adopted and I urge my colleagues to support the bill as amended. The authorizations contained in the measure are appropriate and realistic and the other changes are not inconsistent with the purpose of the bill. In my view, they improve the measure.

I support the passage of S. 1136.

Mr. CRANSTON. Mr. President, as chairman of the Special Subcommittee on Human Resources which has the primary responsibility for oversight and legislation in the field of family planning services and population research authorized by title X of the Public Health Service Act, I would like to speak with the distinguished floor manager of the bill on one provision in S. 1136. This is the provision which would extend section 1004(b) at an authorization of appropriations level of $2,615,000 for fiscal year 1974, whereas the present fiscal year 1973 authorization figure in title X is $65 million.

Is it not true that the Senator from Massachusetts has been a strong supporter of title X population research and has been in agreement with the basic concept of title X that programs for family planning services, as well as training, information, and research related to family planning, should be carried out in an integrated and coordinated fashion?

Mr. KENNEDY. Yes, that is correct. I certainly do support continuation of research in the population area which has been conducted by the department of Health, Education, and Welfare. It is essential that those research activities of the department be carried out in an integrated and coordinated fashion especially given the current reorganization plans for the Health Services and Mental Health Administration, which I am sure will have at least a short-term unsettling effect on the effective administration of programs.

Mr. CRANSTON. Mr. President, I would also like to ask the floor manager if he would not have strongly preferred to have continued the title X authorization for population research at the $65 million figure included in the Senate-passed S. 1136?

Mr. KENNEDY. Yes, of course, that would have been preferable. As the distinguished Senator from California knows, that was the level which the Senate included in the bill at the time it was passed last March. As my colleague knows, the guidepost the committee used for all the programs contained in the bill was the 1973 authorization level.

Mr. CRANSTON. I would like to explain that I fully support extending the title X authorities in S. 1136—indeed, the committee adopted by amendment to do so at the fiscal year 1973 authorization level. But I do not wish to leave the impression that the action taken by the House in extending these authorizations at the level of the fiscal year 1973 appropriations contained in the second-vetoed Health, Education, and Welfare Appropriations Act or any Senate action in accepting the House-passed version of S. 1136, should in any way be interpreted as meaning that the level of funding for population research under title X in S. 1136—$2.615 million—represents an acceptable level at which this research should be supported in fiscal year 1974 under title X.

Mr. President, when title X was first enacted in 1970 in Public Law 91-570, congressional intent was clear that family planning services, and biomedical research, training, and information and education activities, related to family planning services were to be coordinated within the authorities of title X under the direction of the then newly created Deputy Assistant Secretary for Population Affairs. It was congressional intent that biomedical research conducted by the national institutes of health was also to be supported under the appropriations authorizations of section 1004(b), and authorizations were established at reasonable levels which would provide additional support in amounts that could effectively be utilized.

The administration has refused to accept this strategy and has limited appropriations under section 1004(b) to support of research in systems of providing family planning services rather than biomedical or other research in the population sciences.

The second-vetoed Health, Education, and Welfare Appropriations Act for fiscal year 1973 included $48.6 million for programs supported by the Center for Population Research in NIH. This is the minimum level I believe should be specified in the title X fiscal year 1974 authorization in S. 1136 in addition to the $2.6 million.

Mr. President, I would like to ask the distinguished floor manager of this bill if he agrees that support of biomedical research in population science is essential under title X notwithstanding what is done under other authorities of the Public Health Service Act, including NIH programs authorized by title IV?

Mr. KENNEDY. I believe that it is essential that there be a strong effective research program, including both biomedical research and research in systems of providing family planning services, conducted by HEW. I believe that the authorizations contained in title IV of the Public Health Service Act and in title X of the Public Health Service Act are essential and complementary in this regard. I would not support any effort on the part of the administration to curtail the overall program effort regarding research in family planning utilizing one authority at the expense of the other.

Mr. CRANSTON. Further, I ask, does he agree that in accepting the House reduction we are in no way acquiescing in the administration strategy of funding all population research under title IV and not title X? Does the distinguished floor manager agree that this is correct?

Mr. KENNEDY. Yes, indeed, that is the case.

Mr. CRANSTON. Mr. President, I would further like to ask the distinguished Senator from Massachusetts if when an appropriate measure is before the Labor and Public Welfare Committee, he will work with me to make clear this congressional intention by authorizing an appropriate amount of title X population research?

Mr. KENNEDY. I understand that my friend and colleague from California, as chairman of the Special Subcommittee on Human Resources, is at the present time involved in working on a comprehensive extension of the title X authorities, including section 1004(b). While I am not a member of the Human Resources Subcommittee, as chairman of the Senate Health Subcommittee, I will work closely with my colleague in determining the scope and authorization levels for the family planning program.

Mr. CRANSTON. Mr. President, I would have preferred to amend the bill to authorize the appropriation of $51.2 million for section 1004(b), the figure in the second-vetoed Health, Education, and Welfare Appropriation Act. Indeed, this amount would be only $8.8 million over the revised fiscal year 1974 budget request and only $4.6 million over the original fiscal year 1973 request of the administration. But I will not press this matter in view of this discussion and the assurances from the distinguished floor manager.

I appreciate very much what the distinguished Senator from Massachusetts has said.

Given the overriding importance of extending all the vital programs included in S. 1136, I am reluctantly willing to accept the provisions in S. 1136 as passed by the House relating to title X population research. Indeed, I know the distinguished floor manager himself has many reservations about aspects of the House-passed bill.

I would like to note that I have discussed this issue with the distinguished chairman of the subcommittee in the other body (Mr. ROGERS) who has been and continues to be a strong supporter of a well-funded population research program under title X and has authorized me to state that the House action with respect to the title X authorization for section 1004 does not in any way indicate a lessening of that commitment, and that, moreover, he would be personally sympathetic to finding a legislative way to reinforce this continuing and strong commitment.

Mr. JAVITS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from New York will state it.

Mr. JAVITS. Do I correctly understand that any Member who wishes to amend the House amendments may do so at this time?

The PRESIDING OFFICER. The Senator is correct. The yeas and nays cannot be ordered at this time since there is no motion before the Senate.

Mr. KENNEDY. Mr. President, I move that the Senate concur in the House amendments.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to concur in the House amendments to S. 1136.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Utah (Mr. MOSS), and the Senator from Arkansas (Mr. FULBRIGHT) are necessarily absent.

I further announce that the Senator from Maine (Mr. MUSKIE) is absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Arkansas (Mr.

FULBRIGHT), and the Senator from Utah (Mr. Moss) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from New Hampshire (Mr. COTTON) is absent because of illness in his family.

The Senator from Idaho (Mr. McCLURE is necessarily absent.

The result was announced—yeas 94, nays 0, as follows:

[No. 171 Leg.]

YEAS—94

Abourezk
Aiken
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bennett
Bentsen
Bible
Biden
Brock
Brooke
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cranston
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Ervin
Fannin
Fong
Goldwater
Gravel
Griffin
Gurney
Hansen
Hart
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Saxbe
Schweiker
Scott, Pa.
Scott, Va.
Sparkman
Stafford
Stevens
Stevenson
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—0

NOT VOTING—6

Cotton
Fulbright
McClure
Moss
Muskie
Stennis

So the motion to concur in the House amendments to S. 1136 was agreed to.

## EMERGENCY MEDICAL SERVICES ACT OF 1973

Mr. KENNEDY. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 504.

The PRESIDING OFFICER (Mr. SCOTT of Virginia) laid before the Senate the amendments of the House of Representatives to the bill (S. 504) to amend the Public Health Service Act to provide assistance and encouragement for the development of comprehensive area emergency medical services systems which were to strike out all after the enacting clause, and insert:

### SHORT TITLE

SECTION 1. This Act may be cited as the "Emergency Medical Services Act of 1973".

### EMERGENCY MEDICAL SERVICE SYSTEM

SEC. 2. Title III of the Public Health Service Act is amended by adding at the end thereof the following new part:

### "PART K—EMERGENCY MEDICAL SERVICE SYSTEMS

### "DEFINITION; AGREEMENTS

"SEC. 399e. (a) For purposes of this part, the term 'emergency medical service system' means a system for the arrangement of personnel, facilities, and equipment for the effective delivery of health care services under emergency conditions (occurring either as a result of the patient's condition or of natural disasters or similar situations), which system (1) is administered by a public or other nonprofit private entity, which has the authority and the resources to provide effective administration, and (2) to the maximum extent feasible—

"(A) includes an adequate number of health professions and allied health professions personnel who meet such training and experience requirements as the Secretary shall by regulation prescribe and provides such training and continuing education programs as the Secretary shall by regulation prescribe;

"(B) joins the personnel, facilities, and equipment of the system by central communications facilities so that requests for emergency health care services will be handled by a facility which (i) utilizes or, within such period as the Secretary prescribes, will utilize the universal emergency telephone number 911, and (ii) will have direct communication connections with the personnel, facilities, and equipment of the system;

"(C) includes an adequate number of vehicles and other transportation facilities (including such air and water craft as are necessary to meet the individual characteristics of the area to be served)—

"(i) which meet such standards relating to location, design, performance, and equipment, and

"(ii) the operators and other personnel for which meet such training and experience as the Secretary shall by regulation prescribe;

"(D) includes an adequate number of hospitals, emergency rooms, and other facilities for the delivery of emergency health care services, which meet such standards relating to capacity, location, hours of operation, coordination with other health care facilities of the system, personnel, and equipment as the Secretary shall by regulation prescribe;

"(E) provides for a standardized patient recordkeeping system meeting standards established by the Secretary in regulations, which records shall cover the treatment of the patient from initial entry into the emergency medical service system through his discharge from it, and shall be consistent with ensuing patient records used in followup care and rehabilitation of the patient;

"(F) is designed to provide necessary emergency medical services to all patients requiring such services;

"(G) provides for transfer of patients to facilities and programs which offer such followup care and rehabilitation as is necessary to effect the maximum recovery of the patient;

"(H) provides programs of public education and information in the area served by the system, taking into account the needs of visitors to that area to know or be able to learn immediately the means of obtaining emergency medical services; and

"(I) provides for periodic, comprehensive, and independent review and evaluation of the extent and quality of the emergency health care services provided by the system.

"(b) The Secretary shall prescribe the regulations required by subsection (a) after considering standards established by appropriate national professional or technical organizations.

### "GRANTS AND CONTRACTS FOR PLANNING AND FEASIBILITY STUDIES

"SEC. 399f. (a) The Secretary may make grants to public and other nonprofit entities, and may enter into contracts with public and private entities and individuals, for (1) projects to study the feasibility of establishing (through expansion or improvement of existing services or otherwise) and operating an emergency medical service system for an area, and (2) projects to plan the establishment and operation of such a system for an area. The Secretary may not make more than one grant or enter into more than one contract under this section with respect to any area. Reports of the results of any study or planning assisted under this section shall be made at such intervals as the Secretary may prescribe and a final report of such results shall be made not later than one year from the date the grant was made or the contract entered into, as the case may be.

"(b)(1)(A) No grant for planning may be made under this section unless an application therefor has been submitted to, and approved by, the Secretary. Such an application shall be in such form, and submitted to the Secretary in such manner, as he shall by regulation prescribe, and shall—

"(i) demonstrate to the satisfaction of the Secretary the need of the area for which the planning will be done for an emergency medical service system.

"(ii) contain assurances satisfactory to the Secretary that the applicant is qualified to plan for the area to be served by such a system,

"(iii) contain assurances satisfactory to the Secretary that the planning will be conducted in cooperation (I) with the planning entity referred to in subparagraph (B)(i) or if there is no such planning entity, with the planning entity referred to in subparagraph (B)(ii), and (II) with the emergency medical service council or other entity in such area responsible for review and evaluation of the provision of emergency medical services in such area, and

"(iv) contain such other information as the Secretary shall by regulation prescribe.

"(B) The Secretary may not appprove an application for a grant under this section for planning unless—

"(i) the public or nonprofit private agency or organization which has developed the comprehensive regional, metropolitan area, or other local area plan or plans referred to in section 314(b) covering the area for which the planning for an emergency medical service system will be done, or

"(ii) if there is no such agency or organization, the State agency administering or supervising the administration of the State plan approved under section 314(a) covering that area,

has, in accordance with regulations of the Secretary, been provided an opportunity to review the application and to submit to the Secretary for his consideraton its recommendation respecting approval of the application.

"(2) No grant for a feasibility study may be made under this section unless an application therefor has been submitted to, and approved by, the Secretary. Such application shall be in such form, submitted in such manner, and contain such information as the Secretary shall by regulation prescribe

"(c) The amount of any grant under this section shall be determined by the Secretary. Payments under grants under this section may be made in advance or by way of reimbursement and at such intervals and on such conditions as the Secretary finds necessary.

"(d) Contracts may be entered into under this section without regard to sections 3648 and 3709 of the Revised Statutes of the United States (31 U.S.C. 529, 41 U.S.C. 5).

"(e) For the purpose of making payments pursuant to grants and contracts under this section, there are authorized to be appropriated $5,000,000 for the fiscal year ending June 30, 1974, and $10,000,000 for the fiscal year ending June 30, 1975.

### "GRANTS FOR ESTABLISHMENT AND INITIAL OPERATION

"SEC. 399g. (a) The Secretary may make grants to public and nonprofit private entities for the establishment and initial operation for an area of an emergency medical service system.

"(b)(1) No grant may be made under this section unless an application therefor has been submitted to, and approved by, the Secretary. Special consideration shall be given to applications for grants for systems which will be part of a statewide emergency medical service system.

"(2) (A) An application for a grant under this section shall be in such form, and submitted to the Secretary in such manner, as he shall by regulation prescribe and shall—

"(i) set forth the period of time required for the establishment of the emergency medical service system,

"(ii) demonstrate to the satisfaction of the Secretary that existing facilities and services will be utilized by the system to the maximum extent feasible,

"(iii) provide for the making of such reports as the Secretary may require, and

"(iv) contain such other information as the Secretary may by regulation prescribe.

"(B) The Secretary may not approve an application for a grant under this section unless—

"(i) the public or nonprofit private agency or organization which has developed the comprehensive regional, metropolitan area, or other local area plan or plans referred to in section 314(b) covering the area which will be served by the proposed emergency medical service system, or

"(ii) if there is no such agency or organization, the State agency administering or supervising the administration of the State plan approved under section 314(a) covering that area,

has, in accordance with regulations of the Secretary, been provided an opportunity to review the application and to submit to the Secretary for his consideration its recommendation respecting approval of the application.

"(c) The amount of any grant under this section for establishment of an emergency medical service system shall be determined by the Secretary. Grants under this section for the initial operation of such a system shall be available to a grantee over the two-year period beginning on the date the Secretary determines that the system is capable of operation and shall not exceed 50 per centum of the costs of the operation of the system (as determined under regulations of the Secretary) during the first year of such period, and 25 per centum of such costs during the second year of such period.

"(d) For the purpose of making payments pursuant to grants under this section, there are authorized to be appropriated $25,000,000 for the fiscal year ending June 30, 1974, $50,000,000 for the fiscal year ending June 30, 1975, and $20,000,000 for the fiscal year ending June 30, 1976. Funds appropriated for the fiscal year ending June 30, 1976, may be used only for grants to those entities which received a grant under this section for the preceding fiscal year.

### "GRANTS FOR RESEARCH AND TRAINING

"SEC. 399h. (a) The Secretary may make grants (1) to schools of medicine, dentistry, and osteopathy for projects for research in the techniques and methods of medical emergency care and treatment, and (2) to such schools and to schools of nursing, training centers for allied health professions, and other educational institutions for training programs in the techniques and methods of medical emergency care and treatment, including the skills required to provide ambulance service.

"(b) No grant may be made under this section unless (1) the applicant is a public or nonprofit private entity, and (2) an application therefor has been submitted to, and approved by, the Secretary. Such application shall be in such form, submitted in such manner, and contain in such information, as the Secretary shall by regulation prescribe.

"(c) The amount of any grant under this section shall be determined by the Secretary. Payments under grants under this section may be made in advance or by way of reimbursement and at such intervals and on such conditions as the Secretary finds necessary. Grantees under this section shall make such reports at such intervals, and containing such information, as the Secretary may require.

"(d) For the purpose of making payments pursuant to grants under this section, there are authorized to be appropriated $5,000,000 for the fiscal year ending June 30, 1974, and $10,000,000 for the fiscal year ending June 30, 1975.

### "GRANTS FOR EXPANSION AND IMPROVEMENT

"SEC. 399i. (a) The Secretary may make grants to public and nonprofit private entities for projects for the acquisition of equipment and facilities for emergency medical service systems and for other projects to otherwise expand or improve such a system.

"(b) No grant may be made under this section unless an application therefor has been submitted to, and approved by, the Secertary. Such application shall be in such form, submitted in such manner, and contain such information, as the Secretary shall by regulation prescribe.

"(c) The amount of any grant under this section for a project shall not exceed 50 per centum of the cost of that project, as determined by the Secretary. Payments under grants under this section may be made in advance or by way of reimbursement and at such intervals and on such conditions as the Secretary finds necessary. A project may receive grants under this section for a period of up to two years. Grantees under this section shall make such reports at such intervals, and containing such information, as the Secretary may require.

"(d) For the purpose of making payments pursuant to grants under this section, there are authorized to be appropriated $10,000,000 for the fiscal year ending June 30, 1974, and $10,000,000 for the fiscal year ending June 30, 1975.

### "INTERAGENCY TECHNICAL COMMITTEE ON EMERGENCY MEDICAL SERVICES

"SEC. 399j. (a) The Secretary shall be responsible for coordinating the aspects and resources of all Federal programs and activities which relate to emergency medical services. In carrying out his responsibilities under the preceding sentence, the Secretary shall establish an Interagency Technical Committee on Emergency Medical Services. The Committee shall evaluate the adequacy and technical soundness of such programs and activities and provide for the communication and exchange of information that is necessary to maintain the necessary coordination and effectiveness of such programs and activities.

"(b) The Secretary or his designee shall serve as Chairman of the Committee, the membership of which shall include (1) appropriate scientific, medical, or technical representation from the Department of Transportation, the Department of Justice, the Department of Defense, the Veterans' Administration, the National Science Foundation, the Federal Communications Commission, and such other Federal agencies, and parts thereof, as the Secretary determines administer programs directly affecting the functions or responsibilities of emergency medical service systems, and (2) five individuals from the general public who by virtue of their training or experience are particularly qualified to participate in the performance of the Committee's functions. The Committee shall meet at the call of the Chairman, but not less often than four times a year.

### "ADMINISTRATION

"SEC. 399k. The Secretary shall administer the program of grants and contracts authorized by this part through an identifiable administrative unit within the Department of Health, Education, and Welfare."

### STUDY

SEC. 3. The Secretary of Health, Education, and Welfare shall (1) conduct a study to demine the legal barriers to the effective delivery of medical care under emergency conditions, and (2) within twelve months of the date of the enactment of this Act, report to the Congress the results of such study and recommendations for such legislation as may be necessary to overcome such barriers.

### PUBLIC HEALTH SERVICE HOSPITALS

SEC. 4. The Secretary of Health, Education, and Welfare is directed to take such action as may be necessary to assure that all the hospitals of the Public Health Service shall, until such time as the Congress shall by law otherwise provide, continue in operation as hospitals of the Public Health Service and continue to provide inpatient and other health care services to all categories of individuals entitled, or authorized, to receive care treatment at hospitals or other stations of the Public Health Service, in like manner as such services were provided to such categories of individuals at hospitals of the Public Health Service on January 1, 1973.

And amend the title so as to read: "An Act to amend the Public Health Service Act to authorize assistance for planning, development and initial operation, research, and training projects for systems for the effective provision of health care services under emergency conditions."

Mr. KENNEDY. Mr. President, I move that the Senate disagree to the amendments of the House on S. 504 and ask for a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. KENNEDY, Mr. WILLIAMS, Mr. NELSON, Mr. EAGLETON, Mr. CRANSTON, Mr. HUGHES, Mr. PELL, Mr. MONDALE, Mr. SCHWEIKER, Mr. JAVITS, Mr. DOMINICK, Mr. BEALL, and Mr. TAFT conferees on the part of the Senate.

## ADLER CONSTRUCTION CO.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 168, S. 396, which has been cleared on both sides.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 396) for the relief of Harold C. and Vera L. Adler, doing business as the Adler Construction Co.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read a third time, and passed, as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) in accordance with the opinion, findings of fact, and conclusions of the trial commissioner in United States Court of Claims Congressional Reference Case Numbered 5-70, entitled "Adler Construction Company against The United States," filed October 24, 1972, the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Adler Construction Company of Littleton, Colorado, the sum of $300,000, in full satisfaction of all claims by such company against the United States for compensation for losses sustained by such company in connection with a contract between such company and the Department of the Interior, Bureau of Reclamation, providing for certain work on the Pactola Dam project near Rapid City, South Dakota.

(b) No part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 93–178), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

### PURPOSE

The purpose of the bill is that in accordance with the opinion, findings of fact, and conclusions of the trial commissioner in U.S. Court of Claims Congressional Reference Case No. 5–70, entitled "Adler Construction Company against The United States," filed October 24, 1972, the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Adler Construction Co. of Littleton, Colo., the sum of $300,000, in full satisfaction of all claims by such company against the United States for compensation for losses sustained by such company in connection with a contract between such company and the Department of the Interior, Bureau of Reclamation, providing for certain work on the Pactola Dam project near Rapid City, S. Dak.

### STATEMENT

A similar bill (S. 4237), in the 91st Congress was referred by the committee to the Chief Commissioner of the Court of Claims by a Senate resolution, (S. Res. 445), in accordance with the provisions of sections 1492 and 2509 of title 28, United States Code, for a report to the Senate, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand as a claim, legal or equitable, against the United States or a gratuity and the amount, if any, legally or equitably due from the United States to the claimant.

The above-mentioned Senate resolution became Congressional Reference Case No. 5–70 in the Court of Claims which in accordance with the mandate of the Senate filed a certified true and correct copy of its findings and conclusions on October 25, 1972.

The court's conclusions are as follows:

1. The plaintiff, Adler Construction Co., a partnership composed of Harold C. Adler and Vera L. Adler, does not have any legal claim against the United States.

2. Under the standards set out in *Burkhardt* v. *United States,* 113 Ct. Cl. 658, 84 F. Supp. 553 (1949), the plaintiff does have a valid equitable claim against the United States.

3. The amount of $300,000 is equitably due from the United States to the claimant.

On January 16, 1973, S. 396 was introduced in the Senate by Mr. Dominick (for himself, Mr. Abourezk, and Mr. Hruska) to effectuate the conclusions of the Court.

The committee agrees with the court and recommends the bill favorably.

Attached hereto and made a part hereof is the decision of the Court of Claims.

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[Before the Chief Commissioner of the United States Court of Claims In Congressional Reference Case No. 5–70 (Filed Oct. 24, 1972)]

### Adler Construction Company *v.* The United States

### REPORT TO THE UNITED STATES SENATE

*Richard W. Smith,* attorney of record for plaintiff.

*Ray Goddard,* with whom was *Assistant Attorney General Harlington Wood, Jr.,* for defendant.

Before Hogenson, *Presiding Commissioner of the Review Panel,* Spector and Wood, *Commissioners.*

### OPINION

By the Review Panel: By S. Res. 445, 91st Cong., 2d Sess., the Senate referred S. 4237, a bill for the relief of Harold C. and Vera L. Adler, doing business as Adler Construction Company, to the Chief Commissioner of the Court of Claims pursuant to 28 U.S.C. §§ 1492 and 2509 (1970). The Chief Commissioner referred the case to Trial Commissioner Mastin G. White for proceedings in accordance with the rules, and designated the above-named members of the Review Panel to consider the Trial Commissioner's report on the merits of plaintiff's legal or equitable entitlement to recover.

After extensive negotiations, the parties filed herein a stipulation setting forth all of the pertinent facts and agreeeing that plaintiff does not have any legal claim against defendant but does have a valid equitable claim against defendant, and that plaintiff is entitled to receive the sum of $300,000 on such equitable claim.

The Trial Commissioner accepted and approved such stipulation, and his report, filed September 11, 1972, was based on its provisions. On September 25, 1972, the parties filed a joint motion requesting that the Review Panel adopt the Trial Commissioner's report.

Accordingly, since the Review Panel unanimously agrees with the Trial Commissioner's opinion, findings of fact, and conclusions as hereinafter set forth, the Review Panel adopts the same as the basis of its recommendation that plaintiff does not have any legal claim against defendant, that plaintiff does have an equitable claim against defendant, and that there is equitably due plaintiff from defendant the sum of $300,000.

This determination is hereby submitted to the Chief Commissioner for transmittal to the United States Senate.

### OPINION OF THE TRIAL COMMISSIONER

White, *Commissioner:* On December 14, 1970, by S. Res. 445, 91st Cong., 2d Sess., the Senate referred the bill numbered S. 4237, 91st Cong., 2d Sess., to the Chief Commissioner of the Court of Claims pursuant to 28 U.S.C. § 1492.

The bill in question, S. 4237, was entitled "A bill for the relief of Harold C. and Vera L. Adler, doing business as the Adler Construction Company." It proposed that the Secretary of the Treasury be authorized and directed to pay to the Adler Construction Company a sum of money (the original bill did not specify the exact amount) in full satisfaction of all claims by such company against the United States because of losses sustained by the company in connection with a contract between it and the Bureau of Reclamation, Department of the Interior, for the performance by the company of certain work on the Pactola Dam project near Rapid City, South Dakota.

In referring S. 4237 to the Chief Commissioner of the Court of Claims, S. Res. 445 directed that proceedings be conducted in accordance with 28 U.S.C. § 2509, and that, after such proceedings, a report be submitted to the Senate "giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand as a claim, legal or equitable, against the United States or a gratuity and the amount, if any, legally or equitably due from the United States to the claimant."

After the plaintiff had filed a petition on March 15, 1971, and an amendment to the petition on June 28, 1971, and the defendant had filed an answer on July 14, 1971, the parties engaged in extensive negotiations in an attempt to reach an agreement on the disposition of the controversy. The negotiations resulted in the filing on August 22, 1972, of a stipulation in which the parties set out all the pertinent facts and an agreement to the effect that the plaintiff does not have any legal claim against the defendant, but does have a valid equitable claim against the defendant and is entitled to receive the sum of $300,000 on such equitable claim.

The stipulation is accepted and approved by the trial commissioner, and this report is based on its provisions.

Therefore, in accordance with the stipulated agreement of the parties, as accepted and approved by the trial commissioner, the Senate should be informed: (1) that the Adler Construction Company, a partnership composed of Harold C. Adler and Vera L. Adler, does not have any legal claim against the United States (2) that the Adler Construction Company does have a valid equitable claim against the United States; and (3) that the amount of $300,000 is equitably due from the United States to the claimant.

### FINDINGS OF FACT

1. At relevant times, plaintiff was a partnership consisting of Harold C. Adler and Vera L. Adler, his wife, with its principal place of business at Littleton, Colorado. (Hereinafter "Adler" will refer to the individual or the partnership as the context suggests.)

2. The case presents certain claims, totaling $1,458,788.46, in connection with the construction by plaintiff for the Bureau of Reclamation (hereinafter "Bu Rec" will usually refer to the Denver office of Bu Rec unless the headquarters office in Washington is specified as "Washington Bu Rec") of an earth-filled dam called Pactola Dam, at a site some 13 airline miles west of Rapid City, South Dakota. The principal claims relate to defendant's failure fully to correct mistakes in plaintiff's bid, unanticipated subsurface conditions, excavation over-runs, disputed excavation classifications, work acceleration, and collateral matters.

3. Pactola Dam was planned and constructed as an earth and rock-filled dam, about 1,250 feet long at the crest and with a height, as described in the specifications, of approximately 230 feet above the lowest foundation. Dikes 1 and 2, 1,500 feet north of the main dam, were 2,160 feet in length and had crests level with the dam crest. Water impounded by the dam was released through an underground outlet works, consisting of a concrete-lined tunnel north of the dam and a vertical shaft giving access to water control gates. A concrete spillway bored through rock and providing for emergency overflows was located between the dam and Dike No. 1.

4. Washington Bu Rec issued an invitation for bids on Pactola Dam on August 26, 1952, with revised bid opening scheduled for September 30, 1952, at Rapid City, South Dakota. The invitation listed 70 items, all but three of them at unit prices. The contract was to be awarded by November 29, 1952. The Instructions to Bidders, which accompanied the invitation but expressly was not to be incorporated in the contract, provided in part as follows:

12. Withdrawal of bids.—Bids may be withdrawn on written or telegraphic request

received from bidders prior to the time fixed for opening. Negligence on the part of the bidder in preparing the bid confers no right for the withdrawal of the bid after it has been opened.

* * * * *

17. Errors in bid.—Bidders or their authorized agents are expected to examine the maps, drawings, specifications, circulars, schedule, and all other instructions pertaining to the work, which will be open to their inspection. Failure to do so will be at the bidder's own risk, and he cannot secure relief on the plea of error in the bid. In case of error in the extension of prices the unit price will govern.

5. The bid bond which bidders were required to file conditioned the surety's liability on, *inter alia*, the contractor not withdrawing its bid within 60 days after bid opening.

6. Prior to bidding, Adler thoroughly explored the entire project site "during practically all the daylight hours" from August 28 through September 3 or 4, 1952. Some terrain was relatively smooth but much of it was quite rough, particularly the hills on each side of the damsite, which provided Rock Sources A and B. He inspected the drill logs and the Government's test pits, and saw a number of drill cores, which were largely in a state of disintegration because of their age (taken in 1939) and atmospheric exposure. Rock was in evidence in the shallow creek bottom. As a result of his detailed inspection, Adler believed he would be awarded the contract because he was more familiar with it than his prospective competitors, whose inspections had been more cursory and who (as he thought) had greater overhead expenses than Adler.

7. On September 30, 1952, bids were opened at Rapid City. Expressed in terms of extending the unit prices to estimated quantities, the 12 bids submitted ranged from Adler's low bid of $3,761,115 to a high bid of $6,959,509. Bu Rec's prebid cost estimate was $5,962,341, which was later reduced by $613,000 by reducing unit prices on four contract items. Thus, Adler's bid was $2,201,226 (37 percent) under the original Bu Rec prebid estimate, and was $1,117,361 (23 percent) under the second low bid of $4,878,476, while it was $2,269,203 (38 percent) under the average of the 11 other bids submitted.

8. (a) Three Government representatives acted as a Board for opening and examining all bids on September 30, 1952. In its written report dated October 1, 1952, the Board stated in part as follows:

> An examination of the low bid shows prices below the Engineer's Estimate in practically all items from Item No. 1 through Item No. 42. Particularly drastic reductions are evident in Items 10 through 16. Totals of the amounts in those items produce a reduction of about 30 percent below the Engineers Estimate, which comprises the bulk of the difference below the low bid and the Engineer's Estimate. The second low bid, that of the Guy F. Atkinson Company, shows not so drastic reduction in Items 10 through 16, with a considerable increase in price for Item No. 2. The low bidder's prices for Items 13 through 16, excavation in rock sources "A" and "B", are of particular concern. Almost certainly the low bidder would have to operate at considerable loss in the performance of that work at the bid prices. Compensating increases are not found in other bid items. A small price reduction is found in the low bidder's drilling and grouting items. It is known that his prices probably are based on quotations from a former Bureau driller, now engaged in private work, who is thoroughly familiar from past work at the site, with problems of drilling and water testing the foundations there.
>
> It would appear that the total schedule amount shown by the second low bidder approaches the minimum which could be expected from any contractor who expected to make a profit from the work.
>
> * * * * *
>
> *Recommendation Regarding Award.* It is felt by the members of this Board that the low bidder could not complete the work at his bid prices without considerable strain on his financial resources. However, he is known as a conscientious and skillful contractor, and unquestionably would prosecute the work vigorously and in full compliance with the terms of the specifications. It is therefore recommended that award be made to the Adler Construction Company of Loveland, Colorado, on its low bid of $3,761,115.00, provided that the company has adequate financial resources and provided that the bonding company furnishing the performance bond is well informed concerning the prices bid in comparison with our estimate and with other low bids.

(b) Because of the disparity in Adler's bid, Bu Rec's legal counsel advised the contracting officer to ask Adler to confirm his bid, but this was not done.

9. Adler first learned of the sharp disparity in his bid by a telephone call from his employee at the Rapid City bid opening in the afternoon of September 30, 1952. Adler had been preoccupied with a time consuming trial of a lawsuit against his company in Colorado since September 25, and this had precluded closer attention to the preparation, submission, and opening of his bid on the Pactola Dam contract. Upon learning of the bid disparity, he suspected a grave error, but was unable to confer with Bu Rec representatives concerning it until October 7, 1952, when a one-day adjournment in his trial involvement provided him with his first opportunity to discuss the bid disparity at the Bu Rec offices in Denver.

10. (a) As reflected by a Government memorandum of the October 7, 1952, conference between Adler and Bu Rec officials with respect to the obvious disparity in his bid, Adler informed the conferees that his surety refused to issue a performance and payment bond because of doubts about his low bid, and that because of the pressures of his trial then in process, he had not yet had an opportunity to review his bid, as to which he might have made a mistake. Bu Rec officials emphasized the necessity to start performance as soon as possible, and invited Adler to request in writing the Chief Engineer to delay the contract award for a reasonable period to give Adler time to check his bid figures. Adler was advised by Bu Rec representatives to submit his bid sheets with a covering explanation of whatever errors he detected, which submission would then be forwarded to the Comptroller General for decision as to whether the circumstances justified a correction of his bid.

(b) On October 7, 1952, following the conference of that day, Adler wrote to the Chief Engineer, requesting until October 16 to check his bid for errors and asking that the contract award be deferred until then. He expressed ignorance of the reasons for the wide difference between his bid and those of the next two bidders, and indicated that he suspected errors in his bid.

(c) On October 11, 1952, Adler received a letter dated October 10 from the Chief Engineer stating that "We will withhold making the award a reasonable length of time," recognizing Adler's inability to avoid his current trial involvement, suggesting a conference with Adler and his surety at the earliest practicable time, and emphasizing the need to start the project as soon as possible.

11. (a) The trial which had preoccupied Adler since its commencement on September 25, 1952, was concluded on Saturday, October 11, 1952.

(b) On October 13, 1952, Adler advised Bu Rec by telephone that he had located some serious errors in his bid, one of which was in the amount of over $300,000, and requested a meeting with the Chief Engineer, Mr. McClellan, who was also the contracting officer, to discuss the errors and ensuing procedures. Later that day, Adler was informed that a meeting would be held the following day with the contracting officer, as requested.

(c) A contemporaneous Government memorandum reflects that Adler was informed by telephone on the morning of October 14, 1952, from Bu Rec's Assistant Chief Construction Engineer that, despite Adler's objection, the contracting officer was going to award the contract that day, which would not interfere with Adler's right to apply for a correction of his bid. However, the contracting officer agreed to withhold the award until Adler came in for a conference that afternoon.

12. Adler arrived at the scheduled conference on October 14, 1952, armed with his bid estimate worksheets and details as to arithmetical errors in six principal items, totaling $581,505. He also brought a letter requesting that his bid be rejected, or accepted with corrections, and that the contract award be deferred. At the conference, Adler explained the errors to the Bu Rec representatives who were present, attributed them to his trial preoccupation since September 25, and stated that both his bank financing and performance bonding were in jeopardy because of his low bid. He was advised by the conferees to submit in affidavit form information as to the errors and how and why they were occasioned, and that they would thereupon be transmitted to the Comptroller General for advice as to bid revision, award to the next low bidder, or contract readvertising. Adler was told that "the contractor's allegation of error would be the sole item for consideration by the GAO and that the contracting officer would not be in a position to make any recommendations."

13. During the conference of October 14, 1952, Adler was purportedly shocked upon being informed that the contract had been awarded to him. A telegram notifying him of the award was stamped as being dispatched from Bu Rec at 3:49 p.m. on that day and received at Adler's company headquarters in Loveland, Colorado, at 5 p.m. the same day. However, Adler denies having been informed during the meeting that he had been awarded the contract, and avers that he was not aware of it until he arrived at his Loveland headquarters following the meeting.

14. Whatever inclination Adler may have had on October 14, 1952, to refuse to perform the contract awarded to him that day unless the errors in his bid were corrected was necessarily affected by the awareness that a refusal to perform could have caused cancellation of his bond of $367,000, which would, in turn, have jeopardized Adler's financial condition and deprived him of working capital, both for the contract in suit and to finish other contracts which were then nearing completion.

15. On October 15, 1952, the contracting officer confirmed by telegram to plaintiff that any correction in plaintiff's bid would have to be effectuated by the Comptroller General because the contracting officer lacked such authority, and emphasized the importance that the request be made without delay because of the 10-day period permitted by the contract for its execution and the furnishing of performance and payment bonds. Failure to execute these forms was a technical ground for forfeiture of the bid bond.

16. (a) In a sworn statement dated October 18, 1952, and submitted to the contracting officer on October 20, 1952. Adler asserted a claim based on bid errors totaling $621,505, in which he described the errors in his bid on each of seven contract items and enclosed a copy of those of his bid worksheets which were relevant to the claimed errors. These

errors may be summarized as follows by contract item numbers:

No. 1: Diversion and care of stream, etc. Bid at $45,000 instead of $75,000 due to error in transposing figure from worksheet to bid.

No. 2: Excavation of 420,000 c.y. of overburden in open cut. Bid at $147,000 instead of $224,540 due to failure to include in computation the factor of $77,540 for equipment charges, as shown on worksheet but not inserted in the total or transferred to bid.

No. 5: Excavation of 1985 c.y. all classes. Bid at $45,655 instead of $63,520, due to failure to include in computation the factor of $17,865 for equipment charges, as shown on worksheet but not inserted in the total or transferred to bid.

No. 9: Excavation of 220,000 c.y. stripping in borrow pits. Bid at $41,800 instead of $51,800 due to simple error in addition on bid worksheet.

Nos. 10 and 11 collectively: Common excavation of 2,000,000 c.y. in upstream borrow area and transportation to embankments. Bid at $520,000 instead of $880,100 due to failure to include in computation the factors of $311,100 for equipment charges and $49,000 for "margin," as shown on worksheet but not inserted in the total or transferred to bid.

No. 12: Common excavation of 700,000 c.y. in downstream borrow area and transportation to embankment. Bid at $175,000 instead of $301,000 due to same oversight as in Items Nos. 10 and 11, on which the computation was based.

(b) These errors were not individually apparent on the face of Adler's bid, but were readily apparent in Adler's bid worksheets, which Bu Rec did not have until later, although the disparity between Adler's bid and the others was enough to excite Bu Rec's concern.

17. The letter of October 18, 1952, concluded with Adler's request that he be excused from executing the contract according to the original bid, or that the bid be adjusted to eliminate the errors.

18. On October 31, 1952, the contracting officer wrote a memorandum to the Commissioner of Washington Bu Rec, presenting in full detail the circumstances of the plaintiff's erroneous bid, and recommending that the Comptroller General be asked for a decision as to whether the contractor would be entitled to relief by correcting the bid errors. If so, the contracting officer recommended "that correction be allowed by appropriate reformation of the contract." The contracting officer expressed the opinion that reformation would be "in accordance with previous decisions of the Comptroller General that the bid can be corrected if the amount of the intended bid can be established." He advised that readvertisement of the contract would not only result in much higher costs to the Government than if Adler's errors were corrected, but would also delay completion of the contract for a full season.

19. In the meantime, the bid of Guy F. Atkinson Co., the second lowest bidder, contained an acceptance period limitation of 30 days, which expired October 80, 1952.

20. On November 8, 1952, the Administrative Assistant to the Secretary of the Interior submitted the contracting officer's recommendation of October 31, 1952, to the Comptroller General for a decision, with the following comment:

* * * The Chief Engineer [*i.e.*, the contracting officer] recommends that, if you conclude that errors entitling the contractor to relief have been made, the contract be reformed accordingly. The Commissioner of Reclamation and I concur in this recommendation as being in the best interest of the Government.

21. Adler was not aware of these communications until they were produced in the course of discovery proceedings in subsequent litigation.

22. (a) On November 14, 1952, Adler was advised by telephone from Bu Rec that the Comptroller General had made a decision with respect to his request for bid reformation. The following Monday morning, November 17, 1952, Adler visited Bu Rec in Denver, unaccompanied by counsel. He was informed by Bu Rec representatives that they had learned that a decision had been made by the Comptroller General on November 14, 1952, to the effect that the contract could be amended to correct the errors. Neither Adler nor the Denver office of Bu Rec had the written text of the Comptroller General's decision, but the Bu Rec knew its contents and did not disclose them to Adler.

(b) A protracted conference with Adler was held all during November 17, 1952, at Bu Rec, in which the several errors in Adler's bid were discussed at length. Bu Rec was apparently concerned that Adler's corrected prices for certain of the erroneous items were more than the Government's prebid estimate for the same items, or were more than the bids of several other contractors for certain of the items, which led the Bu Rec representatives at the conference into approving increases in Adler's defective bid, which in the aggregate were $136,240 less than Adler's claim. The bid invitation itself had provided that "no bid shall be considered for only part of the schedule." In many other items, Adler's bid was far lower than other bidders, and this was true in the aggregate as well. Upon Adler's complaint that Bu Rec's proposal failed to rectify fully what were clearly mistakes in the bid, Bu Rec's principal negotiator, a Mr. Bloodgood, commented in effect "that's all we can pay." Adler was told that no further delay would be allowed, that he would have to sign the contract documents immediately, and that a notice to proceed must be issued that day.

(c) Toward the end of the November 17, 1952, conference, an Amendatory Agreement was prepared by Bu Rec and given to Adler to sign. The agreement had not at the time been signed by Bu Rec. Adler testified that he signed it without knowing its contents or being permitted to read it, but there is no credible evidence that Adler demanded an opportunity to read it or was prevented from reading it before signing it, except that the workday was purportedly drawing to a close and the contracting officer was anxious to terminate the conference. Adler was, however, aware that the Bu Rec representatives had reduced his claim of errors by $136,240 and must have been aware of the reasons given for the reduction, even though he might not have agreed with them. Adler testified that he signed the Amendatory Agreement under economic duress at a time when he feared that, if he did not sign it together with the contract itself and the supporting performance and payment bonds, his bid bond of $376,111 would be in danger of forfeiture. However, by November 17, 1952, the 10-day period for executing the contract on pain of bid bond forfeiture had long since expired, and no such action had been taken or threatened by the bonding company, so far as the record intimates.

23. The Amendatory Agreement signed by the parties on November 17, 1952, which Adler contends (as stated in finding 22) is void because of unlawful duress and lack of consideration, provided in part as follows:

WHEREAS, the Comptroller General of the United States, upon the basis of evidence furnished by the Contractor, has ruled (copy of decision hereto attached as Exhibit A) that there were mistakes in the Contractor's bid, and that since the bid, if corrected in the full amount of all mistakes, would still be the low bid, it can be reformed by the contracting officer to correct said errors; and

WHEREAS, the contracting officer is willing to agree to reformation and to proceed with the contract only on the basis that where correction of the mistake or mistakes as to any item results in a unit or lump sum price in excess of a conservative and fully justifiable price, the unit or lump sum price as reformed will not exceed said conservative and fully justifiable price, which principle is acceptable to the Contractor; and

WHEREAS, reformation of the contract as hereinafter provided is hereby determined to be advantageous to the Government both because it will permit immediate commencement of work on an urgently needed project to supply water to the Rapid City Air Force Base, and because the contract as reformed will result in a cost to the Government of $1,715,961 lower than the Government's original cost estimate and $632,096.50 lower than the next low bid.

Now, THEREFORE, the parties hereto mutually agree as follows:

1. The respective unit prices for Items 1, 2, 5, 9, 10, 11 and 12 are hereby deleted from the schedule of Specifications No. DC-3783 and the contract is hereby reformed by substitution of unit and extended prices for said items * * * [followed by new data as to price and amount for the seven items mentioned].

* * * * *

The increase in unit and lump sum prices as above provided result in an increase of $485,265 in the total amount of the contract based upon the estimated quantities stated in the schedule.

2. In consideration of the Government's waiving its right to rescind the contract, the Contractor hereby accepts the foregoing reformed unit and lump sum prices in full satisfaction of all of its rights arising out of or in any way connected with mistakes in its bid, notwithstanding the fact that the unit and lump sum prices stated in Article 1 hereof in several cases do not reflect increases equal to the full amount of the errors claimed by the Contractor and found by the Comptroller General.

24. Although the Amendatory Agreement of November 17, 1952, refers in the "whereas" clauses to the parties having "heretofore entered into" a contract for Pactola Dam, and to a copy of the Comptroller General's decision as being attached as Exhibit A, at the time the Amendatory Agreement was signed on November 17, 1952, the parties did not have possession of the Comptroller General's decision, and Adler did not sign and deliver the contract itself until immediately following the signing of the Amendatory Agreement, but did so prior to leaving the conference. Adler did not receive a copy of the Amendatory Agreement of November 17, until November 28, 1952, but there is no evidence that he demanded it earlier. Also, while the concluding "whereas" clause of the Amendatory Agreement refers to the fact that the revised contract price was lower than the next low bid by $632,096.50, in fact the next lower bid had expired by its own terms prior to October 31, 1952, and hence was no longer available.

25. On or about November 28, 1952, Adler received for the first time a copy of the November 14, 1952, decision by the Comptroller General, which held in part as follows:

On the basis of the facts and evidence of record there appears no doubt that errors were made in the bid. Furthermore, the evidence reasonably established that except for the errors the prices for the various items would have been as alleged. The bid of Adler Construction Company, if it be corrected, is still approximately $500,000 lower than the next-lowest bid received.

It is reported that the project involved was recently approved by Congress for immediate construction in order to make available a much needed water supply for the Rapid City Air Force Base of the Strategic Air Command, and the work is of a highly urgent nature. It is further reported that any substantial delay in the matter will make it impossible to perform the necessary initial construction work before the onset of winter weather which would result in a full season's delay in the ultimate date when the water can be furnished to the Rapid City Air Force Base and that, therefore, readvertisement of the work is not considered to be in the best interests of the Government. Under the circumstances, this Office will not be required to object to the correction of the bid of the Adler Construction Company on items 1, 2, 5, 9, 10, 11 and 12 to the prices hereinbefore set forth and entering into a formal contract with the company on that basis.

26. The Comptroller General totaled the bid errors to $621,465, instead of Adler's claim of $621,505, by rounding off to the nearest cent the unit price in several of the items.

27. On July 5, 1960, the Under Secretary of the Department of the Interior wrote a letter to the Chairman of the United States Senate Committee on the Judiciary, in response to the latter's request for the Department's views on the then-pending private relief bill, S. 3199, for the relief of the Adler Construction Company. In the course of recommending relief or one of the three claims (and recommending against the other two) then being made by the contractor, which related to rectifying its mistake in bidding, the Under Secretary made the following statements of fact and opinion which bear on the contractor's situation on November 17, 1952, when the Amendatory Agreement was presented to Adler:

> It is believed that the Government has technical legal defenses (i.e., statute of limitations and failure to reserve the claim in the contractor's release on the contract) to the contractor's claim which would preclude his recovery in the courts. And, apart from the technical defenses, it is doubtful that on the merits the contractor could successfully establish either that duress was involved in securing his consent to the amendatory agreement, or that the amendatory agreement was invalid for lack of consideration. However, the Congress, in certain hardship situations, has granted legislative relief where the applicant does not have a legally enforceable claim but has a claim presenting strong moral and equitable considerations. Considered in this light we are of the opinion that Adler's claim for relief insofar as claim (a) is concerned, has such compelling considerations of fairness that congressional relief would be warranted.
>
> In reaching the above conclusion, a number of considerations are involved. In the first place, Adler was placed in an exceedingly precarious position by the fact that his bid was so very low in comparison with other bids and the engineer's estimate as to raise doubt as to his ability to perform the contract without ruinous losses. This situation was complicated by the fact that he was involved at the time in litigation from which he was unable to free himself for a sufficient period to give full consideration to the problem. His situation was further aggravated by the fact that there were indications that the bonding company that had furnished his bid bond would not furnish a performance bond to support the contract, and in such event, his bid bond in the amount of $376,000 would have been subject to forfeit. This would have had very serious consequences, in all probability in resulting in Adler's complete financial ruin. Additionally, the Government's urgent need to get the work under way impelled it to make the rather precipitous award of contract, notwithstanding the fact that Adler had given verbal notice of serious errors in his bid. Although the award was not made with any intention to prejudice Adler's position, it is obvious that the Government's necessity dictated a course of action which placed him in a most difficult position.
>
> With regard to the negotiations as a result of which Alder was induced to accept the amendatory agreement, personnel who were present at the meeting recall that Adler appeared in response to a telephone call, and was unaccompanied by legal counsel or associates. He offered no serious opposition to the Government's proposal and accepted the proposal precisely as it was made. At the time these negotiations took place, it seemed to the Government personnel involved a proper course of action in the discharge of their responsibilities. However, reviewed in retrospect, it is considered that they were overly zealous in their desire to safeguard the Government's financial interests, and that the the contractor, subject to such pressures as he was under at the time, had or at least thought that he had almost no alternative to accepting a proposition that was seriously adverse to his interests and one that it is now felt, in good conscience, the Government should never have made.
>
> Even with Adler's bid corrected in the *full amount of the error found by the Comptroller General*, it would still be some $600,000 below the next low bid and approximately $1,000,000, or 25 percent below the revised Government estimate. It is apparent that even with the error as allowed by the Comptroller General, the Government had the advantage of an exceedingly low bid. As a result of performing the contract at the contract price, including the prices in the amendatory agreement, the contractor suffered continuous financial losses, and he has been forced to sell much of his construction equipment. Since completing the Pactola Dam job, he has been unable to secure bonds covering jobs of any substantial volume of work, and has been confined largely to subcontracting small jobs from other contractors.
>
> In view of the foregoing, it is the opinion of the contracting officer, in which this Department concurs, that claim (a) submitted by the Adler Construction Co. in S. 3199 contains such elements of equity and fairness that relief legislation to the extent of $136,532.86 is warranted. [Emphasis supplied.]

28. Notice to proceed with the work under the contract was issued on November 17, 1952, thus establishing June 25, 1955, as the original contract completion date (950 days). Time for the performance of the contract was ultimately extended to August 15, 1956. No liquidated damages were assessed, although the prospect existed until late in contract performance.

29. The contract contained the following standard Changed Conditions clause:

> Article 4. *Changed conditions.*—Should the contractor encounter, or the Government discover, during the progress of the work subsurface and/or latent conditions at the site materially differing from those shown on the drawings or indicated in the specifications, or unknown conditions of an unusual nature differing materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in the plans and specifications, the attention of the contracting officer shall be called immediately to such conditions before they are disturbed. The contracting officer shall thereupon promptly investigate the conditions, and if he finds that they do so materially differ the contract shall, with the written approval of the head of the department or his duly authorized representative, be modified to provide for any increase or decrease of cost and/or difference in time resulting from such conditions.

30. As the work under the project progressed, the plaintiff encountered subsurface or latent conditions at the site of the main dam foundation materially different from those shown in the drawings and specifications, which made excavation and refill work much more difficult and costly. The defendant became aware of the conditions as they were uncovered by the plaintiff. The conditions to be described in subsequent findings are confined to the foundation for the main dam and, unless otherwise specified, do not relate to other parts of the project.

31. (a) The major claim of the plaintiff is that foundation surfaces acceptable to the Government under the main damsite were reached at substantially greater excavated depths below original ground surface than the contractor was led to anticipate from his inspection of the site and examination of the contract drawings, specifications, and drill logs, and that the foundation ultimately excavated down to "suitable material," as determined by the Government, was much rougher and more irregular than the drawings, specifications and drill logs portrayed, or than the plaintiff's thorough prebid site inspection indicated.

(b) It is plaintiff's contention that the conditions encountered were not only materially different "from those shown on the drawings or indicated in the specifications" (in the language of the Changed Conditions article, *supra*), but that they also greatly increased his costs by reducing operating efficiencies, requiring additional equipment, prolonging the performance period, and requiring unplanned performance under severe winter weather conditions, and that the admitted 261 percent overrun of excavation (and corresponding additional fill) paid for at contract unit prices did not properly reflect or compensate for the extreme difficulties and added costs which the subsurface conditions imposed on performance.

(c) In order to place the problem in proper perspective, it is first necessary to examine closely the relevant specifications, drawings, and drill logs to determine what the plaintiff (and other bidders) could have reasonably anticipated in the way of subsurface conditions to be encountered in the course of excavating foundations for the main damsite.

32. Article 2 of the contract, entitled Specifications and Drawings, provided in part as follows:

> * * * Anything mentioned in the specifications and not shown on the drawings, or shown on the drawings and not mentioned in the specifications, shall be of like effect as if shown or mentioned in both. In case of difference between drawings and specifications, the specifications shall govern. In any case of discrepancy in the figures, drawings, or specifications, the matter shall be immediately submitted to the contracting officer, without whose decision said discrepancy shall not be adjusted by the contractor, save only at his own risk and expense.* * *

33. Paragraph 16 of the Specifications required that the dam be constructed "in accordance with those specifications and the drawings listed in Paragraph 128 hereof * * *." Paragraph 128 included Drawing No. 494–D–39, "General Plan and Sections," which in addition to a general plan drawing of the complete project, contained, *inter alia*, various detail and section drawings entitled "dam-maximum section," "profile on center line of cutoff trench-dam," and "concrete grout cap," to name a few project features that are relevant to our present inquiry, plus miscellaneous other data as to elevations, camber, reservoir, material legends, dimensional scales, etc. Certain errors and ambiguities in Drawing No. 494–D–39 (hereinafter shortened to Drawing 39), and inconsistencies between the drawing and specifications, constitute the principal basis for plaintiff's contentions as to Changed Conditions.

34. (a) Drawing 39 contains a profile section drawing entitled "dam-maximum section." It purports to show a longitudinal cross-section of the main dam perpendicular to the dam axis, meaning a vertical endwise slice of the dam from its upstream toe to its downstream toe. The witnesses were in marked disagreement as to whether the drawing was designed to provide an actual or merely a theoretical cross-sectional location. If the former, they disagreed as to the location depicted. If the latter, the drawing is not labeled as theoretical, and the witnesses' descriptions were contradictory and confusing.

(b) The drawing is perhaps an adequate diagram as to the relative arrangement of the three "zones" of fill material, the slope angles, reservoir storage levels, and a few dimensions and miscellaneous instructions paraphrased from the specifications, but in other important respects it is misleading, erroneous, self-contradictory, in conflict with another detail drawing contained in Drawing No. 39, and in conflict with Specification 17.

(c) A dimension of 200′, plus or minus, is specified for the distance from the crest of the dam to the original ground surface, but this distance is about 214.2′ when calculated by use of the 1″ to 100′ scale beneath the drawing.

(d) Horizontal lines at the bottom of the drawing depicit the original ground surface and, below that, the assumed rock surface, which is shown to correspond with the bottom of the cutoff trench, as well as an intermediate undesignated line (whether rock or otherwise is not specifically stated) upon which all of the dam embankment rests, except that part above the cutoff trench. No dimensions are provided as to the space between these surface and subsurface lines but the maximum scales at 16′ between the original ground surface and the bottom of the cutoff trench, the latter being the lowest foundation point. The edges of the cutoff trench are shown to be about 5′ lower than the contiguous foundation line.

(e) It cannot be determined from examining the drawing whether the undimensioned spaces separating the surface and subsurface lines are supposed to be actual or theoretical (*i.e.*, diagrammatic), or to be average, minimum, or maximum, or to be any more than a design representation of the obvious, *i.e.*, that the original ground surface lies somewhere above the assumed rock surface throughout the main damsite.

35. (a) Drawing 39 also contains a detail drawing entitled "profile on center line of cutoff trench-dam," which has on either side a 1″ to 100′ scale from which can be roughly computed the respective elevations of the profile lines representing original ground surface, assumed rock surface, bottom of cutoff trench, etc. The scale and details are too small for an accurate calculation, but the plaintiff calculated that at 13 equidistant points from end to end of the center line of the cutoff trench, the distance from the original ground surface to the bottom of the cutoff trench is shown to vary from 3′ to 13′ across the valley, or an average of 6.3′. The Government computed this average to be 7.5′.

(b) Either version of the average, or the plaintiff's finding of a 13′ maximum distance, is substantially less than the 16′ difference shown in the "dam-maximum section" drawing described in finding 34, a discrepancy that can only be reconciled either by drafting errors or by the supposition that the 16′ difference shown in the latter drawing presumably occurred at some point in the cutoff trench other than the center line shown in the drawing entitled "profile on center line of cutoff trenchdam." It could also be reconciled by the defendant's contentiton that the drawing was merely theoretical and not intended to reflect actual conditions.

36. (a) Article 2 of the contract directed that in the case of difference between the drawings and the specifications, the latter would govern. Paragraph 17 of the Specifications provided that the dam "will have a maximum height of approximately 230 feet above the lowest foundation."

(b) Accordingly, it was reasonable for the plaintiff to conclude, in preparing his bid, that the maximum amount of excavation he would encounter at the main damsite would be approximately 10′, *i.e.*, the difference between the 230′ stated by paragraph 17 of the Specifications to be the approximate height of the dam above the lowest foundation (clearly the bottom of the cutoff trench) less the 220′ dimension specified in the dam-maximum section drawing to be the distance between the crest of the dam and the original ground surface. A contractor would not normally be charged with knowledge that the latter dimension was in possible error or charged with responsibility to scale the various distances shown in the drawings in order to establish a correct correlation with the Specifications, since the meaning of the drawings in vital respects was ambiguous and indefinite, and these deficiencies would not be immediately apparent to bidders.

37. (a) In addition to the drawings and specifications previously discussed, plaintiff and other bidders had available for examination the logs reflecting the analysis of some 25 test cores, most of which had been drilled in 1939 in order to ascertain subsurface conditions at the damsite. Elsewhere in the project outside the main damsite, other holes and test pits were drilled. Apparently, an unknown number of drill logs were not available for examination.

(b) As admitted by Government witnesses, there were not enough cores drilled in such a large area as the dam foundation (approximately 22 football fields in size), nor in the proper locations, to provide an adequate estimate of the amount of anticipated excavation, although the Government's prebid estimates as to excavation quantities were based primarily on conditions of the "assumed rock surface" lines on relevant contract drawings. Bu Rec did not approve its chief designing engineer's recommendation in 1952 to drill additional cores, which, if done, might have permitted more accurate estimates.

(c) Estimation of excavation quantities from drill log data is inherently inaccurate. Furthermore, the logs did not provide a basis for determining accurately either the depth of excavation before reaching suitable foundation conditions, or for determining the degree of roughness in the underlying rock which plaintiff would encounter in the course of excavating the damsite, particularly in the cutoff trench area of the main dam foundation, where most of the difficulty was encountered. Typically, the logs reported the various stratification of the soils and rocks according to types and depths shown in the contents of each core drill, but from the description given it could not be accurately determined what substances would have to be removed to what depths in reaching suitable foundation conditions, or at what point suitable foundation conditions would be reached, even if the cores had been sufficiently numerous and adjacent to provide a readable and reliable pattern.

(d) The cores themselves were available for examination, but they were not complete and those that existed were badly weathered and decomposed in the course of storage conditions over a protracted period, so an examination of them would not have added substantially to the information available from the log reports. Proof of the inadequacies of the log reports as a basis for predicting subsurface conditions or depths of necessary excavation is evidenced not only by the testimony of Government witnesses but also by the 261 percent variance in the Government's prebid estimates of quantities of excavation at the damsite. The testimony of witnesses for both parties was overwhelmingly to the effect that there were not nearly enough cores drilled to be helpful, and that very little could be interpreted from the logs as a forecast of excavation quantities, ultimate foundation elevations, regularity or roughness of the ultimate foundation, etc.

(e) The unreliability of the drill logs to predict depth of excavation is demonstrated in Defendant's Exhibit 58, which plots each of the drill holes in the main damsite and as to each reports the depth of estimated overburden (taken from a Bu Rec study made in July 1951) and the actual depth of excavation which was experienced. In many instances, the estimates were at sharp variance with experienced depths.

38. (a) Paragraph 55(b) of the Specifications provided that excavation of the dam foundations should be—

> * * * to a sufficient depth to remove all materials not suitable for the foundation of the dam * * *, as determined by the contracting officer. The unsuitable materials to be removed shall include all topsoil, rubbish, vegetable matter of every kind including roots, and all other perishable or objectionable materials that might interfere with the proper bonding of the embankments with the foundations, or the proper compaction of the materials in the embankments, or that may be otherwise objectionable. All loose, soft, or disintegrated rock shall be removed to the extent directed by the contracting officer from the abutments of the dam * * * embarkments. * * * Cutoff trenches, as shown in the drawings, shall be excavated to suitable rock foundations for the dam * * * embankment.* * *

(b) The suitability of the foundation surfaces depended on the nature of the fill material to be deposited in the particular areas of the dam foundation. For example, in those areas of the excavated foundation surfaces on which Zone 1 material was to be deposited and compacted, it was necessary to remove all overburden down to clean rock surfaces without sands, gravel, silt, muck, ponds of water, or compressible material, particularly in the cutoff trench area. These standards were somewhat relaxed outside the cutoff trench area so as to permit small pockets of silt and sands under Zone 1 fill that were not substantially different from Zone 1 material.

39. Assuming the validity of the plaintiff's reliance on the Bu Rec representation, drawn from the contract documents, that plaintiff would encounter a maximum excavation at the damsite of approximately 10′ to reach suitable foundation conditions, actual excavation experienced at the damsite greatly exceeded this, as shown in cross-section drawings which were maintained by Bu Rec for progress payment purposes and which reflected in great detail the actual excavation quantities and depths at periodic time intervals, as well as the roughness of the foundation terrain.

40. (a) In preparing the bid invitations, Bu Rec estimated a total excavation of 132,955 cu. yd. of overburden under the main damsite to reach suitable foundation conditions. This estimate was based on the removal of an average of 2′ of overburden above elevation 4,450′ (which presumably would be on the left and right abutments) and 5′ below that elevation (which would presumably be the bottom of the dam generally), plus an average of 3′ more for the cutoff trench area to get down to bedrock there as specifications required. This estimate contrasts with the representation in the drawings and specifications of a 10′ maximum excavation below ground surface, at the lowest part of the foundation, or the ap-

proximately 16′ depth of the bottom of the cutoff trench shown in the dam-maximum section drawing, which is part of contract Drawing 39.

(b) Plaintiff actually excavated a total of 347,246 cu. yd. for the main dam foundation, an increase of 214,291 cu. yd., or 2261 percent, over Bu Rec's precontract estimate of 132,955 cu. yd. Item 2 of the Schedule provided an estimate of 420,000 cu. yd. of overburden excavation in open cut which was for excavation out of the total 420,000 cu. yd. to the main dam foundation, but from the contract drawings it was possible to make a rough allocation of the 420,000 cu. yd. to the various locations, including the main dam foundation. The overrun in material to refill the dam embankment, which required extraction from borrow sources and transportation to and placement in the dam embankment, was 327,617 cu. yd.

(c) General Condition 4 of the contract advised that the quantities estimated in the Schedule were "approximations for comparing bids, and no claim shall be made against the Government for excess or deficiency therein, actual or relative. * * *"

41. Contract Schedule Items 2, 3, 4, 5, and 6, which comprised generally open-cut excavation wherever it occurred for the dam and dikes, plus excavation for the tunnel, gate chamber, and access shaft, were estimated by Bu Rec prior to the contract invitations in the collective quantity of 753,840 cu. yd., but performed in the net quantity of 1,002,315.2 cu. yd. for a collective overrun of 248,475.2 cu. yd. (including in the computation an underrun of 19,515 cu. yd. for Schedule Item 3), or an increase of 24.8 percent.

42. Contract Schedule Items 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, and 25, which comprised generally the stripping and excavation of borrow areas and rock sources and transportation of the material to the dam and dike embankments, and backfill and deposit of rock and other fill on the several embankments, were estimated by Bu Rec prior to the contract invitations in the total quantity of 8,376,000 cu. yd., but performed in the net quantity of 8,696,421 cu. yd., for a net overrun of 320,421 cu. yd. (including in the computation underruns totaling 279,444 cu. yd. for Items 12, 13, 14, 18, 19, 24, and 25), or an increase of 3.7 percent.

43. These statistics, however, must be read with discrimination. By totaling net overruns throughout the project, they fail to reflect the concentration of overruns in the main dam area itself, which is the only area claimed by plaintiff to be responsible for his difficulties. Furthermore, the statistics of excavation quantities fail to reflect the severity of the conditions under which the excavation was performed.

44. Although the cutoff trench below the main damsite was designed to have a maximum width of 150′ and a particular configuration both horizontally and vertically, in actual fact the designed shape for the cutoff trench was followed only roughly. Its outlines became amorphous as it became progressively more necessary to excavate the contiguous foundation areas down to rock in order to reach suitable foundation conditions as determined by the contracting officer. Thus, the horizontal outlines of the cutoff trench became indistinguishable from the highly irregular surrounding foundation surfaces, in certain places extending from 300′ to 500′ in width, as compared with the maximum designed width of 150′. Due to the extreme irregularity of the rock surface that characterized much of the excavated dam foundation, the cavity design disappeared or became indistinct.

45. By February 1, 1954, plaintiff had excavated in excess of 119,660 cu. yd. of Item 2 material (excavation overburden in open cut) from the main dam foundation, and by March 2, 1954, had exceeded the Government's prebid estimate of 420,000 cu. yd. of Item 2 excavated material from all areas of the project. Plaintiff was then ahead of its construction progress plan for excavation.

46. Of the overrun of 314,291 cu. yd. of excavation from the main dam foundation, the Government classified 208,597 cu. yd. (or 97.4 percent) as Item 2 material, the contract price for which was 53 cents per cu. yd., and 5,693 cu. yd. (or 2.6 percent) as Item 3 material at a contract price of $1.20 per cu. yd. Prior to bid, the Government had estimated that 10 percent of the total excavation for the main dam foundation would constitute Item 3 material.

47. Paragraph 52 of the Specifications provided in pertinent part as follows:

52. *Classification of excavation.* Except as otherwise provided in these specifications, for stripping and common excavation in borrow areas, excavated materials will be classified for payment only as follows:

(a) Excavation, all classes, includes:

(1) Rock excavation.—Rock excavation includes all solid rock in place which cannot be removed until loosened by blasting, barring, or wedging and all boulders or detached pieces of solid rock more than 1 cubic yard in volume. * * *

(2) Common excavation.—Common excavation includes all material other than rock excavation and overburden excavation * * *.

(b) Excavation overburden.—Excavation, overburden, in open-cut will include all common excavation which can be performed without blasting regardless of depth.

* * * On written request of the contractor, made within 20 days after the receipt of any monthly estimate, a statement of the quantities and classifications of excavation between successive stations or in otherwise designated locations included in said estimate will be furnished to the contractor within 10 days after the receipt of such request. The statement will be considered as satisfactory to the contractor unless specific objections thereto, with reasons therefor, are filed with the contracting officer, in writing, within 20 days after receipt of said statement by the contractor or the contractor's representative on the work. Failure to file such written objections with reasons therefor within said 20 days shall be considered a waiver of all claims based on alleged erroneous estimates of quantities or incorrect classification of materials for the work covered by such statement.

48. Paragraph 55(b) of the Specifications, entitled "Excavation in open-cut," provided in pertinent part as follows:

(b) Excavation for foundations of dam and dike embankments.—The entire areas to be occupied by the dam and dike embankments or such portions thereof as may be directed by the contracting officer, shall be excavated to a sufficient depth to remove all materials not suitable for the foundation of the dam and dike embankments, as determined by the contracting officer. The unsuitable materials to be removed shall include all topsoil, rubbish, vegetable matter of every kind including roots, and all other perishable or objectionable materials that might interfere with the proper bonding of the embankments with the foundations, or the proper compaction of the materials in the embankments, or that may be otherwise objectionable. All loose, soft, or disintegrated rock shall be removed to the extent directed by the contracting officer from the abutments of the dam and dike embankments. Slopes of the abutments shall be reduced to provide satisfactory foundation contours, as shown on the drawings or as directed. Cutoff trenches, as shown on the drawings, shall be excavated to suitable rock foundations for the dam and dike embankments. * * *

49. In January 1953, Bu Rec officials conferred with each other on the question of classification of excavated materials. There was considerable difference of opinion as to the interpretation to be given the language of the specifications classifying excavated materials for payment purposes. The conferees decided that the criterion for classification of excavated materials between "Excavation—all classes" and "Excavation—overburden" was as to whether blasting or its equivalent (*i.e.*, barring and wedging) was necessary. By then, the plaintiff had made verbal protests as to classification of some excavated material, but no written protest.

50. The plaintiff's first written protest of record regarding the Government's classification of excavation for pay purposes was dated February 27, 1954, and read in pertinent part as follows:

We are, at this time, protesting the method of classification with reference to contract item No. 3, Excavation, All Classes in open cut. * * * Our interpretation of the contract classification of Excavation, All Classes includes the excavation of both rock and common materials, and the item of Excavation, Overburden includes only all overburden, which item of overburden, we interpret to include unsuitable materials such as top soil, float rock, rubbish, roots and other perishable materials.

* * * * *

The specifications provide that Excavation, All Classes, includes both rock excavation and common excavation and therefore the use of explosives is not necessary to place the material into the All Classes classification. The item of Excavation, overburden we interpret to be a surface-stripping excavation only and after the overburden has been excavated the material falls into the All Classes classification of excavation.

51. (a) The plaintiff's protest of February 27, 1954, remained unanswered for a protracted period. In the meantime, there is no evidence that plaintiff made any formal compliance with the requirements of the concluding paragraph of paragraph 52 of the Specifications as to challenging the monthly estimates of quantities and classifications of excavation.

(b) On October 22, 1954, the plaintiff's protest of February 27, 1954, was forwarded to Bu Rec by the Government's construction engineer with a request for a formal opinion as to proper criteria for excavation classification if the criteria agreed upon by the Bu Rec conferees in January 1953 was not to govern. The Government construction engineer's letter of October 22, 1954, to Bu Rec enclosed a proposed letter of reply to Adler, which the construction engineer had prepared but had not sent to plaintiff pending approval by superiors at Bu Rec.

(c) By this time, the construction engineer had discussed the excavation problem with Adler a number of times; and in the meantime, by October 1, 1954, the overrun of excavation at the main damsite had reached approximately 184,000 cu. yd. (303,140 cu. yd. total excavation at main damsite, less Government prebid estimate of 119,660 cu. yd.). By then, also, Adler had commenced to refill the excavated areas of the main damsite to form the dam embankment, so the physical features of certain areas of the foundation area were covered over and obscured from view, assuming their visibility would have aided in the excavation classification problem, or in the determination of foundation conditions encountered.

52. (a) Having received no reply from his Bu Rec superiors to his communication of October 22, 1954, the Government construction engineer wrote again to his Bu Rec superiors on April 26, 1956, enclosing Adler's protest letter of February 27, 1954, and a proposed reply to it which he had drafted but withheld pending authorization of his superiors to forward it to Adler.

(b) The Government construction engineer's letter of April 26, 1956, to his Bu Rec superiors reviewed the excavation classification problem, reported some intra-Bureau conflicts concerning proper interpretation of the earthwork specifications as to excavation classification, adhered to his earlier view that the proper criterion to distinguish between "all classes" excavation and "overburden" excavation was the necessity for blasting which characterized the former, discussed particular conditions where all-classes material must be blasted to get access to pockets of common excavation requiring removal, and enclosed sketches illustrating typical geological formations presenting this problem.

(c) The letter of April 26, 1956, enclosed a proposed reply to Adler's original inquiry of February 27, 1954, which expressed "regret that reply has been delayed."

(d) The letter of April 26, 1956, also stated that Adler had made no formal written protest to date but that one was expected, and requested a Bu Rec opinion.

(e) By April 26, 1956, the project was nearing completion.

53. In classifying the excavated materials for pay purposes under the specifications, the Government classified and paid for as overburden "The sand, mud and gravels, including loose detached rock of various sizes less than one cubic yard * * *." Plaintiff considers that such materials should have been classified and paid for as "Excavation—all classes." Plaintiff also contends that all of the 214,291 cu. yd. of overrun in excavation and in the main dam foundation should have been classified and paid for as "Excavation—all classes."

54. (a) Plaintiff had an orderly plan for the progressive completion of the project, including sequentially: clearing of the construction and borrow areas, excavation of the diversion and outlet tunnels and of the two dike foundations, installation of grout cap concrete in the dikes, excavation of the vertical shaft for the tunnel, construction of a cofferdam at the downstream toe of the main dam by using some of the burden removed from the main dam area, diversion of the stream after completion of the tunnel and stilling basin, removal of all overburden from the bottom and abutments of the main damsite, excavation for and placement of grout cap concrete in main damsite, and drilling and grouting of the subfoundation area for the main dam.

(b) As soon as the foundation of the main dam has been completely excavated, including the cutoff trench, and the grout cap and grouting had been completed, it was then planned to commence the placement of fill for the main dam by placing limited amounts of Zone 2 (fine rock fill) and Zone 3 (large rock fill) materials at the downstream toe, and spreading Zone 1 fill material (earth) over the rest of the bottom. The three types of fill for the main dam were to be placed over the entire damsite in successive layers from abutment to abutment, and from toe to toe, so as to provide operating room for the efficient use of the earth-moving and placement equipment.

(c) Thereafter, the remaining concrete structures and roadways would be completed, temporary haul roads would be removed, the area would be generally beautified and landscaped, and the residuals of the contractor's presence would be removed.

(d) The plaintiff's progress chart projected removal of all the scheduled 420,000 cu. yd. of overburden by March 31, 1954, and completion of the entire project in 950 days ending June 25, 1955.

55. (a) Plaintiff adhered roughly to its schedule until about February 1954. At the outset, and subsequently as needed, it moved in an adequate supply of equipment in good condition. Equipment and labor forces were deployed at the outset as scheduled. The dikes were started in early 1953 and substantially completed by the end of the 1953 construction season, without encountering any untoward subsurface conditions departing from those anticipated. The stripping excavation operation (*i.e.*, overburden removal) for the main dam foundation was started in mid-1953 in the area of the abutments on either side of the dam and the lower reaches of the bottom area adjacent to both sides of the creek.

(b) By December 20, 1953, the cofferdam was completed with materials removed from the dam foundation, the outlet works and diversion tunnel were completed, and the creek diverted. Thereafter, the river section of the dam area was stripped and excavated and the materials thus obtained were used to complete the cofferdam.

(c) By the end of February 1954, plaintiff had excavated virtually all of the scheduled quantity of Item 2 overburden from the main dam foundation, but had not reached foundation surfaces suitable to the Government. By March 2, 1954, it had excavated the full amount of the Item 2 materials (420,000 cu. yd.) estimated by the Government for the entire project, and, accordingly, was slightly ahead of its own schedule at that time. By this time, the plantiff encountered the difficult subsurface conditions described elsewhere in these findings, and the Government representatives directed that excavation be continued until suitable foundation conditions were reached.

56. (a) As a result of the subsurface conditions encountered in the excavation of the main dam foundation, the plantiff's plans for utilizing his equipment and labor forces were badly disrupted and thrown off schedule. He was forced to perform the foundation excavation and refill in a piecemeal manner and in small areas at a time, instead of the large sections which he had contemplated, thus frustrating the efficient use of his equipment and operating personnel.

(b) In stripping off unsuitable materials and excavating overburden, he encountered numerous projections of solid, irregular rock, which deprived his construction equipment of room to maneuver efficiently in the confined areas dictated by the obstructions. In such areas, his large tractors and highspeed, rubber-tired scrapers could not be used to full advantage because of the abrupt drops and protrusions.

(c) Excavation and refill proceeded on a random, disorganized basis. Much of the excavation had to be performed with small backhoes and by hand, instead of equipment designed for more efficient performance. Quantities of excavated material had to be loaded onto small trucks for removal, and the arrival and departure traffic pattern for these vehicles was forced by the terrain to be circuitous. Instead of being able to place fill in quantity sequence over large areas, it had to be accomplished in small segments as they became available. Material required abnormal rehandling. Ramps had to be constructed to enable vehicles to negotiate precipitate changes in elevations.

(d) In some areas, from 15′ to 20′ of overburden had to be removed before hitting the tops of rock formations and dropping into pockets to additional depths of 10′ to 15′, some of which could not be reached by a ¾-yard backhoe.

(e) The conditions, as described in the preceding paragraphs of this finding, prevailed over extensive areas of the main dam foundation, and are graphically depicted in a number of photographs which were taken at progressive stages of performance. The depths of excavation are also reflected in the cross-section excavation drawings discussed, *supra*.

(f) Since approximately 83 percent of all excavation and refill work to be performed in the entire project concerned the main dam itself, any substantial overrun of excavation in the main dam foundation area was critical to the construction progress of the entire project.

57. (a) On December 2, 1954, Bu Rec wrote its construction engineer at the worksite, expressing concern that the plaintiff's revised construction program, because of the heavy overruns in the excavation at the main damsite (with which Bu Rec was familiar because of its increasingly accurate method of reporting excavation quantities), was 4 or 5 months behind tahe original completion schedule, and recommended that plaintiff be "urged to complete the work at the earliest possible date in order to minimize the assessment of liquidated damages."

(b) On May 4, 1955, a Government inspector visiting the worksite advised Bu Rec that "arrangements for speeding up his [plaintiff's] operation should be completed and in operation at present." After summarizing the work status and the overrun situation, the inspector concluded that "Unless the contractor is able to better organize his work and speed up his operation it will be impossible to complete construction this year."

(c) On June 15, 1955, the construction engineer at the worksite advised Bu Rec that "We are continuing our advice that he [plaintiff] should accelerate production to complete the fill this calendar year." He anticipated the work would go into the winter months."

58. On June 22, 1955, the construction engineer at Pactola, in acknowledging plaintiff's revised construction program (which he said was not satisfactory), pointed out that it would be impossible to install any volume of Zone 2 rock fill and rock fines fill on the main dam embankment during the ensuing winter months of freezing weather, because of the specification requirement for wetting the material, and continued:

> In order that the Bureau of Reclamation may meet its commitments, which are essential to completion of relocated Highway 85A, reroute of traffic, and start of water storage, it is necessary that the embankment be completed by the end of this calendar year, at the latest. Please review your construction program and equipment needs with a view to increasing production on all lagging features and particularly those rock items which you now indicate will not be completed until March 1956.

59. On October 14, 1955, the construction engineer at Pactola described to Bu Rec the plaintiff's arrangements to procure additional equipment and items of additional work remaining to be done during the forthcoming cold weather. The letter further stated as follows:

> As you know, for many months we have been urging the contractor to acquire more equipment to expedite completion of his work. I feel that we have exerted every possible influence in that direction. From time to time we have been advised by him of proposed purchases, rental deals, and impending subcontracts, all of which failed to materialize.

60. (a) During the progress of the work, plaintiff called attention of Bu Rec representatives to changed subsurface conditions, which (according to plaintiff) differed from those anticipated by the specifications and contract.

(b) On June 15, 1955, plaintiff wrote to Bu Rec requesting a 419-day time extension, consisting of 234 days for overruns in overburden excavation at the main dam foundation and 185 days for a correlative overrun in excavation at Rock Source B needed to fill the main dam embankment. The request for a 419-day time extension was reduced by plaintiff to 329 days by certain offsets which are relevant to the immediate controversy.

(c) The letter of June 15, 1955, left open the possibility of further time extensions being required before the job was completed; and stated in part as follows:

> Our present time for completion of the contract has been set as July 29; therefore it is of the utmost importance and urgency that the time for completing the contract be extended as quickly as possible. We cannot suffer the penalty of liquidated damages on Pactola Dam Contract, especially when such extensions of time are due to causes beyond our control.

61. Under the date of July 13, 1955, the contracting officer issued his findings of fact on plaintiff's claim of June 15, 1955. He extended the plaintiff's time for performance by 159 days (as compared to plaintiff's request for 329 days) due to overruns in excavation and refill. No findings were made as to the changed conditions that had been alleged by plaintiff in its protest of June 15, 1955.

62. (a) On August 17, 1955, plaintiff filed a Notice of Appeal with the Department of the Interior Board of Contract Appeals, and on August 31, 1955, supplemented the notice with a letter which described the details of plaintiff's objections to the findings of the contracting officer.

(b) On November 17, 1955, the contracting officer withdrew his findings of fact issued July 13, 1955, pending further investigation to determine the full extent of the delays.

(c) In a letter to Adler dated November 22, 1955, the contracting officer stated as follows:

> Because the overrun of quantities cannot be definitely determined until near the end of the job, the supplemental findings will probably not be made until work under the contract is substantially complete. Our release of liquidated damages until the job is complete should *not* be taken as an indication that the supplemental findings of fact will excuse all of your delay. On the basis of information presently available it appears unlikely that all of your delay will be found to be excusable. Accordingly, you are urged to plan your operations for the winter and for next construction season to complete the work at the earliest possible date and thereby minimize the amount of liquidated damages to be deducted from your final voucher. In the event the supplemental findings do not excuse the entire delay, you can then appeal those findings and secure an administrative review of the entire matter.

63. (a) Although the plaintiff had provided ample equipment for performance of the contract according to its original dimensions, it became apparent, as the substantial overruns in excavation and the difficult foundation conditions materialized, that additional equipment would be required to cope with the situation and to meet the Government's demands for performance acceleration.

(b) Responding, the plaintiff in 1954 brought in a 2½-cubic-yard Lima power shovel, six new Euclid quarry trucks, another Sheepfoot roller, and another large air compressor. In October 1955, plaintiff added five or six units of high-speed, rubber-tired, earth-moving scrapers and a D-8 dozer push cat, which were brought from Wyoming and other South Dakota locations for digging and hauling, and four units of earthmoving belly-dump wagons imported from a Tiber dam job about 400 miles away from Pactola.

(c) The rough topography and pocketed work areas in the main dam foundation site prevented efficient utilization of equipment and required more equipment to accomplish less work than under more normal circumstances.

64. Paragraph 9 of the contracting officer's supplemental findings of fact issued July 11, 1956, stated in part as follows:

> 9. * * * However, the work was seriously curtailed early in November 1955 by severe cold weather and snow. Ordinarily the contractor would have been able to work until the middle of December with very little lost time due to weather. In spite of the severe weather of the 1955–1956 winter, the contractor kept the work going throughout the winter, although at a reduced rate, until warmer weather in April permitted the resumption of full-scale work on the excavation, all classes, items. Because the overruns forced the work to be performed over a longer period, extending over a severe winter season not anticipated when the contract was entered into, the contractor is entitled to an extension of time for any delay occasioned by the winter weather. Excavation, all classes, during the winter was only about 55 percent of the production during warmer weather. Accordingly, it is found that for the 5-month period from November 1955 to March 1956, inclusive, the contractor was delayed 45 percent of the time by a winter season not contemplated by the contract * * *

65. The winter of 1955–56, from November through March, was unusually severe, particularly the months of November and December, which brought record low temperatures.

66. (a) Pactola Dam is located in what is sometimes known colloquially as the "banana belt" of South Dakota, which has reference to its usually more moderate climate than the rest of the State. Plaintiff had scheduled its work under the original contract to be carried on as much as possible through the winter months, but did not contemplate working through the 1955–56 winter since the original completion date was June 1955.

(b) At the urging of the Government plaintiff worked under weather conditions in the 1955–56 winter which would ordinarily have caused him to suspend or reduce activities, particularly in November and December 1955. The work he accomplished during this period comprised mainly the drilling and blasting of rock in Rock Source B, loading the material thus blasted by power shovel into trucks and hauling it to the main dam embankment, and dumping the material there in the respective zones.

(c) Working under these conditions decreased the efficiency of plaintiff's equipment and manpower by causing frequent and serious breakage of equipment components, shovels, caterpillar bulldozers, caterpillar rock rakes, and quarry trucks; interfered with the regular flow of work; caused equipment starting difficulties; and disrupted normal rock drilling, blasting, excavating, transportation, and placement procedures.

(d) The severity of the 1955–56 winter accentuated the difficulties of contract performance which are common to normal winter weather, as in the preceding winters of Adler's performance at Pactola.

67. (a) At the outset of a conference held between the parties on July 5 and 6, 1956, to determine the extent of the time extension to be granted and to agree upon extra costs of performance, the Bu Rec representatives proposed to extend the time for performance to April 27, 1956, which would have left plaintiff liable for liquidated damages beyond that date. By the end of the conference, Bu Rec had agreed to extend the time to August 15, 1956, which was satisfactory to plaintiff, in that substantial completion by then was anticipated.

(b) At the conference, the parties discussed plaintiff's claim that overruns on scheduled quantities of overburden and excavation, all classes, had resulted in additional costs; but after considerable discussion, the Bu Rec representatives concluded that no changes had been made which would account for these overruns. The conferees also agreed upon issuing Order for Changes No. 5 to compensate plaintiff for 11 specified items of changed work in the total sum of $43,314.39.

(c) At the conclusion of the conference, the plaintiff signed the following letter to Bu Rec dated July 6, 1956, prepared by the latter:

> Reference is made to conference held with representatives of the Bureau of Reclamation on July 5 and 6, 1956, regarding our claims for extra work and changes in connection with Contract No. 14-06-D-254 for construction of Pactola Dam under Specifications No. DC-3783, Missouri River Basin Project.
>
> This will confirm understanding reached in conference that the payment by the Bureau of Reclamation of the sum of $43,314.39 to us for extras and changes as discussed at the conference will be accepted as settlement in full of all claims for additional compensation under the contract arising out of work performed to date.
>
> Upon the Bureau's execution of a formal contract document providing for the above payment, all claims for additional compensation presently pending will then be considered as withdrawn without further action by the contractor, and no new claims for additional compensation will be made on the basis of anything occurring prior to July 6, 1956.

(d) No reservations were specified in the foregoing release.

(e) The release was signed by plaintiff several days before the granting of a time extension by the contracting officer's findings of fact dated July 11, 1956, and before the receipt on July 18, 1956, of Order for Changes No. 5 paying plaintiff the sum specified in the release. Adler testified that he was required by Bu Rec to sign the release if he wanted to be paid the sum provided for in Order for Changes No. 5, which was promptly issued thereafter, but this is denied by Government witnesses.

(f) The release by Adler of all excavation and fill claims up to July 6, 1956, by payment of $41,618.04 for 5,322 cu. yd. in a relatively small area of the river section of the main dam foundation and $330.77 for excavation in the cutoff trench was inconsistent with the known existence of much more extensive claims for changed conditions and overruns, as reflected in the exceptions reserved by Adler in connection with subsequent releases which he signed.

(g) At the time when Adler signed the release, he did not have access to full Government data as to excavation and fill quantities, because Bu Rec was packing up its records as the completion of the project neared.

68. (a) The figure of $43,314.39 referred to in the release letter of July 6, 1956, was the increased cost allowed plaintiff by Order for Changes No. 5, which was dated June 14, 1956, but was not received by plaintiff until July 18, 1956. Whether the conference between the parties on July 5 and 6, 1956, which ended with plaintiff signing the release letter, effected any changes in the original contents of the June 14, 1956, Order for Changes No. 5 cannot be determined. From the date sequence, it would appear that at the July 5 and 6 conference, the plaintiff merely approved of or accepted the determinations that had already been made by Bu Rec and incorporated in the June 14 Change Order. Another possible explanation is that the Order for Changes was prepared at the July 5–6 conference but backdated to June 14 for unexplained reasons.

(b) Order for Changes No. 5 provided compensation totaling $43,314.39 for 11 listed changes, of which the first one, accounting for $41,618.04 of the total, read as follows:

> In lieu of excavating all classes excavation to provide a reasonably uniform foundation surface in the river bottom area of the dam, you are directed to excavate overburden from crevices, cavities, and channels and refill such excavation to 1 foot above rock pinnacles with specially compacted Zone 1 material.

This work, which had been actually completed by plaintiff by September 20, 1954, involved 5,322 cu. yd. of additional excavation and fill, at the rate of $7.82 per cu. yd.

Of the remaining ten items listed and paid for by Order for Changes No. 5, the second one paid $330.77 for 3,007 cu. yd. of additional excavation in the cutoff trench at $0.11 per cu. yd., and this had been completed in July 1953. The remaining nine items in Order for Changes No. 5 totaled only $1,365.58 (including a deduction item of $103), and involved items of work not related to the main dam foundation.

(c) Under the date of July 30, 1956. Adler executed a statement at the end of the Order for Changes No. 5, certifying that "Adjustment of the amount of compensation due under the contract and/or in the time required for its performance by reason of the changes ordered above is satisfactory and is hereby accepted."

(d) The Order for Changes No. 5 made no reference to time extensions for the extra work.

(e) All but two of the 11 items covered by Order for Changes No. 5 had been completed by late 1954.

69. (a) On July 11, 1956, the contracting officer issued supplemental findings of fact, which granted plaintiff a time extension of 332 days to August 15, 1956, and described the basis of the allowance in detail. These findings were a final response by the contracting officer to the plaintiff's letter of June 15, 1955, requesting a time extension, and were a substitute for and enlargement of the contracting officer's findings of July 13, 1955, which had been wtihdrawn on November 17, 1955, in an order which suspended the assessment of liquidated damages until the facts could be more accurately determined.

(b) The latest findings of fact increased the time extensions previously granted by means of dividing the total amounts of overrun and fill by figures considered to represent typical daily production by the contractor, based on his performance over a long period. Additional time extensions were based on other factors, including 68 days for delays caused by the severe 1955–56 winter, in which the contracting officer estimated that the contractor could work at only 55 percent efficiency.

(c) No mention was made in the July 11, 1956, findings of fact of delay-damage claims by plaintiff, or of the claims referred to in Order for Changes No. 5.

(d) The concluding paragraph of the July 11, 1956, findings of fact advised the plaintiff of his appeal rights under the contract. Since the final time extension eliminated the prospect of liquidated damages, disagreement by plaintiff as to the method of computation became moot.

70. On August 15, 1956, the project was accepted by Bu Rec as being substantially complete, although there was a substantial amount of cleanup and beautification to be completed, roads to be eliminated, and debris to be buried. It was fully completed by January 8, 1957, and was considered to be very well constructed, attractive, and watertight.

71. After the substantial completion of the project on August 15, 1956, plaintiff performed certain additional work ordered by Order for Changes No. 6 dated July 20, 1956. This work related to raising a road grade, surfacing a parking area, and excavating a ditch on the side of a road through Rock Source B, for which on November 19, 1956, he accepted the sum of $5,463.30, as agreed to at a conference between the parties on November 7, 1956.

72. (a) On November 20, 1956, Adler executed a release form which provided in part as follows:

> Now, THEREFORE, in consideration of the premises and the payment by the United States to the contractor of the amount due under the contract, to wit, the sum of Two hundred thirteen thousand five hundred sixty-two and 60/100 dollars ($213,562.60), the contractor hereby remises, releases and forever discharges the United States of and from all manner of debts, dues, sum or sums of money, accounts, claims, and demands whatsoever, in law or in equity, under or by virtue of the said contract, except contract items and quantities as listed on the reverse side hereof.

(b) The reverse side of the release summarized exceptions totaling $198,633.20. The numbers and amounts of the exceptions were as follows:

| *No.* | *Amount* |
|---|---|
| 3 | $22,832.20 |
| 4 | 1,342.00 |
| 11 | 41,532.87 |
| 12 | 33,407.79 |
| 14 | 23,600.50 |
| 16 | 68,429.70 |
| 21 | 1,463.00 |
| 41 | 688.50 |
| 43 | 2,772.00 |
| 50 | 770.00 |
| 51 | 572.00 |
| 52 | 463.20 |
| OFC No. (3) (c) | 759.24 |

73. The $213,562.60 given as the consideration for the release of November 20, 1956, consisted almost entirely ($212,319) of retained percentages, *i.e.*, 10 percent of all the contractors' monthly earnings were to be retained until he had completed 50 percent of the work (in this case through August 1954), and were to be paid to the contractor upon completion and acceptance of the project and presentation by him of a certified voucher and, if required, an executed release, all as provided by Article 16 of the contract.

74. (a) By a letter dated November 20, 1956, plaintiff returned his release of that date, together with public voucher, labor standards certification, and executed Order for Changes No. 6, to Bu Rec.

(b) The letter of November 20, 1956, stated in part as follows:

> The "Release on Contract," Form 7–292, has been properly executed by us with thirteen items of exceptions set forth on the release of contract. The exceptions indicated on the release are pursuant to Article 16 of the contract. During our conference in Denver with the various representatives of the Government on November 7, 1956, the officials were advised that exceptions would be set forth in the release on contract, and we also agreed that claims in connection with the exceptions to the release on contract, would be filed immediately. It is our desire to immediately review the government calculations and figures in connection with the contract items excepted in the release, which review may require about fifteen to twenty days, whereupon we will process our claims for all discrepancies discovered. We anticipate processing and filing of our claim or claims on or before March 1, 1957. We anticipate reviewing the government records immediately and before such records are transferred to the District Office at Huron, South Dakota.

75. On November 30, 1956, plaintiff received final payment under the contract in the amount of $213,562.60.

76. On August 23, 1957, Bu Rec wrote the following letter to plaintiff:

> In your letter of November 20, 1956, accompanying the release on contract, you stated that additional data on your claims excepted from the release on contract would be filed on or before March 1, 1957. Since that time I have heard nothing further from you regarding these claims.
>
> In order that we may close our files on this job, I propose to issue findings of fact in approximately 60 days using such information as we have on your claims if the additional data is not filed by that time.

77. On October 17, 1957, plaintiff wrote as follows to Bu Rec:

> Your letter dated August 23, 1957 and addressed to our Rapid City, South Dakota office has been forwarded to our new Englewood, Colorado office.
>
> The checking of the project office figures to prepare our claim for additional compensation in connection with Pactola Dam, Specifications No. DC–3783, is requiring considerably more time than was originally anticipated. We have discussed the several items within our claim with your office, verbally on three or four occasions since February 1957.
>
> Some of the items of work in question may require assistance from your office and/or engineering assistance because the government project records are not too clear in several instances.
>
> It is our desire to personally discuss some of the records and our findings with your office prior to the submission of our claim on several of the items of work involved; therefore we will greatly appreciate your delaying the issuance of Findings of Fact until the matters can be discussed with you.

78. On February 7, 1958, Bu Rec issued findings of fact and a decision by the contracting officer, which read in part as follows:

> 2. In executing the release on contract dated November 20, 1956, the contractor excepted 13 items of claim totaling $198,633.20. * * *
>
> 3. Having heard nothing further from the contractor on this matter in the meantime, the Government wrote to the contractor on August 23, 1957, advising that findings of fact would be issued in 60 days using the information then available. On October 17, 1957, the contractor replied to that letter, requesting that issuance of the findings of fact be delayed until details of his claims could be discussed. Accordingly, a meeting was held on November 5, 1957. The discussions held then were inconclusive because the contractor had not completed his data required for detailed study of his exceptions. At the meeting, he did agree that his review of the Government calculations would be completed by the end of November 1957, and that he then would contact the Bureau to arrange an immediate meeting for discussion in detail of his exceptions to the release. To the date of these findings, the contractor has not contacted the Bureau further in regard to his claims, nor has he furnished any addition information. * * *
>
> 4. As a result of the contractor's exceptions to the release on contract, the Government has reviewed the computations and has discovered an error in the quantity paid under Item 50. Concrete in Dam Embankment Cutoff Wall and Outlet Works Stilling Basin Walls. The quantity paid on the final estimate under this item was 827.8 cubic yards, whereas the quantity should have been 9.65 cubic yards larger. This quantity of concrete had been placed in the cutoff wall during 1954, and later computations overlooked this 9.65 cubic yards. At the bid price of $55.00 per cubic yard, the contractor is entitled to $530.75 additional payment for Item 50.
>
> 5. The computations for all other items listed by the contractor as exceptions to the release on contract have been carefully checked and no discrepancies have been found. Accordingly, it is the conclusion of the contracting officer that all of the contractor's claims except that on Item 50, are without a proper basis in fact, and they are hereby denied.

79. On March 3, 1958, plaintiff filed a notice of appeal to the findings of February 7, 1958, and said, *inter alia:*

> The Findings are not complete in that they do not give consideration to the extra costs incurred by reason of the overruns in Items 2, 4, 9, 11, 16, 17, 20, 21, 23, 40, 41, 42, 43, and 44 through 52 inclusive. The total of the additional quantities extended the performance of the contract beyond the period foreseeable at the date of execution. Such quantity increases indicate that the subsurface or latent conditions at the site differed

materially from those anticipated by information furnished by the Contracting Officer.

80. No such claim was expected from the operation of the release given by plaintiff on November 20, 1956. Of the items mentioned by plaintiff in its notice of appeal, nothing in the release excepted any claim in connection with Items 2 (Excavation, overburden), 9, 17, 20, 23, 40, 42, or 44 through 49. Furthermore, as to items excepted from the operation of the release the only exception was as to the accuracy of the quantities for which plaintiff had been paid. There was in the release no reservation of a claim for extra costs by reason of overruns or because of any extended performance period. In its appeal, plaintiff did not cite any claim as to Item 3 (Excavation, all classes, in open cut), or any claim as to misclassification of excavation.

81. A letter dated March 20, 1958, from Bu Rec to plaintiff stated in part as follows:

> A brief study of your appeal indicates your desire to review the project records and set forth in detail the points of alleged error on which you are basing your claims. It is agreed that any areas of alleged error should be delineated so that the hearings may be as brief and effective as possible.
>
> * * * * *
>
> It has been the desire and intention of the Bureau to meet with you and aid in every way to check, specifically, points of disagreement. If you wish assistance and a cooperative review of the calculations, will you please communicate with this office to arrange a meeting for that purpose in the immediate future. Assistance will be readily available until about May 1, 1958, except for the week of March 30 to April 5.
>
> In the event that any errors in the calculations are discovered by our mutual efforts, in the period allowed by the Board of Contract Appeals for your filing of a brief, the findings will be revised, or reissued, to reflect any corrections that may be found to be justified.

82. (a) Pursuant to the Government's invitation, as noted in finding 81, Adler, accompanied by an engineer employed by him, one Thomas Zolper arrived at the Bureau's offices in Denver on Tuesday, April 15, 1958. Thereafter for the balance of the workweek, conferences were held between Adler and the Bureau engineers; and measurements were made by Alder, Zolper, and the construction engineer, Goehring, from the project construction records.

(b) All of the contract items cited in the exceptions to plaintiff's release of November 20, 1956, were studied; and there were no errors found in the Government's measurements as to Contract Items 3 (Excavation, All Classes, in Open Cut), 12, 13, 41 and Order for Changes No. 3, and those items were deleted from plaintiff's claims.

(c) The construction engineer, in a memorandum of the conference written May 1, 1958, said that he believed plaintiff's claim under Contract Item 51 had been similarly deleted; and no claim under that item is prosecuted here.

(d) It is not entirely clear from the contemporaneous memorandum, but it is reasonable to infer that plaintiff did not object to the deletion of his claims for Items 3, 12, 14, 41, and 51, and under Order for Changes No. 3, seemingly convinced by the Government's proof.

83. Errors in the Government's quantity measurements were found by the conferees in Items 11 and 16, as well as in Item 50, the error which had previously been corrected by the findings of fact dated February 7, 1958. In Item 11, an arithmetical error had resulted in payment to Adler for some 13,719.2 cubic yards less than actually excavated, entitling him to a further payment of $5,076.10 for that item. A similar error in Item 16 of 3,863.1 cubic yards entitled Adler to a further payment of $3,476.79.

84. Disposition of certain claims in the fashion indicated in findings 82 and 83 left only four of the exceptions to Adler's release as to which no agreement had been reached at the end of the conference. These were Adler's exceptions to Items 4 (Excavation, All Classes for cutoff wall footings, grout caps and cutoffs), 21 (Special compaction of earthfill), 43 (concrete in cutoff wall footings and grout caps), and 52 (concrete in highway payments).

85. Following the 4-day conference described in findings 82–84, Government engineers thought that Adler's claims on the four items not resolved (*i.e.*, 4, 21, 43, and 52) might have some merit; and the "records and computations were studied again with a view to finding justifiable reasons and quantities for payment."

86. As a result, the Bureau decided to allow Adler 46.6 more cu. yd. on Item 4 than he had been paid for. At the time of the conference, Adler was seeking payment for only 43.3 cu. yd. on Item 4, which, at $22 per yard, came to $952.50. The Bureau's allowance was somewhat larger, $1,025.20.

87. Adler's claim for special compaction of earth fill in the amount of 418 cu. yd., was allowed in full in the amount of $1,463.

88. Adler, who in his release and at the conference, claimed he was entitled to payment for an additional 115.5 cu. yd. of grout cap concrete (Item 43), claimed only an additional 43.3 cu. yd. of grout cap excavation. The engineers were unable to see how Adler could claim so much more concrete fill than he had excavation. Study of batch counts led to an allowance of 48.1 additional cu. yd. of concrete to fill the void left by the extra excavation allowed (46.6 cu. yd., see finding 86); and in addition the Bureau found that another 37.5 cu. yd. had not been paid for. This led to an allowance on Item 43 of 85.6 additional cu. yd., warranting payment of an additional $2,054.40.

89. Alder's exception on the release of 19.3 additional cu. yd. of "concrete in highway pavement" (Item 52) was allowed in full.

90. Under the date of November 14, 1958 (but not mailed to plaintiff until January 29, 1959), the contracting officer issued supplementary findings of fact, which discussed plaintiff's exceptions to its release and stated in part as follows:

> 9. As a result of the review of the data, no errors or irregularities were found in the calculations for final payment for Items 3, 12, 14, 41, 51 and Order Changes No. 3.
>
> 10. In his notice of appeal, dated March 3, 1958, the contractor requested an adjustment because the large overruns in several of the major items of the job forced the work to continue for a longer period than had been originally planned. * * * The release on contract * * * did not reserve such a claim. The contractor's failure to except this claim from the operation of the release on contract precludes my considering the claim, and it is therefore denied.
>
> 11. In summary, it is found that the contractor is entitled to the following additional compensation on Items 4, 11, 16, 21, 43, and 52 of the schedule of Specifications No. DC–3783 * * * [$1,025.20 on Item 4, $5,076.03 on Item 11, $3,476.70 on Item 16, $1,463 on Item 21, $2,054.40 on Item 43 and $463.20 on Item 52].
>
> The Findings of Fact dated February 7, 1958, showed that the contractor was entitled to $530.75 under Item 50 of the schedule of the specifications. Thus, it is found that the contractor is entitled to a total of $14,089.28 additional compensation. All other exceptions to the release on contract are found to be without proper basis and they are denied.

91. On January 30, 1959, plaintiff wrote the following letter to Bu Rec:

> We hereby acknowledge receipt of your letter dated January 29, 1959, in which you transmitted the Supplemental Findings of Fact and Decision dated November 14, 1958, in connection with the above named contract.
>
> Please be advised that we hereby accept said Supplemental Findings of Facts as satisfactory settlement of all claims under the aforementioned contract except as follows:
>
> We reserve all the rights in connection with our claim as outlined in Paragraph IV of our Notice of Appeal dated March 3, 1958, in which we claimed additional compensation for increased costs on the items stated therein, because these additional quantities extended the performance of the contract beyond the period foreseeable at the date of its execution.
>
> Accordingly, we do not accept Paragraph 19 of the afore-mentioned Supplementary Findings of Fact and Decision dated November 14, 1958, and a formal Notice of Appeal therefrom will be filed at a later date.

92. Subsequently, on February 28, 1959, plaintiff filed a timely appeal with the Interior Department's Board of Contract Appeals. On January 4, 1960, in IBCA–156, the Board sustained the Government counsel's contested motion to dismiss the appeal on the ground that the claims presented by Adler "sound either in misrepresentation or call for recovery of unliquidated damages," over which the Board had no jurisdiction.

93. The various matters pertaining to this case were first brought to the attention of the Congress in an earlier document entitled "Statement as to Case of Adler Construction Company," dated February 12, 1960. Adler's claims made in that statement were, briefly stated, that the Government had:

(a) Failed to fully rectify a mistake in bid by Adler, depriving Adler of $136,240;

(b) Failed to allow equitable adjustment for excess costs arising from changed or latent conditions at the site and gross overruns of quantities; and

(c) Failed to allow excess costs and damages from breaches of contract by the Government.

94. During the 86th Congress, 2d Session, there was introduced a bill identified as S. 3199, dated March 14, 1960, for the relief of Adler Construction Company. Later, the bill was referred to the Court of Claims by S. Res. 288.

95. Following the reference of S. 3199 to the Court of Claims in August 1960, the matter was docketed as No. Cong. 10–60, and the court accepted reference of all three claims. However, as a result of the Supreme Court's opinion in *Glidden Co.* v. *Zdanok*, 370 U.S. 530 (1962), the Court of Claims issued an order dismissing the congressional reference aspect to plaintiff's claims but retaining jurisdiction of plaintiff's breach of contract claims as being within the court's general jurisdiction pursuant to 28 U.S.C. § 1492 (1958 ed.).

96. On April 17, 1970, the court issued its opinion in this case, dismissing plaintiff's petition on the ground that, from a legal standpoint, plaintiff had effectively "released" the Government from liability for any reimubursement claims it might have had.

97. In view of the long pendency of this controversy, and the fact that an extensive trial had already been held on this matter prior to the filing of plaintiff's present petition, and, further, in order to obviate the need for further proceedings, plaintiff proposed that an agreement be reached by the parties on the conclusion to be reported to the Congress. After extensive negotiations by counsel, the parties have reached agreement that plaintiff has no valid legal claim against the United States, but that it has a valid equitable claim in the total amount of $300,000. This equity settlement amount is designed: to reimburse plaintiff fully for the remaining $136,532.86 relating to alleged mistakes which plaintiff made in the preparation of its bid for the project; and to compromise for $163,467.14, as an equitable

amount, all remaining claims, including but not limited to claims for changed conditions, breaches of contract, and anticipated profits.

CONCLUSIONS

1. The plaintiff, Adler Construction Company, a partnership composed of Harold C. Adler and Vera L. Adler, does not have any legal claim against the United States.

2. Under the standards set out in *Burkhardt* v. *United States*, 113 Ct. Cl. 658, 84 F. Supp. 553 (1949), the plaintiff does have a valid equitable claim against the United States.

3. The amount of $300,000 is equitably due from the United States to the claimant.

CERTIFIED, a true and correct copy, Oct. 25, 1972, at Washington, D.C.

SAUL R. GAMER,
*Chief Commissioner,*
*U.S. Court of Claims.*

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## AMENDMENT OF THE AGRICULTURAL ACT OF 1970

The **PRESIDING OFFICER.** Under the previous order, the Senate will now proceed to the consideration of S. 1888, which will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 1888) to extend and amend the Agricultural Act of 1970 for the purpose of assuring consumers of plentiful supplies of food and fiber at reasonable prices.

Mr. **TALMADGE.** Mr. President, I ask unanimous consent that the following staff members of the Committee on Agriculture and Forestry be permitted to be present on the floor during the consideration of S. 1888 and the votes thereon: Harker T. Stanton, chief counsel; Michael R. McLeod, counsel; Henry J. Casso; Forest W. Reece; James W. Giltmier; James E. Thornton; William A. Taggart; Cotys M. Mouser; and James M. Kendall.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. **ROBERT C. BYRD.** Mr. President, will the Senator yield?

Mr. **TALMADGE.** I yield to the assistant majority leader.

Mr. **ROBERT C. BYRD.** Mr. President, at the request of the distinguished Senator from New York, I make the same request for Kelly Costley.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The Senator from Georgia is recognized.

Mr. **CURTIS.** Mr. President, may we have order?

The **PRESIDING OFFICER.** The Senate will be in order.

Mr. **TALMADGE.** Mr. President, it is with no small measure of pride that I rise today to present to the Senate an extension of general farm legislation which the Committee on Agriculture and Forestry has called the Agriculture and Consumer Protection Act of 1973.

Never in all of my years in the Senate have I seen a group of Senators work in such an atmosphere of cooperation and bipartisanship in attempting to develop a bill that would be fair and equitable to both farmers and consumers.

As a result of these efforts, the bill before us today is one which was sent out of committee unanimously.

Very early this year, I expressed two desires to the committee:

First, that in attempting to draft new legislation, we try insofar as possible to get comments from all segments of the population concerned with this legislation—most particularly those of the dirt farmers who will have to live with what we do here for years to come.

Second, I indicated that it was essential that we get an early start on this legislation because consumers need to be assured of adequate food supplies at reasonable prices and farmers need to know well in advance what kind of program their livelihood will be based on. In particular, winter wheat growers must know what the rules are by August of this year. Accordingly, the committee agreed that we would do our part to attempt to have a bill on the President's desk by July 1.

In regard to the first of these desires, the country responded admirably. In hearings held in Washington and out in rural areas, we heard from nearly 300 witnesses. They sent us a message, and we are responding positively to that message here today.

We are operating this year in a totally different arena than the one which existed prior to the adoption of the 1970 act.

In 1970 we had substantial surpluses of basic farm commodities. Now our reserves are at low levels.

At that time it appeared that our agricultural markets were shrinking. Now the Secretary of Agriculture talks about a "promised land for American agriculture."

At that time, farm prices and food prices were low. Now they are higher. Perhaps this one issue overshadows all of the others insofar as discussion of farm legislation is concerned. Consumers see the need for greater supplies and consumers and farmers are united in their desire to see that those supplies are produced. At no time in recent history has there been such unanimity of support for farm legislation.

What we are discussing here today is food for our Nation. Without abundant supplies of food none of the great achievements of this country could have been accomplished.

Conversely, without adequate income—without a fair return on their substantial individual investments—without some guarantee against a price break if they succeed in producing a bumper crop, we cannot expect our farmers to continue to perform in the exceptional way that they have in past years, and to meet the new demands that are being placed upon them.

It is as simple as that.

Many farmers have been uncomfortable with farm programs. Because farmers are independent men who are unhappy when irresponsible people describe government payments made to assure adequate production and orderly marketing as government "handouts."

Others not involved in farming do not understand why the government should try to regulate production or why the taxpayer should bear the cost of a program to assure consumers of an abundant supply of food at fair and reasonable prices.

It is important to note that most of the commodities produced by our farmers do not come under these programs. Their prices—for everything from turnips and onions to oranges and beef cattle—are governed by the demands of the market place. Sometimes supplies are short and prices are high. Sometimes supplies are up and prices are down. Within limits consumers can shift from one commodity to another in response to price changes.

However, we have learned through bitter experience that for basic commodities such as wheat, feed grains, and cotton, unless output is tailored to meet our needs, consumers suffer from shortages and higher prices or farmers go broke and all of us suffer.

This year, I asked the Department of Agriculture to do a study to indicate what would happen if farm programs were abolished. This was before the Department realized that supplies would be as short as they are and reduced feed grain set-aside requirements, and before the spring floods that were so devastating this year. The analysis which they provided showed that the impact of eliminating farm programs could be disastrous in terms of farm prices and farm incomes. In the first year of the elimination of the program, corn prices could drop below a dollar a bushel and wheat prices could fall substantially. Cotton prices might range from 25 to 27 cents a pound. Now these prices may at first blush sound very good to the consumer particularly in the light of recent price increases, but farmers selling their products for these below-the-cost-of-production-prices simply will not stay in business long.

Further, the impact on agriculture in such a situation would go far beyond prices and production. Resource adjustment in agriculture would be agonizing, longlasting and farreaching, and we would move from a system of reasonably stable supplies to a "boom and bust" agricultural economy.

At times there would be more food available to consumers than they could consume. At others, our housewives would face severe shortages. Prices of food would gyrate accordingly and there would be no stability in the market.

We should appreciate what the farmer has done for us during the years when many accepted plentiful supplies of food and fiber at reasonable prices as almost a matter of course, and some regarded the farm program that produced them as a gravy train.

Farm prices and farm income during most of this period have been low. Even at present record levels, per capita farm income is at 83 percent of that for the non-farm population.

We need to assist our farmers in meeting our most essential needs, those for food and fiber as fully as we need to assist business with an efficient low cost postal service, labor with an adequate minimum wage, our maritime fleet with shipping subsidies, and our poor with a welfare program. There is no such thing as letting every man go it alone in a free undetermined economy, so that the strong will prevail and the weak will perish.

We tried that once before when one of our past Presidents advised that Government should be "an umpire instead of a player in the economic game." He also wanted to keep Government off the farm.

The result of that advice became evident in 1933, when one-fourth of our farmers lost their land, and grain prices were at their lowest since the reign of the first Queen Elizabeth. Rural banks, and other enterprises dependent on the farmer as a customer collapsed and the whole country sank into one of the worst depressions in the history of this Nation.

There are those who would say that things are different now, that depression policies aren't relevant in this modern economy. And things are somewhat different. We have the Federal Deposit Insurance Corporation, Social Security, and many others. But probably more than any of these, we have had some kind of a farm program to protect us from the unregulated play of those economic factors that produce depressions.

All of the members of this body have heard the cry from their constituents that food prices are too high. If that contention is true, as contrasted with the increases in other items such as medicine and housing in this inflationary economy, then this bill gives the Secretary of Agriculture the tool to bring about the needed production. If farmers produce too much and drive farm prices down too far, they know they will be protected under the provisions of this bill.

Once the Secretary has determined the number of acres needed to meet our needs, the farmers are free to plant them without fear that a bountiful harvest will drive them to bankruptcy.

This bill says that the Government and, therefore, the taxpayers, must pay the cost if the Secretary's decision results in too much production.

There are those Members of the Senate who will look at this bill and think that it is a very complex measure. It is, let there be no mistake about that. But so is the business of feeding this Nation.

Early this year I asked Secretary Butz to provide the committee with a copy of the administration's farm bill. The Secretary declined, saying that instead he would rather work with the committee in developing a bill and would submit some general proposals to the committee. Therefore, it was incumbent upon us to proceed in a responsible manner to work out an effective bill.

One suggestion made by the administration was that we should phase out some portions of existing programs over a 3-year period. The committee felt that any provision of the existing program which was unwise should not be phased out, but should be discarded immediately. Thus, the provision for advance payments appeared to make no sense under existing conditions. The farmer should receive a fair price one way or another, but he should not receive a fair price in the marketplace, plus a government payment. The committee bill, therefore, discards payments immediately if a fair price is received in the marketplace. On the other hand, the consumer must be assured of an adequate supply. So, as an incentive to production, the farmer is assured of a payment if the market price is not adequate.

At the suggestion of my distinguished colleague from North Dakota (Mr. Young), the committee fashioned a bill that:

First, gives the Secretary of Agriculture great flexibility in assuring adequate supplies for expanding markets, both at home and abroad. It imposes no required controls on agricultural production. It is not restrictive. It is designed to assure consumers of a continuous and abundant supply of food and fiber, and it breaks away from programs of the past.

Second, it eliminates Government payments to farmers when market prices are at established levels and provides for payments only when market prices are below those established levels. And then payments would be only the difference between these two levels of prices.

Each year, the Government, using the expertise available to it, would estimate the anticipated needs of the Nation for feed grains, wheat, and cotton. Under this plan, if the Government estimates are correct and established prices are achieved, the farmer will not receive one thin dime of payments from the Treasury. If the projections are wrong and prices are lower, then the farmer gets a payment and consumers get cheap food. If the Secretary of Agriculture predicts correctly, this approach should save the taxpayers money, consumers would have an abundance of food, and the Government would share the risks with the farmer, rather than asking the farmer to bear the risks of Government predictions alone.

Mr. President, the commodities included in this bill are the same as those in the 1970 Act. The class I base plan for milk is extended for 5 years. The wool, wheat, feed grains, and cotton programs are modified and extended for 5 years.

In addition, Public Law 480 and the food stamp program authorizations are extended for 5 years.

A number of other programs are also included. These are: the beekeepr indemnity program; the dairy indemnity program; the armed services milk program; and a forestry incentives program.

Mr. President, I ask unanimous consent to insert at this point in my remarks a short explanation of all of the major provisions of the bill.

There being no objection, the explanation was ordered to be printed in the Record, as follows:

### Major Provisions of the Bill

(By Titles of the Agricultural Act of 1970)

### TITLE I—PAYMENT LIMITATION

The bill—

(1) Continues the existing $55,000 payment limitation, but excludes compensation for resource adjustment or public access for recreation therefrom.

### TITLE II—DAIRY

The bill—

(1) Extends Class I base plan authority, Armed Services' milk program, and dairy indemnity programs five years.

(2) Permits members' bases under a Class I or seasonal base plan to be allocated to their cooperatives.

(3) Permits history represented by a base under a cooperative, state, or federal base plan to be considered as history under a federal order Class I base plan.

(4) Permits the orderly phasing out of prior cooperative, state, or federal base plans.

(5) Makes it clear that the return to a producer for milk in excess of a Class I or seasonal base may be fixed at a rate below the lowest class price.

(6) Permits issuance of manufacturing milk orders without minimum price provisions, and provides for price posting in manufacturing milk orders which do not provide for minimum prices.

(7) Permits milk orders under section 8c (5) to fix minimum charges for services performed for handlers (to assure that minimum price guarantees will not be impaired).

(8) Permits location differentials used in computing minimum prices paid by handlers to differ from those used in computing producer returns where appropriate to direct the flow of milk.

(9) Makes it clear that the provisions for assurance that handlers pay for milk purchased by them is applicable to such payments to cooperatives, and permits milk orders under section 8c(5) to provide for payments to cooperatives for market-wide services performed by them (such as furnishing facilities, regulating the flow of milk to the market, absorbing surplus milk, etc.).

(10) Provides authority for standby reserve pools supported by payments from one or more orders which would supply milk when needed to such order areas.

(11) (Page 8, line 20, through page 9, line 6) Requires a hearing on a proposed amendment to a milk order if requested by one-third of the producers.

(12) Enlarges the criteria for determining minimum prices under marketing orders and support prices to include assuring a level of farm income adequate to maintain productive capacity sufficient to meet anticipated future needs.

(13) Provides milk price support at not less than 80 percent of parity for current marketing year.

(14) Makes the suspension of the butterfat support program (and addition of the new price support criteria described in item 12) permanent.

(15) Extends the dairy product pesticide indemnity program to cover cows and to other environmental pollutants contaminating cows or milk.

(16) Restricts dairy imports to 2 percent of consumption.

### TITLE III—WOOL

The bill—

(1) Extends the wool program for 5 years.

(2) Expands the market promotion authority of the National Wool Act of 1954 to cover information on product quality, production management, and marketing improvement, and to provide for overseas promotion of U.S. mohair and goats.

### TITLE IV—WHEAT

The bill—

(1) Extends the wheat set-aside program. with the changes indicated below.

(2) Provides for a program for the 1974 through 1978 crops of wheat under which—

(a) Marketing certificates would not be issued to producers or, effective January 1, 1974, required to be purchased by processors;

(b) If the higher of the loan level or average market price received by farmers during the first five months of the marketing year should be less than an "established" price of $2.28 per bushel (70% of the May 1, 1973, parity price), adjusted for 1975 and subsequent years to reflect changes in production costs, a government payment would be made to producers on each farm equal to the difference between such higher loan or average price and such established price multiplied by the projected yield of the farm acreage allotment. In the case of farmers prevented from planting any portion of their allotments to wheat or other non-conserving crop, such payment would not be less than one-third of such established price;

(c) The Secretary could permit guar, castor beans, or other crop to be counted as wheat for the purpose of preserving the farm wheat acreage allotment;

(d) The national acreage allotment would be calculated to cover both domestic consumption and exports, but would be apportioned among states, counties, and farms in the same manner as now provided for the national domestic allotment.

(3) Permits the Secretary to make payments to assist in carrying out practices on set-aside acres for pest and erosion control and the promotion of wildlife habitat.

(4) Makes the provision requiring that the projected yield not be less than the producer's proven yield inapplicable to wheat.

(5) Provides for release without penalty of wheat stored to avoid penalty.

### TITLE V—FEED GRANTS

The bill—

(1) Provides for a set-aside program for the 1974 through 1978 crops of feed grains generally similar to that provided by the Agricultural Act of 1970, but under which—

(a) If the higher of the loan level or average market price received by farmers during the first five months of the marketing year should be less than an "established" price of $1.53 per bushel (70% of the May 1, 1973, parity price), adjusted for 1975 and subsequent years to reflect changes in production costs, a government payment would be made to producers on each farm equal to the difference between such higher loan or average price and such established price multiplied by the established yield on 100 percent of the farm acreage allotment. In the case of farmers prevented from planting any portion of their allotments to feed grains or other nonconserving crop, such payment would not be less than one-third of such established price;

(b) The Secretary could permit guar, castor beans, or other crop to be counted as feed grains for the purpose of preserving the farm acreage allotment;

(c) The national acreage allotment would be calculated to cover both domestic consumption and exports, but would be distributed among states, counties, and farms in essentially the same manner as now provided for the farm feed grain bases.

(2) Permits the Secretary to make payments to assist in carrying out practices on set-aside acres for pest and erosion control and the promotion of wildlife habitat.

### TITLE VI—COTTON

The bill—

(1) Provides for a set-aside program for the 1974 through 1978 crops of cotton generally similar to that provided by the Agricultural Act of 1970, but under which—

(a) If the higher of the loan level or the average spot market price during the first five months of the marketing year should be less than an "established" price of 43 cents per pound (70% of the May 1, 1973, parity price), adjusted for 1975 and subsequent years to reflect changes in production costs, a government payment would be made to producers on each farm equal to the difference between such higher loan or average price and such established price multiplied by the projected yield of the farm acreage allotment. In the case of farmers prevented from planting any portion of their allotments to cotton or other nonconserving crop, such payment would not be less than one-third of such established price;

(b) The Secretary could permit guar, castor beans, or any crop to be counted as cotton for the purpose of preserving the farm acreage allotment;

(c) The national base acreage allotment would not be less than ten million acres.

(d) The support level would be based on the three year (rather than two year) average world price for SLM 1$\frac{1}{16}$'' (instead of Middling 1''), and adjustments could be made up as well as down.

(2) Permits the Secretary to make payments to assist in carrying out practices on set-aside acres for pest and erosion control and the promotion of wildlife habitat.

(3) Provides for a cotton insect pest eradication program with producers paying up to one-half the cost and receiving indemnities where special measures result in a loss of production. Also provides for cooperation with Mexico.

### TITLE VII—EXTENSION OF TITLES I AND II OF PUBLIC LAW 480

The bill—

(1) Extends titles I and II for 5 years.

(2) Permits sales under title I for dollars to any country if assistance could be made available to that country under title II.

(3) Requires the President to take steps to assure that commercial supplies are available to meet demands developed through programs carried out under Public Law 480.

### TITLE VIII—GENERAL AND MISCELLANEOUS

The bill—

(1) Extends the beekeeper indemnity program.

(2) Requires applications for export subsidies to specify the kind, class, and quantity of the agricultural commodity, and the regional geographic destination. Requires publication of such information within 72 hours after the application is filed.

(3) Extends food stamp program appropriation authorization five years.

(4) Maintains eligibility for food stamps of persons receiving public assistance under title XVI of the Security Act if they satisfy income and resources criteria.

(5) Permits food stamps to be used to purchase meals at places especially preparing meals for elderly persons.

(6) Permits loans under sections 302, 303, and 304 of the Consolidated Farm and Rural Development Act even if the indebtedness against the security exceeds $100,000, so long as the indebtedness under those sections does not exceed that amount.

(7) Requires production cost studies for wheat, feed grains, cotton, and dairy.

(8) Requires a study of the reasons for, and means of preventing, loss of livestock in transit through injury and disease.

(9) Recommends an international grains agreement conference.

(10) Creates a National Agricultural Transportation Committee.

(11) Provides for a wheat and feed grain research program.

(12) Provides for an agricultural export market development unit within the Foreign Agricultural Service.

(13) Requires the Council of Economic Advisers to monitor developments affecting food and fiber costs.

(14) Extends the appropriation authorization and the time for reporting under title IV (Rural Community Fire Protection) of the Rural Development Act of 1972.

(15) Requires grants of up to 50 percent of the cost to be made to assist rural fire departments to acquire needed equipment.

### TITLE IX—RURAL DEVELOPMENT

This title is permanent and the bill makes no change in it.

### TITLE X—FORESTRY INCENTIVES

The bill adds a new title X to provide a forestry incentives program for small nonindustrial private lands and non-federal public forest lands. "Small nonindustrial private lands" is defined as commercial forest lands owned by any person, group, or association (other than a manufacturing or public utility corporation) owning a total of less than 500 acres of such lands.

Mr. TALMADGE. Mr. President, the whole thrust of this bill is to the future. Its provisions, as they relate to the crop covered, will not expire until well into 1979, just 1 year before the beginning of the decade of the 1980's.

At the present time there are only 2.8 million farms in this country and the farm population totals only 9.5 million persons, less than 5 percent of the total population.

And yet, by the turn of the decade more than 230 million Americans and many more millions throughout the world will have to depend upon even fewer farms for their very sustenance. We can live without many things—but we cannot live without food.

Therefore, in order to meet the challenges of the future, it is imperative that we maintain a strong and productive agriculture.

We must maintain an agriculture that will contribute to the well-being of our national economy.

And make no mistake about it. Agriculture does make a major contribution to the economic activity of this country.

Last year farmers spent $47 billion to produce crops and livestock. This went for equipment, machinery, seed, feed, fertilizer, petroleum, property taxes, and a host of other items, all generating economic activity, especially in the small towns and rural communities.

Sales of crops and livestock introduced an additional $58.5 billion into our Nation's economy. Transportation, processing, packaging, manufacturing, wholesaling, and retailing all share in the economic activity generated by farming. Estimates on a national basis indicate that about 25 percent of all jobs in private employment are agriculturally related. Farming and the industries which support it account for about one-fourth of our gross national product, and in some areas of our country, the only economic activity is that generated by agriculture.

Agriculture is the Nation's biggest industry. It employs almost 4.5 million workers, almost as many as the combined employment of transportation, the steel industry, and the automobile industry.

Agriculture's assets total about $339 billion, equal to about three-fifths of the value of capital assets of all corporations in the United States, or about half the market value of all corporation stocks on the New York Stock Exchange.

Estimates show that about 1 out of every 5 jobs in private employment is related to agriculture. About 2 million people have jobs providing the supplies farmers use for production. Eight to ten million people have jobs storing, transporting, processing, and merchandising the products of agriculture.

U.S. agricultural exports in the current fiscal year ending June 30 are estimated at about $10 billion or about 1 out of every 4 acres. According to the U.S. Department of Agriculture the farm contribution to the U.S. trade balance will total about $3.5 billion. This contribution helps offset the unfavorable nonfarm balance of about $7 billion last year.

Agriculture's contribution to our general welfare must continue. And this bill is designed to make it do so.

In the first meeting of the committee during this Congress, I suggested:

> In our deliberations on these matters we must keep in mind the concerns of the American people for adequate protection of the environment, and protection of consumers. However, the most important thing we can do to protect consumers is to insure a continuous, ample supply of food and fiber at reasonable prices. And the way to protect the rural environment is to provide a high enough income to allow farmers to pay for protection measures. We need to keep everyone informed that farmers, even in 1972, received only $39 billion of the consumer's $116 food bill, while the other $77 billion went for the cost of marketing.

Mr. President, I feel that in unanimously reporting this complex bill, the members of the Committee on Agriculture and Forestry have kept faith with both farmers and consumers.

Mr. President, I would like to say that I have been in the Senate now for slightly more than 16 years and I have never seen a committee work together in a more cooperative and bipartisan manner. In the marking up of the agricultural bill pending today, every member of our committee, both Democratic and Republican and from the most junior member on that committee to the most senior member, made a significant contribution to its adoption by our committee.

And I want to pay tribute to every member of the committee that helped in marking up the bill with what I think is significant success. I also thank the members of our staff, majority and minority alike, although we do not let partisanship play a part on our staff. They have all made a major contribution toward the markup of the bill.

Therefore, I urge the Senate to pass this bill. We have learned before that if we let the farmer perish, his demise will only presage the collapse of the rest of our economy.

This bill is essential to the total economic well-being of our Nation now and in the future.

Mr. President, at this time I understand the distinguished ranking minority member of our committee, the distinguished Senator from Nebraska (Mr. CURTIS), desires to make a statement. I shall reserve the remainder of my time.

Mr. CURTIS. Mr. President, before the Senator from Georgia yields the floor, will the Senator yield?

Mr. TALMADGE. Mr. President, I yield to my distinguished friend and colleague, the ranking minority member of our committee.

Mr. CURTIS. Mr. President, I commend the distinguished chairman of the Committee on Agriculture and Forestry for his splendid statement. However, I rise primarily to extend to him the thanks not only of the junior Senator from Nebraska, but also the thanks of all members of the minority for his unfailing courtesy, his consideration of every proposal that was made, his cooperation, his indulgence and for the help which he has given to all members of the committee throughout the consideration of this legislation.

Mr. President, while I am on my feet, I join with the distinguished chairman of our committee in mentioning that it was the distinguished Senator from North Dakota (Mr. YOUNG) who brought forth the idea of the target prices that are incorporated in the bill. I believe that it will work. I believe that it is a new innovation that meets with wide approval. And I believe that not only all those in agriculture, but also everyone else interested in the economy of America is indebted to our chairman and to the distinguished Senator from North Dakota (Mr. YOUNG).

Mr. TALMADGE. Mr. President, I am grateful indeed to my friend, the distinguished Senator from Nebraska, for the generosity of his remarks. I certainly pay tribute to the Senator from Nebraska as the ranking minority member of our committee for working so diligently and faithfully in the markup of a piece of landmark legislation. Without his cooperation and the cooperation of every member of the minority, both Senators and members of the staff, we could not have reported this significant bit of legislation.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. TALMADGE. Mr. President, I yield to the distinguished Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I do believe that this is the proper time for me to express, through the Chairman of the committee, my thanks and the thanks of the people I am privileged in part to represent in the Senate for his leadership, perseverance, patience, and legislative skill in bringing about this very constructive piece of legislation that represents so much hope and promise for the American agricultural community.

I think the record will show that the Committee on Agriculture and Forestry, under the chairmanship of the Senator from Georgia, held the most exhaustive and extensive hearings on agricultural policy that have ever been held or undertaken by that committee. Everyone that wanted to testify was given that permission and granted the opportunity to appear.

As has been said here, the bill pending before the Senate was not one of partisan argument, but rather of bipartisan cooperation.

I find it a distinct pleasure to serve on that committee under the chairman of the committee, the distinguished senior Senator from Georgia (Mr. TALMADGE). And I believe that as the debate on the bill before the Senate proceeds, our colleagues will find that within the framework of this legislation is a very important development in agricultural economics and a long-term agricultural policy.

I, too, want to salute an old friend who has been as faithful as any man could ever be to the farm population of the country, the distinguished senior Senator from North Dakota (Mr. YOUNG). I have worked with him for years. He is a friend of American agriculture. And when I say that, I mean that he is a friend of the American people.

Before the debate is over, we will find out that the pending legislation is a vital part of our national security. It will have something to do with our leadership in the world. It has a great deal to do with the viability of our economy, our balance of trade, our balance of payments, and our ability to survive as a people and to be a great country.

I thank the distinguished senior Senator from Georgia and the distinguished senior Senator from North Dakota who serve together and work together as a team.

Mr. TALMADGE. Mr. President, I am grateful indeed for the remarks of my friend, the distinguished junior Senator from Minnesota. I have served on the Committee on Agriculture and Forestry since I have been in the Senate and while the Senator from Minnesota was also in the Senate.

I know of no man who is more knowledgeable and more articulate in seeing that the farmers of this country receive a decent and fair income for their labor. I am grateful to the Senator from Minnesota.

Mr. President, I yield the floor at this time to the Senator from Nebraska and reserve the remainder of my time.

Mr. CURTIS. Mr. President, I yield the floor to the Senator from North Dakota, with the understanding that I may have it when he finishes.

Mr. YOUNG. I thank my distinguished friend from Nebraska.

Mr. President, the farm bill before us (S. 1888) is one of the best farm bills Congress has ever considered. It is very appropriately named The Agriculture and Consumer Protection Act of 1973. It will be helpful to both farmers and consumers.

This was one of the few farm bills ever reported by the Senate Agriculture Committee unanimously. This is due in a large measure to the leadership and effectiveness of the chairman of the Senate Agriculture Committee, the distinguished Senator from Georgia (Mr. TALMADGE). Chairman TALMADGE is one of the most knowledgeable Members of Congress I have ever worked with on agriculture. No one has ever been a more forceful and influential advocate of important and necessary farm legislation.

I want to take this opportunity also to acknowledge with gratitude the personal comments of the Chairman of the Committee on Agriculture and Forestry, those of the Senator from Nebraska (Mr. CURTIS), and also those of that great friend of agriculture, the Senator from Minnesota (Mr. HUMPHREY). He has been a wonderful friend of farmers and one of their strongest voices in the Senate ever since he came here. No one is more influential on farm matters than he.

Farm programs in the past have assured abundant supplies of food and fiber at reasonable prices to the great consuming public. It is this kind of legislation that has helped make our farmers the most efficient and productive in the world.

There is need for increased production both to meet increased domestic needs and foreign export requirements. This year we will export more than $11 billion worth of farm commodities. If it were not for these huge exports our balance of payments with the rest of the world would be even more dangerously out of balance. Increased exports offer one of the best means of improving our balance of payments and thus restoring the stability of the American dollar.

The bill we are considering gives farmers considerable protection against a drastic drop in prices if the requested increase in production results in price-busting surpluses. By increasing production to meet increased domestic needs and greater foreign exports, this could easily happen and farmers could find themselves in deep financial trouble.

I greatly appreciate the favorable comments by the distinguished chairman of the Senate Agriculture Committee in his Senate speech today with reference to a provision I had sponsored and which was adopted by the Senate Agriculture Committee. This is a new and unique provision establishing a target price for wheat of $2.28 a bushel. The Senate Agriculture Committee adopted this provision not only for wheat, but applied a similar target price concept for feed grains and cotton as well.

This target or established price for major farm commodities is tied to parity. If operating costs continue to rise so would this target price. The heart of this provision is that if farm prices stayed as high as they are now there would be no payments to farmers. If farm prices decline below the target price, payments would again be resumed and there would be every justification for them.

Here is how it would work. If the average farm price of wheat remained higher than the target price of $2.28 a bushel as it is now, there would be no payments to farmers. If the average farm price for wheat dropped to the lower level of only a year ago, then there would be reasonable production payments to farmers. The payment would make up the difference between the target price of $2.28 a bushel and whatever the lower average market price might be.

Under the present program if the average farm wheat price remains as high as it is now, and the new wheat crop in the Southwestern States is selling at nearly $3 a bushel, the Government would still have to pay farmers. If the total production for this year's crop were the same as last year, the payment to farmers will amount to approximately $540 million. Again let me repeat that under this bill there would be no such payments at all when cash prices are high.

The target price for corn is $1.53 a bushel. Other feed grain price supports under the provisions of this bill are tied to corn price supports the same as they have been in the past. Again assuming that this year's crop would be the same as last year, with present cash prices for corn there would be no payment at all under the new bill. Under the provisions in the act of 1970, which is in effect for this year's crop, the Government payment to corn producers will be approximately $905 million.

The situation is almost exactly the same with respect to cotton. There would be no production payment to farmers at all if cotton prices stayed at their present level.

The farm bill we are now considering thus should be far more acceptable to consumers. Consumers do not like to see farmers receive production payments when prices are good. Farmers themselves are not asking for production payments when prices are good. However, certainly farmers are entitled to some kind of protection against bankrupt prices that could result from overproduction.

I note there is the same old opposition from the same old farm organizations who have opposed every farm bill since I came here 28 years ago. They seek to draw comparisons between the bill we are now considering and farm price supports in the Common Market countries. Their programs are almost directly the opposite of the one proposed in this bill. All the Common Market countries have price supports at least double, and in many countries more than double, those contained in this bill.

Although farm operating costs have increased sharply since the present law was written in 1970, the bill we are considering does not increase price support levels at all. Personally, as a farmer I would prefer seeing high price supports, but I believe the objective of higher price supports can be met in a large measure by the target price concept in this bill.

Most of the opposition to this bill comes from those who want the farmers to depend entirely on the free market for a good price with little or no price supports at all and no Government program that would give even the slightest protection against bankrupt prices. Neither the present Farm Price Support Act of 1970, which is in effect for this year's crop, nor the bill we are now considering interfere in the slightest with the free market.

There is one major difference between farmers and any other segment of our economy. When farmers sell their products, they have to accept what the market will provide. When they buy all the things they need to farm, they pay the going price without any means to control those prices.

Mr. President, of the more than 300 witnesses who testified at the hearings on this farm bill, with hardly an exception, all of them testified that even with the good crops of the past several years, about the only profit farmers realized was the Federal payments. All the farmers I talk with, and there are a great many, tell me the same story.

The financial situation of farmers has greatly improved in recent months, but the farm debt is still at an all-time high. Most farmers are operating with borrowed money, and usually very sizable amounts.

This 5-year bill contains some other very important provisions which are generally well known and popular. It extends the Wool Act; Public Law 480—Food for Peace; and some provisions affecting dairy price support programs.

The bill has the support of the National Grange and the National Farm Organization, with some reservations on the dairy section. It has the full support of the National Farmers Union.

It has the all-out support of the National Wheat Growers Association, the Mid-Continent Farmers Association, the National Milk Producers Federation, and the Farmers Union Grain Terminal Association. There are many other important farm organizations and commodity groups who support this bill.

Mr. President, I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks four telegrams received from farm organizations regarding S. 1888; the names and addresses of individuals from whom I have received telegrams regarding S. 1888; and the names and addresses of individuals who have written me letters on the subject.

The PRESIDING OFFICER (Mr. BIDEN). Without objection, it is so ordered.

(See exhibit 1.)

Mr. YOUNG. Mr. President, I feel strongly that this bill must be passed by Congress and without any substantial changes. It will go a long way toward assuring more adequate supplies of food and fiber at reasonable prices and give much-needed assurance to farmers against bankrupt prices. Too, it will play a vital role in maintaining a strong economy.

Agriculture is still the Nation's biggest industry. Adequate supplies of food and fiber at reasonable prices are all-important.

EXHIBIT I

COLUMBIA, MO.

Senator MILTON YOUNG,
*Capitol Hill,*
*Washington, D.C.*

We have been advised action is expected on SB 1888 (1973 Farm Bill) within the next few days. We have reviewed this proposed legislation and believe it to be a good bill that will be in the best interest of farmers and the Nation. We urge your support of this legislation when it reaches the floor of the Senate for action.

FRED V. HEINKEL,
*President Mid-Continent Farmers Assn.*

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WASHINGTON, D.C.

Hon. MILTON R. YOUNG,
*Capitol Hill,*
*Washington, D.C.*

The National Milk Producers Federation, on behalf of its member dairy cooperative marketing associations and their daily farmer members, fully supports all provisions of S. 1888 as approved by the Senate Committee on Agriculture and Forestry. The dairy provisions of the bill are of particular importance in permitting the Nation's dairy farmers to modernize and strengthen their marketing programs. We respectfully urge your support for S. 1888 as approved by the Agriculture Committee.

PATRICK B. HEALY,
*Secretary National Milk Producers Federation.*

JAMESTOWN, N. DAK.

Senator MILTON YOUNG,
*New Senate Office Building,*
*Washington, D.C.*

NDFU in full support of S. 1888. We hope Senate will resist crippling amendments to Committee bill, specifically, any reduction in target pricing for wheat, feed grains, and cotton.

We have requested farmers union in other states to contact their Senators for similar support of S. 1888.

E. W. SMITH,
*President, N. Dak. Farmers Union.*

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ST. PAUL, MINN.

Senator MILTON YOUNG,
*Senate Office Building,*
*Capitol Hill, Washington, D.C.:*

We the Directors and Officers of Farmers Union Grain Terminal Association support Senate 517, the Agriculture and Consumer Protection Act of 1973. Once again the Government is asking farmers to expand their production greatly with no adequate protection against a return of disastrous prices when world crops get back to normal. The target prices set in S. 517, combined with any necessary deficiency payments, will keep farmers from being heavily penalized by any government mistakes from over-expanded production goals. This is not a guarantee of crop income because it does not cover losses from inevitable crop failures.

It will not interfere with freer trade and more exports, if markets are available. However, the bill does not provide for definite strategic reserves of storable farm products. We believe that should be part of any prudent administration of farm supplies so as to protect all consumers, including our livestock, poultry and dairy producers. We believe a payment limit lower than the present $55,000 would be in the interest of the working farm families of this nation.

We also believe minimum loan levels should be raised substantially, at least for 1973 crops. In answer to the charge that S. 517 might cost too much, any government costs would merely measure what farmers would be losing, whereas under our present program, costs are not directly related to farmers' losses.

On behalf of the 150,000 farmers and ranchers who serve themselves through the hundreds of local cooperative facilities which make up this regional organization, we ask your full help in getting S. 517 adopted with adequate target prices to protect our farmers, their communities and states, as they try to produce the food supplies so badly needed today. Thank you for your help.

Respectfully yours,

JEWELL HAALAND,
*Chairman, Farmers Union Grain Terminal Association, Board of Directors.*

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TELEGRAMS AND LETTERS FROM INDIVIDUALS REGARDING S. 1888

Mr. Alfred Rysgaard, Noonan, North Dakota, 58765.

Mr. Walden Schmidt, President, Rolette County National Farmers Organization, Bisbee, North Dakota, 58317.

Mr. Robert Linnertz, Chairman, West District, National Farmers Organization, Minot, North Dakota, 58701.

Mr. Clifford Solseth, Cyrus, Minnesota, 56423.

Mr. Clyde Hauser, Jr., Geulph, North Dakota, 58447.

Mr. Siguard Brodal, Noonan, North Dakota, 58765.

Mr. Charles Sipma, Edinburg, North Dakota, 58227.

Members, Pembina County National Farmers Organization, Hamilton, North Dakota, 58238.

Mr. Arvid Swenson, Aneta, North Dakota, 58212.

Mr. Robert Huether, Lisbon, North Dakota, 58054.

Mr. Wendell Ullman, Chairman, Adams County National Farmers Organization, Mott, North Dakota, 58646.

Mr. Leroy Willey, Ypsilanti, North Dakota, 58497.

Mrs. Kenneth Williams, Ransom County National Farmers Organization, Lisbon, North Dakota, 58054.

Mr. Myron Rubbert, President, Bottineau County National Farmers Organization, Upham, North Dakota, 58789.

Members, Barnes County National Farmers Organization, Valley City, North Dakota, 58072.

Mr. Charles Danuser, President, National Farmers Organization East District, Marion, North Dakota, 58466.

Mr. H. F. Buegel, Jr., President, Jamestown Bank, Jamestown, North Dakota.

Mr. Jack Rose, Farmer, Wimbledon, North Dakota.

Mr. Gust Herigstad, Farmer, Mohall, North Dakota.

Mr. John Lommen, Farm Editor, Fargo, North Dakota.

Mabelle Williams, Lidgerwood, North Dakota.

Mr. Russell Duncan, President, Seed Company, Fargo, North Dakota.

Mr. Wayne Volla, Farmer, Clifford, North Dakota.

Mr. Ernest Schramm, Farmer, Hazen, North Dakota.

Mr. Floyd Dau, Farmer, Inkster, North Dakota.

Mr. Herbert Reinhardt, Farmer, Beaulah, North Dakota.

Mr. Zeno Muggli, Farmer, Richardton, North Dakota.

Mr. Konrad Norstog, Conservationist, Bismarck, North Dakota.

Mr. Charles Pearce, Landowner, Hallandale, Florida.

Mr. Joe Wegley, Farmer, Epping, North Dakota.

Mr. F. W. Pearson, Landowner, Hunter, North Dakota.

Mr. Russell Stuart, Commissioner, North Dakota Game and Fish Dept., Bismarck, North Dakota.

Mr. Herman Haugen, Farmer, Westhope, North Dakota.

Mr. Bud Morgan, Wildlife Federation, Bismarck, North Dakota.

Mr. Ernest Rice, Farmer, Mohall, North Dakota.

Wilma Belcourt, Grand Forks, North Dakota.

Mr. Lavern Schroeder, Farmer, Reeder, North Dakota.

Mr. Lloyd Albus, Farmer, Oakes, North Dakota.

Mr. Ardale Wagner, Farmer, Epping, North Dakota.

Mr. Albert J. Hubin, Farmer, Warwick, North Dakota.

Mr. Clarise I. Anonby, Farmer, Kenyon, Minnesota.

Mr. Loren Richards, President, Sheyenne Valley Electric Cooperative, Inc., Finley, North Dakota.

Mr. Leland G. Ulmer, Exec. Vice President, North Dakota Association of Rural Electric Cooperatives, Mandan, North Dakota.

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Mr. CURTIS. Mr. President, as I said before, the distinguished Senator from North Dakota (Mr. YOUNG) has made a real contribution and the record should show that which we all know so well; namely, that he is a farmer.

The Committee on Agriculture and Forestry is greatly favored in the fact that it has two outstanding farmers on that committee. I refer to the distinguished Senator from North Dakota (Mr. YOUNG) who has just spoken and to the distinguished Senator from Oklahoma (Mr. BELLMON). He has a distinguished career as a public servant including that of Governor of his State. Basically, he is a farmer. He has made a real contribution to this legislation that only a farmer could make.

I would not in any way detract from the valuable assistance that other members of the committee have rendered, but I do wish to make a special comment about these two Senators whose principal and sole business, aside from their public service, is that in the field of agriculture.

Mr. President, it is with a great deal of pride that I rise in support of the bill now before the Senate.

This legislation was carefully drafted by the Committee on Agriculture and Forestry under the leadership of our most able chairman, the senior Senator from Georgia (Mr. TALMADGE), and is truly a bipartisan bill.

It could aptly be titled a "share-the-benefit/share-the-risk" plan.

The "benefit" is an adequate supply of food and fiber for citizens of this Nation and of other countries who desire to purchase agricultural commodities from us.

The "risk" is that there will be an oversupply of a commodity during a particular year and farmers will not be able to obtain a price for their crop which will allow them to continue in business.

Unless those who "share-the-benefit" are also willing to "share-the-risk," in the form of production incentives, the result could be catastrophic in terms of meeting future food and fiber needs.

The production incentive mechanism provided in this bill is a radical departure from the past four decades of Federal farm programs. Farmers will no longer be paid for not planting crops, nor will they be guaranteed a Government subsidy regardless of what price they receive for their crop in the marketplace.

The heart of this "share-the-benefit/share-the-risk" plan is an annual determination by the Secretary of Agriculture as to anticipated domestic and export needs of wheat, feed grain, and cotton during the ensuing year.

To insure fulfillment of the basic needs, farmers who have historically produced these crops will be asked to produce their proportionate share of the national allotment. In return, those who share the benefit of this abundance will assure the farmer sufficient income to continue producing the necessary food and fiber.

This production incentive or "share-the-benefit/share-the-risk" plan was first suggested by our colleague from North Dakota, Mr. YOUNG, in the form of the "target price" concept.

This proposal, coupled with the Secretary of Agriculture's recent pronouncement that, "today the promised land for agriculture is near at hand," led our committee to write the bill now under consideration.

Mr. President, if Secretary Butz, a man whom I admire and respect greatly, proves to be a prophet, the passage of S. 1888 will herald the beginning of a new era in agriculture. It will mean that the producers of America's major food and fiber crops will no longer need to depend on the U.S. Treasury for a portion of their income.

On the other hand, if the Government asks farmers to produce increased quantities of the basic commodities to meet a "hoped-for" demand, the Government should share the risk if that expanded demand does not materialize.

The manager of the bill has ably explained the "target price" or "production incentive" concept. Briefly, the concept gears Government participation to supplementing the participating farmers' income if the market price is below the "established" or "target" price during the first five months of the marketing year.

In this case, the bill sets the "established" or "target" price at $2.28 per bushel for wheat, $1.53 per bushel for corn, and 43 cents per pound for cotton during the 1974 marketing year. This target price would be adjusted each year in line with changes in the cost of production. If the price received by farmers equaled the target price, there would be no Government payments for that commodity. If, on the other hand, the Department of Agriculture failed to so adjust production or failed to maintain our exports, and huge surpluses and low prices resulted, a payment would be made in an amount required to bring the price up to the target price.

Mr. President, an excellent argument for this proposal came during our committee hearings from Mr. Daniel E. Conway, president of the Bakery and Confectionary Workers' International Union of America. He stated:

> We in the labor movement have fought too long and hard for the acceptance of the principle behind the minimum wage for us not to be equally persuaded concerning the economic and social justice which is basic to the idea of payments geared to parity for farmers.

The established or target prices set in this bill can be likened to the minimum wage, but the editors of the New York Times seem to believe that farmers are not entitled to the same type of income protection as industrial workers.

In a recently printed editorial entitled "Jacking Up Food Prices," the Timesmen stated:

> Under a new concept of target prices, the Senate Committee bill would require the Secretary of Agriculture to establish the amount of acreage for producing wheat, feed grains and cotton that would if necessary be set-aside—held out of production—in order to hit "target prices" set far above the average price of recent years.

I would agree that the established prices in the bill are somewhat above the average prices received by farmers in recent years; however, if farmers had been forced to rely solely on prices received in the marketplace, the shortages of basic commodities that would be facing consumers could only be estimated.

Department of Agriculture economists have predicted in a report prepared for our committee that during the first year of no farm program, aggregate net farm income could decline sharply and would continue to decline for 2 or 3 more years.

The report adds:

> Lower incomes would result from the absence of government payments, lower product prices, and higher costs of grain production due to the expanded acreage. These factors would dominate the change in income despite the larger volume of production.

Mr. President, for those of my colleagues who have advocated the abolition of Government farm programs, this bill presents an opportunity to see exactly what the results of such a course of action would be without taking the risks associated with a complete abandonment of farm income protection.

It is significant to note that if cash prices maintain their present levels at harvest time, this bill will result in no Government payment to wheat, feed grain, and cotton producers.

When our farm bill hearings began on February 27, I pointed out the need to be honest about the future cost of food and red meat. Prices are not going to decline appreciably as long as distribution and transportation costs continue to increase, or as long as the cost of machinery, labor, interest and taxes keep on going up. If this proves to be the case, the program provided in S. 1888 will result in little if any cost to the Government.

In addition to the basic commodity provisions designed to protect consumers and farmers, this bill also contains several other provisions including extension of the Food for Peace and Food Stamp Acts. I am also pleased that the committee included several amendments which I offered.

In conjunction with the Senator from Kentucky (Mr. Huddleston), I offered an amendment to create the National Agricultural Transportation Committee. This group would be composed of government, transportation, agricultural, and labor representatives. It is charged with making recommendations to the executive and legislative branches for alleviating transportation emergencies involving the movement of agricultural commodities.

I will not belabor the point, Mr. President, but I have described a number of times on this floor during the past few months the dire circumstances which confront farmers and those who deal in grain as a result of the present transportation crisis. Hopefully, this committee will be able to make some recommendations to help alleviate this situation.

The committee added to the wheat section of S. 1888 provisions of a bill I introduced earlier this year. It authorizes farmers who produced and stored wheat in excess of their quotas under programs in effect prior to 1970 to market that wheat without penalty.

I am also pleased that my amendment to extend the beekeeper indemnity program for 5 years was accepted. It is only fair to provide the same protection against losses caused by pesticides for beekeepers as is provided dairymen.

The bill provides that the method for determining the average yield of wheat be the same method as used for corn and feed grains.

There are many other provisions of this bill of benefit to farmers and consumers and I commend them all to the Senate.

In conclusion, Mr. President, even though the price the farmer receives for his commodity may remain steady or increase some, the price he pays for all the items he must have to produce food and fiber will undoubtedly be increasing. Therefore, it would be a grave mistake for us to say the farmer never had it so good and the Government should get out of agriculture entirely. On the other hand, when the farmer is receiving a price for his commodity that allows him to continue producing, the consumer should not be asked to pay both at the cash register and the tax window.

In my view, the Agriculture and Consumer Protection Act of 1973 meets this criteria, and I hope it will be adopted unanimously.

Mr. President, I yield the floor.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the Record a statement on the bill by the distinguished Senator from Mississippi (Mr. Stennis).

The PRESIDING OFFICER. Without objection, it is so ordered.

### Statement by Senator Stennis

### The Forestry Incentives Act of 1973

I am pleased that the Forestry Incentives Act of 1973, which was very kindly introduced for me on April 13 of this year by the distinguished Senator from Georgia (Mr. Talmadge) has been favorably reported by the Senate Committee on Agriculture and Forestry. I wish to extend my thanks to the distinguished Chairman of the Committee, the Senator from Georgia (Mr. Talmadge), and the distinguished Chairman of the Subcommittee on Environment, Soil Conservation, and Forestry, my colleague from Mississippi (Mr. Eastland), who are also cosponsors of this bill, for the thorough consideration received by the legislation. The bill is contained in Title X of S. 1888, the Agriculture and Consumer Protection Act of 1973.

I introduced a similar bill last year which after hearings was reported unanimously by the Agriculture and Forestry Committee. The bill was passed by the Senate but was not reported from committee in the other body.

The Forestry Incentives Act authorizes the Secretary of Agriculture to develop and carry out a forestry incentives program to encourage a higher level of forest resource protection, development, and management by small nonindustrial private and non-Federal public forest landowners.

It is estimated that in thirty years the United States will need twice the amount of wood and other forest products that we now produce. A very substantial part of the required increase in production must come from privately owned nonindustrial forest lands. About 300 million acres throughout the country fall in this category, and average growth on these lands is only one half the capacity.

A sufficient increase in production can not be expected from our national forests. The effects of improved management will be largely offset by environmental concerns leading to withdrawal of forests from production and modification of timber harvesting. Industrial forests are rapidly approaching their productive potential. Most of the needed increases in production will have to come from the 296 million acres of forest land in the hands of 4 million nonindustrial private landowners. These lands are growing wood at only one-half their productive capacity.

The U.S. Department of Agriculture has

calculated that a backlog approaching 50 million acres of private nonindustrial forest land needs to be reforested. In addition, growing conditions on some 125 million acres of these holdings can be improved by cultural treatment of existing stands.

A program of reforestation and timber stand improvement, as proposed, would do more than add to the needed future timber supply. The beneficial effects of trees on the environment would be enhanced. People would enjoy the forests as these were growing up. Watersheds would be protected from erosion. Idle land would contribute again its share to the strength of our country.

It will be recalled that the soil bank program resulted in a large increase in forest lands. From 1956 through 1964, 2,154,000 acres were planted. In spite of losses of some of these lands to highways and other developments, 90 percent of these lands are still bearing trees and are a major factor in our growth needs for future decades. The provisions of the Forestry Incentives Act will stimulate a similar but much greater expansion of wood production for the 1980's and 1990's, and beyond.

There are other benefits from the program that might be called indirect benefits because they are not directly addressed in the provisions of the legislation, but they are very real and valuable. This program helps relieve unemployment without any requirement for extensive training. In the future there will be more and larger job increases, from the harvesting, transporting, and processing of the timber. All of this contributes toward the revitalization of rural areas, so important throughout the country. The program combats the rising prices for wood products caused by limited timber growth. Also, there are the purely human benefits, such as environmental improvement, and outdoor recreation such as camping for which opportunities are becoming limited.

The program would be operated through the existing agencies of the U.S. Department of Agriculture and State governments. State Foresters would have a part in the program. It would not require any additional administrative organization.

In brief, my bill would:

First. Authorize the Secretary of Agriculture to carry out a foresty incentive program to encourage the protection, development and management of nonindustrial, private and non-Federal public lands. Landowners would be encouraged to plant seedlings where needed and apply such cultural treatments as are necessary to produce timber, expand recreational opportunities, enhance environmental values, protect watersheds, and improve fish and wildlife habitat.

Second. Authorize the Secretary to make payments or grants or other aid to owners of nonindustrial private lands and owners of non-Federal public lands.

Third. Utilize the services of State and local ASCS Committees established under the Soil Conservation and Domestic Allotment Act. These committees, now composed primarily of agriculturists, should also include representation of forest owners, forest managers, and wildlife or other natural resource interests.

Fourth. Federal funds may be allocated for cost sharing on a bid basis, with priority accorded landowners contracting to carry out approved forestry practices for the smallest Federal cost-share. This provision will spread Federal funds over a larger acreage.

Fifth. The Secretary shall consult with the State Forester or other appropriate official so that the forest incentives program may be carried out in coordination with other related programs.

The modifications made in the bill this year, as differentiated from S. 3105, my bill of the last session, are as follows.

a. Small nonindustrial private lands are defined as 500 acres or less. This limitation still will include 92 percent of private forest lands. The previous definition of 5,000 acres would have included 98 percent of private forest lands, so the difference is not great in terms of our total land assets.

b. No one private landowner can receive an annual payment of more than $2,500.

c. A written agreement is required between the landowner and the government covering a ten-year management plan. Failure to comply with the agreement would require refunding of payments on a prorated basis.

d. With respect to cost sharing, the Secretary of Agriculture would be given flexibility, as he now has under other cost sharing programs.

The intent is that he would use the incentives in the amount necessary in the particular area to obtain the desired participation and productivity.

e. A pilot program of loans and loan guarantees has been eliminated, as being already possible under existing authorizations.

A program such as I have outlined here could make a very significant contribution to American forestry. In a 10 year period with funding of 25 million annually, basic forestry treatments could be applied to some 11 million acres. These treatments would add well over 2 billion board feet of timber annually. If increased timber supplies are to be available by the year 2000, a forestry incentives program must be initiated now because of the lead-time required to grow a tree from a seedling to merchantable size.

I believe this bill meets the problem in a logical and effective manner. I strongly urge that the Senate give it favorable consideration.

The PRESIDING OFFICER. Who yields time?

Mr. BELLMON addressed the Chair.

Mr. TALMADGE. How much time does the Senator desire?

Mr. BELLMON. Ten minutes.

Mr. TALMADGE. I am delighted to yield 10 minutes to the Senator.

Mr. CURTIS. Mr. President, I yield the distinguished Senator from Oklahoma such time as he desires.

Mr. BELLMON. Mr. President, I rise in support of S. 1888.

I wish to begin my remarks by congratulating our able chairman, the distinguished Senator from Georgia (Mr. TALMADGE), for his effective leadership in steering this bill through the committee in a timely manner. I also commend our chairman for the fair, firm, and dedicated manner in which he conducts the affairs of the Committee on Agriculture and Forestry. His service on that committee is certainly to be looked upon as an example to the whole Senate, since he does a remarkable job of getting extremely complex and sometimes controversial matters through with a minimum of difficulty.

It is a great pleasure to be associated with him and with the distinguished ranking minority member, the Senator from Nebraska, who has certainly put a tremendous amount of effort into this measure as well as other measures that are of great importance to agriculture and to the country.

The bill is largely the handiwork of the Senator from North Dakota (Mr. YOUNG), an active farmer, who understands farm problems and who has used not only his knowledge of agriculture but also the long experience he has had in the Senate to help make the passage of this bill possible.

It is a great pleasure to be associated with these gentlemen in the development of this bill, which came out of committee, as has been said, with the unanimous vote of members representing many facets of agriculture—and, I might say, many political philosophies.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. BELLMON. I am happy to yield.

Mr. YOUNG. I greatly appreciate the comments on the target price amendment, which I proposed and which was accepted.

This idea really originated with the Senator from Oklahoma, Farmer BELLMON. He gave me the idea.

The Senator from Oklahoma spoke of the Secretary of Agriculture saying that prices are going to stay high, and if they were going to stay high, why not set a target price? If prices stayed at the target price or higher, it would cost the Government nothing and would be helpful to the consumers. This amendment is largely the handiwork of the Senator from Oklahoma.

Mr. President, I commend the Senator for being a good scrapper for things in which he believes. Farmers have never had a better fighter for their cause.

Mr. BELLMON. Mr. President, I appreciate the comments of my distinguished friend, but the fact is that the idea largely belongs to the Senator from North Dakota and I am happy to be associated with him in making this come about.

In my judgment, the farm bill which was passed in 1970, and which Congress accepted, was an excellent act. The results of that act have brought dramatic changes for the farmer. We have seen increases in farm income all over the country and largely because of that act this country has had available commodities which some of our friends needed when their crops were short. I do not think anything we say here should be critical of the 1970 act.

However, times do change and S. 1888 is far better for the conditions we face today.

Passage of a new farm bill at an early date is of particular importance to the southern wheat grower whose crop year begins in July. It is my hope that this bill will receive final congressional action so that winter wheat growers will know the rules of the program well in advance of planting.

Here again, I would like to thank the distinguished chairman for having recognized this problem and for having taken every action possible to see that this bill is approved for the southern wheat grower, so they will know what the rules are at the time of planting. This has not always happened. In the past we have planted and then found out the rules, and this has worked a hardship on this segment of agriculture.

Mr. President, the Agriculture and Consumer Protection Act before the Senate today recognizes that a new day has dawned for American agriculture through the expanded domestic and foreign demand for food and fiber. It also recognizes that no single one of America's 2½ million farmers, acting independently, can effectively match producprices shortages cause. The bill recognizes the necessity for food producers to recover minimum costs of production in order to continue to produce so the Nation can avoid the hardships and high tion to consumer needs. Further it recognizes that this responsibility can only be met by action on the national level by Congress and the Secretary of Agriculture.

This is a point that I think is sometimes missed by those who do not understand farming. They feel that a farmer can adjust his own production and somehow have an impact on the national food and fiber supply. This is absolutely not possible because we have so many smaller producers that their efforts make little impact on the national food and fiber situation.

This bill places the responsibility for accurately matching production and demand squarely upon the shoulders of the Secretary of Agriculture. If his estimates are realistic, this bill will assure that the food and fiber needs of the Nation are met at no cost to the American taxpayer. If he misjudges, the bill provides a means to avoid the national calamity which widespread agricultural bankruptcy paralysis would cause.

The bill further recognizes the essential role that American agriculture must play in supplying commodities for export to help earn the foreign exchange our country must have for the purchase of energy and other essential materials abroad.

Mr. President, this particular point was well covered in an article from Forbes magazine which was reprinted in the Farmers Digest.

I ask unanimous consent that the text of the article may be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BELLMON. Mr. President, the article states in part that:

> The food business will, of course, always be cyclical. What this means is that if the U.S. wants to encourage agricultural expansion as a means of earning foreign exchange, it will have to protect their farmers against undue price fluctuation.

That is what this bill does. It says to American food producers that if they will respond to international needs for more production they will not suffer if these markets fail to develop as anticipated.

In recent months consumers in the United States have for the first time in the history of the country been faced with the prospect of a shortage of certain essential foods. The sharp rise of meat prices earlier this year shows what can happen when demand exceeds supply and emphasizes the importance of abundant food.

It is now clear to American consumers that their vital interests are closely tied to food abundance. Consumers now realize that plentiful food production is not automatic. Uncontrollable factors such as bad weather, disease, sudden high consumer demands, and short fuel supply can have a drastic impact at the supermarket. This bill will help make certain that America's food needs will be fully met for the indefinite future at costs in line with the ability of the American consumer to pay.

Consumers frequently fail to recognize that American food producers are in a uniquely unfavorable position. When a food producer brings his product to market he must take the price the buyer offers. No single one of America's 2½ million food producers has sufficient impact in the marketplace to set the price for his product. When he sells he simply asks the buyer, "What are you willing to pay?"

At the same time when American food producers undertake to purchase production items, such as equipment, fuels or fertilizer, he again finds that he has no voice. When he buys he humbly asks, "What price are you willing to take?" Thus food producers may understandably be reluctant to fully respond to anticipated market—increased—demands because they understand the economic penalties of overproduction.

Without economic assurances such as those provided by this bill food producers will be slow to react to an anticipated increase in world or domestic food demand. They have been burned by such unsupported and unrealized projection before under several previous Secretaries of Agriculture. This danger exists anytime agriculture policies are market oriented.

S. 1888 takes literally, statements made by Secretary Butz to the effect that—

> We are committed to a policy of expanding production to meet a demand that is real and will continue to grow.[1]

Also, in February 28, in a speech before the National Grain and Feed Association in Orlando, Fla., the Secretary stated:

> Looking ahead . . . it makes sense for farmers to produce more.

The problem was summed up succinctly by Secretary Butz in the same speech when he said:

> People remember how the supply situation was miscalculated in 1967 when we ended up with bigger crops than we could handle at good prices. Fresher in the memory of many is the 1971 corn blight situation and its 1972 aftermath of a huge harvest and lower prices.

This bill is intended to say to farmers that they are safe to respond aggressively to the Government's urging for extra production to meet increasing demands. It says the Government stands ready to back up its optimism with a return of production costs to the producer in case these demands are less than projected. At the same time it says to the Secretary of Agriculture, to State Department negotiators, to Government officials generally, that if you repeat the mistake of 1967 and 1972 by urging excessive production, then the Federal Treasury and not farmers alone will bear a part of the cost of your errors.

Mr. President, this is not a profit guaranteeing bill as far as agriculture is concerned. All the bill does is to assure food producers that they will be able to receive sufficient cash income to recover most of the costs of production and thus stay in business in case they are given faulty guidance by the Government in projections of markets which fail to develop. The bill does not assure agriculture of profits—only of the means to continue producing.

It was clearly in the national interest in 1972 and 1973 for this Nation to have available generous quantities of feed grains, wheat, cotton, and soybeans to meet worldwide shortages. Our stocks of these commodities are now low. It is clearly in the national interest that they be built back to reasonable levels. It is also in the Nation's interest for producers of these commodities that growers not be economically penalized for rebuilding our food reserves.

Mr. President, the bill contains other features which, while not as significant as the target price provision, do have great importance to the American consumer and producer.

One section provides for a research program that will eradicate the cotton boll weevil. This pest has cost American cotton producers and consumers some $12 billion since it came into this country from Mexico. Efforts to control the boll weevil account for the use of one-third of all the insecticides used on all crops in the United States.

The biological boll weevil control program authorized by this bill will eliminate the need for chemical boll weevil controls. It will markedly reduce the high cost of chemical boll weevil controls which add significantly to the cost of production and to the cost of cotton products to consumers.

I have a factsheet relating to the cotton boll weevil program, and I ask unanimous consent to have it printed at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. BELLMON. Mr. President, another section of this bill relates to a research program to identify causes and to determine preventive measures for the high animal mortality resulting from interstate transportation of livestock.

Authoritative estimates show that at the present time 1 or 2 percent of feeder cattle die due to the stress of movement and diseases encountered in the collection and transportation of these animals from their place of origin to feedlot or grazing areas. There are many, many reports of catastrophic losses ranging up to 50 percent. These losses from transportation-related causes have cost producers and ultimately consumers tens of millions of dollars each year. Tragically, this year an exceptionally high loss has occurred at a time when a general shortage of meat exists. The loss has contributed significantly to the increased cost of meat.

Losses of other kinds of livestock are similarly high with similar detrimental effects on consumers. The provisions in this legislation will make it possible for the Secretary of Agriculture to carry on necessary studies to find out what causes transportation associated losses in animals and to prescribe the necessary preventive measures.

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[1] Statement by Secretary Butz at the Ministerial Meeting of the Committee of the Organization for Economic Cooperation and Development, Paris, April 11, 1973.

Dr. James Whatley, dean and director of the Agricultural Experiment Station at Oklahoma State University estimates that from $500 million to $700 million is annually lost because of deaths and reduced performance related to transportation of cattle. The loss of hogs from the same source is estimated at about $50 million.

I ask unanimous consent that a letter from Dr. Whatley, as well as a letter from Dr. John B. Herrick, extension veterinarian at Iowa State University be inserted in full in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 3.)

Mr. BELLMON. Mr. President, another feature of this bill authorizes the Secretary of Agriculture to strengthen the agricultural export services rendered by the U.S. Department of Agriculture to potential foreign customers and to prospective exporters of American agricultural products. Since this Nation has adopted a practice of aggressively developing overseas markets for farm products, it is essential that we strengthen our market development efforts and provide needed services to individuals or firms which desire to engage in international agricultural commerce. There are few large agricultural producers. For small producers aggressive and successful foreign sales efforts are difficult without guidance and support.

Also, in the bill is a provision requiring more timely reports of exports of commodities when export subsidies are being paid. This provision should help prevent a repeat of the controversy and confusion which surrounded the Russian wheat sale of last summer. This provision will place American producers and marketers on a more even basis with our potential customers. It is clearly in the public interest for our food producers, exporters, and the public to know in a timely way the amount of commodities being exported and the sums of tax money being used to support the export of commodities through our export subsidy programs.

Mr. President, we now in this country are entering a semicontrolled price system on meat. In my opinion, the present system is an invitation to chaos. The long-range effect is to reduce production. It is to eventually develop a program that is impossible to enforce and that is an open invitation to fraud and to abuse. In the New York Times for Sunday, April 29 of this year, an article appeared, entitled "The Policy of Price Controls for Food," which I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 4.)

Mr. BELLMON. I would like to read some short excerpts from that article. In referring to price controls for food and meat, Mr. Leo Malamed says that—

> They are counterproductive. For the producers, controls induce the psychology that no matter what he does for his product's quality, he cannot get a better price; no matter how hard he works or how much money he spends to produce more, his potential profit per item will remain the same, so his incentive to produce more or better quality diminishes.
>
> For the consumer, controls induce the psychology that no matter how much he buys of the product, the price will not rise and probably won't go down. So his demand for the product has no reason to diminish, in fact, it increases. Controls have always, thereby in the final analysis, produced shortages.
>
> Price controls create a political and public mass psychology that is dangerous. Just like any pacifier, it creates the impression that the problem is solved. Therefore, the real and underlying causes of the problem tend to go unattended. Even worse, often as not, such psychology leads directly to programs and attitudes that increase the basic problem.

Mr. President, the purpose of the bill is to do exactly the opposite of price controls. The Committee on Agriculture and Forestry, in reporting S. 1888, recognized that the time has come in this country for us to give farmers an incentive, to give them the assurance they need to produce fully and adequately to meet the food needs of our own citizens and the food needs of our customers abroad.

In reporting the bill, the committee has taken an affirmative approach. We are moving, by this legislation, to assure the country of an abundance of foods for the indefinite future and at the same time for a stable agriculture that will help, as the chairman has said, to avoid the economic chaos that faced agriculture in the 1930's.

In my opinion, S. 1888 is an excellent bill. Its principal beneficiaries are the U.S. consumer and the U.S. Treasury. When properly administered, the bill will establish conditions under which agricultural production can be realistically matched with domestic and international food and fiber demand. Through the passage of the bill, Congress will help to assure our citizens of abundant food for the foreseeable future. I urge its approval.

### EXHIBIT 1

[From Forbes magazine]

### CAN AGRICULTURE SAVE THE DOLLAR?

The Nixon Administration is betting heavily that wheat, corn and soybeans can go a long way in paying for the oil we're going to need.

The U.S. has lost, probably forever, its edge over Western Europe and Japan in manufacturing efficiency and technology. At the same time, it is burning imported oil at an ever-mounting rate. Question: How do you pay for the oil if you can't export enough manufactured goods?

That's where farming comes in. The U.S. is fast exhausting its once-plentiful natural resources. But there is one natural resource that, if cared for, never becomes exhausted; farmland. The U.S. has the acreage, the climate and the potential surplus over its own needs to become the granary of the world—a world where both population and ability to pay are rising fast.

The Nixon Administration is betting on agriculture to save the dollar. For if oil is essential for industrial civilization, food is necessary for life itself. Food is, potentially at least, the most priceless of all natural resources.

The U.S. last year ran a balance-of-trade deficit of $6.8 billion. On top of the current woeful situation, the future seems impossibly bleak: By 1980, under not overly pessimistic projections, the U.S. could be laying out $18 billion to pay for imported oil, compared with a $4.2-billion payout in 1972. If things were to stay the same, this would imply a potential trade deficit of $20 billion and international bankruptcy for the U.S.

Agricultural exports already are one of the few bright spots in the U.S. trade picture. In fiscal 1973 (the year that ends June 30), the U.S. will export $11.1 billion worth of agricultural products. It will import, estimates the Department of Agriculture $6.8 billion. After subtracting $1 billion of foreign-aid-type foodstuffs from the export total, that still leaves a healthy $3.3-billion cash trade surplus in agriculture—largely balancing the deficit in oil.

#### STEADY CLIMB IN EXPORTS

Of course, the current fiscal year is extraordinary because of the shipments of over $1 billion worth of grain to the Soviet Union. But the fact remains that agricultural exports have been rising steadily in recent years; from $5.7 billion in fiscal 1969 to $6.7 billion in 1970, $7.8 billion in 1971, $8.1 billion in 1972. This gain was in cash sales; government program sales have remained at the $1-billion level throughout.

Carroll G. Brunthaver, Assistant Secretary of Agriculture for International Affairs, says the trend will continue. "I won't predict 1980, that's too far ahead," says Brunthaver, "but I think we can get to $15 billion fairly quickly." To Forbes' central question: Can U.S. agriculture save the dollar? Brunthaver responds matter-of-factly. "Not all by itself, but it can go a long way."

The Japanese can manufacture as well as we can. They cannot farm as well as we can. The American farmer is not a lone man standing in the field. It would be more accurate to describe him as the human operative of a system of industry, technology, and capital that has taken the natural resource of the abundant land and made it yield a hundredfold. "Our advantages go back 100 years," says Brunthaver, a 40-year-old Ph.D. in agricultural economics from Ohio State. "They center in our educational system. Our farmers are educated. The infrastructure—the roads, railroads, irrigation systems—all are there. We have an organized market and an industrial complex that supports the farmer."

These investments may now be at the payoff stage. Growing income overseas means meat in the diet. That is the bright hope of the U.S. balance of payments.

#### GRAIN FOR MEAT

Meat, that is, shipped as grain. Just as the U.S. raises more meat animals than anyone else, it also raises more of the feed grains that fatten these animals. Who can raise corn like the U.S.? For the protein supplement soybeans, the U.S. soil and climate are ideally suited, and the U.S. grows 70% of the world's supply. Wheat, which we think of as a food grain, is also a feed grain around the world, and the U.S. stands ready even now to export up to 1 billion bushels a year of it. In short, it is foodstuffs for meat animals that is the U.S.' long suit in international trade. Remember, it takes eight pounds of feed to produce one pound of beef, seven to produce one pound of pork.

All this places in perspective several major recent actions of the Nixon Administration. Among them: parlaying with Russia or China; preparing for negotiations with Japan and the European Economic Community; fending off irate consumers about high food prices; devaluing the dollar. Agriculture is at the heart of every Administration major move of late.

Last year Presidential Assistant for International Economic Policy Peter M. Flanigan commissioned a report from the Department of Agriculture. That confidential report, entitled Agricultural Trade and the Proposed Round of Multilateral Negotiations, is now circulating in Washington and among agricultural businesses in the Midwest. The report examines the potential benefits to the U.S. from a general liberalization of agricultural trade and concludes at its most optimistic that the U.S. could achieve agricultural exports of $18 billion in 1980—with grains and soybeans comprising almost $12 billion of that—if all favorable factors came into play. In this scenario imports, led by dairy products, grow to $9 billion. But the nation would still be earning $9 billion net on agriculture.

Last month the President committed the Administration to ending direct crop subsidy payments for U.S. agriculture over the next four- or five-year period. Ended also will be the allotment program under which acreage was set aside to prevent price-ruinous surpluses. The U.S., which has some 340 million acres growing crops, has 60 million more acres in the set-aside program. This spring 40 million of those set-aside acres come into productive use—half will be producing more soybeans, corn, wheat, grain sorghums and other crops. The other half of the acreage will be used for grazing animals, thus effectively freeing more grain to the market.

Isn't this risky? Won't disastrous surpluses result? The Nixon Administration displays a blithe confidence that they will not. As Secretary of Agriculture Earl Butz put it last month: "We are gambling on the side of too much, rather than not enough."

The gamble is interesting, as it solves two problems at once for Nixon. By announcing the phasing-out of crop subsidies, and allowing expanded crop production, he can say at home that he is moving gradually to bring down food prices. By knocking out the U.S. subsidies to farmers, the Nixon Administration can approach the negotiations this fall with the Europeans with clean hands, as it were, and demand that they loosen their own protective subsidies to farmers. Those subsidies are now effective barriers to U.S. grain exports.

### MORE PRODUCTION HELPS

Furthermore, expanded production of U.S. grain will bring today's high market prices down to more reasonable levels. This will make all the more ridiculous the spectacle of the Europeans holding out low-priced U.S. grain while feeding their meat animals on home-grown, subsidized, high-priced feed—and feed comprises 75% or more of the cost of raising an animal. It will also keep American grain and soybeans attractive to the Japanese, with whom price has been a problem recently. The expanded production holds little danger of a ruinous U.S. surplus in the crop year beginning this spring. Extraordinary export demand last year depleted U.S. grain reserves, and those stocks must be replenished. So Nixon has until the summer of 1974 to persuade the foreigners to buy more of the U.S. agricultural abundance.

Significantly perhaps, the U.S. was more reasonable in February's devaluation of the dollar. The whole thing was carried off relatively painlessly for Europe. No European country had to change its currency value, and thus Europe's internal balance of exchange rates was preserved. The feeling in the Administration is that Europe owes the U.S. something, preferably in agriculture.

The barriers are formidable. The only significant achievement of the European Economic Community to date has been the Common Agricultural Policy, which sets a high price level for crops grown inside the EEC and, through the use of a variable agricultural level, holds out selected foreign crops—most particularly U.S. feed grains such as corn. Since this came fully into effect around 1966, the U.S. has lost $200 million to $300 million a year in feed grain exports to Western Europe—a market in which consumption of meat has expanded over 20%. On top of that Britain, Ireland and Denmark, customers for $550 million worth of U.S. agricultural exports a year, have just entered the EEC, imperiling that steady export demand. The Administration feels that in the forthcoming negotiations, the U.S. had better recover that lost business and get a clear shot at future growth markets. The alternative? Fewer Volkswagens and French wines coming into the U.S.

Japan, on the other hand, is a good customer, U.S. agricultural exports to Japan this year will total $1.7 billion. And Japan is fast becoming a meat-eating nation, producing now 2.5 billion pounds of meat, compared with half a billion ten years ago. Meat consumption is expected to double again in this decade. The U.S. problem here is economic: It must keep the price of its grains competitive to hold the market and to lessen the attraction for Japanese investment in growing soybeans and feed grains on Australian and Brazilian soil.

With the newly opened giant markets for U.S. grains in the Communist countries, the problem is going to be how to arrange hard currency purchases over the long term. The signs that the Russians, though, are serious about building up their livestock herds are growing. Russia has a five-year-plan objective of a 25% increase in meat production; in spite of a terrible crop year in 1972, it did not slaughter the livestock herds as it has done previously in crop-disaster years. The potential market for U.S. feed grains and soybeans in Russia and Eastern Europe is estimated by the Department of Agriculture, at 35 million to 40 million tons annually—easily a $2.5-billion annual market. The People's Republic of China imports annually 4 million to 5 million tons of grain, mostly wheat. Initially a market for 1 million to 2 million tons annually, reckons Agriculture's Brunthaver.

India, even with the Green Revolution, is figured for frequent if not chronic shortfalls in wheat production. This year the shortfall is in the nature of 10 million tons, and the hardpressed Indians are buying U.S. grain at current inflated market prices.

Of course, there are pitfalls to watch out for in these admittedly rosy projections of world demand for foodstuffs. Good weather conditions around the world would diminish U.S. wheat export for a start. The Common Market nations are not going to cower meekly under U.S. tablepounding in negotiations; Japan, with its Brazilian plans, could become a competitor in agriculture. Russia normally grows more wheat than even the U.S., and is a grain exporter itself. It also grows barley and can fatten its calves and hogs on that. So while demand for grains will grow, it will remain highly cyclical. But for all that, the U.S. does hold the trump cards, and chief among them is the soybean.

There are no trade barriers to soybeans in any country in the world; the problem is supply, not demand. The reason is simple: The soybean has a protein content of 40% compared with 8% for corn, 10% to 12% for wheat and about the same for oats and barley. The U.S. this year will export some $2.7 billion worth of soybeans and soybean meal and oil; it will export 475 million bushels out of a crop of 1.3 billion bushels. And says the Department of Agriculture, to no one's disagreement: If we had 200 million bushels more, we could sell every one of them. That alone would make a $1-billion dent in our payment deficit.

The rest of the world has a hard time growing soybeans. The soil and climate of Iowa and Illinois are particularly favorable to the bean. But that's corn country. Why doesn't the farmer simply switch from corn to soybeans? Because there is a wealth of technology behind corn; the yields get to 150 bushels an acre and above. Soybeans are now up to 28 bushels an acre in good times, and soybeans are not yet free of natural hazards that no longer bedevil corn, like proliferating weeds and difficulty in harvesting.

But the situation is changing. Soybeans, because of their higher price, are now the U.S.' No. One cash crop—totaling $4 billion in calendar 1972 compared with $3.3 billion for corn.

### DEFENSE TO OFFENSE

What do the Administration's new farm policies, hopes and expectations really mean for the rest of the business world? Who's helped? Who's hurt?

The new policy is realistic: It is based on selling for cash to those who have the money. Russia and China are in. India is out.

But an even more basic change is involved. This time we would not be so much selling grain as meat—in the sense that the grain would be converted into meat—for countries with a rising standard of living. For those who can't yet afford meat but need protein, there are soybeans.

The food business will, of course, always be cyclical. What this means is that if the U.S. wants to encourage agricultural expansion as a means of earning foreign exchange, it will have to protect the farmers against undue price fluctuation. As granary to the world, too, the U.S. will have to protect its customers against shortages and wild price escalations. One way to do this would be by government stockpiling in off years. Another way might be to try working out long-term supply contracts by which major customers might agree to take regular amounts—in return for being assured of a regular supply. Either way, the Government is in the business of holding reserves of the major commodities. As Senator Hubert H. Humphrey from the farming state of Minnesota puts it: "The Government must share with the farmer the risks associated with these market uncertainties."

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## Exhibit 2

## Boll Weevil Eradication Cost Data

1. Accumulated cost of the boll weevil to the U.S. cotton industry since the pest entered from Mexico is in excess of $12 billion.

2. The boll weevil accounts for one-third of the insecticides used on all crops in the U.S.

3. Control of the boll weevil adds about 3.5 cents per pound to cotton production costs.

4. The boll weevil eradication drive was begun in 1959 when Congress appropriated funds to study needs and to establish the federal boll weevil laboratory. Since then, more than $21 million has been spent for eradication research. Unless the eradication program proceeds, most of this expenditure will have been wasted, and the boll weevil will continue to take its toll—requiring even heavier usage of insecticides, which can speed the development of resistance and add to environmental problems.

5. A 50 county pilot eradication program will be completed late this summer at a total cost of more than $5 million. Evaluations so far clearly indicate that the technology for Beltwide eradication is now available.

6. Tentative estimates are that the total cost will not exceed $500 million, spread over a five to six-year period—or an average of $50 an acre for the approximately 10 million acres of cotton in boll weevil areas.

7. Actually, the cost will likely be closer to $300 million or $30 an acre, because the top

estimate of $500 million includes 25 percent for contingencies—and efficiencies expected in methods and operations could well reduce the estimate another 25 percent.

8. Annual crop losses and control costs attributable to the boll weevil range from $175 to $275 million. More insecticides are applied for controlling the boll weevil than for any other insect.

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### EXHIBIT 3

OKLAHOMA STATE UNIVERSITY,
*Stillwater, Okla., May 1, 1973.*
Hon. HENRY BELLMON,
*U.S. Senate,*
*Washington, D.C.*

DEAR HENRY: We find that the four simple questions you asked in your letter of April 18, 1973, are very difficult to answer. I have called on Dr. Don Gill, extension livestock nutritionist, to help me out; I am enclosing Don's letter on this subject. Don is our most knowledgeable staff member on the subject of death losses and morbidity related to shipping.

1. In Oklahoma we apparently have no state laws that have any significant effect on this problem. Some states have recently passed laws making it illegal to sell sick animals through a public sale. I understand bovine practitioners are advocating a law that would prohibit any animal from going through more than one sale in a three-week period. These efforts are aimed at restricting the movement of diseased and stressed animals. I'm not sure how successful they would be or what the ramifications are of their enactment.

2. The major livestock association involved with this problem is Livestock Conservation, Inc., with its nationwide programs of livestock health and safety. It receives its membership and financial support from hundreds of organizations and associations throughout the livestock industry. Most of its efforts have been applied in educational programs.

3. I believe LCI estimates are for $500,000;000 to $700,000,000 annual losses in cattle and about $50,000,000 losses in hogs in deaths and reduced performance related to movement, change of owner, and transportation losses.

4. Probably the best way to combat these losses related to shipping is by educational programs directed toward proper management throughout the transfer, proper preparation (pre-conditioning) of the stock in preparation for sale and shipment, prevention of stress and exposure to disease, and application of our best known veterinary treatments in preparation for, during, and after shipment. Some have suggested that we need laws regulating the location of exhausts on livestock trucks so that loaded animals are not exposed to exhaust fumes in transit. Perhaps this would be helpful, but it's questionable if we really have enough evidence of harmful effects of exhaust fumes. Also, suggestions have been made of need for regulating the length of shipping time without feed, water, and rest. Interstate rail shipments are subject to such regulations, but I don't think trucks are. The ramifications of a legally imposed shipping time limit need careful study. The advantage of the feed, water, and rest in combating stress must be weighed against the increased cost and time involved in shipment and the increased exposure to disease at rest stations. Generally it is now considered best to get cattle all the way to their destination as soon as possible after loading. This is a particular area that perhaps needs more research.

I am sorry that we have not been able to give more precise answers to your questions, but we will be glad to check the matter further, especially if there are other unanswered questions on the subject. Don Gill would be the best resource person on our staff. Under separate cover I am sending you a copy of a Pre-Conditioning Seminar which Don developed and held on the campus several years ago.

Sincerely yours,

JAMES A. WHATLEY,
*Dean and Director.*

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IOWA STATE UNIVERSITY,
*Ames, Iowa, May 2, 1973.*

Re: Losses in transportation of livestock-species-cattle.

Senator HENRY BELLMON,
*U.S. Senate,*
*Washington, D.C.*

DEAR SENATOR BELLMON: Dean L. R. Folmer, Dean of Agriculture here at Iowa State University has asked me to respond to your inquiry of April 18, 1973.

*Situation:* Cattle are mobile. Feeder cattle move frequently from one state to another in a matter of hours, in fact move freely throughout the United States. There are 14,485,000 cattle on feed in the United States as compiled by USDA, March 1973. These originate largely from 41,102,000 beef cows. Estimates show that over 50 percent of these animals originate from herds of less than 50 cows. Surveys show that a high percent of these animals lose their identity when they enter the channels of trade. There is not an uniform method of identification of cattle. It is impossible in many cases to trace back origin of cattle.

*Losses:* There is a national loss of 1 to 2 percent of all feeder cattle in the United States due to the stress of movement and diseases encountered in their collection and transport from origin to feedlot. There are many, many catastrophic losses ranging from 10 to 50 percent. Every case is different but less than 50 percent of the cattle move direct from producer to feedlot. In the numerous ways and means of collecting and moving cattle, they pass through order buyers hands, auction markets, terminal markets and frequently pass through several public markets before they arrive in a feedlot. In many cases, they are commingled with many other animals from different origins. In some cases, they move through several public markets before they find their way to a feedlot. In many, many cases, clinically sick animals are removed from the offering to be replaced by other animals. These animals do move to a feedlot incubating a disease complex without being observed.

It is estimated that if the shrink, time, feed utilization, rate of gain, treatment and death loss could be equated, there would be a loss of $10.00 to $20.00 prorated for every animal that enters the feedlot.

*Laws:* There are federal regulations pertaining to the movement of feeder cattle, i.e., health certificates are necessary for most cattle and permits are required for steers in some instance. Cattle in terminal markets are inspected. However, detailed clinical examinatiton of the health of the individual animal is not made. Health certificates in general are mere pieces of paper and are not meaningful because of failure to conduct necessary inspections. Several states are trying to get a law requiring an animal to be identified once it moves through a public market. This is to alert prospective buyers if the animal is to move through another public market. As yet, no state has this requirement.

In general, little if any activities are in action by livestock organizations to reduce shipping losses. To date it is mere lip service. Meaningful programs should be outlined as follows:

(a) The producer of the feeder cattle should be required to have his calves weaned at least 30 days prior to movement. There should be a national identification program enforced immediately so that all cattle would have a "bovine social security number." This would enable tracebacks on disease, and chemical residues if encountered. Further, they should be properly immunized and treated at least 2 weeks prior to movement. Immunization should not be allowed once animals are in transit.

(b) These animals should not be in order buyers hands over 48 hours. All order buyers should be bonded.

(c) They should not be on a truck or rail car over 25 hours.

(d) Truckers should be regulated as to load and should be required to have a time clock to log road time.

(e) Animals should go through only one public market.

(f) Health certificates should be made meaningful. Veterinarians should be required to thoroughly check animals including individual animal checks or drop all health certificates. To date they are a joke in most cases.

(g) Animals should be inspected at destination. Excessive shrink and sick animals, etc., should be thoroughly examined before the animals are accepted.

The value of feeder cattle or any livestock is such today that past practices of collection, movement and inspection are outmoded. The majority of our losses are due to husbandry practices that are no longer acceptable in today's scheme of animal protein production.

Excessive regulations are a hindrance, thus livestock organizations in general are fearful of governmental interference. Yet, the animal protein losses in moving feeder animals, namely; calves, lambs, and pigs, are estimated to be of the amount to supply the minimum protein requirements for a sizable portion of the population.

I feel that there should be a summit meeting of leading livestock organizations, health authorities, market associations, trucker associations and livestock feeders to zero in on this problem at the earliest possible time. It is an industry problem and no one segment can be singled out and blamed. The key is national cattle identification. This need has been brought to the attention of the USDA authorities several times during the last 10 years.

If you desire further specific information, I would be happy to supply it if available.

Sincerely,

JOHN B. HERRICK,
*Extension Veterinarian.*

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### EXHIBIT 4

[From the New York Times, Apr. 29, 1973]

## THE FALLACY OF PRICE CONTROLS FOR FOOD

(By Leo Melamed)

Too little of the true nature or cause of the food price rise has risen to the surface or been properly explained. Take, for instance, the so-called meat boycott.

The power of the housewife has been extolled as if it were a new invention comparable to, say, the discovery of the wheel. The truth is that consumer price resistance is a time-honored weapon of the marketplace and is as old as the marketplace itself. It is today no more than it has been from time immemorial, the check in the balance between supply and demand.

Sooner or later, every commodity is liable to face the price resistance level of the consumer at which point the supply will begin to outweight the demand. Price resistance is second only to supply in affecting the price of any given commodity.

The recent boycott was not, therefore, an extension of women's liberation or an invention of 1973, nor need it have been given the reverence the press seemed to attach to it.

Such glamorization of an important but normal economic function will undoubtedly produce polarization between the consumer and the producer. This will reduce the matter to a war between boycott groups and antiboycott groups, thus further distorting the supply and demand picture, and certainly be a disservice to our economy.

What is of much more significance, however, is the irresponsible response of many of our political leaders to this dilemma. To a man, it seems they have hopped aboard this bandwagon of sentiment with cries of "the President hasn't done enough," "roll back the prices" and so on.

Such talk may make votes; it certainly doesn't make sense.

Where are our leaders who have the guts to explain the true nature of this problem? Where are our officials who would point out that the present crisis was caused by the convergence of a number of contributing factors, including severe weather, previously depressed prices and profit squeezes and an enormously increased demand for meat?

This, as a result of higher wages and more employment, changed eating habits and Government food programs.

Who explained that some of these factors are of a permanent nature, others are cyclical and still others are temporary?

Who pointed out that one of the main causes has been the devaluation of the dollar, coupled with foreign inflation and increased world affluence, which created additional funds in foreign countries with which to increase their imports of our products; that American food products, such as grain and meat, were some of the biggest bargains available to them, and that our Government encouraged this eventuality to aid our balance of payments?

And who explained that this cause and its effect was a continuing one because you could not have your commodity and eat it too?

Finally, and most importantly, why has so little been written about the low nature of our present food prices?

Food prices in recent months have risen dramatically and out of proportion with other items; the price of meat has, in the last year, risen to an extreme. In fact, food prices in the last several years have been playing catch-up.

But the price of farm products cannot be measured in terms of weeks or months or even one year. The rise and fall of farm commodities are affected by a number of complicated factors that cause a constant tug-of-war between supply and demand.

At any given moment or during any given year, the price may rise or fall dramatically (drawing exceptional public attention to it), but it is unfair to judge this rise or fall as of that moment or that duration. To judge prices of farm commodities adequately and fairly, one must look at them over a longer period of time, say 10 or 20 years. Only then can you assess their cost increases on a basis that has taken into account all of the variables, cycles and adjustments.

How often is it explained that although food prices have risen significantly, they have risen far less than most goods? Or how often is it pointed out that while prices for all consumer items rose by 58 per cent during the last 20 years and housing prices rose by 64 per cent, prices for retail food went up only 47 per cent since 1952 and the price of food eaten at home rose less than 40 per cent?

Even this 40 per cent rise (18 per cent less than the rise of other consumer items) is not the full story, since our average food bill, which took 23 per cent of our after-tax disposable income in 1952, took only 15.7 per cent of the after-tax disposable income in 1972 and is projected even lower for 1973.

Who has had the courage to point out that during this same 20-year period, while home food prices rose by 40 per cent (but took 7 per cent less of our after-tax income), the hourly wages received by laborers went up 140 per cent?

It is not my intention to be critical of laborer's increased wages, but I certainly call it unfair when labor's leaders use the rise in food prices as a reason for higher wages. Who would point out to them that if food prices had kept pace with wages since 1952, then a quart of milk today would cost 55 per cent more, a dozen eggs 161 per cent more, a pound of hamburger 151 per cent more and a pound of round steak 267 per cent more?

Who would explain that while out of every $100 of after-tax income the average person spends 48 per cent more for medical care; 18 per cent more for his automobile, transportation, gas and oil; 14 per cent more for housing, furniture and household operation than he did 20 years ago, he spends 32 per cent less (yes, less) for food?

Little wonder that the rest of the world, with few exceptions, is envious of our food prices and has come to our counter for our cheap commodities. Has everyone made the comparison between our retail meat prices and the dollar equivalent in foreign countries?

How much has been written about the reasons for our plentiful breadbasket and that a paramount cause for its success has been a relatively free-enterprise system guided mainly by supply, demand and profit motivation; that price and market controls, ceilings and five-year plans (as some have suggested), have been tried in every other corner of the globe (and here, too) with disastrous results, and that we are still the only nation that has produced food commodities on a scale that is generally higher than we can consume?

Instead of facts, we have heard the demands that Government put more controls into this system; that we roll back prices, and that we install some magic bureaucratic system to guide and guard rather than allow it to adjust itself as in the past or as world economic conditions dictate.

The old successful way isn't good enough in these modern times, so let's adopt the unsuccessful policies of other nations. That way we can look forward to the same results that they have achieved and soon we can together lack the same commodities.

Controls, ceilings and such are wonderful ideas, but there are a number of basic things wrong with them:

They don't affect the fundamental cause of the problem in the first place. Increases in prices can be predominantly attributed to lack of supply, or put another way, demand in excess of supply.

An increase of supply or decrease of demand are the only real means of reducing prices. Controls on prices will in no way affect greater supply or lower demand.

They are counterproductive. For the producers, controls induce the psychology that no matter what he does for his product's quality, he cannot get a better price; no matter how hard he works or how much money he spends to produce more, his potential profit per item will remain the same, so his incentive to produce more or better quality diminishes.

For the consumer, controls induce the psychology that no matter how much he buys of the product, the price will not rise and probably won't go down. So his demand for the product has no reason to diminsh in fact, it increases. Controls have always, thereby in the final analysis, produced shortages.

Price controls create a political and public mass psychology that is dangerous. Just like any pacifier, it creates the impression that the problem is solved. Therefore, the real and underlying causes of the problem tend to go unattended. Even worse, often as not, such psychology leads directly to programs and attitudes that increase the basic problem.

Price controls are inherently inflationary. In order to regulate and enforce them, new Government agencies must be created; this is costly.

Such additional Government expenditures can be paid for by higher taxes but usually are not. Instead, the Government pays for it with borrowed or created funds.

Price controls create unforeseen complexities and, in the long run, are self-defeating. No control system has yet been devised that can foresee at the outset all the effects and countereffects on the nation's economy. New rules and interpretations must be constantly added.

Thus controls, in time, become an incomprehensible morass of rules and exceptions riddled with loopholes and conflicting interpretations. Furthermore, human nature will, in the long run, prompt many consumers to circumvent or violate control prices to get better quality or more of a given product. This, in essence, means that prices continue to rise—albeit unofficially.

Price controls tend to become "alive" once installed. Controls are most difficult to be done away with. The psychology that created them and the psychology that they in turn create seem to make them independent of their creator. Like opium or any artificial stimulant, once you have it, you think you can't live without it—regardless of the harm it causes.

If I have oversimplified these issues, it was for emphasis, but the facts remain for anyone to draw his own conclusions.

It is indeed sad that now we have meat ceilings in response to the public clamor for a pacifier. Should the price of meat recede, it will be attributed to the effectiveness of these controls. Forgotten will be the fact that any reduction in meat prices will unquestionably have been caused by stiff consumer price resistance, coupled with a continuing increase in meat supplies, and not at all by the artificial magic of the ceiling.

But, alas, no lesson will have been learned—just the opposite—an erroneous impression will have been created.

Food commodities are our biggest bargain even now and controls, ceilings or other artificial means won't help their production. If our food prices are rising, then it is caused by eventualities over which our farmers had little control. Penalizing them won't help.

It could be that our food prices won't ever come back down—they may even continue to rise—but the answer to this problem, as in the past, lies in production, production incentives and overall national economic management and not in politically inspired rhetoric or artificial price adjustments or controls. And certainly emotionally charged accusations and demands by consumer groups won't do anything except confuse the issues and delay the remedies.

### THE AMERICAN FARMER

**Mr. BELLMON.** Mr. President, many Americans have misconceptions about farmers and the role they play in our everyday lives. There is a great lack of understanding about the business of farming and the individuals who are engaged in producing food and fiber for use by our citizens and to supply the needs of other countries.

One of the best descriptions of the American farmer that I have seen was prepared by DeKalb AgResearch, Inc. of DeKalb, Ill. Characterizing the farmer as "the world's most important businessman," this well-documented piece explains what a farmer is and what he is not. Among other things, he is an investor, a speculator, an environmentalist and conservationist, and a consumer. He is not a "hayseed," a big operator, or a freeloader on the Federal Government.

As the Senate debates the farm bill this week, many things will be said about the American farmer. In order that Senators may be accurately informed about the business of farming and those who make their living in agriculture, I ask unanimous consent that this factual presentation on the American farmer be printed in the Record.

There being no objection, the article was ordered to be printed in the Record as follows:

### THE AMERICAN FARMER

(Note.—Quotes throughout the text are attributed to James Gill, operator of a 500-acre grain and livestock farm near Wyoming, Ill.)

One operates 2,000 acres. His neighbor farms one-tenth that amount. One has a master's degree. Another's education is based on experience. One is young. His neighbor is old. One raises corn in Indiana. Another feeds cattle in Montana.

The American farmer . . . not an easy man to describe and define. But, for all their differences, they are still alike. Above all else, they are businessmen. Knowledgeable in the dozen or so areas that it takes to be a farmer in the 70's.

This businessman is both management and labor. He's in charge of a physical plant with fixed assets often reaching $300,000 or more. Although he often feels like it, he can't strike for higher wages.

He's chief purchasing agent, deciding which $20,000 machine will best harvest his crop during the two weeks out of the year that he needs it.

He's an efficiency expert, always trying to cut his costs and increase his slim margin of profit.

He's an investor—handling each dollar wisely, but putting it in a business that isn't known for its high rate of return.

He's an environmentalist and a conservationist, treating his resources wisely so his land will still be productive when the next man is ready for it.

He's a speculator, gambling on the weather, insects and disease. And hoping the law of supply and demand—his basic marketing tool—will treat him favorably in the marketplace.

Most of all, he's an optimist—knowing that next year has to be better.

He's the American farmer. And he's the world's most important businessman.

"The American farmer is an asset to our economy because he is both a producer and a consumer."

The farmer's business is producing food and fiber, recognized as the world's basic industry.

In any society, the necessities of life—food, clothing and shelter—must come first. A color television is of little comfort to a youngster whose stomach is gnawed by hunger. A dishwasher means little to the housewife whose first concern is having ample food to serve her family. Unlike many other products of our economy, food is one product we cannot do without.

As a basic industry, agriculture holds the key to the development of other industries. If most of the world's work force is required to produce food and fiber, then obviously fewer workers are available to develop other industries.

That is not to say that agriculture is the basic industry of every nation on earth. It isn't. The law of comparative advantage enters the picture: A nation develops those industries it is best suited for, based on the resources it has available for that industry. No nation is entirely self-sufficient. World trade helps fill any potential void.

For world trade to exist in the food market, some countries must produce agricultural goods in excess of their domestic needs. Few nations are doing this. But the United States is . . . and it's due to the efficiency of the American farmer.

During the past few decades, the American farmer has demonstrated his amazing ability to produce. He has increased his production more than any other major segment of our economy. During the past 10 years, his production has climbed 20 percent, and he's done it on six percent fewer acres. He has done it by taking the proper mix of land, labor, capital, technology and management, and coming up with the most efficient agricultural production the world has known. And the end isn't yet in sight.

His efficiency has made possible the export of the production from one of every four acres harvested in this country. He has made the United States the leading exporter of agricultural products, accounting for more than one-sixth of the world's agricultural exports in fiscal year 1970–71.

Perhaps a statement by Robert Stovall, vice president of Reynolds Securities, Inc., best sums up our amazing American agriculture. Writing in the February 1, 1973 issue of FORBES magazine, Stovall said, "it is ironic that the much maligned farmer and the risky, highly cyclical industries that serve him have now combined to produce the one area of expertise which the U.S. shares with no other country in the world. Others can produce automobiles, color television sets, transistors and pharmaceuticals of like quality to ours, and frequently cheaper. In the field of agribusiness, however, we have no real competitor."

As time goes on, the American farmer will likely play a bigger role in the world economy. If his full productive capacity is unleashed, he will be an even more important factor in the struggle to alleviate world hunger.

"Farming basically was a way of life until the 1960's. Now there is a much greater business aspect to it."

Who is this man—the American Farmer?

The vast majority of farms in the United States are family owned or operated. The primary business of these owners and operators is farming, although some supplement their farm incomes by off-farm employment.

Perhaps the term "family farmer" is misleading. Mention the words to many, and minds immediately dart back to "the good old days." They conjure up thoughts of a small farm being operated by a self-sufficient and independent family.

But the 1972 version of the family farmer isn't like that. He's not self-sufficient, and he knows it.

He has organized his farm as a business enterprise, and he operates it to achieve a profit. He provides most of the management and capital and he assumes all of the financial risk.

Along with his family, he performs most of the labor. He might hire extra labor, but usually only during peak work periods.

He may own his land or he may rent it. He may be the sole operator, or he and his son might have a partnership established. He sometimes incorporates his operation—for tax or inheritance purposes—with his wife and children serving as officers in the corporation.

He's willing to go into debt and finds, in fact, that he must rely on credit to keep his operation competitive and efficient enough to support an acceptable standard of living.

Unlike farmers of past generations, he's not suspicious of new ways and new technology. He believes in agricultural research and he's quick to put it to work on his farm.

He's not a "hayseed." He may dress differently or drive his truck more often than his car, but he knows the world. His areas of knowledge range from ecology to economics.

During the past three decades, he's seen more than half of his neighbors leave their farms and seek other employment. They did this, not always by choice, but because the rules of our economy demand efficiency. He is the man who made it this far—the "fittest" survivor of the unrelenting economic pressures of our freely-competitive society.

"Large corporations can't make it in farming until the return from agriculture is at least equal to the return from other industries."

Some express concern that agriculture is under the control of large corporate farms. Of the 2.9 million farms in the United States, less than 0.1 percent are owned or operated by corporations with ten or more shareholders, and they account for less than three percent of total farm sales.

Several corporations have entered farming, many of them to their own regret. The results have been nothing short of financial disasters. Farm Journal recently analyzed these corporate flops and cited the major reason for their failures: "Financially oriented brass didn't really understand farming."

Farm Journal found another difference between the corporate farmer and the family farmer—thriftiness! "The front-line manager farmed strictly first class, figuring he had plenty of money to spend because the outfit was big." One of the family farmers' biggest assets is his ability to watch his dollars carefully and invest them wisely, because he's never known it any other way.

Corporate farmers can't afford to overlook the one factor that makes farming different from other industries. Because they produce commodities and operate under totally free competition, farmers—unlike many businessmen—have never enjoyed the freedom to tack on a suitable margin of profit to the products they sell. In agriculture, the buyer normally commands more power than the seller. The farmer takes what he can get.

You can bet he'll be mighty careful when it comes time for him to buy equipment. And you can bet, too, that he will use it well. When it comes time to plant corn, and bad weather has set him behind, he'll be on the job 24 hours a day. There are no eight-hour days, five-day weeks or overtime pay checks for the farmer.

The Farm Journal story also revealed that many companies entering farming tried to grow too fast. "They didn't have a chance to make little mistakes before they made big ones." It all seems to point to one conclusion: It takes a farmer to understand farming.

"It's getting more expensive to improve efficiency."

Half a century ago, agriculture's major inputs were land and labor. Higher production normally brought higher profits, and the way to higher production meant putting more labor to work on more land.

Now, however, land and labor are both limited and expensive. And, as such, they have been overshadowed in importance by three other inputs—capital, management and technology.

The capital requirements of the average American farm are by no means small. Consider that an acre of land may cost $1,000 or more. Or that the cost of a new tractor often exceeds $10,000. Add to this the thousands of dollars needed each year to cover operating costs—fuel, fertilizer, etc.—and the total often reaches several hundred thousand dollars.

It's obvious that most farmers cannot by themselves take on the job of financing their operations. They have to turn to other sources for credit.

According to the 1971 Fact Book of U.S. Agriculture, "In recent years, credit has been used to finance four-fifths of all farm sales. Federal land banks and life insurance companies are the largest institutional holders of farm mortgages, with outstanding balances on January, 1971, of $7.1 billion and $5.6 billion respectively. Commercial and savings banks held loans of $4.4 billion."

The American farmer is also a heavy user of non-real estate farm loans. He uses these mainly to finance seasonal production costs and living expenses. The Fact Book reports, "In 1971, about $12.3 billion of the non-real estate farm debt was owed to merchants, dealers, individuals, and other miscellaneous lenders and creditors. Commercial banks, which supply the most non-real estate credit to farmers, held outstanding loans of $11.1 billion."

It's an ironic cycle—credit is necessary if the American farmer is to maintain or increase his efficiency. But because the use of credit increases his operating costs through interest payments, it is even more imperative that his operation be efficient . . . to offset the increased costs credit brings to the operation.

Management is the second important new input. In simple terms, management means making the right decisions at the right times.

Modern farming is full of decisions. It's more than pulling a plow behind a tractor or throwing a bale of hay onto a wagon. It's deciding when to sell, what to buy and which way to speculate. The decisions hold the potential to keep a farmer in business . . . or to put him out. They're often lonely decisions.

The emphasis on management has brought a new generation of farmers. They are more educated and better informed than generations past.

The third major input is technology. Combined with the farmer's land, labor, capital and management, technology has played an important role in the amazing productive capacity of the American farmer.

Technology is the development of hybrid seed. It's better-bred animals. It's disease-resistant crops. It's vaccines and other medications for livestock. It's improved pest control.

Modern agricultural technology is responsible for the so-called "Green Revolution," which has given new hope to the struggle to feed the world. Technology is the basis of the revolution brought about by the acceptance of hybrid corn. If American farmers returned to non-hybrid seed—given current advances in such areas as fertilizer and insect control—it would still require 20 million more acres, or approximately 29 percent more acreage, to meet the present demand for corn.

Technology is the result of research efforts by universities, agricultural companies and even farmers themselves. And technology will play an even more important role in tomorrow's agriculture.

"Disasters in the chain of food production can happen. We must have continuing research."

As world population continues to increase, the land area available for production of food and fiber continues to decline. Each year, acres of valuable productive land give way to masses of steel and concrete in the form of highways, airports and urban expansion. More space is required just to satisfy our increasing population. And more people mean greater demands for more food. The way to increased food and fiber supplies, then, is not through increased acreage, but through greater production on the acreage that is available. That is the role of research.

What more can be said about the actual operations of the American farmer? He drives a tractor. He feeds cattle. He plows his land. He harvests his crops.

But, that's not all. The American farmer combines the inputs of land, labor, capital, management and technology and produces food and fiber for the world.

It's time we recognize the importance of the American farmer's ability to produce, and accept what it has done and can do for our economy. In the October 8, 1972, issue of the Chicago Tribune, Economist Pierre A. Rinfret is quoted as saying, "Most people haven't realized yet that a principal part of the President's new economic drive is utilizing in full the incredible productive capacity of American agriculture."

Full employment in our economy, Rinfret continued, "requires maximum economic expansion until all idle capacity is used up, and the turning on the full productive capacity of agriculture."

The farmer's efficiency has enabled American consumers to enjoy an ample supply of the most wholesome and nutritious food products in history—at the best prices ever. In 1971, the consumer spent an average of 16.3 percent of his pay check for food, or less than half of what he paid in 1929. This has enabled consumers to spend an increasing portion of their incomes for products other than food, thereby encouraging the development of non-agricultural industries. The result . . . a higher level of living for everyone.

The export of American agricultural products is a "plus" in our attempts to achieve a balance of payments in foreign trade. In 1971, total U.S. exports were valued at $43.5 billion. That same year, the United States exported a record $7.7 billion of agricultural products, accounting for nearly one-fifth the value of all U.S. exports. And a side benefit . . . American agricultural exports require financing, storage and both inland and ocean transportation—thus maintaining more jobs for more people.

"We all know the farmer—he gets another nickel in his pocket and he's going to spend it on more tools, better seed, or perhaps on improvement in his family living. This is reflected back into the economy and multiplied many times."

The American farmer may be a farmer, but he's also a consumer. He puts billions of dollars back into the economy to maintain his operation. In 1971, American farmers spent $1.8 billion for petroleum, $1.1 billion for tractors, $3.5 billion for hired labor, and paid $3.1 billion in property taxes. He also helps support the same industries that his non-farm neighbors do. He, too, buys refrigerators, television sets, automobiles, furniture and processed foods. In simple figures, five percent of the population accounts for nearly 20 percent of the domestic market for steel, petroleum, rubber, and other major products.

The effect of all of this is that three out of 10 jobs in America are related to agriculture. And at the heart of this is the American Farmer.

"One reason farming does not return much on its investments is that the producer has so very little to say about the pricing of his product."

Efficiency is the name of the game. The gap between costs and prices represents profit. It's this gap that every farmer tries to keep as wide as possible.

The farmer has little control over the prices he receives. He can protect himself by hedging in the futures market, but this market, in itself, reflects a totally free supply-demand situation. Another alternative is to contract for sale of his crops, but when he does this he often trades off opportunity for top profits in favor of security.

Prices paid to farmers for many commodities are actually lower now than they were two decades ago. The price of beef, for example, has finally climbed back up to the level it was 20 years ago. The following table helps tell the story:

PRICE RECEIVED BY FARMERS

| Commodity | 1951 | 1952 | Sept 15, 1972 |
|---|---|---|---|
| Choice steers (per hundredweight at Omaha) | $34.92 | $32.37 | $34.85 |
| Barrows and gilts (per hundredweight) | 20.56 | 18.13 | 29.25 |
| Corn (per bushelt) | 1.66 | 1.52 | 1.22 |
| Wheat (per bushel) | 2.11 | 2.09 | 1.73 |
| Broilers (per pound) | .285 | .288 | .155 |
| Eggs (per dozen) | .477 | .416 | .339 |
| Index of prices received by farmers (1910–14 base) | 302 | 288 | 326 |
| Index of prices paid by farmers (1910–14 base) | 271 | 273 | 376 |

"We have the cost-price squeeze and as time goes on, the squeeze seems to get tighter."

Since the market doesn't respond to the farmer's wish, the most practical means of assuring himself of a profit is to keep his production costs as low as possible. This is hard to do when the costs of his inputs keep rising. For example, between 1957–59 and 1969, farmers were faced with a 77 percent increase in hired wage rates, a 33 percent increase in the price of motor vehicles and a 106 percent increase in taxes. Again, the table (Index of prices paid) illustrates the comparison.

Faced with a situation like this, farmers have been forced to seek efficiency—or else stop playing the game!

Last year, the American farmer earned an average income of $7,980. Compare this with the average blue-collar family income of $10,340. Or the average white-collar income of $14,900. It's ironic that this is the way the American farmer is rewarded for his increase in productivity—an increase that far exceeds the increases in productivity of both his blue-collar and white-collar neighbors.

The cost-price squeeze is making it difficult for young farmers to get started. A recent study in Illinois found that nearly 20 percent of the farm boys who entered farming during the period 1945–54 failed to make it in that vocation.

Another problem facing the American farmer is the tendency for some consumers to associate him with rising food prices.

It is a fact that food prices are lower now, in proportion to expendable income, then ever before in history. For example, consumer income increased 63 percent in the 1960's, while the food expenditures were up only 31 percent during the same period. Income less food expenditures was up $960 or 73 percent. Still, someone has to absorb the blame when prices do climb.

The farmer is seldom the cause of such increases, and he seldom benefits from an increase. He receives an average of 40 cents out of each dollar spent on food at the grocery store—the remainder goes for processing and marketing. Compare this 40 cents to the 50 cents he received from each food dollar in 1947–49.

We tend to take for granted the adequate supply of wholesome food products provided by the American farmer. But, take away the supply and then see how we complain!

"We have a big job of passing the word along so that consumers can really understand how their food is grown and the problems associated with it."

What about the future of the American farmer?

He's likely to continue to decrease in number unless the rules of the game change. The relentless pressures of economies of scale, increasing technological complexities, high "start up" costs, and his minority political position combine to suggest that farms of the future will be fewer and bigger. But he's not going to be driven off by big, vertically-integrated conglomerates. He's too tough a competitor, too flexible, too dedicated, for them.

He is important to America. He has made it possible for Americans to eat the best food at the lowest price in the world, and he is by far our biggest producer of foreign exchange. He's tired of being criticized because government production controls are necessary to avoid disastrous overproduction. Instead of being appreciated because he produces food at the lowest cost in the world, he hears demands for price controls when the price of his product starts moving upward for the first time in 20 years.

The United States faces a national policy choice; to continue to encourage him, to help him survive as the world's most efficient food producer; or, by shortsightedness, to force him into the control of marketing conglomerates through the ruthless economic pressures of disastrous overproduction.

Mr. TALMADGE. Mr. President, I send to the desk three amendments and ask that they be considered en bloc. They are in the nature of technical and clarifying amendments, and I know of no objection to them.

The PRESIDING OFFICER (Mr. BIDEN). The amendments will be stated.

The legislative clerk proceeded to read the amendments.

Mr. TALMADGE. Mr. President, I ask unanimous consent that the further reading of the amendments be dispensed with. I will explain them.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

On page 2, line 19, after the period, insert the following:

"In the event the total marketings of milk of any such producer during any period for which prices to producers or production history is computed or determined, including milk delivered by his association to persons not fully regulated by the order, is less than the base allocated to his association for his account hereunder, such base shall be reduced for such period to the amount of such total marketings."

On page 4, lines 20 and 21, strike the following, ", including but not limited", and insert the following:

"who is given the opportunity to purchase the milk with or without such services and elects to receive such services, such services to include but not be limited".

On page 6, beginning in line 18 with the word "and", strike all through line 20 and insert the following:

", (ii) furnishing other services of an intangible nature not hereinbefore specifically included, and (iii) providing any services, whether of a type hereinbefore specifically included or not, which handlers are ready and willing to perform without charge",

EXPLANATION OF FIRST AMENDMENT

Mr. TALMADGE. Mr. President, the first of these amendments is an amendment to the provisions of the bill which permits an order to provide for allocaton of members' bases to their cooperatives. The purpose of that provision is to eliminate wasteful transportation costs by permitting cooperatives to substitute one member's milk for the base milk of another in making deliveries in the most efficient manner possble. But there was no desire to permit the cooperative to make such substitution for base milk that was not produced or delivered to it.

The provision of the bill which begins on page 2, line 19, in describing the base which will be returned to the member when he leaves the cooperative, makes it clear that the base returned to him will be based on his total deliveries to his cooperative, and consequently will be less if his deliveries have been less than the base allocated to the cooperative for his account.

I believe the bill and the existing law should be construed as requiring the same rule to apply while the member continues to belong to the cooperative, as bases are updated annually. If a member fails to deliver milk equal to the base allocated to his cooperative for his account, that base should be reduced accordingly. However, I believe the law would be clearer on this point if the bill specifically so provided.

An appropriate corollary to this is that the cooperative should not be permitted to substitute the milk of one member for base milk that was not produced or delivered to it in order to obtain payment for the greater quantity of base milk.

The first amendment I have proposed would make the corrections described above.

EXPLANATION OF SECOND AMENDMENT

The second amendment deals with the provision of the bill which permits an order to prescribe minimum charges for services performed for a handler. It was intended that this provision of the bill should apply only to services which the handler desired and requested, and the language "for a handler" on page 4, line 20 was thought adequate to accomplish that objective. However, it has now been suggested that this provision might be applied to services which the handler would prefer to perform himself, but which he must accept in order to obtain the milk. This was not intended and my second amendment would make it completely clear that this provision is applicable only to services performed "for a handler who is given the opportunity to purchase the milk with or without such services and elects to receive such services."

EXPLANATION OF THIRD AMENDMENT

The third amendment deals with the provision of the bill permitting orders to provide for payments from the pool to cooperatives for services of marketwide benefit. My amendment would make it clear that this provision would not be applicable to services which handlers are ready and willing to perform without charge. This amendment makes essentially the same change in the provision dealing with marketwide services that my second amendment makes in the provision dealing with services performed for an individual handler.

Mr. President, each member of the committee has been sent the proposed amendments and the clarifying nature has been explained. They have been discussed with the ranking minority member. I know of no objection to the amendments. I urge their adoption.

Mr. DOLE. Mr. President, would the Senator yield? There are no objections to the amendments. I think they go a long way to clarifying some of the misunderstandings about these particular sections.

I would like, however, before they are accepted, to ask four questions which I think could be simply answered and which may clear up some further misunderstandings about what the committee may or may not have done and the intent of the bill.

I ask this question of the committee chairman. First, under the bill pending before the Senate, would a milk marketing cooperative be able to block vote for their members to put into effect a Federal class 1 base plan?

Mr. TALMADGE. Absolutely not. A class 1 base plan cannot be put into effect except by the individual vote of producers.

Mr. DOLE. That is my understanding. However, as I have said earlier, there seems to be some misunderstanding.

The second question relates to how many individual dairy farmers would be necessary or, in other words, what percentage would have to vote to create a Federal class 1 base plan?

Mr. TALMADGE. Mr. President, 66⅔ percent, the same as the law now provides.

Mr. DOLE. Mr. President, my third question concerns what official action must be taken by the USDA prior to the vote to approve a Federal class 1 base plan.

Mr. TALMADGE. They must conduct full hearings, determine that all provisions of the plan tend to effectuate the act, and the plan must be approved by 66⅔ percent of the producers, voting individually.

Mr. DOLE. Mr. President, if a farmer wants to drop his membership in a cooperative, does he retain his class 1 base plan arrangement or can he retain his base under the provisions of the bill pending before the Senate?

Mr. TALMADGE. Absolutely. The bill is very specific in this regard.

Mr. DOLE. Mr. President, I have discussed this particular question with the chairman of the committee. I understand it to be that way. There cannot be any misunderstanding as far as the committee is concerned. However, there apparently have been some.

Mr. TALMADGE. Mr. President, the first technical amendment I propose would clarify that misunderstanding on the part of some people. That was not in the bill. It merely clarifies the bill to make certain that there be no misunderstanding.

Mr. DOLE. Mr. President, I thank the distinguished chairman of the committee.

Mr. TALMADGE. Mr. President, I yield back the remainder of my time and urge the adoption of the amendments.

The PRESIDING OFFICER. Does the Senator from Kansas yield back his time?

Mr. DOLE. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendments en bloc.

The amendments were agreed to en bloc.

Mr. TALMADGE. Mr. President, I believe the distinguished Senator from Oklahoma has a further amendment of a clarifying nature that he desires to propose at this time.

Mr. BELLMON. Mr. President, I call up my amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

> On page 8, line 8, immediately after the word "hearing" insert the following: "if the proposed amendment is one that may legally be made to such order".
>
> On page 8, line 14, immediately after the period, insert the following: "The Secretary shall not be required to call a hearing on any proposed amendment to an order in response to an application for a hearing on such proposed amendment if the application requesting the hearing is received by the Secretary within 90 days after the date on which the Secretary has announced his decision on a previously proposed amendment to such order and the two proposed amendments are essentially the same.' "

Mr. BELLMON. Mr. President, at my request the Committee on Agriculture and Forestry added a provision to S. 1888 to require the Secretary of Agriculture to call a hearing on a proposed amendment to a milk-marketing order upon petition of 30 percent of the dairy farmers in the order area.

This proposal now at the desk makes two changes in that particular section of the bill.

First, it makes clear that the petition would be valid only if the proposed amendment to the order is legally permissible.

Second, it provides that the Secretary may not be required to call a hearing on any proposed amendment within 90 days after having announced a decision on a previously proposed amendment which is essentially the same in content.

Mr. TALMADGE. Mr. President, I have discussed the amendment proposed by the Senator from Oklahoma with members of the staff. I wholeheartedly agree that it would be foolish to the extreme to mandate the Secretary of Agriculture to call a hearing on an amendment that he could not lawfully implement.

I, therefore, urge the adoption of the amendment and yield back the remainder of my time.

Mr. BELLMON. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Oklahoma.

The amendment was agreed to.

Mr. HUMPHREY. Mr. President, again let me commend the chairman of our Senate Committee on Agriculture and Forestry, the distinguished gentleman from Georgia. The Honorable HERMAN E. TALMADGE for the excellent leadership he has provided within our committee in fashioning S. 1888, the Agriculture and Consumer Protection Act of 1973. He has, through his able and superb leadership, along with that of the distinguished Senator from Nebraska, Senator CARL CURTIS, and other members of the committee, done a good job in developing this historic piece of legislation.

Serving as I do both as a member of the Senate Committee on Agriculture and as chairman of the Consumer Affairs Subcommittee of the Joint Economic Committee, I can say that this proposed legislation serves both the interests of the farmer and the consuming public—both here in this country and throughout the world.

If ever there was a time in our Nation's history when the basic interests of both agricultural producers and consumers were parallel, it is today. The matter of reaching an agreement on national agricultural policy has never before been so important as it is today.

With 210 million people of this Nation and the hundreds of millions of people throughout the world depending upon the American farmer for adequate supplies of food and fiber at reasonable prices, it is imperative that our Nation's agricultural policy provide the necessary incentives to the farmer to produce those commodities. This means at price and income levels commensurate with costs of production, plus a fair return on investments and labor. Anyone wishing to compromise these basic principles, will have to answer sooner than they may think to the public for their failure to understand or properly represent the essential requirements of producing food and fiber in this Nation of ours.

As chairman of the Consumer Affairs Subcommittee of the Joint Economic Committee, I am actually aware of "consumer" concerns about recent increases in food and feed grain prices. Housewives are neither the first nor the only group that has felt the impact of these recent price increases. Farmers who feed beef cattle, poultry, hogs or dairy animals have felt them most dramatically. High protein feed ration costs have more than tripled in the last 6 to 8 months.

And as was pointed out in a study released through our Consumer Affairs Subcommittee earlier this year, the basic cause lying behind recent shortages of red meats, soybeans, feed grains, and wheat were: First, the corn blight of 1971; second, mismanagement of our farm programs subsequent to that event; and third, failure of our National Government to properly assess all relevant factors surrounding sales of wheat and feed grains to Russia last fall, particularly those factors relating to overtaxing our Nation's rail transportation system.

Providing for a proper supply balance of wheat, feed grains, and soybeans is essential to both our Nation's cereal industries and to our Nation's livestock and poultry industries. Failure to provide and maintain that balance undermines the basic stability of both supply and price of such commodities, which usually results in a speculators' field day and a consumers' nightmare with little or no benefits occurring to the individual producers of those commodities.

And also, let not the laboring man in Detroit, Rock Island or Houston forget for a moment that the biggest consumer of the products he produces, is the American farmer. To produce as efficiently as he does, the American farmer is our Nation's biggest consumer of steel, rubber, and petroleum, to say nothing of the huge amounts of chemicals he utilizes or the enormous amounts of credit he must have access to through our Nation's banking and other financial institutions. He may constitute a small percentage of our Nation's population today, but do not underestimate his importance to our national economy—or to our Nation's position in the world marketplace.

The American people pay a relatively small price for the abundant agriculture it enjoys today. American agriculture is over twice as productive as the nonfarm sector of our Nation's economy. The American farmer produces enough for himself and 51 other people. He has more than twice the invested capital per production unit than any other sector of our economy. And yet, the American consumer—even at today's prices—spends less of his disposable income for food than any other person in the world or in the history of mankind. Now I challenge any other segment of our Nation's economy to match those accomplishments—whether it be in the field of industry, labor, or services—Government or private.

Up until about 12 months ago, prices for most raw agricultural products had been averaging at 22-year lows—and they had been at those low levels for a long time. Yet I do not recall reading or hearing from any of our national news media on how either the farmer was being hurt by such low prices or how the consumer was benefiting. Silent. That is all. Now, however, with the American consumer getting a taste of scarcity, how do some areas of our national news media react? Rather than try to understand the real causes of this scarcity, they immediately want to throw 40 years of public policy which has created this incredibly productive industry right out the window.

The proposed Agriculture and Consumer Protection Act of 1973 is truly a major and comprehensive piece of legislation. It not only provides a new 5-year program for wheat, feed grains, and cotton but also extends for a similar period of time, our Nation's food stamp program, our Nation's food for peace program—Public Law 480—and the class I dairy program. It also extends the wool program for 5 years and repeals the wheat processor certificate requirement effective January 1, 1974.

The bill also provides a new forestry incentives program to help stimulate the development of forestry and forestry products on private lands. It provides for creation of a national transportation committee to monitor and recommend actions for avoiding and alleviating transportation crises of the type our Nation is now suffering as a result of earlier lack of planning. It provides for needed additional research concerning wheat, feed grains, and cotton. And it provides for added and needed emphasis on stimulating further expansion of our Nation's farm exports. It also contains provisions recommending that the President initiate action leading to an international agreement on grains involving both exporting and importing nations of the world.

While this bill, as it was reported by our committee, is in need of a few strengthening amendments—which I will comment on later—I want to make it very clear that I support this bill. I participated in many of the hearings held in connection with this legislation and in the committee's markup sessions. I understand its provisions and the reasons for their inclusion.

Let us first look at the dairy provisions in this bill.

There is controversy about some of these features. Therefore, let me help set the record straight regarding statements and charges that have been made against many of them. I do not question anyone's motives or their right to raise questions or concerns regarding provisions of this or any other piece of legislation, but I do wish to express my personal resentment when opponents to some of these provisions suggest or charge that I and other committee members did not understand what we were voting for—or that we did not believe in what we were voting for—or worse yet—that our motives in voting for these provisions were based upon something other than on the merits of each amendment as we saw them.

Each and every provision contained in this bill pertaining to dairy was examined and discussed by the committee before final adoption. Over 50 pages of testimony was presented in public hearings concerning these and other suggested dairy provisions. There were many provisions relating to dairy marketing orders that were recommended to the committee that were rejected. There were others that were accepted but modified. But there were none adopted that were not duly considered by the committee beforehand.

Despite the fact that these provisions and other dairy amendments were first proposed to our committee on February 28 of this year in public hearings—over 3 months ago—and made public through farm and dairy organization journals and newsletters, the charge has been made by some critics that "the Department of Justice, competing dairies and dairy farmers, and consumer groups had no opportunity to express their views on these proposals." Well, let any of them document an instance where our committee refused to hear their views. If they did not express their views, it was because they were asleep or because they do not follow or read the farm or dairy press, not because of any refusal on the committee's part to hear from them.

And speaking of the Justice Department, its record does not qualify it as a particular friend of the farmer. Show me one instance where it has tried to help or assist the farmer. When has it ever tried to move in and prevent big processors or buyers of farm produce from taking advantage of hundreds of individual farm producers.

Apparently it is alright for the Justice Department to take out after the laboring man and his unions, the farmer and his cooperatives. But for some strange reason, the Department of Justice does not seem overly concerned about our Nation being down to "three" big auto companies, or "four" big steel companies, or a handful of oil companies.

But as soon as a few thousand farmers get together to cut their costs and improve their marketing efficiency and to gain some bargaining strength in dealing with big processors or food chains, look out. The Justice Department is ready to sock them with an anti-trust suit. One week, it has a suit against the National Farmers Organization, and the next it has a suit against one of the dairy cooperatives.

Well, let me set the Justice Department straight regarding the dairy provisions in this bill. First of all these amendments are supported not by just two or three big co-ops. They were proposed and supported by the National Milk Federation, which has 65 producer cooperatives as its members, some big, some small, from all over the United States. And as I recall, not one of these member coops of the federation dissented regarding these proposed amendments, whether the co-op was in California, Wisconsin, Florida, or Minnesota.

The provisions in this bill relating to dairy are basically designed to enable farmer-cooperatives working through marketing order arrangements to do a better job of moving milk where it is needed and when it is needed. In other words, to do a more efficient job in getting it to the housewife and consuming public in a timely manner.

Enactment of these dairy marketing provisions does not automatically make them part of a marketing order. In the case of those amendments included in this bill relating to Class I base plans, a referendum must be conducted with each individual producer voting whether he wants such provisions included in his marketing order plan. And I want to especially point to the fact that that vote must pass by a two-thirds majority.

In the case of the other amendments included in this bill relating to other types of marketing orders, a two-thirds vote also is required, although so-called "block voting" is permitted. Also it is important to understand here that the Secretary of Agriculture must hold public hearings preceding the holding of any referendum relating to the adoption of such provisions in any marketing order. In fact, the Secretary must be satisfied that following such hearings inclusion of such "proposed" provisions in any marketing order carries out the purpose of the Agricultural Marketing Agreement Act. If he decides that such "proposed provisions" do not meet that criteria, then the proceeding is stopped right there. And the hearings that are conducted in these instances are "public" hearings. Anyone—dairy farmer or housewife—living within the marketing area involved is welcomed and entitled to attend and speak their piece at such hearings.

And now let us examine the charge that the dairy marketing features in this bill would broaden coop exemption from anti-trust laws. Nonsense. They do nothing of the sort.

First, the Justice Department and others, should be reminded that what exemption co-ops have to anti-trust laws was spelled out and incorporated in the Capper-Volstead Act, which Congress passed back in 1922.

Not one of the provisions in this bill amends that act. I would like to further point out that under that Act the formulation of marketing cooperatives is encouraged—not discouraged. The following language, which appears in that Agricultural Marketing Agreement Act of 1937, further reflects congressional policy in this regard.

> The Secretary, in the administration of this title shall accord such recognition and encouragement to producer-owned and producer-controlled cooperative associations as will be in harmony with the policy toward cooperative associations set forth in existing acts of Congress, and as will tend to promote efficient methods of marketing and distribution.

And then there is the general charge that adoption of these dairy marketing provisions will result in escalation of milk and cheese prices to consumers. Again, such a charge is simply not true. These marketing provisions have nothing to do with dairy product pricing to consumers. They are designed to give dairy marketing cooperatives an opportunity to further increase their efficiency in collecting, distributing, and marketing dairy products, an objective which helps to reduce—not increase—the price of milk to consumers.

Now let us examine each of these dairy provisions in detail—and on their merits. The explanation of each provision follows the sequence of appearance as shown on page 2 of the committee report:

First. Extends class I base plan authority, armed services' milk program and dairy indemnity programs 5 years.

This section merely extends for 5 years those dairy provisions which were in the Agricultural Act of 1970. It is the same extension as is granted other sections and commodities.

Second. Permits members' bases under a class I or seasonal base plan to be allocated to their cooperatives.

This is a controversial section. Opponents originally contended that a farmer turned his base over to a cooperative who could dispose of it—for gain—and do anything else they wanted with it.

This is not true. As is stated on page 27 of the report "The base would revert to the producer when he leaves the (cooperative) association." In other words, the cooperative has use of the base while they are marketing the producer's milk. Title to the base remains with the producer.

There are two benefits to such a proposal—one for the producer who holds the base; the other to the cooperative As an illustration, let us assume the cooperative finds a market for some milk outside the area—market order—for which the base applies. Under the rules for which bases are established an individual farmer would lose the right to have future base established on the milk which he sold outside of the market. In other words if he produced 500,000 pounds a year but 150,000 went to another market for future base purposes they would say he produced only 350,000 pounds.

If, however, this milk is sold on the other market by his cooperative he would still be entitled to credit for this in any new base. To that extent the producer fundamentally benefits.

The cooperative benefits by having an opportunity to more orderly market its members' milk. In the cited illustration they have a chance to make a good sale. But without this new provision whose milk should they move? Whoever they choose will be penalized in establishing future bases. With the new provision they could move whichever milk available to them was most feasible to move—closeness to the new market, et cetera—without worrying about penalizing any producer.

Again let me make it clear that it is not the intent of this section to take the base away from the farmer other than to assist in orderly milk marketing and that in effect title to the base stays with the farmer.

Third. Permits history represented under a cooperative, State, or Federal base plan to be considered as history under a Federal order class I base plan.

This section is slightly controversial.

In many areas of the country, cooperatives have been operating a base plan, under which a producer has been asked to reduce his production in line with the local market needs. As new base plans are established under milk market orders it may be advisable to incorporate the old—cooperative—base plan into the new—market order—base plan. Certainly it makes little sense to have two plans functioning.

Again, a hypothetical example may best explain what this section is intended to do. Suppose you have two farmers in the market, one a cooperative member, the other not a cooperative member. Every year they each average 1,000 pounds of milk a day. Then in 1972 the cooperative sets up a base plan, setting bases at 80 percent of past production. The cooperative member then gets a base of 800 pounds and he reduces his production to it. The nonmember keeps on producing his 1,000 pounds a day. In 1973 a base plan is established under the milk marketing order, also calling for a base of 80 percent of production history.

The cooperative member says in effect "I have already cut my production 20 percent under our—cooperative—plan last year. Must I cut another 20 percent? That would bring my base down to 640 pounds while my neighbor who never cut his production and is causing this problem will get a base of 800 pounds."

The new provision recognizes the existence of such a situation and allows recognition for the history used in establishing bases under the cooperative plan.

Fourth. Permits the orderly phasing out of prior cooperative, State, or Federal base plans.

As indicated above it does not make sense to operate two base plans in the same market. If a base plan is set up under the milk market order this permits procedures to phase out the old—cooperative—base plan in an orderly manner.

Fifth. Makes it clear that the return to a producer for milk in excess of a class I or seasonal base may be fixed at a rate below the lowest class price.

This section is somewhat controversial primarily because it is not well understood.

Under market orders buyers of milk from farmers pay for that milk on the basis of how they use it. Normally class I is milk going into bottle use and class II is in other manufactured products. This method of payment is not changed by this new section. In other words it will have absolutely no effect on the price to the consumer, nor will any milk dealer get a windfall.

Under a base plan from all the money which buyers pay into a market pool payments are made to farmers for milk which is base milk and for that which is overbase milk. Existing law however says that overbase milk cannot be priced any lower than the lowest class price on the market.

The intent of a base plan is to discourage production of milk beyond that which is needed for the market. The present limitation—on overbase milk—hampers reaching this objective.

Perhaps overbase milk is priced at $6 and base milk at $8 at the present time, but the farmers feel they can still produce this extra milk for $6 so they do not reduce production. However $6 is also the lowest present class price on the market so that price presently cannot be reduced.

Perhaps the overproduction could be reduced if this overbase price was set at $4. The new section would permit this to be done. In that case the base price would also go up, because all of the money which dealers have paid in will be paid out to the farmer. In other words it is a different cutting up of the pie.

Some have expressed the concern that the Secretary of Agriculture could set the overbase figure ridiculously low—such as at 5 cents a hundred pounds—permit me again to point out that these provisions become effective only after the farmers who ship their milk to that market approve them by a two-thirds vote.

Sixth. Permits issuance of manufacturing milk orders without minimum price provisions, and provides for price posting in manufacturing milk orders which do not provide for minimum prices.

Presently the interpretation is that minimum prices must be established in any milk order which is set up. For milk used strictly for manufacturing purposes—butter, cheese, and so forth—such as is found in Wisconsin, Minnesota, and Iowa, minimum prices are impractical because such milk is used for products which move nationally, thereby sort of automatically setting a minimum national price.

However there are other features of milk orders which are desirable. Weights and tests are checked to assure that farmers are paid what they are told they are paid. Manufactured milk producers have wanted an order to get these benefits. This provision would permit it. The dealer would, however, have to publicly announce his price and the order administrator would determine that farmers were paid accordingly.

Cost of operating such an order is borne by the milk involved. It is not an expense of the Federal Government. This is also true of all other orders.

Seventh. Permits milk orders under section 8c(5) to fix minimum charges for services performed for handlers—to assure that minimum price guarantees will not be impaired.

Smaller cooperatives will probably benefit the most from this. As we have pointed out present orders are set to establish minimum prices. However through the years the milk handlers have obliged the cooperatives to provide certain services for them.

Instead of taking milk every day they may now want it only 3 or 4 days a week. When milk is in long supply in the spring they ask the cooperative to move the excess, et cetera. Such services cost money, and in some instances the cooperatives are expected to provide them to dealers without compensation. As a result the minimum price which the order establishes is not met.

For example, assume the minimum price established for a market is $7 but it cost 15 cents to provide services to certain dealers. That dealer is in effect not paying the minimum price; he is paying 15 cents under it and the farmers to that extent—who must pay these costs through their cooperative—are underpaid.

This provision permits the fixing of minimum charges for this type of service. Here again such charges are established only after a public hearing, after USDA approval and after an affirmative two-thirds vote of the farmers involved.

Eighth. Permits location differentials used in computing minimum prices paid by handlers to differ from those used in computing producer returns where appropriate to direct the flow of milk.

This is an extremely difficult one to explain but it is very helpful in the orderly marketing of milk.

In every milk order there is now one prime pricing point, usually the biggest market—Chicago, Twin Cities, et cetera—as one moves away from that point the price a farmer gets is lower because of the cost of moving that milk to the major market.

A good illustration is Milwaukee and Chicago. The price to farmers for milk at Milwaukee is 4 cents less than at Chicago—even though they are in the same order—fundamentally because it would cost 4 cents to truck it from Milwaukee to Chicago.

This is basically a part of every order and has much more logic to it than we recite here.

The proposal in the bill would not change that pricing method.

However, let us assume that suddenly there is need for more milk so that some milk going to Chicago has to be "moved backward" into Milwaukee. The farmers whose milk would be involved object because they are going to get 4 cents less.

This provision would permit special

adjustments in the rates of payment to farmers in such cases without completely disrupting the regular pricing relationships on the market.

Ninth. Makes it clear that the provisions for assurance that handlers pay for milk purchased by them is applicable to such payments to cooperatives, and permits milk orders under section 8c(5) to provide for payments to cooperatives for marketwide services performed by them—such as furnishing facilities, regulating the flow of milk to the market, absorbing surplus milk, et cetera.

This section is controversial.

In some ways it is similar to item (7) except that the services are provided marketwide and, in the method of accounting in milk market orders they are charged against all producers in the market.

In various markets services are carried out by cooperatives which benefit all producers in the market. They may for example, have the only facility for handling surplus milk, whether this surplus accrues on weekends or in the spring flush. Therefore, when milk is diverted to such a plant, though it be co-op milk, it has cleared the entire market of the surplus.

This proposal is based on the principle that whenever "everyone benefits everyone should pay." It is no more nor less than that.

Two arguments seem to have been raised. One is that not all such services may be marketwide in scope. Here again we must point out that this proposal is only permissive—as are all the others on market orders—and that the determination of whether or not a service is marketwide would have to be determined by public hearing, USDA approval and farmer ratification by a two-thirds vote.

The second argument is that this becomes a sort of a "union shop" and that farmers must pay to the cooperative even when not members. Again this would apply only to those services for which all producers benefit. As the committee report clearly states—page 30—"This amendment is intended to provide that producers who are not members of the cooperative bear a proportionate share of the cost of the cooperative's activities that have benefit to all producers." It clearly does not oblige nonmembers to pay for all services of the cooperative. In fact the bill itself excludes certain services—economic, educational and legal. Cooperatives may—and likely do—have many other services, such as contributing to advertising programs, et cetera. Under this provision nonmembers could not be charged for these. It is strictly limited only to those activities involving the product—milk—and only to those which benefit all producers.

Tenth. Provides authority for standby reserve pools supported by payments from one or more orders which would supply milk when needed to such order areas.

This is controversial and has been badly distorted particularly by the Justice Department.

Presently there are certain areas, such as Florida, which do not have adequate year-around supplies of milk. When milk gets short, usually in the fall, they used to have to scramble around all over the country to get the milk they needed.

Under the standby pool however, the cooperative associations in an area of that type contract with cooperatives in the surplus milk areas to have their milk "on call" when the short supply market needs it. Producers in the short supply area pay a couple of cents—currently 2.25 cents—on their class I sales which goes to producers in the contracting cooperatives in Wisconsin and Minnesota. Under this agreement the short supply areas have "first call" on milk from the cooperative plants with which the agreement is made. During the remainder of the year they can run it through their local butter and cheese factory.

Under it both groups benefit. The producers in the surplus area get a premium over what they would get if their milk was on call. And the short supply area is assured of a supply of milk.

For some unknown reason—or is it the Justice Department comment—this has been painted as a device to pay farmers to keep their milk off a market. Actually it is just the opposite. It is to pay them to have their milk on the market when it is needed.

It is just good business. This section would permit it to be formalized under Federal orders; currently it is run by the cooperatives.

Eleventh. Requires a hearing on a proposed amendment to a milk order if requested by one-third of the producers.

Currently the Secretary of Agriculture can, on his own volition, deny a hearing to be held under a milk order. Sometimes there is good reason to do so. Action may just have been completed on something very similar. Or the petition for a hearing may involve proposals which are clearly illegal under milk orders. However, late last year—primarily we think, because of public concern over rising food costs—the Secretary of Agriculture denied a number of hearings to consider emergency price increases—as feed and other farm costs soared.

This proposal would require hearings to be held if one-third of the affected producers so petition.

Twelfth. Enlarges the criteria for determining minimum prices under marketing orders and support prices to include assuring a level of farm income adequate to maintain productive capacity sufficient to meet anticipated future needs.

Presently in setting prices under milk orders and in establishing the price support level the Secretary of Agriculture gives almost exclusive consideration to the current adequacy of the milk supply.

This proposal would oblige him to consider the future. Is farm income adequate to continue an adequate supply? What are future needs?

Thirteenth. Provides milk price support at not less than 80 percent of parity for current marketing year.

The Secretary of Agriculture has set price supports at 75 percent of parity—$5.29—on April 1. Milk production is dropping alarmingly; costs have soared, but further adjustment after April 1 is not required of the Secretary.

Actually the current market price is approximately 80 percent of parity so this move would not materially affect existing prices—only a few cents if at all. However, it would give farmers assurances against further efforts to drive his prices down, such as the Cost of Living Council indicated was behind the recent nonfat dry milk import move.

Fourteenth. Makes the suspension of the butterfat support program and addition of the new price support criteria described in item 12 permanent.

Under the 1970 act the price support level for butter can be set at less than 75 percent of parity provided the "mix" of support prices for all three supported commodities—butter, nonfat dry milk, and cheese—is above that level. This provision makes that feature permanent.

Fifteenth. Extends the dairy product indemnity program to cover cows and to other environmental pollutants contaminating cows or milk.

This provision merely extends existing provisions of law and further extends indemnity coverage to include cows, the latter feature being provided in an effort to reduce indemnity costs to the Government. Rather than continuing to indemnify a farmer for destroying contaminated milk emanating from a contaminated cow, it is often far more economical to indemnify the farmer for destroying the cow.

Sixteenth. Restricts foreign imports of dairy products into the United States to 2 percent of domestic consumption and provides for U.S. dairy producer associations to participate in further expansion of such imports.

This provision is designed to provide the dairy farmers of this Nation with some minimum protection from foreign countries dumping wholesale amounts of manufactured dairy products onto the U.S. market which could do severe economic harm to our own dairy industry. Current levels of dairy imports have been running about 1½ percent of domestic consumption. Therefore this provision in the bill does not unduly restrict further imports. This particular provision in the bill also provides authority to the President to exceed the 2-percent level whenever he deems such additional imports to be of overriding economic or national security interests to the Nation.

Given the fact that most all dairy imports coming into the United States are heavily subsidized by the exporting nations supplying them, I believe the 2-percent limitation is a reasonable guard against "dumping" whether initiated by exporting nations or inspired by our own Government.

Now, Mr. President, I would like to turn my attention to what I consider the most important provisions of this legislation, namely those relating to our basic wheat, feed grains and cotton programs. Under this bill a new target price system is designed to provide for no Government payments to producers of these commodities if the average market price for them during the first five months of the marketing year is at or above those levels specified in this bill which are: $2.28 per bushel for wheat; $1.53 per bushel for feed grains; and, 43 cents per pound for cotton. These price levels represent only 70 percent of parity as of May 1973.

Under existing programs for these commodities, producers are guaranteed a minimum payment-certain regardless of the level of average market prices. And of course, market prices for all three of these commodities presently are well above the so-called target levels specified in this bill. The same is true with respect to present prices for these commodities as they are being traded in the "futures" market.

While our Nation is expecting record crops of wheat, feed grains and soybeans this fall, USDA also is projecting another record domestic and export market for these commodities during the forthcoming marketing year. Wheat producers I am told, in the High Plains can contract new crop wheat today for $2.50 per bushel, well above the target price for wheat specified in this bill.

In short, Mr. President, if such market forecasts for these commodities continue in future years there should be little or no Government costs incurred with respect to these programs.

If, however, markets do not remain relatively good, or if producers are asked to overproduce by their Government in order to lower prices they receive for their commodities, then the Government would have to provide a differential payment to them in an amount equal to the difference between the target prices specified in this bill and the average price they received in the marketplace during the first 5 months of the marketing year.

This, simply stated, Mr. President, is what I call "sharing the risk." Instead of farmers being asked by their Government to accept or assume all the risks of the marketplace—both international and domestic—the Government would help share that risk. In return for sharing that risk with the producer, the Government can more legitimately ask the farmer to produce at levels determined by the Government to be needed to meet both domestic and export demands.

This new target price system also provides for adjusting subsequent year target price levels based upon changes in farmers costs of production, including wages, interests and taxes paid. Again, this is provided as a matter of simply equity and fairness. Farmers should not be expected to absorb production costs increases while laboring people are assured minimum wages, cost of living pay increases, or while other industries are permitted to pass on their increased production costs to the consumer.

In short, this new system provides basic minimum protection for the farmer while making it possible to encourage him to produce abundantly for domestic and world needs. Two other significant provisions of this bill are those extending our Nation's food for peace program—Public Law 480—and those relating to pursuit of a world grains agreement among exporting and importing nations.

It is a very special pleasure for me to be able to speak once again on the food for peace program, because it is a program which I had the privilege of authoring back in 1954. Over the years this has been one of our most successful means of aid to the less developed countries of the world. We have been able to proudly watch many countries through the Public Law 480 program get "on their feet" in an economic sense and become major cash customers for our agricultural output. Japan, Italy and Spain for example, were all former Public Law 480 recipients which currently are large commercial importers of American farm products. In addition to the outstanding success of the program in helping to build commercial markets for U.S. agricultural exports, the program has played a central role in combatting hunger and malnutrition abroad in supplementing other congressional appropriations for economic development. Under title II of the program hundreds of thousands of lives have been saved through emergency food aid. Most recently millions of refugees were provided urgently demanded food during the India/Pakistan war, and the program now helps supply the acute food needs of the new Bangladesh state.

It is then with great pride in the program with its outstanding record of achievement that I ask for the extension of the Public Law 480.

Section 812 of the bill provides authority for and recommends that the President initiate a conference of the major grain importing and exporting countries of the world, including the Soviet Union and the Peoples Republic of China, for the purpose of negotiating an agreement to provide for the stability of world trade in grains and a reasonable and deserved margin of security for the people involved in the grain production.

Primary commodities, of which grain is one of the most important, present special difficulties in international trade. The conditions under which they are produced, traded, and consumed are characteristically affected by persistent disequilibrium between supply and demand and wide fluctuations in price levels. Therefore, it is understandable that commodity agreements have found increasing acceptance among both exporting and importing countries as more and more of them are committed to improvement of consumers' interests and to policies which give farmers some assurance that they would not be wiped out by the whims of market forces far beyond their control. Major changes in world demand can occur precipitously creating short-term market shifts that cannot be foreseen in advance. The ability of the farmer then to gain a reasonable return for his output may be dependent on the weather and its effects on production on the other side of the world. And some of us are just not as ready as the USDA to gloss over the element of erratic weather conditions as only a temporary problem. These concerns made all the more significant with the recent dramatic increase in the volume of grains moving through world markets have presented the need to adapt the marketing and distribution of these commodities to these "facts of trade."

Critics of commodities agreements have yet to produce evidence that reliance on free trade principles alone is an answer to market stability. Left unanswered is the question of how to deal with the increasing practice of governments to institute policies of agricultural price supports and subsidies for exports all of which greatly distort any hopes for a "free market."

Despite a number of unsuccessful agreements whose remains have littered the world trading scene, there remains the compelling need to stabilize world markets for grain trade. There remains quite a few examples of achievements which urge the conclusion that such arrangements contain the possibility of achieving stable world markets, provided the conditions of the arrangement are observed. The most recent grains agreement which was completed in 1971 was found ineffective because it lacked substantive provisions for maximum and minimum prices and for reciprocal supply and purchase obligations. The lack of such provisions was a matter of serious concern for many Members of Congress. The Senate before ratifying the 1971 agreement, adopted a joint resolution by unanimous vote calling on the President to seek to negotiate substantive provisions in that agreement. The administration, however, has chosen to ignore this resolution.

The seriousness of the present world grain situation presents such uncertain trade conditions that most major trading nations have indicated an interest in renewed grain negotiations toward a commodity agreement.

And without heavy stocks presently hanging over the market, in any of the principle producing nations, a condition which was not present at previous negotiations and one which is generally detrimental to successful negotiation of an agreement, the outlook for few negotiations could not be better.

The stake of American farmers in an effective international grains agreement is now more real and more significant than ever before in our history. For in the years ahead, the price that farmers receive for basic commodities will be very substantially dependent upon the price levels that prevail in the world market. For the present and for the foreseeable future, the American farmer will depend for his livelihood most of the time upon the price that his product commands in world trade. It then remains our responsibility to give the American farmer minimum level of income security and the American consumer an adequate and reliable source of food.

Other important provisions of this bill include:

First. A provision requiring the Council of Economic Advisers to analyze and report quarterly to the President and to the Congress on all happenings that either occur or that are proposed to occur that may affect the ultimate cost to the consumer for food and fiber. Most costs that are charged eventually to the consumer for his food and fiber are nonfarm related. Unfortunately, however, many people today fail to understand this fact of life. I would hope these new reports that are called for will set the record straight in that regard by reflecting everything—not just some things—that affects the ultimate costs to the consumer.

Second. A provision establishing a national transportation committee charged with the responsibility of avoiding emergency situations such as the one we are now experiencing as a result of last year's sale of grains to Russia.

Third. A requirement that all exporting firms applying for export subsidies register their sales with the U.S.D.A. for publication within 72 hours following such sales. This again is designed to avoid some of the problems we experienced as a result of last year's Russian grain sale, when many farmers and domestic buyers were hurt due to the lack of adequate export sales information.

Fourth. Authorization for the establishment of new forest incentives program designed to provide cost-sharing to small private forest owners to assist them with reforestation and development of their forestry resources in an effort to provide increased lumber supplies for the Nation, and

Fifth. Extension of our Nation's food stamp program for 5 years which is so essential to meeting the basic nutritional requirements of millions of low-income families in our Nation. In addition to extending existing provisions of law concerning this program, this bill also contains amending language to restore benefits under this program to old age beneficiaries, the blind and the disabled which were removed by H.R. 1 last year.

In addition to the many provisions of this bill that I have commented on, there are more which are covered in detail in the committee report which I commend to the attention of my Senate colleagues.

While I am proud to have played a part in drafting and putting this historic piece of legislation together with my committee colleagues, the bill still lacks a few provisions which I feel are essential to the overall welfare of American agriculture and of the American public. I am referring to three amendments which I will offer at the appropriate time during Senate deliberation on S. 1888.

The first amendment will deal with the establishment of a national inventory of wheat, feed grains and soybeans to protect domestic users and consumers of these commodities from shortages and extremely high prices. This amendment will also protect farmers against plummeting prices during periods of overproduction and from capricious dumping of commodities by the Commodity Credit Corporation.

The second amendment provides authority for the Secretary of Agriculture to initiate multi-year contracts for the establishment of vegetative cover for acreage set-aside under the wheat, feed grains and cotton programs. Millions of acres of farmland stand idle and without adequate cover each year which creates loss of soil, water sedimentation and wildlife. The amendment that I will be offering in this regard is needed to meet these basic objectives, which the committee bill does not do in its present form. Senators cosponsoring this amendment with me include most of the members of the Senate Agriculture Committee and many other Senators.

The third amendment that I will be offering will require the Secretary of Agriculture to provide recipients under the Government commodity distribution program with a basic diet of foods whether such foods are in surplus or not. He would be required to go out and buy those food items to meet the requirements whenever such foods were not available through surplus disposal programs.

Mr. President, I want to go on record once again as strongly favoring the provisions of this bill. The provisions of the bill, along with my amendments which I have presented at the desk, will provide this Nation, in my judgment, with the basic programs and policies that it must have in order to continue to supply the people of this Nation with the food abundance to which they are accustomed and to which they are entitled.

The American public owes a great debt of gratitude to the farm families of this Nation for providing them with the highest quality and variety of foods provided to any people anywhere in the world, and, might I add, at prices that are reasonable.

I, therefore, urge my Senate colleagues to support this bill, and I shall call up certain of my amendments which have been presented that relate to vegetative cover for set-aside acreage, food reserves, and proper nutrition, and hope that they might be included in the ultimate decision of the Senate with respect to this measure.

### AMENDMENT NO. 196

I now send to the desk an amendment on behalf of myself and Senators Kennedy, Case, and McGovern, to assure the national integrity cf the Federal surplus commodity program.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table.

Mr. DOLE. Mr. President, I yield myself 2 minutes.

First, Mr. President, I certainly would commend the chairman of the committee, the distinguished Senator from Georgia (Mr. Talmadge). Like all members of the committee, I have been serving on House and Senate Agriculture Committees now for my 13th year, and I do not recall a session, when we were trying to reach agreement on a farm bill, where we have had more unanimous agreements and more good discussions than this year, in discussing, considering, and finally approving unanimously the 1973 farm bill.

Mr. President, within 10 days the combines will be rolling in the Kansas wheat fields to harvest the reported 353.3 million bushel crop.

For the next 60 days following that harvest, the farmers will be plowing their lands in preparation for planting the 1974 winter wheat crop in September and October.

By July 1 these farmers need to know the provisions of the 1974 wheat program if they are to make their plans for preparation of a seedbed and planting. While the present farm program does not expire until December 13, these wheat farmers need to know now what the new farm legislation will be.

I would hope that we learned a lesson from the Agricultural Act of 1970 which was passed in November of that year, 60 days after the winter wheat crop was planted. Winter wheat farmers were unable to take advantage of the flexibility of the new program until the following year with the crop they harvested in June and July 1972.

This need for advance knowledge and leadtime for decisionmaking is the primary reason I urge my colleagues in the Senate to take prompt action on this legislation and provide winter wheat farmers the planning time we afford farmers producing other crops.

When the Senate Agriculture Committee commenced work on this legislation February 27, the chairman announced a goal of having the bill through Congress by the 1st of July. I congratulate him on maintaining a rigorous effort to accomplishing this goal, and I, for one, believe it is attainable.

### SET-ASIDE PROGRAM ACCEPTED

During the past 3 years, farmers in Kansas and in many other States I have visited have voiced their approval of the present set-aside farm program. They particularly like the options it gives them to plant whichever crop they determine will provide them the best income.

Since February 27, we have heard testimony from 300 witnesses, most of whom were actual crop-producing farmers. Nearly every witness testified in support of the set-aside program and its flexibility.

They welcomed the chance to get out from under the cross-compliance of previous programs that required that they plant a particular crop in order to preserve their usual allotment.

That was the background against which Senator Milton Young, Senator Carl Curtis, Senator George Aiken, Senator James Eastland, and I introduced S. 517, the original bill to simply extend the present program for 5 years.

I want to emphasize at this point that this is still the main thrust of this legislation, for it does provide a 5-year extension for: The set-aside concept for wheat, feed grains, and cotton; the dairy program; the wool program; and the food-for-peace—Public Law 480—program. Through committee considerations, we also added extension of the bee indemnification program and the food-stamp program.

### THREE-YEAR PHASEOUT

Much to the disappointment of the committee members, the administration indicated its desire that the income supplement payments to farmers be phased out over a 3-year period. That is to say, payments made for idling acres from production would be segregated and maintained, but that portion of payments made to farmers over and above the price received in the marketplace would be eliminated in 3 years. Such a program would have affected mainly cotton and wheat programs, since payments in the feed grain program were made to control production.

Based on testimony presented at committee hearings and from contact with our constituents, committee members were unanimous in opposition to this proposal.

Repeatedly the administration contended its justification for this phaseout proposal was the expectation that worldwide demand for food will continue to expand and that our farmers will continue to receive the best prices in history for their crops.

### THE TARGET PRICE CONCEPT

I concur in these optimistic forecasts. In fact, at the annual meeting of the National Farmers Organization in December 1971, I predicted that agricultural exports would exceed $10 billion by 1980. I believe we are on the threshold of further expanding exports. Recent hearings on the worldwide demand for agricultural products by the Subcommittee on Foreign Agricultural Policy support this optimism. Every member of the Senate Agriculture Committee believes that the future is, indeed, bright for exports.

But with all due respect for our ability to foresee and predict this continued expansion, we cannot ask our farmers, who still live on only 83 percent of the income enjoyed by nonfarm workers, to assume all the risk.

When Senator Milton Young presented his target price concept, it was closely evaluated and accepted by all committee members. Essentially it provides that if these prices are not maintained, the farmers will receive payments to make up the difference between the target price and the market price. Through this change in the method of payment to participants in the set-aside program, income supplement payments will be phased out in direct proportion to the accuracy of the Government's prediction that market prices will stay at higher levels. If those predictions are wrong, however, the Government will share the risk with farmers.

The flexibility of the set-aside program will be maintained to the benefit of the farmer, and yet it will also serve the Department of Agriculture as a control on overproduction that would depress prices through accumulated surpluses.

Mr. President, I believe that—in the face of increasing worldwide demand for more and improved food—this new target concept, coupled with the flexibility of the set-aside program is truly a step ahead in the future of this Nation's agriculture—especially for the farmer.

Our farmers do not want farm payments from the Federal Treasury. They would rather receive their income from the marketplace. This program provides the incentives to accomplish this goal—incentives for the farmer to produce adequate supplies at a fair price—incentives for the Government to maintain exports and control production to minimize Federal expenditures.

Mr. President, I recognize that there are some changes and additions made in this bill that are questioned by other Members of this body, but I am confident these differences can be worked out shortly. I urge my colleagues to support the bill and act promptly for the benefit of our farmers and the Nation.

Mr. President, I would briefly like to comment on several additional provisions of the bill.

### PAYMENT LIMITATIONS

Only a few Kansas farmers receive payments in excess of the present $55,000 limit, but I opposed the adoption of that limitation because it might be taken by some as a signal of the gradual decline of the farm program in general. But more importantly, it could have the effect of forcing the large farmer out of the program, thus weakening the effectiveness and purpose of the whole program.

Some now favor lowering the maximum payment limitation even further. I would recommend the present limitation be extended. Any additional reduction would work against the purpose of the bill. This proposition will face considerable discussion in the House of Representatives, and any differences could be well arbitrated in the conference committee.

### DAIRY AMENDMENTS

Mr. President, I recognize that some of the amendments to the dairy title are under criticism. I would attempt to bring some clarity to the confusion that has been generated over these considerations.

First, it should be recognized that operating a dairy farm is one of the hardest jobs there is, and even with all the technological improvements and mechanical developments, the cows still have to be milked twice a day, 7 days a week, 365 days a year. And the margin on which a dairy farmer operates is seldom sufficient for him to hire someone to do the milking. In 1950 twice as many cows were producing milk as in America today.

In Kansas, for instance, there has been approximately a 3-percent reduction in the number of dairy cows each year, a drop of 40,000 milk cows in the past 10 years. But milk production needs have been met through increased output from the remaining cows; although, under the pressures of rigid price structures and rising costs dairy farmers are dispersing their herds at an increasing rate and converting to calf production, because they can make more money with less work in that type of operation than in dairying. A prime example of these cost increases can be seen in soybean meal, a major ingredient in dairy livestock feed, which in the past 18 months has increased from $70 per ton to $385 per ton, and some recent reports indicate if has gone for $400 per ton.

As with other perishable commodities, milk is sold for whatever the farmer can get in the market. The individual farmer does not have any means to increase the price he receives, even though his costs increased dramatically. However, in recent years many farmers have organized cooperatives to process and market their milk production. Through this effort they have been able to market their milk more efficiently and have improved their incomes somewhat; however, the loan level for milk is still a major factor.

In the State of Kansas there are 12,563 dairy farms. Eighty-nine percent of these dairy farmers market their milk through dairy cooperatives.

If we expect to have an adequate supply of milk in the future, we must provide milk prices at sufficient levels that will provide incentives to dairy farmers. And we must protect our dairy farmers against excessive dairy imports. The dairy provisions in this bill provide for an increase in milk price supports for the remainder of this year and impose a limit of 2 percent of the prior year's domestic consumption on the amount of dairy products that may be imported. These provisions are essential to keep our present dairy farmers in business.

### FOOD FOR PEACE

This bill will extend the food for peace—Public Law 480—program for 5 years.

Food for peace is one of America's great success stories, and it is uniquely American. Those who have studied and admired the food for peace program initiated by President Eisenhower in 1954 have quickly recognized it had a much broader significance than as a mere means of surplus disposal. It was recognized early in the program that it could be used to advance the foreign policy of the United States.

When he signed the law, President Eisenhower emphasized the purpose of the program as supporting U.S. foreign policy and expansion of our agricultural trade. Yet to this day too many people still tend to think of the program merely as a means to dispose of surplus. It is more accurate, however, to think of it in Ike's terms, as an element of our foreign policy designed to serve America's humanitarian goal of improving the quality of life for millions around the world.

In considering the food for peace program we should take into account the following major benefits at home and abroad:

First, it generates higher income for our farmers, processors, and exporters, and increases tax receipts for the Government.

Second, it increases employment, both rural and nonfarm.

Third, it produces CCC inventories and, along with them, storage income in the private economy.

Fourth, it increases the volume of agriculture commodity processing, especially that of wheat to flour and soybeans to meal and oil.

And, fifth, it improves the health of those who receive the foods and fosters better international relations.

It is well that this program be extended. Two improvements proposed in the bill would enable participation with Communist nations when they qualify under other criteria, and would promote cash sales of commodities to nations receiving donation assistance under title II.

Extension of this program will provide a valuable tool for future market development of underdeveloped nations.

### CHANGE IN AVERAGE PRICE

This past year some of our wheat farmers were unable to take advantage of increased prices resulting from expanded exports. They received an advance partial payment of $1.28 on the domestic certificate, fully expecting to receive an additional 37-cent payment in December on their domestic production. With constant and rapidly increasing prices, the 5-month average was greatly increased and the final December payment was only 8 cents per bushel.

A provision of this bill would change the computation of the 5-month average to a weighted basis, whereby grain sold early at lower prices would affect the average price more than the relatively small quantity sold in the later months at higher prices. It is hoped this computation will protect the farmer against the adverse position in the future.

### SUMMARY

Mr. President, I would summarize the reasons for my support of this legislation as follows:

There is a worldwide thrust to improve the diets of all people. While our demand for red meat has nearly doubled in the past decade, we find that Europe and the U.S.S.R. have increased their per capita consumption from 63 pounds to 89 pounds—a 41-percent increase. Japan has increased its per capita meat consumption two and one-half times. This trend to higher protein-content diets has kept pace with the growing affluence of these nations. Most nations are making plans to expand their livestock production. Expansion of livestock production means an increase in demand for soybeans and feed grains, for no nation other than the United States has the proven ability to produce these commodities. This bill provides incentives to the farmers, to the grain trade, and to the processor to supply this increasing demand and at new higher world prices, with less cost to the taxpayer.

Farming is a big business. The average farm operation today is valued at over $200,000. As long as the farmer is dependent on and has no control over the prices paid in the marketplace, he needs the assurance this bill provides to protect him against disaster. The bill provides that the Government—or the people of the Nation—will share the risk he is taking with such a large investment. If our projections are correct, the incentives provided will eliminate the cost to the taxpayer.

I would only stress, as has been stressed by the Senator from Oklahoma, that I think time is of the essence, because the harvest is now underway in the State of Texas, and before long the combines will be rolling in Oklahoma, then in Kansas, and so forth.

The last farm bill that was passed, in 1970, was passed 60 days after wheat planting time in the State of Kansas, and I think the early consideration of this farm bill will be very beneficial.

Again, let me stress that it has been accomplished through the efforts of the committee chairman and all members of the committee, who understand the importance of the enactment of legislation of an early date.

As the distinguished Senator from Minnesota has indicated, he has amendments. I have amendments, one of which would extend certain portions of the wheat program, which I hope will be accepted.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that no time be charged against the bill on either side for the remainder of the day.

The PRESIDING OFFICER. Without objection, it is so ordered.

## JOHN F. KENNEDY COLLEGE DAY

Mr. CURTIS. Mr. President, let me take just a minute or two to inform my colleagues of the significance of this day. In Nebraska, this is John F. Kennedy College Day.

The honor, I believe, has national significance, because the college's women's basketball team, the Patriettes, has been selected by the U.S. State Department to travel to the Peoples Republic of China commencing on June 11. The Patriettes will be accompanied in this good will mission by an all-star amateur men's team, to be coached by Gene Bartow of Memphis State.

It is a terrific thrill for a college of this size. John F. Kennedy College in Wahoo, Neb., the first 4-year liberal arts college to choose the name of our former President, first opened its doors in 1965 to fewer than 200 students. Now nearly 400 students are taking advantage of a first-class educational experience in this small, midwestern city.

Though the college is fully dedicated to the value of an intellectual education, the belief on that campus exists that total development for college students requires physical fitness in the true John F. Kennedy tradition.

And so, Mr. President, it comes as no surprise to me that the Kennedy College women's basketball team is being honored in this extraordinary way.

This past year the women's team won the national AAU title for a second straight year. In doing so, the Patriettes finished with their best season record to date, 34–7.

The winning team—not an unusual entity in Nebraska you know—will leave Omaha June 11, next Monday, and arrive in China 2 days later after a stopover in Los Angeles. The tour will consist of eight games in a 21-day span. The Kennedy girls will also give demonstrations on workout and training techniques.

According to Mike Bernard of the college, the trip might be termed "a sport and training technique international exchange program."

Th games will take place in various cities, including Peking, Canton, and Shanghai.

According to reports I have, Mr. President, the girls on the squad are about four steps above cloud nine. They realize they have been selected from over 2,000 other colleges and universities in the United States.

Squad members representing our country on this trip include: Barbara Wischmeier, Linda White, Gail Ahrenholtz, Diana Reviello, Juliene Brazinski, Joyce Stephens, Mary Nelson, Nita Stephens, Barb Hill, Jaci Junkman, Dea Martin, and Deb Croft.

They will be accompanied by student manager, Kathy Leu, and their hardworking coach, George Nicodemus.

I am extremely proud of them and know Senators will join me in wishing them the best of luck.

Mr. President, our country will be represented on this international tour by the finest specimens of American young womanhood, and we believe much good will come from this trip. I want to say also, Mr. President, that I fully expect this team to win all its games, and I will look forward to so reporting to the Senate.

## ORDER TO HOLD HOUSE JOINT RESOLUTION 533 AT THE DESK

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at such time as House Joint Resolution 533 is messaged over from the House of Representatives, it be held at the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ORDER FOR ADJOURNMENT UNTIL 10:45 A.M.

Mr. ROBERT C. BYRD. Mr. President. I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 10:45 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ORDER FOR RECOGNITION OF SENATORS CLARK, EAGLETON, STEVENSON, MATHIAS, ROTH, JAVITS, GRIFFIN, AND ROBERT C. BYRD TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders or their designees have been recognized under the standing order, the following Senators be recognized, each for not to exceed 15 minutes, and in the order stated: Mr. Clark, Mr. Eagleton, Mr. Stevenson, Mr. Mathias, Mr. Roth, Mr. Javits, Mr. Griffin, and Mr. Robert C. Byrd, after which there be a period for the transaction of routine morning business of not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

## PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT—UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the conclusion of routine morning business tomorrow, the Senate proceed to the consideration of the conference report on the Public Works and Economic Development Act, and that there be a time limitation of one-half hour thereon, to be equally divided between and controlled by the distinguished senior Senator from West Virginia (Mr. RANDOLPH) and the distinguished senior Senator from Tennessee (Mr. BAKER).

The PRESIDING OFFICER. Without objection, it is so ordered.

## ORDER FOR RESUMPTION OF THE UNFINISHED BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the disposition of the conference report tomorrow, the Senate resume the consideration of the unfinished business, S. 1888.

The PRESIDING OFFICER. Without objection, it is so ordered.

## INFLATION

Mr. ROBERT C. BYRD. Mr. President, on behalf of the distinguished Senator from Mississippi (Mr. STENNIS) I ask unanimous consent to have a statement by him printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

### STATEMENT BY SENATOR STENNIS ON INFLATION

### EXTREME INFLATION ROBS US ALL

We now have excessive and unacceptable inflation which eats up our earnings and our pay checks faster than we can earn them. Prices are going up at a dangerous rate. It is this inflation, as I see it, which is at the heart of most of our present economic problems. I know that economics is a difficult and complicated subject, but it doesn't take a computer or a financial wizard to tell a housewife or a breadwinner that prices are increasing at such a rapid pace that it is impossible for the great majority of our citizens to increase their income enough to keep up with exorbitant prices. They are playing a losing game.

Nor does it take a financial genius to know that the value of our dollars, compared to the currency of other nations, has gone down in value by nearly twenty per cent in the past couple of years.

At the same time we are now hearing talk that taxes may be raised to help halt inflation or even that a special, heavy tax may be placed on gasoline to discourage people from using it because it is in short supply.

People all over America are deeply disturbed about these developments. I am, and have been, deeply disturbed about them. I feel that the only way to cure them is by immediate and firm action by Congress and the Administration.

During January of this year, when the wage-price freeze, the so-called Phase 2, was taken off, I immediately warned that this action was premature and would inevitably lead to a new round of dangerous and damaging inflation. I regret to say that my worst misgivings have come about. The so-called "voluntary restraints" on prices and wages under Phase 3 have been applied very sparingly, if at all, and such "restraints" certainly have not been effective. Inflation continues to climb, month by month. That such inflation is rapidly devouring earnings and savings by rapid price increases is painfully evident to anyone who buys almost any article available for sale in the United States. Inflation is rapidly eating up savings and salaries of our citizens. This is especially true for those on fixed incomes of all kinds including social security payments. The destructive inflation must be stopped.

For many months now we have been hearing that these galloping price increases were merely "seasonal" or temporary. That idea is no longer believable. Prices are climbing uncontrollably no matter what the season, and the cause is a pervasive and rampant inflation, which only firm price-wage controls can stop.

Inflation is also at the heart of our balance of payments problems in international trade. Our money is worth less now than it once was, when compared to the money of other nations, because of inflation here at home. International speculators continue to gamble against the dollar, betting that its value will decrease still further. All this is happening in spite of the fact that our economy itself, that is our production, is steadily growing and outdistancing every other nation. It is inflation and the lack of confidence in our economy which inflation causes that are at the heart of our economic problems. Clearly we must stop this inflation and its effects. To my mind the only way to do so is by putting back into effect some tough, firm controls on prices and wages. I have always felt that such controls were contrary to the fundamental nature of our free economic system and should be used, if ever, only on a temporary basis to halt a particularly bad inflationary trend. I would favor removing the controls at the earliest possible moment when it would be safe to do so. It is now abundantly clear that the controls were taken off too soon.

The other remedy suggested, to raise taxes, seems to me to be a total mistake. Our people are already oxertaxed. Taking more money out of the pockets of men and women who have worked hard to earn it, and who do not have enough income now to pay the constantly increasing prices is no solution to inflation. In economic terms, increased taxation would temporarily take money out of the economy, thus slowing it down, but we all know that the government would simply turn right around and spend that tax money for new programs, thereby putting more money into the economy and pushing inflation back up again. Thus increased taxation in itself is not the answer.

It is clear to me that a far better alternative to raising taxes is to cut down on some of the present excessive big government spending, as I suggested when I co-sponsored the bill this year to require Congress to establish an over-all ceiling on federal spending. Only by reducing government spending can we really help to cool down our present overheated economy, and that is what I now urge Congress to do. By holding down spending and re-freezing prices and wages we can get this present runaway inflation under control and get our national economy back on a steady, secure basis.

The control law has been extended by the Congress. I urge the Executive of the Government, which deserves credit for initiating control with Phase I in August 1971, to now reconsider its position and reinstate and enforce Phase II, which was abandoned last January. This done, I urge the people of all groups to cooperate and help enforce Phase II of these controls which will pave the way toward controlling inflation. A good job was done on Phase II as to enforcement and another good job can be done. The people deserve it and are behind it.

## QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene tomorrow at 10:45 a.m. After the two leaders or their designees have been recognized under the standing order, the following Senators will be recognized, each for not to exceed 15 minutes and in the order stated: Senator CLARK, Senator EAGLETON, Senator STEVENSON, Senator MATHIAS, Senator ROTH, Senator JAVITS, Senator GRIFFIN, and Senator ROBERT C. BYRD.

There will then be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 3 minutes, at the conclusion of which the Senate will proceed to the consideration of the conference report on the Public Works and Economic Development Act, H.R. 2246, with a time limitation thereon of 30 minutes, to be equally divided between the Senator from West Virginia (Mr. RANDOLPH) and the Senator from Tennessee (Mr. BAKER).

On the disposition of the conference report, the Senate will resume the consideration of the unfinished business, S. 1888, the farm bill, with the time limitation agreement continuing thereon.

Yea-and-nay votes will occur tomorrow, and Senators are so alerted.

## ADJOURNMENT UNTIL 10:45 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 10:45 a.m. tomorrow.

The motion was agreed to; and at 5:59 p.m. the Senate adjourned until tomorrow, Wednesday, June 6, 1973, at 10:45 a.m.

## NOMINATIONS

Executive nominations received by the Senate June 5, 1973:

### DISTRICT OF COLUMBIA GOVERNMENT

The following-named persons to be Members of the District of Columbia Council for terms expiring February 1, 1976:

Henry S. Robinson, Jr., of the District of Columbia. (Reappointment)

Marguerite C. Selden, of the District of Columbia, vice Stanley J. Anderson, term expired.

W. Antoinette Ford, of the District of Columbia, vice Carlton W. Veazey, term expired.

### OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION

Timothy F. Cleary, of Maryland, to be a Member of the Occupational Safety and

Health Review Commission for a term expiring April 27, 1979, vice Alan F. Burch, term expired.

### COUNCIL OF ECONOMIC ADVISERS

Gary L. Seevers, of Virginia, to be a Member of the Council of Economic Advisers, vice Ezra Solomon, resigned.

### DIPLOMATIC AND FOREIGN SERVICE

The following-named Foreign Service Officers for promotion from class 1 to the class of Career Minister:

William G. Bowdler, of Florida.
William B. Buffum, of New York.
Jack B. Kubisch, of Michigan.
Thomas W. McElhiney, of the District of Columbia.
Albert W. Sherer, Jr., of Illinois.
Malcolm Toon, of Maryland.

### U.S. AIR FORCE

The following officer for appointment in the Reserve of the Air Force to the grade indicated, under the provisions of Chapters 35, 831, and 837, title 10, United States Code:

*To be major general*

Brig. Gen. Edward R. Fry, [redacted] FG, Air National Guard.

### IN THE MARINE CORPS

The following-named officers of the Marine Corps for permanent appointment to the grade of major general:

Samuel Jaskilka
Edward S. Fris
Thomas H. Miller, Jr.
Robert H. Barrow
Herbert L. Beckton

The following-named officers of the Marine Corps Reserve for permanent appointment to the grade of major general:

Richard Mulberry, Jr.
Louis Conti.

The following-named officers of the Marine Corps for permanent appointment to the grade of brigadier general:

William L. McCulloch
Robert W. Taylor
Adolph G. Schwenk
William H. Lanagan, Jr.
Francis W. Vaught
Robert L. Nichols

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# HOUSE OF REPRESENTATIVES—*Tuesday, June 5, 1973*

The House met at 12 o'clock noon.

Rev. Nathaniel A. Urshan, Calvary Tabernacle, Indianapolis, Ind., offered the following prayer:

Our God and Saviour before whom empires crumble and fall, we beseech Thee. Come with the presence of Thy Holy Spirit. Send a powerful revelation of our own personal need upon us. Show us, O Lord, like Job of old stated, "I have heard of Thee with the hearing of the ear, but now mine eye seeth Thee, behold I repent in dust and ashes." Individually we exclaim our need! Nationally we earnestly cry, "We need Thee!" We need more than mind stimulation. We need a national revival that baptizes our spirit with the power of Pentecost; that scrapes away hypocrisy; takes from us boasting of tongue, arrogance of mind, and restores a knowledge of the beauty of Jesus. Please do break in upon us today, tomorrow, and enlighten the minds of these leaders with spiritual perception, as well as practical decisiveness. Through and by Thy great name, Jesus, we pray. Amen.

## THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H.J. Res. 296. Joint resolution to authorize the President to proclaim the last week of June 1973, as "National Autistic Children's Week."

The message also announced that the Senate agrees to the amendment of the House to the amendment of the Senate to a bill of the House of the following title:

H.R. 6077. An act to permit immediate retirement of certain Federal employees.

And that the Senate recedes from its amendment to the title.

The message also announced that the Senate had appointed Senator EAGLETON as an additional conferee on H.R. 7447, second supplemental appropriation bill.

## PERSONAL EXPLANATION

Mr. JONES of Oklahoma. Mr. Speaker, yesterday, I was necessarily absent from the House of Representatives because my presence was required on official business in Federal court in Tulsa, Okla. Had I been here, I would have voted "aye" on House Resolution 398, supervisory positions, U.S. Capitol Police force. I ask that the permanent RECORD so indicate.

## MAJORITY LEADER THOMAS P. O'NEILL, JR., SAYS THE CONSUMER AND THE JOBLESS RATE ARE THE VICTIMS UNDER PHASE III

(Mr. O'NEILL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. O'NEILL. Mr. Speaker, May was the 35th consecutive month in which unemployment in this Nation exceeded 5 percent. That is what the Bureau of Labor Statistics reported.

Last month that figure meant 4.4 million Americans without jobs.

Meanwhile, those lucky enough to have work were paying fantastically inflated prices for food and other necessities. Living costs have climbed sharply and consistently—month by month—since President Nixon prematurely lifted wage-price controls last January. The Labor Department has reported that consumer prices rose at an annual rate of 7.2 percent in April. That follows a 10.8-percent rate of increase in March and 8.4 percent the month before that.

On the other side of the ledger, the Commerce Department reported that corporate profits jumped $11.6 billion in the first 3 months of this year. Profits are running at an annual rate of $113.1 billion, before taxes. The Commerce Department said it had underestimated the rate of price increases for those months by 10 percent.

We can see who have gained from President Nixon's phase III policies: the wealthy and the corporate interests.

And we can see that the President has left the ordinary citizen to suffer the consequences and to bear the cost of this devastating inflation.

## OIL BARONS COLLECT FEDERAL SUBSIDIES

(Mr. CONTE asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. CONTE. Mr. Speaker, continuing my exposé of the farm subsidy program, today I want to show how the oil barons are tilling the Federal Treasury.

Farmers cannot get enough gas this spring to run their tractors. They cannot get their crops planted. But the oil barons are harvesting plenty of Federal cash for not growing crops.

Last year three of the Nation's largest oil companies collected $340,000 in subsidies for "farms" they own in California.

Tenneco, the Nation's eighth ranking oil baron, got $230,000. Standard Oil of California, the fifth largest, got $86,000. Occidental Petroleum, ranked 14th, got $24,000.

Farm subsidies are taxable income. But our big oil companies have so many tax breaks, they pay Federal taxes at a much lower rate than the average farmer.

Food prices are skyrocketing. Gasoline supplies are scarce. Farm tractors are sitting idle in the fields.

With all this going on, I cannot understand how the Federal Government can pay these oil barons huge subsidies for not growing crops.

This is the ultimate Government giveaway.

## PERSONAL EXPLANATION

Mr. REGULA. Mr. Speaker, I am recorded as not having noted on the rollcall vote 170, passage of an amendment to H.R. 7724, the biomedical research program that would have prohibited live fetus research.

That vote occurred on May 31.

Mr. Speaker, I was on the floor at the time of that vote and attempted to vote for passage of the amendment by inserting my card in the voting station and pressing the "yes" button. For some reason not known to me, my vote was not electronically recorded.

Mr. Speaker, I ask that the Record show I attempted to vote for passage of the amendment and that my remarks in explanation appear in the Record at this point.

## NATIONAL CEMETERY SYSTEM

Mr. DORN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (S. 49) to amend title 38 of the United States Code in order to establish a national cemetery system within the Veterans' Administration, and for other purposes, with Senate amendments to the House amendment, and concur in the Senate amendments to the House amendment.

The Clerk read the title of the Senate bill.

The Clerk read the Senate amendments to the House amendment, as follows:

Page 10, line 12, of the House engrossed amendment, strike out "six months" and insert: "twelve months".

Page 11, lines 7 and 8, of the House engrossed amendment, strike out "six months" and insert: "twelve months".

Page 15, line 20, of the House engrossed amendment, strike out "1002(a)" and insert: "1002".

Page 38, line 2, of the House engrossed amendment, strike out "July 1, 1973," and insert: "September 1, 1973,".

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

Mr. GERALD R. FORD. Mr. Speaker, reserving the right to object, would the distinguished gentleman from South Carolina, the chairman of the House Committee on Veterans' Affairs, explain the Senate amendments?

Mr. DORN. Mr. Speaker, at the outset, I wish to report to the House that the Senate amendments are germane to the bill and we have ascertained that there is no additional cost involved in such amendments.

S. 49 passed the House of Representatives on May 7, 1973, and returned the bill to the Senate with an amendment in the form of a substitute. Such amendment incorporated the text of our similar House bill, H.R. 2828.

The only substantive amendment contained in the House-passed version of S. 49 was a provision authorizing the Administrator of Veterans' Affairs to permit the flying of the flag of the United States of America at cemeteries in the national cemetery system 24 hours a day. In its action last week, the Senate accepted this amendment.

Aside from a purely technical amendment, the other amendments made by the Senate in the bill as returned to the House are very minor in substance. Under the House version, the bill would require the transfer of national cemeteries from the Department of the Army to the Veterans' Administration to be accomplished by July 1, 1973. Further, a comprehensive study which the Administrator is directed to make was to be submitted to Congress within 6 months after the convening of the first session of the 93d Congress. The Senate amendments would defer the transfer of national cemeteries to September 1, 1973, and extend the period for submission of the mentioned study to January 3, 1974, the date for the convening of the second session of this Congress. Under all the circumstances and in consideration of the present time frame, I believe the extension of the mentioned dates is reasonable and probably more realistic. I, therefore, urge the House to concur in the Senate amendments and thus clear the bill for action by the President.

I might say to my distinguished leader, I believe the President will be receptive to this bill as finally agreed upon by the other body and this body, and will sign it.

Mr. GERALD R. FORD. Mr. Speaker, I withdraw my reservation.

Mr. SAYLOR. Mr. Speaker, I support the gentleman's request to concur with the Senate's amendments to House amendments to S. 49, a bill to establish a national Cemetery System within the Veterans' Administration.

The distinguished chairman of the Committee on Veterans' Affairs, the gentleman from South Carolina, has already explained the Senate amendments merely extend for 2 months the effective date of the transfer of the cemetery system from the Department of the Army to the Veterans' Administration and extend for 6 months until the beginning of the 1974 calendar year the date for completion of the study authorized by the legislation. The Senate amendments involve no additional cost.

Although I had previously expressed my strong support of this measure, Mr. Speaker, at the time the legislation was passed by this body on May 7, I want to emphasize that this bill represents the culmination of many years of concentrated effort to create a national burial policy for veterans.

This legislation will authorize the transfer of the National Cemetery System from the Department of the Army to the Veterans' Administration. The Veterans' Administration is mandated to make a comprehensive study and submit recommendations to the Congress not later than January of next year concerning the criteria to govern the development and operation of the National Cemetery System and the steps to be taken to conform the existing system to the recommended criteria. In short, Mr. Speaker, we expect the Administrator to tell us how many cemeteries he thinks should be constructed and where they should be located. Finally, the bill authorizes a burial plot allowance of $150 payable on behalf of those deceased veterans who are not buried in a national Cemetery.

This bill, Mr. Speaker, is a giant step forward in the evolution of a long overdue national policy relating to cemeteries and burial benefits for veterans. The objectionable feature which resulted in a Presidential veto of a similar bill last year has been deleted, without prejudice, from the bill now before us. This provision would have placed limitations on the Administrator of Veterans' Affairs authority to transfer land under his jurisdiction without the approval of the Congress. I must emphasize that this provision was deleted without prejudice, but merely to enhance the chance of approval of this much needed legislation. The deleted provision, Mr. Speaker, is incorporated in another measure that I hope will soon reach the President's desk. It is my hope and expectation that the bill in its present form will be promptly approved by the President.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Senate amendments to the House amendment were concurred in.

A motion to reconsider was laid on the table.

## GENERAL LEAVE

Mr. DANIELSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill S. 49, on which the House has just concurred in the Senate amendments.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

## PRIVATE CALENDAR

The SPEAKER. This is the day for the call of the Private Calendar. The Clerk will call the first individual bill on the Private Calendar.

## JESSE McCARVER, GEORGIA VILLA McCARVER, KATHY McCARVER, AND EDITH McCARVER

The Clerk called the bill (H.R. 1315) for the relief of Jesse McCarver, Georgia Villa McCarver, Kathy McCarver, and Edith McCarver.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

## CLAUDE V. ALCORN AND 21 OTHERS

The Clerk called the bill (H.R. 1316) for the relief of Claude V. Alcorn and 21 others.

There being no objection, the Clerk read the bill as follows:

H.R. 1316

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That:

Sec. 2. The transportation of Claude V. Alcorn, Adrian C. Almond, Aubrey V. Ansell, Thomas Armstrong, Gary A. Bailey, Ronald W. Bradshaw, Harry M. Braudrick, John B. Brewington, Fructoso D. Cabanela, Thurston C. Davis, Donald W. Dodge, Marcus L. Hyde, Junior, Peter E. Johnson, James L. Jones, William G. King, Henry E. Mowbray, Jack L. Norris, Charles Ricketts, Junior, Gerald L. Sellers, Bobby L. Templeton, Lee M. Tillman, or K. C. West to Seattle on the NOAA vessels "Davidson" in September 1967, "Oceanographer" in December 1967, "Fairweather" in March 1968, or "Rainier" in May 1968, shall not be deemed transportation at Government expense in connection with a change of permanent duty station for the purpose of computing their entitlement to travel expenses for such change of permanent duty station under the provisions of section 5724 of title 5, United States Code, and applicable regulations. The travel expenses of each of the above-named persons in connection with their transfer of duty station to Seattle in 1967 or 1968 shall, upon a request made within ninety days of the enactment of this legislation, be computed or recomputed in accordance with appropriate Office of Management and Budget regulations: *Provided, however,* That in making such computation or recomputation, transportation on board the vessels at the recomputation, transportation on board the vessels at the times referred to in this section shall be disregarded: *And provided further,* That if any of the persons named herein has already received payment for such travel, that amount shall be deducted from the recomputed travel expenses and any remainder paid or credited to the employee.

SEC. 3. No part of the amount appropriated in subsection (a) of this section in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this subsection shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 2, lines 13 and 140: "Strike 'in accordance with appropriate Office of Management and Budget regulations' and insert 'to provide payment of mileage traveled in privately owned vehicles at a rate not to exceed 12 cents per mile and per diem at a rate not to exceed $16 per day for actual travel between duty stations not to exceed 8½ days".

Page 2, line 23: Strike "in excess of 10 per centum thereof".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## MRS. ROSANNA THOMAS

The Clerk called the bill (H.R. 1323) for the relief of Mrs. Rosanna Thomas.

There being no objection, the Clerk read the bill as follows:

H.R. 1323

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Rosanna Thomas, of Rome, Italy, wife of the late First Sergeant James E. Thomas, 1275369, United States Marine Corps, the sum of $391 in full settlement of all her claims against the United States for reimbursement for travel from Los Angeles, California, to Rome, Italy, for herself and her three children in July 1968. No part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provision of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## M. SGT. EUGENE J. MIKULENKA

The Clerk called the bill (H.R. 1328) for the relief of M. Sgt. Eugene J. Mikulenka, U.S. Army (retired).

There being no objection, the Clerk read the bill as follows:

H.R. 1328

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) the provisions of section 8116 of title 5, United States Code, shall be waived to the extent that such provisions would prohibit a payment of Master Sergeant Mikulenka's Regular Army retired pay in addition to an award under chapter 81 of title 5, United States Code, for injuries received by him as a civilian employee on or about March 8, 1968;

(b) The acceptance of said award shall in no way affect Master Sergeant Eugene J. Mikulenka's receipt of his Regular Army retired pay; and

(c) The Secretary of the Treasury is authorized to refund to Master Sergeant Eugene J. Mikulenka any sums heretofore withheld from his retired pay by virtue of his election to receive the benefits under chapter 81 of title 5, United States Code.

SEC. 2. No part of any amount paid in accordance with the first section of this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with such claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this section shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## JAMES E. BASHLINE

The Clerk called the bill (H.R. 1378) for the relief of James E. Bashline.

There being no objection, the Clerk read the bill as follows:

H.R. 1378

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That Petty Officer James E. Bashline, United States Navy (retired), of Saint Petersburg, Florida, is relieved of his indebtedness to the United States that resulted from the shipment of his household effects at a weight in excess of that authorized for reimbursement from San Francisco, California, to Saint Petersburg, Florida, in March 1968, incident to a permanent change of station assignment with the Department of the Navy. The amount of indebtedness so relieved shall be the outstanding balance of such indebtedness on the date of enactment of this Act, but such amount shall not exceed $577.91. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, full credit shall be given for the amount for which indebtedness is relieved by this Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## OSSIE EMMONS AND OTHERS

The Clerk called the bill (H.R. 1694) for the relief of Ossie Emmons and others.

There being no objection, the Clerk read the bill as follows:

H.R. 1694

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to each of the following named persons the amounts set forth opposite their respective names in full settlement of their claims against the United States for losses and damages they suffered due to the flooding of their lands due to the release of waters of the Wappapello Reservoir on or about September 25, 1965, without warning or notice which would have enabled them to take steps to avoid or minimize losses from the flooding caused by that release:

| Tenant | Landlord | Affected acres | Tenants share | Landlords share | Farm numbers |
|---|---|---|---|---|---|
| Ossie Emmons, Dudley, Mo | A. R. Pierce, Clarkton, Mo | 150 | $5,125.00 | $2,562.50 | B-844 |
| Robert Harrison, Fisk, Mo | Glen Harrison, Big Bend 1719, Poplar Bluff, Mo | 65 | 2,220.84 | 1,110.41 | C-1356 |
| Gail Mansbridge, Fisk, Mo | | 50 | 2,562.50 | | A-3381 |
| H. F. Mansbridge, Fisk, Mo | | 30 | 1,538.50 | | A-3537 |
| Wiley Mattingly, Route 1, Dudley, Mo | Eva Mattingly, Route 1, Dudley, Mo | 110 | 3,757.34 | 1,879.16 | B-1761 |
| Rhea Stone, Route 1, Dudley, Mo | | 200 | 10,250.00 | | B-1557 |
| Ray Henson, Route 1, Dudley, Mo | Albert Price, Route 1, Dudley, Mo | 100 | 3,416.67 | 1,708.33 | B-1654 |
| Leon Wilkerson, Fisk, Mo | Bernard Cravens, 818 North Sassafras, Dexter, Mo | 150 | 5,125.50 | 2,562.50 | D-2073 |
| Robert Harrison, Fisk, Mo | Juanita Cravens, Fisk, Mo | 135 | 4,612.50 | 2,306.25 | B-647 |
| Robert Huber, Route 1, Campbell | | [1] 20 | 1,350.00 | | H-1746 |

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[1] Corn.

SEC. 2. No part of each amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## THEODORE BARR

The Clerk called the bill (H.R. 1965) for the relief of Theodore Barr.

There being no objection, the Clerk read the bill as follows:

H.R. 1965

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, the Civil Service Commission is authorized and directed to pay, out of any money in the Civil Service Retirement and Disability Fund not otherwise appropriated, to Theodore Barr of Fayetteville, North Carolina, the sum of $450.30, in full settlement of all his claims against the United States for an error in computation of creditable Federal service by omission of his service for a committee of the House of Representatives between February 1, 1935, and July 1, 1936. The error in computation resulted in his not receiving the disability retirement annuity to which he would have been otherwise entitled during the period February 6, 1947, through April 30, 1948. No part of the amount appropriated in this Act thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## MRS. ROSE THOMAS

The Clerk called the bill (H.R. 2535) for the relief of Mrs. Rose Thomas.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

## COL. JOHN H. SHERMAN

The Clerk called the bill (H.R. 2633) for the relief of Col. John H. Sherman. Sherman.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

## WILLIAM R. KARSTETER

The Clerk called the bill (H.R. 2769) for the relief of William R. Karsteter.

There being no objection, the Clerk read the bill as follows:

H.R. 2769

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to William R. Karsteter, of Redlands, California, the sum of $900 in full settlement of all his claims against the United States arising out of the arrangements made by the United States Army Transportation Corps for the moving of his household possessions from Paris to England in 1956 and 1957 in connection with his transfer of employment from the Joint Construction Agency (Department of Defense, United States European Command) to the Headquarters of the Third Air Force.

SEC. 2. No part of the amount appropriated in the first section of this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this section shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 6, strike "$900" and insert $884.55

Page 2, line 4, strike "in excess of 10 per centum thereof".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## LEONARD DIAMOND

The Clerk called the bill (H.R. 2771) for the relief of Leonard Diamond.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

## ESTATE OF THE LATE RICHARD BURTON, SFC, U.S. ARMY (RETIRED)

The Clerk called the bill (H.R. 3533) for the relief of the estate of the late Richard Burton, SFC, U.S. Army (retired).

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

## JAMES E. FRY, JR., AND MARGARET E. FRY

The Clerk called the bill (H.R. 3751) for the relief of James E. Fry, Jr., and Margaret E. Fry.

There being no objection, the Clerk read the bill as follows:

H.R. 3751

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, notwithstanding the provisions of clause (1) of section (b) of title 10, United States Code, or any regulation promulgated thereunder, the Secretary of the Army is authorized to receive, consider, settle, and pay any claim filed under such section by James E. Fry, Junior, and Margaret E. Fry of Brighton, Colorado, within one year after the date of enactment of this Act, the said James E. Fry, Junior, and Margaret E. Fry having allegedly suffered damage to their property in 1966 as the result of the contamination of a stream, running under the land of the said James E. Fry, Junior, and Margaret E. Fry, by chemical waste disposed of by personnel at the Rocky Mountain Arsenal in Colorado. Nothing in this Act shall be construed as an inference of liability on the part of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## MANUEL H. SILVA

The Clerk called the bill (H.R. 4175) for the relief of Manuel H. Silva.

There being no objection, the Clerk read the bill as follows:

H.R. 4175

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Manuel H. Silva, of New Ipswich, New Hampshire, the sum of $6,240, in compensation for the loss of certain pigs during a cholera outbreak. This compensation would normally be available under Federal law, but in this case extremely bad whether, including a major snowstorm, prevented the necessary inspection for seven days, during which time one hundred and fifty-six of the infected animals had died, rendering the loss ineligible for compensation to that extent.

SEC. 2. No more than 10 per centum of the amount appropriated in the first section of this Act shall be paid or received by any agent or attorney on account of services rendered in connection with the claims dealt with therein. Any person violating the provisions of this section shall be fined not more than $1,000.

With the following committee amendment:

Page 2, line 3: Strike "more than 10 percentum of the".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## RONALD K. DOWNIE

The Clerk called the bill (H.R. 4443) for the relief of Ronald K. Downie.

There being no objection, the Clerk read the bill as follows:

H.R. 4443

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Comptroller General of the United States is authorized to settle and adjust the claim of Ronald K. Downie, of Oklahoma City, Oklahoma, for the amount to which he would be entitled under section 5724a(a)(4), title V of the United States Code, and the regulations issued thereunder without regard to section 4.1d of the Bureau of the Budget Circular No. A-56, revised October 12, 1966, representing expenses he incurred in selling his residence in Virginia and buying another in Fremont, California, incident to his transfer in June of 1967 as an employee of the Federal Aviation Administration from Leesburg, Virginia, to Fremont, California, for the convenience of the Government.

SEC. 2. No part of the amount disbursed in the first section of this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this section shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike "V" and insert "5".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## 1ST LT. JOHN P. DUNN

The Clerk called the bill (H.R. 4448) for the relief of 1st Lt. John P. Dunn, Army of the United States, retired.

There being no objection, the Clerk read the bill as follows:

H.R. 4448

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to First Lieutenant John P. Dunn, Army of the United States, retired, of Green Valley, Arizona, the sum certified to him by the Comptroller General of the United States pursuant to section 2 of this Act. Such payment to the said First Lieutenant John P. Dunn shall be in full settlement of all his claims against the United States arising out of his failure to receive the retirement pay due him for the period beginning on November 1, 1954, and ending March 4, 1958.

SEC. 2. The Comptroller General of the United States shall, within ninety days of the enactment of this Act, certify to the Secretary of the Treasury the sum total of all monthly retirement payments to which the said First Lieutenant John P. Dunn would be entitled for the period indicated in the first section of this Act if his application has been deemed timely filed with the proper officer.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## ROGER STANLEY, ET AL.

The Clerk called the bill (H.R. 4589) for the relief of Roger Stanley, and the successor partnership, Roger Stanley and Hal Irwin, doing business as the Roger Stanley Orchestra.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

## CERTAIN FORMER EMPLOYEES OF THE SECURITIES AND EXCHANGE COMMISSION

The Clerk called the bill (H.R. 4704) for the relief of certain former employees of the Securities and Exchange Commission.

There being no objection, the Clerk read the bill as follows:

H.R. 4704

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That each of the following former employees of the Securities and Exchange Commission is relieved of liability to the United States in the amount appearing beside his name, which amount is the overpayment of travel expenses and per diem allowance made as a result of administrative error for the period September 1, 1970, through March 10, 1971, inclusive, or any portion or portions of such period:

Stanley Diller, $3,241.18; Donald E. Farrar, $5,696.32; William F. Hicks, $3,445.59; Keith B. Johnson, $2,735.10; Seymour Smidt, $3,119.72. In the audit and settlement of the accounts of any certifying or disubursing officer of the United States full credit shall be given for amounts for which liability is relieved by this section.

SEC. 2. (a) The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to each person named in the first section of this Act an amount equal to the aggregate of the amounts paid by him, or withheld from sums otherwise due him, with respect to the indebtedness to the United States specified in such section.

(b) No part of the amount appropriated in subsection (a) of this section shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this subsection shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## MR. AND MRS. JOHN F. FUENTES

The Clerk called the bill (H.R. 2508) for the relief of Mr. and Mrs. John F. Fuentes.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

## JOHN R. POE

The Clerk called the bill (H.R. 1462) for the relief of John R. Poe.

There being no objection, the Clerk read the bill as follows:

H.R. 1462

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to John R. Poe of Albertville, Alabama, the sum of $2,239.30 in full settlement of all of his claims against the United States arising out of the failure of the Department of the Air Force to process the application and forward the premium of $16.50 for health insurance allotted by the said John R. Poe at the time of his discharge from the Air Force on June 24, 1970.

SEC. 2. No part of the amount appropriated in the first section of this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with such claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this section shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, line 2, strike "in excess of 10 per centum thereof".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## GUIDO BELLANCA

The Clerk called the bill (S. 464) for the relief of Guido Bellanca.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

## SLOBODAN BABIC

The Clerk called the bill (S. 666) for the relief of Slobodan Babic.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

## MRS. DOMINGA PETTIT

The Clerk called the bill (H.R. 1321) for the relief of Mrs. Dominga Pettit.

There being no objection, the Clerk read the bill as follows:

H.R. 1321

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That in the administration of the Immigration and Nationality Act, Dominga Pettit, the widow of a citizen of the United States, shall be held and considered to be within the purview of section 201(b) of that Act and the provisions of section 204 of such Act shall not be applicable in this case.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## JAY ALEXIS CALIGDONG SIAOTONG

The Clerk called the bill (H.R. 1322) for the relief of Jay Alexis Caligdong Siaotong.

There being no objection, the Clerk read the bill as follows:

H.R. 1322

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, in the administration of the Immigration and Nationality Act, Jay Alexis Caligdong Siaotong may be classified as a child within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in her behalf by Bautista and Coronacion Siaotong, citizens of the United States, pursuant to section 204 of the Act: *Provided,* That the natural parents or brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## JUAN MARCOS CORDOVA-CAMPOS

The Clerk called the bill (H.R. 1366) for the relief of Juan Marcos Cordova-Campos.

There being no objection, the Clerk read the bill as follows:

H.R. 1366

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, in the administration of the Immigration and Nationality Act, Juan Marcos Cordova-Campos may be classified as a child within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in his behalf by Mr. and Mrs. Richard C. Nagle, citizens of the United States, pursuant to section 204 of the Act, and the provisions of section 245(c) of the Act shall be inapplicable in this case: *Provided,* That the natural parents or brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## MICHAEL JOSEPH WENDT

The Clerk called the bill (H.R. 1377) for the relief of Michael Joseph Wendt.

There being no objection, the Clerk read the bill as follows:

H.R. 1377

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, in the administration of the Immigration and Nationality Act, Michael Joseph Wendt may be classified as a child within the meaning of section 101(b)(1)(F) of the Act, and a petition, filed in his behalf by Mrs. Elizabeth Mildred Wendt, a citizen of the United States, may be approved pursuant to section 204 of the Act and the provisions of section 245(c) of the Act shall be inapplicable in this case: *Provided,* That the natural parents or brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## JEAN ALBERTHA SERVICE GORDON

The Clerk called the bill (H.R. 1716) for the relief of Jean Albertha Service Gordon.

There being no objection, the Clerk read the bill as follows:

H.R. 1716

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That in the administration of the Immigration and Nationality Act, Jean Albertha Service Gordon may be classified as a child within the meaning of section 101(b)(1)(F) of the Act, and a petition filed in her behalf by Mrs. Laurel Service Gordon, a citizen of the United States, may be approved pursuant to section 204 of the Act and the provisions of section 245(c) of the Act shall be inapplicable in this case: *Provided,* That the natural parents, or brothers, or sisters, of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status, under the Immigration and Nationality Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## MRS. NGUYEN THI LE FINTLAND AND SUSAN FINTLAND

The Clerk called the bill (H.R. 2212) for the relief of Mrs. Nguyen Thi Le Fintland and Susan Fintland.

There being no objection, the Clerk read the bill as follows:

H.R. 2212

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, for the purposes of the Immigration and Nationality Act, Nguyen Thi Le Fintland and Susan Fintland shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of enactment of this Act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this Act, the Secretary of State shall instruct the proper officer to deduct two numbers from the total number of immigrant visas and conditional entries which are made available to natives of the aliens' birth upon paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That, in the administration of the Immigration and Nationality Act, Mrs. Nguyen Thi Le Fintland and Susan Fintland, the widow and stepdaughter, respectively, of a citizen of the United States shall be held and considered to be within the purview of section 201(b) of that Act and the provisions of section 204 of such Act shall not be applicable in their cases."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## MRS. PURITA PANINGBATAN BOHANNON

The Clerk called the bill (H.R. 2215) for the relief of Mrs. Purita Paningbatan Bohannon.

There being no objection, the Clerk read the bill as follows:

H.R. 2215

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, in the administration of the Immigration and Nationality Act, Mrs. Purita Paningbatan Bohannon, the widow of a United States citizen, shall be determined to be an immediate relative within the meaning of section 201(b) of that Act and the provisions of section 204 shall be inapplicable in her case.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## FLORA DATILES TABAYO

The Clerk called the bill (H.R. 5106) for the relief of Flora Datiles Tabayo.

There being no objection, the Clerk read the bill as follows:

H.R. 5106

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, in the adminstration of the Immigration and Nationality Act, Flora Datiles Tabayo may be classified as a child within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in her behalf by Mr. and Mrs. Jack Lee, a citizen of the United States and a lawfully resident alien, respectively, pursuant to section 204 of the Act: *Provided,* That the natural parents or brothers or sisters of the beneficiary shall not by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. This concludes the call of the Private Calendar.

## PERMISSION FOR COMMITTEE ON THE DISTRICT OF COLUMBIA TO FILE REPORTS ON H.R. 4083, H.R. 6713, H.R. 8250, AND H..R 4771

Mr. FRASER. Mr. Speaker, I ask unanimous consent that the Committee on the District of Columbia have until midnight tonight to file reports on the bills H.R. 4083, H.R. 6713, H.R. 8250, and H.R. 4771.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

## PERMISSION FOR COMMITTEE ON RULES TO FILE PRIVILEGED REPORTS

Mr. MADDEN. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have permission to file certain privileged reports by midnight tonight.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

## AUTHORIZING THE PRESIDENT TO PROCLAIM JUNE 17, 1973, AS A DAY OF COMMEMORATION OF THE OPENING OF THE UPPER MISSISSIPPI RIVER

Mr. EDWARDS of California. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of the joint resolution (H.J. Res. 533) authorizing the President to proclaim June 17, 1973, as a day of commemoration of the opening of the upper Mississippi River by Jacques Marquette and Louis Jolliet in 1673, and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the joint resolution as follows:

### H.J. Res. 533

Whereas June 17, 1973, marks the three hundredth anniversary of the opening of the upper Mississippi River by Jacques Marquette and Louis Jolliet; and

Whereas the Mississippi River Tricentennial Committee, established by the Mississippi River Parkway Commission, is sponsoring a reenactment of the three-thousand-mile voyage of Jacques Marquette and Louis Jolliet, which will take place beginning May 17, 1973, and ending September 19, 1973; and

Whereas it is appropriate to emphasize the importance of the Mississippi River as a natural resource and as a significant source of the cultural heritage of the Nation: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the President of the United States is authorized and requested to issue a proclamation designating June 17, 1973, as a day of commemoration of the opening of the upper Mississippi River by Jacques Marquette and Louis Jolliet, and calling upon the people of the United States to observe the tercentenary with appropriate ceremonies and activities.

### AMENDMENT OFFERED BY MR. EDWARDS OF CALIFORNIA

Mr. EDWARDS of California. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Edwards of California: On pages 1 and 2, strike out the entire preamble.

The amendment was agreed to.

Mr. CULVER. Mr. Speaker, June 17 is an important anniversary for America and for residents of the Mississippi River region in particular. On that date in 1673, 300 years ago, the Mississippi was discovered by Marquette and Jolliet.

In order to observe this anniversary properly, a Mississippi River Tricentennial Committee has been created by the Mississippi River Parkway Commission, which itself was established by Congress to develop the Great River Road and to stimulate travel along the Mississippi from Canada to the Gulf of Mexico.

The Tricentennial Committee is sponsoring an historically accurate reenactment of the Jolliet-Marquette voyage. Starting on May 17 at St. Ignace, Mich. seven men in two canoes began retracing the 4 month, 3,000-mile journey—across Wisconsin, down the Mississippi to the Arkansas River, back up the Illinois River to Lake Michigan—terminating at Green Bay September 19. The schedule will follow, as nearly as possible, the actual itinerary recorded in Father Marquette's journal.

While the reenactment of the voyage is the major undertaking of the national committee, the principal emphasis of the tricentennial is at the State and local level. The States bordering the Mississippi have State committees, and communities along the river are planning special events to coincide with the passage of the Jolliet-Marquette canoeists.

The tricentennial observance is a serious effort to reawaken appreciation for one of America's greatest natural resources and one of the most significant wellsprings of its cultural heritage. In this respect it is a most appropriate building block for the 1976 bicentennial celebration of America's independence, extending the focus from the band of the original 13 Colonies out into the heartland of America.

The goal is increased knowledge and public awareness of all aspects of the Nation's greatest river—historical, cultural, ecological, recreational, commercial. We seek to save the river and to enlarge the love and use of it.

The joint resolution we are considering, which asks the President to issue a proclamation commemorating the anniversary of the actual discovery date—June 17, is designed to further this goal. Twenty-eight Members joined me in sponsoring this resolution, and an identical resolution has been introduced in the Senate. I urge your support.

Mr. ANNUNZIO. Mr. Speaker, before us today is House Joint Resolution 533, authorizing the President to proclaim June 17, 1973, as a day of commemoraion of the opening of the Upper Mississippi, Illinois, Des Plaines, and Chicago Rivers by Jacques Marquette and Louis Jolliet in 1673, in addition to discovering the site of Chicago itself.

It was 300 years ago that the French Canadian explorer Louis Jolliet led a small band of men west from Lake Michgan in two canoes in search of a great river called the Mississippi. It had been hoped that this river would flow into the Pacific, thereby providing a direct access route from the Great Lakes to the riches of the Orient. While this expectation was not realized, the initial entry of the white man into the area did provide the basis for French domination of the Mississippi Valley until the time of the French and Indian War.

While it was Louis Jolliet, the cartographer and hydrographer, the trapper, merchant, and explorer, who was the leader and organizer of the journey, the contributions of the Jesuit missionary, Father Jacques Marquette, were essential to its success. Marquette's knowledge of the Indian langauge and customs provided access to guides, and at one point saved the party from probably slaughter. Moreover, Marquette's notes provided the only written record to survive the arduous journey.

In addition to "discovering" the site of Chicago, the group also became the first white people to travel and map the Wisconsin, Upper Mississippi, Illinois, Des Plaines, and Chicago Rivers, and to cross the Chicago Portage. This latter discovery led Jolliet to conceive a possible canal between the Des Plaines and Chicago Rivers, an idea which later developed into a critical link in the present day navigation system connecting the North Atlantic with the gulf.

An Illinois Tricentennial Commission was formed to coordinate comemmoration of this historic event. The highlight of the commemoration is a reenactment of the voyage itself. The reenactment began at St. Ignace, Mich., on May 17, and is following the same route and schedule as the original voyage. The group of seven, in two canoes, is following the western shoreline of Lake Michigan to Green Bay, ascending the Fox River to Portage, Wis., and there entering the Wisconsin River. Proceeding down the Wisconsin, the expedition will enter the Mississippi on June 17 and reach the mouth of the Iowa River on June 25. There the group will be joined by a young boy, taking the role of an Indian lad presented to Jolliet by a Peoria chieftain. Upon reaching the southernmost point of the expedition at the mouth of the Arkansas River on July 17, the voyagers will begin the return trip up the Mississippi to the Illinois River. Turning up the Illinois on August 19, the group will stop at Peoria on the 25th, pass through the Chicago Portage on Labor Day weekend, and reach Green Bay once again around September 19.

The two 20-foot canoes replicas of early Algonquin birchbarks, will be authentically outfitted with paddles, masts, sails, and other paraphernalia. The thin fiberglass hulls will be supported by hand-hewn white cedar ribs and planking. The crew will, of course, be outfitted in period costumes. Unlike the original voyage, however, the reenactment will be accompanied by a land support crew, assisting with organization, publicity, food, and local celebrations.

The members of the Illinois Paddling Council are enthusiastically involved in this celebration to increase public awareness of this historical, cultural, ecological, and recreational aspects of Illinois' and the Nation's rivers and streams. Four Chicagoans are taking part in the reenactment itself, including: Father Charles McEnery, S.J., associate pastor, Holy Family Church, who is playing the role of Marquette; Reid Henri Lewis, 6701 North Oconto, who is playing the part of Jolliet; along with Kenneth Lewis, his brother, and Lee Broske, 4252 North Mobile, both of whom are crewmembers.

The council is a not-for-profit association of canoeists and kayakists dedicated to promoting the enjoyment of paddling on a statewide basis. The objectives of the organization are:

To preserve Illinois' remaining wild rivers and their natural environment.

To arrest and reverse the deterioration of our streams.

To speak on behalf of the canoeist in matters of conservation.

To promote the recreational use of Illinois' waterways by canoes and kayaks.

To provide a source of information for midwestern canoeing and kayaking.

To make known the canoeing heritage of Illinois to our citizens and neighbors.

Mr. Ralph Frese took part in setting up the Illinois Paddling Council some 11 years ago. Mr. Frese, better known around Chicago as Mr. Canoe, is also the man who proposed the idea for the reenactment of the Jolliet-Marquette voyage. He and the members of the Illinois Paddling Council have been active in conservation to reverse the deterioration of our streams and rivers and were among the most enthusiastic supporters of our community efforts to clean up the North Branch of the Chicago River.

Canoeists in my own 11th District of Illinois, which I am proud to represent, and all over the Nation deserve this recognition for their efforts. I commend this bill to my colleagues and urge its unanimous passage.

The joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## TWO HUNDRED AND TWENTY-FIFTH ANNIVERSARY OF WASHINGTON AND LEE UNIVERSITY

Mr. EDWARDS of California. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of the concurrent resolution (H. Con. Res. 43) in recognition of the 225th anniversary of Washington and Lee University, and ask for its immediate consideration.

The Clerk read the concurrent resolution as follows:

H. Con. Res. 43

*Resolved by the House of Repesentatives (the Senate concurring)*, That the Congress of the United States extends its greetings and congratulations to Washington and Lee University, Lexington, Virginia, on the occasion of the observance and celebration by that institution of its two hundred and twenty-fifth anniversary, and expresses its recognition of the contribution which Washington and Lee University has made to educational excellence, and its appreciation of the leadership role which many distinguished alumni of Washington and Lee have played in the life and affairs of this Nation.

Mr. WHITEHURST. Mr. Speaker, this year Washington and Lee University in Lexington, Va., will celebrate its 225th anniversary. In honor of that occasion and in recognition of the university's contribution to educational excellence, I have introduced H. Con. Res. 43, extending greetings and congratulations from the Congress.

In the early years of its existence, Washington and Lee received an endowment from our first President, and Gen. Robert E. Lee served as its president shortly after the end of the Civil War. In addition, the campus area of the university has been declared a national historic landmark.

The university now serves a student body drawn from nearly every State, and its distinguished graduates have played a major leadership role in the life and affairs of Virginia and the Nation. Among the Washington and Lee alumni presently active in public service are Secretary of the Navy John Warner, Gov. Linwood Holton of Virginia, Assistant Secretary of Defense John Marsh, and Senator Bill Brock.

As one who also has the privilege of being an alumnus of that fine university, I earnestly hope that my colleagues will see fit to join me in congratulating Washington and Lee University on its 225th anniversary.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

## GENERAL LEAVE

Mr. EDWARDS of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the resolutions just passed.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

## APPOINTMENT OF CONFEREES ON H.R. 7447, FURTHER SUPPLEMENTAL APPROPRIATIONS, 1973

Mr. MAHON. Mr. Speaker, pursuant to the provisions of clause 1 of rule XX, and by the authority of the Committee on Appropriations, I move to take from the Speaker's table the bill (H.R. 7447) making further supplemental appropriations for the fiscal year ending June 30, 1973, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

Mr. Speaker, the Committee on Appropriations met this morning and authorized me to make a motion to send the second supplemental appropriation bill, 1973, H.R. 7447, to conference. Insofar as I know, there is no objection to sending the bill to conference. We would hope to meet this afternoon and begin deliberations.

Mr. GROSS. Will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Iowa.

Mr. GROSS. What is the point of contention? The gentleman sought unanimous consent to accomplish this end yesterday and it met with an objection. What is the point of contention that resulted in this motion?

Mr. MAHON. It is correct that objection was made yesterday when a unanimous-consent request was made. The House version of the bill provides certain language with respect to combat activities over Cambodia. The Senate language is different in that respect. There is a difference in this language, and we expect to iron the differences out in conference. Of course, there are a number of other items in disagreement.

Mr. GROSS. I thank the gentleman for his explanation.

The SPEAKER. Without objection, the previous question is ordered on the motion.

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

The SPEAKER. The Chair appoints the following conferees: Messrs. Mahon, Whitten, Evins of Tennessee, Natcher, Flood, Steed, Slack, Mrs. Hansen of Washington, Messrs. McFall, Cederberg, Rhodes, Michel, Wyman, Talcott, and McEwen.

## CALL OF THE HOUSE

Mr. MYERS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. GREEN of Pennsylvania. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 175]

Abdnor
Badillo
Biaggi
Blatnik
Breaux
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Carey, N.Y.
Carter
Casey, Tex.
Chisholm
Clark
Davis, Ga.
Davis, Wis.
Diggs
Fisher
Fulton
Gilman
Gray
Gubser
Hébert
Horton
Keating
Mayne
Metcalfe
Michel
Minish
Minshall, Ohio
Moorhead, Pa.
Moss
Murphy, N.Y.
Nelsen
Nichols
Patman, Tex.
Railsback
Riegle
Rooney, N.Y.
Roy
Roybal
Ruppe
Satterfield
Shoup
Smith, Iowa
Stanton, James V.
Steiger, Wis.
Stephens
Towell, Nev.

The SPEAKER. On this rollcall 383 Members have recorded their presence by electronic device, a quorum,

By unanimous consent, further proceedings under the call were dispensed with.

## REHABILITATION ACT OF 1973

Mr. BRADEMAS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 8070) to authorize grants for vocational rehabilitation services, and for other purposes, as amended.

The Clerk read as follows:

H.R. 8070

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That this Act, with the following table of contents, may be cited as the "Rehabilitation Act of 1973".

TABLE OF CONTENTS

Sec. 2. Declaration of purpose.
Sec. 3. Rehabilitation Services Administration.
Sec. 4. Advance funding.
Sec. 5. Joint funding.
Sec. 6. Consolidated rehabilitation plan.
Sec. 7. Definitions.
Sec. 8. Allotment percentage.
Sec. 9. Audit.
Sec. 10. Nonduplication.

TITLE I—VOCATIONAL REHABILITATION SERVICES

Part A—General Provisions

Sec. 100. Declaration of purpose: Authorization of appropriations.
Sec. 101. State plans.
Sec. 102. Individualized written rehabilitation program.
Sec. 103. Scope of vocational rehabilitation services.
Sec. 104. Non-Federal share for construction.

Part B—Basic Vocational Rehabilitation Services

Sec. 110. State allotments.
Sec. 111. Payments to States.

Part C—Innovation and Expansion Grants

Sec. 120. Grant program.
Sec. 121. Special study, research, and demonstration on the needs of the severely handicapped.

TITLE II—SPECIAL FEDERAL RESPONSIBILITIES

Sec. 200. Research.
Sec. 201. Training.

Sec. 202. Grants for construction of rehabilitation facilities.
Sec. 203. Vocational training services for handicapped individuals.
Sec. 204. Mortgage insurance for rehabilitation facilities.
Sec. 205. Annual interest grants for mortgages for rehabilitation facilities.
Sec. 206. Special projects and demonstrations.
Sec. 207. National Center for Deaf-Blind Youths and Adults.
Sec. 208. General grant and contract requirements.

TITLE III—ADMINISTRATION AND PROGRAM AND PROJECT EVALUATION

Sec. 300. Administration.
Sec. 301. Program and project evaluation.
Sec. 302. Obtaining information from Federal agencies.
Sec. 303. Authorization of appropriations.
Sec. 304. Reports.
Sec. 305. Sheltered workshop study.

TITLE IV—OFFICER FOR THE HANDICAPPED

Sec. 400. Establishment of Office.
Sec. 401. Function of Office.
Sec. 402. Authorization of appropriations.

TITLE V—MISCELLANEOUS

Sec. 500. Effect on existing laws.
Sec. 501. Architectural and Transportation Barriers Compliance Board.
Sec. 502. Employment under Federal contracts.
Sec. 503. Nondiscrimination under Federal grants.

### DECLARATION OF PURPOSE

SEC. 2. The purpose of this Act is to provide a statutory basis for the Rehabilitation Services Administration, to establish within the Department of Health, Education, and Welfare an Office for the Handicapped, and to authorize programs to—

(1) develop and implement comprehensive and continuing State plans for meeting the current and future needs for providing vocational rehabilitation services to handicapped individuals and to provide such services for the benefit of such individuals, serving first those with the most severe handicaps, so that they may prepare for and engage in gainful employment;

(2) evaluate the rehabilitation potential of handicapped individuals;

(3) assist in the construction and improvement of rehabilitation facilities;

(4) develop new and innovative methods of applying the most advanced medical technology, scientific achievement, and psychological and social knowledge to solve rehabilitation problems and develop new and innovative methods of providing rehabilitation services to handicapped individuals through research, special projects, and demonstrations;

(5) initiate and expand services to groups of handicapped individuals (including those who are homebound and institutionalized) who have been underserved in the past;

(6) direct the conduct of various studies and experiments to focus on long neglected problem areas;

(7) promote and expand employment opportunities in the public and private sectors for handicapped individuals and to place such individuals in employment;

(8) provide assistance for the purpose of increasing the number of rehabilitation personnel and increasing their skills through training; and

(9) evaluate existing approaches to architectural and transportation barriers confronting handicapped individuals, develop new such approaches, enforce statutory and regulatory standards and requirements regarding barrier-free construction of public facilities and study and develop solutions to existing housing and transportation barriers impeding handicapped individuals.

### REHABILITATION SERVICES ADMINISTRATION

SEC. 3. (a) There is established in the Department of Health, Education, and Welfare a Rehabilitation Services Administration (hereinafter in this Act referred to as the "Administration") which shall be headed by a Commissioner (hereinafter in this Act referred to as the "Commissioner"). Except as specifically provided in this Act, the Administration shall be the principal agency for carrying out this Act. The Secretary shall not approve any delegation of the functions of the Commissioner to any other officer not directly responsible to the Commissioner unless the Secretary shall first submit a plan for such delegation to the Congress. Such delegation is effective at the end of the first period of sixty calendar days of continuous session of Congress after the date on which the plan for such delegation is transmitted to it: *Provided, however,* That within thirty days of such transmittal, the Secretary shall consult with the Committee on Labor and Public Welfare of the Senate and the Committee on Education and Labor of the House of Representatives respecting such proposed delegation. For the purposes of this section, continuity of session is broken only by an adjournment of Congress sine die, and the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the thirty-day and sixty-day periods.

(b) The Secretary shall establish within the Rehabilitation Services Administration a Center for Technology Assessment and Application, headed by an individual of outstanding scientific and technological achievement, which shall, in consultation with the National Science Foundation and the National Academy of Sciences, be responsible for developing and supporting, and stimulating the development and utilization (including production and distribution of new and existing devices) of, innovative methods of applying advanced medical technology, scientific achievement, and psychological and social knowledge to solve rehabilitation problems, and for administration of the activities described in section 202(b)(2).

### ADVANCE FUNDING

SEC. 4. (a) For the purpose of affording adequate notice of funding available under this Act, appropriations under this Act are authorized to be included in the appropriation Act for the fiscal year preceding the fiscal year for which they are available for obligation.

(b) In order to effect a transition to the advance funding method of timing appropriation action, the authority provided by subsection (a) of this section shall apply notwithstanding that its initial application will result in the enactment in the same year (whether in the same appropriation Act or otherwise) of two separate appropriations, one for the then current fiscal year and one for the succeeding fiscal year.

### JOINT FUNDING

SEC. 5. Pursuant to regulations prescribed by the President, and to the extent consistent with the other provisions of this Act, where funds are provided for a single project by more than one Federal agency to an agency or organization assisted under this Act, the Federal agency principally involved may be designated to act for all in administering the funds provided, and, in such cases, a single non-Federal share requirement may be established according to the proportion of funds advanced by each agency. When the principal agency involved is the Rehabilitation Services Administration, it may waive any grant or contract requirement (as defined by such regulations) under or pursuant to any law other than this Act, which requirement is inconsistent with the similar requirements of the administering agency under or pursuant to this Act.

### CONSOLIDATED REHABILITATION PLAN

SEC. 6. (a) In order to secure increased flexibility to respond to the varying needs and local conditions within the State, and in order to permit more effective and interrelated planning and operation of its rehabilitation programs, the State may submit a consolidated rehabilitation plan which includes the State's plan under section 101(a) of this Act and its program for persons with developmental disabilities under the Development Disabilities Services and Facilities Construction Amendments of 1970: *Provided,* That the agency administering such State's program under such Act concurs in the submission of such a consolidated rehabilitation plan.

(b) Such a consolidated rehabilitation plan must comply with, and be administered in accordance with, all the requirements of this Act and the Developmental Disabilities Services and Facilities Construction Amendments of 1970. If the Secretary finds that all such requirements are satisfied, he may approve the plan to serve in all respects as the substitute for the separate plans which would otherwise be required with respect to each of the programs included therein, or he may advise the State to submit separate plans for such programs.

(c) Findings of noncompliance in the administration of an approved consolidated rehabilitation plan, and any reductions, suspensions, or terminations of assistance as a result thereof, shall be carried out in accordance with the procedures set forth in subsections (c) and (d) of section 101 of this Act.

### DEFINITIONS

SEC. 7. For the purposes of this Act:

(1) The term "construction" means the construction of new buildings, the acquisition, expansion, remodeling, alteration, and renovation of existing buildings, and initial equipment of such buildings, and the term "cost of construction" includes architects' fees and acquisition of land in connection with construction but does not include the cost of offsite improvements.

(2) The term "criminal act" means any crime, including an act, omission, or possession under the laws of the United States or a State or unit of general local government which poses a substantial threat of personal injury, notwithstanding that by reason of age, insanity, intoxication, or otherwise the person engaging in the act, omission, or possession was legally incapable of committing a crime.

(3) The term "establishment of a rehabilitation facility" means the acquisition, expansion, remodeling, or alteration of existing buildings necessary to adapt them to rehabilitation facility purposes or to increase their effectiveness for such purposes (subject, however, to such limitations as the Commissioner may determine, in accordance with regulations he shall prescribe, in order to prevent impairment of the objectives of, or duplication of, other Federal laws providing Federal assistance in the construction of such facilities), and the initial equipment for such buildings, and may include the initial staffing thereof.

(4) The term "evaluation of rehabilitation potential" means, as appropriate in each case—

(A) a preliminary diagnostic study to determine that the individual has a substantial handicap to employment, and that vocational rehabilitation services are needed;

(B) a diagnostic study consisting of a comprehensive evaluation of pertinent medical, psychological, vocational, educational, cultural, social, and environmental factors which bear on the individual's handicap to employment and rehabilitation potential including, to the degree needed, an evaluation of the individual's personality, intelligence level, educational achievements, work experience, vocational aptitudes and interests, personal and social adjustments, employment opportunities, and other pertinent data helpful in determining the nature and scope of services needed;

(C) an appraisal of the individual's patterns of work behavior and ability to acquire occupational skill, and to develop work attitudes, work habits, work tolerance, and social and behavior patterns suitable for successful job performance, including the utilization of work, simulated or real, to assess and develop the individual's capacities to perform adequately in a work environment;

(D) any other goods or services provided for the purpose of ascertaining the nature of the handicap and whether it may reasonably be expected that the individual can benefit from vocational rehabilitation services;

(E) referral;

(F) the administration of these evaluation services; and

(G)(1) the provision of vocational rehabilitation services to any individual for a total period not in excess of eghteen months for the purpose of determining whether such individual is a handicapped individual, a handicapped individual for whom a vocational goal is not possible or feasible (as determined in accordance with section 102(c)), or neither such individual; and (ii) an assessment, at least once in every ninety-day period during which such services are provided, of the results of the provision of such services to an individual to ascertain whether any of the determination described in subclause (1) may be made.

(5) The term "Federal share" means 80 per centum, except that that term means 90 per centum for the purposes of part C of title I of this Act and as specifically set forth in section 202: Provided, That with respect to payments pursuant to part B of title I of this Act to any State which are not used to meet the costs of construction of those rehabilitation facilities identified in section 103(b)(2) in such State, the Federal share shall be the percentages determined in accordance with the provisions of section 202 (b)(3) applicable with respect to that State and that, for the purpose of determining the non-Federal share with respect to any State, expenditures by a political subdivision thereof or by a local agency shall, subject to such limitations and conditions as the Commissioner shall by regulation prescribe, be regarded as expenditures by such State.

(6) The term "handicapped individual" means any individual who (A) has a physical or mental disability which for such individual constitutes or results in a substantial handicap to employment and (B) can reasonably be expected to benefit from vocational rehabilitation services.

(7) The term "local agency" means an agency of a unit of general local government or of an Indian tribal organization (or combination of such units or organizations) which has an agreement with the State agency designated pursuant to section 101 (a)(1) to conduct a vocational rehabilitation program under the supervision of such State agency in accordance with the State plan approved under section 101. Nothing in the preceding sentence of this paragraph or in section 101 shall be construed to prevent the local agency from utilizing another local public or nonprofit agency to provide vocational rehabilitation services: Provided, That such an arrangement is made part of the agreement specified in this paragraph.

(8) The term "nonprofit", when used with respect to a rehabilitation facility, means a rehabilitation facility owned and operated by a corporation or association, no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual and the income of which is exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1954.

(9) The term "public safety officer" means a person serving the United States or a State or unit of general local government, with or without compensation, in any activity pertaining to—

(A) the enforcement of the criminal laws, including highway patrol, or the maintenance of civil peace by the National Guard or the Armed Forces,

(B) a correctional program, facility, or institution where the activity is potentially dangerous because of contact with criminal suspects, defendants, prisoners, probationers, or parolees.

(C) a court having criminal or juvenile delinquent jurisdiction where the activity is potentially dangerous because of contact with criminal suspects, defendants, prisoners, probationers, or parolees, or

(D) firefighting, fire prevention, or emergency rescue missions.

(10) The term "rehabilitation facility" means a facility which is operated for the primary purpose of providing vocational rehabilitation services to handicapped individuals, and which provides singly or in combination one or more of the following services for handicapped individuals: (A) vocational rehabilitation services which shall include, under one management, medical, psychological, social, and vocational services, (B) testing, fitting, or training in the use of prosthetic and orthotic devices, (C) prevocational conditioning or recreational therapy, (D) physical and occupational therapy, (E) speech and hearing therapy, (F) psychological and social services, (G) evaluation of rehabilitation potential, (H) personal and work adjustment, (I) vocational training with a view toward career advancement (in combination with other rehabilitation services), (J) evaluation or control of specific disabilities, (K) orientation and mobility services to the blind, and (L) extended employment for those handicapped individuals who cannot be readily absorbed in the competitive labor market, except that all medical and related health services must be prescribed by, or under the formal supervision of, persons licensed to prescribe or supervise the provision of such services in the State.

(11) The term "Secretary", except when the context otherwise requires, means the Secretary of Health, Education, and Welfare.

(12) The term "severe handicap" means the disability which requires multiple services over an extended period of time and results from amputation, blindness, cancer, cerebral palsy, cystic fibrosis, deafness, heart disease, hemiplegia, respiratory or pulmonary dysfunction, mental retardation, mental illness, multipe sclerosis, muscular dystrophy, neurological disorders (including stroke and epilepsy), paraplegia, quadriplegia and other spinal cord conditions, renal failure, and any other disability specified by the Commissioner in regulations he shall prescribe.

(13) The term "State" includes the District of Columbia, the Virgin Islands, Puerto Rico, Guam, American Samoa, and the Trust Territory for the Pacific Islands, and for the purposes of American Samoa and the Trust Territory of the Pacific Islands, the appropriate State agency designated as provided in section 101(a)(1) shall be the Governor of American Samoa or the High Commissioner of the Trust Territory of the Pacific Islands, as the case may be.

(14) The term "vocational rehabilitation services" means services identified in section 103 which are provided to handicapped individuals under this Act.

### ALLOTMENT PERCENTAGE

Sec. 8. (a)(1) The allotment percentage for any State shall be 100 per centum less that percentage which bears the same ratio to 50 per centum as the per capita income of such State bears to the per capita income of the United States, except that (A) the allotment percentage shall in no case be more than 75 per centum or less than 33⅓ per centum, and (B) the allotment percentage for the District of Columbia, Puerto Rico, Guam, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands shall be 75 per centum.

(2) The allotment percentages shall be promulgated by the Commissioner between July 1 and September 30 of each even-numbered year, on the basis of the average of the per capita incomes of the States and of the United States for the three most recent consecutive years for which satisfactory data are available from the Department of Commerce. Such promulgation shall be conclusive for each of the two fiscal years in the period beginning on the July 1 next succeeding such promulgation.

(3) The term "United States" means (but only for purposes of this subsection) the fifty States and the District of Columbia.

(b) The population of the several States and of the United States shall be determined on the basis of the most recent data available, to be furnished by the Department of Commerce by October 1 of the year preceding the fiscal year for which funds are appropriated pursuant to statutory authorizations.

### AUDIT

Sec. 9. Each recipient of a grant or contract under this Act shall keep such records as the Secretary may prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such grant or contract, the total cost of the project or undertaking in connection with which such grant or contract is made or funds thereunder used, the amount of that portion of the cost of the project or undertaking supplied by other sources, and such records as will facilitate an effective audit. The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient of any grant or contract under this Act which are pertinent to such grant or contract.

### NONDUPLICATION

Sec. 10. In determining the amount of any State's Federal share of expenditures for planning, administration, and services incurred by it under a State plan approved in accordance with section 101 of this Act, there shall be disregarded (1) any portion of such expenditures which are financed by Federal funds provided under any other provision of law, and (2) the amount of any non-Federal funds required to be expended as a condition of receipt of such Federal funds. No payment may be made from funds provided under one provision of this Act relating to any cost with respect to which any payment is made under any other provision of this Act.

## TITLE I—VOCATIONAL REHABILITATION SERVICES

### Part A—General Provisions

### DECLARATION OF PURPOSE; AUTHORIZATION OF APPROPRIATIONS

Sec. 100. (a) The purpose of this title is to authorize grants to assist States to meet the current and future needs of handicapped individuals, so that such individuals may prepare for and engage in gainful employment to the extent of their capabilities.

(b)(1) For the purpose of making grants to States under part B of this title to assist them in meeting costs of vocational rehabilitation services provided in accordance with State plans under section 101, there is authorized to be appropriated $660,000,000 for the fiscal year ending June 30, 1974, and $690,000,000 for the fiscal year ending June 30, 1975.

(2) For the purpose of making grants under section 120, relating to grants to States and public and nonprofit agencies to assist them in meeting the costs of projects to initiate or expand services to handicapped individuals (especially those with the most severe handicaps) there is authorized to be appropriated such sums as may be necessary for the fiscal year ending June 30, 1974, and the fiscal year ending June 30, 1975.

STATE PLANS

SEC. 101. (a) For each fiscal year in which a State desires to participate in programs under this title, a State shall submit to the Commissioner for his approval an annual plan for vocational rehabilitation services which shall—

(1) (A) designate a State agency as the sole State agency to administer the plan, or to supervise its administration by a local agency, except that (i) where under the State's law the State agency for the blind or other agency which provides assistance or services to the adult blind, is authorized to provide vocational rehabilitation services to such individuals, such agency may be designated as the sole State agency to administer the part of the plan under which vocational rehabilitation services are provided for the blind (or to supervise the administration of such part by a local agency) and a separate State agency may be designated as the sole State agency with respect to the rest of the State plan, and (ii) the Secretary, upon the request of a State, may authorize such agency to share funding and administrative responsibility with another agency of the State or with a local agency in order to permit such agencies to carry out a joint program to provide services to handicapped individuals, and may waive compliance with respect to vocational rehabilitation services furnished under such programs with the requirement of clause (4) of this subsection that the plan be in effect in all political subdivisions of the State;

(B) provide that the State agency so designated to administer or supervise the administration of the State plan, or (if there are two State agencies designated under subclause (A) of this clause) to supervise or administer the part of the State plan that does not relate to services for the blind, shall be (i) a State agency primarily concerned with vocational rehabilitation, or vocational and other rehabilitation, of handicapped individuals, (ii) the State agency administering or supervising the administration of education or vocational education in the State, or (iii) a State agency which includes at least two other major organizational units each of which administers one or more of the major public education, public health, public welfare, or labor programs of the State;

(2) provide, except in the case of agencies described in clause (1) (B) (i)—

(A) that the State agency designated pursuant to paragraph (1) (or each State agency if two are so designated) shall include a vocational rehabilitation bureau, division, or other organizational unit which (i) is primarily concerned with vocational rehabilitation, or vocational and other rehabilitation, of handicapped individuals, and is responsible for the vocational rehabilitation program of such State agency, (ii) has a full-time director, and (iii) has a staff employed on such rehabilitation work of such organizational unit all or substantially all of whom are employed full time on such work; and

(B) (i) that such unit shall be located at an organizational level and shall have an organizational status within such State agency comparable to that of other major organizational units of such agency, or (ii) in the case of an agency described in clause (1) (B) (ii), either that such unit shall be so located and have such status, or that the director of such unit shall be the executive officer of such State agency; except that, in the case of a State which has designated only one State agency pursuant to clause (1) of this subsection, such State may, if it so desires, assign responsibility for the part of the plan under which vocational rehabilitation services are provided for the blind to one organizational unit of such agency and assign responsibility for the rest of the plan to another organizational unit of such agency, with the provisions of this clause applying separately to each such units;

(3) provide for financial participation by the State, or if the State so elects, by the State and local agencies to meet the amount of the non-Federal share;

(4) provide that the plan shall be in effect in all political subdivisions, except that in the case of any activity which, in the judgment of the Commissioner, is likely to assist in promoting the vocational rehabilitation of substantially larger numbers of handicapped individuals or groups of handicapped individuals the Commissioner may waive compliance with the requirement herein that the plan be in effect in all political subdivisions of the State to the extent and for such period as may be provided in accordance with regulations prescribed by him, but only if the non-Federal share of the cost of such vocational rehabilitation services is met from funds made available by a local agency (including, to the extent permitted by such regulations, funds contributed to such agency by a private agency, organization, or individual);

(5) (A) contain the plans, policies, and methods to be followed in carrying out the State plan and in its administration and supervision, including a description of the method to be used to expand and improve services to handicapped individuals with the most severe handicaps; and, in the event that vocational rehabilitation services cannot be provided to all eligible handicapped individuals who apply for such services, show (i) the order to be followed in selecting individuals to whom vocational rehabilitation services will be provided, and (ii) the outcomes and service goals, and the time within which they may be achieved, for the rehabilitation of such individuals, which order of selection for the provision of vocational rehabilitation services shall be determined on the basis of serving first those individuals with the most severe handicaps and shall be consistent with priorities in such order of selection so determined, and outcome and service goals for serving handicapped individuals, established in regulations prescribed by the Commissioner, and

(B) provide satisfactory assurances to the Commissioner that the State has studied and considered a broad variety of means for providing services to individuals with the most severe handicaps;

(6) provide for such methods of administration, other than methods relating to the establishment and maintenance of personnel standards, as are found by the Commissioner to be necessary for the proper and efficient administration of the plan;

(7) contain (A) provisions relating to the establishment and maintenance of personnel standards, which are consistent with any State licensure laws and regulations, including provisions relating to the tenure, selection, appointment, and qualifications of personnel, and (B) provisions relating to the establishment and maintenance of minimum standards governing the facilities and personnel utilized in the provision of vocational rehabilitation services, but the Commissioner shall exercise no authority with respect to the selection, method of selection, tenure of office, or compensation of any individual employed in accordance with such provisions;

(8) provide, at a minimum, for the provision of the vocational rehabilitation services specified in clauses (1) through (3) of subsection (a) of section 103, and the remainder of such services specified in such section after full consideration of eligibility for similar benefits under any other program, except that, in the case of the vocational rehabilitation services specified in clauses (4) and (5) of subsection (a) of such section, such consideration shall not be required where it would delay the provision of such services to any individual;

(9) provide that (A) an individualized written rehabilitation program meeting the requirements of section 102 will be developed for each handicapped individual eligible for vocational rehabilitation services under this Act, and (B) such services will be provided under the plan in accordance with such program, and (C) records of the characteristics of each applicant will be kept specifying as to those individuals who apply for services under this title and are determined not to be eligible therefor, the reasons for such determination;

(10) provide that the State agency will make such reports in such form, containing such information (including the data described in subclause (C) of clause (9) of this subsection), periodic estimates of the population of handicapped individuals eligible for services under this Act in such State, specifications of the number of such individuals who will be served with funds provided under this Act and the outcomes and service goals, to be achieved for such individuals in each priority category specified in accordance with clause (5) of this subsection, and the service costs for each such category, and at such time as the Commissioner may require to carry out his functions under this title, and comply with such provisions as he may find necessary to assure the correctness and verification of such reports;

(11) provide for entering into cooperative arrangements with, and the utilization of the services and facilities of, the State agencies administering the State's public assistance programs, other programs for handicapped individuals, veterans programs, manpower programs, and public employment offices, and the Social Security Administration of the Department of Health, Education, and Welfare, the Veterans' Administration, and other Federal, State, and local public agencies providing services related to the rehabilitation of handicapped individuals;

(12) provide satisfactory assurances to the Commissioner that, in the provision of vocational rehabilitation services, maximum utilization shall be made of public or other vocational or technical training facilities or other appropriate resources in the community;

(13) (A) provide that vocational rehabilitation services provided under the State plan shall be available to any civil employee of the United States disabled while in the performance of his duty on the same terms and conditions as apply to other persons, and

(B) provide that special consideration will be given to the rehabilitation under this Act of a handicapped individual whose handicapping condition arises from a disability sustained in the line of duty while such individual was performing as a public safety officer and the proximate cause of such disability was a criminal act, apparent criminal act, or a hazardous condition resulting directly from the officer's performance of duties in direct connection with the enforcement, execution, and administration of law or fire prevention, firefighting, or related public safety activities;

(14) provide that no residence requirement will be imposed which excludes from services under the plan any individual who is present in the State;

(15) provide for continuing statewide studies of the needs of handicapped individuals and how these needs may be most effectively met (including the State's needs for rehabilitation facilities) with a view toward the relative need for services to significant segments of the population of handicapped individuals and the need for expansion of services to those individuals with the most severe handicaps.

(16) provide for (A) periodic review and reevaluation of the status of handicapped individuals placed in extended employment in rehabilitation facilities (including workshops) to determine the feasibility of their employment, or training for employment, in the competitive labor market, and (B) maximum efforts to place such individuals in such employment or training whenever it is determined to be feasible;

(17) provide that where such State plan includes provisions for the construction of rehabilition facilities—

(A) the Federal share of the cost of construction thereof for a fiscal year will not exceed an amount equal to 10 per centum of the State's allotment of such year,

(B) the provisions of section 208 shall be applicable to such construction and such provisions shall be deemed to apply to such construction; and

(C) there shall be compliance with regulations the Commissioner shall prescribe designed to assure that no State will reduce its efforts in providing other vocational rehabilitation services (other than for the establishment of rehabilitation facilities) because its plan includes such provisions for construction;

(18) provide satisfactory assurance to the Commissioner that the State agency designated pursuant to clause (1) (or each State agency if two are so designated) and any sole local agency administering the plan in a political subdivision of the State will take into account, in connection with matters of general policy arising in the adminstration of the plan, the views of individuals and groups thereof who are recipients of vocational rehabilitation services (or, in appropriate cases, their parents or guardians), working in the field of vocational rehabilitation, and providers of vocational rehabilitation services; and

(19) provide satisfactory assurances to the Commissioner that the continuing studies required under clause (15) of this subsection, as well as an annual evaluation of the effectiveness of the program in meeting the goals and priorities set forth in the plan, will form the basis for the submission, from time to time as the Commissioner may require, of appropriate amendments to the plan.

(b) The Commissioner shall approve any plan which he finds fulfills the conditions specified in subsection (a) of this section, and he shall disapprove any plan which does not fulfill such conditions. Prior to such disapproval, the Commissioner shall notify a State of his intention to disapprove its plan, and he shall afford such State reasonable notice and opportunity for hearing.

(c) Whenever the Commissioner, after reasonable notice and opportunity for hearing to the State agency administering or supervising the administration of the State plan approved under this section, finds that—

(1) the plan has been so changed that it no longer complies with the requirements of subsection (a) of this section; or

(2) in the administration of the plan there is a failure to comply substantially with any such provisions, the Commissioner shall notify such State agency that no further payments will be made to the State under this title (or, in his discretion, that such further payments will be reduced, in accordance with regulations the Commissioner shall prescribe, or that further payments will not be made to the State only for the projects under the parts of the State plan affected by such failure), until he is satisfied there is no longer any such failure. Until he is so satisfied, the Commissioner shall make no further payments to such State under this title (or shall limit payments to projects under those parts of the State plan in which there is no such failure).

(d) If any State is dissatisfied with the Commissioner's action under subsection (b) or (c) of this section, such State may appeal to the United States district court for the district where the capital of such State is located and judicial review of such action shall be on the record in accordance with the provisions of chapter 7 of title 5, United States Code.

### INDIVIDUALIZED WRITTEN REHABILITATION PROGRAM

SEC. 102. (a) The Commissioner shall insure that the individualized written rehabilitation program required by section 101(a)(9) in the case of each handicapped individual is developed jointly by the vocational rehabilitation counselor or coordinator and the handicapped individual (or, in appropriate cases, his parents or guardians), and that such program meets the requirements set forth in subsection (b) of this section. Such written program shall set forth the terms and conditions under which goods and services will be provided to the individual.

(b) Each individualized written rehabilitation program shall be reviewed on an annual basis at which time each such individual (or in appropriate cases, his parents or guardians) will be afforded an opportunity to review such program and reconsider its terms. Such program shall include, but not be limited to (1) a statement of long-range rehabilitation goals for the individual and intermediate rehabilitation objectives related to the attainment of such goals, (2) a statement of the specific vocational rehabilitation services to be provided, (3) the projected date for the initiation and the anticipated duration of each such service, and (4) objective criteria and an evaluation procedure and schedule for determining whether such objectives and goals are being achieved.

(c) The Commissioner shall also insure that (1) in developing and carrying out the individualized written rehabilitation program required by section 101 in the case of each handicapped individual primary emphasis is placed upon the determination and achievement of a vocational goal for such individual, (2) a decision that such an individual is not capable of achieving such a goal, and thus not eligible for vocational rehabilitation services provided with assistance under this part, is made only in full consultation with such individual (or, in appropriate cases, his parents or guardians), and only upon the certification, as an amendment to such written program, that the evaluation of rehabilitation potential has demonstrated beyond any reasonable doubt that such individual is not then capable of achieving such a goal, and (3) any such decision shall be reviewed at least annually in accordance with the procedure and criteria established in this section.

### SCOPE OF VOCATIONAL REHABILITATION SERVICES

SEC. 103. (a) Vocational rehabilitation services provided under this Act are any goods or services necessary to render a handicapped individual employable, including, but not limited to, the following:

(1) evaluation of rehabilitation potential, including diagnostic and related services, incidental to the determination of eligibility for, and the nature and scope of, services to be provided, including, where appropriate, examination by a physician skilled in the diagnosis and treatment of emotional disorders, or by a licensed psychologist in accordance with State laws and regulations, or both;

(2) counseling, guidance, referral, and placement services for handicapped individuals, including follow-up, follow-along and other postemployment services necessary to assist such individuals to maintain their employment and services designed to help handicapped individuals secure needed services from other agencies, where such services are not available under this Act;

(3) vocational and other training services for handicapped individuals, which shall include personal and vocational adjustment, books, and other training materials, and services to the families of such individuals as are necesary to the adjustment or rehabilitation of such individuals: *Provided*, That no training services in institutions of higher education shall be paid for with funds under this title of this Act unless maximum efforts have been made to secure grant assistance, in whole or in part, from other sources to pay for such training;

(4) physical and mental restoration services, including, but not limited to, (A) corrective surgery or therapeutic treatment necessary to correct or substantially modify a physical or mental condition which is stable or slowly progressive and constitutes a substantial handicap to employment, but is of such nature that such correction or modification may reasonably be expected to eliminate or substantially reduce the handicap within a reasonable length of time, (B) necessary hospitalization in connection with surgery or treatment, (C) prosthetic and orthotic devices, (D) eyeglasses and visual services as prescribed by a physician skilled in the diseases of the eye or by an optometrist, whichever the individual may select, (E) special services (including transplantation and dialysis), artificial kidneys, and supplies necessary for the treatment of individuals suffering from end-stage renal disease, and (F) diagnosis and treatment for mental and emotional disorders by a physician or licensed psychologist in accordance with State licensure laws;

(5) maintenance, not exceeding the estimated cost of subsistence, during rehabilitation;

(6) interpreter services for the deaf, and reader services for those individuals determined to be blind after an examination by a physician skilled in the diseases of the eye or by an optometrist, whichever the individual may select;

(7) recruitment and training services for handicapped individuals to provide them with new employment opportunities in the fields of rehabilitation, health, welfare, public safety, and law enforcement, and other appropriate service employment;

(8) rehabilitation teaching services and orientation and mobility services for the blind;

(9) occupational licenses, tools, equipment, and initial stocks and supplies;

(10) transportation in connection with the rendering of any vocational rehabilitation service; and

(11) telecommunications, sensory, and other technological aids and devices.

(b) Vocational rehabilitation services, when provided for the benefit of groups of individuals, may also include the following:

(1) in the case of any type of small business operated by individuals with the most severe handicaps the operation of which can be improved by management services and supervision provided by the State agency, the provision of such services and supervision, alone or together with the acquisition by the State agency of vending facilities or other equipment and initial stocks and supplies; and

(2) the construction or establishment of public or nonprofit rehabilitation facilities

and the provision of other facilities and services which promise to contribute substantially to the rehabilitation of a group of individuals but which are not related directly to the individualized written rehabilitation program of any one handicapped individual.

NON-FEDERAL SHARE FOR CONSTRUCTION

SEC. 104. For the purpose of determining the amount of payments to States for carrying out part B of this title, the non-Federal share, subject to such limitations and conditions as may be prescribed in regulations by the Commissioner, shall include contributions of funds made by any private agency, organization, or individual to a State or local agency to assist in meeting the costs of construction or establishment of a public or nonprofit rehabilitation facility, which would be regarded as State or local funds except for the condition, imposed by the contributor, limiting use of such funds to construction or establishment of such facility.

### PART B—BASIC VOCATIONAL REHABILITATION SERVICES

STATE ALLOTMENTS

SEC. 110. (a) For each fiscal year, each State shall be entitled to an allotment of an amount bearing the same ratio to the amount authorized to be appropriated under subsection (b)(1) of section 100 for allotment under this section as the product of (1) the population of the State and (2) the square of its allotment percentage bears to the sum of the corresponding products for all the States. The allotment to any State (other than Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands) under the first sentence of this subsection for any fiscal year which is less than one-quarter of 1 per centum of the amount appropriated under section 100 (b)(1), or $2,000,000, whichever is greater, shall be increased to that amount, the total of the increases thereby required being derived by proportionately reducing the allotments to each of the remaining such States under the first sentence of this subsection, but with such adjustments as may be necessary to prevent the allotment of any such remaining States from being thereby reduced to less than that amount.

(b) If the allotment to a State under subsection (a) for a fiscal year is less than the total payments such State received under section 2 of the Vocational Rehabilitation Act for the fiscal year ending June 30, 1973, such State shall be entitled to an additional amount equal to the difference between such allotment under subsection (a) and the amount so received by it. Payments attributable to the additional allotment to a State under this subsection shall be made from appropriations made to carry out this subsection, and such appropriations are hereby authorized.

(c) Whenever the Commissioner determines that any amount of an allotment to a State under subsection (a) for any fiscal year will not be utilized by such State in carrying out the purposes of this title, he shall make such amount available for carrying out the purposes of this title to one or more other States to the extent he determines such other State will be able to use such additional amount during such year for carrying out such purposes. Any amount made available to a State for any fiscal year pursuant to the preceding sentence shall, for the purposes of this part, be regarded as an increase of such State's allotment (as determined under the preceding provisions of this section) for such year.

PAYMENTS TO STATES

SEC. 111. (a) From each State's allotment under this part for any fiscal year (including any additional allotment to it under subsection (b)), the Commissioner shall pay to such State an amount equal to the Federal share of the cost of vocational rehabilitation services under the plan for such State approved under section 101, including expenditures for the administration of the State plan, except that the total of such payments to such State for such fiscal year may not exceed its allotment under subsection (a) (and its additional allotment under subsection (b), if any) of section 110 for such year and such payments shall not be made in an amount which would result in a violation of the provisions of the State plan required by clause (17) of section 101(a), and except that the amount otherwise payable to such State for such year under this section shall be reduced by the amount (if any) by which expenditures from non-Federal sources during such year under this title are less than expenditures under the State plan for the fiscal year ending June 30, 1972, under the Vocational Rehabilitation Act.

(b) The method of computing and paying amounts pursuant to subsection (a) shall be as follows:

(1) The Commissioner shall, prior to the beginning of each calendar quarter or other period prescribed by him, estimate the amount to be paid to each State under the provisions of such subsection for such period, such estimate to be based on such records of the State and information furnished by it, and such other investigation, as the Commissioner may find necessary.

(2) The Commissioner shall pay, from the allotment available therefor, the amount so estimated by him for such period, reduced or increased, as the case may be, by any sum (not previously adjusted under this paragraph) by which he finds that his estimate of the amount to be paid the State for any prior period under such subsection was greater or less than the amount which should have been paid to the State for such prior period under such subsection. Such payment shall be made prior to audit or settlement by the General Accounting Office, shall be made through the disbursing facilities of the Treasury Department, and shall be made in such installments as the Commissioner may determine.

### PART C—INNOVATION AND EXPANSION GRANTS

GRANT PROGRAM

SEC. 120. (a)(1) From the sums available pursuant to section 100(b)(2) of any fiscal year for grants to States to assist them in meeting the costs described in subsection (b), each State shall be entitled to an allotment of an amount bearing the same ratio to such sums as the population of the State bears to the population of all the States. The allotment to any State under the preceding sentence for any fiscal year which is less than $50,000 (or such other amount as may be specified as a minimum allotment in the Act appropriating such sums for such year) shall be increased to that amount, and for the fiscal year ending June 30, 1974, no State shall receive less than the amount necessary to cover up to 90 per centum of the cost of continuing projects assisted under section 4(a)(2)(A) of the Vocational Rehabilitation Act, except that no such project may receive financial assistance under both the Vocational Rehabilitation Act and this Act for a total period of time in excess of three years. The total of the increase required by the preceding sentence shall be derived by proportionately reducing the allotments to each of the remaining States under the first sentence of this section, but with such adjustments as may be necessary to prevent the allotment of any of such remaining States from thereby being reduced to less than $50,000.

(2) Whenever the Commissioner determines that any amount of an allotment to a State for any fiscal year will not be utilized by such State in carrying out the purposes of this section, he shall make such amount available for carrying out the purposes of this section to one or more other States which he determines will be able to use additional amounts during such year for carrying out such purposes. Any amount made available to a State for any fiscal year pursuant to the preceding sentence shall, for purposes of this part, be regarded as an increase of such State's allotment (as determined under the preceding provisions of this section) for such year.

(b)(1) From each State's allotment under this section for any fiscal year, the Commissioner shall pay to such State or, at the option of the State agency designated pursuant to section 101(a)(1), to a public or nonprofit organization or agency, a portion of the cost of planning, preparing for, and initiating special programs under the State plan approved pursuant to section 101 to expand vocational rehabilitation services, including programs to initiate or expand such services to individuals with the most severe handicaps, or of special programs under such State plan to initiate or expand services to classes of handicapped individuals who have unusual and difficult problems in connection with their rehabilitation, particularly handicapped individuals who are poor, and responsibility for whose treatment, education, and rehabilitation is shared by the State agency designated in section 101 with other agencies. The Commissioner may require that any portion of a State's allotment under this section, but not more than 50 per centum of such allotment, may be expended in connection with only such projects as have first been approved by the Commissioner. Any grant of funds under this section which will be used for direct services to handicapped individuals or for establishing or maintaining facilities which will render direct services to such individuals must have the prior approval of the appropriate State agency designated pursuant to section 101.

(2) Payments under this section with respect to any project may be made for a period of not to exceed three years beginning with the commencement of the project as approved, and sums appropriated for grants under this section shall remain available for such grants through the fiscal year ending June 30, 1976. Payments with respect to any project may not exceed 90 per centum of the cost of such project. The non-Federal share of the cost of a project may be in cash or in kind and may include funds spent for project purposes by a cooperating public or nonprofit agency provided that it is not included as a cost in any other federally financed program.

(3) Payments under this section may be made in advance or by way of reimbursement for services performed and purchases made, as may be determined by the Commissioner, and shall be made on such conditions as the Commissioner finds necessary to carry out the purposes of this section.

SPECIAL STUDY, RESEARCH, AND DEMONSTRATION ON THE NEEDS OF THE SEVERELY HANDICAPPED

SEC. 121. (a) The Commissioner shall conduct a comprehensive study, including research and demonstration projects of the feasibility of methods designed (1) to prepare individuals with the most severe handicaps for entry into programs under this Act who would not otherwise be eligible to enter such programs due to the severity of their handicap, and (2) to assist individuals with the most severe handicaps who, due to the severity of their handicaps or other factors such as their age, cannot reasonably be expected to be rehabilitated for employment, but for whom a program of rehabilitation could improve his ability to live independently or function normally within his family and community. Such study shall encompass the extent to which other programs administered by the Commissioner do or might contribute to the objectives set forth in clauses (1) and (2) of the preceding sentence and methods by which all such programs can be coordinated at Federal, State, and local levels with those carried out under this Act to the end that individuals with the most severe handicaps are assured of receiving the kinds of assistance necessary for them to achieve such objectives.

(b) The Commissioner shall report the findings of the study, research, and demonstrations directed by subsection (a) of this section to the Congress and to the President together with such recommendations for legislative or other action as he may find desirable, not later than June 30, 1975.

## TITLE II—SPECIAL FEDERAL RESPONSIBILITIES

### RESEARCH

SEC. 200. (a) The Commissioner is authorized to make grants to and contracts with States and public or nonprifit agencies and organizations, including institutions of higher education, to pay part of the cost of projects for the purpose of planning and conducting research, demonstrations, and related activities which bear directly on the development of methods, procedures, and devices to assist in the provision of vocational rehabilitation services to handicapped individuals, especially those with the most severe handicaps, under this Act. Such projects may include medical and other scientific, technical, methodological, and other investigations into the nature of disability, methods of analyzing it, and restorative techniques; studies and analyses of industrial, vocational, social, psychological, economic, and factors affecting rehabilitation of handicapped individuals; special problems of homebound and institutionalized individuals; studies and analyses of architectural and engineering design adapted to meet the special needs of handicapped individuals; and related activities which hold promise of increasing knowledge and improving methods in the rehabilitation of handicapped individuals and individuals with the most severe handicaps.

(b) In addition to carrying out projects under subsection (a) of this section, the Commissioner is authorized to make grants to pay part or all of the cost of the following specialized research activities:

(1) Establishment and support of Rehabilitation Research and Training Centers to be operated in collaboration with institutions of higher education for the purpose of providing coordinated and advanced programs of research in rehabilitation and training of rehabilitation research personnel, including, but not limited to, graduate training. Grants may include funds for services rendered by such a center to handicapped individuals in connection with such research and training activities.

(2) Establishment and support of Rehabilitation Engineering Research Centers to (A) develop innovative methods of applying advanced medical technology, scientific achievement, and psychological and social knowledge to solve rehabilitation problems through planning and conducting research, including cooperative research with public or private agencies and organizations, designed to produce new scientific knowledge, equipment, and devices suitable for solving problems in the rehabilitation of handicapped individuals and for reducing environmental barriers, and to (B) cooperate with the Office for the Handicapped and State agencies designed pursuant to section 101 in developing systems of information exchange and coordination to promote the prompt utilization of engineering and other scientific research to assist in solving problems in the rehabilitation of handicapped individuals.

(3) Conduct of a program for spinal cord injury research, to include support of spinal cord injuries projects and demonstrations established pursuant to section 303(b), which will (A) insure dissemination of research findings among all such centers, (B) provide encouragement and support for initiatives and new approaches by individual and institutional investigators, and (C) establish and maintain close working relationships with other governmental and voluntary institutions and organizations engaged in similar efforts, in order to unify and coordinate scientific efforts, encourage joint planning, and promote the interchange of data and reports among spinal cord injury investigators.

(4) Conduct a program for end-stage renal disease research, to include support of projects and demonstrations for providing special services (including transplantation and dialysis), artificial kidneys, and supplies necessary for the rehabilitation of individuals suffering from such disease and which will (A) insure dissemination of research findings, (B) provide encouragement and support for initiatives and new approaches by individual and institutional investigators, and (C) establish and maintain close working relationships with other governmental and voluntary institutions and organizations engaged in similar efforts, in order to unify and coordinate scientific efforts, encourage joint planning, and promote the interchange of data and reports among investigators in the field of end-stage renal disease. No person shall be selected to participate in such program who is eligible for services for such disease under any other provision of law.

(5) Conduct of a program for international rehabilitation research, demonstration, and training for the purpose of developing new knowledge and methods in the rehabilitation of handicapped individuals in the United States, cooperating with and assisting in developing and sharing information found useful in other nations in the rehabilitation of handicapped individuals, and initiating a program to exchange experts and technical assistance in the field of rehabilitation of handicapped individuals with other nations as a means of increasing the levels of skill of rehabilitation personnel.

(c) There are authorized to be appropriated such sums as may be necessary to carry out this section for the fiscal years ending June 30, 1974, and June 30, 1975. The provisions of section 208 shall apply to assistance provided under this section, unless the context indicates to the contrary.

### TRAINING

SEC. 201. (a) The Commissioner is authorized to make grants to and contracts with States and public or nonprofit agencies and organizations, including institutions of higher education, to pay part of the cost of projects for training, traineeships, and related activities designed to assist in increasing the numbers of personnel trained in providing vocational rehabilitation services to handicapped individuals and in performing other functions necessary to the development of such services.

(b) In making such grants or contracts, funds made available for any year will be utilized to provide a balanced program of assistance to meet the medical, vocational, and other personnel training needs of both public and private rehabilitation programs and institutions, to include projects in rehabilitation medicine, rehabilitation nursing, rehabilitation counseling, rehabilitation social work, rehabilitation psychology, physical therapy, occupational therapy, speech pathology and audiology, workshop and facility administration, prosthetics and orthotics, specialized personnel in services to the blind and the deaf, recreation for ill and handicapped individuals, and other fields contributing to the rehabilitation of handicapped individuals, including homebound and institutionalized individuals and handicapped individuals with limited English-speaking ability. No grant shall be made under this section for furnishing to an individual any one course of study extending for a period in excess of four years.

(c) There are authorized to be appropriated such sums as may be necessary to carry out this section for the fiscal years ending June 30, 1974, and June 30, 1975.

### GRANTS FOR CONSTRUCTION OF REHABILITATION FACILITIES

SEC. 202. (a) For the purpose of making grants and contracts under this section for construction of rehabilitation facilities, initial staffing, and planning assistance, there is authorized to be appropriated such sums as may be necessary for the fiscal years ending June 30, 1974, and June 30, 1975. Amounts so appropriated shall remain available for expenditure with respect to construction projects funded or initial staffing grants made under this section prior to July 1, 1977.

(b)(1) The Commissioner is authorized to make grants to assist in meeting the costs of construction of public or nonprofit rehabilitation facilities. Such grants may be made to States and public or nonprofit organizations and agencies for projects for which applications are approved by the Commissioner under this section.

(2) To be approved, an application for a grant for a construction project under this section must conform to the provisions of section 208.

(3) The amount of a grant under this section with respect to any construction project in any State shall be equal to the same percentage of the cost of such project as the Federal share which is applicable in the case of rehabilitation facilities (as defined in section 645(g) of the Public Health Service Act (42 U.S.C. 291o(a)), in such State, except that if the Federal share with respect to rehabilitation facilities in such State is determined pursuant to subparagraph (b)(2) of section 645 of such Act (42 U.S.C. 2901o(b)(2)), the percentage of the cost for purposes of this section shall be determined in accordance with regulations prescribed by the Commissioner designed to achieve as nearly as practicable results comparable to the results obtained under such subparagraph.

(c) The Commissioner is also authorized to make grants to assist in the initial staffing of any public or nonprofit rehabilitation facility constructed after the date of enactment of this section (whether or not such construction was financed with the aid of a grant under this section) by covering part of the cost (determined in accordance with regulations the Commissioner shall prescribe) of compensation of professional or technical personnel of such facility during the period beginning with the commencement of the operation of such facility and ending with the close of four years and three months after the month in which such operation commenced. Such grants with respect to any facility may not exceed 75 per centum of such costs for the period ending with the close of the fifteenth month following the month in which such operation commenced, 60 per centum of such costs for the first year thereafter, 45 per centum of such costs for the second year thereafter, and 30 per centum of such costs for the third year thereafter.

(d) The Commissioner is also authorized to make grants upon application approved by the State agency designated under section 101 to administer the State plan, to public or nonprofit agencies, institutions, or organizations to assist them in meeting the cost of planning rehabilitation facilities and the services to be provided by such facilities.

### VOCATIONAL TRAINING SERVICES FOR HANDICAPPED INDIVIDUALS

SEC. 203. (a) For the purpose of making grants and contracts under this section, there is authorized to be appropriated such sums as may be necessary for the fiscal years ending June 30, 1974, and June 30, 1975.

(b)(1) The Commissioner is authorized to make grants to States and public or nonprofit organizations and agencies to pay up to 90 per centum of the cost of projects for providing vocational training services to handicapped individuals, especially those with the most severe handicaps, in public or nonprofit rehabilitation facilities.

(2)(A) Vocational training services for purposes of this subsection shall include training with a view toward career advancement; training in occupational skills; related services, including work evaluation, work testing, provision of occupational tools and equipment required by the individual to engage in such training, and job tryouts; and payment of weekly allowances to individuals receiving such training and related services.

(B) Such allowances may not be paid to any individual for any period in excess of two years, and such allowances for any week shall not exceed $30 plus $10 for each of the individual's dependents; or $70, whichever is less. In determining the amount of such allowances for any individual, consideration shall be given to the individual's need for such an allowance, including any expenses reasonably attributable to receipt of training services, the extent to which such an allowance will help assure entry into and satisfactory completion of training, and such other factors, specified by the Commissioner, as will promote such individual's capacity to engage in gainful and suitable employment.

(3) The Commissioner may make a grant for a project pusuant to this subsection only on his determination that (A) the purpose of such project is to prepare handicapped individuals, especially those with the most severe handicaps, for gainful and suitable employment; (B) the individuals to receive training services under such project will include only those who have been determined to be suitable for and in need of such training services by the State agency or agencies designated as provided in section 101(a)(1) of the State in which the rehabilitation facility is located; (C) the full range of training services will be made available to each such individual, to the extent of his need for such services; and (D) the project, including the participating rehabilitation facility and the training services provided, meet such other requirements as he may prescribe in regulations for carrying out the purposes of this subsection.

(c)(1) The Commissioner is authorized to make grants to public or nonprofit rehabilitation facilities, or to an organization or combination of such facilities, to pay the Federal share of the cost of projects to analyze, improve, and increase their professional services to handicapped individuals, their management effectiveness, or any other part of their operations affecting their capacity to provide employment and services for such individuals.

(2) No part of any grant made pursuant to this subsection may be used to pay costs of acquiring, constructing, expanding, remodeling, or altering any building.

### MORTGAGE INSURANCE FOR REHABILITATION FACILITIES

SEC. 204. (a) It is the purpose of this section to assist and encourage the provision of urgently needed facilities for programs for handicapped individuals.

(b) For the purpose of this section the terms "mortgage", "mortgagor", "mortgagee", "maturity date", and "State" shall have the meanings respectively set forth in section 207 of the National Housing Act.

(c) The Commissioner, in consultation with the Secretary of Housing and Urban Development, and subject to the provisions of section 313, is authorized to insure up to 100 per centum of any mortgage (including advances on such mortgage during construction) in accordance with the provisions of this section upon such terms and conditions as he may prescribe and make commitments for insurance of such mortgage prior to the date of its execution or disbursement thereon, except that no mortgage of any public agency shall be insured under this section if the interest from such mortgage is exempt from Federal taxation.

(d) In order to carry out the purpose of this section, the Commissioner is authorized to insure any mortgage which covers construction of a public or nonprofit rehabilitation facility, including equipment to be used in its operation, subject to the following conditions:

(1) The mortgage shall be executed by a mortgagor, approved by the Commissioner, who demonstrates ability successfully to operate one or more programs for handicapped individuals. The Secretary may in his discretion require any such mortgagor to be regulated or restricted as to minimum charges and methods of financing, and, in addition thereto, if the mortgagor is a corporate entity, as to capital structure and rate of return. As an aid to the regulation or restriction of any mortgagor with respect to any of the foregoing matters, the Commissioner may make such contracts with and acquire for not to exceed $100 such stock of interest in such mortgagor as he may deem necessary. Any stock or interest so purchased shall be paid for out of the Rehabilitation Facilities Insurance Fund (established by subsection (h) of this section), and shall be redeemed by the mortgagor at par upon the termination of all obligations of the Commissioner under the insurance.

(2) The mortgage shall involve a principal obligation in an amount not to exceed 90 per centum of the estimated replacement cost of the property or project, including equipment to be used in the operation of the rehabilitation facility, when the proposed improvements are completed and the equipment is installed, but not including any cost covered by grants in aid under this Act of any other Federal Act.

(3) The mortgage shall—

(A) provide for complete amortization by periodic payments within such term as the Commissioner shall prescribe, and

(B) bear interest (exclusive of premium charges for insurance and service charges, if any) at not to exceed such per centum per annum on the principal obligation outstanding at any time as the Commissioner finds necessary to meet the mortgage market.

(e) The Commissioner shall fix and collect premium charges for the insurance of mortgages under this section which shall be payable annually in advance by the mortgagee, either in cash or in debentures of the Rehabilitation Facilities Insurance Fund (established by subsection (h) of this section) issued at par plus accrued interest. In the case of any mortgage such charge shall be not less than an amount equivalent to one-fourth of 1 per centum per annum nor more than an amount equivalent to 1 per centum per annum of the amount of the principal obligation of the mortgage outstanding at any one time, without taking into account delinquent payments or prepayments. In addition to the premium charge herein provided for, the Commissioner is authorized to charge and collect such amounts as he may deem reasonable for the appraisal of a property or project during construction; but such charges for appraisal and inspection shall not aggregate more than 1 per centum of the original principal face amount of the mortgage.

(f) The Commissioner may consent to the release of a part or parts of the mortgaged property or project from the lien of any mortgage insured under this section upon such terms and conditions as he shall by regulation prescribe.

(g)(1) The Commissioner shall have the same functions, powers, and duties (insofar as applicable) with respect to the insurance of mortgages under this section as the Secretary of Housing and Urban Development has with respect to the insurance of mortgages under title II of the National Housing Act. The Commissioner may, pursuant to a formal delegation agreement containing regulations prescribed by him, delegate to the Secretary of Housing and Urban Development authority to administer this section and section 304 of this Act in accordance with such delegation agreement.

(2) The provisions of subsections (e), (g), (h), (i), (j), (k), (l), and (n) of section 207 of the National Housing Act shall apply to mortgages insured under this section; except that, for the purposes of their application with respect to such mortgages, all references in such provisions to the General Insurance Fund shall be deemed to refer to the Rehabilitation Facilities Insurance Fund (established by subsection (h) of this section) and all references in such provisions to "Secretary" shall be deemed to refer to the Commissioner of the Rehabilitation Services Administration within the Department of Health, Education, and Welfare.

(h)(1) There is hereby created a Rehabilitation Facilities Insurance Fund which shall be used by the Commissioner as a revolving fund for carrying out all the insurance provisions of this section. All mortgages insured under this section shall be insured under and be the obligation of the Rehabilitation Facilities Insurance Fund.

(2) The general expenses of the operations of the Rehabilitation Services Administration relating to mortgages insured under this section may be charged to the Rehabilitation Facilities Insurance Fund.

(3) Moneys in the Rehabilitation Facilities Insurance Fund not needed for the current operations of the Rehabilitation Services Administration with respect to mortgages insured under this section shall be deposited with the Treasurer of the United States to the credit of such fund, or invested in bonds or other obligations of, or in bonds or other obligations guaranteed as to principal and interest by, the United States. The Commissioner may, with the approval of the Secretary of the Treasury, purchase in the open market debentures issued as obligations of the Rehabilitation Facilities Insurance Fund. Such purchases shall be made at a price which will provide an investment yield of not less than the yield obtainable from other investments authorized by this section. Debentures so purchased shall be canceled and not reissued.

(4) Premium charges, adjusted premium charges, and appraisals and other fees received on account of the insurance of any mortgage under this section, the receipts derived from property covered by such mortgages and from any claims, debts, contracts, property, and security assigned to the Commissioner in connection therewith, and all earnings as the assets of the fund, shall be credited to the Rehabilitation Facilities Insurance Fund. The principal of, and interest paid and to be paid on, debentures which are the obligation of such fund, cash insurance payments, and adjustments, and expense incurred in the handling, management, renovation, and disposal of properties acquired, in connection with mortgages insured under this section, shall be charged to such fund.

(5) There are authorized to be appropriated to provide initial capital for the Rehabilitation Facilities Insurance Fund, and to assure the soundness of such fund thereafter, such sums as may be necessary, except that the total amount of outstanding mortgages insured shall not exceed $250,000,000.

### ANNUAL INTEREST GRANTS FOR MORTGAGES FOR REHABILITATION FACILITIES

SEC. 205. (a) To assist States and public or nonprofit agencies and organizations to reduce the cost of borrowing from other sources for the construction of rehabilitation facilities, the Commissioner, subject to the provisions of section 208, may make annual interest grants to such agencies.

(b) Annual interest grants under this section with respect to any rehabilitation facility shall be made over a fixed period not exceeding forty years, and provision for such grants shall be embodied in a contract guaranteeing their payment over such period. Each such grant shall be in an amount sufficient to reduce by 4 per centum the net effective interest rate otherwise payable on the loan or to equal one-half of such rate, whichever is the lesser amount: Provided, That the amount on which such grant is based shall be approved by the Commissioner.

(c)(1) There are authorized to be appropriated to the Commissioner such sums as may be necessary for the payment of annual interest grants in accordance with this section.

(2) Contracts for annual interest grants under this section shall not be entered into in an aggregate amount greater than is authorized in appropriation Acts; and in any event the total amount of annual interest grants which may be paid pursuant to contracts entered into under this section shall not exceed $1,000,000 with respect to contracts entered into prior to June 30, 1974; and $4,000,000 with respect to contracts entered into prior to June 30, 1975.

(3) Not more than 15 per centum of the funds expended under this section may be used within any one State in any one fiscal year.

### SPECIAL PROJECTS AND DEMONSTRATIONS

SEC. 206. (a) For the purpose of making grants under this section for special projects and demonstrations (and research and evaluation connected therewith), there is authorized to be appropriated such sums as may be necessary for the fiscal years ending June 30, 1974, and June 30, 1975.

(b) The Commissioner, subject to the provisions of section 208, shall make grants to States and public or nonprofit agencies and organizations for paying part or all of the cost of special projects and demonstrations (and research and evaluation in connection therewith) (1) for establishing programs and facilities for providing vocational rehabilitation services to individuals with spinal cord injuries, older blind individuals, and deaf individuals whose maximum potential has not been achieved which holds promise of expanding or otherwise improving rehabilitation services to handicapped individuals, especially those with the most severe handicaps and (2) for applying new types or patterns of services or devices (including opportunities for new careers for handicapped individuals for other individuals in program servicing handicapped individuals).

(c) The Commissioner, subject to the provisions of section 208, is authorized to make grants to any State agency designated pursuant to a State plan approved under section 101, or to any local agency participating in the administration of such a plan, to pay up to 90 per centum of the cost of projects or demonstrations for the provision of vocational or comprehensive rehabilitation services to handicapped individuals who, as determined in accordance with rules prescribed by the Secretary of Labor, are migratory agricultural workers or seasonal farmworkers, and to members of their families (whether or not handicapped) who are with them, including maintenance and transportation of such individuals and members of their families where necessary to the rehabilitation of such individuals. Maintenance payments under this section shall be consistent with any maintenance payments made to other handicapped individuals in the State under this Act. Such grants shall be conditioned upon satisfactory assurance that in the provision of such services there will be appropriate cooperation between the grantee and other public or nonprofit agencies and organizations having special skills and experience in the provision of services to migratory agricultural workers, seasonal farmworkers, or their families. This subsection shall be administered in coordination with other programs serving migrant agricultural workers and seasonal farmworkers, including programs under title I of the Elementary and Secondary Education Act of 1965, section 311 of the Economic Opportunity Act of 1964, the Migrant Health Act, and the Farm Labor Contractor Registration Act of 1963.

(d) The Commissioner is authorized to make contracts or jointly financed cooperative arrangements with employers and organizations for the establishment of projects designed to prepare handicapped individuals for gainful and suitable employment in the competitive labor market under which handicapped individuals are provided training and employment in a realistic work setting and such other services (determined in accordance with regulations prescribed by the Commissioner) as may be necessary for such individuals to continue to engage in such employment.

(e)(1) The Commissioner is authorized, directly or by contract with State vocational rehabilitation agencies or experts or consultants or groups thereof, to provide technical assistance (A) to rehabilitation facilities, and (B) for the purpose of removal of architectural and transportatiton barriers, to any public or nonprofit agency, institution, organization or facility.

(2) Any such experts or consultants shall, while serving pursuant to such contracts, be entitled to receive compensation at rates fixed by the Commissioner, but not exceeding the pro rata pay rate for a person employed as a GS–18, under section 5332 of title 5, United States Code, including traveltime, and while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

### NATIONAL CENTER FOR DEAF-BLIND YOUTHS AND ADULTS

SEC. 207. (a) For the purpose of establishing and operating a National Center for Deaf-Blind Youths and Adults, there is authorized to be appropriated such sums as may be necessary for construction, which shall remain available until expended, and such sums as may be necessary for operations for the fiscal years ending June 30, 1974, and June 30, 1975.

(b) In order—

(1) to demonstrate methods of (A) providing the specialized intensive services, and other services, needed to rehabilitate handicapped individuals who are both deaf and blind, and (B) training the professional and allied personnel needed adequately to staff facilities specially designed to provide such services and training to such personnel who have been or will be working with deaf-blind individuals;

(2) to conduct research in the problems of, and ways of meeting the problems of rehabilitating, deaf-blind individuals; and

(3) to aid in the conduct of related activities which will expand or improve the services for or help improve public understanding of the problems of deaf-blind individuals;

the Commissioner, subject to the provisions of section 208, is authorized to enter into an agreement with any public or nonprofit agency or organization for payment by the United States of all or part of the costs of the establishment and operation, including construction and equipment, of a center for vocational rehabilitation of handicapped individuals who are both deaf and blind, which center shall be known as the National Center for Deaf-Blind Youths and Adults.

(c) Any agency or organization desiring to enter into such agreement shall submit a proposal therefor at such time, in such manner, and containing such information as may be prescribed in regulations by the Commissioner. In considering such proposals the Commissioner shall give preference to proposals which (1) give promise of maximum effectiveness in the organization and operation of such Center, and (2) give promise of offering the most substantial skill, experience, and capability in providing a broad program of service, research, training, and related activities in the field of rehabilitation of deaf-blind individuals.

### GENERAL GRANT AND CONTRACT REQUIREMENTS

SEC. 208. (a) The provisions of this section shall apply to all projects (including annual interest grants) approved and assisted under this title. The Commissioner shall insure compliance with this section prior to making any grant or entering into any contract or agreement under this title, except projects authorized under section 203.

(b) To be approved, an application for assistance for a construction project under this title must—

(1) contain or be supported by reasonable assurances that (A) for a period of not less than twenty years after completion of construction of the project it will be used as a public or nonprofit facility, (B) sufficient funds will be available to meet the non-Federal share of the cost of construction of the project, and (C) sufficient funds will be available, when construction of the project is completed, for its effective use for its intended purpose;

(2) provide that Federal funs provided to any agency or organization under this title will be used only for the purposes for which provided and in accordance with the applicable provisions of this section and the section under which such funds are provided;

(3) provide that the agency or organization receiving Federal funds under this title will make an annual report to the Commissioner, which he shall summarize and comment upon in the annual report to the Congress submitted under section 304;

(4) be accompanied or supplemented by plans and specifications in which due consideration shall be given to excellence of architecture and design, and to the inclusion of works of art (not representing more than 1 per centum of the cost of the project), and which comply with regulations prescribed by the Commissioner related to minimum standards of construction and equipment (promulgated with particular emphasis on securing compliance with the requirements of the Architectural Barriers Act of 1968 (Public Law 90–480)), and with regulations of the Secretary of Labor relating to occupational health and safety standards for rehabilitation facilities; and

(5) contain or be supported by reasonable assurance that any laborer or mechanic employed by any contractor or subcontractor in the performance of work on any construction aided by payments pursuant to any grant under this section will be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with Davis-Bacon Act, as amended (40 U.S.C. 276a–276a—5); and the Secretary of Labor shall have, with respect to the labor standards specified in this paragraph, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c).

(c) Upon approval of any application for a grant or contract for a project under this title, the Commissioner shall reserve, from any appropriation available therefore, the amount of such grant or contract determined under this title. In case an amendment to an approval application is approved, or the estimated cost of a project is revised upward, any additional payment with respect thereto may be made from the appropriation from which the original reservation was made or the appropriation for the fiscal year in which such amendment or revision is approved.

(d) If, within twenty years after completion of any construction project for which funds have been paid under this title, the facility shall cease to be a public or nonprofit facility, the United States shall be entitled to recover from the applicant or other owner of the facility the amount bearing the same ratio to the then value (as determined by agreement of the parties or by action brought in the United States district court for the district in which such facility is situated) of the facility, as the amount of the Federal participation bore to the cost of construction of such facility.

(e) Payment of assistance or reservation of funds made pursuant to this title may be made (after necessary adjustment on account of previously made overpayments or underpayments) in advance or by way of reimbursement, and in such installments and on such conditions, as the Commissioner may determine.

(f) A project for construction of a rehabilitation facility which is primarily a workshop may, where approved by the Commissioner as necessary to the effective operation of the facility, include such construction as may be necessary to provide residential accommodations for use in connection with the rehabilitation of handicapped individuals.

(g) No funds provided under this title may be used to assist in the construction of any facility which is or will be used for religious worship or any sectarian activity.

(h) When in any State funds provided under this title will be used for providing direct services to handicapped individuals or for establishing facilities which will provide such services, such services must be carried out in a manner not inconsistent with the State plan approved pursuant to section 101.

(i) Prior to making any grant or entering into any contract under this title, the Commissioner shall afford reasonable opportunity to the appropriate State agency or agencies designated pursuant to section 101 to comment on such grant or contract.

(j) With respect to any obligation issued by or on behalf of any public agency for which the issuer has elected to receive the benefits of mortgage insurance under section 303 or annual interest grants under section 304, the interest paid on such obligations and received by the purchaser thereof (or his successor in interest) shall be included in gross income for the purposes of chapter 1 of the Internal Revenue Code of 1954.

(k) Funds appropriated to carry out this title shall remain available until expended.

## TITLE III—ADMINISTRATION AND PROGRAM AND PROJECT EVALUATION

### ADMINISTRATION

SEC. 300. (a) In carrying out his duties under this Act, the Commissioner shall—

(1) cooperate with, and render technical assistance (directly or by grant or contract) to, States in matters relating to the rehabilitation of handicapped individuals;

(2) provide short-term training and instruction in technical matters relating to vocational rehabilitation services, including the establishment and maintenance of such research fellowships and traineeships, with such stipends and allowances (including travel and subsistence expenses), as he may deem necessary, except that no such training or instruction (or fellowship or scholarship) shall be provided any individual for any one course of study for a period in excess of four years, and such training, instruction, fellowships, and traineeships may be in the fields of rehabilitation medicine, rehabilitation nursing, rehabilitation counseling, rehabilitation social work, rehabilitation psychology, physical therapy, occupational therapy, speech pathology and audiology, prosthetic and orthotics, recreation of ill and handicapped individuals, and other specialized fields contributing to the rehabilitation of handicapped individuals; and

(3) disseminate information relating to vocational and comprehensive rehabilitation services, and otherwise promote the cause of the rehabilitation of handicapped individuals and their greater utilization in gainful and suitable employment.

(b) The Secretary is authorized to make rules and regulations governing the administration of this title and titles IV and V of this Act, and to delegate to any officer or employee of the United States such of his powers and duties under such titles, except the making of rules and regulations, as he finds necessary to carry out the provisions of such titles. Such rules and regulations, as well as those prescribed by the Commissioner of the Rehabilitation Services Administration under titles I and II of this Act shall be published in the Federal Register, on at least an interim basis, no later than ninety days after the date of enactment of this Act.

(c) The Secretary is authorized (directly or by grants or contracts) to conduct studies, investigations, and evaluation of the programs authorized by this Act, and to make reports, with respect to ability, aptitudes, and capacities of handicapped individuals, development of their potentialities, their utilization in gainful and suitable employment, and with respect to architectural, transportation, and other environmental and attitudinal barriers to their rehabilitation, including the problems of homebound, institutionalized, and older blind individuals.

(d) There is authorized to be included for each fiscal year in the appropriation for the Department of Health, Education, and Welfare such sums as are necessary to administer the provisions of this Act.

(e) In carrying out their duties under this Act, the Secretary and the Commissioner, respectively, shall insure the maximum coordination and consultation, at both national and local levels, with the Administrator of Veterans' Affairs and his designees with respect to programs for and relating to the rehabilitation of disabled veterans carried out under title 38, United States Code.

### PROGRAM AND PROJECT EVALUATION

SEC. 301. (a) (1) The Secretary shall measure and evaluate the impact of all programs authorized by this Act, in order to determine their effectiveness in achieving stated goals in general, and in relation to their cost, their impact on related programs, and their structure and mechanisms for delivery of services, including, where appropriate, comparisons with appropriate control groups composed of persons who have not participated in such programs. Evaluations shall be conducted by persons not immediately involved in the administration of the program or project evaluated.

(2) In carrying out his responsibilities under this subsection, the Secretary, in the case of research, demonstrations, and related activities carried out under section 200, shall, after taking into consideration the views of State agencies designated pursuant to section 101, on an annual basis—

(A) reassess priorities to which such activities should be directed; and

(B) review present research, demonstration, and related activities to determine, in terms of the purpose specified for such activities by subsection (a) of such section 200, whether and on what basis such activities should be continued, revised, or terminated.

(3) The Secretary shall, within 12 months after the date of enactment of this Act, and on each April 1, thereafter, prepare and furnish to the appropriate committees of the Congress a complete report on the determination and review carried out under paragraph (2) of this subsection, together with such recommendations, including any recommendations for additional legislation, as he deems appropriate.

(b) Effective after January 1, 1974, before funds for the programs and projects covered by this Act are released, the Secretary shall develop and publish general standards for evaluation of the program and project effectiveness in achieving the objectives of this Act. He shall consider the extent to which such standards have been met in deciding, in accordance with procedures set forth in subsections (b), (c), and (d) of section 101, whether to renew or supplement financial assistance authorized under any section of this Act. Reports submitted pursuant to section 304 shall describe the action taken as a result of these evaluations.

(c) In carrying out evaluations under this title, the Secretary shall, whenever possible, arrange to obtain the specific views of persons participating in and served by programs and projects assisted under this Act about such programs and projects.

(d) The Secretary shall publish the results of evaluative research and summaries of evaluations of program and project impact and effectiveness no later than ninety days after the completion thereof. The Secretary shall submit to the appropriate committees of the Congress copies of all such research studies and evaluation summaries.

(e) The Secretary shall take the necessary action to assure that all studies, evaluations, proposals, and data produced or developed with assistance under this Act shall become the property of the United States.

### OBTAINING INFORMATION FROM FEDERAL AGENCIES

SEC. 302. Such information as the Secretary may deem necessary for purposes of the evaluations conducted under this title shall be made available to him, upon request, by the agencies of the executive branch of the Government.

### AUTHORIZATION OF APPROPRIATIONS

SEC. 303. There is authorized to be appropriated such sums as the Secretary may require for the fiscal years ending June 30, 1974, and June 30, 1975, to conduct program and project evaluations required by this title.

### REPORTS

SEC. 304. Not later than one hundred and twenty days after the close of each fiscal year, the Secretary shall prepare and submit to the President and to the Congress a full and complete report on the activities carried out under this Act. Such annual reports shall include (1) statistical data reflecting, with the maximum feasible detail, vocational and comprehensive rehabilitation services provided handicapped individuals during the preceding fiscal year, (2) specifically distinguish among rehabiliation closures attributable to physical restoration, placement in competitive employment, extended or terminal employment in a sheltered workshop or rehabilitation facility, employment as a home maker or unpaid family worker, and provision of comprehensive rehabilitation services, and (3) include a detailed evaluation of services provided with assistance under title I of this Act.

### SHELTERED WORKSHOP STUDY

SEC. 305. (a) The Secretary shall conduct an original study of the role of sheltered workshops in the rehabilitation and employment of handicapped individuals, including a study of wage payments in sheltered workshops. The study shall incorporate guidelines which are consistent with criteria provided in resolutions adopted by the Committee on Labor and Public Welfare of the United States Senate or the Committee on Education and Labor of the United States House of Representatives, or both.

(b) The study shall include site visits to sheltered workshops, interviews with handicapped trainees or clients, and consultations with interested individuals and groups and

State agencies designated pursuant to section 101.

(c) Any contracts awarded for the purpose of carrying out all or part of this study shall not be made with individuals or groups with a financial or other direct interest in sheltered workshops.

(d) The Secretary shall report to the Congress his findings and recommendations with respect to such study within twenty-four months after the date of enactment of this Act.

## TITLE IV—OFFICE FOR THE HANDICAPPED

### ESTABLISHMENT OF OFFICE

SEC. 400. There is established within the Office of the Secretary in the Department of Health, Education, and Welfare an Office for the Handicapped (hereinafter in this title referred to as the "Office"). The Office shall be headed by a Director, who shall serve as a Special Assistant to the Secretary and shall report directly to him, and shall be provided such personnel as are necessary to carry out the functions set forth in section 401. In selecting personnel to fill all positions in the Office, the Secretary shall give special emphasis to qualified handicapped individuals.

### FUNCTION OF OFFICE

SEC. 401. It shall be the function of the Office, with the assistance of agencies within the Department, other departments and agencies within the Federal Government, handicapped individuals, and public and private agencies and organizations, to—

(1) prepare and submit to the Secretary, for submission to the Congress within 18 months after the date of enactment of this Act, a long-range projection for the provision of comprehensive services to handicapped individuals and for programs of research, evaluation, and training related to such services and individuals;

(2) analyze on a continuing basis and submit to the Secretary, for inclusion in his report submitted under section 304, a report on the results of such analysis, program operation to determine consistency with applicable provisions of law, progress toward meeting the goals and priorities set forth in the projection required under clause (1), the effectiveness of all programs providing services to handicapped individuals, and the elimination of unnecessary duplication and overlap in such programs under the jurisdiction of the Secretary;

(3) encourage coordinated and cooperative planning designed to produce maximum effectiveness, sensitivity, and continuity in the provision of services for handicapped individuals by all programs under the jurisdiction of the Secretary;

(4) provide assistance (including staff assistance) to committee advising the Secretary on programs for handicapped individuals;

(5) develop means of promoting the prompt utilization of engineering and other scientific research to assist in solving problems in education (including promotion of the development of curriculums stressing barrier free design and the adoption of such curriculums by schools of architecture, design, and engineering), health, employment, rehabilitation, architectural and transportation barriers, and other areas so as to bring about the full integration of handicapped individuals into all aspects of society.

(6) provide a central clearinghouse for information and resource availability for handicapped individuals through (A) the evaluation of systems within the Department of Health, Education, and Welfare, other departments and agencies of the Federal Government, public and private agencies and organizations, and other sources, which provide (i) information and data regarding the location, provision, and availability of services and programs for handicapped individuals, regarding research and recent medical and scientific developments bearing on handicapping conditions (and their prevention, amelioration, causes, and cures), and regarding the current numbers of handicapped individuals and their needs, and (ii) any other such relevant information and data which the Office deems necessary; and (B) utilizing the results of such evaluation and existing information systems, the development within such Department of a coordinated system of information and data retrieval which will have the capacity and responsibility to provide general and specific information regarding the information and data referred to in subclause (A) of this clause to the Congress, public and private agencies and organizations, handicapped individuals and their families, professionals in fields serving such individuals, and the general public; and

(7) carry out such additional advisory function and responsibilities, consistent with the provisions of this title, as may be assigned to it by the Secretary or the President, except that such function or any other function carried out under clauses (1) through (5) of this section shall not include budgetary, policy, or program control by the Office over any program.

### AUTHORIZATION OF APPROPRIATIONS

SEC. 402. There is authorized to be appropriated for the carrying out of the purposes of this title, such sums as may be necessary for the fiscal years ending June 30, 1974, and June 30, 1975.

## TITLE V—MISCELLANEOUS

### EFFECT ON EXISTING LAWS

SEC. 500. (a) The Vocational Rehabilitation Act (29 U.S.C. 31 et seq.) is repealed effective July 1, 1973, and references to such Vocational Rehabilitation Act in any other provision of law shall, after June 30, 1973, be deemed to be references to the Rehabilitation Act of 1973. Unexpended appropriations for carrying out the Vocational Rehabilitation Act may be made available to carry out this Act, as directed by the President. Approved State plans for vocational rehabilitation, approved projects, and contractual arrangements authorized under the Vocational Rehabilitation Act will be recognized under comparable provisions of this Act so that there is no disruption of ongoing activities for which there is continuing authority.

(b) The authorizations of appropriations in the Vocational Rehabilitation Act are hereby extended at the level specified for the fiscal year 1972 for the fiscal year 1973.

(c) This Act shall become effective July 1, 1973, except that subsection (b) of this section shall be effective as of July 1, 1972.

### ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD

SEC. 501. (a) There is established within the Federal Government the Architectural and Transportation Barriers Compliance Board (hereinafter referred to as the "Board") which shall be composed of the heads of each of the folowing departments or agencies (or their designees whose positions are Executive Level IV or higher):

(1) Department of Health, Education, and Welfare;

(2) Department of Transportation;

(3) Department of Housing and Urban Development;

(4) Department of Labor;

(5) Department of the Interior;

(6) General Services Administration;

(7) United States Postal Service; and

(8) Veterans' Administration.

(b) It shall be the function of the Board to (1) insure compliance with the standards prescribed by the General Services Administration, the Department of Defense, and the Department of Housing and Urban Development pursuant to the Architectural Barriers Act of 1968 (Public Law 90–480), as amended by the Act of March 5, 1970 (Public Law 91–205); (2) investigate and examine alternative approaches to the architectural, transportation, and attitudinal barriers confronting handicapped individuals, particularly with respect to public buildings and monuments, parks and parklands, public transportation (including air, water, and surface transportation whether interstate, foreign, intrastate, or local, and residential and institutional housing; (3) determine what measures are being taken by Federal, State, and local governments and by other public or nonprofit agencies to eliminate the barriers described in clause (2) of this subsection; (4) promote the use of the International Accessibility Symbol in all public facilities that are in compliance with the standards prescribed by the Administrator of the General Services Administration, the Secretary of Defense, and the Secretary of Housing and Urban Development pursuant to the Architectural Barriers Act of 1968; (5) make reports to the President and to Congress which describe in detail the results of its investigations under clauses (2) and (3) of this subsection; and (6) make to the President and to the Congress such recommendations for legislation and administration as it deems necessary or desirable to eliminate the barriers described in clause (2) of this subsection.

(c) The Board shall also (1) (A) determine how and to what extent transportation barriers impede the mobility of handicapped individuals and aged handicapped individuals and consider ways in which travel expenses in connection with transportation to and from work for handicapped individuals can be met or subsidized when such individuals are unable to use mass transit systems or need special equipment in private transportation, and (B) consider the housing needs of handicapped individuals; (2) determine what measures are being taken, especially by public and other nonprofit agencies and groups having an interest in and a capacity to deal with such problems, (A) to eliminate barriers from public transportation systems (including vehicles used in such systems), and to prevent their incorporation in new or expanded transportation systems and (B) to make housing available and accessible to handicapped individuals or to meet sheltered housing needs; and (3) prepare plans and proposals for such further actions as may be necessary to the goals of adequate transportation and housing for handicapped individuals, including proposals for bringing together in a cooperative effort, agencies, organizations, and groups already working toward such goals or whose cooperation is essential to effective and comprehensive action.

(d) In carrying out its functions under this section, the Board shall conduct investigations, hold public hearings, and issue such orders as it deems necessary to insure compliance with the provisions of the Acts cited in subsection (b). The provisions of subchapter II of chapter 5, and chapter 7 of title 5, United States Code, shall apply to procedures under this section, and an order of compliance issued by the Board shall be a final order for purposes of judicial review.

(e) The Board is authorized to appoint as many hearing examiners as are necessary for proceedings required to be conducted under this section. The provisions applicable to hearing examiners appointed under section 3105 of title 5, United States Code, shall apply to hearing examiners appointed under this subsection.

(f) The departments or agencies specified in subsection (a) of this section shall make available to the Board such technical, administrative, or other assistance as it may require to carry out its functions under this section, and the Board may appoint such other advisers, technical experts, and consultants as it deems necessary to assist it in carrying out its functions under this section. Special advisory and technical experts and consultants appointed pursuant to this subsection shall, while performing their functions under this section, be entitled to receive compensation at rates fixed by the Secretary, but not exceeding the daily pay rate, for a person employed as a GS-18 under section 5332 of title 5, United States Code, including traveltime and while so serving away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence as authorized by section 5703 of such title 5 for persons in the Government service employed intermittently.

(g) The Board shall, at the end of each fiscal year, report its activities under subsection (b) during the preceding year to the Congress. Such report shall include an assessment of the extent of compliance with the Acts cited in subsection (b) of this section, along with a description and analysis of investigations made and actions taken by the Board, and the reports and recommendations described in clauses (4) and (5) of subsection (b) of this section. The Board shall prepare two final reports of its activities under subsection (c). One such report shall be on its activities in the field of transportation carriers of handicapped individuals, and the other such report shall be on its activities in the field of the housing needs of handicapped individuals. The Board shall, prior to January 1, 1975, submit each such report, together with its recommendations to the President and the Congress. The Board shall also prepare for such submission an interim report of its activities in each such field within eighteen months after the date of enactment of this Act.

(h) There is authorized to be appropriated for the purpose of carrying out the duties and functions of the Board under this section such sums as may be necessary for the fiscal years ending June 30, 1974, and June 30, 1975.

### EMPLOYMENT UNDER FEDERAL CONTRACTS

SEC. 502. (a) Any contract in excess of $2,500 entered into by any Federal department or agency for the procurement of personal property and nonpersonal services (including construction) for the United States shall contain a provision requiring that, in employing persons to carry out such contract the party contracting with the United States shall take affirmative action to employ and advance in employment qualified handicapped individuals as defined in section 7(7). The provisions of this section shall apply to any subcontract in excess of $2,500 entered into by a prime contractor in carrying out any contract for the procurement of personal property and nonpersonal services (including construction) for the United States. The President shall implement the provisions of this section by promulgating regulations within ninety days after the date of enactment of this section.

(b) If any handicapped individual believes any contractor has failed or refuses to comply with the provisions of his contract with the United States, relating to employment of handicapped individuals, such individual may file a complaint with the Department of Labor. The Department shall promptly investigate such complaint and shall take such action thereon as the facts and circumstances warrant consistent with the terms of such contract and the laws and regulations applicable thereto.

(c) The requirements of this section may be waived, in whole or in part, by the President with respect to a particular contract or subcontract, in accordance with guidelines set forth in regulations which he shall prescribe, when he determines that special circumstances in the national interest so require and states in writing his reasons for such determination.

### NONDISCRIMINATION UNDER FEDERAL GRANTS

SEC. 503. No otherwise qualified handicapped individual in the United States, as defined in section 7(7), shall, solely by reason of his handicap, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

The SPEAKER. Is a second demanded?

Mr. LANDGREBE. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. BRADEMAS. Mr. Speaker, I yield myself 8 minutes.

Mr. Speaker, I rise in support of H.R. 8070, a bill which is written as a replacement for the present Vocational Rehabilitation Act, and a response to two previous vetoes.

Briefly, Mr. Speaker, the bill would extend the basic State program of vocational rehabilitation through fiscal year 1975, with authorizations of $660 million for fiscal year 1974 and $690 million for fiscal year 1975.

In addition, the bill would include most of the provisions of the present act, such as research and training, while giving special emphasis to programs designed to strengthen the ongoing programs as well as support new initiatives, particularly in the area of spinal cord injury.

The bill recognizes legislatively the Rehabilitation Services Administration, under the direction of a Commissioner who would be responsible to the Secretary of the Department of Health, Education, and Welfare.

Further administrative improvements have been made in order to consolidate, coordinate, and provide for more effective administration of the program.

In this regard the bill provides for the establishment of an Office of the Handicapped to serve as a coordinator of information regarding the various programs affecting the handicapped, administered by the Department of Health, Education, and Welfare.

The bill provides for joint funding and permits development and submission of consolidated State plans. The bill also provides for the establishment of an Architectural and Transportation Barriers Compliance Board in order to oversee the enforcement of Federal laws as they relate to transportation, housing, and other areas affecting the handicapped.

And finally, Mr. Speaker, this measure before you today would encourage the administrators of this program to remember the overall purpose of this act, which is to serve the handicapped; that is, those with physical or mental disabilities.

The term "handicapped individual" has been broadly defined by regulation during the past few years and it is for this reason that H.R. 8070 restates clearly the original intention of the Congress that the physically or mentally handicapped receive vocational rehabilitation services. In order to enforce this intent, H.R. 8070 provides that the severely handicapped, as opposed to the nonseverely handicapped and those with a social handicap or behavioral disorder in the social sense, be given first priority.

Mr. Speaker, as you have heard many times, the number of disabled and handicapped people in the United States is increasing annually.

But the measure before us today, the Rehabilitation Act of 1973, will enable millions of these disabled Americans to lead happier, more productive lives and enjoy a greater sense of dignity and self-worth.

It is imperative, Mr. Speaker, that we approve the legislation before us today. For we are now barely scratching the surface in meeting the needs of disabled Americans—and our handicapped fellow citizens deserve no less than the bill before us today.

And, this bill, Mr. Speaker, represents many constructive suggestions for improving and enlarging the work of rehabilitation.

Mr. Speaker, twice before, my colleagues will recall, measures which attempted to renew the Vocational Rehabilitation Act, resulted in Presidential vetoes.

It is for this reason that the bill before you today represents a further compromise which we hope will be acceptable to the President.

I recall for the benefit of the Members, that the committee had worked very closely with the administration on development of the original bill vetoed last year and were shocked when the President pocket vetoed the measure.

Once again we have made an effort to accommodate the administration's objections while retaining the integrity of this body and that of the program of rehabilitation.

I am saddened that it has been necessary to compromise to such a degree a measure that has twice been enacted so overwhelmingly by the Congress. The funding levels and the programs envisaged in those two vetoed bills are no less needed by this Nation's handicapped citizens today.

Even those who make decisions based primarily on fiscal matters, as opposed to humanitarian aims, must be impressed by a recent economic study which stated categorically that, "for every dollar spent on the disabled, $25 will be returned in increased lifetime earnings."

The Rehabilitation Services Administration estimates that rehabilitated persons contributed $58 million last year to Federal, State, and local governments for taxes. This contribution is in addition to the estimated savings to the Federal Government through either the removal of clients from public assistance rolls or by reducing client dependency.

So the achievements of these vocational rehabilitation efforts, based purely on an investment criteria, clearly make the case for this measure.

Therefore, it is abundantly clear that the funding levels authorized in the vetoed measures, if appropriated, would have been put to good use.

### COMPROMISE

However, in view of what I consider to be ill-advised objections on the part of the administration, further and substantial compromise was necessary.

The authorization levels of $660 million for fiscal year 1974 and $690 million for fiscal year 1975 are in line with the President's budget request.

Although the program of rehabilitation will remain more or less at the status quo in fiscal years 1974 and 1975, we have not and should never accept authorizations which would represent a backward movement for this truly successful program.

In addition, Mr. Speaker, the committee has made other substantial changes in the vetoed bill.

Briefly, Mr. Speaker, the differences between the vetoed bill and H.R. 8070 are:

One. The total 2 year authorization level is $1.350 billion for the basic State program of vocational rehabilitation with such sums as Congress deems necessary for other parts of the program. The authorizations are, therefore, consistent with the administration's budget request.

These figures compare with the $2.594.7 billion authorization level in the bill vetoed in March and $3.477 billion in the bill pocket vetoed last October.

Two. The administration objected to the statutory establishment of the Rehabilitation Services Administration. The committee accommodated this objection by using the exact language that the administration agreed to for the establishment of the Administration on Aging in the Comprehensive Older Americans Services Amendments (Public Law 93-29).

Three. Title II of the vetoed bill, S. 7, provided comprehensive rehabilitation services for those individuals who do not have readily identifiable vocational goals and was vigorously opposed by the administration as changing the direction of the program. The committee deleted that entire title and mandated instead a special comprehensive study including research and demonstration projects to determine the feasibility of working with those individuals.

Four. The administration opposed the following special projects and demonstration programs:

End stage renal disease;

Centers for the deaf;

National centers for the spinal cord injured;

Programs for the older blind; and

Client assistance.

The committee deleted or modified all of these programs.

Fifth. The administraton objected to advisory committees and councils in the vetoed bills. To accommodate the administration the committee eliminated—

The National Advisory Council;

State advisory councils;

The Federal Interagency Committee on Handicapped Employees; and

The National Commission on Transportation and Housing for Handicapped Individuals.

As I have indicated, the level of funds authorized has been drastically cut from the vetoed bill. However, the fundamental thrust of those bills has been retained.

The State plan requirements, the individualized rehabilitation program, research and training and special projects, the Architectural and Transportation Barriers Compliance Board, the Office of the Handicapped and the antidiscrimination provisions, are all preserved under H.R. 8070.

In addition, the measure establishes a statutory basis for the Rehabilitation Services Administration to provide a needed focus in the Federal government for the rehabilitation of handicapped individuals.

Legislation for the handicapped has always meant something special to the Congress.

Indeed, Mr. Speaker, virtually every piece of major legislation that has ever been enacted into law on behalf of the handicapped has been initiated by the Congress.

We should not, and must not, forget our responsibility to the handicapped of this country.

Indeed, we must not let this period in our history reflect that we, the Congress, were not willing to stand up and confront those who would seriously hamper this 53-year-old effort to better the lives of our Nation's handicapped.

### BIPARTISAN EFFORT

Mr. Speaker, once again, this bill (H.R. 8070) represents a bipartisan effort.

The bill was reported by the Select Subcommittee on Education unanimously, and I might add at this point, with the support from the gentleman from Indiana (Mr. LANDGREBE).

The bill was subsequently reported by the full Education and Labor Committee, by a vote of 35 to 1.

Finally, Mr. Speaker, I would like here to express my warm appreciation to the distinguished chairman of the Education and Labor Committee, Mr. PERKINS, of Kentucky, and the distinguished ranking minority member of the committee, Mr. QUIE, of Minnesota, who have labored long and hard on this legislation.

I would also like to thank the gentlelady from Hawaii (Mrs. MINK), the gentleman from Idaho (Mr. HANSEN), and the gentleman from Florida (Mr. LEHMAN). Also, the gentleman from New York (Mr. PEYSER), the gentleman from Washington (Mr. MEEDS), and the gentlelady from Connecticut (Mrs. GRASSO), for their efforts in seeing this legislation through the committee.

Again, Mr. Speaker, I urge passage of this legislation which is urgently needed. After two vetoes, this program needs and deserves our overwhelming vote of support.

Mr. PEYSER. Mr. Speaker, will the gentleman yield?

Mr. BRADEMAS. I yield to my colleague from New York, who has done so much to help develop this bill (Mr. PEYSER).

Mr. PEYSER. I thank the gentleman for yielding.

Mr. Speaker, I want to state my support for his legislation and also mention the fact that this is one of the few pieces of legislation which in effect brings money back into the programs in the States by the rehabilitation of these individuals. I believe it is a measure that on both sides of the aisle we can enthusiastically endorse, and I trust that will be true today.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. BRADEMAS. I yield to the gentleman from Iowa.

Mr. GROSS. I am unable to understand why a bill of this magnitude, both as to money and power, is brought up under a suspension of the rules procedure, without amendments.

Mr. BRADEMAS. The answer, I will say to my friend from Iowa, is that the bill enjoyed such tremendous support. The bill received a vote of 35 to 1 in the full committee and received, in the subcommittee, even the vote of my good colleague and neighbor from Indiana, the gentleman from the Second District (Mr. LANDGREBE). We felt it would win very speedy support on this side of the aisle and on that side of the aisle.

Mr. Speaker, I yield 5 minutes to the distinguished chairman of the committee, the gentleman, from Kentucky (Mr. PERKINS).

Mr. PERKINS. Mr. Speaker, there has never been a Federal program which has been more productive, more effective, and more humanitarian than that of vocational rehabilitation. Since its inception, more than 3 million disabled and handicapped Americans have been rehabilitated to useful, active, and productive lives.

From a small beginning in 1921, when approximately 500 handicapped individuals were rehabilitated, the program has grown through the years to a point where today over 300,000 persons are being rehabilitated per year.

In each of the last three decades there has been major legislation approved to further expand and strengthen the rehabilitation movement. In 1943 and in 1954, significant legislation was approved by the Congress. In the 1960's, the Congress seized upon what President Johnson described as a "rare moment of opportunity and challenge" and authorized bold new steps in the rehabilitation field with enactments in 1965, 1967, and 1968. It was a privilege for me to actively support and in some instances sponsor a number of these measures.

On two occasions within the last year the House has approved vocational rehabilitation bills which followed the pattern of previous legislation. These were excellent pieces of legislation which in their respective ways would have created strong foundations for the next great step forward our Nation must take for its disabled citizens.

In my judgment, the vetoes of these bills were among the most unjustified and unwarranted this country has ever experienced. Because of these vetoes, we are in a position today where authorizing legislation is imperative. Otherwise the programs to which all Americans point with pride will end.

The committee has in every way tried to accommodate the demands of the administration. I do not see how there can be any opposition to the bill under consideration. Authorizations for the basic Federal-State program of rehabilitation services are at a dangerously low minimum in this legislation. I warn my colleagues that any further reduction—because of population shifts and changing State per capita income figures—could very easily result in certain States receiving less—perhaps far less—than they received in previous years.

Consider that in fiscal year 1971 and fiscal year 1972 $700,000,000 was authorized each year for the section 2 basic program. For fiscal year 1974 this bill before us proposes an authorization of $660,000,000 for the section 2 program, and for fiscal year 1975, $690,000,000. Measured by any standard this is a fiscally responsible bill.

In a related matter, concern has been expressed about the way in which funds are to be allotted. This bill continues the present system of allotment. To the best of my knowledge, there was no request in the extensive hearings conducted by our subcommittee for any change.

The practice of working the formula on the authorized amounts rather than on the appropriated amounts has the effect of stimulating greater State effort. This manner of allocating funds has been one of the basic ingredients in making the rehabilitation program the great success it is. And now there are some who wish to change the system.

There is no need to change a system which has been working well, and moreover no one is certain what will happen in future years if the system is changed. Information provided me this morning from the department indicates that if you take the same amount of money—let us say the budget request of $610,000,000—and allocate it on the basis of the appropriation rather than on the authorization, 33 States will have less of an allocation.

The present financing system is a good system. It targets aid where it is most needed and it is something that should be continued, as is proposed by this bill.

The previous two bills were opposed because it was alleged that they would have provided for a proliferation of new and separate categorical programs. I have not been persuaded that such separate categorical programs are not necessary.

I speak of one focusing on the severely disabled, another on the low-achieving deaf, still another for persons with spinal cord injuries, and one for the elderly blind. To the contrary such special programs are desperately needed.

The bill before us does not, as an accommodation to the administration, authorize them however. Instead, Mr. Speaker, there is authority proposed to allow the Commissioner of the Rehabilitation Services to support demonstration and research projects in these areas. With respect to the severely disabled, the Commissioner must undertake a comprehensive survey of needs.

Mr. Speaker, vocational rehabilitation is often characterized as the best example of Federal-State cooperative efforts. Through the years there has been cooperation between the executive and the legislative branches; cooperation between political parties, and cooperation between State and local governments, as well as between public and private rehabilitation organizations and offices.

The cooperation which has characterized the program in the past is clearly evident at this point in time in the committee bill before us. May I take this opportunity to congratulate the chairman of the subcommittee, our colleague from Indiana (Mr. BRADEMAS), for the great leadership he has provided. Congratulations also are in order for the ranking minority member of the committee (Mr. QUIE) and for all the members of the committee on both sides of the aisle.

Mr. Speaker, it is time to end the controversy that has surrounded this program during the last year. This is a good bill. It is a bill which I am confident the President will sign, and I urge its overwhelming approval in the House today.

Mr. LANDGREBE. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota (Mr. QUIE).

Mr. QUIE. Mr. Speaker, I rise today in support of H.R. 8070. I think it represents a good compromise. I encourage all of my colleagues to support it.

I wish to commend the gentleman from Indiana for working with me in reaching this compromise, because, as I say, it goes much further than the gentleman from Indiana wanted it to go.

Of course, it is not exactly where the administration wanted it to go, either. I understand they have views in support of the Senate bill that reached an agreement with them.

I want to commend, also, the gentleman from Michigan (Mr. ESCH) and the gentleman from North Carolina (Mr. BROYHILL) for their attempt to find a common ground here.

I believe this is an excellent piece of legislation and will do a good piece of work for vocational rehabilitation for the individuals who are handicapped and who need this kind of help so that they can become employable.

One of the things here that Members will be concerned about is whether this bill will provide for authorizing appropriations beyond what the administration will go to. It is especially important here, because the House bill provides $660 million authorization for fiscal 1974 and $690 million for 1975. That appears to be over $100 million more than the Senate bill, which has the figures of $610 million for 1974 and $640 million for 1975. However, there is no difference because of the difference in the formula, if we use the present formula.

You need to authorize in the levels we have in this bill of $660 million for 1974 and $690 million for 1975 in order to get the appropriations of $610 million, as the administration requests, for 1974 and $640 million that they agreed to for 1975.

So if any of you are laboring under the misconception that this bill authorizes more money than the Senate bill or than the administration is willing to go along with, you are mistaken. There is no difference in these bills as far as the money that will be available just from the way the formula operates.

It is peculiar in the Vocational Rehabilitation Act that we do have the kind of formula where the States match off the authorization rather than the appropriation, but that is the way it is.

The Senate has done it differently.

The gentleman from Kentucky indicates his desire to retain the formula as it is. We felt in a majority of the committee that it was best to leave the formula the way it was and not argue that out here. You will notice there is an authorization for only two additional years, 1974 and 1975. It is not that we were not interested in extending the Act any further than that, but we just recognized the formula is a problem to many people, and therefore we felt let us get the program going and we can work on the formula in the meantime to find one that the majority will agree to. As of now I urge you to adopt this bill which we bring to you under suspension.

In the vetoed bill the administration contended that besides the authorization which promised more than they felt we could deliver was that they did not want to go to adopt title II which provided rehabilitation services for those who were not immediately employable.

As I indicated to the Members some time ago, I felt that those services could be wisely made available because even though some individuals could not become employable, but, by the same token that assistance might enable them to release the individual who spent full time with them to some other kind of employment. We gave in on that, but the bill provides for a study because some of us think there is merit and think the study would show that merit. We differ from the bill that has been introduced in the other body in that they permit the Secretary or the Commissioner to conduct some demonstration pilot projects, and we require it. We felt that you cannot really conduct a study that will be meaningful unless there are some demonstrations or pilot projects so that we can look at the results gained from that information, and that is why the change here.

Mr. Speaker, I am sure there are some who will say that H.R. 8070 does not contain many of the programs which they felt were important for the handicapped. There are others who will contend that it contains too much. I think that the bill accommodates the most important objections made by the President in his last veto message. I still believe that the bill is positive, far-reaching, and will continue the many beneficial programs already started for the handicapped.

So that Members can better understand how the bill was revised and how it differs from the vetoed bill, I will offer the following brief explanation.

The total authorization level in H.R. 8070 is $1,350 billion and is the administration's budget request level for the basic State programs. This figure is compared with the $2,594.7 billion authorization level in the bill vetoed in March and $3.477 billion in the bill vetoed last October. I want to make it clear here that the bill before you appears to authorize more money for the basic State program than the administration wants but that is not true. This will permit appropriations exactly at administrative levels.

In the vetoed bill the administration objected to the statutory establishment of the Rehabilitation Services Administration. The committee accommodated this objection by using similar language to that which the administration agreed to for the establishment of the Administration on Aging contained in the Older Americans bill. The House bill retains the Center for Technological Assessment and Application which is responsible for conducting all research.

Title II which provided comprehensive rehabilitation services for individuals without readily identifiable vocational goals was vigorously opposed by the administration because they felt that it changed the direction of the program. The committee deleted the entire title and mandated in its place a special comprehensive study including research and demonstration projects to determine the feasibility of working with such individuals.

The administration opposed five—categorical—special project and demonstration programs: First, end stage renal disease; second, centers for the deaf; third, national centers for the spinal cord injured; fourth, programs for the older blind; and, fifth, client assistance. The committee deleted all five.

In the veto message there was clear concern about all of the advisory committees and councils in the bills. To accommodate the administration the committee eliminated provisions for: first, the National Advisory Council; second, State advisory councils; third, the Federal Interagency Committee on Handicapped Employees; and, fourth, the National Commission on Transportation and Housing for Handicapped Individuals.

So that Members can understand the differences between the Esch bill, H.R. 6509, and the bill before us today, H.R. 8070, I will point out the basic differences here. As you will see, the original compromise offered by Representatives ESCH, BROYHILL of North Carolina, ROBISON of New York, ANDERSON of Illinois, and ERLENBORN is similar to the final version.

I. Authorizations

| | H.R. 6509 | H.R. 8070 |
|---|---|---|
| Fiscal year— | | |
| 1974 | [1] $775,000,000 | $660,000,000 |
| 1975 | 840,000,000 | 690,000,000 |
| 1976 | 874,000,000 | |

[1] H.R. 6509 authorized $660,000,000, $700,000,000, and $710,000,000 for the basic State program and set authorization levels for other programs in the bill. H.R. 8070 had such sums for all other programs authorized in the bill.

II. Establishment of RSA:

H.R. 6509—same as vetoed bill.

H.R. 8070—language similar to the Older Americans Act.

III. Title II: Both bills deleted this title and both authorize a study.

IV. Special Emphasis (Categorical) Programs:

H.R. 6509—eliminated all special emphasis programs with one exception, the spinal cord section was retained.

H.R. 8070—deleted all special emphasis programs.

V. Advisory Councils:

H.R. 6509—retained provisions for the National and State Advisory Councils.

H.R. 8070—deleted both these features.

VI. H.R. 8070—has the following items not contained in H.R. 6509.

1. mortgage insurance.
2. annual interest grants.
3. special emphasis in research section for end stage renal disease and spinal cord.

At this point I think it is important to observe that the administration would still like to have some changes even in the bill that we are considering today. They negotiated directly with the Senate and as a result of a tentative agreement reached in the other body, several Senators introduced S. 1875. The amendments that the administration would offer to H.R. 8070 would have the net effect of making the bill before us identical to the introduced Senate bill. I should also observe that S. 1875 has only been introduced and has not yet even been considered in subcommittee, so we have no way of knowing whether the tentative agreements will stand up through the entire Senate legislative process.

The differences between the two bills can be summed up in the amendments that the administration suggested for H.R. 8070. If the amendments were adopted, the bills would be comparable.

The Senate changed the allocation formula for distributing title I funds; the House did not. This is the reason the $610 million in 1974 and $640 million in 1975 for basic State programs in the Senate bill and the $660 million in 1974 and $690 million in 1975 in the House bill provided for exactly the same appropriations. The administration had no position on the formula per se but attempted to have the allotment based on appropriations rather than authorizations.

The Senate bill calls for the Commissioner to be appointed by the President; the House bill does not. It should be noted that at the present time without this language in the law the Commissioner is a Presidential appointee.

The House bill establishes under RSA a Center for Technological Assessment and Application to be headed by an individual of outstanding scientific and technological achievement. The Senate bill does not set up the statutory office but has the Secretary, through the Commissioner in cooperation with other appropriate programs in the Department carry out research.

Both bills utilize the establishment of RSA language which was worked out as a compromise in the Older Americans bills for the statutory establishment of the Administration on Aging. Although it is understood that the Secretary is responsible for the Act in both bills the difference between the House and the Senate bill is that the word "secretary" is found throughout the Senate bill whereas the word "commissioner" is found in the House bill.

Title II, which provided services for the severely handicapped, was deleted from both bills. Both the House and the Senate call for a study of the needs of the severely handicapped. The Senate bill allows that the Secretary may include research and demonstration projects while the House bill requires them.

Both the House and the Senate are concerned that the severely handicapped be served under the basic Title I program. The House bill sets a priority for those who are most severely handicapped. The Senate requires that they be given equal consideration with other handicapped.

The special categorical programs for end-stage renal disease and spinal cord injuries were deleted from both bills. The House bill and not the Senate bill authorizes but does not require that the Commissioner may conduct research in both of these areas.

The House bill establishes an Office of the Handicapped to serve as a focal point for dispensing information about the handicapped. The Senate bill does not specifically establish an office, but requires that the Secretary, with the assistance of agencies within the Department and other departments and agencies within the Federal Government, including public and private agencies and organizations, conduct the functions that the House requires in its bill.

The Senate, and not the House, retains the provision for demonstration projects of client assistance. The House bill and not the Senate bill, contains programs of mortgage insurance and annual interest grants.

I have talked to individuals representing the administration and they want you to know that the administration supports the compromise bill which is embodied in S. 1875. The following is the administration's views as given to me. H.R. 8070 contains many features which have been either omitted from S. 1875 or treated more acceptably to the administration in the compromise bill.

First. H.R. 8070 authorizes substantially more than the President's budget for the basic State formula grant program. [I explained does not provide for more appropriations than the administration supports.]

Second. The bill flatly requires that the States give first priority to the severely disabled in selecting persons to be served.

Third. The House bill would require two new organizational units, an Office of the Handicapped and a Center for Technology Assessment and Application.

Fourth. H.R. 8070 retains authorization as the basis for making State allotments in the basic State formula grant program.

Fifth. The bill would establish two new categorical programs related to facilities construction; one for mortgage guarantees, the other for interest subsidies.

Sixth. The bill would take the authority for administering vocational rehabilitation programs away from the Secretary of HEW and vest it instead in the Commissioner of Rehabilitation Services.

The administration supports S. 1875 because, taken as a whole, that bill represents an acceptable compromise to the administration. That bill goes far beyond the administration's original position:

First. Authorizations. Specific authorizations are included for 3 years and are almost $100 million more than the administration's budget for these years.

Second. Rehabilitation Services Administration. RSA, now a functioning part of HEW, would be mandated by statute.

Third. RSA Commissioner. The Commissioner is made a Presidential appointment.

Fourth. Architectural Barriers Compliance Board. The Board would be created to insure compliance with the Architectural Barriers Act of 1968 (Public Law 90-480) and to pursue other activities aimed at reducing architectural barriers to the handicapped.

Fifth. Interagency Committee on Handicapped Employees. This Committee would be Presidentially appointed and include the Civil Service Commission Chairman, the Veterans' Affairs Administrator, and the Secretaries of Labor and HEW.

Sixth. Client assistance program. A program of special programs and demonstrations is authorized to provide counselors to advise VR clients and applicants and assist them with programs under the VR Act. These activities duplicate the activities of the vocational rehabilitation counselors in the State VR agencies.

Seventh. Research training. Special language for the research, training, and technological competence provisions of the bill would provide that the Secretary carry on the activities authorized in these provisions only through the RSA Commissioner.

Eighth. Notification to Congress. The relevant congressional committees must be notified of any delegations of the functions of the Commissioner to an official not directly responsible to him.

Ninth. Severely disabled. The bill directs the Secretary of HEW to conduct a special study of the needs of and programs for the severely disabled.

Tenth. Priority to severely disabled. The bill includes a new State plan requirement that the severely disabled must be given equal consideration along with other handicapped persons.

Eleventh. Coordinating information activities. The bill gives substantial authority to the Secretary which duplicates authority he already has.

Twelfth. Technology assessment. The Secretary is directed to assemble technological expertise and competence to be directed to solving rehabilitation problems, authority he already has.

Thirteenth. Older blind. The older blind are explicitly included in the special projects section.

Fourteenth. Innovation program. The program for innovation grants is continued separately.

Fifteenth. Funding. The bill would allow appropriations requests to be included in the appropriations bill for the fiscal year prior to the one for which the appropriations is sought.

Mr. Speaker, I feel that the legislation before us today is important and will continue to help this Nation's handicapped as it has over the last 53 years. I think it is essential that we continue to strive to do everything in our power that will enable the disabled to overcome their disabilities so that they can lead normal and productive lives. As I have said before, we are all ordinary people seeking an extraordinary destiny. But the handicapped are extraordinary in that they are seeking an ordinary destiny. H.R. 8070 will provide the means and the mechanism by which many will be able to achieve this goal.

Mr. LANDGREBE. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. Mr. Speaker, I have asked for this time so that I might ask the gentleman from Indiana (Mr. BRADEMAS) a few questions.

In the statement made by the gentleman from Indiana (Mr. BRADEMAS) the gentleman stated that the authorization is less, I guess, than the administration requested.

Is less than what?

Mr. BRADEMAS. If the gentleman from Ohio will yield, I did not say that. I said the authorization is in line with the administration's budget request, just as the gentleman from Minnesota (Mr. QUIE) has explained.

Mr. WYLIE. How can the gentleman say that, since there are many open-ended authorizations throughout the bill? I believe I have counted at least seven open-ended authorizations, therefore one cannot predetermine how much money will be spent for several of the programs.

Mr. BRADEMAS. If the gentleman will yield further: In writing this legislation we sought to respond to the request that was made, repeatedly, to the committee, by the administration, that we provide, in those sections of the bill, but not the basic state program, "such sums as Congress deems necessary," as distinguished from writing in an exact dollar authorization. It is for this reason that I could make that statement.

Mr. WYLIE. Would the gentleman from Indiana respond to another question:

Was this open-ended language in the vetoed bill? I do not remember that it was. As a matter of fact, I do not recall ever having seen this kind of open-ended authorization language before, and I do not believe any such language was in the vetoed bill. Was it?

Mr. BRADEMAS. If the gentleman from Ohio will yield further, I will say that the gentleman is quite correct. This is part of the compromise that was made by members of the committee in an effort to accommodate the administration.

As a matter of fact, I would say to the gentleman from Ohio that on February 7, 1973, Stephen Kurzman, Assistant Secretary of the Department of Health, Education, and Welfare, testified:

> We said repeatedly there should be "some such" authorization, not specific figures, in all of the bills . . .

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. LANDGREBE. Mr. Speaker, I yield 1 additional minute to the gentleman from Ohio (Mr. WYLIE).

Mr. WYLE. Mr. Speaker, I thank the gentleman for yielding me this additional time.

If I may continue with my question, Mr. Speaker, in other words, is the gentleman from Indiana saying that the administration has requested the open-ended authorizations found in H.R. 8070?

Mr. BRADEMAS. The gentleman from Ohio is exactly correct. And if the gentleman will allow me to go ahead and continue with what Assistant Secretary Stephen Kurzman said, he went on:

> We take the same position we have consistently taken on all of this authorizing legislation, that we would recommend such sums as may be appropriated. . . .

Mr. QUIE. Mr. Speaker, would the gentleman yield?

Mr. WYLIE. I would like to ask one more followup question on that, and then I will yield to the gentleman from Minnesota.

I would ask the gentleman from Indiana (Mr. BRADEMAS) then the testimony by Mr. Kurzman was given before the vetoed bill was passed by the House.

Mr. BRADEMAS. The testimony was given on February 7, 1973, therefore this would be before the second veto. I assume, however, that the integrity of the administration's testimony is something the gentleman from Ohio would not want to challenge?

Mr. WYLIE. But the point I was trying to make is why was not the open-ended authorization language included in the vetoed bill?

Mr. BRADEMAS. Because, at that point, we did not agree with that language. But the bill before us is an effort to accommodate the administration's views, and one of the recommendations which we accepted is this one with respect to the authorizations language.

The SPEAKER. The time of the gentleman from Ohio has again expired.

Mr. LANDGREBE. Mr. Speaker, I yield 4 minutes to the gentleman from Pennsylvania (Mr. HEINZ).

Mr. HEINZ. Mr Speaker, I must say I am most disappointed that the House leadership brought this legislation to the floor under the parliamentary procedure of suspension of the rules. On two previous occasions Congress has approved legislation revising and extending the vocational rehabilitation program, only to see that legislation vetoed. On April 3, the Senate was unable to override the President's veto and the education and labor committee was forced to redraft its earlier version of this legislation. To avoid still another Presidential veto of this necessary program, Congress should now be moving to air all serious differences of opinions on the committee's bill so that these differences can be resolved. It is most regrettable then, that the House leadership has not scheduled H.R. 8070 to allow full debate, including the right to offer and consider amendments.

I believe that there is one particular part of this program that has been overlooked for too long. In existing law, the formula allotting funds to the States for basic vocational rehabilitation services is based on State population weighted by per capita income squared. While no one can dispute the need to give special assistance to poorer States, the current formula I repeat, contains a provision which squares each State's allotment percentage derived from its per capita income. The results provides excessive financial consideration to low income States at the expense of program needs of other States. For example, while New York State receives $1.88 per capita payment, Texas' Federal allotment is $3.60/person, nearly double that of New York. In fact the Federal allotment to the States to help finance basic rehabilitation services ranges from a low of $1.80 per capita for Connecticut to $6.68 per capita for the District of Columbia. These gross discrepancies in allotments continue despite information which indicates that the need for vocational rehabilitation is rather evenly distributed among regions and States of the United States.

While special consideration for low-income States must be continued, this particular squaring provision must be modified. On May 15, I introduced H.R. 7809, which while continuing to weight State allotments according to per capita income, would delete the squaring provisions from the formula. My proposal, which now has 21 cosponsors, also includes a "hold-harmless" provision, under which no State will suffer any loss of funds under this new formula. A formula based on population weighted by simple per capita income would assure a more equitable distribution of basic program funds for one time increased investment of less than $40 million. More importantly, however, while continuing extra assistance for needy, low-income States, it would also guarantee all Americans equal access to needed rehabilitation services regardless of where they happen to reside. I include the text of H.R. 7809 and a table showing each State's allotment and per capita payment under both the present law and as proposed in my bill, H.R. 7809, in the Record at this point:

H.R. 7809

A bill to amend the Vocational Rehabilitation Act to provide a more equitable method of allotting funds for vocational rehabilitation services among the States

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 2(a) of the Vocational Rehabilitation Act (29 U.S.C. 32(a)) is amended—

(1) by striking out "the square of",

(2) by striking out "under subsection (b) of this section for the fiscal year ending June 30, 1965" and inserting in lieu thereof "under this subsection for the fiscal year ending June 30, 1973".

Sec. 2. The amendments made by this Act shall become effective July 1, 1973.

Vocational Rehabilitation Program—State-by-State Allotments for Basic Vocational Rehabilitation Program Comparison of Existing Law vs. Alternative as Proposed in H.R. 7809

Explanation: In the table below column two presents distribution with allotment percentage squared; column four, the distribution with the allotment percentage unsquared plus a "hold-harmless" provision as proposed in H.R. 7809. Other assumptions are: minimums of $2 million and inclusion of American Samoa and the Trust Territories (but not with minimum allotments). Note that the hold harmless provision would require an additional authorization of only $39.941 million.

| State | Allotment under present law | Per capita payment | Allotment under H.R 7809 | Per capita payment |
|---|---|---|---|---|
| Alabama | $16,780,000 | $4.78 | $16,780,000 | $4.78 |
| Alaska | 2,000,000 | 6.15 | 2,000,000 | 6.15 |
| Arizona | 6,740,000 | 3.47 | 6,740,000 | 3.47 |
| Arkansas | 9,540,000 | 4.82 | 9,540,000 | 4.82 |
| California | 46,290,000 | 2.26 | 54,920,000 | 2.68 |
| Colorado | 7,360,000 | 3.12 | 7,430,000 | 3.15 |
| Connecticut | 5,540,000 | 1.80 | 7,370,000 | 2.39 |
| Delaware | 2,000,000 | 3.54 | 2,000,000 | 3.54 |
| District of Columbia | 5,000,000 | 6.68 | 5,000,000 | 6.68 |
| Florida | 24,620,000 | 3.39 | 24,620,000 | 3.39 |
| Georgia | 18,320,000 | 3.88 | 18,320,000 | 3.88 |
| Hawaii | 2,000,000 | 2.47 | 2,150,000 | 2.66 |
| Idaho | 3,110,000 | 4.11 | 3,110,000 | 4.11 |
| Illinois | 24,280.000 | 2.16 | 29,490,000 | 2.62 |
| Indiana | 16,440,000 | 3.11 | 16,640,000 | 3.14 |
| Iowa | 9,510,000 | 3.30 | 9,510,000 | 3.30 |
| Kansas | 6,760,000 | 2.99 | 6,970,000 | 3.09 |
| Kentucky | 14,420,000 | 4.37 | 14,420,000 | 4.37 |
| Louisiana | 16,520,000 | 4.44 | 16,520,000 | 4.44 |
| Maine | 4,280,000 | 4.16 | 4,280,000 | 4.16 |
| Maryland | 10,080,000 | 2.49 | 11,410,000 | 2.81 |
| Massachusetts | 13,960,000 | 2.41 | 16,040,000 | 2.77 |
| Michigan | 23,260,000 | 2.56 | 25,930,000 | 2.86 |
| Minnesota | 12,200,000 | 3.16 | 12,300,000 | 3.19 |
| Mississippi | 12,120,000 | 5.36 | 12,120,000 | 5.36 |
| Missouri | 15,760.000 | 3.32 | 15,760,000 | 3.32 |
| Montana | 2,740,000 | 3.81 | 2,740,000 | 3.81 |
| Nebraska | $4,830,000 | $3.17 | $4,840,000 | $3.17 |
| Nevada | 2,000,000 | 3.80 | 2,000,000 | 3.80 |
| New Hampshire | 2,680,000 | 3.48 | 2,680,000 | 3.48 |
| New Jersey | 15,460,000 | 2.10 | 19,040,000 | 2.58 |
| New Mexico | 4,640,000 | 4.36 | 4,640,000 | 4.36 |
| New York | 34,570,000 | 1.88 | 44,960,000 | 2.45 |
| North Carolina | 21,700,000 | 4.16 | 21,700,000 | 4.16 |
| North Dakota | 2,640,000 | 4.18 | 2,640,000 | 4.18 |
| Ohio | 31,050,000 | 2.88 | 32,650,000 | 3.03 |
| Oklahoma | 10,490,000 | 3.98 | 10,490,000 | 3.98 |
| Oregon | 7,150,000 | 3.28 | 7,150,000 | 3.28 |
| Pennsylvania | 35,540,000 | 2.98 | 36,730,000 | 3.08 |
| Rhode Island | 2,900,000 | 3.00 | 2,990,000 | 3.09 |
| South Carolina | 12,460,000 | 4.68 | 12,460,000 | 4.68 |
| South Dakota | 2,840,000 | 4.18 | 2,840,000 | 4.18 |
| Tennessee | 17,680,000 | 4.39 | 17,680,000 | 4.39 |
| Texas | 41,850,000 | 3.59 | 41,850,000 | 3.59 |
| Utah | 4,680,000 | 4.16 | 4,680,000 | 4.16 |
| Vermont | 2,000,000 | 4.33 | 2,000,000 | 4.33 |
| Virginia | 16,390,000 | 3.44 | 16,390,000 | 3.44 |
| Washington | 9,810,000 | 2.85 | 10,370,000 | 3.01 |
| West Virginia | 8,040,000 | 4.51 | 8,040,000 | 4.51 |
| Wisconsin | 15,020,000 | 3.32 | 15,020,000 | 3.32 |
| Wyoming | 2,000,000 | 5.80 | 2,000,000 | 5.80 |
| Total | 660,000,000 | [1]3.17 | 699,940,000 | [1]3.36 |

[1] Per person.

Mr. Speaker, I believe it is unfortunate that the committee reported the Vocational Rehabiliation Act of 1973, H.R. 8070, without including the modified formula and hold harmless provision proposed in my bill, H.R. 7809.

Since there is no way, under the suspension of the rules, that H.R. 7809 may be offered as an amendment on the floor here today, I should like to address some questions to the distinguished chairman of the subcommittee, Mr. Brademas, regarding the committee's plans to possibly reopen the question of the formula.

Mr. BRADEMAS. Mr. Speaker, I thank my colleague from Pennsylvania. I know his interest in this question of the formula, and I am sympathetic to a study of his concern. I might say to the gentleman, as he well recognizes, the question of the formula for the allotment of funds under the Vocational Rehabilitation Act is a most controversial one. It is one which I am sure he would agree deserves the most serious and thorough consideration, because if we were to change the formula—and I am open-minded on the gentleman's suggestion—it could have potentially, depending on the kind of change that was made, the most profound impact on the distribution of funds under the program.

For that reason, and given the tortuous history of this legislation, I think it would be most unwise were we to agree to change the formula as part of this bill, but I want to assure my friend, the gentleman from Pennsylvania, that I will be perfectly willing to schedule hearings on legislation, including his own proposal, that would modify the formula. I do not want to give the gentleman a commitment to support his proposal, or anybody's proposal, but I think the gentleman's concern is a genuine one, a concern that merits the most careful consideration by our subcommittee, and I make a commitment to the gentleman that we shall give his concern our attention.

Mr. HEINZ. Mr. Speaker, I appreciate, if I understand correctly, the commitment of the gentleman from Indiana to hold hearings on the formula. I am most appreciative of that.

Might I further ask the gentleman from Indiana whether he would also be willing, as a means of facilitating these hearings, either to include language in the bill before us or in the conference report to require HEW to prepare and submit a study of the present formula and recommendations, if any, as to what changes might be desirable?

Mr. BRADEMAS. I would say to the gentleman from Pennsylvania that I do not think it would be wise to amend this bill, but I should be very glad to send a letter to the Secretary requesting such study, and I am sure that we would get a response.

Mr. HEINZ. The gentleman suggests an acceptable procedure and I thank the gentleman from Indiana. I certainly look forward to working with the committee in any way possible to revise the formula and rectify the present allotment imbalances that work against an effective national vocational rehabilitation program.

Mr. LANDGREBE. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan (Mr. Esch).

Mr. ESCH. Mr. Speaker, I rise today in support of H.R. 8070, the Vocational Rehabilitation Act of 1973. This legislation represents a substantial move forward in extending and upgrading our efforts to help the employable handicapped and I congratulate Chairman Brademas and the other members of the General Subcommittee on Education, as well as Congressman Quie, in their efforts to see this important legislation through. I also wish to thank the more than 100 cosponsors of the compromise bill, H.R. 6509, the bill I introduced with Congressmen Jim Broyhill, John Anderson, John Erlenborn, Howard Robison, and my colleague on the Education and Labor Committee. H.R. 6509 is very similar to the bill we are considering today and I believe served to stimulate the expeditious action taken on H.R. 8070. It is especially important, I believe, to single out for special recognition, the gentleman from North Carolina (Mr. Broyhill). Mr. Broyhill, when he saw that the previous bill was in danger of being vetoed, worked long and hard on a compromise position.

Mr. Speaker, because this bill is a compromise, it will not be satisfactory to everyone, but it will most definitely move the program forward. When Congressmen JIM BROYHILL, ROBISON of New York, ANDERSON, ERLENBORN, and I first discussed this legislation, we believed that it was essential to keep title I intact, and to keep the authorizations at a workable level. We were concerned with upgrading and improving the program, and our funding levels, set at $775 million for fiscal year 1974, $840 million for fiscal year 1975, and $874 million for fiscal year 1976, I believe reflected this concern.

The bill reported from the committee does not go as far as our bill and further reduces the authorizations to the President's budget request at $660 million for fiscal year 1974 and $690 million for fiscal year 1975. These are far below the administration's substitute offered by Mr. LANDGREBE when the bill first came up on the floor. However, we believe that these levels can continue the vocational rehabilitation programs in the manner needed to provide viable and meaningful services as reorganized under title I.

Because of the administration's strong concern over extending the vocational rehabilitations services to the severely handicapped, we deleted title II from our bill, the reported bill likewise deletes title II. However, both bills make provisions for a special study for the severely handicapped to be made by the Secretary of HEW for the eventual consideration by Congress to determine whether or not programs can be devised to help these very needy people.

In addition, our bill eliminated the special emphasis programs, with one exception, the spinal cord injuries section. H.R. 8070 also deletes this section.

The reported bill also deletes the State advisory councils which we included in our bill. However, H.R. 8070 adds provision for mortgage insurance; annual interest grants; and a special emphasis program in the research section for end-stage renal disease and spinal cord which we did not include in our bill.

In summary, the reported bill does not go as far, nor does it include as much as 6509, but it does represent a painstaking effort by the members of the Education and Labor Committee to come to grips with the administration's disagreements and the need to extend and expand services to the handicapped. Mr. Speaker, the committee reported this bill by a vote of 35 to 1. I believe this represents a unanimity of support rarely found on the committee for legislation of this significance and I trust that the administration in its wisdom will reflect on this support and on the merits of this legislation and sign this legislation into law when it finally passes the Congress.

Mr. BRADEMAS. Mr. Speaker, will the gentleman yield?

Mr. ESCH. I yield to the gentleman from Indiana.

Mr. BRADEMAS. Mr. Speaker, I want to commend the gentleman from Michigan, a member of the committee, for his remarks and express my appreciation to him for the constructive leadership that he has shown in helping make possible this compromise bill.

Mr. ESCH. I thank the chairman.

Let me emphasize that those who cosponsored the compromise legislation, while this particular bill does not completely fulfill the desires of that compromise legislation, feel it is legislation that can move forward in the area of vocational rehabilitation services. I would strongly urge the support of Members for this legislation.

Mr. LANDGREBE. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, there are still a number of great differences between the bill we are considering and the measure I introduced with the full support of the administration some weeks ago.

First, this bill is still some $140 million over the budget request.

Second, this bill continues the needlessly complicated old method of basing allotments on authorizations, while the administration has consistently sought a modernization of the system by basing allotments on appropriations as provided in the bills H.R. 6647 and S. 1875.

Third, H.R. 8070 mandates the requirement that States give first priority to serving the most severely disabled. This statutory mandate will have a chaotic effect on the basic program and possibly now being made in Vocational Rehabilitation. The administration agrees to language stating equal treatment to severely handicapped.

Fourth, H.R. 8070 would set up an independent "Office of the Handicapped" within HEW. These unnecessary organizational provisions would only reduce the effectiveness in administering and coordinating all programs.

Fifth, this bill, H.R. 8070 proposes the establishment of a Center for Technological Assessment and Application—another unnecessary bureaucratic entity within HEW.

Sixth, H.R. 8070 still retains provisions for mortgage insurance for rehabilitation facilities and annual interest grants for mortgages. The administration has consistently opposed this provision on the grounds that it is the primary responsibility of the States to provide the facilities, while all available funds should be used directly to provide for the delivery of services to the handicapped.

Seventh, H.R. 8070 provides for a comprehensive study and research and demonstration projects to determine the feasibility of aiding the handicapped, and other unnecessary and undesirable features.

Mr. Speaker, the bill that has been brought to the floor under suspension is a totally unacceptable substitute for my bill, H.R. 6647, that has the President's endorsement and the cosponsorship of 50 Members of this House, or even for S. 1875, a compromise version worked out between the Senate and the administration.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. LANDGREBE. I yield to the gentlemen from California.

Mr. ROUSSELOT. Mr. Speaker, I rise in support of my distinguished colleague from Indiana. I think the suspension calendar is not the place to deal with a bill of the complexity of H.R. 8070. Of course, we have had vocational rehabilitation legislation before this body earlier this year, but that is no excuse for the hasty consideration which has been given this bill.

The bill has many features which go beyond the compromise which has been worked out by the Senate and which is supported by the administration. It authorizes more money than it should and it's cluttered with programmatic and organizational inefficiencies. The gentleman from Ohio (Mr. WYLIE) has indicated that this bill provides for open end authorizations which again puts us in the position of promising more than we can produce in appropriations. I urge my colleagues to vote against this bill on the suspension calendar so that the House may give the measure the thorough prompt consideration which it deserves. This is the way that we can work for the Nation's handicapped.

Mr. LANDGREBE. Mr. Speaker, I thank the gentleman from California for his pertinent comments.

Instead of insuring a continuation and improvement of services to the handicapped, as we have known them under the Vocational Rehabilitation Act to date, H.R. 8070 actually, in my judgment, does violence to that program.

In my opinion, H.R. 8070 kicks the crutches out from under the handicapped, the very people whom this program was intended to benefit throughout the years. It accomplishes this distasteful act through a proliferation of programs and organizational mandates in a miasma of confusion, redtape, and inefficiency. In other words, it simply closes the hole in the strainer, thereby keeping more dollars at the bureaucratic level with less and less seeping through to the handicapped.

Mr. Speaker, if we pass this bill today under suspension, we will have, in effect, approved major legislation affecting one of the most important programs in the Federal Government without giving it the slightest serious consideration. I urge my colleagues to join me in voting against H.R. 8070 today, so that we may at least have some time to examine this critical piece of legislation and some chance to amend the many flaws in the bill to which the President and the Department of Health, Education, and Welfare, and I, object.

Mr. ASHBROOK. Mr. Speaker, will the gentleman yield?

Mr. LANDGREBE. I yield to the gentleman from Ohio (Mr. ASHBROOK).

Mr. ASHBROOK. Mr. Speaker, I appreciate the statement the gentleman from Indiana is making. It is a cogent and highly accurate statement, and reflects the feelings of many of us who would vote for any rehabilitation bill if it were reasonable.

I think this could very well be categorized in the song, "The Games People Play." It is a game for us where we have to vote on a take it or leave it basis. It ought to offend any thinking Member of this body, anyone who thinks there should be any amount, whatever the cost would be.

I am afraid a great many Members will vote away their prerogatives under this parliamentary act. It is a game we are playing. Many of us will not fall for it.

Mr. Speaker, I appreciate the statement of the gentleman from Indiana.

Mr. LANDGREBE. Mr. Speaker, I thank the gentleman for his very important comments.

Mr. BRADEMAS. Mr. Speaker, I yield 2 minutes to the gentleman from Idaho (Mr. Hansen) a member of the subcommittee.

Mr. HANSEN of Idaho. Mr. Speaker, I thank the gentleman for yielding to me.

I rise in support of this legislation, which represents our third attempt to do something for the handicapped. I might note, in recounting the history of this legislation, that a similar bill was approved unanimously last year by the House of Representatives and the Senate. At the time the bill was being considered and when it was reported by the committee, there were expressions of praise and appreciation from representatives of the administration. Nevertheless, it was vetoed after Congress adjourned. An attempt was made to reach a compromise in the early part of this Congress. But the efforts to compromise were destined to be frustrated by another veto.

Mr. Speaker, thanks to the efforts of the distinguished chairman of the subcommittee, Mr. Brademas, and the distinguished ranking minority member of the subcommittee, Mr. Quie, and others, further attempts to reach a compromise have been successful. Among those who have worked the hardest and most effectively to build a consensus and to reconcile varying points of view in order to move this legislation is the gentleman from New York (Mr. Robison).

In my judgment, Mr. Speaker, in terms of human values and in terms of money repaid to the Treasury of the United States, we can make no better investment with public funds than to help people who are handicapped to earn a living and to support themselves.

Mr. Speaker, we are considering one of the most outstanding programs that is supported by the Federal Government. It is difficult to believe that a program which had never had a no vote against it in 53 years was vetoed twice in a 6-month period. It is unfortunate, to say the least, that this program and the goals, aspirations, and lives of handicapped individuals became engrossed in politics.

Life must go on and, too, the legislative process. It is unfortunate that in the spirit of compromise we have had to delete programs which I am sure the majority of my colleagues feel are sound, rational, and most of all, worthwhile. Politics has been called the art of the possible, and I am realistic enough to know that there are times when even though the programs are right and causes are just, that because of extenuating circumstances, they cannot happen at that time. It is important, however, for me to stress the positive and to stress the feature of this legislation which was not deleted, and which in my judgment could not have been compromised, that is, the priority for serving the severely handicapped under the title I of the act.

As I traveled around the country, spoke with the handicapped themselves, and listened to individuals and organizations testify before our committee, I was upset to learn that individuals whose handicaps were the most severe, but who could through training or rehabilitation services prepare to go to work, could not even become clients under the State rehabilitation programs. I found it was not a matter of the States being unable to help them, but because of pressures and quotas placed upon State agencies and counselors within those State agencies to produce more "rehabilitated" clients each year. I became concerned that rehabilitation agencies were playing the numbers game and that numbers rather than people had become the guiding thrust for policy decisions.

Because numbers were more important than people, it simply followed the States would accept as clients those individuals whose disabilities were not as great or those "easier" to rehabilitate. We found that many clients fell under the "four H's: hernias, hysterectomies, hearing aids, and hemorrhoids." I am not suggesting that an individual afflicted with any of these problems is not in need of assistance, but most of these individuals were served with a one time referral which produced either equipment or a minor operation and were then considered rehabilitated. These people ultimately were given services at the expense of individuals whose disabilities are far more complex and much more difficult to treat and correct. I can remember sitting in the hearings listening to individuals afflicted with cerebral palsy tell us that most CP's don't even bother to go to rehabilitation agencies any more because they have been denied services for so long. The same is true with the severely retarded and others with multiple handicaps.

So when the committee originally considered this legislation our concern was to guarantee that those individuals, regardless of disability, who had the most serious problems would be served. The committee never intended to eliminate any individual who had a legitimate handicap, but in placing a priority for the most severely handicapped, stated in the law that they should be served first. To me, this is the most positive, significant, and far-reaching step that the Congress has taken on behalf of the handicapped. It is my hope that we have eliminated cause for all quotas that have been placed on rehabilitation counselors and the need to "cream" the client population, to find the "easy rehabilitation" and to give those individuals whose disabilities are severe but who can go to work an opportunity to receive whatever assistance is necessary to prepare them to be contributing members of society. By retaining this one provision, even though we gave up so many others, it is my feeling that the bill will go down in legislative history as a landmark for the handicapped.

In this regard I was somewhat dismayed to learn that the administration is opposing this provision and in fact persuaded the Senate in its bill to delete the priority and merely give the severely handicapped "equal consideration with other handicapped individuals." I have great difficulty in understanding the bureaucratic mentality that devised this change because it appears to be contrary to the Department of Health, Education, and Welfare's own publicly stated policy. On May 15, 1972, Assistant Secretary for Legislation from HEW, Stephen Kurzman, said—

> Despite the growth of the program, we have still had to make choices and priorities. We have decided to emphasize VR assistance to those who need services most, such as the severely disabled and the disabled public assistance recipients.

One might say that that was over a year ago and there have been changes in administration and changes in policies except that in his prepared statement before the Senate on February 6, 1973, Mr. Kurzman, speaking for the Department said—

> With the growth of the program we have had to make choices and set priorities. Because of our emphasis in general on providing Federal assistance where it is most needed, we have sought to target services on the severely disabled and on disabled public assistance recipients.

Certainly the consistency found in both statements almost 9 months apart illustrates a determination to serve the most severely handicapped. Then, last month, Mr. Kurzman, representing the Department, requested as his No. 1 priority that the Senate change that language. Mr. Speaker, I have great difficulty in understanding why this was done in spite of all the rhetoric on behalf of the handicapped. When I attempted to ascertain why these changes were being promoted, I was advised that the Department would prefer to require the priority by "its own regulations" rather than by having it written into the law.

I can understand the administration's actions to some extent because they have operated in this manner throughout the last year and a half as we have considered this bill, but I have great difficulty in understanding the actions of the Members of the other body. It was the Senate that consistently fought and deliberated for 5 months to retain and rewrite particular provisions of the original House-passed bill. Most specifically, their efforts focused on the severely handicapped. The Senate even went so far as to eliminate our original title III and established a part B under title I to "guarantee" that the most severely handicapped would be served. It was, therefore, disappointing to me to learn that all of these high-sounding principles were recently ignored when the Senate in its bill deleted the priority for serving the severely handicapped. I am hopeful that on reconsideration the priority will be reinstated in the Senate bill.

I am aware there are today individuals with handicaps who will come to the State rehabilitation agencies for services and that these individuals might not fall under the priority set in the bill, but certainly I am confident that agencies will continue to meet the needs of such individuals just as they are doing today because to me priority does not mean total denial of all others. The priority must be set in the State plans, its policies and the methods to be followed in carrying out the plan, and I am sure that each State will make provisions for all of its handicapped citizens.

Mr. Speaker, this bill, to me, is for those who need it the most, and I am confident that in years to come our judgment to help the most helpless will be vindicated through the new hope we are giving to the handicapped. Notwithstand administration opposition, I predict that this bill will be signed into law. I urge my colleagues to give it an overwhelming vote of approval.

Mr. BRADEMAS. Mr. Speaker, I yield 1 minute to the gentleman from North Carolina (Mr. BROYHILL).

Mr. BROYHILL of North Carolina. Mr. Speaker, I am pleased that the House of Representatives today is considering new vocational rehabilitation legislation. Throughout my 10 years in Congress, I have been a strong advocate of the vocational rehabilitation program. It is one of the oldest Federal grant-in-aid programs. In its 53 years, it has demonstrated its effectiveness in returning over 3 million handicapped Americans to productive, working lives.

This year, the vocational rehabilitation program will serve an estimated 1.2 million people and will successfully rehabilitate 340,000 people. One of the major accomplishments of this program has been the permanent removal of many Americans from the public assistance rolls. It is clear that the program contributes financial as well as social benefits in terms of helping those formerly dependent on the Government to becoming contributing and taxpaying members of society. By training our Nation's handicapped for vocational work, we both serve the unfortunately afflicted and take people off the welfare rolls, and put them back into American society as useful working members of their communities.

Both the administration and Congress share a strong commitment to the Nation's handicapped and the vocational rehabilitation program. In my opinion, H.R. 8070 will fulfill the goals set forth by Congress and by the President to expand vocational rehabilitation work—and it recognizes the need for a responsible Federal funding level.

In 1972, Congress passed a vocational rehabilitation bill that authorized $3.5 billion. It was vetoed because of its excessive spending levels. In March of this year, S. 7, the Senate vocational rehabilitation bill, was passed by both Houses of Congress. It authorized $2.6 billion and a projected $3.3 billion over a 3-year period. The President vetoed it because he felt that it also authorized excessive funding levels.

The bill we are considering today, H.R. 8070, authorizes $1.35 billion for the basic Federal-State grant program for fiscal years 1974 and 1975. Assuming the other open-ended authorizations contained in the bill are funded at the level of the adminstration's budget requests, H.R. 8070 would cost a projected $1.53 billion over a 2-year period. This compares very favorably to the projected $1.4 to $1.5 billion for the administration's requested budget levels. The spending levels in H.R. 8070 will allow vocational rehabilitation to continue to expand the number of handicapped individuals served and rehabilitated by the program.

The Republican side of the aisle can take a great deal of pride in its efforts both to improve and expand the vocational rehabilitation program. The bill introduced by Congressmen ROBISON, ESCH, ERLENBORN, ANDERSON, and myself on March 28, and cosponsored by more than 90 of our Republican colleagues, was a vital instrument in focusing legislative attention on the possibilities for a constructive compromise bill. I think that we are all very much pleased that H.R. 8070 is structured along the lines indicated in our bill.

It is my hope today that we will continue the work Congress started 53 years ago by passing this legislation and assuring the successful future of our vocational rehabilitation program.

Mr. BRADEMAS. Mr. Speaker, I yield 1 minute to the gentleman from Florida (Mr. LEHMAN), a member of the committee.

Mr. LEHMAN. Mr. Speaker, I rise in support of H.R. 8070. I also wish to compliment the chairman of the subcommittee, the gentleman from Indiana (Mr. BRADEMAS), for his diligent work in revising this bill, which I believe will enable us to pass a bill that will serve a great humanitarian need. Under this bill, unfortunate people who are handicapped will now have a way to become useful members of society.

Mr. BRADEMAS. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. REID).

Mr. REID. Mr. Speaker, I thank the distinguished gentleman for yielding, and I commend him for his leadership.

Mr. Speaker, I rise in support of H.R. 8070, the Rehabilitation Act of 1973. This bill has now been twice vetoed by the President, most recently in March of this year. In a second effort to deal with major administration objections to this legislation, the Education and Labor Committee has once again made numerous revisions.

I strenuously opposed the original vetoes and regret the necessity to make further cuts in what was, in its original form, an excellent piece of legislation. However, H.R. 8070, the bill before us today, still contains the basic elements of a comprehensive program of vocational rehabilitation services which are vitally needed for New York State and the Nation, and I thus urge its passage and support by the President.

I would like to make special mention of several important components of this bill contained in title II—special Federal responsibilities. First, is a provision for research and training in the field of vocational rehabilitation. Particular emphasis is placed on efforts to bring together in biomedical engineering projects the talents of scientists and engineers to advance prosthetic and other mobility devices. Second, is a provision which establishes a program for spinal cord injury research, to include support of spinal cord injury projects and demonstrations. This program, established with the recommendations of Dr. Howard Rusk, director of the New York University Institute of Rehabilitative Medicine, hopefully will make it possible to bring under control the now largely fragmented efforts in the restoration of victims of this severely disabling condition. Third is a program for end-stage renal disease research including support of projects and demonstrations for providing special services, artificial kidneys and supplies necessary for the rehabilitation of individuals suffering from such disease. With regard to this program, let me also mention that this will not be duplicative of care provided under H.R. 1, last year's social security amendments. End state renal disease coverage under medicare only applies after 90 days and only for those who are over 65 and eligible or under 65 but disabled. There are literally thousands of individuals in this country who need help long before they are totally disabled. In addition, the subcommittee during hearings heard testimony that as many as 25,000 people, including thousands in New York might have been saved had this service been available. Further, provisions are made in the bill to insure that no duplications will occur when such service is provided under other authority.

The handicapped in our society have been neglected far too long. This legislation provides them with perhaps their only opportunity to return to a productive life. Let us not, in the name of false economies, continue this neglect.

Mr. BRADEMAS. Mr. Speaker, I yield 30 seconds to the gentleman from Indiana (Mr. HUDNUT).

Mr. HUDNUT. Mr. Speaker, I thank my colleague from Indiana for yielding, and would like to associate myself with the remarks that have been made in support of H.R. 8070. Having voted against the previous vocational rehabilitation bill (H.R. 17) because I felt it was indulging in the politics of excess, spending too much money and creating too much bureaucracy, I want to go on record as supporting this bill, which seems to me to represent an honest attempt at responsible fiscal conservatism. The handicapped in America are an important, and oft neglected, segment of our society, and I am casting my vote today for them, and for this bill.

Mr. BRADEMAS. Mr. Speaker, I will address a question to my friend from Indiana (Mr. LANDGREBE) who indicated his support for the bill before the other body. I should like the gentleman to tell the Members of the House what the effect of passage of that other bill would be on the allocation of money to the several States?

Mr. LANDGREBE. Mr. Speaker, I do not believe I am qualified to answer that question.

Mr. BRADEMAS. I am distressed to hear my friend from Indiana, Mr. Speaker, say that he is not qualified to answer my question. For the effect of the allocation of funds for the rehabilitation of handicapped persons in the several States is of absolutely fundamental consequence to our decision.

I can tell my friend from Indiana that I have in front of me a letter from the Acting Commissioner of the Rehabilitation Service Administration—a letter delivered to me this morning—which says, with respect to the legislation supported by my friend from Indiana:

> We do not understand the manner in which the Secretary would be directed to distribute both the basic amounts authorized and excess amounts

Mr. LANDGREBE. I might ask my colleague——

Mr. BRADEMAS. I have the time.

Mr. LANDGREBE. Yes.

Mr. BRADEMAS. May we have regular order, Mr. Speaker.

The SPEAKER. The regular order has been demanded.

Mr. BRADEMAS. Then the Commissioner goes ahead to say——

Mr. LANDGREBE. Mr. Speaker, will the gentleman yield?

Mr. BRADEMAS. I shall not yield until I finish.

The Commissioner goes ahead to say that for this reason, namely that they have not been able to understand the manner in which the Secretary would be required to allocate the funds, they are unable to prepare a table that describes which States would get how much money.

I can say, however, that the National Rehabilitation Association, which is the major organization of rehabilitation agencies in the United States, has given its judgment that, under the other body's bill, every State would lose money.

Mr. ERLENBORN. Mr. Speaker, if the title of H.R. 8070 has a familiar ring, it is because we have traveled this road several times over the past year or so. Reviewing the history of this bill will serve no purpose, but there perhaps is a purpose in discussing a theme surrounding it—that H.R. 8070 is not perfect.

Perfect, like beauty, is in the eyes of the beholder. At this point in time, to those people in need of the rehabilitation assistance H.R. 8070 offers, it is no doubt a masterpiece. In my view, they have had an agonizing time waiting for enactment of a new Rehabilitation Act.

If I had my way, I would probably make some additional changes; but we cannot each of us have our way. The Education and Labor Committee has been more than willing to bend—not as far as all of us would have liked, but I think the changes in the bill thus far have been significant. I point to the authorization levels in the bill as an example. In the vetoed bill last October, the authorization level was $3.4 billion. In March it was $2.6 billion, and this bill is $1.3 billion and is the administration's budget request for the basic State programs.

Title II of the bill, which created so much controversy and objection, has been eliminated; five special emphasis or categorical programs were deleted; and all of the advisory councils and commissions were also deleted. All in all, the committee went a long way toward answering objections that have been raised.

H.R. 8070 still has provisions for mortgage insurance and annual interest grants. It still sets up an Office of the Handicapped. The Senate bill but not the House bill changes the allotment formula. I think that it is more important at this point to get a bill enacted into law and allow the committee to hold the extensive hearings on the formula that have been promised both by the chairman of the subcommittee (Mr. BRADEMAS) and by the chairman of the full committee (Mr. PERKINS).

I would also suggest that many of the points of difference that remain in the bill can be resolved in conference. The few differences that remain between this bill and its apparent counterpart in the other body surely can be resolved.

I believe that the rehabilitation legislation is both beneficial to the vocationally handicapped and responsive to the majority of criticisms that were directed against the previous bills. I urge all of my colleagues to support this legislation today.

Mr. ROBISON of New York. Mr. Speaker, I am pleased that the Committee on Education and Labor has brought to the floor of the House a new vocational rehabilitation bill—one that represents an effort to compromise as between the position taken by this administration and the legislation vetoed earlier this year.

This attempt to reach a compromise, imperfect as it may be, was long overdue. On March 8, when the first vocational rehabilitation bill was on the floor of the House, I delivered myself of a "complaint"—the complaint being that there seemed to be no middle ground—no middle road—no room to compromise—and no one with whom to compromise.

The futility of the exercise we engaged in that day has been amply demonstrated. The bill was vetoed, and the veto was sustained.

Much to my surprise, it was the Senate who sustained the veto. However, in anticipation that House action on the veto was going to be necessary, I had drafted a statement for delivery on the House floor. I would like to quote from that statement:

> It should be obvious to everyone that some compromise is necessary, and it seems to me that the initiative for achieving compromise should come from the Congress.

It was for that reason that the gentleman from North Carolina (Mr. BROYHILL) and myself undertook an effort to draft a compromise bill that would represent an accommodation between the committee bill, S. 7, and the administration position, at that time represented by the so-called Landgrebe substitute.

Clearly, neither Mr. BROYHILL or myself are experts on vocational rehabilitation—more expert now than when we began, but still not possessing the expertise that other Members may have on this issue.

Nevertheless, we were drawn to this effort out of a shared, deep concern for the future of vocational rehabilitation. We felt deeply, and still do, that we, in the Congress, had then, and continue to have, an obligation to resolve the differences that may exist between the President and the Congress.

Soon after our effort was underway, we were joined by Congressman MARVIN ESCH, Congressman JOHN ERLENBORN and Congressman JOHN ANDERSON. We did introduce our compromise vocational rehabilitation bill. Eventually, it was cosponsored by nearly 100 Members of the House.

Those of us directly involved in this effort to reach a compromise on this important program did not leave the effort upon the introduction of the legislation. Individually and collectively, we not only brought our bill to the attention of the administration, but sought the administration's views on and support for our bill.

It is my own feeling that our efforts helped pave the way for the negotiations which followed and formed the basis for the legislation we have before us, today.

The bill, H.R. 8070, which we have under consideration today is, though not identical, very similar to the Robison-Broyhill - Esch-Erlenborn-Anderson compromise.

It is a good bill. Admittedly, it does not contain all of the provisions each of us individually might like to have had included but, after all, that is the essence of compromise.

In any case, the bill does not only provide for the continuation of the important vocational rehabilitation program, but does allow for its reasonable expansion and growth—reasonable from both a practical and fiscal standpoint.

It is my hope that the Senate will find it possible to act quickly on this legislation so that we will have the needed legislative authority on June 30, 1973, when the present authority expires for this essential program.

Mr. Speaker, it is essential, particularly in the unique climate of the present, that Congress act responsibly—that Congress take the initiative—that Congress be responsive—that Congress participate in a meaningful dialog with the Executive—so that maybe—just maybe—we can prove wrong those gloomy prognosticators—those people who have begun to question the viability of our political system on the grounds that reasonable men can no longer reason together.

I do believe that the vocational rehabilitation bill demonstrates that we can reason together and that Congress does have the capability to take the initiative and, to be responsive. It is a pattern that we should continue to follow.

Mr. O'BRIEN. Mr. Speaker, I support this bill. For more than 50 years we have had vocational rehabilitation programs to work with handicapped persons. Through such programs they gain skills needed in business and industry, skills that enable them to get and hold jobs, to become useful members of society. They are an important segment of the Nation's work force.

H.R. 8070 is a good bill. It compares favorably with H.R. 6511 of which I am a cosponsor with a number of my colleagues from this side of the aisle. We believe it will meet the most serious objections of the President when he vetoed S. 7 earlier this spring.

For example, H.R. 8070 authorized $1.35 billion for basic State services in fiscal years 1974 and 1975, which is identical to the administration's budget request. While I recognize that this bill also includes open-ended authorizations for research, construction, training, and other services, I think we can see to it, through the appropriations process, that outlays for such services are kept within reasonable bounds.

Title II of the vetoed bill is eliminated in H.R. 8070, thus removing one of the administration's major objections to S. 7. Title II would have extended services to persons who are so severely handicapped that they have no identifiable employment potential. They certainly need help but it is questionable that this is the type of program through which such assistance should be extended. Instead, H.R. 8070 provides for a comprehensive study and research and demonstration project to determine the feasibility of helping such persons. Recommendations based on these studies are to be made within 2 years—by June 30, 1975.

In addition, this bill will eliminate several categorical grant programs opposed by the President. Because they overlap and duplicate existing services. It also eliminates four of the advisory groups which the administration found objectionable.

In brief, I find this bill a good compromise bill and support its enactment.

Mr. PRICE of Illinois. Mr. Speaker, our handicapped citizens need programs to help make them functional, productive members of our society. The Vocational Rehabilitation Act of 1973 will give these neglected citizens training programs that culminate into job opportunities. The best help is self-help and the Vocational Rehabilitation Act gives our handicapped citizens a chance to help themselves. Under this program even the severely handicapped individual has opportunity for rehabilitation. Rehabilitation combined with job training enables our handicapped citizens to support themselves.

It is unfortunate that the Nixon administration vetoed an earlier version of the Vocational Rehabilitation Act. Stating that the bill outstripped the required budget request levels and objecting to programs for the severely handicapped, it was vetoed by the President. Yet as we have seen and will continue to see, a Government investment in aid to the handicapped cannot be a waste.

For example, last year under similar programs 51,084 handicapped persons were receiving public assistance before they were rehabilitated. This number was 17 percent of all persons rehabilitated and represented an increase of 26 percent over the number of public assistance recipients rehabilitated the year before. In 1972 more than 312,000 disabled people were rehabilitated and each public assistance recipient rehabilitated represents an average savings of $650 in public assistance payments. This is a net savings of over $34 million a year to our taxpayers. The new expanded Vocational Rehabilitation Act gives the handicapped the opportunity to help themselves. No longer will these citizens be forced to remain on our Nation's welfare rolls. The Vocational Rehabilitation Act of 1973 provides job opportunities for our handicapped allowing them to become self-supporting taxpaying citizens.

The Vocational Rehabilitation Act of 1973 will increase the scope of assistance to the handicapped individual and go on to include the severely handicapped. Clearly, past experience has shown us that Federal investment in our handicapped is valuable. We will always welcome and admire the rehabilitated citizen who has conquered his handicap and become a productive member of society.

To better facilitate the implementation of the Vocational Rehabilitation Act of 1973, Illinois will receive an estimated $21,202,454 in 1973 and $24,275,633 in 1974 for the programs incorporated in the act.

It is my hope the passage of this bill will provide new help as well as a hope for our handicapped citizens.

Mr. VANIK. Mr. Speaker, it pleases me that the adoption of my proposals to protect the rights of handicapped people in employment, and in the issuance of Federal grants, have been incorporated into this compromise bill. Although the revised bill is better than nothing, it is a cutback in funds at a time when inadequate educational facilities for the handicapped is becoming a visible national scandal.

The veto of the original vocational rehabilitation bill was a shameful and cruel display of power against millions of children. This newly revised bill is a "band-aid" that does not even begin to serve the real needs of the country—all 50 States provide inadequate services.

The Congress must begin to recognize the estimated 4½ million children who are denied special services in the schools of America. This shocking figure means that 60 percent of all handicapped children are ignored and untreated.

I cannot fully rejoice with the passage of today's revised Vocational Rehabilitation Act. We are just beginning to do too little as the dimension of the problem grows in geometric proportions. When the Congress begins to pass legislation to insure and provide educational services for all of our children—then we can rejoice.

Recent disclosures concerning the U.S. Office of Education's mishandled contracts to aid handicapped children—further jeopardize any type of legislation to help these children.

The bugaboo here is that HEW itself apparently has no intention of making the grants, even if further funds are appropriated by the Congress. Health, Education, and Welfare is already sitting on mounds of impounded funds, that were designated to help handicapped children.

The Congress must seriously begin to consider proposals that will begin to provide creative solutions to the problems. In ancient Greece, in the city-state of Sparta, the people would take the handicapped newborn, and leave them to die of exposure on the mountainside. Are we guilty of the same type of gross neglect in this country?

I would hope that we can now begin to counter this historic trend of negligent cruelty to handicapped children, with new solutions and more money.

The SPEAKER. The question is on the motion offered by the gentleman from Indiana (Mr. BRADEMAS) that the House suspend the rules and pass the bill H.R. 8070, as amended.

Mr. QUIE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 384, nays 13, not voting 35, as follows:

[Roll No. 176]

YEAS—384

Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashley
Aspin
Bafalis
Barrett
Beard
Bell
Bennett
Bergland
Bevill
Biester
Bingham
Blackburn
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Brasco
Bray
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Mass.
Burlison, Mo.
Burton
Butler
Byron
Carney, Ohio
Cederberg
Chamberlain
Chappell
Chisholm
Clancy
Clark
Clausen, Don H.
Clay
Cleveland
Cochran
Cohen
Collier
Conable
Conlan
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Dingell
Donohue
Dorn
Downing
Drinan
Dulski
Duncan
du Pont
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Flood
Flowers
Flynt
Foley
Ford, Gerald R.
Ford, William D.
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gubser
Gude
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Harvey
Hastings
Hawkins
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Holtzman
Horton
Hosmer
Howard
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
King
Kluczynski
Koch
Kuykendall
Kyros
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McSpadden
Macdonald
Madden
Madigan
Mahon
Mailliard
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne

Mazzoli
Meeds
Melcher
Mezvinsky
Michel
Milford
Miller
Mills, Ark.
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Morgan
Mosher
Murphy, Ill.
Myers
Natcher
Nedzi
Nix
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Podell
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reid
Reuss
Rhodes
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Runnels
Ruppe
Ruth
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Saylor
Scherle
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Ariz.
Stephens
Stokes
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, Mo.
Taylor, N.C.
Teague, Calif.
Teague, Tex.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Veysey
Vigorito
Waggonner
Waldie
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

### NAYS—13

Ashbrook
Baker
Camp
Clawson, Del
Collins
Crane
Gross
Huber
Landgrebe
Rarick
Rousselot
Symms
Treen

### NOT VOTING—35

Abdnor
Badillo
Biaggi
Breaux
Burke, Calif.
Burke, Fla.
Burleson, Tex.
Carey, N.Y.
Carter
Casey, Tex.
Davis, Ga.
Diggs
Eckhardt
Fisher
Fulton
Gray
Gunter
Keating
McKinney
Metcalfe
Minshall, Ohio
Moorhead, Pa.
Moss
Murphy, N.Y.
Nelsen
Nichols
Patman
Riegle
Rooney, N.Y.
Roy
Roybal
Satterfield
Shoup
Steiger, Wis.
Towell, Nev.

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The Clerk announced the following pairs:

Mr. Rooney of New York with Mr. Casey of Texas.

Mr. Davis of Georgia with Mr. Burke of Florida.

Mr. Murphy of New York with Mr. Roy.

Mr. Roybal with Mr. Nelsen.

Mr. Gunter with Mr. Carter.

Mr. Biaggi with Mr. Minshall of Ohio.

Mr. Badillo with Mr. Breaux.

Mr. Nichols with Mr. Carey of New York.

Mr. Diggs with Mr. Eckhardt.

Mr. Fulton with Mr. Keating.

Mr. Moorhead of Pennsylvania with Mr. Metcalfe.

Mr. Riegle with Mr. Steiger of Wisconsin.

Mr. Satterfield with Mr. Fisher.

Mr. Burleson of Texas with Mr. Abdnor.

Mrs. Burke of California with Mr. Towell of Nevada.

Mr. Moss with Mr. Shoup.

Mr. Gray with Mr. McKinney.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

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## GENERAL LEAVE

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

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## PERMISSION FOR COMMITTEE ON EDUCATION AND LABOR TO FILE REPORT ON H.R. 3926

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent that the Committee on Education and Labor may have until midnight tonight to file a report on H.R. 3926, National Endowment on the Arts and Humanities.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

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## EXCHANGE OF REAL PROPERTY IN THE STATE OF ARKANSAS

Mrs. SULLIVAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1820) to direct the Administrator of General Services to release a condition with respect to certain real property conveyed to the State of Arkansas by the United States, and for other purposes, as amended.

The Clerk read as follows:

### H.R. 1820

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) notwithstanding any provision of the Act of May 19, 1948 (62 Stat. 240, U.S.C. 667b), or of any other law, the Administrator of General Services (hereafter referred to in this Act as the "Administrator") is authorized and directed to release, subject to section 2 of this Act, on behalf of the United States with respect to certain portions of the real property which is located in the county of Faulkner, State of Arkansas, and which was conveyed by the United States to the State of Arkansas by deed dated June 29, 1949, the conditions in that deed which require that the real property so conveyed—

(1) be continuously used only for the conservation of wildlife, other than migratory birds; and

(2) revert to the United States at any time it ceases to be so used, or in the event it is needed for national defense purposes.

(b) As used in this Act, the term "certain portions" means those portions of the real property conveyed by the United States to the State of Arkansas by such deed dated June 29, 1949, which in part abut the east boundary of such real property and which lie generally east of Saltillo Road.

Sec. 2. (a) The release of the conditions described in subsection (a) of the first section of this Act with respect to the certain portions is contingent upon the entering into of an agreement between the Administrator and the State of Arkansas under which the State of Arkansas, in consideration for the release of such conditions to the certain portions, agrees—

(1) to exchange such certain portions for one or more parcels of real property which are of approximately comparable value and which at least in part abut any of the boundaries of the real property conveyed by the United States to the State of Arkansas by such deed dated June 29, 1949; and

(2) that the real property so acquired by exchange shall be continuously used only for the conservation of wildlife, other than migratory birds, and in the event it is no longer used for such purpose or in the event it is needed for national defense purposes, title thereto shall vest in the United States.

(b) The release of the conditions described in subsection (a) of the first section of this Act shall not take effect with respect to any of the certain portions until such time as an exchange of real property for that certain portion is executed in accordance with the terms of agreement described in subsection (a) of this section.

Amend the title so as to read: "A bill to direct the Administrator of General Services to release certain conditions with respect to certain real property conveyed to the State of Arkansas by the United States, and for other purposes."

The SPEAKER. Is a second demanded?

Mr. GOODLING. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mrs. SULLIVAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in the support of Chairman Mills' bill, H.R. 1820.

Mr. Speaker, in 1949, the War Assets Administration on behalf of the U.S. Government conveyed to the State of Arkansas approximately 4,200 acres of land to be managed for wildlife conservation purposes. The conveyance was made subject to the condition that the property would continue to be used for wildlife conservation and, in the event it ever ceased to be used for such purpose or in the event it was needed for national defense purposes, title thereto would revert to the United States.

The State of Arkansas has indicated that it would like to exchange three small tracts of the conveyance containing approximately 200 acres for more desirable land that could be more appropriately managed together with the large tract, containing approximately 4,000 acres.

Mr. Speaker, since the legislation would require the land obtained in exchange to contain the same conditions as the land being exchanged, I feel that the interest of the U.S. Government will be adequately protected and, at the same time, the State of Arkansas will be able to carry out its objective of managing this land for wildlife conservation in a more effective and economical manner.

Mr. Speaker, I urge the prompt passage of H.R. 1820.

Mr. Speaker, I might point out that there are typographical printer's errors in the printed version of H.R. 1820, as reported, and there are marked-up copies of the bill at the desk which show the corrections to be made.

Mr. Speaker, I yield such time as he may consume to the chairman of the subcommittee, the gentleman from Michigan (Mr. Dingell).

Mr. DINGELL. Mr. Speaker, I thank

our distinguished chairman for having yielded to me.

Mr. Speaker, in 1949 the War Assets Administration conveyed to the Arkansas Game and Fish Commission approximately 4,200 acres of land located in the counties of Pulaski and Faulkner, State of Arkansas, to be managed for wildlife conservation purposes.

The conveyance was made subject to the requirements that the property would continue to be used for wildlife conservation purposes and in the event it is no longer used for such purposes or in the event it is needed for national defense purposes, title to the land would revert to the U.S. Government.

Mr. Speaker, the purpose of H.R. 1820 is to permit the State of Arkansas to exchange three small tracts of this conveyance, consisting of approximately 200 acres, for certain other lands of comparable value that can be better managed for the preservation of wildlife.

In accomplishing this purpose, section 1 of the bill would authorize and direct the General Services Administration, on behalf of the U.S. Government, to release the restrictions attached to the conveyance with respect to the three small tracts.

Section 2 of the bill would provide that the release of the conditions would be contingent upon the General Services Administration and the State of Arkansas entering into an agreement under which the State would agree: First, to exchange the three small tracts for one or more parcels of land of approximately comparable value and which at least in part would abut any of the boundaries of the other land described in the 1949 deed; and second, that the real property acquired in exchange would be subject to the same conditions as those released on the three small tracts. However, the bill would provide that the conditions attached to the three small tracts would not be released until such time as the three small tracts are actually exchanged pursuant to the agreement entered into between the State of Arkansas and the General Services Administration.

Mr. Speaker, H.R. 1820 has the support of the Federal agencies reporting on the legislation and the Arkansas Game and Fish Commission. It was unanimously reported by the Merchant Marine and Fisheries Committee and, if enacted into law, would not result in any cost to the Federal Government.

Mr. Speaker, I think it is a good bill and I urge its prompt passage.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. DINGELL. I yield to my friend, the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, do I understand that the State of Arkansas would make available to the U.S. Government 200 acres or some such approximate amount and the Government would make available to the State some 4,000 acres?

Mr. DINGELL. No. The answer is that this affords the opportunity for land exchange. The boundaries of the refuge involved would remain approximately the same. There will be an exchange of approximately 200 acres and that is all.

Mr. GROSS. There is no monetary consideration involved?

Mr. DINGELL. No monetary consideration is involved. There is no cost to the Federal Government, and there is no dissipation of Federal land resources.

Mr. GROSS. What about mineral rights?

Mr. DINGELL. The mineral rights have already been disposed of.

Mr. GROSS. By the Federal Government?

Mr. DINGELL. That is correct.

Mr. GROSS. By whom?

Mr. DINGELL. By the GSA.

I would like to refer the gentleman from Iowa to the report on page 5 which reads as follows:

> On April 28, 1959, the mineral interests were sold to a private person, pursuant to the powers and authority contained in the provisions of the Federal Property and Administrative Services Act of 1949. Therefore, in accordance with the suggestion of both GSA and the Department of the Interior that this section of the bill was no longer needed, your Committee deleted Section 3 from the bill.

The gentleman will note that section 3 of the bill, as introduced, is deleted because it is no longer needed.

Mr. GROSS. Is there a condition with respect to migratory waterfowl?

Mr. DINGELL. I would inform the gentleman that any time the land exchanged ceases to be used for refuge purposes it reverts back to the Federal Government.

Mr. GROSS. This would not in any way create a select hunting reserve for private use in that area, would it?

Mr. DINGELL. The gentleman is correct. It would not.

Mr. GOODLING. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I urge passage of the bill. As the gentleman from Michigan (Mr. DINGELL) has so adequately explained, this legislation is needed in order to permit the State of Arkansas to convey approximately 200 acres, without any revisionary interests in the United States, which are not contiguous to the main wildlife management area, and to acquire lands contiguous to the area of comparable value for greater resource management and control. We have adequately protected the interests of the United States by requiring that these new lands to be bought by the State of Arkansas will revert to the United States if needed for national security purposes or if the land is no longer needed or used for wildlife purposes.

There are no costs to the bill. The administration supports the legislation, as does the minority membership of the committee.

The SPEAKER. The question is on the motion offered by the gentlewoman from Missouri (Mrs. SULLIVAN) that the House suspend the rules and pass the bill H.R. 1820, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

## GREAT DISMAL SWAMP NATIONAL WILDLIFE REFUGE

Mrs. SULLIVAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3620) to establish the Great Dismal Swamp National Wildlife Refuge, as amended.

The Clerk read as follows:

H.R. 3620

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*. That (a) there is established a national wildlife refuge to be known as the "Great Dismal Swamp National Wildlife Refuge" (hereinafter referred to in this Act as the "Refuge"). The Refuge shall consist of—

(1) those lands and waters, comprising forty-nine thousand ninety-seven and eleven one-thousandths acres, of which a 40 per centum undivided interest therein was granted to the United States of America by The Nature Conservancy by deed dated February 22, 1973, and which are more particularly described in exhibit A of the deed, dated February 21, 1973, by which such interest in such lands and waters was granted to The Nature Conservancy by the Union Camp Corporation (and such deeds shall be on file and available for public inspection in the office of the Bureau of Sport Fisheries and Wildlife, Department of the Interior); and

(2) such additional lands and waters and interests therein as the Secretary of the Interior (hereinafter referred to in this Act as the "Secretary") may acquire after the date of the enactment of this Act pursuant to section 3 of this Act.

(b) Until such time as the remaining undivided interest in the lands and waters described in subsection (a)(1) of this section is granted to the Secretary, he shall lease such remaining interest on such terms and conditions as he deems appropriate.

SEC. 2. Subject to such restrictions, conditions, and reservations as are specified in the deeds referred to in the first section of this Act, the Secretary shall administer the lands and waters and interests therein within the Refuge in accordance with the provisions of the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd–668ee), except that the Secretary may utilize such additional statutory authority as may be available to him for the conservation and management of wildlife and natural resources, the development of outdoor recreation opportunities, and interpretative education as he deems appropriate to carry out the purposes of this Act. In the administration of the Refuge, the Secretary and the Chief of Engineers, Corps of Engineers, shall enter into such consultations and take such cooperative actions as they deem necessary and appropriate to insure that any navigational or other uses made of the Dismal Swamp Canal do not adversely affect the Refuge and, in this regard, particular attention shall be given by the Secretary and the Chief of Engineers with respect to maintaining an appropriate water level in Lake Drummond.

SEC. 3. The Secretary may acquire by donation, purchase with donated or appropriated funds, or exchange, such lands and waters and interests therein (including inholdings) that are adjacent to the lands and waters described in subsection (a)(1) of the first section of this Act and are within the area known as the Great Dismal Swamp located in the States of Virignia and North Carolina as he determines to be suitable to carry out the purposes of this Act; except that the

Secretary may not acquire any such lands and waters and interests therein by purchase or exchange without first taking into account such recommendations as may result from the study required under Public Law 92–478, approved October 9, 1972 (86 Stat. 793–794).

SEC. 4. There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

The SPEAKER. Is a second demanded?

Mr. GOODLING. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mrs. SULLIVAN. Mr. Speaker, I rise in support of H.R. 3620, a bill that was introduced by the entire Virginia delegation.

Mr. Speaker, this legislation would establish by an act of Congress the Great Dismal Swamp National Wildlife Refuge. To be included in the refuge would be the 49,000-acre tract of lands and waters located in the State of Virginia that was donated to the U.S. Government by the Union Camp Corp. through the Nature Conservancy. Also to be included in the refuge would be such additional lands as the Secretary of the Interior may acquire in the future in the States of Virginia and North Carolina, after taking into consideration the results of the study now underway of the Great Dismal Swamp.

Mr. Speaker, I would like at this time to commend the Union Camp Corp. and the Nature Conservancy, the unpaid middleman, for making this historical and most unique swamp available to the people of this country for the preservation and conservation of our valuable fisheries and wildlife resources. I sincerely hope that other property holders of valuable wildlife habitat and conservation groups will follow the example set by these two organizations.

Mr. Speaker, I wholeheartedly endorse the passage of H.R. 3620.

Mr. Speaker, I yield such time as he may desire to the gentleman from Virginia (Mr. DOWNING).

Mr. DOWNING. Mr. Speaker, I rise in support of H.R. 3620, legislation which I, along with all my fellow Virginians in the House, introduced as a followup to legislation which received the Congress approval last year and became public law. That bill provided for the Secretary of the Interior to conduct a study to determine the most desirable and most feasible means for protecting and preserving the area known as the Great Dismal Swamp, which is located in our beloved Virginia and neighboring North Carolina. Although the overall study has not been completed, it has been determined that at least a portion of the swamp will be used as a wildlife refuge.

The implementation of such a program was facilitated by the willingness of the Union Camp Corp., to donate its entire holdings in the swamp, which comprise over 70 square miles and constitute approximately one-half of the swamp in Virginia, for preservation and protection by the U.S. Government. The first portion of the donation, which overall involves 20 percent of the swamp's area, has been completed and was accomplished through the efforts and assistance of the Nature Conservancy, a nonprofit organization which acquires natural areas for preservation in the public interest. The Nature Conservancy served as an unpaid middleman and deserves our praise and appreciation for its efforts in acquiring this land for the purpose of creating a refuge to foster wildlife preservation.

The designation of the area as the Great Dismal Swamp National Wildlife Refuge, which would be accomplished by the enactment of my bill, is fitting and proper. The Dismal Swamp contains forms of plant and animal life seldom seen elsewhere. For some it is the northern end of their range: A unique native species of birds nest in the swamp, and one of the last native breeding populations of black bears in the East is there. Insects, fishes, frogs, mammals, and a varied assortment of plants combine in a unique community. At the heart of the swamp, on the property being conveyed by Union Camp, is Lake Drummond, covering nearly 3,000 acres whose unusually pure waters are essential to the swamp ecosystems.

In view of the need to preserve this unique area and the willingness of its owner to donate it to the U.S. Government for purposes of preservation, I see no possible objection to the passage of this bill which would establish a National Wildlife Refuge in the Geat Dismal Swamp. It was unanimously passed by the Merchant Marine and Fisheries Committee.

Mrs. SULLIVAN. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan (Mr. DINGELL), the chairman of the subcommittee.

Mr. DINGELL. Mr. Speaker, in February of this year the Union Camp Corp., by way of the Nature Conservancy, an unpaid middleman, made the largest single donation ever made to the U.S. Government for wildlife conservation purposes. The gift consisted of a 40 percent undivided interest in 49,097 acres of the Great Dismal Swamp located in the State of Virginia. One of the conditions attached to the deed of conveyance was a requirement that this land would have to be administered as a unit of the National Wildlife Refuge System and should it ever cease to be used as a National Wildlife Refuge, then title thereto would revert to the donor.

Mr. Speaker, one of the reasons that prompted the Committee on Merchant Marine and Fisheries to report the legislation under consideration today was to prevent this possibility of reverter from ever occurring.

Mr. Speaker, briefly explained, section 1 of H.R. 3620 would establish by an act of Congress the Great Dismal Swamp National Wildlife Refuge. To be included in the refuge would be the 49,000-acre tract of land deeded by Union Camp Corp. and the Nature Conservancy to the U.S. Government. Also to be included in the refuge would be such additional lands and waters and interests therein as the Secretary of the Interior may acquire in the Great Dismal Swamp in the States of Virginia and North Carolina.

Section 1 of the bill also would require the Secretary of the Interior to lease the remaining undivided interest—consisting of 60 percent as of this date—of the 49,000-acre tract of land on such terms and conditions as he may deem appropriate until such time as the remaining undivided interest in this tract is granted to the Secretary, estimated to be over the next 3 to 4 years.

Section 2 of the bill would require the Secretary of the Interior to administer the lands and waters within the refuge in accordance with the National Wildlife Refuge System Act of 1966, as amended. However, with respect to the administration of the 49,000-acre tract of land, such lands would be required to be administered in accordance with the restrictions, conditions, and reservations specified in the deeds of the donors.

In addition, section 2 of the bill would authorize the Secretary of the Interior to utilize such additional statutory authority as may be available to him to assist in the management and development of the area.

Also, with respect to the administration of the area, the Secretary of the Interior and the Corps of Engineers would be required to coordinate their efforts to see that navigational and other uses of the Dismal Swamp Canal do not adversely affect the refuge. In this regard, particular attention would be required to be given to maintaining an appropriate level of water in Lake Drummond, which is a part of the 49,000-acre gift.

Section 3 of the bill would authorize the Secretary of the Interior to acquire by donation, purchase, or exchange, lands and waters adjacent to the 49,000-acre tract and which are considered a part of the Great Dismal Swamp in the States of Virginia and North Carolina. However, the Secretary would not be authorized to acquire any additional areas by purchase or exchange until after a study has been completed of the area and he has given consideration to the recommendations made to the Congress pursuant to Public Law 92–478. The study is required to be completed no later than October 9, 1974.

Mr. Speaker, H.R. 3620, as amended, has the support of the entire Virginia Delegation and a number of national conservation groups. It was unanimously reported by the Merchant Marine and Fisheries Committee and I urge its prompt passage.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Iowa (Mr. GROSS).

Mr. GROSS. Mr. Speaker, why is this bill open-ended?

Mr. DINGELL. I would tell my good friend from Iowa, it was for the reasons which are listed on page 8 of the report.

For operation and maintenance the refuge will cost:

During fiscal year 1973, $43,000.

Fical year 1974, $60,000.

Fiscal year 1975, $240,000.

Fiscal year 1976, $265,000.

Fiscal year 1977, $290,000.

And fiscal year 1978, $315,000.

These are the cost estimates that are required to be submitted by reason of the rules of this body with regard to the legislation now before us.

In addition to this, the Department of the Interior has estimated that it will cost an additional $100,000 for development of the refuge master plan.

I will advise my good friend from Iowa, that there can be no further expenditure of money, particularly for land acquisition, until the study referred to in the bill is completed. The committee has chosen to make an open-ended recommendation for that purpose because we will have to act at a time later with regard to land acquisition.

Mr. GROSS. Mr. Speaker, will the gentleman yield further?

Mr. DINGELL. I yield further.

Mr. GROSS. Why should there be $43,000 for fiscal year 1973, which has only a comparatively few days to run?

Mr. DINGELL. It may be that it will be possible to cut that figure back. We want to remember that this legislation has been some while in coming to the floor. The cost estimate, considering the close of the fiscal year, may be a little bit out of date.

Mr. GROSS. I note that in fiscal year 1974, $60,000 is to be provided, and then in fiscal year 1978 it jumps to $315,000. In other words, there is a more than five times increase in the cost of maintenance of this area.

Mr. DINGELL. The gentleman is correct on the figures.

I would say to my good friend that refuges do not do much good just sitting there. It has been the policy of the Department of the Interior to develop refuges for two purposes. First is the protection of wildlife and migratory waterfowl, and second is for the incidental public use for public recreation, public information, public education, and other enjoyments of that sort which the public can derive from the refuge system.

What will happen with this refuge is that there will be a program of outdoor recreation, a program of interpretative education, visitor centers, so that the people may enjoy the absolutely unique area, which was recognized to have unique beauty back in the time of George Washington, who was the first owner of this land in question.

Mr. GROSS. It is unfortunate that the committee did not insert the cost figure in the bill instead of leaving it open ended. We are taking no position here today over what the expenditures will be for the ensuing fiscal years. The bill is entirely open ended and entirely up to the Appropriations Committee. I am opposed to open-ended authorization bills.

Mr. DINGELL. I thank the gentleman from Iowa. I would inform him that rarely has the Office of Management and Budget allowed the refuge system the amount of money they actually needed to properly perform their duties.

Mr. GOODLING. Mr. Speaker, I yield such time as he may consume to the gentleman from Virginia (Mr. Whitehurst).

Mr. WHITEHURST. Mr. Speaker, I wish to reiterate my support for the bill now before us, H.R. 3620, which would preserve the fish and wildlife resources and habitat within the Great Dismal Swamp. The bill would insure the preservation of this area by establishing as the Great Dismal Swamp National Wildlife Refuge the nearly 50,000 acres of the Dismal located in the State of Virginia. This acreage, consisting of both land and water, has been donated to the United States by the Union Camp Corp.

My colleagues from Virginia and North Carolina and I have long been concerned that the natural condition of the Dismal Swamp be maintained. The entire Virginia delegation in the House has sponsored this bill. The basic reason for our concern is that the Dismal is the last primitive and isolated area remaining on the east coast. The ecology of the swamp is unique. It is a boundary region, since it marks the furthest point north or south that many plants and animals are found. It is on the eastern flyway and has over 80 species of birds. Rare fish and animals are found there. It is essentially a peat bog, containing the only peat fields still forming on the North American Continent.

Unfortunately, there have been encroachments upon the integrity and natural character of the Dismal Swamp over the years. The drainage of Lake Drummond and other water areas within the Dismal has reduced the number of fish and amphibians. In addition, carnivores have been persistently hunted, and wolves and puma are now completely gone. The majestic American bald eagle and osprey are greatly diminished. At the turn of the century, a dozen ivory billed woodpeckers could be seen in 1 day. By 1930 only one was found, and none exist at the present time. The Congress must act now to end these depredations upon this natural wilderness, so that the unique character of the region can be maintained.

We all owe a special debt of gratitude to the Union Camp Corp. for donating 49,097 acres of its property to the United States to be administered as a unit of the National Wildlife Refuge System. The value of this gift is $12.6 million, and it is the largest single donation ever made to the U.S. Government for wildlife conservation purposes. In my judgment, one of the compelling reasons for passage of this legislation is to guarantee that the land is used in the manner intended by the donor. If this is done, it will help to inspire other owners of valuable wildlife property to follow suit by making similar donations. If the bill is not passed, the Department of the Interior will have greater discretion in utilizing the land, thereby increasing the risk that at some point the refuge would be disestablished. This would not only be contrary to the express intent of the donor, but would also be unfair to the great many Americans who want to retain this important and beautiful part of our natural heritage.

I urge your support of H.R. 3620.

Mr. GOODLING. Mr. Speaker, I yield such time as he may consume to the gentleman from Virginia (Mr. Robert W. Daniel, Jr.)

Mr. ROBERT W. DANIEL, JR. Mr. Speaker, I rise in support of this legislation. The Great Dismal Swamp is an unusual geological feature which straddles the border between Virginia and North Carolina. A vast wild land of dense forest and bog rather than a typical swamp, the Great Dismal is a complex environment of water, plants and wildlife, and it is considered one of the richest zoological areas on the Atlantic seaboard.

The Great Dismal contains a variety of flora and fauna, including deer, black bear, small mammals, birds, and reptiles.

In 1793 George Washington described the Dismal Swamp as a "glorious paradise" for wildlife. Washington also purchased a large section of the swamp and attempted to drain it for agriculture.

Since that time, the swamp has seen logging and occasional agricultural efforts. The swamp is now estimated to be a third of its original size, but it has resisted the works of man which would have destroyed its character.

Recently, through the generosity of the Union Camp Corp. and the efforts of the Nature Conservancy, arrangements have been made to transfer 70 square miles of the swamp to the Interior Department for use as a wildlife refuge. Included in the Union Camp gift is most of the land originally owned by Washington.

This land is now within the rapidly growing city of Chesapeake, in my congressional district. Although it has withstood agricultural exploitation for 200 years, we can foresee the day when urbanization would threaten to change the character of the swamp.

By designating this area as the Great Dismal Swamp Wildlife Refuge, Congress can enable future generations to experience this "glorious paradise."

Nearly 20 million visitors annually use national wildlife refuges for purposes carefully regulated to promote wildlife preservation.

This bill also insures that the operation of the Corps of Engineers Canal will not damage the delicate environmental balance in the swamp. Because it is a swamp, maintaining proper water levels is necessary to preserve the character of the swamp.

I am pleased to join Mr. Downing and my fellow Virginians in the House as a cosponsor of H.R. 3620. This bill matches the need for the preservation of the Dismal Swamp with the willingness of the largest landowner in the swamp to donate its holdings to the U.S. Government for this purpose. I might point out that there are no costs to the taxpayers other than administering the refuge. This by any standard is a true bargain.

The wild character of the Dismal Swamp provides a direct link between our generation and the earliest history of our Nation. We must preserve this link for the future.

I urge the immediate enactment of this legislation.

Mr. GOODLING. Mr. Speaker, I yield such time as he may consume to the gentleman from North Carolina (Mr. Mizell).

Mr. MIZELL. Mr. Speaker, for some time there has been a controversy of sorts over whether to make the Great Dismal Swamp on the North Carolina-Virginia border a national wildlife refuge.

There has been a lot of talk among environmental groups, private developers and public officials, but Mrs. Teague's fifth grade class at Summit Elementary School in Winston-Salem, N.C., has done more than talk.

They have had a bake sale, and they have held a bazaar, and they have raised $180, which one student in the class says will buy 1 acre of the land in the Great Dismal Swamp.

Lacy James writes that the class has had this project going since February, out of a keen desire to make the "Dismal" a "national park."

Lacy writes:

> We know that we personally can only buy about an acre, but that's a start, and we hope to raise much more money to buy more land.

I want to say, Mr. Speaker, that I commend Mrs. Teague's fifth grade class for their efforts, and I am sure my colleagues in the House concur.

As the students say, it is only a start, but you have to have a start before you can finish, I hope my colleagues will look with favor on this request of Mrs. Teague's class.

Mr. GOODLING. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker. I rise in support of the bill, H.R. 3620, which would establish the Great Dismal Swamp Refuge in the State of Virginia. I concur in the excellent explanatory remarks of the gentleman from Virginia (Mr. Downing). The legislation was sponsored by the entire Virginia delegation and unanimously reported out by your committee.

The Great Dismal Swamp is a fragile ecological system comprised of a host of fish, wildlife, flora, and other organisms, all living in a delicate balance dependent on the existing water level of Lake Drummond in the center of the to-be-created refuge.

Historically, Public Law 92–478, enacted in the 92d Congress, authorized a 2-year feasibility study on the Great Dismal Swamp. However, the study was couched in terms of emphasizing recreational boat and other public uses of this fragile area.

As a result of the hearings which the committee held, it was concluded that particular emphasis should be laid on the need for the preservation of the Dismal Swamp area as a wildlife refuge with a restricted and limited amount of public use. The area can be compared with the Everglades in Florida—not only to the degree that commercial development encroachment and high public use has severely damaged the environment, but also in regard to the continued decline in the Everglades water table, with a resulting loss of fish and wildlife habitat, as a result of excess land drainage and irrigation.

The key to protection of the Great Dismal Swamp is Lake Drummond—as the water level of the lake rises and falls due to utilization of the locks of the Drummond Canal to permit the passage of pleasure boats, the habitat area in the swamp is irreparably damaged. The bill requires the Secretary to consider, in cooperation with the Corps of Engineers, the lock operation in the context of wildlife management and protection, in addition to providing congressional approval for the Department's land acquisition from Union Camp for wildlife refuge purposes.

Future land acquisitions in the Dismal Swamp area will be guided by the results of the Interior study so that we have no inherent conflict with this earlier enacted law.

Mr. Speaker, I urge the bill's adoption.

The SPEAKER. The question is on the motion offered by the gentlewoman from Missouri (Mrs. Sullivan) that the House suspend the rules and pass the bill H.R. 3620, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

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## GENERAL LEAVE

Mrs. SULLIVAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bills H.R. 1820 and H.R. 3620 just passed.

The SPEAKER. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

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## PROVIDING FOR CONSIDERATION OF H.R. 7935, FAIR LABOR STANDARDS AMENDMENTS OF 1973

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 419 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. Res. 419

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7935) to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rates under that Act, to expand the coverage of that Act, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed three hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Missouri is recognized for 1 hour.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Nebraska (Mr. Martin) pending which I yield myself such time as I may consume.

Mr. Speaker, I yield 5 minutes to the chairman of the Committee on Rules, the gentleman from Indiana (Mr. Madden).

Mr. MADDEN. Mr. Speaker, I rise in support of the increase called for in the minimum wage legislation which was reported out of the Rules Committee last week for debate and consideration on the floor of the House today. We had almost identical legislation on the floor of the House over a year ago in behalf of the millions of low-paid workers throughout the Nation, but, on account of well-organized opposition, the minimum wage legislation failed to go in conference after passing both House and Senate.

The present minimum wage legislation is far more necessary today than a year ago last March because the cost of living and profiteering throughout the Nation has continued to increase until the financial hardships of the low-wage families has now descended to a far more critical stage. On March 1 of last year the House Democratic Steering Committee met and unanimously adopted a resolution supporting the then pending minimum wage legislation.

On the following day, March 2, 1972, I made a report to the Congress of the results of that meeting of the House Steering Committee. The same arguments and the same reasons exist today for an increase in minimum wage which is called for in the 1972 minimum wage bill. Today's pending bill would raise the minimum wage to $2 an hour immediately and to $2.20 1 year later. It would extend coverage to more than 7 million additional workers providing a lower minimum for full-time students and phase out most overtime exemptions.

Mr. Speaker, I include with my remarks the statement which I made on the floor of the House a year ago on March 2, 1972, which includes the resolution unanimously adopted by the Democratic House Steering Committee and also my remarks made at that time which supported an immediate enactment of this long-delayed increase in minimum wage for the low-income families of America:

CONGRESSMAN MADDEN'S REPORT ON MINIMUM WAGE RESOLUTION PASSED BY DEMOCRATIC STEERING COMMITTEE, MARCH 2, 1972

Mr. Madden. Mr. Speaker, on yesterday afternoon the Democratic Steering Committee met and unanimously passed the following resolution:

"Whereas it has been six years since Congress acted to increase the minimum wage or broaden its coverage, and whereas the cost of living has increased 16 percent since the Nixon Administration took office, and whereas the present minimum wage results in family income below the poverty line, and whereas raising the minimum wage and broadening its coverage will, by increasing consumer purchasing power, bolster the national economy without promoting inflation, be it resolved by the Democratic Steering Committee that all Democratic Members of the House are urged to support and vote for H.R. 7130, The Fair Labor Standards Amendments of 1971.

"The above Resolution adopted unanimously by House Democratic Steering Committee yesterday.

"CHAIRMAN

"Ray J. Madden, Indiana.

"SECRETARY

"Spark M. Matsunaga, Hawaii.

"EX OFFICIO

"Carl Albert, Oklahoma.
"Hale Boggs, Louisiana.
"Thomas P. O'Neill, Jr., Massachusetts.
"Olin E. Teague, Texas.
"Leonor K. Sullivan, Missouri.

"John Brademas, Indiana.
"John J. McFall, California.

"ZONE MEMBERS

"John S. Monagan, Connecticut.
"Bertram L. Podell, New York.
"John H. Dent, Pennsylvania.
"Peter W. Rodino, Jr., New Jersey.
"Watkins M. Abbitt, Virginia.
"W. J. Bryan Dorn, South Carolina.
"Joseph E. Karth, Minnesota.
"Ray J. Madden, Indiana.
"Thomas L. Ashley, Ohio.
"Bill Alexander, Arkansas.
"Joe D. Waggonner, Jr., Louisiana.
"Paul G. Rogers, Florida.
"Neal Smith, Iowa.
"Melvin Price, Illinois.
"Wright Patman, Texas.
"Spark M. Matsunaga, Hawaii.
"Teno Roncalio, Wyoming.
"Julia Butler Hansen, Washington.
"Chet Holifield, California."

### MINIMUM WAGE INCREASE A MUST IN THIS SESSION OF THE CONGRESS

Mr. Speaker, the House Democratic Steering Committee meeting yesterday afternoon, March 1st, 1972, unanimously approved a resolution urging immediate action on H.R. 7130, a bill calling for an increase in minimum wage to $2 per hour in some business categories and a more moderate increase on certain farm labor operations. Over the last 3 years the cost of living has gone up on the average of approximately 16 percent. The minimum wage increase legislation has practically remained dormant during this long period of time and the Congress and the administration have completely ignored the frantic economic condition of millions of wage earners throughout the land.

Every time we have tried to increase the minimum wage rate to barely relate to the economic realities of the moment, we hear the antiquated predictions of the widespread unemployment and inflation it will create.

May I remind my friends on the other side that we have already been adequately visited by unemployment and inflation; and to a greater extent that I care to recall. The chief victims of this economic catastrophe have been the lowest paid of our working people. They are not the contributors, as my Republican friends suggest; indeed they are carrying its greatest burden.

Our country learned a lesson back in the 1920's when the Government neglected the wage and salary earners of America and unemployment became rampant because of low wages and lack of buying power. This led to the closing of factories, businesses, and the devastating depresssion of the early 1930's.

The Congress, under Franklin D. Roosevelt, initiated a great program to restore employment, increase wages, and buying power. Prosperity was eventually restored and remained up until the Eisenhower-Nixon administrations under the leadership of that great industrialist, George M. Humphrey of Ohio, as Secretary of the Treasury. He immediately restored high interest rates, increased profits, and conglomerates and the economy suffered three depressions in 8 years.

In January, 1969, at the beginning of this administration the same economic blue-print was reinstated under the Nixon administration that brought us economic reverses and a depression.

Unemployment and lack of buying power exists over the Nation today by reason of low wages and millions of salaried and wage earners and continued rising prices which brings exhorbitant profits and the old Republican trickledown theory is rampant today in our national industrial and rural economy.

Mr. Speaker, that figure does not even attain the minimum poverty standard for a family of four now, in March of 1972.

Now Mr. Speaker, who are the people that this bill affects the most? They are the working poor. They are proud people who want to work and are willing to work if given the opportunity.

Now, about inflation. We have all been told that increasing the minimum wage causes inflation. There is no foundation to this argument. Even the U.S. Chamber of Commerce, which is not exactly renowed for its compassion for social legislation, has given up on this argument. It has proved so foundless.

Apparently, however, some of their elected representatives here have yet to get the message. Even the Nixon-appointed Pay Board has concluded that wage increases below $2.20 an hour should be exempt from its consideration because such wages could not conceivably have an inflationary impact. This is not an inflationary piece of legislation.

It is not insignificant that today's minimum wage of $1.60 buys less than the $1.25 minimum wage bought in 1966; or that if a cost-of-living increase mechanism had been incorporated into the 1966 amendments, today's minimum wage rate would exceed the proposed $2 an hour figure.

Mr. Speaker, there are obviously no rational reasons for opposing this $2 per hour minimum wage legislation. This bill is moderate in every respect. The Education and Labor Committee was endless in its pursuit of legislation that would meet all legitimate concerns, without sacrificing the integrity of those it sought to assist. They accomplished that delicate resolution, but we continue to find ourselves in a quagmire of immobility caused by those whose uncompromising and unconscionable attitude toward their fellow man will never change.

Mr. Speaker, the extent to which we further delay consideration of this vital wage legislation is the extent to which the economic disparity between the haves and have-nots becomes enlarged.

This is not the time to submit to that stagnant, archaic philosophy of human timidity and trickle-down economy. The consequences are too great and too heart-rending. We must join with those of our more reasoned friends to insure at least a modicum standard of living for our working poor. To do less would be to abrogate the trust and tradition which has been passed on to the Congress.

I hope this moderate increase in minimum wages is enacted into law without further delay.

I also include with my remarks verbatim excerpts from a statement made by President George Meany of the AFL–CIO on the "Meet the Press" program on Sunday, March 4, 1973. This statement of Mr. Meany reveals the startling inflationary rise in the cost of food products, rents, and the general cost of living during the last year. Mr. Meany's statistics were heard by millions of people on television on the "Meet the Press" programs a little over 2 months ago. Food costs have continued to rise since President Meany startlingly exposed our Nation's rapid inflation and profiteering which has become a disgrace to the economic negligence of the present administration.

The excerpts follow:

### PRESIDENT GEORGE MEANY STATEMENT ON "MEET THE PRESS" TELEVISION PROGRAM

Mr. KIPLINGER. You didn't mention profits, which last year ran about 4.5 per cent of gross national product and this year may be a little bit higher.

Mr. MEANY. I don't buy this idea of trick figuring by these economists. They can tie something to one figure or another figure. Profits were up 14 per cent, in 1971. They were up 15 per cent in 1972, according to the latest estimate, and every business projection puts them up between 15 per cent and 17 per cent for the year 1973.

This inflation thing is evil, and it can get worse, and let me tell you, we are now in a period, I would say, of galloping inflation. Since the President announced Phase III we find The New York Times reporting in one week—one week, eight days to be exact—bacon went up 8.5 per cent; broilers, 10 per cent. Broilers are the thing that people who want to get away from beef and people who are really up against it trying to feed a family—they are up 10 per cent. Wheat is up 12.1 per cent; flour up. So these are the things that are hurting the people and these are the things that the average worker, the average citizen, finds very distasteful, that his wages are frozen.

I can testify personally that in a Washington supermarket here, from February 4th to February 14th, in ten days, ground beef, top grade groundbeef—and this is hamburger, and this is what a woman with a houseful of kids needs—hamburger, frankfurters, those are the things—it went from 85 cents a pound on the 4th of February to 95 cents a pound to $1.05 a pound on the 14th of February. Chicken breasts, with the bone in, in the same supermarket went up in six days from 75 cents a pound to 99 cents a pound.

When you are talking about us pricing ourselves out of the market, nobody wants to price ourselves out of the market, but there are other things that go into the prices outside of wages. What about your middleman? What about your transportation costs? What about the carcass that starts at 35 cents a pound on the ranch, reaches its point of destination at 83 cents a pound, with all transportation costs, and then goes to the wholesaler at $1.13 a pound and then winds up at $3 a pound for certain cuts of beef. twenty-five per cent of a worker's budget goes into food costs.

February 1972 to February 1973: Wheat up 57 per cent, wholesale price. Hogs up 49 per cent. Bacon up 48 per cent. Cocoa up 47. Eggs up 46 per cent.

The American people should not forget that the Congress of the United States in the summer of 1970, by a wide vote margin in both the Senate and the House, gave the President complete authority to curtail and control the rise in prices, wages, rents, interest, cost of living, and so forth. The President signed this bill and allowed it to remain dormant in the White House until August 1971, approximately 14 months when he announced his celebrated 90-day freeze which proved to be a failure. Then came phase II and phase III which have failed to curb inflation or the cost of living.

It is now time for the Congress of the United States to give some protection to the millions who are suffering from the negligence of the Executive Department in delaying the enforcement of the legislation and power to curb the cost of living which the Congress gave to him almost 3 years ago. By passing the pending minimum wage legislation, we will aid millions of low-income workers and families to combat conditions brought about by the negligence and delay of the Executive Department in controlling inflation and the cost of living.

Mr. BOLLING. Mr. Speaker, I am unaware of any objections to this resolution, and I therefore reserve the balance of my time.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield myself such time as I may consume.

Mr. MARTIN of Nebraska. Mr. Speaker, House Resolution 419 provides for an open rule with 3 hours of debate on H.R. 7935, amendments to the Fair Labor Standards Act. I will try to confine my remarks, Mr. Speaker, to the legislation itself rather than going into a dialog on the increases in the price of food, as we have just listened to.

Mr. Speaker, the committee bill is very similar to the one that was reported out a year ago, and which was rejected by the House.

As you will recall, the substitute bill was adopted. We again have a substitute bill, very similar to the one which the House passed a year ago, so we shall have the same sort of debate which took place on that legislation taking place on this legislation again today and tomorrow.

Let me very quickly give the highlights of the committee bill as reported.

It would increase the present minimum wage for nonagricultural workers to $2.20 an hour in two steps. The first step would be to $2—an increase from $1.60 to $2—a 40-cent increase, or a 25-percent increase.

This increase, Mr. Speaker, is one of the highest ever enacted by the Congress.

In the 1961 amendment to the act the increase in the minimum wage went from $1 to $1.15 in the first step, which was a 15-percent increase, and in the 1966 amendment the increase was from $1.25 to $1.40, which was a 12-percent increase, and this year we have a 25-percent increase in the minimum wage proposed by the committee bill. This applies to those covered before the 1966 amendments were adopted. Those who were covered under the 1966 amendments go from $1.60 in three steps to $2.20; $1.80 immediately, $2 July 1, 1974, and $2.20 July 1, 1975. Agricultural labor, which was covered for the first time in the 1966 amendments, and is currently $1.30 an hour, is increased immediately to $1.60, July 1, 1974, to $1.80 a year later, and to $2 the following year, and then to $2.20 the next year.

There is no eventual differential as far as the committee bill is concerned, not in regard to the minimum wage for agricultural workers and those in retail stores and in industry. It has always been felt that agricultural workers should have a lower minimum wage because of fringe benefits furnished by their employer.

In addition, the committe bill extends coverage to a great many additional workers—in fact several million—who are not now covered. For instance, all Federal, State, and local government employees would be covered by the committee legislation. There is a conflict of jurisdiction in this regard as far as the coverage of Federal employees is concerned.

I have here a copy of the letter which the gentleman from New York (Mr. DULSKI), Chairman of the Committee on Post Office and Civil Service, wrote to the gentleman from Kentucky (Mr. PERKINS), the chairman of the Committee on Education and Labor, in regard to the Committee on Education and Labor assuming jurisdiction within the Committee on Post Office and Civil Service on this bill. This letter is dated February 9, 1972:

> Another example of our concern is a bill reported from your committe and now pending before the House (H.R. 7130), to amend the Fair Labor Standards Act. Provisions of this bill have the effect of extending the minimum wage and overtime provisions of the Fair Labor Standards Act to Federal employees. If these provisions are not eliminated, they will have a profound effect on the existing statutory system of paying overtime to Federal employees, and, in fact, will conflict with the existing statutory provisions.

Again, Mr. Speaker, I want to call the Members' attention to the fact that the Committee on Post Office and Civil Service has jurisdiction in this area, not the Committee on Education and Labor. One of the big differences, however, between the committee bill and the substitute bill of Mr. ERLENBORN's which will be offered probably tomorrow is in regard to employing students. Under the committee bill it only covers full-time students and does not cover dropouts; for instances, those 16 to 18 years of age who do not have jobs, as does the Erlenborn bill. The committee bill provides that full-time students may work up to 20 hours per week if a certificate is applied for and granted by the Secretary of Labor, and the student may be paid 85 percent of the minimum wage or $1.60 per hour, whichever is higher.

Let us look at the record, because this has been in effect ever since the 1966 amendment.

At the present time there are only 37,000 students who have received certificates from the Secretary of Labor in order to work at this lower wage rate, 37,000 of 16 million students in this country.

What does the Erlenborn bill provide? It provides that the student or the teenager who is not a student, but is out of a job from 16 to 18 years of age may be paid $1.60, or 80 percent of the minimum wage, whichever is higher. This applies to all people in this category.

We have a very, very high unemployment rate among the teenagers, who are dropouts. The committee bill does not take them into account at all. The Erlenborn substitute does.

One other point I should like to make, Mr. Speaker, is that this bill will escalate labor costs. Many employees, in fact, most employees in this country, are already receiving the current minimum wage of $1.60 per hour.

But history has shown that when we have an increase in those in the very lowest bracket of pay, this works like a domino theory and requires increases in pay for those in higher scales, those receiving $3 an hour or $4 an hour or $5 an hour. If we are going to grant a 25-percent increase, as the committee bill does, in the minimum wage to these employees, other employees are going to say "We want an increase, too," and they are going to try to get a 25-percent increase.

So if we estimate the cost of labor all up and down the line, as a result of this bill, we increase the operating expenses of a business, and as a result of increasing the operating costs of the business we increase the prices that the business has to charge for its products, so we further increase the spiral on inflation and increase the cost of living which the gentleman from Indiana talked about. He spoke about galloping inflation. Mr. Speaker, this legislation will contribute more to galloping inflation in this country, if passed as outlined in the committee bill.

Mr. Speaker, I reserve the balance of my time.

Mr. BOLLING. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

## PERMISSION TO FILE CONFERENCE REPORT ON H.R. 2246, AMENDING PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT OF 1965

Mr. JOHNSON of California. Mr. Speaker, I ask unanimous consent that the managers have until midnight tonight to file a conference report on H.R. 2246, to amend the Public Works and Economic Development Act of 1965 to extend the authorizations for a 1-year period.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

CONFERENCE REPORT (H. REPT. No. 93-254)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2246) to amend the Public Works and Economic Development Act of 1965 to extend the authorizations for a 1-year period, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

SECTION 1. The first sentence of section 105 of the Public Works and Economic Development Act of 1965, as amended, is amended by striking out the word "and" after the words "June 30, 1971," and by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: "and not to exceed $200,000,000 for the fiscal year ending June 30, 1974.", and by striking in the last sentence the words "and June 30, 1973," and inserting in lieu thereof ", June 30, 1973, and June 30, 1974,".

SEC. 2. Subsection (c) of section 201 of the Public Works and Economic Development Act of 1965, as amended, is amended by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: "and shall not exceed $55,000,000 for the fiscal year ending June 30, 1974."

SEC. 3. (a) Subsection (b) of section 301 of the Public Works and Economic Development Act of 1965, as amended, is amended by inserting in the first sentence immediately after the word "hereof" the following: ", except that in the case of a grant under this subsection to an Indian tribe the Secretary is authorized to defray up to 100 per centum of such expenses".

(b) Section 302 of the Public Works and Economic Development Act of 1965, as amended, is amended by striking out the word "and" after the words "June 30, 1969," and by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: "and $35,000,000 for the fiscal year ending June 30, 1974."

SEC. 4. Subsection (g) of section 403 of the Public Works and Economic Development Act of 1965, as amended, is amended by inserting after "1973", the following: "and not to exceed $45,000,000 for the fiscal year ending June 30, 1974,".

Sec. 5. The first sentence of subsection (d) of section 509 of the Public Works and Economic Development Act of 1965 is amended by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: "and for the fiscal year ending June 30, 1974, to be available until expended, $95,000,000."

Sec. 6. (a) Section 2 of the Act of July 6, 1970, as amended (Public Law 91-304), is amended by striking out "1972" and inserting in lieu thereof "1974".

(b) The amendment made by subsection (a) of this section shall take effect May 31, 1972, and any area designated as a redevelopment area for the purposes of the Public Works and Economic Development Act of 1965, as amended, on or before that date and which has had such designation terminated or modified in accordance with section 402 of such Act of 1965 on or before the date of enactment of this Act shall, for the purposes of such Act of 1965, be held and considered as a designated redevelopment area during such period and shall continue to be designated as a redevelopment area until otherwise terminated or modified in accordance with the provisions of section 402 of such Act of 1965 and section 2 of the Act of July 6, 1970, as amended by this Act (Public Law 91-304).

Sec. 7. The President's Inter-Agency Economic Adjustment Committee established under Presidential Memorandum of March 4, 1970, shall submit to the Congress within thirty days following enactment of this Act a report. Such report, with respect to each community affected by the defense facility and activity realinements announced on April 17, 1973, shall—

(1) contain details as to the facilities or portions thereof affected by the realignments which are excess to the Government's security needs and which can be turned over to the local jurisdiction for civilian use;

(2) describe procedures providing for the most expeditious transfer of such facilities to civilian use;

(3) contain comprehensive analyses of the community economic impact of a realignment which reduces or terminates activities resulting in a decrease in military or civilian personnel employed at a facility;

(4) describe technical assistance and program resources made available by Federal agencies to communities in planning and carrying out economic development plans to utilize facilities transferred to civilian control; and

(5) contain an estimate of the Federal program resources and the anticipated cost to fully implement community economic development plans, and, where necessary, contain recommendations for increased appropriations to meet those anticipated costs.

Sec. 8. The President shall instruct the Secretary of Commerce and the Office of Management and Budget to reexamine current and past Federal efforts to secure balanced national economic development and shall submit to Congress within six months after the enactment of this Act a proposal for the restructuring of the varied Federal economic development programs.

And the Senate agree to the same.

John A. Blatnik,
Robert E. Jones,
Harold T. Johnson,
William H. Harsha,
John Paul Hammerschmidt,
*Managers on the Part of the House.*
Joseph M. Montoya,
Jennings Randolph,
Quentin Burdick,
Robert T. Stafford,
*Managers on the Part of the Senate.*

### JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2246) to amend the Public Works and Economic Development Act of 1965 to extend the authorizations for a one-year period, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause and inserted a substitute. The House recedes from its disagreement to the amendment of the Senate, with an amendment which is a substitute for both the House bill and the Senate amendment. The differences between the House and Senate versions and the substitute agreed to in conference are noted below.

### AUTHORIZATION FOR GRANTS FOR PUBLIC WORKS AND DEVELOPMENT FACILITIES

For grants for development of land, for improvements for public works, for construction and improvement of development facilities in a redevelopment area, and for States and other entities in redevelopment areas to take advantage of certain Federal grant-in-aid programs for which they cannot supply the required matching share, the House bill authorized an appropriation of not more than $800,000,000 for the fiscal year ending June 30, 1974. The Senate amendment authorized not more than $200,000,000 for such fiscal year. The conference substitute contains an authorization of not more than $200,000,000 for such fiscal year.

### AUTHORIZATION FOR CERTAIN EVIDENCES OF INDEBTEDNESS AND LOANS FOR FINANCING PUBLIC WORKS AND FACILITIES AND REDEVELOPMENT AREA PROJECTS

For purchasing evidences of indebtedness, making and participating in loans, and guaranteeing loans to assist in financing the purchase or development of land and improvements for public works, for assisting in financing any project within a redevelopment area for the purchase or development of land and facilities, and for guaranteeing loans for capital in projects in redevelopment areas, the House bill authorized an appropriation of not more than $170,000,000 for the fiscal year ending June 30, 1974. The Senate amendment authorized not more than $50,000,000 for such fiscal year. The conference substitute contains an authorization of not more than $55,000,000 for such fiscal year.

### ADMINISTRATIVE EXPENSES OF INDIAN TRIBES ELIGIBLE FOR CERTAIN GRANTS-IN-AID

The Senate amendment contained a provision not in the House bill to authorize the Secretary of Commerce to defray all administrative expenses of any Indian tribe the Secretary determines is eligible for a grant-in-aid to provide technical assistance to alleviate conditions of excessive unemployment or underemployment in areas the Secretary has designated as redevelopment areas and in other designated areas (instead of only 75 percent of such expenses as under existing law). The conference substitute contains the Senate provision.

### AUTHORIZATION FOR TECHNICAL ASSISTANCE IN ALLEVIATING CONDITIONS OF EXCESSIVE UNDEREMPLOYMENT IN CERTAIN AREAS

For technical assistance (including project planning, management assistance, and studies evaluating the needs of economic growth) for redevelopment areas and other areas, which is to assist in alleviating or preventing conditions of excessive unemployment or underemployment in such areas for the fiscal year ending June 30, 1974, the House bill authorized an appropriation of not more than $50,000,000. The Senate amendment authorized not more than $25,000,000 for such fiscal year. The conference substitute contains an authorization of not more than $35,000,000 for such fiscal year.

### AUTHORIZATION FOR PROJECTS IN ECONOMIC DEVELOPMENT CENTERS AND FOR AN INCREASE IN GRANT ASSISTANCE FOR PROJECTS IN REDEVELOPMENT AREAS

For projects in economic development centers (such centers are geographic entities in economic development districts) and for an increase in grant assistance for projects within redevelopment areas, the House bill authorized an appropriation of not more than $50,000,000 for the fiscal year ending June 30, 1974. The Senate amendment authorized not more than $12,500,000 for such fiscal year. The conference substitute contains an authorization of not more than $45,000,000 for such fiscal year.

### AUTHORIZATION FOR REGIONAL ACTION PLANNING COMMISSIONS

For multistate regional commissions, established to advise in the development of designated economic development regions, the House bill authorized an appropriation of not more than $152,500,000 for the fiscal year ending June 30, 1974; to be available until expended. The Senate amendment authorized not more than $75,000,000 for such fiscal year. The conference substitute contains an authorization of not more than $95,000,000 for such fiscal year.

### REPORT ON USE FOR COMMUNITY ECONOMIC DEVELOPMENT OF CERTAIN DEFENSE FACILITIES REALINED BY THE ANNOUNCEMENT OF APRIL 17, 1973

The Senate amendment contained a provision for the submission to Congress of a report by the President's Inter-Agency Economic Adjustment Committee. Such report would have to describe, with respect to communities affected by the defense facility and activity realignments announced on April 17, 1973, facilities which can be turned over to the local jurisdiction for civilian needs, and describe an appraisal of the Federal resources and cost of utilizing such facilities for community economic development plans. The House bill contained no such provision. The conference substitute contains the Senate provision.

### REPORT ON EFFORTS TO SECURE BALANCED NATIONAL ECONOMIC DEVELOPMENT

The Senate amendment contained a provision for the submission to Congress of a report by the Secretary of Commerce and the Office of Management and Budget concerning Federal efforts to secure balanced national economic development, including proposed restructuring of certain Federal economic development programs. The House bill contained no such provision. The conference substitute contains the Senate provision.

John A. Blatnik,
Robert E. Jones,
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## FAIR LABOR STANDARDS AMENDMENTS OF 1973

**Mr. DENT.** Mr. Speaker, I move that the House resolve into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7935) to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rates under that act, to expand the coverage of that act, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Pennsylvania.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 7935, with Mr. BOLLING in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Pennsylvania (Mr. DENT) will be recognized for 1½ hours, and the gentleman from Illinois (Mr. ERLENBORN) will be recognized for 1½ hours.

The Chair recognizes the gentleman from Pennsylvania.

Mr. DENT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, periodically every 4 or 5 years some Member of this Congress since 1938 has had the duty of presenting to the House legislation amending an act first passed in 1938 establishing the minimum wage rate for these United States.

From that time to this, it has been the endeavor of all of the chairman and Members of this Congress, by their vote, in every instance to try to arrive at some figure and at some point in time to a basic minimum wage covering the lower waged workers in America. We were the very first industrial Nation to pass this kind of legislation; yet, today I find no other major industrial nation that is still fragmentizing the minimum wage into various groups. It has created a situation where we still carry on an injustice in that particular area.

Even late coming, emerging industrial nations have seen fit to establish a minimum completely across the entire field of low-wage workers. This has a great deal of merit to it. It is difficult for the Congress, in its many duties which it has to perform, to study and come up with an equitable scheme every 4 or 5 years to try to blend the earnings of various groups into a respectable, reasonable basic wage.

We are talking in the main about the unemployed workers who are out of work and find work in that field of endeavor where the lowest wage is paid. These are not organized laborers. Organized labor has long since shown that it can and does get equity for its membership out of the production dollar and the service dollar spent in this country. We, in essence then, are the negotiating team for the millions of workers in this country who are not organized into bona fide labor unions.

Mr. Chairman, a minute ago some question was raised as to the jurisdiction of this committee in covering Federal employees under minimum wage. It is interesting to note that we already cover under minimum wage 636,000 Federal employees. It is interesting to note that we already also cover 2,817,000 State and local employees.

Men in industry, persons in business on Main Street said to me over the last 15 years or more "Why is it that you establish for me a basic minimum wage requirement and yet you do not do it for the local employees in town; you do not do it for State employees?"

We have done it, but this is the history of this legislation. We do it piecemeal. If we once arrive at a uniform minimum wage, then we can let the law of equity in a matter of earnings for the lower, unorganized workers of this country, work.

We do it for Federal employees. I tried in 1966 to have this House consider putting minimum wage levels under the same type of cost of living adjustment which propels the increase in wages for Federal employees, and in most instances is followed by State and local units. If we had tied the minimum wage to the cost of living index that this Congress and the executive branch have used to justify increasing Federal wages, the minimum wage worker who received his last pay increase to $1.60 an hour in 1968 would now be earning, with the vote of the Members of the House, $2.38 per hour. Those covered in 1966 would be receiving $2.19 per hour.

Some of the cost-of-living increases in one single year have amounted to more than an entire year's earnings of a minimum wage worker in this country, if he worked 52 weeks a year and 40 hours every week of that year.

Things have been said about youth employment. What we tried to do in previous amendments is exactly what the gentleman from Illinois (Mr. ERLENBORN) would do in his legislation. He retains the provisions of that bill voted by a large majority of this House, to establish a priority for part-time jobs and vacation jobs, by giving a differential to students.

Why did we do this? It was because at that time in history we had learned that one of the maladies which struck the educational field in America was the dropout. We have spent billions of dollars in picking up the dropout and trying to rehabilitate him with work training, with Youth Corps jobs, with outright spending of millions and hundreds of millions of dollars, to try to bring this group of dropouts back into the mainstream of American employment and the American economy.

But we went further than that. This is one thing Members ought to know. I am sorry so many Members are absent, because there has been a very false impression given, one that is not backed by fact. The law also is here to read.

We took care of the dropouts, and they are taken care of in the act now on the books and repeated in this legislation of mine, by leaving the situation as it is. Any dropout who quits school and joins the main body of the labor force in this country on a full-time basis, under the age of 18, so long as he is employed as an apprentice—which is the aim of all the legislation we passed and of the money we spent on the dropouts, to get them into the mainstream—or hired as a learner or hired in a messenger-type occupation, then the Secretary of Labor has the right, under this existing law of ours, to set aside any requirements whatsoever for hours or wages otherwise required under the Fair Labor Standards Act, so that the dropout will find himself in a position of being able to become employed and begin to earn a dignified living.

This was intended for the smaller communities, in the main. Members who live in smaller communities, or have them in their districts, know full well that one of the greatest things with which we have to contend today is trying to get someone to come in to do a little repair job on an appliance or to do a little carpentry work. In the smaller communities we do not have available what they may have in the big cities by way of trained personnel to do these jobs.

Right now, today, we are at the mercy, in many of our small communities, of the selling entrepreneurs, who sell products to us, and make any repairs, and charge anything they want.

One of the largest distributors of appliances and home products has a complete army of repairmen. Two weeks ago, with respect to a television set that was only four months old, Mrs. Dent called the store from which we had bought it.

She could not get anybody else to come because that store has such a complete tie up on repairs in the community on their particular products that their men will not touch anything else. He came in; there was nothing wrong with the television except a little adjustment.

He was there 48 minutes. He adjusted it in about 3 or 4 minutes. He charged her what they call a 3-month service charge of $9.95 and $13.50 for his time.

There were no parts needed, no replacements, no broken pieces. So you can sit there and watch it after he had made a little adjustment which took just a few minutes.

Mr. Chairman, we want to train these kids who quit school for reasons best known to themselves; under the Erlenborn provisions, he wants us to let them enter the full-time labor field as cheap labor for 6 months.

Now, there is a question in my mind on that score, because if that employer is looking for a 20-percent reduction for a dropout kid for 6 months, we can bet all the tea in China that he will not keep him after 6 months; he will find himself another kid.

Then what happens? The school term is going on and he has dropped out; jobs cannot be found. Then he becomes what? A derelict in the streets, with no direction to follow.

Mr. Chairman, then we come along and pass millions of dollars of legislation to pick him up and try to train him for a job, try to train him for a craft, try to make of him something so that he would contribute to the economy rather than detract from it.

This, I think, is a very sad thing to happen, because it is not true. And other things that have been said lately around here are not true.

I have a great deal of respect for my counterpart on the other side as a knowledgeable person.

In an open letter to the Members of this Congress, my worthy opponent on the other side made this statement: He said:

> Finally we wonder whether Members of Congress are prepared to pay overtime for their 50- or 60-hour-a-work-week staff peo-

ple. We will have to do so if H.R. 7935 is passed.

Mr. Chairman, I was questioned on that point by the eminent gentleman from Nebraska (Mr. MARTIN), before the Committee on Rules. I pointed out to him—and yet I noticed he repeated the same error today—that he had a copy of the bill, and there is no overtime extension for any Federal employee in this legislation.

Mr. Chairman, this kind of propaganda may confuse some people. But my worthy opponent was sitting in the Committee on Rules when I thought I straightened out that mistake.

Mr. ERLENBORN. Mr. Chairman, will the gentleman yield?

Mr. DENT. I will be happy to yield to the gentleman from Illinois (Mr. ERLENBORN).

Mr. ERLENBORN. Mr. Chairman, I thank the gentleman for clearing up this point.

The gentleman, I think, will agree that at one time the bill then being considered in the subcommittee and the full committee did provide both overtime and minimum wage coverage for Federal employees. That was, I believe, amended, and I think the gentleman is right. The overtime part is now out, but the minimum wage coverage has been extended to Federal employees; is that correct?

Mr. DENT. Mr. Chairman, it was extended in 1966.

Mr. ERLENBORN. Not to all Federal employees.

Mr. DENT. No. But your letter specified overtime coverage to all Federal employees, and the bill simply does not propose that, irrespective of whether an earlier bill did so.

In some instances, a new group has been added on, and, in some instances, we have taken some off when we found the coverage has created a hardship.

For instance, in 1961, when I introduced the amendment to the then existing minimum wage law, we uncovered, as we may recall, a tobacco worker who was originally a farmer, and who was carried on under the agricultural operation to the sheds, the curing sheds.

That is because it was simple justice. The enactment of that provision in previous law created an injustice. So many of the farmers in the tobacco-growing areas are family farmers, and they were going on into the shed after harvesting their tobacco, and it was in these sheds, these curing barns, where they were able to add to their income.

At that time in 1961 the mean average of these families—not individuals—was approximately $1,500 a year. After we removed the exemption from overtime their income dropped to somewhere around $600 to $650 per family.

While I was opposed in that amendment by many, organized labor particularly, I felt it was simple justice, because it was an unusual process. It appeared in my bill last year, at the suggestion of a Republican member on the committee, that they ought to be covered. I found out later but found out soon enough not to make the same mistake this time.

My father taught me many years ago that if you are fooled one time it is his fault, but if you are fooled the second time it is your own fault. I do not intend to get fooled this time.

Again now, with respect to the minimum wage rate. It is generally believed that the worker earns $1.60 an hour. Everybody should know better than that. The deduction from the top of the $1.60 an hour goes something like this. For instance, in my State, which does not have too bad a State or local income tax but, rather, a tax on gross earnings, it is 2.3 percent for the State and then 5.5 percent for social security. So roughly it comes to 7.8 percent or 8 percent in rounded figures. That is a rough approximation of how much less a person would receive. So the $1.60 soon gets down to $1.48. If he is working for an employer who has any kind of a vacation or welfare or pension fund of any kind, the wage deduction that will be taken will be an additional 10 percent or so off the top. So we are ending up with about $1.30 an hour to the minimum wage earner.

Now, at no time has this committee gone, at no time have we ever gone to the point of trying to bring the minimum wage up to the cost of living. I do not know whether it is healthy for a nation to spend $100 billion a year with 137 different agencies on welfare, relief, and assistance in one form or another and then have millions of workers who, under no circumstances, can live within the earnings they make under minimum wage.

At some later point in the debate I will give you the figures of three sets of standards we have for relief for so-called minimum poverty line earnings. I assure you they are way, way above what anybody can earn on minimum wage.

Someone objects to an increase to $2 in the pre-1966 coverage. If the Erlenborn bill had become law last year we would be at that figure; it had identically the same figures as I had in mine, and until last Friday the identical figures were in this bill, Mr. ERLENBORN, but on Thursday a change was made—appealing to whom? Appealing to a group that has organized itself into what they call a coalition and what I call a conspiracy.

It is a conspiracy to keep the wage below even a halfway attempt for a livable minimum standard in this country of ours.

Some say, "Well, there is a ripple effect." That has been used as a dodge ever since I handled the first minimum wage bill years ago. In every piece of legislation that we have passed we have asked the Secretary of Labor to make a study of the ripple effect, the so-called increase based upon an increase we vote for minimum wage. If there is a ripple effect it should have taken effect a long time ago, and brought this minimum wage up to the differential that existed in 1968. I guess this kind of ripple is a ripple upward, it does not ripple downward to the benefit of the workers in this country who have nowhere to go. They have absolutely nowhere to go except to the elected representatives of the Congress of the United States.

It is wrong for someone to work for $1.60 an hour, and that is the highest paid minimum wage rate—but oh, they go much lower than that. I heard it said that we must have a differential for farm labor. Why did not the critics tell us that only 1 percent of the farms in the entire United States are covered by the minimum wage law? Only 1 percent. Ninety-nine percent of all farms are exempt under the provisions of the law now on the books, and which I retain in my legislation that is before the House today.

Yes, the increase this time in our legislation aims at reaching the point in time when the same rate will be applicable to covered workers across the country. But who asked for that? I did not ask for it. My original bill kept the same differential that is in the act today, and would carry it forward for the next 2 or 3 years. But the farm legislators in this House, Republicans and Democrats, came to me and asked that we phase out the differential in agricultural labor as a practical and humane thing to do. We did so. And while some of them asked us to spread the coverage, we did not do so at this time because in all of the handling of this legislation that I have had to do on this floor I have done it always with the idea in mind that I had to be reasonable.

And if I had my druthers, as a fellow said once, I would probably have a bill up here at $2.50 to meet the cost-of-living index—and that of course also depends on whether the man can work every week of the year for 40 hours.

Complaints have been made that I am going too far too fast. Am I? In the pre-1966 coverage we are starting exactly where we would have been with both the Erlenborn bill and the Anderson amendment. This House cast a vote last year for a $2 minimum in 1973 and most of the Members voted for it.

In the end we have the final vote I think we all want. We established that. I did not establish it; this House established it. I have said on this floor many times when legislation is taken up title by title or section by section and this House works its will that I will stand fast as the champion of this House to fight and try to hold that position. What has happened to me this year, and to these poor individuals who have no other voices except through the Members of Congress? That is all they have—the Members of Congress, and no other voices. They have nowhere else to appeal. We are their appeal board; we are their negotiating board; and we are their contract signers. So a great big group of new entities on the horizon called the conglomerates, being organizers of a fashion, organized last year and again this year.

Let me tell you what they have done. They organized in this fashion. They met. They did not exactly kiss each other's rings or kiss each other on the cheek in greeting, but they shook hands around that if every representative of the employers of the 47 million workers covered by the minimum wage were not satisfied with the treatment his people were getting, they would stand solidly against the Dent proposal.

I cannot negotiate in that kind of an arena. I cannot legislate, and neither can the other Members. They came to me with a bill, laid it on the table, and said, "We will support this, and that is all."

I said, "Will I be permitted to cross a "t" or dot an "i"?

They said, "No. We have come now in a final compromise position, and this is where we stand."

Do the Members know that even the administration's proposal was too much for them to swallow? Who are these people, and what am I doing to them that has caused them to destroy the ability of this Congress to work its will? How will it end? There has been a growing menace to the smaller communities of this great country of ours, and I represent the kind of a district that has no population center greater than 19,000, and just a few of those.

About 30-some percent of my people are dirt farmers; about 40-some percent are laborers, workers, and miners; and the rest are business people—services, industry, and so on—so I have a pretty equally divided area. I do not play one against the other. I have tried for 41 years as a legislator to render unto Caesar that which is Caesar's and to render unto God that which is God's. So when legislation comes up on farming, I treat that legislation as I know my farmers would want it treated. When legislation comes up on labor, I treat that legislation as I feel it would do the best for the laboring people. When legislation comes up on service industries, I treat that in the same fashion. And the chairman must have been pretty good, because my people have kept sending me to the Legislative Halls now for 41 years.

I believe that each Member of this Congress has a right to vote his district, because in that lies the strength of this democracy. But when one is herded into a corner by pressure from outside groups selfishly interested in one item, but knowing they cannot win on that item alone, and they tie all these little elements together into a conspiracy, then that is not good for America.

The conspiracy worked last year, did it not? Even after we passed the Erlenborn amendment, they would not allow this Congress to sit down and consult with the Senate. That was the first time in the history of my legislative life that I have known that the whole intent of the Erlenborn amendment was not to amend the Dent bill but it was to destroy any kind of legislative enactment. So for one more year the penny-pinchers have been able to get away without even a 5-cent raise.

Incidentally, that group has a proposal, passed on to me in my office on Thursday of last week, for 10 cents an hour for the next 7 years. One element of this group enjoys half of the minimum wage being paid by the Members and by me and by everybody else who goes to a restaurant. We allowed 50 percent of the restaurant minimum wage rate to be counted from tips. Last year alone the restaurant industry had $44 to $46 million of their wages paid by the tip allowances of grateful patrons and customers. And a nickel an hour is what they now contend.

Does anybody in this room honestly believe a worker trying to stay off the rolls of relief would be doing something that I would not do today? If I were a young man, as I was a number of years ago, and had a family to keep and the same conditions would obtain as obtained today in this country, I would be dishonest to my family if I went to work for a wage that could not keep them on an even keel or on even the same grade as neighbors drawing relief with all the things that go into it.

Do Members know that food stamps alone for certain families amount to more than 70 percent of the amount of money that a worker can get on minimum wage today in this country?

We stand in this hall and listen to somebody who does not want the conglomerates to follow this. And what did we do to the conglomerates in the bill? We have taken cognizance in the law of the fact that small industries and small businesses and particularly the fast order lunch counters along the roads, and so forth, and smaller stores in the communities have a problem, and we established a $250,000 ceiling. Any retail establishment in the entire United States was permitted to earn $250,000 and be exempt from the Fair Labor Standards Act. We retained that provision in the bill but what else did we do? We said if it is an establishment within an enterprise that was a chain operation or a multistore operation occupied or doing the same business, such as let us say Kentucky Fried Chicken, any one of the units of that chain was exempt under the dollar-volume test of the law and still is exempt.

However, when the particular chain was gobbled up, such as it was by Hublein's or when Squibb gobbled up Toddle House, and there have been a few more, and ITT took on a few, we said then that the exemptions available under the law for small businesses would not be available to the conglomerate, but in order to try to help even the smaller little conglomerates that maybe for their own self-protection had to be organized, we have come up with a proposal that if they earn less than $10 million those activities would still be exempt.

Fairness? I pride myself that in my entire life, that is the one word I tried to live by—fairness.

I have no hangups on bigness. I have no one I have ever hated in my life. I believe all men and women are born for a purpose and with a purpose. I believe they have a right to pursue it. I believe that corporate entities are here to stay and that they are the backbone of the enterprise system I believe in, but I do not want to see them destroyed by greed. I do not want to see every last little corner grocery; every last little corner beanery; every little independent with a soft ice cream concession or Mr. Doughnut concession be gobbled up in one fell swoop.

We do not hit the little people. We do not hit them at all. What have we done? We have reached what Mr. ANDERSON, Mr. ERLENBORN, the Republican majority last year, with their helpers on both sides of the aisle have said. All right, we accept your dictation, much as **I hate to,** and we will start at $2, exactly where we would have been if we would have passed your legislation last year.

But that was too much for the conglomerates to swallow, so the man who heads those groups, represents those conglomerates, was able to get the cotton pickers; was able to get little Main Street merchants who depend in the main upon this type of customer who stays close to home and buys his goods, his consumer articles; the lowest wage worker, he is the one that goes down Main Street, looks in the windows for sales and picks out what he can with his meager earnings. Not the big $10 an hour worker.

He has got an automobile, he can go out of town 5 or 6 miles to a great big shopping center. I hate to use the term, "little old ladies and widows." It has been a term that has been used so many times, but in truth, it is the fact. These are the workers, family men that have not got all the luxuries and all of the conveniences; who live in the lowest rent districts; buy the cheapest products they can get.

Where? On Main Street in Shamokin and Schenley and Jeannette and Greensburg. They are the ones that keep the Main Street merchants in business, because in the main they do their independent business on the lower end of the mercantile industry.

Yet, they are being crucified by the very people that they benefit, because someone up here that has no more interest in a Main Street merchant than the man in the moon, is talking them into joining a conspiracy.

Against whom? Against the defenseless little fellow who has no one to speak for him but you and I. That is all. It is just that simple. There is not much more to it.

If these workers were to receive the same increase that we received in one fell swoop in Congress, they would not even have to be in here today. They are here: they are here sitting in these seats of Congress. That is who is here. Not JOHNNY DENT; not ALBERT QUIE; not Mr. PERKINS; not Mr. DAVIS; not Mr. BENNETT. The Members are sitting here today as the little people of America, because the Members are their only voice. How we use that voice and how we use our God-given judgment will not make much difference to us. It is not that kind of issue that elects us.

This is a bill which, if we vote for it, has to come from our hearts, not our heads. It has to come from within and not be dictated from without.

I have had a great deal of experience in my life handling legislation. I was floor leader for more than 18 years of the State Senate of Pennsylvania. I have dealt with lobbyists both in combinations and as individuals. But I have never, never dealt in my entire life with this kind of a situation. Never have I seen men so determined that the lower paid worker must be destined to a life of desolate despair.

Mr. Chairman, we are not here today to complete an essential act of justice for so many of America's workers. Were we to undertake that task, we would be advocating legislation increasing the Federal minimum wage rate to an amount greater than $2.20 an hour and extending its coverage to more than 6 million employees.

Instead, we are proposing a bill that must be considered modest by any measure.

The legislation before us was initially considered nearly 3 years ago. Hearings began on July 17, 1970, and continued for 17 days during that year and for 7 additional days during the following year. Last year was sadly lost after both Houses passed legislation but this body would not permit a conference to occur. This year, the General Subcommittee on Labor conducted 4 days of hearings on similar legislation and received testimony from witnesses representing every segment of our economy. After several meetings, the subcommittee marked up H.R. 4757 at a public meeting on May 2, 1973, and ordered the bill, as amended, reported to the Committee on Education and Labor. On May 22, 1973, the full committee—by a substantial vote of 21 to 9—ordered reported H.R. 7935, a clean bill.

Mr. Chairman, that represents a long period of time from start to the present. Much of that time was expended in formulating a bill that, although not meeting every objective, did provide some semblance of justice for the millions of working poor in our Nation. But the unrelenting passage of time without action on this legislation soon began to erode even that effort and we are now debating a proposal that might be generally described as "too little, too late." Yet, it does have its saving virtues and, in reality, remains urgently needed. And it also has its detractors. Let me now focus on both points.

Mr. Chairman, H.R. 7935 amends the Fair Labor Standards Act of 1938—one of the Nation's basic labor laws. The first statutory minimum wage was established at 25 cents an hour and was made applicable to all employees, not specifically exempted, who were engaged in commerce or in the production of goods for commerce.

Amendments to the law were enacted in 1949, 1955, 1961, and 1966. We now have a minimum wage rate of $1.60 an hour applicable to about 46.5 million nonfarmworkers, and a rate of $1.30 an hour applicable to about 485,000 farmworkers. Over 16 million workers in our labor force, who might be brought within the wage and hour protections of the act, are not in fact covered.

The bill before us proposes to increase the minimum wage rate to $2.20 an hour in graduated steps, and to extend minimum wage coverage to an additional 6 million workers. The bill accords different applications of the proposed increases depending upon when employees were first covered by the act.

More than 35 million nonsupervisory employees are at work in establishments covered prior to the 1966 amendments and have been subject to the $1.60 minimum wage rate since February 1, 1968. For these employees, and the 630,000 Federal employees covered in 1966, the bill proposes an increase in the minimum wage rate to $2.00 an hour effective on the first day of the second full month after the date of enactment, or August 1, 1973, whichever occurs first, and $2.20 an hour effective July 1, 1974.

Mr. Chairman, I would like to address myself at this point to the urgency of such a proposed increase and to the myths which traditionally surround any such discussion.

We are trying to maintain some semblance of comparison between the earnings of a full-time minimum wage worker and the poverty level of income. Nearly two-thirds of the 25 million poor in America are members of families headed by a worker in the labor force. About one-quarter of the poor—and mores than 30 percent of all children growing up in poverty—are in families headed by a full-time, year-round worker whose wages are so low that his family is impoverished.

When the 1966 amendments—increasing the minimum wage rate to $1.60 an hour—were enacted, they represented a promise that a full-time worker compensated at the minimum wage rate could at least earn what was considered to be the poverty level of income; which at that time was about $3,200 annually for a family of four—$1.60 an hour times 40 hours per week times 50 weeks per year equal $3,200 annually. Since then, increases in the price level as reflected in the Consumer Price Index have reflected the bankruptcy of that promise.

The Department of Labor early this year redefined the poverty threshold for a nonfarm family of four in the continental United States to $4,200 in annual net income. A minimum wage earner working 40 hours per week for 50 weeks during the year receives $3,200 in annual gross income. In Hawaii, the poverty threshold for that same family is $4,850 in annual net income. In Alaska, it is $5,250.

The poverty threshold for a farm family of four in the continental United States is $3,575 in annual net income. A minimum wage earner in agriculture, working 40 hours per week for 50 weeks during the year, receives $2,600 in annual gross income. In Hawaii, the poverty threshold for the same farm family is $4,125 in annual net income. In Alaska, it is $4,475.

The bill proposes an initial minimum wage increase to $2 an hour for nonagricultural workers covered by the act prior to the 1966 amendments. That rate will yield—on a 40 hours per week/50 weeks per year employment basis—an annual gross income for covered workers of $4,000—some $200 below the annual net income deemed the poverty threshold for a family of four in the continental United States; $850 below that poverty threshold in Hawaii; and $1,250 below that threshold in Alaska.

For nonagricultural workers covered by the 1966 amendments, the differences are more significant since the bill proposes an initial minimum wage increase to only $1.80 an hour.

For covered agricultural workers, the bill proposes an initial minimum wage increase to $1.60 an hour. That rate will yield an annual gross income for full-time workers of $3,200—some $375 below the annual net income deemed the poverty threshold for a farm family of four in the continental United States; $925 below that poverty threshold in Hawaii; and $1,275 below that threshold in Alaska.

These differentials become more exaggerated when increases in the Consumer Price Index, CPI, since the Labor Department's redefinition of the poverty threshold are considered. Moreover, if income is from gainful employment, financial considerations for the payment of social security and Federal, State, and local income and other taxes must be taken into account, bringing the annual income requirement for subsistence at the poverty threshold to well above Government defined levels.

With respect to increases in the cost of living, as reflected by changes in the CPI, it is significant that the annual average of the CPI for all items in 1972 was 125.3. The relevant index for March 1973 was 129.8. The base year index of 100 was 1967—the year the 1966 amendments to the act became fully effective. For food and housing, about all a minimum wage earner can hope to afford, the March 1973 indexes were 134.8 and 132.3, respectively.

These indexes reflect a depreciation in the relative economic position of a minimum wage earner to a level below the $1.25 minimum wage rate applicable before the 1966 amendments to the act. In summary, today's minimum wage of $1.60 buys less than the $1.25 minimum wage bought in 1966.

TABLE 5.—BUYING POWER OF MINIMUM WAGE RATES SET BY 1966 AMENDMENTS

| Effective date | Previously covered | | Newly covered (nonfarm) | | Farmworkers | | CPI (1967=100) | [1] Cumulative percent inflation from date of enactment September 1966 |
|---|---|---|---|---|---|---|---|---|
| | Minimum wage rate | Buying power | Minimum wage rate | Buying power | Minimum wage rate | Buying power | | |
| Feb. 1, 1967 | 1.40 | 1.39 | 1.00 | .99 | 1.00 | .99 | 98.7 | 0.6 |
| Feb. 1, 1968 | 1.60 | 1.53 | 1.15 | 1.10 | 1.15 | 1.10 | 102.3 | 4.3 |
| Feb. 1, 1969 | 1.60 | 1.47 | 1.30 | 1.19 | 1.30 | 1.19 | 107.1 | 9.2 |
| Feb. 1, 1970 | 1.60 | 1.38 | 1.45 | 1.25 | 1.30 | 1.12 | 113.9 | 16.1 |
| Feb. 1, 1971 | 1.60 | 1.31 | 1.60 | 1.31 | 1.30 | 1.07 | 119.4 | 21.7 |
| Feb. 1, 1972 | 1.60 | 1.27 | 1.60 | 1.27 | 1.30 | 1.03 | 123.8 | 26.2 |
| Feb. 1, 1973 | 1.60 | 1.22 | 1.60 | 1.22 | 1.30 | .99 | 128.6 | 31.1 |

[1] CPI=98.1 upon enactment of FLSA Amendments of September 1966.

Stated differently, if as a cost-of-living increase mechanism had been incorporated into the 1966 amendments, the minimum wage rate in March 1973 would have exceeded $2.07 an hour.

A complete congressional perspective also compels notice to pay increases granted Federal employees since the 1966 amendments increased the minimum wage rate to $1.60 an hour. In 1966, a Federal employee, GS–2 earned $3,925 annually. After increases mandated by the Congress, that Federal employee now earns $5,432 annually—an increase of more than 38 percent. A GS–16 level Federal employee in 1966 earned $20,075 annually. Today, he earns $31,203—an increase of 55.8 percent. Generally, if the same cost-of-living and comparability increases Congress approved for Federal employees had been applied to minimum wage earners, today's minimum wage rate would well exceed $2.20 an hour.

The Fair Labor Standards Act is irrelevant to contemporary economic realities. An increase in the minimum wage rate to $2 an hour is required—virtually immediately—if only on the basis of simple economic fact. Even at that level, a full-time worker would earn less than the poverty threshold and enjoy less buying power than he did before his wage was increased to its present $1.60 an hour rate. An increase in the minimum wage rate to $2.20 an hour will permit him, assuming essentially no additional increases in the cost of living, to recapture some of the economic value his wage entitled him to in 1966.

Now for the myths, Mr. Chairman.

One of the traditional charges against proposed increases in the minimum wage rate—especially during periods of prolonged inflation—is that such increases further aggravate the inflationary trend. I am pleased to note that a spokesman for the U.S. Chamber of Commerce, in testimony before the Senate Subcommittee on Labor on related legislation, did not associate that organization with the charge. At that time, Dr. Richard S. Landry, administrative director, economic analysis and study group, U.S. Chamber of Commerce, said in response to a statement by the chairman of the subcommittee:

> We do not contend, unlike some of the witnesses that appeared before you apparently, that the minimum wage is inflationary. Quite the opposite. Inflation is not caused by minimum wages. * * *

In actual fact, inflation adversely affects the lowest income worker—including minimum wage earners—more harshly than any other. He is its sorriest victim.

As one witness testified:

> We do not believe any employed workers should be forced to go on welfare in order to survive.
>
> These people work hard at useful jobs; struggle to maintain their economic independence and self-dignity; and attempt to achieve self-reliance against overwhelming odds. Yet they are paid less than a subsistence wage.

No fewer than 20 States and the District of Columbia provide higher amounts in welfare payments plus food stamps to a family of four, than the minimum wage rate provides to that family's breadwinner. Twelve of these States provide higher annual cash welfare payments than the yearly earnings of minimum wage workers, irrespective of food stamp considerations.

States whose cash welfare payments are higher: Alaska, Connecticut, Illinois, Massachusetts, Minnesota, New Hampshire, New Jersey, New York, Pennsylvania, South Dakota, Vermont, and Washington.

States whose cash welfare payments and food stamps are higher: District of Columbia, Hawaii, Idaho, Iowa, Kansas, Michigan, North Dakota, Rhode Island, and Virginia.

Under legislation passed by the House of Representatives in the last Congress, most full-time workers employed at the current minimum wage rate would be eligible for welfare benefits.

I subscribe to the preceding witness' conclusion that the "simplest, most direct and least expensive way to eliminate most poverty is to modernize the Fair Labor Standards Act."

Another charge against proposed increases in the minimum wage rate is that such increases create unemployment. Members of Congress who are confronted with updating the minimum wage from time to time have long recognized that there would be a demand for information on the employment effects of minimum wage legislation. In the 1955 amendments to the Act the Congress added a new section requiring the Secretary of Labor to make an annual appraisal of the economic effects of the legislation. Since that time, the Department has prepared reports on the effects of the successive increases in the minimum wage. The recurring theme running through these reports—prepared in all administrations—has been that wages of workers at the lowest end of the wage scale have increased and there have been no adverse employment effects.

Former Secretary of Labor Hodgson, in his January 1971 report to the Congress evaluating minimum wage legislation, stated:

> Although the economic indicators just noted increased at a fairly rapid rate in the year in which the Federal minimum wage for the newly covered group was raised 15 cents, it is significant that employment in retail trade and services—the industries where the newly covered group is largely concentrated and hence most likely to manifest some impact from the wage increase—fared better than industries unaffected by the statutory escalation in the minimum wage.

He concluded his summary with this statement:

> In view of overall economic trends, it is doubtful whether changes in the minimum had any substantial impact on wage, price or employment trends. Of much greater significance, however, is the fact that the 15-cent boost did help 2 million workers recover some of the purchasing power eroded by the steady upward movement of prices which had started even before the enactment of the 1966 amendments.

In the 4(d) report transmitted to the Congress in 1970 by the then Secretary of Labor George P. Shultz, a similar conclusion was drawn.

With respect to the employment effects of the 1966 amendments, this reports stated:

> There was continued economic growth during the period covering the third phase of the minimum wage and maximum hours standards established by the Fair Labor Standards Amendments of 1966. Total employment on nonagricultural payrolls (seasonally adjusted) rose in 28 out of the 32 consecutive months between January 1967 and September 1969. In the most recent 12-month period, employment climbed 3.2 percent, from 68.2 million in September 1968 to 70.4 million in September 1969. Employment rose in all major nonagricultural industry divisions in the 12-month period between September 1968 and September 1969. In the retail, services and State and local government sectors—where the minimum wage had its greatest impact in 1969, since only newly covered workers were slated for Federal minimum wage increases—employment rose substantially.

With respect to price effects Secretary Shultz stated:

> The steady upward movement of prices during the period studied reflects a continuation of the rising trend in prices which was in motion prior to the enactment of the 1966 amendments. There are strong indications that other factors, although possibly not entirely exclusive of minimum wage escalations, were major causes of price increases occurring during the period studied.

In the previous administration, former Secretary of Labor Willard Wirtz, in his 1969 4(d) report, drew substantially the same conclusions. Regarding the impact of the 1966 amendments, Secretary Wirtz stated:

> The increased minimum wage levels set in 1966 have not contributed to the current inflationary spiral to an extent which permits reasonable questioning of their net value in strengthening both the position of low-paid workers in particular and the economy in general.

And, with respect to expanded coverage in schools and hospitals newly provided for in 1966, the Shultz report stated:

> Overall it can be stated that educational and hospital sectors have had little evident difficulty adjusting to minimum wages established by the 1966 amendments.

In the 1971 report of the Secretary, however, is historical data on the relationship between the minimum wage and average hourly earnings. As the report states:

> Minimum wages have been traditionally compared to gross average hourly earnings of production workers in manufacturing for purposes of evaluating the efficacy or desirability of changes in the level of the FLSA minimum, or of assessing the effects of legislative changes.

With respect to this comparison, the report concluded that:

> The relationship between the minimum wage and average hourly earnings or average hourly compensation varies, depending upon whether account is taken of changes in coverage. Although the minimum wage has been increased substantially, its ratio to earnings has been largely eroded by gains in average hourly earnings between the periods of increases in the minimum wage. *Consequently, the ratio of the minimum wage to average hourly earnings or to average hourly compensation per man hour is now lower than it was in 1950, when the 1949 amendments went into effect.* (Emphasis supplied.)

That report was the most recent to explicitly relate the minimum wage rate to average hourly earnings. But it is evident from the economic facts available that the disparity has become even more dramatic during the interval.

I think it clear, Mr. Chairman, that the suggested adverse employment effects of minimum wage increases are existent only in the minds of those who constantly decry our activity in this area. Moreover, I think it abundantly clear that the minimum wage earner is now economically worse off than he was years ago and further, that the promise of past increases has become bankrupt in the face of the economic realities of today.

Mr. Chairman, over 11 million nonsupervisory employees were covered under the minimum wage provisions of the act by the 1966 amendments. For these employees—except the Federal and agricultural employees then covered—the bill would increase the minimum wage rate to $1.80 an hour effective on the first day of the second full month after the date of enactment, or August 1, 1973, whichever occurs first, $2 an hour effective July 1, 1974, and $2.20 an hour effective July 1, 1975. The bill would require the same minimum wage rate application to those employees brought within the coverage of the act by the 1973 amendments now under consideration.

The 1966 amendments extended the minimum wage protection of the act to an estimated 485,000 employees employed in agriculture. The present minimum wage rate for such employees is—and has been since February 1, 1969—$1.30 an hour. The bill proposes to increase that rate to $1.60 an hour effective on the first day of the second full month after the date of enactment, or August 1, 1973, whichever occurs first, $1.80 an hour effective July 1, 1974, $2 an hour effective July 1, 1975, and $2.20 an hour effective July 1, 1976.

Mr. Chairman, there are those who say our schedules of minimum wage increases are precipitous and in excess of previous proportions of increases. Frankly, I find the timetables exceedingly modest given the economic information I earlier provided.

Moreover, if the bill passed by the House last year—the so-called Erlenborn substitute as amended by the gentleman from Illinois (Mr. ANDERSON) had become law, the applicable minimum wage rates for this year would be $2 an hour for nonagricultural employees covered prior to the 1966 amendments, $1.80 an hour for nonagricultural employees covered by the 1966 amendments, and $1.70 an hour for covered agricultural employees. These rates are identical to those provided in the commitee bill with one exception—the agricultural rate would have been 10 cents an hour higher than the committee bill prescribes.

With respect to the proportion of increase, it is argued that an increase in the general minimum wage rate from $1.60 to $2.20 an hour represents a 37.5-percent overall escalation—higher than previous increases. Although percentage comparisons with previous increases are irrelevant in the sense that they do not account for contemporary economic exigencies, it is not insignificant to note that the 1959 amendments to the Act increased the minimum wage rate 87.5 percent; the 1955 amendments increased the rate 33½ percent; the 1961 amendments, 25 percent; and the 1966 amendments, 28 percent. The proposed increase in the committee bill is not inconsistent with those actions of previous Congresses.

A more relevant comparison, if one is needed, is to measure the percentage increase in the annual wage bill necessary to meet the requirements of the legislation. The 1966 amendments, for instance, required an increase in the annual wage bill of 0.5 percent to raise employees already covered by the act to an initial minimum wage rate of $1.40 an hour. Yet, the bill before us would require an increase of only 0.2 percent to raise those same employees to $2 an hour. The 1966 amendments required an increase in the annual wage bill of 1.1 percent to raise those employees to the ultimate minimum wage rate of $1.60 an hour. Again, the committee bill would require a comparative increase of only 0.3 percent to raise those employees to a wage level of $2.20 an hour.

For employees first covered by the 1966 amendments, the wage bill increase to impose an initial minimum wage rate of $1 an hour at that time was 0.9 percent. The annual wage bill increase to now raise the wage level of those same employees to $1.80 an hour is only an estimated 0.6 percent.

So much for the arguments of precipitous and excessively proportionate increases.

There are also those who contend that minimum wage increases create the necessity for wage increases above that level. They call this phenomenon the "rippling" effect. Available evidence, however, indicates that this belief is more illusory than real.

In the 1968 Department of Labor report on the economic effects of the act, special attention was directed to this question. The Department concluded with respect to the initial coverage of hotels and motels, that—

> Almost all of the wage increases granted covered workers were concentrated at the lowest end of the wage structure, less than $1.05 an hour. There was little evidence of secondary or indirect wage increases to maintain wage differentials.

With respect to the coverage of eating and drinking places, the report stated:

> There was little evidence of wage increases being granted to workers already earning the minimum wage in order to maintain differentials. Increases were concentrated at or within 5¢ of the applicable minimum rate.

Mr. Chairman, the bill before us does more than merely propose increases in the minimum wage rate. It extends minimum wage and overtime coverage to approxiately 6 million additional workers. And it modifies the student employment provisions contained in existing law.

I will not extol the specifics of coverage, Mr. Chairman, as they are evident in the bill and committee report. But I do include, at this point in the RECORD, a copy of a letter I am today sending each Member. The letter describes one group of employees—Federal—for whom the bill does not extend overtime coverage; and does so in the context of serious misunderstandings which are inevitably generated each time we consider this legislation. The letter follows:

WASHINGTON, D.C.,
*June 5, 1973.*

DEAR COLLEAGUE: On May 31—just a few days ago—I wrote you regarding minimum wage legislation (H.R. 7935) before us this week. In the last paragraph of that letter, I noted the "myths and misunderstandings" which are generated each time we consider such legislation—fallacies which, if left unanswered, create sufficient concern on the part of a Member honestly seeking to weigh the merits of the legislation. A perfect illustration of gross misrepresentation came to my attention after I wrote you; an example so directed to your personal interest that I felt compelled to write again.

In testimony before the Committee on Rules, an advocate of the so-called Erlenborn substitute to the Committee bill advised Members that the provisions of our bill would require the payment of overtime compensation to all Federal employees—including specifically, employees of the House, clerk-hire and committee employees, summer interns, and so on. Those statements were made only minutes after I had responded to an inquiry to the effect that the Committee bill *does not* extend overtime coverage to Federal employees.

Again, in a recent letter to you, Congressman Erlenborn wrote the following:

"Finally, we wonder whether Members of Congress are prepared to pay overtime to their 50—and 60—hour a week staff people. We will have to do so if H.R. 7935 is enacted."

This simply is not true! Please be assured that the Committee bill does not—in any way—impose an overtime compensation requirement on you as a Member of Congress. Moreover, it does not extend overtime coverage to one single Federal employee.

Another fiction being circulated is the so-called "youth employment issue". The advocates of this notion now say they want to "prepare our youth for entry into the labor market" by permitting an employer to employ youth at a wage less than the otherwise applicable minimum rate during a job training or learning period. Frankly, we find this objective not unreasonable—although somewhat redundant since existing law (Fair Labor Standards Act of 1938) already permits (in section 14 (a)) the "employment of learners, of apprentices, and of messengers . . ." at wages "lower than the minimum wage . . .". Moreover, existing law does not inhibit the application of this objective by dictating any specified wage or duration of employment—which the relevant provision in the so-called Erlenborn substitute does.

But (and this is the essential difference which is not discussed), existing law is applicable to employment which requires legitimate training—and is not available to lure young people away from their education with the promise of quick pocket money for merely pushing hamburgers across a counter!

In closing, may I express the hope that you will participate in the Floor debate on the legislation. If you have questions, have them answered at that time—on record—so that we might at least afford the legislation the backdrop of an honest perspective.

With every good wish, I am
Sincerely yours,
JOHN H. DENT,
*Member of Congress.*

The reference in the letter to the "youth employment issue" is also pertinent, Mr. Chairman, as this matter has been permitted to transcend most others in importance. And it simply does not deserve that magnitude of attention.

In an effort to meet objections to our

bill, I have personally met with virtually every employer group out against us. In the course of those discussions, I could find no group which felt strongly about the need for the "youth employment" provision in the so-called Erlenborn substitute to be offered. Certainly, many employers would welcome that little profit-enhancing provision; but most were realistic and humane enough to admit that a full-time worker—regardless of age—should receive full-time pay. Ultimately, I concluded that only the Nixon administration was fervently pushing the issue, and for espoused reasons we have subsequently rendered invalid in the face of all available evidence.

Even the young workers, the advocates of this provision, say they want to help are opposed to it. The following letter to each Member from the National Student Lobby is testament to that fact:

National Student Lobby,
*Washington, D.C., May 30, 1973.*

Dear Member of Congress: The National Student Lobby feels that an "across-the-board" youth differential (sub-minimum) wage without Department of Labor Certification as proposed by Cong. John Erlenborn (R-Ill.) and suggested by Secretary of Labor Peter J. Brennan should not be enacted. The reasons, we feel, are legion; the more important follow:

1) Economic studies differ on whether or not minimum wage increases reduce the employment opportunities of youth. The most comprehensive investigation to date on the relationship between youth unemployment and minimum wage by the Department of Labor (BLS Bulletin 1657—1970) found that, "The most important. . . conclusions to emerge from available analyses is that they do not permit conclusions about the effect of minimum wage laws upon the employment experiences of teenagers." *NSL feels that current analysis shows no documented disemployment effect, and therefore, "across-the-board" youth differential rates under the guise of easing youth unemployment are not warranted.*

(2) The impact of a subminimum for youth may be controversial, but one thing stands out clearly, a youth differential would mean less in earnings for many employed youth who would otherwise receive the adult minimum. The major motive behind the drive to raise the Federal minimum from $1.60/hour is to correct it for increases in the cost of living. According to the DOL's Consumer Price Index, what $1.60 could buy in February 1968 would require $1.98 in October 1972. A subminimum would unfairly deprive youth of income and would represent a loss of purchasing power. It would also be a windfall of increased profits for employers, especially youth labor-related businesses (i.e., food conglomerates like McDonald's).

(3) The minimum wage has always been a device that determines what employers should pay unskilled, untrained and inexperienced workers. There is no need to legislate a minimum wage for an older, skilled worker, who can demand and receive a higher wage in the open market. But there is a need for Congress to legislate a minimum livable wage for the unskilled and inexperienced worker (i.e., students/youth). A subminimum is, in fact, a rollback of this "floor wage" and contradicts the historic principle of minimum wage legislation.

The National Student Lobby believes that legislation proposed by Cong. John Dent of Pennsylvania, H.R. 7539 (formally H.R. 4757), is in the best interests of youth and deals with the "youth differential" in a realistic manner. DOL certification seems to us to be essential to insure that young workers are not exploited and that adult workers are not displaced from their jobs.

Sincerely,

Steve Russell,
*Legislative Coordinator.*
Layton Olson,
*Executive Director.*

Other youth organizations, such as the National Student Association and the White House Conference on Youth, are equally adamant in their opposition to this provision in the so-called Erlenborn substitute.

If everybody is against it or at best lukewarm to it—except, of course, the administration—why then has it become an issue of such paramount concern? I believe, Mr. Chairman, that each Member will have to arrive at his own conclusion to that question.

Mr. Chairman, I will not close with any impassioned pleas for this legislation. If its obvious merits do not strike responsive chords in the hearts of my colleagues, it is already too late and too futile for me to try.

Rather, I will take my place at the manager's table and listen with wonder as some of the bill's detractors initiate their wholesale onslaught with arguments invoking every conceivable ill. And I will do my literal best to defend this modest proposal with reason and compassion; all the while trying to comprehend what it is that drives men to deny to their brothers some small place in the sun.

Mr. ERLENBORN. Mr. Chairman, I yield myself 20 minutes.

Mr. Chairman, I guess every piece of legislation needs a good slogan and a villain. The gentleman from Pennsylvania (Mr. Dent) was unable last year, I guess, to find a villain, so he has manufactured one this year. I am a bit surprised by how he went about it.

After the bill was reported out the second time from the full committee—that is, after the gentleman from Pennsylvania (Mr. Dent) changed his tax deduction to a tax credit, and then finally——

Mr. DEL CLAWSON. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present. The call will be taken by electronic device.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 177]

Alexander
Andrews, N.C.
Badillo
Biaggi
Boland
Bolling
Breaux
Burke, Calif.
Burke, Fla.
Burleson, Tex.
Carey, N.Y.
Carney, Ohio
Carter
Casey, Tex.
Chisholm
Clark
Culver
Davis, Ga.
Diggs
Dorn
Eckhardt
Fisher
Foley
Fraser
Gray
Hanna
Hansen, Wash.
Hawkins
Hébert
Heinz
Keating
Kuykendall
Martin, Nebr.
Metcalfe
Minish
Minshall, Ohio
Moss
Murphy, N.Y.
Nichols
Parris
Patman
Powell, Ohio
Riegle
Rodino
Rooney, N.Y.
Rosenthal
Roy
Roybal
Satterfield
Shoup
Stanton, J. William
Steed
Teague, Tex.
Thompson, N.J.
Thornton
Towell, Nev.
Vander Jagt
Wilson, Charles H., Calif.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Bolling, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill H.R. 7935, and finding itself without a quorum, he had directed the Members to record their presence by electronic device, when 374 Members responded to their names, a quorum, and he submitted herewithin the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. When the Committee rose, the gentleman from Illinois (Mr. Erlenborn) had consumed 1 minute of the 20 minutes' time the gentleman had yielded to himself.

The gentleman from Illinois is recognized.

Mr. ERLENBORN. Mr. Chairman, as I was saying, the gentleman from Pennsylvania (Mr. Dent) apparently felt that the legislative strategy for this bill required that there be a villain. That is always a good device—to be for something good and then have a villain to attack. But I found very strange the way in which he concocted his villain.

Let me say that Members on both sides of the aisle in the subcommittee and the full committee have worked long and hard this year trying to seek an agreement so that we would not have to come to the floor in disagreement this year as we did last. In that process Republican members of the subcommittee met with Democratic members. We tried to reach agreement. Different proposals were made by each side for the other to consider. That failed.

We then tried another strategy with the Republican members meeting with representatives of the AFL–CIO. They told us what terms they would agree to, and we negotiated with them, and that failed.

I will say that during this period of time I felt that these were negotiations, not something to be spread to the four winds and say that labor is demanding this or demanding that. But I was willing to negotiate with them in an attempt to reach an agreement.

After the second bill was reported by our committee, I am advised, the gentleman from Pennsylvania asked one of the legislative representatives of industry to submit a proposal to him.

In other words, now the Democratic members were talking to representatives of industry. At the request of the chairman, Mr. Dent, such a proposal was submitted to him. He now comes to the floor and says that there is a conspiracy and he has been delivered an ultimatum. I think that it will be very difficult for our chairman to engage in negotiations in the future if he is going to utilize those negotiations in that way.

Mr. Chairman, today is reminiscent of about 1 year ago when our colleague from Florida, Mr. Fuqua, and I offered our substitute to the committee minimum wage bill. We were then faced with a bill from the Committee on Education and Labor that did not reflect the temper of the House or the temper of the time.

The committee bill, H.R. 7935, that is before us now is guilty of similar shortcomings. Mr. FUQUA and I again are offering a substitute, H.R. 8304. This year we are joined by Mr. QUIE, Mr. WAGGONNER, and Mr. ANDERSON of Illinois in a bipartisan effort to offer a bill that I think will be acceptable to this House. The bill that we fashioned will be consistent with that which the House passed last year.

Inflation has eroded away the purchasing value of the dollar. For this reason, it is time that we increase our minimum wage rates. This, and the fact that a year has passed since the House last considered the minimum wage rates, plus Labor Secretary Brennan's testimony before our committee this year, have persuaded me and my cosponsors that the rates we propose in our original bill this year warranted revision. Earlier this year, we had introduced a bill with rates identical to those adopted by the House last year, except that we went 10 cents further, to $2.10.

We have now introduced a bill that adopts the rate schedule recommended by Secretary Brennan. It is, I think, consistent with the needs of those who are most affected by minimum wages, and yet consistent with the need for gradual steps so that the economy may be able to absorb these rate increases. There are three groups of workers affected. Those covered by the Fair Labor Standards Act prior to 1966 under our substitute bill will go to $1.90 upon enactment, $2.10 a year later, and $2.20 the year thereafter.

The second group, those who were covered for the first time by the 1966 amendments, will go to $1.80, then $2.00, then $2.10, and the fourth step will be $2.20. The rates we are recommending in our substitute for agricultural labor will raise the present rate of $1.30 first to $1.50, then to $1.70, to $1.85, and finally to $2.00, in 1976. Thus in gradual increases we will bring the industrial workers' minimum up to the same level as in the committee bill, $2.20, and we will bring agricultural labor up to $2.00, maintaining a 20-cent differential. At the present time there is a 30-cent differential.

H.R. 7935, the committee bill, does not recognize the fact that the House last year had before it a proposal to move immediately to $2. In a fairly decisive vote the House rejected that proposal, calling instead for these two-step increases that the economy could absorb. I would hope that the House will adopt our substitute again this year, instead of the committee bill which provides a 37½-percent increase in 1 year for nonfarm workers and a 69-percent increase for agricultural labor in just 3 short years.

Our concern about adequate minimum wages for workers is necessarily tempered and weighted by our concern about inflation. The Cost of Living Council has engaged in serious efforts to slow down the rate of inflation, an effort that the Congress recently endorsed by renewing the Cost of Living Council's authority. The rapid rate increases in the committee bill will be difficult for the economy to absorb and will cause even greater price increases and more budget problems for all of us, and of course these budget problems affect the poor, those who are subject to the minimum wage rates, more percentagewise than the rest of us.

According to a Labor Department study, an increase to $2 as is called for in the committee bill would affect 567,000 retail workers who are presently paid the minimum of $1.60, and that would cost our economy $850 million annually. This would of course have to be reflected in the prices charged by retailers. Higher labor costs in the United States would in our opinion also cause the prices of our manufactured goods to rise in world markets and, therefore, deny to us some of those markets that we now share. They also would make imported goods very attractive to the people living in the United States.

H.R. 7935 would play havoc with our health care costs. Labor in hospitals and nursing homes represents about 60 percent of the total operating costs of these institutions. What has happened in just the past 4 or 5 years in health care costs? They have more than doubled, and if we cause these again to escalate by increasing the minimum wage rates in our health care institutions we will suffer the cost of that as well.

H.R. 7935 ignores the disproportionately and unacceptably high unemployment rate among our teenagers. The House last year, in addressing itself to this question, specifically voted 227 to 170 in support of a meaningful youth differential. The committee bill, as I say, ignores this problem and I say that advisedly. We will be told, oh yes, there is a student differential in the bill. The student differential means that only those who are wealthy enough to continue their education beyond high school, who first of all finish high school and then are wealthy enough to continue their education beyond high school, will be in any way affected by this youth differential.

Nothing in the committee bill addresses itself to the problem of the 16- or 17-year-old who has opted to leave school and is seeking employment. This is where the highest rates of unemployment now exist; as high as 35 percent unemployment among the youthful 16- and 17-year-old minority groups. The committee bill does not address itself to this at all.

The committee bill would continue the prior certification of anyone who is to get any sort of differential, and it would, I reiterate, be only for those who are fortunate enough to be full-time students. This procedure of a prior certification has made it impossible for more than a handful of people to have the benefit of the present student differential in the Fair Labor Standards Act.

The committee bill would do nothing for the 22 percent of our high school students who do not complete high school and are seeking employment. H.R. 8304, the substitute that will be offered, provides a real opportunity for both these young people and students to find meaningful employment. There will be no prior certification. There will be a check afterward to see that the law is complied with. It will provide an 80-percent differential so that when the minimum reaches $2, as an example, the youth differential figure would be $1.60.

There would be safeguards, under regulations issued by the Secretary of Labor, so that no full-time adult employee would be displaced by the hiring of someone under the youth differential in our substitute.

Why are we concerned about these youths? Today they suffer what I think is an unacceptable unemployment rate. But, what will happen to them when the minimum wage rates are increased? There is one way of knowing, and that is to look at studies of what minimum wage increases in the past have done to youth employment.

Sar A. Levitan, director of George Washington University Center for Manpower Policy Studies, and Robert Taggart, Executive Director of the National Manpower Policy Task Force, reported this year:

> To some extent, the employment problems of the young are aggravated by the labor market regulations. State and Federal minimum wage laws have also contributed to the rising rates of teen-age unemployment. The major relevant federal law is the Fair Labor Standards Act.

Another thing to take into consideration is the thinking of one with whom I seldom agree. Columnist Milton Viorst in an article just last week urged a two-tier minimum wage system, with separate minimum wage rates for teenagers, and took to task his fellow liberals for not seeing the wisdom of finding employment for these young people instead of having them standing idle on street corners, turning to crime or the use of drugs.

A black member of the Federal Reserve System, Andrew Brimmer, one of the Federal Reserve Governors, examined the labor market from 1961 through 1972. In an analysis which Congressman STOKES introduced in the CONGRESSIONAL RECORD earlier this year, Governor Brimmer said:

> On balance, the evidence tentatively suggests the changes in the Fair Labor Standards Act may have had some adverse impact on teen-age employment. A youth differential may, to some extent, alleviate the burden of youth unemployment.

The Urban Institute's 1973 "Review of Teenage Employment Studies and Summaries" predicts an unequivocal negative relation between the introduction of a minimum wage and employment opportunities:

> If wages are pegged at an artificial level which is above worker productivity, employment will shrink. Thus, if anybody is likely to be affected by a minimum wage, it is likely to be the teenagers, and those affected are more likely to be non-white than white.

In reaching this conclusion, they refer to studies by Kelly and by Hashimoto, and Mincer, and Douglas Adie of Ohio University. The latter in his booklet, "Teenage Unemployment and Real Federal Minimum Wages," reaches these three conclusions:

> First. Increases in the Federal minimum wage cause unemployment among teenagers.
>
> Second, the effects tend to persist for considerable periods of time.
>
> Third, the effects seem to be increasing through time.

Kosters and Welch in their study stated:

> Minimum wage legislation has had the effect of decreasing the share of normal employment and increasing vulnerability to cyclical changes in employment for the group most "marginal" to the work force—teenagers.

The American Association of Presidents of Independent Colleges and Universities has stated that an increase in the minimum wage to $2 per hour will result in the curtailment of employment of student youths in every category of college operations, and would cost their institutions individually from $53,000 to $2.5 million a year for some institutions; and they just simply do not have these funds in their colleges and universities. The only thing they could do would be to fire some of these youths who are taking advantage of work-study programs and other ways of working their way through college.

The College and University Personnel Association polled their members, to see how they felt about a youth differential. Three out of four said that they felt there should be a reduction in the minimum wage rate for student employees.

The personnel officer at Amherst College wrote me that going from $1.60 to $2 an hour would cost them $30,000 a year at their institution and would mean increasing tuition charges or reducing employment of students.

Lastly, a vice president of the First National Bank of Arizona advised me that the Phoenix Metro National Alliance of Businessmen have a plan that provides year-round vacation employment for the Phoenix high school students. The school district has adopted a year-round school plan, which means that one-fourth of their students are out of school at any one time and only three-fourths are actually engaging in studies. They have provided this system where the businessmen in Phoenix will hire these students during that period when they are not attending their studies. They say that this plan would be legislated virtually out of existence if we increase the minimum wage rate to $2 or $2.20 and do not provide a differential for the youths they employ.

Mr. DENT. Mr. Chairman, will the gentleman yield?

Mr. ERLENBORN. I am happy to yield to the chairman.

Mr. DENT. Is it not true that this legislation takes cognizance of that fact, with the work program?

Mr. ERLENBORN. I would disagree.

Mr. DENT. Simply stated, it is covered.

Mr. ERLENBORN. I would disagree with the chairman. There is window dressing language in the bill, yes. It does say that, if one goes through prior certification and gets a separate certificate for each individual student to be so employed, then these full-time students could receive a differential of 85 percent. But then the bill goes on to itemize a whole laundry list of excluded employment that would not be subject to the youth differential.

In my opinion, first of all, the prior certification makes this practically meaningless. The gentleman knows as well as I that we have a youth differential on the books today that is unworkable because of prior certification.

Mr. DENT. Is it not true that this exempts prior certification for five employees or less? Is it not true that this is the language in the bill?

Mr. ERLENBORN. I should like to see that language. It is my impression that each student would need a separate certification. I know that question was asked in the Rules Committee. I read to the Rules Committee the language I thought would require a separate certification for each student. Would the chairman point out that language?

Mr. DENT. The prior certification extends to five.

Mr. ERLENBORN. Even if it does extend to five, that is hardly meaningful.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. ERLENBORN. Mr. Chairman, I yield myself 10 additional minutes, and I yield to the gentleman from Pennsylvania.

Mr. DENT. Mr. Chairman, on page 25 of the proposed bill we are talking about this:

> . . . any elementary or secondary school of its students if such employment constitutes, as determined under regulations prescribed by the Secretary, an integral part of the regular education program provided by such school.

Now, that is the point the gentleman is talking about. This is the first time that this particular problem has ever been addressed to this committee. In all the years we have been deliberating on this legislation, no one brought up the question of work-oriented educational programs, and, Mr. Chairman, if the gentleman will yield further, as soon as the Committee——

Mr. ERLENBORN. Mr. Chairman, I will not yield further.

I know what the gentleman refers to.

Mr. Chairman, I am talking about vocational education, not shared time as the gentleman does in the bill. I am talking about the high school students who are in a program of year-round school where one-fourth of the students are not attending classes at any one time.

Mr. Chairman, the committee bill brings six additional workers under the Fair Labor Standards Act. It brings under coverage for the first time the segment——

Mr. BURTON. Mr. Chairman, will the gentleman yield?

Mr. ERLENBORN. Mr. Chairman, I do not wish to yield at this time. I will be pleased to yield to the gentleman at a later time.

Mr. BURTON. Mr. Chairman, I wish to correct the record.

Mr. ERLENBORN. I yield to the gentleman from California (Mr. BURTON).

Mr. BURTON. Mr. Chairman, this is not a very adventuresome bill; we are not adding any far-reaching numbers. However, I believe the gentleman misspoke when he said, "six". The gentleman must mean "6 million workers."

Mr. ERLENBORN. I meant to say, "6 million." If I did not, I thank the gentleman for bringing it to my attentiton.

Mr. BURTON. The gentleman said, "six." It is a very modest bill at best, and at least give us what little credit we would like to claim.

Mr. ERLENBORN. Mr. Chairman, I thank the gentleman.

The committee bill brings under coverage for the first time 6 million additional workers, including Federal, State, and local employees. I might say to the gentleman from Pennsylvania that it has been suggested that we have covered Federal employees in the past and, therefore, there really is no problem of jurisdictional dispute between our committee and the Committee on Post Office and Civil Service.

Mr. Chairman, unless I am corrected—and I will be subject to correction—it is my understanding only Wage Board employees are covered by the Federal Fair Labor Standards Act at the present time. The extension before us is all-inclusive and would get into Civil Service employees as well.

Mr. BURTON. Mr. Chairman, will the gentleman from Illinois (Mr. ERLENBORN) yield?

Mr. ERLENBORN. I yield to the gentleman from California (Mr. BURTON).

Mr. BURTON. Mr. Chairman, as our dear friend, the gentleman from Illinois (Mr. ERLENBORN) well knows, we are unaware of any dramatic or startling practical impact or import of this coverage.

Does the gentleman know how many of the 30 million Federal workers who are scheduled under the report of the Department will get any increase under these provisions in the bill?

Mr. ERLENBORN. Mr. Chairman, I do not have those facts readily at hand. I know that only a small number will get increases. But I thought the gentleman was going to ask a different question and——

Mr. BURTON. Mr. Chairman, will the gentleman yield?

Mr. ERLENBORN. I will not yield further.

Mr. Chairman, I thought the gentleman was going to address himself to the question of whether the present coverage of Federal workers extends only to wage board employees rather than civil service employees.

Mr. Chairman, I will ask the gentleman, is that correct?

Mr. BURTON. Not entirely. At least my impression is that it also includes those in the educational and health fields.

Mr. ERLENBORN. Under civil service?

Mr. BURTON. Yes. All of those performing services as a result of a contract similarly are currently covered.

Mr. ERLENBORN. Mr. Chairman, I thank the gentleman.

Mr. BURTON. Mr. Chairman, I am sure the gentleman will have a point or two to make in regard to the philosophical aspects of this.

The gentleman in the well and I both know that we have no quarrel with the fact that the general coverage to Federal workers is a very, very modest one. We both know that is a statement of fact.

Mr. ERLENBORN. Mr. Chairman, I will agree with the gentleman that not many Federal workers will be affected, now that they have been exempted from the overtime provisions. But at one time last year, at one time in the committee bill, overtime, as well as minimum wage coverage, was extended to Federal employees.

Mr. Chairman, the committee bill also extends coverage to State and local employees. I question, first of all, whether the Federal Government has the right to interfere in the contract relations between local units of government and their employees. More importantly, we are interfering with long standing traditions as to the treatment of overtime.

Mr. Chairman, again I will have to agree with the gentleman from California—and he will tell us, I am sure, if I yielded to him—that not many local or State employees will be affected by the extension of minimum wage coverage; but a number will be affected by the extension for the limitation on maximum hours, particularly among those who are highway workers and others who are subject to being called out in emergency situations. State and local units of government often have an arrangement for compensating for time off. In this way the unit of government can budget its money, knowing what the cost of this employment will be throughout the course of the year.

The employees know that he is guaranteed a certain income throughout the year. When emergency situations arise and employees are required to go out to remove snow from the streets or debris created by a storm, they are given compensating time off. Extension of the maximum 40-hour provision of the Fair Labor Standards Act to this type of employee will deny to local units of government the ability to manage their own affairs. I see no exception in this bill for this practice that States and local units of government have utilized.

At one time the majority of our committee even proposed extending the 40-hour week to firemen and policemen, but they saw the error of their ways and removed that provision.

This bill will also for the first time extend overtime and minimum wage coverage to domestic service employees, whether they work for a few hours a week as baby sitters, or 1 day a week for the housewife in the home, or whether they work a regular 40-hour week or longer. Some State minimum wage laws now cover domestics, but in my research I find most of them extend coverage only where a person is employed full time by one employer, and only a few extend coverage to that extent. Most of them only extend coverage if three, four, or five domestic employees are employed by the same employer.

I think the provision to extend coverage to domestic workers is one of the most mischievous in the bill. This will require every housewife who employs a worker on a 1-day-a-week basis or even a half-day-a-week basis to keep books and records as the time spent by that domestic worker. The housewife will be subject to penalties if she does not keep the records.

At the present time, we have exempted the employer of a small number of employees because of the difficulty in enforcement. Extension of coverage to domestic workers will increase the number of employees subject to this act by anywhere from 6 million to 15 million new employers. It will be impossible for the Department of Labor effectively to enforce the coverage we are so extending.

Mr. Chairman, this bill also repeals overtime exemptions in the law in a number of areas where we have in the past deemed it to be wise not to have full overtime coverage.

For example, transit companies, where we have a sick industry, really. Many of these employees work for companies that are on the edge of whether they will continue operating or go out of business. At the present time they are not covered by the overtime provisions. Logically, they are not covered by these overtime provisions because they usually work split days and have to be employed during the rush hours in the morning and afternoon. Some do charter work in between. These workers are ordinarily paid for the time they spend in writing out accident reports, in traveling from the car barns to where they begin their run, and so forth. The committee bill would reduce the exemption to 42 hours a week.

Mr. BURTON. Will the gentleman yield?

Mr. ERLENBORN. I am glad to yield to the gentleman.

Mr. BURTON. Here again there may be some differences worthy of discussion, but as the gentleman is fully aware, all of the people interested in this legislation on the employee and the employer side have resolved their matters of difference. The gentleman in the well knows full well that this particular section was found to be acceptable to those involved in this specific industry in regard to employer and employee relations with regard to this specific phase of overtime.

So it had the big fault and it had the majority fault that everyone's problems still could be resolved, but for any other portion it could not.

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

Mr. ERLENBORN. Mr. Chairman, I yield myself 5 additional minutes.

Mr. BURTON. Mr. Chairman, will the gentleman yield further?

Mr. ERLENBORN. I yield further to the gentleman from California.

Mr. BURTON. As the gentleman from Illinois does know, then if all these other industries and all these other employees had faulted out their problem, this particular one that the employer and employees had agreed to, contingent about what everybody else said in their beliefs, that they could live with this. I am sure the gentleman from Illinois can confirm the accuracy of that statement.

Mr. ERLENBORN. I will confirm the accuracy of that statement. That is again one of the hazards that will make it difficult for us to try to resolve differences which lie in the future. As the gentleman from California knows, we were sitting together as members of the committee, trying to resolve the various differences in the bill. I asked a representative of the trade association for the transit industry, "If we are able to resolve all of the differences in this bill and have an agreed bill, what would you agree to as the very minimum for overtime?" He told me that figure.

Mr. BURTON. I commend the gentleman.

Mr. ERLENBORN. With no agreement having been reached, that exempts all parties to the negotiations.

Mr. BURTON. I must at this point commend the gentleman on this point, and in the main, without casting a characterization on anybody's contribution in the last Congress, I commend the essential posture of the gentleman from Illinois. The gentleman in the well knows perfectly well, and so do a few on our side of the aisle and a few on the gentleman's side of the aisle, because we really are but a few percent apart if you look at the bill as a whole, the Members all know this, and I am sure the gentleman regrets going through this charade, as do all of the Members on this side of the aisle, because fundamentally we are within basically the same ball park, and literally the same baseball diamond in the park on what this product is likely to end up, without any likely special turn of events. It is only our regret that—and we do not quarrel with the gentleman's political judgment—it is our regret that those very few matters in the industry could not be threshed out and let the House work its will, and see how our colleagues feel on this.

Mr. ERLENBORN. I will have to disagree with the gentleman, I do not believe there are just a few matters in disagreement. As much as we tried to find agreement, we never agreed on wage rates.

Mr. BURTON. That is true, but we were very, very close.

Mr. ERLENBORN. I will not yield further to the gentleman. We have not agreed on the essentials of the bill, and many of the things on which we were willing to agree were contingent upon another agreement, as the gentleman knows.

What I am suggesting is that it will be difficult or perhaps impossible to engage in such discussions in the future.

Mr. BURTON. Not with the gentleman from California.

Mr. ERLENBORN. Not if the gentleman picks out one piece at a time.

Mr. BURTON. The gentleman from California does not intend to improperly discuss out of any context any relevant discussion with reference to this situation.

Mr. ERLENBORN. The gentleman from California can use his own time. I would like to complete my statement—and I did not intend to take this much time.

Let me mention one additional point. On a separate vote last year, we specifically did not raise rates in the Canal Zone, and for good reason—that we are presently engaged in very delicate negotiations relative to the sovereignty of the Canal Zone, and one of the big problems we face is the terrible differential in the wages paid by those who are employing people within the Canal Zone at the minimum wage. As such we have to keep in mind those who work outside of the Canal Zone. The House, taking that into consideration last year on a separate vote, agreed that we should not impose increases in the minimum wage rates on the Canal Zone. The committee bill again this year makes the same drastic mistake of increasing the minimum wage rates in the Canal Zone, and the substitute would not do this.

Mr. Chairman, may I say that under the third title of the bill there is a section entitled, "Conforming Amendments." I have called the attention of the chairman of the subcommittee to the fact that one of these two sections under title III is not a conforming amendment at all, but a substitute amendment. What it does is take one class of Federal contractors who were covered after 1966, and therefore would be subject under the committee bill to the slower step increase, and decrees that they will be treated as though they were covered before the 1966 act. They, therefore, would immediately go to $2.

This is not a conforming amendment. There was no testimony in the committee concerning this provision of the bill. It is substantive, and I think that it is unfair to the House to entitle it a conforming amendment.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ERLENBORN. Mr. Chairman, I yield myself 3 additional minutes.

The CHAIRMAN. The gentleman is recognized.

Mr. ERLENBORN. To sum up, Mr. Chairman, the consequences of the inflation that we have experienced should be reflected in this legislation by an increase in the minimum wage rates. A recognition of that same inflation, however, should lead us to measured increases in the minimum wage rates, instead of having a 25-percent increase in the first year in nonfarm rates and a 69-percent increase in agricultural wage rates within 3 years. We all know the problems and costs of foodstuffs today as a result of inflation, and the Members can imagine what a 69-percent increase in agricultural wage rates will do to the cost of food in the future. I think that we must take into consideration our fight to remain competitive in world markets. Again, this would lead us to measured increases, rather than excessive increases, in the minimum wage rates.

Most of all, we must encourage the employment of our young people. We must heed the problems particularly of the minority youth who are suffering the unconscionable unemployment rates of 30 and 35 percent. The only meaningful youth differential that the Members will have an opportunity to vote for will be in the substitute bill.

Therefore, I urge the House to reject the committee bill and to pass the substitute. H.R. 8304 is a bipartisan effort toward reasonable minimum wage increases, a bipartisan effort sponsored by myself, the gentleman from Florida (Mr. Fuqua), the gentleman from Louisiana (Mr. Waggonner), the gentleman from Minnesota (Mr. Quie), and the gentleman from Illinois (Mr. Anderson). I hope the House, when it has an opportunity to work its will, will adopt the substitute bill.

Mr. DENT. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania (Mr. Gaydos).

The CHAIRMAN. The gentleman is recognized.

Mr. GAYDOS. Mr. Chairman, I rise today in support of H.R. 7395 to amend the Fair Labor Standards Act and to increase minimum wage rates and to expand coverage of the law.

An increase in Federal minimum wage rates is long overdue, and it must be corrected as far as the erosion of the purchasing power of the dollar. Since February 1968, when the present Federal minimum hourly rate of $1.60 became effective for most workers covered by the act, the cost of living as measured by a U.S. Department of Labor Consumer Price Index has risen by 28 percent. It would take $2.05 today to buy what could have been bought with $1.60 back in February of 1968. H.R. 7935 would increase the minimum wage for most covered workers to $2 an hour upon enactment and $2.20 beginning July 1, 1974. The fact that the present minimum rate is sadly in need of upward adjustment is quite evident from several other statistics.

When the minimum was raised to $1.60 an hour back in Feburary of 1968, it equaled 56 percent of average hourly earnings for production workers in private industry. Today the $1.60 minimum has fallen to only 42 percent of current average hourly earnings for production workers.

In 1968 the poverty level, a guideline of the Office of Economic Opportunity to help determine eligibility in certain Federal programs, was estimated at $3,553 for a nonfarm family of four. The $1.60 minimum wage in that year would have provided an annual income of $3,328, and that is assuming a full year of work amounting to 2,080 hours, an income nearly equal to the poverty level. The Government-defined poverty level for 1973, however, has risen to $4,200 for a nonfarm family of four, well above a full year's income at the $1.60 minimum.

Mr. Chairman, the previous speaker made references, I believe, in two areas. One was that the impact on the national economy would be substantial if a minimum wage bill, as it is now proposed, is passed.

Second, he implies that the minimum wage is somehow connected to the international trade problems.

With reluctance I would like to refer to some statistics to respond to the gentleman from Illinois, and I do so understanding full well that statistics and statisticians could be likened to the drunk leaning against the lamppost during the night. He leans against that lamppost for support and not for illumination. So I would like to respond to the gentleman with statistics, since he referred to statistics in substantiating his position that the proposed minimum wage bill would be counterproductive as far as our national economy is concerned. These are statistics that I submit are clear and do substantiate the fact that his position is untenable.

In 1966 when the amendments to the Fair Labor Standards Act covering the old employees was passed, the five-tenths of 1 percent increase was the amount in the annual wage bill to raise the wages, that is first step employees to which it was applicable, giving them an increase from $1.25 to $1.40 an hour. I repeat, that was five-tenths of 1 percent. In the present proposed legislation raising the wages of the first step employees it is proposed to have a rate of $2 an hour, which amounts to two-tenths of 1 percent. So the comparision there statistically is two-tenths of 1 percent in the proposed legislation and five-tenths of 1 percent in the 1966 act.

Proceeding further, in the 1966 amendments under the second step raising the rate of $1.40 to $1.60 an hour in the second step, in effect the cost will be 1.1 percent on the annual wage bill. Under this act, raising the second step to $2.20 an hour amounts statistically to three-tenths of 1 percent. The comparison is clear. It is three-tenths of 1 percent under the proposed legislation as compared to 1.1 percent under the 1966 act.

Going back to 1968 we have nine-tenths of 1 percent being the percentage affecting the coverage of new employees as an increase in the annual wage bill. That is when the amount was placed legislatively at $1 an hour.

In comparison this legislation, this year, amounts to six-tenths of 1 percent in the annual wage bill if we raise these same wages to $1.80. So again I go back. The comparison then of all new coverage employees is $1.80 an hour under the proposed act which amounts to six-tenths of 1 percent as compared to nine-tenths of 1 percent under the 1966 amendments.

In response to my very good friend, the gentleman from Illinois, I am sure he did imply, and I think I read him correctly, that the minimum wage through some mysterious way is and was and should be connected with the balance of payments and foreign trade problems and our ability to buy products cheaply and competitively and compete in the international trade mart. I suggest to my friend that an increase in the minimum wage might have an infinitesimal effect on the overall picture of balance of payments and balance of trade, but I am not convinced that there is sufficient evidence to substantiate the gentleman's contention.

Let me suggest to the gentleman that he should have included the 1962 Tariff Act, the so-called Kennedy board of trade adjustment; the general agreement on trade and tariffs. We had trade imbalances spring up like mushrooms internationally; West Germany, Luxembourg, the Common Market, Japan, independent producers and suppliers throughout the world took advantage of many built-in loopholes.

All of these factors, along with a reluctance on the part of the administration to take positive Federal action as of this time in the implementation and utilization of the 1962 tariff agreements and its provisions caused our trade problems. These are the areas and those are the items that affect international trade and balance of payments.

The equalization tax, nontariff barriers are the areas which affect our balance of trade. I understand international trade policies are going to be under complete review in September, along with our monetary problems. So, I submit as of this time, that it is improper and inappropriate even to suggest or imply that somehow the minimum wage we are talking about in the present legislation has something to do with international trade.

Mr. Chairman, the increases in the minimum rates proposed by H.R. 7935, the committee bill, are mostly modest, indeed. They correct only for cost-of-living changes. They include no upward adjustment, and this is based upon statistics, for the productivity improvements which have occurred since 1968 and which have not been mentioned, mysteriously, by anybody as yet.

As a result, they provide no increase over the 1968 levels in the real wage of workers paid at the minimum rate. They add no additional real cost to employers compared to the cost of $1.60 minimum in 1968.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. DENT. Mr. Chairman, I yield 1 additional minute to the gentleman from Pennsylvania (Mr. GAYDOS).

Mr. GAYDOS. Mr. Chairman, Congress historically has legislated several cost-of-living increases in the past few years for social security recipients, railroad retirement annuitants, and things of that nature. Congress has done the same for Federal employees in many instances and voted upon in this House as recently as 2 weeks ago.

The time is due now, and long past due, to provide similar simple justice for the lowest wage workers in our economy today.

Mr. Chairman, I submit for the RECORD the proportion of minimum wage in the bill H.R. 7935 in comparison with previous increases:

PROPORTION OF MINIMUM WAGE IN THE BILL (H.R. 7935) IN COMPARISON WITH PREVIOUS INCREASES

(1) 1973 amendments ($1.60 to $2.20)—37.5 percent overall increase.

(2) 1966 amendments ($1.25 to $1.60)—28 percent increase.

(3) 1961 amendments ($1.00 to $1.25)—25 percent increase.

(4) 1955 amendments ($0.75 to $1.00)—33⅓ percent increase.

(5) 1949 amendments ($0.40 to $0.75—87.5 percent increase.

(6) 1938 enactment (initially set at $0.25; provided for increase to $0.40)—60 percent increase.

The average percentage increase in previous years is 46.77 percent. H.R. 7935 provides for an overall percentage increase of 37.5 percent.

Mr. PERKINS. Mr. Chairman, first let me compliment the distinguished chairman of the subcommittee for his great work in bringing this legislation before us. I personally feel that the committee bill is sound and should be adopted by the committee.

Mr. Chairman, the bill, H.R. 7935, which we are considering today is a very moderate piece of legislation. It provides a modest increase in the minimum wage rate and extends the protection of the Fair Labor Standards Act to workers not now enjoying its protection.

The bill provides for gradual increases—increases which can be absorbed by the national economy as easily as have all previous increases in the minimum wage.

The extension of the minimum wage and overtime protection to Federal employees not presently covered, to State and local government employees, as well as to workers in domestic service and employees of conglomerates provides belated help to groups of employees who have long deserved it and long needed it.

Fair labor standards legislation has come a long way since its initial enactment on June 25, 1938. The first statutory minimum was 25 cents an hour. That original act also provided for a graduated escalation to 40 cents an hour by October 24, 1945. The minimum wage was raised from 40 to 75 cents—an 87½ percent increase—in January of 1950. The amendments of 1955 provided a further 33⅓-percent increase to $1 an hour, effective in March of 1956. In 1961 the minimum wage was raised again by 25 percent to $1.25 an hour, effective in September of 1963, with an intermediate increase to $1.15 per hour in 1961. In 1966 the minimum hourly wage rate was raised by 28 percent to $1.60 an hour, effective February 1, 1968; again, with an intermediate increase to $1.40 effective February 1, 1967.

In passing H.R. 7935 the House will be following a precedent followed in previous Congresses proposing a graduated increase over a considerable period of time which amounts to a little less than 27 percent. The bill would eventually provide all covered employees with a $2.20 per hour minimum.

The minimum wage and effective date for each group of employees is as follows:

Nonagricultural employees covered by the FLSA wage provisions prior to the 1966 amendments plus the Federal employees covered by those amendments: $2, August 1, 1973; $2.20, July 1, 1974.

Nonagricultural employees newly covered by the 1966 FLSA amendments—principally laundry, dry cleaning, restaurant and hotel employees: $1.80, August 1, 1973; $2, July 1, 1974; $2.20, July 1, 1975.

Agricultural employees: $1.60, August 1, 1973; $1.80, July 1, 1974; $2, July 1, 1975; $2.20, July 1, 1976.

Domestics: $1.80, August 1, 1973; $2 July 1, 1974; $2.20, July 1, 1975.

In making these modest increases in the minimum wage, we are providing the covered employees at the lowest economic levels with less than what they might have been provided had they gained from productivity increases or from cost-of-living increases in recent years.

When the 1966 amendments increasing the minimum wage to $1.60 an hour were enacted they represented a promise to the full-time worker paid at the minimum wage rate that he would earn at least a poverty level income: $1.60 per hour would have provided roughly $3,200 annually—approximately what was considered to be the poverty level of income. Even if the minimum wage were being adjusted here today to provide only for the changes in the cost of living we would have to be providing a wage in excess of $2.05 an hour to provide the minimum wage earner with the same purchasing power as $1.60 under the 1966 amendments. We are only proposing an immediate increase to $2 an hour for nonagricultural employees covered by the act prior to 1966. That rate will yield less by some $200 than the federally defined poverty level for a nonfarm family of four in the United States.

To put the matter slightly different, if the Congress had attached a cost-of-living mechanism to the 1966 amendments the minimum wage rate in March of this year would have exceeded $2.07 per hour.

Or, to put the matter in still another way, if the minimum wage earner had been treated by the Congress the same as Federal employees—if they had received the same cost of living and comparability increases—today's minimum wage would exceed $2.20 an hour. It is clear then that the increases we are proposing are modest.

I am sure we will hear today the traditional arguments that increases in the minimum wage are inflationary. The regularity with which we hear that argument in this context is equaled, however, by the regularity with which successive Secretaries of Labor have denied adverse economic effects either on price levels or employment. Secretaries Hodgson, Wirtz, Shultz, and many others have regularly responded to the legislative mandate to report the impact of the minimum wage legislation with the determination that it has had no adverse effects on employment or prices. Even the U.S. Chamber of Commerce, in the person of Dr. Richard S. Landry, has recognized this fact and no longer contends that minimum wages are inflationary.

An increase in the minimum wage, however, is absolutely demanded. Somewhere in excess of 40 percent of the poor families with children in this Nation are headed by full-time workers. More than one-quarter of the poor and more than 30 percent of the children growing up in poverty are headed by a full-time, year-round worker whose wages are so low that his or her family is impoverished. The economists and social workers have coined a new phrase recognizing the pervasive existence of this tragic phenomenon, the "working poor." These are people who work hard at useful jobs contributing to the welfare of the Nation. These are people struggling to achieve self-reliance, to maintain their economic independence, and to maintain their dignity. These are people who cannot support their families although they are working full time and sometimes more than full time at more than one job. These are people who are not paid a subsistence wage. These are people who are all too often forced to go on welfare in order to survive. That there are "working poor" in America today is a tragedy. That they exist in the numbers they do is shocking. It is imperative that we remove as many of them from poverty as we possibly can.

The Congress has previously recognized that wage increases at the poverty level do not have an inflationary effect. We voted to exclude the "working poor" from the phase II controls of the Economic Stabilization Act. It is time we put another stamp of approval on that economic fact and give more than lipservice to the principle recognized and endorsed by every President since Franklin Roosevelt that the working men and women of this Nation are entitled to a fair and equitable wage.

### FULL-TIME STUDENTS UNDER THE FLSA

The act presently permits the employment of full-time students on a part-time basis during school time or on a full-time basis during vacations and holidays at less than the minimum wage. They may be employed in retail and service establishments and in agriculture at a wage rate not less than 85 percent of the applicable minimum. According to the Department of Labor almost 50 million hours were authorized for the employment of full-time students at subminimum rates by certificates in effect on June 20, 1972.

The bill H.R. 7935, in section 207, substantially expands the opportunities for employment of full-time students at subminimum rates. No longer will the employment of students at subminimum rates be limited to retail and service industries and agriculture. The only activities barred to students are those which are particularly hazardous for the employment of students.

An employer with less than five students being employed at subminimum rates is only required to certify that he is not reducing full-time employment of other workers. If he employs five or more students at subminimum rates, he must obtain from the Secretary of Labor a certificate stating that the employment of any such student will not create a substantial probability of reducing full-time employment opportunities of other workers.

The Secretary of Labor may waive the minimum wage and overtime provisions of the Act with respect to students employed in their elementary and secondary schools where such employment is an integral part of the regular education program.

These provisions are substantially better than those provided in the Erlenborn substitute, H.R. 8304, which would provide a minimum wage for teenagers aged 16 and 17 of 40 cents less than the statutory minimum. This minimum has been justified on the basis that unemployment for teenagers has been higher than unemployment generally.

While I have always believed that something had to be done about the high levels of unemployment for youth, it is clear to me that a preferable method for creating more jobs for teenagers would be to expand aggregate demand in the economy and to continue to expand programs addressed to the particular problems of youth. This administration, unfortunately, has gone in the other direction and is cutting back the Neighborhood Youth Corps, the Job Corps, and many other programs that would provide training and jobs for youngsters in a way that would not set them to competing with their fathers for jobs available in the employment market.

The Erlenborn substitute will not decrease youth unemployment. Its result will be to entice youngsters out of school—increasing the supply of subminimum wage earners to compete with heads of households for jobs. If the Erlenborn substitute is enacted into law, the result will be just as many unemployed youth, and more unemployed adults.

### EXPANSION OF COVERAGE

The committee bill extends the protection of the act to all Federal employees, some of whom were previously covered, to employees of State and local governments, to domestics and employees of certain conglomerates not otherwise covered. Federal employees and State and local policemen are, however, specifically exempted from the overtime provisions. These expansions of coverage are, of course, long overdue. There are no reasons why these groups should not be brought under the protection of the act.

The lateness with which the Congress is acting in this respect is indicated by the relatively small impact these expansions can be expected to have. The impact of coverage at the State and local level, for instance, will be minimal. A Department of Labor study done in 1970 indicates that an immediate increase to $2 an hour at that time would have only had a 1.1-percent increase in the weekly wage bill for these units of government. H.R. 7935 brings about this raise over a period of slightly more than a year. Since this study was done wage rates in the public sector have continued to rise.

Some argue that extension of coverage to domestics will cause a reduction in employment. I think exactly the opposite will occur. Presently, domestic workers are not subject to either the minimum wage or overtime provisions of the Fair Labor Standards Act and all over the country men and women are seeking domestics. An increase in the minimum wage protections and the overtime provisions of the act will very likely bring increased workers into the marketplace. In expanding coverage to them, Congress is taking a step in the direction of providing a respected and dignified domestic work force; we will provide more respectable working conditions and a living wage to a group of people whose wages have been extremely low, whose work has been highly irregular, and a group which is not now protected by the minimum wage, by unions or by any Federal or State labor laws.

### OVERTIME EXEMPTIONS

A number of modifications are made in the Fair Labor Standards Act dealing with overtime exemptions. Some, like those relating to transit workers, are reduced or otherwise modified. There are two newly created overtime exemptions. One is provided salesmen, partsmen and mechanics engaged in the sales and service of boats. These salesmen are treated like automobile, truck and agricultural implement salesmen. A second new overtime exemptions is provided for substitute parents of institutionalized children.

A major and quite controversial provision of the new bill would reduce and eventually eliminate the overtime exemptions applicable to employees in certain seasonal industries and in agricultural processing. It should be noted, however, in this connection that the provisions of existing law providing an overtime exemption for employees in the tobacco industry are retained for those employees working in the sale of leaf tobacco. Buying, handling, stemming, redrying, packing and storage, grading and handling of tobacco continues to be exempted. The reductions and the elimination of overtime exemptions in the other areas have, however, been recommended over a period of years by a number of Secretaries of Labor. Typical was the recommendation in 1970 by the then-Secretary of Labor, George P. Shultz, who said:

> The study of overtime exemptions available to the agricultural handling and processing industries indicates the need for re-appraising the favored position which has long been given these industries through exemptions from the 40 hour maximum work week standards. It is my recommendation that the exemption currently available under section 7(c); 7(d); 13(b); 14, be phased out.

The phase outs are justified, because automation and other technological advances in the industry have cancelled out spoilage, the major excuse for the exemption. The existing exemptions are not fully used and many plants in the industry already pay time and one-half rates after 40 hours. In addition, most industries taking advantage of these exemptions could provide additional jobs by adding second and third shifts.

The Congress itself has earlier acknowledged the desirability of eliminating these exemptions. The conference report on the 1966 FLSA amendments stated:

> It was the declared intention of the conference to give the notice that the days of the overtime exemptions for employees in the agricultural processing industry are rapidly drawing to a close because advances in technology are making the continuation of such exemption unjustifiable.

The 1966 amendments sharply curtailed the exemptions from what had previously existed. This action was taken amid loud predictions that disaster would befall the industry. In actual fact, the reduction of the exemption caused little, if any, dislocation and I suggest that the committee's action, if adopted by the Congress, will have similarly small effect.

I will take no more time now.

Many other provisions of the bill are as important, as the ones I have mentioned. Other speeches will, I am sure, adequately deal with them.

Mr. ERLENBORN. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan (Mr. HUBER).

Mr. HUBER. Mr. Chairman, a year ago we had a meeting in my office trying to set prices on our products. On one side of the table sat two attorneys; on the other side of the table sat myself, our production manager, our sales manager, our estimator, and our purchasing agent. In attempting to set our prices, we had to rely upon the two attorneys, because we could not tell in our own plant what we could do legally because of laws passed in the Congress.

I submit that when a corporation relies upon its attorneys to help it set its prices, it is in real trouble.

Today, in dealing with this problem of minimum wage—and I serve on the committee—I listened to the testimony that was offered on both sides of the question. It seems to me that, when dealing with prices and wages, we are dealing in the profitability of our businesses? I saw a recent article by the Small Business Administration which says that 9 out of 10 small businesses fail within 5 years—9 out of 10.

We are not in as profitable an economy as we have been in the past, nor do I see such in the immediate future.

A current article which I have with me says that it is a boom all right, but different. It says that if President Nixon has to deal with a recession in his second term, at least he can be certain that it has been well advertised.

We are having a boom, and booms of this kind generally appear earliest in the price of industrial raw materials.

In my business I have watched the price of raw materials. I have an article, which came from one of the people engaged in our type of business. One of the things that we use is cadmium. That was selling at $1.35 a pound. When the freeze went on in August it was $1.50. In November, when the freeze was lifted and the prices were allowed to advance, cadmium began to escalate. Today it is $3.75 a pound. In less than a year the price increased from $1.35 to $3.75.

If we are in such a boom, why is the stock market in such bad shape? Why is there not more speculation, when they say that prices are down 10 percent from the January highs?

What I am saying is that these are not boom times, in spite of what the figures show.

I believe we have to take into consideration, in saying how what we are doing is going to affect prices, because we cannot touch wages without affecting prices.

We had considerable testimony from the people who hire people; not from the people who represent organizations and chambers of commerce, but people who are in the business of hiring people. I did not hear anybody who hired one man or a number of men talk in terms that this would do anything but cause tremendous problems in their industry.

I am talking about the hotel people. I am talking about the restaurant people. They said specifically that if we go to the tremendous things that are proposed in the bill we are considering this afternoon, "We will have to reduce our personnel." They made that specific. That is a matter of record in the testimony before the committee.

How do we stay alive in business? The previous speaker talked about the drunk that leaned against a lamplight and needed some illumination. I brought a little illumination here to shed on this problem.

This particular lantern was made in Hong Kong. It has an American flag. It is a Dietz, one of the oldtime manufacturers, which has been around for years and years,. They may have been in Pennsylvania.

But it says it is made in Hong Kong, if we look at the small print.

Do Members know what that lantern sells for? It is $1.69. Where do we buy it? We can buy it in Korvettes.

Let me tell the Members who makes a profit from that. Dietz makes a profit out of that. It is made in Hong Kong, so they made a profit in the manufacture of that lantern. There is a sticker on the bottom which says it is distributed by the world famous sales company in Chicago. They made a profit. I do not believe that Korvettes is in business to lose money, so they made a profit.

So there are four companies that made a profit out of that. I had a cost estimate made of that. We costed that out with a distribution cost of $4.

We talk about losing world trade markets and statistics. We are not going to manufacture many lanterns. That is a thing of the past, like buggy whips.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. ERLENBORN. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. HUBER. Mr. Chairman, we had some testimony before this Congress in some of the Wednesday sessions with the State Department about Taiwan. They make more television sets on Taiwan than we do in the United States. That is like the lantern. Why do they do that? It is because they can cut us to pieces.

If we are going to start playing around with these problems of wages—and we have the right to do it—I believe we have to be particularly careful to consider the entire aspect of the problem. That is why I submit the present bill does not solve the problem, and the bill which will be proposed as a substitute comes to grips with how to handle the problem. We must recognize that we are not able to set those things arbitrarily.

If we could, I wish we could set some things on my production. I would like to see those go up. We cannot do that.

If we are going to tamper with the structure, we have to be very careful. We have had testimony by the administration, by the Department of Labor, by many people who have said, "Yes, we can put up with many things, but we have to be very careful."

I submit that the substitute bill we hope to have before us shortly deals with those questions.

I submit that industry stands to watch what we are going to do, because this ripple effect is there in spite of all the statistics. I see it in my business, and I have seen it indeed for 25 years; I have seen it in every business I have been associated with. The ripple effect is there, and we are going to make the situation considerably worse unless we move carefully and cautiously.

Mr. Chairman, I submit the bill as offered does not move carefully or cautiously. I submit the substitute bill does, and I hope we will give consideration to that problem.

Mr. DENT. Mr. Chairman, I yield 5 minutes to the gentlewoman from Texas (Miss JORDAN).

Miss JORDAN. Mr. Chairman, I thank the gentleman from Pennsylvania for yielding to me, and I rise in support of H.R. 7935.

As I listen to the arguments presented in opposition to this measure, it appears that there are no new arguments to be presented in opposition to minimum wage legislation. The arguments we hear have been presented since 1938, when we first had the Fair Labor Standards Act, and we are continually being confronted with the false fears that if we enact minimum wage legislation, inflation is going to increase, unemployment is going to rise, and the economy will be completely destroyed by the imposition of the will of the Congress on industry.

Mr. Chairman, the facts are very simple in support of minimum wage legislation. We say that this is a country that is a devotee of the work ethic. We say that if a man works, he ought to earn an adequate wage to at least take care of his needs at a subsistence level.

This bill does no more than to try to follow through on the work ethic which is so dear to the way we do business in America.

When we talk about welfare versus work fare, this is not a welfare bill, even though there are approximately 20 States in this country which have higher welfare payments than the minimum wage rates which are included in the committee bill.

Mr. Chairman, I think we ought to look at what we are doing in terms of what it will mean to the people who want a chance to live and breathe and work and earn their keep after a day's work.

Specifically, I direct your attention to that extension of coverage in this measure which includes Federal, State, and county and municipal employees. Of the 6 million people who are extended coverage under the bill, approximately 5 million of those new people are employees of Federal, State, and local governments.

Government, at whatever level, should not be exempt from provisions of the law which apply to private sector employers. Employees should not be subjected to discrimination because they happen to work for government rather than for a private sector employer.

I cannot agree with the opponents of this provision who say that it will place an unbearable burden on State and local governments. The effect of coverage at the State and local level will be minimal. According to "Non-Supervisory Employees in State and Local Governments," a Labor Department study done in 1970, the impact at that time of an immediate increase to $2 an hour in the minimum wage would have been a 1.1-percent increase in the weekly wage bill for these units of government. H.R. 7935 brings about this increase over a period of slightly more than a year.

Moreover, the impact will be diminished by the fact that in the 3 years since the study was done, wage rates in the public sector have risen along with those in the private sector. Even the National League of Cities and the U.S. Conference of Mayors concede that the effects of minimum wage coverage for public employees will be negligible. With respect to overtime coverage, the effect will be similarly slight—according to the Labor Department study, an increase of about 1 percent in a weekly wage bill. Again, this study was conducted 3 years ago. I believe that overtime coverage has been more common at the State and local level during that time.

Furthermore, this study took the cost of overtime for policemen and firemen into account in computing the figure just given. Policemen and firemen are not covered by H.R. 7935; therefore, the effect will be considerably less. The National League of Cities recognized this fact in their testimony before Congressman DENT, in which they said that their most serious objection is to overtime coverage for policemen and firemen.

For the information of my colleagues, on a regional basis, the increases in the weekly wage bill that the 1970 study indicated would be required by an increase in the minimum wage to $2 an hour are as follows: In the Northeast, an increase of 0.7 percent; in the South, an increase of 2.4 percent; in the North Central United States, an increase of 0.9 percent; in the West, an increase of 0.4 percent. In the case of overtime, the study indicates the following facts: In the Northeastern United States, 64 percent of State and local governments already pay time-and-a-half for overtime; in the South, 30 percent of the governmental units pay time-and-a-half for overtime; in the North Central United States, 40 percent of the governments pay time-and-a-half for overtime, and in the West, 43 percent of the governments pay time-and-a-half for overtime.

Even if these facts were not established, I would still favor coverage of State and local employees. This bill provides a worker working for minimum wage with an annual income of $3,744 the first year the new rate is in effect, $4,160 the second year, and $4,576 after that. No one should be expected to work full time for less money.

Furthermore, the 40-hour week has long been the norm in the private sector and it is about time the public sector joined the rest of us in the 20th century. Any city or State which will have to increase its payroll significantly as a result of enactment of overtime provisions of this bill, has been exploiting its employees and we should put a stop to it.

Some people are concerned about the separation of powers and possible infringements on the privileges of other levels of government. The U.S. Supreme Court does not see things that way, because they have already upheld the authority of Congress to cover State and local employees. This opinion was delivered in *Maryland* v. *Wirtz,* 392 U.S. 183 (1968), a case in which the 1966 coverage of employees of State and local hospitals and schools was upheld.

Mr. Chairman, once again I see no reason to delete any provision of this bill with respect to coverage of State and local employees and I urge the adoption of the bill as reported by the Education and Labor Committee.

I urge your support of the committee bill.

Mr. DENT. Mr. Chairman, I yield 5 minutes to the gentleman from Maryland (Mr. MITCHELL.)

Mr. MITCHELL of Maryland. Mr. Chairman, thank you for giving me some time. It is not often that I speak on the floor of this House. Generally I take the opportunity to speak when I feel that the weak and the powerless in this country are being intimidated by the big and the powerful. That is exactly what we are confronting today, a situation in which a whole lot of little people, not organized, with no money, with no major spokesman for them, those who are essentially powerless people in our society, are being threatened and intimidated by the powerful interests such as the National Association of Manufacturers and its surrogates.

It is disturbing to me that this would happen. I am especially disturbed because the thrust of this is coming from that side of the aisle, the Republican side.

There are groups of black men and women traveling around the country, who are all Republicans, and they are traveling around the country attempting to woo and win black people to participate in the Republican Party. That group was in North Carolina just last week. Wherever that group has gone it has run into resistance, the resistance of blacks who hold the Republican Party to be insensitive and callous to the needs of those I am speaking about.

Of course, I am delighted at the gentleman from Illinois, Mr. ERLENBORN's new-found sympathetic interest in blacks and young people. I am delighted that such interest has been initiated, but I would respectfully suggest to the Members on the other side of the aisle this thought. I am a Democrat, but I believe in a strong two-party system. I think blacks and other minorities ought to be in both parties—but I say that the Republican Party will never, never, never get them in for as long as the Republican Party continues to demonstrate this kind of callous, cruel, cynical, insensitive action to those who are powerless.

Mr. Chairman, let me talk for just a moment about one section of the bill, the protection to be afforded to those who serve as domestic workers. Of course, I would like to see all workers getting a minimum wage. Of course, I would like to see all workers enjoying the good life that this country has promised everyone, but I am especially concerned about the domestics in this situation.

I am a black man. I have a special interest in black people. We know that somewhere between one-half and two-thirds of all domestics are black women. I know what their fate has been as domestics. I think it is absolutely nonsensical to attempt to exclude them from minimum wage coverage, because of some phoney suggestion that it would work a hardship on the employer. That is nonsense, that is utter arrant nonsense. The real issue is whether or not we will continue to exploit our black women and other women who serve as domestics.

Mr. DENT. Mr. Chairman, will the gentleman yield?

Mr. MITCHELL of Maryland. I yield to the distinguished gentleman from Pennsylvania.

Mr. DENT. Mr. Chairman, I congratulate the gentleman from Maryland on the statement that he is making, and the point that he has just raised. Every person who employs a domestic today must keep records for social security, when the facts of life are that a Sears Roebuck revolving account is 10 times the work of keeping those records for a domestic worker.

Mr. MITCHELL of Maryland. I thank the distinguished chairman of the subcommittee for his remarks.

Let me continue, if I may.

Mr. Chairman, for as long as I serve in this Congress I am going to take the burden upon myself of fighting for those people who suffer because a system turned against them in the past, and who continue to suffer simply because we still have not caught up with the rest of America, despite the fact that some gains have been made.

May I say exactly what the system did in the past. The system in the past prevented black women from obtaining the kinds of education and employment that other women received. The system denied the black males the same kind of opportunity for full and equal employment. Therefore the burden fell on the black women to support their families. They supported their families by working as domestic workers.

The CHAIRMAN. The time of the gentleman from Maryland has expired.

Mr. DENT. Mr. Chairman, I yield 2 additional minutes to the gentleman from Maryland, Mr. MITCHELL.

Mr. MITCHELL of Maryland. Mr. Chairman, I thank the gentleman from Pennsylvania for this additional time.

Mr. Chairman, that inequity perpetuates itself today because it set the stage for the exploitation of these women, and now it wants to continue that exploitation by excluding them from the minimum wage coverage.

Mr. Chairman, I think this House has some integrity about it. I think there are Members on the Republican side of the aisle who recognize that what they are doing in this attempt to this bill borders upon being immoral. I also think that there are some Members on this side from our Southern States who recognize they will be compounding the felony if they do not support the committee bill. It is no great secret, there is going to be a close vote. We all know that, but I think that this committee bill is going to pass. I think it is going to pass because, somehow or another, despite the pressures from the corporate giants, the big businessman and the Association of Manufacturers, despite the pressures from the White House, men and women in this body are going to reach down and find within themselves the decency, the integrity, and the courage to just once speak out for those who are essentially powerless people in our society.

I thank the gentleman for giving me some time, and whatever few moments I have left, I now yield back.

Mr. PODELL. Mr. Chairman, in considering the fair labor standards amendments before us. I hope that my colleagues will take into consideration the economic realities of the times we live in.

We are faced with continually rising prices for food, rent, durable goods, clothing—everything we need to maintain a respectable standard of living. And yet, there are currently over 16 million workers uncovered by any sort of minimum wage law, and there are millions of covered workers who are living below or at the poverty level.

The economic facts of life dictate an increase in the minimum wage. True, unless serious steps are taken to control inflation, we will be like the Red Queen in Alice in Wonderland—running and running just to stay in the same place. But we should not be duped into thinking that increasing the minimum wage will add to the inflationary spiral.

If anything, the proposed increase will improve economic conditions. By paying workers a decent wage for their day's labor, we will be increasing their purchasing power. This, in turn, will serve to stimulate production to keep up with increased demand. In a situation in which we are faced with the twin problems of high inflation and high unemployment—truly an economist's nightmare—we ought not to look askance at any reasonable plan to remedy things.

In 1966, a full-time worker earning the minimum wage received $3,200 before taxes. This was just enough to keep him living at the so-called poverty level. We all know that this was an unrealistically low estimation of the amount of money needed to survive, especially for a family living in one of this Nation's large cities. The poverty level is now officially set at $4,200 for an urban family of four; but for that same family to maintain a minimally adequate standard of living, they must have an income of $6,900. However, the minimum wage is $1.60 an hour. That $1.60 buys less now than ever before. If we truly believe, as we say we do, that someone who works long and hard to make ends meet and provide for his family is entitled to a decent return for his labor, then we can do no less than raise the minimum wage as provided in this legislation.

There is one provision in particular that I want to see passed. That is the one which extends FLSA coverage to household domestics. Almost all the workers in this category are women. A sizable majority of them are the heads of their households.

We have all read and listened to countless authorities on the need for greater numbers of domestic workers as more and more women stay in the work force rather than devote themselves exclusively to the duties of a housewife. And yet, it is becoming harder and harder to find persons willing to do this work. Perhaps it is because housework is demeaning. More than likely, it is because housework has been made demeaning by our attitudes toward it. We should admit once and for all that those persons who perform the tasks of domestic employment are providing a valuable economic product. Not only are they contributing to the economy, they are also making it possible for many others to make use of their talents outside the confines of the home. We should recognize the great contributions made by domestic workers by extending to them the coverage of a decent minimum wage, as provided for in the bill before us.

To be sure, an adequate minimum wage will not be the sure-fire answer to this country's economic problems. For that, we will need to return to a system of strong, workable economic controls. However, we do have an obligation to the millions of men and women who are working at low-paying jobs, who feel that work, any work at all, is better than no work. We can and should fulfill this obligation by making sure that they receive at least a respectable minimum wage.

Mr. DENT. Mr. Chairman, I have no further requests for time.

Mr. ERLENBORN. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

H.R. 7935

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SHORT TITLE; REFERENCES TO ACT

SECTION 1. (a) This Act may be cited as the "Fair Labor Standards Amendments of 1973".

(b) Whenever in titles I, II, and III of this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the section or other provision amended or repealed is a section or other provision of the Fair Labor Standards Act of 1938 (29 U.S.C. 201–219).

PARLIAMENTARY INQUIRY

Mr. ERLENBORN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ERLENBORN. Mr. Chairman, as I understand, the first section of the bill has been read. Is my substitute in order to be offered at this time?

The CHAIRMAN. The proper substitute could be offered now. The understanding is that if the gentleman will hold off that substitute, the Chair will protect the gentleman in his right to offer a substitute tomorrow.

Mr. ERLENBORN. I thank the Chairman.

Mr. DENT. We will agree to that.

Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BOLLING, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 7935) to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rates under that act, to expand the coverage of that act, and for other purposes, had come to no resolution thereon.

## GENERAL LEAVE

Mr. DENT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in whch to revise and extend their remarks on the bill H.R. 7935.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

## SHORTAGES OF GASOLINE AND DIESEL FUEL AFFECT FARM YIELDS AND PRICES

The SPEAKER pro tempore (Mr. MAZZOLI). Under a previous order of the House the gentleman from California (Mr. KETCHUM) is recognized for 60 minutes.

Mr. KETCHUM. Mr. Speaker, I have taken this special order to address a very serious and grave situation. As most of you know, shortages of gasoline and diesel fuel have idled farm equipment in various locations throughout the country. In many instances, this may result in delays in crop planting, which could produce adverse effects on yields and farm prices.

Under the voluntary allocation program for crude oil and petroleum products announced by Assistant Secretary William Simon, each producer, refiner, marketer, jobber, and distributor will agree to make available in each State to each of its customers the same percentage of its total supply of crude oil and products that it provided during each quarter of a base period—defined as the fourth quarter of 1971 and the first three quarters of 1972. In distributing the oil for the Office of Oil and Gas, first priority will be given to farming, dairy, and fishing activities or to independent marketers, jobbers, and refiners who supply them.

While this is a temporary solution at its best, I am concerned that rationing procedures now being considered by fuel suppliers will have further adverse effects on the agricultural industry. It is my belief that suppliers are arriving at their rationing schedules in somewhat of an arbitrary manner. Fuel allocations for the coming season will be based on the amount of fuel utilized during a base period, which is not indicative of the farmer's needs. In California, for example, these figures would be completely irrelevant. Suffering through a drought last year, California experienced a drastic reduction in fuel consumption. Additionally, to base a schedule on the first quarter of 1971 is equally unsatisfactory as very little fieldwork is done in January, February, or March.

California is only one of many States where distributors are being cut back and in some cases, cut off. These distributors will be unable to provide fuel to our farmers which will mean crop losses to many and financial insolvency to others. This is a grim picture, particularly at a time of the year when planting is critical.

I personally am opposed to further Government regulations relative to wages, prices, and supply, but I do not believe Congress can sit idly by and hope that the voluntary allocation program will be successful. Fuel suppliers must arrive at their own decisions without Government influence, but an unrealistic program on their part will most assuredly be met with congressional action. The intent of this special order is to call attention to the problem of rationing and to indicate to the major oil companies that a revision of their plans is necessary immediately.

I must add that the other body has only today passed legislation to mandate fuel allocation.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. KETCHUM. I yield to the gentleman from Iowa (Mr. GROSS).

Mr. GROSS. Mr. Speaker, I want to join the gentleman in his concern for the shortage of fuels, gasoline and diesel fuel, for the business of agriculture, the production of agricultural products. I commend the gentleman for taking this time to call attention to it.

I am not acquainted with the situation in the State of California, but I am quite well aware of the situation in the State of Iowa. We are a starved State from the standpoint of fuels of this nature. We have no gasoline production, no oil production of any kind, and we are therefore completely dependent upon the importation of fuels.

Mr. Speaker, the gentleman's remarks are most timely, and I trust that Congress will take action in the near future in some way to mandate the proper allocation of fuel, because the situation is serious, if not critical at this day and hour.

Mr. Speaker, I thank the gentleman for yielding.

Mr. ANDREWS of North Carolina. Mr. Speaker, will the gentleman yield?

Mr. KETCHUM. I yield to the gentleman from North Carolina (Mr. ANDREWS).

Mr. ANDREWS of North Carolina. Mr. Speaker, I too would like to compliment and join in the remarks of the gentleman from California. Also, I would like to add briefly to them.

I urge that farmers be accorded top priority in the allocation of gasoline and fuel oil.

Agriculture is a most basic and necessary industry. Because it affects practically every facet of our economy, the result of reducing fuel supplies to farmers and farm-related businesses may well be economic catastrophe.

In the four counties of North Carolina's Fourth Congressional District—Chatham, Durham, Randolph and Wake—some oil dealers are not assured of any petroleum products in June, and the quotas of others have been drastically reduced. I understand that none of them has any assurance of any fuel during July and August.

While at home last weekend, I learned of several farmers and farm suppliers whose quotas for gasoline and fuel oil for June is only 80 percent of what they used a year ago. These percentages may be cut considerably more for July and August.

In my State of North Carolina and in many other States, particularly in the Southeast, tobacco farmers have no need for petroleum products in January, February, and March. But, for them, the next 3 months are especially critical as they need kerosene and fuel oil to cure flue-cured tobacco and gasoline to haul it to the warehouse.

During the curing season, fuel is absolutely essential to tobacco, which I believe is the largest farm export in the United States.

Equally grave is the threat to our broiler industry, including the hatcheries, feed suppliers, producers, processors, retailers, and ultimately the consumers.

A drastic cutback in fuel supplies simply means the hatcheries will not be able to place as many baby chicks as they have in the past. The feed suppliers are fearful of placing the usual number of chicks because they may not be able to haul enough feed to them, especially to those on farms some distance away.

Most poultry is now grown on a contract basis, with the companies placing baby chicks, feed and medication throughout various counties. Large amounts of gasoline are needed to haul the chicks, feed, and medication to the farms and then the fully grown broilers to the processing plants.

With less gasoline, farmers will be able to raise fewer broilers to be processed, and the consumers will be forced to pay higher prices.

This chain effect can occur, not only with broilers, but also with livestock and other commodities where fuel is needed to cultivate, harvest, process, and transport.

Agriculture's priority in the allocation of gasoline should be second only to health care and public safety.

Mr. YOUNG of South Carolina. Mr. Speaker, we have all heard that the country is in some sort of an energy crisis. The questions are: "How deep?" "how long?" "how did we get here?" "how do we get out?"

The problem is both immediate and long range. It is felt now by the farmer with crops ready for processing but without the fuel to get the job done. It is felt now by independent distributors with nothing to distribute. It is felt now by the worker planning his vacation yet unsure if his family's route will take him into well-supplied areas.

The voluntary allocation program of the office of oil and gas has been in effect a month now, and it is becoming time to judge its effectiveness. If it is not working, a mandatory program must be seriously considered. I am as aware as the next man of the ultimate futility of Government attempts to exercise long-range control over what is essentially a function of economics. But when a man is away and we see his house on fire it is not then the time to ask who may have started it, it is not then the time to point out that it is really his responsibility to look out for his own home. It is time to put out the fire. I would remind our friends who now have the ability to see to it that the presently available fuel gets where it is needed, that this Congress is not in the habit of simply watching a fire as it rages across the country.

And what of the future? We are a nation whose demand for energy will have doubled between 1960 and 1980 while our supplies will not increase proportionately.

Thus it becomes increasingly clear that it is the responsibility of this Government to do what it can to attack this energy crisis. It is time that we resolve the issue now of developing a workable transportation system to bring oil from Alaska.

It is time now that we establish priorities that will affect the utilization of the resources available to us.

It is time now that we take positive steps available to us—rather than to sit by with a look of concern but without concerning ourselves to take action.

The great crises in human history have been dealt with by men who had the means and the vision to move forward.

Even though the problem now facing us is a severe one, I submit to you, gentlemen, that we have the technology and the resources to solve it. It will take us time, but if we have the resolve and the determination, we can prove again that man can prevail by creating great opportunities from great problems.

We know that we need to lessen the loss of our energy potentials. We know that the heavy use of energy to generate electricity can be improved. We know that we must begin to use less fuel for transportation.

At the same time we must explore our offshore gas and oil potentials and we must get those billions of gallons of oil from Alaska into other areas of the country.

As we win these battles, and win them with proper consideration of ecological balances, we again can take pride in the American system.

And in the ability of this Congress to help this great Nation find the necessary solutions to its major problems.

Mr. SYMMS. Mr. Speaker, it is pretty easy for those of us who believe in the free enterprise system to throw stones at the Government. Almost all the economic problems we have today can be traced to Government's abuse of its powers. The question of fuel supplies is no different. The Government got us into the problem and I quite frankly do not trust the Government to get us out.

I certainly hope that in our concern to solve the fuel problem, we do not simply continue and strengthen those Government policies which have actually been the cause of the present problem.

We have a problem today for several reasons.

First of all, Federal planners set out years ago to keep the price of fossil fuels artificially low.

"It's good for the country," they said. "Keeps down the price production and transportation. A nation cannot grow without cheap, abundant fuels."

Right—and score one for the Federal planners. We have got cheap fuels alright. And this did have some benefits. However, as in the case of most Government policies there were other things happening which were not so good.

For one thing, the artificially low price, has made it economically impossible to develop alternate fuel sources. Nobody is going to heat their house with solar energy, or spend money developing geothermal energy, as long as the price of fuel oil is cheaper. In addition, the low cost of fuel has made it possible to sell the American public on the sex-appeal of gas-guzzling, high-powered Detroit models. We have become an auto-oriented society. Railroads and mass transit deteriorated. Bicycles became something 12-year-old boys ride only until they can get their daylight driving permit, and walking is something nobody does anymore.

As a result, we have wasted so much fuel that supplies are running out. This has created a great opportunity for the big companies to knock out the independent jobbers who have been something of a problem to them anyway.

These giant oil companies have had their hands in the Government goody bag for years, with special tax treatment and depletion allowances. Now Government is thinking of giving them the ultimate payoff, of letting them ration fuel with the Government's blessing.

And so we continue to waste what cheap fuel we have. Because of arbitrary pricing, and because every proposal for increased domestic production raises a thunderstorm among radical environmentalists, we make no progress in providing more supplies.

The obvious answer is more freedom in the pricing and production of fuels. This is not a pleasant thought for consumers, because it means fuel costs will rise sharply. But we are beyond the point in this country where we can expect to continue using up resources without really paying for them. We must have a system which discourages waste and frees up resources for those who really need them.

There has never been a system of allocating resources which has been as fair, or free from political corruption as the pricing system.

There are many sincere dedicated people who are saying that the answer to the fuel shortage, is more Government control, and a strong Economic Stabilization program. Let us face facts. The real effect of a Government controlled Economic Stabilization program, is to give power to the giants to put their foot on the neck of any independents who try to bid up the price of fuel.

The big all-time loser in the merry-go-round is agriculture. For years we have kept their profits down, but done nothing to stop inflation and its effects on farm overhead. One technique the farmers developed to beat the cost price squeeze was to buy from oil co-ops and independent jobbers. We all know what is happening to those oil co-ops and independent jobbers. In a few short weeks, the fuel crunch has turned them into an endangered species. Now the farmers costs are just high, his profits are just as low, and he may not be able to buy fuel at all. An impossible situation? My farmers sure think so. Most of them are so bound up in Federal controls on fuels, prices, pesticides, marketing, price supports, and transportation, that they are beginning to think welfare looks like a soft life.

Gentlemen, enough is enough. This Government has got the American people so snarled up in red tape we cannot move. Everybody has had their chance but the free enterprisers, and everybody has muffed it. Let us get back to the economic principles upon which the Nation was founded. Let us get rid of the depletion allowances, and also get rid of the wage and price controls that are destroying incentive. Let us tell the industry to go ahead and build the Alaskan pipeline. And let us start encouraging rather than discouraging those people who want to build nuclear power plants, and drill wells for geothermal power.

The free enterprise system gave us the technological jump on the rest of the world, and I think we ought to allow that system the opportunity to solve the energy problems facing our country today.

Mr. PREYER. Mr. Speaker, I want to thank my colleague, the distinguished gentleman from California, the Honorable William M. Ketchum, for arranging this opportunity to address the present fuel crisis as it relates to the Nation's food producers.

Recently, I received a letter from a farm wife in my district who was naturally upset when her husband was unable to obtain sufficient fuel for their farm tractor to enable him to complete the spring plowing. You can imagine her distress when, several weeks later, this farm family went to church on a Sunday morning and found it difficult to get out into the highway because of the number of pleasure boats being pulled by automobiles on their way to a day on the lake. While I am certainly not opposed to pleasure boating, I can appreciate how this family felt after trying for weeks to obtain sufficient fuel to enable them to begin their summer crops, which is, after all, their very livelihood.

While this incident took place before the voluntary allocation system went into effect, it is still indicative of the situation in which many farmers in my district and throughout the country are finding themselves. Many calls have come to my office from fuel oil distributors whose contracts are being terminated. Many of these distributors have been supplying the farmers in my district and, with the termination of their supplies, the farmers are suffering in a most critical period.

Under the voluntary allocation system which the administration has established under the authority provided by the Congress in the Economic Stabilization Act extension, the farming industry and all food processors and distributors are to receive priority in the distribution of gasoline and other petroleum products. This is, of course, absolutely necessary as the rest of the Nation must look to the food-producing industry for its foodstuffs. It is imperative that farmers receive adequate supplies of fuel to operate tractors and other farm machinery necessary to the production of food.

Department of Agriculture officials have stated that they have been monitoring the farm fuel supply situation since February through their local Agriculture Stabilization and Conservation Service offices. Yet, we still see an article every day or so in the national press, to say nothing of the mail received from individual constituents, that farmers are finding it difficult to obtain adequate supplies. This causes us to wonder if the voluntary program is working sufficiently and whether or not we ought to initiate tighter controls over the distribution of these products. While I do not necessarily advocate further Government regulations over a private industry, I do feel that this situation should be watched closely to determine whether a mandatory allocation program is needed.

Mr. DENHOLM. Mr. Speaker, many Americans have only begun to realize the importance of energy in agriculture. It has been largely assumed that American agriculture would continue to produce all the food we needed and more. To do this farmers need fuel. Until this year there was seldom difficulty in obtaining the necessary amounts. The current fuel shortage, however, directly threatens the ability of the farmer to plant, cultivate, and harvest his crops. If the fuel shortage prevents these farm activities, food could become scarce and prices could rise even more steeply.

U.S. agriculture presently consumes less than 3 percent of the petroleum fuel used in this country each year. A great deal was achieved with that relatively small amount of fuel. Without this agricultural use of energy, America probably would not be the best fed country on Earth. In 1972, U.S. farmers used 6.2 billion gallons of fuel and that figure is expected to rise 45 percent to 9 billion gallons by 1980. Even though this is a significant amount of fuel, it will be proportionately less than for other nonfarm uses. By 1980 farm use of fuels will probably represent a lower percentage of total energy consumption than it does today. In many ways, agriculture is probably the single most important use of energy, even though it is only a small part of total consumption.

Farm production in 1973 is facing several problems. Many farmers are still feeling the impact of the late and wet harvest of last fall. The heavy rains and floods of this spring have delayed planting in many areas and cultivation in others. It is expected that, when the fields dry out, much of this activity will be compressed into a short period of time, rather than being accomplished over a longer period. The recent outcry against higher food prices naturally requires greater production from the planting of more corn, wheat, and soybeans. The Department of Agriculture has authorized planting on land that had been set aside, a 12-percent increase in acreage. All of this will require energy which must be available where and when it is needed.

Timing is critical in a situation of this type. Crops must be harvested at a certain time. If the fuel for harvesting is not available at that time, it will do the farmer little good to receive it several weeks later. His crops will already have rotted in the fields.

Planting times are equally critical. Any delay in planting beyond the optimum date depresses the yields. When that happens, production is less than desired and is more costly per unit. In the

Corn Belt, for example, each day's delay in planting corn reduces the yield per acre by a bushel per day from May 1 through May 15, and 2 bushels per day from May 15 through the end of May.

The costs, however, remain constant. It is important that farmers obtain sufficient fuel to plan their crops on time. The compression of demand for agricultural fuel combined with the widespread fuel shortage has prevented many farmers from obtaining vitally needed fuel supplies necessary to produce food for the rest of the country.

Mr. Speaker, it is urgent that farmers be given priority in the distribution of fuel supplies. The American public demands the availability of food at reasonable prices. This can only be done if the farmers have enough fuel. The voluntary allocation program recently announced by Mr. Simon, the Deputy Treasury Secretary, authorizes the Interior Department's Office of Oil and Gas to receive complaints from anyone who feels he is not receiving a proper allocation of supplies. Only after a public hearing and examination of applicable data would the complaint be verified and mandatory allocations be imposed. Supposedly farmers would have a high priority under this plan, but this system does not recognize the fact that the farmers' needs are immediate. By the time the redtape is processed, the crops will have been neither planted nor harvested and the need for fuel will have passed without action. If this occurs the Nation may well expect to be very short of food. It is imperative, therefore, that special steps be taken immediately to insure that sufficient fuel is made available to American farmers.

Mr. CAMP. Mr. Speaker, it has been widely recognized that our Nation is entering an energy crisis that may grow to staggering proportions. Already spot gasoline shortages are occurring and we can expect to suffer increasingly severe shortages through the summer. Next winter, we must look forward to predictions of another fuel oil crisis in at least parts of the country. I think all of us in Congress recognize the urgency of this situation and the necessity to take immediate steps to ease our energy shortage.

However, I am concerned that many of us in this Chamber and many of our urban constituents are unaware of the immediate fuel crisis facing our farmers and, consequently, every consumer in the country.

When the farmer is out of fuel for his machinery, he has no recourse. He cannot hold off until official Washington decides that the situation is serious enough to warrant corrective measures. Nature will not wait for the Government to guarantee farmers the fuel they need to plant and get in their crops.

I applaud the administration's decision to give top priority to agriculture and food-related industries in their voluntary fuel allocation program, and am particularly impressed by the effective cooperation between local ASCS offices and the Office of Oil and Gas in trying to work out solutions to the fuel problems of individual farmers. I also understand that Secretary of Agriculture Butz is receiving weekly reports on the farm fuel situation. If the situation demands it, I am confident Secretary Butz will not hesitate to recommend any action necessary to keep the farmers working.

Already I have heard from farmers and suppliers in the State of Oklahoma who are unable to obtain necessary supplies of fuel and who report that allocation of fuel supplies equal to last year will not be sufficient to meet their needs.

Further, some farmers who rely on independent refineries and cooperatives are not getting even last year's allocation. One constituent wrote me in great consternation that his supplier can give him only 200 gallons of diesel this month—an amount which will last him 2 days and cover only 120 of the 1,000 acres he has in cultivation. And this shortage comes at a critical time, the beginning of his wheat harvest.

Mr. Speaker, in my part of the country all predictions indicate that we will have a bumper wheat crop this year. We cannot afford to let this wheat lie fallow on the ground due to lack of fuel. We must be sure that the Government puts the fuel where the most urgent need is—in the tanks on the farms.

Mr. RONCALIO of Wyoming. Mr. Speaker, as is the case throughout much of rural America, my State of Wyoming is experiencing difficulties in the distribution and supply of petroleum products. Especially affected in particular localities is the agriculture community.

The situation in the Carpenter, Wyo., area has become one of particular concern and is representative of what affects may result from inequitable allocations of fuel supplies.

Carpenter and the surrounding area has relied on Evans Implement Co. of Carpenter for many years for its bulk and retail supply of fuels. For 40 years, Howard Evans of Evans Implement has purchased his fuel supply from the same refinery in Cheyenne, Wyo. He has been the source of fuel for over 100 farmers and ranchers, schoolbuses for the local school district, and others within the community. In 1972, Mr. Evans sold about 100,000 gallons of diesel fuel and about 200,000 gallons of gasoline.

This spring, Mr. Evans' supply from the refinery was drastically cut. He is an independent dealer and despite the voluntary guidelines issued by the Oil Policy Committee, he has been denied full allocations based on the 1971–72 base period. His supplier has now agreed to furnish 60 percent of the quota gasoline supply which he would be allowed under the voluntary guidelines. However, he has not been allowed any diesel fuel whatsoever.

The difficulties facing the farmers and ranchers who have been served by Evans are compounded by the fact that there are no other distributors in the immediate vicinity. I have been in touch with Mr. Evans, with executives in the firm from which he has made his purchases, and with some of those affected. I have reported the situation to the Office of Oil and Gas and have requested that the Oil Policy Committee institute more stringent measures in order to insure an equitable allocation of fuel supplies to independents and to the food producing industry. There yet seems to be no immediate relief in store for Evans or for his customers.

There are other similar situations elsewhere in Wyoming and throughout the Nation, but I believe that these shortages in Carpenter make especially clear the need for action. The possibility of reduced food production, of a delayed harvest, and of increased food prices all attributable to a lack of adequate fuel supplies must be faced and dealt with now.

I wish to submit for the RECORD the following letters which effectively dramatize the resulting affects that a curtailment in adequate fuel supplies has had on the community of Carpenter:

WYOMING STATE LEGISLATURE,
*Cheyenne, Wyo., May 21, 1973.*

Hon. TENO RONCALIO,
*U.S. Representative,*
*Longworth House Office Building,*
*Washington, D.C.*

DEAR CONGRESSMAN RONCALIO: The enclosed Petition has been composed and circulated by the signatories attached thereto because of the crippling shortage of fuel supplies for Howard Evans who operates Evans Implement Company and the gas station at Carpenter, Wyoming.

A serious cut back in diesel fuel such as has been imposed upon Howard Evans either directly or indirectly affects almost every farmer and rancher in South Eastern Laramie County. The Evans' dealership serves a wide territory of farmers and ranchers who have no other central supply for their fuel. If the diesel shortage becomes worse, particularly with the harvest season in the offing, these farmers and ranchers will be the real victims. A conscientious citizen, aware of the necessity to continue caring for the school children, Mr. Evans has earmarked enough fuel to run the school buses for the remainder of this school year. But the question arises—what about sufficient fuel for the school buses next year?

As a representative of the fine, upright, hardworking citizens of the Burns-Carpenter, Wyoming area, I ask that you do all that is possible to alleviate the critical situation of the limited fuel supply at Howard Evans gas station in Carpenter, Wyoming.

Sincerely yours,
ELLEN CROWLEY,
*Representative.*

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THE FARMERS STATE BANK,
*Burns, Wyo., May 15, 1973.*

Hon. TENO RONCALIO,
*Congress of USA—House of Representatives,*
*Longworth Building, Washington, D.C.*

DEAR CONGRESSMAN RONCALIO: I would like to inform you of a situation that has occurred in our area due to the gas shortages. Mr. Howard Evans, Carpenter, Wyoming, has been supplying gas and diesel fuel to farmers surrounding the Carpenter area for over 40 years. He has been supplying this fuel to over 100 farm customers and, of this number, about 50 of these farmers are our bank customers to whom I have loaned money for operating purposes. These loans are to be repaid from the sale of crops harvested. If they are unable to farm their land this year because of no fuel to operate their equipment, they will be unable to repay the loans and will further reduce the available supply of grains and livestock.

Mr. Evans has purchased his fuel supplies from Husky Refinery in Cheyenne, Wyoming, as long as they have been in existence and from their predecessors for over 40 years. In the year 1972, Mr. Evans sold about 100,000 gallons of diesel fuel and about 200,000 gallons of gas. He has now been informed that there is no diesel fuel available to him and his supply of gas has been cut drastically to about 25% of last year's sales.

The critical situation is not only for the well-being of Mr. Evans' business but his customers. They are unable to buy their needed supply of diesel fuel and gas from anyone else due to the fact that all the other suppliers in the area have been placed under a quota. This will not allow them to accept any new customers and supply their old customers at the same time.

It was my opinion that the government had suggested to the major oil companies that they continue to supply independent operators as well as their own stations.

It appears that Husky Oil Company has practically put Mr. Evans out of business as well as all his customers. This could materially affect this bank which could in turn affect all the rest of our farm customers and drastically reduce the production of farm supplies in southeastern Wyoming.

I would appreciate any help you could give me in this most urgent matter.

Sincerely,

DENNIS WALLACE,
*President.*

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WYOMING DEPARTMENT OF AGRICULTURE,
*Cheyenne, Wyo., May 16, 1973.*

Hon. TENO RONCALIO,
*House of Representatives,*
*Washington, D.C.*

DEAR CONGRESSMAN RONCALIO: I am writing to express my concern about gasoline and diesel shortages that now affect Wyoming agriculture, and I believe if not alleviated in some manner, may drastically affect production of all field crops by late summer or early fall. I refer expressly to the energy crisis and my belief that an immediate priority must be established for agricultural use in order to ensure uninterrupted production through the summer and fall.

The problem, as I see it, mostly affects areas dependent on independent suppliers of gas and diesel fuel. An example in Laramie County is the Carpenter area supplied by Evans Implement Company. Mr. Evans has received only one small truck load of diesel fuel from Husky Refinery since last Christmas and has been cut back to 50 percent of last year's gasoline gallonage. Because of these circumstances, farmers in that area who have always depended on Mr. Evans are forced to other sources of supply and are having much difficulty in securing enough product to keep their tractors operating. My concern is that this situation is present early in the season, and I wonder what will happen when the heavy demand for fuel comes upon us during fallowing and harvesting of hay, small grain, and silage in that area.

I am aware of the statement of allocation of refinery products included in testimony given by the Honorable William E. Simon, Deputy Secretary of the Treasury, before the Senate Committee on Banking, Housing and Urban Affairs on May 10, 1973, but I feel a voluntary allocation is not enough and serious consideration must be gven to a No. 1 priority for gas and diesel fuel to the farming and ranching industry.

Anything you can do to help in this matter will be deeply appreciated by the rural interests in Wyoming. Thanking you for your time, I am

Yours truly,

DORAN LUMMIS,
*President, Board of Agriculture.*

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Mr. RARICK. Mr. Speaker, I thank the gentleman from California for reserving this time to discuss the gasoline shortage as it effects our farmers and other citizens.

One of the classic methods of slowing down an inflationary economy is to increase taxes. The reasoning goes if goods and services cost the consumer more because of the artificially imposed taxes, then the consumer will be less likely to make purchases and the demand will therefore decrease. At best this is a stopgap measure.

This same style of logic is being proposed by the administration to ease the gasoline shortage. The President's recent proposal to raise the Federal gasoline tax by 10 cents a gallon and his suggestion to State Governors to reduce highway speedlimits in order to conserve fuel are examples of such shortsighted rationale. If this reasoning continues, we may expect such additional "incentives" to be thrifty with our gasoline as heavy taxes and expensive license fees for large gas-consuming automobiles, conversion of freeways to toll roads and traffic fines for autos transporting only one person.

Imposed gasoline costs and gas rationing do not attack the underlying causes of the widening fuel gap. One of the reasons is the excessive demands made on the Nation's fuel reserves in recent years under the politically popular banner of "saving the environment." It has been estimated that automobile emission control equipment on late-model cars has added more than 12.5 million gallons a day to the Nation's gasoline demands. The some 250 refineries in the United States cannot meet the exising demands. Petroleum experts tell us that not a single new refinery is scheduled for construction in the United States in the immediate future. Environmental considerations and injunctions filed by concerned citizens has widened the lag time between refinery planning and production start up.

In light of this governmental imposed contribution to the energy shortage, by forced over-consumption of fuel caused by emissions standards, one immediate solution would appear to be to suspend the rigid environmental standards until such time as our much needed fuel reserves are expanded. This step would cost the taxpayers no additional outlay of funds. It is a relatively easy procedure to disengage emission control devices from most autos, should the restrictions be lifted.

In the meantime, the farmers in many parts of the country are experiencing serious fuel shortages. Many are unable to get the necessary fuel to operate the tractors, irrigation pumps, and other modern farm equipment, in spite of the Interior Department voluntary guidelines on allocation of gasoline.

The long-range solution to the fuel shortage is an extremely complex one that should take into consideration alternatives to dwindling reserves of domestic petroleum. Some research has been done in the area of utilizing agriculture products as fuel, but recommendations of scientists working in this field have largely gone unnoticed.

Research into the conversion of grain into ethyl alcohol to be blended with low-octane gasoline as a motor fuel has been conducted for many years by the Department of Agriculture. As early as the 1940's studies were conducted showing that conventional internal combustion engines could be operated efficiently on a combination of low-octane gasoline and grain-produced alcohol. Alcohol is equivalent to 100-octane and can substantially increase the octane rating of cheaper grades of gasoline, thus enabling the existing reserves of gasoline to be expanded.

Dr. G. E. Hilbert of the U.S.D.A. said in a 1948 Department release that—

> . . . alcohol as a motor fuel offers not only the most feasible large-scale industrial outlet for surplus grains, but also offers the petroleum industry significant help in extending its supplies of motor fuels from available crudes. The enormous increase in the use of liquid fuels will be stopped only by our capacity to produce them. The liquid fuels situation will force this country to tap all possible sources through necessity, if not by choice.

His prophetic view in 1948 is applicable for 1973. The argument against the use of our renewable agriculture fuel resources has in the past been one of economics. It was always cheaper to produce motor fuel from petroleum than from wheat, corn, sorghum or other agriculture products. But the economics are changing. We are running out of inexpensive, easily obtainable domestic crude, and extensive dependence on imported oil puts this country's national security in the hands of a few relatively unstable, small countries.

Our domestic usage of nonrenewable fossil fuels—coal, oil, and natural gas—is expected to almost double between 1970 and 1985, seriously depleting existing sources of oil and natural gas. The Government Accounting Office estimates that during fiscal 1973, the Federal Government will through a number of agencies and bureaus, obligate some $5.4-billion for energy-related programs, activities, and research and development studies. Most of these studies are directed at nonrenewable resources—not at alternative sources.

Agricultural products which can be converted into useable fuels are annually renewable. And with the prices of petroleum-related products increasing as recovery become more difficult, the use of farm products as fuel becomes much more attractive from an economic, as well as environmental standpoint.

In addition to the use of cultivated crops for fuel, serious research is being directed at the use of readily collectable agriculture residues such as straws, shells, hulls, corncobs and other farm byproducts that now create a solid waste disposal problem. The conservation ethic that propelled this country into the modern world, has been replaced by the plastic "nonreturnable," "throwaway" culture we have today. Full utilization of the domestic natural resources we have will become increasingly important as the energy gap widens in the next few years.

Agriculture can and must play an expanded role in meeting the future energy needs of the United States.

The farmer today may be plowing the source of the fuel he will need to power his tractor tomorrow.

Mr. DAN DANIEL. Mr. Speaker, it taxes credulity that we should have a crisis situation as regards energy and fuel for farming purposes. There are some 30 committees of Congress involved in some way with energy matters. There are a number of Federal agencies charged with the responsibility to oversee energy planning and requirements. Most States have at least one agency which is responsible within the State. And the producers of fuel most certainly know something of the problem. Now, why is it, if all this be true, we must plead for assistance with a situation many have forecast and everyone knows exists?

When we talk about the fuel needs of farming areas we are not discussing a luxury—something we can just as easily do without. It has been a long time since the plow was pulled by a mule, or the cow milked by hand, or the grain harvested with a scythe. It may well be that many people think fruits and vegetables come in cans, and milk in a plastic carton, but those of us who represent the few predominantly rural districts left in this country can assure our colleagues that this is not true. It takes energy and power to keep the food moving from the farms to the cities.

Already the price of foodstuffs has hit the upward curve of the rollercoaster, because of higher production costs and unbelievable weather conditions. There is not much we can do about Acts of God, but is it necessary that we compound the problems naturally created by agonizing when we could and should be acting?

On May 23, in testimony before a congressional committee, the Deputy Secretary of the Treasury stated that problems should be referred to the Office of Emergency Preparedness. Unfortunately, it appears no one told OEP about this, for on May 30 the Acting Director of OEP advised me his office had no responsibility in the matter, and my letter was being forwarded to the Secretary of the Interior. On June 1, a different Acting Director again stated my letter was being forwarded to the Secretary of Interior with a copy to the Secretary of Agriculture. Does it ask too much that the agencies at least agree among themselves where the responsibility rests?

I am firmly committed to the concept of a free market and the free enterprise system. I abhor the idea of controls, and especially government-imposed, mandatory controls. Still and all, simply talking about the problem will not make it go away. As a group, we must urgently request action by petroleum products supplier. If this fails, we must seriously consider more drastic steps.

Mr. ROBINSON of Virginia. Mr. Speaker, it is obvious that, if there is not to be available sufficient petroleum products to meet demand, a portion of the demand must remain unsatisfied.

Our common concern in these remarks today, I believe, is for the most equitable allocation of available supplies that can be devised in the circumstances. Arriving at equity, we know, is a difficult problem, inasmuch as every consumer of an item in short supply insists that his use of the item is in large measure essential.

Whether equity can be approached by voluntary allocation, or must be sought by governmentally enforced rationing, remains in question as we speak. It is evident, however, that we face a precarious petroleum supply situation for an indefinite, but almost certainly protracted, period.

In recent weeks, Mr. Speaker, I have received numerous distressing reports from small communities and rural areas of the Seventh Congressional District of Virginia in the matter of cutbacks on deliveries of fuel from accustomed sources of supply.

A farmer wonders how he is going to be able to operate his trucks, tractors and other equipment through his most active seasons. A small independent fuel dealer states that his supplier has abrogated his delivery contract, and he can find no other supplier willing to do business with him. A processor of agricultural products faces a reduction from normal operating levels because of an uncertain fuel outlook for the months ahead. Some locally owned gasoline filling stations have been forced to close for lack of supply.

The uncertainty cannot be permitted to continue. The pinch is going to affect all consumers, large and small, rural and urban. Inconvenience and some actual hardship is going to have to be endured until new fuel supply sources are developed and additional refineries and other raw fuel processing facilities are built.

It is essential, therefore, that we face up to the necessity of developing promptly a coordinated policy for apportionment of supplies of the fuels in shortage. In particular, we must make certain that the Nation's food supply is protected by the provision of sufficient fuel to enable the farmer to plant, fertilize, manage, and harvest his crop, and to move it to market. The supply and processing facilities serving agriculture likewise must receive especial attention in the allocation process.

### GENERAL LEAVE

Mr. KETCHUM. Mr. Speaker, if there are no further requests for time, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of this special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

### THE LATE HALE BOGGS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas (Mr. WINN) is recognized for 5 minutes.

Mr. WINN. Mr. Speaker, Hale Boggs will be sorely missed by his friends and colleagues. He was a man of rare qualities and a man I admired.

As one of the brightest Members of Congress, his leadership, advice, and counsel will be missed by all of us.

As a Republican Member of Congress, I have always been aware of our political differences and his belief in the principles of his party. But at no time did he ever put this partisanship above the good of our country.

Perhaps more than any man, Hale Boggs recognized the imperfections of this institution. Yet he was totally dedicated to the Congress as an institution, and constantly worked to improve the system.

While I never had the pleasure of serving on a committee with him, I know that he took his work seriously and worked tirelessly on behalf of his constituents.

### ADOPTION OF VIETNAMESE-AMERICAN ORPHANS AND RESETTLEMENT OF REFUGEES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. ROBISON) is recognized for 30 minutes.

Mr. ROBISON of New York. Mr. Speaker, the gentleman from Wisconsin (Mr. STEIGER) has spoken both eloquently and convincingly about the two proposals we are jointly introducing today. We began our work on these bills a few months ago with the shared conviction that this country wants to respond to the serious human needs which remain in Indochina in the aftermath of the U.S. military presence in South Vietnam. And, as the gentleman has explained, we saw that in two areas—the adoption of Vietnamese-American orphans and the resettlement of refugees—there exists a large potential for tapping the qualities and energies of the American people that are a historical part of their character. In presenting our bills to you today, we are presenting the opportunity, we hope, for Americans of every persuasion to bring another side of the American personality to the people of Indochina.

By proposing the grant of American citizenship to Vietnamese-American orphans, we would hope to smooth the process of adoption of these children, as well as to signal this country's willingness to accept Vietnamese-American orphans in our society. And, by proposing a Vietnam Assistance Volunteers program as a branch of the Peace Corps, we are responding to the sentiments we have directly received and know to exist in all parts of the country, that Americans want to contribute directly to the reconstruction of Indochina.

It is difficult—at times painful—to understand the enormous impact of the war on the people of Indochina. It has not been a war played out on remote battlefields, but a conflict which knew no boundaries—fought in small villages, the streets of big cities and on rice fields throughout Indochina. There was no easy distinction between participants. Adult and child were both victim and soldier. One was never certain who the enemy was.

In a nation where half of the population are children under the age of 16, there are at least 800,000 children—according to a recent Newsweek article—who have lost one or both of their parents in the war. Many of these children are now living in orphanages, which are unkempt, poorly staffed and overcrowded. The mortality rate in these facilities is said to range from 50 to 70 percent, and there is a desperate need for medical care for war-related injuries and for diseases contracted as a result of poor care.

The war has also created a new subculture in Vietnam—the street children. These are orphans who have no place to live or go and are forced to exist on the streets, supporting themselves by begging, pimping, and drug pushing. Every large city in Indochina is familiar with these barefoot, forgotten children, who are perhaps the saddest product of the war.

At home, memories are still fresh with the impact of the war on our own society: The loss of many soldiers, increased distrust in government, and the frustration of continued inflation. Our national sigh of relief at the withdrawal of U.S. troops from Vietnam may have been a mixture of joy at the end of the fighting and an expectation that all war-related problems might just go away. They will not, of course. The scars and disruptions of the Indochinese war will remain in both the United States and Indochina until attended to. And, while we work in this country to repair personal and political damages, we must not avoid the humanitarian responsibilities which must be served in Indochina.

If there are distressing problems in Indochina, there are also historical qualities of the American people which can be called upon. The gentleman from Wisconsin (Mr. STEIGER) and I have presumed that this is a nation of compassion and concern; and in our legislation we have drawn, as well, from the example of the French people, who offered French citizenship and educational assistance to the Vietnamese children of French soldiers after that country's involvement in Indochina.

A further part of our thinking has been the attitude of the South Vietnamese Government toward the care of Vietnamese orphans. As reported, the Government of South Vietnam has discouraged adoption of orphans on the presumption that these children ought to be raised in their own society. It also appears that the Government of South Vietnam is discouraging assistance which is earmarked for Vietnamese-American children, since that government contends that all orphans ought to be provided the same assistance.

The gentleman from Wisconsin (Mr. STEIGER) and I have concluded that any legislation directed at the adoption of Vietnamese-American children must somehow provide assistance to all Vietnamese orphans. We, therefore, chose to draft two bills which would allow a broad range of person-to-person response to both the orphans and the millions of refugees created by the war.

We are suggesting, in our legislation, that Vietnamese-American orphans be granted immediate United States citizenship once adoptive parents have been approved through a United States adoption agency. There are thousands of prospective parents in the United States who have directly indicated their desire to adopt a Vietnamese-American orphan; and the gentleman from Wisconsin and I have little doubt that these children will quickly find homes in the United States if their adoption can be facilitated through the grant of United States citizenship.

Our further thoughts and our second bill concern the massive dislocations caused by the war, particularly in the northern part of South Vetnam and in eastern Cambodia. The military operations of both contending forces pushed farmers from their land and city dwellers from their homes. Millions of these landless persons wait to return to their homes or to relocate so that they can again become productive and properly support their families. In the refugee camps and jerry-built hamlets of South Vietnam and Cambodia, several million refugees wait for some kind of hope. Their hand-to-mouth existence is often supplemented by church or government donated food, since there is little opportunity for farming or other legitimate enterprise in many of the refugee settlements.

We propose that through a new Peace Corps branch—the Vietnam Assistance Volunteers—spirited and dedicated Americans personally assist in the spiritual and physical rebuilding of Indochina. The community organization and development skills which the Peace Corps has used successfully in other less-developed countries must now be devoted to the orphans and refugees of Indochina. Our bill suggests that volunteer Americans can lend needed skills and incentive to the people of Indochina, and that Americans of every persuasion would like to demonstrate a part of our national mentality which has not heretofore been so evident to the people of Indochina.

If America's historical qualities of generosity and compassion have been overshadowed by our military involvement in Indochina, they are nevertheless realities and wait to be exercised by volunteer Americans who would spend part of their lives in the peaceful pursuit of rebuilding in Indochina.

Mr. Speaker, I insert the two bills which the gentleman from Wisconsin, (Mr. STEIGER), and I are introducing today:

### H.R. 8381

(Mr. Steiger (for himself and Mr. Robison of New York)).

A bill to confer United States citizenship on certain Vietnamese children and to provide for the adoption of such children by American families

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, the Congress declares that—

(1) during the course of the Vietnam conflict, thousands of children were fathered in Vietnam by United States citizens;

(2) current procedures for adoption of and granting citizenship to illegitimate children born in Vietnam make provision of assistance extremely difficult;

(3) the French, following their departure from Vietnam in 1954, offered citizenship and educational assistance to the illegitimate children of French soldiers;

(4) Americans have expressed the desire to adopt Vietnamese orphans of American extraction, so that they may receive the care and love which the disruptions and tragedies of the Indochinese War have denied them;

(5) if adoption procedures could be expedited and red tape eliminated, there would be homes for thousands of Vietnamese-American orphans; and

(6) the United States has a special responsibility to assist in facilitating the care and adoption of those children in South Vietnam whose parent is a United States citizen no longer providing parental care to the child.

SEC. 2. Notwithstanding the Immigration and Nationality Act, the children qualifying under section 3 shall be citizens of the United States.

SEC. 3. Each child shall be qualified for the purposes of this Act, who, to the satisfaction of the State Department under such rules and regulations as the Secretary of State shall prescribe—

(1) was born in the Republic of Vietnam prior to January 1, 1974, and orphaned or abandoned;

(2) is of an age such that not more than twelve years have passed from the date of such child's birth to the date of the enactment of this Act;

(3) in all probability has or had one parent who was at the time of such child's birth a citizen of the United States; and

(4) is placed through an adoption agency in the United States licensed or properly accredited according to pertinent local, State and Federal law with suitable parent or parents in the United States, with a preference for any natural parent of such child, who is or are willing to adopt the child upon its arrival in the United States.

SEC. 4. (a) The Department of State shall make the arrangements necessary to inform properly accredited adoption agencies in the United States of children potentially eligible for the benefits of this Act, and cooperate in the placement of such children under section 3(4).

(b) The Department of State shall make the arrangements necessary to transport children who are qualified under this Act to their adoptive parents in the United States at the expense of the United States.

SEC. 5. The President and the Secretary of State are authorized to negotiate and to make such agreements with the Republic of Vietnam as are necessary to effectuate the purposes of this Act while assuring that citizenship conferred under this Act is in accordance with the norms of international law and the treaty obligations of the United States.

SEC. 6. No person shall acquire any right, privilege, or status under the Immigration and Nationality Act by reason of such person's relationship to any child granted citizenship under the first section of this Act.

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### H.R. 8378

(Mr. Robison (of New York) (for himself and Mr. Steiger of Wisconsin)).

A bill to establish within the Peace Corps a special program to be known as the Vietnam Assistance Volunteers Program

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress asembled,* That the Congress declares that—

(1) the United States has a moral responsibility to assist the government of South Vietnam in the care and protection of all South Vietnamese children, particularly those orphaned or abandoned, in relocation and settlement of refugees, and in medical care for victims of the Vietnam conflict;

(2) the spirit of volunteerism held by Americans can and should be applied effectively in helping those most in need of help, and there is a deep desire on the part of the American people to share in the rebuilding of war-torn Indochina by Americans of every

age and persuasion who wish to make a personal commitment and contribution to the future of the peoples of Indochina;

(3) there are in South Vietnam millions of individuals who are innocent victims of a conflict which has left them and their country badly in need of assistance during the postwar period;

(4) it is imperative for the future of South Vietnam that the needs of these millions of children and refugees be attended to, since it is unreasonable to expect that they will find the resources to resurrect themselves after the war; and

(5) the dedication, expertise, technological skills, and knowledge of those willing to devote a period of humanitarian service in South Vietnam can be of immeasurable benefit to the people of South Vietnam and to the cause of peace and brotherhood in the world.

Sec. 2. There is established in the Peace Corps the Vietnam Assistance Volunteers Program.

Sec. 3. The Director of the Peace Corps is authorized to enroll qualified citizens of the United States in the Vietnam Assistance Volunteers Program for voluntary service, under such regulations as the Secretary of State shall prescribe, in civilian assistance in the Republic of Vietnam. The terms and conditions of enrollment, training, compensation, hours of work, benefits, leave, termination, and all other terms and conditions of the service of the citizens enrolled under this Act shall be the same as those established for volunteers (as that term is used in the Peace Corps Act) under the Peace Corps Act (22 U.S.C. 2501 et seq.).

Sec. 4. The civilian assistance provided under this Act shall be of the following types:

(1) refugee relocation assistance;

(2) medical assistance to war victims; and

(3) medical, educational, and material assistance to orphans.

Sec. 5. Under such rules as the Secretary of State shall prescribe, the Vietnam Assistance Volunteers Program shall be permitted to utilize United States foreign aid materials located in any host country for the purposes of assistance under this Act.

Sec. 6. The President is authorized, upon agreement with the potential host nation, to extend the Vietnam Assistance Volunteers Program to any of the following: Laos, Cambodia, and the Democratic Republic of Vietnam.

Sec. 7. The Secretary of State shall coordinate assistance offered under this Act with existing programs of assistance, including those sponsored by the United Nations and by religious, charitable, and other private organizations.

Mr. STEIGER of Wisconsin. Mr. Speaker, it is now 2 months since the last U.S. troops were pulled out of and the last prisoners of war returned from Southeast Asia. All Americans greeted this end of our involvement in Vietnam with a sense of gratitude and relief.

It is important now that we not forget about those whose lives have been deeply affected by the Vietnam conflict. There are millions of children and refugees whose needs must be attended to, and it is unrealistic to expect the Vietnamese to do this job alone after the war. It is imperative that we work with the Vietnamese to resolve the social problems the war has created by directing ourselves toward helping them to rebuild their country. And we also have a moral obligation to the thousands of Vietnamese children with an American parent who are left to fend for themselves in the streets or orphanages of Vietnam.

I am today joining the gentleman from New York (Mr. Robison) in introducing two pieces of legislation intended to meet what I see as the two most serious areas of need resulting from the conflict. One bill would establish within the Peace Corps a special program, to be known as the Vietnam Assistance Volunteers program, with a mandate to provide refugee relocation assistance; medical assistance to war victims; and medical, educational and material assistance to orphans. The other would simplify adoption procedures for and confer United States citizenship on Vietnamese-American children who are orphaned or abandoned.

The need for a coordinated program of assistance in Vietnam is clear. While there has been extensive debate about funding for military assistance in Southeast Asia—and about economic assistance for North Vietnam—little attention has been given to the illnesses, wounds, and needs or those who must be counted on in future years to revive Vietnam.

Approximately 40 percent of South Vietnam's 18 million people are under age 14. For children who have been injured, maimed or orphaned, the future is particularly bleak.

State Department figures on South Vietnamese orphans dramatically point up the crying need for immediate, forceful action. Their estimates in 1972 listed 150,000 civilian children living with their remaining parents, 150,000 civilian parentless children living with relatives, 412,000 military dependent children receiving benefits from the Vietnamese War Veterans Ministry, 18,000 children living in government-recognized orphanages, and 6,000 children living in nonrecognized orphanages.

According to statistics compiled by the Senate Subcommittee on Refugees, refugees and other war victims in South Vietnam since 1965 total some 10,105,400—more than half the population of South Vietnam; civilian war casualty amputees number some 70,000 to 80,000 in addition to uncounted thousands in the military; war widows number some 103,000, with many more on the civilian side; blind war victims number some 40,000; and paraplegics are in the thousands.

The Vietnamese Ministry of Social Welfare is badly in need of assistance, receiving less than 1 percent of the national budget. The bulk of that money goes for refugees. Only $2 a month is provided for each child in a registered orphanage, with the rest coming from private sources. The death rate has been estimated as high as 90 percent at some institutions, which are often overcrowded, understaffed and short on the necessities for adequate care.

The individual people represented in these statistics are in desperate need of assistance. Coupling their problems with those created by the rapid growth of Vietnamese cities, forced inflation, unemployment created by loss of jobs in support of American forces and the rapid culture changes in Vietnam in the past decade, we can see that the Vietnamese cannot realistically handle these problems alone.

The spirit of volunteerism held by Americans can and should be applied effectively in helping those most in need of help. To simply pour in foreign aid materials without the human assistance so badly needed will not be as beneficial to those people as will be a program making use of the dedication, expertise, technological skills and knowledge of those willing to devote a period of humanitarian service in South Vietnam.

But I do not think that this volunteer assistance program is enough or that it meets the special needs resulting from the conflict. An editorial in the March 6, 1973 Appleton (Wisconsin) Post-Crescent touches on a very important point:

> American prisoners of war and American military troops are coming home from Vietnam. But all those with American blood in their veins won't be coming to this country. They are also half Vietnamese. . . .
>
> South Vietnamese restrictions on children leaving the country for adoption are stiff, enacted to protect the youngsters against white slavers or other exploiters of children. Saigon also reasonably objects to aid for half-American children if it is not also available to Vietnamese orphans whose parents died in the war. Nevertheless, it seems possible that specific programs could be developed to permit the easier adoption of half-American children, or those who appear to be half-American and are not otherwise provided for, by the thousands of couples in the United States who seek adoptive children.

There are thousands of American families wanting to adopt Vietnamese-American children—and there are, at a minimum, some 10–15,000 children in South Vietnam with an American parent. A March 17, 1973, editorial in the Milwaukee Journal presents well the case for congressional action to facilitate adoption procedures:

> Thousands of these half American children have been left to die in the cities and villages of Vietnam, been deposited at orphanages that have no operating funds, been hired out as servants or left to fend for themselves. Even fairly good Vietnamese orphanages are described as "stuffed with children, filthy and chaotic." . . .
>
> Despite the willingness of American couples to adopt Vietnamese children, the intricacies of Vietnamese law and political and racial prejudices have made less than 5% adoptable. About 500 Vietnamese children have been adopted in the country, but there would be homes for thousands if officials could act to eliminate adoption red tape. This, as well as improving conditions for children who must remain in Vietnam, could be one of the least expensive ways we have of helping to repair war damage.

Just what we can do is the question. Several pieces of legislation have been introduced seeking the best answer. Whether one of those approaches is the solution, or whether the legislation I am introducing today is, the important thing is that the problem is getting recognition, these children are not being forgotten. This is in sharp contrast to the situation following World War II in Japan and the Korean conflict, as described a year and a half ago—November 13, 1971—in the St. Louis Post-Dispatch:

According to current regulation, the United States does not recognize the existence of Amerasians and does very little to help the other brutalized Vietnamese children lead a normal life. "There is no authority for the U.S. Government to assume responsibility for children who may have been fathered by Americans, who are born out of wedlock overseas of an alien mother and who are not subsequently legitimized," explains one official. This is a haunting reminder of the thousands of Japanese-American and Korean-American children also left behind after the troops departed. Many of them have been rejected by their native society and roam the streets of Seoul and Tokyo as outcasts.

Even the sorry record of French colonialism in Indochina shines in comparison. The French government extended the option of citizenship to French-Vietnamese children and they had an opportunity to go to France for education. Forty centers were established in France to receive these children and the government sent financial support to mothers who did not want to send their children away.

We can learn from the French example. While it would be improper and unwise to bestow special treatment on Amerasian children in South Vietnam, we can and should simplify the adoption process to enable them to more easily come to the United States. That is the aim and intent of my bill.

By bestowing U.S. citizenship on these children, we will clearly indicate to the South Vietnamese that we are willing to accept our responsibilities and that we want to provide them all the care, rights, and privileges that we grant all American citizens. This, I think, will encourage the South Vietnamese to allow the children to leave their country. Their unwillingness to permit this departure has been a key obstacle to adoption, but it has been the result of a genuine concern for the children's welfare. The granting of citizenship and the requirement that the child must be placed with an adoptive parent or parents, approved by a licensed or properly accredited adoption agency in the United States, before the procedures of the act are effective, are the kinds of safeguards which will firmly demonstrate to the Vietnamese our commitment to the children.

Current procedures for adoption of and granting citizenship to illegitimate children born in Vietnam make provision of assistance extremely difficult. A child born overseas must be "legitimate" or face an almost impossible set of legal complications before being allowed to enter the United States. The law insists the father of the child must have lived in the United States for 10 years before birth of the child and 5 years after the age of 15, before the child can be considered for entry into this country.

The bill would make eligible for citizenship any Vietnamese-American child born in the Republic of Vietnam before January 1, 1974, of an age such that not more than 12 years have passed from the date of the child's birth to the date of enactment of the act, and placed with a family through a properly accredited adoption agency.

The President and the Secretary of State would be authorized to negotiate and make necessary agreements with the South Vietnamese Government to put the act's provisions into effect. Responsibility for certifying eligible children, working through and with properly accredited adoption agencies, and making arrangements to transport qualified children to their adoptive parents would be taken by the Department of State. Making use of State Department officials familiar with South Vietnam and the orphan problem will help avoid another level of bureaucracy which might well result with creation of a special agency to handle the orphan adoption process.

James Reston, in an article February 28, 1973, spoke eloquently about the orphan problem and raised several important issues to be considered. I would like to include his article at the conclusion of this statement.

In introducing this legislation, I am confident that our country will prove true the words Dr. Tom Dooley wrote in his book "The Edge of Tomorrow" concerning his medical efforts in Laos:

> And especially I wanted to show that we Americans possess an instrument not too well developed, more powerful than any bomb yet devised. It is a force that can relieve ugliness and tragedy. It is the force of gentleness.

The article follows:

### ORPHANS OF THE VIETNAM WAR

(By James Reston)

The American troops in Vietnam are now down to about 11,000 and the prisoners, despite some delays, are coming home, but nothing has yet been done about the orphans of the storm, and particularly about the children fathered and then abandoned in Vietnam by American servicemen.

This is one of the continuing tragedies of the war. The State and Defense Departments say they have no official figures on the number of illegitimate children left behind by the departing GI's, and no way of getting accurate information on the problem, but private estimates range from 15,000 to over 100,000.

Even in the case of an American soldier wanting to bring his own illegitimate child back to the United States, the problem of doing so is very complicated.

An illegitimate child born in this country naturally acquires all the rights of a citizen because of the place of its birth, but one born overseas must be "legitimate" or face an almost impossible set of legal complications before being allowed to enter the United States.

Also, the law insists that the father of the child must have lived in the United States for 10 years before the birth of the child, and five years after the age of 15, before the child can be considered for entry into this country.

Harry J. Hennessy of New York City raises a moral question about this situation: "The progeny of our military personnel and Vietnamese girls," he writes are often branded as outcasts or halfbreeds in Vietnamese society. Yet by virtue of blood, these children have as much right to be citizens of the United States as of Vietnam. Don't we Americans have responsibilities, morally compelling ones, to these children? To me they are the most pathetic of all the victims of the war."

This, of course, is a highly controversial question both within the executive and the legislative branches, but it is at least timely For the Nixon administration is now in the process of drafting legislation to provide economic aid to both North and South Viet Nam, and unless the issue is now brought directly to the attention of the public, it could be easily overlooked among all the other more dramatic arguments over aid to Vietnam.

Among the issues to be considered are the following:

Should the U.S. government not insist that part of the economic aid be set aside specifically to assist the abandoned children of GI's in South Vietnam?

Should the military regulations and laws be amended to simplify the procedures for a soldier who wishes to bring his legal wife and children back to this country?

Same for a serviceman who wants to take responsibility for raising his own illegitimate child?

At a time when more Americans are seeking to adopt children than there are children for adoption, should the immigration laws and adoption regulations be changed to deal with this specific problem of the abandoned Vietnam children?

Sen. Harrison Williams Jr. of New Jersey has introduced a bill, now buried in the Senate Foreign Relations Committee, to create a temporary Vietnam child care agency to help particularly those children fathered by U.S. servicemen.

The South Vietnamese government, however, places strict barriers against permitting children of GI's to leave the country, and also objects to special aid for the half-American children if it is not also available to Vietnamese children whose parents were killed in the war.

Nevertheless, there is a precedent for dealing generously with the problem. After the French forces were driven out of Vietnam in 1954, the French government offered citizenship and educational assistance to the illegitimate children of French soldiers.

The U.S. Embassy in Saigon, which is closer to the problem of the abandoned children than officials here, has been urging the South Vietnamese government to pass a modern adoption law that would allow Vietnamese children born out of wedlock to be adopted by American families, "while protecting the rights of the children."

But even if this were done, the laws of the United States, passed in 1952 to deal with normal situations, are not relevant to the special conditions of the war and its human consequences.

Accordingly, the immediate problem here is to raise the question to the level of official and public attention.

## GENERAL LEAVE

Mr. PRITCHARD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which they may extend their remarks, and to include extraneous material, on the subject of Mr. Robison's of New York special order.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

## OLDER AMERICANS ACT OF 1973

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. Blackburn) is recognized for 5 minutes.

Mr. BLACKBURN. Mr. Speaker, today I have the privilege of introducing, with my colleague from Georgia, Mr. Robert Stephens, the Older Americans Housing Act of 1973. Enactment of this bill will implement the most significant recommendations of the 1971 White House Conference on Aging concerning housing and related programs for the low-moderate income elderly.

The 1971 White House Conference on Aging was remarkably successful in identifying and focusing national attention upon the needs, wants, and aspirations of the 20,000,000 older Americans. The recommendations of the White House Conference embody the collective wisdom, experience, and good will of the more than 3,000 delegates from throughout the country. The unifying theme of the White House Conference was the need for action now.

Nowhere was the urgency of effective, prompt action more evident than in the findings and recommendations concerning the housing and related needs of the low-moderate income elderly, the often forgotten elderly. These people during their working careers were provident, pension-earning, taxpaying citizens who constituted the stable, middle-class element of our society; however, inflation has eroded the purchasing power of their fixed retirement income and now that they, unlike younger people, are unable to improve their economic station, they have been deprived of the housing security, independence, and dignity which they earned. These are the people whose incomes, while sometimes too high for residency in low-rent federally subsidized public housing, are not sufficient for suitable housing on the private market.

The Older Americans Housing Act of 1973 will provide an immediate and effective response to the most urgent needs of older Americans for suitable housing and related services. The bill contains two major elements. First, it will allow the Secretary of Housing and Urban Development to make direct 3 percent loans to organizations designed to construct specialized housing facilities for the elderly. When the housing projects so funded become operational and 90-percent occupied, they will be eligible for refinancing by conversion to the interest assistance program, thereby immediately repaying Federal loan moneys to a revolving fund. A revolving fund of approximately $500 million would be initially created by refinancing of federal housing loans already outstanding using interest assistance funds already appropriated for fiscal year 1973 and new appropriations of less than $20 million for fiscal year 1974. This housing program would provide approximately 35,000 units of specialized elderly housing during its first 2 years of operation.

The bill also provides for a specialized organizational component within the Department of Housing and Urban Development led by an Assistant to the Secretary for Housing and Related Programs for Older Americans. The Assistant to the Secretary would have responsibility for operating the elderly housing program, the Senior Citizens Center program, and the loan and grant program for rehabilitation of owner-occupied housing. Additionally, the Assistant to the Secretary would have authority and responsibility for initiation and conduct of research programs concerning the health, physical, emotional and social aspects of all housing and related programs for the elderly; and the development and implementation of programs for training professional and semiprofessional staff personnel to improve the competency, efficiency, and sensitivity of the management of federally assisted housing projects and programs for the elderly would be within his jurisdiction. In short, he will synthesize all elements essential to a comprehensive and effective program.

The Older Americans Housing Act of 1973 captures both the letter and the spirit embodied in the recommendations of the White House Conference on Aging. It gives specialized attention and specialized response to the needs of those of the Older Americans who have contributed so much and who without our help cannot now effectively compete in either the private or the subsidized housing market.

This legislation was overwhelmingly adopted by the Subcommittee on Housing of the full Banking and Currency Committee and was included in the 1972 Housing and Urban Development Act.

One of the most beneficial aspects of this program is that it will have no budgetary impact. I am confident that the committee will again give this legislation favorable consideration.

We are forever compelled to face our responsibility of balancing all the national needs against the available resources. Unfortunately, we cannot responsibly respond effectively to all needs simultaneously. In my judgment there is no cause more meritorious or more urgently needed for the elderly.

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## WASTED MONEY IN THE POVERTY PROGRAM

The SPEAKER pro tempore (Mr. MAZZOLI). Under a previous order of the House the gentleman from Ohio (Mr. ASHBROOK) is recognized for 60 minutes.

### OEO FAILS TO HELP POOR—PLANS AN UNNECESSARY MULTIMILLION DOLLAR GRANT TO RAND CORP. FOR A HEALTH INSURANCE EXPERIMENT

Mr. ASHBROOK. Mr. Speaker, after considerable scrutiny of the Office of Economic Opportunity—OEO—it becomes obvious that the poor who legitimately require help are not gettting it.

Instead, millions of tax dollars are being siphoned to an amazing number of dodges exploiting those Congress sought to help by establishing the OEO.

Chief among the money-wasters have been the Community Action Agencies especially the big city programs. Willingly or not, they have raised the hopes of the poor only to dash them against the rocks of unkept promises. Millions have been misspent through mismanagement and outright theft. We cannot afford to waste a single dollar designed to help those who, through no fault of their own, temporarily are helpless.

Because of this unconscionable shell game being played on the poor and the waste of tax dollars on Community Action and other OEO programs, it became imperative to focus the attention of the Congress, the media, and the public on this situation by asking my colleagues to join in this Special Order.

Those Members on both sides of the aisle who have seen fit to do so thus provide Americans with a major expression of concern about the poor, many of whom are getting poorer through the efforts of those who are supposed to help them.

If this special order concentrated on the Community Action Agencies alone, it would be important enough.

But I received information this past week that points to attempts within the OEO and the Department of Health, Education, and Welfare—HEW—to conduct a massive national study of medical and health care in the United States leading to Government-financed health insurance, a more palatable term than what it is, socialized medicine.

Such a study is unnecessary and an unwarranted waste of money. Even if such a study were to have a scintilla of value, it would constitute a duplication of information already available on national health insurance from various plans in operation in the military, other branches of Government, existing "private" plans in industry and the wealth of material from European countries whose people already are suffering from socialized medicine.

But the issue goes much deeper than that. The OEO plans to give the Rand Corp. and a subcontractor, Mathematica, Inc., a $9 million grant to conduct a health insurance experiment for an initial 3-year period. Rand already has received $2,480,000 for preliminary work. The experiment probably would be shifted to HEW and continue another 2 years for a total cost for the experiment alone of $30 million. At least OEO officials admit to a $30-million expenditure on the record. Other estimates reach $100 million.

The circumstances surrounding the awarding of this grant, the last in a series, are most unusual, irregular, and raise serious questions as to its legality and propriety.

My investigation of this experiment still is underway, but this much is clear:

OEO thus far has violated its own directives, based on the Equal Opportunity Act, requiring that plans for such research and development projects be presented to the congressional committee exercising legislative oversight. No such plan has been presented because no such plan exists. Failure to develop such a plan and provide it to Congress may violate at least two sections of the act.

OEO, in effect, rigged the specifications for what passed for competitive bidding on the experiment so that Rand could be awarded the grant. OEO officials neglected to insert what is known as an "organization conflict-of-interest clause" customarily used in such situations to insure that Rand would not carry out the study it designed. Larry L. Orr, the OEO project director for the experiment, in an internal memo, admits that Rand had a competitive advantage because it designed the experiment on which it was asked to bid.

Even if an "organization conflict-of-interest clause" were omitted, the OEO failed to include in the proposed grant another customary clause that would prevent Rand from profiting from conclusions it reached in the design stage or from legislation resulting from the study.

Attorneys within OEO disagree for legal and managerial reasons over whether Rand should be considered for a grant or a contract with its more stringent controls and accountability.

The sole basis for making a grant rather than a contract seems to be that funds given Rand for preliminary work on the experiment were grants. An OEO specialist in this field believes those earlier grants, totaling $2,480,000, were improper and awarded with little more than a bow to the competitive process required for projects costing $500,000 or more.

Some OEO officials question whether the agency legally can obligate Government funds beyond the Equal Opportunity Act's expiration, as would have to be done to pay for this project.

The project director, Orr, told a review board that a William Morrill, identified as an assistant HEW Secretary for Planning, had agreed to take over the experiment when OEO is phased out, at total cost of about $30 million for Rand.

No documentation exists of this agreement nor is there any indication that Morrill made the commitment with his superiors' knowledge and consent.

The OEO has become a battleground for opposing factions with the newcomers assigned by the President to phase out the OEO fighting the holdovers. Several OEO officials who sought disclosure of the experiment and would benefit from that disclosure have hindered the investigation.

Eighteen firms were asked to state their managerial and other capabilities to perform the experiment. Seven responded, including Rand and a Rand subcontractor, Mathematica, Inc., of Princeton, N.J. Mathematica was indicted by a Mercer County, N.J., grand jury in 1971 on a charge of knowingly permitting families to collect what amounted to two welfare checks. One check came from an OEO guaranteed annual income experiment Mathematica was conducting for OEO as a subcontractor. The other check came from the Mercer County Welfare Department. The case never came to trial. Mathematica reimbursed the Mercer County Welfare Board more than $19,000 for previous payment violations, but refused to similarly reimburse the city of Trenton and the Passaic County Welfare Department. Witnesses called from Mathematica by the grand jury during the 1969 investigation refused to respond to subpenas and eventually, they were quashed. This is the Rand subcontractor the OEO proposes to allow to take part in a $30 million health insurance experiment.

Although individual conflicts of interest may not exist, the handling of this project is rife with cronyism. Thomas K. Glennan, Jr. conducted research for Rand before he came to OEO in 1969 to be acting head of the OEO division that pushed the experiment and became an advocate for Rand's involvement.

Glennan's father, T. Keith Glennan, is on Rand's board of trustees and has been since Rand's involvement with OEO. OEO's general counsel gives Glennan a clean bill of health on conflict of interest questions. Nevertheless, some of those involved with the project in decisionmaking capacities either were affiliated with Rand at one time, or were personal friends of the Glennans or owed their jobs to either man. Several of these men were released by the new OEO director and accepted jobs at the new National Institute of Education, HEW, when Glennan Jr. became NIE director.

According to the Census Bureau, the poverty level for an American family of four in 1972 was $4,275. If there were to be a study of how Government-provided health facilities would help the poor, it seems logical that people in this income bracket would be studied. The first Rand proposal, however, suggested studying families of four earning up to $12,000 a year. I fail to understand how a project to study families earning nearly three times as much as the official poverty level can come under OEO purview. This would involve a randomly selected sample of nearly 61 percent of the Nation's population. It also could be outside OEO's legal authority.

But the social planners did not stop there. No less an allegedly penny-pinching public watchdog as the Office of Management and Budget—OMB—then headed by Caspar Weinberger, urged the OEO to increase the study group to include families of four earning up to $25,000 a year, nearly seven times the poverty level. That would mean studying an even greater sample of the Nation's population. Once again, there may be no statutory justification for OEO involving itself in projects outside the poverty level.

Why study families earning up to $25,000 a year? An internal OEO memo explains:

> This feature was reconsidered at the request of the Assistant Director of OMB, who felt the results would be more useful for policy if a broader income spectrum were represented.

The OMB official is not identified, but probably it is Paul O'Neill.

An OEO status report on the experiment early in 1973 says, in part:

> The importance of this project for policy formulation is underscored by the enthusiastic support it has received both within and outside the Administration.

Elsewhere, the status report notes:

> The OMB has consistently supported the project. Last November, Paul O'Neill, Assistant Director of OMB, wrote to express his belief that the experiment would "yield information important for the development of policies in the design of health insurance."
>
> O'Neill requested that HEW consider joint sponsorship of the project with OEO. Kenneth Cole of the White House Staff and William Fullerton, staff director of the House Ways and Means Committee have also expressed strong support for the project.
>
> The project has also received the endorsement of state and local officials, including the State Insurance Commissioner of Ohio, the state in which the first experimental site is located and several local Medical Societies in Ohio. The Health Insurance Association of America has assisted the project through an Advisory Committee formed to provide consultation on technical issues.

This last paragraph is most instructive because it discloses, at long last what is being attempted here. It is an effort by some powerful health insurance companies to line their pockets further with tax money. Note that the experiment is to be shifted to HEW.

HEW now is headed by Mr. Weinberger, whose former office, OMB, first proposed to more than double the family income population to be studied.

The argument for the $25,000 level is that nearly the entire population needs to be studied to determine the program's full affect on the poor and to learn whether the poor would use all available facilities.

Instead of what seemed at first glance to be an experiment to bolster the health care plan proposed by a New England Senator, as some young conservatives thought, what we have is an attempt by Mr. Nixon to test the feasibility of Nixon's plan to provide health insurance by subsidizing insurance companies, rather than by some form of direct aid to the poor.

Even a cursory reading of the OEO status report's listing of those involved in planning this multi-million-dollar boondoggle makes the President's plans perfectly clear.

With the OEO's known proclivity for involvement, it is amazing that on a project of such magnitude and importance to the poor, none of those claiming to represent the poor seem to have been consultated, just insurance company spokesmen, medical societies and Rand.

I am pleased to note that Representative JEROME R. WALDIE of California, this week, has asked the General Accounting Office to investigate the proposed awarding of this grant to Rand for some of the same reasons I have outlined. I join Mr. WALDIE in requesting such a probe and I hope that those taking part in this special order will do likewise.

To sum up, no worthwhile purpose can be served by spending tax money on such a project. Data similar to that sought already exists in the United States and elsewhere. Serious questions have been raised within and outside of OEO about the legality and propriety of this grant. These questions deserve prompt, precise answers.

The taxpayers should not have to pay for failure to make a decision on a national health plan or to float a multimillion dollar trial balloon about it.

I hasten to add and I emphasize that this opposition in no way should be construed as a lack of interest in insuring a high quality of health care for all Americans, poor or rich, regardless of race, color or creed.

My friends in the medical profession and in the health insurance field assure me that this can be done without the heavy hand of Government to impede that high quality and I agree.

I now yield to the gentleman from Idaho (Mr. SYMMS).

Mr. SYMMS. I would like to congratulate the gentleman from Ohio for his good record of fiscal responsibility and say to him something that he probably does not know, namely, when I first entered in the Congressional primary race in Idaho there were three candidates and, of course, I was one of the three, and I openly supported Ashbrook for President.

So you still have friends in the West and in the mountains who like the idea of fiscal responsibility.

Mr. Speaker, I would like to include in the Record the Dayton experiment, which is an article by Margaret Edwards.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. SYMMS. I think it points out—and I will not try to cover the whole thing—how this Dayton experiment is actually an offshoot of President Nixon's health care bill.

It will certainly not be helpful coming in 1976 for whoever happens to be running for President under the Republican banner. It will be playing into the hands more of the program of the Kennedys.

I think we should air this thing out and bring it out into the open. I am always skeptical of any corporation like the Rand Corp., which claims to be nonprofit. I have been involved in several nonprofit organizations myself, but it was by default and not by design.

Mr. STEELMAN. Will the gentleman yield?

Mr. ASHBROOK. I yield to the gentleman.

Mr. STEELMAN. I came on the floor during the middle of the gentleman's statement. As I understand the thrust of your statement, it is that there are too many potential conflicts of interest and too many consultants and poverty warriors and too little actually going to the poor. Is that correct?

Mr. ASHBROOK. I think that is not only correct, but we have a situation which seems to be an increasing problem in Government—organized bureaucracy conducts programs of research to prove to us that we should legislate in certain areas. They go out and develop a position, and in this case they conduct surveys with up to $30 million of our money, come back with their own distorted results in order to show the need for a program that they want enacted.

Then there is the additional problem of a conflict of interest where people move in and out of these programs. OEO officials leave Federal service and set up businesses to carry out the surveys and implement the experiments that they themselves designed while they were in the OEO. The rewards are not small. In this case the reward is up to $30 million for obtaining such contracts. This is a part of the overhead of OEO, it goes to the poverty warriors and not to the poor.

Mr. STEELMAN. I would like to commend the gentleman on his statement and say I think we have seen this sort of effort particularly in the past 4 or 5 years in the OEO, clearly in the direction of bureaucracy feeding itself without any of the benefits coming to Government.

I had the great pleasure and honor to work on the executive side before becoming a Member of this body and had the opportunity of doing some analysis in this area, and it became clear earlier that the poor were actually getting very little of the benefit from it.

The agency employees and the consulting firms have been set up for this very purpose, and have been the actual perpetrators.

So, Mr. Speaker, I want to commend the gentleman from Ohio on the statement he has made, and to associate myself with his remarks. I also wish to state that I will always support any genuine efforts to help poor people, but would also like to see the Congress take an active role in the current effort in which we are in the middle of.

Mr. ASHBROOK. I thank the gentleman from Texas for his remarks.

Another point I would like to make has relevance here, I have publicly commended our new Secretary of Health, Education, and Welfare, I think Caspar Weinberger is moving expeditiously in halting the practice of mushrooming contract grants in the Office of Education. The gentlewoman from Oregon (Mrs. Green) has done more work in this area than any other Member of this body in exposing the contract problem. I think it is one of the most questionable expenditures of public funds we can find.

Secretary Weinberger seems to be really doing well as Secretary of Health, Education, and Welfare in this area but when he was in OMB in the particular situation I mentioned earlier he advocated increasing the program of grants to the Rand Corp. at a time when OMB was across the board just plain tight for every other expenditure. And I say to my friend, the Secretary of Health, Education, and Welfare, that it is very hard to understand his position in the Rand Corp. when he is doing so well now with the contract grant problem in OE. For some reason or other this slipped by him when he was in OMB. I wonder about this.

Mr. STEELMAN. Mr. Speaker, if the gentleman will yield further, I am not as familiar with the Office of Education in this situation as in some other areas. I too think it is the "crony" situation which I find in my area, and it is something that has cost the taxpayers billions of dollars with doubtful benefits through their research efforts.

Again I would like to commend the gentleman from Ohio, and to associate myself with his remarks.

Mr. SYMMS. Mr. Speaker, will the gentleman yield further?

Mr. ASHBROOK. I yield further to the gentleman from Idaho.

Mr. SYMMS. Mr. Speaker, again I would like to associate myself with the remarks made by the gentleman from Ohio. I wish to thank the gentleman for his efforts in this project today so as to bring this information to the Members of the Congress.

(Mr. SYMMS asked and was given permission to revise and extend his remarks, and include extraneous material.)

Mr. SYMMS. Mr. Speaker, I wish to associate myself with my distinguished colleagues and their statements on the problems of the Office of Economic Opportunity. Once again the American taxpayer has had to pay for an agency which has failed on so many counts.

OEO problems have included unrealistic goals, incompetent management, sloppy bookkeeping, questionable expenditures, conflicts of interest, and improper payments. These are only a few of the "problems" of OEO.

Some of the most dramatic irregularities must be classed as embezzlement and fraud. In many cases, persons hired and given considerable responsibility by Community Action Agencies or other OEO components have apparently viewed "economic opportunity" as their license to steal.

Unfortunately, there are numerous examples. The executive director of the Antipoverty Coordinating Council of Monterey County, Calif., last fall was found guilty of several counts of forgery. He wrote checks on the Community Action Agency for his personal use totaling more than $5,000 and he improperly cashed additional poverty checks totaling more than $8,000. As is so often the case when illegal actions are uncovered in OEO operations, it turns out that this fellow previously had worked at two other California Community Action Agencies. I do not know if anyone has checked the books of these other two agencies.

Another executive director of a Community Action Agency in Ohio was indicted for embezzling more than $19,000 in Community Action funds.

A former executive director of a California Legal Services Society was charged with embezzling $10,000 from the society. Afterwards he quit the Legal Services Society and became an attorney for Angela Davis.

A Michigan Community Action Agency hired a payroll clerk who had been convicted of embezzlement and who was out on bond on a forgery charge when he was hired. In his first month on the Federal payroll this fellow wrote seven illegal checks and dipped into the office petty cash for $636.

For sheer complexity it is hard to top the case of an executive director of a California Community Action Agency who set up 18 separate checking accounts and four savings accounts to handle the agency's money. This individual had sole control of several of these accounts. The bookkeepers are still attempting to straighten that case out and they have already found several questionable activities such as payments for a concept that was never held and $15,000 of Headstart funds spent on automobile leasing contracts, including personal cars for the director and his assistant.

The next example did not involve huge sums of money, but does give an insight into the attitudes and actions of too many professional poverty workers. The Wichita CAA allocated $7,000 for summer projects, the chairman of the Youth Program suggested that half the money go to train 10 boys in the automobile body repair trade. The Youth Program chairman received a kickback of $1,000 from the $3,500 paid to the owner of the body shop used for the training. The body shop owner called off the whole training program when he discovered that he was not making any money after the kickback. Additionally, the Youth Program chairman also extorted from one of the underprivileged boys $300 for allowing him to take the course, and tried to shake down two others, who resigned rather than pay.

And there are still some people who wonder why the poor and the disadvantaged have a low opinion of OEO while the professional poverty workers rush to its defense.

There are numerous other examples such as the bookkeeper for Greater Jacksonville, Fla., Economic Opportunity who pleaded guilty to embezzlement of OEO funds, and the budget officer of the Community Action Agency of Boise, Idaho, who had checks totaling $1,450 more than her salary and also cashed a couple of other OEO checks which were not made out to her at all. At least the Boise bookkeeper was fired.

Washington, D.C., was the scene of at least one OEO program preying on the poor. One of the neighborhood legal services offices, in obtaining divorces for the poor, had poor people paying $111 for a divorce, $10 for a filing fee, $1 for the marshal, and $100 for the respondent's attorney. The legal secretary and the administrative secretary for this particular legal services office pocketed $4,700 of these payments taken from the very poor people the office was supposed to serve.

Some Members of this body thought they were providing free legal services to the poor when they appropriated the money for legal services.

One other point about the Washington, D.C., example cited above was that three other people in the office knew about the embezzlement—the managing attorney, one of the staff attorneys, and the file and records clerk. They did not do anything about it. Finally the embezzlement did come to the attention of the board of directors of the legal services program—after it had already taken place for 22 months, however, the board declined to prosecute, because it was afraid the adverse publicity might hurt the legal services program. The two embezzlers and the three who knew about it but did nothing were allowed to resign.

A Kentucky OEO health program was missing a number of checks which the corporation's finance officer had been forging. He only managed to take $18,168 of our tax dollars.

The above are only a few examples of the fraud, the embezzlement, and the thefts that have been perpetrated on both the American taxpayer and the American poor. OEO has shown what it can do. The only question that remains is why has it taken this long to shut it down.

The article follows:

### THE DAYTON EXPERIMENT: AN EXCLUSIVE REPORT ON THE GOVERNMENT'S $11 MILLION GRANT TO SET UP A PILOT NATIONAL HEALTH INSURANCE PROGRAM

(By Marvin Henry Edwards)

The Nixon administration has tentatively approved nearly $11 million in federal grants to fund a controversial health-care experiment which key administration officials now fear may be used to provide campaign material for Senator Edward Kennedy's anticipated 1976 presidential bid and pave the way for a full-scale federal health system.

The funds, approved in three stages by the Office of Economic Opportunity, will be used to set up a pilot national health insurance program. Although OEO is ostensibly limited to funding programs for the benefit of the "poor and near-poor," the experiment's designers have carefully maneuvered the "population sample" upward from a family income limit of $10,000 in the original proposal to a current plan to include families with incomes up to $12,000 and an informal proposal to further extend the test to include families with incomes up to $25,000. OEO will thus be reaching far beyond its Congressional mandate to establish an experimental comprehensive program of the type urged by Senator Kennedy.

The project was uncovered recently when President Nixon reshuffled OEO personnel as part of his announced plan to phase out the agency and redistribute its programs among other federal departments.

OEO officials are appalled by the apparent intent of the experiment, by its cost (nearly $7 million of the final $9 million is earmarked for administrative costs), by possible conflicts of interest in the awarding of the grant, and by gaping holes in methodology which suggest attempts to predetermine the study's "findings," but the agency's new directors, most of them new to the federal bureaucracy, are under intensive pressure to launch the program.

Surprisingly, although OEO officials are receiving the anticipated pressures to finalize the program (the proposal has been approved by OEO department heads, but not by director Howard Phillips, and the contracts have not been signed), most of the heat is coming not from Capitol Hill, where Congressional boosters of federal health programs, most of them liberal Democrats, are making the expected demands to get the program into effect—while other Congressmen are upset by the program's wastefulness—but from downtown Washington, in the administration's own Department of Health, Education and Welfare. Key mover in the campaign to get the pilot project unstalled is HEW Undersecretary Frank Carlucci, who is exerting constant pressure on OEO officials to sign the contract against their better judgment.

Carlucci's position is strongly at odds with the Nixon administration's own best interests as viewed by official Washington. Consider these points:

1. President Nixon is himself the sponsor of a health care bill radically different from that urged by Senator Kennedy. The Nixon approach relies heavily on the private health insurance industry; the pilot program was drawn with the Kennedy approach in mind and offers a potential springboard for Kennedy-sponsored legislation.

2. President Nixon's most likely successor as the Republican presidential nominee (according to an April Gallup Poll) will be either Vice President Spiro T. Agnew or California Gov. Ronald Reagan. Both have been outspoken critics of federal health programs of the sort envisioned by the pilot project.

3. Carlucci's own boss, new HEW Secretary Caspar Weinberger, moved into his new position with a reputation for being penny-conscious. Both have testified to Congress, stressing the administration's go-slow approach to the development of new broad-scale federal health programs. Carlucci's push for a $9 million national health insurance experiment (the final stage of the funding) is seen as undercutting administration credibility in this area, especially since many national health programs are already in full-scale operation, both in the United States and abroad, and results can be measured for far less than the cost of setting up another experiment.

While Carlucci maintains his offensive to get the contract signed, OEO officials squirm under the heat and continue to seek some way to shelve the project or get its price tag reduced to more respectable proportions.

Meanwhile, scrutiny of the pilot program continues to reveal disturbing information.

1. The grant has been awarded to the controversial Rand Corporation, a frequent recipient of OEO funds in the past several years. Rand has come under fire in recent months for its frequent involvement in the development of pilot programs for ultra-liberal proposals, and for apparent lack of adequate internal security measures (Daniel Ellsberg, a Rand employee, released the so-called "Pentagon Papers" from Rand files). In addition, OEO's new caretakers are disturbed by the apparent sweetheart relationship which has developed between Rand and federal agencies. Rand received a grant to set up a pilot guaranteed income project; it received another grant to set up a school voucher experiment, at a cost of approximately $7 million; now the nearly $11 million for a health care experiment if the final grant is awarded. "It seems like all we do around here is process papers to send more money to Rand," a top OEO official told me last month.

There are also indications that Rand may be in desperate need for the projects' final $9 million. OEO officials report that Rand's income tax statement for May, 1971–May, 1972 reveals a deficit of more than $246,000, despite more than $25 million in total receipts, nearly $5 million from the federal government.

2. Rand received more than $1.7 million in two stages to develop preliminary plans for its eventual proposal. In other words, OEO gave Rand the money to propose its proposal; the work that won Rand the final $9 million grant was paid for with government funds.

3. Rand was selected for the grant by a seven-member intragovernmental committee, headed by Edward Gramlich of OEO. (Although a letter apparently soliciting additional bidders said the committee would include nongovernmental reviewers, it did not. The letter called for a demonstration of quality and capability to carry out the design, and recipients were given less than a month to prepare a proposal. Rand had already been working on the project, with government funds, for nearly two years). Most of the members of the "judging committee" were employees of OEO's Department of Policy, Review and Planning (PRE), as was Gramlich. After the pre-test grant was given to Rand, Gramlich and other OEO officials worked with Rand to develop and polish the "design" (intermediate proposal) which Rand used to request—and receive—the final OEO grant.

4. The former head of Gramlich's department (PRE), Thomas K. Glannon, Jr., is the son of a former Rand official (the elder Glannon was still listed in Who's Who as a Rand trustee as late as 1971).

The project itself has been a source of derision among OEO economists. Among other things:

1. The initial experiment (in Dayton, Ohio) would provide medical care to only 2,000 participants, who would be absorbed among the city's hundreds of doctors, muffling effects of overutilization on the delivery system. According to one OEO official, "it's something like 2,000 patients to 600 doctors; in a real situation it would be 600,000 people to 600 doctors."

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ily income, "to begin with" and Rand would pick up any additional health care costs, despite the fact that the average family of four in the United States now spends only an approximate $600 a year for all its health care expenses. Other plans to be tested include varying amounts of prepayment gifts, and prepayment facility (HMO) experiments.

3. Benefits would include up to one visit per week to a psychiatrist—more than 50 visits a year—but the cost of psychiatric care would not be computed in determining the effect of such a program on health care costs.

4. The use of available data (for example, interviews to determine how much a family spends on health care) is ruled out, with an apparent straight face, as being too difficult to determine. "The household is asked to recall its medical care utilization and its expenditure. There are obvious possibilities for error. The household must know not only its out-of-pocket expenditures, but also the amount paid by any insurance policy it held. To establish the price of an additional unit of care to the household, the household must know the details of the insurance policy it holds, or the insurance company must be willing to cooperate and divulge them."

Despite the program's flaws and its enormous cost, OEO administrators remain under severe pressure to sign the Rand contract and will be forced to do so unless heavy counter-pressures are generated. Readers interested in preventing implementation of the Dayton test should write to: Howard Phillips, director, Office of Economic Opportunity, Washington, D.C., with a copy to Caspar Weinberger, Secretary of Health, Education and Welfare. OEO officials would also be helped by letters to members of Congress, urging them to help block the Rand experiment.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. ASHBROOK. I am happy to yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Speaker, it is highly important that my colleague from Ohio (Mr. Ashbrook) has taken this time today to review the various aspects of the Office of Economic Opportunity—OEO—that have proven to be mismanaged, inadequately handled and, in some cases, fraudulent. Many of these programs have not genuinely contributed to assisting the poor. Even one of OEO's strong supporters, my colleague from California (Mr. Waldie) has raised questions about grants under the Office of Economic Opportunity that are highly questionable. Mr. Waldie has appropriately asked the General Accounting Office—GAO—to conduct an intensive investigation.

I compliment my colleague from Ohio (Mr. Ashbrook) for the responsible analysis that he has just given us, and I wish to expand upon and follow up on several of the points which he has established.

The question of whether or not this country should have some kind of national health system has been the subject of hearings in both Houses of Congress; and it is likely to remain a controversial issue for some time to come. However, there are indications that the issue may be resolved by the Office of Economic Opportunity before we get a chance to pass on it if OEO proceeds with a multimillion-dollar experiment which has been proposed for Dayton, Ohio.

Of course, OEO is mandated to conduct experiments concerning the "poor and the near-poor," but the Dayton proposal is designed to test the operation of Government-sponsored health care on families with incomes as high as $25,000.

An initial working grant of about $1.5 million has already been awarded to the Rand Corp. to enable it to prepare its present proposal. In other words, the taxpayers have financed the initial capital to allow Rand to "buy" into the health-care experiment business and now they are being asked to spend another $9 million to conduct the first 3 years of the experiment. Of the $9 million nearly $6 million is slated to be spent for "administration," including fringe benefits, travel, and indirect costs, which is more than three times the amount to be spent for the health care itself. Moreover, it appears that the $9 million amount, which is supposed to cover the initial stage of the experiment at Dayton and several other possible sites, may be just the beginning. Indications are that the program planners intend to expand the experiment after about 2 years to cover five or more sites at a total cost of about $30 million. A high-level HEW source indicates that the experiment may be expanded further with untold additional costs.

The experiment itself makes little sense when you consider how many health benefit programs, including the Federal employees program, CHAMPUS, and the VA program, are already operating and for which the data have not been fully analyzed. If the supporters of the Rand grant feel that the current programs do not provide a fair test, I would like to know how the Rand experiment can possibly yield accurate data since it provides a doctor-patient ratio of about 1 to 3 while the actual ratio in Dayton, where the experiment is being conducted, is about 1 to 1,000. Experiments conducted in such sheltered environments as this can be extremely misleading and offer little if any basis for future decisionmaking.

I would also like to know how OEO, on whose behalf we have heard many complaints about the hardship created by the President's budget-cutting efforts, can find up to $30 million to fund a grant for an evaluation project when such projects are normally funded on a contract, rather than on a grant basis, in order to establish a means by which the funding agency can supervise and control the activities of the recipient. Especially troubling is the fact that the main subgrantee for this experiment, Rand-Mathematica, Inc., a subsidiary of Rand, has been indicted by a Federal grand jury in New Jersey on a charge of fraud.

In fact, so many questions remain to be answered regarding this grant that I am convinced that only a full-scale GAO investigation, as urged by my colleagues, Mr. Ashbrook and Mr. Waldie, can get to the bottom of this situation. I urge my colleagues to support Mr. Waldie's demand that such an investigation be undertaken promptly and that no further action be taken on this proposal until the facts have been fully aired and the unanswered questions resolved.

A most informative article on the Rand project by Mr. Marvin H. Edwards, editor of Private Practice magazine, appeared in the May 1973 issue of that publication, and I would like to bring to my colleagues' attention the following excerpts:

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Mr. TREEN. Mr. Speaker, the total number of dollars consumed by the Office of Economic Opportunity over the years is out of all proportion to any benefits which may have been derived from OEO programs. In recent months, various interested parties have cited varying totals that OEO is supposed to have cost. I have obtained some figures from OEO itself, and I would like to present these statistics as an illustration of the magnitude of this agency's failure.

Since OEO was first funded in fiscal year 1965, the Federal Government has poured nearly $15 billion into OEO-generated programs. Some of this money was appropriated directly to OEO, some of it funneled through other Federal agencies into projects administered by local Community Action Agencies. Of the $10.8 billion spent by these agencies, studies have shown that about 78 percent was gobbled up by salaries and overhead. That leaves only 22 cents of every poverty dollar getting through to the poor and the underprivileged. I do not consider that a fair return on this massive investment.

The administration's proposal that Community Action Agencies be placed under local option does not mean that the Federal commitment to the underprivileged will be reduced. Far from it. For one thing, less than a third of the $10.8 billion that these agencies have spent was technically classified as OEO money. Only $2.8 billion was directly appropriated to the CAA's, and only these directly appropriated funds will be discontinued under the administration proposal.

Not even that entire one-third of the community action budget will be done away with. For most OEO programs, the proposed 1974 appropriations will be as high as, or higher than, the 1973 appropriations—but the money will be going through agencies which have not been as spectacular in their inefficiency as most Community Action agencies.

Mr. Speaker, I would not be quite so distressed at the inefficiency and the waste in OEO if we actually had the money to spend. But we all know this is not the case; the United States has a Federal debt which is about to exceed the $500 billion mark. In each of the last 10 years that debt has increased by an average of $15.6 billion—which means that every year we have run the printing presses to produce over $15 thousand million worth of funny money. Over a billion of those paper dollars every year have gone into OEO.

As we debate whether to put an end to this monumental foolishness, inflation is eroding confidence in the dollar among American housewives as well as European bankers. I am not prepared to risk another depression, Mr. Speaker, or an international economic crisis which could topple the foundations of the free world, for the sake of the "symbolic value" of this enormous machine which devours money at the rate of nearly $2 billion a year, and produces so little. The long-term results of such continued spending would be to end the prosperity America has so far enjoyed, without which the steady economic progress of the poor would become a thing of the past. Americans can no longer afford the luxury of irresponsible spending—poor Americans least of all.

Mr. LANDGREBE. Mr. Speaker, when President Nixon announced the reorganization of the Federal Government's antipoverty efforts, a hue and cry went up in many circles, but the loudest came from the employees of the Community Action Agencies. It was predictable, in that they have been the chief beneficiaries of Community Action Agency expenditures. They have a vested interest in preserving the heavy bureaucracy of the Community Action Agency system.

According to some newspapers and television commentators, the President's plan calls for ignoring old people, punishing poor people, and forgetting about problems plaguing Indians and migrant workers.

This is absurd. The different OEO programs that deal with such problems are being transferred to other administrative units. The old and the poor and the infirm are not going to be abandoned; quite the contrary, they are going to receive more funds and more specialized services.

So the problem is not one of ignoring poverty and its tragic consequences. Rather it is working to discover a way to serve better those in need and to do away with expensive redtape and bureaucracy which robs the poor of the Federal dollars we try to get to them.

The President has submitted a program which allows for the continuation of those poverty programs which have proven their merits and yet provides for the removal of those community action agencies—the administrative superstructure—which have done such a poor job that even their local communities will not support them.

The community action program has—by and large—proven to be a most inept and unproductive, most wasteful and unworkable Federal boondoggle. It is that subject—the Community Action Agencies—to which I direct my remarks.

It is time we started looking at the hard, cold facts concerning Community Action Agencies. Flowery prose about their great goals proves nothing. Let us concentrate on evidence that will demonstrate their ability or inability to alleviate poverty.

Originally, the Community Action Agencies were created to help stimulate Federal, State, local, and private resources in a direction that would best serve the communities and aid the poor within those communities. The Community Action Agencies were meant to coordinate all levels of assistance, and by so doing, to become an effective program responsive to the needs of the poor.

That these are goals worthy of strong support is not debatable. That the community action program has failed miserably to come anywhere near those goals is equally not debatable.

It is a fact that in Community Action Agencies it is common to find up to 85 percent of their Federal dollars are going for salaries and overhead. The national average is 78 cents.

It is a fact that Community Action Agencies get only an 80-cent return on every seed dollar. When the seeds are bigger than the resulting plant, something is obviously wrong. Perhaps the community action administrators are too busy counting their money to have time to try and get additional financing.

It is a fact that Community Action Agencies have spent $10.8 billion since 1965; $10.8 billion: With $780 million of that going for salaries and overhead.

It is a fact that a detailed utilization survey of more than half the Nation's Community Action Agencies shows that each one has influenced only an average of 3 organizations and 2½ employers to change their policies and hire more of the people these Federal dollars are supposed to return to the mainstream of American life.

Let me tell you a little bit about one Community Action Agency—the Oakland, Calif., Economic Development Corporation, which was the Community Action Agency for the city of Oakland.

Between 1965 and 1971 OEO poured $12,307,688 into this program, and other agencies of the Federal Government adds millions more. In just a 2-year period—1970–71—for example, the Oakland Community Action Agency spent a total of $14 million of Federal money—from OEO from Labor and from HEW.

And what did it do with the money?

Well, it hired 190 people. And under prodding by the executive director a couple of years ago 101 of them authorized payroll deductions from their tax-paid salaries to support a slate of candidates, which the director favored, in the city council election.

It paid $1,000 to buy radio advertising to try and influence the vote on a city referendum allocated 2 percent of Oakland's budget to the Community Action Agency. It paid $3,000 to organize a citizen's committee to promote its views on that election.

It paid $15,000 for a brochure.

It paid $10,000 for a movie.

And when it was finally defunded by OEO it went on such a spending spree in its final 4 months of existence that it overspent its allotment by more than 100 percent. The auditors questioned the staggering total of $635,000. And when the executive director was asked to explain what happened to that $635,000 he said the agency had been defunded and he did not have the staff to check on it so the hell with it.

And there the matter rests.

It is hard for most of us to understand numbers like $635,000 in missing funds. So let us look at a Community Action Agency across the country from California—in Elizabeth, N.J. An employee there was nice enough to rent the Agency a house for $383 a month. Of course, he was only paying $128 a month for it through his VA loan. One of the directors, not to be outdone by a mere employee, rented another facility to the agency for $225 a month—of which he had to give a real estate agency $55, since that was the total rent he was paying on it.

Not all the east coast numbers are little ones, though. Right here in Washington the United Planning Organization received nearly $25 million but was not able to accomplish much because it was disorganized and failing in leadership. It then predicted future failure because of lack of adequate funding.

Down in Fort Lauderdale, Fla., they had an agency with 27 people receiving $399,115 as salaries. What were they doing? Among other things, issuing food stamps to poor migrant workers—the stamps were only redeemable at the higher priced grocery store and not at the migrants' own cooperative.

There are hundreds of such cases. I use only a handful of examples. These things have been going on for years and are going on now.

So what do we do about it?

The programs do not work because they are topheavy with professional antipoverty workers, so we chop off the administrative superstructure and put the programs into agencies which are better equipped to handle them without so much of the money going to administrative costs.

Some Community Action Agencies are doing a good job. Some cities have excellent programs and dedicated people—neighborhood workers, priests, ministers, rabbis, leaders, and others who have worked hard and succeeded in helping the poor and the disadvantaged.

While we in Washington cannot always know which are the good programs and which are the bad ones, the people in the communities involved know. And they will have the say in the future about which programs are continued. Under local option the good programs which have won community support can continue—and can continue with Federal funding through revenue sharing—while the money now wasted on the bad programs can be put to more productive use.

Local people understand their problems better than Washington bureaucrats.

When things go wrong, local people can exercise their influence through the ballot box in city and county elections to see that they are corrected long before we in Washington even know there is a problem.

Let us continue to provide funds to alleviate the suffering of the underprivileged and to direct them into useful, productive lives.

But let us see that the money goes for the purposes for which it was appropriated, and not to enrich bureaucrats, or to further the political or social aims of those who handle the purse strings.

And let us put the final decision on whether a Community Action Agency continues where it belongs—in the community.

**Mr. BAFALIS.** Mr. Speaker, we have heard a great deal of controversy over the future of the office of Economic Opportunity. There have been endless threats from that vocal minority in our society which has condemned the President for authorizing the dismantling of OEO. Federal judges have issued conflicting decisions about the validity of this order. Politicians, to, are divided on this issue. All in all, it is quite a turmoil.

I would, therefore, commend to my colleagues for review a recent editorial in the Miami Herald entitled "A Simple Vote in Congress Could End the OEO Hubbub." This editorial provides the information necessary to see that, in this time of fiscal crisis, the President has taken decisive steps toward consolidating those poverty programs which have proven to be effective and eliminating those which have proven to be a disgraceful waste of the taxpayers' dollars. It also outlines a logical course of action to resolve this controversy:

### A SIMPLE VOTE IN CONGRESS COULD END THE OEO HUBBUB

Conflicting decisions by two federal judges leave laymen confused about the fate of the Office of Economic Opportunity.

A jurist in Chicago refused to ban the dismantling of the OEO in that city, as ordered by President Nixon, on grounds it was assured of funding at least through June 30.

Contrariwise, a judge in the District of Columbia commanded a halt to the termination program. He rejected the argument that the executive branch has power to reorganize federal agencies in the way the OEO is being phased out.

"If the power sought here were found valid," said the Washington court, "no barrier would remain to the executive ignoring any and all congressional authorizations if he deemed them, no matter how conscientiously, to be contrary to the needs of the nation."

Offhand, this sounds like reinforcement for the role of the legislative as a co-equal with the executive and the judicial. Yet it is hard to reconcile with the Chicago ruling.

Nor is it clear to us whether either court considered the congressional grant of power to the President to combat inflation by economic controls. That, as we understand it, is the rationale for getting rid of the OEO—to cut back federal spending forthwith as an anti-inflation weapon.

All that Mr. Nixon is trying to eliminate is Community Action and a scattering of residual OEO activities. Most OEO programs are continued in his budget, many with more money. His effort to transfer them to other departments is in line with the intent of the Economic Opportunity Act that OEO should work separately only until its tasks could be shifted to old-line agencies.

The case against Community Action is conclusive. Its cost of nearly $400 million annually is unjustified by eight years of failure to prove that Community Action programs propel persons out of poverty.

Congress could slash through all the red tape and litigation easily. A simple bill abolishing Community Action would do it. But that would end the hubbub, depriving congressmen of the political hay they may think they are making with the likes of those poverty fighters in Washington who ordered champagne to celebrate their court "victory."

Mr. YOUNG of Florida. Mr. Speaker, during the past decade we have seen our national priorities undergo their most dramatic social shift since the depression era. This shift has been clearly reflected in the Federal budget, both in relative amounts and overall spending on human needs.

The Office of Economic Opportunity was established and lavishly funded as part of a well-meant but vaguely defined and poorly executed drive to "help the poor." Having discovered violence as a means of prodding the national conscience, antipoverty militants were pleasantly surprised by the Federal response—creation of a new bureaucracy especially for them. In sociological terms, the militants were "co-opted into the system." In plainer language, they were bought off.

The basic OEO approach of developing local community action programs and funding Community Action Agencies in the worst poverty areas was fairly effective on a short-term basis. Why? Because the militant leaders were taken off the streets and made program heads at salaries that shot them suddenly into the middle class.

In some cases, there were more program heads than programs—Project Progress here in Washington, D.C., had 23 directors and administrators supervising 18 workers.

Nothing in their past experience had equipped many of the so-called poverty fighters to handle high-level administrative jobs involving thousands of dollars. One does not develop a national bureaucracy to spend millions of dollars on untried programs without some cost to the public at the best of times—but OEO consistently exhibited a total blindness to any kind of sound hiring or management practices.

The Salt Lake City, Utah, community action program hired an "accounting supervisor" who was on parole from prison; he was subsequently charged with grand larceny while still an employee of the program. A group leader of the Manpower Development Board, a Federal antipoverty agency in Queens, N.Y., was arrested by FBI agents on charges of armed robbery—he was still on the payroll despite his indictment for plotting to terrorize New York City by bombing subways, public utilities, and department stores.

The more militant local OEO leaders brought their tactics and life style of violence with them to the Federal payroll. The man I just described in New York had a .45 caliber revolver and 60 rounds of ammunition in his home when arrested. The director of the Greater Wilmington, Del., Community Action Center was arrested; police raided his home and confiscated three carbines, several handguns, some machetes, and several hundred rounds of ammunition. A "summer youth worker" for the same program was arrested for carrying a revolver in his briefcase, and police found a large cache of guns and ammunition in his room.

Two brothers working for a Richmond, Va., community action program decided to go into business wholesale, and were eventually tried and convicted on a charge of unlawfully shipping stolen firearms. They appealed and were out on bond for several months. During the entire period of their arrest, trial, conviction, and appeal these men remained on the CAP payroll.

Such abuses were inevitable results of simply hiring anyone who came forward and represented himself as a spokesman for the poor or, as Tom Wolfe has very graphically described, "mau-maued the flak-catchers"—Federal bureaucrats who had never before been faced with overt threats of violence and destruction. But even more offensive to the purposes of the program were the documented instances of misuse and outright theft of the taxpayers' money. Funds that Congress authorized and appropriated to meet the needs of America's poor went instead into the pockets of those who professed to be helping them.

The executive director of one planning council took money budgeted for a library for the poor and used it for an expensive renovation of his private office, while at the same time charging OEO for 25 telegrams and long-distance calls to his estranged wife in another State concerning their pending divorce.

The acting director of the Community Health Foundation of East Los Angeles—an area vividly engraved on the Nation's mind by the Watts rioting—took more than $18,000 of an OEO planning grant and placed it first in his checking, and then in his personal saving account, drawing interest on the money and using part of it for personal expenditures. Only after a special investigation and audit did the man return the money and resign. Had this happened in any other industry or bureaucracy, the man would have been indicted for fraud and larceny; in this case, a benevolent OEO glossed the whole affair.

In one unbelievable case where the local OEO program hired an admitted criminal living in a residence called Crofton House for Convicts, the local U.S. attorney refused to prosecute the inevitable case of forgery and grand larceny because, and I quote:

> A bunch of incompetents had hired a known criminal with a history of similar activities and put him in a situation where he could continue to commit forgeries; such a situation would only embarrass the government by leading the jury to believe that the people running EOC were stupid and irresponsible.

OEO waste and mismanagement has not been confined to the continental United States. In Puerto Rico, OEO's right hand did not even know a left hand existed.

A high school equivalency program was funded from Washington with almost $250,000 to tutor 75 to 80 high school dropouts to acquire their equivalency diplomas. After 6 months of operation and the expenditure of more than $100,000, only six enrollees had actually passed the necessary test—an average cost of $16,689 per graduate. And while all this money was being spent, neither the Community Action Agency or the legal services program of Puerto Rico were aware of the program's existence.

I doubt if there is a Member of this House who has not received a visit from the National Welfare Rights Organization, that illustrious group which champions, among other things, a Federal welfare payment of $6,900 per year for a family of four. But I wonder how many of my colleagues know of the extent to which NWRO, a private lobbying group, has been aided, abetted, and funded in their often violent tactics of confrontation with public moneys—via local OEO agencies.

In case after case, OEO programs aided local NRWO chapters by providing legal services, direct contributions, clerical assistance, supplies, and even transportation to the site of demonstrations. In most cases, the end result was a severe deterioration in community relations and a total lack of the economic self-help programs for the poor which were necessary to eliminate the need for welfare.

It is clear that there are two sides to the OEO coin. One side is the need for programs which actually do assist the poor; the other side is the need to protect the American taxpayer from having his money turned into an instrument of violence and community disruption. The current approach deals with both sides of the coin by retaining those programs which do make good use of the Federal dollar to aid the poor and placing them in their logical administrative location, while dismantling topheavy local structures which did nothing more than pay off local militants. Thus we find Head Start programs transferred to HEW's Office of Child Development, which has the skilled personnel to administer them and larger overall funding to assure that more children than ever can receive day care and special schooling as needed. And the general revenue-sharing program moneys can be used by local governments to continue the local planning and action agencies which truly serve the poor.

It is time for this return of perspective, this realization that the American people cannot have their own tax moneys used against them and against the very social goals of economic self-help and community harmony that they were supposed to foster.

Mr. Speaker, I applaud the decision of the administration to take a rational management approach for the benefit of the worthwhile programs and the pocket of the American taxpayer.

Mr. DERWINSKI. Mr. Speaker, in the middle of the 1960's the Congress established the Office of Economic Opportunity in the hope that it would eliminate poverty.

On numerous occasions since then, we have closed our eyes and ears to what in our hearts we knew was going on in this ill-conceived war on poverty and have appropriated billions of dollars to carry out the purposes of the Economic Opportunity Act.

In fact, to date we have appropriated the staggering sum of $15 billion with what results?

It is no secret that poverty is not eliminated.

It is no secret that billions of dollars have been spent, some wisely; most of it foolishly.

It is no secret that the Nation's poor are more disillusioned than ever. They have seen the endless flow of dollars diverted to the enrichment of professional poverty workers, while the lot of those who were supposed to be helped remained miserable.

There have been some bright spots. The Head Start program has given many disadvantaged children a better chance for preparation for the future; a better chance to enjoy the good things of American life.

Indians and migrant farmworkers have received helping hands in their efforts to move out of poverty. Some new jobs have been created through community economic development programs. Health care for the aged, and assistance for the alcoholic and the drug addict have been proffered by a concerned government.

But the expense of delivering these benefits has been all out of proportion to the good accomplished. The Community Action Agencies—which administered most of these benefits, and which served as a channel for funding others—ate up the unbelievable total of 78 cents of every Federal dollar on salaries and overhead. This obviously left only 22 cents for actually fighting the war on poverty.

Think how much more could be accomplished; think how many more children and old people and sick people could be helped if we turned those figures around and spent 78 cents out of every dollar on actual programs, and only 22 cents on salaries and overhead.

Those who wish to see the Office of Economic Opportunity continued as a separate entity have been confusing the administrative apparatus with the programs. There has been a great deal of wailing and moaning that the administration has declared a truce in the war on poverty; or that the administration is turning its back on those Americans who desperately need help.

The facts prove otherwise.

Since the Nixon administration took office, spending for social programs has more than doubled, rising from $72.8 billion per year to $153.4 billion per year.

In the administration's proposed budget for 1974—even with the elimination of direct Federal funding for Community Action agencies—there will still be more Federal dollars devoted to aiding the poor and the disadvantaged than there are in 1973.

Any statement to the contrary is false.

In discussions of its future, the Office of Economic Opportunity is generally divided into three categories. I would like to touch briefly on the plans for various programs and agencies involved in each of these categories, and then invite my colleagues to expand on the different elements in more detail.

First, the Community Action agencies.

There are some 900 of these; some good; many bad. Taken as a whole, OEO provides only one-third of their budgets—about $400 million a year—and, as I mentioned earlier, 78 percent of the OEO money goes for salaries and overhead; only 22 percent for programs.

Thus the plan to forego direct Federal funding affects only a minute percentage of the actual community action programs for the poor. And even that minute percentage can continue—with Federal money through revenue sharing—if the local people who know which agency is good and which is bad—want it to continue.

What the Federal Government is really saying to those 900 Community Action Agencies is this:

You still have access to the two-thirds of your budgets which are not OEO funds. Your programs can continue, but do not count on Uncle Sam to finance an expensive, over-staffed bureaucracy to run them. If you operate them efficiently—if you operate them in a way that generates local support—you can get your local government to allocate some of its revenue sharing money to continue.

Not all Community Action agencies are following the lead of the professional poverty workers in crying that this means the end of community action. Responsible, devoted persons in many Community Action Agencies are enlisting local financial support to continue their operations. Out in Nebraska, for example, the executive director of SENCA—Southeast Nebraska Community Action—wrote an editorial in his April 10 newsletter which said, and I quote:

> If we must do without OEO assistance next year, so be it. One way to look at this situation is to decide that the federal government will be making us stand on our own feet. This is a principle we have been preaching to others for years. I, for one, will be excited to prove that it works.

Now let us look at the second category—legal services.

The Nixon administration budget for legal services this years is $71 million.

The Nixon administration budget for legal services for next year is $71 million.

Persons who read that as an attempt to scuttle the legal services program must have attended one of those progressive schools which did not regard reading and comprehensive as very important.

In the last Congress the President proposed a separate corporation to operate the legal services program. The Congress passed a bill establishing such a corporation, as a part of the 1971 Economic Opportunity Act, which the President vetoed. A 1972 proposal died in committee. As a result, this year legal services is remaining as part of OEO. When OEO goes out of existence July 1, legal services will need a new home. The President is again proposing a separate corporation. It is up to the Congress to accept or reject.

The real debate over legal services is not whether society has a responsibility to provide free legal assistance to those who cannot afford. That issue is long since settled. The debate is over just what the responsibilities of lawyers hired to assist the poor will be. Shall they spend their time doing what they were hired to do—namely, helping the disadvantaged who cannot afford legal representation? Or shall they spend their time trying to bring about drastic social change through lobbying, class actions, and related activities, leaving the poor welfare mother who is being evicted to fend for herself?

There are arguments on both sides, but let us argue the issues that exist and not get embroiled in charges and countercharges involving the nonsense that the administration is trying to kill legal services.

This leaves the third category—the true heart of the war on poverty—the actual programs of assistance to the poor, the infirm, the disadvantaged—which are being transferred to the Federal agencies; in most cases with increased funding and in all cases with a good chance for improvement through more knowledgeable administration.

Health, drug, and alcohol programs will go to the Department of Health, Education, and Welfare. So will special programs for Indians, who will be given greater powers of self-determination.

Programs for migrant and seasonal farmworkers will go to the Labor Department; community economic development to the Office of Minority Business Enterprise; and research and demonstration projects to Labor, to HEW and to HUD.

In practically all cases, funding will be increased—$9.7 million more for Indians; $2.6 million more for economic development; $3.7 million more for migrant and seasonal farmworkers, and $11.3 million more for research and demonstration.

And in all cases, the programs will go to the Federal agencies which have the appropriate expertise and which can mesh former OEO programs into their own programs, eliminating wasteful duplication.

Finally, a word about the legal status of OEO.

Since the President's budget for 1974 calls for OEO as an entity to go out of existence on June 30, no appropriations to OEO are requested beyond that date. Again, let me make clear that program funds are indeed requested—in HEW, in the Department of Labor, and elsewhere.

Obviously, there are closedown costs involved in shutting down an administrative apparatus which has been spending more than a million dollars a year. Therefore, OEO recently began using some of its 1973 money for closeout operations, and the President's budget for 1974 includes $33 million to complete the closeout next year. That $33 million would go to GSA.

The Government Employees' Union which represents many OEO employees took to the court the issue of whether 1973 program appropriations could be diverted to closeout operations. The court said they could not. OEO asked the court for clarification, and the court declined to give it.

Mr. ROBINSON of Virginia. Mr. Speaker, we have heard a great deal about a "War on Poverty" over the past 10 years. The Office of Economic Opportunity and, in particular, its Community Action Agencies, were supposed to be in the front lines of this war.

There has been mounting evidence, however, that many of the local "chosen instrument" agencies have been largely ineffective in modifying poverty in their communities or improving the situations of a substantial number of families on other than a temporary, insecure basis.

It probably is unrealistic to expect any bureaucratic establishment to exert its best efforts to put itself out of business by eliminating, or, at least, sharply reducing, the problem it was created to deal. Experience certainly should have taught us that the security of Federal funding, made available year after year, is not conducive to critical self-examination among local bureaucrats.

Time and again, we have been provided with horrible examples of how the antipoverty effort produced, at taxpayer expense, empire building by professionals and subprofessionals in the welfare field which drained off the bulk of the community action money for salaries, rather than for direct attacks on the root causes of hard-core poverty.

We have seen, too, self-styled "leaders" of poor people developing their own personal antipoverty projects to insure themselves of healthy salaries and such perquisites as taxpayer-paid transportation. In an unacceptably high fraction of cases, outright fraud has been perpetrated on the taxpayer, and political action of a radical sort has been funded from the antipoverty war chest.

Community Action Agencies were created in a manner virtually guaranteeing waste and duplication. The duly constituted local government had no day-to-day control over these peculiar hybrids. Community action managers were not within the chain of command of local authority. Accountability was negligible from the start, and the opportunity for laxity and abuse was built in.

As Dr. Daniel Patrick Moynihan, long a proponent of social welfare legislation, has pointed out, the vested interests of the administering middle-class bureaucracy often has taken precedence over the real needs of the poor.

There are some well-managed and useful community action programs, Mr. Speaker, and they deserve to be maintained. I do believe, however, that the Office of Economic Opportunity has not given the poor fair value—or, for that matter, the general taxpayer. The individual programs of this agency should be scrutinized and only the clearly productive should be provided further Federal support—with a clear understanding that even these should be shifted progressively to local funding as the revenue-sharing concept expands.

Mr. BLACKBURN. Mr. Speaker, I have been pleased with the action the administration has taken in curtailing some of the abusive programs under the Office of Economic Opportunity. These actions are well overdue and are a turn in the right direction to bring our Nation back to accountability to its citizens. The public has been misled for too long by promises and high-sounding phrases that tend to divert our attention and cover up the basic problems we face.

These programs have not worked and in many cases have made conditions worse, through broken promises and punctured expectations. They have not been able to touch reality and the people of America have begun to see through the facade.

I have been concerned for many years now that our Nation was becoming so entrenched in these programs that we would not be able to climb out of the murk and return to the principles that our country was founded on. This trend that the administration has started is a welcome one, if it is followed through. I hope now that this Congress will not make the mistake of trying to restore the power of the OEO.

The picture looks better, but I am still disturbed that action will be taken to resurrect programs such as the Community Action Agencies. The CAA programs under OEO have been the most abusive part of the whole package and now I fear that once again there will be efforts made to keep this program functioning. With its past performance, a matter of public record, it would be a disaster to continue to promote these programs which have been unaccountable and insulated.

These types of programs tend to insulate from public scrutiny and control, the activity being carried on. This most certainly is not in the best interest of justice for the poor or of good government for the country. By insulating these agencies from those who are the elected representatives of the people, we have put these programs beyond the bounds of reasonable congressional oversight and the ability of even the executive branch to enforce statutory limitations respecting political activities. In their present form, the Community Action Agencies have shown a serious lack of accountability and this will only be fortified if we attempt to continue funding these programs.

For too long now, our leaders have overlooked the fact that we have been violating one of our basic traditions in allowing the use of governmental power and resources to further particular ideological, philosophical, political or partisan points of view. Unfortunately, a large number of the personnel associated with the community action programs have seized on this lack of attention and have used it to further their own needs. It is not the Government's prerogative to subsidize organizations that advocate a particular philosophical or ideological position, no matter which end of the spectrum it comes from.

I fear that due to the lack of adequate administration and monitoring, the OEO program has become too involved in public issues. We must not allow these abuses to continue to expand or to remain unaccountable to public officials and the people. We must not give these abusers a free hand to continue to engage in lobbying, picketing, and political activities at the expense of the taxpayers of this country.

The abuses of these programs are becoming more evident every day. The problems that exist within these programs are being vividly pointed out with regularity now.

The staff attorneys associated with these programs are virtually free to undertake any activity that they wish to pursue—and at the expense of the taxpayer. This lack of control has allowed these people to become involved in areas which are not within the scope of the original program. It appears that they have lost sight of the statutes and have become committed to reforming certain areas of our society to suit their ideology.

We must not allow this trend to go unabated.

Mr. BEARD. Mr. Speaker, for the past 10 years the Federal Government has been waging a highly publicized war on poverty. President Nixon has announced that for the first time in decades the Federal budget is spending more for "human" needs than for defense. Since its founding in 1964, OEO alone has spent nearly $10 billion in fighting poverty. In light of the enormous Federal commitment to eradication of substandard life in America, I think it is time that we examine the results of this vast campaign to see just what the Nation has to show for it. First of all, has poverty been abolished in our country?

Clearly, it has not. However, the percentage of Americans with below-the-poverty-line incomes has gradually been decreasing from the time in the depths of the depression when President Roosevelt described one-third of the Nation as "ill-clothed, ill-housed, ill-fed." Robert J. Lampman in his book, "Ends and Means of Reducing Income Poverty" reports that the percentage of the population in poverty-status—making adjustments for the decline of the dollar in value, of course—fell from 26 in 1947 to 19 in 1957 and to 12 in 1967.

Mr. Lampman notes that the principal factors affecting the movement out of poverty of our people has not been Government programs, but rather the natural growth of our free enterprise economy, and upward movement of individual men and women who are willing to improve their skills, change jobs, and move to different localities in order to escape from poverty.

Since the escape rate from poverty of our citizens did not increase in the past 10 years despite the huge amount of Federal money spent for this purpose—in fact, there is some evidence that the rate of movement out of poverty has slowed down in the past decade—logically we must ask just where has this money gone and who has benefited assuming the poor have not?

Mr. Speaker, I should like to briefly cite the findings of a distinguished social scientist who by and large has been a supporter of the New Deal and Great Society social programs: Mr. Nathan Glazer, a Harvard University professor who is also coeditor of the Public Interest and the author of several books on current affairs. Mr. Glazer, writing in the journal, Commentary, May 1973, noted that—

> The most difficult judgments to pronounce are in the most original area, that of neighborhood controlled social programs, as a Community Action and Model Cities. My overall guess is that as of 1973 most of the money in these programs . . . is providing useful social services to children, youth and old people, and a good deal of employment to people who are doing no damage and who will not in the future find it easy to get jobs as good as the ones they now hold. If we ask, did these programs overcome "poverty" and its problems, clearly we have to answer no.

If even such defenders of social welfare legislation are forced to the conclusion that the OEO Community Action programs did not have the effect of reducing poverty but were valuable mainly because they provided jobs to middle class social workers and bureaucrats who would have great difficulty obtaining such high salaries on the free market, then Congress certainly has a duty to inquire very closely into the actual results of these activities.

There seems little doubt, Mr. Speaker, that groups other than the poor have been the chief beneficiaries of the OEO Community Action programs. All over the country, in case after case, a familiar pattern has been emerging.

In Logan, Ohio, at the Tricommunity action agency, 96 gasoline credit cards were distributed to employees in 1970 and the agency's transportation expenses turned out to be more than double the budgeted amount. This is just one of the many cases in which expenses were inadequately controlled, to say the least. There have been many cases of outright fraud, as well as simple incompetence.

In New York City, between 1965 and 1968, at least $5.7 million of Federal poverty funds were simply unaccounted for.

In each of these cases of stupidity, waste, and fraud, the real victims have been the poor. Federal funds which could have been better spent in ways that really helped poor people and thereby helped the Nation have been siphoned off in boondoggle after boondoggle. The time has come to call a halt to programs which have had plenty of time to prove themselves efficient and worthwhile. By and large, the Community Action programs have proved themselves to be just the opposite: inefficient, corrupt and harmful to everyone, the poor included.

Those programs which have been effective should be able to continue but I hope, to the maximum extent possible, without the deadening hand of Federal bureaucracy.

Mr. CRANE. Mr. Speaker, since their inception in 1965, the community action programs of the Office of Economic Opportunity have had 8 years in which to demonstrate that they are capable of achieving what they set out to do. It is my judgment, and the judgment of many well-informed observers, that they emphatically have not done so.

First of all, Mr. Speaker, what were their goals? Most of us would agree that there were two main purposes for these programs. They were aimed at lifting as many of the poor as possible out of that status and across the "poverty-line." They were also designed to bring "culturally deprived" persons into the "mainstream" of American life.

The second goal, more cultural than economic, was regarded as more important by most of the middle-class professionals employed by these programs—who received most of the monetary benefits—because it was more interesting to them. It gave them an opportunity to try out their social-engineering projects with Government funds.

One of the most distinguished social scientists who has spent a good deal of time analyzing these programs is Dr. Edward C. Banfield, Kenan professor of public policy analysis at the University of Pennsylvania and author of "The Unheavenly City." Writing recently in the liberal journal, Commentary, May 1973, Dr. Banfield concludes that, judged against the goals just cited:

> Almost all of the Great Society programs (the exceptions that I have in mind are the civil-rights laws) range from unsuccessful to counter-productive.

In support of his conclusion, Dr. Banfield points out that the percentage of Americans below the poverty line—measured in static dollars—has been declining at a steady rate for the past several decades. Oddly enough, however, poverty seems to have decreased at a slower rate in the last 10 years than before. Despite the widely heralded "War on Poverty." The reason for this seems to be that most of the people who have escaped from poverty have done so by their own efforts, using the opportunities opened to them by the expanding free market economy; very few have done so mainly through Government help.

Dr. Banfield states:

> There is no evidence so far as I am able to discover, that the Community Action and other Great Society programs designed to stimulate upward mobility have succeeded in doing so. Where motivation developed it may have done so in spite of these programs rather than because of them. There is no doubt but that the injection of many billions of dollars of public funds benefited the black communities. The people who gained most, however, were middle-class, not culturally-deprived.

Even worse, Dr. Banfield adds, was—

> The use of public funds in some cities to underwrite the leadership of known criminals, revolutionaries, and mountebanks who exploited—and in some instances terrorized and ultimately destroyed—neighborhoods and institutions over which they were enabled to gain control . . .

Another student of these programs, Prof. Robert J. Leonard of the University of Evansville, recently demonstrated at the March meeting of the Southwestern Political Science Association, that Government antipoverty expenditures—OEO, VISTA, Community Action, and so forth—in 1968 had no effect on poverty, education, employment, and crime in the cities to which they went so far as could be determined by such measures as proportion of employed males per capita before and after.

The evidence seems very persuasive, Mr. Speaker, that such programs as Community Action have simply not fulfilled their own goals. Rather than helping the poor, most of their funds have been used to pay high salaries to middle-class social workers, bureaucrats, and in many cases, adventurers, charlatans, and outright criminals. I am convinced, that in the light of 8 years of experience, the time has come to terminate these wasteful, badly organized and counter-productive social programs. The poor, and the Nation in general, will be far better off without them.

## GENERAL LEAVE

Mr. ASHBROOK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore. (Mr. MAZZOLI). Is there objection to the request of the gentleman from Ohio?

There was no objection.

## TAX INCENTIVES FOR POLLUTION CONTROL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. HOGAN) is recognized for 10 minutes.

Mr. HOGAN. Mr. Speaker, I am introducing today, a bill to amend the Internal Revenue Code of 1954 in order to provide a tax incentive for homeowners, apartment owners, small businessmen, and car owners to purchase and install pollution control devices. I believe that this bill, the Consumer Pollution Control Tax Credit Act, will effectively complement the regulatory elements of legislation enacted in recent years and presently being considered by Congress to promote the control of pollution through positive incentives.

The Environment Protection Agency Administrator would, under this act, certify devices as being substantially useful in limiting pollution with respect to dwelling units, small business concerns, or used automobiles. Initially, certified controlled pollution devices would include the following: First, a used vehicle device or system certified by the Administrator as meeting in all material respects the standards prescribed for emission control devices or systems designed to prevent or reduce air pollution from pre-1968 automobiles—those presently not possessing any devices to lower emissions; and second, any certified trash compressor, garbage disposal, septic tank, or incinerator reburner.

Environmental pollution of virtually every variety lately has become the subject of legislative interest as the serious effects of pollution have been detected in problems of health and personal comfort and in changes in climate, ocean ecology, and in large terrestrial ecosystems. We cannot afford the illusion of believing that our resources are endless. Despite our obvious affluence as a nation, we do not have the capacity to produce enough so that households can maximize their consumption; so that an adequate volume of housing can be built; so that business can expand their production facilities at a maximum rate; so that governments can meet the increasing demand for public services. Instead, I see the need for all of us to exercise the critical judgment and make the hard choices which seek a reasonable balance between our hopes and possibilities.

Mr. Speaker, the individual tax credit provided by this bill can serve as an important inducement to encourage taxpayers—small businessmen, householders, car owners—to do something about pollution and it can show our determination to enter into a new stage of national development, a stage characterized by concern over environmental quality. I urge, therefore, wide support of this bill.

## INTENSIFY THE ATTACK UPON DIABETES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. RAILSBACK) is recognized for 5 minutes.

Mr. RAILSBACK. Mr. Speaker, recently I was pleased to join Congressmen STEIGER and VANDER JAGT and several other colleagues in cosponsoring legislation which would intensify the attack upon diabetes, one of our Nation's major health problems.

There are currently over 5 million Americans who are afflicted with diabetes. Of these 5 million, at least 1½ million are unaware that they have diabetes. Even more unfortunate is the prevalence of this disease in our country. It is now growing at a rate of nearly 9 percent a year. Diabetes is presently the fifth leading cause of death by disease, and the second leading cause of blindness. Further, diabetes is now estimated to be five times as common among young school-age children as had been previously thought.

Of some encouragement is the fact that many cases of diabetes can be successfully treated. Insulin, restricted diet, and exercise all contribute to enabling a diabetic to live a much longer and more normal life.

And the future can hold promise for better treatment and early detection—possibly even prevention—of diabetes. Therefore, it is imperative that we develop a national commitment against diabetes. This commitment could most easily and logically take the form of a substantially stepped-up program within the National Institute of Arthritis, Metabolism, and Digestive Diseases.

The bill I have cosponsored this year will provide the catalyst to accomplish that goal. Briefly stated, the legislation directs the establishment of a national diabetes program to expand, intensify, and coordinate the activities of the National Institute of Arthritis, Metabolism, and Digestive Diseases concerning diabetes. Included in this program will be expanded research obligations, increased educational efforts, and professional training programs. The act authorizes $25 million for fiscal year 1973; $35 million for fiscal year 1974; and $45 million for fiscal year 1975.

Mr. Speaker, it is clear that we need such a national commitment against diabetes. The National Diabetes Act of 1973 provides the tools for the national commitment. I urge the bill's immediate enactment.

## HERB KLEIN'S SERVICE TO AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 15 minutes.

Mr. KEMP. Mr. Speaker, it was announced today that Herb Klein, the President's Director of Communications for the executive branch, will resign effective July 1 to take a high position. While I am very pleased for Metromedia and for Herb and his wonderful family, I must say I view with deep regret Herb's leaving public service. No man has done more to symbolize honesty and integrity in public life. He has been for all a shining example of the fact that you can be successful and still not sacrifice your ideals and principles.

Herb Klein, more than anyone else, helped me to get started in political life and as grateful as I am for that, I am even more grateful for his friendship and counsel. His distinguished career as a newspaperman and his great efforts on behalf of President Nixon have been an outstanding demonstration of service to his country in both private and public life.

Respected as a newsman as well as a Government leader, Mr. Klein has demonstrated his tact and ability to maintain his quietness, restraint, and candidness and it is perhaps these qualities which have endeared him to newsmen throughout the country. He is known as the man who tells it like it is.

When the occasion requires, he can be tough. As press secretary to Vice President Nixon, Mr. Klein convinced Soviet authorities to rescind their censorship directive limiting the number of correspondents that could accompany the Nixon party in 1959, permitting them to travel with relative freedom in the Soviet Union. Recalling this, President Nixon asked Mr. Klein to accompany him on his recent trip to Austria, the Soviet Union, Poland, and Iran 13 years later. Mr. Klein has also accompanied the President on trips to Yugoslavia, Rumania, Italy, and other missions, international and domestic. He has been on Presidential missions in 26 countries. Earlier this year, he became the second highest U.S. official to go to Hanoi on a trip during which Dr. Kissinger and he conducted negotiations in Laos, the People's Republic of China, Japan, and Thailand.

The exchange of letters between the President and Herb Klein gives, I think, a clear idea of the regard each holds for the other. The President's high praise is reserved for a select group of Americans; clearly Herb Klein is part of that group.

The material follows:

JUNE 5, 1973.

Hon. RICHARD M. NIXON,
*The White House,*
*Washington, D.C.*

DEAR MR. PRESIDENT: It was twenty-seven years ago when we first met in Alhambra, and throughout the almost three decades which now have passed, I have had a deep sense of appreciation for your friendship and a wholehearted admiration for your dedication to the service of our country.

These years have seen us together at some moments of bitter disappointment, but more often I've been fortunate enough to be with you at moments of triumph—to witness first hand your execution and development of decisions which have and continue to make history.

All these things make this the most difficult letter I have written, and yet, because of personal considerations, I request that you accept my resignation as Director of Communications for the Executive Branch, effective July 1, 1973.

As you have known, pressure has been building for me to return to private enterprise. I request this resignation with a continuous sense of loyalty to you and to the principles and programs you are building for this country.

I am convinced that your leadership will leave an indelible stamp on history, both internationally and domestically. It has been a privilege to have had some part in assisting you.

I am very proud to have been the first Director of Communications in United States history, and I honestly feel that we have been able to serve the American people well at a time when policies necessarily are so complex that efforts to provide more information are vital to the Government process.

I am grateful for the full support you have given me, which, I believe, has enabled us to bring the White House closer to the editors, publishers and broadcasters of the country. We have also improved the efficiency of Government departments—even while decreasing the size of their public information forces.

In these times, a President must communicate with the people if he is to govern successfully, and the size of your victory in November is proof of the public understanding of Presidential policy.

I wish you and your wonderful family continued success in working toward your goals for a better Nation and a peaceful world.

You can count on me to provide personal assistance to you or our Government at any time.

With all good wishes,
Sincerely,

HERBERT G. KLEIN,
*Director of Communications for the Executive Branch.*

JUNE 5, 1973.

Hon. HERBERT G. KLEIN,
*Director of Communications,*
*The White House,*
*Washington, D.C.*

DEAR HERB: It is with deepest personal regret that I accept your resignation as Director of Communications for the Executive Branch, effective July 1, 1973, as you requested. I have known during the past year, of course, that you felt it necessary to leave Government in order to continue your career in the media, and I am grateful for your willingness to remain in your position beyond the deadline you had originally set.

Over the years, I have watched you grow professionally as a newsman and as a loyal friend, who has performed with utmost skill as an assistant to me, both in government and in my campaigns. I have long admired your skills and your loyalty, and it has come as no surprise to me that you have been so highly esteemed by both the media and by those of us in the Administration.

As Director of Communications, you have contributed enormously to improving communications skills within the government. You have traveled countless miles to meet with editors and broadcasters in all fifty states, discussing with them this Administration's approach to the problems of the day and of the future. You have ably represented me and our government in twenty-six countries, including all the nations of Indochina, the Peoples' Republic of China, and the Soviet Union. Most importantly, you can look back on your term in office as one which achieved the vital goal of effectively informing the American people about their government. These accomplishments comprise a distinguished record of service to our Nation.

I am pleased to know that your new affiliation will take you back to our home state of California, and I feel certain that you will continue to make an important contribution there. Despite your departure from government, I hope we will maintain the same close association that has meant so much to me throughout the years.

Pat joins me in sending our warmest best wishes to Marge and to you for every success and happiness in the future.

Sincerely,

RICHARD NIXON.

Mr. Speaker, a copy of Herb Klein's biography follows:

The post of Director of Communications for the Executive Branch was created by President Nixon to provide for the flow of information from the Executive Branch of the Government to the press and therefore the American public.

The President created the post for his longtime friend and associate, Herbert G. Klein, shortly after his election in 1968. In this capacity, Mr. Klein serves as a spokesman for the Executive Branch of the government. A veteran newspaper editor and communications expert, Mr. Klein was born in Los Angeles and attended Roosevelt High School there as well as the University of Southern California from which he graduated in 1940 with a B.A. in journalism.

Mr. Klein's first job was as a reporter for a weekly newspaper in Temple City, California. Later, he joined the Copley organization, beginning as a copy boy for the *Alhambra Post-Advocate* in 1940. After Navy service during the war, he returned and became editor of the Alhambra newspaper. In 1950 he became an editorial writer for the *San Diego Evening Tribune* and later editorial page editor of the *San Diego Union*. Mr. Klein was made editor of the *San Diego Union* in 1959. While pursuing his career in journalism, Mr. Klein took several leaves of absence to assist his old friend, Richard Nixon, whom he met during the latter's first Congressional campaign in 1946 when both returned from World War II Navy duty.

One of the responsibilities of the Director of Communications is to ensure that the news flowing from the Administration on policies is not limited to Washington. To this end, Mr. Klein began the distribution of "background fact sheet." He also established regional editorial background sessions with the media and senior White House staff, members of the Cabinet, senior Administration officials and the President. These sessions have been held throughout the country as well as at the White House. Mr. Klein has also coordinated the information activities of all departments of government.

As he travels throughout the country, Mr. Klein has frequent meetings with editors and publishers of newspapers and magazines. He has also appeared frequently on local radio and television programs as he visits cities.

Outside of government, Mr. Klein has served on the Pulitzer Prize Jury, has been a director of the American Society of Newspaper Editors (1966–68), and has been an active leader in the National Editorial Writers' Association, the Associated Press Managing Editors' Organization and United Press International Editors. Mr. Klein has been active as an officer of Sigma Delta Chi, the national journalism society. In California, his activities included serving as an officer for the American Legion, the Convention and Visitors Bureau of San Diego, the La Jolla Lamplighters, a past president of the Alhambra Junior Chamber of Commerce, the San Diego chapter of the American Red Cross, as well as being on the board of the National Presbyterian Church. He is an honorary Rotarian in Alhambra and an honorary Kiwanian in San Diego. In 1971, he received the Greater Los Angeles Headliner of the Year award and the USC Outstanding Alumni award in 1972.

Mr. Klein is married to the former Marjorie Galbraith of Long Beach, California, and has two married daughters in Southern California, Mrs. Robert E. Mayne and Mrs. H. Thomas Howell, and one grandson, Tommy Howell.

## THE HUMANE SLAUGHTER ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. GUNTER) is recognized for 5 minutes.

Mr. GUNTER. Mr. Speaker, I introduced legislation recently that requires all meat imported into America to be humanely slaughtered. This bill, H.R. 8055, is an amendment to the 1958 Humane Slaughter Act, and is in keeping with the purposes and policies this nation established in that law.

This program can be carried out with little, if any, additional cost to the taxpayers. The Department of Agriculture currently has inspectors to insure that imported meat is prepared in accordance with our sanitary standards. Thus the expansion of their inspection duties to insure humane slaughter should be easily handled. Furthermore, this measure would not bring about any further undue involvement in the domestic affairs of another nation since we already impose the aforementioned sanitary standards on foreign producers in their slaughtering and packing processes.

The Humane Society of the United States, the Council for Livestock Protection, and the National Committee for Humane Legislation all support H.R. 8055. It is their desire and mine, to secure the humane slaughter of all animals that are consumed in the United States.

## SPECIAL LEGISLATIVE REPORT TO THE PEOPLE OF THE 19TH CONGRESSIONAL DISTRICT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. RANGEL) is recognized for 20 minutes.

Mr. RANGEL. Mr. Speaker, our constituents have a "right to know" about the progress we are making in Congress on the crucial issues facing our Nation.

This is one of a series of legislative reports I will be sending my constituents to keep them abreast of both the status of some of the crucial issues before the Congress and my activities on these issues.

It is my hope that these reports will enable all of the residents of the 19th Congressional District to actively and effectively participate in the decisionmaking process in Washington.

For any of my constituents who have comments on these or other matters of concern, the locations of my offices follow:

Washington: 230 Cannon House Office Building, Washington, D.C. 20515; 202-225-4365.

Harlem-East Harlem: 144 W. 125th Street, New York, N.Y. 10027; 212–866–8600.

West Side Legislative Center. 720 Columbus Avenue, New York, N.Y. 10025; 212–662–2200.

The report follows:

### LEGISLATIVE REPORTS

### THE FIGHT AGAINST U.S. SUPPORT FOR SOUTH AFRICA

On Wednesday, May 23, I moved in the House to prohibit the National Aeronautics and Space Administration from spending any U.S. funds for spaceflight tracking in the Republic of South Africa. The more than 100 votes my effort received was an encouraging sign that the Congress is finally starting to realize the immorality of this arrangement.

The situation is so bad that the South Africa Government refuses to allow Blacks in professional jobs or training courses conducted totally at NASA's (American taxpayers') expense. This is in line with the South African Government's national discriminatory training policies for Blacks.

The 59 Blacks employed at the large Johannesburg tracking station make up 23 percent of that labor force. They receive only 5 percent of the salaries, 3 percent of the pensions, and no medical benefits at all.

Our government's support of this station is also support for the overall racist apartheid system. This support continues in Rhodesia and Portugal, as well as South Africa despite the United Nations' votes against such support. Our continuing willingness to support apartheid leads one to wonder whether this is the system Mr. Nixon had in mind when he spoke on television recently of his goals for American society.

Even NASA's spokesmen have admitted that the obstacles created at the station by the apartheid system certainly would not meet NASA's own guidelines for operation.

Further, NASA's claim that the Johannesburg location is the best for deep space tracking in the Southern Hemisphere is an obvious fabrication. Johannesburg is in the north of South Africa. Locations in Nambia, Iesotho, Swaziland and the Malagasy Republic are equally well located, and some are even farther south. None of these nations have a national policy of discrimination, segregation and oppression.

It is definitely time for this government to stop all of its efforts to support or generate racism at home and abroad. I will continue efforts legislatively, like the tracking station amendment, and in every other way at my disposal to make our government responsive to the moral outrage expressed against legalized racism by concerned Americans, and most of the world community.

### HOUSING

Despite court suits, an avalanche of mail and direct demands from me, as well as others members of Congress, the Nixon Administration has refused to end the freeze on funds for Federally subsidized housing programs.

The few cracks in the ice, such as the HUD decision to begin considering applications already submitted under the auspices of the Urban Development Corporation, still do not even begin to meet the critical demand for good quality, low and moderate rent housing.

Legislation I have introduced would order the President and HUD to start funding projects again. Other measures I have introduced in this area would require a full hearing before a public housing tenant could be evicted, increased rent supplements for families with numerous children, and remove the 15 percent limit on the amount of the housing assistance budget that can go to any one state.

I have also proposed that urban renewal agencies be required to make sure dislocatees have first priority for housing in redeveloped areas, that State and local agencies be prohibited from discriminating against low and moderate income housing in planning and development and that a new revolving fund be established to provide low-interest loans for more of this housing.

Another measure I have introduecd would lift the lid on subsidies under the 236 program.

These measures are all before the Banking and Currency Committee chaired by Rep. Wright Patman. I will be urging that Committee to give immediate consideration to all of these measures. If you wish to support these proposals, please write to the Chairman and the Committee urging him to schedule hearings on these bills.

### OEO AND LEGAL SERVICES

The Nixon Administration and OEO Director Howard Phillips have continued their callous destruction of community action programs despite a Federal Court order that the dismantlement be halted.

I have therefore doubled my efforts to push for passage of the "Economic Opportunity Compliance Act" I introduced in the House with 25 Congressional co-sponsors. This proposal is before the House Judiciary Committee of which I am a member.

If passed, this bill (H.J. Res. 385) would be a Congressional order to the Administration and Phillips to stop the destruction of OEO. If Nixon and Phillips chose to ignore this directive, I and other concerned Congressmen and Senators would be in a strong position to begin action to remove them both from office for contempt of Congress.

The House Education and Labor Committee recently approved a bill creating a Legal Services Corporation. While this bill does not meet some of the goals in this area that I and other supporters of this vital program have envisioned, it represents a major step toward getting affirmative action on this issue in this session of the 93d Congress.

As this bill moves through the rest of the Congressional pipeline, I will do all I can to make sure the finished product is a program designed to provide the top quality free legal services that the poor of our community and throughout America needs so desperately.

### SOCIAL SERVICES

The joint efforts of more than 100 Congressmen, including myself, over 200,000 citizens who wrote to HEW, and the hundreds of other citizen pressures that were aimed at liberalizing the oppressive HEW Social Services regulations have met with some success.

Such areas as private contributions, payment scales, and services eligible for Federal reimbursement were improved in the April version of the regulations as compared with those originally released in January. But there are still large sections of the regulations that simply amount to an attempt to strangle services to the nation's disadvantaged.

Since most of these regulations go into effect on July 1 of this year, we can not afford to slacken our pressure on HEW. Services from successful programs like New York State's Welfare Education Project would be taken away from public assistance recipients. Our entire society will be the loser if this is allowed to happen.

I have communicated my demands to HEW Secretary Weinberger that he stop toying with the poor through the administrative trickery of these regulations. A coalition of concerned Congressmen, including myself, is working to get action in the Ways and Means Committee on turning proposed model social services regulations into law. This would nullify Weinberger's regulations.

If you are interested in this area, please communicate your feelings to the House Ways and Means Committee, its chairman, Representative Wilbur Mills of Arkansas. and Secretary Weinberger.

### CITIZEN EFFORTS

Faced with the massive Nixon Administration attack on the nation's human services programs, I joined with the other members of the Congressional Black Caucus in calling a National Mobilization meeting in Washington earlier this year. Its purpose was to focus the efforts of groups and individuals from across the country on efforts underway to combat the Nixon actions.

A broad new coalition of groups came together shortly after this meeting to form the Coalition for Human Needs and Budget Priorities. Such diverse groups as the AFL-CIO, the Farmers Union, Operation PUSH and SCLC, Common Cause, the United Auto Workers, the National Welfare Rights Organization, the Leadership Conference on Civil Rights and many more joined under one banner.

The Chairman is Henry Maier, Mayor of Milwaukee, Wisc., and the Executive Director is Barbara Williams, former Administrative Assistant to Rep. Ron Dellums of California.

This and other organizations across America have been carrying out local actions, massive lobbying efforts and citizen education projects aimed at reversing the dangerous social and political motion of this nation toward the conservative right.

Seldom before in American history have groups and individuals with such diverse areas of interest come together with just one focus. That focus is placing America back on the track towards meeting human needs first, instead of corporate or military needs.

I am proud to have been part of the activities in Washington that led to the formation of this Coalition and the strengthening of other groups and coalitions by making them aware that they are not alone in this fight.

If you are interested in the work of the Coalition for Human Needs and Budget Priorities, or want information on similar groups, the Coalition can be reached at 1717 Massachusetts Avenue, N.W., Washington, D.C. 20005; telephone 202-462-8000.

### OLDER AMERICANS

Despite the obstacles placed in our path by the Nixon Administration, the Congress has taken meaningful steps to provide the necessary Federal support for America's senior citizens.

The near-unanimous Congressional passage of the Older Americans Act sent a clear message to President Nixon that he would be foolish to attempt to veto the bill, as he did in the last Congress.

Community centers, library facilities, medical research into the aging process, hot meal programs, and post-retirement educational and work projects for older Americans became law when the President finally signed this nearly $2 billion package.

The legislative proposals I am sponsoring to exempt Social Security benefits increases from income considerations for other assistance programs, to provide a $5,000 minimum income level for elderly couples and a $3,750 floor for elderly individuals are all before the House Ways and Means Committee.

I will be doing everything in my power to get quick action on these proposals. If you wish to offer your views or support for these proposals, please contact the House Ways and Means Committee or its Chairman, Representative Mills, at 1102 Longworth House Office Building, Washington, D.C. 20515.

### NATIONAL HEALTH CARE

A top priority for my efforts in Congress and for much of America has been the creation of the strongest possible system of National Health Insurance.

Not only could such a system relieve much of the health care burden now carried by senior citizens, but also enable the poor to have, for the first time, truly decent health services.

The proposals I am sponsoring in this area, along with all the other major national health care bills, are before the House Ways and Means Committee, chaired, as I have said previously, by Rep. Wilbur Mills. I will be working for quick action.

### ABORTION

Despite a clear statement from the Supreme Court that abortion is a matter to be decided by a woman and her doctor, some persons in Congress and the nation continue to push for Government interference in this personal medical area.

I have, and will continue to vigorously resist any efforts on the part of a small number of citizens to force their views on the rest of the nation.

Limits on the accessibility of abortion represent an attack on the individual's freedom of choice, particularly for the low income woman who lacks access to adequate family planning. This freedom cannot be eroded.

### THE EXECUTIVE BRANCH VERSUS THE CONGRESS AND THE PEOPLE

Watergate has revealed the arrogance and corruption in the Nixon Administration. On the bright side, recent votes against Nixon's Southeast Asia policies indicate that Watergate may have shaken the conscience of some of the President's former blind followers in Congress.

I have called on all members of Congress to join me in overturning, once and for all, this Administration's attacks on the Constitutional foundations of our Government.

Measures I have sponsored aimed at this goal have included a bill forbidding any impoundment of appropriated funds without the specific approval of Congress. Rep. Claude Pepper of Florida and I have also introduced a resolution to create a special House committee to see if the President's role in the events surrounding the Watergate bugging and its subsequent coverup constitutes grounds for impeachment.

These measures are before the House Rules Committee, chaired by Rep. Ray Madden of Indiana.

Other bills I have sponsored in this area include a prohibition against any future U.S. overseas military involvement without definite Congressional approval, and an order to the President to withdraw all U.S. forces from Southeast Asia immediately. These proposals are before the House Foreign Affairs Committee, chaired by Rep. Thomas Morgan of Pennsylvania.

### CONGRESS

Congress, too, has need of improved priorities. The human needs of this nation have, for too long, gone unmet. I therefore introduced H. Con. Res. 216, the National Priorities resolution, in the House.

This bill calls for tax reform and Defense spending cuts which would yield an additional $6–$7 billion for the Treasury. These funds would be spent for the health, educational, and other domestic needs so pressing in every part of the nation and the 19th Congressional District. Sen. Humphrey has introduced the same bill in the Senate.

My proposal is before the Government Operations Committee, chaired by Rep. William Moorhead of Pennsylvania. If you are interested in offering your views on it, contact the Committee's chairman.

### MASS TRANSIT

The ludicrous subway fare increases now being discussed by the New York Transit Authority would, if implemented, make it too costly for many of the residents of our community even to travel to and from work. These increases would increase the already heavy burden on our community's poor who have no hope of finding alternate means of transportation.

In addition, such increases make no sense since they result in less ridership and less income for the subway system.

The only realistic Federal response to this situation is Federal subsidization of financially troubled urban mass transit systems.

If the final version of the Highway Act does not open the Highway Trust Fund for mass transit subsidies, I will immediately press for quick action on mass transit legislation. This would be aimed specifically at providing the funds needed to keep transit in New York and the rest of America's cities alive.

Approaches such as cost-sharing by the other municipalities in the New York City area should be planned until Federal assistance can be gotten.

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## EQUITY IN TARIFF RATES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. CAREY) is recognized for 5 minutes.

Mr. CAREY of New York. Mr. Speaker, the bill I introduce today provides a vehicle for legislative discussion concerning an example of tariff inequity in the schedules as they are presently constituted. I speak specifically of item 186.10, which covers raw and uncleaned or unprocessed feathers and down.

I introduce this legislation at the request of the Feature & Down Association, Inc., after having been shown that workers and firms in Brooklyn could be adversely affected were there no effort to correct this tariff inequity.

The present tariff for importation of these items is 15 percent. This rate is being and has been paid since 1962 by the 15 concerns in Brooklyn, N.Y., which import, along with other firms, 75 percent of U.S. demand for feathers and down.

Most finished items made with waterfowl feathers and down are separately classified in Tariff Schedules. Pillows, for example, are classified under item 727.80, with a rate of 15 percent. Item 748.40, however, which carries a rate of duty of 7 percent ad valorem, covers "articles not specifically provided for of feathers" and in 1964, this item was held by the Customs Bureau to include such articles in chief value of feathers and down as sleeping bags.

Item 748.40 has therefore created a contrast in tariffs for component parts and finished products that is clearly unusual. On the one hand, raw waterfowl feathers and downs must pay a rate of duty of 15 percent, but sleeping bags made of such materials pay less than half—7 percent. Finished products, representing higher processed and labor value, merit a higher import tariff than unfinished or raw imported products.

A 20-percent duty has obtained on item 186.10 principally since 1951. The duty was lowered to 15 percent as a result of the Kennedy trade agreements and has remained at that level to the present. The duty on manufactured articles made principally from the same item have, as a result of trade agreements, dropped to 17 percent, to 15 percent and, at present, 7 percent.

Mr. Speaker, this bill will remove the 15-percent tariff on raw, uncleaned and unprocessed feathers and down and will enable those firms importing these items to compete more equitably with imported, finished products consisting, in chief, of such feathers and down.

I introduce this legislation to provide these U.S. importers with a legislative vehicle on which to testify before the Ways and Means Committee, to which committee, I presume, this bill will be referred.

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## MORE ON THE ENERGY CRISIS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee (Mr. FULTON) is recognized for 5 minutes.

Mr. FULTON. Mr. Speaker, the energy crisis which grips this Nation is no longer an oft-told story of isolated shortages. It is today a general public outrage at the tremendous inconveniences caused by this disgraceful situation coupled with continued expressions of fear that the strategy behind this so-called energy fuel shortage is a push for an outrageous increase in the consumer cost of fuel, an outrageous increase in consumer gasoline and motor oil taxes or both.

Just this past weekend the radio news reported that a California service station operator, rather than limit the amount of gasoline per customer, decided to sell each purchaser all he wanted at the unconscionable price of 81 cents per gallon of regular and 91 cents per gallon of high test. This speaks for itself. What more comment is required?

Meanwhile, in my own district, not only private motorists are having to shop for motor fuel, because of "sold out" signs but a major metropolitan government is threatened with a stoppage, because of the fuel shortage.

Unless it can get new supplies from its distributor the metropolitan government of Nashville-Davidson County, Tenn., is faced with the possibility of running out of gasoline by August or September. This will affect not only regular operations, but possibly our schoolbuses next September, the Nashville Transit system, and potentially other vital transportation services.

Mr. Speaker, the schoolbus situation is outlined in an article which appeared in the May 31, 1973, edition of the Nashville Tennessean entitled "School Bus Gas Bidders Don't Exist," by Mr. Frank Sutherland. I include this article in the RECORD at this point and commend it to the attention of my colleagues who, if they have not seen this specter of shortage rise in their own districts, may be faced with it soon:

### SCHOOL BUS GAS BIDDERS DO NOT EXIST

(By Frank Sutherland)

The Metro Board of Education tried to buy two million gallons of gasoline yesterday, but found no takers, leaving the board pondering how it will operate school buses next fall.

School officials opened bids at 3 p.m. yesterday, but each sealed envelope opened said "no bid."

The school system was the second major casulty in Nashville in the gasoline shortage crisis. Last week, the Nashville Transit Co. encountered difficulty in its attempts to purchase gasoline.

In addition to the gasoline, Metro schools advertised bids for 300,000 gallons of diesel fuel. Only a partial bid for just 114,000 gallons was received from Gulf Oil Co.

School officials said they will assess their alternatives and present a report to the board at its next meeting.

When asked about the possible effects of a gasoline shortage on busing next year, Asst. Supt. Bill Wise said, "of course, we can't guarantee it, but we will go to whatever extent necessary to provide transportation this fall."

He said better information about the extent of the gas shortage should be available in about a month. He added that the school system would be in a better position to purchase gas after the summer vacation rush.

Frank Cowherd, assistant purchasing agent for the board, said one option is to attempt to seek another set of bids at the end of the summer for fewer gallons.

Yesterday's bid was for one year's supply, but it included options of providing gas for six months or three months.

"We may have to go down to two months or one month," Cowherd said.

Carlisle Beasley, Jr., director of transportation for the school system, said he now has 27,000 gallons of gas—enough to complete this school year and probably to take care of maintenance vehicles during the summer.

"There is the possibility that if we ran a heavy maintenance schedule, we could have an acute shortage this summer," Beasley said.

"We won't have enough to go through September."

Last year, the school system advertised for one million gallons of gas for the current fiscal year. Shell Oil Co. was the low bidder at 12.65 cents per gallon. Six other bidders sought the contract at that time.

Yesterday, four companies, Gulf, Chevron, Texaco and Atlantic Ritchfield, responded to the bid invitations, but all said they could not bid on gasoline.

School officials privately were expecting at least some bids, with an increase in price of about six cents per gallon.

State government, which plans to purchase 10 million gallons of gasoline, delayed its bid opening Tuesday in order to give the oil companies more time to prepare bids.

Gulf's bid for 114,000 gallons of diesel fuel was 12.17 cents per gallon, which is a "good price," Cowherd said. Last year's price with Gulf was 11.15 cents. He said a decision will be made later whether to accept yesterday's partial bid.

Beasley said that as a stop-gap measure, he will determine how much gas the school system still can purchase under its million gallon contract with Shell. Then he said he will consider instructing his school bus driv-

> ers to fill their tanks before parking them for the summer, a practice they have not followed in the past. He said he also will seek to fill the board's storage tanks to the brim before the contract with Shell terminates at the end of June.

Mr. Speaker, the Congress has done little if anything to avert this problem or alleviate the fuel shortage. Must we run out before we act?

## A HOME FOR THE AIR FORCE ENLISTED MEN'S WIDOWS AND DEPENDENTS

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, I am introducing a bill today to provide property to construct and develop facilities for Air Force enlisted men's widows and dependents. The proposed development is to be similar to the Air Force Village for retired Air Force officer's widows in San Antonio, Tex., and the Army Distaff Home in Washington, D.C. A nominal fee will be paid for the property.

The Enlisted Men's Widows and Dependents Home Foundation, Inc., is a nonprofit charitable organization formed for the purpose of establishing a residence for widows and dependents of retired Air Force enlisted men, a home where they can live in comfort and security in their later years with Air Force oriented residents of similar interests. Younger widows and their minor dependent children will be accepted on a temporary basis immediately following their husband's death and wives of POW/MIA will be accepted on a need basis.

From time immemorial, the wife of the military man has partaken of his glories and shared his hardships. From the founding of our country, the wife has played an integral part in the life of servicemen. She has served with him on lonely outposts and traveled with him throughout the world. When he served our country in foreign lands to which she could not go, she maintained a home and raised a family. When traveling with him, she made a home, often under difficult circumstances and demonstrated to others the many good sides of the American family.

Foremost among the immediate objectives of the foundation was to locate a suitable site for the development of the foundation's facilities. Considering the relative age and economic status of participants, it was agreed that a site on or near an active military installation would offer many advantages to the organization. A survey of Air Force installations indicated that Eglin Air Force Base would be an ideal site for the home. The excellent climate and economic environment were major contributing factors in the site selection. Elgin AFB is an area of 722 square miles or 460,575 acres. The boundaries in several locations are uneven and a recent Executive order survey indicated a requirement of adjustment of base boundaries. The site selected for development of the foundation is a protrusion of base boundaries the severance of which would not interfere with the Air Force mission.

The site is on the perimeter of the reservation and in a locale suitable from the standpoint of its proximity to a hospital, a commissary, and other field facilities. The site is adjacent to State Highway 85, is elevated and dry with all county utilities. The site consists of 79 acres which is considered necessary for current building plans and to accommodate future growth. To obtain a loan for actual construction, it will be essential for the foundation to have title to the property. The bill provides for a token payment of $20,000. This is substantially less than the fair market value but it represents a return to the Government of many times more than the original cost of approximately $1 per acre.

The present planning is to offer the residents a choice of an efficiency, one- or two-bedroom apartment; complete with a community center and recreational facilities; a chapel, a library, and an on-premises infirmary and related treatment.

The home will operate on a nonprofit basis and a Board of Directors consisting of active duty and retired Air Force NCO's and civilians will administer the Home Foundation. The board solicits contributions from all military members, active and retired, members of the Reserve of the Air Force and Air National Guard, NCO wives clubs, private foundations, associations, fraternal groups, and private citizens. The Internal Revenue Service has ruled that gifts to the foundation are charitable deductions for Federal income tax purposes. Occupants who can afford to do so will be charged for maintenance and operating expenses on a pro rata basis. Widows and others who require financial help will be given assistance to the extent necessary and within available resources to enable them to reside in the home.

Although applications for residence are not being taken at this time, the Board of Directors has firmly established certain eligibility requirements.

The Board of Directors has received maximum cooperation and assistance from the Air Force and feels the foundation is a part of the Air Force family and shares the philosophy that "The Air Force takes care of their own."

The enactment of this proposal will be a warm and gracious gesture toward helping to establish a home for widows and dependents of our retired Air Force enlisted men. I urge your support.

## CONSERVATIONISTS MOURN THE PASSING OF JOSEPH W. PENFOLD

(Mr. SAYLOR asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SAYLOR. Mr. Speaker, I take this opportunity to salute the outstanding accomplishments and dedication of the late Joseph W. Penfold, noted conservationist and sportsman who passed away on May 25.

To the general public, Joe Penfold will be best remembered for his influence on, and contributions to, the Outdoor Recreation Commission. He and a group of other conservation-minded people were instrumental in the battle to create the legislation that led to the formation of the Bureau of Outdoor Recreation, and the landmark land and water conservation fund, the Wilderness Act, and other conservation legislation that helped earn him Presidential citations from Messrs. Eisenhower and Kennedy.

To those of us who knew Joe, he will be remembered as the "sportsman's Sportsman." His love for hunting and fishing proved to be the catalyst in his fight to preserve the natural beauty of this Nation. His respected abilities with a fly rod were well known, as was his marksmanship in the field.

In recognition of his never-ending endeavors on behalf of sportsmen and conservationists, Joe received countless awards, among them—the Izaak Walton League's highest award, the Founder's Award; the National Wildlife Federation's Distinguished Service Award; and the Department of the Interior's Conservation Service Award.

From 1957 until his recent death, Mr. Penfold served as the Washington representative and conservation director of the Izaak Walton League of America. His leadership had a tremendous bearing on the policies and operations of this sports-minded, conservation-oriented organization.

I had the pleasure to know Joe Penfold for many years. We were steadfast allies on many issues and worthy adversaries on others. Fortunately, our disagreements were always overshadowed by our mutual love for the great outdoors and simply the manner in which our objectives were to be achieved.

Joe Penfold's impact on outdoor sports and conservation in this country was monumental and he will be long remembered in the conservation movement. I hope a man can be found with Joe's integrity, dedication, ideals, and fortitude to assume the vacant post of leadership in the great organization he leaves and in this most crucial battle in our national life.

## RESEARCH REPORT ON RHODESIAN CHROME

(Mr. FRASER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FRASER. Mr. Speaker, an excellent research report on the Rhodesian chrome issue by five Washington college students has been published by the United Nations Association, and I recommend it as highly informative reading for anyone interested in the subject.

It is well known that the White House did nothing to oppose the Rhodesian chrome amendment of 1971 even though the amendment reversed the administration's stated policy of adherence to U.N. economic sanctions against Rhodesia. The research report contains some alarming evidence suggesting that the White House actually favored the Rhodesian chrome amendment and that high-level State Department officials accordingly backed away from their opposition to the amendment, leaving only a nominal low-level lobbying effort to go through the motions of opposing the amendment for the sake of appearance.

The research report builds a convincing case against a number of widely held assumptions concerning the Rhodesian chrome issue, reaching the conclusions that: First, metallurgical grade chromite is far from being in short supply for national emergencies; second, U.N. sanctions were not responsible for making the Soviet Union a major supplier of chromite to the United States; third, resumption of Rhodesian chromite imports does not reduce our dependence on the Soviet Union; fourth, dramatic increases in chrome ore prices have not been caused by U.N. sanctions; fifth, U.N. sanctions have not damaged the American ferrochromium industry.

The five students who prepared the report were painstakingly thorough in their research, even including a highly scientific chapter entitled, "A Primer on Chrome." The 96-page report is based on some 90 interviews over a period of 4 months in the White House, Department of State, Commerce, Defense, Justice, and Interior, as well as Congress, the United Nations, and with businessmen and journalists.

I believe this report sheds some bright new light on an area of national policy that has been too long clouded by misinformation. The mistake we made in passing the Rhodesian Chrome Amendment should be corrected this year by restoring the United States to adherence to its international legal obligations as a member of the United Nations.

I insert an excerpt from the summary of the report:

### A Primer on Chrome

Assumption—Metallurgical Chromite is Essential During a National Emergency.

Background Facts: The government's inventory of metallurgical grade chromite was 5.4 million tons in 1964. This was 6½ times total U.S. consumption for the year, and twice the government's stockpile objective. Since then, roughly five times the annual consumption of metallurgical chromite has been stockpiled. The Defense Department estimates that defense industry needs for metallurgical grade chromite total "between eight and ten percent of total industrial consumption." Accordingly, it can reasonably be assumed that defense industry requirements range from 58,171 to 72,714 tons. With a government stockpile of roughly 5.4 million tons of metallurgical chromite, that means the U.S. has enough government stocks of metallurgical chromite to last our defense industry 60 years.

Assumption—Sanctions Made the Soviet Union a Significant Supplier of Metallurgical Grade Chromite to the U.S.

Background Facts: The Soviet Union has been the world's largest producer of chrome ore for the last 15 years. Between 1961 and 1964—before UN sanctions—Soviet imports into the U.S. skyrocketed from 32,000 to 236,000 tons. This was a result of natural market factors, and is a trend which will probably continue for the foreseeable future. Indeed, even the reentry of Rhodesia onto the American chromite market in January of 1972 had little discernible effect on Soviet imports. Between 1971—when Rhodesia chrome was embargoed, and 1972—when it was not, U.S. imports of Soviet metallurgical chromite rose from 274,000 tons to 370,000 tons, a 35 percent increase.

Assumption—The U.S. Should Resume Importing Rhodesian Chromite to Reduce Our Dependence on the Soviets.

Background Facts: The real rise in U.S. demand for Soviet chrome ore took place not after UN Rhodesian sanctions were imposed but between 1962 and 1964, while Rhodesian ore was readily available to U.S. industries. During that two year period, Soviet exports rose 670 percent; Rhodesian exports, 6 percent. After Rhodesian sanctions were lifted in 1972, U.S. imports of Soviet chromite continued to rise above their level of 274,000 tons to 370,000 tons, while U.S. imports of Rhodesian chrome stood at 65,343.

Assumption—UN Sanctions Caused a Dramatic Rise in Chrome Ore Prices.

Background Facts: Several marketing factors pushed chrome ore prices upward since 1964, and have continued through 1972. In particular, stainless steel production has risen dramatically in Europe and Japan over the past 10 years and has caused the prices of metallurgical chromite to rise accordingly. Any allegation that UN Rhodesian sanctions caused a rise in chrome ore prices is economically unfounded. During the period of the sanctions, in fact, the rate of chrome ore price increase has lessened.

Assumption—UN Sanctions Damaged Domestic Ferrochromium Industries.

Background Facts: U.S. ferrochromium industries have been in danger since 1965—way before UN sanctions. That year, foreign ferrochromium producers, such as South Africa, began dumping ferrochromium into U.S. markets.

South Africa can produce inexpensive ferrochromium for export to the U.S. because of low wages paid under apartheid. For these reasons South Africa exported 135,000 tons of ferrochromium in 1969—almost 25 percent going to the U.S. What is now happening is that many U.S. producers have begun producing ferrochromium in South Africa—even to the detriment of American production facilities and jobs.

## WIRETAPS AND SECURITY OPERATIONS

(Mr. GERALD R. FORD asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. GERALD R. FORD. Mr. Speaker, on Tuesday, June 5, Senator Hugh Scott read the following statement at a Republican leadership press conference at the White House.

I strongly recommend that all Members read this factual statement by the distinguished senior Senator from Pennsylvania:

### Statement by Senator Hugh Scott

Ladies and gentlemen of the press: In recent weeks, the Intelligence Community and the White House have borne the onus of criticism from certain quarters for the use of wiretaps on NSC employees and newsmen. Further, an Administration proposal for the use of special measures to protect the domestic security in the turbulent days of 1970 has served as the focus for domestic political opponents. The impression has been left with the American people that somehow wiretaps, and clandestine operations were tactics dreamed up by internal security agencies and individuals—solely within the Nixon Administration.

This is an utterly false impression. I previously advised the President that the interest of the American Government, the Intelligence Community, his Administration, and the American people, were no longer served by continued silence on the subject. Wiretaps for national security purposes—including newsmen and Government employees—were not initiatives without precedent in previous Administrations. Political and civil rights leaders were also among those subjected to wiretapping and other forms of clandestine investigation during prior Administrations.

At my request the President has agreed to make public certain preliminary statistics and to have completed over the next few weeks, a more detailed survey of national security wiretaps and other clandestine and covert activities undertaken in the United States in recent years and to do so in a manner consistent with protecting national security interests and the constitutional rights of any of those who were or may be under investigation.

While the use of wiretaps for national security reasons was most widespread in the postwar, Cold War years, it diminished under Dwight Eisenhower, was stepped up again under Attorney General Robert F. Kennedy, was reduced under Attorney General Ramsey Clark, and remains today in the first years of the 1970s at about one-half the level of the early to mid-1960s.

I asked the President to allow this information to be made public for these reasons: First, the absence of this information is leaving the public with the false impression that these types of activities are the exclusive province of President Nixon's Administration—whereas they have been going on with varying intensity since FDR. Secondly, it is essential to do so in order to put in proper perspective the debate, as to whether in a free society, such means should be used at all, and when—and, again, to lift the debate out of its present false context, where the President of the United States is on trial in the nation's press for pursuing policies that were pursued extensively and energetically by his predecessors.

The preliminary survey reveals the following statistics on national security wiretaps. This data is subject to refinement as the detailed search proceeds:

The figures are:

| | |
|---|---|
| 1945 | 519 |
| 1946 | 364 |
| 1947 | 374 |
| 1948 | 416 |
| 1949 | 471 |
| 1950 | 270 |
| 1951 | 285 |
| 1952 | 285 |
| 1953 | 300 |
| 1954 | 322 |
| 1955 | 214 |
| 1956 | 164 |
| 1957 | 173 |
| 1958 | 166 |
| 1959 | 120 |
| 1960 | 115 |
| 1961 | 140 |
| 1962 | 198 |
| 1963 | 244 |
| 1964 | 260 |
| 1965 | 233 |
| 1966 | 174 |
| 1967 | 113 |
| 1968 | 82 |
| 1969 | 123 |
| 1970 | 102 |
| 1971 | 101 |
| 1972 | 108 |

## CONGRESSMEN J. J. PICKLE AND BARRY GOLDWATER, JR., REPRESENT HOUSE OF REPRESENTATIVES AT WORLD ADMINISTRATIVE TELEGRAPH AND TELEPHONE CONFERENCE IN GENEVA, SWITZERLAND

(Mr. ALBERT asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. ALBERT. Mr. Speaker, under leave to extend my remarks, I wish to advise the House that Representative

J. J. Pickle, of Texas, and Representative Barry M. Goldwater, Jr., of California, represented the House of Representatives at the World Administrative Telegraph and Telephone Conference which was held in Geneva, Switzerland, from April 2–11, 1973.

Three hundred delegates from 80 nations representing 98 percent of all telecommunications traffic, attended the conference in order to revise the telegraph and telephone regulations. The objective was to provide procedures that are simple and flexible, and to take into account the notable advances made in international telegraph and telephone service. Our congressional advisers have highly commended to me the manner in which the U.S. delegation, headed by the Honorable Robert E. Lee, Commissioner, Federal Communications Commission, conducted themselves. I understand that their expertise and diligence was highly effective in protecting and promoting successfully our Nation's interests in the world community of international telecommunications.

I express my personal thanks and the thanks of the House to our colleagues for representing us at this important international meeting.

The summary of the conference follows:

Summary of World Administrative Telegraph and Telephone Conference, International Telecommunications Union, Geneva, Switzerland, April 2–11, 1973

Fifteen years have passed since the International Telecommunication Union (ITU) held its last World Administrative Telegraph and Telephone Conference. During that interval of time, extraordinary progress has been achieved in telecommunications—techniques and modes of operations including changes in transmission systems—high capacity submarine cables and communication satellites, marked expansion of the Telex service, and the remarkable advances in operations via the introduction of semi-automatic and automatic services.

During the recent Conference held in Geneva, Switzerland, approximately 300 delegates from 80 countries representing 98 per cent of all telecommunication traffic, substantially revised the telegraph and telephone regulations by eliminating details of previous treaties and replacing them with a basic set of principles which can remain effective until the 21st Century.

The two principal issues at the Conference dealt with the subjects of traffic routing and with financial provisions and settlements of accounts. On the basis of acceptable compromise solutions reached at the Conference, the U.S. signed[1]—not only the telegraph regulations, but also the telephone regulations for the first time which will come into force in September, 1974, subject to ratification by the U.S. Senate.

On traffic routing, the Conference, "realizing that difficulties may arise in reaching agreement on routes to be used," and that "the interests of both terminal countries need to be met," recommended that "pending agreement and provided that there is no direct route existing between terminal countries concerned, the country of origin has the choice to determine the routing of its outgoing traffic, taking into account the interests of the administration or recognized private operating agency of the country of destination."

During discussion on this subject, the U.S. Delegation thought such recommendation would give the originating administration too much power, and that the regulation should be silent on the point of choice. The issue was compromised by taking the language out and switching it to the recommendations attached to the final acts.

On the issue of the payment of balances of accounts, delegations felt it was important to have international understanding on how this is to be done because of the changes in international monetary events which had made the 1958 version obsolete.

The regulations adopted by the recent Conference provides, ("In the absence of special arrangements between administrations and/or recognized operating agencies,") for the currencies to be used for the payment of balances of international telecommunications accounts, and methods of conversions into such currencies.

Finally, the Federal Communications Commission, under the auspices of Commissioner Robert E. Lee, is in the process of preparing a final detailed report to the Congress covering the U.S. Delegation's work, political matters that arose during the Conference, i.e., admissibility of the German Democratic Republic (East Germany) and the attempted expulsion of the Republic of South Africa, and the final actions taken at the Conference.

## LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. Satterfield (at the request of Mr. O'Neill), for today, on account of illness.

Mr. Burke of Florida (at the request of Mr. Arends), for today, on account of illness in family.

Mr. Murphy of New York (at the request of Mr. McFall), for today, on account of official business.

Mr. Towell of Nevada (at the request of Mr. Gerald R. Ford), for today, on account of official business.

## SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Pritchard), to revise and extend their remarks, and to include extraneous matter:)

Mr. Winn, today, for 5 minutes.

Mr. Robison of New York, today, for 30 minutes.

Mr. Blackburn, today, for 5 minutes.

Mr. Ashbrook, today, for 1 hour.

Mr. Hogan, today, for 10 minutes.

Mr. Railsback, today, for 5 minutes.

Mr. Kemp, today, for 15 minutes.

(The following Members (at the request of Mr. Andrews of North Carolina) and to revise and extend their remarks and include extraneous matter:)

Mr. Gunter, for 5 minutes, today.

Ms. Abzug, for 10 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Rangel, for 20 minutes, today.

Mr. Carey of New York, for 5 minutes, today.

Mr. Andrews of North Carolina, for 5 minutes, today.

## EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Mills of Arkansas (at the request of Mr. Dingell), to revise and extend his remarks on H.R. 1820.

Mr. Perkins, to revise and extend his remarks immediately following the remarks of Mr. Gaydos.

Mr. Dent, to include extraneous matter with his remarks in the Committee of the Whole today, on H.R. 7935.

Mr. Albert (at the request of Mr. Andrews of North Carolina) and to include extraneous matter.

(The following Members (at the request of Mr. Pritchard) and to include extraneous material:)

Mr. Crane.

Mr. Biester.

Mr. Hogan in three instances.

Mr. Wyman in two instances.

Mr. Scherle.

Mr. Derwinski in two instances.

Mr. Zwach.

Mr. Camp.

Mr. J. William Stanton.

Mr. Smith of New York.

Mr. McClory.

Mr. Bafalis in five instances.

Mr. McKinney.

Mr. Kemp in two instances.

Mr. Hosmer in three instances.

Mr. Collins in four instances.

Mr. Cronin.

Mr. Quie.

Mr. Hudnut.

Mr. Huber in two instances.

Mr. Ashbrook in three instances.

Mr. Hunt in two instances.

Mr. Gerald R. Ford.

Mr. Guyer.

Mr. Symms.

Mr. Vander Jagt.

Mr. Bob Wilson in two instances.

Mr. Anderson of Illinois in two instances.

Mr. Peyser in five instances.

Mr. Steele.

Mr. Robison of New York.

Mrs. Holt.

Mr. Broyhill of Virginia.

(The following Members (at the request of Mr. Andrews of North Carolina) and to revise and extend their remarks:)

Mr. Dulski in six instances.

Mr. Evins of Tennessee in two instances.

Mr. Drinan in two instances.

Mr. Gonzalez in five instances.

Mr. Rarick in three instances.

Ms. Abzug in five instances.

Mr. Rodino.

Mr. Mazzoli.

Mr. Charles H. Wilson of California in two instances.

Mr. Edwards of California.

Mr. Rangel in 10 instances.

Mr. Vanik in two instances.

Mr. Moss.

Mr. Brinkley.

Mr. Reid.

Mr. Roe in two instances.

Mr. Van Deerlin in two instances.

Mr. Hanna in six instances.

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[1] Subject to two reservations: (1) the U.S. does not accept any obligation under the regulations with respect to communications between the U.S., on one hand, and Canada and Mexico on the other hand; and (2) the U.S. does not accept any obligation with regard to the application of the regulations to service over channels other than those open to public correspondence.

Mr. Kyros in five instances.
Mr. Johnson of California.
Mr. Stokes in three instances.

## ENROLLED BILL AND JOINT RESOLUTION SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 6077. An act to permit immediate retirement of certain Federal employees; and

H.J. Res. 296. Joint resolution to authorize the President to proclaim the last week of June 1973, as "National Autistic Children's Week."

## BILL AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that committee did on this day present to the President, for his approval, a bill and joint resolution of the House of the following titles:

H.R. 6077. An act to permit immediate retirement of certain Federal employees; and

H.J. Res. 296. Joint resolution to authorize the President to proclaim the last week of June 1973, as "National Autistic Children's Week."

## ADJOURNMENT

Mrs. BOGGS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 10 minutes p.m.), the House adjourned until tomorrow, Wednesday, June 6, 1973, at 12 o'clock noon.

## EXECUTIVE COMMUNICATIONS ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

999. A letter from the Acting Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in cases in which the authority contained in section 212(d)(3) of the Immigration and Nationality Act was exercised in behalf of certain aliens, together with a list of the persons involved, pursuant to section 212(d)(6) of the act [8 U.S.C. 1182(d)(6)]; to the Committee on the Judiciary.

1000. A letter from the General Manager, U.S. Atomic Energy Commission, transmitting a list of the nonprofit educational institutions and other nonprofit organizations in which title to equipment was vested by the AEC under section 2 of Public Law 85–934 during calendar year 1972, pursuant to section 3 of the Act; to the Committee on Science and Astronautics.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. RODINO: Committee on the Judiciary. H.R. 8152. A bill to amend title I of the Omnibus Crime Control and Safe Streets Act of 1968 to improve law enforcement and criminal justice, and for other purposes; with amendment (Rept. No. 93–249). Referred to the Committee of the Whole House on the State of the Union.

Mr. SISK: Committee on Rules. House Resolution 423. Resolution providing for the consideration of H.R. 77. A bill to amend the Labor Management Relations Act, 1947, to permit employee contributions to jointly administered trust funds established by labor organizations to defray costs of legal services (Rept. No. 93–250). Referred to the House Calendar.

Mr. DELANEY: Committee on Rules. House Resolution 424. Resolution providing for the consideration of H.R. 7446. A bill to establish the American Revolution Bicentennial Administration, and for other purposes (Rept. No. 93–251). Referred to the House Calendar.

Mr. PEPPER: Committee on Rules. House Resolution 425. Resolution providing for the consideration of H.R. 7645. A bill to authorize appropriations for the Department of State, and for other purposes (Rept. No. 93–252). Referred to the House Calendar.

Mr. LONG of Louisiana: Committee on Rules. House Resolution 426. Resolution providing for the consideration of H.R. 7670. A bill to authorize appropriations for the fiscal year 1974 for certain maritime programs of the Department of Commerce (Rept. No. 93–253). Referred to the House Calendar.

Mr. BLATNIK: Committee of conference. Conference report on H.R. 2246; with amendment (Rept. No. 93–254). Ordered to be printed.

Mr. BRADEMAS: Committee on Education and Labor. H.R. 3926. A bill to extend the National Foundation on the Arts and the Humanities Act; with amendment (Rept. No. 93–255). Referred to the Committee of the Whole House on the State of the Union.

Mr. DIGGS: Committee on the District of Columbia. H.R. 8250. A bill to authorize certain programs and activities of the government of the District of Columbia, and for other purposes; with amendment (Rept. No. 93–256). Referred to the Committee of the Whole House on the State of the Union.

Mr. DIGGS: Committee on the District of Columbia. H.R. 4083. A bill to improve the laws relating to the regulation of insurance in the District of Columbia, and for other purposes; with amendment (Rept. No. 93–257). Referred to the Committee of the Whole House on the State of the Union.

Mr. DIGGS: Committee on the District of Columbia. H.R. 6713. A bill to amend the District of Columbia Election Act regarding the times for filing certain petitions, regulating the primary election for Delegate from the District of Columbia, and for other purposes; with amendment (Rept. No. 93–258). Referred to the Committee of the Whole House on the State of the Union.

Mr. DIGGS: Committee on the District of Columbia. H.R. 4771. A bill to regulate the maximum rents to be charged by landlords in the District of Columbia; with amendment (Rept. No. 93–259). Referred to the Committee of the Whole House on the State of the Union.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Ms. ABZUG:

H.R. 8353. A bill to authorize grants for vocational rehabilitation services, and for other purposes; to the Committee on Education and Labor.

By Mr. BENITEZ:

H.R. 8354. A bill to extend to certain uninsured residents of the United States in Puerto Rico, the Virgin Islands, and Guam, the social security benefits normally provided to individuals that have attained age 72 and that fulfill other special conditions; to the Committee on Ways and Means.

By Mr. BENITEZ (for himself, Mr. Pike, and Mr. Badillo):

H.R. 8355. A bill to authorize the appropriation of such funds as may be necessary to effectuate the transfer of all naval weapons range activities from the island of Culebra to the islands of Desecheo and Monito not later than July 1, 1975; to the Committee on Armed Services.

By Mr. BROYHILL of Virginia (for himself and Mr. Aspin):

H.R. 8356. A bill to amend title II of the Social Security Act to provide that an individual's entitlement to benefits shall continue through the month of his death (except where the continuation of such entitlement and the consequent delay in the payment of survivor benefits would reduce the total amount payable to the family); to the Committee on Ways and Means.

By Mr. BURKE of Florida:

H.R. 8357. A bill to amend the Federal Food, Drug, and Cosmetic Act to repeal the regulatory authority under that act respecting effectiveness of drugs; to the Committee on Interstate and Foreign Commerce.

H.R. 8358. A bill to restrict travel in violation of area restrictions; to the Committee on the Judiciary.

By Mr. BURKE of Florida (for himself, Mr. Baker, Mr. Bingham, Mrs. Chisholm, Mr. Collins, Mr. Eilberg, Mr. Hawkins, Mr. Rarick, and Mr. Yatron):

H.R. 8359. A bill to amend title 39, United States Code, to authorize the transmission, without cost to the sender, of letter mail containing any Federal tax return, statement, or other information required of the sender under the provisions of chapter 61 of the Internal Revenue Code of 1954; to the Committee on Post Office and Civil Service.

By Mr. CAREY of New York (for himself, Mr. Johnson of California, Mr. Won Pat, Mr. Peyser, Mr. Rhodes, Mr. Boland, Mr. Cochran, Mr. Harrington, Mr. Young of South Carolina, Mr. Helstoski, Mr. Cleveland, Mr. Alexander, Mr. Yatron, Mr. Nix, Mr. Carney of Ohio, Mr. Dent, Mr. Brasco, Mr. de Lugo, and Mr. Roncalio of Wyoming):

H.R. 8360. A bill to amend the Internal Revenue Code of 1954 to allow a credit against the individual income tax for tuition paid for the elementary or secondary education of dependents; to the Committee on Ways and Means.

By Mr. CONTE:

H.R. 8361. A bill to require that new forms and reports, and revisions of existing forms, resulting from legislation be contained in reports of committees reporting the legislation; to the Committee on Rules.

By Mr. CRONIN:

H.R. 8362. A bill to require the labeling of electrical appliances with respect to their comparative efficiency in the use of electricity and to provide for the establishment of minimum standards of efficiency for such appliances; to the Committee on Interstate and Foreign Commerce.

H.R. 8363. A bill to repeal the recently added limitation on Federal payments to States for skilled nursing home and intermediate care facility under the medicaid program; to the Committee on Ways and Means.

By Mr. DORN (by request):

H.R. 8364. A bill to amend section 1902 of title 38 of the United States Code to require that powered lifting devices be provided to disabled persons eligible for specially adapted automobiles; to the Committee on Veterans' Affairs.

By Mr. FRASER:

H.R. 8365. A bill to amend title XVI of the Social Security Act to provide for the Federal employment of certain employees of States and political subdivisions thereof, and for other purposes; to the Committee on Ways and Means.

By Mr. FRASER (for himself, Mr. Diggs, Mr. Hicks, Mr. Roybal, Mr. de Lugo, Mr. Burke of Massachusetts, and Mr. Boland):

H.R. 8366. A bill to amend the United Nations Participation Act of 1945 to halt the importation of Rhodesian chrome and to restore the United States to its position as a law-abiding member of the international community; to the Committee on Foreign Affairs.

By Mr. FROEHLICH:

H.R. 8367. A bill to make rules governing the use of the Armed Forces of the United States in the absence of a declaration of war by the Congress of the United States or of a military attack upon the United States; to the Committee on Foreign Affairs.

By Mr. GAYDOS:

H.R. 8368. A bill to create a national system of health security; to the Committee on Ways and Means.

By Mrs. GRASSO (for herself, Mr. Abdnor, Ms. Abzug, Mr. Blackburn, Mr. Boland, Mr. Brown of California, Ms. Chisholm, Mr. Clay, Mr. Collins, Mr. Conte, Mr. de Lugo, Mr. Denholm, Mr. Derwinski, Mr. Esch, Mr. Fauntroy, Mr. Gaydos, Mr. Gonzalez, Mr. Harrington, Mr. Helstoski, Mr. Hinshaw, Mr. Huber, Mr. Jones of Oklahoma, Mr. Kemp, Mr. Ketchum, and Mr. Lehman):

H.R. 8369. A bill to amend the Internal Revenue Code of 1954 to relieve employers of 50 or less employees from the requirement of paying or depositing certain employment taxes more often than once each quarter; to the Committee on Ways and Means.

By Mrs. GRASSO (for herself, Mr. McSpadden, Mr. Mayne, Mrs. Mink, Mr. Parris, Mr. Pepper, Mr. Pike, Mr. Rhodes, Mr. Riegle, Mr. Roe, Mr. St Germain, Mr. Seiberling, Mr. Sisk, Mr. Steiger of Wisconsin, Mr. Studds, Mr. Symington, Mr. Tiernan, Mr. Wampler, Mr. Ware, Mr. Whitehurst, Mr. Won Pat, Mr. Buchanan, and Mr. Yatron):

H.R. 8370. A bill to amend the Internal Revenue Code of 1954 to relieve employers of 50 or less employees from the requirement of paying or depositing certain employment taxes more often than once each quarter; to the Committee on Ways and Means.

By Mr. HANSEN of Idaho (for himself and Mr. Symms):

H.R. 8371. A bill to provide for the coinage and issuance of coins to commemorate the Bicentennial of the American Revolution; to the Committee on Banking and Currency.

**By Mr. HEINZ (for himself, Mr. Burke of Massachusetts, Mr. Cronin, Mr. Dellums, Mr. Dent, Mr. Frenzel, Mr. Ketchum, Mr. Robison of New York, Mr. Roush, Ms. Schroeder, Mr. Sebelius, Mr. Van Deerlin, Mr. Walsh, Mr. Gaydos, Mr. Hastings, and Mr. Wydler):**

H.R. 8372. A bill to amend the Vocational Rehabilitation Act to provide a more equitable method of allotting funds for vocational rehabilitation services among the States; to the Committee on Education and Labor.

By Mr. KEMP:

H.R. 8373. A bill to amend the Flood Control Act of 1970; to the Committee on Public Works.

H.R. 8374. A bill to amend title 38, United States Code, to provide veterans a 10-year delimiting period for completing educational programs; to the Committee on Veterans' Affairs.

By Mr. KOCH (for himself, Mr. Addabbo, Mr. Alexander, Mr. Aspin, Mr. Boland, Mr. Burke of Massachusetts, Mr. Corman, Mr. Eilberg, Mr. Giaimo, Mr. Hanna, Mrs. Hansen of Washington, Mr. Hawkins, Mr. Hechler of West Virginia, Mr. Heinz, Mr. McCloskey, Mrs. Mink, Mr. Mitchell of Maryland, Mr. Perkins, Mr. Pike, Mr. Rees, Mr. Reuss, Mr. Stokes, Mr. Tiernan, and Mr. Yates):

H.R. 8375. A bill to amend title 5, United States Code, to provide that persons be apprised of records concerning them which are maintained by Government agencies; to the Committee on Government Operations.

By Mr. LEGGETT (for himself and Mr. Gubser):

H.R. 8376. A bill to amend sections 701, 702, and 705 of title 37, United States Code, to authorize the Secretaries of the military departments to allow a retired member to make new voluntary allotments from his retired pay toward the support of his wife and/or children upon a court order to do so; to the Committee on Armed Services.

By Mr. RAILSBACK (for himself and Mr. Brown of California):

H.R. 8377. A bill to amend title 18 of the United States Code by adding a new chapter 404 to establish an Institute for Continuing Statutes of Juvenile Justice; to the Committee on the Judiciary.

By Mr. ROBISON of New York (for himself and Mr. Steiger of Wisconsin):

H.R. 8378. A bill to establish within the Peace Corps a special program to be known as the Vietnam assistance volunteers program; to the Committee on Foreign Affairs.

By Mr. ROONEY of Pennsylvania:

H.R. 8379. A bill to make Flag Day a legal public holiday, and for other purposes; to the Committee on the Judiciary.

By Mr. J. WILLIAM STANTON:

H.R. 8380. A bill to amend the Social Security Act to add a new title XX thereto which will provide insurance against the costs of catastrophic illness; to the Committee on Ways and Means.

By Mr. STEIGER of Wisconsin (for himself and Mr. Robison of New York):

H.R. 8381. A bill to confer U.S. citizenship on certain Vietnamese children and to provide for the adoption of such children by American families; to the Committee on the Judiciary.

By Mr. STEPHENS (for himself and Mr. Blackburn):

H.R. 8382. A bill to authorize the use of direct loans under section 202 of the Housing Act of 1959 to finance the construction of housing projects for the elderly, with refinancing under section 236 of the National Housing Act; to increase the amount authorized for such loans; and to provide for the appointment of an Assistant to the Secretary of Housing and Urban Development with responsibility for housing and related programs for the elderly; to the Committee on Banking and Currency.

By Mr. STUBBLEFIELD:

H.R. 8383. A bill to amend the Internal Revenue Code of 1954 to provide income tax simplification, reform, and relief for small business; to the Committee on Ways and Means.

By Mr. SYMMS (for himself and Mr. Hansen of Idaho):

H.R. 8384. A bill to provide for the coinage and issuance of coins to commemorate the Bicentennial of the American Revolution; to the Committee on Banking and Currency.

By Mr. THOMSON of Wisconsin:

H.R. 8385. A bill to amend the State and Local Fiscal Assistance Act of 1972 to make it clear that local governments may use amounts freed by revenue sharing for tax reduction; to the Committee on Ways and Means.

By Mr. VEYSEY:

H.R. 8386. A bill to establish a Federal program to encourage the voluntary donation of pure and safe blood, and to establish a national registry of blood donors; to the Committee on Interstate and Foreign Commerce.

By Mr. WHITEHURST:

H.R. 8387. A bill to authorize the Secretary of Agriculture to encourage and assist the several States in carrying out a program of animal health research; to the Committee on Agriculture.

By Mr. BENNETT:

H.R. 8388. A bill to amend title 10 of the United States Code to permit the temporary loan, lease, or assignment of helicopters which are excess to operational and training needs of the military departments to State and local governments for use in carrying out public health and safety functions; to the Committee on Armed Services.

By Mr. CAREY of New York (for himself and Mr. Ullman):

H.R. 8389. A bill to correct an anomaly in the rate of duty applicable to crude feathers and downs, and for other purposes; to the Committee on Ways and Means.

By Mr. DULSKI:

H.R. 8390. A bill to provide that appointments to the offices of Director and Deputy Director of the Office of Management and Budget shall be subject to confirmation by the Senate; to the Committee on Government Operations.

H.R. 8391. A bill to provide financial assistance for research activities for the study of sudden infant death syndrome, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. FREY (for himself, Mr. Hastings, and Mr. Kyros):

H.R. 8392. A bill to amend section 481 of the Foreign Assistance Act of 1961, relating to international narcotics control, to provide that the international narcotics control program shall be conducted through the Cabinet Committee on International Narcotics Control; to establish priorities in the furnishing of assistance in connection with such programs and eliminate delays in the furnishing of such assistance; to the Committee on Foreign Affairs.

By Mrs. HECKLER of Massachusetts:

H.R. 8393. A bill to amend title V of the National Housing Act to prohibit discrimination on account of sex in connection with federally related mortgages; to the Committee on Banking and Currency.

By Mr. McSPADDEN (for himself, Mr. Steed, Mr. Jarman, Mr. Jones of Oklahoma, and Mr. Camp):

H.R. 8394. A bill to amend Public Law 88–62 to change the name of the Robert S. Kerr Lock and Dam and Reservoir to the Robert S. Kerr Harbor; to the Committee on Public Works.

By Mr. MOSS (for himself and Mr. Broomfield):

H.R. 8395. A bill to amend the Foreign Assistance Act of 1961 to expand and improve the program of agricultural credit and self-help community development projects, and for other purposes; to the Committee on Foreign Affairs.

By Mr. PATTEN:

H.R. 8396. A bill to amend the United Nations Participation Act of 1945 to halt the importation of Rhodesian chrome and to restore the United States to its position as a law-abiding member of the international community; to the Committee on Foreign Affairs.

H.R. 8397. A bill to provide for improved labor-management relations in the Federal service, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 8398. A bill to amend title XVIII of the Social Security Act to include drugs requiring a doctor's prescription among the medical expenses with respect to which payment may be made under the voluntary program of supplementary medical insurance benefits for the aged to the Committee on Ways and Means.

By Mr. RINALDO:

H.R. 8399. A bill to amend section 552 of title 5 of the United States Code to limit exemptions to disclosure of information, to establish a Freedom of Information Commission, and to further amend the Freedom of Information Act; to the Committee on Government Operations.

H.R. 8400. A bill to encourage the movement in interstate and foreign commerce of recycled and recyclable materials and to reduce the quantities of solid waste materials in commerce which cannot be recycled or do not contain available recycled materials, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SMITH of Iowa:

H.R. 8401. A bill to provide for public financing of the campaign of candidates for the Office of the President and Vice President of the United States; to the Committee on House Administration.

By Mr. CHARLES H. WILSON of California:

H.R. 8402. A bill to provide for the compensation of perons injured by certain criminal acts, to make grants to States for the payment of such compensation, and for other puposes; to the Committee on the Judiciary.

By Mr. FASCELL (for himself, Mr. PEPPER, Mr. LEHMAN, and Mr. BENNETT):

H.R. 8403. A bill to authorize the Secretary of the Navy to convey water supply facilities in the Florida Keys to the Florida Keys Aqueduct Authority; to the Committee on Armed Services.

By Mr. REID:

H.R. 8404. A bill to establish a national program for research, development, and demonstration in fuels and energy and for the coordination and financial supplementation of Federal energy research and development; to establish development corporations to demonstrate technologies for shale oil development, coal gasification development, advanced power cycle development, geothermal steam development, and coal liquefaction development; to authorize and direct the Secretary of the Interior to make mineral resources of the public lands available for said development corporations; and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BINGHAM (for himself, Mr. BERGLAND, Mrs. CHISHOLM, Mr. FRASER, Mr. MITCHELL of Maryland, Mr. RYAN, Mr. STARK, and Mr. WON PAT):

H.J. Res. 596. Joint resolution proposing an amendment to the Constitution of the United States relating to the election of the President and Vice President; to the Committee on the Judiciary.

By Mr. CULVER (for himself and Mr. RAILSBACK):

H.J. Res. 597. Joint resolution authorizing the President to proclaim June 17, 1973, as a day of commemoration of the opening of the upper Mississippi River by Jacques Marquette and Louis Joliet in 1673; to the Committee on the Judiciary.

By Mr. PERKINS:

H.J. Res. 598. Joint resolution to authorize the President to designate the period from March 3, 1974, through March 9, 1974, as "National Nutrition Week"; to the Committee on the Judiciary.

By Mr. BRADEMAS:

H. Con. Res. 233. Concurrent resolution providing for the printing of committee hearings establishing a National Institute of Education; to the Committee on House Administration.

By Mr. BROYHILL of Virginia:

H. Con. Res. 234. Concurrent resolution expressing the sense of Congress regarding the conservation of gasoline; to the Committee on Interstate and Foreign Commerce.

By Mrs. GRASSO (for herself, Mr. BIESTER, and Mr. RIEGLE):

H. Con. Res. 235. Concurrent resolution expressing the opposition of the Congress to certain measures for the curtailment of benefits under the medicare and medicaid programs; to the Committee on Ways and Means.

By Mr. O'NEILL (for himself and Mr. GERALD R. FORD):

H. Con. Res. 236. Concurrent resolution declaring the 21 days from Flag Day to Independence Day as a period to Honor America; to the Committee on the Judiciary.

By Mr. RINALDO:

H. Con. Res. 237. Concurrent resolution authorizing and directing the Joint Study Committee on Budget Control to report legislation to the Congress no later than June 1, 1973, providing procedures for improving congressional control of budgetary outlay and receipt totals, the operation of a limitation on expenditures and net lending commencing with the fiscal year beginning July 1, 1973, and for limiting the authority of the President to impound or otherwise withhold funds authorized and appropriated by the Congress; to the Committee on Rules.

By Mr. TREEN (for himself and Mrs. BOGGS):

H. Con. Res. 238. Concurrent resolution relating to the U.S. fishing industry; to the Committee on Merchant Marine and Fisheries.

By Mr. WALSH:

H. Con. Res. 239. Concurrent resolution expressing the sense of the Congress with respect to the sale or abandonment of certain railroad lines; to the Committee on Interstate and Foreign Commerce.

## MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

231. By the SPEAKER: A memorial of the Legislature of the State of New Hampshire, relative to assistance to North Vietnam; to the Committee on Foreign Affairs.

232. Also, memorial of the Legislature of the State of Utah, relative to the development of southern Utah; to the Committee on Interior and Insular Affairs.

233. Also, memorial of the Legislature of the State of California, relative to family planning research and services; to the Committee on Interstate and Foreign Commerce.

234. Also, memorial of the General Assembly of the State of Connecticut, relative to an investigation of abuse of process by a Federal grand jury and the Department of Justice in the case of the "Fort Worth Five"; to the Committee on the Judiciary.

235. Also, memorial of the Legislature of the State of Florida, relative to amnesty for deserters and draft evaders; to the Committee on the Judiciary.

236. Also, memorial of the Legislature of the State of Louisiana, requesting the Congress to propose an amendment to the Constitution of the United States to guarantee the right of the unborn human to life throughout its development; to the Committee on the Judiciary.

237. Also, memorial of the Legislature of the State of New Jersey, requesting the Congress to propose an amendment to the Constitution of the United States to effectuate protection of unborn humans; to the Committee on the Judiciary.

238. Also, memorial of the Legislature of the State of New Hampshire, requesting the Congress to call a convention for the purpose of proposing an amendment to the Constitution of the United States permitting voluntary prayer in public schools; to the Committee on the Judiciary.

239. Also, memorial of the Legislature of the State of New Hampshire, relative to National Service Life Insurance for veterans; to the Committee on Veterans' Affairs.

240. Also, memorial of the Legislature of the State of Oklahoma, relative to changes in Veterans' Administration disability ratings; to the Committee on Veterans' Affairs.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mrs. CHISHOLM:

H.R. 8405. A bill for the relief of Mr. Matthias Thomas; to the Committee on the Judiciary.

By Mr. GINN:

H.R. 8406. A bill for the relief of William M. Starrs; to the Committee on the Judiciary.

By Mr. LEGGETT:

H.R. 8407. A bill for the relief of James U. Rollins; to the Committee on the Judiciary.

By Mr. SIKES:

H.R. 8408. A bill to authorize the Secretary of the Air Force to convey certain real property for use as a permanent site for the Air Force Enlisted Men's, Widow's and Dependent's Home; to the Committee on Armed Services.

By Mr. WYATT:

H.R. 8409. A bill for the relief of Michael Kwok-choi Kan; to the Committee on the Judiciary.

## PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

231. By the SPEAKER: Petition of the city council, Malden, Mass. relative to the Boston Naval Shipyard; to the Committee on Armed Services.

232. Also, petition of the city council, Fresno, Calif.; relative to categorical community development programs; to the Committee on Banking and Currency.

233. Also, petition of International Institute of Municipal Clerks, Pasadena, Calif.; relative to elections; to the Committee on House Administration.

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# EXTENSIONS OF REMARKS

## PRAYER AND BIBLE READING IN THE NATION'S PUBLIC SCHOOLS

### HON. HERMAN E. TALMADGE

OF GEORGIA

IN THE SENATE OF THE UNITED STATES

*Tuesday, June 5, 1973*

Mr. TALMADGE. Mr. President, the question of prayer and Bible reading in the Nation's public schools has for a decade been an issue of considerable controversy. I for one—and I have made my position eminently clear on many occasions—do believe the U.S. Supreme Court overstepped its authority and went beyond the meaning of the Constitution in denying voluntary prayer and reading of the Bible in public classrooms.

The House of Representatives and the Senate are opened each day by prayer. So is each session of the Supreme Court. I hold that if recognition of a Higher Being that guides all of us and our Nation is good enough for Congress and the highest court in the land, then it ought to be acceptable for schoolchildren.

There recently came to my attention a poem, written by Robert O. Donovan, a director and past president of an organization to restore prayer and Bible reading to schools, which eloquently states the case. I bring this poem to the attention of the Senate and ask unanimous consent that it be printed in the Extensions of Remarks.

There being no objection, the poem was ordered to be printed in the RECORD, as follows:

PERPLEXED IS THE NATION WHOSE GOD CAN'T BE MENTIONED

There's no "Lord's Prayer" in school, and no Bible allowed,
The Supreme Court once said it can't be;
And the Congress for ten years has wrestled the case
As a matter of no urgency.

Every Senator, and everyone in the House,
Claims belief in a Being Supreme,
But they say, ". . . with the conflicts Americans face,
Any worship in public's extreme."

An Amendment—the First—in our great Bill of Rights
Constitutionally bans such, some say,
Though the patriots who wrote it (some died for their cause)
Oft involved Divine aid in their day.

Separation there should be between church and state,
On that nearly all will agree;
But must we now bar all recognition of God
In this land of the brave and the free?

Can't the Nation that first landed man on the moon,
With its God-given brains, in this day,
Find some path to a proper and just set of words
To again permit pupils to pray?

Can't the Country whose founders were strong in their faith
When revolting from tyranny's rule,
Find some legal solution this stalemate to end
And return the Lord's Bible to school!

ROBERT O. DONOVAN.

June 17, 1972.

## THE CROSS-FLORIDA BARGE CANAL MUST BE PUT TO REST PERMANENTLY

## HON. L. A. (SKIP) BAFALIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. BAFALIS. Mr. Speaker, in reading my statement in the CONGRESSIONAL RECORD of May 29, concerning the Cross-Florida Barge Canal, I found four words which should be corrected. While these words do not alter the validity of the criticism of this canal in any way, I am resubmitting this statement with the corrections noted in italics and the original word in parenthesis. I am also including a bibliography of source material used in the preparation of this statement.

Mr. Speaker, 2 years ago, President Nixon made a decision which won unanimous approval from conservationists and environmental groups all across the Nation—he ordered a halt to construction of the reckless and extremely damaging Cross-Florida Barge Canal.

But there are those who refuse to accept that decision, who would have the Congress ignore the dire warnings issued by the Council on Environmental Quality, the U.S. Geological Survey, the Florida Game and Fresh Water Fish Commission, and every other scientific body which studied the canal and its effects.

Those warnings were specific and left no room for doubt.

As the Council on Environmental Quality put it:

> This project could seriously affect the environment in Florida by degrading water quality, altering the water supply in central Florida, vitally affecting the fish and wildlife of the area and combining what are now separate ecological systems.
>
> Potential pollution from the project may be transferred to the Florida aquifer, setting off a destructive chain reaction affecting the water supply for many users.

But that was not all. CEQ also warned:

> The Canal could add to the spread of pests from the Gulf to the Atlantic Coast where they would spread virtually unobstructed throughout the East Coast Waterways.

The U.S. Geological Survey studied the canal and issued its own warnings of:

> Potential aquifer contamination (*and*) pollution of canal waters (*which*) could affect estuarine waters and their ecologies.

Then there was the study by 126 Florida scientists who condemned the canal as "a classic example of the reckless degradation of the natural environment," and the Florida Game and Fresh Water Fish Commission report which warned that the Rodman Reservoir, a small part of the canal system, "created ecological problems almost beyond comprehension."

So, Mr. Speaker, it is obvious that the canal must be allowed to die. The Congress must say once and for all that it will not support any project so obviously detrimental to man's quest for the beauties of nature and—more important—to man's need for fresh, drinkable water.

But even if that were not the case—even if the canal could be considered solely on economic grounds—it would still be a tragic waste of the taxpayers' money.

The Corps of Engineers says the canal has a 1 to 1.4 cost-benefit ratio—but *24* (25) percent of the alleged benefits come in the form of recreation, according to the Council on Environmental Quality.

Yet the Florida Game and Fresh Water Fish Commission, in a 1970 study challenged that, saying:

> The previously assumed benefits from fishing and hunting will not be realized throughout the project life of the Cross-Florida Barge Canal.

In fact, the Council on Environmental Quality said the long-term effect of the canal:

> "*Should* (would) be replacement of the present desirable sport fishery by what are largely trash fish, including gars, bowfin, shad and bullhead."

If that is the case, and studies have proven that it is, there can be no real defense of the Cross-Florida Barge Canal on economic grounds.

That leaves us with no solid justification for the project.

On the other hand, there is more than enough justification for stopping it—and not just for the reasons already outlined.

As President Nixon stated in his January 1971 order halting construction:

> A national treasure is involved in the case of the Barge Canal—The Oklawaha River, a uniquely beautiful, semitropical stream, one of the very few of its kind in the United States, which would be destroyed by construction of the Canal.

Now, there are those who will say the Federal Government has already invested $53 million in this proposed 185-mile ditch and, to keep that investment from being wasted, should spend at least another $150 million to finish the canal.

That is a spurious argument and everyone knows it.

I am also opposed to the request, so often repeated, for another study on the canal.

I know of no other project in history which has been studied so much. First suggested back in 1836, the concept of a canal across Florida was studied eight times prior to 1930 and heaven only knows how many times since.

And practically every study said no, the canal should not be built.

Now, the canal's backers want a study of alternative routes. But there is no need for such a study. A 100-man U.S. Forest Service Task Force, in drawing up the final environmental impact statement on the canal, looked at possible alternative routes and said no.

The Forest Service said in a study undertaken after the presidential order halting construction:

> Many of the above environmental considerations apply to the canal with the alternative routes as much as to the original canal route: The dangers of pollution of surface waters and consequent threat of pollution to the aquifer apply to the canal with alternative routes since the major areas of interconnection between the aquifer and the canal lie west of the proposed alternative routes, in the parts of the canal where the route would remain unchanged.

The Forest Service also emphasized:

> Regardless of the route chosen, the canal will provide a direct infestation route and means of transport of potential pest organisms.

So the dangers are still there, even if the canal is rerouted away from the scenic Oklawaha.

But even more telling is the Forest Service's concern that routing the canal a few miles away from the scenic Oklawaha River may not be enough to save the river itself.

> The proposed bypass would protect the Oklawaha from direct physical damage—

Said the Forest Service—

> However, there may be indirect impacts from altered surface and subsurface water levels or regimes.

And, the Service added:

> The canal, running parallel to the main river course, will alter the sub-surface water level which will have an effect upon the vegetation and wildlife of the surrounding area, including the river valley.

Therefore, it is readily apparent that the Cross-Florida Barge Canal is a bad deal no matter where you put it.

In fact, if it had not been for World War II and the desire to protect U.S. shipping from Nazi submarines, I doubt that the canal would ever have been authorized by Congress.

The U-boat menace is gone. And in these days of missile-firing submarines, a canal offers no real protection.

So, where, I ask, where can you find justification for this ditch?

There is none. And most people of Florida realize that.

They support the President's decision to halt construction on this project. I support that decision. I oppose the further funding.

But most of all, I oppose these continued attempts to circumvent a well-thought-out and environmentally sound order to kill the canal.

The only way to stop these efforts, once and for all, is to withdraw Congressional authorization for the canal.

Therefore, a week ago, I introduced a bill H.R. 7904 to do just that.

Today, I am reintroducing that bill with 21 cosponsors—Representatives C. W. "Bill" Young, Dante Fascell, William Lehman, J. Herbert Burke, Lou Frey of Florida; James Abdnor, Glenn Anderson, LaMar Baker, James Cleveland, Thad Cochran, Paul Cronin, Jim Grover, Robert Hanrahan, William Ketchum, Matthew Rinaldo, John Saylor, E. G. Shuster, Gene Snyder, Gerry Studds, Gene Taylor, and William Walsh.

Let me emphasize one thing: my purpose in so doing is not to do battle with my distinguished colleagues from Florida who, although a minority of the delegation, support this project.

They are men whose wisdom and judgment I admire and respect. I consider them my friends and I value their friendship highly.

But this is an issue which I feel must be resolved.

And I know of no better way to do this than to subject the Cross-Florida Barge Canal to a straight up-and-down vote of the Congress.

Once the Congress has spoken, we can move on and consider legislation to give the Oklawaha River the "wild river" status recommended by the administration.

The sources used in the preparation of this statement were:

(1) Council on Environmental Quality, "Summary of Environmental Consideration Involved in the Recommendation for Termination of Construction of the Cross-Florida Barge Canal," Appendix II to Final Environmental Statement of the US Forest Service; page 10 and page 3

(2) Council on Environmental Quality, Official Memo from Russell Train, Chairman of the CEQ, to Mr. Whitaker of the White House Staff, undated (this memo led to the President's order to halt construction on the Canal in January, 1971)

(3) Florida Game and Fresh Water Fish Commission, "Brief Assessment of the Ecological Impact of the Barge Canal," an addendum to the November, 1969 report, dated March, 1970; page 8

(4) Florida Game and Fresh Water Fish Commission, "Recommendations for Alteration and Future Use of the Cross-Florida Barge Canal Facilities," March 1, 1971; page 3.

(5) U.S. Forest Service, "Response to the Comments from the Florida Canal Authority," Final Environmental Impact Statement issued by the Department of Agriculture, January 16, 1973; pages 333–334

(6) U.S. Geological Survey, Memorandum to Russell Train, Chairman of the CEQ, from Mr. W. Pecora, Director of the Geological Survey on the "Potential Impact of the Cross-Florida Barge Canal on Water Resources," February 24, 1971, Final Environmental Impact Statement, US Department of Agriculture, Appendix 1–14, Volume I, pages not numbered.

(7) Florida Defenders of the Environment, Inc., Letter to the Governor of Florida from an independent task force of 126 scientists from Florida, May 3, 1971.

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## LEGISLATIVE QUESTIONNAIRE

## HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. PICKLE. Mr. Speaker, earlier this session, I indicated in an extension that I planned to distribute questionnaires to all my constituents so that they might speak out on a wide range of actions by an ever-expanding Federal Government. The returns of the survey have now been finally tabulated, and they indicate that the people are indeed eager to participate in the democratic process.

Though an average return on such a survey falls around 4 percent, nearly 15 percent of the electorate in my district have responded. The massive effort of tabulating more than 20,000 questionnaires has delayed the results, but I believe the extra time has allowed me to ascertain what my constituents think about the key issues of today.

The survey indicates that they think the Federal Government is spending too much on nearly all its programs, both foreign and domestic. Nearly half of those responding wanted the yearly Federal budget held under $250 billion, if possible. Many commented that there should be better control of spending.

Domestically, the survey showed strong opposition to the guaranteed annual income. Increased foreign aid spending was also strongly opposed, with aid to North Vietnam receiving pronounced disapproval.

Surprisingly, strong endorsement was given in both rural and urban areas to legislation controlling "Saturday night special" handguns, and tougher pollution laws. A national commission for preventing prolonged nationwide transportation strikes and a national no-fault insurance system were also favored in the results.

Three-quarters of those returning questionnaires opposed busing schoolchildren to achieve racial balance and equal educational opportunity, and nearly that many thought their postal service had declined in recent years. And even in March, when the questionnaire was distributed, more than 60 percent of my constituents foresaw shortages in gas, coal, and electricity.

A survey section which allowed priority ranking of important issues indicated that inflation, unemployment, and the cost of living posed the most pressing problem. Environmental protection ranked a close second, with the survey showing urban transportation and foreign aid as the lowest priorities.

The results of this survey have been interesting and informative to me. I want to share them with my colleagues and hope that the survey might assist other Members of the House.

In the section that follows is a summary of the issues which evoked strong responses. The priority ranking section of the questionnaire then follows, with complete questionnaire percentages afterward.

### STRONG RESPONSES

There were nine of the 25 "yes" or "no" questions which indicated a strong stand one way or the other. The nine questions which brought a response of 60 percent or more are as follows:

Do you favor the busing of schoolchildren to achieve racial balance and equal educational opportunities? No, 75 percent.

Should the Federal Government guarantee a minimum income of $2,400 per year to every family? No, 73 percent.

Should the United States increase its armament support to Israel over the current level? No, 72 percent.

Would you favor the creation of a national commission composed of business and labor leaders, as well as Members of Congress, to develop a system to avoid prolonged transportation strikes? Yes, 68 percent.

Do you favor stronger antipollution laws? Yes, 67 percent.

Do you feel that your postal service has worsened over the past few years? Yes, 67 percent.

Do you think the Nation faces an energy crisis or a shortage of gas, coal, or electricity? Yes, 65 percent.

Handguns are used in assaults and robberies more often than any other weapon. Should the Federal Government take steps to restrict the sale of handguns—Saturday night specials—and provide tighter control of handguns? Yes, 63 percent.

The high cost of auto insurance and the difficulty of obtaining adequate damage compensation affects every American who drives. Should Congress move toward establishing a national system of no-fault insurance? Yes, 62 percent.

TABULATION OF PRIORITIES

| | Rank | Percent listing problem 1st priority |
|---|---|---|
| Inflation, unemployment, cost of living | 1 | 35 |
| Air and water pollution, environment | 2 | 21 |
| Conquering killer diseases | 3 | 11 |
| Education | 4 | 10 |
| Hunger and malnutrition | 5 | 6 |
| Organized crime | 6 | 5 |
| Narcotics traffic and addition | 7 | 4 |
| Highway safety and construction | 8 | 2 |
| Expanded job training for the unemployed | 9 | 2 |
| Racial discrimination | 10 | 1 |
| Housing | 11 | 1 |
| Space program | 12 | 1 |
| Transportation in cities and suburbs | 13 | 1 |
| Foreign assistance | 14 | |

### FINAL TALLY: LEGISLATIVE QUESTIONNAIRE

1. The Administration is proposing the "rebuilding" of North Viet Nam. What amount of American resources should be allocated?

| | *Percent* |
|---|---|
| a. Less than $1 billion | 21 |
| b. No more than $5 billion total | 8 |
| c. Nothing at all | 59 |
| d. Whatever it takes to complete the job | 9 |

2. This year the Federal Government is spending about $84 billion on national defense. Should the budget for next year be:

| | |
|---|---|
| a. Increased | 13 |
| b. Remain the same | 35 |
| c. Reduced | 50 |

3. If your "buying power" has decreased during the last year, which of the following factors contributed most to this situation?

| | |
|---|---|
| a. Unemployment | 20 |
| b. Reduced income | 4 |
| c. Higher prices | 39 |
| d. Rising prices | 58 |

4. If the Federal Government has to raise money to meet the needs of the nation, how should it be done?

| | |
|---|---|
| a. By a national sales tax (value-added tax) on most things you buy | 13 |
| b. By increasing the present federal income tax rates | 5 |
| c. By reforming the federal tax system to do away with the direct and indirect special tax treatment granted to individuals, businesses, and industries | 66 |
| d. By a national lottery | 17 |

5. Do you believe the Administration's economic policy (Price Control Commission) to combat inflation is working to:

| | |
|---|---|
| a. Hold down price increases? | 26 |
| b. Hold down wage increases | 50 |

6. What budget items should be cut?

| | |
|---|---|
| a. Defense | 31 |
| b. Human resources | 6 |
| c. Social assistance | 31 |
| d. All categories | 32 |

7. What do you think the Federal Budget should be?

| | |
|---|---|
| a. Below $250 billion | 45 |
| b. Below $300 billion | 15 |
| c. Below $275 billion | 20 |

| | Yes | No | Undecided |
|---|---|---|---|
| 8. Would you favor the creation of a national commission composed of business and labor leaders, as well as Members of Congress, to develop a system to avoid prolonged transportation strikes? | 68 | 18 | 14 |
| 9. Do you favor the Government's taking over the operation of the Penn Central Railroad? | 24 | 57 | 19 |
| 10. The high cost of auto insurance and the difficulty of obtaining adequate damage compensation affects every American who drives. Should Congress move toward establishing a national system of "nofault" auto insurance? | 62 | 23 | 15 |
| 11. Because of present economic conditions, it has been proposed that the U.S. significantly modity its trade policy dating back to the 1930's by relying on automatic quotas rather than tariffs to restrain foreign imports. Do you favor such a proposal? | 33 | 29 | 38 |
| 12. Should the Federal Government guarantee a minimum income of $2,400 per year to every family? | 21 | 73 | 6 |
| 13. Should the minimum wage be increased up to $2 or $2.25 per hour? | 42 | 48 | 10 |
| 14. Should the Federal Government substantially increase funds in support of public schools? | 51 | 43 | 6 |
| 15. Should parents of students attending parochial and private schools be permitted to deduct tuition from their income tax payment? | 38 | 55 | 6 |
| 16. Are you or a member of your family personally afraid of crime in your area? | 41 | 54 | 5 |
| 17. Handguns are used in assaults and robberies more often than any other weapon. Should the Federal Government take steps to restrict the sale of handguns (Saturday night specials) and provide tighter control of handguns? | 63 | 31 | 9 |
| 18. Do you think a Federal law should be enacted to provide financial compensation for innocent victims of crime? | 46 | 38 | 13 |
| 19. As a means of providing mothers with an opportunity to be self-supporting, do you favor the proposal that the Federal Government fund day care and child development programs for preschool and school-age children? | 45 | 43 | 12 |
| 20. Do you favor the busing of schoolchildren to achieve racial balance and equal educational opportunities? | 18 | 75 | 7 |
| 21. Health care costs have increased dramatically in recent years to the level where paying for adequate health care is beyond the reach of many people. Should the Federal Government provide a national health program to cover all Americans? | 49 | 36 | 15 |
| 22. Do you favor continuation of the draft after its proposed expiration date of June 1973? | 37 | 51 | 12 |
| 23. Do you feel that our present laws and practices discriminate unfairly against women, particularly in employment? | 38 | 52 | 10 |
| 24. Should the United States increase its armament support to Israel over the current level? | 13 | 72 | 15 |
| 25. Do you favor a new law to ease court restrictions on wiretapping? | 40 | 50 | 10 |
| 26. Do you favor stronger antipollution laws? | 67 | 19 | 14 |
| 27. Do you think the Federal Government's budget is the cause of inflation? | 48 | 30 | 22 |
| 28. Do you think the Nation faces an energy crisis or a shortage of gas, coal, or electricity? | 65 | 22 | 13 |
| 29. Should the President be able to impound funds which have been legally appropriated by Congress? | 31 | 56 | 13 |
| 30. Is devaluation of the American dollar abroad a desirable step toward fiscal responsibility? | 30 | 33 | 37 |
| 31. Do you feel that your postal service has worsened over the past few years? | 67 | 25 | 8 |
| 32. The Federal deficit was about $90,000,000,000 during the past 4 years Do you think revenue-sharing instead of Federal grants will decrease this amount? | 25 | 33 | 4 |

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## YOUTH REDEMPTION MINISTRY PROGRAM

## HON. WILLIAM H. HUDNUT III

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. HUDNUT. Mr. Speaker, our guest chaplain today, the Reverend Nathaniel A. Urshan, pastor of the Calvary Tabernacle Church in Indianapolis, and assistant general superintendent of the United Pentecostal Church International, a clerical colleague of mine in former days, and good friend and constituent, has an outstanding record of putting his religious faith to work helping people.

Not only is he the host pastor of the radio program "Harvestime," which is broadcast weekly over 275 stations worldwide, he also is the guiding spirit behind the youth redemption center program in Indianapolis, working with drug addicts and young people with drug problems.

As a member of the national board of directors of this program, under the sponsorship of the United Pentecostal Church, of which the Reverend Allan Oggs is the National Youth Redemption Ministry representative, Rev. Urshan has shared with me a description of this very beneficial program. Thinking it might be of interest to my colleagues in the Congress. I am pleased to insert it in the RECORD:

THE NATIONAL YOUTH REDEMPTION CENTER

The National Youth Redemption Center is a non-profit corporation affiliated with the United Pentecostal Church. It was born through the foresight of Rev. Kenneth Haney, the International Youth President. The center will grapple with the spiritual, moral, and physical problems of drug-oriented and drug addicted youth.

The Training Center is located on an ex-Nike Hercules missile base near the Nebraskan hamlet of Martell. The sturdy, well-kept, white block structures rest atop a verdunt, grassy knoll that commands the view of the rolling farm land. With dormitory facilities adequate for one hundred twenty-five young men, the seventeen acre site offers pleasant as well as functional surroundings for training.

The main thrust of the Youth Redemption Center is to fill the spiritual vacuum, which is the prime contributing factor to drug addiction. Each day the students start by attending Chapel. The day is ended on a devotional level with vespers, an informal scripture study, and a devotional period which emphasizes but does not replace the student's own personal devotional periods.

While the main goal of Youth Redemption is grounding converts in the knowledge and love of the Lord, the wisdom of the Board of Directors recognized the need and prompted the establishment of classes for training in the basics of some skilled trade. For example, training in basic machine shop techniques through lathe, drill press and mill operation will be taught along with blue print reading and micrometer usage. In addition, practice and theory of printing on a 1250 Multilith press and Challenger letter press will also be taught along with related printing skills.

In the future, general light truck farming and farm equipment operation will provide the Center with fresh vegetables and perhaps home grown beef while engaging the students in healthful out-of-doors work.

Cooking, hygiene, and basic nutrition awareness will be taught also to those wishing to be more self-sufficient and knowledgeable in these areas.

Along with these more academic classes, responsibility will be learned through the general repair and upkeep of the grounds by the students under staff supervision.

All these different areas of training will enable these young men to take up a useful, productive place in the church and society.

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## LINCOLN CHOIR

## HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. EILBERG. Mr. Speaker, it is my pleasure to announce that the chamber choir of Abraham Lincoln High School, which is located in my northeast Philadelphia district, is planning to tour Europe this summer, and present concerts in Vienna, Budapest, and Prague.

Under the talented and inspirational leadership of Mr. Jay Braman, the choir has become one of the 15 outstanding high school choirs in the United States, according to the National Educational Scholarship Foundation, which is organizing the tour. Considering that the chamber choir was organized only a few years ago, this is a remarkable achievement, and a tribute to the group's musical excellence and dedication.

However, the special circumstances of the choir's preparations make their achievement even more admirable. This winter, the Philadelphia School District suffered the second longest school strike in the Nation's history. The strike deprived the choir of its regular 7:30 a.m. meeting time, its meeting room, and of the lines of communication through the school with the community for the purpose of publicity and fundraising. In such adverse circumstances, however, the diligent shine, and lack of facilities could not keep the choir from its first love, making music, nor from its goal, the European tour.

The young men and women rehearsed in neighborhood churches and in each other's homes; outside the supportive influence of the school's routine, they became stronger, when the less diligent may have wavered.

Because of the lack of school funds, the choir has also done its own fundraising for the 14-day trip. There have been spaghetti dinners, raffles, bake sales, and, of course, concerts before various community groups.

Significantly, the choir has learned that, at times, not even considerable musical talent is enough to achieve its goals. Certainly their work outside the choir room has been essential to their success. The Lincoln choir's effort should serve as an example to artists and young people throughout the United States and should also serve as an example to adults as we evaluate this generation.

Mr. Speaker, I wish to congratulate the choir on its achievements and wish them good fortune on what I am certain will be an exciting and successful journey.

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## A JUDGE URGES REALISTIC PUNISHMENT FOR CRIMINALS USING WEAPONS TO COMMIT CRIMES

### HON. ROBERT L. F. SIKES

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. SIKES. Mr. Speaker, it is heartening when a jurist speaks out emphatically for strict handling of criminal cases in the courts. I am impressed with a letter written to the Chicago Tribune by Judge O. S. Luckenbach, county judge of Shawano-Menominee County Court, Shawano, Wis. I submit Judge Luckenbach's letter for reprinting in the RECORD:

SHAWANO, WIS.,
*February 28, 1973.*

THE VOICE OF THE PEOPLE,
*Chicago Tribune,*
*Chicago, Ill.*

GENTLEMEN: There has been so much written about registration of guns that from a practical standpoint I feel obliged to answer some of the arguments, both pro and con.

I know with pleasure, that there is a bill introduced in the Senate, No. 576, introduced by Senator Dominick and others.

For the first time, they have seized on the real issue. This bill provides for a mandatory prison term when the crime is committed with the use of a firearm. Perhaps it should have included a knife.

Being an oldtimer, and having been in many a criminal case in my day, I can tell you that whenever a suspect is interviewed at the jail his last question is—"Do you think I can get probation?"

To me, that's the real crux of the situation and seeing as how I am in my last term as a Judge, I can feel free to state my honest opinion. Frankly, there are too many "Marshmallow Judges" that think everything can be cured by probation. Being an ex-Annapolis man, I am well aware of what discipline means. If this new law goes into effect I can assure you that when a few of them are incarcerated, their friends will think twice before using a gun.

In answer to this registration, I should like to ask those proponents what good it would be to register my many shotguns and rifles as a crime deterrent. I can proudly state that at age 65 I have never had so much as a traffic ticket.

What we need is more judges with a backbone and if they don't have it, maybe Congress should give them what they fail to recognize as their duty.

Respectfully submitted,
O. S. LUCKENBACH,
*County Judge.*

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## "THE BIBLE BACK IN OUR SCHOOLS"

### HON. JOEL T. BROYHILL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. BROYHILL of Virginia. Mr. Speaker, I should like to call the attention of my colleagues to a brief poem, written by Mr. Robert O. Donovan of Honolulu, Hawaii, whose book, "The Bible Back in Our Schools," was made available recently to every Member of both House and Senate.

Mr. Donovan, who is a strong advocate of the restoration of the right to pray to youngsters in our Nation's public schools, felt that publication of his poem might call additional attention to this important subject, and, as I agree with him, I insert it at this point in the RECORD:

[From "The Bible Back in Our Schools"]

(By Robert O. Donovan)

PERPLEXED IS THE NATION WHOSE GOD CAN'T BE MENTIONED!

There's no "Lord's Prayer" in school, and no Bible allowed,
The Supreme Court once said it can't be;
And the Congress too long now has wrestled the case
As a matter of no urgency.

Every Senator, and everyone in the House,
Claims belief in a Being Supreme,
But they say, ". . . with the conflicts Americans face,
Any worship in public's extreme."

An Amendment—the first—in our great Bill of Rights
Constitutionally bans such, some say,
Though the patriots who wrote it (some died for their cause)
Oft invoked Divine aid in their day.

Separation there should be between church and state,
On that nearly all will agree;
But must we now bar all recognition of God
In this land of the brave and the free?

Can't the Nation that first landed man on the moon,
With its God-given brains, in this day,
Find some path to a proper and just set of words
To again permit pupils to pray?

Can't the Country whose founders were strong in their faith
When revolting from tyranny's rule,
Find some legal solution this stalemate to end
And return the Lord's Bible to School!

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## HEARINGS ON CHANGES IN AMATEUR SPORTS

### HON. LAWRENCE J. HOGAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. HOGAN. Mr. Speaker, on May 22, the Senate Commerce Committee began hearings on four bills which could substantially change the way amateur sports are run.

One of the witnesses testifying before this committee, was a friend of mine, Tom McMillan, an All-American basketball player from the University of Maryland and a member of the U.S. Olympic basketball team in Munich. Tom's testimony gives the thrust of the problem facing our young amateur athletes today and I feel it deserves the attention of my colleagues:

TESTIMONY OF TOM MCMILLAN

Senator Tunney, distinguished Senators: My name is Tom McMillan and I can probably relate to you an example of both the best and worst of what exists in today's collegiate and amateur sports activities. I am at the present time a junior at the University of Maryland.

Three years ago I was fortunate enough to be one of the most sought after high school basketball players in the United States. I was exposed to commercial recruiting as much as anyone. I am a basketball player. The story of my recruiting was told in Sports Illustrated as well as other national publications. I was also fortunate enough to be prepared for it all by enlightened parents and a brother who had gone through a similar recruiting experience.

I have represented my country at national and international tournaments throughout the world. If I wanted to at this point, I could go to China, tour the Far East, travel to Europe or I could compete for the upcoming University World Games in Moscow in August.

I was a member of the United States basketball team during the Olympic games last summer. I can tell you first hand what it is like to be on a team that had less than a month to play and practice together. Ours was a young team that averaged 20.6 years of age competing against the strongest team the Soviet Union could bring to the Olympic Games, several members of which had participated in three previous Olympics. Their youngest player was 21 years old.

As a member of the President's Council on Physical Fitness and Sports, I have another view of sports and fitness in America. I can testify to sports justice and injustice. I can make comments about the NCAA, the AAU. I can testify to the lack of representation on major governing boards by athletes who seldom control their own destiny.

I can testify about the quagmire of rules and regulations which plague the athletes. Too often the athletes are the victims of inequitable restrictions.

Unless the trend is reversed we will soon see sports decisions made in conference rooms, not on the playing field. Three examples would be the Olympic basketball fiasco; the squabbling over Bill Walton and others playing the Russian rematch this past spring, and the loss of Rick DeMont's Olympic medal.

If you happen to be 6'-10", it is pretty easy for sports to find you. If you happen to run faster than anybody else, sooner or later somebody will find you. Same thing for stars in the entire sports world. Superstars somehow get discovered. I have had all the privileges come my way. What I would like to see happen is for every American to be given the opportunty to participate in every sport to the utmost of his or her ability, not just on natural ability but to their coached and trained ability for all the years of their life. That is why I believe in the Gravel-Thurmond Bill.

In most countries of the world, they have come to realize that there is a direct correlation between physical well-being; mental and moral well-being and the country's national approach to recognizing how physical activity can influence the former. Any student of totalitarian governments knows that one of the first moves made by the government is an opening and exposing to all of their peoples of a formalized athletic program. They do this because of the sense of pride that it instills as well as a sense of total well-being that it brings towards the populace.

It is not too late for this country to inaugurate the kinds of programs that we see operating in many countries of the world. We may be too passive and self-satisfied by watching, rather than participating. We must begin to work with, and to guide our people into physical culture. A National Sports Foundation would work whether the people are located in retirement communities, on city streets, or on country playing fields. Americans can experience a new sense of well-being by playing the game to the best of their ability. Whether it be bowling, basketball, shuffle-board or shotput, ping-pong or in a swimming pool, the American people can benefit immeasurably from the individual growth of its citizenry, in physical well-being.

I am not concerned of how the NSDF will help the Olympic athlete, but what I am concerned about is how the National Sports Development Foundation will help to further the American ideal and allow every American, regardless of where he comes from, or what he may be, to learn to play his game as well as he can.

Thank you again for allowing me this opportunity to express my hope that this legislation will be enacted.

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## ELTING CHAPMAN

## HON. EDWARD YOUNG

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. YOUNG of South Carolina. Mr. Speaker, for 40 years the citizens of Florence County, S.C. were privileged to have Elting L. Chapman serve as county treasurer. He was a man of great integrity and character, and we extend our deepest sympathy to all his wonderful family on his recent passing.

The Florence Morning News of May 27 printed a very fine editorial tribute to this dedicated public servant. I wish to join in this tribute to my friend, Elting Chapman:

### ELTING CHAPMAN

Almost 40 years as Florence County treasurer was the record of Elting L. Chapman who died last Thursday at the age of 78. He had been in retirement from his four decades as the county's chief financial officer only since last year.

A life-long resident of Florence County, his birth year was only five years after the formation of the county from portions of the neighboring counties of Darlington, Marion and Williamsburg. In 1933, when in his early 30s, he became the county's seventh treasurer and served in that capacity longer than any man before him, and 15 years longer than his immediate predecessor whose period of service was second in length to Chapman's.

During the full length of years in office, his honesty and faithful stewardship were never in question. Nor did his warmth and friendly manner, so characteristic of his person, ever vary. He was a good man, a good citizen, and a good friend whose own friends were numberless.

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## ORBITING LABS TO SCAN EARTH'S RESOURCES FROM SPACE

## HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. TEAGUE of Texas. Mr. Speaker, each day the availability of natural resources for the well-being of the people of our country and the world declines. Our national space program represents an opportunity to help survey, identify, and conserve these most important resources. As our astronauts prepare and conduct the recovery of the Skylab mission it is important to note that a major set of experiments on the Skylab includes Earth resources survey equipment.

Mr. David F. Salisbury, staff writer for the Christian Science Monitor, includes a most informative article on Earth resources survey experiments in Skylab in the Saturday, May 5, 1973, edition of the Christian Science Monitor. This article describes in some depth the value of Earth resources surveys and their significance to all people of the world. The article follows:

### ORBITING LABS TO SCAN EARTH'S RESOURCES FROM SPACE: SENSORS MONITOR ABOVE, BELOW GROUND

(By David F. Salisbury)

BOSTON.—Step by step, the United States is heading toward a system that will monitor earth's resources from space.

The next step will be an earth-resources package mounted on Skylab—the National Aeronautics and Space Administration manned space laboratory due to launch May 14.

Following on the heels of the highly successful Earth Resources Technology Satellite (ERTS–1), NASA officials say, the Skylab experiments will test the capabilities and limitations of extremely sophisticated remote sensing devices.

A comparison of ERTS and Skylab results will help determine the best design for a future satellite earth-monitoring system. If present plans work out, officials say that may be as early as 1978.

After roughly one year of operation, ERTS–1 has demonstrated that many earth-features can be identified and inventoried more economically from a satellite than from the ground. It can tell crops and forests and cities apart. It can identify areas where minerals and water are likely to be found. It can detect some forms of air and water pollution.

#### MORE CHANNELS NEEDED

Yet space officials view this satellite as a relatively crude device. They say it looks down on the earth with only four "eyes"—channels that each view the world through only a narrow band of the total spectrum—two in a visible light range and two in the infrared.

Skylab, by comparison, is designed to scrutinize chosen areas with six different sensors with as many as 13 different channels. In the 25 hours that it will operate, space officials say, the earth-resources package will gather a staggering amount of information and store it on film and magnetic tape to be brought back at the end of each mission by the astronauts.

The complex sensors on Skylab are expected to open up a new range of possibilities for resource monitoring.

"Where ERTS can differentiate between a city and a forest," NASA's Alan Watkins illustrates, "we hope the earth-resources package will enable us to tell, say, whether an urban area is predominantly single-family or multiple-unit dwellings. This can be very useful for urban planners."

There are two microwave channels on Skylab that will look right through clouds and penetrate to varying depths below the earth's surface. Experimenters hope to gather information about soil type and wetness, snow cover, and related conditions.

Over the ocean, these microwave sensors can determine the speed on the surface of the water by the reflection pattern of tiny wind-ripples. If any large storms or hurricane move into Skylab's path, they will become "targets of opportunity" and the astronaut crew will zero in on them, according to NASA officials.

Also on board will be an instrument called a spectral scanner. It is similar to what chemists use to determine the makeup of unknown substances or that astronomers attach to their telescopes to determine the chemistry of stars. Focusing it on earth should fingerprint specific types of vegetation and help assess the health of orchards and fields from 270 miles above, NASA says.

#### NEW APPLICATIONS SOUGHT

NASA-sponsored experimenters will attempt to exploit these new capabilities. How well do they do what they are supposed to? What specific applications will they have? What is the most usable form for the information to be in?

One problem that has nagged the developers of remote sensing is the "ground truth" of their data. If an outline shows up on a satellite photo, does it exist on the ground or is it some illusion caused by a combination of light and atmospheric conditions?

The earth-resources package includes a major assault on this question. As Skylab passes over designated areas, a whole host will be inspecting, measuring, and photographing that same location from the ground up. And besides this, there will be instruments on board the space laboratory whose purpose is to document the condition of the atmosphere so that its effects on remote sensing can be better understood.

#### LIKE BEING IN DESERT

Dallas Evans, one of the principle investigators, explained his feelings about the Skylab project and remote sensing in general:

"If you find yourself caught in the middle of the desert, what's the first thing you do? You sit down and take stock of what you have and then figure out what's the best way to use it."

To Mr. Evans facing the future, with its forecast population explosion and projected energy and mineral shortages, is like being lost in the desert. Satellite remote sensing is a practical way to find out what we have so that we can plan how best to use it.

Skylab's resource-sensing package should help engineers find the best, the most economical, way of doing this remote surveying routinely. How to get people to use it once it's built will be an entirely different problem.

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## TENTH ANNIVERSARY OF THE ORGANIZATION OF AFRICAN UNITY

## HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. VANDER JAGT. Mr. Speaker, the 10th anniversay of the Organization of

African Unity was celebrated in Washington May 25 at a reception in the Embassy of Morocco.

The host was Moroccan Ambassador Badreddine Senoussi, who spoke in behalf of King Hassan I, the outgoing President of the OAU. The U.S. Government was represented by Acting Secretary of State Kenneth Rush and David B. Newsom, Assistant Secretary of State for African Affairs.

The OAU, at its founding 10 years ago, was welcomed by the United States with high hopes. Its goals of a united, peaceful, and developing Africa certainly were in the interests of the United States and the international community.

The establishment of an ad hoc committee a few days ago at the OAU summit conference to mediate the border dispute between Somalia and Ethiopia reminds us of the organization's active efforts to find peaceful solutions to thorny controversies involving African states.

The OAU's peacekeeping efforts are impressive, but they are not the whole story. The OAU also has proven invaluable as a focal point, initiator and coordinator for a wide variety of constructive efforts to solve common African problems in the economic, social, legal, and educational spheres. OAU support for Africa's regional economic groupings has helped weave an interlocking web which promises to link effectively the various countries and regions of the continent.

I believe that the hopes the United States held for the OAU in 1963 have been more than satisfied. We find that the OAU has proven itself to be a realistic African response to Africa's need for cooperative action.

Mr. Speaker, President Nixon, continuing a tradition of American Presidents, sent a congratulatory message to African chiefs of state and government at their summit conference last week in Addis Ababa.

Mr. Speaker, I include the President's message and the remarks of Ambassador Sencussi and Deputy Secretary Rush at the Moroccan Embassy at this point in the RECORD:

### PRESIDENT NIXON SENDS MESSAGE TO OAU SUMMIT PARLEY

President Nixon, has sent a message to African leaders assembled in Addis Ababa to mark the tenth anniversary of the founding of the Organization of African Unity. The message was addressed to King Hassan of Morocco, retiring President of the OAU. Following is the text of the President' message:

Your Majesty: To the distinguished leaders of Africa assembled in Addis Ababa to observe the tenth anniversary of the Organization of African Unity, I extend my warm personal greetings and best wishes of the American people on this occasion. The United States has followed closely and with deep admiration the accomplishments of the Organization of African Unity in promoting peace and progress on that continent. We share your aspirations for the progress and development of Africa and for the dignity and well-being of all African peoples. We look forward to a continuing close relationship between the United States and the countries of your continent. To all member nations and their leaders, we extend our warm congratulations on past accomplishments and our very best wishes for the future.

Sincerely,

RICHARD NIXON.

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### PREPARED REMARKS OF MOROCCAN AMBASSADOR BADREDDINE SENOUSSI

On behalf of the African Ambassadors to Washington, I have the pleasure to welcome you to this reception and to thank you for celebrating with us the tenth anniversary of the Organization of African Unity.

Ten years ago this day, thirty-two African heads of state and government of independent Africa met in Addis Ababa, Ethiopia and signed the historic charter of the Organization of African Unity, pledging to strive for the unity and solidarity of the African peoples, the preservation of the dignity of its nations and the freedom of its sons and daughters still being suppressed and humiliated by die-hard colonialists and the monstrous perpetrators of apartheid.

Today we look back through all these years of the existence of the OAU and we are proud to say that despite all speculations and machinations by its enemies, the OAU has survived and grown, consisting now of 41 members, renewed with the strength of unity and common determination to promote the cause of Africa.

Since its inception, the OAU has been playing a significant role in world politics, greatly assisting world bodies make useful decisions on African matters.

Among its members, not only does the O.A.U. serve to promote trade and research, it also strengthens cultural bonds between them and provides the interaction necessary for economic and social progress.

This is why, in relating the achievements of the O.A.U. during the first decade, we recall, among others, the Pan-African Cultural Festival organised in Algiers in 1969, which helped greatly to project the African culture to the outside world and also to reveal new facets to the Africans themselves.

We also recall with pride the first All Africa Trade Fair held in Nairobi, Kenya last year through which many foreign businessmen came to realise Africa's great economic potential.

The O.A.U. also serves as a forum for the settlement of disputes in a spirit of reconciliation and solidarity, without outside interference. So successful has it been in this that the Secretary-General of the United Nations, Mr. Kurt Waldheim, referred to the Organization as "the United Nations' best ally for the maintenance of international peace and security on the African Continent".

Peace cannot be achieved however, while unnecessary suppression persists in the Continent. Therefore, at the summit meeting of the O.A.U. in Rabat last year, it was resolved that this should be the year of liberation for those countries still oppressed by foreign domination. The dignity and freedom for all people as expressed in the Charter of the United Nations and the inevitable declaration of the rights of man, must be achieved. The struggle for freedom in Africa is a process to which all independent nations in Africa are totally committed.

In this connection, we are proud of the OAU's continued financial, material and diplomatic support to the liberation movements in Africa and of the active way in which it has kept alive world interest in the struggle for a total liberation of the continent.

We are also proud of the O.A.U.'s full support given to any African country which is the victim of outside aggression.

Excellencies, distinguished guests, in ten years we have demonstrated to the world the political maturity of the African leaders and their capability to decided their own affairs, by the very fact that today, the O.A.U. still lives and is growing from strength to strength becoming more influential both at home and abroad.

As we enter the second decade of our Organization, we, the African Ambassadors to Washington would like to note with appreciation the warm friendship which the African Continent has in the past enjoyed from the people of America. We recognize the fact that in 1961, the United States Congress passed a resolution authorising the celebration of Africa Day on April 15th of that year. The meaning of such move is of great significance in the relationship between the people of the United States and the peoples of Africa. Among other things, it demonstrated the recognition and support which the people of the United States of America have for the peoples of Africa.

Today we believe that there is need for such understanding, sympathy and recognition as demonstrated by that legislative body in 1961, to be renewed and re-emphasised by this same body which symbolises the justice and freedom of the American people.

Africa needs the support of the people of the United States in its struggle for freedom and economic independence. This fact we cannot over-emphasise knowing the strength and amplitude of the American nation and the influence it wields in the world of today. We, therefore, look forward to a bright future of better understanding and cooperation between the two great Continents.

We would also like to thank all our friends from other parts of the world who have, in one way or another, helped our Organization to prosper. We look forward to the full cooperation and assistance from all the peoples of the world in our effort to bring out the full greatness of Africa.

Long live the Organization of African Unity!

Long live the Freedom of the peoples of Africa!

Long live the Prosperity of the peoples of Africa!

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### REMARKS OF ACTING SECRETARY OF STATE KENNETH RUSH OAU ANNIVERSARY RECEPTION, MOROCCAN EMBASSY, May 25, 1973

Ambassador Senoussi, Your Excellencies, Ladies and Gentlemen: The first ten years for any organization with aims as ambitious as those of the Organization of African Unity, are bound to be years of challenge. Tonight, on the Tenth Anniversary of the OAU, we pay a fitting tribute to a major regional organization which, in dealing effectively with diverse problems and proving its capacity to act as arbiter and spokesman for the African continent, has risen to the challenge. In adhering steadfastly to the principles of its Charter—territorial integrity, national sovereignty, peaceful settlement of disputes, and economic and social progress—the OAU has become the focal point for Africa's collective endeavors to satisfy the just aspirations of its peoples. For its accomplishments, the member states can be justly proud of their organization, and enter upon its second decade with growing confidence in achieving the worthy ideals and goals that inspired them at its founding.

We share with the nations of Africa a common hope for justice, dignity, and progress. In the short but eventful decade since they created the Organization of African Unity as their common instrument to give greater substance to these hopes, we in the United States have come to place increasing value on our relations with the OAU and its members—both collectively and individually. The OAU has laid foundations for cooperative endeavors in a growing number of scientific, technical, economic and social fields. The United States particularly welcomes the opportunity of contributing to economic development through close ties with its members in the fields of aid, trade, and investment. We are ready to share with you the benefits of technology and to assist, on mutually agreed terms, in realizing the vast potential of your rich continent. Together we can continue to work for an international climate in which the world's energies and resources are mobilized for peaceful and productive pursuits. The United States will remain responsive, in a spirit of mutual cooperation, to all who seek with us a more secure and rewarding future.

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## ENERGY CRISIS

### HON. OGDEN R. REID

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. REID. Mr. Speaker, I am introducing today a comprehensive bill to establish a national program for research, development, and demonstration projects in fuels and energy, and to authorize Federal support for these programs.

This Nation is in vital need of a high-priority program to tackle what I believe is a critical energy shortage. Unfortunately, there has been virtually no leadership either in Washington or elsewhere in this country urging the development of resources adequate to our needs. We now face, for instance, an oil reserve of only 5 days, while many lesser countries have 100-day reserves. Clearly it is time for action.

One of the major goals of the bill I am introducing today is to provide the United States, by 1983, with the capability to be self-sufficient in environmentally acceptable energy sources. This includes the authorization of Federal funds not only for research efforts but also for tangible development ventures to apply the research to commercial application, in numerous areas including coal gasification, shale oil, geothermal resources, hydroelectric power, and coal liquefaction. In my view, we must be self-sufficient or well on our way to self-sufficiency in order to avoid blackmail by petroleum-producing countries.

This bill is identical to the legislation introduced in the Senate by Senator HENRY JACKSON, who has distinguished himself by his interest and creative efforts at solving the energy crisis before it is too late.

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## MEMORIAL DAY

### HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. RODINO. Mr. Speaker, Memorial Day has been celebrated. The parades, the speeches, the prayers of last Monday have ended. The flowers and wreaths laid on our soldiers' graves have surely wilted, and even the sunshine of this past weekend has erased the memory of May 28's cold rain. Yet, the hardships experienced by our veterans and their families, and particularly those soldiers who were involved in the Vietnam conflict, remain. The following editorial from the Star-Ledger of Newark, N.J., perhaps best captures the gravity of this situation:

> MEMORIAL DAY
>
> Memorial Day is a day for remembering, for some in a personal context and for others in a less intimate and less searing manner.
>
> It is an observance for memorializing those who have given their lives in the service of their country; they have died in wars that have taken on different meanings over the years. The fervor of patriotism in the early conflicts has been diminished in a contemporary dimension because young people more and more are questioning the fundamental immorality of these armed confrontations.
>
> For many—and for good reason—war is wasteful and destructive. It rarely resolves ideological or national differences in affirmative, long-lasting terms.
>
> And one need turn no farther back in history than the immediacy of our involvement in Vietnam, a long, indecisive, costly and unpopular conflict that is still being waged in Cambodia, Laos, and South Vietnam despite ceasefire truce signed last January.
>
> It is a war that has divided our nation, leaving lasting, residual bitter imprints: The casualties, the dead and maimed, the staggering drain on our resources that has left an unstable economy in its wake, the dark memories of those whose loved ones have either been killed or are still missing.
>
> There are still more than 1,300 American servicemen listed as missing in Southeast Asia. For the families of these men, the war remains an unremitting ordeal of uncertainty and doubt. And for them, too, this Memorial Day has a special poignance, a personal grief that should be shared by millions of Americans on this day for remembering the men who have died in all of the wars in which this country has engaged.

We must, therefore, not be content with merely eloquent addresses delivered once a year in behalf of our brave and courageous soldiers. We must not let this holiday become only a time of remembrance and memorializing. A great deal remains to be done and action must begin immediately.

A rundown of figures from the Bureau of Labor Statistics reveals, for example, that in February, unemployment among veterans 20 to 24 years old, was 10.6 percent, compared to 6.4 percent for nonveterans of the same age. And, the rate of unemployment among black and other minority veterans was even higher. At 14.9 percent, minority unemployment is over 4 percent above that of white veterans in the same category. The following table further substantiates this distressing problem:

SEASONALLY ADJUSTED VETERAN EMPLOYMENT STATISTICS

[Numbers in thousands]

| | 20–29 years | | 20–24 years | | 25–29 years | |
|---|---|---|---|---|---|---|
| | Veteran | Non-veteran | Veteran | Non-veteran | Veteran | Non-veteran |
| 1st quarter 1973: | | | | | | |
| Unemployed | 252 | 549 | 153 | 376 | 99 | 173 |
| Percent | 5.8 | 6.0 | 9.4 | 7.0 | 3.7 | 4.5 |
| 4th quarter 1972: | | | | | | |
| Unemployed | 267 | 570 | 161 | 425 | 106 | 145 |
| Percent | 6.2 | 6.3 | 9.5 | 8.2 | 4.0 | 3.8 |
| 3d quarter 1972: | | | | | | |
| Unemployed | 303 | 560 | 183 | 411 | 120 | 149 |
| Percent | 7.2 | 6.4 | 10.6 | 8.3 | 4.8 | 3.9 |
| 2d quarter 1972: | | | | | | |
| Unemployed | 322 | 609 | 190 | 443 | 132 | 166 |
| Percent | 7.7 | 7.1 | 10.6 | 9.1 | 5.5 | 4.4 |

The situation in education is equally bleak. A recent Harris survey showed that less than 35 percent of eligible Vietnam veterans are taking advantage of educational benefits. The figure was 60 percent after World War II. In addition, a $50 million authorization to provide part-time jobs for student veterans was impounded by President Nixon. He also tried to hold back $25 million approved to encourage colleges to admit and train veterans, but I was happy to note that congressional pressure and a court suit have now convinced the administration to release these funds.

I will shortly sponsor a five-part package of legislation to assist all our neglected veterans who participated in this most tragic and unpopular war. These bills are directed at the most pressing problems of our Vietnam veterans—opportunities for education and employment. Their purposes are as follows:

Creation of a Vietnam Era Veterans Assistance and Opportunity Task Force to coordinate available Federal programs and expand efforts to encourage participation in them;

Establishment of regional military discharge review boards to aid in processing applications for a change of discharge submitted by veterans discharged under less than honorable conditions; most of these—about six out of seven—are undesirable discharges, issued administratively without the safeguards required at a court-martial, such as right to counsel and adherence to rules of evidence;

To require that separation and reenlistment codes on discharge document be confidential, for often this information is used by employers in an adverse way against veterans seeking employment;

To provide education assistance to cover a veteran's costs for tuition, laboratory, and other fees, to a maximum of $1,000; this would provide aid comparable to that given World War II veterans; and

To give veterans receiving the $220 a month subsistence pay the option of higher monthly sums over a shorter period of time; the allowance, authorized for a maximum of 36 months, could be accelerated to $440 a month for 18 months.

I certainly hope that between this year's Memorial Day and next year's national day of remembrance, our actions will result in progress, achievements, and hope. We have treated our Vietnam era veterans shamefully. They did not ask to fight in Asia for what, in the end, was a war waged for no valid purpose. I intend to do all I can to see that we deal fairly, realistically, and compassionately to solve the serious problems they have found upon their return.

## POVERTY

## HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. EDWARDS of California. Mr. Speaker, there has been much discussion lately on the "amount" of progress that has been made by Government programs in the last decade toward eliminating the cultural/economic/social circumstances that create and maintain poverty. While many of us feel that the evaluation is not conclusive, the Nixon administration has made clearcut decisions regarding most of these programs, declaring them either a failure or a success. But the decision really makes no difference. Success or failure, the President has chosen to terminate most of the poverty programs of the sixties. What he has failed to address, however, as our distinguished colleagues Congressmen CHARLES B. RANGEL and ANDREW YOUNG so clearly point out in the following articles in the May 21 issue of The Nation, is that poverty still exists, not as an issue or the object of a program but as a fact of life for many Americans, particularly those who are members of minority groups.

The article follows:

### 1. THE VERBAL CURE

(By Representative CHARLES B. RANGEL)

Poverty may soon disappear, if not from the country, at least from the vocabulary of official bureaucratese. There have been reports that a federal interagency committee is quietly studying the possibility of ending government use of the word. It would little surprise the 25.6 million poor Americans if they were, in fact, defined out of existence. Observing White House policies and priorities, they already question whether the President knows they are really here.

When the Subcommittee on Equal Opportunities of the House Committee on Education and Labor held hearings on the planned budget cuts, witness after witness decried the impact of Administration proposals on human needs. The word "adminicide" was used to describe the cutbacks in health, housing, job training, day care, education and senior citizen programs.

Poor Americans know how it feels to be put at the end of the line, to be forced to ride in the back of the bus of the country's conscience. They saw the Administration spend $425 million to bomb Hanoi for seventeen days during the 1972 Christmas season, while spending only $398 million a year for the entire community-action program in the United States. They are aware that the amount spent by the Pentagon on nuts and candy in the 1971-72 budget ($16.7 million) would fund the community-action programs in eight New York City neighborhoods. So there is no great shock in the nation that their very existence will be erased by the bureaucrats. There is outrage, though.

The current official definition of the poverty line for a nonfarm family of four in our country is a cash income of $4,137 a year. Maximum welfare payments for a family of four, COPE reports, range from $700 annually in Mississippi to more than $3,600 in a handful of Northern states. Even with rent subsidies, food stamps and Medicaid, poverty-level families fight a daily battle for survival. Mollie Orshansky, a HEW statistician, pointed out recently that the gap between poor and nonpoor Americans would be even greater if certain benefits received by middle-class families were computed as income: expense accounts, vacation pay, commodity discounts.

Abolish welfare for the rich? There is no word yet from the Administration on an end to tax loopholes and corporate subsidies.

A sweep of the White House wand and the Office of Economic Opportunity vanishes. It is uncertain whether the magic of the courts will be stronger than White House magic.

Abracadabra, and officials responsible for the Watergate espionage team are hidden in a puff of smoke. The magic of public opinion may blow the smoke away.

Presto, and the air bombardment of Cambodia is not an "act of war." Does Congress have anything up its sleeve?

My Lai, General Lavelle's unauthorized bombing missions over North Vietnam, broken Indian treaties—White House magic tries to wish them all away.

It is true, as the Administration contends, that "poverty" is a politicized, value-laden word. It is, however, the most accurate word for portraying what poor people face daily. Euphemisms cannot convey the reality of the slum housing where so many of my Harlem and East Harlem constituents live. Or the despair in New York City's public schools where reading levels continue to fall. Or the fear caused by the heroin plague which feeds on unemployment and racial discrimination. White House magic can't make *them* disappear overnight.

### 2. UP THE SHORT LADDER

(By Representative ANDREW YOUNG)

Present-day economic policies have been disastrous for low-income and poor citizens—especially when one observes the suffering caused by the inequities of policies which have led to controls on wages, to soaring prices and to soaring profits. Those persons fortunate enough to have jobs are the main victims of this nation's "new economic innovations." At the lower end of the income scale wages have been held in check, but prices have obviously not been stabilized.

While workers have produced more goods and services—raising the gross national product by $100 billion in 1972 alone—the bulk of this increase shows up in record profit levels, which rose by 12 per cent in less than a year. This current rate of profit increase is vast, even considering the valid argument that some industries were due profit increases, i.e., the small farmer, baker, etc. When one analyzes the general economic picture, it would appear that what could be called "middleclass" blacks are moving ahead, but a number of critical events suggest another conclusion.

The implications of the high unemployment of young people and the effect of the housing slowdown and the recent recession on the general populace are potentially serious.

Blacks improved their relative economic position during the 1960s but their pace of advance, compared with that of whites, has slowed considerably in the last few years. Statistically, this can be measured by the absence of significant growth in the black labor force, near exclusion from the new job markets and skyrocketing black unemployment. As has been suggested by the recent Wattenberg-Scammon article, the black population does continue to make some progress up the occupational ladder. However, it is still climbing the ladder of little skill and little hope of advancement—the low-wage industries being its primary source of jobs.

Heretofore, the principal beneficiaries of federal programs have been the middle classes, black and white. And during the past few years, middle-class blacks have more and more achieved equality with whites of moderate income and in the large pool of social workers. Today, with the evident dismantling of these programs, the question is whether private industry can or will absorb this black managerial class.

Black and poor people have been warned by the President to "ask not what the government can do for you, but ask what you [poor people] can do for yourself." I ask what can the poor and blue-collar worker do for himself when a cruel and callous economic squeeze has been so tightly clamped about his life line? Or perhaps the President means, "You take care of yourselves and I will take care of the rich and established."

The poor and working classes will not be able to "do for themselves" because:

Their jobs are the ones most adversely affected by Nixon policies. Unemployment in the inner city, where the nation's poor generally live, has soared to postwar highs at least double the national average.

Fiscal policy must be more than a central instrument of economic policy. Realistically, it must serve as an instrument for social practice as well. The proposed fiscal 1974 budget is obviously the most anti-people budget in modern history. It is clearly not anti-inflationary and it is clearly not equitable.

The blacks, the poor and the aged have few advocates within the Administration or on the agencies created to administer the overall economic policies.

I would not want to deny that the black population lives today at standards that are much better than those of their forefathers. However, this says little about levels of income, education and job patterns. Recent reports, and specifically the Wattenberg-Scammon article, are grossly misleading with reference to upward mobility and the black community at large.

The "black middle class" has come into being only because there are black men and women so committed to educating their children and living in a decent home and eating a balanced diet that they choose to work at two, sometimes three, jobs in order to make ends meet.

Today, the economic life of the working-class community looks promising for no one, black or white—except for the rich.

I see it as ultimately important that this country make a directional shift toward an economy that is based upon maximum use of goods, services and production. And we can't do that and maintain our present definitions of "full employment." We can't do that and continue to overextend ourselves militarily abroad. I ask, "Black Progress and Liberal Rhetoric?"—or "Black Promises and Liberal Disgust?"

## SER HELPS MEET NATION'S MANPOWER NEEDS

## HON. GEORGE E. DANIELSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. DANIELSON. Mr. Speaker, today I am pleased to announce to my colleagues the observance of SER Week, June 3 to June 10. SER, Jobs for Progress, Inc., is the national manpower program designed and staffed by bicultural and bilingual professionals who address the manpower needs of the Spanish-speaking citizens of our country. Similar proclamations of support have been issued in the 14 States where SER is located by Congressmen, mayors, and Governors. Citizens, business groups, and corporations and elected officials will observe SER Week by hosting a variety of conferences and luncheons. One honorary luncheon being held this week includes as its guests, representatives of at least 15 national corporations. It is being held at the Beverly Hilton Hotel on Thursday, June 7, in Beverly Hills, Calif.

At this time, I would like to commend Mr. Philip Soto, the project director of the East Los Angeles SER for his outstanding efforts in the community in developing and maintaining trusting relationships among the Spanish-speaking, the business community, and elected officials.

I am hopeful that my colleagues and readers of the RECORD will join me in support and recognition of SER and in the observance of SER Week, June 3 to June 10.

## CHINESE COMMUNIST PROPAGANDA DISTRIBUTED TO COLLEGE STUDENTS AS A BIRTH CONTROL HANDBOOK

### HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. ASHBROOK. Mr. Speaker, few people would argue against the importance of providing young adults accurate information about sex.

But I must protest when such information is cloaked in Communist Chinese propaganda and distributed at the Nation's leading higher education institutions with the covert or overt stamp of officialdom.

Such a deplorable situation at Princeton University, among other schools, was brought to my attention by William A. Rusher, publisher of National Review, and through editorials in that weekly magazine. It also has been reported in other magazines and newspapers.

A dish of basic sex information, Maoist rubbish, a clenched fist atop medicine's traditional winged caduceus and a suggestive photograph or two is found in the 7 by 10 inch, 47-page newsprint "Birth Control Handbook." It is published by "The Handbook Collective" of Montreal, Canada, and its staff is believed to be students at Magill University.

If Princeton University is too far to raise concern, my investigation discloses the Handbook also is available at the nearby University of Maryland and at Kent State in Ohio.

Included among the approximately 25 universities on the Handbook's distribution list is Boston University, Tufts, the Universities of Illinois, California, Hartford, Maine, Massachusetts, Missouri, Oklahoma, Rhode Island, South Carolina, Northeast—Boston—South Illinois, Syracuse, Vassar, Yale, four of the State Universities of New York and, overseas, Queensland Institute, Australia and Exeter, London.

Princeton's experience may be typical of what has happened elsewhere. Anthony J. Maruca, Princeton's vice president for administration, explained that an advisory council of which he is a member, authorized the Handbook's use last summer in the University's sex education program conducted at its health services facility.

Maruca said physicians on the 15-member council verified the Handbook's medical accuracy and validity.

"A number of us raised questions about the political commentary, but the great majority decided that it should be made available because of its medical content."

So serious were those questions that the council agreed that a political disclaimer should be attached to each copy of the Handbook.

"It was to say, in effect, that the Handbook was being made available because it was comprehensive medically, and that the university disassociated itself from the political comments."

National Review, on April 27, 1973, editorialized, in part:

> We hazard the guess that, in contrast to antisemitic or anti-Negro rhetoric, the Maoist rhetoric was not particularly upsetting because it has become a rather commonplace mode of discourse on the campus.
>
> We would not like to think that any of the Princeton officials involved really believe the Maoist claptrap; we merely observed that they have become inured to it, that it strikes them as routine, and, therefore, not really objectionable. . . .

Several months passed between the council's release of the Handbook to the health service and its order to attach a disclaimer.

Inevitably, somehow, the Handbook was made available without the disclaimer and in an as yet unexplained happenstance, 1,000 to 2,000 copies of the Handbook, sans disclaimer, mysteriously were distributed to every male and female dormatory room on campus.

Maruca tells of the University's efforts to unmask the distributor. His choice of words is both fitting and ironic under the circumstances:

> We've had great difficulty pinning down how it happened and who was responsible.
>
> The people in the infirmary take the blame collectively. It was an administrative foulup.

Princeton has ceased distribution of the handbook, Maruca said, and physicians in the sex education program are using a substitute.

Not before questions were raised within and without those hallowed halls of ivy about the propriety of "foisting" the Handbook on people, for both political and sex education reasons.

The university official said no Federal funds were used to buy the handbook. Copies cost 5 cents each, he said, and the money was found in the account of a now defunct student group. The "collective" charges $45 per thousand.

Here are some gems from the "Birth Control Handbook," self-styled as "medicine for the people":

> Vietnam was once the "rice basin of the East," but, the Vietnamese finally decided to throw out their foreign exploiters and take control of their own resources. In response, America bombed and defoliated Viet Nam to the point of ecological disaster. Viet Nam has huge resources of tin, which American industry wants and is prepared to do almost anything to get. (Page three.)

And this diagnosis:

> The fact that ZPG (zero population growth) claims to direct its propaganda primarily at white, middle class Americans does nothing to eliminate the factor of racism which is an inevitable, historical aspect of the U.S. population control movement, financed and directed by America's white ruling class. (page three.)

On page 4, the handbook ignores the facts and rewrites history to report that China is:

> One of the few countries in the world where there exists no starvation . . .
>
> The 700 million Chinese accomplished this by overthrowing their foreign exploiters, by taking control of their own natural riches, by granting equality to women, by providing voluntary birth control, sterilization and abortion programs, by determining their own priorities, such as education and food for all. Nothing short of equally basic social change in America and in the countries it exploits is going to bring solutions for our terrible problems of hunger, pollution, crime in the streets, racism and war. (Page four.)

This prognosis is found on pages 26 and 27:

> Since the growth of large populations in nations of the Third World (Africa, Latin America, parts of Asia, etc.) represents a threat to the power and world dominance of such countries as the United States, considerable attention is being directed at the IUD (interuterine device) by these nations. Scientists, working with grants from such organizations as the Population Council, a 'private American foundation,' supported by the Ford Foundation, John D. Rockefeller III and other private donors, are attempting to develop more effective IUDS. . . .
>
> By advocating voluntary sterilization and use of the IUD, the government of the United States, Britain and other western powers are attempting to control by contraception the numbers of non-white people, just as white people from Europe eliminated large numbers of red Indians by importing diseases for which the Indian had no antibody (immunity) resistance. (A preposterous notion!)
>
> One important characteristic that the IUD shares with sterlization is that the effectiveness of the method cannot be controlled directly by the individual woman. . . (Doctors on the Princeton Advisory Council that approved the Handbook must have missed that gem.)
>
> Large scale use of contraceptive measures, applied to women who may not want to control their fertility, approaches genocide and ceases to be birth control.

The M.D. after the name of the person who wrote that must stand for doctor of Maoism.

Catholics sincerely concerned about questions of birth control are certain to be outraged by this gratuitous comment on page 34, hidden amidst an explanation of coitus interruptus:

> Contrary to common belief, more than just one particular woman has become pregnant while still virginal.

Our legal system is not neglected in this medical melange of misinformation: A box on page 36 reports:

> Today, the United States legal system manages to sterilize "welfare mothers" (usually black people) who have had illegitimate children. . . . In New York, judges offer women the choice—either be sterilized or receive no more welfare.

The sterilization theme is played again on other pages where it is held out as a precondition for abortion for "Poor women, especially black women . . ."

> The rationale that such measures are necessary to alleviate the population crisis is merely a cover for racist genocide. The children of the rich exploit and pollute the resources of the earth, not the children of the poor. (Page 45.)

The Handbook's bibliography refers those seeking additional factual information to other, similarly propagandistic texts.

No reasonable person can doubt the Machiavellian purpose of this Handbook.

It takes advantage of the desperate need of people for reliable, accurate, sensible information about sex, free from value judgments—a need frequently found among the poor whose cause the Handbook alleges to champion—to spew forth the pink party line.

While the authorities at Princeton have admitted they let this situation get out of hand, regrets, regardless of sincerity, cannot salve the harm of such publications. This incident demonstrates the lengths to which communists and their sympathizers will go to spread their version of "truth."

Too bad that the academicians in our citadels of higher education are not as determined that all views will be given full expression on campuses. It seems criminal that information to counteract the views of those who would tear down such ivory towers is not as readily available as what obviously is bad "medicine for the people" between the covers of a reprehensible philosophy.

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## U.S. EDUCATION COMMISSIONER ASSERTS VALUE OF INTERNATIONAL EDUCATION PROGRAMS

## HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. BRADEMAS. Mr. Speaker, the Acting U.S. Commissioner of Education, Dr. John Ottina, has submitted to the Congress his annual report required by section 412 of the General Education Provisions Act.

For the most part, the report contains no surprises, but at page 30 there appears a most interesting discussion of what the Commissioner describes as "Office of Education programs designed to help build a resource of expertise in international affairs and create a better understanding of other cultures and customs . . ."

The Commissioner asserts that through such activities as language and area studies programs, and the Fulbright program, the Office of Education "strives to increase intercultural understanding, to reduce ethnocentrism, and help the American educational system more closely reflect the realities and interdependency of the modern world."

I think this is an excellent statement of the value of international education programs, and as a longtime supporter of both the NDEA title VI language and area studies program and the Fulbright program, I am delighted to see the Commissioner of Education take such a positive attitude toward these endeavors.

I am at the same time somewhat perplexed, however, for while the Commissioner discusses these programs in what can only be described as laudatory terms, the administration of which he is a part has suggested in the President's fiscal year 1974 budget message that the NDEA Title VI program should be phased out.

Perhaps those in the administration responsible for budgetary matters have not had the opportunity to be made aware of the Commissioner's enthusiasm for this program, and the strong arguments in favor of its being continued.

In order that all of the Members might read the Commissioner's statement on this subject I am including it at this point in the RECORD. I would also recommend it to others interested in such matters, and particularly to those in the White House and the Office of Management and Budget charged with the responsibility of setting the administration's budget priorities.

The statement follows:

> AN INTERNATIONAL DIMENSION
>
> The international dimension of the Nation's interests symbolized by President Nixon's visits to the People's Republic of China and to the Soviet Union, was reflected educationally last year in Office of Education programs designed to help build a resource of expertise in international affairs and create a better understanding of other cultures and customs, both abroad and here at home.
>
> These programs, administered by OE's Institute of International Studies, included support during Fiscal Year 1972 of efforts essentially aimed at increasing the Nation's manpower pool of trained specialists in the languages and cultures of countries in Africa, Asia, the Middle East, Latin America, and Eastern Europe, and of the USSR; and adding an international aspect to undergraduate general education and to professional graduate level training. Related activities to increase and improve knowledge about other countries were conducted abroad.
>
> OE also supported inter-institutional cooperative research abroad, an interesting example being a comparative study of city administrations in Grand Rapids, Mich. and Ljubljana, Yugoslavia, now being used to develop courses in urban economics, day care service for handicapped children, and the relationship of public administration and public participation to decisionmaking.
>
> Promotion of intercultural understanding also is at the core of the Teacher Exchange program, which in 1972 arranged for the 1-year interchange of more than 100 American teachers with an equal number of teachers from other countries, as well as a number of one-way exchanges for both American and foreign teachers. Since its inception more than a quarter of a century ago under the Fulbright Act, this program has involved about 13,000 American and foreign teachers. It is operated with funds transferred from the Department of State.
>
> Through such activities as these, OE strives to increase intercultural understanding, to reduce ethnocentrism, and to help the American educational system more closely reflect the realities and interdependency of the modern world.

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## THE 100TH ANNIVERSARY OF THE MORNING HERALD

## HON. GOODLOE E. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. BYRON. Mr. Speaker, this week marks the 100th anniversary of the founding of one of western Maryland's most important newspapers, the Morning Herald of Hagerstown, Md.

It was in 1873 that Mr. Emmert Fechtig began publication of the first daily newspaper in Hagerstown. The paper was called the Hagerstown Daily News which was printed on the presses of another weekly paper. Publication continued under various owners until it was purchased by the Hagerstown Herald in 1896, and the name was changed to the Morning Herald. Toward the end of the 19th century, the Morning Herald was located at the present Herald-Mail building at 25 Summit Avenue. After a succession of owners the paper was bought in April 1960 by the South Bend Tribune, and Franklin D. Schurz, Jr., has been publisher since April 1962.

I want to take this opportunity to congratulate the Morning Herald, its owner, and its staff on this significant achievement.

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## MACHIAVELLI ON WATERGATE

## HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. DELLUMS. Mr. Speaker, one recent topic of discussion has been the relation of a political leader to his advisers and top aides. In 1517, Niccolo Machiavelli, a retired Italian diplomat, set down his observations on political leadership in a book entitled "The Prince." This book rapidly attained the status of a classic. In it, Machiavelli wrote with definitive clarity the relations of a head of state and the men around him. I invite my colleagues' attention to his analysis:

> EXCERPTS FROM "THE PRINCE"
>
> (By Niccolo Machiavelli)
>
> The choosing of ministers is a matter of no little importance for a prince; and their worth depends on the sagacity of the prince himself. The first opinion that is formed of a ruler's intelligence is based on the quality of the men he has around him. When they are competent and loyal he can always be considered wise, because he has been able to recognize their competence and keep them loyal. But when they are otherwise, the prince is always open to adverse criticism; because his first mistake has been in the choice of his ministers.
>
> No one who knew messer Antonio da Venafro as the minister of Pandolfo Petrucci, prince of Siena, could but conclude that

Pandolfo was himself a man of great ability. There are three kinds of intelligence; one kind understands things for itself, the other appreciates what others can understand, the third understands neither for itself nor through others. This first kind is excellent, the second good, and the third kind useless. So it follows that Pandolfo, if he did not have the first kind of intelligence, at least had the second. If a prince has the discernment to recognize the good or bad in what another says and does, even though he has no acumen itself, he can see when his minister's actions are good or bad, and he can praise or correct accordingly; in this way, the minister cannot hope to deceive him and so takes care not to go wrong.

There is one important subject I do not want to pass over, the mistake which princes can only with difficulty avoid making if they are not extremely prudent or do not choose their ministers well. I am referring to flatterers, who swarm in the courts. Men are so happily absorbed in their own affairs and indulge in such self-deception that is difficult for them not to fall victim to this plague; and if they try to avoid doing so they risk becoming despised. This is because the only way to safeguard yourself against flatterers is by letting people understand that you are not offended by the truth; but if everyone can speak the truth then you lose respect. So a shrewd prince should adopt a middle way, choosing wise men for his government and allowing only those the freedom to speak the truth to him, and then only concerning matters on which he asks their opinion, and nothing else. But he should also question them thoroughly and listen to what they say; then he should make up his own mind, by himself. And his attitude towards his councils and towards each one of his advisors should be such that they will recognize that the more freely they speak out the more acceptable they will be. Apart from these, the prince should heed no one; he should put the policy agreed upon into effect straight away, and he should adhere to it rigidly. Anyone who does not do this is hustled by flatterers or is constantly changing his mind because of conflicting advice: as a result he is held in low esteem.

A prince should, therefore, always seek advice. But he should do so when he wants to, not when others want him to; indeed, he should discourage everyone from tendering advice about anything unless it is asked for. All the same, he should be a constant questioner, and he should listen patiently to the truth regarding what he has inquired about. Moreover, if he finds that anyone for some reason holds the truth back he should show his wrath.

When seeking the advice of more than one person a prince who is not himself wise will never get unanimity in his councils or be able to reconcile their views. Each councilor will consult his own interests; and the prince will not know how to correct or understand them. Things cannot be otherwise, since men will always do badly by you unless they are forced to be virtuous. So the conclusion is that good advice, whomever it comes from, depends in the shrewdness of the prince who seeks it, and not the shrewdness of the prince on good advice.

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## ARMED FORCES DAY

### HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. TEAGUE of Texas. Mr. Speaker, I would like to offer the following editorial for insertion in the RECORD. Armed Forces Day was observed throughout the Nation recently and this editorial I believe is a fine tribute to the men and women of the armed services in our country.

The editorial follows:

[From the Dallas (Tex.) Morning News, May 14, 1973]

#### LET'S GIVE CREDIT WHERE IT'S DUE

(By Jim Wright)

This country will last as long as it has men and women who care enough about it to put their lives on the line in its defense.

Once there are no longer Americans willing to do so, the days of the country are numbered.

That is not alarmism or patriotic drumbeating but a truth evident in the history of the world and the nation. With our size and our background, we cannot hope to exist passively as a nation on the sufferance of other, more powerful countries. America is too big to hide. We will not escape the crises of the future by running off to Canada or Sweden to avoid trouble.

This week Dallas and the nation will honor those who did not run for the exits when their country called them to serve: The men and women of the armed forces. On Friday and Saturday, May 18–19, Dallas will observe Armed Forces Day.

There were many tragedies in the Vietnam War. One of the greatest tragedies and certainly the cruelest injustice was the tendency in some circles to blame the military for the burdens and costs of the war.

Under our system, the millitary does not declare any war nor does it make the decisions on grand strategy before or during a war. All of the final decisions are made by elected civilians. Thus the irony: Blaming the military for the decisions it carries out is somewhat like blaming the police for decisions of the City Council, the State Legislature, the Congress and the courts.

But that most ironic twist of the antimilitary outburst of the 1960's was the fact that they occurred during a war which the American military had to fight while under the tightest and most complicated political control in our history.

Maybe it's wishful thinking, but it seems to me that most Americans who joined in this injustice toward those who served them have recognized the unfairness. Dove or hawk, most of us are proud of our country and of those who gave so much in its name. We need to have such pride and we need to express it.

The return of the POWs was a catalyst for this great revival of national pride. These men reminded Americans of the sacrifice made by millions of our own countrymen, a sacrifice made not for money or for personal glory but on behalf of the rest of us.

Recognition of their sacrifice, heaven knows, is long overdue.

Item: In May, 1970, the last nationwide anti-Vietnam demonstrations took place. Students, professors, politicians and movie stars vied for the more than ample television and news space dedicated to their movement and to their specific statements and actions.

At the time the attention of Americans was taken up by these evolutions, 157 of their countrymen had won the Medal of Honor in Vietnam, 99 of them at the cost of their lives. Yet all of the heroes combined had received hardly a fraction of the public notice given to one campus riot.

About half of the Medal of Honor winners were under 22—yet it was the college demonstrators who were called the representatives of American youth.

The Medal winners came from 36 states, from every major ethnic and racial background in our country. Eighteen of them were black. One had been a conscientious objector and was serving as a medic. A cross section of their country, they and their comrades were denied its whole-hearted backing.

The individuals in the uniform of the U.S. had been sent to Vietnam on the lawful orders of public officials elected by and representing the American people. They were kept there fighting the longest, dirtiest, most frustrating war we've ever fought and for their pains they received few cheers at the time. few thanks afterward.

Now that some of the bitterness has abated, Americans are beginning to feel, somewhat belatedly, that these men should have the public gratitude and cheers that their deeds earned them.

Armed Forces Day this year, the first since the end of the war, offers the people of Dallas an opportunity to show the kind of support for the men and women of the armed services that is traditional in our country.

On Friday, May 18, the Military Affairs Committee of the Chamber of Commerce will hold the Armed Forces Day Luncheon at noon in the Grand Ballroom of the Sheraton Dallas. The luncheon, which is open to the public, military and civilian, will feature as guest speaker Gen. Jack Catton, commander of the Air Force Logistics Command. Tickets are $4.75.

On Saturday, May 19, there will be from 11 a.m. until 3:30 an Armed Forces Day show at Naval Air Station, Dallas. Representatives from all services will show visitors around an interesting array of equipment, including the C5A, world's largest aircraft, the F4 and A6 jets, OH58, UH1D and CH47 helicopters.

At neighboring Hensley Field, another and possibly even more interesting array will be the pretty contestants representing all North Texas military units in the Armed Forces Beauty Contest. The contest at the Air National Guard Gymnasium will begin at 1 p.m. Saturday.

Liberal or conservative, dove or hawk, it's about time we gave some credit to the people who have made it possible for us to have a choice about what we'll do and say. A good start would be to participate in one or more of the Armed Forces Day events this coming weekend.

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## BOOMING HANDGUN BUSINESS

### HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. DRINAN. Mr. Speaker, I attach herewith an article with shocking revelations about the booming handgun business. The article is reprinted from the Boston Globe of June 3, 1973.

This well researched article demonstrates that during 1972 retail pistol and revolver sales across the country soared to a high of $75.6 million. This is practically the same amount—$76.1 million—which all Americans spent on baseball goods during the same year.

During the last 6 months of 1972, American manufacturers produced 902,701 handguns—according to official statistics released by the U.S. Treasury Department.

A handgun legally crosses a sales counter every 12.6 seconds in America. The United States is quite literally becoming an armed fortress with handguns available in homes, garages, automobiles, and everywhere. Unless something is done to reverse the present upward escalation in the number of handguns in the possession of Americans there will be

**by the end of the 1970's one handgun for every male in America.**

**The article, written by Nathan Cobb, a skilled journalist on the staff of the Boston Globe, follows:**

BOOMING HANDGUN BUSINESS SOARS TO RECORD $75 MILLION

(By Nathan Cobb)

It's official.

The handgun—used by more murderers in the United States than all other weapons combined—is now as American as baseball.

During 1972, retail pistol and revolver sales across the country soared to a high of $75.6 million, according to excise tax figures filed with Internal Revenue Service (IRS). Americans spent roughly an equal amount—$76.1 million—on all types of baseball goods during the same year, the National Sporting Goods Assn. reports.

A month-long Globe study of the sale, ownership and use of America's number one criminal weapon concluded that despite Federal and Masachusetts laws passed in 1968 ostensibly to slow the massive flow of handguns into private hands, manufacturers and dealers of these deadly and concealable guns are enjoying a business boom.

In fact, becoming an economic equivalent of the "national pastime" has been only one recent accomplishment of the burgeoning handgun trade. Some others:

According to IRS figures, dollar volume of US retail handgun sales last year rose 59.4 percent over 1968, the year stiffer Federal laws governing handgun purchase were passed. During the same period, other firearm and ammunition sales rose only 14.1 percent.

American manufacturers produced 902,701 handguns during the last six months of 1972, according to newly-required reports filed with the Bureau of Alcohol, Tobacco and Firearms (ATF) of the US Treasury Dept. This is approximately a 50 percent jump over figures compiled in 1968 by a special presidential commission, and it represents a four-fold increase during the past decade. Additional figures filed with ATF show that four out of 10 guns now being made for private sale in the United States are handguns.

Imported handguns, which the 1968 Federal Gun Control Act restricts to those deemed "particularly suitable" or "readily adaptable" for sporting use, are skyrocketing in number. Last year, 439,883 handguns were imported for sale in this country, a solid 23.4 percent jump over 1971. In fact, handgun imports have now reached the level of the mid-1960s, when concern over their number led to a ban on the importation of small, cheap so-called "Saturday Night Specials."

The 1968 law has spawned a whole new domestic industry of "Saturday Night Special" manufacturers, located primarily in New York and Florida, who are churning out tiny .22 and .25 caliber handguns which cost between $5 and $25. Because Federal law technically bans only the importation of frames for "nonsporting" guns, these new manufacturers have been able to apply for permits to import enough other types of parts to assemble 4,322,800 handguns since 1968.

"There's definitely been a shift in emphasis toward handguns by gun buyers," said Saul R. Arnstein, co-owner of the Ivanhoe Sports Center in Watertown during a recent interview. "Since 1968, handgun sales are up while rifle and shotgun sales are down. Our estimated percentages used to be about 50–50. Now about 70 percent of our sales are handguns, while 30 percent are rifles and shotguns."

Today, Arnstein's retail and wholesale gun dealership, which he claims is the largest in New England, sells 3000 handguns a year. In 1968, he estimates he sold about 1500.

Although a small number of handgun owners use their weapons for target shooting and hunting, the weapon's success and popularity comes primarily from its effectiveness as a killer and maimer of human beings.

"But the handgun is not only just a murder weapon," William J. Taylor, Supt-in-Chief of the Boston Police Dept. explained recently. "There's no question that the ready availability of handguns increases all types of crime. I'm talking about robberies, rapes, everything. The handgun is definitely the most prevalent weapon in crime. And it's growing."

New England is the handgun manufacturing capital of the country. Of 68 domestic gun manufacturers listed in the 1973 issue of "Gun Digest," a gun trade directory published by the Chicago-based magazine of the same name, 17 are located in New England far more than in any other single region. Ten of these are handgun makers, including the prestigious Smith and Wesson Inc., of Springfield and Colt Industries of Hartford, Conn.

(New England also holds two dubious handgun manufacturing distinctions. The .22 caliber pistol that Sirhan B. Sirhan used to murder Sen. Robert F. Kennedy was made by the Iver-Johnson Arms and Cycle Works, Inc. in Fitchburg, and the .38 with which Arthur H. Bremmer shot Gov. George C. Wallace was manufactured by the Charter Arms Corp., of Bridgeport, Conn.)

These and other handgun manufacturers have consistently refused to release production statistics, and until ATF recently required that they file such figures dating back to July 1, 1972, no Federal agency kept track of how many guns were being stockpiled in America.

In 1968, subpoenas were required from the National Commission on the Causes and Prevention of Violence to make figures public. Then it was learned that America had legitimately produced 22.6 million handguns for private sale since 1899 to go with the 5.4 million handguns that had been legally imported. Since the commission's initial findings, the recent handgun boom has buoyed the country's private arsenal by 12 to 15 million more concealable firearms.

Says William F. Fitzgerald, director of the Firearms Record Bureau of the Massachusetts Dept. of Public Safety: "Keeping track of the growing number of handguns isn't like taking a population count. Unlike people, guns don't die off. Very, very few of them ever disappear. The total number just keeps growing."

Thus, most current estimates of handguns place the national total at somewhere between 30 and 40 million—or about one deadly handgun for every 1.5 American families.

And the total continues to mount.

Although Massachusetts has relatively strong laws governing handgun purchase (roughly 25 percent of the state's 70,284 legal gun sales last year were handguns, and only about one out of every 135 handgun sales in the US takes place in the Bay State), a Globe survey of local dealers revealed that business is brisk.

Some retailers reported sales up as much as 50 percent over 1968, when Massachusetts passed what is considered to be one of the toughest gun laws in the nation.

According to the Firearms Record Bureau, there are approximately 110,000 persons in Massachusetts with licenses to carry (and therefore purchase) handguns, as well as another 300,000 people who possess Firearms Identification Cards (F.I.D.), which allow them to keep guns in their homes. Both are issued by the local police chief in the gun owner's city or town. An F.I.D. card may also be used to purchase a handgun when accompanied by a special permit to do so which is also issued by local police.

The Massachusetts system, however, registers legal owners, not guns. As Arthur A. Montouri, special agent in charge of the Boston district office of ATF put it recently. "A person with an F.I.D. card or a license to carry can own 20 guns. And often does."

Further, law enforcement officials interviewed this week contended that only a portion of the state's handgun owners have licenses, and that growing legal sales represent only part of the handgun market.

"I'd guess that for every legal owner there are two illegal owners," offered Lt. Det. Jerome P. McCallum, acting head of the homocide bureau of the Boston Police Dept. "It just seems to me that everyone and his brother has a handgun around here."

Clearly, these are bonanza days for the more than 150,000 Federally licensed gun dealers across the country, whether they are handling Colt's powerful 357 Magnum or the handy Model 733 .32 caliber revolver manufactured by Harrington and Richardson Inc., Worcester.

"The handgun supply simply hasn't been able to keep up with the demand," said James F. Mahoney, clerk at Bob Smith's Sporting Goods, a Boston retailer and wholesaler. "For instance, Smith and Wesson has cut their allocation to us in half because they have so many orders."

Some manufacturers, Smith and Wesson included, sell through wholesalers. Others, such as Colt, move guns directly to retailers. The two-stage mark-up is approximately 35 percent, with about 15 percent going to the wholesaler if he is included.

While some of the increased sales are undoubtedly for sporting purposes, dealers report that the major reason people are buying handguns is fear—generally of other people with guns.

At Bob Smith's Sporting Goods, merchandise manager Stephen Vinciguerra stated that 60 to 70 percent of the firm's handgun sales are to people who want to "protect" themselves. "I'm selling handguns to guys who've never bought a gun before and who said they'd never buy a gun," Vinciguerra said. "They're buying good quality .22s, .25s, .32s and .38s. People are scared. There isn't a merchant in downtown Boston who doesn't have a gun under his coat."

Such buyers are apparently unconcerned by warnings similar to that which came from the National Commission on the Prevention of Crime and Violence, stating that handgun owners are more likely to shoot themselves or a member of their family than stop a criminal.

This view was echoed recently by Supt. Taylor, Boston's number two cop. "If these people think a gun will do any good to prevent a robbery, they're mistaken," Taylor said. "They'll just cause a threat to the criminal and the criminal will respond with more violence. Believe me, the criminal will make the first move. And if you move second, you're in trouble."

Meanwhile, the deadly stockpile continues to grow across America. A handgun legally crosses a sales counter every 12,6 seconds. and illegal transfers probably occur as frequently.

Handguns are in bedside tables, closets and bureaus. They're in cellars, garages and automobiles. Before the decade is out, there will be one handgun for every male in America.

"My house is a fortress," boasted one Boston gun dealer recently, taking up the cry for even more guns. "Why, I could hold off twenty guys from in there."

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## STATEMENT ON REDUCTION OF MILITARY FORCES IN CENTRAL EUROPE BY HUNGARIAN FREEDOM FIGHTERS

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### HON. LAWRENCE J. HOGAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

**Mr. HOGAN. Mr. Speaker, recently I introduced a concurrent resolution con-**

cerning the Holy Crown of Saint Stephen. This resolution expresses the sense of Congress that the Holy Crown of Saint Stephen that was entrusted to the United States in 1945 should not be returned until Hungary once again functions as a democracy freely chosen by the people of Hungary.

Recently the Hungarian Freedom Fighters' Foundation communicated to me their concern with the negotiations on reduction of military forces in central Europe, and the fact that Hungary be reduced to the status of observers at the conference and that her territory be excluded from the area of the projected troop cuts.

I submit the statement of the Hungarian Freedom Fighters Federation on this subject for the RECORD:

### STATEMENT OF THE HUNGARIAN FREEDOM FIGHTERS FEDERATION CONCERNING NEGOTIATIONS ON REDUCTION OF MILITARY FORCES IN CENTRAL EUROPE

I

The nations of NATO and the Warsaw Pact are participating in negotiations to explore the possibility of reducing military forces in Central Europe. An Associated Press report, dated May 14, 1973, confirmed the previously spread rumors concerning the break in the procedural impasse causing the deadlock of the preparatory talks in Vienna.

The impasse was resulted by the dispute over the status of Hungary. The Soviet demand—submitted in early February—that Hungary be limited to observer status was resisted by the western participants for 14 weeks.

A concession on this issue by the NATO powers—forced and forged by the United States—cleared the way for the resumption of substantive talks.

Despite long, heated protest by Britain and other allies, the United States insisted that the West yield to Moscow's demand that delegates of Hungary be reduced to observer status and her territory be excluded from the area of projected troop cuts.

The Hungarian Freedom Fighters Federation deplores this action of the United States Government.

The Federation voices its opinion that the denial of full membership to Hungary in the MBFR talks held in Vienna is gravely affecting the fate of Central Europe and the hoped for reestablishment of Hungarian sovereignty.

The effects of the western concession—which was coined by the thrust of the Nixon Administration—will be comparable to the historic and regretful results of diplomatic inaction on the part of the United States in 1956 during and after the Hungarian Revolution.

Mr. Nixon's decision to unilaterally abandon his own goal to "conduct a credible diplomacy to negotiate a mutual reduction of forces" was made free from the pressures of an unexpected bloody revolution, and of an opportunistic war waged concurrently by old friends of the United States against a country with strategic and economic importance to the United States, free from the assumed possibility of a nuclear holocaust in case of intervention.

The decision to concede to Soviet demands was reached after three months of calculating deliberation, and in the full knowledge of the consequences.

For these reasons the decision is inexcusable.

The results of the fateful, paradoxical verdict, delivered by the President of the United States over Hungary and her people, are incomprehensible. The President by his action robbed from the Hungarians the only treasure that they still could call as their own: the hope for freedom, for life without foreign occupation, exploitation.

The presidential decision is deplorable not only because it sanctions and finalizes the occupation of Hungary and prepares her for the fate of the Baltic States, but because it does not serve the best interests of the United States either.

In a time when the very fabric of our national integrity, honesty, the soundness of our Government are tested at home, opportunistic deals on the field of foreign policy cannot and will not restore the lost prestige either of our Government or of our President.

Therefore, the Hungarian Freedom Fighters Federation—representing and expressing the true and basic interests of the silenced, oppressed Hungarian nation, and on behalf of Americans concerned with the fundamental American interests in Central Europe—calls upon the President of the United States to reverse his position and instruct the representatives of the United States in Vienna to energetically pursue the reinstatement of Hungary to full membership status in the preparatory talks and to assure that her territory be included in the area of projected troop cuts.

II

The Hungarian Freedom Fighters Federation recognizes the fact that the negotiations aimed at military force reduction in Central Europe hitherto called Mutual and Balanced Force Reduction talks—are necessary and in the framework of currently acting domestic and international pressures are inevitable.

These negotiations, however, should try to positively foster the free political development of Central Europe and contain inherent assurances that they do not inadvertently serve an expansive and aggressive Soviet policy in Europe.

The concessions made by the NATO powers at Vienna concerning Hungary's status, proves the West short on both of these accounts.

There is no attempt to influence the totalitarian regimes to observe national and human rights and there are no assurances at hand to curb the appetite of Communist Soviet colonialism.

The original aim of the MBFR talks was—as President Nixon announced on November 4, 1972, in his address on nationwide radio—to conduct "negotiations on mutual and balanced force reduction of armed forces in Central Europe."

The concession of the Western powers, manufactured by the United States is the paradox of this presidential statement.

The exclusion of Hungary from the effective area of the troop reduction talks means that the maps of Central Europe are being arbitrarily redrawn by power politics.

Central Europe without Hungary is like New England without Massachusetts.

Geography is not as flexible as seemingly Nixonian politics and commitments are.

The unrestricted use of Hungary by the Red Army of the Soviet Union, sanctioned by American eagerness to please the red rulers in the name of detente, provides a beachhead for Communist Imperialism in the strategically located crossroads of Central Europe. The unrestrained access to Yugoslavia—the potential trouble spot of the next decade in Europe—whets the appetite of the rulers of the Kremlin to implement the Brezhnev Doctrine there also, in order to gain a direct overland access to the Mediteranean.

Reduction of armed forces in Czechoslovakia is meaningless without a similiar action in Hungary. Forces of geography are supplying the indisputable argument to support this statement.

The cut off of Hungary from Central Europe assures the deprivation of both dismembered parts of the heart of Europe. An artificial division of a geographic, economic entity, promulgated by the United States does not serve the long range political, military and economic interests of America.

Therefore, the Hungarian Freedom Fighters Federation in the name of Americans of Hungarian descent calls upon all Americans to support the Federation's request, submitted to the President, urging him to reverse the position of the United States, regarding Hungary's status in the Vienna force reduction talks.

Washington May 15, 1973.

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## ALL-CHANNEL RADIO BILL OFFERED

## HON. LIONEL VAN DEERLIN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. VAN DEERLIN. Mr. Speaker, I direct the attention of colleagues to legislation, pending in both House and Senate, aimed at widening the reception capacity of radio sets.

The House bill, which I am cosponsoring with Mr. BROWN of Ohio, is similar to S. 585, introduced by Senator Moss. Both would require a capability for FM signal reception, as well as AM, in all but the least expensive radio receivers.

Senator Moss' legislation stipulates that receiving sets costing $15 or more have the all-channel capability. Our House version would leave it to the Federal Communications Commission to determine, within 2 years, what the cutoff point should be as to price. Apart from that minor difference, the measures are virtually identical.

Our feeling is that these bills would do for FM radio—particularly noncommercial stations—what the UHF requirement, in television sets, has accomplished for those often marginal stations that must transmit on channels 14 and up. More important, consumers would benefit from having generally available a wider selection of stations for information and edification, as well as entertainment.

As Senator Moss and Congressman BROWN have noted, 549 of the 571 noncommercial radio stations operate on the FM band. Overall, some two-thirds of all independent FM stations are now money-losing propositions, in rather stark contrast to the profitable operations enjoyed by most licensees in other areas of commercial broadcasting.

I hope that hearings can be held in the near future on the bill by the House Commerce Subcommittee on Communications and Power, on which Mr. BROWN and I both serve. Text of our bill, H.R. 8266, follows:

H.R. 8266

A bill to amend section 303 of the Communications Act of 1934 to require that radio receivers be technically equipped to receive and amplify both amplitude modulated (AM) and frequency modulated (FM) broadcasts

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 303 of the Communications Act of 1934 is amended by adding the following new paragraph at the end thereof:

"(t) Have authority to require that any apparatus designed to both receive and amplify amplitude or frequency modulated radio signals be technically equipped to receive and amplify both amplitude modulated and frequency modulated broadcasts when such apparatus is shipped in interstate commerce, or is imported from any foreign country into the United States, for sale or resale to the public: *Provided*, That the Commission may, pursuant to a rulemaking proceeding, exempt from coverage of this paragraph such apparatus as it deems necessary and appropriate."

SEC. 2. Section 330 of the Communications Act is amended as follows:

(a) by striking out "paragraph (s)" in subsection (a), and inserting in lieu thereof "paragraphs (s) and (t)".

(b) by striking out "that paragraph" in subsection (a) and inserting in lieu thereof "those paragraphs".

(c) by striking out "section 303 (s)" in subsection (b) and inserting in lieu thereof "sections 303(s) and 303(t)".

(d) by striking out "TELEVISION" in the section heading and inserting in lieu thereof "BROADCAST".

SEC. 3. The amendment made by section 1 of this Act shall not take effect until the date upon which the rules promulgated under the proviso clause of said section become effective: *Provided, however*, That said rulemaking shall be completed within two years of enactment of this Act: *Provided further*, That the Commission shall report to the Congress within one year of the date of enactment of this Act on the status of said rulemaking.

## OAK PARK STUDENT WINS PRIZE

### HON. HAROLD R. COLLIER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. COLLIER. Mr. Speaker, last year the Colgate-Palmolive Co. sponsored an essay contest for junior and senior high school students. Students from all over the Nation participated, with entries being judged on the basis of maturity of ideas, ability to recognize America's domestic problems, and the soundness and practicality of the proposed solutions.

Debra A. Beran, a 17-year-old student from Oak Park, Ill., won second prize in the contest, which attracted 6,000 entries. Naturally, I am highly pleased that this young lady from my district was accorded this honor. Her well-reasoned, well-written and thought-provoking essay deserves a much wider audience. I am therefore inserting it in the RECORD.

The essay follows:

#### TACKLING TODAY'S NO. 1 DOMESTIC PROBLEM. . . . CRIME

(By Debra A. Beran)

"Now when they were in the field Cain turned against his brother Abel and slew him". Genesis 4.

One of the earliest recordings of man's existence, the Bible portrays a conflict between men. Unfortunately, over three thousand years later the same basic conflict of man versus man still exists. Crime, over our national problems of inflation, poverty, and drugs is the nation's number one problem. Crime is the root of these domestic problems. It has an impact on our economy, morality and the lives of individual citizens. Although crime seems to be a part of human nature, as witnessed in the biblical reference, crime must not be an influential factor in our lives.

Crime hurts our nation's economy through, retail losses, costs of preventive measures, and channelling this illegal money out of the economic system. In the first six months of 1971, the value of securities stolen was four hundred ninety four. That is a two hundred percent increase over the preceding year's total losses. Preventive measures in private homes and businesses equalled about two hundred million dollars. As a result of the business losses, the consumer pays, through an increase in prices. This adds to the rise in the inflationary spiral.

In the inner city, crime runs rampant. The unemployed inner city youth, channels his unused energies into robbing or terrorizing the owner of small neighborhood businesses. Having been robbed many times, and not wanting to pay the "insurance fees" to safe-guard his possessions, the proprietor either closes shop or moves to the suburbs. When businesses begin to move out of the neighborhood, this leaves a job void. As a result of the job void, the unemployed youth turns to crime. The youth may turn to drugs, prostitution, or organized crime.

Once a youth gets involved in crime, he finds himself deeply embroiled. An example, is the drug addict. He starts out using drugs as an escape, then steps toward stronger, more expensive drugs. In order to support his habit, he steals or becomes a pusher and starts others on the habit. The situation of the prostitute is very similar to that of the addict.

Behind these youths is an organization which profits from the illegal efforts of these "poverty-stricken" youths. Supporting their illegal habits with loan shark deals, gambling, prostitution and drugs, the organization makes money, which they channel into other illegal endeavors.

However, crime also affects the individual citizen. Fearing the possibilities of robbery, rape, and assault, a citizen is afraid to leave his house or walk the streets at night. He fails to support the local businesses closed after dark, crime can run rampant, robbing the few citizens on the street and burglarizing the closed stores. This situation leads the citizens to question the efficiency of the police and the judicial system, when in reality, the citizens, to stop crime, must back and unite with the police.

One of the means of controlling crime is through the proper utilization of the police system. The police have become the scapegoat of these people frustrated by the system. That is one reason we need emotionally stable policemen to control the possibility of "police brutality". The qualifications for entering the police force should be stiffened to stress the mental, rather than physical qualifications. The man should have at least two years of college training and be capable of exercising good judgement in a time of emergency. The man should not be saddled with menial tasks, such as, clerical duties, looking for lost dogs and licensing bikes. The patrolman should be on patrol and gaining peoples' confidence and respect. To obtain this type of man, the salary must be lucrative. Also, to keep the men qualified, they should return to school, periodically. To fulfill these needs, both federal and local funds must be appropriated.

Another necessary reform is in judicial and prison systems. Today's courts are so backlogged that the offenders are either free on bail to commit crimes or spend at least eleven months under the influence of hardened criminals. The courts are so far behind, that police fail to arrest minor offenders. However, without the threat of punishment, these criminals commit more crimes.

Hence, some possible reforms would be to cut the number of the jury from twelve to six, and to require a majority rather than a unanimous verdict. This would speed up the process by eliminating retrials. Another way to alleviate the backlog, is to eliminate trials for automobile accidents through no-fault insurance and by having fines sent in for both traffic violations and for some misdemeanors. Cases also should be heard within a reasonable amount of time. However, in order to do this, more personnel is needed.

Furthermore, to aid the prisoners during and after their imprisonment, the prisoners and their rehabilitation programs need to be reformed. The prisoners should be grouped according to the seriousness of their crime, so that the minor criminals don't integrate and learn the ways of the hardened criminals. The rehabilitation programs should be set up to train the convicts for useful jobs in society, rather than such outmoded tasks as making license plates. Quality rehabilitation facilities could prevent both the high percentage of recidivism and up to fifty percent of the crimes. More halfway houses should be established to assure that the ex-convict has been rehabilitated. Generally, if a person survives these houses, he is ready to be a productive member of society. Drug addicts should also be rehabilitated and treated as mental cases and not as criminals. If given a proper rehabilitation, the criminal and addict could lead a useful life.

Our crime can be solved. Recruiting quality police officers and establishing good relations with all members of the community is one place to begin. The police with the private citizens must set up programs in the city to channel the energies of the youth into productive enterprises and to divert the money from organized crime into the national economy. The next step is the reformation of judicial procedures and personnel. Also the prisons must rehabilitate rather than further damage the criminals that enter them. If the prisoners were rehabilitated through these programs and halfway houses, it would cut down on recidivism and the crime rate. Unfortunately, all these procedures cost money. In a poll taken by Life magazine, seventy percent were willing to have tax increases to fight crime. The nation must use its tax money and other government funds to combat crime and reform the system.

## A TRIBUTE TO FATHER NORMAN GEORGE FOR 40 YEARS OF SERVICE TO GOD AND COUNTRY

### HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. KEMP. Mr. Speaker, 40 years ago, in Innsbruck, Austria, a 28-year-old young man from western New York was ordained into the Roman Catholic priesthood.

This coming Sunday, June 10, my friends and neighbors in Hamburg, N.Y., community leaders and others in the Greater Buffalo area will pay tribute to the Reverend Norman R. George for his four decades of selfless service to God, the faithful, our community, and our country.

Held in deep affection by my friend and district representative, Ed Rutkowski, and the other parishioners of SS. Peter and Paul Church and throughout the Greater Buffalo area, Father George is a native son.

Born in Wyoming County, southeast of Buffalo in 1904, Father George was one of nine children. He attended parochial grade school in his hometown at Sheldon and graduated from St. Mary's Academy in the little town of Strykersville.

During these years as a young man, his compulsion to assist others was manifested as he prepared to become a teacher. He went on to the old Buffalo State Teachers College and, for a time, taught at the Sheldon District School.

Later, he obtained his bachelor of arts degree from Canisius College before beginning his theological studies at the University of Innsbruck.

Following his ordination in 1933, Father George returned to the Buffalo diocese with an assignment as assistant pastor at St. Joachim. Successive posts as an assistant were at St. Mary Magdalene, Our Lady Help of Christians, St. Vincent de Paul, St. Boniface, and St. Joseph's New Cathedral.

Shortly after his appointment as pastor of the Immaculate Conception Church in Eden, N.Y., a suburb of Buffalo in 1950, Father George arranged for the purchase of land for construction of a new church, school, and convent. In 1962, he returned to St. Mary Magdalene Church as pastor, serving that parish until his appointment at SS. Peter and Paul in 1967.

From 1940 through 1948, Father George was the chaplain of the 65th Infantry, New York State National Guard, with the rank of major. He retired as chaplain of the 27th Division, New York State National Guard, in 1950.

Father George's many contributions to our community include that of Buffalo diocese district youth director; district moderator of the Holy Name Society; chaplain of the Councils of Catholic Men and Catholic Women; chaplain of Catholic Daughters of America and moderator of the Saint Martin de Porres Interracial Club.

He served as a member of the Catholic Charities Advisory Board, as a marriage counselor, a pre-Cana instructor, and was among the first chaplains of the Christian Family Movement.

Mr. Speaker, Father George will be honored at a mass at his church this Sunday, followed by a buffet and reception in the Saints Peter and Paul School Auditorium.

I feel it is a great privilege to bring this faithful servant of God and his fellow men to the attention of my distinguished colleagues. In behalf of my constituents in the 38th Congressional District of New York State, I wish to publicly express our gratitude for his years of work and contributions and to wish him well for years to come.

## TOWARD TRUE CORRECTION

## HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. RANGEL. Mr. Speaker, by now it is a commonly acknowledged and widely held belief that our system of corrections and our prisons are failing us. Instead of rehabilitating and reforming their inmates, the prisons are training individuals for lives of further crime. Instead of gentleness and hope, the prisons breed hate and despair.

With Attica now on the collective conscience of America, changes are slowly coming. The realization that we had better deal rationally and compassionately with our prison population is solidifying.

Tom Wicker, in a recent New York Times column, dealt with this. The article, entitled "Changing A Senseless System", is submitted for the information of my colleagues:

[From the New York Times, May 29, 1973]

### CHANGING A SENSELESS SYSTEM

(By Tom Wicker)

BOSTON.—More than a hundred years ago, we had a giant prison down South and the prisoners were called slaves. The poor whites ran it and the planters got cheap labor. Now we've got a lot of prisons just like that—low-paid white guards and blacks in the cells.

That is the view of John O. Boone, the progressive new Commissioner of Corrections who says he is bringing not "prison reform" but "community-based corrections" to Massachusetts. And it is that view, rather than the vague and deceptive concept of "rehabilitation," that seems to govern Mr. Boone's approach.

"I've been through my rehabilitation phase," he says of his twenty-year career in the Federal prison system and at the District of Columbia's Lorton Prison. Now, with many other thoughtful professionals in the field, he seems much more interested in more manageable goals—reducing the prison population, closing prison facilities, saving taxpayers' money, treating prisoners as human beings rather than as animals or slaves, using their time of indebtedness to the state more sensibly for them and the public.

"Community-based corrections"—getting prisoners out of institutions and back into the community, under various degrees of control—is a means to all those ends. Nobody has yet shown that it is also a means of "rehabilitating" offenders or of reducing crime significantly. In fact, nobody has shown that any kind of correction can do that.

Mr. Boone and others in the field nevertheless believe that the present system of incarceration is cruel, senseless, too expensive and makes the crime problem worse. Changing that system is therefore a good thing in itself and might even give some inmates the skills, the chance, the self-esteem to make better lives for themselves. Since almost all prisoners at some point will return to the community, it is obviously self-defeating to send them back even less able to get into it than when they were sent away.

Already in Massachusetts, work-release and study-release programs at the various institutions take many inmates back to the community during the day; for instance, in one ninety-day program for youthful addicts and minor offenders, 90 per cent are in work-release programs, earning an average of $100 a week and undergoing counseling and therapy at night.

Mr. Boone and Larry Solomon, the Corrections Department program director, also would like to bring about a closer integration of vocational training, actual work and work release, so that an inmate's necessary time of confinement could be put to better use. If the typical prison term is three years, Mr. Solomon believes, in most cases the first month ought to be one of interviewing, counseling, classification; and the last eighteen months ought to be spent on work or study release. The intervening seventeen months, depending on the prisoner, could be used for job training, in prison education, productive work or whatever might be appropriate.

Even the most traditional prison occupation—making auto license plates—might become part of a community corrections program. Mr. Solomon sees no reason why the plates could not be made in a plant outside the prison, to provide a work-release program for inmates who either don't want or can't handle training for more complex and demanding work.

On the other hand, one major fault of most prisons is that the inmates are made to work at jobs for which there is little demand in the community. In the Massachusetts program that is taking shape, there is already a successful computer-programing training unit, aided by private industry. Another program is channeling prisoners on work release into hospital staff work. Mr. Solomon envisions the possibility of setting up the prisons' print shop as an outside business, to be run as such by men on work release.

One obvious advantage in such plans is that the inmates could earn a decent wage—with which they might keep their families off welfare, or in some cases be made to compensate the victims of their crimes. An income from their own productive work could send them back to the community with savings, instead of empty pockets; and for some it might even stimulate self-respect—the lack of which seems to be at the root of many offenders' personalities.

Another benefit from the community approach is that it can largely remove active men and women from the corrosive and destructive idleness and boredom of cell life, menial and make-work jobs, and institutional routine; not all will benefit from productive work, useful training or educational opportunity, but those who have latent ambition and ability may find the means to cope with the stresses of returning to the community.

All this is possible, John Boone believes, because so few—about 10 percent—of the offenders really have to be caged up to protect society. So far, his furlough and release programs bear out this view, as have similar programs in other states. Moreover, there is money to be saved; Massachusetts was spending about $8,000 a year on the mere custodial care of inmates before the new program was launched. That is a high price for what all too often was the further training of an offender in a life of crime.

"Most of the people in prison are so unskilled they couldn't even steal $8,000 a year," John Boone likes to say. That is sad testimony to the sheer senselessness of the system he is trying to change.

## BOB HAMM SPECIAL REPORT

## HON. DAVID C. TREEN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. TREEN. Mr. Speaker, I have received much correspondence on the issue of amnesty, and not one letter has been in favor of a general amnesty.

KATC–TV in Lafayette, La., has a program entitled "Man on the Street." This program gives people the opportunity to express their viewpoints on relevant issues. On one such program the following viewpoint on amnesty was presented.

I wish to thank Mr. Verne Hawkins for bringing this particular "Man on the Street" to my attention and I am inserting it in the CONGRESSIONAL RECORD so that my colleagues will have the opportunity to read an opinion which is representative of the correspondence I have received on the subject:

### BOB HAMM SPECIAL REPORT: MAN ON THE STREET

Yesterday, on our "Man on The Street" interviews, we listened to comments for or against Amnesty for young people who illegally evaded military service during the Viet Nam Crisis. It is easy to sympathize with these people . . . easy to understand why they preferred violation of the law of the land to killing or dying in the dirty little war in Indo China. In other wars, young men have marched off as heroes . . . come home as victors . . . and have been allowed to feel that they played a part in God's plan for freedom from oppression, fear and deprivation. The warriors in Vietnam were not allowed this feeling of noble participation in a bloody but necessary mission, the families of those who died in other wars could say proudly that a loved one had given all he had or was for a holy cause. Families did not say that sons, brothers and fathers fell in Southeast Asia. When other wars were concluded, there were great celebrations . . . and even a feeling that maybe the war to end all wars had finally been fought. Nobody even considered that possibility this time around. The foe is unvanquished. The peace is uneasy. The government our young men died to support is quite possibly unworthy. Thus, it is easy to sympathize with the young men who evaded the draft. But . . . *our sympathy is about all we can afford to give*. We cannot give them a precedent of amnesty which would apply in future situations where an ugly war begun in a steaming jungle might spread from hamlets whose names we can't pronounce or remember . . . to our own shores . . . bringing with it an oppressive ideology which would wipe out the nation as we know it. When our flag goes into battle, it is imperative that we follow it. Amnesty now would mean that Americans may now refuse to follow the flag, and when we no longer follow the flag, the nation will be in retreat. And that's our Special Report.

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## PROBING HUMAN BEHAVIOR

## HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. HANRAHAN. Mr. Speaker, the Wall Street Journal editorial of May 29, 1973, entitled, "Probing Human Behavior" is one that deserves our full attention. It is an excellent piece and serves, I think, to give us a better perspective on our roles as legislators. Let us take note of this editorial included below, and take a fresh look at our efforts and endeavors here in Congress:

### PROBING HUMAN BEHAVIOR

What makes man tick? What are the causes and components of the human condition? Although we are probably better able to answer those questions today than ever before, even now we appear to be largely in the dark. And our groping has important political as well as sociological and psychological implications. To understand why, it is instructive to examine several recent findings.

Again and again warnings were raised that returning POWs would have difficulty adjusting to their new surroundings, that they would recoil from crowds and responsibilities, that they would be a long time emerging from the shock of captivity. Military welcoming plans were carefully based on just such self-evident assumptions.

The warnings proved true in some cases. And other POWs will no doubt suffer delayed psychological reaction from their ordeal. But to a degree that has astonished just about everyone, the POWs seem to have adjusted beyond the most optimistic hope, many seem to delight in crowds (particularly crowds of children) and others have assumed far more responsibility than almost anyone thought possible.

Take another example, that of infants isolated during the first years of their life. Previously it was believed that such experiences inexorably doomed them to a lifetime of retardation. But Jerome Kagan, Harvard human developmentalist, reported in a recent issue of the now-defunct Saturday Review of Education on his recent experiences among infants in a Guatemalan village who, in an effort to protect them from the evil eye, are completely isolated by parents during the first years of their lives. Although the infants were retarded at the end of their isolation, this abnormal experience had not affected the basic intellectual functions of the village's 11-year-olds or their ability to experience normal gaiety and sadness, guilt and shame. On the contrary, Mr. Kagan found them alert, active, affective.

Then there's the durable old subject, I.Q. Whereas psychologists used to think improvement stopped at age 15, that was revised upward to age 25 in the 1940s. Now Dr. John Kangas, director of the University of Santa Clara Counseling Center, has compiled statistics that appear to show a person's I.Q. increases as he grows older, continuing to rise even after age 44.

None of the above can be considered more than isolated examples, the very first inklings of what might someday prove to be trends; it will be years before their significance can be known. And we cite them, not to imply agreement, but to underscore the pitfalls of trying to fit all human beings or behavior into narrow categories.

Few people make that mistake in individual cases, yet it's amazing how often most of us are willing, even eager, to generalize about human behavior in support of or opposition to school busing, pre-school education or dozens of other socio-psychological issues that are anything but clear cut when they are injected into politics.

Obviously, governments must proceed on assumptions based on the best available evidence at the time, and wise governments will adjust their policies as new evidence becomes available. Without trying to draw too fine a parallel, we have the impression that is what the administration is attempting to do (although admittedly in a heavy-handed and not very articulate manner) in paring the many social programs of the '60s that, in light of the empirical evidence, simply were based on false and incomplete premises.

However that may be, the examples cited above, together with countless other examples of how little we really know about individual motivation and reaction, should give pause to all of us, editorial writers as well as sociologists, who act as though we alone have the answers for improving or regulating human behavior through social legislation.

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## POSTER GIRL FOR KIDNEY MONTH IS INSPIRATION TO ALL

## HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. DULSKI. Mr. Speaker, great progress has been made in the past few years in the treatment of kidney diseases and, particularly, in the successful transplant of kidneys.

The progress in this field cannot be better told than the interview with a pretty 23-year-old girl who doubles as 1973 Poster Girl for the Kidney Foundation of Western New York, Inc., and as assistant to the foundation director.

She is Adrienne Webdale, whose daily activities now are so normal that most people do not know she's a transplant recipient. She says she often forgets it herself.

The great strides that are being made in medical research are a subject of constant amazement and appreciation. Adrienne provides a special stimulation to the work of the foundation in western New York.

Karen Brady has captured the saga of Adrienne and the entire effort in her excellent interview which I include with my remarks:

### POSTER GIRL HERSELF HAD KIDNEY TRANSPLANT

(By Karen Brady)

"I can eat, drink and be merry now!" says Adrienna Webdale. "I could live to be 80. Or I could die tomorrow. Just like anyone else."

A bright, exceedingly pretty 23-year-old, Adrienne is the 1973 poster girl for the Kidney Foundation of Western New York Inc.

She's also assistant to the foundation's director, Donald I. Downing.

And she's one of hundreds of Western New Yorkers who are alive today because of a successful kidney transplant.

"Most people don't even know I'm a transplant," Adrienne told me casually, "Sometimes I even forget myself."

But only five years ago, Adrienne wasn't eating, drinking or being merry.

She wasn't working or going to school either.

Instead, she was hospitalized much of the time, so that she could be kept alive by a kidney machine. She didn't feel well or look well. Her diet was so strict that she was allowed only one pint of fluid, and two ounces of protein, a day.

"Both my kidneys have been removed," Adrienne explained. "I was very happy. I hated being so sick. I wanted a transplant . . ."

#### NO LONGER RARITY

Luckily, kidney transplants are no longer a rarity. And even more luckily, the members of Adrienne's family were anxious to help her. They all submitted to tests to determine their blood and tissue typings.

"I stood the best chance of a successful transplant if my new kidney came from someone in my family," Adrienne said. "Our blood and tissue typings were much more apt to be the same."

And so, on July 17, 1968, Adrienne's father—Alfred C. Webdale Sr.—gave one of his healthy kidneys to his youngest daughter. The double operation took place at Deaconess Hospital and was highly successful.

As she spoke, Adrienne eyed the telephone on her desk.

"I'm waiting for a call from Ontario," she said. "Two kidneys are on their way here."

When the call actually came, Adrienne said, she would go to the border with a sheriff's escort, which would then rush Adrienne and the kidneys to Roswell Park Memorial Institute and Meyer Memorial Hospital where kidney patients were waiting with their doctors for transplants.

"The kidneys were donated by dying persons," Adrienne said. "Apparently they weren't needed in Ontario right now. Probably the blood and tissue typings weren't right for the patients there waiting for transplants."

A very efficient young woman with an understandable dedication to her job, Adrienne sometimes works six days a week for the foundation whose headquarters are at 1107 Harlem Rd. in Cheektowaga.

### FOUNDATION BEGAN 1958

"The foundation was started in 1958 by parents here who had children with kidney disease," Adrienne said. "It's non-profit and has several programs . . ."

These include an organ donor and kidney recovery program which enables people like you and me to arrange now to have one or both of our kidneys donated after death so that someone else may live. It also pays for the donated kidneys and the donor's surgical expenses. It sees that there is a team of trained surgeons on hand at all times in Western New York, so that kidneys may be removed and transplanted as soon as possible.

The foundation provides medical fellowships to encourage young doctors to specialize in kidney work. It has a medication program which allows kidney-disease patients to purchase their expensive prescriptions at cost. And it has a number of services designed to educate the public about kidney disease. It sponsors a medical symposium on the subject here each year.

"All the money donated to the foundation is used in Western New York," Adrienne said, adding that the foundation is just starting a detection program for high blood pressure.

It will begin later this week at the Summit Park Mall in Niagara Falls.

"Our services will be free and we'll be going to shopping plazas and other public places," Adrienne said. "It's important because a lot of people don't know when they have high blood pressure, and it can be a symptom, or even a cause, of kidney problems."

### FOURTH MAJOR DEATH CAUSE

A lot of people don't know that kidney disease is the fourth major cause of death in this country and that it can strike anyone, of any age, at any time.

"I was seven when they found out I had it," said Adrienne who was a student at Nardin Academy's elementary school at the time.

"My eyes and legs were swollen," she said. "My mother took me to the doctor."

Adrienne had nephrosis, which meant, she said, that her kidneys were spilling protein.

But was nephrosis something Adrienne had had since birth?

"No," she said. "They think I might have gotten it from colds, or sore throats . . ."

Adrienne was put on a low-protein diet. She was given special medication. And then, because she felt fine, she stopped going to the doctor.

She stopped thinking about any special diet, or any special medicine.

Her family moved from Buffalo's West Side to Cambria, N.Y., and Adrienne started going to De Sales High School in Lockport.

### ACCIDENT BRINGS DISCOVERY

"When I was a senior, I was in a school bus accident," she said. "I lost a lot of blood, and that's when they found out my kidney problems had been getting worse. They took me out of school. I had to take my exams in the hospital."

That summer, Adrienne started dialysis treatment at Deaconess Hospital. This meant she went to the hospital twice a week and was put on a kidney machine for six hours. The machine removed her blood, cleansed it and returned it each time.

"Many people do better on the machine than I did," Adrienne said. "I felt sick all the time and I couldn't do much. I slept a lot."

At the end of nine months' both of Adrienne's kidneys were removed. After that, she waited, living only with the help of the machine, till she could receive her father's healthy kidney.

"It seems a very long time ago now," said Adrienne, who went on to major in psychology at Rosary Hill College. She was a cum laude graduate and her senior thesis—a paper on how price differences affect consumers' product choices—will be presented to the American Psychological Association in Montreal in August.

"The only things I have to do now that most other people don't is have extra medical checkups and take a small amount of medication," said Adrienne. "But sometimes I think if I'd been born 10 years earlier, the doctors probably couldn't have helped me. That's how fast they're progressing in kidney research."

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## BAD TIMING

## HON. STEWART B. McKINNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. McKINNEY. Mr. Speaker, in recent days, the House of Representatives has come under attack in some quarters for failing to override the President's veto of the bill authorizing Senate confirmation of the present director and deputy director of the Office of Management and Budget.

It has been asserted that our vote to sustain the veto was another indication of Congress unwillingness to assume responsibility in the stewardship of the Nation. This is totally untrue. To the contrary, I believe there is a reawakening in Congress to reassert its role as a coequal branch of Government. The vetoed bill, however, was not the vehicle. As we all know, it was of questionable constitutional character and boiled down to its simplest terms, it amounted to a personality clash between the present OMB Director and some members of the legislative branch.

In a recent editorial, the Bridgeport, Conn., Post summed up the situation precisely and it appropriately entitled its commentary "Bad Timing," I would like to share that editorial with my colleagues at this time.

The editorial follows:

### BAD TIMING

President Richard M. Nixon has utilized his veto power for the third time this year on a bill passed by Congress which would have required Senate say-so on confirming the director and deputy director of the Office of Management and Budget (OMB).

And once again Congress has refused to buck his veto, although the President had some cliff-hanging moments. A 62 to 22 decision was elicted from the Senate to negate the veto. But in the House, known for its past support of presidential policy, the opposition element could not gather enough backing and the veto was sustained by a 178 for to 236 against, 40 votes short of a two-thirds majority.

Such an outcome indicates that although anxiety among congressmen and congresswomen may increase in the future regarding Mr. Nixon's ability to govern, there is still a strong residual confidence in his office.

Hitting a man when he is down was one of the suspicions about the proposal since its chief sponsor is North Carolina's Senator Samuel J. Ervin, whose soft-jowled face confronts the nation almost daily in the Watergate hearings. But the primary point of contention concerns the efforts of Congress to take over administrative duties.

Mr. Nixon asserts that OMB gives him advice and support and "cannot reasonably be equated with Cabinet and sub-Cabinet posts for which confirmation is appropriate."

It is after all President Nixon who is left holding the bag when Congress passes one bill after another without, seemingly, much regard for a balanced financial structure.

Despite the President's view to the contrary, it is not to be questioned that the OMB exerts a ponderous influence comparable to that of a Cabinet position. Undoubtedly, therefore, it merits some kind of Senate control as to the choice of its chief.

However, Congress might make better headway in the controversy if it requested such control from Mr. Nixon in the administrations of future presidents, thereby eliminating the possibly vindictive aspect of the newly vetoed bill.

In any case, it was the wrong time and wrong place for this confrontation.

I should add, Mr. Speaker, that I have joined with my colleagues (Mr. WYLIE, Mr. ERLENBORN, Mr. ANDERSON of Illinois, and Mr. STEELMAN) in cosponsoring legislation which would require Senate confirmation of all future OMB directors and deputy directors. In my mind, this is a responsible course of action.

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## MEMORIAL DAY

## HON. TENNYSON GUYER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. GUYER. Mr. Speaker, I am entering into the RECORD the following poem entitled "Memorial Day" which was recently written and printed in the Anne Arundel, Md., Times. The author is the well-known poet laureate of Maryland, Vincent Godfrey Burns, who also a few years back wrote "I Am a Fugitive From a Chain Gang." Mr. Burns is one of our patriotic contemporaries and I feel that my colleagues would enjoy memorial thoughts as expressed in his poem:

### MEMORIAL DAY

(By Vincent Godfrey Burns)

Judge of the nations, hear us,  
We rest our faith in Thee;  
Stay Thou forever near us  
And guide us constantly;  
Through all our days protected  
By Thy unfailing light  
We shall not be deflected  
From paths of truth and right . . .

Father of nations, lead us  
Toward freedom's shining goal;  
In Thy green pastures feed us  
In heart and mind and soul;  
Let not our land go under  
To hidden enemies,  
In days when tyrants thunder  
Preserve our liberties . . .

Eternal Father, teach us  
The courage of the free;  
With Thy pure spirit reach us  
With faith and charity;  
Illumine all around us  
With brotherhood and love,  
In all our ways surround us  
With wisdom from above. . .

God the years, remind us  
Of our great history,  
The memories that bind us  
In one fraternity—  
Those heroes who served before us,  
Whose valor paved the way  
For this flag floating o'er us—  
O bless this land today! . . .

## RARICK REPORTS TO HIS PEOPLE: FORESTRY PROBLEMS

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## HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. RARICK. Mr. Speaker, last week I reported to my constituents regarding current forestry problems. My guests were Mr. Kenneth Pomeroy and Mr. Hubert Walker, authorities in the field of forestry.

I insert the text of that interview at this point:

RARICK. A great deal of national attention is presently being focused on the need to expand and improve our nation's forest resources. The United States is facing a growing timber shortage that the experts tell us could reach as high as 20 billion board feet by the end of the century. That's enough lumber to build some 2 million new five-room homes.

The increasing consumer demands for wood and paper products, the need for outdoor recreation areas, and the environmental benefits of our forest lands have combined to direct the public's attention to our timber lands.

This week the Forests Subcommittee, of which I am Chairman, conducted hearings to find methods of insuring maximum usage of our forest lands, so that we can be assured of having an adequate supply of lumber to meet the increasing needs of the country.

Two gentlemen, who appeared before my subcommittee and testified about the timber crisis, are with me today to discuss the subject, so that you may have a better understanding of how it affects you.

Mr. Kenneth Pomeroy of the National Association of State Foresters and Mr. Hubert Walker, Vice-President of the National Lumber and Building Material Dealers Association. Mr. Walker, incidentially is a fellow Louisianan from New Orleans. Welcome to the Nation's Capital, Mr. Walker.

WALKER. Thank you, very much.

RARICK. We hear so much crisis talk these days—the energy crisis, the environmental crisis, the Middle East crisis, the inflation crisis and all the others. Let's put the timber shortage into perspective.

Mr. Pomeroy, how extensive is the problem nationally, and do we have a timber crisis?

POMEROY. Well, if you are just speaking about lumber, we have some problems. If you're speaking about wood in general, our total wood supply, we're growing a bit more than we're using at present. But the gap is narrowing and in a decade or so hence, we're going to be in trouble.

RARICK. Well, Mr. Pomeroy, what's being done in the area of forest management to make the best use of the timber we have available?

POMEROY. I think that one of the most significant things and it pertains particularly to your state, is the use of genetically superior seedlings in the tree-planting program. Using seedlings of fast growth and superior quality, so we will have more in the future.

RARICK. We are told that the U.S. is already importing about one-fourth of the housing and construction lumber from foreign sources. Are we likely to increase timber imports? Do you think that we could again become a self-sustaining timber producing country in the future?

POMEROY. I would doubt that we could depend too much on increased imports because other countries have problems too. Sweden is a big user of timber. So is Germany. Russia has its own problems. So, I think we have to put our own house in order.

RARICK. In other words, if we're going to meet the demand and for the future, we're going to have to prepare for the future.

POMEROY. Right.

RARICK. Do you think that we could ever again become a self-sustaining timber producing country?

POMEROY. I see no reason why we shouldn't.

RARICK. It's hard to believe that Louisiana, with its abundance of woodlands could be seriously affected by a lumber shortage. Is it a big problem for our state, Mr. Walker?

WALKER. Yes; actually the lumber market is really a national market. It's not regional like it used to be. And the pressures of supply and demand nationally is what's really affecting the shortage and the current high prices. It's not strictly a regional thing at all.

RARICK. In other words, the housing shortage in California or New York directly affects us in Louisiana.

WALKER. Very definitely.

RARICK. And if there's talk about increased timber growth in the South this isn't intended to be an affront or hold back the Northern people because any intensified growth in the South would only benefit the people in the country as a whole.

WALKER. Postively. In fact, for a long time Southern pine was used primarily in the South but now a tremendous amount of this production is used in the Midwest and other parts of the country. And conversely there are a lot of Western species that we use in the South.

RARICK. Our caliber of timber will grow faster in the South than it would in the North. Is that true?

WALKER. Yes.

RARICK. We hear estimates that lumber costs have increased the building costs of new homes substantially in recent years. Do you have any information about price increases to the consumer and the new home builder, and what we can be likely to expect in the near future?

WALKER. Well, I'll try. Actually, we're not in the building business. But we're in the building supply business and that's about as close as you can get to the building business and not be in it. In the past year and a half, and especially in recent months, we have experienced considerable increases in lumber costs. This escalation has been entirely due to a demand-pull market rather than a cost-push. Back in '69 we had the same thing—a sharp spiralling of lumber prices and, when supply caught up with demand, prices plummeted. At this time, suppliers with large inventories took heavy losses.

Most users of lumber who are appalled at today's high prices, fail to realize that for the 20-year period prior to 1968, lumber costs were fairly steady—not at all keeping up with the rest of the economy. There were slight fluctuations but nothing like the severe situation of '69 and today. This stability was due to better engineering and material handling, as well as research providing more complete utilization of the raw material. Even though I am certainly horrified at the high levels that lumber has reached; there is another side to the coin. When prices were depressed, there were many mills that could not enjoy an even reasonable profit and therefore causing them to close down. This reduced capacity is another cause of the current short supply that is the true cause of high prices.

RARICK. And this does have a direct effect on those people wanting to build new homes.

WALKER. Oh, yes.

RARICK. Or the number of new-home starts that we can expect?

WALKER. To answer your first question, excuse me for digressing so much, but the prices are extremely high now and I think we can look to some reductions but exactly when I don't know. Some prices have started to slide a little bit already. But there are other items that have not.

RARICK. On the area of environment, and the role that forests play, we hear some talk about wilderness preservation, and protection of wildlife. Is this compatible with modern methods of forest management? In other words, can we have our timber and enjoy our forests too?

POMEROY. I think one of the best ways of approaching what you're talking about is an experience that I had in Scotland two years ago. The Economic Forestry Group was replanting an area that had been barren of trees for 3 centuries, because sheep kept grazing them off. The ten-year-old plantations had now begun to re-attract the moles, small game—the rodents, and owls and hawks. So trees and wildlife did go together very well.

RARICK. Well, would this then be true in the United States?

POMEROY. It certainly would.

RARICK. This would be your thought then too, Mr. Walker?

WALKER. Very much so. I think that the lumber industry is naturally as interested in conservation as any group. And I think that good intensive forest management is the best way to accomplish what the preservationists are seeking. On the other hand, setting aside additional millions of acres of wilderness areas, which in effect locks them up from 99% of the nation's citizens, is a sure way to lose this natural resource. An unmanaged forest becomes too dense and overgrown, choking out needed oxygen, falling easy prey for disease and insects. Intensive management provides access roads for fire protection and recreation and a better habitat for wildlife. Proper thinning and, for some species, clear cutting wisely makes use of this natural renewable resource while actually insuring its regeneration.

I feel that the over-zealous and often sincere but mis-informed approach of some preservationists is the surest way to destroy what they want to save.

RARICK. Then, sportsmen and hunters as well as the campers, the outside people, should all be interested in . . .

POMEROY. We all have a stake in it.

WALKER. That's right.

RARICK. I'd like to direct this question to both of you gentlemen. I understand that there is considerable waste both in harvesting timber, and in processing it into usable lumber. Mr. Pomeroy, what's being done to curb the waste of timber when it's cut?

POMEROY. It has been a problem all along. One of the most significant breakthroughs have been in the use of Southern pine for plywood. This is something that has reallly changed the industry and your part of the country. And also the use of chips for pulpwood. It's this type of utilization that we must continue.

RARICK. Along those same lines, Mr. Walker, is the building and construction doing anything to make more efficient use of lumber and plywood in construction?

WALKER. There's constant research going on, new systems being developed to better and completely utilize the products and develop systems for good, sound construction using less materials.

RARICK. And making better use of what material is being made available.

WALKER. Right.

RARICK. Well, I'm sure that our viewers have enjoyed this discussion with you gentlemen. I do want to thank each of you for being available and helping to focus public attention on a growing crisis. I wouldn't say that it's a tremendous crisis yet, but it will be unless we do something. Again, thank you gentlemen for helping us focus attention on the forestry and timber problem in our country.

POMEROY. It was a pleasure being with you.

WALKER. I appreciate being invited.

## REASSESSING OUR INTEREST IN AFRICA

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## HON. EDWARD G. BIESTER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. BIESTER. Mr. Speaker, I would like to commend to the attention of my colleagues an editorial which recently appeared in the Philadelphia Evening Bulletin.

The editorial touches on a number of the concerns and considerations about Africa which should receive our close attention. It is not new to say that Africa has failed in the past to be given the amount and kind of attention it has deserved. However, I feel we are coming to the realization that our own interests, as well as those of the African peoples themselves, lie in greater nation-to-nation involvement between their governments and ours.

There will be opportunities for the United States to aid various African nations based on regional and multilateral arrangements, but as much as we might wish to treat the continent as a homogenous grouping the nations of Africa—with all their diversity and complexity—merit a closer and more individualized approach.

The Anglo-American Parliamentarian Conference on Africa meets in Philadelpia from June 14 to 18. Composed of legislative representatives from Britain, Canada, and the United States this annual conference will share ideas relating to policies toward Africa and continue to seek a greater understanding of common problems regarding Africa. I participated in this meeting last year and am privileged to again be able to join with a number of my colleagues from the House and Senate in attending the upcoming discussions this month. Through such continuing dialogs on policies involving Africa, I am encouraged that we can redefine our approach to Africa and formulate sound policies based on mutual respect and interest.

Stereotypes have a way of lingering on long past the time there was any basis in fact for the overgeneralizations in the first place. If Africa remains the "Dark Continent" to many in our country, it can be characterized as dark primarily because we have failed to illuminate and educate ourselves about it. There are many reasons for reexamining our position with respect to Africa, and the editorial, which follows, briefly summarizes a few of them:

[From the Philadelphia (Pa.) Evening Bulletin, May 23, 1973]

### THE NOT-SO-DARK CONTINENT

To Americans, David Livingstone is the missionary whom Spencer Tracy presumed he had found in Darkest Africa in one of Hollywood's more memorable epics.

To President Kenneth Kaunda of Zambia, which the British called Northern Rhodesia, he was a Briton with "a sense of mission as a servant of the people of Africa (who) did not see himself as leader in any sense at all."

About 1,000 Zambians joined President Kaunda in the ceremony at which he unveiled a plaque in Dr. Livingstone's memory, on the 100th anniversary of his death in Africa from malaria.

The insect which caused Dr. Livingstone's death is a hero across the continent in Sierra Leone, which (like Northern Rhodesia) was once under British rule. Sierra Leone has established the Order of the Mosquito to reward military or civil gallantry, because, the Government explained, by making that country "the white man's grave," the mosquito prevented Europeans from settling there.

This contrast in attitude is only a small way in which nations differ on the vast African continent. Zambia and Sierra Leone are among the 41 members of the Organization of African Unity, now holding its annual meeting on Thursday in Addis Ababa, Ethiopia, where it was founded 10 years ago, amid hopes for a new day of freedom, self-determination and pan-African cooperation.

Some progress has been made, but in those 10 years, Africa has been wracked by tribal wars, racial animosities, rebellion against vestiges of white colonial domination, a growing economic gap, prodigious poverty and lagging agricultural production unable to keep up with mushrooming population growth.

Africa's importance to the rest of the world is immense. In a time of energy crisis and dwindling natural resources, Africa is a vast untapped storehouse of oil and minerals. It is located strategically across major shipping routes. And with a growing population already over the 370-million mark, it is an attractive potential market for industrial goods.

American business investment in Africa has topped $4 billion, American trade with Africa has risen by 30 percent in five years, and U.S. assistance to Africa reached $400 million last year. But the U.S. faces stiffening competition there, diplomatically and economically, from Europe, the Soviet Union and China.

U.S. relations with Africa are handicapped by American ties with white-ruled regimes in South Africa and Rhodesia, and with the remaining colonial governments—most notably Portugal, a key member of NATO which leases bases in the Azores to the U.S.

Besides its economic potential and strategic location, Africa is important to the U.S. because about 11 percent of the population of the U.S. is of African ancestry. Rising black consciousness in America, with concurrent interest in black Americans' African heritage, makes concern for African development desirable politically, at home.

If it was ever practical to dismiss Africa as a primitive Dark Continent, it surely is no longer. In this shrinking world, then, what happens when the Organization for African Unity meets this week is important in Philadelphia as well as in Addis Ababa.

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## RECYCLING IS ONLY ONE PHASE OF THE CONSERVATION PICTURE

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## HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. MAZZOLI. Mr. Speaker, I would like to bring to the attention of the Membership an article on conservation which was published in the Louisville Courier-Journal for May 14, 1973.

This article contains very useful and interesting observations and recommendations for dealing with the environmental crisis in our country.

It is refreshing today, when everyone has "an ax to grind," to read a thoughtful, well-written article by a lady who is writing with "no interest except in terms of environmental protection for future generations."

This is the kind of article which Mrs. Phyllis Fitzgerald, "a full-time mother of five" and the wife of a prominent Louisville attorney, has written.

Mr. Speaker, I include Mrs. Fitzgerald's article in its entirety at this point in the RECORD:

### RECYCLING IS ONLY ONE PHASE OF THE CONSERVATION PICTURE

(By Phyllis L. Fitzgerald)

How critical must our dwindling supply of natural resources become before Americans realize that we must slow down the excess demand for new supplies by recycling our existing waste materials back into useful consumer goods?

An outsider must surely weep at the sight of an incinerator plant polluting our cities with smoke, gases and ashes from such valuable commodities as paper, aluminum, steel, glass, wood and food wastes. What will we do when there are no longer trees for wood and paper, gas and oil for fuel and travel, metallic ores, sand and rock for building materials?

The time has come for nations, governments, businesses and individuals to take stock of their resources and of how to recycle every scrap of paper, every bottle or can, every junk car or refrigerator, every newspaper back into useful items.

Let us start with the average consumer. If he separated the glass, tin and aluminum cans, newspapers, other waste paper and food scraps from the rest of the trash, he would probably reduce the amount of throw-away garbage to less than 25 per cent of the original amount.

#### AN EXAMPLE IN POINT

In my own family of two adults and five children, we have been separating this trash, taking most of it to the recycling center, giving the newspapers to the Boy Scout paper drive, and burying the food scraps in our tiny flower garden (most of this disintegrates in a matter of days, adding mulch and nutrients to the soil, and we have never had any trouble with rodents). We have reduced our throw-away garbage from five to six cans to less than one can per week.

It would be easier if the sanitation department would take these separated items and recycle them, but since they don't we feel it is well worth our time to take these items to the recycling center ourselves every four to six weeks. (Incidentally, the recycling centers will take glass bottles and jars, tin cans, aluminum cans, newspapers and other bundled paper, consisting of magazines, letters, cardboard and other such material). Once a system is devised within your household for collection and storage, delivery takes very little time.

Recycling is only part of the solution to the waste of our natural resources. We consumers can help cut down on waste by avoiding products that are over-packaged, by taking our market bags to the grocery store, by buying returnable bottles rather than throw-aways, and by letting manufacturers know what we think about waste.

In addition to filling our garbage can with visible waste products, most of us are guilty of unconscionable waste of electric power, water, oil and gas, all of which are draining our natural resources.

It doesn't take too much imagination to see that by using carpools and buses we could reduce air pollution and slow down the depletion of our oil reserves. In addition, nearly every home, business and public building could cut back on fuel and electricity by manipulating the thermostats and by conserving the use of small appliances that are so costly in terms of the amount of electricity used. Many worthwhile groups, such as our local Strategies for Environmental Control, can give the individual consumer much valuable information on ingenious ways to conserve water and power.

Many of these measures are just a drop in the bucket when compared with what could be done by business, industry and government to conserve and recycle waste. But I believe the average citizen must first develop a personal environmental conscience, put it into practice, and reap the personal satisfaction from having been a part in the conservation of nature before he or she takes this conscience to the business world for larger action there.

When this happens, we will see the beginning of a local and then a national conscience concerned with the preservation of our natural resources.

Once this conscience is created, perhaps businesses will come up with a long list of waste-saving practices such as the following:

Collection and recycling of paper from the large office buildings. (Couldn't this be a profitable business for janitors as well as the recycling industry, to say nothing about saving trees?)

Use of recycled paper in businesses.

Reduction of the amount of paper used by changing to smaller size paper for such things as letters, memos and circulars.

Reduction of the size of magazine and newspapers to smaller, more manageable sizes. This would revolutionize advertising, but let's face it. Do we really need a whole page of newsprint to tell about a refreshing cigarette, a new car or sofa? The price of advertising could be scaled down with the cost of the paper.

Cutting down on excess packaging in products. Three or four layers of cardboard, cellophane, paper and plastic are not needed on most items.

Standardizing jars and lids to a few sizes so the jars could be returned and reused just as soft drink bottles are returnable. In some countries, one must pay a deposit on jars at the market, and these are returned and reused by packers.

Prohibition of throwaway bottles and cans.

This list could go on and on, and let's hope it does. But first, let's get involved in a personal way. If I save one tree from being cut down by recycling my family's waste paper, the whole effort will not have been in vain. If our whole state got into the act, we might actually save the whole Daniel Boone National Forest for our children to enjoy. And if the whole nation joined us, we would have a cleaner, healthier country for all to share.

## THE BUSTED BUCK

## HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. GAYDOS. Mr. Speaker, Robert J. Buckley, president of Allegheny Ludlum Industries, Inc., told a management club meeting in Worcester, Mass., the other night that devaluation of the dollar is not the cure-all that White House economists have led many to believe.

Rather, in Mr. Buckley's judgment, Americans should be "much angrier" than they are that the wealth they produce is measured in terms of a "devalued and weakened dollar."

I could not agree more. The Federal spending binge in which the hard-earned money of our people has been tossed with reckless abandon all over the world in useless wars and dubious giveaway programs has brought the dollar dilemma upon us. Now the hapless American is being made to pay doubly for it—once in supplying the dollars and again in suffering the inflation resulting from it.

Mr. Buckley added in his Worcester talk:

> Because we seek economic equilibrium by requiring more of these cheapened pieces of paper in exchange for the wealth we create, we are blamed for inflation . . . The dollar is worth less—and that's why all of us have to pay more.

I am glad that men such as Mr. Buckley, men who know the economic situation by being totally involved in it with great responsibilities upon them, have started to speak out in contradiction of those Federal apologists who have sought to sell the public on the absurd idea that official cheapening of the dollar is a good thing. We heard that repeatedly in the wake of the latest devaluation. And what actually has been the result. Inflation still threatens at home and the dollar remains in even deeper trouble abroad.

As Mr. Buckley said, we should be a lot more angry than we are over this mishandling of our economic well-being and, indeed, would be if we had not been gulled and confused by the so-called administration experts. As angry public, fully understanding what Mr. Buckley termed "the curious case of the busted buck," could force an end to the profligate overseas programs and the inexcusable Government waste domestically, both of which are responsible for the wobbly dollar and the rocketing inflation. It is high time to get mad.

## ANOTHER NUERNBERG?

## HON. CHARLES H. WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. CHARLES H. WILSON of California. Mr. Speaker, Tom Dowling in the Evening Star-News of May 28 wrote an extremely provocative article analyzing President Nixon's statement of May 22. Nixon's admission that the plumbers and their actions had been sanctioned for reasons of national security, Dowling expects will have one of two possible results: If the President's orders are declared legal, the United States is in effect sanctioning a secret organization paralleling the Nazi Gestapo; if declared unlawful, the President becomes a codefendant and is likely to be subject to impeachment proceedings. In either case, the consequences for the United States are most grave. I therefore submit this article to the RECORD in order that all may benefit from Dowling's perceptive analysis:

### USING THE NUERNBERG DEFENSE FOR WATERGATE

(By Tom Dowling)

In his May 22 statement Richard Nixon confesses to the establishment of a tripartite Gestapo-type White House entity for national security purposes.

The first of these operations was a wiretap program begun in 1969, allegedly involving fewer than 20 telephone bites of varying duration. The second operation, approved by the President in 1970, foresaw the resumption of a broad domestic intelligence program that specifically authorized breaking and entering for surveillance purposes. This plan was, however, scotched five days after its approval as a result of J. Edgar Hoover's strenuous objections. According to the President, John Dean has obtained copies of this secret plan, which are now in the hands of federal prosecutors and the Senate Watergate investigators. It is possible that Richard Nixon's initials are attached to this document. The third operation was the creation of the plumber group, offshoots of which would ultimately be caught inside Democratic National Committee headquarters.

In sum, the President is spelling out a Nuernberg defense for himself and his administration. His superior is National Security, which compelled him to break the law; his underlings broke it because they were instructed to do so by him. The flow of authority, then, is National Security-President-Gestapo. The justification for those in the chain of command, from bottom to top, is Nuernberg.

Of the three operations undertaken by the President, the second is most fundamentally chilling because it posits that he and his agents are above the law. The President, after all, authorized a plan that included an unspecified variety of felonies, possibly of very wide scope. This is precisely what the plumbers did in Ellsberg's psychiatrist's office, at the Watergate and perhaps elsewhere. In short, the Gestapo was activated in spite of Hoover's veto.

That takes us to the testimony of Bernard Barker, the Watergate-Ellsberg burglar currently residing in a Connecticut cellblock. Barker, it will be recalled, copped a plea and was provisionally sentenced to a lengthy jail term, for what was formerly assumed to be a breaking and entering operation authorized by CREEP. That, it turns out, was not the case at all.

Ten years after his government authorized role in the Bay of Pigs invasion Barker was recruited by E. Howard Hunt, then domiciled in the White House, for a national security operation that the Cuba group was led to believe originated with an intelligence group above the FBI and CIA. Ellsberg, Barker was told, was slipping U.S. secrets to the Soviet Union. Barker raided Ellsberg's psychiatrist's office. Subsequently, he was told that the Castro government was financing 1972 Democratic presidential candidates. Barker broke into the Watergate.

Barker, by his own account, received no pecuniary benefits for these operations. He participated in them as a patriot and anti-communist ideologue working covertly but officially on behalf of national security. Ironically, the President of the United States last week confirmed Barker's assumption. The man was, in fact, a member of a doubtlessly unlawful organization, but one nevertheless legitimized by authority of Richard Nixon.

What this means, among other things, is that Barker, the other Cubans and possibly McCord were railroaded by a fraudulent government prosecution. Under our code of criminal law the prosecution is obligated to inform defendants and their counsel of any exculpatory information in its possession. Any such exculpatory evidence withheld from the defense by the prosecution forms a basis for the reversal of conviction and the voiding of guilt.

It is clear from Nixon's May 22 statement that he was in possession of knowledge about the real nature of Barker's activities. Under our system of law presidential knowledge is imputed to Attorney General Richard Kleindienst, Assistant Attorney General Henry Peterson and the prosecuting team of Silbert, Glanzer and Campbell. Yet, exculpatory presidential knowledge was, in fact, withheld from the Watergate defendants.

Henry Rothblatt, the original attorney for Barker and the Cubans, planned to plead his clients innocent. Perhaps Rothblatt had extracted the Ellsberg incident from the Cubans, perhaps he was shrewd enough to suspect that the trail of guilt let not to CREEP headquarters, but to the White House itself. In any event, in light of the President's May 22 admissions of the Gestapo's existence and its justification on the basis of national security, Rothblatt's not guilty defense was in fact the best shot available to Barker and the Cubans.

However, by denying the Watergate defendants exculpatory evidence that could have been used on their behalf, the White House has put both itself and the conviction of the Cubans in extreme peril. The attorneys for the Cubans have a number of options open to them by way of vacating the original judgment of guilt. The writ of *Coram Nobis* allows the court to correct its errors on the basis of new facts that were not known at the time of trial. Nixon's May 22 statement—giving the color of presidential authority to the Cuban's activities—is such a new fact.

Additionally, the question of entrapment is now applicable. Watergate cannot be separated out here. Barker and the Cubans participated in the Ellsberg incident for national security purposes. The White House has so identified the purpose of its activities against Ellsberg. Thus, in good faith, the Cubans undertook another such national security mission against the Democrats. They were, in fact, given government authority to break and enter in both instances. The Camden 28 were acquitted for breaking and entering a draft board on the grounds that a federal agent entrapped them into doing so. Liddy and Hunt were running these burglaries with the admitted authority of the President. Thus, the Cubans were entrapped and then subsequently denied the discovery of exculpatory evidence central to their defense.

In the end, the May 22 statement means one of two things: The Cubans and all of their superiors will go free on the basis of Nuernberg, or the Nuernberg defense will fall and with it the Nixon Administration. For the President's national security defense boils down to this: The Cubans were obeying the President's orders, which were either legal or unlawful. If the former, the Republic admits to legalizing a Gestapo! If the latter, the President of the United States becomes the missing eighth co-defendant in the Trial of the Watergate 7 and impeachment must be squarely faced.

## RESTRAINTS ON CIA ADEQUATE

## HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. BOB WILSON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

[From the San Diego Union, May 23, 1973]

### RESTRAINTS ON CIA ADEQUATE

On surveying the troubled world and the dangers that this condition poses to the security of the United States of America we can conclude that the last problem that the U.S. Central Intelligence Agency needed was involvement in the Pentagon Papers case and the Watergate affair.

Not that we believe that the CIA will be damaged in the long run on the basis of its exposure in the two national scandals. On the contrary, the testimony offered so far exhibits that the CIA used remarkable restraint in refusing to go along with domestic political espionage operatives and persons who later admitted that they broke into a psychiatrist's office in Los Angeles. By and large the CIA lived up to the proscription that it cannot operate within the borders of the United States of America.

The danger that exists is that there will be a public overreaction to the dramatic disclosures of the hour, a reaction that will result in legislation or exposure that hurts the mission of the CIA. At best, unfortunately, the public has only a hazy concept of CIA operations based on a blend of rumor, third hand information and suspicion that borders on antipathy because many of the agency's intelligence activities are repugnant to American sensitivities. It is exactly this kind of atmosphere and reaction that has led to some 200 bills in the last decade to alter the operations of the CIA.

Fortunately, cooler heads always have prevailed in Congress, which fully realizes the indispensable mission that CIA plays in gathering foreign intelligence that establishes the basis of the U.S. foreign policy. Indeed, the CIA was born in 1947 in the aftermath of World War II when President Truman realized the crippling results of inadequate intelligence before bombs rained on Pearl Harbor, and when he assessed the growing threat of Russian aggression.

CIA has, we believe, lived up to its expectations. To be sure it has had its share of failures such as the faulty information about the Bay of Pigs. It also has been in the center of jurisdictional disputes such as its support of youth and women's associations in the late 1960s. At this juncture it is essential to repeat, however, that we hear about the failures, but not the successes.

CIA can be expected to make mistakes simply because of the law of averages or the rules of human fallibility. The goal for the United States, in this regard, is to preserve the organization, but also to be certain that there are adequate restraints to prevent it from stepping out of bounds.

The restraints appear to exist. The CIA operates under the constant supervision of the National Security Council, which includes the representatives of the President, secretary of state and secretary of defense. It reports in detail to the President's foreign intelligence policy board. Its budget is studied line by line by the Office of Budget and Management and by four committees in Congress.

The final check and balance, we believe, is that even the CIA could not long perpetrate cloak and dagger programs in the United States without soon being brought to heel by the basic system—including a free and inquiring press.

## THE CHEAP FOOD LOBBY

## HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. ZWACH. Mr. Speaker, our House Committee on Agriculture, of which I am a member, currently is working on a new farm bill which we hope will guarantee a plentiful supply of food not only for our American people, but for the hungry people of the world.

While we work on this legislation, we must come up with a plan that will insure an adequate income for our producers so that they will have an incentive to raise more food.

However, as we work toward that end, we have misguided and uninformed "cheap food" advocates who are making our task very difficult by demanding lower food prices.

Mr. Speaker, the Farm Journal recently explored this problem in an editorial, which, with your permission, and for the edification of my colleagues, I would like to insert in the RECORD:

### THE "CHEAP FOOD" LOBBY

At this writing, it's touch and go whether Congress will force a roll-back or some form of tighter controls on meat prices.

From his first-hand experience with the Office of Price Administration in World War II, President Nixon knows that price controls on meat won't work. Says another high Administration official with similar experience: "If you put controls on meat, the bone will stay in and the fat will stay on. The IRS (Internal Revenue Service) would need an agent standing behind every butcher in the country!"

Yet consumer representatives, testifying before the almost continuous Congressional hearings in Washington, seem oblivious to such warnings. After listening to testimony about the difficulties of imposing controls, they say in effect: "We want price controls, whether or not they work."

The ignorant and naive are dangerous enough, but the current hearings in Washington expose an even greater threat to farmers. It is the Cheap Food Lobby in Congress: Big-city Representatives like Benjamin Rosenthal and Bella Abzug of New York, who went on campaigning for lower food prices, even when farmers were getting 90¢ for corn and $15 for hogs; champions of the underprivileged, who insist that food is part of the American birthright; even some farm-state members of Congress, who simultaneously demand higher incomes for farmers and lower food prices for consumers.

In our desire to increase farmers' incomes, we in agriculture have frequently played into the hands of the Cheap Food Lobby. The Surplus Commodity Program, the School Lunch, the Food Stamp and the Food for Peace programs all were launched and are still billed as "farm programs" even though the chief beneficiaries in each case are consumers.

By now, millions of people have been conditioned to free or cheap food through one or more of these programs. Is it any wonder that these people rise up in indignation when the price of food dares to climb even half as much as other prices have climbed over the last 20 years?

The Cheap Food Lobby is capitalizing on current consumer resentment over food prices. You hear such comments as "Our food supply is too crucial to leave to the whims of farmers;" or "Really, we ought to treat food production as a public utility."

For the most part, these are the same people who plug for universal free medical care. Because of the close connection between good nutrition and good health, it's a simple step for them to convert the argument for one into a justification for the other. It becomes difficult to oppose them when they invoke the image of "little children whose brains have been permanently damaged by malnutrition."

By playing on the public's fears, consumer groups have won a long series of victories on such issues as voting more money for Food Stamps, banning the feeding of stilbestrol to cattle and tightening up on meat inspection. Now that these and similar moves have helped run up the cost of meat, they're back again, blaming it all on farmers and demanding price controls on food.

Price controls are a battle you can't afford to lose. This time the result would be more than another raid on the public treasury, more than another boost in your tax bill. This time your very existence as an independent businessman is at stake.

Because the rise in food prices has been so recent, a roll-back will trap you between costs which were already inflated and farm prices which had never had a chance to catch up. In fact, consumer pressures already have forced the Administration to turn loose so many crop acres that we may see corn prices collapse this fall as they did in 1960 and 1967 under similar circumstances.

Or worse, the Cheap Food Lobby will use the current outcry to get a hammerlock on livestock like they're had on some crops for so many years.

## OUR FIRST PRIORITY—FUEL FOR AGRICULTURE

### HON. HAROLD T. JOHNSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. JOHNSON of California. Mr. Speaker, as the Representative of a congressional district with substantial agricultural or farming interests and a State renowned for its agricultural production, I am dismayed by much of what has happened to agriculture as a result of the gasoline shortage. In this contemporary technological world, horses no longer are used to plow the land and bring in the harvests. In today's world, farming is done by machines. These machines, tractors, harvesters, and so forth, run on gasoline.

No gasoline.

No running machines.

No crops.

That, very simply, is the dilemma with which we are confronted today.

Let me take the problem a step further so that those of you who represent districts which are predominantly urban will understand that you too are affected. When there are no crops, who will be the last one fed? The nonagricultural elements of our population will be the last to be fed. If farmers and foodstuff producers and distributors do not get fuel—the urbanite would not get any food. I do not want to seem threatening, rather, I just want to persuade you that the issue of inadequate fuel supplies for the agricultural industry is not a provincial issue.

The Office of Oil and Gas in the Department of the Interior has assured me that their implementation of the guidelines for voluntary oil allocation is underway and will soon be efficiently working to alleviate the fuel shortage for priority groups, such as the farmers. These assurances were specifically made during a meeting which I organized in my office on May 30.

A high-ranking official of the Office of Oil and Gas, representatives of the independent refining and distributing industry, and legislative Representatives who were interested in the topic of discussion at the meeting were all in attendance. During the 2 hours of the meeting we received repeated assurances, from the official of the Office of Oil and Gas, that the voluntary oil allocation program would insure that agricultural industries would receive oil and gas supplies sufficient to meet their production demands.

Hopefully, these assurances are valid and the major oil company notices, received by farmers during the past few months warning them that their supplies of gas and oil products will be rationed, are untrue.

If rationing occurs or supercedes the Allocation Act then production will necessarily be down, prices will go up, and supplies of agricultural products will be totally inadequate.

With the price issue in mind, I would like to emphasize my position with reference to independents, who have been a catalyst in keeping the gas and oil prices, paid by the consumer, at a reasonable level. It is my position that they must remain a viable contributor in the gas and oil market. If the gas shortage has been contrived, then those who contributed to it must be the ones to pay for it; the independents' role in the market should not be compromised.

We have been told repeatedly that food prices will soon stabilize. Apparently, this is an acknowledgment on the part of the administration that the agribusiness sector of our economy will not be thrown another curve—like the Soviet wheat deal. Let us hope, therefore, that the voluntary allocation or some later, more stringent act, will effectively come to grips with a problem that is rapidly slipping from our grasp.

The gasoline shortage is admittedly a very complex problem which has tenacles reaching into each and every part of our economy and even our social structure. But, when you get down to the last piece of cake you have got to decide who needs it the most—I interject that the farmers do, because without them there will be no more cake to cut in the future.

## A TRIBUTE TO JACK HORRIGAN

### HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. KEMP. Mr. Speaker, last Saturday my dear friend Jack Horrigan passed away after a courageous fight against great odds. It was typical of Jack Horrigan's life.

Jack was most instrumental in my coming to Buffalo in 1962 from San Diego and he has been equally instrumental in my career as a Buffalo Bill and now as a Member of Congress.

He, next to my own father, had a more profound influence on my life than any other man. His example of courage, both physically and morally, his sense of humor, and his uncommon dedication to his family are traits which few people on this Earth could match.

I deeply loved Jack Horrigan. I love his family. As Phil Ranallo, of the Buffalo Courier-Express, said in his tremendous column:

> Jack had the kind of will-power, and faith, that could keep Death up a tree—and he somehow managed to keep it up there for seven years. His great struggle brings to mind John Donne's sonnet, the one that starts, "Death be not proud," and ends, "And Death shall be no more; Death, thou shalt die."

The old AFL, the Buffalo Bills, and the city of Buffalo, and people such as Ralph Wilson, Jr., Joe Foss, Cookie Gilchrist, Coach Lou Saban, Al Davis, O. J. Simpson, Paul McGuire, Rick Azar, and Larry Felser are but a few of the outstanding people whose lives were deeply touched and shaped by the wise counsel of Jack Horrigan.

His ability to make us laugh at ourselves and our faults, and our pompousness, will always remain vivid with me. It was Jack Horrigan who, when I told him I would retire to run for Congress in 1970 said:

> Oh, I thought you quit playing back in 1967.

It was also Jack who first said that I was a cinch for Congress because the people would be fearful that I would come back and play football for the Buffalo Bills if I lost the election. He still makes me laugh and always will.

Each of us has had one or two profoundly influential people in our lives, and I am proud to be able to let the world know that Jack Horrigan was one of those people in my life. I sincerely hope that a suitable scholarship fund can be set up as an award to some deserving boy or girl who best exemplifies the greatness of this man.

I will be absent part of the session on Wednesday for his funeral in Buffalo and I was absent on Monday to be with his family at the funeral home.

I include two articles at this point which are typical of the love and respect for this dedicated servant of God and man:

#### JACK HORRIGAN, 47, DIES; BILLS' PUBLIC RELATIONS VP

John Patrick "Jack" Horrigan, 47, vice-president in charge of public relations for the Buffalo Bills the last seven years, died Saturday (June 2, 1973) in Roswell Park Memorial Hospital after a lengthy illness.

Mr. Horrigan was noted as an accomplished writer, publicist, author, humorist and speaker throughout professional sports, but is remembered best by those who knew him most closely as a devoted family man who waged and won several courageous battles for his health.

#### ARRANGEMENTS INCOMPLETE

Funeral arrangements at the Thomas Lynett Funeral Home, 389 Parkside Ave., are incomplete. A Funeral Mass will be held at St. John The Baptist Church, 1085 Englewood Ave., Town of Tonawanda, at a date to be announced.

Survivors are his wife, the former Elizabeth M. Lawn, who resided with him at 167 Louvaine Dr.; six daughters, Karen, 20; Patricia, 16; Margaret, 13; Mary, 11; Elizabeth, 9; and Kathleen, 4, all of Buffalo; three sons, Jeremiah, 23, of Buffalo; Joseph, 21, of Sacramento, Calif., and John, 15, of Buffalo; his father, Jeremiah, of Buffalo; and two sisters, Mrs. Kathleen Element and Mrs. Eileen Kingston, both of Buffalo. He also had one grandson, Grady Kane-Horrigan, 4 months.

Flowers are gratefully declined. Those who wish may make a donation to Roswell Park Memorial Hospital, Dept. of Medicine B.

Mr. Horrigan was born in Buffalo Dec. 30, 1925. He attended Canisius High School before entering the U.S. Navy in 1943 and served aboard a submarine chaser as a radio operator in the Pacific Theater of World War II.

#### HOCKEY PUBLICIST

He entered the newspaper field with United Press in 1946, covering general news and sports, and from 1950–54 he was the Buffalo Hockey Club's publicity director.

In 1958, Mr. Horrigan joined the Buffalo Evening News sports staff, where he won three sports writing awards in four years. He was named American Football League publicity director in 1963 and moved to New York.

In June, 1966, Mr. Horrigan became vice-president in charge of public relations for the Bills, a position he held to his death. He was elected president of AFL publicity directors in 1968.

Mr. Horrigan was co-author of the book, "The Other League," an acclaimed story of the birth and development of the American Football League.

### SHOWED COURAGE

Mr. Horrigan astonished many with the manner and success with which he combated illnesses, including four types of major cancer. His is a story of courage and inner conviction matched by few anywhere.

In 1966, he was told he had three months to live after a malignant kidney was removed at the Mayo Clinic. Then in April, 1970, he reported for an annual medical check and was told he had leukemia.

Through it all, Mr. Horrigan's wit never dimmed. He was an excellent toastmaster and his jokes before hundreds or as aside comments to only a few brought broad smiles. Regardless of the circumstances of a situation, he would always take the time to discuss a problem whenever an individual wished it.

His experiences were rich and varied. Many came beyond the field of athletics, such as when he was a political writer and rode the train with President Harry S Truman.

### ON MINE-SWEEPER

Others came before his writer-publicist career, as when his eyesight was such that he supposedly could not enter the service, but managed to, anyway, and then spent wartime naval service on one of the smallest frigates involved in mine-sweeping operation—despite the fact he could not swim.

There were many touching times. During the 1972 football season, Mr. Horrigan always stood alongside the players and coaches during the playing of the National Anthem at home games. He was with the team and organization he loved, the Buffalo Bills.

There are countless examples of loyalty which Mr. Horrigan expressed to the Bills and their owner, Ralph C. Wilson Jr., but all must be subordinated in importance to his feelings toward his family. He was rich in relatives, friends and talent, and that is the way he will be remembered.

### Waiting for Lefty

(By Phil Ranallo)

As the years go fleeting by and a man grows older and his yesterdays stretch back a long way, he becomes much more aware of the inevitable—the final roll call.

One by one they go, the special people.

Nevertheless, a man is never prepared for the shock of thumbing through a newspaper and stopping at a certain page and finding a special friend gazing at him.

This happened again Sunday morning.

John Patrick (Lefty) Horrigan gazed at me from that newspaper page—Jack Horrigan, one of the most courageous men I have ever known.

Horrigan hand-wrestled Death for seven long years, in a manner I have seen it struggled against by only one other man in my lifetime—the late William S. (Bill) Coughlin, the long-time baseball writer for The Courier Express.

It is a measure of courage that Jack Horrigan fought Death, year after year, and that he won great victories over it, year after year.

To taste the fear of Death, as he did, and to choke it down for 2,500 days and make a fine career, as he did, was a continuing—and extraordinary—act of bravery.

It is incongruous, I know—since Jack Horrigan is dead—but for some reason or other I feel he achieved a victory over Death . . . perhaps because he cheated it for so long.

His great struggle brings to mind John Donne's sonnet, the one that starts, "Death be not proud," and ends, "And Death shall be no more; Death, thou shalt die."

Jack Horrigan's opponent, Death, sought him out in the form of cancer. He first met it in 1966, when his case was diagnosed and doctors informed him they didn't expect him to live out the year.

But Jack Horrigan wasn't going to die that fast and leave his adoring wife, Liz, and all those wonderful children—those nine children.

Not Jack Horrigan. So the battle was on.

Jack had the kind of will-power, and faith, that could keep Death up a tree—and he somehow managed to keep it up there for seven years.

Long enough to live and be at the side of one of his sons, Jeremiah, during a trying period in Jerry's life—when the young man's convictions and actions against the war in Southeast Asia landed his name on Page One.

Jack Horrigan, the battler, made Page One, too, with one of the most beautiful and touching declarations I have ever heard uttered by a father: "I will remain at Jerry's side; he is my son . . . and I love him."

In his short life of 47 years, Jack touched more than his share of the bases—as a sailor in World War II, wire-service reporter for United Press, Buffalo Evening News sportswriter, Buffalo hockey Bisons publicity director, American Football League public relations director, and Bills public relations director.

As he touched each of these bases, he made a mark.

But he made his greatest mark in life as a husband and a father. This was a man of principles and ideals. He had all the virtues in abundance.

In the little world of thoroughbred racing, which is a lot like the big world but more pleasant, the quality most honored is something called class.

Class is difficult to define, but racing people recognize and respect it in a horse or in a man.

John Patrick Horrigan—the man Liz Horrigan called "Lefty"—was all class.

He was a man of great faith, an ornament to his parish.

He will be buried Wednesday, but his style lives on in all men of high moral value.

When Jack Horrigan breathed his last breath Saturday, God was there—"Waiting for Lefty."

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## LAND OF SCARCITY

## HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. SYMMS. Mr. Speaker, perhaps at no other time in human history has the opportunity to abolish poverty, and have an abundant life available for everyone, been as great as it is today. We have the technical ability, and the knowledge to have a high standard of living, and a clean environment.

However, to accomplish this, we must use commonsense, and must be willing to allow the principles of freedom, and free enterprise an opportunity to work. If we continue our mad rush toward Government control of our citizens, and our economy, we will destroy this country, and in spite of all the opportunities which we have, will produce a land of scarcity rather than of abundance.

To illustrate what is happening I am placing in the Record an article from the Eastern Idaho Farmer which describes only too well what we are doing to ourselves.

### America, Land of Scarcity

(By Aden Hyde)

Are we, the people of the United States of America, to be plagued with a scarcity economy?

We are. What's more, we don't have to wait for that to happen to us. It already has—and it's getting worse every day.

Abundance, the American way of life, is out the window. For this is no narrow spectrum of shortages. It isn't confined to gasoline, heating oil, electricity and beef; it's far broader than that. Included are such elemental products as farm fertilizers—nitrogen and phosphate. And suddenly—of all the unexpected places—there's a shortage of farm tractors and trucks.

But that's only the start. As of right now, even food may be in short supply. The nation has been ravaged, perhaps as never before in its history, by a succession of adverse weather conditions which, in the aggregate, could have a profound effect on what farmers can produce this summer.

That started early in December when Arctic blasts streaked a new course southward along the Pacific coast and moved on into California's Central Valley. Everywhere record-smashing low temperatures were recorded and they are still counting that cold's cost in dollars—millions of them.

But that's only a starter. East, west, north and south the vagaries of the 1972–73 winter have been widely publicized. Twenty-five thousand cattle died in southeastern Colorado and contiguous areas in the mud—on the fringes of the dust bowl of not too many years ago.

Last week, 13 inches of snow in Milwaukee when the big league baseball season was to open. Flood waters in the Missouri-Mississippi river basin at the highest peak in more than 30 years—and thousands of acres of farm land inundated. It may be months before owners can resume operations in some areas—far too late for a normal farm operation. And the Arctic storm which swept Iowa, Wisconsin and Minnesota projected cold deep into the south with extensive frost damage. Arkansas lost most of its important tomato crop. Georgia's peach crop has largely been frozen.

In the south, field work on farms has been far behind schedule this spring—too much rain, too many floods. Here, there and almost everywhere it's been like that.

Perhaps we've already made a serious mistake—exporting farm products, especially wheat and feed grains, too liberally. Perhaps all of the bad crop year omens won't keep competent U.S. farmers from overcoming those problems; coming up with adequate crops again this year.

Just perhaps. Any one of the area adversities doesn't mean much. Pooled, they could mean a lot. Even here in the northern intermountain country, we have our 1973–74 crop problems, too. With us and generally over Idaho, Wyoming and Montana, it's the result of a dry winter, light snowpack, perhaps a water shortage this year or next.

That's only the farm-food part of the story. The rest of it takes on far deeper implications.

Here we're not playing with natural forces. We're without adequate energy, fertilizer, gasoline and a host of other things important to the American standard of living because our own people have willed it that way.

We're beginning to pay the price for an ecology binge—both in the costs of improving and preserving the environment and in developing a scarcity economy.

There's no pipe line to tap the rich Arctic oil fields. There's no offshore oil drilling. There are no new dams for hydro power; far too few atomic and coal-burning power plants. There are no new refineries to process imported oil.

If we are to have more beef—enough for everybody and conceivably at somewhat lower prices—we could expand grazing capability of public lands in the western states. Instead, we shrink that grazing potential by locking up more and more of the summer grazing regions with parks and wilderness area, wild rivers and recreation regions.

Several years ago, the Eastern Idaho Farmer began to call attention to this scarcity possibility. Well, it's here. And if, somehow, we can't reconcile a lot of differences between ardent environmentalists and the rest of us to restore the multiple use practice in developing and using natural resources, the troubles we have today will be trivia. Tomorrow will be a great deal worse.

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## CATASTROPHIC HEALTH INSURANCE PROGRAM

### HON. J. WILLIAM STANTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. J. WILLIAM STANTON. Mr. Speaker, I am today introducing the House counterpart of Senator RUSSELL LONG's revised and improved proposal for a catastrophic health insurance program which will provide protection for almost every man, woman, and child in our country against the devastating financial burdens of medical calamities. This legislation would add a new title to the existing Social Security Act. It would provide protection to all those who are currently and fully insured under social security, their spouses and dependents, and to all social security beneficiaries. This coverage would extend to approximately 95 percent of all persons. The bulk of those not included in this coverage are Federal, State, and local employees. The Federal Employee Health Benefit Act already provides comprehensive coverage against costs of catastrophic illness for Federal employees and, under this bill, State and local units could buy into the catastrophic program.

The benefits provided under the plan are identical to those currently provided under parts A and B of medicare, except that there would be no upper limitation on hospital days or home health visits. Present medicare part A coverage includes 90 days of hospital care, 100 days of posthospital extended care and 100 home health visits. Present part B coverage includes physicians' services, laboratory, and X-ray services, physical therapy services, and other medical and health items and services. Unlike medicare, which provides basic insurance coverage, persons would be responsible for payment for the first 60 days of hospital care and the first $2,000 in medical expenses in a year. In other words, benefits would be payable for a family's medical bills beyond $2,000 and hospitalization would be covered from the 61st day. After the deductibles have been met, benefits would be payable as under the present medicare program, which calls for a coinsurance payment of 20 percent on medical bills and $17.50 per day for hospital coverage. These coinsurance payments would, however, be limited to a maximum of $1,000 at which point no further coinsurance would be charged.

Major benefits which would be excluded from coverage are: nursing home care, prescription drugs, hearing aids, eyeglasses, false teeth, and dental care.

The program would use the existing medicare machinery, with its quality, cost, and utilization controls. It would cost an estimated $3.6 billion in its first full year of operation, beginning January 1, 1975, and would require a payroll tax of three-tenths of 1 percent each on employees and employers which would be channeled into a separate Federal Catastrophic Health Insurance Trust Fund.

While providing protection against the costs of catastrophic illness, this bill would still heavily rely on the private health insurance industry. In fact, families would be expected and encouraged to provide adequate health insurance protection for themselves.

This plan would help to insure that medical catastrophies will not bring automatic financial catastrophies upon American families. It is reasonable in cost to both the Government and the taxpayer and it uses existing Social Security Administration machinery. It would retain the existing private health insurance industry and would encourage more families to obtain adequate private insurance coverage to offset the deductible contributions required before catastrophic coverage is extended. This type of coverage would afford protection to most American families against extraordinary medical costs, so we could then turn full attention to other facets of this Nation's critical health care problem, such as improving health care delivery, providing preventive health care and expanding our health professions corps.

Providing catastrophic illness protection is but a first, but an urgently needed step toward making this—the richest nation in the world—also the healthiest nation in the world.

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## SELF-HELP COMMUNITY DEVELOPMENT IN LATIN AMERICA

### HON. JOHN E. MOSS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. MOSS. Mr. Speaker, 4 years ago the U.S. Congress—on its own initiative—established a pilot program under the Foreign Assistance Act to encourage self-help community development in several countries of Latin America.

This step was revolutionary in a sense at the time because the U.S. Government was guaranteeing the repayment of loans made by foreign banks and other financial institutions to groups of peasants who had no other access to credit on reasonable terms.

There was considerable trepidation about the practicability of guaranteeing loans to peasants who some people considered to be a poor credit risk. I am happy to report to the Congress today that this program which deals with the basic needs of little people has been an outstanding success. Although I and 20-some other cosponsors of this program had predicted a 5 percent default rate, this prediction has not come true. The default rate is zero.

Many self-help community development projects have been undertaken in the pilot countries and the lives of people have been radically changed for the better. Hope has replaced despair. Success has been made possible where heretofore only failure was the prospect. And many human beings are on the road to a new life.

The administration, in sending its proposed foreign assistance program to Congress, asked only for a 2-year extension of this program and, as usual, the Office of Management and Budget refused to recognize a good thing when it saw it.

Therefore, the gentleman from Michigan (Mr. BROOMFIELD) and I are introducing legislation today to expand this program to all of Latin America and five additional countries in other regions of the world for a pilot try-out outside Latin America. The life of the program would be extended 2 years and the operation itself would be transferred from the Overseas Private Investment Corporation to the Agency for International Development where it more properly belongs.

This experiment in virtually cost-less foreign aid was a congressional creation, and I think we can all take great pride in its success. We believe also that its success cries out for its continuation and expansion with the ultimate prospect that it may save us huge sums of money that we now make available in the form of loans and grants.

We also want to pay tribute to Mr. Kenneth W. Davidson, who has been director of this program. He has shown unusual dedication and commitment to the congressional mandate that foreign aid should help little people instead of governments and fat cats.

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## COMMUNISTS READY TO USE A-BOMBS

### HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. HUBER. Mr. Speaker, in the days ahead we will undoubtedly be treated to the spectacle of a broadly smiling Chairman Brezhnev, who will be visiting the United States, hat in hand, hoping to have his badly faltering economy underwritten by the United States. During the euphoria that will almost certainly mark this visit, it should never be forgotten that this man heads the Communist movement in the world which has not changed basically and will not until, as Mr. Charles Bohlen, one of America's most eminent Kremlinologists recently points out, it begins "acting like a country instead of a cause." The leaders of this "cause" are not restrained by a Christian-Judaic principle. Anything that advances the cause of world socialism can be justified by Marxism-Leninism in one way or another. Therefore, I commend to the attention of my colleagues this story from London, England, to the effect that they, the Communists, will not hesitate to use nuclear weapons. The story follows:

### COMMUNISTS READY TO USE A-BOMBS

(By David Floyd)

Despite moves toward an easing of East-West tension, military planners in Russia and her European satellites are preparing to use both tactical and strategic nuclear weapons in the event of conflict.

This has been made clear by Gen. Boleslaw Chocha in Poland's leading political weekly, *Polityka*. Now head of the Polish General Staff Academy, he is a former Chief of General Staff.

He acknowledged efforts being made to preserve world peace but said that even if global war was ruled out there could still be local conflicts.

"Every local conflict at the point where the interests of socialism and capitalism meet can develop into a major war," he added, making it clear Warsaw Pact plans were based on the possibility that nuclear weapons would be used in such a clash.

#### INTERESTS OF SOCIALISM

Gen. Chocha admitted that this would probably escalate to use of megaton bombs. But any decision to use nuclear weapons in Europe would be taken by the Soviet Government, which would be guided by "the good of humanity."

Asked if he did not think such a course would lead to "mutual suicide," he said the Soviet leaders would not use nuclear weapons "without due consideration." But he doubted if moderation should play any part when the interests of socialism were at stake.

Gen. Chocha described in some detail how the Warsaw Pact Forces would attack an opponent in the West in modern conditions.

At first the Warsaw Pact divisions, having far greater firepower and mobility than in the past, would be dispersed, to avoid presenting a vulnerable target, he said.

But at the right moment there would be a rapid concentration of forces, an attack, and a break-through with subsequent dispersal in depth—which is taken to mean a rapid advance westwards.

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## TRIBUTE TO ENGLE

## HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. SCHERLE. Mr. Speaker, few people probably stop to reflect on the source of the word "culture." Cicero invented it from a much homelier root, a word meaning field fertilizer. He compared the flowering of art and letters to the more literal cultivation of the soil for farming. Although fewer people still might consider that an apt analogy, the relationship between the rural environment and the inspiration for "culture" is long and well established.

The career of Paul J. Engle, director of the international writing program in the School of Letters at the University of Iowa, poet, translator, and teacher, offers a spectacularly sucessful example of this phenomenon. It may interest my colleagues to know what one talented man imbued with enthusiasm can do for the arts. Following, therefore, is an editorial which appeared recently in the Cedar Rapids, Iowa, Gazette paying tribute to the accomplishments of this vigorous and versatile evangelist of culture:

### TRIBUTE TO ENGLE

Last January the state department in Washington called a native Iowan to Washington and presented him with a hand-lettered, framed "Tribute of Appreciation."

The certificate was presented by John Richardson, jr., assistant secretary of state for education and cultural affairs. In attendance at the ceremony were department officers assigned to various regions of the world.

The Iowan to whom the certificate was presented was, of course, Paul Engle, director of the international writing program in the school of letters at the University of Iowa.

After some 15 years, during which Paul Engle started the program—after successfully launching the writers workshop for creative writers—the state department took note that something valuable was happening out here in Iowa.

The realization that something valuable was happening came not only from the university campus but from countries throughout the world whose citizens have participated in and benefited from the program.

Engle deserves more credit than he will ever get, perhaps, because he is a native Iowan—a native of Cedar Rapids—and because the old axiom still rings true that a prophet is without honor in his own home.

He has started two programs at the university and nurtured them to success with his own hard work not only in teaching but seeking out the funds to keep them in operation. Aside from private contributions, he has had little, if any, help from the state itself or from the university other than to make facilities available.

Nevertheless, his native state is honored along with himself through tribute so appropriately worded:

"To Paul H. Engle for sustained and significant contribution to international understanding, through decades of dedicated encouragement and inspiration to creative writers from his own and other lands."

Iowa, too, owes Paul Engle much for his leadership of far-reaching programs that have helped to bring the countries of the world closer through the written word.

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## HEALTH FOODS AND NUTRITION NEWS

## HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. BOB WILSON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

### NEW FDA RULINGS GREAT AMERICAN TRAGEDY

(By Janet Barkas)

Last January a bomb was dropped in the consumer's lap. It consisted of a massive forty-page testimony in the *Federal Register* of January 19th proposing twelve different regulations by The Food and Drug Administration. These proposals would drastically affect nutritional labeling, imitation foods, and vitamin and mineral supplements. The news media by summarizing and simplifying the basic proposals, diluted the impact.

Every packaged food that makes a nutritional claim or adds the words "enriched with . . ." will have to conform to mandatory nutritional labeling. This will include fruit juice fortified with Vitamin C, enriched bread, and cereals suggested for weight reduction programs. However, labeling will be voluntary for packaged foods omitting healthful assertions and the following are completely unaffected; meat, poultry, and fish; fresh baked goods, fruits and vegetables; and unprocessed dairy products.

Mandatory compliance will necessitate following an established format for nutritional labeling to appear immediately to the right of the principal display panel in type no smaller than 1/16 inch. The listing of contents will include in this order: serving size, servings per container, calories, protein, fat, and percentage of Vitamin A, Vitamin C, thiamine, riboflavin, niacin, calcium and iron. Calories, protein and fat will also be included. A nutritional claim cannot be made unless a product has a nutrient with at least 10% of the RDA in a serving.

Cholesterol and fat may be listed separately without necessity of full nutritional labeling. But there can be no reference to high cholesterol as a precipitating cause of atherosclerosis, one of the leading causes of deaths in America, since the F.D.A. concludes this cause and effect relationship is unsupported.

In the past, food packages, if they listed nutrient content, listed the percentage of the MDR of a given nutrient. The new rulings would call for the listing to contain the percentage of the RDA. What is the difference between these two? Both sets of figures are determined by the National Research Council of the National Academy of Sciences. The MDR (minimum daily requirement) of a vitamin is the amount needed to prevent a deficiency disease. The RDA (recommended dietary allowance) supposedly represents the level necessary to maintain good health for the "adult male standard". When we consider that the needs for vitamins vary from individual to individual and that the National Research Council constantly reevaluates its figures, it would seem that listing by RDA rather than MDR, though it may be an improvement, is far from a solution.

The way in which nutritional information would be included is not satisfactory. But even supposing we were offered a satisfactory way of listing nutrients the voluntary aspect of labeling in the majority of cases renders the proposal practically useless.

The strongest opposition to the proposed nutritional labeling comes from nutritionists and consumer organizations, such as the National Health Federation, who would like it to be mandatory for all foods. Catherine Cowell, Acting Director of the Bureau of Nutrition of the New York City Department of Health, says, "We hope consumer reaction will be such that compliance will be mandatory." Anita Johnson, an attorney with a health research group of consumer advocate Ralph Nader, says, "You are asking food manufacturers who have been making a profit out of deceiving the public to come clean . . . it's like asking a fox to guard the chicken. The F.D.A. regulations for cosmetics are voluntary and they are an utter farce. If nutritional labeling is not necessary for the consumer, why isn't it required?"

Of course large food companies applaud the F.D.A. for making compliance voluntary. These companies have already been practicing "nutritional labeling" along similar guidelines for some time. Yet upon examining the majority of food labels one finds that ingredients are labeled only in broad terms and two of the most significant additives—artificial flavoring and coloring—remain unnamed. If the new regulations become effective by 1975, the target date, those additives may still be undeclared.

Ms. Cowell is concerned, as a nutritionist, over the source of a fat, which need not be disclosed. "The number of fatty acid chains in a chemical structure," she states, "determines how helpful a source of fat is in the diet. Just saying something is a polyunsaturated fat is insufficient. Though olive oil in a monosaturated fat and more desirable than saturated fats derived from animal sources, it is less helpful than corn, cotton seed, or safflower-derived fats." For instance, chocolate, ice cream, and coconut are predominately saturated fats. Yet why would a manufacturer voluntarily tell you this information if it might lead you to believe that his product might ultimately harm you?

Nellie Shriver, spokeswoman for American Vegetarians, summarized the most significant limitations of the proposed nutritional labeling. "In spite of all that must be listed on the package, *ingredients* need not be disclosed. The forty-billion dollar meat industry that dominates the F.D.A. as well as the Department of Agriculture remains untouched. For instance, there ought to be a lot more in the labeling about DDT residue in meat and insecticides used in growing foods. These present regulations are only a small first step."

The F.D.A., however, is trying to make certain that you won't know what is used to grow a food. In their view, "there is no relationship between the vitamin content of foods and the chemical composition of the soil in which they are grown." Though extensive research has failed to solve this next issue, the F.D.A. also states that "mineral nutrients in foods are not significantly affected by storage, transportation, cooking, and other processing." Does the F.D.A. mean that food that has been cooked until it is unrecognizable and then placed in a can or a package for endless months is as nutritious as fresh, uncooked, and natural foods?

Congressman Benjamin Rosenthal (D-N.Y.) is leading the fight in the House of Representatives to help the consumer. In a phone interview with this reporter he said, "Consumers should not be satisfied with these half-way measures and publicity gestures. They should rise up and demand truthful and useful information on their food labels, not just slogans and promises. This program has no teeth, no incentive, and no guts." He feels that voluntary listing of cholesterol and fatty acid content will be discouraging to food manufacturers. "To avoid mandatory nutritional labeling," Congressman Rosenthal said, "we may even see a return to vague Madison Avenue-type advertising that could not be termed a nutritional claim, such as 'This is the kind of juice that Smoky the Bear couldn't live without.' "

What happened to the Truth in Food Labeling Bill that Congressman Rosenthal introduced on May 24, 1971? This bill required listing all ingredients on a food label. But the F.D.A., now a self-appointed nutrition council, feels the source of a vitamin, whether natural or synthetic, is unimportant; that the consumer need not know how Vitamin D got into his enriched bread. Congressman Rosenthal also said, "I find it incredible that one product which usually lists all its ingredients on the label should be dog food. Not only does the label list all ingredients, it also bears nutritional percentages." He feels the consumer has the right to know everything that is in his food so he may make an intelligent decision about what to buy. He has introduced bills that cover a wide gamut of nutritional information including "Truth in Food Labeling," "Nutritional Labeling Act," "Honest Label Act," "Open Dating Perishable Food Act," and "Consumer Food Grading Act." Mandatory and complete labeling would arm the consumer with the knowledge to purchase the most nutritious food.

What about imitation foods? The word imitation was adopted by the F.D.A. in 1938 because it believed that anything that was artificial was inferior to the original foodstuff and that the public had a right to know. What has changed the F.D.A.'s mind? Now if a new food proves its RDA's are equal to the food it is imitating it can be called by a new name and the word imitation may be deleted. So we may have bloppers (something like oatmeal) or even geenoop (something like processed cheese).

Dr. Jean Mayer, leading nutritionist and Harvard professor, agrees that this may encourage the development of more astronaut-type instant foods. He says "If we're going to have the damned things, let's at least know what's in them." Yet we will only know the percentage of what vitamins and minerals have been created but not what chemicals were used to produce them.

The proposal by the F.D.A. to change the status of imitation foods is clearly an attempt to reverse the efforts of Americans to shift from highly processed foods to natural, organic, unprocessed ones. A spokesman for F.D.A. summarized their aim, saying, "This is the technological age. It is cheaper and easier to preserve, sterilize, and produce artificial foods." Some food manufacturers agree. A spokesman for one company says, "Our instant potatoes are convenient and almost as cheap as fresh potatoes. We are careful to restore all the vitamins that we remove in the processing. I eat them and like them more than real potatoes." So this is the F.D.A.'s concession to the food manufacturers to dupe the American public into grabbing those expensive, fancy packaged foods that are test-tube made rather than working to lower the costs and improve the quality of the real thing.

Yet the greatest dictatorial attempts by the F.D.A. lie in the proposed regulations concerning vitamin and mineral supplements. What are the basic issues? They are: quantity limitations for each vitamin and mineral supplement; classifying as a drug any supplement that exceeds that limitation; and establishing standards of identity for each vitamin and mineral to curtail a consumer's wide range of choices.

A vitamin or mineral supplement must be within the range of 50 to 150% of the R.D.A. for that nutrient. For instance, Vitamin C (Ascorbic Acid) has an R.D.A. of 60 milligrams. If you want to take a tablet containing 100 milligrams, you will have to have a prescription from a doctor as if you were taking a drug. Multivitamins must meet a certain standard of identity. For instance, choline and inositol may not be included. What gives the F.D.A. the right to declare it has the solution to the major nutritional controversies that have surrounded Vitamin C, choline, inositol, and most other vitamins and minerals for decades? Robert Ullman, spokesman for the law firm Bass and Ullman which represents the National Nutritional Foods Association, a strong federation of health food retailers, wholesalers, distributors, and manufacturers, says, "The kinds of prohibitions and restrictions announced by the F.D.A. are not within the intent of the statute of the Food, Drug and Cosmetic Act. and are not supported scientifically by the two years of public hearings and thirty thousand pages of transcripts on these matters."

It has been quite well established by the Surgeon General and research organizations that cigarettes are linked to lung cancer. Is there a move to require a prescription from your doctor for each cigarette you smoke? Here we see the results of lobbying in Washington—the tobacco lobby is strong enough to resist efforts against them, but the health-food industry still must fight for its life.

The F.D.A. states that "vitamin or mineral deficiencies are unrelated to the great majority of symptoms like tiredness, nervousness, and rundown condition," and prohibits any claims to the contrary. Yet nutritionists, vitamin therapists, and consumers boast of improvements in health because of supplements. This relates to a basic problem of using the RDAs for determining quantity limitations. Dr. Mary McCann, head of the Nutrition Program at Teachers College of Columbia University, says, "Ways of measuring nutritional states are still very gross. A blood sample does not show loss in one cell. The body tends to adapt to deficiencies so it is hard to measure how much of a particular nutrient would be ideal. The RDAs are based only on available data but there is still much about nutrition and human needs that we don't know. There are sixty nutrients and twenty-two amino acids that we know are essential. We just do not have enough information about the minor nutrients to make a definitive statement about what role they play in good health. Also the RDA was never intended for an individual, but as an average for groups of people. Some people need more or less of a vitamin."

Dr. William Bean, nutritionist, writes "There are fourteen major variables that affect how much of one of the sixty essential nutrients a person needs. The proper use of vitamins is an individual problem. Vitamins are toxic if used to excess. But the same is true of water, oxygen, or calories."

Adelle Davis, world-famous nutritionist and author, said in an exclusive phone interview, "If these rulings go through, there will be a tremendous increase in ill health throughout America. The tragedy is that persons who are already ill with diseases, such as arthritis and allergies, will have no chance of recovery. Whenever vitamins are put on prescriptions, research done on that vitamin comes to a halt and the price of the vitamin goes sky high. RDAs have no relation to optimum health and in many instances do not even provide for minimum health. These RDAs can vary at least one hundred times between individuals. I have never been able to find out who the board is that devised these RDAs or who they are responsible to."

What is the reaction from the health food industry? A spokesman for Archon Pure Products, which has a network of subsidiaries that includes Radiance, Hain, and Savon Clair, says they generally agree with the move toward labeling but are violently opposed to quantity limitation of vitamin and mineral supplements and the prohibition of making a reference to the inadequacy of the American diet, or the loss of essential nutrients by storage of growth in inferior soil. "The crackdown on vitamins and mineral supplements", say Archon, "is because of the abuses of a select few. The fight has been going on for ten years and after all that time and money spent on the issues, the F.D.A. had to say something.

"We're confident that it will be a fight. The retailer will be hurt most. They are telling us there will be inspectors to pull vitamins off the shelf. Since the F.D.A. is always complaining that there are not enough health inspectors, why don't the ones they have spend their time in food processing plants looking into health conditions and safety?"

The health food industry has no objection to the proposal to label expiration dates on vitamin supplements. Nor is there disagreement with the concession to label a supplement *natural* but to omit any claim that natural is better than synthetic.

BioOrganic Brands, Inc. and Hoffman Food Supplements feel it is a "moral injustice." Mr. Kenneth Curpin, President of BioOrganic Brands, Inc., says, "It is not just a question of the potency of a vitamin. It's taking away the rights of people to take supplements. This matter will go to the Supreme Court, if necessary." Norman Goldstein, President of Healthfood Service Systems, manufacturers of Sunshine Farm products says "we feel that the new rulings are a stifling measure to the cause of promoting health within our country. We feel the efforts of the F.D.A. should be to assisting companies in the health movement to produce better and more advanced formulas rather than trying to squelch their efforts. The new rulings are simply unfair."

What can the consumer do? Adelle Davis says, "I urge every human being to write to his Senator everyday of the next year." Congressman Rosenthal suggests that you organize groups within your community, discuss the matter on local radio or television talk shows, send letters to the editors of local newspapers, and sign petitions and mail them to Hon. Paul Rogers who is Chairman of the Subcommittee on Public Health of the Interstate and Foreign Commerce Committee in Washington, D.C. Express your views on limiting vitamin supplements to Chairman Rogers. Let him know if you support Congressional Bill H.R. 2323, which prohibits the government from controlling the potency of any food supplement that is not directly injurious to health. Also write to your Congressman and inform him of the legislation pending and your position on Congressman Rosenthal's consumer-protecting bills.

Demand your right to know everything that is inside a food as well as its shelf life. Retain your liberty to supplement your diet in a helpful way. The F.D.A. was established to protect the consumer and many consumers believe that is its job. But now, others are beginning to think that the F.D.A. protects business. The latter seems to be the case.

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## MORE OEO CONTROLS FLOUTED

## HON. JOHN E. HUNT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. HUNT. Mr. Speaker, one of the strengths of our American system is our ability to change and our ability to admit a wrong. In recent years, it seems that we have lost some of that ability. In the newspapers we are witnessing the fact that some high government officials were unable to admit a wrong and thus they compounded it. I hope that this 93d Congress does not compound the errors of the past by resurrecting the Office of Economic Opportunity. If anything, we should take this particular case as an important lesson in poor government. The Community Action Agencies of the OEO have provided case histories numerous enough to make a massive encyclopedia of Federal blundering.

If the researcher is looking for embezzlement of Federal funds, personal use of government funds, criminal activity by agency employees, or just ordinary mismanagement and lack of direction, his tastes will be satisfied in the annals of the Community Action Agencies.

A classic case of personal use of OEO funds occurred when the director of a grantee agency in Chicago received $3,270 for attending a conference in Los Angeles—money which had in fact been used to pay the expenses of the director and his board to the west coast on the first leg of a trip to the People's Republic of China.

Recent cases of criminal activity on the part of agency employees have included bribery, forgery, armed robbery, and murder.

In Puerto Rico, an OEO agency was set up to help migrant farm youth pass the GED high school equivalency test. It spent $100,000 and only six enrollees passed the test—an average cost of $16,689 per graduate.

But if you think that is bad, you have not heard about the fellow in Maryland who also had a GED test program going for migrants. He spent almost $600,000 and only two youths passed, for an average cost approaching $300,000. And he also had set up a couple of corporations to do business with his first year, when his OEO grant was $279,000, he spent 43 percent of it with himself through those other corporations.

If the incidents just described were rare or isolated examples of CAA behavior, we might gloss over them by saying that a few bad apples had slipped through. Unfortunately, such abuses have been the rule rather than the exception.

One searches for an explanation—for some reason why the poverty program was so susceptible to abuse. Part of the blame may be laid to loose control and lax supervision; in a large, centralized organization it is hard to keep everyone in line. Yet many other Government programs are also centralized and unwieldly; but while they may be inefficient and wasteful as a result, they do not produce the disasters which plagued the CAA's.

The difference, in the case of the CAA's, is that their basic philosophy actually invited abuse. Their corruption was inevitable precisely because they grew out of a distorted view of American society; the belief that our system is not only inadequate, but a purveyor of injustice and repression. "Mighty historic and economic forces keep the poor down." "The American economy, the American society, the American conscience are all racist." These are typical statements by one of the architects of the war on poverty, in his book "The Other America," which is generally credited with popularizing the antipoverty crusade.

Naturally a government program based on such attitudes attracted the most dissident elements of the community—frequently individuals with little respect for law or authority. No wonder funds were misused and criminals sheltered in CAA's. No wonder the deserving poor became disillusioned with their government when they saw it lavishing money and prestige upon known hoods and lawbreakers.

Until efforts to aid the poor can be based upon a clear understanding and recognition of the strength and vitality of the American system of free enterprise, they will be doomed to repeat the failures of the community action agencies of OEO.

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## SITUATION IN OCCUPIED LITHUANIA

## HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. DERWINSKI. Mr. Speaker, it is important that we be completely accurate in our appraisal of the situation within the U.S.S.R. as we look forward to the coming visit to the United States of the Soviet Party leader, Leonid Brezhnev. Therefore, I direct to the attention of the Members excerpts from an article by Jonas Puzinas, Ph. D., that appeared in the spring issue of the Lithuanian Quarterly. The Lithuanian Quarterly is published by the Lituanus Foundation, Inc., a not-for-profit corporation in the State of Illinois. The purpose of the foundation is to organize, sponsor, and publish research material pertaining to the Baltic area. The article, "The Situation in Occupied Lithuania," follows:

### THE SITUATION IN OCCUPIED LITHUANIA: ADMINISTRATION, INDOCTRINATION AND RUSSIANIZATION

(By Jonas Puzinas, Ph. D.)

It is impossible to survey in one article, in a detailed fashion, all the questions pertaining to all areas of life in occupied Lithuania. Even several articles would not suffice. Therefore, I will discuss the things most important in the life of a Lithuanian in his country which is occupied by the Soviet Union. These things also affect the survival of Lithuanian culture.

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### THE SOVIET REGIME

The Soviet Russians, who on June 15, 1940, occupied Lithuania by military force and annexed the country on August 3, 1941, introduced the Soviet regime right away. All the land, banks, industry, and commerce were expropriated, the school system was completely changed by eliminating the teaching of religion, introduction of the Russian language, as well as the history of the Communist party and Marxism-Leninism. Lithuania was proclaimed to be "a sovereign unitary state of workers and peasants, being at the same time a state in the union, based on the principles of self-determination and equality with all the other Soviet republics." However, the absolute control of this "sovereignty" belongs to the Communist party of the Soviet Union. The Lithuanian Communist party is not a separate organization—it is only a subdivision of the Soviet Communist party. The Lithuanian Communist party must obey all directions given in Moscow. In occupied Lithuania, new members are accepted not into the Lithuanian Communist party, but directly into the Communist party of the Soviet Union.

On January 1, 1968, there were 105,418 members and candidates in the Lithuanian Communist party. There were, at that time, 69,811 Lithuanians (66.3%) and 35,607 Russians, Ukrainians, Poles, etc. (33.7%). Thus, more than one third of the members were non-Lithuanians. The educational level of the party members was rather low: 28.3% had only a primary education, 51.9% had various levels of secondary education, and only 19.8% had attended an institution of higher learning (*Mazoji Tarybine Enciklopedija* (*The Small Soviet* [*Lithuanian*] *Encyclopedia*), Vol. II, Vilnius, 1968, p. 386).

The Communist party in Lithuania has its own network of party institutions for indoctrination. Party indoctrination is organized on three levels: elementary, secondary, and advanced. During the 1968–69 school year there were 29,413 enrollees in the 1,583 elementary level party indoctrination schools and other instructional units. On the secondary level, in the 2,702 instructional units, there were 55,775 enrollees in the basics of Marxism-Leninism. Finally, in the 1,058 upper level units—in the so-called Marxism-Leninism universities and in the various higher level party seminars—there were 31,921 enrollees. In these party schools, the duration of instruction is about two to four years (*Small Lith. Soviet Encyclopedia*, II, 1968, p. 385). The main "factory" for producing the higher party cadres is the Advanced Party School in Vilnius which, in 1962, was reorganized into an interrepublic type of school. It produces the party cadres for the party apparatus, for the government bureaucracy, for the Komsomol, and for the press—not only for Lithuania, but also for Latvia and Estonia. Attached to the party school, there are shorter courses for party and government bureaucracies, and also an area school to prepare the Komsomol cadres for the three Baltic republics and for the area of Karaliaučius (Königsberg, Kaliningrad) and even for the "Russian Federated Soviet Socialist Republic" (*Sovietskaja Litva*, 28 Oct. 1968). Many members of the Lithuanian Communist party also attend special training courses at other party schools somewhere in the Soviet Union. Between 1944 and 1967, 668 higher party functionaries from Lithuania completed a course at the Advanced Party School in Moscow, 26 in Leningrad, and 39 in Minsk (*Small Lith. Soviet Encyclopedia*, II, 1968, p. 385). These selected persons work as propagandists, occupy the various upper level positions in all walks of public life, and carry out orders from Moscow.

The following is the structure of the ruling apparatus of the Lithuanian Communist party:

1. The Central Committee of the Lithuanian Communist party: 131 members; among them 35 (ethnic) Russians (1966).
2. The Secretariat of the Central Committee: five members. Antanas Snieckus is the First Secretary, the Second Secretary is Vasilij Charazov, a guardian appointed by Moscow.
3. The (Polit) Bureau of the Lithuanian Communist party, composed of nine members and four candidates.
4. Various bureaus of the party arranged somewhat like ministries: organizational party work, propaganda and agitation, science and culture, industry and transportation, construction and urban affairs, food and light industry, agriculture, commerce and public utilities, party apparatus, etc.

The manager of each of these bureaus has several assistant managers. There are also various instructors, inspectors, and other party functionaries who supervise the party work in the cities and the provincial areas. Several of the party bureau managers are Russians, and the majority of their assistant managers are Russians, sent to supervise and check the party work. The Lithuanian Communist party network encompasses the entire country. The main city and district committees of the party are located in the seven principal cities and 44 administrative districts. At their head, stand the first secretaries, aided by two deputy secretaries, one of whom is usually a Russian. Finally, in all offices, organizations, and enterprises, there are primary party cells, of which there were 5,132 in 1968. A special group in these cells select the people to be hired for work.

An active supporter and supplier of younger leaders to the party is the Komsomol, officially called "The Lenin Communist Youth Association of Lithuania." At the XVth Congress of the Lithuanian Komsomol which took place on Feb. 28–29, 1968, in Vilnius, the central committee of 111 members was elected (among them, 26 non-Lithuanians). The Komsomol also has a central committee secretariat of five members. The first secretary of the Komsomol is Vaclovas Morkunas, but his deputy is a Russion, Jurij Betev. Youth from 14 years of age belong to the Komsomol. At the beginning of 1968, the Komsomol in Lithuania had 253,501 members. The committees of the Komsomol which are directed by a first secretary, a deputy secretary, other secretaries, instructors, and managers of the various sections and branches are based in the cities and administrative districts. In addition to that, Komsomol cells exist in the higher, special, and secondary schools, in offices and industrial plants, in the collective and state farms. All told, there were 6,442 party units in Lithuania in 1968.

The Komsomol receives new members from the "Young Obtyabrists" and from the Pioneers. Already in the first grade, children are organized into the "Oktyabrists," the so-called grandchildren of Lenin. The "Oktyabrists" are led by a member of the Pioneer organization, usually a youngster from the seventh grade. In 1967, there were 120,000 members in the "Oktyabrists." When these children turn ten, usually in the third grade, they become Pioneers—"Lenin's children." In 1968, there were 182,000 Pioneers in Lithuania.

All these figures show how intensely the communization of Lithuania is pursued, how the entire country is constantly indoctrinated.

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### INDOCTRINATION

The aim of the Kremlin is to produce collaborators faithful to the Russians and the Communist party of the Soviet Union. This indoctrination is carried out through its huge propaganda apparatus. In the resolution adopted by the conference of the party activists on April 23, 1968, it states: [It is necessary] to improve the party propaganda, the political propaganda among the masses, especially through lectures; we have to advance the work in agitation, press, radio, TV, in cultural-educational institutions . . . The task of the party organizational units is to educate the working people of Soviet Lithuania, especially the youth, in the spirit of boundless faith to party ideals, Soviet patriotism, proletarian internationalism . . . It is necessary—through all the means of ideological education—to strengthen the Communist faith of every Soviet citizen, to foster the ideological firmness and the ability to resist any form of bourgeois influence" (*Tiesa*, April 25, 1968).

Various Soviet feasts, holidays, anniversaries, and commemorative occasions of important Soviet and Russian personalities are used for this kind of indoctrination, and there is an abundance of them. There are the annual holidays: the day dedicated to the Soviet army and navy (February 23), International Woman's Day (March 8), the day of International Solidarity of the Toiling People (May 1–2), the day of the great October revolution (November 7–8), and the day of the USSR constitution (December 5). There are also the various anniversaries of Marx and Lenin.

When the cult of Stalin collapsed, the Lenin cult replaced it. The various complimentary attributes, which were formerly ascribed to Stalin, are now transferred to Lenin. Although the anniversary of Lenin's birth was in 1971, as early as 1966 there was an intensive campaign to prepare for this occasion. There was a plethora of articles in the newspapers and journals; in schools. Lenin museums were set up, in which his youth and the years of his revolutionary activity were portrayed. Every school year, various themes were assigned based on some connection with Lenin. Ethnologists had to organize secondary school pupils to search for historical evidence of Leninism in Lithuania. Artists produced portraits of Lenin and revolutionary themes, sculptors made statues and other likenesses, architects—with the sculptors—produced various projects for monuments of Lenin. At the beginning of 1970, in the Palace of Exhibitions in Vilnius, an art exhibit was organized, the central theme of which was Lenin's anniversary. In the theaters of Lithuania, several plays written by Russian authors were shown. Even the Lithuanian Academy of Sciences had to dedicate a session to Lenin, with the basic theme "The triumph of Leninist ideas in Lithuania." Under this theme, the importance of Lenin's theories for science in Lithuania in general and their influence on industry, literature, and history of occupied Lithuania were discussed (*Pergale*, No. 3, 1970, p. 172).

In the public schools, the regular instructional programs are specially adapted for communist indoctrination—classes in history, geography, literature, and languages are especially exploited. In the eighth grade, a special course has been introduced—a discussion of the Soviet society, and in the ninth grade—an introduction to the study of society. As was mentioned before, pupils are organized into the "Oktyabrists," the Pioneers, and the Komsomol. Through these organizations, youth is constantly bombarded with the ideas of "Soviet internationalism," of "external friendship of nations," and of "love for the Russians." There are numerous supplementary activities: "international clubs," "festivals of brotherly nations," "special one-topic evenings," "excursions along the trails of revolutionary war." There are also common camps for the pioneers and secondary school pupils of various nations of the Soviet Union, there are social gatherings with the communist underground veterans, members of the old revolutionary groups, with the veterans in the struggle for Soviet power, etc. For international education (which at the same time, is a program of Russianization) special international student song festivals are organized, student delegations are sent to various youth and student festivals, excursions are organized—students are sent to the other "republics," to various propaganda courses, even to construction and other projects in the Soviet Union.

For the purpose of indoctrination of the masses, a complete system of party work training and propaganda apparatus has been established. To it belong the various branches of party central committee (especially those dealing with organizational party work, propaganda and agitation, science and culture), the institute of party history attached to the central committee of the party, the "Zinija" (Knowledge, Science) association and others. In the first six months of 1968, "125,000 people were improving their ideologicay-politicay level in the party system, among them 70% were communists and members of the Komsomol" (*Tiesa*, 1968, No. 162, p. 2). The district party committees organize all kinds of trips and seminar type excursions to Vilnius, where the visiting groups must tour the Revolution museum, the atheism museum, and the building in which the first conference of the Communist party of Lithuania was held.

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The tourist from Lithuania is also directed toward the Russian-Communist shrines, historic-revolutionary places. Every year, about 15,000 people from occupied Lithuania tour in the Soviet Union (*Kulturos barai*, No. 10, 1968, pp. 53–54).

Wherever one turns in Lithuania nowadays, one runs constantly into un-Lithuanian things. Quite a number of Lithuanian schools were given names of various communists. The University of Vilnius, the oldest university in East-Central Europe (established 1579), has been named after Vincas Kapsukas, although this Lithuanian communist had nothing whatever to do with science or education. Many villages that had ancient names for centuries now have been renamed after the Russian and Lithuanian communists.

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The museums have been turned into propaganda tools. The assistant minister of culture of occupied Lithuania declared in 1966—at the conference of museum specialists in the Baltic area—that, at that time, there were 29 museums in Lithuania, 25 of which belonged to the museum system of the ministry of culture. He added, "With their 56 branches the museums form many outlets for communist education." To carry out the tasks assigned to the museums, "a commission was established attached to the central committee of the Lithuanian Communist party, a commission that checks the work of the museums locally." Valentina Lovyagina, the deputy director of the Agitation and Propaganda branch of the central committee of the Lithuanian Communist party, has said that "the museums propagate revolutionary and work-related traditions, the friendship of nations, the ideals of the Communist party of the Soviet Union, the achievements of the communist regime. . . . The museums of Lithuania, with the help of the party organization of the republic, accomplished quite a lot. . . . Much new valuable material has been collected about the revolutionary past of Lithuania, the revolutionary and socialist events of 1940–1941, about the activities of the Lithuanian Communist party, about the heroic deeds of Soviet soldiers in the Great Fatherland's War, about the partisan movement, about the huge achievements in the republic in economic and cultural sectors. Quite a bit was accomplished in perpetuating the names of those who had given their lives for the Soviet regime, for socialist order" (*Muziejai ir paminklai*, 1966, p. 4).

For the indoctrination of the masses, television, radio, the metropolitan and provincial press, theater, art, and literature are widely used. The Communist party requires writers to produce work on "contemporary" themes, according to the principles of "socialist realism." On May 27, 1970, the central committee of the Lithuanian Communist party issued the following directions to the VIth convention of Lithuanian writers: "Under the conditions of sharper conflicts between socialism and capitalism, the party and the Soviet people expect from you works that would reflect the faithfulness of the toiling people to the immortal ideas of Lenin, about a creative man who helps to shape this new and richer life in the communist society."

Twenty-six schools were trilingual: the languages of instruction were Russian, Lithuanian, and Polish. But there were some subjects in these trilingual schools that were taught entirely in Russian. There were 4,800 pupils attending the latter group of schools. Thus, from the total number of 496,000 pupils in Lithuania, 61,700 pupils were given instruction in Russian, making it 13% of the total school population (Lietuvos TSR Ekonomika ir Kultura, Vilnius, 1967).

In the special training secondary schools, at the polytechnical institutes, many subjects are taught only in Russian. or specialty sections are created in which only Russian is used as the language of instruction. Contingents of Lithuanian students are sent to study at various institutions of higher learning in the Soviet Union.

The proceedings and other scientific publications of the Lithuanian Academy of Sciences are, in large part, published in Russian. Those areas having specially to do with Lithuanistics constitute a single exception. Series B of the Academy (chemistry, technology, and geography) are published only in Russian, usually followed only by very brief summaries in Lithuanian and in English. All articles in Series C. (life sciences) are also published in Russian.

In the cities, many streets, plazas, and squares are named after the heroes of the Soviets, party functionaries, etc. For example, the following are in Vilnius: Lenin Prospect, Lenin Square, Tschernyakovsky Square, Kutuzov Square; streets: Suvorov, Jabarov, Michurin, Gorkij; Pushkin Park, the Red Army Prospect. The names of the railroad stations, names of various administrative officers, and names of the streets are written in Lithuanian and in Russian. In the museums, the explanatory notes are bilingual. In many cities, there are monuments for various Russian and Soviet functionaries.

The Lithuanian language is being invaded by loan-words from Russian, and by other non-Lithuanian elements. Often, one can hear in occupied Lithuania such awkward Russian-Bolshevik constructions as *agitbrigada* (a team for agitation), *deputatas* (representative), *komsorgas* (a local communist functionary), *partorgas* (local communist party committee). There are many hybrid translations patterned on Russian, alien to the Lithuanian patterns of word formation. Many awkward component-by-component direct loan translations sound irregular and non-native in Lithuanian. In addition, a rather large number of anglicisms have come into Lithuanian through Russian: e.g., *dispečeris* (dispatcher, from Russian *dispečer*), and many others. (For further explanation and a more complete account see A. Salys, "Russianization of the Lithuanian Vocabulary under the Soviets," *Lituanus*, No. 2, 1967, pp. 47–62.)

Foreign names are now written in Lithuanian—under the direct pressure and influence of Russian—according to their pronunciations, not the original spelling: e.g., James Joyce—Džeimsas Džoisas; Anthony Trollop—Entonis Trolopas; Antonio Belucci—Antonijus Belutis; Georges Braque—Zoržas Brakas; Andre Gide—Andre Zidas; Antoine de Saint-Exupery—Antuanas de Sent-Egziuperi; Alfred Senn—Alfredas Zenas; Neue deutsche Literatur—Noje doiče literatur, etc. Often, this makes name recognition difficult, if not impossible. There are now voices raised against this non-Lithuanian practice.

The Soviet Russians, wishing to have the eastern regions of Lithuania in a kind of mixed stage, push the Poles who dwell in these regions as well as Polonized Lithuanians and Byelorussians into better paying positions. The latter are appointed to various local positions. In such linguistically mixed areas, the imported Russian colonists find it easier to establish themselves. The same method is used in the Klaipeda-Memel region.

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## ON THE RETIREMENT OF TWO OUTSTANDING EDUCATORS

### HON. CHARLES H. WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. CHARLES H. WILSON of California. Mr. Speaker, the Centinela Valley Union High School District of Hawthorne, Calif., is one of the finest school systems in the country and in the State of California. Last week two members of its board of trustees retired after many years of outstanding service to their school district and their community.

Douglas T. Robertson is a senior member of the board of trustees who has given 19 years of selfless service to the Centinela Valley District. His tenure has been remarkable for his diligence in implementing high educational standards and for overseeing a growth from two to four high schools and the establishment of one of the most respected adult education programs in the State.

Mr. Robertson's concern with school affairs extends to those of his community and his country. He is an active member of the American field service foreign student exchange program as well as numerous civic groups.

Herbert D. Bartelt joined the Centinela Valley District in 1961 after serving as a trustee of the Lennox Elementary School District for 12 years. His interest in young people and their education is all-encompassing. An officer of Superior Milk Products Association, Mr. Bartelt has, aside from his service to the school districts, given 25 years to Scouting and was recently honored with a scoutmaster's key marking this achievement.

Like Mr. Robertson, Mr. Bartelt has given unstintingly to civic affairs—serving as past president of the Los Angeles Airport Rotary and the Fraternal Order of Eagles as well as on the State board of laymen for the Baptist Church.

I would like to take this opportunity to commend these two fine men for their achievements and to wish them the happy and rewarding retirement they so richly deserve.

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## RAILWAYS: AN ANSWER TO BALTIMORE MASS TRANSIT?

### HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. LONG of Maryland. Mr. Speaker, the crush of the automobile and the desperate need for safe, economical, environmentally sound transportation between the suburbs and the centers of our Nation's cities are self-evident. New freeways and expensive subterranean tunnels for subways are not the only answers, though.

One innovative alternative is being proposed for the Baltimore metropolitan area by the Maryland Environmental Trust. Its transportation consultant, Harry W. Miller, has prepared a report pointing out that existing raillines service many suburban population centers and connect them with the central area of Baltimore City. The Environmental Trust suggests that these rail lines be put into service with modern equipment as commuter facilities.

I am writing both Maryland Secretary of Transportation Harry R. Hughes and Federal Transportation Secretary Claude Brinegar to urge their full support for innovations such as this.

I insert the following article:

[From the Baltimore Sun, May 21, 1973]

### Railways: An Answer to Baltimore Mass Transit?

(The Maryland Environmental Trust has called for the revival of six railroad lines to provide commuter service in the Baltimore area. This proposal, an alternative to superhighways and new subway-service lines, is a controversial subject, as witness the Letters to the Editor column. The Trust relies on a detailed report by Harry W. Miller, transportation consultant, excerpts from which follow:)

It is commonly agreed that Baltimore, and its surrounding communities must, in order to continue to grow economically, improve facilities for the movement of goods and people. Except for a small amount of expressway mileage built within the city limits more than 10 years ago, Baltimore now meets all its local transportation needs by means of streets.

Bus service, while fairly extensive in its coverage of city neighborhoods, is disgustingly slow and infrequent. As in virtually any other congested metropolitan area, bus transportation exhibits most of the limitations of the automobile and none of its advantages.

The predominance of bus operations as Baltimore's only public transportation system other than taxicabs indicates a philosophy based on full accommodation for automobile drivers regardless of the adverse effects on the urban environment.

Present plans for rail rapid transit in Baltimore represent a high degree of marketing, engineering, and design sophistication. We would be among the first to praise the city and state transit planners, and the federal officials who seem so eager to fund their planned projects, except for one absurd and outrageous fact.

As indicated on the map there now exists a network of rail lines which could provide, within two or three years, an extensive commuter railroad system throughout the Baltimore metropolitan area. In fact, with only minor track upgrading, an initial service could be operated in the rush hours within a year. Later, as track, signal and station improvements were made, operations could be expanded for full service throughout the day.

Obviously, use of existing track facilities would cost a mere fraction of the transit planners' proposed new construction. Also, there would be a minimum of disruption to established communities . . .

The idea of using existing rail lines has been raised on several previous occasions. Each time, such proposals are merely ignored, or various objections are used to indicate why the rail lines are not suitable. For example, it is said that the rail lines do not serve populous parts of the city. A glance at the map will indicate that many of the lines intersect or parallel major streets, and that there are many logical locations for stations which could generate substantial ridership . . .

The disruption which would accompany the building of new rail lines as proposed by the city and state transit planners can be shown as a severe negative effect on the urban environment. On the contrary, gradual and orderly development of rail service on existing lines, with maximum input from affected individuals and citizen groups, can do little but enhance the environment . . .

In view of the excellent coverage of the entire area, with the exception of northeast Baltimore city, by existing rail lines, we call for the use of these rail lines before there is any further consideration of the building of new lines. The tracks are here, and second-hand passenger equipment is available for experimental use. The Maryland Department of Transportation should begin a program of test passenger runs, together with negotiations with the railroad companies for state and city use of existing lines.

The maps indicate the location of 103 proposed or existing stations, of which 37 are in the city of Baltimore. In addition, there should be major stations and parking lots where each of the rail lines crosses the Baltimore Beltway.

Additional stations can be located where desired by the residents of various communities located on the rail lines. In a later phase of the program, it may be advisable to build connecting links to nearby communities, where this can be accomplished with minimal environmental disruption.

Certain of the rail lines lend themselves to through operations, which would start at one suburban terminal, pass through center city, and terminate at another suburban station. Other routes would function best with a downtown terminal, from which inbound trains would then return to the suburbs. The building of certain connecting links and improved track layout at existing links would create additional flexibility . . .

The commuter/rapid transit service proposed herein should be operated with streamlined, air conditioned, high capacity commuter cars such as those purchased by the city of Philadelphia and the commonwealth of Pennsylvania for service on the Penn Central and Reading lines in and around Philadelphia. Part of the fleet would be equipped for self-propelled electric operation on the electrified lines of Penn Central, while the remainder would be hauled by diesel electric locomotives.

Using push-pull controls as found on the progressive commuter lines around Chicago, these locomotives propelled and trains could be operated from either end, minimizing switching operations at terminals . . .

The equipment fleet is estimated as follows:

Diesel propelled trains: 5 routes times 2 train sets equals 10 train sets, or 10 locomotives and 40 cars. At an approximate 10 per cent ratio for spare equipment, due to repair and servicing needs, there would be 1 additional locomotive and 4 additional cars.

Self-propelled electric trains: 1 route times 2 train sets equals 8 cars. The 10 per cent spare equipment ratio would require 1 additional car.

The total fleet and estimated cost:

| | |
|---|---|
| 11 diesel electric locomotives | $3,630,000 |
| 44 nonelectrified cars | 8,800,000 |
| 9 self-propelled electric cars | 2,700,000 |
| Total estimated cost | 15,130,000 |

During 1959, many articles and letters to the editors appeared in the Baltimore newspapers discussing the abandonment of the Maryland & Pennsylvania Railroad, which operated from the terminal at North avenue and Howard street directly northward, in back of Johns Hopkins University, through Roland Park, Woodbrook, Towson, the Loch Raven area, and on to Belair. Forward-looking citizens urged that the city or state at least buy the right-of-way and preserve it for possible future rapid transit use.

In typical fashion, the responsible governmental officials did nothing. As far as they were concerned, railroads were a relic of the Nineteenth Century, and the future of Baltimore lay in the glorious construction of acres of expressway and parking lot pavement.

In 1973, many of the power centers in this state are still trying to ram highways through urban and suburban neighborhoods, despite widespread and uniform citizen opposition and unquestionable proof that the automobile and its appendages are the worst environmental disasters ever to hit Western civilization.

Meanwhile, of the rail lines described in this report, four are out of service and/or subject to abandonment proceedings. The state plans to spend $1 billion duplicating the Western Maryland Railway for rapid transit operations. There is little discussion of just when the state might get around to serving other parts of the metropolitan area. Rapid transit routes are often designed to coincide with planned but unneeded expressways, in a last ditch effort to use the old ploy "Accept our expressway plans or you won't get any rapid transit."

Have we not learned anything during the past 14 years? Must we let vital rail lines disappear so that they can be resurrected at fantastic cost in a few years? It is up to the citizens of the Baltimore area to call a halt to the foolishly extravagant and environmentally destructive transportation plans of the state.

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## WATERGATE

## HON. HENRY P. SMITH III

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. SMITH of New York. Mr. Speaker, the Tonawanda News, published daily in my hometown of North Tonawanda, N.Y., had in its edition of May 29, 1973, an editorial on the Watergate affair and its ramifications. I found this editorial to be well-reasoned and responsible, and I am pleased to share it with my colleagues:

### OUR VIEWPOINT: UNTED STATES WILL SURVIVE

It is too soon to put together more than a skeletal story of what really happened in the Watergate affair, but we can already begin to measure its impact on the American people.

Hardly anyone, from barberchair philosophers to Washington commentators, is keeping his feelings to himself, and the reaction cuts a wide swath.

There are those who say Watergate does not surprise them a bit. They are the cynics who seldom see anything but the seamier side of politics. City hall, to them, is synonymous with hypocrisy and double-dealing.

At the other end of the spectrum are those so shocked by Watergate to fear the collapse of the ability of our government to govern.

The real meaning of Watergate, we are sure, lies somewhere in between. To brush off the misbehavior of high government officials as "politics" is just as big a mistake as to panic at its implications.

To embrace either of these extremes is to deny an essential truth about our political system—that the American people do demand high moral standards of their public servants, that moral compromise and abuse of power are the exception rather than the rule in public life, and that the system carries built-in mechanisms to assure that their government and its institutions do not become the victims of human frailty.

The public's moral sense is outraged by political scandal at any level. It should be. As painful and disheartening as it is to see men in public life betray their trust, these occasions should not inspire cynicism or despair. They should kindle a resolve to make our government and its institutions less vulnerable to the personal failings of individuals.

The Credit Mobilier scandals of the 1870s and the Teapot Dome case of the 1920s sent tremors through the ship of state, but such storms have had a lasting and beneficial effect.

They helped make succeeding generations more aware of the need for vigilance to preserve the integrity of their government.

We may be shocked by Watergate disclosures, but we should be equally impressed by the inexorable manner in which the truth is working its way to the surface. We owe this to our free press and to the inherent strength in the system of checks and balances in our government.

It may turn out that some men have brought dishonor to government service but, to the extent they have done so, they have aroused the determination of others to preserve and enhance the honor of the government as a whole.

We can anticipate new attitudes toward the conduct of political campaigns as a result of Wategate. We have seen the need to erect new safeguards to protect such sensitive agencies as the Federal Bureau of Investigation and the Central Intelligence Agency from being drawn into domestic politics. We have heard the President concede that the isolation of his office is a problem to be corrected.

There may be more buffeting ahead from the high winds of Watergate, but there need be no fear that the ship of state will run aground.

Indeed, there is every reason to conclude that when the storm subsides we will find our political system stronger, healthier and a step closer to realizing the ideals which have always been its goal.

## ELLSBERG IS NO HERO

### HON. GERALD R. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. GERALD R. FORD. Mr. Speaker, an editorial in the May 29, 1973, edition of the Detroit News exactly expresses my sentiments with regard to Dr. Daniel Ellsberg and his aborted trial. In my view, the fact that the prosecution of Ellsberg went awry does not alter the fact that he stole Government papers and made them available for publication. As the Detroit News has said, editorially, "Ellsberg's No Hero." I commend a reading of the editorial to my colleagues:

NIXON IS RIGHT: ELLSBERG IS NO HERO

President Nixon's attack on Daniel Ellsberg and those who are eulogizing him was highly deserved, in this newspaper's opinion.

Mr. Nixon did not mention Ellsberg by name in his remarks to 600 returned POW's at the White House Thursday night but to almost everyone who heard or read his remarks—except Ellsberg himself—it was obvious whom the President meant when he said:

"It is time to quit making national heroes out of those who steal secrets and publish them in the newspapers."

NBC didn't get the message, however. It put Ellsberg on the Today show the next morning where he attacked the President and played once again the role of injured innocence he has worn ever since a federal judge threw out of court the government charges against him.

Ellsberg professed to believe the President was referring to members of his own staff. That pose permitted Ellsberg to point to the record of the men around Mr. Nixon and to accuse them, including the President, of "criminal acts," which, of course, have been proved to date only against the seven convicted of the Watergate break-in.

Ellsberg said there had been "no chance" of his conviction in the government's case against him for stealing the Pentagon Papers. If that were so, why didn't Ellsberg take his chances with the jury that was trying the case and permit it to make its decision?

The fact is Judge William Matthew Byrne Jr., before dismissing the charges, offered the defendants, Ellsberg and Anthony Russo, the opportunity to go to the jury for a verdict. This is what the New York Times said on that point in its report from Los Angeles on May 12:

"He (the judge) said he would withhold his ruling on their motion to dismiss if they wanted. He indicated that if they did decide to go to the jury, he would probably dismiss some of the counts—six for espionage, six for theft and one for conspiracy.

"He said that he believed enough of the case was left to litigate before the jury, if the defendants so desired. They did not and then he read his ruling."

While the judge's ruling chastized the government, it did not vindicate the defendants, whatever Ellsberg may say now. It did not dispose of the issues because, as the judge said at the time of the dismissal, that "can only be done by going to a jury." Ellsberg and Russo chose not to accept that offer. So, regardless of what the defendants or the jurors said after the trial, Ellsberg at that time was not as confident of his chances of acquittal as he now says he was.

There is no excuse for the government's involvement in the Watergate mess. There is no excuse for the break-in at the office of Ellsberg's psychiatrist. There likewise is no excuse for Ellsberg's actions in releasing the classified Pentagon Papers to the press. And there is no excuse for anyone treating Ellsberg as a hero.

Neither in the case of government officials nor in the case of Daniel Ellsberg can it be argued that the ends justified the means, especially when the means included violations of the law and federal regulations.

Ellsberg is no hero. He's a heel.

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## VERY PROUD AMERICANS

### HON. JOHN E. HUNT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. HUNT. Mr. Speaker, the United States of America has long been known as the melting pot of the world. And for good reason. In 1620, the Pilgrims landed on our shores so that they might enjoy freedom of religion. It continued. Figures show that from 1820 through 1971, some 45,533,116 persons emigrated from all countries to the United States.

They left, Mr. Speaker, for a variety of reasons, but one of the biggest and most compelling reasons to come was to escape oppression. They wanted to enjoy the one thing that every member of the community of man wants the most—they wanted their freedom.

One of the most touching letters I have ever received came to my office just the other day. It was from a Hungarian father of five and was acompanied by a newspaper article written by his daughter.

Mr. Speaker, I commend the letter of Joseph R. Rath, and the article written by his daughter Erika, to the attention of my colleagues. They indeed are, very truly proud Americans.

OAKLYN, N.J.,
*April 30, 1973.*

To Our Favorite Congressman
JOHN E. HUNT,
*Camden, N.J.*

DEAR CONGRESSMAN HUNT: I am very proud as an emigrant to have Children like I have, thank to God And thanks to our beautiful Country.

I do not wanted to take Your time, I just wanted You to share my happynes. Please read this article, and I am pretty shure Youre Megnificant Secreary Mrs. Mary Glickman will tel abaut Us Hungaryans.

My Family and I thank You for Your endless work: representing and protecting our community in the Unated States Congress.

A very proud american.

JOSEPH P. RATH.

HOW MY PARENTS WON THEIR FREEDOM

(By Erika Rath)

Look up to the flag every day which symbolizes your freedom. Our flag gives you the right to love your country, live in your country, and protect your country. How can you do that? I know and I'll let you know through my parents' experience.

My mother was born in Budapest, Hungary. She came from a poor Catholic family. At the age of 14, she had to support her family needs, and went to work. Under the Communist ruling, she was not able to learn and exercise her religion.

On Oct. 23, 1956, the Hungarian revolution started, and she was only 16. From my grandparents she learned about freedom, so as a little girl, she joined the Freedom Fighters, fighting on the street with machine guns in the cold days protecting children and older folks against the powerful Russian tanks. These young people, like my mother, with their strong beliefs succeeded and Hungary was free again. Only 12 days they were free. On Nov. 4, 1956, this little proud Nation (10 million people) had to face the Communist tanks and army. Half a million people, young and old lost their lives for their country and for freedom.

Over 50,000 Freedom Fighters were packed in box cars and shipped to Russia as POW's. Today in 1973 they are still there. Many people were involved in this fight for freedom and couldn't escape to the West. Some 56,000 were sentenced and hanged in political prisons. From the age of 16 the Communist government was waiting until these youngsters became legal age to be hanged, at 18. My father told me that at the church where my brother, sister and I were christened in Zroebling, there was a Hungarian priest who went to the United Nations to offer his own life to the Russians for the exchange of these 18 year old boys.

My mother was lucky because, after she was captured by the Russians, she escaped and fled to the West, hiding, marching through the winter nights until, with others, she reached Vienna, Austria.

My father was a fighter pilot during the Second World War fighting on the Russian front as a lieutenant. In 1945 his fighter wing was stationed in Austria. On May 10 the U.S. Air Force took over his fighter wing, and he was released with many others to go back to Hungary, because the war was over. On their way the Russians took them and, in guarded sealed box cars, took them through Hungary, Romania and into Russia as POW's. Here he worked as a slave for bread and soup every day 10 hours in freezing, sometimes 10 or 20 below zero temperatures. My grandmother did not know where he was or even if he was alive for four years.

At the end of 1948 he was released back to his country.

In 1949 on the new national elections with Russian pressure the Communists took over. My father did not like the godless and inhuman situation. His father was a mayor of a city just like our town in Oaklyn. His mother was a principal of a high school. Because the family lived religiously and in wealth, they became the worst and strongest enemy of the Communist regime.

After my grandparents lost their position and everything was taken away from them, my father and my uncle went underground to fight against the unbearable conditions. They joined a wing movement for freedom which was a side organization from Cardinal Mindszenty, who was already sentenced for life. In 1952 my father and my uncle's group was captured by the AVO (secret police) after informers turned them in. The same judge who sentenced Cardinal Mindszenty and the same prosecutor was asking the jury to hang my father, my uncle and three others. A year later they were sent to a political prison camp in a coal mine with hard labor for the rest of their lives.

On Oct. 27, 1956, after a four day hunger strike down in the coal mines, the revolutionary Hungarian Government freed my father and my uncle and many thousands of political prisoners. After that they joined the Freedom Fighters to keep and secure freedom for Hungary. On one occasion my father was standing in an alley and when he looked back, saw this little blond girl with a runny nose and a machinegun in her hand which was red from the extreme cold. He was 32 and he was very much impressed with this scene to see people so young fighting and risking their lives for their freedom. He never forgot the face of this little 16-year-old girl.

After the Russian tanks ran down the Hungarian revolution, my father with many others left their country to go to the West.

God's ways are unpredicable. My mother and my father after fleeing their country had new dreams.

In Austria they met accidentally again. My father remembered the little girl in the alley. So living and waiting in the same convent for the big journey to America, they had plans for the new life to this beautiful Promised Land. In Camp Kilmer without money, without even a wedding band, they got married in a little chapel by a Hungarian priest, Father Forro.

To make me understand my father and my mother told me this true story and when they were telling me I could see tears in their eyes. This is just two persons' story about the way this beautiful country was and is. In 16 years my parents bought a home, a restaurant, three apartments.

They have five children. Their children are raised and taught at home, and in our school, religiously, with love and respect for America where freedom succeeds so beautifully.

People, like my parents, could lose everything except their love and their memories. They gave up all this, because they found a spot on the globe where there is happiness, justice, and freedom.

## DISTRICT COURT DECISIONS AFFECTING THE OEO

### HON. ALBERT H. QUIE

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. QUIE. Mr. Speaker, all of my colleagues are aware of the President's decision to delegate or transfer into Cabinet departments most of the antipoverty activities now conducted by the Office of Economic Opportunity and to phase out the community action program.

Local 2677 of the AFGE brought suit in the Federal District Court in Washington to prevent the Acting Director of the OEO from carrying out this decision. I recently asked the Acting General Counsel of the OEO, Mr. Alan MacKay for an interpretation of the decision in this case. It is his opinion that the decision may have restricted the delegatory powers of the Acting Director very little. It does prevent OEO from awarding grants for "phasing out" certain operations. The delegation of programs apparently can continue as long as they are not meant to bring about the abolition of the OEO.

Mr. Speaker, I submit the analysis of Judge Jones' decision for the information of my colleagues and an analysis of a related case in the U.S. District Court for the Northern District of Illinois, Eastern Division.

The analysis follow:

ANALYSIS OF THE DECISION OF JUDGE JONES' OF THE DISTRICT COURT FOR THE DISTRICT OF COLUMBIA, IN LOCAL 2677, ET AL. VS. HOWARD PHILLIPS

Facts: This was a consolidated action brought against OEO by several classes of persons. The facts are substantially the same as recited in the analysis of Judge Parson's decision in *National Council of Locals* vs. *OEO*, which was furnished in a separate document.

Issues: (a) Does the earmark of Section 221 funds for FY 73 coupled with the anti-delegation provisions for the Section 221 functions make it illegal for the Director to terminate funding of CAAs?

(b) Do the actions concerning the CAAs require submission of an Executive Reorganization Plan to the Congress?

(c) Does failure to follow the notice requirement of Section 623 of the EOA invalidate issuances published without compliance with this requirement?

Discussion: A. Termination of CAA funding violates the EOA.

The Court cites certain actions of the Director following the announcement of the President's budget on January 29, 1972, as being controlling on this issue: 1) He had issued a generally worded letter to § 221 grantees (mainly consisting of CAAs) that no 221 funds would be available after June 30, 1973 and that grantees due for funding in FY 74 should begin phase out; and that grantees due for funding before June 30, 1973 would receive up to 6 months phase out grants.

The Court placed great weight upon an OEO Instruction issued March 15, 1973 which explicitly set out the procedures for phase out activities. The Court noted that the Instruction required the submission of phase out plans, prohibited no-cost extensions of grants even if funds remained unexpended at the end of the funding period, and also required that once the phase out period commenced, Section 221 funds only could be used for phase out purposes. The Court viewed these procedures as constituting the termination of the CAA function of OEO and that CAAs were required to use Section 221 funds for phase out of their programs rather than to carry out the purposes of Section 221.

It should be observed that the Court failed to discuss other portions of the instruction in question which permitted grantees to utilize Section 221 funds for program purposes and which did not require phase out where grantees were able to demonstrate that there existed a commitment to continue operations in FY 74 through non-OEO funding sources.

In concluding that the CAA function was being terminated during FY 73, the Court specifically found that OEO had an obligation to continue Section 221 programs through FY 73. The Court based this finding on the multi-year authorization for Section 221 funding, the Congressional extension for two years of the duration of OEO programs authority and the earmarking of $328.9 million for Section 221. The Court rejected the Government's arguments to the effect that (1) it was the Director's duty to terminate the agency's functions once he knew that FY 74 funds were proposed for the agency in order to effect the least waste of funds; (2) the Director has a responsibility to insure the fiscal integrity of CAAs and therefore it was his responsibility to determine that Section 221 funds could be spent in a more fiscally responsible manner by orderly winding up the affairs of the agency rather than keeping Section 221 programs functioning where there was no basis to believe that a commitment existed for continued funding of such programs in FY 74 through non-OEO funding sources; and, (3) that if the Director did not embark upon the course of action provided for in issuances he published since January 29, 1973 calling for the orderly phase out of CAAs there would be financial havoc in the communities because grantees having fully expended FY 73 funds for program purposes would have no funds remaining to cover its liabilities should no FY 74 funds be appropriated.

B. The termination of CAA funding violated the Executive Reorganization Act.

The Court noted that its finding that the Director had terminated the Section 221 function in FY 73 also constituted an independent violation of the law in that the termination of the function required Congressional submission pursuant to the Executive Reorganization Act. That Act, at Section 903 (a)(2) of Title 5, provides that "the abolition of all or a part of the functions of an agency" shall be carried out through the provisions of the Executive Reorganization Act. The Court, having found that the use of Section 221 funds for phase out purposes and the prohibition of their use for any other purpose, concluded that the Section 221 function had already been abolished. The Court failed to note, however, that the vast majority of CAAs would continue functioning with FY 73 funds into FY 74 and that the abolition of the function would not have occurred until FY 74 when and if funds were not appropriated for Section 221 programs. The Court also failed to observe that the only Section 221 function, in fact, is the function of making grants to CAAs for local initiative purposes. That function was not being abolished in FY 73 as Section 221 funds were to be obligated through June 30, 1973.

C. OEO's failure to publish regulations as required by Section 623 of the EOA unlawful.

Section 623 of the EOA provides that all regulations shall be published in the Federal Register at least 30 days prior to their effective date. The Government contended that even though there is a failure to comply with the publication requirement of Section 623, it does not render illegal the regulations so issued. The Government argued that Section 623 merely is a device by which Congress desired to be informed of the requirements being imposed on grantees and that such notice was not a condition precedent to the legality of regulations issued. The Government further contended that genuine emergencies existed as to the immediate issuance of these regulations and delay of 30 days would have severely hampered the Director's ability to carry out the administration of OEO programs. Lastly, the Government urged that when Congress desired to impose a restriction on the effective date of regulations, it stated so far more clearly that it did in Section 623. As an example, the Higher Education Amendments of 1968 provided that no regulation "shall take effect" until 30 days after publication in the Federal Register. Such language is substantially clearer than the language in Section 623.

The Court having considered these issues determined that Section 623 does not provide for any contingencies and makes a clear requirement that all regulations shall be published 30 days prior to the effective date. The Court construed such a requirement to mean that OEO regulations would not be effective until 30 days after publication. Accordingly, the Court held that as to regulations published in the Federal Register they would be effective 30 days after publication provided that they were not held to be illegal by virtue of the Court's decision.

Based upon the several foregoing holdings, the Court granted plaintiff's motions for summary judgment thereby declaring illegal all regulations and other communications providing for or intending to accomplish the termination of OEO or of the termination or functioning of community action agencies. The Court further ordered that the Director or any person acting in concert with him is enjoined from implementing any regulation published or otherwise communicated in violation of the Court's order.

ANALYSIS OF JUDGE PARSON'S DECISION IN THE U.S. DISTRICT COURT FOR THE NORTHERN DISTRICT OF ILLINOIS, EASTERN DIVISION

Facts: On January 29, 1973, the President submitted his Budget to the Congress, which among other things, called for the delegation of several OEO programs to other Federal agencies and a zero request for FY 1974 funds for CAAs and OEO as an agency. As a result of these and other budget initiatives, and in anticipation of the effect that these initiatives would have on 1974 activities, the Acting Director of OEO undertook several actions: (1) He publicly notified CAAs of the budget decisions, established phase-out procedures, and gave 6 month grants to all grantees coming due for funding between

January 29, 1973, and June 30, 1973; (2) he instituted reduction-in-force proceedings with respect to OEO Regional Office employees; and (3) he instituted actions to effect delegations of authority.

These actions by the Acting Director prompted the instant motion for preliminary injunction.

Issue: Were the actions taken by the Acting Director within the Executive Branch's constitutional authority to execute the laws or did those actions constitute legislating?

Holding: OEO exercised reasonable discretion and, thus, did not engage in unlawful or illegal acts in carrying out the FY 1973 Budget decisions affecting OEO.

Discussion: The first question posed is whether the OEO's Memorandum of January 29, 1973, informing CAAs of the Budget decisions and setting out activities to assure orderly phase-out violates Section 3(c)(2) of the EOA Amendments of 1972, authorizing the sum of $328,900,000 to be reserved and made available under Section 221. The Court held that (1) even though there is an authorization for FY 73 and 74, until Congress appropriates funds for FY 74, OEO is under no obligation to carry out programs; and (2) that the Court will wait until the end of FY 73 to decide whether OEO reserved and made available the full earmarked amount for Section 221 (the Court equates, without explanation, "reserve and make available," the language of Section 3(c)(2) with "reserve, make available, obligate and expend," the latter two words not being in Section 3(c)(2)).

The second question posed was whether the proposed delegations of on-going OEO programs must be accomplished under the Executive Reorganization Act: The Court found that Section 602(d) permitted the planned delegations without resort to the Executive Reorganization Act. In effect, the Court concluded that the President was empowered with two methods for moving OEO programs to other Departments—through a delegation of authority under Section 602(d); or as a reorganization pursuant to the Executive Reorganization Act and Section 601(b) of the EOA. The Court, of course, also observed that Section 221 functions, legal services and economic development could not be delegated under Section 602(d). Moreover, the Court noted that any functional discontinuance of these three programs before the end of FY 73 would be inappropriate.

The third question concerned the legality of OEO instructions issued without publication in the Federal Register 30 days before their effective date. The Court held that where good cause is shown, OEO could justify failure to publish in the Federal Register. However, the Court found no evidence of good cause for failing to comply with Section 623.

The ultimate question is whether CAA funding under Section 221 will be discontinued prior to the end of FY 73. Key to the resolution of this question was the affidavit and testimony of an OEO official. (This testimony was not before Judge Jones of the D.C. District Court.) By virtue of this testimony and other factors, the Court concluded that CAAs due for funding before 7/1/73 were being funded for 6 months, and that grantees who had no assurance of other than OEO funds were required to phase-out of business in order to insure fiscal and property accountability.

In light of these fundings, the Court held that nothing in the law prohibits the Acting Director, in his discretion, from spending funds for administrative purposes such as phase-out. It further held that it did not abuse discretion to advise CAAs of the budget decisions or that they were expected to meet their financial and property obligations to their employees and creditors and to OEO conclusive.

## MR. PATRICK BUCHANAN ON DRAFT DODGERS

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## HON. DAVID C. TREEN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. TREEN. Mr. Speaker, at no time in our history, even after World Wars I and II, have we sought to grant a general amnesty in such close proximity to the conclusion of a war. And I question the prudence of those who seek a general decree now. The hardships and sacrifices which were made by our prisoners of war and their families, I feel, make the present debate on amnesty very questionable.

In a recent article in the June issue of the Alternative, Mr. Patrick Buchanan offers some more pertinent points which, I believe, indicate why a general amnesty should not be rushed through Congress:

### A QUESTION OF NUMBERS

(By Patrick J. Buchanan)

On December 14, 1971, introducing his "Amnesty Act of 1972," Senator Taft observed, ". . . estimates of the number of young Americans living in exile range as high as 70,000." Therein lies a tale.

Within 72 hours, Shana Alexander of CBS's Spectrum had checked Taft's highest estimate and found it low, and ascertained the motives of the entire runaway army. "Over 70,000 of these young men are now sitting in exile or in prison," she stated, "because of their opposition to the war in Vietnam."

Clearly, the situation called for a manifesto. On January 1, 1972, sixteen worthies, anchored by the indefatigable Joe Rauh, issued a call for blanket amnesty: "There are at least 70,000 and some say as many as 100,000 young American men in Canada, men who have quit the military or refused the draft . . . We say: Let them go and let their records be made clean." The next morning in The Los Angeles Times, Max Lerner, a journalist of great probity, redeployed the 70,000-man army somewhat, declaring, "There are 15,000 exiles in Canada, some 55,000 in other countries."

By January 11, however, The New York Times' man in Ottawa, Jay Walz, had located the hordes. "As many as 40,000 exiles . . . are in Toronto, the favorite haven, and some 10,000 may be in Montreal," he stated, noting of their employment status. "Many others of the 50,000 to 70,000 draft resisters in Canada are not fortunate where jobs are concerned."

So it went through 1972 and throughout the U.S. media.

By early February of 1973, Fred Barnes of the Washington Star was declaring categorically, "There are about 60,000 to 100,000 draft evaders in exile from the United States"; and Newsday was announcing, in a lead editorial, "There are perhaps 100,000 young men who are in exile either because they fled the country to avoid the draft or because they deserted while in the military to avoid fighting in Vietnam."

What are the facts? Well, the fact is that the U.S. government places the figure of verified deserters and draft dodgers in Canada at just under 4,000. Outside Canada and the United States it estimates an additional 1,200. Of the 2,533 "deserters at large" outside the United States, the Pentagon places about 1,800 plus in Canada, while of the 2,400 "fugitives" from draft law indictments, the Selective Service places just under 2,000 with our neighbor to the North.

Official Canadian statistics do not contradict U.S. government estimates. Between 1960 and 1964, before Vietnam became an American war, roughly 1,300 U.S. males between the ages of 15 and 29 annually became "landed immigrants" in Canada. If one concedes that every single American male, over 14 and under 30—above that annual average—who became a "landed immigrant" in Canada between January 1965 and January 1972 was either a draft dodger or a deserter—an obvious impossibility—even then the official total for all of Canada could have come to no more than 17,000 at the very time Mr. Walz located 40,000 in Toronto alone.

What about the "55,000 in other countries" friend Lerner was concerned with? Well, the second most popular sanctuary for the "over the hill" army has been Sweden. On that situation, Haynes Johnson of the Washington Post, reported two weeks ago: "Sweden generally believed to have the next (after Canada) largest number of American deserters or war resisters, does maintain an official count of deserters. A count made last fall said there were 602 deserters in Sweden." This squares with official U.S. figures. The military places 237 "deserters at large" in Sweden; the Selective Service puts there the "bulk" of the roughly 450 "fugitives" outside the United States and Canada.

To hell with the totals, we are told, the young men who fled to Canada and Sweden "rather than fight in this immoral war" are still, in Milton Viorst's phrase, "the guardians of the national conscience." Thanks to the statistic-mindedness of Mr. Palme's regime and the enterprise of the *New York Daily News* we have an idea what the Stockholm crowd is up to when not guarding the national conscience. Quoting Swedish Director of Immigration, William Leth, last November Hugh Wyatt of the *News* wrote: "He (Leth) said that from 1967 to 1970, of the 585 Americans allowed to enter the country, 110 were involved in major crimes, citing the following: 36 thefts, seven robberies; 49 drug-related cases including pushing . . . Leth said that 52 deserters were jailed but declined to say how many are still there. Nearly thirty persons have been deported."

That's quite a performance.

What Mr. Leth is telling us in a nice way is that in one three-year period, 20 percent of our Stockholm brigade was involved in major crimes; 10 percent jailed, and 6 percent deported. Those statistics seem not only a trifle high for: "guardians of the national conscience"; they would have been considered an embarrassment by Crazy Joe Gallo and the Brooklyn Mafia.

What do these statistics say? This, I think, First, 7,000 to 10,000 seems a more honest, justifiable estimate of the actual Canadian contingent of draft dodgers and deserters than the 70,000 to 100,000 we have been constantly fed. Secondly, that, because of an ideological bias, otherwise competent American newsmen have engaged in inexcusably sloppy journalism, swallowing whole without inspection bogus statistics fed them by Canadian based antiwar groups—when a few phone calls and a little arithmetic would have shown the number almost certainly outlandish. Third, that for two years some of the nation's principal news organizations have thus grossly misled the American people about the magnitude of the problem they confront in the matter of amnesty for runaways. Fourth, that some U.S. journalists and politicians have been characterizing as the "best of our younger generation" and the "guardians of the national conscience" a collection of draft dodgers and deserters whose statistical profile and performance in exile show them to contain more than the customary complement of malingerers, opportunists, criminals, and cowards.

This is especially manifest after watching the genuine heroes of our age and time debark at Clark Field. To hear the boys who ran away to Toronto and Montreal and Stockholm lionized as "moral heroes" is—obscene.

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## DRUGS IN NEW YORK

## HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. RANGEL. Mr. Speaker, one of the compelling problems that continues to face the great city of New York is narcotics addiction and abuse.

After much publicity, discussion and decisive actions, inroads are finally being made in the treatment and rehabilitation of drug users, and the apprehension of nonaddicted pushers.

I fervently hope that a moral and fiscal commitment is made by New Yorkers and New York officials to continue an all-out war against dangerous drugs until narcotics addiction and drug abuse no longer plague our city and our neighbors.

In this election year, when we in New York will choose our leadership for the next 4 years, it is indeed commendable that the New York Post seeks to inform and educate New Yorkers on the state of the city, so that an intelligent and proper vote can be cast for our next mayor.

I now submit the Post article on drugs for the collective attention of this body:

THE STATE OF THE CITY—ARTICLE I: DRUGS

(By Robert Bazell)

Q. Is New York's drug problem continuing to worsen?

A. A number of signs over the past year have indicated that heroin addiction and drug-related crime, though still serious and wide-spread problems, have begun to ease off. At the same time, abuse of pills, cocaine, methadone, alcohol, and a variety of other drugs is increasingly common.

Q. What are the signs that the heroin problem is letting up?

A. Police statistics indicate a decline of of the crimes usually attributed to addicts about 15 per cent over last year in reports desperate for a fix—apartment break-ins, shoplifting, and other varieties of theft and burglary. The incidence of street muggings has also fallen, though not as sharply.

The number of narcotic-related deaths, long taken as the grim measure of heroin use, has fallen sharply. In March of this year, for example, the Chief Medical Examiner's office reported 41 such deaths here compared to 94 in March, 1972. The incidence of hepatitis caused by addicts' dirty needles has also fallen sharply.

Perhaps most significant, residents and community workers in several formerly drug-infested neighborhoods report that youngsters are not turning to heroin as readily as in past years and, they say, there are fewer junkies to be seen in the streets.

When a policeman nabs a criminal suspect these days, the suspect is less likely to be an addict than he would have been a year or two ago. A study by the city Health Services Administration revealed that the proportion of addicts among all suspects admitted to city prisons is now about 25 per cent compared to about 45 per cent last year and around 60 per cent in 1971.

Q. This would imply that less crime is being committed by addicts. Why hasn't the crime level fallen even further?

A. Many authorities now believe that the widely touted link between crime and addiction has been exaggerated. An end to the heroin problem will not likely cut crime sharply, particularly violent crime, which has been on the rise.

Q. How will Gov. Rockefeller's new, tough drug law affect the drive against pushers?

A. Judges, police, and district attorneys mostly opposed the bill, even in the modified form which the Legislature is about to enact. Law enforcement officials fear the new law will clog the courts and actually retard their efforts to apprehend major traffickers. The focus they say, will shift to harsh treatment of the street-level addict-pusher leaving the significant flow of drugs uninterrupted. The law will provide mandatory minimum sentences for selling even the smallest amounts of heroin, cocaine, or LSD along with sharp restrictions on "plea bargaining."

Q. Why, after years of the heroin epidemic seeming to defy solution, do we see a sudden improvement?

A. Many factors are involved. Teachers and counselors at ghetto schools say youngsters who have grown up amid heroin-caused misery are conditioned against the drug—"smack isn't cool anymore."

Another crucial element was a decision by the Lindsay administration three years ago to drop its opposition to methadone maintenance treatment and support large-scale use of the heroin substitute.

At the same time, successful efforts by law enforcement agencies, particularly the Federal Bureau of Narcotics and Dangerous Drugs, have cut sharply into the supply available heroin.

Since last summer heroin has remained virtually unavailable in some neighborhoods where it had been sold freely, and even where bags can now be purchased the heroin content is often dilluted far below the previous level.

Q. What kept narcotics agents from attacking the heroin supply successfully before now?

A. Last April 16 police and federal agents rounded up some 80 alleged drug dealers, most of them working from Plesant Av. in East Harlem. The arrests, police said, marked a major victory in the heroin war since the group was capable of selling more than 200 pounds of heroin a week (enough to satisfy thousands of addicts).

The Plesant Av. operation had been well known for years to many people familiar with the city's heroin distribution network. In fact, in 1967 Police Sgt. David Durk, whose revelations led to the formation of the Knapp Commission, had tried unsuccessfully to get the police to move against the pushers.

One can only surmise why the police failed to act until now. But the theft of the "French Connection" heroin, millions of dollars worth, from police headquarters, was, according to police sources, the most astounding example of massive corruption that had infected the department's anti-narcotics operations. Federal authorities had their own corruption problems—in 1967 the New York office of the Bureau of Narcotics was totally shaken up and one of the agents fired at the time, Francis Waters, also part of the French Connection case, was later arrested on charges of selling heroin. The case is still pending.

Sources report that the corruption has been rooted out (often with the result that sometimes inept but honest officers are assigned to narcotics cases), and the April 16 raids can be seen as evidence. The raids also demonstrate a drop in the inter-service rivalry that has plagued many past investigations.

Besides an easing of the problems, both the city and the Nixon Administration have increased the funds and facilities available for drug law enforcement.

Q. In the courts, aren't drug pushers often let off with a slap on the hand or short jail term?

A. At the beginning of last year the federal government gave the city a $10 million grant to set up a special section of the Supreme Court to handle nothing but narcotics cases. Also included were funds for a city-wide narcotics district attorney, a position now held by Frank J. Rogers, who can instigate cases and prosecute in all five boroughs.

The arrangement was intended to coordinate prosecution and allow a more efficient drive against high-level dealers. Despite some notable exceptions, the courts have spent most of their time handing out erratic sentences to low-level dealers, and drug law enforcement is anything but coordinated.

One of the problems has been that the regular DAs, particularly Brooklyn's Eugene Gold, have balked at the notion of turning over significant drug cases, which often carry favorable publicity. A recent state report on the new narcotics courts charged that the DAs use the courts as a "dumping ground" for their "older, weaker, and less serious" narcotics cases.

In addition, appointments to the new courts were used as political patronage, and many of the judges were assigned from the civil courts with little experience in the complexities of the laws governing narcotics cases. Court observers say this is one of the reasons for a high rate of acquittal at trials in the new courts and for sentences that for the same crime have varied from probation to 10 years in prison.

Q. What has happened to the thousands of addicts in the face of the heroin shortage?

A. Estimates of the numbers of heroin users here have traditionally ranged between 100,000 and 300,000 without anyone knowing the true number. Also unknown is the number of addicts who were able to stop taking the drug without any assistance.

But many, if not the majority, of the city's addicts have turned to methadone, and the heroin substitute drug figures as another of the key elements in the apparent reduction of the city's heroin problem.

Q. What is methadone?

A. It is a synthetic medication, manufactured in a laboratory—as opposed to heroin, morphine and other narcotics that are derived from extracts of the opium poppy. In most of its effects, methadone is virtually indistinguishable from heroin. Both are highly addictive. Methadone, however, works when taken by mouth and its effect lasts up to 36 hours, much longer than heroin or other opiates.

Q. Where do addicts obtain methadone?

A. Methadone maintenance therapy, where addicts receive a daily dose of the heroin substitute, along with medical and rehabilitative services, now constitutes the major form of treating drug addicts here. More than 33,000 addicts are now enrolled in methadone clinics. Another 8500 addicts participate in treatment programs that attempt to treat the addiction without using alternate drugs. These are mosly psychologically-oriented therapeutic communities.

There is also a flourishing market in methadone that probably caters to even more addicts than legal treatment programs.

Q. How do addicts get into treatment?

A. Often on their own, through a number of agencies or by court referral after they are accused of a crime. The city maintains an extensive network of detoxification centers where addicts can receive gradually decreasing doses of methadone until their habit is reduced to zero. Detoxification patients are urged to enroll in long-term treatment since without some form of therapy they usually go back to heroin.

The Health Services Administration also mans a 24 hours-a-day hotline (the phone number is 226-6900) to assist people with drug problems and refer them to treatment if necessary. Lately, the city has sent vans out to some neighborhoods in an attempt to entice addicts into programs.

Q. Does methadone cure addiction?

A. Methadone satisfies an addict's craving for narcotics and, depending on the dose, blocks the effects of heroin if the addict attempts shoot up.

Methadone is not a cure for addiction. But when taking a regular, stable dose of the drug an addict usually feels few effects. In a clinic setting this can mean the addict is amenable to counseling and job opportunities. On the streets it means fewer addicts are nodding off into a heroin stupor.

Both legal and illegal methadone (which sells on the streets for about $5 for a day's dose) are seen as factors in the reduction of addict-related crime since the drug eliminates the need to obtain $30 or more a day to support a heroin habit.

Q. Is methadone dangerous?

A. An addict's normal dose of methadone can kill a person who, unlike the addict lacks tolerance for a high dose of narcotics. About 100 such deaths, some of them children who accidentally took their parent's dose, occured here last year. And for this reason, police have begun a campaign to cut off black market methadone, much of which originates with patients in treatment programs who sell part of their dose and with unscrupulous doctors and clinics that give the drug out to virtually anyone.

Q. Why is there disagreement over methadone?

A. The debate over methadone's effectiveness has been continuing at a high-pitched emotional level since the treatment was first devised in 1964. Some people object to giving an addictive drug in place of another addictive drug. Others oppose the very concept of thousands of addicts, most of them black and Puerto Rican, having to come to the state for a daily "fix."

Studies have shown that about 80 per cent of the addicts who start methadone treatment stay with it. About 40 per cent of the patients in the city's own methadone programs hold jobs—the rest are on welfare. For those in the program more than two years the employment figure climbs to 50 per cent. Many defenders of methadone claim the employment figure would be higher still were it not for a general lack of jobs for minority group members and employers' fears of hiring ex-addicts.

Few reliable statistics are available for the success or failure of therapeutic communities which usually employ encounter groups, peer pressure and other psychological techniques to direct the ex-addicts away from the drug culture.

## DETROIT—HEADQUARTERS FOR HISTORY'S LARGEST SLAVEMASTERS

### HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. BROWN of California. Mr. Speaker, I suspect that many people would be surprised to learn that slavery still exists in the United States of America. And this slavery is run, not out of Alabama, or Mississippi, or Georgia—not out of any part of the South, in fact, but out of Michigan, one of our northernmost States. How can this go on, you might ask, in a free country? Was not slavery declared illegal over 100 years ago? Well, it was, of course. But the big three—GM, Ford, and Chrysler—have found that if you call it "compulsory overtime" instead of "slavery" you can get away with just about the same thing.

I call it slavery, Mr. Speaker, when workers at Ford's transmission plant in Sharonville, Ohio, have been working 7 days a week—not by choice, mind you, but at the orders of their supervisors—7 days a week, for the past 2 years. Automation equipment workers at the Sharonville plant have been working an average of 74 hours every week for the last 30 months. That works out to 4,420 hours of overtime for each employee over the last 2½ years. And, of course, since that is an average figure, we can be certain that there are many who have worked even more overtime hours.

Four thousand four hundred and twenty hours of forced work. Seventy-four hours total, both regular time and forced overtime, per week. I wonder how many marriages have broken up because the husband or the wife is a slave in an auto factory.

And I know there are some who will object to the use of the word "slave." There are those who will say, "They do not have to work. They can quit if they do not like it."

Well, Mr. Speaker, I am sorry, but I think slavery is quite an appropriate term to use in this situation. When you tell someone with a family to support that he has to work 80 hours this week or none at all, that is not really giving him any choice at all.

I could go on at length about this situation, but I think it would be of more benefit for our colleagues to read an article which appears in the June issue of UAW Solidarity, the official publication of the United Automobile Workers.

This article, written by Si Alpert and Sherwood Kerker, quotes workers in the plants as saying, "We want to be asked, not to be told." It tells of workers who are not allowed to attend religious services because their supervisors order them to work 7 days per week, including such days as Good Friday and Easter Sunday. I urge every Member of this body to read this account of slavery in America:

#### AUTO WORKERS DEMAND END TO COMPULSORY OVERTIME

(By Si Alpert and Sherwood Kerker)

Talk to auto workers about compulsory overtime, and you will hear comments like these:

"I guess my marriage went on the rocks because my wife finally got fed up with me being at work all the time." (*A St. Louis Chrysler worker.*)

"I've got six children at home. Working 10 hours a day, six days, I'm tired all the time. . . . I feel guilty because I can't go anywhere with the kids" (*A General Motors woman worker in Flint, Mich.*)

"I retired early because of the overtime. My legs were giving out on me; I was coming home exhausted every night." (*A retired Ford worker, 62, in Sterling Heights, Mich.*)

"My main worry is my two boys, 10 and 12. I missed their childhood because of overtime." (*A Chrysler worker on 10 hours, seven days.*)

"The foremen are just lazy. They could get all the people they need to work overtime voluntarily, just by asking more people. It's easier for them to point to workers, like they do now, and say 'you gotta work, or else.' " (*President of a Ford local in Ohio.*)

"Voluntary overtime is working fine here. Six days a week, seven for some departments—and one department even worked the New Year's week. All on voluntary overtime." (*An American Motors worker.*)

"Getting us voluntary overtime would be the best thing the union could do for us. (*A Ford Transmission worker at Sharonville, Ohio.*)

"Voluntary overtime is no problem for us. Ford and General Motors are producing cars in Germany, but they cannot say to the workers you have to work more than 40 hours a week. I'm wondering why they can do this in Cologne and Frankfurt but not in the United States." (*Sen. Heinz Ruhnau, German government leader, former Metalworkers Union regional director.*)

From the intensely personal viewpoint of those workers who have to stand up to long, punishing hours in the shop, who feel they are paying a sometimes agonizing price to meet the demand for production, voluntary overtime has become a top issue on their union's collective bargaining agenda.

As they see it, forced overtime of 10 or 12 hours daily, six or seven days a week, month after month without letup from the grinding pressure, means this for some of them: broken health, no family life, no opportunity to broaden their lives or find recreation, a sense of loss of personal freedom.

Nor do they see excessive overtime as worth it for the company, either. Both quantity and quality of production tend to suffer right along with the overworked machines and the bone-weary workers. Safety suffers; morale sags; tensions build up and sometimes explode.

The big paychecks are welcome, but many workers feel they don't wind up much ahead of the game. High income taxes eat up much of the overtime pay.

There's Jimmy Chambers of Local 110, a stock chaser with a $4.48 base rate and nearly nine years at the Chrysler Truck Assembly plant at Fenton, Mo. He has been on a regular 10-hour day, and also works most Saturdays and quite a few Sundays.

He blames the excessive overtime for the breakup of his marriage. "My wife would have plans for Saturday, but I'd have to work. The arguments started coming all the time and the friction kept growing, until finally we broke up.

"One of these days, I'm going to sit down and see how much more I'm ahead financially because of the overtime. Believe me, it won't be much . . . and look what it's cost me," he adds reflectively.

Older workers say they find excessive overtime a threat to their health.

The constant 10- or 12-hour days, plus Saturdays and Sundays, at Ford's Van Dyke plant near Utica, Mich., pushed one 35-year UAW veteran into retirement a year or two before he had planned to do so.

"I would have done all right on a 40-hour week," says C. W. Mantyla of Local 228, a floor inspector for more than 25 years. "But the extra hours were really hurting me, and I decided I'd better get out while I could."

His legs were cramping up and giving out on him, and he found himself exhausted every night and still tired when the next work day started at 4 a.m. The weekend work gave him no days off to rest up. Recreation, or even needed chores around the house, were out of the question.

The pressure from management for more production never let up. "I tried to keep going," he explains, apologetically. "But I couldn't. It got away from me."

He retired in April at age 62. Now, he remarks gleefully, he is "back in great shape and having a ball." He has renewed old friendships, joined his wife in social and community activities and feels "more like living." He's catching up on a big backlog of home maintenance chores, too.

Older workers say they are taking a beating at Ford's Sharonville and Fairfax transmission plants just outside Cincinnati, Ohio, where many departments have been working seven days a week for the past two years without letup. Some fear for their lives.

"We've had 50 deaths this year, while the men were working heavy overtime," reports Local 863 President Tracy Ingram. One man had worked 40 days straight, 12 hours a day.

"I've been in the personnel office when the widows would be signing up for insurance benefits, and they were telling the personnel people straight out, 'You people killed my husband.' "

Ingram has compiled a list of 100 job classifications at the Sharonville plant which have worked scheduled overtime during the 2½ years of the current Ford contract.

The overtime hours go up to 4,384 for automation equipment workers. This figures out to 146 overtime hours a month on the average, or about 34 a week—in addition to the normal 40 hours weekly—over the past 30 months.

These statistics point up the struggle for survival for older workers.

"My wife tells me I'm not going to make it to retirement," says Kenneth Bracken, a pipefitter at Fairfax. "That's true of a lot of us," adds maintenance man Esker Hatter ominously. Both have health problems. Hatter's doctor has advised him to get out of the plant for a while.

"He thinks that the time out would do my hearing problem as much good as the medicine," Hatter reports.

Says William Hoffman, alternate shop committeeman at Fairfax, "I collapsed at work with a heart attack and wound up in the hospital because of the 7-day schedule."

Clyde Pitts of Sharonville adds that he is now under doctor's care for severe headaches caused, the doctor said by too many overtime hours. The diagnosis got Pitts' workweek cut back temporarily to 40 hours but, he says hopelessly, "after July 10 I'll have to go back on the seven days again."

Only a detailed medical report will save a worker from discipline if he takes any time off from jobs where the pressure for production is heaviest, they reported.

"I have been told many times that I must work the weekend or else get disciplinary action," Hoffman notes. "Almost all of the production people say this happens."

"I got a doctor's excuse, so the foreman said he wouldn't do anything to me *this time,"* Don Bennett reports wryly after taking a day off his 12-hour, 6-day workweek at the Sharonville plant. "He gave me the distinct impression that I had better not do it again."

There was no "second chance" for Dan Forrest, a jitney repairman at the Chrysler Truck Assembly plant outside St. Louis.

During his seven years there he has received just one mark on his record—for refusing overtime.

"They told me I had to take two more hours because three men were out," he remembers. "I had already put in my scheduled 10 hours and I was dragging. I told them 'no' and the next day they wrote me up."

Local 110 had the reprimand taken off his record.

He had taken the time off for a family activity. His main concern, he says, are his two sons, 10 and 12. "I missed their childhood because of overtime," he adds somberly. "I would hate to miss their teenage years, too."

Discipline concerning overtime has been hot and heavy in some areas of the Ford plant in Sterling Heights, Mich., where members of Local 228 build rear drives.

Tom Stackpoole, in the side gears production, has been working overtime for the past 2½ years, frequently on 12-hour days. Last year, supervision refused to give him Memorial Day off for a big family reunion; he took it anyway, and received a written reprimand. Yet he has been quite responsible about overtime, he feels—he's taken off just six days in six months.

Clarence Harge, tubing welder, has been working from 3 a.m. to 3 p.m. daily, plus Saturdays and Sundays, since last summer. A family man, he was disturbed because he was forced to work Good Friday and Easter Sunday. He adds morosely, "I'll be lucky if I get the Fourth of July off."

Carl Winn, a heat treater on seven days, has always been active in his church. Being unable to go to church Sundays worries him. "I want my children to have what I've had through religion," he pleads, indicating his youngest child, Carla, 3.

The shop committee, headed by Chairman Len Vizziccero, has generally been able to keep supervision from carrying out its daily threats, but it's a constant battle, reports Local 228 President William Oshinsky.

Discipline also is a regular threat for workers who participate in car pools or otherwise have transportation problems.

Ralph Teague, a chassis repair relief man with 23 years at the Chrysler Truck Assembly plant in Fenton, lives 88 miles from the plant. He is utterly dependent on his car pool.

Once, when the pool driver was let off work an hour before Teague was scheduled to, Teague walked out with the others in the pool. "I explained I couldn't find another ride home, but the foreman just said, 'that's your tough luck,' " he told *Solidarity*.

Women workers required to put in a lot of overtime daily and on weekends have the additional problem of caring for their younger children and keeping house. They just never seem to catch up, they say.

Pauline Mangone of Local 400 has six years' seniority as a utility worker at the Ford plant in Utica, Mich. She has been working overtime steadily for the past two years. and currently works from 3 p.m. to 3:30 a.m. weekdays and 11 hours on Saturdays, plus many 8-hour Sundays.

She's able to "get by" the housework chores only because everyone in the family helps out—her husband, a Michigan Bell Telephone worker, and their four children, including the youngest, a 10-year-old boy. But she only sees her family on the Sundays when she's not at work.

Many women workers at General Motors' AC Spark Plug plant in Flint, Mich., members of Local 651, don't even have that much help.

Geri Ryan, a panels inspector with five years' seniority, has six young children to care for. Working 10 hours a day, six days a week, she finds herself getting panicky and desperate at times, wondering "how I am ever going to make it?"

She's "dead" by 6 p.m. "I have to miss most of the kids' activities, and then I feel guilty about it. I practically go to bed before they do."

Nor can her husband be of much help. He's working even more overtime than she is—double shifts, frequently—in the shipping department of the same plant.

The problems of Dorene D'Aigle, panels and gauges assembler, are complicated by a severe case of anemia. The foreman still asks her to work two hours' overtime daily, but her medical excuse allows her to work only eight, and she's glad of it. "Forty hours is all I can take," she says.

Supervision is getting tougher about excusing overtime on medical grounds, however, reports longtime Local 651 Recording Secretary Genevieve Nestor. And even compelling personal reasons for refusing overtime do not move pressure-ridden foremen off their tough stances.

She tells the story of a woman worker whose mother was dying of cancer. The Local 651 member had made arrangements for nursing care at home during her regular working hours, but the company insisted on overtime work during the hours she was needed at home, and penalized her when she refused.

"It's what we need that counts, not what you need," the supervisors told her. The local was able to reduce the penalty to six months' probation, reports Pres. Erwin Kirkwood.

The mother, meanwhile, died and the member has since willingly worked all the overtime scheduled.

Barbara Krausch, an assembler in trim at the Chrysler Truck Assembly plant has been on a 10-hour day since last September.

The overtime gives her problems in the relationships which make up her life—as a wife, mother, and daughter.

She has trouble finding time for not only the normal shopping, housecleaning and other chores of the housewife, but also for doing necessary things for her 69-year-old mother, who lives in another town.

The generally hardnosed attitude of management toward the personal needs of employes has aroused the deep resentment of workers. "They treat machines better than they do us," is a universal complaint.

Workers fail to see the necessity for compulsory overtime. It's a short-sighted policy, they feel.

For one thing, they see working conditions becoming worse in the shops. Anything that isn't essential to continued high-speed production gets neglected, they say.

For another thing, production inevitably slows down. And quality inevitably suffers, too.

"Most workers want to take some pride in what they do," explains Edith Casteno, second shift inspector at GM's AC plant. "But," adds Alberta Pelletier, long-time union steward in gas gauge assembly, "the company claims quality but wants quantity. When they need parts, quantity comes first."

Workers have an answer to the problem of overtime. Make it voluntary, they say.

"They won't have any trouble finding people to work overtime," says Bill Hoffman, Ford Fairfax alternate committeeman.

"If a guy wants overtime, let him have all he wants," adds Clyde Sexton, oiler at Fairfax. "But why should I have it if I don't want it?"

Most of the workers say they probably will work the overtime asked of them. But the point, they want to be asked, not to be told.

"Overtime should be up to the employe, not the company," protests Robert Cox, spray painter at the Chrysler Truck Assembly plant.

The auto firms can help their workers, their country and even themselves by making overtime voluntary, these workers say. Hoffman sums it up for the others: "I think that voluntary overtime would be the best thing the union can get us."

The UAW has been seeking for years to remove the compulsion from overtime provisions. Demands for voluntary overtime have been on the auto bargaining tables in nearly every set of negotiations. But the Big Three have always been adamant in their rejection of voluntary overtime, even though it is now in effect in many plants in agricultural implement, aerospace and parts and supplier industries, and in American Motors Corp.

Workers now feel urgently that its time has come. Delegates to the Special Collective Bargaining Convention in Detroit last March gave it high priority in their bargaining program, noting:

"It is not that workers won't work overtime, it is that they resent being compelled to do so . . . The worker in effect commits himself to work a normal workday and a normal workweek. He does not commit his life."

Mr. Speaker, in connection with the

auto workers' plea for voluntary overtime, I would also like to include at this point a brief item which appeared along with the article I have just inserted in the RECORD. This item tells of the results which the American Motors Corp. has obtained in one of its plants under the voluntary overtime system:

IT WORKS FINE AT AMC!

The Big 3 auto makers contend voluntary overtime won't work. But the actual experience of one auto manufacturer proves otherwise.

"Voluntary overtime is working fine at American Motors," says Glen Harris, assistant director of UAW's American Motors Dept., and a longtime Local 72 member at the Kenosha, Wis., plant of AMC.

"We're working six days a week at the Kenosha and Milwaukee plants. Some departments are working seven days. One department worked the Christmas-New Year's week—all on voluntary overtime.

"In fact, AMC hasn't missed a single shift because of voluntary overtime," he notes.

AMC workers won voluntary overtime in their contracts following a strike in 1969. The provision reads simply: ". . . Individual employees have the right for personal reasons to decline overtime."

Only a relatively small number of workers ever take advantage of this provision, Harris estimates; the others work the overtime whenever it's scheduled.

"It's mostly that we want to be asked, rather than be told," says Bob Bilger, maintenance man in the Kenosha plant and a bargaining committeeman for Local 72.

It takes supervision only a little more time and effort to pick up an overtime crew now than it did when overtime was compulsory, Bilger reports.

Mr. Speaker, I wish to emphasize that this situation exists, not because the Big Three find compulsory overtime essential to their operations, but rather because it is easier for them to order people to work than it is for them to make slight modifications in their systems. American Motors' experience shows that a voluntary overtime system works, but the Big Three are comfortable with the old system, and don't really seem to give a damn for the men and women who work in their factories.

This near-total lack of social conscience, Mr. Speaker, is something which concerns me a great deal. I have seen this same lack of concern demonstrated by the Big Three in their failure to make honest efforts to conform with the exhaust emission standards which we mandated for 1975 production automobiles. I will, by the way, have more to say about this lack of concern as it relates to exhaust emissions in the near future.

For today, Mr. Speaker, I would like to close by urging every Member of this body to join with the UAW in seeking an end to the use of slave labor in the production of American automobiles.

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## HONORS THOSE WHO PAID ULTIMATE SACRIFICE

### HON. LAWRENCE J. HOGAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. HOGAN. Mr. Speaker, the acts of heroism performed by our police and firemen in the routine and everyday performance of their duties are no less praiseworthy than those performed by the soldier on the battlefield, and this kind of national and public recognition is long overdue.

These men and women risk their lives every day in order to protect all of us and our families and our homes and our businesses. We need to express these feelings—often and loud—not only so that these brave and wonderful people will know how we feel, but to drown out the misguided, insensitive people who seem bent on destroying everything in this Nation of any decency or value, including the morale and effectiveness of our police and firemen.

Mr. Speaker, on May 25, I had the honor of speaking before Heroes, Inc., an organization which is doing a great deal to show our men in blue that we appreciate them. Financial assistance to a bereaved family can in no way compensate for losing the courageous man who made the ultimate sacrifice for his neighbors. But it can be a very real and practical help during a tragically difficult time. The knowledge that this kind of help will be forthcoming can lift part of the burden from our hard-pressed police and firemen while they are carrying out their duties. It can also express, in some small way, our enormous feeling of gratitude for their service.

I would like to take this opportunity to express my sincere appreciation to the professional and business men and women who make up Heroes, Inc. for their concern and dedication to insuring that the courageous acts performed by our police and firemen are recognized and praised. I pledge my wholehearted support as a Federal legislator to correct these inequities.

Mr. Speaker, I wish, at this point, to include the names of those men in the Washington metropolitan area who have given their lives in the line of duty:

ROLL OF HONOR

FOUNDED JULY 8, 1964

1964

*Private Martin I. Donovan*—On July 8, 1964, Pvt. Donovan of the Metropolitan Police Department was killed by a former Albanian soldier who defected to this country. His assassin shot him because he did not like his looks. He is survived by his widow, Betty, and a daughter, Teresa 3.

*Private Eugene Yoakum*—On September 27, 1964, Pvt. Yoakum of the Alexandria Police Department was slain by a man in a senseless drunken rage. He had been called to help another policeman in trouble. He is survived by his widow, Elizabeth, and three children, Marion 11, Tyrone 7, and Sharon 4.

*Frederick M. Dunn*—On October 2, 1964, Frederick M. Dunn, a volunteer fireman of the Silver Spring Fire Department was electrocuted when his ladder struck a high tension wire. He is survived by his mother, Georgianna.

*Captain Archie B. Hughes*—On October 19, 1964, Capt. Hughes of the Arlington Fire Department died when he was trapped in an attic where he had crawled to determine the source of the fire. He is survived by his widow, Eldina, and three children, Terry 8, Alice 21 months, and Karen 9 months.

*Private Arthur J. Chorovich*—On December 5, 1964, Pvt. Chorovich of the Arlington County Police Department was fatally injured when his motorcycle collided with an auto while answering a fire call. He is survived by his widow, Suzanne, and three children, James 16, Karen 7, and Marta 5.

*Lieutenant William H. Jessie*—On December 30, 1964, Lt. Jessie of the Montgomery County Police Department was fatally injured when his cruiser spun out of control and overturned during a chase of a stolen car. He is survived by his widow, Doris, and a daughter, Diane 21.

1965

*Captain Roger Welker*—On February 21, 1965, Capt. Welker of the Alexandria Fire Department died of a heart attack while on a ladder fighting a fire. He is survived by his widow, Louise, and two children, Donna 5 and Betty Jean 23.

*Private Charles M. Chamberlain*—On March 1, 1965, Pvt. Chamberlain, an aide to the Chief of the Metropolitan Fire Department, died of a heart attack while entering the Uptown Restaurant on a fire call. He is survived by his widow, Fannie, and two children, Charles M. and Mrs. Dee Ann Wolf. Both children are married.

*Lieutenant Eugene B. Davis*—On April 29, 1965, Lt. Davis of the Metropolitan Fire Department died of a heart attack while investigating a fire he had helped to extinguish earlier. He is survived by his widow, Genevieve, and two children, Eugene 22 and Janet 17.

*Private Michael Petrella*—On September 25, 1965, Pvt. Petrella of the U.S. Park Police died of fatal injuries received when his motorcycle skidded into a car on Memorial Bridge during a rain storm. He is survived by his widow, Patricia, and two sons, Dennis 4 and Ronald 3.

*Private Marcus Willis*—On December 27, 1965, Pvt. Willis of the Metropolitan Police Department was accidentally and fatally wounded by another policeman while they were attempting to make an arrest. He is survived by his widow Patricia, and a son, Marcus 2 months.

1966

*Sergeant Joseph K. Brown*—On February 19, 1966, Sgt. Brown of the Prince George's County Police Department was fatally wounded while attempting to serve a warrant. He is survived by his widow, Mary, and a son, Joseph 11.

*Private Marvin L. Stocker*—On March 23, 1966, Pvt. Stocker of the Metropolitan Police Department was killed as 100 policemen converged in a hunt for four robbery suspects after a $15,000 robbery at Lord and Taylor's Northwest Store. He is survived by his widow, Dana, and a son, Scott 16 months.

1967

*Private Russell W. Ponton*—On May 2, 1967, Pvt. Ponton of the Metropolitan Police Department died of injuries received when his motorcycle collided with an oil truck while he was answering a "Police in trouble" call. He is survived by his widow, Raye, and a son, Russell 2.

*Detective Gilbert M. Silvia*—On November 25, 1967, Detective Silvia of the Metropolitan Police Department died of gunshot wounds received on November 23, 1967, while checking a parked automobile for possible theft. He is survived by his widow, Mary, and four children, Dale 8, Mark 6, Catherine 4, and Scott 3.

1968

*Fireman Earl Warren Kane*—On January 10, 1968, Fireman Kane of the Reston, Virginia Fire Department died while attempting to recover the body of a small child who was drowned in Lake Anne. He is survived by his widow, Polly, and a son Earl 5.

*Private Lawrence L. Dorsey*—On February 3, 1968, Pvt. Dorsey of the Metropolitan Police Department died of gunshot wounds received on January 27, 1968, when he attempted to take a gun away from his assassin. He is survived by his widow, Rosetta, and two children, Eric 3 and Kyle 1.

*Private Eugene I. Williams*—On February

26, 1968, Pvt. Williams of the Metropolitan Police Department was fatally wounded when he stopped a car to investigate a traffic violation. He is survived by his widow, Florence, and two children, Everett 4 and Eugene 6.

*Private J. W. Leatherbury*—On March 21, 1963, Pvt. Leatherbury of the Prince Georges County Police died in a helicopter crash while he was checking a report of a bank door being open. He is survived by his widow, Alice. There were no children.

*Fireman Richard B. Thomas*—On April 19, 1968, Fireman Thomas of the Bethesda Fire Department and a volunteer of the Sandy Springs Fire Department died of injuries sustained when his jeep failed to make a turn while on his way to answer a fire call. He is survived by his widow, Ruth, and three children, Kelly 4, Gail 2, and Kathleen 6 months, who was born in July after the death of Fireman Thomas.

*Private Stephen A. Williams*—On July 2, 1968, Pvt. Williams died of gunshot wounds received while attempting to arrest a robbery suspect. He is survived by his mother, Mrs. Donald Egan.

*Private Willie C. Ivery*—On November 19, 1968, Pvt. Ivery of the Metropolitan Police Department was shot and critically wounded by a uniformed policeman who mistook him for a robbery suspect. He is survived by his widow, Marzee, and an unborn child.

*Private William R. Clements*—On November 30, 1968, Pvt. Clements died of gunshot wounds received when he and Pvt. Yeszerski, both of the Prince George's Police Department, went to tow a car away that police had asked the owner to move several times. He is survived by his widow, Blanche, and a daughter, Sandra Ann 2.

*Private Robert E. Yeszerski*—On November 30, 1968, Pvt. Yeszerski died of gunshot wounds received when he and Pvt. Clements, both of the Prince George's Police Department, went to tow a car away that police had asked the owner to move several times. He is survived by his widow, Veronica, and two children, Katherine 3 and Marion 2.

1969

*F.B.I. Agent Anthony Palmisano*—On January 9, 1969, Agent Palmisano died of gunshot wounds received when he attempted to arrest an escaped convict who had robbed a bank earlier in the day. He is survived by his widow, Barbara. There were no children.

*F.B.I. Agent Edwin R. Woodriffe*—On January 9, 1969, Agent Woodriffe died of gunshot wounds received when he attempted to arrest an escaped convict who had robbed a bank earlier in the day. He is survived by his widow, Ella, and two children, Edward, Jr., 6 and Lee Ann 5.

*Private William W. Gullett, Jr.*—On February 16, 1969, a Prince Georges County Policeman was shot to death while investigating a complaint on a loud radio. He is survived by his mother, father, brother, and twin sisters.

*Officer Michael Cody*—On July 14, 1969, Officer Cody of the Metropolitan Police Department was killed when the patrol wagon he was driving collided with a car whose driver ignored a flashing red traffic signal at a street intersection. He is survived by his widow, Judy, who is expecting a child in September.

*Officer David Hawfield*—On July 14, 1969, Officer Hawfield of the Metropolitan Police Department was killed when the patrol wagon driven by his partner Officer Cody collided with a car whose driver ignored a flashing red traffic signal at a street intersection. He is survived by his mother and father, Dr. and Mrs. Clayton Hawfield.

*Robert J. Hobstetter*—On August 10, 1969, Pvt. Robert C. Hobstetter, of the Chillum Adelphi Volunteer Fire Department was drowned in Sligo Creek while attempting to rescue Mr. and Mrs. Ronald S. Knowles and a child from a bridge at Sligo Creek Parkway in a flash flood during a heavy rain storm. He is survived by his widow, Nina and a 5 year old daughter, Dianna Lynn.

*Robert J. Harmon*—On August 10, 1969, Pvt. Robert J. Harmon, of the Chillum Adelphi Volunteer Fire Department was drowned in Sligo Creek while attempting to rescue Mr. and Mrs. Ronald S. Knowles and a child from a bridge at Sligo Creek Parkway in a flash flood during a heavy rain storm. He was unmarried and is survived by his immediate family in Ohio.

*Detective Allan L. Nairn*—On November 30, 1969, Det. Allan L. Nairn died of injuries received on November 29, 1969, when his patrol car was struck by a speeding stolen car. Det. Nairn of the Metropolitan Police Department is survived by his widow. There are no children.

1970

*Earl C. Kite*—On January 7, 1970, Earl C. Kite, a fireman of the District of Columbia Fire Department, Engine Company #13 died of a heart attack while shoveling snow at the entrances of the Fire House. He is survived by his wife, Barbara and a son, Jeffry, 10.

*Joseph R. Criscuolo*—On October 20, 1970, Joseph R. Criscuolo, of the District of Columbia Fire Department died of a heart attack after helping to extinguish a fire. He is survived by his wife, Jacqueline and 3 children, Kevin 10, Scott 9 and Barry 5.

*David W. Shaw*—On October 30, 1970, David W. Shaw of the Montgomery County Fire Department, died while attempting to rescue a construction worker in an underground meter vault. He is survived by his wife, Gloria and 2 children, Billy 6 and Richard 2.

1971

*David H. Rose*—On February 20, 1971, David H. Rose of the District of Columbia Police Department, was shot while attempting to subdue a kidnap suspect. He is survived by his wife, Blanche, who is expecting a child in August.

*Maurice T. Turner*—On June 26, 1971, Maurice T. Turner of the District of Columbia Fire Department was fatally injured when a wall collapsed during a fire at the Wax Museum Center. He is survived by his wife, Margaret and one child, Patricia 10.

*Norman E. Sherriff*—On September 24, 1971, Norman E. Sherriff, a U.S. Marshal, was slain while escorting a prisoner to a funeral. The prisoner's brother shot Sherriff. He is survived by his wife, Erika. There were no children.

*James W. Herbert*—On October 23, 1971, James W. Herbert of the Clinton Volunteer Fire Department was killed when a fire engine overturned and crushed him. He was unmarried and is survived by his family.

*Richard L. Whittington*—On October 23, 1971, Richard L. Whittington of the Clinton Volunteer Fire Department, was killed when a fire engine overturned and crushed him. He was unmarried and is survived by his father.

*James T. Hall*—On October 25, 1971, James T. Hall, a Deputy Sheriff of Montgomery County died of mysterious gunshot wounds while on duty at a Country Club. He is survived by his wife, Anna and two married children.

*Glen P. Fisher*—On March 10, 1971, Glen P. Fisher of the District of Columbia Police Department was shot during a narcotics raid. He is survived by his wife and one child, 18 months old, and she is expecting another child.

*Eldridge M. Pier*—On April 1, 1971, Eldridge M. Pier, of the Sandy Springs Volunteer Fire Department died of a heart attack when returning from a fire. He is survived by his wife, Mildred and two children, Pamela 9 and Patti 7.

*Jerard F. Young*—On May 21, 1971, Jerard F. Young of the Metropolitan Police Department died of gunshot wounds received on April 29, 1971 and was hospitalized until death. He was shot while attempting to make an arrest. He is survived by his parents.

*William L. Sigmon*—On May 25, 1971, William L. Sigmon of the District of Columbia Police Department was shot during a hold up at a Savings and Loan Bank. He is survived by his wife, Silvia and two children, Carol 10 and Tommy 9.

1972

*Raymond L. Hawkins*—February 25—U.S. Park Policeman, 28, died from injuries received during a December robbery. Survived by father.

*Donald A. Robertson*—March 9—Montgomery County Policeman, 35, slain by robbery suspect hiding in auto trunk. Survived by wife, son and two daughters.

*Charles R. Hofman*—August 6—Prince George's County Volunteer Fireman, 23, killed by falling tree while responding to fire in Chillum, Adelphi. Survived by mother.

*Dana E. Harwood*—September 25—Harbor Patrolman, 24, drowned in Potomac while searching for a missing person. Survived by mother.

*Israel P. Gonzales*—October 25—Arlington Policeman, 27, shot by robbers during routine check of local bank. Survived by wife.

*Ronnie W. Hassell*—December 2—Metropolitan Policeman, 20, killed on motorbike patrol by motorist running through a red light. Survived by wife and daughter.

*George P. Duvall, III*—December 11—Prince George's County Volunteer Fireman, 19, killed in Rescue Squad accident with locomotive. Survived by parents.

*Conrad Lee Birney*—December 27—Alexandria Police Detective, 40, slain, by bank robber. Survived by wife, son and two daughters.

1973

*Carrol D. Garrison*—February 20—Prince George's County Policeman, 31, shot while investigating report of a prowler in Chillum. Survived by wife.

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## FATHER BAKER'S AID TO YOUTH EXPANDED INTO AID FOR ALL

### HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. DULSKI. Mr. Speaker, the contributions of Father Baker are firmly etched into the history of the Buffalo, N.Y., area, in particular his dedicated work in providing a home and rehabilitation for homeless youth.

It was known as Limestone Hill when the late Monsignor Nelson H. Baker—who preferred being identified only as Father Baker—began taking in orphans and runaways who sought refuge.

At first, he established a farm where the youngsters could till the soil and grow food for the table. Later, he arranged to have them taught other trades. His orphanage and youth center mushroomed in what had become known as Lackawanna.

He established other institutions of the Our Lady of Victory family, primarily aimed at the care and protection of destitute and needy babies and children.

He felt that a general hospital was not consistent with his family of institutions, but suddenly he discovered the need overwhelming.

Af first, he constructed a maternity hospital so the wives of steelworkers could have their babies in a hospital instead of at home.

A combination of circumstances changed his mind: illness of the children and the unmarried mothers, pressure from the Sisters of St. Joseph and area physicians led by Dr. Michael A. Sullivan, and finally the flu epidemic of 1919.

Our Lady of Victory Women's and Children's Hospital opened in 1919 with 90 beds. When the flu epidemic struck, the hospital responded and overnight became a center for general medical care.

Finally recognizing the necessity for a general care hospital, the name was changed in 1930 to Our Lady of Victory Hospital. Today, it is a 303-bed facility providing care for residents throughout the area.

In 1922, a nurses home had been built adjacent to the hospital. In 1949, the 100-bed Sullivan wing was completed. In 1960, the Bethlehem-Taylor wing was dedicated, built with generous support from the Bethlehem Steel Corp. and the Moses Taylor family.

Last June a department of pastoral care was established to insure religious attention for patients of all faiths. The department is headed by Rev. Francis N. Miller, Catholic chaplain, with Rev. Michael Carlson of St. Nicodemus Lutheran Church in East Aurora as Protestant chaplain. Four Sisters of St. Joseph assist.

The hospital has cooperated closely since 1951 with the D'Youville College School of Nursing, providing nursing education training in medicine, surgery, obstetrics and pediatrics. During the last full academic year, 212 D'Youville students received supervised clinical practice.

Since 1968, a somewhat similar arrangement has existed for practical nurse candidates in the Board of Cooperative Educational Service program. The hospital also trains students from Trocaire College, Villa Maria College and State University at Buffalo.

Our Lady of Victory Hospital is operated by the Roman Catholic Diocese of Buffalo on a voluntary nonprofit basis. Its operating revenue in 1972 was $7.4 million, with an excess of revenue over expenses of only $155,718 for use for capital improvements.

Plans are underway for a major renovation of the facilities to meet the community's needs. A $10 million plan has been submitted for State approval.

## MINIMUM WAGE

## HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. HUBER. Mr. Speaker, those of us who serve on the Education and Labor Committee are all aware of the devastating effect an increase in minimum wage has upon employment. We have heard many employers testify before us that if a higher minimum wage is passed, then, in order to maintain their profits and stay in business, they will have to lay off many of their employees. This especially holds true for the smaller companies. When the layoffs begin, the first people to find themselves unemployed are, in almost all cases, the ones with the least experience. This, of course, means that teenagers, particularly those who are black, are usually dismissed before anyone else. In the forthcoming book, "Employment and Unemployment Effects of Minimum Wages", by Masanori Hashimoto and Jacob Mincer, it is found that minimum wage legislation causes "as much as an 11.99-percent decrease in the labor force participation rate of nonwhite teenagers, a 16.04-percent decrease in the employment rate of nonwhite males—20 to 24—and a 10.71 percentage point increase in the unemployment rate of nonwhite males—20 to 24." [1] Another study shows that for an increase of 10 percent in the Federal minimum wage, there would be an increase in the unemployment rate for all teens of 4.09 percent.[2]

In order to offset this impact among the younger members of the working force, a youth differential is direly needed. H.R. 2831 provides for such a differential by permitting employment in any wage area at an hourly rate of 80 percent of the applicable minimum wage or $1.60, whichever is higher, for full-time students and for 16- and 17-year-olds who are not full-time students during the first 6 months they hold a job. If we are to pass new minimum wage legislation this year, then I think it is an economic necessity to include a youth differential, for the cost in terms of lost employment opportunities has been borne most heavily by teenagers. Recent Department of Labor statistics reveal that teenage unemployment for the month of April 1973, the latest date for which figures are available, reached 15.4 percent, as compared to the national unemployment rate of 5 percent. I do not think it is helpful to our country's economy, or to our Nation's youth, to encourage higher rates of unemployment. And yet, without a youth differential, that is precisely what we would be doing.

The importance of a youth differential was duly noted by many companies when the National Federation of Independent Business recently polled a cross-section of their 344,000 member firms around the country. All totaled, some 10,000 different companies were questioned as to the necessity of a minimum wage youth differential. Thirty-seven percent of those responding indicated that the differential was of great importance to them for the continued operation of their businesses.

Aside from the effects of minimum wage on teenagers and youths, I do not think we should forget the effect a higher minimum wage has upon many others. Rather than talk about all the difficulties that arise with a new minimum wage law, I would like to call to the attention of my colleagues an article that appeared in U.S. News & World Report" in their March 6, 1967 edition. It well states what actually did happen the last time Congress passed minimum wage legislation. The article, entitled "New Minimum Wage: Price Rises, Squeeze on Jobs and Profits," is well worth reading and reflecting upon for it certainly gives a keen insight as to where and how inflation becomes an unwanted reality.

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[1] Hashimoto, Masanori and Mincer, Jacob, "Employment and Unemployment Effects of Minimum Wages," The NBER Survey of Research into Poverty Labor Markets. National Bureau of Economic Research. New York. Forthcoming, 1973.

[2] Adie, Douglas K. and Chapin, Gene L., "Teenage Unemployment Effects of Federal Minimum Wages," IRRA 23rd. Annual Winter Proceedings. Detroit. December 29, 1970, pp. 117–27.

## BAHAMAS OIL TERMINAL WILL EASE SHORTAGE

## HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. McCLORY. Mr. Speaker, a bright ray of hope for securing increased supplies of petroleum for our fuel-hungry Nation is revealed in a most illuminating article which appeared Thursday in the Copley newspapers.

This story relating the impending development of a major new oil terminal in the Bahamas to handle oil shipments from the Middle East—comes from Ray McHugh, chief of the Washington Bureau of Copley News Service.

Mr. Speaker, I am pleased to attach this highly informative article for the benefit of my colleagues and all other Americans who may not have read Ray McHugh's report in the Copley newspapers.

In addition to reproducing the article here, I wish to compliment Ray McHugh for digging out this vital information—and presenting this optimistic report:

### UNITED STATES, MIDEAST OIL LINK SET IN BAHAMAS

(By Ray McHugh)

WASHINGTON.—The Bahamas, long known as a Caribbean mecca for sun-bathing Americans, appear destined to play a major role in the fast-changing U.S. energy picture.

A major oil terminal to handle shipments from the Middle East and the Persian Gulf has been approved by the Bahamanian government, it was learned here.

Atlantic Terminal & Tanker Services Co. Inc. of Lausanne, Switzerland, plans to begin construction July 10, of a crude oil transshipment terminal on Grand Bahama Island.

The deep-water terminal will accommodate the largest super-tankers now being built—ships that cannot be handled in comparatively shallow U.S. ports. Smaller tankers will shuttle the crude oil to U.S. refineries on the East and Gulf Coasts.

A spokesman for Atlantic Terminal says the installation will handle up to 30 million tons of oil a year. It is expected to be in operation by the fall of 1974.

#### TOP CONSULTANT

The Swiss firm is headed by V. C. Georgescu, an American and one of the world's best known oil consultants. A major participant is Pakhoed Holdings, N.V., of Rotterdam, the Netherlands, the world's largest petroleum products, storage and transshipment company.

The proposed storage facilities in the Bahamas may be only the first of a series of transshipment centers off the East and Gulf Coasts. In his energy message to Congress President Nixon asked the Interior Department to investigate the possibility of manmade terminals or islands, and studies are under way for such a facility off Wilmington, Del.

Georgescu estimates that by 1985 the United States will require more than 740 million tons of oil a year from foreign sources.

### SOURCES LISTED

About 175 million tons are expected to be supplied from Canada and Venezuela, he says, leaving a balance of some 550 million tons which must come from the Eastern Hemisphere—mostly from the Persian Gulf region. About 50–100 million tons may be available from North and West Africa, by his estimate.

Georgescu also predicts increasing U.S. and Japanese interest in liquefied natural gas from the Persian Gulf, principally from Iran.

"In my opinion Japan will probably be importing over 15 million tons of LNG from the Middle East by 1985," he said.

In the same period, he predicts, Japanese oil imports will soar to 700 million tons a year, 500 million tons over 1971 figures. "The competition for oil could become fierce," he said.

Western Europe's consumption by 1985, he said, will reach 750 million tons. The European Common Market countries consumed 335 million tons of oil in 1970.

U.S. imports of LNG, he said, will be influenced by federal price policies and the availability of new-design LNG ships. The United States recently negotiated a $1.7 billion deal with Algeria to import between 1 billion and 2 billion cubic feet of Algerian gas a day over the next 25 years.

The Algerian agreement involves Export-Import Bank loans totaling $556 million. Virtually all of the imported gas is earmarked for the northeastern United States.

### SEEK COMMON POLICY

The developing world-wide oil shortage has prompted industrial nations to seek a common price policy toward the supplier nations. U.S. and Japanese officials are discussing strategy with the European Economic Community, but France is objecting to joint negotiations.

Japan, meanwhile, is reported seeking independent agreements with Saudi Arabia, Iran and Indonesia.

President Nixon is expected to discuss the oil price situation with French President Georges Pompidou when the two meet in Iceland on May 31. Mr. Nixon also is expected to discuss possible U.S.-Soviet development of Siberian natural gas fields with Soviet chairman Leonid Brezhnev when the two leaders meet here June 18 to 26.

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## ARMENIAN-AMERICAN BLOOD DRIVE

## HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. DERWINSKI. Mr. Speaker, the Armenian-American community recently commemorated the anniversary of the atrocities that the Armenian people suffered in the hands of the Turks in 1915. They did this in a most positive and impressive fashion.

Instead of demonstrations or political harangues, the Armenian-American community promoted a blood drive in conjunction with the American Red Cross.

The history and present motivation of the blood drive is described in an editorial that appeared in the Armenian Weekly, of Boston, Mass., in their May 31 issue. I direct to the attention of the Members this positive commemoration with much respect:

### THE BLOOD DRIVE

The impressive response of the Armenian American community to the Armenian National Committee's Martyrs' Week Blood-Drive is another indication of the growing maturity of that community.

It is another example of how the comparatively new Armenian context of the American citizenry has emerged from that period of parochialism which, through language and cultural factors, early imposes itself on a new American immigrant group.

While retaining its usually marked devotion to its heritage and its traditions, the Armenian American community, now with over a half-century of experience with America, is on that highroad which leads to the perpetuation of the Armenian identity in America—a journey being successfully essayed precisely because the Armenians have diminuated not at all their zeal for their Armenian institutions and aspirations, have found—as every other successful emigre group has discovered—that the preservation of their ethnic virtues and causes is best achieved in this nation of nations by acting as Romans in Rome.

The recent blood-drive was a particularly 'American' way of doing things. And yet, it was too uniquely Armenian.

It is the American way to be generous to a perhaps unrelated worthy cause as a symbol of appreciation for the good deeds done them through the traditions of the American system. Similarly, the donation of blood by Armenian Americans was again a demonstration of how the grateful Armenian nation rewards the benefactions it has received. In a word, the blood-drive bespoke the great parallel traditions of Americans and Armenians.

The American Red Cross, which of course is a Presidentially-chartered semi-official agency of the American nation, was one of the many American offices which, in the World War I era, responded to the crying needs of the stricken Armenian nation. Working closely with other American agencies, notably the Near East Relief, the Hoover Commission and the Haskell Mission, the ARC took to Armenia its angels of mercy, caring for thousands of orphaned Armenian children, providing food and housing for added thousands of Armenian refugee families, and medicating the ills suffered by countless others. The Armenian effort of the American Red Cross is acknowledged by that great organization to be one of the brightest pages of its history.

Now, some half-century after the Red Cross gave of its resources to assist the Armenians in their moment of greatest need, the Armenians in turn have signified their admiration and gratitude to the American Red Cross by giving to that agency the most vital resource they possess—their life-blood—the same blood which had been so profligately wasted and let by the Turks in 1915–1918. And, of course, today blood is that substance most dearly needed by the Red Cross in the prosecution of its humane work domestically and abroad—blood to sustain American and other lives, blood to return well-being to the unwell, precious, unmanufacturable, indeed unpurchaseable, blood, the nectar of life and of health.

The Armenian blood-drive effectively and purposefully drove home the message of Armenian Martyrs' Week among the general public. It was a 'propaganda' unprinted and perhaps unsaid, but it was a promulgation, by its very nature, which Americans readily understood without having to be told what the effort was all about.

For humanity's sake, for the sake of effectively promoting the cause of Armenian justice in Rome in the Roman way, the blood-drive must become an important regular facet of the Armenian effort during their annual 'winter of discontent'—when the Armenian people, at home and abroad, pause to remember those Armenians who perished in the cause of all humanity.

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## STAR-TRIBUNE HONORED

## HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. HANRAHAN. Mr. Speaker, in the past month, one of the major newspaper groups in the third Congressional District has received both national and State honors. The Star-Tribune newspapers have been awarded honors for their achievement in advertising, photography and sportswriting.

The energies of the staff, both individually and as a whole, have been demonstrated in the fine quality of the reporting done by the Star-Tribune papers throughout the entire area.

I would like to take this opportunity to recognize this exceptional group of journalists and add my congratulations for a job well done.

The following account describes the awards the Star-Tribune has received:

### STAR-TRIBUNES HONORED

The 10 Star-Tribune newspapers in the past month have received national and state honors in three distinct areas of achievement—advertising, photography, and sports writing.

George Perry, advertising director of the 10 newspapers took a first place award in the Suburban Newspapers of America 1973 Ad and Promotion contest.

The three Star-Tribune newspapers of Tinley Park, Orland Park, and Oak Forest took nine awards in the Illinois Press Photographers association yearly competition.

John E. Meyers, sports editor of the four Star newspapers out of Chicago Heights, has been named a charter member of the new "Hall of Fame" established by the Illinois Basketball Coaches association. Meyers was one of a select group of media representatives who were honored by the IBCA.

Perry won his award for an ad he created for the First National Bank in Harvey. Competition included major suburban newspapers from the United States and Canada. Judges' comments carried such tributes as: "First-rate photography, copy interspersed with believable humor in one instance, another with memorable headline. Also good use of two-color and dominant use of full pages."

The ad was entered in the "Best Local Display Advertising" category.

The Tinley Park, Orland Park, Oak Forest Star-Tribunes took their nine photo awards in head-to-head competition with the state's major dailies.

Rich Faverty and Rick Friedman shared the first place award for the best looking newspaper photographically in the state. The photo editing award was based on 10 picture and Lifestyle pages taken from the Star-Tribunes over the past year.

Faverty also took a third place award in humor; a third place award in personality; and honorable mentions in sports, woman's world and feature.

Susan Greenwood took a second place in

feature and honorable mentions in picture feature story and woman's world.

Ovie Carter of the Chicago Tribune, winner of first place awards in three categories, was named photographer of the year for the second straight year.

Meyers, whose column has been a fixture on the Star sports pages for more than a quarter of a century, was one of 28 members of the press singled out for IBCA honors, which also included coaches, players, and officials who played major roles in the history of Illinois basketball.

Meyers was the only sportswriter from the immediate area honored by the IBCA.

## SCHOOLBUS SAFETY—A MUST FOR THE CHILDREN OF AMERICA

### HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. ROE. Mr. Speaker, the time is long overdue for the Federal Government to take positive affirmative action in achieving optimum safety for the transportation of our Nation's schoolchildren. As the National Highway Safety Administration diligently pursues the formulation and issuance of mandatory safety standards for the automobile industry as charged to them by the 1966 law which established this administrative arm of our executive department, the safety standards for schoolbuses continue to fall by the wayside in apparent neglect—like a voice of desperate need crying in the wilderness.

A national commitment for schoolbus safety is vitally needed now. In the 92d Congress and again in the 93d Congress, I joined with many of our colleagues in sponsoring schoolbus safety and schoolbus safety design standards legislation which would amend the National Traffic and Motor Vehicle Safety Act of 1966 charging the administration with action programs to develop standards requiring that all schoolbuses be equipped with seat belts for each passenger and seat backs of sufficient height to prevent injury to passengers; to authorize design standards for schoolbuses; to require that certain standards be established for schoolbuses; and to require the investigation of certain schoolbus accidents.

It was, therefore, most reassuring and heartening to note that the House Subcommittee on Commerce and Finance, Committee on Interstate and Foreign Commerce is moving with dispatch to provide comprehensive schoolbus safety legislation for consideration during this session of Congress.

Mr. Speaker, I was indeed pleased to submit a statement of need in support of my schoolbus safety legislation to the committee at the public hearing they conducted last week to establish essential schoolbus safety measures for the protection of the schoolchildren of America. I would like to share my testimony with you and our colleagues here in the Congress and trust that we will soon have the opportunity to express the majority will of our people through a vote on schoolbus safety legislation here on the floor of the House in the near future.

My statement to the committee is as follows:

TESTIMONY BY REPRESENTATIVE ROE

Mr. Chairman, the total number of motor vehicle fatalities in the United States has been rapidly rising since the early 1940's, and in recent years has been running above 50,000 a year. Motor vehicle accidents are disabling approximately 2 million people and the total "societal cost" has been estimated at $45 billion a year.

This ugly trend began its most alarming increase during the early 1960's. In 1962 and 1963 and again in 1964, the fatality rate edged upward, partly as a result of a large increase in the number of drivers on the roads. In early 1965, Senate hearings on automobile safety got underway, and toward the end of that year Ralph Nader published "Unsafe at any Speed." The following year Congress enacted the legislation creating the National Highway Safety Bureau (now the National Highway Traffic Safety Administration) and authorizing it to formulate and issue mandatory safety standards for the automobile industry.

Remarkable results, demonstrated by the decline in the number of fatalities measured against vehicle miles driven (about 4.7 fatalities per 100 million vehicle miles in 1971 as compared to 18.2 in the middle 1920's) attested to the fact that Congress was on the right track in insisting that vehicles be made safer. But coincident with this particular statistical decline during the late 1960's more disturbing statistics were emerging that indicated the increase in the number of highways and roads constructed, the increase in the number of drivers on the road and the increase in the number of automobiles produced as the nation moved into the 1970's were taking an awesome toll in total annual traffic fatalities and injuries.

Congress reasoned that any insistence on vehicle safety standards must be coupled with a similar insistence that both highways and drivers meet as stringent a safety standard as vehicles if highway fatalities and injuries were to be brought under controllable limits.

In effect, Congress considered—and, in fact, is requesting a "total" highway safety program—an across-the-board, concerted effort by every Committee of the Congress that has jurisdiction over highway safety measures, to favorably recommend and legislate maximum safety standards and guidelines within the purview of their jurisdiction.

As the Subcommittee on Commerce and Finance of the Interstate and Foreign Commerce Committee begins hearings on School bus safety measures, I believe at least two facts should be kept in mind. First, against a background of Congressional insistence on a total highway safety program to include safer vehicles, safer roads and safer drivers, safety standards for school buses appear to have been ignored and neglected. The seriousness of this matter can be measured against the statistics, as well as the human suffering, which indicate that this nation may expect approximately 46,000 school bus accidents this year, 150 lives lost and 56,000 associated injuries. Secondly, the insurance of the safety of our nation's children in school buses is a significant and essential factor of a total highway safety program—it must not be considered as either independent or separate from a national program which strives to insure the safety of individuals and families in private vehicles and on public roads.

Legislation that I have introduced and joined with other Members of the House in sponsoring in this direction, H.R. 1012, H.R. 1013 and H.R. 6093 asks that standards be developed for school buses. Included among the proposed standards are improved emergency exits, floor strengths, bodies and frames, windows, windshields, fuel systems and seating systems to include the mandatory installation of seat belts and the development of seat backs of sufficient height and design to prevent injury to passengers.

The necessity for the introduction and enactment of this legislation stems from a number of factors. Basically, these factors involve the justification for legislative steps in formulating school bus safety standards and highway safety standards in general.

In September 1971, the National Highway Traffic Safety Administration stated: "The daily safety of children depends, in large measure, upon the reaction of the motoring public to school vehicles." Mr. Chairman, I would have no argument with the N.H.T.S.A. statement provided the reaction of the motoring public to school vehicles were consistently safety minded. But both experience and tragic school bus accidents suggest the reaction of the public to school buses is not always safety minded, nor do all school bus catastrophes occur as the result of a poor reaction by another driver. Clearly, without appropriate safety standards that would afford every passenger of a school bus the maximum degree of protection in the event of an accident, we, in effect, leave the safety of our children to the eccentricities and uncertainty of luck. But in view of the absence of departmental and agency action in formulating safety standards for school buses, coupled with a statement that reflects neither a comprehensive or total approach to insuring the safety of school bus passengers under all circumstances, Congressional leadership becomes essential.

It may be of interest to the Members of the Committee to know that insufficient aggressiveness in the leadership and promotion of safety regulations by Departments and agencies having jurisdiction over such matters was one of many guiding factors I and my colleagues in the House Public Works Committee considered when we included funds for highway safety programs in the Federal Aid Highway Act of 1973.

Early in 1972, the Comptroller General of the United States, the Honorable Elmer Staats, commented:

"When viewed in light of the deaths and injuries associated wtih highway hazards, there is a question as to whether the Department of Transportation has taken all feasible action to implement a high-priority program to identify and correct hazardous highway locations. . . An opportunity exists to materially improve the Nation's traffic safety record if the Government will provide stronger leadership toward program implementation."

On the basis of this general guidance and information, I and my colleagues on the Committee actively supported and defended the inclusion of funds for highway safety programs within the Federal Aid Highway Act. That Act, now in conference committee after having passed both the House and Senate, includes funds for the elimination of highway and road hazards, funds for improved pavement marking projects and programs to research ways to improve driver attitudes and education.

To a significant extent, we were reacting to Departmental and agency foot-dragging in matters of crucial importance.

Mr. Chairman, I urge the Committee to favorably recommend legislative steps to require school bus safety standards. In doing so, Congress may continue to assume a position of leadership in areas of highway safety that Departments and agencies are slow or reluctant in assuming themselves. In terms of a total highway safety program, school bus safety legislation is mandatory.

## WHAT IS SECURITY?

## HON. PAUL W. CRONIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. CRONIN. Mr. Speaker, recently many editorials in newspapers throughout the country have attacked the President for citing national security as the primary motivation for authorizing wiretaps and other surveillance devices that have been said to have led to the Watergate bugging. The following editorial from the Lowell Sun offers a responsible and objective explanation of national security and the President's responsibility to preserve not only this security but the safety of his countrymen as well. I commend to you the Lowell Sun's editorial analysis. I believe that this editorial is also an indication that this newspaper recognizes that freedom of the press just as any other freedom man may possess carries with it a great degree of responsibility.

### WHAT IS SECURITY?

The thrust of President Nixon's latest statement on Watergate centered on national security. The President maintained that much of the reason for the Watergate miscarriage could be traced to his desire to plug the security leaks that had been occurring in high places within the government. Many of the supposedly more sophisticated of our citizens have already rejected this argument with scorn and ridicule but we are far from sure that most of the country shares their contempt.

The President's statement last Tuesday denied (again) that he had prior knowledge of the Watergate bugging or of "any illegal surveillance activities for political purposes" although he had instituted in 1972—long before the national presidential campaign began—legal wiretaps which he felt were necessary to protect the country both from without and within. In the latter case, he was referring to domestic turbulence such as that we saw at Kent State in Ohio which symbolized, perhaps, the high point of demoralization that we witnessed a few years ago, much of it revolving around the Vietnam war, much of it provoked by youthful radicals of the Black Panther type, much of it inspired and sustained by Communist influences and infiltration.

The President went on to say in his statement that some of the people who had been involved in this domestic security effort later turned their special talents to political activity associated with the Presidential campaign. This was done, he said, without his knowledge or approval. He said that his first knowledge of Watergate led him to believe that the men in the original security effort referred to above were the same men who conceived and executed Watergate, and his fear at the time was that an investigation of Watergate would compromise the legitimate efforts of the government in the areas of both domestic and international security . . . and so he sought to slow down the Watergate investigation out of fear of compromising the national security effort.

The President also said that as more information develops about Watergate through the sessions of the Senate Select Committee now replacing the daily soap operas on television and the parallel investigation of the Justice Department soon to be launched by Special Prosecutor Archibald Cox under the benevolent non-presence of our new U.S. Attorney General Elliot Richardson, the President will respond to further questions on Watergate to the best of his ability to do so. In other words, the nation can expect to hear more from the White House, from time to time, as the two Watergate investigations take their course.

From what the President has had to say about Watergate to date, it's unlikely that anything he might say about it in the future will satisfy the people who are determined to oppose him and belittle him under any and all circumstances. These people will be satisfied by only one denouement: the complete demolishment of the President, In a sense, it is useless for the President to try to explain Watergate and its details to these people for they want no reasonable explanation. They want only one thing: President Nixon's blood. Nothing less will satisfy them. It is true that there are none so blind as those who will not see, and none so voracious in their appetite today for the destruction of President Nixon than these blind critics who have zeroed in on Watergate.

There are, to be sure, loopholes in President Nixon's position. These loopholes lie, precisely, in the field of national security as invoked by the President to cover the trail, to a degree, of Watergate. The sharpshooters point out, and properly so, that national security has been used as an excuse to cover up blunders, excesses and abuses by Presidential administrations in the past. O Security, what sins have been committed in thy name, the critics cry, and they have a point, no doubt. To raise the issue of national security is an easy out for any President when the heat of domestic investigation becomes intense—we recognize this and admit that the cloak of national security has been too often dragged over the blunders of government in days gone by.

Nevertheless, who is to stand up now and say to the President that his argument of national security in the Watergate affair is not valid because his information is less accurate on the subject than that of the accuser? If we can't believe the President of the United States on matters of national security, who are we to believe? Are we to say that the newspaper columnists and TV commentators, the boys with the instant analysis, know more about this business of national security than the President? Or is Joe the Bartender in your Friendly Corner Tavern a better authority on national security than the President?

President Nixon spoke of the delicate SALT armament talks with the Soviet Union as an example of national security wherein leaks about the military strength of the United States could have imperiled the position of this country in the negotiations; he spoke of the Vietnam peace negotiations and said only Friday night at the White House reception for the former Vietnam POWs that if tight security had not been maintained during the course of these negotiations, the POWs would still be in Hanoi today. He spoke of the breakthrough in U.S.-China relations highlighted by his Peking visit as another example of the importance of maintaining security prior to the event. He spoke of the domestic riots and plots and disturbances of a few years ago as events that the federal government had to recognize as serious threats to the internal security of this country, and as we recall those frightening occurrences, the race riots, the peace marches that were anything but peaceful, the demonstrations that often resulted in injuries and deaths, the inflammatory speeches of the radicals infiltrated by Communists, the whole permissive bit that saw the American flag in the mud, the government reviled, its President burned in effigy, the call for violent overthrow of the government sounded from coast to coast, the flames of revolution burning wherever the Jane Fondas and Eldridge Cleavers and Bobby Seales could ignite them, when we saw all of that, how can we say today that there was not a bona fide question of domestic security confronting the President in the White House at that time whoever that President might have been?

National security, what does it mean? Well, it means one thing to a man like Daniel Ellsberg who stole the Pentagon Papers and quite another to an American President because the latter is responsible for the safety of this country and Mr. Ellsberg is not, and while we are ready to agree that the dividing line between national security and just plain cover-up of government blundering can sometimes be a fine one, we are not prepared to admit that the Ellsbergs of this country are better authorities on the subject than the President of this country.

The Ellsbergs are many and they have supporters in places of power and influence but the President has a few, too. We think the latter constitute a majority in this country today, a majority rooting for the President to win the uphill battle that now confronts him, a majority that is ready to believe him when he speaks of national and domestic security because these people know that the ultimate responsibility for this security lies in the hands of the President and not in the hands of critics who find it easy to stand up and rave and rant against him. This majority knows that the responsibility for what ultimately happens to this country is not that of the Ellsbergs and the commentators who will be happy only when they see Nixon's blood flow but the responsibility is that of the President who must, in spite of all that is said and done to defame him and destroy him and roll him in the mud of slander and invective, in spite of all the blood, sweat, tears, misery, and treason that swirl around his head, must, in spite of everything and everybody, above all, stand firm and remain true to the oath of his office to do his best at all times in the best interests of this country and to defend it even unto death.

We may, indeed, see the death of a President before this thing is over . . . but would the nation be better off because of it if that did happen? Yes, the vultures would scream with delight but the people would weep with regret.

Maybe that's something that President Nixon's more savage critics should keep in mind in the days to come as the truth about Watergate is revealed and the guilty are punished.

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## GENESIS OF LEADERSHIP

## HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. TEAGUE of Texas. Mr. Speaker, the space shuttle represents the cornerstone of our national space program for the next decade. Highly important programs are underway both in manned and automated spacecraft including Skylab and Viking. Yet as we progress into the 1970's the need for a low-cost transportation system to space has become clear. An editorial in the April 24, 1973, edition of the Northern Virginia Sun describes well the significance of the space shuttle program to our Nation and the world.

The editorial follows:

### GENESIS OF LEADERSHIP

One of the great plus factors of the U.S. space program has been the development of new knowledge and new technologies permitting us to make and do things never done before. To meet space age requirements, new techniques of management and problem solving had to be developed that are applicable to almost any human activity.

A major U.S. company that has been a pioneer in the development of space technologies and hardware, and is developing the revolutionary new Space Shuttle, is also a major producer of a wide range of commercial products, including everything from heavy-duty truck axles to miniature calculating machines. This company is now investing $10 million to speed the transfer of aerospace technology to commercial activities. The president of the company has observed of his own firm, "A decade ago we were so engrossed in getting ready for the moon it never occurred to us we were simultaneously preparing men and techniques for use in industries that, at the time, seemed more remote than the moon itself."

The Space Shuttle is now the central effort of the U.S. space program. Its importance to the nation is, at this point, incalculable. With its capacity to carry 60,000-pound payloads into space, four times as much as we have up till now been capable of lifting, the Shuttle will be able to transport and make the space environment available for the use of hundreds of scientists, engineers and technical people, instead of merely a handful of highly-trained astronauts. Oil exploration teams, for example, could explore in two or three weeks the entire surface of the Earth with the aid of the most advanced sensing devices known to man.

Most significantly, the Space Shuttle will carry on the advance of technology which will lead down paths now unknown and uncover benefits now unimagined, but which will inevitably contribute to the technological leadership of the United States. This will be vital to the military security and economic well-being of the U.S.—to our grandchildren and upwards of 250 million other Americans likely to be living here by the year 2000.

## CONGRESSMAN EILBERG QUERIES HIS CONSTITUENTS

### HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. EILBERG. Mr. Speaker, each year since being elected to Congress, I have conducted a poll of my constituency. The survey has become a useful and important means of determining the general feelings of the nearly half-million people I am proud to represent.

Once again I am mailing the questionnaire to every household in my congressional district, almost 161,000 homes.

At this time I enter into the RECORD my 1973 congressional questionnaire:

CONGRESSMAN JOSHUA EILBERG WANTS YOUR OPINION

JUNE 1, 1973.

DEAR FRIEND: Every year I have been in Congress, I have asked for your help in deciding how I should vote on the issues facing this country.

Thomas Jefferson once remarked, "That Government is strongest of which every man feels himself a part."

That is why this questionnaire is so important. It lets me know what you are thinking so I can do my job, representing you in Congress, better.

It will only take a few minutes to answer the questions. Your answers will be confidential. If you have any additional comments, please do not hesitate to add them to the questionnaire.

If you want more than one questionnaire for your family, please contact my district office, 216 First Federal Building, Castor and Cottman Avenues, Philadelphia, Pennsylvania 19111 (RA 2-1717).

When the answers are tabulated, I will send the results to every household in the district.

With best wishes,

Sincerely,

JOSHUA EILBERG.

The questionnaire follows:

(These questions provided with yes, no, undecided choices.)

1. a. Do you believe the President's Phase III "voluntary control" economic policy is working?

b. Would you favor a return to comprehensive wage and price controls?

c. If price controls are put into effect again, should they include food prices?

d. Have the increases in food prices caused a change in the kind or amounts of food you buy?

e. Are you buying more or less:

Meat: (More, less, same amount.)

Poultry: (More, less, same amount.)

Fresh fruits and vegetables: (More, less, same amount.)

Canned and frozen foods: (More, less, same amount.)

(These questions provided with yes, no, undecided choices.)

2. Should grain sales to Russia and other countries be continued if these sales continue to cause sharp increases in meat prices?

3. Do you favor a cutback in the Defense budget with the savings applied to solving the problems of the cities?

4. Should a portion of the gasoline tax money collected and pledged for the Highway Trust Fund be directed to improve public transportation?

5. I have introduced legislation to provide Federal funds for up to 35 percent of a public school district's annual budget. Do you support this idea?

6. I am also sponsoring a proposal to provide tax benefits for the parents of students in private schools. Do you support this plan?

7. Legislation has been proposed which would prevent the cancellation of Federal grants and other payments to hospitals which refuse to allow abortions to be performed. Do you approve of this proposal?

8. Do you believe that possession of marijuana for personal use should be a criminal offense?

9. Should pushers of hard drugs who are convicted a second time receive mandatory life sentences?

10. a. Are you satisfied with the progress being made to clean up the environment?

b. Are you prepared to bear some of the cost, in form of higher prices and increased taxes, of cleaning up the environment?

11. Should U.S. funds be used to rebuild North Vietnam?

12. a. Do you agree with the Administration's policy of continued bombing in Southeast Asia?

b. If this bombing results in the capture of Americans, should ground troops be sent back into Southeast Asia as a means of forcing their release?

13. Should the United States reduce the number of troops stationed in Europe?

14. Now that we have formal diplomatic relations with the Chinese Peoples Republic, do you believe we should normalize relations with Cuba?

15. What do you think are the three most pressing problems facing America to day? Please list in order of urgency.

16. What is the one local problem which troubles you the most?

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# SENATE—*Wednesday, June 6, 1973*

The Senate met at 10:45 a.m. and was called to order by Hon. JAMES B. ALLEN, a Senator from the State of Alabama.

## PRAYER

The Reverend Canon C. Leslie Glenn, subdean of the Washington Cathedral, offered the following prayer:

Most gracious God, we humbly beseech Thee, as for the people of these United States in general, so especially for their Senate in Congress assembled; that Thou wouldest be pleased to prosper all their consultations, to the advancement of Thy glory, the good of Thy church, the safety, honor, and welfare of Thy people; that all things may be so ordered by their endeavors, upon the best foundations, that peace and happiness, truth and justice, religion and piety, may be established among us for all generations. These and all other necessaries, for them, for us, and Thy whole church, we humbly beg in the name and mediation of Jesus Christ, our most blessed Lord and Saviour. Amen.

## APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The second assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
*Washington, D.C., June 6, 1973.*

*To the Senate:*

Being temporarily absent from the Senate on official duties, I appoint Hon. JAMES B. ALLEN, a Senator from the State of Alabama, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
*President pro tempore.*

Mr. ALLEN thereupon took the chair as Acting President pro tempore.

## THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, June 5, 1973, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the Executive Calendar, beginning with the Department of State and down to but not including "New Reports."

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nominations on the Executive Calendar, beginning with the Department of State, and down to but not including "New Reports," will be stated.

## DEPARTMENT OF STATE

The second assistant legislative clerk read the nomination of David H. Popper, of New York, a Foreign Service officer of the class of career minister, to be an Assistant Secretary of State.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

## INTERNATIONAL MONETARY FUND

The second assistant legislative clerk read the nomination of William B. Dale, of Maryland, to be U.S. Executive Director of the International Monetary Fund for a term of 2 years.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The second assistant legislative clerk read the nomination of Charles R. Harley, of Maryland, to be U.S. Alternate Executive Director of the International Monetary Fund for a term of 2 years.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

## AGENCY FOR INTERNATIONAL DEVELOPMENT

The second assistant legislative clerk read the nomination of Matthew J. Harvey, of Maryland, to be an Assistant Administrator of the Agency for International Development.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

## INTER-AMERICAN DEVELOPMENT BANK

The second assistant legislative clerk read the nomination of Kenneth A. Guenther, of Maryland, to be Alternate Executive Director of the Inter-American Development Bank.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

## U.S. ADVISORY COMMISSION ON INFORMATION

The second assistant legislative clerk read the nomination of Hobart Lewis, of New York, to be a member of the U.S. Advisory Commission on Information for a term expiring January 27, 1976.

The ACTING PRESIDENT pro tempore. Without objection the nomination is confirmed.

The second assistant legislative clerk read the nomination of J. Leonard Reinsch, of Georgia, to be a member of the U.S. Advisory Commission on Information for a term expiring January 27, 1976.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

## INTERNATIONAL ATOMIC ENERGY AGENCY

The second assistant legislative clerk read the nomination of Gerald F. Tape, of Maryland, to be the representative of the United States of America to the International Atomic Energy Agency, with the rank of Ambassador.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Before returning to legislative session, is there a request that the confirmation of the nominations be reported to the President?

Mr. SCOTT of Pennsylvania. I ask unanimous consent that that be done.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## ORDER FOR NOMINATIONS CONFIRMED BY SENATE TODAY TO BE HELD OVER

Mr. MANSFIELD subsequently said: Mr. President, as in executive session, I ask unanimous consent that the order which the Senate agreed to, by means of which the nominations this morning were sent to the White House be rescinded and that the President be requested to return the nominations to the Senate and that they remain at the desk for at least 1 executive calendar day.

The PRESIDING OFFICER (Mr. NUNN). Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, the reason I make the request is that I had been requested by a Senator sometime earlier to hold nominations over on that basis for at least one executive carryover.

## LEGISLATIVE SESSION

The ACTING PRESIDENT pro tempore (Mr. ALLEN). Without objection, the Senate will return to legislative session, and the Chair recognizes the minority leader.

## THE ECONOMY AND INFLATION

Mr. MANSFIELD. Mr. President, on Wednesday, May 30, I made some extemporaneous remarks on the state of the economy and the dangers which beset us at this time in the field of inflation. In response to those remarks, the distinguished minority leader, the Senator from Pennsylvania (Mr. SCOTT), stated:

> The inflation is still a very troublesome matter. Not everything is as we would wish it. I agree with the distinguished majority leader that the phase III, in my opinion, needs a very careful reevaluation.

Further on, he stated:

> I think we may have to consider the necessity for reinstating some controls.

Still further on, he stated:

> I think it would be well if the President would carefully consider the desirability of tightening up phase III and possibly returning to some control. But I do think Congress has a role to play . . .

I agree with the distinguished minority leader that Congress does have a role to play, and I am only sorry that his words were not listened to last week. They were significant. But as I have tried to indicate in answering the distinguished minority leader:

> We also look for guidance from downtown . . . just as we endeavor to give the President guidance on wage and price controls.

Mr. President, the economic situation has become worse since last week. The dollar has been devalued twice and floated once in the last 20 months. As a matter of fact, the dollar is now into its third devaluation and, overall, it appears to me that since August 1971, the total devaluation of the dollar in that period of time has amounted to approximately 30 percent. This cannot be allowed to continue because the dollar is much stronger than the above figures indicate and it is up to us—the Congress and the executive branch—to face up to our responsibilities together to come to its defense and to enact either the necessary legislation or impose the proper kind of controls to see that inflation is deflated.

As indicated in my talk last week:

> If the Administration wants to do something, Congress stands ready to go not only half way, but more than half way to make certain that this upward trend is reversed and that something in the way of stability is achieved.

We can no longer operate on the basis of excessive profits, excessive inflation, excessive interest rates and the dollar being used for speculative purposes in raising the price of gold to somewhere between $125 and $130 a fine ounce. The danger signs are already apparent in all this, as well as in the downward value of the dollar, the continued dip in the stock market, the continued and increasing adverse balance of payments and the lack of confidence in the Government, as seems to be the case both abroad and at home.

This Government must and will continue to function in a normal, responsible manner, despite the issue which is now in the headlines. We have a responsibility to face up to all the issues which confront us at this time and we can do so best in cooperation with the executive branch of the Government. I wish to assure the President that if he will face up to this problem, he will have the support of the Congress in his endeavor. Congress has already given him wage-price control powers and almost everything else he needs. If more is needed, he has but to ask. It is time to do away completely and finally with the doctrine of "flexibility" and "the club in the closet," which are the paramount features of phase III and which have proved themselves to be absolutely unworkable, unadjustable, and unenforceable. It is time to take the club out of the closet.

Mr. SCOTT of Pennsylvania. Mr. President, there are times like this when the majority leader and the minority leader, who have great mutual respect for each other, should not hesitate to agree with each other, should not hesitate to present a common front, when the Nation's future is involved or the Nation's economy is suffering.

I have been quoted entirely correctly by the distinguished majority leader, and I have added publicly that unless something is done pertaining to the cost of living and the consideration of whether or not selective controls are necessary, I would consider very seriously supporting such legislation as may come before the Senate.

I was asked the same thing yesterday at the White House conference, and as to whether I was in agreement with the administration. My answer was that that was my view. I added, because it is true, that the administration is indeed, in my judgment, pretty seriously considering what further needs to be done in regard to controls over inflation and the cost of living. Whether they follow my views I do not know. Here I am not speaking as the minority leader of the Senate, nor am I representing administration points of view. I am expressing my own concern as a Senator, as I did to my colleagues on this side of the aisle at the policy luncheon yesterday.

I think it is extremely important, and I do urge the economists and other advisers of the President to take very seriously what we are saying. I would rather that these steps be taken by the Executive, though I would, indeed, challenge Congress to act if the Executive did not. It is far better for the Executive to act, because he has the power of regulation as well as the power of recommendation, and the power of enforcement.

So I hope that something will come of it. I do not think my views are popular in all quarters, but I think we need to take the opinions of economists in and out of the White House, in and out of Congress. I am no economist; I make no pretensions in that regard. I cannot recommend specific, detailed remedies. I simply know that something is wrong. And when something is wrong which can be helped by the executive or the legislative departments, then we both should help, and that is all I am trying to do. I am not presenting a point of view which is hostile to anyone. I am not saying to anyone that he has to agree with me. But I have a certain responsibility on this floor, and I am going to perform it, and that is to say that I think we do need to reconsider the whole question of selective controls.

I believe, on rather slender information, but information nevertheless, that this is under consideration. I do not see how it could be otherwise. I congratulate the distinguished majority leader for having quoted me, and I commend myself on being able to accept the quotation and having no need whatever to engage in any partisan dialog with him. He is a great and a courageous man, and I am delighted that he said it.

On one final point, I believe when he says we have a responsible Government, and this Government is going on with its business, that we in Congress can do a great deal—and I said this to my colleagues yesterday—to restore confidence in this country, in the dollar, in gold, in the stock market, and more importantly in the hearts and minds of people, if we will get up and say what is good in this country, if we will stop the doom-saying, if we will urge restraint on ourselves and others, if we will recognize the courts' functions and the committee functions and honor and support them, and if, in addition, we will say, "This is a strong Government, it keeps its promises, it is strong economically, it is strong politically, it is a Government you can trust, it is a Government that is going to be ongoing, and it is going to go on with its responsibilities."

So I urge my colleagues to say more of that. They would be surprised at the effect it would have on the dollar, on gold, and on the stock market; but more than anything else, at the effect it would have on our constituents who come up to us and beg us to do our duty. Our duty, as Sir Philip Sidney says, is this:

> It is fitting that a man should give a reason for the faith that is in him.

## ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore (Mr. ALLEN). At this time, under the previous order, the Chair recognizes the distinguished Senator from Iowa (Mr. CLARK) for not to exceed 15 minutes.

## PRIVILEGE OF THE FLOOR

Mr. ROBERT C. BYRD. Mr. President, first, I ask unanimous consent that Mr. David Affeldt, of the Special Committee on Aging, be granted the privilege of the floor during the speech by the distinguished Senator from Iowa (Mr. CLARK).

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## HELPING OUR SENIOR AMERICAN CITIZENS

Mr. CLARK. Mr. President, the incredible series of events and disclosures over the past few weeks have led a great many people in this country to raise a great many questions about their Government—how it works now, how it ought to work.

What is the purpose of Government? That fundamental question is now before the national conscience, but it has been asked many times before in our history.

Jefferson asked the question and answered that "the care of human life and happiness and not their destruction" is the purpose of Government. That is certainly what it ought to be. But for millions of Americans it does not work that way. Every day, every time Government touches their lives, they question the purpose of Government—not because of the unprecedented political scandal, but because they are unemployed or poor or black or elderly. And the answer they hear is not Jefferson's.

Instead, they hear about delay and intolerance, low priorities and budget cutbacks, callousness and indifference and promises—often make, often unkept.

Our social and economic system works at least adequately for most of us—Government is generally responsive to our interests—but for millions of other Americans the system does not work as well.

I heard their questions and raised doubts time and time again last summer during my walk across Iowa. That experience gave me the chance to do more than just smile and shake people's hands. It gave me the chance to listen to what they had to say about this country—what is right with it and what is wrong with it.

During that time, I talked with every kind of American—rich and poor, black and white and brown and red, students, working men and women, young and old—and they gave me their opinions and suggestions on countless issues and subjects. My most vivid memories are of the elderly, especially the rural elderly. Their voices told me of their interest and their friendliness, but as we became better acquainted, they told me of their problems: poverty, sickness, despair, and loneliness. And they asked about the purpose of government as it touched them.

Like many other people, I had read the statistics which showed:

> That more than three million senior citizens live in poverty . . .
>
> That all too many older people cannot afford to stay alive because they cannot afford decent health care . . .
>
> That hundreds of thousands of older Americans are ill-housed, ill-clothed, and ill-fed . . .
>
> That the burden of inadequate transportation, property taxes, and insufficient social services falls hardest on them, the least able to carry it.

These conclusions and statistics are far more compelling when they are met in person. The numbers become priceless human lives. The figures become unique individuals, each with very real problems. I met them all across Iowa—in apartments, in private homes, in hospitals, in nursing homes—and the experience was unforgettable.

It has led me to resolve to do all that I can to help find answers to the questions raised by the elderly, to help find solutions for their problems. However, long or short my stay may be in the Senate, I would like that to be my special concern, my principal goal. There are other Senators—members of the Subcommittee on Aging and the Special Committee on Aging, members like my distinguished colleagues, Senator FRANK CHURCH and Senator THOMAS EAGLETON—who have more legislative experience with the problems of the elderly. I would hope that in the months and years ahead I could be of assistance to them—and to the 21 million senior citizens in this country.

With your permission, Mr. President, I would like to take a few minutes of the Senate's time to talk about the elderly, to talk about the questions they have raised and the answers to them—provided or overlooked by their Government. In those problems and questions, we might be able to find out something about the purpose of Government and how far we have to go to meet Jefferson's standards.

### A GOOD BEGINNING

Growing older is the one thing that happens to all of us. For some people, it means a comfortable, active, and productive retirement. For many, many others though, it means only emptiness and unhappiness. The troubles of growing older do not respect race or creed, heritage or wealth, and its inevitability alone ought to encourage us to do much more to improve the quality of life for senior citizens.

We have a good foundation to build upon. Not long ago, Congress approved the older Americans comprehensive services amendments. There was not a vote against it in either the Senate or the House of Representatives—because the legislation is sound, desperately needed, and long overdue. The new law establishes a broad range of social services, and it represents an important first step toward insuring a decent, dignified, and comfortable life for every older person in this country.

There may be a tendency for some people to see this new law as a "gift" or a "donation" for senior citizens. It is nothing of the kind. They have seen this country through its worst times—through two world wars and a depression. They have made a significant contribution to the success and prosperity of this country, and they deserve a share of its benefits. They have earned it. And this new law is just the first installment on what we as a nation still owe them.

Now that the Older Americans Act Amendments have become law, might be easy to forget about the elderly for a while, to forget about our obligations. That would be a tragic mistake. The President explained why we cannot afford to do that in his speech at the White House Conference on Aging 2 years ago. This is what he said:

> Any action which enhances the dignity of older Americans enhances the dignity of all Americans, for unless the American dream comes true for our older generation, it cannot be complete for any generation.

The message is simple. If we are unwilling to help our senior citizens, our own parents and grandparents, then whom can we help?

There is much to be done, even with the enactment of the new programs, and we cannot afford to let this unfinished business languish for years as we did so callously before 1965 when the Older Americans Act was passed. That does not mean we just need more speeches or more legislation with the worlds "Older Americans" attached. What we do need is a greater awareness, a continuing awareness, of the problems of growing older. What we do need is a willingness to find solutions for proven problems, a willingness to spend enough money to make the solutions work. That awareness and willingness is very much a part of the battle of the budget between Congress and the administration, very much a part of the so-called constitutional crisis.

### THE BUDGET AND THE ELDERLY

Since the beginning of this session of the Congress, the budget and the question of who should manage it has occupied much of our attention. The administration's budget request for next year is $269 billion, an increase of almost $20 billion over the projected expenditures for this year. Congress can cut Federal spending below the President's request by eliminating waste, duplication, and inefficiency in Government programs and by passing tax reform legislation. Over the past four years, Congress has saved the American taxpayer over $20 billion, and even more can be saved this year to insure that inflation is curbed without a tax increase.

With strong bipartisan support, the Senate already has placed a ceiling on Federal spending, a ceiling that is lower than the President's budget request, and just before the Easter recess, the Senate Appropriations Committee made its recommendation. Once again, the recommendation was lower than the administration request.

The quarrel between many of us in Congress and the administration goes beyond the total amount of Federal spending. There is a substantial and far-reaching disagreement on how to spend the limited financial resources that we do have. This country has no lack of problems. The difficult challenge is determining which of those problems to attack first. It is a question of priorities.

The administration has decided once again to try to emphasize military spending over most other government programs. Federal spending for education has been cut—so has spending for mental health, nutrition, the handicapped, and the poor. But the military budget has gone up $4 billion—to more than $80 billion. It is still a war budget, higher than at any time during the 12 long years of war in Southeast Asia, and the administration's military request and the proposals to begin new weapons systems carry with it the promise of much higher spending in the years ahead.

In the light of the progress that has been made toward peace in the last year, the military spending request is ironic. The next few years can hold great promise for the United States. U.S. troops have been withdrawn from Southeast Asia, the prisoners of war are back home, and if the President abides by the will of the Congress, the unjustifiable bombing of Cambodia will also end. International tensions have been eased with the President's historic visits to China and the Soviet Union. We have reached agreement on strategic arms limitations, and there is the possibility of mutual troop reductions in Europe.

Yet, the administration's budget request seems to ignore the very progress that it has made toward a more peaceful future.

No one in this Chamber thinks the United States should be second best to any nation in military strength, and that is not the issue.

What is at issue is unnecessary and excessive spending.

What is at issue is spending billions of dollars on weapons that do not assure us of a more effective defense.

What is at issue is the squandering of the taxpayers' dollar to bomb yet another small country in Southeast Asia to save yet another military dictatorship.

All that money has to come from somewhere. Every dollar spent on cost overruns or continued unnecessary troop deployments in Europe and Korea means one less dollar spent on people and problems in this country. It means that we have less to spend on helping the poor and the sick, less to spend on improving the quality of life in urban and rural America, less to spend on helping the elderly.

It is a matter of emphasis, a matter of direction, and it is at the very heart of the controversy over Federal spending. The budget is not simply a compilation of separate programs and isolated dollars. Every item has a direct impact on every other item. If we are concerned about senior citizens, it is not enough to be concerned only about social security and medicare, programs designed for them. We first must be concerned with the entire budget, because it sets the direction for the country, and in that direction lies the well-being of every older American.

Earlier this year, for example, the administration suggested significant reductions in medicare benefits. The administration said that reduction, coupled with an increase in medicare premiums, would "save" close to a billion dollars. The "savings" would come out of the pockets of the elderly, and it would just about pay for the new nuclear aircraft carrier the President is requesting. We are faced with a choice: Which of the two is more important? Lower health care costs or a new aircraft carrier? It is the kind of difficult choice that Congress will have to make in the months ahead, and it illustrates the impact of the spending controversy on the elderly.

### SOME ACCOMPLISHMENTS

Every so often, it is good for a nation to take stock of itself: To see where it has been, and more importantly, where it wants to go. With the new budget proposal before Congress, now is the time to do that.

The past few years have not been without their triumphs for older Americans.

There have been three social security increases enacted by Congress, over the administration's opposition, in the last 3 years. Together, they have significantly raised social security benefits and now the average monthly benefit for a retired couple is $271. Three years ago, it was only $169. The Social Security Amendments of 1972 also included an automatic cost-of-living increase. Unfortunately, it will not have any effect until 1975, but it is essential to help protect the elderly against the devastating impact of inflation.

Taken together, the increases still are far from adequate. At best, they can only help maintain the present level of assistance. Senior citizens may not lose ground to inflation, but they certainly will not gain any. Their standard of living will be no higher.

These increases have not been the only recent steps forward. At the close of the last session. Congress passed a landmark in social legislation, known as H.R. 1, which made major improvements in social security, medicare, and old-age assistance. For the first time, this country recognized the principle of a minimum income. That minimum is shamefully low, well below the Government's own definition of poverty, but it is an important beginning. The law established a federally guaranteed income floor—$130 a month for single people, $195 for a couple—for the aged, blind and disabled. It also increased benefits for almost 3 million widows, one of the most economically disadvantaged groups in this country. And, the law raised the maximum amount that an individual on full social security can earn to $2,100 a year.

Once again, the trend is the same. The law is a milestone, but much remains to be done.

Millions of people in this country still do not have an adequate income for a comfortable and respectable retirement. And on this point, the White House Conference on Aging, the Congress, the administration and most importantly, the Nation's elderly—all agree—an adequate income is the biggest single unresolved obstacle to a decent retirement.

There is legislation pending in the Senate now that would increase the permissible amount of outside income for social security recipients. That legislation is essential if we do not want to continue to discourage people who can work and who want to work. There are other proposals before Congress to insure that people do not lose the advantages of food stamps and medicare as a result of increases in social security.

All of this will help senior citizens find the income they need, but one thing is certain; none of this legislation will get through Congress if we continue to spend money for weapons and programs that are not necessary. We will not be able to afford the legislation. We will not be able to afford what we need most.

### THE CHALLENGES REMAINING

H.R. 1, the social security increases, the older Americans comprehensive services amendments—they represent a good beginning. But there are so many other areas where we have not even begun. During my walk across Iowa, people told me how pleased they were with the new congressional proposals for the elderly. They told me what a difference that would make in their lives, but they also told me about the things left undone.

The first congressional battle no doubt will come over the proposed reduction in medicare benefits. Instead of expanding medicare to cover prescription drugs and eliminate coinsurance and deductibles, the administration wants to expand the individual's burden of health care costs. Right now, medicare pays about 42 cents of every dollar spent by people over 65 on health care. That contribution may drop a nickel on the dollar if the administration's proposal is allowed to take effect.

Under the administration plan, a patient would have to pay the first day's cost of hospitalization and 10 percent of the remaining hospital charge. Now, a patient pays $72 out of his own pocket with no additional hospital expenses for the first 60 days of hospitalization.

Under that plan, a patient would have to pay an additional $25 on a doctor bill and 25 percent of additional doctor bills. Now, a patient pays only 20 percent.

This proposal comes at a time when out-of-pocket health care expenses for the elderly already top $275 a year. The result is that senior citizens are spending more of their own money to stay alive with medicare today than they were spending before medicare took effect.

As long as steadily increasing health care costs threaten the fixed incomes of senior citizens, income security will only be a vague and distant promise. Whatever the changes or reforms, medicare and medicaid will be only stopgap measures—they will only give the elderly barely adequate health care. It will take nothing less than a complete overhaul of the health care delivery and financing system in this country to guarantee decent health care for everyone—young and old. The Kennedy-Griffiths proposal for a national health care system would provide that overhaul, and I support it wholeheartedly.

### RETIREMENT AND PENSION REFORM

It is expensive to help 21 million Americans live the kind of decent and dignified life they deserve. Right now, the Nation is trying to do it with the payroll tax. That tax has gone about as far as it can in bearing the burden, especially for a tax that does not consider an individual's ability to pay. To provide for older Americans, we will have to rely increasingly on general revenues, a concept endorsed by the White House Conference on Aging.

That, too, has its limits. But the tax burden on the Nation could be reduced—without reducing the benefits for senior citizens—if people who wanted to work and could work were allowed to continue to work past the age of 60 or 65, as long as they were willing and able. As they continued to work, they would continue to pay taxes on their job incomes. They would continue to be independent of Government assistance.

Using age as the sole criterion for retirement is illogical, unreasonable, impractical financially, and it is just plain discriminatory. Mandatory retirement deprives this country of the productivity and enthusiasm of millions of people each year, and it deprives those people of the opportunity to support themselves—with dignity and purpose.

Not too long ago, Newsweek magazine had a cover story on growing older. It pointed out communities in Ecuador and the Soviet Union where it is not at all uncommon for people to live well beyond 100 years. Those communities share one trait: There is no forced retirement. The older citizens in those cities and towns continue to make a positive contribution to the community—long after they would have had to retire under the "traditions" of this country.

By forcing retirement, we are doing a great disservice, not only to those who have to retire, but to the Nation. Had Pablo Casals retired at the age of 65—instead of working as he does now at the age of 96—the world would have been deprived of some magnificent music and an indomitable spirit. As he said just 2 weeks ago at the Kennedy Center:

> Nothing in life is more beautiful than enthusiasm.

And that enthusiasm is just as beautiful at 65 as it is at the age of 25. Throughout history, many artists, writers, scientists, and political leaders have had their best years after their 65th year.

Dr. Nathan Shock, a research gerontologist, explained it best when he said:

> Traditionally, the older person in the community had a role in that he lived longer, he therefore had more experience, he was wiser . . . he knew where the tigers were in the jungle.

This country does not have tigers in jungles, but we still have challenges to meet and problems to solve, and we need everyone's help, not just everyone under 60 or 65.

Pitifully little has been done to train older workers for new employment. There are virtually no work training programs available, even though five out of every six senior citizens no longer are working. Those who are working usually have only part-time or low-paying jobs. With the older Americans comprehensive services amendments, Congress did establish a national senior citizen service corps to provide new opportunities in a wide range of service activities for people over 55. Again, it is a beginning—but no more, especially since the new manpower programs in the legislation passed by the Senate were sacrificed to avoid another Presidential veto.

Eliminating forced retirement would help provide decent incomes for many senior citizens. Greater reliance on an effective private pension system would do the same thing—giving the elderly a secure and independent source of income. Millions of American workers are "covered" by private pensions, and they look forward to retirement with a pension to make it a comfortable retirement. Yet, tragically, many of them will receive no benefits at all when they retire, and many others will receive far less than they had expected. In far too many cases, men and women lose their pension rights when they change jobs, when the company goes out of business or changes hands, or when the pension fund itself is mismanaged.

Over the past few years, a Senate investigation of pension plans has turned up some shocking instances of abuse. Investigators looked closely at almost 90 individual pension plans and they found that only 1 of every 10 of the people theoretically covered by those plans was actually guaranteed pension benefits. The study found that 13 percent of the plans did not even have enough money to cover the pension benefits that were guaranteed.

The private pension system in this country desperately needs thorough revision and Government regulation. The plan advanced by the administration several weeks ago is simply inadequate. It places too much of an emphasis on voluntary savings and, in many cases, it would actually discourage employers from hiring older workers. The proposal offered by Senator JAVITS and Senator WILLIAMS, S. 4, would do the job, and I support it enthusiastically.

There are enough votes in the Senate now to pass it. The bill would guarantee pension benefits after 8 years on the job. It would provide Federal insurance and Federal coverage if the pension plan were mismanaged, and the bill would establish pension portability.

If a worker left the job, the pension benefits would not be lost. The Javits-Williams bill incorporates many of the recommendations of the President's Task Force on Aging, recommendations that make commonsense. As the task force said in its report on the need for Government regulation:

> The Securities and Exchange Commission looks out for the interests of those who own stock. The Task Force believes that the rights of the 40 million Americans who are covered by a pension plan are equally as vital as the more substantially protected rights of the 20 million American shareholders.

There are a number of other areas—besides health care, and retirement and pensions—where older Americans must battle discrimination and inequitable treatment because of their age.

### HOUSING

Housing is the No. 1 expense for older Americans. They spend fully a third of their incomes for housing while younger people spend less than a fourth. The relatively fixed incomes of older Americans, at a time of constantly rising prices, makes the burden even heavier. Seven out of every 10 older Americans own their homes. Many sacrifice other needs so they can afford to keep those homes—and their independence. But many of those homes are desperately in need of repair—or beyond repair. The result is that perhaps 6 million senior citizens live in dilapidated, deteriorating, or substandard homes.

Providing decent housing for older Americans is one thing we must do as a nation to help them find the independence and dignity they deserve. Yet, the administration has eliminated the most successful housing program ever enacted for older Americans, section 202 of the 1959 Housing Act, and to make matters worse, the administration has imposed a freeze on new commitments for several other productive housing programs. While little new housing for the elderly is being built, the need for new housing continues.

The freeze has an especially adverse impact on small towns, because without Federal support, they cannot raise the capital for housing projects and private developers will not take the risk of building there. In more than 50 small towns in Iowa, taxpayers already have spent thousands of dollars on housing projects for the elderly—only to have them stalled now by the administration's abrupt and arbitrary freeze on housing programs.

The overall impact of terminated programs and impounded funds will not be apparent for some time, but it is obvious today that this country's housing needs will not be met in this decade. And, as is the case in so many other areas, it is the elderly who will suffer most.

### THE PROPERTY TAX

It is not possible to consider the housing problems of the elderly without considering the burden of property taxes. Over the last 4 years, those taxes have gone up an average of 10 percent each year, and the inflation obviously hits those with fixed incomes the hardest. If older Americans are going to have an opportunity to live independently, they must have relief from the property tax. Again, there is legislation to help solve the problem, but again, we cannot afford it without making budget cutbacks in other areas, areas that do not help people.

The Senate Special Committee on Aging has outlined a set of principles that should be used as guidelines for tax relief:

> It should be available to older people who are renting homes and apartments as well as to those who own homes because higher property taxes mean higher rents. . . .
>
> Assistance should be limited to those with low and moderate incomes. . . .
>
> A graduate system is the best approach, one that gives the greatest relief to those who need it most. . . .
>
> And, finally, property tax relief should be coupled with comprehensive tax reform.

Senator CHURCH and Senator MAGNUSON have introduced legislation that I support which would encourage States to enact significant property tax reform for senior citizens based on the recommendations of the special committee. Iowa's General Assembly is working on such a tax reform plan now.

### MORE UNFINISHED BUSINESS

The list of unfinished business in our commitment to the elderly runs longer still: More nursing homes, better nursing homes, home health services, homemaker services, and meals on wheels to enable the disabled and the infirm to live at home, nutritional programs, subsidies for improved mass transit, and solutions for the particular problems of the rural aged and the unique problems of minority groups.

The conditions and the attitudes in many nursing homes in this country are nothing short of scandalous. Thousands upon thousands of senior citizens have been institutionalized unnecessarily—and often those that need nursing home care are not always treated properly and nursing homes often rely on untrained personnel. Life in a nursing home can be no life at all in any real sense of the word.

Nearly 1 million older Americans are now in nursing homes. Although there are good nursing homes, many more are needed. As the Nation develops better standards and encourages improved nursing home care, it must simultaneously continue to develop programs which allow the elderly to be cared for and live at home. Senator Moss has introduced a series of bills to improve the quality of nursing home care. They deserve the Senate's support—and the Nation's.

Nutrition is essential to the well being of every person regardless of age, but it has been estimated that perhaps half of the health problems of the elderly are related to inadequate nutrition. Many older people simply do not have enough money to buy the right kind of food or enough of it. For others, the problem is immobility, isolation, or inability to prepare a balanced diet.

Only last week, the Senate took action to help solve the problem, appropriating $100 million which will be made available to the States for nutrition programs for the elderly. More than 40 States already have submitted plans for individual programs. Once again, Congress has made a good beginning. But even the modest gains from this program may be offset by the loss of food stamps. With all of its benefits, H.R. 1 eliminated the food stamp program for older Americans who will be entitled to assistance under the new supplemental security income program. The food stamp benefits should be restored, and I am supporting legislation that would do that, legislation that already has been approved by the Senate Agriculture Committee.

The property tax, housing, nutrition—these are problems faced by virtually every segment of this country's population, but in each case, the problem seem particularly acute for the elderly. The same is true for mass transportation. It often is not available, and when it is available, many older Americans cannot afford it. The lack of transportation and communication means a wealth of loneliness and isolation—from health care, recreation, and many other necessities.

No comprehensive approach to the transportation problems of the elderly has been developed so far in Congress, and I suspect that none will be enacted until the highway trust fund is opened up to help subsidize mass transportation. That should be the very first step.

Local transportation is a local problem, but now few communities have the resources to provide adequate mass transportation because of the cost, let alone give special reduced fares to the elderly. Federal support should be made available to encourage this, and at the same time, Government should prohibit insurance companies from discriminating against older automobile drivers by denying them insurance solely because of their age.

### THE RURAL ELDERLY

The problems of the rural elderly are of particular concern to me. No State except Florida has a higher percentage of people over 65 than Iowa. We are proud of our senior citizens in Iowa, and we want to assure them the best life that is possible.

Older Americans who live in small towns and on farms have all of the problems of the urban elderly—but in many cases, the problems are magnified. If good bus transportation is scarce in the cities, it is often nonexistent in the countryside. If good medical care is hard to come by in the cities, it is even more difficult to find in rural America. So many counties do not even have a doctor in residence, let alone a hospital.

The special problems of the rural elderly need special solutions—like mobile health units and transportation programs designed to help the elderly go shopping, visit their friends or family or their doctor. Rural school districts should be encouraged to use their schoolbuses after school hours to provide a transportation system, however limited, for the elderly of rural areas. School buildings should also be made available after hours, for the educational and recreational needs of the elderly.

Older Americans who are members of minority groups number more than 2 million, and there is no doubt that they suffer more than any others. Almost half of them live below the poverty level. Like the rural elderly, these older Americans need a special kind of attention—to help them with their very special kind of problems. They suffer from two handicaps in our modern society—they are old and they are not white. That form of double jeopardy can be intolerable. It is a burden that needs immediate relief, on both counts.

There are other problems that have not been touched yet: Consumer fraud, the need for educational programs, the necessity for greater research into the medical and psychological problems of aging. The agenda of unfinished business is staggering. But for each problem there is at least a partial solution. For each problem, someone has offered a proposal. It may not be the right answer. It might fall short of the mark, but it is a beginning.

The hard work of the past 8 years will unravel and fade unless we continue to give the problems of the elderly our attention. That effort is not without substantial support. The 21 million American elderly are becoming increasingly aware of their collective strength, and they are organizing themselves in effective groups like the American Association of Retired Persons and the National Council of Senior Citizens. This week, the National Council is meeting here to outline and discuss their legislative proposals. The Council is aware, as we should be, that the problems of the elderly have to be seen and solved in the context of our national problems. We do have only a limited amount of money to spend in finding solutions, and the attention devoted to the problems of the elderly depends to a large extent on the over-all direction this country takes in the years ahead.

The introduction to the Older Americans Act amendments read in part:

> The Congress finds that millions of older citizens in this nation are suffering unnecessary harm from the lack of adequate services. It is therefore the purpose of this act . . . to:
>
> Make available comprehensive programs which include a full range of health, education, and social services to our older citizens who need them,
>
> Give full and special consideration to older citizens with special needs in planning such programs, . . .
>
> Provide comprehensive programs which will assure the coordinated delivery of a full range of essential services to our older citizens, and, where applicable, also furnish meaningful employment opportunities for many individuals, including older persons . . . and
>
> Insure that the planning and operation of such programs will be undertaken as a partnership of older citizens, parents, community, and community, State and local governments, with appropriate assistance from the Federal Government.

Those are noble words. But the words will be nothing more than empty rhetoric without a continuing commitment from Congress to the well-being of our senior citizens. The Older Americans Act of 1965 and the amendments just passed and signed into law have not created a solution—they have created a greater challenge. The Older Americans Act and amendments represent the first step in our effort to set things straight.

As long as I am a Member of the Senate, I will do all I can to see that these challenges are met, to see that the elderly have the kind of life they deserve in the United States of America.

The ACTING PRESIDENT pro tempore. At this time, in accordance with the previous order, the Chair recognizes the distinguished Senator from Missouri (Mr. EAGLETON) for not to exceed 15 minutes.

Mr. EAGLETON. Mr. President, I commend my colleague and friend, the junior Senator from Iowa, for his deep concern and interest in this country's 21 million older Americans. As he has just said in his forceful and eloquent maiden speech, we have made some important gains in solving the problems of the elderly, but there is still much left undone. We need Senator CLARK's help in this vital effort. We welcome it.

What he is saying today reflects a wealth of insight and understanding, gained by listening to the ideas and suggestions of countless people throughout Iowa, by talking with them about their lives, by learning what might be done to make them better.

As chairman of the Subcommittee on Aging of the Committee on Labor and Public Welfare, I am very pleased that Senator CLARK has joined us in the Senate and joined our efforts to help older persons enjoy the dignity and the comfort they have earned. The people of Iowa have another strong and imaginative voice in the Senate. And this country's senior citizens have another representative they can turn to and depend on for help.

Mr. President, I ask unanimous consent that, at the next printing, the name of the distinguished junior Senator from Iowa (Mr. CLARK) be added as a cosponsor of S. 775, the bill which would create a National Institute on Aging.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. EAGLETON. I yield.

Mr. KENNEDY. Mr. President, I wish to join in commending the Senator from Iowa for his statement before the Senate this morning. It is an extremely important statement, one that ought to be taken to heart by all the Members of this body and by all Americans.

I cannot think of a group of people in our society who need stronger spokesmen than do the elderly of our Nation. They have found a strong spokesman in Senator CLARK, of Iowa, a State that is in the heartland of the Nation and a State with one of the heaviest concentrations of older people, as does my own State of Massachusetts.

When we look at the problems we are facing in the area of adequate income, we see that the elderly are in desperate straits. If we are talking about nutrition or health needs, employment opportunities or legal services, the elderly suffer the most.

I think this is one of the most important statements we are going to hear this year on the problems of the elderly. It is a statement that not only reviews the facts and the needs and statistics but also shows an impressive compassion. It shows as well an extremely keen awareness of the continuing potential of our elderly people to contribute to this Nation.

So I wish to join in commending the Senator from Iowa for this statement and to say that we, representing Massachusetts—and I am sure others across this country—are going to benefit greatly from it.

Mr. EAGLETON. Mr. President, I am pleased to yield 2 minutes to the Senator from Idaho.

The ACTING PRESIDENT pro tempore. The Senator from Idaho is recognized.

Mr. CHURCH. Mr. President, as chairman of the Senate Committee on Aging, I am delighted that the distinguished Senator from Iowa (Mr. CLARK) has devoted his maiden speech to the challenges and problems of older Americans.

His statement clearly shows that he is intimately familiar with his subject matter. I wish to extend my sincere congratulations for a very powerful, effectively delivered, and well-reasoned presentation.

Even at this early stage in his Senate career the Senator from Iowa has compiled a commendable record on behalf of older Americans.

This is altogether appropriate because Iowa has been in the forefront in gerontology. Several of its higher educational institutions—including the University of Iowa, Iowa State University, and Drake—have served as "think-tanks" for innovative ideas in the field of aging. Numerous renowned authorities in gerontology, such as Dr. Wilma Donahue, former Gov. Robert Blue, and Dr. Woodrow Morris, have had their roots in Iowa.

Senator CLARK's legislative record, in my judgment, has been superb. He was one of the early cosponsors of the Older Americans Comprehensive Services Amendments, a measure which was signed into law on May 3.

That legislation not only built upon the solid achievements of the Older Americans Act but also produced major new concepts, including:

Upgrading the Administration on Aging;

Establishment of model projects to develop innovative solutions for some of the elderly's most pressing problems, such as housing;

Creation of a long overdue national senior service corps to take advantage of the wealth of talent with which older Americans are so richly endowed;

Expansion of the foster grandparent concept to provide services for individuals in their homes, as well as institutionalized children; and

Development of a comprehensive approach for the delivery of social services for the elderly.

On other fronts, Senator CLARK has fought to improve the quality of life for aged and aging Americans. He has strongly, and rightly so, resisted the administration's shortsighted proposals to saddle the aged and disabled with more than $1 billion in added medical costs by cutting back medicare coverage. He testified before the Committee on Aging in no uncertain terms on where he stood on that issue. At that same time, he made a thoughtful addition for the committee's overall hearing record on "Barriers to Health Care for Older Americans." Once again, we thank him for his compelling and perceptive counsel.

He is also a part of a growing bipartisan team to establish a National Institute on Aging to strengthen our Nation's research and training efforts in the field of gerontology.

I am also especially pleased that the Senator from Iowa has joined me in sponoring several priority measures for the Nation's elderly, including:

Extension of medicare coverage for essential out-of-hospital prescription drugs.

An emergency property tax relief proposal to protect aged homeowners and tenants from confiscatory property taxes and rents.

Liberalization of the retirement test under social security.

Home repair assistance for elderly persons who would otherwise have difficulty in renovating or maintaining their dwellings.

Procedural safeguards to help insure that the social security system is not used for narrow, partisan advantage by any Administration.

All of these proposals are urgently needed now, and we shall both press for early and favorable consideration by the Senate.

Mr. President, I extend my best wishes to the distinguished Senator from Iowa. I hope and expect to work closely with him on aging and other important legislative issues.

Mr. HUGHES. Mr. President, will the Senator yield?

Mr. CLARK. I yield.

Mr. HUGHES. Mr. President, I rise to commend the distinguished junior Senator from Iowa. It is a pleasure for the senior Senator from Iowa to have this opportunity to listen to the distinguished junior Senator from Iowa, in what has been his maiden address, dedicated to the aging.

Mr. President, in Iowa approximately 12 percent of our population is over the age of 65. In addition, we have contributed to the aging population in other States because many of our elderly citizens, those fortunate enough to be able to afford it, have moved to more sunny winter climates than our State of Iowa. They spend half their time there and the other half in the great upper Midwest.

Over the years we have faced many problems with our elderly citizens, and yet of all our population, they have given and contributed the most. They have given us the great heritage we have. They have given us faith. They are people of deep faith and confidence in a Divine Creator; faith to be true to our Nation. They have contributed to the well-being of our country, opening new frontiers and establishing our educational process, doing everything there is to stabilize our Nation, to give us a divine faith and the stability that we need in trying times such as these. Yet right now, in the midst of great affluence, the greatest affluence this Nation has ever known, we find many of our aged living on minimum social security of less than $100 a month, being forced out of their homes against their will. This is going on at a time when we have rising costs of fuel, I might add. In our region, with the winters we have, it is difficult for many of them even to pay their fuel bills. Medical costs are rising.

In addition they are faced with a lack of friendship and a lack of ability to contribute because we have left them out. I do not know of any more important subject today in social concerns to which my colleague from home could have dedicated himself than the problem of the aging.

I am pleased and delighted to hear of his cosponsorship of all the important pieces of legislation dealing with the aged since he has come to the Senate. I am pleased because I know personally of his personal dedication to the problems of the elderly in our State. By bringing attention to the problems of the elderly in this Nation, he has brought attention to the problems of the elderly in other parts of the world. As we have seen, it is not always the most affluent countries that have people living long years, but many nations of the world have people who live in excess of 100 years, nations that are not high on the ladder of economic success in the world.

As the Senator has pointed out, people have lived these long years because they were not forced into retirement or out of their homes, but they were kept in an atmosphere of love by their children and by their grandchildren. They were allowed to contribute to the well-being of the area, to maintain freedom, and above all they were allowed to maintain their dignity. When an elderly person or anyone else loses his dignity he has lost the will to live and the desire to be with us. God knows that the dignity, the pride, and the respect for the elderly in our country has been deteriorating, and we should no longer let it deteriorate as a result of lack of concern by the Congress of the United States.

I see the distinguished majority whip (Mr. Robert C. Byrd) sitting here, who has introduced, in the brief number of years I have been in the Senate, legislation each year to increase the benefits to the elderly. I want to commend him also, because we have been concerned and worried, but not concerned and worried enough, about what is going to happen to these most valued citizens of our Nation. They are not in a position where they cannot contribute. They are in a situation where they can generally and broadly contribute to the magnificence of this country, to the health, well-being, and love of this country; and if there was ever a time in our history when we needed to learn to love one another again, it is right now in the midst of the turmoil that faces this Nation, when we are tearing ourselves apart, when we lack trust and ability to feel a confidence in each other. This we learned from our mothers and fathers and from our grandmothers and our grandfathers.

I take a great deal of pride in listening to my distinguished junior colleague as he points out the continuing need for respect, love, and dignity for the elderly of this Nation. So I am pleased to have this opportunity to commend him on this his first major speech in the Senate, and on the topic he has selected and the concern he has shown for the elderly both in our country and the world.

Mr. ROBERT C. BYRD. Mr. President, would the distinguished junior Senator from Iowa yield to me?

Mr. CLARK. I yield.

Mr. ROBERT C. BYRD. Mr. President, I want to join the distinguished senior Senator from Iowa (Mr. Hughes) in his very eloquent commendation concerning the speech—the maiden speech—that has just been offered here in the Senate by his very distinguished and able junior colleague (Mr. Clark). Senator Clark not only has selected a topic that is vital to a growing percentage of the population of this country, and vital to the future of America, but he has expounded it well. He has demonstrated a thoughtfulness and a thoroughness, a dedication and a diligence, that I think commend him highly to the attention of his colleagues and to the attention of his constituents and the people of this country.

I have been very much impressed by the first speech that has been made by our colleague. I think it reflects very, very well upon him that he has done so after 6 months of time. So many of us are prone to speak too often and when we are not well prepared, but the Senator did not demonstrate that kind of unwisdom today. He has brought to the floor a very thorough, well-prepared statement, it is documented, and I can understand that he has spent many, many hours in the preparation of this speech. As a matter of fact, the junior Senator from Iowa (Mr. Clark) spoke to me at least 30 days ago about this speech, which he was already then preparing. This is the kind of work that indicates a great U.S. Senator, and I predict that with this kind of continued diligence, the junior Senator from Iowa will acquit himself in a very notable way in the future.

So, Mr. President, on behalf of the leadership, and on behalf of Mr. Mansfield, who, in passing through the Senate Chamber just a moment ago, made a very kind reference to the junior Senator from Iowa on the statement he was making, I congratulate the junior Senator from Iowa (Mr. Clark) on the very eloquent and cogent speech he has presented today to the Senate. I hope he will make it available to his colleagues, with a letter accompanying it, at their offices, so that those who may not have an opportunity to note it in the Record will have it brought to their attention by their staffs.

Mr. CLARK. Mr. President, I thank my colleagues for their very kind remarks.

I yield back the remaining time yielded to me.

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## ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. At this time, in accordance with the previous order, the distinguished Senator from Maryland (Mr. MATHIAS) is to be recognized for not to exceed 15 minutes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum and to charge the time to the order allotted to me, without prejudice to the distinguished Senator from Maryland (Mr. MATHIAS).

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ABOUREZK). Without objection, it is so ordered.

The Senator from Delaware is recognized.

Mr. GRIFFIN. Mr. President, if the Senator would yield to me before he begins to speak, may I ask of the Chair whose time the Senator is speaking on.

The PRESIDING OFFICER. Under the order, the Senator from Maryland (Mr. MATHIAS) is to be recognized next.

Mr. GRIFFIN. Is the Senator from Maryland to be followed by the Senator from Delaware?

The PRESIDING OFFICER. The Senator is correct. However, the Senator from Maryland is not in the Chamber.

Mr. GRIFFIN. Mr. President, with the authorization of the Senator from Maryland, I ask unanimous consent that his time be transferred to the Senator from Delaware.

The PRESIDING OFFICER. Is there objection?

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, and I shall not object, the quorum call was consuming my time. Do I have any remaining time?

The PRESIDING OFFICER. The Senator is correct. The Senator from West Virginia has 3 minutes remaining.

Mr. ROBERT C. BYRD. Mr. President, may I say that I had an understanding with the distinguished Senator from Maryland (Mr. MATHIAS) that I would use my time for a quorum call to signal him about the situation on the floor. However, I yield my remaining time to the Senator from Delaware.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

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## THE NATION'S ECONOMY

Mr. ROTH. Mr. President, I want to address the Senate today on the issue of this Nation's economy, and to urge the administration to revamp its present policy of loosely applied controls.

### THE BEGINNING—PHASES I AND II

In August 1971, President Nixon took drastic and much needed action to place a 90-day freeze on all wages and prices until a more thorough approach to the economic problems could be hammered out by the Cost of Living Council.

This precipitous move came on the heels of some very serious and discouraging news. Wholesale prices had risen at a faster rate in the previous 6 months than at any time in the previous 6 years. Unemployment persisted at a nagging 6 percent. The country's international position had deteriorated to the first merchandise deficit in this generation. And, the Federal Government was running a domestic deficit of $20 billion, equal to some $200 for every man, woman, and child.

Most economists and professional analysts greeted the President's action with some degree of approval, for the program's stated objectives were goals clearly in the national interest. The President justified his action, in part, by explaining that the freeze was designed to reduce not only the actual risk that inflation would continue to rise, but equally important, to allay the public's fear that the economy was simply out of control.

I should stress that the public, in this case, was certainly not limited to the President's constituency here at home. Our worldwide trading partners were an anxious and concerned audience, for they could measure the dwindling value of the dollars they held in reserve. Their belief in America's currency was as important a factor as any.

After the temporary holding action through September, October, and November, the administration entered into phase II with an elaborate but comprehensive offensive on all wage and price fronts. We heard that inflation would be down to 2 to 3 percent by the end of 1972, that standard wage increases could be augmented by needed gains in productivity, that exemptions would be granted only to those who could demonstrate their need, and that above all, the entire program was intended to be a temporary respite, during which the country could focus its attention on healing a weakened economy.

But phase II was also punctuated with a major departure from history when the dollar was revalued to reflect the erosion in our international trading posture. Those who negotiated at the Smithsonian acknowledged that this was a necessary, and probably permanent step, required in response to the existing economic facts of life. We were assured that there was no magic in the older values for gold, and that a growing interaction between the United States and countries abroad dictated that commonsense and cooperation should prevail.

To counter those unhappy with the actions taken under phases I and II, supporters could argue that the programs contained recognized weaknesses, but their overall impact during 1971–72 could be measured with many positive results. Consumer price increases fell from 6.5 percent to 3 percent, while food items, largely exempt from controls, jumped from 2.2 percent to 6.9 percent. Would all consumer goods have followed the same course without the program? Nobody can say for sure, but the evidence certainly seems to point in that direction.

### THE SURPRISE OF PHASE III

Mr. President, I think it fair to say many of us were surprised to hear early this year that the President had abandoned phase II in favor of a largely voluntary phase III.

It is true that the largest companies and labor unions were still required to report their activities, and their decisions were still subject to disapproval under existing guidelines. But the significant difference was that although guidelines still existed for most of the economy, the Government had relinquished its claim of prior approval on nearly all the businesses and workers affected by the early controls.

I must say that I was confused at the time, for although some of the indicators pointed toward a general economic recovery, it seemed to me we were far from being out of the woods. Though most price indexes were slightly more palatable, the news of Federal spending, unemployment, and balance of payments was by no means exhilarating.

As one who has argued strongly for increased fiscal discipline, I sensed the same pressures to spend that have underscored our economic problems ever since I came to the Congress in 1967. As individual Members and collectively as the legislative branch, we continue to be faced with the relentless argument that more dollars will, in fact, solve so many of our Nation's domestic and foreign problems. The enormity of our budget alone prevents us from asking "Is this program really doing its job?" and instead wondering "how much more this year will be necessary?" The Congress is surely to blame for part of this malaise, but we should not forget that Presidents of both parties have consistently sent to the Hill budgets with built-in deficits of billions and billions of dollars.

Likewise, the news that unemployment persists at 5 percent or higher can only serve to remind us that there are some 4½ million Americans who are not participating in the mainstream of production. We used to be told that when unemployment reached 4 percent we would be faced with the trade off of supplying more jobs or creating inflation. The most rudimentary analysis of our current situation demonstrates that we continue to have the rising prices without the commensurate decrease in the number of unemployed. It would seem that those out of work can take little solace in the belief that their jobless state is at least adding to the stability of prices—a sacrifice I never felt I could adequately explain to the man who wanted to work but could not find it.

And, let us not forget that tables of statistics do not tell the entire story. Skilled individuals, substituting in makeshift jobs for their desired careers, are not living up to their true capacity to produce. We should not be lulled into believing that we have solved the unemployment problem as long as there are highly trained men and women who can not participate in our economy to the best of their abilities.

And finally, our deficit position versus foreign countries continues as a major source of economic concern and uncertainty. A second devaluation and the soaring price of gold overseas are low points on the barometer. We have managed to plug some holes temporarily. Last month's first merchandise surplus since March 1971 was welcome news. But it should not be interpreted as the end of our problems. The enormous deficits in the past few years have added more than $30 billion to foreigners' holdings of Federal debt. We should not become complacent when we realize this total represents more than 13 percent of our official indebtedness, up from 1 percent 25 years ago.

### THE NEED FOR RENEWED DISCIPLINE

Mr. President, in the first 5 months of phase III, we have watched the economy slip backward as prices continue to mount and warnings of a recession begin to dot the business pages of our newspapers and magazines.

A close look at the latest figures shows that if recent increases continue for food, transportation, clothing, basic medical care, and taxes, a family of 4 earning $12,000 a year would have to earn an additional $2,000 in order not to loose its purchasing power.

Can we really expect the average American, on whom success for any program depends, to accept his Government's analysis that the economic patient is no longer in need of intensive care? Will sophisticated econometric studies really answer the housewife's concern for her family budget? Do we answer constituents' questions with the admonition that things could be worse? Not at all.

Our responsibility is to the millions of American consumers, men and women who feel the brunt of rising prices long after discredited forecasts have been forgotten. Their belief in any program is earned in the supermarket, not in the schoolroom. They are demanding results, and it should be the administration's job to insure that results are forthcoming. The Congress has given the White House broad authority in this area, but that does not mean we expect it to go unused.

It seems clear, then, that the time has come to cease the laissez faire approach of phase III. At a minimum, we need a return to strict controls, and if they will not do the job, a total freeze.

Let me hark back to the President's own words, when he reported on the economy last January in his annual message to the Congress. At that time, he emphasized that one of the major goals of the program was to "reduce the fear that the rate of inflation would rise, or not decline further." It was the anxiety of this Nation, and the world, that he sought to assuage—people's feeling that somehow the machinery of Government had come to a standstill in its efforts to promote both full employment and stable prices. The President has a constitutional responsibility to fulfill these objectives. The Congress has given him a number of directives in laws passed since the end of World War II, and it fully expects him to exercise this authority when conditions require.

Well today, after nearly 5 months of a hands-off policy, we are facing an even worse crisis of confidence. Allegations abound that nearly the entire executive branch has become inoperative, slowed to a crawl as a result of widespread political scandal. I for one do not believe it.

But the President himself must reassume the leadership he demonstrated almost 2 years ago—to prove to this country and the world that his economic policy has not been lost in the maelstrom of current disaffection. Bold action on his part is the first step necessary to right the obvious economic ills, and to help restore the public's faith in our system.

I call on him now to reinstate clear cut, and equitable rules, and to back them with fast acting enforcement procedures. He must convince people with results, not merely rhetoric. And, he must reckon with world opinion as well as that from at home. People must have some tangible proof that their family budgets and the security of their savings are as important to the Executive as any issue of national policy. The nationwide polls and the many letters I receive convince me that the American people will again respond warmly to strong leadership in this area as they have done in the past.

In closing, I want to applaud a fine act of statemanship displayed by the very distinguished chairman of the House Ways and Means Committee, Mr. MILLS. In a speech last week, he focused very clearly on this problem of inflation that has become the uninvited guest that stayed too long.

I commend Mr. MILL's statement, and draw attention to the fact that the equally respected majority leader of our body, Mr. MANSFIELD, has echoed many of the same concerns in a speech on this floor.

My colleagues here have come to know me as a fiscal conservative—an epithet my predecessor, John Williams, carried proudly in his 24 years of Senate service. His example is one I am certainly anxious to follow, for he truly knew the value of Government dollars well spent.

It is with this philosophy that I have striven to bring to Congress the need for more fiscal restraint, and in this vein I am working with many other Members to fashion a new mechanism for better control over our annual spending decisions.

We know that the roots of inflation are nurtured by massive Federal deficits and by the public's belief that Congress and the White House are unable, or at least unwilling, to curb the insatiable thirst for Government spending. Chairman MILLS put his finger right on it when he said:

> The single most important thing we can do here is to get control of public spending. We must establish the machinery for well thought out decisions on the budget total as well as its composition. We may dispute among ourselves about spending priorities, but we must agree that total government spending is held down to levels that are consistent with stable prices.

Our job in Congress goes beyond prodding the administration to act unilaterally. We have fashioned the legislative authority under which controls can be imposed, but we must also tend to our own responsibilities as architects of the Nation's spending programs.

I hope that these two goals of responsible spending and firmer controls will soon become realities—and that our interest in them will not waver as the spotlight of political activity plays across other stages. The economic stability of our country and the hopes and savings of millions of Americans are too important to neglect in the wake of temporary crises which we hope will soon abate.

Long after Watergate, the soaring price of meat and apartment rents will stick in the people's craw as their single most important disillusionment. My thanks go out to Chairman MILLS and Senator MANSFIELD for their exceptional courage in delivering such fine statements.

Mr. JAVITS. Mr. President, I am delighted to hear the espousal by the distinguished Senator from Delaware (Mr. ROTH) of the reintroduction of stronger wage and price controls analogous to phase II. I have very much the same advocacy.

The Senator is quite right about it, this would be strongly in the tradition of former Senator John Williams of Delaware. He and I came to this floor many times with the same thought at the same time, notwithstanding the fact that he had the reputation of being one of the leading conservatives in the country and my reputation was, allegedly, one of being primarily a liberal. Thus, I welcome this paralleling of our views on this particular subject by Senator Williams' most worthy successor in this body.

## ORDER OF BUSINESS

The PRESIDING OFFICER (Mr. ABOUREZK). Under the previous order, the distinguished Senator from New York (Mr. JAVITS) is now recognized for 15 minutes.

## THE FALSE CRISIS OF THE DOLLAR

Mr. JAVITS. Mr. President, the United States is in a serious crisis of confidence over the dollar as it continues to slide in world money markets. The stock market—very importantly and widely regarded as a barometer of confidence—continues its sharp daily decline almost without any regard to either earnings or values.

Consumer purchasing is characterized by a panicky buying as if there were no tomorrow; and automobile bumper stickers announce that "Chicken Little is right—the sky is falling."

It needs to be said that Chicken Little is wrong: the sky is not falling although the administration does have some bumps on the head from the Watergate fallout; our institutions continue strong, our economy vigorous—though not without problems—and the world goes on—and goes on quite well for the citizen in the United States and Watergate will not do in the U.S. Government. And those who are avidly selling the dollar today to buy gold may well wake up tomorrow with a speculative hangover; for the dollar is still the best currency in the world and the underpinning of the world economic system.

There is no valid reason for the dollar's weakness, the pendulum is swinging much too far and the dollar is now probably undervalued in terms of the world's leading currencies.

During these times of a crisis in confidence, I am reminded of the inspiring words of President Franklin D. Roosevelt—that we have nothing to fear except fear itself. These words were spoken when our economy and the world's economy lay in shambles, millions were out of work, the international economic system lay in ruins and the specter of revolution stalked the Nation and the world.

I remember this era well and we survived and prospered. Having survived this and the horrors of the great wars of this century, I am sure that our Nation will survive the Watergate crisis in confidence and our other troubles.

What we have to fear at this moment is our own uncertainty and the panic reaction to which such uncertainty can lead. Clearly, there are literally millions of people at home and abroad who may be convinced that the situation is worse than it is.

I call to the attention of the people of the United States and the world the following positive elements about the U.S. economy today.

The facts are these:

The Watergate scandal—and I would not for a moment denigrate its seriousness—has been widely credited with contributing to the raid on the dollar. This is completely unjustified and our friends, especially in Western Europe who understand the working of our democracy, should understand this clearly. The courts and the Congress are acting and if anything there is great solicitude that Watergate shall not cripple the capability of the presidency to operate effectively in domestic and foreign affairs. If anything the vitality and stability of American institutions are being proved rather than weakened.

Real gross national product which has been increasing at an annual rate of 8 percent is moderating, our fiscal position is strengthening, and our relative rate of inflation compared to that of other industrialized countries is favorable.

Demand is at record highs, with the rate of increase in unfilled orders increasing also at record rates—a bullish sign.

The hard statistics show a dramatic improvement in our merchandise trade balance, which is headed once again into the black, as a result of the currency realinements since December 1971.

We can similarly be optimistic about the outcome of efforts to reach agreement on sharing the balance of payments burden of our defense costs overseas, particularly in NATO; this could further strengthen the U.S. balance of payments by at least $1 billion annually.

Mr. President, in this connection I should like to congratulate the distinguished Senator from Illinois (Mr. PERCY), who is now on the floor, who started almost singlehandedly the enormous struggle with our Alliance partners with regard to burden sharing and its equity.

There are very hopeful signs that the erosion in the morale of American workers is beginning to be met by imaginative and innovative changes in management practices. I point to the growing number of success stories where workers are being brought in on corporate decisionmaking, and to the growing realization in Government that the quality of American worklife is a matter for concern at the highest levels of policy.

Unprecedented legislation is moving through the Congress which represents a "fair deal" approach to private pension legislation and this will provide increased financial security for many millions of Americans in their retirement years; and

Trade legislation continues to move through the Congress without any serious hitches so far and Chairman MILLS remains firm in his prediction that such legislation will pass the House by the August recess.

Since one of the most important manifestations of the crisis of confidence is each morning's news report in the United States concerning a new weakness of the dollar in Western European money markets, this topic deserves particular attention.

The situation in the gold and international exchange markets illustrates the fallacy of the unreasoned current decline in the dollar's value. Ever since the two-tier system was introduced in 1968, the gold markets have been relatively thin, subject to speculation and manipulation. In addition, the latest escalation in the price of gold has actually acted to depress production, as gold producers seek to mine lower-yielding ores with the knowledge that they can sell the resulting gold at a profit. With stable markets, gold production can keep pace with industrial demand—in the present situation, a speculative layer of demand is sending prices up out of proportion to the basic economics of both the gold industry and the international monetary situation.

The time has come for the administration to tell the world that speculation against the dollar is not a risk-free enterprise. The U.S. Treasury should quickly move against such speculation by selling gold from its ample gold stock which remains in excess of $10 billion to domestic U.S. users. The gold market is thin, and the United States has ample power to break the backs of the speculators and we should so act immediately.

The foreign exchange markets have displayed a similar disregard for the fundamentals of international economic competition. They have also been thin—uncharacteristically thin—during the past few weeks. Persons familiar with the exchange markets say it takes a small fraction of what it used to, to move the dollar downward a hundred points. Basic to the thinness of the market is the fact that foreign central banks have agreed last March not to intervene actively, so the dollar market has suffered a lack of buyers, not a surfeit of sellers. The float of currencies is working well under the circumstances, but a fact of life in this float is that exchange rate changes are going to be more sensitive to small speculative movements of currencies.

In short, the speculators, manipulators, pessimists, and opportunists have been calling the shots. They have looked at Watergate and at equity funding and have decided that now is a good time to capitalize on doom and gloom.

It is a free world, and they are entitled to their view. But we are also entitled to tell them that they are wrong, that no one is going to make money betting on the failure of the American economy, and that America is basically strong, Watergate or no Watergate.

I am convinced that the doomsayers are going to rue the day they decided to forget the basics of our robust economy and instead to make pessimism their guide. "Pessimism," Mark Twain once observed, "is only the name that men of weak nerves give to wisdom." It is truly the wiser course to bank on our history, on our strong economic growth, on the bright prospects for our balance of payments and on the progress of the past months toward a realistic international monetary system.

I also urge upon the American multinational corporations and the American public to refrain from selling the American economy short. This is a time for patriotism and such patriotism and restraint now will pay enormous dividends for the future health of our and the world economy.

On the home front, the major real existing factor in the crisis of confidence concerns the continued ineffectiveness of phase III. Another point of critical importance is the question of price and wage controls. It is a fact that phase III was installed much too prematurely and that we made a great mistake in abandoning phase II as soon as we did. I said so at the time, so that this is not any appraisal after the fact. We must now move back to effective phase II type controls.

Let us act to restore the confidence by taking the club out of the closet and swinging it at price and wage increases that are out of line. To date, the administration has mightily advertised the existence of the stick in the closet, but then, when the moment of truth arrived, the administration has shown remarkable timidity in using the powers that have been given it. The longer the administration waits to use this stick in the closet, the more drastic the subsequent use will have to be. Is this not the lesson that can be drawn from the 1969–70 period when the administration fiddled unduly while the economy stagnated in the context of a continuing high rate of inflation? Further delay in this area now may dictate the return to a 90-day freeze in the near future.

I close by addressing myself to the talk about a tax increase at this time. The moment of a tax increase, in my opinion, is when an economy is heating up—not when it is slowing down. And we have seen distinct signs that our economy may be slowing down at this time. There have already been warnings of recession later this year. If taxes are increased now, or say this year, since it will take time to get a tax boost through the Congress, we run the danger of unduly depressing the economy at the very time of economic slowdown. This, in my judgment, is not a wise course of action particularly since the relatively restrictive monetary and fiscal policy of the past year now seems to be taking hold.

In this regard, let me say a special word about the proposed gasoline tax. I can think of few tax measures that are more regressive than such a tax. There is absolutely no equity built into such a tax, which would fall unduly on the backs of the poor and the middle class and there is no provision in such a tax proposal relating to need. In my judgment, this would be a most unwise tax. The only possible basis for any increase would be to fund urban mass transit.

If the judgement is that measures have to be taken to deal with the developing gasoline shortage by confining its use, let us be forthright and bite the bullet and take measures to deal with this specific problem by allocation of available supplies by sectors and users. A big gas tax increase will not fairly curb users. Also we have another immediate remedy in hand—the speed limit could be lowered on the major interstate highways and this would have some effect on saving gas consumption and discouraging unnecessary long trips. The Senate has now overwhelmingly expressed its sentiment in favor of such speed regulation.

I feel strongly that the developing energy shortages are an area of national emergency and should be treated as such. Because of the critical circumstances we face, the construction of the Alaska pipeline should be expedited and legislation necessary to such construction promptly passed. Negotiations should also continue toward the construction of an additional pipeline through Canada. In turn, it is essential that consumer nations more closely harmonize their policies vis-a-vis the existing OPEC nations consortium on oil.

To date the administration has chosen to downplay the sacrifices and yes, even changes in our national lifestyles, that this new emergency situation dictates.

I strongly urge that the decision to impose a lower speed limit be taken by the administration now. In making this recommendation, I am not only considerning the gasoline shortage which is facing us this summer, but the heating oil shortage that is almost certain for next winter. We must begin laying the framework now to insure that there are ample supplies of heating oil this winter and this can be done only by insuring that oil refineries convert to heating oil production in time rather than staying on their gasoline production cycle too long.

So that I believe that for the moment we ought to stand pat on taxes, we ought to reinstall controls, we ought to tell the world what we feel about our own dollar, and we ought to reassure the world—which I am trying to do today, together with others of my colleagues—that Watergate is not going to dismantle the U.S. Government or have a tremendously adverse economic fallout. We ought to appeal to our own people and our own corporations to show a patriotic restraint in respect of this situation.

Finally, Mr. President, there is a $70 billion overhang in the world of dollars, so-called Euro-dollars. They need to be consolidated. That means they need to be dealt with on the basis of liquidation so that we may get to the point of restoring convertibility to the dollar through the negotiation of an international agreement which will deal with both questions of convertibility and consolidation. It is my hope that these questions can be resolved in time for Nairori.

These measures would help the pendulum to swing back, and the dollar again will be recognized for what it is—the strongest and best currency on earth.

The PRESIDING OFFICER. The time of the Senator from New York has expired.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time allotted to the distinguished assistant Republican leader (Mr. GRIFFIN) be allotted to the distinguished Senator from Illinois (Mr. PERCY).

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator is recognized for not to exceed 15 minutes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time allotted to Mr. MATHIAS be allotted to my control.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PERCY. Mr. President, I ask unanimous consent that during the course of my comments, Mr. Robert Vastine of the Government Operations Committee, be permitted to remain on the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PERCY. Mr. President, I note the appearance on the floor of the distinguished Senator from Alaska, and it is my intention to yield to him any time he desires that I do so.

First, I should like to comment on the remarks of the distinguished Senator from Delaware with respect to wage and price controls. Like he and the distinguished Senator from New York, I was somewhat shocked that we moved so precipitately into phase III. After I attended a leadership meeting at the White House and listened to the President enumerate the success of the phase II program in reducing our inflation level to the lowest of any industrialized nation, I was confident the program would continue.

The British, under Prime Minister Heath, were adopting a program comparable to the American program. I left the White House assured that we were going to continue with phase II until there was a solid basis for moving into phase III and suddenly, only 5 days later, we moved into phase III. I think it was a grave mistake.

Notwithstanding that, I feel that there is every reason to believe that the statement made by the distinguished senior Senator from New York is true. I believe—not so much as a legislator but as a former businessman who watched the American economy very closely and working within it—that the basis for strength of the American dollar and for confidence in the economy of the United States rests on many grounds. First, the economy is perhaps at the strongest point in our history.

Second, I feel that the stock market is literally filled with undervalued buys. One can almost buy at random now and feel that he is buying a stock listed on the exchange that is undervalued in relationship to past experience.

I feel the strength of the market yesterday reflects the fact that there are many who feel this is an undervalued market.

Third, I feel we are going to move to stronger controls until we solve a few of the basic problems.

Fourth, I think we have shown better ability to manage the economy. I never saw so much will on the part of Congress to face up to its responsibilities. As a result of the substantially increased tax revenues we have a lower fiscal 1973 budget deficit than we thought we would have, and we have every chance for the 1974 fiscal year to be a year with an almost minimal actual deficit.

Under the full employment concept we would actually have a substantial surplus.

Fifth, we have the chance to sell gold. I would like to discuss that in just a moment.

Sixth, I have every reason to believe that as a result of Watergate we are going to end up as a stronger country, that the institutions of this country will be proven. Anyone who sells short the American economy or the American Government would be making a grave mistake.

As he does so often, the distinguished Senator from New York has correctly assessed the international economic situation and identified the appropriate and necessary response.

The American people, our political institutions, and the vitality of our constitutional processes are stronger than 10 Watergate scandals. We have survived wars and all kinds of tragedy in this country and always we have emerged as a stronger country. I know that we will be able to solve this problem with greater ease than we did problems of the magnitude of World War I and World War II, and other events whose impact on the country was very much deeper and more basic than this sordid affair, as the President has called it. I hope we will quickly get it behind us.

Mr. President, I know it is hard for foreign observers to grasp, to understand what is really going on in this country. I have met with a great many representatives of foreign governments to try to impart to them personally my feeling about what is happening and to give my reasons for confidence in the future. In many parliamentary systems cabinets might have fallen under the impact of a Watergate affair. This is clearly the basis of the flight from the dollar into gold and other currencies. But this is an unrealistic, unwise, even unsophisticated reaction. Those who truly understand our system can also readily understand how we can survive such a cathartic political scandal with our institutions intact, and even strengthened.

I wish to take a moment to speak about the gold situation. I suppose that, as the largest free world holder of monetary gold, we in a sense should have schizophrenia on this problem. The United States holds 276 million ounces of gold.

We value this gold for our purposes at $38 an ounce. As we sit here watching the price of gold going up we should be overjoyed that the value of our gold stock is also increasing. As a matter of fact, in terms of today's market values, our own gold stock of 276 million ounces has increased from $10.5 to $33 billion. On paper we are probably the biggest gainer in the free world from this wild speculation. But could anyone imagine that the free price would stay at $120 an ounce for more than a couple of minutes if it were anticipated that the United States might sell any part of its gold in the free market? The notion of placing 276 million ounces of gold on the market boggles the mind—and would certainly destroy the speculative fever of gold markets.

I have urged, and I am delighted to be joined in this effort by the Senator from New York, that we should break the backs of the gold speculators by selling some of our gold stock. These need be only small amounts, because the free gold market is so thin and volatile. A Treasury estimate is that we have enough gold in our own reserves to supply all free market needs for 6 years. I counsel foreign observers to analyze with more depth and sophistication the nature of our own system. In the last analysis, the Watergate affair demonstrates our strengths, not our weaknesses.

That international speculation against the dollar is fundamentally unjustified lies in the great strength of our economy. I was pleased to see today that the stock market opened strong, carrying forward momentum from a strong showing yesterday. Compared to European economies our inflation has been mild. Even in Switzerland prices were rising this spring by more than 8 percent on a yearly basis. The effect of devaluation is beginning to take hold. A high official of the Swiss Government has said that—

> Individual sectors of the Swiss import industry have begun to feel the pinch and are now losing ground on the North American market.

The validity of the managed floating exchange rate system is proving itself. And the American balance of trade is improving markedly. At home we are experiencing a genuine boom. Demand is at exceptionally high levels, and consumer spending for durables such as autos, household furnishings, and appliances has been exceptional. Business investment plans have been extremely bright, holding the hope that massive new spending for new plant and equipment will both provide new supplies of goods and services to meet high demand, and promote our competitiveness in world markets.

Most important of all, and certainly important to the Senator from New York, who has worked with me since I have been in the Senate—and long before I arrived—is the need to solve some of our problems through increased productivity. Productivity in all manufacturing industries is growing at a 4.5-percent annual rate, the highest in our history since World War II.

There are danger signals. And steps are being taken to cool the economy. The actual deficit for fiscal year 1973, according to the Director of the Office of Management and Budget, is going to be $19.8 billion rather than the $24.8 billion projected only 5 months ago. The expected actual deficit for fiscal year 1974 has dropped to $2.7 billion, and on the full employment basis, there will be a surplus. We are going to have—and I discussed this with Henry Kearns of the Export-Import Bank last night—a surplus position again, because of our increased productivity and the cumulative effect of our devaluations.

A succession of steps by the Federal Reserve has slowed the growth of the money supply and tightened credit. Only last week I spoke with the distinguished Chairman of the Federal Reserve System, Dr. Arthur Burns, who is watching the situation daily with all vigilance and whose single objective is to promote a gradual cooling of the overheating economy, without inducing a downturn.

We are fortunate to have one of the most skillful, able, and learned men in the country as Chairman of the Federal Reserve.

Business investment plans do, however, continue to concern me, because of their increasing pressure on the economy. In April, a McGraw-Hill survey showed business investment plans at 19 percent above last year. The most recent Commerce Department survey, released today, shows spending at 13.2 percent more than last year. I suggest that we now consider a flexible use of the investment tax credit, an idea which has been suggested by the Chairman of the Federal Reserve Board, and one which, I know, has been supported by the distinguished Senator from New York.

A slight downward adjustment of the credit could mitigate currently excessive spending plans.

Under this plan, the President would be able to recommend changes in the credit within a range of 3 to 15 percent. In order to provide congressional oversight over changes in the amount of the credit, I now propose that we provide that a change would go into effect within 60 days if both Houses of Congress approved. The proposal would be highly privileged in order to assure House and Senate action within the 60-day period.

This proposal is different from that made by the Senator from New York, which would provide for a disapproval by negative vote of one House—a provision similar to the system customarily used for processing of reorganization plans.

I do not believe the negative congressional procedure is appropriate for dealing with the taxing power—the most important constitutional prerogative of Congress. The President should be permitted to propose an increase and obtain quick consideration of the proposal, but Congress should debate and vote on the proposal.

With regard to another current economic problem, the supply of energy, I agree with the Senator from New York that steps must be taken to reduce demand, particularly for gasoline. I also agree that a gasoline tax is inappropriate, for this purpose, both because it is regressive and because it will not appreciably diminish demand, in my view. I do not think that a mandated Federal speed limit is practical in a day when we are accustomed to driving on highways designed for speeds of 80 miles an hour.

On the other hand, I believe a program of consumer education led by the Federal Government is vitally important, and I have requested the Secretary of Transportation to promulgate consumer guidelines immediately. I ask unanimous consent that at the close of my remarks this letter be included in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. PERCY. Mr. President, our economy is strong, and our political system is proving itself in crisis. I deplore the speculation against the dollar; it is baseless—it is truly a "false crisis."

Mr. President, I would like to close by stating once again that this Congress is going to get control of its own budget. There is now a sense of fiscal responsibility that we have not had for decades. I am certain the mood exists to assert our control over our budget, and we are now working out the procedures in our Committee on Government Operations on which I am pleased to be working with the Senator from New York and other colleagues. This development alone should be reassuring to those who doubt the new system.

EXHIBIT 1

MAY 31, 1973.

Hon. CLAUDE S. BRINEGAR,  
*Secretary, Department of Transportation,*  
*Washington, D.C.*

DEAR SECRETARY BRINEGAR: The shortage of gasoline is an issue of growing concern to all Americans. The volume of mail I have been receiving from consumers in Illinois and elsewhere is evidence that the shortage is already being strongly felt and threatens to become much worse as the summer progresses. Farmers and others who depend on gasoline for their livelihood are naturally very concerned.

I am fully aware that the gasoline shortage is only one manifestation of the larger problem of fuel supply and allocation that presently faces our nation and that the Federal Government is actively engaged in trying to meet this problem. The fuel situation, in turn, is only one facet of the long-range problem that has come to be called the "energy crisis."

Much has been said and written lately about the causes and possible solutions for the energy crisis related to the need for increasing supply.

Less has been said about the need to reduce demand but this, it seems to me, is where more emphasis must be placed. Demand for energy is increasing so rapidly that if present projections are accurate, demand will continue to outpace supply for years to come unless significant conservation measures are taken. I am convinced that we will have to promote a national "conservation ethic." If we are to have any real impact on solving the energy crisis.

Over the long term, conservation of fuel for automobiles will have to take the form of smaller, lighter cars with less highly-powered, more efficient engines. Much work is now being done on the design of new cars, new engines, and new fuels to make them more energy-efficient. This is not an easy goal to achieve, however, especially in view of the fact that other national goals, such as producing safer and more pollution-free automobiles, often work at cross-purposes with with the energy conservation goal.

In the years before these design changes can be accomplished, we are faced with the need to conserve gasoline in our present cars. There must be many fuel-saving techniques that consumers could apply now that would both save them money and help alleviate the gasoline shortage this summer.

I have noted examples in the media of ways in which your Department and other Federal agencies are conserving fuel in Government vehicles. These techniques should be made available now for the information of the general public.

Perhaps your Department could publish a set of simple consumer guidelines for saving on automobile fuel. I believe that such guidelines would be most helpful and would give each of us a chance to contribute to the solution of a national problem.

I would appreciate your reactions to this proposal and any suggestions you might have concerning this matter. Thank you very much.

Sincerely,

Charles H. Percy,
*U.S. Senator.*

## ORDER OF BUSINESS

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ROBERT C. BYRD. Mr. President, I have some time allotted to me under the order, do I not?

The PRESIDING OFFICER. Yes. The Senator has 15 minutes under the order of the Senator from Maryland (Mr. Mathias).

Mr. ROBERT C. BYRD. I thank the Chair.

I shall be glad to yield 10 minutes to the Senator from Alaska (Mr. Stevens).

Mr. JAVITS. Mr. President, will the Senator yield me a few minutes?

Mr. ROBERT C. BYRD. Mr. President, I yield the Senator from Alaska half the time and the Senator from New York half the time.

Mr. JAVITS. I thank the Senator, and I will be glad to yield time to the Senator from Alaska.

## THE DOLLAR AND ENERGY CRISIS

Mr. STEVENS. Mr. President, I am very pleased to join the distinguished Senator from New York in reviewing some of the problems concerning the so-called crisis of the dollar, and I am pleased he has addressed himself so forthrightly to the apparent misunderstanding of some of our friends in Europe over the Watergate affair.

Parenthetically, I might say I am delighted to have the support of so distinguished a Member of this body for the Alaskan pipeline, and I take great pleasure in seeing that he has urged that the legislation for the Alaskan pipeline be expedited.

I also believe this monetary "crisis" is false. I think we should point some things out to our own people at home concerning the international monetary situation.

The European nations have a higher rate of inflation than we do at home, and the same is true with unemployment.

The U.S. economy today is in good shape, and we expect the economy to be in better shape at the end of this current period, because we are "cooling off" from a strong growth period.

There is no sound reason why the dollar has had to take the brunt of emotionalism on European monetary exchanges.

As the Senator from New York mentioned, if there is any fear about the strength of the dollar, it is a fear created by international money marketeers who have created the fear for their own selfish interests.

The devaluation of the dollar was a constructive element for the United States economy from a monetary and trade point of view. However, if devaluation is to be effective, we must work diligently from every perspective to reduce, and in fact eliminate, our balance-of-payments deficit.

Our balance-of-payments deficit in the first 3 months of this year reached $10.2 billion. This was the largest quarterly balance-of-payments deficit since the third quarter of 1971. The reason for this balance of payments deficit was due to heavy speculation against the dollar in Europe and our increasing reliance on foreign oil.

Although the dollar is strong, we cannot let our dependence on Mideast oil threaten the strength of our currency.

A $10 billion yearly drain attributable to oil imports by 1980 is a widely used figure, but some forecast even higher estimates. For example, the Chase Manhattan Bank predicts a $30 billion deficit by 1985.

In any event, this year's oil deficit is once again going to be a substantial contributor to this year's balance of payments deficit, and the prospects for the future are not bright. Some economists predict that imported oil from abroad could result in a net balance-of-payments deficit of $10 billion in less than seven years.

This drain of dollars from the United States into the bank accounts of a handful of oil producing nations abroad not only weakens the economy here at home, but erodes the stability of the dollar abroad.

Certainly, the nightmarish position the dollar experienced on the international monetary exchanges this year—being bounced from Zurich to Frankfurt like a bad check—was to a large degree related to the tremendous flood of dollars out of this country to pay our energy bill.

Some economists suggest that the Arab Governments, the largest producers of oil in the world, will be collecting as much as $40 billion annually from their oil reserves by 1980, up from less than $5 billion in 1970. Conversely, these same nations are expected to gain increased control over production and sales policies.

If one assumes that the Arab oil-producing states can spend 50 percent of their annual oil revenues on economic development and investment, their resources of gold and foreign exchange will rise well over $100 billion in 1985. Taking into consideration that the entire world reserves currently amount to about $150 billion, it becomes obvious the extent to which their power and influence in international finance will grow.

Mr. President, I ask unanimous consent to place in the Record at this point an article from the New York Times of April 16, 1973, entitled "Mastery Over World Oil Supply Shifts to Producing Countries," and going into some of the machinations we have gone through in recent months. In addition to that, I think it is highly important for Members of this body to have available to them, and I ask unanimous consent to have it printed at this point in the Record, excerpts from the testimony of the Deputy Secretary of the Treasury before the Subcommittee of Public Lands of the House Committee on Interior and Insular Affairs, in which he reviewed problems with regard to the continuing purchase of foreign energy in terms of our monetary policy.

Lastly, I would like to include at this point in the Record an editorial from the Washington Post entitled "Risky Quibbling Over Oil," which emphasizes again, as the Senator from New York has, the urgency of our dealing with this problem.

There being no objection, the material was ordered to be printed in the Record, as follows:

### Mastery Over World Oil Supply Shifts to Producing Countries

(By Juan de Onis)

Riyadh, Saudi Arabia, April 4.—In a dramatic rise in economic power, the oil-exporting countries have broken the mastery of Western oil companies over production and marketing and imposed their terms on the biggest commodity in international trade.

"We are in a position to dictate prices, and we are going to be very rich," said Ahmed Zaki al-Yamani, Saudi Arabian Minister of Petroleum Affairs, whose Government is accumulating foreign reserves from oil exports at a rate of $4-billion a year.

Ambitious economic development plans and large military expenditures by the Middle Eastern and North African oil countries are absorbing most of this income now, but in the near future the major petroleum exporters are going to have to decide how to use more money than they can invest at home.

The wealth being amassed by the producer countries as a result of having forced oil prices to double since 1970 is on a scale that affects international monetary relations and intensifies the balance-of-payments problems of industrialized countries, including the United States, where President Nixon is expected to send an energy message to Congress soon.

World petroleum consumers can expect steadily rising prices and threats of political manipulation of supplies by some producers. However, there is a consensus that the flow of Middle Eastern oil will increase if there is no new Arab-Israeli war.

The political implications of this new oil power in the Middle East, where Arab nations are major producers, are not yet fully clear. Both radical and moderate Arab leaders see it as a potential turning point in relations with the West regarding their conflict with Israel, but there is no agreement on whether to use oil as a "weapon" by limiting or halting supplies.

In Western European countries such as France and Italy, which are heavily dependent on Middle Eastern and North African oil, the situation clearly influences their policy of cultivating Iraq and Libya, both big producers, and of selling them arms.

"When a million little Bedouins in Libya have the power, by denying their oil, to paralyze the economy of a modern European nation of 50 million people such as Italy, that is a ridiculous situation, but that is where we are," a European oil-company official commented.

As for the United States, the supply of oil from the Middle East has not been a vital source for domestic consumption until now. A recent study by the organization for Economic Cooperation and Development, which includes the major industrialized nations, forecasts that by 1980 the United States will depend on imports for 40 per cent of its oil, compared with 21 per cent in 1970.

### LOOKING TO THE FUTURE

To find out what the Middle Eastern producing countries want to do with their new bargaining power in the market and the political arena, and how they plan to invest their growing wealth, Arab petroleum leaders and development planners were interviewed along with Western oil-company executives, bankers, oil consultants and diplomats in the region and in Europe. The interviews turned up a wide range of vews, but there was general agreement on these main points:

There is little likelihood of even a partial political boycott of sales to Western allies of Israel unless there is a renewal of Arab-Israeli hostilities on a large scale, in which case a serious oil crisis could develop.

Prices will continue to rise, with supplies keeping pace with growing demand while the producing countries seek greater earnings to finance domestic development. Monetary stability and security for investments abroad will be necessary if production is to keep on expanding beyond what is needed to finance domestic growth.

Greater cooperation between producers and consumer governments is necessary to solve trade, monetary and investment problems arising out of the huge surpluses from oil earnings. This could include more industrial projects in the region using Middle Eastern resources and capital, but with export access to Western markets.

### OLD ARRANGEMENTS DISPLACED

The new-found strength of the producer countries grows out of their recent success in recovering control over their resources. In the past control rested in the major Western oil companies under long-term concessions.

In Saudi Arabia the major concession, going back to an exploration permit in 1932, was obtained by the Arabian American Oil Company, formed by Standard Oil of California, Texaco, Exxon and Mobil.

In Kuwait the major concession was split in equal shares between British Petroleum and Gulf. In Iraq development since 1927 was through joint companies owned by British Petroleum, Royal Dutch Shell, Compagnie Francaise de Petroles, and, with lesser shares, Mobil and Exxon.

In Iran the so-called Western consortium, led by British Petroleum, had as participants all the Western companies operating in Saudi Arabia, Kuwait and Iraq, plus six small American independents with token shares.

The same companies, with minor exceptions obtained the principal concessions in the small sheikdoms—protected by the British until recently—of Bahrain Qatar, Abu Dhabi, Dubai and Oman, which are on top of some of the world's richest oil fields along the Persian Gulf and the Gulf of Oman.

### TEN CENTS A BARREL

With wells that commonly produce 10,000 barrels a day, the cost at the wellhead in the area is estimated at 10 cents a barrel. There is no cheaper oil, though some of the low-sulfur grades—they cause less pollution—command a premium.

Under the traditional concession terms the companies decided how much oil to produce, where to sell it and how much to charge. The host government received a fixed royalty, usually 12.5 per cent of the sale price, and a tax, which was eventually fixed in the nineteen-fifties at about half the net sale price after deducting the royalty and production costs.

That system led to a dispute between the companies and the governments in 1960 that would prove fateful. With oil supplies relatively abundant and competition from small independents undercutting prices, the major companies announced a reduction in posted prices—those on which taxes are calculated—in the Middle East, thereby reducing governmental revenues.

The host countries protested against the "unilateral" decision, but the companies insisted on their freedom to set prices. The result was that Iran, Iraq, Kuwait and Saudi Arabia, joined by Venezuela, formed the Organization of Petroleum-Exporting Countries in Baghdad in September, 1970.

Initially they sought only to restore the posted prices to the levels of August, 1960, and they were largely unsuccessful until after the 1967 Arab-Israeli war, which brought the closing of the Suez Canal. Then their bargaining position improved.

### OWNERSHIP BEING ENLARGED

By 1969 they were engaged in a full-scale assault on the concession system. Their effort has borne fruit in the last two years through measures establishing the right of host governments to fix prices and to obtain part or full ownership of oil resources through participation agreements or outright nationalization.

An oil executive, describing the change in relations between companies and governments as a shift from the tribal to the national concept in the Middle East, said: "It is only recently, with the Westernization of the Arab mind, that they have sought to exercise the full sovereign rights of a nation-state over its physical territory and its national resources."

A major factor in the new shape of the world oil relationship has been that the exporters' organization, expanded to include the 11 top producers, which provide 80 per cent of the oil in the world trade, has maintained a solid bargaining front. At the same time the Western companies and their governments have shown little ability to deal effectively with producer demands.

Government-owned European companies, such as Compagnie Française des Pétroles and Ente Nazionale Idrocarburi, as well as American independent companies in competition for crude, have been prepared to accept Arab terms on prices and ownership that undercut the concession agreements.

"Too many companies look only to their own short-term interests and forget about the long-run effects, which is why the producers are on top," said an economist for one of the big American concerns.

### LIBYAN OUTPUT SLASHED

Critics of Western policy tend to emphasize the breakdown of company unity in 1970, when Libya, under her new revolutionary leader, Col. Muammar al-Qaddafi, demanded an increase in posted prices and tax rates and threatened to cut production. Libya was then supplying about 25 per cent of Western European oil because of the transportation advantage she enjoyed as a Mediterranean country in view of the closing of the Suez Canal.

The companies fought the increases for seven months, during which Libya cut production by 800,000 barrels a day from a high of 3.3 million. The Libyans, holding more than $2-billion in reserves then, could afford to squeeze the companies.

The break came when Occidental Petroleum, an independent American concern getting a third of its crude from Libya, accepted the new terms, which raised the posted price by 30 cents a barrel. The other companies, including such major ones as Shell, Texaco and Standard of California, followed suit. The critics say the major companies could have held the line by supplying Occidental with crude.

The outcome of the Libyan dispute with the companies was a milestone. Within a few months the Persian Gulf producers were demanding a 45-cent increase in tax payments per barrel. The companies settled for 30 cents in 1971, to rise to 50 cents in 1975.

Subsequently the producers demanded a periodic increase in prices to offset devaluation of the currencies in which their Western customers paid. This was accepted by the companies.

### NATIONALIZATION BY ALGERIANS

In other actions influencing the attitude of the companies, Algeria nationalized her vast natural-gas fields in 1971 and took over 51 per cent of oil concessions on behalf of her national company, Sonatrach. This broke the favored position of French oil companies in France's former territory.

A long-festering dispute with the Western-owned consortium in Iraq reached a climax in June, 1972, with the nationalization of the big Kirkuk field. An attempted legal blockade of sales was undermined by the decision of the French national concern to continue buying 23 per cent of the Kirkuk crude and by purchases by Communist countries and such countries as India and Brazil.

Kuwait and Abu Dhabi drew on their huge wealth to lend Iraq money to offset her temporary loss of export revenue. The Soviet Union, which had become a close ally of the leftwing Iraqi Government, accepted oil on barter.

At the end of nine months the companies reached a settlement with Iraq surrendering the Kirkuk field in exchange for future delivery of 110 million barrels of oil and the right to expand production at the Basra field in partnership with the Iraqis.

The threat of nationalization, which became a reality under the revolutionary governments in Algeria, Libya and Iraq, has convinced the companies to accept more gradual participation agreements with Saudi Arabia, Kuwait, Abu Dhabi and Qatar. The accords give the host countries an immediate 25 per cent share of the concession companies, which agreed to hand over 51-per-cent control by 1982. Compensation for the partial take-over has been estimated at about $1 billion.

### INVESTMENT IN PRODUCTION

Because of enormous increases in income, it has become easy for the Middle Eastern countries to buy out the oil companies and to assume additional responsibilities for investment in production.

The revenues for 1971–75 are estimated at $30-billion, without including adjustments for currency devaluations and the higher prices paid for the governmental share in jointly produced oil.

In the case of Saudi Arabia—the world's largest exporter, shipping six million barrels a day—the increase is from 90 cents a barrel in 1970 to $1.75 now.

Company profits per barrel are estimated at 25 cents, compared with 40 cents in the early sixties, but volume has doubled. Most of the price increase has been passed on to the consumer—and more expensive oil is to come.

The escalation of prices is built into the existing agreements, which expire in 1975. But can the industralized countries, which are the major consumers, live with steadily rising prices? What are the exporters going to do with all their money?

The two questions are closely linked, and experts on both sides are searching for answers in this new area of international relations.

### SAUDIS: KEY TO FUTURE

Saudi Arabia is considered by many Western observers to hold the key to the future. With the largest proven reserves in the world, placed at 145 billion barrels, the desert kingdom has more oil than the United States and Latin America together, and much exploration remains to be done.

On the basis of known reserves, it is estimated that the Saudis could push production to 15 million to 20 million barrels a day by 1980—the estimated import requirements of the United States and Japan at the end of the decade.

Other Middle Eastern exporters have less potential on the basis of present reserves. Iran talks of reaching eight million barrels a day; Iraq could go to four million to five million; Kuwait and Abu Dhabi are in a range of three million to four million.

Taken with the potential for expanded oil and gas production in Libya, Nigeria, Algeria, Venezuela and Indonesia, the Middle Eastern resources are sufficient to avert shortages in Europe, Japan and the United States.

The question is whether the Middle Eastern producers, led by Saudi Arabia, will want to increase output sufficiently, and at what price.

The alternatives, which are under active discussion in the Saudi Government, led by King Faisal, who has ruled since 1962, were discussed in an interview by Sheik Yamani. The Petroleum Minister is 42 years old, studied law at Harvard and has been an adviser to King Faisal for 13 years.

He spoke of his country's enormous needs for investment in education, health, roads, power and social welfare as well as industrialization. "This is a very big country and we are starting from scratch," he said, looking at a large relief map on the office wall.

It shows Saudi Arabia spanning the Arabian Peninsula, from the mountainous western region along the Red Sea to the Persian Gulf on the east, where the oil-rich desert sands slide into the sea. Strategically situated, its 870,000 square miles make it more than three times the size of Texas.

Population figures are uncertain—the first modern census is planned for next year—but there are estimated to be five million to six million people. Some are Bedouins, shepherding flocks on sparse desert grass; many more are villagers who have gotten their first schools, regular water supply and electricity.

In sharp contrast, the oil companies have introduced a highly modern sector of petroleum exploration, pipelines, refineries and big terminals where the world's largest tankers load oil. The industry, employing only 15,000 people directly, generates 95 per cent of exports and close to 60 per cent of national income.

In the larger cities such as this inland capital and the ports of Jidda and Dhahran, there is much that is modern in stores, television, airports and a growing network of highways. But there is also much visible poverty, with large shantytowns holding families that have come to the cities with primitive ways. They keep their goats in pens around shacks made of old boards and tin, and the women carry water in jugs from a few communal taps. Barefoot children abound.

### IN THE FUTURE, A PARADISE

"Saudi Arabia will be a paradise in another 10 or 20 years," Sheik Yamani said, not boastfully but with quiet self-assurance. He was referring to the large-scale development programs that are under way in a five-year economic plan that calls for $11-billion in spending, including defense.

The plan is in its fourth year, and a new one to begin next year is under study. Hisham Nasr, an economist with a master's degree from the University of California at Los Angeles who is head of the planning organization, said it would be budgeted at $40-billion.

Some Western observers doubt that the Saudis can spend that much on domestic development, mainly for lack of projects and skilled manpower. The sources said that the more modest plan now in effect was behind schedule because of contract problems.

A major investment in the last 10 years has been in scholarships for study abroad in technology, administration and economics. Many of the several thousand people who benefitted can be found in Government ministries and enterprises and in private concerns.

Sheik Yamani points with particular pride to the establishment here of a higher institute of technology, the Petroleum College, which is turning out hundreds of Saudis trained in applied engineering.

### INCREASED DEFENSE OUTLAYS

After development investment absorbs all it can, there will still be a surplus in oil revenues.

Some will go into defense spending. Saudi Arabia, a conservative, anti-Communist country, views with suspicion such left-wing governments as that in the Southern Yemen, on its southern flank, and the Chinese-backed rebellion in Oman.

The Saudi Air Force has been spending hundreds of millions of dollars acquiring British Lightning jets and has begun to get delivery on an order for 20 United States Northrop F–5 jet trainers and 30 F–5E fighters, which are very modern aircraft that cost $2.7-million each. The Saudi Army is receiving delivery of tanks from France under a $350-million contract.

Even the defense spending, budgeted now at $1-billion a year, will leave large surpluses. Sheik Yamani's solution is for Saudi Arabia to embark on a major industrialization program, emphasizing industries that can absorb energy sources here.

Speaking of the United States he said: "Remove from your economy industries that are now absorbing a lot of energy, such as aluminum, and install them here. This will provide demand for capital goods which you produce and get you back something in equipment sales while reducing your energy demand."

He recognized that this model of interdependent economic relations between oil exporters and industrial countries would require the opening of the developed countries' markets to imports of manufactures.

"The alternative is that there will be an enormous financial accumulation in our hands," he remarked. "Do you want to gamble on that?"

### WARY OF FOREIGN PROJECTS

The possibility that oil exporters will invest surplus resources in financial holdings overseas or industrial enterprises in distant countries is viewed with growing reluctance in the Middle East.

Some investment is likely in so-called downstream oil ventures, such as overseas refineries and tanker fleets to deliver the oil of the national companies set up by most of the producers. Ten Persian Gulf producers, led by Kuwait, are setting up a tanker company with initial capital of $500-million.

Beyond that, there are doubts here whether it is desirable to raise output to earn more foreign currency than can be invested. Prince Saud, the Saudi Deputy Minister of Petroleum Affairs, said: "It may be that oil reserves in the ground are more valuable in the long run than financial reserves in a foreign bank."

The management of the monetary reserves is already a headache for the oil-exporting countries in view of currency instability. Middle Eastern bankers say that 80 per cent is held in bank deposits in Europe and the United States or as foreign government securities. About 20 per cent is invested in equity holdings in banks, real estate and enterprises.

### ROLE IN MONEY CRISIS DENIED

Financial authorities in Saudi Arabia, and in Kuwait, which, with the help of British advisers, is probably the most advanced Middle Eastern country in financial management, scoff at reports that the holdings contributed significantly to the recent dollar crisis. "We were hurt by the dollar devaluation," a Saudi financial official said. In Kuwait a parliamentary debate on foreign investment heard a report that Kuwait lost $50-million to $60-million in the recent currency crisis.

Other large producers, with larger populations than Saudi Arabia and the Persian Gulf sheikdoms, have development needs that require maximum exports to finance investment and defense.

This is the case in Iran, with 30 million people and a five-year development plan calling for $23-billion in development investment, plus $2-billion for arms. Algeria is planning to spend $2.6-billion on development this year and Iraq more than $1-billion.

In the view of Western oil analysts, the development plans and military expenditures are the best guarantee that supplies will continue to flow, at least for the immediate future.

In the long run, on the other hand, the situation points to greater economic and political power for the Middle Eastern oil countries. With the exception of Iran they are all, to a greater or lesser degree, at odds with the United States policy of support for Israel, and they expect that a world that depends increasingly on their oil will eventually give more weight to their views.

Next: Plenty of fuel, but brownouts loom.

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### EXCERPTS FROM THE TESTIMONY BY THE HONORABLE WILLIAM E. SIMON

There is no question that this country critically needs its North Slope oil. Every barrel of that oil we can produce will reduce imports by a like amount. This Committee undoubtedly has heard many estimates of the rapidly increasing import levels we face if we don't reverse current trends. Estimates of oil imports in 1980 range between 10 and 15 million barrels per day. Imports of this magnitude could endanger our security and economic well-being.

These projections, however, assume that we do nothing and that present trends continue. Actually, we can take several steps to increase domestic supplies and decrease imports. The President has already moved decisively to increase energy supplies. The Congress can contribute substantially by passing legislation enabling us to initiate needed programs, such as the Alaska pipeline. The Alaska pipeline alone will not solve our energy problem. It will however, materially ease our monetary and energy security problems. So let us begin with its construction now.

The United States faces serious economic and monetary problems today because of our rapidly deteriorating balance of payments. We cannot afford to permit these deficits to go on mounting unnecessarily by delaying the development of already proven domestic resources.

In the past this country has enjoyed energy security because of our shut-in production potential. This potential has now disappeared. Imports are soaring. And several countries upon which we may have to depend for future energy supplies have declared that they intend to use their oil as a political weapon. Can we afford to become increasingly dependent upon such countries by deliberately delaying the development of the largest find of oil in U.S. history?

The significance of our North Slope energy potential is not just the 2 million barrels per day that could someday be delivered through an Alaska pipeline. Nor is it the 10 billion barrel proven reserves in the Prudhoe Bay field. Alaska has far greater potential reserves. Projections indicate that the North Slope has potential reserves of as much as 80 billion barrels. Thus, we might someday achieve an Alaska production of 5 to 8 million barrels per day.

This, in turn, could possibly reduce our first round balance of trade outflows by $7 billion to $12 billion per year. Production at maximum rates would also materially strengthen our bargaining position with producing countries and increase our ability to meet any supply disruptions with minimum adverse economic consequences. It could, in short, go a long way toward solving our energy problems.

But to obtain the North Slope's full potential during the critical period of the 1980's, we must begin development now.

The question at this point is not whether we *should* develop our North Slope reserves. We should. We must. The question now being debated is how *best* to develop these reserves.

### Risky Quibbling Over Oil

Petroleum may well be running a close second to Watergate as a national obsession before this year ends. Already the gasoline shortage is causing some people to trim their summer travel plans, and a fuel-oil crunch may be on the way. This whole problem could become a full-blown crisis, because the supply simply isn't there any more to meet the demand. And against such an ominous background, we find it incredible that a sizable segment of Congress, largely from the Middle West, is raising a parochial obstruction to the trans-Alaska oil pipeline.

This huge petroleum artery is ready to be built. The pipe that would extend almost 800 miles across Alaska, from the northern Arctic rim to the warm-water port of Valdez on the southern shore, already is on the ground. On that North Slope, untapped, is the largest oil pool ever discovered on this continent, which can come flowing down the line at a rate of 2 million barrels a day. And most importantly, this would be a domestic source, reducing the nation's costly and risky dependence on foreign oil imports. Those will rise to about 5 million barrels a day this year, and drastically increase until, in the 1980s, the dollar outflow may strike a severe blow at the American economy.

So the Alaskan oil is absolutely essential. Right now the $3 billion pipeline project is stalled, however, by a Supreme Court ruling on a question of corridor width across federal lands. Congress could, and should, remove this obstacle in short order by amending an old right-of-way law. But as that attempt gets underway, some lawmakers—in both the House and Senate—have launched a counter effort. They argue that the trans-Alaska line should be scrapped in favor of a route across Canada. That way, the oil would enter the petroleum-hungry Midwest which, they contend, will pay a cost penalty if shipment is down the West Coast in accordance with present plans.

There are some good points in this argument, but they have been raised much too late to justify any interference with the trans-Alaska plans. Shifting to a Canadian route could mean a five-year postponement in gaining access to North Slope oil, according to Interior Secretary Morton. If Congress forces such a delay, either by action or inaction, it will face a furious populace in the Midwest and everywhere else in the event of a crippling oil emergency. It should, as President Nixon recommends, get the Alaskan project unjammed, while the government begins negotiations for another pipeline across Canada. For this country will need every drop of oil it can get from both lines, and then some.

Mr. STEVENS. Mr. President, in closing, I thank my good friend, the Senator from New York and tell him that if more Americans would stand up as he has and address the problems of the American dollar without the emotionalism and fear revolving around Watergate, I think our European friends would understand the situation better.

It is certainly true that when the Senator from Montana (Mr. Metcalf) and I were in Canada over the weekend, the questions we received from our Canadian friends over Watergate were in terms of what is happening to our system. I think that we enlightened them. The system is working. Indeed, Watergate, if anything, proves the validity of the American system of government. The very fact that hearings into the matter are going on and that we have several procedures to get to the root of the Watergate situation demonstrates and should demonstrate to the people throughout the world that the American system is sound and stable and that the present situation should not have any effect on our friends abroad.

Mr. JAVITS. Mr. President, I thank the Senator from Alaska very much for his very kind statement and for his, as always, deep comprehension of the resource problems of our country. I believe that the Alaskan pipeline is vital and should be constructed now. I believe that the environmental question can be reasonably and adequately dealt with in connection with this construction.

There is no reason why the environmental movement, which is so desirable, should run the risk of being a discredit to the United States with reference to the resources of America and the matter of oil supplies at this time. Developing our own resources increasingly is essential to our economic and strategic well-being.

Mr. President, I hope that the American people and the world will take note of the general comments of the Senator from Illinois (Mr. Percy), speaking with his customary eloquence and from the viewpoint of an outstanding business leader as well as an outstanding Senator, of the remarks of the Senator from Delaware (Mr. Roth) speaking in the great tradition of former Senator John Williams with reference to advocating the control of prices, and those of the Senator from Alaska (Mr. Stevens) which affirm the mutual confidence we have in this government.

Mr. President, we cannot expect the world to have confidence if we do not assure the world that we have confidence in ourselves. And that is the way we join this colloquy and these contributions toward a solution of the problems that have developed.

Mr. President, I hope very much that today and on succeeding days, Senators on both sides of the aisle, government leaders, and business leaders will affirm the same conviction to the world, and that the President of the United States in honor of the Presidency will do his utmost to restore the confidence of the people of the world in our country.

At this particular time, it must be recognized that it is vital for the interest of this country and of the world that Congress be made a co-partner in what this country does. When that element is missing, a critically important factor has gone out of the government structure of the United States. And it is to reassert this that my colleagues and I have spoken today. I hope that a new administration attitude will creep into the subject of war powers, the bombing of Cambodia, or any other issue of that kind.

I hope that other Senators will also speak on this subject and that the world understands that under this governmental system Congress is a critically indispensable organ of our government, especially at a time when there is any reason to have concern about it.

Again I repeat that we honor the Presidency. It is the office that counts. And it is for that reason that I express the hope that the President will do his utmost to operate his office with the maximum efficiency and decisiveness as long as he sits in the office—without any regard to whatever charge may be made or whatever charge he may counter on the Watergate issues.

Mr. President, I wish to inform the Senator from West Virginia that we are very grateful to him for his great consideration.

Mr. President, I am prepared to yield the floor.

Mr. ROBERT C. BYRD. Mr. President, the Senator is welcome.

Mr. BROOKE. Mr. President, the distinguished senior Senator from New York has given today a lucid and timely reminder of the fact that although the United States faces several serious crises at present, its fundamental ability to fulfill its obligations, both domestically and abroad, remains largely unimpaired. I concur fully with the sentiments expressed by Senator Javits.

I have recently returned from Europe and, hence, know first hand of the apprehensions that exist there that the distinguished Senator alludes to. The current "attack" by speculators on the dollar is one manifestation of such apprehensions.

Fear exists in Europe that the present domestic problems faced by the United States will limit our ability to maintain an adequate commitment to the Atlantic Alliance. An alliance, as I pointed out to an audience in Mannheim, Germany, can only remain viable so long as its members have a high degree of confidence in each other's willingness and ability to fulfill mutually agreed upon obligations. Thus, expression of doubt in Europe as to America's ability to execute its responsibilities in the Alliance are certainly of grave concern to us all.

However, these doubts are based, I believe, on the erroneous premise that individuals rather than institutions are more important in providing continuity for American policies, foreign or domestic. The reverse, however, is a more accurate view of our system of government. It is our institutional governmental structure that provides the unique strength of our system of policy formation and execution. It is that structure that has weathered the test of crises in the past and has provided the United States the capability to draw strength from adversity in times of both foreign and domestic troubles.

One should not minimize the fact that recent developments have created short term impediments to the effective functioning of our governmental processes. Individuals, possessing misconceptions as to the lawful and acceptable scope of their exercise of power, have betrayed the public trust. However, the debilitating effects of their betrayal will be short-lived. Our institutional structures can and will absorb the current shock waves without experiencing irreparable or long-term damage. The recuperative capacity of our system of government provides sufficient grounds for the optimistic belief that America can and will continue to play a full and active role in the world's work.

I reject the arguments of the harbingers of doom, both at home and abroad. The problems facing the United States may be difficult but they are not insoluble. What is needed is the courage and wisdom to confront these problems forthrightly in order to obtain real rather than cosmetic solutions.

Through judicious actions, such as those suggested by Senator JAVITS, we can mitigate the negative effects of the so-called energy crisis. The American people possess the wisdom to realize that some change in their energy consumption habits must occur. I believe they are willing to make the necessary sacrifices in this area. I also believe that their Government will take the necessary actions in the international sphere to enable it and other oil-consuming countries to bargain on a more equitable basis with the OPEC consortia of oil-producing countries.

The inflationary spiral now extant in the United States can be controlled if the administration is willing to impose more adequate wage and price controls. I sincerely hope that recent reports of administration intent to reexamine its inadequate inflation policies will result in a courageous and fair application of such controls as well as the formulation of some adequate means to restrict profits to a fair return on investment.

Finally, through prudent intervention in the international monetary system, the United States can "give the lie" to the "dollar speculators'" assumption that we lack the will or ability to negate their designs. The Senator from New York has offered a plan to accomplish this. His suggestions should be given careful consideration as we seek to find acceptable solutions to the recurring monetary crisis.

In sum, the crises that face America today provide us with the opportunity to once again exhibit the inherent strength and resourcefulness of the American people and their governmental system. I am convinced that both are equal to this task.

## TRANSACTION OF ROUTINE MORNING BUSINESS

**The PRESIDING OFFICER.** At this time, under the order, there will be a period for the transaction of routine morning business not to exceed 15 minutes, with statements therein limited to 3 minutes.

## MESSAGES FROM THE PRESIDENT—APPROVAL OF JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries, and he announced that on June 5, 1973, the President had approved and signed the joint resolution (S.J. Res. 112) to amend section 1319 of the Housing and Urban Development Act of 1968 to increase the limitation on the face amount of flood insurance coverage authorized to be outstanding.

## EXECUTIVE MESSAGE REFERRED

As in executive session, the Presiding Officer (Mr. ABOUREZK) laid before the Senate a message from the President of the United States submitting the nomination of Malcolm R. Currie, of California, to be Director of Defense Research and Engineering, which was referred to the Committee on Armed Services.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H.R. 1316. An act for the relief of Claude V. Alcorn and twenty-one others;

H.R. 1323. An act for the relief of Mrs. Rosanna Thomas;

H.R. 1328. An act for the relief of Master Sergeant Eugene J. Mikulenka, United States Army (retired);

H.R. 1366. An act for the relief of Juan Marcos Cordova-Campos;

H.R. 1377. An act for the relief of Michael Joseph Wendt;

H.R. 1378. An act for the relief of James E. Bashline;

H.R. 1694. An act for the relief of Ossie Emmons and others;

H.R. 1716. An act for the relief of Jean Albertha Service Gordon; and

H.J. Res. 533. Joint resolution authorizing the President to proclaim June 17, 1973, as a day of commemoration of the opening of the upper Mississippi River by Jacques Marquette and Louis Jolliet in 1673.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 43) in recognition of the 225th anniversary of Washington and Lee University, in which it requested the concurrence of the Senate.

## ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills:

S. 38. An act to amend the Airport and Airway Development Act of 1970, as amended, to increase the United States share of allowable project costs under such Act, to amend the Federal Aviation Act of 1958, as amended, to prohibit certain State taxation of persons in air commerce, and for other purposes;

S. 49. An act to amend title 38 of the United States Code in order to establish a National Cemetery System within the Veterans' Administration, and for other purposes; and

S. 1136. An act to extend through fiscal year 1974 certain expiring appropriations authorizations in the Public Health Service Act, the Community Mental Health Centers Act, and the Developmental Disabilities Services and Facilities Construction Act, and for other purposes.

The enrolled bills were subsequently signed by the Acting President pro tempore (Mr. ALLEN).

## HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills were severally read twice by their titles and referred to the Committee on the Judiciary:

H.R. 1316. An act for the relief of Claude V. Alcorn and twenty-one others;

H.R. 1323. An act for the relief of Mrs. Rosanna Thomas;

H.R. 1328. An act for the relief of M. Sgt. Eugene J. Mikulenka, U.S. Army (retired);

H.R. 1366. An act for the relief of Juan Marcos Cordova-Campos;

H.R. 1377. An act for the relief of Michael Joseph Wendt;

H.R. 1378. An act for the relief of James E. Bashline;

H.R. 1694. An act for the relief of Ossie Emmons and others; and

H.R. 1716. An act for the relief of Jean Albertha Service Gordon.

## HOUSE CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 43) in recognition of the 225th anniversary of Washington and Lee University was referred to the Committee on the Judiciary.

## TWENTY-MINUTE RECESS

**Mr. ROBERT C. BYRD.** Mr. President, I move that the Senate stand in recess for 20 minutes.

The motion was agreed to; and at 12:45 p.m. the Senate took a recess for 20 minutes.

The Senate reassembled at 1:05 p.m. when called to order by the Presiding Officer (Mr. NUNN).

## SENATOR ROBERT C. BYRD PUTS THE ENERGY CRISIS IN PERSPECTIVE

**Mr. STEVENS.** Mr. President, I have just returned from a meeting of the Committee on Interior and Insular Affairs Subcommittee on National Fuels and Energy Policy, and at that meeting the distinguished majority whip, Senator ROBERT C. BYRD, of West Virginia, made a very important statement concerning the relationship of the coal reserves of this country with regard to the energy crisis. I come from an oil producing and gas producing State, and it might seem strange for me to ask that there be included in the RECORD a statement by the Senator from West Virginia, but I think it is highly important that we realize that the continuing reliance of this country on foreign energy is part of the monetary situation.

When the Senator from Montana (Mr. METCALF) and I were in Canada over the last week, we found that in the eastern tier they require every major energy consuming industry to be able to convert from oil to coal immediately. They have standby units so they can convert over to coal from fuel oil.

In this country we have become increasingly reliant on natural gas and oil, and we have ignored our coal resources. I think it is important for us who are urging the development of our natural gas and oil supplies that we realize the opportunity for this country, as far as our ability to meet our own energy needs is concerned, lies in the resurrection of the coal industry of this country.

Mr. President, I ask unanimous consent that a statement made before the Senate Committee on Interior and Insular Affairs today by the Senator from West Virginia (Mr. Robert C. Byrd) be printed at this point in the Record.

The PRESIDING OFFICER (Mr. Nunn). Without objection, it is so ordered.

### STATEMENT BY SENATOR ROBERT C. BYRD

### ENERGY CRISIS

Mr. Chairman, this Committee is coming to grips with one of the most important challenges that has ever faced this nation. I refer to the energy crisis.

Recently the energy crisis has become front page news—with gasoline shortages, fuel allocations, and threats of confrontation between the oil-producing nations of the Middle East and the oil consuming nations of the world.

Convenience, rather than conservation, has been our historic guideline in the use of our energy resources. In our profligate use of energy, we have failed to develop the basic reserves to meet either the sudden demands of an emergency or the sustained demands of normal national growth.

I recognize that my views may be prejudiced by the fact that I represent the great coal producing state of West Virginia. But surely there can be no doubt that coal is the only energy source the United States has in sufficient supply to assure domestic security. To make this point, we need only note that coal comprises 88 percent of our presently considered recoverable reserves of all fuels, including uranium, and that our mineable coal deposits have an energy equivalent three times larger than the vast oil reserves of the Middle East.

President Nixon, in his recent energy message to Congress, mentioned that despite its abundance, coal accounts for less than 20 percent of the nation's energy base today. The President recommended increased development and utilization of coal as a matter of highest national priority. While his statements were accurate, the President did not suggest how we might put flesh on the bones—and his words perforce must ring somewhat hollow without an adequate program of implementation.

In these days of crisis stacked on top of crisis, we are understandably prone to push aside the one with less immediate public impact in favor of attacking the one with greater visibility. This is one reason why, for the moment, it is difficult for us to grasp the real dimensions of the energy crisis. Americans seldom react to the *threat* of adversity—the reaction sets in when adversity becomes a *fact*. The abundance of the past, makes it difficult to face the realities of the present.

Then we usually are inclined to overreact—to move faster than prudence dictates. This is precisely what we should avoid in the energy crisis. We still have time to work out solutions to our long range problems—not without hardship and frustration, but without irreparable damage.

As a people, we have habitually taken our energy fuels for granted, using them as we *found* them—with little regard for orderly development, and without thought of the future. We have become so accustomed to the idea of cheap, plentiful, energy that the necessity for coordinated energy planning has gone unheeded.

Now the time has come—rather the time is overdue—for us to take stock and determine a course of action that will assure the nation of an adequate energy supply for future generations.

The facts are these:

On one side of the coin, we see that America's requirements for energy will nearly double between now and 1985.

On the other side of the coin, we see that the cheap, low-sulfur fuels simply will not be available in quantities equal to the task. Nor will tomorrow's exotic sources of energy. For example, the breeder reactor and solar power will have real significance by the end of the century—but that's not today or tomorrow or 1985. To be sure, hydro-electric and geothermal energy, oil shale and tar sands will make a contribution in this time frame, but it will be minor. So we will have to continue to rely on the four workhorses of fuel: oil, gas, coal, and nuclear power.

If nuclear power were to reach its expectations, we would have to commission at least 280 new nuclear energy plants of 1,000 megawatts each. The cost would be $82.5 billion, plus $5 billion a year for fuel. And it takes at least five years to put a nuclear plant into operation.

Natural gas is in short supply. Worse still, production in this country is expected to decline about a third between now and 1985. Its price has been held at such low levels that demand has been encouraged to the detriment of more abundant competitive fuels.

What about oil? Without vast investments, we cannot expect to develop domestic oil in volumes sufficient to carry its share of the 1985 energy load. Why not, then, turn to imported oil? Today 26 percent of our crude oil comes from abroad. The ratio will increase to between 40 and 55 percent by 1985.

This trend poses grave dangers. First, it will aggravate our international balance-of-payments problem. In 1970, oil imports drained $2.1 billion from the account. This could reach the $20 to $30 billion range annually come 1985 if we fail to develop our domestic energy resources.

Moreover, our dependence on oil will be highly concentrated; most of it will come from the 11 OPEC nations. These countries, predominantly Arab, hold 85 percent of the Free World's crude oil reserves outside the United States and Canada. This makes us increasingly dependent upon the Middle East—dependent economically, and dependent from the standpoint of our national security.

All of which brings us to the subject at hand—the necessity to capitalize on our coal resources. Coal is wholly domestic; it is extractable now; its export exerts a positive, not negative, impact on our balance of payments; it employs wholly American labor; and it is secure and under our own control. Additionally, America has 390 billion tons of recoverable coal in the ground. That is a 300-year supply at today's rate of consumption.

Yet, we are producing no more coal today than we were 50 years ago. The reasons are many—a few of them understandable; most of them unreasonable. It was understandable, for example, that the railroads would switch from coal to diesel fuel. It was expected that the welded pipeline—ribbons which crisscross the country moving vast quantities of oil and gas—would impact negatively on coal marketing.

It was unreasonable, however, to forfeit coal's market share in the electric utility market by fiat—by government regulation that kept the prices of natural gas down to nearly give-away levels. It was unreasonable to exempt only residual oil from oil import quotas on the East Coast and thus drive domestic coal out of the utility market. It was unreasonable for government to unduly restrict the use of coal through excessive environmental regulation. I do not argue with clean air goals—however, the time frame required to achieve that clear air, compatibly with use of this nation's only abundant energy measure, has been unrealistic.

Because of these environmental restraints, the share of market held by coal among the utilities in the Northeast has dropped from a post-war high of 87 percent to only 10 percent today. Though not as pronounced, the switch to oil and gas has trended all across the country because utilities could not gamble with meeting rigid stack emission standards or sulfur restrictions on the fuel to be consumed.

The President called attention to the fact that next year's budget for coal research is up 27 percent—to $120 million. That figure embraces all the research being done by the Bureau of Mines on coal production, including health and safety, and by both the Bureau and the Office of Coal Research on gasification and liquefaction. Anyone who studies the White House fact sheet on energy would readily see that the $120 million for coal research compares unfavorably with the $320 million budgeted next year for work on the fast breeder nuclear reactor. While one could cogently argue that we have already made one major mistake by placing too much hope on the development of nuclear power, that is not a point I intend to pursue today.

The President said that it is not good business to provide more money for research than can be spent effectively. No one could justifiably argue with that statement. However, if coal is to be prepared for tomorrow—if it is to play the expanded role in energy production the President envisions for it—more is at stake than the mere continued right to conduct mining operations. New concepts and new approaches are required both for coal mining and coal use.

Mining research has been seriously neglected. Present technology for both underground and surface extraction of coal is simply inadequate to meet the ever increasing demands for energy. In underground mining, a decline in productivity in recent years is now a well established fact, although there are signs that the downward trend may have been arrested and even reversed.

The primary underground mining machine is the so-called continuous miner. This machine is now 25 years old and certainly in need of substantial improvement and modernization. As a matter of fact, it masquerades under false pretenses—it mines continuously until it fills what is called a shuttle car; then it must stop and wait for another shuttle car to move into place to haul another load of coal away.

In an efficient mine today, the so-called continuous miner operates only about one third of the time. Add to this the possible interruptions for roof control, ventilation, and testing for gas, and the definition of the word *continuous* is stretched far out of shape.

One of the coal industry's major needs is to develop a continuous transportation system, one that will keep the continuous mining machine operating full time instead of part time. The industry looks toward the day when an automated continuous machine and a continuous transportation system will mine and move coal from a series of parallel rooms of perhaps 1,000 feet in length—with no operator present. This means that several problems must be solved: horizontal as well as vertical guidance systems must be perfected to keep the mining machine in the coal seam; ventilation must be improved; new continuous mining machines must be designed and built; and a method of continuous transportation must be developed.

Some new techniques already are being attempted to improve underground mining productivity, but these efforts are directed largely toward enhancing the safety of the miner and making better use of existing equipment. A few companies are using mobile bridge conveyors to move coal away from the mine face; others are experimenting with remote control of the mining machine so that the operator can remain under roof that is well supported and offers less danger than in the case when working at the mine face.

One company plans to test a system this year for moving coal out of the mine by pipeline. The longwall mining system, which has been used in Europe for many years, is spreading in this country. One company is experimenting with a shortwall, or modified longwall mining system.

The Bureau of Mines has received a number of proposals for new and innovative mining systems. Some experts believe that the day is near when a technician sitting behind a computer-like console will operate underground mining machinery utilizing advanced electronics techniques. The console operator would direct the cutting and loading of coal while sitting far removed from actual operations. His equipment would give him continuous readings on accumulations of dust and gas, thus minimizing the possibility of an explosion.

Surface mining requires attention, too, if that method of mining is to continue. Much work has been done by industry to develop and establish environmental safeguards. However, we must improve on past performance. This applies especially in areas where terrain, drainage, soil conditions, and other factors pose challenges. Experimental and research efforts now under way should be stepped up so that coal can be recovered by surface mining methods without damage to the environment.

New mining technology obviously, therefore, must have a very high research priority if our coal resources are to be fully utilized. Precise estimates of the money needed for mining research are not easy to come by, largely because so little attention has been given to technological improvement.

The Federal government can, however, help accelerate the production of coal by aiding in research leading to improved efficiency and safety through development of methodology and hardware for coal extraction by new and revolutionary means. In this regard, I would suggest that the Federal government establish experimental mines to test and develop systems—not to produce coal but rather for purposes of demonstrating new, safer, and more productive mining methods. Such mines should be operated in such a manner as to obtain maximum input from the private sector and to assure rapid commercial application of all techniques so developed.

Ultimately underground gasification of coal appears probable, although Bureau of Mines efforts to perfect an underground gasification technique some years ago were not successful. But with new technology, underground gasification of coal is being actively considered once again.

I look toward the not-far-off day when coal will be converted commercially into synthetic gas and oil for non-polluting and highly desirable use. Meanwhile, there are steps which should be taken to enable coal to be burned in its conventional solid form without serious environmental effect. Certainly, there should be increased emphasis on construction of full-scale demonstration plants for the removal of sulfur oxides from stack gases. At present, much of the high sulfur coal in the Eastern half of the United States has been all but ruled out of the market because of the environmental restrictions on the use of high sulfur fuels. It is imperative that Eastern coals be used for power purposes if the nation is to avoid the constant threat of brownouts and blackouts.

To make possible the use of high sulfur coal, the federal government should substantially increase its commitments to the construction of demonstration plants to test the more promising sulfur oxide control processes.

Most of the current R&D into stack gas clean-up systems employs methods that create disposal problems and are costly and impractical for many power plants. What is needed is increased research and development of systems that recover the element sulfur. At least three such systems are now ready for demonstration at a cost of 10 to 29 million dollars each. The government could give impetus to this effort by fostering demonstrations and applications of commercial methods in the most suitable form, either through direct grants or investment recovery through compensatory techniques.

This would serve two purposes: It would result in quicker establishment of reliability in the systems which work best, and it would also result in lower costs for future plants through the development of manufacturing capability for the facilities involved.

The traditional view of research does not cover the indirect subsidy of manufacturing capability, but it is similar to the subsidized work that was followed in the development of atomic power. For example, in 1963 the federal government authorized subsidies of about $13 million each for three different light water reactors of almost identical design and size, to be started simultaneously. That type of assistance was instrumental in bringing the capital cost of atomic power plants to a level considered to be competitive with coal.

It appears entirely possible, I am informed, that an additional expenditure of $30 million by the federal government would contribute to the rapid development of acceptable sulfur control technology—while making our country less dependent on imported oil and scarce supplies of natural gas.

The emerging partnership between coal and gas is of crucial importance to our energy supply. Synthetic gas will cost more than regulated natural gas, but it offers a better and more reliable buy than foreign gas—or even synthetic gas manufactured here from imported petroleum feedstocks.

What the nation must guard against is pitting coal gasification against imports of liquefied natural gas in a fight for a limited number of dollars. Imported LNG is by no means a large economy-size solution to the gas shortage problem. It will cost billions of dollars in remote liquefaction plants, cryogenic tankers, and domestic receiving and regasification facilities—and the American consumer will have to pay those costs in higher gas prices. After all that, the consumer could find himself locked into a gas source over which he has no final control. If we must pay more for gas, let us at least put our money where our security is—in a synthetic gas industry based on our plentiful and reliable reserves of coal.

Ironically enough, the coal that the nation has largely rejected in its enthusiasm for gas can give the gas industry a new lease on life by supplementing its dwindling domestic supply. The nation's proven and economically recoverable reserves of coal represent, by an apt FPC comparison, the energy equivalent of about an 885-year supply of gas at the current rate of consumption. No one anticipates that all of this coal resource will be converted to gas, but a program to speed coal gasification to the commercial threshold is a practical guarantee that coal will become a significant source of new gas—synthetic, but equal to natural gas in cleanliness, heat value, and transportability by pipeline.

While the technology to accomplish coal gasification has existed for a long time, new technology promises to reduce the high cost of producing synthetic gas from coal. Four pilot plants for the conversion of coal into pipeline quality gas are either in operation or are in the construction stage. The next step is to push ahead the date for a demonstration plant as rapidly as can be done within the limits of prudent management.

Another promising approach in the conversion of coal is in low Btu gasification; that is, coal gas that is not of pipeline quality but is of sufficient quality to be used in power plants. Low Btu gas from coal is relatively inexpensive. It can be used more efficiently in combined cycle gas and steam turbines without environmental degradation. Costs involved in the use of low Btu gas should be competitive with any other method of producing electricity. Moreover, a substantial improvement in efficiency through the use of low Btu gas would result in the conservation of fuel resources.

In low Btu gas conversion, gasification will be accomplished at the power plant. Coal supply thus can be drawn from many sources. This is not true of pipeline quality gas, since the gasification plant in such case would be located at or near the mine.

If the low Btu gasification process is successful, as expected, it will mean that for the long-range future, coal, with the assistance of atomic energy, can satisfy our total electric power needs without harm to the environment. It is estimated that $15 to $20 million a year, for a period of 10 years, will be sufficient to bring this concept to maturity.

Coal liquefication also offers a promising avenue for coal research. We need only look about us at the gasoline shortage and the almost certain shortage of heating oils next winter to recognize the absolute necessity of finding a suitable supplement to our oil resources, regardless of the outcome of efforts to bring oil in from Alaska and to find new supplies on the outer continental shelf.

Like the gas industry, the petroleum industry has been living on declining reserves for some years but has been bolstering the supply by increasing imports. For several years, both gas and oil have been displacing coal in industrial and electric utility plants while attempting to keep pace with their own expanding markets. The cumulative effect of our living high on our most convenient oil resources has been the loss of self-sufficiency in oil producing and refining capacity.

One of the more promising research projects now underway is the solvent refined coal process, by which coal can be converted into an almost sulfur-free fuel. A 50-ton per day pilot plant is now under construction at Fort Lewis, Washington, to test this process. A second pilot plant project to explore solvent refining is being built at Wilsonville, Alabama, with funds from utility sources. The heating value of the refined product is about 60,000 Btu's per pound regardless of the quality of the coal feedstock. Large-scale development of the solvent refining process would enable us to use our huge deposits of high sulfur coal with little or no adverse effect on the environment. It is estimated that $25 million might be prudently invested in a solvent refining demonstration plant to establish the commercial feasibility of this process. The pilot plant at Cresap, West Virginia, is available to prove the commercial feasibility by converting coal to a low sulfur boiler fuel.

Finally, Dr. George Hill, director of the Office of Coal Research, has said that we should be planning now for massive coal-based energy producing complexes throughout the country. He envisions giant regional plant complexes that would produce 24 million kilowatt hours of electricity daily, along with a supply of clean fuel gas for power generation, 250 to 300 million cubic feet of pipeline gas for homes, and 75,000 barrels of synthetic oil. He says a commercial coal conversion complex would cover more than 1,000 acres, cost about $450 million, and provide up to 2,000 jobs for the mine and plants.

I do not suggest, Mr. Chairman, that this is a complete list of potentially valuable coal research projects. There are other possibilities, such as MHD, which offer substantial promise as new methods of power generation. But for the moment, I believe we should concentrate in four major areas:

1. Improvement in mining technology.
2. Development of sulfur oxide control technology.
3. Gasification of coal for both a high Btu and low Btu fuel.
4. Liquefaction and solvent refining of coal.

These appear to be the most promising coal research projects to pursue in the next five years to improve our energy outlook.

We appear to have learned everything about energy except how to manage it wisely. That failure did not seem crucial so long as a plentiful supply could be tapped from readily available sources. Now, in the midst of real and growing shortages, we must start doing our long neglected homework. Coal is the only resource amply abundant to support positive planning for fuel sufficiency through this century. It is time for us to pay more attention to this long neglected fuel.

We need nothing less than a national commitment equal to that given to nuclear development to improve the production and use of coal, to make it more compatible with a pleasant environment, and to make its energy available in whatever form is desired—solid, liquid, or gas. Coal has its problems with the environment, but they can be, and are being, solved. The danger is that environmental standards—which are already ahead of the complex technology necessary to comply with them—will sap the coal industry's strength for survival. It will be a tragic irony for the nation if coal is made environmentally acceptable only after the industry's productive capacity is eroded.

Also, we must make our nation independent of other nations for energy supply. It is the sheerest of folly to place ourselves at the mercy of unstable, and sometimes unfriendly, foreign governments. Our wealth of coal reserves can assure the United States of a continuing supply of safe and adequate energy without imposing the risks involved in international politics. Without an adequate supply of energy from domestic sources, we can never bring our trade imbalance into balance, we cannot correct our imbalance of payments, we cannot solve our monetary problems, and we cannot long maintain our leadership role in the world. On the other hand, we can tell the world that we are on the road to energy adequacy and energy independence by the prompt development of *our* Middle East—the nation's abundant coal reserves.

## ORDER FOR RECOGNITION OF SENATOR PROXMIRE ON FRIDAY, JUNE 8, 1973

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Friday, after the two leaders or their designees have been recognized under the standing order, the distinguished Senator from Wisconsin (Mr. PROXMIRE) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

## COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. ALLEN) laid before the Senate the following letters, which were referred as indicated:

### WORK PLAN FOR THE BANKLICK CREEK WATERSHED, KENTUCKY

A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a work plan for the Banklick Creek Watershed, Kentucky (with accompanying papers). Referred to the Committee on Public Works.

### REPORT ON ACTIVITIES UNDER THE LABORATORY ANIMAL WELFARE ACT

A letter from the Under Secretary of Agriculture, transmitting, pursuant to law, a report on activities under the Laboratory Animal Welfare Act, for the calendar year 1972 (with an accompanying report). Referred to the Committee on Commerce.

### PROPOSED LEGISLATION FROM DEPARTMENT OF AGRICULTURE

A letter from the Under Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Watershed Protection and Flood Prevention Act, as amended (with an accompanying paper). Referred to the Committee on Agriculture and Forestry.

### PROPOSED TRANSFER OF DESTROYER ESCORT

A letter from the Acting Assistant Secretary of the Navy (Installations and Logistics), reporting, pursuant to law, on the proposed transfer of the destroyer escort ex-U.S. *Stewart* (DE 238) to the U.S. Submarine Veterans World War II—Texas, Inc., Galveston, Tex. Referred to the Committee on Armed Services.

### PROPOSED DONATION OF CERTAIN SURPLUS PROPERTY

A letter from the Chief of Legislative Affairs, Department of the Navy, reporting, pursuant to law, on the proposed donation of certain surplus property to the Blackberry Creek Railway and Historical Society, Jacksonville, Fla. Referred to the Committee on Armed Services.

A letter from the Chief of Legislative Affairs, Department of the Navy, reporting, pursuant to law, on the proposed donation of certain surplus property to the city of Norfolk, Va. Referred to the Committee on Armed Services.

### PROPOSED LEGISLATION FROM GENERAL SERVICES ADMINISTRATION

A letter from the Acting Administrator, General Services Administration, transmitting a draft of proposed legislation to amend the Defense Act of 1950, as amended (with an accompanying paper). Referred to the Committee on Banking, Housing and Urban Affairs.

### REPORT OF NATIONAL RAILROAD PASSENGER CORPORATION

A letter from the Vice President, Public and Government Affairs, National Railroad Passenger Corporation (Amtrak), transmitting, pursuant to law, a report of that corporation, for the month of February 1973 (with an accompanying report). Referred to the Committee on Commerce.

### REPORTS OF COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "A Single Agency Needed to Manage Port-of-Entry Inspections—Particularly at U.S. Airports," Department of Justice, Department of the Treasury, Department of Agriculture, Department of Health, Education, and Welfare, dated May 30, 1973 (with an accompanying report). Referred to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Analysis of Cost Estimates for the Space Shuttle and Two Alternate Programs," National Aeronautics and Space Administration, dated June 1, 1973 (with an accompanying report). Referred to the Committee on Government Operations.

### REPORT OF AVIATION HALL OF FAME, INC.

A letter from the Secretary, Aviation Hall of Fame, Inc., Dayton, Ohio, transmitting, pursuant to law, a report of that organization, for the calendar year 1972 (with an accompanying report). Referred to the Committee on the Judiciary.

### SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

A letter from the Acting Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders relating to suspension of deportation of certain aliens (with accompanying papers). Referred to the Committee on the Judiciary.

### THIRD PREFERENCE AND SIXTH PREFERENCE FOR CERTAIN ALIENS

A letter from the Acting Commissioner, Immigration and Naturalization Service, Department of Justice, reporting, pursuant to law, on the granting of third preference and sixth preference classifications to certain aliens (with accompanying papers). Referred to the Committee on the Judiciary.

### PROPOSED LEGISLATION FROM SECURITIES AND EXCHANGE COMMISSION

A letter from the Senior Commissioner, Securities and Exchange Commission, transmitting a draft of proposed legislation to amend subsection (g) of section 1407, chapter 87, of title 28 of the United States Code to exempt actions brought by the Securities and Exchange Commission under the Federal securities laws from the operation of said section (with accompanying papers). Referred to the Committee on the Judiciary.

### REPORT OF FEDERAL MEDIATION AND CONCILIATION SERVICE

A letter from the Director, Federal Mediation and Conciliation Service, transmitting pursuant to law, a report of that Service for the fiscal year ended June 30, 1972 (with an accompanying report). Referred to the Committee on Labor and Public Welfare.

### INSTRUMENTS OF INTERNATIONAL LABOR ORGANIZATION

A letter from the Acting Assistant Secretary for Congressional Relations, Department of State, transmitting, pursuant to law, the texts of ILO Convention No. 131 and ILO Recommendation No. 135, concerning Minimum Wage Fixing (with accompanying papers). Referred to the Committee on Labor and Public Welfare.

### REPORT ON PREVENTION AND CONTROL OF AIR POLLUTION

A letter from the Acting Administrator, United States Environmental Protection Agency, transmitting, pursuant to law, a report on the prevention and control of air pollution, for the calendar year ended December 31, 1972 (with an accompanying report). Referred to the Committee on Public Works.

### REPORT OF ECONOMIC DEVELOPMENT ADMINISTRATION

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report of the Economic Development Administration, for the fiscal year 1972 (with an accompanying report). Referred to the Committee on Public Works.

## PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. ALLEN):

A concurrent resolution of the Legislature of the State of Louisiana. Referred to the Committee on the Judiciary:

"SENATE CONCURRENT RESOLUTION No. 90

"A concurrent resolution to memorialize the Congress of the United States to adopt, and submit to the states for ratification, an amendment to the United States Constitution which will guarantee the right of the unborn human to life throughout its development

"Whereas, the United States Supreme Court on January 22, 1973, nullified the laws of the various states, including Louisiana, regarding abortion and interpreted the United States Constitution in a way which allows the destruction of unborn human life; and

"Whereas, the sweeping judgment of the United States Supreme Court in the Texas and Georgia abortion cases is a flagrant rejection of the right of the unborn child to life through the full nine months of the gestation period; and

"Whereas, unborn human life is entitled to the protection of laws which may not be abridged by act of any court or legislature or by any judicial interpretation of the Constitution of the United States.

"Therefore, be it resolved by the House of Representatives of he Legislature of Louisiana, the Senate thereof concurring, that the Congress of the United States is memorialized, requested and urged to adopt, and to submit to the states for ratification, an amendment to the Constitution of the United States which will guarantee the explicit protection of all unborn human life throughout its development, except in such case as such protection would cause the death of the mother; will guarantee that no human being, born or unborn, shall be denied protection of law or shall be deprived of life on account of age, sickness or condition of dependency, and will provide that Congress and the several states shall have the power to enforce the provisions of such amendment by appropriate legislation.

"Be it further resolved that copies of this resolution shall be transmitted to each member of the Louisiana congressional delegation, to the Secretary of the United States Senate, to the Clerk of the United States House of Representatives and to the President of the United States."

## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. JACKSON (for himself and Mr. FANNIN) (by request):

S. 1951. A bill to terminate, and to direct the Secretary of the Interior and the Secretary of the Navy to take action with respect to certain leases issued pursuant to the Outer Continental Shelf Lands Act in the Santa Barbara Channel, offshore of the State of California; to explore Naval Petroleum Reserve No. 4, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. MAGNUSON:

S. 1952. A bill for the relief of Yolanda Moon. Referred to the Committee on the Judiciary.

By Mr. INOUYE:

S. 1953. A bill to amend title 5, United States Code, to improve the basic workweek of firefighting personnel of executive agencies, and for other purposes. Referred to the Committee on Post Office and Civil Service.

By Mr. STEVENSON (for himself and Mr. MATHIAS):

S. 1954. A bill to provide for public financing of campaigns for Federal elections, and for other purposes. Referred to the Committee on Rules and Administration.

By Mr. HUMPHREY:

S. 1955. A bill to provide financial assistance for the construction and operation of neighborhood service centers, and for other purposes. Referred to the Committee on Government Operations.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. JACKSON (for himself and Mr. FANNIN) (by request):

S. 1951. A bill to terminate, and to direct the Secretary of the Interior and the Secretary of the Navy to take action with respect to certain leases issued pursuant to the Outer Continental Shelf Lands Act in the Santa Barbara Channel, offshore of the State of California; to explore naval petroleum reserve No. 4, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. JACKSON. Mr. President, I introduce a bill submitted and recommended by the Secretary of the Interior to terminate and to direct the Secretary of the Interior and the Secretary of the Navy to take actions with respect to certain leases issued pursuant to the Outer Continental Shelf Lands Act in the Santa Barbara Channel, offshore of the State of California; to explore naval petroleum reserve No. 4, and for other purposes.

Mr. President, similar legislation was introduced in the last Congress and was referred to the Committee on Interior and Insular Affairs, but no final action was taken with respect to the measure. The letter accompanying the present bill is jointly referred to the Committee on Interior and Insular Affairs and the Armed Services Committee. Although the subject matter of the bill is predominantly within the jurisdiction of the Committee on Interior and Insular Affairs, because of the reference to naval petroleum reserves in the bill, the executive communication was jointly referred.

The staff of the Interior Committee has discussed this measure with appropriate personnel in the Armed Services Committee who brought it to the attention of the distinguished junior Senator from Nevada (Mr. CANNON), chairman of the Subcommittee on National Stockpile and Naval Petroleum Reserves. An understanding has been reached that when the Committee on Interior and Insular Affairs concludes its consideration of the proposed legislation, if the Armed Services Committee desires to consider the bill further, then it would be re-referred to that committee after it is reported by the Interior Committee.

Mr. President, I ask unanimous consent that the text of the executive communication accompanying the proposed bill be printed at this point in the RECORD, together with a sectional analysis and the bill.

There being no objection, the bill and material was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF THE INTERIOR,
*Washington, D.C., April 18, 1973.*

Hon. CARL ALBERT,
*Speaker of the House,*
*Washington, D.C.*

DEAR MR. PRESIDENT: Enclosed is a proposed bill "To terminate and to direct the Secretary of the Interior and the Secretary of the Navy to take actions with respect to certain leases issued pursuant to the Outer Continental Shelf Lands Act in the Santa Barbara Channel, offshore of the State of California; to explore Naval Petroleum Reserve Numbered 4, and for other purposes."

We recommend that the proposed bill be referred to the appropriate committee for consideration and that it be enacted.

The rationale for this proposed bill is best understood in light of a brief outline of pertinent events in the history of oil and gas development in the Santa Barbara Channel. When lands beneath the Santa Barbara Channel were recognized to be rich in oil deposits concern for the environment led the State of California, in 1955, to declare 16 miles of scenic coastline a sanctuary, closed to all oil exploration and development. The State waters on either side were open to petroleum development. The first Federal lease in the Santa Barbara Channel was issued in 1966, followed by 71 more leases in 1968. At the time of the oil well blow-out of January 1969, oil was being produced from fixed platforms on two Federal leases. Immediately following the blowout the Secretary of the Interior initiated a sweeping review of the Department's management program in the Channel. The Department's regulations and operating orders and the Channel's geology and environment were subjected to intensive scrutiny in this review process. At the same time, a second major action was taken. An order was signed which converted the existing two-mile buffer opposite the Santa Barbara State Oil Sanctuary into a permanent ecological preserve. Until this order was signed, the area, which covers 21,000 acres, had no special legal status.

The Department's concern for the environment of the Santa Barbara Channel area was reinforced with the enactment of the National Environmental Policy Act of 1969, 42 U.S.C. §§ 4321–4347 (NEPA), which directed all Federal agencies to use all practical means to improve their programs in light of the policies set out in NEPA and, to the fullest extent possible, to interpret and administer their policies, regulations, and laws in accordance with policies expressed in NEPA. Acting under this congressional mandate, the Department prepared environmental impact statements on exploratory drilling and on two applications for fixed drilling and production platforms in the Santa Barbara Channel.

The Department's geologic and environmental analysis initiated following the blowout led to conclusions which, in light of the subsequent enactment of NEPA, required that the Department review the implications of operations on existing leases. Moreover, in the course of this review the Department also considered the existing energy crisis and the present pressing need for oil and natural gas. As a result of this review, it has been determined, on a balancing of all national interests, that the overall benefits to the Nation from the establishment of a National Energy Reserve as this bill provides, would outweigh any anticipated benefits which would come from permitting the present development of oil and gas deposits pursuant to these leases. Such a National Energy Reserve would complement both the Federal Ecological Preserve and the adjacent buffer zone and would protect the unique environmental and recreational qualities of the Santa Barbara Channel and the four Channel Islands, which during the 92d Congress were included in a proposal to establish a Channel Islands' National Park.

Several bills covering the Santa Barbara situation have been introduced during the previous two Congresses, but none of them has been enacted. With this background in mind, we turn to an explanation of this bill, which is virtually identical to past proposals by this Department on the same subject.

The bill provides that 35 of the Federal leases in the Santa Barbara Channel will be terminated and the area covered by them, as well as certain other adjacent areas, will be included in a National Energy Reserve. The reserve will be available for lease only as determined by the President. Thus, while continuing to permit production from the geological structure damaged by the 1969 blow-out which underlies adjacent leases, the bill would prevent immediate development of strategic areas of the Channel which are subject to many of the same geological problems recognized after the 1969 blow-out and which lie close to areas widely recognized for their environmental and recreational qualities.

The bill provides a method for payment of compensation to the holders of the leases terminated by its provisions. The amount of compensation would be determined by the United States District Court for the Central District of California in suits initiated by the lessees.

To pay judgments, as certfied by the Department of Justice, the proposal would create a Petroleum Reserve account, to be funded with proceeds from the sale of oil extracted from Naval Petroleum Reserve Numbered 1, California. In the event the Petroleum Reserve account proved insufficient to satisfy outstanding judgment and compromise settlements, the bill authorizes an appropriation to enable the Secretary of the Treasury to advance funds to satisfy such judgments and compromise settlements, with the Petroleum Reserve account subsequently reimbursing the Treasury for such advances.

The bill would authorize the Secretary of the Navy to sell enough oil and gas from Naval Reserve Numbered 1, to provide funds sufficient, as far as possible, to pay the claims arising from terminated leases and certain related expenses. In addition, as a means of exploring the potential oil and gas deposits in Naval Petroleum Reserve Numbered 4, the bill would authorize the Secretary of the Navy to sell sufficient oil and gas from Naval Petroleum Reserve Numbered 1 to provide funds for that purpose.

While considering this bill, the Congress should be aware that in conjunction with a similar Departmental proposal introduced during the 92d Congress, the Secretary suspended operations on the same 35 leases included in the present proposal for the duration of the 92d Congress and extended their lease terms for a period equal to the period of spspension. A similar suspension and extension order was issued by the Secretary concurrently with the transmittal of this proposal to Congress. However, the legality of the Secretary's action in this regard during the 92d Congress was challenged by lessees in the case of *Gulf Oil Corporation, et al. v. Morton*, now before the Court of Appeals for the 9th Circuit, and a companion case now before the District Court for the Central District of California, *Humble Oil Corporation, et al. v. Morton*. The District Court in the *Gulf* case ruled against the validity of the Secretary's suspension and extension order, holding that by so acting he was exceeding the scope of his authority, under the Outer Continental Shelf Lands Act of 1953, 43 U.S.C. §§ 1331–1343, to suspend leases in the interest of conservation.

This Department, through the Department of Justice, is appealing this decision of the District Court. We maintain that the 1971 suspension was in the interest of conservation and that the Secretary has authority under the Outer Continental Shelf Lands Act to extend the terms of leases so suspended. As the Department will continue to maintain this position until a final judicial determination is made otherwise, favorable action on this proposal would be consistent with existing executive department interpretation of the Secretary's authority.

We believe that the proposed bill recognizes and protects the important environmental values of this area of the Santa Barbara Channel, offers an equitable mechanism for determining and paying just compensation to the lessees, and preserves the resources involved.

In support of a similar Departmental proposal introduced in the 91st Congress, President Nixon stated:

"This proposal for Santa Barbara illustrates our strong commitment to use of offshore lands in a balanced and responsible manner . . . This recommendation is based upon the belief that immediate economic gains are not the only, or even the major way of measuring the value of a geographic area. The ability of that area to sustain wildlife and its capacity to delight and inspire those who visit it for recreation can be far more important characteristics. This proposal recognizes that technology alone cannot bring national greatness, and that we must never pursue prosperity in a way that mortgages the nation's environment."

The Office of Management and Budget has advised that this proposal is in accord with the President's program.

Sincerely yours,

JOHN C. WHITAKER,
*Acting Secretary of the Interior.*

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### SECTIONAL ANALYSIS OF PROPOSAL

Section 1 terminates several named leases, all rights to which are vested in the United States.

Section 2 provides the methods of recovery for leaseholders, via an action in the U.S. District Court for the Central District of California. The Department of Justice shall certify the judgments awarded to the Secretary of the Interior for payment.

Section 3 creates in the U.S. Treasury a Petroleum Reserve account from which payments are to be made in accordance with the Act. The account will be funded by the sale of U.S. oil and gas extracted from Naval Petroleum Reserve Numbered 1. In addition to compensating leaseholders pursuant to section 2 of the Act, this account may be used to carry out petroleum exploration of Naval Petroleum Reserve Numbered 4, Arctic North Slope, Alaska; to reimburse the general funds for losses occasioned by any reduction in existing oil and gas production on Federal lands caused by production from Naval Petroleum Reserve Numbered 1; and to enable the various Federal agencies involved in the Act to carry out their functions. This section also authorizes the Secretary of the Treasury to make advances to the Petroleum Reserve account.

Section 4 authorizes the Secretary of the Navy to produce sufficient oil from Naval Petroleum Reserve Numbered 1 to meet the requirements of section 3.

Section 5 creates a national energy reserve in the Santa Barbara Channel under the jurisdiction of the Secretary of the Interior.

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### S. 1951

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That effective on the date of enactment of this Act all of the following described leases, and all rights thereunder issued pursuant to the Outer Continental Shelf Lands Act in the Santa Barbara Channel, offshore of the State of California, shall terminate and the United States shall be vested with all of the right, title, and interest in said leases:

P–0179
P–0176
P–0178
P–0175
P–0177
P–0174
P–0173
P–0170
P–0172
P–0168
P–0171
P–0169
P–0167
P–0199
P–0198
P–0238
P–0232
P–0237
P–0231
P–0223
P–0230
P–0222
P–0206
P–0229
P–0221
P–0213
P–0201
P–0228
P–0234
P–0227
P–0219
P–0211
P–0220
P–0212
P–0200

SEC. 2(a). The holder of any lease terminated pursuant to this Act shall be entitled as the sole method for the recovery of just compensation for the lease or leases so terminated to bring an action against the United States in the United States District Court for the Central District of California within one year after the date of enactment of this Act. Said court is expressly vested with jurisdiction of any action so brought without regard to the amount of the claim therein. Trial of any such action shall be to the court, without a jury.

(b) The amount of any judgment in any such action or of any compromise settlement of such action and any interest accruing thereon shall be certified to the Secretary of the Interior by the Department of Justice.

SEC. 3(a). There is hereby created in the Treasury of the United States a special account which shall be known as the Petroleum Reserve account from which payments shall be made in accordance with the provisions of this Act. In order to provide the funds for the Petroleum Reserve account, the Secretary of the Navy is directed to offer for sale on the open market under such competitive bidding procedures as he may establish, the United States' share of the oil and gas extracted from Naval Petroleum Reserve Numbered 1 pursuant to the provisions of this Act and to pay the funds realized from such sale into the United States Treasury. In each year, sales proceeds equal to the Government's receipts from Naval Petroleum Reserve Numbered 1 during the twelve calendar months immediately preceding enactment of this Act shall be credited to the general fund and the remaining sales proceeds shall be credited to the Petroleum Reserve account. Any sums remaining in the Petroleum Reserve account after the payments authorized by subsection (b) have been made shall be transferred to miscellaneous receipts of the Treasury, and thereafter the funds realized under this subsection shall be paid into miscellaneous receipts of the Treasury.

(b) There is hereby authorized to be appropriated out of the Petroleum Reserve account to the Secretary of the Interior, the Secretary of the Navy, the Secretary of the Treasury, and the Attorney General, to remain available until expended when so authorized in appropriation Acts, such sums as may be necessary to:

(1) enable the Secretary of the Interior to pay judgments, compromise settlements, and interest thereon, as certified by the Attorney General under section 3 hereof;

(2) enable the Secretary of the Navy to carry out petroleum exploration on Naval Petroleum Reserve Numbered 4, Arctic North Slope, Alaska;

(3) reimburse the general funds of the Treasury for any lost royalties, as determined by the Secretary of the Interior, resulting from a reduction of existing production from existing oil and gas leases on Federal lands caused by production of oil and gas from Naval Petroleum Reserve Numbered 1 under the provisions of this Act; and

(4) carry out the functions and responsibilities required of the Secretary of the Interior, the Secretary of the Navy, and the Attorney General under the provisions of this Act.

(c) In the event the funds in the Petroleum Reserve account are not sufficient to pay any amount so appropriated there is authorized to be appropriated to the Secretary of the Treasury for advance to the Petroleum Reserve account out of any money in the Treasury not otherwise appropriated, such funds as may be necessary for such payments. The Secretary of the Treasury shall be reimbursed for such advances from funds paid into the Petroleum Reserve account in accordance with this Act, with interest thereon, at such rates as may be determined from time to time by the Secretary of the Treasury.

SEC. 4. Without regard to the provisions of chapter 641, title 10, United States Code, the Secretary of the Navy is authorized and directed to produce by whatever means he deems necessary sufficient oil from Naval Petroleum Reserve Numbered 1 to fulfill the requirements of section 3 hereof. The Secretary of the Navy is also authorized to renegotiate and modify existing contracts relating to production of oil from said reserve in such manner as may in his judgment be necessary or advisable to enable such increased production.

SEC. 5. There is hereby created a national energy reserve on the Outer Continental Shelf in the Santa Barbara Channel, offshore of the State of California, under the jurisdiction and control of the Secretary of the Interior. The said national energy reserve shall be made up of the land subject to the leases terminated pursuant to this Act, plus the land subject to waived lease P-0235 and the following described land as shown on the official Outer Continental Shelf Leasing Map, Channel Islands Area Map Numbered 6B, approved August 8, 1966, and revised July 24, 1967 as:

CALIFORNIA

(Official Leasing Map, Channel Islands Area Map, Numbered 6B)

Block and description:
50 north 66 west—All.
50 north 67 west—All.
51 north 65 west—Northwest quarter of the northwest quarter.
51 north 66 west—All.
51 north 67 west—All.
51 north 68 west—All.
51 north 69 west—All.
51 north 70 west—East half and east west half.
52 north 64 west—All Federal portion thereof.
52 north 65 west—All Federal portion thereof.
52 north 66 west—All Federal portion thereof.
52 north 67 west—All Federal portion thereof.
52 north 68 west—All Federal portion thereof.
52 north 69 west—All Federal portion thereof.
52 north 70 west—All Federal portion of east half and east half west half.
48 north 69 west—All.
47 north 69 west—All Federal portion thereof.
46 north 69 west—All Federal portion thereof.
47 north 68 west—All.
46 north 68 west—All Federal portion thereof.
47 north 67 west—All.
46 north 64 west—All Federal portion thereof.

The national energy reserve shall be available for lease only as determined by the President and under such terms and conditions as he may prescribe in accordance with existing law.

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By Mr. INOUYE:

S. 1953. A bill to amend title 5, United States Code, to improve the basic workweek of firefighting personnel of executive agencies, and for other purposes. Referred to the Committee on Post Office and Civil Service.

Mr. INOUYE. Mr. President, The legislation which I introduce is designed to provide equitable relief to those courageous men who protect Federal property from the threat of fire. These Federal firefighters presently work a 72-hour week at salaries well below that of their municipal counterparts.

The average municipal firefighter works a 50-hour week. That is 22 hours less than the Federal firefighter. This legislation will cut that difference to 6 hours, by shortening the Federal firefighters workweek to 56 hours. The 72-hour workweek is an archaic remnant of the past which has survived for 25 years. Its end is long overdue.

Federal firefighters face tremendous danger in their work. If their skill and vigilance in the event of a fire at an ammunition dump or fuel storage facility is not of the highest caliber, the lives of thousands can be jeopardized. This bill will make their work hours more reasonable and may deter the loss of trained personnel from Federal employment.

Although further study and reform are necessary to bring the Federal firefighter force up to the highest standards of job efficiency and personnel satisfaction, this bill represents a beginning for providing equity for deserving Federal employees.

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By Mr. STEVENSON (for himself and Mr. MATHIAS):

S. 1954. A bill to provide for public financing of campaigns for Federal elections, and for other purposes. Referred to the Committee on Rules and Administration.

FEDERAL ELECTION FINANCE ACT OF 1973

Mr. STEVENSON. Mr. President, Congress has sought several times to recognize the corrupting potential of money on our politics—notably with the Corrupt Practices Act of 1925, the Federal Election Campaign Act of 1971, and with the tax checkoff law.

Each of these laws, unfortunately, attacked the problem without conquering it. Each proved inadequate, piecemeal, or easily circumvented. And I fear that the campaign reform measures now under consideration are not sufficiently strong or comprehensive to overcome the problem.

The truth is that—despite Congress previous efforts at reform—money still poisons the rivers of our political life.

In 1972, the total amount spent by all political candidates was estimated at $400 million. More than 10 percent of that $400 million was collected for the reelection campaign of the President—about 50 million dollars for one campaign. At current rates of inflation and of increases in campaign costs, campaign spending will reach $1 billion in 1984.

Surely no one can doubt that one condition which made the Watergate scandal possible was the presence of so many dollars, collected by questionable methods, available to be spent in ways both unethical and illegal.

Even if all of the dollars were honestly contributed and honestly spent, they would still have a corrupting effect on our politics. For the vast sums now required for political campaigns raise the unholy specter that politics in the future will be an enterprise for rich people only: For rich candidates, or at the very least, candidates backed by rich contributors—and for public officials beholden to rich benefactors.

So the case for reform is compelling.

It is time to set some limits on the costs of campaigning for public office.

It is time to set some limits—workable and enforceable limits—on campaign spending and campaign contributions in Federal elections.

And it is our considerable challenge to do all this without drying up the campaign money which is essential if we are to sustain a vital and active political debate. This means financing campaigns at least in part with public funds.

The alternative—and we must face it squarely—is a political system in which candidates are beholden to large donors, if not literally up for auction. Such a system invites abuses from the unethical to the criminal.

The absence of strong laws and clear standards means that even the most honest and conscientious citizens in public life will always be vulnerable to false and damaging charges about their campaign financing—unless and until we raise "a standard to which the wise and honest may repair." The overwhelming argument for reform is not that reform will end all abuses and punish all offenders—but that it will protect the great majority of candidates and elected officials who are honest, decent, and law-abiding.

For this reason, Senator MATHIAS and I are introducing in the Senate today the first truly comprehensive campaign reform bill—and the first with bipartisan sponsorship—the Federal Election Finance Act of 1973.

The bill has four main provisions:

First, it establishes an independent Federal Elections Commission to oversee campaign financing and campaign practices in Federal elections.

At present the Justice Department is charged with responsibility for prosecuting campaign financing abuses and for enforcing elections laws.

This system has one overwhelming defect: The temptation to enforce the law in partisan and discriminatory ways, ignoring violations by one's own party members, and either aggressively pursuing violations by the opposition—or holding back for fear that prosecutions will look politically motivated. Even if the Justice Department were capable of absolutely evenhanded enforcement, its every action would be open to charges and insinuations of partisanship.

This is a clear argument for insulating the enforcement of election laws from partisan influences—and our bill, if enacted, would achieve that goal. The Federal Elections Commission it would establish would be removed as far as possible from partisanship.

The Commission would have seven members—the Comptroller General plus six others: Two appointed by the President, two by the President pro tempore of the Senate, and two by the Speaker of the House. No more than three members could be of the same political party, and all would serve staggered terms.

The Commission, which would report to both the President and Congress, would have the power to receive and disburse funds; to issue regulations; to require reports; to make investigations; to subpena witnesses, records, and testimony; to prosecute violators of the law. In short, it would be vested with all the necessary powers to administer and enforce the law.

Under this bill, responsibilities now scattered between several agencies and officials would be united in one agency—the Federal Election Commission. Campaign disclosure reports, now are scattered between the Secretary of the Senate, the Clerk of the House and the General Accounting Office, none of which have enforcement powers. Under this legislation, all reports would go to the Commission and it would have the power to enforce the law. It would have an enhanced power to punish violators who now receive only a slap on the wrist, if any penalty at all. Violations of disclosure laws are at present punishable by penalties of only $1,000 per count and/or 1 year in jail. This legislation would increase penalties to $25,000 and/or 5 years imprisonment per count.

Second, the bill would set up a Federal election campaign fund, which would make disbursements from the Treasury of the United States to candidates for Federal office.

Though the idea of public financing for political campaigns may seem novel and even visionary to some, it is neither; President Theodore Roosevelt proposed public financing as early as 1907.

But though debate about the idea has gone on for years, it always foundered on two questions.

First, there is the difficulty of fairly distributing public funds. In a nation without constitutionally established political parties, how shall we decide which parties and which candidates are eligible for public campaign assistance—and how much shall they get?

Second, there is the question of voluntary participation: Would not a system of public financing stifle the impulse of private citizens to participate in the political process by contributing to candidates of their choice?

Serious questions like these are not easily laid to rest; they merit serious debate. But the difficulty of finding perfect answers certainly is no reason for clinging to our present abuse-ridden system. We believe that our bill, though the answers it offers may not be perfect, provides a generally fair and workable system of public financing—and one which will permit private citizens to support their candidates with their contributions as well as their work and their votes.

Disbursements from the election campaign fund to candidates would be apportioned this way:

A campaign organization or candidate could qualify for assistance as either "major" or "minor", under definitions established in the bill.

It would be defined as "major" or "minor"—and would receive assistance accordingly—either by demonstrating past electoral potency through recent voting statistics or present public appeal through signed voter petitions.

A major party nominee for President could receive from the fund up to 5 cents for every voting age citizen of the United States—one-third of the maximum he would be allowed to spend.

A major party candidate for the House of Representatives or the Senate could receive from the fund up to one-third of the total amount this law will allow him to spend.

A minor party candidate or an independent candidate could receive disbursements from the fund according to a formula based on previous voter performance or on current strength as demonstrated by voter petitions.

The Commission, in administering the fund, would require from all candidates, committees, and parties, reports of all contributions and expenditures for all Federal campaigns.

Third, the bill would establish strict and enforceable limits on campaign spending in Federal elections—limits that apply to all candidates.

In campaigns for the Presidential nomination, the basic requirement would be that candidates could spend no more than 15 cents per voting-age citizen in each State.

In general elections, Presidential candidates would be limited to 15 cents per voting age citizen in the United States. This is the same amount granted by the existing checkoff law to Presidential candidates.

Candidates in general elections for the Senate would be allowed to spend the greater of two sums—either 20 cents for each voting age citizen in his State, or $175,000.

Spending by candidates for the House in general elections would be limited by a similar formula: the greater of two sums—25 cents per voting age citizen in the district, or $90,000. In the case of States having only one congressional district, a candidate would be allowed up to $175,000.

In any primary, a candidate for the Senate or the House would be subject to the same limits as in general elections—and in runoff primaries, to half that amount.

Under this bill, the limitation on personal investment by a candidate in his own campaign would remain the same as under the existing law: $50,000 for Presidential candidates, $35,000 for senatorial candidates, and $25,000 for House candidates.

All disclosures of campaign expenditures on behalf of any candidate would be made, under the law, through a single central campaign committee. This would discourage abuses by lodging responsibility for full disclosure in one person rather than scattering that responsibility as it now is scattered.

Fourth, the bill would set limits on contributions from all donors.

The basic requirement is that no person or group shall contribute, and no candidate shall receive, a donation totaling more than $3,000.

No candidate could collect, in the aggregate, more money than the maximum he would be allowed by the law to spend in his campaign. Any funds collected in excess of the maximum—and any anonymous donation over $25 or apparently illegal contribution shall be turned over to the Federal Elections Commission for incorporation into the Federal election fund.

The only exception to the $3,000 limit on individual gifts would be the respective Congressional Campaign Committees, since donations to them would be directed not to individuals, but to all the candidates of a party. "Earmarking" of gifts to Congressional Campaign Committees for particular candidates would be prohibited.

Finally, cash contributions of more than $25 to any candidate would be strictly prohibited.

These are highlights of a bill that is complex and detailed. But I hope I have made clear that this bill offers a truly comprehensive approach to the various problems of campaign finance. It is not merely another high-minded, unworkable scheme; it is a practical, workable, effective way to end campaign abuses and supply badly needed campaign funds.

Recently the President—whose zeal for campaign reform had not previously been widely known—declared himself in favor of reform. He announced that he would favor a high-level commission which would study and recommend legislation, after months of deliberation.

Certainly we should commend the President for his concern, and not speculate upon the motive for it. I can only say I wish that the President's support had come before the 1972 election—and that I wish the President's hospitality to ideas from high-level commissions in the past had been somewhat warmer.

I submit that what we need is not more lengthy deliberation, but the cleansing therapy of action—action by Congress now.

It is time for us in the Congress to show our own power and initiative.

The legislation we are proposing, if it is enacted, will have four major benefits:

It will end skyrocketing spending for Federal campaigns.

It will make it financially possible for all candidates, regardless of their wealth, to sustain their campaigns—without having to choose between bankruptcy on one hand and dependence on large, corrupting donations on the other.

It will bring order to the chaos of campaign law enforcement.

Finally, and most important, it will restore, in some measure, the confidence of our fellow citizens in the good faith and integrity of the system under which they live, and in the public servants who are its trustees and stewards.

Mr. President, the cost of this legislation would average about $25 million annually or about 10 cents per person in the United States. This is a small price to pay for the integrity of our hallowed but tarnished system of Government.

Mr. President, I ask unanimous consent that a factsheet and a copy of the bill be printed in the RECORD at this point.

There being no objection, the testimony and analysis were ordered to be printed in the RECORD, as follows:

There being no objection, the bill and

fact sheet were ordered to be printed in the RECORD, as follows:

### S. 1954

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Federal Election Finance Act of 1973".

SEC. 1. Title III of the Federal Election Campaign Act of 1971 is amended as follows:

(a) The title is amended to read:

"TITLE III—FEDERAL ELECTION CAMPAIGNS AND FUNDS"

(b) Section 301 is amended as follows:

(1) Subsection (b) is amended to read as follows:

"(b) 'candidate' means an individual who seeks nomination for election, or election, to Federal office, whether or not such official is elected, and, for purposes of this paragraph, an individual shall be deemed to seek nomination for election, or election, if he has (1) taken the action necessary under the law of a State to qualify himself for nomination for election, or election, to Federal office, or (2) received contributions or made expenditures, or has given his consent for any other person to receive contributions or make expenditures, with a view toward bringing about his nomination for election, or election to such office, or (3) has knowledge or information that any other person or political committee has received contributions or made expenditures for the purpose of bringing about his nomination for election, or election, to such an office and has not notified that person or political committee in writing to cease receiving such contributions or making such expenditures;"

(2) Subsection (d) is amended to read:

(d) "political committee" means:

(1) any committee, club, association, or other group of individuals organized for the purpose of, or engaged in, promoting or derogating the election of a candidate for Federal office;

(2) any national committee, association, or organization of a political party, a State affiliate or subsidiary of a national political party, and a duly organized State central committee of a political party;

(3) any county, city or local committee of a political party which collects, receives, or expends $25,000 or more in a calendar year, any portion of which is directly or indirectly allocable to an election for Federal office;

(4) any committee, association, or other organization which solicits, collects, or transmits contributions as an agent for either the donor, a candidate, or a political committee as otherwise defined in this subsection;

(5) any committee, association, political fund, or other organization sponsored by or affiliated with a corporation or labor organization that is engaged in permissible activities under sections 610 and 611 of title 18, United States Code; but

(6) notwithstanding the foregoing meanings of "political committee," the term shall not be construed to include any organization which maintains tax-exempt status under section 501(a) of the Internal Revenue Code of 1954 (title 26 of United States Code) and is described in section 501(c)(3) of such Code.

(3) Subsection (e) is amended to read:

(e) "contribution" means—

(1) a gift, subscription (including any assessment, fee, or membership dues), loan, advance, or deposit of money or anything of value, made for the purpose of financing, directly or indirectly, the election campaign of a candidate or any operations of a political committee, or for the purpose of influencing the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States;

(2) a contract, promise, or agreement, whether or not legally enforceable, to make a contribution for any such purpose;

(3) a transfer of funds between political committees;

(4) the payment, by any person other than a candidate or political committee, of compensation for the personal services of another person which are rendered to such candidate or committee without charge for any such purpose;

(5) goods, advertising, or services furnished to a candidate's campaign without charge, or at a rate which is less than the rate normally charged for such services;

(6) Notwithstanding the foregoing provisions, the term "contributions" shall not be construed to include—

(A) personal services provided without compensation by individuals volunteering a portion of all of their time on behalf of a candidate or political committee.

(B) communications by any organization, excluding a political party solely to its members and their families on any subject,

(C) communications (including advertisements) to any person on any subject by any organization which is organized solely as an issue-oriented organization, which communications neither endorse nor oppose any candidate for congressional office, and

(D) normal billing credit for a period not exceeding thirty days.

(4) Subsection (f) is amended to read:

(f) "expenditure" means—

(1) a purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value, made for the purpose of financing, directly or indirectly, the election campaign of a candidate or any operations of a political committee, or for the purpose of influencing the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States.

(2) a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure, and

(3) a transfer of funds between political committees;

(5) Subsection (g) is amended to read:

(g) "Commission" means the Federal Elections Commission.

(6) Subsections (j), (k), (l), and (m) are added as follows:

(k) "Major party" means either—

(1) a political party whose candidate, or a candidate not affiliated with a political party, who received at least 25 per centum of the total votes cast for all candidates in the last preceding general election for the same office or, alternatively in the case of a candidate for the office of Senator or Representative in the most recent gubernatorial general election in the State in which he seeks election.

(2) a candidate, whether or not affiliated with a political party, who files with the Commission nominating petitions bearing valid eligible voter signatures aggregating at least 8 per centum of the voting age population of the district or State or, in the case of the offices of the President and Vice President of the United States, at least 8 per centum of the voting age population of at least one-half of the States.

(l) "Minor party" means either—

(1) a political party whose candidate, or a candidate not affiliated with a political party who, received at least 10 per centum but less than 25 per centum of the total number of votes cast for all candidates for the same office in the last preceding general election or, alternatively in the case of a candidate for election to the office of Senator or Representative, in the last preceding gubernatorial general election held in that State or District.

(2) a candidate for Senator, Representative, Delegate, or Commissioner, whether or not affiliated with a political party, who files with the Commission petitions bearing valid eligible voter signatures of at least 4 per centum of the voting age population of the district or State, or a candidate for President or Vice President, who submits petitions bearing valid eligible voter signatures of—

(A) at least 5 per centum of the voting age population of at least one-half of the States; or

(B) at least 10 per centum of the voting age population of at least one-third of the States; or

(C) at least 15 per centum of the voting age population of at least one-fourth of the States.

(m) "voting age population" means resident population, eighteen years of age or older. Within sixty days after the date of enactment of this Act, and during the first week of January 1974, and every year thereafter, the Secretary of Commerce shall certify to the Commission and publish in the Federal Register an estimate of the voting age population of each State and congressional district for the last calendar year ending before the date of certification.

(c) Sections 302, 303, 304, 305, 306, 307, 308, 309, 310 and 311 are renumbered as sections 310, 311, 312, 313, 314, 315, 316, 317, 318 and 319 respectively, and new sections 302, 303, 304, 305, 306, 307, 308, and 309 and captions are added as follows:

#### ESTABLISHMENT OF COMMISSION

SEC. 302. (a) There is hereby established, as an independent establishment of the Government of the United States, a commission to be known as the Federal Election Commission, which shall be composed of seven members consisting of the Comptroller General of the United States, and six appointive members. Two of such appointive members shall be appointed by the President; two of such appointive members shall be appointed by the Speaker of the House of Representatives; and two of such appointive members shall be appointed by the President pro tempore of the Senate. Of the members (other than the Comptroller General) who first take office—

(1) one shall be appointed for a term of two years,
(2) one for a term of four years,
(3) one for a term of six years,
(4) one for a term of eight years,
(5) one for a term of ten years, and
(6) one for a term of twelve years,

as designated by the Comptroller General at the time such members take office; but their successors shall be appointed for terms of twelve years each, except that a person chosen to fill a vacancy shall be appointed only for the unexpired term of the member whom he succeeds. No appointive member of the Board may be a Member of Congress or an officer or employee of the United States Government. No more than three appointive members shall be of the same political party. The appointive members shall take office on January 1, 1974.

(b) The members of the Commission shall elect a Chairman and Vice Chairman from among their members to serve for terms of two years each.

The Chairman shall be responsible on behalf of the Commission for its operations and shall appoint and fix the compensation of such employees as he deems necessary for the performance of its functions. The Vice Chairman shall act as Chairman in the absence or disability of the Chairman or in the event of a vacancy in that office. A vacancy in the Commission shall not impair the right of the remaining members to exercise its powers. Five members of the Commission shall constitute a quorum.

(c) The Commission may appoint an Executive Director without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, to serve at the pleasure of the Commission. The Executive Director shall supervise the administrative operations of the Commission and shall perform such other duties as may be delegated or assigned to him from time to time by regulations or order of the Commission. The Commission may obtain the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code.

(d) The Commission may appoint a General Counsel and attorneys without regard to the provisions of title 5, United States Code, governing appointments in the competitive service and may, in connection with any particular investigation or proceeding, appoint special counsel, whose compensation he may fix without regard to the provisions of chapter 51 and subchapter III of such title.

(e) The principal office of the Commission shall be in or near the District of Columbia, but it may meet or exercise any of its powers at any other place and, during election campaigns, establish field operations as it deems appropriate.

(f) The Commission shall meet at least monthly during any calendar year in which there is a Federal Election and at least quarterly in non-election years.

(g) The Commission shall have an official seal which shall be judicially noticed.

(h) At the close of each fiscal year the Commission shall report to the Congress and to the President concerning its activities and operations during that fiscal year, including the names, salaries, and duties of all individuals employed by it, and the moneys it has disbursed, and may make such additional reports to the Congress and to the President on the matters within its jurisdiction, including recommendations for additional legislation, as it deems desirable.

(i) All officers, agents, attorneys, and employees of the Commission shall be subject to the provisions of section 9 of the Act of August 2, 1939, as amended (the Hatch Act), notwithstanding any exemption contained in such section.

(j) In carrying out its responsibilities under this title, the Commission shall, to the fullest extent practicable, avail itself of the assistance, including personnel and facilities, of the General Accounting Office. The Comptroller General is authorized to make available to the Commission such personnel, facilities, and other assistance, with or without reimbursement, as the Commission may request.

(k) The members of the Commission, other than the Chairman and Vice Chairman, while engaged in the business of the Commission, shall receive compensation in amount one and one half times the maximum amount payable daily to experts and consultants under 5 U.S.C. 3109.

(l) (1) Whenever the Commission submits any budget estimate or request as otherwise provided by law, it shall concurrently transmit a copy of that estimate or request to the Congress.

(2) Whenever the Commission submits any legislative recommendations, or testimony, or comments on legislation to the President or the Office of Management and Budget, it shall concurrently transmit a copy thereof to the Congress. No officer or agency of the United States shall have authority to require the Commission to submit its legislative recommendations, or testimony, or comments on legislation, to any officer or agency of the United States for approval, comments, or review, prior to the submission of such recommendations, testimony, or comments to the Congress.

(m) The Commission shall have power—

(1) to require, by special or general orders, any person to submit in writing such reports and answers to questions as the Commission may prescribe; such submission shall be made within such reasonable period and under oath or otherwise as the Commission may determine and no person shall be subject to civil liability to any person (other than the Commission or the United States) for disclosing any information required by the Commission;

(2) to administer oaths;

(3) to require by subpoena issued by its Chairman or Vice Chairman the attendance and testimony of witnesses and the production of all documentary evidence relating to the execution of its duties;

(4) in any proceeding or investigation to order testimony to be taken by deposition before any person who is designated by the Commission and has the power to administer oaths and, in such instances, to compel testimony and the production of evidence in the same manner as authorized under paragraph (3) of this subsection;

(5) to pay witnesses the same fees and mileage as are paid in like circumstances in the courts of the United States;

(6) to accept gifts and voluntary and uncompensated services, notwithstanding the provisions of section 3679 of the Revised Statutes (31 U.S.C. 665(b));

(7) to institute, prosecute, defend, or appeal, in the name of the Commission and through its own legal representatives, any civil or criminal action deemed necessary for the enforcement of any provision of this Act in any district court of the United States in which jurisdiction over the person or subject matter of such proceeding may be lawfully obtained and any such court shall, upon a proper showing and without bond, grant any appropriate relief, including a permanent or temporary injunction, restraining order, or other appropriate order, and may punish any refusal or failure to obey such order, or any noncompliance with any subpoena or order of the Commission, as a contempt;

(8) to prescribe rules and regulations, require the keeping of books and records, and conduct such examinations and investigations as it shall deem necessary to carry out the functions and duties imposed by this title.

(9) to delegate any of its functions or powers, other than the power to issue subpoenas, to any officer or employee of the Commission.

(n) Except as otherwise herein provided, all laws relating generally to the administration of departments and establishments and employees of the Government shall be applicable to the Commission,

(o) Until the appointment and qualification of all the members of the Federal Election Commission and its General Counsel and until the transfer provided for in this subsection, the Comptroller General, the Secretary of the Senate, and the Clerk of the House of Representatives shall continue to carry out their responsibilities under title I and title III of the Federal Election Campaign Act of 1971 as such titles existed on the day before the date of enactment of this Act. Upon the appointment of all the members of the Commission and its General Counsel, the Comptroller General, the Secretary of the Senate, and the Clerk of the House of Representatives shall meet with the Commission and arrange for the transfer, within thirty days after the date on which all such members of the General Counsel are appointed, of all records, documents, memorandums, and other papers associated with carrying out their responsibilities under title I and title III of the Federal Election Campaign Act of 1971.

### FEDERAL ELECTION CAMPAIGN FUND

SEC. 303(a). There is established on the books of the Treasury of the United States a special fund to be known as the Federal Election Campaign Fund which shall be available without fiscal year limitation for disbursement to candidates for Federal offices in general election campaigns by the Federal Election Commission and shall consist of such amounts as may be appropriated to it as provided in subsection (b) and such further amounts as may be transferred to it by candidates for Federal office.

(b) There is authorized to be appropriated into the Fund from the Treasury of the United States $40,000,000 in Fiscal 1974 and in subsequent fiscal years such sums as may be necessary to carry out the provisions of this Act.

### DETERMINATION OF AMOUNTS TRANSFERABLE

SEC. 304. (a) The amount which may be paid out of the Fund under section 306 to the account of a major party candidate for election to Federal office shall not exceed one-third of the expenditure ceiling applicable to such office under section 308 of this title.

(b) The maximum amount which may be paid out of the Fund to the account of a minor party candidate shall be the greater of—

(1) that sum which bears the same ratio to the maximum amount allowable to a major party candidate computed under subsection (a) as the number of popular votes received by the candidate of such minor party or by that candidate not affiliated with a party in the last preceding election for that office bears to the average number of popular votes received by all major party candidates for that office in that election; or

(2) 20 per centum of the amount allowable to a major party candidate computed under subsection (a).

(c) (1) A minor party candidate who receives more than 25 per centum of the total votes cast for all candidates for election to the office sought may have additional amounts transferred out of the Fund for campaign expenses incurred by him in connection with his campaign. The total amount of such additional transfers may not exceed the difference between the amount to which he was entitled as a minor party candidate and the amount to which he would have been entitled had he been a major party candidate, reduced by the amount, if any, of contributions he received which is in excess of the amount of contributions he could have received as a major party candidate.

(2) A candidate who does not qualify as a major party candidate or as a minor party candidate, but who receives 10 per centum or more (but less than 25 per centum) of the total votes cast for all candidates for the election to the office sought may have amounts transferred out of the Fund to his account in an amount equal to the amount to which he would have been entitled had he been a minor party candidate. If such a candidate receives 25 per centum or more of the total votes so cast, he may have amounts transferred out of the Fund in an amount equal to the amount to which he would have been entitled had he been considered a major party candidate.

The total amount of such transfers shall be reduced by the amount, if any, of contributions he received which is in excess of the amount of contributions he could have received as a major or minor party candidate, as the case may be.

(3) No amount shall be transferred under this subsection to the account of any candidate in excess of the amount by which that candidate's outstanding campaign debts exceed the campaign funds available to that candidate other than under this subsection.

(f) (1) For the purpose of paragraph (2)—

(A) The term "price index" means the average over a calendar year of the Consumer Price Index (all items—United States city average) compiled monthly by the Bureau of Labor Statistics.

(B) The term "base period" means the calendar year 1974.

(2) At the beginning of each calendar year (commencing in 1976) as there becomes available necessary data from the Bureau of Labor Statistics of the Department of Labor,

the Secretary of Labor shall certify to the Attorney General and publish in the Federal Register the per centum difference the price index for the twelve months preceding the beginning of such calendar year and the price index for the base period. Each amount determined under this section shall be increased by one-half of such per centum difference. Each amount so increased shall be the amount in effect for such calendar year.

(g) The amount determined to be transferable to a candidate for Federal office shall be reduced by any amount by which the total amount of money and resources reported by him in accordance with section 305(a)(4) exceeds 66⅔ per centum of the total amount of the limitation on campaign expenditures applicable to a candidate for that office under this Section 308 of title.

(h) For the purpose of determining the amount which is transferable from the fund for any candidate who seeks election to the House of Representatives from a district which has been established or whose boundaries have been altered since the next preceding general election for such office, the calculation of such amount shall be based upon the number of votes cast in the next preceding general election for such office by voters residing within the area encompassed by the new or altered district.

### APPLICATION FOR ADVANCES OF FUNDS

SEC. 305(a). In order to receive amounts from the Fund, a candidate shall—

(1) file with the Commission, at such time and in such manner as it shall require a sworn statement in which he agrees to maintain and make available to the Commission such records, books, and other information as it may require.

(2) furnish the Commission a security deposit in an amount equal to one-fifth of the amount which he is entitled to receive from the Fund in connection with the election for which he requests assistance (but in no event to be less than $3,000).

(3) furnish the Commission with evidence satisfactory to it that he has qualified under applicable laws for election to the office which he seeks;

(4) furnish the Commission a sworn statement of all campaign expenditures made prior to the date of such statement, all contributions received and the total amount of money and value of other resources remaining available for campaign usage. The statement shall include the information required under Section 310.

The statement shall also list each amount of the personal resources of the candidate which have been used for campaign expenditures or which remain available for campaign expenditures, the date such amount was made available and the source of the amount; and

(5) furnish a separate statement showing the source of any additional amounts which may have been obtained to post the security deposit required under this section.

(b) The Commission shall promptly notify any candidate who applies for assistance from the Fund whether he is eligible to receive transfers from the Fund, together with a verification of the total amount to which he is entitled.

### PAYMENTS FROM THE FUND

SEC. 306(a). Upon application made by a qualified candidate, the Commission shall transfer to the central depository bank account designated by the candidate, the amount to which he is entitled from the Fund for payment of his campaign expenses. The amount to which a candidate is entitled shall be transferred in approximately equal installments paid not less frequently than monthly during the period beginning on the date the candidate is notified of his eligibility and ending on the date of the election. Amounts determined under section 304(e) shall be transferred not later than thirty days after the date of the election.

(b) The Commission may, upon demonstration of reasonable need by the candidate under procedures prescribed by it make transfers to the candidate from the Fund in unequal amounts as requested by the candidate.

(c) Prior to receipt of the second, and any subsequent transfers from the Fund to the candidate's account, the candidate shall furnish the Commission with a report of all contributions received, all amounts made available from the candidate's personal resources to the campaign, and all expenditures made since the last report in the form required under section 305(a)(4).

(d) If, on the date a candidate for election to congressional office becomes eligible for transfers from the Fund, no other candidate has qualified for that Office under applicable law, the eligible candidate shall receive no more than (1) one-third of the amount to which he would otherwise be entitled or (2) the amount of $80,000. If, at any subsequent time prior to the deadline for filing, another person qualifies under applicable law to oppose him, then the Commission shall transfer, in the same manner, the remaining two-thirds of the amount to which the eligible candidate is entitled. No candidate who receives amounts under this title, nor anyone acting on his behalf, shall procure the candidacy of another as an opponent.

(e) Whenever the Commission determines that amounts remaining in, or available to, the Fund will be, or may be expected to be, inadequate to meet obligations arising under this section, it shall—

(1) advise the Congress of its determination, together with a recommendation concerning the amount which must be added to the Fund in order to meet fully such obligations during the current fiscal year; and

(2) notify by registered or certified mail each candidate currently entitled to receive transfers from the Fund that the amount which is available to him under the provisions of this title may be reduced.

(f) Whenever the Commission makes a determination under subsection (e), it shall reduce the amount available for transfer to the account of each candidate by a percentage equal to the percentage obtained by dividing (1) the total amount to which all qualified candidates who have made application at the time of such determination to receive amounts from the Fund are entitled (less any amounts already transferred at such time to such candidates) into (2) the amount remaining in the Fund at the time of such determination. If additional qualified candidates make application thereafter, the Commission shall make such further reductions in amounts transferable as it deems necessary to carry out the purposes of this title. The Commission shall notify such candidates by registered mail of the reduced amounts available to them. If, as a result of a reduction under this subsection in the amount available to any candidate, transfers have been made from the Fund to the candidate's account in excess of the amount to which he is entitled, such candidate shall be liable for repayment to the Fund of the excess under such procedures as the Commission may prescribe by regulation.

### PAYMENTS FROM CANDIDATES' ACCOUNTS

SEC. 307. (a) All payments received from the Fund, and all personal resources of the candidate to be used for campaign expenditures shall be deposited in the candidate's central campaign account. Other receipts and contributions may be deposited either in the central depository account or in a secondary depository account as provided for in Section 310. Each deposit made in an account shall be accompanied by a statement in the form prescribed by the Commission, containing such information about the funds being deposited as the Commission may prescribe.

The statement shall be verified as to the amounts deposited by the depository and then transmitted to the Commission within fourteen days after the deposit is made. The depository shall furnish to the Commission at least every fourteen days a statement of all withdrawals made from the account.

(b) No person authorized to make withdrawals from the candidate campaign account shall pay any amount out of that account for goods or services furnished, other than staff salaries, except upon the presentation of an invoice submitted by the person to whom the payment is to be made. The invoice shall describe the goods or services furnished to or for the benefit of the candidate, and shall be accompanied by a statement executed by that person certifying that the charges are not in excess of amounts usually charged by him for similar goods and services, and containing such other information as may be required by the Commission. Such invoices and statements shall be preserved by the candidate and made available for reasonable inspection by employees of the Commission.

(c) Amounts received by a candidate from the Federal Elections Campaign Fund may be retained for the liquidation of all obligations incurred during the campaign for a period not exceeding six months after the date of the election; and all obligations having been liquidated, that portion of any unexpended balance remaining in the candidate's accounts which bears the same ratio to the total unexpended balance as the total amount received from the Fund bears to the total of all deposits made into the candidate's accounts shall promptly be repaid to the Fund.

### LIMITATIONS ON CAMPAIGN EXPENDITURES

SEC. 308(a). The maximum amount expendable by a candidate in any general election for the Office of President shall be 15 cents multiplied by the voting age population of the United States.

(b) The maximum amount expendable in any State by a candidate for nomination for the Office of President shall be 15 cents multiplied by the voting age population of the State, or $175,000, whichever is greater. The Commission shall prescribe regulations under which any expenditures by a candidate for nomination for the Office of President of the United States for use in two or more States shall be authorized to such a candidate's expenditure limitation in each such State, based on the number of persons in such State who can reasonably be expected to be reached by such expenditure.

(c) The maximum amount expendable by a candidate for the Office of United States Senate in any general or special election shall be the greater of—

(1) 20 cents multiplied by the voting age population of the State from which he seeks election; or

(2) $175,000.

(d) The maximum amount expendable by a candidate for the Office of Representative, Delegate, or Resident Commissioner in any general or special election shall be the greater of—

(1) 25 cents multiplied by the voting age population of the district; or

(2) $90,000 in the case of a district in a State having more than one district; or

(3) $175,000 in the case of a district comprising an entire State.

(e) The maximum amount expendable by a candidate for nomination for the Office of United States Senator, Representative, Delegate, or Resident Commissioner in any primary election shall be—

(1) In the first primary, the amount expendable by a candidate for that office in the

general election under subsections (c) or (d).

(2) In any runoff primary, one-half of the amount expendable by a candidate for that office in the general election.

(f) Each amount determined under this section shall be increased by one-half of the per centum difference between the price index for the preceding twelve months and the price-index for the base period as determined under section 304(f), of this title.

(g) No amount in excess of 30 per centum of the maximum amount expendable for a particular general election campaign shall be payable as salary, or reimbursement of personal expenses, to all persons employed by or on behalf of that candidate for purposes of that campaign.

(h) Amounts expended unilaterally and independently by any person in support of any candidate, and not at the request or suggestion of the candidate, his agents, or political committees operating in his behalf, nor in cooperation with them, shall not be counted as contributions to or expenditures by the candidate. No person to whom this subsection is applicable shall expend more than $3,000 for the purpose of influencing any election for Federal office.

(i) Amounts contributed to and expended by any candidate for delegate to a national nominating convention or a state convention or caucus which select delegates to a national nominating convention shall not be counted as contributions to or expenditures by a candidate for his party's Presidential nomination to whom the prospective delegate is pledged, bound or otherwise committed unless the amounts contributed to or expended by the prospective delegate are made by or at the request or suggestion of the candidate, his agents, or political committees operating in his behalf, or in cooperation with them.

(j) Contributions exceeding the limits set in section 309(a)(2) of this title may be received, and expenditures exceeding the limits set by this section may be made, for the sole purpose of repaying contributions made in the form of loans.

(k) Contributions to and expenditures by a candidate for the office of Vice President of the United States shall be deemed to have been made to or for (as the case may be) the candidate for the office of President of the United States with whom he is running.

### LIMITATIONS ON CAMPAIGN CONTRIBUTIONS

SEC. 309. (a) No candidate for nomination for, or election to, Federal office shall:

(1) receive contributions from any person in connection with his primary election campaign or his general election campaign, which, in the aggregate, exceed $3,000.

(2) receive contributions from all donors which, in the aggregate, exceed the maximum amount expendable by a candidate for nomination for, or election to, that office under section 308, less the amounts received by him from the fund.

(b) No person shall make contributions to any candidate which, in the aggregate, exceed the limitations imposed by this section.

(c) In the event that a candidate, his agent or political committees shall receive either an anonymous contribution in excess of $25, a contribution in violatoin of this section, or a contribution which, in conjunction with other contributions received exceeds the maximum amount of contributions that candidate is permitted to receive under this section and section 308(j) of this title, such contribution or excess portion thereof shall be paid to the Commission for covering into the fund.

(d) The provisions of subsection (a)(1) of this section shall not apply to contributions made to a candidate for nomination for, or election to, the Senate or the House of Representatives by an official Congressional campaign committee of a political party. For purpose of this section "official Congressional campaign committee" means a committee organized by the House or Senate members of any political party having more than 5 per centum of the membership of the Senate or House of Representatives whose chairman files a statement with the Commission, in such form and manner and at such time as the Commission may require, designating the committee as the Official Senate Campaign Committee or Official House Campaign Committee of that party.

(e) No person may make contributions to any official campaign committee which, in the aggregate, exceed $3,000, and no such contribution shall be earmarked, expressly or by informal arrangement, for any particular candidate or group of particular candidates.

(f) Amending former section 302 (redesignated Section 310) to read as follows:

### POLITICAL COMMITTEES, TREASURERS AND DEPOSITORIES

"SEC. 310. (a) Each candidate shall designate one political committee as his central campaign committee. The central campaign committee shall receive all reports made by any other political committee accepting contributions or making expenditures for the purpose of influencing the nomination for election, or election, of the candidate who designated it as his central campaign committee. No political committee may be designated as the central campaign committee of more than one candidate.

(b) Notwithstanding any other provision of this title, each statement or report that a political committee is required to file with or furnish to the Commission under this title shall, if that political committee is not a central campaign committee, be furnished instead to the central campaign committee for the candidates on whose behalf that political committee is, or is established for the purpose of, accepting contributions or making expenditures.

(c) Each political committee which is a central campaign committee shall receive all reports and statements filed with or furnished to it by other political committees, consolidate, and furnish the reports and statements to the Commission, together with its own reports and statements, in accordance with the provisions of this title and regulations prescribed by the Commission.

(d) Each candidate shall designate one central campaign treasurer who shall be the treasurer of the candidate's central campaign committee.

(e) Each candidate shall designate one (1) bank insured by the Federal Deposit Insurance Corporation as the central campaign depository for the central campaign treasurer and may designate an additional secondary depository in the District, State, or States in which he seeks election. All contributions and other funds received and all expenditures made by the candidate or his campaign treasurer shall pass through accounts in the central campaign depository or secondary depository. Each political committee as defined in this title shall designate one and only one bank insured by the Federal Deposit Insurance Corporation as its depository for the purpose of depositing in a single account and disbursing therefrom all expenditures made by the treasurer of the political committee.

(f) No contribution or expenditure, including contributions or expenditures of a candidate himself or of his family, or transfer of funds shall be directly or indirectly made or received, in furtherance of the candidacy of any person for nomination or election to political office or on behalf of any political committee except by check through the duly appointed campaign treasurer of the candidate or political committee and the appropriate designated depository except as provided in subsections (g) and (h) of this section.

(g) Notwithstanding the provisions of section 307 and subsections (e) and (f) of this section, campaign and committee treasurers may maintain petty cash funds from which expenditures may be made in amounts not exceeding $100 to one individual for a single purchase or transaction. Campaign treasurers and political committee treasurers are authorized to withdraw each week from the respective depositories $1,000 for the purpose of providing a petty cash fund, except that campaign treasurers of candidates for nomination for, or election to the office of President or Vice President may withdraw $50,000 weekly for this purpose. An accurate summary record shall be maintained showing all expenditures from petty cash funds and they shall be available for inspection upon request by the Commission's authorized representative.

(h) Deputy campaign treasurers designated by the campaign treasurer may exercise any of the powers and duties of a campaign treasurer as set forth in the act when specifically authorized to do so by the campaign treasurer and the candidate in the case of a candidate, or the campaign treasurer and chairman of the political committee in the case of a political committee; *Provided*, the campaign treasurer and candidate or the campaign treasurer and committee chairman are deemed directly responsible for the acts or omissions of any deputy treasurer appointed pursuant to this section.

(i) (1) Every person who receives a contribution in excess of $10 for a political committee, or a candidate shall, on demand of the treasurer, and in any event within five days after receipt of such contribution, render to the treasurer a detailed account thereof, including the amount, the full name, and mailing address of the person making such contribution, and the date on which received. If the contribution is in an amount or $100 or more, the account shall include social security number, occupation, and the principal place of business (if any);

(2) All funds of a political committee shall be segregated from, and may not be commingled with, any personal funds of officers, members, or associates of such committee.

(j) It shall be the duty of the treasurer of a political committee or candidate to keep a detailed and exact amount of—

(1) all contributions made to or for such committee or candidate;

(2) the full name, and mailing address of every person making a contribution in excess of $10 and the date and amount thereof and, if a person's contributions aggregate $100 or more, the account shall include social security number, occupation, and the principal place of business (if any);

(3) all expenditures made by or on behalf of such committee or candidate; and

(4) the full name and mailing address, occupation and the principal place of business if any, of every person to whom any expenditure is made, the date and amount thereof and the name and address of, and office sought by, each candidate on whose behalf expenditure was made.

(k) It shall be the duty of the treasurer to obtain and keep the invoices and statements required by section 307(b) of this title. The treasurer shall preserve such invoices and statements for period of time to be determined by the Commission.

(l) Any political committee which solicits or receives contributions or makes expenditures on behalf of any candidate that is not authorized in writing by such candidate to do so shall include a notice on the face or front page of all literature and advertisements published in connection with such candidate's campaign by such committee or on its behalf stating that the committee is not authorized by such candidate and that such candidate is not responsible for the activities of such committee.

(m)(1) Any political committee shall include on the face or front page of all literature and advertisements soliciting funds the following notice: "A copy of our report filed with the Federal Elections Commission officer is (or will be) available for purchase from Federal Elections Commission, Washington, D.C."

(2) The Commission shall make copies of such reports available to the public at such charges as may fairly reflect the cost of reproducing them.

(n) No person shall make or accept on behalf of a candidate or political committee a cash contribution of $25 or more.

(f) amending former section 303 (redesignated as section 311) by:

(1) striking from the first sentence of subsection (a) the words "which anticipates receiving contributions or making expenditures during the calendar year in an aggregate amount exceeding $1,000" and inserting the words "as defined in section 301(d)";

(2) by striking out "supervisory officer" each time it appears in the section and inserting "Commission";

(3) by striking from the second sentence the words "in existence at the date of enactment of this Act" and insert "on or after April 7, 1972".

(4) by amending subsection (d) to read:

"(d) The filing of a statement of organization required by this section is permanent and establishes the continuing obligation of a covered political committee to file reports under this title unless—

(1) after filing one or more statements of organization the committee disbands, dissolves, or otherwise terminates its operations and notifies the Commission in a manner prescribed by regulation: *Provided,* that no committee which is out of compliance with any provision of this title or which has outstanding debts or obligations shall be permitted to disband or terminate without the express written consent of the Commission.

(2) a committee defined by section 301(d) (1), (4), or (5) determines that it will no longer receive contributions or make expenditures during any calendar year in an aggregate amount exceeding $1,000 and so notifies the Commission.

(3) by adding at the end thereof the following new subsection:

"(e) in the case of a political committee which is not a central campaign committee, reports and notifications required under this section shall be filed with the appropriate central campaign committee, in accordance with regulations prescribed by the Commission."

(f) amending former section 304 (redesignated 312) by:

(1) amending subsection (a) to read:

(a)(1) Each treasurer of a political committee which is required to file a statement of organization under section 304, each candidate for election to Federal office, and each treasurer appointed by a candidate, shall file with the appropriate supervisory officer reports of receipts and expenditures on forms to be prescribed or approved by him. Such reports shall be filed on the tenth day of April, July, and October, in each year, and on the tenth days next preceding the date on which an election is held, and also by the thirty-first day of January. Such reports shall be complete as of such date as the supervisory officer may prescribe, which shall not be less than five days before the date of filings, except that any pre-election contribution of $1,500 or more, received after the closing date of the last report required to be filed prior to the election, shall be reported within twenty-four hours after its receipt;

(2) Upon a request made by a presidential candidate or a political committee which operates in more than one State, or upon his own motion, the appropriate supervisory officer may waive the reporting dates (other than January 31) set forth in the second sentence of subsection (1) above, and require instead that such a candidate or political committee file reports not less frequently than monthly. The supervisory officer may not require a presidential candidate or a political committee operating in more than one State to file more than eleven reports (not counting any report to be filed on January 31 and special reports of contributions of $2,500 or more as required in subsection (1) above) under the provision of this subsection during any calendar year. If the supervisory officer acts on its own motion under this paragraph with respect to a candidate or a political committee, that candidate or committee may obtain judicial review in accordance with the provisions of chapter 7 of title 5, United States Code;

(3) The supervisory officer may waive the reporting requirements for candidates on the basis of a certified statement by the candidate that he will not personally engage in financial transactions involving his campaign funds, including incurring personal debts and obligations for such funds, except through his duly appointed treasurer or treasurers and his designated depository account.

(2) amending subsection (b) by inserting the words "social security number, if any," following the words "mailing address" in paragraph (2) and by striking out the phrase "in excess of $100" wherever it appears in subsection (b) and inserting "of $100 or more".

(3) amending paragraph (12) of subsection (b) to read:

(12) the amount and nature of debts and obligations owned by or to the committee, in such form as the Commission may prescribe, including (notwithstanding the provisions of subsection (a) with respect to filing dates) a continuous reporting of their debts and obligations after the election at such intervals as the Commission may require until such debts and obligations are extinguished, together with a statement as to the circumstances and conditions under which any such debt is canceled; and

(4) amending paragraph (13) of subsection (b) by deleting the words "supervisory officer" and inserting "Commission."

(5) by adding a new subsection (d) as follows:

"(d) Any contribution required to be itemized under this section but submitted without adequate information to make the requisite disclosures hereunder shall be returned to the donor, if ascertainable within 10 days of the date of receipt thereof, if the relevant information needed to make full disclosure is not otherwise obtained within such ten-day period. If the donor's identity and mailing address are not ascertained within ten days of the date of receipt, the proceeds of such contribution shall be paid to the Commission for deposit in the Fund."

(h) striking out "supervisory officer" wherever it appears in former section 305 (redesignated section 313) (relating to reports by others than political committees) and former section 306 (redesignated section 314) (relating to formal requirements respecting reports and statements) and inserting "Commission"; and by striking out "in excess of $100" appearing in said section 305 and inserting "of $100 or more".

(i) striking out "Comptroller General of the United States" and "him" in former section 307, (redesignated section 315) (relating to reports on convention financing) and inserting "Federal Elections Commission" and "it", respectively;

(j) striking out "Supervisory Officer" in the caption of former section 308 (redesignated section 316) (relating to duties of the supervisory officer) and inserting "COMMISSION";

(k) striking out "supervisory officer" in former section 308(a) and inserting "Commission";

(l) amending former section 308(a) by—

(1) striking out "him" in paragraph (1) and inserting "it or a central campaign committee";

(2) striking out "him" in paragraph (4) and inserting "it";

(3) amending paragraph (7) to read:

"(7) to prepare and publish compilations of reported contributions and expenditures for all candidates, political committees, and other persons during the year in such form and detail as it shall deem usefully informative, including aggregate amounts for any contributor of $1,000 or more."

(4) striking out "he" in paragraph (9) and inserting "it";

(m) striking out "supervisory officer" from subsection 308(b) and inserting "commission";

(1) striking out "Comptroller General" each place it appears therein and inserting "Commission", and striking "his" in the second sentence of such subsection and inserting "its"; and

(2) striking out the last sentence thereof;

(n) amending subsection (d)(1) of section 308 by—

(1) striking out "supervisory officer" each place it appears therein and inserting "Commission";

(2) striking out "he" in the first place it appears in the second sentence of such section and inserting "it"; and

(3' striking out "The Attorney General on behalf of the United States" and inserting "The Commission on behalf of the United States";

(o) amending former section 308, redesignated section 316, by adding a new subsection (e) as follows:

"(e)(1) Notwithstanding the provisions of subsection (a)3 any person who violates any provision of this title may be assessed a civil penalty by the Commission under paragraph (2) of this subsection which penalty shall not be more than $25,000 for each violation. Each occurrence of a violation of this title may constitute a separate offense. In determining the amount of the penalty the supervisory officer shall consider the person's history of previous violations, the appropriateness of such penalty to the financial resources of the person charged, the gravity of the violation, and the demonstrated good faith of the person charged in attempting to achieve rapid compliance after notification of a violation."

(2) A civil penalty shall be assessed only after the person charged with a violation has been given an opportunity for a public hearing and the Commission has determined, by decision incorporating its findings of facts, that a violation did occur, the amount of the penalty, and an order requiring that, and the time by which the penalty be paid. Any hearing under this section shall be of record and shall be subject to section 554 of Title 5 of the United States Code.

(3) If the person against whom a civil penalty is assessed fails to pay the penalty within the time prescribed in such order, the supervisory officer shall file a petition for enforcement of such order in any appropriate district court of the United States. The petition shall designate the person against whom the order is sought to be enforced as the respondent. A copy of the petition shall forthwith be sent by registered or certified mail to the respondent, his attorney if of record, and if the respondent is a political committee to the chairman thereof. The Commission shall certify and file in such court the record upon which such order sought to be enforced was issued. The court shall have jurisdiction to enter a judgment enforcing, modifying and enforcing as so modified, or setting aside the decision and order in whole or in part, or it may remand the proceedings to the Commission for such further action as it may direct. The court shall consider and determine de novo all

relevant issues, but upon request of the respondent, such issues of fact as are in dispute shall be submitted to a jury.

(p) striking out "a supervisory officer" in former section 309(a) (relating to statements filed with State officers) and inserting "the Commission".

(q) amending former section 311, redesignated section 319, by deleting the subsection designation (a); by deleting the amount "$1,000 and inserting $25,000"; by deleting "one year" and inserting "five years"; and by deleting subsection (b).

SEC. 2. The Campaign Communications Reform Act is amended by striking out "Comptroller General" where it appears in paragraphs (3)(C), (4)(B), and (5) of section 104(a), and in section 105, and inserting in lieu thereof "Federal Elections Commission".

SEC. 3. (a) Section 5313 of Title 5, United States Code, is amended by adding at the end thereof the following:

"(22) Chairman, Federal Elections Commission."

(b) Section 5314 of Title 5, United States Code, is amended by adding at the end thereof the following:

"(60) Vice Chairman, Federal Elections Commission."

(c) Section 5315 of Title 5, United States Code, is amended by adding at the end thereof the following:

"(99) Executive Director, Federal Elections Commission."

(d) Section 5316 of Title 5, United States Code, is amended by adding at the end thereof the following:

"(133) General Counsel, Federal Elections Commission."

SEC. 4. Title VIII of the Act of December 10, 1971, Public Law 92-178, (codified as chapter 95 of the Internal Revenue Code of 1954) is repealed in its entirety.

SEC. 5. Title I of the Act of February 7, 1972, Public Law 92-225, The Campaign Communications Reform Act, is amended as follows:

(a) Section 102 amended by deleting paragraphs (5) and (6).

(b) Subsections 104 (a), (b) and (c) are repealed in entirety.

(c) Subsection 104(d) is renumbered (a) and amended by deleting paragraphs (3) and (4) thereof.

(d) Subsection 104(e) is amended by deletion of the reference to subsection (c) therein.

(e) Subsections 104(f) is renumbered (c) and amended by deleting paragraph (1)(C) and the reference to subsection (c) therein.

(f) Section 105 is amended to read:

"SEC. 105. The Federal Elections Commission shall prescribe such regulations as be necessary or appropriate to carry out sections 102 and 103(b) of this Act."

SEC. 6. Section 315(a) of the Communications Act of 1934 is amended by inserting ", other than a candidate for Federal elective office (including the Vice-Presidency)," after "any public office".

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## FACT SHEET—MATHIAS-STEVENSON FEDERAL ELECTION FINANCE ACT OF 1973

### I. OVERALL EXPENDITURE CEILINGS

Overall expenditure ceilings are set for all federal elections (primaries, primary runoffs, general elections, and special elections). Although in many cases primaries need not be as expensive as general elections, there are states and districts in which the primary is typically more hotly contested than the general election. For that reason, the expenditure limits for primaries are identical to those for general elections. The expenditure ceilings for primary run-offs are set at one-half the ceilings for primaries. The ceilings apply to all candidates in a federal election, whether or not they receive the public subsidy provided for in this act.

The expenditure ceilings are as follows:

For presidential primaries, fifteen cents per person of voting age population per state, or $175,000 per state, whichever is greater.

For presidential general elections, fifteen cents per person of voting age population (approximately $21 million in 1972).

For Senatorial elections twenty cents per person of voting age population, or $175,000, whichever is greater.

For House elections, twenty-five cents per person of voting age population, or $90,000, whichever is greater. House candidates running in Disticts encompassing an entire state may spend up to $175,000.

In cases where an individual acting independently of any candidate or his campaign makes expenditures, those expenditures are not charged against the ceilings applicable to the candidates. In order to prevent individuals acting independently from distorting the electoral process by making large expenditures, such individuals acting independently are prohibited from spending more than $3,000 in connection with any election for federal office.

The overall ceilings provided for in this Act supersede the media ceilings in the Federal Elections Campaign Act of 1971.

### II. LIMITS ON INDIVIDUAL CONTRIBUTIONS

No person may contribute more than $3,000 to a candidate for federal office. This limitation applies to all individuals and groups except for official Congressional campaign committees. Such committees are in turn prohibited from receiving individual contributions in excess of $3,000. Earmarking of contributions to official Congressional campaign committees is also prohibited.

The limitations on individual contributions do not apply to amounts supplied by a candidate himself from his private resources. Under existing law candidates may spend the following amounts of private, personal resources in furtherance of their candidacies: $25,000 for House elections, $35,000 for Senate elections, and $50,000 for Presidential elections.

All contributions made by an individual to a candidate for Federal office are aggregated. Thus, if a person gives a candidate $1,500 during a primary, that person may give no more than $1,500 during the general election.

The limitations on individual contributions apply to all candidates for Federal office, whether or not they receive the public subsidy.

### III. PUBLIC FINANCING

The bill establishes a system of public financing for federal *general* elections. The extension of public subsidies to primaries raises complex questions of allocation among candidates and carries with it a real risk of proliferating primary candidacies. In addition, public subsidies of primaries would very substantially increase the costs of the program. Under the circumstances, it seems advisable to defer a decision on extending public subsidies to primaries until such time as we have accumulated some experience with public subsidies for general elections.

The cost of public subsidies provided for by this bill will be $35–40 million for the 1974 congressional elections. In the 1976 Federal elections, the estimated cost of the program is $45–55 million. The cost of a full set of Federal elections (100 Senate seats, 439 House seats, and one Presidential election) is estimated to be $65–75 million.

The maximum subsidy available under the act is one-third of the overall expenditure limit. A candidate may qualify for the full subsidy either on the basis of a past performance by him or his party of 25% or more in certain previous elections or by submitting petitions signed by eligible voters who constitute specified percentages of the voting age population. Candidates who fail to qualify for the full subsidy may nevertheless receive a partial subsidy of at least 20% of the full subsidy. To qualify for the partial subsidy, a candidate or his party must have received not less than ten per cent of the vote in certain previous elections or secure the signatures of voters constituting certain percentages of the total voting age population.

The public subsidy for Presidential general elections supersedes the subsidies provided for by the 1971 tax checkoff bill.

### IV. ENFORCEMENT

The enforcement and administrative activities now divided between the General Accounting Office, the Secretary of the Senate, the Clerk of the House, and the Department of Justice are consolidated in a new Federal Elections Commission. The Commission is composed of the Comptroller General, two members appointed by the Senate, two members appointed by the House, and two members appointed by the President. All members are to serve terms of twelve years. Penalties for violating the Act are increased substantially. Civil penalties are raised from $1,000 to $25,000; criminal penalties from one year and/or $1,000 to five years and/or $25,000.

### V. EQUAL TIME REPEAL

In order to enable networks and licensees to provide free television time to candidates in federal general elections, the equal time provision of the Communications Act of 1934 is repealed for Congressional as well as Presiential elections.

### VI. TECHNICAL AND ADMINISTRATION PROVISIONS

The bill makes a number of technical and administrative changes in existing law. The principal ones are as follows:

1. The definition of "candidate" is expanded to include individuals who become aware that others are receiving contributions or making expenditures on their behalf and who fail to make written requests that such activities cease.
2. The definition of "polical committee" is expanded and clarified.
3. Each candidate is required to establish a central campaign committee through which all reports to the Federal Elections Commission must be made.
4. Cash contributions of $25 or more are prohibited.
5. All expenditures made by candidates and political committees must be made by check, except in transactions of $100 and under.
6. The Commission is empowered to prevent the disbanding of any political committee which has outstanding debts or which is out of compliance with any provision of law.
7. Contributions of $1,500 or more received after the closing date of the last report required to be filed prior to the election must be reported within 24 hours after receipt. Under existing law, contributions of $5,000 and over received after the closing date must be reported within 48 hours after receipt.

## PUBLIC FINANCING OF FEDERAL ELECTION CAMPAIGNS

**Mr. MATHIAS.** Mr. President, the next election for President of the United States will occur in 1976. In that year we will also celebrate our Nation's bicentennial, the 200th anniversary of our independence. It is most appropriate that in anticipation of these two events we consider the question of electoral reform.

One of the principles that was of major concern to our Founding Fathers was equality of access to the political arena. This ideal was imperfectly met at the founding of our Republic and it is imperfectly met today, but we have made great strides toward meeting it during our history. The great extensions of the franchise—to blacks, to women, and most recently to our younger citizens—the abolition of the poll tax, the direct election of Senators—all of these events were designed to remove barriers to the participation of our people in the selection of their leaders and to equalize control over political outcomes.

In recent years this concern about equality of political opportunity has found expression in attempts to reform our system of political campaigns. I have long been concerned about this question and I was pleased to have proposed 13 successful amendments to the bill that became the Federal Election Campaign Act of 1971, the first major reform of our campaign financing laws in half a century.

In addition, earlier this year I joined with Senator SCOTT, the distinguished minority leader, and with Senator STEVENSON in introducing a number of further reform proposals.

As important as these steps may be, they are not enough. The need for something significantly different and more effective was foreseen 65 years ago by Theodore Roosevelt, whose early political career was characterized by challenges to corrupt politicians and exposure of the seamy side of politics. I am convinced that it is time we take the giant step toward reform of our system of elections that Roosevelt envisioned—public financing of all Federal election campaigns. I am, therefore, today joining Senator STEVENSON in introducing the Federal Election Finance Act of 1973. In addition, I am joining as a cosponsor of Senator HART's Congressional Election Finance Act of 1973. I cosponsor these two bills not because I think either is perfect as it stands, but because I endorse the concept of public financing of campaigns and because both bills contain major features which I think should be included in a campaign finance law enacted by the Congress.

I would like to emphasize at this point that the idea of financing Federal elections out of public funds has long been recognized as consistent with basic American values and beliefs. Public financing was proposed, as I have said, by Theodore Roosevelt in 1907, and has been more recently endorsed by President Truman and President Johnson. Indeed, the Congress itself has endorsed the concept by twice enacting tax checkoff plans to finance Presidential elections.

A system of public financing would have three major benefits: It would equalize access to the political arena among candidates and among members of the general public; it would permit us to control the incredible growth in campaign expenditures; and perhaps most important it would enable us to remove a large part of the corrosive influence of big money from our political campaigns and our governing process.

Before going into the details of the public financing bills, there are two major objections to the concept of public financing which merit discussion. First, some people ask why their tax money should be spent to fund the campaigns of candidates with whom they disagree. I believe the general public has two interests at stake which justify this expenditure. The first is the issue of equality of access to the political arena which I mentioned earlier. Certainly it is in the interest of every citizen that all responsible, major candidates in an electoral contest have adequate resources to put their case before the voters so that those voters may make an informed choice among the candidates. When only one side is heard, democracy suffers.

Second, it is in the interest of all our citizens to have the integrity of our electoral process restored and insured. Not only must our election system be fair, honest and open, but it must also be believed to be so. Too many of our citizens believe, rightly or wrongly, that the Federal Government is operated mainly for the benefit of the big money interests who contribute such enormous sums to campaigns. Certainly the events surrounding the 1972 Presidential election have further shaken what little faith may have remained among our people. Public financing coupled with a low, strictly enforced, limit on private contributions could do a great deal to restore the confidence of the people in the integrity of the politicians they elect to govern them.

The second objection raises the issue of cost: Can we afford in this era of competing priorities, to spend substantial sums of money on public financing of elections? The answer to this question depends on how much the benefits I have outlined are believed to be worth. A public financing system which provided adequate subsidies to all candidates for Federal office would probably cost something on the order of $1 per person per year. I believe it is worth a dollar a year to insure the integrity of our electoral system.

### S. — AND S. 1103

I would now like to offer a comparison of the major features of the two public financing bills. Since I will not attempt to discuss every aspect of these complex and comprehensive proposals, I ask unanimous consent that a section-by-section analysis of both bills be included at the conclusion of my remarks.

Both proposals provide subsidies for some Federal election campaigns. The Stevenson-Mathias bill covers campaigns for the Presidency as well as Senate and House, but subsidizes only general elections and not primaries. The Hart bill covers both primaries and general elections, but only for Congress, not the Presidency.

Both bills, in addition to providing public financing, set total expenditure limits and limits on individual and group contributions. In both, taking the public contribution is voluntary; in the Stevenson-Mathias bill the expenditure and contribution limits cover all candidates for Federal Office—in both primary and general elections—but in the Hart bill the limits apply only to candidates who elect to take the subsidy.

The two bills differ in the amounts they set for the expenditure limits, the contribution limits and the subsidies. Since a comparison of these features is most simply made in tabular form, I have had my staff prepare such a comparison and I ask unanimous consent that it be included at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

### COMPARISON OF HART AND STEVENSON-MATHIAS PROPOSALS

Contribution limits: Hart, $250; Stevenson-Mathias, $3.000.

Limit on candidate's use of his own resources: Hart, $250; Stevenson-Mathias, same as present law.

#### EXPENDITURE LIMITS

President-primary: Hart does not apply; Stevenson-Mathias, in a given State, the greater of 15 cents per person of voting age or $175,000.

President-general election: Hart does not apply; Stevenson-Mathias, 15 cents per person of voting age.

Senate[1]—primary: Hart, greater of 12 cents per person of voting age or $100,000; Stevenson-Mathias, greater of 20 cents per person of voting age or $175,000.

Senate[1]—general election: Hart, greater of 18 cents per person of voting age or $200,000; Stevenson-Mathias, greater of 20 cents per person of voting age or $175,000.

House[1]—primary: Hart, 17 cents per person of voting age; Stevenson-Mathias, greater of 25 cents per person of voting age or $90,000.

House[1]—general election: Hart, 25 cents per person of voting age; Stevenson-Mathias, greater of 25 cents per person of voting age or $90,000.

#### SUBSIDIES—MAJOR PARTIES

President—primary: Hart, none; Stevenson-Mathias, none.

President—general election: Hart, none; Stevenson-Mathias, one-third of expenditure limit.

Senate[1]—primary: Hart, greater of 10 cents per person of voting age or $75,000; Stevenson-Mathias, none.

Senate[1]—general election: Hart, greater of 15 cents per person of voting age or $150,000; Stevenson-Mathias, one-third of expenditure limits.

House[1]—primary: Hart, 14 cents per person of voting age; Stevenson-Mathias, none.

House[1]—general election: Hart, 20 cents per person of voting age; Stevenson-Mathias, one-third of expenditure limit.

#### SUBSIDIES—MINOR PARTIES

Hart: Greater of 20 percent of major party subsidy or the same percent of the major party subsidy as the ratio of the number of votes received by the minor party in the previous election to the number of votes received by the major party receiving the lowest number of votes.

Stevenson-Mathias: Greater of 20 percent of the major party subsidy or the same percent of the major party subsidy as the ratio of the number of votes received by the minor party in the previous election to the average number of votes received by all major parties.

#### SUBSIDIES—OTHER PARTIES

Hart: Greater of 10 percent of the major party subsidy or the same percent of the major party subsidy as the ratio of the number of votes received by that party in the previous election to the number of votes received by the major party receiving the lowest number of votes.

Stevenson-Mathias: None.

As can be seen in the table, both bills provide some subsidies to minor parties as well as major ones. In the Hart bill, the determination of major or minor party status rests solely on previous electoral performance. A major party is one that received 25 percent or more of the vote in a determining election. A minor party is one that received 10 to 24 percent. For a candidate for the House, the determining election is the most recent general election for President, Governor or House; for a Senate candidate the determining election is the most recent general election for President or Governor. In the Stevenson-Mathias bill, major or minor party status is determined by previous electoral performance or the presentation of petitions bearing a certain number of signatures. In regard to previous electoral performance, the percentages are the same as in the Hart bill, but the determining election for the Presidency is the previous election for that office, for the House and Senate it is the previous election for that office or for Governor.

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[1] Both bills treat a candidate for the House in a state which has a single Representative running state-wide as if the candidate were a candidate for the Senate.

Both proposals provide for increases in the expenditure limits and subsidies to keep pace with inflation. The Hart bill increases those amounts at the same rate as increases in the consumer price index, the Stevenson-Mathias bill provides for increases at one-half of the rate of the consumer price index.

Finally, since the Hart bill provides for subsidies for primary contests, that proposal has provisions to prevent subsidies from going to "frivolous" candidates. The bill requires that all candidates who desire a subsidy must post a security deposit equal in amount to one-fifth of the subsidy for which the candidate is eligible. The security deposit would be raised from private donations, none of which could exceed $250. If the candidate failed to receive 10 percent of the vote in the election, he would forfeit the security deposit; if he failed to receive 5 percent of the vote, he would be obligated to repay the full amount of the subsidy. If the candidate did succeed in receiving 10 percent of the vote, the security deposit would be returned to the people who donated it.

These, then, are the major features of the two bills. Whatever final bill is enacted will be able to profitably adopt features from each of them. Other provisions will probably be suggested by others. I would like to conclude by outlining certain elements that I believe should be included in the final bill.

### SOME FINAL PROPOSALS

First, we must guard against creating a self-serving system. That is, the law should not be designed so that it "locks in" incumbents. Therefore, both the expenditure limits and the subsidy should be high enough to permit a vigorous contest for office.

Second, in order to maximize access to the political arena, the campaign finance act should provide subsidies for primary, as well as general, elections, with adequate protection against subsidies going to "frivolous" candidates. I think some requirement of a certain number of petition signatures would accomplish this latter objective. I believe the requirement in the Hart bill that a candidate must repay the full subsidy if he does not receive 5 percent of the vote is unfair, for it makes a candidate financially liable for events over which he has no control. The security deposit concept is, however, a good one and—with certain provisions—should be incorporated in the final bill.

Third, the law should cover all Federal elections, the Presidency as well as the Senate and House.

Fourth, while the subsidy aspect should not be mandatory for all candidates, the expenditure and contribution limits should be.

Fifth, in addition to the subsidies available to major parties, some reasonable amount of money should be available to minor parties, at least in general elections.

Finally, I think there is a tradeoff between the amount of the subsidy and the limit set on private contributions. The larger we make the subsidy, the lower we can reasonably set the contribution limit. Again to equalize access to the political arena, I believe we should set the amount of the subsidy at a relatively high level. This would permit us to set the contribution limit at a level as low as, or lower than, that in the Hart bill.

I think all elected officials are tired of the view now prevalent in the country that all politicians are somehow automatically crooks. A recent poll indicated that the only occupation that ranks lower in public esteem than the politician is the used car salesman. Enacting a system of public financing will not change the public's image of us overnight, but it will go a long way toward restoring public confidence in the government that is supposed to serve them.

Mr. President, today I am also testifying before the Rules Committee on S. 372, which deals with the subject of Federal election campaign reform. I ask unanimous consent that my testimony be printed at this point in the RECORD.

### TESTIMONY OF SENATOR CHARLES McC. MATHIAS, JR., BEFORE THE SENATE RULES COMMITTEE ON BILLS DEALING WITH CAMPAIGN FINANCE REFORM, JUNE 6, 1973

Mr. Chairman, I want to thank you and the other members of the Committee for giving me this opportunity to testify today.

S. 372 is an attempt to take another step in the struggle to reform our system of elections and campaigns. As you know I have long been concerned about this question. Senator Scott and I introduced Senate bill 956 more than two years ago. Many provisions of that bill were contained in the Federal Elections Campaign Act of 1971, plus thirteen amendments which I added on the floor of the Senate.

The 1971 Act went a long way toward correcting problems in our system of campaigns. The bill you have before you today is an attempt to extend that corrective process still further. It contains some important proposals which have considerable merit. I have a number of suggestions for additions to or changes in S. 372 which I suggest for additions to or changes in S. 372 which I will speak to in a moment.

### PUBLIC FINANCING OF ELECTIONS

But before I get to those matters, I want to offer an alternative proposal for the Committee's consideration. Either instead of S. 372, or as a replacement for it in the near future, I urge the Committee to consider a comprehensive system of public financing of federal election campaigns.

Today I have joined with Senator Stevenson in introducing the Federal Election Finance Act of 1973.

In addition I have joined as a cosponsor of Senator Hart's public financing proposal, S. 1103, which has been referred to this Committee.

I would like to emphasize at this point that the idea of financing federal elections out of public funds has long been recognized as consistent with basic American values and beliefs. Public financing was proposed as early as 1907 by President Theodore Roosevelt and has been more recently endorsed by Presidents Truman and Johnson. Indeed, the Congress itself has endorsed the concept by twice enacting tax checkoff plans to finance Presidential elections.

A system of public financing would have three major benefits: it would equalize access to the political arena among candidates and among members of the general public, it would permit us to control the incredible growth in campaign expenditures; and perhaps most important it would enable us to remove a large part of the corrosive influence of big money from our political campaigns and our governing process.

For the sake of brevity, I have appended my floor statement on public financing to this testimony. I will now turn to the specific suggestions I have for changes in S. 372.

First, there are a number of provisions contained in S. 1094, introduced by Senator Scott and Senator Stevenson in addition to myself, which I believe should be included in S. 372.

### CENTRAL CAMPAIGN COMMITTEE

The most important of these provisions is the proposal that each candidate be required to designate one political committee as his central campaign committee. Under present procedures, each political campaign committee raising or expending over $1,000 must transmit reports to its supervisory office. Each candidate may have more than one political committee. Indeed, the federal gift tax regulations encourage the proliferation of committees. While not outlawing or discouraging the creation of committees, the proposed central campaign committee will correct the reporting confusion caused by the present arrangement by requiring consolidation of each candidate's reports by the central committee prior to transmittal of the reports.

Another provision of S. 1094 relates to amounts to be reported. The present act requires reporting of contributions "in excess of $100," and we proposed that this wording be changed to read "contributions of $100 or more." It would seem logical that a person would be more apt to give a contribution of $100 rather than $101, and if the objective of the law is to disclose to the public contributions of the $100 level, we are defeating the purpose of the act by keeping the present language. Of course, if the Committee chose to report an even lower figure, I would support it.

Next, S. 1094 included a provision that will change the reporting dates to the 10th of April, July, October and 10 days prior to the election, leaving the final report required by January 31 unchanged. There were numerous complaints about the cumbersome process of fulfilling these reporting requirements which this provision would correct. To assure a more accurate and timely accounting of expenses we have moved the monthly reports up a full month from March to April. To alleviate many of the red tape complaints, we have combined the five and fifteen day reports prior to the election. Then, to discourage last minute large contributions, we require that gifts amounting to $2500 or more be reported within 24 hours of receipt, instead of the present law which requires reporting of contributions of $5000 or more within 48 hours of receipt.

Another section of our bill related to the compromising of campaign debts. Presently, the means or consideration by which a debt is extinguished are not reported. Thus, one can forgive a debt or accept token consideration for its satisfaction, and the report will only indicate that the debt is satisfied or extinguished. The new provision would require that when a debt is cancelled, that the report indicate the amount of money or consideration for which the debt was extinguished or a statement as to the circumstances under which the debt was cancelled.

Another loophole in the 1971 Act which S. 1094 addressed is the shielding of dues-paying members of clubs or organizations not specifically created to influence the outcome of an election.

At the present time, if such organizations contribute more than $1,000 to an election they do qualify as a political committee. Only the names of the officers of these committees must be filed. Our proposal requires the reporting of names and addresses of members of a non-political committee which attempts to influence the outcome of an election. This provision will eliminate some of the so-called pass-through donations we witnessed in the 1972 elections, that is, the shielding of the identity of the original donor so that his relationship with the candidate is not made public.

### INDEPENDENT ELECTIONS COMMISSION

Finally, S. 1094 proposed the establishment of an independent elections commission. I am truly pleased to see that the Commerce Committee included an elections commission in S. 372, and that its powers and duties are largely what we had suggested. The independent commission is perhaps the most important of all the election reform proposals. Whatever set of laws we finally adopt to govern our elections, an independent elections commission will be needed to insure compliance. The only major difference between our proposal and the commission as contained in S. 372 relates to membership selection and tenure. While I am not wedded to any specific proposal, further reflection has led me to believe that it would be best if the power of appointment were divided among the President, the Senate and the House. All three will be affected by the operation of the commission, and thus all three should have a direct say in the membership.

The next two proposals I would like to offer for the Committee's consideration are contained in S. 1095, introduced by Senator Scott and myself. The first of these proposals deals with the definition of a candidate as contained in section 102 of the 1971 Act.

The definition of the term "candidate" is particularly significant in title I of the act for it triggers the media spending limitations for the candidate, and would trigger the proposed total expenditure limits in S. 372. In title I of the current law a "legally qualified candidate" is one who first, meets the qualifications prescribed by the applicable laws to hold the Federal elective office and second, is eligible under applicable State law. This narrow definition is contrary to the more inclusive definition contained in titles II and III where a "candidate" is defined in terms of accepting contributions or expending money to influence one's candidacy or having the knowledge of another doing same. To contain a more narrow definition applicable to spending limitations than to the title's dealing with criminal sanctions with reporting and disclosure, seems inconsistent and contrary to the objectives of the act. Furthermore, the FCC contains a definition of a "candidate" which is broader in scope than the one contained in title I and one which is equal in scope at least to the one contained in titles II and III. It could be argued quite persuasively, I think, that the new legislative definition would pre-empt any regulatory one.

It is also perplexing that title II contains a similar definition to that contained in title III, for it is here in title II that the act contains the other spending prohibition—that is, the prohibition of a candidate contributing to his own election beyond certain prescribed amounts.

The narrow definition in title I permits unlimited spending during a time when a candidate might be a candidate in every way except formality. Under the definition contained in title I, a candidate can meet the first criteria of qualifying under Federal law, say, in the case of a Senate election, by merely being 30 years of age and a citizen. The second criteria of qualifying under applicable State law varied, of course, from State to State; however, in some States, it is the responsibility of the candidate to file a petition followed by a period of grace when the petition is considered by State authorities. In this latter case, we encounter the most obvious example of permitting the candidate to have a "Roman carnival." During this interim period, he may spend what he wants without any statutory limitations and only when the State acknowledges the petition and the candidate is registered does he formally come within the purview of the statute.

However, the point is that in this definition, the criteria requires only affirmative action therefore permitting the candidate to be a passive, unannounced, or informal candidate for any period of time—accepting and spending contributions given to influence his candidacy without regard to any spending limitations.

Because of the inconsistent coverage in titles I and III of the act, it would not seem improbable for a candidate, during this unrestrained period, to be required to file reports under title III.

Certainly the application of the law should commence at the first act of candidacy or the last act of noncandidacy. Clearly, however, this definition permits one to act like a candidate in the eyes of the public and, at the same time, hide behind the cloak of loose legislative draftsmanship. Obviously, if all States allowed writein candidates, it could be argued that the problem would not exist for then the candidate, by his mere presence, would, as a matter of law, have qualified under State law; however, this is obviously not the case.

Our proposed amendment would add a new and third criteria to this title I definition of "legally qualified candidate." The new addition would cover the candidate who has publicly announced, or has knowledge that another person or political committee has received contributions or made expenditures in behalf of his candidacy. This addition would restore the public's right to know what the candidate is spending once he begins to act and function like a candidate for Federal office.

### REPEAL OF EQUAL TIME REQUIREMENT

The other provision of S. 1095 would repeal the equal time clause of the broadcast law for all federal elections.

I am encouraged that S. 372 provides for repeal for presidential elections, but I remain convinced that the best interests of the electorate would be served by extending the repeal to Senate and House elections as well. For the Committee's information, I have appended copies of S. 1094 and S. 1095 to my testimony.

At this time I would like to draw the attention of the Committee to what appears to me to be another possible loophole in the present law. Section 102(3) of the Campaign Communications Reform Act read "The term 'Federal elective office' means the office of the President of the United States, or of Senator or Representative in, or Resident Commissioner or Delegate to, the Congress of the United States (and for the purpose of section 103(b) such term includes the office of Vice President)." Thus the office of Vice President is not included as a federal office for purpose of either the media spending limit of the present law or the proposed total expenditure limits in S. 372. Therefore, my reading of the law would indicate that unlimited amounts of money could be spent to advancet the election of a candidate for the Vice Presidency. If this is correct, the law should be changed to eliminate this possibility.

Finally, I would like to offer some comments on the proposed expenditure limits in S. 372, and two other matters proposed for this Committee's consideration: limits on case contributions and limits on the amounts of individual contributions to campaigns.

I support a limit on cash contributions. Any contribution of $100 or more should be required to be made by check. This would facilitate enforcement of the reporting requirements in the present law.

### CONTRIBUTION AND EXPENDITURE LIMITS

I must confess that I am concerned about the effect of both contribution limits and expenditure limits without also providing for public financing. There is the danger that these limits could turn into an "incumbent protection plan," which would make effective electoral challenges difficult. On balance, however, I think at least individual contribution limits are necessary. The influence of "big money" must be removed from our political process. The Stevenson-Mathias bill proposes an individual limit of $3,000. I think the limits should be set at least this low and perhaps lower, and must apply to groups as well as individuals.

In regard to the expenditure limits in S. 372, I would like to raise two points. First, the twenty-five cents per person of voting age formula seems to have the effect of setting relatively low limits on House races and Senate candidates in the small states and unrealistically high limits on the Presidency and Senate candidates in the large states. For example, in 1972 a Senate candidate in California could have spent a total of almost seven million dollars in the primary and general election combined.

Second, the problem of unrealistically high limits is exacerbated by the fact that limits will increase at the same rate as the Consumer Price Index. I have had my staff prepare projections of the growth of the Presidential expenditure limits for a general election in the future, employing population projections from the Census Bureau and assuming a 3½ percent annual growth in the Consumer Price Index. The projections appear in the table below. While we cannot perfectly predict the future, these projections give us some idea of what the limits will look like in the years to come. We can see that by 1980 a Presidential candidate would be permitted to spend up to $54.5 million in the general election alone, and by the year 2000 the limit would reach the incredible sum of $136.6 million. If we really want to impose realistic expenditure limits, some change must be made in the proposed formula.

PROJECTION OF EXPENDITURE LIMITS FOR PRESIDENTIAL CAMPAIGNS (GENERAL ELECTION)

| Year | Population 18 years and over (millions) | Spending limit (millions) |
|---|---|---|
| 1976 | 149.4 | $44.6 |
| 1980 | 158.9 | 54.5 |
| 1984 | 166.9 | 65.6 |
| 1990 | 176.6 | 85.4 |
| 2000 | 200.4 | 136.4 |

In closing, I want to emphasize that while a number of valuable reforms can be made in our system of federal campaigns through the vehicle of S. 372, the truly necessary and desirable reform would be the adoption of a system of public financing of all federal election campaigns.

## Section-by-Section Analysis of Congressional Election Finance Act of 1973

Section 1. *Title.*

Section 2. *Purposes:*

To provide adequate financing for candidates without regard to the private resources available to them;

To prevent undue influence by the wealthy and the opportunity for such influence which diminishes public faith in the political system;

To determine the degree to which present campaign expenditures are excessive;

To reduce pressures on candidates to become beholden to large contributors.

Section 3. *Definitions.*

"Board"—The Congressional Election Finance Board which administers this Act.

"Campaign Expenditure" and "Campaign Expenditure Period"—The 18-month period preceding the date of the general election for the office sought is the expenditure period. Any expenditure in connection with the campaign made during that period or prior to it for goods or services to be used within the period is a campaign expenditure.

"Candidate"—someone qualifying under state law for the primary or the general election ballot in a House or Senate race.

"Candidate Campaign Account"—is a single bank account into which the candidate must deposit all subsidies and contributions.

"Congressional Office"—the office of Senator, Representative, Resident Commissioner or Delegate.

"Contribution"—is defined to include any:

(1) payment, gift, loan or guaranty to a candidate's campaign;

(2) payment for personal services rendered to the campaign;

(3) payment for any other services or any goods provided to the campaign;

(4) provision of goods or services at less than full value to the campaign;

(5) independent activity carried on apart from the campaign

made for the purposes of influencing the results of a primary or general election. Categories 1 through 4 cover alternative ways of putting campaign resources at the disposal and discretion of the candidate and his assistants. Category 5 covers campaigning done unilaterally on behalf of the candidate. All five categories are treated the same for purposes of individual contribution limits, and they are all aggregated for that purpose. However, category 5 is treated differently in computing the candidate's permitted amount of private financing beyond the subsidy. (See sections 12 and 13, *infra.*)

Volunteer services, internal communications by an organization to its members, communications by an issue group to the general public which do not endorse or oppose specific candidates, and normal billing credit not more than 30 days, are all excluded from the definition of contributions.

"Fund'—the campaign subsidy fund established in the Treasury and administered by the Board.

"Major Party"—a party (or independent candidate) receiving at least a quarter of the vote in any "determining election."

"Minor Party"—a party or independent candidate receiving between 25% and 10% of the total vote cast for that office in any "determining election."

"Determining Election"— in a House race, either the last general election for that office *OR* the last gubernatorial race in that state *OR* the last presidential election. The party candidates in a primary or general election can invoke the party's showing in any one of these three previous elections with regard to House races; either the previous presidential or gubernatorial race can be used to establish major or minor party status in a Senate race.

Thus in a State where the Republican gubernatorial candidate had won at least 25% of the vote in the last election, every Republican candidate in a primary or general election for a House seat from that State would be entitled to receive major party level funding, even though the Republican candidate had not won 25% of the vote in the House race in a particular district in the previous election.

"Party Campaign Account"—a single bank account established by the national committee or a state central committee of a political party for receiving contributions to aid subsidized Congressional candidates.

"Person"—an individual, any form of business association, other organization or group of individuals lawfully entitled to make campaign contributions. An organization and parent, subsidiaries, affiliates and regional branches constitute one "person."

"Personal resources"—funds from the candidate and his immediate family.

"Immediate family"—parents, children, siblings, dependents, spouse, and in-laws.

"State"—D.C., Guam, Puerto Rico, the Virgin Islands and the fifty States. This and other provisions indicate that candidates for Delegate or Resident Commissioner are treated the same as House candidates.

"Voting age population"—the resident population 18 years or older of a State or district, to be certified annually by the Department of Commerce.

Section 4. *Establishing the fund.*

This section tries to make adequate funding available without locking in the Appropriations Committees to its expenditure.

The authorizing legislation, itself, establishes a sizeable fund in the Treasury. However, its transmittal to candidates requires further appropriation legislation.

Section 5. *Establishment of the Board.*

A seven member bipartisan commission is created with staggered six year terms. Members elect a chairman to serve for two years, and the first chairman appoints the staff. Three members comprise a quorum. All members have the status of Executive Schedule Level III, which is the one held by the chairmen of regulatory commissions. The Board makes annual fiscal and operational reports to Congress and to the President.

Section 6. *Board duties and powers.*

Subsection (a) requires the Board to develop appropriate forms, bookkeeping and reporting methods, and a filing and retrieval system. The Board must preserve reports filed with it and keep them available for public inspection.

Subsection (b) directs the Board to consult with the Senate Secretary, the House Clerk, and the Comptroller General in order to utilize *to the greatest extent possible* the reporting and filing and accounting procedures used to comply with the 1971 Campaign Reform Act of 1971. The subsection expressly provides that if possible the Board shall utilize the reports furnished under the 1971 Act and not require additional filings. It might merely obtain copies of such filings from the officers administering the 1971 Act. This eliminates duplication, minimizes paperwork and permits the public and media to familiarize themselves with only one basic reporting system for Senate and for House races.

Subsection (c) directs the Board to conduct a final audit of all subsidized campaigns and report the results. It also authorizes the Board to issue rules and regulations, to require reports and records and to conduct interim reviews. Subsection (d) requires a hearing before any determination that a candidate has received more money from the fund than he was entitled to and must repay it. The same is true with regard to a proceeding for forfeiture of security. The statute of limitations on recouping overpayment is one year.

Subsection (e) gives the Board subpoena power.

Subsection (f) directs the Board to report violations to law enforcement authorities.

*Sections 7–14*—Sections 7 through 14 set forth the basic financing scheme: Section 7 prescribes how one qualifies for subsidy. Section 8 provides the mechanism for payment from the fund. Section 9 prescribes how the candidate may make payments from his separate candidate account. Section 10 states the formula for determining the subsidy to which each candidate is entitled. Section 11 sets the limits on the private monies which can be added to the subsidy. Section 12 limits individual contributions. Section 13 indicates expressly that the amount a candidate may spend equals the sum of this subsidy and the private funds he is permitted to raise. Section 14 provides a special mechanism for larger amounts of aid from political parties. The specific operation and interaction of these sections are as follows:

Section 7. *Eligibility for Assistance.*

Subsection (a) requires filing a sworn statement, a security bond equal to one-fifth of the subsidy to which he is entitled and proof of qualification for the ballot under State law. The statement obligates the candidate to compile the records and reports required and to repay all amounts received from the Fund in excess of that to which he is entitled. He also agrees to forfeit his security if he fails to receive 10% of the vote in the election for which he is receiving assistance. (That is, 10% of all votes cast in his party's primary, or 10% of the vote cast for all candidates in a general election, as the case may be) and to be personally liable for the repayment of all of the subsidies he has received if his vote falls below 5%. A separate sworn statement details the source and amount of contributions received and the campaign expenditures made prior to the date of the application. The candidate must list separately such information for all contributions used to post the security deposit. If the deposit is not forfeited, the Board returns those contributions to the donors.

Subsection (b) prohibits candidates who have previously failed to comply with the Act from receiving further subsidies.

Subsection (c) prohibits candidates from using unrestricted private funding in the primary, i.e., not coming under this Act, and then receiving subsidies in the general election. He must have either received primary subsidies, or not run in a primary, or have been ineligible because he ran unopposed in his party's primary.

Subsection (d) prohibits candidates receiving primary assistance from then running in the general election outside this Act, i.e., with no restriction on private assistance.

Subsection (e) requires prompt notification by the Board that a candidate has qualified and of the amount to which he will be entitled in the primary, and if he is nominated, in the general election.

Section 8. *Payments from the Fund.*

Subsection (a) provides for payment of the subsidy by the Board in approximately equal amounts monthly into an earmarked account in an FDIC bank, during the period beginning at the time of notification of eligibility. Post-election supplements are paid within 30 days of the election.

Subsection (b) provides for payments in unequal amounts upon request and a justification by the candidate.

Subsection (c) provides that, at the time a primary candidate becomes eligible to receive transfers from the Fund, if no other candidate has qualified under state law, the applicant shall initially receive only one-third of the subsidy for which he is eligible in such installments. If prior to the filing deadline, at least one other candidate qualifies under state law, then the Board shall transfer the remaining two-thirds of the applicant's primary subsidy in similar installments.

Subsection (d) requires the Board, if it determines there are insufficient monies in the Fund, to pay each candidate the appropriate subsidy, to so advise the candidates and the Congress with recommendation to the latter of the necessary supplemental appropriation.

Subsection (e) requires the Board in such cases to reduce pro rata the subsidy to each candidate and notify them of the reduction by registered mail. However, the amount which a candidate would then be permitted to raise privately under section 11 would be increased by an amount equal to the reduction in subsidy.

Section 9. *Payment from the Candidate's Account.*

Subsection (a) and (b) require the candidate to establish a single campaign account and to deposit therein all subsidies and contributions received. The Board receives statements identifying the amount and source of all contributions deposited and indicating all withdrawals.

Subsection (b) limits the power to withdraw from this account to the candidate and, at most, three other individuals he designates who also each are responsible for compliance with all provisions of the Act.

Subsection (d) prohibits payment, except staff salaries, for any goods or services without an invoice from the payee and a sworn statement certifying the charges are normal and certification shall be preserved by the candidates for inspection and copies shall be furnished upon request to the Board.

Section 10. *Determination of Amounts Payable.*

The amounts are calculated under a formula of so many cents per voting age resident of the State or House district in question. Subsection (a) provides that a major party primary candidate for Senate nomination would receive the greater of:

10¢ multiplied by the voting age population, or

$75,000

and that a major party candidate in a general Senate election would receive the greater of

15¢ multiplied by the voting age population, or

$150,000

Subsection (b) provides that a major party candidate for nomination to a House seat would receive 14¢ multiplied by the voting age population; a House candidate of major party in the general election would receive 20¢ multiplied by the voting age population.

Since the voting age resident population of most House districts clusters around 300,000 this would mean a typical subsidy of $42,000 in a House primary and a $60,000 subsidy in a general election. A candidate for an at-large House district receives the same subsidies as a Senate candidate from that State.

Subsection (c) provides that a minor party candidate would receive 20% of the amount of subsidy to which the corresponding major party candidate would be entitled under subsections (a) and (b). All other candidates who qualified under State law to be on the ballot would receive a subsidy equal to 10% of the amount for major party candidates.

Subsection (d) provides a post-election "bonus" if a minor party candidate's performance in the instant election is of major party proportions—25% or more of the vote. The extra money would be payable, however, only to the extent the minor party candidate had valid campaign debts outstanding; the bonus would not be available simply for the party's general coffers.

Subsection (d)(2) provides for bonuses to candidates who did not even qualify for minor party status before the election. If their actual showing is 10% they are entitled to a bonus bringing the level of their subsidy up to that of a minor party candidate. If they win 25% of the vote they are entitled to a bonus bringing their total subsidy up to the level of major party candidates. In each case the bonus is subject to the same setoff and valid debt limitations applicable to bonuses for minor party candidates.

Subsection (e) provides for funding in runoff elections. The subsidy shall equal the amount available for the election which precipitated the runoff. However, the determination of whether a candidate has major or minor party status for calculating his subsidy in the runoff shall be based on the vote he received in the precipitating election.

Subsection (f) limits the amount of any subsidy which can be used for campaign salaries to 20%.

Subsection (g) provides for determining the subsidy for a candidate in a newly drawn district.

Subsection (h) provides that primary subsidies may not be used after the primary election and that general election subsidies may not be used to retire primary campaign debts.

Subsection (i) provides a cost of living escalator provision for the amount of subsidies and for the amount of private financing each candidate is permitted to raise.

Section 11. *Limitations on Non-Fund Financing.*

Subsection (a) states that a subsidized candidate may also utilize private resources as specified in this section.

Subsection (b) permits a major party Senate candidate to raise privately:

2¢ multiplied by the voting age population for the primary (with a $35,000 minimum).

3¢ multiplied by the voting age population in the general election (with a $60,000 minimum).

Subsection (c) permits majority party House candidates to raise privately.

3¢ multiplied by the voting age population in the primary

5¢ multiplied by the voting age population in the general election

Subsection (d) provides that subject to certain limitations, a minor party candidate can raise private funds such that the sum of the private funding and the subsidy to which he is entitled equals the total funds available to a corresponding major party candidate.

Section 12. Limitation on individual contributions (a) and (b) limit the amount any person may contribute in any manner to an aggregate of $250 per candidate. That is, amounts one makes available for a primary campaign, or for the candidate's general election campaign, or for his posting security to receive subsidies, or on independent activity undertaken to promote his candidacy are all cumulative with regard to these limits. However one spends the $250—or $100 in a House race—he cannot provide more than $250 worth of support.

The candidate, himself, is permitted to contribute the same amounts to his campaign from his own resources (and those of his immediate family). He is also permitted to contribute an additional $250 to raising the necessary security deposit for his subsidy.

Subsection (c) requires that contribution in excess of the limits permitted be returned or covered into the Fund.

Subsection (d) prohibits contributions made in the name of another.

Subsection (e) makes the limitation applicable to any contribution made before the candidate files for subsidies, as long as they were used for "campaign expenditures." (See Definitions, *supra*) or remain available for campaign expenditures.

Subsection (f) prohibits pooling of the contributions permitted each person N.S. This does not bar an organization from having members contribute, although the organization may only give the candidate $250 from its funds, however they are raised. What this subsection does bar is an organization itself giving $250 from its funds, and also arranging for a continuation of the $250 permitted each of its members as individuals, e.g., arranging for each to pay a $250 portion of the cost of a $1 million television broadcast coordinated by the organization. To permit that would defeat the purpose of the individual limitation on the contributions at the disposal of any single organization.

Section 13. *Limitations on Expenditures.*

Subsection (a) provides that the total expenditures a candidate may utilize in his campaign shall not exceed the sum of the subsidy he may receive under Section 10 and the amount of private funds he may raise under Section 11. This does not mean the candidate may take less than the full subsidy to which he is entitled and then raise proportionately more private funds. Section 11 is a firm limit on private financing. Section 12 simply makes explicit the overall limit.

Subsection (b) provides that if the person expends the $250 contribution to which he is limited by section 11, in the form of truly independent activity—made neither at the request nor in cooperation with the candidate's campaign, but on the contributor's unilateral initiative—then such independent expenditures on the candidate's behalf shall not be counted as part of the total private fund raising permitted the candidate. This prevents anyone from wielding undue influence because of large independent expenditures on the candidate's behalf. But it still permits everyone some form of political expression on behalf of candidates whom they favor without having to obtain the approval of the candidate or be excluded from making any such expression once the candidate has spent his limit.

Section 14. *Political Party Campaign Assistance.*

Subsection (a) permits the state central committee or national committee of a political party to underwrite all or a portion of the private financial assistance permitted subsidized candidates.

Subsections (b) and (c) require the national or state committee to establish a single Party Campaign Account for this purpose, registered with and monitored by the Board. Subsection (d) provides that only contributions expressly made to this Account can be used and no other party funds may be transferred to it, but such contributions may not be earmarked for particular candidates. Contributions to this Account are limited to $250 per person.

Subsection (e) requires a record of deposits and withdrawals from Party Campaign Accounts.

Subsection (f) provides that a committee may only aid its party's nominees and only in the general election. A state committee may only aid such candidates in its state.

Subsection (g) states that each committee may give as much as it chooses to any particular candidate, but it may not give more than the total amount of private funds that candidate is permitted to use under this Act, and it may only give a smaller amount to the extent that the candidate chooses also to receive funds from other private sources.

Subsection (h) provides that contributions under this section are permitted in addition to the contribution allowed each person under section 12.

Section 15. *Enforcement Against Violations.*

Subsection (a) empowers the Board to

seek to prevent actions in violation of the provisions of the Act.

Subsection (b) permits private persons to file complaints of such violations.

Subsection (c) requires the Board to notify the person charged and to investigate.

Subsection (d) requires the Board to hold a public hearing on the record if it finds probable cause a violation has occurred or is about to occur.

Subsection (e) permits the Board to make findings and issue an appropriate order. If the order is not complied with, the Board may institute a civil action. If the Board fails to act or to order a cessation of a violation, or to institute suit for failure to comply with an order, then the private party who filed the complaint with the Board may institute such a suit.

Section 16. *Review of Board Determinations.*

Subsection (a) permits a candidate who is receiving or has applied for subsidy to appeal Board determinations affecting his right to a subsidy or the amount of subsidy, or to challenge the Board's failure to act or any other action.

Subsection (b) requires the Board to review the complaint and hold a prompt hearing.

Subsection (c) permits the aggrieved candidate to seek judicial review, if necessary, of the Board response to his complaint.

Section 17. *Jurisdiction of District Courts.*

Subsection (a) vests jurisdiction in the United States District Courts to hear actions under this Act.

Subsection (b) provides for nationwide service of process in such actions.

Subsection (c) requires that such suits be advanced on the docket to the extent possible.

Section 8. *Penalties.*

Subsection (a) provides that for a willful violation of the individual contribution limitations, or the overall spending limitations, or falsification of information, or misuse of federal subsidies, a person may be punished by a fine of not less than $5,000 nor more than the greater of $50,000 or the full amount of subsidies received, and not less than 6 months nor more than 5 years imprisonment.

Subsection (b) punishes all other violations by a fine of not more than $10,000 or one year's imprisonment, or both.

Subsection (c) then provides that information obtained through such reports and records may only be used, directly or indirectly, in the prosecution of a violation under subsection (a) for falsifying information.

This format is designed to meet a possible constitutional problem of self-incrimination.

Section 19. *State Laws Not Affected.*

This is a general disclaimer of any intent to affect state law except where compliance with state law would constitute a violation of this Act. (It then falls under the Supremacy Clause of the Constitution.)

Section 20. *Relationship to Other Federal Laws.*

This section conforms this bill and prior legislation, particularly requiring a report for purpose of the 1971 Campaign Disclosure Act, of any subsidy received under this Act.

Section 21. *Separability.*

Section 22. *Authorization of Appropriation.*

This section authorizes additional appropriations as needed for subsidies and as needed for administration of this Act.

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By Mr. HUMPHREY:

S. 1955. A bill to provide financial assistance for the construction and operation of neighborhood service centers, and for other purposes. Referred to the Committee on Government Operations.

### THE NEIGHBORHOOD SERVICE CENTERS ACT

Mr. HUMPHREY. Mr. President, I am today introducing legislation to create a system of neighborhood service centers. This legislation would assist in the proper implementation of Government programs by first offering a wide variety of Government assistance and information on Government programs to the residents of the neighborhood, and second, providing the resources to aid in the development of that neighborhood.

Mr. President, government of all levels is now under great pressure from a disenchanted public to make our social programs work. We are told that many programs are ineffective—that they really do not help people. It is to this charge that the Neighborhood Service Centers Act is directed. This act is based on the belief that part of the problem surrounding many programs is the inability of the average citizen to receive prompt, accurate assistance and information from his government.

Today when a citizen needs help or information, or has a complaint concerning government services, his options are truly limited. He can write to Washington or the State capital, or maybe try to call city hall. Instead of the information he seeks, too often what he really gets is the feeling of frustration and helplessness that accompanies an attempt to get information out of a government bureaucracy.

Every day we see more evidence of the growing distrust of the citizen toward his government. In September of last year the University of Michigan's Survey Research Center reported that fully 39 percent of the people distrusted the Government. A major factor contributing to that discontent was a feeling of inability to influence government. A Harris poll taken at the end of 1972 shows similar results—39 percent felt that the "people running the country do not care what happens to people like me," and 46 percent felt that "what I think does not count much." This survey evidence suggests that many people believe that government is often too musclebound—too big to be responsive to the average guy on the street. Government often is isolated—shielded from the people by a massive, inhuman, unreachable bureaucracy. When people find themselves separated from government, good government suffers. When people lose faith in that government, we all suffer.

The Neighborhood Service Centers Act will bring government back into the neighborhoods of this country. It will restore faith in government by making it effective and, above all, accessible. The centers provided for in this act would operate on two levels to realize these goals—first, as a general referral and information clinic, and, second, as a planning and development study center.

In its capacity as an information and service agency, each center would provide the community with a trained staff, bolstered by volunteers from the neighborhood. They would try to help citizens with problems and complaints dealing with Federal, State, and local government services. The information assistant, acting as ombudsman, would either give an answer to the question posed by the citizen, or aid him in contracting the proper agency. Each case would be followed through until satisfactory action was taken. The citizen would have a one-stop source of information about social security, welfare, drug rehabilitation programs, manpower training, education, housing laws, community services, State aid programs, municipal projects, and all the rest. For the first time government assistance would be no farther away than the local service center.

Centers should be located in the heart of the community where government-citizen contact is maximum. These centers are not going to be effective if they are located downtown in the local Federal building or city hall. They have to become part of the living community—as close to the people as possible.

Planning and development is a second function of each center. We have created many programs for our cities and towns, all designed to help solve many serious problems based on our perceptions of general needs. We must now begin to consider the needs of individual neighborhoods.

Programs, whether Federal, State, or local cannot hope to be fully successful if they are not administered according to the needs of individual neighborhoods. Neighborhoods have a character just as people do, so it is only natural that in our efforts to solve our problems, each neighborhood should be treated as an individual case. The plain fact is that if our cities are to survive, our neighborhoods have to survive. A neighborhood focus is therefore essential.

The center's planning staff would engage in an in-depth study of its neighborhood and arrive at recommendations for the improvement of government administration and community development. A coordinated effort among all levels of government, experts in many fields, and members of the community, studying individual community needs would greatly increase program efficiency.

The goals of the planning staff study would include recommendations for future housing, as well as better utilization of present structures; recommendations for retarding community disintegration, both physical and cultural; suggestions for land use; ideas for the improvement of community-based services; recommendations for the general improvement of the health and safety of residents; and coordination and organization of citizen groups to work within the neighborhood. The list of possibilities is endless.

Each center would maintain liason and coordination officers from each government that affect the area. They would be the official links between the government and the people, and would be responsible for passing along to their respective administrations, suggestions for the possible implementation of government programs along guidelines and recommendations set down by the planning staff of the center. They are to be drawn from staff members already at the center.

What this act does is direct the focus of government to a new level. We could call it "street-level government," and neighborhood involvement in the centers is essential to the realization of this goal.

The creation of these Neighborhood Service Centers would be a step forward in our attempt to cure the ills of our Nation's cities and towns.

We could close the gap between government and citizen.

We could improve the effectiveness of our programs by informing the people of the services that are rightfully theirs.

We could improve the efficiency of program administration by providing a channel for public input that would lead right into the heart of Government bureaucracy.

We could let neighborhoods help themselves, and, at the very least, influence their own destiny.

We could find out what our Nation's communities really need.

But most of all, the creation of the centers could restore confidence and trust in a government that has been for far too long, remote, unreachable, and altogether unresponsive to the people it is supposed to represent.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

### S. 1955

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Neighborhood Service Centers Act of 1973."

### FINDINGS

SEC. 2. (a) The Congress finds that the Citizens of the United States do not have adequate and necessary access to information and assistance concerning government programs, be they Federal, State, or local, and at present are faced with the impossible task of securing for themselves the information they desire and need.

(b) The Congress further finds that individual neighborhoods are integral parts of the Nation's cities and towns and must survive if the cities themselves are to survive. Neighborhoods are, therefore, a proper focus for attention and study in the intent of improving government administration and community development.

(c) The Congress further finds that a crisis of public confidence in governmental institutions now exists, and is due in part to the unresponsiveness of public agencies and institutions.

### DECLARATION OF POLICY

SEC. 3. (a) In order to provide a source of information and assistance for the average citizen, to insure the proper implementation and efficient administration of government programs, and to increase the responsiveness of government to the citizen, the Congress declares that it is necessary to establish in the neighborhoods of the Nation's cities and towns, Neighborhood Service Centers. The responsibility of the Centers to be to act as ombudsmen and information clinics, and to give aid in any other way to citizens having questions, problems, or complaints concerning governmental programs of any kind.

(b) The Congress further declares that as neighborhoods are worthy of serious attention, Neighborhood Service Centers should be established to study the community and its immediate area with the purpose of arriving at recommendations for the improvement of government administration in the neighborhood and the fostering of community development.

SEC. 4. As used in this Act—

(1) The term "construction" includes the preparation of drawings and specifications for neighborhood service centers; erecting, building, acquiring, altering, remodeling, renovating, improving, or extending any facilities to be used as a neighborhood service center; and the inspection and supervision of the construction of any such facility, and such term includes interest in land and offside improvements.

(2) The term "neighborhood service centers" means, pursuant to objective criteria prescribed by the Secretary, any facility designed to provide the following services to residents of the community to be served by a center—

(A) information, assistance, and referral services to assist the residents of a community to obtain the benefits of any government assisted program or service.

(B) preparation of a Planning and Development study to make recommendations to all levels of government for the improvement and development of the neighborhood with particular emphasis on future housing schemes, as well as better utilization of present structures; retarding community disintegration, both physical and cultural; land use; community-based services; general improvement of the health and safety of residents; and coordination and organization of citizen groups.

(C) act as a liaison service with educational, cultural, and municipal institutions.

(3) The term "neighborhood" means any portion of any city, municipality, county, or other political subdivision of a State which is large enough to support activities of a neighborhood service center and which has a commonality of interest.

(4) The term "Secretary" means the Secretary of Health, Education, and Welfare.

(5) The term "State" includes in addition to the several States of the Union, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

## TITLE I—CONSTRUCTION GRANTS FOR NEIGHBORHOOD SERVICE CENTERS AUTHORIZATION OF APPROPRIATIONS

SEC. 101. There are authorized to be appropriated for grants for construction of twenty-five (25) public nonprofit neighborhood service centers, $10 million for the fiscal year ending June 30, 1974; $10 million for the fiscal year ending June 30, 1975; and $15 million for the fiscal year ending June 30, 1976.

### BASIC CRITERIA

SEC. 102. As soon as practicable after the enactment of this Act, the Secretary shall prescribe basic citeria to be applied by State agencies in approving applications for assistance under the State plan submitted under section 104. In addition to other matters, such basic criteria shall include—

(1) the requirement that in approving applications, priority shall be given to projects which contribute to an equitable distribution of assistance under this title within each state which shall be developed by him on the basis of consideration of the relative need of the community for neighborhood service centers.

(2) the requirements concerning the establishment and operation by each applicant of a neighborhood service center board in accordance with this title.

### STATE PLANS

SEC. 103. (a) Any State desiring to participate in the program under this title shall submit to the Secretary a State plan at such time, in such manner, and containing or accompanied by such information as he determines necessary. Each State plan shall—

(1) designate or establish a single State agency as the sole agency for the preparation and administration of the plan:

(2) provide assurances that the State agency will assist in establishing and maintaining neighborhood service center boards which meet the requirements of this title;

(3) set forth a program for the construction or renovation of facilities to be used as neighborhood service centers consistent with the basic criteria established under this title;

(4) provide satisfactory assurances that payments under this title will be used only for projects which have been approved by the State agency;

(5) provide for minimum standards for the maintenance and operation of centers receiving financial assistance under this title;

(6) provide procedures for affording each applicant for a construction project for a neighborhood service center an opportunity for a hearing before the State agency;

(7) provide such fiscal control and fund accounting procedures which will be adopted as may be necessary to assure the proper disbursement of and accounting for Federal funds paid to the State (including such funds paid by the State to local applicants) under this title;

(8) provide that the State agency will make such reports in such form and containing such information as the Secretary may from time to time reasonably require, and will keep such records and afford such access thereto as the Secretary may find necessary to assure the correctness and verification of such reports; and

(9) provide that the State agency will from time to time, but not less often than annually, review its State plan and submit to the Secretary any modifications thereof which it considers necessary.

(b) The Secretary shall approve ten (10) State plans and any modification thereof which complies with the provisions of subsection (a). The Secretary shall not finally disapprove a State plan except after reasonable notice and opportunity for a hearing to the State.

### APPROVAL OF PROJECTS

SEC. 104. Neighborhood service centers may receive a grant under this title for any fiscal year only upon application approved by the appropriate State agency upon such agency's determination, consistent with the basic criteria established by the Secretary under section 102. Each such application shall—

(1) describe the project for which assistance is sought;

(2) set forth plans and specifications for the construction of such project;

(3) provide assurance that title to such site is or is suspected to be vested in one or more State agencies submitting the application.

(4) provide reasonable assurance that adequate financial support will be available for the non-Federal share of the cost of construction of such project and for the non-Federal share of the cost of maintainance and operation of the Center;

(5) provide reasonable assurance that all laborers and mechanics employed by contractors or subcontractors in the performance of work on construction of the project will be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a–276a-5); and the Secretary of Labor shall have with respect to the labor standards specified in this paragraph the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 5 U.S.C. 133z–15) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c). (b) The State agency shall not finally disapprove in whole or in part any application for funds under this title without first affording the applicant

reasonable notice and opportunity for a hearing.

NEIGHBORHOOD SERVICE CENTER BOARDS

SEC. 105. (a) Neighborhood Service Centers desiring to apply for funds under this title shall, in accordance with criteria established by the Secretary under this title, establish and maintain a Neighborhood Service Center Board composed of persons who are representative of the neighborhood to be served by such center, members of the staff of such center, and other appropriate specialists. The resident membership of the Board shall be selected by democratic procedures. In no event shall less than one-half of the members of any such Board be persons who are not residents of the community to be served by the center.

(b) The function of each Board shall be to administer funds allocated by the appropriate State agency as determined pursuant to section 103(a)(1), control center operations, establish priorities and develop programs pursuant to proper implementation of section 3 of this act, and all other appropriate duties.

(c) Each Board shall submit to the appropriate State agency its plans not less than 60 days before the plan is to be implemented.

PAYMENTS

SEC. 160. (a)(1) The Secretary shall from time to time pay to each State from its allotment determined by the Secretary pursuant to section 103(b), in advance or otherwise, an amount equal to the Federal share of the cost of plans approved under section 103.

(2) From the funds paid to it pursuant to paragraph (1), each State agency shall distribute to each neighborhood service center which has submitted an application approved pursuant to section 104 the Federal share of the cost of that application, except that the total amount of grants paid under this title for any fiscal year to the neighborhood service centers in such State shall not exceed an amount equal to the allotment for such State for such year.

(3) For each fiscal year, the Federal share shall not exceed 75 percent.

(b)(1) The Secretary is authorized to pay to each State amounts equal to the amounts expended for the proper and efficient performance of its duties under this title, except that the total of such payments in any fiscal year shall not exceed—

(A) 1 percent of the total of the amounts of the grants paid under this title for that year to the neighborhood service centers in the State, or

(B) $75,000, or $25,000 in the case of the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, or the Trust Territory of the Pacific Islands whichever is greater.

(2) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this subsection.

WITHHOLDING

SEC. 107. Whenever the Secretary, after reasonable notice and opportunity for a hearing to any State agency, finds that there has been a failure to comply substantially with any assurance set forth in the State plan approved under section 103, the Secretary shall notify the agency that fund payments will not be made to the State under this title (or, in his discretion, that the State agency shall not make further payments under this title to specified local agencies whose actions or omissions caused or are involved in such failure) until he is satisfied that there is no longer any such failure to comply. Until he is so satisfied, no fund payments shall be made to the State under this title, or payments by the State agencies under this title shall be limited to neighborhood service centers whose actions did not cause or were not involved in the failure, as the case may be.

RECOVERY OF PAYMENTS

SEC. 108. If within one year after completion of construction of a neighborhood service center which has been constructed in part with a grant under this title—the facility ceases to be used as a neighborhood service center pursuant to regulations promulgated by the Secretary, the United States shall be entitled to recover from such applicant (or successor) an amount which bears to the then value of the facility (or so much thereof if as constituted an approved project) the same ratio as the amount of such Federal grant bore to the construction cost of the neighborhood service center financed with such grant. Such value shall be determined by agreement of authorities or by action brought in the United States district court for the district in which such center is situated.

## TITLE II—GRANTS FOR NEIGHBORHOOD SERVICE CENTER ACTIVITIES AUTHORIZATION AND ALLOTMENT

SEC. 201. (a) There are authorized to be appropriated for grants for 10 pilot neighborhood service centers $10 million for the fiscal year ending June 30, 1974; $15 million for the fiscal year ending June 30, 1975; and $20 million for the fiscal year ending June 30, 1976.

(b) Funds appropriated pursuant to subsection (a) of this section shall be allotted to the extent practicable in the same manner and upon the same conditions as provided in section 103(b) of this Act.

SEC. 202. No State agency may approve applications for grants for neighborhood service center activities pursuant to this title unless the applicant is carrying out such activities in a neighborhood service center assisted under a State plan approved under title I of this Act.

STATE PLAN PROVISION

SEC. 203. (a) Any State desiring to participate in a grant program authorized under this title shall submit an amendment to the State plan required under title I of this Act. Each such amendment shall—

(1) describe the activities to be conducted at neighborhood service centers for which assistance is sought under this Act, including, if necessary, the time in which such activities can reasonably be expected to be furnished to residents after construction is completed;

(2) provide procedures for affording each applicant for assistance under this title an opportunity for a hearing before the appropriate State agency;

(3) provide for such fiscal control and fund accounting procedures as may be necessary to assure the proper disbursement of and accounting for Federal funds paid to the State (including such funds paid by the States to local applicants) under this title;

(4) provide that the State agency will make such reports in such form and containing such information as the Secretary may from time to time reasonably require for the purpose of this title, and will keep such records and afford such access thereto as the Secretary may find necessary to assure the correctness and verification of such reports.

(b) The Secretary shall approve amendments to State plans submitted under this section if the amendment meets the requirements set forth in subsection (a).

PAYMENTS

SEC. 204. (a)(1) The Secretary shall from time to time pay to each State from its allotments determined pursuant to section 201(b), an amount equal to the Federal share of the cost of activities of neighborhood service centers to be assisted pursuant to the amendment to the State plan under section 202.

(2) From the funds paid to it pursuant to paragraph (1), each State agency shall distribute to each neighborhood service center the Federal share of the cost of such activities which it has approved, except that the total amount of grants paid under this title for any fiscal year to the neighborhood service centers in such State shall not exceed an amount equal to the allotment for such State for such year.

(3) For each fiscal year, the Federal share shall not exceed 75 percent.

(b) Payments under this title may be made in advance or by way of reimbursement and in such installments as the Secretary may determine necessary.

WITHHOLDING

SEC. 205. Whenever the Secretary, after reasonable notice and opportunity for a hearing to any State agency, finds that there has been a failure to comply substantially with any assurance set forth in the State plan as approved, the Secretary shall notify the agency that fund payments will not be made to the State under this title (or, in his discretion, that the State agency shall not make further payments under this title to specified centers whose actions or omissions caused or are involved in such failure) until he is satisfied that there is no longer any such failure to comply. Until he is so satisfied, no fund payments shall be made to the State under this title, or payments by the State agencies under this title shall be limited to neighborhood service centers whose actions did not cause or were not involved in the failure, as the case may be.

## ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 237

At the request of Mr. ROBERT C. BYRD (for Mr. MANSFIELD), the Senator from Montana (Mr. METCALF) was added as a cosponsor of S. 237, a bill to authorize the Secretary of the Interior to convey certain lands to August Sobotka and Joseph J. Tomalino of Intake, Mont.

S. 775

At the request of Mr. EAGLETON, the Senator from Iowa (Mr. CLARK) was added as a cosponsor of S. 775, to amend the Public Health Service Act to provide for the establishment of a National Institute on Aging.

S. 909

At the request of Mr. HOLLINGS, the Senator from New Jersey (Mr. CASE) was added as a cosponsor of S. 909, amending the Federal Property and Administrative Services Act of 1949 to permit donations of surplus Federal property to State and local public recreation agencies.

S. 1064

At the request of Mr. BURDICK, the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 1064, the judicial disqualification bill.

S. 1348

At the request of Mr. BROCK, the Senator from Maryland (Mr. BEALL), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Maine (Mr. MUSKIE), and the Senator from Ohio (Mr. TAFT), were added as cosponsors of S. 1348 to provide for the establishment of safety standards for mobile homes.

S. 1446

MEDICAL DEVICE SAFETY ACT

Mr. DOLE. Mr. President, I wish to announce today my cosponsorship of S. 1446, the "Medical Device Safety Act," which would amend the Federal Food, Drug, and Cosmetic Act to assure the safety and effectiveness of medical devices. The legislation would provide important protection not guaranteed to consumers today by authorizing the Secretary of Health, Education, and Welfare, acting with the advice and assistance of outside medical experts, to establish mandatory safety standards for potentially hazardous medical devices, and to require those devices used in life-threatening situations to undergo scientific review and be approved for safety and efficacy before they are marketed.

Such legislation clearly is needed to close the gaps in FDA's enforcement authority in this area. The shortcomings in FDA's enforcement tools provided under present law make possible lengthy delays frustrating prompt agency action to improve hazardous medical devices or remove them from the market. Even the most notorious of quack devices at present too often contribute to months and even years of needless harm and even death to consumers while the FDA is bogged down in court battles which it must win before it can take decisive action.

The Medical Device Safety Act is the outgrowth of thorough investigation into the appropriate regulatory framework for medical devices by a task force of the Secretary of Health, Education, and Welfare, undertaken at the specific direction of the President. This bill would provide solutions for the problems posed by medical devices while not stifling their promise for mankind.

#### S. 1500

At the request of Mr. ROBERT C. BYRD, the Senator from Iowa (Mr. HUGHES), the Senator from North Carolina (Mr. ERVIN), and the Senator from New Jersey (Mr. WILLIAMS) were added as cosponsors of S. 1500, to establish the Federal Bureau of Investigation as an independent agency of the executive branch of the Government.

#### S. 1610

At the request of Mr. MOSS, the Senators from Rhode Island (Mr. PASTORE and Mr. PELL), the Senator from Alaska (Mr. GRAVEL), the Senator from Iowa (Mr. HUGHES), the Senator from Indiana (Mr. BAYH), the Senator from New Mexico (Mr. DOMENICI), and the Senator from Michigan (Mr. HART) were added as cosponsors of S. 1610, to require the installation of airborne, cooperative collision avoidance systems on certain civil and military aircraft, and for other purposes.

#### S. 1625

At the request of Mr. TAFT, the Senator from Tennessee (Mr. BAKER) was added as a cosponsor of S. 1625, to extend until November 1, 1978, the existing exemption of the steamboat *Delta Queen* from certain vessel laws.

#### S. 1686

At the request of Mr. DOMINICK, the Senator from Nevada (Mr. BIBLE) was added as a cosponsor of S. 1686, the Civilian Science and Technology Act of 1973.

#### S. 1813

At the request of Mr. DOMINICK, the Senator from Texas (Mr. TOWER), and the Senator from Florida (Mr. GURNEY) were added as cosponsors of S. 1813, relating to the impact aid program.

#### S. 1829

At the request of Mr. MAGNUSON, the Senator from New Hampshire (Mr. COTTON) was added as a cosponsor of S. 1829, to amend section 14 of the National Gas Act in order to direct the FPC to make certain studies.

#### S. 1831

At the request of Mr. CURTIS, the Senator from Wyoming (Mr. HANSEN), the Senator from South Carolina (Mr. THURMOND), and the Senator from Texas (Mr. TOWER) were added as cosponsors of S. 1831, to amend title XIX of the Social Security Act.

#### S. 1868

At the request of Mr. HUMPHREY, the Senator from Oregon (Mr. PACKWOOD) was added as a cosponsor of S. 1868, a bill to amend the United Nations Participation Act of 1945 to halt the importation of Rhodesian chrome and to restore the United States to its position as a law-abiding member of the international community.

#### S. 1903

At the request of Mr. HOLLINGS, the Senator from Illinois (Mr. PERCY) was added as a cosponsor of S. 1903, to regulate commerce and conserve gasoline by improving motor vehicle fuel economy, and for other purposes.

## ADDITIONAL COSPONSORS OF RESOLUTION

#### S. RES. 115

At the request of Mr. BROOKE, the Senator from South Carolina (Mr. HOLLINGS), the Senator from North Carolina (Mr. ERVIN), the Senator from Nevada (Mr. CANNON), the Senator from Wisconsin (Mr. NELSON), the Senator from Florida (Mr. CHILES), the Senator from Delaware (Mr. BIDEN), the Senator from Idaho (Mr. CHURCH), the senior Senator from Missouri (Mr. SYMINGTON), and the junior Senator from Missouri (Mr. EAGLETON) were added as cosponsors of Senate Resolution 115, a tribute to the members of the Armed Forces who are missing in action in Indochina.

## AGRICULTURE AND CONSUMERS PROTECTION ACT OF 1973—AMENDMENTS

#### AMENDMENT NO. 199

(Ordered to be printed, and to lie on the table.)

Mr. HELMS submitted an amendment, intended to be proposed by him, to the bill (S. 1888) to extend and amend the Agricultural Act of 1970 for the purpose of assuring consumers of plentiful supplies of food and fiber at reasonable prices.

#### AMENDMENT NO. 200

(Ordered to be printed, and to lie on the table.)

Mr. MOSS submitted an amendment, intended to be proposed by him, to Senate bill 1888, supra.

#### AMENDMENT NO. 201

(Ordered to be printed, and to lie on the table.)

#### AMENDMENT TO PLUG LOOPHOLES IN FARM PAYMENT LIMITATION

Mr. MOSS. Mr. President, I submit an amendment and ask that it be printed and lie on the table.

I believe we have a very good farm bill before us, and I commend the distinguished Senator from Georgia and the entire Agricultural and Forestry Committee which he heads for this fine piece of legislation. The new target-price concept will be a boost to farmers throughout America.

I do believe, however, that the portion of the bill dealing with payment limitations needs further modification. That is the purpose of my amendment.

The question raised by my amendment is simple: Does Congress really want to say that huge Federal handouts to wealthy farmers must be stopped? Or do we continue to pretend that such a limit has been enacted, when we know that loopholes allow fat payments to flow into the pockets of absentee landlords, hobby farmers, and well-to-do agribusiness?

We must say "no" to this practice. I believe Congress intended to enact a solid lid on farm payments in 1970. The intent of Congress was to save the taxpayers of America millions of dollars in farm subsidies handed out to wealthy operators—not small farmers.

My amendment will be necessary no matter what happens to the proposals to reduce the present payment limitation from $55,000 to $20,000 or to any other figure.

The amendment applies to income supplements—not to compensation for resource adjustment, access for recreation, or to the recourse loan program—and would begin operation with the new bill.

Studies by both GAO and the Department of Agriculture firmly conclude that the 1970 payment limitation of $55,000 "caused no significant reduction in the total amount of 1971 cotton, feed grains, and wheat expenditures." Only $2.2 million in 1971 and $2.8 million in 1972, nationwide, were saved out of an estimate of $58 to $68 million possible savings.

Loopholes in the limitation regulations allow individuals to receive payments far exceeding the payment limit. This amendment would plug the main loopholes which allow leasing of allotments and land for excessive payments.

I ask that my amendment be printed at this point in the RECORD, to be followed by a brief question and answer sheet.

There being no objection, the amendment and statement were ordered to be printed in the RECORD, as follows:

On page 1, line 5, insert the following: strike out "101(1)" and insert "101".

On page 1, line 6, insert "in paragraph (1)" immediately before and "and".

On page 1, line 7, strike out "and".

On page 2, at the end of line 3, add a comma and the word "and".

On page 2, between lines 3 and 4, insert the following:

(C) adding at the end thereof a new subsection as follows:

"(5) In any case in which the owner or operator of a farm leases any portion of the farm or any portion of the acreage allotment for the farm to one or more persons, the payment limitation prescribed by this section shall apply in the same manner as if the leasor had not leased such portion of the farm or acreage allotment, except that such limitation may be applied by the Secretary on a pro rata basis (or other basis specified by the leasor) between the leasor and leasee or leasees. In no event may the total payments made with respect to the portion of the acreage or acreage allotment, as the case may be, retained by the leasor and the portion of the acreage or acreage allotment leased by the leasor exceed the total payment limitation established by this section. Nothing in this paragraph shall be construed to authorize the payment to any person of any amount in excess of the payment limitation established in this section. The provisions of this subsection shall not apply to leasing arrangements entered into prior to the date of enactment of the Agriculture and Consumer Protection Act of 1973."

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### QUESTION AND ANSWERS

#### PAYMENT LIMITATIONS

1. How much money will be saved with the present $55,000 limit with the proposed amendment?

Department of Agriculture study page 10, exhibit 2: 1971 cotton payments decreases on farm operations of producers who received more than $55,000 in 1970

(In millions)

| | |
|---|---|
| Programs changes | $22.0 |
| Payment decrease due to change in operations: | |
| (a) Temporary lease of allotments away from farm operations | 18.8 |
| (b) Producer reduced acreage leased to farm, added partners, changed leases, etc | 21.8 |

*Potential Savings:* $20–30 million.

2. How many changes took place in farming operations by producers who received more than $55,000 in 1970? USDA Study Page 11:

| | |
|---|---|
| Total changes for 1971 | 1,184 |
| (a) allotments transfers | 510 |
| (b) revised cash or share lease arrangements | 126 |
| (c) reduced size of farm | 550 |
| (d) forming partnership | 216 |
| (e) farming corporation | 61 |

3. How will the amendment make the $55,000 limit more effective? How will it work?

No payment to an existing allotment could receive more than $55,000.

If allotments are leased, the sum total of payments to the lessor and lessee could not exceed the $55,000 limitation.

Lessee would still be able to get full amount under any loan program.

More allotments and land would probably be sold outright which would increase the number of farm operations and decrease the size of the larger farms.

4. What products would be affected?

Same as present bill—upland cotton, feed grains, and wheat.

5. When would the amendment with its new regulations become effective?

The amendment does not need to be retroactive to be effective, since most leases end this year. It would become effective when the 1970 program expires. Any prior agreements or partnerships between producers would remain in effect unless terminated through provisions in the 1970 or 1973 bill.

6. Will compensation for resource adjustment or public access still be excluded?

Yes. Only income supplement will be affected or limited.

### AMENDMENT NO. 202

(Ordered to be printed, and to lie on the table.)

Mr. MOSS. Mr. President, the bill before us is entitled the Agriculture and Consumer Protection Act. The amendment which I submit has to do with consumer protection. It applies to the processor and vendors of food products.

I ask unanimous consent that the text of my amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

On page 51, line 16, strike out the words "This Act" and in lieu thereof insert the following: "Section 1 of this Act".

At the end of the bill add a new section as follows:

SEC. 3. (1) This section may be cited as the "Food Labeling Act of 1973".

(2) (A) The Fair Packaging and Labeling Act (15 U.S.C. 1451–1461) is amended as follows—

(i) by inserting "TITLE I—FAIR PACKAGING AND LABELING" immediately above the heading of section 2;

(ii) by redesignatiing sections 2 through 5 as sections 101 through 104, respectively;

(iii) by striking out "section 3" in section 103(a) (as designated by clause (ii) of this section) and inserting in lieu thereof "section 102";

(iv) by striking out "section 3" in section 103(b) (as redesignated by clause (ii) of this section) and inserting in lieu thereof "section 103";

(v) by striking out "section 4" and "section 2" in section 104(b) (as redesignated by clause (ii) of this section) and inserting in lieu thereof "section 103" and "section 101", respectively;

(vi) by striking out "section 4" in section 104(c) (as redesignated by clause (ii) of this section) and inserting in lieu thereof "section 103"; and

(vii) by adding immediately after section 104 (as redesignated by clause (ii) of this section) the following new titles:

### "TITLE II—LABELING OF FOOD PRODUCTS TO DISCLOSE INGREDIENTS

#### UNLAWFUL ACTIVITIES

"SEC. 201. (a) It shall be unlawful for any person engaged in the packaging or labeling of any food product for distribution in commerce, or for any person (other than a common carrier for hire, a contract carrier for hire, or a freight forwarder for hire) engaged in the distribution in commerce of any packaged or labeled food product, to distribute or to cause to be distributed in commerce any such product if it is contained in a package, or if there is affixed to that product a label which does not conform to the provisions of this title and regulations promulgated under the authority of this title.

"(b) The prohibition contained in subsection (a) shall not apply to persons engaged in business as wholesale or retail food distributors except to the extent that such persons (1) are engaged in the packaging or labeling of such food, or (2) prescribe or specify by any means the manner in which such food is packaged or labeled.

#### INGREDIENT LABELING PROGRAM

"SEC. 202. No person subject to the prohibition contained in section 301 shall distribute or cause to be distributed in commerce any packaged or labeled food product except in accordance with regulations which shall be prescribed by the Secretary of Commerce pursuant to this title. Such regulations shall require that any food product distributed in interstate commerce bear a label containing a statement specifying all the ingredients contained in such food products in the order of their predominance, that the label on such product appear in a uniform location on the package and that such label—

"(1) appear in conspicuous and easily legible type in distinct contrast (by typography, layout, color, embossing, or molding) with other matters on the package;

"(2) contain letters or numerals in type size which shall be (A) established in relationship to the area of the principal display found on the package, and (B) uniform for all packages of substantially the same size; and

"(3) be placed so that the lines of printed matter included in that statement are generally parallel to the base on which the package rests as it is designed to be displayed.

### "TITLE III—NUTRITIONAL LABELING OF FOOD PRODUCTS

#### "DEFINITIONS

"SEC. 301. For the purpose of this title—

"(1) The term 'nutritional value' means the amount of nutrients contained in the food expressed in terms of the relationship of the amount of each nutrient contained in such food to the total recommended daily requirement of each such nutrient required to maintain a balanced diet as determined by the Secretary of Health, Education, and Welfare.

"(2) The term 'nutrient' includes protein, vitamin A, B vitamins (thiamin, riboflavin, niacin), vitamin C, vitamin D, carbohydrate, fat, calories, calcium, iron, and such other nutrients as may be prescribed by regulation.

#### "UNLAWFUL ACTIVITIES

"SEC. 302. (a) It shall be unlawful for any person engaged in the packaging or labeling of any food product for distribution in commerce or for any person (other than a common carrier for hire, a contract carrier for hire, or a freight forwarder for hire) engaged in the distribution in commerce of any packaged or labeled food product, to distribute or to cause to be distributed in commerce any such product if it is contained in a package, or if there is affixed to that product a label which does not conform to the provisions of this title and regulations promulgated under the authority of this title.

"(b) The prohibition contained in subsection (a) shall not apply to persons engaged in business as wholesale or retail food distributors except to the extent that such persons (1) are engaged in the packaging or labeling of such food, or (2) prescribe or specify by any means the manner in which such food is packaged or labeled.

#### "LABELING REQUIREMENTS

"SEC. 303. (a) No person subject to the prohibition contained in section 302 shall distribute or cause to be distributed in commerce any packaged or labeled food product except in accordance with regulations which shall be prescribed by the Secretary of Commerce pursuant to this title. Such regulations shall require that any food product distributed in interstate commerce bear a label containing a statement specifying the nutritional value of the food product contained therein, that the label on such commodity appear in a uniform location on the package, and that such label—

"(1) appear in conspicuous and easily legible type in distinct contrast (by typography, layout, color, embossing, or molding) with other matters on the package;

"(2) contain letters or numerals in type size which shall be (A) established in relationship to the area of the principal display found on the package, and (B) uniform for all packages of substantially the same size;

"(3) be placed so that the lines of printed matter included in that statement are generally parallel to the base on which the package rests as it is designed to be displayed; and

"(4) bear a statement of the nutritional value of each serving if the label appears on a packaged food product which bears a representation as to the number of servings of the food product contained in the package.

"(b) The Secretary may by regulations require additional or supplemental words or phrases to be used in conjunction with the statement of nutritional value appearing on the label whenever he determines that such regulations are necessary to prevent the deception of consumers or to facilitate value comparisons as to any food product. Nothing in this subsection shall prohibit supplemental statements, which are not misleading or deceptive, at other places on the package, describing the nutritional value of the food product contained in such package.

### "TITLE IV—LABELING REQUIREMENTS FOR PERISHABLE AND SEMIPERISHABLE FOODS

### "DEFINITIONS

"SEC. 401. For purposes of this title—

"(1) the term 'food' has the meaning prescribed for that term by section 201 of the Federal Food, Drug, and Cosmetic Act, except that such term does not include any fresh fruit or vegetable.

"(2) The term 'perishable or semiperishable food' means any food which the Secretary determines has a high risk of any of the following as it ages:

"(A) spoilage;

"(B) significant loss of nutritional value; or

"(C) significant loss of palatability.

"(3) The term 'expiration date' means the last date on which a perishable or semiperishable food can be consumed without a high risk of spoilage or significant loss of nutritional value or palatability.

### "LABELING REQUIREMENTS FOR PERISHABLE AND SEMIPERISHABLE FOODS

"SEC. 402. (a) No person who manufactures or packages a perishable or semiperishable food in the form in which it is sold by retail distributors to consumers may distribute (or cause to be distributed) in commerce for purposes of sale a perishable or semiperishable food packaged by him in such form unless he has, in accordance with the requirements of subsection (f), labeled such packages to show (1) the expiration date of such food, and (2) the optimum temperature and humidity conditions for its storage by the ultimate consumer.

"(b) No person engaged in business as a retail distributor of any packaged perishable or semiperishable food subject to the provisions of subsection (a) may sell, offer to sell, or display for sale such food unless the food's package is labeled in accordance with this title.

"(b) No person engaged in business as a retail distributor of any packaged perishable or semiperishable food may sell, offer to sell, or display for sale any such food whose expiration date, as specified on its package's label has expired.

"(d) No person engaged in the business of manufacturing, processing, packing, or distributing perishable or semiperishable foods may place packages of such foods, labeled in accordance with subsection (a), in shipping containers or wrappings unless such containers or wrappings are labeled by him, in accordance with regulations of the Secretary, to show the expiration date on the labels of such packages.

"(e) No person may change, alter, or remove, before the sale of a packaged perishable or semiperishable food to the ultimate consumer, any expiration date required by this section to be placed on the label of such food's package or shipping container or wrapping.

"(f)(1) The expiration date and the storage instructions required to be on the label of a packaged perishable or semiperishable food under subsection (a) shall be determined in the manner prescribed by regulations of the Secretary.

"(2) An expiration date shall, in accordance with regulations of the Secretary—

"(A) be (i) in the case of the month contained in the expiration date, expressed in the commonly used letter abbreviations for such month, and (ii) otherwise expressed in such combination of letters and numbers as will enable the consumer to readily identify (without reference to special decoding information) the day, month, or year, as the case may be, comprising the expiration date; and

"(B) be separately and conspicuously stated in a uniform location upon the principal display panel of the label required under subsection (a).

"(3)(A) Any regulation under paragraph (1) prescribing the manner in which expiration dates for a packaged perishable or semiperishable food shall be determined may include provisions—

"(i) prescribing the time periods to be used in determining the expiration dates for such food,

"(ii) prescribing the data concerning such food (and the conditions affecting it before and after its sale to the consumer) to be used in determining its expiration dates, or

"(iii) permitting a person engaged in the business of manufacturing, processing, packaging, or distributing such food to determine its expiration dates using such time periods and data as such person considers appropriate.

"(B) If such regulation includes provisions described in subparagraph (A)(iii) of this paragraph, such regulation shall also contain—

"(i) such provisions as may be necessary to provide uniformity, where appropriate, in the time periods used in expiration date determinations; and

"(ii) provisions for regular review by the Secretary of the expiration date determinations and the time periods and data upon which they are based.

### "PENALTIES AND INJUNCTIONS

"SEC. 403. (a) Any person who knowingly or willfully violates any provision of section 402, or any regulation made thereunder, shall be imprisoned for not more than one year or fined not more than $5,000, or both; except that if any person commits such a violation after a conviction of him under this subsection has become final, or commits such a violation with the intent to defraud or mislead, such person shall be imprisoned for not more than three years or fined not more than $25,000, or both.

"(b) Any packaged perishable or semiperishable food that is distributed in violation of section 402 or any regulation made thereunder shall be liable to be proceeded against at any time on libel of information and condemned in any district court of the United States within the jurisdiction of which such packaged food is found. Section 504 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 334) (relating to seizures) shall apply with respect to proceedings brought under this subsection and to the disposition of packaged foods subject to such proceedings.

"(c)(1) The United States district courts shall have jurisdiction, for cause shown, to restrain violations of section 402 and regulations made thereunder.

"(2) In any proceeding for criminal contempt for violation of any injunction or restraining order issued under this subsection, which violation also constitutes a violation of section 402 or a regulation made thereunder, trial shall be by the court or, upon demand of the accused, by a jury. Such trial shall be conducted in accordance with the practice and procedure applicable in the case of proceedings subject to the provisions of rule 42 (b) of the Federal Rules of Criminal Procedure.

"(d)(1) Actions under subsection (a) or (c) of this section may be brought in the district wherein any act or transaction constituting the violation occurred, or in the district wherein the defendant is found or is an inhabitant or transacts business, and process in such cases may be served in any other district of which the defendant is an inhabitant or wherever the defendant may be found.

"(2) In any actions brought under subsection (a) or (c) of this section, subpenas for witnesses who are required to attend a United States district court may run into any other district."

(3)(A) The Fair Packaging and Labeling Act is further amended by inserting "TITLE V—GENERAL PROVISIONS" above the heading for section 6, and by redesignating sections 6 through 13 as sections 501 through 508, respectively.

(B) Section 501(a) of such Act (as redesignated by subsection (3)A) of this section) is amended by striking out "section 4 or section 5 of this Act" in subsections (a) and (b) and inserting in lieu thereof "section 103, 104, 202, 303, or 402 of this Act".

(C) Section 502(a) of such Act (as redesignated by subsection (3)A) of this section) is amended by striking out "section 3 of this Act," and inserting in lieu thereof "section 102, 201, or 302 of this Act. The provisions of this subsection shall not apply with respect to title IV."

(D) Section 502(c) of such Act (as redesignated by subsection (3)(A) of this section) is amended by striking out "sections 4 and 5" and inserting in lieu thereof "sections 103, 104, 202, 303, or 402".

(E) Section 503 of such Act (as redesignated by subsection (3)(A) of this section) is amended by striking out "section 5(d) and inserting in lieu thereof "section 104(d)".

(F) Section 505 of such Act (as redesignated by subsection (3)A) of this section) is amended by adding at the end thereof the following:

"g) The terms 'food' and 'food product' mean any article used for food or drink for man or other animals, and any article used as a component of such article."

(G) Section 507 of such Act (as redesignated by subsection (3)(A) of this section) is amended to read as follows:

"SEC. 507. It is the express intent of Congress to supersede any and all laws of the States or political subdivisions thereof insofar as they may provide for (1) the labeling of the net quantity of contents of the package of any consumer commodity as provided in title I of this Act; (2) the labeling of the ingredients contained in food products as provided in title II of this Act, (3) the labeling of the nutritional value of food products as provided in title III of this Act; (4) the labeling of perishable and semiperishable foods as provided in title IV of this Act, which are less stringent than or require information different from the requirements of the appropriate title or regulations promulgated pusuant to such title."

(H) Section 508 of such Act (as redesignated by subsection (3)(A) of this section) is amended by striking "This" and inserting in lieu thereof "(a) Except as provided in subsection (b), this"; and by adding at the end thereof a new subsection as follows:

"(b) The provisions of title II, III, and IV shall become effective twelve months after the date of enactment of such title."

### AMENDMENTS NOS. 204 THROUGH 206

(Ordered to be printed, and to lie on the table.)

Mr. CLARK submitted three amendment, intended to be proposed by him, to Senate bill 1888, supra.

### AMENDMENT NO. 207

(Ordered to be printed, and to lie on the table.)

Mr. MATHIAS submitted an amendment, intended to be proposed by him, to Senate bill 1888, supra.

### AMENDMENT NO. 208

(Ordered to be printed, and to lie on the table.)

Mr. AIKEN (for himself, Mr. HUMPHREY, and Mr. DOLE) submitted an amendment, intended to be proposed by them, jointly, to Senate bill 1888, supra.

### AMENDMENT OF COMMUNICATIONS ACT OF 1934—AMENDMENT

#### AMENDMENT NO. 203

(Ordered to be printed, and referred to the Committee on Rules and Administration.)

Mr. KENNEDY submitted an amendment, intended to be proposed by him, to the bill (S. 372) to amend the Communications Act of 1934 to relieve broadcasters of the equal time requirement of section 315 with respect to Presidential and Vice Presidential candidates and to amend the Campaign Communications Reform Act to provide a further limitation on expenditures in election campaigns for Federal elective office.

### ADDITIONAL COSPONSORS OF AMENDMENTS

#### AMENDMENT NO. 98 TO S. 1248

At the request of Mr. EAGLETON, the Senator from California (Mr. TUNNEY) was added as a cosponsor of amendment No. 98 to S. 1248, the State Department authorization bill.

#### AMENDMENT NO. 136 TO H.R. 3153

At the request of Mr. CURTIS, the Senator from Wyoming (Mr. HANSEN), the Senator from South Carolina (Mr. THURMOND), and the Senator from Texas (Mr. TOWER) were added as cosponsors of amendment No. 136 to H.R. 3153, to amend the Social Security Act to make certain technical and conforming changes.

#### AMENDMENT NO. 155 TO S. 1888

At the request of Mr. BAYH, the Senator from Iowa (Mr. CLARK), the Senator from Connecticut (Mr. RIBICOFF), the Senator from New Mexico (Mr. MONTOYA), and the Senator from New Jersey (Mr. WILLIAMS) were added as cosponsors of amendment No. 155, intended to be proposed by Mr. BAYH to S. 1888, the Agriculture and Consumer Protection Act of 1973.

### NOTICE CONCERNING NOMINATION BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary: Victor R. Ortega, of New Mexico, to be U.S. attorney for the District of New Mexico for the term of 4 years (reappointment).

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Wednesday, June 13, 1973, any representations or objections they may wish to present concerning the above nomination, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

### ANNOUNCEMENT OF OPEN HEARINGS BY SUBCOMMITTEE ON PARKS AND RECREATION, SENATE INTERIOR AND INSULAR AFFAIRS COMMITTEE

Mr. BIBLE. Mr. President, I wish to announce for the information of the Senate and the public that open hearings have been scheduled by the Subcommittee on Parks and Rereation at 10 a.m. on June 26, 1973, in room 3110, Dirksen Senate Office Building, on the following bill: S. 1638, to authorize the Secretary of the Interior to make certain Federal lands available to State and local governments for park and recreation purposes.

### NOTICE OF HEARING ON S. 1786

Mr. JACKSON. Mr. President, I wish to announce that the Subcommittee on Indian Affairs will conduct an open public hearing on S. 1786, the "National Indian Goals and Progress Act," on June 12, 1973.

The primary purpose of the proposed measure is to require the Bureau of Indian Affairs and the Indian Health Service to come before Congress and obtain periodic authorizations for their appropriations. Historically, these two Federal agencies have obtained appropriations for various programs and administrative purposes through open-ended authorizations. This situation has prevented Congress from fulfilling its oversight function over the activities of these two agencies.

S. 1786 would correct these deficiencies and would provide the substantive legislative committees of Congress an opportunity to measure yearly stated goals, objectives, and priorities of the two agencies against actual performance.

The hearing will commence at 9 a.m. and will be held in room 3110 Dirksen Senate Office Building.

### NOTICE OF RESCHEDULING OF HEARINGS ON S. 1463 AND S. 1678

Mr. BURDICK. Mr. President, on behalf of the Subcommittee on National Penitentiaries of the Committee on the Judiciary, I announce that the hearings on S. 1463 and S. 1678, previously scheduled for May 15 and May 22 will be held on June 13, 1973, at 9 a.m. in room 457, Russell Senate Office Building. Anyone wishing to testify should contact the subcommittee at extension 225-8994.

## ADDITIONAL STATEMENTS

### SUMMER JOBS FOR YOUTH

Mr. SYMINGTON. Mr. President, since 1965 low-income teenagers in cities throughout the country have been given employment opportunities through the Neighborhood Youth Corps summer jobs program.

This year, however, the administration proposed that most of the Federal funds to finance such summer jobs be allocated from appropriations for the public employment program, an entirely separate program designed to deal with severe unemployment by providing transitional public service jobs for adults.

As an example of the effect of the administration plan, St. Louis, the largest city in our State of Missouri, would be able to provide only about 3,700 summer jobs for needy youths, a reduction of over 4,300 jobs as compared to the 1972 summer Neighborhood Youth Corps program. In addition, the entire St. Louis program of public service employment is threatened.

To better meet our cities' needs with respect to summer youth employment, the Senate last week approved an amendment to the supplemental appropriations bill for fiscal 1973 increasing the allocation for this summer and thus creating a total of 740,222 summer jobs for low-income youths, of which almost 10,000 would be in Missouri.

On May 23, the Missouri House of Representatives approved a resolution expressing support for this amendment and pointing out the importance of the Neighborhood Youth Corps summer jobs program.

I ask unanimous consent that the text of this resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

#### RESOLUTION

Whereas, the Missouri House of Representatives is aware of the extreme shortage of funds which have thus far been appropriated by Congress to provide summer employment for urban youth seeking jobs; and

Whereas, there is currently pending in Congress an amendment to the Labor Department's budget which would provide funds for programs to assure jobs for youth during the summer session; and

Whereas, in past years the Neighborhood Youth Corps and other agencies have provided several thousand summer jobs to young men and women in the greater St. Louis area and proportionate numbers of jobs in other major metropolitan areas of Missouri; and

Whereas, it is estimated that no more than three thousand jobs can be funded this year due to a lack of money from the federal government unless the above-mentioned amendment receive a favorable vote in Congress; and

Whereas, it is the sense of the Missouri House of Representatives that without an adequate job program, serious repercussions may result and be manifest in an increase of juvenile delinquency and crime in general;

Now, therefore, be it resolved by the Missouri House of Representatives of the Seventy-seventh General Assembly that Congress be memorialized to provide the funds for summer jobs sought by the above-mentioned amendment; and

Be it further resolved that the Chief Clerk of the House of Representatives be instructed to send suitably inscribed copies of this resolution to each member of Missouri's Congressional Delegation.

### THE RIGHT TO KNOW

Mr. PERCY. Mr. President, S. 1914, to provide for the establishment of a board for international broadcasting and to authorize continuation of assistance to Radio Free Europe and Radio Liberty, was inspired by the splendid report of the Presidential Study Commission on International Radio Broadcasting, headed by Dr. Milton S. Eisenhower.

This report makes the case for continuing the radio stations in the interest of détente, since freer exchange of information is a precondition for genuine, long-term accommodation between East and West.

Today, without objection, I ask unanimous consent to have printed in the RECORD the section of the Commission's report which is entitled "International Broadcasting in the World Today." I believe it will be of great interest to my colleagues as they study S. 1914. Joining with Mr. HUMPHREY and me in cosponsoring S. 1914 are Mr. BROOKE, Mr. BUCKLEY, Mr. GRIFFIN, Mr. JAVITS, Mr. MATHIAS, and Mr. STEVENS.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

### INTERNATIONAL BROADCASTING IN THE WORLD TODAY

To an American acquainted only with medium-wave radio in the United States, the importance and growing volume of international shortwave broadcasting must be startling. In the "muffled zones" of the closed societies of the Soviet Union and Eastern Europe, its function is unique. Some facts that came to the Commission's attention:

A. In 1950, there were 385 shortwave voice broadcast transmitters in operation around the world; by 1972, there were 1,365. In 1961, there were 16 shortwave transmitters with a power of 200 kilowatts or higher; by 1972, there were 185. (Source: Voice of America)

B. The most recent compilation of statistics, prepared by the British Broadcasting Corporation (see table) shows that, based on the 27 countries that do nearly all of the world's international radio broadcasting, the number of program hours per week in 1960 was 130 percent greater than in 1950. Between 1960 and 1970 there was a further increase of 65 percent.

C. According to the most recent estimates, there are about 800 million radio receivers in the world, approximately one-third of which are able to receive shortwave broadcasts. This total is more than twice that for 1960, and the number is expected to double again by 1980. (Source: BBC and Voice of America) Radio Liberty estimates there are about 30–32 million privately owned shortwave receivers in the USSR. In the five RFE audience countries there is a total of more than 14 million receivers—close to one per family—of which an estimated 94 percent is capable of shortwave reception.

Shortwave radio continues to grow largely because it is the only way to communicate with significant numbers of people without respect to national frontiers. A radio signal cannot be refused a visa, confiscated, or otherwise controlled. Jamming has never been totally effective.

TOTAL PROGRAM HOURS PER WEEK OF MAJOR EXTERNAL BROADCASTERS AS ESTIMATED BY BBC [1]

| | 1950 (December) | 1955 (December) | 1960 (December) | 1965 (December) | 1970 (December) | 1972 (June) |
|---|---|---|---|---|---|---|
| U.S.S.R. | 533 | 656 | 1,015 | 1,417 | 1,908 | 1,883 |
| United States of America [2] | 497 | 1,285 | 1,513 | 1,877 | 1,907 | 1,832 |
| Chinese People's Republic | 66 | 159 | 687 | 1,027 | 1,591 | 1,584 |
| Warsaw Pact Countries [3] (other than U.S.S.R.) | 386 | 783 | 1,009 | 1,215 | 1,264 | 1,297 |
| German Federal Republic | | 105 | 315 | 671 | 779 | 796 |
| United Kingdom (BBC) | 643 | 558 | 589 | 667 | 723 | 711 |
| Egypt | | 100 | 301 | 505 | 540 | 601 |
| Albania | 26 | 47 | 63 | 154 | 487 | 487 |
| Spain | 68 | 98 | 202 | 276 | 251 | 398 |
| Netherlands | 127 | 120 | 178 | 235 | 335 | 364 |
| Australia | 181 | 226 | 257 | 299 | 350 | 360 |
| Cuba | | | | 325 | 320 | 327 |
| India | 116 | 117 | 157 | 175 | 271 | 307 |
| Portugal | 46 | 102 | 133 | 273 | 295 | 294 |
| Japan | | 91 | 203 | 294 | 259 | 259 |
| France | 198 | 191 | 326 | 183 | 200 | 196 |
| Israel | | 28 | 91 | 92 | 158 | 171 |
| Italy | 170 | 185 | 205 | 160 | 165 | 168 |
| Ghana | | | | 212 | 186 | 166 |
| South Africa | | 127 | 63 | 84 | 150 | 166 |
| Canada | 85 | 83 | 80 | 81 | 98 | 121 |
| Yugoslavia | 80 | 46 | 70 | 78 | 76 | 86 |
| Total | 3,222 | 5,107 | 7,457 | 10,300 | 12,313 | 12,574 |

[1] The list includes fewer than half the total number of the world's external broadcasters. Among those excluded are Nationalist China, North and South Vietnam, North and South Korea, and various international commercial and religious stations, as well as clandestine radio stations. Certain countries such as France and Egypt transmit part of their domestic output externally on shortwaves; these broadcasts are mainly also excluded.

[2] Includes Voice of America, Radio Free Europe, and Radio Liberty.

[3] Poland, Hungary, Romania, Czechoslovakia, and East Germany.

We are persuaded, therefore, that to many millions of people shortwave radio is the primary source of information from other countries and a unique alternative source for comparison with what they are told by their governments.

### INTERNATIONAL RADIO BROADCASTING BY THE SOVIET UNION AND OTHER COMMUNIST COUNTRIES

Two stations—Radio Moscow and the so-called "independent" station, Radio Peace and Progress, which uses Radio Moscow's facilities—maintain the largest foreign radio service in the world. *Their weekly output is nearly 1,900 program hours in 84 languages.* The increase in Soviet broadcasting is more striking if one examines the record of annual increases from 1948 to the present, as shown in Chart I, page 15. From 1948 to 1960 the total hours of Soviet international broadcasting rose from about 380 to 1,000 per week, with a further increase from 1,000 to about 1,900 per week for the period 1960 to 1972.

To place these figures in the perspective of total communist international broadcasting, the Commission found that 14 countries or divided countries with communist governments engage in international broadcasting at a level ranging from the Soviet Union's 1,900 hours per week (not counting clandestine stations controlled by the USSR, as noted below) to 20 hours per week for Mongolia (see Chart II).

Today, Soviet and Eastern European broadcasts directed at *North America and Western Europe* total about 1,350 hours per week. Soviet broadcasts comprise the largest single share of this output, about 384 hours per week.

Broadcasts from these communist countries beamed to North America total about 250 hours weekly, of which 164 hours are in English and the remainder in a variety of European languages used by ethnic groups in the United States and Canada. Programs directed at *Western Europe* (including Greece and Turkey) and Israel total about 1,100 hours weekly in at least 24 languages. German-language broadcasts account for the largest single part of this effort—311 hours. These include the East German "Voice of the GDR," repeating East German domestic programs 24 hours a day. Billed as a "domestic service," it is nonetheless intended for reception beyond East German borders.

In addition to programs specifically aimed at Western Europe and North America, several countries—the Soviet Union and Poland in particular—transmit programs aimed at "compatriots abroad" and "seamen" in their native languages. These programs, broadcast worldwide, are similar in many respects to the "Voice of the GDR" in that they repeat many regular domestic programs but include some special broadcasts designed for overseas listeners.

The Soviet Union also operates a smaller number of "clandestine" stations broadcasting to Western Europe. While there are some stations purporting to operate in secret in the West, all those identified evidently have their facilities located in Eastern Europe. "Radio Independent Spain," in operation since 1941 and sponsored by the "Spanish Communist Party in Exile," is the oldest and largest such operation, but there are others aimed at Portugal, Greece, and Turkey, and at Greek, Italian, and Turkish workers in West Germany. Chart III lists these stations (along with a similar station in the Middle East, the Radio Iran Courier) and shows the increase in Soviet activity in this field in the past decade.

The Soviet broadcast effort seems motivated by several powerful and interrelated considerations. Ideology is still a formidable factor and a two-pronged ideological struggle is deemed necessary: to counter the spread of "imperialist" ideology and to rebuff challenges from within the world communist configuration. Both aspects are intimately linked with legitimizing the ideological leadership role and the domestic monopoly of power of the Soviet Communist Party.

A second consideration is to portray the USSR as a world military and industrial power whose developmental model is to be emulated—in short, to project the USSR's image abroad as a paradigm for the "Third World."

The support and advancement of foreign policy goals is another impetus behind the large Soviet international broadcasting effort. The Soviet leadership attaches great significance to coordination of policy and propaganda, and, collaterally, to the dissemination of the "correct" line to cadres abroad.

The tone of Soviet broadcasts depends on several variables, including the nature of the target audience, message content, and the prevailing political atmosphere. In recent years, output has reflected a more confident estimate of the USSR's political-military standing vis-a-vis the United States. In sum, Soviet international broadcasts try to create the impression that the principal "historical" forces at work in the world are developing in favor of the USSR and its "progressive" sphere of influence.

### BROADCASTING TO THE U.S.S.R. AND EASTERN EUROPE BY PRINCIPAL WESTERN STATIONS

Soviet and Eastern European worldwide international broadcasts, as measured in transmitter hours, increased by 167 percent in the decade 1961–71. In the same period, the principal Western international broadcasts showed a growth of only 51 percent. These figures, it should be noted, reflect not only the growth in programs on the air but also the increased number of transmitters used to beam these programs abroad.

Today, the principal official Western stations broadcast to the USSR and Eastern Europe a weekly total of 822 program hours in many languages. These stations are the Voice of America, BBC, the official radios of France, Western Germany, Italy, the Vatican, Israel, and the Radio in the American Sector of Berlin (RIAS), which broadcasts to East Germany.

Radio Free Europe and Radio Liberty are not included in this total. RL broadcasts 519 hours weekly in 18 languages of the USSR (as of January 1973); while RFE broadcasts 566 hours in six Eastern European languages. Chart IV compares international broadcasting by the USSR and Eastern Europe with that by the United States and Western Europe.

The Western broadcast effort is less ideologically oriented than the Soviet and East European output and reflects the different foreign policy interests and divergent attitude of free societies toward the communist countries.

In the United States we take pride in the fact that our country is wide open to information. The communist countries can disseminate their messages to the peoples of free societies through many channels—a freedom largely denied to Western countries seeking to communicate with citizens of communist countries.

We have no "jammers" in our ideological arsenal, nor are we operating any stations which purport to be located in communist Eastern Europe or in the Soviet Union.

There are other considerations that must be a part of any comparison of East-West broadcasting, among them the number, strength, and location of transmitters; variety and quality of programming; appropriateness and appeal to audiences; languages; the number of repeats as against original programs; and, of course, the need for Western broadcasters to make a large effort in order to counter jamming.

Jamming is a deliberate effort by the USSR, some Eastern European countries, and the People's Republic of China to interfere with transmissions to their peoples from the outside. It can be constant over the years, as in the case of Radio Liberty, or intermittent, as it has been with VOA and other Western broadcasters. The effectiveness of jamming varies: at times it can block a signal in a city and fail to do so a few miles away in the countryside; the use of high-power transmitters and several frequencies can overcome some jamming; and there are limited periods during the day when propagation conditions give a properly sited broadcaster virtual immunity to jamming.

## HERBLOCK ON THE SUPER AND SNOOPER STATE

Mr. CHURCH. Mr. President, America's ablest political cartoonist, Herblock, is also a distinguished speaker. His talk before the National Press Club on May 23 is an excellent and fresh critique on the Nixon administration's use of public relations to enhance its own power, not to further the national interest and welfare. For example, tax dollars have been spent, Herblock notes, "often against you or against your Congressman," and he points out:

It is sort of a switch on the Marshall McLuhan idea that the medium is the message: The administration idea has been that the media should be the messenger boy.

Herblock goes on:

Through more than one administration there's been a trend toward what I've called the Secret Snooperstate—in which the government pries more and more into the lives of private citizens, while keeping more and more of the government's business *from* the people. In the past four years this trend has been stepped up by officials who have acted as if the U.S. government was their private property.

There are many more such gems that Herblock highlights in his unusual address. In order to share his thoughts with my colleagues I ask unanimous consent that Herblock's talk be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 4, 1973]

### ON WATERGATE AND SNOOPERSTATE

I hope you don't mind meeting here in this unusual way. I was originally going to follow the normal procedure of asking each of you to go to a telephone booth on a parkway near your home, and to wait for me to put in a conference call under the name of Watson.

After I said, "Hello, Watson, this is Watson speaking," you were supposed to give the code words, "Who's on first?" and then I would proceed to talk.

The job of a cartoonist is not to recite good news or to say, "Let us now praise famous men." A cartoonist should really be the kid in the Hans Christian Anderson story who says, "The emperor has no clothes on."

People keep telling me that I should be having a great time these days, and I wish I were. But it gets to be too much to have to *keep* saying the emperor has no clothes on and to keep adding, "Good grief—the whole bunch have no clothes on!"

Cartooning is an irreverent form of expression—and I think most needed when high officials seem to get higher and higher from inhaling power.

Americans who used to ask each other, "What do you think Roosevelt will do?" or "What's Truman up to?" or "What do you think Eisenhower will say?" now ask each other what they think *The President* will do. In some way the office has become so sacred that any occupant becomes a kind of Mr. President Superstar. And an ordinary mortal name is not good enough any more.

We should have known something was wrong when we heard about a "Committee to Re-Elect the President." If they didn't even want to mention the name of the candidate, we might have guessed they weren't going to want to name his campaign contributors either.

It is 10 months since President Nixon referred to Watergate as a "very bizarre incident," and it is two weeks since he referred to it as a "very deplorable incident." That shows progress. But not very much. And the recent White House comments on the good work of the press are already on the verge of becoming "misspoken" or "inoperative."

In any case I cannot say that I feel gleeful, or even complacent.

For one thing, the present administration is still pushing in Congress what has been called an "official secrets act." The proposed law would make it a criminal offense to disclose anything marked with a classified stamp, however wrongfully it might be classified. It would provide the complete cover-up for all government mistakes and misdeeds. And with 20,000 rubber stamps, it would stamp out the people's right to know about their government.

I don't think our real national security is to be found in the use of rubber stamps—or rubber gloves.

Several people have recently expressed a proper concern for the reputations of public officials. And Vice President Agnew has specifically warned that "many in public life are damaged by snide remarks." Recently he also referred to "personal abuse" and "innuendo."

I think this is certainly something to watch out for; and I can think of some awful examples:

Such men as Cyrus Vance, Sen. Edward Kennedy, Sen. William Fulbright and New York Mayor John Lindsay have been accused of being "sunshine patriots" and "summertime soldiers."

A man who has served his country as wisely and well as Averell Harriman—among the first Americans to warn of the danger of Stalin's policies, and a man highly praised by Winston Churchill—was not spared from the smear-gun. It was carefully implied that he sold out Poland to Stalin for a pair of horses, and that the Ho Chi Minh Trail should be called Harriman's Highway.

The name of Republican Congressman Paul McCloskey, a Korean war hero, was publicly linked to that of Benedict Arnold.

These are among the snide innuendos and reflections on the characters of public officials which came from one source—Spiro T. Agnew.

The constant cry of this administration has been that there is bias in the news and that they want better balance in the media. So do I. Before Watergate, most of what we got in the way of news about government every day, every week, every year, was news *of, by and for* the executive branch of government—and that is the news that has needed to be balanced.

Most of the news from Washington is what the President says, what his press secretary says, what his Vice President says, what his cabinet members say, what the Pentagon says, and so on. I don't recall any of these people talking about the administration not doing a fine job.

I don't know why *any* President should have all three major networks at his disposal any time he chooses to speak, except in case of national emergency. And I've always felt that presidential speeches not only should be analyzed but that the people should be given a chance to hear a reply.

The present administration has not cared much for answering questions from the press or from Congress. But it's been big on giving out statements. It has created *communications* staffs—all of them engaged in one-way communications.

Washington Post columnist Mike Causey has written of how the White House communications department has set quotas for speeches and propaganda material to be filled by information chiefs and department heads. There have been handy-dandy ready-prepared "communications" kits to help out these officials—and also handy aids for the media. Free recorded news items have been provided for radio broadcasting—and free government-produced canned editorials have been sent broadside to small newspapers. In that way, the executive branch not only makes its own news, but also creates its own editorial comment on the news.

These are examples of *your tax dollars at work*—often against you or against your congressmen. It is sort of a switch on the Marshall McLuhan idea that the medium is the message: The administration idea has been that the media should be the messenger boy.

From all its crying about the media you would not know that in the 1968 election, 80 per cent of U.S. newspapers (with 82 per cent of newspaper circulation) endorsed President Nixon, or that more than 92 per cent endorsed him in 1972.

So if the administration had 80 per cent of the press all it wanted was just a fair 50–50 split of the remaining 20 per cent. And then half of the remaining 10 per cent and so on—until it would have 99 44/100 per cent of a not-very-pure press.

Through more than one administration there's been a trend toward what I've called the Secret Snooperstate—in which the government pries more and more into the lives of private citizens, while keeping more and more of the government's business *from* the people. In the past four years this trend has been stepped up by officials who have acted as if the U.S. government was their private property.

Privacy has been for government people. And after reading the disclosures of some of the methods used, it's easy to see why they wanted it. Never did so many people *need* so much privacy.

I recall Mr. Nixon frequently reminding us that he is a lawyer. And he has referred to some of his advisers as "lawyers' lawyers." It's surprising in this law-and-order administration how many of those *lawyers' lawyers* now seem to need *lawyers' lawyers' lawyers* to keep them out of jail.

Incidentally, in the future, newsmen who are sent to jail for not disclosing their sources might find jail a pretty good place to get acquainted with some interesting sources.

Lately there has been a rash of articles anguishing over the possibility of what is called a crippled presidency. The only way the presidency can be damaged is by making the White House a "safe house" for wrongdoing.

The role of the free press in all this has been to do exactly what it was set up to do—to act as a check on all government.

When the Watergate disclosures began, I did a kind of cram course on comparative corruption and read up on the Harding administration, which was widely regarded as holding the record *up to that time.* I discovered that one of the people who took the lead in disclosing Teapot Dome was a man who later became a U.S. Senator, Clinton Anderson—just recently retired.

In the early 1920s Clinton Anderson was reporting and editing on The Albuquerque Journal, published in the home state of Secretary Albert B. Fall. This paper suffered severe reprisals for exposing the scandals. In a book titled "Teapot Dome," by M. R. Werner and John Starr, there is a short description of a brief encounter:

> After The Albuquerque Journal began writing about the lease to Teapot Dome, Fall came into the newspaper office one day and asked in his characteristic loud tones, "Who is the son of a bitch who is writing those lies about me?" Anderson, a tall man, stood up and said, "I'm the son of a bitch, and I don't write lies." Fall left the office quickly.

Clinton Anderson certainly knew how to make himself perfectly clear.

## CONTINUATION OF STRONG DEFENSE PROGRAM

Mr. THURMOND. Mr. President, an editorial entitled "We Can't Skimp" appeared in the Monday, May 28, 1973, issue of the Augusta Chronicle newspaper in Augusta, Ga. This editorial although fairly brief, drives home very succinctly the importance of maintaining a strong defense establishment.

The editor takes note of a report by the Association of U.S. Army which is deserving of the attention of every Member of the Congress.

Mr. President, I ask unanimous consent that this editorial be printed in the Record at the conclusion of my remarks.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From the Augusta Chronicle, May 28, 1973]

### We Can't Skimp

As the Congress in its present session considers the security needs of this Nation, concerned Americans should urge their Senate and House members to resist any pressures to cut the Defense Department budget as it is presented.

The budgeted level of expeditures is, in the considered judgment of many informed observers, the lowest level consistent with the national interest. As the Association of the United States Army, a group whose purpose is to support an effective Army, expresses it in a position paper: "The Fiscal Year 1974 budget supporting 2,230,000 men in the armed forces represents the minimum strength for national defense without major changes in the international order and (in) our national commitments."

Note the stress on manpower. Regardless of sophisticated gadgets, it is true, as the AUSA paper puts it, that "nothing has yet been invented nor is it likely to be that will replace a man on the ground as the final determinant of success in battle . . ."

The difficulty is that personnel is an area in which costs are rising critically high. Despite the streamlining of our forces so as to achieve economy, we will still spend this year about 56 per cent of the national defense budget for manpower procurement, retention, pay and related programs.

Other points made by the perceptive AUSA study which merit careful consideration in the Congress are:

An operating Selective Service system with presidential induction authority is essential for possible emergencies, and as a hedge against possible future inability to recruit the necessary manpower.

In getting the numbers necessary for our armed forces, quality of personnel must not be sacrificed.

Reserve components, which are basic to our preparedness, need greater support to attain manpower and training goals.

National security is the first and basic business of a government, and that should never be forgotten.

## WHITE HOUSE ASKS POSTCARD VOTE TO SETTLE TRIBAL STRIFE

Mr. McGEE. Mr. President, it was highly encouraging to me, as sponsor of S. 352, the postcard voter registration bill passed by the Senate on May 9, to read in Sunday's newspaper a headline that said in three lines of 36-point type that, "White House Asks Postcard Vote To Settle Tribal Strife."

Mind you, they have asked, not just for postcard registration of eligible, enrolled members of the Oglala Sioux Tribe, but for a postcard vote of tribal members to determine if they want to change their present form of elected government.

This proposal by the administration to the traditional chiefs of the Oglala people demonstrates a new-found faith in the use of the U.S. mail to conduct communications of an official nature. The newspaper account makes it perfectly clear, I think, that the White House Counsel who has suggested the postcard vote does not harbor fears of fraud. He apparently is unconcerned that, perhaps, some ineligible citizens might participate—say some members of the Teton Sioux, some Cheyenne, or even some Navajo or Seneca. Maybe the counsel to the great white father realizes that few, if any, of his representatives could tell an Oglala from a Teton anymore than they could differentiate between a Cherokee and a Pawnee eyeball-to-eyeball. At any rate, I welcome the White House interest in postcard voting.

## THE BILINGUAL COURTS ACT

Mr. TOWER. Mr. President, on May 7 Senator Tunney introduced S. 1724, the Bilingual Courts Act. This is a most important piece of legislation and I am pleased to join as a cosponsor. The intent of this legislation is to insure that Americans with limited English speaking ability have that type of access to our Federal court system that is guaranteed to them by the Constitution.

All levels of government must become more cognizant of the needs of America's bilingual citizens. The Bilingual Courts Act will, upon implementation, further assure our bilingual population of their constitutional right to equal protection under the law.

The legislation will authorize the Administrative Office of the U.S. Courts to determine whether a Federal district court should be certified as a bilingual district. Such a certification will be made when 5 percent of the residents or 50,000 persons within the judicial district have limited English speaking ability. Upon such a determination, the Administrative Office would be authorized to establish certain procedures for the employment of trained interpreters, and the operation of courtroom facilities capable of simultaneous language translation.

While our Federal rules of procedure, both criminal and civil, and certain Federal criminal statutes provide for the appointment of court interpreters, these provisions are for the most part voluntary and do not seek to effectuate clear procedures implementing basic constitutional protections. Additionally, court decisions have sought to safeguard the sixth amendment rights of counsel and confrontation. Nevertheless, these actions do not conclusively mandate a uniform approach whereby constitutional guarantees will be assured. I believe it to be a much wiser policy for Congress to establish a set system to assure the fair administration of our judicial processes rather than rely upon court interpretations of constitutional issues that even today are open to various doctrinal pronouncements.

Therefore, passage of the Bilingual Courts Act will provide a clear statutory basis allowing our judicial system as a whole to take positive action rather than to simply react to decisions that may only be applicable to particular judicial districts and not to others. This is essential in order that many segments of our bilingual population allay some of the mistrust and anxieties which have been built up against the judicial system. Even though the objective of providing equitable access to the judicial system for all Americans regardless of race and cultural background has been advanced in recent decades, I cannot blame, for instance, many Mexican-Americans in my State of Texas for oftentimes distrusting our judicial establishment. There have been blatant instances of discrimination toward the Spanish-speaking in my State as well as in others.

While there have been notable changes in recent times that have constructively demonstrated the sincere intention to make the system work in a fair and equitable manner, the Bilingual Courts Act is necessary to focus on and implement the Federal commitment to remove the vestiges of discrimination that still exist today.

## THE CONTINUING DETERIORATION OF THE DOLLAR

Mr. SYMINGTON. Mr. President, the U.S. dollar has fallen 19.49 percent in only 20 months, this as against the value of the currency of the 14 other countries that do the most trade with this Nation.

That measure, reflected by one respected index at the close of trading day before yesterday, was based on the official dollar value of gold and other currencies prior to the Smithsonian Agreements of December 1971.

Measured against the parities existing after Smithsonian, the value of our dollar is down 8.84 percent on the same index.

Only last Friday the index figures for those two standards showed a decline in dollar value of 18.68 percent and 8.05 percent respectively; and meanwhile the price of gold soared to $123.50 per ounce on the London Market.

This steady deterioration brings to mind several observations.

Nearly 10 years ago, on the floor of the Senate, I first cautioned of the growing danger that could only result from the continuing large flow of dollars out of this country.

Since then our balance-of-payments problem has steadily worsened, but we continue to spend more in the support of our various foreign adventures abroad.

As but one example, the sound of American bombing had barely stopped in Vietnam before we began again to fly missions in Cambodia; and now the Defense Department is asking us to transfer $500 million in support of that latter bombing effort.

The balance-of-payments problem finally came home to roost in 1971, and was the primary reason for precipitating the first of the two devaluations of the dollar within a 14-month period.

Although our net liquidity balance dropped from a deficit of $22 billion in 1971 to $14 billion last year, it rose back to $6.8 billion for the first quarter of 1973.

At this rate, note that the balance-of-payments deficit could climb to $27.2 billion by the end of this year.

The irony of the present dollar crisis is that many financial experts believe the dollar monetarily strong, and now undervalued. It is supported by the world's strongest economy. Furthermore, our recent trade balance showed a surplus, the first in five quarters.

Monetary considerations, however, are less important to speculators. They base their decisions on their degree of confidence in the currency in question, and the ability of that government to handle currency crisis and inflation.

To that end, let us hope that the Senate vote to forbid the use of funds for further bombing in Cambodia represents an important step toward some meaningful control of our military expenditures abroad.

Let us hope also that opportunity will soon arise to implement some form of wage-price freeze as recommended by the members of the Senate Democratic caucus. This could give more confidence to the problems of our slipping economy, at home as well as abroad.

## RECONFIRMATION OF FEDERAL JUDGES

Mr. HARRY F. BYRD, JR. Mr. President, the Virginia Federation of Business and Professional Women's Club, at its 52d annual convention in Roanoke, Va., on May 19, adopted a resolution supporting Senate Joint Resolution 13, a constitutional amendment which I have proposed to require reconfirmation of Federal judges by the Senate every 8 years.

I am deeply grateful to this fine organization for its support of my proposal, which is designed to make the Federal judiciary accountable.

Federal judges now serve for life and are accountable to no one. In a democracy, why should anyone have lifetime appointment?

The resolution adopted by the federation correctly points out that "more and more power is centralized in the Federal Government," and this is a major reason why it is important that Federal judges, who have enormous power, be subject to Senate reconfirmation.

I believe that the action by the federation in Virginia is part of a trend of growing interest in the idea of making our Federal judges accountable. The State Legislatures of Michigan and Alabama have endorsed the proposed constitutional amendment, and much favorable editorial comment has appeared in newspapers around the country. I think this shows that the people want to see reasonable limits placed on the powers of Federal judges.

I ask that the text of the resolution adopted by the Virginia Federation of Business and Professional Women's Club be printed in the Record.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

Business and Professional
Women's Club,
*Charlottesville, Va., May 20, 1973.*

Whereas, The new program of the National Federation of Business and Professional Women's Clubs, Inc. is Challenge for Commitment; and

Whereas, We as individuals are concerned with the quality of our appointed and elected government officials; and

Whereas, More and more power is centralized in the federal government, we need to appraise more critically the justification for life appointment of federal judges; therefore be it

*Resolved*, That the Virginia Federation of Business and Professional Women's Club, Inc. recommends that the National Federation of Business and Professional Women's Club, Inc. adopt a resolution to the effect that necessary support be given on Senate Joint Resolution 13, proposing an amendment to the Constitution of the United States which requires that federal judges be subject to reconfirmation by the Senate every 8 years.

## THIS IS THE CITADEL—YOU ARE CITADEL MEN

Mr. HOLLINGS. Mr. President, it is my privilege today to call to the attention of the Senate an exceptionally distinguished commencement address given on May 19 at the Citadel in Charleston, S.C. The speaker was Lt. Gen. George M. Seignious II, Director, Joint Staff of the Joint Chiefs of Staff.

General Seignious spoke eloquently of the great and proud traditions of the U.S. Armed Forces. He spoke of hard work, discipline, duty, pride, and love of country. He spoke of the highest ideals not only of the military services, but of the country. That is what struck me most about this fine address—how, in the final analysis, that which fashions a good soldier also helps fashion a good citizen.

Mr. President, I will not try to summarize General Seignious's message, for he does it far more eloquently himself. But I do call it to your attention and to the attention of all our citizens, as one of the finest orations I have heard in many, many years.

Mr. President, I ask unanimous consent that the text of General Seignious' remarks, entitled "This is the Citadel—You Are Citadel Men" be printed in its entirety in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

### This Is the Citadel—You Are Citadel Men

(By Lt. Gen. George M. Seignious II)

President Duckett, General Clark, Colonel Holliday and members of the board of visitors, distinguished guests and my classmates of 1942, Alva Chapman, Floyd Walters, parents, and cadets—and the class of 1973.

As a son of the Citadel I'm deeply honored to share today with you—31 years between Citadel degrees—4 years to earn the first—14 minutes the second. I like that difference to graduates!

Hanging in old Saint Paul's Church, Baltimore, is a plaque dated 1692, from which I've extracted a thought.

"If you compare yourselves with others, you may become vain or bitter, for always there will be greater or lesser persons than yourself."

This old and wise counsel means well—for it is directed at the individual personality, the individual man, the individual human being—it recognizes that each of us have, strengths and weaknesses. I can agree that there are dangers inherent in pressing competitive and comparative evaluations on a person to person basis—for there is the danger of vanity if the comparison is favorable or self pity, if unfavorable. However, I do not fear examination of virtues and principles that lead to a purposeful and rewarding life. This I intend to do.

Your happiness and elation today—so abundantly shared by your family and friends—is, I suspect, tempered just a little by uncertainty. It need not be. Two men looked at the sun at high noon: one said the sun has reached the peak of its glory—the other said "the sun has now begun to set." *Your* confidence should be at high noon! This is the Citadel—you are Citadel men.

You have served with honor and dedication in a spartan, disciplined environment when your contemporaries have enjoyed the so-called permissive life. Surely it's looked tempting—surely you've joined in it over some weekends—surely you've asked your selves a hundred times "why am I here?" Why am I here in a military uniform when the military are villified and scorned? Was it worth it? You know the answer or you will.

You know you're in a great institution where dedication and courage are engrained in you from the day you arrive—you take pride in this achievement—you know that in the days ahead that by the discipline—yes the self-discipline of cadets days—you will have the courage to discern with clarity right from wrong—you know that you'll steadfastly hold to the good and cast aside the worthless.

You know the meaning of honor—can you imagine a Citadel man—who nightly responds 'all right sir' to the officer of the guard, becoming envolved in the sordid and shameful Watergate affair? I cannot. Dreams and fantasies may have no limits but the *real* world has *real* limits—we must therefore distinguish between our dreams and aspiration and the tough, demanding world of reality where progress and accomplishment are accompanied by self-sacrifice and self-discipline—a commitment or dedication—in the form of work and accountability for our actions. Cadet life has provided you the foundation on which to build. In these dynamic and trying times our nation cries out for leaders of your training and devotion—your Citadel character.

Since you sat here a year ago to see the seniors graduate, we have been witness to major events of transcending importance to America, and to the world. In restrospect it is truly amazing that they all happened in the short span of just over one year.

I ask you to think back for a moment to early March of last year. Our President has just completed his historic visit to Peking, ending a 25-year period of hostility between our country and the Peoples Republic of China.

The North Vietnamese had yet to launch their full-scale invasion of South Vietnam. Our President had yet to make his courageous decision, prompted by that invasion, to mine North Vietnamese waters and to resume bombing throughout North Vietnam. He had yet to make his visit to Moscow which resulted in the signing of agreements by the U.S. and the U.S.S.R. on certain aspects of limiting strategic armaments. Not only did the American people have yet to elect their President for the coming four years, they had yet to choose the candidates.

Above all, we had yet to engage in serious negotiations for a peace agreement in Vietnam and, I would add, at that time the prospects for such negotiations were certainly less than favorable.

In the course of just over twelve months we have progressed quite rapidly through each of those major events—with each event contributing in its separate but complementary way to the point in history where we stand today—a nation holding a new hope for peace not yet achieved. Certainly, if there is one national objective which all Americans will wholeheartedly support, it is the objective of world peace. But when we begin to discuss the ways and means to achieve and maintain peace, opinions and concepts begin to diverge—at times in opposite directions.

One major reason for our diverse thought on how best to achieve peace may stem from the fact that we have had little experience with it—a fact that is quite apparent to the cadets gathered here.

Many, if not most of you, were born during a time when the United States was engaged in the Korean conflict. During almost half of your lifetime this nation was involved in the longest war in our history in Vietnam.

Looking at peace on a worldwide basis, the noted author "Will Durant" wrote in 1968 that "in the last 3,421 years of recorded history only 268 have seen no war."

To be sure, all of the historical evidence seems to support the view that the achievement of lasting peace is truly one of the most mocking challenges to mankind.

Of one fact I am certain—peace will not be achieved by good will alone. For your generation and mine, attaining and maintaining peace will require the earnest dedication of our energy, resources and will.

The Vietnam peace agreement is now in hand—fragile though it be—an accomplishment for which everyone in this country is grateful. During the course of this long and bitter struggle, there developed in this country the most deep anti-military feeling in the history of our country. Such deep feelings are not easily abated. And one of my grave concerns for the future is the possible translation of anti-militarism into our post-war national attitude. Let me be more explicit on this point.

As an aftermath of Vietnam, there is a strong possibility in my view, that some of our people will wish to turn inward; to disengage from or avoid international involvements and commitments which might serve as the source or cause of future tension or confrontation; to let others go about their own business as we go about ours. Such attitudes have already been expressed and I believe the tenor will mount in intensity as the debate over Vietnam in retrospect continues. The desire for "no more Vietnams," "no more confrontations," can easily become a persuasion for those who will advocate that the best way to avoid confrontation is to reduce the ways and means to confront—reduce overseas military presence, reduce weapons which feed the so-called military-industrial complex, reduce defenses which are allegedly too costly anyway.

Such warnings, no matter how well intended, are misleading, for military forces and weapons are not the cause of confrontation: confrontation is caused by conflict of national interests, and the real key to world peace is the peaceful resolution of conflicting national interests through negotiation. The United States is involved throughout the world in interests which may, from time to time, be in conflict with others. As President Nixon stated in his foreign policy report of three years ago, "we are not involved in the world because we have commitments; we have commitments because we are involved."

It is unrealistic to think that this Nation can withdraw from the world, live in isolation, and at the same time live in peace unthreatened by those who want what we have. Our interdependence with the other nations of the world simply will not allow us to embrace any such "dream world" attitude. We cannot be immune to the consequences of events beyond our national boundaries.

These issues may seem to you to be too broad in scope. Too great in dimension and too staggering for solution.

Like it or not, believe it or not, accept it or not—as of today you become inescapably a part of these issues—a hope for these challenges, and "guardian at the gate" of our national purpose. Your deeds, your leadership, your skills, will either strengthen or weaken our national fiber—the very fiber it takes to weave a national posture of character, strength and power. We here believe in you. This is the citadel—you are citadel men.

By exercising courage and self-discipline you have learned what integrity means. By deed, by act, by silence, by word, by omission, by commission you know that you must be truthful to yourself as a man, to your subordinates and to your superiors, life as a cadet with honor cannot be sustained otherwise—you know and I know that a fellow cadet can spot a phony like a three dollar bill. To permit lax discipline in the name of popular leadership is just as phony as being an unreasonable martinet in the name of military discipline. As leaders, civilian or military, in the years ahead the virtue of integrity still holds. Honest mistakes are admissible and correctable, devious ones are intolerable. One cadet asked me not long ago about "apple polishing" on the road to success. My answer can only be—"phonies" in life whether at the citadel or in later life do not succeed. It is the man who is courteous and tactful but genuinely honest with himself and others that reaches his goal.

One part of integrity that I believe you understand and have the courage to face has to do with responsibility. Today the unflinching and proved patriotism which guided so many of our forefathers seems to be under question. Today the responsibilities to preserve our freedom seems to be someone else's job, today the love and devotion to institutions—the church, the family, our colleges are being questioned—to have devotion to a cause and a tradition gives value to a responsible life.

Abused also are our Viet Nam veterans—patriotic men who have unswervingly served their Nation while lesser men ridiculed them.

A few weeks ago I was privileged to attend a briefing to the Joint Chiefs of Staff by fourteen of our Ex-POWs—They described the organization and discipline that they evolved to sustain themselves in this heavy and torturous travail. Responsibility, leadership and devotion to a cause got them through—their motto was "return with honor." Honor to their country, their flag and to themselves—five of them citadel men, the senior member of the first group of returning prisoners of war sent the following message to the chairman of the Joint Chiefs of Staff from the Philippines just after he was released. It stated, "as the senior member of the first group of returning POWs, I wish to report that after a good night's sleep and two good meals, we are ready for duty."

In reply, the chairman sent the following: "The receipt of your fine message was an inspiration to me as well as to the Joint Chiefs of Staff. I am extremely gratified—but not surprised—that the men you have led are ready now for duty. I personally thank God that you and your fellow officers and men are on our team and have, in fact, never ceased performing your duty under the most trying of circumstances." We here believe these things—this is the Citadel—you are Citadel men.

Yes, the courage and integrity that has formed the basis of cadet life will, indeed, be the hallmark of your life. But the whole man, the Citadel man needs another tribute—one that grows with the realities of life—the virtue of humility .

No man can see brave men die without finding compassion—no man can be a parent and a father and experience the miracle of children without the humble realization of a supreme and miraculous God—no father can have a son in battle and helplessly wait and pray without humility—no man can experience a mother's love or the devotion and love of a wife and feel worthy of it—no man can be sustained by friends like you and I have made here at the Citadel and not be grateful to them. Cherish them—this is the Citadel and you are Citadel men.

I challenge each of you in the class of 1973 to use the virtues of courage, integrity and humility that are your heritage. As Alvah Chapman said two years ago in ending his great commencement address. You are a Citadel man, and as in the parable of the talents "to whom much is given is much expected."

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## ADMINISTRATION POSITION ON FOOD STAMPS, SSI, AND THE ELDERLY

**Mr. PERCY.** Mr. President, one provision of the pending farm legislation which has aroused a good deal of discussion relates to an amendment to the Food Stamp Act of 1964. I am referring to section 808(b) which restores the eligibility of recipients of benefits of the supplemental security income program for food stamps.

No Senator, least of all this one, wants to see our elderly any worse off under the provisions of SSI than they are under the existing programs which SSI is designed to replace.

And again, no Senator, least of all this one, wants to see the elderly in a position in which they cannot assure themselves of a nutritionally adequate diet.

I have no quarrel with the basic thrust of the SSI program and I agree that it is better to have cash with which to make one's own choices than to face the constraints of what we can call an in-kind program. And I do not want to do anything which would endanger a speedy and complete and fully State supplemented program.

And that is the crux of the problem: Will States fully supplement the basic Federal payment in order to assure recipients a payment no less than what they are now receiving. To do this, States must have an incentive, according to the Department of Health, Education, and Welfare, to add the value of the food stamp bonus to SSI payments. The Department is fearful that this change in the Food Stamp Act will act as a disincentive for the food stamp cashout by States. On the other hand, the Department cannot guarantee what States will do, and thus some of our elderly may be in a nutritionally vulnerable position come January 1, 1974.

In all fairness I believe we should put on the record the position and reasoning of the Department in this matter. This, as I understand it, is how they view the situation at present.

The Department believes it is important that every incentive be given to the States to include the cash value of food stamps in their supplementary payments to individuals under the SSI program.

The possibility that Congress may reinstate eligibility for food stamps and commodities for these individuals would, they believe, have a detrimental effect on State decisionmaking currently taking place. Including the cash equivalent of the bonus value of food stamps in the SSI checks would theoretically benefit substantially greater numbers of recipients eligible under the adult assistance program and would be consistent with the philosophy that older people would probably prefer to have extra available cash rather than stamps or commodities.

The Department believes that consideration of the following points would support the continuation of the food stamp cash-out as now authorized by Public Law 92–603:

First. Through the SSI program and the food stamp cash-out, a potential 6.2 million aged, blind, and disabled persons could receive the bonus value of food stamps as part of their monthly check. This contrasts with the low percentage of participation by current recipients in the adult categories—18 percent receive commodities and 28 percent purchase food stamps.

Second. It has been stated that 1.5 million persons currently receiving food stamps or commodities would be disadvantaged. This—according to HEW—is not true. It is possible that most, if not all, of these persons would receive in their monthly SSI check the same bonus value they now receive. Furthermore, an additional 4.7 million individuals would be eligible to receive the bonus value. The cash would be sent to them as part of their monthly check.

Third. It is critical that checks be mailed to the needy aged, blind, and disabled citizens on time under the new Federal program beginning January 1, 1974. Planning is underway between the Department and the States. Federal decisions on State supplementation have just been announced. States will begin to make final decisions on payment levels very shortly. This process, the Department believes, may be slowed by possible legislative change. Further, the Department believes that if the States think that SSI recipients will be eligible for food stamps, they very likely will not include the cash equivalent of the bonus value in their supplementary payment.

The problem, Mr. President, is that nobody has solid evidence at this time about what the States will finally decide to do. What we do know is that many States are in a position to act quickly while others may require a longer time. I would like to have incorporated in the Record at the conclusion of my remarks a chart prepared by HEW which indicates the status of the States with respect to taking action on State supplementation of SSI payments.

This is an extremely complicated situation. Available information is not very good or very precise. I do know, however, that all of us—Members of the Congress as well as the representatives of the Department of Health, Education, and Welfare with whom I have discussed this matter—want to do what is best for our senior citizens.

Mr. President, I ask unanimous consent that the chart I referred to be printed in the Record.

There being no objection, the chart was ordered to be printed in the Record, as follows:

### Status of States With Respect to Supplementation of SSI Payments

1. No food stamp program:

Delaware
New Hampshire

2. In session could do something about food stamp program:

California
Colorado
Connecticut
District of Columbia
Florida
Illinois
Iowa
Louisiana
Maine
Massachusetts
Michigan
Missouri
New Jersey
Ohio
Oregon
Pennsylvania
Tennessee
Vermont
Washington
Wisconsin

3. Have adjourned but have done something that appears to take care of food stamp program:

Arkansas
Maryland
Nevada
New York
Utah

4. Have adjourned but can be called back in special session:

Arizona
Georgia
Idaho
Indiana
Kansas
Kentucky*
Minnesota
Mississippi
Montana
Nebraska
New Mexico
North Carolina
North Dakota
South Carolina
South Dakota
Virginia
Wyoming

5. Can do something administratively under own motion:

Alabama
Alaska
Hawaii
Oklahoma
Rhode Island
West Virginia

6. Texas: precluded from doing anything in their Constitution.

*Kentucky had no legislative session in 1973—meets every two years.

## CARL ROWAN SPEAKS ON CHANGES NEEDED IN U.S. ATTITUDES TOWARD LATIN AMERICA

Mr. McGEE. Mr. President, in last Friday's, June 1, Evening Star News there appeared a very thoughtful piece on Latin America written by Columnist Carl Rowan.

The thrust of Mr. Rowan's observations is that there has to be a widerange change in attitudes not only on the part of the American people but also on the part of U.S. corporations and the Government as well.

Mr. Rowan noted that even well-educated Americans know woefully little about "trends and developments within the countries of Latin America."

He further contended that:

> U.S. businesses especially seem to plod along in an ideological, intellectual fog, assuming that no matter what goes wrong, the CIA, or the Marines or some branch of the U.S. government will bail them out.

He is highly critical of the administration's continued hard-line policy toward Castro's Cuba, an attitude which he notes has brought a "greater loss to U.S. prestige and leadership when, one by one, Latin countries abandon the—OAS—sanctions."

I am in full agreement with Mr. Rowan's thesis that there is a need for a sweeping reevaluation of not only our relations with Latin America but also how we perceive new developments in that area of the world.

I ask unanimous consent that the column be printed in the Record.

There being no objection, the column was ordered to be printed in the Record, as follows:

### Latin Compass Points Left

(By Carl T. Rowan)

A Bell & Howell executive telephoned me from Chicago a couple of months ago for help in settling an argument about what the elections in Argentina really meant.

This executive was having trouble convincing some of his colleagues that in choosing Dr. Hector J. Campora as president, Argentina had taken a giant stride to the left.

Because Campora is a Peronist, and Peron is remembered as a dictator of alleged pro-Nazi sympathies, some executives thought it must mean that Argentina was moving toward right-wing totalitarianism.

I assured the caller that Campora's election was a major move to the left and that, based on what I had seen and heard in Argentina, the world wouldn't be long discovering that.

Campora took office a week ago and wasted no time in freeing "political prisoners," lifting the ban on the Communist party and resuming diplomatic relations with Cuba. He gave a hero's welcome to Cuban President

Osvaldo Dorticos and to Chile's Marxist President Salvador Allende.

I mention that telephone call from Chicago because it illustrates how woefully little even well-educated Americans know about trends and developments within the countries of Latin America.

U.S. businesses especially seem to plod along in an ideological, intellectual fog, assuming that no matter what goes wrong, the CIA, or the Marines or some branch of the U.S. government will bail them out.

What American businessmen need to face up to is that not just Argentina but *almost all* of Latin America is moving left politically, a reality that is obscured by the fact that military governments hold sway in so many places. The irony is that even Latin military leaders (many of them trained in the United States) are moving left when it comes to developing their economies or their dealings with the United States.

American big business must share with our government the major responsibility for the fact that U.S. prestige is down, capitalism is cursed, the Soviet Union has made remarkable inroads and Castro Cuba is scoring one quiet triumph after another in the hemisphere.

Secretary of State William Rogers has just completed a tour of Latin America that was badly needed but, thanks to Watergate and other evidence of domestic malaise, got about the same attention in the American press as would a trip to the bathroom.

Rogers sought to convince Latin leaders that the era of U.S. paternalism in dealing with smaller, weaker countries of the hemisphere is over. Campora's swift resumption of relations with Cuba was a test as to whether Rogers was announcing a genuinely new policy or just dealing in rhetoric.

It is the poorest-kept secret in Latin America that but for paternalistic "guidance" and outright pressures by Uncle Sam, all the Latin countries but Brazil, Bolivia and Paraguay would long ago have welcomed Cuba back into the family of American states. After all, the president of Venezuela states flatly that the original reason for banishing Cuba (attempts to subvert Venezuela) vanished long ago and that Venezuela has established fairly good relations with Cuba.

But the Nixon administration, busy courting the giant Communist powers, Russia and China, has a mind set against any change of attitude toward the Cuban Communists. So we sit obdurately as Peru, Chile, Jamaica, Trinidad and Tobago, Guyana and now Argentina join Mexico in full relations with Cuba.

The more the United States twists arms to try to maintain sanctions against Cuba, the greater the loss to U.S. prestige and leadership when, one by one, Latin countries abandon the sanctions.

Yet feelings about U.S. governmental paternalism and pressure are minor compared with the burgeoning Latin hatred for U.S. business, especially the multi-national corporation. The kidnapings of executives of international corporations and the extortion of a million dollars' worth of charity from the Ford Motor Co. only begin to illustrate the rising feeling that foreign corporations are not developing Latin America, but in fact bleeding it of wealth and resources to the point of making development all the more difficult.

Violent Trotskyite rebels in Argentina have warned Campora that they will continue their attacks on "imperialistic corporations."

It will take more than gift ambulances and charitable donations to convince Latin activists that giant American corporations no longer are exploiting Latin America. The grave challenge is for U.S. business interests to fashion new policies and procedures to give Latinos that kind of assurance.

## GENOCIDE: THE UNITED STATES SHOULD EXERCISE MORAL LEADERSHIP

Mr. PROXMIRE. Mr. President, the United States prides itself on being a moral leader in the world. We have always considered ourselves at the forefront of humanitarian causes. However, we are lacking in at least one respect. Scores of nations have ratified the Genocide Convention; the United States has not.

Twenty-four years ago this month, President Truman transmitted to the Senate the Genocide Convention. Three years ago, President Nixon repeated the Executive's support of ratification, which the President said "will demonstrate unequivocally our country's desire to participate in the building of international order based on law and justice." The Attorney General and the Secretary of State then also agreed that "there are no constitutional obstacles to U.S. ratification."

Ratification of the Genocide Convention will help buttress the moral leadership of the United States—a leadership which has been called into question by some during the past few years of foreign and now internal strife.

I urge the Senate to act quickly on the Genocide Convention. We cannot afford to pass up this opportunity to demonstrate our sense of morality and belief in international law.

The reasons Arthur Goldberg enunciated several years ago in support of the Genocide Convention still stand. The Convention outlaws activity repugnant to the American people. Failure to ratify is an unnecessary diplomatic embarrassment. Our ratification and adherence to the Convention can make a practical contribution to the long and difficult process of building a structure of international law based on human dignity.

These reasons are still sound. Let us proceed with ratifying the Genocide Convention.

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## THE UNITED STATES AND EUROPE IN AN AGE OF DÉTENTE

Mr. MATHIAS. Mr. President, there is a growing concern both in Europe and in the United States of the long-term stability of the Atlantic Alliance. This concern has been acute among those of us in this body who believe that a firm relationship with Europe should be the cornerstone of a viable U.S. foreign policy.

Recently, Senator Edward Brooke, of Massachusetts, considered the immediate problems facing the NATO Alliance in a commencement address to the graduates of the Boston University overseas graduate program at Mannheim, Germany. In my view, Senator Brooke's cogent and timely observations deserve our study and consideration. I ask unanimous consent that Senator Brooke's speech, entitled "The United States and Europe in an Age of Détente," be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

### The United States and Europe in an Age of Détente

(Commencement address by Senator Brooke)

It is indeed an honor for me to be with you today. I salute you for making the choice that your presence here bespeaks. The increasing complexity of modern life necessitates a commitment by all of us to a continual process of education, formal or otherwise. Your decision to seek an advanced degree has, hopefully, helped you to develop your own philosophy and opinions and to recognize their derivative sources. I would also wish for you the ability to develop and marshall your arguments truthfully, the eloquence to express them forcefully and the humility to alter them when better arguments so demand.

If your education has endowed you with these capacities, your efforts have been well rewarded.

It is common for those of us who enter the commencement pulpit to flatter the graduating class by assuring that it represents the hope of the future. Such statements do reflect an excess of rhetoric. Yet they hold an important kernel of truth. A single human being—certainly an intelligent group of committed individuals—can make a difference to and in this world. They may not be able to fashion a "golden age" or solve mankind's basic problems. But, through focused, dedicated and disciplined use of acquired knowledge, they can tilt the scales in decency's direction; and ameliorate some of the suffering and injustice far too prevalent in our world. That is a modest but attainable goal, worthy of your embrace and pursuit.

These are transitional days in the most literal sense for men and nations. Traditional values and relationships are under scrutiny and attack. I should like to focus today on one such relationship experiencing the ofttimes contending claims of the traditional and the transitional—I speak of the Atlantic Alliance and its future.

Power centrifugal pressures exist today in the Atlantic relationship. These pressures could inhibit the capacity of the Alliance to sustain—even to retain—the level of security sought by its member. How are these pressures manifested? First and foremost, there is the inadequacy, thus far, of Alliance efforts to cope with and compensate for the altered nature of the threat to Western European security.

In the past, fear of a military attack by the Soviet Union on Western Europe provided the ultimate rationale for the existence of the Atlantic Alliance. It mobilized public and congressional support for an extensive American involvement in West European security affairs. That simplistic though, in many ways, factual view of the Soviet threat to Europe has ceased to be a tenable one. The spectre of world communist revolution no longer haunts the West. Fear of a conventional Soviet military thrust into Western Europe is almost non-existent on either side of the Atlantic even though the military capabilities of the Soviet Union targeted on Europe are greater than ever.

But it is important for us to recognize that the Soviet threat to the security of Western Europe has not disappeared. Rather, it has become far more subtle and therefore more potentially dangerous. It encompasses a Soviet determination to use political and economic means and the long shadow of military ascendency to increase its capabilities to influence and, if possible, control political development in Western Europe. It is a threat posed by a Soviet willingness to engage the West in a "protracted struggle" for ultimate political influence on the continent. The contest will determine which side has the greatest capacity to "stay the course."

Unfortunately, many in the Western Alliance feel that "events are in the saddle and ride man." I believe such a perception endangers Western abilities to adjust and respond to these new realities.

In the United States there are growing pressures for a substantial unilateral reduction in U.S. forces stationed in Europe. Those demanding such action fail, in my view, to adequately take into account our overall priorities and other developments in East-West relations that would be negatively affected by precipitous withdrawal. Too many Americans assume that the first cautious steps taken to achieve a relaxation of tensions in Europe represent the substance of an already established détente. Such a view mistakes what might be for what is. The United States would be unwise to unilaterally reduce its military forces at a time when that very presence can be used to influence the Warsaw Pact states to reach an accord on a mutual reduction of force levels by East and West in Europe.

While pressures for a U.S. unilateral force reduction have grown, Western Europe has sought to cling to an outmoded military status quo. This preference for the existing state of affairs is understandable. However both the altered nature of the threat to Europe's security and the growing likelihood of some form of extensive reduction of U.S. forces stationed in Europe make such a preference both unwise and unrealistic. This "head in the sand" approach to the problem is as dangerous for Alliance stability as the demands for immediate and unilateral U.S. troop reductions. Neither conforms to the realities of today and tomorrow. Europe cannot escape the need to assume an increasingly greater portion of the burden of its own defense. Nor can the United States escape, except at its own peril, the need to time adjustments in its force posture in Europe to coincide with increased European defense capabilities.

The upcoming negotiations on mutual and balanced force reductions are of crucial importance in providing the Western allies the opportunity to synchronize their efforts to adjust to the new security realities. Alliance members have a unique opportunity to alter the present military posture on a cooperative basis. Coordination of Western efforts in such negotiations rather than unilateral initiatives by individual states can do much to alleviate tensions within the Alliance over the troop reduction issue.

The viability of the Atlantic Alliance is also closely linked to the altered superpower relationship. While developments such as the SALT agreements have received the verbal support of our allies, they have also increased uncertainties within the Alliance. Strategic parity and its implications have increased European fears of a decoupling of the extended American strategic guarantee from Europe, thus weakening the psychological web of confidence that is a crucial determinant of Alliance cohesiveness. This, in turn, has led to anxious questioning by many Europeans of the long term efficacy of the Atlantic connection. It has also led to a growing demand by some European security planners for an upgrading of existing nuclear forces in Europe as a hedge against such a decoupling of the U.S. security guarantee. The kind of European political unity which would enable Europe to fashion a feasible alternative to reliance on the nuclear shield provided by the United States is nowhere in sight. It would therefore seem, that for the foreseeable future, Europe will have to endure a continual sense of uncertainty as to the ultimate credibility of the U.S. security guarantee. The burden is on the United States—by word and deed—to try to alleviate this uncertainty.

It was perhaps inevitable that this growing doubt would be a side effect of the rapprochement of the superpowers. There has always existed in Europe fears that the United States would sacrifice European interests in order to create and maintain some form of superpower condominium with the Soviet Union. Such "fears" have never been grounded in fact. The United States has no intention of sacrificing its close and historical affinity with Wetsern Europe as it seeks a suitable level of accommodation with the Soviet Union. Our "opening to the East," like the overtures of the Federal Republic, is compatible with an increased commitment to the Atlantic connection.

I would be the first to concede, however, that no words will totally allay these fears. Friends of the Alliance, on both sides of the Atlantic, should not ignore their potential or actual effects. They form a part of the perceptual setting within which efforts to maintain the viability of the Alliance must take place. To mitigate the debilitating effects of these anxieties, every effort must be made to maintain and solidify a linkage between developments in the superpower relationship and the evolving politics of détente in Europe. Two areas of interest are crucial in this regard: the SALT II negotiations and East-West Trade relations.

In SALT II there is every reason to believe that the Soviet Union will insist that the issues of U.S. forward based weapons systems in Europe and nuclear technology transfers between allies be a part of these negotiations. These questions, of course, go to the heart of West European security interests. It is crucial, therefore, for the members of the Atlantic Alliance to discuss these problems among themselves before and during substantive SALT II negotiations. Prior and on-going consultations with the West Europeans and substantive commitments to protect their interests must be key aspects of the U.S. approach in SALT II.

In the area of East-West trade, Congress and the Administration are currently engaged in establishing guidelines for future trade negotiations with the Soviet Union. I assume that similar preparations are taking place within the European Community. It would be extremely unfortunate if the Soviet Union was given the opportunity to encourage divisive tendencies in the Alliance by exploiting possible competition between the United States and the European Community for access to Soviet markets.

The key to forestalling such a development will be found in extensive and candid discussions within the Alliance regarding trade with the East. This is easier said than done. The United States and Europe are finding it almost impossible to reconcile their own trade and monetary differences, let alone evolve adequate and meaningful limits to their competition for Soviet markets. But some means must be found to maintain open channels of communication if crippling antagonisms are not to escalate in the Alliance while the trade opening to the East is taking place.

The trade and monetary tensions I have just mentioned are naturally a major source of centrifugal pressures in the Alliance. In America there is growing apprehension over what the enlarged European Community portends for United States trade and investment interests in the future. It is apprehension based on justified uneasiness over various Community practices, such as the Common Agricultural Policy, the Preferential Membership Policy for Third World countries, and the contemplated Common Industrial Policy. Many Americans perceive these aspects of the European Economic Community as designed to limit United States access to foreign markets. both in Europe and elsewhere.

Many in the United States do not know the realities of the United States—European Community trading relationship.

Far too few people realize that trade with Europe has been, over the long run, a plus item in the United States trade account. Ignorance of this fact has often led to a rather distorted picture of Europe as one of the main contributors to the growth of U.S. trade deficits. On both sides of the Atlantic the supporters of the Alliance must make special efforts to alter this erroneous assumption.

Dissatisfactions over Atlantic trade and investment relations are also evident here on the Continent. Europeans point to the inherently discriminatory nature of "buy America" policies as one example of America's trade "sins." Moreover, there is European discontent with investment policies of U.S. multinational corporations that appear to be designed to make European industry little more than an adjunct of American business interests.

Monetary tensions also increase divisive tendencies. Apprehension exists on both sides of the Atlantic over the inability of the United States and Western Europe to find some form of stability in their monetary relations with each other.

I wish I could advance a panacea which would reduce these tensions. I have no such easy solution. But patience, compromise, consultation and good will are surely the ingredients of success. Unless these qualities are brought to bear—and soon—the fabric of the Atlantic structure may be irreparably damaged. We cannot allow tensions in the trade and monetary relationships of Alliance members to escalate indefinitely if we are to maintain the stability of the overall security linkage. If one withers and dies so will the other.

I assure you that I have not focused on these problems confronting the United States and Europe in order to be a harbinger of the dissolution of the Atlantic Alliance. I am by nature an optimist, believing that such an approach is the only tenable one for those who wish to accomplish something meaningful in this life. Therefore, I believe fervently that the problems facing the Alliance are soluble if the will exists to work for their resolution. That being assumed, certain issues should be given priority consideration in Alliance relationships in the immediate future.

First, there must be a recognition that security for Alliance members cannot be maintained by outmoded military postures. I have stated this fact in several ways today. It bears restating and remembering. Adjustments must be made in the military posture of the Alliance that reflect the changed perceptual climate in both the United States and Europe and compensates for the altered nature of East-West relations. These necessary modifications must result from decisions jointly arrived at in intra-Alliance consultations, rather than as forced reactions to unilateral initiatives by one or more Alliance members.

Secondly, there must be a concerted effort by both the Europeans and the Americans to maintain open and extensive channels of communication with each other during the upcoming East-West negotiations. Western initiatives in the various forums must reflect a high degree of consensus if the West is to limit Soviet opportunities to use the various negotiations to promote discord within the Alliance.

The United States will likely assume the dominant position for the West in mutually balanced force reduction negotiations as well as the only position for the West in SALT II. To be maximally effective in these forums, the United States will need the extensive support of its European allies. I am convinced that one way to merit this support is to accept the primacy of European interests and the leadership of the Western Europeans in the European Security Conference. The discussions in this forum will have the direct and immediate relevancy for our European allies, and we should accommodate ourselves as much as reasonably possible to their preferences.

The acceptance of a West European lead in the European Security Conference would be a direct and powerful manifestation of United States security in seeking to develop a true partnership of equality with Western Europe.

Thirdly, some workable balance must be achieved between the desire of each member of the Alliance to protect its trade and monetary position and the necessity to cooperate on military security matters. It would be foolish to believe that a perfect balance can be found. However, it would be equally absurd to assume that the United States and Western Europe can continue to cooperate closely on security matters while their trade and monetary relations continually deteriorate. Some form of interim stability must be found if the cohesiveness of the Alliance is to be maintained.

I am disappointed that some members of the European Community do not feel the time is right for a top-level American-European summit designed to reconcile the common needs of military security with these growing trade and monetary tensions. Such a meeting would be a useful indication to various audiences that the Alliance members are intent on maintaining and strengthening the Atlantic relationship in spite of the existence of these immediate problems. Hopefully, in the not too distant future, conditions will be such as to make possible the convening of such a summit.

Finally, an alliance can only remain viable so long as its members have a high degree of confidence in each other's willingness and ability to fulfill mutually agreed upon obligations. I am deeply troubled, therefore, by expressions of doubt as to America's ability to execute its responsibilities in the Alliance and the world in light of its present domestic predicament. I am convinced that these doubts are based on the false premise that individuals rather than institutions are more important in providing continuity for American policies, foreign or domestic. I believe the reverse to be true. It is the institutional structure that provides the unique strength of our system of policy formation and execution. It is that structure that has stood the United States in good stead in all times of foreign or domestic crises.

In the present situation, individuals have clearly betrayed the public trust. Possessing misconceptions as to the acceptable scope of their exercise of power, they have, by their actions, dealt a severe blow to the functioning of our governmental processes. However, I believe the debilitating effects of this "blow" will be short-lived. Our institutional structures possess sufficient capacity to absorb the current shock waves without experiencing irreparable or long-term damage. The recuperative capacity of the system will allow the United States to fulfill its commitments to the Atlantic Community and to press on in the search for a true and lasting détente between East and West.

## DÉTENTE AND HUMAN RIGHTS

Mr. JACKSON. Mr. President, it was my privilege to give the commencement address at Yeshiva University in New York on June 4.

I ask unanimous consent to print the text of my remarks in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

### DÉTENTE AND HUMAN RIGHTS

(By Senator Henry M. Jackson)

For many of you, my remarks today will be the last lecture that you will be obliged to attend—and perhaps the first on which there will be no final exam. Better still, I shall be brief. As Henry VIII remarked to each of his wives, "Don't worry—I won't keep you long."

At no time since the end of World War II has the Western democratic world been more hopeful, nor the struggling democrats in the East more apprehensive, at the prospects of the developing international détente. And nowhere should the fears and apprehensions of those whose love of freedom has survived behind the Iron Curtain find a more receptive and thoughtful consideration than on the campus of this great university. So my remarks this morning are devoted to the question of détente and human rights.

As I stand before you today to receive, with great pride, your honorary doctorate. I cannot help but think back to 1937. In that year the great German writer, Thomas Mann, then in exile in Switzerland, received a letter from the dean of the University of Bonn informing him that "the faculty finds itself obliged to strike your name off its roll of honorary doctors."

So Thomas Mann replied. In his letter he asked of the Nazi Government he had fled:

"Why isolation, world hostility, lawlessness. intellectual interdict, cultural darkness, and every other evil? Why not rather Germany's voluntary return to the European system, her reconciliation with Europe, with all the inward accompaniments of freedom, justice, well-being, and human decency, and a jubilant welcome from the rest of the world? Why not? Only because a regime which, in word and deed, denies the rights of man, which wants above all else to remain in power, would stultify itself and be abolished if, since it cannot make war, it actually made peace."

Thomas Mann, who moved from an abhorrence of politics to, as he later described himself: ". . . an emigre, expropriated, outlawed, and committed to inevitable political protest," knew that a regime that denies the rights of man can never be reconciled to membership in the community of civilized nations.

I was at Buchenwald three days after its liberation in 1945, when it was still an occupied camp. I knew then in my gut what before I had known only in my head—that the holocaust is the central political experience of our time and that it must never happen again. The greatest mistake of the Western world was the failure of Britain and France and America to heed the warnings of Winston Churchill and to stand, firm and early, for the defense of individual liberty—not merely for territorial security, which proved illusive and nearly catastrophic, but for the spiritual security of the individual.

I would like to hope, as would free men everywhere, that what Thomas Mann knew to be true of Germany in the 1930's will not turn out to be true of the Soviet Union in the 1970's. But I am bound to say that I share the apprehensions of those who remain doubtful. This much is certain—how we design and implement the emerging policy of detente, the weight we assign to human rights in the development of relations with the communist world, and the depth of our own commitment to individual liberty will prove decisive.

Too often, those who insist that the pace and development of detente should reflect progress in the area of human rights are accused of opposition to detente itself. Nothing could be further from the truth. The argument is not between the proponents and detractors of detente, but between those who wish a genuine era of international accommodation based on progress toward individual liberty and those who, in the final analysis, are indifferent to such progress.

We will have moved from the appearance to the reality of detente when East Europeans can freely visit the West, when Soviet students in significant numbers—not the 25 who are here now—can come to American universities, and when American students in significant numbers can study in Russia. When reading the Western press and listening to Western broadcasts is no longer an act of treason, when families can be reunited across national borders, when emigration is free—then we shall have a genuine detente between peoples and not a formula between governments for capitulation on the issue of human rights.

Without bringing about an increasing measure of individual liberty in the communist world there can be no genuine detente, there can be no real movement toward a more peaceful world. If we permit form to substitute for substance, if we are content with what in Washington is referred to as "atmospherics," we will not only fail to keep our own most solemn promises, we will, in the long run, fail to keep the peace.

The early signs are not encouraging. Last week the United States Senate voted to sustain a foolish and short-sighted cut in the budget of the United States Information Agency. As a result the future of our Voice of America broadcasts to millions of persons who live in countries where—in George Orwell's memorable phrase—"yesterday's weather can be changed by decree," is in doubt. I hope that the House of Representatives will prevail in the forthcoming legislative conference and that these funds, so vital to our effort to assure the free flow of ideas, will be restored. One can only lament the suggestion, in the report of the Senate Foreign Relations Committee, that the USIA in its role is a "cold war anachronism."

I am concerned that in our relations with the Soviet Union we have not pressed with sufficient weight our demand that there be an end to the jamming of Western radio broadcasts. For millions of people the Voice of America, Radio Free Europe and Radio Liberty, along with the BBC and Kol Israel are not only a source of news, but a source of hope. I am moved as well as impressed by the ingenuity with which millions of radios in the Soviet Union have been modified, despite Soviet regulations, to enable them to receive broadcasts from the West. How much more convincing is the willingness to risk jail in order to hear the Voice of America than the shallow argument of Senator Fulbright that our broadcasts impede detente? How much better would be the prospects for a more peaceful world if men everywhere were free to read what they like and hear what they like?

If there is "a cold war anachronism" in this situation, obviously it is not the pursuit but the *obstruction* of freedom of communication and movement among peoples of East and West. In acquiescing to the jamming of our broadcasts, we do not improve the climate of detente. Rather, we abdicate our central responsibility to the encouragement of a genuine relaxation of tensions. In the denial of human rights, to say nothing of the breaking of agreements, silence is complicity.

Of all the human rights contained in the Universal Declaration of the United Nations none is more fundamental than that in Article 13—the right to free emigration. And as we assess the developing detente there is no more basic measure than its impact on the free movement of people. The importance of free emigration stems from the fact that whatever other liberties may be denied—speech, press, religion, employment—any and all of these can be restored by emigration to the free countries of the West. Of human rights, free emigration is first among equals. Moreover, emigration has a special international character that necessarily places it in the context of international relations—for the state that wishes to receive emigrants has at least as much of a stake in free emigration as the state from which they come.

Every day I receive in my office the appeals—often written and communicated at great risk—of innocent men and women whose only desire is to emigrate from behind the Iron Curtain. As you know, a great many of these appeals come to me from the Jews of the Soviet Union—men and women whose courage and determination is of historic proportions. In the exodus of the Russian Jews, in their awakening and their struggle, those of you who study The Prophets have a whole new dimension to examine, and those of you who study history can take pleasure in seeing history arrive at Lod Airport day after day.

So the appeals arrive daily. And I am proud as an American that it is to America that these brave people have turned. For us, a nation of immigrants, to turn our backs on them in the interests of the most shallow notion of detente—or, worse yet, in the blind pursuit of profits from trade—would be a betrayal equalled only by our abject silence in the 1930's. I will not turn away from a challenge I am honored to meet. I will not be silent.

The economy of the Soviet Union is in desperate straits, and we have been asked to extend to Russia the benefits of our markets on a most-favored-nation basis, of our capital at preferential rates, and of our superlative technology. Now, there are those who argue that we must make these trade concessions in the interest of promoting detente but that we ought not to attach conditions that would, at the same time, promote human rights in the Soviet Union. This is the argument of the Kremlin. It is, I am sorry to say, the argument of many in high official circles in this country. But it is, also, I am pleased to say, an argument that we in the Congress have clearly rejected. The overwhelming support for my amendment—77 cosponsors in the Senate and some 280 in the House—to make these benefits conditional on free emigration is, in my view, not only the best hope for the survival and freedom of the Russian Jews, it is a sound and proper way to manage the emerging detente.

I'm not against trade with the Soviet Union. Long before President Nixon went to Moscow, I cosponsored the East-West Trade Relations Act to promote trade with the Soviet Union and other communist nations. But I believe that such trade should serve our larger interests as well as Soviet economic interests. So when we talk of free trade, let us also talk of free people. When we bring down the barriers that keep manufactured goods from communist countries out, let us also bring down the barriers that keep their people in.

I say to you—we are going to pass the Jackson Amendment in the Congress. We are going to add a new law to the statute books and a new life in a new land to those thousands of men and women who desire only to be free.

Now, the White House prefers to use "quiet diplomacy," and with that they dismiss the tough bargain that the Jackson Amendment calls for. Well, we have seen that sort of "quiet diplomacy" before. It got us a grain deal in which the Russians purchased cheap wheat subsidized to the tune of $300 million by the American taxpayer while the American housewife ended up paying for more expensive beef and grain-based products. It got us a strategic arms limitation agreement in which the Soviets obtained a three-to-two advantage in land and sea-based missiles. It got us a new wave of repression and trials following the Moscow summit. It got us the infamous education ransom. It brought about the appearance of détente and the reality of an even lower Soviet tolerance of individual liberty.

That is not the sort of diplomacy we need and it cannot produce the sort of detente that we need. And as long as I am able to influence policy—as long as I have something to say about the foreign and trade policy of the United States—I shall do what I can to see that we develop the sort of detente that can lead to genuine peace, a detente based on freedom and individual liberty.

Now that your studies are completed I call upon each of you, in the spirit of the ideals and values that this great university represents—to join me in that effort.

## HUNGER IN AMERICA—1973 "PRESCRIPTION: FOOD"

Mr. HUMPHREY. Mr. President, the Senate Select Committee on Nutrition and Human Needs has just issued its report entitled "Hunger—1973."

The report points to a threefold expansion of Federal food programs designed to feed America's hungry poor during the last 5 years. While this is important progress in a critical area of need, the battle against hunger and malnutrition in the United States is far from won.

According to census data, the incidence of poverty—and by definition of hunger as well—has actually risen since 1969. While the data show a constant reduction in the number of people in poverty in the United States from 39.9 million in 1960 to 24.3 million in 1969, this trend in fact was reversed after 1969, with the number of poor people rising to 25.4 million in 1970 and 25.6 million in 1971.

The committee's statistics also show that much additional work is needed to bring the benefits of our food programs to all of those in need.

According to "Hunger—1973," fully 48 percent of the poor are not currently receiving food assistance. We must make a greater effort to assure that hunger is eliminated in our Nation. We simply cannot afford the waste in human resources and the misery that results from hunger and malnutrition.

Ultimately it is the U.S. Department of Agriculture that is responsible for the degree to which the food programs serve those for whom they are intended. We need a redoubling of effort by USDA to make certain that all the poor know about and are brought into the food programs.

I cannot agree with USDA's claim that the job of feeding the hungry is substantially done, despite impressive figures on program expansion. The figures on poverty and participation noted above indicate that more effort is needed.

The statistics in "Hunger—1973" reinforce my conviction of many years that a greater national effort to eliminate hunger and improve nutrition is needed.

Once again I call for a national commitment to the following food assistance program goals:

To end hunger and malnutrition in America;

To provide every American schoolchild with at least one free meal per day and to provide a school breakfast for every child that needs or wants one on a free or reduced-price basis;

To provide for a nutrition education program within our Nation's school system—tied, if possible, to a national nutrition labeling program;

To provide for a supplemental feeding program for infants, preschool children and low-income pregnant women;

To provide those schools having either no or inadequate school cafeteria services with the financial resources to acquire the equipment and personnel to establish such services; and

To further expand the food stamp program and facilitate establishment and expansion of nutrition programs for the elderly to reach all those who are in need of such assistance.

To meet these objectives we need a national nutrition program. It would include the following:

A universal child nutrition and nutrition education act—which would completely overhaul the existing patchwork of child feeding programs and would establish a national child nutrition education program. Every child, regardless of parent's income, would be provided with at least one free meal per day while he is attending school;

An expansion of Baltimore experimental project utilizing "formulated" foods to meet the nutrition needs of infants, preschoolers, and low-income pregnant women;

An increase in Federal reimbursement rates and funding for school lunch, breakfast, and summer feeding programs;

An expansion of the food stamp program to guarantee every locality sufficient funds for a program; and

An expanded program of nutrition for the elderly, so that all those in need are reached.

Two important legislative actions designed to move us toward these goals are my Child Nutrition Education Act of 1973 and the Universal Child Nutrition and Nutrition Education Act which I introduced last year and will soon introduce again.

The first bill, which I introduced on March 1 of this year, would establish a program of nutrition education for children as a part of the national school lunch and child nutrition programs and strengthen the existing child nutrition programs. This legislation is essential to the continuing effort to improve the nutritional health of the Nation's schoolchildren.

The second piece of legislation would establish a national food policy guaranteeing that every child and adult, regardless of income, shall have access to a diet which will sustain a normal, healthy life. Whether the administration cares to face the fact or not, there are still hundreds of thousands of children in America who are poorly fed.

The passage of this legislation would be an important additional step toward the elimination of the tragic irony of hunger and malnutrition in the midst of the abundance known by most Americans.

One crucial need in regard to American hunger and nutrition problems is for greater public awareness of just how serious the problem still is in this country.

Last night a significant contribution to this effort of public education was made with the presentation by WMAL–TV in Washington, D.C., of a documentary film, in prime time, entitled "Prescription: Food."

This is a compelling filmed statement on the impact of infant malnutrition on American society, and more devastatingly, its occurrence on a scale far greater than the public has been aware of.

WMC–TV in Memphis, Tenn., and WMAL–TV in Washington are to be complimented for this example of local public service programing at its best.

The film documents, through a series of interviews with staff members of St. Jude's Children's Research Hospital, their recently completed 3-year study of the effects of malnutrition on pre-school-age children in a low-income area of Memphis—and one inexpensive method this research team found for the solution of the problem.

I ask unanimous consent that a brief description of this outstanding film and a letter commenting on the film by Robert S. Frazier, M.D., the executive director of the American Acadmey of Pediatrics, be printed in the Record.

There being no objection, the description and letter were ordered to be printed in the Record, as follows:

### Prescription: Food

From a 3-year study recently completed by a medical research team at St. Jude Children's Research Hospital in Memphis (Tennessee), *malnutrition of epidemic proportions* was found to exist among the pre-school age children who lived in a low-income area of South Memphis. More than half of the children were severely stunted in growth, anemic and suffered from colds and skin infections. And, perhaps most startling, was the fact that 15 percent of the children had been undernourished to such a degree that their brains were severaly retarded in growth, with an indication that the children might well suffer some type of mental disability as they matured.

St. Jude's doctors, finding themselves with hundreds of young patients who were abnormally small, weak and anemic, began an unusual "food by prescription" program using surplus food provided by the United States Department of Agriculture and augumented by a prescription baby food with an iron-enriched infant formula (Similac). About 2,500 South Memphis children have been receiving the food supplement for more than two years now, and—in most cases, with dramatic therapeutic effects. The children in the program are more active and alert, and they have started to grow. *Some of the very young children who were near starvation a year ago are healthy today.*

The *story of the successful results* of this important research program has been captured in a powerful and moving television film documentary, "Prescription: Food", produced by the staff of WMC–TV, the Scripps-Howard television station in Memphis.

#### THE COMMUNICATIONS CONCEPT

The film came to the attention of Harold M. Pingree, Jr., Vice President and Director of Special Projects Division of John Blair & Company, the national sales representative of WMC–TV. He realized that the film contained a strong message and should be seen, not only by the television audience in the Memphis area, but by concerned people everywhere in the medical, nutrition and educational fields, and by leaders in government and civic organizations. It was his view that the program's messages could best be brought to the public's attention by television . . . supported by a company with specific interests in the health care field, and with a special concern and involvement in the area of nutrition. He contacted Abbott Laboratories, where the potential of "Prescription: Food" was quickly recognized.

#### SYMPTOMATIC TREATMENT AND SPIRALING COSTS

In every metropolitan community throughout the United States, we face the spiraling costs of supporting expanded service; police forces, court facilities, prison systems, mental institutions and welfare programs . . . all related to our efforts to contain the symptoms of this ever-growing situation of concern. Within our grasp is an opportunity to attack a specific cause and reallocate our nation's human and fiscal resources to those productive activities that energize the growth of our society.

#### A CURE AND NATIONAL OPPORTUNITY

Medical research has quietly uncovered evidence that a major cause of many of our social problems may be far simpler in nature than previously thought, and that the preventive for it may be far less expensive and far more effective than anyone had suspected. *Sound nutrition in early childhood* (*the first year*) *and proper environment are the key elements.*

#### PRODUCTIVE PEOPLE OUR NATION'S GREATEST NATURAL RESOURCES

The general health, education and welfare of our nation's population is without a doubt one of our most urgent priorities. And, as demonstrated by the successful results of the recently completed malnutrition research project at St. Jude Children's Research Hospital in Memphis, these cares and needs begin before we are born. For serious malnutrition in the very young can result in severely retarded brain growth . . . indicating that these children would probably enter the mainstream of society in later life with some type of mental disability that frequently leads to non-productive and antisocial behavior.

#### NATIONAL OPPORTUNITY

A recent editorial in the Memphis "Commercial Appeal" put the problem quite succinctly.

"The worst bureaucracy in the world could not begin to waste the resources that are lost forever by society's neglect of the children of the poor. Millions of these children are born each year in the United States with their opportunities for healthy, constructive lives either destroyed or drastically limited by the lack of proper care. . . ."

"The loss of human potential caused by malnutrition is even more tragic because it is needless. The nation has the capacity and ability to give almost every child a healthy start in life—a start that is indispensable for normal growth and development. . . ."

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American Academy of Pediatrics,
*Evanston, Ill., February 25, 1972.*

Mr. Harold M. Pingree, Jr.,
*Vice President, Director, Special Projects Division, Blair Television, New York, N.Y.*

Dear Mr. Pingree: Thank you again for taking the extra time to review with our staff and our Committee on Public Information the documentary film, "Prescription Food."

We all felt this was an outstanding production that vividly portrayed an epidemic social health problem, and effectively pointed up workable solutions for reducing malnutrition in this country.

I particularly feel this film encompassed and communicated many of the principles to which the American Academy of Pediatrics has dedicated itself in seeking to improve the health and welfare of children. The Academy would therefore be proud to have you include at the end of the documentary the seal of the AAP and wording signifying our approval.

We believe this film can be used effectively in many ways to communicate to the general public and the medical community about programs for reducing and eliminating malnutrition. As a first priority, the film should be shown on television stations throughout the country, thereby providing a large segment of the general public an opportunity to see it. The film would also be ideal for showing before civic organizations, neighborhood health centers, national and state legislators, appropriate congressional committees, parent teacher groups and a multitude of other organizations.

Similarly I feel that the medical community should be exposed to the message contained in "Prescription Food." In this regard the documentary should be shown in hospitals, to intern and resident groups, before medical societies, and at national medical meetings. For example, the Academy would like to schedule this documentary at our annual meeting next fall in New York.

It is obvious that we support extensive distribution of this excellent documentary. We therefore hope that our approval of this effort will assist you in obtaining funding to distribute "Prescription Food" as widely as possible, and if our staff or Committee on Public Information can be of any additional assistance, please let me know.

Sincerely yours,
Robert G. Frazier, M.D.,
*Executive Director.*

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## READING

Mr. EAGLETON. Mr. President, I have long been interested in the problems related to illiteracy and reading deficiencies in this country and in seeking a solution to the problems. Last year I introduced the National Reading Improvement Act of 1972, and I intend to introduce a revised version of that bill in the very near future.

I have been convinced by many reading experts that all children can learn to read. But the fact remains that each year schools are turning out children, not just as drop-outs, but high school graduates and even college graduates, who cannot read. There are no easy answers as to why this is happening in our so-called advanced educational system. But it is clear that a concerted effort must be made by the Federal Government, by State education agencies, by local school officials, and by individual teachers to meet the problem and to overcome it. I believe the necessity for this is best expressed by Dr. Thomas C. Little, superintendent in Richmond, Va.:

> The level of literacy has always been a measure of the progress of a civilization. . . . [I] is reading—the ability to see a printed word, to comprehend its meaning, to evaluate its contents—which is the one historic path upward and outward for the civilized man.

Mr. President, this morning's Washington Post carried a column by William Raspberry entitled "Teach Them to Read."

Mr. Raspberry's column deals with a WMAL–TV special entitled "Teach Them To Read," to be aired Friday evening from 8–9 p.m. The program attempts to demonstrate why so many of our schools are failing to teach children to read, and to show how other schools are able to teach reading successfully. I ask unanimous consent to print the column in the Record so that my colleagues will have the opportunity to know something about this important program in advance. I urge that every Member who is able watch the special so that he may have a better understanding of the most crucial problem facing our educational system today.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Washington Post, June 6, 1973]

### Teach Them To Read

(By William Raspberry)

If you care about public school education—and particularly education in the big-city low-income neighborhoods—you ought to spend an hour this Friday watching the WMAL–TV (Channel 7) special: "Just Teach Them to Read!" You'll learn some things.

You will learn a good deal about the personalities of the people who have tried and are trying, without overwhelming success, to improve the schools: former D.C. School Board president Anita Allen; Teachers Union President William Simons, associate superintendent James Guines, Title I director Anne Pitts, and others.

You will be privy to some interesting and revealing set-tos between Mrs. Allen and Guines, or between former school board member Ben Alexander and Simons.

You will begin to see why so many of our schools are failing. And you will learn that some of them aren't—notably Benning Elementary School, which is supposed to be a major focus for the special.

But you won't come away with any clear feeling of why Benning is succeeding where so many others are failing. And that is the principal weakness of the show.

Here and there are the rudiments of an interview of Benning principal Alice L. Rhodes. But the interview, conducted by George Weber, associate director of the Council for Basic Education, never really takes shape. That may be because the editors chose dynamism over information, or maybe it wasn't there to begin with.

But the abbreviated interview segments, the talks with Benning teachers, the film of school scenes, never answer the question that keeps nagging: Why is Benning different?

Somehow I *knew* the question wouldn't get answered when I heard the introduction by WMAL's Jim Clarke, who narrates the special:

"In recent years, Washington has had a steady diet of gloomy news about its public schools—most reading and math achievement scores fall below national averages. George Weber, associate director of the Council for Basic Education, researched the Benning School in Northeast Washington to find out how it successfully teaches children to read. He found that one reason is 'high hopes.' The principal and teachers expect the students to achieve.

*"Unfortunately, programs that should generate this type of attitude throughout the school system are lost in the politics of reorganization."*

The italics are mine, and indicate where I think the show goes wrong.

Clarke and his collaborators apparently expect to learn what secret formula Mrs. Rhodes has discovered so that somebody in the Presidential Building can mass-produce it and distribute it throughout the school system, along with blackboard chalk and requisition slips.

The secret formula, they soon learn, is that Alice Rhodes believes—*really* believes—that her children can learn; and because she believes it she is able to infect her teachers with that faith.

It is as simple as that.

I don't mean to say that faith can be effective without technique. But there is nothing to suggest that the teachers at Benning are better technicians than their colleagues elsewhere. Faith is the difference—the belief that teachers can teach and children can learn.

And as Guines says, more in exasperation than in explication, "You know, I can't mandate high expectations."

That's profound. It explains why George Weber can't find what he's looking for any more than the WMAL crew could find it. I've previously reported on a study Weber did of four inner-ctiy schools in different parts of the country that are succeeding where most are failing. Weber was able to put his hands on several things the four successful schools had in common—strong leadership, high expectations, good atmosphere, strong emphasis on reading, additional reading personnel, use of phonics, individualization, and careful evaluation of pupil progress. But he couldn't, and still can't, reduce his observations to a formula.

Some things, alas, just don't behave that way. And one that doesn't is the faith that says "I can teach and my children can learn."

You can get large numbers of teachers to say it, of course; but you can run Alice Rhodes through the office Xerox and parcel out as many copies as you need.

And you can't watch television Friday night and mimic what you see Alice Rhodes doing and expect it to work.

One thing may be possible, though no one mentions it during the special: It may be that Alice Rhodes and a few others like her can find the time and inclination to try to teach other principals the faith and methods for promulgating it.

And maybe even that isn't possible. It may well be that even Mrs. Rhodes doesn't know how she does it.

Watch the show, anyway. It may be useful just to discover that it can be done.

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## MORE ECONOMIC BAD NEWS

**Mr. HUMPHREY.** Mr. President, actions yesterday, at home and abroad, brought more bad economic news for all Americans. And, it brought a further indictment of the Nixon administration's economic program.

Large banking institutions are reported to be on the verge of increasing the prime lending-rate from 7¼ to 7½ in the immediate future. Chauncey E. Schmidt of the First National Bank of Chicago called for a rate "in the range of 7¾ to 8 percent."

Mr. President, this "creeping interest" spells more trouble for the American consumer—and higher profits for the big banks.

Consumer credit cost will increase and housing mortgage cost will increase—about this there can be no doubt. There is a possibility of a "credit crunch" setting in, as the Nixon administration blindly acquieses in the upward bound of interest rates.

At the same time, Mr. President, the dollar took its biggest plunge in overseas markets in recent months while the price of gold on the Zurich market soared to $123.75 an ounce. Country national banks are selling dollars as if there were no tomorrow. And, things are likely to get worse.

Four years ago, the German mark was worth 25 cents. Today, the dollar buys 2.50 West German marks. The Nixon administration does not want to speculate on what the dollar will be worth in the future.

Amidst the economic disaster besetting our country, the Nixon administration's chief economic spokesman states that he is "puzzled." Secretary of the Treasury George Shultz claims that the weakness of the dollar in the international currency markets is a "puzzling matter." And, he echoes the same old tired administration theme that an end to inflation is just around the corner, that there will be a leveling off of cost increases, and that things are going to get better.

Mr. President, what we need is not more propaganda from the administration. We need action. Hard, tough, fair action.

Mr. President, I ask unanimous consent that three articles from the New York Times, "Dollar Plunges in Europe; Gold Soars $6 An Ounce," "Dollar Weakness called Puzzling," and "Bankers Expect Prime Rate Rise," be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

### Dollar Plunges in Europe; Gold Soars $6 an Ounce

(By Clyde H. Farnsworth)

Paris, June 4.—The dollar took its biggest one-day plunge in recent months, falling 1 and 2 per cent against leading European currencies, and the price of gold soared by more than $6 an ounce to another new high.

The steady pounding of the dollar reflected the growing uneasiness of money managers at disclosures in the Watergate scandal, as well as the general distress caused by the large amount of dollars abroad because of the United States balance-of-payments deficit.

The price of gold, inversely reacting to the agitation in the currency markets, closed at $123.75 in Zurich, up $6.25 from last Friday's close. In early May the price was $90 an ounce, and in January it was around $65.

#### VOLUME NOT DISCLOSED

Gold traders never disclose the volume of sales, but it is estimated that upwards of $50-million would be involved in a day like today.

Currency dealers said they did not know when the dollar selling would end. Some bankers in Frankfurt see the dollar falling under 2.50 West German marks and approaching a level of only two marks. Four years ago a mark was worth 25 cents.

The Morgan Guaranty Trust Company's latest world currency survey tends to support the position of the dollar pessimists by forecasting little improvement in the basic balance-of-payments deficit of the United States this year. It notes that as long as large deficits remain in a floating-rate system, the equalizing element will be an ever-lower dollar exchange rate.

#### DECLINE IN FRANKFURT

In Frankfurt the dollar dropped from 2.6750 marks on Friday to 2.6025 today, or slightly more than 2 per cent. The dollar is already 8 per cent lower than it was last February, after a devaluation of 10 per cent, the second devaluation in 14 months.

Against the French franc the dollar fell from 4.29 commercial francs to 4.21. This also represents a fall of around 2 per cent. The decline was less steep against the strong Swiss franc. The dollar closed at 3.03 Swiss francs against 3.06875 Friday. The pound rose more modestly still, from $2.5740 to $2.5825.

Between March and early May, the initial period of the world's new floating-rate system under which currencies are left to find their own value in the marketplace, there was relative currency stability. The dollar in this period actually gained strength against some of the European currencies rising as high as 2.85 West German marks, for example.

#### WATERGATE STIRS DOUBTS

Then Europeans became aware of Watergate. The disclosures in the unfolding scandal cast doubt on Presidential authority in the United States, leading many money managers to lose confidence in the Administration's ability to overcome America's economic problems.

The dollar buys more in New York than 4.2 French francs buy in Paris or 2.6 marks buy in Frankfurt, which indicates that in economic terms the dollar is becoming an undervalued currency.

But in the marketplace, the law of supply and demand, rules.

"There are just too many dollars, and nobody wants to hold them," one Zurich foreign-exchange dealer said.

American monetary authorities, led by Secretary of the Treasury George P. Shultz, are coming to Paris this week to the American Bankers Association's international monetary conference. Many foreign commercial and central bankers will probably subject the American officials to intensive examination.

Foreign-exchange dealers will be watching this meeting for clues to future action of the currency markets.

### BANKERS EXPECT PRIME RATE RISE

(By H. Erich Heinemann)

The upward surge of short-term money costs in the open market is likely to force an increase in the prime lending rate of the nation's largest banks to 7½ per cent from 7¼ per cent within the next two or three days, informed bankers said yesterday.

Such an increase would be the sixth quarter-point jump in this key minimum charge on large business loans so far this year. The previous increase was sparked by the Chase Manhattan Bank on May 24.

Previously bankers had been waiting about three weeks between prime-rate actions, in deference to the Nixon Administration's Committee on Interest and Dividends, which has asked banks to go "as slow as possible" in bringing their lending rates in line with the market.

#### HELD BELOW MARKET

The prime rate was held below the market earlier this year by the committee, which was apparently trying to head off action by Congress to impose mandatory interest-rate controls.

The effort to hold down the prime was officially abandoned in mid-April, but, despite several increases in the rate since that time, bankers say that the prime rate should now be about 8 per cent, rather than 7¼ per cent.

Chauncey E. Schmidt, vice chairman of the First National Bank of Chicago, said yesterday—in announcing that First Chicago would keep its prime rate at 7¼ per cent for another week—that his bank's "floating-rate formula" for its prime, now called for a new "in the range of 7¾ per cent to 8 per cent."

Bankers said yesterday that the timing of prime-rate increases was being accelerated because of the intense pressure from the rising cost of money. Major banks were reported yesterday to be paying 8 per cent for large-denomination certificates of deposit (a major source of lendable funds), and 8½ per cent to 8¾ per cent for overnight interbank loans in the Federal funds market.

#### COST OF RESERVES CITED

The effective cost of the certificates of deposit, bankers were quick to point out, was even higher with the added cost of mandatory reserves that must be held against these deposits and assessments for Federal deposit insurance.

Separately yesterday, it was learned that major banks in California had encountered serious problems in the residential mortgage market, where the guidelines of the Committee on Interest and Dividends have forced them to hold their mortgage lending rate at 7½ per cent, while savings and loan associations and other lending institutions in the state have raised their rates to 8 per cent or 8¼ per cent.

Franklin Stockbridge, executive vice president of the Security Pacific National Bank in Los Angeles, said in an interview that this closed the door of the savings associations and "diverts all the demand into the banking system."

"Arthur F. Burns, chairman of the Federal Reserve Board and of the interest committee says we can't raise the rate," said an outspoken San Francisco banker who asked not to be identified, "and I don't know any other way to turn it off. What we're going to do is redefine what's a prime."

### DOLLAR WEAKNESS CALLED PUZZLING

(By Eileen Shanahan)

WASHINGTON, June 4.—Secretary of the Treasury George P. Shultz indicated today that he saw no good reason for the dollar and the stock market to be as weak as they are.

He told the House Ways and Means Committee that he would buy stock now if his Government position did not limit his investments because "I think there are bargains galore."

Mr. Shultz said that he found the weakness of the dollar in the international currency market's "a puzzling matter" because the prospects that the United States will limit inflation "are better than most other countries."

He appeared before the committee to request a $20-billion increase in the temporary ceiling on the Federal debt, which would bring the ceiling to $485-billion. This would permit the Government to continue to borrow to meet its bills, at the pace that is currently foreseen, through next June.

#### QUESTIONS ARE ASKED

Members of the committee, including the chairman, Wilbur D. Mills, Democrat of Arkansas, asked questions that indicated they might agree to a new ceiling of $475-billion.

Among the many other topics covered in the hearing were the following:

Mr. Shultz asked Congres to remove the statutory interest ceiling of 5½ per cent on savings bonds and 4½ per cent on the larger-denomination marketable Government bonds.

He said the Administration was also thinking of doing something to make it more attractive for individuals to invest their income-tax refunds in some sort of Government bonds. The option of taking the refund in savings bonds has not been used by many people, he said.

The Secretary indicated that the Administration was still considering the possibility of asking for an increase in the Federal tax on gasoline but said that any such tax would be aimed at conservation of gasoline and development of new energy sources, and would not constitute an attempt to slow the business boom by draining off consumer purchasing power.

In answer to a question from Mr. Mills, Mr. Shultz said the Administration "would not object" to a Mills proposal to reduce or eliminate the withholding taxes that foreigners pay in interest or dividends they earn from investments in the United States.

The acceleration of inflation since the end of most mandatory price controls in January brought criticism from a number of committee members.

Representative Al Ullman of Oregon, the second-ranking Democrat on the committee, said that he would not vote to remove the interest-rate ceiling on Government bonds until the Administration had re-imposed stricter controls.

Strong criticism of the idea of trying to reduce gasoline consumption by increasing the price through an additional tax came from Representative Martha W. Griffiths, Democrat of Michigan.

#### RATION STAMPS FAVORED

If there is really a gasoline shortage, she said, "then you'd better get ready some ration stamps." She called it "unconscionable" to ration gasoline, in effect, by adding to its cost, thus pricing some people out of the market, but permitting others "to drive any place they wish if they can pay for it."

Mr. Shultz replied that an unregulated market always rations, in effect, through the price system.

Mr. Mills, who has consistently supported the Administration's drive to keep a tight hold on Government spending, hinted that he might be thinking of some sort of spending ceiling as an addition to the debt-ceiling bill.

Without disclosing exactly what he had in mind, he asked Secretary Shultz whether he would like something put into the bill that could "be used to strengthen your hand and that of the President?" Mr. Shultz indicated that he would like it.

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## FEDERAL AID TO PRIVATE SCHOOLS

Mr. TUNNEY. Mr. President, the subject of school financing is one which has caused great concern to me and to my fellow Senators. Schools throughout the country, both public and private, are facing increasing financial difficulties as the costs of providing an education rise at a rapid rate. Many concerned parents and educators feel that private, alternative sources of education are a vital part of the American educational tradition which may now be faced with extinction, because they cannot meet the increasing financial demands placed upon them. Parents who choose to send their children to private schools, for whatever reason, face the very real problem of having to pay two tuitions: One to the private schools which they have chosen, and one to the public school system in the form of educational taxes. The private schools themselves face a double problem: Not only are the costs of education going up, but, in addition, the revenues from tuition are going down as more and more parents withdraw their children from private schools—either because they no longer wish their children to attend private schools, or because, quite simply, they no longer feel that they can afford the double burden of taxation and tuition.

Legislators at both the State and the Federal level have given thought to this problem. Many feel that the private schools are indeed vital to the American tradition, and must be aided by public funds in order that they may continue to fulfill their role in American society. At the college level, of course there are already a large number of State and Federal programs which provide aid both directly to colleges and universities, and to hte students who attend these institutions.

The problem is more complex at the level of elementary and secondary education because, as things are at present, the vast majority of the private schools are operated by religious oganizations. The most extensive network of private schools, enrolling roughly 83 percent of all private elementary and secondary students, is that of the Catholic Church. The question of aid to private elementary and secondary schools cannot be separated, therefore, from the question of the interrelationship of church and state. The first amendment to the U.S. Constitution forbids the Government to take any action to establish any church or religious activity.

The constitutional prohibition against establishment of religion has led the U.S. Supreme Court to set very strict rules over the kinds of aid which governments may provide to schools affiliated with religious organizations. State laws providing for aid to parochial schools have been declared unconstitutional, because they were deemed to constitute establishment of religion or to engender excessive intermingling and potential entanglement of the church and the state. Only those limited programs of aid to parochial schools for the express purpose of providing nonsectarian services to the pupils in the schools, and some aids directly to private school pupils, have been allowed to stand.

In view of these strict constitutional requirements and the close scrutiny which the Supreme Court may be expected to devote to any program of aid to parochial schools, Congress is obliged to proceed very cautiously in this area.

Two types of aid which could possibly be developed to bring financial relief to the parochial schools—as well as to other private elementary and secondary schools—are the voucher system and the tax credit or tax deduction system.

The Office of Economic Opportunity is currently conducting an experiment with a voucher system. Under this system a local school board gives each student in the school district a voucher valued at some sum of money, perhaps the average annual expenditure per pupil in the local public schools. The student is then free to use this voucher to pay the full cost of his education at any school he chooses, so long as that school meets requirements for participation laid down by the school board and also agrees to accept the voucher as full payment for educational services over the school year.

Another possibility lies in providing tax deductions or tax credits to parents who pay tuition to send their children to private elementary or secondary schools. Under this system, the parent, when he filed his Federal income tax form each year, would be allowed either to deduct some proportion of his tuition payments from his taxable income, or to subtract some fixed amount from the actual tax which he must pay. The amount of tuition which he could deduct or which he could credit against his final tax liability would be determined, probably, in relation to the number of children for whom he is paying tuition, and his total family income.

This is a difficult problem, one which vitally affects the education of our children. America has always paid careful attention to its educational system and has developed one of the best systems in the world. We must now find a resolution to this pressing problem, but we must find a solution that will be consistent with our legal as well as our educational traditions—and which will assure the long-range health and vitality of all our Nation's schools.

## CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

## AMENDMENT OF PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT OF 1965—CONFERENCE REPORT

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of the conference report on S. 2246.

Mr. ROBERT C. BYRD. Mr. President, I submit a report of the committee of conference on H.R. 2246, and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. NUNN). The report will be stated by title.

The legislative clerk read as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2246) to amend the Public Works and Economic Development Act of 1965 to extend the authorizations for a 1-year period; having met, after full and free conference, have agreed to recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of June 5, 1973, at pages 18144–45.)

## RECESS UNTIL 1:21 P.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess for 15 minutes and that the time for the recess not be charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senate stands in recess for 15 minutes.

At 1:06 p.m. the Senate took a recess until 1:21 p.m. of the same day; whereupon, the Senate reconvened when called to order by the Presiding Officer (Mr. NUNN).

## AMENDMENT OF PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT OF 1965—CONFERENCE REPORT

The Senate continued with the consideration of the conference report.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time not be charged against either side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MONTOYA. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MONTOYA. Mr. President, I ask unanimous consent that the following members of the staff of the Committee on Public Works be allowed the privilege of the floor during the consideration of the conference report on H.R. 2246, including any votes thereon: Barry Meyer, John Yago, Phil Cummings, Bailey Guard, David Sandoval, Judy Parente, and Richard Herod.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MONTOYA. Mr. President, today the Senate is considering the conference report on H.R. 2246. This bill extends for 1 year the programs authorized by the Public Works and Economic Development Act of 1965; continues the moratorium on the de-designation of redevelopment areas for an additional year provides 100-percent funding to Indian tribes for administrative expenses under title III of the act; and requires reports from the Interagency Economic Adjustment Committee, the Department of Commerce, and the Office of Management and Budget concerning Federal programs and responses to various short- and long-term economic problems.

Authorizations for the programs under the act as recommended in the conference report are as follows: $200 million for direct and supplementary public works grants under title I; $55 million for public works and development facilities loans under title II; $35 million for technical assistance and research under title III, $45 million for loans and grants to growth centers and for bonuses to economic development districts under title IV; and $95 million for the regional commission programs under title V. Total authorizations for fiscal year 1974, therefore, are $430 million. This amount compares with an authorization of $1.2 billion for fiscal year 1973.

The recommended reduction in authorizations is in no way a reflection on the performance of the Economic Development Administration or the title V regional commissions. Indeed, independent investigations have shown that in terms of cost-benefit effectiveness, the programs of the Economic Development Administration rank among the most efficient in Government. The reduction is offered, rather, in a spirit of cooperation with the President and in recognition of the need for fiscal vigilance.

The Subcommittee on Economic Development, of which I am chairman, has long maintained legislative and oversight responsibilities over the programs initiated by this important and innovative act, and over the programs created by the similarly historic Appalachian Regional Development Act. Senator JENNINGS RANDOLPH, chairman of the Committee on Public Works, helped create these programs and has these past 8 years led the effort to provide the mechanisms and the assistance required to secure economic integrity for all of our citizens. We in the committee have been particularly concerned over the economic struggle being waged in the so-called lagging areas of our country, areas that are struggling for their very existence. The Subcommittee on Economic Development has constantly reviewed public and private efforts to correct persistent economic shortcomings in distressed areas, holding extensive hearings throughout the country and in Washington, D.C. It has listened to and learned from persons and organizations with firsthand experience in the economic development process. As the result of this study and investigation, the subcommittee formulated last year legislation that would provide the basis for a new regional development program. Hearings on this bill (S. 3381) plus changing circumstances—such as enactment of general revenue sharing—suggest the need for further investigation and further refinement before a new public works development program can be launched. Hearings on this final stage of preparation will begin early in the fall, and the new legislation should be presented to Congress shortly thereafter.

The struggle for economic integrity goes on, however, and those of us who have a particular interest in the struggle and who represent areas that are plagued with insufficient income and chronic unemployment realize that poverty will not take a respite while Congress and the administration consider new approaches. This battle must go on. For this reason, we in the Senate Public Works Committee have joined with our counterparts on the House side in support of an extension of existing and proven economic development programs. We do this now with H.R. 2246 as we did last year with H.R. 16071. This year we present a simple 1-year extension at minimal authorization levels, stripped even of the worthy improvements suggested last year under H.R. 16071.

On January 18, Senators RANDOLPH, MUSKIE, BURDICK, and I introduced S. 467, a bill to extend current economic development programs for 1 year at existing authorization levels. A hearing on this bill was held on February 21. At that hearing the subcommittee received testimony from many witnesses in support of the programs and in support of the 1-year extension. Particularly strong and articulate in his support for programs to assist economically distressed areas was Gov. Patrick J. Lucey of Wisconsin. The Governor further demonstrated his belief in and enthusiasm for these programs by taking time out of a busy schedule last May to personally conduct a 2-day tour of the Upper Great Lakes region and the economic efforts being undertaken there.

Governor Lucey is one of many Governors throughout the land who wholeheartedly supports these programs, but this support does not stop at the State house. County and local officials have registered their support for these programs over and over again. Local citizens, the grassroots, are the strongest supporters, for they are the ones that face the problems on a day-to-day basis, and they are the ones that need solutions now.

The Subcommittee on Economic Development, in executive session, agreed to report the House companion of S. 467, H.R. 2246, but reduced total authorizations of that bill by approximately one-half to $635 million—again to find some common ground with the administration. In full committee, authorizations were further reduced, this time to $362.5 million. In order to save these needed programs, we cut deep. We cut down to the bone, and a skeleton of a program was presented to the Senate on May 8. It passed by a resounding vote of 81 to 16, with efforts to further restrict the programs in time and in substance rejected.

Considerable concern was voiced during the Senate discussion of this bill for those areas of the country that would bear the immediate economic shock resulting from the defense facility and activity realinements announced last April. An amendment was added to the bill, therefore, that would require the Interagency Economic Adjustment Committee to submit to Congress within 30 days of its enactment a report listing defense facilities that could be turned over for civilian use, measuring economic impact, and outlining the Federal response to such base closings. A second amendment called for the examination by the Secretary of Commerce and the Office of Management and Budget of current and past Federal efforts to secure balanced national economic development and for a proposal for the restructuring of the various Federal economic development programs. These studies would complement the work being undertaken by the respective Economic Development Subcommittees, and the suggested Senate amendments were maintained in the conference report.

In conference, it was agreed to add flesh and substance back to the programs of the Economic Development Administration by raising authorizations to levels sufficient to cover actual appropriation levels during fiscal year 1973. Authorizations were also raised for the title V regional commissions in order to allow the two new commissions, the Pacific Northwest and the Old West to lend assistance to their respective regions. These commissions and the five other commissions have worked hard. They have identified many problems and have proposed workable solutions. They must be given an opportunity to fulfill their mission.

As is true of the regional commissions, the economic development districts initiated by the act have grown steadily over the years, both in numbers and in effectiveness. Their value as planning and coordinating agencies at the substate level has been recognized by State governments and by other Federal agencies. The Department of Housing and Urban Development, the Department of Health, Education, and Welfare, the Department of Labor, the Environmental Protection Agency, and many other agencies have used the district program to coordinate their development planning. This program and the commission program are important ingredients in the development process. Reasoned and proper development will continue to require this type of structure, both at the substate and at the multistate levels.

As during the discussion on the original committee bill, I strongly emphasize to my colleagues in the Senate the need to continue a focused effort on the economic problems confronting this Nation. There still exists unnecessary economic stagnation in the land. That over 1,000 communities qualify for assistance under this act is ample testimony to the sad fact. In addition, we will continue to have economic disruptions caused by such inevitable circumstances as changing technology, competition, and dwindling resources. Public policy can also have a devastating impact on local economies, to which the States of Rhode Island and Massachusetts can well attest. Up to 10 percent of Rhode Island's economy could be affected as the result of scheduled base closings.

The authorization under title III was raised to $35 million in order to help lend needed and timely assistance to areas that will suffer as the result of base shutdowns. Similarly, natural disasters can cause severe economic disruption, witness tropical storm Agnes.

We need a continued effort at the Federal level that addresses itself to long-term economic problems as well as to abrupt economic changes. The programs authorized by the Public Works and Economic Development Act are directed at these problems. They aim at these special problems with special tools, though too often with limited resources. Through these programs, the Department of Commerce had built up valuable experience and expertise in the field of regional economic development. They have searched and encouraged research to find solutions to our most difficult cases of unemployment and underemployment.

Yet, unemployment remains at 5 percent today. Four and a half million persons are out of work. Unemployment has remained above the 5-percent level for close to 3 years, since mid-1970. A booming economy has not provided employment for all who seek it. The young, minorities, the uneducated are overlooked. The task now is not to add fuel to the boom. The task is to aim specific and concentrated assistance to the troubled areas. The programs authorized by this act do just that. I urge the Senate to extend these programs until better methods and procedures are ready to take their place. I urge adoption of the conference report.

Mr. President, I ask unanimous consent to have printed in the RECORD a tabulation of the current authorization in the act, the bill as passed by the House and by the Senate, the conference report figures, and the actual 1973 appropriation.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

H.R. 2246 TO EXTEND THE PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT THROUGH FISCAL YEAR 1974

[In millions of dollars]

| | Current authorization in act | Bill as passed by House | Bill as passed by Senate | Conference report | Actual 1973 appropriation |
|---|---|---|---|---|---|
| Title I. Public Facility Grants | $800.0 | $800.0 | $200.0 | $200 | $166.5 |
| Title II. Business Development | 170.0 | 170.0 | 50.0 | 55 | 53.5 |
| Title III. Technical Assistance | 50.0 | 50.0 | 25.0 | 35 | 31.5 |
| Title IV. Growth Centers | 50.0 | 50.0 | 12.5 | 45 | 50.0 |
| Title V. Regional Commissions | 152.5 | 152.5 | 75.0 | 95 | 41.7 |
| Total | 1,222.5 | 1,222.5 | 362.5 | 430 | 343.2 |

Mr. MONTOYA. Mr. President, let me add the following statement: In presenting this conference report to the Senate on the public works and economic development program extension, the Senate committee, with the support of the Senate, tried to develop an authorization that would be realistic and in conformity with what we thought then might be the expectations of the White House, so that we could present it to the White House without fear of any Presidential veto.

The bill as it had been presented to us by the House carried a higher authorization. Then the Senate sustained the Public Works Committee on the bill as reported by the Senate committee, and we reduced the authorization and went into conference with the House on it.

During the conference the question whether or not this would meet with Presidential approval was gone into very thoroughly by the Republicans and Democrats who constituted the committee of conference. It was in this spirit that we tried to comply with the expectations of the White House, and we arrived at a figure which was a little above the Senate figure but much below the House figure as it had been submitted to us in the original bill as passed by the House. So I say that now the bill contains a total authorization of $430 million. The bill as passed by the Senate contained an authorization of $362.5 million, compared to the original authorization in the House bill of $1,222,500,000.

It is my feeling that, if the Senate concurs in the conference report, we stand a very good chance of getting it approved by the President and we will have an extension of the Economic Development Act for another year.

The PRESIDING OFFICER. Who yields time?

Mr. MONTOYA. Mr. President, the other side has time, and I ask unanimous consent that the Senator from Vermont (Mr. STAFFORD) be in control of 15 minutes of the time which is allotted to the other side.

Mr. STAFFORD. Mr. President, I think the time on our side should be controlled by the Senator from Idaho (Mr. McCLURE).

Mr. MONTOYA. Or the Senator from Idaho.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STAFFORD. Mr. President, I ask the Senator from Idaho to yield me 4 minutes.

Mr. McCLURE. Mr. President, I yield 4 minutes to the Senator from Vermont.

Mr. STAFFORD. Mr. President, I am pleased to join in support of the Public Works and Economic Development Act Amendments of 1973 (H.R. 2246) as agreed upon by the Committee of Conference of the Senate and the House yesterday.

I might say it was a real pleasure to serve under the leadership of the chairman of the subcommittee, the Senator from New Mexico (Mr. MONTOYA) and under the leadership of the chairman of the full committee, the Senator from West Virginia (Mr. RANDOLPH), as well.

I can join with other members of the Senate conference committee in reporting that the conferees from both Houses were quick to reach agreement after we received information that the administration would look with favor on a bill that contained appropriate spending constraints.

I think the conference report reflects the best efforts of the conferees to meet the administration more than half way on the matter of expenditures. Approval of the bill by the Congress and by the President will also give us a year to make an appropriate transition to improved programs to aid the cause of economic development.

Neither the Congress nor the President can afford to let the EDA program die before we have had a chance to develop useful and effective alternative institutions. I believe the measure approved by the committee of conference provides us with the opportunity to continue necessary efforts at the same time we are working to develop new methods and programs to achieve goals on which we are all in agreement.

This is a minimum program for the transition period. We owe the Nation no less than this effort.

I urge adoption of the conference report.

I yield back the remainder of my time.

Mr. McCLURE. Mr. President, I yield myself such time as I may require.

I want to join in the commendations that have been made to the chairman of the full committee, the Senator from West Virginia (Mr. RANDOLPH), and the chairman of the subcommittee, the Senator from New Mexico (Mr. MONTOYA), for the good work they have done and the spirit of compromise and willingness that has been of value to all the members of the committee, and also that same spirit of willingness to hold with other interests in trying to achieve something that could indeed be passed by the Congress and be accepted by the administration.

I say that with some sincerity in spite of the fact that I think the compromise which has been achieved is not a sufficient compromise to gain my support, and I reluctantly rise at this time in opposition to the conference report.

I cannot support the conference report on H.R. 2246, the Public Works and Economic Development Act Amendments of 1973. I believe the authorization in this report for $430 million is excessive for a 1-year extension which is acknowledged to be a transitional bill. This is particularly true at this time when Congress is trying to establish an overall spending ceiling and reassert some measure of control over the budget.

The legislative committees have a particular responsibility at this time to set realistic program authorizations, which establish priorities and give some guidance to the appropriation committees and the Executive. As I have said, I believe unrealistically high authorizations have contributed to the state of affairs where the Executive has control over which programs are funded and at what levels. The setting of priorities should begin in the legislative committee with closer oversight of program operation and needs.

I recognize that the conference report is a move toward a more responsive position—bringing the authorizations more into line with actual funding levels, but I do not believe the conference report meets the other criticisms of the present program. Many of the criticisms are valid, I believe, and should be addressed in an extension bill.

In this respect I believe the substitute proposal, introduced by Senator BAKER and myself, is a better bill. Our substitute would have sharply focused the EDA program, avoided duplication with other Federal programs, and provided $167 million to carry out the transitional phase of the program.

I understand the administration has indicated a willingness to fund a bill near the level provided in our substitute. This bill would provide an orderly transition from EDA to other development programs, primarily the Rural Development Act of 1972.

The bill now before us, however, authorizes $67.5 million more than the Senate bill and $263 million more than the substitute and I will vote against the conference report.

Mr. President, I ask unanimous consent that there be printed in the RECORD immediately following my remarks a statement by the Senator from Tennessee (Mr. BAKER), ranking Republican member of the Public Works Committee.

The PRESIDING OFFICER. Without objection, it is so ordered.

### STATEMENT BY SENATOR BAKER

I support the House-Senate Conference Report on HR 2246, authorizing $430 million for a one-year extension of the Public Works and Economic Development Act, and urge its adoption by the Senate. The only difference between the Conference Report and the Senate passed bill is the $67.5 million increase in the authorization. The Conference figure is $792 million less than the current level of authorizations and the bill originally passed by the House in March. I believe this Conference Report reflects the sincere effort on the part of both bodies to write a bill which could become law and thus secure an extension of the existing programs without interruption.

I commend the members of Conference and the Committee for their work. The Chairman of the Public Works Committee, Senator Randolph has approached the bill with his customary fairness and leadership. The fact that we have this Conference Report is attributable to his leadership. I commend Senator Montoya for his efforts in Committee and his able presentation of the Senate position in Conference.

I particularly want to acknowledge the contribution and constructive thinking of Senator Stafford, who served on the Conference, and Senator McClure, the ranking minority member on the Economic Development Subcommittee.

It is my position, after reviewing the Administration's alternatives to the ongoing EDA program, that EDA would be dissolved before valid alternatives are operational, and I believe that some extension of EDA activities is necessary, at least for another year. I will vote for the Conference Report and urge that it be signed into law.

The Administration has recently been in touch with Senate and House Committee members, and has indicated it could support a sharply reduced bill with an appropriation not to exceed $200,000,000. The Administration also indicated that this $200 million would not be impounded, but would be obligated.

The McClure-Baker substitute has certainly been helpful in bringing forth this result which can be beneficial to many areas of the country. Under the provision of the Conference Report, public facility grants, business development loans and technical assistance grants will be available to communities in need of this assistance to create jobs and stimulate development. The Title V regional commissions and multicounty districts will continue to serve the lagging regions of the country.

This bill is agreed by all to be a transitional vehicle. The Administration has made clear its intent to pursue the Rural Development Act, and other proposals, as alternative programs and to terminate EDA at the end of this one year extension. I do not know at this time what will occur at the end of this year—whether the transition will be a relocation of useful EDA functions in other programs or agencies or whether the transition will involve the development of new economic development legislation by the Public Works Committee or other committees. But I think we are all committed to enactment of improved economic development legislation in the coming year.

As everyone knows, I am a supporter of the concept of providing special economic assistance to lagging areas of the country. There are, however, a wide range of programs and delivery systems which could provide this assistance. I agree with the Senate Committee report that EDA has fallen short of our expectations in some respects and should be reevaluated based on the experience we have gained in the area of economic development and in view of the other development activities undertaken by the Federal government in the past eight years.

I reiterate my support for Administration efforts to consolidate and streamline our present categorical aid system and to return more of the policy making and day-to-day program operations to the States and local communities. There is evidence that many of the programs conceived and written in the 1960's are not appropriate today and the Congress must fully reexamine our objectives, our policies, the implementation of programs and their effectiveness. We must make changes in these programs where necessary to provide a better response to evolving development needs.

Mr. MONTOYA. Mr. President, I yield such time as he may desire to the chairman of the full committee, the Senator from West Virginia (Mr. RANDOLPH).

Mr. RANDOLPH. I thank my colleague, the chairman of the Subcommittee on Economic Development.

I can understand the Senator from Idaho (Mr. McCLURE) in his continued opposition to the bill. His opposition is based upon—and I ask him the question—the amount authorized for fiscal 1974. Is that correct?

Mr. McCLURE. That is correct. Some of the reasons for my figure were detailed in the debate on the floor at the time this measure came up for consideration. It is the amount which is in difficulty here as we start to try to achieve some kind of authorization.

Mr. RANDOLPH. Mr. President, I would add, understanding full well the commitment of conscience that has been made by the Senator, that on May 8 in this body we passed, by a rollcall vote of 81 to 16, the extension of the Public Works and Economic Development Act. The authorization in the Senate bill was $362.5 million.

We have to keep in mind that when we went to conference with the House we were faced there with its authorization of more than $1.2 billion. When the House came to conference with Members of the Senate, two-thirds of the money they would have authorized was cut out and reduced to $430 million. I think it is the desire of the Senate conferees to keep the authorization in the conference report at the lowest possible figure, knowing the unemployment figures in this country that have stretched over a span of 8 years, and knowing of the contribution of this program to practically all areas of the country.

We come to the Senate with the realization that, as far as I know, the White House has given us no indication of its approval of the figure agreed on, $430 million in the conference report. We must act first. We have given to the President and his advisers the opportunity to reevaluate the opposition they have had to this program and its extension for 1 year.

Mr. President, it is just my feeling—and I have no facts to buttress this expression—that the President will give very careful consideration to the matter before he vetoes this conference report with our authorization of $430 million.

I commend the Senator from New Mexico, the Senator from Idaho, and all other members of the Subcommittee on Economic Development of the Committee on Public Works for their careful attention to this subject matter over a period of months.

I trust we can vote very quickly and agree to the conference report and expect the House to take subsequent action.

Mr. President, there is a sense of urgency connected with the conference report before the Senate today. This legislation authorizes the extension of the Economic Development Administration for 1 year, through fiscal year 1974. Without enactment of this legislation, Economic Development Administration programs will come to an end in just over 3 weeks. With that termination will end the opportunities afforded by the Economic Development Administration for many American communities to provide the basic facilities and the expertise needed to strengthen local and regional economies.

The pending expiration of Economic Development Administration programs gave this legislation a priority position on the calendar of the Senate Public Works Committee when the 93d Congress convened in January. Legislation to affect this extension was introduced early in the year and on March 29 the committee ordered reported an amended version of H.R. 2246. On May 8 the Senate passed this measure and thus gave its strong endorsement to the continuation of this important program.

There are several reasons why Economic Development Administration programs must not be permitted to die at the end of this month. This activity was established under legislation I sponsored in 1965 in response to a very real need. We recognized then that there were areas in the United States that were subjected to chronic and persistent unemployment and underemployment. The Public Works and Economic Development of 1965 was intended to give these areas added assistance to improve the base on which a better life could be built for their citizens. Progress has been made but the job remains incomplete.

Substantial experience has been gained in identifying and coping with the causes of unemployment and in the past 8 years we have come to recognize the need for a permanent, comprehensive economic development program that embraces the total United States. For more than 2 years our Subcommittee on Economic Development, under the dedicated leadership of the Senator from New Mexico (Mr. MONTOYA), has been developing legislation that would create such a program. It is essential that the present activity not be dropped since this action would create a vacuum until the new legislation is enacted.

The conference report before the Senate today is not intended as a holding action. It extends an ongoing program that has much to offer for millions of Americans and therefore can serve as a transition to its successor program.

This conference report was produced with the full knowledge that the executive branch opposed any extension of the Economic Development Administration. It was repeatedly indicated to us that any bill to continue this program—at whatever fiscal level—would be subject to a Presidential veto. When the Senate bill was considered on May 8, we discussed our efforts in committee to develop legislation that responded to the needs of the country but at the same time took into account the objections of the administration and the requirements for fiscal restraint on the part of the Congress.

Such an attitude prevailed again yesterday as the Senate conferees met with our counterparts from the House of Representatives, under the able chairmanship of Representative JOHN BLATNIK. In less than 1 hour the mutual desire to produce workable legislation enabled us to agree on a bill. The result is this conference report authorizing a total of $430 million for Economic Development Administration programs in fiscal year 1974. This is slightly above the $362.5 million contained in the Senate bill but only about one-third of the $1.2 billion recommended in the House measure. It is important also to compare these authorizations with the actual appropriation for fiscal year 1973 of $343.2 million.

I believe these are authorizations that will continue the work of the Economic Development Administration but place no undue strain on the total Federal budget.

Mr. President, although financing levels were of major importance in the development of this legislation, the conference report also contains provisions to modify and improve the operation of Economic Development Administration programs. Earlier this spring several areas of our country were shocked by the news that military bases would be closed. Communities which depend on military bases for substantial employment must be aided to adjust to the loss of these job sources. Economic Development Administration programs provide the machinery for this transition and the legislation before us increases funding for technical assistance to $35 million.

This assistance will be of value to communities in States such as Rhode Island and Massachusetts that will be particularly hard hit by military base closing.

This bill also establishes a moratorium on the redesignation of areas eligible for Economic Development Administration assistance. There are 300 such areas in 36 States that would no longer be able to participate in Economic Development Administration programs without that moratorium. Once again, this ongoing program must be continued wherever it is needed as we devise and implement a new economic development effort.

All of the provisions of this bill were arrived at after thorough deliberations in the committee, in the Senate and in the conference. The Senate position on this legislation was fully and ably presented in the conference. I was honored to be a member of that conference which was chaired by the Senator from New Mexico (Mr. MONTOYA). Our colleagues in this responsibility were Senator BURDICK, Senator McCLURE, who is the ranking minority member of our Subcommittee on Economic Development, and Senator STAFFORD. Each of them again demonstrated his understanding of this program and his confidence in the purposes it is intended to serve.

Mr. President, I read in recent days that the unemployment level in the United States continues to be 5 percent of the total work force. It is unconscionable for us to even consider the abandonment of economic development programs so long as more than 4 million of our fellow Americans are without jobs in this rich and prosperous land. The provisions of the measure now before the Senate were carefully arrived at and represent what I believe to be a realistic answer to those who ask what the Federal Government is doing to improve job opportunities.

Mr. McCLURE. Mr. President, I ask unanimous consent that Mr. Jim Jordan of the staff of the Senator from Tennessee (Mr. BAKER) be granted the privilege of the floor at all times during the consideration of the conference report.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I urge the Senate to agree to the conference report now before us—to extend the Economic Development Administration authorization for 1 year. The present EDA authorization will expire July 1, 1973. We have no other visible substitute with less than 4 weeks before the present program will be dismantled. In other words, we are approaching the time, when in reality, the functions under EDA will cease, when dismantling will be irrevocable.

There are many good programs in EDA—for my own State and all other States. I have seen many successful and valuable EDA projects in New Mexico. By the nature of its statute, regulations, and intent the Economic Development Administration is directed to very specific areas—depressed areas with substantial and persistent unemployment that need economic stimuli. EDA water and sewer grants to such regions have been invaluable in providing infrastructure to attract new industry to areas lagging the national economy. Such areas, by virtue of their economic plight, often cannot afford to finance projects essential to health, safety, and employment without Federal assistance. Expenditures that improve opportunities for successful industrial and commercial expansion and assist in the creation of additional long-term employment opportunities in areas of unemployment do not have the inflationary difficulties that are rightly receiving the attention of the Congress and the Administration.

I am concerned that several suggestions that have been presented as alternative means of carrying on the EDA program could not adequately substitute for the program. For example, it has been suggested the Environmental Protection Agency, through implementing the Water Pollution Control Act Amendments of 1972, could pick up part of the void left by EDA. Neither EPA's statutory priorities nor regulations would add encouragement to this contention. By law, the purpose of the grant and loan program of the agency is to provide adequate sewage treatment so communities can meet water quality standards and effluent limitations. This is a very different purpose than the programs carried out by EDA which has provided water distribution and sewer collection lines rather than waste treatment facilities.

Additionally, section 211 of the Act, Public Law 92-500, prohibits grants for sewer collection systems except for certain replacements of existing systems and for a system in an existing community under certain circumstances. This prohibition would, I believe, exclude many EDA type projects, which have been intended to serve new and expanded development rather than existing communities.

Nor do recent pronouncements of the Environmental Protection Agency suggest that funding under the "Clean Water Act" will remove the need for many EDA projects. EPA recently published a water strategy paper outlining how the agency plans to implement the act. It states:

> Construction grant awards will be concentrated on . . . historic eligibilities such as treatment plants rather than new eligibilities such as collection sewers.

On January 27, former Administrator Ruckelshaus indicated at his press conference that the construction of sewage treatment plants and interceptor sewers will absorb all of the construction grant allocation budgeted, and that EPA did not, at the present time, intend to shift money into the construction of collection sewers.

It has also been suggested that $345 million recommended in the 1974 budget for loan funds to implement the Rural Development Act of 1972 could enable communities to borrow for water distribution and sewer collection systems. These funds may provide a source of financing for many prosperous rural areas but would not adequately replace the EDA program—which serves poor areas of substantial and persistent unemployment, urban as well as rural. The EDA water and sewer program is substantially a grant program with the Federal contribution up to 80 percent of the project cost. I believe some depressed areas—with high unemployment and low-income families—could not finance water and sewer projects with loan funds alone as the amortization of the debt would be too great in relation to potential user charges.

It has also been argued that special revenue sharing will enable the EDA programs to go forward, but special revenue sharing, at present, has an uncertain future and when approved will take time to become operative. In the meantime, I believe it is imperative we continue the programs for economic development to put unemployed resources to work.

During Senate consideration of this bill, I introduced an amendment to extend the program for 4 months instead of 1 year. My amendment was offered in the spirit of assuring an ongoing program until the Congress has time to develop a better program. I argued that a 4-month extension would preserve the essentials of the program and keep it intact while alternatives are being considered. It is in the same spirit of providing a transitional-type program that I will vote for the measure now before us. I reiterate that without an extension, the Economic Development Administration will be dismantled in less than 4 weeks from today—July 1. I urge my colleagues to support the conference report.

Mr. MONTOYA. Mr. President, is the Senator willing to yield back his time?

Mr. McCLURE. Mr. President, I yield back the remainder of my time.

Mr. MONTOYA. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All remaining time has been yielded back. The question is on agreeing to the conference report (putting the question).

The conference report was agreed to.

Mr. MONTOYA. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. RANDOLPH. Mr. President, I move to lay that motion on the table.

Mr. STAFFORD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

## AGRICULTURAL AND CONSUMER PROTECTION ACT OF 1973

The PRESIDING OFFICER. Under the previous order, the Senate will resume the consideration of the unfinished business, S. 1888, which the clerk will report.

The legislative clerk read as follows:

> Calendar No. 165 (S. 1888) to extend and amend the Agricultural Act of 1970 for the purpose of assuring consumers of plentiful supplies of food and fiber at reasonable prices.

Mr. CURTIS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CURTIS. Mr. President, can the Chair inform us as to how much time remains to both sides under general debate?

The PRESIDING OFFICER. The Senator from Nebraska has 73 minutes remaining. The Senator from George has 82 minutes remaining.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time consumed in the quorum call not be taken out of the time of either side. I make this suggestion for the purpose of notifying Senators that the unfinished business is pending before the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TALMADGE. Mr. President, I yield myself such time as I may require.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. TALMADGE. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is S. 1888, and the Senator from Georgia has, I believe, 82 minutes remaining.

Mr. THURMOND. Mr. President, as the Senate turns its attention to the Agriculture and Consumer Protection Act of 1973, I would like to address myself to some of the recent accomplishments and problems of American agriculture.

One of the eminent statesmen in the history of our Nation, Thomas Heyward, Jr., was a great leader in the early development of American agriculture. When he set forth the ideals of the Agriculture Society of South Carolina, he made a statement which is appropriate today as we analyze the place of agriculture in our national life.

I commend Heyward's words to you, Mr. President:

> Agricultures was one of the first employments of mankind, it is one of the most innocent, and at the same time, the most pleasing and beneficial of any. By variety, it keeps the mind amused and in spirits; by its exercise and regularity, it conduces to give spirit and health to the body; and in the end, it is productive of every other necessity and convenience of life . . . It becomes the duty, therefore, as well as the interest of every citizen to encourage and promote it.

Mr. President, it is the duty as well as the interest of every citizen to encourage and promote agricultural achievement.

As many of my colleagues know, I have been interested in agriculture all of my life. I was reared on a farm, attended Clemson University where I studied agriculture, and subsequently taught agriculture in the public schools of South Carolina. I have been a farmer, and am proud of my efforts in behalf of American agriculture.

If there is any problem or any group which deserves our attention today, it is the farm problem and the farmer.

Mr. President, farmers today are caught in a financial squeeze between the rising costs of equipment and labor and the public's demand for lower prices.

Contrary to the popular myth, which is widespread in urban areas, the life of the farmer is not so simple as it was in the earlier history of our Nation. The farmer's life is no longer restricted to rising before dawn, plowing the fields and attending the crops all day, and returning to his home at night. The interdependence of rural and urban life has increased the pace of our farmer in his daily activities, and his problems have become increasingly complex.

The practice of farming is undergoing significant changes and adjustments. Our farmers must keep abreast of the latest business practices and governmental programs. They must apprise themselves of the most modern scientific developments and procedures. At the same time, they must continue to evaluate their own techniques to be sure they can produce in quantity and quality at the lowest costs possible.

A recent study of agriculture characteristics in South Carolina, prepared under the direction of Professor Edward L. McLean of Clemson University, sheds light on the farm dilemma.

The average size of South Carolina farms increased from 117 acres in 1959 to 177 acres in 1969. In 1969, there were 39,559 farms or farm operators in South Carolina compared to 78,172 ten years earlier. The average value of land and buildings per farm almost tripled in the 10-year period. The record of the recent hearings of the Senate Agriculture Committee is resplendent with similar statistics. The prices received by our farmers since 1952 have increased 46.6 percent, while the prices they have had to pay have increased 79.6 percent.

Mr. President, these statistics lead us to conclude that farming now requires greater capital investment, because of larger acreages, greater costs per acre, increased needs for investing in buildings and equipment, and inflation.

Even though farm income is higher than ever before and the average value of farm products has steadily increased, many smaller farmers have been unable to meet the financial burden of the prices they have to pay. The result is a migration away from the farm into the urban areas.

This dilemma is of great concern to all Americans. If we fail to meet the needs of the agricultural constituency, we are neglecting the backbone of our country.

However, proper attention to our agricultural problems can help us curb the unbalanced growth which has plagued our cities. I am proud to have supported the Rural Development Act of 1972 to provide a comprehensive program for the development of our rural areas. Because of this law, better community facilities and services can be made available to our rural population, and our rural areas can be made more attractive.

Now, Mr. President, within less than a year after the enactment of the Rural Development Act and within a month after the enactment of the REA bill, the Senate has the opportunity to consider another major piece of agriculture legislation which can benefit rural America.

When the Congress first began to discuss an extension of the farm program, there was much talk to the effect that "the time has come for the Government to get out of agriculture." As a general ideal, this would be an enticing argument. I believe in the idea of the free market, and that we must cut Government expenditures and controls in order to balance the budget and insure individual freedom. However, the desirability of such an approach in specific references to American agriculture today is questionable.

Senator TALMADGE, in his opening remarks before the Agriculture Committee on February 27, succinctly forecast the probable result if such a course is followed. If the Government fails to provide necessary assistance to our farmers, there would be an immediate increase in production and a great drop in farm prices and income. Initially, there would be a great surplus with large volumes being acquired by the Government and stored at increased Government costs. In the long run, after a year of bad farming conditions and small yield, there would be an immense shortage of food and fiber at high and unreasonable prices.

Our supplies would be controlled by a small group of large producers, and prices would skyrocket. In the end, not only would the small farmer be the loser, but also the housewife, the consumer and all of the American people.

Mr. President, for this reason I believe that we must continue to provide necessary assistance to our farmers. The basic thrust of the farm bill is to provide this assistance and to insure a plentiful supply of farm products to the consumer at reasonable prices.

I support the Agriculture Committee version of the 1973 farm bill. However, I would like to associate myself with the additional views of the distinguished Senator from North Carolina (Mr. HELMS) on two matters tangential to the farm program, but included in the legislation.

First, I agree with Senator HELMS that a provision should have been written into the food stamp program prohibiting the distribution of food stamps to a household where the head of the household is engaged in a labor strike. I am the principal sponsor of S. 408, which is designed to prohibit strikers eligibility for food stamps. Although the committee did not report S. 408 as a part of the farm bill, I am hopeful that it will be favorably reported in this session. Already 10 Senators have joined as cosponsors—Senators ERVIN, CURTIS, GOLDWATER, BELLMON, BENNETT, McCLURE, HELMS, HANSEN, HOLLINGS, and SCOTT of Virginia.

Second, the committee agreed to extend the Food for Peace program. However, under provisions of the committee bill, it is my understanding that credit arrangements can be made with Communist countries with interest rates as low as 2 percent. Senator HELMS offered a committee substitute amendment which would allow sales to foreign countries, but only at an interest rate no lower than the interest rate our Government must pay on money it borrows at the time of the sales agreement. The committee rejected Senator HELMS' amendment. Again, I agree with Senator HELMS.

Aside from the two problems I have just discussed, I believe that S. 1888 represents a good piece of legislation, designed to insure a healthy farm economy. I commend the committee members for their thorough work; especially Senator TALMADGE, the chairman, and Senator CURTIS, the ranking minority member.

Mr. President, two provisions of the bill merit further comment.

First, I believe that the decision of the committee to institute the "target price" concept is a good one. The established prices of $0.43 per pound for cotton, $1.53 per bushel for feed grains, and $2.28 per bushel for wheat, are equitable prices for our farmers. It is my understanding that where the market prices fall below the target prices, a Government payment would be made to make up the difference between the market price and established price. However, where the market prices rise above or equal the target price, there would be no cost to the Government. I am advised that these prices would be adjusted each year according to changes in production costs.

Mr. President, with the possibility of an expanding export market, this provision alone could save the Government millions of dollars annually. At the same time, a sagging market would result in higher Government costs. However, Government cost would be tied to the marketplace. No longer would the Government guarantee a payment, as is the present case with the income supplement concept, but it would guarantee a price.

Second. S. 1888 contains a very important provision intended to launch a wide-scale attack on the boll weevil. The boll weevil has been one of the most costly pests in the history of our Nation, and it has been a major nemesis for our cotton farmers for almost a century.

The provision for a cotton insect eradication program represents the culmination of a long struggle by our cotton farmers. It has been estimated that the boll weevil cost the cotton industry in excess of $12 billion from 1896 to 1959, while Federal research expenditures amounted to only $4.5 million.

In 1958, at the National Cotton Council Annual Meeting, two South Carolinians, my good friends J. F. "Skeet" McLaurin of Bennettsville and Robert R. Coker of Hartsville, spearheaded an effort to declare the boll weevil cotton's No. 1 enemy. Subsequently, our late distinguished colleague, Senator Richard Russell of Georgia, led the battle in the Senate to provide additional research and facilities to begin the fight against the boll weevil.

Mr. President, in the past few years we have made significant progress in tests, research, and studies. Now is the time to expand these efforts in a full-fledged attack on this pest.

The cotton insect eradication provision will add a new section to the Agriculture Act. As I understand the provisions of the bill, the Secretary of Agriculture is directed and authorized to carry out through the Commodity Credit Corporation

> programs to destroy and eliminate cotton boll weevils, pink boll worms or any other major cotton insect in infested areas if (he) determines that methods and systems have been developed to the point that eradication of such insects is assured.

Mr. President, I have discussed the components for the eradication program with various individuals in the cotton industry. A pilot eradication experiment is already near completion. Leaders in the cotton industry believe that a system exists to assure that this pest can be eradicated. If this proves to be true, the authorization for the eradication program will be a hallmark in agricultural achievements.

Of course, an expanded effort of this kind will require continued cooperation between Federal and State authorities, and the producers themselves. I am advised that producers would pay up to one-half of the cost of the program. This is a fair approach, as is the provision to allow the Secretary to provide indemnification and allotment and acreage protection where specially required measures result in a loss of production and income.

I am hopeful that the anticipated victory over the boll weevil can become a reality. The success of this program would undoubtedly revitalize the agriculture economy of South Carolina and the Nation.

Mr. President, in conclusion I return to the original theme with which I began these remarks. Agriculture was one of man's first employments, and it is still productive of the other necessities and conveniences of life.

The Agriculture and Consumer Protection Act of 1973 affords the farmer a good program, assures the consumer of an adequate supply of goods at reasonable costs, and offers the taxpayer a possible reduction in Government expenditures.

Mr. President, I believe that S. 1888 represents good farm legislation. Of course, I reserve judgement on the merits of individual amendments which may be offered; but overall, I believe the general thrust of S. 1888 is beneficial to us all.

Mr. TALMADGE. There are a number of pending amendments at the desk, and I would like for Senators who desire to offer amendments to come to the floor and present them, because we are at that stage of the business at the present time.

Mr. President, I yield to the distinguished majority leader such time as he may desire.

Mr. MANSFIELD. Mr. President, if I may have 1 minute, I suggest the absence of a quorum.

Mr. CURTIS. Mr. President, I am ready to offer an amendment.

Mr. MANSFIELD. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

### AMENDMENT NO. 198

Mr. CURTIS. Mr. President, I call up my amendment No. 198 and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

> On page 46, line 17, strike out the double quotation marks.
>
> On page 46, between lines 17 and 18, insert the following:
>
> "SEC. 818. Section 310B(d) of subtitle A of the Consolidated Farm and Rural Development Act is amended by adding at the end thereof a new paragraph as follows:
>
> "'(4) No loan authorized to be made under this section, section 304, or section 312 shall require or be subject to the prior approval of any officer, employee, or agency of any State.'"

Mr. CURTIS. Mr. President, I offer this amendment on behalf of myself, and Senators CLARK, DOLE, BELLMON, AIKEN, YOUNG, and HUMPHREY. I will not take a great deal of time because this is a very simple amendment which I hope the distinguished manager of the bill will accept.

Briefly, this amendment would prohibit the Secretary of Agriculture from requiring prior approval by an officer of the State before approving a business development loan as authorized by the Rural Development Act of 1972.

This amendment is necessary, I believe, in view of regulations which are to be published this week making such State approval a prerequisite to loan approval.

As ranking minority member of the Rural Development Subcommittee when this act was being drafted I certainly did not contemplate such a requirement, nor did the other members of the subcommittee or the full committee as far as I know.

Mr. President, Congress intended the loan authorities provided in the Rural Development Act to be exercised by the professionals of the Farmers Home Administration. Consequently, I hope the Senate will accept this amendment in lieu of the proposed regulation which I believe is unnecessary, contrary to the intent of the act, and an open invitation to the "selling" of loans.

I yield to the distinguished chairman of the committee.

Mr. TALMADGE. Mr. President, I concur wholeheartedly with what my distinguished colleague from Nebraska has said. We do delegate to the Secretary of Agriculture rulemaking power in rural development legislation. We do not, however, delegate legislative power to the executive branch of the Government—in fact, the Constitution of the United States specifically forbids it—and I am getting somewhat tired of executive agencies, under the guise of writing regulations, getting into the legislative field.

I hope the Senate will accept the amendment offered by the distinguished Senator from Nebraska.

Mr. CURTIS. I thank the distinguished chairman for his support.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. CURTIS. I yield to the distinguished Senator from Vermont.

Mr. AIKEN. Some 2 weeks ago it was reported to me that the Department of

Agriculture was considering turning a very important part of the rural development program over to the Governors of the States, for them to operate.

I protested the situation as promptly as I could. I understand that the Department of Agriculture, or the Secretary, has been reconsidering the proposal to turn this work over to the Governors of the States, and in fact I think there was much substance to that report. But the amendment offered by the Senator from Nebraska is intended to make sure that they do not turn over programs to the Governors of the States which Congress never intended should be operated by the Governors of the States.

In my opinion it would constitute a near disaster, politically and economically, if that previously reported intention were put into effect.

Mr. CURTIS. I thank my colleague.

Mr. President, I am prepared to yield back the remainder of my time.

Mr. TALMADGE. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. NUNN). All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Nebraska.

The amendment was agreed to.

Mr. CURTIS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. TALMADGE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time be charged to neither side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. PEARSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that Gail Harrison be on the floor during consideration of the farm bill, S. 1888, except on rollcall votes.

The PRESIDING OFFICER. Without objection, it is so ordered.

### AMENDMENT NO. 157

Mr. PEARSON. Mr. President, I call up my amendment, No. 157, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

S. 1888

On page 46, line 17, strike out the double quotation marks.

On page 46, between lines 17 and 18, insert the following:

"SEC. 818. (a) The Congress hereby specifically affirms the longstanding national policy to protect, preserve, and strengthen the family farm system of agriculture in the United States and believes that the maintenance of that system is essential to the social well-being of the Nation and the competitive production of adequate supplies of food and fiber. The Congress further believes that any significant expansion of large-scale corporate and vertically integrated farming enterprises would be detrimental to the national welfare. It is not the policy of the Congress that agricultural and agriculture-related programs be administered exclusively for family farm operations, but it is the policy and express intent of the Congress that no such program be administered in a manner that will place the family farm operation at an economic disadvantage.

"(b) In order that the Congress may be better informed regarding the status of the family farm system in the United States, the Secretary of Agriculture shall submit to the Congress not later than July 1 each year a written report containing current information on trends in family farm operations and comprehensive National and State-by-State data on corpoarte and vertically integrated agricultural operations in the United States. The Secretary shall also include in each such report (1) information as to how existing agriculture and agriculture related programs are being administered so as to protect, preserve, and strengthen the family farm system of agriculture in the United States, (2) an assessment of how Federal laws, including the tax laws, may be serving to encourage the growth of large-scale corporate and vertically integrated farming operations, and (3) such other information as the Secretary deems appropriate or determines would aid the Congress in protecting, preserving, and strengthening the family farm system of agriculture in the United States."

Mr. PEARSON. Mr. President, this amendment makes explicit what has historically been an implicit foundation of our national agriculture policy, namely the protection, preservation and strengthening of the family farm system. This amendment declares that Congress believes the maintenance of the family farm system is essential to the Nation's well-being and that any significant expansion of large scale corporate farming enterprises will be detrimental to the Nation's welfare. This amendment does not require that all agricultural and agriculture related programs be administered exclusively on behalf of family farm operations, but it does indicate the express intent of Congress that no such program be administered in a manner that can place the family farm operation at an economic disadvantage.

The amendment requires and instructs the Department of Agriculture to submit to the Congress no later than July 1, of each year, written reports analyzing trends in family farm operations and also comprehensive data on corporate and vertically integrated farming operations. It further specifies that the Secretary of Agriculture in these reports indicate how present programs are being administered so as to strengthen the family farm system, along with an assessment of how various Federal laws including tax laws may be serving inadvertently to encourage the growth of large scale and vertically integrated farm operations.

Because protecting and strengthening the family farm has always undergirded our family farm considerations, this amendment reflects no departure from past policy, rather it does, as I have indicated, make explicit what has always been considered to be implicit. However, for a number of reasons I think it is appropriate at this time to spell out this goal in statutory language. We are entering a new era in agriculture. The technological revolution is taking new forms. Supply/demand relationships are changing and many of the old assumptions about the economics of agriculture production are being challenged.

Also I believe it is time that we look beyond our traditional program to determine whether or not new policy initiatives are needed in such areas as tax law, research, and capital and corporate structures.

There is no question that the family farm is the dominant unit in American agriculture. It is not about to be engulfed by corporate and vertically integrated industrial firms. Nevertheless there are growing signs which give cause for concern. While the family farm remains the dominant unit in agriculture, the fact remains that approximately a million family farms were consolidated out of existence in the decade of the 1950's and another million were eliminated during the decade of the 1970's. We cannot, of course, attempt to put a freeze on the present number of family farms. But, on the other hand, at some stage it is obvious that if you project present trends into the future, we will eventually reach a stage where the number of family farms will become almost negligible.

Large-scale corporate agriculture is growing. With the on-going technological revolution more and more corporate officials are looking to the countryside in search of profits. U.S. "farmers" now include such industrial giants as Dow Chemical, I.T. & T., Boeing Co., Coca-Cola, Standard Oil of California, Bank of America, Tenneco Oil Co., and many others. The incidence of large-scale corporate or vertically integrated operations varies a great deal by region and type of commodity. One estimate suggests that approximately 30 corporations own 20 percent of the farmland in Florida. Vertically operated operations are increasing and are now a major factor for a number of commodities. For example, 30 percent of our fresh vegetables, 25 percent of our potatoes, 30 percent of our citrus fruits, and 60 percent of our sugar cane is produced by large, vertically integrated conglomerates. Contract farming, a relatively new development, is growing rapidly, particularly in the livestock industry. Here we find that almost one-third of our livestock production is under contract.

To date, the information on corporate and vertically integrated operations has been incomplete. We do not have an ongoing, regular data gathering and analysis program. It is extremely important that we now develop such a reporting program and this amendment would be aimed at accomplishing this.

The reporting requirements of this amendment would make it necessary for the Department of Agriculture to continue to address itself to the problem of developing operational definitions of the family farm and corporate and vertically integrated operations. There is, of course, disagreement as to what constitutes a family farm and I am confident that the Department of Agriculture in fulfilling the reporting requirements of this amendment will provide the Congress with the various possible operational definitions of the family farm.

By the same token, I am confident that the Department in fulfilling the reporting requirements of the amendment will significantly expand its data-gathering process in regards to trends of nonfamily farm units.

Mr. President, I believe that this is for the most part a noncontroversial amendment, but, at the same time, I am firmly convinced that it is of fundamental importance to the future development of national policy regarding agriculture.

Mr. President, I ask unanimous consent that the names of Senator YOUNG, Senator CHURCH, Senator HATFIELD, and Senator RANDOLPH—and there may be other Senators—be added as cosponsors of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TALMADGE. Mr. President, will the Senator from Kansas yield?

Mr. PEARSON. I yield.

Mr. TALMADGE. I have examined the amendment carefully and I have discussed it with the ranking minority member of the committee.

The purport of the amendment is to urge the Department to do all that is practicable to strengthen the family farm, which is a most worthy endeavor. I hope that the Senate will approve the amendment.

Mr. CURTIS. Mr. President, may I just say that I wish to concur in the statement of the chairman of the committee.

Mr. TALMADGE. Mr. President, I yield back the remainder of my time.

Mr. PEARSON. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has now been yielded back.

The question is on agreeing to the Amendment No. 157 of the Senator from Kansas (Mr. PEARSON).

The amendment was agreed to.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, with the time to be taken out of neither side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. TALMADGE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

Strike out the single and double quotation marks at the end of the Curtis amendment and insert the following paragraph:

"'(5) No loan commitment issued under this section, section 304, or section 312 shall be conditioned upon the applicant investing in excess of ten per centum in the business or industrial enterprise for which purpose the loan is to be made unless the Secretary determines there are special circumstances which necessitate an equity investment by the applicant greater than ten per centum.'"

Mr. HUMPHREY. Mr. President, I yield to the Senator from Connecticut.

Mr. RIBICOFF. Mr. President, I ask unanimous consent that Mr. Peterson of my staff be allowed the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIBICOFF. Mr. President, the farm bill now before the Senate for consideration should be defeated.

Every housewife knows that food prices are continuing to skyrocket. In the last year the average market basket of food rose by 12 percent. Inflation is accelerating. Between March and April, grocery costs grew at the fastest rate since 1952. At the rate they are growing—2.7 percent in January, 2.5 percent in February, and 3.5 percent in March—the American consumer will continue to endure economic hardship. This issue cannot be avoided—nor will it be solved by short-lived or ineffective programs. The President's price control programs have failed.

Strong action is needed in Congress to control the runaway inflation in food costs. Unfortunately, if the farm bill now pending in the Senate is enacted into law, American housewives can give up any hope of food prices returning to more acceptable levels.

The bill is incorrectly named. It is called the Agriculture and Consumer Protection Act of 1973. But it does not protect consumers. It protects the large agribusiness concerns that dominate American farming. It is these monolithic corporations—not the small farmer—which produce the food we eat. In fact, three-fourths of all farm sales are made by 19 percent of all farmers. And 7 percent of the Nation's cattle ranchers produce 80 percent of the Nation's beef.

The little farmer has never benefited from the farm subsidy program and he would not benefit under this new bill. The bulk of subsidies go to that fifth of farmers with the highest average income. At the other end of the scale are 1.5 million farmers with annual sales of less than $5,000. They account for only 5 percent of farm sales and a correspondingly small fraction of farm subsidy benefits.

This bill will mean a drain on the pocketbook of every American consumer. It continues the farm subsidy program for another 5 years. These programs have cost consumers about $4.6 billion in direct payments and loans each year and another $4.5 billion in prices artificially inflated by subsidies and acreage restraints.

The total cost to consumers and taxpayers, then, is in the $9 to $10 billion range.

Yet there are only 2.8 million farms in the United States and only 9.5 million members of the farm population. In 1972, for example, some 18,500 farmers received subsidy payments in excess of $20,000. In total they received $656 million. This averages out to a payment of $35,400 for every farmer who received in excess of $20,000. The most liberal payment in the welfare program for the poor is only about $4,000 for a family of four.

It is absurd to follow a policy of paying major agricultural corporations billions of dollars not to grow food. American taxpayers and consumers are paying these giant industries to keep food prices up.

We can no longer afford the luxury of withholding crop acreage from production. Recently the United Nations Food and Agriculture Organization reported that an acute shortage of food existed in the world, due mainly to severe droughts which cut into harvests. Meanwhile the American agriculture program in 1972 was responsible for the withholding of 20 million acres of cropland from production. And this year an additional 5.7 million acres of land in the Midwest have been lost to production because of floods.

Meat shortages are being experienced in Western Europe, the Soviet Union, and Australia. Yet last year 16 percent fewer calves were slaughtered in the United States than the year before as breeders are withholding young beef from production. The short-term result is a decrease in the supply of beef and higher prices.

The Green Revolution which was expected to dramatically increase harvests in Asia has not ended hunger. The development of miracle wheat by Nobel prize winner Norman Borlaug in the mid-1960's caused great enthusiasm then. But it is now clear that the enthusiasm has to be tempered with skepticism. The small gains in food productivity in underdeveloped countries have been largely wiped out by population growth. Most farmers throughout the world do not have the know-how to take advantage of the new high-yield rice and wheat crops. They lack technical expertise, and do not have the money to purchase the fertilizer, insecticide, and water necessary to take advantage of land-intensive crop production. The result is that the gap is growing between the rich farmers who can benefit from high-technology farming and the poor farmers who cannot.

While the Green Revolution has the potential in the long run for success against the world hunger problem, American agriculture must still bear a large burden of providing for millions in foreign lands who cannot feed themselves.

Population growth trends indicate that world food production must double by the year 2000 just to maintain current, inadequate world diet levels. Increasing production by 2½ times would be needed to make a general improvement in dietary levels.

We should, therefore, be encouraging increased production on as much cropland as possible rather than withholding land from production.

Yet the farm bill now before us would encourage scarcity by providing high crop payments to those farms that agreed to participate in an acreage limitation program.

Under the new bill, the Secretary of Agriculture would determine annually the amount of acreage needed to produce enough of the three major commodities—wheat, feed grains, and cotton—to satisfy domestic consumption and export demands. Because in most years this amount will be less than the acreage available, farmers who want to participate in the subsidy program have to limit their crops. Those who agree to participate in withholding acreage will be guaranteed certain target prices for their crops. If the average market price during the first 5 months of the marketing season is below the target price, the farmer receives a Federal supplement to meet the target price.

For the first year of the program, the bill sets the prices at 70 percent of parity—$2.28 a bushel of wheat, $1.53 a bushel of corn and 43 cents a pound of cotton.

In future years—1975 through 1978—the target prices would be adjusted upward according to a cost of production index. This index reflects increases in interest rates, taxes, wage rates, and all production items including machinery and motor vehicles. These production costs rose by 14 percent last year and can be expected to continue their climb, thereby assuring that the target prices will continue to rise. Agriculture Department experts have estimated that the cost of production escalation could expose the taxpayers to a $7 billion annual farm subsidy by 1976 or 1977.

In simple language, the target prices are being set at record high levels. If the target price for wheat had been in effect on April 15 of this year, wheat prices would have gone from $2.15 up to the $2.28 target—a 13-cent rise. Corn prices would have gone up from $1.42 a bushel to the target price of $1.53, and cotton would have risen from 39 cents to 43 cents. The cost hikes to the taxpayers would have been even more dramatic if the target price system had been in effect on February 1973 or last year. The following chart illustrates these figures:

| | Wheat (bushel) | Corn (bushel) | Cotton (pound) |
|---|---|---|---|
| Target price | $2.28 | $1.53 | $0.43 |
| Apr. 15, 1973 price | 2.15 | 1.42 | .3984 |
| February 1973 price | 1.97 | 1.35 | ---------- |
| Apr. 15, 1972 | 1.36 | 1.13 | .38 |

If the target price program had been in operation in 1972, the subsidies would have cost the taxpayers a total of $2.6 billion to $823 million. Cotton payments would have gone up from $809 million, wheat payments would have increased from $723 million to $787 million and corn payments would have dipped slightly from $1.2 billion to $1.1 billion.

### DAIRY PRICES

This bill will not only increase the price of food but also will drive up the prices that housewives pay for dairy products. Today consumers spend some $17 billion annually—13 percent of the total consumer food bill—for dairy products.

Under the present law, milk products enjoy the backing of a price support system which keeps prices up. Dairy prices may be pegged at anywhere from 75 to 90 percent of parity. The present level as set by USDA is 75 percent, but the actual market price is currently at 80 percent. The new farm bill requires USDA to set parity at the record-high 80 percent level. This means that the price support level of milk would increase from the price support level of $5.29 per hundredweight in the 1973–74 marketing year to $5.61. In simpler terms, American consumers will be paying 4 cents more for every gallon of milk.

Other dairy provisions in the bill will have an equally inflationary effect on milk prices. These provisions would allow major dairy cooperatives—which today have an almost monopolistic control on 80 percent of the milk supply—to receive major exemptions from the antitrust laws. For example, the bill permits farmers in deficit milk areas to pay farmers in surplus areas not to ship milk into the deficit areas. In effect, this is "purchased" noncompetition. Its intent seems to be a boost in consumer prices. At the present time the Justice Department has pending a major antitrust suit against some of the largest midwestern cooperatives. If the farm bill is passed these cooperatives would be exempted from these antitrust suits. Their power over the milk supply would be increased to the disadvantage of consumers and independent milk producers, processors, and haulers. These sections of the bill were never subjected to public debate. In an area as technical as this, I believe we should have hearings to hear from the independent dairies, consumer groups, and the Department of Justice. I support Senator HART's proposal to strike these provisions from the bill so that hearings may be held.

### BREAD TAX

I also support the amendment introduced by Senators WEICKER and BAYH to accelerate the repeal of the bread tax. The 75-cents-per-bushel tax on wheat which is milled into flour would be eliminated at the end of 1973 under the committee bill. The amendment I support would knock out the tax immediately upon enactment.

The bread tax is a highly regressive levy because it applies to the primary ingredient—wheat—in a basic necessity. The tax creates inflationary pressures on the retail price of bread because the additional cost to the miller is reflected in the price he charges to the baker. In turn the retailer and consumer have to pay a higher price.

While I am pleased that the committee has rejected the concept of bread tax, I believe that repeal should not await the end of the year. Price of all food items are already too high. By knocking out the tax now we can reduce some of the inflationary pressures on the price of food.

### CONCLUSION

It is time to put an end to the kind of economic waste represented by the new farm bill. Agribusiness is getting richer at the expense of the American housewife. Never before have corporate farmers had it so good. In 1972 the industry realized net income of the farming industry was $19.2 billion—the highest income ever. While consumers saw their food prices go up by 12 percent in a year, farmers' net income was going up by $3.1 billion from 1971 to 1972.

And the share of the food dollar retained by the farm industry is growing. In the first quarter of 1973 agribusiness received 68 percent of the retail price of choice beef, 57 percent of choice lamb, 65 percent of pork, 66 percent of butter, 66 percent of eggs, 52 percent of milk, and 57 percent of poultry.

U.S. Department of Agriculture statistics continue to show that farm prices have been responsible for most of the food price increases. Between April of 1972 and April of 1973 the cost of the average annual market basket of food went up $184—from $1,296 to $1,480, of that increase, the farmers got $152 and the middlemen $32.

In the midst of inflation, steeply rising farm prices and income, and strongly growing domestic and world food demands, the entire U.S. farm program desperately needs a complete overhaul, ending costly price supports and subsidies, and modifying existing acreage allotments and "set-asides." The overall farm problem is no longer one of surplus and deflation but scarcity and inflation. Residual poverty among small farmers will not be ended by present subsidies and acreage restrictions, but requires a different approach aimed directly at increasing the small farmer's income. It is time to return to a free market economy in agriculture.

Unless this legislation is defeated and a freeze is placed on prices, there will be no relief for the American consumer.

Mr. HUMPHREY. Mr. President, the amendment which I have sent to the desk is an amendment to the amendment proposed by the Senator from Nebraska (Mr. CURTIS) and adopted by the Senate. So I ask unanimous consent that my amendment be in order as an amendment to the Curtis amendment.

The PRESIDING OFFICER (Mr. NUNN). Is there objection? The Chair hears none, and it is so ordered.

Mr. HUMPHREY. Mr. President, the amendment is very simple. It is our understanding, as was explained by the Senator from Nebraska, that regulations implementing the Rural Development Act will be published this week.

These regulations generally require collateral for business loan guarantees. It is our contention that applicants who have collateral will generally not need loan guarantees. Consequently this amendment directs the Secretary not to require more than 10 percent collateral for loans unless he finds that there are special circumstances which necessitate a collateral requirement in excess of 10 percent. The 10-percent feature is one that is found in other parts of the Rural Development Act.

Mr. TALMADGE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. TALMADGE. As I recall the provisions of the act, the Government provides a guarantee of 90 percent.

Mr. HUMPHREY. That is correct.

Mr. TALMADGE. So if the Department of Agriculture is trying to write regulations contrary to those in the act, they are not regulations, but legislation. As the Senator knows, all legislative power is vested in Congress; no legislative power is vested in the Department of Agriculture. I am tired of the Department trying to write laws. I hope the Senate will agree to the Senator's amendment.

Mr. HUMPHREY. Unless there is further comment, I have nothing further to say. I am perfectly willing to yield back the remainder of my time.

Mr. TALMADGE. Mr. President, I am willing to yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Minnesota to the amendment of the Senator from Nebraska.

The amendment was agreed to.

Mr. HUMPHREY. Mr. President, I now wish to call up amendment No. 197. I ask unanimous consent that the amendment not be read but that it be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 15, beginning with line 23, strike out all down through line 3 on page 16.

On page 27, line 22, strike out the comma after "(g)" and insert in lieu thereof a period.

On page 27, beginning with line 23, strike out all down through line 3 on page 28.

On page 31, line 18, strike out the semicolon and insert in lieu thereof a period.

On page 31, strike out line 19 through 24.

On page 46, line 17, strike out the double quotation marks.

On page 46, between lines 17 and 18, insert the following:

"SEC. 818. (a) The Secretary of Agriculture (hereinafter in this section referred to as the 'Secretary') may enter into multiyear set-aside contracts for a period not to exceed beyond the 1978 crop. Such contracts may be entered into only as a part of the programs in effect for wheat, feed grains, and cotton for the years 1974 through 1978, and only producers participating in one or more of such programs shall be eligible to contract with the Secretary under this section. Any producer entering into a multiyear set-aside agreement shall be required to devote specified acreage on the arm to a vegetative cover that is capable of maintaining itself throughout the contract period and providing soil protection, water quality enhancement, wildlife production, and natural beauty.

"(b) The Secretary shall provide cost-sharing incentives to farm operators for such cover establishment on all or a portion of the set-aside base whenever a multiyear contract is entered into as provided in subsection (a).

"(c) (1) The Secretary shall appoint an advisory board in each State to advise the State committee of that State (established under section 8(b) of the Soil Conservation and Domestic Allotment Act) regarding the types of conservation measures that should be approved for purposes of subsections (a) and (b). The Secretary shall appoint at least six individuals to the advisory board of each State who are especially qualified by reason of education, training, and experience in the fields of agriculture, soil, water, wildlife, fish, and forest management. The advisory board appointed for any State shall meet at least once each calendar year.

"(2) The Secretary, through the establishment of a National Advisory Board to be named by him in consultation with the Secretary of Interior, shall seek the advice and assistance of the appropriate officials of the several States in developing the wildlife phases of the program provided for under this subsection, especially in developing guidelines for (A) providing technical assistance for wildlife habitat improvement practices, (B) evaluating effects on surrounding areas, (C) considering esthetic values, (D) checking compliance by cooperators, and (E) carrying out programs of wildlife management on the acreage set aside.

"(d) The eighteenth sentence of section 8(b) of the Soil Conservation and Domestic Allotment Act is amended to read as follows: 'The State director of the Agricultural Extension Service and the State director of Wildlife Resources (or comparable officer), or his designee, shall be ex officio members of such State committee.'"

Mr. HUMPHREY. Mr. President, this is an amendment that was discussed in committee, as members of the committee may recall. The distinguished chairman asked the staff of the committee to work with me and with staff members to draw up language that met the general view of the committee as they discussed the whole subject of vegetative crop on acreage set aside under the wheat, feed grains, and cotton programs.

Mr. President, this amendment to the proposed Agriculture and Consumer Protection Act of 1973 would provide for a protective vegetative cover to be planted on set-aside acreages under multiyear contracts to prevent severe oil losses, water sedimentation, and loss of wildlife.

Under this amendment the Secretary of Agriculture would be authorized to initiate multiyear set-aside contracts relating to acreage set-aside or diverted to conserving uses under the wheat feed grain and cotton programs. Whenever the Secretary initiates such a program he would be required to cost-share with producers desiring to participate as it relates to the cost of purchasing and planting perennial vegetative cover.

This subject was a matter of much discussion in our public hearings on this legislation. However, the language finally approved by the committee which is now contained in S. 1888 simply does not meet the basic objectives that many of us had in mind in addressing this subject. However, the amendment that I am introducing today for myself and the other Senators that I have mentioned does.

The cosponsors are Senators EASTLAND, CURTIS, MCGOVERN, YOUNG, ALLEN, DOLE, HUDDLESTON, BELLMON, CLARK, HELMS, ABOUREZK, MONDALE, and NELSON.

Mr. TALMADGE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I am happy to yield to the distinguished Senator from Georgia.

Mr. TALMADGE. Mr. President, the Agricultural Act of 1970, which expires at the end of the current year, has a provision quite similar to the Senator's amendment. When we were considering amendments to the Agricultural Act of 1970 the distinguished Senator from Minnesota brought up his amendment in committee. It was the consensus of the committee that an amendment of this nature be included in the farm bill. They placed language in our present bill pending before the Senate, but limited it to 1 year. The Senator's amendment would extend that to 5 years.

Mr. HUMPHREY. Yes, up to 5 years.

Mr. TALMADGE. I think it is a good amendment. I urge the Senate to agree to the amendment.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the distinguished Senator from North Dakota, who has been a leader in this entire effort.

Mr. YOUNG. Mr. President, I am happy to be associated with the Senator in this amendment. This amendment is supported by the North Dakota Game and Fish Department, and similar departments in all surrounding States, as well as all wildlife interests, environmental interests, and others. It would do wonders to help restore the once big pheasant population, it would greatly increase the partridge population, the grouse population, and the duck population not only in our State but over much of the United States. Since the land is so intensely cultivated now there is not much room for birds to nest any more. This would be a tremendously important program and a very popular one.

Mr. HUMPHREY. I thank the distinguished Senator.

Mr. President, this is one amendment that has both wide urban and rural support. I thank our many cosponsors and the chairman of the committee for the cooperation we had in developing this amendment, almost as a committee amendment.

Mr. President, I am prepared to yield back the remainder of my time.

Mr. TALMADGE. I yield back the remainder of my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment.

The amendment was agreed to.

### AMENDMENT NO. 179

Mr. PEARSON. Mr. President, I call up my amendment No. 179 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. PEARSON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, is as follows:

On page 46, line 17, strike out the double quotation marks.

On page 46, between lines 17 and 18, insert the following:

"SEC. 818. (a) The first sentence of section 306(a)(2) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(2)) is amended to read as follows: 'In the case of specific projects for works for the collection, treatment, or disposal of waste in rural areas, the Secretary is authorized and, in the case of specific projects for works for the development, storage, treatment, purification, or distribution of water, the Secretary is authorized and directed to make grants in amounts specified in appropriation Acts aggregating not to exceed $50,000,000 in any fiscal year to such associations to finance such projects.'

"(b) Section 306(a)(6) of such Act (7 U.S.C. 1926(a)(6)) is amended to read as follows:

"'(6) In the case of waste disposal systems in rural areas, the Secretary is authorized and, in the case of water systems, the Secretary is authorized and directed to make grants in amounts specified in appropriation Acts not exceeding $5,000,000 in any fiscal year to public bodies or such other agencies as the Secretary may determine having authority to prepare comprehensive plans for the development of such systems.'."

Mr. PEARSON. Mr. President, first, I ask unanimous consent that Senators McGEE, MONDALE, and HUMPHREY be added as cosponsors of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PEARSON. Mr. President, this amendment would restore the grant program of the rural water system and sewer systems.

Earlier today, prior to addressing ourselves to this bill, we extended the EDA program until a new program could come along and fill the urgent need for economic development.

Rural communities are in desperate need for a revitalization of sewer and water systems. This amendment is a modest amendment compared with H.R. 3298, which was overwhelmingly passed by the Senate sometime ago. It provides $55 million in authorization, $50 million being in the grant program and $5 million for planning.

Mr. President, it seems to me this would carry us through to that time and we can revitalize our rural programs dealing with these very vital programs of water supply and sewerage.

I have discussed this matter with the distinguished chairman of the committee, the manager of the bill, and also the ranking minority member.

Mr. President, this amendment alters two sections of the Consolidated Farm and Rural Development Act which deal with grants for rural water and waste systems. The language in my amendments makes mandatory the use of annual appropriations for grants for water systems operated by the Farmers Home Administration. The second section of my amendment makes similar provisions for the granting of funds for comprehensive plans for these systems.

This approach differs from the H.R. 3298, which the President vetoed on April 5, 1973, in that the mandatory language is used only with respect to rural water systems. Implicit in my amendment is the recognition that sewer systems can and perhaps should be administered under the unified authority of the Environmental Protection Agency. I believe that this removes one of the major objections of the administration to the previous legislation. Unlike, sewage systems, however, there are no real alternative means of providing grants for water systems in rural areas, and this amendment preserves the grant program of Farmers Home Administration for this purpose.

A second major change in my amendment from previous legislation on this subject is the reduction of authorization levels for the programs operated under the direction of the Farmers Home Administration. A maximum authorization of $50,000,000 is set on the section dealing with grants for the development of water and sewage systems. A maximum yearly authority of $5,000,000 is placed on the sections of the bill dealing with planning. The reduction in authorizations need not have the adverse impact which some of my colleagues might fear. In fact, the levels I have selected closely parallel the actual expenditures for all water and sewer grant programs operated by the Farmers Home Administration over the past few fiscal years. I ask unanimous consent that a table which lists the actual obligations of the Farmers Home Administration during the past few fiscal years be inserted at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

GRANTS OBLIGATED BY THE FARMER'S HOME ADMINISTRATION FOR WATER, WASTE AND COMBINATION WATER-WASTE SYSTEMS (INCLUDING BOTH INITIAL AND SUBSEQUENT GRANTS)

| | Fiscal year— | | | | |
|---|---|---|---|---|---|
| | 1969 | 1970 | 1971 | 1972 | 1973[1] |
| Water | $10,572,695 | $22,090,070 | $20,310,910 | $19,052,100 | $11,201,700 |
| Waste | 11,657,440 | 15,822,667 | 16,634,500 | 15,531,600 | 3,848,600 |
| Combination | 2,752,420 | 6,949,510 | 7,141,850 | 5,279,200 | 2,371,900 |
| Total | 24,982,555 | 44,862,247 | 44,087,260 | 39,862,900 | 17,422,200 |

[1] Obligated funds as of Jan. 1, 1973.

Mr. PEARSON. It is important to note that at no time since fiscal year 1969 has the total amount obligated for grants for water, waste, and combination water waste systems exceeded $50,000,000. The amount becomes even more realistic when we remember that the amendment contemplates coverage for water system alone.

Mr. President, the Senate is strongly on record as supporting the continuation of grants for water systems. In my statement of June 4, I indicated that while loans are helpful, grants remain essential. The high cost of developing a rural water system means that user fees will often be insufficient to meet the financial requirements of developing an adequate water system in a rural area. The administration recognizes the need for grants for sewer systems when it relies on the Water Pollution Control Amendments for this purpose. I see no reason why water systems should be singled out for exclusion from Federal grant assistance.

There really is no alternative means of financing for these systems. We cannot expect local communities to absorb the high costs of developing and constructing the water systems. Neither should we expect revenue sharing to be used as an alternate source of assistance. Congress expected that revenue sharing would be additional money for local communities and not that it be utilized to replace existing programs which the administration unilaterally chose to extinguish.

Because the justification for rural water systems has **long been recognized by** the Senate, and because this amendment goes a long way toward meeting the administration's objections to the previous bill on the subject, I hope that it will be accepted as an effort on the part of Congress to meet pressing needs in rural areas, while at the same time recognizing the fiscal contraints under which our Government is operating.

The PRESIDING OFFICER. Who yields time?

Mr. TALMADGE. Mr. President, I have examined the amendment of the distinguished Senator from Kansas. I think it is a worthy amendment.

As the Senate will recall, the Rural Development Act authorized $300 million for water and sewerage systems in rural areas. The President impounded that money. The Committee on Agriculture and Forestry voted overwhelmingly to reinstate the funds; the Senate voted overwhelmingly to reinstate the funds; the House committee voted overwhelmingly to reinstate the funds, and so did the House. But unfortunately the President vetoed the act and the House sustained the President's veto.

I hope the Senate will accept the amendment of the Senator from Kansas. I think it is most worthy and it is a modest one.

Mr. PEARSON. Mr. President, I yield back my time.

Mr. TALMADGE. I yield back my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

### AMENDMENT NO. 173

Mr. HUMPHREY. Mr. President, I call up my amendment No. 173.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD is as follows:

### AMENDMENT NO. 173

On page 46, line 19, strike out "title is" and insert in lieu thereof "titles are".

On page 51, line 15, strike out the quotation marks.

On page 51, between lines 15 and 16, insert the following:

"TITLE XI—CONSUMER AND MARKETING RESERVES

"SEC. 1101. (a) Effective only with respect to the 1974 through 1978 crops of wheat, corn, grain sorghum, barley, oats, rye, and soybeans, the third sentence of section 407 of the Agricultural Act of 1949, as amended, is amended by striking out the third proviso (relating to the minimum price at which certain grains in the stocks of the Commodity Credit Corporation may be sold) and inserting in lieu thereof the following: '*And provided further,* That the Commodity Credit Corporation shall not sell any of its stocks of wheat, corn, grain sorghum, barley, oats, or rye, respectively, at less than the so-called established price applicable by law to the crop of any such commodity, or any of its stocks of soybeans at less than 150 per centum of the current national average loan rate for such commodity, adjusted (in the case of all such commodities) for such current market differentials reflecting grade, quality, location, and other value factors as the Secretary determines appropriate, if the Secretary determines that the sale of such commodity will (1) cause the estimated carryover of such commodity at the end of the current crop year for such commodity to fall below six hundred million bushels in the case of wheat, forty million tons in the case of corn, grain sorghum, barley, oats, and rye, or one hundred and fifty million bushels in the case of soybeans or (2) reduce the Corporation's stocks of such commodity below two hundred million bushels in the case of wheat, fifteen million tons in the case of corn, grain sorghum, barley, oats, and rye, or fifty million bushels in the case of soybeans; and in no event may the Corporation sell any of its stocks of any such commodity at less than 115 per centum of the current national average loan rate for the commodity, adjusted for such current market differentials reflecting grade, quality, location, and other value factors as the Secretary determines appropriate plus reasonable carrying charges.'

"(b) Section 407 of such Act is further amended by adding at the end thereof the following: 'In any year in which the Secretary estimates that the carryover stocks of wheat will be less than six hundred million bushels, the carryover stocks of feed grains will be less than forty million tons, or the carryover stocks of soybeans will be less than one hundred and fifty million bushels, the Secretary is authorized and directed, at any time that the market price falls to 125 per centum of the announced nonrecourse loan level for the commodity concerned, to purchase a quantity of such commodity to six hundred million bushels in the case of wheat, forty million tons in the case of feed grains, and one hundred and fifty million bushels in the case of soybeans. Notwithstanding any other provision of law, the price support loan on any quantity of wheat, feed grains, or soybeans stored under seal on the farm or in private commercial facilities shall be extended, at the option of the producer, for a period of two years with the condition that any such loan may be called in at any time by the Secretary prior to the expiration of the two-year period if the Secretary determines that the projected carryover stocks of the commodity concerned for the current year will drop below six hundred million bushels in the case of wheat, forty million tons in the case of feed grains, or one hundred and fifty million bushels in the case of soybeans. As used in the two preceding sentences, the term "feed grains" means corn, grain sorghum, barley, oats, and rye."

Mr. HUMPHREY. Mr. President, this amendment provides a new title in the pending legislation, title XI, known as Consumer and Marketing Reserves. I shall address myself to the amendment. I consider it the most important amendment that I have to offer to this very important piece of legislation.

Mr. President, opening trade relations with countries having centrally directed economies such as the Soviet Union and Eastern European countries has increased uncertainties as well as opportunities for agricultural producers, private marketing agencies, and domestic consumers.

We know, for example, that the recent sales of our agricultural commodities to the Soviet Union and other countries has been of great help to our export trade, to our balance of payments, and, indeed, of considerable assistance to the American agricultural producer. But I think we also should make note of the fact that today the market conditions in agriculture are very uncertain and actually at the moment a great deal of speculation is taking place in a number of commodities because of the possibility of current shortages continuing.

Mr. President, the title of the amendment explains its purpose. It will provide for reserves of feed grains, wheat and soybeans so as to make available supplies when needed at a fair price to the farmer and to the consumer, and also to make available, if needed, commodities—wheat, corn, and soybeans—for export, and at the same time to assure the American economy that we shall not face empty bins and a scarcity of supply, which in turn would drive market prices up to unbelievable heights.

I am one who believes the American farmer is entitled to a fair price, and that is what the target price system in the pending legislation provides.

I also believe that our greatest opportunity in the years ahead in the field of foreign trade is in the production and sale of our agricultural commodities.

I also note that the American farmer is not only a producer, but the greatest user—of feed grains. I know that today, for example, feed grain prices for our livestock economy are at very high levels, and I also know that if we continue current scarcity of these grains we will disrupt both the entire agricultural and national economy to the point where it will take years to repair them both.

To put it bluntly, we cannot afford to have a shortage of feed grains and soybeans when we are a large producer of beef, pork, and poultry. This kind of economy, which specializes in beef products, dairy products, hogs, and poultry, necessitates an assured and adequate supply of feed grains and soybeans at all times.

We must keep in mind that the wheat, feed grain, and soybean producer wants a fair price for their product, and should have it, but we must also keep in mind that the dairy farmer, the beef producer, and the poultry farmer also need these commodities at a fair price—not at an exorbitant price.

Let me say to my fellow Americans that unless we have these reserves, so that we can be positive that we are not going to be facing a critical shortage, the prices of feed and foodstuffs in the marketplace will go through the roof. We are in danger of that this year.

For example, what we call the feedstuff index—that is, all types of feed—for cattle, poultry, hogs, in June 1972, was 115. In June 1973 it was 336. Prices have almost tripled in the past year.

It is fair to say that if this substantial rise continues the beef producer and other livestock producers who now are under indirect price controls on their products, are going to go out of business, and the shortage of these products will continue. The supplies will not be there and we will have to do one of two things: We will have to either go without these foods, or we will have to let the prices for them rise dramatically.

Therefore, this amendment has as its purpose the protection of the public interest. This amendment has as its purpose the protection of the agricultural economy, which relies so much upon feed grains and soybean meal. It has as its purpose the protection of American export markets so that we can be sure that we continue to be a reliable source of supply for those commodities. It has as its purpose the protection of the consumer, so the consumer will not be the victim of food shortages which result from shortages of these food and feed grain products.

Now, what will it do to the farmer? The mechanism in this bill assures the farmer that he will not become the victim of Government dumping of these reserves. The mechanism in this amendment that would trigger the release of any of these reserve commodities into the marketplace goes to work only when there are shortages or only when prices are over the target price.

In other words, the target price in this bill is protected by this amendment, but this amendment does provide that, in case there are scarcities due to bad crops—and no one can predict what those particular amounts will be—we will have commodities to put into the market to assure adequate supply and to dampen down any speculation that may result in exorbitant prices both to the user of wheat, feed grains and soybeans.

The increased wheat and feed-grain import requirements of the Soviet Union, People's Republic of China, India, Bangladesh, and Eastern Europe in 1972–73, came at a time when U.S. carry-in stocks of grains were above usual levels and 1972 harvests also were above normal.

Even though both food and feed-grain supplies in the United States for the 1972–73 marketing year were near record levels, the unusual export demands in recent months have drawn stocks of both wheat and feed-grains below desirable levels and caused sharp increases in market prices.

I have a table here which shows the supplies that are available in our carryover stocks, and I ask unanimous consent that the table be printed at this point in the RECORD.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

TOTAL CARRYOVER STOCKS AT END OF YEAR[1]

| Crop year beginning in | Wheat (million bushels) | CCC owned | Feedgrains (million tons) | CCC owned | Soybeans (million bushels) | CCC owned |
|---|---|---|---|---|---|---|
| 1963 | 901 | 829 | 69 | 42 | 67 | 26 |
| 1964 | 817 | 608 | 55 | 31 | 30 | 0 |
| 1965 | 535 | 262 | 42 | 14 | 36 | 0 |
| 1966 | 425 | 124 | 37 | 10 | 90 | 34 |
| 1967 | 539 | 102 | 48 | 11 | 166 | 138 |
| 1968 | 819 | 163 | 50 | 15 | 327 | 300 |
| 1969 | 885 | 301 | 48 | 12 | 230 | 197 |
| 1970 | 730 | 370 | 33 | 8 | 99 | 11 |
| 1971 | 863 | 367 | 50 | 8 | 72 | 0 |
| 1972 (estimate) | 433 | 0 | 37 | 2 | ---------- | 0 |

[1] USDA Commodity Credit Corporation.

Source: ERS reports.

Mr. HUMPHREY. Mr. President, in 1971 we had a carryover of 863 million bushels of wheat, 50 million tons of feed grains, and 72 million bushels of soybeans.

In 1972 we had 433 million bushels of wheat, 37 million tons of feed grains, and no soybeans.

All one has to do is take a look at the price of soybeans and see why this amendment is important. Soybeans are selling for $11.75 a bushel—that is, if one can get them—and that is causing prices to rise all over the world.

Surely here in the American market, where we depend on high protein as a very important part of feed rations that we give to our cattle and our poultry, price changes of the magnitude experienced in recent weeks create hardships for many livestock producers and domestic food processors, and cause fluctuations in consumer supplies of livestock products in retail markets.

U.S. agriculture has the productive capacity to meet the increased export demand arising from crop failures in other parts of the world, as well as the increasing domestic demand for livestock products. Surely, future supply adjustment and price-support programs should respond to these new opportunities with minimum disruptions to domestic markets.

In view of the increased export opportunities, and uncertainties, agricultural analysts and farm leaders agree that ample carryover stocks of grains and soybeans are needed.

The committee bill, while I think it an excellent bill, will not prevent this from happening unless it is amended to provide a strategic reserve of grains and soybeans which will be acquired by the Government at reasonable prices and after being acquired will not be released except at the target prices provided in this bill.

Many believe that existing Government nonrecourse loan levels of $1.05 for corn, $1.25 for wheat, and $2.25 a bushel for soybeans are too low. They are, however, the only minimum floor prices now assured to producers in the bill.

The strategic amendment, or the amendment which I call the consumer marketing amendment, strengthens S. 1888 from the standpoint of the interests of producers, consumers, and exporters.

This amendment provides that if a strategic reserve of 600 million bushels of wheat, 40 million tons of feed grains, and 150 million bushels of soybeans has been depleted as it has been this year, the Secretary of Agriculture is directed to purchase sufficient quantities of these commodities to replenish the strategic reserve at prices equal to 125 percent of the loan value. This provision would help cushion the shock of price declines if a large crop is harvested this year. And, it would help in a future period when stocks had been depleted.

This amendment also prohibits the Commodity Credit Corporation from selling its stocks below the target prices when total stocks reach minimum desirable levels. If carryover stocks are projected to fall below 600 million bushels of wheat, 40 million tons of feed grains, or 150 million bushels soybeans, or if such sales would reduce the Commodity Credit Corporation's inventories below 200 million bushels of wheat, 15 million tons of feed grains, or 50 million bushels of soybeans, the Commodity Credit Corporation may not sell any of its inventories at less than the target prices set in S. 1888 for the grains, or 150 percent of the loan value for soybeans.

That is the triggering mechanism. It is not complicated. It has the following features. These reserves will not be placed on the market unless there is a scarcity. And even then it is optional to the Secretary of Agriculture as to whether or not these reserves should be sold at all.

It does provide that when they are sold they cannot be sold below the target prices when total reserve levels for wheat, feed grains, and soybeans fall to or below the levels specified in my amendment.

So, from the producer's point of view this is good legislation. From the consumer's point of view, it is the only protection the consumer has. And from the point of view of the farmer who is not a feed grain producer but relies upon the purchase of feed grains to feed his livestock, it is a protection for him, too.

Ultimately it is a protection for everyone and it is a vital part of our national security.

Consumers' interests are protected since these minimum stocks are not available except at higher prices than when stocks are ample. These minimum stocks cannot be dissipated by excessive export sales as they were this year before market prices reach these higher levels.

It assures that moderate minimum stocks at the target prices will be available for unforeseen emergencies in addition to those carried by the commercial grain trade.

The higher minimum resale provisions in this amendment will result in larger stocks being carried by private traders since they know that not all of the CCC stocks can be released when prices reach 115 percent of the loan value as at present.

This amendment also provides that producers have the option of resealing their grains or soybeans placed under loan, for 2 additional crop years unless stocks drop below the minimum desirable levels. This assures that most of the carryover stocks will remain under private control.

It is an improvement over the present situation where the Secretary of Agriculture may call all outstanding loans at the close of each crop year regardless of the amount of the carryover stocks.

I conclude my part of this debate by noting that the farm groups of this Nation—that is, the National Farm Coalition, made up of the National Farmers Organization, the Farmers' Union, the Grain Cooperatives, and many other farm commodity organizations—support this kind of an amendment.

I also note that the Senate will be asked to vote upon a huge defense bill very shortly, and nothing could be more foolish than for the United States to be spending its money on new weapons systems and then find out that it does not have enough food and fiber to sustain its own economy.

Mr. President, this is a vital part of our national security. We have a mineral stockpile, and that mineral stockpile has not been used to depress the market. The Government has spent billions of dollars to stockpile tin, lead, aluminum, magnesium, and chrome. We have tons of it. And I consider it a vital part of our national security.

We found, for example, that, when we were short of copper a few years ago and there was not any copper available except at exorbitant prices, the Government was able to release the copper to provide for domestic needs and level off the price.

My amendment is broadly cosponsored, by the way. We had a number of Senators today who asked to cosponsor the amendment. These include Senators ABOUREZK, MCGOVERN, CLARK, NELSON, HUGHES, and others who have asked to be cosponsors of this amendment. All of these Senators who come from agricultural areas of the country know that this amendment provides for their farming people and for their urban constituents. It means a degree of responsible security.

I want to say to the American public that, when we pass agricultural legislation such as we are now contemplating, we have an obligation to the consumer to see that that consumer has some protection. Today the protection comes in two ways—an incentive to the farm producer to produce an abundance, and, in case there is a crop failure or unusual demands on our supply, to have reserves on hand to protect our domestic needs and our international customers and, above all, the farmers themselves.

This amendment is a protection for the farm feeders of animals, beef cattle, hogs, poultry, chickens, turkeys, and the dairy industry of this country.

Mr. President, I reserve the remainder of my time.

Mr. TALMADGE. Mr. President, if there are now enough Senators on the floor, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. TALMADGE. Mr. President, I yield myself such time as I may require.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. TALMADGE. Mr. President, I rise in opposition to this amendment.

The Committee on Agriculture and Forestry has spent many hours, and its members have given their best efforts in writing the bill, S. 1888, which extends and amends the Agricultural Act of 1970. We have a bill which will assure Americans of plentiful supplies of food and fiber at reasonable costs—while at the same time allowing American agriculture to expand and prosper.

We are proud of this bill. We are proud and pleased that the other House is using S. 1888 as their basic reference in considering farm program legislation.

In our committee deliberations, we considered many approaches to the complex problem of protecting both consumers and farmers while allowing for the growth opportunity which now appears to be present for American agriculture. Thorough consideration was given to all views of all committee members. In the committee markup, we examined the proposal offered by my good friend from Minnesota. The committee found it inapplicable and inappropriate for today's agriculture.

The Senate is now asked to reject the best considerations of the Committee on Agriculture and to adopt an amendment which would, without question, impair the proper functioning of S. 1888. Tacking on this amendment to the bill would be as grotesque as hitching a horse to a modern automobile and requiring them to travel together.

This amendment would return us to the old days of huge Government stocks of grains which would mean higher prices to consumers, farmer dependence upon the Federal Treasury, and increased tax bills for all.

It would make the American Government the biggest "middleman" of all—buying very expensive artificially priced grain—piling up great quantities of this expensive grain in a perpetual, unneeded, Government reserve which would perpetually and unnecessarily interfere with the marketplace.

This amendment would cost the Government billions of dollars spent for no good purpose, and it would accelerate the present inflation mightily.

Let us look at the proposed amendment:

Basically, it would re-create and perpetually maintain an inventory of CCC-owned grains—a minimum of 200 million bushels of wheat, 15 million tons—tons, not bushels—of feed grains, and 50 million bushels of soybeans.

It would reestablish this minimum Government-owned inventory just at a time when CCC stocks have finally been reduced to acceptable levels, and the market is bidding good prices for farmers' stocks.

We know that, historically, any time the Government owns big reserves of grains, these holdings are a market depressant. No matter what attempts are made to insulate Government reserves from the markets, just the fact that a stockpile exists is enough to prevent the free play of the market. As long as large Government stocks are visible, both domestic and foreign buyers will be, and are, reluctant to buy ahead. Why should they hold grain when Uncle Sam will do it for them—and bear the inventory costs?

But the amendment would do more than recreate a CCC minimum inventory of grains in the quantities I just spoke of. It has another still more expensive proviso.

The amendment would in effect establish a minimum annual carryover of wheat, feed grains, and soybeans. As I understand it—and the amendment is not completely lucid on this and several other points—this carryover in theory could include privately held grain as well as CCC-owned grain. This carryover is set by the amendment at a minimum of 600 million bushels of wheat, 40 million tons of feed grains—that equals at least 1 billion, 600 million bushels of corn and other feed grains—and 150 million bushels of soybeans.

Now, as I said, the theory apparently is that this minimum total carryover could be a combination of Government and private grain stocks. But as a practical matter—and I am more at home with dirt-farm practicalities than with high-flying theories—almost all of this required reserves would be Government owned. Because, as I said before, when the Government gets into the grain-holding business, everyone else gets out.

As a practical fact, this is the way the pending amendment would work: For a year or two CCC would drive grain prices up—because any time the price got down to 125 percent of loan level, CCC would have to buy grain to build up to those minimum reserves the amendment calls for.

Since CCC bins are now almost empty, and many have been sold, CCC would have to buy a lot of grain—at a cost of $3½ billion. For every 100 million bushels of corn CCC bought the cost would be $131 million—and the probability is that CCC would be required to buy more than a billion bushels of feed grains.

For every 100 million bushels of wheat CCC bought, it would pay $156 million—and, remember, the prospect is that CCC would be required to buy nearly 600 million bushels of wheat.

Every 100 million bushels of soybeans bought by CCC would cost taxpayers $281 million.

What it adds up to is $2 billion for feed grains, $1 billion for wheat, nearly half a billion dollars for soybeans—all at the expense of taxpayers, who as a practical fact would be paying twice over—paying more taxes which would be used to jack up the prices they pay.

Nor is the cost of acquiring the grain the only cost to the taxpayer. When a reserve is established, you have to store it and take care of it. The cost of interest and storage per 100 million bushels would be about $18 million annually. For the size of the total annual carryover that would be created by this amendment, this could easily mean more than $400 million each year.

Think about it for a minute—$3½ billion to buy the grain initially, and $400 million every year thereafter just to keep it.

Nor are these the only problems.

Were this amendment to be tacked on to S. 1888, the livestock and poultry industries would soon be wondering what hit them. With CCC out buying grain, if prices were particularly low in one area, CCC purchases could create a shortage in the local market which would necessitate shipments from other areas. Such movements would disrupt and stifle the livestock and poultry industries.

Or a CCC offer to buy could easily bring more than the required amount of grain specified in the amendment. The problem of rationing or allocating purchases could arise.

As for the grain farmer—the man growing wheat, corn, barley, oats, rye, milo, or soybeans—he stands to lose more in the long run from this amendment than anyone else. After perhaps one bonanza year when the Government bought up the required reserve, he would once again be living with the bitter reality that when the Government holds a stockpile, it inevitably holds the price of grain down.

Under the pending amendment, once the so-called minimum reserves were established, from then on the Government would be buying grain at 125 percent of loan and selling it at 115 percent of loan. In the case of wheat right now that would mean CCC would buy at $1.56 a bushel and sell at $1.43—and you can be absolutely sure the market would pay no more to farmers than they would pay to CCC. In effect, you would have a $1.43 bushel lid on wheat.

In the case of corn, once the feed grain reserves were built, CCC would buy $1.31 a bushel and sell at $1.21—which would peg the market price for corn.

The point is that establishing a reserve does not open a new market for farmers. It is a very temporary boom. Once the reserve is built, the boom ends—and the reserve thereafter depresses prices.

Now let me give a few words of practical assurance to my colleagues who may tend to be more expert in urban affairs than in agriculture—but who want to be certain Americans always have a plentiful supply of food.

The fact is that never in our history have American farmers failed to produce not simply enough, but far more than enough for all domestic needs. These crops we are discussing today—wheat, corn, soybeans, milo, barley, oats, and rye—are grown in all parts of the Nation. A local crop failure in no way endangers domestic supply. Even the corn blight of a few years ago—widespread as it was—caused no serious concern about domestic supply.

We simply do not need a huge and enormously expensive Government owned reserve in order to be sure of domestic plenty. This is a flat statement of fact.

But I want to assure my urban friends that we do need an expanding, thriving, prosperous agriculture in this country. We need it for more than the food that goes on our supper tables.

This country is buying goods from all around the world. It is buying oil, artwork, ashtrays, automobiles, trinkets, toys, television sets, shoes, socks, cameras, calculators—vast quantities of consumer goods are pouring into this country. To buy, we have to sell—and a major item America has for sale is agricultural commodities.

In agriculture we can meet and beat the competition, if given the opportunity. The bill, S. 1888, is designed to protect American consumers and American farmers and yet be open ended enough to provide growth opportunity for agriculture. The pending amendment would put a stopper on that open end.

Let me remind you again that in committee considerations, we took ample time to consider the amendment and the committee rejected it. I would suggest that insofar as this very expensive amendment to S. 1888 is concerned, it would be a service to the Nation if the Senate would reject it.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. CURTIS. Mr. President, will the Senator yield me 2 minutes?

Mr. TALMADGE. I yield 2 minutes to the distinguished Senator from Nebraska.

Mr. CURTIS. Mr. President, I rise in opposition to the amendment offered by our distinguished friend from Minnesota. As pointed out by the chairman of the committee, the Committee on Agriculture and Forestry considered this matter and it was rejected. A proposal for a strategic reserve was rejected as a separate bill by that commttee last year.

It has been my observation that whenever we have had a supply of agricultural commodities in storage, it was always sold or dumped at such a time as would result in lowering the farm prices. That has happened under the administrations of both political parties. I feel that that will happen again.

I believe that we should have a strategic reserve, but it should not be held by the Government. The best reserve is that which results from the decisions of tens of thousands of farmers, operating in their own individual capacities, deciding that there will be a better day to sell and, therefore, they will hold back from the market certain grains—and it is always there in the event of a crop failure or a partial failure.

Mr. President, the amendment should be rejected.

Mr. TALMADGE. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum without the time being charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TALMADGE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. TALMADGE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Who yields time?

Mr. HUMPHREY. I yield myself 5 minutes.

Mr. President, one of the most distasteful parts of Senate experience is having to dispute one's own chairman, particularly when one has such a high regard for him. But let me just say what I think this amendment does, and I believe I know what it does.

First, it does not put all the grain we are talking about in the hands of the Commodity Credit Corporation. Two-thirds of this reserve would be on the farm, under loan to farmers. One-third of it would be held by the Commodity Credit Corporation.

What else does this amendment do? It permits the Government, in an orderly way—not immediately, but in an orderly way—to build up reserves that are absolutely vital for the protection of the consumer in the kind of market we have, absolutely vital for the assurance of our export deliveries, and absolutely vital for the farmer who feeds his cattle and his poultry.

It also provides an orderly accumulation of reserves so that consumer prices will not go through the roof, and at the same time so that the producers will have some extra protection—that is, the cattle feeder will have an available supply of feed grains and soybeans at reasonable prices, and the wheat, feed grain, and soybean producer will have a market not only in the private market but also in the public market for his product.

What does this amendment do? Let me state the economics of this amendment. The reserve is bought at a price of 125 percent of the loan rate. That is low. The loan rates in this bill were purposely low. In fact, I believe the Senator from Iowa wants to raise those loan rates.

The Government buys low—and when can the Government sell these reserves? Only at the target price when reserve levels fall on below those specified in my amendment. So the Government buys cheap and sells high. How can that cost the taxpayer? After all, the taxpayer is only the consumer. The taxpayer is the fellow who is paying $11.25 for soybeans, if he can get them. He will be a great deal better off to have some soybeans in reserve, so that farmer feeders of livestock can get them at reasonable prices.

I look over and see my distinguished friend the Senator from Vermont. Let me say that unless this amendment is adopted in the areas that are feed deficit areas, the prices that the users of feed will pay will be exorbitant, if current scarcity continues.

Again, the taxpayer is not being taken for a ride. What can happen, however, is that the consumer can be taken for a ride, unless you have reserves. What can happen is that unless you have these reserves. And on the other side if you have over-production, the producer can be destroyed. This is but an extra cushion for the consumer, for the producer, and for our availability of commodities for domestic use and for export.

When the total supply of a product drops to minimum levels, for all practical purposes there is no product. Soybeans is a case in point. If my amendment had been adopted, last year we would have had a reserve of 150 million bushels, and that would have had some protective effect in the current marketplace.

But somebody says that traditionally—and I have been in this argument before—when you have these reserves, it means that farm prices will be depressed. The Senator from Minnesota is not interested in depressing farmers' prices. I have not been accused of that in my life. But I am interested in seeing to it that, in periods such as we are in now, that we have an adequate supply of these commodities and that the price the farmer gets for that supply is fair.

This amendment provides that you will not sell into the marketplace these reserves at less than target price when total reserves drop to those levels specified in my amendment. The target price is in this bill. But it also provides that the only way the Commodity Credit Corporation can buy for these reserves is at 125 percent of the loan rate. So that means that you buy reserves when there are surpluses, which helps protect the producer on the other hand from too low a market price.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HUMPHREY. I yield myself 2 additional minutes.

You buy reserves when there are surpluses, you accumulate the reserves when surpluses are available, and you lock them up, and you release those reserves when there is a scarcity. You release those reserves when the consumer thinks he is being taken. You release those reserves when there is not enough feed grain for cattle. You release those reserves when there is not enough wheat to make bread for American families or for export.

We are not going to depress the farmer's prices. He is going to get his target price for wheat. He is going to get his target price for feed grains.

I also say that it protects the grain producer from market prices going too low, because the Government will step in when there is a surplus and market prices are too low and buy for reserve purposes at 125 percent of the loan rate. Does that hurt the farmer? No. Does that hurt the consumer? It does not hurt the consumer, because the loan rate is too low as it is.

This is an amendment that is designed for our nation's security—economic and military—for our foreign trade, and for our domestic consumers. I think it is the best amendment we have.

Unless we do something in this bill to give the consumers of America an assurance that we are not providing for scarcity, that we are going to have some protective cushion, or safety valve, this bill is going to have a hard time making its way through Congress.

Mr. TALMADGE. I yield myself such time as I may require.

Mr. President, it is always difficult to disagree with my eloquent friend the Senator from Minnesota. I find that he is more often right on farm legislation than he is wrong; but when he is wrong, he is usually extremely bad wrong, and this happens to be one of the occasions when he is extremely bad wrong.

The Department of Agriculture says that the implementation of the amendment offered by the Senator from Minnesota would require the Government to go into the marketplace and buy $3.5 billion worth of grain and soybeans, at a time when we cannot balance our budget, at a time when people are screaming about inflation, at a time when our dollar has been devalued officially twice in 14 months, and unofficially it is being devalued every day.

What else? After we bought $3.5 billion worth of these commodities and put them in a Government warehouse, what would happen? It would cost the Government $400 million a year in storage fees to keep them there.

I want to get into a little mathematics with the Senator from Minnesota. This is from our very able economist, and I am sure the Senator from Minnesota shares my esteem for his ability and integrity.

Under the Senator's amendment, the Government of the United States could buy corn for $1.31 a bushel and sell it for $1.20 a bushel. The target price of our bill provides for $1.53 a bushel for corn.

I am sure the Senator from Minnesota would not want to depress the price of corn. I am also sure that the Senator from Minnesota would be the first to admit that if the government sold corn for $1.20 a bushel, nobody else could likely sell it for $1.53.

Now let us get a little further into some mathematics. Under the amendment of the Senator from Minnesota, the Government of the United States would buy wheat for $1.56 a bushel and sell it for $1.43 a bushel; whereas, the bill that he helped us report to the Senate and so ably assisted us in passing establishes a target price of $2.28 a bushel for wheat.

I will not go into the other commodities. Those are the two principal ones.

I may say to the Senator from Minnesota that that language appears on page 2 of his amendment, beginning with line 6 and going through line 3 on page 3.

Mr. HUMPHREY. Mr. President, I yield myself 2 minutes.

The Senator is absolutely correct in saying that that is where the language starts, but I want to say he is using some new math. I say to the Senator that they are cancling out new math. They are going back to old math.

Here is what the language of the amendment states:

> The Commodity Credit Corporation shall not sell any of its stocks of wheat, corn, grain sorghum, barley, oats, or rye, respectively, at less than the so-called established price applicable by law to the crop of any such commodity, or any of its stocks of soybeans at less than 150 percentum of the current national average loan rate for such commodity.

What is the "established price"? It says, "shall not sell at less than the established price." It is $2.28 for wheat and $1.53 for corn.

Mr. TALMADGE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. TALMADGE. Will the Senator turn to page 2 of his amendment, line 9, and follow the language with me?

Mr. HUMPHREY. I am following the Senator.

Mr. TALMADGE. The language there states:

> Or any of its stocks of soybeans at less than 150 per centum of the current national average loan rate for such commodity adjusted (in the case of all such commodities) * * *

Does the Senator recall what the loan rate is for corn under our bill?

Mr. HUMPHREY. This applies only to soybeans. The established price——

Mr. TALMADGE. What is the level on the other commodities? Where is the arithmetic on that?

Mr. HUMPHREY. Only "established price applicable by law to the crop of any such commodity."

Mr. TALMADGE. Will the Senator show me the language? I am looking at the market price of 125 percent.

Mr. HUMPHREY. May I say respectfully to the chairman that I believe he is confusing the language that relates to soybeans with that relating to the established price language for wheat and feed grains. The soybean language is 150 percent of the current national average loan rate, adjusted for such current market differentials, but the established price in this bill is the target price for wheat and feed grains.

That is why I say you cannot dump and depress the market, but when total reserves get in excess of those specified in my amendment then, and only then can CCC sell—as it can now—at 115 percent of loan rates.

The PRESIDING OFFICER. The Senator's 2 minutes have expired. Who yields time?

Mr. TALMADGE. I yield myself such time as I may require.

The PRESIDING OFFICER. The Senator is recognized.

Mr. TALMADGE. I read from the Senator's amendment again, beginning at line 21, page 2:

> (2) reduce the Corporation's stocks of such commodity below two-hundred million bushels in the case of wheat, fifteen million tons in the case of corn, grain sorghum, barley, oats, and rye, or fifty million bushels in the case of soybeans; and in no event may the Corporation sell any of its stocks of any such commodity at less than 115 per centum of the current national average loan rate for the commodity.

Mr. HUMPHREY. Correct.

Mr. TALMADGE. Will the Senator agree that the loan rate under this bill for corn is $1.05? Will the Senator tell me what 115 percent of $1.05 is?

Mr. HUMPHREY. May I say most respectfully that this is current policy that applies to that amount of crop over and above the established reserve requirements of this bill. CCC can sell anything it wants now at 115 percent.

Mr. TALMADGE. I am reading from the Senator's language

> And in no event may the corporation sell any of its stocks of any such commodity at less than 115 percentum of the current national average loan rate for the commodity.

Mr. HUMPHREY. That applies only when total reserves are above those levels specified in my amendment. That is the same as under present law.

The purpose of the amendment is that 600 million bushels of wheat, 40 million tons of feed grains, and 150 million bushels of soybeans shall be in reserve, and that reserve can be accumulated only when supplies can be purchased at 125 percent above the loan rate, which would occur only during periods of surplus on overproduction.

When prices drop to 125 percent above the loan rate, you can buy for the reserves. You buy low and sell high. You buy when the market is lush; you sell when the market is scarce. That is what this amendment provides for.

I believe we have to come to a better understanding and so the Senate will be prepared to see the wisdom of this amendment.

Mr. TALMADGE. I still read the Senator's own language. If the CCC has a greater surplus in the warehouses than the Senator envisions, I repeat, the verbiage of the Senator's own amendment is that the commodities can be sold at 115 percent of the current national average loan rate for the commodity, and the loan rate under the bill we offer here, to which the Senator offers his amendment, is $1.25 on wheat, $1.05 on corn, 0.195 cents on cotton, and $2.25 on soybeans.

I certainly do not want the Government of the United States, at the present prices of commodities, to be dumping its surpluses in the marketplace.

Mr. HUMPHREY. Let me say with all the conviction and admiration one man can have for another that what the Senator from Georgia is reciting is exactly what the Government can do now through the Commodity Credit Corporation. What the Senator from Minnesota says is that you cannot sell at 115 percent of the loan rate unless total reserves are in excess of those specified in the amendment. Once those reserves drop to or below those levels, you will not be able to sell them at less than the target price in the case of wheat and feed grains or less than 150 percent of the loan rate in the case if soybeans. In other words, the Senator from Minnesota provides protection for the producer. I think the Senator from Georgia is confusing the issue.

Mr. TALMADGE. I am sure the able Senator does not mean to depress the price. I am sure it is due to the negligence of the technician who prepared the amendment. I have with me three of the most able members of the staff. They all agree with the Senator from Georgia and disagree with the Senator from Minnesota.

Mr. HUMPHREY. Would the Senator from Georgia like to strike "115 percent"?

Mr. TALMADGE. I want to strike the whole thing.

Mr. HUMPHREY. I see what the Senator from Georgia wants to do. I always like to think that the father of a child can recognize his own progeny. I know what is in this amendment. My judgment is that what is in the amendment, when you get down to where there are 200 million bushels of wheat in Commodity Credit and 400 million in farm storage, under loan to farmers—namely, the reserve levels—the CCC can only sell at not less than target price for wheat and feed grains.

Mr. TALMADGE. At 115 percent of loan.

Mr. HUMPHREY. No. The amendment provides that the 115 percent applies only when total reserves are in excess of those specified in the amendment—in which cases it is the same as under current law. That is what the Humphrey proposal provides.

You can only sell on that basis when total reserves have been exceeded. I submit that is appropriate. My amendment is a good deal for Government, a good deal for the farmer, a good deal for the consumer. The consumer gets protection and the farmer is assured of fair prices. The reserves are there to protect the country.

Mr. MONDALE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I am glad to yield.

Mr. MONDALE. I am pleased to support the pending amendment. The Senator is aware that for some years many leaders in agriculture and in Congress have urged such a reserve. Would the Senator not agree that if this program had been established some 6 or 7 years ago, when we had reserves, we would be in a far better position, both in terms of the domestic economy and also our posture in international trade, than we are today?

Mr. HUMPHREY. Absolutely.

Mr. MONDALE. As I was a cosponsor of this measure in the past, my impression is that the same arguments being made against this proposal today were the ones that were used to defeat it in the past. I think the situation we have today makes it essential to grasp that we are tragically short of agricultural supplies, that we have no reserves, and it is time to take a look at agriculture and the need for these reserves and to manage our reserves in a way that is fair to the farmer. We had better do something, just as we are finding, belatedly, that we had better do something about the energy situation. I think they are related. I think before too long we may have the same kind of situation in agriculture—indeed, we are seeing it already in agricultural supplies—as we face in the energy field today.

Mr. HUMPHREY. The Senator's relationship of energy to food supplies is appropriate. Had we had some reserves in the energy field, we would be better off. This is but a protective reserve.

Mr. BELLMON. Mr. President, will the Senator yield to me?

Mr. TALMADGE. How much time does the Senator wish?

Mr. BELLMON. Two minutes.

Mr. TALMADGE. I yield 2 minutes to the Senator from Oklahoma.

Mr. BELLMON. Mr. President, I would like to point out that the statement that the Nation is tragically short of reserves is not borne out by the facts. The fact is that at the present time, in spite of the heavy marketings of wheat and other grains abroad, we are going to end up this marketing year with more than 400 million bushels of wheat in storage. Also, we are going to end up this marketing year with about 800 million bushels of corn. So we have in effect what the Senator from Minnesota wants. We have a reserve.

It is a part of the U.S. marketing system that we never sell the last bushel of corn or wheat before the harvest. We always come into the harvest with a sizable carryover. There is really no need for the kind of proposition the Senator from Minnesota wants, since the farmers carry those reserves on their farms to take care of their requirements.

My opposition to this amendment is based on the fact that it would give the Secretary of Agriculture a tremendous club to control prices. He could easily, if the reserves were going out of control, find an excuse to dump them on the market, as we have seen in the past. If we had a Secretary of Agriculture who was oriented more toward the consumer than toward agriculture, as we have had in the past, he could dump those commodities and take credit for lowering food prices, at considerable harm to agriculture.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. TALMADGE. I yield 1 additional minute to the Senator from Oklahoma.

Mr. BELLMON. If this amendment were approved, it would simply mean that the Secretary of Agriculture would have a club he could hold over the market continually to drive down prices whenever he felt like it.

I urge defeat of the amendment.

Mr. TALMADGE. Mr. President, I am prepared to yield back the remainder of my time, if the Senator from Minnesota is prepared to do likewise.

Mr. HUMPHREY. Mr. President, I am prepared to yield back my time.

Mr. TALMADGE. Mr. President, the Senator from Kansas desires 1 minute. I yield him 1 minute.

Mr. DOLE. Mr. President, I do not have time, in only a minute, to support the amendment, so I am going to oppose it.

Mr. HUMPHREY. Mr. President I yield 2 minutes to the Senator from Kansas.

Mr. CURTIS. Mr. President, I will yield him 5 minutes on the bill.

Mr. TALMADGE. Mr. President, is there a rule in the Senate which prohibits bidding for votes in the Senate? [Laughter.]

Mr. DOLE. Mr. President, I certainly recognize that the Senator from Minnesota is a great friend of the farmer, and I hate to oppose the amendment for that reason, but having served on the House Agriculture Committee for 8 years, and now being in my 5th year on the Senate Agriculture Committee, I have seen the grain reserve bill come in various different forms. It always has represented a great hope for the American farmer. It was always presented, until this year, at a time when prices were very low. We were told that by adopting a grain reserve bill it would increase farm prices. Now we find this year, and certainly the projections are that it will be true next year and possibly for the next several years that prices are and will continue at high levels.

Finally, sooner or later we have to dispose of the reserves. Sooner or later they end up in the market, whether it is this year, next year, or 5 years from now, and when that happens market prices will suffer.

In the meantime, in order to get that reserve, as the distinguished chairman of the committee has pointed out, it is going to cost the taxpayer a great deal of money. So it is not for the benefit of the farmer, it is at a great cost to the taxpayer, and I do not see how it helps the consumer.

Mr. TALMADGE. Mr. President, I yield back my time.

Mr. HUMPHREY. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time on the amendment of the Senator from Minnesota having been yielded back, and the yeas and nays having been ordered, the question is on agreeing to the amendment. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Florida (Mr. Chiles), the Senator from Arkansas (Mr. Fulbright), and the Senator from West Virginia (Mr. Randolph) are necessarily absent.

I further announce that the Senator from Maine (Mr. Muskie) is absent on official business.

I also announce that the Senator from Mississippi (Mr. Stennis) is absent because of illness.

I further announce that, if present and voting, the Senator from West Virginia (Mr. Randolph) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from New Hampshire (Mr. Cotton) is absent because of illness in his family.

The Senator from Arizona (Mr. Goldwater) is absent on official business.

The result was announced—yeas 25, nays 68, as follows:

[No. 172 Leg.]

YEAS—25

Abourezk
Aiken
Bayh
Biden
Brooke
Burdick
Clark
Eagleton
Gravel
Hart
Hartke
Hathaway
Hughes
Humphrey
Inouye
Kennedy
Mansfield
McGee
McGovern
Metcalf
Mondale
Montoya
Nelson
Symington
Williams

NAYS—68

Allen
Baker
Bartlett
Beall
Bellmon
Bennett
Bentsen
Bible
Brock
Buckley
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Church
Cook
Cranston
Curtis
Dole
Domenici
Dominick
Eastland
Ervin
Fannin
Fong
Griffin
Gurney
Hansen
Haskell
Hatfield
Helms
Hollings
Hruska
Huddleston
Jackson
Javits
Johnston
Long
Magnuson
Mathias
McClellan
McClure
McIntyre
Moss
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Ribicoff
Roth
Saxbe
Schweiker
Scott, Pa.
Scott, Va.
Sparkman
Stafford
Stevens
Stevenson
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Young

NOT VOTING—7

Chiles
Cotton
Fulbright
Goldwater
Muskie
Randolph
Stennis

So Mr. Humphrey's amendment was rejected.

Mr. TALMADGE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. CURTIS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CRANSTON. Mr. President, I rise to voice my support for the basic thrust and purpose of the Agriculture and Consumer Protection Act of 1973, S. 1888. As the title suggests, this legislation vitally affects both farmers and consumers. It does so by attempting to strike a balance between the consumer's concern about high food prices and the farmer's need for an adequate income.

The basic mechanism to achieve this balance is the concept of "target prices." Instead of guaranteeing the farmer a minimum payment, as was the case under the Agriculture Act of 1970, S. 1888 establishes target prices for the three basic commodities: For the 1974 crop year these are set at 43 cents per pound for cotton, $1.53 per bushel of feed grains, and $2.28 per bushel of wheat. In subsequent crop years, these target prices could be adjusted as necessary in accordance with a cost of production index. For 1974, the three target prices are equivalent to 70 percent of parity.

The target prices work as follows: If the market price remains at or above the target price, the Government pays the farmer nothing. If, on the other hand, the market price drops below the target price, the Government pays the farmer the difference. In other words, if the price of cotton in 1974 remains at the current 48 cents per pound, cotton farmers would receive no Federal payment. However, if the price were to drop to 40 cents per pound, the Government would pay the farmer 3 cents for every pound of cotton he produced. In contrast, under current law, the cotton farmer receives a guaranteed 15 cents per pound in addition to whatever price he gets from the market.

Thus, the concept of target prices promises to move us closer to a situation where the farmer depends more on the marketplace for his livelihood and less on the taxpayer and the Federal Government. At the same time, it assures the consumer an adequate supply of food and fiber by providing an incentive for the farmer to produce ample supplies even if the market price drops below his cost of production.

It is interesting to note that the Consumer Federation of America—composed of more than 200 consumer organizations—has endorsed the farm bill that is before the Senate today. It has even dubbed it "one of the most important pieces of consumer legislation this year." Commenting on the targe price mechanism, the CFA said,

> If market prices are low, the consumer saves at the supermarket and if food prices are high, the taxpayer pays nothing for the farm program.

In short, the new bill would eliminate the current untenable situation which finds the consumer paying twice for his food: Once in the form of high food prices at the supermarket and again in the form of taxes to support the farm program.

Although the target pricing mechanism is new, S. 1888 essentially provides for a 5-year extension of current farm programs. The class I base plan for milk is extended for 5 years. The wool, wheat, feed grains, and cotton programs are modified and extended through the 1978 crop. The food for peace program (Public Law 480) and the food stamp program are both extended for 5 years. Also included in the bill are the beekeeper indemnity program, the dairy indemnity program, the armed services milk program and a new forestry incentive program. The latter is designed to enhance the recreational values and the timber yield from small, privately owned, nonindustrial tracts of forest land.

The bill also grants the Secretary of Agriculture new flexibility to assure adequate supplies for expanding markets, both at home and abroad. By expanding the criteria by which he calculates national acreage allotments to cover exports as well as domestic needs, we can hopefully avoid a repetition of the situation we experienced in 1972 where domestic prices skyrocketed, because of drastically expanded farm exports.

Two of the more controversial provision of S. 1888 are the dairy program and the $55,000 payment limitation. I would like to comment briefly on these, as I understand they will be subject to amendments proposed from the floor.

The controversial provisions of the dairy program, title II of the bill, are those which, first, permit cooperatives in an area with a shortage of milk to pay cooperatives in areas with a surplus of milk not to sell milk in their area; second, permit the cooperative to control the base of the individual members; and third, fix the minimum prices which handlers of milk would pay for certain services rendered by the cooperative. Senator HART has announced his intention to offer an amendment which would delete these three provisions from the bill. I intend to support Senator HART's amendment for the following reasons:

First, it has been suggested that these provisions would result in a dramatic increase in the price of milk and cheese for the consumer, and that they would unnecessarily enhance the power of the cooperative over the individual dairyman. I believe these charges should be further studied. I would certainly like to hear the views of consumers and individual dairymen before I vote to incorporate these provisions into law.

Second, Senator HART, chairman of the Senate Antitrust Subcommittee, believes that these provisions raise serious antitrust questions that should be scrutinized thoroughly before the provisions are enacted. The Justice Department, in a May 25, 1973, letter to Senator McGOVERN, a member of the Senate Agriculture Committee, expressed grave reservations about these provisions, suggesting that they may well be in violation of our antitrust laws. Moreover, the Antitrust Division of the Justice Department currently has litigation pending against two dairy cooperatives challenging these very points. The letter states, in part:

> The Division's pending lawsuits against two large dairy cooperatives are predicated, in substance, on the proposition that those dairy farmers desiring to market their milk independently and in competition with other dairy farmers have been prevented from doing so by actions of these cooperatives designed to achieve for them a monopoly of the supply of milk. To the extent that the provisions of [S. 1888] would increase the power of these cooperatives over the supply of milk it would run counter to the purpose of those lawsuits to permit free market forces to operate.

At the very least, it seems to me that the prudent course for the Senate to follow with respect to these controversial dairy provisions would be to delete them from the bill now so that both the courts and the legislative process can determine whether they are in violation of our antitrust laws. There simply is no justification for enacting them at this time.

With respect to the payment limitation provision, title I of the bill, I wish to reiterate my reasons for continuing to support the $55,000 per crop ceiling. I understand that there are several amendments being proposed that would lower this limitation.

First, of all, I disagree with the assumption made by proponents of a lower payment limitation that these payments are going primarily to giant farmers. On March 16, 1972, the U.S. Department of Agriculture released a report entitled, "Farm Payment Limitations," which discussed the probable impact of a $20,000 limitation. In demonstrating that the difference between $20,000 and $55,000 is not the difference between large and small farming operations, the report cites the following:

First. In the case of corn, the $20,000 limitation would become effective on a payment base of between 500 and 312 acres.

Second. In the case of wheat with a 60-bushel yield, the limit would become effective on a farm having a wheat allotment of 198 acres at the minimum level of participation; at the maximum level of participation, only 140 acres would be affected.

Third. Cotton with a 500-pound yield would be affected on a farm with a cotton allotment of 267 acres.

Mr. President, that cotton farm is about half the size of the average cotton allotment in California last year: 517 acres.

Furthermore, figures compiled by the USDA in December 1972, reveal the disproportionate impact that a payment limitation reduction would have on a State like California. For example, in 1972, California producers received a total Federal payment of $93,336,501. Sixty-three percent of this, or $60,128,375 went to producers receiving between $20,000 and $55,000. In contrast, the total Federal payment to Iowa producers was $308,173,003, with less than 2 percent of this amount being paid to producers in the $20,000 to $55,000 category. In other words, the imposition of a $20,000 payment limitation would have grave economic consequences for California agriculture, but would be insignificant for Iowa's.

Additional data from USDA reveals that a reduction of the limitation of payments from $55,000 to $20,000 would affect California cotton farms with 2 million acres of cropland planting approximately two-thirds of California cotton. California cotton farmers are geared to the $55,000 limitation. They have leased their land, set up cropping patterns, bought equipment, and made arrangements for financing. To reduce the limitation to $20,000 now would cause severe dislocations in California's agricultural economy. It would certainly eliminate first, the smaller, more marginal farms, thereby contributing toward the pernicious trend toward fewer, larger farms.

Finally, I believe that the better course of action, from the standpoint of the taxpayer, is to adhere to the target pricing mechanism. If market prices for cotton remain where they are today throughout 1974, the Federal Government would not pay California cotton farmers a penny. I believe it is far wiser to provide a means for the farmer to rely on the marketplace for his livelihood, rather than placing arbitrary limitations on the Federal Government's contribution toward a stable, healthy American agriculture.

Mr. President, I know there are numerous complex amendments proposed to this complex bill. I believe that the Senate Agriculture Committee has, by and large, reported out a reasonable, workable bill, and I hope that the Senate will support its basic thrust and concepts in the debate that begins today.

Mr. McGOVERN. Mr. President, I rise to associate myself with the remarks of the distinguished Senator from Georgia (Mr. TALMADGE), the chairman of the Committee on Agriculture and Forestry, and to join him in his call for enactment of the Agriculture and Consumer Protection Act of 1973.

I want to underscore his words about the work of the members of the committee in marking up this important piece of legislation. Our colleagues worked diligently and hard to produce a bill, the thrust of which deserves the widest possible support. In particular, I want to pay tribute to the chairman for his leadership in bringing this bill to the floor.

Chairman TALMADGE has eloquently expressed the Nation's interest in enactment of this legislation. I would like to supplement his remarks and describe the need for extension and improvement of the Federal farm program, in my State, South Dakota, and across the Nation.

It was a disappointment that the President did not send the Congress a farm message this year. It is traditional that the President sends a farm message at the beginning of the new Congress. The President's views were particularly important at the beginning of the 93d Congress, for this Congress must act to extend and renew basic farm legislation this year.

However, rather than a farm message, the President included a short section on agricultural policy in his message on natural resources and environment on February 15. While I was disappointed that the President did not consider agriculture and farmers important enough to be the subject of the traditional farm message, I agreed with his characterization of American agriculture as a basic national resource. Were it not for this important national resource, our economy would be in even more desperate straits than it is.

The balance of payments is a case in point.

Since 1970 the U.S. balance of trade in nonfarm products has steadily worsened. In 1970 the United States had a favorable trade balance of $9.6 billion in technologically intensive manufactured goods. By 1972 it dropped to $6.6 billion. In 1970 we had a trade deficit of $6.1 billion in nontechnologically intensive manufactured goods. By 1972 this deficit had climbed to $10.7 billion. In 1970 we had a trade deficit in crude materials of $2.5 billion. By 1972 our trade deficit in crude materials had risen to $5.5 billion, and it will get worse. Our current shortage of energy sources means that we will have to become increasingly dependent on other countries for our supply of petroleum and natural gas.

The one bright spot in the U.S. balance-of-trade picture has been agricultural exports. In 1970 we had a favorable balance of trade in agricultural products of $1.5 billion and in 1972 this favorable balance was increased to $2.9 billion. The Department of Agriculture estimates that the farmer's contribution to the trade balance will be even greater in the current fiscal year. Agricultural exports will be about $10 billion for the year ending June 30, and the farmer will contribute about $3.5 billion to the U.S. trade balance. This contribution will help to offset the unfavorable nonfarm trade balance of about $7 billion last year. It appears that we will have to rely even more heavily on farm product exports in the years to come if we are to prevent further deterioration in our foreign trade position.

I am confident that agriculture can meet this challenge and that we can produce vast additional quantities of foodstuffs for growing world markets as well as the mushrooming consumer demand here at home. But we can do so only if we exercise good stewardship of our most important national resource—American agriculture.

So I certainly agree with the President's characterization of agriculture as a basic national resource. But I am in complete disagreement with the way that we should treat this national resource. Agriculture is depleted enough.

We have already witnessed what happens when we waste a national resource as basic as agriculture. Already millions of rural Americans have fled the farm. For the first time the American consumer is beginning to experience a shortage of animal protein foods. If we do not properly conserve our agricultural resources, and if we let farm income slide to depression levels, then consumers will be faced with empty grocery shelves and skyrocketing food prices. We can maintain a stable supply of agricultural products only if we maintain through sound Government policies a strong and viable family farm system.

Yet the President has proposed that we phase out all income supplement payments and individuals crop allotments over a 3-year period. The only thing that he would use as a substitute for existing programs is a general cropland retirement program.

I submit that this policy would throw family farmers to the wolves. It would be a tragic waste.

Shortly after it was presented, I asked the staff of the Committee on Agriculture and Forestry to provide me with an economic analysis of the administration's phaseout farm plan as it affects South Dakota. The conclusions of this analysis are shocking. The phaseout of income supplement payments for feed grains and wheat and the reduction of price support levels of dairy products below the present minimum of 75 percent of parity would have a disastrous impact on the economy of my State and every farm State. In addition to denying farmers of South Dakota millions of dollars that they now receive, the elimination of bases and allotments would have an adverse impact on land values. It would jeopardize the ability of farmers to get credit because it would decrease the value of their principal collateral—their land. The staff analysis concluded that the administration's farm proposal could amount to the loss of about $800 million to South Dakota's economy.

I ask unanimous consent to insert the text of the staff analysis as an appendix to my remarks in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. McGOVERN. Mr. President, I believe that agriculture should be encouraged to produce for expanding world markets. Certainly farmers should have maximum flexibility to farm. And we all want to minimize Government costs wherever possible.

But we cannot expect farmers to produce vast quantities of foodstuffs for the world's growing markets and thus salvage our trade position without any price and income protection from the Government. And we cannot expect farmers to provide the consumer with high quality food at bargain prices unless the Government provides some help in return.

The bill reported by the Senate Committee on Agriculture and Forestry, S. 1888, will provide the kind of price and income protection that farmers must have if they are to continue to meet those responsibilities.

The committee has written legislation which is designed to guarantee a fair price to the producers of basic farm commodities. We devised a program which would assure producers of feed grains, wheat, and cotton an established price which is currently 70 percent of parity. As of May 1, 1973, that would amount to $2.28 per bushel for wheat; $1.53 per bushel for corn; and 43 cents per pound for cotton. The committee used the same percentage of parity for each commodity, because we wanted to treat all commodities equally. I offered an amendment to guarantee this established price on 100 percent of the farmer's feed grain base, rather than 50 percent as in the present program.

Under the Agricultural Act of 1970, a corn producer is guaranteed a Government payment of at least 32 cents per bushel on his projected yield on 50 percent of his feed grain base regardless of the market price.

By comparison, under the bill adopted by the committee, farmers will receive no Government payment unless the average market price for the first 5 months of the marketing year is below the target price. The committee felt that it was better for the farmer to rely on the market for a fair price of his products. However, we felt it was equally important that the Government provide the farmer with price and income protection so that when agricultural products fall below a fair price, the farmer will not be reduced to bankruptcy. Under the committee bill the Government payment to the farmer will be only such amount as is needed to make up the difference between the market price and the target price.

The bill adopted by the committee is a 5-year bill so that farmers will have a program that they can rely on for a reasonable period of time. At the same time, we were mindful that the cost of production could increase dramatically during this 5-year period. It has gone up 14 percent in the past 12 months alone. Therefore, the committee bill provides that the target price will be adjusted annually to reflect changes in production costs. Other segments of our economy demand and get cost-of-living increases designed to protect them from the ravages of inflation. The committee felt that our most important national resource, American agriculture, is entitled to the same treatment.

In addition to legislation for dairy, wool, wheat, feed grains, and cotton, the committee's farm bill deals with other important issues. It extends for 5 years two important food distribution programs, the food for peace program, and the food stamp program.

The food for peace program has been used as an important instrument for promoting good will around the world and it has enabled us to meet important humanitarian objectives while increasing the demand for American farm products.

The food stamp program, a program to which I initiated major changes in 1970, is enabling us to meet our responsibilities to the hungry and needy in this country. At the present spending level of $2.2 billion, the food stamp program puts additional nutritious food on the tables of lower income consumers. And, if one assumes that the farmer gets 44 cents of the food dollar, it can be estimated that the food stamp program increases farm income by about $1 billion a year.

This program was extended for 5 years with two amendments which I offered. One of these amendments would prevent the aged, blind, and disabled from losing the benefits of the food stamp program on January 1. The other would permit the use of food stamps by the elderly to purchase foods in community centers.

Thus the committee bill provides a balanced approach to both the production and distribution of America's supply of food and fiber.

No piece of legislation drafted by men is perfect, and this bill can and should undergo some perfecting amendments.

I am cosponsoring, with the junior Senator from Minnesota (Mr. HUMPHREY), an amendment which would simplify language in the bill pertaining to cover crops on multiyear set-aside acres. This amendment would improve the waterfowl nesting habitat in rural areas, a clear improvement for the environment and for the sportsman.

With the senior Senator from Minnesota (Mr. MONDALE), I am cosponsoring an amendment which would provide farmers a partial preliminary payment on feed grains, wheat and cotton if, after an initial period in the marketing year, it appears that a payment will be necessary under this plan. Our amendment is entirely consistent with the "target price" concept of S. 1888 and would offer a significant improvement from the standpoint of the farmer and create no objectionable effects either on food prices or on its cost to the Treasury.

The Senator from Iowa (Mr. CLARK) and I will offer an amendment to create a strategic storable commodity reserve in the interest of orderly marketing of wheat and feed grains. This amendment is the logical evolution of a concept which I have advocated for a number of years, but it is especially timely in view of the target price approach which is suggested in S. 1888 and in view of the wide fluctuations in the grain market which have occurred during the past year.

Virtually every general farm organization and commodity organization has contacted me to urge enactment of this bill. The Nation's largest consumer organization, the Consumer Federation of America, has endorsed the principles of this bill. It is extremely significant that a consumer organization has, for the first time in my memory, endorsed a farm bill.

I ask unanimous consent that highlights of the CFA statement be inserted in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection it is so ordered.

(See exhibit 2.)

Mr. McGOVERN. Mr. President, we have a bill that is good for the farmer. We have a bill that is good for the food industry. We have a bill that is good for the consumer. And we have a bill that is good for the taxpayer. I urge its enactment.

### EXHIBIT 1

### APPRAISAL OF THE ADMINISTRATION'S FARM PROPOSAL AS IT AFFECTS SOUTH DAKOTA

This is in response to your request for an economic appraisal of the Administration's farm proposal as it may affect South Dakota.

In his appearance before the Senate Committee on Agriculture and Forestry on March 29, 1973, the Secretary of Agriculture made the following recommendations:

### RECOMMENDATIONS

"First, income supplement payments, payments that exceed the amount necessary to achieve set-aside or production adjustment objectives, should be phased out over a 3-year period. The 3-year period would provide an orderly transition and give farmers a specific time in which to make their long-range plans as they shifted their income dependence to growing market demand.

"Set-aside payments for production adjustment would continue as needed to prevent surplus accumulations. However, the mandatory requirement for making payments regardless of the amount of land set-aside, should be modified.

"Second, as the income supplement payments are being phased out at the end of three years, we recommend a shift in the fourth year from the present outdated allotments and bases to a new cropland base. This would broaden the set-aside concept by basing production adjustment, as needed, on total crop acreage rather than limiting the adjustment to historical acreages of certain crops.

"The set-aside requirement in a given year would be a percentage of the cropland base established for each farm. The payment rate per acre would be set at a level needed to get the total set-aside acreage required to meet the production adjustment goal.

"Third, the basic payment limitation of $55,000 should apply to income supplement payments only during the 3-year phase out. The payment limit . . . as it applies to income supplements . . . should be reduced over the 3-year period in proportion to the reduction in income supplement payments.

"To function, set-aside payments for production adjustment should be excluded from the $55,000 limitation. In the effort to rent land to adjust production, a payment limit would be counter productive in that acreage where payments are above the $55,000 level would be arbitrarily forced into production and excluded from the set-aside. We intend that this would be included in the legislation for set-aside production adjustment payment even during the 3-year phase out of income supplements.

"Fourth, with respect to the dairy program, we recommend that the 75 percent of parity minimum price support level be removed to give greater ability to respond to changing conditions. We also recommend that the 1970 Act provisions, which temporarily suspended the requirement for direct support on butterfat, be made permanent. However, we do not believe that a comparable case can be made for a permanent class I Base Plan.

"Fifth, the Secretary should have discretionary authority to set payments for wool and mohair at levels he determines necessary to meet income and other program objectives.

"There are other provisions of the Act that can be improved from the standpoint of the future of agriculture and in the best interests of the program's operations.

"Though not included in the 1970 Act, the peanut, rice, extra long staple cotton and possibly the tobacco programs, are in need of careful review. These programs should be more in line with the other major commodity programs by allowing adjustments to meet changing conditions and by permitting farmers to capitalize on expanding markets. We are exploring alternatives to the present programs and hope to work with farmers and with this Committee in working out acceptable program changes."

The Secretary also indicated that rigid payments and price guarantees prevent the programs from being as effective as they should be to meet changing conditions and that these guarantees lessen the ability of farmers to make decisions based on changing markets.

Whether these price guarantees refer to loan levels is not made clear in the statement.

However, under the existing law in the case of wheat, the loan level cannot be less than $1.25 per bushel; in the case of corn, not less than $1.00 per bushel and other feed grains in relation to corn; the support price for shorn wool shall be 72 cents per pound, grease basis; the support price for mohair shall be 80.2 cents per pound, grease basis; and price supports for the dairy program shall not be less than 75 percent of the parity.

It is apparent, therefore, if the Administration's proposal were accepted that loan levels for commodities covered by the Agricultural Act of 1970 would be at existing levels or lower and that allotments and bases, as well as income supplement payments for feed grains, wheat, and cotton would be phased out completely after three years. It appears further that price support levels for dairy products would be lowered below the minimum 75 percent of parity now in law.

### SOUTH DAKOTA AGRICULTURE

According to the United States Department of Agriculture, South Dakota in 1973 had a total of 44,000 farms with an average size of about 1,034 acres per farm (Table 1).

A breakdown of census data shows that about 72 percent of the farms in South Dakota were more than 260 acres in size and about 45 percent were more than 500 acres in size. Census data also show that 96.5 percent of the total land in farms in South Dakota were on those farms of more than 260 acres and that 86 percent of the total land in farms were on those farms in excess of 500 acres in size. The 27.8 percent of the farms in South Dakota of 259 acres or less in size had only 3.48 percent of the total land in farms (Table 2).

Census data also show that 50.8 percent of the farms in South Dakota had gross sales of between $10 and $40 thousand per farm. Thirty-nine percent had sales of less than $10,000 and only 10 percent had sales in excess of $40,000 per farm (Table 3).

From the census we also find that the 50.8 percent of the farms with sales of between $10 and $40 thousand accounted for 49.2 percent of the total value of agricultural products sold in South Dakota. The 39 percent of the farms with sales of less than $10,000 per farm accounted for only 8.6 percent of the total value of agricultural products sold. On the other hand, the 10 percent of the farms with sales in excess of $40,000 per farm accounted for 42.1 percent of the total value of agricultural products sold in South Dakota (Table 4).

South Dakota can be characterized as predominately a livestock state. Of total farm cash receipts from sales of farm products in 1972, all livestock and products accounted for about 81 percent while crops accounted for only about 19 percent. Cattle and calves are the principal commodities with sales in 1972 of about $693 million. Hogs accounted for about $188 million and dairly products for about $74 million.

Total cash receipts from sales of crops in 1972 amounted to $241.5 million. Of this, feed grains and wheat accounted for about 69 percent of the total, with feed grain sales receipts amounting to $83.5 million and wheat $82.5 million. The feed grains referred to here are corn, grain sorghum, and barley, the crops covered by the Act of 1970. Other crops accounting for a substantial portion of sales receipts are oats at $24.1 million, soybeans $15.2 million, and flaxseed $13.3 million (Table 5).

In 1972, about 5.1 million acres of feed grains covered by the Act of 1970 and wheat were harvested in South Dakota. Of these, feed grains, that is corn, grain sorghum and barley, accounted for about 3.2 million acres and wheat 1.9 million acres. The acreage planted to the crops covered by the 1970 Act accounted for about 63 percent of the total acreage planted to all principal crops, excluding hay (Table 5-A).

According to the Statistical Reporting Service of the United States Department of Agriculture, there are now 44,000 farms in South Dakota. Utilizing data available from the Agricultural Stabilization and Conservation Service of the Department, we find that in 1971 43,828 farms participated in the feed grain program and 30,567 farms participated in the wheat program. The 1971 program did not include barley but the 1972 and 1973 programs did. In 1972 about 16,800 farms with barley bases, totaling about 627,000 acres did participate in the program. These are the crops covered by the Agricultural Act of 1970.

Of those farms participating in the program in 1971, about 75 percent had feed grain bases of from 30 to 200 acres, while less than 1 percent had feed grain bases in excess of 500 acres. In the case of wheat, only 31 percent had wheat allotments of from 30 to 200 acres and less than 1/10 of 1 percent had wheat allotments in excess of 500 acres. On the other hand, about 68 percent of the wheat farms had allotments of less than 30 acres (Table 6).

### IMPACT OF ADMINISTRATION'S PROPOSAL ON SOUTH DAKOTA'S FARMERS

In 1972 total payments to South Dakota's producers under the feed grains and wheat programs amounted to $98.4 million. Of this feed grains accounted for $57.7 million and wheat for $40.7 million (Table 7).

It is evident, therefore, that the payment requirements of the 1970 Act are extremely important to South Dakota farmers and the loss of this income would have a very severe adverse impact.

### FEED GRAINS

The impact of the phase out of program payments and bases for feed grains would have a very severe impact on the almost 44,000 producers who participated in the program. Last year South Dakota produced about 186 million bushels of the feed grains included in the 1970 Act. Although only part of this was marketed as grain, cash receipts from the sale of feed grains amounted to $83.5 million, and government payments amounted to $57.7 million. As a result, government payments to producers accounted for about 41 percent of the total cash income from sales of these feed grain crops.

It is evident that the present feed grain program is of substantial benefit to the farmers of South Dakota and the loss of this payment income would have a substantial adverse effect on corn, sorghum grain, and barley producers.

### WHEAT

Wheat is a major crop in South Dakota. Last year almost 1.9 million acres were planted to wheat and production amounted to 53.7 million bushels. Cash receipts from the sale of wheat amounted to $82.5 million, and payments to wheat producers who participated in the program accounted for $40.7 million or 33 percent of the total cash income from sales of wheat. Loss of this payment income to the producers of wheat in South Dokota would also be especially difficult to overcome.

### SIZE OF PAYMENTS PER FARM

Almost 98 percent of the farms in South Dakota participating in the 1972 feed grain program received payments of less than $5,000 per farm and over 61 percent received payments of less than $1,000 per farm.

In wheat, 95 percent of the farms received payments of less than $5,000 per farm and almost 70 percent received payments of less than $1,000 per farm (Table 8).

It is evident that South Dakota bases and allotments upon which payments are made are predominately small, but it should also be noted that loss of the payment income to producers in South Dakota on even the largest farms would be extremely difficult to overcome under the existing cost-price relationships. For example, the average price received by farmers for corn in South Dakota in 1972 averaged $1.10 per bushel, for grain sorghum $1.05 per bushel, for barley 85 cents per bushel, and for wheat $1.59 per bushel. It should also be pointed out that with the exception of corn prices in the year of the 1970 corn blight, the 1972 prices are higher for any of the commodities mentioned than in any recent year (Table 9).

### DAIRYING

The dairy industry is very important in South Dakota and in 1972 accounted for cash receipts of about $74.2 million. Existing price support programs for milk provide for a minimum of 75 percent of parity for manufacturing milk. This year 75 percent of parity amounts to $5.29 per hundredweight. If the dairy price support laws were changed to lower the level as recommended by the Secretary of Agriculture, it could have an adverse impact on the dairy industry in South Dakota. While at the present time market prices are higher than in recent years, the fact remains that production costs in dairying have increased materially. Last year South Dakota produced about 1.6 billion pounds of milk about 80 percent of which goes into manufacturing purposes. Without some reasonable assurance of nationwide price guarantees, severe dislocations could occur in the dairy industry in South Dakota.

### GENERAL

The phasing out of payments for feed grains and wheat and undesirable changes in the dairy program would have a very severe adverse effect on the producers of these commodities. Most, if not all, of the farms in South Dakota can be characterized as a family farm. The economic dislocations and resource adjustments that necessarily would have to take place on these family farms would be of a major magnitude. Farm programs do provide some price and income protection to farmers. In addition, they also generate substantial economic activity in local communities. Therefore, the loss of payments and other assurances now provided farmers would also have a very severe adverse impact on the many local communities which depend very heavily on agriculture for their economic activity.

Furthermore, the phasing out of bases and allotments would have an adverse impact on land values. Farmers have been able to use the increasing value of land as collateral for additional credit which is so sorely needed in today's farm operations. For example, on a nationwide basis in just the last decade the use of credit by farmers has increased by over 250 percent.

There are many estimates of the multiplier effect of farm income. If a multiplier effect of 5 is used, the loss of payments in South Dakota alone could amount to losses of about $800 million in economic activity.

TABLE 1

SOUTH DAKOTA 1973

Number of farms, 44,000.
Land in farms, 45,500,000 acres.
Average size of farms, 1,034 acres.
Source: SRS, USDA.

TABLE 2.—SOUTH DAKOTA—PERCENTAGE OF FARMS AND PERCENTAGE OF TOTAL LAND IN FARMS IN EACH SIZE CLASS OF FARMS[1]

| Size of farms (acres) | Percentage of farms | Percentage of total land in farms [2] |
|---|---|---|
| 1 to 9 | 4.1 | (³) |
| 10 to 49 | 3.1 | 0.08 |
| 50 to 69 | .8 | .04 |
| 70 to 99 | 2.4 | .19 |
| 100 to 139 | 2.0 | .23 |
| 140 to 179 | 7.9 | 1.26 |
| 180 to 219 | 2.8 | .55 |
| 220 to 259 | 4.7 | 1.13 |
| 260 to 499 | 27.1 | 10.20 |
| 500 to 999 | 23.0 | 16.37 |
| 1,000 to 1,999 | 13.0 | 17.85 |
| 2,000 and over | 9.1 | 52.09 |
| Total | 100.0 | 99.99 |

[1] Census percentage applied to 1973 numbers.
[2] Does not add to 100 because of rounding.
[3] Less than 0.01.

SOUTH DAKOTA[1]

TABLE 3.—*Percentage of farms by value of products sold*

| Value of Sales: | *Percentage of Farms* [2] |
|---|---|
| Under $2,500 | 12.1 |
| 2,500–4,999 | 9.2 |
| 5,000–9,999 | 17.7 |
| 10,000–19,999 | 28.3 |
| 20,000–39,999 | 22.5 |
| 40,000–99,999 | 8.3 |
| 100,000 and over | 1.7 |

[1] From Census of Agriculture, 1969.
[2] Does not add to 100 because of rounding April 1973.

SOUTH DAKOTA[1]

TABLE 4.—*Percentage of total value of agricultural production sold by farms by category*

| Category | Percentage[2] |
|---|---|
| Value of agricultural products sold by farms having sale of: | |
| Under $2,500 | 0.7 |
| 2,500 to 4,999 | 1.6 |
| 5,000 to 9,999 | 6.3 |
| 10,000 to 19,999 | 19.7 |
| 20,000 to 39,999 | 29.5 |
| 40,000 to 99,999 | 23.0 |
| 100,000 and over | 19.1 |

[1] From Census of Agriculture, 1969.

[2] Does not add to 100 because of rounding April 1973.

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SOUTH DAKOTA

TABLE 5.—*Farm cash receipts from sales of principal farm products, 1972*

| | Cash receipts (million dollars) |
|---|---|
| *Crops:* | |
| Included in the 1970 Act: | |
| Feed Grains | 83.5 |
| Wheat | 82.5 |
| Other Principal Crops: | |
| Oats | 24.1 |
| Soybeans | 15.2 |
| Flaxseed | 13.3 |
| Hay | 10.3 |
| Rye | 7.1 |
| Livestock and Products: | |
| Cattle and calves | 692.9 |
| Hogs | 188.3 |
| Dairy Products | 74.2 |
| Sheep and Lambs | 20.7 |
| Eggs | 13.4 |
| Turkeys | 5.5 |
| All crops | 241.5 |
| All livestock and products | 1,002.5 |

Source: Unpublished data, USDA, April 1973.

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TABLE 5-A.—SOUTH DAKOTA—AVERAGE HARVESTED AND PRODUCTION OF PRINCIPAL CROPS, 1972

| Crops | Acreage harvested | Production |
|---|---|---|
| Corn (for grain) (bushels) | 2,388,000 | 152,832,000 |
| Barley (bushels) | 576,000 | 20,736,000 |
| Sorghum grain (bushels) | 259,000 | 12,432,000 |
| Oats (bushels) | 2,038,000 | 99,862,000 |
| Rye (bushels) | 290,000 | 7,570,000 |
| Wheat (bushels) | 1,878,000 | 53,619,000 |
| Soybeans (bushels) | 253,000 | 7,337,000 |
| Flaxseed (bushels) | 360,000 | 4,500,000 |
| All hay (tons) | 4,597,000 | 7,082,000 |

TABLE 6.—SOUTH DAKOTA—PERCENTAGE OF FARMS PARTICIPATING IN THE 1971 FEED GRAIN AND WHEAT PROGRAMS BY SIZE OF ALLOTMENT OR BASES[1]

| Size (acres) | Percentage of farms | |
|---|---|---|
| | Feed grains | Wheat[2] |
| 0.1 to 10 | 2.5 | 38.8 |
| 10 to 15 | 2.3 | 10.6 |
| 15 to 30 | 9.8 | 18.5 |
| 30 to 50 | 15.9 | 14.2 |
| 50 to 200 | 58.9 | 16.8 |
| 200 to 500 | 9.8 | 1.1 |
| 500 to 1,000 | .7 | (3) |
| 1,000 and over | .1 | (3) |
| Number of farms participating | 43,828 | 30,567 |

[1] The 1971 program did not include barley while the 1972 and 1973 programs do. In 1972 about 16.8 thousand farms with barley bases totaling about 627,000 acres participated. No frequency distribution as to base sizes available.

[2] Add to more than 100 percent because of rounding.

[3] Less than 0.1.

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SOUTH DAKOTA

TABLE 7.— *Government payments on programs crops, 1972*

| Commodity | *Dollars* |
|---|---|
| Feed grains* | 57,718,300 |
| Wheat | 40,721,590 |
| Total | 98,439,890 |

*Includes corn, sorghum grain, and barley, April 1973.

TABLE 8.—SOUTH DAKOTA—PROGRAM PAYMENTS 19,72 PERCENTAGE OF FARMS RECEIVING PAYMENTS BY SIZE OF PAYMENTS

| Size of payment (class) | Percentage of farms in each class | |
|---|---|---|
| | Feed grains | Wheat |
| 0 to $100 | 7.37 | 22.49 |
| $100 to $500 | 32.18 | 32.63 |
| $500 to $1,000 | 21.94 | 14.44 |
| $1,000 to $2,000 | 22.40 | 13.48 |
| $2,000 to $5,000 | 14.07 | 12.01 |
| $5,000 to $7,500 | 1.39 | 2.65 |
| $7,500 to $10,000 | 0.41 | 1.06 |
| $10,000 to $15,000 | .17 | .79 |
| $15,000 to $20,000 | .05 | .23 |
| $20,000 to $30,000 | .02 | .15 |
| $30,000 to $35,000 | (1) | .02 |
| $35,000 to $40,000 | (2) | .01 |
| $40,000 to $45,000 | (2) | .01 |
| $45,000 to $50,000 | (1) | .03 |
| $50,000 to $55,000 | (2) | (2) |
| $55,000 to $55,000.01 | (2) | (2) |
| $55,000.01 and over | (2) | (2) |

[1] Less than 0.005.

[2] None.

TABLE 9.—SOUTH DAKOTA—AVERAGE PRICES RECEIVED BY FARMERS

[In dollars per bushel]

| Crop | Year | | | | |
|---|---|---|---|---|---|
| | 1968 | 1969 | 1970 | 1971 | 1972 |
| Corn | 1.05 | 1.03 | 1.21 | 1.05 | 1.10 |
| Grain sorghum | .86 | .91 | 1.03 | .90 | 1.05 |
| Barley | .81 | .79 | .84 | .80 | .85 |
| Wheat (all) | 1.26 | 1.36 | 1.44 | 1.31 | 1.59 |
| Oats | .54 | .55 | .57 | .54 | .61 |
| Soybeans | 2.40 | 2.26 | 2.72 | 3.04 | 3.40 |
| Flaxseed | 2.80 | 2.68 | 2.44 | 2.43 | 2.80 |
| Rye | .87 | .92 | .92 | .81 | .80 |

Source: SRS, USDA.

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EXHIBIT 2

CONSUMER FEDERATION OF AMERICA,
*Washington, D.C., May 25, 1973.*

FARM BILL: CONSUMER ISSUE OF THE WEEK

The farm bill may be one of the most important pieces of consumer legislation this year. Even the name has been changed to reflect the consumer protection aspects of the bill.

The Agriculture and Consumer Protection Act of 1973 serves consumers in several ways. It insures that farmers will produce abundant supplies because they are assured a certain price for wheat, feed grains and cotton. These "target prices" are set at a level which will assure the farmer that even if he produces more than enough of these commodities, his income will at least meet his cost of production. The "target prices" represent about 70% of parity, or 70% of fair return to the farmer in comparison to returns in other industries for similar investments of capital and labor.

The bill attempts to strike a balance between consumer's concern with high food prices and the farmer's need for adequate income. It sets a "target price" for the farmer. If the market price falls below the "target price", the government will make up the difference through a direct payment to the farmer. For instance, the "target price" for wheat is $2.28 per bu. If the market price averages out to be only $2.20, the government would pay the farmer the 8c difference. On the other hand, if the average market price turns out to be $2.30, there would be no federal payment at all. If market prices are low, the consumer saves at the supermarket and if food prices are high, the taxpayer pays nothing for farm programs.

The legislation's potential effect on meat prices may be the best example of the bill's importance to consumers. One of the reasons for high meat prices is the increased cost of feed grains to ranchers and feed lot operators. Their price is high because feed grains are in relatively short supply. If the new farm bill were in effect this year, the USDA could call for greatly increased production of feed grains to satisfy the demand and alleviate the shortage. The farmer, knowing that there would be some protection from the economic disaster of surpluses, would be inclined to grow all the feed grain he was asked to grow. His increased production would come closer to balancing supply with demand, thereby lowering the cattlemen's cost of feed grain and his overall cost of production. That lower cost would be reflected in lower meat prices on the grocery shelf.

At the same time, CFA is mindful of the dairy provisions in the bill. We do not support monopoly—in food or any other segment of our economy. Senator Philip A. Hart will introduce amendments that will keep the power of the milk combines from monopolizing the industry. We urge your support for the Hart amendment.

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## MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 1820. An act to direct the Administrator of General Services to release certain conditions with respect to certain real property conveyed to the State of Arkansas by the United States, and for other purposes;

H.R. 1965. An act for the relief of Mrs. Barr;

H.R. 2212. An act for the relief of Mrs. Nguyen Thi Lee Fintland and Susan Fintland;

H.R. 2215. An act for the relief of Mrs. Purita Paningbatan Bohannon;

H.R. 2769. An act for the relief of William A. Karsteter;

H.R. 3620. An act to establish the Great Dismal Swamp National Wildlife Refuge;

H.R. 3751. An act for the relief of James E. Fry, Junior, and Margaret E. Fry;

H.R. 4175. An act for the relief of Manuel H. Silva;

H.R. 4443. An act for the relief of Ronald K. Downie;

H.R. 4448. An act for the relief of First Lieutenant John P. Dunn, Army of the United States, retired;

H.R. 4704. An act for the relief of certain former employees of the Securities and Exchange Commission; and

H.R. 5106. An act for the relief of Flora Datiles Tabayo.

## HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred, as indicated:

H.R. 1820. An act to direct the Administrator of General Services to release certain conditions with respect to certain real property conveyed to the State of Arkansas by the United States, and for other purposes; and

H.R. 3620. An act to establish the Great Dismal Swamp National Wildlife Refuge. Referred to the Committee on Commerce.

H.R. 1965. An act for the relief of Theodore Barr;

H.R. 2212. An act for the relief of Mrs. Nguyen Thi Le Fintland and Susan Fintland;

H.R. 2215. An act for the relief of Mrs. Purita Paningbatan Bohannon;

H.R. 2769. An act for the relief of William A. Karsteter;

H.R. 3751. An act for the relief of James E. Fry, Junior, and Margaret E. Fry;

H.R. 4175. An act for the relief of Manuel H. Silva;

H.R. 4443. An act for the relief of Ronald K. Downie;

H.R. 4448. An act for the relief of First Lieutenant John P. Dunn, Army of the United States, retired;

H.R. 4704. An act for the relief of certain former employees of the Securities and Exchange Commission; and

H.R. 5106. An act for the relief of Flora Datiles Tabayo. Referred to the Committee on the Judiciary.

## AGRICULTURE AND CONSUMER PROTECTION ACT OF 1973

The Senate continued with the consideration of the bill (S. 1888) to extend and amend the Agricultural Act of 1970 for the purpose of assuring consumers of plentiful supplies of food and fiber at reasonable prices.

The **PRESIDING OFFICER.** The bill is open to further amendment.

### AMENDMENT NO. 158

Mr. HART. Mr. President, I call up my amendment No. 158, and ask for its immediate consideration.

The **PRESIDING OFFICER.** The amendment will be stated.

The legislative clerk read as follows:

On page 2, beginning with line 6, strike out through line 2 on page 8 and insert in lieu thereof the following:

"(A) amending section 201(e) by striking out '1973' and inserting '1978', and by striking out '1976' and inserting '1981', and

"(B) adding at the end thereof the following:

"'(f) The Agricultural Adjustment Act as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, is further amended by:'."

On page 8, line 3, strike "(4)" and insert "(1)".

On page 8, line 15, strike "(5)" and insert "(2)".

Mr. HART. Mr. President, this amendment would eliminate from the bill, by striking, the sections which begin on line 5, page 2, and extend through the top of page 8, line 2.

It is the contention of the Senator from Pennsylvania (Mr. SCOTT), who has joined me on the amendment, and myself that very serious anticompetitive implications are involved in these proposals.

The amendment does not reach the provisions dealing with support prices, import quotas, the matter of the indemnification for loss of milk and cows, or class 1 base plan authority.

I think that by this time most of us are familiar with the contest that underlies the offering of the amendment. Lest I forget, I want, if I can, at the outset to make clear that if any suggestion has been made or voiced that the language which we propose to strike was the result of sly action by anyone, a meeting in the middle of the night, or worse, that suggestion is wrong. Quite the contrary, on an early day—and my impression is that it was the second day—of the hearings of the Committee on Agriculture and Forestry, witnesses from the National Milk Producers' Cooperative appeared.

Mr. ROBERT C. BYRD. Mr. President, I apologize to the Senator for interrupting his speech, but may we have order?

The **PRESIDING OFFICER.** The Senate will be in order. The Senator is entitled to be heard.

Mr. HART. At the very opening, I think the second day of the hearings, witnesses appeared, including one from Michigan, a very good friend of mine who is the president of the National Milk Producers' Federation, Glenn Lake, accompanied by Patrick B. Healy, the secretary of the National Milk Producers' Federation at that time—mind you, this is an open hearing—and those two gentlemen described in understandable detail the reasons why they believed the committee should be persuaded to adopt the amendments that they were offering.

It was an open, as wholesome, and as correct a method of proceeding as one could imagine. So if I say nothing else, I want to make sure that those who offered these amendments, those who in committee supported them, and those who on the floor may support them, are acting in a wholly appropriate and proper way.

Having said that, I suggest that notwithstanding the fact that, in that early day of the hearings, these proposals were made a part of the record, in the following days I believe there was no reaction to them. We can wish as we might that other national farm groups who did testify had voiced to the committee the concerns which they now voice to many of us. I wish very much that the Department of Justice, when those hearings were in process, had been alert to the proposals that had been filed with the committee by the National Milk Producers Federation. But wishing will not make it so. Those spokesmen—not alone governmental, as in the case of the Department of Justice, but also the Farm Bureau, the NFO, and some local branches of the Farmers Union, as well as the National Consumers Congress and other consumer groups—did not develop for the committee in the record the concerns that they now voice.

Those concerns are real, and they are genuine. Under the parliamentary situation that confronts us, the only way that the committee can have an opportunity to get the reactions of people who have legitimate concerns is for us to strike the section.

Mr. JAVITS. Mr. President, will the Senator yield at that point?

Mr. HART. I yield.

Mr. JAVITS. Would that be the answer for Senators like myself, who represent a dairy State where the cooperative milk producers are divided on the subject?

Can the Senator give us the assurance, first, that by striking the section we are not deciding the issue; second, that there will be prompt hearings, and the hearings will not be just for the record to show that we had hearings, but a serious inquiry to try to come to a conclusion; third, that there is no a priori decision by striking the section that we might not recommend these very things and perhaps even the Agricultural Committee itself might not bring them in at a later time when we are able—the Senator may not agree—to cast light on the facts. In other words, the essence of it is that we should not legislate in the dark.

Mr. HART. Of course the Senator from Michigan cannot assure the Senator from New York that that will cure the problem for anyone who comes from a State where the dairy income is a significant factor in the farm economy. I also happen to come from a State which is a dairy producing State. $300 million a year in dairy products comes from Michigan. But it will allay the fears, at least, and permit those divided in our States to get their hearing.

Second, while none of us can speak for the Committee on Agriculture and Forestry, it is my hope that the committee would be in a position to conduct hearings, at which time those who have been privately voicing to us their concerns, including the Department of Justice, could have the opportunity to fully express their views. If that occurred, we would then have a record on which the committee could report back to us its conclusions and we could act in a much more informed and responsible fashion, one that will give greater confidence to the people of this country that we are legislating on the record, on what the facts are, and nothing else.

Finally, I must confess, as a sort of knee-jerk antitrust advocate, that I have very strong feelings that some of these provisions are bad. But I have no reason to believe that the committee, and later the Senate, would not be able to make its own independent judgment based on the testimony that will be developed.

Yes, I must say to the Senator from New York, I cannot reassure him with respect to the holding of hearings but I would accept his vote to strike as a procedural and not as a substantive judgment on the issue.

Mr. JAVITS. I thank the Senator from Michigan very much.

Mr. HART. Mr. President, the provisions which I seek to strike trouble me for several reasons:

First. They would produce higher consumer prices for milk and dairy products.

Second. They endanger some or all of 18 antitrust suits pending in Federal courts—2 brought by the Government—by giving a congressional blessing to practices being challenged in certain of those suits.

Third. They give even more power to three enormous cooperatives which already in many markets control 90 percent of total milk distributed and have more than 75,000 members.

But, my direct goal today is to strike the language so that full hearings may be held on these highly controversial proposals. Up to now, groups very much interested and affected by this language have not had the opportunity to make their views known in give-and-take hearings.

Support for this amendment is rather strong. Its proponents include the Farm Bureau, the National Farmers Organization—and various local branches of the National Farmers Union—the National Consumers Congress, and Ralph Nader's consumer groups.

The amendment has also been supported by the National Milk Industry Foundation, whose members include large national dairies such as Foremost, Carnation, Pet, Beatrice Foods, as well as smaller local dairies.

It does not have the support—in truth—of the three major co-ops which would enjoy much more power under the provisions the amendment seeks to strike.

These three cooperatives are Associated Milk Producers, Inc.—AMPI—Mid-American Dairymen, Inc.—Mid-Am—and Dairymen, Inc.—DI. As chairman of the Antitrust Subcommittee, I recognize the enormous value of cooperatives, and I believe that regrettable excesses on the part of a few shouldn't color our judgment. However, the growth of power of these cooperatives deserves a thoughtful hearing before we add more power.

For the facts are that through merger, consolidation, and acquisition, an estimated 100 cooperative organizations in the last 5 years have been reduced to the three co-ops.

The provisions I seek to strike would not only increase the power these cooperatives have over their market but also would increase their control over their farmer-members. This is control which obviously the farmers' groups which support this amendment do not want.

Let me make it clear that the motion to strike is limited. I would not delete provisions dealing with import quotas, support prices, authority for class I base plans, and indemnification for loss of milk and cows. I understand that some other amendments may be offered to strike some of those provisions.

But it should be equally clear that while the provisions I move to strike are difficult to understand, I have been assured by responsible dairy experts that my interpretation of their impact is accurate.

Therefore, it seems to me that before we enact these potentially dangerous provisions into law, the least we should do is give the opponents an opportunity to express their views in public hearings.

This is the basic intent of my motion to strike.

I close, then, as I opened. The Agricultural Committee and the Milk Producers Federation have acted in a completely normal fashion. If there is fault to be found, we might suggest that it is in those who should have been on notice that there was before the committee these specific proposals, and they did not respond.

But we should not ourselves make the same mistake. We are on notice that there is deep controversy with respect to the implications of these things and we should strike, hopefully, so that we should be in a position, with a record later, to make a judgment.

Mr. AIKEN. Mr. President, will the Senator from Michigan yield?

Mr. HART. I yield.

Mr. AIKEN. Did I correctly understand the Senator from Michigan to say that there would be reasonably prompt hearings on the purpose of the Senator's amendment which naturally would be of interest to the Judiciary Committee?

Mr. HART. No. I would anticipate that the hearings would be conducted by the committee of which the distinguished Senator from Vermont is formerly a distinguished ranking member, the Committee on Agriculture and Forestry.

Mr. AIKEN. The Senator from Michigan is not a member of that committee so he would not be in a position to assure reasonably prompt hearings by that committee.

Mr. HART. No. I think I made that clear. We are not speaking to that point.

Mr. AIKEN. In my opinion, part of the Senator's amendment should be approved. There are one or two other provisions in it which could conceivably be of benefit to producers without doing any harm to anyone. I find that the agricultural associations have been of little help, because they seem to be split as nearly down the middle as it is possible to get that way. Consequently, I have been waiting to hear the arguments before making up my mind whether to vote for the Senator's amendment.

There is one part of his amendment which I would remove—on page 4 from line 10 down to page 21 on line 6. That could probably be helpful although there are two provisions in there which undoubtedly would not be of benefit to the producer—that is on page 5, line 10, beginning with the word "the." That paragraph we could well do without, I think. On page 6, item (a), line 3, down through line 6, we could do without. Also there could be changes in section—paragraph (d) down to line 14 and 15. The rest of what the Senator proposes we would probably be better off without.

These amendments came before the committee. However, when I called the cooperatives in the Northeast to find out what their position was, they had just barely received them from the Milk Producers Federation that morning, and even at that time we were marking up the bill and finished it the next day.

Some say that these big cooperatives are acting like the big oil companies, trying to put the independents out of business. That may be true, because that is a human trait, to seek a monopoly. So, it is impossible to please all producer associations or all consumer associations regardless of how we vote on the Hart amendment.

But I will say this, that the rest of the bill we have for dairy products seems to be very good, indeed. An 80 percent support price, which I believe is the market price now. It is almost exactly 80 percent. We do need a greater production of milk. There has to be a greater incentive to produce it. Up in the Northeast, we are producing a little less milk than last year, although we do produce more milk for table use, which is Class 1, which raises the blend price. I have not had so much complaint on the price. I have renewed complaints about Dairy feed which went up $5 a ton in New England last week. I do not know how much it has gone up this week. Feed dealers have done the best they could to hold the price down to within reason.

So I will listen to what may be said on the Hart amendment, but I have to say that part of it is very good in my book but part of it, probably we would be better off if we leave the bill as it is.

I would gladly vote for it if we could leave in the sections I referred to, which apparently is satisfactory to producers generally. They are to be found on page 4, beginning at line 10, down to the word "order" on page 5, line 10; then striking out, as the Hart amendment proposes, the sentence beginning "The location," down through line 16; then picking up again from line 17, page 5, to line 2 on page 6; then striking out lines 3, 4, 5, and 6—I know this is a little difficult to follow; then leaving in all from line 7, paragraph (b), through line 20.

In lines 14 and 15, however, it would be well to strike out the words "but not limited to, providing milk assembly, refrigeration, storage."

I know that is a little complicated, and if I speak any further, it will only complicate the situation still more.

As I say, two-thirds of the Hart amendment is good. The other third we would be better off without.

Mr. HART. Mr. President, the Senator need not apologize for suggesting a rather complicated list of revisions. The hard truth is that we are dealing, I suppose, with one of the most complicated arrangements that government yet has conceived—the whole milk marketing order concept.

I can respond only this way: There are price-fixing elements——

Mr. AIKEN. If the Senator will permit me to add, this whole section of what he would strike out is permissive and would require a two-thirds vote to put it into effect. Labor only requires a 51-percent vote to put their ideas into effect, but agriculture needs a two-thirds vote.

One thing I know is that some of the cooperatives and some of the private corporations—and we have one in New England that is very strong—are always worried about the antitrust laws. I believe that one cooperative in the Northeast handles 66 percent of the milk which is produced and sold in that area. How much more they would have to do before the Department of Justice landed on them with both feet, I do not know, but I do know that they are apprehensive about it.

As a matter of fact, when we talk about an expert in the marketing of milk, they are very scarce in this country. Few of us know the entire procedure, but we do know that there is a division of sentiment at this time.

I am sure that much of the Senator's proposed amendment would be good. I am not so sure that the rest of it would be.

Mr. HART. Mr. President, I get some comfort from the fact that the Senator from Vermont has indicated that there are a few experts in the field, but I would be the first to identify myself as not one of that rare breed.

To the extent that I have been able to analyze and have had this bill analyzed for me, I am convinced that there are anticompetitive aspects in each of the lines we propose to strike.

I do realize that a two-thirds vote is required in the acceptance of a plan which would incorporate these features. I am told, however, that unlike the trade union movement, it is not a one-man, one-vote proposition in all cases; that there is block voting, which perhaps distinguishes it from the treatment we provide with respect to collective bargaining arrangements.

The Senator from Michigan would hope that the Senator from Vermont could support the amendment on the basis that two-thirds of it makes sense. Generally, around here we are lucky when we can have a conviction that 51 percent of the vote makes sense. I think I should leave it at that.

I reserve the remainder of my time.

Mr. TALMADGE. I yield myself such time as I may require.

Mr. President, this amendment would strike out most of the provisions of the bill designed to enable the Secretary of Agriculture to facilitate the operation of milk marketing orders. The purpose of the provisions which would be stricken is to eliminate waste and inequities and thereby provide fair prices to producers and consumers. More specifically, the amendment of the Senator from Michigan would strike out those provisions of the bill which:

First. Permit a milk marketing order to provide for allocation of members' bases to their cooperatives;

Second. Permit an order to provide that marketing history represented by a base held under a Federal, State, or cooperative base plan shall count as history in fixing bases under that order;

Third. Permit an order to provide for the orderly phasing out of Federal, State, or cooperative base plans;

Fourth. Make it clear that an order may provide for payments from the pool to producers for their excess milk of amounts less than the lowest class price;

Fifth. Permit an order to provide for minimum payments to producers and their associations for services performed for handlers;

Sixth. Permit an order for manufacturing milk which does not fix prices to provide for price posting;

Seventh. Permit an order, where appropriate to direct the flow of milk, to provide for the use of different location differentials in computing the minimum class prices paid by handlers and in computing pool payments to producers;

Eighth. Permit an order to provide for payments from the pool to cooperatives for services of marketwide benefit; and

Ninth. Permit an order to provide for standby reserve pools, which would be supported by payments from one or more orders and would supply milk when needed to such order areas.

### IN GENERAL

First, let me describe the general purpose of the provisions which the amendment would strike.

All of them merely provide authority which the Secretary may use if he finds after open hearings that their inclusion in an order will carryout the objectives of the act. The principal objectives of the act are twofold, first that the achievement of prices that are fair to farmers and consumers, and second, keeping prices from rising above that fair price. The particular provisions we have before us are largely intended to eliminate economic waste, with the savings thereby achieved being apportioned between farmer and consumer in appropriate fashion. The two guidelines I have mentioned are definite, rigid, and have been in effect a long time. They are contained in sections 2(1) and 2(2) of the Agricultural Adjustment Act of 1933. Therefore, any assertion that the new provisions will result in anything but fair prices fails to recognize that they cannot be put into effect if that is the expected result, and they cannot remain in effect if that is the actual result.

Further, none of these provisions can be included in an order unless they are approved by two-thirds of the producers subject to them. In the case of class I base plan provisions, the producers must vote individually. Any contention that they are inimical to the interest of producers or consumers is, therefore, inconsistent with the plain language of the law and the bill.

It has also been suggested that there has been no opportunity for hearings. That argument is completely without foundation for two reasons:

First, there has been extensive opportunity for hearings, public notice having been given on February 7, an extensive hearing having been held during the period February 27 through April 27 in Washington and throughout the country.

Mr. President, I ask unanimous consent to insert in the Record at this point a committee staff analysis of a Department of Justice letter of May 25. The first numbered paragraph of this analysis discusses the opportunity for hearings in depth.

There being no objection, the analysis was ordered to be printed in the Record, as follows:

### SENATE COMMITTEE ON AGRICULTURE AND FORESTRY

### STAFF MEMORANDUM

Analysis of the Department of Justice letter dated May 25, 1973, from Assistant Attorney General Thomas E. Kauper, to Senator McGovern

The letter contains the following inaccurate or misleading statements:

(1) *Statement*: "Our concern is especially acute because no hearings have been held on this specific legislative proposal."

*Facts:* On February 7, at page S. 2282 of the Congressional Record, it was announced that hearings would be held on on the farm program and other issues on February 27, 28, March 1, 2, 8, and 9. It was further announced that the Committee would use S. 517 as a base for the hearings. A copy of the announcement is attached.

Paragraph (2) of section 1 of S. 517 dealt with milk marketing orders by extending the authority for Class I base plans and other provisions. The advisability of extending or amending these provisions was therefore clearly a purpose of the hearings.

Hearings were held in Washington on February 27 and 28, and March 1, 2, 8, 9, 13, 14, and 29. On February 28, beginning at page 119 of the Committee's hearings, representatives of the National Milk Producers Federation testified and proposed a number of milk marketing order amendments. On March 9, Mr. Albert J. Ortego, Jr., appearing on behalf of the members of Central America Cooperative Federation, Inc., testified, at page 487, and proposed similar amendments to paragraph (2) of section 1 of S. 517. Digests were made of the testimony of witnesses at the hearings and the digests which relate to the testimony of the National Milk Producers Federation and the Central America Cooperative Federation, Inc. are attached. These digests were available to the general public, and on March 27 the Chairman of the Committee sent them to the Secretary of Agriculture asking him to comment on the major recommendations made by the witnesses in his statement when he appeared on March 29. A copy of the Chairman's letter is attached. Further hearings were held on April 6 at Chickasha, Oklahoma; on April 7 at Ardmore, Oklahoma; on April 18 at Montgomery, Alabama; on April 19 at Ames, Iowa, and Waynesboro and Macon, Georgia; on April 20 at Tifton, Georgia; and on April 27 at Huron, South Dakota. Prior to the first executive session of the Committee on the bill, the Committee staff worked with the proponents of the milk marketing order amendments to make technical corrections in the amendments and eliminate purely technical differences between the two sets of amendments. These corrected amendments which did not substantially differ from those proposed on February 27 and March 9 were made generally available to the public. The Committee staff also prepared a list of amendments proposed by various persons to S. 517 which included a description of the revised dairy amendments, and shortly thereafter prepared a title-by-title explanation of the Agricultural Act of 1970 and the specific amendments to each title which had been proposed at the hearings, including the revised milk marketing order amendments.

The Committee met in executive session on the bill May 1, 2, 3, 4, 8, and 9. On May 7, Committee Print No. 1 was issued showing matters tentatively agreed to by the Committee and additional matters which had not been agreed to but had been suggested for inclusion. The milk marketing order amendments finally agreed to were generally included in this print. All of the documents mentioned herein were made available to the public.

(2) *Statement:* "In this connection, the Department of Justice requested that its views be heard before this legislation was reported out by the Committee, but was not afforded an opportunity to do so."

*Facts:* The Department of Justice made no request until two weeks after the Committee had ordered the bill reported. The Committee, when it had ordered the bill reported, had given the Committee staff two weeks, until May 23, for final preparation of the report. On May 23 a representative of the Department of Justice advised a member of the Committee staff that the Department of Justice was writing a letter to Senator McGovern about the dairy provisions which would be delivered on May 24 and suggested that reporting of the bill be delayed until that letter had been written. The Chairman of the Committee was advised of this communication and, for the reasons stated in his letter to Senator Hart, decided that the reporting of the bill should not be delayed and the report was filed on May 23 in accordance with the direction from the Committee of May 9.

(3) *Statement:* "As drafted, the provision implies, but does not explicitly state, that if the producer chooses to terminate his membership in the cooperative his base will be returned to him."

*Fact:* On page 2, lines 18 and 19, the bill states that producers' bases will be allocated to their cooperatives "while they are members thereof". The quoted language was put in this provision specificially for the purpose of making it clear that the allocation of producers' bases to their cooperatives would be only for the period "while they are members thereof". If this clear language is not sufficiently explicit, the following language (which was not in the May 7 committee print) appears at page 2, line 19 of the reported bill: "In the event a producer withdraws from membership in a cooperative marketing association the base allocated to that producer shall take into consideration his total marketings of milk, including milk delivered by his association to persons not fully regulated by the order, but may reflect his pro rata share of any reduction in the total of bases allocated to such associations". The language just quoted should also answer the statement in the Department of Justice letter that it is not clear how the return of the base to the producer will be accomplished. The Committee report explains this provision at page 27 as follows: "The amendment also provides that an individual member on leaving the cooperative would take his history of marketings with him, irrespective of the market to which the cooperative might have delivered his milk (except for his pro rata share of any reduction in the cooperative's base as a result of transferring milk to other markets)."

The Department of Justice appears to favor the return of the base to the producer when he leaves the cooperative. If that is the case, the Department should favor this provision of the bill because its purpose is to protect the producer's rights. Thus under existing law if the cooperative delivers the base milk of one of its' members off the order market for a specified period of time, that member could lose his entire base. Under the bill if the cooperative delivered the same producers' base milk off the order market for the same period, there would probably be no loss of base at all, but if there were, the loss would be sustained by all of the members of the cooperative proportionately. Thus the particular producer would probably lose no base under the provisions of the bill, but if he did the loss would be only the same proportionate amount of base as other members and the balance of his base would be protected. For example, let us suppose that cooperative members A and B each have a base of 1000 pounds and each delivers 2000 pounds to the cooperative. Under existing law if the cooperative delivers all of A's milk off the market for a certain period A will lose base. However, if under existing law the cooperative delivers A's 1000 pounds of excess and B's 1000 pounds of excess off the market for the same period, there may be no loss of base for either A or B. The latter manner of delivery may, however, be more costly since it may involve extra trucking, accounting, and other costs, than would be the case if the truck making the off market delivery need stop only at A's farm and pick up all of his 2000 pounds. These extra wasteful, and uneconomic costs are of course a part of the cost of getting milk to the consumer, and in one way or another must be reflected in the price to the consumer.

It is the purpose of this provision of the bill to avoid this economic waste by permitting the cooperative to pick up all of A's milk in this situation without any loss of A's base.

The only way in which any base would be lost under the bill in this situation would be if the total amount of milk delivered by the cooperative on the market was less than the total amount of base milk delivered to it by its producers. The entire objective of this provision is to provide for more economic and orderly marketing by permitting the cooperative without loss of any base whatsoever to deliver the milk where it is most needed. Milk which is excess to the needs of the order market would not be required to pass through the order market but could be most efficiently delivered where it was needed without loss of base and without the waste that would be involved if such diversion required the truck to pick up the excess production of a number of farmers rather than the total production of an individual farmer.

(4) *Statement*: "On the contrary, its only immediately foreseeable effect would be as a wedge to open the door to eventual ownership of base by cooperatives, a situation which clearly would create possibilities for abuse".

*Facts*: This is neither an intended nor forseeable effect, nor does the Department of justice in any way indicate how it could be an effect of any provision of the bill.

(5) *Statement*: "Clause (vii) is also unclear both in language and intent. It seems to provide for integration of base plans set up under federal marketing orders and those of cooperatives which may or may not be administered in the same manner and with the same objectives as an order plan. Particularly troublesome to us is the language which would authorize incorporating a cooperative's base plan into the order, which plan would then apply to all members of the market pool, whether or not they were members of the cooperative."

*Facts*: This provision quite clearly provides a mechanism which the history of marketings upon which a producer's base under a Federal, State, or cooperative base plan may be used in computing his base under a new Federal order Class I base plan. It does no more than permit the same treatment that Congress found equitable in the case of updating Federal order bases, when it provided in section 8c(5) of the marketing order law that bases should be allocated on the basis of marketings—"during a representative period of one to three years, which will be automatically updated each year. In the event a producer holding a base allocated under this clause (f) shall reduce his marketings, such reduction shall not adversely affect his history of production and marketing for the determination of future bases, or future updating of bases, except that an order may provide that, if a producer reduces his marketings below his base allocation in any one or more use classifications designated in the order, the amount of any such reduction shall be taken into account in determining future bases, or future updating of bases."

Thus, the purpose of a base plan is to discourage producers from producing excess milk that is not needed (the production and disposition of which adds to the total cost which must be paid by the consumer). Consequently, producers who reduce their production to their base should not be penalized. For example, Producer A with a history during the three year representative period of marketing 2000 pounds of milk might receive a base of 1000 pounds. If he reduces his marketings to his base, he will be treated as well when bases are updated the following year as though he had continued to produce 2000 pounds. That is what the law quoted above now provides. Now let us suppose that after the order to which Producer A is subject has been in effect for three years it is expanded to include the following additional producers:

(1) Producer B, who has exactly the same history of marketing as Producer A, but reduced his marketings from 2000 pounds to 1000 pounds under a State Class I base plan;

(2) Producer C, who has exactly the same history of marketings as Producer A, but reduced his marketings from 2000 pounds to 1000 pounds under a cooperative Class I base plan;

(3) Producer D who has not been subject to a base plan and has continued to market 2000 pounds.

To give Producer D twice as big a base as Producer A, or to give Producer A and D bases twice as large as those given to Producers B and C would appear to be discriminatory and inequitable. If it is, the bill would permit equity to be done by permitting all four of these producers to be given equal bases.

(6) *Statement:* "Clause (vii) also would permit the Secretary of Agriculture to set prices for over-base milk in a manner different from prices for Class I and Class II milk. Where there are standards for judging the appropriateness of the prices this provision seems to give the Secretary power without regard to specifically stated standards to adjust the price of over-base milk. We think there should at least be some benchmarks in this statute to guide the Secretary's actions under this provision."

*Facts:* The statutory standards are identical and are contained principally in sections 2 and 8c (18) of the Agricultural Adjustment Act. In each case the statute is concerned with the blend of class prices, or the blend of base and excess prices, *to farmers* as shown by the following language of section 2(1) of the law:

"Sec. 2. It is hereby declared to be the policy of Congress—

(1) Through the exercise of powers conferred upon the Secretary of Agriculture under this title, to establish and maintain such orderly marketing conditions for agricultural commodities in interstate commerce as will establish, as the prices to farmers, parity prices as defined by section 301(a)(1) of the Agricultural Adjustment Act of 1938."

(7) *Statement:* "First, setting a minimum price for services amounts to legalized price fixing in an area where competitive factors should operate to set the price. Whatever the justification that may exist for existing federal regulation of milk marketing—most conspicuously in the form of establishing minimum prices for milk—there is no apparent reason for extending this regulation to the price of services."

*Facts:* It is correct that setting minimum prices for services amounts to legalized price fixing, just as setting minimum prices for milk as now authorized by the law is legalized price fixing. It is not correct that there is no apparent reason for extending this regulation to the price of services. The clear and obvious reason is this, that where milk and services are sold as a unit, it is not possible to fix the price of one without also fixing the price of the other. For example, the handler may want milk containing 2 percent butterfat instead of the normal 3.5 to 3.7 percent butterfat. In order to deliver 2 percent milk the cooperative must separate out a part of the butterfat at some cost to itself. If competition forces the cooperative to sell 2 percent milk for the minimum class price, with no payment for the service, the effect is the same as giving a discount below the minimum price prescribed under the law.

(8) *Statement*: "Second, non-members of cooperatives, who do not get the benefit of the services performed by the cooperative, can be required to pay for these services.

*Facts*: Pool funds can be used only to pay for services of "market-wide benefit" (See bill, page 6, line 1). They cannot be used for services which are not of benefit to every producer in the market.

(9) *Statement*: "The provision, as proposed, specifically states that voluntary agreements among cooperative marketing associations providing for such programs shall not be precluded unless they conflict with a marketing order made effective under these provisions. We believe that this language is overly vague and susceptible of abuse in the administration of a reserve supply program. It might also give rise to an argument, in the Antitrust Division's presently pending lawsuits, that existing arrangements have been validated by Congress notwithstanding that they may have been abused by their present managers."

*Facts*: This provision is not vague. It simply disclaims any intention to affect voluntary agreements not in conflict with a marketing order. If such an agreement is legal this would not make it illegal. If it is illegal, this would not make it legal. Any argument that existing arrangements had been validated would be far-fetched and without merit.

The remainder of the letter largely relates to general background information and other general matters not directly related to the provisions of the bill. Some that may seem to relate to the bill are as follows:

(1) *Statements:* "The Division's pending lawsuits against two large dairy cooperatives are predicated, in substance, on the proposition that those dairy farmers desiring to market their milk independently and in competition with other dairy farmers have been prevented from doing so by actions of these cooperatives designed to achieve for them a monopoly of the supply of milk. To the extent that the provisions of S. 517 would increase the power of these cooperatives over the supply of milk it would run counter to the purpose of those lawsuits to permit free market forces to operate."

*Comment:* This statement might give the impression that the provisions of the bill may be designed to sanction some predatory practices that are the subject of pending lawsuits; but nothing in the letter indicates that this is actually the case. The letter does not state the number, location, parties, or subjects of the pending lawsuits. The letter does not describe the actions alleged to have been taken to prevent dairy farmers desiring to market their milk independently from doing so, nor does it specify any provisions of the bill which would legalize those actions. Rather the letter seems to suggest that because the Department of Justice has accused two large dairy cooperatives of monopolistic practices, any provisions of law which might be helpful to any cooperative in their relations with individual milk producers, milk processors, and independent cooperatives should be viewed with alarm.

The reserve pool authority in the bill appears to be the provision most likely to conflict with the Department's suits; but it is clear from the Department's letter that no conflict is involved. There is of course no question as to the difference between Government regulation of an industry, and a private combination to attempt to monopolize an industry.

The former is clearly legal and has the common good in accordance with statutory policy for its objective. The Department recognizes this when it says, "To the extent that this authorization places the management of a reserve 'pool' in the hands of the Department of Agriculture and requires administration consistent with the goals of the federal marketing order program, it is to be preferred to presently existing 'stand-by pool' agreements administered by cooperatives." This being the case, the Department's remarks as to the alleged private objectives of the present pool are irrelevant to consideration of the bill. Those private objectives, unless they should coincide with the statutory objectives, would not govern the provisions of the bill.

(2) *Statement:* "Although not in the draft . . ."

*Comment:* This statement described a provision which was never approved by the Committee and is not in the bill. The statement is therefore completely irrelevant.

### Notice of Hearings on the Farm Program and Other Issues

Mr. Talmadge. Mr. President, the Committee on Agriculture and Forestry will hold hearings on the farm program and other issues on February 27, 28, March 1, 2, 8, and 9. Since the administration has not proposed a farm bill this year, the committee will use as a basis for the hearings, S. 517, a bill that would extend our present commodity programs for 5 years. The committee will hear from public witnesses on the renewal of the farm program, export subsidy programs, the sale of wheat to Russia, Public Law 480, environmental protection, consumer protection, the food stamp program, the child nutrition programs, and rural development.

In regard to the farm program, the committee is particularly interested in hearing the testimony of genuine "dirt farmers." Farmer organizations are requested to bring practicing farmers to testify as their spokesmen.

The hearings will be in room 324, Russell Building, beginning at 10 a.m. each day. Since a large number of witnesses will wish to be heard and because of the committee's need to act promptly on the extension of a farm program, witnesses will be limited to 10 minutes for their oral presentation. Anyone wishing to testify should contact the committee clerk as soon as possible.

Mr. President, it is hoped that this procedure for conducting hearings will enable the Committee on Agriculture and Forestry to gage the true sentiments of the American farmer and the American consumer. By attempting to hear from as many practicing farmers as possible, the committee will make every effort to find out what the farmers want before moving forward on major farm legislation.

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March 27, 1973.

Hon. Earl L. Butz,
*Secretary, U.S. Department of Agriculture, Washington, D.C.*

Dear Mr. Secretary: Enclosed you will find a staff digest of witnesses' testimony during eight days of hearings on the general farm program. During these eight days the Committee heard from a total of 110 witnesses and we heard a record number of practicing "dirt farmers." I believe that these witnesses gave us a very good cross-section of views on the kind of farm bill the Nation's farmers want.

Some Members of the Committee on Agriculture and Forestry will continue the Committee's hearings by conducting field hearings on the farm program in their respective States. I will hear from my farmers in Georgia on April 19 and 20. When these hearings are held, the hearing record will be made available to you for your study and comment. However, since you are testifying before the Committee on March 29, I would like to have your comments on the major proposals of the witnesses who have already testified on the general farm program. Please comment on the major recommendations made by the witnesses in your statement on March 29. Also, I feel that many Members of the Committee will wish to question you in detail about some of the witnesses' recommendations.

I appreciate your coming to my office to meet with the peanut producers last week. As you may have gathered, the peanut growers of my State are extremely upset about the USDA regulations.

I am looking forward to seeing you on March 29.

With every good wish, I am
Sincerely,
Herman E. Talmadge,
*Chairman.*

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May 23, 1973.

Hon. Philip A. Hart,
*Chairman, Subcommittee on Antitrust and Monopoly, Committee on the Judiciary, U.S. Senate, Washington, D.C.*

Dear Phil: Thank you for your letter of May 22 with respect to the provisions of the farm bill relating to dairy cooperatives.

The farm bill was ordered reported unanimously by the Committee two weeks ago with the understanding that it would be reported not later than today, if at all possible. The bill is designed to alleviate shortages the country is now facing in food and fiber, so that it is most important that no action be taken to delay the reporting of the bill.

Your letter suggests that the effect of the provisions you are concerned about "undoubtedly would be to raise consumer prices for dairy products, adding to the inflationary spiral on food products"; but the fact is that no provision may be included in a marketing order unless the Secretary finds that it tends to effectuate the purposes of the Act. The purposes of the Act are in part described by paragraphs 1 and 2 of section 2 of the Agricultural Adjustment Act which Congress enacted in 1933, as follows:

"Sec 2. It is hereby declared to be the policy of Congress—

"(1) Through the exercise of the powers conferred upon the Secretary of Agriculture under this title, to establish and maintain such orderly marketing conditions for agricultural commodities in interstate commerce as will establish, as the prices to farmers, parity prices as defined by section 301(a)(1) of the Agricultural Adjustment Act of 1938.

"(2) To protect the interest of the consumer by (a) approaching the level of prices which it is declared to be the policy of Congress to establish in subsection (1) of this section by gradual correction of the current level at as rapid a rate as the Secretary of Agriculture deems to be in the public interest and feasible in view of the current consumptive demand in domestic and foreign markets, and (b) authorizing no action under this title which has for its purpose the maintenance of prices to farmers above the level which it is declared to be the policy of Congress to establish in subsection (1) of this section."

The only price effect, therefore, would be to achieve prices designed by Congress to be fair to producers and consumers.

The provisions you question were discussed at the Committee's hearings on S. 517, a copy of which is enclosed, and I refer you particularly to the testimony of Mr. Healy at page 121 and Mr. Ortego at page 487. The hearings were held in February and March and the Committee heard no objections to these proposals until after the bill had been ordered reported.

I will discuss your letter with other members of the Committee and particularly with Senator Huddleston, who is chairman of the subcommittee that would conduct any further hearings, if further hearings appear to be necessary. I hope that sometime between the time the bill is reported and the time it is taken up on the floor you and I will have an opportunity to discuss any objections or suggestions for amendments you may have.

With every good wish, I am
Sincerely,
Herman E. Talmadge,
*Chairman.*

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### Summary of Recommendations of Witnesses

#### GENERAL AGRICULTURE, RURAL, CONSUMER, AND ENVIRONMENTAL HEARINGS

February 28, 1973.

Glenn Lake, a dairy farmer of North Branch, Michigan, and President, National Milk Producers Federation, urged:

1. (a) Extension of removal of mandatory requirement to support the price of butterfat;

(b) Authority for Commodity Credit Corporation to transfer dairy products to the military and to veterans hospitals.

(c) Authority to reimburse dairy farmers and dairy product manufacturers for losses due to pesticides residues in milk and milk products from sources beyond their control; and,

(d) Authority to use seasonal adjustments in prices paid dairy farmers, and seasonal Class I base plans under Federal Milk Marketing Orders.

2. Establishment of minimum price support level for manufacturing milk at 85 percent, instead of 75 percent, of parity price for the 1973–74 marketing year.

3. Amendment of dairy pesticides indemnity to provide reimbursement to dairy producers who have suffered economic losses because their milk or cows have become contaminated with environmental pollutants other than compounds which can legally be defined as pesticides, in addition to those which have been registered as pesticides under the insecticide, fungicide, and rodenticide legislation.

4. Enactment of legislation establishing dairy import quotas on a milk equivalent,

instead of individual product, basis, as now done under Section 22.

5. Action to make the Treasury Department enforce the Countervailing Duty Statute with respect to any commodity on which a foreign nation is paying an export subsidy for imports into the United States (19 U.S.C. 1303).

6. Amendment of the Agricultural Marketing Agreement Act of 1937, as amended, as follows:

(a) adding, in addition to "fixing minimum prices" for different forms or purposes-of-use for milk which handlers are required to pay, authorization, for orders, with or without price provisions, to provide for announcement of prices to be paid to producers for dairy marketing services performed for a handler;

(b) Providing authority to establish milk order prices by zones, within the order area, and permission to use more than one basing point for prices in such area;

(c) permitting cooperatives on behalf of their patrons to be considered as "producers" under milk marketing orders;

(d) Authorizing the Secretary, in establishing or amending a milk order, to provide for the calculation of the total use value of the milk before allocating specific prices to different forms and classes of milk, with allowance for specific services provided for all producers to be paid by handlers to cooperative associations;

(e) Provide for separate referendums on special amendments to orders covering payments to cooperative associations for dairy marketing services rendered to handlers;

(f) Authority for the Secretary, under milk marketing order, to authorize reimbursement of one or more cooperative in one or more market milk areas to establish a milk stabilization pool for the entire area to prevent unwarranted fluctuations in supplies of milk and returns to producers;

(g) Giving producers, as well as handlers, the right of petition for modification of an order, and of recourse to Federal Courts.

NOTE.—Lake submitted bill language, which, if enacted, would put each of his recommendations into effect.

"The set-aside program should be shifted to a cropland basis. . . . We recommend that the set-aside be redesigned to take out of production a percentage of the cooperator's cropland, as determined by the Secretary of Agriculture under guidelines prescribed by the Congress, instead of a percentage of a historic base acreage. Under this approach the cropland base used for determining the amount of the set-aside could, and probably should, be adjusted by subtracting the acreage devoted to crops produced under special programs such as the tobacco, peanut, rice, and sugar programs as long as these programs are maintained on their present basis.

"After complying with the set-aside, a farmer should have the privilege of producing the products that are best adapted to his resources without regard to past history. . . . As an interim step, pending the shift of the set-aside program to a cropland basis, it may be desirable to base the set-aside temporarily on the total acreage actually planted to feed grains, soybeans, wheat, and cotton."

*Albert J. Ortego, Jr., Vice President, Economics, Central American Cooperative Federation, Inc.,* recommended the following amendments to S. 517 (copies of legislative language of amendments is appended to Mr. Ortego's statement and are too lengthy for inclusion in this summary):

(1) Amend provisions authorizing Class I base plans in Federal Orders so that an order may provide:

a. that bases of producer members of a qualified cooperative association could be allocated to the association.

b. The producers, who acquired a base under a cooperative marketing association's base plan issued pursuant to a state or federal regulatory program, be entitled to the history of marketings represented by any base so acquired and held by him on the effective date of a base plan under this Act.

c. That an orderly and equitable transition from an existing base plan to a Class I base plan is permitted.

2. Authorize milk marketing orders for milk products and/or milk for manufacturing, without requiring the establishment of minimum prices. It would extend the authority granted under Section 608c(6) for commodities other than milk to orders for milk products and milk for manufacturing.

3. Grant to the Secretary the specific authority to reimburse cooperatives for performing market-wide services. Marketing cooperatives perform three types of services: (1) services which benefit primarily the members; (2) services which benefit specific handlers and were formerly performed by handlers; and (3) services which benefit all producers and/or all handlers—market wide services.

4. Authorize the establishing or providing a method for establishing a means of good faith bargaining by producers with handlers regulated under Federal orders. This includes bargaining for reseasonable prices above minimum order prices and charges for services provided to handlers by producers or through their cooperative association. Producers could petition the Secretary to incorporate a negotiated price as the minimum order price or prices whenever representatives of at least 66⅔ percent of the producers who produce 66⅔ percent of the milk have negotiated such a price with handlers handling over 66⅔ percent of the milk subject to the order. Upon determination that such negotiated price or prices was arrived at in good faith bargaining does not unduly enhance prices and tends to effectuate the purposes of the Act, the Secretary would approve such price as the minimum order price.

The right to bargain with handlers for prices over and above the minimum order price would be clearly stated in the Act. This confirms the rights of producers to establish pricing arrangements as exists under the Chicago Superpool, the Georgia Superpool and similar pools in other markets.

5. Amendment to grant authority to the Secretary to operate within the framework of the Federal order system, a stand-by milk pool. This would allow the use of a technique designed to permit Grade A milk in heavy production areas to participate in the preferred fluid milk market without requiring uneconomical movement of milk when it is not needed for fluid use. However, stand-by pool milk would be available for movement to markets when needed. Our proposal would provide for the transfer of funds from Federal order markets for this purpose. A stand-by pool benefits producers in the market with high Class I use because "their market" can operate on a smaller local reserve supply.

6. Two proposed amendments to clearly establish that the basic criterion for establishing minimum order prices and the level of prices under the price support program is an adequate supply of pure and wholesome milk to meet current needs and further assure a level of farm income adequate to maintain productive capacity sufficient to meet anticipated future needs.

7. Add a Section 205 under Title II of S. 517 to regulate the import of dairy products and prohibit imports of dairy products for food use except on authorizations issued by the Secretary of Agriculture. Imports of dairy products would be limited annually to the total average quantities (on a milk equivalent basis) imported during the 1971 and 1972 calendar years. The President, under certain conditions, could permit additional imports up to 10 percent of the average of the past two years.

The amendment would not repeal Section 22 of the Agricultural Adjustment Act, but the total annual limits on imports of this Act would prevail, and authorizations for importations under any other laws would be included in computing totals for this Act.

*Ray Joe Riley, President, Plains CuHon Growers Association,* recommended strongly that the cotton section of the Agriculture Act of 1970 be extended, with only slight changes, as follows:

1. The 15-cent per pound payment, made as it is on only a part of the acreage necessary to adequate production for domestic and export markets, is the absolute minimum which would, when added to a competitive price for cotton, cover production costs and provide even the most meager return to capital, management and labor.

2. The $55,000 payment limitation is wrong, period. There is absolutely no justification for limiting a producer's earnings just because through thrift he has built an enterprise larger than that of his neighbor. However, political reality being what it is, we reluctantly recommend that this Committee report a farm bill specifying the same $55,000 per person per crop limitation.

3. Language in the 1970 Act which permits the Secretary of Agriculture to arbitrarily set the CCC loan price for cotton at less than 90 percent of the average world market price should be deleted. To provide production incentive and protect the farmer's ability to secure financing, the loan should be no lower than is necessary to give cotton a competitive price. Ninety percent of the world market price is low enough to keep cotton competitive, and there is no advantage whatsoever, either to the government or industry, in having the loan at a lower level.

Mr. TALMADGE. Second, these provisions only constitute authority, authority which can be exercised in any order only after full hearings.

Mr. President, milk marketing orders are very complex. They are tailored to meet the individual needs of each market, But they have several things in common. They must effectuate the congressional objective, they must tend to achieve fair prices for farmers, they can in no event be designed to raise prices above a reasonable level for consumers, they must be terminated if they do not tend to achieve these objectives.

Now the matters they do not have in common are multitudinous and difficult. We might argue all day, hearings might be held for many days, on one little provision. What might work in Seattle or Chicago might not be the right things for Atlanta or Jacksonville. We should provide the authority, the tools that are necessary to accomplish our objective. The Secretary can then hear every witness who has a point to make. The testimony can be directed to a definite order, a definite situation, a definite set of circumstances.

### ASSIGNMENT OF BASES TO COOPERATIVES

The first provision which would be stricken by this amendment provides for the allocation of producers' bases to their cooperatives in order to give the cooperative greater flexibility in marketing milk for the benefit of their members.

Before discussing this amendment further, I would like to say what it does not do. It does not give cooperatives control over their members' livelihood. It does not let them make puppets of their members. It is not designed to do so, it cannot do so, and most certainly that is completely contrary to the governing purposes of the act. But any argument that it makes puppets of farmers is inherently ridiculous for still another reason, and let me tell you what that is.

Under a class I base plan a farmer's base has only one significance. It determines the amount of money he receives from the pool for his milk. But this is a matter which already is subject to completely free agreement between the farmer and his cooperative. Farmers with base may share equally with farmers without base in the proceeds of cooperative sales. The cooperative and its members may have a completely different manner of dividing the proceeds. That is already their legal right and it is spelled out in section 8c(5)(f) of the marketing order law which reads as follows:

> (F) Nothing contained in this subsection (5) is intended or shall be construed to prevent a cooperative marketing association qualified under the provisions of the Act of Congress of February 18, 1922, as amended, known as the 'Capper-Volstead Act,' engaged in making collective sales or marketing of milk or its products for the producers thereof, from blending the net proceeds of all its sales in all markets in all use classifications, and making distribution thereof to its producers in accordance with the contract between the association and its producers: Provided, that it shall not sell milk or its products to any handler for use or consumption in any market at prices less than the prices fixed pursuant to paragraph (A) of this subsection (5) for such milk.

Since the distribution of sales proceeds is already completely a matter of agreement between the cooperative and its members, the assignment of members' bases to the cooperative gives the cooperative no additional power over the member. It does not lock him in. It does not affect his share of the sales proceeds, He may quit the cooperative and take his base with him. That is fully described in item (3) of the staff memorandum prevously inserted in the record and there is absolutely no question about it.

Now, let us see what this provision does. It gives the cooperative greater ability to protect its members' bases when it markets their milk.

Let us look at one type of situation which gives rise to the need for this provision. Let us suppose, and this is the case, that markets in northern Florida are deficit markets. They frequently need more milk for fluid consumption. Tennessee has a surplus of milk that is looking for a home. Georgia, which lies between them, has an adequate but not excessive supply.

Now let us take an example. Let us take a Florida plant that needs milk. A few miles away in southern Georgia are some Georgia order producers with *x* hundredweight of milk. Many miles away in Tennessee there are some Chattanooga order producers, also with the *x* hundredweight of milk. They are a few miles away from a northern Georgia handler who needs that quantity of milk. All producers belong to the same cooperative.

It does not take a Solomon to see that it would be reasonable and cheaper for the Georgia producers to deliver to northern Florida and the Tennessee producers to deliver to northern Georgia. The milk is of equal quality and quantity. All markets would end up with the same total quantity of milk if delivery were made in that fashion. It would be ridiculous to truck the Tennessee milk southward across the State of Georgia to Florida, while the southern Georgia milk is being trucked northward across Georgia. The truckers might pass with a wave or meet and have lunch together. Precious fuel would be wasted. But while that would be a ridiculous way to do business, the complexity and rigidity of the Georgia order adds an artificial factor in favor of just such an uneconomic movement. The fact that the Georgia producers will lose base if they deliver to Florida is an artificial economic factor that militates against this reasonable arrangement. This provision of the bill is an attempt to avoid this difficulty by assigning the bases of the Georgia producers to their cooperative in the hope that that will pave the way for substitution of the Tennessee milk in filling the Georgia producers base marketings in Georgia.

The example I have given is an oversimplied one in a very complex situation. The cooperatives are constantly looking for a home for their milk as handler demands and production varies. Proper dispatching saves time and money and manpower. It is a very difficult problem for the dispatchers to take the base and all of the other variables into consideration and make the right decisions. They do not always do so. Assignment of bases to the cooperative is designed to remove one of these variables and provide them with the flexibility to market the milk to the best interest of producers and consumers, without needless costs.

### RECOGNITION OF BASE HISTORY

The second provision which would be stricken by this amendment gives the same recognition to the history of marketings upon which bases under a State or cooperative base plan have been determined that the law now gives the history of marketings upon which a Federal order base has been determined.

The purpose of a base plan is to make it possible and attractive for a producer to limit his production to his share of the quantity needed for the market. If he does this under a Federal order, he is not penalized therefor when his base is updated; but at each annual updating he will be treated as though he had produced the larger amount upon which his base was originally determined.

It is only fair that the same rule be applied to histories under other Federal, State, or cooperative orders which are similar in nature and this provision would permit such treatment.

The existing law with respect to the updating of bases under Federal orders is set out in item (5) of the staff memorandum previously inserted in the RECORD. The memorandum further gives an example of four producers, each with a history of marketing 2,000 pounds in a prior base period. Three have reduced in recent years to their bases under, respectively, a Federal order, a State order, and a cooperative base plan. The fourth, not being subject to such a plan, has continued to produce 2,000 pounds. This provision would permit the Secretary, if the evidence showed such action to be equitable, to give all four the same amount of base.

This provision also would permit the orderly and equitable phasing out of Federal, State, or cooperative base plans pursuant to a Federal order.

### EXCESS PRICE BELOW THE ORDER PRICE

The next provision which would be stricken by this amendment makes it clear that the return to a farmer for excess milk under a Federal seasonal or class I base plan may be fixed at less than the lowest class price. Again, this is just an available tool which the Secretary may use if it will effectuate the purpose of the act. The purpose of a base plan is to discourage the production of excess and unwanted milk. Disposition of such milk may be expensive and wasteful. A high cost manufacturing plant may have to be operated for a few months in the flush season to provide a home for it. It may have to be trucked a long distance. There may be a number of reasons why an extra measure of discouragement for its production should be provided. This, of course, does not affect the class prices paid by handlers. Lowering the return for excess milk would increase the return for base milk; and discouraging the production of excess milk could, by increasing the percentage utilized for class I purposes, further increase the base price.

### MINIMUM CHARGES FOR SERVICES FOR HANDLERS

The next provision which would be stricken by this amendment would permit the fixing of minimum charges for services performed for a handler. Like all other provisions of an order such provisions could be included only after a full hearing and determination that they would tend to effectuate the purposes of the act. One of the purposes of the act is to achieve fair prices for producers, and the manner in which this is done is by fixing minimum prices to be paid by handlers for milk. Where the handler purchases milk and services as a unit, it is difficult to assure the producer or his association of the minimum price for the milk unless there is a separate or clearly recognized charge or value for the service. This provision is therefore designed to permit such assurance.

### PRICE POSTING

The next provision which would be stricken by this amendment provides for manufacturing milk orders which do not provide for minimum prices but provide for price posting. Such an order can assure producers that they receive the full price posted and agreed to by the handler for the quality and quantity of milk delivered.

### DIFFERING LOCATION DIFFERENTIALS

This amendment permits an order to provide for the use of different location differentials for computing minimum class prices and for computing payments to producers from the pool. Where two orders are merged, different basing points may have been established. It may be difficult to change the established pattern of location differentials for producer returns, and at the same time it may be necessary to alter location differentials for minimum class prices in order to direct the flow of milk to the deficit, rather than the surplus portions of the marketing area.

### SERVICES OF MARKETWIDE BENEFIT

The next provision permits an order in an appropriate case to provide for payments from the pool to cooperatives for services of marketwide benefit. This could be included in an order only after a showing that the services do provide marketwide benefits and that payments from the pool for them is appropriate and will tend to effectuate the purposes of the act.

The principal purpose of marketing orders is to provide for orderly marketing. Milk is a commodity which must be kept flowing to market in the quantity needed. To be sure of this quantity, it is necessary that there be some surplus. But if too much surplus accumulates and no one is willing to buy it, the entire system breaks down. As supply and demand fluctuates the surplus may grow or diminish. To take care of this changing surplus or reserve, storage, manufacturing plants, or other means must be provided to absorb it or release it as needed to the fluid market. This and similar services may benefit every producer in the market and it may be appropriate for pool payments to the cooperative for providing it.

### STANDBY RESERVE POOLS

The next provision which would be stricken by this amendment permits an order to provide for a standby reserve pool. Under such a provision payments would be made from the pool to cooperating dairy farmers, associations of dairy farmers, and handlers who under the terms and conditions prescribed in the order make reserve milk available to the market as needed. Such a pool is really an example of a service of marketwide benefit. Its purpose is to provide for a constant flow of milk to the order market and to prevent unwarranted fluctuations in supplies. Instead of the excess milk being shipped to the order market to be absorbed in manufacturing there, it might be used for manufacturing purposes near its point of origin and diverted from such manufacturing to fluid use in the order market on call.

Mr. President, the provisions which this amendment would strike from the bill are simply additional tools which, after a full hearing, the Secretary may use if he finds that they make marketing orders work better and tend to achieve the congressional objective.

They are all designed to provide for orderly marketing, to keep the milk flowing to consumers in the quantities needed, to eliminate wasteful practices, and to keep prices down to reasonable levels. They should be kept in the bill and the amendment should be rejected.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. TALMADGE. Mr. President, is the Senator from Michigan prepared to yield back his time?

Mr. HART. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Six minutes.

Mr. HART. Mr. President, I yield myself a couple of minutes.

The Senator from Idaho (Mr. CHURCH) was required, because of earlier schedule obligations, to be absent, unhappily at just about this hour. The Senator from Idaho has asked that I offer for the RECORD a statement of his in strong support of the amendment, a statement which I am very grateful to have, and which I ask unanimous consent to have printed at this point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

### STATEMENT BY SENATOR CHURCH

These highly technical amendments to the basic law governing the operation of federal milk marketing orders throughout the country were, as I understand it, submitted in open testimony along with hundreds of other recommendations. However, although I am not a member of the Agriculture Committee, I have been informed that the proposed amendments were actually written by representatives of the giant milk coops. Certainly an examination of the amendments would indicate that these supercoops would gain the most from approval of these amendments. There is also a great controversy over whether or not a substantial number of individual coops, individual dairy product manufacturers and other organizations were given an adequate opportunity to comment on the proposed amendments before the bill was agreed upon and voted out of the Agriculture Committee.

Mr. President, we are dealing with one of our most vital foods. The pricing of fluid milk and manufactured products and the economic future of many of our milk producers hangs in the balance. This obviously speaks for the care that must be taken with these provisions.

Dairymen in Idaho favor the extension of the basic authority for Class I Base plans. The dairy program which we have had in the past has, on the whole, been successful. Senator Hart's amendment does not delay nor delete these provisions; nor does the amendment delete provisions from this legislation which sets the price support at 80% parity and limits dairy imports to 2% of the domestic production. However, the Senator's amendments does withdraw these highly controversial provisions which would greatly benefit the supercoops; if Senator Hart's amendment is approved interested organizations and the Justice Department would then have an opportunity to be heard by the Committee before we are asked to make such provisions a part of the permanent law.

I urge my fellow colleagues to support Senator Hart's amendment.

Mr. HART. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. HUMPHREY. Mr. President, will the Senator yield? Before the yeas and nays are ordered, I would like to pose a parliamentary inquiry.

The PRESIDING OFFICER. The request for the yeas and nays has been made. Unless the request is withdrawn, it must be acted on.

Mr. HUMPHREY. The request has been made, but the Chair has not ruled, and I want to make a parliamentary inquiry.

Mr. HART. Mr. President, may I suggest the absence of a quorum for 1 minute?

Mr. CURTIS. Mr. President, I yield 1 minute from the bill for a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Michigan asked for the yeas and nays. Unless the request is withdrawn, it must be acted on.

Does the Senator from Michigan withdraw the request?

Mr. HART. Mr. President, I withhold the request for a moment.

Mr. HUMPHREY. Mr. President, my question is, If the yeas and nays are ordered on the Hart amendment, is it still possible to amend the Hart amendment before the yeas and nays are called for?

The PRESIDING OFFICER. An amendment would be in order.

Mr. HUMPHREY. An amendment to the Hart amendment?

The PRESIDING OFFICER. After the time on the amendment has expired and before the roll is called.

Mr. HUMPHREY. I thank the Chair.

Mr. HART. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. HART. I thank my colleagues, and I am prepared to yield back the remainder of my time.

Mr. TALMADGE. Mr. President, I think the distinguished Senator from Kansas desired to have a colloquy just prior to the vote. I am prepared to make a brief statement before I yield the floor.

Mr. DOLE. Mr. President, as the distinguished Senator from Georgia will recall, yesterday we had a colloquy involving about four questions on block voting and the standards required. There is one additional question I wish to ask today of the distinguished chairman. The question is: If a processor has been buying all his milk from producers within a milk marketing order, and a Federal class I base plan is voted in, can that processor, under the provisions of S. 1888, as amended by Chairman TALMADGE's clarifying amendments, purchase a part or all of his needs from producers outside the milk marketing order area?

Mr. TALMADGE. Yes; there is no question about this. The law is very clear.

Section 8c(5)(G) of the Agricultural Adjustment Act provides as follows:

> (G) No marketing agreement or order applicable to milk and its products in any marketing area shall prohibit or in any manner limit, in the case of the products of milk, the marketing in that area of any milk or product thereof produced in any production area in the United States.

In addition, to make this doubly clear in the case of class I base plans, section 201(d) of the Agricultural Act of 1970 provides as follows:

> (d) It is not intended that existing law be in any way altered, rescinded, or amended with respect to section 8c(5)(G) of the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, and such section 8c(5)(G) is fully reaffirmed.

The bill makes absolutely no change in section 8c(5)(G). It extends section 201(d) of the Agricultural Act of 1970 without change.

There is absolutely nothing in the bill that would prevent a processor from purchasing all of his needs from producers outside the milk marketing order area. Such producers would receive bases under section 8c(5)(G)(v) of the Agricultural Adjustment Act.

Mr. DOLE. Mr. President, will the Senator yield me 2 minutes?

Mr. TALMADGE. I yield 2 minutes to the distinguished Senator from Kansas.

Mr. DOLE. Mr. President, I invite the attention of Senators who may not have been present yesterday to the colloquy between the junior Senator from Kansas and the distinguished senior Senator from Georgia, which appears on page S10432 of the RECORD.

I believe that in response to those questions—in fact, I know that in response to those questions—the distinguished chairman of our committee made it very clear, in answer to the first question, that block voting was not permitted in voting to bring in a Federal class I base place plan. The chairman's response was very clear.

The second question was as to the percentage of favorable votes necessary to create a class I base plan, and that stands at 66⅔ percent.

The third question was with reference to what action is required of the U.S. Department of Agriculture prior to the vote on the Federal class I base plan.

Then, because of certain reports and rumors that a producer might lose his base, the chairman was asked a final question. I asked the chairman:

> Mr. President, if a farmer wants to drop his membership in a cooperative, does he retain his Class I Base Plan arrangement or can he retain his base under the provisions of the bill pending before the Sentae?

Again, the distinguished chairman of the committee made it very clear by responding:

> Absolutely. The bill is very specific in this regard.

By the fifth question and answer today about a processor buying outside the milk marketing order, I believe we clarified many questions raised by those who at one time or another supported the Hart amendment.

I recall the committee deliberations. I recall the consensus reached by the committee. We were not trying to put anyone on the spot. The understanding is that there are lawsuits pending between certain cooperatives and well respected farm organizations.

We are trying to avoid becoming involved in the litigation. That was the sole purpose. We were trying to protect the dairies and the consumers.

I emphasize that the Record is clear. The colloquy and the clarifying amendments offered yesterday by the distinguished Senator from Georgia, the chairman of the committee, rather negate any reason at this point for the adoption of the Hart amendment.

Mr. TALMADGE. Mr. President, I would like to make a very brief statement, and I will then be ready to yield back the remainder of my time.

First, I want the Members of the Senate to know that cooperative marketing orders for milk are not new. They have been established for 40 years. They were provided for by the Agricultural Adjustment Act of 1933. Since that time, from time to time the law has been modified as economic conditions warranted.

This year we have heard from more than 300 witnesses on the Agricultural Act. Hearings were held in six States and in the District of Columbia. We held hearings ad infinitum, day after day. There was some controversy. However, all witnesses who made timely request were heard.

Milk marketing orders are very complex things. Very few people except dairymen can understand them. We who have served on the Committee on Agriculture and Forestry for a number of years have difficulty sometimes in comprehending these technical provisions relating to milk marketing orders. Every time there is a proposal relating to milk, we call in Mr. Forest, the Department of Agriculture expert on milk. He advises on how these provisions work, and then the committee members have their say. Then we reach an agreement. And the committee reports that provision to the Senate without one single dissent.

That is our best judgment. We did what we thought was appropriate and right. We think it will be of benefit to the country.

I urge the Senate to reject the Hart amendment.

Mr. BENTSEN. Mr. President, will the Senator from Georgia yield?

Mr. TALMADGE. I yield.

Mr. BENTSEN. Mr. President, I have had some people who oppose the bill and support the Hart amendment tell me that nonmembers of a cooperative would be charged for certain services which they might not even utilize. Has that been correct?

Mr. TALMADGE. No, nonmembers would not be charged for any services that were not of benefit to them. The bill would permit an order to prescribe minimum charges for services rendered to handlers and to provide for payments which the Secretary determined were of marketwide benefit that is benefited all producers member and nonmember alike. I offered three clarifying amendments yesterday, two of which related to these provisions, which the Senate accepted, to make it crystal clear that no service could be charged to a handler for a service which he could provide and desired to provide himself; and that no payments could be made from the pool for services which handlers were ready and willing to provide without charge.

Mr. BENTSEN. He has the option to provide the service for himself and not be charged for it if he is not a member of the cooperative?

Mr. TALMADGE. The Senator is exactly correct. As the language appearing in the RECORD on page S10432, down in the middle of the page, first column reads:

> On page 4, lines 20 and 21, strike the following, ", including but not limited", and insert the following:
>
> "who is given the opportunity to purchase the milk with or without such services and elects to receive such services, such services to include but not be limited".
>
> On page 6, beginning in line 18 with the word "and", strike all through line 20 and insert the following:
>
> ", (ii) furnishing other services of an intangible nature not hereinbefore specifically included, and (iii) providing any services, whether of a type hereinbefore specifically included or not, which handlers are ready and willing to perform without charge';

That is technical language and is difficult to understand. However, it provides that no handler can be charged for a service he can handle for himself and desires to handle for himself.

Mr. BENTSEN. Mr. President, I thank the distinguished Senator.

Mr. TALMADGE. Mr. President, I thank the distinguished Senator from Texas.

Mr. President, I am ready to yield back my time and vote on the amendment of the Senator from Michigan.

Mr. HART. Mr. President, will the Senator yield, since I have no time remaining?

Mr. TALMADGE. I yield.

Mr. HART. The bill, including the amendment of yesterday as it affects the language on page 6 is of concern to all of us. Is it the intention of the Senator from Georgia by his amendment to page 6, which is the amendment beginning in line 18 on page 6 and relating to the marketwide services that this be the case?

This gave me greater concern than the other section, because as I read it there would be deducted from the payment to the pool, in the case of a nonmember, for services that involve laboratory work, whether or not the nonmember used the laboratory.

I do not see that that has been corrected by the amendment of yesterday.

Mr. TALMADGE. The Secretary must find that the service performed is of marketwide benefit and must be provided for a member and nonmember alike, all producers before a payment can be made from the pool.

Mr. HART. Mr. President, what if the nonmember has a brother who happens to be a veterinarian and he wants the brother to do the lab work?

Mr. TALMADGE. Mr. President, if he performs his own service, there can be no charge for it.

Mr. HART. Mr. President, the charge would be deducted from the pool payment for that individual whether he used the lab work or not if the order went out.

Mr. TALMADGE. No. Because the Secretary could not find in that case that the service benefited every producer. It could not be a service providing marketwide benefit.

Mr. HART. A man who has a brother who is a veterinarian would not think he was getting a benefit.

Mr. TALMADGE. Then the order would not provide for that payment.

Mr. HART. That is the intention of the language of yesterday?

Mr. TALMADGE. That is the intention of the language of the bill reported by the committee as clarified by the addition of this language on yesterday.

Mr. President, I am ready to yield back the remainder of my time.

Mr. CURTIS. Mr. President, I yield 5 minutes on the bill to the distinguished senior Senator from Vermont.

The PRESIDING OFFICER. The Senator from Vermont is recognized for 5 minutes.

Mr. AIKEN. Mr. President, I think that I should explain my position on the bill. I plead guilty to not having spent as much time at the hearings as I would like to have spent because of other committee work at which I had to be in attendance.

I voted to report this bill out, not because I approved of all the provisions of the bill, but because I realized there were three or four opportunities to correct any errors or omissions or anything else that might be undesirable about it.

First, I knew that a bill, after coming out of the committee, had to be considered by the Senate—and I will say that this bill is being considered, so far, about as thoroughly as any agricultural bill that I have ever seen before this body—where amendments could be offered and accepted, if it was felt desirable, by the entire Senate.

Then the legislation must go to the House of Representatives. The House Agriculture Committee has already been working on it, and I understand that they will try to get action as soon as they find out what kind of a bill we are passing over here, and perhaps change it. In fact, I would be surprised if they did not change it materially anyway, because the House is not quite so agriculturally minded as the Senate, and perhaps its Members do not understand the problems of the dairy people and other agricultural producers as well as do Members of the Senate.

Then, of course, the portions of the two bills in disagreement will have to go to conference between the House of Representatives and the Senate, where there will be still another opportunity to correct any mistakes which have been made by either House. And finally, if they come out with a bad bill, which tends toward the establishment of a monopoly of the dairy industry of this country, I would not expect the President to show any great enthusiasm for signing it. I do not say that he would not, but there is always that possiiblity, too.

So I think it is important that we work out the best agricultural bill that we can.

At present, most of the commodities that people complain about costing the public too much are selling for more than the support price right now. That is the reason why I voted to have this bill come out as quickly as we could, so that we can get final action on it as quickly as we can. I do not know how much longer the Senate will take; I hope we can finish with it tomorrow and get it going, because it is a moral certainty that the House is not going to agree with everything we send over there anyway, in every respect.

I have already spoken briefly on the Hart amendment. Four pages of the Hart amendment I consider good; two pages of it I think it might be better to leave out of the amendment. I believe that the Senator from Minnesota, perhaps, has been working on a substitute for it. I have not seen it yet. But if we could get an amendment there that would be chock full of benefits and contain no liabilities, that would be a good amendment indeed. It would be expecting a little too much, perhaps, but at least we can hope.

I simply wanted to explain my position on the bill. I know for the last 40 years—someone mentioned 1933—I have been concerned with the dairy marketing situation, because at that time I well remember that milk was selling for $1 a hundred. It is now bringing about $7 or $8 a hundred.

Mr. CURTIS. Does the Senator want more time?

Mr. AIKEN. No, I guess not.

Mr. TALMADGE. Mr. President, I yield 3 minutes to the distinguished Senator from Minnesota.

The PRESIDING OFFICER. The Senator has only 1 minute remaining.

Mr. TALMADGE. I yield that remaining 1 minute.

Mr. HUMPHREY. Mr. President, the dairy provisions of this bill are the most controversial, in the eyes of many people. It is my judgment that basically those provisions make sense. There are some honest differences of opinion as to whether or not those provisions will interfere with legal actions and whether or not they constitute too much power in the hands of the cooperatives.

I would just like to say, for the cooperatives, that if the dairy farmers of this country depend on the Federal Government to assure them a good chance in the marketplace, they are going to be in trouble. I am going to tell my farm friends that they had better do what the labor people have done, get the right bargainers and go out and get themselves a price. If the laboring people of this country had depended on the Labor Department for their welfare, they would have been serfs; and if the farmers depend on the Department of Agriculture they will be peasants. I suggest that they go out and get the price that they deserve, and then be good citizens.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. HUMPHREY. I did not have much time. I hope that the Senator from Vermont gets his good bill.

Mr. CURTIS. Mr. President, I yield the Senator from Oklahoma 15 minutes on the bill.

Mr. BELLMON. Mr. President, if the Senator from Minnesota would like a part of that time, I would be happy to share it with him.

Mr. HUMPHREY. No, I will withhold further comment.

Mr. BELLMON. Mr. President, as has been said, these dairy amendments are perhaps the most controversial aspects of this bill. I am sure we have some very mixed feelings about the committee action, and about the arguments that are being made.

I have in my hand a copy of a study which has been made by the Department of Agriculture relating to the milk marketing order provisions of S. 1888. For the benefit of those who may not fully understand what we are talking about, I would like to refer to a part of this study, to hit the high points of what the U.S. Department of Agriculture feels is involved here.

Mr. CURTIS. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. BELLMON. To begin with, the proposed changes would give members of cooperatives a tremendous advantage over nonmembers. An individual co-op member would not receive a lower price for excess milk so long as his excess were offset by the underproduction of other members. But the nonmember could not avail himself of such an offset. He and his fellow nonmembers would be at such a competitive disadvantage that they would eventually be forced either to get out of the dairy business or to join a cooperative.

I think we ought to know what we are doing. We are giving the dairymen who belongs to a cooperative an advantage over the dairymen who is not a cooperative member.

Another difference—and this appears on page 2—is that, as the bill provides—

> Such order may provide that a producer who has acquired a base under a cooperative marketing association's base plan . . . shall . . . be entitled to the history of marketing represented by the base held by him.

The purpose of this is to avoid difficulties that cooperatives have heretofore experienced in phasing into class I base plans. The Department has been unwilling to automatically transfer bases from a cooperative base plan into a successor class I base plan, first, because there has been no legislative authority for doing so and, second, because to do so may not be fair to nonmembers. For example, a nonmember buying a farm just before a class I base plan is initiated would not be credited with the production history of that farm in determination of his base; the co-op member buying a farm would, on the other hand, have been permitted and adjustment in his base and, on the basis of the above provision, this adjustment would carry forward into his new class I base.

Mr. President, during the debate on this bill, the Committee on Agriculture and Forestry invited the Department of Agriculture's witness to come in and testify. I have to say that in listening to that witness, I was not able to fully understand the Department's position or to understand exactly what was involved in the amendment the committee had under consideration. The Department has now prepared this study. It is rather too lengthy to go into in full here on the Senate floor, but I ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the study was ordered to be printed in the RECORD, as follows:

### S. 1888—MILK MARKETING ORDER PROVISIONS

(Discussion is by page number of the bill)

I.[1]

*P. 2* ". . . Such order . . . may provide . . . that the bases of . . . producers shall be allocated to the cooperative association while they are members thereof."

a. *Intent*—to permit the cooperative to offset underdeliveries of base milk by one member with overdeliveries of base milk by another. Under a Class I base plan, a producer receives a lower price for overdeliveries, i.e., the amount delivered in excess of his Class I base. The intent of this provision is, of course, to prevent overproduction. The proposed change would give members of cooperatives a tremendous advantage over non-members. An individual coop member would not receive a lower price for excess milk so long as his excess were offset by the underproduction of other members. The non-member could not, of course, avail himself of such an offset. He and his fellow non-members would be at such a competitive disadvantage that they would eventually be forced into joining a coop. The provision would also allow a cooperative to transfer milk off the market and allocate such transfers to the excess deliveries of its members leaving its milk left on the market as base milk. Non-members would have their history of marketing automatically reduced if they took their base milk off the market.

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[1] Sections I through III apply to Class I base plan legislation. Page 4 of the bill extends such legislation for an additional five years. Though Class I base plans, which inherently are production control oriented, are difficult to justify at the present time, the extension will probably incur only limited opposition.

Depending on how the provision is utilized by the cooperative, it could also deprive the coop member of the right to buy or sell base so long as he is a member of the cooperative. In other words, allocation of a member's base to the coop could give the latter full control of the base, and the right to make decisions on transfers of base between and among members. This right, if it exists, could be used both as a carrot and as a stick by the coop leadership.

The legislative history to date implies that a producer can take his base with him when he terminates membership in the cooperative. But this is not explicit, and needs clarification. Futhermore, there is no showing as to what base he takes with him—his original base, the original base as altered under the base plan, the original base as altered by the cooperative, or something else.

b. *Recommended USDA position*—Opposition based primarily on (1) the potential adverse impact on non-coop members, and (2) ambiguities in potential treatment of the coop members themselves.

II.

*P. 2* ". . . Such order may provide that a producer who has acquired a base under a cooperative marketing association's base plan . . . shall . . . be entitled to the history of marketing represented by the base held by him. . . ."

a. *Intent*—To avoid difficulties that cooperatives have heretofore experienced in phasing into class I base plans. We have been unwilling to automatically transfer bases from a coop base plan into a successor Class I base plan, first, because there has been no legislative authority for doing so and, second, because to do so may not be fair to non-members. For example, a non-member buying a farm just before a Class I base plan is initiated would not be credited with the production history of that farm in determination of his base; the coop member buying a farm would, on the other hand, have been permitted an adjustment in his base and, on the basis of the above provision, this adjustment would carry forward into his new Class I base.

b. *Recommended USDA position*—Opposition, based primarily on possible inequities to non-members. We have no information with respect to the grounds on which the bases of cooperatives have been established. Frequently a producer will be given special considerations in computing his base as an enticement to join the cooperative. We recognize that the problem of the transition from a cooperative base plan to a Federal Class I plan is difficult for anyone: the coop bases have value, and that value is lost or diminished in the transfer. Aside from this, it is difficult to evaluate farm transfers and a myriad of other factors that can affect production history. We recognize these problems, for we've been experiencing them in the implementation of Class I base plans. But thus far we've been able to work them out on an ad hoc basis, and hopefully in a fair and just way. Since each situation is somewhat different, we believe that the present system is preferable to legislating a solution that, though definitive, may not be fair to some or all of the producers involved.

III.

*P. 3* ". . . The Secretary of Agriculture . . . may provide a price to be paid for milk in excess of base . . . at such level as he deems appropriate without regard to prices established for each class of milk. . . ."

a. *Intent*—To provide an additional tool for supply reduction under Class I base plans. Under such a plan, producers already get a lower price for their excess milk, i.e., milk produced in excess of base, than they do for milk produced in accordance with their base allocation. But they are, nevertheless, entitled to the Class II price (established under the milk marketing order as representing the market value of the milk) for that excess milk. The cooperatives argue that this may not be enough of a production disincentive and that the Secretary should, therefore, have authority to establish the price for excess milk at a level below that of the market value. Otherwise, say the cooperatives, the Class I base plan may fail for lack of production discipline.

b. *Recommended USDA position*—Opposition, for several reasons. The cooperatives argue that if producers vote for a Class I base plan, production discipline is inherent therein, and that there ought to be available in the system sufficient authority to make that discipline effective. Hence, this additional provision. Notwithstanding this line of reasoning, it would not be in the public interest to favor additional production discipline at a time when food prices, including milk prices, are rising, and milk production is already on the decline. Any producer in the market—whether or not a member of a coop—would have the incentive to sell his excess milk to a nonregulated plant willing to pay more than the "below Class II" price established in the order—if there is such a plant in the vicinity. But this in itself would lead to inefficiencies in milk marketing. In order to avoid the low price for excess milk in their home areas, producers would begin to transport that milk to nonregulated plants further away, so long as the price differential would more than offset the additional transportation costs.

In summary, additional production control is incongruous at the moment, and the additional level of prices would probably lead to marketing inefficiencies.

IV.

*P. 4*—States that a milk marketing order may "provide a method for fixing minimum rates of payment to producers or associations of producers for services performed for a handler, including but not limited to (1) providing specific quantities of milk on designated days and providing milk of a specified grade, quality or composition and (2) performing special services, such as but not limited to, milk assembly, refrigeration, storage, laboratory work, quality supervision and accounting . . ."

a. *Intent*—To require cooperatives to collect "service charges" from handlers under the order. At present, cooperatives must negotiate with handlers for the collection of such charges. This has been done successfully in some markets, for some items of "service." The degree of success is, of course, dependent on the respective bargaining power of the two parties as well as the competition among cooperatives if several are operating in the same market. Under the above provision, service charges could be authorized in the order itself. For cooperatives "selling" such services might be easier through a hearing procedure than through negotiation. It would also tend to make the charges more uniform if there were several cooperatives operating in the market.

We believe that we already have this authority under present law, though the language is not as specific as that quoted above. There is no doubt that cooperatives now perform many marketing functions that years ago were carried out by the handlers themselves. And there is no doubt that many, if not all, of these "services" are beneficial to handlers. If they were not performed by the cooperative, or by someone else, they would have to be performed by the handlers. The difficulty comes in identifying and quantifying the "services" so that fair and just payments are made under the order. For example, how does one quantify the value to a handler of being provided specific quantities of milk on designated days.

b. *Recommended USDA position*—Opposition, based on our position that these charges should be negotiated between cooperatives and handlers, rather than determined under the order. Negotiation is the free enterprise way of doing this, and it avoids the difficult, if not impossible, problem of identifying and quantifying "services" under the order. The Department of Justice points out that this provision is, in essence, legalized price fixing in an area that should be left to free competition. If, however, the Congress desires to pursue this course, the above language would be preferable to that of the existing law.

V.

*P. 5*—States that a milk marketing order may provide payment to producers or associations of producers ("before computing uniform prices") ". . . for services of marketwide benefit, including, but not limited to, (a) providing facilities to handle and dispose of milk supplies in excess of quantities needed by handlers and to furnish additional supplies of milk needed by handlers; (b) handling of milk on specific days in excess of the quantities needed by handlers; (c) transporting milk from one location to another for the purpose of fulfilling requirements for a higher class utilization or providing a market outlet at any class of utilization; and (d) performing special market services, such as, but not limited to, providing milk assembly, refrigeration, storage, laboratory work, quality supervision, and accounting; but excluding (i) providing economic, education, and legal services for the benefit of all producers. . . ."

a. *Intent*—To provide that cooperatives may collect "service charges" from the pool, i.e., from the milk proceeds prior to their distribution to producers. In other words, this gives cooperatives two options for obtaining reimbursement for such "services:" (1) from handlers, under the provision discussed in section IV, and (2) from all producer members and non-members, under this provision. With the exception of (c) above, the language of the two provisions is virtually identical. But the impact is considerably different. A non-coop member may well have no major objections to the provision of section IV, i.e., to the collection of service charges from handlers. But such member may object vigorously to the collection of such charges from the pool. The latter would directly reduce the amount of money that the non-coop member would receive for his milk. The cooperatives argue, of course, that these are services of benefit to all producers in the market, both members and non-members. Therefore, say the co-ops, non-members should have no objection to deduction of such charges from the pool. Some non-members would probably agree—but many would not. This is a highly controversial issue.

Note that this provision specifically excludes charges for economic, education and legal services. (A deduction for such services is now authorized in one of our orders.) Apparently this was added at the behest of some members of the Ag Committee in order to make sure that present dairy lawsuits are not financed from the pool.

This provision has many aspects of a "subsidy" for cooperatives. In the long run cooperatives would be weakened by their dependence on government regulation for operating income with its accompanying increased government supervision.

b. *Recommended USDA position*—Opposition, based (1) on the problems of identifying and quantifying such services (already discussed in section IV), and (2) more importantly, on grounds that such services are not necessarily beneficial to non-coop members. Even if they do have marketwide benefits, it is difficult to justify imposing those benefits on the non-member who does not want them.

In addition, most of these services are of primary benefit to the handler, rather than to the producer. Therefore, they should be collected from the handler. As indicated in section IV, our preference is that this be done by negotiation, rather than through the marketing order.

*P. 6*—Provides for the establishment of ". . . a reserve supply management program . . . designed to prevent unwarranted fluctuations in supplies . . . . by compensating cooperating dairy farmers cooperatives and handlers . . . . who . . . make their milk available in an efficient and orderly manner as needed.

a. *Intent*—To put under Federal regulation a so-called "standby pool," one form of which is now being operated on a voluntary basis by the cooperatives. The purpose of the standby pool is to ease new Grade A milk producers into the market system without unduly disrupting that system. This has been precipitated by the rapid conversion by producers in recent years from Grade B to Grade A, especially in some areas. If these new Grade A milk supplies were absorbed into the fluid milk market immediately, an excess of milk would have to be pooled under certain marketing orders, and producers in those orders would suffer. Thus, producers now operating under those orders are not anxious to have new Grade A producers enter. But they are willing to pay a few cents per hundredweight to keep that new supply in reserve. In addition, distant producers in an area where milk is in short supply during part of the year are also willing to pay a few cents per hundredweight to keep that new reserve supply available for use when needed. If they can call upon that supply on a moment's notice at a reasonable price, they can keep their handlers happy. Thus, nearby producers pay a little to keep this new supply from coming to their markets; distant producers pay a little to have it come to theirs, but only when needed.

Producers in the standby pool sell their milk to nearby manufacturing plants except when it is needed by the distant market(s). But they receive enough in payments from the other producers that their total returns are approximately comparable to those of their neighbors who are already in the nearby fluid milk market.

The standby pool does ease the transition from Grade B to Grade A, a transition with which dairy producers will have to live until (1) virtually all producers are Grade A, and (2) such producers are gradually absorbed into the marketing system. But such a pool does constitute a modification of the free market system and is, therefore, objectionable to the Justice Department. If standby pools are to be permitted to operate, Justice would much prefer that they operate under USDA jurisdiction, as provided in this legislation, than by the cooperatives themselves.

b. *Recommended USDA position*—Opposition to the legislation, on grounds that it needs greater public exposure and a careful hearing. It is very clear that some kind of Grade B-Grade A transitional mechanism is needed; but it is not at all clear that this provision is the proper mechanism. If government is to operate standby pools or "reserve supply management programs", whichever they are called, how do we decide (1) which producers can come into the fluid milk markets; (2) which must stay out of those markets; (3) which distant markets must contribute to the standby pool; (4) how much the producers must contribute; (5) how much the standby pool recipients are to receive; (6) at what prices will the standby pool reserve milk be made available to fluid markets; and a whole host of additional questions. In our judgment, legislation at this point would be premature. In addition, cooperatives could lose their Capper-Volstead exemption if proprietary concerns were to be included in the voluntary standby pool. If operated under a Federal program proprietory concerns would be permitted to participate.

### VII

*P. 8*— ". . . [I]f one-third or more of the producers . . . in a milk order apply in writing for a hearing on a proposed amendment . . . the Secretary shall call such a hearing. . . . [T]his section shall not be construed to permit any cooperative to act for its members. . . ."

a. *Intent*—Self explanatory. USDA now has discretionary authority in the calling of hearings, and hearing requests are occasionally refused. The above provision would remove that discretionary authority.

There are a number of reasons why hearings may be refused. If, for example, the action requested would not be legal, there is no point in holding a hearing. Likewise, if the action would be clearly contrary to the general philosophy of the Administration, or specific policies of the Department, there is no point in holding a hearing. Hearings cost the government money, and cost producers and handlers money. Those costs simply should not be incurred when there is no chance that the requested action will be granted.

b. *Recommended USDA position*—Opposition, based on (1) potential abuse of the provision, and (2) absence of proven need. As presently written, the provision withdraws all the Secretary's discretion. He could not refuse a hearing for any reason, even illegality of the proposed action. And, if one hearing were held and a request denied, a third of the producers could force the Secretary to immediately call another hearing on the very same issue. Thus, hearings could be used to harass the Department, at great expense to the taxpayer. (Fortunately, this risk is somewhat minimized by the provision which prevents cooperatives from acting for their members.)

This legislation was probably precipitated by our denial some weeks ago of hearing requests on Class I prices. Producer associations sought an increase in such prices, an impossible request under the circumstances. Nevertheless, they argued vigorously that they should have had a chance to present their case, even if it would not have been favorably received.

We have an obligation not to be precipitous and arbitrary in evaluating hearing requests. When in doubt, we ought to grant such requests, for it is essential in a free society that people be able to enunciate their views. But neither should we waste time and money in useless proceedings. The application of proper administrative judgment would seem to be preferable to legislating an inflexible approach, as is done in this provision.

### VIII

*P. 9*—Provides that the Secretary shall fix prices under the orders that will ". . . insure a sufficient quantity of pure and wholesome milk to meet current needs, reflect changes in the cost of production, and assure a level of farm income adequate to maintain productive capacity sufficient to meet anticipated future needs and be in the public interest."

a. *Intent*—Perhaps simply to clarify the section, but probably also to justify higher order prices. The added language starts with "to meet" and ends with "future needs." Presumably references to levels of farm income are intended to enhance producer arguments for higher order prices. The recent requests for a Class I price increase were based primarily on (1) higher feed costs, and (2) an expected decline in net income to dairying.

b. *Recommended USDA position*—Neutrality. We believe that the factors encompassed in the amendment are already implicit in the current language. Thus, the amendment adds nothing substantive to the section. If costs of production are not met, and if an adequate income is not provided to dairy producers, productive capacity will decline, and consumer needs will not be met. The Department now has an obligation to make sure that those needs are met, and this obligation will remain unchanged. Nevertheless, if the amendment is simply to clarify or make more explicit the present language, we see no harm in that.

### IX

The Justice Department, in a recent letter to Senator McGovern, has indicated its opposition to these amendments on specific grounds, as well as its general opposition to the anticompetitive tone of the amendments. The Department is also concerned that the intent of at least some of the provisions may be so authorize certain cooperative conduct which is now under prosecution. Several of the specific provisions are directly involved in the litigation. These include the cooperative base plan, the operation of the voluntary standby pool, and the amount of the service charges to handlers.

It is noteworthy that no hearings were held on any of these amendments.

Senator Hart's proposed amendment would delete all these provisions except: (1) the one on productive capacity in fixing Class I prices [Section VIII]; (2) mandatory hearings on [Section VII]; and (3) the five year extension of Class L base plans.

Mr. BELLMON. Mr. President, I have reluctantly come to the conclusion that the committee may have been hasty in taking these amendments without giving some of the Members, particularly including myself, the advantages that we perhaps needed to know exactly what we were doing.

Therefore, I have concluded that I am going to support the Hart amendment, in the hope that during the period of time that is involved here, we will go into the matter more thoroughly and know the full extent of the changes we are making. I feel strongly that the dairy marketing cooperatives have done a great job for the dairy industry. I feel that they have in many ways set a pattern that other agricultural commodity groups will need to follow. At the same time, when we make these kinds of changes, we are setting a precedent and establishing laws that will be with us for a long, long time, so that I, for one, believe we are justified in taking a little more time.

Mr. McGOVERN. I rise in support of Senator Hart's amendment which would strike from the bill certain provisions relating to dairy marketing orders. It is now clear that we acted upon these provisions in committee without adequate information as to their importance in the milk industry in this country and without full understanding of the consequences of these proposals if they are to become law. Let me hasten to add that I appreciate the thrust of Senator Hart's amendment. He has not proposed to delay the extension of authority for class I base plans, the armed services milk program, the dairy indemnity program, the modest increase in milk price support, and other provisions on which we should act affirmatively today. This amendment would, however, return other provisions for more thorough consideration.

The dairy provisions stricken by this amendment from title II would appear to make legal some practices of large milk cooperatives urging these provisions—conduct which is the subject of two pending antitrust law prosecutions by the Federal Government and one by the State of Illinois.

One case, now approaching trial, charges a cooperative with conspiracy to restrain trade and attempting to monopolize milk marketing by employing such predatory practices as depressing and manipulating prices, by loading the pool and thus flooding the market, by denying producers access to haulers, and by unreasonably restraining the rights of its members to withdraw from the organization and to market milk independently. Use of a standby pool and of existing base plans are at the focus of this case.

In addition to two Federal prosecutions, a Federal antitrust suit has been filed by the State of Illinois in Chicago Federal Court seeking equitable relief against use of monopoly power by cooperatives. Again, standby pool manipulations and alleged predatory pricing are at the focus of the case.

More than a dozen similar private antitrust cases have been consolidated by the Federal Judicial Panel on Multidistrict Litigation under docket 83, Midwest milk monopolization, and now pending in the Western District of Missouri. These cases involve, either as party defendant or as coconspirator, the major cooperatives which are the proponents of this legislation. This legislation would confirm by statutory enactment, some of the market powers which they are alleged to have used in contravention of antitrust law.

The proposed legislation, summarized under title II, points (2) through (10) on page 2 of the report on S. 1888, appears to confer on some cooperatives wide powers over standby pool and base plan operations, and authorize them to sell milk at below Federal order prices.

Assistant Attorney General Kauper pointed out in a May 25 letter to me that the proposed legislation would frustrate Government prosecutions and confer an even wider exemption from the antitrust laws than the cooperatives now possess under the Capper-Volstead Act.

At the very least, the dairy provisions in question, relating to marketing orders, should be returned to the committee so that hearings may be held, a detailed legislative record can be prepared, and they can be voted on in an informed manner after full development of information about the background, origin, justification, need, purposes, and prospective effects of this type of legislation. This is especially necessary in light of the suggestions of monopolistic abuse which, it is claimed, has already been disclosed in the pending antitrust litigations, both public and private.

I have not commented on the consequences should these provisions immediately become law for both producers and consumers of milk and milk products in this country. It is tremendously important that these aspects be thoroughly examined in open hearings, where, I am sure, a full discussion can more adequately develop the pros and cons than we are able to do on the floor in consideration of this important legislation. So I urge that Senator Hart's amendment be approved and that the provisions in question be given the most careful consideration before we ask the Senate to act upon them.

Mr. NELSON. Mr. President, my decision to vote for Senator Hart's amendment to delete the controversial dairy marketing provisions of S. 1888 is prompted mainly by the fact that these provisions were not the subject of specific hearings as formal legislative proposals.

It is true, of course, that the same can be said of many other provisions of this bill, and it is a normal legislative procedure to incorporate in executive committee mark-up sessions pertinent suggestions for legislation that have been made in the course of hearings. However, the difference is that in this case there are very sharp differences of opinion concerning these proposals among farm organizations in my State and those who are in opposition should be afforded an opportunity to have their testimony heard in further hearing before the Senate agriculture committee.

Cooperatives are at the very heart of the ability of the American farmer to compete effectively in the modern marketplace. It is understandable, therefore, that many farm spokesmen are anxious to strengthen cooperatives as a means of protecting the family farmer. I support such efforts almost without reservation, but I am certainly anxious that the farmers themselves be in agreement on the specific changes in law that effectuate such strengthening.

In order that the Congress might make a decision in these matters that is both better understood and more widely supported, I think it is proper that public hearings be held on these milk marketing proposals.

The PRESIDING OFFICER (Mr. Hathaway). The question is on agreeing to the amendment of the Senator from Michigan (Mr. Hart) No. 158.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. JOHNSTON (after having voted in the negative). On this vote, I have a pair with the distinguished Senator from Idaho (Mr. Church). If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withdraw my vote.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. Fulbright), the Senator from West Virginia (Mr. Randolph), the Senator from Delaware (Mr. Biden), the Senator from Idaho (Mr. Church), and the Senator from Virginia (Mr. Harry F. Byrd, Jr.) are necessarily absent.

I further announce that the Senator from Maine (Mr. Muskie) is absent on official business.

I also announce that the Senator from Mississippi (Mr. Stennis) is absent because of illness.

I further announce that, if present and voting, the Senator from West Virgina (Mr. Randolph) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from New Hampshire (Mr. Cotton) is absent because of illness in his family.

The Senator from Arizona (Mr. Goldwater) is absent on official business.

The result was announced—yeas **80**, nays 10, as follows:

[No. 173 Leg.]

YEAS—80

Abourezk
Aiken
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bennett
Bentsen
Bible
Brock
Brooke
Buckley
Burdick
Byrd, Robert C.
Cannon
Case
Chiles
Clark
Cranston
Domenici
Dominick
Eagleton
Fannin
Fong
Gravel
Griffin
Gurney
Hansen
Hart
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Kennedy
Magnuson
Mansfield
Mathias
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Nelson
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Ribicoff
Roth
Saxbe
Schweiker
Scott, Pa.
Sparkman
Stafford
Stevens
Stevenson
Symington
Taft
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—10

Cook
Curtis
Dole
Eastland
Ervin
Long
McClure
Nunn
Scott, Va.
Talmadge

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Johnston, against.

NOT VOTING—9

Biden
Byrd,
  Harry F., Jr.
Church
Cotton
Fulbright
Goldwater
Muskie
Randolph
Stennis

So Mr. Hart's amendment (No. 158) was agreed to.

Mr. HART. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. TOWER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

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## MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had passed a bill (H.R. 8070) to authorize grants for vocational rehabilitation services, and for other purposes, in which it requested the concurrence of the Senate.

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## HOUSE BILL REFERRED

The bill (H.R. 8070) to authorize grants for vocational rehabilitation services, and for other purposes, was read twice by its title and referred to the Committee on Labor and Public Welfare.

## ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, June 6, 1973, he presented to the President of the United States the following enrolled bills:

S. 38. An act to amend the Airport and Airway Development Act of 1970, as amended, to increase the United States share of allowable project costs under such Act, to amend the Federal Aviation Act of 1958, as amended, to prohibit certain State taxation of persons in air commerce, and for other purposes;

S. 49. An act to amend title 38 of the United States Code in order to establish a National Cemetery System within the Veterans' Administration, and for other purposes; and

S. 1136. An act to extend through fiscal year 1974 certain expiring appropriations authorizations in the Public Health Service Act, the Community Mental Health Centers Act, and the Developmental Disabilities Services and Facilities Construction Act, and for other purposes.

## AGRICULTURE AND CONSUMER PROTECTION ACT OF 1973

The Senate continued with the consideration of the bill (S. 1888) to extend and amend the Agricultural Act of 1970 for the purpose of assuring consumers of plentiful supplies of food and fiber at reasonable prices.

Mr. TOWER. Mr. President, I call up my unnumbered amendment at the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 42, line 7, strike the word "and" following the word "Union,".

On page 42, line 8, strike the period (.) after the word "Association" and add "and the American National Cattlemen's Association."

Mr. TOWER. Mr. President, this is a very simple amendment. All it does is add the American National Cattlemen's Association, which is authorized under the bill as a representative of the cattle industry.

I point out that 25 percent of our agricultural income comes from livestock, and this is an important segment of the industry, important to all 50 States. Therefore, it occurs to me that that industry should be represented on this committee.

It is my understanding that the managers of the bill will accept the amendment.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. TOWER. I yield.

Mr. CURTIS. Mr. President, as one of the movers of this amendment in the committee, I will be happy, so far as I am concerned, to see the amendment of the distinguished Senator from Texas accepted.

Mr. TALMADGE. Mr. President, will the Senator yield?

Mr. TOWER. I yield to the Senator from Georgia.

Mr. TALMADGE. Mr. President, the amendment of the Senator from Texas would add a representative of the livestock industry to the National Agricultural Transportation Committee which is set out in section 813. I join my distinguished colleague from Nebraska, the ranking minority member of our committee, in urging that the Senate agree to the amendment offered by the distinguished Senator from Texas.

I yield back the remainder of my time.

Mr. TOWER. I yield back the remainder of my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. TOWER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MANSFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, with the time not to be charged against either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CLARK. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The amendment was read as follows:

On page 42, line 5, insert "National Council of Farmer Cooperatives," immediately after "Association,".

Mr. CLARK. Mr. President, the bill we are considering wisely creates a National Agricultural Transportation Committee under the direction of the Secretary of Agriculture acting as chairman.

A representative of each of several major national organizations has been designated for membership on the committee and rightly so. These organizations and their membership will contribute toward the solution of transportation and marketing problems in this country.

But I would call attention to an oversight. This bill was reported with only one of the two major associations of country grain elevators included in the membership of the committee.

I suggest that the National Council of Farmer Cooperatives can and will serve well on this committee. They represent thousands of country cooperatives and elevators and are a major dependent of the transportation industry.

I ask that this amendment, which would give them representation on the NATC, be considered and approved.

Mr. TALMADGE. Mr. President, I have examined the amendment offered by the distinguished Senator from Iowa, and I have no objection. I understand the distinguished Senator from Nebraska has no objection to it. I urge that the Senate agree to the amendment.

I yield back the remainder of my time.

Mr. CLARK. I yield back the remainder of my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. MANSFIELD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAYH. Mr. President, I ask unanimous consent that Mr. Michael Helfer of my staff may be on the floor during the consideration and the vote on the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

### AMENDMENT NO. 155

Mr. BAYH. Mr. President, on behalf of the Senator from Connecticut (Mr. WEICKER), the Senator from Iowa (Mr. CLARK), the Senator from Connecticut (Mr. RIBICOFF), the Senator from New Mexico (Mr. MONTOYA), the Senator from New Jersey (Mr. WILLIAMS), and myself, I call up amendment No. 155 and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. BAYH. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, is as follows:

On page 21, line 8, insert "(A)" immediately after "(10)".

On page 21, line 15, strike out "January 1, 1974", and insert in lieu thereof "beginning on the date of enactment of the Agriculture and Consumer Protection Act of 1973".

On page 21, between lines 16 and 17, insert the following:

"(B) The Secretary of Agriculture is authorized to issue such rules and regulations as he deems necessary to achieve a prompt and effective implementation of the amendment made by subparagraph (A) of this paragraph, and to guarantee that the amounts which a producer would have realized under law for the 1973 crop of wheat from the sale of his farm domestic allotment of wheat in the absence of the changes relating to marketing certificate requirements made by the Agriculture and Consumer Protection Act of 1973 shall be paid to such producer as if such changes had not been made."

Mr. BAYH. Mr. President, I yield myself such time as may be necessary.

The PRESIDING OFFICER. The Senator from Indiana may proceed.

Mr. BAYH. Mr. President, the purpose of amendment No. 155 is very simple.

Mr. BIBLE. Mr. President, may we have order? We cannot hear the Senator.

The PRESIDING OFFICER. The Senate will be in order.

Mr. BAYH. Mr. President, the amendment merely would accelerate the effective date of the repeal of the 75 cents per bushel tax on wheat milled into flour—"the bread tax"—from January 1, 1974, to the date of enactment of the bill, whenever that may be.

Mr. President, on March 1 of this year, the Senator from Connecticut (Mr. WEICKER) and I introduced S. 1082, a bill to repeal the bread tax. I said then, and I repeat now, that it is in the interest of the consumer, the baker, the farmer, and sound public policy to repeal this tax. The tax is highly regressive, for poor people tend to spend a greater portion of their income on bread and other wheat products subject to the tax than do rich people. Further, the very existence of the tax exerts upward pressure on bread prices, for the cost to the miller is reflected in the price he charges the baker for flour, and the price the baker charges the grocer or consumer for bread. One recent estimate is, at the retail store, the bread tax costs the consumer nearly 2 cents per loaf of bread. I have heard some estimates as high as 5 cents. I know that that is exorbitant, but about 2 cents is additional cost to each loaf of bread. That kind of inflationary pressure is hardly what our economy needs right now, as every Member knows. Finally, many small independent bakers across the country have been squeezed drastically between rapidly rising flour costs—due largely to the Russian wheat deal—and prices that cannot be raised because of competition from the huge chain bakeries which can sustain operations in situations a small independent baker cannot.

Mr. ROBERT C. BYRD. Mr. President, may we have order?

Mr. BIBLE. Mr. President, may we have order? I cannot hear the Senator and I am sitting next to him.

The PRESIDING OFFICER. The Senate will be in order. The Senator from Indiana may proceed.

Mr. BAYH. The way to preserve a competitive baking industry, to keep bread prices from rising and to eliminate a regressive tax without hurting the farmer one bit, is to repeal the bread tax, so that the flour prices in the competitive milling industry will fall. Mr. President, I wish to commend the distinguished chairman of the Committee on Agriculture and Forestry and the members of the committee for their wisdom in taking our suggestion and putting it in the bill before us.

I commend the committee wholeheartedly for this recommendation. However, the bill now before the Senate makes the repeal effective January 1, 1974. In our view the repeal should be effective as soon as feasible, namely, upon the enactment of the bill.

In my view and the view of the Senator from Connecticut and many of our colleagues the repeal should be as soon as possible, namely, upon the enactment of the bill.

I see no reason not to do this. It seems to me it should be made effective for several reasons. First, the principle that the bread tax is not the right way to raise money for our valuable farm programs having been accepted, it ought to be implemented as quickly as possible. The tax, as I said earlier, hits poor people harder than rich people and ought to be repealed when the bill is enacted. Second, acceleration of the repeal will help stabilize the price of bread by removing a cost which is, in the end, borne by the consumer, and at a time when we have inflationary pressures.

The Senate wisely rejected the alternative to repeal a 10 percent to 15 percent increase in the price of bread when it defeated, on March 19, an amendment by our distinguished colleague from Texas (Mr. TOWER) designed to permit an across-the-board increase.

Third, acceleration of the repeal will help the baking industry remain competitive by keeping many small independent bakers in operation. Many of them are now on the verge of bankruptcy. Many of them have gone into bankruptcy.

Fourth, making the repeal effective on date of enactment will help the cost decrease to be more quickly reflected in flour prices by eliminating the inventory control problems which would occur if the tax were repealed on a date certain, known far in advance, as the bill now provides.

The amendment has two other parts, which are important but, I believe, not controversial, and I shall just touch on them briefly.

First, it gives the Secretary of Agriculture authority to issue regulations necessary to assure an orderly transition at the time the tax is repealed. Aside from the possibility of some temporary inventory control problems—decreased, let me suggest, by the acceleration of the date of repeal—no problems are anticipated. Our goal here is just to assure the Secretary the authority if he decides it is needed. Second, the amendment contains language which guarantees that farmers will receive the same amount of Government payments for the 1973 crop of wheat as they would have if the bread tax were not repealed. This is exactly what I am sure the committee intended in repealing the tax effective January 1, 1974. Our language just further guarantees the farmer will not be affected at all by this amendment.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. BAYH. I yield.

Mr. CURTIS. Will the Senator state how much the price of bread will be lowered if his amendment is adopted?

Mr. BAYH. The tax of 75 cents a bushel adds about 2 cents to a loaf of bread, according to the millers and bakers I have talked to. Whether it will result in a decrease in cost of 2 cents or will prevent an increase in the price of bread of this amount remains to be seen. I think we are fighting a rear-guard action to keep the cost of bread from going up. I can guarantee that if we accept this amendment it will keep the price of bread from going up immediately. If we had accepted the alternative of the Senator from Texas (Mr. TOWER), when he expressed earlier his legitimate concern for the small bakers, and suggested that it be passed on, the cost of bread would have been 2 or 3 cents higher. I suggest that, if it does not decrease the cost, it will keep the price of bread from increasing.

Mr. CURTIS. Does the Senator think it will decrease the price of bread?

Mr. BAYH. It will either decrease or prevent an increase, because we are in a marginal area where an increase is right around the corner, according to the millers and bakers I have been talking to.

Mr. CURTIS. The testimony before the Committee on Agriculture and Forestry was that it would not decrease the price of bread. A case can be made for relief from the standpoint of the independent bakers. The committee has gone a considerable way in meeting that request, because it calls for a termination of the tax.

Mr. BAYH. Mr. President, will the Senator yield for a question?

Mr. CURTIS. The Senator still has the floor.

Mr. BAYH. The Senator has been on the committee and I know he is very interested in this. I just ask him the same question he asked me with respect to the effective date of January 1, 1974, in the bill. It seems to me if it is good policy to repeal it, if it is going to affect the price of bread on January 1, 1974, it will have the same effect on the enactment of the bill. That is why I am for it.

Mr. CURTIS. It will cost the Treasury $200 million if we repeal it now. There are other considerations why the tax should not be on a permanent basis, but to move the date up, as the Senator has suggested, will cost $200 million, and I think we should examine whether or not this is going to be reflected in the price of bread.

Mr. BAYH. The Senator from Indiana has reflected and cannot say more than he has. I cannot put my bond on a statement that would say the repeal of the 75-cent cost per bushel is going to result in an immediate 2- or 3-cent decrease in the cost of bread. I think, if we consider the debate when we were debating the matter of passing it on, as I explained earlier, I can say as unequivocally as I know how that if we do not go on to something like this, we are going to see the price of bread going up in that same amount.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. BAYH. I am glad to yield.

Mr. DOLE. As one who offered the suggestion in the committee that we ought to roll the expiration of the processor's payment back to January 1, 1974—I can say to the Senator from Indiana that there was discussion at that time that it be made effective as of July 1—there was a feeling on the part of some on the committee that by the time this bill passes and is signed into law, it may be somewhat beyond July 1. There was some discussion—at least, some thought—that perhaps we should make the repeal of the certificate take effect as of the date of the signature by the President. But I think the Senator correctly recognizes the mandate of the committee. Many small bakers have literally been forced out of business. At the time when the certificate amendment was first passed and at the time we started to make processors pay for it, it was bringing the Treasury about $500 million a year, as I recall. In the meantime, with the cost of everything going up for the small baker, and even the large baker, and at a time when they were prevented from raising their prices by the Cost of Living Council, there was a great hardship. It was recognized by the committee.

The only point at issue is whether we should have a date of July 1, January 1, 1974, or the date on which the bill becomes effective. I think many of us support the Senator's objective. The only point at issue is the effective date.

Mr. BAYH. I can understand reasonable men differing on the effective date. As I said earlier, the most important question to determine is whether it is good public policy. Apparently the committee resolved that, and I salute them for resolving it, on the side of repealing the bread tax. The question is, when should it go into effect?

I dislike to get involved in what I hope the distinguished Senator from Georgia will not consider as nit-picking. I have suggested it, and I have been joined by the Senator from Connecticut (Mr. WEICKER) and 21 other cosponsors, at this time because of the great pressure on the independent baker and the pressure of costs at this time, and we need to act quickly. This will be seen as a determination on our part to take whatever steps are necessary to relieve inflationary pressures, in this case with respect to the price of bread.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BAYH. I yield.

Mr. TAFT. I feel certain that the Senator is right, from what bakers in my own State have said. It is quite possible that a number of small bakers may go out of business between now and January 1, 1974 unless some steps are taken. If that happens, it will lead to more consolidation in the baking industry than has already taken place, and in the long run the consumers will suffer. So if we are going to act on it, I do not see any reason why we do not take immediate action on it. It may cost some money to do it.

It seems to me that it is appropriate and timely, and I send out the message.

Mr. BAYH. Many more bakeries will go out of business in the future.

Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. TALMADGE. Mr. President, I yield myself such time as I shall use. I shall be very brief. Then, if no one desires to have time, I would be prepared to yield back my time and vote.

Mr. President, for the information of the Senate, I have talked with the assistant majority leader and we have agreed that we would cease voting at about 6 p.m. I presume this will be the last vote today.

Mr. President, this amendment would:

First. Repeal the wheat processing certificate upon date of enactment of this bill.

Second. Assure that producers would not be penalized with regard to payments because of the repeal of the processing certificate.

Under the provisions of the bill, the wheat marketing certificate requirements for processors and exporters would be made inapplicable during the period January 1, 1974, through June 30, 1979.

The amendment would change the beginning date from January 1, 1974, to date of enactment of the bill.

I might point out that the bakers and their representatives appeared before the committee during hearings and made a very effective argument for the repeal of the wheat processor certificate.

As a result, the committee decided to repeal this provision as of January 1, 1974.

However, I must point out to the Senate that for fiscal 1973 the wheat processor certificate is expected to result in proceeds to the Government in the amount of $393.8 million. Estimates are that about this same amount would be income to the Government in fiscal 1974 under existing legislation.

The committee action reduced this income by about one half. This amendment would result in the additional loss of income to the Government of about $200 million.

Mr. President, if no one else seeks time, I am ready to yield back the remainder of my time if the Senator from Indiana is prepared to do so and then vote.

Mr. BAYH. Mr. President, I have one observation to make.

I want to reemphasize what I said earlier. The Senator from Connecticut (Mr. WEICKER) and I and other Senators have been trying to get this measure passed for some time. We are extremely grateful to the chairman of the committee and the other members of the Committee on Agriculture and Forestry. It seems to me that this is developing into a question of when it should happen. If it is good policy, we should not let less than half of the price tag the Senator mentioned keep us from having a good policy.

One question was raised by the Senator from Ohio (Mr. TAFT), that we want to help as many companies in the baking industry as we can. And we know of the plight of the small independent, relatively significant bakers.

I had been advised that since the beginning of 1972, there have been 81 major bakeries go out of business. How many are going to go out of business between the effective date of the enactment of this bill and the first of the year, I do not know. But if we let another 81 major bakeries go out of business between now and the end of the year, we are going to decrease the competition and increase involuntary pressures to increase prices on every loaf of bread in the country. That is why I think we ought to act now.

Mr. WEICKER. Mr. President, I am pleased to offer, along with the distinguished Senator from Indiana, this amendment to accelerate the repeal of the so-called "bread tax." This highly regressive tax, applicable only to wheat for food uses, places an undue burden on the consumer, the miller and the hundreds of small independent bakeries who are struggling to survive amidst the economic squeeze of increased costs and controlled prices.

The present wheat certificate program, enacted by the Congress in the early 1960's, is totally inelastic and fails to reflect current market conditions. In processing wheat into flour, the miller must pay 75 cents per bushel of wheat, and the consumer pays close to 2 cents per loaf, regardless of the market price of flour or its parity price. At the end of May 1972, wheat sold in Kansas City at $1.64 a bushel. As of May 31, 1973, the wholesale price of wheat had skyrocketed to $2.78 per bushel, an increase of approximately 60 percent.

The purpose of the wheat certificate tax was to insure that processors paid at least $2 per bushel, or an average of about $1.25 plus a 75 cents tax. Given the present market price of wheat, it is preposterous to charge an excise tax that must be absorbed by the American consumer.

Department of Agriculture statistics clearly indicate that wheat flour consumption increases sharply as family income decreases, thus dramatically illustrating the regressive nature of this tax. A more responsible public policy would be to finance this program from the general treasury rather than from the people least able to pay for their daily bread.

As I have previously mentioned, the price of wheat has risen dramatically over the past 9 months, largely due to the purchase by Russia of American wheat. This rise in the price of wheat has resulted in increased flour costs, a situation which has forced many independent bakeries to the brink of economic disaster. The competitiveness and economic viability of an important $6 billion industry is at stake. Acceleration of the repeal of the bread tax would help stabilize the bakery industry and avoid an increase in the price of bread at the local supermarket.

While I commend efforts by the committee to move the date of repeal to January 1, 1974, I submit that the problem demands more immediate action. On June 4, the Wall Street Journal quoted the price of flour as $9.35 per hundredweight, while at the same time last year flour was purchased at $6.57 per hundredweight. With the large tier I companies in the bakery industry still operating under phase II controls, many small and independent bakeries, in order to remain competitive, have had to absorb the enormous increase in flour costs. For one of my constituents, Arnold Bakery, this has meant an increase in operating costs of $50,000 per week. Clearly, the 350–400 independent bakeries, which taken together constitute about $3.25 billion of the total bakery industry, do not have the resources to sustain continued losses without increasing the cost to consumers, but to do this would mean suicide in the marketplace. The continuation of this extraordinary tax would mean the loss of hundreds of jobs and would cause the bakery industry to become more monopolistic, thereby insuring an increase in the cost of bread.

For all these reasons, I urge the adoption of the amendment offered by Senator BAYH and myself with 21 other cosponsors as a reasonable means of helping the bakery industry and the consumer without hurting the farmer. The Secretary of Agriculture has been granted authority by our amendment to issue regulations which would insure a smooth transition when the tax is eliminated so that cost reductions can be quickly passed on. Finally, it is important to note that the payments to the wheat growers are in no way affected by this proposal and the National Association of Wheat Growers are not opposed to the Bayh-Weicker amendment. The funds previously generated by the wheat certificate tax would be financed in a more equitable manner from the General Treasury.

Mr. President, this mechanism of providing price support for wheat is unjust and has penalized both the consumer and the bakery industry. The quicker this tax is eliminated the better off we are in helping to avoid an increase in the staff of life, bread.

Mr. BAYH. I yield back the remainder of my time.

Mr. TALMADGE. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Indiana (Mr. BAYH). The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Virginia (Mr. HARRY F. BYRD, JR.), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Iowa (Mr. HUGHES), the Senator from Delaware (Mr. BIDEN), the Senator from Idaho (Mr. CHURCH), the Senator from Massachusetts (Mr. KENNEDY), and the Senator from West Virginia (Mr. RANDOLPH) are necessarily absent.

I further announce that the Senator from Maine (Mr. MUSKIE), is absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Iowa (Mr. HUGHES), and the Senator from West Virginia (Mr. RANDOLPH) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from New Hampshire (Mr. COTTON) is absent because of illness in his family.

The Senator from Texas (Mr. TOWER) is necessarily absent and, if present and voting, would vote "yea."

The result was announced—yeas 77, nays 12, as follows:

[No. 174 Leg.]

YEAS—77

Abourezk
Aiken
Allen
Baker
Bartlett
Bayh
Beall
Bennett
Bentsen
Bible
Brock
Brooke
Buckley
Byrd, Robert C.
Cannon
Case
Chiles
Clark
Cook
Cranston
Dole
Domenici
Dominick
Eagleton
Fannin
Fong
Goldwater
Gravel
Griffin
Gurney
Hart
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Inouye
Jackson
Javits
Johnston
Long
Magnuson
Mansfield
Mathias
McClure
McGee
McGovern
McIntyre
Metcalf
Montoya
Moss
Nelson
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Ribicoff
Roth
Saxbe
Schweiker
Scott, Pa.
Scott, Va.
Sparkman
Stafford
Stevens
Stevenson
Symington
Taft
Thurmond
Tunney
Weicker
Williams

NAYS—12

Bellmon
Burdick
Curtis
Eastland
Ervin
Hansen
Humphrey
McClellan
Mondale
Nunn
Talmadge
Young

NOT VOTING—11

Biden
Byrd, Harry F., Jr.
Church
Cotton
Fulbright
Hughes
Kennedy
Muskie
Randolph
Stennis
Tower

So Mr. BAYH's amendment (No. 155) was agreed to.

Mr. BAYH. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. MANSFIELD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SAXBE obtained the floor.

Mr. GRIFFIN. Mr. President, will the Senator from Ohio yield to me briefly, for the benefit of Senators now in the Chamber who would like to know about the schedule, when to go home to dinner, and so forth?

Mr. SAXBE. I yield.

Mr. GRIFFIN. Would the distinguished majority leader give us some idea of what we can expect for the remainder of today, and tomorrow?

Mr. MANSFIELD. Mr. President, I am delighted to respond to the distinguished acting minority leader.

My understanding is that the amendment to be offered by the distinguished Senator from Ohio (Mr. SAXBE) shortly will be the last one to be offered tonight and that there will be a yea and nay vote on it; is that correct?

Mr. SAXBE. That is correct.

Mr. MANSFIELD. Then, of course, beginning at 12 o'clock noon tomorrow, we go back on the pending business. There is a possibility that it might be completed tomorrow night, but my guess at the moment is that it might be Friday, instead.

That will be followed by consideration of the nomination of Robert H. Morris of California, to be a member of the Federal Power Commission. That, in turn, next week, will be followed by the Department of State authorization bill. Then there are other bills on the calendar.

At this time, I wonder whether the distinguished Senator from Ohio would consider the possibility of a 20-minute time limitation on his amendment as a convenience to Members?

Mr. SAXBE. That will be fine.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the amendment of the distinguished Senator from Ohio (Mr. SAXBE) is laid before the Senate, there be a time limitation of 20 minutes on it, to be equally divided and controlled by the sponsor of the amendment and the manager of the bill, the Senator from Georgia (Mr. TALMADGE).

The PRESIDING OFFICER (Mr. GRAVEL). Without objection, it is so ordered.

### AMENDMENT NO. 195

Mr. SAXBE. Mr. President, I call up my amendment No. 195 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 9, line 5, strike out "; and". and insert in lieu thereof ".".

On page 9, beginning with line 6 strike out all down through line 12.

Mr. SAXBE. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. SAXBE. Mr. President, this amendment goes to paragraph 3(c) of the bill which would require a fixed support of 80 percent of parity, or $5.61 a hundredweight, for the manufacture of milk. This support price would be effective for the remainder of the current marketing year which ends on March 31, 1974. My amendment would delete that provision.

The reason is that this highly inflexible support would contradict the judgment and the discretion of the Secretary of Agriculture who already has determined a support price of $5.29, or 75 percent of parity, during the 1973–74 marketing year, which would assure an adequate supply as required by the present statute.

In my mind, the higher support that would be required under the provisions of the bill in its present form is not necessary and would be relatively ineffective in encouraging greater production of milk over such a short period of time.

The market price is already as high as would be required by the present legislation in the farm bill now.

In May, the average price received by producers was $5.60 per hundredweight. Market prices have been continuing strong especially during the productive months this fall, and should average well above present parity for the entire year.

I believe that increasing the support price to 80 percent of parity does not require new legislation. It is authorized, if determined necessary by the Secretary of Agriculture under the present statute. That goes back to the act of 1949.

Consumers are concerned about the soaring price of food. We are leading into the worst inflation since the Korean war. This works out to a 10-percent increase in food prices in 1973 and 1974, 4 percent higher than projected earlier.

Overseas demand continues high for other U.S. farm products, higher dairy supports hurt our chance for successful negotiation in Geneva for expanded concessions with the ECC on feed grain, and citrus—also tobacco.

In further regard to trade, the drafting of this bill and consideration of it comes at the worse possible time. International opinion of the dollar and the productivity of the United States is at a low ebb, and further and higher dairy supports will add fuel to an already blazing attack on our currency and our abilities to produce the wrong commodities at the wrong times.

I believe that in this farm bill, the entire Nation has the right to know whether the Senate will be realistic as to what it costs to produce milk. While the farmer is getting a fair price for his milk, but certainly increasing the 5 percent, the mandatory amount to be paid for milk, is not in keeping with trying to protect both farmers and consumers. It can lead to a great number of additional problems, and certainly it is one that is not going to attract the support for the bill that it needs. This would make a better bill out of it.

Mr. AIKEN. Mr. President, will the Senator from Ohio yield?

Mr. SAXBE. I yield.

Mr. AIKEN. The Senator referred to $5.65 received by the farmers. Was he referring to the base price or the blend price?

Mr. SAXBE. The base price is $5.29, which is the—the base price is 75 percent of parity.

Mr. AIKEN. For what period was that?

Mr. SAXBE. Current.

Mr. AIKEN. Now?

Mr. SAXBE. Now, for 1973–74. But the actual market price——

Mr. AIKEN. We have the price for May. In the Northeast, at least, 2 percent more of the production was required for table use than a year ago in May. That percentage is rising as production is slowly dropping.

We are having to import the equivalent already of 1 billion pounds of fluid milk from overseas to meet the requirements for cheese and candy manufacturers. That has not affected the price at all. The price of $5.65 is the blend price in Ohio, or considerably less, is it not?

Mr. SAXBE. The national average is $5.60.

Mr. AIKEN. The price received now by the dairy farmer is approximately 80 percent of parity at the marketplace.

Mr. SAXBE. That is right, and that is why I say this is unnecessary and puts inflexibility into the thing.

Mr. AIKEN. What harm does that do if the market price is 80 percent and the prospects are that the supply of milk will be short from now on and is being reduced steadily? For instance, in my area in New England, where there were 4,300 to 4,400 producers 5 years ago, it is now down to about 3,400. Almost 20 percent of them have had to quit business. The price of beef and calves are also increasing and they are not raising cows for the milk supply that they used to. That is something to worry about.

I do not think that a 2-percent restriction on imports on milk equivalents is high enough to meet our requirements. If we do not let them bring in here the skim milk powder for the manufacture of cheese, there will be a tremendous demand to import the cheese itself, and that will be costly to our dairy business here. So I think we may have to bring in more than 2 billion pounds of milk equivalents at the close of the year, which has been provided for in the bill, because in the past 3 or 4 months we brought in half that amount already.

Mr. SAXBE. There will be an amendment on that aspect of it. What I am saying is that this does not go to the implications of the 2-percent level.

Mr. AIKEN. While I fully expect that the House might itself reduce that 80-percent minimum, I am not so sure it would be wise to do it now with the marketplace.

Mr. SAXBE. I think that the Senate, as much as the House, wants to demonstrate to the consumers of this country that we are interested in reasonable prices for milk. I am somewhat familiar with dairy problems.

The PRESIDING OFFICER (Mr. CLARK). The Senator's 10 minutes have expired.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. TALMADGE. Mr. President, I am prepared to yield back my time and vote, if the distinguished Senator from Ohio is prepared to do likewise.

Mr. SAXBE. I an prepared to yield back the remainder of my time.

Mr. TALMADGE. Mr. President, dairy support prices are fixed at not less than 75 percent of parity. The Committee on Agriculture and Forestry decided, in view of the problems facing the dairy industry, that there would be a one-shot increase in dairy support prices to 80 percent of parity. It would expire with the end of the marketing year, March 31 of next year. The reason the committee made that decision was largely because of the enormous increased costs in the price of feed that the dairy farmers must pay at the present time.

For example, in May 1971, 44 percent soybean meal cost $113.40 per ton. The price in May 1973 had advanced to $304 per ton, and I believe today's Wall Street Journal shows it in excess of $400 per ton. Corn prices in May 1972 were $1.15 a bushel; in May 1973, $1.61 a bushel.

That is what is happening as a result of the cost of the principal ingredient that goes into milk, and that is feed—to wit, grain and protein, which is primarily soybean meal.

What is happening to the production of dairy commodities? In January–March 1972, the dairy industry produced 17.2 billion pounds. This year, there was a reduction in January–March 1973, to 16.7 billion pounds. The number of producers had decreased from 137,864 in March 1972 to 133,133 in March 1973.

These are the statistics as to the number of cows: In 1963, there were 15.7 million; in 1971, 11.9 million; in 1972, 11.8 million; in 1973, 11.6 million.

The dairy industry is one of America's most important industries. As I recall, the value of the product produced annually is approximately $7 billion. Yet, it is an industry that is rapidly going out of business because the return on the investment is so low. People are finding other utilization for their cattle.

We had a number of people from the dairy industry appear before the Committee on Agriculture and Forestry when we held our hearings. I do not recall a single witness from the dairy industry who received a return as large as 3 percent. They would be better off if they could sell their capital assets and invest their money in a few bonds and sit on the front porch and do nothing.

Senators know that the dairy business is a 7-day-a-week job. When I was a boy, I heard a classic remark about the dairy business in Telfair County. There was only one dairyman in the county. He was somewhat of a wit, named Williams. He said:

> A man in the dairy business doesn't need any Sunday clothes and damn few every day.

That was correct then, and it is still correct.

Mr. President, I believe the Senator from Minnesota desires some time. I am prepared to yield to him whatever time I have remaining, and then we can vote.

I yield to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, this amendment, if adopted, would strike a very serious blow at the dairy producers of this country.

The chairman, in his inimitable fashion, has stated the facts very succinctly. Let me simplify them even more.

There is a reduction in the number of dairy producers, dairy farmers. There is a reduction in the number of cows. There is a reduction in production. There is an increase in consumption and a fantastic increase in feed prices. May I suggest that there is no indication that those feed prices are going to be lowered appreciably in the near future.

Furthermore, 75 percent of parity is $5.29; 80 percent of parity is $5.61; and I believe that the present market price today is $5.60.

So what we are really doing here is merely trying to give a little better floor to the dairy producers for a product that this country needs, for an industry that is a high-cost industry, and for a form of production that requires intensive labor.

I would hope that we would reject any effort to push down these dairy farmers any further. We have had a very bad time today for our dairy farmers.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. DOLE. I think it should be pointed out that we use great restraint in the number of measures introduced by 20 or 30 Senators asking that it be raised to 85 percent of parity on a permanent basis; and the committee, in its wisdom, or lack of it—depending on one's point of view—decided that we should adopt an 80 percent support price. I think we acted very responsibly, based on the points expressed by the distinguished chairman and the distinguished Senator from Minnesota.

Mr. HUMPHREY. The Senator from Kansas and I joined on this 80 percent amendment. It had the support of the committee. It seems to me that it is a most modest proposal, and I think that to do less would make this country suffer grievously.

I must say—to get it off my chest—that I feel that many people in the urban areas of this country think cows are born weighing about 800 pounds and sitting on a milk bottle.

It is interesting that the cost of other items go up and it is all right. But when the cost of a glass of milk goes up, they say, "Stop that."

When it comes to a farmer who is working his heart out, many people want to turn their back on him. That is apparently the tendency in this country today.

I say to my urban friends that the best deal they get today is from the American farmer. The cost of dairy products has gone up a lot less than the price of chewing gum and a lot less than the price of a newspaper. The farmers of this country are entitled to a fair deal, and the minute they start to get a fair price, after having worked their hearts out, somebody says, "You have to stop that." But they will be right in there to do a little collective bargaining for themselves—and I support the labor people of this counrty. Certain management people will be right in there to get those postage rates adjusted. Do they like cheap postage.

Mr. President, I am going to give the dairy farmers my vote. They are entitled to it and they are going to get it.

The PRESIDING OFFICER (Mr. GRAVEL). All time is expired on the amendment.

Mr. CURTIS. Mr. President, I yield 3 minutes to the distinguished Senator from Ohio on the bill.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. SAXBE. Mr. President, I have asked for additional time simply because I wish to say that from some of the rhetoric that has come in we might call this a ruptured cow bill or amendment. The thing that disturbs me is that a pathetic picture is painted of the dairy farmer, struggling to produce, but this is not the case. We used to expect 8,000 pounds of milk from a cow and now it is 15,000 pounds. It used to be that a farmer could get along on 10 or 12 cows, but he cannot any more. The reason the number of dairies is dropping down is because they have to go to 100 and 200 cows. The dairy with 10 or 20 cows is going out of business. He cannot stay in business. He has to have the same sanitary equipment as the dairy farmer with 200 cows must have.

Mr. President, the dairy farmer is doing all right. If we wade through the rhetoric here, we come down to the fact that we are raising the price of milk to the consumer. I want the consumers of this country to know that. The dairy farmer is doing all right. He is making money. He is not bleeding and dying out there, losing his farm. He has a pretty good job. He has cows that produce 18,000 pounds of milk a year. He is doing a pretty good job producing. We recognize that when everything else goes up and we put the lid on, we say, "Here is a bill with a little of something for everyone in it and here is something for you."

I do not question that the opponents will pick up the necessary votes but I say again that we are increasing the price of milk to the people and in the long run I think we will have to do some explaining about that.

Mr. BUCKLEY. Mr. President, in principle I fully support the amendment introduced by the distinguished Senator from Ohio (Mr. SAXBE) just as I oppose the rigid and arbitrary provision for target prices contained in S. 1888. It must, however, be considered in the context of the act as a whole which, unfortunately, seems destined to return.

Under these circumstances, and because the mandatory 80-percent parity provision for milk is only of a 1-year duration before flexibility is restored, I will not be supporting the amendment.

The dairy industry in the Northeast has not shared the good fortune of the producers of feed grain. Quite the contrary, the record prices that feed grains have commanded over recent months when combined with the devastation of forage caused by the Agnes hurricane last summer has had a devastating effect on milk producers. These unusual circumstances which have placed the dairy industry in so different a position than that of the farmers affected by the target price provisions in themselves argue for a period of transition.

Therefore, taking into consideration the realities of the legislation which will be adopted by this body, I feel that the 1 year, 80 percent of parity provision contained in this act is a reasonable offset for the probable impact on feed grain prices that will result from other provisions in the act.

I make these observations, Mr. President, because I want to underscore my strong preference for a loosening of governmental interference across the boards.

The PRESIDING OFFICER. All time has expired. The question is on agreeing to the amendment. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Delaware (Mr. BIDEN), the Senator from Virginia (Mr. HARRY F. BYRD, JR.), the Senator from Idaho (Mr. CHURCH), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Iowa (Mr. HUGHES), the Senator from Alabama (Mr. SPARKMAN), the Senator from West Virginia (Mr. RANDOLPH), and the Senator from Massachusetts (Mr. KENNEDY) are necessarily absent.

I further announce that the Senator from Maine (Mr. MUSKIE) is absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from West Virginia (Mr. RANDOLPH) and the Senator from Iowa (Mr. HUGHES) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from New Hampshire (Mr. COTTON) is absent because of illness in his family.

The Senator from Texas (Mr. TOWER) is necessarily absent, and, if present and voting, would vote "yea."

The result was announced—yeas 16, nays 72, as follows:

[No. 175 Leg.]

YEAS—16

Beall
Case
Griffin
Mathias
McClure
Packwood
Pastore
Pell
Percy
Ribicoff
Saxbe
Stevens
Taft
Tunney
Weicker
Williams

NAYS—72

Abourezk
Aiken
Allen
Baker
Bartlett
Bayh
Bellmon
Bennett
Bentsen
Bible
Brock
Brooke
Buckley
Burdick
Byrd, Robert C.
Cannon
Chiles
Clark
Cook
Cranston
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Ervin
Fannin
Fong
Goldwater
Gravel
Gurney
Hansen
Hart
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Long
Magnuson
Mansfield
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Nelson
Nunn
Pearson
Proxmire
Roth
Schweiker
Scott, Pa.
Scott, Va.
Stafford
Stevenson
Symington
Talmadge
Thurmond
Young

NOT VOTING—12

Biden
Byrd,
 Harry F., Jr.
Church
Cotton
Fulbright
Hughes
Kennedy
Muskie
Randolph
Sparkman
Stennis
Tower

So Mr. SAXBE's amendment was rejected.

Mr. TALMADGE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. ROBERT C. BYRD. Mr. President, I move to table the motion to reconsider.

The motion to lay on the table was agreed to.

AMENDMENT NO. 208

Mr. AIKEN. Mr. President, I send to the desk an amendment and ask to have it printed and lie on the table so that it will be available and ready to be worked upon by the Senate tomorrow.

Mr. President, in short, this amendment would restore the good parts of the bill which were taken out by the Hart amendment and also restore 2 Talmadge amendments, excellent and necessary ones, which were approved unanimously by the Senate yesterday but which were also stricken out by the all-inclusive Hart amendment.

I submit the amendment in behalf of Senators HUMPHREY, DOLE, and myself.

The PRESIDING OFFICER. The amendment will be received and printed and will lie on the table.

Mr. BUCKLEY. First of all, Mr. President, let me state that I shall not be calling up my amendments No. 160, 161, and 162.

Mr. President, I ask unanimous consent that Miss Joan Carroll and Mr. Dan Buckley of my staff be granted the privileges of the floor during the remainder of the consideration of S. 1888 and that that privilege extend through the rollcall votes.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 188

Mr. BUCKLEY. Mr. President, I call up my amendment No. 188 and ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Amendment No. 188 is as follows:

AMENDMENT NO. 188

On page 13, line 6, strike out "Production Incentives" and insert "Wheat".

On page 13, strike out line 15 and insert in lieu thereof the following:

"(c) (1) Payments shall be made for the 1974 crop of wheat to".

On page 13, line 25, strike out "each of the 1975 through 1978 crops" and insert "the crop".

On page 14, line 8, insert "1974" immediately before "farm".

On page 14, between lines 15 and 16, insert the following:

"(2) Payments shall be made for the 1975 through 1977 crops of wheat to producers on each farm in such amounts as the Secretary may prescribe in order to achieve a complete phaseout of such payments to producers after the 1977 crop. In determining the amount of such payments, the Secretary shall take into consideration the amount paid on the 1974 crop, the market conditions, and such other factors as he deems appropriate."

On page 15, line 13, strike out "through 1978" and insert "through 1974".

On page 15, line 17, strike out "through 1978" and insert "through 1974".

On page 15, line 20, strike out "through 1978" and insert "through 1974".

On page 15, line 25, strike out "through 1978" and insert "through 1974".

On page 16, between lines 3 and 4, insert the following:

"(vii) Effective with respect to the 1975 through 1978 crops, section 379(c)(1) is amended to read as follows:

"'(1) The Secretary shall provide for a set-aside of cropland if he determines that the total supply of wheat or other commodities will, in the absence of such a set-aside, likely be excessive taking into account the need for an adequate carryover to maintain reasonable and stable supplies and prices and to meet a national emergency. If a set-aside of cropland is in effect under this paragraph, then as a condition of eligibility for loans and purchases on wheat, the producers on a farm must set aside and devote to approved conservation uses an acreage of cropland equal to such percentage of the cropland base for the farm as may be specified by the Secretary. For the purpose of this section, the cropland base shall be the acreage devoted to major crops as determined by the Secretary is authorized to limit the acreage planted to wheat on the farm to such extent as he determines necessary to adjust the acreage of wheat to desirable goals. The Secretary may permit the set-aside to be grazed subject to such reduction in the payment and to such other terms and conditions as he may prescribe. The Secretary shall make payments to producers on a farm who set aside acreage under this section. The payments for a farm shall be at such rate or rates as the Secretary determines to be fair and reasonable taking into consideration the diversion undertaken by the producers and productivity of the acreage diverted."

On page 23, strike out lines 5 and 6, and insert in lieu thereof the following:

"(17) Section 410 is amended, effective beginning with the 1974 crop, to read as follows:

"'SEC. 410. Effective with respect to the 1974 through 1978 crops, land on a farm devoted to a summer fallow use shall not be eligible to be designated as set-aside acreage under the wheat, feed grain, or cotton program.'."

On page 23, line 21, strike out "each" and insert "the 1974".

On page 24, line 12, strike out "for each of the 1975 through 1978 crops" and insert "for the crop".

On page 24, line 20, insert "1974" immediately before "farm".

On page 24, after the period in line 24, insert the following: "The Secretary shall also make available to producers payments for the 1975 through 1977 crops of such commodities in such amounts as he may prescribe in order to achieve a complete phaseout of such payments to producers after the 1977 crop. In determining the amount of such payments for 1975 through 1977, the Secretary shall take into consideration the amount paid on the 1974 crop, the market conditions, and such other factors as he deems necessary. The payments for grain sorghums and, if designated by the Secretary, barley, for the 1975 through 1977 crops shall be at such rate as the Secretary determines fair and reasonable in relation to the rate at which payments are made available for corn."

On page 27, line 12, strike out "through 1978" and insert "through 1974".

On page 27, line 17, strike out "through 1978" and insert "through 1974".

On page 28, line 1, strike out "through 1978" and insert "through 1974".

On page 28, between lines 3 and 4, insert the following:

"(G) amending, effective with respect to the 1975 through 1978 crops, section 105(c)(1) to read as follows:

"'(1) The Secretary shall provide for a set-aside of cropland if he determines that the total supply of feed grains or other commodities will, in the absence of such a set-aside, likely be excessive taking into account the need for an adequate carryover to maintain reasonable and stable supplies and prices of feed grains and to meet a national emergency. If a set-aside of cropland is in effect under this paragraph, then as a condition of eligibility for loans and purchases on corn, grain sorghums, and, if designated by the Secretary, barley, respectively, the producers on a farm must set aside and devote to approved conservation uses an acreage of cropland equal to such percentage of the feed grain base for the farm as may be specified by the Secretary. The Secretary is authorized to limit the acreage planted to feed grains on the farm to such extent as he determines necessary to adjust the acreage of feed grains to desirable goals. The Secretary may permit the set-aside to be grazed or cut for hay subject to such reduction in the payment and to such other terms and conditions as he may prescribe. The Secretary shall make payments to producers who set aside acreage under this section. The payments for a farm shall be at such rate or rates as the Secretary determines to be fair and reasonable taking into consideration the diversion undertaken by the producers and the productivity of the acreage diverted.'."

On page 30, line 3, strike out "each" and insert "the 1974".

On page 30, line 14, strike out "1975 through 1978 crops" and insert "crop".

On page 30, line 18, insert "1974" immediately before "allotment".

On page 31, line 15, strike out "1978" and insert "1974".

On page 31, line 24, insert a semicolon after the quotation marks.

On page 31, after line 24, add the following:

"(F) effective with respect to the 1975 through 1978 crops, amending paragraph (4)(A) of section 103(e) of the Agricultural Act of 1949 as it appears in such section 602 to read as follows:

"'(A) The Secretary shall provide for a set-aside of cropland if he determines that the total supply of agricultural commodities will, in the absence of such a set-aside, likely be excessive taking into account the need for an adequate carryover to maintain reasonable and stable supplies and prices and to meet a national emergency. If a set-aside of cropland is in effect under this paragraph (4), then as a condition of eligibility for loans and payments on upland cotton the producers on a farm must set aside and devote to approved conservation uses an acreage of cropland equal to such percentage of the farm base acreage allotment for the farm as may be specified by the Secretary. The Secretary is authorized to limit the acreage planted to cotton as he determines necessary to adjust the acreage of cotton to desirable goals. The Secretary may permit the set-aside to be grazed or cut for hay subject to such reduction in the payment and to such other terms and conditions as he may prescribe. The Secretary shall make payments to producers who set aside acreage under this section. The payments for a farm shall be at such rate or rates as the Secretary determines to be fair and reasonable taking into consideration the diversion undertaken by the producers and the productivity of the acreage diverted.'"

Mr. BUCKLEY. Mr. President, the hour is late, and I have a rather lengthy opening statement. I ask unanimous consent that I continue with the debate and explanation of my amendment tomorrow.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Is that an amendment on which there is a limitation of 1 hour debate or 3 hours?

Mr. BUCKLEY. Three hours' debate.

Mr. President, I do not anticipate using that amount of time.

## ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, for the RECORD, what is the pending business before the Senate?

The PRESIDING OFFICER. The pending business before the Senate is the Buckley amendment No. 188.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that no time be charged on the amendment during the remainder of the day.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ORDER FOR RECOGNITION OF SENATOR BELLMON TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders or their designees have been recognized under the standing order, the distinguished Senator from Oklahoma (Mr. BELLMON) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ORDER FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, following the remarks of the Senator from Oklahoma (Mr. BELLMON), there be a period for the transaction of routine morning business not to extend beyond 12 o'clock noon with statements therein limited to 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ORDER FOR THE CONSIDERATION OF AGRICULTURE AND CONSUMER PROTECTION ACT OF 1973 TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at 12 o'clock noon on tomorrow, the Senate resume its consideration of the unfinished business, S. 1888.

The PRESIDING OFFICER. Without objection, it is so ordered.

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### ORDER FOR RECOGNITION OF SENATOR MONTOYA ON FRIDAY, JUNE 8, 1973

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Friday, immediately after the remarks of the distinguished Senator from Wisconsin (Mr. PROXMIRE), the distinguished Senator from New Mexico (Mr. MONTOYA) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

Mr. CRANSTON. Mr. President, would the Senator withhold that suggestion?

Mr. ROBERT C. BYRD. Mr. President, I withhold my suggestion.

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### QUORUM CALL

Mr. CRANSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

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### AUTHORIZATION FOR THE PRESIDENT TO PROCLAIM JUNE 17, 1973, AS A DAY OF COMMEMORATION OF THE OPENING OF THE UPPER MISSISSIPPI RIVER

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Chair lay before the Senate a message from the House of Representatives on House Joint Resolution 533. I do this at the request of the distinguished Senator from Iowa (Mr. HUGHES).

The PRESIDING OFFICER (Mr. GRAVEL) laid before the Senate H.J. Res. 533, a joint resolution authorizing the President to proclaim June 17, 1973, as a day of commemoration of the opening of the upper Mississippi River by Jacques Marquette and Louis Jolliet in 1673, which was read twice by its title.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent for the immediate consideration of the joint resolution.

The PRESIDING OFFICER. Is there objection to the consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

The PRESIDING OFFICER. The joint resolution is open to amendment. If there be no amendment to be offered, the question is on the third reading of the joint resolution.

The joint resolution (H.J. Res. 533) was read the third time.

Mr. ROBERT C. BYRD. Mr. President, I am informed by the distinguished Senator from Iowa that this matter has been cleared with Senators EASTLAND, HRUSKA, and MCCLELLAN.

I have discussed it with the distinguished assistant Republican leader today.

Mr. GRIFFIN. Mr. President, may I say that Father Marquette was especially prominent in the early pioneer days in such areas as Michigan. In fact, he died in Michigan. I am very happy that the joint resolution is being considered and will be passed.

The PRESIDING OFFICER. The Joint resolution having been read the third time, the question is, Shall it pass?

The joint resolution (H.J. Res. 533) was passed.

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### ORDER FOR ADJOURNMENT TO 11:30 A.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 11:30 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

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### PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the program is as follows:

The Senate will convene at 11:30 a.m. tomorrow. After the two leaders or their designees have been recognized under the standing order, the distinguished Senator from Oklahoma (Mr. BELLMON) will be recognized for not to exceed 15 minutes; after which there will be a period for the transaction of routine morning business for not to extend beyond the hour of 12 noon; during which time the statements will be limited to 3 minutes.

At the hour of 12 o'clock noon, the Senate will resume its consideration of the unfinished business, the farm bill, S. 1888. The pending question at that time will be on the Buckley amendment No. 188.

I am sure that there will be a rollcall vote thereon. There will be yea-and-nay votes tomorrow on the bill. If the bill is not passed tomorrow, of course, action thereon will continue on Friday.

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### ADJOURNMENT TO 11:30 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move in accordance with the previous order that the Senate stand in adjournment until the hour of 11:30 a.m. tomorrow.

The motion was agreed to; and at 6:45 p.m., the Senate adjourned until tomorrow, Thursday, June 7, 1973, at 11:30 a.m.

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### NOMINATIONS

Executive nominations received by the Senate June 6, 1973:

#### DEPARTMENT OF DEFENSE

Malcolm R. Currie, of California, to be Director of Defense Research and Engineering, vice John S. Foster, resigning.

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### CONFIRMATIONS

Effective nominations confirmed by the Senate June 6, 1973:

#### DEPARTMENT OF STATE

David H. Popper, of New York, a Foreign Service Officer of the class of Career Minister, to be an Assistant Secretary of State.

#### INTERNATIONAL MONETARY FUND

William B. Dale, of Maryland, to be U.S. Executive Director of the International Monetary Fund for a term of 2 years.

Charles R. Harley, of Maryland, to be U.S. Alternate Executive Director of the International Monetary Fund for a term of 2 years.

#### AGENCY FOR INTERNATIONAL DEVELOPMENT

Matthew J. Harvey, of Maryland, to be an Assistant Administrator of the Agency for International Development.

#### INTER-AMERICAN DEVELOPMENT BANK

Kenneth A. Guenther, of Maryland, to be Alternate Executive Director of the Inter-American Development Bank.

#### U.S. ADVISORY COMMISSION ON INFORMATION

The following-named persons to be members of the U.S. Advisory Commission on Information for a term expiring January 27, 1976: Hobart Lewis, of New York. J. Leonard Reinsch, of Georgia.

#### INTERNATIONAL ATOMIC ENERGY AGENCY

Gerald F. Tape, of Maryland, to be the representative of the United States of America to the International Atomic Energy Agency, with the rank of Ambassador.

(The above nominations were approved subject to the nominees' commitments to respond to requests to appear and testify before any duly constituted committee of the Senate.)

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## HOUSE OF REPRESENTATIVES—*Wednesday, June 6, 1973*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

*God is spirit; and they that worship Him must worship Him in spirit and in truth.*—John 4: 24.

O God of grace and glory who with each new morning spreads the mantle of light about us, with grateful hearts we lift our spirits unto Thee seeking light upon our way and strength for this new day.

Sustain us, we pray Thee, as we carry our share of the burden that leads men upward to Thy kingdom of love and peace and support us as we endeavor to make truth and good will reign in our life together as a free nation.

"Spirit of life, in this new dawn,
Give us the faith that follows on,
Letting Thine all-pervading power
Fulfill the dream of this high hour.

"Spirit creative, give us light,
Lifting the raveled mists of night,
Touch Thou our dust with spirit hand
And make us souls that understand."

Amen.

### THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

### MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 1136. An act to extend the expiring authorities in the Public Health Service Act and the Community Mental Health Centers Act.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 38) entitled "An act to amend the Airport and Airway Development Act of 1970, as amended, to increase the United States share of allowable project costs under such act, to amend the Federal Aviation Act of 1958, as amended, to prohibit certain State taxation of persons in air commerce, and for other purposes."

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 504) entitled "An act to amend the Public Health Service Act to provide assistance and encouragement for the development of comprehensive area emergency medical services systems," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. KENNEDY, Mr. WILLIAMS, Mr. NELSON, Mr. EAGLETON, Mr. CRANSTON, Mr. HUGHES, Mr. PELL, Mr. MONDALE, Mr. SCHWEIKER, Mr. JAVITS, Mr. DOMINICK, Mr. BEALL, and Mr. TAFT to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 396. An act for the relief of Harold C. and Vera L. Adler, doing business as the Adler Construction Co.

### SOYBEAN PRICE SPIRAL MUST BE BROKEN

(Mr. COTTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COTTER. Mr. Speaker, unless steps are taken now to break the soybean price spiral the United States is going to face a protein food crisis of major proportions within a very short time.

Egg and broiler producers are cutting back their flocks because they can no longer afford soybean meal mix. What eggs are produced will be selling for $1 a dozen in September.

Hog farmers who had been expected to expand production 6 to 8 percent this year are now selling breeding stock for slaughter. The same situation prevails in the cattle industry.

Even more ominous is the very real possibility that soybean stocks will be exhausted this September before the new crop—already weeks behind in planting—is harvested.

The Agriculture Department acknowledges a 10-percent increase in food costs this year. Unofficially I understand internal figures show a 13- to 15-percent increase. And former Agriculture Under Secretary John Schnitker predicts a 20-percent increase.

The time for action is now. Last Friday I wrote to the administration urging temporary export controls on the balance of the 1972 soybean crop.

I urge my colleagues to join me in calling upon the administration to impose the provisions of the Export Administration Act on soybean and soybean meal.

To delay, let alone not to act, I predict, is courting disaster.

### PERSONAL EXPLANATION

Mr. GIAIMO. Mr. Speaker, on June 4, on rollcall No. 174, I was present and voted "yea" by electronic device. In searching the RECORD yesterday I noticed I was recorded as not voting. I ask unanimous consent that the RECORD be corrected.

The SPEAKER. The Chair cannot entertain any such request. The gentleman can state how he did vote or intended to vote, but the Chair cannot go beyond that.

The gentleman's statement will appear in the RECORD.

Mr. GIAIMO. I thank the Speaker.

### MAJORITY LEADER THOMAS P. O'NEILL, JR., SAYS DEVALUATION REFLECTS INTERNATIONAL LACK OF CONFIDENCE IN THE NIXON ADMINISTRATION

(Mr. O'NEILL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. O'NEILL. Mr. Speaker, the President of France this morning was quoted as saying that the United States is about to devalue the dollar again.

That would be the third devaluation in a year and a half. If such an action is imminent, the President of the United States should say so. Congress and the American people should not have to read about it secondhand coming from the President of France.

This continued run on the dollar is the most conspicuous demonstration of the world's lack of confidence in the Nixon administration's ability to manage the American economy.

It now takes $126 to buy an ounce of gold in the European exchanges. That is three times the official price now contemplated in legislation before this Congress.

If this trend continues, the American consumer can expect to pay even higher retail prices for imported goods. The Government will take a substantially weaker bargaining position into the trade negotiations next fall—especially since we will be arrayed against the economic might of the European Common Market and our other trading partners.

If this is what the President means by 1973 being "the year of Europe," he can have it.

### ANNIVERSARY OF ALLIED INVASION

(Mr. GONZALEZ asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. GONZALEZ. Mr. Speaker, on this anniversary of the Allied invasion of France which led to the liberation of that country—this is the anniversary of D-day—the newspapers are reporting that the French President is lecturing the United States on its monetary policies.

In fact, this morning's paper in Washington said that the United States, in effect, was in its third devaluation.

I say to M. Pompidou, only the Congress can do that, and we will send a copy of the American Constitution to him and also to some of our administrative officials. The irony is overwhelming, however. I doubt that any country has more benefited from the aid of the United States than France. This country has financed French misadventures, aided the reconstruction of France, and ignored French debts. It has twice rescued that country from the perils of war and capture; all in this 20th century, which has not yet three-quarters gone.

Mr. Speaker, it takes a new peak in arrogance and ingratitude for the President of France to tell this country how its affairs should be run. M. Pompidou only helps the speculators by his injudicious remarks.

### CONFERENCE REPORT ON H.R. 5610, AMENDING FOREIGN SERVICE BUILDINGS ACT

Mr. HAYS submitted the following conference report and statement on the bill (H.R. 5610) to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations, and for other purposes:

CONFERENCE REPORT (H. REPT. NO. 93–260)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5610) to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15 and 16.

WAYNE L. HAYS,
THOMAS E. MORGAN,
CLEMENT J. ZABLOCKI,
W. S. MAILLIARD,
VERNON W. THOMSON,
*Managers on the Part of the House.*

J. W. FULBRIGHT,
JOHN SPARKMAN,
FRANK CHURCH,
G. D. AIKEN,
CLIFFORD P. CASE,
*Managers on the Part of the Senate.*

### JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5610) to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

#### ACQUISITION OF SITES AND BUILDINGS IN FOREIGN COUNTRIES

The House bill authorized specific amounts for the acquisition of sites and buildings in foreign countries for each of several geographic areas. With respect to each of such areas the House bill limited the amount which could be appropriated for the fiscal year 1974. Any amount not appropriated for fiscal year 1974 could be appropriated for any subsequent fiscal year.

As noted below, the Senate amendments authorized a specific amount for each geographic area for fiscal year 1974 only. Funds for subsequent fiscal years would require additional authorizations.

#### AFRICA

Amendments Nos. 1 and 2: The House bill authorized $2.19 million for use in Africa and provided that not more than $590,000 could be appropriated for the fiscal year 1974. Senate amendments nos. 1 and 2 have the effect of authorizing an appropriation of not more than $590,000 for use in Africa for the fiscal year 1974 only.

The Senate recedes.

#### AMERICAN REPUBLICS

Amendments Nos. 3 and 4: The House bill authorized an appropriation of $375,000 for use in the American Republics and provided that not more than $240,000 could be appropriated for the fiscal year 1974.

Senate amendments Nos. 3 and 4 have the effect of authorizing an appropriation of not more than $240,000 for use in the American Republic for the fiscal year 1974 only.

The Senate recedes.

#### EUROPE

Amendments Nos. 5 and 6: The House bill authorized an appropriation of $4.78 million for use in Europe and provided that not more than $160,000 could be appropriated for the fiscal year 1974. Senate amendments Nos. 5 and 6 have the effect of authorizing an appropriation of not more than $160,000 for use in Europe for the fiscal year 1974 only.

The Senate recedes.

#### EAST ASIA

Amendments Nos. 7 and 8: The House bill authorized an appropriation of $2,585,000 for use in East Asia and provided that not more than $985,000 could be appropriated for the fiscal year 1974. Senate amendments Nos. 7 and 8 have the effect of authorizing an appropriation of not more than $985,000 for use in East Asia for the fiscal year 1974 only.

The Senate recedes.

#### NEAR EAST AND SOUTH ASIA

Amendments Nos. 9 and 10: The House bill authorized an appropriation of $3,518,000 for use in the Near East and South Asia and provided that not more than $2,218,000 could be appropriated for the fiscal year 1974. Senate amendments Nos. 9 and 10 have the effect of authorizing an appropriation of more than $2,218,000 for such use for the fiscal year 1974 only.

The Senate recedes.

#### UNITED STATES INFORMATION AGENCY

Amendment No. 11: The House bill authorized an appropriation of not more than $45,000 for use beginning in the fiscal year 1975 for facilities for the United States Information Agency. Senate amendment No. 11 strikes out this provision of the bill.

The Senate recedes.

#### AGRICULTURAL AND DEFENSE ATTACHÉ HOUSING

Amendment No. 12: The House bill authorized an appropriation of not more than $318,000 for use beginning in the fiscal year 1974 for facilities for agricultural and defense attaché housing. Senate amendment No. 12 merely makes a technical change in the subparagraph designation to conform to the deletion of the provision relating to United States Information Agency facilities.

The Senate recedes.

#### OPERATING ACCOUNT

Amendments Nos. 13 and 14: The House bill authorized an appropriation of $45.8 million for fiscal years 1974 and 1975 for the operating account of the Foreign Service buildings programs, which covers the costs of minor improvements and also includes recurring rent payments on long-term leases and expenses such as utility costs, custodial services, and supplies. The House bill also provided that not more than $21.7 million could be appropriated for such purposes for the fiscal year 1974. Senate amendments Nos. 13 and 14 have the effect of authorizing an appropriation of not more than $21.7 million for such purposes for the fiscal year 1974 only.

The Senate recedes.

#### AUTHORIZATION FOR ADDITIONAL OR SUPPLEMENTAL AMOUNTS

Amendments Nos. 15 and 16: The House bill contained a permanent authorization for the appropriation of additional or supplemental amounts for increases in salary, pay, retirement, or other employee benefits authorized by law. Senate amendment No. 15 limited this authorization to the fiscal year 1974 only. Senate amendment No. 16 expanded the authorization to include other nondiscretionary costs, such as those resulting from exchange rate realignments.

The Senate recedes.

WAYNE L. HAYS,
THOMAS E. MORGAN,
CLEMENT J. ZABLOCKI,
W. S. MAILLIARD,
VERNON W. THOMSON,
*Managers on the Part of the House.*

J. W. FULBRIGHT,
JOHN SPARKMAN,
FRANK CHURCH,
G. D. AIKEN,
CLIFFORD P. CASE,
*Managers on the Part of the Senate.*

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## CONFERENCE REPORT ON H.R. 5293, PEACE CORPS AUTHORIZATION

Mr. MORGAN submitted the following conference report and statement on the bill (H.R. 5293) authorizing additional appropriations for the Peace Corps:

CONFERENCE REPORT (H. REPT. No. 93–261)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5293) authorizing additional appropriations for the Peace Corps, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3 and 4.

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be stricken out by the Senate amendment strike out the following: "and for the fiscal year 1975 not to exceed $80,000,000;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill, and agree to the same.

THOMAS E. MORGAN,
CLEMENT J. ZABLOCKI,
WAYNE L. HAYS,
DANTE B. FASCELL,
W. S. MAILLIARD,
PETER H. B. FRELINGHUYSEN,
WILLIAM BROOMFIELD,
*Managers on the Part of the House.*

J. W. FULBRIGHT,
JOHN SPARKMAN,
FRANK CHURCH,
GEORGE S. MCGOVERN,
G. D. AIKEN,
CLIFFORD P. CASE,
JACOB K. JAVITS,
*Managers on the Part of the Senate.*

### JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5293) authorizing additional appropriations for the Peace Corps, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

#### AUTHORIZATION

Amendment No. 1: The House bill authorized an appropriation of not more than $80,000,000 for the fiscal year 1975 to carry out the Peace Corps Act. Senate amendment No. 1 strikes out this authorization.

The House recedes with a technical amendment to make clear that the authorization remaining for fiscal year 1974 is to carry out the Peace Corps Act.

#### FEDERAL PROCUREMENT PROCEDURES

Amendment No. 2: Senate amendment No. 2 added to the House bill a section amending section 10(d) of the Peace Corps Act to place the Peace Corps under existing Federal procurement law. At the present time, the Peace Corps has statutory authority to waive formal advertising requirements and the procurement policy established under existing Federal procurement law. This amendment, while bringing the Peace Corps contracting policy in line with other Federal agencies, would still provide the necessary flexibility to procure services and supplies abroad under the provisions of section 302(c) of the Federal Property and Administrative Services Act of 1949.

The House recedes.

#### LIMITATION ON ADMINISTRATIVE EXPENSES

Amendment No. 3: This Senate amendment added a section to the House bill limiting the Peace Corps overall administrative expenses to 25% of amounts appropriated for such agency for each fiscal year and requiring the agency to include in its annual report information concerning all administrative expenses (including compensation of officers and employees). This amendment was effective beginning with the fiscal year 1975.

The Senate recedes.

#### FOREIGN SERVICE PERSONNEL

Amendment No. 4: This Senate amendment added a section to the House bill to prevent the utilization of Foreign Service personnel and Peace Corps funds for work which is primarily domestic. This amendment—

(1) requires all Foreign Service employees of ACTION working within the offices designated as combined support operations to spend a substantial portion of their working time on strictly Peace Corps functions; and

(2) limits the number of Foreign Service employees that may work in the combined support programs to a figure equal to the ratio used to establish the Peace Corps share of the combined support costs.

ACTION is now in the process of converting its support program Foreign Service appointments to general schedule positions in order to conform with the support program's allocation formula ratio.

The Senate recedes.

AMENDMENT TO THE TITLE

The Senate amended the title of the House bill so as to read: "An Act to authorize additional appropriations to carry out the Peace Corps Act, and for other purposes.".

The House recedes.

THOMAS E. MORGAN,
CLEMENT J. ZABLOCKI,
WAYNE L. HAYS,
DANTE B. FASCELL,
W. S. MAILLIARD,
PETER H. B. FRELINGHUYSEN,
WILLIAM BROOMFIELD,
*Managers on the Part of the House.*
J. W. FULBRIGHT,
JOHN SPARKMAN,
FRANK CHURCH,
GEORGE S. MCGOVERN,
G. D. AIKEN,
CLIFFORD P. CASE,
JACOB K. JAVITS,
*Managers on the Part of the Senate.*

## PERSONAL EXPLANATION

Mr. GUNTER. Mr. Speaker, yesterday I was necessarily absent from the House of Representatives for a brief time because my presence was required for official business with a group of constituents. Had I been here, I would have voted "yea" on rollcall vote No. 176.

## TRANSFERRING AUTHORITY TO SET ASSESSMENT RATES, DISTRICT OF COLUMBIA

(Mr. ADAMS asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. ADAMS. Mr. Speaker, I am introducing legislation today which will transfer authority to set assessment rates from the Department of Revenue and Finance to the District of Columbia Council. The Council presently has authority to set tax rates, and both of these functions rightfully should be assigned to the city's legislative body rather than to an administrative department.

This bill also provides that the 120,000 single family homes in the District will be assessed at 100 percent of true market value in fiscal 1974 and in each year thereafter. At the same time, the Council would have authority to lower the tax rate so that homeowners would pay no higher tax than they are paying right now.

This past Monday, we became aware of a practice by the Revenue Department to increase assessments in the District over the past 5 years from 55 percent to 65 percent. In fact, this amounts to an 18-percent jump in real estate taxes, even if the tax rate and the actual value of the homes remain at the same level.

Mr. Speaker, not only is the increase a staggering one, but even more appalling is the way it came about. The plan to increase assessments was conceived in bureaucratic secrecy, without public notice, without hearings of any kind. I do not believe that decisions to increase taxes should be made by someone hiding in the hierarchy. Both legally and traditionally, the taxes we pay at all levels of government are debated and determined by an elected legislative body in a proper open forum. We may not always agree with the decisions, but at least they are made in full public view. To adopt any other procedure is to flaunt the legislative process.

Mr. Speaker, because of the impact the planned assessments will have on residents of the District, I urge my colleagues today to take speedy action on this bill.

## DEVALUATION OF THE DOLLAR

(Mr. HAYS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAYS. Mr. Speaker, I was intrigued by the remarks of my colleague from Texas (Mr. GONZALEZ) about only Congress being able to devalue the dollar. The last two devaluations we had were announced by the administration, and I do not know if they even told anybody in Congress about it.

I realize that it does not become official until it is passed up here, but to all intents and purposes devaluation was accomplished.

If Members think Mr. Pompidou was wrong in saying there is a third devaluation of the dollar, let them try to buy foreign exchange with dollars, to see how much they pay for it.

To show the arrogance of the administration, Mr. Shultz was making statements all over town last week that he or the administration was going to raise the tax on gasoline 5 to 10 cents a gallon. They did not say anything about the Congress doing it.

I realize that is one thing they cannot get away with without having it pass the Congress; but it is the stupid policies they have adopted which have effectively, Mr. GONZALEZ, devalued the dollar, whether we like it or not. It is devalued because of the economic policies of this administration.

As I said earlier, if anyone does not believe it let him take some dollars and try to buy some foreign currency on any foreign exchange.

## PERSONAL EXPLANATION

Mr. NELSEN. Mr. Speaker, yesterday I was meeting with Mayor Washington and President Tolbert of the Republic of Liberia when the vote on final passage of H.R. 8070, the Rehabilitation Act of 1973, was taken. When I returned to the floor, the final vote had already been announced, but had I been present to vote on rollcall No. 176, I would have voted "yea."

## HOW TO IMPROVE THE CONGRESS

(Mr. GOODLING asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GOODLING. Mr. Speaker, I asked for this time to call the attention of this House to an editorial which appeared in one of my local papers over the weekend. I will read the caption of this editorial, which I believe will prove to the Members here today the importance of reading it. The caption is, "How To Improve the Congress: Let's Abolish the House."

This editorial was written by one Patrick Owens. Who one Patrick Owens is I do not know, and frankly I could care less.

I am going to insert the editorial in today's RECORD under the Extension of Remarks section. As I say, I believe this is "must" reading for every Member.

In my introductory remarks I have a few very kind words to say for Mr. Owens. I commend this to the Members' reading also.

## WHO OUTLAWED GOLD?

(Mr. GROSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GROSS. Mr. Speaker, I was intrigued by the statement of the gentleman from Massachusetts, the distinguished majority leader (Mr. O'NEILL), with respect to the price of gold going to more than $126 an ounce on the London Exchange yesterday.

Let me remind the gentleman from Massachusetts that it was a Democrat President and a Democrat Congress that outlawed the use of gold in this country as a medium of exchange, as a common medium of exchange, so that Americans today cannot buy, own, or sell gold except for ornamental and other restricted purposes.

The situation of this country, at home and abroad, probably would be far different today had a Democrat President and a Democrat Congress not taken this country off the gold standard and prohibited its use as legal tender.

## PERSONAL EXPLANATION

Mr. COUGHLIN. Mr. Speaker, on May 29, 30, and 31, I was absent on official business and was unable to be present on the House floor during consideration of several pieces of legislation.

For the record, had I been present, I would have voted in the following manner:

Rollcall No. 160, H.R. 6912, the Par Value Modification Act, the rule under which the bill was considered, I would have voted "yea";

Rollcall No. 161, H.R. 6912, the Par Value Modification Act, an amendment that sought to permit private purchase, sale, and ownership of gold after December 31, 1973, I would have voted "no";

Rollcall No. 162, H.R. 6912, the Par Value Modification Act, an amendment that sought to strike out language that provides for Presidential determination and approval of private gold ownership, I would have voted "no";

Rollcall No. 163, H.R. 6912, the Par

Value Modification Act, passage, I would have voted "yea";

Rollcall No. 166, H.R. 5857, amending the National Visitors Center Facilities Act of 1968, I would have voted "yea";

Rollcall No. 167, H.R. 5858, authorizing further appropriations for the John F. Kennedy Center for the Performing Arts, I would have voted "yea";

Rollcall No. 169, H.R. 7806, extending through fiscal year 1974 certain expiring appropriations authorizations in the Public Health Service Act, the Community Mental Health Centers Act, and the Developmental Disabilities Services and Facilities Construction Act, I would have voted "yea";

Rollcall No. 170, H.R. 7724, biomedical research, an amendment prohibiting live fetus research, I would have voted "yea";

Rollcall No. 171, H.R. 7724, the National Biomedical Research Fellowship, Traineeship, and Training Act of 1973, I would have voted "yea"; and

Rollcall No. 172, H.R. 6458, the Emergency Medical Services Act of 1973, I would have voted "yea."

### PERSONAL EXPLANATION

Mr. SARASIN. Mr. Speaker, on June 4, 1973, I was necessarily absent from the House of Representatives because I was attending a pension roundtable at the American University. Had I been here, I would have voted "aye" on House Resolution 398, supervisory positions, U.S. Capitol Police Force. I ask that the permanent RECORD so indicate.

The SPEAKER. The gentleman's statement will appear in the RECORD.

### TRIBUTE TO HON. JOHN J. ROONEY ON HIS 29TH ANNIVERSARY AS A MEMBER OF THE HOUSE

(Mr. DELANEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DELANEY. Mr. Speaker, 29 years ago today JOHN J. ROONEY, the senior Member of the New York delegation was sworn into Congress.

Mr. ROONEY has achieved an enviable record. At the present time he is chairman of the Subcommittee on Appropriations for State, Justice, Commerce, the Judiciary, and related agencies. His service as chairman has been recognized by every student of Government. No Member ever knew his subject better than JOHN ROONEY.

Besides that, he served as chairman of the Democratic caucus in the 84th Congress. As a member of the Committee on Military Affairs he visited western and Italian fronts in 1944, and was an official observer at the Japanese Peace Conference in 1951.

The Speaker has informed me that he spoke with JOHN this morning and he is well on the way to recovery. He expressed to all Members here that he will be back just as active as ever. We look forward with anticipation to his return, and extend to him our very best wishes for a speedy and permanent recovery.

### CALL OF THE HOUSE

Mr. MONTGOMERY. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll. No. 178]

Badillo
Boggs
Brown, Ohio
Burgener
Carter
Clark
Diggs
Fisher
Forsythe
Fraser
Gray
Harsha
Hébert
Horton
Hudnut
Ichord
Kemp
Lent
Mallary
Minish
Mink
Minshall, Ohio
Patman
Pepper
Rooney, N.Y.
Sandman
Sikes
Sisk
Stokes
Teague, Tex.
Thompson, N.J.
Towell, Nev.
Wydler

The SPEAKER. On this rollcall 399 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

### PERMISSION FOR COMMITTEE ON WAYS AND MEANS TO FILE REPORT ON H.R. 8410 UNTIL MIDNIGHT FRIDAY

Mr. MILLS of Arkansas. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have until midnight Friday of this week to file a committee report to accompany H.R. 8410.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

### PERSONAL EXPLANATION

Mr. THOMPSON of New Jersey. Mr. Speaker, I was entering the Chamber when the time stopped, and I missed the quorum call by approximately 2 seconds.

### PERSONAL EXPLANATION

Mr. DULSKI. Mr. Speaker, on May 23 I was unavoidably absent for two rollcall votes. Had I been present, I would have voted "no" on roll No. 158, and "yea" on roll No. 159.

June 4 I was detained in my district, and would like to state my position in favor of House Resolution 398. I would have voted "yea" on roll No. 174.

### WAKAYAMA PREFECTURE SEEKS HELP IN UNITED STATES-JAPANESE FRIENDSHIP PROJECT

(Mr. MATSUNAGA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MATSUNAGA. Mr. Speaker, Commodore Perry's historic visit to Japan in 1853 is widely believed to have been the first official contact between the United States and Japan. Evidence which has recently come to light, however, indicates that some 62 years before the Perry visit, two American merchant vessels—the *Lady Washington* and the *Grace* called at the Port of Oshima in Japan's Wakayama Prefecture in search of trade.

To commemorate the visit of the *Lady Washington* and the *Grace*, and in tribute to United States-Japanese friendship, the government of Wakayama Prefecture is building a beautiful memorial hall in the Yoshino Kumano National Park, overlooking the Pacific Ocean, near Oshima. The memorial will house historic documents and records related to the visit of the *Lady Washington* and the *Grace*, scale models of the two ships, original paintings by Japanese artists depicting United States-Japanese friendship, and other articles of historical importance.

The task of locating historic documents—ships' records, letters, et cetera—is a massive one. Two representatives of Wakayama Prefecture have been sent to the United States specifically for the purpose of locating and obtaining such documents. Citizens of our country who may have access to such documents and who are interested in contributing to United States-Japanese friendship are asked to communicate with the Governor of Wakayama Prefecture, the Honorable Masao Ohashi. Letters to the Governor may be addressed to him in care of the Wakayama Prefectural Government, 1,1-Chome, Komatsubara-Dori, Wakayama City, Japan.

### FAIR LABOR STANDARDS AMENDMENTS OF 1973

Mr. DENT. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 7935) to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rates under that act, to expand the coverage of that act and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Pennsylvania.

The motion was agreed to.

#### IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 7935, with Mr. BOLLING in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday the Clerk had read through section 1, ending on page 2, line 2 of the bill.

The Chair recognizes the gentleman from Illinois (Mr. ERLENBORN).

#### AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. ERLENBORN

Mr. ERLENBORN. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

**Amendment in the nature of a substitute offered by Mr. ERLENBORN: Strike out all after the enacting clause and insert in lieu thereof the following:**

### SHORT TITLE

SECTION 1. This Act may be cited as the "Fair Labor Standards Amendments of 1973".

## TITLE I—INCREASES IN MINIMUM WAGE RATES

### INCREASE IN MINIMUM WAGE RATE FOR EMPLOYEES COVERED BEFORE 1986

SEC. 101. Section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) is amended to read as follows:

"(1) not less than $1.90 an hour during the first year from the effective date of the Fair Labor Standards Amendments of 1973, not less than $2.10 an hour during the second year from such date, and not less than $2.20 an hour thereafter, except as otherwise provided in this section;".

### INCREASE IN MINIMUM WAGE RATE FOR NONAGRICULTURAL EMPLOYEES COVERED IN 1966

SEC. 102. Section 6(b) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(b)) is amended by striking out paragraphs (1) through (5) and inserting in lieu thereof the following:

"(1) not less than $1.80 an hour during the first year from the effective date of the Fair Labor Standards Amendments of 1973,

"(2) not less than $2.00 an hour during the second year from such date,

"(3) not less than $2.10 an hour during the third year from such date, and

"(4) not less than $2.20 an hour thereafter."

### INCREASE IN MINIMUM WAGE RATE FOR AGRICULTURAL EMPLOYEES

SEC. 103. Section 6(a)(5) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(5)) is amended to read as follows:

"(5) if such employee is employed in agriculture, not less than $1.50 an hour during the first year from the effective date of the Fair Labor Standards Amendments of 1973, not less than $1.70 an hour during the second year from such date, not less than $1.85 an hour during the third year from such date, and not less than $2.00 an hour thereafter."

### INCREASES IN MINIMUM WAGE RATES FOR EMPLOYEES IN PUERTO RICO AND THE VIRGIN ISLANDS

SEC. 104. (a) Effective on the date of the enactment of the Fair Labor Standards Amendments of 1973, subsection (c) of section 6 of such Act is amended by striking out paragraphs (2), (3), and (4) and inserting in lieu thereof the following:

"(2)(A) In the case of any such employee who is covered by such a wage order and to whom the rate or rates prescribed by subsection (a) would otherwise apply, the following rates shall apply (unless superseded by a wage order issued under paragraph (5) and except as otherwise provided by paragraph (7)):

"(i) Effective as prescribed in subparagraph (B), the employee's base rate, increased by 18.75 per centum.

"(ii) Effective one year after the applicable effective date of the increase prescribed by clause (i), not less than the highest rate applicable to the employee on the day before the effective date of the increase prescribed by this clause, increased by an amount equal to 12.5 per centum of the employee's base rate.

"(iii) Effective one year after the applicable effective date of the increase prescribed by clause (ii), not less than the highest rate applicable to the employee on the day before the effective date of the increase prescribed by this clause, increased by an amount equal to 6.25 per centum of the employee's base rate.

"(B) The effective date of the increase prescribed by subparagraph (A)(i) shall be the sixtieth day following the effective date of the Fair Labor Standards Amendments of 1973 or one year from the effective date of the most recent wage order applicable to the employee which the Secretary issued before the effective date of the Fair Labor Standards Amendments of 1973 pursuant to the recommendations of a special industry committee appointed under section 5, whichever is later.

"(C) For purposes of this subsection, the term 'base rate' means the rate applicable to an employee under the most recent wage order issued by the Secretary before the effective date of the Fair Labor Standards Amendments of 1973 pursuant to the recommendations of a special industry committee appointed pursuant to section 5.

"(3)(A) In the case of an employee employed in agriculture who is covered by a wage order issued by the Secretary pursuant to the recommendations of a special industry committee appointed pursuant to section 5 and to whom the rate or rates prescribed by subsection (a)(5) would otherwise apply, the following rates shall apply (unless superseded by a wage order isued under paragraph (5) and except as otherwise provided in subparagraph (B) or paragraph (7)):

"(i) Effective as prescribed in subparagraph (C), the employee's base rate, increased by 15.4 per centum.

"(ii) Effective one year after the applicable effective date of the increase prescribed by clause (i), not less than the highest rate applicable to the employee on the day before the effective date of the increase prescribed by this clause, increased by an amount equal to 15.4 per centum of the employee's base rate.

"(iii) Effective one year after the applicable effective date of the increase prescribed by clause (ii), not less than the highest rate applicable to the employee on the day before the effective date of the increase prescribed by this clause, increased by an amount equal to 11.5 per centum of the employee's base rate.

"(iv) Effective one year after the applicable effective date of the increase prescribed by clause (iii), not less than the highest rate applicable to the employee on the day before the effective date of the increase prescribed by this clause, increased by an amount equal to 11.5 per centum of the employee's base rate.

"(B) Notwithstanding subparagraph (A) of this paragraph, in the case of any employee employed in agriculture who is covered by a wage order issued by the Secretary pursuant to the recommendations of a special industry committee appointed pursuant to section 5, to whom the rate or rates prescribed by subsection (a)(5) would otherwise apply, and whose hourly wage is increased above the wage rate prescribed by such wage order by a subsidy (or income supplement) paid, in whole or in part, by the government of Puerto Rico, the following rates shall apply (unless superseded by a wage order issued under paragraph (5) and except as otherwise provided in this subparagraph and in paragraph (7)):

"(i) Effective as prescribed in subparagraph (C), the employee's base rate, increased by (I) the amount by which the employee's hourly wage rate is increased above his base rate by the subsidy (or income supplement), and (II) 15.4 per centum of the sum of the employee's base rate and the amount referred to in subclause (I).

"(ii) Effective one year after the applicable effective date of the increase prescribed by clause (i), not less than the highest rate applicable to the employee on the day before the effective date of the increase prescribed by this clause, increased by an amount equal to 15.4 per centum of the sum of the employee's base rate and the amount referred to in subclause (I) of clause (i).

"(iii) Effective one year after the applicable effective date of the increase prescribed by clause (ii), not less than the highest rate applicable to the employee on the day before the effective date of the increase prescribed by this clause, increased by an amount equal to 11.5 per centum of the sum of the employee's base rate and the amount referred to in subclause (i) of clause (i).

"(iv) Effective one year after the applicable effective date of the increase prescribed by clause (iii), not less than the highest rate applicable to the employee on the day before the effective date of the increase prescribed by this clause, increased by an amount equal to 11.5 per centum of the sum of the employee's base rate and the amount referred to in subclause (I) of clause (i).

Notwithstanding clause (i), (ii), (iii), or (iv) of this subparagraph, the minimum wage rate for any employee described in this subparagraph shall not be increased under such clause (i), (ii), (iii), or (iv) to a rate which exceeds the minimum wage rate in effect under subsection (a)(5).

"(C) The effective date of the increase prescribed by subparagraphs (A)(i) and (B)(i) shall be the sixtieth day following the effective date of the Fair Labor Standards Amendments of 1973 or one year from the effective date of the most recent wage order applicable to the employee which the Secretary issued before the effective date of the Fair Labor Standards Amendments of 1973 pursuant to the recommendations of a special industry committee appointed under section 5, whichever is later.

"(4)(A) In the case of any employee who is covered by a wage order issued by the Secretary pursuant to the recommendations of a special industry committee appointed pursuant to section 5 and to whom this section was made applicable by the amendments made to this Act by the Fair Labor Standards Amendments of 1966, the following rates shall apply (unless superseded by a wage order issued under paragraph (5) and except as otherwise provided by paragraph (7)):

"(i) Effective as prescribed in subparagraph (B), the employee's base rate, increased by 12.5 per centum.

"(ii) Effective one year after the applicable effective date of the increase prescribed by clause (i), not less than the highest rate applicable to the employee on the day before the effective date of the increase prescribed by this clause, increased by an amount equal to 12.5 per centum of the employee's base rate.

"(iii) Effective one year after the effective date of the increase prescribed by clause (ii), not less than the highest rate applicable to the employee on the day before the effective date of the increase prescribed by this clause, increased by an amount equal to 6.25 per centum of the employee's base rate.

"(iv) Effective one year after the effective date of the increase prescribed by clause (iii), not less than the highest rate applicable to the employee on the day before the effective date of the increase prescribed by this clause, increased by an amount equal to 6.35 per centum of the employee's base rate.

"(B) The effective date of the increase prescribed by subparagraph (A)(i) shall be the sixtieth day following the effective date of the Fair Labor Standards Amendments of 1973 or one year from the effective date of the most recent wage order applicable to the employee which the Secretary issued before the effective date of the Fair Labor Standards Amendments of 1973 pursuant to the recommendations of a special industry committee appointed under section 5, whichever is later.

"(5)(A) Any employer, or group of employers, employing a majority of the employees in an industry in Puerto Rico or the Virgin Islands for whom wage rate increases are prescribed by paragraph (2), (3), or (4) may apply to the Secretary in writing for the appointment of a special industry committee to recommend the minimum wage rate or rates to be paid such employees in lieu of the rate or rates prescribed by paragraph (2), (3), or (4), whichever is applicable. Any such application shall be filed—

"(i) in the case of the first of such increases, not less than thirty days following the date of enactment of the Fair Labor Standards Amendments of 1973, and

"(ii) in the case of each succeeding increase, not more than one hundred and twenty days and not less than sixty days prior to the effective date of such increase.

"(B) The Secretary shall promptly consider any application duly filed under subparagraph (A) of this paragraph for appointment of a special industry committee and may appoint such a special industry committee if he has a reasonable cause to believe, on the basis of financial and other information contained in the application, that compliance with any applicable rate or rates prescribed by paragraph (2), (3), or (4), as the case may be, will substantially curtail employment in the industry with respect to which the application was filed. The Secretary's decision upon any such application shall be final. In appointing a special industry committee pursuant to this paragraph the Secretary shall, to the extent possible, appoint persons who were members of the special industry committee most recently convened under section 8 for such industry. Any wage order issued pursuant to the recommendations of a special industry committee appointed under this paragraph shall take effect on the applicable effective date provided in paragraph (2), (3), or (4), as the case may be. If a wage order has not been issued pursuant to the recommendation of a special industry committee appointed under this paragraph prior to the applicable effective date under paragraph (2), (3), or (4), the applicable percentage increase provided by paragraph (2), (3), or (4) shall take effect on the effective date prescribed therein, except with respect to the employees of an employer who filed an application for appointment under this paragraph of a special industry committee and who files with the Secretary an undertaking with a surety or sureties satisfactory to the Secretary for payment to his employees of an amount sufficient to compensate such employees for the difference between the wages they actually receive and the wages to which they are entitled under this subsection. The Secretary shall be empowered to enforce such undertaking and any sums recovered by him shall be held in a special deposit account and shall be paid, on order of the Secretary, directly to the employee or employees affected. Any such sum not paid to an employee because of inability to do so within a period of three years shall be covered into the Treasury of the United States as miscellaneous receipts.

"(C) The provisions of section 5 and section 8, relating to special industry committees, shall be applicable to special industry committees appointed under this paragraph. The appointment of a special industry committee under this paragraph shall be in addition to and not in lieu of any special industry committee required to be convened pursuant to section 8(a), except that no special industry committee convened under that section shall hold any hearing within one year after a minimum wage rate or rates for such industry shall have been recommended to the Secretary, by a special industry committee appointed under this paragraph, to be paid in lieu of the rate or rates prescribed by paragraph (2), (3), or (4), as the case may be.

"(6) The minimum wage rate or rates prescribed by this subsection shall be in effect only for so long as and insofar as such minimum wage rate or rates have not been superseded by a wage order fixing a higher minimum wage rate or rates (but not in excess of the applicable rate prescribed in subsection (a) or (b)) hereafter issued by the Secretary pursuant to the recommendation of a special industry committee appointed under section 5.

"(7) Notwithstanding any other provision of this subsection, the wage rate of any employee in Puerto Rico or the Virgin Islands which is subject to increase under paragraph (2), (3), or (4) of this subsection shall, on and after the effective date of the first wage increase under the paragraph which applies to the employee's wage rate, be not less than 60 per centum of the wage rate that (but for this subsection) would be applicable to such employee under subsection (a) or (b) of this section."

(b) The third sentence of section 10(a) of such Act (29 U.S.C. 210(a)) is amended by inserting "(including provision for the payment of an appropriate minimum wage rate)" after "modify".

### EXCLUSION OF EMPLOYEES IN THE CANAL ZONE FROM INCREASES IN MINIMUM WAGE

SEC. 105. Section 13(f) of the Fair Labor Standards Act of 1938 (29 U.S.C. 213(f)) is amended (1) by inserting "(1)" immediately after "(f)", and (2) by adding at the end thereof the following new paragraph:

"(2) Notwithstanding paragraph (1), the increases in the minimum wage rates prescribed by the Fair Labor Standards Amendments of 1973 shall not apply to the minimum wage rates applicable under this Act to employees employed in the Canal Zone."

## TITLE II—REVISION OF EXEMPTIONS

### SALES AND MANAGERIAL PERSONNEL

SEC. 201. Section 7 of the Fair Labor Standards Act of 1938 (29 U.S.C. 207) is amended by adding after subsection (j) the following new subsection:

"(k) For a period or periods of not more than seven workweeks in the aggregate in any calendar year, the requirements of subsection (a) of this section shall not apply with respect to the employment of any employee (not otherwise exempted from such subsection by subsection (i) or section 13 (a)(1)) in a retail or service establishment if—

"(1) such employee is employed in a bona fide sales capacity in, or as manager of, such establishment;

"(2) such employee's regular rate of pay is not less than twice the wage rate in effect under section 6(a)(1); and

"(3) for employment in such establishment in excess of forty-eight hours in any workweek during such period or periods, such employee receives compensation at a rate not less than one and one-half times the regular rate at which he is employed in such establishment."

### NEWSPAPER DELIVERY EMPLOYEES

SEC. 202. Section 13(d) of the Fair Labor Standards Act of 1938 (29 U.S.C. 213(d)) is amended by inserting after "newspapers" the following: "or shopping news (including shopping guides, handbills, or other types of advertising material)".

### HOUSEPARENTS FOR ORPHANS

SEC. 203. Section 13(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 213(a)) is amended by striking out the period at the end of paragraph (14) and inserting in lieu thereof "; or" and by adding after that paragraph the following:

"(15) any employee who is employed with his spouse by a nonprofit educational institution to serve as the parents of children—

"(A) who are orphans or one of whose natural parents is deceased, and

"(B) who are enrolled in such institution and reside in residential facilities of the institution,

while such children are in residence at such institution, if such employee and his spouse reside in such facilities, receive, without cost, board and lodging from such institution, and are together compensated, on a cash basis, at an annual rate of not less than $10,000."

## TITLE III—EXPANDING EMPLOYMENT OPPORTUNITIES FOR YOUTHS

### SPECIAL MINIMUM WAGES FOR EMPLOYEES UNDER EIGHTEEN AND STUDENTS

SEC. 301. Section 14 of the Fair Labor Standards Act of 1938 (29 U.S.C. 214) is amended (1) by striking out subsections (b) and (c), (2) by redesignating subsection (d) as subsection (c), and (3) by adding after subsection (a) the following:

"(b)(1) Subject to paragraph (2) and to such standards and requirements as may be required by the Secretary under paragraph (4), any employer may, in compliance with applicable child labor laws, employ, at the special minimum wage rate prescribed in paragraph (3), any employee—

"(A) to whom the minimum wage rate required by section 6(a) or 6(b) would apply in such employment but for this subsection, and

"(B) who is under the age of eighteen or is a fulltime student.

"(2) No employer may employ for a period in excess of one hundred and eighty days any employee who is under the age of eighteen and is not a full-time student at the special minimum wage rate authorized by this subsection.

"(3) The special minimum wage rate authorized by this subsection is a wage rate which is not less than the higher of—

"(A) 80 per centum of the otherwise applicable minimum wage rate prescribed by section 6(a) or 6(b), or

"(B) $1.30 an hour in the case of employment in agriculture or $1.60 an hour in the case of other employment.

"(4) The Secretary shall by regulation prescribe standards and requirements to insure that this subsection will not create a substantial probability of reducing the full-time employment opportunities of persons other than those to whom the minimum wage rate authorized by this subsection is applicable.

"(5) For purposes of sections 16(b) and 16(c)—

"(A) any employer who employs any employee under this subsection at a wage rate which is less than the minimum wage rate prescribed by paragraph (3) shall be considered to have violated the provisions of section 6 in his employment of the employee, and the liability of the employer for unpaid wages and overtime compensation shall be determined on the basis of the otherwise applicable minimum wage rate under section 6; and

"(B) any employer who employs any employee under this subsection for a period in excess of the period authorized by paragraph (2) shall be considered to have violated the provisions of section 6 in his employment of the employee during the period in excess of the authorized period."

## TITLE IV—CONFORMING AMENDMENTS; EFFECTIVE DATE; AND REGULATIONS

### CONFORMING AMENDMENTS

SEC. 401. Section 8 of the Fair Labor Standards Act of 1938 (29 U.S.C. 208) is amended (1) by striking out "the minimum wage prescribed in paragraph (1) of section 6(a) in each such industry" in the first sentence of subsection (a) and inserting in lieu thereof **"the minimum wage rate which would apply in each such industry under paragraph (1) or (5) of section 6(a) but for** section 6(c)", (2) by striking out "the minimum wage rate prescribed in paragraph (1) of section 6(a)" in the last sentence of subsection (a) and inserting in lieu thereof "the otherwise applicable minimum wage rate in effect under paragraph (1) or (5) of section 6(a)", and (3) by striking out "prescribed in paragraph (1) of section 6(a)" in subsection (c) and inserting in lieu thereof "in effect under paragraph (1) or (5) of section 6(a) (as the case may be)".

### EFFECTIVE DATE AND REGULATIONS

SEC. 402. (a) Except as provided in section 104(a), the effective date of this Act and the amendments made by this Act is the first day of the second full month which begins after the date of its enactment.

(b) Notwithstanding subsection (a), on and after the date of the enactment of this Act the Secretary of Labor is authorized to prescribe necessary rules, regulations, and orders with regard to the amendments made by this Act.

Mr. ERLENBORN (during the reading). Mr. Chairman, I ask unanimous consent to dispense with further reading of the amendment and that it be printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ERLENBORN. Mr. Chairman, I have offered now the amendment in the nature of a substitute that was rather thoroughly debated yesterday during general debate and it has of course been available to the Members since it was introduced last week.

As we explained when we introduced the text of this amendment last week, this, except for wage rates, is identical to the bill that was introduced earlier this year with bipartisan support by me, the gentleman from Florida (Mr. FUQUA), the gentleman from Louisiana (Mr. WAGGONNER), the gentleman from Minnesota (Mr. QUIE), and the gentleman from Illinois (Mr. ANDERSON).

This follows quite generally what the House approved in the way of a minimum wage bill last year. The only change from our earlier bill that was made in the bill as introduced last week and as is now being offered as the substitute is a change in the wage rate structure. What we have in the substitute before us is the wage rate structure that was recommended by Secretary Brennan with the exception of the last year, the last step, so that the effect of this substitute would be to raise the nonagricultural minimum wage rates to the same level as in the committee bill. However, it would take two additional steps and would reach $2.20 in 1976, rather than next year as would be done by the committee bill.

As to agricultural labor, we do not go as high as the committee bill. We would raise the agricultural minimum wage rates to $2. This would be done in four steps. The present wage rate is $1.30. The substitute bill would raise, immediately upon its enactment, that wage rate to $1.50; next year, $1.70; the following year, $1.85; and finally, $2 in 1976. At that point there would be a 20-cent differential between agricultural and nonagricultural wage rates.

This would be a lesser percentage and a lesser cents difference between agricultural and nonagricultural than exists today. At the present time, there is a 30-cent differential, agriculture being $1.30; nonagricultural being $1.60.

Mr. Chairman, as I pointed out in the debate yesterday, the House showed its preference last year, for step increases that could be absorbed by our economy without doing it harm. This substitute bill will provide those reasonable step increases, taking into account the necessity for increasing minimum wage rates because of inflation, and also taking into account the need to go about this in a reasonable fashion because of further inflation that could be caused by unwarranted steep in increasing the wage rates.

Probably the most important issue that has divided us on this question of the minimum wage is the question of the youth differential. I put in the record yesterday, and I hope the members have had a chance to read, the comments of those who have carefully studied the impact of increases of the minimum wage rates on youth unemployment.

Almost without exception, the finding has been that there is an adverse impact on youth every time we increase the minimum wage rates. We find that most of those who have studied this problem suggest that there be a differential between youth and adult minimum wage rates to take into account the difficulties that youth have in finding employment.

How can this country; how can the majority on our committee live with unemployment rates among black teenagers of 35 percent without doing something about it? The committee bill does not address itself to the question of youth differential. As I pointed out yesterday, it has only an unworkable student differential. We in our substitute bill have a real, workable youth differential that would help to alleviate the unemployment existing among youth generally, and in particular the minority youth who suffer the greatest amount of unemployment.

Lastly, the committee bill would extend the coverage of the act into areas that we think it should not be extended, such as State and local employment, coverage of Federal employees.

I should take note at this point of a letter that was sent by the chairman of our committee to the members stating that I had misinformed them. If I have, I am sorry.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. ERLENBORN. Mr. Chairman, I ask unanimous consent that I be permitted to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The CHAIRMAN. The gentleman from Illinois is recognized for 5 additional minutes.

Mr. ERLENBORN. Mr. Chairman, I have prepared and had made available at the two desks of the majority and minority side, and sent to all of the members, a "Dear Colleague" letter of my own, in which I point out that the report of the committee itself does state that both minimum wage and overtime coverage is being extended to Federal employees. Then, in the next paragraph, the committee report states that there is, however, an exception for certain Federal employees; all of those Federal employees that were not covered by the 1966 amendments.

Then, Mr. DENT in his letter stated that no Federal employees were being covered for overtime. I can only say that this is confusing. It did confuse me, and if I have added to the confusion, I am sorry.

Mr. Chairman, I hope that the members of this committee will do as the House did last year, and that is to realize the importance of adjusting for inflation and doing it in a responsible manner, not extend coverage to areas that ought not be covered, maintain the overtime exemptions that are presently in the act and address the plaguing problem of youth unemployment in a meaningful way.

This can be done if the Committee of the Whole House will adopt the substitute that is being offered.

Mr. DENT. Mr. Chairman, I rise in opposition to the substitute amendment.

Mr. Chairman, when we talk about responsibility, from where do we measure? Do we measure responsibility from the position taken today, or do we measure responsibility from the position taken yesterday—"yesterday" being all the days that have gone before?

My worthy colleague on the other side, the sponsor of this substitute, talks about a gradual escalation into a wage scale, and says that it inhibits inflation. Let us just take a look at things.

One year after this House voted with the gentleman on his substitute last year, he offers a wage rate 10 cents less than he offered last year. The Erlenborn bill of last year came up with a $2 base rate in 1972.

Even Mr. ANDERSON, who reduced the Erlenborn proposal to $1.80 for 1972, would today be at the point I am asking Members to be at, in a consistent move to reach these people all of us admit need the help the most. The Anderson amendment would have given us, right at this moment, $2 an hour. That is what we are asking for the pre-1966 coverage.

In the post 1966 coverage the gentleman from Illinois (Mr. ERLENBORN) offered $1.80 last year and $2 this year. That is exactly what we are offering now. We are offering $1.80 this year and $2 next year. And we are going on to the third step simply because, I believe, in the year the minimum wage bill would come up again, it being an election year, it would confuse the issue far and beyond trying to operate in an area of calmness and understanding of the problems these people have.

The Anderson amendment was beyond my amendment on agriculture, identical with the Erlenborn amendment on agriculture, and identical with the position they have taken this year.

Responsibility? The only responsibility is that which can be sold, at the request of the lobby conspiracy, to the membership of this House.

So far as the wage rate is concerned, I

have had not one single remonstrance against the position of the Dent bill. In fact, the only remonstrance I have had is from the agriculture Members of this Congress, who have said that I am going too slow to reach parity, and an amendment will be offered by a Member of this Congress later on to accelerate the pace of the increases in agriculture to bring them to that point.

Mr. Chairman, I want at this point, in speaking of agriculture, to tell this House that one of the Members of this House came to me this morning and said that he was called from his native State and was told by one of the chief lobbyists against this bill of mine that my bill covered agriculture on overtime.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. DENT was allowed to proceed for 5 additional minutes.)

Mr. DENT. Mr. Chairman, that, like many other things that have been said about this legislation, is a deliberate attempt to mislead, and the kindest thing I can say about individuals who peddle that nonsense is that the truth is not in them.

Yes, for several months, the gentleman from Illinois is right, we have tried to compromise; we have tried to work out a solution. But you cannot work out a solution when all of the employer representatives of 47 million Americans covered by the minimum wage bill have been converging on this Hill and have been for the last 7 months joined in a pact and shaking hands and saying, "Unless we all get what we want, we stand against these people."

Mr. Chairman, the employers we discuss have no lobby. We are the lobby. No one else is the lobby for these workers. It has been that way since 1938.

There has always been opposition; there always will be. This is the kind of legislation that breeds opposition. It is bread-and-butter legislation, and we are the only persons in America, the only ones who can bring some measure of justice in the differentials between the wages paid under organized labor contracts and the wages paid these unorganized workers in America.

Mr. Chairman, they are our wards in a sense.

Yesterday the argument was made throwing the blame for the high cost of health care on minimum wages. Can anyone in this room imagine a minimum wage worker getting any of the benefits of health care from his wages?

Has any Member stopped at a hospital or nursing home and looked over their charges?

We talk about youth labor. This is not youth labor.

Mr. Chairman, if we pass the so-called Erlenborn teenage job rate that he is asking for, and the allowance he is asking for, we could not even put the kids to work if we wanted to. Why is that?

He opens it up to that list of hazardous jobs that are contained in the Child Labor Act and in the contract signed by employers with insurance companies.

You could not put a youth to work under the Erlenborn amendment in the city of Washington, D.C., for two reasons: workmen's compensation disallows it, and the private insurance policies disallow it.

This committee did not blindly throw something together; we worked. We worked for 4½ years on this legislation. We started to work on it after the last increase went into effect for the $1.60 workers in 1968. If those workers had received the wages that we had approved and this and past administrations handed out, then this worker making $1.60 an hour since 1968 would now be drawing $2.39 an hour.

Are we asking for that amount? Have we a regard for the payment of these amounts? Have we an understanding of the economics of creating payrolls? The argument yesterday was that we did not understand. If we did not understand, would we come up with a $2 bill today? We would not. It would propose increases far in excess of what we seek to provide.

Mrs. CHISHOLM. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, on the days when this House has debated the welfare bills and poverty bills this Chamber rings with fervent speeches about the work ethic. Yesterday and today it has echoed with warnings about inflation. What I would like to know, is when are the Members of this House going to apply the same standards to the working poor as they do to themselves?

If we are going to talk about the work ethic we ought to be talking about fair compensation for work performed. If we are going to talk about inflation caused by wage increases we ought to look not at the workers at the bottom, but at ourselves and at the other high priced workers whose 5-percent cost-of-living increases frequently exceed the actual income of the workers who are seeking coverage by the Fair Labor Standards Act today.

There are currently 16 million American workers who are not covered by the minimum wage legislation. H.R. 7935 would provide for the extension of benefits to only 6 million additional workers. Although I would like to see all workers covered by at least a minimum wage, this bill is a start in the right direction.

As for the inflation argument, even the representative of the Chamber of Commerce, which is opposing this bill, conceded in testimony before the Senate Subcommittee on Labor, that the minimum wage is not inflationary. And former Secretary of Labor Hodgson also stated in January of 1971 that—

> It is doubtful that changes in the minimum had any substantial impact on wage, price, or employment trends.

Inflation has, however, had a terrific impact on the ability of the working poor to survive. There has been a 34-percent increase in the cost of living since 1966 when this Congress last extended the minimum wage. While this rise in prices has put a severe strain on the family budget for all citizens, its impact on the working poor has been devastating.

In presenting his substitute bill before the House today, Mr. Erlenborn has conceded that there is a need to raise the minimum wage for the 45 million workers already covered because of the increase in the cost of living since 1966. If he concedes this is the case for those who are already covered by the Fair Labor Standards Act, I do not understand why he is opposed to the extension of coverage to the 6 million workers who are not currently covered. They are not even receiving the minimum wage. Surely it is plain that their need is even greater than that of the workers now covered by the act.

Let us get down to cases. As a black and as a woman, I am especially concerned about the extension of coverage to domestic workers. My own mother was a domestic, so I speak from personal experience.

Right now when the Federal minimum stands at $1.60 an hour the average pay for a domestic is $1.34 a hour.

Almost one-third of these workers were paid less than 70 cents an hour in cash wages; almost half were paid less than $1 an hour; two-thirds less than $1.50 an hour; and almost 90 percent less than $2 an hour.

The figures for year-round wages are even more graphic. The median income for a domestic worker is $1,800. Even in my own State of New York, which generally pays higher wages than in the rest of the country, the median income for a woman working 50 to 52 weeks a year is $2,689. In Alaska, which has the lowest median income for domestics, the figure stands at $803 a year.

This is a sorry record any way you look at it, but what makes the situation even more serious is the fact that such a large portion of these women are heads of households.

According to the 1970 census 11 percent of all American households are headed by women.

Among black families, 28 percent are headed by women.

Among the families listed under the poverty line, 40 percent are headed by women.

And over 50 percent of the poor black families are headed by women.

Of the 25.5 million poor—1970 census—only 21.5 percent or about one-fifth are on welfare.

Of these poor female heads of households who work, over half worked as maids in 1970 and had incomes under the poverty line.

These women are struggling to make ends meet and keep their families together. They are proud, hard workers who are doing their darndest to stay off the welfare rolls and are getting precious little help for their efforts.

This bill would not provide the vacations with pay, health benefits or retirement benefits, which most American workers take for granted.

All it would do would be to insure that at least these women were paid the minimum wage.

There are those who argue that if we extend coverage to domestics there will be a loss of jobs and an increase in unemployment. This argument has been used since the inception of minimum wage legislation in 1938 and in spite of all the dire predictions, the Republic still stands and few jobs have been lost.

Indeed, with regard to the employment of domestics an increase in the wages paid will probably improve the job market. The drop in the number of household workers, which the Labor Department puts at 70,000 from 1960 to 1970 has resulted chiefly from the fact that it is an undesirable job, precisely because the pay is so low.

Indeed, due to the tremendous increase in the number of working women, the need for domestic help has increased rather than decreased. If the job is made more attractive and more rewarding financially, a larger number of women would be interested in household work.

Finally, there are those who argue that the justification for a Federal Fair Labor Standards Act, is that those employed are engaged in interstate commerce because the goods they produce cross State lines, and that domestic workers do not qualify for inclusion under the FLSA because they are not engaged in interstate commerce.

This is a specious argument designed to provide a flimsy excuse for denying coverage to domestics. Unless the Members of the House are planning to mandate a return to homemade soap and prohibition against the use of tools such as vacuum cleaners, it is clear that every household product utilized by a domestic from Handy-Andy to a Hoover is a product which has moved in interstate commerce.

Finally, it has been argued that housewives have no business knowledge, and would, therefore, be unable to keep the tax, social security, and other records related to employing a household worker. This may come as a shock to the Members of this House, but in most homes it is the wife who handles the family budget, and bookkeeping. She can tell you how much you owe at the bank, on the car loan, the charges run up on her credit cards, and in these days of spiraling food prices, she has been doing plenty of fancy figuring about base prices and unit prices at the grocery store. To suggest that women do not know how to add and subtract is an insult to women and totally contrary to all existing evidence.

Women, especially black women, simply have not had a fair shake in the job market. It is time that they were given their due. If the extension of the minimum wage for domestics is excluded from the Fair Labor Standards Act amendments today, it will mean that all the talk about the "work ethic" and "helping those who help themselves" is nothing but sham and hypocrisy. And all that rhetoric about welfare cheaters and loafers is nothing but a lot of hot air because you never meant for people to be able to work and earn a wage adequate to support themselves.

A newspaper article entitled "To Domestics, a Minimum Wage Is a Raise," follows:

[From the New York Times]

### TO DOMESTICS, A MINIMUM WAGE IS A RAISE

(By Philip Shabecoff)

AUBURN, ALA.—Queen Esther Parker, who worked as a housemaid here until * * * a quite sure—like many other Americans—what the minimum wage is these days.

She hadn't heard a thing about proposals to include domestic workers for the first time under the minimum wage provision in an amendment to the Fair Labor Standards Act, which is scheduled to come to the floor of Congress very soon.

But Mrs. Parker knows that she is not paid enough money—not for the kind of hard work and long hours she puts in and not enough to live decently.

Until recently, she worked for a family in Auburn as a general household worker, cleaning, taking care of young children, doing errands and other odd jobs. She worked 5 days a week starting at 7:30 in the morning and ending at 5:30 or 5:45 in the evening.

For this work she was paid $35 a week.

The current basic minimum wage is $1.60 an hour and that is less than the poverty level established by the Federal Office of Management and Budget. Mrs. Parker, of course, was earning considerably less than $1.00 an hour.

### MEDICAL PROBLEMS

But she is no longer working as a domestic. She went into the hospital recently and the doctor discovered that she had diabetes and other complications. They told her she could no longer do heavy household work.

Mrs. Parker did not get paid for the days she was in the hospital since as a domestic, she was not covered by any kind of medical insurance or workmen's compensation. In fact she never got any vacation or holiday pay either.

Household workers have always been shortchanged in these areas and will continue to be so even if they are included in the coverage of the minimum wage law. Moreover, even in the new minimum wage law amendments domestics will continue to be excluded from overtime pay provisions.

Now she has no income at all. Her husband earns $130 a week as an equipment man for the Auburn University football team. While in the hospital she ran up a bill of nearly $400. She needs two injections a week costing $25. With food prices going up and three children to feed and rent of $74 a month, she could not afford the loss of her take-home pay.

"I don't know how we will keep going," she worried aloud to an interviewer.

However, Mrs. Parker would have quit her last job even if she had been well enough to work. She felt that her employers did not treat her with enough respect. "They called me 'Queen Esther' but made me call them 'Mr. and Mrs.' I had to go in the back door when I came in the morning. And they didn't drive me to and from work. I had to pay a man with a car $3 a week to take me to work and pick me up."

### GENERAL WAGE PATTERN

Even if Mrs. Parker had taken another job, the odds are her wages would have been considerably less than $1.60 an hour. Although reliable statistics are not available, most authorities say that, except in metropolitan areas such as New York and Washington, household workers are generally paid substantially less than the minimum wage.

In big-city areas, household workers generally command higher wages because there are a greater number of affluent people seeking household help. Also wage scales in these areas are generally higher for nonskilled labor.

Three states, New York, Wisconsin and Massachusetts, have their own minimum wage laws covering domestic workers.

"Domestic workers," commented a staff official in the House Labor Committee, "are the most depressed and disadvantaged group of workers in the United States."

Other observers have commented that typical household workers are disadvantaged on three counts: They are poor, they are black and they are women.

The new fair labor standards legislation now coming before both houses of Congress could work significant changes in the economic position of household workers. It would, first of all, require that domestics be paid the statutory minimum. The minimum for most workers would go to $2.00 an hour next year under Democratic versions of the bill in the two houses.

Proponents of minimum wage coverage for domestics argue that in addition to these workers, it would also reverse the trend in which over one million workers have left this sector of the labor market in the last 10 years.

The average age of domestic workers is reportedly 10 years higher than the average wage of the work force as a whole.

### EARLIER EFFORTS FAILED

However, unsuccessful efforts have been made in the past in Congress to amend the minimum wage law to include domestics. One such effort failed only a year ago. This year substitute bills, including provisions that would again exclude domestics, have been prepared by Republicans in both houses.

Senator Robert Taft Jr., Republican of Ohio who is one of the sponsors of the substitute bill, has asserted that including domestic workers under the minimum wage law would not be workable.

He believes that many "marginal" jobs would be lost because households would no longer be able to afford help.

Senator Taft also thinks that the requirements for keeping tax, Social Security and other records for domestics if they are included under the labor standards law makes such coverage impractical. He believes that housewives, who have no business knowledge, would not be able to maintain such records. The result, he said, would be large-scale violations of the law.

Senator Taft is also troubled by the constitutional issue of whether household work is interstate commerce and thus subject to Federal regulation. Another problem often cited is how to include domestic workers if businesses with sales under $250,000 a year are exempt in many cases.

Many of these same arguments have been used for many years against the whole concept of the minimum wage itself. For example, the early opponents of the minimum warned that it would lead to wide unemployment of marginal workers. These predictions never came true.

Efforts are being made to achieve social and economic justice for household workers through self-help. The National Committee on Household Employment is trying to organize domestic workers so they can demand rights collectively.

Here in Alabama, where wages for domestics are depressed and working conditions often poor, the household technicians of Auburn, a local affiliate of a national nonprofit group in the field, are training workers in cleaning, cooking, child care, first aid, and other skills. "We are doing this so that household workers have something to bargain with," explained Mrs. Jessie Williams, director of the group.

After workers have finished the course, the organization finds jobs for them and demands they be paid at least the current minimum of $1.60 an hour. Some household workers in the area are now earning only 50 cents an hour, Mrs. Williams said.

"Also very important is that we are trying to change the attitude of workers," she said. Many employers still tend to maintain the old white superiority-black inferiority relationship in what should be a neutral employer-employee relationship, she explained. This shows up when the housewife calls her domestic worker by her first name while expecting the worker to say Mrs. or Ma'am.

The household technicians try to discourage use of the word "maid" which, they say, is a relic of slavery.

"The technicians we place must be given respect," Mrs. Williams declared. "We won't go in the back door any more. We won't be told to eat scraps in the kitchen and stay out of the living room except when we are sweeping."

"We feel domestic work is just as professional as any other job," she insisted. "If people go on making it degrading, there won't be any workers doing it much longer."

The search for dignity is a tangible current running among household workers.

But Lena McGray, a 61-year-old domestic in Auburn who earns $1 an hour and works hard for it, told an interviewer, "I would like my job a whole lot better if they paid me the minimum wage."

Mrs. GRIFFITHS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am opposed to the Erlenborn amendment known as a substitute. I would like to point out to the Members that at the present time wages are really competing with welfare. For anybody in this Congress to vote against a minimum wage for a domestic worker is to say to that woman, "Be our guest; go on welfare."

That is exactly what they do. In a recent survey, I want to make it clear to this Congress, I pointed out that a woman today with four children, under five programs in some States, who goes to work at $3 an hour is really only earning 75 cents. We are not going to change these setups very rapidly. But for us to sit here today and to deny a domestic worker even $2 an hour is the height of the ridiculous.

What the gentleman from Illinois (Mr. ERLENBORN) is really asking is for the taxpayers to support her not working.

For 5 years I spent my time in the Committee on Ways and Means every time we had a tax bill trying to get it set up so that one could deduct the wages he paid to domestic workers. To fail to deduct those wages is in itself a sexist discrimination. What the gentleman really is saying is what that woman does in a home is of no worth. I should like to differ with him. What she does in that home is a thing that makes life livable. She is entitled to a decent wage, and her employer, whether it is the gentleman or his wife, is entitled to deduct that before he pays his taxes. For anyone now at this late time in history, who knows something about how the welfare system works, to come in and say, "Let them work for nothing; they are not entitled to a minimum wage;" is a sort of sex discrimination that is beyond my imagination.

But there is in addition to that a real discrimination against the American taxpayer. Personally, I think they are fed up with paying taxes for these things.

I think the gentleman from Illinois ought to withdraw his substitute.

Mr. ERLENBORN. Mr. Chairman, will the gentlewoman yield?

Mrs. GRIFFITHS. I yield to the gentleman from Illinois.

Mr. ERLENBORN. I thank the gentlewoman for yielding. The gentlewoman is suggesting that there ought to be a tax deduction for wages paid to domestic employees. Was the gentlewoman aware that Mr. DENT had such a provision in the bill and voluntarily withdrew it before the bill was reported?

Mrs. GRIFFITHS. I am very well aware of why he withdrew it. I sat on the Committee on Ways and Means, and the Committee on Ways and Means was going to make a point of order against that. That will have to be determined in the Committee on Ways and Means. But I hope that the gentleman will put forth a little time and effort to try to convince his people on the Committee on Ways and Means that wages to the domestic should be deductible.

Mr. DENT. Mr. Chairman, will the gentlewoman yield?

Mrs. GRIFFITHS. I yield to the gentleman from Pennsylvania.

Mr. DENT. I thank the gentlewoman for yielding. I think the gentlewoman knows full well, as I explained it to the full committee in detail, that I had had discussions with the chairman of the Committee on Ways and Means, and that he and my staff got together and prepared the proper language. We put it in my bill for the purpose of acquainting everybody in the Congress with the fact that this was the intention of the sponsor of the bill. Then upon agreement between myself and the chairman of the Committee on Ways and Means, which was also transmitted to the full Committee on Education and Labor, the chairman of the Committee on Ways and Means said that he would take up that particular subject matter immediately in the tax bill. I have every reason to believe that the chairman of the Committee on Ways and Means is sincere and that his word is good and that he will do it, and we will have a tax deduction. On its own volition, the Committee on Ways and Means gives tax credit for babysitters and gives tax credit for child care. I see no reason, no valid reason, why domestic help should not have the same consideration.

Mrs. GRIFFITHS. Mr. Chairman it is entirely possible that if the gentleman from Illinois spent his time with the Illinois Legislature trying to get them to ratify the equal rights amendment, we could get some of these things.

I yield back the balance of my time.

Mr. McCLORY. Mr. Chairman, I move to strike the last word.

I should like to ask the sponsor of the amendment a few questions, if I may. Is there anything in the gentleman's amendment that specifies that women should receive a lower minimum wage? When we talk about domestics, are we talking about household help, which might be men or women, or is there something that specifies women?

Mr. ERLENBORN. Mr. Chairman, will the gentleman yield?

Mr. McCLORY. I yield to the gentleman from Illinois.

Mr. ERLENBORN. Mr. Chairman, I thank the gentleman for yielding.

There is nothing in my bill concerning domestics and the provisions in the committee bill does not specify any different wage for men and women. Many men consider this an honorable way of earning a living, to work in the domestic service either within or outside the household, so I see nothing very sexist about the provision at all.

Mr. McCLORY. One of the reasons for supporting the gentleman's amendment and a further reason for questioning the wisdom of this entire legislation is that from my personal contact with school administrators and others who are involved in the problem of securing employment for students—and particularly students from among the minority groups—is that raising the minimum wage increases their unemployment. I have a high school district in my congressional district with a large number of black students, the student counselor there advises me that increasing the minimum wages which must be paid to these students does nothing except to deprive these young students of the opportunity for employment—an employment which is good for them and good for the school and good for their families and community.

I am sure that the gentleman recognizes that the differential in minimum wages required to be paid to students and that of adult workers is put into the bill so that we can give more opportunities to these young people to have useful and gainful employment. It seems to me that in this way we are getting the private economy to support or to partially support these individuals and we are not imposing any burden on the taxpayers as represented here earlier today.

Mr. DENT. Mr. Chairman, will the gentleman yield?

Mr. McCLORY. I yield to the gentleman from Pennsylvania.

Mr. DENT. Mr. Chairman, does the gentleman know this equal employment has been in the legislation since 1961 and approved in 1966? We have equal employment. There is not anything new in the amendment the gentleman is talking about, except that he wants to employ teenagers in the full-time labor market at a subminimum wage. He is trying to put youth in competition with adults in the full labor market. We restrict that to school students.

Mr. McCLORY. I understand the gentleman's amendment and I listened to the gentleman in his 10-minutes' debate on this subject, but I know we are not going to legislate jobs in this legislation. What we are going to do is to legislate people out of jobs by this bill. We are doing it all the time. The more we increase the minimum wage, the more we deprive these people at the lower-economic levels of the opportunity to work.

I understand that among black students the unemployment rate now is about 37 percent. Without this meddlesome and harmful legislation opportunities for working at lower wages, consistent with their talents and abilities, or, on a part-time basis or during summer vacations or on weekends would be greatly increased. We ought to offer them the opportunity. To legislate them out of those jobs is about the most absurd legislative action we can take here today.

Mr. BURTON. Mr. Chairman, will the gentleman yield?

Mr. McCLORY. I yield to the gentleman.

Mr. BURTON. Mr. Chairman, I thank the gentleman from Illinois.

I think he has highlighted an important aspect of the issue before us. It is our hope each of these sections would be extensively discussed and debated on its merits, rather than this omnibus, all-up-or-all-down proposal. So with the gentleman's concern for a thoughtful process, I would hope that he would conclude that statement of his position would be better made when the omnibus substitute is turned down, so that we can discuss in particular each of the individual sections.

Mr. McCLORY. I thank the gentleman for the suggestion. I might adopt that suggestion as well as my decision to support the amendment of the gentleman from Illinois (Mr. Erlenborn). I believe it will bring my decision to vote against this whole bill, whatever its final form may be because I am basically against the principle of minimum wage legislation. Increasing wages artificially or legislating jobs is something we are not going to be able to do on this floor today. That is my position.

Mr. RANGEL. Mr. Chairman, will the gentleman yield?

Mr. McCLORY. I yield to the gentleman from New York.

Mr. RANGEL. Mr. Chairman, I was concerned about the rate of unemployment amongst the blacks in my district and indeed throughout the Nation. If I understand the gentleman's question correctly, is he stating the lower the wage the closer we will be coming to full employment of students or of black students?

Mr. McCLORY. No, what I am saying is that according to my advice, when we increase the minimum wage, we deprive these black youths of many jobs which otherwise would be offered to them. I am not saying it would give people full-time jobs. I am just saying partial employment and part-time jobs encourages these young people to become part of our private economic system. It provides incentives—and motivates them to move ahead.

Mr. RANGEL. Mr. Chairman, I move to strike the last word.

I would like further to see whether or not this logically follows: Is the gentleman saying that if we were to lower the wage to youngsters, we might have more of them employed?

Mr. McCLORY. No, I am saying that if we lower the minimum wage for students particularly, just retain a lower minimum wage, I think we would provide more opportunities and advantages, particularly for young people and young minority people.

I am confident that it is true. The literature I read convinces me it is true, and the individuals dealing day by day with these particular individuals convinces me that what I am saying is true. We are not discussing the nonpayment of wages or lowering wages. Nor can it be said that a $2 minimum is a nominal wage for an unskilled student employee. Nor by measuring minimum wages in this bill are we assuring a job for a single individual. On the contrary, I think we will increase unemployment among those who are most in need of jobs.

Mr. RANGEL. I do not know about that statistical data, but it seems to me that if one is going to believe that the lower the wage, the more employment we will get among black youngsters, one might suggest that slavery would take care of full employment among American black youths.

Mr. DENT. Mr. Chairman, will the gentleman yield?

Mr. RANGEL. I yield to the chairman of the committee, Mr. Dent.

Mr. DENT. Mr. Chairman, it is an old saying that if one finds a lie to be useful, he will repeat it to the point where he believes it himself.

Every time this legislation comes up, the bugaboo about risking a number of jobs by passage of a higher minimum wage comes up.

Our own Department of Labor has, year after year after year, made studies and reports to us. It is just like the statement made by my opponent on three different occasions after he knew and was told that was an untruth. We were putting the employees in his office under overtime pay. It is not true. Yesterday he admitted it was not true, but he admitted it was not true after he twice repeated it in 24 hours and after it was told to him in my presence, in answer to a question in the Committee on Rules. He went right out and repeated it on the floor and in a letter to the Members of this House.

Let us see what the Department of Labor has said:

> Not one of the local offices of the Employment Service (ES) cited the recent hike in the minimum wage or the extension of coverage under the Federal Fair Labor Standards Act as responsible for the change between June 1966 and June 1969 in the total number of nonfarm job openings available to teenagers, or which specified a minimum age of 16–19 years of age or 20 years old or over.
>
> In nearly all of the States covered by the study, differential minimum wage rates applicable to youth, including exemptions, appear to have little impact on the employment of youth in 1969.
>
> On the basis of our examination (with respect to foreign experience) however, it appears reasonable to conclude that wage differentials are less important factors than rapid economic growth, structural and technological shifts, national full employment, relatively low mobility rates, and the relative shortage of young workers. A similar confluence of these factors in the American economy might well have similar effects on youth employment regardless of the wage structure.

These are the reports of our Government. Year after year after year it is the same story about rippling effects. Here again, rippling effects have been answered by our own department year after year, but we keep repeating the lie to where we believe it. It is a technique often used to deprive people of the use of their commonsense.

Mr. ANDERSON of Illinois. Mr. Chairman, I rise in strong support of the Erlenborn substitute and am particularly concerned that we recognize the need for a youth differential wage if we are ever going to reverse the odds which we have stacked against youth in the labor market in the past. We are debating this bill at a time when teenage unemployment is over three times the national average—and the national average has stagnated at an unacceptable high level of 5 percent in the past 6 months. Once upon a time, before minimum wage laws were on the books, teenage unemployment was only 1½ times the national average. But the ratio has steadily creeped upward and I hesitate to think how high it could climb if Congress blindly pushes through another minimum wage increase without reflecting on the consequences of that action for youthful jobseekers.

There was a misleading article in the New York Times this morning which sketched the history of minimum wage legislation. In one part of that article I found an interesting assertion:

> For example, the early opponents of minimum wage warned that it would lead to wide unemployment of marginal workers. *These predictions never came true.*

Now I find that a somewhat astounding conclusion in light of all the evidence available.

The unemployment rate of black youths is over 35 percent. Overall teenage unemployment is over 15 percent and has not dropped below 10 percent since 1953. In light of that clear evidence, how can it be concluded that the minimum wage has not had an adverse effect on teenage unemployment? How can my colleagues on the majority side of the Education and Labor Committee conclude that remedial steps—a youth differential rate—are not necessary?

Let me say that support for the youth minimum is not limited solely to this side of the aisle or such groups as the Chamber of Commerce. Just last week the columnist, Milton Viorst, hardly a right wing reactionary, wrote that—

> When the minimum wage is the same for teenage and mature workers, an employer will pick the adult every time, and maybe for overtime, while the teenager walks the street.

Andrew Brimmer, one of our most respected Federal Reserve Board governors, and the Nation's leading black economist, warned last March that youth unemployment is being aggravated by minimum wage legislation and that a youth differential minimum wage was sorely needed. Nobel Prize winner Paul Samuelson has asked: "What good does it do a black youth to know that an employer must pay him $1.60 an hour, or $2, if the fact that he must be paid that amount keeps him from getting a job?"

The massive Kosters and Welsh study covering the years 1954 to 1968 concluded that—

> Evidence indicates that increases in the effective minimum wage have had a *significant impact* on employment patterns. Minimum wage legislation has had the effect of decreasing the share of normal employment . . . of the group most marginal to the work force—teenagers. Thus, as a result of increased minimum wages, teenagers are able to obtain fewer jobs and their jobs are less secure.

They estimated that 565,000 teenagers would not get jobs that they might otherwise have had if the minimum wage were raised to $2 in 1971. Yet there are those here today who are advocating a raise to $2.20 an hour and claiming that there will be no impact on youth.

Since 1950, when the minimum wage was only 75 cents an hour, the labor force participation rates for black teenagers 16 and 17 plummeted from 59.8 to 34.8 percent and the rates for black 18- and 19-year-olds dropped from 77.8 to 61.8 percent. Clearly the minimum wage laws are discouraging these young workers from even entering the labor market.

The Columbia University economist, Jacob Mincer, has found that most teenage workers are now actually employed at below minimum wages. It is simplistic to assume that raising the minimum will automatically help them out. Clearly, some will benefit. But if we are to be objective, we must also recognize that many will be hurt as well. It never ceases to amaze me that those who so ardently appeal for more funds for Neighborhood Youth Corps and other Federal aid programs designed to improve youth employability are at the same time so eager to throw huge obstacles in the way of such individuals and all but guarantee that they will never be able to help themselves, but instead, will have to rely on Government aid.

A cynic might suspect that Congress was deliberately building walls simply to keep itself busy by tearing them down. I am not so cynical. But I do wonder sometimes what goes on in the minds of my colleagues who, when confronted with the overwhelming evidence that minimum wages will surely increase youth unemployment still proceed to vote as if it did not matter. Well, it does matter, for there are limits to congressional power. We may make laws as we please, but let us not forget that economic laws cannot be broken with impunity. It would be nice if everyone could get $2.20 an hour without the danger of unemployment, but this is a dream, and not reality. I hope that the wisdom of the House has not diminished since last year when we passed the Erlenborn substitute and stood fast against those who could not distinguish between fact and fiction.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. Anderson) has expired.

(On request of Mr. Burton and by unanimous consent, Mr. Anderson of Illinois was allowed to proceed for 2 additional minutes.)

Mr. BURTON. Mr. Chairman, will the gentleman yield

Mr. ANDERSON of Illinois. I am pleased to yield to the gentleman from California (Mr. Burton).

Mr. BURTON. Mr. Chairman, I would like to commend my colleague, the gentleman from Illinois (Mr. Anderson) for his calm, dispassionate statement.

I would like to note that of the many, many sections of this bill the gentleman from Illinois (Mr. Anderson) and virtually all of the speakers have addressed themselves to one section about which there is admitted controversy. Therefore, I would resubmit that all of this thoughtful discussion and debate would best serve the purposes of constructive decisionmaking on behalf of all of us if the committee position was sustained and the up-and-down, take-it-or leave-it substitute was rejected and then we had an opportunity, section by section, to discuss each of those sections which are in issue, and then it will be recognized by all of us that this particular section is one about which there is the most difference of opinion, and then we would reserve discussion on those important matters.

Mr. ANDERSON of Illinois. Mr. Chairman, I would simply say in reply to the gentleman from California (Mr. Burton), that we do not seem to have any great amount of difficulty in discussing in, I hope, the calm dispassionate manner with which he has credited me the most important issues in this bill.

If we are talking about black teenage unemployment rates of 35 percent or, as the gentleman from Illinois (Mr. McClory) has said, 37 percent, what would be more important to focus on in this entire debate than that single issue?

Mr. Chairman, I submit that we ought to adopt the substitute that will make it possible to zero in on that very important issue.

Mr. BURTON. If the gentleman will yield.

The CHAIRMAN. The time of the gentleman has expired.

Mr. PERKINS. Mr. Chairman, I move to strike the requisite number of words.

Mr. DENT. Mr. Chairman, will the gentleman from Kentucky (Mr. Perkins) yield to me?

Mr. PERKINS. Briefly, yes, I will yield to the gentleman from Pennsylvania (Mr. Dent).

Mr. DENT. Mr. Chairman, the peculiar thing is that we are supposed to be doing something for the youth. They say there are 530-some thousand youth without jobs; there are 4½ to 5 million adults without jobs.

I do not believe there are fulltime jobs floating around in the marketplace that are not being occupied. I do not think those who have work to be done, production to be made, and foodstuffs to be gathered are letting the foodstuffs rot or the production be not produced because they are waiting for us to pass a 20-percent wage cut for youth.

What is youth? Is youth child labor? One would think we have no program for youth.

Mr. Chairman, we have the best program for youth ever devised. Why? Because we are trying to stop dropouts. And where they do drop out, it is for many reasons:

Their own peculiar personalities, their own peculiar ways; perhaps they want to drop out. We have made provisions for those.

This provision talks about youth for 6 months in the labor market. Under the provision devised in this particular substitute they want to give a 20-percent discount for 6 months. During the 6 months he has dropped out of school; he has been let out of his job. Historically, the textile industry proves that beyond any doubt. New kids are brought in, and these kids are on the streets. We spend millions of dollars trying to put them back in school or trying to put them in training.

But what do we do? We say that when a kid drops out of school, he is no longer entitled to a discount wage except when he goes into an apprentice program, or if he goes into a learner's job or if he takes a job in a messenger capacity.

Have we provided for the drop out in a legitimate and intelligent manner? Have we tried to train him so that he can become something and stay in the labor market and join the economic bloodstream of our country?

Here is the answer to your youth problem. The entire youth movement and all of its organizations have sent you their ideas on what it means. They have put their finger on the culprit in this situation. Since when has it just now become a very serious matter? We have always had a problem with regard to youth labor, but now the problem deals with adult labor and it is in a full labor market.

Do not tell the kid who may be driving a motorcycle or something in his 3 months of vacation that when he is through working there he will be working full time. They are working as students. Do not hold over them another 5 percent discount and say "Quit school, but you can only keep it for 6 months." I do not think any of the youth of America know that they have only a 6-month opportunity to work and that then they have to work full time at full pay.

Do you mean to tell me you do not have respect for youth? I know you have respect for youth, and so do I. I started to work full time when I was 11 years of age. I know what it is, and I know exactly what it is. It took me many, many years laying before the fireplace to even learn to read and write.

Do not tell me what youth labor is. You have to taste it, and it is no pleasure working in a slag plant or in a coal mine at the age of 11 or 12.

We passed the child labor legislation, and they fought that bitterly. That is what this is all about—to put the youth in hazardous jobs as cheap labor.

The CHAIRMAN. The gentleman from Kentucky has consumed 4 minutes.

Mr. PERKINS. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. BROWN of Michigan. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard. The gentleman from Kentucky is recognized for the remaining 1 minute.

Mr. SCHERLE. Mr. Chairman, I ask unanimous consent that the gentleman in the well be allowed to proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The CHAIRMAN. The gentleman from Kentucky is recognized for 6 minutes.

Mr. PERKINS. Mr. Chairman, the arguments made against the committee bill are the same arguments that have been made against every minimum wage bill brought to this floor since 1938. Those arguments carry no more weight today than they did before. I am sure the House of Representatives will once again ignore them and pass a meaningful bill—the committee bill.

If you look at the two bills, you see that with respect to minimum wages, the bills are really not very far apart. Both bills would eventually raise the minimum wage of covered employees to $2.20 per hour. The committee bill would have covered employees reach that level earlier than the substitute and, of course, the committee bill covers employees excluded by the substitute, but, with respect to the need to raise the applicable minimum the bills are reasonably close together.

The differences lie mainly elsewhere.

I want to clarify, now, some mistaken impressions about the impact of this bill on agriculture. The minimum wage provisions of the Fair Labor Standards Act apply only to employers who use 500 man-days of agricultural labor during any quarter of the previous year. The committee bill does not modify or enlarge upon that coverage in any way. Ninety-seven percent of the farms in America are totally exempt from the minimum wage provisions of the law.

Furthermore, nowhere in the committee bill do we remove the overtime exemptions applicable to farm production. I call these facts to my colleagues' attention to correct some misunderstandings I have found to exist among them.

Mr. Chairman, I would now like to address myself to the so-called youth differential in this bill.

As a youngster, when I was 14 or 15 years of age, I worked at many jobs. When I was out there doing a man's work I felt as though I should receive a man's pay—even though I was only 15 or 16 years old. And I did. Right in the heart of Appalachia I received a man's pay during the summer months when I was out of school and doing a man's work. And that was only fair. If we adopt the substitute we will be unfair.

Furthermore, if we adopt the substitute we will encourage students to leave school—to miss out on the education they so badly need. We will encourage them to compete at lower wages for jobs needed by adult breadwinners and heads of households. We will replace youth unemployment with adult unemployment. That will be the result of the substitute bill, the Erlenborn substitute. We are going to increase the dropout rate of students by doing this.

We have a high unemployment rate among students, and something should be done about that. We should be increasing the Neighborhood Youth Corps, the Job Corps, and manpower work and training programs helping youth. As for the committee bill we have a differential for students to help them remain in school and that should be maintained. And that the committee bill does. Students can presently work part-time and on vacations in retail and service institutions and in agriculture, at 85 percent of the applicable minimum. Their employment at that wage rate is made now possible by the committee bill in all employments that are nonhazardous. The student differential makes sense. It encourages young people to stay in school, and helps them to do so. It does not put young people into unfair competition for jobs with unemployed adults.

The committee bill may not be perfect. If there are some inequities, after we vote down the substitute offered by the gentleman from Illinois (Mr. ERLENBORN), we can deal with them. But, the substitute should be voted down—because the committee bill is much better and much more equitable. The people that we endeavor to cover under the committee bill, the "working poor" of America, certainly deserve its protection. They need the protection and the wage which the committee bill would establish. It is fair, it is reasonable.

The committee bill will not put people out of work, it is not inflationary. We do expand coverage in a few areas to people who need it and we provide a minimum wage that is fair and reasonable.

I certainly hope, Mr. Chairman, that the committee bill will be adopted.

Mr. QUIE. Mr. Chairman, I rise in support of the Erlenborn substitute.

Mr. Chairman, there are some important differences of opinion on this bill. We do gain the impression from the arguments so far that youth differential is the only real difference, but there are some other substantive differences as well. One of them is the speed at which the minimum is increased. For anybody who has watched labor-management negotiations, even though they agree about the extent to which their wages will be increased, one of the questions involved is the period over which they take in order to reach that increase. What the Erlenborn substitute does is to take a longer period of time.

Let me refer to what happened in the Minnesota State Legislature. For the first time in history the Minnesota State Senate has been controlled by the Democratic Farmer Labor Party, so both bodies and the governorship are held by that party. A minimum wage bill at $2 an hour was attempted this year. That is the one bill that the Legislature did not agree on with the proponents. The legislature passed $1.80 minimum wage in Minnesota and for a youth differential. Evidently they saw the merit of not moving too fast on increasing the minimum wage and the merit of youth dfferential.

I do not think there was anyone there who was opposed to a poor person getting as high a wage as possible. But we are not sitting here as managers of a business; we are sitting here as a legislative body trying to legislate for the entire country, looking at not only the needs of the poor workers but the economic impact it will have on the Nation.

What the Erlenborn substitute does is take another year to reach $2.20 an hour, stretch it out a little bit so we will not have an unfavorable impact on the economy and begin at $1.90 an hour.

I should also point out that on the youth differential, this is of tremendous necessity because we have already heard some of the testimony—and I could read additional testimony—that has proven out that the youth unemployment goes up during that 6-month period after the minimum wage is increased. It usually happens, and it is certainly going to happen this time unless we provide for an adequate youth differential.

Why is not the youth differential in the committee bill adequate. First, it provides that the students over 18 who receive the subminimum wage cannot work in employment that is deemed to be hazardous for young people under 18. However, if they get a minimum wage, they can work there. Why in the world is $1.60 an hour hazardous and $2 an hour nonhazardous? It does not make sense at all.

Another reason why it is not adequate is that it provides that if the employer hires more than four young people, then he has to have prior certification, and what has proven out to be the case is that it has prevented the employer from taking part in this program and providing the additional employment for young people that they ought do. Young people need that kind of employment.

The third reason why it is not adequate is it does not provide anything for the 16- and 17-year-olds not in school. Sixteen- and 17-year-olds—by and large most of them—do not have people dependent upon them. They are dependent. Some just cannot stand school for some reason or another. It happens in every State. Minnesota is the best State to prevent dropouts of any State in the union, but still 7 percent of those starting ninth grade do not finish twelfth grade. They drop out. Young people, if they cannot get jobs, may be the ones who have caused so much of the problems we have in this country. We have seen it. The increase in crime has come mostly from among young people. We have seen the drug problem. A person needs some self-satisfaction that he is doing something worthwhile for himself, for his family, and for the community, and a job provides that. That is why we need an adequate youth differential, as provided in the Erlenborn substitute.

I am convinced that if we are going to make our education system operate well, where we want young people to stay in school, we need the chance for them to be employed while they are in school.

Years ago it was possible for those who could not secure an adequate education, or who did not have the interest, to go ahead and find unskilled employment. In some places now cooperative education programs exist.

It has been shown there that it is important for the young people who just cannot see the value of their courses they are studying for getting a job some place. We have seen the cooperative education program, where these young men and women work for a period of time and go to school for a period of time during the day. They suddenly realize the importance of their math to the program they are working in or they suddenly realize how some of the civics courses they should be taking relate to the job and their interest in the community. Responsibility is developed.

Now if we require that all the schools

when they work out these programs have to see that every child gets $2 an hour rather than a differential, we are going to cut those programs out right and left and deny the young people the type of education they need. The youth differential will permit such program to continue and expand. That is the reason why we should support the Erlenborn substitute.

Let me go now to the question of the domestics, which has been raised. I do not believe anyone here does not want the domestics to receive the minimum wage. But here is the difficulty.

It is in enforcing the payment of the minimum. The domestics are not employed just by a few wealthy people who employ them full time. Most of the domestics are working where they spend 1 day on one job and another day on another job. They probably have five or six employers they are working for. We can imagine, as difficult as it is now for the Department of Labor to enforce the Fair Labor Standards Act, how difficult it will be for them to go out to every home throughout the country to try to get that enforced.

The gentleman from Pennsylvania (Mr. DENT), the chairman of the subcommittee, had a feature which many of my colleagues did not like but which I happened to like, and that was to provide for a tax deduction and then later a tax credit, which probably will be a little fairer, for the wages of those who are employed as domestics because then it would be self-policing, and it is important that a program be self-policing because there is no way we can put the enforcement on the Department of Labor where they can police it themselves.

If the Members will notice, the Dent bill does not propose to make certain that everybody who works for the farmer will be covered by minimum wage. They stay with and still use 500 man-hours per quarter as the cutoff point. We do not use this for everyone even who employs a person for a few days a month or a year on the farm. We cannot use the Department of Agriculture or the Department of Labor to go out to each home to see that it is enforced.

The effect of the expansion of coverage of minimum wage has been that it sets a level that noncovered employees must pay and wages keep going up. It is for that reason I say we should cover domestics when it becomes self-policing. The gentleman from Pennsylvania felt it should be self-policing. His proposal which the committee dropped should be included before we cover domestics.

Mr. Chairman, the other reason why the Erlenborn substitute should be adopted is that he does not cover State and local employees. There is a recognition in the bill that firemen and policemen should not be covered by the overtime provision. They are State and local employees. The committee recognized that police and firemen should not be covered. There are other employees working in State and local governments who also should not be covered by the overtime provisions because of the effect the Federal Government will have unthinkingly on the cost of operating the State and local governments. In the part of the country I come from we did not have great snow storms this last winter and then we could get by all right, but other years we may have a blizzard every weekend.

It is tough enough on those governments trying to provide snow removal when they have to put on extra crews and provide that extra time, but if they were required to provide overtime for everyone because in a snowstorm they had to work on weekends or extra hours because of that snowstorm in order to let people travel on the roads, I think the Federal Government would hamper the full operation of local and State governments, and it should not be done. I urge you to support the Erlenborn substitute.

Mr. PRICE of Texas. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Texas (Mr. PRICE).

Mr. PRICE of Texas. Mr. Chairman, there has been considerable discussion lately about increasing the minimum wage. This is perhaps one of the most controversial and emotional issues to come before the House during this session.

An increase in the hourly minimum wage does not mean an automatic guarantee of higher wages, nor does it mean more money in the pocket of a wage earner. We cannot tamper with the basic laws of economics, because if we legislate in violation of these, the end result can only be disaster.

If by raising the minimum wage we merley succeed in adding to the inflationary spiral by forcing prices up, we have really accomplished nothing at all. And, in the long run, we end up legislating to the detriment of those we seek to help.

Should the minimum wage be increased to $2 or to $2.20 per hour, the flames of inflation will be fanned to new heights, and additional unemployment will hit America's work force.

Theoretically, increasing the minimum wage will help in eliminating existing low wages. But, unfortunately, someone must pay for it—and all too often it is the worker himself who pays.

The stated purpose of the Fair Labor Standards Act upon its enactment in 1938 was to eliminate as rapidly as possible labor conditions thought to be harmful to "the health, efficiency, and general well-being of workers without substantially curtailing employment or earning power." There can be no question about it—the act intended to eliminate low wages without eliminatng jobs.

Unfortunately, this has not been the result of previous minimum wage increases.

Where the minimum wage has been raised, employers of marginal workers—such as the inexperienced, the semiskilled or the teenager—have little options open to them. They may either close their doors and go out of business, lay off least productive workers, cut back on their hours of work, or substitute capital equipment for human labor. Once a job is lost through the substitution of capital equipment, there is little chance it will ever be reclaimed by a human.

Each alternative open to the employer causes unemployment.

Especially is this true in the case of the small, independent business, where the highly competitive nature of the business and narrow profit-loss margins prohibit the employer from absorbing the increased payroll.

For example, in a recent poll of its member firms, the National Federation of Independent Business—the largest business organization in the United States—found that 84 percent of its membership opposed an increase in the hourly minimum wage. NFIB, which represents small independent business, has more than 344,000 member firms across the United States.

Numerous studies have been made upon the impact of a minimum wage increase. These studies provide evidence that raising the minimum wage actually reduces employment. Of all these studies, probably the most thorough attempts to evaluate the impact of minimum wage legislation was conducted by the New York State Department of Labor.

The New York study was in the form of a survey of the impact of an increased minimum wage in retail trades. Results showed that employers affected by the increased wage rates took a variety of actions to adjust to higher payroll costs. Payroll savings were achieved by reduced hours, layoffs, and quits who were not replaced. Five percent of the affected employers reduced hiring extra personnel. Altogether 1,000 employees lost their jobs as a result of the minimum wage increase, and another 500 who quit were not replaced.

Finis Welch of the National Bureau of Economic Research, and Marvin Kosters, now a senior staff economist with the Council of Economic Advisers, in a 1970 Rand Corp. study, found that as the minimum wage rises "teenagers are able to obtain fewer jobs and their jobs are less secure over the business cycle."

An Ohio University study, conducted by Gene L. Chapin and Douglas K. Aide revealed that "increases in the minimum wage causes unemployment among teenagers [and] the effects seem to persist for considerable periods of time."

These findings seem to be borne out in Labor Department statistics, which show teenage unemployment for April to have been 15.4 percent, against a national unemployment rate of 5 percent for the same month.

In another study, Belton M. Fleisher and William J. Shkuoti found that retail employment declined between 1960 and 1966 when a significant portion of retailing was, for the first time, covered under the Federal minimum wage law. And, Prof. A. F. Hinrichs found that employees in 11 low wage plants in the seamless hosiery industry were reduced by 12 percent after minimum wages applied to workers in that industry.

There are numerous other reliable studies which could be cited here, but they all reconfirm these following facts.

Raising the minimum wage simply does not automatically guarantee higher wages, or a better way of life in America.

The rate of inflation will soar even higher.

And unemployment will climb.

Mr. Chairman, I believe the House would do well to keep these thoughts in mind when the bill to increase the minimum wage is voted upon today.

Mrs. GREEN of Oregon. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I think that there are some provisions in the Erlenborn amendment which are attractive, and I at times have been tempted to support it, and I may, if I have the opportunity, support a couple of amendments to the Dent bill.

However, there is one overriding and overwhelming reason why I cannot support the Erlenborn substitute. I want to appeal to my male colleagues in the House, who outnumber the women Members by a very, very considerable percentage. I want to speak today for a group which has not been represented by organized labor. For many years unions negotiated contracts where women were paid less than men for identical work.

Today, the group I want to speak about has no spokesman in this country at all. They are totally unorganized. In my judgment, they are the most neglected group in our society. They represent a very, very large number of people, heads of families, whose children are living in poverty, and who are totally dependent upon this person for support, and yet that person is not paid the minimum wage.

Mr. Chairman, I speak for the domestic workers. My colleague from Minnesota just opposed this because it would be difficult to enforce. I suggest that if that is an argument, there would be nobody in this country who would be covered by minimum wage, because it is difficult to enforce for everyone. I agree with that. Also welfare requirements and regulations are difficult to enforce—and for many, many thousands of would-be domestic workers who cannot receive a decent wage—welfare is the better alternative.

Do not let the difficulties of enforcment of minimum wage nor the difficulties faced in the abuse of welfare payments deter you from providing equity for a neglected group in our Nation. I would plead with the Members to listen to some of the statistics in regard to this group of people.

Later on, I understand, we are going to have a bill extending the "war on poverty" legislation. I am going to vote against extending the "war on poverty" bureaucracy, because I think it has wasted hundreds of millions of dollars in this country and that the impact has been minimal. That does not mean that I am satisfied or that I think people ought to live below the poverty level. I just think it is very foolish for us as a nation to spend hundreds of millions of dollars for social planners, and hundreds of millions of dollars for the professional poor to go out and try to plan other people's lives for them, and foolish to pour hundreds of millions of dollars into consulting firms for contracts and for entrepreneurs who are siphoning off the money intended for the poor.

I suspect there are not the votes in the House this year to extend the OEO legislation, and I am going to be one of those who vote against it. If we would just pay people a fair wage—a decent wage—they could manage their lives. That is what they need—not social engineers to tell them how to do better in their poverty.

I appeal to the Members to do something for those people living in poverty which would be the most meaningful thing possible. Listen to these statistics:

Domestic workers today form a group composed of one and a half million people. This is a group that is 97 percent female. This is a group which is 46 percent white; 52 percent black, and 2 percent other races. This is a group which enjoys a median—I repeat—a median income of less than $2,000 per year for full time employment—$2,000 per year for full time employment.

This is a group which includes over 275,000 heads of households, 54 percent of which are living in poverty. This is a group where over 52 percent of the unrelated individuals exist below the poverty level. This is a group where two-thirds have dependent children, including one-fourth with four or more children in the family.

This is a group whose numbers are shrinking drastically as demand for workers is increasing. This is a group whom the present system guarantees—the present system we are operating under, unless we do something today—guarantees that they will continue to live in poverty, to work a lifetime of hard work and to reach the end of life still in poverty.

The administration has consistently and continuously reminded us of our commitment to the work ethic. I also am committed to that. I am opposed to a guaranteed income, but I am heartily in favor of jobs where people can live and work and be above the poverty level.

In the President's human resources radio address of February 24 he made one thing clear—that social service should be provided in a manner which fosters self reliance rather than dependency among recipients. The Secretary of Health, Education, and Welfare has told us "We must remove any incentives for people to stay on the welfare rolls—and find some disincentives for their staying on."

It requires little insight to realize that the greatest incentive for work is being able to earn a living wage at it. The facts are that people can stay on the welfare rolls and earn more than they can as domestic helpers.

The CHAIRMAN. The time of the gentlewoman from Oregon has expired.

(By unanimous consent, Mrs. Green of Oregon was allowed to proceed for 5 additional minutes.)

Mrs. GREEN of Oregon. Mr. Chairman, we talk about it being difficult to get domestic workers. Until we are willing and able to pay a living wage, until we the Congress, are willing to bring them under the minimum wage, the problem will remain. They are not organized; they do not have any pressure groups outside the doors, sitting in the lobbies, or wandering around the Congress. Until we speak for them, until we are willing on our own to bring them under the minimum wage we will find that domestic workers will still benefit by staying on the welfare rolls. There is no reason for them to get off.

Mr. Chairman, ultimately it seems to me the question must resolve itself into one of simple justice. Do we really want anyone in our society to work 40 hours a week and not earn an income at least approaching the poverty level? That is what we are talking about—the chance to earn a living at least approaching the poverty level.

Working a 40-hour week at the present minimum wage, the annual income would be $3,328, considerably below the poverty level. If this legislation is passed and the minimum wage is raised to $1.80, the annual income would still only be $3,740, and eventually $4,500 as the minimum wage increases.

I must say that I do not consider this as a terribly magnanimous gesture on our part.

Anyone who understands what is involved in household work will concede that it is one of the most difficult and one of the least attractive forms of employment. Domestic workers are generally excluded from minimum wage laws, unemployment compensation, and workmen's compensation. They receive no benefits such as sick leave and paid vacations. And this is compounded by the fact that they are not covered by the Social Security Act unless they earn at least $50 from one employer in a given calendar quarter. And for those who earn that amount the responsibility rests with the individuals who employ them to make certain that they are brought within the protections of social security coverage. Everyone here knows that there is wide abuse of this, because some domestic workers are so desperate for money that they do not want the social security deduction to be withheld from their already meager wages.

I suggest that if domestic workers are included under the minimum wage and then, hopefully, as the gentleman from Minnesota suggested and as the gentleman from Pennsylvania (Mr. Dent) wanted, have a tax reduction for employment of these people, then we would perhaps get them enrolled in the social security program.

As it is now, not only are these hard-working individuals forced to sustain themselves and their families on grossly subminimum wages, but many cannot even look forward to living out their years on at least the minimum amount which we say that social security affords.

There are those who want to be employed. There are those who must be employed in order to support their families. But they may not wish or may not be equipped to enter more technological occupations. These people might choose household work if it provided sufficient wages and decent working conditions. By taking this first step, by including domestic workers under the minimum wage law, we could begin the difficult task of raising the status of the occupation and perhaps induce others on the welfare rolls to take another hard look at this profession.

So, my colleagues, I plead with you for one of the most depressed groups in this country, for one of the groups that has absolutely no voice in this Congress unless we as a body will defend them and say that they are also entitled to be under the minimum wage as well as agricultural workers or people who process tobacco or people who work in canneries or any other group.

Mr. Chairman, I would, therefore, hope that the Erlenborn substitute will be defeated and that we have a chance to vote on the Dent bill with the two or three amendments that should be added to make it more acceptable to all of us.

### AMENDMENT OFFERED BY MR. TALCOTT TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. ERLENBORN

Mr. TALCOTT. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute offered by the gentleman from Illinois (Mr. Erlenborn).

The Clerk read as follows:

Amendment offered by Mr. Talcott to the amendment in the nature of a substitute offered by Mr. Erlenborn: Page 3, strike out lines 1 through 7 and insert in lieu thereof the following:

"(5) if such employee is employed in agriculture, not less than $1.80 an hour during the first year from the effective date of the Fair Labor Standards Amendments of 1973, not less than $2 an hour during the second year from such date, and not less than $2.20 an hour thereafter."

Mr. TALCOTT. Mr. Chairman, I am offering my amendment for people who are black and white, young and old, and men and women. Really the purpose of my amendment is to bring the farmworker up to the base level of the industrial worker. The purpose of my amendment is simply to give equity to some of the most deserving workers.

Mr. Chairman, my amendment would, if enacted, give all of the covered farmworkers or agricultural workers the same minimum wage as given the post-1966 workers, those enjoying the least favorable minimum wage.

I want to commend the committee on both sides of the aisle for giving more consideration to the farmworker than ever before.

Mr. Chairman, all of the workers at the minimum wage scale are low skilled or underskilled, but the farmworker works just as hard or maybe harder than any other worker. He must often migrate from one harvest to another, from one farm to another, which is expensive. He must pay the same prices for food, shelter, and gasoline. So it is really unfair—it has been unfair from the very beginning—that he should have a dual minimum wage, one that is lower than all the other workers.

So actually I am just trying to eliminate the cruel myth that there ever was any factual or objective reason for having a dual minimum wage for the farm or agricultural worker, one which was lower than the wage for the industrial worker.

Mr. Chairman, I simply, on the basis of equity, urge the adoption of this amendment to help the farmworker.

Mr. KETCHUM. Mr. Chairman, will the gentleman yield?

Mr. TALCOTT. I yield to the gentleman from California (Mr. Ketchum).

Mr. KETCHUM. Mr. Chairman, I thank the gentleman from California (Mr. Talcott) for yielding.

We have listened now through about 3½ to 4 hours of debate, and we have heard this House address itself to every segment of society except farmworkers and there is absolutely no valid reason why farmworkers should not be treated the same as a steelworker or any other industrial worker or domestic worker.

Now, I am a farmer, and until we decide to treat the farmworker the same as we treat any other worker in the United States of America, I wish to express my dissatisfaction in that event.

Mr. QUIE. Mr. Chairman, will the gentleman from California (Mr. Talcott) yield?

Mr. TALCOTT. I yield to the gentleman from Minnesota (Mr. Quie).

Mr. QUIE. Mr. Chairman, does the gentleman realize that at the present time those covered prior to 1966, nonagricultural, have the same minimum wage, as those who are covered after 1966, but even the committee bill treats those covered nonagricultural prior to 1966 and those nonagricultural after 1966 differently at first, recognizing it would be an economic hardship to move them all up together?

Now, does the gentleman recognize that in agriculture to move a 37.7 percent increase immediately without giving any time to adjust, we could have some kind of economic hardship in other areas than California? Or is this not something that is just trying to make everyone else less like Californians, because Californians are already paying that farm wage to their workers?

Mr. TALCOTT. Not every farmer in California is paying this much. However, I do not think there is anything wrong with bringing farmworkers up to the minimum standards that everybody else has. The so-called economic hardship for a very few farmers is not worth it to the farmworker. Somebody has to be caring about the farmworker, and when you are talking about the minimum wage it should apply to him as well as to everyone else.

Mr. QUIE. Will the gentleman yield?

Mr. TALCOTT. I yield to the gentleman from Minnesota.

Mr. QUIE. You are not bringing it up to what everyone else has, but you are bringing it up to the post-1966 rate. Is that right?

Mr. TALCOTT. Yes.

Mr. QUIE. So we ought to recognize that there ought to be a differential. Should not the same principle apply to agricultural workers in taking a while to bring it up to that?

Mr. TALCOTT. If we talked about it 15 years ago, we should have done it then. I think it is too late now to try to build up slowly to that point.

Mr. TEAGUE of California. Mr. Chairman, will the gentleman yield?

Mr. TALCOTT. I yield to the gentleman from California.

Mr. TEAGUE of California. I compliment the gentleman on the amendment he has offered and associate myself with his remarks and support his proposed amendment.

Mr. STEIGER of Wisconsin. Will the gentleman yield?

Mr. TALCOTT. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. May I clarify what we are doing now? Am I correct in understanding that he is jumping from $1.30 an hour to $1.80 an hour?

Mr. TALCOTT. The first year.

Mr. STEIGER of Wisconsin. Which means what in the first year? Are you talking about the date that the bill is effective or 1 year after? What is the date you have there?

Mr. TALCOTT. The effective date is 1974. It is exactly the same as your bill, or the Erlenborn amendment, for the post-1966 employees.

Mr. BURTON. Will the gentleman yield?

Mr. TALCOTT. I yield to the gentleman from California.

Mr. BURTON. I am sure my colleague from California is offering this amendment in good faith, but I have one question. If his amendment fails in a voice vote, will it be his concern then that we have a recorded vote on this matter?

Mr. TALCOTT. I would like to ask for a recorded vote.

Mr. BURTON. That is fine. I will vote with the gentleman on his amendment.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. Talcott, at the request of Mr. Dent, was allowed to proceed for 2 additional minutes.)

Mr. TALCOTT. I yield to the gentleman from Pennsylvania.

Mr. DENT. You and I discussed this matter many times. I think you talked to me, and in the discussions last year with others it led me to the conclusion that there was a great deal of sentiment in the farming areas for this.

Now, since I have 35 percent of my district that is agricultural, I also have some farm experience. I have always felt that we had to come to a point where we would merge all of the areas in the different classifications in this bill into one wage section.

You will find in the legislation I have before us today that we do bring the farmworker up to that level. We extended it a year longer than the post-1966 nonagricultural worker classification, but as I told the gentleman when he said he would propose it, not only would I not object to it, but I would vote with him in order that there be an impetus given to the desire that Members have in this regard and to the feeling that my committee has to achieve equality of wage increases in agriculture and outside of agriculture.

I commend the gentleman very much.

Mr. TALCOTT. This is not all we should be doing for the farmer, but I very much appreciate the gentleman's remarks.

Mr. STEIGER of Wisconsin. Will the gentleman yield?

Mr. TALCOTT. I yield to the gentleman.

Mr. STEIGER of Wisconsin. I want to clarify what we are doing. The amendment as I read it says we are to pay the wage of not less than $1.80 an hour during the first year from the effective date of the Fair Labor Standards Act of 1973. What the gentleman is really asking for under the language of his amendment is that on the effective date of the Fair Labor Standards Act amendments of 1973 that the minimum wage for agriculture will be $1.80. It does not say "1974" but "1973."

Mr. TALCOTT. My first year would be $1.80. What it does is expedite what you are trying to do in 4 years to 3 years.

Mr. STEIGER of Wisconsin. But again, if the gentleman will yield further, let me say it does not do that. That is what you are talking about, is a jump from $1.30 to $1.80 for one segment of the economy, which in my judgment is wrong.

Mr. TALCOTT. I agree it is jumping 50 cents in 1 year, but the need and the equity are there and I think we should do it.

Mr. SISK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have taken this time because I simply desired that my good friend, the gentleman from California (Mr. TALCOTT) would yield to me so that I could support the amendment the gentleman has offered.

I for one have long sought equal treatment for farm labor, and certainly this is an area in which minimum wages should be adaptable, and I mean the best minimum that we have ever had in my opinion, even the best that is proposed here, that farm labor also should be given that minimum wage.

So I simply wanted to join with my colleague, the gentleman from California (Mr. TALCOTT) in close support for the amendment the gentleman has offered because, for a number of years, I have been for equality on the part of the farmworkers in connection with a minimum wage.

Mr. Chairman, I urge the adoption of the amendment offered by the gentleman from California (Mr. TALCOTT).

Mr. ERLENBORN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment offered by the gentleman from California (Mr. TALCOTT) to my amendment in the nature of a substitute.

Mr. Chairman, I rise in opposition to the amendment. I know what the gentleman from California, who offers the amendment, seeks. I know that there are other Members from the rural areas of our country who also seek to eliminate the differential that now exists and has existed.

The problem that I see with the amendment offered by the gentleman from California is that the gentleman from California has not given his amendment sufficient thought so as to think it through as to what the impact could be on the farm community as to the rate at which this differential gap is closed. A 50-cent increase in the first year would be very, very difficult in the agricultural community.

I would point out, Mr. Chairman, that the substitute bill now pending does provide for closing that gap. It is now, at a lower wage rate, a 30-cent differential between agriculture and the industrial wage rates, and the substitute bill does close that gap. And at the end of the step increases there would be only a 20-cent differential in the higher wage rates, and therefore a much greater diminution of the percentage difference between agricultural and industrial wage rates.

Therefore, Mr. Chairman, I would hope that the amendment offered by the gentleman from California (Mr. TALCOTT) would be defeated; that the substitute amendment I have offered would be adopted so that we could help to close this gap, and that it would then be eliminated sometime in the future.

Mr. GONZALEZ. Mr. Chairman, I move to strike the requisite number of words.

(By unanimous consent, Mr. GONZALEZ was allowed to speak out of order.)

### CONTINUING CURRENCY SPECULATION IN FOREIGN EXCHANGE MARKETS AND THE PHENOMENAL INCREASE IN THE PRICE OF GOLD

Mr. GONZALEZ. Mr. Chairman, I rise only because I think the urgency of the matter and the necessity to go on record is imperative.

Mr. Chairman, earlier today a number of Members, including myself, spoke about the continuing currency speculation in foreign exchange markets and the phenomenal increase in the price of gold.

Some of us have spoken in a sense of anger and some in a sense of partisanship, but all of us feel sorrow at the continuing economic turmoil. I want to remind my friends and colleagues that the realities of economics involve no partisanship—they involve the common good of all of us, and it behooves us, therefore, to consider the currency problems in the cold light of reality, and without passion or rancor.

I want to remind those who are speculating against the dollar of these things:

First, it is not the policy of this Congress to continually devalue the American dollar. We have yet to complete approval of the devaluation asked for by the President on February 12. I do not anticipate that he will ask or that the Congress will grant a further official devaluation of the dollar within the foreseeable future, and all speculators should be so warned, and so informed.

I tried unsuccessfully last Friday to persuade our executive leadership to so categorically state as of last week.

Second, it is imprudent and improvident for a supposedly responsible gentleman, like President Pompidou, to side with the speculators, in effect, by feeding the rumors and stories and theories that the U.S. Government is unstable, or unable to cope with its economic problems. Mr. Pompidou should be reminded that in the first place, ours is not a parliamentary government, and is not subject to the same kinds of instability so familiar to France and to other continental countries. He should not allow himself to be confused—there is no sign that the American Government is about to fall or collapse.

Furthermore, the President already has sufficient authority to deal with whatever economic ills we may have. As unhappy as many of us may be with the President's economic policies, the fact is that our country is doing better economically than France or any other continental country in managing inflation. There is no question but that our country does already have in place the authority to deal with our problems and there can be no question about that.

I expect that the President will soon be announcing very formidable economic policies. I think they are imminent.

Mr. Pompidou may question the leadership that President Nixon has shown, but I would respectfully remind him that it is none of his business and that he should not encourage the enemies of this country and of the economic system of the free world, for that matter, by casting doubts on our policies.

Third. I would remind our friends in Europe that they still need the United States and we expect their friendship and cooperation, for it is their own economy that is at stake as much as ours, and in cooperating with us our partners will not be engaging in a mere act of charity, but will be engaging in prudent self-interest.

Mr. Speaker, I appreciate the indulgence of my colleagues. I am glad to report to them and to you that the dollar has strengthened somewhat in recent trading, and I do not believe that on this anniversary of D-day we are going to have an invasion of the United States by European speculators and "gold bugs."

I yield back the balance of my time.

Mr. FRENZEL. Mr. Chairman, I thank the gentleman from Texas, who is the distinguished chairman of this House's Subcommittee on International Finance, for his splendid statement on our dollar and its relationship to the currencies of other nations.

I second his remarks about devaluation. Our economy is large, vigorous, and growing. Our inflation rate is higher than we would like, but it is, as the gentleman from Texas pointed out, lower than the rates achieved by most of our major trading partners.

Federal Reserve Chairman Burns and Assistant Treasury Secretary Volker, speaking for Secretary Schulz, have both articulated in crystal-clear terms the position of the administration on devaluation. Both spoke strongly, in the International Finance Subcommittee hearings, against any formal, negotiated devaluation in the foreseeable future. Our dollar may rise or fall in float operations, but I am sure this Congress will not support further devaluations, other than minor adjustments which may be needed to complete a total international monetary system reform.

I think the gentleman from Texas has presented an accurate statement. I hope his warning is heeded. At the very least, I hope speculators are not encouraged by the impromptu remarks of observers, however highly placed, who are remote from our country and ignorant of our economy.

Mr. PEPPER. Mr. Chairman, I rise in opposition to the Erlenborn amendment. In many respects this reminds me of where I came in. In 1938 when I was running for my first full term in the Senate, the issue of the minimum wage law was before the Congress and the country. It became the principal issue in my campaign. Would I dare to commit myself to a minimum wage law with a ceiling of 40 hours a week on hours and a minimum of 25 cents an hour on wages and provision for industry committees to raise the wage within 3 or 4 years possibly up to 40 cents an hour? It seemed rather dangerous to commit oneself to the support of that measure.

One of the ablest Members who ever sat in this House, Mark Wilcox, left this House to run against me at the instigation of the big business interests of my State. A lot of conscientious but misguided employers, on the theory that that bill would ruin the South, said CLAUDE PEPPER did not understand the South, that we should be in our national economy hewers of wood and drawers of water. While industry should exist in other parts of the country in the South we should furnish only the raw materials. I did not think that was the proper role for the South. I knew we needed industry and industry depended upon purchasing power. I knew there might be certain hardships imposed by the bill if enacted, but I thought the South and the country would be better off if we had a decent minimum wage-maximum hour law, and I supported it.

In that year, 1938 I won in the first primary by over a 100,000 majority. The wage-hour bill was passed and the South is more prosperous today than ever before in its history.

All I want to say to my colleagues is that ever since that time as we have increased and improved that law, there have been those conscientious Members of Congress, those conscientious employers, who thought that an additional step forward and upward in this legislation would ruin not only segments of the economy but perhaps the country at large.

We have increased the coverage of this legislation since 1938 from 3 million to 49 million people. Has it ruined the country? We have increased the minimum wage from 25 cents an hour to $1.80 an hour and now we are proposing $2 and after awhile $2.20 an hour in this period of incomparable inflation.

Mr. Chairman, every time in our long past somebody has proposed a step forward so some people could live a little better and eat a little better and wear a little better clothes and live in better surroundings and perhaps enjoy a richer life, there have always been those conscientious people who stood up and waved the red flag of danger and warn: We cannot do that and if we do that we will ruin our country or our State or our community. We have from time to time ignored these warnings and gone ahead and we have not ruined ourselves. I hope now we will not stop going forward and will by passing this bill make it possible for the lowest people on the ladder of the gainfully employed to enjoy a little better and a little richer life.

If we think there will be a little hardship for some, we should think of the many blessings and benefits for those millions who will stand to benefit under this legislation.

In this bill there is a reasonable program of progress which this committee has studiously and laboriously worked out. It is not radical or shocking or injurious. I hope therefore Mr. Chairman, the Erlenborn amendment will be defeated and the salutary provisions of this bill proposed by the committee will soon become the beneficient law of the land.

Mr. BAKER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Erlenborn substitute. I support it because, in my judgment, it is more palatable than the legislation which is on the floor at this time.

Actually, I am against legally established minimum wages. I consider them to be a hoax served on the persons who cannot produce an hour's result calculated by the employer for an hour's pay. Our free enterprise system simply dictates that the employer just will not employ individuals who cannot produce at a respected level.

I saw in the paper just the other day a study which has been conducted by the University of Tennessee in Knoxville. Mr. Robert J. Gaston was reporting in the Tennessee Survey of Business and stated:

> As the minimum wage rises the marginal productive worker becomes less profitable to employ and often cannot find a job.

I quote further, Mr. Chairman, from Mr. Gaston:

> Evidence of the adverse employment effects of minimum wage laws is impressive and abundant, especially for the least productive groups in the labor force. Low skill and experience levels imply low wages, but with minimum wage laws they lead to unemployment and no wages.
>
> The increases have been especially hard on teenagers trying to enter the work force. Following a one-third rate in 1956, the teenage unemployment rate rose from 7 percent to almost 14 percent.
>
> Black teenagers fared even worse with an unemployment rate increase from about 13 percent to 24 percent. These high unemployment rates remain today bolstered by subsequent legal wage increases.

I submit, Mr. Chairman, that minimum wage levels only lead to further inflation if we continue them in the spiraling rate that has been followed in the past. I ask for the support of the Erlenborn substitute at this time, and I vote "No" against the whole business.

Mr. YOUNG of Georgia. Mr. Chairman, I rise in opposition to the Erlenborn amendment.

Mr. Chairman, I come to the well of this House really surprised at the tremendous concern that my colleagues have for unemployed black youth. I am surprised that we did not register that when we were talking about some of the youth unemployment measures..

I do not like opposing my distinguished colleagues from Illinois, either of them, but it seems to me that in the long list of experts quoted by the gentleman from Illinois (Mr. ANDERSON), I do not know one of them that has talked to a black youth in the last 20 years.

I think the issue in unemployment of black youth is dignity. They do not want jobs at substandard pay. The youth differential basically subsidizes middle-class youth and really does not address itself to the problems of hard-core youth who are basic supporters of their families.

On the question of domestic workers, it seems to me that this is a profession that has never been given the respect of a profession. I have never had trouble with domestic work in my household because we have been willing and able to pay, and we have insisted on paying a living wage for a respected professional because we happen to come from families that have been in that professional work for generations. But, I count that as perhaps the single most important investment that I made in my own marriage, which tomorrow will be 19 years in duration.

However, without demanding the same kind of professional help for my wife in the management of our home that I have demanded for myself in the various kinds of employment in which I have been employed, I doubt that I could have stayed married 19 years.

When we refuse to respect our own wives and families and the management of our own homes by demanding that the people who come into our homes are poorly paid and ill treated and not given an opportunity to develop their professional skills. If you do not believe that domestic work is a skilled profession, just stay home 1 day and try to clean house from top to bottom, wash and iron all the clothing, take care of the dishes and the children, and then you will realize what a significant accomplishment it is when someone can do this systematically and routinely; and what a contribution this makes to one's home. In addition, domestic workers, they go back across town and do the same thing again in their own homes. Domestic workers ought to be included in any minimum wage considerations, for our society has thrived too long on their suffering and sacrifice.

Therefore, I think all this paternalism ought to cease, and we ought to face the issue very squarely and vote down the Erlenborn amendment.

Mr. O'NEILL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong opposition to the substitute offered by the gentleman from Illinois (Mr. ERLENBORN).

Two crucial differences exist between the committee bill and the Erlenborn substitute, crucial differences which affect the well-being of millions of American workers.

For, if you support the Erlenborn substitute, you are voting for a minimum wage bill that will keep 16 million unprotected American workers in abject poverty, without the protection of the Fair Labor Standards Act.

The wages of these working men and women would continue to be so low that their annual gross income would be more than $500 below the net income deemed poverty level for a family of four. So many of these workers would be forced to go on welfare or receive some kind of public assistance just to survive.

I firmly believe that an increase in the minimum wage and extension of coverage to public employees, household workers, and employees of certain conglomerates as provided in the Dent bill is the most direct and least expensive way to eliminate poverty. It is such a reasonable approach that it defies opposition. It is the answer to President Nixon's desire for more workfare and less welfare, because it would give strong incentives for low-wage earners to work. And certainly a wage standard that yields only a poverty-level income at full-time steady work is not inequitable.

It is extremely unfair that a sizable number of American workers should continue to be denied the basic protection afforded by the Fair Labor Standards Act. Yet, the gentleman from Illinois (Mr. ERLENBORN) desires to depress wages as the answer to our Nation's unemployment problem. The fastest way to increase employment is to provide increased purchasing power for workers, not to keep wages depressed. That argument went out in the 1930's.

If the administration were seriously interested in ending unemployment as its rhetoric implies, then it would support job-creating legislation such as public and emergency employment, and manpower training programs.

Let us take the case of the 1.5 million individuals who are privately employed as domestics.

We have heard, in my opinion, some brilliant remarks here today on behalf of these domestic workers. I thought particularly the ones given by the gentlewoman from Oregon (Mrs. GREEN) and the one given by the gentleman from Georgia (Mr. YOUNG) were outstanding. It brought back a bit of nostalgia, a bit of memory to hear their remarks today.

As the gentlewoman from Oregon (Mrs. GREEN) talked, I could not help but think of the poor, immigrant mother, whether she was your own mother or whether she was your grandmother, or whether she was Irish or whether she was black or whatever nationality or race she happened to be. For the most part, when she came to this country, she was a domestic.

How hard she worked and how hard she struggled to make ends meet and to keep her family together. And she slaved and strived for one purpose: To bring up a family and to improve that family so her children would not have to do the work and chores she had to do.

As the gentlewoman from Oregon (Mrs. GREEN) said, all through the years America owes garlands of flowers to the immigrant mother who came to this Nation and worked as a domestic. Yet all through the years nobody has ever thought to protect her or her equal or the woman who took her place along life's line.

That is what this bill does in part today. I am so proud that the gentleman from Pennsylvania (Mr. DENT) and his committee wrote it as a part of this bill.

Some 1.5 million are privately employed today, as I understand it, as domestics. Truthfully, there would be 3 million employed as domestics if we paid them a just or a living wage. These workers epitomize the plight of the working poor of this country, because they are not covered under the minimum wage laws of this country.

The annual income of these domestics, working 50 weeks a year, is less than $2,000. More than 90 percent of all these domestics are women. As the gentlewoman from Oregon (Mrs. GREEN) said, over 50 percent of them are black. Yet, Mr. ERLENBORN desires to preclude these working mothers from earning a decent living by excluding them from minimum wage coverage.

I have to think of my own ancestry. I have to think of my grandmother. I have to think of the neighborhood from where I came. Today I can look at sons of doctors, sons of judges, sons of Congressmen, sons and daughters of those who hold eminent positions in this world. Truly they owe it to that immigrant ethnic grandmother of theirs or that black grandmother of theirs who worked as a domestic.

The second crucial difference between the Erlenborn substitute and the committee bill is the youth differential. Mr. Erlenborn would establish an unjustifiable subminimum wage for young people under the age of 18.

It would encourage industries that hire unskilled workers, particularly for seasonal work, to simply replace adult workers with teenagers and then pocket the difference in wages as profits. It would certainly entice youngsters to quit school early to compete in the job market with bread-earning adults.

Oh, I know from the remarks made here today, that Mr. Erlenborn offers the youth subminimum as a remedy for the soaring unemployment rates—18 percent—among out-of-school youth, and particularly for black males whose unemployment rate is 35 percent, and black females whose unemployment rate is 38 percent.

But minimum wage levels are supposed to establish a floor under wages for specific jobs, not for specific classes of workers. With Erlenborn's substitute, we would be creating a black teenage subminimum wage level. In this way, Mr. Erlenborn and the administration can continue their policies of discrimination against minority members of our population.

For an administration that expresses such great concern for expanding employment opportunities for youth, its actions are inconsistent with its rhetoric. This administration seeks to eliminate all the necessary youth-creating jobs like the neighborhood Youth Corps, manpower training programs, community action programs, and programs like Upward Bound which help disadvantaged youngsters to go to college so that they can eventually earn an income that will insure a decent standard of living.

Yes, these are the two crucial differences which Mr. Erlenborn and the administration offer—differences which undermine the basic concept of minimum wage legislation.

Naturally, I am supporting the Dent committee reported bill. I hope we will all work together to defeat the Erlenborn substitute and then take up the Dent bill section by section.

Mr. FRENZEL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Erlenborn substitute amendment.

Mr. Chairman, I intend to support the Erlenborn substitute instead of the committee bill, H.R. 7395.

My principal objections to the committee bill are expressed well in letters from the municipalities of my congressional district. A letter from the mayor of Brooklyn Center, who is also president of the Minnesota League of Municipalities, expresses generally the municipal criticism of H.R. 7395.

A second letter from the city manager of the city of Richfield, also in my district, is more specific in its objection and requests support for the Erlenborn substitute.

It is true that H.R. 7395 exempts fire and police from its provisions. However, it is also true that last year the Senate version did not carry such exemptions. In addition, the chairman of the Labor Subcommittee, the bill's author, the distinguished gentleman from Pennsylvania, last year indicated his willingness to accept the Senate version. Therefore, the municipalities in my area are particularly nervous about any municipal reference in the House version. They, and I, would prefer the Erlenborn bill which exempts municipalities so that there would be reduced possibility of the Senate provisions creeping into the conference report.

In one city in my district alone, a municipal inclusion, including fire and police, would cost the community $180,000 and result in a two-mill property tax increase. Not only is a property tax increase undesirable in a very high property taxed State, but also Minnesota has a mill levy limitation law. This means that the municipality would have to cut back some other vital service, or perhaps cut back the same safety service.

Finally, the letter from the president of the League of Minnesota Municipalities indicates that the State Legislature of Minnesota has just passed a fair labor standards law for the State which includes the municipalities and is acceptable to them. The Minnesota law is not very much different from the Erlenborn Amendment. Therefore, I urge the passage of the Erlenborn amendment.

The letters referred to above follow:

ADMINISTRATIVE OFFICE,
*Brooklyn Center, Minn., June 1, 1973.*

Representative WILLIAM FRENZEL,
*U.S. House of Representatives,*
*Washington, D.C.*

DEAR REPRESENTATIVE FRENZEL: It is respectfully urged that you oppose the inclusion of state and local government employees in the minimum wage and overtime provisions of the various proposed amendments to the Fair Labor Standards Act. Such provisions as contained in S. 1861, S. 1725, and H.R. 7395 would work a serious financial hardship on Minnesota municipalities, which are already severely constrained by state imposed property tax levy limitations.

The 1973 Minnesota Legislature enacted a minimum wage bill which applies to state and local government employees, as well as employees in the private sector. The provisions of the Minnesota law are designed to achieve the social objectives of the minimum wage concept without working severe hardship on Minnesota municipalities, particularly in the public safety area.

It is our position that minimum wage provisions can best be established by the states rather than by the federal government.

Thank you.

Respectfully,

PHILIP Q. COHEN,
*Mayor, City of Brooklyn Center; President, League of Minnesota Municipalities.*

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CITY OF RICHFIELD,
*May 30, 1973.*

Hon. BILL FRENZEL,
*House of Representatives,*
*Washington, D.C.*

DEAR BILL: It is my understanding that the House, Education, Labor Committee has now reported out the Dent minimum wage bill (H.R. 7395) which extends coverage of the Fair Labor Standards Act to state and local employees, but does exempt overtime provision coverage for public safety personnel.

It is my understanding of this overtime provision exemption that it will not require municipalities to pay overtime or reduce hours for firemen who may be working more than a 40-hour week. As I indicated in some of our correspondence last year, it would cost the City of Richfield an estimated $600,000 to $800,000 to reduce firemen to 40 hours per week and still maintain the same level of on duty manpower. Originally, I believe that the Dent bill required that this be done over a five year period and we are very appreciative of the efforts made to obtain the exemption from the overtime provision for public safety personnel so that we will not be forced to make this very substantial additional expenditure.

While the Dent bill in its present form certainly eliminates one of our greatest concerns, we would still prefer that municipal employees be exempted entirely from the Fair Labor Standards Act. It is my understanding that Congressman John Erlenborn is interested in offering his bill (H.R. 2831) on the house floor as a substitute for the Dent proposal. The Erlenborn bill would continue to exempt state and local employees from coverage by the Federal Labor Standards Act and we would appreciate your support of Congressman Erlenborn's proposal if this appears to be feasible.

Yours very truly,

WAYNE S. BURGGRAAFF,
*City Manager.*

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. TALCOTT) to the amendment in the nature of a substitute offered by the gentleman from Illinois (Mr. ERLENBORN).

The question was taken, and the Chairman announced that the noes appeared to have it.

Mr. TALCOTT. Mr. Chairman, I demand a division.

The CHAIRMAN. A division is demanded.

### RECORDED VOTE

Mr. BURTON. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 186, noes 232, not voting 14, as follows:

[Roll. No. 179]

AYES—186

Abzug
Adams
Addabbo
Anderson, Calif.
Annunzio
Ashley
Aspin
Badillo
Barrett
Bell
Bennett
Bergland
Biaggi
Biester
Bingham
Blatnik
Boland
Brademas
Brasco
Breckinridge
Brown, Calif.
Burgener
Burke, Calif.
Burke, Mass.
Burton
Carey, N.Y.
Carney, Ohio
Chisholm
Clausen, Don H.
Clay
Conyers
Corman
Cotter
Cronin
Culver
Daniels, Dominick V.
Danielson
de la Garza
Delaney
Dellums
Denholm
Dent
Dingell
Donohue
Drinan
Dulski
Eckhardt
Edwards, Calif.
Eilberg
Fascell
Findley
Flood
Foley
Ford, William D.
Fraser
Frenzel
Gaydos
Giaimo
Gibbons
Goldwater
Gonzalez
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Gubser
Gude
Hamilton
Hanley
Hanna
Hansen, Wash.
Harrington
Hawkins
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hicks
Holifield
Holtzman
Hosmer
Howard
Johnson, Calif.
Johnson, Colo.
Jordan
Karth
Kastenmeier
Ketchum
Kluczynski
Koch
Kyros
Leggett
Lehman
Litton
Long, Md.
McCloskey
McCormack
McFall
McKinney
Macdonald
Madden
Mailliard
Mallary
Maraziti
Mathias, Calif.
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Miller
Minish
Mink
Mitchell, Md.
Moakley
Moorhead, Calif.
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murphy, N.Y.
Nedzi
Nix
Obey
O'Hara
O'Neill
Owens
Patten
Pepper
Perkins
Pettis
Podell
Price, Ill.
Rangel
Rees
Regula
Reid
Reuss
Riegle
Rinaldo
Rodino
Roe
Roncalio, Wyo.
Rooney, Pa.
Rosenthal
Rostenkowski
Roush
Rousselot
Roybal
Ryan
St Germain
Sarbanes
Saylor
Schroeder
Seiberling
Sisk
Slack
Smith, Iowa
Staggers
Stanton, James V.
Stark
Steed
Studds
Sullivan
Symms
Talcott
Teague, Calif.
Thompson, N.J.
Tiernan
Udall
Van Deerlin
Vanik
Veysey
Waldie
Whalen
Wiggins
Wilson, Bob
Wilson, Charles H., Calif.
Wright
Yates
Yatron
Young, Ga.
Zablocki
Zwach

NOES—232

Abdnor
Alexander
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Archer
Arends
Armstrong
Ashbrook
Bafalis
Baker
Beard
Bevill
Blackburn
Boggs
Bowen
Bray
Breaux
Brinkley
Brooks
Broomfield
Brotzman
Brown, Mich.
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Camp
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clark
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins
Conable
Conlan
Conte
Coughlin
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Ga.
Davis, S.C.
Davis, Wis.
Dellenback
Dennis
Derwinski
Devine
Dickinson
Dorn
Downing
Duncan
du Pont
Edwards, Ala.
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fish
Flowers
Flynt
Ford, Gerald R.
Forsythe
Fountain
Frelinghuysen
Frey
Froehlich
Fulton
Fuqua
Gettys
Gilman
Ginn
Goodling
Gross
Grover
Gunter
Guyer
Haley
Hammerschmidt
Hanrahan
Hansen, Idaho
Harsha
Harvey
Hastings
Hays
Hébert
Henderson
Hillis
Hinshaw
Hogan
Holt
Horton
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kazen
Keating
King
Kuykendall
Landgrebe
Landrum
Latta
Lent
Long, La.
Lott
Lujan
McCollister
McDade
McEwen
McKay
McSpadden
Madigan
Mahon
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Martin, Nebr.
Martin, N.C.
Mathis, Ga.
Michel
Milford
Mills, Ark.
Mitchell, N.Y.
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Price, Tex.
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Railsback
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Rarick
Rhodes
Roberts
Robinson, Va.
Robison, N.Y.
Rogers
Roncallo, N.Y.
Rose
Roy
Runnels
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Sandman
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Scherle
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Sebelius
Shipley
Shoup
Shriver
Shuster
Sikes
Skubitz
Smith, N.Y.
Snyder
Spence
Stanton, J. William
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stubblefield
Stuckey
Symington
Taylor, Mo.
Taylor, N.C.
Teague, Tex.
Thomson, Wis.
Thone
Thornton
Treen
Ullman
Vander Jagt
Vigorito
Waggonner
Walsh
Wampler
Ware
White
Whitehurst
Whitten
Widnall
Williams
Wilson, Charles, Tex.
Winn
Wyatt
Wydler
Wylie
Wyman
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
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NOT VOTING—14

Bolling
Brown, Ohio
Carter
Diggs
Fisher
Kemp
McClory
Mayne
Minshall, Ohio
Patman
Rooney, N.Y.
Stokes
Towell, Nev.
Wolff

So the amendment was rejected.

The result of the vote was announced as above recorded.

### AMENDMENT OFFERED BY MR. TAYLOR OF NORTH CAROLINA TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. ERLENBORN

Mr. TAYLOR of North Carolina. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute offered by the gentleman from Illinois (Mr. ERLENBORN).

The Clerk read as follows:

Amendment offered by Mr. TAYLOR of North Carolina to the amendment in the nature of a substitute offered by Mr. ERLENBORN:

Page 15, strike out line 8 and all that follows down through and including the matter on lines 1 and 2 on page 16, and insert in lieu thereof the following:

"SEC. 203. Section 13(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 213(a)) is amended by striking out the period at the end of paragraph (14) and inserting in lieu thereof "; or" and by adding after that paragraph the following:

"(15)(a) any employee who is employed with his spouse by a nonprofit institution which is primarily operated to care for and educate children who have been placed with the institution by or through a public agency or by parents or guardians who are financially unable to care for and educate their children or children under their guardianship (as the case may be), if such employee and his spouse (A) are employed to serve as the parents of such children who reside in facilities of the institution, (B) reside in such facilities and receive, without cost, board and lodging from such institution, and (C) are together compensated at an annual rate of not less than $10,000, up to 30 percent of which may be allowance for board and lodging, and

"(b) any employee who is employed by a nonprofit institution which is primarily operated to care for and educate children who have been placed with the institution by or through a public agency or by parents or guardians who are financially unable to care for and educate their children or children under their guardianship (as the case may be), if such employee (A) is employed to serve as the parent of such children who reside in facilities of the institution, (B) resides in such facilities and receive, without cost, board and lodging from such institution, and (C) is compensated at an annual rate of not less than $5,000, up to 30 percent of which may be allownace for board and lodging."

Mr. TAYLOR of North Carolina. Mr. Chairman, the section which I seek to amend applies only to houseparents at orphanages or children's homes operated on a nonprofit basis. It has been thought down through the years that houseparents at these institutions were not covered by minimum wage legislation and most of the institutions are operating on that theory.

Recently some State welfare departments have taken the position that these houseparents are covered and should be paid for overtime work.

The language in the substitute bill which I now seek to amend is identical to the language in the committee bill. If the substitute is not adopted, I have a similar amendment for the committee bill.

The present language in these bills relates to a situation at Hershey, Pa., and I understand was inserted at the request of the Congressman for that area. That institution employs only husbands and wives as houseparents. Many other institutions employ single people also. At these institutions a certain number of boys or girls, perhaps a dozen, are assigned to one cottage. The houseparents live in the cottage also and look after these children just as parents look after their own children in their homes.

My amendment would broaden the language to meet the needs of an institution in my congressional district and it would apply to similar institutions in all of our districts.

The committee report has a section reading as follows:

SECTION 212. Substitute Parents for Institutionalized Children. This section amends section 13(a) to establish an exemption from the minimum wage and overtime compensation provisions of the Act for an employee who is employed with his spouse by a nonprofit educational institution to serve as parents to children who have been placed in such institution by or through a public agency or by parents or guardians who are financially unable to care for and educate their children or children under their guardianship. The substitute parents must also reside in the facilities of the institution, receive room and board without cost, and jointly receive cash compensation at an annual rate of not less than $10,000.

The amendment before us strikes the language, "are together compensated on a cash basis at an annual rate of not less than $10,000", and substitutes, "are together compensated at an annual rate of not less than $10,000, up to 30% of which may be allowance for board and lodging".

The amendment also contains a similar provision for any employee of these homes for children without requiring that the spouse be working also. It provides that the employee must meet all other conditions, receive board and lodging from the institution without cost and be compensated at an annual rate of not less than $5,000, up to 30 percent of which may be allowance for board and lodging.

This part of the amendment recognizes the fact that employment patterns in many children's homes include single individuals serving as houseparents. In many cases an elderly woman, perhaps a widow whose children are grown, serves ably as a houseparent. The present language in the bill does not seem to recognize the value of food and quarters which is substantial.

The credit for board and lodging for a couple would be a maximum of $3,000, for a single person a maximum of $1,500. Here in Washington people pay more than that for rent only.

Why do we need this amendment? It is uncertain today as to whether these institutions are covered by minimum wage legislation and the matter should be clarified. The U.S. Department of Labor does not have clearly-defined guidelines applying to such houseparents and the absence of such guidelines has resulted in confusion in these nonprofit institutions.

The language in the bills before us, if adopted, may be interpreted as a congressional intent that all orphanages and similar institutions be brought under minimum wage coverage unless they comply with the specific terms of the exemption—employee and spouse both working, getting room and board and $10,000 cash.

If this interpretation is applied, a great hardship will be imposed upon Eliada Home, a fine nonprofit home for children operated by dedicated people in my congressional district and upon many similar institutions across our Nation. We must not forget that without these charitable institutions, many children will suffer and more of the taxpayers' money will have to go for welfare.

In many cases these houseparents, both single and married, serve with an unusually high degree of personal dedication and might be compared to religious missionaries to whom financial compensation is often a secondary consideration. Most homes for children have a waiting list of dedicated people who desire to serve as houseparents.

The committee report recognizes these houseparents as substitute parents for institutionalized children. How can we determine the hours which a parent or substitute parent works? They would likely have certain scheduled hours of regular housekeeping work, but the parent is subject to call 24 hours a day if a child is sick or needs help or has a problem.

This type of operation does not lend itself to minimum wage coverage. It would take a voluminous amount of bookkeeping to establish a correct record of hours worked and would be burdensome to the institutions. It would be like a husband paying his wife on an hourly basis with extra pay for overtime for keeping the house and looking after a large family of children. How could you ever determine the hours?

This amendment would recognize the concern the Congress has for the problems of the employer and employee at orphanages and similar institutions. Both Congressman DENT and Congressman ERLENBORN have assured me that they do not desire to create problems for these nonprofit children's homes and I hope that they will accept this amendment.

Mr. DENT. Mr. Chairman, will the gentleman yield?

Mr. TAYLOR of North Carolina. I yield to the gentleman from Pennsylvania.

Mr. DENT. Mr. Chairman, I do not think I will take any time on the amendment. I just want to say the gentleman and I have worked on this proposal since the day when he brought it to our attention, and when we get into the bill, as I hope we do, I have told the gentleman I will accept his amendment.

Mr. TAYLOR of North Carolina. I thank the gentleman very much.

Mr. ERLENBORN. Mr. Chairman, will the gentleman yield?

Mr. TAYLOR of North Carolina. I yield to the gentleman from Illinois.

Mr. ERLENBORN. I want to advise the gentleman that since we have worked on this together, I have told him I will accept the amendment. I think it is a good amendment and does improve the bill.

Mr. TAYLOR of North Carolina. I thank the gentleman very much. I appreciate this. It is a clarifying amendment. The present law is very unfair.

Mr. MATHIAS of California. Mr. Chairman, I want to add my support for the Erlenborn substitute which, in view of the present inflationary spiral, is a more realistic way to increase the minimum wage.

I believe the committee bill (H.R. 7935) would deliver a severe blow to the economy. It would hurt our efforts to control inflation and reduce unemployment. I do not think the Congress should pass a bill which would be counterproductive to our efforts to restore reason and stability to the economy.

During the first year alone, the committee bill would increase wages for nonagricultural employees by 37.5 percent and 23 percent for agricultural workers. These rate increases are substantially higher than the 5.5 percent wage guideline established by the Cost of Living Council, which I might add, was recently approved by the Congress. If these increases are approved, they would definitely have a serious impact on our already inflationary economy.

The Erlenborn substitute, on the other hand, would enable the Congress to raise the minimum wage, but at a more acceptable rate. By stretching the wage increases over a longer period of time, we would lessen the adverse effects to the economy, particularly relative to the prices of goods and services, the rate of employment, and our balance of payments. In addition, the Erlenborn substitute would not put an undue stress on either agricultural or nonagricultural employers.

I am in favor of increasing the minimum wage, but I want to do it in the least inflationary way. I believe the Erlenborn bill will accomplish this objective. It will provide for a reasonable rate of increase without putting excessive strain on the economy.

For this very important reason, I will vote for the Erlenborn substitute.

Mr. FUQUA. Mr. Chairman, I am once again a cosponsor of a substitute minimum wage bill. Unfortunately, the House Education and Labor Committee has again reported out a bill which is not only highly inflationary but would be counterproductive in many respects. Certainly, there is a need for an increase in the minimum wage. I felt that there was a need last year for such an increase and certainly it would be in effect today if there was not adherence by certain Members of this body to the "all or nothing" philosophy which stymied the measure last year.

The House spoke quite clearly last year in passing a reasonable and fiscally prudent minimum wage bill. As a cosponsor of H.R. 8304, I would like to address my remarks to the provisions of the substitute generally, and, more specifically, to the provision which I feel is the most important of all—the youth differential.

The substitute measure would increase to $2.20 the minimum wage for nonagricultural workers covered before the 1966 amendments. This increase would be attained in three steps going to $1.90 for the first year after the effective date; $2.10 the second year; and $2.20 for the third year. For those workers who were first covered by the 1966 amendment, the substitute proposes that these minimums be increased to $2.20 by a four step process. The minimum wage for these workers would be $1.80 for the first year after enactment; $2 for the second year; $2.10 for the third year; and $2.20 thereafter.

Agricultural workers are an extremely important part of the economy of my congressional district and the substitute provides adequate minmum wage increases for these employees. Our proposal would take agricultural workers from the present $1.30 per hour to $2 by a four step process. The committee bill ignores a fact of economic reality when it proposes that pay for agricultural workers be the same as all other workers in 1976. The impact of an immediate increase of 30 cents per hour with subsequent annual increases of 20 cents per hour each year until an hourly wage of $2.20 is reached would be dramatic in increasing rural unemployment.

It was brought out last year during the debate on an amendment that would have left agricultural workers at $1.30 per hour, that only 1 percent of the farmers in the country are covered by the minimum wage. An increase of the magnitude proposed in the committee bill would serve to diminish the opportunity for work when one considers that today the farmer can only count on receiving 38 cents of each food dollar.

It appears to me that these increases are in keeping with sound fiscal policy and are only fair to the millions of workers covered under the Fair Labor Standards Act. The latest version of the substitute, H.R. 8304, contains increases considerably greater than those proposed in our substitute of last year. I have been persuaded by testimony of Labor Secretary Brennan that additional increases would be appropriate and not inflationary.

The Education and Labor Committee, unfortunately, has not contended itself with reporting out a bill designed to remedy the effects of inflation but has piled on the measure fiscally unsound and ill-timed attempts at solving a broad spectrum of virtually unrelated matters. Changes in overtime exemptions and the phasing out of several overtime exemptions, and the inclusion of some 6 million new workers under the minimum wage and overtime provisions of the Fair Labor Standards Act are not related to helping the worker meet the burden of raging inflation.

On the other hand, the substitute measure goes immediately to the question of minimum wage increases and provides viable solutions. The substitute measure generally holds the line as to the present law except for the minimum wage increases. This is not true, however, in the increasingly serious area of youth unemployment.

In general, the substitute provides for employment of youths under age 18 or who are full-time students at wage rates not less than 80 percent of the applicable minimum, or $1.60 an hour—$1.30 an hour in agriculture—whichever is higher. Such employment must be in accordance with applicable child labor laws, and subject to a period of not longer than 180 days for any employee who is under the age of 18 and is not a full-time student at the special minimum wage rate.

The 1966 amendments to the act included provisions—section 14 (b) and (c) permitting the payment of wage rates below the applicable statutory minimum to full-time students for part-time work. This permission is narrowly limited in scope and subject to a number of rigorous prerequisites. The act provides that:

First. The permissible wage may not be less than 85 percent of the otherwise applicable minimum.

Second. The only nonfarm occupations in which the lower student rate may be paid are those in retail or service establishments.

Third. The full-time student may be paid the lower rate for not more than 20 hours of work per week except during school vacation periods.

Fourth. The number of full-time student hours which may be paid for at the lower rate is limited to a percentage of the work hours of the employer's total work force which percentage is the same as that which prevailed in the establishment during a preceding period, or where records are not available to determine such previous ratios the same percentages for other similar establishments in the area during the designated periods.

Fifth. As a condition for paying the lower rate, the Secretary of Labor must first issue a certificate for each such student employee indicating that the employer is complying with the foregoing conditions and requirements. Moreover, prior to issuing the certificate the Secretary must find that such employment will not create a substantial probability of reducing the full-time employment opportunities of persons other than students to be employed at the lower rate.

The initial inquiry must be whether there is a relationship between the Federal minimum wage and the unemployment rate of young people. A report entitled "Youth Employment Minimum Wages," was compiled by the Bureau of Labor Statistics and outlines several studies which show adverse effects of the minimum wage. The reasons for this relationship between the minimum wage increases and higher youth unemployment appear obvious. It would seem apparent that most employers are less willing to hire inexperienced and less productive young people than older, more productive workers, even when older workers have to be paid higher wages. It is clear that when young and inexperienced workers must be paid the same wage as a more productive and experienced worker, marginal jobs will be phased out rather than filled with the younger worker.

There are several reasons why the reduction of jobs opportunities affects teenagers more than adults. For one thing, most teenagers, especially those just beginning to work, are unskilled. The unskilled are usually the first to be let go because their work is the least essential. Second, most teenagers have little work experience. This makes them less desirable to an employer than an equally skilled adult who has worked before and has learned to adjust to a discipline of the regularity of work. Certainly, the youth differential provided for in the substitute would permit the young worker to obtain jobs otherwise unavailable and, if not a full-time student, would insure that he would not be kept at a subminimum level for an unreasonable period of time.

The youth differential is designed to preserve existing jobs and to create new jobs. The unadjusted jobless rate for teenagers is around 20 percent. The Secretary of Labor informed the committee that some 627,000 youths between the ages of 16 and 18 are unemployed.

As we discussed last year during the debates on a youth differential, Economists Gene L. Chapin and Douglas Adie of Ohio University, declared that:

> Increases in federal minimum wage cause unemployment among teenagers. The effects tend to persist for considerable periods of time. And the effects seem to be strengthening as coverage is increased and enforcement of the laws becomes more rigorous.

The essence of the youth differential is summed up quite well by Prof. Paul A. Samuelson of Massachusetts Institute of Technology when he questions the effect of the minimum wage on black youth—

> What good does it do for a black youth to know that an employer must pay him $1.60 an hour—or $2.00, if the fact that he must be paid that amount is what keeps him from getting a job?

I, therefore, ask my colleagues to join me in voting in favor of H.R. 8304, the substitute for the minimum wage bill, H.R. 7935, reported by the Education and Labor Committee. Certainly, the American workingman cannot stand another year of inactivity by the Congress in the area of minimum wages.

Mr. BADILLO. Mr. Chairman, I rise in opposition to this ill-conceived substitute—as well as other crippling amendments—and urge our colleagues to quickly reject it. We must take affirmative action to raise the woefully inadequate current minimum wage and to significantly expand the coverage of the Fair Labor Standards Act.

Almost 7 years have passed since the Fair Labor Standards Act was last amended. During this time we have seen rampant inflation, soaring taxes, a continued crisis in unemployment and booming prices. The purchasing power of the dollar, particularly in light of devaluation and the administration's ineffective economic program, has been seriously eroded and raising the Federal minimum wage to even a basic level of $2.20 per hour is urgently required on the basis of simple economic facts. Government statistics reveal that, with the cost of living rising by more than 25 percent during this 7-year span, the present $1.60 per hour minimum wage adopted in 1966 has been completely destroyed and today's $1.60 minimum wage buys less than $1.25 bought in 1966. The present minimum wage fails to even approach the federally defined poverty level for a family of four of approximately $4,200. How is it possible, therefore, to consider in good conscience an amendment which would raise the minimum wage to only $1.90 per hour? If for no other reason this is justification alone for rejecting the Erlenborn substitute.

I have some doubts, Mr. Chairman, as to whether $2.20 per hour will even be sufficient. A full-time worker earning this salary will be grossing just barely more than the poverty level. However, one must then take into consideration deductions for taxes and social security. Thus, he may very well again fall below the poverty level. In the city of New York a family of four receives almost the same amount—$4,320—on welfare.

The Bureau of Labor Statistics has estimated that, for the New York City metropolitan area, the lowest budget for the cost of family consumption for a family of four is $6,014 annually. To meet this very basic level would require an hourly salary of $2.95. However, the total budget for a family of four increases to $7,578 when you include social security contributions, income taxes and similar additional payments. It is plainly visible, therefore, that the essentially inadequate figure of $2.20 per hour will be needed to simply catch up with the rising cost of living and general inflationary spiral.

As we know, the committee bill goes beyond just raising the minimum wage. This measure significantly extends wage and overtime protections to millions of American workers not presently covered by the FLSA. Particularly significant is the fact that the minimum wage coverage is provided for all Federal employees as well as State and local government employees. In addition, domestic workers—long at the bottom of the economic totem pole—are finally granted the protections of the Fair Labor Standards Act. However, Mr. Erlenborn and the administration would not provide such urgently required and long-overdue coverage. Thus, we have still other reasons for rejecting this poorly considered substitute. It is simply unfair and unconscionable that such a sizable number of American working people should continue to be denied the basic protections of the FLSA—a measure which has been in existence since 1938. How can one even attempt to justify the continuation of labor conditions detrimental to the maintenance of a minimum standard of living? If the Erlenborn substitute is accepted, this is precisely what will occur.

Mr. Chairman, it is possible to continue to list the number of gross deficiencies in the amendment offered by Mr. Erlenborn. Suffice it to say that if it or any of its individual components is allowed to pass, thousands of fellow Americans will continue to be relegated to second-class citizenship and will continue to be forced to endure the burden of poverty. Whether one considers the basic increase of the Federal hourly minimum wage, the expansion of coverage to currently unprotected workers or the special youth differential, it is clear that the Erlenborn substitute offers neither any solutions nor hope and that it must be soundly rejected. Certainly this issue is of critical importance to the people of the city of New York and they can only stand to lose if the substitute now under consideration is accepted. Thus, I again call upon our colleagues to defeat this amendment and to enact the committee measure without additional delay.

Mr. BIAGGI. Mr. Chairman, I rise to express my steadfast opposition to the Erlenborn substitute for the minimum wage legislation recently reported by the Education and Labor Committee this substitute is grossly inferior to H.R. 7935, and I would like to commend my colleague, Congressman Dent, on the expert leadership he provided during the development and refinement of this latter bill. As a member of the subcommittee to which this bill was referred, I can attest to the years of hard work which went into the drafting of a just proposal.

Back in 1966, the $1.60 minimum wage level was enacted into law so that hundreds of thousands of working Americans might be sheltered from exploitation and the ravages of poverty. Poverty level income at that time was considered to be $3,200 per year for a family of four. The Department of Labor has recently put today's poverty level income at $4,200 net—a figure which is far above what any laborer working for $1.60 per hour could expect to earn in a year.

Mr. Chairman, H.R. 7935 increases the minimum wage to $2 per hour this year for nonagricultural workers covered by the act prior to the 1966 amendments. The level would rise to $2.20 and hour in 1974. Even these adjustments will regrettably leave some laborers short of the official poverty level. The bill also increases the minimum wage for agricultural workers to $1.60 an hour.

As has been documented in the course of the committee hearings. The burden of inflationary price and rent rises has weighed heavily on the low-wage earner. Indeed it was pointed out that if a cost-of-living increase mechanism had been incorporated into the 1966 amendments, the minimum wage rate in March 1973 would have exceeded $2.07 per hour.

Moreover, it is an obvious fact that inflation affects the low-paid worker more dramatically than the middle- or upper-income wage earner. The situation has even deteriorated to the point where, in 20 States, a worker receiving the minimum wage is able to provide his family better support by abandoning his job and going on the welfare roles.

Let me comment as well on the efforts to strike from this bill coverage for youths under 18 years of age. The failure to pay the minimum wage to all workers performing fair and adequate services is unconscionable. There is little difference between such discrimination and the treatment of children that led to passage of the Federal Child Labor Law in 1938.

Why should a person doing the work of an adult not receive the compensation of an adult? The argument that without this cheap source of labor, the jobs would not be filled is spurious. The fast-food operations in this country, which are among the prime beneficiaries of the inexpensive youth labor market, will not close down their operations once H.R. 7935 is passed. I strongly urge that this provision be accepted, and that we extend proper coverage of the minimum wage provisions to all working individuals, regardless of age.

Mr. Chairman, I would like to reiterate my opposition to the Erlenborn substitute and my firm support for H.R. 7935. I would encourage my colleagues to reject all attempts to weaken the committee version, and exhort them to grant swift passage to the Fair Labor Standards Amendments of 1973. I am convinced that the minimum wage provisions contained in this measure represent a critically needed remedy for the financial disaster threatening so many underprivileged Americans.

Ms. ABZUG. Mr. Chairman, I rise in opposition to the Erlenborn amendments to H.R. 7935. We must act immediately to adopt legislation raising and extending coverage of the minimum wage, especially in view of the current dismantling of poverty and other needful social programs and the removal of controls on prices, rents, and profits—actions which serve only to further hinder the working poor in their struggle to survive on their own. I wish to associate myself with the remarks of Congresswomen Chisholm and Griffiths and to compliment the committee for bringing out this bill.

I am especially happy that domestic workers are included in this bill. It is dismaying to realize, amidst all the pressure for raising wages to keep up with inflation, that a group of 16 million Americans, including 1½ million domestic workers, is still struggling to live on a minimum wage that in most States is still at the Federal level of $1.60 an hour. For a 40-hour week, this comes to $3,328 a year—well under the official definition of poverty level, $4,000 for a family of four. Inflation hits this worker harder than anyone else; $1.60 now buys less than the former minimum of $1.25 did in 1966 when the Fair Labor Standards Act was amended.

The Labor Department classifies over 2 million workers as "private household workers." Ninety-eight percent of them are women. In 1969 the median wage of a full-time household worker was less than $2,000 per year. Fifty-seven percent were below $1,000 a year. In New York the median income for those working 50 to 52 weeks a year is $2,689—the median for Alaska is $803, for Connecticut, $2,602.

We must remember, too, that privately employed household workers do not usually receive standard benefits such as pay for sick leave, vacation, and holidays—even when their employers go on vacation—nor employment nor workmen's compensation benefits. Most household employees work more than 40 hours per week but are not compensated for the extra time.

It has been argued that an increase in the minimum wage for domestic workers will price them out of the market because families who could have once afforded domestic help will no longer be able to do so. The reason for the decrease of one million domestic workers from 1960 to 1970 has been low pay. Moreover, with the number of working women increasing, the need for domestic help will continue to rise.

Most people these days would wish to identify themselves with any measures designed to help people to support themselves. If we are to encourage people to work, as the administration claims to do, then we will have to expend money on job training, on job development, on child care. And minimum wage coverage will have to be raised and extended. While there will be some increase in costs to the consumer, these are not excessive. As for the argument that minimum wage legislation will help increase inflation, Dr. Richard S. Landry of the Economic Analysts and Study Group of the Chamber of Commerce has testified before the Senate Subcommittee on Labor as follows:

> We do not contend, unlike some witnesses that appeared before you, that the minimum wage is inflationary, quite the opposite. Inflation is not caused by minimum wages.

Inflation hits low income groups hardest. The Senate Subcommittee on Employment, Manpower, and Poverty, in its analysis of the Census Employment Survey conducted as part of the 1970 Census of Population and Housing, found that approximately 20 percent of the population are working for subemployment wages—that is, less than $80 per week. I wish that it were possible to set the minimum wage, right now, at $2.50 per hour. My only objection to the present bill is that it moves far too slowly, at too low rates. But we must pass this, at the very least.

Large employers such as hotel and food chains and conglomerate enterprises oppose minimum wage legislation because they are eager to keep profits up and costs down. That we tend to forget that when industry does not pay, Government has to. Thousands of full-time workers' families must still get supplemental welfare payments. This means that the taxpayer is helping to subsidize big industry.

It is unfair to the taxpayers and grossly unfair to the workers whose labor keeps our economy running smoothly, to say that they are entitled to less than $5,000 a year by 1974, let alone 1975.

The proposed differential minimum wage for youth is discriminatory and will not begin to solve the problem of youth unemployment. A subminimum wage will not create jobs for youth, nor will it answer the problem of the lack of skills and training.

According to a Labor Department Study published in 1970:

> The most important factor explaining changes in teenage unemployment and employment has been the general business conditions as measured by the adult unemployment rate. The rate of other variables remains clouded by interrelationships among them, all hints of adverse effects of minimum wages show up in available data, no firm statement can be made about magnitude at such effect.

Moreover, anyone who views the subminimum wage as a solution to the black teenage unemployment problem fails to understand the problem. In April, 1973, the unemployment rate for all teenagers—ages 16–19—was 15.4 percent. For white teenagers—13.3 percent; for black teenagers, 32.8 percent; for black male teenagers, 30.7 percent; for black female teenagers, 35.5 percent. Obviously, the important factor is not age, but color.

We must turn our attention to this severe economic problem, not by placing discriminatory restrictions on youth, but by passing imaginative and progressive legislation to create jobs and train youth to fill them. Those who are truly concerned with youth employment could well use their influence to urge the Continuation of such programs as the Neighborhood Youth Corps, instead of trying to pit youths against adults.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina (Mr. TAYLOR) to the amendment in the nature of a substitute offered by the gentleman from Illinois (Mr. ERLENBORN).

The amendment to the amendment in the nature of a substitute was agreed to.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from Illinois (Mr. ERLENBORN), as amended.

### RECORDED VOTE

Mr. ERLENBORN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

### PARLIAMENTARY INQUIRY

Mr. GERALD R. FORD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GERALD R. FORD. Mr. Chairman, for the benefit of the Members, will the Chair repeat what the vote is on at this point?

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from Illinois (Mr. ERLENBORN), as amended by the Taylor of North Carolina amendment.

Mr. GERALD R. FORD. Mr. Chairman, I thank the Chair.

The vote was taken by electronic device, and there were—ayes 199, noes 218, not voting 15, as follows:

[Roll. No. 180]

### AYES—199

Abdnor
Anderson, Ill.
Andrews, N.C.
Archer
Arends
Armstrong
Ashbrook
Bafalis
Baker
Beard
Blackburn
Bowen
Bray
Brinkley
Broomfield
Brotzman
Brown, Mich.
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Byron
Camp
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Collier
Collins
Conable
Conlan
Coughlin
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Wis.
de la Garza
Dellenback
Dennis
Derwinski
Devine
Dickinson
Dorn
Downing
Duncan
du Pont
Edwards, Ala.
Erlenborn
Esch
Eshleman
Flowers
Flynt
Ford, Gerald R.
Fountain
Frelinghuysen
Frenzel
Frey
Froehlich
Fuqua
Gettys
Goldwater
Goodling
Gross
Grover
Gubser
Gude
Gunter
Guyer
Haley
Hammerschmidt
Hanrahan
Harsha
Harvey
Hastings
Hébert
Henderson
Hinshaw
Hogan
Holt
Hosmer
Huber
Hudnut
Hunt
Hutchinson
Ichord
Jarman
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kazen
Keating
Ketchum
King
Kuykendall
Landrum
Latta
Lent
Lott
McClory
McCollister
McEwen
McSpadden
Madigan
Mahon
Mallary
Mann
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Mayne
Michel
Milford
Miller
Mizell
Montgomery
Moorhead, Calif.
Myers
Nelsen
Nichols
O'Brien
Parris
Pettis
Pickle
Powell, Ohio
Preyer
Price, Tex.
Quie
Quillen
Railsback
Randall
Regula
Rhodes
Roberts
Robinson, Va.
Robison, N.Y.
Rogers
Roncallo, N.Y.
Rose
Rousselot
Ruppe
Ruth
Sandman
Satterfield
Scherle
Schneebeli
Sebelius
Shoup
Shriver
Shuster
Sikes
Skubitz
Smith, N.Y.
Snyder
Spence
Stanton, J. William
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stubblefield
Stuckey
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague, Calif.
Thomson, Wis.
Thone
Treen
Vander Jagt
Veysey
Waggonner
Wampler
Ware
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Winn
Wydler
Wylie
Wyman
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zion
Zwach

### NOES—218

Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
Badillo
Barrett
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Boggs
Boland
Brademas
Brasco
Breaux
Breckinridge
Brooks
Brown, Calif.
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton
Carey, N.Y.
Carney, Ohio
Chisholm
Clark
Clay
Cohen
Conte
Conyers
Corman
Cotter
Cronin
Culver
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Delaney
Dellums
Denholm
Dent
Diggs
Dingell
Donohue
Drinan
Dulski
Eckhardt
Edwards, Calif.
Eilberg
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Flood
Foley
Ford, William D.
Forsythe
Fraser
Fulton
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Grasso
Gray

Green, Oreg.
Green, Pa.
Griffiths
Hamilton
Hanley
Hanna
Hansen, Idaho
Hansen, Wash.
Harrington
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hicks
Hillis
Holifield
Holtzman
Horton
Howard
Hungate
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jordan
Karth
Kastenmeier
Kluczynski
Koch
Kyros
Landgrebe
Lehman
Litton
Long, La.
Long, Md.
Lujan
McCloskey
McCormack
McDade
McFall
McKay
McKinney
Macdonald
Madden
Mailliard
Maraziti
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nix
Obey
O'Hara
O'Neill
Owens
Passman
Patten
Pepper
Perkins
Peyser
Pike
Poage
Podell
Price, Ill.
Pritchard
Rangel
Rees
Reid
Reuss
Riegle
Rinaldo
Rodino
Roe
Roncalio, Wyo.
Rooney, Pa.
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Runnels
Ryan
St Germain
Sarasin
Sarbanes
Saylor
Schroeder
Seiberling
Shipley
Sisk
Slack
Smith, Iowa
Staggers
Stanton, James V.
Stark
Steed
Steele
Stratton
Studds
Sullivan
Symington
Teague, Tex.
Thompson, N.J.
Thornton
Tiernan
Udall
Ullman
Van Deerlin
Vanik
Vigorito
Waldie
Walsh
Whalen
Widnall
Williams
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Wright
Wyatt
Yates
Yatron
Young, Alaska
Zablocki

NOT VOTING—15

Blatnik
Bolling
Brown, Ohio
Carter
Fisher
Kemp
Leggett
Mills, Ark.
Minshall, Ohio
Patman
Rarick
Rooney, N.Y.
Stokes
Towell, Nev.
Young, Ga.

So the amendment in the nature of a substitute, as amended, was rejected.

The result of the vote was announced as above recorded.

### PERSONAL EXPLANATION

Mr. GUDE. Mr. Chairman, on rollcall No. 180 on the so-called Erlenborn substitute I am recorded as voting "aye" when it was in fact my intent to vote "no." I opposed the substitute.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

## TITLE I—INCREASES IN MINIMUM WAGE RATES

### INCREASE IN MINIMUM WAGE RATE FOR EMPLOYEES COVERED BEFORE 1966

SEC. 101. Section 6(a)(1) (29 U.S.C. 206(a)(1)) is amended to read as follows:

"(1) not less than $2 an hour during the period ending June 30, 1974, and not less than $2.20 an hour after June 30, 1974, except as otherwise provded in this section;".

### AMENDMENT OFFERED BY MR. ERLENBORN

Mr. ERLENBORN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ERLENBORN: Page 2, strike out lnes 9 through 12, and insert in lieu thereof the following:

"(1) not less than $1.90 an hour during the first year from the effective date of the Fair Labor Standards Amendments of 1973, not less than $2.10 an hour during the second year from such date, and not less than $2.20 an hour thereafter, except as otherwise provded in this section;".

Mr. ERLENBORN. Mr. Chairman, this amendment is an amendment that would affect the wage rate increases in the committee bill having to do with the group of workers who were covered prior to the 1966 amendments.

Under the committee bill these workers would be raised 40 cents upon the effective date of the act. At the present time the wage rate for this group is $1.60 an hour. The committee bill would raise that immediately to $2 an hour and a year later to $2.20.

The amendment I have offered would call for a 30-cent increase in the first year, that is, upon the effective date of the rate increase it would go from $1.60 to $1.90 per hour. Thereafter, 1 year later, it would be $2.10 and then in the last year $2.20.

This wage rate is in line with that recommended by Secretary Brennan when he testified before our committee.

I think one advantage to this besides allowing the economy to have the opportunity to absorb these wage rate increases in an orderly fashion is that we know that the rate recommended by the administration will be acceptable to the administration, and obviously the bill will be signed.

I have no information as to whether the President would sign any other bill or not sign any other bill, but we do know the administration recommended these wage rates.

It means 10 cents less the first year and it means reaching $2.20 a year later.

I hope the amendment will be adopted.

Mr. DENT. Mr. Chairman, I rise in opposition to the amendment.

I think most of the Members know exactly what it is all about.

I want to point out that the $2 in our bill is exactly the point we would be at if we would have been able to pass the Erlenborn amendment last year into law or even the Anderson amendment into law. We took up at exactly the point where they thought we ought to be this year.

I would appreciate it very much if you would consider it on the basis of that.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. ERLENBORN).

The question was taken; and the Chairman announced that the noes appeared to have it.

### RECORDED VOTE

Mr. ERLENBORN. Mr. Chairman, on that I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 193, noes 225, not voting 14, as follows:

[Roll. No. 181]

AYES—193

Abdnor
Alexander
Anderson, Ill.
Archer
Arends
Armstrong
Ashbrook
Bafalis
Baker
Beard
Blackburn
Bowen
Bray
Brinkley
Broomfield
Brotzman
Brown, Mich.
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Byron
Camp
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Collier
Collins
Conable
Conlan
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Wis.
Denholm
Dennis
Derwinski
Devine
Dickinson
Dorn
Downing
Duncan
du Pont
Edwards, Ala.
Erlenborn
Esch
Eshleman
Flynt
Ford, Gerald R.
Forsythe
Fountain
Frelinghuysen
Frey
Froehlich
Fuqua
Gettys
Goldwater
Goodling
Gross
Grover
Gubser
Gunter
Guyer
Haley
Hammerschmidt
Hanrahan
Hansen, Idaho
Harvey
Hastings
Hays
Hébert
Henderson
Hicks
Hinshaw
Hogan
Holt
Hosmer
Huber
Hudnut
Hunt
Hutchinson
Jarman
Johnson, Pa.
Jones, N.C.
Jones, Tenn.
Kazen
Keating
Ketchum
King
Kuykendall
Landgrebe
Latta
Lent
Lott
McClory
McCollister
McEwen
McKay
Mahon
Mann
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Mayne
Michel
Milford
Miller
Mizell
Montgomery
Moorhead, Calif.
Myers
Nelsen
Nichols
O'Brien
Parris
Pettis
Pickle
Poage
Powell, Ohio
Preyer
Price, Tex.
Pritchard
Quie
Quillen
Randall
Rarick
Regula
Rhodes
Roberts
Robinson, Va.
Robison, N.Y.
Rogers
Roncallo, N.Y.
Rose
Rousselot
Runnels
Ruppe
Ruth
Satterfield
Scherle
Schneebeli
Shoup
Shriver
Shuster
Sikes
Skubitz
Smith, N.Y.
Snyder
Spence
Stanton, J. William
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stubblefield
Symms
Talcott
Taylor, Mo.
Teague, Calif.
Thomson, Wis.
Thone
Treen
Vander Jagt
Veysey
Waggonner
Wampler
Ware
Whitehurst
Whitten
Wiggins
Williams
Wilson, Bob
Winn
Wydler
Wylie
Wyman
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zion
Zwach

NOES—225

Abzug
Adams
Addabbo
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
Badillo
Barrett
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blatnik
Boggs
Boland
Brademas
Brasco
Breaux
Breckinridge
Brooks
Brown, Calif.
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton
Carey, N.Y.
Carney, Ohio
Chisholm
Clark
Clay
Cohen
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
de la Garza
Delaney
Dellenback
Dellums
Dent
Diggs
Dingell
Donohue
Drinan
Dulski
Eckhardt
Edwards, Calif.
Eilberg
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Flood
Foley
Ford, William D.
Fraser
Frenzel
Fulton
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Gude
Hamilton
Hanley
Hansen, Wash.
Harrington
Harsha
Hawkins
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hillis
Holifield
Holtzman
Horton
Howard
Hungate
Ichord
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, Okla.
Jordan
Karth
Kastenmeier
Kluczynski
Koch
Kyros
Landrum
Leggett
Lehman
Litton
Long, La.
Long, Md.
Lujan
McCloskey
McCormack
McDade
McFall
McKinney
McSpadden
Macdonald
Madden
Madigan
Mailliard
Mallary
Maraziti
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Mills, Ark.
Minish

Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nix
Obey
O'Hara
O'Neill
Owens
Passman
Patten
Pepper
Perkins
Peyser
Pike
Podell
Price, Ill.
Railsback
Rangel
Rees
Reid
Reuss
Riegle
Rinaldo
Rodino
Roe
Roncalio, Wyo.
Rooney, Pa.
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Saylor
Schroeder
Seiberling
Shipley
Sisk
Slack
Smith, Iowa
Staggers
Stanton, James V.
Stark
Steed
Steele
Stuckey
Studds
Sullivan
Symington
Taylor, N.C.
Teague, Tex.
Thompson, N.J.
Thornton
Tiernan
Udall
Ullman
Van Deerlin
Vanik
Vigorito
Waldie
Walsh
Whalen
White
Widnall
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Wright
Wyatt
Yates
Yatron
Young, Alaska
Young, Ga.
Zablocki

NOT VOTING—14

Bolling
Brown, Ohio
Carter
Culver
Fisher
Flowers
Hanna
Kemp
Minshall, Ohio
Patman
Rooney, N.Y.
Sebelius
Stokes
Towell, Nev.

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. QUIE

Mr. QUIE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. QUIE:

On page 2, line 10, strike out "$2.20" and insert in lieu thereof "$2.10" and strike out "after June 30, 1974" in line 11 of page 2, and insert in lieu thereof "during the year July 1, 1974, and not less than $2.20 an hour after June 30, 1975,".

Mr. QUIE. Mr. Chairman, by the last vote it appears that the majority of the House want those who are covered prior to 1966 to go immediately to $2.00 an hour. There may be some reason for that. If we had passed a bill last year starting out at $1.80 last year, the minimum wage would have been $2 an hour this year. That might be the reason why the majority did vote as it did.

However, I think there is another part of the question. Do the Members want to jump to $2.20 an hour in 1 year? I believe that it ought to take a little more time to do that. It seems to me that it would be better if we start out, when this bill is passed, at $2.00 an hour as the majority voted. That is what my amendment provides, as the committee bill provides, but a year later be at $2.10 an hour and a year after that at $2.20 an hour. That is the issue before us.

I think that this will be accepted in the economy better. I believe that it makes the progression at about the rate that we ought to take. Hopefully, that is the only extent, 5 percent, that inflation should occur over that period of time. Therefore, since everybody now understands what the amendment would do, I shall not take any more time to discuss it.

Mr. DENT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I hope not to take 5 minutes. I just want to state that the bill now stands identical in these rates to what Senator WILLIAMS has told me it is over in the Senate. I think it is good to have a working arrangement.

I think that, if we take into consideration the 10 cents being proposed, with a normal 20-percent deduction for social security and other direct taxes on payrolls, it comes to an 8-cents-an-hour increase.

In the restaurant industry, it becomes 4 cents, because of the tip credit provision. I suggest we stay with the committee.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. DENT. I yield to the gentleman from New Jersey (Mr. THOMPSON).

Mr. THOMPSON of New Jersey. Mr. Chairman, I agree with the gentleman from Minnesota that we should have had a bill last year, which indeed we should have had, but the circumstances were such that we did not have it. We are in a situation where we find, notwithstanding that with the tremendous inflationary cost of living, not to mention the value of an ounce of gold or the lack of value of the dollar, the hourly wage earners throughout the United States would be in an infinitely better position today than they are.

This has been deferred to this point, and the effect of the bill's amendment is just to set the pace back in such a way that, if this amendment were carried, there is really no practical way for what I would call a catchup in hourly wages in order to sustain the families of working people.

So, although I agree with my distinguished friend from Minnesota that we should have had a bill last year, and I lament the fact that we did not, I feel it is our responsibility at this point to bring it up to date. I therefore urge that the amendment be defeated.

I thank the gentleman from Pennsylvania for yielding.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota (Mr. QUIE).

RECORDED VOTE

Mr. QUIE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 189, noes 224, not voting 19, as follows:

[Roll. No. 182]

AYES—189

Abdnor
Alexander
Anderson, Ill.
Andrews, N.C.
Archer
Arends
Armstrong
Ashbrook
Bafalis
Baker
Beard
Blackburn
Bowen
Bray
Brinkley
Broomfield
Brotzman
Brown, Mich.
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burleson, Tex.
Butler
Byron
Camp
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins
Conlan
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Wis.
Denholm
Dennis
Derwinski
Devine
Dickinson
Dorn
Downing
Duncan
du Pont
Edwards, Ala.
Erlenborn
Esch
Eshleman
Flowers
Flynt
Ford, Gerald R.
Fountain
Frelinghuysen
Frey
Froehlich
Fuqua
Gettys
Goldwater
Goodling
Gross
Grover
Gubser
Gunter
Guyer
Haley
Hammerschmidt
Hanrahan
Hansen, Idaho
Harsha
Harvey
Hastings
Henderson
Hicks
Hillis
Hogan
Holt
Hosmer
Huber
Hudnut
Hutchinson
Jarman
Johnson, Pa.
Jones, N.C.
Jones, Tenn.
Keating
Ketchum
Kuykendall
Latta
Lent
Lott
McClory
McCollister
McEwen
McKay
Mahon
Mallary
Mann
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Mayne
Mazzoli
Michel
Milford
Mizell
Montgomery
Moorhead, Calif.
Myers
Nelsen
Nichols
O'Brien
Parris
Pettis
Poage
Powell, Ohio
Preyer
Price, Tex.
Pritchard
Quie
Quillen
Rarick
Regula
Rhodes
Roberts
Robinson, Va.
Robison, N.Y.
Rogers
Roncalio, N.Y.
Rose
Rousselot
Ruppe
Ruth
Satterfield
Scherle
Schneebeli
Sebelius
Shoup
Shriver
Shuster
Sikes
Skubitz
Smith, N.Y.
Snyder
Spence
Stanton, J. William
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stubblefield
Symington
Symms
Talcott
Taylor, Mo.
Teague, Calif.
Thomson, Wis.
Thone
Treen
Vander Jagt
Veysey
Waggonner
Wampler
Ware
Whitehurst
Whitten
Wiggins
Williams
Wilson, Bob
Winn
Wright
Wydler
Wylie
Wyman
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zion
Zwach

NOES—224

Abzug
Adams
Addabbo
Anderson, Calif.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
Badillo
Barrett
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blatnik
Boggs
Boland
Brademas
Brasco
Breaux
Breckinridge
Brooks
Brown, Calif.
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Burton
Carey, N.Y.
Carney, Ohio
Chisholm
Clark
Clay
Conable
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Culver
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
de la Garza
Delaney
Dellenback
Dellums
Dent
Diggs
Dingell
Donohue
Drinan
Dulski
Eckhardt
Edwards, Calif.
Eilberg
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Flood
Foley
Ford, William D.
Forsythe
Fraser
Frenzel
Fulton
Gaydos
Giaimo
Gibbons
Ginn
Gonzalez
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Gude
Hamilton
Hanley
Hansen, Wash.
Harrington
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Holifield
Holtzman
Horton
Howard
Hungate
Hunt
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, Okla.
Jordan
Karth
Kastenmeier
Kazen
Kluczynski
Koch
Kyros
Landrum
Leggett
Lehman
Litton
Long, La.
Long, Md.
Lujan
McCloskey
McCormack
McDade
McFall
McKinney
McSpadden
Macdonald
Madden
Madigan
Mailliard
Maraziti
Matsunaga
Meeds
Melcher
Metcalfe
Mezvinsky
Miller
Mills, Ark.
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Natcher
Nedzi
Nix
Obey
O'Hara
O'Neill
Owens
Passman
Patten
Pepper
Perkins
Pickle
Pike
Podell
Price, Ill.
Railsback
Randall
Rangel
Rees
Reid
Reuss
Riegle
Rinaldo
Rodino
Roe
Roncalio, Wyo.
Rooney, Pa.
Rosenthal
Rostenkowski

Roush
Roy
Roybal
Runnels
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Saylor
Schroeder
Seiberling
Shipley
Sisk
Slack
Smith, Iowa
Staggers
Stanton, James V.
Stark
Steed
Steele
Stuckey
Studds
Sullivan
Taylor, N.C.
Teague, Tex.
Thompson, N.J.
Thornton
Tiernan
Udall
Ullman
Van Deerlin
Vanik
Vigorito
Waldie
Walsh
Whalen
White
Widnall
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Wyatt
Yates
Yatron
Young, Alaska
Young, Ga.
Zablocki

### NOT VOTING—19

Bolling
Brown, Ohio
Carter
Fisher
Gilman
Hanna
Hébert
Hinshaw
Ichord
Kemp
King
Landgrebe
Minshall, Ohio
Murphy, N.Y.
Patman
Peyser
Rooney, N.Y.
Stokes
Towell, Nev.

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

### INCREASE IN MINIMUM WAGE RATE FOR NON-AGRICULTURAL EMPLOYEES COVERED IN 1966 AND 1973

SEC. 102. Section 6(b) (29 U.S.V. 206(b)) is amended (1) by striking out "Every employer" and inserting in lieu thereof "(1) Except as provided in paragraph (2), every employer", (2) by striking out "(other than an employee to whom subsection (a)(5) applies)", (3) by inserting "or the Fair Labor Standards Amendments of 1973" after "1966", and (4) by striking out paragraphs (1) through (5) and inserting in lieu thereof the following:

"(A) not less than $1.80 an hour during the period ending June 30, 1974,

"(B) not less than $2 an hour during the year beginning July 1, 1974, and

"(C) not less than $2.20 an hour after June 30, 1975.

"(2) This subsection does not apply to—

"(A) any employee to whom subsection (a) (5) applies,

"(B) any employee who was brought within the purview of this section by the amendments to section 18 made by the Fair Labor Standards Amendments of 1966, and

"(C) any Federal employee employed in connection with the operation of a hospital, institution, or school described in section 4 (r)(1).

Subsection (a)(1) applies to the employees described in subparagraphs (B) and (C)."

### INCREASE IN MINIMUM WAGE RATE FOR AGRICULTURAL EMPLOYEES

SEC. 103. Section 6(a)(5) (29 U.S.C. 206 (a)(5)) is amended to read as follows:

"(5) if such employee is employed in agriculture, not less than—

"(A) $1.60 an hour during the period ending June 30, 1974;

"(B) $1.80 an hour during the year beginning July 1, 1974;

"(C) $2 an hour during the year beginning July 1, 1975, and

"(D) $2.20 an hour after June 30, 1976."

### AMENDMENT OFFERED BY MR. TALCOTT

Mr. TALCOTT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TALCOTT: Page 3, strike out line 23 and all that follows down through and including line 5 on page 4 and insert in lieu thereof the following:

"(A) $1.80 an hour during the period ending June 30, 1974;

"(B) $2 an hour during the year beginning July 1, 1974; and

"(C) $2.20 an hour after June 30, 1975."

### SUBSTITUTE AMENDMENT OFFERED BY MR. ERLENBORN FOR THE AMENDMENT OFFERED BY MR. TALCOTT

Mr. ERLENBORN. Mr. Chairman, I offer a substitute amendment for the amendment offered by the gentleman from California.

The Clerk read as follows:

Substitute amendment offered by Mr. ERLENBORN for the amendment offered by Mr. TALCOTT: Page 3, strike out line 21 and all that follows down through and including line 5 on page 4, and insert in lieu thereof the following:

"(5) if such employee is employed in agriculture, not less than $1.50 an hour during the first year from the effective date of the Fair Labor Standards Amendments of 1973, not less than $1.70 an hour during the second year from such date, not less than $1.85 an hour during the third year from such date, and not less than $2.00 an hour thereafter."

Mr. ERLENBORN. Mr. Chairman, the House has already had an opportunity in a rollcall vote to choose between the Talcott amendment now pending and the amendment that I have now just offered, which is identical to the language that was contained in the substitute.

May I refresh the memory of those Members who may not have been present during that debate. The Talcott amendment would raise agricultural minimum wage rates from the present $1.30 immediately to $1.80. That is a 50-cent increase upon the effective date of the act. It then would raise them to $2, and then to $2.20, and would eliminate the historic differential between agricultural and nonagricultural minimums.

The amendment that I have offered as a substitute would raise the minimum to $1.50 in the first step to $1.70 in the second step, $1.85, and then $2. It would bring the agricultural minimum to within 20 cents of the industrial minimum.

As I say, we have had a vote on this already. The Talcott amendment was rejected in favor of the language that was in the substitute. I would hope that the same result would obtain now.

Mr. BURTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, as we all know, the House has worked its will on the Talcott amendment, and there seems to be little value to repeating that discussion. Similarly, the gentleman from Illinois is offering zigzag modification of the Talcott amendment, and I gather there is some effort being made to divide our ranks. I urge defeat of the Erlenborn amendment.

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from Illinois (Mr. ERLENBORN) for the amendment offered by the gentleman from California (Mr. TALCOTT).

The question was taken; and the Chairman announced that the noes appeared to have it.

### RECORDED VOTE

Mr. ERLENBORN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 195, noes 224, not voting 13, as follows:

[Roll No. 183]

### AYES—195

Abdnor
Alexander
Anderson, Ill.
Andrews, N.C.
Archer
Arends
Armstrong
Ashbrook
Bafalis
Baker
Beard
Blackburn
Boggs
Bowen
Bray
Breaux
Brinkley
Broomfield
Brotzman
Brown, Mich.
Broyhill, Va.
Buchanan
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Camp
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clawson, Del
Cleveland
Cochran
Collier
Collins
Conable
Conlan
Coughlin
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Dellenback
Dennis
Derwinski
Devine
Dickinson
Dorn
Downing
Duncan
du Pont
Edwards, Ala.
Erlenborn
Esch
Eshleman
Flowers
Flynt
Ford, Gerald R.
Forsythe
Fountain
Frelinghuysen
Frey
Froehlich
Fuqua
Gettys
Ginn
Goldwater
Goodling
Gross
Grover
Gunter
Guyer
Haley
Hammerschmidt
Hanna
Hanrahan
Hansen, Idaho
Harsha
Harvey
Hastings
Henderson
Hillis
Hinshaw
Hogan
Holt
Huber
Hudnut
Hungate
Hunt
Hutchinson
Jarman
Johnson, Pa.
Jones, Tenn.
Kazen
Keating
Kuykendall
Landgrebe
Landrum
Latta
Lent
Long, La.
Lott
Lujan
McClory
McCollister
McEwen
Madigan
Mahon
Mann
Martin, Nebr.
Martin, N.C.
Mathis, Ga.
Mayne
Michel
Milford
Mills, Ark.
Mitchell, N.Y.
Mizell
Montgomery
Myers
Nelsen
Nichols
O'Brien
Parris
Pickle
Poage
Powell, Ohio
Preyer
Price, Tex.
Quie
Quillen
Railsback
Randall
Rarick
Rhodes
Roberts
Robinson, Va.
Robison, N.Y.
Rogers
Roncallo, N.Y.
Rose
Runnels
Ruth
Sarasin
Satterfield
Scherle
Schneebeli
Sebelius
Shoup
Shriver
Shuster
Sikes
Skubitz
Snyder
Spence
Stanton, J. William
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stubblefield
Stuckey
Symms
Taylor, Mo.
Taylor, N.C.
Thomson, Wis.
Thone
Thornton
Treen
Vander Jagt
Waggonner
Wampler
Ware
White
Whitehurst
Whitten
Williams
Wilson, Bob
Winn
Wright
Wydler
Wylie
Wyman
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zion

### NOES—224

Abzug
Adams
Addabbo
Anderson, Calif.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
Badillo
Barrett
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blatnik
Boland
Brademas
Brasco
Breckinridge
Brooks
Brown, Calif.
Broyhill, N.C.
Burgener
Burke, Calif.
Burke, Mass.
Burton
Carey, N.Y.
Carney, Ohio
Chisholm
Clark
Clausen, Don H.
Clay
Cohen
Conte
Conyers
Corman
Cotter
Cronin
Culver
Daniels, Dominick V.
Danielson
Delaney
Dellums
Denholm
Dent
Diggs
Dingell
Donohue
Drinan
Dulski
Eckhardt
Edwards, Calif.
Eilberg
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Flood
Foley
Ford, William D.
Fraser
Frenzel
Fulton

Gaydos
Giaimo
Gibbons
Gilman
Gonzalez
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Gubser
Gude
Hamilton
Hanley
Hansen, Wash.
Harrington
Hawkins
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hicks
Holifield
Holtzman
Horton
Hosmer
Howard
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jordan
Karth
Kastenmeier
Ketchum
Kluczynski
Koch
Kyros
Leggett
Lehman
Litton
Long, Md.
McCloskey
McCormack
McDade
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Mailliard
Mallary
Maraziti
Mathias, Calif.
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Miller
Minish
Mink
Mitchell, Md.
Moakley
Mollohan
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nix
Obey
O'Hara
O'Neill
Owens
Passman
Patten
Pepper
Perkins
Pettis
Pike
Podell
Price, Ill.
Pritchard
Rangel
Rees
Regula
Reid
Reuss
Riegle
Rinaldo
Rodino
Roe
Roncalio, Wyo.
Rooney, Pa.
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Roybal
Ruppe
Ryan
St Germain
Sandman
Sarbanes
Saylor
Schroeder
Seiberling
Shipley
Sisk
Slack
Smith, Iowa
Smith, N.Y.
Staggers
Stanton, James V.
Stark
Steed
Steele
Studds
Sullivan
Symington
Talcott
Teague, Calif.
Teague, Tex.
Thompson, N.J.
Tiernan
Udall
Ullman
Van Deerlin
Vanik
Veysey
Vigorito
Waldie
Walsh
Whalen
Widnall
Wiggins
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Wyatt
Yates
Yatron
Young, Alaska
Young, Ga.
Zablocki
Zwach

NOT VOTING—13

Bolling
Brown, Ohio
Carter
Fisher
Ichord
Kemp
King
Minshall, Ohio
Patman
Peyser
Rooney, N.Y.
Stokes
Towell, Nev.

So the substitute amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. TALCOTT).

RECORDED VOTE

Mr. TEAGUE of California. Mr. Chairman, I demand a recorded vote.

PARLIAMENTARY INQUIRY

Mr. BURTON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. BURTON. Mr. Chairman, the pending business is a proposal to raise within a period of 12 months or so something akin to a dollar an hour to the farm employees' wages.

That is the matter to be considered, and that has already been defeated; is that correct?

Mr. TALCOTT. Mr. Chairman, that is exactly the——

The CHAIRMAN. The statement is made in the nature of a parliamentary inquiry in relation to the amendment. The Chair does not wish to interpret the amendment.

The question is on the amendment offered by the gentleman from California (Mr TALCOTT) on which a recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 102, noes 313, not voting 17, as follows:

[Roll No. 184]

AYES—102

Abzug
Adams
Addabbo
Anderson, Calif.
Badillo
Bell
Bennett
Biaggi
Biester
Blatnik
Brademas
Brasco
Brown, Calif.
Burgener
Burke, Calif.
Burton
Carey, N.Y.
Chisholm
Clausen, Don H.
Clay
Collier
Conyers
Corman
Danielson
de la Garza
Dellums
Diggs
Drinan
Eckhardt
Edwards, Calif.
Findley
Ford, William D.
Fraser
Frenzel
Goldwater
Gonzalez
Green, Pa.
Gubser
Gude
Harrington
Hawkins
Hechler, W. Va.
Helstoski
Hosmer
Howard
Jordan
Karth
Kastenmeier
Ketchum
Koch
McCloskey
McKinney
Mailliard
Mallary
Mathias, Calif.
Mazzoli
Meeds
Melcher
Metcalfe
Miller
Minish
Mink
Mitchell, Md.
Moorhead, Calif.
Moorhead, Pa.
Moss
O'Hara
Pettis
Podell
Pritchard
Rangel
Rees
Regula
Reid
Riegle
Rodino
Roe
Rosenthal
Roush
Rousselot
Roybal
Ryan
Seiberling
Sisk
Stanton, James V.
Stark
Studds
Sullivan
Symms
Talcott
Teague, Calif.
Thompson, N.J.
Van Deerlin
Vanik
Veysey
Waldie
Whalen
Wiggins
Wilson, Bob
Wright
Young, Ga.
Zwach

NOES—313

Abdnor
Alexander
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Ashley
Aspin
Bafalis
Baker
Barrett
Beard
Bergland
Bevill
Bingham
Blackburn
Boggs
Boland
Bowen
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Mich.
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Camp
Carney, Ohio
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clark
Clawson, Del
Cleveland
Cochran
Cohen
Collins
Conable
Conlan
Conte
Cotter
Coughlin
Crane
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Davis, Ga.
Davis, S.C.
Davis, Wis.
Delaney
Dellenback
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Dingell
Donohue
Dorn
Downing
Dulski
Duncan
du Pont
Edwards, Ala.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Fish
Flood
Flowers
Flynt
Foley
Ford, Gerald R.
Forsythe
Fountain
Frelinghuysen
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goodling
Grasso
Gray
Green, Oreg.
Griffiths
Gross
Grover
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hanrahan
Hansen, Idaho
Harsha
Harvey
Hastings
Hays
Hébert
Heckler, Mass.
Heinz
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Holtzman
Horton
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kazen
Keating
Kuykendall
Kyros
Landgrebe
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
McClory
McCollister
McCormack
McDade
McEwen
McFall
McKay
McSpadden
Macdonald
Madden
Madigan
Mahon
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathis, Ga.
Matsunaga
Mayne
Mezvinsky
Michel
Milford
Mills, Ark.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Morgan
Mosher
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
Obey
O'Brien
O'Neill
Owens
Parris
Passman
Patten
Pepper
Perkins
Pickle
Pike
Poage
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Quie
Quillen
Railsback
Randall
Rarick
Reuss
Rhodes
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rostenkowski
Roy
Runnels
Ruppe
Ruth
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Saylor
Scherle
Schneebeli
Schroeder
Sebelius
Shipley
Shoup
Shriver
Shuster
Sikes
Skubitz
Slack
Smith, Iowa
Snyder
Spence
Staggers
Stanton, J. William
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stubblefield
Stuckey
Symington
Taylor, Mo.
Taylor, N.C.
Teague, Tex.
Thomson, Wis.
Thone
Thornton
Tiernan
Treen
Ullman
Vander Jagt
Vigorito
Waggonner
Walsh
Wampler
Ware
White
Whitehurst
Whitten
Widnall
Williams
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion

NOT VOTING—17

Bolling
Brown, Ohio
Carter
Fisher
Hansen, Wash.
Henderson
Kemp
King
Kluczynski
Minshall, Ohio
Patman
Peyser
Rooney, N.Y.
Smith, N.Y.
Stokes
Towell, Nev.
Udall

So the amendment was rejected.

The result of the vote was announced as above recorded.

Ms. HOLTZMAN. Mr. Chairman, I wish to explain my vote on the Talcott amendment. I wholeheartedly support bringing agricultural workers to the same minimum wage level as industrial workers—although I am on record as opposing this amendment.

I voted the way I did, because there was no written copy of the amendment available and because the nature of the amendment was incorrectly explained to me. Had I been able to change my vote I would have voted "yes."

The CHAIRMAN. Are there further amendments to be proposed to section 103? If not, the Clerk will read.

The Clerk read as follows:

GOVERNMENT, HOTEL, MOTEL, RESTAURANT, FOOD SERVICE, AND CONGLOMERATE EMPLOYEES IN PUERTO RICO AND THE VIRGIN ISLANDS

SEC. 104. Section 5 (29 U.S.C. 205) is amended by adding at the end thereof the following new subsection:

"(e) The provisions of this section, section 6(c), and section 8 shall not apply with respect to the minimum wage rate of any employee employed in Puerto Rico or the Virgin Islands (1) by the United States or by the government of the Virgin Islands, (2) by an establishment which is a hotel, motel, or restaurant, (3) by any other retail or service establishment which employs such employee primarily in connection with the preparation or offering of food or beverages for human consumption, either on the premises, or by such services as catering, banquet, box lunch, or curb or counter service, to the public, to employees, or to members or guests of members of clubs, or (4) by an establishment described in section 13(g). The minimum wage rate of such an employee shall be determined under this Act in the same manner as the minimum wage rate for employees employed in a State of the United States is determined under this Act. As used in the preceding sentence, the term 'State' does not include a territory or possession of the United States."

Mr. ERLENBORN (during the reading). Mr. Chairman, I ask unanimous consent that section 104 be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

### INCREASES IN MINIMUM WAGE RATES FOR OTHER EMPLOYEES IN PUERTO RICO AND THE VIRGIN ISLANDS

SEC. 105. (a) Effective on the date of the enactment of the Fair Labor Standards Amendments of 1973, subsection (c) of section 6 is amended by striking out paragraphs (2), (3), and (4) and inserting in lieu thereof the following:

"(2) (R) In the case of any such employee who is covered by such a wage order and to whom the rate or rates prescribed by subsection (a) (1) would otherwise apply, the following rates shall apply (unless supersided by a wage order issued under paragraph (6) and except as otherwise provided by paragraph (8)):

"(i) Effective as prescribed in subparagraph (B), the employee's base rate, increased by 25 per centum.

"(ii) Effective one year after the applicable effective date of the increase prescribed by clause (i), not less than the highest rate applicable to the employee on the day before the effective date of the increase prescribed by this clause, increased by an amount equal to 12.5 per centum of the employee's base rate.

"(B) The effective date of the increase prescribed by subparagraph (A) (i) shall be the sixtieth day following the effective date of the Fair Labor Standards Amendments of 1973 or one year from the effective date of the most recent wage order applicable to the employee which the Secretary issued before the effective date of the Fair Labor Standards Amendments of 1973 pursuant to the recommendations of a special industry committee appointed under section 5, whichever is later.

"(C) For purposes of this subsection, the term 'base rate' means the rate applicable to an employee under the most recent wage order issued by the Secretary before the effective date of the Fair Labor Standards Amendments of 1973 pursuant to the recommendations of a special industry committee appointed pursuant to section 5.

"(3) (A) In the case of any employee employed in agriculture who is covered by a wage order issued by the Secretary pursuant to the recommendations of a special industry committee appointed pursuant to section 5 and to whom the rate or rates prescribed by subsection (a) (5) would otherwise apply, the following rates shall apply (unless superseded by a wage order issued under paragraph (6) and except as otherwise provided in subparagraph (B) or paragraph (8)):

"(i) Effective as prescribed in subparagraph (C), the employee's base rate, increased by 15.4 per centum.

"(ii) Effective one year after the applicable effective date of the increase prescribed by cause (i), not less than the highest rate applicable to the employee on the day before the effective date of the increase prescribed by this clause, increased by an amount equal to 15.4 per centum of the employee's base rate.

"(iii) Effective one year after the applicable effective date of the increase prescribed by cause (ii), not less than the highest rate applicable to the employee on the day before the effective date of the increase prescribed by this clause, increased by an amount equal to 15.4 per centum of the employee's base rate.

"(B) Notwithstanding subparagraph (A) of this paragraph, in the case of any employee employed in agriculture who is covered by a wage order issued by the Secretary pursuant to the recommendations of a special industry committee appointed pursuant to section 5, to whom the rate or rates prescribed by subsection (a) (5) would otherwise apply, and whose hourly wage is increased above the wage rate prescribed by such wage order by a subsidy (or income supplement) paid, in whole or in part, by the government of Puerto Rico, the following rates shall apply (except as otherwise provided in this subparagraph and in paragraph (8));

"(i) Effective as prescribed in subparagraph (C), the employee's base rate, increased by (I) the amount by which the employee's hourly wage rate is increased above his base rate by the subsidy (or income supplement), and (II) 15.4 per centum of the sum of the employee's base rate and the amount referred to in subclause (I).

"(ii) Effective one year after the applicable effective date of the increase prescribed by clause (i), not less than the highest rate applicable to the employee on the day before the effective date of the increase prescribed by this clause increased by an amount equal to 15.4 per centum of the sum of the employee's base rate and the amount referred to in subclause (I) of clause (i).

"(iii) Effective one year after the applicable effective date of the increase prescribed by clause (ii), not less than the highest rate applicable to the employee on the day before the effective date of the increase prescribed by this clause, increased by an amount equal to 15.4 per centum of the sum of the employee's base rate and the amount referred to in subclause (I) of clause (i).

Notwithstanding clause (i), (ii), or (iii) of this subparagraph, the minimum wage rate for any employee described in this subparagraph shall not be increased under such clause (i), (ii), or (iii) to a rate which exceeds the minimum wage rate in effect under subsection (a) (5).

"(C) The effective date of the increase prescribed by subparagraphs (A) (i) and (B) (i) shall be the sixtieth day following the effective date of the Fair Labor Standards Amendments of 1973 or one year from the effective date of the most recent wage order applicable to the employee which the Secretary issued before the effective date of the Fair Labor Standards Amendments of 1973 pursuant to the recommendations of a special industry committee appointed under section 5, whichever is later.

"(4) (A) Except as provided in section 5(e) in the case of any employee who is covered by a wage order issued by the Secretary pursuant to the recommendations of a special industry committee appointed pursuant to section 5 and to whom this section was made applicable by the amendments made to this Act by the Fair Labor Standards Amendments of 1966, the following rates shall apply (unless superseded by a wage order issued under paragraph (6) and except as otherwise provided by paragraph (8)):

"(i) Effective as prescribed in subparagraph (B), the employee's base rate, increased by 12.5 per centum.

"(ii) Effective one year after the applicable effective date of the increase prescribed by clause (i), not less than the highest rate applicable to the employee on the day before the effective date of the increase prescribed by this clause, increased by an amount equal to 12.5 per centum of the employee's base rate.

"(iii) Effective one year after the effective date of the increase prescribed by clause (ii), not less than the highest rate applicable to the employee on the day before the effective date of the increase prescribed by this clause, increased by an amount equal to 12.5 per centum of the employees base rate.

"(B) The effective date of the increase prescribed by subparagraph (A) (i) shall be the sixtieth day following the effective date of the Fair Labor Standards Amendments of 1973 or one year from the effective date of the most recent wage order applicable to the employee which the Secretary issued before the effective date of the Fair Labor Standards Amendments of 1973 pursuant to the recommendations of a special industry committee appointed under section 5, whichever is later.

"(5) Except as provided in section 5(e), in the case of any employee employed in Puerto Rico or the Virgin Islands to whom this section was made applicable by the amendments made to this Act by the Fair Labor Standards Amendments of 1973, the Secretary shall, as soon as practicable after the date of enactment of the Fair Labor Standards Amendments of 1973, appoint a special industry committee in accordance with section 5 to recommend the highest minimum wage rate or rates, in accordance with the standards prescribed by section 8, to be applicable to such employee in lieu of the rate or rates prescribed by subsection (b). The rate or rates recommended by the special industry committee shall be effective with respect to such employee upon the effective date of the wage order issued pursuant to such recommendation, but not before sixty days after the effective date of the Fair Labor Standards Amendments of 1973.

"(6) (A) Any employer, or group of employers, employing a majority of the employees in an industry in Puerto Rico or the Virgin Islands for whom wage rate increases are prescribed by paragraph (2), (3) (A), or (4) may apply to the Secretary in writing for the appointment of a special industry committee to recommend the minimum wage rate or rates to be paid such employees in lieu of the rate or rates prescribed by paragraph (2), (3) (A), or (4), whichever is applicable. Any such application shall be filed—

"(i) in the case of the first of such increases, not less than thirty days following the date of enactment of the Fair Labor Standards Amendments of 1973, and

"(ii) in the case of each succeeding increase, not more than one hundred and twenty days and not less than sixty days prior to the effective date of such increase.

"(B) The Secretary shall promptly consider any application duly filed under subparagraph (A) of this paragraph for appointment of a special industry committee and may appoint such a special industry committee if he has a reasonable cause to believe, on the basis of financial and other information contained in the application, that compliance with any applicable rate or rates prescribed by paragraph (2), (3) (A), or (4), as the case may be, will substantially curtail employment in the industry with respect to which the application was filed. The Secretary's decision upon any such application shall be final. In appointing a special industry committee pursuant to this paragraph the Secretary shall, to the extent possible, appoint persons who were members of the special industry committee most recently convened under section 8 for such industry. Any wage order issued pursuant to the recommendations of a special industry committee appointed under this paragraph shall take effect on the applicable effective date provided in paragraph (2), (3), or (4), as the case may be. If a wage order has not been issued pursuant to the recommendation of a special industry committee appointed under this paragraph prior to the applicable effective date under paragraph (2), (3), or (4), the applicable percentage increase provided by paragraph (2), (3), or (4) shall take effect on the effective date prescribed therein, except with respect to the employees of an employer who filed an application for appointment under this paragraph of a special industry committee and who files with the Secretary an undertaking with a surety or sureties satisfactory to the Secretary for payment to his employees of an amount sufficient to compensate such employees for the difference between the wages they actually receive and the wages to which they are entitled under this subsection. The Secretary shall be empowered to enforce such undertaking and any sums recovered by him shall be held in a special deposit account and shall be paid, on order of the Secretary, directly to the employee or employees affected. Any such sum not paid to an employee because of inability to do so within a period of three years shall be covered into the Treasury of the United States as miscellaneous receipts.

"(C) The provisions of section 5 and section 8, relating to special industry committees, shall be applicable to special industry committees appointed under this paragraph. The appointment of a special industry committee under this paragraph shall be in addition to and not in lieu of any special industry committee required to be convened pursuant to section 8(a), except that no special industry committee convened under that section shall hold any hearing within one year after a minimum wage rate or rates for such industry shall have been recommended to the Secretary, by a special industry committee appointed under this paragraph, to be paid in lieu of the rate or rates prescribed by paragraph (2), (3)(A), or (4), as the case may be.

"(7) The minimum wage rate or rates prescribed by this subsection shall be in effect only for so long as and insofar as such minimum wage rate or rates have not been superseded by a wage order fixing a higher minimum wage rate or rates (but not in excess of the applicable rate prescribed in subsection (a) or (b)) hereafter issued by the Secretary pursuant to the recommendation of a special industry committee appointed under section 5.

"(8) Notwithstanding any other provision of this subsection, the wage rate of any employee in Puerto Rico or the Virgin Islands which is subject to increase under paragraph (2), (3), (4), or (5) of this subsection shall, on and after the effective date of the first wage increase under the paragraph which applies to the employee's wage rate, be not less than 60 per centum of the wage rate that (but for this subsection) would be applicable to such employee under subsection (a) or (b) of this section."

(b)(1) The last sentence of section 8(b) (29 U.S.C. 208(b)) is amended by striking out the period at the end thereof and inserting in lieu thereof a semicolon and the following: "except that the committee shall recommend to the Secretary the minimum wage rate prescribed in section 6 (a) or (b), which would be applicable but for section 6(c), unless there is substantial documentary evidence, including pertinent unabridged profit and loss statements and balance sheets for a representative period of years, in the record which establishes that the industry, or a predominant portion thereof, is unable to pay that wage."

(2) The third sentence of section 10(a) (29 U.S.C. 210(a)) is amended by inserting after "modify" the following: "(including provision for the payment of an appropriate minimum wage rate)".

Mr. ERLENBORN (during the reading). Mr. Chairman, I ask unanimous consent that section 105 be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

AMENDMENT OFFERED BY MR. CONTE

Mr. CONTE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CONTE: Page 15, insert after line 9 the following:

SEC. 106. Section 13(f) (29 U.S.C. 213(f)) is amended (1) by inserting "(1)" immediately after "(f)", and (2) by adding at the end thereof the following new paragraph:

"(2) Notwithstanding paragraph (1), the increases in the minimum wage rates prescribed by the Fair Labor Standards Amendments of 1973 shall not apply to the minimum wage rates applicable under this Act to employees employed in the Canal Zone."

Mr. CONTE. Mr. Chairman, the purpose of this amendment is to freeze the minimum wage paid in the Canal Zone.

Since 1966, when the minimum wage was extended to the Canal Zone, it has caused an economic disruption in the society of Panama. At the present time, the lowest paid worker for the Canal Zone Government or the Panama Canal Company earns the same wage as a professional schoolteacher in Panama.

This creates an embarrassing tension in our relations with the government of Panama. Gainful employment in Panama is discouraged by the higher paying, lower qualification jobs in the Canal Zone. In economic terms, we are fostering underemployment.

The minimum wage paid in the Canal Zone is three times what is paid in Panama for the same work. If the minimum wage is raised from $1.60 to $2.20 in the Canal Zone, an increase of 38 percent, this disparity will increase to four times the local rate.

This freeze on the minimum wage for the Canal Zone is supported by the State Department, the Panama Canal Company and the Canal Zone Government. It would affect only 300 employees, all of them Panamanian citizens.

The Canal Zone is the only area in the world where the foreign citizens are hired and paid according to the U.S. minimum wage schedule, instead of the local minimum wage.

Another disadvantage in having Panamanian workers paid under the U.S. minimum wage scale is the possibility that, as a result of treaty negotiations, certain business activities may be transferred from government operation to private business. Beset by minimum wage requirements, many firms would not be competitive.

Furthermore, under the treaty negotiations with Panama, a number of activities now performed by the Canal Zone Government, such as operating piers or commissaries, could be transferred directly to operation by the Panama Government. Employees paid $2.20 an hour under the U.S. wage scale would be reduced to 50 or 70 cents an hour under Panamanian jurisdiction. This sharp reduction would cause a severe morale problem in the Canal Zone.

If businesses which are now run by the Canal Zone Government are turned over to Panama, we would certainly hope for a period of time in which the employees would be guaranteed employment. But if minimum wages are raised to a level four times the Panamanian level, then there is little likelihood of such a guarantee.

I urge my colleagues to support this amendment so that the difference between the minimum wages paid for the same work in the Canal Zone is not aggravated any further.

I might say, Mr. Chairman, that this amendment was adopted last year when we had the minimum wage bill before this House.

Mr. ERLENBORN. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Illinois.

Mr. ERLENBORN. Mr. Chairman, I thank the gentleman for yielding.

The gentleman is correct. Last year when the same gentleman now in the well offered the same amendment as is now being offered it was adopted by a record vote by a substantial margin.

I would also like to point out that I have a letter dated March 23 of this year from the Department of State, signed by Marshall Wright, Acting Assistant Secretary for Congressional Relations. In this letter he sets out the reasons why the gentleman's amendment ought to be adopted. Without reading the whole letter, let me make two or three salient points: "The Department of State would like to recommend that H.R. 4757 be amended to exempt the Panama Canal Zone from the minimum wage provisions of the bill. This recommendation is based on the following important foreign policy considerations."

It continues that this, "would adversely affect the financial condition of the Panama Canal Company and increase the cost of operating U.S. military bases located there."

It continues further, "would further accentuate the existing disparity between wage levels of better paid Panamanians working in the Zone and those in the Republic of Panama."

Lastly, "A minimum wage increase would complicate on-going canal treaty negotiations."

These are very excellent reasons why I believe the amendment of the gentleman from Massachusetts ought to be adopted.

Mr. DENT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I shall not take too much time, but I also have a letter from the Department of State and one from the Government of Panama.

The situation at this point is that the Panamanian Government takes the position that this is a violation of treaty. The State Department states very flatly that they must pay equal pay for equal work to Panamanians, the same as to American citizens. The only way they can deny the Panamanians' inclusion under the increase in minimum wage law is to specifically exclude the Americans as well.

Once it comes to the point of the money being paid, the agreement does say that they must pay the Panamanians the same amount as they pay American citizens.

Mr. Chairman, this committee had a concern over this. I had practically the same sentiments as my friend from Massachusetts has. What we have decided to do is to leave it in the bill to go to the Senate. I have already been talking to the Senators and they are going to try to work in some kind of language that will not violate the treaty; the Senator in charge of this legislation in the Senate assured that. We agreed to keep it in our bill so that we have a point of controversy when we get to the Senate.

Mr. NEDZI. Mr. Chairman, will the gentleman yield?

Mr. DENT. I yield to the gentleman from Michigan (Mr. NEDZI).

Mr. NEDZI. Mr. Chairman, is it not true that the Canal Zone has been under the jurisdiction of the minimum wage since 1966?

Mr. DENT. That is true.

Very sincerely, I tell you this has caused much thought. I wish the gentleman would let us keep our hands free for when we talk to the Senate.

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. DENT. I yield to the gentleman from Wisconsin (Mr. STEIGER).

Mr. STEIGER of Wisconsin. Mr. Chairman, I think I heard the gentleman's remarks regarding the effect this provision has on U.S. citizens, is that correct?

Mr. DENT. Yes.

Mr. STEIGER of Wisconsin. Perhaps I missed the point. I cannot think in terms of experience of the committee that no U.S. citizen is paid less than the minimum wage. It seems it would not affect U.S. citizens.

Mr. DENT. In fact, there are wage board and other Federal employees who now earn less than $2 an hour. But, moreover, we believe that in the conference committee with the Senate, who are really the treaty endorsers for the Government of the United States, that we will be in a better position to work out something equitable.

That is all this is.

Mr. LEGGETT. Mr. Chairman, I move to strike the last word.

I rise to oppose the amendment. I have recently been designated as chairman of the Panama Canal Zone Subcommittee. We have had in the Merchant Marine and Fisheries Committee a number of conferences with Panamanian officials.

We are now trying to reach some kind of an accommodation, so far as an agreement goes, with the Panamanian Government through the State Department. The State Department has taken a position, as has been indicated, that the minimum wage coverage should not extend to the Panama Canal Zone. This is a change of a 15-year precedent, where the minimum wage coverage has extended to the zone.

The State Department has taken the position that we do not have the money to pay the $6 million that it would cost to cover the black Panamanians, who essentially are the ones involved here. We are now in a position where we have a surplus of $1.5 million as a result of Canal Zone tolls. I believe we are operating off a toll structure that is now 60 years old and certainly should be reformed. As a result I believe we do have the money to pay for this minimum wage coverage.

There is an allegation made by the Panamanian Government that in the event we exclude and in fact discriminate against the Canal Zone with respect to this legislation we will be violating a Treaty of 1955 origin. I believe that is correct.

Without belaboring the point, I believe the amendment is not well taken, that the Dent bill is in proper form in this respect, and the Conte amendment should be rejected.

Mr. Chairman, I oppose any amendment to delete from H.R. 7935 the increases in minimum wage rates provided for the workers in the Panama Canal Zone. These workers have received minimum wage increases along with workers in the United States for some 15 years now and I see no justification for discriminating against them this year.

If it is true that an increase in these wage rates will force an increase in canal tolls, I say that it is high time the tolls were increased. Many of my colleagues may not be aware of the fact that these tolls have never been increased; they are still at the rates at which they were fixed some 60 years ago when the canal was opened. If an increase of tolls is called for, then it will only mean removing what has been a subsidy for the shippers who use the canal, a subsidy paid for by the low wages of Canal Zone workers.

It is also illuminating to look at the size of the increases which may be called for. According to a letter sent by the Department of State to Mr. DENT, the cost of the minimum wage increase will be about $6 million annually. To meet this additional cost, if indeed there will be additional cost, the canal need only increase by 6.07 percent the $98,833,373 toll revenue they reported in 1972. This increase will presumably also permit them to retain the $1,247,448 net revenue—that means profit—that the canal reported in 1972.

One final point, I think it is well to note that the Government of the Republic of Panama supports an increase in the Canal Zone minimum wage. Their ambassador stated last year that his government would regard exclusion of the Canal Zone from the minimum wage increases as a violation of the memorandum of understanding attached to the 1955 treaty between the United States and Panama. The Government of Panama also feels that an increase in the Canal Zone minimum wage would have a beneficial effect on the Panamanian economy and would stimulate further increases in wage rates in their country.

I hope that the Conte amendment will be rejected.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. LEGGETT. I yield to the gentleman from Massachusetts.

Mr. CONTE. The gentleman made reference that the Canal Zone had *x* amount of millions of dollars in surplus. That is not the issue here.

I have a letter here from the Governor of the Canal Zone Government.

I am pleased to see that the gentleman is now on this committee. I have been on the committee handling the appropriations for the Canal Zone for many years. I do not want to infringe on the jurisdiction of any other committee, however I do know something about the problem because of my work on the Appropriations Committee.

I have a letter from David S. Parker, Governor of the Canal Zone, president of the Panama Canal Company, pleading with us to make this change. The letter reads:

CANAL ZONE GOVERNMENT,
*Balboa Heights, Canal Zone,*
*March 12, 1973.*

Hon. JOHN H. DENT,
*Chairman, Subcommittee on General Labor, House of Representatives, Washington, D.C.*

DEAR MR. CHAIRMAN: It is my understanding that consideration is being given by your Subcommittee to H.R. 4757, a bill to amend the Fair Labor Standards Act of 1938. This legislation would, among other things, increase the minimum wage and extend its present coverage. The hourly minimum rate under the Act would be increased in time from $1.60 to $2.00 (or $1.80 for newly covered employees) and then to $2.20.

My purpose in writing is to recommend that the bill be amended to provide that the increases in the FLSA minimum wage and the expanded coverage shall not apply in the Canal Zone and that, instead, the present coverage and minimum wage of $1.60 per hour continue in effect. The Commander in Chief, United States Southern Command, acting on behalf of the military activities here, concurs in this recommendation. The reasons for this proposal are set out below.

The Fair Labor Standards Act is geographically applicable to the Canal Zone. Prior to 1966 its minimum wage requirements covered only employees of construction contractors and of certain of the few private business establishments located in the Canal Zone, such as banks and shipping agents. Under Public Law 89–601 (enacted September 23, 1966) the FLSA was amended to extend minimum wage coverage to employees of Federal agencies operating in the Canal Zone and to personnel of nonappropriated fund activities under the Armed Forces.

The application of the minimum wage to Federal workers in the Canal Zone in 1966 had a substantial impact on employment practices of the Canal agencies. Up to that time, the wage rates for positions at the lower skill levels for which there is adequate labor supply available in the Republic of Panama were fixed on a local wage base. For higher skilled workers in positions for which recruitment is necessary, at least in part, from the United States, rates of compensation applicable to Federal employment in the continental United States have been used. Congress has expressly sanctioned such a wage plan in the enactment of section 144 of Title 2, Canal Zone Code, 76A Stat. 17, which authorizes the head of each Federal agency here to fix basic compensation in relation either to United States rates or to wages paid in areas outside the country as designated in regulations issued under authority of the President.

Since the effective date of the 1966 FLSA amendments, the use of a local wage base has been continued, but its lowest rates have been fixed at the minimum wage prescribed under the FLSA. The result has been that the pay for workers in those jobs for which there is local recruitment has been artificially held above the local wage base that otherwise would have been applicable under the statutory wage system prescribed for the Canal Zone under 2 C.Z.C. § 144.

At the present time there are approximately 9,100 employees in the Canal Zone subject to the Act. Of this number, about 6,800 are U.S. Government personnel in the wage board category or employed by nonappropriated fund activities. The remainder are the privately employed workers referred to above, who for the most part were subject to the FLSA prior to the 1966 amendments.

In order to eliminate the disparity between Federal employees entitled to the FLSA minimum and others in occupations not subject to the Act, the U.S. Government agencies administratively established a minimum wage of $1.60 an hour for all excluded employees. For that reason all Federal workers in the Canal Zone now receive no less than $1.60 an hour.

The legal minimum wage for urban employment in the adjacent labor market in Panama ranges from 50 to 70 cents an hour. A further increase in the Canal Zone minimum wage would, of course, widen the already substantial gap between the legal wage floor in Panama as opposed to the Canal Zone minimum. The anomaly is an obvious one because most of the employees in the Canal Zone who would be affected by a change in the minimum wage reside in, and are nationals of, the Republic of Panama. Present wage levels provided more than an adequate number of applicants for employment in the Canal Zone. The higher minimum does not appear justifiable on the basis of economic need, social policy, or sound personnel practice.

One obvious effect of a law establishing a minimum that is three times the prevailing wage in the Republic of Panama is uneconomical operation by the Canal agencies and the military components. The proposed legislation would have a significant effect on the U.S. military forces in the Canal Zone. The competitive position of open messes would be adversely affected, the activity of special services would be curtailed, and post exchange payrolls would be substantially increased. The effect on special services and on the competitive position of the open messes would be to cause a greater number of U.S. servicemen to seek food and entertainment in Panama rather than to remain on the military posts. A more significant result would be the loss of jobs by Panamanian nationals who work in these service activities in the Canal Zone. The delicate relations with the present Panamanian Government could be disrupted by the reduction in force that application of the increase here would require.

The cost impact of H.R. 4757 would be greater on the Panama Canal Company and the Canal Zone Government because of the large number of Panamanians in semi-skilled positions. At current employment levels, the annual increase in cost would be $6 million for the two Canal agencies if the minimum wage goes from $1.60 to $2.20 per hour. The expense of Canal operations, a principal part of which is labor cost, is expected in the near future to exceed income from tolls. It is evident, therefore, that a $6 million increase in labor costs that would result from an increase in the minimum wage would substantially contribute to the pressure for an upward revision in tolls, since the waterway is required to be self-sustaining.

The Canal Zone is the only foreign area in which the U.S. Government pays local nationals a wage equal to the minimum in the United States rather than one based on prevailing rates in the local economy. Continuation of the present policy in the Canal Zone with the adoption of the higher rates could place in jeopardy the practice of using wage scales conforming to locality rates in other foreign areas.

A second area of concern is the proposed extension of minimum wage coverage to domestic service employees. The inclusion of the nearly 7,000 domestics in the Canal Zone in the proposed legislation is considered to be most unwise. The present minimum wage for domestics in the Republic of Panama is $40.00 per month. The requirement to pay a $2.20 minimum wage to domestics working in the Canal Zone, or even a $1.60 minimum for that matter, would create a situation where Canal Zone domestics would be working under a minimum wage scale that is almost 10 times higher than the minimum wage for comparable work in the adjacent urban areas of Panama. The use of domestics, most of whom are already paid above the Panama scale, enables dependents of U.S. Government employees and military personnel to be employed in regular Government positions and, thereby, reduces the need for additional recruitment and housing of U.S. nationals. Many positions which cannot be filled from the local labor market, such as nurses and school teachers, are filled in this way. If the cost of employing domestics is raised substantially, it is expected that many dependents would give up domestics and return to household duties. Such an action unquestionably would result in markedly higher U.S. Government recruitment expenses while at the same time increasing unemployment in Panama.

Another important consideration is that the minimum wage in the Canal Zone is one of the subjects being considered in treaty negotiations now in progress between the United States and Panama. It would not appear to be in the best interests of the United States to increase the statutory obligation for a fixed level of compensation when the conditions under which the Canal enterprise operates may undergo substantive change.

Based on the foregoing considerations, I strongly recommend that while the bill is under consideration by your Subcommittee, it be amended to exclude the Canal Zone from the proposed expanded coverage and wage increases and to retain the present minimum here. I believe that such a result could be accomplished by adding a new section 214 at the end of Title II reading as follows:

"Sec. 214. This Act shall not apply to the Canal Zone."

Due to the fact that hearing by your Subcommittee is scheduled for March 13–15, time does not permit securing advice from the Office of Management and Budget as to the relationship of this report to the program of the President.

Sincerely yours,
DAVID S. PARKER,
*Governor of the Canal Zone, President, Panama Canal Company.*

The chairman of the subcommittee said, "Give us time." We have had about a year to solve this problem. I have spoken with the gentleman many times off the floor of the House. I told him I was going to offer the amendment. I did offer the amendment last year. The amendment was carried by the House.

They are paying these people outside of the Canal Zone 50 to 70 cents an hour, top wages. Can you imagine those who leave the zone in the evening and return to Panama earning twice as much as a schoolteacher and, if we pass $2.20 minimum per hour four times more than a person living in Panama? All we are doing is to further strain relations with the Panamanians.

I should like to see everybody get $2.20 an hour, but here we would aggravate the situation. Why make an exception to the rule? We do not pay U.S. minimum wage to foreign employees any place outside of the United States except the Canal Zone.

Mr. LEGGETT. I get the gentleman's point. I would say that I have a four-page letter from Gov. Dave Parker, too. I have great respect for him.

On this particular point I am satisfied, after talking with the officials there, that we are going to aggravate the situation between the United States and the Government of Panama by making this exception at this time.

The Panamanian Ambassador wrote a letter to the chairman of the Committee on Education and Labor. We can put that letter in the RECORD if we want to.

The better part of valor and diplomacy at this time would be not to make the mistake we made last year. If the Senate in conference wants to do something else, let us let them do it.

Mr. STEIGER of Wisconsin. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, very briefly it seems to me there are two points the committee ought to consider before turning down the Conte amendment.

In the first place, the chairman of the subcommittee argues it is required to keep the language of the committee bill in, in order to provide some kind of flexibility in the conference. I must say in all honesty that fails to be persuasive to the question, if we really want flexibility, for if that is what we are searching for let us take the Conte amendment and then deal with the other body in the conference.

But we, in effect, are going to eliminate any ability to be flexible if we do not adopt the Conte amendment.

Mr. Chairman, there is a second point which, I think, is even more important from the view of those of us on this committee, and that is that we have on this issue essentially two conflicting views: Those of the representatives of Panama and those of the representatives of the United States.

I would tell the Members very honestly that I think it would be far the wiser course of action to listen carefully to those views expressed by the representatives of this country who have to live with this kind of problem, and on that basis the Conte amendment is the one that makes the most sense from the standpoint of the United States.

Mr. Chairman, on that basis, it seems to me the Conte amendment ought to be adopted.

Mr. STRATTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to address a question to the gentleman from Massachusetts (Mr. CONTE).

We have been talking about minimum wage problems here. But I have not heard any discussion so far with regard to the actual situation in Panama. If I read the papers correctly, the Panamanian people have been attacking this country for some time: they claim that we have been unkind to them and have been taking too much money away from them. They even invited the Security Council of the United Nations down there a few months ago to attack the United States.

Mr. Chairman, I am a little confused as to just what the impact of this amendment will be. The gentleman tells us that if we continue to pay higher wages to the Panamanian people that the United States employs, then Panama is going to be mad at us.

Mr. CONTE. The Panamanians.

Mr. STRATTON. But it seems to me that under the gentleman's amendment, if we take away the additional money we have been paying some Panamanians, then they are going to be mad at us, too, because we have taken it away.

I wonder just what impact this bill or the gentleman's amendment will have on this basic problem? As far as I can see, neither one is going to help us very much. The Panamanians are going to be mad at us regardless of what we do.

Is that not the situation, or does the gentleman have any other light he can throw on it? Is there anything we can do that would improve the situation in Panama?

Mr. Chairman, it looks to me as though it would work the other way.

Mr. CONTE. Mr. Chairman, I may say that the amendment I have offered does not take anything away; it just freezes the minimum wage rate where it is at the present time.

Mr. Chairman, I think the gentleman has made a candid statement. I do not think it makes any difference whether my amendment carries or whether my amendment is defeated, as far as doing something to change relationships down there. I merely point out the human factor.

Mr. Chairman, the gentleman realizes this: that if he had somebody living in Cohoes, N.Y., and they were making $5 an hour, and they came up to Schenectady and made $30 an hour, the guy is going to be damn mad. That is the only point I am trying to make.

Mr. Chairman, this is what has happened. We have 300 Panamanians getting the minimum wage, because they work in the Canal Zone, and if they leave the Cana Zone, they make from 50 to 60 cents an hour. It has nothing to do with our policy or a change in our policy.

Mr. STRATTON. Mr. Chairman, would the gentleman tell us what the Panamanians have been doing for us lately?

Mr. CONTE. Not very much.

Mr. FRENZEL. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in strong support of the Conte amendment. Last year when the House considered a minimum wage bill, which did not become law, it overwhelmingly accepted a similar Conte amendment excluding the Panama Canal Company from the provisions of the bill.

The Panama Canal Company is currently obliged to pay a minimum wage of $1.60. The minimum wage rate in Panama is from 50 to 75 cents an hour. Obviously the Canal Company is a most attractive employer, and its jobs are a distortion in the labor market in Panama. The effect of H.R. 7935, if the Conte amendment is not adopted, would be to raise the minimum wage from about three times the local rate to about four times the local rate.

In addition to the unhealthy relationship with local wages, the increase in the minimum wage for the Canal Company would undoubtedly force higher rates for the Panama Canal tolls or oblige the Panama Canal Company to come to Congress for U.S. taxpayers' money to support the operation of the canal. Since we are engaged in negotiations to change some of the arrangements between the United States and the Government of Panama which have existed for years, the trustees of the Canal Company and its managers believe that it would be unwise to raise tolls. At this time, also, the full effect of higher tolls on South American economies is not known, except that increase would be generally harmful. Consequently, it would be terribly unwise if the Canal Company were included in H.R. 7935.

I am informed that American operations, particularly those of the Defense Department overseas, usually pay local rates when hiring local people. The Canal Company has not made such a request. They are only asking that the current rate, which is three times the local rate, be maintained rather than increasing it to four times the local rate. The amendment of the gentleman from Massachusetts deserves unanimous support. I urge its adoption.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts (Mr. CONTE).

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. BURTON. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

## TITLE II—EXTENSION OF COVERAGE; REVISION OF EXEMPTIONS

### FEDERAL AND STATE EMPLOYEES

SEC. 201. (a) (1) Subsection (d) of section 3 (29 U.S.C. 203) is amended to read as follows:

"(d) 'Employer' includes any person acting directly or indirectly in the interest of an employer in relation to an employee and includes the United States or any State or political subdivision of a State, but does not include any labor organization (other than when acting as an employer) or anyone acting in the capacity of officer or agent of such labor organization."

(2) Subsection (r) of section 3 is amended by inserting "or" at the end of paragraph (2) and by inserting after that paragraph the following new paragraph:

"(3) in connection with the activities of the Government of the United States or of any State or political subdivision of a State,".

(3) Subsection (s) section 3 is amended—

(A) by striking out "or" at the end of paragraph (3),

(B) by striking out the period at the end of paragraph (4) and inserting in lieu thereof "; or", and

(C) by adding after paragraph (4) the following new paragraph:

"(5) is an activity of the Government of the United States or of any State or political subdivision of a State.".

(b) Section 13(b) (29 U.S.C. 213(b)) is amended by striking out the period at the end of paragraph (19) and inserting in lieu thereof "; or" and by adding after that paragraph the following:

"(20) any employee of a State or political subdivision of a State engaged in fire protection or law enforcement activities; or

"(21) any Federal employee other than a Federal employee who was brought within the purview of section 7 by the amendments made by the Fair Labor Standards Amendments of 1966.".

(c) Subsection (b) of section 18 (29 U.S.C. 218) is amended to read as follows:

"(b) Notwithstanding any other provision of this Act (other than section 13(f)) or any other law, any employee employed in a Federal nonappropriated fund instrumentality shall have his basic pay fixed or adjusted at an hourly wage rate which is not less than the rate in effect under section 6(a) (1) and shall have his overtime pay fixed or adjusted at an hourly wage rate which is not less than the rate prescribed by section 7(a)."

Mr. DENT. Mr. Chairman, I would like to ask unanimous consent that the section be considered as read and the remainder of the bill be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

Mr. ERLENBORN. Mr. Chairman, reserving the right to object, do I understand correctly the gentleman wants the remainder of the bill to be considered as read and open to amendment at any point?

Mr. DENT. Yes.

Mr. ERLENBORN. If the gentleman will reserve that and only ask at this time that this section be considered as read, I will not object. Otherwise I feel constrained to object.

Mr. DENT. Well, I have been trying for 7 months to get some kind of concession or conference with you, but I will yield again and only ask that this section be considered as read.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

### AMENDMENTS OFFERED BY MR. HENDERSON

Mr. HENDERSON. Mr. Chairman, I offer several amendments and ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. HENDERSON: Amend section 201 as follows:

On page 15, line 17, strike out "the United States or".

On page 15, beginning in line 25 and ending in line 1, page 16, strike out "of the Government of the United States or".

On page 16, lines 10 and 11, strike out "of the Government of the United States or".

On page 16, line 19, strike out "activities; or" and insert in lieu thereof "activities."."

On page 16, beginning in line 20, strike out all of paragraph (21).

Mr. HENDERSON. Mr. Chairman, the purpose of my amendment is to strike from section 201 of the bill that language which would have the effect of extending coverage of the minimum wage provisions to all Federal employees and coverage of the overtime provisions to wage board employees of the Government.

I have examined the Committee's report on H.R. 7935, and I can find no justification for extending application of the minimum wage provisions of the Fair Labor Standards Act to Federal employees.

Such action, as everyone knows, will result in no benefit to Federal employees. This fact is acknowledged by the Education and Labor Committee on pages 21 and 22 of the committee's report.

At the present time, the minimum hourly rate under the general schedule is $2.31. The pay schedules of Federal employees are adjusted regularly to provide rates of pay which are not less than, and ordinarily are greater than, the minimum rate under the Fair Labor Standards Act.

With respect to wage board or prevailing rate employees of the Government, section 5343(a) of title 5, United States Code, specifically provides that their rates of pay may not be less than the minimum rate specified under the Fair Labor Standards Act.

The Post Office and Civil Service Committee has jurisdiction over the pay of Federal employees, and I believe our committee has been successful in establishing pay systems which insure fair and adequate rates of pay for all Federal employees. Therefore, I can see no necessity or justification for confusing the state of the law by bringing Federal employees under the minimum wage provisions of the Fair Labor Standards Act.

The application of the overtime provisions of the Fair Labor Standards Act to Federal wage board or prevailing rate employees, as proposed under section 201 of the bill, makes even less sense and creates more serious problems than does the proposal for extending the minimum wage provisions to Federal employees.

The Fair Labor Standards Act requires payment of time and one-half premium rates for work in excess of 40 hours a week for certain categories of employees. The extension of this provision to Federal prevailing rate employees would be of no substantial benefit to such employees because the overtime pay benefits provided for those employees in title 5 of the United States Code are more liberal and have broader coverage than those under the Fair Labor Standards Act.

For example, under section 5544 of title 5, prevailing rate employees are paid time and one-half rates for work in excess of 8 hours a day, as well as for work in excess of 40 hours a week. Furthermore, many employees, such as supervisors and professionals, who are exempt from overtime pay under the Fair Labor Standards Act, are entitled to overtime pay under section 5544 of title 5.

The most serious problem that would be created by bringing Federal wage board employees under the overtime provisions of the Fair Labor Standards Act centers on the fact that two agencies, the Civil Service Commission and the Department of Labor, would be responsible for administering and enforcing the overtime pay laws applicable to those employees.

Clearly, this will create complications and confusion as to what effect the decisions of either agency will have on the other's existing authority.

In addition, this jurisdictional confusion could extend to the General Accounting Office, which, by law, has authority to settle all claims, including claims for pay, against the Federal Government. Under the Fair Labor Standards Act, the responsibility for considering claims rests with the Secretary of Labor.

Mr. Chairman, in view of these serious administrative problems and the complete lack of necessity or justification for extending coverage of the Fair Labor Standards Act to Federal employees, I urge the adoption of my amendment.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HENDERSON. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, I want to commend my colleague, the gentleman from North Carolina (Mr. HENDERSON) for offering his amendment, and to say that I think the action on the part of the Committee on Education and Labor, though including Federal employees in this legislation, constitutes a serious intrusion upon the jurisdiction of the Committee on Post Office and Civil Service.

Mr. HENDERSON. I thank the gentleman from Iowa.

Mr. DENT. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from North Carolina (Mr. HENDERSON).

The truth of the matter is that we already have covered for 7 years now, these employees, and this extension was reached upon the basis of testimony given to our subcommittee on many, many different occasions. We are calling upon private enterprise under the minimum wage, and also the local governments and the State governments are covered. We should do the same for Federal employees. I think it is academic that there will not be anybody here getting a pay increase. However, it is also not true that we cover Federal employees for overtime. There is no overtime extension in this legislation at all for Federal employees.

I urge the Members to vote down the amendment.

The CHAIRMAN. The question is on the amendments offered by the gentleman from North Carolina (Mr. HENDERSON).

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. BURTON. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 167, noes 249, not voting 16, as follows:

[Roll. No. 185]

AYES—167

Abdnor
Anderson, Ill.
Archer
Arends
Armstrong
Ashbrook
Bafalis
Baker
Beard
Blackburn
Bowen
Bray
Brinkley
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Byron
Camp
Casey, Tex.
Cederberg
Chamberlain
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Collier
Collins
Conable
Conlan
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Davis, S.C.
Davis, Wis.
Dellenback
Dennis
Derwinski
Devine
Dickinson
Dorn
Downing
Dulski
Duncan
Edwards, Ala.
Erlenborn
Esch
Eshleman
Evins, Tenn.
Flynt
Ford, Gerald R.
Forsythe
Fountain
Frenzel
Frey
Froehlich
Fuqua
Gettys
Goldwater
Goodling
Gross
Gubser
Haley
Hammerschmidt
Hanrahan
Hastings
Henderson
Hicks
Hogan
Holt
Huber
Hudnut
Hunt
Hutchinson
Ichord
Jarman
Johnson, Pa.
Jones, N.C.
Jones, Tenn.
Ketchum
Kuykendall
Landgrebe
Latta
Lott
Lujan
McClory
McEwen
Mahon
Mailliard
Mallary
Mann
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Mayne
Michel
Milford
Miller
Mizell
Montgomery
Moorhead, Calif.
Myers
Nelsen
Nichols
Pettis
Poage
Powell, Ohio
Preyer
Price, Tex.
Quie
Quillen
Rarick
Regula
Rhodes
Roberts
Robinson, Va.
Robison, N.Y.
Roncallo, N.Y.
Rose
Rousselot
Runnels
Ruppe
Ruth
Satterfield
Scherle
Schneebeli
Sebelius
Shipley
Shriver
Shuster
Smith, N.Y.
Spence
Steiger, Ariz.
Steiger, Wis.
Stephens
Stubblefield
Symms
Talcott
Taylor, Mo.
Teague, Calif.
Teague, Tex.
Thomson, Wis.
Treen
Udall
Vander Jagt
Veysey
Waggonner
Wampler
Ware
Whitehurst
Whitten
Wiggins
Williams
Wylie
Wyman
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Zion
Zwach

NOES—249

Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
Badillo
Barrett
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blatnik
Boggs
Boland
Brademas
Brasco
Breaux
Breckinridge
Brooks
Broomfield
Brotzman
Brown, Calif.
Buchanan
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton
Carey, N.Y.
Carney, Ohio
Chappell
Chisholm
Clark
Clay
Cohen
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Culver
Daniels, Dominick V.
Hawkins
Danielson
Davis, Ga.
de la Garza
Delaney
Dellums
Denholm
Dent
Diggs
Dingell
Donohue
Drinan
du Pont
Eckhardt
Edwards, Calif.
Eilberg
Evans, Colo.
Fascell
Findley
Fish
Flood
Flowers
Foley
Ford, William D.
Fraser
Frelinghuysen
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gude
Gunter
Guyer
Hamilton
Hanley
Hanna
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Harvey
Hays
Hechler, W. Va.
Heinz
Helstoski
Hillis
Hinshaw
Holifield
Holtzman
Horton
Hosmer
Howard
Hungate
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, Okla.
Jordan
Karth
Kastenmeier
Kazen
Keating
Kluczynski
Koch
Kyros
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
McCloskey
McCollister
McCormack
McDade
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Madigan
Maraziti
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Mills, Ark.
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Moorhead, Pa.

Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nix
Obey
O'Hara
O'Neill
Owens
Parris
Passman
Patten
Pepper
Perkins
Pickle
Pike
Podell
Price, Ill.
Pritchard
Railsback
Randall
Rangel
Rees
Reid
Reuss
Riegle
Rinaldo
Rodino
Roe
Rogers
Roncalio, Wyo.
Rooney, Pa.
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Saylor
Schroeder
Seiberling
Shoup
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Snyder
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Stratton
Stuckey
Studds
Sullivan
Symington
Taylor, N.C.
Thompson, N.J.
Thone
Thornton
Tiernan
Ullman
Van Deerlin
Vanik
Vigorito
Waldie
Walsh
Whalen
White
Widnall
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Yates
Yatron
Young, Ga.
Young, Tex.
Zablocki

NOT VOTING—16

Bolling
Carter
Fisher
Fulton
Hébert
Heckler, Mass.
Kemp
King
Landrum
Minshall, Ohio
O'Brien
Patman
Peyser
Rooney, N.Y.
Stokes
Towell, Nev.

So the amendments were rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. ICHORD

Mr. ICHORD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Ichord: Page 15, line 12, strike out "AND STATE".

Page 15, beginning in line 17, strike out "or any State or political subdivision of a State, but does not include" and insert in lieu thereof the following: "but does not include any State or political subdivision of a State (except with respect to employees of a State, or a political subdivision thereof, employed (1) in a hospital, institution, or school referred to in the last sentence of subsection (r) of this section, or (2) in the operation of a railway or carrier referred to in such sentence)".

Page 16, beginning in line 1, strike out "or of any State or political subdivision of a State".

Page 16, beginning in line 11, strike out "or of any State or political subdivision of a State".

Page 16, strike out line 17 and all that follows down through and including "(21)" in line 20 and insert in lieu thereof "(20)".

Mr. ICHORD. Mr. Chairman, this amendment, although it seems rather lengthy, merely strikes out the extension of coverage to employees of local and State governments.

Mr. Chairman, I am one Member of the House who voted for the Erlenborn amendment because it, too, struck out the extension of coverage to local and State governments, even though I supported all of the other provisions of the bill of my good friend from Pennsylvania (Mr. Dent). So this is a matter of very great principle to me.

I first came to this body, Mr. Chairman, some 12 years ago. At that time I had no difficulty gaining a good legislative working knowledge of every measure that came before the House of Representatives. Today that is almost impossible. Why? Because in a short period of 12 years we have increased the legislative jurisdiction of the Federal Government I would say conservatively 1,000 percent.

Mr. Chairman, we are legislating or attempting to legislate upon everything, from the building of missiles, which goes to Defense, to the regulation of switchblade knives which is definitely a city council matter. And the situation is such that 90 percent of us, I think, do not even know what we are really voting on, or we do not have a good legislative working knowledge of what we are voting on in respect to every measure that comes before this body.

The principle is one of trying to preserve what we have left of our federal system of government. Here we are saying to every mayor and every city councilman, every Governor and every legislator, "We are going to put you under some measure of control of a bureaucrat or bureaucrats in the Labor Department."

Mr. Chairman, we still have a federal system of government. Those mayors, those city councilmen, those Governors, those State representatives, too, have an electorate to which they are responsible, and I submit that we have gone too far.

The committee, as I read the report, attempts to justify this measure on the minimal impact that it would have on the number of employees to be covered. It is true that there are very few State and local employees that would be covered by this particular provision, but the principle is there of putting those governmental elected officials on the local and State level under the control of a bureaucracy downtown, taking away the right that they have as elected officials to determine how the taxpayers' money should be spent.

I hope, Mr. Chairman, that the Committee sees fit to at least adopt this one amendment to H.R. 7935.

Mr. DENT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment. I do so simply on the same basis as I discussed for the Federal employees.

We have been covering State employees since the 1966 amendments. They are covered by the act now.

Mr. Chairman, the Conference of Mayors is supposed to have sent out some kind of a release stating they were against this provision. Somebody handed me today a copy of that statement. But that is not true. The only questions put out by the municipal governments in this matter were on the employments of policemen and firemen.

Our committee, as it always has tried to do, has given serious consideration to legitimate proposals that come before us which have a different intent than what we are attempting in our actions, and we felt that they were right on that point. So we excluded policemen and firemen from the act.

Mr. Chairman, I have had those long, serious pains that my friend, the gentleman from Missouri (Mr. Ichord) has, having served on the Council of State Governments for a great number of years. But I found out it is just something that you cannot do anything about. The minute the State governments and local governments start coming to the Federal Government and the local government starts going to the State government for assistance, they give up a lot of prerogatives the gentleman from Missouri and I enjoyed when we were younger members of legislative bodies.

It is just the old song of "whoever pays the piper calls the tune."

As much as I regret it, that is the situation. I would march backward to those days myself when States had all the States' rights they once had, but as long as we pay the bill, I am afraid this is what is going to happen. I would hate to have one-half of the State employees covered and one-half not covered.

It should have happened 7 years ago, if it happened at all.

Mr. ICHORD. Will the gentleman yield?

Mr. DENT. I am happy to yield.

Mr. ICHORD. Is it not true the only coverage now is hospitals and educational institutions which may or may not come under the jurisdiction of the city councils or the mayors or the State governments?

Mr. DENT. I think you are right, but it is a point of fact that we specifically spelled out those institutions and then the case was resolved in the courts as to our right to do so and the courts resolved it in our favor.

Mr. ICHORD. But here you are extending the coverage to all employees of all State and local units of government.

Mr. DENT. That is right. And our estimates are less than 100,000 will receive any kind of pay increase. It makes for a better understanding of the matter, really, especially in the area of public works.

Mr. ICHORD. I know very well that the gentleman from Pennsylvania is caught up in some very conflicting considerations here, and I am at least glad to hear he has some pangs of conscience, having been a great State legislative leader in the State of Pennsylvania.

Mr. DENT. Mr. Chairman, I ask that the amendment be defeated.

Mr. FRENZEL. Mr. Chairman, I rise in very strong support of the amendment offered by the gentleman from Missouri.

I think it is an absolute necessity, and while I take some comfort from the statement by the distinguished subcommittee chairman that some mayors' groups are in support of this particular provision in the committee bill, very definitely the mayors in my State are strongly opposed to this provision.

I read from a letter from the president of the League of Minnesota Municipalities who respectfully urges opposition to inclusion of State and local government employees in minimum wage and overtime provisions of the various proposed amendments to the Fair Labor Standards Act such as are contained in S. 1861, S. 1725, and H.R. 7935, this bill.

Other mayors in my district have called my attention to the fact that my State has a levy limitation imposed by the legislature. If the Federal Government, in imposing its Fair Labor Standards Act on my municipalities, causes their costs to increase, they will simply have to cut back on other vital services or, if they pay overtime in specific areas, they have to lay somebody off.

It seems to me in that respect the committee version itself is self-defeating. We realize the exclusion of fire and police removes the greatest concerns, and yet mayors and city managers in my district feel, particularly based on last year's experience, what happens between here and the final bill could well bring the firemen and policemen back in. Many of us are reminded of the situation of last year when certain members of the House group indicated they would accept a Senate bill which would have put the firemen and policemen back in and therefore would have wreaked havoc with our municipal governments.

If we support the Ichord amendment today, we will speak very strongly to our conferees when they get into the conference committee. We will be saying that we do not want these or any other municipal employees included.

I believe the gentleman from Missouri has done us a great service in bringing this amendment to the floor, and I hope it is strongly supported.

Mr. DENT. Will the gentleman yield?

Mr. FRENZEL. I am glad to yield to the gentleman.

Mr. DENT. I can only say to you conditions last year were certainly a lot different than this year. If we willingly took the police and firemen out of this legislation, have no fear of where I will stand in the conference.

Mr. FRENZEL. In response to the gentleman from Pennsylvania, I would say a positive vote on the Ichord amendment would make me feel much more comfortable than the statement of the distinguished subcommittee chairman, although I am pleased to have that statement. I still think it is essential that we support the Ichord amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri (Mr. ICHORD).

The question was taken; and the Chairman announced that the noes appeared to have it.

### RECORDED VOTE

Mr. ICHORD. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 182, noes 233, not voting 17, as follows:

[Roll No. 186]

### AYES—182

Abdnor
Anderson, Ill.
Archer
Arends
Armstrong
Ashbrook
Bafalis
Baker
Beard
Blackburn
Bowen
Bray
Breckinridge
Brinkley
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Camp
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins
Conable
Conlan
Conte
Coughlin
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Wis.
Dellenback
Denholm
Dennis
Derwinski
Devine
Dickinson
Dorn
Downing
Duncan
du Pont
Edwards, Ala.
Erlenborn
Eshleman
Evins, Tenn.
Flowers
Ford, Gerald R.
Forsythe
Fountain
Frelinghuysen
Frenzel
Frey
Fuqua
Gettys
Goldwater
Goodling
Gross
Grover
Gubser
Gunter
Haley
Hammerschmidt
Hanrahan
Hastings
Henderson
Hicks
Hillis
Hogan
Hosmer
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Johnson, Pa.
Jones, N.C.
Jones, Tenn.
Kazen
Keating
Kemp
Ketchum
Kuykendall
Landgrebe
Latta
Lott
Lujan
McClory
McCollister
McEwen
Mahon
Mallary
Mann
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Mayne
Mazzoli
Michel
Milford
Miller
Mizell
Montgomery
Moorhead, Calif.
Myers
Nelsen
Nichols
Parris
Pettis
Pickle
Poage
Powell, Ohio
Preyer
Price, Tex.
Quie
Quillen
Randall
Rarick
Regula
Roberts
Robinson, Va.
Robison, N.Y.
Rogers
Rose
Rousselot
Runnels
Ruth
Satterfield
Scherle
Schneebeli
Sebelius
Shriver
Shuster
Sikes
Skubitz
Smith, N.Y.
Spence
Stanton, J. William
Steelman
Steiger, Ariz.
Stephens
Stubblefield
Symms
Taylor, Mo.
Taylor, N.C.
Thomson, Wis.
Thone
Treen
Vander Jagt
Veysey
Waggonner
Wampler
Ware
White
Whitehurst
Whitten
Widnall
Wiggins
Winn
Wylie
Wyman
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Zion
Zwach
Flynt

### NOES—233

Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
Badillo
Barrett
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blatnik
Boggs
Boland
Brademas
Brasco
Breaux
Brooks
Brotzman
Brown, Calif.
Broyhill, N.C.
Burke, Calif.
Burke, Mass.
Burton
Carey, N.Y.
Carney, Ohio
Chisholm
Clancy
Clark
Clay
Conyers
Corman
Cotter
Culver
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
de la Garza
Delaney
Dellums
Dent
Diggs
Dingell
Donohue
Drinan
Dulski
Eckhardt
Edwards, Calif.
Eilberg
Esch
Evans, Colo.
Fascell
Findley
Fish
Flood
Foley
Ford, William D.
Fraser
Froehlich
Fulton
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Grasso
Green, Oreg.
Green, Pa.
Griffiths
Gude
Guyer
Hamilton
Hanley
Hanna
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Harvey
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hinshaw
Holifield
Holt
Holtzman
Horton
Howard
Jarman
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, Okla.
Jordan
Karth
Kastenmeier
Kluczynski
Koch
Kyros
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
McCloskey
McCormack
McDade
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Madigan
Mailliard
Maraziti
Matsunaga
Meeds
Melcher
Metcalfe
Mezvinsky
Mills, Ark.
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nix
Obey
O'Hara
O'Neill
Owens
Passman
Patten
Pepper
Perkins
Pike
Podell
Price, Ill.
Pritchard
Railsback
Rangel
Rees
Reid
Reuss
Rhodes
Riegle
Rinaldo
Rodino
Roe
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Ruppe
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Saylor
Schroeder
Seiberling
Shipley
Shoup
Sisk
Slack
Smith, Iowa
Snyder
Staggers
Stanton, James V.
Stark
Steed
Steele
Steiger, Wis.
Stratton
Stuckey
Studds
Sullivan
Symington
Teague, Calif.
Teague, Tex.
Thompson, N.J.
Thornton
Tiernan
Udall
Ullman
Van Deerlin
Vanik
Vigorito
Waldie
Walsh
Whalen
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Wright
Wyatt
Wydler
Yates
Yatron
Young, Ga.
Young, Tex.
Zablocki

### NOT VOTING—17

Bolling
Carter
Clausen, Don H.
Cronin
Fisher
Gray
Hébert
King
Landrum
Minshall, Ohio
O'Brien
Patman
Peyser
Rooney, N.Y.
Stokes
Talcott
Towell, Nev.

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. If there are no further amendments to be proposed to this section, the Clerk will read.

The Clerk read as follows:

### TRANSIT EMPLOYEES

SEC. 202. (a) Paragraph (7) of section 13(b) (29 U.S.C. 213(b)) is amended by inserting immediately before the semicolon the following: "and if such employee receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed".

(b) Effective one year after the effective date of the Fair Labor Standards Amendments of 1973, such paragraph is amended by striking out "forty-eight hours" and inserting in lieu thereof "forty-four hours".

(c) Effective two years after the effective date of such amendments, such paragraph is amended by striking out "forty-four hours" and inserting in lieu thereof "forty-two hours".

(d) Section 7 (29 U.S.C. 207) is amended by adding at the end thereof the following new subsection:

"(k) In the case of an employee of an employer engaged in the business of operating a street, suburban, or interurban electric railway, or local trolley or motorbus carrier, whose rates and services are subject to regulation by a State or local agency, in determining the hours of employment of such an employee to which the rate prescribed by subsection (a) applies there shall be excluded the hours such employee was employed in charter activities by such employer if (1) the employee's employment in such activities was pursuant to an agreement or understanding with his employer arrived at before engaging in such employment, and (2) employment in such activities is not part of such employee's regular employment."

Mr. STEIGER of Wisconsin (during the reading). Mr. Chairman, I ask unanimous consent that section 202 be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

### AMENDMENT OFFERED BY MR. STEIGER OF WISCONSIN

Mr. STEIGER of Wisconsin. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STEIGER of Wisconsin: Page 17, strike out line 9, and all that follows down through and including line 13 on page 18.

Renumber the succeeding sections (and references thereto) accordingly.

Mr. STEIGER of Wisconsin. Mr. Chairman, this would delete from the committee bill the provision which would effectively eliminate overtime coverage for transit workers.

The Members of the House will remember that last year when we debated this bill, the gentleman from Missouri (Mr. Randall) offered an amendment to the then Erlenborn substitute when it was being considered that would have eliminated overtime coverage of the transit workers. I argued at that time against the amendment and it was defeated.

This amendment seeks to strike out this provision from the committee bill. It is really very simple. I find it very difficult to understand the basis on which we ought in any way to make it more difficult for transit companies in the United States at a time when we are talking about accelerating the use of mass transit, to have to pay the overtime on the basis the committee bill proposes be done.

From my standpoint at least, as I look at the transit companies in the Sixth District of Wisconsin, Oshkosh, Sheboygan, Fond du Lac, all of them are in trouble and having a difficult time even staying in business at all.

I would suggest to the committee that the effort on my part in this amendment is to seek to make it possible for transit companies to stay in business; to seek to make it possible for young people and senior citizens and those who may not own automobiles or would like to use public transit, to be able to continue to use it.

I am fearful, if the committee bill as presently before us is not amended, we are going to run the great risk of making it more difficult for those struggling companies to stay in business.

I hope the amendment is adopted. I hope it will be possible for us to maintain a transit system as it is used in smaller cities across the United States.

Mr. DENT. Mr. Chairman, I rise in opposition to the amendment.

Today, 88 percent of our organized transit workers are covered by a 40-hour-week agreement. We do not reach 40 hours. We start at 48 hours, go down to 42 hours, and stop at 42 hours.

We are dealing fairly as we tried to do throughout this legislation. I ask that the amendment be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin (Mr. Steiger).

The amendment was rejected.

Mr. DENT. Mr. Chairman, I would like to inquire whether we could have some sort of agreement that we consider the bill to be read at this point, printed in the Record, and open to amendment at any point.

Mr. ERLENBORN. Is it the intention of the gentleman to in any way limit time for debate on any of the major amendments?

Mr. DENT. Not until the gentleman and I have had an opportunity to discuss it, I do not intend to make such a motion.

Mr. ERLENBORN. Under those circumstances, I certainly have no objection to the gentleman asking unanimous consent.

The CHAIRMAN. Does the gentleman ask unanimous consent?

Mr. DENT. Yes, Mr. Chairman.

The CHAIRMAN. The gentleman from Pennsylvania (Mr. Dent) asks unanimous consent that the remainder of the bill be considered as read, printed in the Record, and open to amendment at any point.

### PARLIAMENTARY INQUIRY

Mr. BURTON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BURTON. As I understand it, we will continue going through the bill section by section, but we will not go back. Is that the understanding of the Chair?

The CHAIRMAN. It is only the remainder of the bill to be considered as read and open to amendment.

Mr. BURTON. What is the next section, Mr. Chairman.

The CHAIRMAN. Section 203 is the next section open, as the Chair understands. Only the remainder of the bill would be open to amendment. Parts that have been dealt with would not be eligible for amendment.

Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The remainder of the bill is as follows:

### NURSING HOME EMPLOYEES

Sec. 203. (a) Paragraph (8) of section 13(b) is amended by striking out "any employee who (A) is employed by an establishment which is an institution (other than a hospital) primarily engaged in the care of the sick, the aged, or the mentally ill or defective who reside on the premises" and the remainder of that paragraph.

(b) Section 7(j) (29 U.S.C. 207(j)) is amended by inserting after "a hospital" the following: "or an establishment which is an institution (other than a hospital) primarily engaged in the care of the sick, the aged, or the mentally ill or defective who reside on the premises".

### SEASONAL INDUSTRY EMPLOYEES

Sec. 204. (a) Sections 7(c) and 7(d) are each amended—

(1) by striking out "ten workweeks" and inserting in lieu thereof "seven workweeks",

(2) by striking out "fourteen workweeks" and inserting in lieu thereof "ten workweeks", and

(3) by striking out "ten hours" and inserting in lieu thereof "nine hours".

(b) Section 7(c) is amended by striking out "fifty hours" and inserting in lieu thereof "forty-eight hours".

(c) Effective one year after the effective date of the Fair Labor Standards Amendments of 1973, sections 7(c) and 7(d) are each amended—

(1) by striking out "seven workweeks" and inserting in lieu thereof "five workweeks", and

(2) by striking out "ten workweeks" and inserting in lieu thereof "seven workweeks".

(d) Effective two years after the effective date of such amendments, sections 7(c) and 7(d) are repealed.

### DOMESTIC SERVICE EMPLOYEES EMPLOYED IN HOUSEHOLDS

Sec. 205. (a) The Congress finds that the employment of persons in domestic service in households directly affects commerce because the provision of domestic services affects the employment opportunities of members of households and their purchasing activities. The minimum wage and overtime protection of the Fair Labor Standards Act of 1938 should have been available to such persons since its enactment. It is the purpose of the amendments made by subsection (b) of this section to assure that such persons will be afforded such protection.

(b) (1) Section 6 is amended by adding after subsection (e) the following new subsection:

"(f) Any employee who in any workweek is employed in domestic service in a household shall be paid wages at a rate not less than the wage rate in effect under section 6(b) unless such employee's compensation for such service would not because of section 209(g) of the Social Security Act constitute 'wages' for purposes of title II of such Act."

(2) Section 7 is amended by adding after the subsection added by section 202(d) of this Act the following new subsection:

"(l) Subsection (a) shall apply with respect to any employee who in any workweek is employed in domestic service in a household unless such employee's compensation for such service would not because of section 209(g) of the Social Security Act constitute 'wages' for purposes of title II of such Act."

Section 13(a) is amended by striking out the period at the end of paragraph (14) and inserting "; or", and by adding at the end of such section the following:

"(15) any employee who is employed in domestic service in a household and who resides in such household; or"

### EMPLOYMENT OF STUDENTS

Sec. 206. (a) Section 14 (29 U.S.C. 214) is amended by striking out subsections (b) and (c) and inserting in lieu thereof the following:

"(b) (1) The Secretary, to the extent necessary in order to prevent curtailment of opportunities for employment, shall by special certificate issued under a regulation or order provide for the employment, at a wage rate not less than 85 per centum of the otherwise applicable wage rate in effect under section 6 or not less than $1.60 an hour, whichever is the higher (or in the case of employment in Puerto Rico or the Virgin Islands not described in section 5(e), at a wage rate not less than 85 per centum of the otherwise applicable wage rate in effect under section 6(c)) of full-time students (regardless of age but in compliance with applicable child labor laws) in any occupation other than—

"(A) occupations in mining,

"(B) occupations in manufacturing,

"(C) occupations in warehousing and storage,

"(D) occupations in construction,

"(E) the occupation of a longshoreman,

"(F) occupations in or about plants or establishments manufacturing or storing explosives or articles containing explosive components,

"(G) the occupation of a motor vehicle driver or outside helper,

"(H) logging occupations and occupations in the operation of any sawmill, lathmill, shingle mill, or cooperage stock mill,

"(I) occupations involved in the operation of power-driven woodworking machines,

"(J) occupations involving exposure to radioactive substances and ionizing radiation,

"(K) occupations involved in the operation of power-driven hoisting apparatus,

"(L) occupations involved in the operation of power-driven metal forming, punching, and shearing machines,

"(M) occupations involving slaughtering, meatpacking or processing, or rendering,

"(N) occupations involved in the operation of bakery machines,

"(O) occupations involved in the operation of paper products machines,

"(P) occupations involved in the manufacture of brick, tile, or kindred products,

"(Q) occupations involved in the operation of circular saws, band saws, or guillotine shears,

"(R) occupations involved in wrecking, demolition, or shipbreaking operations,

"(S) occupations in roofing operations,

"(T) occupations in excavation operations, or

"(U) any other occupation determined by the Secretary to be particularly hazardous for the employment of such students.

"(2) The Secretary, to the extent necessary in order to prevent curtailment of opportunities for employment, shall by special certificate issued under a regulation or order provide for the employment, at a wage rate not less than 85 per centum of the wage rate in effect under section 6(a)(5) or not less than $1.30 an hour, whichever is the higher (or in the case of employment in Puerto Rico or the Virgin Islands not described in section 5(e), at a wage rate not less than 85 per centum of the wage rate in effect under section 6(c)(3)) of full-time students (regardless of age but in compliance with applicable child labor laws) in any occupation in agriculture other than an occupation determined by the Secretary to be particularly hazardous for the employment of such students.

"(3)(A) A special certificate issued under paragraph (1) or (2) shall provide that the student for whom it is issued shall, except during vacation periods, be employed on a part-time basis and not in excess of twenty hours in any workweek.

"(B) the issuance of a special certificate under paragraph (1) or (2) for an employer will cause the number of students employed by such employer under special certificates issued under this subsection to exceed four, the Secretary may not issue such a special certificate for the employment of a student by such employer unless the Secretary finds employment of such student will not create a substantial probability of reducing the full-time employment opportunities of persons other than those employed under special certificates issued under this subsection. If the issuance of a special certificate under this subsection for an employer will not cause the number of students employed by such employer under special certificates issued under this subsection to exceed four, the Secretary may issue a special certificate under this subsection for the employment of a student by such employer if such employer certifies to the Secretary that the employment of such student will not reduce the full-time employment opportunities of persons other than those employed under special certificates issued under this subsection."

(b) Section 14 is further amended by redesignating subsection (d) as subsection (c) and by adding at the end the following new subsection:

"(d) The Secretary may by regulation or order provide that sections 6 and 7 shall not apply with respect to the employment by any elementary or secondary school of its students if such employment constitutes, as determined under regulations prescribed by the Secretary, an integral part of the regular education program provided by such school."

(c) Section 4(d) (29 U.S.C. 204(d)) is amended by adding at the end thereof the following new sentence: "Such report shall also include a summary of the special certificates issued under section 14(b).".

### LAUNDRY AND CLEANING ESTABLISHMENTS TO BE CONSIDERED SERVICE ESTABLISHMENTS FOR CERTAIN PURPOSES

SEC. 207. In the administration of section 7(i) (relating to commission employees) and 13(a)(1) (relating to executive and administrative personnel and outside salesmen) of the Fair Labor Standards Act of 1938, establishments engaged in laundering, cleaning, or repairing clothing or fabrics shall be considered service establishments.

### MAIDS AND CUSTODIAL EMPLOYEES OF HOTELS AND MOTELS

SEC. 208. Section 13(b)(8) is amended by inserting after "employee" the first time it appears the following: "(other than an employee of a hotel or motel who is employed to perform maid or custodial services")".

### EMPLOYEES OF CONGLOMERATES

SEC. 209. Section 13 is amended by adding at the end thereof the following:

"(g) Subsection (a) (other than paragraph (1) thereof) and subsection (b) (other than paragraphs (1), (2), and (3) thereof) shall not apply with respect to any employee employed by an establishment (1) which controls, is controlled by, or is under common control with, another establishment the activities of which are not related for a common business purpose to the activities of the establishment employing such employee; and (2) whose annual gross volume of sales made or business done, when combined with the annual gross volume of sales made or business done by each establishment which controls, is controlled by, or is under common control with, the establishment employing such employee, exceeds $10,000,000 (exclusive of excise taxes at the retail level which are separately stated)."

### EMPLOYEES OF BOAT DEALERS

SEC. 210. Section 13(b)(10) is amended (1) by inserting "boats," after "servicing", and (2) by inserting "boats or" before "such vehicles".

### TOBACCO EMPLOYEES

SEC. 211. Section 7 is amended by adding after the subsection added by section 205 (b)(2) of this Act the following:

"(m) For a period or periods of not more than fourteen workweeks in the aggregate in any calendar year, any employer may employ any employee for a workweek in excess of that specified in subsection (a) without paying the compensation for overtime employment prescribed in such subsection, if such employee—

"(1) is employed by such employer—

"(A) to provide services (including stripping and grading) necessary and incidental to the sale at auction of green leaf tobacco of type 11, 12, 13, 14, 21, 22, 23, 24, 31, 35, 36, or 37 (as such types are defined by the Secretary of Agriculture), or in auction sale, buying, handling, stemming, redrying, packing, and storing of such tobacco,

"(B) in auction sale, buying, handling, sorting, grading, packing, or storing green leaf tobacco of type 32 (as such type may be defined by the Secretary of Agriculture), or

"(C) in auction sale, buying, handling, stripping, sorting, grading, sizing, packing, or stemming prior to packing, of perishable cigar leaf tobacco of type 41, 42, 43, 44, 45, 46, 51, 52, 53, 54, 55, 61, or 62 (as such types are defined by the Secretary of Agriculture); and

"(2) receives for—

"(A) such employment by such employer which is in excess of ten hours in any workday, and

"(B) such employment by such employer which is in excess of forty-eight hours in any workweek,

compensation at a rate not less than one and one-half times the regular rate at which he is employed.

An employer who receives an exemption under this subsection shall not be eligible for any other exemption under this section."

### SUBSTITUTE PARENTS FOR INSTITUTIONALIZED CHILDREN

SEC. 212. Section 13(a) is amended by inserting after the paragraph added by section 205(b)(3) the following new paragraph:

"(16) any employee who is employed with his spouse by a nonprofit institution which is primarily operated to care for and educate children who have been placed with the institution by or through a public agency or by parents or guardians who are financially unable to care for and educate their children or children under their guardianship (as the case may be), if such employee and his spouse (A) are employed to serve as the parents of such children who reside in facilities of the institution, (B) reside in such facilities and receive, without cost, board and lodging from such institution, and (C) are together compensated, on a cash basis, at an annual rate of not less than $10,000."

## TITLE III—CONFORMING AMENDMENTS; EFFECTIVE DATE; AND REGULATIONS

### CONFORMING AMENDMENTS

SEC. 301. (a) Section 6(e) is amended to read as follows:

"(e) Notwithstanding the provisions of section 13 of this Act (except subsections (a)(1) and (f) thereof), every employer providing any contract services under a contract with the United States or any subcontract thereunder shall pay to each of his employees whose rate of pay is not governed by the Service Contract Act of 1965 (41 U.S.C. 351–357) or to whom subsection (a)(1) of this section is not applicable, wages at a rate not less than the rate provided for in such subsection."

(b) Section 8 (29 U.S.C. 208) is amended (1) by striking out "the minimum wage prescribed in paragraph (1) of section 6(a) in each such industry" in the first sentence of subsection (a) and inserting in lieu thereof "the minimum wage rate which would apply in each such industry under paragraph (1) or (5) of section 6(a) but for section 6(c)", (2) by striking out "the minimum wage rate prescribed in paragraph (1) of section 6(a)" in the last sentence of subsection (a) and inserting in lieu thereof "the otherwise applicable minimum wage rate in effect under paragraph (1) or (5) of section 6(a)", and (3) by striking out "prescribed in paragraph (1) of section 6(a)" in subsection (c) and inserting in lieu thereof "in effect under paragraph (1) or (5) of section 6(a) (as the case may be)".

### EFFECTIVE DATE AND REGULATIONS

SEC. 302. (a) Except as provided in sections 105(a), 202, and 204, the effective date of this Act and the amendments made by titles I, II, and III of this Act is—

(1) the first day of the second full month which begins after the date of its enactment, or

(2) August 1, 1973,

whichever occurs first.

(b) Notwithstanding subsection (a), on and after the date of the enactment of this Act the Secretary of Labor is authorized to prescribe necessary rules, regulations, and orders with regard to the amendments made by this Act.

### AMENDMENT OFFERED BY MRS. GREEN OF OREGON

Mrs. GREEN of Oregon. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. GREEN of Oregon: Page 19, strike out lines 1 through 20.

Renumber the succeeding sections (and references thereto) accordingly.

Mrs. GREEN of Oregon. Mr. Chairman, the amendment which I have offered does nothing about the minimum wage. It only applies to overtime for seasonal workers for perishable products.

At the present time, in the Dent bill, there is no overtime payment required for sugar processing, for cotton processing, for tobacco processing. There is an exemption in the law that for 20 weeks, which really is 20 days, the canners of perishable products do not have to pay overtime. That is 20 days out of 365 days in the year.

I believe that exemption should stay in the law, and that is what my amendment seeks to do.

The bill would change the 20 weeks, or what amounts to 20 days, exemption to 14, and then to 7, and then to 5. My amendment would simply strike out that language. It seems to me fair and equitable.

At the present time on the west coast all of the canneries are unionized. In Oregon we are paying an average worker $2.79 an hour, compared to $1.75 paid in Wisconsin and $2.32 paid in other Eastern States.

We also have higher freight rates on the west coast. If we have to pay overtime on the already higher wages, it simply means another unfair disadvantage to west coast canners.

If the overtime exemptions are repealed, this third handicap perhaps will drive some additional canneries out of business.

Surely it is not the purpose of the authors of this legislation to penalize those who have more than met the objectives of a decent minimum wage. If the overtime exemptions are removed, the effect will be to reward those canners who have paid the least and will continue to pay the least. This is obviously in a highly competitive market. The cannery workers in Oregon and on the west coast have been organized for over two decades. Right now negotiations are going on for an increase in the hourly wages I have just quoted.

It would be just like handing a citation of merit to the non-union shops. They already have the upper hand in competing for the market. Why give them the whip hand? Why destroy those canneries whose laborers are receiving from 60 cents to $2.95 more—I repeat, more—than the minimum of $2 proposed in this legislation?

Now, one of the arguments that is presented in favor of eliminating the overtime exemption is that it will create more jobs. At least in the Far West, this simply is not an argument that would hold true.

During the canning season for perishable crops—and I am talking about peas and corn and berries—fruits and vegetables that have to be canned within a few hours. During those seasons every food processor is actively recruiting for almost any live body. The problem is not finding jobs for people; the problem is finding people for the jobs.

Mr. Chairman, the work is very easily learned. It is unskilled, for the most part, and if the applicant actually is breathing, he can get a job if he wants it; he can be put to work.

I repeat, removing the exemption will not create any more jobs for any more people. These canneries processing the highly perishable products, must do so within a period of a few hours of harvesting and, unlike others, these crops cannot be stored for a day or two. Naturally the processor, for whom Mother Nature allows no leeway, will be the hardest hit. Surely some consideration should be given to these circumstances.

Mr. Chairman, let me repeat that in terms of fairness and equity, if this bill does not require overtime payment for sugar processing, for tobacco processing and for cotton processing, why should we remove the exemption for the perishable products that are so essential for all the consumers of the country?

So I would hope that this House would adopt this amendment.

Mr. ULLMAN. Mr. Chairman, will the gentlewoman from Oregon (Mrs. GREEN) yield?

Mrs. GREEN of Oregon. I yield to my colleague and friend from Oregon (Mr. ULLMAN).

Mr. ULLMAN. Mr. Chairman, I commend the gentlewoman for offering this amendment. I fully support her in it. I think as a matter of equity we should adopt the amendment, and if there is a problem in the future, we should adopt a more equitable kind of a phaseout, because this could cause undue economic hardship to one section of the country.

Mr. Chairman, I commend the gentlewoman from Oregon (Mrs. GREEN) and urge support for her amendment.

Mr. DENT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment.

This has been a very, very serious problem for the many years we have worked on this legislation.

I can only remind the House that the conferees in 1966 spoke to the processing industry, and in an agreement or understanding between us we advised—and the Members may find it in the RECORD—the industry that this was the last time they could hope to escape without a repeal or other serious modification of their exemption.

And so, Mr. Chairman, at that time we asked the Secretary of Labor to make a study on overtime.

Secretary Shultz reported in 1970 as follows:

> The survey findings clearly indicate that consideration should be given to the phasing out of the overtime exemptions currently available to the agricultural handling and processing industries * * *. The favored position held for three decades by agricultural handlers and processors because of full and partial exemption from the 40-hour weekly overtime standard applicable to most industries covered by the FLSA needs reexamination.

Mr. Chairman, that was 3 years ago, and his recommendation clearly stated that the time had come to phase out. We will phase it out during a gradual period.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. DENT was allowed to proceed for 2 additional minutes.)

Mr. DENT. These particular features were brought about after much study on the subject. The Secretary of Labor said that it is no longer necessary, and we followed our own directions in giving him directions.

As far as I am personally concerned, I will say that this is a very, very hard situation because so many areas of the country have so many different conditions. Most of the canners who have come to our committee say that they personally feel with the conditions under which they operate today, they can handle these amendments, and that is all I can honestly report to the House.

Mr. DELLENBACK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would speak very briefly in commending my colleague from Oregon (Mrs. GREEN) and urge support of the amendment she has advanced.

This is not a problem which is unique, although it is present in our State of Oregon. It is present in all of the Pacific Northwest.

My colleague from Oregon pointed out very soundly some of the special problems in the situation like ours where an industry is already paying in excess and substantially in excess of the minimum wage and yet those very canneries and institutions that are doing this would be very severely burdened if the provisions of the bill remained in.

Mrs. GREEN of Oregon. Will my colleague yield?

Mr. DELLENBACK. Of course I yield to the gentlewoman.

Mrs. GREEN of Oregon. Is it not also true if this exemption is ended, we are really talking about 20 days out of the year and the other 345 days the canners pay the time and a half if they work more than an 8-hour day. So we are really talking about that small period of time of 20 days when the perishable products can go to the cannery.

The gentleman from Pennsylvania was talking about sugar. I suggest some of the perishable products like corn and peas are far more important to work Saturdays on to get them into the cans than sugar and some other things.

We are asking for this 20 days, and what, in effect, is 20 days out of the entire year that they would not have to pay this kind of a tax?

Mr. DELLENBACK. My colleague's understanding is in accordance with my own.

I would point out that this is not just something that is important to the processors, but I would close by pointing out that the net results are beneficial to the consumers. It is important at this time that these products not go to waste, and the sort of thing proposed in the amendment offered by the gentlewoman from Oregon (Mrs. GREEN) is calculated to get these products to the consumers at the lowest possible prices consistent with equity in the sense of the paying of proper wages by the processors.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. DELLENBACK. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. Mr. Chairman, my wife told me last night as I sat down to dinner that a head of lettuce costs 89 cents? There is another side to the minimum wage controversy and that is that the consumer has to pay the costs. A lot of these consumers are low-income people. The harvesting of perishable foods may indeed be a very important factor in the cost of living and for that reason I support this amendment which would keep the cost of food down by providing flexibility at harvest time.

Mr. DELLENBACK. Mr. Chairman, I thank the gentleman for his remarks.

Mr. Chairman, I would just close by again commending my colleague, the gentlewoman from Oregon (Mrs. GREEN) and urge support of the amendment the gentlewoman has offered.

Mr. FOLEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to commend the gentlewoman from Oregon (Mrs. GREEN), for offering this amendment, and I strongly support the amendment and I urge the support of the amendment by the members of the subcommittee.

Mr. McCORMACK. Mr. Chairman, I move to strike the requisite number of words, and I rise to oppose the amendment offered by the gentlewoman from Oregon (Mrs. GREEN).

Mr. Chairman and members of the committee, I find myself in an anomalous position in opposing several members of the delegation from the Pacific Northwest. However, I would like to point out to the members that the present law provides for 10 weeks, where workers must work for 10 hours a day, or 50 hours a week before they get time and a half for overtime, if they are dealing with anything that is classified as a perishable crop even if it is actually refrigerated. Then they must work an additional 10 weeks a year at 10 hours a day, or 48 hours a week, before they obtain premium pay. There are 20 exemption weeks that the processor has to use at any time of the year he wants, even if he is refrigerating the products he has in storage for processing.

The committee bill will phase this out over a 3-year period, in order to give each processor an opportunity to adjust during that period.

I want to point out to the members of the committee, and I want to repeat to the members, that in 1970 Secretary Shultz said:

> The study of overtime exemptions available to the agricultural handling and processing industries indicates the need for reappraising the favored position which has long been given these industries through exemptions from the 40-hour maximum work week standard. It is my recommendation that the exemption currently available . . . be phased out.

The Secretary pointed out as one of the reasons for this phasing out that we now have automation and other technological advances that prevent spoilage. And, as a matter of fact, there are processors in this country who refrigerate their foods for 11 months of the year, and process during all that time, who still take advantage of the exemption that the bill, as reported from committee would phase out.

Mr. Chairman, I submit that the bill treats all processors equally. I do not see why anyone can stand here and say that it is a good idea to have food at lower prices when it is at the expense of the workers who are being cheated out of the pay for the work they do.

Mr. Chairman, I agree that some processors of some fruits that actually are perishable should have the benefit of the exemption. However, this is not the option we have before us. Given this parliamentary situation, I must oppose the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Oregon (Mrs. GREEN).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mrs. GREEN of Oregon. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 251, noes 163, present 1, not voting 17, as follows:

[Roll No. 187]

AYES—251

Abdnor
Alexander
Anderson, Ill.
Andrews, N.C.
Archer
Arends
Armstrong
Ashbrook
Bafalis
Baker
Beard
Bennett
Bergland
Bevill
Biaggi
Blackburn
Boggs
Boland
Bowen
Bray
Breaux
Brinkley
Broomfield
Brotzman
Brown, Ohio
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Camp
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins
Conable
Conlan
Coughlin
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Dellenback
Dennis
Derwinski
Devine
Dickinson
Dorn
Downing
Duncan
du Pont
Edwards, Ala.
Erlenborn
Esch
Eshleman
Evins, Tenn.
Flowers
Foley
Ford, Gerald R.
Forsythe
Fountain
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gettys
Giaimo
Gibbons
Ginn
Goldwater
Goodling
Gray
Green, Oreg.
Griffiths
Gross
Gubser
Gunter
Guyer
Haley
Hammerschmidt
Hanley
Hanrahan
Harvey
Hastings
Hays
Henderson
Hillis
Hinshaw
Hogan
Holt
Horton
Hosmer
Huber
Hungate
Hunt
Hutchinson
Jarman
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kastenmeier
Kazen
Keating
Kemp
Ketchum
Kluczynski
Kuykendall
Landgrebe
Latta
Lent
Long, La.
Long, Md.
Lott
Lujan
McClory
McCollister
McEwen
McKay
McSpadden
Madigan
Mahon
Mailliard
Mallary
Mann
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Mayne
Michel
Milford
Miller
Mills, Ark.
Mitchell, N.Y.
Mollohan
Montgomery
Moorhead, Calif.
Murphy, Ill.
Myers
Nelsen
Nichols
Obey
Owens
Parris
Passman
Pettis
Pickle
Pike
Poage
Powell, Ohio
Preyer
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Randall
Rarick
Rees
Regula
Rhodes
Roberts
Robinson, Va.
Robison, N.Y.
Rogers
Roncallo, N.Y.
Rose
Rostenkowski
Rousselot
Ruth
Sarasin
Satterfield
Saylor
Scherle
Schneebeli
Sebelius
Shipley
Shoup
Shuster
Sikes
Slack
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stubblefield
Stuckey
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague, Calif.
Teague, Tex.
Thomson, Wis.
Thone
Thornton
Treen
Udall
Ullman
Vander Jagt
Waggonner
Walsh
Wampler
Ware
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wright
Wyatt
Wydler
Wylie
Wyman
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zion
Zwach

NOES—163

Abzug
Adams
Addabbo
Anderson, Calif.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
Badillo
Barrett
Bell
Biester
Bingham
Blatnik
Brademas
Brasco
Breckinridge
Brooks
Brown, Calif.
Brown, Mich.
Broyhill, N.C.
Burke, Calif.
Burke, Mass.
Burton
Carey, N.Y.
Carney, Ohio
Chisholm
Clay
Conte
Conyers
Corman
Cotter
Culver
Daniels, Dominick V.
Danielson
Delaney
Dellums
Denholm
Dent
Diggs
Dingell
Donohue
Drinan
Dulski
Eckhardt
Edwards, Calif.
Eilberg
Evans, Colo.
Fascell
Findley
Fish
Flood
Ford, William D.
Fraser
Gaydos
Gilman
Gonzalez
Grasso
Green, Pa.
Grover
Gude
Hamilton
Hanna
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Hawkins
Hechler, W. Va.
Heckler, Mass.
Helstoski
Hicks
Holifield
Holtzman
Howard
Hudnut
Ichord
Johnson, Calif.
Jordan
Karth
Koch
Kyros
Leggett
Lehman
Litton
McCloskey
McCormack
McDade
McFall
McKinney
Macdonald
Madden
Maraziti
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Minish
Mink
Mitchell, Md.
Mizell
Moakley
Moorhead, Pa.
Morgan
Moss
Murphy, N.Y.
Natcher
Nedzi
Nix
O'Hara
O'Neill
Patten
Pepper
Perkins
Podell
Price, Ill.
Rangel
Reid
Reuss
Riegle
Rinaldo
Rodino
Roe
Roncalio, Wyo.
Rooney, Pa.
Rosenthal
Roush
Roy
Roybal
Ruppe
Ryan
St Germain
Sandman
Sarbanes
Schroeder
Seiberling
Shriver
Sisk
Skubitz
Smith, Iowa
Stanton, James V.
Stark
Studds
Sullivan
Symington
Thompson, N.J.
Tiernan
Van Deerlin
Vanik
Veysey
Vigorito
Waldie
Whalen
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Yates
Yatron
Young, Ga.
Zablocki

PRESENT—1

Heinz

NOT VOTING—17

Bolling
Carter
Cronin
Fisher
Flynt
Hébert
King
Landrum
Minshall, Ohio
Mosher
O'Brien
Patman
Peyser
Rooney, N.Y.
Runnels
Stokes
Towell, Nev.

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. ANDERSON OF ILLINOIS

Mr. ANDERSON of Illinois. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

"Amendment offered by Mr. ANDERSON of Illinois: Page 21, strike out line 6 and all that follows down through and including line 12 on page 25, and insert in lieu thereof the following:

SPECIAL MINIMUM WAGES FOR EMPLOYEES UNDER EIGHTEEN AND STUDENTS

SEC. 206. Section 14 (29 U.S.C. 214) is amended (1) by striking out subsections (b) and (c), (2) by redesignating subsection (d) as subsection (c), and (3) by adding after subsection (a) the following:

"(b)(1) Subject to paragraph (2) and to such standards and requirements as may be required by the Secretary under paragraph (4), any employer many, in compliance with applicable child labor laws, employ, at the special minimum wage rate prescribed in paragraph (3), any employee—

"(A) to whom the minimum wage rate required by section 6(a) or 6(b) would apply in such employment but for this subsection, and

"(B) who is under the age of eighteen or is a full-time student.

"(2)(A) No employer may employ at the special minimum wage rate authorized by this subsection any employee who is under the age of eighteen and who is not a full-time student unless—

"(i) the employer assures the Secretary that the employment of such employee will not displace any other employee or adversely affect job opportunities of persons other than those employed under this subsection,

"(ii) the employer has notified the Secretary in writing of his intention to employ such employee and the Secretary has not, within the thirty-day period beginning on the date the Secretary received such notice, disapproved the employment of such employee at the special minimum wage rate authorized by this subsection, and

"(iii) the employer posts, in such place and such manner as the Secretary shall by regulation prescribe, a copy of the notice submitted under clause (ii).

"(B) No employer may employ, at the special minimum wage rate authorized by this subsection, for a period in excess of 20 workweeks, any employee who is under the age of 18 and who is not a full-time student; and the number of such employees employed by any employer at such wage rate may not in any workweek exceed—

"(i) six, or

"(ii) a number equal to 12 per centum of the total number of employees employed by such employer in such workweek.

whichever is greater.

"(3) The special minimum wage rate authorized by this subsection is a wage rate which is not less than the higher of—

"(A) 80 per centum of the otherwise applicable minimum wage rate prescribed by section 6(a) or 6(b), or

"(B) $1.30 an hour in the case of employment in agriculture or $1.60 an hour in the case of other employment.

"(4) The Secretary shall by regulation prescribe standards and requirements to insure that this subsection will not create a substantial probability of reducing the full-time employment opportunities of persons other than those to whom the minimum wage rate authorized by this subsection is applicable.

"(5) For purposes of sections 16(b) and 16(c)—

"(A) any employer who employs any employee under this subsection at a wage rate which is less than the minimum wage rate prescribed by paragraph (3) shall be considered to have violated the provisions of section 6 in his employment of the employee, and the liability of the employer for unpaid wages and overtime compensation shall be determined on the basis of the otherwise applicable minimum wage rate under section 6; and

"(B) any employer who employs any employee under this subsection for a period in excess of the period authorized by paragraph (2) shall be considered to have violated the provisions of section 6 in his employment of the employee during the period in excess of the authorized period."

Mr. ANDERSON of Illinois. Mr. Chairman, those of the committee who were present in the Chamber earlier this afternoon will recognize that this is the so-called youth opportunity amendment. It was discussed, I believe rather amply, in connection with the offering of the Erlenborn substitute.

I merely want to make the point that regardless of how Members voted on the substitute, regardless of what their feelings may have been with respect to the various wage levels that have been described in the bills before the committee this afternoon and in the amendments, for agricultural and nonagricultural labor, this is the most important and deserving amendment to the committee bill.

I hope it will have the overwhelming support of the Members of the committee, even those who were opposed for good and valid reasons to other portions of the Erlenborn substitute.

Mr. Chairman, I want to simply take the time to indicate that we have drawn the amendment as strictly as we possibly could to answer the fears and arguments that exist in the minds of some of our friends in the ranks of organized labor that we are going to disemploy mature adult workers by encouraging under strictly limited conditions the employment of 16- and 17-year-old teenagers.

We are approaching this problem at a time when the teenage unemployment rate is three times the national rate, when it is 35 percent with respect to black teenagers.

The gentleman from Pennsylvania said that there have never been any studies by the Department of Labor that would indicate that raising the minimum has had an adverse effect on unemployment. Well, the fact of the matter is that the Department of Labor has never done the type of analysis represented by some of the private studies that I will put into the RECORD; all they have done is to take each industry covered by the minimum wage law, and then they have undertaken to show that employment has increased in the aggregate, and then they conclude, of course, that minimum wages have not caused unemployment.

Mr. Chairman, I have a document from the U.S. Department of Labor, "Minimum Wages and Maximum Hours Standards Under the Fair Labor Standards Act" that shows very clearly that there have been responsible private studies, one by Moore and one by Hashimoto and Mincer, that show very convincingly that when an analysis is made in terms of the impact of increases in the minimum wage on groups in the population, such as males 16 to 19 and females 15 to 19, in all of these cases, as Moore observed, increases in either the level or the coverage of the minimum wage lead to increases in the unemployment rate.

And listen to this: His results also suggest that a higher minimum and increased coverage adversely affect not only the unskilled and inexperienced, but also those who suffer from discrimination in the labor market.

Those Members who are interested, as I hope they are, in doing something about eliminating discrimination, that ugly stain and scar upon the labor market, those Members ought to be interested, of all people, in a youth opportunity wage.

Mr. Chairman, the private studies that I will put in the RECORD show that unless we are willing to adopt this amendment, we are going to be perpetuating further discrimination among unemployed teenagers in minority groups, unless we permit an opportunity wage.

In closing, let me again emphasize that the amendment makes it clear that the employer must assure the Secretary that the employment of such employee will not displace any other employee or adversely affect the job opportunities of persons other than those employed under the subsection. He has to give a prior 30-day notice to the Secretary of Labor that he even intends to employ teenagers in this category, and during that 30-day period he can be proscribed by the Secretary of Labor from hiring these teenagers. Then listen to this restriction: That the number that he can employ in any workweek may not exceed 6 or a number equal to 12 percent of the total number of employees employed by the employer.

How much stricter can we get than that in imposing carefully circumscribed limits on the number of unemployed teenagers that can be placed under this amendment?

So I hope that in approaching this, rather than yielding to emotional, unfounded, illogical arguments that we are going to be destroying jobs for adult workers, we will see in contrast that we are going to be doing something positive for unemployed teenagers.

Mr. DENT. Mr. Chairman, I rise in opposition to the amendment.

Historically there has been a continuing fight, at least on my part, for 54 years of my 65 years on eath, in the area of child labor. You can call it what you want—youth, youth differentials, young people—but when it gets down to the bedrock of what we are discussing here, we are discussing putting into the hands of certain employers, not always imbued with the milk of human kindness and consideration, a tool with which to reemploy again into the working apparatus of this country teenagers at a sub-subminimal wage. The idea that because the wage is reduced below a subminimum, which is already in my legislation, is an inducement to create jobs speaks in and of itself of the character of those who are in here demanding that kind of labor.

The idea that we have thousands of jobs all over the country waiting to be filled by 12 percent of the work force under 18 years of age is ridiculous. You say there are 605,000 unemployed 16 to 17 years of age. Well, this is a release from the Department on May 4, 1973, with the April statistics: 166,000 unemployed. There are over 3,189,000 full-grown adults, however, many with families, loking for jobs, and you want to induce somebody to take a kid out of school for a 5-month period for a saving of another 5 percent to the employer.

Call it what you want, spell it out, but it gets down to just plain child labor at a reduced wage.

When I was a young man I entered the

Legislature of the State of Pennsylvania and fought for 16 years to rid that State of the fly-by-night child-labor provisions. The bosses that hauled the machines in at night and who left after they worked these people a week or 8 days and got a bundle of clothing, and that kind of thing, and moved out and did not pay them anything but a nickel an hour.

You men and women should go home some day and read a little bit about the East Side of New York. Then you will know what it means for 12- and 14- and 15-year-old workers to work in the field.

It is necessary? Are we doing something wrong? Has this legislative body in the past with our actions denied some youthful worker an opportunity to do that which he has to do for himself and for his own benefit? What you are saying is you can pay 5 percent less to a student who will drop out of school. We now say that you can pay 85 percent of the wage to him and not for 5 or 6 months but as long as he is a student, and we estimated, with the best advice we could get from the educators, that 20 hours a week during schooltime was pretty much the outside limit that a youth can work and still be able to maintain his scholastic standing.

Then we said that any time during vacation, Christmas, Easter, or any other time, and the full 3 months of summertime, he can work 40 hours a week at 85 percent of the minimum wage. But, no, what do we say now?

As of now, they can only get an 85-percent savings through this employee, that is all they can get away with, but if they can induce him to drop out of school then they can save another 5 percent and ruin a whole life—ruin a whole life. Sure, we recognize they are dropouts, we know they are dropouts, some of them are, probably we have had a few in our own families.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

(By unanimous consent, Mr. Dent was allowed to proceed for 3 additional minutes.)

Mr. DENT. Mr. Chairman, I want to explain one thing, and that is that we take care of the dropouts. We take care of them from experience. We do not drop them into the marketplace and let them become roamers of the streets. What do we do? If you drop out as a student you can work without regard to any consideration of the minimum wage law—if you become an apprentice, if you become a learner in a new job, or where you take a nonadult job, a messenger-type job. Why did we do this? Because we are practical men. We are men who have had experience in the field of practical living in life. We are the members of the committee who voted billions of dollars to pick up these dropouts and try to recycle them through the school system, try to recycle them through the apprenticeship system, through the training system. Every student who is a dropout of a school can be taken care of. Every student can earn enough to help himself through college. That is all we ask.

I would hate to see this Congress, this day and this year, revert to child labor when it is not necessary, not needed, regressive and unconscionable.

### AMENDMENT OFFERED BY MR. JONES OF OKLAHOMA TO THE AMENDMENT OFFERED BY MR. ANDERSON OF ILLINOIS

Mr. JONES of Oklahoma. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. Jones of Oklahoma to the amendment offered by Mr. Anderson of Illinois: In the proposed subsection (b) (1) (B) strike out "who is under the age of eighteen or" and insert in lieu thereof "who (i) is under the age of eighteen and furnishes (by himself or with his spouse (if any)) less than one-half of his support or (ii)".

Mr. JONES of Oklahoma. Mr. Chairman, very briefly, my amendment would perfect the amendment offered by the gentleman from Illinois (Mr. Anderson) if it is passed, to insure that any young person regardless of his or her age and regardless of that person's capacity as a student, shall be covered by the minimum wage if he or she qualifies as to what amounts to a head of the household under our tax code.

That is, if he furnishes half or more of his support then he would not have to be covered by the minimum wage.

Briefly, that is my statement.

I think that for those young people, regardless of whether they are students, who have to support themselves or their families, that we cannot ask them to work at a subminimal wage.

There are compelling reasons to support the Anderson youth differential amendment. But I believe that my amendment to protect those young people who are supporting themselves or supporting a family must also be passed in order to prevent a true injustice.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. JONES of Oklahoma. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. Mr. Chairman, I want to be sure I understand the amendment proposed by the gentleman from Oklahoma (Mr. Jones).

In other words, if the person claiming the youth opportunity wage is in fact being carried on someone's tax return as a dependent because more than 50 percent of his support is coming from someone else, then he would be eligible for employment under this provision. Is that correct?

Mr. JONES of Oklahoma. That is correct.

Mr. ANDERSON of Illinois. Mr. Chairman, I want to congratulate the gentleman from Oklahoma for offering that amendment to my amendment. I would, for my part, accept the amendment. I think the gentleman from Oklahoma has made a contribution.

Mr. O'HARA. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I am afraid there is not any way that we can fix up the Anderson amendment, and, although I respect the intentions of the gentleman from Oklahoma (Mr. Jones), I have to oppose his amendment to the Anderson amendment.

Let me ask the Members this. If McDonald's hamburger chain can hire 16- and 17-year-old kids who are not self-supporting for $1.60 an hour, can you imagine them hiring a kid that has to support himself for $2 an hour? I am afraid that the effect of the Jones amendment would be to put the 16- or 17-year-old or the college student—the 19- or 20-year-old—or a 25-year-old who supports himself, in a very disadvantageous position, the same disadvantageous position that adult wage earners generally are put in by the Anderson amendment, and I should not want to saddle them with that burden.

I really believe, and I say this without derogating the motives of those who offered the amendments—that we must not develop a system in which we judge a man's worth not by the work he does, but by how old he is.

When I was 16 years old, I worked in a shop in Detroit. I did the same work as anybody else in that shop. I got 85 cents an hour, which was the same pay they got, and I think I was entitled to it. When I was 17 years old, I worked at the Ternsted Division of General Motors Corp., first as a stockman, and then as a timekeeper. I took care of the same number of timecards as anybody else in that division, and I feel I was entitled to the same pay that others received. Why should I be paid less for doing the same work that every other timekeeper in that factory was doing?

There is much talk about youth resentment and any one of us who has children knows that a lot of the youth of this country are suspicious and resentful of their elders. Let me say this to the Members. One of the reasons they are resentful is that they suspect that we are not going to give them a fair break. They will not only suspect it; they will know it, if we adopt the Anderson amendment.

I hope that we can defeat both the Anderson amendment and the Jones amendment to it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma (Mr. Jones) to the amendment offered by the gentleman from Illinois (Mr. Anderson).

The amendment to the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. Anderson).

The question was taken; and the Chairman announced that the noes appeared to have it.

### RECORDED VOTE

Mr. ANDERSON of Illinois. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 199, noes 215, not voting 18, as follows:

[Roll No. 188]

AYES—199

Abdnor
Anderson, Ill.
Andrews, N. Dak.
Archer
Arends
Armstrong
Ashbrook
Aspin
Bafalis
Baker
Beard
Blackburn
Bowen
Bray
Brinkley
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Butler

Byron
Camp
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins
Conable
Conlan
Conte
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Ga.
Davis, Wis.
Dellenback
Denholm
Dennis
Derwinski
Devine
Dickinson
Downing
Duncan
du Pont
Edwards, Ala.
Erlenborn
Esch
Eshleman
Findley
Flowers
Ford, Gerald R.
Forsythe
Frelinghuysen
Frenzel
Frey
Froehlich
Fuqua
Goldwater
Goodling
Green, Oreg.
Gross
Grover
Gubser
Guyer
Haley
Hamilton
Hanrahan
Harsha
Harvey
Hastings
Hinshaw
Hogan
Holt
Hosmer
Huber
Hudnut
Hunt
Hutchinson
Jarman
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jones, Tenn.
Keating
Kemp
Ketchum
Kuykendall
Landgrebe
Latta
Lent
Lott
Lujan
McClory
McCloskey
McCollister
McEwen
Madigan
Mahon
Mailliard
Mallary
Mann
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mayne
Mazzoli
Michel
Milford
Miller
Mizell
Montgomery
Moorhead, Calif.
Mosher
Myers
Nelsen
Nichols
Parris
Pettis
Pike
Poage
Powell, Ohio
Price, Tex.
Pritchard
Quie
Quillen
Randall
Rarick
Regula
Rhodes
Roberts
Robinson, Va.
Robison, N.Y.
Rogers
Roncallo, N.Y.
Rousselot
Ruth
Sandman
Sarasin
Satterfield
Scherle
Schneebeli
Sebelius
Shoup
Shriver
Shuster
Sikes
Skubitz
Smith, N.Y.
Snyder
Spence
Stanton, J. William
Steelman
Steiger, Ariz.
Steiger, Wis.
Stubblefield
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague, Calif.
Thomson, Wis.
Thone
Treen
Ullman
Vander Jagt
Veysey
Waggonner
Wampler
Ware
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Winn
Wolff
Wydler
Wylie
Wyman
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Zion
Zwach

### NOES—215

Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Andrews, N.C.
Annunzio
Badillo
Barrett
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blatnik
Boggs
Boland
Brademas
Brasco
Breaux
Breckinridge
Brooks
Brown, Calif.
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton
Carey, N.Y.
Carney, Ohio
Chisholm
Clark
Clay
Conyers
Corman
Cotter
Coughlin
Culver
Daniels, Dominick V.
Danielson
Davis, S.C.
de la Garza
Delaney
Dellums
Dent
Diggs
Dingell
Donohue
Dorn
Drinan
Dulski
Eckhardt
Edwards, Calif.
Eilberg
Evans, Colo.
Evins, Tenn.
Fascell
Fish
Flood
Foley
Ford, William D.
Fountain
Fraser
Fulton
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Grasso
Gray
Green, Pa.
Griffiths
Gude
Gunter
Hammerschmidt
Hanley
Hanna
Hansen, Idaho
Hansen, Wash.
Harrington
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Holifield
Holtzman
Horton
Howard
Hungate
Ichord
Johnson, Calif.
Jones, Ala.
Jones, Okla.
Jordan
Karth
Kastenmeier
Kazen
Kluczynski
Koch
Kyros
Leggett
Lehman
Litton
Long, La.
Long, Md.
McCormack
McDade
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Maraziti
Mathis, Ga.
Matsunaga
Meeds
Melcher
Metcalfe
Mezvinsky
Mills, Ark.
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
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Natcher
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Stanton, James V.
Stark
Steed
Steele
Stephens
Stratton
Stuckey
Studds
Sullivan
Symington
Teague, Tex.
Thompson, N.J.
Thornton
Tiernan
Udall
Van Deerlin
Vanik
Vigorito
Waldie
Walsh
Whalen
White
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wright
Wyatt
Yates
Yatron
Young, Ga.
Young, Tex.
Zablocki

### NOT VOTING—18

Ashley
Bolling
Carter
Cronin
Fisher
Flynt
Hébert
King
Landrum
Minshall, Ohio
O'Brien
Patman
Peyser
Riegle
Rooney, N.Y.
Runnels
Stokes
Towell, Nev.

So the amendment was rejected.

The result of the vote was announced as above recorded.

### AMENDMENT OFFERED BY MR. MATSUNAGA

Mr. MATSUNAGA. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MATSUNAGA: On page 21, line 24, remove the period after the word "manufacturing" and add the following: "(except agricultural processing)"

And on page 24, line 1, after the word "student" add "or students."

Mr. MATSUNAGA. Mr. Chairman, the amendment which I am proposing is purely a perfecting amendment. It merely clarifies the language in section 206 so that the intent of the committee, as indicated in its report, will be put into explicit, unmistakable language.

Section 206 provides that employers engaged in certain nonhazardous occupations may employ full-time students at 85 percent of the minimum wage otherwise applicable. The intent of the committee was to include agriculture, and the agricultural processing industry within the permissible occupations. The present language of the section, however, does not make this altogether clear. Unless my amendment is adopted, some question may be raised by someone in the future.

I am particularly concerned about the pineapple industry in Hawaii which is presently faced with severe economic disadvantages in the world market and struggling for its survival. As long as I can remember, school students in Hawaii have found employment in the pineapple fields and canneries during the summer vacation. Many of the students earned enough during this period to finance their higher education, as I was fortunate to be able to do.

If by misinterpretation of section 206, the student minimum wage is not payable by the Hawaii pineapple producers and processors, thousands of students may find themselves without summer employment. What may be even more disastrous is that the pineapple industry in Hawaii may fail, in which event the Hawaiian economy would suffer an intolerable blow.

My amendment further makes it explicitly clear that the Secretary of Labor may issue special certificates permitting student hires singly or in groups of two or more. This is what the committee intended and what my amendment proposes to do.

I have discussed my amendment with the chairman of the subcommittee and its ranking minority member, who are both willing to accept my proposal.

Mr. DENT. Mr. Chairman, will the gentleman from Hawaii (Mr. MATSUNAGA) yield?

Mr. MATSUNAGA. I yield to the gentleman from Pennsylvania (Mr. DENT).

Mr. DENT. Mr. Chairman, I have discussed the matter and I think I have an agreement with the ranking Member on the other side, and I accept the amendment.

Mr. MATSUNAGA. I thank the gentleman from Pennsylvania and urge the adoption of my amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Hawaii (Mr. MATSUNAGA).

The amendment was agreed to.

### AMENDMENT OFFERED BY MR. M'SPADDEN

Mr. McSPADDEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MCSPADDEN: Page 29, after line 8, insert the following new section:

COMPENSATION OF EMPLOYERS FOR CERTAIN INCREASED CONTRACT COSTS

SEC. 213. Section 18 (29 U.S.C. 218) is amended by adding at the end thereof the following new subsection:

"(c) From the date of the enactment of this subsection, each company which has a firm bid contract, involving the clothing industry, in effect with the United States Government shall be entitled to receive from the United States Government an amount equal to all increased labor costs on such contract directly resulting from the enactment of the Fair Labor Standards Amendments of 1973. Such amount shall be in addition to any amounts specifically provided for in the contract and shall be paid in lump sums to the company by the Government contractor within a reasonable time following justification of the amount of such increased labor costs."

Mr. McSPADDEN. Mr. Chairman, this is a perfecting amendment.

In one particular instance, and perhaps in many instances in the country, a certain clothing industry, the stitch and sew people, will be probably in the beginning of a contractual period with, for instance, the Department of Defense.

A case in point is this: One such industry in my district, with 400 employees, is now entering the third month of an 18-month contract. Should this bill become law, say in the next 60 days, it would cost the contractor, the stitch and sew manufacturer there, an additional $333,000 in wages, which would break him.

Mr. Chairman, this merely says that should the bill become law and the minimum wage is amended, he would have recourse against the department of the Government under which no escalation clause is ever given in the initial contract.

Mr. QUIE. Will the gentleman yield?

Mr. McSPADDEN. I am happy to yield to the gentleman.

Mr. QUIE. Why do you not expand it so everybody who has a contract with the Federal Government will come under this? There are canons who have a 30-cents-an-hour increase in the first instance, and they will be subject to the same thing. Why just confine it to the protective clothing industry? The majority here have been voting for all kinds of jobs under the new minimum wage as soon as this goes into effect. All I say is I see why we wiped out the tobacco and cotton and sugarcane people in order to get votes, but I cannot see this. I am against helping the clothing industry and nobody else. I want everybody to be treated alike, or else the whole bill is unfair.

Mr. McSPADDEN. I would ask the gentleman this question. I am trying to look after my district first. I will join you in a similar amendment.

Mr. DENT. Will the gentleman yield?

Mr. McSPADDEN. I am happy to yield to the gentleman.

Mr. DENT. This poses a very serious problem. We have been trying to get some kind of information on the determination of contracts within the period of time when a new minimum wage will be mandated. It is understood we are told by one agency that they have a renegotiation set up and pay out the amount added by the Congress of the United States. We are told by another agency that it is not so.

In fairness to the gentleman who came up with this today and out of consideration in trying to be fair to him, I would ask you to accept it with the understanding that between now and when we go to conference whatever information we can get from the Department of Defense we will respect and let that take precedence over what we are saying today, because we do not know. I do not know, and neither does he, how it is needed.

Mr. McSPADDEN. I yield to the gentleman from Illinois.

Mr. ERLENBORN. I thank the gentleman for yielding, but I intend to offer an amendment to the amendment, and I prefer to do that after you are done.

### AMENDMENT OFFERED BY MR. ERLENBORN

Mr. ERLENBORN. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from Oklahoma.

Mr. McSPADDEN. Mr. Chairman, I ask unanimous consent that I may withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

### AMENDMENT OFFERED BY MR. M'KAY

Mr. McKAY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McKAY. Page 24, line 24, strike out the close quotation marks and insert in lieu thereof the following:

The requirement of this subparagraph shall not apply in the case of the issuance of special certificates for the employment of full-time students by the educational institution to which the students are enrolled.

Mr. DENT. Mr. Chairman, I understand that the Members on the other side have agreed that this is a worthwhile amendment, and I suggest that we accept it.

Mr. Chairman, I am offering this amendment for myself and for Congressman WAYNE OWENS because we recognize a particular problem with minimum-wage and educational institutions. The amendment I am offering, simply stated, relaxes certain requirements for educational institutions; namely, the requirement under which the Labor Department certifies that none of the jobs offered to its students will have a substantial probability of limiting employment opportunities for others.

The effect is that universities will now have a pro forma certification under the Minimum Wage Act where they may pay the subminimal level to students who work at the university. It does not extend beyond educational institutions. The educational institutions have to comply with the other sections of this act. The student must be a student of the institution and they will be allowed to work on a part-time basis only. So, the purpose is to allow hundreds and thousands of students across the country, who are working part-time at educational institutions, to work their way through school.

It is my belief that students, rather than being given a handout to go to school, should have the opportunity to work and help themselves through school. This would have that effect. Otherwise, depending on how the certification was managed by the Labor Department, the institutions could be forced to make full-time help out of the thousands of part-time jobs that they now have for students.

It seems to me only wise that students should be given an opportunity to work their way through school. This would reduce Government subsidies to students. An example I can cite concerns a major university in my State which has some 25,000 student enrollees and has some 6,000 student employees. Until now, they have been paying above the minimum wage and, therefore, have not been subject to the certification provision. Unless we are successful in amending the certification provision, these universities might have difficulty convincing the Labor Department student help is not being used to eliminate jobs that otherwise would go to full-time employees. This is especially so in light of the fluctuation of full-time help at universities, including the one in my State.

Therefore, Mr. Chairman, I would urge members of the committee to accept this amendment and help our universities solve their financial problems and assist students working their way through school.

The amendment I am offering will contribute to these goals.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Utah (Mr. McKAY).

The question was taken; and on a division (demanded by Mr. McKAY) there were—ayes 144, noes 6.

So the amendment was agreed to.

### AMENDMENT OFFERED BY MR. ERLENBORN

Mr. ERLENBORN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ERLENBORN: Page 26, strike out lines 3 through 19.

Renumber the succeeding sections (and references thereto) accordingly.

Mr. ERLENBORN. Mr. Chairman, this amendment would remove the section. Mr. Chairman, there was no testimony before our committee to justify the inclusion of this language. The only place, by the way, the word "conglomerates" appears in the bill is in the title of the section. It does not even appear in the section.

There has been no showing that because the common ownership of two diverse businesses is involved that there is any competitive advantage to the owners of those two or more diverse businesses.

At the present time we have an "establishment" test, which says that if an establishment does not do in excess of $250,000 gross business in any year they are not covered under the provisions of the Fair Labor Standards Act.

There have been attempts in the past to change from the establishment to the enterprise test, that is, if one owner owns several different businesses, the test would then apply to the gross of all such businesses. This is just a little different approach in that it says that if the same owner owns two businesses that are not in the same line, who are diverse, and does a gross of $10 million a year or more, then even though the individual establishments do not have a $250,000 gross annual income, and would not otherwise be covered, they will now be covered merely because of the overall ownership of the enterprise.

There is no testimony in the record to justify this, and I would hope that I would be supported in my amendment to remove this provision.

Mr. DENT. Mr. Chairman, I rise in opposition to the amendment, briefly.

Our committee has gone into this subject matter very, very deeply. We were the first committee ever to consider the establishment exemption. We considered instead of an enterprise we gave them an establishment exemption to an establishment within an enterprise up to a $250,000 ceiling, complete exemption from the act. And this has worked well for the small chains and also for the fast-food operations where they have small franchises, and for small communities; put them in a competitive position with the privately owned small enterprises that were under $250,000.

However, when the recent phenomenon of a conglomerate takeover stepped in upon the good, sound reasoning and study, we found that an unfair advantage was being given to a conglomerate such as Squibb's that took over Toddle House and Heublein that took over Kentucky Fried Chicken. These huge type operations then were forming competition against that little fellow who was doing $250,000 a year, and they wanted to keep their establishment exemption for their particular outlets that were in competition with this little person across the street. We still leave the establishment exemption for any enterprise that is doing a business that is less business.

For instance, if Kentucky Fried Chicken were still its own entity, it would be exempt in their smaller establishments, but when they became part of Heublein, with ITT taking up part of the smaller chains around this country, we said it was time we tried to save some of the independent little merchants in this country of ours, especially in the small communities that we have around the country.

Therefore, I ask the Members to vote down this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. ERLENBORN).

The amendment was rejected.

### AMENDMENT OFFERED BY MR. TAYLOR OF NORTH CAROLINA

Mr. TAYLOR of North Carolina. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TAYLOR of North Carolina:

Page 28, strike out line 18 and all that follows down through and including the matter on lines 1 through 8 on page 29, and insert in lieu thereof the following:

"SEC. 212. Section 13(a) is amended by inserting after the paragraph added by section 205(b) (3) the following new paragraph:

"(16) (a) any employee who is employed with his spouse by a nonprofit institution which is primarily operated to care for and educate children who have been placed with the institution by or through a public agency or by parents or guardians who are financially unable to care for and educate their children or children under their guardianship (as the case may be), if such employee and his spouse (A) are employed to serve as the parents of such children who reside in facilities of the institution, (B) reside in such facilties and receive, without cost, board and lodging from such institution, and (C) are together compensated at an annual rate of not less than $10,000, up to 30 percent of which may be allowance for board and lodging, and

"(b) any employee who is employed by a nonprofit institution which is primarily operated to care for and educate children who have been placed with the institution by or through a public agency or by parents or guardians who are financially unable to care for and educate their children or children under their guardianship (as the case may be), if such employee (A) is employed to serve as the parent of such children who reside in facilities of the institution, (B) resides in such facilites and receives, without cost, board and lodging from such institution, and (C) is compensated at an annual rate of not less than $5,000, up to 30 percent of which may be allowance for board and lodging."

Mr. TAYLOR of North Carolina (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. ERLENBORN. Mr. Chairman, will the gentleman yield?

Mr. TAYLOR of North Carolina. I yield to the gentleman from Illinois.

Mr. ERLENBORN. I understand that this is the same amendment that the gentleman offered to the substitute that was discussed at that time and was acceptable to both the majority and the minority. For my part, I am willing to accept the gentleman's amendment.

Mr. TAYLOR of North Carolina. I thank the gentleman from Illinois. It is the same identical amendment. It provides for houseparents in orphanages.

Mr. DENT. Mr. Chairman, will the gentleman yield?

Mr. TAYLOR of North Carolina. I yield to the gentleman from Pennsylvania.

Mr. DENT. Mr. Chairman, I accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina (Mr. TAYLOR).

The amendment was agreed to.

Mr. SEIBERLING. Mr. Chairman, I move to strike the last word.

I would like to address the chairman of the subcommittee. I have a very simple, little amendment which I think the committee should accept, which is that in the future whenever the House debates a minimum-wage bill, we ought to be paid time-and-a-half for overtime.

Mr. ANNUNZIO. Mr. Chairman, I rise in support of H.R. 7935, a bill which would amend the Fair Labor Standards Act not only to increase the minimum wage, but would also expand such coverage to millions of workers. I would like to commend the distinguished gentleman from Pennsylvania (Mr. DENT) for doing a truly outstanding job in presenting a fair and equitable bill.

The present minimum wage, now set at $1.60 an hour, was passed in 1966 and the time has come to amend the current act to compensate for the cost of living increases we have suffered over the past 7 years. Inflation has caused the prices of such bare necessities as food, housing, and transportation to rise substantially in recent years. Today's minimum wage of $1.60 an hour would buy a low income worker less than the worker who made the minimum wage of $1.25 an hour in 1966.

At the current minimum wage, a worker would make an annual salary of $3,328. Since the poverty level has been defined at $4,200 for a nonfarm family of four, a hard-working man is making nearly a thousand dollars below an income standard that would classify him as impoverished. Surely we can make changes in the current law in order to help the working poor make a decent wage.

The supporters of this bill seem to think that raising the minimum wage would not cause inflation or unemployment. Since the low-income worker will be making more money, demand for goods and services will increase, thus jobs will be created rather than eliminated. For those who feel this bill is inflationary, let me state that an increase of the minimum wage to $2 an hour would provide a worker with an annual income of $4,160, a sum which is still below the poverty level.

A major amendment to the bill is the one establishing the youth minimum wage coverage. The youth differential, as provided in the Erlenborn substitute, would not create further jobs, but would make it easier for employers to hire young workers and discharge some of the older workers. Thus, total employment would remain the same, but unfortunately, the head of some households might lose their jobs.

A 1970 Department of Labor Survey, "Youth Unemployment and Minimum Wages," found no relationship between youth employment or unemployment and the minimum wage. The report went on to say that the levels of teenage employment varied with general business activity and not the minimum wage. People should get equal pay for an equal day's work, regardless of age and the Erlenborn substitute would not take this factor into account.

Furthermore, I support the extension of coverage of this minimum wage bill to Federal, State, and local workers as well as domestic service workers. The cost of living has risen for these people as well as others, and therefore we should acknowledge the unfairness in the current law by amending it to cover these workers. Only 157,000 out of the 3,333,000 State and local employees in the United States would get an increase in pay if the minimum wage was raised to $2.20 an hour. Around 687,000 domestic service employees would be affected by an increase of the minimum wage to $2.20 an hour.

It should be noted that George Schultz, former Secretary of Labor and now Secretary of the Treasury, stated in 1969 that—

> **In view of overall economic trends, it is doubtful whether changes in the minimum had any substantial impact on wage, price, or employment trends.**

He went on to say that jobs "rose substantially" during the time period studied immediately after new minimum wage legislation.

To conclude, I would like to express the hope that H.R. 7935 is passed because I feel it is time to give the workers in America a fairer shake. The current inflationary trend has made it difficult for many people to balance the family budget. The bill now up for approval in the House is a good progressive piece of legislation that would reward those workers that have been long underpaid. I urge the passage of these amendments to the Fair Labor Standards Act as corrective measures which will help the working poor and the young maintain a minimum standard of living.

Mr. LANDGREBE. Mr. Chairman, in my separate minority views, I discussed the disastrous effects of H.R. 7935 if it becomes law; explaining why it will necessarily create more unemployment, more inflation, and the closing down of many businesses. In short, I explained why raising the minimum wage will not benefit the American worker, and pointed out that the only way to raise real wages is to increase labor productivity.

I would like, however, to reiterate one example that I cited in the separate minority views and explain its relation to our balance of trade problem. A manufacturer in Indiana presently has two sets of plans for expansion: one calls for expansion by building more plants and providing more jobs in the United States; the other calls for building the plants in Mexico. The management is holding up implementation of the plans pending the outcome of this minimum wage bill—if H.R. 7935 becomes law, they will build in Mexico; if it is defeated, they will build in the United States. If they expand by building in Mexico, it will not be to gain vengeance against unjust laws; it will be out of economic necessity.

This is just one example of jobs that will be created outside the United States instead of being created for American workers if H.R. 7935 becomes law. And not only will the United States lose those jobs, but also the capital that will be circulating in Mexico instead of in our own country, thus further increasing our balance-of-trade deficit.

Many other businesses will be forced to move or expand to other countries if this bill is enacted into law. When we consider the loss of employment, the higher prices and inflation, the closing of businesses and the curtailment of expansion of businesses, the committee cost estimate of $3 million per year becomes ludicrous. The long range cost of this bill could reach into the billions.

Another of my major objectives to minimum wage legislation is the fact that many marginal people are automatically relegated to the welfare rolls. Good people, physically, mentally and educationally handicapped whose abilities make it impossible for them to qualify for employment at rates dictated by minimum wage laws find it impossible to get into the job market, even though meaningful employment would be, in many cases, the best possible therapy they could ever be exposed to. Of course, the demand for their limited productive capacities has never been greater in our Nation's history.

Jobs of every description are going begging and urgently needed services to human beings are being denied because of the limited means of so many people—especially those senior citizens who are in need of personal services, yet are trying to exist on low or modest incomes.

The point that I am raising has been acknowledged in that section of the Erlenborn substitute which makes provision for a youth differential.

The adoption of the Erlenborn substitute will be a good start toward recognizing the great array of problems that face all our marginal workers and yes, our marginal employers as well.

It is, therefore, ironical that H.R. 7935 is alleged to be a benefit to the American workers. In fact, it is the working man in our country who will suffer most from the inflation it will generate, the curtailment of employment opportunities for marginal workers, and the denial of services to good people who simply cannot afford the rates of pay demanded under either the committee bill or the Erlenborn substitute.

**Mr. VEYSEY.** Mr. Chairman, I support the amendment the gentleman from California (Mr. TALCOTT) offered today.

That time has come to strike down the discrimination which has too long existed against agricultural workers in terms of their status as compared with all other workers. This amendment would move in that direction.

For too long, second class status has been the lot of those who produce our food and fiber. They do not have unemployment insurance protection. They do not have law to protect their rights in labor relations. They do not have equal protection on minimum wages.

I believe we are moving rapidly toward the elimination of these discriminations, and I want to seize the chance to forward that objective.

Now, historically I am not a wild enthusiast for minimum wage and hours legislation. I see in it the danger of more inflation and more unemployment.

But in equity, I feel we should support the Talcott amendment—to achieve equity between farm and nonfarm workers, and to achieve equity between States and regions of this Nation.

There is no justification for not improving the status of the farmworker in terms of earnings. We have done this in California, where agricultural wage rates are the highest in the Nation. We are paying well over the minimum wage figures discussed here, and there is no excuse to permit other areas to undercut these gains and to compete unfairly with California in the marketplace.

I urge an aye vote on the Talcott amendment.

I yield back the balance of my time.

**Mr. DOMINICK V. DANIELS.** Mr. Chairman, I rise in support of H.R. 7935, the Fair Labor Standards Amendments of 1973. This bill provides economic justice to hundreds of thousands of American workers who are denied an adequate living standard by a minimum wage law made archaic by the same forces who urge today that we adopt the Nixon administration's substitute amendment offered by the gentleman from Illinois (Mr. ERLENBORN).

Working people today are faced with the highest cost of living in history. At the same time that the administration pursues economic policies that draw us inexorably closer to depression, they claim that to provide working people—many who live below the poverty level—with a marginal standard of living would be inflationary.

This administration has waved the bloody shirt of inflation at every proposal that would ease the plight of the middle, lower, and fixed income Americans. In the areas of price controls, emergency employment, jobs in the public sector, and public works projects that would take people off the welfare roles, the administration has resisted, opposed and vetoed measures that would have provided meaningful relief to American workers.

Mr. Chairman, in dealing with minimum wage legislation we are generally so struck with the appalling and desperate condition of the Nation's poor that we often forget the terrible burden on the shoulders of the family whose middle income status is maintained only because the husband, wife and perhaps children are working.

In 1966, we increased the minimum wage to $1.60 an hour in order to raise to the official poverty level—$3,200 a year—the income of a full-time worker with a family of four. As a result of rampant inflation a subsistence living can only be achieved today with an income of at least $4,200. A family today whose income remained fixed or remains at the 1966 poverty level has been driven deeper into poverty.

We attacked the problem earlier in the 92d Congress. That attack was thwarted by a massive campaign directed against the American worker by the White House.

We are proposing today a fair and reasonable bill which would ease the burden of hundreds of thousands of workers who, rather than leaning on welfare, would utilize increased wages for needed food, for clothing and for other necessities of life.

The bill increases by 40 cents to $2 an hour the minimum wage for nonagricultural employees covered before 1966. Beginning on July 1, 1974 the minimum wage would be increased to $2.20 an hour. For those workers who became covered by the act after 1966, the wage would increase to $1.80 an hour immediately, to $2 an hour July 1, 1974, and to $2.20 an hour July 1, 1975. The bill also increases the minimum wage for agricultural workers and extends coverage to nursing home employees as well as employees of conglomerates.

A major section of this bill extends coverage to over a million household employees, thus effectively opening up a new sector in the labor market which many potential employees have simply found it not worthwhile to enter. Indeed, because of such expenses as transportation, and child care many potential workers have been forced to utilize welfare even while they were willing and preferred to work. As a result of this new coverage, their new wages will be pumped back into the economy.

The increases in minimum wages and extended coverage in this bill are reasonable and fair. They allow and encourage workers to remain in the work force, contributing rather than becoming a burden to the tax roles. As for the old and worn argument that the bill is inflationary, even the U.S. Chamber of Commerce has admitted that inflation is not caused by minimum wages.

Increased employment cannot be achieved by maintaining depressed wages, but only by increasing purchasing power for all workers.

**Mr. DONOHUE.** Mr. Chairman, I most earnestly urge and hope that the House will resoundingly approve, without any weakening changes, the vitally important measure now before us, H.R. 7935, the Fair Labor Standards Amendments of 1973.

As you know, Mr. Chairman, this measure is principally designed to increase the Federal minimum wage and to thereby demonstrate this Nation's continued adherence to the wholesome concept incorporated in the original 1938 Fair Labor Standards Act, to eliminate "labor conditions detrimental to the maintenance of the minimum standard of living necessary for health, efficiency and general well-being of workers."

Mr. Chairman, under the several titles of this pending legislative proposal, provision is made for a wholly equitable and immediate increase in the minimum wage, to $2 an hour, to be followed by an increase to $2.20 an hour beginning on July 1, 1974. The measure further extends wage and overtime coverage to public employees, domestic household workers, transit employees, employees of conglomerates with an annual volume of sales in excess of $10 million, to seasonal industry workers and to nursing home employees. In addition, the bill broadens provisions of the current law to allow a limited differential wage for certain part-time employment for full-time students.

I very earnestly believe, Mr. Chairman, that in our legislative deliberation on this measure today, there are several important considerations to which we should pay particular attention. First, we should consider that despite the great progress made under the Fair Labor Standards Act, more than 16 million potentially covered workers remain without FLSA protection and many workers currently receiving a minimum wage continue to live in poverty.

Furthermore, we should recall, today, that the last amendments to the act occurred back in 1966 and increased the minimum wage to $1.60 an hour, an hourly wage which was considered by most authoritative sources, even back then, as barely enough to provide an income above what was then defined by the Federal Government as the poverty level. With skyrocketing inflation increasing the cost of living by more than 31 percent since the minimum wage law was last amended, the urgent necessity for further congressional action is all the more apparent. According to many respected economic authorities, the real buying power of workers, who were to benefit from the 1966 increase to $1.60 an hour, now has dwindled to $1.19 an hour. If we view this figure in terms of 1966 dollars, and if we base our calculations on a 40-hour work week, the 1966 increase represents an annual income of less than $2,500.

Mr. Chairman, there are those who very earnestly feel that because of our inflation plagued economy, the proposed minimum wage increases would be counter-productive to the necessary efforts designed to stem the rising tide of inflation. Mr. Chairman, I would like to suggest, this afternoon, that there is no evidence whatsoever to support this fear and in actuality, there is conclusive historical testimony to support the opposite point of view; namely, our national economy has never had any difficulty absorbing minimum wage increases. In addition, there is very persuasive evidence from a variety of sources, including the U.S. Chamber of Commerce and a former Secretary of Labor, to support the assertion that inflation does not result from minimum wages.

Mr. Chairman, I very earnestly believe it is essential to our National economic progress that wages keep reasonable pace with increases in the cost of living and I further believe that the minimum wage represents the most direct, constructive, and least costly way to assure that our American workers are not forced to labor for a living at a wage below what is governmentally defined as a poverty level figure. Therefore, Mr. Chairman, in determining the merits of the pending legislation and in full consideration of the expert testimony we have heard here this afternoon, I most earnestly believe that the evidence is conclusive in favor of extending the minimum wage as recommended by the Education and Labor Committee and I further believe that since the enactment of the bill will unquestionably result in a substantial national progress, it truly deserves the overwhelming approval of this House.

Mr. RARICK. Mr. Chairman, I rise in opposition to H.R. 7935, the Fair Labor Standards Act Amendments of 1973.

I, too, am in favor of working, productive citizens receiving fair wages for work done; however, the legislation before us far exceeds the desire of many of our colleagues to guarantee a $2.20 an hour minimum wage for unskilled labor.

When politicians legislate private salaries and wage scales, they are not only officiously intermeddling in the free enterprise economy sector, but are in reality passing a new tax which will be borne by all of our people.

There is nothing in existing law that prevents a man or woman from earning $2.20 an hour, or more, depending on his productivity and the success of his employer. But when politicians force a salary raise on the employer, whoever he may be, we know in advance that the employer will no more bear the brunt of the increase than will those politicians who think it is good for votes to spend someone else's money.

The employer who is faced with this increase in minimum wage will treat it simply as another Federal tax and will merely shift it on to the consumer. This legislation will raise all prices across the board and, in the long run, those people whom we are talking about helping will suffer most through higher prices and increased taxes.

The American people are being literally taxed to death and enactment of the legislation before us can only hasten their demise. Such gimmicks as use tax, sales tax, or minimum wage increases no longer fool the people. A tax is a tax, regardless of what is is called, and the only true beneficiary will be government at all levels through increased tax revenues.

The legislation before us wreaks havoc on the retirees, pensioners, disabled, and welfare recipients. We should be trying to hold down the cost of living, thus controlling the inflation which results from dumping more money in the marketplace without a corresponding increase in productivity.

In reality, Mr. Chairman, the legislation before us is antilabor. For too long now, the workingman has been told that wage increases must be held below 5.5 percent. The bill before us would increase the minimum wage a total of 37.5 percent for nonagricultural workers within 1 year. The committee bill would give covered agricultural workers a 23-percent increase in the first year an increase of 69.2 percent by the year 1976. It is certainly contradictory for the Congress to enact such legislation while instructing the Cost of Living Council to pursue guidelines of 5.5 percent for annual wage increases in sectors of employment not directly affected by this bill. Mr. Chairman, I do not believe that the average working American will accept this deliberate attempt by the Congress to level the wages of all Americans. The skilled worker and organized laborer should regard this as special interest legislation.

Finally, Mr. Chairman, I have consistently opposed use of the Congress to legislate labor contracts and establish salary standards. I have never regarded Congress as a proper forum to conduct negotiations on wages and working conditions. That is why I have never supported antistrike legislation.

Rising prices, inflation, and increased taxes must stop somewhere. Passage of a $2.20 minimum wage law will not help us restore fiscal sanity to any sector of our economy, and no one should blame the private sector. The fault lies here in the Federal Government. It is continued deficit spending that is a prime cause of the inflation which is being used to justify bringing to the floor.

Mr. Chairman, I repeat—my main opposition to this bill is that it is nothing but another tax on the consumers of our Nation. I will cast my people's vote against this legislation proposing such an inflationary increase in minimum wage.

Mr. BADILLO. Mr. Chairman, I rise in opposition to this ill-conceived substitute—as well as other crippling amendments—and urge our colleagues to quickly reject it. We must take affirmative action to raise the woefully inadequate current minimum wage and to significantly expand the coverage of the Fair Labor Standards Act.

Almost 7 years have passed since the Fair Labor Standards Act was last amended. During this time we have seen rampant inflation, soaring taxes, a continued crisis in unemployment and booming prices. The purchasing power of the dollar, particularly in light of devaluation and the administration's ineffective economic program, has been seriously eroded and raising the Federal minimum wage to even a basic level of $2.20 per hour is urgently required on the basis of simple economic facts. Government statistics reveal that, with the cost of living rising by more than 25 percent during this 7-year span, the present $1.60 per hour minimum wage adopted in 1966 has been completely destroyed and today's $1.60 minimum wage buys less than $1.25 bought in 1966. The present minimum wage fails to even approach the federally defined poverty level for a family of four of approximately $4,200. How is it possible, therefore, to consider in good conscience an amendment which would raise the minimum wage to only $1.90 per hour? If for no other reason this is justification alone for rejecting the Erlenborn substitute.

I have some doubts, Mr. Chairman, as to whether $2.20 per hour will even be sufficient. A full-time worker earning this salary will be grossing just barely more than the poverty level. However, one must then take into consideration deductions for taxes and social security. Thus, he may very well again fall below the poverty level. In the city of New York a family of four receives almost the same amount—$4,320—on welfare.

The Bureau of Labor Statistics has estimated that, for the New York City metropolitan area, the lowest budget for the cost of family consumption for a family of four is $6,014 annually. To meet this very basic level would require an hourly salary of $2.95. However, the total budget for a family of four increases to $7,578 when you include social security contributions, income taxes, and similar additional payments. It is plainly visible, therefore, that the essentially inadequate figure of $2.20 per hour will be needed to simply catch up with the rising cost of living and general inflationary spiral.

As we know, the committee bill goes beyond just raising the minimum wage. This measure significantly extends wage and overtime protections to millions of American workers not presently covered by the FLSA. Particularly significant is the fact that the minimum wage coverage is provided for all Federal employees as well as State and local government employees. In addition, domestic workers—long at the bottom of the economic totempole—are finally granted the protections of the Fair Labor Standards Act. However, Mr. ERLENBORN and the administration would not provide such urgently required and long-overdue coverage. Thus, we have still other reasons for rejecting this poorly considered substitute. It is simply unfair and unconscionable that such a sizable number of American working people should continue to be denied the basic protections of the FLSA—a measure which has been in existence since 1938. How can one even attempt to justify the continuation of labor conditions detrimental to the maintenance of a minimum standard of living? If the Erlenborn substitute is accepted, this is precisely what will occur.

Mr. Chairman, it is possible to continue to list the number of gross deficiencies in the amendment offered by Mr. ERLENBORN. Suffice it to say that if it or any of its individual components is allowed to pass, thousands of fellow Americans will continue to be relegated to second-class citizenship and will continue to be forced to endure the burden of poverty. Whether one considers the basic increase of the Federal hourly minimum wage, the expansion of coverage to currently unprotected workers or the special youth differential, it is clear that the Erlenborn substitute offers neither any solutions nor hope and that it must be soundly rejected. Certainly this issue is of critical importance to the people of the city of New York and they can only stand to lose if the substitute now under consideration is accepted. Thus, I again call upon our colleagues to defeat this amendment and to enact the committee measure without additional delay.

Mrs. MINK. Mr. Chairman, I rise in support of H.R. 7935 provisions to establish minimum wage protection for household workers.

Inclusion of domestics in this legislation to extend the Fair Labor Standards Act was approved by the House Committee on Education and Labor after due consideration of all factors involved. We concluded that these workers were highly deserving of inclusion in the Minimum Wage Act.

Domestics are a significant part of the "working poor" in the United States. Their pay has always been extremely low in comparison with the earnings of other workers. They have not received fringe benefits such as paid vacations, health coverage, retirement, or overtime pay. It is largely because of such factors that the number of domestics employed in households across the United States declined by 70,000 between 1960 and 1970.

It is frequently argued that minimum wage laws produce unemployment among the low-income workers they are designed to help, but I feel that just the reverse is true in the case of domestic workers. The fact that the number of such workers has been declining strongly suggests that the pay and other incentives have not been sufficient to attract employees to this field. By increasing the pay, we should make these positions more attractive and add new employment opportunities.

Certainly it is doubtful that the wages will be improved without legislative action. The employees involved ordinarily lack the job training and skills required for more complex tasks. It is likely that employing households will continue to offer the lowest possible pay as long as they are not required to do otherwise, for the workers are in a poor bargaining position. This is not to say that the employers could not, or would not, pay more if necessary. I believe the minimum wage provided in this bill, initially $1.80 an hour, could be afforded by most employers of domestics. That amounts to just $72 for a full 40-hour week. The minimum wage would not apply in cases where the employee lived-in the household.

In my own State of Hawaii, census data show that women household workers are paid at a median rate of only $1,897 per year. That is hardly an income level sufficient to provide an adequate standard of living. If we truly believe in the "work ethic" it follows that those who work should receive equitable compensation for their labors. We should not require individuals to work for pay that will keep them below the poverty level. Unless these wage rates are increased to a more adequate level, we will not be providing full justice for household domestic workers.

I support the provision included in H.R. 7935 applying the minimum wage to domestics, and urge its adoption.

Mr. CRANE. Mr. Chairman, for a number of reasons I believe that it is necessary to oppose the proposal for an increase in the minimum wage, despite the various amendments and compromises which have taken place in the course of our discussion of this subject.

Many of those who advocate an increase in the minimum wage do so for the best of reasons. They believe that such an increase will assist ever larger numbers of Americans to lead a good and decent life.

Such individuals are of the opinion that, somehow, prosperity can be legislated. Their economic reasoning fails to take into consideration the side effects of their proposals, and few who advocate an increase in the minimum wage do so because they believe that such an increase will adversely effect those who occupy marginal positions in our employment structure.

The legal minimum wage has been pushed up 114 percent between early 1956 and 1968, though average hourly earnings in manufacturing rose only 55 percent. In addition, the federal minimum wage has become effective over a far greater range.

The net result of this, according to economist Henry Hazlitt "has been to force up the wage rates of unskilled labor much more than those of skilled labor. A result of this, in turn, has been that though an increasing shortage has developed in skilled labor, the proportion of unemployed among the unskilled, among teen-agers, females and non-whites has been growing."

Mr. Hazlitt notes that:

> The outstanding victim has been the Negro, and particularly the Negro teenager. In 1952, the unemployment rate among white teenagers and non-white teenagers was the same—9 per cent. But year by year, as the minimum wage has been jacked higher and higher, a disparity has grown and increased. In February of 1968, the unemployment rate among white teenagers was 11.6 per cent, but among non-white teenagers it had soared to 26.6 per cent.

By a minimum wage of, for example, $2 an hour we have forbidden anyone to work 40 hours a week for less than $80. If we offer the same amount, or something somewhat less, in welfare payments we are saying, in effect, that we have forbidden a man to be useful employed at $70 a week, in order that we may support him at either the same amount or something less in idleness. Such an approach deprives society of the value of his services and deprives the individual involved of the independence and self-respect that comes from self-support, even at a low level, and from performing wanted work, at the same time that we have lowered what the man could have received by his own efforts.

All of us agree that we would like to see American workers earning as much as possible. The way to raise the real earnings of our citizens, however, is not through the legislative process. We cannot, after all, distribute more wealth than is created. Labor cannot be paid more than it produces.

Economist Henry Hazlitt expresses the view that:

> The best way to raise wages . . . to raise wage labor productivity. This can be done by many methods: by an increase in capital accumulation, i.e. by an increase in the machines with which the workers are aided; by new inventions and improvements; by more efficient management on the part of employers; by more industriousness and efficiency on the part of workers; by better education and training. The more the individual worker produces, the more he increases the wealth of the whole community. The more he produces, the more his services are worth to consumers, and hence to employers. And the more he is worth to employers, the more he will be paid. Real wages come out of production, not out of government decrees.

Prof. James Tobin, a member of the Council of Economic Advisers under President Kennedy, pointed out that:

> People who lack the capacity to earn a decent living should be helped, but they will

> not be helped by minimum wage laws, trade union pressures, or other devices which seek to compel employers to pay more than their work is worth. The likely outcome of such regulations is that the intended beneficiaries are not employed at all.

A similar view has been expressed by Dr. Robert M. Reese, executive director of the Ohio Vocational Association. He noted that:

> For years, vocational educators and others have worked diligently to change work laws for youths so that they could obtain experience in employment.

He went on to say that:

> The proposal for a $2.20 minimum wage would wipe out all the gains we have made in enabling lower-ability, disadvantaged youth to get the motivation of work to stay in school and become productive citizens.

Consider the occasion when, shortly before Christmas 1929, Harvard University fired, without notice, Mrs. Katherine Donahue, Mrs. Hannah Hogan, and 18 other scrubwomen in the Widener Library rather than raise their pay from 35 cents to 37 cents an hour as demanded by the Massachusetts Minimum Wage Commission. To avoid paying the extra 2 cents, Harvard replaced the women with men, who were not covered by the State's pioneering, but weak, minimum wage law.

As recounted by labor historian Irving Bernstein in the Lean Years, in the case of the Harvard charwomen ended on a brighter note. Yet the problem which we face remains the same. Economist Paul Samuelson recently asked:

> What good does it do a black youth to know that an employer must pay him $1.60 per hour if the fact that he must be paid that amount is what keeps him from getting a job?

Economist Milton Friedman refers to the Fair Labor Standards Act of 1938, the basis of the minimum wage, as "the most anti-Negro law on our statute books—in its effect, not its intent."

Economists Gene L. Chapin and Douglas K. Adie of Ohio University, in a paper presented before the 23d annual meeting of the Industrial Relations Research Association, declared that:

> Increases in federal minimum wage cause unemployment among teenagers. The effects tend to persist for considerable periods of time. And the effects seem to be strengthening as coverage is increased and enforcement of the laws becomes more rigorous.

The techniques, language and variables used in their mathematical models may vary, but most other econometricians get the same result: a strong correlation, confirmed by repeated observations in the 1950's and 1960's, between youth unemployment and the minimum wage.

Finis Welch of the National Bureau of Economic Research and Marvin Kosters, now a senior staff economist with the Council of Economic Advisers, concluded in a Rand Corp. study that:

> Minimum wage legislation has apparently played an important role in increasing the cyclical sensitivity of teen-age employment.

They found that:

> As minimums rise, "teen-agers are able to obtain fewer jobs, and their jobs are less secure over the business cycle. A disproportionate share of these unfavorable employment effects accrues to the non-white teenager."

A study by economists Jacob Mincer and Masonori Hashimoto of the National Bureau of Economic Research warns that many teenagers are scared out of the labor force by lack of job opportunities and vanish into the gray area of hidden unemployment.

Even the Bureau of Labor Statistics appears to be reconsidering the effects of the minimum wage. In a Labor Department study entitled "Youth Unemployment and Minimum Wages," Assistant Commissioner Thomas W. Gavett noted that:

> While there is a significant relationship . . . where other variables are excluded, a look at the whole set of variables casts doubt upon the importance of minimum wages as an explanatory variable.

Gavett finds the lack of clear evidence "discouraging." He fears that there is some real basis for inferring that extensions of minimum wage coverage, not the rate itself, tended in the 1960's to offset the benefits of Federal manpower programs.

In attempting to help those Americans whose status is most tenuous in the job market it is essential that we not take a step which will make it even more difficult for young people and members of minority groups to gain employment. The economic evidence available at this time indicates that an increase in the minimum wage would do precisely that: make it less possible for such individuals to find employment in today's job market.

Such a result would have serious consequences not only to the individuals involved, but also to the society at large. It is this group of unemployed young people, for example, who have been involved in a high proportion of the crime and violence which has occurred in our cities. A large part of the reason may be attributed to boredom, lack of incentive and the unavailability of employment.

Those who advocate an increase in the minimum wage should carefully consider the available evidence with regard to its effect upon both the economy and our society as a whole.

I have reviewed this evidence and conclude that it is in our best interest to refrain from any increase in the minimum wage which would have the dire impact set forth so persuasively by our leading economists.

Mr. ROYBAL. Mr. Chairman, I rise in support of H.R. 7935 which would amend the Fair Labor Standards Act to increase the minimum wage to $2.20 by steps and would extend the wage and overtime coverage of the act to 6 million more people.

This piece of legislation is desperately needed by the many millions of people who are covered by its provision. We have not had an increase in the minimum wage since 1968. Since that time this country has experienced the highest sustained rate of inflation in its history. One of the hardest hit groups has been persons earning the minimum wage. There is evidence that the $1.60 they earned in 1968 has shrunk in real value to $1.19. There is little doubt that unless we act today we will be facing the crisis of creating a working poor—people working a normal work week but unable to support themselves except on a subsistence level.

H.R. 7935 provides for an immediate increase of the minimum wage from $1.60 to $2 for the 34 million nonagricultural workers covered by the Fair Labor Standards Act before 1966. Beginning on July 1, 1974, the bill increases the minimum wage to $2.20.

The bill also provides an immediate increase in the minimum wage rate from $1.30 to $1.60 per hour for 535,000 agricultural employees who were covered under the 1966 amendments. The minimum wage will rise in 20-cent increments over the next 3 years so that on July 1, 1976, it will be $2.20 per hour.

Finally, the bill extends the coverage of the act to some 6 million people. For the first time almost all Federal, State, and local public employees will be covered by wage and overtime provisions of the act. Also domestic household employees will be covered for the first time.

Mr. Chairman, I expect that a series of weakening amendments will be introduced during our consideration of this legislation. The thrust of these proposals will be to lengthen the number of years until the $2.20 minimum wage is reached and deny extension of the acts coverage to new workers. I do not think these low-wage earners should have to wait any longer for an increase and I hope the Members of this Congress will join me in defeating these weakening amendments.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BOLLING, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 7935) to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rates under that act, to expand the coverage of that act, and for other purposes, pursuant to House Resolution 419, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment?

Mr. BURTON. Mr. Speaker, I demand a separate vote on the so-called Conte amendment with reference to the Canal Zone.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The Clerk will report the amendment on which a separate vote has been demanded.

The Clerk read as follows:

> Amendment: Page 15, insert after line 9 the following:
>
> SEC. 106. Section 13(f) (29 U.S.C. 213(f)) is amended (1) by inserting "(1)" immediately after "(f)", and (2) by adding at the end thereof the following new paragraph:

"(2) Notwithstanding paragraph (1), the increases in the minimum wage rates prescribed by the Fair Labor Standards Amendments of 1973 shall not apply to the minimum wage rates applicable under this Act to employees employed in the Canal Zone."

The SPEAKER. The question is on the amendment.

The question was taken; and the Speaker announced that the ayes appeared to have it.

### RECORDED VOTE

Mr. CONTE. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 213, noes 203, not voting 16, as follows:

[Roll No. 189]

AYES—213

Abdnor
Anderson, Ill.
Andrews, N. Dak.
Archer
Arends
Armstrong
Ashbrook
Bafalis
Baker
Beard
Biester
Blackburn
Boland
Bowen
Bray
Brinkley
Broomfield
Brotzman
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Byron
Camp
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins
Conable
Conlan
Conte
Coughlin
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Wis.
Dellenback
Dennis
Derwinski
Devine
Dickinson
Donohue
Dorn
Downing
Duncan
du Pont
Edwards, Ala.
Erlenborn
Esch
Eshleman
Findley
Fish
Flowers
Flynt
Ford, Gerald R.
Forsythe
Fountain
Frelinghuysen
Frenzel
Frey
Fuqua
Gettys
Goldwater
Goodling
Green, Oreg.
Gross
Grover
Gubser
Gunter
Guyer
Haley
Hammerschmidt
Hanrahan
Hansen, Idaho
Harsha
Harvey
Hastings
Hébert
Heckler, Mass.
Heinz
Henderson
Hillis
Hinshaw
Hogan
Holt
Horton
Hosmer
Huber
Hudnut
Hunt
Hutchinson
Jarman
Johnson, Colo.
Johnson, Pa.
Jones, Tenn.
Keating
Kemp
Ketchum
Kuykendall
Landgrebe
Latta
Lent
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McDade
McEwen
McKinney
Macdonald
Madigan
Mailliard
Mallary
Mann
Maraziti
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Mayne
Michel
Milford
Miller
Mizell
Montgomery
Moorhead, Calif.
Mosher
Murphy, N.Y.
Myers
Nelsen
Nichols
Parris
Poage
Powell, Ohio
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Rarick
Regula
Rhodes
Rinaldo
Robinson, Va.
Robison, N.Y.
Roncallo, N.Y.
Rousselot
Ruppe
Ruth
Sandman
Sarasin
Satterfield
Scherle
Schneebeli
Sebelius
Shoup
Shriver
Shuster
Sikes
Skubitz
Smith, N.Y.
Snyder
Spence
Stanton, J. William
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stubblefield
Stuckey
Symms
Talcott
Taylor, Mo.
Teague, Calif.
Thomson, Wis.
Thone
Treen
Ullman
Veysey
Waggonner
Wampler
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Winn
Wolff
Wydler
Wylie
Wyman
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Zion
Zwach

NOES—203

Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Andrews, N.C.
Annunzio
Ashley
Aspin
Badillo
Barrett
Bell
Bennett
Bergland
Bevill
Biaggi
Bingham
Blatnik
Boggs
Bolling
Brademas
Brasco
Breaux
Breckinridge
Brooks
Brown, Calif.
Brown, Mich.
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton
Carey, N.Y.
Carney, Ohio
Chisholm
Clay
Conyers
Corman
Cotter
Culver
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
de la Garza
Delaney
Dellums
Denholm
Dent
Diggs
Dingell
Drinan
Dulski
Eckhardt
Edwards, Calif.
Eilberg
Evans, Colo.
Evins, Tenn.
Fascell
Flood
Foley
Ford, William D.
Fraser
Froehlich
Fulton
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Grasso
Gray
Green, Pa.
Griffiths
Gude
Hamilton
Hanley
Hanna
Hansen, Wash.
Harrington
Hawkins
Hays
Hechler, W. Va.
Helstoski
Hicks
Holifield
Holtzman
Howard
Hungate
Ichord
Johnson, Calif.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jordan
Karth
Kastenmeier
Kazen
Kluczynski
Koch
Kyros
Leggett
Lehman
Litton
Long, La.
McCormack
McFall
McKay
McSpadden
Madden
Mahon
Martin, Nebr.
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Mills, Ark.
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Natcher
Nedzi
Nix
Obey
O'Hara
O'Neill
Owens
Passman
Patten
Pepper
Perkins
Pettis
Pickle
Pike
Podell
Preyer
Price, Ill.
Randall
Rangel
Rees
Reid
Reuss
Riegle
Roberts
Rodino
Roe
Roncalio, Wyo.
Rooney, Pa.
Rose
Rosenthal
Roush
Roy
Roybal
Ryan
St Germain
Sarbanes
Saylor
Schroeder
Seiberling
Shipley
Sisk
Slack
Smith, Iowa
Staggers
Stanton, James V.
Stark
Steed
Studds
Sullivan
Symington
Taylor, N.C.
Teague, Tex.
Thompson, N.J.
Thornton
Tiernan
Udall
Van Deerlin
Vander Jagt
Vanik
Vigorito
Waldie
Walsh
Ware
Whalen
White
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wright
Wyatt
Yates
Yatron
Young, Ga.
Young, Tex.
Zablocki

NOT VOTING—16

Carter
Clark
Cronin
Fisher
King
Landrum
Minshall, Ohio
O'Brien
Patman
Peyser
Rogers
Rooney, N.Y.
Rostenkowski
Runnels
Stokes
Towell, Nev.

So the amendment was agreed to.

The Clerk announced the following pairs:

Mr. Rooney of New York with Mr. King.
Mr. Rostenkowski with Mr Cronin.
Mr. Fisher with Mr. Carter.
Mr. Landrum with Mr. Minshall of Ohio.
Mr. Rogers with Mr. O'Brien.
Mr. Stokes with Mr. Runnels.
Mr. Patman with Mr. Towell of Nevada.
Mr. Clark with Mr. Peyser.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. ERLENBORN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 287, nays 130, not voting 15, as follows:

[Roll No. 190]

YEAS—287

Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Annunzio
Ashley
Aspin
Badillo
Barrett
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Brademas
Brasco
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Ohio
Broyhill, N.C.
Buchanan
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton
Carey, N.Y.
Carney, Ohio
Chappell
Chisholm
Clancy
Clark
Clausen, Don H.
Clay
Cleveland
Cohen
Conte
Conyers
Corman
Cotter
Coughlin
Culver
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
de la Garza
Delaney
Dellums
Dent
Diggs
Dingell
Donohue
Dorn
Drinan
Dulski
Duncan
du Pont
Eckhardt
Eilberg
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Flood
Flowers
Foley
Ford, William D.
Forsythe
Fountain
Fraser
Frenzel
Fulton
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gubser
Gude
Gunter
Guyer
Hamilton
Hanley
Hanna
Hansen, Wash.
Harrington
Harsha
Harvey
Hastings
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Holifield
Holtzman
Horton
Howard
Hungate
Ichord
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Keating
Kluczynski
Koch
Kyros
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lujan
McCloskey
McCormack
McDade
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Madigan
Mailliard
Mallary
Maraziti
Mathias, Calif.
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Milford
Miller
Mills, Ark.
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nichols
Nix
Obey
O'Hara
O'Neill
Owens
Passman
Patten
Pepper
Perkins
Pickle
Pike
Podell
Preyer
Price, Ill.
Pritchard
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reid
Reuss
Riegle
Rinaldo
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Roush
Roy
Roybal
Ruppe
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Saylor
Schroeder
Seiberling
Shipley
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Snyder
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Symington
Taylor, Mo.
Taylor, N.C.
Teague, Calif.
Thompson, N.J.
Thornton
Tiernan
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Vigorito
Waggonner
Waldie
Walsh
Wampler
Ware
Whalen
White
Widnall
Williams
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Wright
Wyatt
Wydler
Wylie
Yates
Yatron
Young, Alaska
Young, Ga.
Zablocki

NAYS—130

Abdnor
Andrews,
N. Dak.
Archer
Arends
Armstrong
Ashbrook
Bafalis
Baker
Beard
Blackburn
Bowen
Bray
Brown, Mich.
Broyhill, Va.
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Byron
Camp
Casey, Tex.
Cederberg
Chamberlain
Clawson, Del
Cochran
Collier
Collins
Conable
Conlan
Crane
Daniel, Dan
Daniel, Robert
W., Jr.
Davis, Wis.
Dellenback
Denholm
Dennis
Derwinski
Devine
Dickinson
Downing
Edwards, Ala.
Erlenborn
Esch
Flynt
Ford, Gerald R.
Frelinghuysen
Frey
Froehlich
Gettys
Goldwater
Goodling
Gross
Haley
Hammer-
schmidt
Hanrahan
Hansen, Idaho
Hébert
Hogan
Holt
Hosmer
Huber
Hudnut
Hunt
Hutchinson
Jarman
Jones, N.C.
Kemp
Ketchum
Kuykendall
Landgrebe
Landrum
Latta
Lott
McClory
McCollister
McEwen
Mahon
Mann
Martin, Nebr.
Martin, N.C.
Mathis, Ga.
Mayne
Michel
Mizell
Montgomery
Moorhead,
Calif.
Myers
Nelsen
Parris
Pettis
Poage
Powell, Ohio
Price, Tex.
Quie
Rarick
Rhodes
Roberts
Robinson, Va.
Rousselot
Ruth
Satterfield
Scherle
Schneebeli
Sebelius
Shoup
Shuster
Smith, N.Y.
Spence
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Symms
Talcott
Teague, Tex.
Thomson, Wis.
Thone
Treen
Veysey
Whitehurst
Whitten
Wiggins
Wilson, Bob
Winn
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zion
Zwach

NOT VOTING—15

Carter
Cronin
Edwards, Calif.
Fisher
King
Minshall, Ohio
O'Brien
Patman
Peyser
Rooney, N.Y.
Rostenkowski
Runnels
Stokes
Towell, Nev.
Wyman

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Rooney of New York for, with Mr. Fisher against.

Until further notice:

Mr. Rostenkowski with Mr. Carter.
Mr. Edwards of California with Mr. Cronin.
Mr. Stokes with Mr. Runnels.
Mr. O'Brien with Mr. King.
Mr. Peyser with Mr. Minshall of Ohio.
Mr. Towell of Nevada with Mr. Wyman.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## GENERAL LEAVE

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed, and specifically that all Members may have 5 legislative days in which to revise and extend their remarks before the vote on the Erlenborn amendment.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

## IMMEDIATE CONSTRUCTION OF THE TRANS-ALASKA OIL PIPELINE

(Mr. VIGORITO asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. VIGORITO. Mr. Speaker, today I would like to express my full support for the immediate construction of the trans-Alaska oil pipeline. Everyone must realize that the United States is in an energy crisis now. The Alaskan pipeline would channel up to 2 million barrels of oil a day to the United States which would be about one-sixth of our daily needs. Work could begin immediately if Congress would give its approval to the pipeline right of way.

Consideration of a Canadian oil pipeline at this time is useless when comparing it to the Alaskan pipeline. It seems, these days, that everyone is talking about a Canadian oil pipeline except the Canadians. No one has apparently seen fit to even file an application for an oil pipeline in Canada. The pipeline venture in Canada is too many years of court fights and problems away.

It is a fact that the Alaskan pipeline is ready to go. The courts have approved all environmental issues in Alaska concerning the pipeline. What about all the tremendous environmental issues over the Canadian pipeline which would be four times the size of the Alaskan pipeline.

Alaskan native claims have all been settled. Canada has yet to settle one claim. Canada has not even set up its environmental regulations for the pipeline. Alaska has done this and the oil companies have spent millions of dollars in research to meet these environmental requirements in Alaska.

While Canada' first priority will probably be to build a gas pipeline first, Alaska is ready to go now on an oil pipeline.

Another important factor to consider is the balance-of-payment problems of the United States Oil from Alaska, displacing foreign oil, would enable the United States to reduce its cash outflows to foreign nations by $1.5 to $2 billion annually. We must remember that Canada is a foreign country.

The cause for the trans-Alaska pipeline is overwhelming in its favor. It would benefit the whole country by getting oil to the West coast, thus enabling oil from the Middle East to be transported cheaper and quicker to the Midwest and eastern part of the United States.

The Alaskan pipeline is ready to go. The Canadian is years and years of problems away. We need oil now and the Alaskan pipeline, at this time, is the fastest, safest, and most economically feasible method of transporting oil from Alaska's North Slope.

## ARE COX'S WATERGATE PROSECUTORS PARTISAN?

(Mr. DEVINE asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. DEVINE. Mr. Speaker, when Elliot Richardson was before the Senate for confirmation as Attorney General of the United States, there was much hub-bub about the selection of a special prosecutor for the Watergate case.

Some Senators were insistent that the special prosecutor be above reproach, completely independent of any control or direction from this administration and ultimately Prof. Archibald Cox was selected.

As a former FBI agent and a former prosecuting attorney in a large metropolitan area, including the capital city of my State, I think I have some knowledge of investigations, prosecutions, law enforcement, and administrative decisions in directing prosecutive staffs.

It is most intriguing to note the direction Special Prosecutor Cox is taking. He was, of course, Solicitor General of the United States during the Kennedy administration. The late Bobby Kennedy was Attorney General, and the stable of special prosecutors being assembled by Professor Cox seem to be 100 percent Kennedy worshipers. Many were in the Justice Department with Kennedy.

The newspapers have announced Cox's selections thus far as James Vorenberg, who was an associate employee and devoted to the late Attorney General Robert F. Kennedy. Thomas McBride, formerly of Justice, and more recently top attorney for the Police Foundation of itinerant Police Chief "Pat" Murphy, late of Syracuse, Washington, D.C., and New York City. James Neal of Nashville, who successfully prosecuted Jimmy Hoffa as an assistant U.S. attorney, and was rewarded by being chosen by Kennedy as U.S. attorney in Nashville. For the past 6 years he has been in the private practice in Nashville. Also, Cox's former aide in Justice under Kennedy, Prof. Phil Heyman.

And, I am reliably informed other former aides of the late Bobby Kennedy are presently being besieged to represent those who are or may be involved in the so-called Watergate matter.

One is compelled to wonder whether there are not any present or past Republican assistant U.S. attorneys, U.S. attorneys or State attorneys general available to give at least semblance of a bipartisan approach by Special Prosecutor Cox. Is it going to evolve into a Democratic "witch-hunt" aimed at Republicans, and "escape-hatch" for the clients of the former Kennedy lawyers?

Mr. Speaker, Senator ERVIN's committee at least suggests an investigation relatively free of pure partisanship however, it might be a real eye-opener if his inquiry probed into the allegedly fabulous sky-high fees being paid to the lawyers in the Watergate case.

It has been reported lawyer William Bitmann was paid $85,000 to plead his client E. Howard Hunt guilty. Imagine—for a guilty plea. What would it have been for a trial? Maybe Bitmann set a precedent with an unbelievable guilty fee for Spiegel Co. in the Brewster case.

The Grievance Committees of the District of Columbia Court of Appeals, and the U.S. District Court might well concern themselves in this fee area.

In any event, some balance in the prosecuting team is certainly the responsibility of Professor Cox, unless he plans to operate an anti-Nixon vendetta, with a group of lawyers from the snakepits of former adversaries.

## PROHIBITING CIA'S ENGAGING IN DOMESTIC LAW ENFORCEMENT

(Mr. KOCH asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. KOCH. Mr. Speaker, in response to a New York Times article last December stating that the CIA has been involved in the training of New York City policemen, I wrote to Richard Helms, then Director of the CIA, requesting the following information:

First. The number of police officers from local police departments throughout the country who had received CIA instruction within the last 2 years;

Second. A description of the training provided by the CIA;

Third. The cost of this training and the source of the funds;

Fourth. The purpose of this training and the legislative authority for CIA involvement; and

Fifth. Whether the CIA intends to continue training local police officers. It was my understanding that the CIA was precluded by the law under which it was created, The National Security Act of 1947, from engaging in domestic law enforcement activities.

On January 29, 1973, I was advised by John Maury of the CIA that there was no specific law which authorizes the CIA to undertake the training of local police forces but that the CIA believes that the statute which created LEAA indicates an intent that all Federal agencies should assist in law enforcement and crime prevention efforts in America. He also said that training was provided on request of police departments in about a dozen jurisdictions, and that such training dealt with the handling of explosives and foreign weapons as well as the detection of wiretaps and bugs in which foreign interests are involved.

Mr. Maury informed me of the CIA's authority, as the Agency interprets it, to conduct such activities. I quote from his letter:

> Regarding the Agency's authority to conduct such briefings, the National Security Act of 1947 (P.L. 80–253, as amended; specifically provides that "the Agency shall have no police, subpoena, law-enforcement powers, or internal security functions." We do not consider that the activities in question violate the letter or spirit of these restrictions. In our judgment they are entirely consistent with the provisions of the Omnibus Crime Control and Safe Streets Act of 1968 (P.L. 90–351, 42 USCA 3701 et seq). In enacting that law it was the declared policy and purpose of Congress "to assist State and local governments in strengthening and improving law enforcement at every level by national assistance" and to ". . . encourage research and development directed toward the improvement of law enforcement and the development of new methods for the prevention and reduction of crime and the detection and apprehension of criminals" (42 USCA 3701). By the same law Congress also authorized the Law Enforcement Assistance Administration to use available services, equipment, personnel and facilities of the Department of Justice and of "other civilian or military agencies and instrumentalities" of the Federal Government to carry out its function (42 USCA 3756).

In an attempt to determine the viability of this interpretation of the law, I requested the General Accounting Office to study the matter and give me its opinion. In its response, the GAO noted that its examination of the National Security Act of 1947, as amended, "fails to disclose anything which reasonably could be construed as authorizing such activities (CIA training of local police forces)". However, the GAO did acknowledge that in the Omnibus Crime Control and Safe Streets Act of 1968 Congress authorized the LEAA to use available services, equipment, personnel and facilities of the Justice Department and of "other civilian and military agencies and instrumentalities" of the Federal Government to carry out its function. In addition, the GAO noted that the Intergovernmental Cooperation Act of 1968 authorizes "all departments and agencies of the executive branch of the Federal Government—which do not otherwise have such authority—to provide reimbursable specialized or technical services to State and local governments." Thus it would appear that while the authority for these CIA activities is not specifically established in law, a loophole has apparently been created by the provisions of the Omnibus Crime Control Act and the Intergovernmental Cooperation Act.

I am therefore introducing legislation today which I believe would establish in law the intent of the National Security Act of 1947 that the CIA be prohibited from becoming involved in internal security functions. This legislation would specifically prohibit the CIA from providing training or other assistance directly or indirectly in support of State or local law-enforcement activities. It would supersede the provisions of the Omnibus Crime Control Act of 1968 and of the Intergovernmental Cooperation Act of 1968 under which the CIA draws its present tenuous authority, and would thus make further CIA involvement in "internal security functions" a clear violation of our laws.

The matter of the CIA's involvement in domestic affairs is a very serious one. The American public was recently shocked by disclosures that the CIA had been involved in the burglary of the office of Dr. Daniel Ellsberg's former psychiatrist. Neither Members of Congress nor officials in our judicial system are in a position at this point to determine the extent of CIA involvement in similar matters. The very fact that the CIA is carefully exempted from the usually required reports to the Congress—indeed its budget is confidential and not available to individual Members—poses the greatest of dangers. The operational authority of the CIA as a foreign intelligence agency must be limited and clearly defined in law, and its activities must be more vigilantly supervised. But in any event the law must be changed so not to give the CIA even the color of consent to engage in domestic surveillance of the citizens of this country.

We must be alert to abuses of the CIA's authority so that we don't wake up some morning to find that an agency we established to protect ourselves from outside subversion has become a Trojan horse in our midst invading the private lives of our own people. We have already had an instance, with the Ellsberg case, in which the facilities of the CIA were used to invade the private life of an individual. Such activities and the relationship that necessarily evolves from local police training programs must be avoided.

The response I received from the GAO follows:

COMPTROLLER GENERAL OF
THE UNITED STATES,
*Washington, D.C., May 30, 1973.*

Hon. EDWARD I. KOCH,
*House of Representatives.*

DEAR MR. KOCH: Reference is made to your letter of March 5, 1973, and subsequent correspondence resulting from an article which appeared in the New York Times for December 17, 1972, stating that 14 New York policemen had received training from the Central Intelligence Agency (CIA) in September.

Enclosed for your information is a copy of our letter of today to the Director, CIA, advising that the CIA has no authority to provide such training, except in accordance with the provisions of the Omnibus Crime Control and Safe Streets Act of 1968 or the Intergovernmental Cooperation Act of 1968.

We trust that this will be of assistance to you.

Sincerely yours,
ELMER B. STAATS,
*Comptroller General of the United States.*

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COMPTROLLER GENERAL OF
THE UNITED STATES,
*Washington, D.C., May 30, 1973.*

Hon. JAMES R. SCHLESINGER,
*Director, Central Intelligence Agency.*

DEAR MR. SCHLESINGER: The Honorable Edward I. Koch, of the House of Representatives had referred to us for a ruling copies of correspondence with your office and certain material which appeared in the Congressional Record for February 6, 1972, page 3559 and March 5, 1973, pages 6313–6314, which was prompted by an article in the New York Times for December 17, 1972, which stated that fourteen New York policemen had received training from the Central Intelligence Agency (CIA) in September.

Because of an informal contact from your office we suggested that a statement be sent from your office as to exactly what was done and the specific statutory authority relied upon therefor. As a result, we received a letter dated March 16, 1973, from your Deputy General Counsel which enclosed (1) an extract of the Congressional Record for March 5, 1973, *supra*, that contained Congressman Chet Holifield's discussion and report of the inquiry into the matter by the House Committee on Government Operations at the request of Congressman Koch, together with related correspondence and (2) a copy of Congressman Koch's letter of December 28, 1972, to the CIA and a copy of the response of January 29, 1973, signed by your Legislative Counsel. It was stated that it would appear that all the information needed was contained in those enclosures. We were also assured that the CIA does not run a formal institution for training of police officers in the manner of the FBI Academy located at "Fort Belvoir." (The FBI Academy is located at Quantico, Virginia.)

It is noted that the Congressional Record for March 5, 1973, pages 6314 also includes related remarks of Congressman Lucian N. Nedzi, Chairman of the Special Subcommittee on Intelligence, House Committee on Armed Services, as to the activity of that Subcommittee in the matter, in which he emphasizes that the basic jurisdiction in CIA matters remains with the Armed Services Committee and that the Subcommittee has been diligent in fulfilling its responsibilities. He also stated that he shared the view "that the CIA should refrain from domestic law inforcement activities and that some of the activities described by our colleague Mr. Koch, and the agency itself could have been performed much more appropriately by other agencies."

It appears from the material referred to above that within the last two years less than fifty police officers from a total of about a dozen city and county police forces have received some kind of CIA briefing.

As to the New York police it appears that with the assistance of the Ford Foundation an analysis and evaluation unit was developed within the Intelligence Division of the New York City police department. At the suggestion of a Ford Foundation representative it sought assistance from the CIA as to the best system for analyzing intelligence. Although the CIA's techniques and procedures involve only foreign intelligence they were considered basic and applicable to the needs of the New York police. A 4-day briefing was arranged at which a ground of New York City police was briefed on the theory and technique of analyzing and evaluating foreign intelligence data, the role of the analyst, and the handling and processing of foreign intelligence information.

The briefing was given by a CIA training staff, based upon material used in training the CIA analysts and without any significant added expense. Specific guidance was not given as to how the New York City police system should be set up but the CIA presented its basic approach.

CIA assistance to local law enforcement agencies has been of two types. In the first type of assistance one or two officers received an hour or two of briefing on demonstration of techniques. Police officers from six local or State jurisdictions came to CIA headquarters for this type of assistance. In the second type of assistance, the briefing lasted for 2 or 3 days. Instruction was given in such techniques as record handling, clandestine photography, surveillance of individuals, and detection and identification of metal and explosive devices. Nine metropolitan or county jurisdictions sent officers for this type of instruction. Assistance given was at no cost to the recipients and has been accomplished by making available, insofar as their other duties permit, qualified CIA experts and instructors. Cost to the CIA has been minimal.

It is stated that all briefings have been conducted in response to the requests of the various recipients. It is also stated that the CIA intends to continue to respond to such requests within its competence and authority to the extent possible without interfering with its primary mission.

No provision of that part of National Security Act of 1947, as amended, 50 U.S.C. 403, *et seq.*, which established the Central Intelligence Agency has been cited as authority for the activities undertaken and our examination of that law fails to disclose anything which reasonably could be construed as authorizing such activities. However, in his letter of January 29, 1973, to Congressman Koch, your Legislative Counsel stated that these activities were entirely consistent with the provisions of the Omnibus Crime Control and Safe Streets Act of 1968, 42 U.S.C. 3701, *et seq*. He noted that in 42 U.S.C. 3701 it was the declared policy of the Congress "to assist State and local governments in strengthening law enforcement at every level" and that it was the purpose of that law to "encourage research and development directed toward the improvement of law enforcement and the development of new methods for the prevention and reduction of crime and the detection and apprehension of criminals." 42 U.S.C. 3721. He also noted that in the same law at 42 U.S.C. 3756 Congress authorized the Law Enforcement Assistance Administration to use available services, equipment, personnel, and facilities of the Department of Justice and of "other civilian and military agencies and instrumentalities" of the Federal Government to carry out its function. It should also be noted that the section authorizes such use on a reimbursable basis.

There is nothing in the Omnibus Crime and Safe Streets Act of 1968 which authorizes a Federal agency of its own volition to provide services which it is not otherwise authorized to provide. As previously stated there is nothing in the legislation establishing the CIA which would authorize the activities in question. Neither does it appear that those services, equipment, personnel, and facilities utilized were utilized by the Law Enforcement Assistance Administration or even at its request. As stated by Congressman Holifield in his letter of February 23, 1973, to you and quoted in the Congressional Record for March 5, 1973:

> Since the Law Enforcement Assistance Administration is the agency primarily concerned with such matters, particularly where Federal assistance funds are involved, it would seem that the need for Federal agency assistance to local law enforcement agencies should be coordinated by that Administration.

In that same letter of February 23, 1973, Congressman Holifield invited attention to the Intergovernmental Cooperation Act of 1968, Pub. L. 90–577, 82 Stat. 1102, approved October 16, 1968, 42 U.S.C. 4201, *et seq.*, as implemented by Budget Circular No. A–97 of August 29, 1969. Among the purposes of title III of that act, as stated in section 301 thereof, is to authorize all departments and agencies of the executive branch of the Federal Government—which do not otherwise have such authority—to provide reimbursable specialized or technical services to State and local governments. Section 302 of the act states that such services shall include only those which the Director of the Office of Management and Budget through rules and regulations determines Federal departments and agencies have a special competence to provide. Budget Circular No. A–97 covers specific services which may be provided under the act and also provides that if a Federal agency receives a request for specialized or technical services which are not specifically covered and which it believes is consistent with the act and which it has a special competence to provide, it should forward such request to the Bureau of the Budget (now Office of Management and Budget) for action. The same procedure is to be followed if there is doubt as to whether the service requested is included within the services specifically covered. Section 304 requires an annual summary report by the agency head to the respective Committees on Government Operations of the Senate and House of Representatives on the scope of the services provided under title III of the act. Possibly future requests for briefings from State or local police agencies could be considered under the provisions of that act and the implementing budget circular.

In the letter of January 29, 1973, to Congressman Koch from your Legislative Counsel it is also stated that the activities in question were not considered to violate the letter or spirit of the provisions of the National Security Act of 1947 which states that "the Agency shall have no police, subpoena, law enforcement powers, or internal-security functions." See 50 U.S.C. 403(d)(3). We do not regard the activities as set out above as being in violation of these provisions, but as previously indicated, we have found no authority for those activities by your agency, unless provided on a reimbursable basis in accordance with the Intergovernmental Cooperation Act of 1968, or at the request of the Law Enforcement Assistance Administration under the provisions of the Omnibus Crime Control and Safe Streets Act of 1968, which was not the case here.

Copies of this letter are being sent to the Members of Congress referred to above.

Sincerely yours,

ELMER B. STAATS,
*Comptroller General of the United States.*

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## YOUTH CONSERVATION CORPS

**Mr. MEEDS.** Mr. Speaker, today I am introducing, with 58 of our colleagues, a new youth conservation corps bill to ex-new youth conservation corps bill to expand the program and make it permanent.

The original YCC legislation, which was passed in 1970, established a 3 year pilot program for young people 15 through 18 years of age from all socioeconomic and racial backgrounds. At that time Senator JACKSON and I, as the original sponsors of the legislation, contemplated a program in the magnitude of $150,000,000 serving 150,000 young men and women. But decided to start with a pilot program. We could learn from mistakes made on a small scale, see what techniques work best and then expand the program with a minimum of stress. Last year the Congress stairstepped the expansion of YCC by providing a fiscal year 1973 authorization of $30 million and $60 million for fiscal year 1974.

Considering the success of the Youth Conservation Corps, it appears from this vantage point that we may have been too cautious. The program has encountered no serious problems; we hear only praise. It is time that the Youth Conservation Corps be made a permanent program and expanded to meet the summer employment needs of our youth and the maintenance needs of our public lands.

The bill introduced today includes a Federal-State cost sharing program, whereby 30 percent of the YCC funds would be devoted to grants to States for YCC projects on State lands. The provision has the effect of bringing the YCC to the East where many young people reside but where there are few Federal lands. Assuming full funding and that the Federal Government pays 50 percent of the cost of the State grant program, 70,000 young people would be hired each summer to work on State laws; 80,000 would be employed on Federal lands.

An important part of the Youth Conservation Corps is its requirement that there be a mix of young people in the program. All socioeconomic and radical classifications are represented in the corps. The heterogeneous nature of the program is one of its strengths. Young people from all segments of society, working together, find they have many things in common not before discovered. I recently acquired a copy of a letter addressed to an administrative officer of the Ochoco National Forest in Prineville, Oregon from a Portland, Oreg., high school counselor which I think is significant:

> Last year, one of our Wilson students had the good fortune to be accepted in the Youth Conservation Corps. The change for the good in that young man was absolutely indescribable. His Counselors and teachers had absolutely given up on him and he was suspended from school. However, when he came back he had a positive attitude about himself as well as school and most people who knew him at Wilson could not believe the change.
>
> The experience offered in the Youth Conservation Corps is much more valuable to Wilson students than most others because it is so different from their past experience. It is because of this that I hope you will be

able to take all four of our applicants. I am absolutely certain it will be the most valuable experience any of the four have ever had in their life time.

In hearings last year, a number of corps participants talked about how the work they did in YCC was something worthwhile. Dr. Beverly L. Driver of the University of Michigan's Institute of Social Research, testified concerning the independent evaluation of the program. The evaluation showed that 98.6 percent of the participants felt their experience was worthwhile and highest ratings were given to be quantity and quality of work accomplished. Young people today do not want make-work jobs, merely to be on the receiving end of a paycheck. Certainly compensation is important, but the job must be meaningful.

It is also noteworthy that the University of Michigan study shows that youth in the 1972 YCC program gained environment understanding and awareness equivalent to a full year of study in a normal high school setting.

The Youth Conservation Corps is a people oriented program, but it is also an environmental and resource maintenance program. Not only does YCC provide summer employment for our young people, but the Nation is nearly repaid the cost of the program in improvements on our public lands. In upgrading our public lands, YCC corpsmen work in areas of erosion control, campground construction and maintenance, tree planting, timber production, trail construction, and maintenance and wildlife habitat improvement, to name a few.

The backlog of needed work on our public lands increases every year. The experience of the pilot YCC shows us that 15,00 hardworking young people, enthusiastic about their summer jobs, will certainly be able to hold that backlog to a minium.

At a time when our young people need summer jobs and there's work to be done on our public lands, the new Youth Conservation Corps bill provides us with a unique opportunity to attack two problems with one solution.

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## POSTCARD VOTER REGISTRATION

(Mr. WAMPLER asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

Mr. WAMPLER. Mr. Speaker, the House of Representatives will soon be considering the Senate-passed bill that would permit voter registration by mail. Post cards would be mailed from the Census Bureau to every household in the United States, and anyone who signed one and returned it would be duly registered to vote. I strongly oppose this legislation.

In my opinion, it would open the very real possibility of widespread fraud, error, and confusion. The right to vote is a unique privilege, but it carries with it some measure of responsibility as well. I believe most Amerimans are more than willing to bear the small inconvenience imposed by the requirement that they register in person in order to verify their eligibility to vote.

I would like to bring to the attention of my colleagues, first, a letter I received from Mrs. John M. Payne, president of the Virginia Electral Board Association, which clearly states the hazards inherent in this bill. I would also like to commend to your attention, an editorial from the Roanoke Times of June 5, 1973, which raises additional questions and suggests alternatives. Both the letter and the editorial follow:

THE CITY OF LYNCHBURG, VA.,
*May 24, 1973.*

Hon. WILLIAM C. WAMPLER,
*Congress of the United States,*
*Washington, D.C.*

DEAR BILL: The Executive Committee of The Virginia Electoral Board Association met Tuesday, May 21, at 1:00 A.M. at the Capitol in Richmond. At this meeting the Executive Committee went on record unanimously opposing S. Bill 352—Post Card Registration.

For Congress to pass this bill even though the Senate did pass it is unbelievable!

A bill which would allow Americans to register for Federal elections by simply mailing a post card is preposterous. Under this insane proposal, millions of post cards with return cards attached would be mailed to street and rural addresses, not to named individuals but to the "Occupant" or "Householder" as we understand this proposed legislation. The estimated cost of the program could run as high as $300 million a year.

As you know here in Virginia we have been striving to put a stop to illegal practices in the Election System and in the last three years have made tremendous strides in this direction. The Central Voter Registration System is just one of mang things which we have developed recently in Virginia to help prevent fraud.

Should this Bill pass and become law does anyone have any clear idea how the system would work? I understand that the Census Bureau and the Postal Service opposes it. There is not a single valid argument that can be made in its favor and many, many arguments against it.

The Executive Committee of The Virginia Electoral Board Association has instructed me as its President, to issue a statement in opposition to Post Card Legislation and to make our position known to the members of Congress from the Commonwealth of Virginia.

With my best wishes.

Sincerely,

MRS. JOHN M. PAYNE,
*President, the Virginia Electoral Board Association.*

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[Editorial from the Roanoke Times, June 5, 1973]

### POSTCARD REGISTRATION

Patrons of the bill to permit registration by postcard must not be acquainted with voting practices in the old Ninth District of Virginia, principally the Southwest. Ultimately those brought down the wrath of a U.S. district judge. They must have forgotten the voting practices in Chicago, Ill., which left at least a smidgen of doubt that President John F. Kennedy was fairly elected in 1960. Senators, who helped pass the bill, must have forgotten the occasional smell that follows an election in Texas.

The voting scandals in the Southwest Virginia counties usually involved the use of the absentee ballot, which has some relation to registration procedures. Some people in the cemetery, but still registered, were thought to have cast ballots. Registration may not have played much of a part in the doubts about the election of 1960 in Chicago. But taken all together, the scandals and near-scandals suggest that voting procedures must have at least a minimum of regulation to guarantee fairness.

Registration by postcard can be abused. Counterfeit cards can be made even more easily than counterfeit money. If the registration official is in cahoots with the counterfeiter, it would be easy for the crook to vote in two or more precincts, two or more counties or, along the border, in two or more states. In the light of past history, who can be sure this won't happen?

A philosophical objection also can be entered. It is no longer necessary to be literate or 21 to vote; residence requirements have been markedly reduced. Is it too much to ask that a citizen be interested enough in his government to go to a registration office and make out a simple form?

Improvements can be made in registration procedures in Virginia, at least. More registrars in more places during more hours, especially night hours, would make registration less burdensome. These reforms can be made without the risks of registration by postcards The Senate has passed the bill. The House should look at the bill more critically and kill it.

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## IN THE NAME OF PROFITS

(Mr. PODELL asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

Mr. PODELL. Mr. Speaker, it was recently announced by the administration that this country would be selling between 24 and 30 F-4 Phantom jet bombers to Saudi Arabia.

As we all know, these are the planes which we have traditionally been supplying to Israel. In recent years, the Israeli Government has repeatedly been threatened with an end to the delivery of Phantoms, or delivery in numbers far lower than had originally been agreed upon. Ostensibly, these proposals were put forth as a means of bringing about peace in the Middle East by cooling down the arms race. However, with the Soviet and French Governments continually selling greater and greater numbers of weapons to the Arab States, it would have been arrant foolishness for us to renege on our commitments to Israel.

A few weeks ago, it was revealed that Mirage fighter jets that France had sold to Libya were winding up at airbases in Egypt, poised for attack on Israel. The Israeli Ambassador informed the French Government that it had irrefutable proof of the transfer of planes from Libya to Egypt, even though the sales agreement stipulated that no such transfers were to take place.

The reason I mention this is because it is more than likely that, should the sale of Phantoms to Saudi Arabia go through, we will see a repeat of these transfers. The State Department has indicated that it will be a provision of our sales agreement with Saudi Arabia that these planes are not to be transferred. However, when asked what could be done if the agreement is violated in this respect, the silence from the administration is deafening.

The reason given for this sale is that Saudi Arabia's defenses need upgrading. I want to know, for what purpose? Is Saudi Arabia seriously threatened with attack from the outside? Is the security of Saudi Arabia and other Persian Gulf states that much in peril? Or is this merely an attempt to placate one of the world's greatest oil-producing nations, an effort to show that we are not unilaterally biased in Israel's favor.

This proposal by the administration is highly dangerous. It is a threat to Israeli security if the planes are transferred to Egypt or another Arab state bordering on Israel. It could lead to a serious escalation of the arms race in the Middle East. Once Saudi Arabia can buy jets from the United States, other Arab nations, even the tiny Persian Gulf sheikhdoms, will feel that they have legitimate "security" needs that justify the purchase of vast amounts of weapons, not only from the United States, but from the Soviet Union, France, and any other nation willing to turn a fast profit and insure its oil supply. The possibility for economic blackmail is rich and frightening.

It should be recalled, when the no-transfer agreement is mentioned, that American tanks given to Jordan with the proviso that they were not to be used across the Jordan River, were in fact deployed against Israel in the 1967 war. Both this incident, and the recent incident involving Libya and the French Mirages, leads me to believe that the no-transfer agreement would be more honored in the breach than the observance.

The shortsightedness of this administration when it comes to the Middle East is appalling. We have been fortunate in the last 2 years, that there have been no serious outbreaks of fighting between Israel and her Arab neighbors. This sale of Phantoms to Saudi Arabia will upset the tenuous balance of power that has been achieved at such a great cost, and may perhaps destroy any hopes of peace in the foreseeable future. I call upon the administration to abandon this ill-conceived plan immediately.

## AMERICA SHOULD HAVE ONE TERM OF 6 YEARS FOR THE PRESIDENT

(Mr. SIKES asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

Mr. SIKES. Mr. Speaker, the suggestion that Presidential terms be limited to one of 6 years has merit. It deserves more consideration than it has received.

It is generally accepted that a sitting President, concerned about his reelection, is less effective as a leader than a man who knows he need not be political in his actions. He spends too much of his first 4 years seeking to be reelected. It is only natural that his decisions be weighted at least in part with political considerations.

Recent revelations tend to support this hypothesis. Watergate would not have happened if some of those around the President had been more concerned with what was right than with what was politically expedient.

When the framers of our Constitution established the Presidency, there was no limitation as to the number of terms he could serve, but tradition dictated over the years that two 4-year terms would be the rule. It was only in this century that tradition was broken, and then by only one President, Franklin D. Roosevelt.

Congress later approved an amendment limiting Presidential service to no more than two terms, largely to avoid the establishment of a political machine which the people could not overturn at the ballot box. I believe that was a wise decision, but we must change with the times. The Founding Fathers were seeking an ideal situation. They had few precedents. We have the benefit of experience. Other nations have successfully tested the concept of one 6-year term. Mexico is a good example. Few governments in modern times have been as stable.

That the suggestion for one 6-year term has been endorsed by President Nixon is worthy of note. A constitutional amendment is required and this in itself is a slow process. It is time for a beginning. For the good of our political system and our Nation, this Congress should give prompt and thoughtful consideration to the President's recommendation.

## A REDUCED SALARY PAYS OFF

(Mr. VAN DEERLIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VAN DEERLIN. Mr. Speaker, the pay cut which Max Hernandez agreed to take nearly 5 years ago has paid off in rich dividends for the Spanish-speaking community of San Diego.

Mr. Hernandez consented to a reduced salary when he took over as first director of Operation SER in San Diego. SER was a then relatively unproven program which sought to prepare persons of Spanish heritage to compete for jobs in the often unfriendly U.S. market.

In 1968, Mr. Hernandez, who left a comfortable position in a labor organization, had one assistant in the fledgling SER effort. No one knew for sure whether the SER methods for overcoming old hostility and prejudice would even work. But Mr. Hernandez never had any doubt. He says today—

> From the start I was a little bit closer to the people than ever before.

The story of SER in San Diego has been typical of its success throughout the Southwest United States.

Some 1,200 persons have been enrolled in the San Diego program, and most of these have been placed in jobs. The staff has grown from 2 to 17, and the annual budget from $247,000 to $534,000.

This year alone, 306 enrollees will obtain breakthrough employment in my district, 100 of whom will also have benefited from a special ESL—English as a second language—program.

And the figures alone tell us nothing about individual cases, of success achieved over odds that initially, at least, were formidable. One young woman who graduated from the program only 3 months ago now runs her own restaurant in suburban Chula Vista. SER had given her the combination of skills—linguistic, financial, and perhaps even culinary—to put this endeavor together.

Fittingly, this week is "SER Week," recognizing what is now well established as the only national manpower delivery system staffed by bicultural and bilingual professionals. Proclamations of support are being issued in all of the 14 States where SER is located. Citizens, business groups, and elected officials will observe the week by hosting a variety of conferences and luncheons, all illuminating the contributions and achievements of this unique training system.

As the Representative of a border district, I am especially pleased to have this opportunity to offer my own tribute to this organization and the individuals serving it who have had such a positive impact in my home area.

## THE LATE CONGRESSMAN WILLIAM O. MILLS

The SPEAKER. Under a previous order of the House, the gentleman from Maryland (Mr. Gude) is recognized for 60 minutes.

Mr. GUDE. Mr. Speaker, Bill Mills was a warm, friendly, and likable man whose death is mourned by the many he helped and served. He had represented the large congressional district surrounding Maryland's Chesapeake Bay for just 2 years, but his constituents had come to rely on him as a man who was, as the Baltimore Sun recently noted, "attentive, reliable, and most important, totally representative of the traditional conservative qualities they espouse."

Born William Oswald Mills in Caroline County, he graduated from the Federalsburg High School in 1941 and soon afterward entered the Army, serving throughout World War II. He was awarded the Bronze Star for bravery after crossing the Rhine with General George S. Patton's 3d Army.

After the war, he was employed by the Chesapeake & Potomac Telephone Co., becoming commercial manager in 1950.

In 1962, then-Congressman Rogers C. B. Morton asked him to become his administrative assistant. Over the next 9 years, Bill served well and nonpolitically. He was a boy from a simple, small-town background, who had never been to college, but who worked hard and well. He and the imposing, sophisticated and outgoing Congressman made a great team.

Some were surprised when Bill set out to run for the congressional seat, which became vacant when Congressman Morton was named Secretary of the Interior in early 1971. Bill surprised them by not only running but winning, and winning again in this past election. But no one should have been surprised, because Bill stayed close to his constituents, driving home each day to his district, and making special efforts on his people's behalf.

There is a file in his office of thank you letters—letters written just before the news of his death. He never saw them. Most of the letters are handwritten and several are on simple, lined paper. A woman from Cambridge wrote:

> I want you to know how much I appreciate what you have done for me. Thank you for your concern, your help and the time that you spent on this matter.

A woman from Compton wrote thanking Bill for helping in a social security dispute. She said:

> We do need a man like you to try and do something for the old people.

Another letter:

> I wish to thank you very much for helping me to locate my passport and bringing it over from Washington personally.

Another:

> Your interest and help are very much appreciated. It is both comforting and reassuring to know that there is someone like yourself who can and is willing to actually do something for the people that he represents.

A letter from Salisbury thanked Bill for help in a food stamp problem. A letter from Edgewood thanked him for help with the Veterans' Administration and said:

> I thank you from the bottom of my heart.

And a letter from Bryans Road said:

> Thank you for your concern for the little people of your district.

These letters show the concern that Bill Mills had for his constituents and the pride they took in his work. For these and other reasons, Bill had a rewarding and very useful career still ahead of him.

His death thus grieves many. I particularly extend my sympathy and that of my family to Bill's wife, Norma, and their two children, Lynda Mills Haley and Bill, Jr., who have lost a loving and attentive husband and father, respectively, and to Bill's fine congressional staff.

Mr. Speaker, I yield to the gentleman from Baltimore County, our colleague, Mr. Long.

Mr. LONG of Maryland. Mr. Speaker, I thank the gentleman from Maryland for yielding to me.

Bill Mills was a gracious gentleman and a hard-working Congressman. He loved the Eastern Shore of Maryland and worked hard to represent its people. He had acquired just at the start of the 93d Congress one of the counties of my old district—Harford County—so I had ample opportunity to hear from friends in that area about his work. I heard nothing but praise for his dedication to the job and his interest in the people.

Bill Mills had been an able administrative assistant to Rogers Morton, our former colleague, who went on to become the Secretary of the Interior.

As a Congressman he again demonstrated his willingness to work for his constituents. He was genial, amiable and sensitive. His people knew that Bill cared about them.

I shall miss Bill Mills. Mrs. Long and I have extended to the family our deepest sympathy and regret.

In closing, Mr. Speaker, I ask unanimous consent to insert in the Record excerpts from editorials about Bill Mills in the Baltimore Evening Sun and News-American. They speak of Bill Mills' dedication to and friendship with the people for whom he stood in the 92d and 93d Congresses.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The material referred to follows:

> [From the News American, May 25, 1973]
>
> Representative William O. Mills
>
> The death of Rep. William O. Mills, R-Md., is a tragedy for his family, his friends, and for the residents of the First Congressional District where he was twice elected to office by substantial margins.
>
> Mr. Mills, 48, was a protege of Secretary of the Interior Rogers C. B. Morton, and gained Capitol Hill experience as Mr. Morton's top aide during the latter's years as the congressman from the Eastern Shore. When Mr. Morton resigned to become a Cabinet officer, Mr. Mills won a special election to fill the vacancy and was re-elected last fall.
>
> During his time in office, Mr. Mills became a faithful supporter of the policies of President Nixon, departing from the White House position only on a handful of issues where a contrary vote was dictated by the inetrests of the First District.
>
> He was known to his colleagues as a hard-working congressman who put a high priority on maintaining offices in his home district and answering requests of constituents.
>
> Tragedy struck the office of Rep. Mills once before. Three key members of his staff were killed last year in an automobile accident on the Eastern Shore. . . .
>
> It is a fact that a promising political career has been cut short and a man liked and respected on the Eastern Shore and in Maryland is gone. We extend our deep sympathies to his family.

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> [From the Baltimore Evening Sun, May 25, 1973]
>
> His Bay country constituents, too, will realize that in Bill Mills they had one of their own. Unlike his mentor and immediate predecessor—the huge, bluff, charismatic Rogers Morton—Mr. Mills was small, unassuming, a painstakingly conscientious doer of Washington chores. He functioned less as a grand political leader than as a public servant, a man who knew his own limits and preferred to serve his great, sprawling district by staying within it and within himself. A hotel man in Ocean City, an oysterman in Dorchester, a tobacco grower in St. Marys—these were Bill Mills's people. He liked to hunt and fish with them, afterward to tell jokes down at the Elks. He wasn't so sure about Fourth-of-July type speechmaking, and neither are the rural skeptics he walked with. What he was sure about was his deep attachment to the flat, water-deckled region for which he stood in Congress and for which, most nights, he put Washington behind him and turned his car happily eastward for the long drive to the bridge and home. That was where he belonged, and his strength was that he knew it.

Mr. GUDE. Mr. Speaker, I yield to the gentlewoman from Anne Arundel County.

Mrs. HOLT. Mr. Speaker, I thank my colleague.

Mr. Speaker, I rise today to pay tribute to our departed colleague, William O. Mills.

Bill Mills was an Eastern Shore man motivated by a driving desire to represent the interests of his constituents and prove himself worthy of their trust. It was to this end that he dedicated his considerable energies and talents. The effects of his leadership and dedication are evident in his many accomplishments for the First District of Maryland.

None of us can comprehend the effect on Bill of the tragic loss of his three staff members last year. This tragedy was ever with him, the burden constantly pressing on him. My heart today is doubly heavy because I could not comfort my friend during his time of need, because I could not find words to make his burden more bearable.

Bill Mills was above all an honorable man. The House has lost an honest, dedicated Representative. The First District has lost a good Representative. We have all lost a dear friend.

Mr. DINGELL. Mr. Speaker, will the gentleman from Maryland yield?

Mr. GUDE. I yield to the gentleman from Michigan.

Mr. DINGELL. I thank the gentleman from Maryland for yielding to me.

I express my compliments to the gentleman for the service he is providing to the House today. I join him in expressing to the family of our former colleague, our good friend Bill Mills, my personal condolence, as chairman of the subcommittee on which he served, which met just a few hours before the unfortunate event transpired.

He was an effective, courageous, dedicated and decent man, a valuable member of the subcommittee who represented his constituents faithfully, honorably, and well. It was only a matter of a few hours before the unfortunate event took place, which took Bill Mills from us, that he was working with the subcommittee, involved in matters of fisheries and wildlife conservation and water management, all of great concern to him and to the people he served. He appeared, I might say, downcast and sorrowful, prior to the unfortunate event which subsequently took him from us.

He was at all times a gentle man and in all matters thoroughly considerate as a Representative of the people of his district and the United States, a valuable member of the subcommittee and a valuable Member of this body. I personally am sorrowful over the loss of the gentleman from Maryland.

Mr. GUDE. I thank the gentleman from Michigan for his comments.

Mr. Speaker, I yield to the gentleman from Baltimore City (Mr. Sarbanes).

Mr. SARBANES. I thank the gentleman for yielding so that I might join in this tribute to our distinguished colleague and good friend Bill Mills.

Mr. Speaker, Bill Mills was elected to his seat as Representative from Maryland's First Congressional District in the special election held on May 25, 1971, almost 2 years to the day before his tragic death. He was subsequently reelected last year to a full term in the 93d Congress. His tenure as a Member of Congress was only a part of his long and distinguished service on Capitol Hill. For nearly a decade prior to his election he served as administrative assistant to Congressman Rogers Morton, who was then Congressman from the First District.

The First District in Maryland encompasses the Eastern Shore, which all Marylanders recognize as a distinctive and special part of our State. Despite his long career in Washington, Bill Mills' deepest ties were always to the shore. He was born and raised there. Except for the World War II period, when he served as a soldier in General Patton's 3d Army and was awarded a Bronze Star for bravery, he lived all his life there. He shared the spirit of the Eastern Shore and understood its concerns. His years in Washington never weakened his strong identification with the people he represented and the communities he knew so well. For more than 10 years he commuted daily from his home in Easton to his work on Capitol Hill. He devoted his energies in Washington above all to solving the varied problems of his constituents and they never forgot his concern.

Bill Mills' death was made more tragic by its circumstances. He was a devoted family man, and a thoughtful person of good nature and deep sensitivity. His loss will be deeply felt by his constituents and by his colleagues. He will be greatly missed in the Maryland delegation and in the House of Representatives.

I join with my colleagues in extending heartfelt sympathies to his wife, Norma Lea, his two children, Lynda and Bill, Jr., and to the other members of his family.

Mr. GUDE. Mr. Speaker, I thank the gentleman for his fine comments.

Mr. Speaker, I yield to the gentleman from Baltimore City (Mr. Mitchell).

Mr. MITCHELL of Maryland. Mr. Speaker, I thank the gentleman for yielding to me.

I suppose Bill Mills and I represented the exact opposite ends of the political spectrum, and we probably represented the exact opposite ends of our ideological positions. Therefore, someone might ask, "If this is true, how do you have the nerve to stand in this well and eulogize this man?"

Mr. Speaker, the answer is very simple. Despite political and ideological differences, I have to admire him because of the industry that he brought to his job, the industriousness that he gave to his work. I have to admire him because he represented a district that had a particular political and ideological stance and he never deviated from the thoughts and wishes of his district. Therefore, I have to admire him.

I first knew him when he was the administrative assistant to then Congressman Morton, and I was a civil servant of the State and then a civil servant of the city. I remember so well that when I could not get to Congressman Morton, I could get to Bill Mills, and I remember so well the meticulous attention to detail that he gave to the problems that we brought to him.

How can one not help but admire a man who had those capabilities?

Mr. Speaker, I remember him so well at our Maryland delegation luncheons. He was always affable, always pleasant, always attentive, always willing to contribute and always willing to listen. Surely one must admire a man like that.

Mr. Speaker, there have been various citizens' groups that came to Washington from Maryland, some of them lobbying for programs and ideas that Bill did not necessarily support, but he came and listened. Therefore, we have to admire him. Of course, we shall miss him. Of course, he did an excellent job representing his district.

Of course, out of a sense of very deep-felt sorrow I extend my sincere condolences to his wife and the members of his family.

Thank you very much for yielding to me.

Mr. GUDE. I thank the gentleman.

Mr. Speaker, I now yield to the gentleman from the Sixth District of Maryland (Mr. Byron).

Mr. BYRON. Mr. Speaker, all of us were shocked by the passing of Congressman William O. Mills from Maryland's First Congressional District. He was a man both jovial and serious who took his duties and responsibilities as an elected official with the utmost seriousness. His presence in this Chamber and in the Maryland delegation will be missed, and I know that his concern and interest in his constituents will be missed by those he represented so ably for almost 2 years.

Bill Mills came to politics late in his life, but it was obvious to everyone that he enjoyed the political process and that he took great pride in his elected office. His business background had prepared him well for his public service. As an officer with the telephone company on the Eastern Shore, he had spent most of his life working with and for people; and he knew the value and importance of service. Long before he came to Washington he was a respected figure on the Eastern Shore beyond Easton and Talbot County. Those who knew him as a business man and an aid on the Hill and later as a Congressman could detect no change in his outlook of dedication and service. The interests of his constituents was primary in his mind. Their views, their welfare, and their difficulties he took a direct interest in on a daily basis. He worked long and diligently to represent those citizens who elected him, and his passing is a personal loss to this body, his constituency, but above all his family and friends in Easton. It was an honor to have known Bill Mills and to have worked closely with him for this short period.

Mr. GUDE. I thank the gentleman, and I now yield to the gentleman from New York (Mr. McEwen).

Mr. McEWEN. I thank the gentleman from Maryland for yielding to me.

Mr. Speaker, it was my great privilege and pleasure for all too brief a time, as with the rest of us, to know and serve here with Bill Mills.

Bill was a person who certainly, as has been said, took the responsibilities and work of his office seriously but never took Bill Mills too seriously. He had a wonderful sense of humor, always friendly, warm, and outgoing whenever you met him here in the Chamber or elsewhere.

I had the rare privilege of also knowing Bill Mills away from this Chamber. I visited Bill and his family on the Eastern Shore of Maryland. He was as much a part of the indigenous to that area as I would like to think all of us might be to the parts of America we come from. I was with him in his home community in Easton.

I remember well one day going into a very modest diner to get something to eat there, and you know, Mr. Speaker, how it is here where we come in in the morning and the garage attendant or the elevator attendant says, "Good morning, Congressman." Well, there it was "Good morning, Bill," "How are you, Bill," and "Good to see you, Bill." You realized it was truly a man who was a part of his district and the people and who knew them so well and they knew him so well. You could feel the warmth and affection and confidence they had in their Representative.

Then may I say I had the privilege of being in the field and hunting with this man and sharing with him the duckblind. In those circumstances, Mr. Speaker, you get acquainted with a man and find out truly what his values and feelings and concerns are.

May I say probably no Member of this Chamber will be longer reminded of Bill Mills than shall I because of a very simple little statement I happened to make and how seriously he took it and responded to it.

I said to him one time when we were hunting how much I admired one of our native American dogs, the greatest of the rugged retrievers, the Chesapeake Bay retriever. It was a very casual comment that I happened to make while we were sharing a duckblind, but it was more than that to Bill Mills, because unbeknownst to me at the time that set in motion a series of events where he went to considerable effort to locate for me and arrange for me to go with him to the Eastern Shore of Maryland where I got a little Chesapeake puppy that now is on the shores of the river St. Lawrence in the far northern part of our country.

I remembered flying down with Bill. I said:

> Bill, you are about to get the dog for me that you have arranged for me, and I do not even have a name for the dog.

And as we were looking down through the windows of the plane while we were flying down there, and I was looking at all the beautiful Tidewater country that spread below me, I continued, and I said:

> I think maybe I have a name for the dog. I know that the dog has to bear the name of the kennel, which is the Burning Tree Kennel. I think we will call her Tidewater of Burning Tree.

I felt very deeply and personally the loss of my friend Bill Mills. I tried to dismiss my feelings of sorrow over his death as I returned to the far northern part of the State of New York where my home is. I thought I was getting over my grief. Then as I came into my home you know, of course, who ran out to greet me—no one but Tidewater of Burning Tree—we call her "Tidy"—a beautiful red Chesapeake Bay retriever. Every time I return home each week now I am reminded by her presence of the wonderful friendship, thoughtfulness and kindness of this man to a colleague such as myself who happened to mention that he liked a certain breed of dog, and who went to the trouble to find out whether or not he could get a fine specimen of a Chesapeake Bay retriever for me.

To Bill's widow, Norma, and to his son and daughter, I extend my deepest sympathies on the very real loss they have suffered. To the people of the First District of Maryland who truly lost a Representative who was so much a part of that district, who knew them, loved them, and knew their problems—and as the gentleman from Maryland (Mr. Gude) quoted from the letters from those constituents which showed the interest that Bill Mills took in their personal problems and their concerns—they too have suffered a real loss. I want his widow, Norma, and his constituents to know that someone from the far reaches of the northern part of New York shares with them a real sorrow in Bill Mills' death.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. GUDE. I yield to our distinguished Speaker, the gentleman from Oklahoma (Mr. Albert).

Mr. ALBERT. Mr. Speaker, I want to join my colleagues from Maryland and other colleagues in paying a last word of tribute to our late colleague, Bill Mills.

I think it is appropriate to say that, from the Speaker's Chair, almost every day during the time Bill Mills was a Member of this House I saw him in the Chamber in one of the front rows as the Chaplain offered his opening prayer.

Bill Mills was, I believe, one of the most attentive Members in the House. I saw him here nearly all of the time. He was present not just for rollcalls. but throughout the daily sessions of the House. He was always friendly and he was always pleasant. The tragedy of his death shook me deeply, as I am sure it has shaken every Member of this Chamber. While other Members knew him better than I, I came to know him well enough to realize that he was a real gentleman, a man with concerns and interests not only in his own family and his constituency, but in everyone with whom he came in contact.

He was a fine man and I shall miss his presence here as long as I remain in this Chamber.

I extend to his widow and children my deepest sympathy.

Mr. COLLIER. Mr. Speaker, will the gentleman yield?

Mr. GUDE. I yield to the gentleman from Illinois (Mr. Collier).

Mr. COLLIER. Mr. Speaker, I thank the gentleman for yielding to me.

There certainly is little that can be added to the beautiful tributes that have been paid to Bill Mills by his colleagues here today. So I would only say that. recognizing all the qualities that have been referred to by my colleagues in their previous remarks, there was one that perhaps has not been mentioned, and that was the deep sense of real humility that Bill Mills possessed. I considered the acquaintance that I had with Bill on a social basis something that I shall long remember because, indeed, he was in every sense a fine man.

Mr. GUDE. I thank the gentleman from Illinois.

I yield to the gentleman from Delaware.

Mr. du PONT. Mr. Speaker, I thank the gentleman for yielding so that I might take a moment to pay my respects to and say a final word about our colleague, Bill Mills. His death to me was a very sad and tragic thing.

Bill and I served together on the Committee on Merchant Marine and Fisheries. We also had districts that were adjacent to one another, and a great many problems were common to our districts. We worked closely together on many of those problems, and I came to know him as a man deeply concerned and dedicated. I think he had but one goal in life. It was a very simple one. It was to serve his constituency and his country to the very best of his ability. I am proud to say that he did that.

I knew him as a man of utmost honor and integrity, and he was a faithful and loyal friend.

The people of the Eastern Shore have lost a very fine Congressman; Delaware has lost a friend; and the United States has lost a good man.

I think the gentleman from Maryland for yielding.

Mr. GUDE. I thank the gentleman from Delaware.

I yield to the gentleman from Georgia (Mr. Flynt).

Mr. FLYNT. Mr. Speaker, I join in tribute to our departed colleague, the Honorable William Mills, the late Representative of Maryland.

Bill Mills endeared himself to all of us who were privileged to serve with him. He was a great Representative of his district, the First District of Maryland, and, indeed, the State of Maryland.

I certainly wish to associate myself with the remarks of the gentleman from Maryland (Mr. Gude), with the Speaker of the House, and with others who have preceded me in paying tribute to this fine man and friend. He was a great Representative of his State. He was a great American. We were shocked, indeed, by the news of his untimely death. It was a tragedy which brings close to all of us the atmosphere and the times in which we find ourselves.

Mrs. Flynt and I want to extend our heartfelt sympathy and our condolences to Mrs. Mills and to their children.

I thank the gentleman for yielding.

Mr. GUDE. I thank the gentleman from Georgia.

I yield to the gentleman from Minnesota.

Mr. FRENZEL. I thank the gentleman from Maryland for yielding, and I thank him for making the arrangements for today's program.

Mr. Speaker, it is with great sadness that I rise today to reflect on the passing of Congressman Bill Mills and to acknowledge my personal feeling that Bill was one of the really fine Members of this body with whom I served.

It is hard not to know pretty well the Members of one's own class in Congress, especially when they are of the same political persuasion. It is also very difficult not to form personal judgments in those associations, especially when those associations are close and warm, as mine were with Bill.

From the daily contact that I had with Bill Mills, I can only conclude that it was a privilege and a great good fortune to me to serve with such a Congressman and such a fine human being. I respected his judgment, and I valued his friendship.

I miss Bill Mills, and I find the Congress poorer for his absence.

I offer my sincerest sympathy to his family and my best wishes for their future happiness.

Mr. GUDE. I thank the gentleman from Minnesota for his comments.

Mr. Speaker, I yield to the gentleman from Massachusetts (Mr. Burke).

Mr. BURKE of Massachusetts. Mr. Speaker, I thank my colleague, the gentleman from Maryland, for yielding.

I wish to join with my other colleagues in the House in expressing my deep sorrow at the passing of William Mills. I have known Bill in passing each other in the corridor here. It was a deep shock to all of us to hear of his tragic passing. I have listened to the statements made by many of the employees around the Capitol about how sorrowful they felt on learning of his passing.

Bill Mills was a dedicated public servant. He was a hard worker and, as the Speaker has pointed out, very attentive to his duties. He had a fine war record, serving with the famed 3d Army Division under General Patton, and he served his nation well and his beloved country, representing his Eastern Shore district. He loved his work here in the Capitol. I knew him first when he was working as the administrative assistant for former Congressman Rogers Morton. Bill carried on his work there very well.

We are all going to miss Bill Mills because he was a kindly man and a good family man. I hope in this hour of sorrow his widow and his children will get some comfort out of our prayers and our sympathy.

Mr. GUDE. Mr. Speaker, I thank the gentleman from Massachusetts for his comments.

I yield to the gentleman from Hawaii (Mr. Matsunaga).

Mr. MATSUNAGA. Mr. Speaker, I wish to join with my colleagues in expressing my deepest sympathy to the family of the late Honorable Mr. Bill Mills. Although my acquaintance with him was rather brief I truly enjoyed his friendship, one of cheerfulness, and one which made me feel that my friendship was really appreciated.

I think if an epitaph can be written in one sentence about our friend, it is this:

That unto the very end he lived an honorable life.

Mr. Speaker, I thank the gentleman for yielding.

Mr. GUDE. Mr. Speaker, I thank the gentleman from Hawaii for his fine contribution.

I yield to the gentleman from New Jersey (Mr. Hunt).

Mr. HUNT. Mr. Speaker, I thank my colleague, the gentleman from Maryland, for yielding.

I cannot help but note the air of sadness in the Chamber this evening insofar as the eulogies for Bill Mills are concerned. It seems so sad we have to wait until a time such as this to suddenly realize the loss we have all suffered. I have known Bill Mills for a number of years, long before I came to this Chamber. Bill Mills, although he was a gentleman from the Eastern Shore, was a rare combination of sportsman and family man and businessman and a courageous individual. I enjoyed my acquaintanceship with him over the years.

Rogers Morton and his administrative aide used to talk to me and then when he came to the House, Mr. Mills made a contribution most rare in these days because he was knowledgeable. He very rarely exercised any animosity for anyone as an individual.

The thing that really disturbs me is the underlying reason for our loss of Bill Mills. It would seem ironic that this situation should develop for a man like Bill Mills in the prime of life and a very capable leader, one who has been known to all of his colleagues as a man of integrity and outstanding courage, a churchman and a family man.

So I find myself tonight with the gentlemen who are here expressing this one thing: Our sorrow for his family. I extend to Mrs. Mills and the family my sincere condolences.

Mr. GUDE. I thank the gentleman from New Jersey.

Mr. Speaker, one of the officers of the House, Jimmie Lea, is a longtime friend and associate of Mr. Mills. I know he shares in the thoughts that have been expressed by so many of our colleagues here on the floor of the House.

Mr. BROYHILL of North Carolina. Mr. Speaker, it was with deepest regret that I learned of the recent death of our colleague from Maryland, Bill Mills. He was a most pleasant and likeable person who, in his few years as a Congressman impressed his colleagues with his hard work and his dedication to serving his constituents.

Bill Mills was proud of representing the State of Maryland and the Eastern Shore, and I know that those he served so well are saddened by his loss.

He will be missed as well by all of us who knew and worked with him in the House of Representatives.

Mr. MAZZOLI. Mr. Speaker, we gather here today to pay tribute to the memory of our late colleague, William O. Mills of Maryland.

I did not have the privilege of a long and personal friendship with Bill Mills And yet, I knew him to be personable, thoughtful, courteous and a dedicated legislator.

His tragic death has taken from our ranks a man who, in his brief period of service, left his mark on this body.

He will be sorely missed by his colleagues with whom he worked, his constituents whom he served, and his family whom he loved.

Mr. CONTE. Mr. Speaker, it is with a sense of deep sadness that I join with my colleagues today in paying tribute to the memory of the late Congressman William O. Mills. Word of Bill Mills' tragic death just days ago stunned this Chamber. His absence diminishes this body as his presence distinguished it.

Bill Mills served his country with diligence, first as a congressional staff member, and later, as a forceful and conscientious Congressman.

I know the loss of Bill Mills is felt acutely by all present and most particularly by his First District of Maryland constituents. The sum of his contributions to their well-being will continue to be tallied for a long time to come.

At this time, I would like to offer my heartfelt condolences to Mrs. Mills and the Mills children on the death of this good man and dedicated public servant.

Mr. MIZELL. Mr. Speaker, I join with all of my colleagues in expressing the deepest sorrow at the passing of our good friend and colleague, William Mills.

Bill Mills was a man who knew the work of the Congress as well as any freshman Member has ever known it. Working for years as administrative assistant to our former colleague, and now the distinguished Secretary of the Interior, Rogers Morton, Bill Mills grew to love the Congress and its work enough to seek a place in its membership himself.

His constituents in the First District of Maryland appreciated that loyalty and that ability enough to elect him as their representative, and the wisdom of their selection was proven time and again through his service in this body.

We have lost a good friend and an able servant of the people, and our body is diminished by his absence from us.

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, I join my colleagues in their sorrow over the recent untimely death of our friend and fellow representative, William Mills of Maryland.

Bill came to Congress just 2 years ago and in that short time he established a reputation as a truly concerned and diligent representative of the people of Maryland's First District.

His service on the Committee on the Merchant Marine and Fisheries and the Post Office and Civil Service was nothing less than distinguished and all of us benefited from his presence here on the floor.

I would like to offer my condolences to his wife, Norma, and two children, William, Jr., and Lynda, along with the hope that God will sustain them in their time of need.

Mr. RHODES. Mr. Speaker, it was with a sense of real shock and sadness that I learned of the death of my colleague, The Honorable William O. Mills. Bill was a person of highest integrity, who served his district, his State, and his Nation with dedication and honor. We who knew him well in our association in the House recognized him as a fine person, who was richly deserving of the esteem and unreserved respect he enjoyed.

Mr. Speaker, in the passing of William Mills, we have all suffered the loss of an outstanding public servant, and I have lost a true friend. I join my colleagues and Americans everywhere in mourning that loss, and in extending my sincere and heartfelt sympathy to his family in their bereavement.

Mr. DOMINICK V. DANIELS. Mr. Speaker, I rise to pay tribute in this body to our late and beloved colleague, William O. Mills of Maryland's First District.

Mr. Speaker, I served with Bill Mills on the House Post Office and Civil Service Committee. I knew him as a quiet, sincere and totally dedicated Member who chose to let his actions not his words speak for him. A Hill staff member before he was elected to Congress on May 25, 1971, to succeed Rogers C. B. Morton, Bill had been Secretary Morton's administrative assistant all during the latter's service in the House.

At 48 years of age representing a relatively safe district all of us, I am sure, would have thought that Bill would have continued to represent his bay country district for many more years to come. But the ways of divine providence are often inscrutable to mere mortals, and Bill has gone back to the Eastern Shore he loved so well. It is my hope that he will sleep the sleep of the just and find the peace that he lacked during his last days among us. I know that I shall miss him very much, his basic goodness, his quiet sense of humor and his total dedication to his country.

Mrs. Daniels joins with me in expressing our deepest sympathy to Mrs. Mills and Bill's children in their time of sorrow.

Mr. PRICE of Texas. Mr. Speaker, we were all deeply saddened by the news of the untimely passing of our friend and colleague from Maryland, Bill Mills.

Bill was the kind of man who did not spend much time talking; he just got the job done. He did not believe in fanfare or in capturing headlines. His main goal was to be an effective representative and voice in the Congress for the people of Maryland's Eastern Shore, his good friends and neighbors to whom he returned home at the end of each day. He did his job well and in so doing earned the respect and admiration of those of us privileged to work with him.

The passing of Bill Mills must be regarded as a loss to all of us who believe as he did in constitutionally sound government. Particularly at this time I offer to Mrs. Mills and family my sincere condolences and prayers that they might be comforted at this most difficult time.

Mr. ARENDS. Mr. Speaker, we pause today to pay tribute to Bill Mills—a man who, in only a short tenure in the Congress, showed so much promise and potential to be a fine public servant.

Bill came to the Congress with the added experience of having served in a staff position with one of our truly outstanding former Members and now Secretary of the Interior, Rogers C. B. Morton. For that reason, Bill already knew the ropes and he sensed the weight of responsibility involved with service in the Congress. These added to his stature and his effectiveness.

Bill Mills was genteel. He was quiet. He was unassuming. He tended to business. He truly worked at his job. He served the residents of his district so ably and so well.

All of us who knew him feel that we have lost a good friend and a respected colleague. I was very proud to call him a friend. The Congress misses Bill Mills.

We extend our warmest wishes to his wife and family.

Mr. WAGGONNER. Mr. Speaker, with the feeling of sadness that accompanies the loss of a friend and colleague, I join in paying tribute to the life and memory of the late William O. Mills.

When I came to Congress in 1961, Bill was serving as Rogers C. B. Morton's administrative assistant; and I remember well the outstanding job he was doing then. With this knowledge of his past record and experience, I was pleased that the people of Maryland's First District chose to elect him to serve in the 92d Congress when Rogers Morton chose to resign. Bill's contributions during his tenure of office here in the House were significant, and he served diligently and well on both the Merchant Marine and Fisheries Committee and the Post Office and Civil Service Committee. It was an honor for me to serve along with him in the 92d Congress and during these first months of the 93d Congress.

Words alone cannot express my feelings in regard to the tragic loss of our distinguished colleague. He will be truly missed by those of us who knew him well. I extend my deepest sympathy to Bill's entire family in this time of sorrow.

Mr. SPENCE. Mr. Speaker, I certainly share the feelings of esteem and high regard which others have expressed today for our former colleague, Bill Mills, and I am grateful for this opportunity to pay my respects to his memory.

We often talked together here on the floor or in walking back and forth between our offices in the Cannon Building. I am sure that everyone found Bill as warm and friendly as I did for this was the true nature of the man. Also, earlier this year, I was privileged to attend the Interparliamentary Union Conference with him and his lovely wife, Norma, and this provided an opportunity to enlarge upon and extend our friendship.

We will miss Bill Mills. We will miss his warmth—his winning smile. We will miss his concern for others. My deepest sympathies go to his family. They have lost a loving husband and father and we in the House have lost a dear friend and dedicated public servant.

Mr. MILLS of Arkansas. Mr. Speaker, we were all deeply saddened and sorrowful at the recent death of our colleague and friend, William O. Mills of the First District of Maryland.

Bill Mills' distinguished service to his district, to Maryland, and to the Nation goes far back beyond his initial election to Congress in the special election on May 25, 1971. Previous to that time, from 1962 to 1971, he had been a very efficient administrative assistant to Congressman Rogers C. B. Morton, whom he succeeded in the House of Representatives. We shall all remember Bill Mills as one of the hardest working Members of this body and one who served his constituency effectively and with great dedication.

We all mourn Bill Mills' passing and our heartfelt sympathies continue to go out to his family and loved ones.

Mr. CAMP. Mr. Speaker, I join my colleagues with great sadness in paying tribute to the Honorable William O. Mills, Congressman from the First District of Maryland. It is indeed unfortunate that this able man served for such a brief time in this Chamber, but even so he made his mark as a talented legislator, a good friend and a kind man.

Bill Mills served the people of America and Maryland long before his election to Congress in 1971 as administrative assistant to then Representative Rogers C. B. Morton. All of us can testify to the importance of this position to the smooth and effective operation of every Member's office, and I feel we were fortunate to have Bill with us in that capacity since 1962.

We will all miss Bill and I offer my sincerest condolences and sympathy to his fine wife and children.

Mr. CEDERBERG. Mr. Speaker, the passing of Bill Mills is a genuine loss to the Congress and the people of the State of Maryland. As a freshman Member of this body, Bill Mills worked conscientiously and with great effect to serve both his constituents and the country. His dedication to the people he served and to excellence in the performance of his legislative tasks marked him as a public servant in the finest traditions of this body.

Having gained a unique insight into the workings of the Congress while serving on the staff of his distinguished predecessor, the Secretary of the Interior, Rogers Morton, Bill Mills came to the Congress prepared to make a genuine contribution and possessing a knowledge of the Congress which would assist him in that effort. In the short time that he served he made his mark with his colleagues on the various committees and with his fellow Members. He will certainly be remembered for the fairness and good humor which he injected into our legislative life. I know that we here in the Congress, as well as the people of Maryland will miss Bill Mills' dedicated service. The country will be deprived of the services of a fine public servant who always kept the best interests of the Nation in mind as he carried out his legislative tasks.

To his wife, Norma, and his children, Lynda and Bill, Jr., Mrs. Cederberg and I extend our deepest sympathy.

Mr. COUGHLIN. Mr. Speaker, I wish to join in expressing my sorrow over the death of Bill Mills, our beloved colleague from Maryland.

Although Bill Mills' service as a Representative was all too short, his spirit and ideals had long been felt in the Halls of Congress during his 10 years as administrative assistant to Rogers C. B. Morton. Both then, and in the past 2 years as Congressman from Maryland's First District, Bill Mills displayed untiring efforts in behalf of others, as well as true dedication to the welfare of America.

I know that I express the sentiments of all my colleagues when I say that Bill Mills will be sadly missed. I hope that the high affection and esteem in which we held him will provide some small measure of comfort to his wife and children, to whom I extend my most sincere condolences.

Mr. HENDERSON. Mr. Speaker, I have suffered a personal loss in the death of our colleague, Bill Mills.

For many years when he was administrative assistant to Rogers Morton, his office was just across the hall from mine; and representing a coastal North Carolina district as I did, I found many common interests with Maryland's First District.

Like Bill, I served in a staff capacity before my election to Congress and later succeeded the retiring member for whom I had worked.

Bill was assigned to the House Post Office and Civil Service Committee and on the Manpower and Civil Service Subcommittee which I have the honor to chair.

Although he was a member of the minority party, Bill and I enjoyed an unusually close relationship and he often sought my advice on matters related to our committee.

In all of my relationships with him, he conducted himself with unfailing courtesy, fairness, warmth, and integrity.

It was my sad duty to attend his funeral as a member of the official congressional delegation and to join there his family and hundreds of friends in paying our last respects.

Bill Mills served his district, his State, and his Nation well. The House of Representatives will be the poorer for his loss.

Mr. GOLDWATER. Mr. Speaker, every Member of the House has suffered a personal loss in the untimely passing of our dear friend, Bill Mills. As a dedicated and loyal staff member to former Congressman, and now Secretary of the Interior, Rogers Morton, and for the past 2 years as a Member of this body, Bill Mills earned the respect and admiration of everyone who was privileged to know him.

Bill was truly a constituent Congressman without peer. He traveled back and forth to his congressional district—the great Eastern Shore of Maryland—on a daily basis. He loved politics, because he loved people. His constituents sensed this, and they knew that Bill was always available to help them. The residents of the First District of Maryland have lost a great public servant.

Bill was a serious student of government. Yet, he always had time during a particularly long legislative day on the Floor to cheer up his colleagues with a word of encouragement or one of his wonderful anectodes. He understood issues, and it always amazed me how well he retained the details of complex legislation.

Mr. Speaker, each of us who knew Bill Mills will savor the fond memories of our association. One such memory for me personally happened just 2 months ago. Bill asked me to go over to the Eastern Shore and make a speech to the Republican Club of Dorchester County. I accepted, and we had a wonderful time. The speech was in Cambridge, so I decided to drive over. It was early spring, and driving through the beautiful farm country of Maryland, I think I understood why Bill loved his area and its great people. I'm not sure if my speech was a success, but there was no doubt in my mind after the meeting that I was in "Bill Mills Country." I will certainly never forget the warm hospitality that I received from Bill and his constituents during the visit.

Mr. Speaker, I have lost a colleague and a friend in the death of Bill Mills. This House has lost a great Member who was just beginning to make a significant and lasting impact on the Congress. To his dear family I extend my profound sorrow.

Mr. HOGAN. Mr. Speaker, today we pause to honor William D. Mills, my good friend and colleague. It was only 9 days ago that news of Bill's untimely death stunned and shocked every Member of the House of Representatives.

The death of Bill Mills is a tragedy not only for the House of Representatives, but for the State of Maryland and particularly for the First Congressional District that he represented ably and with complete dedication.

I first became acquainted with Bill during his years of service as administrative assistant to Rogers C. B. Morton who was then Congressman from the First District. When Rog Morton accepted the appointment as Secretary of the Interior in 1971, Bill successfully ran for the vacancy and immediately established himself as a competent, capable and dedicated Member of the House.

Last November Bill won one of the most convincing victories in the history of the First Congressional District. The residents of Maryland's Eastern Shore knew and respected Bill and he worked hard for their interests in Congress.

I served with Bill on the Post Office and Civil Service Committee and worked closely with him on Maryland problems. He was very much aware of the problems of his district and could always be counted on. He was scrupulously conscientious in the performance of his duties.

Bill Mills was always ready to serve his country. Soon after he graduated from Federalsburg High School in 1941, he entered the U.S. Army and served throughout World War II, distinguishing himself in service with George S. Patton's Third Army. After the crossing of the Rhine River by the Third Army, Bill received the Bronze Star for bravery.

He was always active in civic and fraternal organizations. Among the posts that he held were: President of the Easton Combined PTA; Talbot County chairman for the American Cancer Society; member of the Easton Memorial Hospital advisory board; president of the Easton Rotary Club; exalted ruler of B.P.O.E. 1622, Elks Club. He was a member of St. Mark's United Methodist Church in Easton.

To better understand what kind of a person Bill Mills was, let me relate to you a statement made by one of his longtime friends shortly after death:

> Bill Mills was the kind of a person, who, finding a dime on the pavement near a parking meter, would go up and down both sides of the block to locate the person who dropped it rather than put it in his pocket.

After assuming his duties in Congress, in addition to his service on the Post Office and Civil Service Committee, Bill was a member of the Merchant Marine and Fisheries Committee, a very important assignment for his district. Early last year, he was named to the Board of Visitors of the U.S. Naval Academy in Annapolis.

Bill was recognized by his colleagues as a devoted and thoughtful legislator, and he was very well liked in his quiet, friendly way. He never lost his down-to-earth character, he was an honest, hardworking Eastern Shoreman through and through and his constituents and his colleagues appreciated that.

Bill Mills was not only my colleague, but a close personal friend. I feel a deep sense of loss. I extend my sympathy to his wife Norma, his two children, Lynda and Bill, Jr., and all his friends.

Mr. YOUNG of Florida. Mr. Speaker, I join my colleagues in expressing my sense of deep personal loss at the untimely death of Bill Mills. I know the people of Maryland's Eastern Shore will feel his absence also, for Bill Mills was, first and foremost, a "man for the people," whose total dedication to their welfare was a byword.

As administrative assistant for 10 years to Congressman Rogers C. B. Morton, before that gentleman became Secretary of the Interior, Bill was totally familiar with all of the people, problems, and needs of the First District of Maryland. When he won the special election to fill the unexpired term of Secretary Morton, he immediately set up one of the most demanding schedules of any Member of this House in order to make himself totally accessible to the people of the district.

Bill put in long hours of hard work to fulfill his congressional and district responsibilities. No matter the legislative schedule or the weather, he drove back to the district every night so as to be available to see people and take part in all activities involving the welfare of his constituency.

I spent many hours talking with Bill Mills, and must say that he was one of the most sincere, honest, and loyal individuals to serve in the House. His personal modesty was such that he probably never realized how much he was loved and appreciated by his colleagues and constituents.

Bill's integrity and honesty was beyond question. It is an utter tragedy that implications drawn by the media from an event of which he had no personal knowledge would make him feel that this integrity was stained to such an extent that he felt he could no longer serve his people. Service was Bill's life, and when he felt he had lost that central core, there was no further reason for living.

I hope that Bill's family knows that we share their grief and dismay and that we will feel his loss as deeply. Bill was a good man, a true American, and his dedication to the people has created a love for him that will be his greatest single memorial.

Mr. HANLEY. Mr. Speaker, this is a very sad occasion for me, as I am sure it is for all our colleagues. Bill Mills was one of the finest men it has been my pleasure to know. Quiet, unassuming, and gracious, Bill was a hard worker who left the limelight to others.

Bill's tragic and untimely passing leaves a void here in the House that will be difficult to fill. During his many years here, both as an assistant to our former colleague, Rog Morton, and later as a Member himself, Bill made scores of friends. I was privileged to consider myself in that category. We served together on the Post Office and Civil Service Committee, and only last December, I was privileged to travel with him and his lovely wife, Norma, on an inspection trip to Germany for the committee.

Mr. Speaker, Rita and I join with all our colleagues in extending our deepest sympathies to Norma and to her two wonderful children, Linda and Bill, Jr., and in praying that they will have the strength to carry on despite their tremendous loss.

Mr. ERLENBORN. Mr. Speaker, I could express some thoughts about Bill Mills, and his competence in fulfilling his congressional office, both as the elected Representative of the people of the First Maryland District and as the administrative assistant to former Representative Rogers Morton.

His record in these respects has gotten much attention in the newspapers and in statements by his constituents.

Let me turn my attention to another facet of his character. I did not know him well as a Congressman, but I did know him as a fine fellow and a good companion. He was a cheerful outdoorsman; and I am happy to have enjoyed many hours with him on the Eastern Shore which he loved so much.

Many of us will miss Bill Mills.

Mr. EDWARDS of Alabama. Mr. Speaker, I rise to join my colleague, Gilbert Gude, in expressing my respect and regard for the late Congressman Bill Mills. During his 11 years on the Hill, both as an administrative assistant and later as a Member of Congress, Bill Mills impressed everyone with his hard work, his conscientious efforts, and his ability to get things done.

Bill Mills was awarded the Bronze Star after crossing the Rhine with General Patton's Third Army. He brought this same determination to the Congress, and it was evident in his dedication to helping his Maryland constituents.

Mr. Speaker, I join my colleagues in expressing my sympathy to Bill's family and his many friends. We will miss him here in the House of Representatives.

Mr. WHALEN. Mr. Speaker, I am pleased to join my good friend and distinguished colleague from Maryland (Mr. Gude) in pausing this afternoon to eulogize the late Honorable William O. Mills.

Although Bill was a Member of the House for only a short time, his congressional career spanned the decade prior to his election when he had the great fortune to work as administrative assistant to his predecessor, the present outstanding Secretary of the Interior, Rogers C. B. Morton. We shall remember for many years the good humor and dedication with which Bill rendered his services as a staff member and as a Congressman from the First District of Maryland.

Mrs. Whalen joins me in extending our sympathy to Mrs. Mills and her children. May Bill rest in peace.

Mr. QUIE. Mr. Speaker, the late Representative William O. Mills was one of the finest men it has been my privilege to know as a Member of this body.

Not only did I admire him as a man of principle and dedication to the ideals of this country, but also I came to have a great respect for his competency.

He was in fact an example of one of the highest accolades that any of us can hope to earn—a Congressman's Congressman.

To his widow and family, I extend my deepest sympathy. It is with great pleasure that I recall our time together at the annual Bill Mills trail ride last September which my son and I attended. The country has lost a great public servant who served the people of the First District of Maryland with diligence and distinction. We in the Congress have lost a respected colleague, and in my own case, a warm personal friend.

Mr. THONE. Mr. Speaker, it was sad news indeed to hear of the death of Bill Mills.

He was a man of courage and conviction. He was a quiet and sincere person who was well thought of by Members on both sides of the aisle.

We will miss Bill Mills, and we express our very best to Mrs. Mills and the family.

Mr. BINGHAM. Mr. Speaker, I wish to thank the gentleman from Maryland (Mr. Gude) for arranging this special order and wish to join in paying tribute to our late colleague William O. Mills.

Bill Mills and I were both delegates to the recent meeting of the Interparliamentary Union in Abidjan. The trip provided a welcome opportunity for my wife and myself to get acquainted with Bill and Norma Mills. We found them to be delightful and outgoing people and very much enjoyed the time we were able to spend with them.

The news of Bill Mills' sudden death, therefore, came as a tremendous shock. It is a tragedy that such a fine man and promising legislator should have his career cut short.

My wife and I extend to Norma Mills and her family our deepest sympathy in their grief.

Mr. KEMP. Mr. Speaker, the Gospel of John declares:

> All things were made through God and without Him was not anything made that was made. In Him was life and the life was the light of man. The light shines in the darkness, and the darkness has not overcome it.

Darkness cannot overcome light. Neither will the darkness in our lives caused by the passing of Bill Mills blot out the light of his life.

The untimely death of my friend and colleague, Bill Mills, gives pause for each of us to take account of the temporal nature of human life. Moreover, it allows each of us to express gratitude for eternal life and lets us reaffirm that those qualities of understanding, devotion, and wisdom with which Bill Mills was imbued will live on.

The spiritual ideals, of which Bill Mills' earthly existence was but a mortal manifestation, are those which each of us can not forget. Our bereavement, our grief, and our mourning is for the loss of human life. We need not mourn Bill Mills, for his spiritual qualities remain very much with us.

Rather than grieve Bill Mills' passing, let us make these highly emotional days following Bill's death moments of increased awareness and devotion to life and love and God. It is that which should help each of us embolden our hopes, reaffirm our desires, and rededicate our lives to the good to which each of us, in our own way, has committed ourself.

Bill Mills was a great American and he will be missed. But that which Bill Mills represented, those eternal qualities to which we all hold, will be a source of increased strength and purpose. For that, my sorrow is tempered with hope.

Mr. DULSKI. Mr. Speaker, the passing of our able and distinguished colleague, the Honorable William O. Mills of Maryland, came as a great shock to all of us, and particularly to the members of the Post Office and Civil Service Committee on which he had served with distinction.

Bill Mills, chosen in a special election to fill a vacancy, immediately became a member of our committee and was deeply interested in our legislative responsibilities.

Although he served just less than 2 years as a Member, he was no stranger to Capitol Hill, having served ably for 9 years as administrative assistant to his predecessor, the Honorable Rogers C. B. Morton, now Secretary of Interior.

Bill was a public servant in the true sense of the words. He devoted himself to the interests of the people of his district, taking full advantage of the opportunity which was his to commute daily from his home in nearby Easton.

Our committee is deeply saddened by his loss. He was a quiet, hard-working colleague whom we all miss.

At the outset of our full committee meeting today, the ranking minority Member, the Honorable H. R. Gross, of Iowa, offered a resolution of sympathy. It was adopted by unanimous vote after which the members joined me in standing for a short silent tribute.

Mr. Speaker, I include the text of the committee resolution as part of my remarks:

> Whereas, the Honorable William O. Mills, a Representative from the State of Maryland, served with dedication on the Committee on Post Office and Civil Service since his election to the Congress in 1971; and
>
> Whereas, his brief service with the Committee was illuminated by the development of bonds of friendship and esteem between the Members of said Committee and Representative William O. Mills; and
>
> Whereas, the Committee, both individually and collectively will deeply miss the sense of responsibility and dependability that Representative William O. Mills brought to said Committee: it is hereby
>
> Resolved by the Committee on Post Office and Civil Service in regular session, that it has learned with profound sorrow of the death of Representative William O. Mills and that it extends its deepest sympathy to his family.

Mr. HUDNUT. Mr. Speaker, I wish to thank the distinguished gentleman from Maryland (Mr. Gude) for arranging this special order and I wish to join in paying tribute to our late colleague William O. Mills.

My staff and I felt close to Bill Mills and his staff, because we have the same office in the Longworth Building which they occupied before moving to the Cannon Building at the beginning of this 93d Congress. When I first came to Congress as a freshman last January, Bill Mills was very kind and helpful to me and he would come by my office every so often to see how we were doing.

It was a privilege for me to know and serve with such a fine gentleman and I valued his friendship and advice highly. His constituents in Maryland have lost a very fine Representative, America has lost a good man, and all of us here have lost a good friend.

Bill's untimely death diminishes us all, and we extend to his family our sincerest sympathy.

Mr. LATTA. Mr. Speaker, none of us can fully comprehend the tragic death of our colleague, Bill Mills, which has so shocked and saddened all who knew him. Our heartfelt sympathy goes out to his widow, Norma and their son and daughter.

All of us who served with Bill in the House of Representatives know what his passing means, in the sense of great loss, to the thousands of people he loved and on whose behalf he worked so hard—his constituents from his native eastern shore of Maryland. Although he had represented them in Congress a relatively short time, they had demonstrated their strong trust and confidence in him by two convincing election pluralities.

They knew him as one of their own—quiet, unassuming, and wholly dedicated to his family and his duties as a Member of Congress.

We knew him as a congenial, attentive, and knowledgeable colleague who did his homework, was faithful in his attendance, and who had the ability to win friendship and respect from members on both sides of the aisle and from whatever political persuasion. Uppermost in his mind at all times was how to serve his constituents most effectively.

The news of Bill's death had an especially personal impact upon me, since it was only last month that we traveled to the African Republic of the Ivory Coast together as members of the American delegation to the Interparliamentary Union. That common experience outside our regular legislative assignments gave me an opportunity to become better acquainted with Bill and Norma, and Mrs. Latta and I were looking forward to the future when we would have an opportunity to share our time together again.

Bill will be missed and remembered by all who knew him.

Mr. CRANE. Mr. Speaker, the tragic loss of the Honorable William O. Mills has come as a sudden blow to the House of Representatives leaving the many Members who were privileged to know him personally with a deep sense of grief.

I first met William Mills when he was the dedicated and hard-working administrative assistant to his predecessor, the Honorable Rogers C. B. Morton. When Rogers Morton resigned his seat as Representative for the First District of Maryland it was only natural for the district to elect William O. Mills who had done so much for the people of the area as his successor. There are many citizens on the Eastern Shore who will always be grateful for the way Bill O. Mills looked after their problems, patiently tracing a social security claim, making repeated calls to a Government agency to obtain needed information, pressing for Federal aid to deal with cases of pollution in Chesapeake Bay and in general doing anything and everything he could to make the Eastern Shore a better place to live.

The short but distinguished congressional career of Bill O. Mills was only the capstone of a life devoted to public service. William O. Mills served his country valiantly in General Patton's legendary Third Army; after crossing the Rhine in 1945, he was awarded the Bronze Star for heroism. Upon his return to the Eastern Shore, Bill devoted his considerable energies to the service of his community, State, and Nation. He was a leading member of St. Mark's Methodist Church of Easton, Md.; Talbot County chairman of the American Cancer Society and of the American Red Cross; he was also a member of the advisory board of the Easton Memorial Hospital and a member of the Board of Visitors of the U.S. Naval Academy in Annapolis.

The Eastern Shore, the Free State of Maryland, the House of Representatives, and his country will sorely miss the Honorable William O. Mills.

Mr. BRASCO. Mr. Speaker, the death of our distinguished colleague was as tragic as it was unnecessary, bringing home to us in the most vivid manner the need for constructive change in a number of areas much in the news these days.

I had the pleasure of working with him in the House Committee on Post Office and Civil Service on an intimate, daily basis, and knew him to be an able and thoroughly decent man. In his work on the committee, he was diligent, straightforward, and took a keen interest in the problems that concerned us.

He took his responsibilities seriously, setting an example that no one could find fault with.

My heartfelt sympathy is extended to his family and constituents, who have sustained a grievous and painful loss. The Congress will miss him.

Mr. DERWINSKI. Mr. Speaker, it is with very deep feelings that I join my colleagues this afternoon in eulogizing our late colleague, Bill Mills.

It was my privilege to work with Bill closely on a number of major legislative assignments and I knew him as a conscientious, hard-working man. At the same time, he was very warm, pleasant, and always an understanding individual.

Bill Mills was one of the finest men that I have met in my years of service in the Government. The great potential that he had, based on his knowledge of government and his experience, makes his passing an even greater loss.

Recently, it was my privilege and pleasure to travel with Bill and his wife, Norma Lee, to a special meeting of the IPU in Abidjan, Ivory Coast, where he served in an exceptional fashion representing our country in a major meeting of world parliamentarians.

But above all, Mr. Speaker, I feel the loss of a true friend. I only regret that words are inadequate to describe my feelings at the loss of Bill Mills.

Mrs. Derwinski joins with me in extending our deepest sympathy to Mrs. Mills and their whole family.

Mr. MILLER. Mr. Speaker, I am deeply saddened by the tragic passing of our colleague and good friend, Bill Mills.

Bill's long Hill experience as administrative assistant to former Congressman Rogers Morton for nearly 10 years and later as the Representative of Maryland's First Congressional District will be missed by all.

I recall it being said by one of his aides shortly after Bill's death that Bill was completely dedicated to doing his very best for the people he represented. Neither the public nor the Congress could ask more of a man. We're fortunate to have known such dedication in this Chamber.

It was with profound sorrow and deep regret that I learned of Bill's death and it is with deep sincerity that I extend my sympathy to his family.

Mr. LENT. Mr. Speaker, the untimely death of our colleague, Congressman William O. Mills of Maryland, was a shocking loss to all of us who knew him and respected his work in Congress.

In the all too brief time in which he was a Member of this body, Bill Mills distinguished himself by his thoughtfulness and his tireless dedication to his job. As a lifetime resident of Maryland's Eastern Shore, he had a close rapport with his constituents, and he always represented them well.

I know that he will be sorely missed by everyone who had the privilege of serving with him in the House, and by the residents of the First District of Maryland.

I would like to extend to his family and many friends my sincere sympathy.

Mr. DOWNING. Mr. Speaker, the loss of our dear friend and colleague, Bill Mills, was a great tragedy to the Nation, to the House of Representatives, and to his district which is so full of his loved ones and his friends. It was no less a tragedy to me and to my office.

The First District of Maryland and the First District of Virginia adjoin on the southern portion of the Delmarva Peninsula, the eastern shore, as it is known in both of our States. Bill was a typical eastern shoreman. He loved people and seemed to take a heartfelt enjoyment in immersing himself in their problems as well as enjoying a deep sense of pride in the trust which they placed in him.

Since our districts were adjacent, many of our interests were mutual. An enjoyable relationship between the two offices was established immediately, one which continues to this day. Bill Mills was always a key part of this fine relationship which has never known any partisan political overtone. We were sorry to lose former Congressman Rogers Morton to the President's Cabinet, but we were delighted that Bill could succeed him.

In every way Bill Mills seemed to be an ideal representative of his district. He spent his nights at home, driving almost 200 miles every day to be with his people and to serve them here in Washington. His generosity knew no bounds. His integrity and his moral fiber were of the very highest and truest kind. His character remains above reproach.

It was typical of Bill to sit in session with the Committee on Merchant Marine and Fisheries until late in what turned out to be his last day in Washington.

We mourn his loss grievously, and we regret most deeply its tragic circumstances. It is my unquestioned belief that any inquiry will completely vindicate our friend.

The smiling face and warm heart of Bill Mills will live forever with those of us who were his colleagues and those people on his beloved eastern shore whom he served with every measure of devotion.

Mr. KEATING. Mr. Speaker, I was deeply saddened to learn of the recent loss of our fine colleague, William O. Mills.

Bill was elected to his congressional seat a few months after I came to Congress, and we had the opportunity to become acquainted when the role of Congressman was new to both of us. I must admit that although Bill was new to the role, he had already demonstrated an untiring dedication to the constituents of Maryland's First District through his previous 9 years of service as administrative assistant to former Representative Rogers C. B. Morton.

Bill Mills believed in constitutionally sound government, and he knew thoroughly the great responsibilities involved in good legislation. He undertook these responsibilities of congressional service with diligence, quiet efficiency, and fairness.

It was impossible to be around this gentle and friendly man without realizing how deeply he felt about his duty to his family, his elected office, and his country. Bill's service has been cut short but there is no question that all of us are the beneficiaries of his past record of excellence in legislative tasks, and his example as a capable, conscientious and caring human being. We will miss his leadership and companionship.

My wife and I extend our sincerest condolences and prayers to Bill's wife and family in this time of grief.

Mr. DON H. CLAUSEN. Mr. Speaker, it was with great remorse that I learned of the passing of Bill Mills. It is always sad to lose a colleague—it is tragic to lose a friend. Therefore, I speak with profound and heartfelt sorrow, because Bill Mills was my friend.

Whenever the name of a colleague is mentioned, I believe each of us is inclined to associate that name with an image. The image I have of Bill Mills will always be that of a man who was admired here in this body; a man who was loved and respected in his home, in the community of Easton where he lived, and his beloved native State of Maryland. A man of character and compassion, Bill Mills was truly a dedicated public servant.

I first met Bill while he was serving as administrative assistant to Rogers C. B. Morton during which time I found him to be a very knowledgeable, concerned, and conscientious staff man. During his first campaign for Congress, Bill and I discussed many of the issues that surfaced and we exchanged ideas on his campaign.

In short, Bill Mills was, in every sense of the word, a gentleman. His tragic and untimely passing leaves a vacuum that is difficult to understand and will be even difficult to fill. I wish to extend my deepest sympathy to Bill's widow Norma and to his fine children—Lynda and William, Jr.

Remembering that Bill Mills participated in the famous crossing of the Rhine River with General Patton in World War II, for which Bill received the Bronze Star Medal, I believe it appropriate to close with a motto which both General Patton and Bill Mills knew very well and believed in fully—"duty, honor, country."

Bill Mills did his duty and served his country and the people he represented with honor.

Rest in peace, my friend.

Mr. QUILLEN. Mr. Speaker, the death of William O. Mills is a sad loss to the House, to his District and to his many friends.

Bill Mills was an honest, courageous man who was sincerely dedicated to his duties as a Congressman. He was knowledgeable about the workings of Congress and he did his homework faithfully. He was truly a public servant.

His responsibility to his constituents was primary in his mind, and he represented them well. He devoted his many energies and talents to helping them.

This hard-working man was a thoughtful, understanding individual who won the respect of all with whom he came in contact, and he is sorely missed by all.

Although Bill Mills served but a short time in this Chamber, he will always be remembered as a good legislator, a great American and a truly fine gentleman.

I extend my deepest sympathy to his wife and family.

Mr. MATHIS of Georgia. Mr. Speaker, on the afternoon of his final day of service in the House, I was on an elevator with Bill Mills. When I learned the following morning of his death, I thought of seeing him on his way to the Capitol for what turned out to be his final vote. This reflects what was typical of Bill Mills. He was on the job.

He worked hard and was doing his very best to represent his constituents well and to help make his State and Nation a better place. I shall remember Bill Mills as a worker, as a tireless Congressman, as a capable and dedicated man.

Although his time of service as a Member was not lengthy, he could be considered a veteran of the legislative process, having ably served for a number of years on his predecessor's staff. His experience and his willingness to stay on the job contributed to his success as a Member of Congress.

While I did not know him well, I wanted to join with his colleagues in expressing a sense of loss, and to extend my deepest sympathy to his fine family.

Mr. FORSYTHE. Mr. Speaker, my colleagues, I want to briefly express my own sorrow over the death of Congressman William O. Mills

I have lost a friend, the House has lost a competent and effective legislator, and his district has lost a dedicated servant.

It is tragic when anyone dies, but it is especially so when the victim is cut down at the very time that he is emerging as a forceful leader for his people.

It is tragic, indeed, the circumstances that apparently led to his death. Bill Mills was an unnecessary victim; he should not have died. And, had he lived, his constituents would still have the benefit of his vigor and dedication, I am certain, for many years to come.

Though many days have passed since his death, I have not forgotten, nor will I forget, this man I considered a friend.

My sympathy is with his family; they have lost a good man. My hopes are that his constituents will not forget the man who was their Congressman; the man who wanted so desperately to serve them well.

Mr. MALLARY. Mr. Speaker, I wish to join my many colleagues in this expression of sorrow on the death of our associate and good friend, William O. Mills, of Maryland.

When I arrived in Congress as a freshman, after a midterm election, to take my seat during the middle of the 92d Congress, one of the first people to approach me and offer his help, advice, and services was Bill Mills. During those difficult, early days he not only offered but provided invaluable counsel and assistance to me. This kind of selfless and generous action was very typical of the kindly and thoughtful person that we all discovered Bill Mills to be.

During my all-too-brief association with him, I never heard him say a mean or thoughtless word about any person. He showed a gentle and compassionate concern for the welfare and the interests of his constituents as well as the best interests of the Nation as a whole.

I am sure that I join all my colleagues on both sides of the political aisle in saying how deeply we shall miss him here in the Congress.

## GENERAL LEAVE

Mr. GUDE. Mr. Speaker, I ask unanimous consent that all Members may have 10 legislative days in which to insert their remarks in the Record in eulogy of Bill Mills.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

## DISCLOSURE OF FUNDS

(Mr. GUDE asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. GUDE. Mr. Speaker, the House Committee on Standards of Official Conduct requires an annual, partial disclosure of the financial holdings of Members of the House. In my opinion, citizens are entitled to a more comprehensive financial statement from public officials. Such a statement provides another measure whereby citizens can assure themselves that officials are not subject to conflicts of interest which would prevent or deter them from performing their official duties in an objective manner. I insert in the Record at this point a statement of my wife's and my financial holdings. Taxable income in 1972 was $65,598. All income exclusive of that from the U.S. Government was from sources listed under assets.

Financial Statement of Gilbert Gude and Jane Callaghan Gude, His Wife, June 6, 1973

| | |
|---|---|
| Assets: | |
| Cash, checking and savings accounts | $36,446 |
| First National Bank of Maryland (stock, 120 shares) | 3,600 |
| American Finance System Debenture Bonds | 3,150 |
| A. T. & T | 2,816 |
| Part ownership of A. Gude Sons Co., Inc. (family landscape nursery and florist firm) | 2,178,266 |
| Residence | 80,000 |
| Part ownership, dwelling, 16 Wall Street, Rockville, Md | 9,000 |
| Part ownership, unimproved lots, Woodland Beach, Anne Arundel County, Md | 2,000 |
| Life insurance, cash value | 9,000 |
| Household furnishings, personal belongings | 28,000 |
| Two automobiles | 4,400 |
| Total | 2,356,678 |
| Liabilities: | |
| Accounts payable | 3,000 |
| Mortgage, residence | 17,213 |
| Note, automobile | 667 |
| Total | 20,880 |
| Net worth | 2,335,798 |

## LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. Saylor (at the request of Mr. Gerald R. Ford), for balance of the week, on account of attendance at a funeral for a member of the staff.

Mr. Towell of Nevada (at the request of Mr. Gerald R. Ford), for today, on account of official business.

## SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Pritchard) and to revise and extend their remarks and include extraneous matter:)

Mr. Kemp, for 15 minutes, today.

Mr. Andrews of North Dakota, for 5 minutes, today.

Mr. Hogan, for 10 minutes, today.

Mr. Findley, for 5 minutes, today.

Mr. Walsh, for 15 minutes, today.

Mr. Young of Florida, for 10 minutes, today.

(The following Members (at the request of Mr. Sarbanes) and to revise and extend their remarks and include extraneous matter:)

Mr. Eilberg, for 10 minutes, today.

Mr. Fraser, for 5 minutes, today.

Mr. Hamilton, for 5 minutes, today.

Mr. Wolff, for 5 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Mathis of Georgia for 5 minutes, today.

Ms. Abzug, for 60 minutes, today.

Mr. James V. Stanton, for 15 minutes, today.

Mr. Cotter, for 5 minutes, today.

Mr. Tiernan, for 5 minutes, today.

Mr. Breaux, for 5 minutes, today.

Mr. Holifield, for 5 minutes, today.

Mr. Owens, for 5 minutes, today.

## EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Miss HOLTZMAN, to revise and extend her remarks immediately following the vote on the second Talcott amendment.

Mr. FRENZEL, immediately following the remarks of Mr. GONZALEZ today on the Erlenborn substitute, and to include extraneous matter.

(The following Members (at the request of Mr. PRITCHARD) and to include extraneous material:)

Mr. STEELMAN.

Mr. ESCH.

Mr. TEAGUE of California.

Mr. STEIGER of Wisconsin in two instances.

Mr. GOODLING.

Mr. BUTLER.

Mr. RONCALLO of New York in four instances.

Mr. WYMAN in two instances.

Mr. KEMP in three instances.

Mr. WALSH.

Mr. ZWACH.

Mr. BROTZMAN.

Mr. HOGAN in two instances.

Mr. HILLIS.

Mr. YOUNG of Alaska.

Mr. HUBER.

Mr. SEBELIUS.

Mr. DERWINSKI.

Mr. STEELE.

Mr. PRICE of Texas.

Mr. RAILSBACK in three instances.

Mr. WIDNALL.

Mr. RUPPE.

Mr. SNYDER in two instances.

Mr. CONLAN.

Mr. CHAMBERLAIN.

Mr. COHEN.

Mr. BEARD.

Mr. HOSMER in two instances.

Mr. MIZELL in five instances.

Mr. VEYSEY in three instances.

Mrs. HECKLER of Massachusetts in 10 instances.

Mr. MCCLOSKEY in two instances.

(The following Members (at the request of Mr. SARBANES) and to include extraneous material:)

Mr. O'NEILL.

Mr. CORMAN.

Mr. WON PAT.

Mr. MOAKLEY in 10 instances.

Mr. GONZALEZ in three instances.

Mr. RARICK in three instances.

Mr. SIKES in five instances.

Mr. MATHIS of Georgia.

Mr. CHARLES WILSON of Texas in three instances.

Mr. EVINS of Tennessee.

Mr. HICKS.

Mr. GRAY in four instances.

Mr. JONES of Tennessee in 10 instances.

Mr. LEHMAN in 10 instances.

Mr. MINISH.

Mr. TEAGUE of Texas in six instances.

Mr. DELANEY.

Mr. BRASCO in eight instances.

Mr. EDWARDS of California.

Mr. COTTER.

Mr. FUQUA.

Mr. ANDERSON of California in two instances.

Mr. MURPHY of New York.

Mr. ADAMS.

Mr. WALDIE in two instances.

Mr. CAREY of New York.

## SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 396. An act for the relief of Harold C. and Vera L. Adler, doing business as the Adler Construction Co.; to the Committee on the Judiciary.

## SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 38. An act to amend the Airport and Airway Development Act of 1970, as amended, to increase the United States share of allowable project costs under such act, to amend the Federal Aviation Act of 1958, as amended, to prohibit certain State taxation of persons in air commerce, and for other purposes;

S. 49. An act to amend title 38 of the United States Code in order to establish a National Cemetery System within the Veterans' Administration, and for other purposes; and

S. 1136. An act to extend through fiscal year 1974 certain expiring appropriations authorizations in the Public Health Service Act, the Community Mental Health Centers Act, and the Developmental Disabilities Services and Facilities Construction Act, and for other purposes.

## THE SPECIAL CONSTITUTIONAL POWER AND DUTY OF IMPEACHMENT BY THE HOUSE OF REPRESENTATIVES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. MCCLOSKEY) is recognized for 60 minutes.

### GENERAL LEAVE

Mr. McCLOSKEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of this special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

### THE SPECIAL CONSTITUTIONAL POWER AND DUTY OF IMPEACHMENT BY THE HOUSE OF REPRESENTATIVES

Mr. McCLOSKEY. Mr. Speaker, I have asked for time this afternoon to encourage a tempered discussion of the impeachment process. There are those who suggest that mere discussion of the topic is inappropriate and dangerous at the present time.

I respectfully disagree and would like to set forth the reasons why I believe our constitutional history now imposes a special duty on the part of Members of the House to discuss the substantive and legal background for this historic cornerstone of our check and balance system of Government.

A great deal is being written and said about America today being in a state of crisis and chaos. I think this is overstated. If anything, upon sober reflection, I believe most of us would concede that the difficulties we are currently experiencing are minor compared to the difficulties our Nation has successfully endured and overcome in the past. It is true that we are presently conducting a careful re-examination of the relationship between our various branches of Government. Congress is in disagreement with the Chief Executive over use of the war power in Cambodia, the termination of programs and impoundment of funds duly authorized and appropriated by Congress; indeed, the right of Congress to receive full and complete truth from the executive branch of Government is at issue. We are confronted with extremely grave problems of energy, foreign trade, inflation, and tax reform.

Nevertheless, the problems of 1973 pale into insignificance compared with the great crises of the past. A nation that has survived the dark days of Valley Forge, the burning of this very building in 1814, the Civil War and Reconstruction, the Great Depression, Pearl Harbor, the landing in Europe 29 years ago today—that nation should certainly be able to take in stride the discovery of serious misconduct and corruption on the part of a few Cabinet officers and White House advisers. Today's press reports are no more strident than those of the eras of Grant and Harding, or even during the second term of President Washington.

Our institutional strength remains sound if our faith in some individual officeholders does not.

On every hand, there is increasing evidence that we are moving with speed and determination to meet many of the challenges before us.

We have lately enjoyed healthy debate over war and trade powers, freedom of the press, budgetary controls, spending priorities, excessive governmental secrecy, campaign financing reform, and in a whole host of areas where our committees are making steady progress in the ordinary legislative and administrative processes.

I suspect our committees and agencies are moving at a speed Washington has not seen for 40 years.

We remain uncertain as to new goals in energy, land use, health, housing, and agriculture. We have not solved inflation.

These difficulties are nothing new, however. The difficulty of achieving excellence in government has been with us since the Nation's beginning. It is as worthy a challenge as we can possibly undertake, and the joy of undertaking and doing battle with that challenge is a real privilege for those of us honored to serve in Congress.

Whatever may have been the despair and dismay of our people over the revelations of corruption in recent months, we have every right to hope that the Nation will ultimately be stronger for the reevaluation and reformation of our system of government which Watergate has stimulated.

In the House we should have no fear whatsoever of vigorous debate and reasoned argument on any subject, particularly one of constitutional power and responsibility. There should certainly be no fear of considering the constitutional process of impeachment and the conditions under which it may become the duty of this House to initiate appropriate proceedings.

It was only a few weeks ago that the Attorney General of the United States, in testimony to the Senate, suggested that impeachment was the appropriate remedy to pursue if Congress disagreed with the President's use of Executive privilege to deny the testimony of his aides before Congress.

Thereafter, the Chairman of the Securities and Exchange Commission resigned, allegedly citing a fear of impeachment by this House if he did not so resign.

There have been national polls taken on the question of whether the President should be impeached, and yesterday a Las Vegas oddsmaker was quoted on the question.

If impeachment is to be debated, it is certainly proper that that debate take place in this Chamber. Impeachmment is one of the two special powers which the Constitution specifically reposes in the House of Representatives, the other being that of initiating revenue measures.

It is relatively seldom in our history that the House has brought impeachment to trial by the Senate. On each occasion, commencing with the impeachment of Senator Blount in 1797, there have been varying learned opinions expressed on the interpretation of the constitutional provisions involved and their history. I do not presume to suggest that my limited research on this subject is conclusive or even persuasive, but I think it not inappropriate to initiate the discussion by setting out some tentative views on the constitutional and legal background of the impeachment process, and on the various methods of procedure which the House has pursued in the past.

Before proceeding to this discussion, however, I would like to briefly set forth those few facts thus far established which bear on the question as to whether impeachment proceedings should be brought against President Nixon. In so doing, I would like to stress the importance of the principle that we decline even to consider those matters of innuendo, hearsay, opinion, and speculation which would be inadmissible in an ordinary judicial proceeding. The President is entitled to the same presumption of innocence that is afforded every other American citizen, and I suggest that it would be inappropriate for the House to bring an impeachment unless a majority of us are convinced of the guilt of the President on the basis of facts which meet the ordinary test of admissibility in evidence.

I believe the following facts, at least, meet this criteria, most of them having been expressly admitted in the President's statement of May 22 or in other releases:

First. In June 1971, President Nixon personally established a special investigations unit in the White House. Its members included E. Howard Hunt and G. Gordon Liddy.

Second. In September of 1971, members of this White House special investigations unit burglarized the office of Daniel Ellsberg's psychiatrist in California.

Third. In June of 1972, individuals from the same unit burglarized the Watergate headquarters of the Democratic National Committee in Washington, D.C.

Fourth. At some time thereafter, but apparently prior to July 6, 1972, in the President's own words, the President:

> Instructed Mr. Haldeman and Mr. Ehrlichman to ensure that the investigation of the break-in not expose either an unrelated covert operation of the CIA or the activities of the White House investigations unit—and to see that this was personally coordinated between General Walters, the Deputy Director of the CIA, and Mr. Gray of the FBI.

Fifth. On August 29, 1972, at a press conference, the President was asked if it might not be a good idea for a special prosecutor to be appointed to investigate the campaign contributions situation and also the Watergate case. The President responded, in pertinent part:

> With respect to who is investigating it now, I think it would be well to notice that the FBI is conducting a full field investigation. The Department of Justice, of course, is in charge of the prosecution and presenting the matter to the Grand Jury. The Senate Banking and Currency Committee is conducting an investigation. The Government Accounting Office, an independent agency, is conducting an investigation of those aspects which involve the campaign spending law. Now with all of these investigations that are being conducted, I don't believe that adding another special prosecutor would serve any useful purpose.
>
> The other point that I should make is that these investigations, the investigation by the GAO, the investigation by the FBI, by the Department of Justice, *have at my direction had the total cooperation of not only the White House but also of all agencies of the government.*

The last statement was a misrepresentation. The President had not directed the total cooperation of all agencies of the Government. He had expressly ordered a cover-up of the activities of the special investigations unit.

Sixth. On April 18, 1973, when the President learned that Mr. Hunt, a former member of the White House special investigations unit was to be questioned by the U.S. attorney, the President, in his own words:

> Directed Assistant Attorney General Peterson to pursue every issue involving Watergate, but to confine his investigation to Watergate and related matters and to stay out of national security matters.

Seventh. It was not until May 22, 1973, that the President finally admitted to the actions taken to cover up any criminal activities which might have been conducted by White House personnel.

Without drawing conclusions at this point from the facts set forth above, it is pertinent to list several Federal criminal statutes which a U.S. attorney might consider relevant to such facts:

Title 18, section 3 of the United States Code reads as follows:

> Whoever, knowing that an offense against the United States has been committed, receives, relieves, comforts or assists the offender in order to hinder or prevent his apprehension, trial or punishment, is an accessory after the fact.
>
> Except as otherwise expressly provided by any Act of Congress, an accessory after the fact shall be imprisoned not more than one-half the maximum term of imprisonment or fined not more than one-half the maximum fine prescribed for the punishment of the principal, or both; or if the principal is punishable by death, the accessory shall be imprisoned not more than ten years.

Title 18, section 4 reads as follows:

> Whoever, having knowledge of the actual commission of a felony cognizable by a court of the United States, conceals and does not as soon as possible make known the same to some judge or other person in civil or military authority under the United States, shall be fined not more than $500 or imprisoned not more than three years, or both.

Title 18, section 1505—in part:

> In any proceeding pending before any department or agency of the United States . . . whoever corruptly . . . influences, obstructs, or impedes or endeavors to influence, obstruct, or impede the due and proper administration of the law under which such proceeding is being had before such department or agency of the United States . . . shall be fined not more than $5,000 or imprisoned not more than five years, or both.

Title 18, section 1510 reads as follows:

> (a) Whoever willfully endeavors by means of bribery, misrepresentation, intimidation, or force or threats thereof to obstruct, delay, or prevent the communication of information relating to a violation of any criminal statute of the United States by any person to a criminal investigator; or
>
> Whoever injures any person in his person or property on account of the giving by such person or by any other person of any such information to any criminal investigator—
>
> Shall be fined not more than $5,000, or imprisoned not more than five years, or both
>
> (b) As used in this section, the term "criminal investigator" means any individual duly authorized by a department, agency, or armed force of the United States to conduct or engage in investigations of or prosecutions for violations of the criminal laws of the United States.

So much for the facts thus far known and the law which might be applicable in the case of an ordinary citizen.

What is the relationship of these facts and law to the constitutional remedy of impeachment of a President?

Here I think it appropriate to briefly mention the constitutional history of impeachment. A concise description of its procedural aspects prepared by the Library of Congress is appended in the Extension of Remarks, as is a chronological record of the debates on impeachment during the period of May 29 until final agreement on September 17, 1787.

The removal of executive officers weighed heavily on the minds of the framers of the Constitution. They had ample and recent experience with arrogant and tyrannical kings and governors, and impeachment was part of accepted colonial procedure.

The fundamental orders of Connecticut, adopted in 1638, first gave the power to the colonial assembly to remove officials, and the charter of Rhode Island in 1663 used the term "impeachment" for this removal process. William Penn's proposed frame of government in 1682 provided for prosecution of impeachment by the general assembly with trial of the impeachment by the Pennsylvania Council, or upper house, and this principle was later adopted in various forms in the constitutions of a number of the original 13 States.

There is considerable evidence in the adoption of the Constitution itself that the Founding Fathers considered impeachment as analogous to criminal proceedings. The first full draft of a constitution, presented by the Committee of Five on August 5, 1787, contained a specific clause:

> The trial of all criminal offenses (except in cases of impeachment) shall be in the state where they shall be committed; and shall be by jury.

Also, at the time of the Constitutional Convention, the delegates were cognizant of the on-going impeachment proceeding in the British Parliament against Warren Hastings, the Governor General of India. This trial was expressly referred to in the debates reported by James Madison in the Constitutional Convention of 1787, in which there were a total of 59 separate references to various plans of impeachment during the process of resolving the final language which was adopted. The key constitutional provisions finally accepted which relate to impeachment are five in number and are included in the first three articles of the Constitution.

That language is as follows:

From article I, on the legislative branch:

Section 2, paragraph 5:

> The House of Representatives shall choose their Speaker and other Officers; and shall have the sole Power of Impeachment.

Section 3, paragraph 6:

> The Senate shall have the sole Power to try all Impeachments. When sitting for that Purpose, they shall be on Oath or Affirmation. When the President of the United States is tried, the Chief Justice shall preside: and no Person shall be convicted without the Concurrence of two thirds of the Members present.

Section 3, paragraph 7:

> Judgment in Cases of Impeachment shall not extend further than to removal from Office, and disqualification to hold and enjoy any Office of honor, Trust, or Profit under the United States: but the Party convicted shall nevertheless be liable and subject to Indictment, Trial, Judgment and Punishment, according to Law.

From article II, on the executive branch:

Section 4, paragraph 1:

> The President, Vice President and all civil Officers of the United States, shall be removed from Office on Impeachment for, and Conviction of, Treason, Bribery, or other high Crimes and Misdemeanors.

From article III, on the judiciary:

Section 2, paragraph 3:

> The trial of all Crimes, except in Cases of Impeachment, shall be by Jury.

From these provisions taken together, it seems fair to draw the following conclusions:

First. Impeachment is in the nature of a criminal proceeding, and in the case of executive officers, at least, is limited to conduct of a criminal nature: "bribery, treason, and other high crimes and misdemeanors."

Earlier draft language which included grounds such as "corruption," and "malpractice or neglect of duty" was rejected in the course of the debates at the Constitutional Convention. Madison suggested that there should be some means to protect against "incapacity, negligence or perfidy," and George Mason moved to add the words "or maladministration" after the original words bribery and treason. Both of these suggestions were rejected.

While some writers have urged that the term "high crimes and misdemeanors" should include the English interpretation of the word "misdemeanor" as including noncriminal conduct—see 64 Pennsylvania Law Review, No. 7 of May 1916—I think the better interpretation is that impeachment of executive officers should be limited to criminal conduct or to the violation of constitutional requirements such as the requirement of article II, section 3:

> He shall take Care that the Laws be faithfully executed.

In any event, I would respectfully disagree with the interpretation urged against Justice Douglas by our distinguished minority leader, the gentleman from Michigan (Mr. GERALD R. FORD) when, 3 years ago, he said:

> An impeachable offense is whatever a majority of the House of Representatives considers it to be at a given moment in history; conviction results from whatever offense or offenses two-thirds of the other body considers to be sufficiently serious to require removal of the accused from office. (Congressional Record, April 15, 1970).

While a careful review of the eleven impeachment trials in our history may indicate the political validity and reality of Mr. FORD'S contention up until the last successful impeachment in 1936, I would argue that in 1973, we should limit our consideration to instances of high crimes of a felonious nature, defining the term "high crimes and misdemeanors" as the modern counterpart of felonies.

Second. In impeachment proceedings, the House acts as prosecutor and grand jury. This was Mr. FORD'S contention in his speech against Justice Douglas, and I believe him to be correct.

Third. I suggest that as prosecutor and grand jury, the House should accept a very severe restriction on the weight of evidence required before voting for impeachment. In ordinary criminal proceedings, a grand jury need require only "probable cause" that a crime has been committed by an individual, leaving it to the jury as to whether the defendant is guilty. With respect to the serious action of impeachment against the President of the United States, however, I suggest that we, as Members of the House, should be personally and individually convinced of the guilt of the President before voting his impeachment.

Fourth. While there have been various views expressed as to the applicability of judicial rules of evidence and procedure in congressional impeachment proceedings, I suggest that we accept the further limitations of those rules of the Federal judiciary. I would think particularly pertinent the words of California Senator Hiram Johnson, dissenting on the conviction of Judge Halsted Ritter in 1936. Senator Johnson said:

> The High Court of Impeachment is a court bound by rules of evidence and judicial decision. It is not a haphazard tribunal to be swayed by suspicion or moved by vengeance.

Fifth. Impeachment is the sole remedy against a President who has committed a crime while in office. While the contention can be made that a President is subject to indictment and criminal prosecution before or during impeachment, this view becomes patently absurd if we are to maintain the separation of powers doctrine. If the President can be criminally charged, convicted, and incarcerated while holding office, the judicial branch is possessed of the power to immobilize a coequal branch of Government.

The constitutional provision that "the party convicted shall nevertheless be liable and subject to indictment, trial, judgment and punishment, according to the law" would also seem to infer that such liability must follow conviction upon impeachment, not precede it.

Accepting the foregoing principles, what is the duty of the House under the present circumstances? Do the known facts previously mentioned establish in anyone's mind the certainty required for conviction: That the President has committed the felony of obstruction of justice or misprision of a felony? Reasonable minds may differ on this point. The facts do, however, seem to establish the type of probable cause that an ordinary prosecutor would think sufficient to take before a grand jury in the case of an ordinary citizen as defendant.

The elements of misprision of felony are four: That felony was committed; that the defendant had knowledge thereof; that defendant failed to notify appropriate authorities; and that defendant took affirmative action to conceal the original crime.

If the President knew that Hunt and Liddy committed the felony of burglary of the office of the Los Angeles psychiatrist, for example; if the President ordered the concealment of that fact and acted to prevent the arrest, investigation or conviction of Hunt and Liddy, he would be guilty of a felony unless a valid affirmative defense could be presented.

Whether national security considerations could constitute such a defense is a highly dubious question, but certainly a question of law and not merely a matter of Presidential opinion. The Constitution, statutory law and Supreme Court decisions govern what the President can or cannot do. For example, under article I, section 9, the President can suspend the privilege of the writ of habeas corpus in cases of rebellion or invasion, but presumably not otherwise. The fourth amendment protects individuals against unreasonable searches and seizures and requires a warrant issued upon probable cause. The President's right to wiretap has been expressly limited by the Supreme Court.

Again assuming these principles, we reach the crucial question of the responsibility of the House when confronted with a showing of probable cause that the President has committed a felony.

The Constitution's grant of prosecutorial power to the House presumably carries with it the same kind of duty faced by any prosecutor confronted with evidence establishing probable cause that an individual has committed a felony.

That duty is to make reasonable inquiry into the circumstances, and to ascertain if the facts are sufficient to convince the prosecutor that the potential defendant is guilty. If the prosecutor is then so satisfied, it is his duty to duly enforce the law.

As the sole body in our system of government which can prosecute a President, the House of Representatives would seem to have a clear duty to assume the prosecutor's burden of inquiry when probable cause is presented.

That inqury can, of course, be initiated by any Member filing a resolution of impeachment, which would then be referred either to the Judiciary Committee, the Rules Committee or a specially appointed Select Committee. Such an inquiry could likewise be initiated by the method suggested by the minority leader in his speech of April 15, 1970:

> The creation of a select committee to recommend whether probable cause does lie.

In the Douglas case, the distinguished minority leader argued:

> We are dealing here with a solemn constitutional duty. Only the House has this power.

I agreed with both statements.

Because we are the sole repository of the power of impeachment of a President for high crimes and misdemeanors, we have that solemn constitutional duty to carefully investigate the fact of alleged criminal conduct, particularly on the part of our highest executive officer.

Neither the Senate nor the Justice Department shares this duty nor are we entitled to delegate it to them.

This being so, the question before us is at what point of time does the evidence of guilt reach that degree of probable cause that we are bound by the Constitution to commence formal inquiry?

To me that time seems almost at hand unless the President makes a full and fair disclosure of everything he knows and when he learned it.

The Presidents' unquestionable right to a presumption of innocence is matched, I believe, by the high duty of trusteeship he recognized in his April 30 address to the Nation.

A trustee ordinarily owes his beneficiaries the duty of full disclosure, particularly as to possible conflicts of interest.

Why the President has chosen to thus far refrain from a full disclosure of relevant information is hard to appraise. Even as late as yesterday the White House was refusing to release logs of the President's 1973 meetings with John Dean. The source of many of his campaign contributions remains undisclosed. There is an historic California jury instruction which the President cannot have forgotten from his days as a lawyer there.

> If weaker and less satisfactory evidence is offered by a party when it was within his power to produce stronger and more satisfactory evidence, the evidence offered should be viewed with distrust.

And another:

> If you should find that a party wilfully suppressed evidence, you may consider such suppression in determining what inferences to draw from the evidence or facts in the case against him.

I would sincerely hope that the President would now fully and fairly disclose all evidence known to the White House with respect to Watergate, its cover-up, the financing and tactics of his campaign organization, all actions of the executive branch relating to the Ellsberg prosecution, and in particular, the domestic security activities, legal and illegal, of the President's own special investigations unit.

Such disclosure might well remove the heavy constitutional burden on the House which I have tried to discuss today. It would certainly clear the air.

As Ben Franklin was reported by James Madison in the Constitutional Convention:

> It would be the best way, therefore, to provide in the Constitution for the regular punishment of the Executive where his misconduct should deserve it, and for his honorable acquittal, where he should be unjustly accused.

I suspect that none of us wish to impeach the President or even inquire into the matter if he will fairly lay before us the facts that will establish his right to honorable acquittal or the precise reasons for his inability to properly release such facts.

Should the national security be truly involved, the Constitution provides that protection that we can keep our proceedings secret. Our record in this regard is at least as good as those in whom the President has formerly reposed his trust.

It is in order to provide the President this opportunity to make a full disclosure to this House that I personally hope my colleagues will defer the filing of a resolution of impeachment or to appoint a select committee for a few more days.

An additional brief delay cannot further injure the rights of any parties. I do not mean to suggest by this that the current Senate hearings be in anyway deferred.

Whatever may be the merits of Special Prosecutor Cox's suggestion that postponement of the Senate Select Committee's current hearings would assist in the work of the Justice Department, I share the committee's belief that the Senate must continue its own proper and independent inquiry into matters of proper Senate jurisdiction. This is likewise true of the House.

The expeditious pursuit of legislative business is certainly equal in importance to the continuing conduct of judicial business.

There is a further dilemma that can result from our failure to act. Should the Special Prosecutor and the Justice Department seek indictments against Messrs. Haldeman, Ehrlichman or others for obstructing justice, for example, how can we explain our failure to press action against the individual who ordered the performance of the acts in question? The phrase in our Pledge of Allegiance, "Liberty and Justice for All" would be meaningless if the President were not prosecuted for the same acts for which Mr. Haldeman and Mr. Ehrlichman may be prosecuted.

We are, after all, a government of laws, not of men. No man is above the law. We specifically rejected the English concept that "the king can do no wrong," as Chief Justice Marshall pointed out at the trial of Aaron Burr in 1807.

There is one other question which has been raised. Does impeachment damage the country?

It is, no doubt, a painful reality that impeachment of the President may damage for a time the effective operations of our Government. It is an equally grave question, however, whether failure to investigate the reasonable probability of presidential criminal conduct may not do even graver damage to our system of government and to the faith of our people in that system. Faith requires confidence that the laws are enforced equally against the powerful as well as the weak.

In the case of Justice Douglas 3 years ago, the gentleman from Michigan put a similar question this way:

> A third question I am asked is whether the step we are taking will not diminish public confidence in the Supreme Court. That is the easiest to answer. Public confidence in the U.S. Supreme Court diminishes every day that Mr. Justice Douglas remains on it.

I disagreed then and I disagree now with the gentleman from Michigan's conclusion about Mr. Justice Douglas. His opinions continue to justify respect, and just 2 days ago I was privileged to hear him deliver a distinguished dissent from the bench in which he was joined by Mr. Justice Rehnquist, another legal scholar of considerable accomplishment.

I was particularly pleased to note the House Judiciary Committee's unqualified rejection of the facts urged as the basis for impeachment of Justice Douglas, and I commend to my colleagues a thorough review of the reports of that committee which acted in this most recent case of impeachment in our history. Those reports, on House Resolution 93, are dated June 20, 1970, and September 17, 1970.

While I disagreed with the gentleman from Michigan's conclusion, nevertheless I concede the principle of his argument: that confidence in government is diminished when circumstances of apparent misconduct remain unquestioned through fair and impartial investigation.

The argument that impeachment would paralyze our governmental processes should also be considered against recognition that our system of government suffers a similar uncertainty and disability every 4 years during the 10 months of Presidential campaigning, and in particular the 2½-month period between election day and inauguration.

Our system is stronger than it may seem, and as far as foreign nations are concerned, we have not seen major difficulties in recent years in achieving cooperation between successive administrations, no matter how serious their differences in philosophy.

Our system has shown itself strong enough to survive extended periods of political uncertainty and transition and I suspect it will be likewise if we are forced to the unhappy necessity of impeachment.

In conclusion, I would like to express the hope that whatever may be our individual and collective decisions in the weeks ahead, that we retain the judicious and temperate language and attitudes we have come to expect in judicial proceedings. We are after all performing an investigatory and judicial, not a political process. In reading the history of past impeachments, I am forced to agree with the conclusion of Yale's Professor Goddis Smith in his excellent discussion of the 12 cases of trial by impeachment in American history:

> The investigators of the actual impeachments, with few exceptions, made a travesty of the Constitution. The result is that a proper and essential part of the constitutional system lies in ill repute.

The issue before us is one of constitutional and legal import, not of political or partisan concern.

The manner in which the House approaches and resolves this issue of constitutional responsibility could well provide the foundation for restoration of the full faith of our people in the finest system of government under law ever devised.

### APPENDIX: CHRONOLOGY OF DEBATE ON IMPEACHMENT DURING THE CONSTITUTIONAL CONVENTION OF 1787

The original Virginia draft, offered by Mr. Randolph on May 29, 1787, provided for impeachment for "treason, bribery, or corruption."

On June 1, Mr. Bedford argued that impeachment as proposed would not reach incapacity but only misfeasance in office.

On June 2, Mr. Williamson successfully moved addition of the words "and to be removable on impeachment and conviction of malpractice or neglect of duty."

On June 13, the word malpractice was changed to malpractices.

On June 18, Alexander Hamilton suggested a plan of impeachment limited to "malpractice and corrupt conduct."

On July 19, Gouverneur Morris argued against any impeachment power against the President.

On July 20, in response to a motion to strike out the impeachment clause, Mr. Davie is cited by Madison as follows:

> If he be not impeachable whilst in office, he will spare no efforts or means whatever to get himself re-elected. Mr. Davie considered this essential security for the good behavior of the Executive.

Mason joined in the argument. "Shall any man be above justice?"

Franklin then argued that without the power of removal, the only recourse would be to assassination:

> It would be the best way, therefore, to provide in the Constitution for the regular punishment of the Executive, where his misconduct should deserve it, and for his honorable acquittal, where he should be unjustly accused.

Mr. King argued against impeachment but Mr. Randolph responded:

> Guilt, wherever found, ought to be punished. The Executive will have great opportunities of abusing his power; particularly in time of war, when the military force, and in some respects the public money, will be in his hands. Should no regular punishment be provided, it will be irregularly inflicted by tumults and insurrections.

Mr. Morris subsequently announced he had changed his opinion and now felt impeachment should lie for treachery, corruption, and incapacity.

A vote to preserve the impeachment power was then adopted 8 to 2, with Massachusetts and South Carolina voting no.

On July 26, a tentative draft listed the sole grounds for impeachment as "malpractice or neglect of duty."

On August 6, the Committee on Detail reported back a draft using the words "treason, bribery, or corruption."

On September 4, the Committee of Eleven removed the word "corruption," and on September 8, Colonel Mason first offered the additional ground of "maladministration," but upon the objections of Madison, substituted "other high crimes and misdemeanors against the State." This language was adopted 8 to 3, with New Jersey, Pennsylvania, and Delaware voting no. This time Massachusetts and South Carolina voted Aye.

On September 12, the Committee on Style, through Doctor Johnson, reported back a draft removing the words "against the state," and using the language finally adopted on September 17.

Mr. YOUNG of Florida. Mr. Speaker, I rise to question the validity of this type of special order which is a so-called discussion of the "responsibilities of this Chamber to initiate action to remedy Executive and judicial misconduct." I fear that this special order is being used as a forum for the sort of trial by hearsay, innuendo, and guilt by association to which the Washington Post finally admitted in a recent publication.

That it is indeed a trial in print—at least so far—where the accused has no protection of his rights, the Post itself has finally openly confessed. I refer my colleagues to their "Outlook" section of Sunday, June 3, 1973. Dominating the cover page is a banner headline, "The Trial of President Nixon." It encompasses two articles on Watergate, one of them written by a professor of political science and the other by an assistant managing editor of the Post.

The Professor's article deals with the administrative structure of the Executive Office and relates it to a general theory of government. The headline itself, backed by the other article written by the Post editor, blatantly declares the President of the United States to be on trial and, in fact, convicts him in the eyes of public opinion, on the weight of hearsay evidence and innuendo which, to a great extent, have been media-created by quoting unnamed sources repeating what some other unnamed sources are supposed to have said.

Mr. Speaker, this is not the first time in history that the press has overstepped its rightful role as an objective reporter of events and sought to become a maker of events. President Lincoln was vilified by some press of his day to such an extent that only his deep personal convictions and moral certainty saved him from total despair. History has recorded who followed the more honorable course then.

And now we find that the Washington Post, representing itself as a Pulitzer Prize-winning model of reportorial rectitude, has reached the apex of hubris and is, by their own admission, trying the President of the United States in print. By what mandate and under what authority does the Post see fit to ignore every fundamental principle of justice and fair treatment which has kept this country free and seek to convict before the evidence is in or charges even filed?

Such action goes against every constitutional and legal value of our free Nation, and against the Post's own self-proclaimed role as defenders of individual rights. What paper is first to cry "foul" when a warrant is issued on insufficient evidence, when one of its own reporters is arrested for transportation of stolen documents, or when the District of Columbia's judicial system does not provide for a full and fair trial for an "underprivileged" defendant?

The memories of the McCarthy era are still vivid in the American mind, and the Post as well as the Congress would rise today in unison against such vicious demagoguery, slander, and destruction of public servants. Yet incidents like the front page trial of the President of the United States in print have served to set the stage for this special order in which the House of Representatives is asked to join in the same sort of extra-legal trial.

The courts have repeatedly held that trial by the media before the actual legal trial is grounds for—at the minimum—a change in venue, and at the maximum, a mistrial. Assassins, rapists, and mass murderers are afforded the legal protection of having their jurors secluded during the course of the trial. There must be a good reason why jurors are denied all access to radios, newspapers, or television during the course of a trial.

The gentleman from California, in the face of ongoing investigations by a distinguished Senate panel, a Federal grand jury, and a special prosecutor appointed by the Attorney General, has decided to call the attention of the House to its constitutional responsibilities. I must conclude that he holds some clear and direct evidence of criminal complicity of the President, calling for the immediate redress of an impeachment resoluton. If he does not have such evidence, but intends merely to rehash already public information for political purposes, then suspicions that he is indulging in headline-baiting will flourish.

Since the U.S. House of Representatives is the only body in the world which has the constitutional authority to initiate impeachment proceedings against a President of the United States, then the very mention of the word impeachment by a member of that body during its proceeding must be considered more than just a casual interest.

While I am delighted to hear the words that our colleague believes that, quote:

> The President is entitled to the presumption of innocence.

The underlying principle of the American system of justice—other words in his statement leave me doubting that he really means it in this case. Brief oral presentation here—the necessary pretrial investigation is being undertaken, as I have already noted, by three separate and highly competent bodies. Those found to be directly involved have been criminally indicted and three men are already imprisoned. The investigations continue.

Is my colleague suggesting via this order that we leapfrog these traditional legal procedures and bring impeachment proceedings before all the facts are known? Is he implying that the investigatory bodies are not competent to perform their duties? Is he not willing to afford the President of the United States those same protections guaranteed to the most common of criminals?

Mr. Speaker, the type of discussion initiated today is not becoming to the dignity of the House. It is an extension into the very Halls of Congress of an ongoing trial by hearsay and innuendo being conducted in some areas. In this kind of trial, the accused has no protection of his rights at all, no protection of his official and personal reputation, and no means of redress or rebuttal. Indeed, in this special instance, the very dignity of the high Presidential office precludes any response but one—reliance upon the law of the land as set forth in the Constitution of the United States.

I suggest to the gentleman from California that he turn his attention to the true question involved at this point. If impeachable offenses have been committed, the House does not—as he asserts—have "alternative actions" which it can consider. If Mr. McCloskey is aware of the constitutional responsibilities entrusted to the House, then he is aware that there is only one action which can responsibly be taken. If my colleague has evidence upon which to base a resolution of impeachment, it is his long overdue responsibility to present it and immediately introduce the resolution. If not, I suggest he desist from demeaning the highest office in the land unless and until he has such evidence and is willing to present it to the House.

Let the American constitutional system of justice work—a system which has proven its uncompromising effectiveness time and time again.

Let it work without pretrial declaration of guilt.

Let it work with the same protection for one as for any other, regardless of position.

Let the trials be held in the courts of this land after proper, and only after proper, indictment. Or, in the case of impeachable offenses, let the trial be held in the Congress as provided in the Constitution after, and only after, the proper resolutions and evidences have been presented.

But, my colleagues, let us not permit this hallowed Chamber to be used for headline baiting which serves neither this Nation nor its great people.

Mr. WALDIE. Mr. Speaker, the gentleman from California (Mr. McCloskey) has performed an admirable and useful service to the House and to the Nation by attempting to encourage presentation in the House of views and opinions on the process of impeachment.

It is a measure, perhaps, of the fear of the administration of discussion, let alone pursuit, of this topic that attempts to limit his remarks and our discussion have been made by a Republican colleague of his.

Nonetheless, the Nation is entitled to such a discussion. The House would be well served by such a discussion.

Impeachment is not a desirable topic, nor is it a desirable remedy. But neither is corruption in the White House a desirable topic, nor is silencing of debate or prevention of action, if indicated, a desirable remedy to corruption in the White House.

I am not certain impeachment should be embarked upon. But I am certain a full debate on the issue would harm no one including the President or his party and I regret the debate has been foreclosed.

Mr. O'HARA. Mr. Speaker, I wish to inject a note of caution into today's discussion of alleged wrong-doing in the executive branch of the Government—allegations which extend to the highest levels of the White House.

I concede that these are serious allegations, indeed. They involve charges of wholesale violation of the law—charges of breaking and entering; charges of spying on Government officials, members of the press, and private citizens; charges of turning the legitimate agencies of Government into illegitimate instruments of political espionage; charges of illegal raising and expenditures of millions of dollars in political contributions; charges of perjury; charges of obstruction of justice—charges, in short, of total disdain of the law and total disregard of the rights of the American people.

As a result of this unprecedented scandal, two former Cabinet officers already are under indictment; top officials ranging from Cabinet officers to the closest advisers to the President either have resigned or have been fired from their jobs; and a pall of uncertainty hangs over the entire executive branch of Government.

But, Mr. Speaker, we in this body should not lose our sense of proportion, even in the face of a scandal of this magnitude. It is my hope that this House will show that it merits respect as a great deliberative body, by demonstrating prudence in our speech and action—so that we will not, by inadvertence, contribute further to the crisis of confidence which is spreading across the Nation.

I would hope, Mr. Speaker, that my colleagues would reserve judgment in this matter until all of the facts are available—and I am convinced that, at this juncture, we are still a long way from knowing all of the facts.

(During the special order of Mr. McCloskey, the following proceedings occurred.)

## CALL OF THE HOUSE

Mr. LANDGREBE. Mr. Speaker, this is a very important matter being discussed. I do not believe there is a quorum in the House. I make the point of order that a quorum is not present.

The SPEAKER pro tempore (Mr. Mazzoli). The Chair will count.

Sixty Members being present in the Chamber, a quorum is not present.

Mr. McFALL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 191]

Abdnor
Adams
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Ashley
Aspin
Badillo
Barrett
Beard
Bergland
Bevill
Biaggi
Biester
Bingham
Blackburn
Bolling
Brademas
Bray
Breaux
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burleson, Tex.
Camp
Carey, N.Y.
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clay
Cochran
Cohen
Collins
Conable
Conte
Coughlin
Cronin
Culver
Daniel, Dan
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, Wis.
de la Garza
Delaney
Dellenback
Dennis
Diggs
Donohue
Downing
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Foley
Ford, Gerald R.
Ford, William D.
Fraser
Frelinghuysen
Frey
Froehlich
Fulton
Fuqua
Gibbons
Ginn
Goldwater
Gonzalez
Grasso
Gray
Green, Pa.
Griffiths
Gubser
Gunter
Guyer
Haley
Hamilton
Hanna
Hanrahan
Hansen, Wash.
Harrington
Harsha
Harvey
Hastings
Hawkins
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hillis
Hinshaw
Hogan
Holifield
Horton
Hosmer
Howard
Hungate
Hutchinson
Jarman
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Karth
Kastenmeier
Kazen
Kemp
Ketchum
King
Kuykendall
Kyros
Landrum
Leggett
Lehman
Lent
Long, La.
Long, Md.
Lujan
McClory
McCollister
McDade
McSpadden
Macdonald
Madden
Mahon
Mailliard
Maraziti
Martin, Nebr.
Mathias, Calif.
Mathis, Ga.
Mayne
Metcalfe
Michel
Mills, Ark.
Minshall, Ohio
Mitchell, N.Y.
Mizell
Mollohan
Moorhead, Pa.
Mosher
Moss
Myers
Nedzi
Nichols
Nix
O'Brien
O'Hara
Owens
Parris
Passman
Patman
Patten
Pepper
Perkins
Peyser
Pickle
Pike
Poage
Podell
Powell, Ohio
Preyer
Price, Tex.
Quie
Quillen
Railsback
Rangel
Rees
Reuss
Rhodes
Riegle
Roberts
Robison, N.Y.
Roe
Rogers
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Roybal
Runnels
Ruppe
Ruth
St Germain
Sandman
Sarasin
Satterfield
Schneebeli
Schroeder
Shipley
Shoup
Shriver
Sikes
Sisk
Skubitz
Slack
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stokes
Stuckey

Sullivan
Symington
Talcott
Taylor, N.C.
Teague, Calif.
Teague, Tex.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Udall
Ullman
Van Deerlin
Vander Jagt
Vigorito
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles, Tex.
Winn
Wright
Wyatt
Wyman
Yates
Young, Alaska
Young, Ga.
Young, Ill.
Young, Tex.
Zablocki
Zion
Zwach

Mr. GROSS. Mr. Speaker, may we have the regular order?

The SPEAKER. The regular order is the establishment of a quorum and the rule provides a minimum of 15 minutes for Members to respond. Clause 5 of rule XV states that Members have "not less than 15 minutes to have their presence recorded."

Mr. WAGGONNER. Mr. Speaker, I move that the House do now adjourn.

Ms. ABZUG. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 9, nays 143, present 1, not voting 279, as follows:

[Roll No. 192]

YEAS—9

Brinkley
Matsunaga
McFall
Milford
O'Neill
Stephens
Stratton
Stubblefield
Waggonner

NAYS—143

Abzug
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Baker
Bell
Bennett
Blatnik
Boggs
Boland
Bowen
Brasco
Breckinridge
Brown, Ohio
Broyhill, N.C.
Burke, Mass.
Burlison, Mo.
Burton
Butler
Byron
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Collier
Conlan
Conyers
Corman
Cotter
Crane
Daniel, Robert W., Jr.
Davis, S.C.
Dellums
Denholm
Dent
Derwinski
Devine
Dickinson
Dingell
Dorn
Drinan
Erlenborn
Flynt
Forsythe
Fountain
Gaydos
Gettys
Giaimo
Gilman
Goodling
Gross
Grover
Gude
Hammerschmidt
Hanley
Hansen, Idaho
Henderson
Hicks
Holt
Holtzman
Hudnut
Hunt
Ichord
Johnson, Calif.
Johnson, Colo.
Jones, Okla.
Jordan
Keating
Kluczynski
Koch
Landgrebe
Latta
Litton
Lott
McCloskey
McCormack
McEwen
McKay
McKinney
Madigan
Mallary
Mann
Martin, N.C.
Mazzoli
Meeds
Melcher
Mezvinsky
Miller
Minish
Mink
Mitchell, Md.
Moakley
Montgomery
Moorhead, Calif.
Morgan
Murphy, Ill.
Murphy, N.Y.
Natcher
Nelsen
Obey
Pettis
Price, Ill.
Pritchard
Randall
Regula
Reid
Rinaldo
Robinson, Va.
Rodino
Roncalio, Wyo.
Roncallo, N.Y.
Rose
Ryan
Sarbanes
Saylor
Scherle
Sebelius
Seiberling
Shuster
Smith, Iowa
Smith, N.Y.
Snyder
Studds
Symms
Taylor, Mo.
Thompson, N.J.
Treen
Vanik
Veysey
Waldie
Walsh
Wampler
Ware
Wilson, Charles H., Calif.
Wolff
Wydler
Wylie
Yatron
Young, Fla.
Young, S.C.

PRESENT—1

Huber

NOT VOTING—279

Abdnor
Adams
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Ashley
Aspin
Badillo
Bafalis
Barrett
Beard
Bergland
Bevill
Biaggi
Biester
Bingham
Blackburn
Bolling
Brademas
Bray
Breaux
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burleson, Tex.
Camp
Carey, N.Y.
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clay
Cochran
Cohen
Collins
Conable
Conte
Coughlin
Cronin
Culver
Daniel, Dan
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, Wis.
de la Garza
Delaney
Dellenback
Dennis
Diggs
Donohue
Downing
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Foley
Ford, Gerald R.
Ford, William D.
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gibbons
Ginn
Goldwater
Gonzalez
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Gubser
Gunter
Guyer
Haley
Hamilton
Hanna
Hanrahan
Hansen, Wash.
Harrington
Harsha
Harvey
Hastings
Hawkins
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hillis
Hinshaw
Hogan
Holifield
Horton
Hosmer
Howard
Hungate
Hutchinson
Jarman
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Karth
Kastenmeier
Kazen
Kemp
Ketchum
King
Kuykendall
Kyros
Landrum
Leggett
Lehman
Lent
Long, La.
Long, Md.
Lujan
McClory
McCollister
McDade
McSpadden
Macdonald
Madden
Mahon
Mailliard
Maraziti
Martin, Nebr.
Mathias, Calif.
Mathis, Ga.
Mayne
Metcalfe
Michel
Mills, Ark.
Minshall, Ohio
Mitchell, N.Y.
Mizell
Mollohan
Moorhead, Pa.
Mosher
Moss
Myers
Nedzi
Nichols
Nix
O'Brien
O'Hara
Owens
Parris
Passman
Patman
Patten
Pepper
Perkins
Peyser
Pickle
Pike
Poage
Podell
Powell, Ohio
Preyer
Price, Tex.
Quie
Quillen
Railsback
Rangel
Rarick
Rees
Reuss
Rhodes
Riegle
Roberts
Robison, N.Y.
Roe
Rogers
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Roybal
Runnels
Ruppe
Ruth
St Germain
Sandman
Sarasin
Satterfield
Schneebeli
Schroeder
Shipley
Shoup
Shriver
Sikes
Sisk
Skubitz
Slack
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stokes
Stuckey
Sullivan
Symington
Talcott
Taylor, N.C.
Teague, Calif.
Teague, Tex.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Udall
Ullman
Van Deerlin
Vander Jagt
Vigorito
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles, Tex.
Winn
Wright
Wyatt
Wyman
Yates
Young, Alaska
Young, Ga.
Young, Ill.
Young, Tex.
Zablocki
Zion
Zwach

So the motion to adjourn was rejected.

The result of the vote was amended as above recorded.

The SPEAKER. The order of business is the establishment of a quorum. The House is still in the process of trying to establish a quorum, the motion to adjourn having been rejected. Are there further Members in the Chamber who desire to record their presence?

### MOTION OFFERED BY MR. STRATTON

Mr. STRATTON. Mr. Speaker, I move that the Sergeant at Arms be instructed to bring in the absent Members.

### PARLIAMENTARY INQUIRY

Mr. McCLOSKEY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. McCLOSKEY. Mr. Speaker, I rise in order that I may be recognized for a motion to adjourn.

### MOTION OFFERED BY MR. M'CLOSKEY

Mr. McCLOSKEY. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER. The question is on the motion offered by the gentleman from California (Mr. McCloskey).

Mr. STRATTON. Mr. Speaker, I have a motion pending.

The SPEAKER. The Chair will state that the motion to adjourn offered by the gentleman from California (Mr. McCloskey) takes precedence over the motion offered by the gentleman from New York (Mr. Stratton).

## ADJOURNMENT

The motion was agreed to; accordingly (at 9 o'clock and 38 minutes p.m.), the House adjourned until Thursday, June 7, 1973, at 12 o'clock noon.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1001. A letter from the Assistant Secretary of the Interior, transmitting certification that an adequate soil survey and land classification has been made of the lands in the Kanawha Water District, Sacramento Canals unit, Central Valley project, and that the lands to be irrigated are susceptible to the production of agricultural crops by means of irrigation, pursuant to Public Law 83–172; to the Committee on Appropriations.

1002. A letter from the Secretary of Commerce transmitting the 103d quarterly report on export control, covering the first quarter of 1973, pursuant to the Export Administration Act of 1969, as amended; to the Committee on Banking and Currency.

1003. A letter from the Secretary of Labor, transmitting the 11th Annual Report on the administration of the Welfare and Pension Plans Disclosure Act, covering calendar year 1972, pursuant to section 14(b) of the act; to the Committee on Education and Labor.

1004. A letter from the Deputy Secretary of Defense, transmitting the Annual Report of the American National Red Cross for fiscal year 1972, together with the combined statement of income and expenditures of the National Organization and the 3,190 chapters for the same period, pursuant to 36 U.S.C. 6; to the Committee on Foreign Affairs.

1005. A letter from the Executive Director, Federal Communications Commission, transmitting a report on the backlog of pending applications and hearing cases in the Commission as of April 30, 1973, pursuant to section 5(e) of the Communications Act, as amended; to the Committee on Interstate and Foreign Commerce.

1006. A letter from the Chairman, Consumer Product Safety Commission, transmitting the amended Flammability Standard for Mattresses, which will become effective on June 7, 1973; to the Committee on Interstate and Foreign Commerce.

1007. A letter from the Vice President for Public and Government Affairs, National Railroad Passenger Corporation, transmitting a financial report of the Corporation for the month of February 1973, pursuant to section 308(a)(1) of the Rail Passenger Service Act of 1970, as amended; to the Committee on Interstate and Foreign Commerce.

1008. A letter from the Acting Commissioner, Immigration and Naturalization Service, Department of Justice transmitting reports concerning visa petitions approved according certain beneficiaries third and sixth preference classification, pursuant to section 204(d) of the Immigration and Nationality Act, as amended [8 U.S.C. 1154(d)]; to the Committee on the Judiciary.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HAYS: Committee of conference. Conference report on H.R. 5610; with amendment (Rept. No. 93-260). Ordered to be printed.

Mr. MORGAN: Committee of conference. Conference report on H.R. 5293; (Rept. No. 93-261). Ordered to be printed.

Mr. EDWARDS of California: Committee on the Judiciary. House Joint Resolution 499. Joint resolution providing for an extension of the term of the Commission on the Bankruptcy Laws of the United States, and for other purposes; (Rept. No. 93-262). Referred to the Committee of the Whole House on the State of the Union.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MILLS of Arkansas (for himself and Mr. SCHNEEBELI):

H.R. 8410. A bill to continue the existing temporary increase in the public debt limit through November 30, 1973, and for other purposes; to the Committee on Ways and Means.

By Mr. ABDNOR:

H.R. 8411. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Pollock-Herreid unit, South Dakota pumping division, Pick-Sloan Missouri Basin program, S.D.; to the Committee on Interior and Insular Affairs.

By Mr. ADAMS:

H.R. 8412. A bill to authorize the District of Columbia Council to set the real property tax rate and assessment for all real property located in the District of Columbia, and for other purposes; to the Committee on District of Columbia.

By Mr. ANDERSON of California:

H.R. 8413. A bill to amend the Internal Revenue Code of 1954 to provide income tax simplification, reform, and relief for small business; to the Committee on Ways and Means.

By Mr. BAFALIS:

H.R. 8414. A bill to provide for conveyance of certain mineral interests of the United States in real property situated in Florida to the record owners of the surface of that property; to the Committee on Interior and Insular Affairs.

By Mr. BAKER (for himself and Mr. WINN):

H.R. 8415. A bill to amend the National Labor Relations Act to make certain limitations on penalties levied by a labor organization upon its members, and for other purposes; to the Committee on Education and Labor.

By Mr. BROTZMAN:

H.R. 8416. A bill to amend the Postal Revenue and Federal Salary Act of 1967 to require congressional action to effectuate increases in the rates of pay for Members of Congress and certain officers and employees in the legislative branch of the Government; to the Committee on Post Office and Civil Service.

By Mr. BROYHILL of Virginia:

H.R. 8417. A bill to amend title 28 of the District of Columbia Code relating to usury in the District of Columbia; to the Committee on the District of Columbia.

By Mr. DU PONT (for himself, Mr. BUCHANAN, Mr. FINDLEY, Mr. WILLIAM D. FORD, Mr. FRENZEL, Mr. HANNA, Mr. MORGAN, Mr. PODELL, Mr. RINALDO, Mr. ST GERMAIN, and Mr. WON PAT):

H.R. 8418. A bill to amend title 39, United States Code, to provide a mail delivery insurance program under which a person who insures an article of mail could recover for losses occurring when there is late or no delivery of the article; to the Committee on Post Office and Civil Service.

By Mr. HARRINGTON (for himself, Mr. WON PAT, Mr. ROSENTHAL, Mr. WALDIE, Mr. NIX, Mr. GONZALEZ, Mr. BURKE of Massachusetts, Mr. Tiernan, Mrs. CHISHOLM, Mr. DRINAN, Mr. EILBERG, and Mr. STARK):

H.R. 8419. A bill to provide economic adjustment assistance to communities in which military facility closings have caused economic injury to the community, and for other purposes; to the Committee on Banking and Currency.

Mr. HARRINGTON (for himself, Mr. ROSENTHAL, Mr. BOLAND, Mr. NIX, Mr. HAWKINS, Mr. RANGEL, Mr. BERGLAND, Mr. LEGGETT, Mr. CONYERS, Mr. PEPPER, Mr. YATRON, Mr. MITCHELL, of Maryland, Mr. STARK, Mr. FAUNTROY, Mr. WOLFF, Mr. RIEGLE, Mr. METCALFE, Mr. DELLUMS, Mr. STOKES, and Mr. BURTON):

H.R. 8420. A bill to provide public service employment opportunities for unemployed and underemployed persons, to assist States and local communities in providing needed public services, and for other purposes; to the Committee on Education and Labor.

By Mr. HARRINGTON (for himself and Mrs. HECKLER of Massachusetts):

H.R. 8421. A bill to amend the Foreign Assistance Act of 1961 to require congressional authorization for the involvement of American forces in further hostilities in Indochina, and for extending assistance to North Vietnam; to the Committee on Foreign Affairs.

By Mr. HARRINGTON (for himself, Mr. LEHMAN, Ms. BURKE of California, Mr. BOLAND, and Mr. STOKES):

H.R. 8422. A bill to provide adequate mental health care and psychiatric care to all Americans; to the Committee on Interstate and Foreign Commerce.

By Mr. HARRINGTON (for himself, Mr. BADILLO, Mr. O'HARA, Mr. RIEGLE, Mr. WON PAT, Mr. MITCHELL of Maryland, Mr. DIGGS, Mr. ROE, Mr. ROY, and Mr. BURTON):

H.R. 8423. A bill to enforce the provisions of the 14th amendment to assure the proper conduct of elections; to the Committee on the Judiciary.

By Mr. HARRINGTON (for himself and Mr. WOLFF):

H.R. 8424. A bill to amend the Federal Water Pollution Control Act to impose an additional liability upon owners and operators of vessels, onshore facilities, and offshore facilities for the discharge of oil onto private property, and for other purposes; to the Committee on Public Works.

By Mr. HARRINGTON (for himself, Mr. CONYERS, and Mr. BROWN of California):

H.R. 8425. A bill to require the President to notify the Congress of any impoundment of funds ordered, authorized, or approved by the Executive, to provide a procedure for congressional review of the President's action, and to establish an expenditure ceiling for the fiscal year 1974; to the Committee on Rules.

By Mr. HARRINGTON (for himself, Mr. ROSENTHAL, Mr. BURTON, Mr. DIGGS, Mr. WILLIAM D. FORD, Mr. ROYBAL, Ms. ABZUG, Mr. RIEGLE, Mr. STOKES, Mr. STUDDS, and Mr. CONYERS):

H.R. 8426. A bill to improve the extended unemployment compensation program; to the Committee on Ways and Means.

By Mr. HARRINGTON (for himself, Mr. ROSENTHAL, Mr. BURTON, Mr. DIGGS, Mr. WILLIAM D. FORD, Mr. ROYBAL, Ms. ABZUG, Mr. RIEGLE, Mr. STOKES, Mr. STUDDS, and Mr. CONYERS):

H.R. 8427. A bill to amend the Federal-State Extended Unemployment Compensation Act of 1970 to permit Federal sharing of the cost of unemployment benefits which extend for 52 weeks; to the Committee on Ways and Means.

By Mr. HENDERSON:

H.R. 8428. A bill to amend the National Labor Relations Act to clarify judicial procedures, standards, and for other purposes; to the Committee on Education and Labor.

H.R. 8429. A bill to prohibit the issuance to a minor of a passport which would permit him to leave the United States in violation of legal custody order; to the Committee on Foreign Affairs.

H.R. 8430. A bill to authorize the apportionment of funds for the National System of Interstate and Defense Highways for fiscal years 1974 and 1975; to the Committee on Public Works.

By Mr. HOGAN:

H.R. 8431. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit for homeowners, apartment owners, small businessmen, and car owners who purchase and install certified pollution control devices; to the Committee on Ways and Means.

By Mr. KOCH:

H.R. 8432. A bill to amend the National Security Act of 1947 to prohibit the Central Intelligence Agency from providing training or other assistance in support of State or local law-enforcement activities; to the Committee on Armed Services.

By Mr. MEEDS (for himself, Mr. DOMINICK V. DANIELS, Mr. PERKINS, Mr. DENT, Mr. HAWKINS, Mr. WILLIAM D. FORD, Mrs. MINK, Mr. GAYDOS, Mrs. CHISHOLM, Mrs. GRASSO, Mr. BADILLO, Mr. LEHMAN, Mr. BENITEZ, Mr. ASPIN, Mr. BOLLING, Mr. BROWN of California, Mr. BUCHANAN, Mr. BURKE of Massachusetts, Mr. BYRON, Mr. CARNEY of Ohio, Mr. CORMAN, Mr. DANIELSON, Mr. DE LUGO, Mr. DINGELL, and Mr. DULSKI):

H.R. 8433. A bill to amend the Youth Conservation Corps Act of 1972 (Public Law 92-597, 86 Stat. 1319) to expand and make permanent the Youth Conservation Corps and for other purposes; to the Committee on Education and Labor.

By Mr. MEEDS (for himself, Mr. EILBERG, Mr. EVINS of Tennessee, Mr. FRASER, Mr. GIBBONS, Mrs. HANSEN, of Washington, Mr. HAMMERSCHMIDT, Mr. HANNA, Mr. HARRINGTON, Mr. HELSTOSKI, Mr. JOHNSON of California, Mr. LEGGETT, Mr. McDADE, Mr. MOAKLEY, Mr. MOLLOHAN, Mr. MOSS, Mr. OBEY, Mr. PEPPER, Mr. PRICE of Illinois, Mr. PODELL, Mr. REES, Mr. RIEGLE, Mr. RODINO, Mr. ROE, and Mr. ROUSH):

H.R. 8434. A bill to amend the Youth Conservation Corps Act of 1972 (Public Law 92-

597, 86 Stat. 1319) to expand and make permanent the Youth Conservation Corps and for other purposes; to the Committee on Education and Labor.

By Mr. MEEDS (for himself, Mr. Rostenkowski, Mr. Roybal, Mr. Sarbanes, Mr. Seiberling, Mr. Sikes, Mr. Sisk, Mr. Stokes, Mr. Veysey, Mr. Won Pat, and Mr. Wyatt):

H.R. 8435. A bill to amend the Youth Conservation Corps Act of 1972 (Public Law 92–597, 86 Stat. 1319) to expand and make permanent the Youth Conservation Corps and for other purposes; to the Committee on Education and Labor.

By Mr. O'HARA (for himself, Mr. William D. Ford, Ms. Abzug, Mr. Anderson of California, Mr. Badillo, Mr. Bell, Mr. Bingham, Mr. Boland, Mr. Brasco, Mr. Broomfield, Mr. Brown of Michigan, Mr. Brown of California, Mr. Burgener, Mr. Cederberg, Mr. Chamberlain, Mr. Conyers, Mr. Corman, Mr. Cotter, Mr. Danielson, Mr. Dellums, Mr. Diggs, Mr. Dingell, Mr. Dulski, Mr. Edwards of California, and Mr. Esch):

H.R. 8436. A bill to amend the Federal Meat Inspection Act in order to provide that States may not have less strict standards with respect to marketing, labeling, packaging, and ingredient requirements than those made under the Federal Meat Inspection Act; to the Committee on Agriculture.

By Mr. O'HARA (for himself, Mr. William D. Ford, Mr. Gerald R. Ford, Mrs. Grasso, Mrs. Griffiths, Mr. Hanley, Mr. Harrington, Mr. Harvey, Mr. Horton, Mr. Huber, Mr. Kemp, Mr. Koch, Mr. McKinney, Mr. Moakley, Mr. Moorhead of California, Mr. Moss, Mr. Nedzi, Mr. Riegle, Mr. Rosenthal, Mr. Ruppe, Mr. Sarasin, Mr. Stark, Mr. Studds, Mr. Towell of Nevada, and Mr. Walsh):

H.R. 8437. A bill to amend the Federal Meat Inspection Act in order to provide that States may not have less strict standards with respect to marketing, labeling, packaging, and ingredient requirements than those made under the Federal Meat Inspection Act; to the Committee on Agriculture.

By Mr. PARRIS:

H.R. 8438. A bill to amend the Federal Meat Inspection Act with respect to custom slaughtering; to the Committee on Agriculture.

By Mr. RHODES:

H.R. 8439. A bill to amend the Fair Packaging and Labeling Act to provide that the commodity label required by that act must disclose the manufacturer's name and place of business, and packer's name and place of business if different from the manufacturer; to the Committee on Interstate and Foreign Commerce.

By Mr. RHODES (for himself, Mr. Conlan, Mr. Steiger of Arizona, and Mr. Udall):

H.R. 8440. A bill to authorize the Secretary of Agriculture and the Secretary of the Interior to cooperate with States, local agencies, and individuals in the planning and carrying out of practices for water yield improvement, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. RINALDO:

H.R. 8441. A bill to provide for the compensation of persons injured by certain criminal acts, to make grants to States for the payment of such compensation, and for other purposes; to the Committee on the Judiciary.

By Mr. SAYLOR:

H.R. 8442. A bill to provide that Flag Day shall be a legal public holiday; to the Committee on the Judiciary.

By Mr. SLACK:

H.R. 8443. A bill to amend title II of the Social Security Act to provide for voluntary agreements between ministers and their employers to treat ministers as employed persons; to the Committee on Ways and Means.

By Mr. TIERNAN:

H.R. 8444. A bill to provide economic adjustment assistance to communities in which military facility closings have caused economic injury to the community, and for other purposes; to the Committee on Banking and Currency.

H.R. 8445. A bill to amend title 5, United States Code, to provide special assistance and benefits to Federal employees involuntarfly separated through reductions in force, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. WALSH (for himself, Mr. Addabbo, Mr. Wydler, Mr. Derwinski, Mr. Pepper, Mr. Brasco, Mr. Won Pat, Mr. Hastings, Mrs. Green of Oregon, Mr. Cohen, Mr. McEwen, Mr. Harrington, Mr. Podell, Mrs. Grasso, Mr. Moakley, Mrs. Heckler of Massachusetts, Mrs. Chisholm, Mr. Rose, Mr. Gilman, Mrs. Schroeder, Mr. Huber, Ms. Abzug, Mr. Roe, Mr. Stark, and Mrs. Burke of California):

H.R. 8446. A bill to provide for the issuance of a special postage stamp in commemoration of the life and work of Dr. Elizabeth Blackwell; to the Committee on Post Office and Civil Service.

By Mr. WALSH (for himself, Mr. Waldie, Mr. Rinaldo, Mr. Mitchell of New York, Mr. Frelinghuysen, and Mrs. Boggs):

H.R. 8447. A bill to provdie for the issuance of a special postage stamp in commemoration of the life and work of Dr. Elizabeth Blackwell; to the Committee on Post Office and Civil Service.

By Mr. ANDERSON of Illinois (for himself, Mr. Coughlin, Mr. Roncallo of New York, and Mr. Steele):

H.R. 8448. A bill to improve the conduct and regulation of Federal election campaign activities and to provide public financing for such campaigns; to the Committee on House Administration.

By Mr. BARRETT (for himself, Mr. Widnall, Mrs. Sullivan, Mr. Ashley, Mr. Moorhead of Pennsylvania, Mr. Stephens, Mr. St Germain, Mr. Gonzalez, Mr. Reuss, Mr. Hanna, Mr. Brown of Michigan, Mr. J. William Stanton, Mr. Blackburn, Mrs. Heckler of Massachusetts, and Mr. Rousselot):

H.R. 8449. A bill to expand the national flood insurance program by substantially increasing limits of coverage and total amount of insurance authorized to be outstanding and by requiring known flood-prone communities to participate in the program, and for other purposes; to the Committee on Banking and Currecny.

By Mr. BIAGGI:

H.R. 8450. A bill to terminate the Airlines Mutual Aid Agreement; to the Committee on Interstate and Foreign Commerce.

By Mr. BIAGGI (for himself, Mr. Won Pat, Mr. Podell, Mr. Leggett, Mr. Roe, Mr. Waldie, Mr. Clark, Mr. Rees, Mr. Cohen, Mr. Huber, Mr. Vigorito, Mr. Lent, Mr. Burke of Massachusetts, Mr. Murphy of New York, and Mr. Corman):

H.R. 8451. A bill to increase the subsistence payments to students at the State marine schools; to the Committee on Merchant Marine and Fisheries.

By Mr. BIAGGI (for himself, Mr. Won Pat, Mr. Podell, Mr. Leggett, Mr. Roe, Mr. Waldie, Mr. Clark, Mr. Rees, Mr. Huber, Mr. Vigorito, Mr. Lent, Mr. Burke of Massachusetts, Mr. Murphy of New York, and Mr. Corman):

H.R. 8452. A bill to amend the Maritime Academy Act of 1958 in order to authorize the Secretary of the Navy to appoint students at State maritime academies and colleges as Reserve midshipmen in the U.S. Navy, and for other purposes; to the Committee on Armed Services.

By Mr. BIAGGI (for himself and Mr. Hinshaw):

H.R. 8453. A bill to amend the Internal Revenue Code of 1954 to permit an exemption of the first $5,000 of retirement income received by a taxpayer under a public retirement system or any other system if the taxpayer is at least 65 years of age; to the Committee on Ways and Means.

H.R. 8454. A bill to amend the Internal Revenue Code of 1954 to provide that the personal exemption allowed a taxpayer for a dependent shall be available without regard to the dependent's income in the case of a dependent who is over 65 (the same as in the case of a dependent who is a child under 19); to the Committee on Ways and Means.

H.R. 8455. A bill to amend title II of the Social Security Act to increase to $750 in all cases the amount of the lump-sum death payment thereunder; to the Committee on Ways and Means.

H.R. 8456. A bill to amend title XVIII of the Social Security Act to provide payment under the supplementary medical insurance program for optometrists' services and eyeglasses; to the Committee on Ways and Means.

H.R. 8457. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. CAREY of New York:

H.R. 8458. A bill to amend the Social Security Act to provide for judicial review by providers and others of actions undertaken pursuant to titles XVIII and XIX of such act, and for other purposes; to the Committee on Ways and Means.

By Mr. DELLENBACK:

H.R. 8459. A bill to amend the act of June 4, 1897, to expand the Secretary of Agriculture's authority for permitting the free use of timber and stone found upon the national forests; to the Committee on Agriculture.

By Mr. DENHOLM:

H.R. 8460. A bill to amend the Internal Revenue Code of 1954 to relieve employers of 15 or fewer employees from the requirement of paying or depositing certain employment taxes more often than once each year; to the Committee on Ways and Means.

By Mr. EILBERG:

H.R. 8461. A bill to establish certain rules with respect to the appearance of witnesses before grand juries, and to provide for independent inquiries by grand juries, and for other purposes; to the Committee on the Judiciary.

By Mr. GINN:

H.R. 8462. A bill to amend the Occupational Safety and Health Act of 1970 to exempt certain small employers; to the Committee on Education and Labor.

H.R. 8463. A bill to amend the Occupational Safety and Health Act of 1970 to provide additional assistance to small employers; to the Committee on Education and Labor.

By Mr. JOHNSON of California:

H.R. 8464. A bill to amend chapter 2 of title 16 of the United States Code (respecting national forest) to provide a share of timber receipts to States for schools and roads; to the Committee on Agriculture.

By Mr. MEEDS (for himself and Mr. Esch):

H.R. 8465. A bill to amend the Youth Conservation Corps Act of 1972 (Public Law 92–597, 86 Stat. 1319) to expand and make permanent the Youth Conservation Corps and for other purposes; to the Committee on Education and Labor.

By Mr. MURPHY of New York (for himself, Mr. Podell, Mr. Thompson of New Jersey, Mr. Stephens, Mr.

Eilberg, Mr. Addabbo, Mr. Rees, Mr. Harrington, Mr. Mazzoli, Mr. Sikes, Mr. St Germain, Mr. Carey of New York, and Ms. Abzug):

H.R. 8466. A bill to provide for a national educational campaign to improve safety on the highways by improving driver skill, driver attitudes, and driver knowledege of highway regulations; to the Committee on Interstate and Foreign Commerce.

By Mr. RANDALL:

H.R. 8467. A bill to create a Drug Enforcement Administration; to the Committee on Government Operations.

By Mr. RANGEL:

H.R. 8468. A bill making appropriations for the Office of Economic Opportunity for fiscal year ending June 30, 1974; to the Committee on Appropriations.

By Mr. RANGEL (for himself and Mr. Pickle):

H.R. 8469. A bill to amend title 18 of the United States Code to prohibit bribery of State and local law enforcement officers and other elected or appointed officials; to the Committee on the Judiciary.

By Mr. STEPHENS (for himself, Mr. Williams, Mr. Gettys, Mr. Annunzio, Mr. Koch, Mr. Brasco, Mr. Cotter, Mr. Rousselot, and Mr. Hanley):

H.R. 8470. A bill to amend the Small Business Act; to the Committee on Banking and Currency.

By Mr. THONE:

H.R. 8471. A bill to make rules governing the use of the Armed Forces of the United States in the absence of a declaration of war by the Congress of the United States or of a military attack upon the United States; to the Committee on Foreign Affairs.

By Mr. KING:

H.J. Res. 599. Joint resolution proposing an amendment to the Constitution of the United States for the protection of unborn children and other persons; to the Committee on the Judiciary.

By Mr. PERKINS:

H.J. Res. 600. Joint resolution proposing a national education policy; to the Committee on Education and Labor.

By Mr. SIKES:

H.J. Res. 601. Joint resolution proposing an amendment to the Constitution of the United States to provide an age limit and a single 6-year term for the President; to the Committee on the Judiciary.

By Mr. WAGGONNER:

H.J. Res. 602. Joint resolution authorizing the President to proclaim the week beginning on the last Monday in September each year as "Youth Appreciation Week"; to the Committee on the Judiciary.

By Mr. WALSH (for himself, Mr. Smith of New York, Mr. Conable, Mr. Flood, Mr. Kemp, Mr. Roe, Mr. Lent, Mr. King, Mr. Robison of New York, Mr. Roncallo of New York, Mr. Green of Pennsylvania, and Mr. Rooney of Pennsylvania:

H. Con. Res. 240. Concurrent resolution expressing the sense of the Congress with respect to the sale or abandonment of certain railroad lines; to the Committee on Interstate and Foreign Commerce.

By Mr. HAYS:

H. Res. 427. Resolution providing a postage stamp allowance for the Chaplain of the House of Representatives; to the Committee on House Administration.

## MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the Speaker: A memorial of the Legislature of the State of Colorado, relative to radio news service in Colorado; to the Committee on Interstate and Foreign Commerce.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GRAY:

H.R. 8472. A bill for the relief of Carmela Giordano; to the Committee on the Judiciary.

By Mr. MANN:

H.R. 8473. A bill for the relief of Renato M. Dioquino; to the Committee on the Judiciary.

By Mr. OWENS:

H.R. 8474. A bill for the relief of J. Clarence Ingram, Don W. Ingram, and Dick L. Ingram of Nephi, Utah; to the Committee on the Judiciary.

By Mr. WHITE:

H.R. 8475. A bill to authorize the Administrator of the General Services Administration, or his designee, to convey a parcel of land at the Fort Bliss Military Reservation in exchange for another parcel of land; to the Committee on Armed Services.

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# EXTENSIONS OF REMARKS

## EULOGY FOR MAJ. GEN. JAMES L. PRICE

### HON. WILLIAM F. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. WALSH. Mr. Speaker, on May 15, this Nation lost one of its great military leaders. Air Force Maj. Gen. James Price, commander of the 21st NORAD Division headquartered at Hancock Field in Syracause, N.Y., was killed when his F-106 aircraft exploded in the air. Much has been said about the loss of General Price, but I think a eulogy delivered at a memorial service on May 18 says it best. The eulogy was delivered by 21st Division chaplain, Lt. Col. Jefferson E. Davis, Jr., at Hancock Air Base and I think it most aptly describes the meaning of General Price's greatest sacrifice.

Following is the text of Lieutenant Colonel Davis' eulogy:

Eulogy for Maj. Gen. James L. Price

We are here to pay tribute to the life of Major General James L. Price. Because he was one of us and our Commander, we honor his life with this Memorial Service, but I feel there is another reason that we should honor him.

This man lost his life in the midst of a set of circumstances that were introduced by a requirement. That requirement is simply the preservation of a cause. General Price, or any other man, may lose his life in a completely different set of circumstances, but I for one feel a sense of obligation to this man for the very fact that he has given his life for his country.

I suppose the words are "routine training mission to maintain flight proficiency." There is so much behind the scenes associated with these words. Call it what we will, reduced to its basic element, General Price gave his life to the preservation of human freedom. There seems to be a tendency for a lot of people to forget this in times of so-called peace. These tragic events make the headlines in the vicinity of where they happen. but go unnoticed in other parts of the country. You, his family are stricken with grief. We, his friends and military comrades feel his loss, but most of America goes on its normal course without any sense of interruption.

This incident directly touches a relatively few people. People go on about their business, the farmer in the fields, the factories hum, the stores are loaded with the material goods of life, children board their school busses, family homes are still lit with the lilt of love and laughter, and people still gather in their places of worship in absolute freedom of worship.

General James L. Price, a man with many productive years ahead of him loses the precious gift of life—and America goes on its way. American people go on living as they have been living, no drastic change comes about in their way of life. Why? Because of men like the man whose life we honor today. This is no sentimental mush of going down in fame or flame. This is no bizarre eat, drink and be merry for tomorrow you may die routine that has grown up in the folklore of our Service, but a dedicated General Officer called on to sacrifice his life in the performance of his duties.

And let it be said again, America goes on its way. It goes on its way of freedom because there are dedicated men who have not forgotten a basic fact that we must live with yet for sometime to come—and that fact is freedom has to be guarded in this day and age that we live just as it has in the past. Freedom has to be protected. This is a costly process in dollars and from time to time in human life.

And so it is that men must be proficient in the instruments of defense that we may be ready to stand up against a force that teaches that freedom is for the weak men—and so it is that we must have willing men to subject themselves to certain hazards above and beyond the normal routines of living.

What is the motivation behind men like this? It is not glory, for there is not that much glory to it. It certainly isn't for fortune and it isn't for fame. What is it? Well, the observation of one who has been associated with men of this caliber is that they love to fly. As is true in any vocation, the men who are the most successful seem to be the ones who enjoy doing it—but I am convinced of another motive—one that seems to fall into sad repute these days in some places. And it is pure, unadulterated patriotism.

The day of the American patriot is not over. These men know that there must be a force in being ready to go in on short notice or else the cold brutal facts are that there is every reason to believe that our glorious freedom could be placed in a more serious jeopardy than it is now.

It is this spirit that was so much the personality of General Price that we wish to memorialize today.

There is one thing that is certain. What we do or say here will not add to nor detract from the merits of General Jim Price's life. I knew him well enough to know that to him a eulogy for him or anyone else would be considered a waste of time.

It is simply that we come to pay tribute to this man's life, to share our love and concern for his family and to reaffirm through the scripture and prayers of the Church that even though physical life has been sacrificed, spirit is indestructible. In God's order of things, we cannot help but know that personality is sacred, stamped with the image of God which can only mean that death is only that transition into another realm of God's great plans.

We come to pay tribute to a man who gave his life for his country.

We come today to commend the soul of a man to his Eternal Heavenly Father.

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## A QUALITY ENVIRONMENT—OUR CONCERN, YOUR CONCERN

## HON. JESSE A. HELMS

OF NORTH CAROLINA

IN THE SENATE OF THE UNITED STATES

*Wednesday, June 6, 1973*

Mr. HELMS. Mr. President, on May 3, a cooperative environmental meeting was held near Sanford, N.C., bringing together more than 1,000 persons representing business, industry, and government to discuss the great natural resources which the State of North Carolina has to offer, and the need to promote these resources in balance with a proper concern for the protection of our State's environment for future generations.

The meeting was hosted by a most able railroad executive, my friend, W. Thomas Rice, chairman of the board and president of the Seaboard Coastline Railroad. This railroad has led the way for almost three decades now in the environmental field, as this marked the 29th consecutive year that such programs have been held in each of the six Southeastern States. The meeting focussed on man's dependence of forestry, and included demonstrations of modern high yield intensive management practices which our forest products, industry is using to develop a greater timber supply under improved environmental conditions.

This is especially relevant in North Carolina because of our State's great natural resource of forest land.

The meeting on May 3 was privileged to have Will Erwin, Assistant Secretary of Agriculture for Rural Development, to deliver the keynote address which centered on improving rural America as a better place in which to live and work.

The meeting provided an opportunity for business and industrial leaders from within and out-of-State to come together and discuss the opportunities for development and progress which North Carolina offers. I want to recognize and thank Mr. R. W. Underwood, Jr., State president of the North Carolina Association of Future Farmers of America, for his cooperation and efforts in making the program a success.

I would also like to congratulate the Raleigh Chamber of Commerce and the Sanford Chamber of Commerce for their efforts in promoting this meeting.

Mr. President, I ask unanimous consent to print in the Extensions of Remarks, the principal address for the program, "Quality Environment—Our Concern, Your Concern," as given by President John H. Myers of Hoerner Waldorf Corp., St. Paul, Minn.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

### ADDRESS BY JOHN H. MYERS

Mr. Chairman, distinguished special guests, ladies and gentlemen. It is a privilege to be able to participate with you on the occasion of another Seaboard Coast Line Railroad Company Field Forestry Outing. Thank you, Tom Rice, and your associates for sponsoring this timely and auspicious event.

The time—1968; the place—outer space; the situation—Apollo 13 with Jim Lovell in command left the earth's atmosphere and was within striking distance of the moon. All of a sudden a tremendous power failure became apparent. This was unexpected, unpredicted, unwanted. The three astronauts knew that the landing on the moon could not be made because there would not be sufficient power to return to earth. From that point of view, the flight was now doomed to failure. Jim Lovell and his associates had exactly three alternatives following this massive power failure:

1. They could sit there and do nothing and hope it would go away.

2. They could spend all of their time and energy trying to fix the blame and determine who's fault it was, who was responsible for this tragedy.

3. They could keep their cool, they could seek the wisest counsel available, and this happened to be the Houston Space Center, they could follow instructions and hope for the best.

Gentlemen, you and I know which alternative they selected—it was, of course, number three. They kept their cool, they refused to panic, they knew the chips were down and their backs were up against the wall. The going was tough but they knew they must keep the lid on. They sought counsel, they followed it, they returned to earth in what is now considered a great victory. It seems to me, Gentlemen, that this is a prize example of man at his mature best—man refusing to panic and thinking things through straight.

It seems to me there is a great similarity between the surprise with which that power failure came to these astronauts and the sudden realization that we had environmental problems. Scientists, of course, have known for years the direction in which we were headed and they have stated in magazine articles that unless we did something, we would certainly foul up the air we breathe and the water which we drink. But, for the most part, I think most of us did not realize the importance of these environmental problems. It has come upon us just as suddenly as did the massive power failure overtake the astronauts. We have exactly these three same choices. We can sit and do nothing and hope it goes away; we can spend all of our time spinning our wheels trying to pin the blame on some poor S.O.B.—in other words, attempt to pass the buck. Seldom, if ever, does this produce any progressive accomplishments. We can keep our heads cool, we can analyze the problem, we can seek advice from the best possible sources, and then we can get about cleaning up the environment. I have every confidence that American industry is the one segment of society with the skill, teamwork, the manpower, and the money. I am convinced that American industry, working closely with the Government and with the patience of all the people, can and will solve our problems of pollution.

Certainly Detroit never maliciously planned to build a vehicle that would become the greatest polluter of our air. Certainly the Ethyl Corporation did not produce lead additives for the purpose of increasing toxicity out of the tailpipe of the American car. Certainly the American farmer in becoming the greatest polluter of inland waterways did not maliciously plan to become such. Certainly the airlines in building bigger, faster jets did not do this for the purpose of creating greater noise pollution and ruining our hearing. Gentlemen, all of these things happened because we are a great marketing-oriented country. We are where we are today in the world; number one, because we have followed the philosophy of determining what the customer wants, getting it to him or her at a price which she can afford and in the form in which he can use it. When Detroit recognized that the young people of this country wanted the 420-cubic-inch job with the four-barrel carburetor, they designed it and made it available at reasonable prices. The consideration at that time was not how much toxic poison was going to come out of the tailpipe of this large powerful engine. The Ethyl Corporation recognized that these higher combustion engines needed a higher octane rating and lead was one of the easy ways to make this possible. The American farmer was told to produce the king-size apple and the king-size ear of corn on less land and he obviously sought the assistance of the chemical industry and you and I know what the results were. He did produce the king-size product, but also produced this unwanted fallout into our waterways. The airlines have marketed the American public and have learned that we want bigger planes, faster travel, more comfort while upstairs, and they have given us exactly that. There was no attempt to build bigger planes to require larger engines to increase noise pollution. These are the things that happen to a great marketing country such as we have become.

American industry is going to be a very important part of the solution. I know in our own company at just one paper mill location we have recently budgeted $15,000,000 non-profit dollars for air abatement. We are glad to do this. This makes us an acceptable neighbor. This is one of the qualities a company must develop today in order to progress profitably. I think our paper industry, and you may check this out, is doing a magnificent job in committing millions of dollars to better air, to cleaner water, and I think this in turn is going to reflect public confidence not only in the paper industry, but in business in general.

We are doing something about it. We see it in many forms. Some of us are disturbed by crusades and protest marches. I'm not. I think this is a part of society. There have been crusades and protesters ever since history began. The religious crusades took place centuries ago. Perhaps the most recent crusade in the time of some of us was the parade of the suffragettes on Washington, as a result of which women were granted the right to vote. It takes crusades, it takes marches like this to move society as rapidly as it has to be moved sometimes. True, I believe there is no room for violent, militant protesting, but I think marches such as the school youngsters have been conducting are good. It shows concern. It shows the desire to become involved, and I think it is part of our American way of life. But I think we are past that now insofar as the environment is concerned. I think we have all shown our concern and now it is time to do something about it . . . and we are.

I think we'll find that Detroit has made tremendous strides in decreasing the toxicity out of the tailpipe of new automobiles. To bring the story a little closer to home, the pulp, paper, and lumber industry is a polluting industry; not maliciously, but perhaps thoughtlessly by our forefathers. We would like to show what we are doing about it.

As you remember, the first Earth Day was in April 1970. These activities took place all around the country. The St. Paul plan at Hoerner Waldorf is on Interstate 94, almost at the Twin Cities line. In cold weather, this plant, which comprises some 14 acres of buildings, is enveloped in a cloud of water vapor—or smoke—as the uninitiated may call it. In cold weather, particularly if we have an air inversion situation (and we do five or six times a year), the tremendous amount of hot air coming off the paper machines going into the air and meeting cold air produces steam or water vapor. Sometimes it hangs right down on the street. In any event, on almost any cold day, coming across

I-94, it is very reasonable for the uninformed to say "Look at the damn polluters!" So a month before the first Earth Day, three top officers from the University Earth Day Committee presented themselves at our door. They came with fire in their eyes, and I am sure they promised the committee at the University campus that they would close down Hoerner Waldorf.

These are bright kids. I am convinced that today's crop of youngsters are the best that have ever come down the pike and, except for a few malicious militants, they are the brightest, most motivated, and the most concerned youngsters this country has ever had. So we said, "Before you close down the plant, would you like to see how paper is made? It is one of the few places in the country where you can go from the log to the completed Wheaties carton and the shipping case in which it goes." They said yes we would like to see that. Well, it is about a four-hour trek and we do not shorten it on these occasions. After four hours, they were ready to sit down and do a little listening. During the tour, they had a chance to put their heads in the steam, feel it, and see for themselves that this particular plant is non-polluting. There is a slight odor, but since it is not a kraft mill, it does not have the odor of hydrogen sulfide that some of our other operations have. By and large, this is a clean process.

They were sitting in an engineering office afterwards discussing the trip. They had bought the fact that this is water vapor and we are not polluters. Our engineer turned to the girl and said, "Mary, I see you have the sniffles. I hope it hasn't been made worse by this trip in the plant where you go in and out of high and low humidity conditions." She was using one tissue after another and said, "I'd die if I didn't have these tissues." Our engineer said, "Mary, would it interest you to know that the carton from which you are pulling those tissues was made in this plant and many of the fibers that go into the tissues are produced at some of our other operations. Are you sure you want to shut down the whole paper industry like tomorrow?" She got the drift. Then he said, "Mary, I have counted and you have put 17 tissues in my waste basket. No one has ever polluted my office as much as you have in the last ten years that I have been here. Those tissues cannot be recycled. They have to go down to the sewage disposal plant which means more sewage disposal plants which means more power plants which means more emissions in this air." These youngsters got the drift and on Earth Day, we received the "Good Guy" award both for recycling and for being patient and trying to work with them educationally.

Today we have a number of teams from the University of Minnesota and other colleges working with us on some of the problems to see if we can improve the cleanliness of water even before it goes into the sewers and to see if we cannot take more of the steam plume out of the air.

Ladies and Gentlemen, industry must continue to be patient and to expect attacks by people who are sincere but not completely informed as to the facts. This is our responsibility. We in our company must make far greater efforts to tell the story that Hoerner Waldorf has for more than 60 years been one of the largest recyclers of waste paper. We built a kraft pulp and paper mill at Missoula, Montana, in the '50's which has relied 100% on saw mill residuals for its raw material. These residuals are in the form of chips and sawdust—all of which had previously gone into tepee burners. We are now carrying further our environment-oriented philosophy by studying in depth the removal of wood from the forest that is left on the ground following logging operations. We call this the 3-D wood—diseased, dying, dead. As many of you know, much experimentation is being conducted with balloons and with helicopters in moving this type of residual out of the forest to trucks or rail cars. Considerable research is going on in connection with equipment to chip in the woods. We believe all of this will lead to:

a. A new and appreciable source of pulp wood.

b. Improve the image of the wood products industry with the public by cleaning up areas which have been clear cut.

c. Enhance the stature of the Forest Service which has been under constant fire by the environmentalists.

Only last week I attended a meeting in Salmon, Idaho (a typical small western mill town) of a new organization known as W.O.O.D. (Women Opposed to Official Depression). Official depression is described by them as that which results from official action by the Forest Service in reducing the number of timber sales to independent saw mills. The Sierra Club and other groups are trying desperately ot persuade the Forest Service to greatly decrease cutting and this would endanger the very job lives and existence of communities such as Salmon, Idaho. At this meeting, 250 irate wives and sisters of employees of the wood products industry put the chief forester of that region directly in the hot seat. This is the kind of backfire that is being caused by the over-enthusiasm of some environmental groups.

Ladies and Gentlemen, think once more of our three alternatives:

1. Sit and do nothing.

2. Use all our energy in an effort to place blame elsewhere.

3. Keep cool heads, work closely with governmental agencies, scientific research labs, and the media and . . .

Let's be on with the job we know we can do to keep America great!

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## ECO-LOGIC

## HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. ZWACH. Mr. Speaker, to burn one 60-watt light bulb for 1 year requires 600 pounds of coal.

This is one of many energy-conserving facts contained in a recent column which appeared in the St. Cloud Daily Times in our Minnesota Sixth Congressional District.

While most of these hints are nothing new, it might be well, in this time of an energy crisis, to review them.

For that reason I would like to insert this column in the CONGRESSIONAL RECORD at this point:

### ECO-LOGIC

(By Ginny Monteen)

Be logical about our environment—use "Eco-logic."

At least read it and consider the suggestions offered in this weekly environmental column every Wednesday in the Times.

"Eco-logic" brings pollution-solution to the personal level. It offers ways that you—the individual—can help your environment.

Getting down to basics, let's direct some thoughts to energy and electricity.

Recent figures from Secretary of the Interior Rogers Morton tell that the United States is using more energy than ever—nearly five per cent more in 1972. That increase nearly doubled the increase from the year before.

Specifically, we used 72,091 trillion British thermal units (BTU's) of energy for heat, light and power in 1972.

More energy used means everyone is paying more on electric bills and more for manufactured products. Everyone pays out of an even more expensive bank account—the earth's resources needed to produce energy.

If you left a 60-watt bulb burning for a year, you would cost the earth approximately 600 pounds of coal and spent about $15. If you've ever grimaced at the sight of strip mining, think what a big hole that 600 pounds made.

You can help, right in your homes or business, by developing habits that will save you money and stretch the earth's resources:

Dust a light bulb or fixture and you'll get more light for your money.

Use lower wattage bulbs where bright light isn't vital. *E.g.* 40-watt bulbs in hallway, closet, cellar, attic.

When good light bulbs get old and dark, retire them to the cellar, attic and garage where they will still give good service. Replace them with bright new bulbs where you need the bright light.

Fluorescent lighting is more economical than incandescent. It gives five times the light, can last 10 times as long and produces far less heat.

Only use fluorescent lighting in areas where lights are on for longer periods. The lifespan of a fluorescent tube depends on how often it is switched on and off. It's bad economy to turn off fluorescent lights unless you'll be gone more than 30 minutes.

But it makes "cents" to turn off incandescent bulbs even if leaving a room briefly.

Learn to judge bulbs by their light output. *E.g.* A single 100-watt bulb produces 50 per cent more light than four 25-watt bulbs for the same amount of energy. It would take six 25-watters to do the job of one 100-watt bulb, and you'd be using more energy.

Long-life light bulbs aren't always a bargain. They may last three times as long as standard bulbs, but they give only 80 per cent of the light for the same energy. And, energy is 90 per cent of the cost of lighting. Avoid using long-life bulbs except for unusual situations, such as hard-to-reach fixtures.

All light bulb containers now carry information on wattage, lumens and bulb life. So you can choose on the basis of lumens—the direct measure of light emitted by the bulb—rather than just by wattage—the energy used in the bulb.

A 100-watt bulb gives 1720 lumens; a 40-watt, 445 lumens. By dividing watts into lumens, you get an efficiency ratio. The higher the ratio, the better. The efficiency ratio for a 100-watt bulb is 17.2; for the 40-watt bulb, it's 11.1. This means the 40-watt bulb is only 64.5 per cent as efficient as the 100-watt bulb.

Where you need bright light, it's more ecological and economical to use fewer, brighter bulbs. However, for closets, attics, etc., a smaller-wattage bulb is the best choice.

Hope these facts shed some light on your habits and shed some money off your power bills.

More "Eco-logic" next week.

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## WORLD'S 10 GREATEST LIVING WOMEN

## HON. HERMAN E. TALMADGE

OF GEORGIA

IN THE SENATE OF THE UNITED STATES

*Wednesday, June 6, 1973*

Mr. TALMADGE. Mr. President, since 1952 the editors of Dixie Business magazine have periodically made additions to their list of the "World's 10 Greatest Living Women." Being named to this roster is a recognition of admiration and respect throughout the world. Those whose names appear have had much to do with the shaping of today's world.

Past selections have included Helen Keller, Helen Rogers Reid, Oveta Culp Hobby, Lila Acheson Wallace, and Mary Roberts Rinehart. Last year, Mrs. Patricia Nixon was given the honor for her goodwill work abroad.

Editor Hubert F. Lee of Atlanta has announced the 1973 addition to the list, Israel's Prime Minister Golda Meir. I ask unanimous consent that the press release announcing this selection be printed in the Extensions of Remarks, and I commend it to the attention of the Senate.

There being no objection, the news release was ordered to be printed in the RECORD, as follows:

DIXIE BUSINESS PRESS RELEASE

ATLANTA.—Golda Meir, Prime Minister of Israel, has been named one of the "World's Ten Greatest Living Women" by the editors of Dixie Business.

Hubert F. Lee, editor of Dixie Business since 1929, said that history will record Mrs. Meir as one of the all-time great leaders—men or women.

Patricia Nixon, wife of the President, was 1972 selection.

Others selected (in 1922) included Helen Keller, Helen Rogers Reid, Oveta Culp Hobby, Lila Acheson Wallace (co-founder of Reader's Digest), and Mary Roberts Rinehart.

Mrs. Mamie Doud Eisenhower was picked in 1952 and Her Majesty the Queen of England in 1954. No selections were made from 1954 to 1972.

Presentation of the illuminated scroll is to be presented to the Prime Minister in Israel in July by Dr. James P. Wesberry, pastor of Atlanta's Morningside Baptist Church, who was named the 27th "Man of the South" by Dixie Business.

Dr. and Mrs. Wesberry are getting up a party to visit The Bible Lands July 15 for 15 days. Anyone wanting to join the Wesberry trip will be welcome.

## MINORITY VIEWS ON THE LEGAL SERVICES CORPORATION ACT

## HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. ASHBROOK. Mr. Speaker, today the Education and Labor Committee released its report on the Legal Services Corporation Act. In that report, the Honorable ROBERT J. HUBER and I submitted the following minority views:

MINORITY VIEWS OF THE HONORABLE JOHN M. ASHBROOK AND THE HONORABLE ROBERT J. HUBER

Both the Administration-sponsored legal services corporation bill and the bill as reported by this Committee are completely unacceptable.

The Administration bill provides for some safeguards to prevent political abuse of the corporation. It fails, however, to address itself to the following problem areas in the current legal services program. The Administration bill does *not:*

(1) place any restraint on the filing of class actions.

(2) place any limitation on group representation.

(3) prohibit identification of the corporation or any recipient with representations made by staff attorneys to influence the passage or defeat of legislation by Congress or State or local legislative bodies.

(4) provide effective guidelines for regulating law reform activity.

(5) provide for a gubernatorial veto of any repugnant legal services program in a State.

(6) prevent the corporations use of tax funds for organization of political associations, coalitions, alliances and confederations.

(7) provide for any recurring review of legal services delivery systems, allowing for only a "one shot" review.

All the safeguards and control mechanisms in the Administration bill, however, have been deleted by the Committee. Loopholes in the Administration bill have been stretched into gaping holes so as not to provide effective defenses against political abuse of the corporation. Whatever language has not been deleted has been so emasculated as to be hardly worth enforcing.

Although the Administration-sponsored bill is superior to the bill reported by the Committee, passage of either bill would be a grievous blow to the ordinary citizen. His taxes would go to activist, social reforming attorneys who would be free to file suits supposedly on behalf of poor clients that the taxpayer himself would have neither the time nor the money to conduct. Often his town or county will also have to hire a lawyer—again out of his taxes—to defend the suit. Or if he is a small businessman, perhaps *he* will have to hire a lawyer he cannot afford to defend a suit brought with his own tax money against him.

The legal services program as presently structured has suffered many abuses. By passing either the Administration-sponsored bill or the bill as reported by this Committee, Congress will just perpetuate known abuses rather than correcting them.

JOHN M. ASHBROOK.
ROBERT J. HUBER.

## THE SPACE SHUTTLE: PIE IN THE SKY

## HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Ms. ABZUG. Mr. Speaker, in my opposition to the space shuttle program during the 3 years that I have been in Congress, I have stressed the fact that we have other priorities which are of far greater importance to the Nation and which should be attended to first.

By taking the step into actual construction of the shuttle now—even before there is any proof that men can remain in space long enough to use it—we may be committing ourselves to future expenditures that we may be wholly unable to afford, that will sap the resources we need for decent housing, for sufficient jobs for the millions who want them and cannot get them, for pollution abatement so we can remain alive on this earth, and for child care so that mothers can work instead of having to accept welfare. There is much argument to be made about the kind of experiments we can get from space technology, but it cannot offset the prematurity of space shuttle construction.

Brian O'Leary, a former astronaut, has raised many questions over the years as to the viability of the shuttle. Today's New York Times contains an excellent article by him, and I include it in the RECORD at the conclusion of my remarks:

PIE IN THE SKY

(By Brian O'Leary)

AMHERST, MASS.—The spectacular problems of the $2.5-billion Skylab mission and the failure of the first three Soviet Salyut space stations may have dealt a death blow to manned space flight. The enormous expense, the high risk, the much-ballyhooed and grossly exaggerated claims about the pertinence of manned earth orbital flights to the quality of life on earth are creating an ever-widening credibility gap between the public interest and a vested interest inherited from the space race of the nineteen-sixties.

The result is the squandering of public funds. The Nixon Administration has talked economy in setting its ceiling to Federal spending this year and has backed it by impounding funds and vetoing social programs. But how about lavish spending on defense and space? The war dividend never came about, and we are spending more than ever on efforts which capture the money but not the imagination of Americans.

The $2.5 billion for space is far more significant than it might first appear because it uses a large share of our best technological talent. Pollution control, research on energy sources and mass transportation, in addition to research and development for economic growth, remain begging for this kind of resource.

Japan and the NATO countries, which spend a much higher percentage on technology-intensive goods, are showing industrial productivity growths of as much as five times higher than the United States. One would advocate limiting Federal spending on unprofitable and unnecessary defense and space ventures in order to meet the spending ceiling and to focus on research and development toward alleviating the balance of payments imbalance.

Not so. As a prime example, the Administration, NASA and most of Congress have approved the space shuttle which is the largest nondefense technological program now under way in the United States, and is as helpful as a white elephant to the balance of payments, to national security, to energy and environmental problems, to exploratory enthusiasm, or to any other goal near and dear to the American people. Designed to go into earth orbit and land like an airplane, the space shuttle replaces Skylab in NASA's succession of manned space extravaganzas. If approved, it will cost us between $5 and $15 billion to develop during the nineteen-seventies and will commit us to a more than $35-billion space program in the nineteen-eighties. The public funds requested for the supersonic transport and Skylab were minuscule by comparison.

Congressional hearings show that any economy claimed for the space shuttle is, at best, marginal. If we want a large space program in earth orbit, if we can design shuttle payloads to be much less expensive than they are now, and if there are no significant cost overruns, then perhaps the space shuttle should be built.

But there is no indication that any of these things is happening; in fact the evidence points to the reverse. Most significantly, the Administration's cuts of the annual NASA budget to about $3 billion, when combined with the rapidly escalating annual expenditures on the space shuttle, imply a nearly threefold decrease in space sciences and space applications funds over the next five years according to figures recently released by NASA. Yet these are the parts of the space program that really count—they support planetary exploration, scientific experiments in earth orbit and on the moon, all weather forecasting and earth resources satellites and some communications satellites. What payloads could we possibly put into the space shuttle if the funds to develop them have essentially disappeared over the next five years? The cancellation or suspension of many promising programs such as the Grand Tour of the outer planets, the High Energy Astronomical Observatory, Venus Pioneer, some communications satellites and advanced propulsion could be just the beginning.

What I am suggesting is the indefinite postponement of the space shuttle program, a reduction in excessive NASA management costs and the establishment of a moderate unmanned space program emphasizing space science and applications. I believe all this can be done with an annual budget of less than $2 billion.

How about changing the Manned Spacecraft Center in Houston into the National Energy Research Center?

## PRESS FREEDOM IS NONNEGOTIABLE

### HON. FRANK J. BRASCO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. BRASCO. Mr. Speaker, I am one of those in this body who have long hoped for a relaxation of old barriers and an easing of unnecessary tensions between the United States and the People's Republic of China. It is my belief that President Nixon will long be remembered favorably for his initiatives toward that nation. As a result of those approaches and visits, the largely outdated and unnecessary barriers between these two great powers have been lowered and in part, removed.

Travel, trade, and political representation are becoming the rule rather than the exception between the two nations. All well and good.

However, there have been some misunderstandings. One has recently occurred in New York City between the People's Republic of China's representatives there and the New York Times. It revolves around the issue of press freedom.

Here in America we have a long, highly respected tradition of press freedom. In fact, recent events have brought home to us in no uncertain terms how vital and precious such a right really is to all of us.

Any group or individual is able, by long established tradition and right, to take out whatever political advertising it wishes in the Nation's press. All they require is the money with which to pay for such presentations. Such ads have been appearing in the New York Times. In fact, they are almost always preferred for appearance in that paper because of its reputation and audience. Among such ads have appeared some critical of the People's Republic of China. Whether the Times agreed with their tone or not, the ads were paid for and duly appeared.

It seems that this in turn has irritated the Government of the People's Republic of China. So much so in fact that its First Secretary at the United Nations, Chou Nan, summoned the Times' managing editor to the Chinese mission to express official displeasure of his government over the advertisements.

It happens that the New York Times has been seeking establishment of a bureau in Peking. It also happens that Chou Nan indicated to Mr. Rosenthal, the managing editor, that appearance of such ads displeased the Peking Government so much that it might result in impeding exchanges of news reporters between the United States and his country.

This can only be interpreted as a threat, and was treated as such by the newspaper in question, which reacted strongly on behalf of a free press and the right of individuals and groups to publish such ads as they wished.

I believe the Times was correct, and cannot express that feeling too strongly. Accordingly, I wish to vigorously associate myself with a House Joint Resolution offered by Mr. Bingham, our distinguished colleague from New York, which addresses itself to this issue directly.

It is to be hoped that the People's Republic of China will see the point the Times and this resolution seek to make. It is not wise to seek to interfere or inhibit exercise of certain basic rights in our society by any diplomatic representative, no matter what the situation. Surely we would not seek to act in a similar manner toward the People's Republic of China. Such an attempt at interference and intimidation can only set back the already far advanced rapprochement between the two countries I hope it is an aberration that will not be repeated.

In the interests of continued detente, let it be only this and no more.

## PRIVATE PENSION PLANS NEED OVERHAUL

### HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. OWENS. Mr. Speaker, the promise of adequate pension benefits at retirement is a major concern of every American. Unfortunately, this promise is too often unfulfilled, and millions of employees have found that plans they thought would support them after completion of their working careers were worthless or even nonexistent. The Deseret News, one of the major newspapers of Utah, noted this grave problem in a thoughtful and timely editorial yesterday, explaining "Why Overhaul is Needed on Private Pension Plans."

As the Deseret News points out, if a company goes bankrupt, or an employee is laid off a few months before normal retirement, "under many of today's pension plans (the worker) would lose his entire pension rights." The editorial concludes that "pension plans can be made far more equitable than they are today, vastly increasing the security of individuals working for or nearing retirement."

Not all pension plans are bad, of course, and much progress has been made by certain companies and employees to guarantee adequate and fair benefit provisions. But problems still plague the system, and congressional action is required. The extensive hearings in both houses have established workable proposals, and I am hopeful that the appropriate action on the Retirement Income Security for Employees Act, the so-called Williams-Javits measure, can be undertaken as soon as possible.

I am including for the Record the full editorial for the benefit of Members:

### Why Overhaul Is Needed on Private Pension Plans

What happens to a worker's pension if his company goes bankrupt, or if he's laid off a few months before normal retirement?

Under many of today's pension plans, he would lose his entire pension rights.

Gross inequities in private pension plans make some major overhauling essential. On that score, everyone seems to agree: The life insurance business, which today called for major improvements; Congress, which is holding committee hearings in both houses; and President Nixon who has proposed minimum standards for pension plans.

One of the main problems in private pension plans is "vesting rights"—an employee's right to all or part of the benefits earned.

As noted by Senator Harrison Williams, Jr., chairman of the Senate Labor and Public Welfare Committee: "The promise of retirement benefits often turns out to be an illusion." In fact, only one of three employes participating in employer-financed pension plans has vested rights to benefits. About 35 million workers are covered by such plans.

Other forms of abuse include company exploitation of their own workers' pension funds. A recent investigation by the General Accounting Office disclosed that several aerospace companies were holding up contributions to their pension plans for 14 to 21 months—depriving these funds of large sums for lengthy periods of time during which the money could be invested for worker benefits.

A Senate bill was introduced last year which would give workers vested rights to 39 percent of pension benefits after eight years. Each year thereafter would vest an additional 10 percent, until at the end of 15 years the employe would have vested rights of 100 percent of all he had contributed, plus company contributions.

That measure is sponsored by Senators Williams and Jacob Javits, and cosponsored by 20 other senators.

But if investment benefits are to be guaranteed, three important principles should be incorporated in the program:

1. Employers whose plans terminate must be the first source of any funds needed to provide protected benefits.

2. The program must be secured by a strong minimum mandatory funding standard.

3. A non-profit corporation, federally chartered and operating in the private sector, should administer the program.

Given those conditions, pension plans can be made far more equitable than they are today, vastly increasing the security of individuals working for or nearing retirement.

## MRS. JOSEPHINE MUSKIE

### HON. WILLIAM S. COHEN

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. COHEN. Mr. Speaker, the people of Maine have lost one of our truly great ladies in the passing of Mrs. Josephine Czarnecka Muskie, mother of our senior Senator, EDMUND MUSKIE.

Mrs. Muskie symbolized for all of us that very special wisdom and strength of character which only parents can use to inspire their children to achieve greatness. It is for such qualities that she was honored last year on Mother's Day as Polish-American Mother of the Year.

On behalf of the people of the Second District, I want to extend to Senator MUSKIE and the rest of the family our deepest sympathy.

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## A TRIBUTE TO ROGER T. KELLEY

### HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. STEIGER of Wisconsin. Mr. Speaker, on May 31 Roger T. Kelley retired from his position as Assistant Secretary of Defense for Manpower and Reserve Affairs to return to his former post as personnel director for the Caterpillar Tractor Co. It will be difficult to find anyone who can perform this job with the same skill, tact, and competence which Roger has exhibited. Although we are sorry to see him go, we know of his wish to resume his work with Caterpillar, and we are grateful for his dedicated service to the Nation.

Perhaps the finest tribute to Roger was paid during his final appearance before the House Armed Services Committee by the gentleman from Texas (Mr. FISHER), whose subcommittee has handled much of the legislation developed by the Manpower Office:

Among his many accomplishments can be considered some of the following:

(1) Principal architect of the all-volunteer force;

(2) Designer of the survivor Benefits program;

(3) Creator of a revised retirement program for active duty personnel; and

(4) Instigator of a program to revise the Officer Management System.

I think it is generally recognized that he is among the most outstanding persons ever to fill this important position. He has served well his Department, this Congress, and his Country.

Over the last 4 years, Roger has labored mightily to achieve what no nation has ever accomplished—an active duty force of over 2 million men and reserves of nearly a million soldiers supported without the use of compulsory military service. The decision of the Nixon administration not to seek an extension of the draft authority represents a recognition of his achievements at the highest levels.

Roger Kelley knows better than anyone else the difficulties in convincing a massive bureaucracy to undertake such a substantial change in policies. And he knows that the initial decision must be followed by constant monitoring and supervision if great achievements are not to be undermined. He recently discussed these points in his final news conference before leaving office. I am sure these remarks will be of interest to his successor, and to my colleagues in Congress. I insert the news article at this point:

#### AIDE SEES PLOT TO KEEP DRAFT

A faction in the Pentagon is prepared to sabotage the all-volunteer military system and force a return to the draft, the official who directed the change to the volunteer concept has charged.

Roger T. Kelley, who has resigned as the Defense Department's assistant secretary for manpower, made the charge yesterday as he completed preparations to return to his old job as personnel director for the Caterpillar Tractor Co.

"As I leave, I am very sensitive that some are reacting to my departure and the adversaries (of the draft-free military) are bolder and more frequent in their acts of sabotage against the system," Kelley said in an interview.

Kelley did not name his critics. He said he had found more cooperation than resistance in putting the all-volunteer system into effect, "but certainly enough resistance that it's a danger signal to my successor."

Foes of the all-volunteer concept "can demonstrate a need for the draft by letting failures occur," Kelley said.

He said opponents could set health or intelligence standards that were unrealistically high, or set recruiting goals that had never before been reached "and then observe that once again the services have missed their goals."

A number of officers have welcomed the end of the draft because conscription brought into uniform many who were strongly antimilitary and who then sowed discontent among the troops.

The draft was suspended at the end of December, and the all-volunteer system is to begin officially July 1.

Some military officers oppose the draft because high pay scales put into effect to encourage volunteer enlistments reduce the proportion of money available for weapons.

Others feel that to attract volunteers, the Services have become softer and less effective.

"The only way the all-volunteer force can work is if the leadership treats people well enough," Kelley said. "Before, the leadership didn't have to care about people because the draft would always grind out enough replacements."

Until coming to the pentagon in 1969, Kelley, 54, had no connection with the military except for Navy service in World War II. "But I thought there were some things drastically wrong with the draft system and wanted to correct them," he said.

After President Nixon pledged in the 1968 campaign to eliminate the draft, Kelley readily accepted the offer of the Pentagon manpower post and the opportunity to make that pledge a reality.

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## DOLLAR KEEPS PLUNGING—WHY?

### HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. EVINS of Tennessee. Mr. Speaker, although the dollar has been devalued twice within a period of 1 year, reports from abroad indicate that gold soars in price while the dollar continues to decline.

There are a number of reasons given by different authorities for this continuing fall of the American dollar, and prospects for some solution is further monetary conferences are not bright or promising.

Because of the interest of my colleagues and the American people in this most important subject, I place in the RECORD herewith a recent article from the U.S. News and World Report.

The article follows:

[From the U.S. News & World Report, June 11, 1973]

#### DOLLAR KEEPS PLUNGING . . . WHY?

GENEVA.—The price of gold has bounced to another record high on world markets, and the U.S. dollar has fallen still lower in relation to other major currencies.

In just a matter of hours, on June 1, gold jumped $5.25 an ounce on the London market to an unprecedented $120. That added up to a three-day increase of $10. The dollar fell heavily under the weight of a flood of "sell" orders.

For American tourists, the latest developments mean it is going to be more costly still to travel abroad.

Americans visiting West Germany, for example, are now getting 2.68 marks for a dollar. Back in 1971, a dollar bought 3.63 marks.

A modest hotel room for two in Frankfurt might have cost 55 marks, or $15.15, two years ago. Now, with the decline of the dollar, it costs $20.52. And that makes no allowance for two years of inflation in Germany.

For every $100 worth of travel the American tourist might have enjoyed in 1971, it now costs about $139 in Switzerland, $125 in Spain, $128 in France, $106 in England, and $129 in Belgium. Again, those increases makes no allowance for two years of inflation in these countries.

The repercussions go far beyond the effect on tourists. Bankers and investment people also are deeply concerned.

Here in Switzerland, financial experts are taking an increasingly skeptical view of the dollar's future.

Paradoxically, these authorities agree that the dollar is no longer overpriced. Indeed, they say it is now "undervalued" in terms of its domestic purchasing power and against the background of recent trends in prices and wages in America and in Europe. Yet Geneva bankers no longer rule out the possibility of further declines for the dollar.

The "Journal de Genève" has described the latest period of dollar turmoil as "irrational and unreasonable."

Said the paper:

"In the view of our bankers, the Swiss franc now is overvalued and the dollar oversold. Yet, the dollar continues to drop. . . . No logical argument will make it rise again so long as the international community fears a further decline."

The newest U.S. troubles with its currency, it is argued here, are "self-inflicted," the result of a Nixon Administration policy of "benign neglect."

By devaluing twice in a short time, then letting the dollar float downward in recent weeks, Washington has pretty much ruined the dollar as a "respectable currency," thus inviting new speculative assaults—in the Swiss view.

The Watergate scandal is counted as an important depressant. "Without Watergate," says foreign-exchange specialist Giuliano Pelli of the Swiss Bank Corporation in Zurich, "we would hardly have had another dollar crisis at this time."

Concern over Watergate apparently has encouraged American banks and powerful U.S. multinational corporations to turn against the dollar. Key sources here report that, in the past few weeks, major American firms have been anxious to repay debts in European countries and to shift more funds to Europe.

A typical comment: "This time, again—as in February—the dollar has come under severe pressure because American bankers and business leaders lack confidence in their own currency."

Earlier, it had appeared that the U.S. would manage to control inflation more firmly than Europe and Japan could. Even now, wages and prices are advancing more rapidly over here than in America. But the gap is narrowing as inflation accelerates in the U.S.

All this seems to point to more trouble for the dollar and to persisting balance-of-payments difficulties in America, despite the first trade surplus in 19 months in April.

At the same time, Mr. Nixon's personal prestige has suffered a serious blow that many say will sap his bargaining power in trade and monetary talks with Europe and Japan.

Concludes Mr. Pelli: "It's hard to find a bright spot in the generally gloomy currency outlook today. The dollar is deep in trouble. Inflation is out of hand everywhere. Nor are monetary reform talks, in these circumstances, likely to make any progress this year."

The run to gold, central-bank sources here say, must be seen against that background. Many people everywhere are losing confidence in their national currencies. Stock-market prospects are uncertain, to say the least. Gold is reemerging as a relatively safe hedge against inflation. It's regarded as significant that many small investors now are turning to gold.

The point emphasized by the bankers is that the yellow metal has proved to be "harder" than "paper money."

Their thinking is that the dollar—once the world's most powerful and important currency—has "collapsed," and governments everywhere have failed to check inflation.

These developments, authorities in Geneva say, make it highly unlikely that gold will be phased out as a reserve medium, as the U.S. would like. More than ever, central banks around the world look on gold as their most valuable reserve asset.

HOW DOLLAR HAS DECLINED ABROAD

| | Amount of foreign currency equaling $1— | | Change (down) in dollar's value (percent) |
|---|---|---|---|
| | Spring 1971 | Latest | |
| Austrian schillings | 25.8 | 19.5 | 24.4 |
| Belgian francs[1] | 49.6 | 38.4 | 22.6 |
| British pence | 41.3 | 38.9 | 5.8 |
| Canadian dollars | 1.010 | 996 | 1.4 |
| Dutch guilders | 3.59 | 2.79 | 22.3 |
| French francs[1] | 5.51 | 4.30 | 22.0 |
| Italian lire[1] | 622 | 593 | 4.7 |
| Japanese yen | 357 | 263 | 26.3 |
| Spanish pesetas | 69.4 | 55.6 | 19.9 |
| Swedish kronor | 5.16 | 4.26 | 17.4 |
| Swiss francs | 4.29 | 3.08 | 28.2 |
| West German marks | 3.63 | 2.68 | 26.2 |

[1] Rate used in capital transactions.

Source: First National City Bank, New York.

# STATE AND LOCAL PLANS FOR EXPENDITURE OF GENERAL REVENUE-SHARING ENTITLEMENT PAYMENTS IN MICHIGAN'S 11TH DISTRICT

## HON. PHILIP E. RUPPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. RUPPE. Mr. Speaker, the program of revenue sharing, as established by Public Law 92-512, marks a major departure in the philosophy of Federal intervention in State and local governmental financial administration. It is of crucial importance that we in the Congress monitor the way in which these funds have been utilized.

My staff has conducted a study of how these funds have been used by the counties, cities, villages, and townships of the 11th District of Michigan, and I would like to share the findings of this study with you:

### SURVEY

The following summary is the result of a survey conducted by my office to determine and observe how Revenue Sharing funds provided by the State and Local Fiscal Assistance Act of 1972 (P.L. 92-512) are being used by the various recipient governmental units of the eleventh District of Michigan.

The reason for this investigation lies in the recognition that this type of transferance of the purse-strings from the federal government to the local governmental authorities may open the door to a period of decreased federalization and greater local authority over expenditures immediately effecting the welfare of the communities.

Residents will realize that local officials must be responsible to them for the spending of these funds for the betterment of the entire community. It is now incumbent upon the local residents to mark the progress of these expenditures. In the end, it is the responsibility of each resident to join with his neighbor in determining what the community needs are and in asserting community effort to see that funds are properly directed. Increased publicity regarding exact amounts received by each governmental unit aid residents in monitoring expenditure plans for the entire allotment. The more familiar the general population is with the precise budget and the dollar amount of available funds, the greater their interest in the programs will be.

This survey attempts to point out with examples what types of programs are receiving Revenue Sharing money from some or all of these first three allotment payments.

### EXPLANATION I—TOWNSHIPS

The greatest incidence of township expenditure of Revenue Sharing funds occurred in the area of fire protection.

[With 19% (53 of 275) of recipient townships responding, 47% (25 of 53) of the respondents indicated this type of expenditure for all or part of their Revenue Sharing allocations, both current and potential.]

This includes such specific expenditures as payments applied toward a new Fire truck, contributions of specific townships to multi-township/city funds specifically set aside for purchase of Fire trucks, construction of Fire Halls or buildings to house fire equipment in conjunction with other township property, purchase of general Fire equipment, purchase of land for eventual use by the Fire Departments, and funds set aside for the eventual establishment of Fire Departments.

The reason for high incidence in this category may be that most of the townships in this northern rural area of Michigan have old and antiquated equipment. Purchase of new fire equipment is impossible without substantial outside funding, such as Revenue Sharing. The need for adequate equipment is, of course, to protect resident lives and property with utmost efficiency. Fundamentally, the townships are unable to secure insurance for most presently-owned equipment since insurance standards stipulate age of equipment, rather than condition, as the determining factor.

Roads and streets have the second highest incidence of Revenue Sharing funding in townships.

[With 19% (53 or 275) of recipient townships responding, 45% (24 of 53) of the respondents indicated this type of expenditure for all or part of Revenue Sharing funds received or expected.]

This category includes contributions to road commission funds, payments on loans from county road commissions, direct expenditures on roads and street maintenance, curbing and blacktopping expenses, storm sewer construction, street lighting, paving operations, general road improvements on main and secondary township roads, construction of new roads, road safety equipment (e.g. caution lights), construction and maintenance of sidewalks, and equipment acquisition for road maintenance.

This high expenditure incidence responds to the poor condition of rural roads. The perennial lack of funds prohibits any full scale maintenance and repair work on these streets and roads; therefore, after years of insufficient repair, major work is necessary.

The next highest incidence of township expenditure (38% of respondents) is the category of miscellaneous capital expenditures for operating/maintenance and construction. Examples of this type of expenditure are: cemetery construction and maintenance, expenditures for township insurance and employee training, governmental and public service building and maintenance, general office and heavy equipment purchase, animal shelter expenses and community beautification.

Following that was recreation (with 25% of respondents) dealing with construction, maintenance and beautification of park areas. Also included in this category were repairs on facilities within the parks and recreation areas and installation of new facilities (e.g. toilets and septic tanks). Clean-up efforts for public bathing beaches were also funded under this category. Baseball field lighting, recreation equipment and park maintenance equipment were purchased with Revenue Sharing funds.

It may be interesting to note that the lowest incidence of township expenditure of Revenue Sharing funds occurred in the areas of transit systems, law enforcement, pollution abatement, libraries, Social Services for the poor and aged, and health. This may be explained in some cases by the fact that the dollar amounts received by the township governments were insufficient for establishing or augmenting these more expensive programs. The immediate interests of the township governments seem to steer away from humanitarian/social projects and toward more general capital improvement projects to serve the entire population of the township.

### EXPLANATION II—CITIES

There are only 39 recipient cities in the 11th District of Michigan, within a total of 27 counties. Most cities responding to the survey indicated expenditures or planned expenditures of these funds in the miscellaneous capital expenditure category, primarily for operating/maintenance and construction.

[With 41% (16 of 39) of recipient cities responding 75% (12 of 16) of the respondents indicated this type of expenditure for all or part of their Revenue Sharing allocations, both current and potential.]

Included within this category are expenditures for public utilities improvement, such as installation of additional water mains, construction of a public works warehouse, extension of water and sewer systems and acquisition of equipment for the public works departments. Also noticeably prevalent in this category were expenditures for renovation and remodeling of the City Hall buildings and basic improvement projects for public buildings, and land purchases for such buildings. Several cities specified construction of public service garages. Office equipment (e.g. calculators, printers, etc.) voting machines, as well as, heavy equipment such as trucks, trailers, tractors and an abundance of snow clearing equipment were listed. Several cities indicated expenditures related to cemetery maintenance such as general land improvement and mausoleum construction. Clearly, the emphasis here has been on improvement of existing facilities, particularly municipal buildings and services. Purchases have been geared toward large equipment and comprehensive improvement projects.

Roads and streets ranked second among cities, with 69% of these respondents indicating this type of expenditure.

[With 41% (16 of 39) of recipient cities responding, 69% (11 of 16) of the respondents indicated this type of expenditure for all or part of their Revenue Sharing allocations, both current and potential.]

This category encompassed such capital expenditures as street improvements, construction of storm sewers, bridge construction, alley paving in commercial districts, equipment purchase related directly to Street Departments, general road improvement and maintenance for both primary and secondary roads, to curb and gutter and pave streets, additional street lighting, Street beautification, purchase of raw materials (e.g. crushed gravel) and sidewalk construction and repair.

Recreation with 63% incidence was ranked third by the cities of the 11th District.

[With 41% (16 of 39) of recipient cities responding, 63% (10 of 16) of the respondents indicated this type of expenditure for all or part of their Revenue Sharing allocation, both current and potential.]

This category included recreation and park maintenance, baseball field construction and playground area development. Ice rink improvements were also listed, along with, sports park projects. Monetary support to local baseball teams, purchase of trucks and benches expressly for park areas, large scale park plans, construction of rest room and shower facilities within park areas, and land acquisition for recreation departments were indicated. Construction of small boat launching ramps and warming houses at ski areas have been scheduled by one city.

All other categories were only sparsely represented, clearly indicating that municipal authorities are concentrating on building construction, recreational development and transportation conditions. No cities responding to the survey indicated any Revenue Sharing expenditures, either current or potential, in the areas of Social Services for the Poor and Aged or Health projects.

### EXPLANATION III—VILLAGES

Every village responding to the survey indicated use or intended use of some or all of their Revenue Sharing funds for Fire protection.

[With 17% (5 of 29) of recipient villages responding, 100% (5 of 5) of the respondents indicated this type of expenditure for all or part of their Revenue Sharing allocations, both current and potential.]

Understandably, this reflects the same conditions as those affecting the townships—a severe shortage of adequate fire equipment and perennial lack of funds. Since the total number of recipient villages in the area number only 29, and this survey includes only 5 respondents, other categories received only minor attention. The incidence of fire protection programs listed is notable because it was the only category for which all respondents had indicated expenditures.

### EXPLANATION IV—COUNTIES

The county governments responding to the survey showed a high incidence of expenditure (current and potential) in the areas of law enforcement and building improvement and construction. No county authority responding to the survey indicated any intended expenditure plans for fire protection, since this is an area of service in which the county governments have no authority.

With regard to law enforcement funding, the respondent counties indicated expenditures of Revenue Sharing money for such projects as repairs and construction of county jail buildings, repairs and replacement of police automobiles, and purchases of radio equipment and gasoline for the county police departments.

[With 37% (10 of 27) of recipient counties responding, 70% (7 of 10) of the respondents indicated this type of expenditure for all or part of their Revenue Sharing allocations, both current and potential.]

Miscellaneous capital expenditures for operating/maintenance and construction were indicated by an equal number of county respondents, as a category for Revenue Sharing funding.

[With 37% (10 of 27) of recipients counties responding, 70% (7 of 10) of the respondents indicated this type of expenditure for all or part of their Revenue Sharing allocations, both current and potential.]

Airport repair and renovation received particular attention. One county has allocated $25,000 for improvements on their county airport. Another allocated $5,000 and still another indicated some major expenditure for their airport. Improvement and renovation of court houses, improvements of City Fair structures and construction of new county buildings were also indicated. One county has taken its entire allocation and invested it in certificates of deposit drawing interest of 5¾% annually. These funds will then be used for construction of a new county office building. Acquisition of property for eventual county use was also listed by several respondents. The most populous county in the District—Marquette County—listed construction of a new County Office Building as a first priority expenditure. In this case, bonding will be necessary since the 5-year period Revenue Sharing will cover only about one-half of the expected cost of the building.

Apart from capital construction, this category also included the purchase of general heavy equipment, health insurance for government employees, and construction of a new county animal shelter.

### FINAL SUMMARY

Several general conclusions can be drawn from the findings of this survey. It appears that Revenue Sharing funds have been used for funding projects of a non-emergency nature, generally requiring moderate yearly expenditures over an extended period of time.

Many of the projects listed in this survey might otherwise have been funded from possible excesses in other budget categories, or from private donations. Most, however, are typically under-funded projects, or projects such as repair or maintenance which have gone unfunded because the community felt they were not urgent and had not deserved earlier immediate attention.

There is a notable absence of Social Service and Health programs. One reason for this apparent lack of humanitarian concern, in favor of capital improvement programs may be that both public and official sentiment are leaning toward projects serving the general population. Since Social Services and Health programs are already funded by a variety of Federal and State agencies, as well as private organizations, the emphasis seems to be toward programs which habitually get tossed aside or are continuously underfunded . . . programs like building construction, rural road and street maintenance, and fire protection equipment acquisition. These projects need moderate funding over a limited period of time.

This may be an indication that public opinion is turning away from "Great Society" programs. With these limited responses, it is not possible to substantiate this claim, although this change in attitude appears to exist. The preponderance of community-improvement projects over administrative programs listed by the respondent communities seems to indicate a citizen awareness to the uses of Revenue Sharing funds. This may be due, in part, to the national, as well as local publicity Revenue Sharing has received. It is an optimistic sign that citizens are interested and apparently willing to participate in the financial decisions of their local governments.

It should be pointed out, in closing, that this survey and analysis represents information drawn from a very limited sampling. The percentage of total response is about 24% of all the recipient units of government in the District. Therefore, all conclusions drawn here should be considered within the limitations of their scope.

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## THE SMALL BUSINESS TAX REFORM ACT OF 1973

## HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. ANDERSON of California. Mr. Speaker, in our rush toward big government, big unions, and big business, we seem to have forgotten that with larger units we may lose some of our independence, individuality, and personal initiative.

Nowhere is this more evident than in the world of business and commerce where small business—due largely to tax laws written with the huge conglomerates in mind—is threatened with becoming an endangered species.

According to Dun & Bradstreet, 9,500 businesses closed their doors for the final time last year as a result of failure. And 1972 was considered a good business year. Approximately 350,000 businesses close up voluntarily each year, leaving an even greater share of the market to the giant corporations.

But small business is not a sacred cow—it must justify its own existence, and earn its place in our economic system.

Yet, consider for a moment what we lose if small business is forced to yield to the larger concern:

First, without the existence of a large number of small businesses, we lose the competition necessary to assure the consuming public reasonable prices and quality merchandise.

Second, without small business to keep a check on the conglomerates, we would witness an increase of political power in the hands of fewer individuals, with the resulting ability on their part to eliminate competition by setting prices and allocating markets.

Third, without small business, we lose the opportunity for personal expression, personal initiative, and individual judgment.

Fourth, without the innovative small businessman, we lose the new products and methods which are often developed by individuals in a small business.

Fifth, without the small businessman, and his flexible operation, we lose essential services which are designed to meet individual demands rather than those designed for mass marketing.

As a result, Mr. Speaker, I am convinced that small business has an important and necessary role to play in our economy, and that we must take affirmative action to permit the small enterprise to compete, to keep abreast of new methods and techniques, to diversify, to research and pioneer, to survive during downturns in the economy, to grow, prosper, and flourish.

TAXES DISCOURAGE SMALL BUSINESS

Mr. Speaker, our tax schedule places disproportionate burdens on the small businessman. According to the Federal Trade Commission, small- and medium-size businesses pay tax at about 50 percent of their income, while the largest firms pay at about 35 percent. And one study presented to the House Ways and Means Committee revealed that the largest 4,348 corporations have an effective tax rate of only 26.9 percent.

I find it both economically unsound and morally unfair to permit the largest U.S. corporations, as a class, to pay taxes at half the rates paid by small- and medium-size businesses, as a class.

As a result of this inequity, we find that "big business" is getting richer and "small business" is getting poorer. For example, the billion dollar firms—those with assets exceeding $1 billion—received 28 percent of the corporate profits in 1959. In 1971, almost 55 percent of all corporate profits in America were achieved by the billion dollar corporations—a total of only 260 firms.

In addition, proliferating tax and Government reporting requirements impose burdens on the small businessman. According to a study conducted by the Senate Select Committee on Small Business, a family-owned restaurant must spend about $820 in accounting fees to fill out the required forms, whether or not it makes a dime of profit.

In 1971, the Congress enacted the Revenue Act, which was designed to spur the economy by giving tax benefits to corporations and individuals alike. However, an estimated 40 percent of the $11.5 billion in annual corporate tax benefits were funneled to less than 400 of the Nation's largest corporations.

We must reverse this trend that has led to discrimination against the small enterprise or we may find thousands of long-established smaller firms closing their doors and thus yielding to the giant corporations an even greater share of the marketplace.

THE SMALL BUSINESS TAX REFORM ACT

Mr. Speaker, in order to provide tax equity for the 8 million small businessmen and women who employ over 40 percent of the workforce in this country, I am today introducing the Small Business Tax Reform Act.

First, this bill would establish a permanent Intragovernmental Committee on Tax Simplification for Small Business in order to simplify the regulations, the laws, and the instructions relating to business taxation.

Second, it would create an Office of Small Business Tax Analysis in the Department of the Treasury to examine tax problems from the view of small business and free enterprise, rather than the Government's interest in raising revenue.

Third, my proposal would establish a new corporate normal tax rate which is a graduated scale bringing corporate taxation more nearly into accord with the principle of the ability to pay which has long been in effect for individual income taxes. For example, under current law, a small business with $25,000 taxable income is subject to a 22 percent tax, or $5,500. Under my proposal, the same small business would pay only $3,300 in Federal taxes. Another firm, earning $50,000 income subject to Federal tax currently pays $17,500 in Federal taxes. Under my proposal, that firm would pay $14,425.

Generally, under my proposal, a firm earning less than $300,000 subject to Federal tax would find its tax burden less than that under current law. A firm with profits over $300,000, however, would find its taxes gradually increasing—especially those million dollar profitmaking companies.

Under my proposal, the normal tax would be the amount determined in accordance with the following table:

PROPOSED GRADUATED CORPORATE NORMAL TAX RATE SCHEDULE

| If the taxable income is: | The normal tax is: |
|---|---|
| Not over $5,000 | 11% of the taxable income. |
| Over $5,000 but not over $15,000 | $550 plus 12.5% of excess over $5,000. |
| Over $15,000 but not over $25,000 | $1,800 plus 15.0% of excess over $15,000. |
| Over $25,000 but not over $100,000 | $3,300 plus 18.5% of excess over $25,000. |
| Over $100,000 but not over $200,000 | $17,175 plus 22.5% of excess over $100,000. |
| Over $200,000 but not over $300,000 | $39,675 plus 26.5% of excess over $200,000. |
| Over $300,000 | $66,175 plus 26.8% of excess over $300,000. |

In addition, Mr. Speaker, I place in the RECORD at this point a table compiled by the Congressional Research Service which shows the present tax liability of corporations and the Federal taxes paid by corporations under my proposal:

COMPARISON OF CORORPATE INCOME TAX LIABILITIES UNDER PRESENT LAW, AND THE NEW RATES AS PROPOSED BY REPRESENTATIVE ANDERSON, FOR SELECTED LEVELS OF TAXABLE INCOME[1]

| | | Tax under proposed tax rate schedule | |
|---|---|---|---|
| | Tax under present law | Amount | Percentage reduction (−) or increase (+) compared to present law |
| Selected levels of corporate taxable income: | | | |
| $5,000 | $1,100 | $550 | −50.00 |
| $15,000 | 3,300 | 1,800 | −45.45 |
| $25,000 | 5,500 | 3,300 | −40.00 |
| $50,000 | 17,500 | 14,425 | −17.57 |
| $75,000 | 29,500 | 25,550 | −13.39 |
| $100,000 | 41,500 | 36,675 | −11.63 |
| $200,000 | 89,500 | 85,175 | −4.83 |
| $300,000 | 137,500 | 137,675 | +.13 |
| $400,000 | 185,500 | 190,475 | +2.68 |
| $500,000 | 233,500 | 243,275 | +4.19 |
| $1,000,000 | 473,500 | 507,275 | +7.13 |

[1] All the tax liabilities reflect both the normal tax and the surtax applicable to corporations.

Fourth, to encourage the establishment of new small business enterprises, the Small Business Reform Act would allow a new small business to exempt $25,000 of income from Federal taxes for the first 3 years, providing that it is reinvested in the business.

Finally, this proposal has several features which are designed to provide encouragement for modernization, efficiency, and cost reduction.

REVENUE BALANCE

Mr. Speaker, in this time of inflation, and deficit spending, all of us are aware that we simply cannot lower a tax rate for one group without raising taxes on another so that there would be no revenue lost for the Treasury.

This bill which I am offering is balanced in the revenue sense, with slight, immediate, and long-term increases of tax revenues through minimally higher normal tax rates on giant corporations and the cultivation of vigorous new small enterprises which will enlarge the tax base in the future.

The revenue gains made possible by the rescaling of normal rates would make it possible to shift a small fraction of the corporate tax—about 1 percent—on the basis of the ability to pay. In fact, the increase levied on a single firm with million dollar profits is enough to equal the benefit which would accrue to 15 firms earning $25,000.

CONCLUSION

The small businessman is the very backbone of our economic system, yet he is in danger of extinction. It has been through his skills, his initiative and enterprise, and his energy that America has become an economic power and that we enjoy the highest standard of living in the world. The small business is a national asset and must be treated as such—not by creating tax loopholes or by giving special treatment—but rather, by providing equity so that he can compete on an equal footing with his brothers in business, commerce, and industry.

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## TIME FOR OVERWEIGHT HEW TO REDUCE

## HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. HUBER. Mr. Speaker, in recent years we have heard much about excessive spending and the swollen budget of the Department of Defense. In fact, as will be recalled, there was a great deal of controversy involved in a CBS program called "The Selling of the Pentagon," which purported to show that the Department of Defense had the largest public relations organization of any Government department. I do not know whether HEW tried harder, but they are now No. 1 in public relations budget and personnel. If we take the fiscal year 1972, we find that HEW spent $36.2 million on public relations while the Pentagon spent $25.6 million. The Pentagon has 30 people on its legislative staff while HEW has 141.

This is all to say nothing of the fact that the HEW budget now exceeds that of the Pentagon. HEW is expected to spend $93.8 billion in fiscal year 1974 while the Department of Defense is expected to spend $78.2 billion. So HEW is No. 1 in budget fat also. My colleague, Representative CHAPPELL of Florida, and I jointly came up with these amazing items on the comparison of the public relations budgets of the two Departments. And would you further believe that HEW employed some 4,710 consultants as of December 1972. That is 1 consultant for every 235 of its 117,000 employees.

Therefore, I was not surprised the other day when Government employee columnist—John Cramer of the Star-News—reported that HEW also has that worst case of "grade creep" in Washington. My colleague from Wisconsin, Mr. ASPIN, he reported, called it "the top-heaviest bureaucracy in the Federal Government and rapidly getting worse."

If one could see that HEW was doing good things with all these people and money, we could rest easy. But what do we see? A vague call from HEW to bus, mix, or who knows what, the college students of the State of Maryland. This matches the insanity perpetrated in the 18th District of Michigan upon the Ferndale School Board in attempting to change neighborhood schools. The end result of such madness—and the cases are legion—may be the destruction of the public school system in this Nation at taxpayers' expense if HEW is not slowed down. We need action on an antibusing law. We further need to trim down the blob bureaucracy of HEW for the sake of generations to come in order that HEW again serves the people and not vice versa.

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## HARVARD PROFESSOR CELEBRATES 85TH BIRTHDAY

## HON. THOMAS P. O'NEILL, JR.

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. O'NEILL. Mr. Speaker, one of the most distinguished of that breed of intellectuals peculiar to my district, Harvard professors. recently celebrated his 85th birthday. Prof. Harry A. Wolfson, Nathan Littauer, professor of Hebrew literature and philosophy emeritus, has been called "the greatest living scholar of the humanities." He is quite a man.

Professor Wolfson is the only non-Israeli to have been honored with the Jerusalem prize. Tributes to him never cease. And yet they are insufficient.

Despite his age, Professor Wolfson arrives at Widener Library at 8:30, before normal library hours, six mornings a week. On the seventh morning, Sunday, he arrives at 7:30, when the night custodians are relieved.

I know my colleagues join me in offering best wishes for good health and many more years of creativity to the "Resident Sage" of Harvard. I am sure that each of us hopes that he will someday be as fecund as Professor Wolfson is at 85.

I include an article from the New York Times about Professor Wolfson:

### HARVARD'S RESIDENT SAGE MARKS 85TH BIRTHDAY TODAY

(By Israel Shenker)

CAMBRIDGE, MASS., November 1.—Life makes the man and man makes the life, and occasionally—as with Prof. Harry A. Wolfson—both life and man are a marvel to behold.

Tomorrow he will endure a discreet hallelujah chorus at a lunch marking his 85th birthday, and be guest of honor at a Widener Library reception celebrating endowment of the Harry A. Wolfson Book Fund in Harvard's Judaica Collection.

Now that he has been at Harvard almost 65 years—he arrived as a freshman in 1908, became a professor in 1925, emeritus in 1958—he is accustomed to being honored as the resident legend and the accredited sage.

Harvard's George Huntston Williams, Winn Professor of Ecclesiastical History, calls him "the greatest living scholar of the humanities," and in private, simply "Aristotle."

To be a Jewish scholar writing on Jewish philosophy is difficult. To be a Jewish scholar writing on Christian and Islamic philosophy as well, and who then—betraying nothing of his immigrant beginning—writes limpid and engaging English prose magnifies the achievement.

#### CARDBOARD AND STRING

Room K in the Widener is the only place Professor Wolfson feels at home. Six days a week he turns up at 8:30 A.M. before the library officially opens. Sundays he arrives at 7:30 A.M., when day custodians replace the night shift. Prof. Morton White of the Institute for Advanced Study at Princeton notes that Professor Wolfson is "the first to enter the library and the last to leave it, the first to get a point and the last to forget it."

In room K, filing cabinets are crammed with shaggy, handwritten bundles of manuscript squeezed between cardboards, tied together with frayed bits of string.

Exuberantly, though now he walks with difficulty, Professor Wolfson hurries to the files. "I'll show you how Plato looks," he says, grasping a handful of manuscript. "There are thousands of pages like this." With unconcealed glee he loves to hear his words read aloud. "How do you like it?" he asks, marveling along with the reader.

Professor Wolfson long ago began writing books to cover all philosophic systems from Plato to Spinoza as though the interlude, that is man's life were sufficient to illuminate the eternity that is human thought.

Philosophers "rarely give expression to the full content of their mind," he suggested "Some of them only rhapsodize; some of them veil their thought underneath some artificial literary form; some of them philosophize as birds sing, without being aware that they are repeating ancient tunes."

To him a work of philosophy is a mystery story, and the historian must probe for clues, distinguishing between "the outer speech of style" which is the man and "the inner speech of thought, and the latent processes of reasoning behind it, that is the philosopher."

#### PROPOSITIONS OF SPINOZA

While working on Spinoza he was obsessed with a problem. "The propositions were repetitious," he recalled. "I couldn't account for them, and I was worried. But then, sitting in the movies one night, I realized that the first 13 propositions of Spinoza's Ethics are based on a comparison of the microcosm and macrocosm."

Professor Wolfson never married, and he used to go to the movies every night. "There are lots of people who don't see you, and then you don't feel lonesome," he explained. "Go into a place by yourself and you're lonesome."

Night after night he went to the same film, sometimes falling asleep at the start, waking just before the end—and reconstructing what must have happened on screen. When he solved the Spinoza problem he thought of dedicating his book to the movie industry.

From Spinoza he turned to Philo, a Jewish philosopher who applied scripture to philosophy. Professor Wolfson's assessment went counter to the accepted view that, as he put it, "everything that came before Christianity is to be considered only as preparatory to it and everything that happened outside of Christianity is to be considered only as tributory to it."

#### THE GREAT MYSTERIES

In 1956 he published "The Philosophy of the Church Fathers," and Professor Williams suggested that the book "dealt with the great mysteries of the Incarnation and the Trinity with such attention to details that one feels that there is scarcely any residual mystery!"

While others conceal truth beneath the apparatus of scholarship, Professor Wolfson serves his conclusions wondrous and plain. While other religious philosophers, for example, treat of the human soul's origin with theories of creation, pre-existence and traducianism, Professor Wolfson translates them as the theories of souls which are custom-made, ready-made and second-hand.

While preparing a second volume on the Church fathers, this custom-made soul saw a solution to the origin in the Kalam (the teaching of the early Moslem philosophers) of the attributes of God. He unravelled a skein of derivation from the Christian Trinity—a Greek translation of an Arabic work written by a Christian about half a century after the rise of Islam.

"So instead of publishing volume two of the Church fathers I got involved in the Kalam," Professor Wolfson said.

At night he leaves Widener for the solitude of an apartment overflowing with the debris of the scholarly bachelor life. In the best of times he used his refrigerator for storing books—with the overflow in his stove. Last April he had a cataract operation, and spent six weeks in a recuperative center, since he could not look after himself at home.

"At the recuperative center I couldn't read, I couldn't do anything," he said. "One day Heschel [Prof. Abraham J. Heschel of the Jewish Theological Seminary] called me, and I said to him all I had to do was think. I said, 'Only God can do thinking and thinking,' When you have nothing to do but think, you always think of the mistakes you've made in your life—all the things you should have done that you didn't do, the things you did that you shouldn't have done."

The scholar and the man in this extraordinary Wolfson amalgam join in regretting so much about the years gone by. If only he had written in Hebrew. If only he had written more on contemporary Judaism. If only he had accepted the offer from the Hebrew University in Jerusalem to move there. "My life would have been not happier, but I would have been what I started to be," he said.

And so he said to Professor Heschel, "I wish I had been sick 30 years ago—I would have been a better man."

Rabbi Heschel calls Professor Wolfson "the most outstanding scholar of medieval Jewish philosophy in modern times, distinguished not only by full mastery of the material but by a genius for expression; his writing has a sense of architecture—he knows how to build books as masterpieces."

Perfectionism is the blessed curse of scholarship, and Professor Wolfson never writes a book without almost endless revisions. Whenever the director of the Harvard University Press passed this painstaking professor, he would tip his hat and say as if barely containing his impatience, "Two weeks, Professor Wolfson."

Professor Wolfson describes himself as "a nonobservant orthodox Jew." He has given a few sermonettes, and a professor teaching philosophy of religion at Harvard asked his students to analyze one for Professor Wolfson's beliefs. "Half said I was orthodox, the other half said I was agnostic," said Professor Wolfson. "I didn't say anything. I don't believe in writing confessions."

Instead of writing his autobiography, Professor Wolfson began writing an imaginary autobiography of Spinoza. When Prof. Arthur Darby Nock of Harvard read a portion, he suggested that nobody could write such a passage unless it were his own autobiography. Professor Wolfson promptly abandoned the project.

One should have expected surprises of the young man from the Czarist Russian village of Austryn. When he applied for admission to the great Slabotka yeshiva, he was told that a nine-year-old belonged in a cheder (elementary school). But his sponsoring uncle insisted: "Don't look at the vessel, look at what's inside."

Young Wolfson's father moved to America, brought his son to Scranton, Pa., in 1903, and the boy won a scholarship to Harvard.

Harry Wolfson took to this summit of learning as though to the crimson banner born. Said Burton S. Dreben, a Harvard philosophy professor: "In one life he jumped from late medieval Jewish culture into the culture of Harvard, from a small Jewish village in eastern Europe into the social life that Harvard was."

The transplanted Talmudist made Harvard his world, and today he lives near the Harvard faculty club, where he lunches and dines daily with colleagues at what has become known as "the Wolfson table."

## OEO PROGRAM EFFECTIVENESS

### HON. FLOYD V. HICKS

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. HICKS. Mr. Speaker, I have just received a report from the Tacoma, Wash., Metropolitan Development Council which outlines the impact its antipoverty programs have had on the community during the 8 years the council has been in operation. After reading the report, it is my impression that the individual program descriptions it contains contribute constructively to current discussions regarding the effectiveness of Office of Economic Opportunity programs and the effectiveness of their administration by local community action agencies. Accordingly, I insert the report into the RECORD:

#### OEO COMMUNITY ACTION: A HERITAGE

The number of individuals served by and involved in the various programs that have been operated by the Metropolitan Development Council is in the thousands. Tracing the effect of antipoverty programs on the lives of these individuals is beyond the scope of this summary of eight years of activity. For the purposes of this statement it is not possible to enumerate the various impacts the programs operated by this organization and funded especially by the Federal government have had on private lives. It must be sufficient at this point to enumerate the positive impacts which the organization has had on the community to the extent that the Metropolitan Development Council has originated programs, operated programs and promoted the absorption by the community of successful projects.

#### 1. GUIDE—EXPEDITOR PROGRAM

During 1967, 68, 69, Dr. Joseph Waller initiated a program which was targeted on individuals who were either at the Western State Hospital at Fort Steilacoom, Washington, or were recent patients of Western State. The purpose of the program was to train these individuals in the provision of counseling services to other low-income people and to thereby open new work opportunities for such individuals. This program was originally funded with OEO Section 221 funds. These funds were used to pay the salaries or stipends of the individual trainees in the program.

Eventually The Guide program which was funded from the above OEO funds formed the foundation for the HEW funded Expeditors Program. Through extensive training non-professional counselors became a source for effective but inexpensive mental health counseling services. It was exhibited then and continues to be true that non-professional individuals properly trained with professional backup can deliver mental health services in an effective and efficient manner. Non-professional counseling now has a permanent place in the mental health service delivery system of Pierce County.

#### 2. WELFARE RIGHTS GROUP

Since the organization of an independent Welfare Rights group in Pierce County in 1968 the Metropolitan Development Council has provided this group with support services necessary to ongoing operation. The welfare rights group in Tacoma/Pierce County has always operated as an independent group and has received support from other organizations such as the Urban League. However, over this period of time the Metropolitan Development Council has also provided services, especially printing services, to allow this group to communicate with its members. The welfare rights group in Tacoma continues to be an effective voice of the low-income welfare recipient. Individuals from this group have visited Washington, D.C. and talked with legislators. Leadership has arisen from this group which continues to provide an outlet for the concerns of individuals who are low income.

#### 3. FOOD COOPERATIVE

The Metropolitan Development Council in 1970–71 provided funds to a group of low-income individuals in order to assist them in establishing a food co-operative. The cooperative operated with OEO funds for approximately 12 months at which time the organization was stable enough to begin operating entirely on its own. The Food Basket in the Court C business area in downtown Tacoma continues to operate as a food co-operative serving all income groups with low cost food.

#### 4. FAMILY PLANNING

The Pierce County Public Health Department for several years has provided family planning services to all income levels of the Pierce County community. It was, however, difficult to reach low-income people with family planning services because the location and scheduling of the family planning clinics limited access. Due to the efforts of delegate agencies of the Metropolitan Development Council neighborhood family planning clinics began to operate in the evenings during 1969. In order to supplement the operation of these outreach clinics the Metropolitan Development Council obtained OEO funds in 1970 to provide outreach and follow-up services to the low-income population. The purpose of these outreach services was to insure that the family planning services of the Public Health Department reached beyond the middle and high income population to those who most needed them. This outreach program continues with OEO funding; family planning clinics continue to expand into the various neighborhoods of Pierce County.

#### 5. RETARDED CHILDREN

The delegate agency of the Metropolitan Development Council, The Hilltop Neighborhood Center, obtained local funds to support and expand the Hilltop Well Child Clinic. During the operation of this clinic the doctor, Maurice Moses, who staffed this clinic began to document the number of preschool children served who were socially and mentally retarded. Through his efforts jointly with the director of the Hilltop Neighborhood Center, funding was obtained to begin a Learning Center for Preschool Retarded Children. As the center began to serve this unmet need, funding came from local contributions, foundations, state and federal sources. Since the origination of the school, the Central City Learning Center, the number of children enrolled has risen to 65. The success of this program has been measured in the number of children who were either mentally or socially retarded who have been able to enter the school system and maintain their learning experience at a level equal to other children. During the past 12 months the Central City Learning Center has obtained a building grant from the Department of Health, Education and Welfare and ground was broken in the winter of 1973 for a building which will house this school. As a result of this OEO initiated program a previously unmet need continues to be addressed.

#### 6. CAMPING FOR LOW-INCOME CHILDREN

Prior to the operation of summer camping by the Metropolitan Development Council low-income children were excluded from the camping experiences exemplified by the Boy Scouts, Girl Scouts, Boy's Clubs, Campfire Girls and Churches. During the summer of 1968 with OEO funds the Metropolitan Development Council borrowed the facilities of Fort Lewis and created a camp there which was made available cost free to low-income children from the Tacoma/Pierce County area. Although this camping experience and camping program was quite successful it became apparent during subsequent planning that it would be much more positive to begin integrating low-income children into the camps which were operated and supported by the United Good Neighbor organization. At that time funding from OEO was supported by funding from United Good Neighbor and an extensive recruitment procedure began which resulted in the enrollment in summer camps of almost 1,000 low-income children. This program has continued year after year since 1969. However, OEO funding was withdrawn from the program after the summer of 1970. Since that time the United Good Neighbor organization has operated the program. This is one of the first social service programs to be supported with City Revenue sharing money.

#### 7. NONPROFESSIONALS

One of the greatest impacts Office of Economic Opportunity programs have had on the service community is through the introduction and training of non-professional workers. This type of change in the service delivery system can be noted most in the introduction of non-professional teacher's aides in the school district for the Head Start program and through the introduction of non-professionals in the various newly developed jobs with the Department of Public Assistance. As noted above this trend of using non-professionals has also appeared in the area of Mental Health Service Delivery. As a consequence of the initiation of this type of service by non-professionals new jobs have been created for individuals who have not been able to pursue the higher education degrees and many more services have been provided at less cost in the schools, in the Public Assistance Department and in other areas of the social service delivery community.

#### 8. HOUSING

A delegate agency of the Metropolitan Development Council which is located in the rural area of Pierce County known as MORE (Make Opportunity Rehabilitate Economic) established an organization called House My People for the purpose of obtaining Farmers Home Administration self-help housing monies and technical assistance funding to assist low-income rural residents in building, occupying and purchasing their own homes. Since the inception of the House My People program 12 homes have been completed and purchased by the low-income participants of this program and 75 homes are under construction.

### 9. SMALL TRIBES OF WESTERN WASHINGTON (STOWW)

The delegate agency mentioned above, MORE, was also involved in bringing together several of the small tribes of Western Washington, assisting them in obtaining OEO money to operate a series of services for the Indian communities throughout Western Washington. This organization continues to be funded by Office of Economic Opportunity Indian desk money and continues to provide services to the Indian community.

### 10. NUTRITION PROGRAM

During the fall of 1970 and Winter of 1971 the Hilltop Well Child Clinic mentioned above began to notice and to document problem patterns in the low-income children that used the services of this clinic. The growth rates of low-income children differ radically from those growth rates documented for children of middle and higher income families served in the private practices of the doctors in the Well Child Clinics. As a result of this documentation the Metropolitan Development Council began developing a program which would serve the nutritional and child care needs of high risk low-income families especially for low-income mothers during pregnancy and for their newborn children during the first 6 months of life. With the assistance of Congressman Hicks' and Senator Magnuson's Offices a $104,000 grant was received by the Metropolitan Development Council in the fall of 1972 and a nutrition and child care counseling program began to operate. The program has now operated successfully for six months and continues to set a high mark in effectiveness. The present community support for this program ensures its continued operation in the future.

### 11. TUTORING PROGRAM

The delegate agency mentioned above, The Hilltop Neighborhood Center, initiated in 1967 a tutoring program which brought together the college and university students in the Tacoma/Pierce County area with low-income students in grade school and junior highs to assist these students in their studies. The Tacoma School District provided support by identifying participants. The tutoring program was funded for three years by the Office of Economic Opportunity funds. The program served over a thousand students during its operation. When Model Cities funds became available to the City of Tacoma this program was funded to serve the children of Model Cities residents.

### 12. NARCOTICS

Using Office of Economic Opportunity 222 funds the Metropolitan Development Council operated a Narcotics Drug Rehabilitation program which provided residential treatment services to low-income drug addicts. During the operation of this program a curriculum on drug education was created and used by the Tacoma Public Schools for students from grades 1 through 12. This material continues to be used by Tacoma Public Schools and is therefore one more example of the continuing effectiveness of programs begun with OEO funds by the Metropolitan Development Council.

The above 12 programs are just some of the many programs operated by the Metropolitan Development Council to assist low-income adults and their families. It is impossible to enumerate the benefits to low-income people that have been provided by the Head Start program and employment programs in which individuals employed with OEO money were placed in the Employment security offices to meet the special needs of our clients. Individuals trained for new job positions with the Mainstream program, Senior Citizens whose attitudes toward themselves and toward their lives during their elderly years became positive and scholarship programs which collected money from various organizations within the community and provided scholarship loan programs to low income students attending local universities and colleges indicate just some of the enduring effects of MDC's operation.

Each year the Metropolitan Development Council has adjusted and spun off programs and began the operation of new programs. Individuals do not long remember significant actions taken by the Metropolitan Development Council which occurred in the past. For example, the initiation of funding for the Tacoma/Pierce County Comprehensive Mental Health Center and the probation service to the Municipal and Justice Court system now supported by the County Commissioners. However, it takes little study to begin to uncover the multiple successes of those programs which began with Office of Economic Opportunity funding and has expanded to the operation of other programs funded by other organizations and other agencies of the government for the purpose of assisting low income individuals to remove themselves from their poverty situation. This, then, is a partial description of the heritage which OEO funding has left to the Tacoma Pierce County Community.

LINSEY HINAND,
*Executive Director,*
*Metropolitan Development Council.*

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## THE SMALL SHIPMENT PROBLEM

## HON. BROCK ADAMS

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. ADAMS. Mr. Speaker, Mr. Jack Yohe, Director, Office of Consumer Affairs, Civil Aeronautics Board, recently addressed the National Retail Merchants Association in New Orleans. Those remarks happily reflect a deep knowledge of and concern by Mr. Yohe for the "small shipment" problems of the American shipper, and particularly, an awareness of the important role that the air freight forwarding industry is playing in a resolution of these problems. His remarks follow:

### REMARKS BY JACK YOHE

I would like to thank Mr. Dauksys for inviting me to represent the Board at your meeting here today. I also appreciate his kind invitation to speak to you. As I explained to Mr. Dauksys before agreeing to come to New Orleans, I do not consider myself a cargo specialist.

My specialty, if that is indeed the term, is consumer affairs. And, the vast number of the consumers who write to the Board are not shippers but passengers. This does not mean that the Board or the Office of Consumer Affairs is not interested in cargo problems. It does mean simply that the consumer affairs operation at the Board has been consumer, and by that I mean passenger-oriented in the past. Our first real consumer affairs venture into the cargo maze is a booklet designed to assist the small shipper to be issued within a few weeks.

From the name cards and representative lists of this meeting, there is nary a small shipper among you. Each of you is a volume shipper.

What tends to set the retail trades apart from other shippers is the simple fact that you ship many small shipments.

Retailers generate a phenomenal number of small shipments.

Given the paperwork involved in shipments of any mode, the shipper by air who must cut several thousand airwaybills in the course of a year must feel intimidated.

I hope that I can allay some of your fears concerning the small shipment industry, at least to the extent that the air transport mode is employed.

To begin with, your transportation concerns fall into two basic and differing types.

Initially, your primary concern is receiving in good order material from your suppliers which you in turn make available to your consumers through the sales process.

Secondly, you have a major area of concern in delivering those goods which are sold to the consumer. In this phase, as we all know, the primary transport mode, if not under the arm of the consumer, is by surface transport.

Exceptions are made to this general rule of course in the cases of specialty merchants, or multilocation operations operating on the basis of central warehousing instead of direct supplier reception.

I would like to address each of these phases of your general operations, namely, the supplier to merchant and intramercantile or specialty-transport operations.

Traditionally, transportation of persons and property by air is associated with the need to minimize the time in transit normally associated with surface modes.

But, as William Seawell, President of Pan American World Airways has correctly noted: "With the obvious exception of an emergency situation, speed for speed's sake is inconsequential."

However, many merchants or shippers in general, make their sole judgment concerning acceptability of cargo modality the criterion of face value unit cost. Thus the modality which offers the least expensive shipping rate often gets the business.

However, the least expensive means is often not the most efficient nor necessarily the most effective transport mode. The very flexibility of the present air transport system suggests it should receive an ever-increasing percentage of the small shipment trade.

Recent trends in the transport industry—detectable in your own operations—indicate a growing concentration of effort in the movement of large single entity cargo movements.

Recent years have seen the introduction of the unit train concept for example. Truckers also prefer to deal in truckload cargoes.

It has become increasingly difficult to move small package shipments between other than major cities by surface modes. The Postal Service which once relied heavily on mail cars attached to passenger trains has gradually been forced to alter its operations as the passenger trains have been phased out or rerouted.

Logically, since the direct surface carriers have an apparent reluctance to move small shipments, the shipper might consolidate his load with those of others through the agency of a forwarder.

However, information currently available to the Board suggests that this is not always possible. At present less than 5 percent of surface freight moves through surface forwarders. To counter this trend, I understand that freight cooperatives have been formed by groups of surface shippers.

In the air transport industry, although there is the capability to move large shipments, there are admitted limitations in terms of moving large goods to points which receive neither all-cargo aircraft service or wide-body service.

The thru pallet concept has helped in markets where all-cargo service is available, but facing one fact squarely from the start: not all cargo can go to all points by air especially cargo requiring the use of all-cargo aircraft.

However, there is a total capability to move small shipments, and that is our basic concern. Virtually all points receiving commercial airlines service can be reached quickly through existing services. This service is amplified on those routes and to those points which in addition to regular mixed configuration service receive all-cargo commercial movements.

Air cargo has been tied historically to meeting the needs of shippers of small packages and small shipments.

Concerning inbound freight from suppliers, the first phase of your shipping concerns, I would like to point out the many opportunities available to you as consignee to specify the freight mode to be used.

After all, in the long run you are the one who must absorb shipping costs. If you deal in garments, shoes, small appliances, or any other small, relatively dense item, you and your supplier should be acquainted with the services of direct and indirect air carriers which deal in containerized freight.

Containerized freight service, whether your shipment will fit the smallest (type E) container or the largest igloo (type A), is fast, efficient and less costly than individually shipped pieces.

In coordinating the shipping of your goods from your supplier in container form, you will find certain clear-cut advantages in addition to speed.

1. Later tender of the goods to the carrier at the airport of origin is possible;

2. Rapid recovery at destination is achieved;

3. Better security is possible and a reduction in pilferage and theft claims should be noticed;

4. And, above all else, the container program offers rate incentives for customers.

In many cases the airline containerization program offers rates which are competitive in direct cost to surface modes. The daylight LD-3 rates are a fine example of this.

Containerization—placing a series of small boxes into a larger box—eliminates handling by the air carrier.

Containerization also is related to density.

Since modern aircraft are geared to handle freight with a density of about 12 pounds per cubic foot, it is through containerization that shipments with varying densities can be shipped at one time with an averaged weight and thereby accrue cost savings.

There are currently over 200 wide-body aircraft in service in the United States, and these, in addition to regular flights by all-cargo or mixed aircraft, provide an enormous increase in lift capacity.

The introduction of each wide-body aircraft provides the equivalent—though not the flexibility—of two-thirds of a standard jet cargoliner. The wide-bodied aircraft are ideally suited to containerized movements.

In your shipments to consumers, you can avail yourselves of many services available. The carriers have recently introduced a small package priority service geared to the immediate need concept. This "lickety-split" service is basic priority transportation from airport to airport and will prove useful to the small package shipper.

For many years REA Air Express has had a priority service with the airlines. It tries to deal with each parcel as an individual shipment and routes it on a flight providing the fastest service. Each shipment is dispatched soon after receipt.

I note with interest the fact that the Board's Air Express Rate Investigation (Docket 22387) indicated that express shipments are characteristically short-haul and primarily lightweight.

The average weight of a shipment has been approximately 27 pounds in the last three years. Over 41 percent of the shipments weigh nine pounds or less; over 65 percent less than 20 pounds, and 89 percent less than 50 pounds. Similarly, 60 percent of the shipments move 800 miles or less.

The role of the consolidator or the forwarder agent in the airfreight business is enormous. It is reflective of the industry's being geared to the needs of the small package shipper.

Indirect air carriers operating with Board authority as forwarders have steadily advanced their market share of the airfreight traffic. They perform a vital function which you as shippers and recipients cannot overlook.

For many years now the Board has encouraged the free entry of new and specialized forwarders into the industry. While there is a move afoot in the forwarder industry at present to limit new carrier entry, the Board's historical position has been for free entry. Whether that position should be modified in the light of the growth of containerization is the issue that the Board now has before it.

The airfreight forwarder's role is that of the small shipment specialist for moving shipments door-to-door. As the intermediary between the shipper and the direct air carrier, the forwarder is in a position to offer competitive rates through the consolidation process.

Cargo of mixed lots with a common destination share a common container to destination where delivery is effected. Currently almost 45 percent of the airfreight tonnage and two-thirds of the shipments are consolidator originated.

Clearly this indicates the degree of receptivity the small shipment gets in the overall air transport picture when compared to the 5 percent surface participation noted before.

Since the forwarder also relies on the specific density quotient for his shipments, he is in a position to offer lower costs for dense items through the use of the containerization technique. One small dense parcel in a container will increase his overall density and lower his direct costs and this saving, in the form of specific commodity rates, is passed along to the consumer of his services.

Of particular interest to the small shipment specialist is the proposed new services which the forwarders have set forth. As you all know, pickup and delivery service in the immediate area of an airport receiving certificated service is a major feature of forwarder activity. This has been the case for many years. However, new operations are emerging.

Airfreight forwarders have long been involved in the shipment of goods using over the road truckers. This service extends beyond the normal pickup and delivery radius and provides through-service on a door-to-door basis for shippers beyond normal delivery limits.

This connecting surface-carrier service has been a two piece operation with separate carrier liabilities, rules, rates, and paperwork.

Today many airfreight forwarders have obtained ICC licenses as so-called "ex-air" surface forwarders and are rapidly expanding their airport-to-airport operations to hundreds of towns not serviced by air. These are one-piece operations in that while the rates may be either separate for the air and surface hauls or single factor, the paperwork is on a through bill of lading basis and the liability and responsibility are that of the single inter-modal carrier.

Another major development in airfreight is the combined carriage of goods through the use of an airline or a forwarder with the connecting services of an air taxi on a through-rate basis. This provides air carriage at through-rates to the many points which receive no certificated airline service.

Since the air taxi operators operate small aircraft, you can easily detect that this service would be directed at the small shipment producer.

Both speed and economy to the shipper should be the long-range result of such a program.

It is worth noting that many communities formerly served by air carriers will again have forwarding services available to them.

This is not to be taken lightly, as the type of community which I am speaking of is of the calibre of Trenton, N.J., or Bridgeport, Conn., which have a sizeable commercial area.

Also, freight moved through taxi operators can be handled considerably faster than direct carriage even if both points do have direct carrier service.

Take the case of shipping a parcel from Washington to Binghamton, New York. Both Washington and Binghamton have airline service, but not direct to each other. There is an air taxi in this market and its three daily direct flights offer considerable room for cargo.

A final new development which may affect all of you in the small parcel field is the growth of the third-level all-cargo carrier. By this I mean the scheduled all-cargo air taxi operating small planes over a dense network.

Several of these carriers are in the industry, but the most aggressive is planning to have a small parcel air service to over 100 cities by the year's end. Overnight or similar delivery between many points is now available through this specialized air service. In essence, the function of such a carrier is to be a direct air carrier-consolidator, consolidating in terms of planeloads rather than containers. In many cases the aircraft will accommodate less than the capacity of a large carrier container like the igloo, but it is geared to be a flying container of small shipments.

What we essentially have in the air shipment mode is an enormous capacity for the wise shipper to economize through the wise use of air cargo services.

By selecting the services best suited to the particular shipment in question, long-range economies of distribution can be achieved.

The basic problem in this area is of course the general lack of familiarity with the flexible programs of the air mode or the inefficient use of the mode by shippers.

I would be willing to bet that none of your companies would order sight unseen any commodity for resale at the retail level. Yet day in and day out, each of you purchase transportation services without direct regard to the type of services being purchased or the overall place of mode in your costing program.

In the 1960's the Board attempted to inform shippers of the programs in air transportation which best suited their needs through the use of workshops across the nation. These were successful to a certain extent.

However, we still receive correspondence from traffic managers which indicates a lack of understanding of the fundamentals of air cargo practices. Primarily these letters deal with claims procedures or denials of liability, which is the main factor in Board docket 19923 concerning liability and claims rules and practices.

In this case, the examiner's decision is not available, although it should not be long in coming. Basic to the investigation are the questions of whether the Board has the lawful right to set liability for carriers operating under Board authority and whether the Board may specify the extent of liability in terms of eliminating exculpatory provisions.

The Bureau of Economics Brief to the Administration Law Judge gives a strong argument in favor of the Board's ability to act in both of these areas.

I would hope that I have been able to show that the Board is totally interested in the problems of the small shipment shipper and have kindled your interest in the wider use of airfreight as a distributive mode.

As I said in the beginning, I do not consider myself a cargo expert, but I would welcome the opportunity to be the "Board's Ear" and listen to any particular problems which you may have encountered in the use of airfreight.

I promise that I shall pass your problems along to our freight people so that your problems will receive every consideration.

It is a strange fact of life that we do not often hear from shippers, either individually or as groups, in formal economic proceedings. Each of you has the right under Rule 14 to participate in formal proceedings which concern your operations, and I would invite you to take advantage of this rule to present your views on vital matters before the Board.

In closing, I would urge each of you to examine your shipping needs and give consideration to the expanded use of the air mode in your operations. Air transport in this day and age is not simply to be used for priority items but for all freight. It can be used on an economic basic which is competitive with other modes, and it can be a most rewarding tool in your overall corporate planning.

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## THE 1973 EXPLORATION SCHOLARSHIP AWARDED TO MITCHELL HALTER OF PHILADELPHIA, PA.

### HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. EILBERG. Mr. Speaker, I am pleased to announce that Mitchell Halter of my district in Philadelphia has been awarded a full exploration scholarship offered jointly by the Office of Education, Educational Expedition International, and the Explorers Club.

Mitchell was selected from among 8,000 applicants throughout the country. Competition was based upon demonstrated interest and achievement in the humanities and natural sciences both within the classroom and in extracurricular activities. Selection of the winners was also based upon potential success in careers in natural science or humanities, motivation, initiative, good physical health and stamina, and recommendation by qualified community authorities.

The 1973 Exploration Scholarship will enable the winners to participate in worldwide expeditions led by some of the world's leading scientists. The program is aimed at providing a unique opportunity for gifted youth to explore and define career interests.

The scholarship program is entirely funded by public and private sectors.

As a winner, Mitchell has been invited to join Dr. Ian Gibson's Icelandic geology expedition. On July 6, the expedition team will fly to eastern Iceland to map and date the stratigraphic succession of the lava flows in the region just to the west of Neskaupstaour. In addition, the Myvatn district, site of the Apollo moonrover testing and training, will be visited by the participants to familiarize them with the new volcanic region of Iceland.

Mitchell's interest in science developed in his early childhood and has continued throughout his years in school. He has participated in numerous advanced courses in science. As a teenager, he began to manufacture and launch rockets of his own design and accomplished many other scientific achievements.

In addition, he worked as a volunteer at Hahnemann Hospital in Philadelphia. As a result of this experience, Mitchell developed great enthusiasm for a career in medicine.

For the past 5 years, he has been an active boy scout and is now a junior assistant scoutmaster. Through field trips on the Appalachian Trail and to New Mexico, Mitchell has developed true enjoyment of the outdoor life.

Photography is also one of his many hobbies. He has developed rolls of film for friends and is interested in the technical aspects of this medium as well.

Additionally, Mitchell utilizes his scientific knowledge in the field of electricity, his latest invention being a tic-tac-toe computer.

Wanting to share his experiences and vast knowledge with his peers, Mitchell, at age 16, has applied for a tutoring position at his high school.

As you can see, Mitchell Halter is a well-round, intelligent young man who well deserves this honor. The award is partially based on the judges' evaluation of his potential. I am sure that he will be one of the leaders of his generation.

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## COMMENDATION FOR A POLICE OFFICER

### HON. HAROLD R. COLLIER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. COLLIER. Mr. Speaker, those who serve the public usually receive a good many more brickbats than bouquets. This is accepted as part of the job, because they do not expect more than an occasional "thank you" for doing their duty.

Occasionally, however, people are pleasantly surprised at the excellent service that they receive from their public servants. This was evidenced recently by a letter sent to the sheriff of Marion County, Ill., by a resident of Oak Park, a city in my district. My constituent paid a well-deserved tribute to a police officer and his associates. I would like to insert the letter in the RECORD in order to show the police that their efforts on behalf of their fellow Americans are appreciated.

The letter follows:

OAK PARK, ILL.,
*May 9, 1973.*

DEAR SIR: I recently had an occasion to enlist the aid of a member of your department, a Mr. Charles Clayborn, a radio operator, in an attempt to locate the relative of a friend who was killed in an accident. The only information I had concerning my friend's relative's whereabouts was that he was somewhere in Southern Illinois, probably near Carbondale.

Prior to contacting Mr. Clayborn, I had called the Illinois State Police JAKS 4, and attempted to determine his license number so that we could possibly put an APB requesting that he be stopped on sight and informed of the emergency and to return home immediately. Understandably, a great deal of confusion was caused because of the scarce information that I had to offer. However, at this point, the State Police suggested that I try your office. I did, Mr. Clayborn answered the call. He did not at all seem confused, instead was most gracious and said he would do everything in his power to locate the gentleman in question and that he would call the number in Chicago that I had given to him and promised that he would stay with the matter until he would locate the individual in question. In less than 15 minutes, Mr. Clayborn called me back informing me that he had located my party giving him the message and told the individual that he would call me to make sure that I would remain by a telephone until the party called.

Probably one of the most difficult things for anyone to say to a stranger is thank you, and in this case, I feel that merely a thank you is totally inadequate. I believe Officer Clayborn acted in the way that all people expected a law enforcement officer to act. He performed his job admirably, was extremely cooperative, courteous and helpful in an emergency situation and in my opinion performed his job in a manner beyond that which is normally expected of a law enforcement officer.

I therefore, respectively request that Officer Clayborn be recommended for a commendation as an officer whose performance of his duties expresses the excellence of your entire staff. On behalf of the family involved and myself, I wish to thank you for hiring such an officer and certainly all of our thanks to Officer Clayborn for the very fine cooperation evidenced by his recent performance.

Sincerely yours,

DONALD H. STOUT.

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## CONGRESSMAN DENHOLM'S FARM BILL

### HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. JONES of Tennessee. Mr. Speaker, Mr. Denholm of South Dakota has earned the respect of his colleagues on the House Agriculture Committee although he is only now in his second term of office. His insight into agricultural legislative problems has led him to introduce a farm bill which caught the attention of many farm leaders including Pennsylvania's Secretary of Agriculture, the Honorable James A. McHale.

In an article prepared for United Press International several weeks ago, Secretary McHale praises the concept proposed by the gentleman from South Dakota. That article follows:

[From the Latrobe (Pa.) Bulletin, Apr. 19, 1973]

REVERSES OLD CONCEPT OF PAYING NOT TO PRODUCE—MCHALE LAUDS FARMERS SUBSIDY PROPOSAL

(By Jim McHale)

In the controversy over food prices and farm income, a voice of reason was sounded recently in Congress when Rep. Frank E. Denholm, D-S.D., called for outright subsidies to family farmers based on what they produced.

His proposal is revolutionary in that it reverses the concept of paying farmers not to produce. It also is directly counter to the

Nixon administration's avowed intention of getting government out of agriculture.

Denholm told Congress that the worldwide demand for American food and fiber is evident and that it could effectively improve our balance of trade. Subsidy payments, he said, should be geared to encouraging production and to carry the farmer through periods of slack demands and depressed prices.

The issue that was pretty much obscured in the highly publicized meat boycotts and the consumer outcry for lower food prices is that the farmers' production costs have far outstripped the prices he receives. Denholm's proposal hits the problem of production costs on the head. He says, in effect, that it will pay consumers to help offset a farmer's overhead. Family famers will stay in business insuring an adequate flow of food and fiber at reasonable prices. By avoiding subsidies, consumers in the end will pay double and triple when scarcities result from a dwindling farm industry.

Under the current system, in Denholm's words, the consumer is "being twice struck—once when taxes are paid to support essential prices to assure producers a meager level of equity for food and natural raw fiber too often below the cost of production and again at the retail market cost to the American consumer" when buying household goods. Instead, what is needed is a "national policy of direct subsidy to consumer cost of food and fiber."

Denholm argues that the "American farm people have too long subsidized the living standards of all the rest of the people in this country. Producers cannot market below the cost of production and continue to produce the essential food required for 210 million Americans and millions more around the world."

For consumers who are not aware of what production costs mean, here is a sample of what has happened on the farm scene.

A two-row corn picker that sold for $1,500 in 1952 increased by 300 per cent to $4.840 in 1972. Yet overall farm prices, according to the House Agriculture Committee staff report, have increased only six per cent above what they were 20 years ago.

Yes, food prices have gone up—but mainly at the retail level. Until last year, the price the farmer received for beef was actually a dollar less than he received 20 years ago. Yet in that same period, retail meat prices in the chainstores had doubled.

Denholm's approach is to stabilize prices while increasing production. This would protect both farmers and consumers.

His proposal, which he calls a national nutrition, food and fiber act, would provide direct payment for production equal to the difference between the average price received by farmers at the marketplace and not less than 90 per cent of parity on the first $25,000 of the annual gross sales of each farm family unit. This would insure that the farmer is covered for rising operating costs. Once the annual gross exceeds $25,000, the farmer is on his own for the price he receives at the marketplace.

## WOODROW WILSON ON THE INVESTIGATIVE ROLE OF CONGRESS

### HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Ms. ABZUG. Mr. Speaker, before he became one of our most active and strongest Presidents, Woodrow Wilson was known as an expert in constitutional theory and the operation of the Federal Government. In his book, "Congressional Government," published in 1895, he wrote of the need for Congress to serve as investigator and informant for the people, lest the Nation remain in embarrassing, crippling ignorance of the very affairs which it is most important that it should understand and direct.

It is the solemn duty of Congress, and especially the House, which possesses the sole power of impeachment, to keep the closest possible watch on the operations and activities of the executive branch, letting no frivolous claims of "executive privilege" or "separation of powers" stand in its way. We are to be "the eyes and the voice" of the people, and if we do not act as such, they will be left blind and deaf with respect to the activities of their Government.

The full Wilson statement from which the above quotes are taken is worth reading, and I include it at the conclusion of my remarks:

It is the proper duty of a representative body to look diligently into every affair of government and to talk much about what it sees. It is meant to be the eyes and the voice, and to embody the wisdom and will of its constituents. Unless Congress have and use every means of acquainting itself with the acts and the disposition of the administrative agents of the government, the country must be helpless to learn how it is being served; and unless Congress both scrutinize these things and sift them by every form of discussion, the country must remain in embarrassing, crippling ignorance of the very affairs which it is most important that it should understand and direct. The informing function of Congress should be preferred even to its legislative function. The argument is not only that discussed and interrogated administration is the only pure and efficient administration, but, more than that, that the only really self-governing people is that people which discusses and interrogates its administration. W. Wilson, Congressional Government, 303 (1895).

## LET'S ABOLISH THE HOUSE

### HON. GEORGE A. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. GOODLING. Mr. Speaker, there are some in our midst who feel they have arrived at the summit of intelligence and judgment, and that from their mountaintop of superiority they must strew their mental endownments down upon the heads of those of lower intellectual planes. I am making reference to an article that appeared in the June 3, 1973, issue of the Harrisburg, Patriot News, Pa., an article written by a supposed genius of journalism named Mr. Patrick Owens. The article is entitled "Let's Abolish the House" and I insert it into the CONGRESSIONAL RECORD at the end of these remarks for the convenience of my colleagues.

Mr. Owens, in grandiose style, attacks the competence of the House of Representatives and the talents and mental capacity of the Congressmen, asserting that it is only to be expected that such substandard individuals must be rubber stamps for the Executive Office. With an emotional outburst of ink he declares that the House ignores the public interest.

The mists in the higher altitudes of intelligence must be pretty heavy, because the writer of this piece fails to give any recognition whatsoever to the fact that the Congressmen whom he attacks are selected by the people; that is, by such as Mr. Owens, if by chance he exercises his voting privilege. If he does not, he has no right to heap coals of disdain down upon those whom the people select to represent their interests in the Congress.

In brief, Mr. Owens in berating the Congressmen is, in fact, condemning the intelligence of the people who elected these legislators. He is, in effect, saying that the people are too dumb to select intelligent representatives to handle their public affairs.

To cure his public ignorance, Mr. Owens recommends the abolishment of the House of Representatives, the ugly product of this ignorance. Through such an act, the President of the United States and the Senate would be left to govern the Nation, and with the House out of existence, Mr. Owens feels, everything should be a bed of roses in Government.

It should be noted here that many of the Senators came from the House of Representatives, and this leads one to wonder why, inasmuch as Mr. Owens feels the House spawns incompetents, he has not recommended a scheme to ferret out these House misfits that are now in the Senate.

The House of Representatives is, through its 2-year term of office, regularly responsive to the people, and it is this body Owens wishes to destroy. In abolishing the House, Mr. Owens would be destroying the constant link of the people to their Government. But if, as Mr. Owens implies, the people are stupid, then this probably is of no consequence.

The article follows:

### HOW TO IMPROVE CONGRESS: LET'S ABOLISH THE HOUSE

(By Patrick Owens)

The time has come to abolish the House of Representatives. That crepuscular, peevish and self-important body has for generations thwarted democratic government, legitimized baseness and generally conducted its affairs in scandalous fashion..

The authors of the Constitution had high hopes for the House. It was to be the unit of government closest to the people and therefore the most responsive and democratic.

The representative trust has fallen upon gray nonentities, petty rascals, minor demagogues, dull curmudgeons and other third-rate men.

There are 435 members of the House. Perhaps 50 of them would be worth having dinner with twice. Not more than a dozen have demonstrated, in their varying terms of service, any capacity for original thought, moral leadership or other distinction. Most of the dozen are pariahs to their fellows. They are people as different as Paul McCloskey, Bella Abzug and William Anderson but they have almost all managed, by the very act of asserting either intelligence or character, to estrange their colleagues.

The leaders of the House—Wilbur Mills, Carl Albert, Gerald Ford and so forth—are men without backbone or vision. They are the sterile products of the sterile one-party districts that have re-elected them time after time. They are either compromised liberals or fiercely ineffectual conservatives.

They all owe their souls, like most members of the House, to the banks, manufacturing corporations, small-town merchants and other money grubbers who are the dominant political force in almost every congressional district.

Congressmen who have escaped such proprietary claims upon themselves are, in their turn, almost all the creatures of big-city political bosses.

Except by accident, the congressional district has no relationship to any other political entity. It is part of a city, or a cluster of counties, or some other quasi-legitimate piece of geography of a shape mandated by a state legislature, generally to accommodate an incumbent.

The consequence is that people know little about their congressman and mostly care less.

A Congressman who has mastered his district—which is to say that he has gained the good impression of a modest proportion of the electorate and the key members of all of the Rotary Clubs—is virtually unbeatable except in such upheavals as the Roosevelt landslide of '32 or the Eisenhower sweep of '52.

But note that this generalization holds true only so long as the congressman avoids controversy, subordinates any independence of mind he may have taken into office with him, and defers both to his seniors in Washington and to the mercantilists in his district.

It is not surprising that the men who hold such jobs should so regularly be hacks. Every other year a small but significant number of congressmen launch themselves into virtual kamikaze attacks on seats in the Senate. Ambition is one motivation. But so, fairly often, are a desperate boredom and a passion for the return of self-respect. The average congressman has so little power that only the most docile manage to hold on for term after term. When power does finally descend upon the shoulders of a congressman, as with accession to an important committee chairmanship, the congressman is almost always too far gone in years.

Washington is a tough town. And it is a town which rates the lowliest Washington correspondent well ahead of most congressmen in importance. Except for lobbyists working their narrow spheres, constituents and an occasional retardate wife, at least 345 congressmen have trouble being taken seriously by anyone.

Except for the Ways and Means Committee, where tax reform is regularly aborted or deformed, little legislation of consequence originates in the House.

Characteristically, the relatively imaginative intentions of the Senate are pared back to accommodate the limited vision of the House. Whether the issue is minimum wage or the licensing of chiropractors on Indian reservations, the House can be counted on to make its determinations on the most narrow and mean-spirited of grounds. When it performs some public service, as in its historic reluctance to finance foreign aid, it does well by accident, finding an issue where parochialism and the public interest happen to coincide. Its open-handedness to the Defense Department is legendary.

In retrospect, the most important fault with the American Government as it was mandated by the Constitution and has evolved since was the creation of a bicameral, or two-house, legislature. The consequence has been diffusion of legislative responsibility that has confused questions of accountability, rendered both houses relatively impotent and made it easy for almost any President to have his way.

The exception to this generalization has been Presidents unskilled in handling Congress who sought to enact extensive legislative programs. John Kennedy failed with Congress because he wanted a great deal out of it and did not know how to get it. Johnson wanted as much but knew what he was doing. Nixon has treated Congress with utter contempt but has wanted almost nothing—at least not seriously—that was likely to offend congressmen's conservative instincts or conservative supporters back in the district.

The House lagged far behind the Senate in denying Mr. Nixon sanction for the war in Southeast Asia. But the more important point may be that bicameralism created an atmosphere in which neither body felt ultimately responsible for the war or for a mandate to end it.

Once again last week, the House upheld the President on an issue vital to relations between the branches of government. It sustained by 40 votes the President's veto of legislation that would have made the director and deputy director of the Office of Management and Budget subject to Senate confirmation. Next to the President, the director of OMB has more authority over funding than anyone in the Executive Branch. He is deeply involved in Mr. Nixon's refusal to spend money appropriated by Congress. The weakness inherent in bicameralism is demonstrated by the House action, for it was really rejecting a prerogative sought by the Senate—and characteristically for the House, ignoring the public interest.

The House is not going to be abolished overnight. Under the Constitution, it would have to concur in its own demise. But the immediate impracticality of a good idea is no reason not to put it forward. The House is the vermiform appendix of American politics. Surgery is indicated.

## JAMES A. FARLEY

### HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, May 30, 1973*

Mr. MURPHY of New York. Mr. Speaker, Mr. James A. Farley, who served under President Franklin D. Roosevelt as chairman of the national and New York State Democratic committees, celebrated his 85th birthday recently. I am placing in the RECORD the following article taken from the New York Daily News on May 31, 1973:

JAMES A. FARLEY

Quietly celebrating his 85th birthday, James A. Farley—the man who helped make Franklin D. Roosevelt and Coca-Cola worldwide household words—expressed hope yesterday that "nothing will happen that would bring about an impeachment" of President Nixon because of the Watergate scandal.

Farley, who served simultaneously as chairman of the national and New York State Democratic committees while Roosevelt was in the White House, spoke of his "high regard for the office of the President" and added:

"I hope nothing develops to the point where any consideration is given to impeachment. And if it does, I hope it won't happen. It would divide the country in a way that, in my judgment, it has never been divided before."

A white handkerchief neatly protruding from the breast pocket of his blue suit and gold cufflinks with the letter "J" peeking out from his jacket sleeves, the 6-foot-2 one time postmaster general discussed Watergate in an hour-long birthday interview with several reporters at the Coca-Cola corporate offices at 515 Madison Avenue.

Now honorary chairman of the Coca-Cola Export Co., the soft-spoken Farley virtually endorsed Senator Henry Jackson of Washington for the presidency and declared: "I don't think the Republicans have a chance in 1976."

He said that Senators Edmund Muskie and Walter Mondale, Kansas Governor Robert Docking and Senator Hubert Humphrey have been mentioned as White House hopefuls. He expressed high regard for all of them.

Farley was specific in criticism of some politicos, cautioning each time, however, that he preferred not to see it in print. Mentioned in this light were Senator Edward Kennedy, Paul O'Dwyer, Democratic State Chairman Joseph Crangle, and Mayor Lindsay. Asked about Lindsay's political prospects, Farley replied: "I have no way of knowing and I don't want to comment on that."

Responding to questions, he said he heartily supported Controller Abraham Beame for mayor, Assemblyman Anthony DiFalco for Council president, Second Deputy Controller Joseph Perrini for controller, Frank Hogan for reelection as Manhattan district attorney and Appellate Justice Francis Murphy for chief judge of the Court of Appeals—a ticket with old-time balance.

Of Beame's rivals, he said he did not think Rep. Herman Badillo "can unite the city," railed against "reformers" and said Assemblyman Albert Blumenthal, "pontificates too much to suit me." As for beleagured Rep. Mario Biaggi, whom he described as "a good friend of mine," Farley said: "I feel sorry for Biaggi and the position he's in."

## DEDICATED SERVANT RETIRES

### HON. MARVIN L. ESCH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. ESCH. Mr. Speaker, once in a great while a particular man will serve as an outstanding example of what a dedicated public servant can contribute to a community. I want to take this opportunity to share with my colleagues in the House of Representatives such a contribution made by Raymond L. Koch, chairman of the Washtenaw County Road Commission.

Raymond Koch is retiring after 41 years of public service. His career began in 1932 when he was named the highway commissioner of Ann Arbor Township. Having served in that capacity for 6 years, Koch became Ann Arbor Township Justice of the Peace and member of the township board, holding both offices until 1950.

For 22 years since 1951, Koch has served on the county road commission, during the last 16 years as chairman. Koch did not confine his activities to Washtenaw County, but further accepted positions of responsibility in various southeastern Michigan commissions as well as the County Road Association of Michigan.

In his long and distinguished career, Raymond Koch has made a tremendous contribution to his community and to government. He has continually accepted positions of responsibility and consistently discharged his duties with distinction. His is, in short, a career that exemplifies public service at its very best, and I am proud to be able to call it to the attention of my colleagues in the House.

## A MATTER OF CONSCIENCE

## HON. ELLA T. GRASSO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mrs. GRASSO. Mr. Speaker, last week the House passed three major health bills. Attached to two of these bills—H.R. 7724, the Biomedical Research Extension Act, and H.R. 7806, the Health Programs Extension Act—were two important amendments relating to the right to life.

On May 10, I joined some of my colleagues in cosponsoring a bill to prohibit the use of Federal funds for research on live fetuses. On May 31, the House approved this provision as an amendment to H.R. 7724 and thereby expressed its conviction that we must not tamper with human life.

A fetus which is removed from its mother's womb and has a heartbeat is by every definition a living person. As a person, it has rights which must be protected under the law. We cannot allow it to become an object of experimentation any more than we can allow the poor, elderly, terminally ill, or retarded to become subjects of medical experiments without their consent.

An official of the National Institutes of Health has stated that insofar as he knows, NIH is not financing any research on live fetuses. This position is inconclusive and does not preclude the financing of such experiments in the future. The amendment offered by the gentleman from New York (Mr. RONCALLO) which passed the House by a vote of 354 to 8 establishes the specific rule that no Federal funds would be used for research on live fetuses. Approval of this amendment signals the intent of Congress that human life—regardless of how fleeting in time—must be respected and protected by the law.

Also on May 31, the House passed H.R. 7806 and included within the bill what may be called the "right of conscience" amendment.

Title IV of H.R. 7806 contains the essential provisions of legislation I cosponsored earlier in this Congress. The committee amendment, as modified on the floor, states that no person or institution who receives Federal assistance can be compelled to perform an abortion or sterilization if such practices are contrary to his or her religious beliefs or moral convictions. In addition, institutions which receive funds under the laws extended in H.R. 7806 cannot discriminate against an employee who exercises this right of conscience.

Passage of this freedom of conscience amendment was essential in light of the Supreme Court decision. Doctors and hospitals receiving Federal funds faced the possibility of losing these funds if they refused to perform abortions. This amendment, therefore, emphatically states that the Congress will not allow a person to be discriminated against because he follows his conscience. It recognizes that there is a higher law than the laws of men. Once this provision becomes law, no hospital may discharge or suspend a staff person for refusing to participate in such an operation, and no doctor or institution receiving Federal assistance may be threatened with the loss of funds beceause it objects to these procedures.

Mr. Speaker, these two provisions represent a major step toward reaffirming a right to life that belongs to every citizen. I am hopeful that the Senate will agree to these provisions and that they will quickly be signed into law.

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## LETTING THE STUDENTS PRAY

## HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. GAYDOS. Mr. Speaker, unless the Pennsylvania State supreme court interferes in the meantime the students and their parents of the Mount Lebanon School District in the Pittsburgh area will be permitted to hear prayers said at their coming commencement exercises on June 12.

Though prayers have been a part of most commencement programs since our schools began, the Mount Lebanon permission to continue them is an important development in Pennsylvania and one which invites nationwide attention.

A group of 54 students, parents, and taxpayers sought to stop the commencement invocation and benediction on the grounds that such appeals to God would violate the State and Federal guarantee of religious freedom and thus void their rights.

Fortunately, in my view, the court action filed by these people failed of its purpose. Three Allegheny County Common Pleas judges ruled against them and authorized the prayers to stay on the program. Judges Homer S. Brown, who wrote a 10-page opinion in the matter, William S. Rahuser and Benjamin Lencher found no conflict either with the first amendment of the U.S. Constitution or with the "freedom of worship" clause in Pennsylvania's basic law. The ruling is being appealed.

My feeling is that the vast majority of Americans will agree with these judges and applaud them for standing firmly in the path of measures which would destroy further the religious under-pinnings of this Nation. What, I ask, can be the harm, constitutionally or otherwise, in keeping God in a commencement exercise, one designed to send young people inspired and dedicated into the world at large?

We have had far too much quibbling over antireligious rights and about what the Constitution really means concerning them in this age of great moral and social change. The historic facts are that the Founding Fathers, the men who wrote the Constitution, in the main were highly religious men, the leaders of a past generation of devout and patriotic Americans. Their writings and their recorded comments show no thought on their part of banning prayers from anything in this country, let alone a school commencement program.

I am glad, therefore, that the three Allegheny County judges were as aware of their history as they were of the rights of the majority of Mount Lebanon's citizens who appear to have approved the court decision. The hope now is that the State supreme court will follow suit and that the issue of whether we can or cannot pray in public occasions will be settled favorably in Pennsylvania and, in due time, in the Nation.

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## RHODESIAN INFORMATION OFFICE UNFAIRLY SINGLED OUT

## HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. ASHBROOK. Mr. Speaker, after noting the many African organizations registered under the Foreign Agents Registration Act, I am astonished that the Subcommittee on Africa has singled out just one of these organizations—the Rhodesian Information Office—for intensive investigation.

One of the registered organizations is the Zimbabwe—the African Nationalist name for Rhodesia—African National Union—ZANU. ZANU asserts in its registration statement that its foreign principal is a political party whose aim is "to liberate Rhodesia." The activities and services of its San Francisco-based office are described as the "explanation of the Rhodesian question to (the) American Public." It would be ironic to close down the Rhodesian Information Office and prevent presentation of the views of the Rhodesian Government to the American people, yet allow the Zibabwe African National Union to stay and present views opposed to that government.

The Subcommittee on Africa must also be aware of an organization similar to ZANU which is now operating within the United States. In hearings held on February 21, 1973, the subcommittee heard a Mr. Eddison Zvobgo give testimony sharply critical of the Rhodesian Government. Mr. Zvobgo describes himself as the External Affairs Representative of the African National Council of Zimbabwe. Unlike ZANU and the Rhodesian Information Office, neither Zvobgo nor his organization are even registered under the Foreign Agents Registration Act. The Subcommittee on Africa, however, has not conducted an intensive investigation into the affairs of the African National Council of Zimbabwe.

It is clear, then, that the Rhodesian Information Office enjoys no privileged position in comparison with proponents of other Rhodesian points of view by being permitted to operate in the United States. All points of view concerning the Rhodesian question are being presented to the American people. This unrestricted flow of information and ideas, a hallmark of our political system, will continue unless the Subcommittee on Africa succeeds in closing down the Rhodesian Information Office.

## WILLIAM M. TERRY

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## HON. PETER N. KYROS

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. KYROS. Mr. Speaker, on the opening day of the annual meeting of the International Conference for the Northwest Atlantic Fisheries—ICNAF—it is most fitting that we set aside this time to remember a loyal, devoted civil servant who should have been taking part in the negotiations today in Copenhagen—William M. Terry. Bill Terry, the Director of International Affairs for the National Oceanic and Atmospheric Administration and principal U.S. fishery representative, died suddenly on May 6.

I became acquainted with this kind and gentle man through his role as chief U.S. fishery negotiator. Bill Terry's knowledge of the complex field of international fisheries was remarkable and his reputation was worldwide. His distinguished career spanned the Bureau of Commercial Fisheries, which later became the National Marine Fisheries Service, then culminating in his being named the Director of International Affairs for NOAA in 1971. His tragic death at the age of 52 has taken from us an acknowledged expert in ocean affairs, whose loss will be deeply felt by all who had occasion to work with this honest, compassionate man.

In rememberance of his distinguished Government career, I would like to include in the RECORD tributes made to Bill Terry at his memorial service on May 14, by Dr. Robert White, Administrator of NOAA, and Ambassador Donald L. McKernan, Special Assistant to the Secretary of State for Fisheries and Wildlife. I am also including the remarks made by Mr. Jake Dykstra, who spoke on behalf of U.S. fishermen in appreciation for Mr. Terry's devoted work in this field:

WILLIAM M. TERRY BY DR. ROBERT WHITE, ADMINISTRATOR OF NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

We all knew Bill Terry—he was a man you could depend upon.

You could depend upon his human qualities. You could depend upon him to speak the truth. You could depend upon him to ridicule sham. He invariably called them as he saw them, and he saw with brilliantly clear vision.

Bill was a realist. He never allowed himself to be misled by false hope that the world was other than it was—people and nations attempting to secure advantages as they saw the opportunity and the right.

He saw the world as it was, but he brought to his view of that world an insight and wisdom born of his very highly developed sense of fair play. You could depend upon him to see the other side of an argument—sometimes even before it was advanced. And you could depend upon him to convert it, through his reason, to agreement and harmony.

His fine intellect, his eminent practicality, his keen understanding of human nature, combined with tremendous zest for life and enthusiasm for all he did, to create a rare man.

We all depended upon him—the nation's fishermen, most of whom had never heard of him, depended upon his labors to insure their livelihood and help preserve the fish which sustain them.

The fishing industry knew him well—knew him, respected him, admired him. And it depended upon him as their champion to carry forward the battle to secure and preserve their rights.

NOAA—and here let me speak personally—*I* depended upon Bill Terry for wise counsel on complex matters, at first on the domestic scene and later, as he became our Director of International Affairs, to guide our agency's course, not only in fisheries policy but in all the other areas where NOAA works with other nations.

Our Government depended upon him as its spokesman and negotiator in fisheries commissions and its relations with other countries. His sudden, untimely passing has left a major gap in our Government, and in the hearts and minds of all who knew him.

He left us in his debt.

And how is the debt of a colleague, of an industry, of a Federal agency, of a nation, paid to one such as Bill?

Quite simply, to the extent that it can ever be paid, by continuing to do what he would have done:

To hold the values which were his values.

To approach the world and its problems as he did.

This we must dedicate ourselves to do.

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WILLIAM M. TERRY BY AMBASSADOR DONALD L. MCKERNAN, SPECIAL ASSISTANT TO THE SECRETARY OF STATE FOR FISHERIES AND WILDLIFE

We are here today not to mourn Bill but to memorialize him; to reflect on our memories of him; to share together our unique experiences with him; and to privately as well as publicly acknowledge our deep loss because he is no longer here. It was only three years ago that we gathered here to honor the untimely passing of another leader in the world of fisheries, Wib Chapman. Wib was a special friend of Bill's and I might add of many others gathered here then as well as today.

I could not but reflect on that occasion as I prepared these thoughts; thoughts of another time so recent when I lost another friend and the nation lost another leader in ocean affairs. Both of these friends had supported me staunchly when they believed me right; opposed me fiercely when I was wrong; and both Wib and Bill believed me wrong very often. Yet I believe there was great respect among the three of us; respect that grew as the years have passed with friendship flourishing in a crucible of discussion and debate; debate on a wide-range of subjects, mostly of fish and oceans. Bill and Wib were so different in so many ways, yet so similar in others. For me, Bill had taken on part of the role of my relationship with Wib. His keen mind, decisiveness, his intolerance to illogic, made Bill an indispensable part of the current decision-making process in the field of oceans and fisheries.

We met in Tokyo twenty-three years ago almost to the day—it was in April or May, I have since forgotten. Even then it was easy to perceive his keen and analytical intellect as he rapidly became one of the senior team with Bill Herrington and others who worked with General MacArthur to change the wartime economy of Japan to one of peace.

In the intervening years I worked closely with Bill, probably closer than with any other individual. I think I knew him well. We worked together on a wide range of subjects dealing with the organization and conduct of government affairs in fisheries and even more often we toiled in the rough and uneven field of international fisheries. We sat side by side day after day, night after night in Moscow, Tokyo, Buenos Aires—you name it, we were there and always we were better for his presence.

A strong family man, all the more confident and secure because of marriage to an unusual woman of whom he was justly proud. I always felt that Bill was given much by this unusually happy union, and he was the first to acknowledge it during our many reflective and personal talks late into the night in foreign capitals.

I shall miss him, I mourn his departure but I value my good fortune to have known him well and benefitted from his nature and to have been his friend.

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WILLIAM M. TERRY BY MR. JAKE DYKSTRA, U.S. FISHERMAN

It is an honor and a privilege to take part in this memorial service today. I extend to Mrs. Terry and the family my sincere deep sympathy and that of the many of Bill's friends and colleagues it is our privilege to represent here today.

I have spent many long hours with Bill—almost always in some place where a group of us were away from home and staying together in the same hotel for days—sometimes weeks—as we went about the business of meetings or negotiations. This is how many of you really got to know Bill too—being together often from breakfast to bedtime.

So do we all think of Bill in the same simply-guy-next-door terms? Not at all. We knew a complicated and sophisticated man in a complicated and sophisticated business. And surely each of us thinks of different relationships, different times, and different places as we think of Bill.

As we pause to think of him I am sure each of you is filled with his own thoughts and I am going to mention just a few impressions that I can recall.

It was at those meetings that went on for days that I came to appreciate, understand and respect Bill. His penetrating grasp of the fine points of the negotiations and his keen appraisal of the people involved were evident. Much the same, when we were sitting around relaxing, he wasn't long for small talk. Very soon he would be deep in discussion of some question be it about fisheries or any other subject. He liked rolling something around in his mind and expressing a point of view.

Bill said to me "I can be alone in a city for days and it doesn't really bother me—I'm so used to it." One might think he was rather indifferent—but he wasn't. He had very definite preferences in cities—he loved Rome. Or in food—and he would tell you how to cook it. Or in almost anything else. His rating was quick, pungent, and either good or bad—but not indifferent.

Bill didn't spend much time on public relations, but he was dedicated to turning in the kind of performance that was its own advertisement. And this he did.

Right now there is a big hole where used to stand a true friend and colleague, and it will not soon be filled. In many circumstances and places we will suddenly be reminded of this man and his mannerisms and expressions, and we will feel the loss anew. But one of his expressions that rings in my ears is "okay fellas"—which usually meant that in Bill's opinion it was time to get on with the business at hand.

We are grateful for this opportunity to pause here today for this memorial to Bill. It is the kind of thing he would have wanted. I think, too, he would have wanted us to go our ways without much further formal fuss—to get on with the business at hand. But as I go I shall treasure the good things I have experienced with and because of Bill Terry.

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## ABA CONTINUES TO SUPPORT H.R. 45

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## HON. TOM RAILSBACK

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. RAILSBACK. Mr. Speaker, H.R. 45, the bill to create an independent Institute for the Continuing Studies of Juvenile Justice, has received support from some of the best known authorities on the subject of juvenile delinquency in the country. These authorities include the National Council on Crime and Delinquency, the National Council on Juvenile Court Judges, the American Parents Committee, the PTA, and the American Bar Association.

Recently, I received a copy of a letter from the ABA to Chairman KASTENMEIER, restating ABA's support of H.R. 45.

Mr. Speaker, I include the text of that letter for the review of my colleagues. I am certain it will be particularly encouraging to the many House and Senate Members who have sponsored this legislation.

The letter follows:

AMERICAN BAR ASSOCIATION,
*Chicago, Ill., June 1, 1973.*

Hon. ROBERT W. KASTENMEIER,
*Chairman,*
*House Judiciary Subcommittee No. 3,*
*Washington, D.C.*

DEAR CONGRESSMAN KASTENMEIER: As Chairman of the Section of Criminal Law of the American Bar Association, I would like to reiterate the Association's support in principle for H.R. 45 (93rd Cong., 1st Session), and its Senate counterpart, S. 580, legislation to establish an Institute for Continuing Studies of Juvenile Justice.

At the last meeting of the Criminal Law Section's Council, in Houston April 28–29, our Council passed a resolution urging that ABA support for this important legislation be reiterated to appropriate committees of Congress.

As you may recall, H.R. 45 (92nd Congress) was endorsed in principle by the ABA House of Delegates in February, 1972, based on reports and recommendations of the Sections of Criminal Law and Family Law. As stated in that resolution, representatives of the ABA would be glad to testify before your committee in support of H.R. 45.

Sincerely,

KEITH MOSSMAN,
*Chairman.*

## OPERATION SER, SAN JOSE

### HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. EDWARDS of California. Mr. Speaker, this week—June 3 through June 10—in San Jose, Calif., and in 28 other cities throughout the country, tribute is being paid to the outstanding efforts of SER, Jobs for Progress, Inc., the only nationwide manpower program designed to serve the needs of disadvantaged Spanish-speaking people.

I have followed the efforts and accomplishments of Operation SER with great interest, and at this time I would like to bring to the attention of my colleagues what is being done by the largest SER project in the country to alleviate problems of chronic unemployment on the east side of San Jose.

Under the fine leadership of Jose Martinez, a dedicated bilingual staff is providing manpower and adult education services to east San Jose's largely Mexican American population. SER considers education one of its most important services to a community where illiteracy—in both Spanish and English—is common. Therefore, Mr. Martinez and his staff are providing educational instruction at all levels, from English as a second language to advanced adult education leading to a high school equivalency certificate.

SER's vocational training programs include clerical skills, welding and appliance repair, skills which are in demand in the San Jose area. In addition to basic vocational training and on-the-job training, San Jose's SER offers a variety of support services, including the only SER residential center for school dropouts, to help its clients overcome any problems that might handicap them in staying with a job.

A third important aspect of Operation SER is its placement service for their graduates and for the hundreds of other people who come in seeking job placement without needing other services. In San Jose a number of large employers, including Westinghouse and Travelers Insurance, regularly seek job applicants from SER. In addition, the job placement staff keeps tabs on other employer needs in order to assist SER graduates. As a result, 92 percent of SER graduates obtain employment or go on to college or other vocational training. For those who go directly into jobs, the average starting wage is $2.85 per hour.

I believe that San Jose is indeed fortunate to have such an innovative and outstanding SER project, which has given new hope and encouragement to many people on San Jose's east side by opening doors to job opportunities throughout the San Jose area.

## THE COMMUNITY ECONOMIC ADJUSTMENT ASSISTANCE ACT

### HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. HARRINGTON. Mr. Speaker, on May 9, I introduced H.R. 7678, the Community Economic Adjustment Assistance Act. This bill would provide technical and direct financial assistance to the communities adversely affected by the closing, reduction, and relocation of military facilities, installations, and bases. It would provide up to $800 million nationally in proportion to the number of civlian jobs that would be lost in each community. This legislation would provide valuable assistance to adversely affected communities for their redevelopment efforts. It is legislation that we can afford in light of the estimate of the Department of Defense that the annual savings from the closing of bases will amount to some $3 billion annually. A complete summary and explanation of the legislation appears in the May 14 issue of the CONGRESSIONAL RECORD, pages 15562–15563.

On May 16, the Daily Evening Item, the major daily in Lynn, Mass., carried an editorial endorsing my proposal. Not only do I appreciate this endorsement, but I feel, in addition, that the principles put forth supporting this bill deserve careful consideration. The Federal Government, in fact, has an obligation to assist local communities in their efforts to redevelop from the damage caused by cost-saving actions of the Federal Government. I would like to insert that editorial in the RECORD at this time.

#### EASING THE CUTBACKS

Cong. Michael J. Harrington, D-Beverly, has filed legislation to provide for the spending of $800 million to redevelop areas hurt by military cutbacks. The money would be spent for technical aid and grants to cities and towns. The 6th District representative would allot $240 million to Massachusetts communities. Eighty-seven per cent of the cutbacks affected New England installations.

Lynn has an interest in the proposed "balm" legislation since many residents of this area are employed at the Boston Naval Shipyard, one of the facilities slated to be phased out, and a smaller number at Chelsea Naval Hospital.

The federal government has already approved the principle behind Harrington's bill by providing relief for shoe industries hard hit by foreign imports.

Congress should give careful study to the Beverly representative's proposal as well as to legislation filed by Sen. Edward M. Kennedy and House Democratic Leader Thomas P. O'Neal of Boston to provide direct assistance to workers who lose their jobs because of the closings.

Financial aid from Washington would not only help to restabilize the economy of the affected areas but might also serve as "pump priming" funds to revamp the New England industrial structure. It is interesting to note, too, that the Massachusetts Legislature has evidenced its concern by appointing a special commission of three senators and 10 representatives to study the problems growing out of the closings.

## THE CENSUS UNDERCOUNT HURTS BLACKS

### HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. RANGEL. Mr. Speaker, the recent news that the 1970 census failed to count approximately 1.9 million black people in the United States is indeed disturbing.

One of the important ramifications of this development is the allocation of Federal funds and how the undercount will hurt black districts and communities. In a letter to George Shultz, Secretary of the Treasury, I stated my feelings.

MAY 10, 1973.

Hon. GEORGE SHULTZ,
*Secretary of the Treasury, Department of the Treasury, Washington, D.C.*

DEAR MR. SECRETARY: It has come to my attention that Black Americans were under-counted in the 1970 Census by 7.7 percent or four times the under-count error for American Whites.

I am therefore demanding that all Revenue Sharing allocations to areas with significant Black populations be increased to correct for this admitted error on the part of the Bureau of the Census.

As was pointed out in a letter to you by the Joint Center for Political Studies, Revenue Sharing regulations allow for such correction on your determination.

In light of the clear and significant difference this population miscount represents in funds allocations, I urge you to act immediately to remedy this grievous error and disservice to Black communities across America.

I will be looking forward to a prompt reply as to what course of action will be taken, since I am sure you wish to remain in compliance with the law of the land.

Sincerely,

CHARLES B. RANGEL,
*Member of Congress.*

An article in the May edition of Focus magazine, published by the Joint Center for Political Studies, dealt further with this subject. I now submit this article for this body's collective attention.

The article follows:

### CENSUS UNDERCOUNT HURTS BLACKS

The U.S. Bureau of the Census has acknowledged that its 1970 census failed to count at least 1.88 million black people in the United States—equivalent to the combined total populations of Atlanta, San Francisco and Washington, D.C.

But the Bureau declared it has no intention of applying its corrected figures to the formulas by which the government decides how much money from revenue sharing and other programs goes to each locality.

The undercount was detected by comparing the census count with other data that give indirect indications of the number of people, such as births, Medicare enrollments, immigration, emigration, past data, and complex analyses of population distribution by age, sex and race. Using these data, the Census Bureau's statisticians calculated that nearly one out of every 12 black persons in the country was not counted in the 1970 census. The black undercount was more than four times the 1.9 per cent undercount of white persons. The overall national undercount amounted to 2.5 per cent.

Census figures are the basis for allocation of federal assistance in many programs, and for reapportionment of electoral districts at all levels of government. Thus, when 1970 census figures are used, black communities and those with large black populations will, on the average, receive a smaller share of revenues, and possibly less political representation, than they should.

A Census Bureau report states that the new assessment of population figures will not prompt a readjustment in the formulas for federal fund allocations, because "there is no way of arriving at reliable estimates of coverage error for individual jurisdictions."

However, the revenue sharing program provides a clear opportunity for using this new census data for the benefit of black communities. A section of the regulation under which the revenue sharing program operates permits the secretary of the Treasury to use "other data, including estimates," when the data provided by the Bureau of the Census or the Department of Commerce are "not current enough, or are not comprehensive enough, or are otherwise inadequate to provide for equitable allocations . . ."

In a letter to Secretary of the Treasury George P. Shultz, JCPS President Eddie N. Williams has requested the secretary to "revise the general revenue sharing allocations to reflect the black undercount so as to give communities with sizeable numbers of blacks their 'equitable allocations' of revenue sharing funds."

In the Joint Center's booklet, The Black Community and Revenue Sharing, it was pointed out that "some question has been raised as to the accuracy of data about black communities, particularly in the census." The Census Bureau's latest analysis confirms the validity of those concerns.

Many other federal programs use population figures to determine the amount of money going to states and localities. There is no estimate available of the amount of funds communities with many black residents may have lost because of the undercount.

The black undercount rate of 7.7 percent was a slight improvement over the rate of 8.0 percent for the black undercount in the 1960 census. The underenumeration rate for black females dropped from 6.3 percent in 1960 to 5.5 percent in 1970. For young black males (15–24), the undercount dropped from 15 percent in 1960 to approximately 8 percent in 1970.

Only for black children under 10 years of age was there a significantly greater undercount in 1970 then in 1960, a change from 5.3 percent in 1960 to 8.6 percent in 1970. Census officials were unable to explain the particular change.

The Census Bureau detailed special procedures it followed in the 1970 census in an attempt to reduce the traditional undercount of blacks. These procedures included concentration on hard-to-enumerate areas, special procedures in 20 large cities which included 45 special offices, pre-canvass of housing, a missed persons campaign, assistance centers and a special publicity program. The Bureau also initiated a community education program, intensified efforts to recruit local people as enumerators and worked with black organizations.

Despite these and other procedures, a significant black undercount resulted. Census Bureau officials attributed this failure to sociological factors: increased resistance to census-takers because of changing life styles and more alienation and distrust of authority; the existence of a number of organized attempts to protest the census as an invasion of privacy, and the reluctance of some census-takers to work, especially at night, in certain urban neighborhoods.

The undercount problem touches Spanish-speaking and other minorities with greater impact than it does blacks. In its statement on the 1970 undercount, the Census Bureau asserted that "it is not possible to prepare reliable coverage estimates for the population of Spanish ancestry or of other minority groups" because records "do not exist with the accuracy required for this analysis." In 1970 before a House Committee, the late Whitney Young of the National Urban League confirmed, "Our data indicate that the 1970 undercount among Spanish Americans is probably much greater than it is for blacks."

For minority elected officials, these new revelations suggest several avenues for action. They may wish to communicate with federal officials on the means by which statistics for black communities are determined; they may wish to take special censuses in their own areas, and send the results to federal and state officials along with funding requests; they may wish to set up procedures for assisting the Census Bureau in obtaining a more accurate population count in the next census; and they may wish to review other federal programs in their communities to see where new population information could after the amount of funds received.

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## JUDICIAL REVIEW OF AGENCY ACTIONS UNDER MEDICARE AND MEDICAID

## HON. HUGH L. CAREY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. CAREY of New York. Mr. Speaker, the legislation I introduce today is to provide needed judicial review of certain actions of the Department of Health, Education, and Welfare and the Social Security Administration. This administrative and judicial review is to ease the increasing amount of litigation going before the courts and save the parties to this litigation from needless expenditure of time and money.

This legislation would permit medicare reimbursement issues to be heard before the Provider Reimbursement Review Board where the amount in controversy is $10,000 or, but would also permit the aggregation of claims to meet the $10,000 test. Both the Secretary and the provider of services and care could obtain judicial review. The legislation also provides that the Secretary's rulemaking authority under both medicare and medicaid is subject to the procedural and review provisions of the Administrative Procedures Act.

Mr. Speaker, the issues involved are a lawyers' delight but suffice it to say, it is my hope that this legislation will provide the necessary clarification of the issues that have been clouded by conflicting judicial rulings, and rulings and procedural regulations by the Secretary of HEW.

This bill will provide providers of both medicare and medicaid services and care with standing to challenge HEW and provide the courts with the necessary jurisdiction to hear review appeals from actions of the Secretary in the administration of reimbursements under medicare and medicaid.

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## DILLON GRAHAM TYPIFIED THE BEST IN NEWSPAPERMEN

## HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. FUQUA. Mr. Speaker, a distinguished career in journalism has come to a close.

Dillon Graham has retired after 44 years with the Associated Press. A quarter of a century of that time has been spent on Capitol Hill.

He was one of the first men I met when I came to Washington. Dillon was a graduate of the University of Florida, my alma mater, and we had many mutual friends. It was an immediate friendship that I have cherished throughout my public career.

There is one thing that typified everything that Dillon Graham did, that was integrity. As a newsman he shot straight from the hip. He did his job without fear or favor, but not with sensationalism.

Members of the Congress respected and trusted Dillon. He was able to accomplish far more in the reporting world because he had easy access to the Members of Congress he covered.

Recently I have been reading the tributes which Members of Congress have paid to Dillon, and I wanted to await this particular moment to add my personal tribute.

I did this because he is a very special friend and because in this office, he is held in a very special regard.

Not long ago, we started a program whereby we have adopted a few friends who live outside our district and made them honorary constituents, with an appropriate certificate. I did this to establish a personal note for the men and women who have been so helpful to me in my career and have been special friends.

I think it significant to note that Mr. and Mrs. Dillon Graham were among the first persons selected for this distinction.

One of the things I have always enjoyed telling about Dillon was the story he told on himself. The occasion was the golden wedding anniversary of Florida's Senator and Mrs. Spessard L. Holland. Dillon was the only person present for the anniversary celebration who had attended their wedding—I might add that he was a young boy at the time.

At the University of Florida, he was a member of the Pi Kappa Alpha fraternity and he has continued his interest as an alumnus, making numerous contributions to its magazine.

The career of Dillon Graham is one that could well be emulated by young journalists. His stories were clear and concise—and accurate. He had a keen sense when he was being furnished misinformation and would ferret out the facts. That is why he was so respected by his colleagues and those of us who watched him work.

In all of his career he was joined by his lovely wife, Gigi, as a loving and devoted companion. They made their home just two blocks from the Capitol and so their life was very much that of what we know as the Hill.

Now Dillon has moved to Myrtle Beach, S.C., where I hope he enjoys many years of good health and relaxation. I know of no man who deserves to enjoy the fruits of his labor more.

For those of us who continue to serve here, Dillon Graham will always be the person whom we will refer to as the model for others to follow. He has been a great journalist and, for me, he has been a tremendous friend.

## JIM FARLEY LEADS THE WAY AT 85

## HON. FRANK J. BRASCO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. BRASCO. Mr. Speaker, Jim Farley is a vigorous 85 now, and if anything he still reminds and brings us close to the finest elements of the American ethnic heritage. Yet no one alive is more American than Jim. He has come to epitomize the rise of the hard-striving man making the most of what this country has to offer.

Jim Farley epitomizes all that is fine about the Democratic Party, having held so many of its top offices. He has dedicated his life to bettering the lot of all Americans through the political process. And his life is living testimony to how well that system can work on behalf of the people who believe in it, will work within it, and will utilize it fairly.

It is easy to catalog the long list of accomplishments of this man. So perhaps it might be best to acknowledge our daily debt to him for the example he always set. Jim was partisan without being nasty or underhanded. A political struggle was just that to him, and after that, it was over, and done with. The best man had won, and it was usually Jim Farley.

He understood the masses of our people in the great cities of the Nation, and the problems that they struggled with daily. That compassion and astute understanding was mirrored in the policies he urged on those administrations he was part of and had access to at various times in his active career.

Many of those ideas were translated into positive programs benefiting millions of people. Those people began to understand that one of their own was up there, doing his best for all of them.

Anything Jim Farley touched turned successful, which is a tribute to his pure native ability. Any worthy cause touched his heart and commanded his efforts on its behalf. And those commitments crossed virtually every artificial boundary to be found in any society.

No society can produce enough men like Jim Farley. Honor and integrity have always had true meaning for him. Dignity and self-respect have not been empty words to him in his long and full life.

## MINIMUM WAGE COVERAGE FOR DOMESTIC EMPLOYEES (H.R. 4757)

## Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mrs. BURKE of California. Mr. Speaker, I first want to congratulate and commend my colleagues Shirley Chisholm and Edith Green for fighting the ongoing battle of attempting to insure minimum wage extension to 16 million workers who are not currently covered by the Fair Labor Standard Act. They have fought long and hard and deserve a long overdue thank you. I hope we will be able to provide coverage for all 16 million within the very near future.

I support H.R. 4757 which provides for the extension of benefits to 6 million of these workers. These include Federal, State, and local government employees, day care employees, domestic workers, and the young workers of this country. This bill would also provide overtime coverage.

One of the most forgotten and ignored segments of America's labor force are the 1.5 million individuals privately employed as domestics. With the exception of four States—Wisconsin, Massachusetts, New York, and Montana, they are not covered by either State or Federal minimum wage laws. As a result, the median income for a domestic who worked 50 to 52 weeks in 1969 was approximately $1,400. More than 97 percent of all domestics are women and one-half to two-thirds are black.

Among blacks, where 28 percent of the families are headed by women, one out of every five employed women is working as a domestic.

As of March 1970, more than 200,000 domestics were the heads of families, about one-fourth included at least four children.

Almost three-fifths of the female heads of families who reported private household employment as the job held longest during 1969 had incomes below the poverty level—$3,743 for a family of four.

The absence of a fair wage is a primary reason for this occupation's reputation as a low status profession. This has had the effect of eroding the dignity and self-respect of many domestic employees.

Female headed households are growing. In 1960, 25 percent of all marriages ended in divorce or annulment. By 1970, the figure was up to 35 percent.

Among married women in 1970, 8 million earned between $4,000 and $7,000.

Discouraged by poor wages and working conditions, the total number of domestics decreased between 1960–70 from 2.5 to 1.5 million.

The men and women who earn their living as domestics epitomize the plight of the working poor of this country. Unorganized and without anyone to vocalize their needs, they toil at wages which barely net them the essentials of survival. Those who are forced to receive supplementary public assistance do so only because the wages in their chosen occupation leave them no other choice. To preclude these working Americans from earning a decent living by excluding them from minimum wage coverage would not only be cruel and unconscionable, it would serve only to further undermine their personal motivation and self-respect.

This bill will finally give these men and women a chance to enter into the mainstream of American life and give them a deserving piece of our economic pie.

I urge my colleagues to support H.R. 4757. There is no valid economic reason to oppose or attempt to weaken this bill.

## THE OVERHEATING ECONOMY

## HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. HAMILTON. Mr. Speaker, under leave to extend my remarks in the Record, I include my June 6, 1973, Washington Report entitled "The Overheating Economy":

### The Overheating Economy

Stock prices head into a tailspin. The dollar falls to the lowest rate since World War II. The price of gold hits new highs.

As these headlines proclaim, economic worries are pushing to the top of the national agenda. With all the bad news, Congressman Wilbur Mills, Chairman of the House Committee on Ways and Means, felt it necessary to remind us in a House speech that we still have the strongest economy in the world. That may be true, but it is, nonethless, an economy under stress, as a general review of the figures shows:

### INFLATION

With food prices leading the way, the cost of living rose at an annual rate of 6.6 percent in the first 3 months of this year. Wholesale and industrial prices skyrocketed at an annual rate increase of 15 percent and the recent steep climb in grain prices suggest that food prices have not yet leveled off.

#### WAGES AND SALARIES

Paycheck increases have so far been surprisingly moderate and have generally stayed within the Administration's 5.5 percent guidelines. Take-home pay has not risen as fast as the cost of living, and higher demands from labor can be expected in the contract negotiations for 4 million employees coming up this year.

#### UNEMPLOYMENT

Five percent of the labor force (about 4.2 million people) remained jobless during the first quarter of the year. Although the excessively high unemployment rate which has existed since 1970 fell off somewhat last year, it has not decreased in 1973 so far.

#### GROWTH

Gross national product jumped $40.6 billion during the first three months of 1973 to nearly $1,025 billion, a 15 percent increase with real growth (less inflation) figured at 8 percent.

#### TRADE BALANCE

With the devaluation of the dollar beginning to take effect, our trade position has improved, as the trade deficit declined from $656 million for the last quarter of 1972 to $350 million for the first quarter of 1973.

#### OTHER

Corporate profits rose to record heights, capital spending has been booming, but housing starts fell and the stock market continues to decline.

Obviously these figures are a mixture of good and bad, giving us some things to cheer about and much to worry us, too. Ironically, at the peak of the boom a recession is just beginning to come into view. The government's composite index of leading economic indicators turned down in April for the first time in 30 months. The chief concern is that the economy may be booming beyond our ability to control it. Unless it is reined in, the boom could lead us into a recession because there simply is not enough labor and production capacity to sustain an 8 percent growth rate.

In this situation, the government's choices are limited because it cannot move quickly to change tax and spending policies in response to the changing economic conditions. The tendency in the past has been for the government to do too much too late, often making worse the natural forces in the economy.

Indications are that the President's advisors are split between those who believe current policy is adequate to cool the economy off without stopping growth (Treasury Secretary Shultz and Cost of Living Director Dunlop) and those who support new initiatives to keep the boom from getting out of hand (Federal Reserve Chairman Burns and John Connally). So far, of course, the former view has prevailed.

Several steps are needed to stabilize the economy, including control of public spending, tight money, and a tougher wage and price policy. Congressional leaders, like Congressman Mills and Senate Majority Leader Mansfield, have flatly stated that Phase III is a failure and called for another freeze to give the economy time to stabilize. Much has been heard of the "stick in the closet" to hit companies and unions which violate the Phase III wage and price controls, but very little, if anything, has been seen of it.

More important than any specific action, however, is the need for strong assurances by the President that he will pursue vigorously economic policies to achieve greater price stability.

## PAY FOR CONGRESSMEN

### HON. DONALD G. BROTZMAN

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. BROTZMAN. Mr. Speaker, the Federal Salary Act of 1967 created a system for revising the Federal pay scales of the executive, legislative, and judicial branches of the Federal Government which at the time seemed like an orderly and businesslike approach to the very substantial problems of reviewing Federal pay schedules.

Adjustment in the Federal Government's pay schedules was in many cases long overdue. Under the 1967 plan a Commission on Executive, Legislative, and Judicial Salaries was established to draft specific recommendations for pay adjustments. The Commission's findings were to be sent to the President every 4 years and then from the President to the Congress in his next budget proposal. Once transmitted to the Congress, these proposals would automatically become law within 30 days unless specifically rescinded by either House of the Congress.

Again I say that, at the time, this seemed to be an orderly and workable plan. However, in 1969 the first recommendations were transmitted to the Congress and an obvious flaw in the system became apparent.

Despite the very large volume of mail opposed to congressional pay increases which each of the congressional offices received in 1969, and despite the fact that a great many Congressmen—myself included—raised their voices to protest increases which seemed excessive, legislation to disapprove of the congressional pay raises was never taken up on the floor of the House.

I believe that the American people have a right to expect their elected representatives to adequately and openly reflect their views on issues of importance before the House. Certainly this matter had as much or more importance than much of the other legislation considered by the House in early 1969. Such a measure should have been taken up on the floor of the House and the votes recorded for all to see.

Once again the Commission is preparing pay adjustment recommendations to be sent to the President later this year. At a time when all other Americans are being asked to tighten their belts, I believe it would be wholly inappropriate for Congressmen to receive a pay increase. But I believe it to be especially wrong for Congress to let this increase slip in the back door, without House action specifically approving it.

Consequently, I am today introducing legislation which would require the Congress to take affirmative action on any proposals for congressional pay raises before they can take effect. My bill would not change in any way the manner in which employees in the executive branch have their pay rates reviewed or adjusted. It seeks only to assure the American people that Congress will have to openly vote on the question of congressional pay.

The reason for this legislation being introduced at this time is to give the Congress adequate time to amend the present system before the Commission officially makes its scheduled recommendations to the President later this year. My bill would require that this increase, to the extent it involves congressional pay, be voted on in an open forum for all of the Nation to witness.

Mr. Speaker, there has been a great deal of talk on congressional reform this year. The purpose of such reform should be to make the Congress more responsive to the national will and better able to provide for national needs. I believe that my bill would be one step in the right direction toward making Members of Congress and their positions more visible to the American people. As such, I urge the Post Office and Civil Service Committee to give this bill judicious hearings and to bring it before the full House at an early date.

## FREE TRADE BENEFITS FOR AGRICULTURE

### HON. TOM RAILSBACK

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. RAILSBACK. Mr. Speaker, I have always believed free trade would enhance the position of American agriculture. Recently, I read an excerpt from the fine evaluative study, Farm Commodity programs, which reaffirms my position. In his section, "Free Trade Benefits for Agriculture," D. Gale Johnson points out that free trade will increase the value of U.S. exports of grains and soybeans by $4 billion over the level of the late 1960's; but, if we keep our current agricultural and trade policies unchanged, the future will not be so good for many Americans.

Mr. Speaker, I include the following:

#### FREE TRADE BENEFITS FOR AGRICULTURE

It would be very much in the economic interest of U.S. agriculture if free trade in farm products could be established by the major industrial nations. Some sectors of U.S. agriculture would be faced with adjustment problems. But on balance there would be a significant increase in the demand for America's agricultural resources.

A detailed set of projections indicates that free trade in agricultural products would increase the value of U.S. exports of grains and soybeans by $4 billion over the level of the late 1960s. This assumes a gradual transition to free trade by 1980. In my view, this is a minimum estimate of the expansion of exports. There is a potential for a substantial expansion of exports for fed beef if consumer prices were lowered in Western Europe and Japan. There is a smaller, but still significant, potential for increased poultry exports. The agricultural expansion in exports might well expand to a level that is $6 billion higher than that of the late 1960s.

These projections do not include increased exports to the Soviet Union and China. While it is possible that the Soviet Union might become a substantial importer of high protein feeds such as soybeans, wheat imports will not occur except as dictated by adverse weather. Moderate levels of feed grain imports—perhaps as much as 10 million tons—might occur for the next several years, but probably not on a long-run basis. If these expectations turn out to be too pessimistic, then the growth of U.S. farm exports would be greater than indicated by at least $1 billion annually.

But there is more to be said about the expansion of farm exports that would result from free trade. Available evidence indicates that if present farm and trade policies continue unchanged throughout the present decade, U.S. farm exports could decline (comparing 1970). Admittedly the value of farm exports—$11 billion in 1972–73—is now very high. But we should not be misled about the longer run prospects. The increase from the 1970–71 level of $7 billion or the 1971–72 level of $8 billion is due primarily to adverse weather conditions in the Soviet Union, China and Australia and the effects of increased demand upon prices.

One of the adverse circumstances facing U.S. farm exports, if present farm and trade policies continue, is the enlargement of the European Economic Community to include the United Kingdom, Denmark and Ireland. One study projects that the enlarged EEC will import less than a million tons of grain in 1980 compared to 10.5 million tons in 1968. Half of this estimated decline is attributed to the impact of higher grain and livestock prices on grain production and use in the three new member countries. A projection by the Food and Agricultural Organization (FAO) of the U.N. indicates that the EEC's enlargement will result in a decline of grain imports by 5 million tons.

Of even greater impact would be the continuation of high grain prices throughout Western Europe and high livestock prices in Western Europe and Japan. The price policies of many industrial countries limit imports by encouraging domestic output expansion on the one hand, and by discouraging consumption on the other hand. In some cases these combined effects turn an import surplus into an export surplus.

While projections of exports and imports are subject to substantial error, since trade is a residual for both exporters and importers, the several projections that have been made for the 1970s present a gloomy picture for temperate zone products if current farm and trade policies continue throughout the decade. For each of the current major farm export products of the United States, the FAO projects that export availabilities will increase substantially more than import requirements or demand during the 1970s. The excess of export availability for wheat and feed grains is an enormous 66 million tons (excluding the trade of Asian centrally planned countries). This compares to total world exports in 1970 of about 90 million. Smaller imbalances are projected for rice, oilcakes, fats and oils, and cotton. Obviously the enormous excess supply of wheat and feed grains will not materialize, but if the projections of production and consumption with existing policies are at all reasonable, it means that there will be an enormous downward pressure on export prices until policies are modified.

Unless trade negotiations reduce the barriers to agricultural trade, there is a significant probability that U.S. farm exports will be no larger (after adjustment for inflation) in 1980 than they were in 1970. Some economists disagree with this projection, arguing that farm exports will increase significantly during the decade—perhaps by 30 to 40 percent—even if there are no changes in farm and trade policies. This more optimistic projection appears to rest on the presumption that the Soviet Union will be a net importer of feed over the long run and a substantial importer at that. It also assumes a further and significant increase in Japanese food imports as a result of trade liberalization. Except for Japan's liberalization in food imports, the projected expansion of exports due to free trade should be additive to the more optimistic projection.

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## SOCIAL SECURITY—LATEST VICTIM OF ADMINISTRATION

## HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. FRASER. Mr. Speaker, the Nixon administration has now begun to put the heat on the Social Security Administration in its latest effort to promote its own programs.

Because the Social Security Administration balked at the HEW directive to churn out a feature article promoting SSA programs every week, HEW's public affairs apparatus began to apply pressure in order to insure compliance with this directive. Apparently, the Nixon Administration will not tolerate anything other than all-out public relations campaigns on the part of all Executive agencies. And not only is the administration requiring all agencies to turn out this propaganda, but it is also making the taxpayers foot the bill for these promotional efforts.

Numerous other examples exist of these White House public relations efforts. The administration's "Battle of the Budget, 1973" propaganda kit, was sent to cabinet and sub-cabinet level political appointees in the executive branch earlier this year. The kit was a part of the effort to defeat the 15 major pieces of legislation in the 93d Congress which were opposed by the adminisration. The Government Accounting Office has stated that the use of appropriated funds for printing and distributing these "kits" is illegal.

In 1972, despite White House opposition, Congress increased social security benefits. This opposition did not prevent the Committee to Re-Elect the President from implying that the social security increases could be credited to the White House incumbent. One of the techniques to imply credit for the President was to include a message under his name in envelopes carrying the first checks reflecting the 20 percent social security boost.

An article by Mike Causey in The Washington Post, May 8, 1973 edition, describes the latest example of administration propaganda efforts.

The article follows:

### SOCIAL SECURITY: FAILS IN WRITING CHORE

(By Mike Causey)

The writing staff at the Social Security Administration (SSA) has been hauled to the bureaucratic woodshed for failing to show proper and sustained enthusiasm for its chores: To write weekly newspaper and magazine articles "suitable" for the by-line of HEW Secretary Caspar W. Weinberger.

Like other HEW units, the giant insurance office last month was assigned a quota of feature articles and editorial page pieces it must crank out. The purpose is to blow HEW's horn where appropriate and/or indicate disastrous failure in programs with which the White House disagrees.

Like a few other HEW units, Social Security balked at the chore, primarily on grounds that it had other work to do. Some employees also objected, fearing they were being sucked into a political propaganda operation. Furious over what it considered "quibbling" by Social Security, HEW's political public affairs apparatus struck back with the bureaucratic version of flogging, a set of nasty memos.

Writing apparently under orders from political appointees, Sandford H. Winston, the career man who is acting head of HEW public affairs, informed Social Security that he was "very disappointed with the newspaper article you submitted in response to my request last week. It was not usable and thus a waste of everyone's time."

Winston told SSA's public affairs chief that the government-produced story was "not of the caliber needed to (1) deserve the Secretary's signature and (2) attract the attention of any serious publication." The story was called "purely pedestrian" and "not up to the quality needed for the Secretary." In effect, Winston told the SSA staff to shape up or ship out, and to have a "fully researched and professionally written article" worthy of Secretary Weinberger's signature completed "by the close of business on Tuesday of each week . . ."

SSA's top public affairs official, Russell Jalbert, replied to topside with an apology of sorts, for the "unprofessional" article, then explained the problems of the assignment.

Jalbert said in an April 10 memo, "we will do our best to meet your one-a-week schedule for writing articles worthy of the Secretary's signature. To do this we have assigned a senior writer to work on the project . . ." The memo said the writer would be given help with "research and other writing backup, too."

But the memo to HEW said that Social Security has "very serious reservations about delivering 52 top quality articles a year about social security even with 'special effort' use of manpower."

"SSA, as you know, does not generate a continuing series of newsworthy activities on which to peg op-ed editorials . . . We are an operating agency which routinely maintains social security records and pays out regular social security and Medicare benefits. Because of our size and character, there certainly are a number of feature articles or op-eds here, but we see no way of guaranteeing 52 a year."

Jalbert said that most professional writers would want more than a week to produce the 800-word articles demanded of them, for the by-line of the boss, but "despite these problems, as I said, we will do our best."

That reply infuriated HEW's political appointees, who themselves have a quota of articles to produce on orders from the White House. They had Winston send another rocket to Social Security on April 12.

After thanking SSA for its comments on the assignment, he said, "We are well aware of the effort necessary for general interest articles we requested." Then, in a warning to the SSA writing staff, Winston noted:

"Other agencies are complying without undue difficulty and without complaint. With the resources available to you, we see no valid reason why SSA cannot meet this requirement. Hence, it is reaffirmed.

"The need for 52 brand new stories a year would be valid, of course, only if you were sending the article to the same newspapers each week which we definitely will not be doing."

This being deadline day, Tuesday, ghost writers at all HEW units will be busy polishing their required stories for submission, and political clearance, by close of business. They will be read by critical editors to determine if they are suitable for the Secretary's signature, and for palming off to newspapers and magazines. Those who pass muster today will start worrying about next Tuesday. Those who bobble the assignment will be waiting for the next burning memo from topside. If all else fails, HEW is going to have to abandon its writing program or give the assignments directly to the Secretary.

The taxpayers, of course, are footing all the bills for these extra writing assignments, and HEW's rejection slips. Last fall this column reported on a similar article, written for then HEW Secretary Elliot L. Richardson. It was a justification of administration spending plans, and a slap at big spenders in Congress. The Reader's Digest ran the story, with Richardson's by-line. Then HEW bought reprints of the Reader's Digest article, which it had written, and distributed them to the press and public, completing the circle.

## WHAT IS COMMUNISM—CHAPTER II

## HON. ROBERT PRICE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. PRICE of Texas. Mr. Speaker, today I include in the RECORD the second installment in a unique and specially prepared series of statements to help us gain a better understanding of communism. Again, I strongly emphasize that this effort is academic in nature and seeks to develop a rational, unemotional basis for the comprehension of a heretofore highly charged subject. The time has come to replace assumptions and opinions with the facts.

By way of review, I emphasized previously that an understanding of communism is dependent upon the realization that we are dealing with more than a philosophy or economic theory. Communism is a systemic whole comprised of its various parts—political, economic, social, cultural, et cetera. In this installment, I wish to take a look at the economic aspects of communism. We are, in effect, examining one spoke on the wheel.

In an economic sense, communism stands for the sharing of the means—capital—and tools of economic life; that is, the people's control over both property and the means of production—as exercised and defined by the Communist Party and executed by the State.

Marxist economic thought is composed of several key elements, the most basic perhaps being the observation contained in the "Communist Manifesto": "The history of all hitherto existing society is the history of class struggles." Rejecting outright all nonmaterialistic influences such as religion or morality, Marx determined that all changes in society were directly the result of changes in the means of production (economic determinism).

Marx felt that in the society of his day which had evolved through changes in the means of production into an economic system based on raw capitalism, as evidenced with the coming of the Industrial Revolution, the traditional and historical class struggle had been clearly reduced to a conflict between two forces, the bourgeoisie—capitalists—and the proleteriat—workers. The capitalists who were the owners of the means of production were, in the eyes of Marx, clearly the exploiters, while the workers were the exploited. Integral to his economic philosophy, Marx strongly endorsed the labor theory of value, that is, all wealth is produced by the workers.

However, in capitalism while the workers through their labor produced all goods and services of value, they were deprived of the total fruits of their labor, since wages paid by the capitalists represented only part of the value of the work and the rest was kept or stolen by the capitalists in the form of profits.

In capitalism, then, Marx saw a particularly evil economic system in which the class struggle was intensified to intolerable proportions. Marx reasoned that by nature of its makeup that capitalism inevitably contained the seeds of its own destruction. Marx believed he understood the course that history must take, and in the light of the influences acting upon him, namely his impressions of the excesses of raw capitalism manifested by the Industrial Revolution, his background and formal training as a German thinker, from which he drew his conclusions about the dialectic, and his sympathies for the revolutionary sentiments and events of his comtemporaries in France, forecast the chain of events which would ultimately lead to a Communist society and world. According to Marx, the demise of capitalism would proceed essentially in this manner:

Because of constant technological advances and the competition of fellow capitalists, the capitalist would be compelled to turn to additional capital investment.

This constant increase in efficiency and output would gradually cause the displacement of more and more workers and an increasing inability for the market to absorb the goods produced (because the value created by workers would be denied them).

Gradually the workers would realize their own strength of numbers as well as the extent of their misery. They would then organize labor unions to pursue better working conditions. These unions would be taken over by Communists, who would be armed with a knowledge of the future as defined by the dialectic.

Meanwhile the capitalists would continue to get richer, and the middle class of small businessmen would be destroyed. These people would be forced into and would join the ranks of the workers, they would have much information and knowledge of business to contribute to the cause.

Eventually the writers, painters, and artists, whom Marx referred to as parasites, would desert their capitalist patrons and join the workers, because they want to be on the winning side.

Finally, the capitalists would be few in number, and as they would grow weaker the workers would at the appropriate time rise up and overthrow them, the workers would be excellent fighters owing to their past experience fighting capitalist-sponsored wars of imperialism.

The workers would then take over all means of production. At first a "dictatorship of the proletariat" would be established to prevent a recapture of power by the capitalists, but ultimately the State would wither away leaving a classless society of equal workers and the arrival of pure communism.

The next installment shall deal with the political aspects of communism—the role of the State.

## THE GASOLINE PROBLEM

## HON. GENE SNYDER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. SNYDER. Mr. Speaker, the energy situation is a complex one and we must examine it from every perspective. The following Pacific News Service article by Roger Rapoport is, I feel, extremely perceptive and enlightening with regard to the subject of our current gasoline problem. The article follows:

### GAS THREE CENTS

(By Roger Rapoport)

SAN FRANCISCO.—The oil industry is running out of tigers for your tanks. Major firms like Standard Oil of California here have announced rationing; hundreds of gasless stations nationwide have been forced to close. And gloomy petroleum company spokesmen say energy-crisis gasoline currently hovering around 40 cents a gallon, may soon be up to 55 cents.

That's bad news for motorists, of course, but a blessing to major oil companies like California Standard who expect to continue manufacturing about 70% of their California gasoline at the current three-cents-a-gallon level. The story of how three-cents-a-gallon gasoline ends up costing consumers more than 13 time as much is one of those fascinating economic miracles that makes every one wish they were in the oil business.

It also helps explain why first-quarter profits for the nation's 721 petroleum corporations are 24% ahead of a year ago. The energy crisis has helped oil companies push up their prices while production costs remain remarkably low.

The best showings have been made by large integrated companies like Atlantic-Richfield, Marathon, and Sun, with 29% to 50% first-quarter profit gains. Typically, California Standard's first-quarter profits soared from $123 million in 1972 to $152.8 million this year.

These soaring profits are based on petroleum industry economics unfamiliar to most Americans. California Standard, the nation's fifth largest oil company, is a good example. The firm draws the major share of its California crude oil supply from its own wells located inside the state.

It costs the company roughly 75 cents to draw an average barrel of crude oil from its California wells, says Christopher Rand, a former Standard executive. Robert Custer, a process engineer with Bechtel Corporation, one of Standard's contractors, adds that the company then pays another 50 cents to refine a 42-gallon barrel of gasoline. This means that the company can produce and refine 42 gallons of gas for $1.25, or about 3 cents a gallon.

This same gasoline is then marked up as much as 800% and wholesaled for 20 cents to 24 cents a gallon. The dealer adds a five-cent or six-cent markup, and tacks on 13 cents tax, making the California pump price 38 cents to 43 cents a gallon.

Given these enormous profits it seems hard to understand why California Standard and other major oil companies across the nation would let the energy crisis happen. Why didn't they expand production, drill new wells and build new refineries, to capitalize on the growing demand for their gas?

Environmental pressure in this country has made developing major new domestic oil sources expensive or impossible. And while foreign oil is available, that is not where the biggest profits are. So the oil companies are holding off until they can get government concessions—relaxed pollution control, more tax credits, new offshore, oil-drilling leases—that will allow them to sink their drills where the profits lie deepest.

Christopher Rand, who worked for Standard's public relations and executive staff between 1966 and 1968, says that, "Like all big integrated companies, Standard's manufacturing of refined products is geared toward maximizing its own cheap sources of crude oil."

Rand, who has also worked for Occidental Petroleum, Bechtel, and the Petroleum Industry Newsletter in New York, California, and the Middle East adds:

"In California the company prefers to refine inexpensive crude oil from its own wells or those of competitors who trade off cheap supplies in exchange for standard production in other parts of the country. Roughly 70% of its California crude oil comes from these inexpensive sources averaging about 75 cents a barrel.

"When the California crude oil runs out they have to supplement it with expensive imports costing $2.25 a barrel, more than three times the local oil. Thus construction of new refineries would force them to buy more of the less lucrative foreign imports.

"True, they still make a profit on these imports, but it's substantially less than what they earn off their own crude oil. Of course, as a major Middle Eastern concessionaire they have access to virtually unlimited supplies of oil in Saudi Arabia and the Persian Gulf. One known Saudi Arabian field has 80 billion barrels of oil, about as much as the United States has consumed in its entire history. But the company has not been interested in taking advantage of this oil to supply its American refineries because import quotas would have reduced profits."

Rand who lives in Kensington, California, where he is currently working on a book about the oil industry, says, "While Standard does import Middle Eastern oil, it is not bringing in enough even now to head off the energy crisis. There's good reason for this. By keeping imports and refinery capacity below demand Standard and other major companies helped to create an artificial petroleum shortage. This turned out to be an excellent way to pressure the government into making lucrative concessions to the oil companies.

This spring President Nixon dropped the oil import quota making it easier for companies like Standard to bring in large volumes of foreign crude oil.

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Naturally this analysis is not shared by executives at Standard's Economics Department. They view the energy crisis as a simple case of demand outrunning supply. These officials insist it costs at least seven cents to manufacture a gallon of gas from crude oil pumped from its own California wells. They figure gas made from imported oil runs roughly 10 cents a gallon.

Standard claims that its own California crude oil production costs about $2 a barrel and refining costs add another $1. But Rand says from his own experience he knows the firm's California crude oil production costs run about 75 cents a barrel. This figure is attested to by Bechtel's Robert Custer and university economists who consults for the oil industry. As for refining prices, Custer, who is deeply involved in refinery engineering, calculates actual operating costs at 50 cents a barrel.

Standards estimates include development and construction costs which are easily written off through generous tax allowances.

Rand says: "Officially the company posts a price of $3 for a barrel of their own California crude oil. But I can assure you from my own experience that costs don't work out that way.

"First, oil companies get to write off the overwhelming majority of their intangible drilling costs—as much as 80% to 90%. When they begin pumping they can deduct 22.5% of each barrel's value as a depletion allowance. Then they can build a refinery and depreciate it over, say, 20 years even though they keep it running for perhaps 40 years. When you add all these tax breaks up they can pay for oil exploration and refinery construction costs. That's why big companies like Standard can afford to do so much of their own financing."

The cumulative effect of these tax breaks gives the nation's major oil companies a fantastic break from the 48% federal corporate tax rate. In 1971 the nation's five major oil companies paid just 5% of their income in taxes, far less than the average citizen. In that same year California Standard paid just 1.6% of its income in federal taxes.

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## ST. ALBANS NAVAL HOSPITAL

### HON. ANGELO D. RONCALLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. RONCALLO of New York. Mr. Speaker, I include the following resolution adopted by Suffolk County in New York urging the Congress of the United States to transfer the operation of St. Albans Naval Hospital to the Veterans' Administration in the CONGRESSIONAL RECORD.

The resolution follows:

RESOLUTION NO. 392 1973 MEMORIALIZING THE CONGRESS OF THE UNITED STATES TO TRANSFER THE OPERATION OF ST. ALBANS NAVAL HOSPITAL TO THE VETERANS' ADMINISTRATION

Whereas, this Legislature has learned of the proposed phasing out of St. Albans as a Naval Hospital, and

Whereas, as concerned and responsible representatives of the taxpayers we are interested in seeing to the maximum utilization of hospital facilities wherever they exist, and

Whereas, there are an acute lack of hospital facilities available to the Veterans' Administration causing the Veterans' Administration to contemplate spending upwards to sixty million dollars to update and renovate the Bronx Veterans Hospital, and

Whereas, a modern facility such as St. Albans, which represents an enormous investment of public money, is soon to be available; now, therefore, be it

Resolved that we, the members of the Legislature of Suffolk County, lead our voice to that of the various Veterans organizations who are advocating the transfer of St. Albans Naval Hospital to the Veterans' Administration to be operated as a veterans facility; and be it further

Resolved, that copies of this resolution be forwarded to the majority leaders of the United States Senate and the United States Congress and to all of the Congressmen and Senators representing New York City and Long Island region.

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## ATTEMPT TO ROLL BACK FARM PRICES

### HON. KEITH G. SEBELIUS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. SEBELIUS. Mr. Speaker, not too long ago in this body we witnessed an ill-advised but nevertheless serious attempt by many of my colleagues to roll back farm prices. This proposed action was intended to benefit the consumer and, in part, find a short-term answer to the problem of increased food prices.

Today, we can see just what effect the meat boycott, the meat ceiling and other attempts to somehow alter the basic economic laws of supply and demand have accomplished. If anything, the boycott has worked to the disadvantage of the consumer. We have also learned that millions of consumers, and I am sorry to add, many who represent them in this body, do not have any idea as to why farm products are priced the way they are.

However, there has been one very good effect as a result of the meat boycott, the meat ceiling, and even the proposed farm price rollback. Never before have farm organizations and farmers been so united in purpose. To the credit of those within the agricultural community, we have been forced to conduct an effective but still inadequate public relations campaign to tell the farmer's story to the consumer.

In this regard, Ralph Reynolds, editor of the Furrow magazine, recently wrote a column in which he summed up the true perspective and value of increased farm income. I would like to call this fine article to the attention of my colleagues; especially those who think of themselves as consumer advocates. As Mr. Reynolds states, higher food costs have been a bitter pill for the consumer to swallow but once taken, the whole country will begin to feel better. I think it is especially appropriate that this magazine is published by Deere & Co. and that this article was brought to my attention by a wheat farmer in western Kansas. Again, this reflects the new era of common agreement between the agribusiness community and the individual farmer:

#### OF BOYCOTTS AND BITTER PILLS

Nobody knows exactly how many consumers participated in the highly publicized April meat boycott, but we do know in a general way the kind of consumers involved. These were not hungry people. They were sleek, well-fed Americans who view meat as a staple, and consider its consumption at a cheap price to be almost a constitutional right.

The ragged and the hungry have rioted and fought for food throughout history, but this boycott was something else. It was perhaps the first food-price protest ever during which participants received instructions and information through color TV in their homes. At no time of food crisis in the past have mothers worried about peanut butter from meatless sandwiches soiling luxury carpets. And never before have people participated in a demonstration against food prices while on a Caribbean cruise.

MEAT AND FOG

From the boycott, we've learned that U.S. consumers have become militantly committed to eating good meat. And they've gotten the idea that meat should always be priced low enough as not to hamper other purchases or expenditures they have on their minds. We've learned too that many people don't seem to care that meat producers failed until recently to raise the price of their product during times when other prices were rising. Especially we've learned that many millions of consumers haven't the foggiest about why farm products are priced the way they are.

At the height of the demonstration, with missionary fervor and frenzy at its peak, the boycott chairwoman in one of the nation's largest cities was quoted as demanding a 20-percent across-the-board decrease in *all* food prices. I mentioned this to Furrow Regional Editor Len Lindstrom who has a flair for simplification. His wry response: "Did she say what effect this may have on supply?"

In fact a 20-percent decrease in the price of food would depress production and ultimately lead to such shortages that food prices would soar beyond the reach of almost any consumer. And the boycott itself may turn out to have been counter-productive in a similar way. Meat prices at the end of March were not artificially high. Prices on the hoof were simply responding to high retail demand which caused tightening of the supply. Through decades of experience, much of it bitter, agriculture has proved that it has a way of increasing the supply of products when the price is right. Such actions as the boycott are not likely to inspire the kind of confidence it takes on the part of farmers and their bankers to expand herds and thereby increase the supply of meat.

To their credit many writers and commentators have made the point that the higher meat value of recent months is basically just and fair to farmers after years of too-low prices for livestock. Still, it is a pity that so little has been said about the possibility that higher food costs just may turn out to be best for almost everybody.

PRICE PAID

During the past quarter century, agriculture has generally failed to increase its income while the rest of the economy has boomed around it. The U.S. has paid dearly for this imbalance. As the net income available to agriculture has declined, we've witnessed a depopulation of the countryside; debilitation of small towns; overcrowding, erosion of values, social upheaval, and crime in the cities.

Improved farm income at the marketplace, with its inevitable companion of higher food costs, might be very good medicine for some grave social and economic ills of our times. Higher food costs will be a bitter pill for a rich nation whose affluence is substantially based on cheap food. But once the pill is taken, maybe the whole country will begin to feel better.

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## PAR VALUE MODIFICATION ACT

## HON. ELIZABETH HOLTZMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Miss HOLTZMAN. Mr. Speaker, last week I voted in favor of H.R. 6912, amending the Par Value Modification Act.

I supported this legislation, because the devaluation of the dollar was a fait accompli. At the same time, I would like to go on record as having cast my vote with reluctance. In no way would I want my vote to be construed as support of current administration economic policies.

The devaluation of the dollar is directly attributable to rampant inflation here in the United States—an inflation that the Nixon administration's policies have fueled, not controlled.

It is time this administration did something about the dismal economic quagmire it has led us into and began to offer forceful remedies rather than shallow rhetoric.

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## THE UNITED STATES AND THE PANAMA CANAL

## HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. CRANE. Mr. Speaker, on March 15, 1973, as the United Nations Security Council began its meeting in Panama City, my distinguished colleague from Pennsylvania (Mr. FLOOD) and I participated in a nationally televised debate on the award-winning Public Broadcast System program, "The Advocates."

The topic of the debate was, "Should the United States Turn Over Control of the Canal Zone to Panama?"

Mr. FLOOD, Prof. Donald Dozer and I argued the negative position.

As my colleague (Mr. FLOOD) related last week, response to our position has been overwhelming. More than 250 letters were sent to my office, and everyone supported our position that the United States should not give up its sovereignty over the vital Canal Zone.

But more impressive as an indication of public support for our continued control of the Canal Zone was the response of viewers of "The Advocates." More than 12,000 persons cast ballots and 86 per cent said the United States should not give up the Canal Zone. "The Advocates" indicated that this was one of the most lop-sided responses to any issue debated on the program.

The question of U.S. sovereignty over the Canal Zone is likely to face the Congress in the near future.

In a recent Human Events article, Professor Dozer, one of the most respected scholars and authorities on the Canal Zone, discusses the reasons for our continued sovereignty over the Canal Zone. I would like to share this excellent article with my colleagues.

[From the Human Events, Apr. 28, 1973]

THE UNITED STATES AND THE PANAMA CANAL

(By Donald M. Dozer)

(NOTE.—Prof. Dozer is one of the nation's leading authorities on Latin America, former State Department official and author, who has long been interested in the problems of the Panama Canal and written extensively on them. In 1972 he received the Alberdi-Sarmiento Award in Buenos Aires for distinguished contributions to inter-American friendship—the first U.S. citizen to receive this award since 1954.)

The vendetta mounted against the United States by Panama in the United Nations is the latest manifestation of the propaganda campaign waged against the United States' treaty-based sovereign rights, power and authority in the Canal Zone.

The American people have long been victimized by a barrage of misinformation dealing with the history, present problems, and future fate of the canal which the United States built between 1904 and 1914 across Central America connecting the Atlantic and the Pacific Oceans. Their senses have been charges which have given them an unjustified sense of guilt, for which recent Presidents and secretaries of state seem willing to commit any form of penance, and which has obscured the commonsense solution of interoceanic canal problems. Since 1936 policy mistakes initiated in the Department of State have been uncritically defended and followed by successive administrations, and the original mistakes have thus been compounded.

FACTS OF THE CASE

What are the facts of the case?

First. Panama declared her independence of Colombia and was given a guaranty of her independence by the United States in order to obtain the advantages of an interoceanic canal which the United States was committed to build in Nicaragua. The new Republic of Panama granted to the United States sovereign control "in perpetuity" over the pest-ridden Canal Zone in 1903, in a treaty which is still in force between the two nations. For this grant the United States immediately paid Panama the full purchase price of $10 million. The United States accepted the grant under congressional authorization.

Second. The United States then proceeded to buy the land in the Canal Zone from the individual property owners, including the squatters who had only shadowy land claims.

Third. In the 10 years after 1904 the United States completed the great achievement of sanitizing the zone and building the canal at a cost of $387 million. By 1973 the United States had invested in the zone and the canal defenses a total of almost $5.7 billion.

Fourth. For almost 60 years the United States has operated the canal as an interoceanic public utility available to the maritime nations of the world at tolls which are just and equitable. The United States has never even amortized the original cost of constructing the canal.

Fifth. Contrary to popular misconceptions, which have been produced by careless reading of treaties and by uncritical textbook writers, the United States neither rents nor leases the Canal Zone, nor does it operate the canal as a concession from Panama.

The annuity of $430,000 which the United States has been paying to Panama since 1939 is compensation for the loss of the annual franchise payment of the Panama Railroad resulting from the grant of exclusive sovereignty to the United States. The remaining $1.5 million that Washington has been delivering to Panama every year since 1955 is paid to Panama out of State Department appropriations in the interest of friendly relations with Panama. In no sense are these combined payments, totaling annually almost $2 million, to be regarded as rental payments for the use of the canal and the Canal Zone.

Sixth. The United States owns the Canal Zone and the canal outright. They are as much territory of the United States as the Louisiana Territory, purchased from France in 1803, the Mexican cession acquired from Mexico in 1948, the Gadsden purchase of 1853, and the Alaska purchase of 1867. For all these purchases combined the United States paid much less than it has paid for the single territory of the Canal Zone, $52.2

million as compared with $161.9 million for the Canal Zone, as follows:

| | |
|---|---|
| Original payment, 1904 | $10,000,000 |
| Annuity, 1913–1972 | 34,020,000 |
| Property transfers: | |
| In Panama City and Colón, 1943 | 11,759,956 |
| Water system in Panama City and Colón | $669,226 |
| Under treaty of 1955 | 35,760,500 |
| Colombia, 1972 | 25,000,000 |
| Compagnie Nouvelle du Canal de Panama, 1904 | 40,000,000 |
| Private titles, stocks, and claims | 4,728,889 |
| Total | $161,938,571 |

Our treaty rights to the Canal Zone are just as valid and strong as our rights to Louisiana, Kansas, Texas, California, Alaska and Hawaii.

Seventh. Panama's complaints against the continued occupation of the Canal Zone by the United States have no foundation, but have been invented and exploited by greedy Panamanian politicians aided and encouraged by misguided United States policymakers. The canal supplies Panama with one-third of its national income, giving it the highest standard of living in Central America and the fourth highest in Latin America.

Eighth. The existing canal, which transits almost 15,000 vessels a year across the Isthmus at a summit level of approximately 85 feet above sea level, is not obsolete. The major limiting factors in its transit capacity are the dual sets of locks at either end of the central channel, and these can be enlarged and supplemented at minimal cost with a third set of locks authorized by act of Congress in 1939.

Ninth. This plan to enlarge the existing canal renders irrelevant all further consideration of a new sea-level canal, which has in any case been repeatedly demonstrated to be impractical for passing ships across the Panamanian mountains, extravagantly costly, and ecologically risky.

From the above facts two conclusions emerge: First, the United States should not now be negotiating with Panama regarding our position in the Canal Zone, and, second, since the position of the United States in the Canal Zone is an exclusively domestic matter the United Nations is prohibited by its own Charter from concerning itself with this matter.

On the first point, Panama could claim no basis for demanding treaty negotiations with the United States until, on the advice of Secretary of State Christian Herter in 1960, President Eisenhower decided that the Panamanian flag might be flown alongside the United States flag in the Canal Zone in plain violation of the treaty of 1903 in which Panama agreed to forego forever the right to exercise any act of sovereignty within the zone.

In a further effort to give Panama a bargaining point with the United States, Herter, as disclosed in a recent addition to the series of volumes on American secretaries of state, resurrected the many-times discredited project of constructing a new canal of the sea-level type through Panamanian territory outside the boundaries of the existing Canal Zone.

The flag concession to Panama constituted a clearly unconstitutional act of renunciation by President Eisenhower alone of sovereignty over territory and property of the United States which no President is entitled to make without authorization by Congress.

### SEA-LEVEL PROJECT

The revival of the sea-level project provided Panama with a bargaining position which she otherwise lacked. In new negotiations she hopes to revoke the grant of the Canal Zone which she made in 1903 under her own regular constitutional procedures and then to negotiate a new treaty in which she can not only gain control of the present canal, but also sell the United States a canal route outside the present zone at some astronomical financial figure. In this, Panama has been playing a game of diplomatic blackmail and while winning all the hands, held by appeasing United States diplomats, has sought to strengthen her position still further by mobilizing world opinion to her side.

When for this purpose Aquilino Boyd, Panama's ambassador to the United Nations, invited the 15-nation Security Council of the United Nations to hold its March meeting in Panama City during the very month when he would serve by rotation as president of the Council, the United States ambassador to the Security Council, George Bush, offered only token opposition and failed to invoke the veto power, as he should have done.

The Security Council accordingly accepted Boyd's invitation and thus consented to make itself a sounding board for Panama's attack on the United States in his own home country—this despite the explicit self-denying clause in the Charter of the United Nations which forbids "the United Nations to intervene in matters which are essentially within the domestic jurisdiction of any state [nation]." (Chapter I, Article 2, Paragraph 7.) The defense of the United States' position in the Canal Zone was further weakened when Robert Hurwitch, deputy assistant secretary for Inter-American Affairs in the State Department, testified before the House Committee on Inter-American Affairs that the United States should abandon its colonial enclave in the Canal Zone. Also, the United States ambassador to Panama, Robert Sayre, speaking to the Rotary Club in Panama on February 27 this year, erroneously declared that the United States recognizes Panama's sovereignty over the Canal Zone.

### UNITED STATES DEFIED

The "maximum leader" of Panama's Revolutionary Government, Gen. Omar Torrijos, who has provided one-man rule over Panama since the overthrow of the last constitutionally elected government in 1968, opened the Security Council meetings on March 15 with a defiant speech against the United States, declaring "Never have we been, we are not now, nor will we ever be an associate state, a colony, or a protectorate, nor will we add another star to the flag of the United States." This is an obvious reference to the growing movement in the United States to solve the problem once and for all by calling for a joint resolution of Congress to admit the Canal Zone to the Union as a new state [see HUMAN EVENTS, March 24, 1973].

Torrijos' challenge was enthusiastically supported by the representatives of Castro's Cuba, Communist China, the Soviet Union, Trinidad-Tobago, Zambia, Indonesia and Communist Yugoslavia.

The debate, which was virulently and overwhelmingly anti-United States, climaxed in a resolution, proposed by Panama and Peru, the two Latin American members of the Security Council, which called upon the United States to conclude a treaty with Panama putting an end to the Canal Zone as an area under United States jurisdiction, reintegrating it with the Republic of Panama, and giving back to Panama "the jurisdictional prerogatives" which the United States had been exercising therein under the existing treaty of 1903.

This resolution provoked a conciliatory move by the new United States ambassador to the United Nations, John Scali, who now gave a public pledge that his government would "conclude a new treaty promptly" with Panama supporting "Panama's just aspirations" and abandoning the "perpetuity clause."

Nevertheless, in a show-down vote 13 of the 15 members of the Security Council voted for a resolution calling for a new treaty "which would fulfill Panama's legitimate aspirations and guarantee full respect for Panama's effective sovereignty over all of its territory."

In the vote on this resolution Great Britain abstained, and the lone "No" cast by the United States constituted a veto and was enough to kill the resolution. For this veto the United States was severely berated by the delegates from Communist China, Guinea, France, Kenya, Yugoslavia, Peru and the Soviet Union.

After the veto—only the third veto by the United States in the history of the United Nations—Panama's foreign minister, Juan Antonio Tack, announced that Panama will take an appeal to the General Assembly of the United Nations, thus continuing to exploit world opinion to wring major concessions from the United States, where we may expect another debacle for United States policy.

The blatant hostility toward the United States which Panama and her allies demonstrated at the Security Council meetings and which will undoubtedly be reinforced if and when this issue comes before the General Assembly calls urgently for a strong stand for the Nixon Administration in defense of our national interest. The preservation of the continued control of the canal by the United States is a matter of supreme importance to our own commerce, to the maritime shipping of the world, and to the defense of the Western Hemisphere.

If the canal and its protective sheath of the Canal Zone are allowed to fall under Panama's control, it can be easily predicted that its service will deteriorate, that it cannot be adequately defended by Panama with its National Guard of only 6,000 men, and that the canal will ultimately follow the fate of the Suez Canal which has been closed since 1967.

Where does the Nixon Administration stand on this crucial issue? In 1923 Secretary of State Charles Evans Hughes declared bluntly to the Panamanian ambassador that it was "an absolute futility for the Panamanian government to expect any American administration, no matter what it was [is], any President or any secretary of state, even to surrender any part of these rights which the United States has acquired under the treaty of 1903."

There is no record that President Nixon has made any statement on the canal problem since taking office in 1969. Instead, his policies appear to follow simply those of the previous three Presidents, which have only rendered our situation in the Canal Zone increasingly precarious.

Nor has the Nixon Administration shown any respect for Article IV, Section 3, paragraph 2 of the Constitution which requires congressional authorization for the disposal of the United States territory and property in the Canal Zone.

What is needed now is a policy declaration stating unequivocally that

1. The United States does not recognize any claim by the United Nations to intervene in what is an exclusively domestic problem of the United States involving its presence in the Canal Zone.

2. The United States will not participate in meetings or negotiations which call into question the clearly defined treaty rights of the United States sovereignty.

3. The current negotiations between the United States and Panama are immediately terminated because there is nothing to be negotiated.

4. The United States will proceed immediately to complete the already authorized third-locks enlargement in the existing canal in accordance with the approved Terminal Lake plan. This plan calls for the removal of the bottleneck Pedro Miguel locks at the

Pacific end of Gaillard Cut, the consolidation of all Pacific Locks at Aguadulce just south of Miraflores to correspond with the Atlantic Lock layout, the raising of Miraflores Lake to the Gatun Lake level to form a summit-level terminal lake at the Pacific end of the canal, and the construction of a set of larger locks in the lock site excavations at both ends of the canal that were dug during World War II as part of the suspended 1939 Third Locks Project on which $76,357,405 was expended.

Adding to the $95 million for the recent widening of the Gaillard Cut from 300′ to 500′, the total is more than $171 million already spent on the major modernization of the existing canal.

This plan, when completed, will improve canal operations, increase canal capacity for larger vessels in interoceanic commerce, preserve the fresh water barrier between the oceans, thus continuing to protect the Atlantic from poisonous Pacific sea snake infestation, benefit the economy of Panama, and can be accomplished at minimal cost under existing treaties.

## CONGRESSIONAL QUESTIONNAIRE OF CONGRESSMAN HILLIS

## HON. ELWOOD HILLIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. HILLIS. Mr. Speaker, I am this week sending my annual questionnaire to all residents of the Fifth Congressional District of Indiana. This practice has become a useful and important means of determining the opinions of my constituents.

At this time I enter into the RECORD my 1973 congressional questionnaire:

Dear Constituent: This questionnaire is designed to give you an opportunity to register your views on some of the vital issues facing the 93rd Congress. I would like to know your personal opinions regarding these issues so that I may work more knowledgeably in your behalf.

Whatever your political affiliation, I hope that you will take a few minutes to think about the problems mentioned here. Let me point out that all of these issues may not be actually taken up on the Floor of the House this year. However, each will be considered in some fashion. If I have omitted an issue on which you would like to comment, a space has been provided.

It may be difficult to answer the questions with a simple "yes" or "no", but please keep in mind that is how I must ultimately cast my vote when the legislation comes up for a vote on the Floor of the House.

If you will include your name and address, I will send you the results in a special report when they have been tabulated. In addition, I plan to report the results to the Congress, the President and the news media.

I look forward to receiving your views.

Sincerely,

——— ———.

### BUD HILLIS WANTS YOUR OPINION

1. Do you favor a Constitutional Amendment to permit passage of State laws reinstating capital punishment?

2. Should the United States provide economic assistance for the rebuilding of North Vietnam?

3. Do you favor granting amnesty to those who avoided the draft and/or deserted the military?

4. Do you agree with the President's federal spending ceiling in order to prevent higher taxes and inflation?

5. Are you satisfied with the progress that is being made to clean up the environment?

6. Do you favor passage of legislation to reform the welfare system and provide incentives encouraging those who can work to do so?

7. Do you think that the United States should trim back its military and economic commitments throughout the world?

8. Do you think that the "energy crisis" is serious enough that the federal government should help in finding new energy sources?

9. There has been much discussion and controversy over the Alaska Pipeline. Do you believe that we should proceed with the construction of this project?

10. Is it your opinion that under all circumstances newsmen should be permitted to keep their sources of information confidential?

11. Would you favor the states and cities spending some of the monies earmarked for highway construction in the Highway Trust Fund (gasoline taxes) on urban mass transit (bus, train, subway)?

12. Do you believe this questionnaire is a legitimate and effective means of communicating your views to your elected representative?

## MORE DATA ON H.R. 6767, THE TRADE REFORM ACT OF 1973

## HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. VANIK. Mr. Speaker, because of the importance of H.R. 6767, the Trade Reform Act of 1973, to all Members of Congress and to the entire country, I would like to enter into the RECORD at this point portions of a letter of inquiry which I addressed to the Secretary of the Treasury and the response which has been provided by his office.

I am hopeful that this material will help Members of Congress and others throughout the Nation better understand some of the issues involved in this important legislation:

### TRADE REFORM ACT OF 1973

Q. (1) (b) What U.S. mineral exploration and development tax allowances are provided for such activities outside of the United States?

A. The same tax incentive is allowed by the Internal Revenue Code for foreign development (but not for exploration) of oil and gas wells as is allowed for domestic wells—a taxpayer may elect to deduct intangible drilling and development costs as current expenses instead of capitalizing such costs (§ 262(c) of the Code). In the case of minerals other than oil and gas, a taxpayer may elect to deduct all *exploration* expenses incurred in searching for ores and minerals within the United States. However, in the case of exploration expenses incurred in searching for ores and minerals *outside* the United States, there is a lifetime limitation of $400,000 (thus, all foreign and domestic exploration expenses deducted by the taxpayer in prior years are counted in determining whether the $400,000 limitation has been exceeded) (see § 617). A taxpayer may elect to deduct in full all *development* costs for minerals other than oil and gas, without regard to whether the mineral deposit is located within or outside the United States (see § 616).

Q. (1) (b) (1) Could you provide a comparative tax analysis of mineral exploration and development tax allowances provided by the other 19 major industrial nations of the world.

A. With respect to the tax incentives which other industrial nations allow for mineral exploration and development, I refer you to Comparative Study of Tax Systems and their effect on Foreign Mining Investments, prepared by Cooper & Lybrand for the American Mining Congress earlier this year. A copy of the study was submitted to the Committee on Ways and Means on March 20, 1973 by the American Mining Congress.

Q. (1) (b) (2) Does the Department support the continuation of the percentage depletion allowance and similar tax preferences for foreign oil and mineral operations, and if so, why?

A. The Treasury Department is still studying the question whether it would be advisable to continue to allow the percentage depletion deduction and other tax incentives for foreign oil and mineral operations. The Department will be in contact with you and with other Committee members in the near future on this question.

Question 2. Could you provide a history of American efforts to support the dollar through dollar purchases. That is during the period of pressure on the dollar prior to August 15, 1971, what were the dimensions of Federal Reserve and Treasury efforts to support the dollar? What did the August 15, 1971, devaluation cost the United States? After the devaluation, the value of our gold reserves were increased. By how much? How much extra contribution did the United States have to make to international organizations?

Answer. During the period of pressure on the dollar immediately prior to August 15, 1971, the Federal Reserve increased its swap drawings by $2,330 million and the Treasury issued $333 million in foreign currency denominated securities. In addition, we utilized $1,155 million of our foreign exchange reserves. The use of reserves took the form of $244 million in gold sales, $50 million in sales of Special Drawing Rights and a $859 million drawing on our gold tranche position in the IMF Fund.

The above-noted swap and foreign exchange obligations when added to those incurred in prior periods totaled $5,043 million.

When it was subsequently agreed in December 1971 that the dollar would be devalued, which was accomplished on May 8, 1972, after Congressional action, the estimated exchange loss resulting from the outstanding foreign exchange obligations was $176 million for Treasury's Exchange Stabilization Fund and a roughly equal amount for account of the Federal Reserve.

As an offset to this combined estimated loss of $350 million, there was the increase in the value of our gold holdings of $828 million and an increase of about $27 million in our foreign exchange holdings. In addition, there was a net loss of $42 million as a result of increasing the dollar value of our SDR assets and liabilities.

The maintenance of value obligations to the various international financial institutions totaled $1,578 million, of which only a small proportion represented a cash outlay and in return for which our drawing rights in the International Monetary Fund and participation in capital of the lending institutions were increased.

**Question 2(a). Could the same data be provided for the period August 15, 1971, through December 31, 1972, and for January 1, 1973, through the present, with particular emphasis on the cost to the United States of the latest devaluation?**

**Answer. The only intervention in exchange markets engaged in during the period following August 15, 1971 through December 1,**

1972 was undertaken in July and August 1972, following the exchange market disturbance that ensued after the British pound was allowed to float. These operations, which totaled the equivalent of about $32 million in German marks and Belgian francs, were carried out without any exchange loss to the United States. In fact, there was a small profit involved since currencies used from prior holdings were sold at more favorable exchange rates and those borrowed under swap arrangements were obtained for repayment at more favorable rates as the dollar strengthened.

Intervention was again undertaken in late January and early February of this year prior to the proposal to again devalue the dollar. These operations, in German marks and Dutch guilders, totaled $399 million. All but $105 million of this total was financed from foreign exchange holdings of the Treasury or the Federal Reserve that had been acquired at an earlier period and their sale resulted in a profit. The $105 million obtained by a Federal Reserve swap drawing did, however, result in an exchange loss due to the subsequent exchange rate change. The net cost of these operations was approximately $3.4 million.

With respect to the increase in the value of our assets and liabilities that are expected to result from the currently proposed devaluation, for which legislation is now being considered, a table with explanatory notes previously prepared for the Congress is attached and gives a detailed accounting:

SUMMARY TABLE

[Financial Effects of U.S. Devaluation]

| | Millions |
|---|---|
| I. On U.S. financial statements: | |
| (a) Increase in assets | $2,518 |
| (b) Increase in liabilities | 1,900 |
| (c) Net increase in assets | 618 |
| II. On records of contingent liabilities: | |
| Increase in obligation to make additional capital subscription to the international lending institutions, if called | 992 |
| III. On maximum appropriaiton required | 2,225 |
| IV. On forecast budgetary expenditures: | |
| Fiscal year 1973 | 0 |
| Fiscal year 1974 | 12 |
| Fiscal years 1975-85 (per annum) | 40 |

FINANCIAL EFFECTS OF U.S. DEVALUATION

[Explanatory notes attached]

| | Millions | Accruing to— |
|---|---|---|
| I. On U.S. financial statements: | | |
| A. Increase in assets: | | |
| 1. Increase in value of Reserves: | | |
| Gold | $1,165 | Treasury general fund. |
| Special drawing rights (SDR) | 218 | Exchange stabilization fund. |
| Gold tranche automatic IMF drawing rights | 52 | Treasury general fund. |
| 2. Increase in value of U.S. currency subscriptions in the International Monetary Fund (IMF). | 606 | Do. |
| 3. Increase in value of U.S. participation in capital of international lending institutions. | 477 | Do. |
| Total assets | 2,518 | |
| B. Increase in liabilities: | | Financed from— |
| 1. Treasury debt in foreign currencies | 193 | Exchange stabilization fund. |
| 2. Federal reserve obligations in foreign currencies | 196 | Federal Reserve resources. |
| 3. Increase in repayment of obligations to IMF: | | |
| For currency drawings | 150 | Appropriations or exchange of assets. |
| For SDR allocations | 278 | Exchange stabilization fund. |
| 4. Required additional subscription to the IMF | 606 | Appropriations or exchange of assets. |
| 5. Obligation for additional capital subscription to international lending institutions. | 477 | Appropriations. |
| Total liabilities | 1,900 | |
| C. Net increase in assets | 618 | |
| II. On records of contingent obligations: Increase in obligation to make additional capital subscription to the international lending institutions, if called. | 992 | Do. |
| III. On maximum appropriation required | 2,225 | |
| IV. On forecast cash expenditures: | | |
| Fiscal year 1973 | 0 | |
| Fiscal year 1974 | 12 | |
| Fiscal years 1975-85 | 40 | Per annum. |

### NOTES TO TABLE: "FINANCIAL EFFECTS OF U.S. DEVALUATION"

#### I. ON U.S. FINANCIAL STATEMENT

A. *Increase in Assets*—Devaluation will result in increases in the dollar value of three types of assets: (1) reserve assets, (2) currency subscriptions in the International Monetary Fund, and (3) paid-in capital subscription to the international development lending institutions. The total increase in all three classes is $2,518 million.

1. Reserve Assets:

Gold—United States holdings now total $10,487 million. After devaluation the value of these holdings in current dollars will increase by 11.11% or $1,165 million. The increment in value of gold will result in a direct cash inflow into the Treasury of $1,165 million as gold certificates equivalent to the increase in gold value are issued to Federal Reserve banks. However, under unified budgetary accounting concepts, this increment in value will not be considered a budgetary receipt.

Special Drawing Rights (SDR)—SDR's are an international reserve asset that are created by the IMF and allocated among members. These assets have a gold value and United States holdings now totalling $1,958 million will increase by 11.11% or $218 million.

Gold Tranche—The gold tranche is the amount of our automatic regular drawing rights on the International Monetary Fund. These rights can be used by the United States to purchase or draw foreign currencies from the Fund to meet the balance of payments need. These rights, which are included in U.S. reserves, now total $469 million. They represent gold paid to the Fund in partial fulfillment of U.S. subscription obligations and will increase in value by 11.11% or $52 million.

2. Increase in value of our currency subscriptions in the International Monetary Fund:

Seventy-five percent of our subscription to the IMF was paid in United States dollars but this subscription of $5,456 million was denominated on the books of the Fund in dollars of a fixed weight and fineness of gold. Thus, the value of this subscription will increase in terms of current dollars after devaluation to a total of $6,062 million—an increase of $606 million. This increase in value allows us to increase our drawing rights, maintain our share of voting rights and allocations of Special Drawing Rights.

3. Increase in Value of U.S. participation in Capital of Development Lending Institutions:

Paid-in investments in the World Bank, the International Development Association, the Inter-American Development Bank and the Asian Development Bank are also denominated in dollars of a fixed weight and fineness of gold. United States investments in these institutions will increase in value by $477 million. The increase for the Inter-American Development Bank will be $233 million, for the World Bank—$71 million, for the International Development Association—$161 million, and for the Asian Development Bank—$12 million.

B. Increase in liabilities:

1. Treasury Debt in Foreign Currencies:

The Treasury has outstanding $1,714 million in foreign currency borrowings—$306 million in German marks and $1.4 billion in Swiss francs. Repayment of these obligations at maturity under the new rates of exchange are estimated to result in approximately $193 million additional expenditure of dollars. The actual amount of loss will vary depending upon the market rates at which the currencies are obtained for repayment. The liability for meeting this additional cost is borne by the Exchange Stabilization Fund. Thus, no appropriation or budgetary expenditures are involved.

2. Federal Reserve Obligations under Swaps:

The Federal Reserve has outstanding mutual deposit arrangements or so-called "swaps" with foreign central banks totalling $1,639 million. The cost of buying foreign currencies to repay these swap obligations is estimated to increase by about $196 million over what it would have been prior to devaluation. The actual amount of loss will vary depending upon the market rates at which the currencies are obtained for repayment. The Federal Reserve will bear this additional cost and no appropriation or budgetary expenditures are required.

3. Increase in Repayment Obligation to the IMF:

For Currency Drawings:

The United States now has a drawing outstanding, representing U.S. purchases of foreign exchange from the International Monetary Fund in the amount of $1.4 billion. The International Monetary Fund Articles of Agreement require the United States to maintain the value of these dollars held by the Fund in terms of gold. The payments required, in the form of a letter of credit, will amount to $150 million.

For SDR Allocations:

Special Drawing Rights allocated to the United States are also denominated in terms of gold. The United States has been allocated a total of $2,491 million in Special Drawing Rights and should the SDR scheme ever be liquidated, the United States would incur an increased liability of $278 million.

4. Required Additional Subscriptions to the IMF:

In addition to the currency drawing maintenance of value described under item 3 above, the United States has a maintenance of value obligation on its currency subscription in the Fund of $5,455 million. Under Fund rules, this currency subscription must be maintained in gold value requiring a payment of $606 million in the form of a letter of credit.

5. Obligations for Additional Capital Subscriptions to International Financial Institutions:

The United States will incur an increased paid-in capital obligation to the international development institutions totalling $477 million. The amounts are: World Bank $71 million, Inter-American Bank $233 million, Asian Development Bank $12 million, and the International Development Association $161 million. These amounts will be financed from an appropriation requested of Congress.

This maintenance of value obligation stems from similar, but not identical, provisions in the agreements governing each of the international lending institutions providing that each member country that devalues its currency must maintain the value of its contributions as measured by a common yardstick, in this case gold. The purpose of this requirement is to assure that the contributions of all members are maintained in value in relation to each other despite changes in exchange rates. This provision has worked in favor of the United States by assuring that other countries that devalue their currencies do not diminish the value of their contributions. Thus, the burden-sharing principle is not adversely affected by currency devaluations. The maintenance of value provision also assures that our share in the assets and voting rights in these institutions is not impaired by our devaluation.

All other countries have fulfilled their maintenance of value obligations. In total, there have been over 200 par value modifications in the International Monetary Fund and in each case the country concerned has fulfilled its maintenance of value obligations in the international financial institutions. Moreover, most countries, especially the large industrial countries, have fulfilled these obligations promptly. For example, France devalued in 1957, 1958 and 1969. In the first instance, maintenance of value was made on the date of devaluation, in the second, two days after, and in the third, three days after. In the case of the United Kingdom's devaluation in 1967, maintenance of value was made 33 days after and in the case of Canada in 1962, 28 days after.

C. *Net increase in Assets*—Increases in assets total about $2.5 billion; increases in liabilities total about $1,900 million; the result is a net increase in assets of about $618 million.

### II. ON RECORDS OF CONTINGENT OBLIGATIONS

Increase in Obligation to make Additional Capital Subscription to the IFI's, if called.

In the World Bank, the Inter-American Development Bank (IDB) and the Asian Development Bank (ADB), our subscription of callable or "guarantee" capital is denominated in dollars of a fixed weight and fineness, and the change in the par value of the dollar will mean an increase of 11.11% in our callable capital obligation. The U.S. callable capital obligation in the World Bank is $703 million, in the IDB it is $205 million, and in the ADB it is $12 million. The total increase in the current dollar amount of these callable capital subscriptions amounts to $920 million.

This callable capital is a highly contingent liability. It has never been called in the past and it is highly unlikely that these subscriptions will be called in the future, considering the size of already existing callable capital and the reserves which the international banks have built up. Therefore, no budgetary impact is anticipated. Nevertheless, funds must be available to meet these obligations if they are ever called, and an appropriation of $920 million will be requested.

Of the total maintenance of value for the IDB-FSO of $241 million, $72 million is a contingent liability representing loans that have been made in dollars but are repayable in either dollars or other currencies. If repaid in other currencies, and this is the most likely prospect, the United States will have no maintenance of value obligations on this sum.

### III. ON MAXIMUM APPROPRIATION REQUIRED

Appropriations will be required for the paid-in capital subscriptions to the international lending institutions and for the callable capital subscriptions to these institutions. Payments to the International Monetary Fund can be handled as either an appropriation or as an exchange of assets. The maximum appropriations to be requested are as follows:

| | *Millions* |
|---|---|
| Paid-in capital | $477 |
| Callable capital | 992 |
| IMF | 756 |
| Total | 2,225 |

The maximum amounts for each institution are as follows:

[In millions of dollars]

| | *Callable* | *To be paid in* |
|---|---|---|
| IBRD | 703 | 71 |
| IDA | | 161 |
| IDB | 277 | 233 |
| ADB | 12 | 12 |
| Subtotal | 992 | 477 |
| IMF | 0 | 756 |
| Total | 992 | 1,233 |

These amounts are approximate. The exact amount of maintenance of value obligations can be determined only on the basis of holdings on the day of formal change in par value.

### IV. ON FORECAST BUDGETARY EXPENDITURE

Budgetary expenditures are expected in the near future only from a portion of the obligations for increased capital to the international lending institutions. In most cases these obligations will be met, at least initially, not by cash expenditures but rather by the issue of letters of credit, which do not constitute budget expenditures. All of the paid-in capital subscriptions will be paid in letters of credit except for the Asian Development Bank. In the case of that institution, one-half of the paid-in subscription is required to be paid in cash. Moreover, the letter of credit portion is expected to be drawn during fiscal year 1974. Thus, the full maintenance of value amount of $12 million is expected to be paid to the Asian Development Bank in cash during fiscal year 1974.

No draw-downs on the other letters of credit are expected in fiscal years 1973 and 1974. It is expected that draw-downs will begin in fiscal year 1975 and will be spread out evenly over about an 11-year period resulting in draw-downs of $40 million per annum.

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## FUEL CRISIS

## HON. WALTER B. JONES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. JONES of North Carolina. Mr. Speaker, I take no delight in reminding the House of the seriousness of the fuel and oil shortage that faces this Nation at this time.

Representing a district with large agricultural interests, I am alarmed at the number of calls and letters I am receiving from dealers and distributors stating that, according to present allotments, they will be unable to supply our farmers enough fuel to harvest the crops for this current year. I have become convinced that the voluntary compliance, in spite of the best efforts of this administration, are not producing the needed results. With this Nation having few, if any, agriculture surpluses, the failure to produce adequately this year has all the possibilities of creating an acute food shortage here at home, to say nothing of the disastrous effect on our balance of payment position as it relates to imports and exports.

Therefore, I urge this administration to immediately implement the voluntary plan, with forced rationing to the end that whatever fuel is available can be channeled to those who need it most—and that, at this very hour, is certainly the American farmer.

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## PUBLIC FUNDS AND NONPUBLIC SCHOOLS

## HON. JAMES C. CORMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. CORMAN. Mr. Speaker, in the continuing debate whether public funds should be used to support nonpublic schools, I recently read a speech which should interest every person who wishes to be factually informed on the subject. The speech was given by Edd Doerr, educational relations director of Americans United for Separation of Church and State, at a national school finance conference in Atlanta, Ga., on April 2, 1973.

In his remarks, Mr. Doerr has focused thoughtfully, clearly and analytically on the many reasons why "parochiaid" could cost Americans billions of dollars annually and destroy our public school system.

Since the Nixon administration has made the proposal to provide tax credits for parents who send their children to nonpublic elementary and secondary schools a potent part of its tax reform package pending before the Ways and Means Committee, I believe it is very important that the facts and figures in Mr. Doerr's remarks be carefully studied by my colleagues. The text of his speech follows:

### PUBLIC FUNDS AND NONPUBLIC SCHOOLS

Should public funds be used to aid or support sectarian and/or secular nonpublic schools? For nearly two centuries controversies over this question have raged in the United States, Canada, Great Britain, France, Belgium, the Netherlands, and other countries, generating a great deal of emotional heat, interfering with educational progress, and causing bitter social divisions.

In the last dozen years or so, the controversy has embroiled Congress and half of our state legislatures as intensive campaigns have been waged to get laws passed to provide federal or state aid directly or indirectly to parochial and private schools. Victories for the "parochiaid" lobby have invariably led to litigation. There have even been six state referendum elections on the issue in the last six years (New York in 1967; Michigan and Nebraska in 1970; Maryland, Oregon, and Idaho in 1972). State aid for nonpublic schools was voted down decisively in each instance despite the fact that in each the parochiaid lobby outspent the antiparochiaid coalitions by very wide margins.

Parenthetically, it might be mentioned

that in the most recent school year for which we have complete figures, 1970–71, of the 51,175,089 students in U.S. elementary and secondary schools, 89.7% attended public schools and 10.3% attended nonpublic schools, with 82.8% of the latter attending Roman Catholic schools.

As spring arrived in 1973 parochiaid battles were occurring in the Hawaii, Kentucky, Maryland, Massachusetts, Missouri, Nebraska, Washington and Wisconsin legislatures. But the most significant action is taking place in the courts and in Congress. The House of Representatives is considering a proposal, H.R. 49, to provide approximately $1 billion annually to nonpublic schools through the device of federal income tax credits to reimburse parents for nonpublic school tuition. The current proposal would reimburse parents for 50% of tuition up to a maximum credit per student per year of $200. The President has supported this proposal vocally and frequently, and the powerful lobby working for passage of the plan claims that it has enough votes to get it through the House.

The whole question may be rendered academic, however, by the United States Supreme Court, which appears to be an immovable block in the path of the advocates of public aid for nonpublic schools. In 1971, in *Lemon v. Kurtzman* (403 U.S. 602), the Court struck down as unconstitutional Pennsylvania and Rhode Island programs of aiding parochial and private schools through the "purchase of secular educational services" and "teacher salary supplement" gimmicks. In 1972, in *Wolman v. Essex* (93 S.Ct. 61), the Court found the tuition reimbursement plan unconstitutional. Meanwhile, a three-judge federal district court in Vermont acted in 1972, in *Americans United v. Oakey* (No. 6393, 40 U.S.L.W. 2597, D. Vt.), to strike down a state law providing for the "lending" at public expense of teachers, books, and other services to nonpublic schools. This ruling was not appealed. The Supreme Court also ruled in 1972, in *Brusca v. Missouri,* that a state's refusal to provide aid to nonpublic schools does not violate the parents' free exercise of religion or deny them due process or equal protection of law.

With most major parochiaid plans shot down by the courts, the parochiaid advocates seem to view the tax credit tuition reimbursement method as their last and best hope. This plan, however, is at this moment before the Supreme Court on appeals from three-judge federal district court rulings in Ohio and New York. The Ohio court found the plan to be unconstitutional in 1972 in *Kosydar v. Wolman,* while the New York court upheld a similar plan in 1972 in *PEARL v. Nyquist*. The Supreme Court will probably rule in these cases before summer.

If the tax credit tuition reimbursement plan is struck down, the parochiaid lobby may attempt to seek an amendment to the United States Constitution to allow such aid. Alternatively, it may fall back on "shared time" or "reverse shared time" plans. These involve having public schools take over part of the nonpublic school teaching load, either by bringing nonpublic students into the public schools for part of the day or by sending public school personnel into specially leased space in the nonpublic schools. The latter plan, known as "reverse shared time", is currently being challenged by Americans United in federal courts in Michigan, Kentucky, and New Hampshire, and by the American Civil Liberties Union in Oregon.

Other parochiaid plans receiving some attention are the various voucher plans for full public funding of parochial and private schools. The plans, which have received considerable impetus from the Office of Economic Opportunity and the Center for the Study of Public Policy of Cambridge, Massachusetts, suffer from much the same defects as other parochiaid plans and none contains safeguards against sectarian or ideological selectivity of faculty or against sectarian or ideological indoctrination of students. Such selectivity and indoctrination would, of course, lead to sectarian, political, and ideological segregation of children.

We should note, at this point, that successful litigation to end programs of public aid for nonpublic schools has rested on two pillars, race and religion. Following the Supreme Court's 1954 *Brown* decision against racial segregation, several state legislatures attempted to preserve segregation by various devices for providing state funding for private schools. These plans were all quashed because they involved government in sponsoring racial segregation. The courts were not confused by ingenious indirect or "parent aid" gimmicks. Following the racial segregation cases, the federal courts took on the problems of public financing of the religious schools which enroll over 90% of the students in nonpublic schools. In *Lemon* and *Wolman* the Supreme Court struck down state aid to nonpublic school plans on First Amendment grounds. The Court in these cases spoke of "excessive entanglement" between religion and government, of the sectarian nature of the schools, aided, of the transparency of devices to circumvent the constitution, of the potential for political division along religious lines, and of the limited and sectarian nature of the class of beneficiaries of the legislation (*Wolman*).

### ALTERNATIVES AND COSTS

While waiting for the Supreme Court and lower courts to rule on tax credit, "reverse shared time," and other prochiaid plans, we can turn to an analysis of the alternatives for nonpublic school finance and of the economic and social costs of these alternatives.

There are only two basic policy alternatives for public financing of nonpublic schools. We can either provide no public support for nonpublic schools, or we can provide some support. If the latter course is followed, it should be obvious that there will be prolonged and perhaps even permanent controversy over how much aid will be provided. If some aid is provided the nonpublic school lobby will surely exert tremendous pressure for greater and greater support, moving toward parity of public support with the public schools. The experiences of Canada, Britain, the Netherlands, Australia, Belgium, and other countries bear this out. One obvious social cost of the struggle over the if and how much of public aid for nonpublic schools is the religious, class, and racial divisiveness that it causes.

### THE COSTS OF TAX AID TO NONPUBLIC SCHOOLS

Before dealing with the possible economic costs of providing public aid to nonpublic schools, we need to examine the claim that such aid would make economic sense because nonpublic schools can be operated more cheaply than public schools. While secular private schools generally cost more to operate than public schools, it is true that in actual dollars paid out, denominational schools up to the present time have generally operated somewhat more cheaply than public schools.

The reasons for this are not hard to find. A great many parochial schools have less favorable teacher-pupil ratios than public schools. Some, with small enrollments, mix several grade levels together in one room. Church-related schools pay teachers lower salaries than those paid by public schools; in the case of Catholic schools, teachers and administrators were traditionally nuns and brothers paid bare subsistence wages, and these underpaid people, while their numbers are dwindling, still account for about half of Catholic school teaching personnel. Nonpublic schools are generally academically selective, especially on the secondary level, and thus have fewer hard to teach or problem students than the public schools. Further, nonpublic school programs generally fall well behind the public schools in providing expensive vocational, arts, remedial, driver education, physical education, guidance, and other enrichment offerings. No wonder parochial schools claim they are cheaper to operate!

But if nonpublic schools upgrade their programs, services, salaries, and teacher-pupil ratios to compare favorably with public school programs, their costs will match those of public schools. They would probably even exceed public school costs because of the obvious economies of scale enjoyed by the public schools. The various nonpublic schools operating in our metropolitan areas generally serve smaller and more widely scattered populations, and therefore are less efficient and require more expensive and extensive transportation services. This was admitted with regard to Catholic schools in early 1972 by the Rev. C. Albert Koob, president of the National Catholic Educational Association. "By 1980," Koob reported, "we'll be lucky if we can keep the cost under $1,000 for an elementary school student and $2,000 for a high school student."

The average public school per pupil cost for 1972–73 is $1034 for pupils in Average Daily Attendance, or $966 per pupil in Average Daily Membership. If the tax credit parochiaid scheme is upheld by the courts and passed into law by Congress and state legislatures—as credits against federal and state income taxes, not to mention credits against property and sales taxes, as in the Ohio program struck down in *Kosydar*—it is easy to see that more than $5 billion annually could soon be flowing to nonpublic schools. This figure, then, would be the cost of tax aid to nonpublic schools. This sum would be available for nonpublic schools only by raising taxes or by cutting other public programs, such as public education. Administration spokesman Casper Weinberger told the House Ways and Means Committee in hearings in August 1972 that federal aid to public schools could be cut to provide funds for parochial and private schools.

This $5 billion figure assumes that nonpublic enrollment would remain at five million students. It is more likely, however, that massive tax aid to nonpublic schools would cause these to expand and proliferate, for a variety of religious, racial, and other reasons. A Gallup study in 1969, while showing that Americans oppose tax aid for nonpublic schools by a margin of 59% to 37%, showed also that, *if nonpublic schools were free,* 40% of parents nationally and 59% of parents in metropolitan areas would prefer to place their children in parochial or private schools. Thus, not only could public aid to nonpublic schools cost American taxpayers an additional $5 billion annually, but it would probably destroy the American public schools. This is precisely what happened when the public treasury in the Netherlands was opened to the parochial schools 50 years ago.

Parochiaid, then, could rather quickly cost Americans billions of dollars annually and destroy our public schools. But the financial and social costs of parochiaid would be even higher. Splintering and balkanizing education into a multiplicity of larger or smaller sectarian, racial, ethnic, ideological, and other sorts of enclaves would surely reduce overall educational efficiency and raise overall educational costs.

Socially, this fragmentation would increase the divisions and centrifugal forces straining the seams of our society. Government sponsored and supported sectarian segregation in education in Northern Ireland is an obvious example of where this can lead. Since parochial schools tend to closely approach 100% denominational homogeneity of faculties and student bodies, (Catholic schools are 97.3% Catholic in enrollment; Protestant and Jewish schools are similarly homogeneous) it should be obvious that tax support for nonpublic education would deprive increasing numbers of students of the healthy pluralism, diversity, and religious neutrality of our public schools.

Nonpublic schools also educate proportionately far fewer black children than public schools. Nonpublic schools are less than 5% black in enrollment, while our public schools are 15% black. In such major cities as Baltimore, New York, and Philadelphia, nonpublic schools are less than 14% nonwhite while public schools are over 60% nonwhite. As the U.S. Commission on Civil Rights pointed out in 1967, nonpublic schools are a major cause of urban public school racial imbalance.

In addition, nonpublic school aid would subject all citizens to taxation for the support of private schools which are, in theory and practice, religious institutions. It would also tend to increase interfaith tensions both in legislative bodies and in our communities.

Further, the tax credit parochiaid plan would aid only those nonpublic schools serving families above a certain poverty level. It would be of no benefit to nonpublic schools serving the poorest families in our society. This plan would cause worse class cleavages than most other aid plans.

It might also be noted that while public schools must operate exclusively with public funds, a policy of public funding for nonpublic schools would allow these to supplement public support with tuition charges and church donations.

The financial, social, and educational costs of a policy of public support of nonpublic education are thus seen to be quite high.

### THE COST OF A NO-AID POLICY

What would be the financial and social costs of a policy of no public aid for nonpublic schools?

First of all, nonpublic schools are not going to close wholesale if public aid is not granted them. They will probably continue their slow and gradual decline until they reach a lower plateau. According to the Notre Dame study done for President Nixon's Commission on School Finance, total nonpublic enrollment is expected to decline approximately 46% between 1970 and 1980. This decline will involve a Catholic school enrollment drop of about 52% for the decade and a non-Catholic nonpublic enrollment drop of about 16%, for a total nonpublic decline of about 2.5 million students by 1980. Some of this decline will be due to lower birth rates, but the bulk of it will be due simply to changing parental preferences.

This nonpublic enrollment decline, which began around 1965, should produce no burdensome costs, however. Birth rates have dropped so sharply in the last five years that transfers from nonpublic to public schools are being and can be readily absorbed. During the twelve year period during which our present school population was born, 1954–66, births average 4.13 million per year. But from 1966 to 1972 the average number of births per year fell to 3.6 million per year. (The Catholic birth rate, incidentally, is falling more rapidly than that of the general population, due to a widespread but belated acceptance of birth control.) According to the latest N.E.A. figures, the total school age population slid from 52.5 million in July 1970 to 51.78 million in July 1972, a decline of 718,000 children or 1.4%. And while students were shifting from nonpublic to public schools from 1971–72 to 1972–73, total public school enrollment fell from 45,887,695 to 45,821,743, a drop of 65,952. According to Martin A. Larson's 1972 study "When Parochial Schools Close," total school enrollment, public and nonpublic, in 1979 should be less than 47 million. Thus all expected shifts of students from nonpublic to public schools should be rather easily accommodated in our public schools, with room to spare.

The percentage of students in nonpublic schools varies, of course, from state to state and within states. New York with 17.7% of its students in nonpublic schools, would seem to be the state with the biggest adjustments to make. Yet Governor Rockefeller's Fleischmann Commission reported in 1972 that it would be $415 million cheaper for New York State to absorb parochial school transfers into public schools between 1972 and 1980 than to provide state aid sufficient to make up projected parochial school deficits. The Fleischmann Commission strongly recommended against providing state aid to nonpublic schools.

Shifts of students from nonpublic to public schools will not only be accommodated to greater or lesser extents in existing public classrooms, but state funds will be automatically redistributed to ease any burdens on the local tax structure. Of course, as the Supreme Court agreed when it reversed *Rodriquez* in March, most state school finance systems need reform. Increasing the percentage of a state's children in public schools will surely increase public pressure for such reform. It should also lead to pressure for legislation to secure special state and/or federal aids to school districts facing abnormal enrollment increases. Such "influx aid" was recommended by the Fleischmann Commission.

It seems safe to conclude that the shift of 2.5 million nonpublic students to public schools by 1980 should require little or no outlay of additional public funds.

The social effects of the expected shift of students from nonpublic to public schools should be generally beneficial. Interfaith, intrafaith, and community tensions and conflicts over parochiaid proposals and legislation should diminish. Communities should pull more closely together. Interfaith and interracial contacts among children should increase. Increasing the percentage of a community's children in public schools should increase parental pressure for educational reform and for more adequate funding for public schools. School bond and mileage referenda should pass more easily. Parents of former nonpublic school children will be relieved of the burden of tuition payments. Churches abandoning parochial schools will realize savings which can be applied to religious education and other church endeavors. Qualified former nonpublic teachers can be hired by public schools, while suitable nonpublic school buildings can be purchased by public school districts. Shifts of children into public schools should make education more efficient and reduce the expenses of school transportation, since about half of the states provide some form of taxpaid transportation for nonpublic schools.

Concern for various alternatives in education can be met within a public school system, as the San Jose, California, experiment funded by the OEO is demonstrating.

Nonpublic schools will undoubtedly survive in some strength so long as they meet the strongly felt needs of their patrons and sponsors. Consolidations and reforms of nonpublic schools should enable them to operate more economically and to draw greater tax-deductible support from their patrons. Nonpublic schools should engage in more cooperative endeavors among themselves.

In summary, I believe that the vast majority of informed persons would have to agree that a policy of providing public aid to nonpublic schools would have unacceptably high financial, social, and educational costs, while confining public support to public schools will prove in the long run to be the most economically, socially, and educationally desirable policy.

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## ATTACK ON ADMINISTRATION'S CUTBACK OF HOUSING FUNDS

## HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. WALDIE. Mr. Speaker, the executive director of the Housing Authority of the County of Contra Costa in my State of California, Mr. Roger Spaulding, has recently addressed the Southwest Regional Conference of the National Association of Housing and Redevelopment officials concerning the administration's impoundment of funds for Federal housing programs. I think Mr. Spaulding's remarks are clear, straightforward, and well justified, and I am including them in the Record in the hope that the other Members of Congress will find in them the same compelling need to reverse the President's impoundment actions that I have.

I have become increasingly concerned with the continuing failure of the administration to accurately identify and realistically provide for the Nation's housing needs. To the protests of community leaders, administrators of housing programs, homebuilding associations, and building trades councils, the administration has responded by cutting back funds and discrediting current programs.

Most disturbingly, the administration has offered no recommendation for the reform of existing programs nor have they offered any substitute programs through which the Federal Government can increase housing production. Instead, their actions have challenged the principle that, in fact, there is a need for Government subsidies of housing production. Congress must, once again, reaffirm the principle of subsidized housing production and provide the funds to carry out these much needed programs.

The full text of Mr. Spaulding's remarks follows:

### The Funding Crisis—How It Has Affected the Housing Authority of Contra Costa County, Martinez, Calif.

(Remarks of Roger B. Spaulding)

Let me start off with a quote: "We are left destitute of faith and terrified of cynicism in high places."

A reaction to the current Watergate horror? Not at all! This is a quotation from the introduction to my last year's operating budget and expressed my outrage over the Administration's systematic sabotage of the public housing program during the preceding four years. This had taken the form of deliberately forcing out of HUD virtually every Federal career employee that had ever worked for the Public Housing Administration and a deliberate bankruptcy of national policy and leadership leaving the Area Office staff disorganized, demoralized, and impotent in its stewardship.

To be fair, with one or two exceptions the new people brought in have been bright, hard working, and sincerely dedicated to helping solve the housing problems of the poor. They just had no experience in a complex people program such as public housing and there were never enough of them to do the job. I must say that from a relative point of view, I have nothing but the greatest admiration for the efforts of the San

Francisco Area Office staff for getting a fair share of inadequate allotments and making judicious use of these funds. From the horror stories emanating from other authorities throughout the country that had to sue HUD just to force payment of subsidies that were fixed by contract or had been approved in annual budgets, their performance is spectacular. My gut reaction is that I don't know how they manage to retain their sanity or morale with 46 more employees scheduled to be fired in the next few months.

Let's get back to the validity of my premonitions in terms of what has actually happened to the Housing Authority of Contra Costa County during the past year: In December 1972 the President's Office of Management and Budget, hereafter referred to as TOMB, stripped HUD of all authority for approval of operating budgets based on need, forced them to abrogate their previous commitments, breach the terms of the Annual Contributions contract, and violate the fundamental principles of the Housing Agency establishing a fixed expense formula for the conventional housing program. This mandated a maximum increase of no more than 3% over the base year ending March 31, 1972. This 3% increase is expected to cover two years of inflationary increases plus new unfunded expenses mandated by HUD, such as the lease and grievance procedure, assumption of the cost of fiscal audits—only for authorities with under 5,000 units—prevailing wage rates, increased cathodic protection responsibilities, elimination of all lead-based paints, and a forced contract amendment requiring the use of local project residents and contractors. To make this even worse, we don't even get all of the 3% increase unless we succeed in somehow increasing income by 3%.

To submit this sort of a budget, of course, puts us in violation of our Annual Contributions Contract and the law. It will not permit us to provide decent, safe, and sanitary dwellings within the reach of low-income families or operate in such a manner as to promote serviceability, efficiency, economy, and stability, or achieve the economic and social well-being of our residents or maintain each project in good repair.

To adjust to this Draconian budget cut we had to freeze all classifications and job vacancies, reduce staff, cut tenant services, defer indefinitely replacement of worn out equipment and much preventative and preservative maintenance.

When TOMB established its formula last December intensifying its sabotage of the conventional program it established no criteria for leased housing. The funding situation for the Section 23 Leased Housing, which constitutes a majority of our program, is completely and utterly confused.

On April 5th, the Secretary's office notified Senator Cranston that we had been advised to submit a budget for the fiscal year beginning April 1st based on "need." The Area Office on April 14th notified us, "We'll continue to review Section 23 operating budget under the current HUD financial guidelines."

Whatever that means. As of last week, HUD still had not issued any formal budget policy, no allotments had been made available to the Area Office, and no housing authority budgets for the fiscal year beginning last April 1st had been approved.

The current rumor is that HUD has been directed by TOMB to reduce the need for any increase in operating subsidies for leasing over last year by forcing a reduction in the number of units under contract adequate to compensate for the entire increase. We have been notified verbally to prepare and submit a budget on this basis before July 1st or be shut off forever from any future operating subsidies.

This is in spite of the fact that a Notice of Appeal has been filed from a Federal district court decision denying a preliminary injunction requiring HUD to pay additional subsidies to meet local authority operating deficits and enjoining HUD against use of its present formula for determining operating subsidies.

In other words, the Administration is refusing to recognize a need to adjust fixed subsidies reflecting rent and construction values going back over five years, assume any responsibility for acceleration of private rentals due to their removal of rent ceilings, the impact of wage increases they will mandate, and are forcing HUD to abrogate its commitments to finance the cost of escalation clauses for taxes in HUD-approved long term leases.

Where does that leave us? The Brooke Amendments trapped us with a large number of poor families paying very low rents—some even at zero and a minus figure—that's right—minus rents! We are locked into average rents of approximately $45 by the Brooke 25% rent-income ratio. Unfortunately there is a bit more involved here than the local political consequences of wholesale eviction of a passel of little old ladies and hundreds of fatherless small children with no place to turn in a merciless private housing market because we can't get owners to renew at rents negotiated years ago.

We just don't think any court will sign an order of eviction on the grounds that a low-income elderly person can't be permitted to pay over 25% of his net income for gross rent by law, which makes them too poor to live in public housing only because the Administration is refusing to release available subsidy needed to maintain solvency.

This sort of arrogance of power ignores legislative and contractual obligations, demonstrates a cynical insensitivity to the housing needs of the poor and elderly, and directly contradicts the President's Watergate Speech wherein he made a commitment of "generous help for those unable to work." Frankly, I don't think Nixon knows what Roy Ashe is doing over at tomb, either. We all know he is committed to massive Federal subsidy—for Litton Industries—but just can't seem to get him to transfer this feeling to the poor.

The immediate impact of the action of the "Dirty Tricks" department of TOMB is to force us to slam the door forever in the face of 216 families on our waiting list of over 3,000 (1,000 of whom are elderly) in order to try and recapture enough subsidy from the units that are being wiped out to raise our rents to landlords on renewals. This not only is an alternative to wholesale evictions but is needed to avert rent strikes.

This unprecedented and illegal action by the Administration against that group least able to defend itself is shameful and immoral.

The exposures this week of Nixon's true game plan indeed make it appear that "sabotage is the administration's most important product."

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### RESOLUTION No. 3091—REFLECTING BOARD REVIEW OF OPERATING BUDGET FOR FISCAL YEAR 1974 FOR THE AUTHORITY'S CONVENTIONAL PROGRAM

Whereas, it is now a requirement of HUD that budgets submitted by a Local Housing Authority must include an extract of the Housing Authority's minutes indicating that the submission has been reviewed and approved by the Board of Commissioners; and

Whereas, the Board shall review the budget to determine the following:

(a) That proposed expenditures are necessary in the efficient and economical operation of the housing for the purpose of serving low-income families.

(b) That the financial plan is reasonable in that:

(1) It indicates a source of funding adequate to cover all proposed expenditures.

(2) It does not provide for Federal funding in excess of that payable under Circular HM 7475.12.

(c) That all proposed charges and expenditures will be consistent with provisions of law and the Annual Contributions contract; and

Whereas, the maximum increase of only 3% over the base year mandated by the administration is woefully inadequate to cover two years of inflationary increases and the many add-on new expenses mandated by HUD; and

Whereas, maximum subsidy that will be made available to the Authority under this formula will not permit preparation of a budget reflecting true need or compliance with those sections of the Annual Contributions Contract that require a realistic estimate of operating expenditures to be incurred in connection with prudent operation for the purpose of providing decent, *safe*, and sanitary dwellings within the reach of families of low-income, in such a manner as to promote serviceability, efficiency, economy, and stability, and in such a manner as to achieve the economic and social well-being of the tenant; and

Whereas, the President's Office of Management & Budget has deliberately withheld badly needed appropriated funds from the Department of Housing and Urban Development thereby rendering them impotent in the carrying out of normal supervisory responsibility required by contract, regulations and law; and

Whereas, the capacity of the Authority to pass an approval resolution reflecting certification required by b. and c. above is limited by HUD's inability to perform as required by contract and law; and

Whereas, it is the determination of the Board that all budgeted expenditures are necessary in the efficient and economical operation of the housing for the purpose of serving low-income families and as evidence to its dedication to this principle it has expended $15,000 of local funds for a management audit by Griffenhagen-Kroeger, Inc.;

Now, therefore, be it resolved, that said budget is filed under protest as not being representative of compliance with law or contract because the Administration has failed to provide a source of funding adequate to cover basic needs, but certification is made that said budget does not provide for funding in excess of that payable under HUD Circular HM 7475.12 and all expenditures proposed are necessary in the efficient and economical operation of the housing for the purpose of serving low-income families; and waiver of detailed review, approval, and control by HUD is requested as essential to maximum flexibility required to administer said budget effectively and economically.

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### RESOLUTION No. 3092—REFLECTING BOARD REVIEW OF OPERATING BUDGET FOR FISCAL YEAR 1974 FOR SECTION 23, LEASED HOUSING PROGRAM

Whereas, the President's Office of Management and Budget failed to provide the Department of Housing and Urban Development with any policy relating to the funding of the Section 23, Leased Housing Program when it established a formula for the conventional program in December 1972; and

Whereas, the Authority has repeatedly sought a formal policy statement from HUD since that date with no success; and

Whereas, the Local Authority can no longer continue to exist financially without operating subsidy held up since April 1st, the beginning of its fiscal year, and is forced to submit an operating budget without being provided with any formal policy; and

Whereas, it has been advised verbally that TOMB has ordered HUD to accept no budgets calling for any increases over last year for the Leased Program and it is expected to offset increased costs by reducing the number of units and thereby increasing the basic annual contribution per unit within the constraints of the flexible formula and without exceeding the total basic annual contribution; and

Whereas, such arrogance of power ignores legislative and contractual obligations of the Government and fails to accept responsibility for:

1. Acceleration of private rentals demanded for renewals due to removal of rent ceilings.
2. Impact of wage rate increases HUD must mandate July 1, and other inflationary cost increases.
3. Escalation clauses for taxes in HUD approved long-term leases for elderly.
4. Payment of $120.00 a unit a year special family subsidy provided in the Housing Act.
5. Major reduction in income caused by three Brooke amendments.
6. Need to adjust subsidies reflecting rent and construction values going back over five years; and

Whereas, said policy demonstrates a cynical insensitivity to the housing needs of the poor and elderly and directly contradicts the President's Watergate speech wherein he made a commitment "of generous help to those unable to work"; and

Whereas, at least 50% of the available units in the Housing Authority Leasing Program are occupied by the elderly and the two additional elderly projects under construction totaling 114 units will increase this figure to over 60% elderly population; and

Whereas, enforcement of the trade-off policy will require the Housing Authority to reduce its program by at least 216 units, many of which are occupied by elderly, will not permit it to renew most of its current leases that are currently expiring thereby forcing a wholesale eviction of the elderly and families with fatherless small children with no place to go in a merciless private housing market; and

Whereas, this policy will leave us with no resource for relocation of terminated leases and slam the door forever in the face of the 3000 eligible low-income families on the waiting list (1000 of whom are elderly);

Now, therefore, be it resolved, that the Authority's budget for the fiscal year 1974 is being submitted under protest as not being representative of need or representative of a realistic estimate of prudent expenditures required to carry out the Authority's contractual and legislative obligations.

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## RETIREMENT OF DILLON GRAHAM

### HON. PHIL M. LANDRUM

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, May 24, 1973*

Mr. LANDRUM. Mr. Speaker, on May 31 past, Mr. Dillon Graham retired officially after 44 years of continuous and distinguished service with the Associated Press, the last 25 years of which were spent here as a Capitol correspondent.

During his outstanding career in the journalism field, the name of Dillon Graham has become synonymous with reliable reporting. He was dedicated to truth, to the accuracy of his facts; but as well, he maintained a keen awareness of and a great respect for people. He knew real friendship, and he bestowed friendship unselfishly.

Certainly Dillon Graham is a credit to his profession. He was a good reporter, and he is a good man. I liked him. Of no man can I say more.

Dillon Graham has earned and deserves a rest. I wish for him the very best always and many, many years of happy retirement.

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## OEO PROGRAM REFORM

### HON. WILLIAM L. DICKINSON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. DICKINSON. Mr. Speaker, I am pleased to join my colleagues in an effort to point out the need to reform OEO programs and do away with those programs which do not work but are a burden on the public. I certainly would not want to be accused of opposing the authorization of funds for programs to upgrade the conditions of the poor in this country who, because of fate and circumstance of birth, cannot help themselves; however, I strongly oppose throwing away the hard-earned money of taxpayers—through misfeasance or malfeasance or for any other reason.

As a result of constituents' complaints, I have had occasion to look into several incidents involving OEO-funded offices in my district. In each case where investigations have been completed and reports received, there is evidence of either misfeasance, malfeasance or mismanagement of funds. I submit, Mr. Speaker, that we are not helping the poor and underprivileged in cases such as this, rather we are allowing a few individuals to get fat at the expense of the poor and the middle-income taxpayer or we are encouraging people to get on welfare instead of getting off welfare.

In June of 1969, I was asked by a number of my constituents to request an investigation into the activities of Tri-County Area 22, Inc., in Greenville, Ala., with reference to difficulties in personnel management and misuse of funds. In its subsequent investigation, OEO found the board of directors was improperly constituted, showed an unwillingness to insure sufficient involvement of the poor in the operation of community action programs, failed to provide stable direction and minimum standards of administration of its OEO-funded programs and appointed an acting executive director in spite of a potential conflict of interest and violation of OEO policy in the assignment. OEO also found questionable accounting standards and procedures and certain internal control deficiencies in the emergency food and medical program. As a result of the investigation, OEO defunded the emergency food and medical program and eventually withdrew recognition of "Tri-County" as a CAP agency. You may argue that OEO cleaned its own house in this case, but the housekeeping bill presented to the taxpayers could well have been avoided if the agency had been properly supervised. These are not my opinions and conclusions but those of OEO.

In January of 1970, due to a number of complaints I requested GAO to make an independent investigation of the Little River Community Action Corp. in Daphne, Ala., a grantee of the Office of Economic Opportunity. A report by the General Accounting Office revealed mismanagement of programs and misuse of funds in several instances. Travel expenses paid to the former executive director in the amount of $4,150 were questionable in all cases due to insufficient supporting documentation. I do not mean to say the travel was not done or the reimbursements were illegal. She just wrote on a blank piece of paper "Trip to blank, $x$ miles at $x$ cents per mile" and approved the voucher herself. The former Executive Director leased land to the corporation for 1 year, used employees of the corporation to improve the property and then took the property back the next year. The corporation spent $16,800 of EOE grant funds—about $9,400 more than authorized—for constructing three tennis courts, repairing an existing court, and purchasing athletic equipment. The courts were supposed to provide recreation for the underprivileged. They had about as much use for three tennis courts as a hog has a sidesaddle. Only one of the four courts was used and that was not being used by the poor people for which it was constructed. Also, about $1,175 worth of the athletic equipment supposedly procured could not be located. The corporation did not develop adequate outreach programs for contacting potential participants in its commodity distribution program and 21 of the enrollees in its Head Start program were from families whose reported incomes were above the poverty guidelines, while only 10 children were permitted under OEO requirements to be from such families. As if all that were not enough, there is an additional example of mismanagement which has not been totally cleared up to this day. In September of 1967, the corporation initiated a project for the construction of a barge for use as a ferry to serve the poor in an isolated area of the county. The project was to have been completed in 45 days and the barge was to have cost $16,000. The corporation did not obtain the required written OEO approval for the project and did not obtain competitive bids for construction of the barge. When placed on notice that the contractor was not performing satisfactorily, the corporation did not take actions to obtain timely completion of the barge and initiation of the ferry service. Construction on the barge was not completed until September of 1970—3 years after initiation of the project—and to my knowledge, the ferry is still not in actual operation due to further complications.

Rather than costing $16,000, the project cost $39,000—more than double the original estimate—due solely to ineffective and inefficient management. Since the investigation, OEO has taken action which has apparently improved the services and management at Little River. Nevertheless, the fact remains that mismanagement and misappropriation of funds has robbed the poor people of that community of programs which could have fulfilled many of their needs—needs which OEO was designed to meet. We are asking the American public to fund OEO so those needs can be met, and yet, we do not take appropriate action to insure that the purposes of OEO are fulfilled.

In September of 1970, I was asked by another constituent to request an investigation of activities of the Montgomery Comunity Action Agency and particularly its delegate agency, Health Services, Inc. The investigation by GAO revealed that certain payments in the amount of $5,500 for accounting services were charged to the program year prior to the one in which the services were rendered and inventory record cards for medical items stored in a converted warehouse were not being maintained. GAO was not able to account for 55 of 88 equipment items received from a Job Corps Center. An OEO audit report of the corporation's OEO-funded activities dated April 6, 1970, revealed that Government vehicles were being used by employees of the corporation and the delegate agency—Health Services, Inc.—for unauthorized transportation to and from their homes and that usage logs were not maintained on the vehicles. The report stated that they checked 2,941 payments by Health Services, Inc., to private pharmacies for prescriptions, and that of those checked, 429 prescriptions erroneously included a professional fee on drugs not requiring a doctor's prescription. That is, for a bottle of aspirin selling for 15c retail, a pharmacy would charge $1.50 professional fee for filling the prescription—thus making a $1.57 profit on a 15-cent item. Also, in some instances, pharmacies had refilled prescriptions a greater number of times than specified by Health Services, Inc., physicians. Furthermore, Health Services, Inc., had not employed enough full-time physicians to completely staff its health clinic and the resultant use of part-time physicians was more costly than employing the necessary number of full-time physicians. Once again, lack of proper supervision allowed mismanagement and misuse of funds creating an unnecessary financial burden to be borne by the taxpayers without benefiting the poor.

Mr. Speaker, the administration has tried to perform a great service to the American people by dismantling OEO and putting its workable programs in other agencies. I believe that we should support these efforts in order to cut out the deadwood and be able to adequately fund the successful programs.

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## ELKIN, N.C., KIWANIS CLUB CELEBRATES 50TH ANNIVERSARY

### HON. WILMER MIZELL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. MIZELL. Mr. Speaker, every Member of Congress, indeed every holder of public office, knows that public service is the most enriching and ennobling pursuit of men.

We have chosen public service as a full-time career, and while it requires of us sizable contributions of time and energy and effort, these investments are profited by the deep sense of satisfaction that comes with seeing the people's needs met, their opportunities expanded, their will obeyed.

But there are those who are equally committed to public service, though in a private capacity. Among the most active of these groups is Kiwanis International, and among the most active chapters of Kiwanis is the Elkin N.C., chapter which recently celebrated its 50th anniversary.

The Elkin Jaycees have proven their dedication to community service time and again over the last half century. Their reward has been found in the progress of their community. Their rewards have been great, because their goals and their efforts have been great as well.

Their future pursuits in the next half century and beyond, will, I am sure, prove equally successful, for I have seen, and continue to see, demonstrations of ability and talent and willingness to work abound in the membership of that Kiwanis chapter.

Eight men have been active in the Elkin chapter since its creation 50 years ago, and they were recently honored by their fellow club members.

These men are W. Marion Allen, J. Henry Beeson, Albert O. Bryan, Hardin C. Graham, Roy B. Harrell, Harvey F. Laffoon, George E. Royall, and Richard G. Smith, Sr.

I am sure my colleagues join me in commending these gentlemen for their long years of service, and their fellow club members for their work as well.

For their past accomplishments, they have my congratulations. For their future projects, they have my encouragement, my support, and my best wishes for continued success.

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## WEST ORANGE, N.J., "MAYBE" PROGRAM

### HON. JOSEPH G. MINISH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. MINISH. Mr. Speaker, too often today juveniles who run afoul of the law are treated as common criminals with little or no attempt made to counsel or understand the youthful offender's problems. There is precious little effort expended by the "establishment" or the "over 30" group to involve themselves constructively with the effective rehabilitation of troubled youngsters.

A commendable exception to this general rule exists in my hometown of West Orange, N.J. With the assistance of Federal funds, and through the State Law Enforcement Planning Agency, West Orange for the past 2 years has developed and operated the MAYBE—Many Aiding Youth By Experience—project.

Through MAYBE, West Orange has established an effective counseling, referral, and family assistance program for juvenile offenders. The project recognizes that these young people should not and must not be considered a hopeless cause. Rather, with proper treatment, and even more important, with a genuine concern on the part of the community at large, they can be directed toward a life of real value to society.

The program has also developed paraprofessional training for juvenile aid officers and human relations training for police personnel. Moreover, a youth council has been established to determine recreational and other needs of West Orange youth.

I commend the citizens and leadership of West Orange for their involvement and attention to the needs of youngsters. In particular, congratulations are due to West Orange Police Director Harry Benson for his untiring efforts in behalf of the MAYBE program and the town of West Orange.

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## HOT DOG CONTROVERSY

### HON. CHARLES E. CHAMBERLAIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. CHAMBERLAIN. Mr. Speaker, contending that the Federal Wholesome Meat Act was not designed to abridge the rights of individual States to exceed Federal meat standards, the Michigan Farmer has published an editorial concerning Michigan's efforts to promote high meat standards for ingredients in hot dogs, sausages, and similar comminuted meat products.

The subcommittee on Livestock and Grains has scheduled hearings on this issue for July 10, and the other body has scheduled hearings for June 14. The entire Michigan delegation has urged hearings on this controversial issue, and, in view of widespread consumer interest, I enter the editorial into the RECORD so that others may be aware of the complexity of this issue:

HOT DOG CONTROVERSY BACK IN CONGRESS

(By Dayton Matlick)

The U.S. Supreme Court, in effect, has tossed the Michigan hot dog controversy right back into the lap of Congress, where it originated.

For over three years, Michigan state government and many consumer groups have been battling to protect Michigan's right to impose higher standards for hot dogs, sausage, and other comminuted meats than those set by the federal government. The battle seesawed back and forth with Michigan winning the first round with Hormel, Wilson, and Armour Packing Companies at the U.S. District Court level. This was overturned by the U.S. Court of Appeals last October. The recent refusal by the U.S. Supreme Court to hear appeals in the case brought that phase of the long fight to a close . . . temporarily.

From the Appeals Court's standpoint the situation was fairly straightforward. The Federal Wholsome Meat Act, as amended in 1967, contains a statement which provides: "Marking, labeling, packaging, or ingredient requirements in addition to, or different than, those made under this chapter may not be imposed by any state . . . with respect to articles prepared at any (federally-inspected) establishment . . ."

Although many statements occur in the Congressional Record where Congressmen have gone on record that it was not the intent of Congress that federal standards for meat be both the minimum and maximum standards allowed, the Court of Appeals stuck to the exact word of the law in making its ruling.

### FEDERAL VS. STATE

A philosophical and social question involved is whether the Congress should, or in fact legally could, abridge the rights of states to exceed federally set standards of any kind. This question was not addressed by any of the court rulings.

By the nature of its structure, the federal government must act in certain instances to protect both consumers and interstate commerce. These actions should be aimed at improving existing conditions.

However, federal actions must be based on an average of all the states' and citizens' needs within this country. People, environment, problems, conditions, all vary between states—sometimes only slightly, sometimes drastically.

Federal laws should act to guarantee minimum standards necessary to protect the citizens of the nation. They should not, however, limit the rights of those same citizens to act within their individual states to improve their lot and the quality of their lives if they so need and desire.

To allow federal standards to act as a prohibition to self-help and state effort by acting as maximums as well as minimums is a travesty on the American governmental system, a mockery of the very traditions used to form these United States.

Three alternatives are left to the people of Michigan concerned with this crucial question from both the standpoint of the specific meat issue and the broader philosophical question.

### CHANGE MEAT LAW

The first and most important long-range alternative is to change the Federal Wholesome Meat Act wording so that it no longer prohibits states from imposing more stringent standards than those set by the USDA.

Michigan Congressmen have acted in this area by proposing two bills. The first was introduced into the House by William Ford and signed by 15 other Michigan Congressmen. The three names missing from H.R. 1752 are Conyers, Diggs, and McDonald. In the Senate, S. 991 was introduced by Senator William Griffin. These are very similar bills and would change the preemptive language of the amended Wholesome Meat Act.

The American Meat Institute strongly backed Hormel, Swift, and Armour in their court battles. Its involvement continues unabated. In a letter to its members dated May 17, 1973, the AMI stated, "The bills listed above (H.R. 1752, S. 991, and two others) and any others like them must be defeated."

Needless to say, the battle to get the Wholesome Meat Act amended will probably be long and hard. The AMI has proved to be a powerful and effective lobbying group. It is ironic that so few of Michigan members of AMI support its activities in this field.

### CHANGE STANDARDS

A second alternative would be to strive to upgrade the federal standards. This would be an even harder battle and would not provide an answer or commitment on the part of Congress to the important states rights question.

Early this year the USDA issued a proposal for upgrading the standards for frankfurters and sausages. This proposal included only two classes, one for skeletal meat and another that also allowed the addition of nonmeat binder material. After an interval for response from companies and the public, the USDA came out on March 13, 1973, with an entirely different proposal that outlined three grades for hot dogs, sausages, etc. The first would be cooked sausage made up primarily of skeletal muscle meat and up to 15 percent poultry meat. The second would allow an addition of up to 15 percent byproducts (stomachs, snouts, tripe, spleens, partially defatted tissue, etc.) The third would be either of the first two plus nonmeat binder materials, such as dried milk or soy flour.

The direction in which USDA was leaning in this area was evident in the way the more recent proposal was phrased. Factions supporting the first and third categories listed above as the sole standards were passed over in one sentence. The rest of the proposal was devoted to the opponents of that stand, mainly the AMI. Below are some of the statements that appeared in the USDA proposal and our reactions to those statements:

1. Statement: A ban on byproducts would increase the selling price of sausages. Fact: The Michigan Department of Agriculture did a study of hot dogs and sausages in Indiana, Illinois, Wisconsin, and Ohio. This study revealed that Michigan prices on products meeting the higher state standards were basically as low or lower than products made by the same companies for sale in other states, which contained such animal byproducts as tripe, beef lips, and pork stomachs.

2. Statement: Sausages containing nonskeletal meat products are nutritionally equivalent and not infrequently superior to similar products that contain only skeletal meat. Fact: The USDA proposal would allow the use of up to 15 percent partially defatted pork or beef tissue in two of the three categories proposed. Research data from several independent sources shows that partially defatted tissue is NOT as useful a protein source to the human body as is protein obtained from skeletal meat. Strange as it may seem, this is supported inadvertently by the division of the USDA responsible for making purchases for the nation's school lunch program. The Food and Nutrition Service states that partially defatted beef fatty tissue cannot be counted as part of the lean meat in a meat product and cannot count toward the meat requirement of the Type A school lunch.

3. Statement: Sausages with byproducts can be effectively identified with distinctive and specific labeling so that consumers can be quickly informed on the composition of competing products. Fact: The USDA proposal would allow use of either of two terms: "with byproducts" or "with variety meats." The term "with byproducts" is fairly straightforward. However, the phrase "variety meats" has no clearcut meaning for Michigan consumers. It is a trick phrase with no clear connotation and should be eliminated from consideration if byproduct-containing sausage products continue to be offered to the public. The only reason companies or the AMI would object to this simple change is if they, in fact, don't want consumers to notice what they are buying.

Special Note: One of the major arguments of the meat packers and AMI is that the Michigan standards are in restraint of trade. Fact: For over 20 years these same companies have been buying and processing animals in other states to create products which they label and in turn sell within the state to create products which they label and in turn sell within the state of Michigan. They have met Michigan's higher standards for years. Their main goal does not seem to be to eliminate a nonexisting trade barrier as much as it is to maximize profits at the cost of the quality of Michigan comminuted meat products.

In addition to eliminating higher Michigan standards for comminuted meats sold in interstate commerce, the new ruling may cause Michigan consumers to pay for an additional 10 percent of fat in their hamburger in the future!

### IMMEDIATE ALTERNATIVE

But what can be done now? There is a third alternative for people who don't want to eat the meat byproducts that Armour, Wilson, and Hormel Companies, along with the AMI, are trying to literally force down their throats. And that is to read the labels carefully on meat products before they are purchased. By refusing to buy products which list byproducts or "variety" meat in their contents consumers will be insuring some degree of control over the food their families will be eating.

Another factor to keep in mind is that the higher Michigan standards will still apply to all comminuted meat processed in Michigan plants for sale only in the State of Michigan.

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## FARMERS MUST HAVE PRIORITY IN FUEL SUPPLIES

## HON. VICTOR V. VEYSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 5, 1973*

Mr. VEYSEY. Mr. Speaker, I thank my colleague from California (Mr. KETCHUM), for affording us, through this special order, the opportunity to discuss a problem that poses dire consequences for all Americans.

With food prices already sharply on the upswing, and with the rest of the world experiencing poor crop production, any interruption in our domestic food production will surely put severe stress on every family's food budget, and will likely put even some of our most common foods out of reach.

And the shortage of energy, which has now come to fuel rationing for thousands of farmers in my district of California, is dead certain to interrupt our crop production, and thereby our food supply unless we reverse the situation sharply and decisively.

The problem is simple—we are using energy faster than we are developing it.

The answer can also be simply put—we must either stop using energy so freely, increase production levels, or employ a combination of both. And given the serious nature of our energy shortage—a combination of the two solutions would seem absolutely necessary.

During the past several weeks, I have received a flood of letters from farmers in my district, who are faced with the grim possibility of forfeiting up to half of their 1973 crop. Confusion and misinterpretation of the voluntary restrictions handed down by the Office of Oil and Gas has further compounded the problem. Some oil company executives, for example, have ordered each customer be limited to 85 percent of his fuel consumption during the previous calendar quarter. One of my constituents, faced with a letter from his distributor to this effect, informed me that he would have only 40 percent of the gasoline necessary to plant his crops. The reason, of course, is that farmers used only a fraction as much fuel in the winter months as they do during the planting, cultivating, and harvest times. In another major agricultural area within my district—the Palo Verde Valley, which borders Arizona and the Colorado River—a major oil company severed its agreement with a distributor, and some 40 farmers and their families were left with no fuel at all to plant their crops. With one stroke, a large share of the agriculture and the economic base of the entire valley was almost wiped out.

To the great credit of the oil company, though it no longer had business interests in the area, its officials, when notified of the problem, took great pains to find an alternate means to deliver fuel for those farmers and their families.

These cases are only two of literally thousands around the country—and the problem is not something that just cropped up—not at all.

Farmers throughout the Midwest felt the brunt of the energy shortage during the past several winters when they could not buy enough fuel to dry their corn crops.

And all spring, in that same part of the country, farmers have been faced with severely limited gasoline supplies. Their problem was worsened when wet weather held back planting for weeks, thus creating an unusually heavy demand for fuel when farmers could get into the fields.

All of these situations bear out the fact that American agriculture is extremely vulnerable to changes in the energy supply. And if there is anything that our farmers do not need now, it is another vulnerable spot. With uncertain labor conditions, with the age-old battle with the elements, with sky-high land taxes, with unstable prices and soaring production costs, and with financing becoming more and more difficult—today's farmer must have assurance that his fuel supply will not be cut off. It is the lifeblood of his profession.

I urge my colleagues to pursue a course of action which ends this threat to agriculture—not just to protect the farmer, but to protect our food supply and to keep the price of food within comfortable reach of all families.

Additionally, worldwide deficiency in agricultural production and our country's imbalance of payments make our agricultural wealth critically important to our national interests, both economically and politically.

And while our farmers go without fuel—neon lights splash advertising messages all night long throughout cities across the country, a million gasoline-thirsty, smog-billowing automobiles carry a million commuters to work in Los Angeles when 20,000 buses would do the job for 5 percent of the cost in terms of both fuel and pollution. Pilot lights burn night and day in homes across the Nation, and we immerse ourselves in electronic gadgets—toothbrushes, hot combs, hair curlers, shoeshiners, razors, car windows, swinging doors—there is no end to the list, and we discover a raft of new gadgets every day.

Mr. Speaker, I submit that agricultural production must take top priority in line for our limited energy supply. No farmer should be forced to forgo planting one crop, one field, or even one row, while we continue satiating our desires for luxuries and indulgences. In the same vein which we must slow down our waste of energy, we must move to develop our supply. We must encourage greater exploration and development of those energy sources which we are now using. That means increased oil and natural gas exploration, more coalfield development, an easing of import regulations, and development of pipelines. How do we do these things and protect the environment? We use commonsense, value judgment, and the best application science can develop, and we end our obedience and our Pavlovian reaction to emotional arguments and campaigns.

Only then can we meet the energy challenge in a way compatible with both our way of life and the preservation of our environment.

## JOHN E. SWEARINGEN

### HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. RHODES. Mr. Speaker, on May 26 my son, Tom, was graduated from Cumberland Law School of Samford University in Birmingham, Ala. As you can know, this was an event of major interest and importance to the Rhodes family; it was made even more so by the outstandingly fine commencement address given by Mr. John E. Swearingen, chairman of Standard Oil Co.—Indiana. Mr. Swearingen's remarks were pertinent and appropriate, both to the occasion and the times—and certainly thought provoking. It was a privilege to have heard them—and it is a pleasure to share them with my colleagues:

#### REMARKS BY JOHN E. SWEARINGEN

Let me say first that I come to this platform with somewhat mixed emotions. While it is an honor to be asked to take part in such an event, I am aware that I stand here representing the final hurdle in an academic steeplechase the graduating class has been running since its members were six years old.

The parents are primarily interested in seeing formal recognition of success in an undertaking in which they have invested a good deal of time and money over the years; the graduates are properly impatient to get on with their affairs; and the fancies of the faculty are already turning to the next wave of students.

In such circumstances, the First Commandment to the speaker is "Thou Shall Be Brief," and I intend to abide by that injunction. In the time which is available, I would like to offer some observations on our collective future.

As we move into the closing decades of the 20th Century, there is a great deal of speculation as to the directions our society is taking and where we are likely to wind up 25 years from now.

Sooner or later, any such speculation gets down to the question of economic growth, since that is a key determinant of the rate of change which is possible in a modern society. Depending on the scale and direction of economic activity, a society has the means to progress, or faces the necessity of stagnation or decline.

There is a tendency to take up extreme positions on the issue of economic growth. On one hand, we have the Utopians, who seem to think that growth can solve all of our problems here and now. At the other extreme, we have the Cassandras who warn that continued growth will lead straight to destruction. Both positions are dangerous—one because it fosters unreasonable expectations, and the other because it breeds a mood of fatalism and resignation.

Nevertheless, these attitudes exist and must be contended with. On the assumption that a rational course is most likely to fall between the extremes, a brief examination of each of the polar positions might be helpful in shedding some light on the real alternatives open to us. Of necessity, these observations will be overly-simplified in many respects; but so are some of the views of the extremists.

Let us take the Utopians first. Like all of their breed, the modern Utopians at least have the virtues of hope and optimism. Economic utopianism in our era goes back to the destruction by technology of the Malthusian theory that the gains of economic growth would be wiped out by population growth. Once technological innovation had demonstrated the falsity of this theory, it was possible to leap to the conclusion that all bonds of economic restraint had been broken and that the sky was the limit.

Unfortunately, this conclusion ignores the first law of economics, which states: "There is no such thing as a free lunch." Even in the midst of our relative abundance, we cannot lose sight of the fact that no society can consume more than it creates. This is just as true in a modern industrial nation as it is within a band of Maori tribesmen. Unfortunately, the fact that we must continue to pay our way, collectively as well as individually, is not so obvious in a society as complex as ours, and it becomes possible for many people to conclude that we are somehow so advanced that such basic limitations no longer apply in our case.

In political hands, this utopian vision has created a tremendous amount of damage. It has led to promises to eliminate poverty, rebuild our cities, eliminate pollution, and to work a series of other miracles that even the most productive economy in the world could not afford to do overnight, even if it knew how—which in many respects we do not.

All this has led to two major undesirable results. First, the expectations of various groups have been raised to such unrealistically high levels that even genuine progress toward such objectives is dismissed as totally inadequate, creating a climate of widespread dissatisfaction which is dangerous in a democratic society. The second unpleasant outcome has been a major contribution to an unending series of federal deficits, leading to accelerating inflation, loss of confidence in the dollar abroad, devaluation, and the ungluing of the international monetary system under which we had been operating since World War II.

So much for the Utopians. Now, let us turn to the Cassandras at the other end of the spectrum. Unlike the Utopians, who expect more from economic growth than it can deliver, this group argues that growth itself contains the seeds of our destruction.

In recent years it has become fashionable in many quarters to take a cynical and pessimistic view of the prospects for mankind. Negative attitudes about what lies ahead extend from students in our colleges and universities to eminent scientists, educators, and political figures. Many of you are no doubt aware of the activities of the Club of Rome, an international organization of scientists, industrialists, economists, sociologists, and educators concerned over "The Predicament of Mankind."

According to a recent report entitled "Limits to Growth" sponsored by the Club of

Rome, we must stop the growth of capital investment as well as of population because a computer study has indicated that the highest possible standard of living the planet can afford is one that stagnates at half the level found today in North America, and that this unsatisfactory living standard should be shared equally among a stabilized world population. If we don't, the consequence will be the total collapse of society.

It is worth noting that ideas that we must deliberately halt growth and accept a reduction in living standards as the price of survival are a good deal more prevalent in well-to-do and intellectual circles than they are in the slums and other areas of underprivilege. A lot of people have become mesmerized by the supposed "affluence" in the United States. Yet the median family income, after taxes, is only some $11,000 a year. For the great majority of families we simply are not all that affluent at current U.S. price levels, and for most of these people the only real hope of improving their way of life lies in continued economic growth.

Let us assume, as I think we must, that economic growth is desirable and that a freeze or cutback would have extremely painful consequences for people everywhere. Any declines in economic activity in the advanced countries would be translated immediately into declines in the so-called third world, whose chief assets are raw materials which only have value if they can be sold to the industrialized nations.

Whether or not it may be desirable, the question remains as to whether or not continued growth is possible. The computer study I referred to earlier concludes it is not. Briefly, the conclusion goes something like this: Various trends affect life on earth—population growth, pollution generation, depletion of natural resources, food production, and industrial output.

Some of the trends, such as population growth and pollution generation, tend to be exponential—they increase by multiplying rather than merely adding increments—and exponential growth may start slowly but soon reaches a staggering rate. As a result, these exponential projections yield horrendous results if current trends continue. Some time before the end of the next century, according to the computer printouts, the world system will reach a point where population can no longer be supported by existing resources, and catastrophic population decline is the projected result.

This gloomy prognosis has been highly publicized. It has been greeted with despair in some quarters, and challenged in others. Common sense would seem to tell us that there is some merit in the warnings. It would certainly seem that today's accelerating pace of world economic growth will have to run into shortages of supply in some particular items at some point in time.

The problem is that futurologists have always been trying to figure out what and where these would be and have always been wrong. Plotting exponential growth against the elasticities of supply assumed within *known* technology leads inevitably to forecasts of disaster.

Yet, the record shows that raw material supplies can also be increased at an exponential rate. It is quite possible that anticipated breakthroughs to fusion and harnessed solar power will enable us to extract minerals from rocks and start to put matter together molecule by molecule. In regard to food, such relatively foreseeable new technologies as turning agriculture from its present inefficient reliance on unharnessed sunpower, substituting sea farming for fish hunting, and the like, will sharply raise the supply ceiling.

Skeptics have pointed out other limitations. The world model used in the study does not seem to take into account the economic fact that as resources become scarce their prices go up and people are motivated to find substitutes or to do without. Moreover, there are forms of economic growth that need not waste resources or generate a lot of pollution. Increases in computer or communications capacity, for example, might result in dramatic increases in economic growth without such offsetting disabilities.

Still another consideration is the fact that human beings are capable of making value judgments that alter their behavior. Although the computer can only prescribe an absolute halt to growth as a remedy to the catastrophe the printout foresees, another approach is possible; selective growth that permits human survival and the continued functioning of economic life, but leads eventually to less waste and pollution and perhaps ultimately to a stage of equilibrium. While growth may be suicidal, the human race—collectively—is not.

In pointing out some of the weaknesses ascribed to the computer approach, I do not wish to belittle these efforts in any way. There is general agreement that they have helped to call attention to some serious potential problems which need to be faced, and sooner rather than later.

However, there are several other objections which can be raised to the doomsday approach—aside from any technical or conceptual limitations in the world model on which it is based. The first, to which I have already alluded, is that scaring people out of their wits with dire predictions is apt to have undesirable side effects. The effect on the layman is likely to be to create an attitude of resignation to the inevitable, when what would seem to be called for are determined actions to forestall any approaching calamities.

At the same time, the magnitude of the disasters being outlined provides a breeding ground for drastic measures proposed by more excitable elements—some of which could prove to be either irrelevant or positively harmful. Overkill is no substitute for reasoned advocacy, and until we have a more reliable measure of what may lie ahead we had better proceed with caution.

A further objection is that the doomsday approach tends to cast science and technology as villains in the piece, whereas they are actually likely to be our major hope for solutions. Living creatures have survived and evolved on this planet over a period of several billions of years, but it is only in recent years that we have seen any perceptible expansion of human freedom or improvement in the human condition—and most of this is directly attributable to technology.

In a major study of the progress of technological societies a few years ago, the authors concluded: "Without its progress since the 19th Century, most men alive today would not have been born; those alive would have been sentenced to disease, filth, and even greater misery than exists in the world today. We are in better shape because of it."

This is not to say that some reappraisals of our directions are not in order. What has to be developed is a technology higher in social benefits and lower in social costs. We are going to have to develop new standards of measurement of the impact of technological change, and there is a pressing need to bring about a more rational balance between the frequently contradictory demands of economic growth and environmental preservation. There is growing recognition that we need to devote greater attention to the quality of life, rather than merely the quantitative and material aspects. As I have noted, however, the foundation of progress in any of these areas will have to be economic growth.

For my part, let me say that I see no compelling reasons why a workable balance between growth and our other objectives cannot be attained. We are already making great strides toward the goal of cleaning up our air and water. The widely-heralded "Population Bomb" appears in the process of being defused, with birth rates declining both in the United States and in many of the "Third World" nations where it is the greatest problem. We are on the verge of developing abundant new sources of clean energy. Scarce natural materials are being replaced by plastics and other substitutes developed in the laboratory. Recycling of materials is in its infancy. Synthetic food elements are already a reality, and will come into increasing use. We are at last getting firsthand knowledge of our solar system and a better understanding of the natural forces affecting life on earth.

In short, if they exercise their options wisely, there is no good reason why the next generation and those which follow should not have prospects as promising as any which have preceded.

Let me close with a final word of admonition to the Class of 1973. Don't sell America short. Over the past ten years or so, we have seen a relentless attack on American values by a vocal group of home-grown critics who can't find anything right in the United States or anything wrong in such Edens as Castro's Cuba, Mao's China, Brezhnev's Russia, or Nkrumah's Ghana. In a pattern of systematic and fraudulent misrepresentation, we have been told that America is "fascist," that it is "genocidal," and that we wallow in "materialistic corruption," that democracy is a "fraud," and a lot of other lunacies.

The lunacy of such propositions can be demonstrated merely by looking around the real world. No other nation in history has given personal and economic freedom to its members on such a scale. If achieving a high level of material comfort is a crime, it is a crime most other countries appear desperately eager to commit.

This nation is currently caught up in a wave of outrage over the developments unfolding in Washington. Some of the basic freedoms that appear to have been violated trace back to those won at Runnymede 800 years ago in the form of the Magna Carta—and which have had to be defended ever since.

Nevertheless, the constitutional system of checks and balances seems to be alive and well. A free press, the grand jury process, congressional inquiry, and the judicial system are busy untangling the knots. Moreover, to the fullest extent permitted by law, the proceedings are taking place in public view, while the details are being reported worldwide with a degree of candor other nations find hard to believe, and few would dare to emulate. By any measure, it is a conspicuous example of the democratic process at work.

Whatever its defects, this legacy has served us well for nearly two centuries, and, as its inheritors, it is one of your principal challenges to see that its essential elements are preserved.

You've been given the tools. Now get on with the job.

Thank you, and good luck.

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## NO PHANTOM JETS FOR THE ARABS

### HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. LEHMAN. Mr. Speaker, the U.S. Government is about to approve the sale of high-performance F-4 Phantom jets to Saudi Arabia.

While a case could be made for keeping this oil-rich Arab monarchy happy with sophisticated new aircraft, it is not at all clear why we must provide Saudi Arabia with Phantoms.

From their airfield at Tabuk in Saudi Arabia, Arab F-4's could reach any target in Israel and return to base.

In addition, Saudi Arabia may well follow the pattern set by Libya and Iraq, and transfer these planes to more threatening positions in Egypt.

Providing Phantoms to Saudi Arabia will definitely threaten the stability of the Middle East.

If we must offer planes to the Arabs, then let them be planes which pose a far lesser threat to Israel.

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## THE 20TH DISTRICT COMMUNITY CONFERENCE CHALLENGES THE NIXON BUDGET AND PRIORITIES

## HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Ms. ABZUG. Mr. Speaker, on May 5 more than 800 people from my district and other parts of the city attended the very successful and stimulating New 20th Congressional District Community Conference, which I sponsored together with more than 250 public officials and community organizations.

Held at Columbia University's Ferris Booth Hall, the all-day conference was called to formulate fightback plans against President Nixon's proposed budget cuts that would cripple or destroy 30 years of programs for health, education, jobs, housing, minority groups, and senior citizens. Special emphasis was placed on how the budget cuts affect residents and ongoing programs in the 20th Congressional District.

Fifty social and political activists participated in leading workshop sessions in the morning and afternoon. A midday plenary session, on the topic "Developing a Counterbudget for Human Needs," heard outstanding addresses by Congressman John Conyers of Michigan and Betty Furness, New York City's very able Commissioner of Consumer Affairs.

The panelists met in the morning under the heading "Community Activists Speak Out: What the 20th Congressional District Needs, How Citizens Can Organize To Meet the Needs," and in the afternoon under the title "The Citizens Act: Federal Legislation To Meet Community Needs."

Workshop subjects included the environment, health, housing, the elderly, jobs, women's issues, education, and consumers and runaway prices. Among those participating in the panel discussions were Jack Conway, president, Common Cause; Jody Byrne, Coalition for Clean Air; Jerome Kretchmer, former NYC Environmental Protection Administrator; NYC Deputy Consumer Commissioner Henry Stern; Eileen Hoates of Consumer Assembly; Florence Rice, Harlem Consumer Education Council; Dr. George Wiley, Movement for Economic Justice; Ana Dumois, Community Health Institute; Nancy LeBlanc, MFY Legal Services; Susan Hodges, West Side Tenants Union; Elizabeth Trebony, director, Project Find; Amalia Betanzos, Commissioner, Youth Services Agency; Irene Davall, Feminist Party; Dee Alpert, NOW; Andrew Donaldson, superintendent, school district 9; Sumner Rosen, Institure for Public Administration; Walter Newburgher, National Council of Senior Citizens; Howard D. Samuel, vice president, Amalgamated Clothing Workers; David Selden, president, American Federation of Teachers; Richard Warden, UAW national legislation department; and Dick Johnson, majority counsel, Senate Subcommittee on Employment and Manpower.

I would like to convey my thanks once again to all of them, and to the following list of panelists and sponsors.

Detailed summaries of the workshop discussion and recommendations are available on request from my district office at 252 Seventh Avenue. New York 10001.

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We wish to express our thanks to Mr. Arthur Carlisle and the office of Public Affairs of Columbia University for their generous help in arranging for the Conference.

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## GRAND JURY REFORM ACT OF 1973

## HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. EILBERG. Mr. Speaker, I am today introducing legislation which will substantially revise the operation of Federal grand juries.

The fifth amendment to the U.S. Constitution provides that an individual shall not be prosecuted for a serious crime unless he has first been indicted by a grand jury. The historical purpose of this provision is to insure: That persons are not arbitrarily tried for a crime when there is no reasonable basis for believing they are guilty of such crime; and that those who are brought to trial are adequately informed of the charges against them. In other words, the grand jury was intended as a buffer between the individual and the state, or as some have suggested, a barrier between the unpopular advocate and the zealous prosecutor in order to prevent oppressive prosecutions.

It is evident today that the Federal grand jury has drastically departed from this historical role and has gradually been transformed into an investigative arm of law enforcement. On some occasions, the grand jury has been used by prosecutors as a convenient tool for surveillance, intelligence-gathering, or the pretrial discovery of evidence. It is quite apparent that this modern-day usage of the grand jury is in direct conflict with its constitutional purpose.

Furthermore, the grand jury was originally designed as an independent, autonomous body with extensive powers to enable it to perform the dual function of checking an overeager and aggressive prosecutor, and at the same time, initiate their own investigation when the prosecutor was not aggressive enough. Quite the opposite is true today, however, and most grand juries are totally dominated by the governmental prosecutor. This is supported by a study conducted several years ago which indicated that less than 5 percent of grand jury investigations are self-initiated. This has led to the criticism by many commentators that grand juries are merely rubber stamps of the U.S. attorneys' office. In fact, one Federal judge with over 32 years of trial experience recently observed—

> This great institution of the past has long ceased to be the guardian of the people for which purpose it was created at Runnymede. Today it is but a convenient tool for the prosecutor—too often used solely for publicity. Any experienced prosecutor will admit that he can indict anybody at any time for almost anything before any grand jury.

Furthermore, on March 13, 1973, my subcommittee held hearings on the "Fort Worth Five" in an effort to determine the propriety of the venue of a Texas grand jury investigation before which these five individuals were called to testify. These hearings raised serious questions in my mind as to the present operation of grand juries and the great potentiality for abuses of this institution.

The grand jury is almost completely a creature of common law and there is a paucity of Federal laws relating to it. For example, from 1789 until the present time Congress has made no definitive and comprehensive statement as to the powers and duties of grand juries as well as the rights of witnesses who testify before grand juries. Federal statutes are likewise silent on the relationship which is to exist between the grand jury and the district court which summoned it, U.S. attorney's office in the district, and the Justice Department in Washington. Furthermore, there have been no efforts to clarify what rights are possessed by the grand jury in the event it desires to pursue an inquiry or investigation not suggested or approved by the U.S. attorney. The absence of congressional action in this area has led to the view, held by some individuals, that the grand jury is a venerable and inviolable institution.

However, Trial magazine recently editorialized that—

> The changing times make it necessary that the bench and the bar initiate a national study of the archaic grand jury system and give its recommendations to both the Congress and the state legislatures for prompt action.

I fully recognize the need for such studies and I am pleased that the Judicial Conference is also engaged in a study of the Federal grand jury. I also recognize the need for an extensive congressional investigation of the Federal grand jury and my bill should be viewed only as a point of departure in this respect. The legislation that I have introduced embodies many of the criticisms and recommendations which have been made by judges and legal scholars who have studied this institution, and Congress should certainly provide a forum for full discussion of these issues. We must not regard the grand jury as a sacrosanct body immune from congressional scrutiny.

While one can envision several more sweeping reforms of the grand jury, I have limited my proposal to those areas which are most susceptible to abuse and to those reforms which can be implemented without difficulty within the existing framework of the grand jury.

In summary, this proposal is designed to serve three primary purposes: First, to insure an independent and informed grand jury; second, to revitalize the protective function of the grand jury; and third, to provide witnesses with certain basic rights during their grand jury appearance.

At the same time this bill does not unduly interfere with the broad investigatory powers of grand juries nor does it obstruct the operation of the criminal justice system in bringing the guilty to justice.

While I do not intend to explain each of the provisions contained in this legislation, I would like to summarize several of the major sections of this bill. The first provision in the bill requires the district court while charging the grand jury to adequately inform every grand juror as to his role in the grand jury process.

These rights are presently provided by common law. Many judges, however, emphasize the obligations and duties of grand jurors but fail to inform them as to their rights and powers. This has the effect of discouraging active participation by the grand jurors; thereby leading to an investigation under the complete dominion of the U.S. attorney. By informing witnesses as to their right to call and interrogate as well as their right to request the production of certain evidence, hopefully grand jurors will become active participants rather than mere observers to the grand jury proceeding.

Another significant provision contained in this legislation would allow a grand jury to conduct an independent investigation if it so desires. Theoretically a grand jury presently has this power and may act on its own initiative. However, this power is rarely exercised and it is often unrealistic to expect a grand jury to proceed on its own without the assistance of private counsel. This bill, therefore, provides for the appointment of a special attorney, assistants, and investigators to assist the grand jury in the conduct of their investigation and authorizes funds for the appointment of such personnel. The legislation also stipulates that the special attorney may sign the indictment in lieu of the U.S. attorney. In addition to establishing the grand jury's independence from Government prosecutors, the bill eliminates any possibility of judicial interference by providing that the term of the grand jury may be extended upon the majority vote of its members that its investigation has not been completed and by authorizing an appeal to the chief judge of the circuit for an appropriate continuance order.

Perhaps the most significant part of the legislation is the provision which enumerates several basic rights applicable to grand jury witnesses. First of all, the bill provides for a period of 1 week between service of a subpena and the date of the witness' appearance before the grand jury. Furthermore, a witness is provided the right to have counsel with him—appointed counsel in the case of indigents—during his grand jury appearance. Moreover, a witness is required to be notified at the time of service of his subpena of: His right to counsel; his right against self-incrimination; and the subject matter of the grand jury investigation. The bill also requires that a witness be advised as to whether he is the target of the grand jury investigation at the time he is subpenaed.

Another provision in this bill is designed to address the issue which arose during our hearings on the "Fort Worth Five"; that is, the ability of a prospective witness to challenge a subpena to appear before a grand jury, if his appearance would create a substantial hardship. This legislation would provide a witness with the right to quash a grand jury subpena if a court finds that the venue of a particular grand jury would impose a substantial and unnecessary hardship on the witness or his family. The appearance of any person who has filed such a motion is stayed pending a decision on the motion by one of the following district courts: The district court which issued the subpena; the district court in which the person resides; or the district court in which the person is served with the subpena.

Section 3 of this legislation would revise the nature of the immunity which was authorized by the Organized Crime Control Act of 1970. As my colleagues will recall, that law authorized the grant of "use" immunity rather than "transactional" immunity. This type of immunity provides that the compelled testimony or any information directly or indirectly derived from such testimony shall not be used against the witness in any criminal case. Transactional immunity, on the other hand, which was superseded by the 1970 act, provided blanket immunity from prosecution for offenses to which the compelled testimony relates. Use immunity has now been in effect for almost 3 years and as we all know, it has engendered extensive discussion in recent months with respect to the Watergate investigation.

In this legislation I have proposed a total return to the transactional immunity concept. In my opinion, use immunity is an imperfect protection against a subsequent prosecution of a witness since it may be "tainted" by his compelled testimony, notwithstanding the Supreme Court's decision in Kastigar against United States which held that "use" immunity is coextensive with the fifth amendment right against self-incrimination. Although this decision imposes a heavy burden on the prosecution in establishing the independency of evidence which may be later used to prosecute an immunized witness, this often provides little consolation to the witness who is required to testify. Certainly it is time for Congress to reevaluate the immunity provisions of the 1970 act and I am hopeful that my bill will provide a vehicle for such a study. Furthermore, this section provides a 7-day period between issuance of an immunity grant and his appearance to present the compelled testimony and requires the witness to be adequately notified as to the nature and scope of the immunity grant.

Section 4 of the bill would reduce the maximum period of incarceration for civil contempt from 18 months to 6 months and clarifies that such period shall relate to any testimony or information requested concerning the same transaction or event. This will preclude the possibility of a U.S. attorney of the Department of Justice, after the expiration of the initial grand jury, to convene a subsequent grand jury and issue a new subpena to the same witness requiring the same testimony—potentially resulting in his indefinitive imprisonment.

The bill also provides that a person confined for civil contempt shall be admitted to bail unless it affirmatively appears to the court that his appeal is frivolous or dilatory. Under present law and procedures a person seeking to appeal an order denying bail bears the unreasonable burden of demonstrating that his appeal is not frivolous or taken for delay.

The last section of the bill would make it a criminal offense with certain exceptions for any person other than the witness or his counsel to disclose any information elicited, or matters occurring, before the grand jury. This proposal would be in addition to any powers the court presently possesses to punish a person for contempt in the event of an unauthorized disclosure. This is designed to preserve the secrecy of the grand jury proceeding and to prevent disclosures which may be harmful to persons who are investigated but not indicted by a grand jury.

While it is easy to disagree as to what modifications of the grand jury are necessary, it is apparent that some action by the Congress to reform the system is required. Few can argue that the potentiality for abuse of this institution and the concomitant threat to individual rights are great, indeed. Certainly this bill is just a beginning and I am hopeful that it will provide the impetus for a long, hard look at the grand jury system by the Congress.

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## "SAFETY LAST"—A BOOK EVERY MEMBER OF CONGRESS SHOULD READ

## HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. WOLFF. Mr. Speaker, most of us here fly home to our districts regularly. I wonder how many of us are really aware of how risky flying can be? I wonder how many of us realize how much we owe to the men and women who serve on these planes?

Capt. Brian Powers-Waters, a Long Island resident and commercial pilot, has written "Safety Last," a fascinating and revealing account of the sorry state of airline safety.

We can all agree that since airplanes are built, flown and directed by human beings, there must be mistakes occasionally. However, too often these mistakes are blamed on pilots when that is not the true case. Pilots do their very best, but too often they are not backed up by owners too concerned with profits, passengers too concerned with schedules and a Federal Aviation Administration which seems concerned with nothing.

"Safety Last" is an excellent analysis of how much safer flying could be if the FAA performed a role of greater commitment to safety. The potential for crashes always exists, but much more can be done to minimize that danger. Captain Power-Waters is to be commended for clearing up some of the confusion about who or what is to blame for the ever-increasing dangers in flying, and for his recommendations to deal with these dangers.

I commend this book to my colleagues and urge them to read it.

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## HERB KLEIN ADDRESS

## HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. KEMP. Mr. Speaker, Herb Klein, Director of Communications for the executive branch, addressed the National Press Club on March 26, 1973. The cogency and thoughtfulness of his remarks make them worthy of deliberation by each of my colleagues in the Congress.

The remarks follow:

REMARKS OF HERBERT G. KLEIN, THE NATIONAL PRESS CLUB, MARCH 26, 1973

President Don, President Warren, Helen, I thank you so much for that introduction from someone I respect so much in the news business.

Anyway, this is a sentimental day for me and I am pleased to be here with so many old friends, and pleased Warren that you have got all the past presidents here who were friends of mine over so many years and particularly to have Jim Haggerty and Tom Pownell and Al Neuharth and so many old friends. I am enjoying this much more than I suspect you are.

I would like to take a few minutes today—perhaps this is presumptive—to try to give you my view as to the relationship I see in problems for the government and problems for the press. As Don said in introducing the star of "Godspell", I don't intend to be here as God, but someone who would like to give you some views, as I see them, in trying to judge the situation as objectively as possible.

I would have to confess, first, that working for the President, I am an advocate for the President. As a newsman, I think I am a fair judge of news and fair judge of overall balance, and this has been my career.

So, what I would like to do today is talk a bit about some of the things I think we ought to look at as journalists with the calm judgment which is essential at this particular time in history.

Sometimes I have to say that I feel that the press looks at us in government as if they are using bifocal glasses in which one time they are looking at the lower part and sometimes the upper part with two different judgments. One hears a lot about the orchestration of the news through the White House itself. Yet, when individuals speak out, the question is: should they have a right to speak out as individuals or can you believe they weren't really orchestrated together to take the other point of view.

We feel in this Administration, and I feel personally, that individuals should have the right to speak out with their own views. I may disagree with them—I disagree with some things which Clay Whitehead said on the responsibility of the local station and monitoring. Perhaps I'll disagree with Charles Colson, whom you will hear later on this week, or maybe Pat Buchanan on what will happen on the networks. I respect their right to say what they think, and I am sure that they wouldn't agree with me on all issues.

Today when I read some things, which, to me, are much exaggerated, such as Dean Sayre's comment that this is the time of the most insidious threat to the press since Joe McCarthy, I wonder about this bifocal vision. Even my friend Ben Bradlee said just recently something to the effect that the First Amendment is under the greatest threat in our time. I believe that, on some occasions, the press becomes oversensitive and perhaps overalarmist in where we really are in terms of the relationship between government and press and how free the press really is.

I submit that the press is not intimidated, should not be, never will be. And, I would be the first to oppose it. I submit that we need less regulations, not more, and that is the policy I favor strongly. I submit that the press today, radio and broadcast as well, is in the most healthy condition it has been in in many, many years. Speaking economically, I read just the other day about a combination of radio, television, and newspaper in Fort Worth selling for $115 billion. Looking at the professionalism of reporters and editors today, it has never been higher. I look at the rapidity of communication, whether it be by radio, such as we are using here today; by television, by newspapers themselves and it is certain the American people today are getting more news, more accurate news, faster news than ever before in American history. It is a press which is unequaled in any other part of the world.

While I believe that the best protection for the press is for the press to fight for its rights—and I respect the press in doing this—I have done it and I will do it again. A statement that the press is about to lose in all parts of the free enterprise system and that the press and the First Amendment are in grave danger is over-exaggerated at this particular time. There is danger in complacency, but I see no complacency.

Many of you have been covering this scene much longer than I have. If you look back, over many, years the same charges have been made. The other day I was reading about the efforts by President Kennedy to remove Pulitzer Prize winner David Halberstam from Vietnam. And you recall the *Herald Tribune* incident. Probably a few of you here made accusations against Jim Haggerty himself when he was in the White House. Others have had troubles that they thought were sincere with President Johnson.

What I think we should look at—and with total perspective—is the fact that we are not centered in one particular moment or one particular time, but this is a matter of continuing vigilance or battle, and one which is healthy, between a free press and a free government. The best thing we do have is a constructive adversary relationship.

I don't suggest that there aren't serious problems, but I think that some of the problems are ones which are basically overlooked in the emotion of the moment. One which you are well aware of, of course, is the threat of subpoena in the courts themselves. The major threat thus far has been within the State courts, not the Federal courts. And the threat, while it can be seen in a partisan nature, is basically a result of decisions which have been made by Democratic appointed judges, as well as Republican appointed judges.

A very serious problem for broadcast today is the challenge on license renewal. This is particularly so in smaller stations where, if you don't have the legal ability and the funds to fight challenges continuously, it is a threat to the existence of the station. They are heard less but are more in peril. The problem of access to information is a continual one. In many ways I believe that, despite the complaints one way or the other, more information is available now than ever before. But, it is one which again will be present in the next Administration, as it was present in the past Administration.

Another threat is in the whole economics of the situation in both broadcast and newspapers. For example, proposals for counter-advertising are growing. Such counter-advertising could basically wipe-out free television as a commercial means. It would be detrimental to the public interest.

There is a need for reexamining the entire fairness doctrine in broadcasting. It is too limiting.

Getting to magazines and some of the smaller papers, the major threat again is economic, stemming from the cost and delivery of mails and matters of this kind which are rarely debated in journalistic society.

This is the time for thoughtfulness, it is a time for calmness; and, it is a time to look at the decisions which will have such major influence on communication in the future, thinking rationally, not emotionally.

When you look ahead to domestic satellites, which will allow us to communicate less expensively, more rapidly, and perhaps even more accurately, it will be revolutionary. Looking at the growth which is sure to come to cable television and at the regulations which will be worked out in perhaps the next year, for the short range and the long range future of cable, there is no question again that this takes thoughtful, calm consideration as to what is best for the American people, as well as what is best in the private communications field.

We should look ahead to factors involving productivity which we need to develop further in newspapers particularly, and in television as well. We need better use of modern equipment which is more available today. We need to consider the problem of overzealous unions which sometimes impose featherbedding in a way which holds back the growth of the industry itself. We need to have an overview of how you apply the best modern tools which are available to continue to be the leader in the world in the free communication of information to the people.

There has never been a time when there is more need for full communication from government. Because of the complex time in which we live, there has never been a time when the media has had a greater responsibility to comment fairly and with balance on what the problems are in the future negotiations with SALT, for example; on our relationships with the Soviet Union and China; on our domestic programs which are undergoing major revamping at this time. This is essential if the American people are to understand the problems, to make decisions at the polls and it is important that both government and press exert added effort to interpret these things fairly and balanced in all ways.

Looking at the positive side, the information ability of the departments of the government today is at the highest level that it has been—with better qualified personnel, with a higher quality of information coming out and with more exact and accurate information. This is helpful and constructive in our effort to keep the public informed.

Jim Haggerty would be among the first to agree with me, I am sure, that in a very difficult time you have a Press Secretary, Ron Ziegler, who I think performs well in professionally providing all the information possible that he can in his particular role and it is a very, very difficult role in this complex time of world negotiations.

If you look at the means the President has to communicate, I find that there is a diversity of views. Some people say the President is on television too much, some not enough. When I am out in the country, they say, "Why is the President having press conferences only in the Oval Room?" When I talk with Grant Dillman or Marvin Arrowsmith here they say, "I wish he wouldn't have so many televised press conferences."

You have a diversity of views and I think this is healthy. I can only say that the problem from the government standpoint is to communicate as accurately and as best we can and I would be the first to admit that sometimes errors are made.

For example, there are little things which have some significance if they were carried out widely—such as, the FBI pulling in Les Whitten. I think that some make mistakes like that and the question is where do you go in overall policy and where is the policy moving. I believe it is moving toward greater freedom despite contrary rhetoric.

Today, local press and local television across the country have greater recognition, more information for opinions than ever before because of the fact that they have access to the documents of government. In Washington we often measure * * * all only in the parameters of the capitol press corps.

This has been the first Administration which has had to administer the freedom of information law. I believe that the freedom of information law was a sound law; it works well in trying to get information out of government; and, if you look at your own record, with some notable exceptions, there have been fewer law suits to get information under this law than anyone would have predicted four years ago. I think it is working well; it is a sound document; and, it is one which helps the American people. The act should be protected and strengthened.

We hear a lot about the classification of materials, and, again, the government I have seen over the years has had too much classification. Material is over-classified by too many people. But, I would report to you at this time, that we are making major progress against over-classification. For example, there has been a 63 percent reduction of all authorized classifiers, exclusive of the CIA. It means we have gone from 48,000 people who could classify to 17,883. There has been a 71 percent reduction of authorized top secret classifiers, again exclusive of the CIA. In the CIA itself, top secret classifiers have been reduced by 81 percent.

One of the major strides under the John Eisenhower Commission which was supervising this is that we now have accountability by the departments to an executive branch of the government, accountability as to what they classify, how much they classify, and who is authorized to make those classifications. Accountability is important in the ability to get at the information of government.

Finally, I will give you just one statistic, and I could run through others which I think are moving forward rapidly in State, NSC, Defense Department, and others, but in these times since the Eisenhower Commission was started, 29 million pages now have been declassified from World War II. It is a tremendous task. There are 160 million more pages to be declassified.

The answer is to take the direction which dictates less classification in the future and to speed up the ability we have to declassify.

I am trying to look at both sides of the press situation. I would have to say that sometimes I think that despite the ability of the press to provide information, we find misimpression.

Currently, for example, it is "herd" theory to say that the battle with the Congress is a constitutional crisis or it is the battle over impoundment. Basically, as I see it, the picture which is not reaching the American public is that impoundment, for example, is not a new thing in government. During the Nixon Administration, the average of impounded funds has been 5.0 percent. During the Kennedy Administration it was 6.0 percent. During the last year of the Eisenhower Administration, is was 8.7 percent. And, during the Johnson Administration it was 5.4 percent.

The question I see when we discuss "the battle of the Congress," is that we believe we are talking about taxes and inflation; and we believe we are talking about responsibility for spending and whether or not the nation can afford to go beyond the limits of the budget which have been set.

Someone has to take that responsibility and the President has.

Let me give you one other picture which has been distorted. I have found that since returning from Hanoi most people I talk with ask me about the rubble of Hanoi. It is almost like I had been to Tokyo at the end of World War II or Berlin perhaps at that time. Yet, as you go into Hanoi, you find that it has damaged bridges, rail depots and a few other civilian areas, to a minor degree, which were hit by accidental bombing, but throughout the city you find French homes which were built 50 or more years ago, flowers, trees, people riding bicycles quietly through the streets as they go about their business.

So I believe that a major problem with the press is to make certain in any major situation such as this—one which will be debated in the Congress during the months ahead as to whether or not we should provide aid to North Vietnam—that we do a more accurate job of portraying what the facts of the situation really are, what the real picture of a city is. Check the facts versus what public opinion believes as a result of incomplete or inaccurate news reports.

Recently I found that there have been stories which have clarified this to some degree. There is very much of a danger today in trying to use words that make clever headlines, which catch time on radio or television—words such as "saturation bombing", "carpet bombing" which can only leave the impression that we went in, wiped out a city, and leveled it. This is no more than were the Ramsay Clark-Jane Fonda versions of how our prisoners felt.

Finally, I would like to talk briefly on where I think we should go and some of the problems that I see ahead.

I think it is essential that we work to improve the relationship between the press and government. I believe this can be done and will be done by rational discussions such as I see taking place in many meetings today.

I think that you will find during the next four years of this Administration, that there will be a continued press adversary relationship. I think that is healthy. On the other hand, I think you will find more press conferences, more information coming out of the departments.

Some changes in law are called for and I mentioned just three or four. The Freedom of Information Act, as I said, has worked well, and yet I believe that there is a need for some amendment to it to make it easier to administer, easier to understand from the press's point as well as the government's. We have a major need to change our laws on licensing of broadcasting. And the danger we have today is that people have confused what the law proposed by what the Administration says, and what was said in part and taken out of excerpts in a speech made by Mr. Whitehead. The law proposed is one which is sound, one which would lengthen the period of licensing, one which would make the station responsible to its local community on an increased basis. It is a law which I think deserves passage to provide greater freedom for broadcasters in the years ahead.

One of the amendments which has been for Congressional support is one which would also require stations to have set percentages of time on one program or another. I think this would be wrong—government should not regulate the percent of time, whether it be news, education, entertainment or whatever it might be. This would be a tragic error to add that to this particular bill. It would negate the value of the bill.

In another direction, I think there is a need within the industry itself to be more open in admitting when an error is made. More often than not, I find that an error is passed over very rapidly, with very little attention. Newspapers have increased their ability to admit error. Yet, rather than frankly saying, "We have made an error; here is the correct story," the errors are usually buried somewhere. I think that admission would improve credibility.

I can rarely recall hearing a broadcaster admit that he had made an error on the air.

I believe that there is urgent need for state shield laws, strong state shield laws, because I believe strongly in the confidentiality of source. This is a major problem. But the area of concentration, in my opinion, should be with the states themselves, as pointed out by the Caldwell decision in the Supreme Court. This is an area of concentration where I think you can be most effective without the dangers which could come forth by a law running through the Federal Congress of the United States.

I think that the guidelines of the Attorney General provide sufficient protection against overuse of subpoenas at this time, although I would keep an open mind on federal shield laws.

Recently, I was reading the opinions of two people who I respect a great deal on federal shield laws. I think that they pose a warning which those who are advocating the federal laws should consider. One opinion is that of Vermont Royster, one of the great writers of our time. He says that ". . . what one Congress can give, another can take away, and once it is conceded that Congress can legislate about the press, no man can know where it might end."

Just the other day Jack Knight wrote a column in which he said:

"The more I study this question, the more I am persuaded that since the First Amendment has nurtured the freest press of any nation, reporters, editors and publishers should not be petitioning Congress, but rather continue to contest all erosions of press or public freedom and be prepared to defend their convictions at any cost.

"Our precious freedoms of speech and publication are guaranteed by the Bill of Rights which has served us well throughout our history. Freedom is not something that can be assured by transitory legislation, worthy as the intent may be.

"When Congress is involved, there lies the risk, as Royster has said, '. . . that it might start legislating about the freedom of the press, even in the guise of protecting it. This could be a dangerous precedent.' "

We have all felt with a great deal of emotion the wonderful sight of our prisoners of war coming home. As you fight for a free press, I think that we should look at the lesson of freedom which they brought home to us—a lesson which is exemplified by the warm welcome they received, by their statements of pride in what they have done, and by their statements of pride in their country.

I was in Hanoi when the first prisoners of war left and I was in the middle of the city when I suddenly heard the roar of a jet and saw a C-141 climbing up in flight over the prison walls of the Hanoi Hilton, flying these men to freedom. They were returning to the Philippines and eventually to their homes. That is a quality of freedom which is protected by our government. That is a freedom which must be protected in an all-out effort by the press itself. That is a sense of freedom which we must never lose, and I believe we never will.

Thank you very much.

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## FACE THE FLAG

## HON. KENNETH J. GRAY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. GRAY. Mr. Speaker, the people of this country are like a chain, no stronger than its weakest link. Many people have said that the youth of today are the weakness of America. I cannot agree with this assessment of our fine young boys and girls. By and large, they are patriotic, red-blooded Americans deeply rooted in tradition and love for their country.

A great educator and personal friend of mine, Mayor Frank Samuel of Carterville, Ill., who is a high schoolteacher, was conducting a class in English Literature and, in the course of his instruction, read a poem the theme of which was on patriotism and "What Has Happened to Old Glory?". The next morning, a senior student by the name of Keith Gwaltney of Carterville, Ill., brought in the original of a theme that he had been inspired to write during the wee hours of the night before.

I think it would be beneficial for everyone to read the words of the theme written by young Keith Gwaltney entitled, "Face the Flag." Mr. Speaker, it certainly points out that our youth of today can both ask the question and answer it concerning "what has happened to Old Glory?"

Under previous order granted me, I insert the theme "Face the Flag" written by Keith Gwaltney to be printed in the RECORD in its entirety at this point:

### FACE THE FLAG

(By Keith E. Gwaltney)

Stand, face the flag—a flag of stars and bars of red, white, and blue—and tell everyone what you see.

Can you see Valley Forge, with the heroes of our great revolution suffering and dying for a cause that they believed in?

Can you see the Alamo, with one hundred Texans standing off hundreds of Mexican soldiers and finally dying gallantly for a cause that they believed in?

Can you hear the many trumpet calls of the Civil War—that great war that was fought on the belief that all men are created equal, and can you see the men of both sides dying for a cause that they believed in—the right of freedom of choice?

Can you hear the thousands of guns of our great fighting men echoing the voice of freedom in such places as Boi de Belleau, the Marne, Le Charnel, and Chateau-Thierry, so that the torch of liberty would not be extinguished?

Can you see the men of our great country carrying the torch of freedom that we should hold so dear to such far off places as Normandy, Guadalcanal, Omaha Beach, Guam, and Iwo Jima after that infamous day that the planes of the Rising Sun sent so many of our great men to their graves below the warm waves of the Pacific?

Or can you see our great men once again bearing arms to defend the torch of liberty along the 38th Parallel and the blood-red Yalu River in a little country called Korea?

Maybe you can see the heroes of this great country once again fighting so that the people of a country could have the freedom of choice to determine their future in such far off places as the Mekong Delta, the D.M.Z., Cambodia, Laos, and even Saigon; and can you see a group of men called the Green Berets—the elite of our fighting force—risking their lives in a raid on a Viet Cong prison camp with the hope that they could rescue their friends and comrades and give them back their liberty?

It's unfortunate that there are people in the world that cannot live in peace, and to keep our freedoms we may have to fight again as we have done so many times in the past. If this great country must once again send its heroes out to fight for the torch of liberty, then I say let's fight to win. Our fathers have fought and died from sea to sea, continent to continent, so God bless that torch of liberty.

Stand, face the flag, and tell everyone what you see.

Do you see the unity of the fifty states represented by fifty stars that in turn represent the world's greatest nation?

Do you see a country where freedom of choice is a guideline for all, a country where the ballot box is the sword and its great people its wielder, a country where you are allowed to think that just maybe a leader could be wrong and you can stand and tell him so, a country where you have the privilege of dissent? These are things that men under other flags will never know.

Do you see a country forged by the hot steel, the raw courage, blood, sweat, tears, and a prayer?

Do you see a country where responsibility is the cross of the free man—otherwise, that freedom may disappear.

Stand, face the flag, and tell everyone what you see.

Do you see a country where we must fight today—tomorrow could be too late because we have got to keep that beautiful flag—Old Glory—flying.

Do you see a country where united we stand, divided we fall? Remember, you're an American and that says it all.

Stand, face the flag, and thank God Almighty that it's still there.

## BOY SCOUT TROOP 176 OF VENTURA, CALIF.

## HON. CHARLES M. TEAGUE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. TEAGUE of California. Mr. Speaker, I would like to call to the attention of my colleagues, the outstanding public service which American Boy Scout Troop 176 has rendered to Ventura County. For several years, Troop 176 has assisted workers in the county, primary, and general elections by unpacking precinct supplies after the polls close. These young men, by donating their services, have released election workers from the more cumbersome tasks and the workers, in turn, were able to proceed with the counting of ballots. Many of the scouts worked through the night answering phones and accomplishing other needed clerical work. I highly commend these scouts for their unselfishness and wish to express my appreciation and that of the Congress for the excellent job they have done.

## HON. DAVID OBEY FIGHTS FOR RIGHTS OF HANDICAPPED CHILDREN

## HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. BROWN of California. Mr. Speaker, the Washington Post of June 5 contained an editorial about a subject which all of us should be quite interested in. I intend to insert the entire editorial in the RECORD, so there is no need for me to elaborate on its contents at this point. I would, however, like to call to our colleagues' attention the reference within the editorial to the efforts of the distinguished gentleman from Wisconsin (Mr. OBEY).

Those Members who have worked closely with Congressman OBEY are familiar with his great concern for the innocent children who may be forced, as he put it, "to pay for the bungling of anonymous bureaucrats." But for those of us who have not had the privilege of working with our colleague from Wausau, as well as for all of his constituents back in Wisconsin's seventh Congressional District, I would like to take this moment to express my personal appreciation for the fight which Representative DAVE OBEY is waging on behalf of the handicapped children of America.

The Washington Post editorial follows:

HANDICAPPED CHILDREN AND THE BUDGET

It is a minor outrage, as outrages currently go, but it is a genuine one. Because the U.S. Office of Education mishandled a series of contracts, aid to handicapped children all over the country will suffer. It is part of the struggle between Congress and the President over the budget, and it illustrates the savage fashion in which the small but extremely valuable humanitarian activities of the government get trampled in the warfare over large symbolic issues.

Last year, at just about this time, the Office of Education got behind schedule in processing the grants and contracts for the fiscal year 1972, which ended on June 30. To avoid losing the appropriations, the Office of Education resorted to back-dating contracts that were not, in fact, issued until well after the end of the year. There are several things wrong with this practice, one of them being that it is illegal. Congress found out about it. The Department of Health, Education and Welfare then dated them accurately, throwing the expenditures into the current fiscal year. To stay within its spending limits, HEW cut the expenditures originally budgeted for the current year.

As usual, it is not merely a matter of accounting procedures and arithmetical abstractions. These funds reach real children, and affect their lives. The children in this case are those unfortunate enough to be deaf, or blind, or otherwise unable to take advantage of conventional public schools without special help. The President's budget originally provided money for a very modest expansion of this help. That is the money that has now been deleted to pay for the back-dated contracts.

The Senate, in an exercise of good common sense, has voted $26 million in supplemental appropriations to make this deletion unnecessary. The House has expressed concern, but provided no money. The supplemental appropriations bill is now moving toward conference, and the Senate's position is clearly the right one. If the money is to be provided for the coming school year, it must be provided now.

But the difference between the House and Senate bills is only part of the issue. The chief trouble is that HEW itself apparently has no intention of making the grants even if the money should be appropriated by Congress. HEW is already sitting on piles of impounded funds, and this $26 million would simply make those piles a little higher. If HEW had to carry out its original commitments and pay for the back-dated contracts in the same year, it would be pushed over its budget. The Secretary of HEW is Caspar Weinberger, the President's former budget director.

Rep. David R. Obey (D-Wis.) put the issue exactly right in the House report: "I in no way condone the back dating of contracts and I do not contend that the Congress ignore blatantly illegal activities by the Office of Education. But neither do I believe that handicapped children ought to pay for the bungling of anonymous bureaucrats."

## THE CONNECTICUT JEWISH LEDGER

## HON. WILLIAM R. COTTER

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. COTTER. Mr. Speaker, the 21st day of this month marks a date of dual importance and significance for every member of the Jewish community in the State of Connecticut. For on that day, the leading journalistic voice of that community, the Connecticut Jewish Ledger, will observe its 44th anniversary. In addition, that day's entire issue will be dedicated to its cofounder and editor for its entire history, Rabbi Abraham J. Feldman, on the occasion of his 80th birthday.

Rabbi Feldman's outstanding record of service to the community goes beyond the guidance and leadership he has provided to the Ledger. He is a man of truly national prominence. His services as president of both the Central Conference of American Rabbis and the Synagogue Council of America are but a small part of the many local, State, and national positions to which he has brought his wisdom and capability.

I know my colleagues will want to join with me in recognition of this important date for Rabbi Feldman, the newspaper which he has helped to flourish, and the members of Connecticut's Jewish community, which he serves so well.

## MR. STEELMAN'S QUESTIONNAIRE

## HON. ALAN STEELMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. STEELMAN. Mr. Speaker, several months ago, I mailed out a questionnaire to every household in the Fifth Congressional District of Texas. Being a new Member of Congress, I felt that this would be the best way to determine the feelings of my constituents on issues facing the 93d Congress.

I am pleased to say that I got a large response. At this time, Mr. Speaker, I would like to enter the results of this questionnaire into the CONGRESSIONAL RECORD to make official the opinions of the constituents of the Fifth District of Texas in hopes that the other Members of Congress will find this beneficial.

Fifty-eight percent of all Fifth District respondents were in favor of giving no aid to North Vietnam whatsoever. In the comments section provided on the questionnaire form, many people cited such reasons as the POW torture and the flagrant violations of the cease-fire and peace treaty as a basis for their decision. Thirty-nine percent felt that limited foreign aid could be given if all the POW's were returned, all MIA's were accounted for and the President said it was necessary in order to keep the peace in Southeast Asia. Only a small percentage, 3 percent, felt that the United States should give aid to North Vietnam without any conditions.

Along these same lines, on the question of amnesty for these men who refused to serve in Vietnam, 66 percent felt that there should be no amnesty at all; 24 percent favored amnesty in selected cases; and only 10 percent favored total amnesty.

On the question of national health insurance, 66 percent of the Fifth District respondents felt that health insurance should continue to be a matter of personal preference; 18 percent felt that there should be a mandatory Federal program and 16 percent felt that there should be a mandatory employer-employee system for purchase of health insurance.

Seventy-four percent of the respondents were in favor of a cutback in Federal programs in order to curb the rising tide of inflation; 15 percent were in favor of congressionally established spending ceilings to meet this problem; 7 percent were in favor of the impoundment of funds by the President; and 4 percent were in favor of a tax increase.

In considering the possible restoration of the death penalty was necessary; 37 percent felt that the death penalty should be mandatory only for certain heinous crimes; and 9 percent felt that the death penalty should not be restored for any crime.

Although the vote regarding the opening of the highway trust fund to be used for mass transit purposes has already been taken, I would like to put the Fifth Congressional District on record as favoring the opening of the trust fund by a majority of 50 percent of the respondents. Forty-seven percent felt that the present use of the highway trust fund should be continued and 3 percent felt that the trust fund should be opened and the money should be used for any governmental purpose deemed necessary by the State.

The most overwhelming vote, Mr. Speaker, was on the question of busing school children to achieve a racial balance. Eighty-one percent of the respondents felt that there should be no busing whatsoever; 16 percent felt that limited busing was in order; and 3 percent were in favor of massive busing.

In the area of gun control, 38 percent felt that there should be registration of all firearms; 33 percent were in favor of no gun control at all; and 29 percent felt that there should be prohibition of the sale of "Saturday night specials" or small handguns.

When asked if the United States should establish diplomatic relations with the People's Republic of China, 79 percent of the Fifth District respondents said "yes" as opposed to 20 percent who felt that the United States should not.

Forty-eight percent felt that the income limit now imposed on social security beneficiaries between the ages of 65 and 72 should be raised from its present level of $2,100. Forty percent felt that the income limit should be revoked altogether; and 12 percent felt that the limit should remain where it is.

When asked to single out one problem as an area of major concern 42 percent felt it is the high cost of living; 23 percent felt it is the increase in crime; 18 percent felt that it is the need to curb Federal spending. There was a tie at 8 percent between the need to protect the environment and the problem of the widespread use of drugs. Of least concern among the choices given was keeping the peace in Southeast Asia, at 1 percent of the response.

I would like, at this time, to thank every citizen of the Fifth Congressional District in Texas who took the time to fill out this questionnaire and return it to me. I fully intend to continue using this method to find out what my constituents are thinking. I would also hope that the results of this survey will be of use to the other Members of Congress.

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## IMPEACHMENT

## HON. PAUL N. McCLOSKEY, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. McCLOSKEY. Mr. Speaker, with reference to the process of impeachment, the Library of Congress has prepared a useful summary of the procedure alternatives available to the House.

### IMPEACHMENT

### A. PROCEDURE[1]

### 1. *Initiation of impeachment*

Impeachment may be initiated by charges made on the floor by a member of the House on his own responsibility (III:2342, 2400, 2469). The question of impeachment is one of constitutional privilege which may be presented at any time by any member of the House (III:2053) but recognition to raise a question of constitutional privilege must be preceded by a resolution or notice in writing (VI:470) and a mere proposition to investigate the conduct of a civil officer is not presented as a matter of constitutional privilege even though impeachment may be contemplated (III:2050, 2051). Impeachment may also be initiated by a memorial containing charges under oath (III:2364, 2486, 2491, 2494, 2496, 2499, and 2515); by a message from the President (III:2294, 2319); by a charge preferred by a State or territorial legislature (III: 2469, 2487); and by petition (III:3020). The form of presenting charges from the floor has usually been:

I do impeach ———, ———, of the following high crime or misdemeanor.

First . . .

Second . . .

### 2. *Charges investigated*

Charges always have been examined by the House before impeachments have been voted. After the charge is originally made it is by resolution referred to a standing committee (III:2519), or to a special committee (II:2342) for investigation and report. The investigation by the committee may be conducted ex parte (III:2319, 2343), or it may be conducted to permit respondent to appear in person and by counsel (III:2514, 2516), to testify (III:1741), to present witnesses and to cross examine (III:2445). The House of Representatives, when acting in impeachment proceedings, has the power to compel the attendance of witnesses. *Kilbourn* v. *Thompson* (1881) 103 U.S. 168, 190. The investigations are conducted more or less according to the established rules of evidence (III:2471, 2517), but the strict rules of evidence have been relaxed (III:2403, 2499 and 2516). Upon the conclusion of the investigation by the designated committee, a report favoring impeachment may be referred to the House Calendar (VI:499) or may be committed to the Committee of the Whole House on the State of the Union (III:2365). If the latter procedure is adopted, when debate is ended the Committee of the Whole rises and reports its resolution to the House, whereupon the question is put: "Will the House concur with the Committee of the Whole House [on the State of the Union] in the adoption of said resolution?" (III:2367).

### 3. *Impeachment voted*

The question is generally submitted to the House in the following form: "Will the House adopt the articles, as its articles of impeachment, against ———, ———. Usually a record vote is taken, but in the case of Judge Peck the proposition was passed in the affirmative without a division.

### 4. *Selection of managers*

Managers have been selected by three methods: (1) election by ballot, a majority vote being required (III:2031, 2300, 2323); (2) by resolution naming them (III:2448); and (3) by resolution authorizing the speaker to appoint (III:2388, 2475). These managers are usually appointed from those in accord with the sentiment of the House and from both parties (III:2345, 2368, 2448). The Chairman is designated by the managers selected (III:2417).

### 5. *Senate notified of impeachment by message*

After the House has voted impeachment, it notifies the Senate thereof by message (III:2413, 2446).

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[1] References are to volume and section of Hinds'-Cannon's Precedents of the House of Representatives in 11 volumes including 3 Index Digest volumes.

### 6. *House notified that Senate is ready to receive articles*

Upon receipt of message from House the Senate adopts an order and sends a message to the House that it is ready to receive articles (III:2078, 2235, 2345).

### 7. *Managers present to Senate articles of impeachment*

The managers, on the part of the House, present to the Senate the articles of impeachment signed by the Speaker and attested by the Clerk (III:2302, 2370, 2390, 2420, 2449). The chairman of the committee impeaches at the bar of the Senate by oral accusation (III:2413, 2446, 2473) and requests that the Senate take order as to appearance (III:2126). For ceremonies and forms of presenting impeachment see III: 2296, 2343, 2367.

### 8. *Managers report to House the presentment of the articles*

For form and manner of this report to the House see III:2296, 2343, 2413 and 2446.

### 9. *Senate notifies House it is organized for trial*

For a recent form of the notification by the Senate that it is ready to proceed with the trial see VI:502.

### 10. *Appearance of respondent*

The accused may appear in person or by attorney (III:2127, 2349, 2424) or he may not appear at all (III:2307, 2333, 2393) in which case trial proceeds as if a plea of not guilty were entered.

### 11. *Answer of respondent*

The respondent may demur to the charges on the grounds that he is not a civil officer or that the offense alleged is not a high crime or misdemeanor within the meaning of the Constitution (III:2310, 2453). However, the answer of the respondent is part of the pleadings, and exhibits in the nature of evidence may not properly be attached thereto (III: 2124).

### 12. *Replication of House*

A replication is prepared by the managers and submitted to the House for approval (VI: 506), and upon approval thereof is presented to the Senate by the managers. The pleadings have always gone as far as a replication but they may go further. In one case a rejoinder, surrejoinder, and similiter were filed (III:2455).

### 13. *Attendance of House at trial*

The practice of the House as to attendance upon its managers at the trial in the Senate has not been uniform. In the Chase Case the House did attend (III:2354) but in the Swayne Case the House did not attend (III: 2483).

### 14. *Trial procedure*

The presiding officer of the Senate directs the Sergeant at Arms to make a proclamation to the effect that "All persons are commanded to keep silent, on pain of imprisonment, while the House of Representatives is exhibiting to the Senate of the United States articles of impeachment against. . ." After such proclamation, the articles are exhibited by the managers of the House, and the presiding officer of the Senate then informs the managers that the Senate will take proper order in the subject of impeachment and give the House notice thereon. The Senate then proceeds to consider the articles of impeachment and continues to be so engaged until final judgment is rendered. All members of the Senate sitting are required by the Constitution to be sworn before consideration of impeachment charges (III: 2055). The presiding officer has power to issue all orders, mandates and writs needed to compel the attendance of witnesses or to enforce obedience of its orders. The presiding officer rules on all questions of evidence and incidental questions which may arise. He may, however, at his option, submit questions to a vote of the members of the Senate, in which case the vote shall be without a division unless the Yeas and Nays be demanded by 1/5 of the members present. Witnesses are sworn and examined by the managers of the House and may be cross-examined by the respondent or his counsel.

### 15. *Judgment*

On the final question of whether an impeachment is to be sustained the Yeas and Nays are taken on each article separately, upon which there must be an affirmative vote of two-thirds the Members present (Article I, Section 3, Clause 6; III:2098).

## B. PERSONS SUBJECT TO IMPEACHMENT

Persons subject to impeachment are set forth in Art. II, Sec. 4 of the Constitution which reads:

"The President, Vice President and all civil officers of the United States, shall be removed from Office on Impeachment for, and Conviction of, Treason, Bribery, or other high Crimes and Misdemeanors."

"All civil officers of the United States" would certainly include officers appointed in accordance with Art. II, Sec. 2, Cl. 2 of the Constitution, which provides that the President "shall nominate, and by and with the advice and consent of the Senate, shall appoint Ambassadors, other public ministers and consuls, Judges of the Supreme Court, and all other officers of the United States, whose appointments are not herein otherwise provided for, and which shall be established by law; but the Congress may by law vest the appointment of such inferior officers, as they think proper, in the President alone, in the courts of law or in the Heads of Departments." The Supreme Court has said with respect to this clause: "Unless a person in the service of the government holds his place by virtue of an appointment by the President, or of one of the courts of justice or heads of departments authorized by law to make such an appointment, he is not, strictly speaking, an officer of the United States." *United States v. Mouat* (1888) 124 U.S. 303. Considering the limitation of impeachment provisions to "civil officers," military personnel would not come within its ambit and the Blount impeachment case is authority for the assertion that members of Congress are not impeachable. A cataloguing of the hundreds of thousands of public officers subject to impeachment would be impossible but as a general proposition it may be stated that practically all officers of the courts and the executive branch of the Federal Government are impeachable.

## C. ROLE PLAYED BY OFFICIALS OF CONGRESS AND THE GOVERNMENT

There are no particular roles assigned specific officials of the Congress and other branches of the government other than indicated in Part A, except that the Chief Justice of the United States serves as presiding officer of the impeachment trial if the President is charged.

## D. IMPEACHMENT TRIALS AND ULTIMATE FINDINGS

1. Name—William Blount (1797) (III:2294–2318).

Position—Senator.

Charge—Attempting to seduce an Indian agent from performing his duty and trust.

Decision—Senator not subject to impeachment.

2. Name—John Pickering (1803) (III:2319–2341).

Position—Federal Judge.

Charge—Misconduct in a trial and being on the bench while intoxicated.

Decision—Removal from office.

3. Name—Samuel Chase (1804) (III:2342–2363).

Position—Associate Justice of the Supreme Court.

Charge—Misconduct in trials impairing the confidence and respect for the courts.

Decision—Acquitted.

4. Name—James H. Peck (1826) (III:2364–2384).

Position—Federal District Judge.

Charge—Misconduct in office by misuse of contempt power.

Decision—Acquitted.

5. Name—West H. Humphreys (1862) (III:2385–2397).

Position—Federal District Judge.

Charge—Supported secession of Tennessee and acted as a Judge of a district court of the Confederate States of America, etc.

Decision—Removed from office and disqualified to hold any office of trust, honor or profit under the United States.

6. Name—Andrew Johnson (1868) (III: 2408–2443).

Position—President of the United States.

Charge—That he removed Edwin M. Stanton from the office as Secretary of War contrary to an Act of Congress and that he criticized Congress in speeches.

Decision—Acquitted.

7. Name—William W. Belknap (1876) (III: 2444–2468).

Position—Secretary of War (resigned).

Charge—That he received about $6,000 per year for several years in consideration for appointing and continuing in office a post-trader at Fort Sill.

Decision—Acquitted.

8. Name—Charles Swayne (1903) (III: 2469–2485).

Position—Federal District Judge.

Charge—Padding expense accounts; using railroad property in receivership for his personal benefit; misusing contempt power; etc.

Decision—Acquitted.

9. Name—Robert W. Archbald (1912) (VI: 498–512).

Position—Judge, United States Commerce Court.

Charge—Misconduct including personal profits, free trips to Europe, improper appointment of jury commissioner.

Decision—Removed from office, disqualified hereafter from holding office of trust or profit under the United States.

10. Name—Harold Louderback (1932) (VI: 513–524).

Position—Federal District Judge.

Charge—Appointing incompetent receivers and allowing them excessive fees.

Decision—Acquitted.

11. Name—Halsted L. Ritter (1936) (80 Cong. Rec. 4971 et seq.).

Position—U.S. District Court Judge.

Charge—Participating in champertous proceedings brought before him for a cash consideration; practicing law while serving as a federal judge; preparing and filing false income tax returns.

Decision—Removed from office.

JAMES P. RADIGAN, Jr.,
*Senior Specialist in American Public Law, June 25, 1957.*

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# SCIENTISTS: SATELLITES COULD PREVENT BLACKOUTS

## HON. OLIN E. TEAGUE
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
*Wednesday, June 6, 1973*

Mr. TEAGUE of Texas. Mr. Speaker, the energy crisis is beginning to touch every American. We must seek new solutions in providing clean energy on a timely basis to people throughout the world. Mr. George Allen, in the Sentinel Star of Orlando, Fla., Friday, April 13, 1973, describes one of the possible methods of power transmission for the years ahead. The concept developed by Dr. Krafft Ehricke of the Rockwell International Corp. offers significant opportunities in relieving the energy crisis in the years ahead. The development and use of the system which he advocates could well pay for the entire investment we have made to date in our space program and what we have planned for the next decade.

Dr. Ehricke's proposal is one of large dimensions but we must think in large dimensions if our energy crisis is not to degrade our standard of living. Mr. Allen's article follows:

### SCIENTISTS: SATELLITES COULD PREVENT BLACKOUTS

(By George Allen)

COCOA BEACH.—Gigantic power failures such as those which recently darkened much of Southeast Florida, could be eliminated in the future by a chain of huge, orbiting electrical power relay satellites, a space scientist said Thursday at the 10th Space Congress.

The concept involves point-to-point transmission of electrical power by microwave beams via satellites, explained Dr. Krafft Ehricke of the space division of Rockwell International Corp.

America's energy requirements are expected to double in the next 10 years. Already easily accessible reserves of natural gas and oil are running low, prompting the government to plan increased imports of both fuels, Ehricke said.

"The satellite system can change the United States from a power importer to a power sufficient and even a power-exporting nation by enabling us to more fully utilize our reserve of known resources and assisting in opening up other deposits now considered inaccessible or unusable," Ehricke said.

Major components of the system are a primary electric power plant; an accompanying microwave transmission facility; the relay satellite, which will be in a 22–300-mile high Earth sychronous (seemingly stationary) orbit; and a microwave receiver site and nearby power conversion and distribution plant.

Dr. Ehricke pointed out the expense of using the power relay satellite system could increase the cost of electrical power, but he emphasized advantages of the system outweigh the expense.

The satellites, Dr. Ehricke said, will be giant, mesh-like reflectors measuring approximately four million square feet and weighing nearly 30 tons. They will be assembled in space and will operate indefinitely.

The key to the satellite plan, said Dr. Ehricke, is the space shuttle, the reusable space transportation system now under development.

"The shuttle makes it all possible and economically feasible," Dr. Ehricke noted.

The shuttle would transport components of the satellite to Earth orbit, then they would be taken to the higher synchronous orbit by another vehicle—the space tug.

Five shuttle flights would be needed to take all components of each satellite to orbit, and periodic flights would be required for servicing and maintenance.

Dr. Ehricke estimates a network of 33 satellites would be needed to supply the entire United States. He also said 11 satellites could deliver as much as 100 million kilowatts of power—the output of 100 nuclear power plants producing 1,000 megawatts each, and six could deliver as much energy each day as that produced by two million barrels of crude oil.

The microwave beams would not be injurious to either humans or animals. Both airplanes and birds could fly through the beams without danger.

For example, a person would have to purposely stand in the beam for a prolonged time to sustain injury.

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## SER WEEK

## HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. ROYBAL. Mr. Speaker, last month I introduced legislation, H.R. 7275, to authorize further Federal funding to insure that SER, Jobs for Progress, Inc., will be able to continue its vital work in manpower training and placement in Spanish-speaking communities of this country. I have previously pointed out SER's outstanding contributions to the hope, confidence, and productivity of thousands of Americans, contributions which have made it one of the most effective and economical manpower programs in operation. Last Friday, my colleague from the State of Texas, the Honorable BOB ECKHARDT, attended the SER Project Directors National Conference held in Houston. The week June 3 to June 10, has been designated "SER Week" to honor SER's accomplishments in the manpower field and to encourage support for its continuation. I feel it appropriate, therefore, to bring to the attention of the House, Congressman ECKHARDT's remarks to the SER conference. Congressmen ECKHARDT is one of the cosponsors of the SER bill.

The remarks follow:

### JOBS FOR PROGRESS (SER)

(By Congressman Bob Eckhardt)

It is especially gratifying to be here today because SER's accomplishments so clearly give the lie to the "straw men" set up by Mr. Nixon to justify cuts in funding for domestic social services. Mr. Nixon may talk glibly, as he so often does, of programs that "don't work," that are merely "throwing money at problems," but here is SER to prove that an intelligent national program, administered by dedicated, knowledgeable people, can accomplish near miracles. even with far less money than it deserves and could use. Your success in stretching your dollars has been nothing short of astounding, as I understand that SER has cut its cost-per-placement nearly in half within the last year. SER's intake, placement, and job-retention statistics read like the promises in comic-book advertisements for home-study courses, but your success has been no mere daydream for the thousands of people you've served, or the businesses and communities that benefit from their increased involvement and productivity. In less than seven years, you have brought SER from a regional, experimental program to a major national effort, co-ordinating the knowledge, experience, and hope of diverse and distant Spanish-speaking communities in fourteen states.

In short, here is a program of proven effectiveness and outstanding performance, helping the right people, at the right time, in precisely the right way. Yet here we are in 1973 having to beg the Nixon Administration for funding to continue SER'S operations. I was proud to sign, with 79 of my colleagues in the House of Representatives, the letter of March 30 to President Nixon, which called on him to insure federal support for SER at least through fiscal year 1974. But you have already had to contend with a month-long freeze on funding from the Manpower Administration and a flat 10% cut that has robbed you of 1.8 million dollars promised for this year. Worse, your own confidence in your goals and plans is now threatened by great uncertainty as to what to expect in the future from Washington. Everything hinges on the real meaning of the mysteries and vagaries of revenue sharing and Mr. Nixon's so-called "New Federalism."

Unfortunately, even we in Congress, charged by the Constitution with the responsibility for revenue-raising and spending, find it hard to pull together and understand the deceptive, abstruse elements of the various revenue-sharing proposals. This, of course, is precisely Mr. Nixon's intent. As Winston Churchill said in 1909, "Those who put forward the alternative budget conceal themselves as far as possible in clouds of vapors. They don't want to be too clear and precise and they want to let it be thought that everyone will gain something and no one will have to pay any contribution."

Well, we know it isn't so; we know some one *is* going to pay and we are haunted by the fear that it will be *our* program, or *our* agency, or *our* city or state. Luckily, even the Nixon Administration's vaporous clouds of obfuscation have an occasional silver lining. I was very glad to hear that the Office of Education has just approved a special grant of $90,000 for fiscal year 1974 for a new SER Talent Search Program in Houston. Thus, Houston SER will be able greatly to enhance the career opportunities of many qualified students, assisting them in furthering their education when faced with financial, cultural or personal discouragement.

But what can SER and other critically needed programs expect in the long run? Concrete figures are hard to come by, for administration officials are adept at statistically disguising their real intentions by transferring programs between agencies, consolidating long-term appropriations into one year, listing appropriations held over from the previous year as if they were new funds—even changing the definition of "poverty." But it is all too clear what Mr. Nixon is about. He is attempting to transform the executive budgetary process into an explicitly policy-making process, in order to circumvent Congressional authority and the intent of the Constitution. Ever since Franklin D. Roosevelt, the president, as the elected representative of "all the people," has traditionally been the one to whom "the little guy"—the poor, the hungry, the disenfranchised, the disorganized—could look for support and help. Mr. Nixon's Administration has changed all that. Special revenue sharing, like general revenue sharing, will too often give local control over expenditures to those least sympathetic to programs designed to provide equal opportunity for all citizens. Projects like SER, denied the organizational and political resources of national co-oordination, will be forced to compete with stronger, more established state and local interests. Meanwhile, Mr. Nixon uses the distant mirage of an effective revenue-sharing system to justify the gutting of Congressionally approved programs. I fear that, when the dust settles, there will simply be less money available for those who need it most. Independent studies all confirm this conclusion.

Nevertheless, as Mr. Ricardo Zazueta, your National Executive Director, wrote in a recent issue of *Adelante SER*, "Many times a crisis does more good than harm because it brings out the best in us." This is my hope for the Congress as well as SER. SER has learned fast the political lesson that it is the squeaky wheels that get the grease, and that well organized and orchestrated squeaks are especially persuasive. If the reams of mail my office received last February protesting the freezing of SER funds are any indication, the directors of the local SER projects have done a superb job in bringing SER's concerns to the attention of your representatives in Washington. The 80 signatures on the March 30 letter to the President are also testament to your efforts. Congress tends to service the organized at the expense of the disorganized. This is a fact of life that works greatly to the advantage of a group such as SER which has already demonstrated that it possesses the dedication, desire, and persistence to mobilize its sizable constituency. I believe SER's increasing political involvement and sophistication have born fruit and are likely to continue to do so in the future.

Congress, like SER, is struggling to continue as a viable, effective institution. Whether it will rise successfully to meet the challenge to its legislative authority is yet unknown. But the sleeping Congressional giant has shown some signs of stirring. There are several bills pending that would strictly limit the President's authority to impound appropriated funds. H.H. 2816, which I am co-sponsoring, would prohibit any freeze or impoundment without prior Congressional approval, thus preventing the disruption and uncertainty caused by the freeze of SER funds earlier this year and the 10% overall cut. To avoid the perils of revenue-sharing, we are hopeful that SER can be retained as a categorical grant program by act of Congress. Just yesterday, a bill I am co-sponsoring was introduced in the House which authorizes 30 million dollars for SER in fiscal year 1974, the amount of the SER National Board's prime proposal to the Department of Labor, and a total of nearly a quarter of a million dollars in the six years thereafter. Another proposal would simply extend the Manpower Development and Training Act while prohibiting dispersion of its funding through revenue sharing; this bill is currently in the House Education and Labor Committee and will be marked up on June 5th. A related Senate bill specifically includes the continuation of SER. The fate of these bills on conference will be uncertain, but I will certainly do all I can at all stages to insure continuing federal support for SER's vital work.

It is a very difficult time for those of us concerned about human needs. But perhaps this crisis will indeed bring out the best in all of us; in SER, the Congress, the people, the courts—and, who knows, maybe the President, too.

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## BUFFALO BILLS' JACK HORRIGAN ONE OF THE GREATS

## HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. DULSKI. Mr. Speaker, some 8 years ago the doctors told Jack Horrigan that he had cancer and that he had but a few months to live.

But the medical profession could not reckon with the determination of a non-athlete sports figure who became known and loved far and wide among professional athletes, their mentors, and their followers in the press and otherwise.

Jack started on general assignment in the newspaper business after World War II, but he soon determined that sports was his preference. And the sports world has benefited from his choice.

He was with the Buffalo Evening News sports staff when the American Football League was organized and he made it his prime concern.

Jack was a fine reporter—all his contemporaries agree—but he was more than that. He was a great friend of everyone, a spark of life wherever he went, a confirmed optimist, a leveling influence, a man with a heart.

AFL Commissioner Joe Foss picked him in 1963 to head public relations for the league. Three years later he came back to Buffalo to become Vice President in charge of public relations for the Buffalo Bills football team, a job he held to the end.

Jack's battle against the scourge of cancer had been continuous for the past 8 years, although only those really close to him knew of the pain and suffering he was undergoing. His spirit was unflinching, his encouragement to others was endless.

For some weeks now he had been hospitalized as his long battle was coming to an end. He died Saturday at Rosewell Park Memorial Institute.

Mr. Speaker, the mark of the man can be made no more evident than in the words of his contemporaries which I include with my remarks:

[From the Buffalo Courier-Express, June 3, 1973]

### JACK HORRIGAN, 47, DIES; BILLS' PUBLIC RELATIONS VICE PRESIDENT

John Patrick "Jack" Horrigan, 47, vice-president in charge of public relations for the Buffalo Bills the last seven years, died Saturday (June 2, 1973) in Roswell Park Memorial Hospital after a lengthy illness.

Mr. Horrigan was noted as an accomplished writer, publicist, author, humorist and speaker throughout professional sports, but is remembered best by those who knew him most closely as a devoted family man who waged and won several courageous battles for his health.

A Mass of the Resurrection will be celebrated Wednesday at St. John The Baptist Church, Town of Tonawanda, with burial in Holy Cross Cemetery, Lackawanna.

Survivors are his wife, the former Elizabeth M. Lawn, who resided with him at 167 Louvaine Dr.; six daughters, Karen, 20; Patricia, 16; Margaret, 13; Mary, 11; Elizabeth, 9; and Kathleen, 4, all of Buffalo; three sons, Jeremiah, 23, of Buffalo; Joseph, 21, of Sacramento, Calif., and John, 15, of Buffalo; his father, Jeremiah, of Buffalo; and two sisters Mrs. Kathleen Element and Mrs. Eileen Kingston, both of Buffalo. He also had one grandson, Grady Kane-Horrigan, 4 months.

Friends who wish may make donations to Rosewell Park Memorial Hospital, Dept. of Medicine B.

#### BORN IN BUFFALO

Mr. Horrigan was born in Buffalo Dec. 30, 1925. He attended Canisius High School before entering the U.S. Navy in 1943 and served aboard a submarine chaser as a radio operator in the Pacific Theater of World War II.

He entered the newspaper field with United Press in 1946, covering general news and sports, and from 1950–54, he was the Buffalo Hockey Club's publicity director.

In 1958, Mr. Horrigan joined the Buffalo Evening News sports staff, where he won three sports writing awards in four years. He was named American Football League publicity director in 1963 and moved to New York.

In June, 1966, Mr. Horrigan became vice-president in charge of public relations for the Bills, a position he held to his death. He was elected president of AFL publicity directors in 1968.

Mr. Horrigan was co-author of the book, "The Other League," an acclaimed story of the birth and development of the American Football League.

#### SHOWED GREAT COURAGE

Mr. Horrigan astonished many with the manner and success with which he combated illnesses, including four types of major cancer. His is a story of courage and inner conviction matched by few anywhere.

In 1966, he was told he had three months to live after a malignant kidney was removed at the Mayo Clinic. Then in April, 1970, he reported for an annual medical check and was told he had leukemia.

Through it all, Mr. Horrigan's wit was never dimmed. He was an excellent toastmaster and his jokes before hundreds or as aside comments to only a few brought broad smiles. Regardless of the circumstances of a situation, he would always take the time to discuss a problem whenever an individual wished it.

His experiences were rich and varied. Many came beyond the field of athletics, such as when he was a political writer and rode the train with President Harry S. Truman.

#### SERVED ON MINE-SWEEPER

Others came before his writer-publicist career, as when his eyesight was such that he supposedly could not enter the service, but managed to, anyway, and then spent wartime naval service on one of the smallest frigates involved in mine-sweeping operations—despite the fact he could not swim.

There were many touching times. During the 1972 football season, Mr. Horrigan always stood alongside the players and coaches during the playing of the National Anthem at home games. He was with the team and organization he loved, the Buffalo Bills.

There are countless examples of loyalty which Mr. Horrigan expressed to the Bills and their owner, Ralph C. Wilson Jr., but all must be subordinated in importance to his feelings toward his family. He was rich in relatives, friends and talent, and that is the way he will be remembered.

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[From the Buffalo Evening News, June 4, 1973]

### JACK HORRIGAN—ONE OF THE GREATS

(By Steve Weller)

There are times when every man wonders if he has been considerate enough of others, seen enough for himself, savored his share of the good things, done anything that will endure as a sign that he's been here.

The number of years alloted are meaningless. Sometimes 90 isn't enough.

Jack Horrigan died Saturday. He was 47. For his family and friends that allotment was not nearly enough.

But by every other standard, Jack got it all done.

What I'll remember most is the warmth. And the laughs. Not just when he felt good because for most of the years that I knew him cancer made it impossible for him to feel good.

I'd been in Buffalo only a few days when Jack and I went out on an assignment for The Evening News. It was a minor affair run by stuffy people, an ideal way to ruin an afternoon.

But I enjoyed it, partly because Jack's gentle needle put pomposity in perspective, partly because it was the first few hours of a valued friendship.

We spent a lot of hours together in the early days of the American Football League.

Watching the Buffalo Bills falter toward maturity. Estimating the combined girth of Bob Sedlock and Chuck McMurtry. Cataloging the 43 ways a rookie named Norman King has found to escape from the Roycroft Inn after curfew.

Anticipating the arrival of the parents of Joe Schaffer, a linebacker from Tennessee whose musically gifted family helped lighten post-game gloom after the frequent defeats and shook the Roycroft to its antique foundation in the wake of rare victories. Marveling at the emotional range of Buster Ramsey.

From the day a franchise was placed in Buffalo, Jack was the most knowledgeable man in the AFL.

Today, the league and its fringes are populated by people he helped. Coaches who shed unemployment because he put in a good word at the right time. Players who, for the same reason, picked up All-Star game money or added a year to flickering careers.

Writers he steered toward solvency with sharp book and magazine story ideas. Publicity men he saved from the whims of erratic employers.

Some might consider it a flaw, the way Jack adopted people and stuck by them. I don't, because I benefited by it.

There are many ways that people will arrange their memories of Jack Horrigan.

He was the most moral man I ever met. He had a beautiful family. He did his work well.

For me, it will be the warmth. And the laughs.

But list them any way you like. Kind. Funny. Moral. Talented. There were only 47 years in Jack's allotment but those attributes made each of those years a great one.

Jack got it all done.

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## HONEYMOON ISLAND, USA

## HON. ANTONIO BORJA WON PAT

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. WON PAT. Mr. Speaker, the Exxon Corp.'s publication, The Lamp, has recently published an excellent article about the U.S. Territory of Guam. The article, and the beautiful pictures which accompany it, tell how Guam is rapidly becoming the No. 1 honeymoon spot for hundreds of thousands of Japanese every year. This is a most paradoxical situation, for, although Guam has been a U.S. Territory since 1898, the island is still unknown to most of our fellow citizens.

Thankfully, the author of the story, Mr. Tom Nova, has obviously developed a fine eye for the better things in life, for he thoughtfully outlines every facet of Guam's many charms for his readers. As I have pointed out to my colleagues before, Guam is rapidly becoming one of the great tourist attractions in the western Pacific, and not just another military outpost. As little as 5 years ago, few tourists came to Guam. Today we proudly welcome more than 150,000 visitors a year, many of whom come from nearby Japan. Mostly by twos, the Japanese tourists arrive in Guam to begin their honeymoon in what, for them, is an exotic foreign island in the beautiful Pacific. To our fellow Americans who have been to Guam, however, they already know that Guam combines the best of island culture with the many benefits of modern American living.

The Exxon article is another indication of Guam's growing popularity. And, at this point, I ask unanimous consent to include it in the RECORD for my fellow Members of Congress to read:

### HONEYMOON ISLAND, U.S.A.

(NOTE.—Guam may be unknown to most Americans, but it's Niagara Falls to Japanese couples)

It was the afternoon of Tai An, one of the luckiest days on which to be married in Japan. Here, 1,500 miles from Tokyo and wearing a smile as bright as the tropical sunshine, Hiromi Hada stepped from the Japan Air Lines 747. She and her new husband paused for a moment to draw in deep breaths of the sparkling air. "It tastes so good!" she exclaimed.

The scene is repeated dozens of times each week as a growing number of Japanese newlyweds discover the hottest new honeymoon haven in the Orient—the American territory of Guam.

The air really does seem to have a different flavor on Guam. It is fresh and clean, scented with bougainvillea, frangipani, wild orchids and other exotic flowers. Sunsets reverberate with great splashes of rose, orange, gold and pink.

Guam is less than 1,000 miles from the equator, and its constant summer is a relief from the cold winters in Japan. The atmosphere is easygoing, the shopping is duty free and Guamanians are a naturally friendly and romantic people. Also, Guam is only a three-hour jet flight from Tokyo. Complete four-day package tours, advertised in Japan to the "nearest America," are as low as $220. And the young couples like to tell their friends that they spent their honeymoon in the exotic United States.

Guam's sudden popularity with Japanese vacationers and honeymooners has left its 87,000 residents in a happy state of shock. Ten years ago there were only some 300 tourists annually. Visitors were so unexpected that classes were dismissed early to let a boatload of sightseers tour in the school buses. Last year there were more than 150,000 visitors, of whom about 25,000 were honeymooners. By 1975, it is estimated, close to 300,000 people will visit Guam and spend about $200 million.

Guam is well prepared for the rush. In the past five years, eight new hotels have opened, with more than 2,100 rooms. Golf courses have been built, bicycles and skindiving equipment are available and fishing is a major sport. Japanese and Hawaiian-style nightclubs swing into the early hours. Movies and bowling alleys are opening at a rapid rate, and it's legal to bet on cockfights. But amid all the activity, many couples still stroll hand in hand along the curving beaches of Tumon Bay, where most of the new hotels are located, smiling at each other and gazing raptly at the Wagnerian sunsets.

They find it easy to get around in Guam. The island is only 30 miles long and between four and eight miles wide. At that, it is the largest of the Mariana Islands and the gateway to Micronesia—more than 2,000 islands spread over three million square miles of the Pacific.

On foot, peddling tandem bicycles or driving rented cars, the honeymooning couples are always eager to tour through Guam's remarkable and paradoxical history—remarkable because it contains such a rich intermingling of cultures and paradoxical because until recently Guam has always been politically important, esthetically desirable and thoroughly overlooked.

According to local legend, Guam was the original Garden of Eden. All living things were said to have been formed from the Fuuna Rock, the "Rock of Creation" on the southern tip of the island, from which they traveled across the waters and populated the world.

Apart from legend, it is known that Guam was originally settled by a blend of Indonesian and Polynesian people who called themselves Chamorros. They left a legacy of language, social customs and mysterious latte stones that have been found at more than 200 sites around the island. Lattes are high, carved stones topped by a headstone. Archaeologists believe they were foundations for houses occupied by tribal chiefs. Some researchers have linked them with the even more mysterious stone faces on Easter Island.

Today, Latte Park in the capital of Agana (pronounced Ah-gawn-ya) is a favorite tourist attraction from the legendary history of Guam.

Another popular spot is the remains of Fort Soledad, which overlooks scenic Umatac Bay. This was where Ferdinand Magellan chanced upon Guam in 1521 on his voyage around the world.

Fort Soledad was built after Spain colonized Guam, introduced Spanish culture and turned the island into a tropical Siberia for political prisoners. The fort also protected the island from pirates in search of Spanish gold.

Few honeymooners would miss a visit to Two Lovers Point, a high cliff that is the scene of one of Guam's more romantic legends. According to the story, two young lovers were to be separated when the girl's father arranged to have her marry a Spanish officer. The young girl and her Chamorro lover fled into the hills. Cornered on top of the lookout point, they tied their long hair together and, locked in an embrace, leaped to their deaths on the rocks below. The story may be apocryphal but the view, at any rate, is breathtaking.

Guam remained in Spanish hands, until the Spanish-American War, when it was ceded to the United States. Japanese forces occupied the island on the day after Pearl Harbor and lost it in 1944. But for years after the war, Guam remained a military junk heap, filled with rusting Quonset huts, unexploded shells and Japanese army stragglers who periodically emerged from the jungle to surrender.

Guamanians were granted U.S. citizenship in 1950. Then in 1962 military visas were abolished, opening an unrestricted door to the outside world.

Direct flight from Tokyo began in 1967. About 12,000 tourists came that first year, despite a lack of amenities that bordered on the primitive. Still there were the sweeping shorelines, the riotous colors of flowers and plants, the dramatic scenery with cliffs plunging straight down into the sea and air so pure that it laundered the bloodstream. Major airlines began to promote low-cost package tours. Smart investors got the message and resort hotels soon began to go up. Transportation began to change from oxcart to automobile.

Guam today boasts full employment, a new four-year university and a rapidly rising standard of living that includes TV sets and washing machines in most homes. There is one car for every two people, a higher ratio than California's. On the other hand, there are traffic jams, inadequate sewers and rising prices.

But construction is booming, and those early tourists would hardly recognize the place today. Accommodations are sumptuous, and so is the food. Guam abounds in fine Japanese and Chinese restaurants but the newlyweds like to try American food. Those who sample Guam cooking find it reflects the island's history: rice and soy sauce from the Orient; tortillas and hot peppers from Mexico; sausage from Spain; lumpia, a vegetable somewhat like cabbage, from the Philippines, coconut and taro from their Chamorro ancestors; and, of course, hamburgers from the United States.

Many honeymooners rent cars to reach scenic places on the island. In the process, they have their first contact with the local Exxon affiliate's service stations. The Guam boom brought Esso Eastern retail outlets to the island in 1971. The original station, near the airport, sported the island's first car wash.

According to Lee Giraudo, manager on Guam, the venture was a rousing success from the beginning. The station exceeded its second year forecast for gasoline sales by the end of its second month of operation. There are now eight Esso stations on the island and service facilities at a marina.

The stations have been praised by designers as outstanding examples of attractive and functional architecture. They had to be able to withstand the two major threats to buildings on the island: typhoon winds up to 250 m.p.h. and the appetite of Guam's insatiable termites. Both problems were solved by using concrete as the basic building material. Vaulted canopies over the pumps are both practical, providing protection from the rain, and esthetically pleasing. The Esso signs are engineered to stay put in high winds. When the winds turn into storms, they can be easily dismantled and stored. All glass is also designed against strong wind.

Besides this operation, the company delivers liquid petroleum gas to homes and businesses, much as heating oil is distributed elsewhere. The company also supplies all of the crude oil used by the Guam Oil & Refining Company, which makes and sells fuel oil to the navy and jet fuel to the air force.

Guam's boom goes on, raising the islanders' hopes that the centuries of neglect are forever gone. Fiercely loyal to the United States, Guamanians hope someday to become the 51st state. "Statehood, indeed, is our ultimate goal," Governor Carlos Comacho has said. "We never apologize when we tell anyone that we are Americans."

To its historic figures, the Chamarro warrior, the Spanish adventurer, the political outcast, the Jesuit priest, the pirate and the soldiers and sailors, Guam now adds the honeymooner—floppy straw hat on head, camera in hand and full of a youthful desire to peek into someone else's culture. This is a happy addition to Guam's heritage.

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## RESTRUCTURING THE CONGRESS

### HON. JAMES V. STANTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. JAMES V. STANTON. Mr. Speaker, this morning I made some recommendations to the House Select Committee on Committees, and I would like to reiterate here the main portions of my testimony because I believe that the distinguished members of that panel are engaged in one of the most important of the current initiatives by Congress, albeit the least publicized, and, therefore, the matters with which that group is concerned should achieve the widest possible dissemination, both inside this Chamber and without.

I feel, as do many of you here, that this is a time when Congress must reassert itself. We must move to recapture the influence and the authority that the Founding Fathers intended us to have as a coequal branch of the Federal Government.

We must reorganize ourselves in such a way that, once the project is completed, the people will clearly understand what we have done, and why we have done it. If our efforts bring the Government closer to the people by making it easier for them to track what is going on, so much the better.

To achieve this purpose, I feel that Congress ought to organize itself into committees in a manner paralleling the organization of the executive branch by Congress into separate departments and agencies. For example, we should have a Transportation Committee, constituted by us as a counterpart to our creature in the executive branch; namely, the Department of Transportation. Similarly, we should have a Health, Education, and Welfare Committee, mirroring the Department of Health, Education, and Welfare, and a Housing and Urban Development Committee to preside as a board of directors, as it were, over the Department of Housing and Urban Development.

To a certain extent, we already have this in the House of Representatives. We do have, for example, a Committee on Foreign Affairs with jurisdiction over the State Department, and an Agriculture Committee that concerns itself with the Department of Agriculture. But the pattern, as we know, is loose and far from consistent. Most of our committees have hybrid functions vis a vis the executive branch, and the extent of their jurisdictions cannot be inferred from their names. Only a few persons outside of Washington, for instance, are aware of the fact that the House Banking and Currency Committee is the principal panel dealing with the Department of Housing and Urban Development.

I believe, Mr. Speaker, that if we were to establish a substantially symmetrical system such as the one I advocate, it would enhance public understanding of the workings of our Government, since the voter would have virtually identical points of reference in both the executive and legislative branches. I think this is an important objective to strive toward in these times when the public is becoming progressively more alienated from Government. One reason for this distrust of Government is that it is so difficult for anyone who is not a scholar or a lobbyist to perceive how the Government operates, and how its different parts mesh. This means that the voter is often in the dark on a matter of supreme importance to him, that being who is responsible for what.

For example, as Mary Russell reported last March in the Washington Post, the House has "19 units—that—deal with education in one form or another." She cited a study made of three recent Congresses that turned up a total of 1,778 education bills being introduced in the House. Miss Russell wrote:

> Of these measures, 758, or 42%, went to the Education and Labor Committee, while the remaining 1,025, or 58%, were distributed among 18 other committees and subcommittees.

It is true that in the bureaucracy, too, we have agencies with overlapping jurisdictions. But if the congressional committees were more closely alined with the executive departments, the interaction between the two branches of Government would occur visibly at points of contact that would appear, to those interested in public affairs, but who have other full-time pursuits, to be logical and predictable.

Another advantage of the symmetrical system is that it would redistribute the functions and powers of the existing committees in a way that would help to expedite legislation. I have in mind, for example, the Ways and Means Committee, where much of the Nation's high-priority legislation is handled, with a backlog developing as each matter awaits its turn—revenue sharing, tax reform, national health insurance, social security improvements, foreign trade, war profiteering—to cite some examples. By contrast, we have other standing committees with narrow jurisdictions, such as Merchant Marine and Fisheries, whose calendars are manageable but who seldom get the opportunity to process a bill of general public concern.

#### THREE DEPUTY CHAIRMEN

I have another suggestion to make about restructuring congressional committees. It seems to me that the three major functions of Congress—legislating, appropriating, and overseeing—could be discharged much more efficiently if a single committee were to carry out all three functions within its area of responsibility. For example, the Transportation Committee would not only legislate new programs for the Transportation Department, and extend, terminate, curtail, or expand existing programs, but it would also propose appropriations for the programs it authorizes—and then it would oversee the operations of these programs.

I see several advantages inherent in such a system. First it would tend to close the gap between promise and fulfillment with respect to new programs where there are generous financial authorizations, followed by meager appropriations. Since the same Congressmen would be dealing both with authorizations and appropriations, one could expect more realistic and responsible legislation to result in both areas. As Elliot L. Richardson wrote recently, when he was departing as Secretary of Health, Education, and Welfare:

> Time after time, the (legislative authorization) figures . . . are higher than anything the executive branch can in good conscience request, and higher than anything that appropriations committees are willing to provide. There results, then, an "authorization-appropriation gap"—a gap which has grown by $3 billion in the last year alone and is now over $13 billion.

Second, the Congressmen dealing with appropriations would have better knowledge of the subject, since they will have helped developed the programs they are being called on to finance. Similarly, the congressional "authorizers" would have more intimate knowledge of the Departments to which the programs are being assigned for administration, implementation, and enforcement.

Third, with respect to oversight, my proposal would have the effect of institutionalizing this function on each committee. I think a lot more oversight is needed, and this is one means of providing it. Those exercising the oversight will have already had a hand in establishing and financing the programs they are reviewing, and they would have a better notion of what to look for.

### ROUGH MODEL OF SYSTEM

I have not constructed, and am not advancing here, an actual model of the system I propose, because, even if we were to agree in principle on its desirability a large number of variations are possible. Nonetheless, pending the kind of detailed research that could best be pursued by your committee staff, I think I ought to offer at least a rough picture of what I have in mind.

We presently have 21 standing committees in the House, and we would, or could, end up with approximately the same number under my system. This is so because certain committees, such as Merchant Marine and Fisheries and Veterans' Affairs, would be abolished as independent entities, with their work being apportioned to other committees.

There are 11 Cabinet-level Departments, and each of these would have a counterpart committee in the House. We then would create additional standing committees to oversee the independent agencies.

One possibility would be to establish a standing committee that would take jurisdiction over the major regulatory agencies, such as the Federal Communications, Federal Power, and Interstate Commerce Commissions. Similarly, another new standing committee could take under its wing a group of related independent agencies, such as the National Labor Relations Board, National Mediation Board, Federal Mediation and Conciliation Service, and Equal Employment Opportunities Commission. Another possibility, of course, would be to assign this latter constellation of agencies to the House committee that is given suzerainty over the Department of Labor.

I think we would agree, also, that there ought to be a new standing committee whose jurisdiction would include at least some of the agencies operating under the aegis of the White House. Such agencies could include the Office of Management and Budget, the Central Intelligence Agency, and the National Security Council. Again, I realize that an argument could be made that the CIA ought to get its marching orders either from the House's State Department Committee or Defense Department Committee, and the same argument could be made with respect to the National Security Council. However, since both of these agencies span departmental lines in terms of their missions, an argument could be made, too, for reserving supervision of them to a new standing House committee operating at the level of the Executive Office of the President.

I will pursue this matter no further here, since I think it is evident by now that we are dealing with so large a number of variables that this discussion, for the purposes that we are gathered here, would become unnecessarily prolonged. At any rate, I hope I have at least pointed out to you the panoramic nature of the task. The complications, I might add, would come in structuring such a system, but I am convinced that it would be stable and viable once it is completed.

Obviously, whenever we approve a reorganization plan for any of the executive agencies, it would be a simple matter to readjust our own committee system accordingly. And whether we would want to revamp any of our committees would become a consideration in deliberations over whether to approve the executive reorganization plan.

### SUBCOMMITTEE STRUCTURE

What would be the subcommittee structure under the system I propose? I submit, at this point, that we ought to consider three possibilities. Again, keeping in mind that our newly constituted standing committees would be responsible for legislating, appropriating, and overseeing, one possibility would be to have each committee subdivided into three subcommittees, each to be headed by a deputy chairman—one for legislation, a second for appropriations, and a third for oversight. A second possibility would be to group together related bureaus in an executive department and assign them to a particular subcommittee of the counterpart House committee, with that subcommittee, being in a position to acquire intimate knowledge of the bureaus involved, discharging all responsibility for legislating, appropriating, and overseeing with respect to that grouping of bureaus. A third possibility would be to organize subcommittees in a manner that would reflect the organization of the departments at the Assistant Secretary level.

### BUDGET COMMITTEE

In addition to what we might term this horizontal organization of House committees, we might also provide for vertical contacts, as it were, between the several standing committees. For example, the deputy chairmen for appropriations might come together to comprise a Budget Committee that would be responsible for reconciling the budget requests of the various departments, and for developing what could amount to a counterbudget created by the Congress. Obviously, this would go a long way toward reestablishing congressional control of the public purse. A Budget Committee constituted in the manner I suggest here would differ radically in structure from the one recommended recently by the Joint Study Committee on Budget Control. But some of the objections raised against those recommendations by the Democratic Study Group, for example, would be canceled out by my plan.

In addition to the possibility for "vertical"-type meetings, I would like to see built into such a system a measure of fluidity with respect to the committees and their subcommittees. In the executive branch, interdepartmental committees are established from time to time to consider and handle projects and problems that cross departmental lines. We ought to do this in Congress as well. The Speaker, or the House majority caucus, or both, ought to be given authority, when the need for a particular legislative initiative as indicated, to assign the matter to an ad hoc committee consisting of, say, two subcommittees taken from one standing committee and a third subcommittee taken for another standing committee. And these ad hoc committees should be vested not merely with study functions but should be empowered with legislative authority as well, if a need for this is perceived by the leadership or the caucus.

Thank you, Mr. Speaker. I know these proposals will be accorded serious consideration and I would be happy to discuss them with any of my colleagues here, at their convenience.

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## BUFFALO EVENING NEWS REJECTS SUBPENA OF THE PRESIDENT

### HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. KEMP. Mr. Speaker, I believe all Americans and their elected representatives are eager for the day, hopefully in the near future, when the trauma of Watergate will be behind us and when our great Nation will again move rapidly toward the achievement of our worthy domestic and international goals.

In the climate of current congressional and judicial investigations, a good deal of thought has been given to how best to restore the people's confidence in the Office of the Presidency so that the Executive can regain the initiative in helping achieve our national and international goals.

To that end, today's announcement that Melvin Laird will assume the responsibilities of domestic adviser and that Alexander Haig will resign his military position to become Chief of Staff are great news for the Congress and the country.

The Buffalo Evening-News recently carried a thoughtful editorial concerning the specific proposal to subpena the President to testify before a Federal grand jury. The editorial makes some telling points and I recommend it to my colleagues:

SUBPENA A PRESIDENT? NO WAY

The White House is quite right in declaring it "constitutionally inappropriate" for President Nixon either to be subpoenaed or to appear as a witness in any of the grand jury proceedings or congressional investigations growing out of the Watergate scandal.

The President has plenty of other ways to explain or justify his role or to provide relevant information as to other parties in these matters. And we certainly hope he will avail himself of these means—by subjecting himself to the give-and-take of more frequent press conferences, by welcoming questions at appropriate stages of the Ervin Committee investigation, and by co-operating in all proper ways with the special prosecutor in clarifying any aspect of the Watergate affair on which he has pertinent knowledge.

But on the specific question of treating the President as just any ordinary witness in these cases, the whole spirit and tradition of our constitutional separation of powers is emphatic in respecting the immunity of his office from any compulsion either to give testimony or to explain or defend his actions in any civil or criminal judicial proceedings or any legislative investigation.

This is not only implicit in the Constitution, but it has been explicitly underscored by the Supreme Court. Ruling on an 1867 effort to enjoin any action by President Andrew Johnson, the court said: "The Congress is the legislative department; the President is the executive department. Neither can be restrained in its action by the judicial department."

The court thus upheld the never-seriously-challenged argument by the then attorney general that the President is beyond the reach of judicial direction. This was not because of "any idea that he cannot do wrong . . . or any particular sanctity belonging to him as an individual." It was rather on account of the fact that there is constitutionally "only one court"—i.e., the Senate sitting as an impeachment court—where the President "can be called upon to answer for any dereliction of duty, or for doing anything that is contrary to law."

To say that there is no constitutional way to compel a President to give testimony, however, is not at all to doubt that there may be many specific questions about the Watergate affair on which he would deem it in his own interest or in the interest of justice to give responsive answers by whatever means and in whatever forum he chooses. For any judicial or legislative body to propound such questions and request him to answer would involve no improprieties, so long as it was clearly understood that they had no powers to try to subpoena or otherwise compel him to do so.

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## JEWISH SUPPRESSION DURING WORLD WAR II AND TODAY'S RUSSIAN JEWS

### HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. EILBERG. Mr. Speaker, as we all know there are millions of Jews in the Soviet Union, who are virtually imprisoned in that country because their Government refuses to permit them to emigrate to Israel.

These people have been singled out for special taxes, restricted in the type of work they can get, and generally treated as pawns in Russia's foreign policy.

Russian Jews have been accused of crimes and imprisoned with and without trails, simply because they are Jewish. It is only a short step, Mr. Speaker, from these policies to the horrors of the ghetto.

In the past when Jews have been persecuted in this manner, the world has stood by silently. Fortunately, this is no longer the case. World pressure resulted in reduced penalties for Russian Jews who were convicted at the infamous Leningrad trials.

More recently Congress has forced the Russians to rescind their policy of demanding a ransom for educated Soviet Jews who want to emigrate to Israel.

Although we have had these small successes, we must not feel that our job is done. We must press for passage of the Jackson-Mills-Vanik amendment and we must remember that the Jews in Russia are in constant danger of outright mass persecution.

As a reminder of what this situation can lead to, at this time I enter into the RECORD a speech describing the Warsaw Ghetto uprising which was delivered by Vladka Meed, a survivor of the uprising, on the 30th anniversary of the battle.

MEMORIAL GATHERING FOR THE 6 MILLION JEWISH MARTYRS OF WORLD WAR II AND THE OBSERVANCE OF THE 30TH ANNIVERSARY OF THE WARSAW GHETTO UPRISING

(By Vladka Meed)

It has been thirty years since the Warsaw Ghetto Uprising, and I can still see the huge flames leaping towards the sky over the Ghetto. I can still smell the stench of the burning Jewish homes and hear through the black smoke the crackling of the fires, the shots, and the anguished cries for help of the trapped Jews.

Thirty years, and I still cannot shake off the feeling of isolation that we felt so keenly then. We, the Jews of the Warsaw Ghetto, were so alone in our struggle for both survival and dignity, so abandoned, yet we, the most persecuted of all, stood up against a foe a thousand times stronger.

The Warsaw Ghetto uprising was not an isolated event. Jewish resistance to Nazis had always existed, not only in Warsaw, but in many other cities and towns. Jewish resistance had taken many different forms in different times, both open and secret.

The Warsaw Ghetto Uprising was but the culmination of all forms of Jewish resistance that existed from the beginning till the end of Nazi occupation. The Warsaw Ghetto Uprising served as a spark to other such rebellions in other ghettos and concentration camps.

I recall the narrow ghetto streets, within the prison of the high brick walls, the terrible hunger, the corpses on the streets covered with paper, the typhus epidemics, the shooting and the raids. How active and alert we had to be just merely not to be crushed by the bitter realities surrounding us. And it was precisely the daily struggle to survive that every hour of every day, became an act of resistance against the enemy.

But the flight for sheer survival was not the only form of resistance. In spite of the frightful conditions of the ghetto, a wide variety of cultural and social activities sustained under the very noses of the Germans. It was the resistance of Frau Farber, who would stand in the doorway of our house to watch for a German "action", while upstairs her daughter held classes secretly for Jewish children. It was through the resistance that Jews in the ghetto tried to live and survive as human beings. Let us stay Jews and human beings, we thought, and not allow ourselves to be brought down to the level of our oppressors.

But the Germans had other plans. Complete destruction of the Ghetto. Every day the Germans grabbed eight to ten thousand men, women and children from the streets, from their homes, and drove them to the trains which took them to the gas chambers.

There was resistance even in the clinging to every chance, no matter how slim of not being taken away and avoiding German orders. For weeks, young and old lay hidden in cellars, attics and bunkers, often becoming swollen with hunger but still, not allowing themselves to be so easily caught.

I saw resistance and heroism in jumping out of speeding trains under a hail of bullets, and even in the voluntary choice of death—for many went of their own will to the deportation points only to be together with a loved one in their last minutes of life.

It was the tens, the hundreds of thousands who were deported who paved the way for action by those who remained. For their deeds hammered in the minds of those of us who remained, the fact, that the Nazis would spare no one. Then and only then did the idea of struggle in its highest form, the struggle to die with dignity, take shape.

The Jewish Resistance Organization, Z.O.B., was born. It was composed of remnants of the Ghetto youth from various political groups. Secretly, we organized ourselves into 22 fighting units.

"Resist, Don't Let Yourselves Be Taken Away", was the new slogan of the ghetto.

We had very little time. We knew by then that the Germans had formed a plan to make Warsaw Juden-Rein, Free of Jews. Yet, when we started we had but a pitiful handful of German Wehrmacht. All of our thoughts were concentrated on ways to get arms. We begged and pleaded with the Polish underground for arms, with almost no success. We sent appeals to the outside world, but they fell on deaf ears.

I will never forget the first day when we secretly tried out our home made bomb and it worked. Our joy was great because now we could make weapons by ourselves.

With mounting excitement explosives were smuggled into the Ghetto. Tiny poorly equipped shops were set up for the production of grenades and so called Molotov cocktails. We worked desperately to be ready.

Although there are people today who assert that organized Jewish resistance came too late, we would do well to remember that it came earlier than that of other oppressed people. All the other underground movements held off their revolts until the Allied Armies were practically at the gates of their cities, making sure of their chances of success. But we, the most persecuted, were the first to revolt against the Nazi openly in an organized way.

Yes, we the youth, were very well aware that there was no chance that we would survive the fight. We knew exactly how cruel the enemy could be, but, nevertheless, an inner fire, a profound conviction that our cause was just, drove us on.

On Passover, 1943, the Germans came into the Ghetto to finish the job of exterminating the last Warsaw Jews. At once, the Ghetto rose in battle, from buildings, from windows, from roofs of houses, Jews opened fire on the marching Germans.

Inexperienced untrained civilians fought against well armed German soldiers. A primitive Molotov cocktail against a tank, a gun against a minethrower, a revolver against a machine gun. One side street against the other, one house against the next. The Jewish resistance was so strong, that the enemy had to withdraw from the Ghetto. One of the advance posts waited for the Germans. At the main entrance of the brushmaking factory the fighters had planted a mine that had to go off at the right time. The unit holding this important position consisted of only six youths. The six Jewish fighters had one desire, one silent prayer; The Mine Must Go Off, It Must Not Fail. The first German ranks entered the factory. A silent signal from the Commander and a moment later there was a loud explosion. The building where the group was stationed shook and dozens of German corpses lay scattered on the ground amid their own wrecked weapons.

The carefully planned Jewish action succeeded. For the first time in the Ghetto's history the Germans raised a white flag. They asked for a suspension of hostilities, but the fighters refused to negotiate with the murderers.

The Nazis started a different kind of battle. They placed heavy artillery all around the outside Wall of the Ghetto and continued their attack from that position. Still the Ghetto would not yield. They dropped bombs from airplanes and tremendous flames leaped toward the skies. Block after block, street after street were set on fire. And though the thick clouds of smoke and huge tongues of flames echoed the shots of Jewish fighters and cries for help of Jews who were being burned alive. The fires that swept the Ghetto turned night into day. The flames, the smoke and the suffocating heat drove the Jews from their houses and hiding places. Men, women and children jumped out of windows and ran through the burning ruins looking for a place where they could breathe.

In the midst of this flaming hell, our Warsaw Jews fought, driving off the enemy until the entire Ghetto was a charred rubble.

Today we know from German documents and eyewitnesses which military units were used by the Germans. We know about tanks which Jews set on fire. But who can ever understand the full measure of tragedy, sacrifice and heroism that went into the forty-two days of struggle in the Warsaw Ghetto?

The German liquidator of the Ghetto, General Stroop, stated in a report to his superiors that he blew up or gassed 631 Jewish bunkers, which means 631 Jewish points of resistance. No one knows exactly the number of Jews who perished in the bunkers. No one can tell about their last hours and their deaths. Those final days united them all, those who had fallen with arms in hands, those who were gassed, those who suffocated in the smoking ruins and those who were burned to their death. They were all united.

During the days of the uprising we sent radio information to the world describing what was happening in the Warsaw Ghetto. We pleaded for ammunition and other forms of aid. But the world sat silently by. Our people were entirely alone, abandoned. Those of us who survived can never forget that feeling of desertion we experienced. We shall never be able to find the justification for the world having forsaken us in our last hours of struggle.

Thirty years have gone by and what happened to our six million remains a warning to the world that the impossible is indeed possible and the unbelievable can indeed happen if we do not stop it in time. Never again can we let the world sit idly by while our Jews face the threat of extinction, whether it be cultural or physical.

Our great tragedy, together with the spirit of the struggle and resistance, of heroism and martyrdom has become an integral part of the foundation of the State of Israel. It is there that the majority of survivors live today.

Today, the spirit of Jewish resistance can also be seen in the insistent, yet dignified struggle of our brothers behind the Iron Curtain. They have ceased to remain silent and are now fighting courageously for their right to live as Jews and freely to emigrate to Israel and other lands.

Today, we remember not only those who fought in the Warsaw Ghetto, but all our Six Million Kodshim who perished at the hands of the Nazis. But to remember them in death is not enough. We must also remember their life, the meaning of their struggle and their resistance.

We must pass on that meaning to our future generations.

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## NONMETROPOLITAN AMERICA: 63 MILLION AMERICANS WAIT

### HON. JOHN A. BLATNIK

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Mr. BLATNIK. Mr. Speaker, at a meeting of the National Association of Development Organizations, and the Coalition for Rural Development, held in Washington last week, Senator HUBERT H. HUMPHREY of Minnesota addressed himself directly to what I consider the most pressing problem our Nation will face in the remaining decades of the Twentieth Century.

The distinguished Senator spoke on the need for more balanced economic growth and population distribution.

He pointed out that the greatest mass migration of peoples in world history took place—not in the tumultuous centuries of invasion in central Eurasia, when Huns, Goths, and the Golden Horde swept from Mongolia to the gates of Western Europe—but here in our own United States—and over the past two decades, during which period 13 million people left the farm for the city.

Mr. Speaker, it is most appropriate that the NADO–CRD Conference on the Future of Nonmetropolitan America be held at this time, as House and Senate prepare to vote on the conference report extending the Economic Development Administration and Regional Development Commissions for 1 year—a measure the White House has already told us will be vetoed—and which, if enacted over the veto, will continue the work of these agencies in insuring more balanced economic growth and population distribution throughout the United States.

Mr. Speaker, the Congress is deeply concerned that the 63 million Americans living in rural and semirural areas receive their just share of their Government's attention, care, and material assistance.

The Senator from Minnesota expressed this concern best, and outlined specific measures the Federal Government can and must adopt to enable these Americans to remain in their small communities rather than add to the congestion of our already overcrowded cities.

I wish to place Senator HUBERT H. HUMPHREY's remarks in the RECORD at this point.

### CONFERENCE ON FUTURE OF NONMETROPOLITAN AMERICA COALITION FOR RURAL DEVELOPMENT

(By Senator HUBERT H. HUMPHREY)

#### BALANCED NATIONAL GROWTH AND DEVELOPMENT

Any discussion of a "Policy of Balanced Urban-Rural Growth" must begin with the statement of a few facts. While the data is not new, it provides the essential backdrop for such a discussion.

In 1900 our population was 76 million. Today it is over 209 million; by the year 2000 it will be between 270 and 300 million.

Today two out of three Americans live in cities of 50,000 people or more and by the year 2000 this percentage will be up to 8 out of 10, the experts tell us.

By the year 2000, 83% of our population will reside on one-sixth of the national land area composing ten urban regions.

In 1940, the nation's farm population was 32 million. Today it is less than 10 million and farmers, farm workers, and their families represent only about 5% of our population.

American per capita income will double, possibly triple, by the year 2000.

With only 6% of this world's people, the United States consumes a full 40% of the world's resources.

In *Future Shock,* Toffler points out that, roughly speaking, half of all the energy consumed by man since the time of Christ has been consumed since 1870.

A wide variety of additional data could also be used to show the major changes in critical socio-economic trends that one can expect over the next several years and decades.

But my purpose today is not to document the fact of expected rapid change, but rather to discuss with you what might be done to anticipate it and direct it and its consequences.

To me, the statistics on the future are nowhere near as awesome as the fact that this nation does not have now a process or mechanism that will permit and encourage us to develop policies and plans required to shape our country's long-range future in the light of predicted developments.

Many European nations have instituted such policies of balanced national growth and development in the post-World War II period. These policies, incorporating population distribution goals, land use objectives, economic growth targets, etc., have met with some success in Europe.

During this same period in this country, of course, anything that even sounded like national planning was looked upon with suspicion by a large and vocal segment of our population.

But, in recent years, some important progress has been made in making significant component parts of a balanced national growth and development policy a reality.

In Title IX of the Agriculture Act of 1970, Congress and the President committed themselves to a national policy of "sound balance between rural and urban America." Congress proclaimed that it "considers this balance so essential to the peace, prosperity, and welfare of all our citizens that the highest priority must be given to the revitalization and development of rural areas."

A similar commitment to the balanced growth and development of rural and urban America was echoed in Title VII of the Housing and Urban Development Act of 1970.

Well, last year we took the first steps in fulfilling this commitment. We passed the Rural Development Act of 1972. And it is a good piece of legislation. It was signed with all appropriate fanfare.

Now the question is, will it be properly funded? And, quite honestly, the funding of it is about half of what was authorized. And what's authorized is about a tenth of what's needed.

I'm a legislator. I've never believed in all or nothing. I believe in trying to make progress. Our Committee wrote that law. Senator Talmage and I were two of the main movers behind it. However, every member of the Committee deserves credit for participating in the development of this legislation.

We held hearings all across this land. This law is based upon ascertainable facts. The result of profound and intensive hearings. But we understood when we passed that law that it was a token. We knew that we were only beginning and, therefore, the authorizations for funding in that law were minimal—not what we really needed—but enough to get us off the ground.

Ladies and gentlemen, that funding has already been cut in half, and certain sections of the bill are not funded at all. Now you ought to go up to Congress and ask that the full funding for that program be passed by the Congress. I think that's what's needed as the beginning, because every bit of that funding will add to the well-being of this country. It will not be wasted. It will help us.

Now, what else is there to rural development? The Rural Development Act of 1972 is not a substitute for all other policy. And I want to get this across here if nothing else is said today. It is not a substitute for rural electrification, for example. It is not a substitute for the rural telephone program. It is not a substitute for the rural housing program. It is not a substitute for the rural water and sewer program. It is not a substitute for the Economic Development Administration. It is a supplement. It's an add-on It's additional.

But what do I see coming out of the counsels of government? Every time a program is canceled out, whatever it may be, they say, look to the Rural Development Act. I know about the Rural Development Act. It's one thing for the Administration to come to you and say we're not going to give you the money. That's an honest fight. But I don't like them to come and tell me I didn't know what I was doing.

Now I'm here to remind the President of the United States of what he told the nation last summer when he signed the law—that is was not a substitute, it was a supplement. It was an add-on. And when I see the leaders of government coming before the Congress and before you and before other communities and saying, well, you can fund this out of rural development, I simply say that's as phony as a $3 bill, it does not wash and it's outright deception.

What we need is full funding for rural development. We need the funding for rural electrification. We need the full funding for EDA. We need manpower training programs, and God only knows we need housing programs in rural America, where the housing is worse than it is in our cities.

All our people want is a break. The monies that we expend and invest in rural America in jobs, in industrial growth, in housing, in water and sewer, in electricity and telephones, in schools and hospitals, all of those things add up to the wealth and the strength of this nation.

The Rural Development Act of 1972 provides a large part of the financial investment, credit, research, technical, and institutional resources that will be required to implement the commitments to balanced growth mentioned above.

Under title I of the act, guaranteed, insured and direct loans and grants would be provided to help meet the credit, investment, and equity capital needs for essential rural industrialization, job expansion and community facility improvements.

Under titles II and III, additional Federal cost-sharing for water quality improvement and provision of ample water for rural community and industrial development would be provided through further expansion of authorities under the small watershed and resource conservation and development programs.

Under title IV, a new Federal cost-sharing program would be established to aid small rural communities which are in need of help to establish or improve their local firefighting capability.

Under title V, a new nationwide research and extension information program would be established utilizing the resources of the State Land Grant colleges and other public and private institutions of higher education to strengthen and support rural community development and to help solve many of the problems faced by families in operating and managing our Nation's smaller farmers.

Under title VI, the basic statutory mission of the U.S. Department of Agriculture would be broadened to empower the Secretary of Agriculture to coordinate the rural development programs and activities of all departments and agencies of the Federal Government, including improved utilization of both personnel and offices. A new Assistant Secretary position also is provided to help provide the leadership necessary to carry out these new responsibilities.

Another element in a national rural growth and development policy is the need for a source of capital to revitalize rural areas of our country.

The United States has capitalized development financing institutions in Asia, Africa, and Latin America. While I am not adverse to providing such assistance to our foreign friends, I think it is time we did the same for our own people. For that reason I have introduced the "National Rural Development Bank Act of 1973."

Such a financial institution, channeling additional capital into rural areas of the United States for non-farm development purposes, is essential to the economic revival of rural America and the future balanced growth and development of our nation.

The National Rural Development Bank Act I have proposed would, among other things:

Create a National Rural Development Bank;

Set up a 24-member Board to establish operating policies and procedures;

Authorize the appropriation of up to $200 million annually for ten years to provide initial capitalization;

Become 100% borrower owned, ultimately, and repay the entire Federal participation;

Permit the bank to engage as a partner in equity investments for important rural development projects; and

Create an independent source of capital for the use of small rural financial institutions to promote growth and development in rural America.

The above legislation is important, good and necessary for America. However, it is far from sufficient to help us cope with the long term balanced growth and development problems which we face.

Problems of:

Population growth and distribution;

Balanced economic growth;

Protection of our air, water, and land;

Fuel shortage and energy crises;

Balanced and efficient transportation for all parts of our nation;

Responsible use of increasingly scarce land;

Requirements for feed and fiber at reasonable prices; and many others.

The time has come for us to decide as a nation whether we will "design" or "resign" ourselves to our collective future.

That is the basic question underlying decisions we make today, regarding the kind of a nation we want to create or leave for our children.

What we do—or fail to do—today clearly commits and fixes future patterns of life in this country as well as on this planet.

In these days of the super specialist, with complexity of unknown dimensions advancing on us relentlessly at every turn in our daily lives;

In these times of amazing proximity between people and nations, resulting from revolutions in communication and transportation technology;

In this age of unbelievably rapid change in virtually every facet of man's existence, from the way he constructs his office buildings to the way his children perceive "right and wrong";

We need a way for all the "people" of this nation to participate in shaping their own future.

Only through an effective process of this kind can we as a nation anticipate and direct change and, consequently, minimize what Alvin Toffler has aptly named "future shock."

For more than two years I have been writing and rewriting my Balanced National Growth and Development proposal. I consider it to be the single most important piece of legislation of my 25 years of public service. I intend to spend a great deal of my time in the Senate working to see that its principles are adopted.

I believe this legislation goes a long way toward providing the institutional arrangements necessary to the development of a continually evolving balanced national growth and development policy.

This bill provides for the establishment of an Office of Balanced National Growth and Development within the Office of the President to

Develop specific national policies relating to future population growth, settlement, and distribution patterns, economic growth, environmental protection, income distribution, energy and fuels, transportation, education, health care, food and fiber production, employment, housing, recreation and cultural opportunities, communications, land use, welfare, technology assessment and transfer, and monetary and fiscal policy.

This new office also will provide the means to develop these individual national policies in such a way as to reflect the appropriate inter-relationships that obviously exist between and among such policies.

This new office will tie together and coordinate the work of the Council of Economic Advisors, the Office of Management and Budget, and the Environmental Quality Council.

This new Office will be empowered to bring about more uniform and workable federal assistance programs, to streamline the federal delivery system now involving hundreds of categorical programs that so bewilder and confuse many state and local officials.

The bill also establishes new uniform planning requirements for federal grants-in-aid and transfers to the new Office the comprehensive planning assistance Program authorized by Section 701 of the Housing Act and administered by HUD.

The bill creates a national system of multistate regional planning and development commissions, involving both governors and state legislatures, to help link-up and facilitate proper coordination among federal, state, and local units of governments. This nationwide regional commission structure would be directly tied to the new office within the Office of the President, rather than to a Department.

In addition, this bill would create a Joint Congressional Committee on Balanced Growth and Development. This Committee would be supported by a new Congressional Office of Policy and Planning, staffed by professionals and experts on national policy matters.

New requirements pertaining to the location impact of federal facilities, activities and procurement are specified in the bill. We are the only developed nation in the world that totally ignores this critical question in our private and public decision-making.

This bill creates a new national research institution to monitor, measure and forecast developments and happenings in all the major sciences—soft and hard—and to report its findings, with possible alternatives that might be pursued.

It also provides for more detailed and continuous analysis of population and demographic trends, within the U.S. Bureau of Census.

And, finally, it provides for the development of an annual report by the Executive Branch detailing "where we are," and "whither we are tending" in our pursuit of developing and implementing national policies. That report will be made available to and assessed by Congress and the people of this nation.

It will become a national working document for the entire nation to reflect its concerns and desires concerning national goals, priorities and policies.

I do not view this proposal, which I will introduce within the next week or two, as the perfect piece of legislation. This is a difficult and complex problem. I have asked many individuals and groups throughout the country for comments and recommendations. In due course, all of these suggestions will be carefully scrutinized and changes in my proposal will undoubtedly be made.

I welcome any and all ideas and comments you here today would care to make.

Finally, to close on an optimistic note, I believe that I have seen in the last two or three years a rather startling rise in concern for America's future. I don't know what to attribute it to, I'm sure there are a number of factors at work. However, the public concern is rapidly growing and with it the interest in "growth and development policy" on the part of their elected representatives. I am heartened by this development and more convinced than ever that Congress will act, and much sooner than many of the skeptics expect.

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## FUNDING FOR MEDICAL PROGRAMS

## HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 6, 1973*

Ms. ABZUG. Mr. Speaker, the overwhelming majority by which the House authorized funding for medical services last week is most gratifying to me. It signifies the intent of the Congress to reclaim discretion over the budget and priorities of our country. Further, it indicates that citizens around the country are expressing to their Representatives the outrage they feel at cutting needed human services while increasing the military budget.

I feel sure that the Appropriations Committee will consider this vote a mandate to release the funds. Earlier this month I had the privilege of presenting a statement to this committee about the diastrous effect that the proposed budget cuts would have on the famous medical services offered by Columbia University. I would like to include that testimony and supporting material in the RECORD:

TESTIMONY OF BELLA S. ABZUG, HOUSE APPROPRIATIONS COMMITTEE, SUBCOMMITTEE ON LABOR AND HEW, MAY 1973

Mr. Chairman, members of the Subcommittee, I thank you for this opportunity to express the urgency of the need for continued funding of medical services, throughout the nation and in my own city of New York.

The cuts proposed by the Administration budget for medical education and research would be disastrous for Columbia University. As you know, we have one of the finest medical schools in the country, offering a broad program in the health sciences. With the current shortage of medical services of all kinds, we should be expanding both delivery of service and research and training programs. Yet the opposite is contemplated by the Administration budget.

At Columbia, some ninety faculty members are now involved in research programs that would have to be phased out. This research will benefit future generations as well as present victims of disease and illness. Up to 231 pre- and postdoctoral traineeships will no longer be funded. The School of Nursing would have to be closed. Public Health Training would be reduced. Community Health Services, such as the Harlem Region Stroke Program which has been a model for the country, would be drastically curtailed.

Medical care is a fundamental right, like police protection or primary education. No compromises can be countenanced, because unlike other commodities, medical care comes in only two qualities, good enough and not good enough. We cannot afford to cut corners where the health of our nation is involved.

Americans have for years accepted the principle that fundamental services should be funded out of general revenues; medical care is just such a service. The training of skilled specialists, general practitioners, and paramedical personnel is far too costly now to be undertaken by private schools without government aid. The excellence of America's present and future efforts at conquering disease is at stake. Research training grants and fellowships are of particular value in supplying the new techniques so badly needed. In addition, the cost of educating medical students is now three to four times as much per student as is provided by federal subsidy.

President Nixon's position is that problems can't be solved by throwing money at them. In medicine—especially in research—you get results only by putting money in. The bright young people who are seeking new solutions in unexplored directions must be not only encouraged but to some extent supported. On the contrary, the Administration approach is causing many young people to look toward other careers—which will leave us with an even more severe shortage of medical personnel in the next decade.

We do not want medicine to become the province only of the rich. The recruitment of economically disadvantaged young people, of women, of minorities, is only beginning and must not be discontinued now, if we are to have the cadre of researchers, practitioners and teachers we will need in the next few years. We cannot close the door on their aspirations.

I am sure that the Members of the House will not permit this to happen. We are all too acutely aware of the real needs of our constituents. I am convinced that the Members will authorize continued funding and that this Committee will speedily appropriate the much needed monies.

To illustrate in further detail, I enclose the results of a special questionnaire on Federal Program Expenditures, prepared for the Association of American Medical Colleges by the Office of the Vice President in Charge of Medical Affairs at Columbia University:

TABLE 1.—SUMMARY OF EFFECTS OF PROPOSED BUDGET CUTS ON GRADUATE EDUCATION PROGRAMS

| Program number and title | Year of termination[1] | Duration of training (years) | FTE participating who are supported by project funds | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | 72–73 | | 73–74 | | 74–75 | |
| | | | Fac.[2] | Trnes.[3] | Fac. | Trnes. | Fac. | Trnes. |
| BASIC SCIENCE AND NUTRITION | | | | | | | | |
| Probably to be discontinued: | | | | | | | | |
| DE 001329—Comp biological calcification | June 30, 1974 | | 1.25 | 1 | 1.25 | 2 | | |
| NS 05328—Neurophysiol-neuropharmacol graduate training | June 30, 1975 | 3 | 2.50 | 5 | 2.50 | 4 | 2.50 | 3 |
| HD 00013—Endocrinol reproduction | June 30, 1976 | 2–4 | .15 | 4 | .15 | 3 | | |
| EY 0029—Ophthal basic sciences | June 30, 1975 | 3 | .22 | 4 | .22 | 5 | | |
| GM 02042—Medical scientist training | June 30, 1974 | 6 | .77 | 21 | .77 | 28 | | |
| To be discontinued or greatly reduced in scope: | | | | | | | | |
| NS 05242 neuroanatomy training | June 30, 1977 | 1–3 | | 3 | | 3 | | 2 |
| HD 00349—Genetic control cell diff and repli | June 30, 1974 | 4 | | 7 | | 9 | | |
| GM 02084—Pathology | Dec. 31, 1975 | [4] | [4] | [4] | [4] | [4] | [4] | [4] |
| GM 02050—Pathology and pathobiology | June 30, 1974 | 4 | 1.13 | 13 | 1.13 | 13 | | |
| To be moderately or severely curtailed: | | | | | | | | |
| GM 00256 trg. anatomy | June 30, 1977 | 4 | .28 | 4 | .28 | 3–4 | | |
| GM 00255 biochemistry | June 30, 1974 | | | 23 | | 18 | | |
| AM 05168 graduate training nutrition | June 30, 1973 | 1 | 5.18 | 8 | | | | |
| AI 00364 bact. and mycol | do | 4+ | | 7 | | | | |
| GM 00438 training pharmacology | June 30, 1975 | 4.5 | .22 | 14 | .22 | 11 | | |
| GM 00257 physiol. training | June 30, 1977 | 4+ | .49 | 8 | .49 | 8 | | |
| CLINICALLY ORIENTED PROGRAMS | | | | | | | | |
| Probably to be discontinued: | | | | | | | | |
| AM 05397 endocrin and metab | June 30, 1973 | | 2.18 | 6 | | | | |
| AI 00440 clin immun | do | 2–3 | [4] | 1 | | | | |
| NS 05618–05 neurol. surg | | | .14 | 2 | | | | |
| AM 05408 orth. res. training | June 30, 1978 | 2–3 | 2.09 | 3 | | | | |
| HD 00051–Grd res trg pediatr | June 30, 1974 | 1–2 | | 4 | | 4 | | |
| HL 05389—Pediatric cardiology | June 30, 1976 | 2 | 3.25 | 2 | 3.25 | 2 | | |
| MH 06470—Clinical psychology | June 30, 1974 | 1 | 2.85 | 5 | 2.85 | 5 | | |
| MH 13043—Psychiatric epidem | June 30, 1975 | 2–2.5 | | 5 | | | | |
| NS 05298—Neuroradiology | June 30, 1977 | 2 | .35 | 2 | | 3 | | 3 |
| AM 05451—Urology | June 30, 1974 | 1 | 4.00 | 3 | | 4 | | |
| CA 05107—Cancer surg path | do | 1+ | .06 | 2 | .06 | 2 | | |
| AI 00055—Res. trop med | do | 2–3 | | 2 | | 1 | | |
| MH 12202—Psych stud mental health | June 30, 1976 | 1–2 | | 3 | | 3 | | 1 |

Footnotes at end of table.

TABLE 1.—SUMMARY OF EFFECTS OF PROPOSED BUDGET CUTS ON GRADUATE EDUCATION PROGRAMS

| Program number and title | Year of termination[1] | Duration of training (years) | FTE participating who are supported by project funds: 72–73 Fac.[2] | 72–73 Trnes.[3] | 73–74 Fac. | 73–74 Trnes. | 74–75 Fac. | 74–75 Trnes. |
|---|---|---|---|---|---|---|---|---|
| CLINICALLY ORIENTED PROGRAMS—Continued | | | | | | | | |
| To be discontinued or greatly reduced in scope: | | | | | | | | |
| MH 07715—Career trg child psychiat | June 30, 1973 | 1 | 2.88 | 6 | | 3 | | |
| AM 05231—Hematology | do | 2 | 1.71 | 6 | | | | |
| NS 05062—Neuropathology trg | do | 2-4 | .60 | 1 | | | | |
| GM 01720—Trg in surgery with basic science | do | 4 | .35 | 5 | | | | |
| To be moderately to severely curtailed: | | | | | | | | |
| GM 00056—Res Trg Anethesio | June 30, 1976 | 1–2 | 0.14 | 7 | 0.14 | 5 | | |
| CA 05011 Ca Lab and Clin Trg | June 30, 1974 | 3 | 1.47 | 7 | 1.47 | ? | | |
| HL 05443 Cardlioplum Physiolo | June 30, 1975 | 1–2 | .35 | 2 | .35 | 2 | 0.35 | 2 |
| HL 05864 Postdoc Cardiovas Trg | June 30, 1978 | 1–2 | 1.89 | 3 | 1.89 | 6 | 1.89 | 7 |
| NS 05009 Neurology Trg | June 30, 1974 | 1 | 2.10 | 3 | 2.10 | 3 | | |
| EY 00003 Ophthal Res Trg | June 30, 1975 | 3 | 1.85 | 9 | 1.85 | 8 | 1.85 | 5 |
| NS 05234 Grad Trg Otolaryng | June 30, 1976 | .5–1 | 2.83 | 1 | 2.83 | 1 | 2.83 | 1 |
| MH 06211 Psychiatr. Resid | June 30, 1974 | 3 | 8.63 | 3 | 8.63 | 3 | | |
| MH 05999 Undergrad. Psychia | June 30, 1973 | | 1.86 | 14 | | | | |
| CA 05181 Ca Radiat. Trg | June 30, 1976 | 3 | 2.00 | 5 | 2.00 | 5 | | |
| MH 08461 Psychoanalyt Trg | June 30, 1973 | ([4]) | .9 | | | | | |
| NS 05155 Child Neurol Trg | June 30, 1974 | 3 | 2.55 | 7 | 2.55 | 7 | | |

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[1] Project period approved in award.

[2] Data include only faculty members supported from grant funds; do not include supporting staff or other faculty.

[3] Includes only those supported from grant funds.

[4] Not available.

TABLE 2.—EFFECT OF PROPOSED BUDGETARY REDUCTIONS UPON SCHOOL OF NURSING

| Program | Current total level (approved funds) | Budget change | Consequences |
|---|---|---|---|
| Definitely terminated: | | | |
| Undergraduate psychiatric | $34,297 | No funds after June 30, 1973 | Loss of support for 1 faculty member, 0.5 secretary, 2 students. |
| Graduate psychiatric commun ment hx | 91,429 | do | Loss of support for 3 faculty members, 0.5 secretary, 7 students. |
| Capitation, graduate and undergraduate | 80,583 | do | Loss of support for 3 lectures in graduate psychiatric commun ment hx program and maternity nursing program; loss of support for 500 hr work by psychiatrists and sociologists in undergraduate programs on psycho-social aspects of patient care; loss of support for 5 supporting staff. |
| Scholarship assistance for undergraduates | 29,044 | do | Loss of at least 28 scholarships. |
| Traineeships (see also table 3) | 27,307 | do | Loss of 15 traineeships. |
| Funding highly doubtful: | | | |
| Revision and reorganization of undergraduate curriculum. | 1,022,500 | No funds made available as yet; approved | Loss of expanded production of nurses, especially economically disadvantaged; loss of opportunity to greatly augment teaching productivity. |
| Health professions undergraduate loans | 52,650 | | Loss of ability to provide educational loans for 61 students. |

TABLE 3.—EFFECT OF BUDGET CUTS ON SCHOOL OF PUBLIC HEALTH TRAINING PROGRAMS

| Program No. and title | Year of termination[1] | Duration of training (years) | F.T.E. participating who are supported by project funds: 71–72 Fac.[2] | 71–72 Trnes.[3] | 72–73 Fac. | 72–73 Trnes. | 73–74 Fac. | 73–74 Trnes. | 74–75 Fac. | 74–75 Trnes. |
|---|---|---|---|---|---|---|---|---|---|---|
| PROGRAMS PROBABLY TO BE DISCONTINUED | | | | | | | | | | |
| MH 05878 grad cont. ed pub hx ment hx | June 30, 1974 | NA | 1.15 | NA | 1.15 | NA | | | | |
| MH 11077 commun and soc psychiat and ment hx | June 30, 1975 | 2 | 5.20 | 17 | 5.20 | 16 | 5.20 | 13 | 5.20 | 11 |
| MH 11044 psychiat-GP residency | do | 2-5 | NA | | NA | | NA | | NA | |
| HD 00322 epidem ment retard | June 30, 1974 | 2–4 | 5.85 | 6 | 5.85 | 6 | 5.85 | 7 | | |
| PROGRAMS TO BE CURTAILED | | | | | | | | | | |
| HS 00032 socio-med res training | June 30, 1975 | 5 | 1.42 | 12 | 1.42 | 12 | 1.42 | 12 | 1.42 | 12 |
| DH 02011 socio-dent res trng | June 30, 1974 | 5 | .60 | 10 | .60 | 10 | .60 | 9 | | |
| AH 01198 environ qual mngmt-fac support | June 30, 1973 | 2 | .80 | NA | .80 | NA | | | | |
| Environ qual mgmnt-stipends | Pending | | | | | | | | | |
| AH 721 training med care admis | Dec. 31, 1973 | NA | 5.18 | NA | 5.18 | NA | | | | |
| MCH 125 matern and child hx training | June 30, 1974 | NA | .88 | NA | .88 | NA | .88 | NA | | |
| CP T 000006–04–0 comp hx planning | June 30, 1973 | 1–2 | 1.0 | 12 | 1.0 | 15 | | | | |
| AH 00003 provis pub hx trg | do | NA | 11.85 | NA | 11.85 | NA | | | | |
| NU 00052 prof nurse traineeship | Aug. 31, 1973 | [4] 1–2 | NA | 4 | NA | 4 | | | | |
| AH 00501 gen purpose traineeship | do | [4] 1–2 | NA | 20 | NA | 26 | | | | |
| AH 00001 spec. purp traineeship | June 30, 1973 | 2 | NA | 25 | NA | 30 | | | | |

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[1] Project period approved in award.

[2] In FTE data include only faculty members supported from grant funds; do not include supporting staff or other faculty.

[3] Includes only those supported from grant funds.

[4] 2-year program pending.

### COLUMBIA UNIVERSITY COLLEGE OF PHYSICIANS AND SURGEONS AND SCHOOL OF DENTAL AND ORAL SURGERY

### SUMMARY: PROJECTED PROGRAM EXPENDITURES AND INCOME SOURCES

| Expenditures and income sources | Fiscal year 1972 actual | Fiscal year 1973 | | Fiscal year 1974 | |
|---|---|---|---|---|---|
| | | Original estimate | Present estimate | Original estimate | Present estimate |
| FROM QUESTIONNAIRE | | | | | |
| 1. Federally sponsored programs | 25,514,543 | 29,220,716 | 27,083,019 | 29,075,486 | 21,733,990 |
| 2. Regular research grants (sum of line 1 pages 1 to 17) | 12,347,997 | 13,331,118 | 12,199,436 | 13,639,679 | 11,190,390 |
| 3. Research contracts (sum of line 5 pages 1 to 17) | 3,174,907 | 3,475,022 | 3,680,500 | 3,817,833 | 3,396,490 |
| 4. Research training grants (sum of line 1 pages 18 to 34) | 6,030,392 | 5,839,676 | 5,216,700 | 5,916,984 | 2,798,100 |
| 5. Fellowships (sum of line 7 pages 18 to 34) | 312,022 | 330,050 | 306,622 | 339,000 | 126,100 |
| 6. Career awards (sum of line 10 pages 18 to 34) | 456,644 | 603,753 | 603,633 | 622,267 | 448,640 |
| 7. Capitation grants (line 1 page 35) | 452,402 | 1,576,910 | 1,576,910 | 1,636,082 | 1,425,150 |
| 8. Special project grants (line 6 page 35) | | | | | |
| 9. General research support grants (line 1 page 36) | 560,358 | 682,160 | 233,866 | 597,836 | 144,000 |
| 10. Resource center grants (line 2 page 36) | 1,537,176 | 2,784,277 | 2,784,227 | 2,505,805 | 2,205,100 |
| 11. Other special grants (line 3 page 36) | | | | | |
| 12. Regional medical program (line 1 page 37) | 642,655 | 597,800 | 481,125 | | |
| 13. Medical Service grants and contracts: | | | | | |
| 14. State and local (line 6 page 37) | 18,392,285 | 19,157,234 | 19,143,185 | 20,832,683 | 20,801,630 |
| 15. Other (line 11 page 37) | 628,119 | 323,804 | 320,815 | 256,021 | 213,330 |
| EXPENDITURES—OTHER INCOME | | | | | |
| 16. State and local government appropriation | 1,447,633 | 1,535,450 | 1,535,450 | 1,610,300 | 1,610,300 |
| 17. Sponsored research non-Federal | 6,389,541 | 6,500,000 | 6,767,434 | 6,500,000 | 7,127,400 |
| 18. Sponsored teaching and training non-Federal | 451,297 | 450,000 | 487,634 | 450,000 | 493,300 |
| 19. Student tuition and fees | 3,327,682 | 3,593,897 | 3,593,897 | 3,809,530 | 3,390,000 |
| 20. Medical service plan income | 1,261,071 | 1,300,000 | 1,347,622 | 1,500,000 | 1,750,000 |
| 21. Endowment income | 2,370,996 | 2,500,000 | 2,674,387 | 2,600,000 | 2,947,300 |
| 22. Gifts | 462,447 | 500,000 | 687,774 | 500,000 | 727,800 |
| 23. Other income | 4,099,636 | 4,130,000 | 4,186,745 | 4,200,000 | 4,864,500 |
| 24. Federal | | | | | |
| 25. State and local | 1,048,028 | 1,050,000 | 1,087,344 | 1,100,000 | 1,217,600 |
| 26. Other | 176,027 | 180,000 | 189,374 | 190,000 | 203,400 |